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HOUSE OF REPRESENTATIVES—*Thursday, February 6, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward D. Latch, D.D., offered the following prayer:

There is treasure to be desired and oil in the dwelling of the wise; but a foolish man spendeth it up.—Proverbs 21: 20.

Eternal God, at the beginning of a new day we pause a moment to lift our hearts unto Thee. Thou art the sustainer of our lives, the light of all that is true, the strength of all that is good, and the glory of all that is beautiful.

May Thy presence be with us and Thy spirit support us as we seek to walk in the ways of Thy Word and to keep Thy wholesome commandments.

In all our efforts for the good of our Nation may we spread the oil of truth and justice, good will, and brotherhood throughout our world.

Grant unto our President, our Speaker, and Members of Congress moral and spiritual power as they respond to the task of leading our Nation into the brightness of a better day and our world into the glory of a greater era.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1589. An act to suspend increases in the costs of coupons to food stamp recipients as a result of recent administrative actions.

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 58. An act relating to the compensation and other emoluments attached to the Office of the Attorney General; and

S.J. Res. 27. Joint resolution to amend the Defense Production Act of 1950.

The message also announced that the Vice President, pursuant to title 46, section 1126(c) of the United States Code, appointed Mr. FORD as a member, on the part of the Senate, of the Board of Visitors to the U.S. Merchant Marine Academy; and the chairman of the Committee on Commerce, pursuant to law, appointed Mr. LONG and Mr. BEALL as members, on the part of the Senate, of the same Board of Visitors.

The message also announced that the Presiding Officer announced the appointment by the minority leader of the Senate, pursuant to Public Law 93–379, of Marion Edwyn Harrison to the District of Columbia Law Revision Commission.

The message also announced that the Vice President, pursuant to Public Law 81–774, appointed Mr. BROOKE as a member, on the part of the Senate, of the Joint Committee on Defense Production.

The message also announced that the Vice President, pursuant to Public Law 77–250 and on the recommendation of the chairman of the Committee on Finance, appointed Mr. CURTIS as a member, on the part of the Senate, to the Joint Committee on Reduction of Federal Expenditures.

The message also announced that the Vice President, pursuant to Public Law 83–591, appointed Mr. FANNIN as a member, on the part of the Senate, of the Joint Committee on Internal Revenue Taxation.

The message also announced that the Vice President, pursuant to Public Law 91–452, appointed Mr. BEALL as a member, on the part of the Senate, of the Commission on the Review of the National Policy Toward Gambling.

INCENTIVES MUST BE PROVIDED IF NATION IS TO MEET OIL AND GAS NEEDS

(Mr. MAHON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAHON. Mr. Speaker, the Independent Petroleum Association of America has been holding its annual meeting in Washington this week. These independent operators from across the Nation are seeking better identity among Members of Congress and the people generally. They are not the big multinational companies; they are independent operators who spend their time and money seeking to discover and produce more oil and gas.

I am advised that 88 percent of the exploratory oil and gas wells drilled last year were drilled by independent operators. Traditionally, the independents drill about 75 percent of the exploratory wells.

There can be no successful effort to make this country less dependent upon the importation of foreign oil without massive participation of the independent oil operators of the United States. To have massive participation there must be adequate incentives available to the independent oil operators who explore for oil and gas. They are absolutely essential if we are to extricate ourselves from the intolerable energy situation which confronts the Nation at this time.

This morning at a meeting of a representative group of independent operators I listened, along with many of my colleagues, to a discussion of the problem by C. John Miller, of Michigan, president of the Independent Petroleum Association of America—the IPAA.

Mr. Speaker, we must not enact legislation which would make it impossible for the independent oil operators to lead the way toward finding the domestic sources of oil and gas which this Nation must have if we are to assure the economic health and the security of the Nation.

PUBLICATION OF RULES OF COMMITTEE ON APPROPRIATIONS

Mr. MAHON. Mr. Speaker, pursuant to and in accordance with rule XI, clause 2(a)(3) of the Rules of the House of Representatives, I submit for publication in the CONGRESSIONAL RECORD a copy of the rules of the Committee on Appropriations as approved by the Committee on January 28, 1975:

COMMITTEE ON APPROPRIATIONS—COMMITTEE RULES

(Adopted for the 94th Congress on January 28, 1975)

Resolved, That the rules and practices of the Committee on Appropriations, House of Representatives, in the Ninety-third Congress, except as otherwise provided hereinafter, shall be, and are hereby adopted as the rules and practices of the Committee on Appropriations in the Ninety-fourth Congress:

The foregoing resolution adopts the following rules:

Sec. 1: Power to Sit and Act

For the purpose of carrying out any of its functions and duties under Rules X and XI of the Rules of the House of Representatives, the Committee or any of its subcommittees is authorized:

(a) To sit and act at such times and places within the United States whether the House is in session, has recessed, or has adjourned, and to hold such hearings; and

(b) To require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, reports, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman or any Member designated by the Chairman, may administer oaths to any witness. A subpoena may be issued by the Committee or its subcommittees under this subparagraph in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee, and authorized subpoenas shall be signed by the Chairman or by any Member designated by the Committee.

(c) Compliance with any subpoena issued by the Committee or its subcommittees may be enforced only as authorized or directed by the House.

Sec. 2: Subcommittees

(a) The Majority Caucus of the Committee shall establish the number of subcommittees and shall determine the jurisdiction of each subcommittee.

(b) Each subcommittee is authorized to meet, hold hearings, receive evidence and report to the Committee all matters referred to it.

(c) All legislation and other matters referred to the Committee' shall be referred to the subcommittee of appropriate jurisdiction within two weeks unless, by majority vote of the Majority Members of the full Committee, consideration is to be by the full Committee.

(d) The Majority Caucus of the Committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee. The Chairman is authorized to negotiate that ratio with the Minority. Provided, however, that party representation in each subcommittee, including ex-officio members, shall be no less favorable to the Majority than the ratio for the full Committee.

(e) The Chairman is authorized to sit as a member of any subcommittee and to participate in its work.

Sec. 3: Committee Staff

(a) The Chairman is authorized to appoint the staff of the Committee, and make adjustments in the job titles and compensation thereof subject to the maximum rate established in Clause 6(c) of Rule XI of the Rules of the House of Representatives. In addition he is authorized, in his discretion, to arrange for their specialized training. The Chairman is also authorized to employ additional personnel as necessary.

(b) The chairman of each subcommittee may select and designate a staff member who shall serve at the pleasure of the subcommittee chairman. Such selection shall be subject to the approval of a majority of the Majority Members of the full Committee. Such staff member shall be compensated at a rate, determined by the subcommittee chairman not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives; Provided, That no Member shall appoint more than one person pursuant to these provisions.

(c) The ranking minority member of each subcommittee may select and designate a staff member who shall serve at the pleasure of the ranking minority member. Such staff member shall be compensated at a rate, determined by the subcommittee chairman not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives or the rate paid the staff member appointed pursuant to subparagraph (b) of this section; Provided, That no Member shall appoint more than one person pursuant to these provisions.

(d) The Chairman, and the Ranking Minority Member with the approval of the Chairman, may each select and designate a staff member at an annual gross salary of not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives, and may each select and designate one additional staff member.

Sec. 4: Committee Meetings

(a) Regular Meeting Day—The regular meeting day of the Committee shall be the first Wednesday of each month while the House is in session, unless the Committee has met within the past 30 days or the Chairman considers a specific meeting unnecessary in the light of the requirements of the Committee business schedule.

(b) Additional and Special Meetings:

(1) The Chairman may call and convene, as he considers necessary additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other Committee business. The committee shall meet for such purpose pursuant to that call of the Chairman.

(2) If at least three Committee Members desire that a special meeting of the Committee be called by the Chairman, those Members may file in the Committee Offices a written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Upon the filing of the request, the Committee Clerk shall notify the Chairman.

(3) If within three calendar days after the filing of the request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the Committee Members may file in the Committee Offices their written notice that a special meeting will be held, specifying the date and hour of, and the measure or matter to be considered. The Committee shall meet on that date and hour.

(4) Immediately upon the filing of the notice, the Committee Clerk shall notify all Committee Members that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered. Only the measure or matter specified in that notice may be considered at the special meeting.

(c) Ranking Majority Member to Preside in Absence of Chairman—If the Chairman is not present at any meeting of the Committee, the Ranking Majority Member on the Committee who is present shall preside.

(d) Business Meetings:

(1) Each meeting for the transaction of business, including the markup of legislation, of the Committee and its subcommittees shall be open to the public except when the Committee or its subcommittees, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed.

(2) No person other than Committee Members and such congressional staff and departmental representatives as they may authorize shall be present at any business or markup session which has been closed.

(3) The provisions of this subparagraph do not apply to open hearings of the Committee or its subcommittees which are provided for in Section 5(b)(1) of these Rules or to any meeting of the Committee relating solely to internal budget or personnel matters.

(e) Committee Records:

(1) The Committee shall keep a complete record of all Committee action including a record of the votes on any question on which a rollcall is demanded. The result of each rollcall vote shall be available for inspection by the public during regular business hours in the Committee Offices. The information made available for public inspection shall include a description of the amendment, motion, or other proposition and the name of each Member voting for and each Member voting against, and the names of those Members present but not voting.

(2) All hearings, records, data, charts, and files of the Committee shall be kept separate and distinct from the congressional office records of the Chairman of the Committee. Such records shall be the property of the House and all Members of the House shall have access thereto.

Sec. 5: Committee and Subcommittee Hearings.

(a) Overall Budget Hearings—Overall budget hearings by the Committee, including the hearings required by Sec. 242(c) of the Legislative Reorganization Act of 1970 and Clause 4(a)(1) of Rule X of the Rules of the House of Representatives shall be conducted in open session except when the Committee in open session and with a quorum present, determines by rollcall vote that the testimony to be taken at that hearing on that day may be related to a matter of national security; except that the Committee may by the same procedure close one subsequent day of hearing. A transcript of all such hearings shall be printed and a copy furnished to each Member, Delegate and the Resident Commissioner from Puerto Rico.

(b) Other Hearings:

(1) All other hearings conducted by the Committee or its subcommittees shall be open to the public except when the Committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives; except that the Committee or its subcommittees may by the same procedure vote to close one subsequent day of hearing.

(2) Subcommittee chairmen shall set meeting dates after consultation with the Chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of Committee and subcommittee meetings or hearings.

(3) Each witness who is to appear before the Committee or any of its subcommittees as the case may be, insofar as is practicable, shall file in advance of his appearance a written statement of the proposed testimony and shall limit the oral presentation at such appearance to a brief summary; except that this provision shall not apply to any witness appearing before the Committee in the overall budget hearings.

(c) Quorum for Taking Testimony—The number of Members of the Committee which shall constitute a quorum for taking testimony and receiving evidence in any hearing of the Committee shall be two.

(d) Calling and Interrogation of Witnesses:

(1) The Minority Members of the Committee or its subcommittees shall be entitled, upon request to the Chairman or subcommittee chairman, by a majority of them before completion of any hearing, to call witnesses selected by the Minority to testify with respect to the matter under consideration during at least one day of hearings thereon.

(2) The Committee and its subcommittees shall observe the five minute rule during the interrogation of witnesses until such time as each Member of the Committee or subcommittee who so desires has had an opportunity to question the witness.

(e) Broadcasting and Photographing of Committee Meetings and Hearings:

(1) The Chairman is authorized to determine the extent and nature of broadcasting

and photographic coverage for the overall budget hearing and full Committee meetings and hearings, subject to the guidelines for such coverage set forth in Sec. 116(b) of the Legislative Reorganization Act of 1970 and Clause 3(f) of Rule XI of the Rules of the House of Representatives.

(2) Unless approved by the Chairman and concurred in by a majority of the subcommittee, no subcommittee hearings or meetings shall be broadcast by radio or television.

(3) Unless approved by the subcommittee chairman and concurred in by a majority of the subcommittee, no subcommittee hearing or meeting or subcommittee room shall be photographed.

(4) Broadcasting and photographic coverage of subcommittee hearings and meetings authorized under the provisions of (2) and (3) above shall be subject to the guidelines for such coverage set forth in Clause 3(f) of Rule XI of the Rules of the House of Representatives.

(f) Subcommittee Meetings—No subcommittee shall sit while the House is reading an appropriation measure for amendment under the five-minute rule or while the Committee is in session.

(g) Public Notice of Committee Hearings—The Chairman is authorized and directed to make public announcements of the date, place and subject matter of Committee and subcommittee hearings at least one week before the commencement of such hearings. If the Committee or any of its subcommittees as the case may be, determines that there is good cause to begin a hearing sooner, the Chairman is authorized and directed to make the announcement at the earliest possible date.

Sec. 6: Procedures for Reporting Bills and Resolutions

(a) Prompt Reporting Requirement:

(1) It shall be the duty of the Chairman, except as provided in subparagraph (3) herein, to report or cause to be reported promptly to the House any bill or resolution approved by the Committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, a report on a bill or resolution which the Committee has approved shall be filed within seven calendar days (exclusive of days in which the House is not in session) after the day on which there has been filed with the Committee Clerk a written request, signed by a majority of Committee Members, for the reporting of such bill or resolution. Upon the filing of any such request, the Committee Clerk shall notify the Chairman immediately of the filing of the request. This subparagraph does not apply to the reporting of a regular appropriation bill prior to compliance with subparagraph (3) herein or to the reporting of a resolution of inquiry addressed to the head of an executive department.

(3) Before reporting the first regular appropriation bill for each fiscal year, the Committee shall, to the extent practicable and in accordance with Sec. 307 of the Congressional Budget Act of 1974, complete subcommittee markup and full Committee action on all regular appropriation bills for that year and submit to the House a report comparing the Committee's recommendations with the appropriate levels of budget outlays and new budget authority as set forth in the most recently agreed to concurrent resolution on the budget for that year; Provided, That this provision shall be applicable to fiscal year 1977 and succeeding fiscal years unless the House and Senate Budget Committees both agree that Sec. 307 of the Congressional Budget Act of 1974 shall apply to fiscal year 1976.

(b) Presence of Committee Majority—No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present.

(c) Rollcall Votes—With respect to each rollcall vote on a motion to report any bill or resolution, the total number of votes cast for, and the total number of votes cast against, the reporting of such a bill or resolution shall be included in the Committee report.

(d) Compliance with Congressional Budget Act—A Committee report on a bill or resolution which has been approved by the Committee shall include the statement required by Sec. 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the bill or resolution provides new budgetary authority; Provided, That this provision shall be applicable to fiscal year 1977 and succeeding fiscal years unless the House and Senate Budget Committees both agree that Sec. 308(a) of the Congressional Budget Act of 1974 shall apply to fiscal year 1976.

(e) Inflationary Impact Statement—Each Committee report on a bill or resolution reported by the Committee shall contain a detailed analytical statement as to whether the enactment of such bill or resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(f) Changes in Existing Law—Each Committee report on a general appropriation bill shall contain a concise statement describing fully the effect of any provision of the bill which directly or indirectly changes the application of existing law.

(g) Rescissions and Transfers—Each bill or resolution reported by the Committee shall include separate headings for rescissions and transfers of unexpended balances with all proposed rescissions and transfers listed therein. The report of the Committee accompanying such a bill or resolution shall include a separate section with respect to such rescissions or transfers.

(h) Supplemental or Minority Views:

(1) If, at the time the Committee approves any measure or matter, any Committee Member gives notice of his intention to file supplemental, minority or additional views, he shall be entitled to not less than three calendar days (excluding Saturdays, Sundays and legal holidays) in which to file such views in writing and signed by him, with the Clerk of the Committee. All such views so filed shall be included in and shall be a part of the report filed by the Committee with respect to that measure or matter.

(2) The Committee report on that measure shall be printed in a single volume which—

(i) shall include all supplemental, minority or additional views which have been submitted by the time of the filing of the report, and

(ii) shall have on its cover a recital that any such supplemental, minority or additional views are included as part of the report.

(3) Subparagraph (h)(1) of this section, above, does not preclude—

(i) the immediate filing or printing of a Committee report unless timely request for the opportunity to file supplemental, minority or additional views has been made as provided by such subparagraph; or

(ii) the filing by the Committee of a supplemental report on a measure or matter which may be required for correction of any technical error in a previous report made by the Committee on that measure or matter.

(4) If, at the time a subcommittee approves any measure or matter for recommendation to the full Committee, any Member of that subcommittee gives notice of his intention to offer supplemental, minority or additional views, he shall be entitled, insofar as is practicable and in accordance with the printing requirements as determined by the subcommittee, to include such views in the Committee Print with respect to that measure or matter.

(i) *Availability of Reports*—A copy of the bill and report on each general appropriation bill shall be made available to each Member of the Committee at least 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in advance of the date on which the Committee is to consider each such bill and report.

Sec. 7: Voting

(a) No vote by any Member of the Committee or any of its subcommittees with respect to any measure or matter may be cast by proxy.

(b) The vote on any question before the Committee shall be taken by the yeas and nays on the demand of one fifth of the members present.

Sec. 8: Studies and Examinations

The following procedure shall be applicable with respect to the conduct of studies and examinations of the organization and operation of Executive Agencies under authority contained in Sec. 202(b) of the Legislative Reorganization Act of 1946 and in Clause 2(b)(3) of Rule X, of the Rules of the House of Representatives.

(a) The Chairman is authorized to appoint such staff and, in his discretion, arrange for the procurement of temporary services of consultants, as from time to time may be required.

(b) Studies and examinations will be initiated upon the written request of a subcommittee which shall be reasonably specific and definite in character, and shall be initiated only by a majority vote of the subcommittee, with the chairman of the subcommittee and the ranking minority member thereof participating as part of such majority vote. When so initiated such request shall be filed with the Clerk of the Committee for submission to the Chairman and the Ranking Minority Member and their approval shall be required to make the same effective. Notwithstanding any action taken on such request by the chairman and ranking minority member of the subcommittee, request may be approved by a majority of the Committee.

(c) Any request approved as provided under paragraph (b) shall be immediately turned over to the staff appointed for action.

(d) Any information obtained by such staff shall be reported to the chairman of the subcommittee requesting such study and examination and to the Chairman and Ranking Minority Member, shall be made available to the members of the subcommittee concerned, and shall not be released for publication until the subcommittee so determines.

(e) Any hearings or investigations which may be desired, aside from the regular hearings on appropriation items, when approved by the Committee, shall be conducted by the subcommittee having jurisdiction over the matter.

Sec. 9: Official Travel

(a) The chairman of a subcommittee shall approve requests for travel by subcommittee members and staff for official business within the jurisdiction of that subcommittee. The ranking minority member of a subcommittee shall concur in such travel requests by minority members of that subcommittee and the Ranking Minority Member shall concur in such travel requests for Minority Members of the Committee. Requests in writing covering the purpose, itinerary, and dates of proposed travel shall be submitted for final approval to the Chairman. Specific approval shall be required for each and every trip.

(b) The Chairman is authorized during the recess of the Congress to approve travel authorizations for Committee Members and staff, including travel outside the United States.

(c) As soon as practicable the Chairman shall direct the head of each government agency concerned not to honor requests of subcommittee, individual Members, or staff for travel, the direct or indirect expenses of which are to be defrayed from an executive appropriation, except upon request from the Chairman.

(d) In accordance with Clause 2(n) of Rule XI of the Rules of the House of Representatives, local currencies owned by the United States shall be available to Committee Members and staff engaged in carrying out their official duties outside the United States. No appropriated funds shall be expended for the purpose of defraying expenses of Committee Members or staff in any country where local currencies are available for this purpose. No Committee Member or staff member shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law.

(e) Travel Reports:

(1) Members of staff shall make a report to the Chairman on their travel covering the purpose, results, itinerary, expenses, and other pertinent comments.

(2) With respect to foreign travel the report shall also include the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation and the identification of the agency. Such section of the report concerning foreign travel shall be filed by the Chairman with the Committee on House Administration.

(3) Each Member or employee performing such travel shall be solely responsible for supporting the amounts reported by him.

(4) No report or statement as to any trip shall be publicized making any recommendations in behalf of the Committee without the authorization of a majority of the Committee.

(f) Members and staff of the Committee performing authorized travel on official business pertaining to the jurisdiction of the Committee shall be governed by applicable laws or regulations of the House and of the Committee on House Administration pertaining to such travel, as promulgated from time to time by the Chairman.

HOW TO SAVE TAXPAYERS ABOUT $200 MILLION A YEAR

(Mr. MOTTL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOTTL. Mr. Speaker, I am a freshman Representative making my first speech from the floor of this House.

I hope this will be a profitable minute for the American people.

If President Ford and his administration would adopt my suggestion, they would immediately save our taxpayers about $200 million a year.

The public loses this sum every year, because Uncle Sam foolishly keeps an average of $4 billion on deposit in commercial banks throughout the Nation—on deposit in noninterest bearing accounts.

Any businessman who did that would be denounced by his stockholders and associate and immediately replaced. Almost anyone—except Uncle Sam—would put such a sum to work earning interest.

Think of all the things that $200 million could buy—the expenses of Government which it could pay for—the sweat and labor it takes to pay that much in taxes.

I appeal to President Ford and Secretary of the Treasury Simon to immediately issue an Executive order directing that Uncle Sam deposit that $4 billion in idle cash only in banks which will pay the same interest on it that would be received by any ordinary businessman.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. MOTTL. I am happy to yield to the gentleman from West Virginia

Mr. HECHLER of West Virginia. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Ohio (Mr. MOTTL), and commend the gentleman for his suggestion. I hope that such an Executive order will be issued, or that appropriate legislation is passed to accomplish the objective he seeks.

Mr. MOTTL. I thank the gentleman from West Virginia.

PUBLICATION OF RULES OF COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Mr. FLYNT. Mr. Speaker, pursuant to rule XI, clause 2(a)(3) of the Rules of the House, I submit for publication in the RECORD the rules adopted today by the Committee on Standards of Official Conduct for the 94th Congress:

RULES—COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT, U.S. HOUSE OF REPRESENTATIVES, 94TH CONGRESS, ADOPTED FEBRUARY 6, 1975

Resolved, That the Committee on Standards of Official Conduct adopt, in addition to the applicable Rules of the House of Representatives, the following rules of procedure:

Rule 1. *Meetings.* (a) The regular meeting day of the Committee shall be the second Wednesday of each month, except when the House is not meeting on that day. A regularly scheduled meeting need not be held when the Chairman determines there is no business to be considered.

(b) Insofar as practicable, notice will be provided seven days in advance of meetings. However, the Chairman is authorized to waive such time period at his discretion, for good cause.

Rule 2. *Quorums.* Two members of the Committee shall constitute a quorum for taking testimony and receiving evidence.

Rule 3. *Subcommittees.* (a) The Chairman may establish subcommittees and may assign to them such functions as he may deem advisable. The membership of each subcommittee shall provide equal representation for the majority and minority parties. The Chairman may refer any bill, resolution, or other matter before the Committee to an appropriate subcommittee for consideration or investigation and may recall any such bill, resolution, or other matter from the subcommittee to which it was referred.

(b) The Chairman and the ranking minority member of the Committee shall be ex officio members of each subcommittee and may vote on any subcommittee action.

(c) Any member of the Committee may sit with any subcommittee, but only regular members of the subcommittee, the Chairman and the ranking minority member of the Committee may vote on any matter before the subcommittee.

(d) So far as applicable, the Rules of the House of Representatives and the Rules of the Committee on Standards of Official Conduct shall be the rules of each subcommittee, but each subcommittee may prescribe additional rules not inconsistent therewith.

Rule 4. *Witnesses.* (a) A subpena to a witness shall be served sufficiently in advance of his scheduled appearance to allow him a reasonable period of time, as determined by the Committee, to prepare for the hearing and to employ counsel should he so desire.

(b) Except as otherwise specifically authorized by the Chairman, no member of the Committee or staff shall make public the name of any witness subpenaed by the Committee before the date of his scheduled appearance.

(c) Each witness subpenaed by the Committee may sign appropriate vouchers for travel allowances and attendance fees, which may be obtained from the Committee staff.

(d) The Chairman may permit any individual whose official conduct is under investigation by the Committee to examine or cross-examine, with the assistance of his counsel, other witnesses appearing before the Committee in the course of such investigation.

(e) Except as provided in clause (d) of this Rule, interrogation of witnesses before the Committee may be conducted on behalf of the Committee only by members of the Committee and authorized Committee staff members.

(f) The Chairman shall rule upon any question of admissibility of testimony or evidence presented before the Committee. His ruling shall be final unless reversed by a vote of not less than seven members of the Committee.

Rule 5. *Changing the Rules.* The Rules of the Committee on Standards of Official Conduct may be modified, amended, or repealed, by a majority vote of the Committee, provided that prior written notice of the proposed change has been provided each member of the Committee.

Rule 6. *Distribution of Rules.* Each witness appearing before the Committee shall be furnished a printed copy of the Rules of the Committee and the pertinent provisions of the Rules of the House applicable to the rights of witnesses.

PUBLICATION OF RULES OF THE COMMITTEE ON ARMED SERVICES

Mr. PRICE. Mr. Speaker, in accordance with clause 2(a)(3) of rule XI of the Rules of the House of Representatives, I submit herewith for publication in the RECORD the rules of the Committee on Armed Services which were adopted by the committee in open session on Tuesday, February 4, 1975:

RULES FOR THE COMMITTEE ON ARMED SERVICES FOR THE 94TH CONGRESS

1. The Committee on Armed Services will meet every Tuesday at 10:00 a.m., and at such other times as may be fixed by the Chairman or by the written request of a majority of the members of the committee, in accordance with House Rule XI, Clause (c).

A Tuesday meeting of the committee may dispensed with by the Chairman, but such action may be reversed by a written request of a majority of the members.

2. No general proxies may be used for any purpose. A member may vote by special proxy, which must be in writing, shall assert that the member is absent on official business or is otherwise unable to be present at the meeting of the committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date

and time of day that the proxy is signed. Proxies may not be counted for a quorum. A proxy may be used in subcommittee or full committee. All proxies must be filed with the committee counsel and be available for inspection at any time.

3. No measure or recommendation shall be reported or tabled by the committee unless a majority of the committee is actually present.

4. A rollcall of the members may be had upon the request of five or more members present or, in the case of subcommittees, on the request of one-fifth of a quorum.

5. (a) The Committee on Armed Services of the House of Representatives shall be organized to consist of the following six standing legislative subcommittees:

"The Research and Development Subcommittee" which shall have legislative jurisdiction over the following subject matter: annual authorization for research and development; airlift; and related legislative oversight.

"The Seapower and Strategic and Critical Materials Subcommittee" which shall have legislative jurisdiction over the following subject matter: procurement and construction of naval vessels; sealift; antisubmarine warfare; disposal of naval vessels; strategic and critical materials necessary for the national defense; and related legislative oversight.

"The Military Compensation Subcommittee" which shall have legislative jurisdiction over the following subject matter: pay and allowances; recruiting; promotion; retirement; and related legislative oversight.

"The Military Installations and Facilities Subcommittee" which shall have legislative jurisdiction over the following subject matter: military construction; real estate acquisitions and disposals; housing and support facilities; base closures; real estate generally; and related legislative oversight.

"The Military Personnel Subcommittee" over the following subject matter: active which shall have legislative jurisdiction duty and reserve training; authorized strengths; Reserve Officers' Training Corps; human relations; academies; medical care; and related legislative oversight.

"The Investigations Subcommittee" which shall have legislative jurisdiction over naval petroleum reserves and legislative matters not specifically reserved or assigned to other subcommittees or the full committee and all related legislative oversight.

(b) The Chairman shall refer legislation and other matters to the subcommittee of appropriate jurisdiction within two weeks unless, by a majority vote of the members of the full committee, consideration is to be by the full committee.

(c) The Chairman of the full committee, at such time and for such purposes as he may deem advisable in the interest of committee business, is authorized to appoint additional special subcommittees for the purpose of investigating specific matters within committee jurisdiction. The establishment of such special subcommittees, including the mission of the subcommittee and its membership, shall require approval of the full committee.

(d) The Chairman of the full committee, with approval of the full committee, a quorum being present, shall have authority to discharge a subcommittee from consideration of any bill, resolution, or other matter referred thereto and have such measure or matter considered by the full committee.

(e) A majority vote of a quorum of a subcommittee shall be required to report a bill, resolution, or other matter to the full committee or to table any such measure or matter in the subcommittee.

(f) The full committee, and all subcommittees, may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Any such subpoena may be issued by the committee, or subcommittee, in the conduct of an investigation or activity or a series of investigations or activities, only when authorized by a majority of the members of the full committee, and authorized subpoenas shall be signed by the Chairman of the committee or by any member designated by the committee.

(g) Chairmen of standing subcommittees who sit on a second subcommittee shall rank behind other members serving on that subcommittee as their primary subcommittee assignment.

6. Reports and recommendations of a subcommittee shall not be considered by the full committee until after the intervention of three calendar days from the time the report is approved by the subcommittee and printed hearings thereon are available to the members, except that this rule may be waived by a two-thirds vote of a quorum of the committee.

7. Bills shall be taken up for hearing only when called by the Chairman of the full committee or subcommittee, or by a majority vote of a quorum of the full committee or a subcommittee. A majority of the full committee or subcommittee shall constitute a quorum for purposes of taking final action on legislation or other matters. However, a quorum for the purpose of taking testimony and receiving evidence by either the full committee or any subcommittee shall be not less than two.

8. Any prepared statement to be presented by a witness to the committee or a subcommittee shall be submitted to the committee at least 48 hours in advance of presentation and shall be distributed to all members of the committee or subcommittee at least 24 hours in advance of delivery. If a prepared statement contains security information bearing a classification of secret or higher, the statement shall be made available in the committee room to all members of the committee at least 24 hours in advance of delivery; however, no such statement shall be removed from the offices. The requirements of this rule may be waived upon a majority vote of the full committee or any subcommittee, a quorum being present.

All national security information bearing a classification of secret or higher which has been received by the committee or a subcommittee of the Committee on Armed Services shall be deemed to have been received by the committee in executive session and shall be given appropriate safekeeping.

The Chairman of the full committee shall, with the approval of the full committee, establish such procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received by the committee classified as secret or higher. Such procedures shall, however, ensure access to this information by any member of the committee or any other member of the House of Representatives who has requested the opportunity to review such material.

9. When a witness is before the committee, members of the committee may put questions to the witness only when they have been recognized by the Chairman for that purpose.

10. Members of the committee who so desire shall have not to exceed five minutes to interrogate each witness until such time as each member has had an opportunity to interrogate such witness; thereafter, additional time for questioning witnesses by members is discretionary with the Chairman.

11. Questions put to witnesses before the committee shall be pertinent to the bill or other subject matter that may be before the committee for consideration.

12. The time any one member under consideration by the committee shall not exceed five minutes, and then only when he has been recognized by the Chairman, except that this time limit may be exceeded by unanimous consent. Any member, upon request, shall be recognized for not to exceed five minutes to address the committee on behalf of an amendment which he has offered to any pending bill or resolution.

13. No private bill will be reported by the committee if there are two or more dissenting votes. Private bills so rejected by the committee will not be reconsidered during the same Congress unless new evidence to justify a new hearing has been presented to the Congress.

14. (a) Each committee or subcommittee meeting for the transaction of business, including the markup of legislation, shall be open to the public except when the committee or subcommittee, in open session and with a quorum being present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* that no person other than members of the committee and/subcommittee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public.

(b) Each hearing conducted by the full committee or the subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* that the full committee or the subcommittee may by the same procedure vote to close one subsequent day of hearing.

(c) The full committee and each subcommittee shall make public announcement of the date, place and subject matter of the full committee or subcommittee hearing at least one week before the commencement of the hearing. However, if the Chairman of the full committee or subcommittee determines that there is good cause to begin the hearing sooner, he or she shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly published in the Daily Digest.

(d) The full committee and each subcommittee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of his or her argument.

(e) No point of order shall lie with respect to any measure reported by the full committee or any subcommittee on the ground that hearings on such measure were not conducted in accordance with the provisions of Committee Rule 15; except that a point of order on that ground may be made by any member of the full committee or subcommittee which reported the measure if, in the full committee or subcommittee, such point of order was (A) timely made and (B) improperly overruled or not properly considered.

15. If, at any time of approval of any measure or matter by the committee, any member of the committee gives timely notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with

the chief counsel of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter.

16. The result of each rollcall in any meeting of the committee shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting. With respect to each record vote by the committee on each motion to report any bill or resolution of public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

17. The attendance records of members at committee meetings (including subcommittee meetings) shall be available for public inspection in the offices of the committee.

18. The staffing of the full committee and the standing subcommittees shall be subject to the appropriate rules of the House of Representatives, including, among other things, the provisions of Rule XI, Clause 5(d).

PERSONAL EXPLANATION

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, on rollcall 11, the vote on H.R. 1589 to prohibit food stamp increases, I was detained and unable to be present for the vote. Had I been present, I would have voted "aye." I ask that my statement be placed in the RECORD.

PUBLICATION OF RULES OF THE COMMITTEE ON THE JUDICIARY

Mr. EILBERG. Mr. Speaker, on behalf of the gentleman from New Jersey, (Mr. RODINO) and pursuant to clause 2 of rule XI of the rules of the House, I am pleased to place in the RECORD the Judiciary Committee's Rules of Procedure for the 94th Congress.

These rules were adopted in an open meeting of the committee on January 29, 1975.

On January 27, 1975, the full Democratic membership of the Judiciary Committee met pursuant to rule M III A of the manual of the Democratic Caucus. Subcommittee chairmen were elected pursuant to the rules outlined in M V A of the caucus manual and subcommittee assignments were filled according to steps 1, 2, and 3 of manual rule M V B.

Jurisdiction and number of subcommittees, powers and duties of subcommittees, reference of legislation and other matters, party ratios on each subcommittee and subcommittee budget and staffing were all determined and are being implemented precisely according to the terms of caucus manual rule M III A (1) through (5).

The rules follow:

COMMITTEE ON THE JUDICIARY—RULES OF PROCEDURES, 94TH CONGRESS

Rule I. The Rules of the House of Representatives are the rules of the Committee on the Judiciary and its subcommittees with the following specific additions thereto.

Rule II. Committee meetings:

(a) The regular meeting day of the Committee on the Judiciary for the conduct of its business shall be on Tuesday of each week while the Congress is in session.

(b) Additional meetings may be called by the Chairman and a regular meeting of the Committee may be dispensed with when, in the judgment of the Chairman, there is no need therefor.

(c) At least 24 hours (excluding Saturdays, Sundays, and legal holidays) before each scheduled Committee meeting, each Member of the Committee shall be furnished a list of the bill(s) and subject(s) to be considered and/or acted upon at the meeting. Bills or subjects not listed shall be subject to a point of order unless their consideration is agreed to by a two-thirds vote of the Committee.

(d) Committee and subcommittee meetings for the transaction of business, i.e., meetings other than those held for the purpose of taking testimony, shall be open to the public except when the Committee or subcommittees, by majority vote, determine otherwise.

(e) Every motion made to the Committee and entertained by the Chairman shall be reduced to writing upon the demand of any Member, and a copy made available to each Member present.

(f) In all subcommittee proceedings where a vote on a motion to report a bill to the full Committee results in a tie, such bill shall be reported to the full Committee without recommendation.

Rule III. Hearings:

(a) The Committee or any subcommittee shall make public announcement of the date, place and subject matter of any hearing to be conducted by it on any measure or matter at least 1 week before the commencement of that hearing, unless the Committee or the subcommittee before which such hearing is scheduled, determines that there is good cause to begin such hearing at an earlier date, in which event it shall make public announcement at the earliest possible date.

(b) Committee and subcommittee hearings shall be open to the public except when the Committee or subcommittee, by majority vote, determines otherwise.

(c) For purposes of taking testimony and receiving evidence before any subcommittee, a quorum shall be constituted by the presence of 2 Members. For purposes of taking testimony and receiving evidence before the full Committee, a quorum shall be constituted by the presence of 10 Members.

(d) In the course of any hearing each Member shall be allowed 5 minutes for the interrogation of a witness until such time as each Member who so desires has had an opportunity to question the witness.

Rule IV. Proxy voting. A vote by any Member of the Committee with respect to any measure or matter being considered in the Committee or in subcommittee may be cast by proxy if the proxy authorization is in writing, asserts that the Member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the person who is to execute the proxy authorization, and is limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time that the proxy is signed. Proxies may not be counted for a quorum.

Rule V. Broadcasting:

(a) Whenever any hearing or meeting conducted by the Committee or any subcommittee is open to the public, the Committee or subcommittee, as the case may be, may permit that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, under the following rules:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the Committee or subcommittee, as the case may be, shall be required against his will to be photographed at any hearing or meeting or to give evidence or testimony while the broadcasting of that hearing or meeting, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or subcommittee, as the case may be, or the visibility of that witness and that Member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing room while the Committee or subcommittee, as the case may be, is in session.

(7) Floodlights, spotlights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five media for coverage of the hearing by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the Committee or subcommittee, as the case may be.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and

their coverage activities in an orderly and unobstrusive manner.

(b) Subcommittees may authorize the broadcasting or photographing of any of their public hearings or meetings without the specific permission of the Committee.

Rule VI. Standing subcommittees. There shall be the following seven standing subcommittees of the Committee on the Judiciary as follows:

(a) *Subcommittee on Immigration, Citizenship & International Law:* Immigration and Naturalization, Treaties and International Agreements, Passports, Admiralty and appropriate oversight.

(b) *Subcommittee on Administrative Law and Governmental Relations:* Administrative Law, Claims against the United States, Public Contract Law, Relations between States and appropriate oversight.

(c) *Subcommittee on Courts, Civil Liberties, and the Administration of Justice:* U.S. Attorneys and U.S. Marshals, Courts, Judicial Ethics, Prisons, Paroles, Patents, Trademarks, Copyrights and appropriate oversight.

(d) *Subcommittee on Civil and Constitutional Rights: Civil Rights and Liberties,* Bankruptcy and appropriate oversight.

(e) *Subcommittee on Monopolies and Commercial Law:* Antitrust, Judgeships, Economic Regulation generally and appropriate oversight.

(f) *Subcommittee on Crime:* Prevention of Crime, Problems of Criminal Offenders and appropriate oversight.

(g) *Subcommittee on Criminal Justice:* Federal Criminal Code, Rules of Criminal Procedure, Rules of Civil Procedure and appropriate oversight.

Rule VII. Powers and duties of subcommittees. Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings whenever possible.

PUBLICATION OF RULES OF PROCEDURE FOR COMMITTEE ON RULES

Mr. HARRIS. Mr. Speaker, on behalf of the gentleman from Indiana (Mr. MADDEN), the chairman of the Committee on Rules, pursuant to clause 3 of rule XI of the Rules of the House of Representatives, I submit for the RECORD a copy of the rules of procedure for the Committee on Rules adopted on Monday, February 3, 1975.

94TH CONGRESS: RULES OF PROCEDURE FOR THE COMMITTEE ON RULES, ADOPTED MONDAY, FEBRUARY 3, 1975

RULE 1—MEETINGS

(a) The Committee on Rules shall meet at 10:30 a.m. on Tuesday of each week when the House is in session. Meetings and hearings shall be called to order and presided over by the Chairman or, in the absence of the Chairman, by the Ranking Majority Member of the Committee present as Acting Chairman.

(b) A minimum 48 hours' notice of regular meetings and hearings of the Committee shall be given to all members except that the Chairman, acting on behalf of the Committee, may schedule a meeting or hearing for the consideration of emergency and/or procedural measures or matters at any time. As much notice as possible will be given to all members when emergency meetings or hearings are called; provided, however, that an effort has been made to consult the Ranking Minority Member. In the event of his absence, an effort shall be made to consult the Member next in rank, and so on down the line until an effort has been made with respect to all Members of the Minority. Copies of bills and reports to be considered for a rule by the Committee are to be sent to Members of the Committee at least one day in advance of consideration by the Committee, except in cases of emergencies.

(c) Meetings, hearings, and executive sessions of the Committee shall be open to the public in accordance with clause 26 and clause 27 of rule XI of the Rules of the House of Representatives.

(d) For the purpose of hearing testimony on requests for rules, seven Members of the Committee shall constitute a quorum.

(e) For the purpose of hearing and taking testimony on matters or measures of original jurisdiction before the Committee, three Members of the Committee shall constitute a quorum.

(f) For the purpose of executive meetings, a majority of the Committee shall constitute a quorum.

(g) All measures or matters which have been scheduled for consideration by the Committee on which any Member of the House wishes to testify, and so requests, will be the subject of hearings, at which time all interested Members who are proponents or opponents will be provided a reasonable opportunity to testify.

(h) There shall be a transcript of regularly scheduled hearings and meetings of the Committee which may be printed if the Chairman decides it is appropriate, or if a majority of the members request it.

(i) A Tuesday meeting of the Committee may be dispensed with where, in the judgment of the Chairman, there is no need therefor, and additional meetings may be called by the Chairman, or by written request of a majority of the Committee duly filed with the Counsel of the Committee.

(j) The Committee may permit, by a majority vote on each separate occasion, the coverage of any open meeting or hearing, in whole or in part, by television broadcast, radio broadcast, and still photography under such requirements and limitations as set forth in the Rules of the House of Representatives.

(k) The five-minute rule in the interrogation of witnesses, until such time as each Member of the Committee who so desires has had an opportunity to question the witness, shall be followed.

(l) When a recommendation is made as to the kind of rule which should be granted, a copy of the language recommended shall be furnished to each member of the Committee at the beginning of the meeting where such language is to be considered or as soon thereafter as such recommendation becomes available.

RULE 2—VOTING

(a) No measure or recommendation shall be reported, deferred, or tabled by the Committee unless a majority of the Committee is actually present.

(b) A rollcall vote of the Members of the Committee may be had upon the request of any member.

(c) The result of each rollcall vote, including the names of Committee Members and how they voted on specific issues, shall be available for public inspection at the office of the Committee.

RULE 3—REPORTING

(a) Whenever the Committee authorizes the favorable reporting of a bill or resolution from the Committee, the Chairman or Acting Chairman shall report the same or designate some member of the Committee to report the same to the House, such report to include the totals of any record vote thereon.

RULE 4—COMMITTEE STAFFING

(a) The professional and clerical staffs of the Committee shall serve under the general supervision and direction of the Chairman, who shall establish and assign the duties and responsibilities of the members of the staffs and delegate such authority as the Chairman deems appropriate, with the exception of the Minority staff, who shall serve under the general supervision and direction of the Ranking Minority Member of the Committee

RULE 5—MISCELLANEOUS

(a) The Committee shall have prepared, maintained, printed and published a calendar listing all matters formally before it. Information on this calendar shall include the number of the bill or resolution, a brief description of the measure's contents, including the legislative committee reporting it, and the name of the principal sponsoring Member.

(b) The staff shall prepare, maintain, and furnish to the Members of the Committee a list of all pending bills or resolutions from other committees concerning which a hearing request has been properly filed with the Committee. This list shall be distributed to the Members of the Committee on a regular weekly basis when the House is in session and shall include the number of the bill or resolution, the name of the legislative committee reporting it, the principal sponsoring Member, and the date upon which the request for a rule was filed, along with a brief analysis of the contents of the scheduled measures and a description of the rule requested by the reporting legislative committee, if so requested.

(c) For purpose of this rule, matters formally before the Committee include: bills or resolutions over which the Committee has original jurisdiction, and bills or resolutions from other committees concerning which the chairman or designated member of such committee has requested a hearing in writing and forwarded to the Committee on Rules a copy of such bill or resolution as reported, together with the final printed committee report.

(d) Executive meeting minutes shall be available to the Committee members but may not be released to any other person without the consent of the Committee, in compliance with Rule XI, clause 27(o).

(e) Upon adoption of the rules and procedures of the Committee at the opening of each Congress, the Chairman may have these rules and procedures printed in an early issue of the Congressional Record.

APPOINTMENT AS MEMBERS OF SELECT COMMITTEE ON AGING

The SPEAKER. Pursuant to clauses 6 (e) and (h), of rule X, the Chair appoints as members of the Select Committee on Aging the following Members of the House: Mr. RANDALL, of Missouri, chairman; Mr. PEPPER, of Florida; Mr. ROYBAL, of California; Mr. ROONEY, of Pennsylvania; Mr. BIAGGI, of New York; Mr. FLOWERS, of Alabama; Mr. ANDREWS of North Carolina; Mr. JOHN BURTON, of California; Mr. BEARD of Rhode Island; Mr. BLOUIN, of Iowa; Mr. BONKER, of Washington; Mr. DOWNEY, of New York; Mr. FLORIO, of New Jersey; Mr. FORD of Tennessee; Mr. HUGHES, of New Jersey; Mrs. LLOYD, of Tennessee; Mr. SANTINI, of Nevada; Mr. BOB WILSON, of California; Mr. WAMPLER, of Virginia; Mr. HAMMERSCHMIDT, of Arkansas; Mr. HEINZ, of Pennsylvania; Mr. COHEN, of Maine; Mr. SARASIN, of Connecticut; Mr. WALSH, of New York; and Mr. GRASSLEY, of Iowa.

RESIGNATION FROM COMMITTEE ON SMALL BUSINESS

The SPEAKER laid before the House the following resignation from a committee:

WASHINGTON, D.C., *February 5, 1975.*

Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Please accept this as my resignation immediately for the Committee on Small Business. I do this as a result of my election to the Committee on the Budget.

With kindest regards, I am,

Respectfully,

BUTLER DERRICK,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

JANUARY 17, 1975.

Hon. CARL ALBERT,
The Speaker,
U.S. House of Representatives.

DEAR MR. SPEAKER: On January 16, 1975, I was served with the attached subpoena by a United States Attorney that was issued by the U.S. District Court for the District of Columbia. This subpoena is in connection with the case of United States of America v. David E. Gumaer, Criminal Case No. 74–688. The subpoena commands me or my authorized representative to appear on the 10th day of February 1975 in said U.S. District Court to testify on behalf of the United States.

This same matter was previously considered by the House during the 93rd Congress when in its wisdom it responded to a subpoena duces tecum concerning a Grand Jury Investigation and enacted thereon House Resolution 1366 of September 16, 1974.

The subpoena in question is respectfully attached for such action as the House may in its wisdom see fit to take.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,
Clerk, U.S. House of Representatives.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

SUBPOENA

[In the U.S. District Court for the District of Columbia, Criminal Case No. 74–688]

United States of America v. David E. Gumaer.

The President of the United States to: The Honorable W. Pat Jennings, Clerk of the House of Representatives, Washington, D.C., or his authorized representative.

You are hereby commanded to attend the said Court on Monday, February 10, 1975, at 9 a.m. to testify on behalf of the United States and not depart the Court without leave of the Court or the United States Attorney.

Witness, the Honorable George L. Hart, Jr., Chief Judge of said Court, this 19th day of December, 1974.

GEORGE L. HART, Jr.,
Chief Judge.

AUTHORIZING CLERK, HOUSE OF REPRESENTATIVES, OR AUTHORIZED REPRESENTATIVE TO APPEAR AS WITNESS IN UNITED STATES v. DAVID E. GUMAER (74–688) IN U.S. DISTRICT COURT FOR DISTRICT OF COLUMBIA

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 155) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 155

Whereas in the case of the United States of America against David E. Gumaer (criminal action numbered 74–688), pending in the United States District Court for the District of Columbia, a subpoena was issued by the said Court and addressed to W. Pat Jennings, Clerk of the House of Representatives, directing him or his authorized representative to appear as a witness before the said court at 9:00 antemeridian on the 10th day of February 1975: Therefore, be it

Resolved, That W. Pat Jennings, the Clerk of the House of Representatives, or his authorized representative is authorized to appear in response to said subpoena as a witness in the case of the United States of America against David E. Gumaer; and be it further

Resolved, That a copy of this resolution be transmitted to the said court as a respectful answer to the subpoena before mentioned.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C., *February 3, 1975.*

Hon. CARL ALBERT,
Speaker,
House of Representatives.

DEAR MR. SPEAKER: On this date, I was served with the attached subpoena by a United States Attorney that was issued by the U.S. District Court for the District of Columbia. This subpoena is signed by Chief Judge George L. Hart, Jr., in connection with In Re: Possible Violation of 2 U.S.C. 244, Misc. No. 75–16. The subpoena commands me or my authorized representative to appear on February 13, 1975, in said U.S. District Court to testify and produce certain documents enumerated within the subpoena itself.

The subpoena in question is respectfully attached for such action as the House may in its wisdom see fit to take.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS, *Clerk,*
U.S. House of Representatives.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

[In the U.S. District Court for the District of Columbia, Misc. No. 75–16]

POSSIBLE VIOLATION OF 2 U.S.C. § 244

SUBPOENA DUCES TECUM

To: Honorable W. Pat Jennings, Clerk of the House of Representatives of the United States, Washington, D.C., or his authorized representative.

Bring with you: All original and official statements filed by the treasurer of the Democratic National Committee with the Clerk of the House of Representatives of the United States pursuant to the Federal Practices Act of 1925, as amended, in or pertaining to the period beginning January 1, 1970 and ending December 31, 1971, together with any records pertaining to the filing and receipt of said statements.

You are hereby commanded to attend before the Grand Jury of said Court on Thursday, the 13th day of February, 1975, at 9:30 a.m. to testify and produce the aforesaid documents on behalf of the United States, and not depart the Court without leave of the Court or Special Prosecutor.

Witness: This 30th day of January, 1975.

GEORGE L. HART, Jr.,
Chief Judge.

Attorney for the United States:

JOHN B. GALUS,
Assistant Special Prosecutor,
Watergate Special Prosecution Force.

DIRECTING CLERK OF THE HOUSE TO APPEAR AS WITNESS AND MAKE AVAILABLE CERTAIN PAPERS AND DOCUMENTS CALLED FOR BY U.S. DISTRICT COURT FOR DISTRICT OF COLUMBIA

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 156), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 156

Whereas in a Grand Jury Investigation of possible violations of 2 U.S.C. § 244 pending in the United States District Court for the District of Columbia, a subpena duces tecum was issued by the said court and addressed to W. Pat Jennings, Clerk of the House of Representatives, directing him or his authorized representative to appear as a witness before the grand jury of the said court at 9:30 o'clock antemeridian on the 13th day of February, 1975, and to bring with him certain papers and documents in the possession and under the control of the House of Representatives; therefore be it

Resolved, That by the privileges of the House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but of its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That when the said court determines upon the materiality and the relevancy of the papers and documents called for in the subpena duces tecum, then the said court, through any of its officers or agents, be authorized to attend with all proper parties to the proceeding and then always at any place under the orders and control of this House, and take copies of those requested papers and documents which are in possession or control of the said Clerk; and the Clerk is authorized to supply certified copies of such documents or papers in his possession or control that the court has found to be material and relevant and which the court or other proper officer shall desire, so as, however, the possession of said documents and papers by the said Clerk shall not be disturbed, or the same shall not be removed from their place of file or custody under the said Clerk; and be it further

Resolved, That as a respectful answer to the subpena duces tecum a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

PUBLICATION OF RULES OF THE COMMITTEE ON VETERANS' AFFAIRS

Pursuant to clause 2(a)(3) of rule XI of the Rules of the House of Representatives, I submit for publication in the CONGRESSIONAL RECORD the rules of the Committee on Veterans' Affairs, which we adopted on February 6, 1975:

RULES OF THE HOUSE COMMITTEE ON VETERANS' AFFAIRS

RULE NO. I—GENERAL PROVISIONS

The Rules of the House are the rules of the committee and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

RULE NO. II—MEETINGS

(a) The regular meeting day for the full committee shall be at 10 A.M. on the second Tuesday of each month, and at such other times and in such places as the chairman may designate; however, a regular Tuesday meeting of the committee may be dispensed with by the chairman.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to the call of the chairman.

(c)(1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public: ***Provided, however,*** that no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a)(3) of House Rule X or by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: ***Provided,*** however, that the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

RULE NO. III—RECORDS AND ROLLCALLS

There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a roll call is demanded. The result of each such roll call vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and the names of those Members present but not voting. A record vote may be demanded by one-fifth of the Members present or, in the apparent absence of a quorum, by any one Member. With respect to each record vote by the committee to report any bill or resolution, the total number of votes cast for and the total number of votes cast against the reporting of such bill or such resolution shall be included in the committee report.

RULE NO. IV—QUORUMS

A majority of the Members of the committee shall constitute a quorum of the committee for business and a majority of the Members of any subcommittee shall constitute a quorum thereof for business: ***Provided,*** that any two Members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE NO. V—HEARING PROCEDURES

(a) The chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at the earlier date. In the latter event, the chairman of the subcommittee chairman, whichever the case may be, shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 24 hours in advance of his appearance, a written statement of his proposed testimony and shall limit his oral presentation to a summary of his statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) All other Members of the committee may have the privilege of sitting with any subcommittee during its hearing or deliberations and may participate in such hearings or deliberations, but no such Member who is not a Member of the subcommittee shall vote on any matter before such subcommittee.

(e) Committee Members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a five-minute period until all Members present have had an opportunity to question a witness. The five-minute period for questioning a witness by any one Member can be extended only with the unanimous consent of all Members present. The questioning of witnesses in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party Member and all other Members alternating between the majority and minority. In recognizing Members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority Members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the Members of the majority.

RULE NO. VI—OVERSIGHT

(a) In order to assist the House in:

(1) Its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration and enactment of such modifications or changes in those laws, and of such additional legislation, as may be necessary or appropriate, the various subcommittees, consistent with their jurisdiction as set forth in Rule VIII, shall have oversight responsibilities as provided in paragraph (b).

(b) Each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that subcommittee, and the organization and operation of the Federal agencies having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance wtih the intent of the Congress and whether such programs should be continued, curtailed, or eliminated.

In addition, each such subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that subcommittee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of that subcommittee.

(c) Each subcommittee shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdictions.

RULE NO. VII—BROADCASTING OF COMMITTEE HEARINGS

Broadcasting, either by radio or TV of all open committee hearings and meetings shall be permitted when, in the judgment of the chairman, in consultation with the ranking minority Member, such action is warranted. Photographs shall be permitted during hearings of the full committee and subcommittees as the chairman decides.

All coverage shall be subject to the following provisions:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage of the hearing or meeting is to be presented to the public as live coverage that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of tele-

vision cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the committee or the visibility of that witness and that Member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

RULE NO. VIII—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be five standing subcommittees as follows: Compensation, Pension and Insurance; Education and Training; Hospitals; Housing; Cemeteries and Burial Benefits. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees, respectively:

Compensation, Pension and Insurance: Compensation, pensions of all the wars of the United States, general and special, and life insurance issued by the Government on account of service in the Armed Forces.

Education and Training: Education of veterans, vocational rehabilitation, and readjustment of servicemen to civil life.

Hospitals: Veterans' hospitals, medical care, and treatment of veterans.

Housing: Veterans' housing programs.

Cemeteries and Burial Benefits: Cemeteries of the United States in which veterans of any war or conflict are or may be buried whether in the United States or abroad, except cemeteries administered by the Secretary of the Interior.

(b) The chairman and the ranking minority member shall serve as ex-officio members of all subcommittees and shall have the right to vote on all matters before the subcommittee.

RULE NO. IX—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings wherever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any Member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) In any event, the report of any subcommittee on a measure which has been approved by the subcommittee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the Members of the subcommittee, for the reporting of that measure. Upon the filing of any request, the clerk of the committee shall transmit immediately to the chairman of the subcommittee notice of the filing of that request.

NO TIME FOR ADJOURNMENT

(Mr. CARTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARTER. Mr. Speaker, it is no time for this Congress to adjourn for a holiday. Our country is in distress. Since January 14, no legislation which would help our country to lift itself from recession has been passed.

It is time for us to implement the extraction of gas and gasoline from coal and oil shale. It is time for us to see that the unemployed not only receive their benefits, but also that they are insured against sicknesses and accidents.

I ask you, Mr. Speaker, what have we done toward combating recession? We are, indeed, a fortunate country—we are still the largest producer of oil of any nation in the world, we have one-half the world's supply of coal, and we are also the greatest agricultural country in the world. We should not adjourn. Our people want help and they want us to stay here in Washington to provide through legislation the assistance they so badly need.

We can and we must turn back the tide of recession.

NATIONAL HISTORIC PRESERVATION WEEK

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, today I am introducing a joint resolution which deserves my colleagues' special attention. With Congressman ROY TAYLOR, I am submitting a measure to authorize and request the President to issue a proclamation designating the week beginning May 12, 1975 as "National Historic Preservation Week."

I believe that the Congress should be among the first to recognize and support the importance of timely action to save our precious national heritage. The significance of this effort is particularly heightened by our fast-approaching Bicentennial.

The first "National Historic Preservation Week" occurred in May 1973, and was tremendously successful in focusing public attention on the need for preservation of our historic properties. This observance, as well as the celebration in 1974, stimulated hundreds of local organizations all over the country to sponsor a variety of events aimed at fostering public and private preservation interest and action.

Preservation of our historic past is a deepening concern of Americans as evidenced by increased involvement of citizens in community preservation activities and specific preservation legislation enacted at the Federal and State levels. The National Trust for Historic Preservation, based in Washington, has recently opened field offices in Boston and San Francisco and boasts over 72,000 members, a 35,000-member increase over last year.

Coming from a district steeped in historical significance, I believe that the designation of the week of May 12, 1975 as "National Historic Preservation Week" would serve as an impetus for local preservation initiatives in addition to focusing national attention on the need for a continuing commitment to historic preservation. Congress has not sanctioned a National Historic Preservation Week since 1973, and it is, therefore, even more imperative that we reiterate our support this year for the preservation of our rich heritage.

SECOND ANNUAL REPORT ON ADMINISTRATION OF NATIONAL SICKLE CELL ANEMIA CONTROL ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I am pleased to send to the Congress the Second Annual Report on the Administration of the National Sickle Cell Anemia Control Act (P.L. 92–294) in accordance with the requirements of Section 1106 of the Public Health Service Act. The Annual Report highlights the progress made in the implementation of the National Sickle Cell Disease Program and related activities as provided for in the Act.

Research efforts to investigate the mechanisms and subsequent complications of the abnormal sickling phenomenon in sickle cell anemia have continued to receive significant attention over the past year under the National Institutes of Health. Clinical trials and preliminary studies utilizing various antisickling agents are underway to alter the sickling process and thus aid individuals who suffer from sickle cell anemia. Demonstration service activities designed to improve public awareness, education, detection, and counseling in regard to sickle cell have significantly increased over the past year under the combined efforts of the Health Services Administration and the National Institutes of Health.

The activity toward Sickle Cell Anemia continues to be of high priority for our Government and I am pleased to commend this report to the attention of the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *February 6, 1975.*

COMPENSATION AND OTHER EMOLUMENTS ATTACHED TO THE OFFICE OF THE ATTORNEY GENERAL

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 58), compensation and other emoluments attached to the Office of the Attorney General.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object; the reason I reserve the right to object is to inquire of my colleague, the chairman of the Committee on Post Office and Civil Service, if my recollection is correct the Congress specifically changed the law last year to accommodate the former Attorney General. At that time many of us raised the question as to whether this was in fact very good procedure to be doing this kind of thing, since this resolution before us today puts the salary back to where it was originally.

Can we be assured by the chairman of the committee that we are not going to go through this type of Mickey Mouse procedure in the future?

Mr. HENDERSON. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I will be glad to yield.

Mr. HENDERSON. Mr. Speaker, this legislation is based on an official recommendation from the Acting Attorney General. The bill passed the Senate yesterday on a voice vote.

The sole purpose of this bill is to repeal the limitations on the compensation and other emoluments attached to the Office of Attorney General which were established under the first section of Public Law 93–178.

As you may recall, during the 93d Congress it was necessary to enact the provisions contained in the first section of Public Law 93–178 in order to remove the constitutional impediment to the appointment of Senator William B. Saxbe to be Attorney General of the United States.

When Senator Saxbe began his term of office in the Senate on January 3, 1969, the statutory salary for the Office of Attorney General was $35,000.

During his term of office—January 3, 1969, to January 3, 1975—the compensation for the Office of Attorney General was increased to $60,000 effective in February 1969.

The Constitution provides that no Senator or Representative shall, during the time for which he was elected, be appointed to any civil office which was created, or the emoluments of which were increased, during such time.

In order to overcome this constitutional provision, it was necessary to reduce the salary for the office of Attorney General to $35,000, the amount which was in effect on January 1, 1969.

Since Senator Saxbe has resigned the Office of Attorney General, it is only logical that we should now repeal the compensation provisions of Public Law 93–178, and restore the salary of that office to $60,000, the amount authorized in February 1969.

Mr. Speaker, I am attaching to my statement a copy of the report of the Department of Justice on the bill S. 58.

DEPARTMENT OF JUSTICE,
Washington, D.C., February 4, 1975.

Hon. GALE MCGEE,
Chairman, Committee on Post Office and Civil Service, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Justice on S. 58, a bill relating to the compensation and other emoluments attached to the Office of the Attorney General.

When Senator William B. Saxbe of Ohio began his term of service in the United States Senate on January 3, 1969, the salary for the Office of Attorney General was established by P.L. 89–544 (80 Stat. 460, September 6, 1966) at $35,000. On January 15, 1969, the President transmitted to the Congress pursuant to P.L. 90–206 (81 Stat. 642, December 16, 1967) a recommendation increasing the annual salary for the Office of Attorney General to $60,000.

Article I, Section 6, Clause 2 of the Constitution provides: "No Senator or Representative shall, during the Time for which he was elected, be appointed to any civil Office under the Authority of the United States, which shall have been created, or the Emoluments whereof shall have been increased during such time; and no Person holding any Office under the United States, shall be a Member of either House during his Continuance in Office."

Public Law 93–178 (87 Stat. 697, December 10, 1973) was enacted to remove the question concerning the impact of Article I, Section 6, Clause 2 on the President's nomination of Senator William B. Saxbe to be Attorney General of the United States. It provided that the compensation and other emoluments attached to the Office of Attorney General shall be those which were in effect on January 1, 1969, notwithstanding the provisions of the salary recommendations for 1969 increases transmitted to the Congress on January 15, 1969, and notwithstanding any other provision of law, or provision which has the force and effect of law, which is enacted or becomes effective during the period from noon, January 3, 1969, through noon January 2 [sic], 1975.

Inasmuch as the term for which William B. Saxbe was elected ended at noon on January 3, 1975, the Acting Attorney General has forwarded to the President of the Senate a legislative proposal which would repeal Public Law 93–178 effective January 3, 1975. Since S. 58 would also repeal the salary and emoluments limitations of Public Law 93–178, the Department supports its enactment. Either the Department's proposal or S. 58 would restore the compensation and emoluments attached to the Office of the Attorney General on and after January 3, 1975 to those that attach to offices and positions at Level I of the Executive Schedule (5 U.S.C. 5312).

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,
A. MITCHELL MCCONNELL, Jr.,
Acting Assistant Attorney General.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I appreciate the gentleman's comment, and it is a very complete response. Additionally, I think it is a proper response. But since resignations occur very rapidly these days, and because some of us are concerned that those who are now in the Senate or in the House may feel impelled to move to other positions similar to the Saxbe position, I hope the chairman of the committee can assure us that unless it is a highly unusual situation or something requiring this type of unusual procedure, that this will not become a standard practice, coming in here to circumvent the Constitution.

Is that correct?

Mr. HENDERSON. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. I will be glad to yield to the gentleman.

Mr. HENDERSON. I would respond by saying I am sure my good friend, the gentleman from California (Mr. ROUSSELOT) is well aware that we are talking about the Office of the Attorney General and that it is quite well understood and established that the President should have the right to nominate whomever he feels is qualified to serve as his Attorney General.

There are other offices where that argument would not add, and the Congress and the President would be under different constraints in these situations.

Mr. ROUSSELOT. I appreciate my colleague from North Carolina's comments, and I will not object, Mr. Speaker, but I do appreciate my chairman's stand that he will use extreme care before he comes to the House and asks for this kind of special treatment on salary in order to circumvent the Constitution.

Mr. HENDERSON. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. I will be glad to yield.

Mr. HENDERSON. I thank the gentleman for his observations and his comments here, and also I would like to commend him for his cooperation in getting this matter before the House very promptly here, inasmuch as the Attorney General appointee was confirmed in the other body yesterday, and this measure passed by voice vote at that time. It seems to me it would be very responsive to the situation. The gentleman has been very cooperative in the handling of this matter today, and I commend him.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, some of us were not too excited about the appointment of Mr. Levi, and maybe the House could have prolonged the final approval by objecting today. However it probably is not the basic responsibility of the House to pass judgment on appointees. The advise-and-consent responsibility belongs to the Senate. But I again wish to thank my colleague for his assurance that we are not going to engage in this kind of salary scheduling as regular practice in order to circumvent the Constitution. We certainly did in the case of the Saxbe appointment.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 58

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act to insure that the compensation and other emoluments attached to the Office of the Attorney General are those which were in effect on January 1, 1969" (Public Law 93–178; 87 Stat. 697), is repealed effective as of January 3, 1975, and the compensation and other emoluments attached to the Office of the Attorney General shall, on and after that date, be those that now or hereafter attach to offices and positions at level I of the Executive Schedule (5 U.S.C. 5312).

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER. Is there objection to the gentleman from North Carolina?

There was no objection.

AMENDING THE DEFENSE PRODUCTION ACT OF 1950

Mr. REES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S.J. Res. 27) to amend the Defense Production Act of 1950.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. WYLIE. Mr. Speaker, reserving the right to object, I wish to take this time so that the gentleman can explain the urgency of bringing this bill up today under this procedure, if there be such an urgency.

Mr. REES. Mr. Speaker, there is an urgency. Let me explain the resolution. It is an amendment to the National Commission on Supplies and Shortages which was created by unanimous consent by this body last fall. The duty of this Commission is to look at U.S. dependence on vital raw materials and to make sure we have more foresight in attacking the problem than we had in dealing with the OPEC cartel. The urgency is that we do have substantial stockpiles in the U.S. Government, some of which is being sold. The situation is very urgent. It is felt that the United States, because of the trends of cartelization of the national resources, should have some type of policy.

So what this resolution does is amend the National Commission on Supplies and Shortages to take care of several problems that existed between the legislative branch and the executive branch in terms of who could be appointed public members of the Commission. It also extends the Commission from June 30 of this year to December 31 to make up for the delay.

Frankly, without the extension there would not be enough time for the Commission to come up with the report that is deemed necessary. If we are talking about the timeliness, there will be OPEC meetings held this week; the less developed countries are conducting active meetings, and they are discussing cartelization and setting production quotas and fixing prices on other natural resources.

So, Mr. Speaker, this resolution is absolutely necessary so that the executive branch can appoint the public members and obtain their security clearances in order that this Commission may start its work.

Mr. WYLIE. Mr. Speaker, further reserving the right to object, I wish to say that I understand the gentleman's explanation.

Why the delay in appointing the public members of the Commission? Does the gentleman know?

Mr. REES. Mr. Speaker, if the gentleman will yield, under the Commission the four members from the legislative branch have been appointed: The gentleman from Ohio (Mr. J. WILLIAM STANTON), and the gentleman from California (Mr. REES) from the House; and Senator BROCK and Senator TUNNEY from the Senate. Those from the executive branch have already been appointed, but those from the public at large have not been appointed because it was felt that there might be a potential problem with our conflict-of-interest laws.

However, it was felt very strongly by the legislative branch that if we had a commission looking at natural resources, we would want to have on that commission someone who has been in the field of developing natural resources.

So what this resolution does is to waive certain sections where there might be a potential conflict of interest.

I do want to point out, though, that this Commission is one which is merely to make specific recommendations. It is in no way an administrative panel which could act contrary to the conflict-of-interest statutes.

Mr. WYLIE. Mr. Speaker, further reserving the right to object, then these amendments make no substantive changes in the law?

Mr. REES. No; if the gentleman will yield further, Mr. Speaker, there are no substantive changes made in the law except for those sections waived on the private sector members.

The resolution also expands the date for the first report from March 30 to June 30, and expands the length of the Commission from June 30 to December 31. It in no way makes any change for the authorization. The authorization remains the same as it was when the original bill was passed last year.

Mr. WYLIE. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I think this is a valuable commission, and I believe its work should begin as promptly as possible. I am grateful to the leadership, to the gentleman from California (Mr. REES), and to the gentleman from Ohio (Mr. J. WILLIAM STANTON), for their efforts.

However, this resolution waives four important conflict-of-interest statutes with respect to appointees from outside the legislative branch on this Commission. This resolution comes to us without consideration in any committee or subcommittee of the House, and it comes to us under a unanimous-consent request procedure.

Mr. Speaker, it gives the appearance that, without due consideration by the House, we are willing to waive important conflict-of-interest statutes because they apply to some of our friends or they apply in some specific instances.

Mr. Speaker, I think this is a terrible mistake. As I understand it, there are specific individuals involved, and there is no objection to their being appointed, but I object to the procedure and I intend to object to the consideration of the resolution unless the gentleman from California can assure me that the national interest will be subverted in some serious way if we do not pass this joint resolution today.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from California.

Mr. REES. Mr. Speaker, I thank the gentleman for yielding.

I have studied the conflict-of-interest statutes that the resolution would waive. I requested from the executive branch a specific legal opinion on how there might possibly be a conflict of interest relative to people being appointed to a 1-year Commission from the private sector. No legal opinion was forthcoming.

I think I can read the law as well as some of the more nitpicking attorneys who might be ensconced in Washington. Section 203 says it is a Federal crime for Members of Congress and other Federal officials, and so forth.

This does not affect the 5 public members. It says, "and other Federal officials." So it is referring to those appointed by the President, such as Mr. Greenspan and Mr. Seidman, and it would include the four Members of Congress. Frankly, it is——

Mr. FRENZEL. Let me interrupt. I understand the purpose of it, but can we not take up this resolution in the future? Why do we have to have it today? What is the emergency?

Mr. REES. Because the administration has delayed for the last 4 months the appointing of the members of this Commission. It is felt by many Members that the work of this Commission has to get going right now. We need 2 or 3 weeks just for security purposes.

Mr. FRENZEL. I thank the gentleman for the explanation. It is my understanding, however, that the problem arises because of some one member who has been recommended by a Member of the majority in the Senate and who does come into conflict with these particular sections or some of them.

I understand that there is not any objection particularly if this is passed, to the appointment and confirmation of that person. Nevertheless, we are setting an important precedent.

Mr. Speaker, I yield to the gentleman from Ohio.

Mr. DEVINE. Mr. Speaker, I thank the gentleman for yielding, and I think his reservation of objection is well taken.

The gentleman from Minnesota properly asks what, indeed, is the emergency? Why should we suspend the rules and get at this today when everyone apparently is rushing out of town for one reason or another?

The Committee on Interstate and Foreign Commerce, under very pressing conditions, just reported out emergency legislation, a bill to assist the Penn Central Railroad, providing some $250 million on an emergency basis to prevent the Penn Central and the Erie Lackawanna and others from going under, shutting down, and having an embargo on freight. That will occur before this month expires, actually, by the 20th of February, unless this Congress acts expeditiously, but here we are going off on a 10-day recess. We will not be able to even consider that, and it is a situation which is much more critical and much more of an emergency than the one the gentleman is speaking of.

As I say, I think we are mixed up on our priorities as far as emergencies are concerned, and I, for one, feel we should stay here and handle the public's business.

Mr. FRENZEL. Mr. Speaker, I thank the gentleman for his contribution.

I believe this is an important precedent, and any time we waive conflict-of-interest statutes we ought to have a committee report and thoroughly consider the matter.

Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO HAVE UNTIL MIDNIGHT, MONDAY, FEBRUARY 10, 1975, TO FILE REPORT ON H.R. 2051

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foerign Commerce may have until midnight, Monday, February 10, 1975, to file a report on the bill H.R. 2051.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PROGRAM FOR WEEK OF FEBRUARY 10, 1975, AND WEEK OF FEBRUARY 17, 1975

(My WYDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDLER. Mr. Speaker, I should like to proceed for 1 minute for the purpose of discussing the legislative program for the next 2 weeks.

Mr. O'NEILL. If the acting minority leader will be kind enough to yield, I will be happy to explain our program.

Mr. WYDLER. I gladly yield to the majority leader.

Mr. O'NEILL. As we know, there is no business scheduled for next week.

I intend to ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday, February 10, 1975, and that when the House adjourns on that day, it adjourn to meet on Thursday, February 13; and when the House adjourns on that day, it adjourn to meet on Monday, February 17.

Consequently, the business for the following week would be announced on Thursday of next week.

What we can anticipate on the following week is this: The chairman of the Committee on Interstate and Foreign Commerce just asked consent to have the report on the Penn Central authorization bill filed by Monday night of next week. As we all know the report must be available for 3 days before the bill can be considered.

We anticipate that the legislation for the following week, the week after next, will be as follows: Monday will be Washington's Birthday. On that day Washington's Farewell Address is customarily read, and that would be the business of the day.

On Tuesday we anticipate several suspensions that will be announced on next Thursday.

For the balance of the week, we anticipate that the Penn Central authorization bill, the bill that the gentleman from West Virginia (Mr. STAGGERS) just made reference to, will be acted on by the House.

The Committee on Appropriations is also currently holding committee hearings on the same bill, and the appropriations would immediately follow the authorization.

At this moment the Committee on Ways and Means is meeting on a tax bill. The chairman has said that he will stay with this bill until the tax bill is written, and it will then be reported to the House.

We could possibly have the tax rebate bill scheduled for the week after next. We also anticipate that the resolution concerning the CIA Select Committee will be coming up. So it can be seen that from Tuesday on, following the Monday holiday and the reading of Washington's Farewell Address, which is customary, that the Members can anticipate a full and busy week.

Mr. WYDLER. Mr. Speaker, I wonder if the gentleman from Massachusetts could possibly clarify what he means, when he refers to the tax bill? Is the gentleman referring to the tax rebate bill, or the tax reduction bill?

Mr. O'NEILL. It is the tax bill that the committee is working on at the present time.

Mr. WYDLER. I thank the gentleman from Massachusetts.

Mr. O'NEILL. If the gentleman will yield still further, I am sure the gentleman from New York is well aware also, through talking with the leadership on his side of the aisle, that the schedule to be announced next Thursday for the following week indicates that we do have a strong schedule between the date that we return and the first of March.

Mr. WYDLER. The gentleman from Massachusetts knows of no intention at the moment of bringing up any business on next Monday or the following Thursday; is that correct?

Mr. O'NEILL. There will be no business.

ADJOURNMENT TO MONDAY, FEBRUARY 10, THEN ADJOURNMENT TO THURSDAY, FEBRUARY 13, AND THEN ADJOURNMENT TO MONDAY, FEBRUARY 17, 1975

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next, February 10, and that when the House adjourns on February 10, that it adjourn to meet on Thursday, February 13, and that when the House adjourns on Thursday, February 13, it adourn to meet on Monday, February 17.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I would like to ask the distinguished majority leader, coming as the gentleman does from the State of Massachusetts, and thus having great political acumen, does not the gentleman think, just talking for a moment, regarding next week's recess in honor of President Lincoln, that if President Lincoln were a Member of this honorable body today as he once served as a Whig from Illinois, that he would want us to remain in session in order to solve the Nation's pressing problems?

Mr. O'NEILL. That is an extremely interesting question. I believe that if Lincoln were alive today that he would be a Democrat.

Mr. BAUMAN. With that statement, I must already question the gentleman's political judgment.

Mr. O'NEILL. But, to answer the gentleman's question, let me say that I am sure the gentleman is aware of the fact that for some months there have been discussions around the gentleman's district, and others, and discussions in caucuses on both sides of the aisle, and discussions among the Members in the lobbies and in the Chamber here, as to what kind of recess procedure we would use during the year.

Personally, I was opposed to an automatic weeks off each month at the time of the discussions on the Democratic side, but all types of polls were sent out to the constituencies, and the newspapers of America also were polled on the question: Should the Congressmen of the United States report home to the individual constituencies every fourth or fifth week and have within their districts sessions with their people at home, so that they would be made aware of the problems of their people directly? And also: Should a Congressman be allowed to schedule time in his office in his district so as to be able to meet people, or to visit at factory gates, so as to determine what the concerns of the people are?

The strange and amazing thing about it is that the newspaper editorials throughout the country were in favor of the so-called Hanley plan that was discussed, or which began to be discussed last August.

Consequently, with that in mind, because it seemed to me to be the consensus of the majority of the Members of the House on both sides of the aisle, and because it seemed to be the consensus in the editorials in newspapers and magazines of America, that it was agreed upon by both sides that we would try to figure out a program so that one week a month or so the Members would report to their constituencies and find out out what the current consensus back home were, and that the Members would then return to the Congress of the United States with that information and act on it.

Now we find that when the schedule is being put into effect that there is increasing criticism.

I might say to the gentleman from Maryland that actually, as I look at the program, there would be no work for us to do next week on the floor.

Now, we have received several messages from the President and the Speaker of the House has broken them down, after consultation with the Parliamentarian and sent them to the proper committees. For example, the energy bills, which has 13 parts, has been sent to five different committees, and the staffs have been told to report to the Congress of the United States with some definite action to be recommended when we come back.

I think that we are actually doing everything that we possibly can do. I only wish the Republican Party at this date had a man as worthy and as great as Lincoln.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, I am almost overcome by the eloquence of the response of the majority leader, even though I may not agree with him. But in those polls that were taken there was no mention about whether or not the constituents or the newspaper editors wished Members to go to the Virgin Islands or to Hawaii on junkets, was there? Or to Paris, London, or Rome? Was that one of the questions that was asked about getting back and meeting the constituents?

Mr. O'NEILL. If the gentleman will yield, the interesting thing about that is that each Member has to speak for himself, and he is responsible to his own district.

To be truthful, I have already sent a notice throughout my district that I will be in my office Wednesday, Thursday, and Friday. I have two speaking engagements that I had accepted previously before my meetings with my constituency.

Mr. BAUMAN. Is the gentleman speaking at Lincoln Day affairs? The gentleman from Massachusetts is speaking at Lincoln Day affairs?

Mr. O'NEILL. I do not think I will be that charitable. As a matter of fact, I took one of my speeches and really hacked it apart. I thought it was too democratic.

Mr. BAUMAN. Mr. Speaker, I can only say that I have never known the gentleman to be anything but Democratic, with both a small and a large "D."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PUBLICATION OF RULES OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY

Mr. HECHLER of West Virginia. Mr. Speaker, on behalf of the chairman of the Committee on Science and Technology, Mr. TEAGUE, pursuant to clause 3 of rule XI of the Rules of the House of Representatives, I am submitting the Rules so adopted for publication in the CONGRESSIONAL RECORD:

RULES GOVERNING PROCEDURE: COMMITTEE ON SCIENCE AND TECHNOLOGY, 94TH CONGRESS

A. GENERAL

1. The Rules of the House of Representatives, insofar as they are applicable, shall govern the committee and its subcommittees. The rules of the committee, insofar as they are applicable, shall be the rules of any subcommittee of the committee.

B. COMMITTEE MEETINGS AND PROCEDURES

1. The meetings of the committee shall be held every Tuesday, at 10:00 a.m. and at such other times and in such place as the chairman may designate, however, a regular Tuesday meeting of the committee may be dispensed with by the chairman.

2. The chairman of the committee may call and convene as considered necessary additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the chairman.

3. If at least three members of the committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within three calendar days after the filing of the request, the chairman does not call the requested meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour of, and the measure or matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

4. If the chairman of the committee is not present at any meeting of the committee, the ranking member of the majority party on the committee who is present shall preside at that meeting.

5. A majority of Members of the committee shall constitute a quorum. A majority of a subcommittee shall constitute a quorum of such subcommittee.

6. No general proxies may be used for any purpose; however, a Member may vote by special proxy. The special proxy authorization shall be in writing, shall assert that the Member is absent on official business or is otherwise unable to be present at the meeting of the committee, shall designate the person who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

7. A rollcall of the Members may be had at the request of three or more Members.

8. No measure or recommendation shall be reported or tabled by the committee unless a majority of the committee is actually present.

9. All legislation and other matters referred to the committee shall be referred to the subcommittee of appropriate jurisdiction within 2 weeks unless, by majority vote of the Majority Members of the full committee, consideration is to be by the full committee.

10. The order of business and procedure of the committee and the subjects of inquiries or investigations will be decided by the chairman, subject always to an appeal to the committee.

11. Bills will be taken up for hearing only when called by the chairman of the committee or subcommittee or by a majority vote of a quorum of the committee or subcommittee, except those matters which are the subject of special-call meeting outlined in rule B 3.

12. The time any one Member may address the committee on any bill, motion, or other matter under consideration by the committee or the time allowed for the questioning of a witness at hearings before the committee will be limited to 5 minutes, and then only when he has been recognized by the chairman, except that this time limit may be waived by the chairman or acting chairman. The rule of germaneness will be enforced by the chairman.

13. No private bill will be reported by the committee if there are two or more dissenting votes. Private bills so rejected by the committee will not be reconsidered during the same Congress unless new evidence sufficient to justify a new hearing has been presented to the committee.

14. The majority of the Majority Members of the Committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee and shall authorize the Chairman to negotiate that ratio with the Minority Party; *Provided, however*, that party representation on each subcommittee (including any ex-officio members) shall be no less favorable to the Majority than the ratio for the full committee. *Provided, further*, that Majority Party representation on conference committees also shall be

no less favorable to the Majority Party than the ratio for the full committee.

15. The Chairman and ranking minority member shall serve as ex-officio members of all subcommittees and shall have the right to vote and be counted as part of the quorum on all matters before the subcommittees when the exercise of that right to vote shall not violate the ratio provisions of these rules.

16. Whenever any hearing is conducted by the committee on any measure or matter, the Minority Members of the committee shall be entitled, upon request to the chairman by a majority of them, before the completion of the hearing, to call witnesses selected by the Minority to testify with respect to the measure or matter at least 1 day during the hearing.

17. No committee or subcommittee hearing may be held unless one Member of the Majority and one Member of the Minority are present.

18. The number of Members to constitute a quorum for taking testimony and receiving evidence shall not be less than two.

19. No point of order shall lie with respect to any measure reported by the committee on the ground that hearings on such measure were not conducted in accordance with the provisions of this clause: except that a point of order on that ground may be made by any member of the committee if, in the committee, such point of order was (A) timely made and (B) improperly overruled or not properly considered.

20. Each meeting for the transaction of business, including the markup of legislation, of the committee or any of its subcommittees shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* that no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a)(3) of Rule X of the Rules of the House of Representatives or by Rule B–21 contained herein, or to any meeting that relates solely to internal budget or personnel matters.

21. Each hearing conducted by the committee or any of its subcommittees shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* that the committee or subcommittee may be the same procedure vote to close one subsequent day of hearing.

22. The committee shall make public announcement of the date, place, and subject matter of any of its hearings at least one week before the commencement of the hearing. If the committee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly published in the Daily Digest.

23. The committee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of his or her argument.

24. The committee may not sit without special leave while the House is reading a measure for amendment under the 5-minute rule.

25. Clause 2(K) of Rule XI of the Rules of the House of Representatives is hereby incorporated by reference.

C. SUBCOMMITTEE STRUCTURE, JURISDICTION AND PROCEDURES

1. All proposed legislation and other matters related to the subjects listed under standing subcommittees named below shall be referred to such subcommittees, respectively:

(*a*) *Subcommittee on Energy Research, Development and Demonstration (Fossil Fuels)*.—Legislation and other matters relating to: coal mining technology, coal gasification, coal liquefaction, coal combustion, coal refining and on site processing, coal slurry and transmission, coal waste disposal, fossil fuel exploration research and development, fossil fuel conversion technology (MHD using coal), drilling, secondary and tertiary recovery of oil and natural gas, oil shale mining technology, oil shale retorting, oil shale refining and on site processing, special oversight (all research and development related to fossil energy development) and the annual authorization of the Energy Research and Development Administration (ERDA) associated with fossil fuels.

(*b*) *Subcommittee on Space Science and Application*.—Legislation and other matters relating to astronautical research and development (including general and special oversight); Space exploration, control, and programs (including resources, personnel, equipment and facilities); international space cooperation; spaceflight applications; and the annual authorization for the National Aeronautics and Space Administration (NASA) (except aeronautical research and development).

(*c*) *Subcommittee on Science, Research and Technology*.—Authorizing legislation and other matters relating to the National Science Foundation (NSF), to the National Bureau of Standards (NBS), and all scientific research and development and applications; science programs, policy; science centers; scientific resources (including manpower); science scholarships; technology transfer; technology assessment; technological innovation; and standards (weights, measures, etc.).

(*d*) *Subcommittee on Domestic and International Scientific Planning and Analysis*.—Legislation, oversight, and other matters relating to: survey, inquiries and special oversight into all non-military research and development (excludes DOD and that falling under other Subcommittees); analysis and advanced planning studies in all non-military research and development; international technology transfer (includes economic effects); international cooperation in science and technology; special Federal-Regional-State-Local relations in science and technology (includes oversight of Federal-State research and development programs other than those of the Department of Defense or other Subcommittees).

(*e*) *Subcommittee on Energy Research, Development and Demonstration*.—Legislation and other matters relating to: geothermal energy; solar energy (including wind and other indirect forms); physical research; advanced energy systems; energy transmission; energy conservation; energy utilization; tidal energy; energy conversion technology; special oversight of nuclear energy research and development; and the annual authorization of the Energy Research and Development Administration (ERDA) except fossil fuel and nuclear research and development.

(*f*) *Subcommittee on the Environment and the Atmosphere*.—Legislation and other matters relating to environmental research and development including, but not limited to, EPA's research and development programs in Air and Water Quality and Solid Waste Disposal); the National Weather Service; the National Environmental Satellite Service; and the Research and Development activities of the National Oceanic and Atmospheric Administration (jointly with the Merchant Marine and Fisheries Committee).

(*g*) *Subcommittee on Aviation and Transportation R. & D.*—Legislation and other matters relating to civil aviation research and development (includes NASA and Federal Aviation Administration aviation research and development programs), surface transportation research and development oversight (includes the Department of Transportation, Coast Guard, Federal Highway Administration, National Highway Traffic Safety Administration, Federal Railroad Administration, Urban Mass Transportation Administration research and development programs), and that part of the annual authorization for the National Aeronautics and Space Administration relating to aeronautical research and development.

2. Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the committee on all matters referred to it. Subcommittee chairmen shall set meeting dates after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

3. All Members of the committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and may participate in such hearings or deliberations, but no such Member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

4. A majority vote of any subcommittee will be required to report any bill, resolution, or other matter to the full committee, or to table any bill, resolution, or other matter before it.

D. REPORTS

1. The report of the committee on a measure which has been approved by the committee (A) shall include the oversight findings and recommendations required pursuant to the last sentence of clause 2(b)(1) of Rule X of the Rules of the House of Representatives separately set out and clearly identified; (B) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures; (C) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee; and (4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b)(2) of Rule X of the Rules of the House of Representatives separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

2. Each report of the committee on each bill or joint resolution of a public character reported shall contain a detailed analytical statement as to whether the enactment of such bill or join resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

3. If, at the time of approval of any measure or matter by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (C) and (D) of Rule D1) are included as part of the report.

4. However, this Rule does not preclude the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or the filing by the committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

5. It shall be the duty of the chairman to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

6. In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request.

7. The committee shall keep a complete record of all committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each such rollcall shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and the names of those Members present but not voting.

8. With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

9. Reports and recommendations of a subcommittee shall not be considered by the full committee until after the intervention of 3 calendar days, excluding Saturday, Sunday and holidays, from the time the report is submitted and printed hearings thereon shall be made available, if reasonably possible, to the Members, except that this rule may be waived in the discretion of the chairman.

AUTHORIZING THE CLERK TO RECEIVE MESSAGES FROM THE SENATE AND THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS, NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until Monday, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AIRCRAFT NOISE GETS NOISIER

(Mr. ADDABBO asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ADDABBO. Mr. Speaker, today I am introducing a bill to transfer jet noise control from the Federal Aviation Administration to the Environmental Protection Agency. I have been a critic of the FAA for many years, particularly with regard to that agency's failure to get tought with the aircraft industry on the question of jet noise.

The FAA has the authority to issue strict regulations limiting aircraft noise, yet that agency seems more concerned about the airlines and airport operators than about the interruption of the daily lives of millions of Americans living near airport flight paths.

A startling example of FAA inaction and priorities is revealed by the following excerpts from two documents. First, let me quote from an August 1973 Report on Aircraft-Airport Noise to the Senate Committee on Public Works from the Environmental Protection Agency:

> In order to obtain an environment consistent with public health and welfare needs with respect to noise, the Environmental Protection Agency will propose to the Federal Aviation Administration:
>
> Regulations concerning flight and operational noise controls. The regulations will include options for takeoff procedures, approach and landing procedures, and minimum flight altitudes.
>
> Amendments to FAR Part 36 to specify lower noise levels for future aircraft.
>
> Regulations to control and reduce the noise emissions from existing aircraft. The FAA's proposed Fleet Noise Level (FNL) methodology will be considered as a flexible means of promoting any of the source technology options (nacelle treatment, refan, or aircraft replacement.)
>
> Cooperative actions to develop an airport noise certification regulation that will assure control over cumulative noise near airports.

With this background, here is the FAA speaking through its Noise Abatement Newsletter, February 1975, 16 months later:

> PROPOSED RULE WILL KEEP COMMERCIAL JETS HIGHER PRIOR TO LANDING
>
> Environmental Protection Agency has submitted a proposal to FAA to reduce noise levels by requiring turbojet aircraft to remain at higher altitudes prior to starting descent into an airport. Under the proposed rule, turbojets would be required to enter a terminal area at 10,000 feet, remain there until descent is required for a safe landing than descend to 5,000 feet. The aircraft would remain at 5,000 feet until entering the descent area established by air traffic control for the direction of the landing runway, and then descent to 3,000 feet. Final descent would begin from 3,000 feet when the aircraft intercepted the appropriate glideslope.
>
> The use of the new, higher approach altitude would reduce noise levels "by at least 25% for those areas exposed to 90 EPNdB (effective perceived noise decibels) or greater, or up to nine EPNdB, EPA said. FAA evaluation of impact from vectoring the large turbojet aircraft to intercept the glideslope at 3,000 feet showed an estimated 0.8% reduction in an airport's practical annual capacity and an increase of $8.95 in operating cost for each flight.

The FAA's concern over an $8.95 increase in flight costs is typical of that agency's total domination by the industry it is charged with regulating. This is why I propose an immediate transfer of noise control authority from the Federal Aviation Administration to the Environmental Protection Agency.

TO REQUIRE POSTMASTER GENERAL AND DEPUTY POSTMASTER GENERAL BE APPOINTED WITH ADVICE AND CONSENT OF THE SENATE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I am today introducing a bill to require that the Postmaster General and the Deputy Postmaster General of the Postal Service be appointed with the advice and consent of the Senate.

As you know, prior to the enactment of the Postal Reorganization Act of 1970, such appointments were subject to Senate confirmation.

When Congress enacted the Postal Reorganization Act, the best of intentions were expresses that the new Postal Service would henceforth be without the counterproductive influence of politics which had previously reached to the lowest levels of the Post Office Department. In no manner do I dispute these intentions. In fact, on an overall basis, I believe we have removed many political considerations from the Service.

The rank and file postal worker is now hired and paid on his merits alone. However, in the higher levels of the Postal Service, a new and different sort of influence—emanating from the administration and compounded by old business ties—has grown up. The Postmaster General and the Deputy Postmaster General who succeeds to the office are, for sure, insulated from congressional political influences and in addition, they and the new influences upon them are insulated from any sort of congressional accountability.

Congress, notwithstanding the fact it is called on to appropriate millions of dollars to make up Postal Service deficits, is without a statement prior to entry of a new Postmaster General as to what policies will be followed after the office is assumed. The recourse of Congress now is to hold after the fact oversight hearings and cut mail service by cutting appropriations. Neither activity is beneficial for the public which uses the mails.

Mr. Speaker, the situation we face in the problems of the Postal Service makes it mandatory that before a new Postmaster General or Deputy Postmaster General is appointed, a review of his background, qualifications, and policy orientation must be made in hearings before the Senate. As a member of the House Post Office and Civil Service Committee, I have learned first hand how important it is that we know beforehand the routes which the high officals of the Postal Service will follow. At present, we learn the background and policies of the Postmaster General and Deputy Postmaster General when their sometimes disastrous policy courses have already begun to gouge the taxpayer's pocketbook.

The Postal Service and its officials are charged with the delivery of 90 billion pieces of mail per year and directing 700,000 employees. These duties, and the policymaking which they entail, must be examined before the fact through the eyes and ears of the Congress charged with representing those who foot the bill for Postal Service excesses. Mr. Speaker, I urge that this change which I propose be made.

MANAGEMENT OF NATURAL GAS SUPPLY SHORTAGES

(Mr. DOMINICK V. DANIELS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am today introducing a bill to coordinate Federal policy in the management of natural gas shortages.

The recent report of the Federal Power Commission's Bureau of Natural Gas has underscored the rapidly deteriorating outlook for natural gas supplies in the United States. New Jersey and several other States have been particularly hard hit by a rapid succession of increasing curtailments. New Jersey is dependent upon a single source of interstate natural gas—the Transcontinental Gas Pipeline Corp. Transco's curtailment level has risen sharply, and these curtailments have had a very serious effect on unemployment in the southern portion of the State, which has a heavy concentration of industries that use natural gas for vital processes and feedstock purposes. A minimum of 15,000 to 20,000 jobs are directly at stake in this area; the indirect unemployment effects could be much greater. New Jersey already has a crushing unemployment rate of 9.5 percent. Unemployment resulting from natural gas curtailments can only add to this already serious problem.

Actual net curtailments for the heating season November 1973 through March 1974 were 444 billion cubic feet. The projected percentage increase in curtailments for the 1974–75 heating season is 107 percent, which is an increase in actual curtailments of 475 billion cubic feet, to bring the total forecasted curtailment to 919 billion cubic feet. Using a conversion factor of 1,000 cubic feet of gas to 6.9 gallons of residual fuel oil, the 475 billion cubic feet of projected increased gas curtailments for the 1974–75 heating season would be equivalent to 68 million barrels of residual fuel oil, or 455,000 barrels per day, for the 5 months involved.

Mr. Speaker, there is every prospect for a worsening of the natural gas supply situation in the months and years ahead. Despite increased drilling activity, production continues to decline. In light of this compelling reality, it is essential to develop an equitable distribution system of available supplies.

Under my bill, the Federal Power Commission would be required to order curtailment plans in accordance with established criteria as cited in my bill and in the Emergency Petroleum Allocation Act of 1973. In addition to providing for protection of sufficient supplies of natural gas for residential and commercial customers, which has been the policy of the Federal Power Commission in ordering curtailment plans, such plans will also provide for maintenance of public services, agricultural operations, and protections against loss of jobs and closings of factories and businesses which may result from inability to acquire sufficient supplies of natural gas or alternative fuels.

My bill requires the Federal Power Commission to order interchange between natural gas pipeline companies if necessary to obtain allocation objectives. The legislation also requires the Federal Power Commission and the Federal Energy Administration to cooperate in this effort to minimize unemployment to the largest extent possible. The Federal Energy Administration is empowered to direct the Federal Power Commission to make modifications in its curtailment plan to comply with the criteria set forth in the bill and in the Emergency Petroleum Allocation Act. However, the Federal Power Commission would continue to have jurisdiction and administration over distribution of natural gas.

Mr. Speaker, this bill is not designed to be an answer to the natural gas shortage. The solution to that problem lies in increasing production through appropriate economic incentives and in the longer-range development of sources for synthetic natural gas. However, until such time as the supply situation improves or alternate fuel sources substituted, we must take steps to fairly distribute available natural gas supplies. It seems illogical to have one area of the country suffering the adverse economic effects of natural gas curtailments when other areas of the country have abundant supplies. At a time when the Nation is suffering from such a high rate of unemployment, it also seems illogical to add to the growing number of unemployed by failing to develop an equitable natural gas distribution system.

Mr. Speaker, I am hopeful that my colleagues will agree that economic discrimination should not be exercised against those States which happen to be geographically situated at the wrong end of the natural gas pipeline system. Early consideration of this proposal would greatly assist those States where inequitable natural gas curtailments have struck such a hard and unfair blow.

LEGISLATION TO PREVENT REDUCTION OF BENEFITS IN CASES WHERE SOCIAL SECURITY IS INCREASED

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Speaker, I am introducing a bill today to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs will not have the amount of aid or assistance they receive reduced because of increases in monthly social security benefits. The bill also provides that recipients of veterans' pension and compensation benefits, as well as receipients of any other Federal benefits, will not have their benefits reduced because of social security increases.

I have received many letters from constituents who have had their expectations raised by learning of increases in social security benefits. But these hopes were in many cases dashed when other benefit checks, taking into account the individual's increased income from social security, were reduced accordingly. In fact, in some instances, people are actually worse off financially because of the increase.

Congress did not intend for the law to benefit State governments by allowing them to decrease their State payments. Congress did not intend for the law to enure to the benefit of the Veterans' Administration or any other Federal agency.

Rather, Congress intended that increases would reach the people in full force, not be watered down through reductions in benefits from other sources.

Mr. Speaker, people who receive social security benefits feel the pinch of rising rent, food costs and health care costs as much, if not more, than anyone else. This fact compounds the unfairness of shuffling social security increases from one agency to another, rather than making certain that a bonafide increase in income is realized. My bill will see to it that the intent of Congress is carried out, and more importantly, it will make certain that social security beneficiaries receive the income they deserve.

I urge every Member of Congress to support this bill and to work for its early passage.

THE RECYCLING OF PAPER PRODUCTS

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. BURKE of Massachusetts. Mr. Speaker, our commitment, as a Congress and as a nation, to a better environment is unmistakable. In fact, some questions have been raised as to whether this commitment should be softened during a critical shortage of capital funds and desperate energy problems.

Yet, there is a sound contribution we can make to the environment at the same time that we act to conserve energy, abate pollution, save natural resources and reduce the enormous expenditure for waste disposal. What we can do is enact at an early date tax incentives for recycling waste paper and, perhaps, other items of waste.

Paper forms the largest segment of solid waste. Paper is relatively easy to retrieve. It can be converted early into useful new products by a simple process which is virtually pollution free. If we did not have paper recycling, we would have to invent it. Fortunately, we do not need to do so.

Paper recycling is something we have been doing in this country for many years. But, as in so many things, we Americans waste a great deal. Thus, waste paper provided a larger percentage of our paperboard needs 30 years ago than it does today. And the situation seems to be getting worse.

On the one hand, cities, towns, and counties all over the country are frantic to find waste collections and disposal and are desperately trying to fund and finance dumps, incinerators, and landfills. In many places today it costs as much as $35 a ton to pick up and dispose of solid waste—trash.

On the other hand, it is less and less attractive to the business community to build new recycling facilities. There are 33 new paperboard-making machines to be activated in the 1975–77 period in this country, according to plans already announced. Only three of those machines will use wastepaper as raw material and 30 will use virgin woodpulp.

That is proof enough that the basic economics of recycling of paper today do not encourage anyone to get into it or to expand in it.

Yet, recent public opinion surveys show that the American people want to see more recycling and are willing to help finance it through taxes. The Environmental Protection Agency tells us that we should do more recycling and that the way to get more of it done is to give tax incentives to industries that convert waste into useful new products.

I, for one, agree. In the 93d Congress, I proposed a tax credit of $10 a ton for all the wastepaper that a company uses to convert into useful new products. Only two strings were put on the proposal: First, the money would be paid only for "post-consumer waste"—that which had gone through its regular use and had been discarded, and second, no company could write off more than half its tax liability from its recycling operations.

On the first day of the 94th Congress, I introduced the same legislation as H.R. 282. Last year many colleagues joined me in sponsoring this kind of tax credit. We agreed that, by placing a flat $10 a ton bounty on the use of wastepaper that would otherwise go to the dump, we would encourage taking more and more of the cheap grades of paper such as old boxes, old newspapers, and office waste. That is what gluts the dumps now. That is what we need to make more use of in recycling.

I hope that many more colleagues who are concerned with the energy problems, solid waste disposal, pollution, and conservation will strike a blow with me for tax incentives for recycling of paper. Your commitments to this program will give us strength in the Ways and Means Committee as we seek adoption of this tax program so clearly in the national interest.

ENOUGH IS TOO MUCH

(Mr. SYMINGTON asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. SYMINGTON. Mr. Speaker, in yesterday's RECORD, I placed some remarks concerning the Cyprus question which I would urge my colleagues to read if they have a moment. I think that the Congress is an unwieldy institution to conduct negotiations of that sensitivity on a day-to-day basis. Today I should like to place further remarks in the RECORD, with the permission of the Speaker and the House, concerning the President's request for $300 million extra dollars for Indochina. In that case I think the congressional response, seasoned over a number of years, could well be a negative one.

Dr. Kissinger cannot understand why we are debating on Viet Nam again. We cannot understand why we are warring there again. We resume the debate because the Government has resumed the war. He says North Vietnam has broken its word. When did we begin taking Hanoi at its word? Were we that simple? Or was the 1972 "Christmas accord" a quiet conspiracy to calm the nerves of American voters—a facade of "understanding" concealing the real intent of both sides to continue the struggle?

The question then for the American people was not and is not whether Asians would stop fighting, but whether we would. We answered it once. We will answer it again. We have answered it at the polls and in this Chamber. But the President tells us the credibility of our mutual defense pledges is at stake. How can this drain on our military resources do anything but reduce not only our credibility but our capability to meet other obligations? The President knows as well or better than any of us the limits to our military capacity, our budget, our fiscal strength. It is the administration not the Congress which endangers both the substance and the appearance of credibility by chasing that will-of-the-wisp—victory, peace, stability, cease-fire, or whatever other condition it thinks it can impose or wish upon that part of the world.

What is it we could not achieve there with half a million GI's that we can now achieve without them? Answer that. Did President Nixon really believe he could have withdrawal and "victory" too? Did Dr. Kissinger believe that? Does President Ford believe it? I never believed it. In the days when it was less popular to bring up unpleasant consequences I reminded birds of every feather, hawks and doves, that we could not by withdrawal "stop the war", as was supposed, but only our participation in the war. That was the modest objective, the realistic objective, the attainable objective of those of us who sought to bring America's men and money home. Of what giant self-deception did the formulators of our policy 3 years ago, think America capable?

The problem with our Presidents is they get trapped in the momentum of bad history, entangled in cliches. One by one the four Presidents who assumed office over the past 15 years were fitted, as it were, with moth wings and pointed at the flame of Vietnam. Beguiled by maps, pointers, and bluff military confidence each could see light at the end of the tunnel. If they cannot disenthrall themselves Congress must help. Review the record. Was Eisenhower right not to get in a ground war in Asia? Yes. Was Kennedy right to enter that arena? No. Was Johnson right to pledge never to send American boys to fight where Asian boys should fight? Yes. Was he right to send half a million American boys to fight in that Asian war? No. Was Nixon right to state that 4 years of such involvement were enough? Yes. Was he right to continue it for another 4 years, 20,000 American lives, and $100 billion? No. Was Congress right to pass legislation denying funds to finance the involvement of U.S. forces in, over, or offshore North and South Vietnam, Laos, and Cambodia? Yes. Would we be correct in reversing that directive? No, and again, No.

We did not prepare such a law or offer it on the assumption that North Vietnamese forces or insurgent rebellions would not be unleashed anew. We prepared it and offered it and passed it because we were determined not to unleash our own forces anew in that area.

It was our judgment that whatever national interest may have been served by earlier interventions was no longer served, but subverted, distorted, and badly injured by continuation or resumption of any such intervention. We spoke then as the people's representatives. We are still their representatives. We have seen them lined up for food stamps, gasoline, jobs, unmployment compensation. What is there in those lines, those faces, those eyes that tells us we should appropriate $300 millions to support the Thieu Government which has just closed down 19 more newspapers? And what of those who still work and pay the taxes to support the legitimate goals of good government, who see the plight of their less fortunate countrymen, who wonder how close they are to the brink of such dejection? Who among them has urged us to continue financing that war? They prefer such millions to be invested in the hopes around them here at home, in housing, useful public works, the education of our children, job training and placement, communication and transportation systems commensurate with today's needs.

It is said that vigilance is the price of liberty. It is the price of sanity. And a vigilant Congress must try to hold executive initiatives to the sane, historic course laid out by our forefathers and from which we have veered only when rumors of our infallibility or immortality overtook us.

When President Ford assumed the high office he holds, he did so with the respect, the very real affection, and the dearest hopes of the American people and their elected Congress. The slate of history was cleaned at last for that precious period when he first outlined the challenges we face. We began to see in the clearing ahead some of the very real mountains we have to cross, inflation, unemployment, an untangling of urban transportation, obstacles to good health and environment, drug addiction, and heartless crime. Now, just as we are stocking our backpacks with provisions for the long, arduous, uncertain climb over those snowcapped peaks, we are told by the team leader that due to an unexpected requirement of overriding proportions we must unpack and remove a substantial share of the scarce provisions we were readying for that other journey. What is our response to be? Let us press on, Mr. President, with the problems in hand, not those in the bush.

A word about the bloodbath theory of justification for an open-ended U.S. commitment. The theory once had the ring of respectability. It was in 1966—10 years of blood ago. In 1968 it was strongly questioned. The American people clearly wanted to remove our power from the equation of fratricide conditioned primarily upon the return of our prisoners. But the habit was too hard to kick overnight. So we departed—convulsively over another 4 years of bloodshed which took the lives of another 20,000 Americans and 805,000 Vietnamese. Since the moment when Dr. Kissinger announced peace was at hand 156,000 more Vietnamese have died, many from our weapons steadily supplied since the ceasefire. What a curious presumption it is to suggest more will die if the flow is stopped than if it is continued. Vice President Rockefeller says we have a moral obligation to vote this $300 million for South Vietnam and that should we fail to do so, and the North take over, it will be Congress which bears the responsibility for the "one million" slaughtered.

But taking this logic a step further, suppose we vote the sum and the Thieu Government even after jailing all opposition press falls anyway. Whose fault is that? The President for not asking for more? The Congress for not insisting on a larger sum? Or the working American from whose taxes the aid must be taken and who is not working hard enough to generate more taxable income? The question is important because, taking the Vice President's assertion that our obligation is a moral one, it is not $300 million we have the moral obligation to provide, but "enough." And how much is that?

What power have we in any event to prevent the Vietnamese people from killing one another short of doing it for them? If they are to be dissuaded from this insanity it will be by their own recognition of one another as brothers, as a single people, with a single cultural heritage—not by our continued willingness to send arms and ammunition into the area. A people can, after all, engage in a civil war. We did. And we brooked no intervention in it either, although great powers circled hungrily throughout its duration. In this case a government may fall. It is well called the "Thieu government." What allegiance do we owe it that could be nearly so effective as the allegiance of the people it governs were they fond of it? Should it fall, what then emerges? A puppet of the Chinese, of the Russians, of both; or a war weary, exhausted country, a bent people desperate for friendship with any potential source of aid, and power, or with any decent consortium of powers? "Only $300 million," say administration spokesmen almost wistfully, as if it were a pittance. Were it food stamp aid for hungry Americans it would be half of what the administration would cut from that program by requiring larger payments by the beleaguered recipients. Already in fiscal 1975 we allocated $400 million in Public Law 480 foodstuffs to Cambodia and Vietnam. I once led the House effort to restrict what I deemed to be food for war, not peace. I would relent if only we would stop sending arms and armament. If South Vietnam and Cambodia are "most needy" now they will certainly be if and when adjustment to a collapsed government becomes necessary. Food I would release; arms I would retain.

On the other hand, should the South Vietnamese people be animated by a new, revived sense of sacred mission to defend their borders, and even use their superior numbers to go North and settle their old feud in the streets of Hanoi, why then no arms, and no denial of arms will affect the outcome. They will do it because a destiny wills it that is beyond our power or purpose. Our policies are not and should not be the principal components of their destiny. Nor should theirs be of ours. Let us in this Bicentennial time declare our independence from the errors, the deceptions, and the cajolery, of discredited regimes and the armchair rooters. Let us declare here and now our dependence on reason, conscience, the dictates of our better angels, and the God-given commonsense of the American people.

PUBLICATION OF RULES OF COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mrs. SULLIVAN. Mr. Speaker, pursuant to clause 2(a)(3) of rule XI of the Rules of the House of Representatives, I submit for publication in the RECORD the rules of the Committee on Merchant Marine and Fisheries which were adopted at the organizational meeting of the committee on February 4, 1975:

RULES OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES, (94TH CONGRESS)

(Adopted at Organizational Meeting, February 4, 1975.)

RULE I. APPLICABILITY OF OTHER RULES

The Rules of the House insofar as they are applicable shall be the Rules of the Committee and its Subcommittees. The procedure in the Committee and its Subcommittees shall follow the procedure of the House. Written Rules adopted by the Committee, not inconsistent with the Rules of the House, shall be binding on each Subcommittee of the Committee. Each Subcommittee of the Committee is a part thereof and subject to the authority and direction of the Committee and to its Rules. (Rule XI, clause 1(a) (1) & (2))

RULE II. MEETINGS

A.—The Committee shall meet at 10:00 a.m., on the first Wednesday of each month in the Committee Hearing Room, Longworth House Office Building, while Congress is in session. However, the regularly scheduled monthly meeting of the Committee may be dispensed with at the discretion of the Chairman, in consultation with the Ranking Minority Member, in the absence of any business to come before the Committee at such meeting. If the Chairman of the Committee is not present at any meeting of the Committee, the Ranking Member of the Majority Party on the Committee who is present shall preside at that meeting. (Rule XI, clause 1(b))

B.—(1) Each meeting for the transaction of business, including the mark-up of legislation, of the Committee or a Subcommittee, shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than Members of the Committee and such Congressional staff and such departmental representatives as they may authorize shall be present at any business or mark-up session which has been closed to the public. This paragraph does not apply to open Committee hearings which are provided for by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters. (Rule XI, clause 2(g) (1))

(2) Each hearing conducted by the Committee or a Subcommittee shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* That the Committee or Subcommittee may by the same procedure, vote to close one subsequent day of hearing. (Rule XI, Clause 2 (g) (2))

C.—(1) The Chairman of the Committee may call and convene, as he or she considers necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other Committee business. The Committee shall meet for such purpose pursuant to that call of the Chairman. (Rule XI, Clause 2(c) (2))

(2) If at least three Members of the Committee desire that a special meeting of the Committee be called by the Chairman, those Members may file in the offices of the Committee Clerk their written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the Clerk of the Committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the Members of the Committee may file in the offices of the Committee their written notice that a special meeting of the Committee will be held, specifying the date and hour of, and the measure or matter to be considered at, that special meeting. The Committee shall meet on that date and hour. Immediately

upon the filing of the notice, the Clerk of the Committee shall notify all Members of the Committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting. (Rule XI, Clause 2 (c)(2))

D.—The date, time, place and subject matter of meetings of the Committee shall be announced to all Members of the Committee and the public at least one week before the meeting, unless the Chairman in consultation with the Ranking Minority Member determines that there is good cause to begin the meeting at an earlier date. If such determination is made by the Chairman, the Committee shall make public announcement and provide oral and/or written notice to Committee Members at the earliest possible date. Any announcement under this paragraph shall be promptly published in the Daily Digest. (Rule XI, Clause 2(g)(3))

E.—When a duly called Party Caucus or Conference of either Party is scheduled on a date and at a time which directly conflicts with a scheduled Committee meeting, the meeting of the Committee shall be cancelled and oral and/or written notice to that effect shall be given to all Committee Members and staff by the Clerk of the Committee.

F.—No Committee of the House (except Appropriations, Budget and Rules) may sit, without special leave, while the House is reading a measure for amendment under the five-minute rule. (Rule XI, Clause 2(i))

RULE III. COMMITTEE PROCEDURE

A.—Unless authorized by the Chairman of the Committee, or a Subcommittee, a witness shall not be permitted to testify or present evidence, and such statement or testimony will not be included in the Committee hearing record, unless fifty copies thereof have been delivered to the Clerk of the Committee at least twenty-four hours prior to such meeting. To the extent feasible, statements and testimony of witnesses from Federal and Administrative agencies shall be accompanied, if not previously received, by fifty copies of the Federal agency report requested by the Committee on matters pending before it. The presentation of testimony by any one witness shall not exceed twenty (20) minutes. This will be a synopsis of the prepared testimony which will be presented for the record. (Rule XI, Clause 2(g)(4))

B.—Committee Members may question witnesses only when they have been recognized by the Chairman for that purpose. All questioning shall be pertinent to the subject matter of the hearing. In accordance with Rule XI, clause 27(f)(4), Rules of the House, each Committee Member may request up to five minutes in the first round of questioning to question a witness until each Member who so desires has had such opportunity. Until all such requests have been satisfied, the Chairman shall, insofar as is practicable, recognize alternately on the basis of seniority those Majority and Minority Members present at the time the hearing was called to order, and others on the basis of their arrival at the hearing. Thereafter, additional time may be extended to a Committee Member at the discretion of the Chairman. Written responses to questions propounded by Members and Committee staff counsel, and other data submitted for the record, shall be submitted in triplicate to the Committee Clerk. One copy of such material shall be retained by the Clerk for printing and the remaining copies furnished to the Chief Counsel for transmittal to the appropriate Subcommittee Counsel and to the Minority Counsel. In recognizing Members to question witnesses in this fashion, the Chairman shall take into consideration the ratio of the Majority to Minority Members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the Members of the Majority. The Chairman may accomplish this by recognizing two Majority Members for each Minority Member recognized. (Rule XI Clause 2 (j) (1) & (2) plus old rules)

C.—A majority of the Committee shall constitute a quorum for the purpose of transacting Committee business, but testimony may be taken and evidence received in any meeting at which there are present not fewer than two Members of the Committee, one of whom should be, whenever possible, a Minority Member. (Rule XI, Clause 2(h))

D.—No point of order shall lie with respect to any measure reported by any Committee on the ground that hearings on such measure were not conducted in accordance with the provisions of Rule XI, clause I, clause 2(g); except that a point of order on that ground may be made by any Member of the Committee which reported the measure if, in the Committee, such point of order was (A) timely made and (B) improperly overruled or not properly considered. (Rule XI, Clause 2(g)(5))

E.—A rollcall vote may be ordered by one-fifth of the Members present. The results of each rollcall vote in any meeting of the Committee shall be made available in the Committee office for inspection by the public, as provided in Rule XI, clause 27(B), Rules of the House. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition and whether by proxy or in person and the names of those Members present but not voting. Any rollcall vote on a motion to report a measure from the Committee shall be printed in the report, showing the total votes cast for and against such motion. (Rule XI, Clause 2(e)(1))

F.—Whenever any hearing is conducted by the Committee or a Subcommittee on any measure or matter, all Members shall be entitled to recommend in writing to the Chairman the name of witnesses to appear. The Minority Members of the Committee shall be entitled, prior to completion of the hearings and upon request to the Chairman by the Ranking Minority Member or by a majority of the Minority Members, to call witnesses selected by the Minority to testify with respect to the measure or matter pending, at least one day during the hearing. (Old rules, Rule XI, Clause 2(j)(1))

G.—The Committee, by majority vote, may permit any of its public hearings or meetings to be televised, broadcast by radio, of photographed subject to the following requirements: (Rule X, Clause 3(e))

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the Committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of Rule XI of the Rules of the House, relating to the protection of the rights of witnesses. (Rule XI, Clause 3(f)(1)(13))

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or the visibility of that witness and that Member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage. (Rule XI, Clause 3 (f)(1)(13))

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

H.—A Member may vote by special proxy only on a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy only for motions to recess, adjourn, or other procedural matters. In order to be considered a valid and duly executed proxy, the proxy authorization shall be in writing, shall assert that the Member is absent on official business, or is otherwise unable to be present at the meeting of the Committee and shall designate the person who is to execute the proxy authorization. Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. All executed proxies shall be turned over to the Clerk for inclusion in the official records of the meeting after they have been voted. Points of order as to the validity of proxies must be made at the time the proxies are voted. (Rule XI, Clause 2(f) as amended by House on January 14, 1975)

RULE IV. SUBCOMMITTEES

A.—There shall be five standing Subcommittees as follows: The Subcommittee on Merchant Marine; the Subcommittee on

Fisheries and Wildlife Conservation and the Environment; the Subcommittee on Coast Guard and Navigation; the Subcommittee on Oceanography; the Subcommittee on the Panama Canal, together with such other special, select or ad hoc committees as the Chairman or a majority of the Committee may establish or determine to be appropriate for the conduct of Committee business. (To be set by committee caucus, M III. A. (1), Caucus Rules)

B.—All legislation and other matters referred to the Committee shall be referred by the Chairman to the Subcommittee of appropriate jurisdiction within two weeks, unless by majority vote of the Majority Party Members of the Full Committee, consideration is to be by the Full Committee. (Caucus rule M III. A. (3))

C.—The Chairman and Ranking Majority Member shall serve as ex officio Members of all Subcommittees and shall have the right to vote on all matters before such Subcommittees. Any Member of the Full Committee has the privilege of sitting with any Subcommittee during its hearings or deliberations and participating therein, but shall not have the authority to vote on any matter, nor be counted present for the purpose of a quorum, nor, except as the Subcommittee Chairman or a majority of the Subcommittee may permit, participate in questioning under the five-minute rule, nor raise points of order, unless he is a Member of such Subcommittee. (Old rules)

D.—Subcommittees are authorized to hold hearings, receive evidence, hear witnesses, and report to the Committee for final action, together with such recommendations as may be agreed upon by the Subcommittee, on such matters as the Chairman may refer to a Subcommittee. Available dates for Subcommittee meetings shall be assigned as a result of consultation between the Chairman and Subcommittee Chairmen and as nearly as practicable in relation to and in accordance with workloads: Provided, however, That Subcommittees shall not meet at the same time as the Full Committee without express permission of the Chairman of the Committee. The ratio of Majority Party Members to Minority Party Members on Subcommittees and Conference Committees, including ex officio Members, shall be no less favorable to the Majority Party than the ratio of membership on the Full Committee. (Caucus rules M. III A. (2) and based on old Committee Rule)

RULE V. COMMITTEE REPORTS/PUBLICATIONS

A.—Records and transcripts of open hearings before the Committee shall not be available to the public for quotation of any Member until after such Member has had an opportunity to examine and approve such hearing records. Closed session transcripts and records shall be available to Members of the House and Committee staff for inspection in the office of the Committee, but may not be released or divulged to any other person without the consent of the Chairman or a majority of the Committee. In no event shall executive session or mark-up transcripts and records be taken from the Committee offices by anyone. (Old rule)

B.—All Committee or Subcommittee prints and other material prepared for public distribution shall be approved by the Chairman of the Full Committee prior to such distribution. (Old rule)

C.—The permanent records of the Committee shall be available to all Members of the House for examination. (Rule XI, Clause 2 (e) (2))

D.—(1) It shall be the duty of the Chairman to report or cause to be reported promptly to the House any measure approved by the Committee and to take or cause to be taken necessary steps to bring the matter to a vote. (Rule XI, Clause 2(e) (1) (A))

(2) In any event, the report of the Committee on a measure which has been approved by the Committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the Clerk of the Committee a written request, signed by a majority of the Members of the Committee, for the reporting of that measure. Upon the filing of any such request, the Clerk of the Committee shall transmit immediately to the Chairman of the Committee notice of the filing of that request. (Rule XI, Clause 2(l) (1) (B))

E.—(1) No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present. (Rule XI, Clause 2(l) (2) (A))

(2) With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the Committee Report. (Rule XI, Clause 2(l) (2) (B))

F.—The report of the Committee on an approved measure shall include (1) the oversight findings and recommendations required pursuant to the last sentence of clause 2 (b) (1) of Rule X of the House Rules separately set out and clearly identified; (2) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures; (3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the Committee; and (4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b) (2) of Rule X of the House Rules separately set out and clearly identified whenever such findings and recommendations have been submitted to the Committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the Committee's deliberations on the measure. (Rule XI, Clause 2(l) (3))

G.—Each report of the Committee on each bill or joint resolution of a public character reported by the Committee shall, insofar as possible, contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy. (Rule XI, Clause 2(l) (4))

H.—If, at the time of approval of any measure or matter by any Committee, other than the Committee on Rules, any Member of the Committee gives notice of intention to file supplemental, Minority, or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays and legal holidays) in which to file such views, in writing and signed by that Member, with the Clerk of the Committee. All such views so filed by one or more Members of the Committee shall be included within and shall be a part of, the report filed by the Committee with respect to that measure or matter. The report of the Committee upon that measure of matter shall be printed in a single volume which—(Rule XI, Clause 2(l) (5))

(1) shall include all supplemental, Minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, Minority, or additional views (and any material submitted under subdivisions (3) and (4) of section F) are included as part of the report.

This subparagraph does not preclude—

(i) the immediate filing or printing of a Committee Report unless timely request for the opportunity to file supplemental, Minority, or additional views has been made as provided by this section, or

(ii) the filing by the Committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by the Committee upon that measure or matter.

I.—A measure or matter reported by the Committee shall not be considered in the House until the third calendar day, excluding Saturdays, Sundays, and legal holidays following the day on which the report of that Committee upon that measure or matter has been available to Members of the House (even though a previous motion to the same effect has been disagreed to), on which the report of the Committee upon that measure or matter has been available to the Members of the House. If hearings have been held on any such measure or matter so reported, the Committee reporting the measure or matter shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—(Rule XI, Clause 2(l) (6)).

(1) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

(2) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or othrewise ivalidated by one or both Houses of Congress.

J.—If, within seven calendar days after a measure has, by resolution, been made in order for consideration by the House, no motion has been offered that the House consider that measure, any Member of the Committee which reported that measure may be recognized in the discretion of the Speaker to offer a motion that the House shall consider that measure, if the Committee has duly authorized that Member to offer that motion.

RULE VI. USE OF COMMITTEE FUNDS FOR TRAVEL

A.—(1) Funds authorized for the Committee under Clause 5 of Rule XI of the House Rules are for expenses incurred in the Committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee and its employees engaged in carrying out their official duties outside the United States. No appropriated funds shall be expended for the purpose of defraying expenses of Members of the Committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to their use of such currencies: (Rule XI, Clause 2(m))

(a) No Member or employee of the Committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law. (Rule XI, Clause 2(n) (1))

(b) Each Member or employee of the Committee shall make to the Chairman of the Committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation and the identification of the agency. All such individual reports shall be filed by the Chairman with the Committee on House Administration and shall be open to public inspection. (Rule XI, Clause 2(n) (2))

(2) A substantive report shall be filed with the Chairman within one month of any Committee trip or any trip related to matters of Committee jurisdiction which has been approved by the Chairman. (Old rules)

B.—(1) All voting Members of a Subcommittee shall have adequate notice prior to the date or dates fixed for Subcommittee investigations or hearings at locations other than Washington, D.C.

(2) All travel of Members and staff of the Committee or of a Subcommittee, to hearings, meetings, conferences, investigations, foreign conferences and meetings, and all foreign travel, must be authorized by the Chairman prior to any public notice thereof or the actual travel.

RULE VII. COMMITTEE AND SUBCOMMITTEE STAFF

A.—The Committee shall appoint, by majority vote of the Committee, from a list submitted to the Committee by the Chairman, appropriate professional and clerical staff personnel, in accordance with the provisions of Clause 6 of Rule XI of the House Rules. (Rule XI, Clause 6 (a) and (b))

B.—Each employee on the permanent staff is entitled to pay at a single per annum gross rate to be fixed by the Chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of Level V of the Executive Schedule in Section 5316 of Title 5 United States Code. (Rule XI, Clause 6(c))

C.—Subject to the provisions of paragraph G, each Committee staff member, other than a member appointed pursuant to the request of Minority Party Members, is assigned to the Chairman for the purposes of general supervision and control and shall perform such duties as the Chairman may assign. In the case of staff members appointed pursuant to the request of Minority Party Members, the Ranking Minority Member shall exercise general supervision and control, subject to the assignments designated by Minority Party Members in accordance with Clause 6 of Rule XI. (Rule XI, Clause 6(a) (1))

D.—The Committee, by majority vote, may terminate the services of any staff member appointed by the Committee and may, from time to time, take appropriate action to fill any staff vacancies. (Rule XI, Clause 6 (a) (4) and (b) (3))

E.—When any staff member is assigned directly to Subcommittee staff duties, the staff member shall remain under the general supervision and control of the Chairman of the Committee or Ranking Minority Member of the Committee as appropriate, but under the direct control of the Subcommittee Chairman or Ranking Minority Member, as appropriate, for duty assignment purposes.

F.—From the funds provided for the appointment of Committee staff pursuant to primary and additional expense resolutions—(Rule XI, Clause 5(d))

(1) The Chairman of each standing Subcommittee is authorized to appoint one staff member who shall serve at the pleasure of the Subcommittee Chairman.

(2) The Ranking Minority Party Member of each standing Subcommittee is authorized to appoint one staff person who shall serve at the pleasure of the Ranking Minority Party Member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the Subcommittee Chairman not to exceed (a) 75 per centum of the maximum established in paragraph (c) of Clause 6 of Rule XI, or (b) the rate paid the staff member appointed pursuant to subparagraph (1) of this paragraph.

G.—The Subcommittee staff members appointed pursuant to paragraph F are subject to the supervision and control of, and shall be responsible to, the Subcommittee Chairman or Ranking Minority Member of the Subcommittee as appropriate.

RULE VIII. COMMITTEE BUDGET

A—At the beginning of each session, after consultation with each Subcommittee Chairman, the Chairman shall propose and present to the Committee for its approval a budget of the estimated total amount of funds to be requested under a primary expense resolution submitted in accordance with Clause 5 of Rule XI, for use by the Committee, for such session of the Congress for all anticipated activities and programs of the Committee and of its Subcommittees. (Rule XI, Clause 5(a))

B.—In presenting the budget, the Chairman shall insure that it contains sufficient funds to enable the Committee and each Subcommittee to discharge its responsibilities for legislation and oversight. (Caucus rule M. III.A.(5)).

C.—Authorization for the payment of additional or unforeseen Committee and Subcommittee expenses may be procured by one or more additional expense resolutions processed in the same manner as set out above. (Rule XI, Clause 5(b))

D.—Once monthly, the Chairman shall require the appropriate staff personnel to prepare a full and detailed accounting of all expenditures made during the period since the last such accounting from the amount budgeted to the Full Committee. Each report shall show the amount and purpose of each expenditure and the budget to which such expenditure is attributed. This report shall be available upon request to the Committee offices for any Membr of the House of Representatives.

RULE IX. POWER TO SIT AND ACT; SUBPOENA POWER; CONTEMPT OF CONGRESS

A.—For the purpose of carrying out any of its functions and duties under this Rule and Rule X of the House of Representatives (including any matters referred to it under Clause 5 of Rule X of the House Rules), the Committee, or any Subcommittee of the Committee, is authorized (subject to subparagraph B(1) of this paragraph)—(Rule XI, Clause 2(m) (1))

(1) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(2) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman of the Committee, or any Member designated by such Chairman, may administer oaths to any witness.

B.—(1) A subpoena may be issued by the Committee or a Subcommittee under subparagraph A(2) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee, and authorized subpoenas shall be signed by the Chairman of the Committee or by any Member designated by the Committee. (Rule XI, Clause 2(m) (2))

(2) Compliance with any subpoena issued by a Committee or a Subcommittee under subparagraph A(2) may be enforced only as authorized or directed by the House.

RULE X. AMENDMENT OF THE RULES OF THE COMMITTEE

The Rules of the Committee may be modified, amended, or repealed, by a majority vote of the Committee, provided that two legislative days written notice of the proposed change has been provided each Member of the Committee prior to the meeting date on which such changes are to be discussed and voted upon. (Old rule)

EMERGENCY PUBLIC WORKS ACCELERATION ACT OF 1975

(Mr. WRIGHT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WRIGHT. Today, Mr. Speaker, in company with a large bipartisan group of my colleagues on the Public Works Committee, I am introducing a bill entitled the Emergency Public Works Acceleration Act of 1975 to help reverse our rapidly deteriorating national economic situation.

This is one of the major initiatives recommended by the special task force appointed by Speaker ALBERT, and of the program announced by the Speaker on January 14.

As the economy spirals downward, it is mandatory that the Congress use every means at its disposal to put people back to work—quickly and, ideally, at tasks that are truly productive.

Accelerating authorized public works projects falls in this category. The programs are necessary in normal times and even more so now. The Nation urgently needs improved highways and streets, better urban transit, waste water treatment facilities, water resource projects, public buildings, and stimulative economic development in especially hard-hit areas.

The Congress has recognized all of these needs in earlier legislation. In meeting these needs there is a massive job-creating potential, not only at the first level, but through a multiplier effect that extends well beyond the original construction or procurement of capital goods.

This is not make-work. It is not leaf-raking. It does not involve any new spending program. It involves the rapid acceleration of needed programs already authorized by Congress.

Unfortunately, much of our already approved and fully funded public works construction is just not going forward. The ground is plowed and ready, but the seeds that can help us recover from our national economic malaise are not being planted. The construction industry has been reeling in its own private recession for several months and there is massive unemployment in the building trades.

Congress must demand the expeditious handling of public works projects, and the sooner the better.

WATER POLLUTION

Probably the most dramatic example of a public works program that has been stymied is water pollution abatement. Congress in 1972 authorized $18 billion to construct waste treatment plants over the 3-year period, 1973–75.

Incredible though it may seem, as of December 31, 1974, less than $4 billion of this amount had been obligated, construction was underway on only a little more than half of that actually obligated, and the 26-month cash flow to municipalities and thence on to contractors amounted to less than $500 million. This is less than 5 percent of the amount authorized by Congress for the vitally urgent national commitment to clean up our streams.

Simultaneously, construction firms that do the earth moving and below ground excavations for such construction have more than 10,000 idle workers and are desperate for work.

At last count, construction had not started on 460 fully approved projects, and the Administrator of the Environmental Protection Agency himself said the situation was "approaching a crisis." I say that it is a crisis.

HIGHWAYS

There also have been almost unbelievable chronic delays, postponements, and stretchouts in the Federal-aid highway program. The President did not help things when he deferred the release of $10.7 billion in obligating authority last September.

But, setting aside that questionable action, there was still $2.5 billion in obligating authority that was available to the States as calendar 1975 began. But in some States, and in urban areas in particular, highway construction is virtually at a standstill.

Ironically, it is a well-established rule of thumb that a billion dollars in highway spending creates 35,000 direct jobs and another 35,000 indirect jobs.

PUBLIC MASS TRANSIT

In late 1974 Congress enacted transportation legislation in still another area, authorizing $11.8 billion to be spent over the next 6 years to revitalize urban transit systems.

While everyone knows it takes time to gear up to administer a new law, there has been a program of Federal aid for transit in effect since 1964.

In the current fiscal year there is more than $1 billion available for transit facilities and equipment. About one-third of that sum has been committed for current projects. All of this money should be translated into jobs and factory orders—and energy-efficient transit improvements—just as soon as it is humanly possible to do so.

CUT REDTAPE

Action is needed to cut redtape, eliminate delays, and bring public works projects to construction and completion. It is mind-boggling to realize that the many complicated steps required in moving a typical water resource project from the initial study phase through final construction now consumes more than 17 years.

This is absurd. The need for pervasive reform has been apparent for some time, and there are some fundamental problems that the Congress eventually will have to face. But the task at hand is to effect some immediate improvements so that public works programs can quickly generate jobs and help pull the economy out of its tailspin.

The bill that we are introducing will direct the heads of all Federal departments and agencies responsible for administering public works programs to reduce or eliminate any procedural requirements that tend to slow things down. Administrators will have to use their discretion, but they are required to examine and modify regulations that relate to reporting and publication requirements, the holding of hearings, and the scheduling of "waiting periods."

SPEED UP THE PROCESS

The intent is to speed up the approval of projects, get construction and related activities started, and keep them moving.

Of course, there are many substantive requirements built into public works laws themselves, and other requirements that flow from some of the social legislation enacted in recent years. Safety and environmental laws, equal opportunity and minimum wage requirements all have tended to make it difficult for projects to proceed according to an orderly timetable. This legislation does not alter any of those requirements.

Neither can it deal with the delays and uncertainty that are attributable to the malfunctioning economy itself—substantial cost overruns due to inflation and the inability of some hard-pressed local communities to come up with needed matching funds.

But it does require the Federal bureaucracy to use its professional judgment to expedite projects, to eliminate peripheral requirements, to process grant applications aggressively, and to emphasize actions that will make projects go forward rather than stand still.

Hundreds of thousands of jobs can become quickly available for Americans as a result. And those Americans will be employed on programs which the Nation needs.

THE PUBLIC DISCLOSURE OF LOBBYING ACT

The SPEAKER pro tempore (Mr. Dominick V. Daniels). Under a previous order of the House, the gentleman from Maine (Mr. Cohen) is recognized for 15 minutes.

Mr. COHEN. Mr. Speaker, I am very pleased to join with my colleagues, the gentleman from Illinois (Mr. Railsback) and the gentleman from Wisconsin (Mr. Kastenmeier) in sponsoring the Public Disclosure of Lobbying Act. In my opinion this legislation is vitally needed in order to provide Congress and the American people with an accurate reflection of the lobbying activities which occur daily at the national level and of the role they play in the development of public policy.

Lobbying, as defined by Websters Dictionary, is the "conducting of activities aimed at influencing public officials and especially members of a legislative body on legislation and other policy decisions." Obviously, this definition can include a great many activities. They range from the unfortunately common perception of political maneuvering in smoke-filled back rooms by a few powerful interest groups to the many individual letters we receive each day from our constituents. They also include the many letters and visits we receive from those in our own district or from national associations who represent varied groups concerned about legislation being considered by Congress. As I am sure my colleagues will agree, such contacts are vital to properly fulfilling our responsibilities, and they have a real impact on our consideration of legislation. The information these individuals and groups provide about problems which need legislative remedy and about the implications of measures which have been introduced are essential if we are to act on legislation in an independent, informed, and intelligent manner and if we are to be truly representatives of the people. It was the recognition of the legitimate importance of lobbying which led to the inclusion in the first amendment of the Constitution of not only the right to free speech, press, and assembly but also the right to petition the Government for redress of grievances.

The difficulty with lobbying comes only when a powerful individual or group seeks to gain unfair advantage by tactics which may distort the public reaction to or the actual effect of the policies being considered. On the surface it might seem easy to prohibit such activities, but as legislators before us have realized, the remedy must delicately balance the need to protect the public interest against undesirable pressures with the public's right to petition their Government and their elected representatives need to listen and learn.

An attempt was made to achieve this balance with the passage of the Federal Regulation of Lobbying Act in 1946. Sadly, however, because of original bad drafting and ambiguity in the law and subsequent court decisions attempting to correct these problems, the law has ended in excluding more lobbying activities from its control than it includes. As a result, rather than providing the "antiseptic light of public exposure" on lobbying activities it has greatly muddied the waters and confused the public's perception of lobbying on the national level.

The 1946 act, which is still in effect today, requires that persons who are paid to lobby for someone else must register with the House and Senate and file quarterly reports on how much pay they receive and from whom. Organizations lobbying for their own interests need not register but must file the financial reports. However, a number of organizations who frequently contact Members of Congress have avoided registering on the basis that lobbying is not the main purpose for which they expend their funds. Other groups and individuals have not registered because they spend their own funds or because they claim their contacts with Congress are meant simply to inform rather than influence. Also not qualifying for disclosure under the act are lobbying efforts which solicit others to contact Congress. Thus, it is often impossible for us to determine whether the sudden barrage of letters we sometimes receive on an issue are individually inspired or really stem from the same source. Finally, the act leaves it up to the lobbyists to decide what percentage of their budget is used for lobbying. The ability of Congress to investigate these reports or require registrations is so limited as to be almost nonexistent.

The Public Disclosure of Lobbying Act has been designed to correct the inadequacies of the present law and provide the public and Congress with full and accurate information on the many lobbyist groups now in existence and the activities in which they are engaged. First, the measure establishes an independent Federal Lobbying Disclosure Commission, which is responsible for receiving, compiling, and publicly reporting lobbying activities. The act of lobbying receives specific and extensive definition in the bill and includes efforts to influence policymaking in the executive as well as the legislative branches, efforts to solicit others to contact such officials—grassroots lobbying—and basically any efforts by individuals or groups which cost more than $250, exclusive of travel expenses. Each time an action defined as lobbying is undertaken, a notice must be filed with the Commission. The notice includes the identity of the lobbyist, who was contacted, why and for whom. The notices are to be published in the Federal Register on an ongoing basis.

Those engaged in lobbying activities must also file quarterly reports. Besides summarizing the information in the notices for the quarter, the reports must also include the amount of income received in that period to engage in lobbying—whether or not it was used solely for that purpose—and an itemized list of those who provided the money, how much each gave, and how it was expended. The lobbyists must also keep records of his lobbying activities which cover the information required in the reports and must retain those records for 6 years.

The Commission, besides receiving and reporting on this information, is also empowered to investigate the records of those engaging in lobbying, compel testimony of witnesses, and otherwise ascertain that the reporting requirements are being complied with. Failure to comply can lead to civil penalties and in the cases of willful failure or falsification of records, criminal penalties are provided as well.

Some organizations, of course, may claim that such reporting and recordkeeping requirements place an undue burden on their legitimate rights to contact Government officials on matters of policy. It should be recognized, however, that the basic requirements are not dissimilar to those contained in the present law; they simply apply to more groups involved in lobbying and thus distribute the reporting responsibility more equitably. Also, it would seem to me that the required information is no more than would or should be required by those on whose behalf the individual or group has acted. The members of an association, for example, should know about the activities for which their dues have been used. Some, of course, may wish to claim that this is the private business of the organization, but we must remember that their intention is to influence public policy. The information required is that needed to provide the public with accurate knowledge about the many forces which today shape national policy. I submit that in such matters, the public's right to know must predominate.

In conclusion, I would like to commend the efforts made by Mr. RAILSBACK and Mr. KASTENMEIER in introducing this measure. I would also like to note the work done by Common Cause in developing recommendations on lobbying reform and bringing this issue to the attention of the American people. Common Cause is a public interest lobbying group headquartered in Washington representing a broad spectrum of public opinion on many diversified issues. As experienced lobbyists they know full well the limitations of the present lobbying law and the need for lobbying reform. Also, as a group who has fully reported their expenditures for lobbying they have a direct interest in seeing that other groups comply as well with the original intent of Congress for full disclosure. I believe the experience and efforts of Common Cause in this area deserve careful attention by this Congress. I hope that the Judiciary Committee and the full House will be able to give full and prompt consideration to the Public Disclosure of Lobbying Act of 1975 so that the 94th Congress can truly become a Congress of reform.

HEARINGS ON ANTITRUST ENFORCEMENT BY STATE ATTORNEYS GENERAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I wish to announce that the Subcommittee on Monopolies and Commercial Law of the Committee on the Judiciary will hold 1 day of public hearings on February 20, 1975, on H.R. 38 and similar bills, that seek to permit the attorneys general of the several States to secure redress to the citizens and political subdivisions of their States for damages and injuries sustained by unlawful restraints and monopolies .The hearing will be held in room 2237, Rayburn House Office Building, and will begin at 10 a.m.

FREEZING MEDICARE DEDUCTIBLES AND COPAYMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, I am introducing today a bill that will freeze at their 1974 levels the deductibles and copayments patients have to pay under part A of the medicare program.

A similar bill was introduced in the Senate by Senator ABRAHAM RIBICOFF in the past Congress and has been reintroduced this year with 37 cosponsors.

Under current law, out-of-pocket deductible and copayment expenditures by medicare beneficiaries go up annually as the average daily cost of hospital care increases. For example, as of January 1, 1975, the basic hospital deductible went from the 1974 amount of $84 to $92. The copayment for the 61st through the 90th day of hospitalization increased from the 1974 level of $21 per day to $23 per day as of January 1975. The posthospital stay of over 20 days in an extended care facility went up from the 1974 amount of $10 a day to $11.50. And, for hospital stays of more than 90 days, the copayment for the "lifetime" reserve of 60 days increased from the 1974 level of $42 per day to $46.

The bill I am introducing today would freeze all part A deductibles and copayments at the 1974 amounts through 1976. It would also freeze the part A hospital insurance premium for voluntary enrollment by uninsured elderly and disabled persons at the current level of $36. This premium will be increased to $40 a month as of July 1975 unless this legislation is enacted.

We cannot continue to increase out-of-pocket medical costs borne by the elderly and disabled beneficiaries of medicare, many of whom live on fixed social security or other retirement incomes. In recent years, medical costs have increased at a higher rate than other consumer products, and the medicare deductibles, copayments and premiums have increased even faster than the medical care items of the Consumer Price Index. The basic hospital deductible under part A has increased 130 percent since December 1968 when it was $40. The average out-of-pocket health care costs for Americans aged 65 and over has grown from $234 in 1966 to $311 in 1973.

I am hopeful that within the not-too-distant future we will enact a national health insurance program that will expand health benefits available to the elderly and disabled under medicare, provide comprehensive health care coverage for all Americans, and establish a system that will maintain increases in medical prices within reasonable limits.

In the meantime, it is imperative that we amend the present medicare program so as to protect its beneficiaries from further increase in out-of-pocket costs due to rising hospital deductibles and copayments, as I have proposed in this bill.

TOWARD POLITICAL FREEDOM FOR FEDERAL CIVILIAN AND POSTAL EMPLOYEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. CLAY) is recognized for 5 minutes.

Mr. CLAY. Mr. Speaker, today I have introduced the Federal Employees' Political Activities Act of 1975, a bill which, if enacted, would amend the Hatch Act by restoring to Federal civilian and Postal Service employees their right to participate, as private citizens, in the political life of our Nation. It would continue to protect these Federal civilian and Postal Service employees from improper political influence and coercion.

Passage of the Hatch Act in 1939 represented Congress response to widespread abuse of Federal employees by governmental officials for political purposes. Enactment of this legislation, given the conditions of the time, assured a competitive, classified, merit system which inspired public confidence. Further, it protected these public servants from undue political influence by overzealous superior officials.

Thirty-five years have passed since the passage of the Hatch Act. Yet little has been done to bring the provisions of the law in line with the problems, opportunities, and realities of the seventies. For example, the vagueness of the language in the act, leads many Federal employees to "play it safe" by not becoming involved in even approved political activity. In a practical sense, the act tends to infringe on the right to freedom of speech by public employees. The act tends to infringe upon State and local authority and their right to establish standards governing the conduct of State and local employees. The sad reality is that, in this day of heightened consciousness about the need for political involvement, the act systematically denies meaningful political participation to a select group of people—Federal civilian and postal employees.

The legislation which I have introduced recognizes the changes in the sociopolitical climate today and the effective administration of our merit system, in contrast to the 1930's. It aims to reflect the needs and realities of public service and the inalienable right of all Americans to participate in the election process.

Specifically, my bill would enable Federal civilian and postal employees to participate in the workings of our democratic way of life. First, it permits employees to contribute voluntarily to candidates for public office. Second, it permits employees to express their views and to participate in political management of campaigns, as private citizens, without the involvement of their official authority or influence. Third, it specifically defines the meaning of political management and campaigns, to include:

Candidacy for service in political conventions;

Participation in political meetings, caucuses, and primaries;

Preparing for, organizing or conducting a political meeting or rally;

Membership in political clubs;

Distributing campaign literature and distributing or wearing campaign badges and buttons;

Having a publishing, editorial, or managerial connection with political publications;

Participating in a political parade;

Circulating nominating petitions; and

Candidacy for any public office.

This legislation does not presume to be the complete answer to this problem. It is extremely complex and of longstanding duration. It does, however, represent my view of one approach to the issue of making full participation in the political process a reality for all Americans. I welcome and solicit the views of others in seeking to constructively address this too-long neglected problem. In order to facilitate this process, the Subcommittee on Employees Political Activities which I am privileged to chair will initiate public hearings within the next few weeks.

RESOLUTION RE VLADIVOSTOK AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Bingham) is recognized for 15 minutes.

Mr. BINGHAM. Mr. Speaker, on behalf of myself, and the distinguished gentleman from Wisconsin (Mr. Zablocki), chairman of the National Security Subcommittee, I am today introducing a House resolution supporting the basic principles of the Vladivostok Agreement and outlining priority areas for further strategic arms control agreements. We are happy to be joined by the following cosponsors: Mr. Finley, Mr. Fraser, Mr. Nix, Mr. Fascell, Ms. Schroeder, Mr. Harrington, Mr. Leggett, Mr. Hamilton, Mr. Yatron, Mr. Ryan, Mr. Charles Wilson of Texas, Mr. Solarz, Mr. Riegle, and Mr. Bonker.

This resolution is substantially similar to that offered by Senators Kennedy, Mathias, and Mondale in the Senate on January 17, 1975. It differs from the Senate resolution primarily in its more forceful insistence that the Vladivostok agreement not be construed—either by the United States or the Soviet Union—as justifying or requiring of forces to the ceilings set in the agreement.

This resolution is based on the premise that the House has a responsibility for helping determine national security policies relating to the U.S. strategic force posture and strategic arms control. Given the annihilating power of strategic nuclear forces and the horrifying economic and political consequencies for mankind of escalating strategic arms races, this is a grave responsibility, demanding our closest attention.

The resolution which I am offering today applauds the progress that the President achieved at his meeting with Soviet Party leader Brezhnez in Vladivostok. It supports his efforts to translate the agreement in principle achieved there into a concrete accord limiting the numbers of strategic nuclear delivery vehicles and multiple independently targetable reentry vehicles—MIRV's—that the United States and U.S.S.R. can maintain. It places no strings on his negotiating authority; it neither requires him to renegotiate the numbers agreed on at that meeting nor to seek agreement on new kinds of reductions in the final accord. Indeed, it strengthens his negotiating authority by providing congressional backing for his efforts to achieve a final accord on the basis of the Vladivostok agreement.

At the same time, this resolution recognizes that the Vladivostok agreement is only a beginning in placing constraints upon the strategic arms race. Further quantitative and qualitative limitations will be necessary to provide meaningful arms control in the future. Therefore, this resolution calls upon the President to make every possible effort to bring potentially destabilizing elements of our strategic relationship under mutual controls in the future.

I would like to call your attention to certain provisions in the resolution. The first, which is found in paragraph 3, states clearly that it is the sense of the House that the Vladivostok agreement does not require either the United States or the U.S.S.R. to build up to or maintain strategic forces at the limits established by the agreement—2,400 delivery vehicles and 1,320 MIRV'ed missiles. Furthermore, it declares that strategic force deployments—at any level—should be based solely upon actual security needs, not upon expectations that the deployments may provide military bargaining chips or political leverage.

This language is significant. In stating that the agreement does not require either side to build up to or maintain forces at the limits set by the Vladivostok agreement, it expresses my belief, and that of many of my colleagues, that current American and Soviet strategic forces are more than adequate to meet each nation's security requirements for the foreseeable future, barring any dramatic unforeseen changes in the forces structure of either side. On another level, it provides constructive guidance to the President on the criterion he should follow in planning the future shape of American strategic forces.

I would also call your attention to the numbered paragraphs of section 2. These paragraphs outline priority areas for further action if the strategic arms race is to be contained in any meaningful fashion and eventually reversed. They call upon the President to seek Soviet agreement to reduce the numbers of strategic delivery systems and MIRV'ed missiles below the limits of the Vladivostok agreement, to limit the pace and character of strategic development and deployments and to limit forces and arms not currently controlled by bilateral or multilateral agreements.

Until now, this Nation's efforts to control the strategic arms race have focused on establishing relatively equal numerical limits on the most threatening elements of strategic forces. Now that we have agreed in principle to the idea of parity in numbers of strategic delivery vehicles and MIRV'ed missiles, the most strenuous effort should be directed to drastically reducing by mutual agreement Soviet and United States strategic arsenals to levels which are sufficiently low to erase any thought that either side would be tempted to use its strategic forces in a first strike.

In addition, we must now focus as much, if not more, attention on the qualitative aspects of the arms race. Modernization of existing sytsems and research and development of new systems are the major source of strategic instability today, and could, if not controlled, foster an even more menacing and expensive arms race in the future. The history of the United States and Soviet strategic arms developments confirms that fact that when one side develops a new capability, the other side is not far behind it in developing the same or a counter capability. During this "catch up" period, arms control measures are impossible to obtain. Therefore, if we are serious about arms control, we must do everything in our power to seek Soviet agreement to mutual restraints on the pace and character of strategic research and development and of deployment of new weapons. Such restraints might include a quota on strategic missile tests, a prohibition on the deployment of new kinds of missile forces such as land mobile ICBM's or nuclear cruise missiles, a limitation on measures to improve accuracy, and/or limitations on the rate at which strategic systems might be deployed or replaced.

Mr. Speaker, no one can be certain that it will be possible to achieve agreement with the Soviets in all the areas which we have outlined in the resolution. Our first priority, of course, must be to conclude a final accord on the basis of the Vladivostok agreement in principle. Nothing, including the steps we have outlined for future action in this resolution, must deter us from that goal. But, our next priority must be to bring under meaningful control those aspects of the strategic arms competition which, because they are either not addressed or not sufficiently limited by the Vladivostok agreement continue to threaten international peace.

Mr. Speaker, this resolution is offered by its sponsors as a constructive step which the House may take to place itself on record in favor of meaningful arms control measures and to fulfill its constructional responsibilities in helping formulate the outlines of American strategic policy.

At this point, I insert the resolution in the RECORD:

H. RES. 160

Whereas, at Vladivostok on November 24, 1974, the President of the United States and the General Secretary of the Central Committee of the Communist Party of the Union of Soviet Socialist Republics reached an agreement in principle on the limitation of strategic offensive nuclear arms; and

Whereas this agreement in principle places a limitation of 2,400 for each country on the number of strategic nuclear delivery vehicles, and a sub-limit of 1,320 for each country on the number of strategic missile launchers equipped with multiple independently targetable reentry vehicles (MIRVs); and

Whereas, this agreement is an important beginning in placing constraints upon strategic nuclear weapons programs and delivery systems currently planned for development by the United States, and upon the deployment by the Soviet Union of a so-called "next generation" of nuclear weapons; and

Whereas, the Vladivostok Agreement contributes to efforts between the United States and the Soviet Union to achieve agreements on mutual limitations and reductions of nuclear armaments, based upon the principle of substantial overall equality between Soviet and American nuclear forces, taking into account both qualitative and quantitative factors; and

Whereas, mutual restraint by the United States and the Union of Soviet Socialist Republics in future deployments of nuclear arms would help to prevent the further spread of weapons to countries not now possessing them: Therefore, be it

Resolved, That the House of Representatives of the United States of America

(1) Commends the agreement in principle reached at Vladivostok on November 24, 1974, and expresses its support for the broad purposes of that agreement as a major and substantial step forward in furthering mutual arms control, beneficial to United States interests, and in improving the relations between the United States and the Soviet Union;

(2) Expresses its firm belief that this agreement in principle must lead to further mutual arms limitations and reductions and that both the United States and the Soviet Union should make every effort to halt the continuing competition in strategic arms by exercising mutual restraint in the deployment of nuclear weapons systems beyond currently-deployed levels and types of weapons systems.

(3) Expresses its understanding that the Vladivostok Agreement establishes limits within which the United States and the Soviet Union may deploy strategic forces, but that the Agreement does not require the signatories to build up to or maintain strategic forces at these limits and that their deployments of strategic nuclear weapons be based solely upon their actual security needs.

SEC. 2. It is the advice of the House that the President should make every possible effort (a) to complete the negotiations resulting from the Vladivostok Agreement in principle; (b) in addition, to reach further agreements including, but not limited, to the following:

(1) Mutual restraints on the pace and character of development and deployments by the United States and the Soviet Union of strategic weapons systems within mutually agreed limitations of the Vladivostok Agreement and of the final accords to be negotiated on the basis of the Vladivostok Agreement.

(2) A commitment to negotiate mutual reductions to lower levels than those contained in the Vladivostok Agreement, both in the total numbers of strategic delivery vehicles and in the numbers of missiles capable of carrying multiple, independently-targetable reentry vehicles.

(3) A mutual commitment to continue negotiations on a timely and sustained basis to achieve further mutual limitations with regard to military forces and armaments not presently limited as part of the 1972 United States-Soviet Union strategic arms control agreements and the Vladivostok Agreement.

Negotiations to achieve the objectives contained in subsections (1), (2) and (3) should begin as soon as possible.

SEC. 3. The Speaker of the House is directed to transmit copies of this resolution to the President and to the Secretary of State.

THE VISIT OF PRIME MINISTER BHUTTO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. SIKES) is recognized for 10 minutes.

Mr. SIKES. Mr. Speaker, a warm and cordial welcome is due to Prime Minister Bhutto of Pakistan. This distinguished visitor to our Nation's Capital has been waging a valiant effort to strengthen his nation's economy and he is due high credit for the success his efforts are enjoying. His work is the more impressive because Pakistan has, in recent years, been beset with economic, military, and natural disasters.

America has much interest in Pakistan and a warm friendship for the people of that country. Year in and year out, Pakistan has been one of the nations that has stood with America despite pressures from other countries and despite vacillations on our own part when Pakistan needed our friendship and our help.

For many reasons, the Prime Minister's visit is an important one. It comes at an opportune time to further good relations between our countries. Pakistan's stabilizing influence in an area of much unrest among nations places additional importance on close relationships between the United States and Pakistan.

One item of discussion, understandably, is the lifting of the embargo against the purchase of weapons by Pakistan from the United States.

For years, Pakistan depended in large measure upon the United States for modern weapons. Then, as a gesture to India, we stopped the sale of weapons and spare parts to Pakistan. This was a crippling blow at a very serious time in Pakistan's history. They were forced to look elsewhere for the help they wanted and expected from the United States. There is no justification for the continuation of the embargo. Pakistan threatens no other country. Their survival as a democratic nation is at stake. They must be able to protect themselves, should external dangers arise.

Our country should also concern itself with helping Pakistan to overcome the internal difficulties which are still a factor in the progress and stability of the nation. The cordial tone of the talks between the heads of the two governments lends encouragement to the hope that the United States will take a more realistic view of our relations with Pakistan and the need for further cementing our friendship. All of this will be to the best interests of the United States and it can help to improve conditions in one of the more volatile areas of the world.

Surely, the peace-seeking nations of the world recognize the value of the prime minister's visit and wish him well in his talks with America's leaders.

MR. ROY STAUFFER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, on Sunday of this week, northeastern Pennsylvania lost one of its outstanding citizens.

Mr. Roy Stauffer, industrial developer and leader, a model citizen, a dynamic prime mover in the development of the economy of his region, died at Hazleton, Pa., ending a life of commitment to his fellowman, in a fashion that touched in one way or another the lives of hundreds of thousands of individuals who benefited in some way by living in the communities for which he did so much in his lifetime.

It is difficult in a few words to express the meaningful role Roy Stauffer played in making northeastern Pennsylvania a better place in which to live. In short, we in the region I represent were blessed with his presence, and the lives of generations to come will benefit from his endeavors.

A man of vision and determination, Roy Stauffer at an early age set out on a business venture that I am certain at that time would have drawn skepticism from his peers. He established, 50 years ago, one of the first Chevrolet automotive dealerships in the Nation, building it into one of the largest of the General Motors line.

He was not content to rest on the laurels of business success and enjoy the profits of his endeavors. He shared his wealth, something he possessed in all varieties, especially in his concern for his fellow man, and shared it well. Roy Stauffer served at various times as president of both the Scranton and Pittston Chambers of Commerce. He was the leader in all economic and industrial development programs, including PAID, a committee of a few Pittston area community and business leaders who set out in the 1950's to bring rebirth to a region which was beset with the tragedy of the demise of the hard coal industry in Northeastern Pennsylvania. It was his imaginative ability, his keeness of mind, and often his own generosity which gave the extra push to a project which would mean thousands of jobs and economic independence in an area which needed it so badly.

In the more than a quarter century in which I have served in this House, it has been my pleasure to assist community organizations and chambers of commerce in taking steps to sustain and expand the economy of my district. I could not recount the occasions on which a telephone call from Roy Stauffer set things in motion, as we all joined together to bring a new industry to northeastern Pennsylvania, or to raise money for the construction of a new plant. Greater Pittston and indeed all of northeastern Pennsylvania will feel the loss of Roy Stauffer, and I will feel the absence of a dynamic individual and good friend.

Mr. Speaker, with your permission, I present for publication in the RECORD, Mr. Stauffer's obituary as it appeared in the February 3 edition of the Times-Leader, Evening News, Wilkes-Barre Record:

ROY STAUFFER DIES; INDUSTRIAL DEVELOPER

Roy A. Stauffer, recognized as the "father of area industrial development," died Sunday at 8:25 a.m. in the Lutheran Home, Hazelton. He was 78.

He had resided at 25 Grandview Dr., Stauffer Heights, Hughestown.

A native of Nuremberg, Mr. Stauffer was born June 7, 1896 and started his career in the Pittston area with the Lehigh Valley Railroad. Entering the automobile age as a mechanic, he organized one of General Motors leading agencies, through the birth of his company at Wyoming in 1925, followed by expansions at Pittston in 1932, Scranton in 1936 and West Pittston in 1940.

He incorporated the firm in 1947 with himself and his three sons as major stockholders.

A three-time president of the Scranton Chamber of Commerce, Stauffer served as president of the Lackawanna Industrial Fund Enterprises (LIFE) for the first decade of its existence and also was president of the Pittston C of C. He played an important role in the construction of more than 40 communtiy-backed plants in the Luzerne-Lackawanna area.

In 1964 Stauffer was honored by the Northeast Pennsylvania Industrial Development Commission with recognition as "the father of area industrial development."

In 1971, Mr. Stauffer was chosen as the quality automobile dealer of the year by Time Magazine. He retired from active business April 24, 1971.

Mr. Stauffer was a member of St. Peter's Lutheran Church, Hughestown, and Masonic bodies, having been raised to 33rd Degree Mason at Boston in 1958. He was a past president of the Wyoming Rotary Club, past district governor of Rotary International, and a member of the board of the AAA Motor Club of Northeastern Pennsylvania and past president of Pittston Area Industrial Development (PAID).

Surviving are his widow, the former Hilda Schmaltz; sons, Glenn and Carlton, West Pittston; Gail, Virgin Islands; five grandchildren and three great-grandchildren; brothers, Millard, Hollywood, Fla., and Walter, Nuremberg.

Funeral will be Tuesday at 11 from St. Peter's Lutheran Church, Hughestown, with Rev. Robert F. Sauers officiating. Private entombment will be in Glennwood mausoleum at a later time.

RURAL HEALTH NEEDS: A CASE IN POINT

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, this morning the ABC network told the Nation a heartwarming story about a countryside doctor in the small town of McCrory, Ark. The story of Dr. John Morris is one of dedication to serving the health care needs of the people of his area and of a celebration they are holding today on the occasion of his 100th birthday.

It is also a story which underscores one of the critical health care problems in countryside areas that were examined in hearings I conducted last October as chairman of the House Subcommittee on Rural Development.

Upon graduation from medical school, Dr. John Morris set up practice near McCrory. His practice continues today in that area, a service of some 75 years attending to the medical needs of the 1,800 residents of McCrory and surrounding communities.

Dr. Morris, still active and alert at 100, drives his car to the office each morning where he maintains morning office hours, reserving the afternoons for fishing. It will be business as usual for the doctor this morning.

Residents of McCrory will assemble in Dr. Morris' home this afternoon, as they did 10 years ago for his 90th birthday, to honor their doctor.

Though McCrory has two other doctors in addition to Dr. Morris to administer to the health needs of this countryside community, many of our Nation's small towns are not so fortunate in having adequate doctors to meet their needs.

During its study of countryside health needs and problems, the Rural Development Subcommittee found that at the end of December 1972 there were 140 counties in the Nation without doctors, an increase of 43 percent since 1963. From 1968 to 1972, the number of general practitioners decreased in 43 States.

The doctors in countryside areas are growing older, and I am sure there are very few with the stamina of Dr. John Morris, and their communities must begin to face the possibility of a future without a doctor because far too many of them are not as fortunate as McCrory, Ark., which has become the home of two younger doctors, as well as Dr. Morris.

Younger doctors are simply not coming into rural areas in sufficient numbers even to replace those dedicated men and women who already serve but whose service will eventually end.

Small hospitals are closing in the countryside because they are unable to obtain the health care personnel or the modern technology they need.

Health problems are greater for the poor and the elderly than for most other groups, and the towns in the countryside contain proportionately more poor and elderly people than metropolitan areas.

A recent study of 80 Arkansas, Kentucky, Mississippi, Missouri, and Tennessee counties which make up the Memphis regional medical program area found that in counties where the people are poorer, older, and less educated, there will be fewer doctors, dentists, and registered nurses than the national average, the average for the regional medical program area, and even for the surrounding counties where the residents are more affluent, better educated, and younger. Only four of the counties in this region are part of a metropolitan area.

In the countryside, infant mortality and maternal mortality is higher than in the cities.

An indication of the state of health of a population is the rate of rejection for health reasons for military service. Twice as many rural residents have been rejected for health reasons than have metropolitan residents.

It is said that the countryside resident who is neither poor nor elderly enjoys about as good health as his metropolitan counterparts. The military service rejection rate casts some doubt on this. Can it be that persons in these age groups simply "tough it out" until they recover from an ailment which, had health care services been readily available, would have sent them to a doctor?

While the injury rates in countryside and metropolitan areas are approximately the same, four times more people in rural areas die from accidental injuries than in the cities. Are we letting these people die because they have not helped their communities provide access to health care facilities and personnel?

Health care costs are increasing all over while the availability of care is clearly decreasing in the countryside.

In spite of the billions of dollars which the Federal Government has put into medical schools and loans to 170,000 medical students and in spite of the obvious need for health manpower in countryside areas, few new physicians have sought forgiveness of their loans through service in rural areas.

The subcommittee identified a number of other problems for which solutions must also be found. In too many States the laws governing health practice are not written so that the most effective and efficient use can be made of certified nurse practitioners and other paramedical personnel.

Discrimination is practiced in establishing the payment levels under Federal health programs for such services to such groups as the poor and the elderly when those services are provided by paramedical personnel. Similar discrimination is also apparently practiced by private insurance companies.

Witnesses told the subcommittee that too often there exists an "urban bias" in Federal health programs which makes it difficult for countryside areas to use them to the fullest or at all.

We as a Congress and as a nation must work logically and rationally toward a solution to the health problems of the countryside. Programs designed for metropolitan areas and reduced in scale for the countryside are not the answer. Rural areas have special kinds of problems which call for bold creative action and innovation.

HANDGUN CONTROL—A MUST PRIORITY FOR THE 94TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 10 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, in 1971, 10,000 Americans were killed by gunfire. Today this number is increasing. The latest statistics from 1973 reveal a total of 10,340 murders committed just with handguns in the United States. In the District of Columbia last year there were 158 homicides using handguns. Such murders have become a regular feature of our daily news broadcasts.

Mr. Speaker, the shocking familiarity of firearms deaths is not necessary and should not be tolerated. It is simply the result of our continuing reluctance to take a strong and fundamental position to save human lives.

Today I am taking such a position by introducing, along with my colleague, Congressman ABNER MIKVA, legislation which will hopefully avert future tragedies by halting the spread of firearms in this country. This bill bans the manufacture, sale, and trafficking of handguns. It has provisions to exempt licensed pistol clubs and curio or collector items. Moreover, this legislation calls for a bounty to be given to individuals who voluntarily turn in their handguns, thus further enhancing the effect of drying up the supply of handguns.

Our legislation is an attempt to create a much needed national firearms policy which would restrict the availability of handguns for non-law-enforcement purposes.

In recent years, many distinguished groups of Americans have spoken out against the handgun epidemic. Three Presidential commissions—the National Advisory Commission on Civil Disorders in 1968, the National Commission on the Causes and Prevention of Violence in 1969, and the Brown Commission on the Reform of Criminal Laws in 1970—together with the U.S. Conference of Mayors, have urged stringent Federal firearm controls. Yet we still have not passed the legislation which could have prevented much tragic gun violence.

The proliferation of handguns is making armed camps out of our urban areas. It is estimated that there are 40 million handguns in the United States. That is one handgun for every five people. There were 279,169 crimes committed with guns in 1973—mostly handguns and largely in our urban areas. This can be reduced to a crime every 2 minutes. It is small wonder that our citizens continue their exodus from their urban neighborhoods to the suburbs.

As I mentioned earlier, 10,340 individuals are not alive today because they were victims of handgun murders in 1973. These handgun murders amounted to 53 percent of the 19,510 murders which were committed in 1973. The FBI reports that 95 of the 132 local, State, and Federal officers slain on duty in 1974 were killed by handguns. From 1964 to 1973, 71 percent of the 858 State and local officers murdered were killed by handguns.

Add to these statistics the estimated 2,700 deaths and 200,000 injuries from gun accidents—many of them handgun accidents—and, it is clear that guns spell personal tragedy to thousands of American families.

It is quite clear that the primary function of guns is to kill people. Guns enable people to kill people easily, thoughtlessly, comfortably, and on the spur of the moment, and increased guns mean increased violence. Still the gun lobbyists claim that gun control is an abridgement of their rights. What they do not mention is that the victims of gun-crime are deprived of their most basic right—their right to live.

Gun control legislation does not curtail individual liberty, but protects liberty, and indeed life, by restricting possession of the weapon most frequently used for crime and killing. It is a kind of national insanity that allows the frenzy of the gun lobby in this country to put the convenience and amusement of gun enthusiasts ahead of the welfare and safety of the American people. The United States is no longer a frontier society. Pistols as playtoys are not tolerable in urban communities.

I do not believe that we should deny any citizen the opportunity to sporthunt or collect antique guns. But these activities must be controlled and should not preclude any possible measure to insure the safety of our citizens.

Our bill does not hamper the genuine recreational pursuits of sportsmen. It does not restrict the rifles and shotguns which are the primary tools of the sportsman. And it allows target shooters to continue using their pistols in licensed pistol clubs. These clubs would be required to maintain possession and control of the handguns and store them in a safe place.

It is estimated that as many as 2.5 million handguns are manufactured for the U.S. market each year and in 1973, 772,000 of these were made almost completely from imported parts in circumvention of the 1968 ban on imported handguns.

As the number of guns increases, the menace to the safety and security of American citizens also increases. It is madness to permit anyone who wants a gun, particularly a handgun, to get one.

Unless strong measures are taken to prevent firearms from becoming so easily acquired, police officers will continue to be unable to cope with this problem and the chief tool of murder will remain far too easily accessible.

The legislation we are proposing does not prohibit the possession of guns but by banning the manufacture, sale, and distribution of handguns in conjunction with the bounty plan it will greatly reduce the number of guns. This cannot induce every criminal to surrender his crime tools but it would begin the process of curbing the spread of pistols and make it more difficult for potential criminals to obtain their weapons.

CHATTAHOOCHEE RIVER NATIONAL RECREATION AREA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Georgia. Mr. Speaker, today I am introducing a bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia.

Cosponsors in the House are the following Representatives from Georgia: Mr. PHIL M. LANDRUM, Mr. ROBERT G. STEPHENS, JR., Mr. JACK BRINKLEY, Mr. W. S. (BILL) STUCKEY, JR., Mr. DAWSON MATHIS, Mr. BO GINN, and Mr. ELLIOTT H. LEVITAS.

In the Senate, Senator SAM NUNN of Georgia is introducing an identical bill, with Senator HERMAN E. TALMADGE of Georgia as cosponsor.

This measure was drawn up in consultation with conservationist groups and interested private citizens in Georgia, along with regional, State, and Federal agencies.

The Chattahoochee River corridor is an invaluable natural treasure which extends into the city of Atlanta. This legislation would conserve the wildlife, the beauty, the water, the recreational potential, and the historical sites along a 48-mile stretch of the stream, from Buford Dam at Lake Lanier to Peachtree Creek in Atlanta.

This is an opportunity to establish a national recreation area in a major urban complex. It would be easily accessible to the people of Georgia and the entire Southeast as well.

The legislation provides for the acquisition of about 5,000 acres of parkland and open space, including a 50-foot easement on either side of the river.

There are many qualities worth preserving in this area. The water of the Chattahoochee is cold enough to support trout. There are rapids for white water rafting, and calm waters for canoeing. The wildlife is rich in abundance and variety.

The historic value of the area is great. Archeological scholarship has discovered evidence of man's continuous habitation there since about 10,000 B.C. Indian artifacts, river crossings, trails, a restored ante-bellum town, and ruins of 19th century flour, paper, and cotton mills are threatened by urban growth.

Perhaps the most unique quality of the area is its simple, natural beauty and serenity. Commercial development would change its character irrevocably.

The Chattahoochee River National Recreation Area would protect an American treasure—before it is too late.

In the previous Congress, nearly identical legislation was introduced and cosponsored by the Georgia delegation and other Members. Senator Henry M. Jackson, chairman of the Senate Interior and Insular Affairs Committee, made an onsite inspection of the area, and the Senate Subcommittee on Parks and Recreation held a field hearing in Atlanta. It is my hope that the House and Senate in the 94th Congress will proceed with the additional deliberations necessary for enactment of this legislation.

CONTINUED MILITARY AID TO TURKEY IN VIOLATION OF U.S. LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. Brademas) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, several newspapers reported today the views of congressional action to cutoff U.S. military assistance and sales to Turkey.

I was disturbed to note that these accounts failed to recognize the basis of this congressional action—that continued military assitance to Turkey is in violation of U.S. laws which prohibit any country from using U.S. supplied arms and other military assistance for other than defensive purposes.

Mr. Speaker, during a press conference at the Department of State on February 5, 1975, several questions were raised regarding the State Department's position with respect to the legality of continued military assistance to Turkey. However, the Press Officer, Robert Anderson, refused to comment on this fundamental question of the enforcement of the law.

Mr. Speaker, because this matter is of vital importance, I would like to include in the Record the text of these questions and the nonresponses of the Department of State's spokesman, Mr. Robert Anderson. I have added headnotes to make it easier to follow the text.

The text follows:

Transcript of Press, Radio and Television News Briefing Wednesday, February 5, 1975, 12:35 P.M.

* * * * *

Q. Bob, may I come back to Turkey—which I'm sure won't be very popular—but I'm wondering what it is the Administration really wants. During the Johnson, the Nixon, and the current interim regime, every time the Executive is thwarted by an act of Congress or otherwise they say that this act is likely to have horrible consequences all over the world. It's a litany. Do they want the Congress to change the conditions of mutual aid agreements so that countries will not be prohibited from using American material for invasion or may be able to transfer it to third countries without U.S. approval? What do they want? Or do they just want Congress to vote that the President doesn't have to comply with the law? I'm puzzled by this.

A. I think with regard to the Turkish aid cutoff question I cannot tell you what specific plans the Administration may have. The Secretary, as we know, is in very close consultation with those members of Congress who are interested particularly in the Cyprus problem. And, as the White House statement today said, the Administration will urge the Congress to reconsider its action and authorize the resumption of our assistance relationship to Turkey.

Now, in the parliamentary sense I do not know what this may involve. The Secretary obviously will be discussing this whole question with the President, and I just can't speculate on it.

Q. Bob, has the Secretary given word to the Turks in any form whatsoever that there is hope for resumption of aid?

A. Well, let me put it this way, the White House statement here has been made available, or is being made available right now, to the Turkish Government. I think that the Turkish Government also is aware of the statement of last Saturday that was issued following the meeting that the Secretary had with certain Congressmen, plus Senator Eagleton.

Q. What do you mean "made available"? In the sense that they read the papers like we all do, or was it—?

A. We send it out to our Embassy.

Q. I assume you send it to Luxembourg and to Afghanistan, too. Were there any special measures taken to encourage the Turkish Government also is aware of the Secretary and the Administration will be able to accomplish some sort of reversal on the Hill?

A. I am unaware of any such special measures, Barry.

IS TURKEY IN COMPLIANCE WITH U.S. LAW?

Q. If I could follow up for a moment on Stu's question, because it seems to me that this really comes to the crux of the issue.

The question, as I understand it, is not whether Congress is denying military aid to Turkey for its own self-defense.

The question is that Turkey went contrary to the conditions that are put on the granting of that aid using some of that military equipment in Cyprus.

Now, could you tell us, and through us, tell the U.S. Congress and the U.S. people, what it is that has been done to register any complaint with the Turkish Government on this regard. It seems to me it is not Congress that is going contrary to the law.

A. I frankly, on this whole question that we have been discussing off and on since last summer, I just am not going to have any further comment on it at this time.

Q. Will you accept Ted's—is Turkey in compliance with the law in its use of American arms today?

A. I refer you back to the statement that I gave last Saturday after the meeting.

Q. There has been some time since then.

A. Yes.

Q. And your statement Saturday was very clear, but the situation today isn't.

A. I have nothing to add to the statement I made last Saturday.

Q. It is as it was Saturday, then?

A. Yes.

Q. The situation is as it was Saturday?

A. Yes.

HAS NATO MEETING BEEN SCHEDULED TO DISCUSS CONSEQUENCES OF CUTOFF?

Q. Bob, since the consequences are supposed to be so dire for NATO, does the Secretary have any plans, either at the beginning or at the end of his trip, to meet with the NATO Council in Brussels and discuss the consequences of this aid cut-off?

A. I know of no such plans.

Q. But if it were so serious, would this not be an occasion for discussing it?

A. I know of no such plans now. I don't want to speculate on whether this might or might not happen. But as of now, I know of no plans for a meeting with the NATO Council.

Q. Bob, if I could follow up Stewart's question, which I think is broader than just Turkey or Cyprus. Is any attempt being made to modify—is legislation being written now that would modify or supersede the standard clause that forbids the transfer or restricts the end use of U.S.-supplied weapons?

A. My answer to that is no, as far as I am aware. If I am incorrect, I will get back to you. I know of no such movement.

Q. This question is interesting all the more because other countries—I don't see why I should name France—just dropped this transfer clause. We are sending to Egypt now modern armaments without this clause. So wouldn't it be high time for the United States to at least think about it, whether it shouldn't be reconsidered? The French are saying that this is obsolete. It can't be reinforced anyway.

A. I am aware of the French Government's thinking, and action, on this.

IS ADMINISTRATION DISPLEASED THAT LAW IS BEING ENFORCED?

Q. Bob, in the Administration's statements on this, I have seen nowhere any reference to adherence to the original law. Is the Administration—it talked about the extension, the cut-off in aid, but I am talking about the reason the aid was cut off was because Turkey did not adhere to the law. I don't see anything in the Administration's statements about adherence to the law. Is the Administration displeased because the law is being enforced?

A. I refer to the statement I made last Saturday.

Q. I'm talking about the original law.

A. The question was that the President was not in a position to certify two points—one,—

Q. I'm not talking about the aid cut-off, I'm talking about the reason the aid was cut off was because Turkey was in violation of a law, and I have seen no where any statement from the Administration about adherence to the basic law, not the aid cut-off which goes into effect today.

A. Yes. On that question, that is the same question that was asked the Secretary when he came down here in July, and I will be glad to dig out what the Secretary said on that occasion on that very point.

WHAT ARE RESULTS OF STATE DEPARTMENT LEGAL STUDY?

Q. Bob, the record will show that this question has been asked since July of the State Department, but has never been answered by the State Department. The State Department has yet to respond to the question of what it determined from its legal study as to whether Turkey had violated the legislation in the use of its equipment in Cyprus, the use of American arms in Cyprus.

Q. Murrey, my recollection is that the Secretary at that time said that he was under legal study and he was not able to comment on the legality.

A. Right. Then he has made many subsequent statements on the reason that he felt that the military assistance to Turkey should be continued, and I frankly have nothing more to add to it and I am not going to get into it.

Q. Bob, I would like to follow up Ted's question from before. Could you please take the question as to whether U.S. displeasure has been expressed to Turkey directly, either through our Ambassador there, through the Secretary here in the numerous meetings he has had with Turkish officials as to their acting in a way that certainly appeared to be in violation of a law enough for Congress to punish them for it?

I mean, have we ever directly said to Turkey, "Look, you did something that you are not supposed to do with our equipment that is for the defense of the West and will cause dire consequences for the West." Can you get an answer to that question?

A. I will see what I can do with that question.

* * * * *

HAS LEGAL STUDY BEEN DONE?

Q. Bob, could you have someone in your staff sometime dig out what you consider or can find is the closest approximation to an answer to last July's question on the legal status? I am seriously asking. I mean, this is a question of the Administration—at least, it appears to me the Administration is giving the impression that poor Turkey which, incidentally, has received sixteen Phantom jets since August, is being mistreated by the United States because of some whim of Congress. And it seems to me it is being dealt with by the United States in a manner called for by the laws of the United States. I don't see that the State Department has ever—can ever answer that charge unless they can come up with something I haven't seen. I don't want to orate on the thing, but this is the problem we have.

Q. Bob, can you ask whether the study has been completed or shelved?

A. No, I cannot.

Q. You know, there are some of us who doubt that there has been an exhaustive legal study of the question. And we have never been told that it has been completed. So, if you can give us any idea of how many legal-beagles were put on this subject, and how many man-hours they put into it, it would help.

AFRO-AMERICAN HISTORY WEEK ACTIVITIES AT THE DEFENSE MAPPING AGENCY TOPOGRAPHIC CENTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 10 minutes.

Mr. METCALFE. Mr. Speaker, next week, February 9 through February 16, is Afro-American History Week. During the week, numerous organizations and agencies throughout the country will be conducting activities in which black contributions to American life and the quality of life in the black community are discussed and graphically depicted.

One agency which is conducting a series of activities for Afro-American History Week is the Defense Mapping Agency Topographic Center. From February 10 through February 14, the black employees at the Center are presenting an impressive array of speakers who will speak on a number of topics centered around the theme of Afro-American History Week, "Fulfilling America's Promise." In further keeping with the theme, the Center has designated Wednesday, February 12, as Equal Employment Opportunity Day. On that day, the Center will present a number of special activities, focusing on other minorities and their contributions and on employment opportunities for women, Spanish-speaking, and other minorities. The Center will also present a number of special exhibits throughout the week. The most prominent of these will be the 40-panel "Frederick Douglass Years" exhibit, which was loaned to the Center by the Smithsonian Institution's Anacostia Museum.

All of the activities are being held at the Center, which is located at 6500 Brooks Lane, Washington, D.C. The sessions will begin at 12 noon on all days except Wednesday, February 12, when it will start at 2 p.m. Some of the proceedings will be taped and broadcast in the District of Columbia by television station WETA, and radio stations WOOK and WHUR. A special broadcast is being prepared by the U.S. Information Service and will be beamed to countries on the African continent.

The activities planned by the Center will be worthwhile and highly informative. Here I enclose a schedule of the speakers who will be presented by the Center:

MONDAY, FEBRUARY 10, 1975

Brig. Gen. Fred C. Sheffey, Deputy Director of Supply and Maintenance, Department of the Army.

Mr. William McLaughlin, Vice President Marketing, Parametrics Corporation, Philadelphia, Pa.

TUESDAY, FEBRUARY 11, 1975

Rt. Rev. John T. Walker, Suffragan Bishop of Washington.

Dr. Frances Cress Welsing, Department of Pediatrics, Freedmen's Hospital, Washington, D.C.

WEDNESDAY, FEBRUARY 12, 1975

Dr. Letitia W. Brown, Department of History, George Washington University, Washington, D.C.

Mr. William J. Perez, Director for Policy and Program Development, (Director for Equal Employment Opportunity (Civilian)), Office of Assistant Secretary of Defense.

Mrs. Betty Ward, President "National Adult Education Association of the U.S." (HEW).

THURSDAY, FEBRUARY 13, 1975

Mr. William H. Brown III, Former Chairman "Equal Employment Opportunity Commission."

Mr. Alexander Allen, Deputy Executive Director, "National Urban League."

FRIDAY, FEBRUARY 14, 1975

Rev. David Eaton, Television Personality, Pastor, All Souls Unitarian Church, Washington, D.C.

Mr. Clifford L. Alexander, Jr., Former Chairman Equal Employment Opportunity Commission.

AID TO SOUTH VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 10 minutes.

Mr. MOAKLEY. Mr. Speaker, 2 years ago, the Paris peace agreement was signed ending nearly 8 years of illegal U.S. military involvement and the equally illegal outlay of billions of U.S. tax dollars in Southeast Asia. From Paris, Secretary Kissinger assured Congress that U.S. military aid to South Vietnam would be drastically reduced. Now, due to its own incompetence and lack of popular support, South Vietnam is experiencing military and strategic difficulties and President Ford has asked Congress to up the ante once again. We are asked to appropriate $300 million additional to South Vietnam and $222 million to its unfortunate neighbor, Cambodia, which is in similar straits for similar reasons.

Mr. Speaker, it should be obvious—after 8 years of putting money down the Southeast Asian rathole—that we could continue to finance military aid to South Vietnam, to the tune of $1 billion a year, merely to sustain the defensive position of a corrupt regime.

Further, there is evidence that the money now allocated is being used imprudently and without regard for the directives of Congress and the terms of the Paris peace agreement. The Department of State has already spent $260 million of the $275 million appropriated for fiscal year 1975. The Department of Defense has cut substantially into its third quarter funds for Vietnam.

Principal Deputy Assistant Secretary of Defense Von Marbod revealed in testimony before the Appropriations Defense Subcommittee that $41 million worth of equipment was transfered from Laos to South Vietnam during fiscal year 1975. The Defense Department has justified this on the basis that this equipment was included in the fiscal year 1974 budget. It is, however, a possible violation of the Paris peace agreement which prohibits the importation of U.S. war materials and equipment into South Vietnam except on a 1-to-1 replacement basis. There is an additional $36 million worth of equipment in Laos that may also be transferred.

Other alleged violations of the peace agreement and congressional legislation abound. Von Marbod admitted in testimony that U.S. military personnel in Singapore are doing maintenance work on Vietnamese aircraft. In another instance, William Bird, president of Bird Air, said that he is furnishing crews to airlift military supplies into Cambodia on U.S. military planes maintained by U.S. military personnel. In an interview with the International Bulletin, he admitted that the purpose of this was to circumnavigate limitations on the number of U.S. military personnel in Cambodia.

Other administration programs have similarly bypassed and violated enacted legislation and congressional intent. It is public knowledge that the administration of Public Law 480, the food-for-peace program, has been "titled" toward Southeast Asia. Although Vietnam and Cambodia are not areas of extreme hunger problems, 45 percent of the total 1974 food-for-peace program went to these nations. Most, if not all, of this food was sold for weapons and soldiers' pay. Last year, Congress enacted legislation to prohibit more than 30 percent of the title I moneys, for concessional sales of food, from going to nations not on the United Nations' "Most Severely affected" list. The title II moneys for free food for humanitarian purposes were not so limited because it was assumed by all Members of Congress to go to only those nations on the U.N.'s MSA list. Secretary Kissinger now wants to send $101 million to South Vietman under the auspices of the title II program, humanitarian purposes, rather than under title I which is largely for political purposes. No assurance is required on the part of the recipient government that this food actually gets to the people who need. Further, Vietnam had a rice crop of 7 million tons in 1974, an increase of 300,000 tons over 1973.

Mr. Speaker, these are only a few of many examples of illegal and questionable U.S. activities in Vietnam. I have joined with Congressman DRINAN in a legal suit to halt these and other illegal activities in Southeast Asia, and I am also a cosponsor of Congresswoman ABZUG's resolution of inquiry into these matters. Giving additional moneys to Southeast Asian nations like these, only serves to regenerate the war and increase illegal and immoral activities by the South Vietnamese Government.

A CITY BETRAYED—V

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I have been discussing these last few days how the city of San Antonio entered into a gas supply contract with a pack of scoundrels. Today I want to continue that discussion, since it means much to my community to know just how the city wound up in its terrible energy bind.

The city of San Antonio contracted with a group that became known as the Alamo Gas Supply Co., to provide gas to the city for a period of 20 years—from April 1, 1962, to April 1, 1982.

Alamo Gas was founded through the efforts of several people, but its principal promoter was probably Glen Martin, a San Antonio businessman. I am certain that most of the people involved in Alamo were honest and well meaning. These individuals soon found that they had serious reservations about Martin, and they asked questions about its activities. It is interesting to note that Martin, alone, remained involved in the affairs of Alamo after it was absorbed by Coastal States Gas.

This suggests to me that Martin abused the confidence of most or all of his partners in Alamo Gas. He not only deceived them, but the city of San Antonio as well. In this deception, he had the active assistance of Coastal States Gas, which acted as his hidden partner.

Now I know that Mr. Martin is already saying that statements like this are libelous, and that I would not make them anywhere except on the House floor. All I can say is that I have good reason to believe that what I am saying is true and correct, and that Mr. Martin has the same access to public channels of communication that I do. If he can disprove what I say, let him do it.

The supposedly independent Alamo Gas Supply Co. was under the effective control of Coastal even before it started delivering gas to San Antonio. This control was so complete that Coastal's general counsel and corporate secretary, Norman Davis, was in the habit of making notes referring to "we"—meaning, that, in his mind at least, there was no difference between Coastal and Alamo. United Gas, which was the incumbent supplier, suspected that this was so, but could never prove it. Coastal's president worried about United's efforts though. He was afraid that the San Antonio contract would never go through. He did not talk about Alamo as a "them" but as an "us." Oscar Wyatt certainly knew who had the biggest stake in the San Antonio contract—it was his own company.

Wyatt's control of Alamo was so complete that on February 26, 1962, when the question of whether to have a shindig to celebrate Alamo's completion of facilities to serve San Antonio came up, Coastal's corporate secretary was told to instruct Glen Martin:

> Don't make detailed plans for radio-TV barbecue, etc., on April 1—until we see whether injunction to be in effect at that time.

This was not an instruction from Alamo's directors to its employee, Glen Martin. It was an instruction from Coastal to their employee.

That same day, Coastal's corporate secretary reminded himself—

> Prepare letter from GAM (meaning Glen A. Martin) to Alamo Board of Directors re freedom to make other deals not involving use of SADF facilities, without offering to Alamo—and Alamo not obligated unless specifically authorized by Board of Directors before deal made.

In other words, Coastal's attorney was told in a company meeting to help Glen Martin set up a program whereby he could make side deals of his own. What possible interest could this have been to Coastal? The answer is, this was part of Coastal's way of controlling Martin.

Martin almost certainly needed to make some quick money. That was a way that he could do it. He could, if Alamo's directors let him, sell gas on his own account and make the money he needed. His partner, Schoolfield, understood Martin's need, according to notes that Davis took later on. Davis quoted Schoolfield:

> Don't object to him (Martin) going into the gas business—has no money—way in debt.

Coastal was certainly solicitous of Martin's need. After all, he controlled 26 percent of Alamo's stock. Coastal had 25 percent, and this all was in a voting trust arrangement. As long as Martin played ball with Coastal, and vice versa, Coastal had complete control of Alamo.

Martin sprung his special side deal arrangements on the Alamo directors at their April 1962 meeting. A resolution authorizing him to make side deals was approved, but Schoolfield did not like it. He complained to Davis that he did not think that the resolution had been approved by the stockholders. And Schoolfield felt that he had been left out of all the discussion of this deal. Indeed he had. Davis and Martin had made the arrangements in February, but Schoolfield complained in April—

> (This) was sprung on me cold. They were so careful to get me to bring the proxies and I'm not going to do it again.

Schoolfield understood Martin's financial needs, but he also knew that Martin's special situation was contrary to the interest of Alamo. He complained that—

> Martin can't take gas that's offered to Alamo and go to Houston and sell it personally and make a profit. The only reason he is getting gas is because it's being offered to Alamo.

And Schoolfield suspected that Martin was controlled by Coastal. He worried, Davis reported—

> That United can blow us up if they can show that Glen is taking a deal that comes in to Alamo, and takes it to Coastal and he makes the profit personally.

Again, on April 11, Schoolfield warned Davis—

> . . . It would be dangerous to our United case for Glen—personally—to go into a partnership with Coastal and be subject to Coastal's control. . . .

Besides that, Schoolfield believed that Martin was using his position at Alamo to solicit business for himself—business that should have been coming to Alamo in the first place. But on April 26, the lawyers worked out a deal that would allow Martin to work out his own gas deals, if in so doing he did not injure Alamo.

Alamo had little choice. Martin and Davis, through the voting trust, controlled Alamo. They could do anything that they wanted to, the wishes of Schoolfield and the others notwithstanding.

So we have it.

Before the Alamo Gas Co. started delivering gas to San Antonio, the majority of its stock was put into a voting trust. This trust was controlled by three men: Davis, who was Coastal's general counsel, Martin, and Schoolfield. Martin played ball with Coastal, and thereafter things went his way. Coastal controlled Alamo, and Martin soon began making side deals for himself, Alamo's own interests notwithstanding.

By 1963, there was no longer any need to pretend that Alamo was an independent gas company. Coastal bought the rest of the stock in November of that year. Schoolfield and the others faded away. Only Martin remained with Alamo.

A few months after Coastal bought up Alamo's stock, Oscar Wyatt—among other favors—put Glen Martin on Coastal's payroll at $1,500 a month. It included, Wyatt instructed, salary, office expenses and last, but not least, that Texas equivalent to the executive washroom key—a deer lease.

There was no job for Martin to do, really. It was, Coastal's accounting department was told, "the results of informal arrangements between Mr. Martin and Mr. Wyatt."

EARNINGS LIMITATIONS FOR RECIPIENTS OF DISABILITY INSURANCE BENEFITS

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, I introduced legislation today, H.R. 3032, to amend the Social Security Act to correct certain inequities in the treatment of earned income of recipients of disability insurance benefits as compared to recipients of social security retirement benefits.

The act currently provides a statutory limitation on the amount of income a recipient of social security retirement benefits may earn without loss of benefits. This limit is $2,520 per annum. Retirees covered under the act lose part of their benefits under a schedule provide by law if this limit is exceeded. Those who receive disabiilty insurance benefits by regulation are limited to income of $140 per month, or $1,680 per annum. There is an important difference in the determination of this latter limit, and that is that this limit is set by the Social Security Administration in rules and regulations promulgated to implement provisions of the act. In other words, the limitation on earned income for disability insurance recipients is not a statutory limit as a part of the act, but is simply an amount established by the administration.

I am sure that it does not take a background in economics to realize that a $140 monthly supplement to disability insurance benefits can only provide the most meager of incentives to initiative among the disabled recipients of these benefits, especially to work and earn in a sheltered workshop, such as Lanikila Crafts in Honolulu, Hawaii. The intent of my bill is to raise the limit on earned income for these disabled recipients to the same level as that which is allowed recipients of retirement benefits to enable them to participate more fully in such programs like sheltered workshops without the hazard of loss of benefits, because they were paid "pin-money" for the products they produce.

My bill follows the easiest course to establishing such equity. Rather than setting the limits on earned income at $2,520 per annum and making that limitation a part of the act, as the retirement income limitation is, my bill would assure that to the extent that an individual's earnings are used as one of the criteria for determining his or her ability to engage in substantial gainful activity, the amount of such earnings shall be the same as the exempt amount which is in effect for recipients of retirement benefits at the time. The effect of the bill, thus, is to raise this exempted amount for income earned by recipients of disability insurance benefits to the current $2,520 limit, and provides automatic adjustment of the limit if the retirement income limit is changed.

My bill is not intended in any regard to alter or modify the need to find total, permanent disability before being found eligible to receive disability benefits under social security. In this finding of total disability there must, of course, be a showing of lack of ability to earn any substantial gainful income.

What my bill provides is that once finding such eligibility in that an individual cannot engage in substantial gainful employment, that subsequently when that individual takes on homework, attends workshops, and training programs for which payment is made, that only earnings in excess of $2,520 will be used as one factor in determining whether or not the person can maintain himself or herself in substantial gainful employment.

The inequities in the present situation are obvious. I hope they will be remedied by this Congress. I urge my colleagues to support my legislation, and to assist in obtaining early enactment.

DR. WILLIAM D. COOLIDGE, INVENTOR OF THE X-RAY TUBE, AND WORLD RENOWNED GENERAL ELECTRIC CO. SCIENTIST, PASSES AWAY AT 101

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, I rise to note the passing last Monday night at his home in Schenectady, N.Y., of Dr. William D. Coolidge, longtime director of research for the General Electric Co. and inventor of the modern X-ray tube and the tungsten filament in the modern electric light bulb.

Although Dr. Coolidge retired from GE in 1944 he continued to play an active role in the company's research work for many years. In addition he was an active and highly respected participant in the scientific, educational, and cultural life of Schenectady. I am proud to have known him during the years I served as Schenectady's city councilman and mayor. Dr. Coolidge has lived an abundantly full and creative life. We are all indebted to him, and we will all miss him.

Under leave to extend my remarks I enclose articles on the passing of Dr. Coolidge from the Schenectady Gazette of February 4, from the New York Times of February 5, and from the Washington Post of today:

[From the Schenectady (N.Y.) Gazette, Feb. 4, 1975]

DR. COOLIDGE DIES AT 101; GE INVENTOR

Dr. William D. Coolidge of 1480 Lenox Road, former director of the General Electric Research Laboratory, died last night after a short illness. The world recognized scientist celegrated his 101st birthday last Oct. 24.

Dr. Coolidge, a graduate of Massachusetts Institute of Technology, joined the staff of GE's Research Laboratory in 1905. He became director of the laboratory, now the GE Research and Development Center, in 1932. He held that position until 1945, when he retired from G.E.

With the invention of the modern X-ray tube Dr. Coolidge gave medicine a formidable weapon against injury and disease.

The holder of 83 patents, Dr. Coolidge was the recipient of many awards and honorary degrees. Among them was an honorary M.D. degree awarded by the University of Zurich in 1937 in recognition of his contributions in the field of applied physics in medical sciences, particularly X-rays.

[From the New York Times, Feb. 5, 1975]

WILLIAM D. COOLIDGE, INVENTOR, 101, DIES

(By Jill Gerston)

Dr. William D. Coolidge, the developer of the modern X-ray tube and of the ductile tungsten filament used in electric lightbulbs, died Monday night at his home in Schenectady, N.Y. He was 101 years old.

Dr. Coolidge was a former vice president and director of research of the General Electric Company. His invention in 1908 of a method of working tungsten, one of the most brittle of metals, while it was hot made possible the drawing of tungsten into wires much thinner than human hair.

The durable, thin filaments that could be made of this hot-worked tungsten led not only to a more durable light bulb that could be used in moving cars and trains, but also to more powerful and more portable X-ray equipment.

REVOLUTIONIZED PROCESS

Dr. Coolidge's name is inseparably linked with the X-ray tube—popularly called the "Coolidge tube"—which he invented in 1913. The tube revolutionized the generation of X-rays and remains to this day the model upon which medical X-ray tubes are patterned.

A shy, modest man who generally shunned publicity, Dr. Coolidge was described by colleagues as a "delightful companion" and dedicated mentor who helped and encouraged his young assistants in their scientific research.

In honor of Dr. Coolidge's 100th birthday on Oct. 23, 1973, employes of the General Electric Center in Schnectady presented him with a huge birthday caked lit with 100 ductile-tungsten lamps and topped with a part of an X-ray tube.

During the celebration, which was held at Dr. Coolidge's home, Mr. Arthur M. Bueche, vice president for research and development at General Electric, said: "Dr. Coolidge has made some of the most important and long-lasting contributions to science and technology in this century. His X-ray equipment has saved uncounted lives and the low-cost artificial lighting he helped produce has improved our comfort and safety."

BIOGRAPHY FOR HIS 101ST

Last October, another birthday celebration was observed, at which time the inventor was presented with a 100-page biography, "William David Coolidge—A Centenarian and His Work" by Dr. Herman A. Liebhafsky (John Wiley & Sons, New York).

Born on a small farm in Hudson, Mass., William David Coolidge was the son of Albert Edward and Martha Alice Shattuck Coolidge and was one of the many descenaants of John Coolidge, who came to America from England in 1630.

Dr. Coolidge showed an early aptitude for electrical work and spent much of his spare time in the town machine shop, where he learned skills that later helped him in his experiments. After graduating from Hudson High School in 1891, young Coolidge entered the Massachusetts Institute of Technology, where he specialized in physical chemistry and electrical engineering. He had to borrow money to complete his course work and was $4,000 in debt when he graduated in 1896.

Obtaining a scholarship, he studied at the University of Leipzig and received his Ph.D. degree in 1899. Dr. Coolidge then taught at M.I.T. until 1905, when he left to become a researcher at General Electric.

IMPACT ON INDUSTRY

Dr. Coolidge's breakthrough in 1908 had a tremendous impact on the lamp industry as light bulbs made with ductile tungsten were less expensive to manufacture than their predecessors, which were brittle and short-lived.

In 1913, Dr. Coolidge developed an X-ray tube using a hot tungsten filament to replace a cold aluminum cathode. The "hot cathode" or "Coolidge tube" was patented in 1916 and became the prototype for modern X-ray tubes used in the medical field.

In all, Dr. Coolidge held 83 patents and was the recipient of numerous awards and honorary degrees.

Among these is an honorary M.D. degree, awarded by the University of Zurich in 1937 in recognition of his contributions in the field of applied physics in medical sciences. Only a few laymen in this country have ever been so honored. Dr. Coolidge is also the holder of the Rumford Medal of the American Academy of Arts and Sciences (1914) for his invention of the ductile tungsten filament and the Howard N. Potts Medal of the Franklin Institute (1926) for the X-ray tube.

Dr. Coolidge will be honored by the National Inventors Hall Trademark Office in Arlington, Va., on Sunday, again for his filament and his X-ray tube.

He would have been the only living member of a group of six to be inducted. The others, and their achievements are: Wilbur and Orville Wright, the airplane; Guglielmo Marconi, radio telegraphy; Nikola Tesla, induction motors, and Samuel F. B. Morse, the telegraph.

ASSOCIATED WITH A-BOMB

Dr. Coolidge was appointed the director of the General Electric Research Laboratory in 1932. Under his direction, many new discoveries were made, including the development of the sodium vappor lamp, high-quality magnetic steel, improved ventilating fans and the electric blanket.

During World War II, Dr. Coolidge was associated with the development of the atomic bomb and served on a six-member committee appointed by President Franklin D. Roosevelt to evaluate the military importance of uranium.

In 1944, Dr. Coolidge retired from General Electric, but continued to serve as director emeritus and consultant. He remained active and mentally alert despite his advanced years. In 1971 he paid a visit to his birthplace, where he said he recognized the house, driveway and barn that were all a part of his childhood.

Dr. Coolidge married Ethel Westcott Woodard of Granville, N.Y., in 1908. She died in 1915, leaving him two children, Lawrence D., professor of business administration at the University of Colorado, and Elizabeth, now Mrs. Frank Herschel Smith of Corvallis, Ore. In 1916, Dr. Coolidge married Dorothy Elizabeth MacHaffie of Moncton, New Brunswick. She died in 1969.

In addition to his son and daughter, Dr. Coolidge is survived by five grandchildren and four great-children.

A funeral service will be held at 2 P.M. tomorrow at the First Reformed Church in Schenectady.

[From the Washington Post, Feb. 6, 1975]

INVENTOR W. D. COOLIDGE, DEVELOPED LAMP BULB

Dr. William David Coolidge, world-famous scientist whose many inventions led to the development of the incandescent lamp bulb and x-ray tubes, died Monday in Schenectady, N.Y. He was 101.

Dr. Coolidge held more than 80 patents and indirectly accounted for hundreds of others.

A former vice president and director of research for General Electric Co., Dr. Coolidge was noted chiefly for his discovery in 1908 of a means of making a tough metal, ductile tungsten, into a pliable one. This discovery made practical the use of tungsten as filaments in lamp bulbs, and was chiefly responsible for their long life and high efficiency.

He also was the inventor of the form of x-ray tube that became widely used in medicine and other types of work. His tubes ranged from small ones that could be carried about or used in cramped quarters to giant ones, used in cancer therapy, and other experimental work.

During World War I, Dr. Colidge developed a portable x-ray generating outfit for use in field hospitals near the front. He also contributed toward tubes used for detecting submarines.

Many of his ideas, developed in the G-E Research Laboratory in Schenectady, led to a high-powered x-ray outfit that was used in helping manufacturers examine steel castings and welds for defects.

As early as 1941, Dr. Coolidge was associated with the atomic bomb project and was appointed to a committee of six to evaluate the military importance of uranium. He was on hand as a special observer for the Manhattan District when the atomic bomb was tested at Bikini in 1946.

His scientific honors were numerous and included the Rumford Medal of the American Academy of Arts and Sciences, the Howard N. Potts Medal of the Franklin Institute, the Gold Medal of the American College of Radiology, the Hughes Medal of the Royal Society, London, the Edison Medal of the American Institute of Electrical Engineers, and others.

Born in Hudson, Mass., Dr. Coolidge was a graduate of Massachusetts Institute of Technology and received a doctorate from the University of Leipzig, Germany. He then returned to MIT, where he did research work.

He joined General Electric in 1905. A modest, unassuming man who was little known to the public, he spent much of his life in the laboratories.

Dr. Coolidge was director of the G–E Research Laboratory from 1932 until retiring in 1945. However, he continued with the company for a number of years as an x-ray consultant.

In 1937, the University of Zurich awarded him an honorary M.D. degree. At that time, only two other laymen in America had been so honored. He held honorary degrees from numerous American universities.

The author of many publications, Dr. Coolidge was a member of the visting committee of the National Bureau of Standards, the National Inventors Council, the National Academy of Sciences, the Washington Academy of Sciences, the American Association for the Advancement of Science, the American Chemical Society, the American Electrochemical Society, the American Institute of Electrical Engineers, the American Physical Society and the American Philosophical Society.

INTRODUCTION OF FIVE HEALTH BILLS

(Mr. ROGERS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ROGERS. Mr. Speaker, today, I and most of the members of the Subcommittee on Public Health and Environment have introduced the following five health related measures:

First. The Health Revenue Sharing and Health Services Act of 1975, cosponsored by Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, and Mr. HEINZ.

Second. The Nurse Training Act of 1975, cosponsored by Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ.

Third. The Health Manpower Act of 1975, cosponsored by Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ.

Fourth. The Developmental Disabilities Amendments of 1975, cosponsored by Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, Mr. HASTINGS, and Mr. HEINZ.

Fifth. Legislation to revise and extend the National Health Service Corps program cosponsored by Mr. PREYER, Mr. SYMINGTON, Mr. CARNEY, Mr. SCHEUER, Mr. WAXMAN, Mr. HEFNER, Mr. FLORIO, Mr. CARTER, Mr. BROYHILL, Mr. HASTINGS, and Mr. HEINZ.

All five of these measures passed the House during the 93d Congress but failed to be enacted prior to adjournment. Each proposal would revise and extend authorities for ongoing health related programs whose authorizations expired June 30, 1974 and are presently being supported by the continuing resolution which expires February 28, 1975.

Two of the bills, The Nurse Training Act of 1975, and The Health Revenue Sharing and Health Services Act of 1975, are identical to H.R. 17085 and H.R. 14214, respectively, which were vetoed following the adjournment of the 93d Congress. The Nurse Training Act would revise and extend authorities for assistance to schools and students of nursing for 3 fiscal years. The "health services" bill would revise and extend for two fiscal years the authorities for: First, § 314(d) of the Public Health Service Act which provides formula grants to the States for health services, second, community mental health centers, third, family planning and population control, fourth, migrant health, fifth, community health centers, and sixth, rodent control programs. Additionally, it would authorize demonstration grants for home health services, establish a Committee on Mental Health and Illness of the Elderly, a Commission for Control of Epilepsy, a Commission for Control of Huntington's Disease, and provide grants for hemophilia treatment centers and blood separation centers.

The Health Manpower Act of 1975 would revise and extend authorities to schools and students of the health professions for 3 fiscal years. This bill is identical to the bill, H.R. 17084, which passed the House last December and died in conference. The Developmental Disabilities Amendments of 1975 would revise and extend the programs authorized by the Developmental Disabilities Services and Facilities Construction Act for 2 fiscal years. This measure is identical to H.R. 14215 which passed the House last July and died pending a House-Senate conference.

The fifth measure would revise and extend authorities for the National Health Service Corps program, which provides scholarships to students of the health professions in exchange for commitments to practice their profession in designated medically underserved areas, and provides technical and financial assistance to such communities and health professionals. This measure was an integral part of the Health Manpower Act of 1974 and is also a provision of the Health Manpower Act of 1975 which is being introduced today. The subcommittee has been advised that unless authorities are extended for this program in the very near future, the program faces a real risk of collapse.

Commitments have to be made to the young men and women who are already practicing in underserved areas as well as to those who intend to upon graduation this spring. Unless the Congress demonstrates a commitment to this program equal to the commitment these young people are willing to make, the advancements that the National Health Service Corps has made in placing health professionals in underserved areas will be negated. This is emergency legislation which deserves the subcommittee's highest priority, and I am hopeful that this legislation will be enacted without delay.

The Subcommittee will consider these five measures very carefully in the coming weeks, keeping in mind the current economic straits this Nation faces as well as the need for the programs continued or initiated by these bills. None of us is irrevocably committed to the provisions or the funding levels proposed by these measures, and we intend to consider very carefully the recommendations of both the administration and the public in our deliberations on all of these measures during subcommittee executive sessions.

Each of these bills was the subject of exhaustive hearings and lengthy executive sessions in the 93d Congress. For this reason and because of the necessity to move this legislation with all possible speed, I am announcing the following hearing schedule:

February 19: Hearings on the Health Revenue Sharing and Health Services Act of 1975 and the Developmental Disabilities Amendments of 1975. At that time we will hear testimony from the Department of Health, Education, and Welfare only. We will also receive written statements from interested public witnesses. Any such statements should be filed with the Clerk of the Interstate and Foreign Commerce Committee, room 2125, Rayburn House Office Building, by the close of business on Friday, February 21, 1975.

February 20 and 21: Hearings on the Health Manpower Act of 1975, the Nurse Training Act of 1975, and the National Health Service Corps program. The Department of Health, Education, and Welfare will be asked to testify on February 20, and because of the time constraints we have imposed, all other witnesses will be by invitation only. Witnesses not invited to testify, may submit written statements for the record by the close of business on Friday, February 21, 1975.

VOCATIONAL EDUCATION

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, I am introducing today, with the cosponsorship of various members of the House Committee on Education and Labor, two bills affecting vocational education. The first bill was prepared by the American Vocational Association, and the second was prepared by the American Association of Community and Junior Colleges.

A list of the cosponsors of the AVA bill follows:

Cosponsors

Mr. Quie, Mr. Dent, Mr. Bell, Mr. Brademas, Mr. Esch, Mr. O'Hara, Mr. Sarasin, Mr. Ford of Michigan, Mr. Buchanan, Mrs. Mink, Mr. Jeffords, Mr. Meeds, Mr. Pressler, Mr. Phillip Burton, Mr. Clay, Mr. Blouin, Mr. Cornell, Mr. Simon and Mr. Hall.

A list of the cosponsors of the AACJC bill follows:

Cosponsors

Mr. Quie, Mr. Dent, Mr. Bell, Mr. Brademas, Mr. Esch, Mr. O'Hara, Mr. Sarasin, Mr. Ford of Michigan, Mr. Buchanan, Mrs. Mink, Mr. Jeffords, Mr. Meeds, Mr. Pressler, Mr. Phillip Burton, Mr. Clay, Mr. Blouin, Mr. Cornell, Mr. Simon and Mr. Hall.

Next week I will be distributing to the Members of the entire House a letter asking for additional cosponsors for these two bills. Within the next several weeks I will also be introducing a bill on career education being prepared by the American Personnel and Guidance Association. In addition to these bills, I may introduce within the next few weeks several other bills affecting vocational education being prepared by various other education organizations.

The reason for introducing these bills today and for introducing other bills later is to spread a large number of proposals before the Congress, and the public in general, on changes to the Federal Vocational Education Act of 1963 and in the overall area of vocational, occupational, and career education.

After hearing testimony on these various proposals, the committee will draft its own bill amending the Vocational Education Act, but we on the committee believe that it is essential that Members of Congress and the public in general be given an opportunity first to be aware of, and to comment upon, the ideas being proposed by these various organizations. After such a public airing of opinion, the committee will be much better prepared to write its own legislation.

The Subcommittee on Elementary, Secondary and Vocational Education will begin hearings on these various proposals on February 18. If any Members of Congress, any education organization, or any private citizen cares to testify before the subcommittee on vocational, occupational, or career education, I hope that you will promptly contact the subcommittee staff.

Mr. Speaker, if there is no objection, I will insert in the Record at this point a summary of the AVA bill and a summary of the AACJC bill:

Explanation of the Vocational Education Amendments of 1975

Generally speaking, this bill proposes that the Vocational Education Act of 1963 be amended and reorganized on the basis of five major parts. Each part will consist of several sections and it is proposed that federal funds authorized in each part be allocated to the sections according to a comprehensive state plan.

States wishing to participate in this act would have the responsibility for developing a comprehensive operating plan taking into consideration the needs of all people, all types of programs and all institutions capable of providing the services needed to impact on people identified in the plan.

Part I provides for the federal and state administration of vocational education, the National Advisory Council, state advisory councils and a new part concerning comprehensive statewide planning for vocational education.

Part II places emphasis upon vocational guidance and exploration. Attention to this priority area is essential in order to assure quality vocational education programs in the future. Providing youth and adults an opportunity to make realistic vocational choices is urgent in a rapidly changing social and economic scene.

Part III provides for vocational education program support. All programs—secondary, postsecondary and adult as well as vocational student organizations, are included and funds are also available for vocational education facilities of private, non-profit and proprietary institutions.

Part IV brings out prominently for the first time in vocational education all of the service functions that support and add strength to the vocational education program of the Nation. Provision is made for an expanded teacher education program, continuation of leadership development, in the form of graduate leadership development awards, and an emphasis upon placement and follow-up. In addition, Part IV provides for student support programs in the form of work-study funds and stipends in order to make possible a new "outreach" program in vocational education. This "outreach" is for those persons who have fallen through the cracks in the educational and social structure and who are unemployed or underemployed, needing training or retraining.

Part V accounts for applied research, curriculum development, exemplary demonstration and implementation programs and for leadership development workshops, symposia and projects.

In addition, this bill provides that policy and authority for the administration of vocational education in the state rest with the State Board for Vocational Education and that this sole state agency be responsible to cooperate with the federal government in matters relating to vocational education. A comprehensive statewide planning document representing forward planning will be required to take into account all of the provisions of the act and provide a coordination of all vocational education at all levels in the state. The legislation is based on the premise that it is appropriate for the Congress to authorize funding for each of the parts in this act and assume responsibility for the establishment of national priorities in programs for training and upgrading the Nation's labor force.

Summary of the Postsecondary Vocational Education of 1975

The major feature of the bill is to separate the administration of vocational education programs at the postsecondary level from the administration of such programs at the secondary level. This separation is achieved in the bill by denominating the programs carried on at the postsecondary level as occupational education programs. The programs carried on at the secondary level would continue to be called vocational education programs.

The bill makes no change in the manner in which the program for vocational education is carried on, except, of course, it would now be limited to vocational education at the secondary level.

The bill keeps a single authorization of appropriations for both vocational educational and occupational education, and the formula for allotting funds to the States remains unchanged. After the funds for a year are allotted to a State, they will be divided into a vocational education allotment to be used only for postsecondary occupational education. Each of these allotments will be 40 per cent of the total State allotment with the remainder of the full State allotment being divided between the two allotments as recommended by the nine member board appointed by the Governor for this purpose.

As indicated above, no change of substance is made in the method in which the vocational education allotment will be administered, except for participation of local coordinating committees as explained hereafter.

The occupational education allotment will be administered under new provisions which generally parallel those applicable to vocational education. Under these provisions, the State postsecondary education commission will develop the State plan for occupational education to be administered by a State agency designated in the plan (a new or existing agency, which could be the agency administering the vocational education plan for the State). At the Federal level the program will be administered through the Community College Unit in the Office of Education, since a minimum of 30 per cent of the State's occupational education allotment is earmarked for use by community colleges.

At the Federal level the vocational education and occupational education programs will be coordinated through the National Advisory Council. The membership of that Council would be revised to more adequately represent postsecondary education institutions, and its area of advice would be broadened to include the new occupational education program.

At the State level, coordination would be obtained through the State advisory councils whose area of advice would include both vocational and occupational education. Again the membership would be revised to reflect the increased importance of postsecondary institutions.

At the local level, coordination would be attained through newly required local coordinating committees. These committees which are appointed by the Governor would be charged with developing and proposing a strategy which will present a coherent, integrated, and comprehensive set of vocational education, occupational education, and manpower training programs. Interlocking membership is required between local coordinating committees and planning councils established under the new Comprehensive Employment and Training Act of 1973.

The bill limits expenditures for administrative and support services under both the vocational education and the occupational education programs to 20 per cent of the funds available.

The bill consolidates the programs now carried on under part C (research and training), part D (exemplary programs), and part I (curriculum development). The consolidation includes a single authorization of appropriations. Half of the appropriations will be allotted to the States (basically on the basis of State populations aged 15 to 19, inclusive), and the other half will be available to the Commissioner for projects and programs he selects.

One-half the funds available to the Commissioner will be administered through the Bureau of Occupational and Adult Education, and the other half through the Community College Unit in the Office of Education.

The funds allotted to the States will be divided between the State Board for vocational education and the agency administering the State's occupational education program in the same ratio as the State's allotment under part B is divided.

Funds may be used for basically the same purposes as under present law, except that the purposes in present part D (exemplary programs) would be broadened to encourage programs for unemployed and under-employed adults. Twenty per cent of the appropriations will be earmarked for each of the present types of programs.

LEGISLATION TO EXEMPT STATE-OWNED OIL FROM EMERGENCY PETROLEUM ALLOCATION ACT

(Mr. PICKLE asked and was given permission to extend his remarks at this point in the Record.)

Mr. PICKLE. Mr. Speaker, I am today introducing a bill that would exempt State-owned oil from the Emergency Petroleum Allocation Act (P.L. 93-159).

Congresswoman Corinne Boggs, and Congressmen Glenn Anderson, Gillis Long, Joe Waggonner, David C. Treen, Lionel Van Deerlin, Henry A. Waxman, and Robert Krueger are cosponsoring it with me.

Right now the States that own land that have oil on it are under FEA price controls. Several Members of Congress have urged FEA to change its regulations in this matter of publicly owned oil, but FEA has been totally unresponsive. The FEA has taken this position despite the fact that Congressman Macdonald of Massachusetts, floor manager for the mandatory allocation legislation, states in floor debates that the FEA should do something about its position on publicly owned oil. (Congressional Record, vol. 12, pt. 27, p. 36351.)

The amount of State land under lease is a very small amount, approximately 2.4 percent of all oil. If publicly owned oil were decontrolled, the effect on consumer costs would be very small, if any, since so little oil is involved. However, the lost revenue to the States involved is important to those States. In Texas, it means that the Texas schoolchildren are receiving less than the market price for this precious resource, since they are the beneficiaries under the Texas constitution.

No other route is open to our States now except legislation mandating an exemption for publicly owned oil. In light of the current energy crisis, we need to encourage States to lease its oil producing land. Therefore, I urge its prompt passage.

AMERICAN FOLKLIFE CENTER

(Mr. PICKLE asked and was given permission to extend his remarks at this point in the Record.)

Mr. PICKLE. Mr. Speaker, I am today introducing a bill providing for the establishment of an American Folklife Center in the Library of Congress. This bill is cosponsored by Congressmen Eckhardt, Wright, Gonzales, Charles Wilson of Texas, Krueger, and Hightower. The aim of the bill is simply to provide a central place where the ethnic heritage of our country can be preserved and accessible to everyone. Our Nation grew strong out of its roots in the cultures that our ancestors brought with them from other countries of the world, and I want to see those roots nurtured.

This year when the United States celebrates its Bicentennial seems to me to be an appropriate time to establish such a center. Therefore I urge the prompt passage of this timely legislation.

THIRD WORLD NATIONS MOVING TOWARD RAW MATERIALS CARTEL

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, it was most interesting to note an article in the February 5, 1975, edition of the Washington Post which reported on the meeting of delegates from 110 third world nations regarding the possible use of their natural resources for establishing a new trade strategy in direct opposition to the major trading powers of the world.

The news dispatch reported that Algeria is seeking to organize a broad cartel of raw materials exporters in an effort to break the traditional patterns of world trade.

The fact that these emerging 110 third world nations are planning to utilize their strategic raw materials supplies to possibly make a severe impact upon the trading policies of the United States underscores to an ever-greater degree the need for this Nation to make better use of the foreign aid dollars it ships abroad annually. The United States is facing a serious energy shortage which will get worse before it gets better. Many of the recipients of Uncle Sam's generosity have strategic raw materials and minerals which are in short supply domestically. At a time when some other nations are planning to get some mileage out of their domestic assets, it is time Uncle Sam learned a lesson and began demanding something meaningful in exchange for the billions of dollars flowing through foreign aid pipelines to questionable friends abroad.

Few things are more important to this Nation now than adequate supplies of energy. My barter concept to exchange foreign aid for energy supplies is now public law. The time to put the concept into effect is now. Foreign nations should either pay us now, or we will be paying for our one-sided generosity later.

The article follows:

One Hundred Ten Nations of Third World Seek Common Trade Policy

Dakar.—President Leopold Senghor of Senegal told delegates from 110 Third World nations yesterday that they must use their natural resources "to break the traditional patterns of world trade."

Opening the five day conference on trade strategy, host Senghor said its task is to "define the objectives of the new economic order and adopt methods of realizing these objectives."

"For too long the advanced nations have been favored," he said. Only three—Austria, Finland and Sweden—were invited as observers.

Several Asian countries moved that oil-exporting Third World nations establish a $6 billion fund to back stabilization of primary commodity prices. They said that fund should be matched by developed nations.

A group headed by Algeria is seeking to organize a broad cartel of raw material exporters along the lines of the Organization of Petroleum Exporting Countries.

INTRODUCTION OF LEGISLATION REPEALING PROFESSIONAL STANDARDS REVIEW ORGANIZATION PROVISION IN SOCIAL SECURITY LAW

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, I am today introducing a bill to repeal title XI of the Social Security Act. This title requires the Secretary of HEW to establish professional standards review organizations—PSRO's—throughout the United States to supervise the administration and delivery of health services in their assigned areas of jurisdiction.

Along with many other Members, I introduced this legislation in the 93d Congress, and I am even more convinced now that this provision which permits Federal interference in the confidential relationship between doctors and patients must be repealed.

As the law now stands, the Secretary is directed to endow any local organization which he selects, and which is not subsequently rejected in a referendum of local doctors, with the power to second-guess the necessity of hospital stays and particular courses of treatment which have been prescribed by doctors for their patients. PSRO's determine whether the doctor's actions are complying with "professionally developed norms of care" and HEW regulations. This allows for every American's medical care to be regulated and controlled by these local organizations, and the Federal bureaucrats who administer the law.

I believe that the repeal of this legislation is absolutely essential in order to maintain quality health care for the citizens of our Nation.

The bill follows:

H.R. 3057

A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part B of title XI of the Social Security Act (as added by section 249F of the Social Security Amendments of 1972) is repealed.

SEC. 2. Title XI of the Social Security Act is further amended—

(1) by striking out "AND PROFESSIONAL STANDARDS REVIEW" in the heading; and

(2) by striking out "PART A—GENERAL PROVISIONS" immediately before section 1101.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GOODLING) to revise and extend their remarks and include extraneous matter:)

Mr. STEIGER of Wisconsin, for 10 minutes, today.

(The following Members (at the request of Mr. MOTTL), to revise and extend their remarks, and to include extraneous matter:)

Mr. RODINO, for 5 minutes, today.
Mr. CORMAN, for 5 minutes, today.
Mr. CLAY, for 5 minutes, today.
Mr. BINGHAM, for 15 minutes, today.
Mr. SIKES, for 10 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. ALEXANDER, for 30 minutes, today.
Mr. ROSTENKOWSKI, for 10 minutes, today.
Ms. ABZUG, for 15 minutes, today.
Mr. YOUNG of Georgia, for 5 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Mr. METCALFE, for 10 minutes, today.
Ms. HOLTZMAN, for 15 minutes, today.
Mr. MOAKLEY, for 10 minutes, today.
Mr. GONZALEZ, for 15 minutes, today.
Mr. FLOOD, for 60 minutes, on March 13.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GOODLING) and to include extraneous matter:)

Mr. SARASIN in two instances.
Mrs. FENWICK.
Mr. MARTIN.
Mr. DU PONT.
Mr. RHODES.
Mr. SHUSTER.
Mr. WALSH.
Mr. JEFFORDS.
Mr. MICHEL in four instances.
Mr. HILLIS.
Mr. GILMAN.
Mr. MYERS of Indiana in two instances.
Mr. ANDREWS of North Dakota.
Mr. CARTER in two instances.

(The following Members (at the request of Mr. MOTTL) and to include extraneous material):

Mr. STARK in 10 instances.
Mr. DANIELSON.
Mr. ROE in three instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. FISHER.
Mr. HAMILTON.
Mr. NATCHER.
Mr. MATSUNAGA.
Mr. YOUNG of Georgia in two instances.
Mr. CHAPPELL.
Mr. RIEGLE.
Mr. ZABLOCKI in two instances.
Mr. MILFORD.
Mr. BROWN of California in two instances.
Mr. MORGAN.
Mr. STEPHENS.
Mr. KRUEGER.
Mr. DODD.
Mr. MCDONALD of Georgia.
Mr. DOMINICK V. DANIELS in two instances.
Mr. DRINAN.
Mr. VAN DEERLIN.
Mr. MURPHY of New York.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 27. Joint resolution to amend the Defense Production Act of 1950; to the Committee on Banking, Currency and Housing.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1589. An act to suspend increases in the costs of coupons to food stamp recipients as a result of recent administrative actions.

ADJOURNMENT

Mr. MOTTL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 57 minutes p.m.), under its previous order, the House adjourned until Monday, February 10, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

271. A letter from the President of the United States, transmitting a draft of proposed legislation to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes (H. Doc. No. 94–44); to the Committee on Interior and Insular Affairs and ordered to be printed.

272. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Commodity Futures trading Commission Act of 1974; to the Committee on Agriculture.

273. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active

duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes; to the Committee on Armed Services.

274. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the act entitled, to increase deposit insurance from $20,000 to $40,000, to provide full insurance for pubilc unit deposits of $100,000 per account, to establish a National Commission on Electronic Fund Transfers, and for other purposes; to the Committee on Banking, Currency and Housing.

275. A letter from the Chairman, District of Columbia Armory Board, transmitting the 27th annual report and financial statement on the operation of the District of Columbia National Guard Armory and the 17th annual report and financial statement on the operation of the Robert F. Kennedy Memorial Stadium, pursuant to section 10 of Public Law 80–605 and section 10 of Public Law 85–300; to the Committee on the District of Columbia.

276. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to make certain technical and perfecting amendments to the Education Amendments of 1974 (Public Law 93–380); to the Committee on Education and Labor.

277. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting a copy of proposed regulations governing loans to private nonprofit schools for strengthening instruction in academic subjects, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

278. A letter from the Director of ACTION, transmitting the annual report on the operations of the Peace Corps for fiscal year 1974, pursuant to section 11 of Public Law 87–293 [22 U.S.C. 2510]; to the Committee on Foreign Affairs.

279. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with National Mine Service Co., Indiana, Pa., for a research project entitled "Design, Manufacture and Field Development of an Automated Extraction System (Mini Miner)" pursuant to section 1(d) of Public Law 89–672 [42 U.S.C. 1900(d)]; to the Committee on Interior and Insular Affairs.

280. A letter from the Chairman, Indian Claims Commission, transmitting a draft of proposed legislation to authorize appropriations for the Indian Claims Commission for fiscal year 1976; to the Committee on Interior and Insular Affairs.

281. A letter from the Chairman, Federal Trade Commission, transmitting a report on the Commission's administration of the Fair Packaging and Labeling Act during fiscal year 1974, pursuant to section 8 of Public Law 89–755; to the Committee on Interstate and Foreign Commerce.

282. A letter from the Vice President for Government and Public Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of October 1974, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

283. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act [8 U.S.C. 1182(a)(28)(I)(ii)(b)] to the Committee on the Judiciary.

284. A letter from the Secretary of Transportation, transmitting a report on the activities of the Coast Guard in regulating vessels carrying certain cargoes in bulk, pursuant to section 203 of the Ports and Waterways Safety Act of 1972 (Public Law 92–340); to the Committee on Merchant Marine and Fisheries.

285. A letter from the Director, National Science Foundation, transmitting a draft of proposed legislation to authorize appropriations for the National Science Foundation for fiscal years 1976 and 1977; to the Committee on Science and Technology.

286. A letter from the Administrator, Energy Research and Development Administration, transmitting a draft of proposed legislation to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; jointly, to the Joint Committee on Atomic Energy, and the Committee on Science and Technology.

RECEIVED FROM THE COMPTROLLER GENERAL

287. A letter from the Comptroller General of the United States, transmitting a report on the status of selected major weapon systems being acquired by the Department of Defense; jointly, to the Committees on Government Operations, and Armed Services.

288. A letter from the Comptroller General of the United States, transmitting a report on the need for better controls on foreign students; jointly, to the Committees on Government Operations, and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. H.R. 2302. A bill to revise certain provisions relating to per diem and mileage expenses of Government employees and disabled veterans, and for other purposes; with amendment (Rept. No. 94–5). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROGERS (for himself, Mr. Preyer, Mr. Symington, Mr. Carney, Mr. Scheuer, Mr. Waxman, Mr. Hefner, Mr. Florio, Mr. Carter, and Mr. Heinz):

H.R. 2954. A bill to amend the Public Health Service Act and related laws to revise and extend programs of health revenue sharing and health services, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. Preyer, Mr. Symington, Mr. Carney, Mr. Scheuer, Mr. Waxman, Mr. Hefner, Mr. Florio, Mr. Carter, Mr. Hastings, and Mr. Heinz):

H.R. 2955. A bill to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act; to the Committee on Interstate and Foreign Commerce.

H.R. 2956. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 2957. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. Preyer, Mr. Symington, Mr. Carney, Mr. Scheuer, Mr. Waxman, Mr. Hefner, Mr. Florio, Mr. Carter, Mr. Broyhill, Mr. Hastings, and Mr. Heinz):

H.R. 2958. A bill to amend the Public Health Service Act to revise and extend the National Health Service Corps program; to the Committee on Interstate and Foreign Commerce.

By Mr. ADDABBO:

H.R. 2959. A bill to transfer responsibility for establishing standards and regulations pertaining to the control and abatement of aircraft noise from the Federal Aviation Administration to the Environmental Protection Agency; to the Committee on Public Works and Transportation.

H.R. 2960. A bill to amend title V of the Federal Aviation Act of 1958 to require certain identifying markings on aircraft; to the Committee on Public Works and Transportation.

H.R. 2961. A bill to provide financial assistance to persons whose small businesses are displaced by Federal and federally assisted programs so they may lease, rent, or buy replacement quarters; to the Committee on Small Business.

By Mr. ANDERSON of California (for himself, Mr. Eilberg and Mr. Murphy of New York):

H.R. 2962. A bill to amend the Public Health Service Act to provide for the screening and counseling of Americans with respect to Tay-Sachs disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPIN:

H.R. 2963. A bill to provide safeguards to producers in the storing and selling of grain; and to establish the Federal Grain Insurance Corporation; to the Committee on Agriculture.

By Mr. BENNETT (for himself, Mr. Bob Wilson, Mr. Steiger of Wisconsin, Mr. Matsunaga, Mrs. Burke of California, Mr. Benitez, Mrs. Boggs, Mr. Cornell, Mr. Dellums, Mr. Harrington, Ms. Holtzman, Mr. Mazzoli, Mr. Mitchell of Maryland, Mr. Mosher, Mr. Nedzi, Mr. Pattison of New York, Mr. Rees, Mr. Richmond, Mr. Young of Georgia, Mr. Charles H. Wilson of California, and Mr. Won Pat):

H.R. 2964. A bill to amend title 10, United States Code, to regulate the issuance of discharge certificates to members of the armed forces, and for other purposes; to the Committee on Armed Services.

By Mr. BENNETT (for himself, Mr. Armstrong, Mr. Carter, Mr. Davis, Mr. Fish, Mr. Harrington, Mr. Hefner, Mr. Lagomarsino, Mr. Mathis, Mr. Montgomery, Mr. Pattison of New York, and Mr. Whitehurst):

H.R. 2965. A bill to amend title 18, United States Code, to provide that any parent who kidnaps his minor child shall be fined not more than $1,000, or imprisoned for not more than 1 year, or both; to the Committee on the Judiciary.

By Mr. BRADEMAS (for himself, Ms. Mink, Mr. Bell, Ms. Heckler of Massachusetts, Mr. Perkins, Mr. Meeds, Mr. Peyser, Mr. Lehman, Mr. Esch, Mr. Benitez, Mr. Pressler, Mr. Clay, Mr. Miller of California, Mr. Hawkins, Mr. Thompson, Mr. Dent, Mr. Dominick V. Daniels, and Mr. Beard of Rhode Island):

H.R. 2966. A bill to provide services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Ms. Mink, Mr. Bell, Ms. Heckler of Massachusetts, Ms. Abzug, Mr. Addabbo, Mr. Anderson of California, Mr. AuCoin, Mr. Badillo, Mr. Bingham, Ms. Boggs, Mr. Boland, Mr. Bonker, Mr. Brown of California, Ms. Burke of California, Mr. Carney, Mr. Carr, Ms. Collins of Illinois, Mr. Conyers, Mr. Corman, Mr. Dellums, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, and Mr. Fascell):

H.R. 2967. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Ms. Mink, Mr. Bell, Ms. Heckler of Massachusetts, Mr. Flood, Mr. Florio, Mr. Ford of Tennessee, Mr. Fraser, Mr. Gibbons, Mr. Gilman, Mr. Gonzalez, Mr. Green, Mr. Harrington, Mr. Hayes of Indiana, Mr. Hechler of West Virginia, Ms. Holtzman, Mr. Horton, Ms. Jordan, Mr. Kastenmeier, Ms. Keys, Mr. Koch, Mr. Matsunaga, Mr. Metcalfe, Mr. Mikva, and Mr. Mineta):

H.R. 2968. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Ms. Mink, Mr. Bell, Ms. Heckler of Massachusetts, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Moorhead of Pennsylvania, Mr. Nix, Mr. Oberstar, Mr. Ottinger, Mr. Pepper, Mr. Rangel, Mr. Rees, Mr. Richmond, Mr. Riegle, Mr. Rodino, Mr. Roe, Mr. Rosenthal, Mr. Roybal, Mr. Sarbanes, Ms. Schroeder, Mr. Scheuer, Mr. Seiberling, Mr. Solarz, and Ms. Spellman):

H.R. 2969. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Ms. Mink, Mr. Bell, Ms. Heckler of Massachusetts, Mr. Stokes, Mr. Waxman, Mr. Charles H. Wilson of California, Mr. Won Pat, and Mr. Young of Georgia):

H.R. 2970. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. BREAUX (for himself and Mr. Casey):

H.R. 2971. A bill to amend section 4 of the Fish and Wildlife Act of 1965, to provide short-term relief to those portions of the fishing industry which have suffered economic dislocation; to the Committee on Merchant Marine and Fisheries.

By Mr. BURKE of Massachusetts:

H.R. 2972. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

H.R. 2973. A bill to amend the Internal Revenue Code of 1954 to provide individuals a tax credit for the purchase of home garden tools; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts (for himself and Mr. Conte):

H.R. 2974. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economics of recycling wastepaper; to the Committee on Ways and Means.

By Mr. BURLISON of Missouri:

H.R. 2975. A bill to designate certain lands in the Mingo National Wildlife Refuge, Wayne and Stoddard Counties, Mo., as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. CASEY:

H.R. 2976. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer a deduction from gross income for expenses paid by him for the education of any of his dependents at an institution of higher learning; to the Committee on Ways and Means.

By Mr. CHAPPELL:

H.R. 2977. A bill to authorize the Secretary of the Interior to sell certain rights in the State of Florida; to the Committee on Interior and Insular Affairs.

By Mr. CHAPPELL (for himself, Mr. Anderson of Illinois, Mrs. Boggs, Mr. Breaux, Mr. Brown of California, Mr. Cleveland, Mr. Flood, Mr. Florio, Mr. Frenzel, Mr. Fuqua, Mr. Gilman, Mr. Goodling, Mr. Hastings, Mr. Ichord, Mr. Kindness, Mr. Melcher, Mr. Moorhead of California, Mr. Murphy of New York, Mr. Murtha, Mr. Pepper, Mr. Pressler, Mr. Ruppe, Mr. Sarasin, Mr. Won Pat, and Mr. Yatron):

H.R. 2978. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts received by members of certain firefighting and rescue units; to the Committee on Ways and Means.

By Mr. COHEN:

H.R. 2979. A bill to amend the Internal Revenue Code of 1954 to impose an excise tax on every new passenger automobile with respect to its weight; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. Martin, Ms. Abzug, Mr. Treen, Mr. Steelman, Mr. Charles Wilson of Texas, Mr. Anderson of Illinois, Mr. Ryan, Mr. Pritchard, Mr. Murtha, Mrs. Heckler of Massachusetts, Mr. Seiberling, Mr. Pressler, Mr. Lott, Mr. Flood, Mr. Sarbanes, Ms. Chisholm, Mr. Harrington, Mr. Collins of Texas, Mr. Mitchell of New York, and Mrs. Spellman):

H.R. 2980. A bill to establish in the Department of Housing and Urban Development a direct low-interest loan program to assist homeowners and other owners of residential structures in purchasing and installing more effective insulation and heating equipment; to the Committee on Banking, Currency and Housing.

By Mr. COHEN (for himself, Mr. Moorhead of California, Mr. Martin, Mr. Mazzoli, Ms. Abzug, Mr. Steelman, Mr. Charles Wilson of Texas, Mr. Anderson of Illinois, Mr. Ryan, Mr. Pritchard, Mr. Murtha, Mrs. Heckler of Massachusetts, Mr. Seiberling, Mr. Pressler, Mr. Lott, Mr. Flood, Mr. Harrington, Mr. Collins of Texas, Mr. Mitchell of New York, Mrs. Spellman, and Mr. Lent):

H.R. 2981. A bill to amend the Internal Revenue Code of 1954 to encourage greater conservation of energy in home heating and cooling by allowing individuals a credit for 25 percent of amounts paid or incurred for the installation of more effective insulation and heating equipment in existing residential structures; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. Burke of Massachusetts, Mr. Abdnor, Mr. Brodhead, Mr. Carr, Mr. Edgar, Mr. Gaydos, Mr. Downey, Mr. Leggett, Mr. Long of Louisiana, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Mitchell of New York, Mr. Mosher, Mr. O'Brien, Mr. Matsunaga, Mr. Pressler, Mr. Rangel, Mr. Roncalio, Mr. Roybal, and Mr. Stokes):

H.R. 2982. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportational barriers to the elderly and handicapped; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. Pattison of New York, Mr. Moakley, Mr. Jeffords, Mr. Kindness, and Mr. Downey):

H.R. 2983. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain medical facilities; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CONABLE:

H.R. 2984. A bill to amend section 4941(d)(2)(G) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. CONYERS:

H.R. 2985. A bill to amend title 18 of the United States Code by repealing chapter 102 (the antiriot provision) thereof; to the Committee on the Judiciary.

By Mr. CONYERS (for himself, Mr. Brown of California, Mr. Eckhardt, Mr. Rees, Mr. Mitchell of Maryland, Ms. Burke of California, Mr. Harrington, Ms. Abzug, Mr. Stark, Mr. Rosenthal, Mr. Edwards of California, Mr. Carr, Mr. Badillo, Mr. Helstoski, Mr. Rangel, Mr. Dellums, Mr. Drinan, Ms. Schroeder, Mr. Patterson of California, Mr. Ford of Tennessee, and Mr. Corman):

H.R. 2986. A bill to establish certain rules with respect to the appearance of witnesses before grand juries in order better to protect the constitutional rights and liberties of such witnesses under the fourth, fifth, and sixth amendments to the Constitution; to provide for independent inquiries by grand juries, and for other purposes; to the Committee on the Judiciary.

By Mr. CORMAN:

H.R. 2987. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; to the Committee on Ways and Means.

H.R. 2988. A bill to amend part A of title XVIII of the Social Security Act to freeze the inpatient hospital deductible under the medicare program at its 1974 level for 2 additional years, and for other purposes; to the Committee on Ways and Means.

By Mr. CRANE:

H.R. 2989. A bill to amend the Internal Revenue Code of 1954 to provide that an individual shall be entitled to a tax credit equal to the amount by which the purchasing power of his adjusted gross income for the taxable year is reduced by inflation, and to increase to $1,200 the personal income tax exemptions; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS:

H.R. 2990. A bill to give greater assurance that national and regional needs are satisfied in times of shortage of natural gas and petroleum and its products; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL (for himself, Mr. Wirth, Mr. Brodhead, Mr. Eckhardt, Mr. Ottinger, and Mr. Moffett):

H.R. 2991. A bill to amend the Emergency Petroleum Allocation Act of 1973 to provide for a temporary freeze on the national average price of domestic crude oil, residual fuel oil, and refined petroleum products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN of Tennessee:

H.R. 2992. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 2993. A bill to amend title 38 of the United States Code in order to entitle veterans to 45 months of educational assistance for undergraduate or any other authorized programs of education; to the Committee on Veterans' Affairs.

H.R. 2994. A bill to amend the Internal Revenue Code to encourage an increase in production of coal; to the Committee on Ways and Means.

H.R. 2995. A bill to amend title II of the Social Security Act to establish more effective procedures for the conduct of hearings, and the appointment of hearing examiners, with respect to claims under such title XVIII of such act; to the Committee on Ways and Means.

By Mr. DUNCAN of Tennessee (for himself and Mr. FULTON):

H.R. 2996. A bill to exempt from Federal income taxation certain nonprofit corporations all of whose members are tax-exempt credit unions; to the Committee on Ways and Means.

By Mr. DU PONT:

H.R. 2997. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 2998. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

H.R. 2999. A bill to amend the Internal Revenue Code of 1954 to provide that gain from the sale or exchange of an individual's principal residence shall be excluded from gross income; to the Committee on Ways and Means.

By Mr. CLAY:

H.R. 3000. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Alabama:

H.R. 3001. A bill to amend the Federal Trade Commission Act (15 U.S.C. 44, 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. FORD of Tennessee:

H.R. 3002. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. FRASER (for himself, Mr. BIESTER, Mr. BUCHANAN, Mr. DIGGS, Mr. ANDERSON of Illinois, Mr. SCHEUER, and Mr. SYMINGTON):

H.R. 3003. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome; to the Committee on Foreign Affairs.

By Mr. GOLDWATER:

H.R. 3004. A bill to provide for the conservation of energy by amending the Internal Revenue Code of 1954 to allow a refundable tax credit for certain building insulation and heating improvements; to the Committee on Ways and Means.

By Mrs. HECKLER of Massachusetts:

H.R. 3005. A bill to amend title II of the Social Security Act to permit the payment of benefits to a married couple on their combined earnings record, to eliminate the special dependency requirement for entitlement to husband's or widower's benefits, to provide for the payment of benefits to widowed fathers with minor children, and to make the retirement test inapplicable to individuals with minor children who are entitled to mother's or father's benefits; to the Committee on Ways and Means.

H.R. 3006. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

By Mr. HEINZ (for himself, Mr. CHARLES H. WILSON of California, Mr. JOHNSON of Pennsylvania, Mr. FISH, Mr. EVANS of Indiana, Mr. KINDNESS, Mr. WALSH, Mr. BAFALIS, Mr. MITCHELL of New York, Mr. HYDE, Mr. LONG of Maryland, Mr. LAGOMARSINO, Mr. BOB WILSON, Mr. DU PONT, Mr. WHITEHURST, and Mr. CLEVELAND):

H.R. 3007. A bill to establish a National Commission on Regulatory Reform; to the Committee on Interstate and Foreign Commerce.

By Mr. JEFFORDS (for himself, Mr. CARTER, Mr. CLEVELAND, Mr. COCHRAN, Mr. DAVIS, Mr. FLOOD, Mr. JONES of Tennessee, Mr. KINDNESS, Mr. LITTON, Mr. MCEWEN, Mr. MURTHA, Mr. OBEY, Mr. PRESSLER, Mr. RIEGLE, Mr. STEIGER of Wisconsin, Mr. VIGORITO, and Mr. WAMPLER):

H.R. 3008. A bill to provide price support for milk at not less than 85 percent of parity price therefor, and for other purposes; to the Committee on Agriculture.

By Ms. JORDAN (for herself and Mr. BURKE of Massachusetts):

H.R. 3009. A bill to amend title II of the Social Security Act to provide benefits for homemakers; to the Committee on Ways and Means.

By Ms. JORDAN:

H.R. 3010. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for low-income employed and self-employed individuals; to the Committee on Ways and Means.

By Mr. KARTH:

H.R. 3011. A bill to provide for the development of a uniform system of quality grades for consumer food products; to the Committee on Agriculture.

H.R. 3012. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 3013. A bill to amend the Employment Act of 1946 with respect to price stability; to the Committee on Government Operations.

H.R. 3014. A bill to amend the Fair Packaging and Labeling Act to require certain labeling to assist the consumer in purchases of packaged perishable or semiperishable foods; to the Committee on Interstate and Foreign Commerce.

H.R. 3015. A bill to require that certain processed or packaged consumer products be labeled with certain information, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3016. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on certain package goods to contain the name and place of business of the manufacturer, packer, and distributor; to the Committee on Interstate and Foreign Commerce.

H.R. 3017. A bill to amend the Fair Packaging and Labeling Act to require the disclosure by retail distributors of unit retail prices of packaged consumer commodities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3018. A bill to require that durable consumer products be labeled as to durability and perfomance life; to the Committee on Interstate and Foreign Commerce.

H.R. 3019. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on all foods to disclose each of their ingredients and to disclose changes in such ingredients; to the Committee on Interstate and Foreign Commerce.

H.R. 3020. A bill to require that certain durable products be prominently labeled as to date of manufacture, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3021. A bill to prohibit the sale of "Saturday Night Special" handguns in the United States; to the Committee on the Judiciary.

H.R. 3022. A bill to amend title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the U.S. Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3023. A bill to establish an independent commission to administer the internal revenue laws; to the Committee on Ways and Means.

H.R. 3024. A bill to amend the Internal Revenue Code of 1954 to provide that condominium owners' or homeowners' associations will not be taxed on receipt of membership income; to the Committee on Ways and Means.

H.R. 3025. A bill to amend the Internal Revenue Code of 1954 to provide that the gross income of an employee shall not include amounts directly or indirectly received as payment or reimbursement for legal services under group legal service plans, the value of legal services rendered under such plans, or contributions by employers to such plans; to the Committee on Ways and Means.

H.R. 3026. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

By Mr. KARTH (for himself, Mr. NOLAN, Mr. WIRTH, Mr. BERGLAND, and Mr. ST GERMAIN):

H.R. 3027. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. KARTH:

H.R. 3028. A bill to amend the Fish and Wildlife Coordination Act to require certain permits for exploring or mining oil and gas underlying the navigable waters of the United States; jointly to the Committees on Merchant Marine and Fisheries, and Interior and Insular Affairs.

By Mr. LENT:

H.R. 3029. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

By Mr. LLOYD of California (for himself, Mr. PETTIS, and Mr. BROWN of California):

H.R. 3030. A bill to designate certain lands in the Angeles and San Bernardino National Forests as the "Sheep Mountain Wilderness"; to the Committee on Interior and Insular Affairs.

By Mr. MAHON:

H.R. 3031. A bill to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc.

93–398) as modified by the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), transmitted pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mrs. MINK:

H.R. 3032. A bill to amend title II of the Social Security Act to provide that the earnings standard used in determining whether a recipient of disability insurance benefits is able to engage in substantial gainful activity shall be the same as the exempt amount in effect under the regular earnings test for recipients of retirement and survivor benefits; to the Committee on Ways and Means.

By Mr. MORGAN (by request):

H.R. 3033. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of that act; to the Committee on Foreign Affairs.

By Mr. O'HARA:

H.R. 3034. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. PATMAN (for himself and Mr. Reuss):

H.R. 3035. A bill to require the payment of interest on certain funds of the United States held on deposit in commercial banks, to provide for reimbursement of commercial banks for services performed for the United States, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. PERKINS (for himself, Mr. Quie, Mr. Dent, Mr. Bell, Mr. Brademas, Mr. Esch, Mr. O'Hara, Mr. Sarasin, Mr. Ford of Michigan, Mr. Buchanan, Mrs. Mink, Mr. Jeffords, Mr. Meeds, Mr. Pressler, Mr. Phillip Burton, Mr. Clay, Mr. Blouin, Mr. Cornell, Mr. Simon, and Mr. Hall):

H.R. 3036. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes; to the Committee on Education and Labor.

H.R. 3037. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes; to the Committee on Education and Labor.

By Mr. PETTIS (for himself, Mr. Flood, Mr. Conte, Mrs. Spellman, Mr. Vander Jagt, Mr. Adams, Mr. Mineta, and Mr. Bob Wilson):

H.R. 3038. A bill to provide for the establishment of the National Conservation Area of the California Desert and to provide for the immediate and future protection, development, and administration of such public lands; to the Committee on Interior and Insular Affairs.

By Mr. PICKLE (for himself, Mr. Eckhardt, Mr. Krueger, Mr. Gonzalez, Mr. Hightower, Mr. Wright, and Mr. Charles Wilson of Texas):

H.R. 3039. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. PICKLE (for himself, Mr. Roberts, Mr. Teague, Mr. Charles Wilson of Texas, Mr. Collins of Texas, Mr. Burleson of Texas, Mr. Mahon, and Mr. Milford):

H.R. 3040. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. PICKLE (for himself, Mrs. Boggs, Mr. Anderson of California, Mr. Van Deerlin, Mr. Waxman, Mr. Krueger, Mr. Long of Louisiana, Mr. Waggonner, and Mr. Treen):

H.R. 3041. A bill to amend the Emergency Petroleum Allocation Act of 1973 (Public Law 93–159) to exempt State-owned oil; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE:

H.R. 3042. A bill to amend title 10, United States Code, to provide more efficient dental care for the personnel of the Army and Air Force, and for other purposes; to the Committee on Armed Services.

By Mr. QUIE:

H.R. 3043. A bill to establish a Department of Education and Manpower; to the Committee on Government Operations.

By Mr. RAILSBACK:

H.R. 3044. A bill relating to the employment and training of criminal offenders, and for other purposes; to the Committee on the Judiciary.

By Mr. RAILSBACK (for himself, Mr. Kastenmeier, Ms. Abzug, Mr. Anderson of California, Mr. AuCoin, Mr. Badillo, Mr. Baucus, Mr. Bedell, Mr. Brodhead, Mr. Brown of California, Mrs. Burke of California, Mrs. Chisholm, Mr. Cohen, Mr. Conable, Mr. Conyers, Mr. Corman, Mr. Coughlin, Mr. Dominick V. Daniels, Mr. Dellums, Mr. Dodd, Mr. Edgar, Mr. Edwards of California, Mr. Emery, Mr. Fascell, and Mrs. Fenwick):

H.R. 3045. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. RAILSBACK (for himself, Mr. Kastenmeier, Mr. Florio, Mr. Ford of Tennessee, Mr. Giaimo, Mr. Gude, Mr. Hannaford, Mr. Harkin, Mr. Harrington, Mr. Hastings, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Heinz, Mr. Helstoski, Mr. Hinshaw, Ms. Holt, Ms. Holtzman, Mr. Horton, Mr. Hughes, Mr. Ichord, Mr. Jeffords, Mrs. Keys, Mr. Lagomarsino, Mr. McCloskey, and Mr. McCormack):

H.R. 3046. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. RAILSBACK (for himself, Mr. Kastenmeier, Mr. Matsunaga, Mr. Mazzoli, Mr. Miller of California, Mrs. Mink, Mr. Mitchell of New York, Mr. Mosher, Mr. Neal, Mr. Nix, Mr. Patten, Mr. Pattison of New York, Mr. Pepper, Mr. Pressler, Mr. Pritchard, Mr. Quie, Mr. Rees, Mr. Riegle, Mr. Roe, Mr. Rosenthal, Ms. Schroeder, Mr. Simon, Mr. Solarz, Mr. Studds, and Mr. Thone):

H.R. 3047. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. RAILSBACK (for himself, Mr. Kastenmeier, Mr. du Pont, Mr. Hamilton, Mr. Tsongas, Mr. Vander Jagt, Mr. Vigorito, Mr. Charles Wilson of Texas, Mr. Wirth, Mr. Won Pat, Mr. Yates, Mr. Danielson, Mr. Davis, Mr. Eshleman, Mr. Fisher, Mr. Krebs, Mr. Rangel, Mr. Rodino, Mr. Ruppe, Mr. Winn, and Mr. Young of Florida):

H.R. 3048. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. RHODES (for himself, Mr. Broyhill, Mr. Robinson of Virginia, Mr. Anderson of Illinois, Mr. Young of Florida, and Mr. Andrews of North Dakota):

H.R. 3049. A bill to amend the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROSENTHAL (for himself, Ms. Abzug, Mr. Badillo, Mr. Baldus, Mr. Brodhead, Mr. Brown of California, Mrs. Chisholm, Mr. Dellums, Mr. Downey, Mr. Edwards of California, Mr. Eilberg, Mr. Ford of Tennessee, Mr. Harrington, Mr. Helstoski, Ms. Holtzman, Mr. Koch, Mr. Mitchell of Maryland, Mr. Miller of California, Mr. Neal, Mr. Patman, Mr. Roybal, Mr. Santini, Mrs. Schroeder, Mr. Solarz, and Mrs. Spellman):

H.R. 3050. A bill to restrict the activities of certain Federal employees and officers, to provide private remedies to implement these restrictions, and to facilitate the enforcement of existing conflict of interest statutes; to the Committee on Post Office and Civil Service.

By Mr. ROSENTHAL (for himself, Mr. Stark, Mr. Charles Wilson of Texas, and Mr. Charles H. Wilson of California):

H.R. 3051. A bill to restrict the activities of certain Federal employees and officers, to provide private remedies to implement these restrictions, and to facilitate the enforcement of existing conflict of interest statutes; to the Committee on Post Office and Civil Service.

By Mr. ROSTENKOWSKI:

H.R. 3052. A bill to amend section 512(b)(5) of the Internal Revenue Code of 1954 with respect to the tax treatment of the gain on the lapse of options to buy or sell securities; to the Committee on Ways and Means.

H.R. 3053. A bill exempting State lotteries from certain Federal prohibitions, and for other purposes; to the Committee on Ways and Means.

H.R. 3054. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI (for himself, Mr. Landrum, Mr. Waggonner, and Mr. Clancy):

H.R. 3055. A bill to amend certain provisions of the Internal Revenue Code of 1954 relating to distilled spirits, and for other purposes; to the Committee on Ways and Means.

By Mr. ROUSSELOT:

H.R. 3056. A bill to amend the Federal Reserve Act, and for other purposes; to the Committee on Banking, Currency and Housing.

H.R. 3057. A bill to amend title XI of the Social Security Act to repeal the provisions for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; jointly to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Ms. SCHROEDER:

H.R. 3058. A bill to amend title 39, United States Code, to provide that the appointment of the Postmaster General and the Deputy Postmaster General of the United States shall be subject to confirmation by the Senate; to the Committee on Post Office and Civil Service.

By Mr. STARK:

H.R. 3059. A bill to amend the United States Housing Act of 1937 to require that future increases in social security benefits be excluded in determining the eligibility of an individual or family for admission to or occupancy of low-income housing and the amount of the rent payable for accommodations in such housing, and to require a similar exclusion under other federally assisted housing porgrams; to the Committee on Banking, Currency and Housing.

H.R. 3060. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. SYMINGTON:

H.R. 3061. A bill to improve agricultural yields in the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China; to the Committee on Foreign Affairs.

By Mr. VANIK (for himself, Ms. Abzug, Mr. AuCoin, Mr. Badillo, Mr. Brown of California, Mr. Corman, Mr. Downey, Mr. Drinan, Mr. Duncan of Oregon, Mr. du Pont, Mr. Edgar, Mr. Fascell, Mr. Flood, Mr. Gude, Mr. Harrington, Mr. Hechler, of West Virginia, Ms. Holtzman, Mr. LaFalce, Mr. Leggett, Mr. Long of Maryland, Mr. Matsunaga, Mr. Metcalfe, Mrs. Meyner, Mr. Mitchell of Maryland, and Mr. Moorhead of Pennsylvania):

H.R. 3062. A bill to amend the Internal Revenue Code of 1954 to provide for a tax on every new passenger automobile based on its fuel consumption rate, to provide for public disclosure of the fuel consumption rate of every such automobile, and for other purposes; to the Committee on Ways and Means.

By Mr. VANIK (for himself, Mr. Nix, Mr. Obey, Mr. Pattison of New York, Mr. Rees, Mr. Richmond, Mr. Rodino, Mr. Rose, Mr. Rosenthal, Mr. Roybal, Mr. Ryan, Ms. Schroeder, Mrs. Spellman, Mr. Stark, Mr. Steelman, Mr. Stokes, Mr. Waxman, Mr. Charles Wilson of Texas, and Mr. Won Pat):

H.R. 3063. A bill to amend the Internal Revenue Code of 1954 to provide for a tax on every new passenger automobile based on its fuel consumption rate, to provide for public disclosure of the fuel consumption rate of every such automobile, and for other purposes; to the Committee on Ways and Means.

By Mr. VANIK (for himself, Mrs. Lloyd of Tennessee, Mr. Neal, Mr. Charles Wilson of Texas, and Mr. Pattison of New York):

H.R. 3064. A bill to amend the Internal Revenue Code of 1954 to allow an income tax credit or an income tax deduction for certain expenditures of a taxpayer relating to the thermal design of the residence of such taxpayer; to the Committee on Ways and Means.

By Mr. WINN (for himself, Mr. Brown of California, Mr. Nedzi, Mr. Charles H. Wilson of California, Mr. Davis, Mr. Solarz, Mr. J. William Stanton, Mr. Treen, Ms. Abzug, Mr. Carter, Mr. Murphy of New York, Mr. Charles Wilson of Texas, Mr. Mathis, Mr. Duncan of Oregon, Mr. Roe, Mr. Mitchell of Maryland, Mr. Hyde, Mr. Pressler, Mr. Harrington, Mr. Sarbanes, Ms. Chisholm, Mr. Murphy of Illinois, Mr. Young of Georgia, Mr. Dodd, and Mr. Vigorito):

H.R. 3065. A bill to amend the Internal Revenue Code of 1954 to treat the amounts paid for custodial care by institutions of certain dependents as amounts paid for medical care; to the Committee on Ways and Means.

By Mr. WRIGHT:

H.R. 3066. A bill to provide that certain interests of the United States retained in certain lands heretofore conveyed to the State of Texas shall be conveyed to such State; to the Committee on Government Operations.

By Mr. WRIGHT (for himself, Mr. Harsha, Mr. Abdnor, Ms. Abzug, Mr. Cochran, Mr. Ginn, Mr. Holland, Mr. Howard, Mr. Johnson of California, Mr. Levitas, Mrs. Lloyd of Tennessee, Mr. Milford, Mr. Oberstar, Mr. Roe, Mr. Roncalio, and Mr. Walsh):

H.R. 3067. A bill to expedite construction starts on approved public works projects, and to eliminate certain procedural requirements in order to reduce delays and accelerate certain public works programs and projects; to the Committee on Public Works and Transportation.

By Mr. WOLFF:

H.R. 3068. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 3069. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for individuals who rent their principal residences; to the Committee on Ways and Means.

H.R. 3070. A bill to amend the Internal Revenue Code of 1954 to allow an individual an income tax deduction for the expenses of traveling to and from work by means of mass transportation facilities; to the Committee on Ways and Means.

H.R. 3071. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for taxicab fares paid by disabled individuals; to the Committee on Ways and Means.

H.R. 3072. A bill to amend the Internal Revenue Code of 1954 to provide that pensions paid to retired policemen or firemen or their dependents, or to the widows or other survivors of deceased policemen or firemen, shall not be subject to the income tax; to the Committee on Ways and Means.

H.R. 3073. A bill to amend the Internal Revenue Code of 1954 to allow a deduction in computing gross income for theft losses sustained by individuals, for certain amounts paid to protect against theft, for medical expenses caused by criminal conduct, and for funeral expenses of victims of crime; to the Committee on Ways and Means.

H.R. 3074. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

H.R. 3075. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on deposits in certain savings institutions; to the Committee on Ways and Means.

H.R. 3076. A bill to provide payments to States for public elementary and secondary education and to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; jointly to the Committees on Education and Labor, and Ways and Means.

By Mr. YATRON:

H.R. 3077. A bill to amend title 38 of the United States Code to provide that World War II and Korean conflict veterans entitled to educational benefits under any law administered by the Veterans' Administration who did not utilize their entitlement may transfer their entitlement to their children; to the Committee on Veterans' Affairs.

By Mr. YOUNG of Georgia (for himself, Mr. Landrum, Mr. Stephens, Mr. Brinkley, Mr. Stuckey, Mr. Mathis, Mr. Ginn, and Mr. Levitas):

H.R. 3078. A bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BELL:

H.R. 3079. A bill to amend the Outer Continental Shelf Lands Act to provide a procedure for congressional disapproval of offshore oil and gas leases; jointly to the Committees on Interior and Insular Affairs, and Rules.

By Mr. CASEY (for himself, Mr. Brooks, Mr. Del Clawson, Mr. Cochran, Mr. Crane, Mr. Dan Daniel, Mr. Dickinson, Mrs. Holt, Mr. Hungate, Mr. Hyde, Mr. Mann, Mr. McCollister, Mr. Mollohan, Mr. Moore, Mr. Myers of Indiana, Mr. Poage, Mr. Roberts, Mr. Satterfield, Mr. Symms, Mr. Teague, Mr. White, and Mr. Bob Wilson):

H.R. 3080. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from requiring an indirect source emission review as a part of any applicable implementation plan; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL (for himself, Mr. Reuss, and Mr. Moorhead of Pennsylvania):

H.R. 3081. A bill to require that the director of the National Park Service be appointed by the President by and with the advice and consent of the Senate; to the Committee on Interior and Insular Affairs.

By Mr. du PONT:

H.R. 3082. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a Formulary Committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

Mr. EDWARDS of Alabama:

H.R. 3083. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself, Mr. Conable, Mrs. Keys, Mrs. Mink, Mr. Pritchard, Mr. Scheuer, Mr. Schulze, Mr. Stokes, and Mr. Symington):

H.R. 3084. A bill to prevent famine and establish freedom from hunger by increasing world food production through the development of land-grant-type universities in agriculturally developing nations; to the Committee on Foreign Affairs.

By Mr. HELSTOSKI:

H.R. 3085. A bill to prohibit foreign oil producing countries, and the citizens, residents, or agents of such countries, from acquiring controlling interests in any domestic petroleum-related or energy-producing industry; to the Committee on Interstate and Foreign Commerce.

By Mr. MIKVA (for himself, Mr. Rostenkowski, Mr. Bolling, Ms. Chisholm, Mr. Edwards of California, Mr. Fraser, Mr. Harrington, Ms. Holtzman, Mr. Koch, Mr. Matsunaga, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Murphy of Illinois, Mr. O'Neill, Mr. Rangel, Mr. Rees, Mr. Roybal, Mr. Ryan, Mr. Solarz, Mr. Thompson, Mr. Waxman, Mr. Charles H. Wilson of California, Mr. Won Pat, and Mr. Zeferetti):

H.R. 3086. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, where authorized, licensed importers, manufacturers, dealers, and pistol clubs to the Committee on the Judiciary.

By Mr. YATRON:

H.R. 3087. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. ADDABBO (for himself, Mr. AuCoin, Mr. Badillo, Mr. Brown of California, Mr. Corman, Mr. Downey, Mr. Duncan of Oregon, Mr. Edgar, Mr. Evans of Indiana, Mr. Giaimo, Mr. Helstoski, Mrs. Keys, Mr. Leggett, Mr. Nix, Mr. Rangel, Mr. Richmond, Mr. Rosenthal, Mr. Roybal, Mrs. Schroeder, Mr. Seiberling, Mr. Solarz, Mr. Stokes, Mr. Symington, Mr. Charles H. Wilson of California, and Mr. Won Pat):

H.J. Res. 201. Joint resolution creating a Joint Committee on Classified Information; to the Committee on Rules.

By Mr. BELL (for himself, Mr. Broomfield, Mr. Pettis, and Mr. Hannaford):

H.J. Res. 202. Joint resolution to authorize the Secretary of the Interior to establish on certain public lands of the U.S. national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. COUGHLIN (for himself and Mr. Taylor of North Carolina):

H.J. Res. 203. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning May 12, 1975, as National Historic Preservation Week; to the Committee on Post Office and Civil Service.

By Mr. KARTH:

H.J. Res. 204. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. MARTIN (for himself, Mr. Jones of North Carolina, Mr. Fountain, Mr. Henderson, Mr. Andrews of North Carolina, Mr. Neal, Mr. Preyer, Mr. Rose, Mr. Hefner, Mr. Broyhill, and Mr. Taylor of North Carolina):

H.J. Res. 205. Joint resolution authorizing the President of the United States to proclaim May 20, 1975, as Mecklenburg Declaration of Independence Day; to the Committee on Post Office and Civil Service.

By Mr. ANDERSON of California (for himself, Ms. Abzug, Mr. LaFalce, Mr. Stokes, Mr. Pattison of New York, Mr. Murphy of New York, and Mr. Patterson of California):

H. Con. Res. 107. Concurrent resolution that an imposition of a ceiling on social security cost-of-living benefit increases not be enacted; to the Committee on Ways and Means.

By Mr. BRADEMAS (for himself, Mr. O'Neill, Mr. Burke of Massachusetts, Mr. Hannaford, Mr. Cotter, Mr. Evans of Indiana, Mr. Hamilton, Mr. Solarz, Mr. Metcalfe, Mr. Charles H. Wilson of California, Mr. Brodhead, Mr. Tsongas, Mr. Green, Mr. Obey, Ms. Spellman, Mr. Dodd, Mr. Ryan, Mr. Waxman, Mr. Mineta, Mr. Rangel, Mr. Neal, Mr. Bergland, Mr. Vanik, Mr. Harkin, and Mr. Roybal):

H. Con. Res. 108. Concurrent resolution expressing the sense of the Congress that no legislation imposing a ceiling on social security cost-of-living benefit increases be enacted; to the Committee on Ways and Means.

By Mr. BRADEMAS (for himself, Mr. O'Neill, Mr. Burke of Massachusetts, Ms. Schroeder, Mr. Patman, Mr. Pressler, Mr. Duncan of Oregon, Ms. Heckler of Massachusetts, Mr. St Germain, Mr. Corman, and Mr. Murphy of Illinois):

H. Con. Res. 109. Concurrent resolution expressing the sense of the Congress that no legislation imposing a ceiling on social security cost-of-living benefits increases be enacted; to the Committee on Ways and Means.

By Mr. DAVIS:

H. Con. Res. 110. Concurrent resolution to provide for the designation of May 1–8, 1975, as "National Trauma Week"; to the Committee on Post Office and Civil Service.

By Mrs. FENWICK:

H. Con. Res. 111. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. ASHBROOK, (for himself, Mr. Nichols, Mr. Bauman, Mr. Kemp, Mr. Crane, Mr. Sikes, Mr. Whitehurst, Mr. Treen, Mr. Montgomery, Mr. Spence, Mr. Rousselot, Mr. Cleveland, Mr. Kindness, Mr. Bowen, Mr. Walsh, Mr. Moorhead of California, Mrs. Holt, Mr. McDonald of Georgia, Mr. Johnson of Pennsylvania, Mr. Winn, Mr. Krueger, Mr. Collins of Texas, Mr. Martin, Mr. Harsha, and Mr. Mathis):

H. Res. 157. Resolution to amend the Rules of the House of Representatives to establish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

By Mr. BINGHAM (for himself, Mr. Albert, Mr. O'Neill, and Mr. McFall):

H. Res. 158. Resolution to establish a John W. McCormack senior intern program; to the Committee on House Administration.

By Mr. BINGHAM (for himself, Mr. Biester, Mr. Heinz, Mr. Hillis, Mr. Regula, Mr. Wydler, Ms. Abzug, Mr. Badillo, Mrs. Boggs, Mr. Buchanan, Mr. Corman, Mr. Dominick V. Daniels, Mr. Danielson, Mr. de Lugo, Mr. Dent, Mr. Diggs, Mr. du Pont, Mr. Edgar, Mr. Eilberg, Mr. Flood, Mr. Forsythe, Mr. Fraser, Mr. Frenzel, and Mr. Fulton):

H. Res. 159. Resolution to establish a John W. McCormack senior intern program; to the Committee on House Administration.

By Mr. BINGHAM (for himself, Mr. Zablocki, Mr. Findley, Mr. Fraser, Mr. Nix, Mr. Fascell, Ms. Schroeder, Mr. Harrington, Mr. Leggett, Mr. Hamilton, Mr. Yatron, Mr. Ryan, Mr. Charles H. Wilson of Texas, Mr. Solarz, Mr. Riegle, and Mr. Bonker):

H. Res. 160. Resolution expressing support for the Vladivostok Agreement on strategic arms and providing the advice of the House on follow-on strategic arms control measures; to the Committee on Foreign Affairs.

By Mr. BINGHAM (for himself, Mr. Biester, Mr. Heinz, Mr. Hillis, Mr. Regula, Mr. Wydler, Mr. Pepper, Mr. Perkins, Mr. Peyser, Mr. Pickle, Mr. Pritchard, Mr. Rangel, Mr. Riegle, Mr. Richmond, Mr. Rodino, Mr. Sarbanes, Ms. Schroeder, Mr. Seiberling, Mrs. Spellman, Mr. Steelman, Mr. Waxman, Mr. Whitehurst, Mr. Wirth, Mr. Wolff, and Mr. Won Pat):

H. Res. 161. Resolution to establish a John W. McCormick senior intern program; to the Committee on House Administration.

By Mr. FLYNT:

H. Res. 162. Resolution providing funds for the expenses of the Committee on Standards of Official Conduct; to the Committee on House Administration.

By Mr. FRASER (for himself, Mr. Morgan, Mr. Broomfield, Mr. Zablocki, Mr. Findley, Mr. Buchanan, Mr. Fascell, Mr. Burke of Florida, Mr. Diggs, Mr. Nix, Mr. Rosenthal, Mr. Hamilton, Mr. Wolff, Mr. Guyer, Mr. Bingham, Mr. Yatron, Mr. Lagomarsino, Mr. Charles H. Wilson of Texas, Mr. Riegle, Mr. Solarz, Mrs. Meyner and Mr. Winn):

H. Res. 163. Resolution to amend the Rules of the House of Representatives to change the name of the Committee on Foreign Affairs to the Committee on International Relations; to the Committee on Rules.

By Mr. ROBERTS:

H. Res. 164. Resolution to provide funds for the expenses of the investigation and study authorized by House Rule XI; to the Committee on House Administration.

By Mr. STARK (for himself, Mr. Scheuer, Mr. Fish, Mr. Pattison of New York, Mr. Addabbo, and Mr. Koch):

H. Res. 165. Resolution disapproving the deferral of budget authority relating to comprehensive planning grants (deferral No. D75–107) which is proposed by the President in his special message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MICHEL:

H.R. 3088. A bill for the relief of Cecilai L. P. Thieman; to the Committee on the Judiciary.

By Mr. VANDER VEEN:

H.R. 3089. A bill for the relief of Concepcion Orozco DeRivas and Gloria Garcia; to the Committee on the Judiciary.

By Mr. MICHEL:

H. Res. 166. Resolution to refer H.R. 3088 to the Chief Commissioner of the U.S. Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

21. By the SPEAKER: Petition of the House of Representatives of the Republic of Cyprus, Nicosia, relative to Greek Cypriots missing since the Turkish invasion; to the Committee on Foreign Affairs.

22. Also, petition of the Tribal Council, Red Lake Band of Chippewa Indians, Red Lake, Minn., relative to the crediting of certain service in Civilian Conservation Corps Indian Department camps toward civil service retirement; to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

WOMEN OF ACHIEVEMENT

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. WALSH. Mr. Speaker, the Syracuse, N.Y., Post-Standard has, over the years, established a fine tradition of honoring women who have made outstanding contributions to their communities. Every year, the Post-Standard names an all-time woman of achievement and 10 annual women of achievement.

As the newspaper article honoring these women states:

> There is only one criterion for determining Women of Achievement. It is excellence . . . Competence is not enough. Extraordinary performance, unusual dedication, innovative approaches are standards used by the jurors. . . .

It becomes very obvious when listing their achievements that these 11 women have more than met those standards.

The all-time woman of achievement, Mrs. Ruth Sherwood, has been instrumental in promoting professional standards among volunteer agencies in central New York and all across the State.

Ruth Sherwood first came to Syracuse in the early 1940's as a volunteer at the old Victory Center. In 1947 she became executive director of that organization which changed its name to the Volunteer Center.

It was Ruth Sherwood who first became aware of the substantial changes in the age, role, and aims of the volunteer. In the 1940's and 1950's, the typical volunteer was the middle-aged housewife who had time to contribute, because her children were in school. At that time it was a new thought, and Ruth Sherwood's thought, that volunteers must be recruited from the young and the retired, because the middle-aged housewife was about to go back to work.

In the area of communications, the Post-Standard has honored the young and attractive Mrs. Ann G. Higbee. Mrs. Higbee is presently an account executive and vice president of T. A. Best, a public relations agency in Skaneateles, N.Y. She broke into the public relations field some years ago when there were almost no women in substantive positions in that field. Her career has blossomed from that date.

As if being a public relations agency vice president was not enough, Mrs. Higbee is raising a 3-year-old son and acting as president of the Junior League. And when she has some spare time, she divides that between the Literacy Volunteers, United Way, American Red Cross, Priority One, and the Syracuse Downtown Promotion Committee.

Miss Eleanor Ludwig has been named the Post-Standard Woman of Achievement in Citizenship, because of her people-related activities. Miss Ludwig is presently director of alumni programs at Syracuse and is doing an innovative job.

As director, she is in charge of all the programs that relate to the 140,000 alumni of the university. She runs about a dozen tours a year and handles continuing education for alumni.

Her pet project is the creation of an undergraduate alumni office which would attempt to work with students in terms of their preparation as alumni. According to Miss Ludwig, the undergraduates would also be the "eyes and ears" of the alumni.

Her work with people extends far beyond the boundaries of the university to almost a dozen civic and community agencies whose concerns range from literacy to health to the aged.

"I'd like to teach the world to sing" is the theme of Mrs. Herman Beyle who has been chosen as the woman of achievement in music. Mrs. Beyle began directing the "Music Men of Syracuse," a group started by her young sons. Today, although all the original members of that troupe have gone, Mrs. Beyle remains and continues to donate her living room for the group's practice on Sunday morning.

Madelon Beyle has been director of music at Danforth United Church and the Plymouth Congregational Church and twice president of Civic Morning Musicals.

For the past 10 years, Mrs. Beyle has been involved in a representative of children's musical theater organizations and has been responsible for bringing live theater to all corners of America.

In the area of career, Mrs. Edna Anderson has been honored as a woman of achievement, because of her ability to pursue a career and still devote time to a growing family.

Edna Barrie Anderson graduated from law school as her daughter was graduating from medical college. She is a pilot, an attorney with a court position, a volunteer with substantial responsibilities with the League of Women Voters, her church, the bar association, and many other groups.

If you ask Mrs. Anderson how she crams so much activity into a 24-hour day, she cites her mother's motto:

> You can do anything you want to, if you try hard enough.

The woman of achievement in the area of religion is Mrs. Llois W. Affolter whose interest has been centered in the Church Women United of Syracuse and vicinity. As a member of that organization she has focused her efforts to break down barriers, develop a warm sympathetic understanding of the women involved, not only to be aware of the racial differences, but to appreciate differences and recognize the value of each. She did this at a critical time when churches were being criticized for being decidedly segregated.

Out of this effort has come the plan to ride with the police on calls involving juvenile misdemeanors, an attempt to show that the power of love was greater than hate.

Dr. Mary Marshall has been contributing to cultural development for most of her life and it is for this contribution that she is being honored as a 1974 Post-Standard Woman of Achievement.

Dr. Marshall is a graduate of Vassar College, Phi Betta Kappa, with a Ph. D. from Yale University. She is a Guggenheim Fellow for research in medieval drama and has earned honorary degrees at numerous colleges and universities. She was a professor of English literature at Syracuse University from 1948 until her retirement in 1970.

According to her students, Dr. Marshall does more than just teach. She opens minds, stimulates thinking, and stirs the imagination.

Mrs. Davice Chimene has been named a woman of achievement for her endeavors in the area of community leadership. Mrs. Chimene's favorite activity is working with the Girl Scouts and work she does, spending at least 2 to 3 hours two nights a week on scouting.

She is a member of the Board of Directors of the Central New York Scout Council, was a member of the day camp staff 6 years, a director for 5 years, and is a council trainer.

She is heavily involved in the American Field Service, local politics, and still manages to find time to take good care of a husband and three sons.

The choice for the Woman of Achievement in volunteer service, Mrs. Nannae Daniel, says volunteering is a two-way street, you get even more than you give. According to Mrs. Daniel:

> Inside I'm a millionaire; I have peace of mind.

If Mrs. Daniel is a millionaire then so are hundreds of other people, because of her work with volunteer activities. Perhaps her most outstanding work is as coordinator of the Telephone Life Line which provides elderly persons with daily security calls.

She is also a former president of the Syracuse section of the National Council of Negro Women where she helped form Women in Community Service which helped young girls "break the poverty cycle" by finding them meaningful employment.

The Social Service Woman of Achievement Award goes to Mrs. Jean A. Young who, according to the Post-Standard article, "has truly given a lifetime of service to Syracuse."

She began her professional career as a caseworker in the Onondaga County Department of Public Welfare and since then her "causes" have included the Syracuse Peace Council, the Jewish Community Center, the Heart Association, Head Start, and the Consortium for Children's Services.

In the fall of 1973, Mrs. Young became ill with terminal cancer. Rather than curtailing her activities, she has now centered her efforts on Alethea, the Center on Death and Dying. She was the first patient to become active in the development of the center and her 30 years of contacts in Syracuse has aided in the development of the organization.

Dr. Jane L. Byrnes, principal at Syracuse's Salem Hyde School, has been chosen as the Woman of Achievement in education. Dr. Byrnes thinks urban education offers a special challenge and she has more than met that challenge. Programs she has established at Salem Hyde have twice earned her recognition from the Freedoms Foundation in Valley Forge.

Believing that "education is never confined to hours per day in a building, rather that education is an all-pervading, life-enriching experience," she is active in the Syracuse Chamber of Commerce and the Business and Professional Women's Club of Syracuse.

Dr. Byrnes has served as president of the New York State Association of Elementary School Principals and president of the Syracuse Association of Administrators. In addition, she sits on the Board of Directors of Maria Regina and Onondaga Community Colleges.

These 11 women certainly deserve the congratulations and thanks of their community for their outstanding contributions. Also to be congratulated are the Syracuse Post-Standard and its excellent family living editor, Lois Vosburgh, for their effort to afford these women the public recognition they so richly deserve.

THE LINCOLN DAY RECESS

HON. MILLICENT FENWICK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mrs. FENWICK. Mr. Speaker, until this week both the House and the Senate planned a 10-day recess, from February 7 to February 17. The purpose of the recess was, of course, most laudable: commemoration of the birth of one of our greatest Presidents, Abraham Lincoln. Ordinarily, Members of Congress return to their districts to talk with constituents and to speak of the accomplishments and contributions of the 16th President. It is usually a valuable time for interchange between the folks at home and their representatives in far-away Washington. We all know that recesses are important so that we can take the time to refresh our ideas at the grassroots level.

But, Mr. Speaker, these are not ordinary times. The 94th Congress has been in session for less than a month. We have recently returned to Washington after a November election in which the people clearly expressed their preference for changes from Washington. We know what the voters want. They want action from Congress and the President on energy, unemployment, taxes, and inflation. They do not want a perpetuation of the old attitude of "business as usual" and it has been my hope in the past weeks that this would indeed not be an ordinary Congress.

The President has asked that we act on his complex tax and energy proposals. He has said that if Congress does not like his plan to come up with one of its own. Whether we support the President's plan or one of a number of other economic recovery plans, it is our responsibility to stay here and begin to work out a solution to our troubles. Although Congress will not take a formal recess, the Democratic leadership has announced that there will be two 3-day adjournments, with only pro forma sessions on those days. This ruse will not fool our constituents into believing we are here working hard.

Mr. Speaker, this situation reminds me—appropriately—of an anecdote which is often told of President Lincoln. At one time General George B. McClellan, then Commander of the Union forces, was conducting a waiting campaign. He was so careful to avoid mistakes that little headway was evident. President Lincoln wrote him a letter which said:

> My Dear McClellan . . . if you do not want to use the army, I should like to borrow it for awhile . . . Yours Respectfully, A. Lincoln.

Let us not also conduct a waiting campaign. Let us get down to the job before us. That in itself will be an appropriate tribute to Mr. Lincoln.

THE LATE JUDGE EUGENE WORLEY

HON. RAY ROBERTS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 30, 1975

Mr. ROBERTS. Mr. Speaker, the passing of Judge Eugene Worley is a great loss to me personally and to the Nation. He and his devoted wife, Ann Spivey, were warm and steadfast friends from the beginning in our days at the University of Texas.

He was genuine and sincere and ever willing to give one of the benefits of his solid judgment when asked. During his stay here in Washington, he gave valuable counsel to many in all walks of life, especially friends from his native Texas, which he loved.

Whatever he undertook to do, Gene Worley did it well. He knew only success. His illustrious career started in 1935, as a member of the Texas Legislature. After 5 years of service in that body, Eugene Worley was elected to the U.S. House of Representatives from Texas' 18th Congressional District.

After leaving Congress to serve as a lieutenant commander in the Naval Reserve during World War II, he was again elected to Congress. During nearly a decade in the House, Congressman Worley served with distinction and with dedication to the public interest. He was a hardworking and effective legislator whose honor and integrity were without question.

Through much of his House tenure, he was an influential member of the Agriculture Committee, although during his first two terms he served on the Committees on Coinage, Weights and Measures; Irrigation and Reclamation; Labor; War Claims; Insular Affairs; Post-War Economic Policy and Planning; and was chairman of the Committee on Election of the President, Vice President, and Representatives in Congress.

The Federal judiciary became the beneficiary of Eugene Worley's skill and wisdom when President Truman appointed him to the U.S. Court of Customs and Appeals. President Eisenhower selected him as chief judge of the court in 1959. Despite this high office which he held, Judge Worley was the same warm friendly individual he had always been.

Judge Worley enhanced the reputation of that court with his able, scholarly, and constructive leadership. He continued to serve after becoming a senior judge in 1972, despite illness which would have sidelined a lesser man.

Until his death, Judge Worley remained both cheerful and accessible to his many friends. I am proud to have been one of them.

Mrs. Roberts joins me in extending deepest sympathies to Judge Worley's lovely family.

LAWSUIT TO ENJOIN FURTHER U.S. MILITARY PARTICIPATION IN CAMBODIA

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. DRINAN. Mr. Speaker, in yesterday's CONGRESSIONAL RECORD I informed my colleagues that 20 Members of Congress and myself have filed in the U.S. District Court for the District of Massachusetts a lawsuit which would seek a preliminary injunction to halt further U.S. military operations in Cambodia. The first half of the complaint in the suit was printed in yesterday's RECORD for February 4, 1975, on page 2262 through 2264. Today, I would like to bring to my colleagues' attention the second half of the complaint which was filed last Friday in Boston.

VERIFIED COMPLAINT

Robert F. Drinan, Michael J. Harrington, John Joseph Moakley, Bella S. Abzug, Herman Badillo, George E. Brown, Jr., Yvonne B. Burke, Bob Carr, Ronald V. Dellums, Don Edwards, Donald M. Fraser, Ken Hechler, Henry Helstoski, George Miller, Richard L. Ottinger, Frederick W. Richmond, Benjamin S. Rosenthal, Edward R. Roybal, John F. Seiberling, Fortney H. Stark, Henry A. Waxman, and David E. Lowry, on his own behalf and on behalf of all others similarly situated, Plaintiffs, v. Gerald R. Ford, individually and in his capacity as President of the United States; James R. Schlesinger, individually and in his capacity as Secretary of

Defense; John L. McLucas, individually and in his capacity as Secretary of the Air Force; Henry A. Kissinger, individually and in his capacity as Secretary of State, and John Gunther Dean, individually and in his capacity as United States Ambassador to Cambodia; William L. Colby, individually and in his capacity as Director of the Central Intelligence Agency, Defendants.

* * * * *

VI. CAUSES OF ACTION

First cause of action

26. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–25.

27. Defendants' actions in financing and carrying on military and paramilitary activities in, over, from off the shores of and respecting Cambodia, and furnishing direction, advice, support, training and intelligence to the military forces of the Lon Nol regime, have not been authorized by Congress.

28. Defendants' aforesaid activities are all being conducted in violation of specific Congressional prohibitions, and are in violation of Article I, Section 8, Clause 11 of the Constitution, which confers exclusive power to authorize war upon the Congress.

29. Wherefore the aforesaid activities of defendants are illegal and unconstitutional.

Second cause of action

30. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–29.

31. Defendants' actions in financing, directly or indirectly, military and paramilitary activities in, over, from off the shores of and respecting Cambodia, and furnishing direction, advice, support, training and intelligence to the military forces of the Lon Nol regime, have been specifically prohibited by Congress.

32. Defendants' aforesaid activities are all being financed and conducted in violation of specific Congressional prohibitions and are in violation of Article I, Section 9, Clause 7; and Article I, Section 7, Clause 1, which confer upon the Congress exclusive power to appropriate monies for use by the Executive generally and with respect to the Armed Forces of the United States.

33. Wherefore, the aforesaid activities of defendants are illegal and unconstitutional.

Third cause of action

34. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–33.

35. The aforesaid acts of defendants complained of constitute both the introduction of United States ground combat troops into Cambodia and the provision of United States advisors to or for military, paramilitary, police, or the security or intelligence forces.

36. The Special Foreign Assistance Act of 1971, 22 U.S.C. § 2411n provides:

Section 7 of Pub. L. 91–652. as amended by Pub. L. 92–226, Pt. IV § 408, Feb. 7, 1972, 86 Stat. 35 provided that:

"(a) In line with the expressed intention of the President of the United States, none of the funds authorized or appropriated pursuant to this or any other Act may be used to finance the introduction of United States ground combat troops into Cambodia, or to provide United States advisers to or for military, paramilitary, police, or other security or intelligence forces in Cambodia.

"(b) Military and economic assistance provided by the United States to Cambodia and authorized or appropriated pursuant to this or any other Act shall not be construed as a commitment by the United States to Cambodia for its defense."

37. Wherefore, the aforesaid acts of defendants complained of constitute a violation of the Special Foreign Assistance Act of 1971, 22 U.S.C. § 2411n.

Fourth cause of action

38. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–37.

39. The aforesaid acts of defendants complained of involve the use of funds to finance military or paramilitary operations by the United States.

40. Section 30 of the Foreign Assistance Act of 1973, 22 U.S.C. § 2151n, provides:

"No funds authorized or appropriated under this or any other law may be expended to finance military or paramilitary operations by the United States in or over Vietnam, Laos, or Cambodia."

41. Wherefore, the aforesaid acts of defendants complained of constitute a violation of Section 30 of the Foreign Assistance Act of 1973, 22 U.S.C. § 2151n.

Fifth cause of action

42. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–41.

43. The acts of defendants complained of involve the expenditure of funds to finance, directly or indirectly, combat activities by United States military forces in, over, from off the shores of and respecting Cambodia.

44. Section 108 of the Continuing Appropriations Act of 1974, P.L. 93–52, 87 Stat. 134 provides:

"Notwithstanding any other provision of law, on or after August 15, 1973, no funds herein or heretofore appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shore of North Vietnam, South Vietnam, or Cambodia."

45. Wherefore, the acts of defendents complained of constitute a violation of the Continuing Appropriations Act of 1974, P.L. 93–52, 87 Stat. 130.

Sixth cause of action

46. Plaintiffs repeat and reallege each and every allegation set forth in paragraph 1–45.

47. Section 307 of the Second Supplemental Appropriations Act of 1973, P.L. 93–50, 87 Stat. 99, provides as follows:

"None of the funds herein appropriated under this Act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North Vietnam and South Vietnam by United States forces, and after August 15, 1973, no other funds heretofore appropriated, under any other act may be expended for such purposes."

48. Wherefore, the acts of defendants complained of constitute a violation of Section 307 of the Second Supplemental Appropriations Act of 1973, P.L. 93–50, 87 Stat. 99.

Seventh cause of action

49. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–48.

50. Section 806 of the Department of Defense Appropriations Authorization Act of 1974, P.L. 93–155, 87 Stat. 605, provides:

"Sec. 806. Notwithstanding any other provision of law, upon enactment of this Act, no funds heretofore or hereafter appropriated may be obligated or expended to finance the involvement of United States military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia, unless specifically authorized hereafter by the Congress."

51. Congress has not, since the enactment of the aforesaid Appropriations Act of 1974 specifically authorized the commitment or expenditure of any funds to finance the involvement of United States military forces in hostilities in or over or from off the shores of Cambodia.

52. Wherefore, the acts of defendants complained of are in violation of Section 806 of the Department of Defense Appropriations Act of 1974, P.L. 93–155, 87 Stat. 605.

Eighth cause of action

53. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–53.

54. Section 13 of the Department of State Appropriation Act of 1973, P.L. 93–126, provides in pertinent part:

"Notwithstanding any other provision of law, on or after August 15, 1973, no funds heretofore or hereafter appropriated may be obligated or expended to finance the involvement of United States military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia, unless specifically authorized hereafter by the Congress."

55. Congress has not since the enactment of the aforesaid Department of State Appropriations Act of 1973 specifically authorized the commitment or expenditure of any funds to finance the involvement of United States military forces in hostilities in or over or from off the shores of Cambodia.

56. Wherefore, the acts of defendants complained of are in violation of Section 13 of the Department of State Appropriation Act of 1973, P.L. 93–126.

Ninth cause of action

57. Plaintiffs repeat and reallege each and every allegation set forth in pararaphs 1–56.

58. The Foreign Assistance Act of 1971, 22 U.S.C. § 2146 provides in pertinent part:

"The total number of civilian officers and employees of executive agencies of the United States Government who are citizens of the United States and members of the Armed Forces of the United States (excluding such members while actually engaged in air operations in or over Cambodia which originate outside Cambodia) present in Cambodia at any one time shall not exceed two hundred. . . . For purposes of this section, "executive agency of the United States Government" means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government."

59. As alleged in paragraph 23(a), the total number of United States civilian and military personnel present in Cambodia at one time has, since the passage of § 2416, exceeded 200.

60. Wherefore, the acts of defendants complained of violate the Foreign Assistance Act of 1971, 22 U.S.C. § 2416.

Tenth cause of action

61. Plaintiffs repeat and reallege each and every allegation set forth in paragraph 1–60.

62. The Foreign Assistance Act of 1971, 22 U.S.C. § 2416, provides in pertinent part:

"The United States shall not, at any time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than eighty-five individuals in Cambodia who are citizens of countries other than Cambodia or the United States."

63. As alleged in paragraph 23(b), defendants are employing and compensating directly or indirectly, individuals and citizens of countries other than the United States and Cambodia, as mercenaries, to carry on supply missions and other military and paramilitary activities and the number of such individuals and citizens exceeds 85.

64. Wherefore, such acts of defendants complained of violate the Foreign Assistance Act of 1971, 22 U.S.C. § 2416.

Eleventh cause of action

65. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–64.

66. The Foreign Assistance Act of 1974, P.L. 93–559, Sec. 29, provides in pertinent part:

ACCESS TO CERTAIN MILITARY BASES ABROAD

SEC. 29. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 659. None of the funds authorized to be appropriated for foreign assistance (including foreign military sales, credit sales, and guarantees) under this Act may be used to provide any kind of assistance to any foreign country in which a military base is located if—

"(1) such base was constructed or is being maintained or operated with funds furnished by the United States; and

"(2) personnel of the United States carry out military operations from such base; unless and until the President has determined that the government of such country has, consisted with security, authorized access, on a regular basis, to bona fide news media correspondents of the United States to such military base."

67. Cambodia and Thailand receive foreign assistance, as described in Sec. 29(a), and have located within their boundaries military bases which were constructed or are being maintained or operated with funds furnished by the United States and from which personnel of the United States carry out military operations. As heretofore alleged in paragraph 25, *bona fide* news media correspondents of the United States have been and are being denied, by defendants and/or representatives of foreign powers, access to such bases on a regular basis.

68. Wherefore, the acts of defendants complained of violate Section 29(a) of the Foreign Assistance Act of 1974, P.L. 93–559.

Twelfth cause of action

69. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–68.

70. Neither a Congressional declaration of war, a specific statutory authorization nor a national emergency as defined in 50 U.S.C. § 1541 exists with respect to Cambodia.

71. Wherefore, the use and threatened increased use by defendants of United States Armed Forces, both unarmed and equipped for combat, in hostilities or in situations where imminent involvement in hostilities is clearly indicated by the circumstances in, over, from off the shores of and respecting Cambodia are in violation of the 1973 War Powers Resolution, 50 U.S.C. §§ 1541–1548.

Thirteenth cause of action

72. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–71.

73. On information and belief, defendant Ford as President did not consult with Congress before or since taking the aforesaid actions with respect to Cambodia.

74. Wherefore, the aforesaid activities of defendants are in violation of the 1973 War Powers Resolution, 50 U.S.C. §§ 1541–1548.

Fourteenth cause of action

75. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–74.

76. On information and belief, defendant Ford as President of the United States, like his predecessor Richard M. Nixon, has not submitted any report in writing, as required by 50 U.S.C. § 1544, to the Speaker of the House of Representatives and to the President pro tempore of the Senate within 48 hours after taking the actions complained of, which involve introducing United States Armed Forces, both unarmed and equipped for combat, into situations where imminent involvement in hostilities is clearly indicated by the circumstances.

77. Wherefore, defendant Ford's aforesaid failure to report is a violation of the 1973 War Powers Resolution, 50 U.S.C. §§ 1541–1548 and specifically § 1543.

Fifteenth cause of action

78. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs 1–77.

79. Article 20(b) of the Agreement On Ending the War and Restoring Peace in Vietnam obliges the United States to cease military activities in Cambodia.

80. Wherefore, the actions of defendants complained of violate the aforementioned treaty provision.

81. Plaintiffs have no adequate remedy at law. Unless and until this Court issues a preliminary and permanent injunction restraining defendants from the complained of activities, plaintiffs will suffer irreparable injury.

VII. RELIEF

Wherefore, plaintiffs respectfully request that the following relief be granted:

1. That the Court issue a declaratory judgment that the defendants' contingency plan to finance and/or employ the United States Air Force or any branch of the United States Armed Forces, its agents, employees or servants, and equipment and materiel to airlift or otherwise transport supplies to Phnom Penh, Neak Luong or any other embattled area in Cambodia, without prior Congressional authorization is in violation of:

a) Article I, Section 8, Clause 11 of the United States Constitution;

b) Article I, Section 9, Clause 7 and Article I, Section 7, Clause 1 of the United States Constitution;

c) Section 7(a) of the Special Foreign Assistance Act of 1971, 22 U.S.C. § 2411 n;

d) Section 307 of the Foreign Assistance Act of 1973, 22 U.S.C. § 2151 n;

e) Section 108 of the Continuing Appropriations Act of 1974, P.L. 93–52, 87 Stat. 134;

f) Section 307 of the Second Supplemental Appropriations Act of 1973, P.L. 93–50, 87 Stat. 99;

g) Section 806 of the Department of Defense Appropriation Authorization Act of 1974, P.L. 93–155, 87 Stat. 605;

h) Section 13 of the Department of State Appropriation Authorization Act of 1973, P.L. 93–126;

i) the Foreign Assistance Act of 1971, 22 U.S.C. § 2416;

j) the Foreign Assistance Act of 1974, P.L. 93–559, Sec. 29(a);

k) the 1973 War Powers Resolution, 50 U.S.C. §§ 1541, *et seq.*; and

l) the Agreement On Ending The War And Restoring Peace In Vietnam.

2. That this Court issue a declaratory judgment that defendants' actions in carrying on military and paramilitary activities, in, over, off the shores of and respecting Cambodia and furnishing direction, advice, support, training and intelligence to the military forces of the Lon Nol regime and that the commitment and expenditure of funds in connection with the foregoing are in violation of:

a) Article I, Section 8, Clause 11 of the United States Constitution;

b) Article I, Section 9, Clause 7 and Article I, Section 7, Clause 1 of the United States Constitution;

c) Section 7(a) of the Special Foreign Assistance Act of 1971, 22 U.S.C. § 2411n;

d) Section 307 of the Foreign Assistance Act of 1973, 22 U.S.C. § 2151n;

e) Section 108 of the Continuing Appropriations Act of 1974, P.L. 93–52, 87 Stat. 134;

f) Section 307 of the Second Supplemental Appropriations Act of 1973, P.L. 93–50, 87 Stat. 99;

g) Section 806 of the Department of Defense Appropriation Authorization Act of 1974, P.L. 93–155, 87 Stat. 605;

h) Section 13 of the Department of State Appropriation Authorization Act of 1973, P.L. 93–126;

i) the Foreign Assistance Act of 1971, 22 U.S.C. § 2416;

j) the Foreign Assistance Act of 1974, P.L. 93–559, Sec. 29(a);

k) the 1973 War Powers Resolution, 50 U.S.C. §§ 1541, *et seq.*; and

l) the Agreement On Ending The War And Restoring Peace In Vietnam.

3. That this Court preliminarily and permanently enjoin the defendants from employing the United States Air Force or any other branch of the United States Armed Forces, its agents, employees, servants and equipment and materiel to airlift or otherwise transport supplies to Phnom Penh, Neak Luong or any other embattled area in Cambodia without prior Congressional authorization.

4. That this Court preliminarily and permanently enjoin the defendants from carrying on military and paramilitary activities in, over, off the shores of and respecting Cambodia and furnishing direction, advice, support, training and intelligence to the military forces of the Lon Nol regime.

5. That this Court preliminarily and permanently enjoin the defendants from committing or expending, without prior specific authorization by Congress funds to carry on military and paramilitary activities in, over, off the shores of and respecting Cambodia and furnishing direction, advice, support, training and intelligence to the military forces of the Lon Nol regime.

6. That this Court preliminarily and permanently enjoin the defendants from violating, overtly or covertly, directly or indirectly, the ceiling of 200 United States personnel authorized to be in Cambodia at any one time.

7. That this Court preliminarily and permanently enjoin the defendants from compensating, in whole or in part, directly or indirectly, more than 85 individuals in Cambodia who are citizens of countries other than Cambodia or the United States.

8. That this Court preliminary and permanently enjoin the defendants to cease and desist from impeding and to assure regular access by *bona fide* news media correspondents of the United States to all military bases in Southeast Asia which were constructed or are being maintained or operated with funds furnished by the United States and from which United States personnel carry out military operations or in the alternative to enjoin the defendants from expending any funds appropriated for foreign assistance (including foreign military sales, credit sales, and guarantees) under the Foreign Assistance Act of 1974, to assist any country of Southeast Asia, wherein access to military bases as heretofore described is not guaranteed.

9. Grant such other and further relief as to this Court may appear proper and just, including reasonable costs and attorney's fees.

Respectfully submitted,
PETER WEISS,
RHONDA COPELON,
DORIS PETERSON,
Center for Constitutional Rights,

NANCY GERTNER,
Boston, Mass.
Attorneys for Plaintiffs.

Dated: New York, New York, January 31, 1975.

[United States District Court for the District of Massachusetts]

VERIFICATION

Robert F. Drinan, et al., Plaintiffs, v. Gerald R. Ford, et al., Defendants.

State of New York, County of New York, ss: Rhonda Copelon, being duly sworn, deposes and says:

1. I am one of counsel in the above-captioned matter.

2. I have read the foregoing complaint and know the contents thereof and that the same are true of my own knowledge, except as to

the matters therein stated to be alleged on information and belief, and as to those matters, I believe them to be true.

3. I make this verification in lieu of plaintiffs in this action because no plaintiff is presently accessible to counsel or available in the present District to make this verification at this time.

RHONDA COPELON.

Sworn to before me this 31st day of January, 1975.

ELIZABETH BOCHNAK,
Notary Public.

END THE TAX ON MARRIAGE

HON. MILLICENT FENWICK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mrs. FENWICK. Mr. Speaker, in 1969 Congress enacted a comprehensive tax reform measure in an effort to minimize or eliminate many of the inequities which had developed. The tax on single taxpayers was one of these inequities which was supposedly eliminated by the Tax Reform Act. Critics contended that the tax differential between single and married people was too great because a married couple could utilize income splitting to reduce their tax and because it was assumed that, on a per capita basis, single people had higher living expenses than married couples.

This adjustment was fair if the single person living alone were compared with the traditional family situation involving a working, income-splitting husband and a housewife with no outside income. This solution overlooked the problem of the tax payments when the wife did work and contribute to the family income. In this situation, the income-splitting advantages of marriage decline as the man and woman's incomes become increasingly the same. When the two family incomes are at the same level, there are no advantages to income splitting. Couples in this situation will have to pay a higher tax than if they had stayed single.

The accompanying table, prepared by Prof. Oscar S. Gray of the University of Maryland School of Law, shows the very steep penalty imposed on married couples. For example, with a gross income of $30,000—$15,000 derived from each spouse—a married couple will pay $1,155 more in taxes than if they were single. This is clearly a subsidy for single individuals.

This unjust tax has other manifestations, however. As can be seen from the table, the penalty falls hardest on lower income couples. For instance, if two people each earn $2,000—for a total of $4,000—they pay a $170 marriage tax penalty at 1972 rates, 100 percent of their joint tax return. If together they make a total of $8,000, they pay a $245 marriage tax penalty—or nearly 29 percent of their total tax—if their incomes are substantially equal.

This same couple would pay a $168 marriage tax if their incomes are in the ratio 75 percent to 25 percent. The tax also encourages the employment of married women at income levels below that of their husbands. The penalty remains small as long as one spouse earns a small fraction of family income. Since wives earn less than their husbands in most cases, the incentive for her to increase her income is stymied by this "tax on marriage."

We are all acquainted with the hidden tax which inflation imposes on Americans. Although a family's overall income may increase in a year, that income will be subject to two taxes. First, the family will have to pay a higher share of their income in State and Federal taxes. Second, the 12-percent rate of inflation will eliminate many of the economic benefits which have traditionally been associated with a higher salary. The additional "tax on marriage" provides a real disincentive for a wife to help the family financially at a time when real earnings are declining.

Mr. Speaker, I am today introducing a bill which amends the Internal Revenue Code to eliminate this tax on marriage and equalize tax burdens. As the Ways and Means Committee undertakes its review of the tax code this year, I urge my colleagues on that committee to give full consideration to this proposal.

The table follows:

DIFFERENCES BETWEEN THE TAX OF A MARRIED COUPLE FILING A JOINT RETURN AND THE COMBINED TAX OF 2 SINGLE PERSONS WITH THE SAME COMBINED INCOME AS THE MARRIED COUPLE, PRESENT LAW (1972)

[Assumes deductible expenses never exceed the standard deduction]

		Excess of the joint return tax over the tax of 2 single individuals with the same combined income											
		Income split 100 to 0 percent		Income split 75 to 25 percent		Income split 67 to 33 percent		Income split 60 to 40 percent		Income split 55 to 45 percent		Income split 50 to 50 percent	
Adjusted gross income (wages) (1)	Joint return tax (2)	Amount (3)	Amount as a percent of the joint return tax (4)	Amount (5)	Amount as a percent of the joint return tax (6)	Amount (7)	Amount as a percent of the joint return tax (8)	Amount (9)	Amount as a percent of the joint return tax (10)	Amount (11)	Amount as a percent of the joint return tax (12)	Amount (13)	Amount as a percent of the joint return tax (14)
$3,000	$28	−$109	−389.29	0	0	$28	100.00	$28	100.00	$28	100.00	$28	100.00
$4,000	170	−131	−77.06	$33	19.41	82	48.24	121	71.18	149	87.65	170	100.00
$5,000	322	−168	−52.17	63	19.57	132	40.99	184	57.14	194	60.25	196	60.87
$6,000	484	−196	−40.50	89	18.39	182	37.60	201	41.53	206	43.56	209	43.18
$7,000	653	−231	−35.11	120	18.24	191	29.03	212	32.22	221	33.59	224	34.04
$8,000	848	−251	−29.60	168	19.81	207	24.41	226	26.65	238	28.07	245	28.89
$9,000	1,029	−297	−28.86	164	15.94	211	20.51	229	22.25	238	23.13	238	23.13
$10,000	1,190	−340	−28.57	133	11.18	180	15.13	208	17.48	209	17.56	209	17.56
$12,000	1,534	−419	−27.31	70	4.56	133	8.67	150	9.78	162	10.56	173	11.28
$14,000	1,930	−497	−25.75	79	4.09	109	5.65	131	6.79	151	7.82	151	7.82
$16,000	2,385	−607	−25.45	131	5.49	162	6.79	173	7.25	168	7.04	186	7.80
$18,000	2,885	−712	−24.68	197	6.83	252	8.73	256	8.87	253	8.77	233	8.08
$20,000	3,400	−855	−25.15	207	6.09	333	9.79	348	10.24	334	9.82	340	10.00
$25,000	4,860	−1,230	−25.31	298	6.13	496	10.21	627	12.90	707	14.55	742	15.27
$30,000	6,560	−1,592	−24.27	426	6.49	775	11.81	1,010	15.40	1,130	17.23	1,155	17.61
$35,000	8,465	−1,950	−23.04	600	7.09	1,132	13.37	1,437	16.98	1,545	18.25	1,580	18.67
$40,000	10,565	−2,350	−22.24	883	8.36	1,561	14.78	1,867	17.67	2,007	19.00	2,055	19.45
$50,000	15,310	−2,605	−17.02	1,586	10.36	2,472	16.15	2,902	18.95	3,080	20.12	3,130	20.44
$75,000	27,810	−2,605	−9.37	2,940	10.57	3,805	13.68	4,242	15.25	4,430	15.93	4,480	16.11
$100,000	40,310	−2,605	−6.46	3,805	9.44	4,409	10.94	4,480	11.11	4,480	11.11	4,480	11.11

Note: In this table the "marriage tax" penalty is shown by positive numbers.

BOY SCOUTS HEROISM

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. PEYSER. Mr. Speaker, today, I have the pleasure to relate to Congress an account of the exemplary actions of three young men who deserve, I am certain all will agree, our praise and admiration. So that my colleagues can fully comprehend exactly what these three young Eagle Scouts accomplished, I would like to insert a brief summary of their action into the RECORD. We can all benefit from their example.

Last fall, on October 12, the Scouts of Troop 1, Eastchester, N.Y., were camped in the Copake Falls area of the Taconic State Park. The troop led by Scoutmaster Tom McIntyre and Senior Patrol Leader Mark Dobriner set out on a hike to the ridge of Cedar Mountain which overlooked the Bashbish Falls. Upon arrival the troop was startled by a female voice requesting aid for a man who had fallen off the cliff.

Eagle Scouts Bill Richter, Mark Dobriner, and Mitchell Rubin began a descent of the almost perpendicular cliff despite the risk to their own lives to provide assistance to the injured man.

Two other hikers already on the scene were making preparations to move the victim. The Scouts, realizing the severity of the victim's injuries which included multiple skull lacerations and possible hip breakage, prevented the hikers from moving the victim. Instead, they treated him for shock and bandaged his head wounds to constrict bleeding. They thus prevented "inestimable further injury, if not death" to the victim.

These young men coolly ascertained the extent of the victim's other injuries and attempted to keep him calm by their constant assurances. Since they had to wait nearly an hour for rescue parties, the psychological comfort afforded to the victim by these young men cannot be under-emphasized.

Once the rescue parties arrived, these three Scouts were crucial in the effort to remove the victim by stretcher. The stretcher had to be carried across the waist-deep icy stream to the other more accessible bank.

For their heroic actions, the Boy Scout National Court of Honor is conferring upon the three Scouts the "Honor Medal," the highest award in Scouting "awarded to Scouts who have saved life or attempted to save life at the risk of their own. They must have shown heroism, resourcefulness, and skill." Mark Dobriner, Bill Richter, and Mitchell Rubin unquestionably deserve this honor, as they deserve the respect and admiration of the Congress.

DAVID RAGUSA

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. SCHEUER. Mr. Speaker, I would like to tell you the story of one of my district neighbors, David Ragusa, who was shot to death last Saturday night.

David was an electrician for the New York City Fire Department. He had worked hard to buy a home in a good neighborhood. He wanted to raise his three children in a safe and peaceful environment. He and his wife returned home at 1 a.m. after an evening with friends, parked their car in the driveway of their ranch style house and started to walk to their front door. Two men accosted them and demanded money. Ragusa offered no resistance. He gave them his wallet. Thereupon one of the two men took a few steps back, lowered his rifle and shot David Ragusa. As his killers fled, David died.

It is the story of a murder and a tragic illustration of the quality of life—and death—in urban America. The vicious and mindless act which took the life of a fine and good member of society, David Ragusa of Rosedale, N.Y., is not a unique one: Americans can no longer walk the streets of our large cities in safety. And if we cannot be assured of a reasonable degree of physical safety in and around our homes, is this not the moment to reflect upon the diminishing quality of our personal freedom.

Mr. Speaker, notwithstanding the major national and international economic crisis facing us in this Congress, we must address ourselves to our steadily deteriorating law enforcement and criminal justice systems.

To the families of urban America, our criminal justice system does not seem to work. The law-abiding citizen finds himself neglected: Law enforcement appears casual and urban-safety planning seems haphazard.

In memory of David Ragusa, I urge my colleagues to make crime control and personal safety a major item on the agenda of the 94th Congress of the United States.

WE MUST SAY "NO MORE"

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February-5, 1975

Mr. THOMPSON. Mr. Speaker, I am pleased to bring to the attention of our colleagues an editorial from the February 2d edition of the Home News of New Brunswick, N.J. The thrust of the editorial is that no more taxpayer's money should be sent to South Vietnam and Cambodia in the form of military assistance.

I think it is particularly appropriate that this sentiment—which coincides with my own feelings—has been expressed by a distinguished New Jersey newspaper, for it was in our State that the Vice President quite recently saw fit to declare that the Congress will be culpable if additional military aid is not sent immediately to Southeast Asia. I reject the Vice President's statement and I think it is even more eloquently rejected in the Home News editorial. It reads as follows:

We Must Say "No More"

Almost unbelievably, the old arguments and rationales are being rolled out and repeated. If only we will do just a little more, spend just a little more, South Vietnam and Cambodia will be able to "hold their own." If we give them more military aid now they can continue fighting the war that drags on in spite of our declaration of "peace with honor" two years ago.

But the old arguments have lost their power to convince and the old rationales have crumbled under the weight of history and experience.

A little more now will inevitably mean a lot more later. And for what purpose? To win the war? With all our military might, with billions from our treasury and with a toll of young lives still so achingly tragic, we could not "win" the war. Can we seriously expect to buy a victory now?

In fact, we're not promised that. We're promised rather directly that the additional $300 million requested for South Vietnam is just the beginning. It "does not meet all the needs of the South Vietnamese Army," it will not allow for "replacement of equipment lost in combat," and "our intelligence indicates, moreover, that (North Vietnam's) campaign will intensify further in coming months."

And so the spiral will begin anew. And where will it end?

It is not that we are more selfish now, although we have a right and a responsibility to insure our own fiscal well-being in these perilous economic times. The fact is that we are wiser now. We cannot buy a victory and we cannot purchase the peace.

This time we have to say no and no more

WE COULD ALL HELP TO SAVE OURSELVES

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. WALSH. Mr. Speaker, for the past several weeks, our economic woes have been increasing at an uncomfortable rate and with them the everdarkening mood of pessimism that threatens to engulf the Nation.

I won't deny that our economic problems are serious. What I will deny is that they are insurmountable. We have faced and conquered more serious crises and we will do it again.

What we need is a slightly more optimistic, less emotional approach to these problems. Such an approach was, I think, very aptly depicted by a well-known businessman in my home city of Syracuse, N.Y.

Ted Pierson of the Onondaga Supply Co., Inc., recently wrote a letter to the editor of the Syracause Post-Standard entitled "We Could All Help To Save Ourselves." I would like to share that letter with my colleagues:

To the Editor:

Wouldn't the fact that 95.7 per cent of the work force in the Syracuse area was employed in October be far more significant than the fact that 4.3 per cent were unemployed? Wouldn't the fact that no estimate I have seen of future prospects shows employment falling below 93 per cent be significant? Isn't it true that even today at least half of the employment represents a normal situation of unemployables and job changing in a free economy? That's why I am disturbed by news reports that are slanted to paint the darkest picture at a time when we need a more even-handed presentation of our economic facts of life.

Last week a local businessman was interviewed by the newsman from a TV station, and when he said that his business was not as good as last year but better than average, and the reporter tried to convince him he must be wrong or overly optimistic and left. On the news that night this businessman saw a relatively new competitor with little experience in the business on that station's TV news reporting on how bad their business was.

This ties in with the report of an automobile dealer whose business admittedly is not good pointing out that the TV news reporters deliberately film automobile showrooms when they are empty of customers.

Having just heard these reports I was disturbed to see page 21 of the Post-Standard of Dec. 12th completely dominated by a feature story on how bad unemployment is and how much worse it is going to be. I do not minimize the hardship of unemployment, but I think it is more important to overcome the problem rather than to bemoan the fact and frighten the public into reactions that can only increase unemployment. Some of the facts that should be stressed are that much of the unemployment is seasonal in nature although perhaps of slightly longer duration because of economic conditions. Many of the unemployed receive substantial insurance benefits running as high as 95 per cent of their normal pay. Social Security and other retirement benefits that did not exist in the 30's are a substantial prop to a lagging economy. There is no question that employed and unemployed alike are hurt more by the inflation than the unemployment, that some of the advice we have been given by government and media has been counterproductive.

For instance, when the economy was rising at a healthy rate, people were encouraged to spend rather than save. Despite this, substantial savings accumulated which can help us today if they are used wisely. The President's recent advice to avoid purchasing certainly oversimplifies the problem and can only accelerate unemployment. In my opinion the American public has the desire and sacrifice from the government, industry, labor, and the media, and in my opinion the media can provide real leadership.

First, the public should be encouraged to spend wisely, cut back on things that are not needed and that seem to be priced unrealistically high, and take advantage of the many good buys on things that are needed.

Industry can do its part by channeling its purchases to suppliers who are making an effort to hold the line on prices, by resisting cost increases, passing along windfall profits and other savings to their customers.

Labor has won some striking gains at a time of falling production and productivity. Much of what labor has achieved has been more than earned, but some gains have been made by literally holding the country hostage, and these gains should be re-evaluated by labor itself. For instance the construction industry is sick, and a voluntary move to reduce slightly the cost of labor could have tremendous impact. Wouldn't it be better to work at 90% of a high labor rate than to sit idle at the high rate?

National TV carried the story of the meeting of the auto industry and labor with President Ford last week. The manufacturer claims he needs still higher prices to cover his high labor costs and government-mandated emission requirements. Labor is seeking more government subsidies which certainly seem the wrong thing for today's conditions. Government is listening as it has for over a year with a minimum of action.

Just think how much labor could gain if they rolled back a part of their last wage increase in return for fuller employment.

Just think how car sales would improve if this saving went into automobile price rollbacks.

Just think what the government could do if emission standards were even slightly modified as part of a program in which manufacturers were forced to recognize the 55-mile national speed limit and build cars that would not go much faster and would, in turn, save on gasoline consumption, cut emission, reduce costs and even save lives.

America has the greatest industrial development and a way of life for its people that is the envy of the world. It has been built on individual initiative and a free economy based on profits for all. In recent years we have drifted into a situation where we expect the government to solve our problems, but it is obvious that the public, industry, labor and the government must all cooperate to get this job done. If you think there is a better system than the American system, just rent a car and take an unconducted tour behind the Iron Curtain there is no private enterprise and the government makes all the decisions. I have done it, and I saw people who would give all they have for the freedom that even the unemployed have in the United States. As we drove out of East Germany, I said I would be glad to kiss the ground when I got home.

In a situation more serious than we face today, President Franklin D. Roosevelt said, "The only thing we have to fear is fear itself." So, let's forget fear and forget despair and ask our President to tell us what we can do today for our country as well as for ourselves.

Onandaga Supply Co., Inc.,
Theodore Pierson.

Syracuse.

A NATION OF (TOO MANY) LAWS

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. BAUMAN. Mr. Speaker, Prof. Amitai Etzioni, a distinguished professor of sociology at Columbia University, is a gentleman with whom I have had occasion to disagree in the past. When he writes an article with which I am in substantial agreement, as he did in the January 12 edition of the Washington Post's Outlook section, I can only say, "Right on," and express the hope that he will extend his analysis a little further.

In the article, "A Nation of (Too Many) Laws," Professor Etzioni notes that "It may spoil the fun of some new members hoping to stamp their names on 'landmark legislation,' but new laws frequently create rather than solve problems, chiefly because so many are so poorly enforced." He cites antitrust laws, wage-price controls, equal opportunity legislation, and various safety inspection agencies as examples of legislation whose implementation has been disappointing when compared to the rhetoric and fanfare which accompanied their passage.

I commend Professor Etzioni and others in the academy and public policy establishment for this partial realization of the fact that it is not so easy to bring about the millennium of social justice and individual fulfillment through legislation in practice as it is in rhetoric.

I would hope that the good professor and others might consider extending their analysis a little further. Perhaps it is not simply because laws are poorly enforced that the mere passage of laws does not guarantee the results which are often promised. Perhaps it is also true that many of the laws which Congress passes each year are poorly conceived and inappropriate.

As society grows increasingly complex, it is increasingly difficult to direct and monitor it from a centralized source of power and authority. Such an effort also brings on a tendency to gather all authority to the central government which has disturbing overtones for anyone who cares about a free society.

With the hope that Mr. Etzioni will begin to take a few more steps along the path which he has begun, I here insert his thought-provoking article for the study of my colleagues:

[From the Washington Post, Jan. 12, 1975]

A Nation of (Too Many) Laws

(By Amitai Etzioni)

The Congress officially returns again next week, bringing back some tired old faces, many eager new ones, most of our continuing battles and one of our favorite American illusions: that passing laws solves problems. It may spoil the fun of some new members hoping to stamp their names on "landmark legislation," but new laws frequently create rather than solve problems, chiefly because so many are so poorly enforced.

One doesn't need to be a legal scholar to know that hundreds of laws and thousands of regulations are weakly applied, if they are applied at all. Instances abound in all areas of our lives.

Consider, for example, antitrust. In 1950, 200 of the largest corporations controlled 47 percent of all U.S. manufacturing; by 1967, their share had risen to 67 percent. Indeed, in the antitrust area one need only recall the breakup of the oil trust in bygone days and then look at the concentration of power in the oil industry today and the clamor in some quarters—again—to break it up. Clearly, despite the pending cases against IBM and AT&T—the type of selective, long and "big" cases with the secondary aim of scaring other corporations that know they never will be taken to court—the government has not been very successful at enforcing antitrust law.

Or take wage-price controls. A Council of Economic Advisers study has shown that from the time controls were begun in August, 1971, until Phase II ended in December, 1972, average hourly wages in manufacturing rose 10 percent—though pay was supposed to be frozen at first and then allowed to rise only 5.5 percent annually in Phase II. By the time controls were lifted entirely, the wage increase was 17.2 percent and the price rise 13.4 percent.

Or consider the Equal Opportunity Employment Commission. As of last October the agency, entrusted with enforcing statutes against racial, sex and other forms of job discrimination, had a backlog of 100,000 complaints that hadn't yet been examined. Or the Federal Railroad Administration: Although it sends inspectors to check tracks and trains, collisions were 23 per cent higher in 1973 than in 1972 and derailments were up 34 per cent in the same period. The agency claims the law is vague as to whether the unit is merely supposed to monitor or to enforce rail safety, but its budget speaks more clearly. The budget allows for only 136 inspectors to cover 320,000 miles of tracks, 27,000 locomotives, 1.7 million freight cars and untold thousands of grade crossings.

Wherever one turns, the story is similar. A recent check of interstate highways in 12 states found that when traffic permits, at least 70 per cent of the cars zoom by at speeds exceeding the legal limit. The case of marijuana laws has been widely noted: After years of outlawing possession of the drug, the number of American users is steadily growing, reaching, by the users' own account, 20 million people—and that is almost certainly a conservative estimate. (The impossibility of applying marijuana possession laws even prompted the U.S. attorney for the District of Columbia, Earl J. Silbert, to declare late last year that he would no longer enforce them, but he was forced to back down by the local police.)

The situation with illegal aliens is also familiar. According to one reliable estimate, 1.5 million illegal aliens are in District 3 of the immigration service (which encompasses New York City) alone. Over the last five years, 5,300 were deported and 55,000 were allowed to leave voluntarily, but the annual increase seems to keep exceeding the number deported or forced out under other circumstances.

And the same theme runs through practically all the post-mortems on the myriad New Frontier and Great Society programs—the difficulty trying to make their strictures stick. So we revise old programs and launch new ones and talk about making existing laws work. But still there is no significant level of success.

TEARING THE FABRIC

Despite recurrent publicity, for example, nearly 1 out of every 4 recipients under the Aid to Families with Dependent Children program is still being paid more than they are entitled to, while 1 out of every 10 is ineligible. At the same time, many who are eligible are not getting anything or not what they are entitled to. A recent study by the General Accounting Office shows that a large proportion of children of welfare mothers have fathers who could afford to support the children, but even many of the fathers who voluntarily agreed to pay do not do so. Only one-quarter were found to pay 90 per cent or more of what they agreed to pay.

The problem in all this is not just that particular offenders go uncaught or unpunished. Something much more fundamental to our society is at stake. One of the most accepted sociological facts is that infrequent, arbitrary or half-hearted sanctions against rule-breakers produce a weakening of commitment among all members of the community. Laws are essentially expressions of intentions, of beliefs about what is right and wrong. But the social contract is never sealed, the collective agreement never affirmed, until offenders are punished. Any regulation poorly enforced is an object lesson for all in civic immorality, and those who pass laws which they know cannot or will not be adequately applied are doing far more to tear the social fabric than to mend it.

This is precisely what many who make and influence the law have been doing. The reasons they do so are numerous. One major cause lies in the theater of politics, the unreal world of token gestures and threats which mask very different faces and forces. Legislatures are said to be in the business of reconciling the interests of various groups to yield agreed-upon national policy. A common way to please opposing camps is to give the law to one side (say, a tough anti-pollution bill to the ecology movement) and a vague set of regulations with weak enforcement mechanisms to their opponents (the polluters).

One result is sanctions that are trivial in magnitude compared with the offense involved. Thus corporations caught with major violations of the campaign contributions law may be deterred by the adverse publicity, but the $5,000 fine (charged to business expenses) would not likely give pause even to modest businesses, let alone to multi-billion dollar corporations. Similarly, in 1973–'74 the Atomic Energy Commission found more than 1,000 safety violations at nuclear facilities, 98 of which were defined by the AEC as "severe," or as posing serious health threats. But only eight were ever penalized, and the penalties assessed against six of these eight were miniscule.

Another result is regulations that are so intricate, vague and inconsistent that they are difficult to comply with even if one wishes to do so. Discussions with officials of a State Health Department quickly reveal that their own experts differ as to the meaning of the various federal and state clauses hospitals and nursing homes must heed. The Occupation Safety and Health Administration's standards run to more than 300 tightly printed pages; a small business seeking to adhere to all of them (by no means a universal urge) may well require both a lawyer and a technical aide to interpret their meaning.

THE LIBERALS' WAY

This is not meant to suggest that weak laws are always designed as a sop for "special interests"; they work for liberals, too. For example, few of those who violate laws against gambling, homosexuals, or prostitution—and that means many millions of Americans—are ever arrested. Here, the liberals go along with the laws to please the "moralist" members of the community, but they are happy to see them unenforced so that those whose preferences run in such directions can engage in these "crimes without victims."

Indeed, well-intentioned reformers are a major source of weak laws. For them, passing a law has a number of rewarding attributes, particularly the satisfying sense of drama involved in working for its passage: the marshalling of support, the clear target, the excitement of making progress, the sense of elation when a measure is finally enacted. In the process, details concerning enforcement are often sacrificed and the movement, either in exhaustion or delight, turns to campaign for the next bill.

While some public affairs-minded groups monitor the enforcement of some bills (Nader's groups are particularly aware of this aspect), most civic groups find the mundane, complicated, frustrating details of implementation unappealing. They do give them sporadic attention, but more often they would rather fight for the next bill than figure out how to get the existing ones to work.

Two other factors also contribute to the poor enforcement of laws. One is that many so-called average citizens still seem to harbor an odd ambivalence about law enforcement, a mixture of the heritage of lawlessness from the celebrated day of the Wild West and a libertarianism which assumes that strong government is *ipso facto* bad government.

Travel the country asking about police use of radar to catch traffic violators and you will be told it's not "sporting." When a building inspector in the San Francisco area used a helicopter to try to enforce building codes more effectively, the outcry was so vehement that he quickly dropped the practice. People say these devices smack of Big Brother, of snooping, of tyranny. Actually, the radar snuffs out nothing more sacred than excessive speed, while a helicopter is scarcely more of an invasion of privacy than a passing car.

The final and perhaps most frequently cited factor is expense. Thus the Justice Department's antitrust division would need far more than the mere $16.7 million it now gets if it were to strenuously apply antitrust statutes across the board. On a lesser level, those currently interested in controlling stray pets might think twice about this worthwhile idea if they considered the cost. The price tag, according to one source, for "capturing and killing these [uncontrolled] dogs, animal shelter services, and other related public and private activities, comes to about $450 million annually." Is it worth half a billion dollars a year? In short, if even most of the country's laws were enforced, we would require at least 210 million police officers, inspectors and court clerks, and then we would still need a small nation of enforcers to see that the first layer of enforcement did not violate scores of laws while seeking to apply the others. We are a nation not only of laws, but of too many laws.

WHAT TO DO?

What is to be done? It has been suggested that every law should be reviewed once every 10 years and, if it has not been adequately enforced, be stricken from the books. Admittedly, that is a far-fetched notion. But it would not be so far-fetched to begin with a major examination of the country's unenforced or poorly enforced laws, similar to the study Congress did in its last session on outdated emergency power still available to the President. That, at least, would give us a truer picture of who we are and what we really believe, as well as providing a basic blueprint for those concerned about such matters.

Then one might hope that as various civic groups become aware of the frequent futility of adding laws to laws, they will become more concerned with what makes a law "work." They should direct more of their efforts away from promoting new bills and toward greater enforcement of relevant existing ones (as well as toward repeal of deadwood laws and regulations, to prevent arbitrary enforcement). These goals can be accomplished in numerous ways, none unknown but all insufficiently used. The very knowledge that a civic group is regularly monitoring enforcement and will publicize its finding will help.

Unnecessary surgery is a case in point. It is dismayingly prevalent in the United States and wastes not only billions of dollars but sometimes lives and limbs, in addition to violating federal regulations whenever public funds are so misused. However, when a labor union began submitting proposals for non-emergency surgery for its members to "second opinions," much of the unnecessary surgery and eliminated. In one hospital studied, the very fact that an external audit was being conducted reduced unnecessary surgery by half during the first 13 weeks of the post-audit period.

Lawsuits have already been used, and could be used more frequently, to force the enforcers to be more forceful. Strict enforcement is also contingent, however, on the way the law is written and how legal traditions evolve. Basically, American legal tradition does not leave much room for collective action; each injured party has to act on its own behalf. Thus, after a court decided in favor of parents in one town by ruling that prayer in the public schools was in principle unconstitutional, a follow-up study found that praying nevertheless continued in numerous schools across the nation. While the precedent would help other parents who could bring suit to stop the practice, each school would have to be taken to court.

Counter-measures include class-action suits, which recognize that the citizen *per se* is an injured party and reward him if he forces action. The first idea is that one person could bring suit for all similarly injured parties, especially in consumer action. Recently, however, the courts have been less rather than more supportive of this approach. The other avenue, used in pollution cases, allows a citizen who cannot prove that he was specifically damaged to bring suit against a polluter of a common well, lake, or air and collect part of the fine. But so far most laws do not allow for such citizen involvement.

Probably the most consequential avenue is for concerned civic groups to put more pressure on congressional committees to write fewer laws but to be sure that those written are more effective, more easily enforceable, and backed up with a larger enforcement budget and more personnel. Ultimately, only when it becomes less rewarding politically to pass anemic laws, while simultaneously more so to enact fewer but more vigorous ones (which cannot happen until the public and those who mobilize on the side of social improvement are more aware of the state of the law in this country), will the nation have the more enforceable and more effective legal system a just society desires.

IDENTIFICATION OF ARTICLE PREVIOUSLY SUBMITTED

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. RYAN. Mr. Speaker, on January 27 of this year under extension of remarks I referred to an article recently published in Newsweek magazine regarding the imminent trial of Dr. Kenneth C. Edelin for violation of abortion laws in Boston. Unfortunately, no specific identification of the article was made. This is simply to call to your attention the fact that the article appeared in the January 27 issue of Newsweek magazine. I regret any confusion that may have occurred regarding the origin and authorship of the article.

RECALLING THE GREAT DEPRESSION

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. JOHN L. BURTON. Mr. Speaker, I wish to insert in the RECORD an article from the San Francisco Examiner entitled "The Great Depression." It was published on January 19, 1975, and was written by Samuel G. Blackman. I feel that it should be called to the attention of the House, as it describes in vivid detail, the conditions that existed at that time in our history.

I am aware that many of us can personally recall the effects of this tragedy. But, in this period of increasing economic disruption, it is imperative that we are reminded again of the hardships the Depression created for this Nation, and the world. I feel that it is important that we do everything in our power to prevent any recurrence of that national horror. The article follows:

[From the San Francisco Examiner, Jan. 19, 1975]

THE GREAT DEPRESSION

(By Samuel G. Blackman)

For years Americans have been told that it could never happen again—a repeat of the Great Depression.

The reasons: the many protective laws enacted since the tragic days of the 1930's, and the memory of those years.

"A good knowledge of what happened in 1929 remains our best safeguard against the recurrence of the more unhappy events of those days," John Kenneth Galbraith, the Harvard economist, wrote in his book, "The Great Crash 1929." The 1929 experience, he added, burned itself "deeply into the national consciousness."

The Great Depression followed "Black Thursday" of Oct. 24, 1929, and an even blacker Tuesday, Oct. 29, when stocks went down, down, down after having tripled in value during the wild speculation of the late 1910's. By the end of 1931, stock losses were an estimated $50 billion.

Only 30 percent of the U.S. population today—those over 45—lived through the Depression that followed the market crash and know what it was like.

It was like this:

In March 1933, the month that Franklin D. Roosevelt was inaugurated President, unemployment reached its peak, 14,706,000. These were industry figures; labor's were slightly higher. This meant that one of every four of the work force was out of a job.

By comparison, in December 1974, there were 6,500,000 unemployed—one of every 14 of the work force.

Bank suspensions closed temporarily or permanently totalled 4,004 in 1933, up from 659 in 1929; 1,352 in 1930; 2,294 in 1931; and 1,456 in 1932. In 1934 the number of suspensions had dropped to 57.

And in the years since 1941, when there were nine suspensions, the number of American bank failures each year had been two or three. In 1974, four failed.

Runs on many banks were the result of rumor and panic. Seeing a line in front of one bank, people would run to another to withdraw their funds, out of fear and often without reason.

The failure of the bank of the United States in December 1930 contributed to the panic. Although it was a commercial bank, many people wrongly associated it with the federal government.

In the summer of 1932, an army of jobless World War I veterans, calling themselves the Bonus Expeditionary Force, marched on Washington to demand that Congress make available immediately the balance of a bonus not due to them until 1945. The cost was approximately $2 billion.

They built a crude city on the Anacostia Flats. When living conditions became intolerable and the bonus bill was defeated in the Senate, President Herbert Hoover ordered the area cleared. Army troops under the direction of Gen. Douglas MacArthur did so.

The veterans departed the city, singing:

"My bonus lies over the ocean; My bonus lies over the sea.

"They gave all the dough to others;

"But they won't give my bonus to me."

Farmers revolted over low prices. Corn, for example, brought 10 cents a bushel. Today, it brings around $3.50.

At farm foreclosure sales, farmers often threatened auctioneers and conspired to thwart them. A few would bid low often $1 or $2 for a farm or furniture and then give it all back to the farmer about to be dispossessed.

Thousands of families, unable to meet mortgage payments or monthly rents, were evicted.

Breadlines and soup kitchens to feed the hungry were set up by churches, Communities and relief agencies. On street corners, and even in the shadow of the Capitol at Washington, men stood with signs: "Unemployed. Buy apples, 5 cents." Apples sold for 75 cents a bushel.

Municipalities set up welfare organizations—and urged anybody in distress on account of hard times to seek relief "in confidence and without embarrassment."

Millions wandered aimlessly in the nation, looking for food or work. Men who once held good jobs became door-to-door salesmen for whatever seemed saleable. In railroad towns, hoboes who rode the rails begged for food and some marked an "X" with chalk on curbs in front of houses where they had received a handout—a sign to the next man looking for a piece of bread.

Many of the young stayed in school, despite the fact that school facilities were reduced by lack of funds and many teachers went payless.

Prof. David Shannon says in his book, "Twentieth Century America," that when a job opened up during the Depression, young people found that it went to a person with a high school education.

A Yale graduate, Class of '32, now a college professor of English in Connecticut says, "All of my age group knew hard times. All of us had to take jobs and do things for a living that we had not intended to do.

"I suppose some were damaged by discouragement, but I knew a great many others who learned to fall on their feet and discovered abilities, talents even, that they never would have found had they been allowed to pursue the lines of activity they intended."

His first job was as an unsalaried radio writer for a community program, "Adventures in the Use of Spare Time." The program gave the unemployed suggestions on how to make the most of their opportunities.

A retired college executive, once an agricultural specialist: "I still recall a most depressing experience. I was in South Jersey, where vegetable prices had dropped to such a low level that the growers could not recoup the price of containers to ship them to Philadelphia and New York—let alone pay for transportation and sales commissions. So those crops, good quality and good food, were being plowed under.

"The same day I drove to New York City, 140 miles away. There in Times Square, the Hearst Newspapers' truck was dispensing food to a long line of men who apparently had no other prospects for a meal. That was one hell of a contrast in one day."

A retired California news editor: "What I remember most about the Depression is that we were forced to accept a different set of values. The simple things, the inexpensive pleasures, penny ante card games, picnics seemed to be more worthwhile, of greater value."

Some prices from 1932 newspaper advertisements: butter 19 cents; spring lamb chops 24 cents; two dozen eggs 25 cents; potatoes, 100 pounds, 1.35; 24½ pounds of flour and one package of cake flour 99 cents; pork and beans, 20 large cans, $1; coffee 27 cents; cigarettes, 2 packages, 25 cents, carton $1.17.

Restaurant meals were cheap. Deviled crabs were offered for 15 cents each and chicken dinners for $1. A special Friday dinner for $1 included steamed clams, oysters or clams on the half-shell, choice of fish, vegetables, potatoes and cole slaw, dessert of pie or ice cream, and beverage.

That's the way it was on March 4, 1933 when Roosevelt was inaugurated President and tried to calm the nation with his statement that "the only thing we have to fear is fear itself."

Banks had been closed in many states because of depositors' withdrawals of hundreds of millions of dollars. One of FDR's first acts was to declare a four-day national bank holiday.

People were caught without money but they stumbled through. They lived by barter, by selling jewelry, by using scrip issued by many municipalities, and by the goodness of shopkeepers who gave them credit.

Roosevelt called Congress into extraordinary session on March 9 and asked for powers to cope with the nation's plight.

The famous "First 100 days" of his New Deal produced 30 emergency agencies, including a banking relief act: the Federal Deposit Insurance Corporation; the Commodity Credit Corporation; the Civilian Conservation Corps, which hired 2.5 million boys and men between the ages of 17 and 23 to work in national parks, and the Public Works Administration, which provided 225,000 jobs a year in the repair and construction of public buildings and other large public works projects.

In 1935 Congress passed the Social Security Act and the National Labor Relations Act and set up the controversial Works Progress Administration (WPA) to take people off welfare and put them to work building roads, parks, schools, hospitals and playgrounds, among other projects.

Included were funds to employ writers, artists and musicians to write local histories, paint murals and give public concerts. Republicans charged the Roosevelt Administration with a policy of "tax, tax, spend, spend, and elect, elect."

AMERICAN BUSINESS DAY

HON. J. KENNETH ROBINSON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ROBINSON. Mr. Speaker, I introduced today a joint resolution calling on the President to proclaim May 13 of each year as American Business Day, to reflect on the spirit of free enterprise that has made this country great.

The day would allow an opportunity to broaden public knowledge of how the free enterprise system operates, how it might be improved, and how large the stake of each citizen is in the system, whether involved in management, labor, or the combination represented by the single-person or family enterprise.

The date is significant for all Americans as the date in 1607 of the first landing of settlers at Jamestown, Va. Although of British origin, this settlement, under the stewardship of Capt. John Smith, was a free enterprise undertaking.

The resolution attracted substantial support in the past Congress, and among business-related organizations in many States, but failed to receive action prior to adjournment.

I have also introduced, as an alternative, a bill which would establish permanently the last Monday in April as a legal holiday to honor American free enterprise. The difference in dates as proposed in these two pieces of legislation was considered advisable, because a legal holiday already has been established in May—Memorial Day—but none has been established in April. The April date was chosen, because the first party of settlers that landed at Jamestown entered Chesapeake Bay on April 26, 1607.

The idea of recognizing American free enterprise in this way is not mine. It originated in the Harrisonburg-Rockingham County Chamber of Commerce, in the Seventh Congressional District of Virginia, which I have the honor to represent. Other chambers of commerce, and similar organizations, in many States, have joined in support of the proposal, and I want to express my appreciation at this time to the colleagues who joined in the introductions of the resolution and bill today.

MILITARY ASSISTANCE FOR VIETNAM AND CAMBODIA

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. MAZZOLI. Mr. Speaker, the President has announced his intention to request $522 million in supplemental appropriations for military assistance to Vietnam and Cambodia.

I grieve for the Vietnamese people, who have been treated cruelly by friend and foe alike. But, as I first stated on January 10 and have reiterated since then, I cannot support this request for military aid.

Mr. Speaker, in the late 1960's, the continuance of the Vietnam war was justified in large measure on the grounds that American assistance contributed to a "Vietnamization" of the war effort. Vietnamization entailed a gradual increase of the responsibility of the Vietnamese in the conduct of the war.

This policy led many Americans to an ardent embrace of the "light-at-the-end-of-the-tunnel" theory. This theory was that we were on the verge of completely ending the U.S. involvement in this exhausting, wasteful, and debilitating war. Soon, we were led to believe, the Vietnamese people would be able to fight their own fight.

It goes without saying that this policy has proven militarily and economically bankrupt. This tree will never bear fruit.

Yet, notwithstanding our terrible sacrifices in the jungles and paddies of Vietnam, President Ford has asked that we peer through that tunnel again, to the tune of $522 million hard-earned tax dollars.

We did not see the light before, and I am convinced that this $522 million appropriation would meet with the same result.

A TRIBUTE TO MRS. NANNIE MITCHELL

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. CLAY. Mr. Speaker, it is with deep sadness that those of us who knew Nannie Mitchell mourn her passing.

Born in 1887, she lived a long and very full life. She devoted her years of service to the St. Louis Argus, the newspaper which she founded, As a result of her unfailing efforts the Argus stands today as the "oldest Black owned business in all of Missouri" and the "oldest continuously published weekly newspaper in all of America." She gave so much of herself to the St. Louis community that she will always be remembered as one of its greatest respected and outstanding leading women. No finer tribute can be paid her than these words that appeared in the Argus:

> She was flesh and blood. A very real person with so many dimensions of personality and life that people could tell many stories and versions and they would all have truth. But all will grant that she was kind and generous. That she rarely said no. That she had great energy, good humor and an iron will—with a constitution to match.

She was always there to give a helping hand to those in need.

She was indeed a great lady and those of us whose lives she touched will never forget her. I can say that I will sorely miss her.

I want to share with all my colleagues "The Chronicle of a Noble Life"—the life of Mrs. Nannie Mitchell as presented by the St. Louis Argus. The article follows:

END OF AN ERA: MRS. NANNIE MITCHELL PASSES

CHRONICLE OF A NOBLE LIFE

The passing of Mrs. Nannie Mitchell has caused an entire city to pause and reflect on a noble life. Saint Louis loved her. Rich and poor, young and old, black and white, the mighty and the many have poured in hundreds of telegrams and thousands of messages to tell how she will be missed.

For her funeral there has come to this city she loved a 'gathering in.' Senators, congressmen, her peers in the world of The Black Press, friends, relatives, those who were touched by her vision, her kindness, her generosity have all come together for a happening the likes of which Saint Louis has never seen, may never see again.

With all of the sorrow there has been a joyous spirit that here was a Great Lady who received her roses during her long lifetime.

What was this quality that could bring forth such an outpouring of genuine affection? Here is a chronicle of the journey of a lifetime that brought to pass the phenomenon we know as Mrs. Nannie Mitchell.

1887—Nannie Flowers Ross was born to the union of William and Nancy Ross in Alexander City, Alabama, a small town near Birmingham. Her parents had been born in slavery.

1901—The young girl, now graduated from grade school, becomes Sunday School Teacher at the little church in her community.

1903—With the help of her friends and neighbors she prepares to leave for college at Tuskegee Institute. A local youth, William E. Mitchell, already a college graduate with a degree in literature, proposes marriage after their very first 'walk and talk.'

1904—William's brother James (known as J. E.) arranges a job for William in Saint Louis. It is the time of the World's Fair and the young couple decide to venture and join the throngs who react to the song, "Meet Me in Saint Louie." They travel by mule-drawn wagon. She was often to remark, "It must have taken longer but it seems that we only traveled for 10 or 12 days."

1905—The young Nannie Mitchell works as a laundress for the family where J. E. is the 'houseman' and William the gardener. Her only son, Frank W. Mitchell is born.

1907—With the help of black educators and professional men the young trio—J. E., William and Nan—form the 'We Shall Rise Insurance Company'. To promote sales they soon launch a monthly 'newsletter of social happenings' which they distribute free at local churches.

1911—J. E. astutely realizes that the 'newsletter' is more popular and has more potential than the insurance company. With Nan and William tutoring him they teach him to read and write. It was his support that had originally put William through college. Now they form The Saint Louis Argus Newspaper with J. E. as managing editor, William as production man, and Nan as bookkeeper and office workers. They chose the name 'Argus' from Greek mythology for 'Argus' was 'the watchdog of the gods, with a hundred eyes, who never slept.'

1914—World War I—'Coloured' troops at the front brings a push for 'equal rights' and community pride burgeons within the black community all over America. The young Frank has graduated from 'delivery boy' to learning 'the family trade,' newspapering.

1931—Nannie Mitchell, her savings depleted by the depression, gets a second mortgage on her home to keep the paper going. Slowly, during the early Roosevelt years, there is a resurgence of black demands for equality. With such leaders as Roy Wilkins and Philips Randolph's programs contrasted with the revolutionary thought of Paul Robeson and W. E. B. DuBois progress is steady. New jobs, new prestige, and a burgeoning black middle class emerges at the end of the 30's.

1940's—World War II, Joe Louis, Jackie Robinson, Politics. With the Argus and Nannie Mitchell right in the center of the excitement. The paper becomes so popular that they sell popcorn and soda to the crowds that line up each Thursday to devour 'their newspaper.'

Husband William passes away. Mrs. Mitchell assumes a more active role in the Argus.

1952. J. E. Mitchell passes away. Mrs. Mitchell assumes the presidency of The Argus, appoints Frank W. Mitchell as Publisher.

promotes Howard Woods to Executive Editor, and takes a less active role in the paper. Marries Young Turner, retired postal worker, a man of great personality and humor.

1960's—Howard Woods is 'drafted' to a significant and prestigious role in government by United States President Lyndon Baines Johnson. Frank Mitchell's health begins to fail. Mrs. Mitchell reassumes her role as working head of The Argus.

Joe Holland, assistant to the Publisher of the Post-Dispatch, buys her column for the Post for the grand sum of $15.00 per column. But the move opens a new and most satisfying facet to her career. She had long been read by a small coterie of the faithful. Now the pages of the Post introduces her to the widest possible audience. Saint Louis, almost all of Saint Louis, loves Nannie Mitchell. The mail pours in. Already long a star, she now becomes a superstar.

1970's—The years and the wear and tear have taken their toll. Her vacations are spent in DePaul Hospital where "they baby me and I can recharge my batteries."

With "care and prayer" she decides that her business interest in The Argus will belong to Frank's son, Eugene. He had already found his niche as Medical Director of Homer Phillips Hospital, Faculty Member of The Washington University School of Medicine. But it was this independence and accomplishment which she sought to assure the continuity of 'her Argus.'

1975—Like an 'old soldier' Nannie Mitchell was 'fading away.' More and more hospital stays, less and less strength. Finally, on the morning of January 25th, 1975, a tired heart quit battling. A legend had passed away.

It is sure that myth and story will increase her fame. Give her a 'Sainthood' she never sought. She was flesh and blood. A very real person with so many dimensions of personality and life that people could tell many stories and versions and they would all have truth. But all will grant that she was kind and generous. That she rarely said no. That she had great energy, good humor and an iron will—with a constitution to match. And she was a Christian in the fullest and finest sense, who truly and dearly loved her fellow man and her town. Saint Louis, and The Good Lord with all of her might. She gave the best that was in her with a full and open heart.

Mrs. Nannie Mitchell received literally hundreds of awards and honors in her lifetime. She was proudest of having been officially designated, in the early 1940's, as 'First Lady of The Negro Press.' Through her guidance The Argus survived to become the "oldest Black owned business in all of Missouri" and the "oldest continuously published weekly newspaper in all of America." She loved her 'sorority,' Sigma Gamma Rho, and her church, Berea Presbyterian. She was a patron of The NAACP, Ferrier Harris Home for The Aged, Annie Malone Children's Home and The Page Park YMCA. The Chapel at Ferrier Harris was dedicated in her honor. The Mitchell Hall at Lincoln University School of Journalism is dedicated to J. E. Mitchell and Mitchell School in Saint Louis is named in honor of the family's great contributions to Saint Louis. She was an ardent supporter of talented black youth, a booster of black business, and provided seed money and impetus for many local firms.

Her favorite sayings were, "Keep on keeping on," she applied that when times were going great or badly; "tell the truth, if only people would tell the truth", she would admonish; "either decision is right if only you will work at it," was her advice to those faced with a hard decision. She read her Bible several times daily and used it as her guideline for everyday living. Who that knew her cannot still hear her say: "Thank you, thank you, thank you."

When a person had accomplished something particularly noteworthy or done a super job she would say, in gleeful praise and admiration, "Man, he can dig a ditch." She loved and admired hard work and felt, sincerely, that a trash collector deserved just as much credit, was just as necessary to society as a professional man or business leader. Her own life and tastes were simple and she saved what money she did not give away, and she gave away much. Thousands upon thousands each Christmas and all through the year whenever the occasion would arise or a friend was in need.

Mrs. Mitchell is survived by five grandchildren: Dr. Eugene Mitchell of St. Louis, Frank Mitchell Jr. and Kenneth Mitchell, Miss Soroya Mitchell and Cheryl Nan Mitchell; one sister-in-law, Mrs. Edward Wright Mitchell of Philadelphia, and two daughters-in-law, Mrs. Zelma Mitchell Harris and Mrs. Betty Mitchell Wilson.

Her body will lie in state at Beal Undertaking, 4746 West Florissant, and then at Berea Presbyterian Church, from whence burial will take place. Interment will be in the family plot at Washington Cemetery this Thursday, January 30, at 12 noon.

The services at Berea Presbyterian Church will be conducted by Rev. Warner Sanford, Jr.

Mrs. Mitchell's two favorite songs, "My Task" and "Peace in the Valley" are to be sung by the choir and soloists.

Among those scheduled to be honorary pallbearers, are: City Comptroller John Bass, Mayor John H. Poelker, Governor Christopher S. Bond, former Governor Warren E. Hearnes, Congressman Bill Clay, Congressman Jim Symington, License Collector Benjamin L. Goins, Publishers G. Duncan Bauman, Evarts Graham, Jr.; Howard B. Woods and Nathaniel Sweets, Secretary of State James Kirkpatrick and president of the Police Commissioners, Colonel T. D. McNeal, are also expected. Active pallbearers are: Eugene Liss, Lucius Cervantes, Elijah McCoy, David Grant, Carl Thomas and William Clay.

The Nannie Mitchell Chapel at The Ferrier Harris Home for the Aged, 3636 Page Avenue was given by the St. Louis Section of the National Council of Negro Women.

A SPEECH BY SENATOR J. GLENN BEALL

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mrs. HOLT. Mr. Speaker, on February 3, Senator J. GLENN BEALL of Maryland addressed the other body on a subject with which we are all familiar—the issue of busing for racial balance in the school.

His was a well-researched speech for which he should be highly commended, and the thrust of his remarks was that racial quotas implemented by mass, forced busing have achieved nothing in terms of improving the quality of education.

Time after time, the House of Representatives has approved legislation to end the disruptive busing to impose racial quotas, which are opposed by an overwhelming majority of the American people. On every occasion, the Senate has reduced the House legislation to ineffectiveness.

Now, Senator BEALL has written President Ford to ask for appointment of a National Commission on Busing and Quality Education.

It would not only study the busing issue in terms of its impact on education, but it would also examine methods by which we can insure a quality education for every child.

Indeed, if all of the time, energy, and money we have spent on racial balancing had been spent on education, we might very well have already achieved significant improvement in the quality of education.

GEN. THADDEUS KOSCIUSZKO—VALIANT SOLDIER, COURAGEOUS PATRIOT

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ANNUNZIO. Mr. Speaker, February 10 is the 229th anniversary of the birth of Gen. Thaddeus Kosciuszko.

The American struggle for independence beckoned many zealous defenders of liberty to our land. Polish patriots were foremost among their numbers, and one of the most outstanding of the Polish patriots was Thaddeus Kosciuszko. Kosciuszko contributed a much-needed scientific knowledge of military engineering and an unwavering enthusiasm for the cause of freedom. By virtue of his military education and experience, Kosciuszko proved to be an invaluable asset to the struggling young Colonies.

Thaddeus Kosciuszko had a special longing for freedom for all men. During his own childhood and as a youth, he had watched as his beloved Poland slowly sank beneath the heels of encroaching Russians, Prussians, and Austrians. As a youth at the Warsaw Cadet School he had witnessed freedom-loving Polish senators being sent into Russian bondage. By the time he had reached manhood, Kosciuszko's Poland had already suffered the indignity of partition. The young man looked elsewhere to join the battle for freedom.

Fired by the dream of American independence, Kosciuszko, well-educated and eager to serve, arrived in Philadelphia in 1776, at a time when America was still alone in the insurrection, and when she had just given to the world her Declaration of Independence. Kosciuszko was among the ablest and most idealistic volunteers to reach America from Europe. He was a professional soldier rather than a professional adventurer. He linked his career to the American cause as a result of deeply held democratic convictions rather than from the motives of self-advancement or vainglory.

In the spring of 1777, after receiving a commission as a colonel from the Continental Congress, Kosciuszko joined the Northern Army where his ability as an engineer was of invaluable use in the campaign against Burgoyne. His ability to build almost impenetrable fortifications and his able judgment in the choice of battlegrounds contributed much to the final defeat of Burgoyne's forces.

The fortification of the heights of West Point was Kosciuszko's most important undertaking in America. To maintain

West Point meant to command the Hudson, and in the words of General Washington:

> The Hudson River was indispensably essential to preserve the communication between the Eastern, Middle, and Southern States.

In the midst of difficulties similar to those of Valley Forge, Kosciuszko labored for over 2 years, and within that time made West Point impregnable. General Armstrong wrote:

> Kosciuszko's merit lies in this: That he gave the fortifications such strength that they frightened the enemy from all temptation of even trying to take the Highlands.

In 1780, Kosciuszko was appointed Chief Engineer of the Army of the South. Remaining there until the end of the war, he was regarded as one of the most useful and best-liked among his comrades in arms.

But as soon as American independence was won, Kosciuszko set sail for Europe. There he spent his remaining years fighting in vain for the freedom of his beloved Poland. The aid which he had extended to the American Colonies was a gift which this country could never really repay. Even the reward, in terms of land grants in Ohio, which a grateful America bestowed upon Kosciuszko, was ordered in his will to be sold so that the freedom of Negro slaves could be bought.

As one of the proud cosponsors of the bill—now Public Law 92-524—to officially designate the Kosciuszko home in Philadelphia as a national memorial, I consider this an occasion to honor this great Polish patriot and also salute our fellow citizens of Polish descent who, following in the footsteps of Kosciuszko, have dedicated their lives, often at great risk, to continue the cause of freedom.

Mr. Speaker, it is an honor for me to join with the American Polonia in this commemoration and I extend my greetings to the Polish-American residents of the 11th Congressional District of Illinois which I am privileged to represent, the city of Chicago and the Nation as they pay tribute to General Kosciuszko and his dedication to the cause of liberty.

THE CASE AGAINST RATIONING

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. COLLINS of Texas. Mr. Speaker, President Ford's energy program is the key issue on Capitol Hill. Although I agree with some of the President's proposals, I strongly oppose the alternative suggestion of gasoline rationing.

Basically, this rationing system would grant every licensed driver an equal monthly allotment of coupons, entitling him to roughly 36 gallons per month. Coupons would be transferable, or could be sold if the user did not need them. Commercial users would receive coupon allotment equal to 90 percent of their consumption in 1973. Special needs would be dealt with on State and local levels, where 3 percent would be set aside for hardship or emergency cases. All coupons would be issued through the Postal Service.

On the surface, the rationing system does not sound like a bad idea. However, I have researched the proposal and have found several serious flaws in the basics of the program.

First. A rationing system would take 4 to 6 months to implement, 15,000 to 25,000 people to operate, $2 billion in Federal funds, 40,000 post offices to distribute coupons, 3,000 State and local boards for special cases, and 4.8 billion coupons for the first quarter.

Second. The bureaucracy would increase both in size and in the extent to which the Government would be involved in controlling our private lives. This would add complexity, confusion and inconvenience. Some Government official would decide which individuals deserved more coupons because of emergencies or hardships, and which businesses, because of expansion, deserved a greater allotment.

Third. Individuals who depend on automobiles for their livelihood, such as traveling salesmen and taxicab drivers, would have to compete at the State and local level for consideration under the 3 percent of the coupons that would be set aside for hardships and emergencies. A majority of these special coupons would have to go to police, firemen, and hospitals, to enable them to combat emergency situations. This would leave little extra to compensate for the extra mileage incurred by those men who make their livings by driving.

Fourth. Curbing automobile gasoline consumption will only solve a portion of our energy shortage. Private vehicles account for only 40 percent of the total petroleum used in this country. Other petroleum uses must be reduced concurrently if such a rationing plan is to be effective—such as fuel oil, jet fuel, and refinery products going into petrochemicals, etc. At the same time, industrial efficiency must be increased, as well as better construction and insulation methods.

Fifth. Rationing would have long-range negative effects. Since demand would be a constant, unchanging factor, there would be little impetus or incentive to develop better production methods, or to increase supply.

Sixth. Tourism would be hurt, due to a less mobile society. People would have to use the few coupons they have to drive to work and carry on their daily routines. Long trips would be out of the question.

Seventh. The automobile industry could expect sales to drop even more than they already have—possibly another 35 percent. This will only add to our massive unemployment.

Eighth. Although an open trading and selling market is to be in effect, counterfeiting and other illegal activities are inevitable.

Ninth. Users would have to first make applications, which would have to be processed and filed, then validated. This must be done in person to avoid problems with transferability. Consider the inconvenience, long lines, and red tape involved just in obtaining the coupons.

Tenth. The Postal Service is to be the distributing agent for coupons, as well as the processing point for applications. Is the Post Office capable of this added responsibility?

Eleventh. Our goal is to save 1 million barrels per day (2 million by 1977.) This would mean limiting licensed drivers to 36 gallons per month, (or 1.2 gallons per day.) The current average is 50 gallons per month.

In addition to the difficulties involved in implementing the program, and the numerous, harmful spin-off effects, there is the almost impossible task of dealing with the inequities of the system. Gasoline usage varies greatly among private drivers, according to their personal situation, jobs, or regional location. Consider the following examples of the unfair problems that could result:

a. A low or middle-income worker, or a migrant worker, who owns a car that gets 9 miles per gallon cannot afford to buy a more efficient automobile, while a more affluent person can trade in a "gas-eating" automobile to buy a car that gets 22 mpg. The difference in allowable mileage on coupons for both persons would be 320 versus 790 per month.

b. A suburban family, where both husband and wife work and must commute more than 15 miles each way, every day, would be penalized, particularly in comparison to a family who runs a business from their home. This second family could afford to use their coupons for vacation trips, while the first family would use more than their share just commuting.

c. What should be done in the case of a community that has a good network of bus commuter lines, as opposed to one with no bus lines? This is particularly true in Dallas. What about the man who has to commute from North Dallas to LTV; or the person who lives in Irving and works at TI? There are no reliable bus routes between these points. Should you give less coupons to communities with bus routes and more to those without? Suppose those persons with access to buses do not work along bus lines? The more you try to make the system fair, the more complicated and unfair it becomes.

d. Construction workers and consultants travel to different jobs every day, and there is never any guarantee that the job will be close to home. Long-distance traveling could conceivably cause these people to use over their allocated coupons.

e. A gasoline rationing system could be imposed that would grant coupons only to families as a whole. This would mean the allotment would have to go to the wage-earner in the family. Suppose a family had several teenage members who usually drove to school because they had part-time jobs. If they were ineligible for coupons, this would mean they would lose their jobs. However, granting a family more coupons because more members are licensed drivers also has its inequities.

f. Ranchers, farmers, and those who live in rural areas normally drive hundreds of miles more than city dwellers. How would we compensate their traveling needs and not deprive others?

g. How would we handle coupons for car rental agencies?

h. What happens to families, who, because of job transfers, must move frequently? They would be using more than their coupon allotment just in moving.

There are just too many exceptions to be taken into consideration. You cannot plan a nation-wide program that will treat all areas of our population equally. An equitable system seems impossible, and judging by present bureaucratic controls, would also be inefficient.

One further point I would like to emphasize is the cost to American taxpayers. At a time when we are trying to cut back on domestic spending, instituting a rationing system will add a large layer of bureaucracy and take another bite out of the already overburdened budget.

Consider the proposed cost estimates for a rationing system:

Pesonnel required

FEA-Washington	625
FEA-Regional Offices	3, 250
Post Office	unknown
Enforcement program	2, 500
State & Local Boards	3, 000
Motor Vehicle	5, 100

COSTS

Postal distribution (at $1.60 per transaction)	$845, 000, 000
Postal shipping	50, 000, 000
Printing of coupons	195, 000, 000
Printing of forms (applications)	30, 000, 000
ADP system (data processing)	200, 000, 000
Public education materials	10, 000, 000
Salaries:	
Federal (based on 6,375 at $20,000)	127, 500, 000
State and local (based on 20,100 at $20,000)	402, 000, 000
Grand total	1, 859, 500, 000

This figure of almost $2 billion is only an estimate. It will grow larger once we know salary requirements for the Postal Service. And, it will increase every year, due to the nature of Government salaries and bureaucratic costs.

Rationing worked for us once before, but we were in the midst of a world war and patriotic Americans knew sacrifices were necessary.

We are not in a war. Today, we have more people and at least three times as many automobiles that consume greater quantities of gasoline. Our situation is not comparable to what it was three decades ago, and we cannot expect to implement the same policies we did then.

We need to direct our attentions to the heart of the problem—we need more domestic oil supplies and the only way to insure this is to provide incentives to increase production here in the United States. A rationing system would only mean more bureaucracy—it would not produce more gasoline.

I have discussed the idea of gasoline rationing with President Ford. He is determined to stand firmly against imposing such a system and I will support his position. Like the President, I feel that based on past experiences with the Federal Government, rationing would hit the hardest those people who could least afford the additional economic hardships.

UNITED STATES MUST NOT ABANDON SOUTH VIETNAM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. CRANE. Mr. Speaker, For many years the United States and the members of this Congress believed that it was a valid and legitimate national policy to stop Communist aggression in Southeast Asia.

In pursuit of that policy tens of thousands of young men were inducted into the armed services and sent to fight a bitter war in South Vietnam. More than 50,000 died in that struggle.

Today, the South Vietnamese continue to fight aggression. The Paris peace agreement which we encouraged them to sign was not in any sense a final conclusion of that war. That agreement permitted the North Vietnamese to maintain their entire army in South Vietnam, while we withdrew all of our forces. This left our allies, the South Vietnamese, at a decided disadvantage. They were assured, however, by both President Nixon and Secretary of State Kissinger that we would provide them with the necessary means with which to defend themselves.

Now, in the face of a renewed Communist assault upon the South, many in the Congress want the United States to go back on its word. They want the United States to tell the families of the thousands of Americans who had died that they have died in vain, that South Vietnam will, in the end, be turned over to Communist aggression. They are, as many say, "bored" with and "tired" of Vietnam.

It is essential that this new isolationism be defeated. It is equally essential that those whose isolationism is of a double standard, urging aid for Israel, for example, while opposing aid to South Vietnam, be called to task. What is at stake at the present moment is not only South Vietnam, as important as that is, but the credibility of the United States in the world.

In its lead editorial for this week, Human Events, the Washington weekly journal, declares that:

> A refusal to endorse the supplemental means, simply, the subjugation of 20 million people by an aggressive Communist regime which has killed hundreds of thousands of its own people in the traditional "style" of Communist rulers around the world. The stakes in Asia . . . are higher than just the fate of the non-Communist people in South Vietnam and Cambodia. America's security and, indeed, the security of the rest of the free world are also involved.

A decision to abandon South Vietnam, Human Events notes—

> Could shatter the rest of our alliances around the globe . . . for clearly it would call into serious question the U.S. capacity and determination to resist Communist aggression anywhere. If we are unwilling to supply even bullets and oil to nations facing Communist aggression, it may well be asked, then what sacrifices are we willing to make?

I wish to share the important editorial, "Ford Must Go to Mat on South Vietnam Aid," which appeared in the February 8, 1975, issue of Human Events, and insert it into the RECORD at this time

FORD MUST GO TO MAT ON SOUTH VIETNAM AID

Not too many years ago, the newspapers carried the story about Kitty Genovese, a young woman in New York City who cried out for help as she was being stabbed to death in the streets. Though many heard her screams, no one came to her rescue, or even placed a call to the police. There was a rash of condemnatory editorials at the callousness of those who ignored her pleas, but now the United States is about to exhibit the same sort of callousness toward the 20 million people in South Vietnam and Cambodia. We are about to sit by while both countries are consumed by Communist aggression, offering neither a helping hand.

President Ford had asked $522 million more in military aid so these allies can defend themselves against the current Hanoi offensive. It is not much, considering we used to spend $20 to $30 billion a year there. But congressional lawmakers, many of whom concoct far more expensive and far less deserving ways to spend the taxpayer's dollars, are now wringing their hands over such a "costly" endeavor.

Sen. Henry Jackson (D-Wash.), who has never blinked at a penny that has been given to Israel, which received $2.6 billion in U.S. aid in fiscal 1974, says he can't bring himself to vote a dollar more for Saigon. The same sentiments are shared by a number of conservative Republican lawmakers as well, including Sen. William Scott (R-Va.) and Rep. Jim Collins (R.-Tex.).

So prevalent is the feeling against providing more aid, in fact, that the chances the supplemental will pass are quite unlikely. But the consequences of shutting off aid are unmistakable: if Congress opposes Ford's plan, neither country will have the ammunition necessary to survive.

A refusal to endorse the supplemental means, simply, the subjugation of 20 million people by an aggressive, Communist regime which has killed hundreds of thousands of its own people in the traditional "style" of Communist rulers around the world.

The stakes in Asia, however, are higher than just the fate of the non-Communist people in South Vietnam and Cambodia. America's security and, indeed, the security of the rest of the free world, are also involved. Surely it is difficult to believe that if Hanoi conquers South Vietnam that this aggressive Communist regime will suddenly have slaked its thirst for new conquests.

A deliberate and conscious decision by Congress to let South Vietnam and Cambodia fall, an act which will create a new and powerful Communist regime throughout all of Indochina, will have the effect of endangering the stability of the rest of non-Communist Asia.

Moreover, such a decision could shatter the rest of our alliances around the globe, including NATO, for clearly it would call into serious question the U.S. capacity and determination to resist Communist aggression anywhere. If we are unwilling to supply even bullets and oil to nations facing Communist aggression, it may well be asked, then what sacrifices are we willing to make?

President Ford has only a slim shot at winning the aid plan, but the consequences of failure are so grave that he has to pull out all stops to turn Congress around. Like President Nixon before him, who was extremely successful in explaining his Vietnam policy to the public, President Ford must take to nationwide television to explain the critical need for his aid plan.

The President, we believe, has a persuasive story to tell. He can underscore the enormous violations of the Paris peace accords by the North Vietnamese. He can talk of the fact that over 170,000 North Vietnamese troops have been infiltrated into South Vietnam and that Hanoi's main force army in the South has increased to 300,000, up 80,000 from the time of the agreement.

The President can disclose how the North has tripled its armor in the South, expanded its armament stockpiles, constructed airfields, shelled population centers and overrun 11 district towns which were unequivocally held by the Republic of Vietnam at the time of the cease-fire. The latest and most serious escalation began in early December 1974 which concluded with the conquest of Phuoc Long Province and its capital, Song Be.

In contrast, the South Vietnamese, for the most part, have lived up to the cease-fire agreement, and they have fully cooperated with the International Commission of Control and Supervision which is supposed to monitor cease-fire violations. They have steadfastly called for implementation of the provisions of the Paris agreement calling for internationally supervised elections, but the Communists refuse to go along because they know they would lose.

The Communists have solid evidence they would lose, in fact, because, virtually without exception, millions of refugees in South Vietnam have fled to government-controlled areas, even when it would have been easier and safer to stay where they were and accept Communist rule.

President Ford can point out that he does not want to send American troops to Vietnam. He does not want to send pilots or renew the bombings. What he does want to do is keep the solemn promises we made to South Vietnam when the Paris accords were signed in January 1973.

South Vietnam entered the agreement with the solemn promise of the United States that we would continue to provide its soldiers with the level of equipment they had at the time of the cease-fire. Everyone knows we haven't done this. As the American Conservative Union's Jim Roberts, a former naval lieutenant who served in Vietnam, pointed out in his excellent report on his recent visit to that country, the government's forces have been restricted by a shortage of fuel and ammunition, the result of slashes in U.S. aid.

As Gen. Laan told Roberts, "We have had greatly to reduce our firepower in engagements with the enemy so that now we are often hit by more shells than we can fire back. It is essential that we maintain a minimum stockpile of ammunition, but in the event of an all-out enemy offensive, I don't think we would have more than a week's reserves on hand."

Laan struck a theme Roberts and others in his party were to hear over and over during their visit: the growing supply shortage is seriously weakening the army's ability to resist the enemy.

"One of the greatest ironies of the situation," said Roberts, "is the status of the air force which possesses 1,800 aircraft bequeathed to Saigon in the Vietnamization program and manned by a highly professional corps of pilots and technicians, most of whom were trained in the United States.

"Because of the shortage of fuel, ordnance and spare parts, most of those aircraft are grounded. Also, as a result of shortages, air reconnaissance is limited to situations in which the enemy is actually engaged. Fighters are limited to close tactical operations and even they are deployed sparingly; helicopters can no longer be used to shift troops and are limited to medevac operations.

"The effects of the aid cutbacks are everywhere evident. For the first year and a quarter following the cease-fire the ARVN troops were able to hold their territory and outposts. In the last two months, as a result of inadequate supplies, they have withdrawn from dozens of outposts. Dozens of other outposts have been overrun. . . ."

The United States, President Ford can continue, lost 50,000 men in Vietnam and spent $150 billion to save it from a military takeover by Hanoi. Does Congress now purposely desire to make that sacrifice in vain by having the U.S. welsh on a solemn promise to a valiant ally?

WORKERS' COMPENSATION LAWS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, on December 29, 1970, the Occupational Safety and Health Act—a far-reaching measure designed to protect the lives of America's approximately 85 million workers—was signed into law.

Several years of extensive hearings and debate on this legislation revealed that another related area affecting the Nation's work force sorely needed the attention of Congress; namely, the States workers' compensation laws.

The Occupational Safety Act of 1970 accordingly established a National Commission on State Workmen's Compensation Laws to study thoroughly and evaluate State workmen's compensation statutes. On July 31, 1972, the Commission issued its report, recommending numerous changes in the States' workers' compensation laws in order to realize fair compensation for work-related accidents, illness, disease, and death.

Some States have made efforts to bring their laws into conformity with the Commission's recommendations. A listing of these measures is compiled by Florence C. Johnson in the January 1975 issue of Monthly Labor Review. I want to call my colleagues' attention to an excerpt from this article and a table illustrating increases in maximum weekly temporary total disability benefits in 1974.

These improvements are steps in the right direction, but the important point is that not a single State fully meets the Commission's recommendations, and in some areas the compensation laws are woefully inadequate.

I intend to introduce appropriate workers' compensation legislation in this session of Congress, and the Subcommittee on Manpower, Compensation, Safety and Health which I chair will hold hearings on bills to modernize the various State workers' compensation systems.

The article follows:

WORKERS' COMPENSATION LAWS—CHANGES IN 1974

(By Florence C. Johnson, a labor standards adviser in the Division of Workers' Compensation Standards, Interdepartmental Workers' Compensation Task Force)

In a continuing effort to update their laws and bring them into conformity with recommendations of the National Commission on State Workmen's Compensation Laws, the legislatures of 46 States enacted over 200 amendments in 1974. The importance of such legislation was evidenced by the fact that several States held special sessions, and a number of States carried over legislation introduced in the prior year that had not reached final approval. As a result, considerable progress has been made in improving the protection provided the injured worker, although no State as yet fully meets all of the "essential recommendations" of the National Commission.

A new development this year was the creation of the Interdepartmental Workers' Compensation Task Force by the President and the issuance of a White Paper stating the Administration's objectives. The task force's functions is to strengthen workers' compensation systems by providing technical assistance to the States in areas of coverage, occupational diseases, medical and rehabilitation services, benefits, cost-of-living adjustments, and a nationally uniform data system. It also will conduct research designed to answer many critical questions in the field of workers' compensation. In conjunction with the technical assistance program, the task force will evaluate each State's progress toward meeting the minimum objectives proposed by Administration. Its report and recommendations for appropriate Federal legislation is expected by early 1976.

Nine States (Delaware, Florida, Indiana, Kansas, Missouri, North Carolina, South Carolina, Virginia, and West Virginia) enacted comprehensive changes in an effort to meet various recommendations of the National Commission. Changes from elective to compulsory laws were made in six States, and exemptions of small firms based on number of employees were eliminated or reduced in five. Four States extended coverage to specified domestic workers, and coverage of agricultural workers was provided in two States and liberalized in two others. Kansas for the first time provided full coverage of occupational diseases.

One State established a second injury fund to provide compensation coverage for any injured employee who has had a previous permanent physical impairment, and a second injury board to administer the fund. A number of States provided for rehabilitation services or benefits for the first time or liberalized their existing provisions. Full medical care was newly provided in one State, and liberalizing amendments were enacted in several others. Six States enacted provisions for annual adjustment of benefits based on the State's average weekly wage, and at least three-fourths of the 46 legislatures in session increased the maximum weekly benefits. Three States reduced their periods of waiting before benefits become payable.

An article by Alfred Skolnik and Daniel Price, "Workmen's Compensation Under Scrutiny," in the October 1974 issue of the *Social Security Bulletin* shows the magnitude of the workers compensation program. The article looks at recent coverage, cost, and earnings-replacement trends in workmen's compensation in light of the recommendations of the National Commission. It states, among other things, that 84 percent of the civilian wage and salary labor force have the protection of the program, and that in 1973, 21 jurisdictions paid the average injured worker the full statutory wage-replacement rate.

MAXIMUM WEEKLY TEMPORARY TOTAL DISABILITY BENEFITS INCREASED IN 1974

Jurisdiction	Former maximum	New maximum
Alabama	$68	$75.
Arkansas [1]	$63	$66.50.
California [1]	$105	$119.
Colorado [1]	$84	66⅔ percent of State's average weekly wage ($109.20).
Delaware	$75	66⅔ percent of State's average weekly wage (effective July 1, 1975).
District of Columbia	150 percent of national average weekly wage ($210.54).	175 percent of national average weekly wage ($261).
Florida	$80	66⅔ percent of State's average weekly wage (effective Jan. 1, 1975).
Georgia	$65	$80.
Hawaii	$112.50	100 percent of State's average weekly wage (effective Jan. 1, 1975).
Idaho [1]	$74.40–$111.60 [3]	$78–$117.[3]
Indiana	60 percent of employee's wage—Statutory amount of $60 to $74.[3]	66⅔ percent of employee's wage—Statutory amount of $90.
Iowa [1] [2]	$91	$97. Effective July 1, 1975, 100 percent of State's average weekly wage.)
Kansas	60 percent of employee's wage—Statutory amount of $56.	66⅔ percent of employee's gross wage—66⅔ percent of State's average weekly wage ($95.20).
Kentucky [2]	$81	$84.
Maine [2]	$83	$87.53. (Effective Nov. 30, 1974, 100 percent of State's average weekly wage.) ($131.29.)
Maryland [2]	$96	$102.30. (Effective July 1, 1975, 100 percent of State's average weekly wage.)
Massachusetts [1]	$80, plus $6 for each total dependent; aggregate not to exceed worker's average weekly wage.	$90, plus $6 for each total dependent; aggregate not to exceed worker's average weekly wage. (Effective Nov. 1, 1974, $95 plus dependent's allowance.)
Michigan [2]	$93–$122 [3]	$100–$129.[3]
Mississippi [1]	$56	$63.
Missouri	$70	$95.
Montana [1]	$110	100 percent of State's average weekly wage ($137).
Nebraska	$80	$89.
Nevada [2]	$106.07	$111.96.
New Jersey [2]	$108	$112.
New Mexico	$65	$75.
New York	$95	$125.
North Carolina	$80	100 percent of State's average weekly wage (effective Nov. 1, 1975).
North Dakota [2]	$74, plus $5 for each dependent child but not to exceed employee's take-home pay.	$78, plus $5 for each dependent child but not to exceed employee's take-home pay.
Ohio [2]	$110	$112.
Oregon [2]	$125.20	$133.07.
Pennsylvania [2]	$100	$106.
Rhode Island	60 percent of State's average weekly wage ($81.55), plus $6 for each dependent; aggregate not to exceed worker's average weekly wage.	66-2/3 percent of State's average weekly wage, plus $6 for each dependent; aggregate not to exceed 80 percent of worker's average weekly wage. (Effective Sept. 1, 1975, 100, percent of State's average weekly wage.)
South Carolina	$63	66-2/3 percent of State's average weekly wage ($87.62).
South Dakota	56 percent of State's average weekly wage ($63).	60 percent of State's average weekly wage ($72). (Effective July 1, 1975, 66-2/3 percent.)
Tennessee	$62	$70.[4]
Texas [1]	$63	$70.
Utah [2]	$89.33	$95.33.
Vermont [2]	$81	$86.
Virginia	$80	$91.
Washington [2]	$121.38	$129.23.
West Virginia	60 percent of State's average weekly wage ($91.80).	80 percent of State's average weekly wage ($128). (Effective July 1, 1975, 100 percent.)
Wisconsin [1]	$90	$100. (Effective Jan. 1, 1975, 66-2/3 percent of State's average weekly wage.)

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[1] Based on legislation enacted in prior year.

[2] Based on increase in State's average weekly wage.

[3] According to number of dependents.

[4] Texas: Thereafter each additional increase of $10 in average weekly wage for manufacturing production workers, as annually determined by Texas Employment Commission, will increase maximum weekly benefit by $7.

ABOLISH THE AIRLINES' MUTUAL AID PACT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ROSENTHAL. Mr. Speaker, the airlines' mutual aid pact has caused prolonged strikes that have netted the struck carriers millions of dollars in profits for not flying. In addition, this agreement encourages companies with the poorest management-labor relations to stay away from the bargaining table and thus force a strike. That is why I am today introducing legislation to terminate the mutual aid pact.

There are many examples showing how the airlines can make profit without flying. Most recently, the International Association of Machinists struck National Airlines from July to October of 1974. During the 108-day shutdown, National Airlines received more than $43 million in MAP assistance. In November 1973, TWA flight attendants struck and forced a 44-day shutdown. During that period, TWA netted $74.4 million in payments from the other airlines which benefited from the additional passengers. In 1972, Northwest Airlines' pilots were off for 95 days. It received $43.6 million in subsidies from the other carriers, which helped Northwest post a $17.2 million profit for the year. The list goes on and on.

The major argument in favor of MAP is that the airlines should be able to obtain strike benefits just as the striking workers do. There is no comparison. Some unions provide no strike benefits at all, and the unions that do pay only subsistance funds from $2 per day to a maximum of $15 a day. This barely puts food on the table let alone pays the running expenses of the average household. No airline employees have been known to make a profit from strike benefits, a statement their employers cannot make.

Before the aid agreement was instituted in 1958, airline strikes lasted an average of 15 days, compared to a national industrywide strike duration average of 19.7 days that same year. During the first 3 years of the pact, airline strikes increased in length to an average of 23 days. When supplemental payments to carriers were instituted in 1962, the average strike lasted 29 days. Since 1969, airline shutdowns averaged 95 days, compared to a national strike average of only 25.3 days. Clearly, the mutual aid pact has prolonged airlines' strikes, with no letup in sight.

In view of these problems concerning the settlement of airline strikes, termination of the mutual aid pact is necessary. As long as striking airlines can make a profit without flying, collective bargaining is ignored and little incentive exists for airlines to reach a settlement.

WOMEN AND DEVELOPMENT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. FRASER. Mr. Speaker, in light of International Women's Year, I would like to call to the attention of my colleagues the most recent issue of UNICEF News entitled "Women and Development." This outstanding issue explores some of the continuous problems faced by women in the developing nations of Asia, Africa, Latin America, and the Middle East. Through a series of vignettes of the lives of typical women, the tragedies of illiteracy, overpopulation, and complete male dominance of societies are illustrated. But attention is also given to what progress is being made and to what hope the future holds.

The issue raises many serious questions about the role played by development planners in improving the status of women. Are stereotypes being reinforced? Are the needs of both urban and rural women being adequately assessed and effectively met? Is enough being done to combat illiteracy?

I would strongly urge that this important issue be read and its implications considered by all Members. It is available from the U.S. Committee for UNICEF, 311 East 38th Street, New York, N.Y., 10016, for $1 a copy or 500 copies for $100. They will be distributed on a first come, first serve basis.

The introductory article, "For UNICEF: Every Year is Woman's Year." follows:

FOR UNICEF EVERY YEAR IS WOMAN'S YEAR

The goals of International Women's Year being celebrated during 1975 and those of World Population Year for 1974, have much in common with the Children's Fund, for the advancement of the woman and the concept of responsible parenthood continue to be a major focus of attention in all UNICEF activity.

A woman who understands the advantages of better child spacing will be healthier herself and bear healthier children. A mother who learns some basic rules about better child care and nutrition will know how to keep her children healthier at all ages. A literate mother will see the benefits of sending her children to school and keeping them there for as long as possible. A woman who increases her own skills, inevitably increases her feelings of self-respect and dignity and the knowledge that she can contribute to the development of her own community.

To help achieve these goals, UNICEF has been working with governments in developing countries for well over a quarter of a century to help them build up their health, nutrition, education and social welfare services.

Unfortunately, however, the emphasis is still on *talking* about goals rather than on *achieving* them. Of course, there has been some progress in expanding maternal and child health services and providing family planning services to governments who want them, in increasing educational opportunities, in training more women in many fields, and in improving the lives of disadvantaged peoples in many countries.

But the sad fact remains that despite the efforts of the developing nations themselves and the assistance from more affluent countries and international agencies, including UNICEF, the vast majority of women and their families still live lives of poverty, squalor and ignorance with little or no hope of bettering their situation.

This is why UNICEF applauds the aims of International Women's Year to focus worldwide attention on the plight of women and the need to help them. The initiative taken by UNICEF's Executive Board in declaring a state of emergency for the world's children, especially in light of the present world food crisis, is a significant step. Hopefully, this declaration will help to mobilize greater resources for action to improve the incredibly poor living conditions for millions of mothers and children throughout the developing world.

This issue of UNICEF NEWS is dedicated to the women in developing nations. It provides a picture of the lives of women in a few countries and some of the ways in which they are helping themselves—and being helped—towards the possibility of a better future in which they can become active participants in the development of their own countries.

ST. JUDE'S CHILDREN'S RESEARCH HOSPITAL GETS BIG HELP FROM ALPHA PHI OMEGA FRATERNITY OF UNIVERSITY OF TENNESSEE AT MARTIN

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. JONES of Tennessee. Mr. Speaker, each year during the spring, a group of dedicated young men, students at the University of Tennessee at Martin, use their entire spring vacation to benefit their less fortunate fellow men.

Those young men are all members of Alpha Phi Omega National Service Fraternity at the University of Tennessee at Martin and their annual project is a fundraising drive that benefits the St. Jude's Children's Research Hospital in Memphis, Tenn.

But this is no ordinary fundraising effort. While their contemporaries are off from school enjoying what has become the annual spring vacation, the men of Alpha Phi Omega are walking from their Martin, Tenn., campus to Memphis, a distance of 130 miles, pushing a wheelbarrow in which donations for the hospital are collected.

Their efforts are most rewarding. The annual Push for St. Jude has raised a total of $65,000 during its 4-year existence and the men of Alpha Phi Omega hope to add another $18,000 to that total when they embark on the trip this year during the week of March 22–28.

While the project has gained in momentum each year since its inception in 1971, this year promises to be the biggest and best year to date. Not only are the members of Alpha Phi Omega preparing to make the trek again, they are preparing to coordinate with other charity organizations in order that it will be a regional effort.

While one fraternity brother makes the usual arrangements for food and lodgings during the week long walk, others are gaining the support of other groups to aid in the collection of donations. Still others are making arrangements to make the push well known throughout the entire Seventh Congressional District of Tennessee.

The result then is a mammoth task totally undertaken by a group of youngsters who are interested in helping their fellow man, lending a helping hand where it is needed.

I, too, have become involved in the project, meeting the men along their route, and I am continually amazed at the group's cheerfulness and enthusiasm at the end of a 7-day walk. Their desire to aid their fellow human beings and offer a monetary contribution to research that may someday eliminate many children's diseases is most refreshing.

But I think their purpose and their willing sacrifices can best be summed up by a statement made by one of their members, former chapter president Scott Correll,

> The Push is a fantastic example of mankind's unselfishness. It shows that people of West Tennessee have a great love for St. Jude's Children's Research Hospital and the work it does. Our sore feet, blisters and aching legs are all forgotten when we are greeted by the children and staff of St. Jude's. Our pains turn to joy when we begin to think of the children whose lives will be saved by the donations from the Push.

The unselfishness of these young men should be recognized by the entire Nation and their efforts should be commended. Their civic responsibility and humanitarian concern reflects great credit upon the young people of Tennessee and the Nation and it should serve as a model for all who see such unselfish giving of time and energy.

THE RIGHT TO BEAR ARMS VERSUS A LIFE

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. FAUNTROY. Mr. Speaker, on Tuesday, January 28, 1975, I introduced a bill to establish a national ban on the importation, sale, manufacture, and possession of handguns to end the senseless slaughter of human beings in this supposedly civilized country.

The accessibility of handguns to the general public is a major cause of domestic violence and death in America. The intentional and ruthless passion killings, as well as inadvertent handgun accidents, account for more deaths than all the calculated robberies and burglaries of several years. The most disconsolate is that most victims are either innocent objects of carelessness or random targets of temporary or permanent dementia.

The argument that private ownership of handguns is necessary to discourage lawlessness is simply untrue. The handgun is a source of violence and death for many innocent people. It is a means to lawlessness.

A contemporary poet asks:

> How many deaths will it take till we know,
> that too many people have died?

There have already been too many deaths. It is time for the people to make the appropriate laws which will help put an end to the tragedy of violence and death caused by the use of handguns.

It is with these thoughts that I bring to the attention of my colleagues the moving letter which appeared in the Washington Post on Friday, January 31, 1975, written by Claudia Anderson Nevins, a resident of the District of Columbia:

> THE "RIGHT TO BEAR ARMS" VERSUS A LIFE
>
> Mary Jo Donovan is dead. She died while she was warming up her car on a cold January day in a Maryland suburb of Washington. She died because someone shot her and left a beautiful little boy motherless and a devoted husband and friends without one of the liveliest, most charming, warmest, best humored people we have ever known.
>
> This is not the first letter I have written on gun control. And it probably will not be the last. But I hope to God that it is the most painful, as I doubt that I personally could endure more pain than those of us who knew Mary Jo have experienced. Mary Jo was one of those rare women who had found liberation and was a mother and wife and a career woman who did all of those things well and without complaint or trauma. And she made a lot of people laugh in a time when there is not a great deal to laugh about in the world.
>
> I am tempted to call the National Rifle Association and ask whether they can honestly say that the "right to bear arms" is a sufficient trade-off for the life of one truly fine human being. A right versus a life. Would they think about that? Since hearing that Mary Jo is dead, I have been wandering around in a daze as have most people I know. And all that I seem capable of saying to myself is "Who cares?" I have not been able to decipher what that means, but I want to know when this country is going to get to the point of valuing human life and dignity? I have heard people say that life is cheap in Asia and Africa, but here we have the most senseless killings and a numb acceptance that is frightening.
>
> It would not surprise me if this letter is not printed because of its incoherence. And I can understand that. But I hope that someone, somewhere does read it and realizes it is intellectually easy to oppose something, but when someone who has been a friend to many and an enemy to no one is sacrificed for nothing, we can only hope that the

hopelessness and the bitterness we feel can somehow be interpreted into a positive means of combating the most incredible narrowmindedness that exists in our nation today.

CLAUDIA ANDERSON NEVINS.

Washington.

VALIDITY OF CURRENT "CONVENTIONAL WISDOM"

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. CRANE. Mr. Speaker, with all this talk of rising budget deficits and skyrocketing unemployment, "conventional wisdom" has it that the Federal Government should do more to keep jobs up and prices down. But, if one looks at past performance, one must doubt the validity of current "conventional wisdom."

By doing as much as it has—both in terms of spending money and regulating the economy—the Federal Government has created more problems than it has resolved. Excessive Federal spending, resulting in huge budget deficits, has been the primary cause of inflation and excessive Government regulation of business and the economy has discouraged, rather than stimulated, productivity.

As a consequence, prices have continued to rise, purchasing power has begun to fall, demand for goods has been dropping, companies have reduced production still further, and more layoffs have resulted. And, unless there is more incentive and fewer obstacles to greater productivity—which will drive prices down—this trend will continue.

Unfortunately, one of the bigegst obstacles to productivity these days is the Federal Government itself. Not only has it interfered in the free market to the detriment of the producer, but it has become so preoccupied with regulation that the producer spends much of his time and money filling out forms rather than making goods or expanding his productive capability.

With all of the redtape involved in getting projects approved, its a wonder more businessmen have not gone bankrupt while waiting for some paperwork to clear or some permit to be issued.

Originally, the idea behind the Federal regulation was to prevent monopolistic practices and to make it easier for those who wanted to compete in the free market to do so. But, now the concept has been expanded so that, at times, it appears the original purpose has been forgotten or altogether distorted.

Moreover, other regulations aimed at opening the job market, protecting the environment or aiding the consumer, have snowballed to the point where many of those being "protected" are wondering if the cure is not worse than the disease. One need only look at higher price tags, delayed deliveries or the use of quotas in hiring to know what I mean.

However, for the benefit of those who have not had the dubious pleasure of dealing with an unreasonable Federal bureaucrat or a mound of frustrating Federal paperwork, I commend to my colleagues an article by Mark Frazier in the January issue of Readers Digest. In it, Mr. Frazier discusses the rulemaking of the Interstate Commerce Commission—ICC—and his account is one that Congress and the American people should not ignore.

Mr. Speaker, I insert the text of Mr. Frazier's article to be reprinted in the RECORD at this point:

HIGHWAY ROBBERY—VIA THE ICC

(By Mark Frazier)

A truckful of furniture, en route from Dallas to San Diego, detours 800 miles out of its way—adding 12 hours to the trip and squandering 160 gallons of fuel. Reason: arbitrary federal regulations.

In Atlanta, Ga., a trucking company announces plans to lower rates on truckloads of tire treads bound for Ohio to save its customers $400 a trip. But it is prevented from making the cut. Reason: arbitrary federal regulations.

Along the main interstate routes between Milwaukee, Wis., and Birmingham, Ala., trucks roll along with trailers empty, even though depots at both ends of the line would gladly give them cargo. The truckers are permitted to haul freight one way only, and must make the 1000-mile return trip empty. Reason: arbitrary federal regulations.

Responsible for these and hundreds of other interstate-trucking regulations is the Interstate Commerce Commission. Every day, its regulatory roadblocks prevent the speedy, efficient transport of the goods we buy and sell. Economists totaling the bill say that ICC edicts cost consumers from $5 billion to $10 billion a year in higher prices for everything from tuna fish to television sets—as much as $200 a year for the average U.S. family.

Few would have predicted such a destructive role for the ICC when it was set up in 1887. Its handful of employes were supposed only to protect customers and rail lines from discriminatory pricing and rate wars. But, during the 1930s and '40s, pressured by railroads losing business to other forms of transportation, Congress brought interstate trucking and barge lines under ICC regulation to end "cut-throat competition" throughout the nation's transportation system.

Today, the commission boasts more than 2000 employes, in 78 offices around the country. Operating on a budget of $34 million a year, the agency claims to be doing a better job than ever. A host of critics disagree. Says Sen. William Proxmire (D., Wis.): "The ICC has become a captive of the transportation industry itself. Instead of regulating transportation to avoid monopoly and increased prices, it has established monopolies, reduced competition, and ordered high and uneconomic rates to cover the costs of inefficient producers."

How does an agency that claims to protect the public actually cost it billions of dollars in higher prices? Consider these aspects of the ICC's sweeping authority:

1. The ICC dictates which truckers can go into interstate business. In reports to Congress, the agency claims that, by controlling "entry into transportation," it "fosters a balanced, stable and responsive trucking system." Facts belie the statement. Each year, hundreds of qualified companies seeking to win operating rights are turned down by the ICC. Many more are intimidated and do not ask, out of fear that protests from established firms will tie up their cases in costly litigation—and out of the likelihood that the ICC will rule against them in the end. "The ICC has a disturbing tendency to be protective of the large carriers," says Robert Gallagher, a New York attorney who specializes in transportation matters.

The application of Checker Transfer & Storage is a case in point. Checker has hauled household goods in South Carolina for 27 years, using licenses owned by a number of giant van lines. Each time the company makes an interstate trip, it must pay an average of ten percent of the revenues to the big van companies that hold the permits it needs.

In August 1972, Checker asked the ICC for a modest interstate license of its own. A half-dozen nationwide van lines and one regional competitor who already held such permits filed immediate protests. Checker had to spend $5000 in legal fees to present its case. None of these complainants challenged Checker's service or denied the charge that they shunned the short-haul interstate traffic Checker specialized in. Nevertheless, the commission, after a wait of 20 months, rejected Checker's application—thus forcing the line to continue paying virtual kickbacks for the right to haul goods in interstate commerce.

Why such turndowns? Incredibly, the commission has set as virtual policy that no applicant may cite lower costs, faster service or greater responsiveness to customers as reasons for receiving a permit. Evidence that existing service may be inefficient or overpriced is considered irrelevant and inadmissible. Only if the applicant can prove that established carriers lack the capacity to haul specific traffic will the commission decide that "public convenience and necessity" demand approval of a new certificate. In the words of commission chairman George Stafford, the policy is to guarantee that carriers conforming to ICC requirements "will not have their profits drained by unwarranted or destructive competition." If the profits are not fat enough, he states, existing companies will have no "inducement" to expand.

2. The ICC determines what a commercial trucker can and cannot carry. Certificates granted by the agency, spelling out the specific items that a trucker may haul (only livestock and raw agricultural products are exempt from ICC regulation), are sometimes so irrational as to be ludicrous—if they were not so injurious to the economy. Thus, some truckers are permitted to carry only unexposed film; exposed film must be hauled by someone else. Other truckers may transport plastic pipe but not metal pipe. Officials at Quaker Oats, starting up a new pizza-making plant in Jackson, Tenn., have had to face problems with certificate-hobbled truckers. Trucks hauling tomato paste to the plant from California are not allowed to carry pizzas back. Trucks bringing pizza crusts from Denver must also return empty.

"The situation is absurd," says Mike Parkhurst, a former trucker who now edits the trucking magazine Overdrive. "It's as if American Airlines could only carry people from east to west, while United took passengers from west to east."

The commission defends its practice of regulating cargo rights as "stabilizing" the transportation industry. If truckers could haul whatever cargoes they could find, says the ICC, a dog-eat-dog scramble for shipments might force many firms out of business. Cargo restrictions also protect truckers by creating a need for more trucking activity; in limiting what one carrier may carry back to his point of origin, the ICC gives another driver a job. But consumers, of course, pay for the second truck to carry what could have been taken by the first.

Indeed, regulated truckers today travel empty an estimated 30 percent of their miles —triple the percentage for unregulated carriers, according to a widely respected 1970 report on the ICC co-authored by Robert Fellmeth and members of the Ralph Nader research staff.

3. The ICC decides what areas truckers may serve. The commission has parceled out hundreds of thousands of routes, often detailing to the mile just where an individual trucker may go. Thus, certificates may re-

strict service to one side of a street or to roundabout roads rather than more direct highways. Agency rules require Cedar Rapids Steel Transportation, for example—hauling 60 truckloads a week to Chicago from St. Paul—to go 80 miles out of the way, through Clinton, Iowa. If a factory changes its gate location, truckers sometimes have to apply for new authority to pick up and deliver.

The ICC claims that its control over routing prevents "harmful and wasteful effects of unrestrained operations." But each day hundreds of truckers are prevented from taking the quickest, most economical route to their destination. While no one knows exactly the amount of fuel that would be saved by eliminating all the circuitous routing, conservation organizations such as the Sierra Club put the sum at tens of millions of gallons a year.

Last April, after strenuous protests from environmentalists concerned with the waste, the commission did eliminate a number of flagrant abuses. But many truckers are still threatened with heavy fines or even jail terms for taking the most direct routes.

4. The ICC permits the trucking industry to fix its own prices. Interstate rates are set by 148 "rate bureaus"—regional associations of truckers—and are put into effect automatically unless an aggrieved party goes to the expense of asking the ICC to intervene. Justice Department lawyers note sardonically that trucking executives would land in jail if their "rate bureau" meetings took place in almost any other business. Says John Snow, of the Department of Transportation: "They are in a situation that almost every industry would like to be in. They can sit down and veto the rates of their competitors."

Truckers who try to lower rates often learn to regret it. Each year, rate-bureau attorneys file hundreds of protests with the ICC, charging that truckers' independent proposals to reduce rates constitute "unfair competition." Thus, when Poole Trucklines of Alabama told customers that it was reducing by 35 percent its rate on hauling paper products, the Southern Motor Carriers Rate Conference protested to the ICC that the action was "unjust and unreasonable." The commission agreed, forcing the firm to cancel its reduction. Since 1970, the ICC has exacted more than $3 million from carriers and their customers, via the courts, for charging less than rate-bureau fees.

The price-fixing system uses the carrot as well as the stick. By forcing rates up to high levels, the rate bureaus have convinced most regulated truckers that there is little reason to engage in price competition with one another. The result is that regulated truckers have an estimated profit of 15 percent—twice that of most industries.

Would free competition really lower prices? Prof. Thomas Gale Moore, of Stanford University, notes that when ICC regulations were removed from frozen vegetables in the 1950s, shipping rates dropped 20 percent and more. He predicts savings of billions of dollars a year if all rates were to be set by the free market.

Clearly, drastic reforms are needed in these four areas. They will, however, be hard-fought.

Former ICC chairman Anthony Arpaia warns that major truckers oppose change, and that they "constitute a powerful lobby with plenty of money on Capitol Hill." The American Trucking Associations, for instance, dominated by large trucking firms with protected route and cargo rights, pay for a persuasive Washington staff of 240. "We think the law is perfectly all right the way it is," says ATA president William Bresnahan. Since the more driving they do, the more they are paid, many truck drivers, too, support present wasteful policies. And the Teamsters Union, ably represented in Washington by 125 full-time staffers, also profits from ICC rules that create empty trucks and circuitous routes.

Reform is even more difficult because of the cozy relations between the regulated and the regulators. Of 14 commissioners who have left the ICC for new employment since 1958, 12 found jobs representing the industry they once controlled. The Nader report argues that job-switching between the ICC and the industry has become so frequent that "deferred bribes" are the norm.

The special-interest obstacles to reform, then, are enormous. But encouraging signs are nonetheless spreading. The head of the House Interstate and Foreign Commerce Committee, Rep. Harley O. Staggers (D., W.Va), now believes that the agency should scrap rules creating roundabout routes and empty trucks. Early this year, President Ford is expected to ask Congress to reform the commission as part of the Administration's effort to curb inflation—by loosening the regulatory system to allow greater competition. "It's bad enough to pay the salaries of bureaucrats when they do nothing," says a spokesman for the National Taxpayers Union. "It is even worse to pay to have them skewer us the way the ICC is doing."

The effort will die, however, unless enough citizen support steps forward. Consumers have already lost billions of dollars to ICC-protected cartels. It is time for us to demand that Congress put a stop to this highway robbery.

STARVING THE POOR WILL NOT STOP UNEMPLOYMENT, INFLATION, OR RECESSION

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. EVANS of Indiana. Mr. Speaker, as one of the first Members of the House to cast his vote on the suspension of the food stamp regulations, I believe the House acted humanely, compassionately, and with dispatch. We did the decent thing in helping to ease the burden of the poor and the elderly, those who can least afford the ravages of inflation, recession, and unemployment.

The administration proposed to increase the price of food stamps to 30 percent of net income. That meant the average household would have to pay about one-third more in order to get the same amount of stamps. The U.S. Department of Agriculture says that over one-half of the people in one- and two-person households enrolled in the food stamp program are elderly poor. Simply put, the administration was trying to turn the war on poverty into a war on the poor.

Testimony before the House Agriculture Committee has shown that persons enrolled in the supplemental security income program—SSI—would be affected with particular severity. That is the Government's basic assistance program for the aged, blind, and disabled poor.

For example, an elderly individual with $146 a month net income, the basic Federal payment level in the SSI program, now pays $30 for $46 in food stamps, for a net benefit of $16. The new regulations would have required such individuals to pay $43 for $46 in stamps, for a net benefit of only $3. And it goes downhill from there.

For many persons on social security, the administration's food stamp program would be cut to a benefit of only $1 a month, or less than bus fare to the food stamp office. Beyond that, I am told by experts that if the President's proposed program went into effect, as many as one-half of all elderly individuals and couples in the program might drop out. That would be a disaster.

Many of the recipients of the food stamp program are already living below the poverty level. And another point is that the proposal to cut the program may be illegal since it appears to contradict the intent of the laws which Congress explicitly enacted to make SSI recipients eligible for food stamps.

In a nutshell, with our vote yesterday we did our part in helping the Nation's poorest people by reducing the awesome burden already placed on them. We can improve the diet of the neediest which is all too often below the recommended nutrition levels. We can give a boost to agriculture by stabilizing the buying power of millions.

There are other pluses also, such as slowing down the recession and saving millions of dollars in administrative costs that would be required in reorganizing and policing a change so vast that it affects more than 17 million Americans.

Mr. Speaker, working with the administration, this Congress has a formidable job in cranking up the economic engine of America once again. I believe we are up to it and that the job will be done.

But I do not believe the best way to begin that job is by making the poor a little poorer, the hungry a little hungrier, or by multiplying the problems of more than 21 million senior citizens whose work and sweat generations ago made this Nation great. Twenty-five percent of them already live in poverty. By our vote yesterday, we voted to ease their burden, not to increase it.

DO THAT WHICH IS RIGHT

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. BEARD of Tennessee. Mr. Speaker, in the crush of legislative business and in dealing with the many critical problems facing us in Congress it is too easy to forget the primary purpose why we are all here: To represent the people of the United States.

I recently received a letter from Mr. Charles F. Nicholson of Nashville, Tenn., which is addressed to all of us. In his eloquent letter, Mr. Nicholson cogently deals with the problems which presently confront us.

I feel that he speaks for all hard-working, law-abiding Americans as he asks us to simply "do that which is right." We have a moral, as well as a legal obligation to all Americans to do what he requests. Our failure to do so will have grave consequences for many generations to come.

Mr. Speaker, I wish to share this letter with all my colleagues, and I hope they will read it, think deeply about it, and act accordingly.

The letter follows:

NASHVILLE, TENN., *January 24, 1975.*

THE CONGRESS OF THE UNITED STATES OF AMERICA, *in the care of* The Honorable ROBIN BEARD,
Washington, D.C.

DEAR SIRS: I would like to present an appeal to you. My motives are selfish but inasmuch as I have never written to any of you in my behalf heretofore, perhaps I can gain your ear for the few moments it takes you to read this letter.

Perhaps, before I continue, I should present my credentials. I am that fellow you keep reading about in the press, referred to on television and quoted in magazines but always characterized as the "silent majority" in American society. That is a curious tag, even a misnomer, which they have placed on me, for I find in review that I raise my voice almost daily. In my endeavors to be "heard" I have voted at every opportunity, worked and paid my taxes, served in the armed forces and, now, am writing to you. In all of these endeavors it has been my purpose to do what I believed to be the right thing, to fulfill my obligations to my country, community and my conscience. I have served to preserve this country yet ask for no medals. I have placed you in office but ask for no thanks. I pay your salary yet look to you for leadership. Ironic, isn't it?

So, now I come to the point. My appeal is simply for you to do what I have endeavored to do . . . that which is right. At this juncture in our history I feel we are imperiled if you fail to act courageously. Neither of us can any longer afford the politically expedient solution to our economic problems. You gentlemen know the answers as well as I, for we must wrestle with it daily. Should I fail to balance my budget my family would be imperiled—so, too, will our nation. If I fail in my pledges to my children, I will no longer hold their trust—your oath of office is in my mind. If I fail to act at all in an emergency then I am lost—200 years is a short life for a country so great. So you see gentlemen, the answer in essence, is simple. You *must* do what is right. If there is only one million dollars in revenue then you must do the job with one million dollars. You must decide on the priorities, but one million dollars is *it*. I do not want any taxes returned. I do not mind paying the bills. I *DO* mind how it is spent and I do not mind how much is spent. If our defense is a worry, then spend it there this year. If transportation is a worry, then spend it there this year. You decide the priority BUT . . . let the income govern the outgo.

Gentlemen, let us quit fooling ourselves with the mathematical gymnastics in our taxation. I am reminded with each weekly pay ticket and more forceably each year's that more than 20% of my earnings are skimmed off the top of my check and countless other taxes are paid through purchases over the year. Let's keep it simple how we pay it for there is no doubt who is paying nor any doubt what the tab amounts to. I know the news is bad but I, for one, prefer to bite the bullet now rather than face my children's accusing faces later.

Therefore, as I mentioned in the beginning, mine is a selfish appeal. I love this country and I want it preserved. I send you a lot of money. I don't expect to be in debt. You demand much of my time, of my labor, of my honest devotion to duty. I am selfishly asking no less of you.

Yours truly,

CHARLES F. NICHOLSON.

PROPOSED CHANGE IN DAYLIGHT SAVING TIME

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. OTTINGER. Mr. Speaker, this year the Emergency Daylight Saving Time Energy Conservation Act of 1973 expires, and unless the Congress acts before its expiration, we will revert to the Uniform Time Act under which we observed daylight saving time from the last Sunday in April to the last Sunday in October of each year.

Last year the Emergency Daylight Saving Time Energy Conservation Act was amended to provide for 8 months of daylight saving—from the last Sunday in February to the last Sunday in October—and 4 months of standard time each year. Part of the rationale behind this change was to provide more daylight for young children traveling to school in the early morning hours. By providing for 8 months of daylight saving time and 4 months of standard time we were able to continue to conserve at least a small portion of energy, although data is not yet available which would show how worthwhile the concept of year-round or 8-month daylight saving time actually is.

I am today introducing an amendment to the Uniform Time Act of 1966 which would provide for daylight saving time on a permanent basis from the last Sunday in February to the first Sunday in November of each year. The decision to set the switch to standard time on the first Sunday in November rather than the last Sunday in October is, as a result of numerous requests I have received from PTA groups in my district, to allow youngsters an additional hour of daylight on Halloween evening.

Last year the Department of Transportation recommended that we keep the 8- and 4-month plan, since it is generally believed that under this plan at least a small amount of energy is conserved. At the same time, we can provide a greater measure of safety for our young children on school mornings and on Halloween evening. I urge, therefore, that the Congress move to enact this legislation as soon as possible. The text of the proposed amendment follows:

H.R. —

A bill to provide for daylight savings time during the period beginning on the last Sunday in February and ending on the first Sunday in November of each year

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(a) of the Uniform Time Act of 1966 (15 U.S.C. 260a(a)) is amended by—

(1) striking out "April" and inserting in lieu thereof "February"; and

(2) striking out "last Sunday of October" and inserting in lieu thereof "first Sunday of November".

SEC. 2. The amendments made by the first section of this Act shall take effect on the date of enactment of this Act, except that—

(1) if such date is within the 37 day period ending on the first Sunday of November of the year in which this Act is enacted, such amendments shall take effect immediately after 2 o'clock ante meridian on such Sunday; and

(2) if such date is within the period beginning 30 days prior to the last Sunday of February of 1976 and ending at 2 o'clock ante meridian on the last Sunday of April of 1976, such amendments shall take effect—

(A) at 2 o'clock ante meridian of the first Sunday which is more than 30 days after the date of enactment of this Act, or

(B) immediately after 2 o'clock ante meridian on the last Sunday in April of 1976,

whichever is earlier.

THE DEAR JOHN LETTER

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. SYMMS. Mr. Speaker, I received the following article from our friend and former colleague H. R. Gross. The article was written by Bob Considine, January 1, 1975, in the Los Angeles Times.

I remember well the picture of the U.N. Building in H.R. Gross' office with the inscribed words underneath it which had originated from the witty Mr. Gross—"The U.N.—New York City's Tower of Babel."

I commend the article for my colleagues:

THE "DEAR JOHN LETTER"

(By Bob Considine)

Would anything catastrophic happen to the country if President Ford sent a message to UN Secretary General Kurt Waldheim telling him that we've had it with the "last great hope of mankind?"

To save the President the energy of writing such a note, herewith is a rough first draft: "Dear Kurt: We're fed up with your club. As you know, we got it off the ground in 1945 and we've been its main sugar daddy ever since. We've fought its wars: kept its peace. But there comes a time when enough's enough.

"Would you do us a favor? Just leave, just vacate the land our new Vice President's old man gave you for your permanent headquarters. We'll think of something to do with the buildings. Matter of fact, Bugs Baer had an idea on that many years ago. Bugs sent an open letter to UN which read, 'Do something soon or put back the brewery.'

"Lots of luck when all of your delegates from Afghanistan to Zambia reassemble for your 30th anniversary next year in the Peoples Republic of Yemen or whatever new wonderland you choose. Hope the local cops let your limousines park double and triple in the clogged streets of your next capital and that the residents are as patient with your more boorish members as New Yorkers have been.

"The fact of the matter, Kurt, is that we have more urgent uses for our money. We have a lot of needy people, too, not one of whom ever received a dime from, say, Kuwait.

"But perhaps there is a more urgent reason for resigning, and that is a matter of pride. You've hurt our feelings as a nation, made us feel impotent. Your so-called Third World members have conspired to diminish us in the Assembly voting, either for political reasons or out of petty spite. Uganda has as much power during balloting as we have. So does Cameroon, Chad, Fiji, Guyana, Ivory Coast, Mali, Niger, Oman, Qatar, Rwanda, Togo and Zaire.

"That's not contrary to the letter of the charter, of course, but it stains the spirit of that hopeful declaration when all the little countries of the Third World unite automatically—at the snap of a Russian or an oil monarch's fingers—and knock us in the head.

"We've put up with so much, playing the role of indulgent host to such a bewildering variety of relatives within the human family. We've privately paid the membership dues for dozens of countries who were in arrears—but whose leaders had rich accounts in Swiss banks. We've endured such rude guests as Krishna Menon, Nikita Khrushchev and Fidel Castro. But it was a bit too much when the president of the 29th session, Algeria's Abdelaziz Bouteflika, welcomed pistol-packing Yasir Arafat, the terrorist leader, to the stately halls of U.N.

"It's all been quite an experience for us. In another generation we were damned for not joining the League of Nations. Now we're damned for not only being a member of the league's successor but by far the most substantial contributor to all of its humanitarian efforts. We're not retiring from the world, Kurt. We'll continue to be the champion of the rights of all our allies in NATO and elsewhere; the chief source of information and aid in medicine, agriculture, food preparation, engineering, industrial know-how, the solar system and the deepest depths of the ocean. We'll continue to show concern about where every sparrow falleth. What we're bowing out of is your congregation of little minds. What we're saying good-bye to is your organization's futile and endless rhetoric, your debates on whether or not to debate, your interpretations of what is substantive and what is procedural. In short, we're sick from the purple canapes of your nonstop cocktail parties. Good luck, Jerry."

REDS PREPARE ANTI-CHILE LOBBY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. McDONALD of Georgia. Mr. Speaker, as part of the international campaign to bring down the anti-Marxist government of Chile, the Communist Party, U.S.A., has focused its efforts on pressuring Congress to cut off all forms of aid to Chile. I wish to draw my colleagues' attention to this campaign and its background.

On February 8 and 9, 1975, the Second National Conference in Solidarity with Chile will be held at Concordia Teachers College in the Chicago suburb of River Forest. This solidarity conference was organized by the National Coordinating Center in Solidarity with Chile—NCCSC—a project of the Communist Party, U.S.A.—CPUSA—and its local affiliate, the Chicago Committee to Save Lives in Chile which is run by CPUSA stalwart Sylvia Kushner from the offices of the Chicago Peace Council, yet another CPUSA front group.

The primary purposes of the conference, as indicated in the conference call, are to raise money from "progressive Americans" to "assist the resistance," to discredit the covert activities of the Central Intelligence Agency by "making use of the revelations relating to Chile"; and to "stimulate considerable support in the U.S. Congress for legislation helpful" to the Marxists.

The conference call, printed by Prompt Press, which has served for more than three decades as the "in-house" printer for the Communist Party and its fronts, states:

> Now is the time to consolidate and increase these efforts in Congress. During the next year it is our special responsibility, as U.S. citizens, to press for cutting off *all sales and all military and economic aid to the junta, a measure of great strategic and practical importance* to the anti-fascist forces in Chile. (Emphasis in the original).

Let me remind my colleagues that the so-called anti-Fascist resistance in Chile is composed of the Chilean Socialist and Communist Parties together with several other Marxist parties and movements which were the Popular Unity coalition. Chile's Socialist Party was characterized in testimony before the House Internal Security Committee as "more extremist or leftist" than the strongly pro-Soviet Communist Party with which it has worked in close alliance for the past 20 years.

The Popular Unity coalition used their warm relations with Fidel Castro to import weapons to arm private, Communist paramilitary forces, including the terrorist MIR—Movement of the Revolutionary Left—headed by Salvador Allende's nephew, in preparation for a coup.

The non-Marxist government brought charges against many members of the Popular Unity coalition for crimes related to that planned takeover, including the diversion of government supplies and property and embezzlement. Many of the detained Marxists have now been expelled from Chile.

Communist Party literature has made clear the importance placed by the world Communist movement on the international campaign against the anti-Marxist Chileans.

Party Affairs, a confidential internal publication of the CPUSA, in April 1974, published a directive from the CPUSA International Affairs Commission to all members which said:

> Join and work with local Chile Solidarity Committees in your area wherever possible and work to ensure support for the Chilean struggle in your work center, your mass organization and your community.

Last July the NCCSC held a National Legislative Conference on Chile and People's Lobby, in the words of Party Affairs—

> To inform and involve Congressional leaders, to demand investigations of the U.S. role in the coup, to immediately cut off all forms of aid to the junta, and to urge that the U.S. open its borders to Chilean refugees.

The International Affairs Commission further ordered all Communists to "continually exert" pressure on Congress.

Regrettably, I see the names of three of my colleagues in the House on the list of sponsors of this Communist Party project.

The sponsors of the Second Chile Solidarity Conference have for the most part been drawn from the CPUSA heirarchy, and from such CPUSA fronts as Trade Unionists for Action and Democracy—TUAD—which coordinates the penetration of trade unions and rank-and-file movements; the National Alliance Against Racist and Political Repression—NAARPR—which is active in the civil rights and prison movements; the National Lawyers Guild—NLG—legal bulwark of the Communist Party; the Emma Lazarus Clubs and the Venceremos Brigade, now also a party controlled operation.

Other sponsors have been drawn from CPUSA-controlled or influenced labor unions, often through the TUAD, such as the International Longshoremen's and Warehousemen's Union—ILWU; Local 1199 of the Drug and Hospital Workers; the United Electrical, Radio, and Machine Workers; and the Amalgamated Meatcutters. And an additional group represent various Marxist-Leninist and Marxist organizations allied with the CPUSA in the Chile solidarity campaign. Among these groups are the Puerto Rican Socialist Party, the People's Party, New American Movement, and the Socialist Party.

Among the better known admitted or identified CPUSA members sponsoring the call are John Abt, CPUSA general counsel; Herbert Aptheker, central committee member; Lucille Berrien; Fred Blair; Anne and Carl Braden; Joseph Brandt; Archie Brown, former national committee member; Bert Corona; Angela Davis, central committee member; Ernest DeMaio, international vice president of United Electrical Workers; Abe Feinglass; John Gilman; Charles Hayes; Sylvia Kushner; Charlene Mitchell, central committee member; Amadeo Richardson; Roque Ristorucci; Jack Spiegel; James West; and Helen Winter, secretary of the CPUSA International Affairs Commission.

The complete list of sponsors follows:

John Abt, Esq., New York City.

Harry Amana, journalist, Philadelphia Tribune.

Herbert Aptheker, American Institute for Marxist Studies.

Ramon Arbona, First Sec'y U.S. Section/Puerto Rican Socialist Party.

Max Aragon, Vice President, Local 26, ILWU.

Gilbert Badilla, Sec'y-Treasurer United Farm Workers, Milwaukee, Wisconsin.

Tony Baez, Puerto Rican Community Ind. School, Milwaukee.

Nick Ballas, Field Dir., Dist. 48, AFSCME, AFL–CIO.

James Barret, professor, Marquette University.

Bay Area Trade Unionists Com. for Chile.

Norma Becker, War Resisters League, New York City.

Louise R. Berman, San Francisco.

Lucille Berrien, chairwoman, Milwaukee Alliance Against Racist & Political Repression.

Fred Blair, chairman, Community Party of Wisconsin.

Edmond Bobrowiscz, bus. agent, Local 248, Amal. Meat Cutters & Butcher Work of N.A.

Harding Bond, president, Local 248, Amal. Meat Cutters & Butcher Work. of N.A.

Edward Boorstein, author, New York City.

Anne & Carl Braden, Southern Institute for Prop. and Organizing.

Edward Bragg, Vice president, Local 1199, Drug & Hospital Workers.

Joe Brandt, Korea Focus.

Charles Briody, form. Nat'l Chmn, Peoples Party.

Archie Brown, Executive Board, Local 10, ILWU.

Rev. John P. Brown, Ecumenical Peace Institute Berkeley.

Father Frank Buismato, Center for Peace & Social Justice, San Francisco.

Gene Byrnes, Casa Maria, Milwaukee, Wisc.

CALA, Madison.

Marion Calligaris, Trade Union Action & Democ. Chicago.

Humberto Camacho, Field Organizer, Local 1421, UERMW of America.

Joan Campbell, Assoc. Director, Greater Cleveland Interchurch Council.

Ward H. Cann, Dist. Chairman, Div. of World Peace, United Methodist Church of R.I.

Anthony J. Capizzi, S.J., Director, Campus Ministry, St. Joseph's College.

Prof. Fred J. Carrier, American Korean Friendship & Information Center, New York.

Anthony J. Cascone, Rec. Sec., Local 87, United Steelworkers of America.

Ernesto Chacon, Director, Latin American Unit for Civil Rights, Milwaukee.

Juan Chacon, Local 890, United Steelworkers of America.

Rev. Benjamin Chavis, Commission on Racial Justice, United Church of Christ, Treasurer, National Alliance Against Racist and Political Repression.

Chicago Citizen's Comm. To Save Lives in Chile.

Paul Chown, President, Dist. 10, UERMW of America.

Rev. Peter Christiansen, First Unitarian Church, LA.

Mary Clarke, Women's Strike for Peace, San Francisco.

Prof. James D. Cockroft, Rutgers-Livingston, New Brunswick, N.J.

Johnnetta B. Cole, Nat'l. Comm. Venceremos Brigade.

Robert E. Cole, New American Movement, Amherst, Mass.

Walter Collins, Exec. Dir., Southern Conf. Ed. Fund.

Common Front for Latin America, Washington, D.C.

Virgil Connins, Sec'y.-Treas., Local 216, UAW.

Marvel Cook, Nat'l. Legal Defense Fund.

Coordinating Committee for a Free Chile, Denver, Colo.

Bert Corona, organizer, C.A.S.A., Los Angeles.

Eleanor Crain, U.S.-Cuba Health Exchange.

Irving J. Crain, MD., Amer. Acad. of Psychoanalysts.

Sara Cunningham, Actors Equity Association.

Angela Davis, co-chairperson, Nat'l. Alliance Against Racist & Political Repression, Communist Party, USA.

Admiral Dawson, Delegate, Los Angeles Co. Federation of Labor.

Father Mark Day, Los Angeles.

John Deckenback, Assoc. Exec. Dir. Joint Strategy & Action Comm., San Francisco.

Angelo Deitos, President, Local 78, UAW.

Ronald V. Dellums, Member, U.S. Congress.

Ernest De Maio, Chicago Commission of Inquiry in Chile.

Arsh Derbabian, Field Rep., Michigan Federation of Teachers.

Susan Duncan, Coordinator, L.A.P.A.G., Austin, Texas.

Ecumenical Peace Institute, Berkeley, Cal.

Dr. Eugene Eisman, professor, Univ. of Wisconsin.

Norman Eisner, New York City.

Joan Elbert, Clergy & Laity Concerned, Chicago.

Emergency Com. To Save Chilean Health Workers, New York City.

Fair Trials for Chilean.

Political Prisoners, Corvallis, Ore.

Richard Fagen, President, Latin American Studies Assoc., Stanford Univ.

Stanley Faulkner, Nat'l Layers Guild, Committee for Justice in Chile.

Abraham Feinglass, Int'l V.P. Amal. Meat Cutters & Butcher Work. of N.A./Chicago Comm. of Inquiry in Chile.

Joe Figueirido, Bus. Agent, Local 6, ILWU.

Ann Law Finch, Local 2345, AFGE.

Charles Finch, New American Movement, Durham, N.C.

Leon Finney, Woodlawn Organization, Chicago.

Mons. James B. Flynn, Chairman, Comm. on Social Justice, Catholic Archdiocese, San Francisco.

Henry Foner, President, Joint Board, Fur, Leather & Machine Workers.

Moe Foner, Exec. Sec'y, Local 1199, Drug & Hospital Workers.

Clifford Fried, Vice President, Local 2070, AFSCME, AFL-CIO.

Dr. A. Lisa Friedman, psychiatrist, New York City.

William Friedman, New York City.

Victor Fuentes, Spanish Dep't, Univ. of California.

Joel Gajardo, Comm. on U.S.-Latin American Policy Studies, Cornell Univ.

John Gardiner, Archdiocian Council of Catholic Men, San Francisco.

Russell W. Gibbons, Asst. Editor, STEEL LABOR/USWA, Philadelphia, Pa.

John Gilman, Regional Dir. PCPJ, Milwaukee.

Sidney Gluck, U.S.-Cuba Health Exchange, New York City.

Carlton B. Goodlett, Ph. D., M.D., Editor-Publisher, The Sun Reporter, San Francisco.

Larry Gossett, Chmn., Third World Coalition, Seattle.

Rev. David M. Gracie, Urban Missioner, Episcopal Diocese of Pennsylvania.

Rev. G. G. Grant, S.J., Dept. of Philosophy, Loyola Univ. Member, Chicago Comm. of Inquiry.

Terry Greene, Executive Board, Local 6, ILWU.

Dr. Sidney Greenfield, professor, Univ. of Wisconsin.

Sister Anne Greenslade, Sister's Council, San Francisco.

Edward Greer, professor, Hampshire College.

Father James Groppi, St. Joseph Young Christian Workers, Milwaukee.

Rita Gross, Comm. Against Inflation & Unemployment, Milwaukee.

Larry Gurley, Local 771, Am. Fed. of Teachers.

George Guitierrez, Councilor, Chance Program, Northern Ill. Univ., Human Rights Com./Member, Chicago Commission of Inquiry in Chile.

Jerry Hall, Local 535, Social Service Workers.

Mike Hamey, American Indian Movement, St. Paul, Minn.

John L. Hammond, Jr., Columbia University.

Dr. Howard Handelman, professor, University of Wisconsin.

Rhonda Hanson, Co-Chairperson, Milwaukee Comm. to Restore Democracy in Chile.

Leah Nudell, President, Lazarus Club of Los Angeles.

Michael Harrington, Member, U.S. Congress.

Chester Hartman, San Francisco.

Marii Hasegawa, President, U.S. Section, WILPF.

Charles Hayes, Chmn., Coalition of Black Trade Unionists, Aml. Meat Cutters & Butcher Work. of N.A., Chicago.

Robert High, NICH, Berkeley.

Fred Hirsch, San Jose Emergency Comm. to Defend Democracy in Chile.

Father William Hogan, Chicago Clergy & Laity Concerned.

George T. Hrbek, Lutheran Global Justice Taskforce.

Sister Mary Ann Ihm, professor, Marquette Univ.

Ying Lee Kelly, City Councilwoman, Berkeley, Calif.

Dr. David Kimmelman, Co-Chairperson, U.S.-Cuba Health Exchange.

Freida Kreitner, Women Speak Out for Peace & Justice, Cleveland.

Helen Kuzman, WILPF.

Sylvia, Kushner, Exec. Sec'y, Chicago Peace Council.

Saul Landau Institute for Policy Studies, Washington, D.C.

Anna Langford, Alderwoman, City of Chicago/Chicago Comm. of Inquiry in Chile.

Latin American Solidarity Group, Atlanta, Ga.

Father Thomas LeMieux, Pastor, St. Michael's Church, Milwaukee.

Sandra Levinson, Center for Cuban Studies, New York.

Sheldon B. Liss, Univ. of Akron.

Blanche Livingstone, President, Women Speak Out for Peace & Justice, Cleveland, Ohio.

Dr. Richard Lobban, Ass't. Prof., Rhode Island College.

Lee Lockwood, author, Los Angeles Com. to Restore Democracy in Chile.

Walter Lowenfels, poet.

Dr. David Luce, professor, Univ. of Wisconsin.

Jack Lucid, Local 6, ILWU.

Prof. Beatrice Lumpkin, Local 1600, AFT.

Salvador Luria, professor.

Conrad Lynn, Esq., New York City.

Raymond Majerus, Dist. Director, District 48, UAW.

Bob Malone & Linda Medlin, Greenville Chile Support Comm., Greenville, N.C.

Bertha Marshall, Chairperson, CDC Club, Los Angeles.

Betita Martinez, author, Albuquerque, N.M.

Richard Massman, Asst. Dir., District 48, AFSCME-AFL-CIO.

Rabbi Robert J. Marx, Congregation Saul-el, Highland Park, Ill.

Goldie Maymudes, President, City Comm., Jewish Cultural Club, Los Angeles.

Dr. Ray McCall, professor, Marquette University.

Frederick A. McGuire, Division for Latin America, U.S. Catholic Conference.

Lawrence McGurty, President, Local 1437, AFT.

David McReynolds, War Resisters League, N.Y.

Philip Meranto, professor, University of Washington.

Jorge Merida, Coordinating Committee for a Free Chile, Denver, Colo.

Sam Meyers, Local 259, UAW.

Michigan Com. for a Free Chile.

Joe Miller, National SANE.

Milwaukee Com. to Restore Democracy in Chile.

Charlene Mitchell, Exec. Sec'y, National Alliance Against Racist and Political Repression.

Julio Mojica, Vice Pres., District 65, DWA.

Father Cucholian Moriarty, San Jose, Ca.

J. P. Moray, attorney, Chmn., Fair Trials for Chilean Political Prisoners, Corvallis, Oregon.

Rev. John C. Moyer, Unitas House, Berkeley, Ca.

Helen Moser, Napa Methodist Church.

Marcos Munoz, United Farm Workers, Unitarian Church, Willmette, Ill.

Helen Murray, Comm. on Social Justice, Archdiosese of California.

Michael Myerson, author, NYC.

Vivian Myerson, President, Los Angeles WILPF.

NACLA, East & West.

National Anti-Imperialist Movement in Solidarity with African Liberation.

New American Movement.

New York Chile Solidarity Com.

NICH, Berkeley.

Robert Nichols, Avanza, New York City.

Grace, Paley, Resist, New York City.

Rev. William Parrish, Pastor, Summerfield Methodist Church, Milwauakee.

Dean Peerman, Man. Editor, Christian Century/Chicago, Commission of Inquiry.

Philadelphia Chile Emergency Com.

Symour Posner, Assemblyman, New York State.

Joanne Fox Przeworski, University of Chicago/Chicago, Commission of Inquiry in Chile.

Thomas Quigley, Division of Latin America, U.S. Catholic Conference.

John Randolph, Actors Equity Association.

Abba Ramos, Local 6, ILWU.

A. A. Raynor, former Alderman, City of Chicago.

Amadeo Richardson, President, Chelsea Action Coalition, New York City.

Roque Ristorucci, nat'l staff, Young Workers Liberation League.

Mark Rogovin, muralist, Public Art Workshop, Chicago.

Higinio Romo, President, Local 131, United Rubber Wkrs.

Pauline Rosen, Women Strike for Peace, N.Y.

Norman Roth, President, Local 6, UAW.

Carlos Russell, Dean, Brooklyn College School of Contemporary Studies.

Helen I. Safa, Rutgers University.

Augusto Sallas, Hispanic American Labor Council, Chicago.

Ralph Shapiro, Esq. NYC.

William H. Simons, Washington Teachers Union Local 61, American Fed. of Teachers.

Dr. James Silverbery, professor, University of Wisconsin.

Saul Silverman, Pres., Local 140/United Furniture, Workers of America, AFL-CIO.

Ed Smith, Field Organizer, Local 248/Amal. Meat, Cutters & Butcher Work, of N.A.

Rev. Kenneth Smith, Exec. Dir., Milwaukee Christian Center.

Lasker Smith, Chairman, Auto Workers Caucus, UAW, Local 2 Education Committee.

Rick Smith, Local 14, 11 WU, Oakland.

Francois A. Samlyo, Cooks Union Local 209.

Social Service Workers of Chilean Freedom, New York City.

Jack D. Spiegel, Org., Dir., Lake States District & Council/United Shoeworkers of America.

Dorothy Steffens, Exec. Director, WILPF.

Gloria Steinem, MS magazine.

Patricia H. Strandt, Local 71, Newspaper Guild.

Doris E. Streiter, Chairwoman, Chicago Comm. to Save Lives in Chile/Chicago Comm. of Inquiry.

Leon Sverdlove, President, Int'l. Jewelry Workers Union, AFL-CIO.

Ethel Taylor, Nat'l Coordinator, Women Strike for Peace.

Myra Taylor, Local 400, SFIU.

Frank Teruggi, Sr., Local 16, International Typographical Union, Chicago, Comm. of Inquiry.

Edith Tiger, Exec. Sec'y, Emergency Civil Liberties Comm.

Lou Torre, Local 85, IAM.

Andres Torres, Puerto Rican Socialist Party, N.Y.

Urho Touminen Local 10, ILWU, Trade Unionists Chile Solidarity Com., Chicago.

Lloyd Vandevere, Vice Pres., District 10 UERMW of America, Northern Cal.

Vietnam Vets Against the War; Buffalo, N.Y.

Dr. Gilbert Walter, professor, University of Wisconsin.

Jack Weintraub, Local 85, International Brotherhood of Teamsters.

Jeff Wilkenson, executive board, Local 164, International Molders and Allied Workers.

Women's Studies College, State Univ. of N.Y., Buffalo.

Malcolm Wright, Exec. Vice Pres., Michigan Federation of Teachers.

Jim West, Exec. Sec'y, Ohio Communist Party.

Jim Williams, Coordinator, Labor Today.

Helen Winter, Communist Party, U.S.A.

Charlotte Walker, Chicago Area Committee to Defend all Political Prisoners.

Andrew Young, Member, U.S. Congress.

Frank Zeidler Nat'l Chmn., Socialist Party/former Mayor of Milwaukee.

Joan Zeiger, Field Worker, Project Involvement, Milwaukee.

At this time, when the alleged involvement of our country in the affairs of foreign lands is being hysterically denounced by the Communist Party, its allies, and willing dupes, I would ask my colleagues to examine carefully the aims of those same groups as they seek to reimpose a Marxist regime on the people of Chile.

MAKING RAIN THE HARD WAY

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. VAN DEERLIN. Mr. Speaker, in its short but turbulent history, weather modification has oftentimes seemed more art than science. Faith has counted for as much as anything learned in textbooks, and diviners and soothsayers have done about as well as the more disciplined practitioners.

In my home area of San Diego, rainmaking dates back to the turn of the century. The most spectacular and destructive downpour in the recorded history of the area occurred in January 1916, a few days after legendary rainmaker Charles M. Hatfield had done his thing. In places, more than 12 inches of rain fell within 4 days—well over the usual quota for a full year in our semiarid clime. There were severe floods and considerable loss of life. The city of San Diego never honored its contractual obligation to pay Mr. Hatfield for his contribution.

Rainmaking in San Diego actually began 16 years earlier, but the origins were so low-key they are now largely forgotten. These first experiments involved using sulphuric acid to create hydrogen gas and were not notably successful. They were, however, ambitious; and we are indebted to Joe Stone, a feature and historical writer for the San Diego Union, for bringing these early rainmaking efforts into perspective.

Mr. Stone's article, which ran in the Union on Sunday, February 2, follows. Since Congress retains responsibility for the latter-day rainmaking program, our colleagues should find this well-researched account relevant and of interest—they will note that Congress did finance rainmaking experiments, to the tune of $29,000, back in 1900—-and, amazingly, $5,000 of the money was given back.

The article follows:

EARLY RAINMAKING VENTURE FAILED

(by Joe Stone)

In the minds of believers Charles M. Hatfield was, when he performed that historic feat January, 1916, the first and only rainmaker in San Diego history.

Not true. One rainmaking effort was well recorded 16 years before Hatfield. It was 75 years ago this January-February, in 1900.

One man, Fred Binney, was connected with both the 1900 rainmaking effort and with the better-known Hatfield affair. For the benefit of unbelievers, late-comers, and those who did not see "Hatfield the Rainmaker" in a motion picture theater or on television re-runs, this much recapitulation:

In December, 1915, Hatfield entered into a written agreement to fill Morena Reservoir, 35 miles east as the crow flies, at that time the most distant link in the city water system. After mysterious sights and sounds were seen and heard to originate from a tower Hatfield built at Morena, it began to rain Jan. 16.

In four days San Diego County's share of a general rain over the Southwest included 12.73 inches at Morena and 4.66 at Otay. Rivers rose rapidly and flooded the countryside and the coastal plain. Otay Dam went out. More than a dozen persons lost their lives—the total has never been known.

Hatfield's lawsuit against the city, trying to collect on his rainmaking contract, was finally dismissed in 1938. Hatfield died in 1958 in Pearblossom in the desert in eastern Los Angeles County. He took what he claimed was his rainmaking secret to his grave.

The method used by the 1900 rainmakers was no secret. It was published in The San Diego Union which said it was obtained from another newspaper, the Wichita Eagle, in Kansas. A story said a rainmaker hired by the Rock Island Railroad had been going about Kansas making rain, and this was his formula.

The Union recommended a potion of 10 fluid ounces of sulphuric acid, five ounces of zinc and 50 fluid ounces of water.

"Renew every hour and stir every thirty minutes day and night until rain begins to fall," said the newspaper.

Whoever thought up the idea was basing his theory on facts known since 1766 when Henry Cavendish reported on the properties of hydrogen, which could be produced by putting zinc in acid. Hydrogen, a light gas, rose rapidly when loosed in the atmosphere.

Capriciously, one reporter wrote, "The hydrogen gets up in the clouds and causes a commotion."

Another wrote more seriously for The Union that the ascending gas created a shaft through hot air, down which cold air rushed, creating a storm center and gathering moisture for precipitation.

It sounded reasonable in 1900. In addition, the very name hydrogen was derived from a Greek word meaning water-former. Also, in Kansas, "It is claimed that of 200 experiments made, 180 were successful."

The formula was published with the third of a series of stories about rainmaking beginning Jan. 26. It was dated Jan. 29, 1900, and it told of an effort to make rain which had started in Otay five days before.

That and subsequent rainmaking stories were flanked by stories which said there had been less than three inches of rain since October, that fruit trees and farm crops were beginning to show distress, and reservoirs was getting low. Water for agriculture was being rationed, and the ration was not enough.

On Feb. 1 The Union published a letter to the editor signed "F. A. Binney." That is Fred. He was an Englishman who had been here more than a decade. He had been a real estate man in Murrietta, now in Riverside County, in Spring Valley and Chula Vista and would be one in San Diego. He would also be president of the Wide Awake Improvement Club of San Diego.

His letter showed he had done homework on the subject of making rain. In the Kansas rainmaking venture, he said, 20 tons of chemicals were used and success was total, not 180 out of 200.

Congress had given the Weather Bureau $29,000 with which to experiment, he said, and the bureau had returned $5,000.

With the $5,000 was a letter concerning

the $24,000 worth of experiments. The letter, wrote Binney "refers only to explosives. There is not a word about gases."

He suggested that four stations using the hydrogen method be placed at Otay, Lemon Grove, Linda Vista and Oceanside. He said money should be raised to pay $15 per day per station for 30 days. Congress and the state of California should be asked for money and he suggested $2,000 be raised locally. Finally, he corrected The Union on the formula it had published. It needed five pounds, not five ounces of zinc, he wrote.

Now rainmaking was taken over by such old bulls as John V. Mumford, former fire chief and man with enough substance to travel occasionally in Europe, and John G. Capron, transportation baron of the stagecoach days and still a force in the community. On Feb. 9. The Union, referring to the two as the rain makers, said they had commenced their experiment.

"They expect to send a volume of hydrogen gas into the upper air which will cause such an agitation that something must drop," said the newspaper.

They had stations in Old Town, Mission Cliff Gardens, Fourth Avenue and Laurel Street, Golden Hill, Logan Heights and overlooking Chollas Valley.

They had 1,600 pounds of acid and 400 pounds of zinc. They also encountered opposition.

Capron was told, "You are tempting God to visit all kinds of evil on San Diego." He responded by asking, "Is it more of a sacrilege to go up after water than to go down?"

His accusers, who had been drawing water from wells all their lives, said it was.

By Feb. 12, 1900, Capron and Mumford were quarreling publicly. There had been no rain. Capron said the formula was wrong. Mumford said instructions were not followed.

Ten days later a group of La Mesa ranchers organized for another try. It did no good. In his measuring device on top of the four-story Keating Building at Fifth Avenue and F St. the weatherman caught 0.69 inch in January and 0.03 inch in February, 1900.

Four years later Charles and Paul, sons of Steven Hatfield of Gopher Canyon near Vista began rainmaking experiments from the top of a windmill tower. Twelve years later, with a scrapbook of clippings he claimed showed his success as a rainmaker, Charles Hatfield appeared in the San Diego office of Fred Binney. They made a deal.

The late Eric Binney, son of Fred, left a manuscript, a copy of which is in Serra Museum and Library. He wrote that his father was to get a 5 per cent commission if he could get Hatfield a contract with the city.

The contract was made. The rain that ensued caused so much damage and loss of life that the San Diego City Council could not admit they believed Hatfield had caused the rain by paying him the $10,000 called for in the contract. It would have opened the gates to a stampede of lawsuits against the taxpayers of San Diego.

Binney never got his commission and, son Eric wrote, he needed the money. He died Dec. 5, 1927, in County Hospital. His grave is in Mt. Hope Cemetery.

BILL INTRODUCED FOR EXCLUSION OF INTEREST INCOME

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. PATTERSON of California. Mr. Speaker, I have introduced today a bill which will allow individual taxpayers an exclusion from their gross income for tax purposes, of up to $500 of interest income earned on savings deposits. I am appending a copy of this bill at the end of these remarks.

This bill will provide a long-needed tax equity to small savers who are already among the hardest hit by inflation. Many of these people are retired, and live on fixed income from a small pension or social security and a modest interest income from a life savings.

As we all know, one of the factors which keeps inflation at a high rate is the fact that people save less of their incomes, following a "buy now—the price will be higher next year" philosophy. If we can encourage people to save more we will not only be helping to bring inflation under control but will also be providing a growing pool of money for mortgage lending. This legislation will, therefore, contribute to the elimination of two of our economy's worst and most persistent problems.

My bill is similar to one introduced in the 93d Congress which was reported favorably by the Committee on Ways and Means. Since this legislation has already passed the initial test of legislative scrutiny, I am hopeful of its early passage in the 94th Congress.

Text of the bill follows:

H.R. 2840

A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as section 125 and by inserting after section 123 the following new section:

"SEC. 124. INTEREST ON SAVINGS

"(a) EXCLUSION.—In the case of an individual, gross income does not include amounts received as dividends or interest on deposits or withdrawable accounts in a domestic savings and loan association, bank, credit union, or similar thrift institution.

"(b) LIMITATION.—The exclusion allowed under subsection (a) shall not exceed $500 for any individual for any taxable year."

(b) The table of sections for such part III is amended by striking out the item relating to section 124 and inserting in lieu thereof the following:

"Sec. 124. Interest on savings.
"Sec. 125. Cross references to other Acts.".

SEC. 2. The amendments made by the first section of this Act shall apply only with respect to taxable years ending after December 31, 1975.

ONE APPROACH TO COMBATING UNEMPLOYMENT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. HARRINGTON. Mr. Speaker, during a period of economic recession, such as we are now experiencing, the harbingers of good news with regard to employment are few and for that reason should be noted, when they do appear.

For that reason, I would like to enter into the RECORD an article entitled, "Don't Let Recession Stop Your Career Progress," by Mr. Lowell B. Martin. In this article, Mr. Martin describes employment opportunities that do not appear on the "Help Wanted" pages, and reveals a strategy to assist jobseekers in finding such opportunities in a variety of occupations.

The text follows:

DON'T LET RECESSION STOP YOUR CAREER PROGRESS

(By Lowell B. Martin)

The recession is a poor excuse for staying in a job that is not totally satisfying, much less one you hate. Yet, you have probably decided against making a move to advance your career this year. And, I'm willing to bet your decision was based on the economy. Perhaps you believe the slump put a stranglehold on the executive job market. Or, maybe you think your chances for the promotion you want will be better if you wait. If you are convinced you're worth more than you are earning, or you long for broader responsbilities in your work, or a tense, unhappy job environment is upsetting your home life, then putting off your decision to make a move could be costing you money, position and career fulfillment.

You can make a change now, and here's some encouragement from one of our recent clients.

A former real estate broker came to us when the bottom fell out of his market. He was trying to sustain himself financially by selling pots and pans and working on commission for an employment agency, but it wasn't working out. His confidence was shattered by a series of hard-luck events which he felt had kept him from getting ahead. Because he lacked a college degree, he was positive he would never be able to get the type of professional job he really wanted. However, we discovered he had developed and used his writing skills frequently and effectively throughout his life, and had also demonstrated the ability to come up with creative solutions to various sales and marketing problems. Combined with his work experience in sales, this "find" helped him focus a job hunt in the area of marketing communications—a field which fascinated and excited him. This fall he was appointed special assistant to the Vice President of Marketing for a $40–$50 million a year corporation. His new salary tops his best year in sales by several thousand dollars. He is now directing public relations projects in a job created for him, at a time when the economy was officially labeled a recession.

This client's success is one of over 100,000 career advancements we have guided for men and women throughout the nation. The 27-year development of the Haldane organization has coincided with several slumps in our nation's economy, but a recession never stopped our clients—and it isn't stopping them now.

In New England for instance, every client who completed our program this fall got a better job. Two are settled into new, profitable businesses they started for themselves—a striking achievement considering the sluggish economy. Approximately 70 percent of the group now command higher salaries and two-thirds successfully changed careers. Nearly half of those who changed careers also increased their earnings.

Our clients' ability to get ahead shows there are top-level jobs available for you right now, in spite of the economy. Recession is certainly a fear, but not a valid reason for deciding against going after a better job. Realistically, if anything holds you back, it won't be the lack of jobs, it will be your lack of self-knowledge and job-finding knowhow. The less you know about "selling yourself," the more a recession can hurt you.

During a slump in business, few companies will recruit for management and administrative talent. That does not mean there is no market for these critical professional skills. It does mean you aren't likely to find exciting advertisements in the Help Wanted section of your newspaper. Nor is an executive search agency going to have unlimited demands for your resume. Our research shows that "advertised" jobs account for only 20 percent of the job market—even during a period when the economy is thriving. That leaves most opportunities there for the asking, if you know who and how to ask.

Since conventional job-finding methods have limited value, particularly in a depressed market, you probably have already concluded that an unconventional approach is called for. It has to be an aggressive, well-planned approach, one you define and direct to achieve your job improvement.

Bernard Haldane, who founded our firm in 1947, had come to the same conclusion when he began his work in career counseling in the 1930's. His techniques have been 98 percent successful in helping people across the nation get better jobs, or advance their careers, whether they started as chronically unemployed, unskilled workers or corporate presidents. A track record like that inspires our belief that there is no good or bad year for making career advancements. There are only wise executives willing to accept the challenge.

CALLING SENATOR JACKSON

HON. RICHARD H. FULTON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. FULTON. Mr. Speaker, it has been brought to my attention by Mr. Eugene Workman, executive assistant of the National Association of Free Will Baptists of Nashville, Tenn., of another incident in the continuing program of oppression being carried out in the Soviet Union.

This was recently brought to light in a column by Mr. William F. Buckley, Jr., entitled, "Calling Senator Jackson," and I include Mr. Buckley's column in the RECORD at this point commending it to the consideration of my colleagues:

CALLING SENATOR JACKSON

(By William F. Buckley, Jr.)

Do you read the London Times? (Neither do I, but somebody sent me a copy.) Unless it happens that you do, you are probably not aware of a recent communication from Dr. Andrei Sakharov, the famous Russian dissident physicist. Dr. Sakharov's latest act of valor has been to protest, along with three colleagues in the Soviet human rights movement, a recent act of oppression by the Soviet Union.

The appeal tells us that a Mr. Vins will be tried in his home city of Kiev under Article 209-1 of the Ukrainian Criminal Code. This Article penalizes the infringement of citizens' rights on the pretext of conducting religious rites. Apparently Soviet authorities have relied more and more on this particular Article, because it provides for a longer prison sentence—ten years plus exile—than other Articles commonly applied to believers. It appears that, in fact, Mr. Vins is being charged with "living on the means of believers and, in this way, infringing their material rights." But, the appeal points out, "it is obvious and well known that the Church puts no compulsion on believers to contribute money.

"And second," Sakharov continues, "how can the authorities make such charges when, for their devotion to God, believers are fined thousands of rubles, all their religious literature is confiscated and destroyed, prayer houses are razed, parents have their children removed from them, and the road to any education beyond secondary school is barred to young believers?"

Now there are several extraordinary things here. Not the persecution of yet another Christian—that is a staple of Communist oppression in the Soviet Union. It is remarkable that Dr. Sakharov, himself an atheist, should bestir himself—should honor the freedom of religious conscience even of those who disagree with him. Extraordinary and noble.

Another remarkable feature of this story is that Sakharov's appeal was addressed to the World Council of Churches two weeks ago, and at this writing, has not so far as I am aware been acknowledged.

What is unremarkable about it is that the persecution of Georgy Vins, and of his fellow Christians, causes not a ripple in the Christian world. If I were a Christian living in the Soviet Union, I would address my appeals not to Christian authorities outside the Iron Curtain, but to Jewish groups. It is they and only they who have the conscience left to protest. The Palestinian Liberation Organization has probably tortured and murdered a few hundred people in the past 20 years. In protest against their spokesman being invited to the United Nations, organized Jewish groups mounted the most impressive meeting in recent New York history.

Only a few weeks ago, Senator Jackson's protest against Soviet restrictions on Jewish emigration finally cracked the impasse; and for the first time we can remember, we faced down the Soviet Union, which has promised to swell the quota hugely. I really do not think it has occurred to Senator Jackson to introduce complementary legislation denying favorable economic treatment to the Soviet Union unless it grants religious liberty to Georgy Vins.

He, of course, is only a symbol, as Sakharov's protest shows, citing the systematic and continued persecutions. In 1974 there have been (so far) a dozen trials of Russian Baptists. Indeed, a second appeal of Sakharov concerns the imminent trial of six Lithuanian Catholics. It too is addressed by Dr. Sakharov to the World Council of Churches but also to the 1974 Synod of the Roman Catholic Church, which until recently was meeting in Rome. Both bodies were asked "to speak out in defense of the people who have been arrested for their religious beliefs." Maybe one of these bodies has done so, but not in my presence. Or yours, I warrant. The World Council of Churches has been too busy denouncing Rhodesia, to worry about the Soviet Union. The Catholics are trying to put some order back into their house, and if there is great concern among the Bishops for the persecution of Christians in Russia and China, they must have given up that concern for Lent—about ten years ago, which is the last time I heard, from a pulpit, a denunciation of Communist persecution of the Christians.

I do not expect to hear any such denunciations from Senator Jackson's pulpit. So that I say this quite sincerely: This is an appeal to American Jews to put pressure on American Christians to help Russian Christians.

OUTPATIENT PRESCRIPTION DRUG COVERAGE UNDER MEDICARE

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. OBEY. Mr. Speaker, today, I am reintroducing legislation—with 92 cosponsors—to provide outpatient prescription drug coverage under medicare for those who suffer the most common crippling or life-threatening chronic diseases of the elderly.

This is the second successive Congress in which more than 100 Members have joined me in sponsoring legislation to add out-of-hospital maintenance drug coverage for medicare beneficiaries. The Senate approved a companion measure in 1973 as an amendment to H.R. 3153, but that bill died in conference. The Senate also did so in 1972, as an amendment to H.R. 1, but that year the provision was deleted in conference.

Given the strong showing of support for this measure again this year, I believe the House is in a better position than ever to work for its enactment. And I say that as one who has been authoring legislation in this area—calling for either a comprehensive drug program or a maintenance drug program—since March of 1970.

Mr. Speaker, under this bill (H.R. 1344), eligibility for maintenance drug coverage would extend to medicare patients with one or more of the following conditions: Diabetes, high blood pressure, chronic cardiovascular disease, chronic respiratory disease, chronic kidney disease, arthritis, rheumatism, gout, tuberculosis, glaucoma, thyroid disease, cancer, epilepsy, parkinsonism, and myasthenia gravis.

Generally, the drugs to be covered include those prescription drugs—and insulin—necessary over a prolonged period of time for treatment of the conditions listed above. For example, people with chronic heart disease often use digitalis drugs to strengthen their heartbeat, anticoagulant drugs to reduce the danger of blood clots, and drugs to lower their blood pressure. These types of drugs would be covered—but sedatives and tranquilizers would not.

Such coverage would target the medicare dollar toward patients with chronic diseases who need drugs on a continuing basis for a lengthy period of time. On the average, the elderly with chronic illnesses have prescription drug expenditures nearly three times as high as those without chronic illnesses. The office of the social security actuary estimates such coverage would cost the medicare program $1 billion, minus an offsetting savings of up to $100 million in the medicaid program, for a net cost of about $900 million.

The bill has these features:

First. Financing under the part A—payroll tax—portion of medicare, meaning that an individual would pay for his drug insurance during his working years, rather than later when his income is sharply reduced due to retirement.

Second. Selection by a formulary committee of the drugs to be covered.

Third. A copayment by the medicare patient of $1 to have his prescription filled. Medicare patients would not have to pay monthly premiums, keep records, or file claims.

Admittedly, moves to revise the medicare program this year are complicated by two factors: Concern about the short- and long-term fiscal condition of the social security trust funds, and the prospects for enactment of national health insurance.

On the first, I would point out that the Advisory Council on Social Security will shortly be making recommendations for changing the social security benefit and financing structure, and an outpatient maintenance drug benefit deserves consideration at the same time those recommended changes are considered.

On the second, I would suggest that our concern for national health insurance need not prevent us from working to improve the medicare program, especially if it appears that various features of national health insurance would best be phased in over a period of years into the future. Medicare patients cannot afford to wait.

Mr. Speaker, the list of cosponsors follows:

COSPONSORS OF H.R. 1344

Silvio O. Conte of Massachusetts.
Gus Yatron of Pennsylvania.
Leonor K. Sullivan of Missouri.
Charles J. Carney of Ohio.
Ken Hechler of West Virginia.
Bob Carr of Michigan.
William F. Walsh of New York.
John Conyers, Jr., of Michigan.
George E. Brown, Jr., of California.
Ron de Lugo of the Virgin Islands.
Richard Bolling of Missouri.
Glenn M. Anderson of California.
Robert F. Drinan of Massachusetts.
Herman Badillo of New York.
Frank Horton of New York.
Joshua Eilberg of Pennsylvania.
Mendel J. Davis of South Carolina.
Sidney R. Yates of Illinois.
Teno Roncalio of Wyoming.
Joseph P. Vigorito of Pennsylvania.
Paul S. Sarbanes of Maryland.
Parren Mitchell of Maryland.
Benjamin S. Rosenthal of New York.
Yvonne Brathwaite Burke of California.
Joseph P. Addabbo of New York.
Robert H. Mollohan of West Virginia.
William S. Cohen of Maine.
Michael Harrington of Massachusetts.
James L. Oberstar of Minnesota.
John Melcher of Montana.
Stephen J. Solarz of New York.
Ralph H. Metcalfe of Illinois.
John J. LaFalce of New York.
Marilyn Lloyd of Tennessee.
John F. Seiberling of Ohio.
Les Aspin of Wisconsin.
Ronald M. Mottl of Ohio.
Henry A. Waxman of California.
Philip Hayes of Indiana.
Donald Fraser of Minnesota.
Gladys Spellman of Maryland.
William D. Ford of Michigan.
Thomas M. Rees of California.
William S. Moorhead of Pennsylvania.
William M. Brodhead of Michigan.
Leo J. Ryan of California.
Robert W. Edgar of Pennsylvania.
Bella Abzug of New York.
Edward R. Roybal of California.
Robert N. Giaimo of Connecticut.
Louis Stokes of Ohio.
Charles Wilson of Texas.
Spark M. Matsunaga of Hawaii.
Daniel J. Flood of Pennsylvania.
Peter W. Rodino, Jr., of New Jersey.
Fortney H. (Pete) Stark of California.
Alvin Baldus of Wisconsin.
James J. Howard of New Jersey.
Joseph M. McDade of Pennsylvania.
David R. Bowen of Mississippi.
Floyd V. Hicks of Washington.
Claude Pepper of Florida.
Margaret M. Heckler of Massachusetts.
Robert J. Cornell of Wisconsin.
Gilbert Gude of Maryland.
Thomas E. Morgan of Pennsylvania.
Harold T. Johnson of California.
John M. Murphy of New York.
Stewart B. McKinney of Connecticut.
Frank Thompson, Jr., of New Jersey.
Dante Fascell of Florida.
Bob Bergland of Minnesota.
Don Edwards of California.
Robert N. C. Nix of Pennsylvania.
Larry Winn, Jr., of Kansas.
Antonio Borja Won Pat of Guam.
Mike McCormack of Washington.
William Lehman of Florida.
Donald W. Riegel, Jr., of Michigan.
Lawrence Coughlin of Pennsylvania.
Joe L. Evins of Tennessee.
Henry Reuss of Wisconsin.
Gerry E. Studds of Massachusetts.
Henry Helstoski of New Jersey.
Patsy Mink of Hawaii.
Hamilton Fish, Jr., of New York.
Shirley Chisholm of New York.
Richard H. Fulton of Tennessee.
Charles Rangel of New York.
John Brademas of Indiana.
James A. Burke of Massachusetts.
Walter E. Fauntroy of the District of Columbia.

LEWIS RESEARCH CENTER—BRAINPOWER THAT CAN HELP SOLVE THE ENERGY CRISIS

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. MOTTL. Mr. Speaker, I would like to call the attention of this Congress, the administration, and the Nation to an invaluable center of brainpower which, if properly utilized, can help solve the present energy crisis.

I am talking about the Lewis Research Center at Cleveland, Ohio.

The American people have a half-billion dollar investment in this giant research facility of the National Aeronautics and Space Administration.

This investment has already paid us many rich dividends. Originally founded as a major laboratory of the former National Advisory Committee for Aeronautics, the Lewis Research Center scientists contributed vastly to the development of jet propulsion. Their findings increased air safety and aided in the development of improved commercial and military aircraft.

I think it is fair and reasonable to say that the men and women of the Lewis Research Center can claim considerable credit for helping make American aircraft the best in the world.

Later, under the aegis of NASA, the brilliant, dedicated personnel of the Center made enormous contributions to the conquest of space. Our men on the Moon adventures and other space exploits would not have been possible without their patient, painstaking research in many fields.

The time has come to put the expertise and ingenuity of the Lewis Research Center and its pool of priceless brainpower to work solving our down to earth energy problems.

This is the facility—these are the people—magnificently equipped to tackle such problems as the development of economical new energy sources. This is the Center which can blaze the trail to greater engine efficiency and improvements. These are the people who can perfect methods of getting more miles from every gallon of gasoline.

I most strongly urge the administration to place the Lewis Research Center high on its list of assets to be utilized for these and other purposes.

I particularly call the attention of the newly formed Energy Research and Development Administration to the following summary of the Lewis Center's history and capabilities, which was prepared by Bruce T. Lundin, director of the facility, at my request:

THE FACTS ABOUT LEWIS RESEARCH CENTER—PROGRESS IN FLIGHT AND SPACE TECHNOLOGY

(By Bruce T. Lundin, Director)

The Lewis Research Center in Cleveland, Ohio, was created in the difficult days of 1941 as the engine research laboratory of the former NACA.

For the next twenty years, the people of this federally supported research institution worked on and were deeply involved with the many technical advancements that are found in today's jet engines.

It is probably no accident that American aircraft are today the finest in the world and fly nearly all of the airways of the world.

When our nation turned its attention to space in 1958, Lewis applied its skill and energies to the advancement of our nation's space propulsion and power technologies.

Outstanding among their contributions in this period was the development of the hydrogen fuelled rocket—the fuel that sent our astronauts to the moon and which today, in the Centaur rocket under Lewis management, is the world's only operational transportation system for both civil and government purposes that uses liquid hydrogen as a fuel.

The major programs at Lewis today embrace aeronautical propulsion research, the management of the Atlas/Centaur and Titan/Centaur launch vehicles for many users, space propulsion and power technology, and advanced space communications research and applications.

Engaged in this work today at the Cleveland laboratory are 3100 civil service employees in a unique complex of laboratories valued at over 500 million dollars. Half of this staff are scientists and engineers and over half of this group hold advanced degrees.

The total business of the Lewis Center runs to about 350 million dollars a year, about two-thirds of which flows to American industry and universities in some of our most advanced technologies.

With Lewis being long established in the technologies of engines and power generation, it is natural that they now turn a part of their existing staff and facilities to the problems of energy R&D.

Accordingly, some 200 people of Lewis are today supporting our nation's programs in solar energy, central utility power conversion, and advanced automobile engines. It is a good base upon which to build.

In many ways, the unique capabilities of Lewis in the fields of energy conversion and engines neatly augments and can ideally support many of the important programs of the newly formed Energy Research and Development Administration.

Among the many unique strengths that Lewis can bring to ERDA are:

(1) A unique and strong existing capability in energy conversion systems and engines,

(2) Several on-going programs in these areas,

(3) Good relations with the industries and universities with whom they work,

(4) An excellent geographical location for this type of work, and

(5) A long tradition and heritage of service

to others and in using the skills and resources of our government to strengthen industry in high technology.

REPORT FAVORS LEWIS FOR AUTO RESEARCH

That concludes Mr. Lundin's factual statement.

I would now like to present a report by Thomas Brazaitis, a Washington correspondent for the Cleveland Plain Dealer, which was published in that newspaper last February 2:

WASHINGTON.—NASA's Lewis Research Center in Cleveland has been proposed as a national center for research and development of new automobile propulsion systems and fuels.

A report by a government team to Robert C. Seamans, head of the Energy Research and Development Administration, cites the need for a new technical approach to automotive propulsion.

The report says the Lewis Center, which has been used primarily for research in space technology, would be ideal researching alternatives to the gasoline internal combustion engine.

This would cost about $150 million a year for 25 years, the report says. The cost would be shared by the government and the auto industry.

A committee of the Society of Automotive Engineers also selected Lewis as the logical site for the national center. Seamans has indicated he likes the proposal.

"NASA-Lewis has a long history in combustion research, and its facilities and expertise in turbine research are outstanding," the government report says. "They are, in addition, already serving an important role in the automotive turbine area, and their location near Detroit is desirable."

Ohio's congressmen and northeast Ohio industrial leaders have advocated the conversion of Lewis to a ground propulsion laboratory. It has been estimated the new contracts would create 1,000 jobs at the facility next to Cleveland Hopkins International Airport.

Chalmer O. Kirkbride, scientific adviser to Seamans and one of the authors of the report, said the government's share of the total funding of $50 million the first year, rising to $150 million a year, would come from the new agency's $1.7 billion appropriation.

The auto industry, which spends about $50 million a year on this kind of research, would help finance the center.

It would be modeled after the old National Advisory Committee for Aeronautics, which pooled government and private money to speed production of combat airplanes.

With the leveling off of government spending for space exploration, Lewis has the space and professional manpower for conversion to automobile technology. Kirkbride said it would take 20 years to rebuild an organization like Lewis if it were allowed to disintegrate.

The report stresses urgency of new ground propulsion systems before domestic oil becomes scarce, possibly by the late 1980s.

The report suggests refining synthetic fuels from coal and shale for heat-engine vehicles.

Meanwhile, because of the dependence on liquid hydrocarbon fuels, highly efficient propulsion systems must be developed for those fuels.

Another long-range objective would be to perfect a new transportation mode, such as the electric car, the report says.

The immediate demand is for automobile engines that will increase mileage without fouling the air.

The government has stayed out of automotive research and development until now because until the 1973 oil crisis, the automotive industry has been vigorous and prosperous, the report says. The oil crisis raised the issue of the efficiency of automobiles, which use more than 30% of the national petroleum supply.

Automobiles are among the biggest energy wasters, the report says, because over the years "engine efficiency has been a secondary consideration to performance, comfort, convenience, and, more recently, emission control."

Existing technology, plus a shift to smaller cars, could raise average miles per gallon of automobiles from 13.5 to 20, the report says, but "radical new propulsion systems" are required to achieve the desired 40 miles per gallon.

LET'S MAKE GREATER USE OF THIS FACILITY

I think it is apparent from the foregoing statement by Mr. Lundin and the article by Mr. Brazatis that only a small percentage of the potential of the Lewis Research Center for problem solving is now being utilized.

All appropriate authorities should take immediate action to assign new missions and funds to the Lewis Research Center. The probable returns from such action and investments are as fabulous and fantastic as some of this facility's past achievements.

AQUACULTURE

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. FORSYTHE. Mr. Speaker, over the past several years, the world food crisis has reached incredible proportions. World population growth has increased to such an extent that the United Nations has estimated a need to boost food production by a minimum of 3.5 percent per year. Unfortunately, the normal land agricultural capacity has diminished proportionately with the population growth increase. Furthermore, most agricultural land in underdeveloped nations has been subjected to generations of unscientific abuse so that what land is available is now often nonfarmable.

Magnifying this serious problem, is the current energy crisis which has put a severe strain on the entire nitrogen production of artificial fertilizers. Obviously, energy consumption and food production must necessarily go hand in hand, each dependent on each other.

It is quite clear that the world's population growth cannot be halted overnight. Such a change would mean basic revisions in a country's entire social structure—a change which could not feasibly be implemented in a short period of time.

With the supply of land, water, and energy in such dire jeopardy, it is obvious that an innovative approach to alternative sources of high protein food must be found immediately. "Aquaculture," the scientific growth of aquatic organisms under a controlled environment, is probably the most realistic and viable approach toward solving a world food shortage of the present magnitude.

Over the past several decades, aquaculture has been most effective in the farming of a wide variety of fish—salmon, shrimp, trout, and even oysters. A distinct advantage of aquaculture is that fish normally thought of as being undesirable—carp and buffalo fish, for example—can be bred for eventual use as processed fish food, such as frozen fish cakes and sticks. Development of innovative machines in Japan allow the maximum percentage of edible portions to be separated and processed into frozen fish blocks—excellent sources of high protein, yet economical at the same time.

Through continual cross-breeding and experimentation, fish can be bred to provide not only a higher growth percentage, but also on excellent quality of flesh and appearance. Ironically, it is not actually necessary for aquaculture development to take place in the normal environs of fresh water ponds or in areas with immediate access to salt water. Aquaculture development has sucessfully taken place in vacant dairy barns and, in fact, failing dairy farms have been converted to fish farms with a minimal amount of energy or capital.

The science of aquaculture is certainly not a new phenomena, but has been in existence for well over 4,000 years in countries such as China, Japan, and Egypt. It is now time for the United States to make a concerted effort toward maximizing the full value of this process—not only the people of our Nation, but for the starving and undeveloped nations of the world.

A bill such as the National Aquaculture Development Act which directs the Secretary of Commerce to develop a national aquaculture program, is an excellent step in the right direction. It will, in my view, provide for a coordinated effort of both public and private sources in best achieving a possible goal of total food independence. With the startling and dramatic decline of our ocean's fish from the continuous exploitation of overfishing, it is imperative that the Federal Government begins a program which would both support and encourage the development of private commercial aquaculture industries in this Nation. The net result of increased high protein food production is much too important and vital and certainly demands our immediate and swift consideration.

HERALD STRINGER

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. HAMMERSCHMIDT. Mr. Speaker, the Nation's veterans have lost one of their most articulate spokesmen with the retirement at the end of last year of Mr. Herald Stringer, director of the American Legion's National Legislative Commission.

Herald, during his tenure in Washington, has proved to be an extremely effective champion of veterans' benefits. He has always been most cooperative and helpful as we pursued our mutual goal of serving the Nation's veterans. As we embark upon this 94th Congress, we will miss Herald Stringer. May his future be bright. The enclosed editorial from the Stars and Stripes reflects the high regard in which Herald Stringer is held:

HERALD STRINGER . . .

The American Legion, Congress and Veterandom have lost one of the finest representatives of veterans' legislation in the country, as Herald Stringer, National Legislative Director, The American Legion, retired at the end of December. Senators Vance Hartke, Clifford P. Hansen, Strom Thurmond, Congressman Wm. Jennings Bryan Dorn and many others have expressed regret at his departure.

Senator Hartke remarked, "Without men like Herald Stringer, and organizations such as The American Legion, the causes of veterans would have great weight but no clear voice.

"It takes a clear voice to be hard, to get things done.

"Without the voice of a Herald Stringer, who speaks for the largest veterans' organization in the country, it would be impossible for those of us responsible for veterans' legislation to know adequately what veterans across the country are thinking and feeling, and we lawmakers cannot fulfill our concern without knowing the needs of our veterans."

Although he has retired, we hope that Herald Stringer will keep a foot in the door, as we need men of his experience and devotion to help all of us improve veterans' programs.

Senator Hartke made several points that are of paramount importance.

1. Regardless of worth, it takes a clear voice to get the message across.

During the past year, The Stars and Stripes urged all of you to write your Congressman and express your desires on veterans' programs. We provided forms for your use. These forms were a "clear voice", as they identified the issue you were writing about and did not allow you to bring up other subjects. As we lose these Herald Stringers from our working team, it is vital that we pick up and continue the projects we all have started together with continuity of purpose.

2. It is impossible for your Congressmen to know the desires of their constituents without hearing from them.

Legislative directors of all the veterans' organizations are part of your voice. You are the other part, and you have the responsibility to make your voice heard and not sit back and let "old George" do it all the time.

American women have always stood beside their men and supported them. It is their responsibility, through their auxiliaries and their own organizations, to really get on the ball and get involved with veterans' legislation. After all, the results of these laws affect them, too.

We have mentioned previously that the Twentieth Century Fund Task Force is recommending that veterans be placed in a general social welfare status. We have 171 Veterans Administration hospitals across the country, all of which are established and operating under the VA, and all veterans with an honorable discharge are eligible for admittance to one of these hospitals when they need medical care. Let's keep it this way. Veterans must retain their autonomy. We must watch this proposal and fight it with all our determination.

We must improve the funding of the Veterans Administration to hire and retain the best medical and paramedical personnel available by increasing their earning capacity within the VA system so that we can continue "second to none" medical care delivery service.

We must get the financial plight of our older veterans and their dependents upgraded so that they will have a liveable income.

We must bring about improvements in the GI Educational Bill so that our young veterans can utilize the maximum entitlement of 45 months as Congress originally intended.

Herald Stringer has left the blueprint for a busy year for everyone.

NEW PERSPECTIVE ON CONGRESSIONAL REFORM

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. COHEN. Mr. Speaker, much has been written in the past few weeks in the Nation's press about the alleged wave of reform that swept the House at the start of this session of Congress. Many of these reports implied that the Republican Party was lagging behind in the area of congressional reform.

In a recent article, which appeared in edited form in the Ripon Forum, J. Brian Smith, press secretary to the minority leader (Mr. RHODES), provides a new perspective to the issue of congressional reform. I commend the article to my colleagues' attention and am inserting it in the RECORD at this point:

WHERE IN HELL DID YOU GO WRONG

(By J. Brian Smith)

Sitting in a television control booth on a recent evening in Washington and watching the House Minority Leader engage program host Martin Agronsky in verbal battle. The producer, a young and gregarious Irishman, turns to me quite suddenly and in a booming voice exclaims: "You seem like a nice enough fellow. Where in hell did you go wrong? How can you be a Republican?" We enjoy a laugh. But in the subsequent peace of the dark December night, the question haunts.

The most recent pounding at the polls has served to exacerbate an inferiority complex which Republicans have endured for many years. Democrats, it is believed, are hipper, more in tune with reality, and are more fun to be with at parties. "Didja ever notice that Republicans always show up at these things with prepared remarks and wonder why?" House Majority Leader Tip O'Neill engagingly asked a reception crowd. "It's 'cause they don't get invited out as often."

The roots of the Republican image problem go deep. I had a college professor who taught me political science. He is the epitome of the academic man, one room in his Baltimore apartment having been set aside to house stacks of newspapers, yellow with age, that will one day be read for political content. He is also a good Democrat—so good that, despite the depth of his political acumen, he did not know that Republicans conduct their Congressional business in a way markedly different from Democrats. He was unaware of the Democratic Caucus' power to bind its membership on certain votes, while Republicans can vote anyway they choose. It was similarly news to him that Republicans select their ranking committee members through automatic secret ballot while, on the Democratic side, it takes four Members to stand in challenge of a nomination (it used to be ten) in order for a secret ballot to take place. The Democratic Speaker still retains the power to appoint Members to the Rules Committee without a ratifying vote by the Caucus.

Finally, my good friend the professor was blissfully ignorant of the fact that the Democratic Caucus gave itself the power to abort the legislative process and send bills to Caucus subcommittees where they are frequently remodeled (and that is the kindest word for it).

That was precisely what happened to the Bolling Committee proposals for House reform. For fourteen months, this committee laboriously studied a legislative system that has grown archaic with age. In the end, the Bolling panel had the audacity to propose genuine reform.

The Bolling recommendations were promptly directed to a Caucus subcommittee headed by Rep. Julia Butler Hansen of Washington State. Few Hill observers were surprised at the diluted changes that took place. For Democratic power barons to support a package that would have substantially reduced their own power would have been somewhat like Red Auerbach, in the glory days of the Boston Celtics, agreeing *not* to play Cousy, Russell and Heinsohn simultaneously as a concession to other basketball teams who lamented the Celtics' depth. Such is the nature of self-interest and the Democrats' sensitivity to Hill reform.

One is led to wonder how the Democrats do it—holding so tenaciously to a pro-reform image despite their understandable susceptibility to vested interest? One wonders why the electorate fails to contrast the Democrats' glorious pronouncements of "a new day coming" at the '72 convention against their recent adoption in Kansas City of precisely the "affirmative action" program advanced by the Republican Party? Why won't the people penalize the *other* party for hypocrisy?

The good news for Republicans is that reality appears prepared to catch up with image. One reason for this is that the members of the national press who cover Capitol Hill are, generally, reporting the reality. When David Broder of the Washington Post writes that "the Republicans appear to be solidly in favor of the (Bolling) reforms," and notes subsequently that the proposals were "whipsawed to death," he provides Republicans reason for hope.

When Broder's Post colleague, Mary Russell, who sits by the hour in her perch high above the Speaker's rostrum, notes that "if there is to be a resurgence of congressional strength, it must come from the Democratic majority, which runs Congress," followed by a reference to the "passive attitude to power" of Democratic leaders, she also gives the Republican cause a dose of adrenalin.

The Republican hope is not wholly dependent on the press. The truth has many advocates such as Common Cause Chairman John Gardner. He recently called a news conference to release a survey showing that, while a majority of House Democrats favor reform, their leadership remains adamantly opposed to change.

This is not meant to suggest that Republicans have yet to come up with the sort of responsive, innovative answers of the type that majority parties are made, or that it is a foregone conclusion that we will. Image is not our only problem. We must fully tap our talent reservoir in order for the rebuilding process to take hold. When we do this, we stand an excellent chance of winning the potential converts who seem vaguely, almost subconsciously aware that the Democrats aren't making too much sense. "With a little bit of nudging," a sharp young Hill reporter recently confessed to me, "I, too, could become a Republican."

In the meantime, there is encouragement in the realization that the Republican Party is not nearly as bad as it looks. We seem to suffer from a Billy Budd syndrome, in which our stuttering and stammering precludes effective communication. It is a problem. But it is not nearly as large a problem as if we had no answers at all.

When they ask why you are a Republican, don't cite Lincoln, TR, Goldwater, Scott, Rhodes, or any of our own. Recall, instead, the words of the silver-haired and respected gentleman from Missouri, Mr. Bolling, who is a Democrat. He was asked what happened to his reforms. His answer was that "they" killed them. He wasn't talking about Republicans.

INFLATION: HOW DO WE STOP THEM DOING IT?

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. SYMMS. Mr. Speaker, one of the ablest of the former members of the Conservative Cabinet in Britain, the Rt. Hon. J. Enoch Powell, M.D., has recently published a perceptive article in which he points out that the cause of inflation in his country—where it is now running about 20 percent a year—and ours is not the unions, or businessmen, or the consumer but the government itself.

As he puts it—

> Even ex-Ministers themselves are now confessing . . . that inflation occurs when governments create excessive additional money to meet excessive public outlays.

I should like to urge all of our colleagues to read this brief article by a leading British politician so that they may better understand the true causes of inflation and what can be done to cure it.

The article is from the first issue—November 1974—of a new British publication, Yesterday, Today and Tomorrow—170 Sloane St., London—founded by one of the strongest defenders of the free market in Britain, a gentleman whom I had the pleasure of meeting on his recent visit to this country. I commend Mr. Antony Fisher's very educational newsletter to everyone interested in enlarging liberty and building prosperity.

INFLATION: HOW DO WE STOP THEM DOING IT?

(By J. Enoch Powell)

How de we stop them doing it? Even ex-Ministers themselves are now confessing (and gaining a certain kudos by confessing) that inflation occurs when governments create excessive additional money to meet excessive public outlays. Still, the question remains, what members of the public who are convinced of the truth of this can do to make the politicians stop it. Or rather, since inflation has to come to an end some day, the question is how politicians can be induced to stop it sooner—before irreparable harm has been done to the nation.

There is a good deal of humbug about the question. People are not generally reticent about what they want politicians to do, nor stumped for means of getting them to do it. Tell them; and having told them, threaten them that there will be no more votes and no more money until they comply. That's how electors go about getting more subsidies and higher pensions. What's wrong when it comes to inflation?

What's wrong is that so few mean what they say. They do not really want the widespread bankruptcies and unemployment which are the inevitable accompaniment—at all events in a developed economy—not really want the rate of inflation. They do not really want the increase—let alone the absolute level—of public expenditure to be reduced. They do not really feel so strong that they are prepared to use their only effective political weapon, regardless of the threatening consequences in other directions; for the elector who always bows to the threat that "if you withhold your support, the other side will get in, and that would be worse still, wouldn't it?" is a political factor equal to nought.

Few people in this world go looking for trouble or asking for trouble; and as long as inflation appears to be the lesser evil compared with the end of inflation, so long will those with anything to lose who raise their voice and use their political power to have inflation stopped be a very small band indeed. This is due to human nature and the world as it is. It cannot be remedied by attempting to dream up imaginary political devices—new political parties, new centres for political research, new and earnest political groups, not even new periodicals.

Nothing will alter until the balance of fear tilts the other way and the end of inflation comes to appear the lesser evil. When that happens, the lonely few who have dared previously to raise their voices will be trampled underfoot by the innumerable multitude pressing forward to enforce their demands upon politicians, parties and governments. All that can be done meanwhile—and it is little enough—is to try to hasten somewhat the tilting of the balance.

The continuance of inflation will not be feared more than the ending of inflation until inflation is seen to be making the everyday conditions of life intolerable and endangering the basic processes of production, exchange and distribution in a civilised society. The phenomena cannot, of course, in themselves be accelerated by those members of the public who understand the nature and cure of inflation: I am not recommending sabotage! What can be accelerated by them is the correct interpretation of the phenomena as the results of inflation instead of the variety of other causes to which they will at first be attributed. The sooner this happens, the sooner will the weathercock of political will begin to swing around.

The early stages of these phenomena, and not so early either, are already being witnessed: the accumulation of strikes, as recently in Glasgow; the deterioration of services—postal, sanitary, transportation; the mysterious spasmodic shortages and disappearance of goods from the shops—salt, sugar, toilet paper etc. These are not isolated and unconnected occurrences, a trade dispute here or an unforeseen interruption of procurement there. They are collectively the marks of an inflation which is threatening to pass over into hyperinflation. The threshold is crossed when the readjustment of all money payments can no longer take place fast enough to preserve in tolerable working order the mechanism of real prices, i.e. relative prices or (blessed word) relativities.

As long as this relationship of cause and effect is not understood, people will vent their irritation and dismay on irrelevant objects. They will blame the trade unions; they will preach sermons on the decline of patriotism; they will denounce profiteers and speculators. In the end, of course, the true cause cannot be mistaken any longer; but that end may be the wheelbarrow to take home the wages, which is also the destruction of all existing social relationships that rest on contract and the necessity of painfully rebuilding them anew to an unknown pattern. So I answer the question: 'how do we stop the politicians inflating?' as follows. Through teaching the public, by every means and on every opportunity, to identify the hidden cause of what is hurting them as inflation, always inflation. As Cato used to say to the Romans whatever they asked him, *delenda est Carthago* ("it's no good until you've destroyed Carthage.").

SECOND ANNUAL SURVEY OF OCCUPATIONAL INJURIES AND ILLNESSES

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. STEIGER of Wisconsin. Mr. Speaker, the Occupational Safety and Health Act of 1970 requires the Secretary of Labor to "develop and maintain an effective program of collection, compilation and analyses of occupational safety and health statistics." The Bureau of Labor Statistics has published the results of the survey of occupational injuries and illnesses for 1973. This survey covers the second full year of recordkeeping under OSHA and a comparison of 1972–73 job related injury and illness experience.

The report follows:

BLS REPORTS OF SURVEY OF OCCUPATIONAL INJURIES AND ILLNESSES FOR 1973

The Bureau of Labor Statistics of the U.S. Department of Labor reported today the results of the 1973 survey of occupational injuries and illness. The results cover the second full-year survey and provide information for all employees covered by the Occupational Safety and Health Act (OSHA).

The following are some key survey results for industries in both 1972 and 1973:

On the average, about 1 out of every 10 workers in private industry experienced a job-related injury of illness during 1973. (Some workers had more than one injury or illness during the year.)

About 5.9 million work-related injuries and illnesses occurred during 1973. About 28 million workdays were lost.

Work-related fatalities declined from 5,500 in 1972 to 5,100 in 1973.

The incidence rate (number of injuries and illnesses per 100 full-time workers) for all industries combined was about the same for both years.

All five industries selected for special emphasis by the Occupational Safety and Health Administration because of high injury rates showed some decline in the incidence rate from 1972 to 1973.

1972–73 COMPARISON

A comparison of the job-related injury and illness experience covering only those industries included in the surveys for the base year 1972 and 1973 follows.

Work-related fatalities declined by more than 7 percent from 1972 to 1973, though more persons were employed in 1973 than in 1972. The largest decrease in the number of deaths occurred in contract construction which fell from 1,500 in 1972 to 1,000 in 1973.

Trenching and excavation activities in construction, which have had relatively high fatality experience, were the targets of special Occupational Safety and Health Administration programs for accident prevention.

The incidence rate (number of injuries and illnesses per 100 full-time workers) was virtually the same—10.9 for 1972 and 11.0 for 1973.

The number of recordable cases increased from 5.65 to 5.92 million, or about 270,000. Recordable cases include all illnesses and those injuries requiring more than first-aid treatment. This increase of nearly 5 percent can be largely attributed to an increase in total hours worked by all employees during

1973. Employment rose nearly 3 million from 1972 to 1973, resulting in an increase of over 4.4 billion hours of work exposure (about 4 percent). In addition, the industry composition of employment in the private nonfarm sector, which could have an impact on the all-industry incidence rate, remained substantially the same for both years.

The most significant change in overall incidence rates for the major industry divisions between the 2 years occurred in contract construction where the rate rose 4.2 percent. (See table 1.) A second comparison may be made for incidence rates for lost workday cases. Industry divisions showed markedly different changes for the 2 years. For example, the incidence rate for lost workday cases increased in manufacturing by 7.1 percent but decreased in wholesale and retail trade by 3.6 percent. A third measure, the incidence rate for nonfatal cases without lost workdays, showed considerable variation among industry divisions.

In almost every industry division, the very large (2,500 employees and over) and the very small (1 to 19 employees) reporting units showed decreases in overall incidence rates between 1972 and 1973.

In both 1972 and 1973, about 3 in every 10 injuries and illnesses resulted in absence from the job or work limitations. The average number of days lost per lost workday case rose from 14 in 1972 to 15 in 1973. The incidence rate of lost workdays (number of lost workdays per 100 full-time workers), another measure of severity, increased from 47.9 in 1972 to 52.0 in 1973.

Five industries were selected by the Occupational Safety and Health Administration as having an unusually high occurrence of injuries over the years. These target industries—roofing and sheet metal; meat products; lumber and wood products; miscellaneous transportation equipment; and water transportation services—all showed a decline ranging from 2.6 to 5.1 percent in overall incidence rates from 1972 to 1973. (See table 2.)

A decline of over 15,000 illnesses or about 7 percent in the total number of recordable illnesses occurred between 1972 and 1973.

1973 INJURIES AND ILLNESSES

The 1973 survey covered agriculture which was not surveyed in 1972. The following figures for 1973, including agriculture but excluding railroads and most of mining, slightly exceed those used in the comparisons with 1972.

Nearly 6 million recordable work-related injuries and illnesses occurred during 1973 in private industries. (See table 3.) Ninety-seven percent of all recordable cases were injuries and the remaining 3 percent were illnesses. There were an estimated 5,200 work-related fatalities during the year. Lost workday cases accounted for only 30 percent of all recordable cases. Nevertheless, about 28.4 million workdays were lost during 1973 or an equivalent loss of nearly 114,000 employee-years of work.

The 1973 incidence rate for all recordable cases was 11.0. Rates for industry divisions ranged from 2.4 in finance, insurance, and real estate to 19.8 in contract construction. Rates for agriculture, forestry, and fisheries; contract construction; and manufacturing exceeded the rate for all industries, whereas transportation and public utilities; wholesale and retail trade; services; and finance, insurance, and real estate fell below the all-industry level. (See table 4.)

For employees working on farms, the estimates indicate that their job-related injury and illness experience parallel that for all employees covered by the survey. Approximately 66,000 injuries and illnesses were estimated for 1973, of which 40 percent resulted in lost worktime.

Contract construction accounted for approximately 626,500 recordable injuries and illnesses during 1973, slightly over 10 percent of the total cases, although representing only 6 percent of the total employment. Approximately 3.1 million workdays were lost, the equivalent of over 12,000 employee-years of work.

Manufacturing, which accounted for nearly one-third of employment, had almost half of the total number of recordable cases. About 13.2 million workdays, constituting over 52,000 employee-years of work, were lost during the year. Among the 21 major industry groups within the division, 10 had incidence rates above the level for all manufacturing (15.3). As can be seen in table 4, the highest rates were experienced in the lumber and wood products (24.1) and fabricated metal products (22.7) industries.

Reporting units with less than 50 or more than 1,000 employees tended to have lower incidence rates than units in the mid-size classifications. The highest incidence rates were generally concentrated in reporting units of 100 to 249 employees.

1973 INJURIES AND ILLNESSES FOR EMPLOYEES IN MINE AND RAILROAD ACTIVITIES

Excluded from coverage under the Act are working conditions over which other Federal agencies have exercised statutory authority affecting occupational safety and health. As of the present time, other Federal agencies have exercised authority over certain working conditions in coal, metal and nonmetal mining and railroad activities. Pending clarification of jurisdictional questions, OSHA did not generally engage in enforcement in those activities during this report period.

Data for mining are preliminary and were furnished by the Mining Enforcement and Safety Administration, U.S. Department of the Interior. Data for railroads were furnished by the Federal Railroad Administration, U.S. Department of Transportation.

Mining, with an incidence rate of 12.5, exceeded the all-industry rate. Coal mining, with a rate of 19.1, was much higher than the other two major industry groups in the mining industry—oil and gas extraction (12.8) and metal and nonmetal mining (7.8). Injuries and illnesses in mining were much more likely to result in lost worktime compared with other industries. Of the nearly 76,000 recordable cases in mining, 35,000 or 46 percent involved lost worktime. There were 300 fatalities reported in coal, and metal and nonmetal mining activities during 1973.

Railroads had an incidence rate of 8.7 during 1973. An estimated 52,000 injuries and illnesses, of which nearly 200 were fatal, were experienced by railroad employees.

More complete data for occupational injuries and illnesses will become available in an analytical bulletin to be published early next year.

BACKGROUND OF SURVEY

This survey is a Federal/State program in which reports are received and processed by State statistical grant agencies participating with the Bureau of Labor Statistics of the U.S. Department of Labor. The survey, response to which is mandatory, involved a national sample of approximately 200,000 private employers. Another 450,000 employers are included in the survey so the States can produce similar estimates. Reported occupational injury and illness data are based on the records employers must maintain under the Act.

The survey relates to employers in private industries. Excluded were self-employed individuals and employees in Federal, State, and local government units. In a separate reporting system, agences of the Federal government are filing reports comparable to those of private industry with the Secretary of Labor.

TABLE 1.—RECORDABLE OCCUPATIONAL INJURY AND ILLNESS INCIDENCE RATES FOR COMPARABLE INDUSTRIES, PRIVATE NONFARM SECTOR, BY INDUSTRY, UNITED STATES, 1973 AND 1972

Industry	Incidence rates per 100 full-time workers [1]					
	Total recordable cases		Lost workday cases		Nonfatal cases without lost workdays	
	1973	1972	1973	1972	1973	1972
Private nonfarm sector [2]	11.0	10.9	3.4	3.3	7.6	7.6
Contract construction	19.8	19.0	6.1	6.0	13.6	12.9
Manufacturing	15.3	15.6	4.5	4.2	10.8	11.4
Transportation and public utilities [3]	10.5	10.8	4.6	4.5	5.9	6.3
Wholesale and retail trade	8.6	8.4	2.7	2.8	5.9	5.6
Finance, insurance, and real estate	2.4	2.5	.8	.8	1.6	1.7
Services [4]	6.3	6.1	2.0	2.0	4.3	4.1

[1] The incidence rates represent the number of injuries and illnesses per 100 full-time workers, and were calculated as: (N/EH) × 200,000, where—N=number of injuries and illnesses, EH=total hours worked by all employees during calendar year, 200,000=base for 100 full-time equivalent workers (working 40 hr per week, 50 weeks per yr).

[2] Includes oil and gas extraction which is not a component of the industry divisions listed. Other mining activities are not included.

[3] Excludes railroads (SIC 401).

[4] Includes agricultural services, forestry, and fisheries (SIC 07–09).

Source: Bureau of Labor Statistics, U.S. Department of Labor.

TABLE 2.—RECORDABLE OCCUPATIONAL INJURY AND ILLNESS INCIDENCE RATES FOR TARGET INDUSTRIES, UNITED STATES, 1973 AND 1972

Industry	SIC code[1]	Incidence rates per 100 full-time workers[2] total recordable cases		
		1973	1972	Percent change
Roofing and sheet metal work	176	27.7	28.9	−4.2
Meat products	201	27.2	28.2	−3.5
Lumber and wood products	24	24.1	25.4	−5.1
Miscellaneous transportation equipment	379	35.5	36.5	−2.7
Water transportation services	446	26.2	26.9	−2.6

[1] Standard Industrial Classification Manual, 1967 edition

[2] The incidence rates represent the number of injuries and illnesses per 100 full-time workers, and were calculated as: (N/EH) X 200,000, where—N=number of injuries and illnesses, EH=total hours worked by all employees during calendar year, 200,000 = base for 100 full-time equivalent workers (working 40 hr per week, 50 weeks per yr).

Source: Bureau of Labor Statistics, U.S. Department of Labor.

TABLE 3.—NUMBER OF RECORDABLE OCCUPATIONAL INJURIES AND ILLNESSES, AND LOST WORKDAYS IN THE PRIVATE SECTOR, EXCLUDING RAILROAD AND MINE ACTIVITIES, BY EXTENT OF CASE AND INDUSTRY DIVISION, UNITED STATES, 1973

[In thousands]

Industry	Total recordable cases	Fatalities	Lost workday cases	Nonfatal cases without lost workdays	Lost workdays
Private sector[1]	5,991.3	5.2	1,872.3	4,113.8	28,392.7
Agriculture, forestry, and fisheries	91.1	.2	35.9	55.0	534.9
Contract construction	626.5	1.0	194.3	431.2	3,103.3
Manufacturing	2,960.2	1.4	859.9	2,098.8	13,165.9
Transportation and public utilities	403.5	1.0	175.8	226.7	3,026.2
Wholesale and retail trade	1,190.1	.9	376.7	812.5	5,182.5
Finance, insurance, and real estate	89.0	.1	28.4	60.5	371.1
Services	596.0	.4	185.5	410.1	2,657.0

[1] Excludes railroads (SIC 401) and mine activities except oil and gas extraction (SIC 13).

Notes: Data may not add due to rounding. Differences between the totals and the sums for the component industries may not reflect the estimates for oil and gas extraction (SIC 13).

Source: Bureau of Labor Statistics, U.S. Department of Labor.

TABLE 4.—RECORDABLE OCCUPATIONAL INJURY AND ILLNESS INCIDENCE RATES IN THE PRIVATE SECTOR, EXCLUDING RAILROAD AND MINE ACTIVITIES, BY INDUSTRY, UNITED STATES, 1973

Industry[1]	SIC code[2]	1973 annual average employment (in thousands)[3]	Incidence rates per 100 full-time workers[4]			
			Total recordable cases[5]	Lost workday cases	Nonfatal cases without lost workdays	Lost workdays
Private sector[6]		63,290.3	11.0	3.4	7.6	52.1
Agriculture, forestry, and fisheries		1,418.0	11.6	4.6	7.0	68.0
Agricultural production	01	NA	10.9	4.3	6.6	63.6
Agricultural services, forestry and fisheries	07–09	NA	13.7	5.5	8.2	82.5
Oil and gas extraction	13	274.3	12.8	5.8	7.0	129.2
Contract construction		4,028.0	19.8	6.1	13.6	98.1
General building contractors	15	1,271.8	20.7	6.1	14.6	94.1
Heavy construction contractors	16	762.4	19.3	6.1	13.1	107.6
Special trade contractors	17	1,994.2	19.4	6.2	13.2	96.3
Manufacturing		20,054.0	15.3	4.5	10.8	68.2
Durable goods		11,814.0	17.1	4.8	12.3	72.4
Ordnance and accessories	19	183.9	7.6	1.8	5.8	33.8
Lumber and wood products	24	639.7	24.1	9.2	14.8	150.7
Furniture and fixtures	25	539.2	19.6	5.5	14.1	75.2
Stone, clay, and glass products	32	691.1	18.2	5.9	12.3	96.2
Primary metal industries	33	1,320.9	20.8	6.3	14.5	107.1
Fabricated metal products	34	1,493.5	22.7	6.4	16.3	92.0
Machinery, except electrical	35	2,086.5	17.7	4.3	13.4	60.5
Electrical equipment and supplies	36	2,017.2	10.8	2.7	8.1	37.3
Transportation equipment	37	1,891.4	16.7	4.6	12.1	67.3
Instruments and related products	38	499.4	8.6	2.0	6.6	26.6
Miscellaneous manufacturing industries	39	450.6	13.5	3.7	9.8	54.3
Nondurable goods		8,240.0	12.8	3.9	8.8	62.2
Food and kindred products	20	1,721.0	19.2	6.8	12.3	98.6
Tobacco manufactures	21	78.3	8.4	2.5	5.9	33.0
Textile mill products	22	1,030.5	11.7	2.6	9.1	47.2
Apparel and other textile products	23	1,402.4	7.7	1.9	5.8	26.1
Paper and allied products	26	703.0	5.8	4.3	11.5	87.1
Printing and publishing	27	1,104.8	7.4	2.3	5.1	31.9
Chemicals and allied products	28	1,035.5	9.7	3.0	6.7	48.6
Petroleum and coal products	29	193.4	9.7	2.7	7.0	57.1
Rubber and plastics products, n.e.c	30	678.3	17.8	6.5	11.3	103.1
Leather and leather products	31	293.1	12.4	3.6	8.8	50.9
Transportation and public utilities		4,086.0	10.5	4.6	5.9	78.7
Local and interurban passenger transit	41	273.3	8.1	4.1	3.9	73.5
Trucking and warehousing	42	1,188.2	17.2	7.9	9.2	139.8
Water transportation	44	203.6	16.3	8.0	8.2	205.5
Transportation by air	45	364.6	11.7	6.0	5.7	67.3
Pipeline transportation	46	16.2	5.9	1.7	4.1	30.6
Transportation services	47	123.6	6.6	2.6	4.0	33.3
Communication	48	1,174.4	2.9	1.3	1.6	23.8
Electric, gas, and sanitary services	49	729.8	11.1	3.4	7.7	52.1
Wholesale and retail trade		16,665.0	8.6	2.7	5.9	37.6
Wholesale trade	50	4,118.0	9.8	3.3	6.4	45.5
Building materials and farm equipment	52	617.7	12.3	4.0	8.3	61.4
Retail general mechandise	53	2,558.8	8.6	2.6	6.0	32.3
Food stores	54	1,856.3	12.0	3.9	8.0	51.3
Automative dealers and service stations	55	1,809.2	9.2	2.6	6.6	36.9
Apparel and accessory stores	56	770.6	2.2	.6	1.6	11.7
Furniture and home furnishing stores	57	527.4	6.4	2.2	4.2	32.6
Eating and drinking places	58	3,035.3	7.2	2.0	5.2	27.5
Miscellaneous retail stores	59	1,371.5	4.2	1.4	2.8	22.9
Finance, insurance, and real estate		4,075.0	2.4	.8	1.6	10.2
Banking	60	1,178.7	1.5	.5	1.0	5.1
Security, commodity brokers, and services	62	193.8	.8	.3	.5	6.4
Insurance carriers	63	1,081.1	1.8	.6	1.2	7.2
Real estate	65	796.5	7.1	2.2	4.9	31.2
Services		12,690.0	6.2	1.9	4.2	27.5
Hotels, and other lodging places	70	904.9	.7	2.8	5.9	42.8
Personal services	72	892.1	4.1	1.5	2.6	26.3
Miscellaneous business services	73	1,880.0	5.6	1.9	3.7	25.6
Auto repair, services and garages	75	434.3	9.8	3.0	6.8	48.2
Miscellaneous repair services	76	212.5	13.1	3.9	9.2	51.1
Motion pictures	78	208.1	3.9	1.1	2.8	21.2
Amusement and recreation services, n.e.c	79	539.1	8.7	2.8	5.9	53.7
Medical and other health services	80	3,656.9	7.5	2.2	5.3	31.4
Educational services	82	1,178.7	4.8	1.3	3.5	15.0
Nonprofit membership organizations	86	1,685.5	4.5	1.5	3.0	17.8
Miscellaneous services	89	783.4	2.2	.7	1.5	7.4

[1] Industry division totals include data for industries not shown separately.

[2] "Standard Industrial Classification Manual, 1967 Edition."

[3] Annual average employment for nonagricultural industries are based on the establishment survey conducted by the U.S. Department of Labor's Bureau of Labor Statistics, in cooperation with State agencies. Annual average employment for the agriculture, forestry, and fisheries division is a composite of estimates from the BLS survey and estimates provided by the Statistical Reporting Service, U.S. Department of Agriculture.

[4] The incidence rates represent the number of injuries and illnesses per 100 full-time workers, and were calculated as: (N/EH) × 200,000, where N = number of injuries and illnesses. EH = total hours worked by all employees during calendar year. 200,000 = base for 100 full-time equivalent workers (working 40 hours per week, 50 weeks per year).

[5] Includes fatalities. Because of rounding, the difference between the total and the sum of the rates for lost workday cases and nonfatal cases without lost workdays may not reflect the fatality rate.

[6] Excludes railroads (SIC 401) and mine activities except oil and gas extraction (SIC 13).

Notes: NA = employment estimates are not available. n.e.c. = not elsewhere classified.

Source: Bureau of Labor Statistics, U.S. Department of Labor.

LITHUANIAN INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ANNUNZIO. Mr. Speaker, February 16, 1975, marks a special day in man's historic struggle for freedom and self-determination, for it was on that day 57 years ago that the Lithuanian people established their own government and proclaimed their independence.

The Lithuanian Council of Chicago is commemorating this 57th anniversary with a program at Maria High School auditorium on Sunday, February 16. The officers of this outstanding organization include Juozas Beliunas, president; Algis Jasaitis, executive secretary; Rev. Adolfas Stasys, Rimas Sarka, Teodora Kuziene, Mykolas Pranevicius, vice presidents; Vladas Soliunas, treasurer; Antanas Svitra, financial secretary; Stasys Mankus, recording secretary.

Trustees include Kristina Austin, John Evans, Julius Pakalka, Oskaras Kremeris.

The members of the Lithuanian Council of Chicago are as follows: Ignas Andrasiunas, Mikalina Baronas, Elena Bucinskas, Adele Gabalas, Juze Gulbinas, Petras Jokubka, Alvydas Jonikas, Don Kuraitis, Vincas Mankus, Kazys Oksas, Algirdas Puzauskas, Rimas Staniunas, Antanas Vaicaitis, Jonas Valaitis, Jonas Valkiunas.

The Lithuanians took these historic steps in 1918, at the close of World War I and, for 20 years thereafter, Lithuania enjoyed peace and freedom from oppression. During this period the Lithuanian economy stabilized, and there was a great renaissance of national literature and culture.

But in 1939, the Soviet Union began an unwarranted assault on this tiny country and concentrated its armed forces on the Lithuanian frontier. This massive threat was followed on June 15, 1940, by actual occupation of Lithuania by the Red Army. The valiant Lithuanian Government had no alternative but to concede to brutal Soviet demands.

Immediately the Communists began arresting and executing the Lithuanian patriots. Non-Communist political parties were liquidated, and leaders in these parties were imprisoned. The people were forced to vote in national elections in which only the Communist Party was represented. The Lithuanians, despite these hopeless odds, resisted heroically—but to no avail. The Soviets finally succeeded in forcibly annexing Lithuania and subjugating these courageous people.

Despite condemnation by the free world of this unlawful aggression against the sovereign rights of a free people, the Soviet Union still occupies Lithuania and maintains Communist troops within her borders. The national culture is gradually being destroyed, and the Lithuanian people are forced to suffer under the harsh yoke of cruel Soviet oppression.

Mr. Speaker, only a few weeks ago I wrote to the Soviet Ambassador here in Washington urgently requesting that he facilitate the grant of permission to Mrs. Aloyzas Jurgutis and her daughter, Daina, to emigrate from Lithuania as she requested on October 1, 1974. Mr. Jurgutis, now a resident of Chicago after getting out of the U.S.S.R. last year, submitted to the Washington Consulate of the U.S.S.R. his formal renunciation of Soviet citizenship on November 26, 1974. It is my understanding that since requesting permission to emigrate, Mrs. Jurgutis was expelled from her position as a librarian and that she has not been allowed to receive any mail at all from her husband.

I strongly feel that in cases such as this, we as Americans must continue to insist that the Soviets begin to adhere to basic humanitarian principles of human decency and the dignity of the individual.

Mr. Speaker, it was for these reasons that I introduced the following resolution at the beginning of the 94th Congress:

H. CON. RES. 2

Whereas the Government and the people of the United States of America have maintained and enjoyed excellent and friendly relations with the Governments and peoples of the Baltic States Republics of Latvia, Lithuania, and Estonia, during the years of independence of these Republics; and

Whereas the concept of liberty and freedom of choice of government is still alive in this country, as it has been constantly since the Declaration of Independence; and

Whereas the evidence produced at the hearings of the select committee of the House of Representatives to investigate the incorporation of the Baltic States into the Union of Soviet Socialist Republics overwhelmingly tends to prove that the actions of the Union of Soviet Socialist Republics in relation to these free and independent Baltic Republics were contrary to the principles of international law and the principles of freedom; and

Whereas the people of this Nation have consistently shown great sympathy for the peoples of these three Republics, especially as a result of their enslavement and as a result of the inhuman exile and deportation of great number of law-abiding persons from their native lands to imprisonment in slave labor camps in the Union of the Soviet Socialist Republics: Now, therefore, be it

Resolved by the House of Representatives (*the Senate concurring*), That it is the sense of the Congress that—

(1) the President of the United States of America should continue the American policy of nonrecognition of the unlawful absorption of the Baltic States Republics of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics, and continue the recognition of the diplomatic and consular officers of these Republics as the lawful representatives of these three nations in the United States of America; and

(2) the President should take such steps as may be appropriate, through the United States delegation to the United Nations, to raise in the United Nations the question of the forced incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics and request the United Nations to conduct an investigation of conditions in the said Baltic Republics to the intent and purpose that Soviet armed forces, agents, and colonists be withdrawn therefrom, and that the exiled peoples of these Republics be returned thereto in freedom, and that free plebiscites and elections be held therein, under the supervision of the United Nations, to let the people, in freedom, make their own election and choice as to government.

Mr. Speaker, during ongoing negotiations with the Soviet Union, I believe it is most important that our Nation not forget the just aspirations of the Lithuanian people for freedom and self-determination. The United States has never recognized the forcible conquest of Lithuania and because I believe that we should stand behind this policy, I also introduced the following resolution regarding this aggression:

CONCURRENT RESOLUTION

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain the recognition by the European Security Conference of its annexation of these nations, and

Whereas the United States delegation to the European Security Conference should not agree to there cognition of the forcible conquest of these nations by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (*the Senate concurring*), That it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

In behalf of the many thousands of Lithuanian-Americans residing within my own 11th Illinois Congressional District, whom I am privileged to serve, and also for Americans of Lithuanian heritage all over this Nation who are commemorating this anniversary, I urge the early enactment of this legislation.

On this occasion, I want to assure the courageous Lithuanians that our Nation continues to support their just aspirations for freedom and independence, and I want to express the fervent hope that the goal of Lithuanian self-determination shall soon be realized.

THE "FREE PRESS" IN SOUTH VIETNAM

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Ms. ABZUG. Mr. Speaker, Philip A. McCombs' article in today's Washington Post, which I would like to insert in the RECORD, needs no introduction. So much for the free press, in this regime we are being asked to support with another $300 million dollars:

SAIGON HOLDS MORE NEWSMEN; PAPERS PROTEST

(By Philip A. McCombs)

SAIGON, February 4.—National police continued arrest of Vietnamese journalists for the second day today in what appears to be a concerted effort to crush elements of President Nguyen Van Thieu's internal political opposition.

Nine journalists were arrested in predawn raids on their homes. According to families of those involved, this brings the total of newsmen arrested to 24, four of whom have been released by the police.

At the same time the Vietnam Publishers' Association today decided to shut down opposition and independent dailies in Saigon as a protest against the government's apparently permanent closure of five dailies yesterday.

It was not clear whether the association's action will be more than temporary. It leaves the city with only three Vietnamese-language dailies all pro-government.

The four newsmen who were released made no comments for the record today. Most of Saigon's scores of opposition and independent journalists are living in fear and finding places other than their homes to sleep in tonight.

Those arrested so far include many of Saigon's best known journalists, many of whom were considered independent. The government charged yesterday that those arrested were underground "Communist cadres."

Journalists here have been a leading element in the political opposition to President Thieu that reached a peak with anti-government street demonstrations last October and November.

The current government campaign against them began Sunday when government censors ordered police to confiscate press runs of nine dailies that printed political charges against Thieu made by the Catholic Anticorruption Movement and 21 other anti-government organizations.

The first 15 arrests were mainly made in the pre-dawn hours of Monday. Then the government announced it was withdrawing the publishing licenses from three opposition and two independent papers. The arrests continued after the midnight curfew yesterday, according to the families of those arrested, and were completed by dawn this morning.

A high government official said privately that more arrests can probably be expected.

Squads of riot police with wicker shields were on duty in several areas of downtown Saigon today, though there was no sign that anti-government groups were planning public demonstrations right now.

Arrested today were: Choe, an internationally known political cartoonist whose work appears in several papers here; Mrs. Trung Duong, publisher of Tidal Wave; Uyen Thao, Tidal Wave's editor-in-chief; Ly Dai Nguyen, the paper's editorial director; Chu Tu, former publisher of the defunct newspaper Life; Vu Bang, a writer, and Mac Thu, a poet, both of whose work appears in various papers; Quoc Phuong, a reporter for The Orient; and Duy Thai, the paper's editor-in-chief.

Thao, Tu and Mrs. Duong were released after a few hours of police questioning. Released late yesterday after his arrest early in the day was Hoang Chau, publisher of Independence.

Besides Chau, those arrested yesterday were: Minh Loc, managing editor of Independence; Le Hien, publisher of Steel Pen; Truong Son, the paper's political director; Viet Quang, its managing editor; and Cao Tran, its assistant managing editor.

Also arrested yesterday were: Kieng Giang and Diep Lien Anh, reporters for The Telegraph; Truong Cam Vinh, managing editor of Tidal Wave; Tran Quan, assistant managing editor of The Orient; Doan Hung, assistant managing editor of Ray of Light; Ngo-Dinh, a reporter for Ray of Light; Son Tung, assistant managing editor of Great People; Nguyen Van Hong, formerly editor-in-chief of the now defunct paper People's Opinion; and Vu Hanh, a novelist whose work appears in several papers.

Meanwhile, the government announced today that President Thieu has promoted six top police commanders. Nguyen Khac Binh, national police chief, was promoted to the rank of major general. Trang Si Tan, Saigon's police chief, was promoted to brigadier general. Four assistant national police chiefs were promoted to one-star rank.

Fighting continued to be relatively light throughout the country today. Military analysts say they expect the current lull in the Communist dry-season limited offensive to end soon with a sharp increase in fighting.

THIRD WORLD TAX HAVENS CONFERENCE

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. VANIK. Mr. Speaker, as Americans begin to fill out their 1040's and as the unemployment lines mount, I am sure that people will be interested in knowing that an invitation to the "Third World Tax Havens Conference" is being mailed out to various tax lawyers and accountants. This "third" conference is being held in Zurich, February 17 through 19. The travel and hotel cost of attending is $850 per person.

What is a "World Tax Havens Conference?" It is a series of seminars on how wealthy individuals can "take full advantage of legal tax avoidance." The seminar titles, however, give a better flavor to this than I can. Among the seminars, for example, are the following.

> Current Developments in Lesser-Known European Tax Havens including Andorra, Campione, Gibraltar, Isle of Man. Malta and Monaco.
>
> Where and How to Establish a Private Off-shore Bank for your Family or your Company.
>
> Tax Havens and the Entertainment Industry—the use of tax havens by literary and entertainment personalities.
>
> Seminar on Bank Secrecy—Comparing other Countries with Switzerland.

As the last seminar example shows, Mr. Speaker, this conference is a journey to the edge of the law—of interest only to tax dodgers with no sense of patriotism to their home countries.

I might add that this third conference has a new angle that last year's conferences in Amsterdam and Paris missed—a "visit to Liechtenstein by bus" and an opportunity to "develop professional contacts" in this tiny tax shelter country.

And the best is yet to come, the organizers of this tax haven conference are planning a "World Tax Havens Tour, limited to 80 persons," in the Caribbean Islands between April 12 and 26. No doubt this tour of such tax havens as the Caymen Islands, and so forth, will be a tax deductible business expense to the tax lawyers who attend.

Mr. Speaker, I am asking the IRS to study what is involved in this Caribbean tour to insure that it is not turned into a tax-deductible vacation extravaganza.

I would like to make one other observation. The organizers have provided no seminar on the changes being proposed by the Ways and Means Committee to close these types of foreign tax haven loopholes. Last year, the committee spent considerable time developing a tax reform bill—including reforms to prevent foreign trust abuses. I expect that these reforms will be enacted by the full Congress in 1975; I am hopeful that the description which I have given today of the Third Tax Haven Conference will help encourage rapid action on these reforms.

THE SENATE OF PRIESTS, DIOCESE OF PATERSON SEEKS CONGRESSIONAL ALTERNATIVES TO THE PRESIDENT'S ENERGY TAX

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ROE. Mr. Speaker, I would like to call to the attention of you and our colleagues the following resolution unanimously adopted January 20, 1975 by the Senate of Priests, comprised of 500 Catholic priests, of the Diocese of Paterson in my congressional district, which most poignantly and concisely brings into sharp focus the damaging repercussions of the domino effect on our Nation's economy that the President's proposal to increase tariffs on imported oil will have, particularly on the people of our country who are living on limited or fixed incomes:

> The Priests' Senate of the Paterson Diocese hereby resolve to call upon our elected and appointed government officials to support a full examination in Congress of the current plans of President Ford for energy control. Limited and fixed income whether from welfare, unemployment checks, low paying jobs, pensions and social security will not stand for the projected increases in housing, food, electrical, and transportation costs due to projected energy tax plans of the President. The whole process of what energy taxes will do should be examined before the nation embarks on a plan that at the present bodes only unprecedented problems and not solutions. We ask you to do all that you can so that the nation may know what it must face. If taxes prove to be necessary, then we all know why. If not, then, we have saved a great percentage of our people from unnecessary hardships.

In transmitting the foregoing resolution to me for consideration by all of our elected officials, the distinguished president of the Senate of Priests, the Rev. Herbert K. Tillyer, stated:

> It (the resolution) represents the consensus of our thinking on the issue of energy conservation, a laudable goal in the President's overall program of action. I urge you to consider alternatives to the energy tax. Rationing may well be a more equitable route, since it will not further tax the resources of low and middle income people who cannot afford a price rise for energy products at this time. We believe that this method of reaching the goal of energy conservation must be given the highest consideration. . . .

It was my privilege to join with Congressmen McFall of California, Reuss of Wisconsin, and other of our distinguished colleagues on January 23, 1975, in sponsoring House Concurrent Resolution 61 urging the President to delay the implementation of his plan to use Presidential powers to raise the fee of all imported crude oil and petroleum products by increasing crude-oil fee levels $1 per barrel on February 1, $2 per barrel on March 1, and $3 per barrel on April 1. The text of our resolution is as follows:

H. CON. RES. 61

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should not impose, pursuant to section 232 of the Trade Expansion Act of 1962, any tariff or other import restriction on petroleum or petroleum products before April 1, 1975, so as to give the Congress a reasonable period of time in which to act legislatively on such matter if it determines such action is necessary.

The President's proposal for increasing oil fees will materially add to the economic squeeze and energy cost strangulation on our Northeastern States who are almost solely dependent on imported oil, force all retail prices higher, and have a devastating impact throughout our economy. Such action will not only add to the cost of gasoline vital to all forms of transportation, farming, and food processing but the cost of each barrel of oil which is converted to industrial fuels, including feed stocks for the plastic industries and other chemical products, will increase the cost of every product and commodity manufactured in our country. Home-heating oils will also be affected, encouraging increased cost in competitive fuels such as gas and coal.

Everyone of our people has already experienced one of the most severe national and international peacetime economic disruptions as a result of the oil embargo and the increased price of imported oil previously imposed by oil-producing nations. Can America really afford to subject our people to higher prices on imported oil, a product which we are all agreed is essential and will continue to be needed for some time to supplement our own domestic oil supplies.

Oil is one of the most important commodities in world trade and our Nation's responsibility in the conservation, development, and management of our oil resources is a national priority of the highest order. I know that all of us here in the Congress share the President's deep concern and anxiety to establish a national fuel conservation program and achieve national self-sufficiency in meeting America's energy needs but it is axiomatic that it will require a partnership effort between the administration and the Congress to provide a national program that will be fair and equitable to all of our people. To that end I am dedicated and stand ready with you and our colleagues to extend my fullest efforts in every respect to achieve these national priority goals.

Thank you, Mr. Speaker.

IN HONOR OF MISS LUCILLE V. ROBERTS

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. DE LUGO. Mr. Speaker, Miss Lucille V. Roberts recently retired from her position as principal of the James Madison School in St. Thomas after devoting more than 50 years to the education of young people in the Virgin Islands.

Beginning in 1922, her remarkable career has spanned teaching stints at the Lincoln, Washington, Nisky, Jefferson and Madison Schools. In 1953, Miss Roberts became the principal of Madison, presiding over its growth from 38 students to 436.

The greatest reward of any teacher is in being recognized by one's former pupils. By this standard, Miss Roberts is greatly loved indeed. Recently the Virgin Islands Department of Education and the James Madison School sponsored a testimonial dinner honoring her dedication to teaching and her many achievements.

Prior to her testimonial dinner, Miss Roberts was interviewed by the St. Thomas Daily News, in which she reflected on her long career and her philosophy of education. I think this article is instructive, and I commend it to your attention:

TESTIMONIAL DINNER-DANCE TO HONOR LUCILLE ROBERTS FOR 50 YEARS SERVICE

Miss Lucille V. Roberts, who joined the staff of the Department of Education more than 50 years ago, recently retired and now spends her time "just walking around spreading joy . . . making people happy."

Miss Roberts, a member of an old St. Thomas family, is to be feted this Saturday night at a testimonial dinner-dance in her honor at the Frenchman's Reef Holiday Inn. The Department of Education and the James Madison School, where she worked for 25 years including 20 years as principal, are sponsoring the testimonial. Governor Cyril E. King will be the keynote speaker.

Being able to get out and meet new people and renew old acquaintances are the things Miss Roberts enjoys most about being retired. She also says that she has more time to devote to her hobbies of gardening and, her favorite activity, teaching Virgin Islands cultural dances. She has been teaching Quadrilles, Lancers and Musurkas for years to young and old alike.

She says she inherited her musical appreciation and ability from her father, Lionel Roberts, who was a well known musician, athlete and legislator. The local ball park was named in honor of her father whose athletic prowess was most evident in cricket although, according to his daughter, he also showed skill in football and softball.

Miss Roberts explained that her father fostered her musical interests and he was "among the oldest of the dancers, and he was always a chaperone at the house parties." She explained that in the days of her youth, dances were held in individual homes and the children always went along.

"Orchestras were there and you didn't have to pay them $300 to play," she said. "The musicians were usually treated to the food and drink, and they played for very little. Money was no object."

Interest in music, it turns out, is not the only legacy she received from her father.

"Our parents chose our vocations, and fortunately for me, in my particular case it was one that I liked," she related. "I always wanted to be a teacher."

She explained that family ties were close in those days and families got together often for discussions.

"The parents talked to their kids to find out what their interests were. And after such discussions my father would sit down with me and say something like 'I think you should be a teacher."

She explained that education was always very important to her family and related that "The only beating I ever got in my life was when I was caught trying to play truant." As a young girl she attended Miss Mary Meyers' School which was affiliated with the Moravian Church and located on Back Street upstairs of where the Daily News is now. One day she started off to class, which began at 8:30 a.m., but on the way she got sidetracked.

"I remember it like it was yesterday," she reflected with a sigh. "I went to see a cousin of mine who had to perform some chores for his mother, and by the time I got to school it was 11 o'clock." Her uncle, who was a friend of her teacher, was visiting the class that day and by the time she got home her father was "waiting with a piece of rattan."

After listening to her explanation he told her, "Always remember in life: Education comes first," and he then proceeded to administer "the only sound beating I ever got."

She was quick to point out that she was not normally a "troublesome child—not like children today." While she doesn't think all contemporary children are misbehaved, she thinks that some parents are afraid of their children which is the reason for the children's misbehavior.

Miss Roberts thinks that chilrden are still receiving a good education today, especially in the middle grades, but she would like to see greater emphasis on the 3 R's in the lower grades. She feels that priority also should be placed on rote learning of arithmetic and the alphabet. She remembers, "a little green primer I had in first grade" and thinks that a return to its phonics system in the primary grades would help solve some of the spelling and reading problems experienced by today's students.

Miss Roberts said that when she was growing up there were no public schools that she can remember, and there weren't that many private schools either. When she finished sixth grade that was as far as classes went on St. Thomas at the time, so her parents sent her to Antigua, considered the center of learning in the Caribbean at the time, to attend a teachers college.

After spending two years learning methods of teaching, she returned to St. Thomas to find that junior high school level classes were being established here.

"It was the early days of the American regime, and they were starting to establish patterns and requirements for teaching," she said.

So she went back to study in grades seven through nine—after already having completed two years in teachers colleges—and finally she became a substitute teacher in 1922. She taught at Lincoln, Washington, Nisky, Jefferson and Madison Schools, and the following year she became a full-time classroom teacher. During her teaching career she continued her own education, spending three summers studying at the

University of Puerto Rico in Rio Piedras and also completing several courses offered locally by Hampton Institute and New York University.

She took a respite from teaching between 1934–38 and helped her father with a taxi service that he owned. She dispatched the taxis and otherwise managed the business but eventually decided to return to her career as a teacher. About a year later she became principal-teacher at what is now the Joseph Sibily School. She first went to Madison School in 1942 but was then transferred to Nisky Rural School before finally going back to Madison in 1951.

In 1953 she became the full-time principal of the school, and she says things began to change tremendously at that time. "When I first went to Madison in 1942 there were 38 students in grades 1–6," she said. "It was really country then . . . and it was the only school on the East End. But in 1953 the enrollment started to grow because of the influx of people into the country as they started moving out there and buying land and building homes. By the time I retired there were approximately 436 students." And now on that end of the island there is one other public elementary school with another to open in September.

Miss Roberts says that she is continually running into her former students, many of whom are now established in the community and in other parts of the world. She says that her former students have gone into a variety of occupations and some have become policemen, lawyers and doctors.

"They always recognize me but I can't always remember them all," she said. Sometimes she says men will come to her laughing and kiddingly say, "You used to whip me. Do you want to try it now?"

In referring to her use of corporal punishment, she explained, "It was not to be brutal, but sometimes they needed it. Some people have expressed to me later that they couldn't always see the point of whipping them but can now."

JOSEPH ELLIS HONORED

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. BYRON. Mr. Speaker, recently ceremonies were held to honor Joseph A. Ellis on attaining 35 years of service with the State Farm Insurance Co.

I would like to add my note of congratulations to Joe Ellis on his many achievements. Joe worked in many areas of State Farm operations. He started out in 1940 as a student at the home office claim school. He then worked in the Pittsburgh claims office followed by a move to Meadville, Pa. Later he undertook the position of claims adjuster for the entire District of Columbia metropolitan area. He was then promoted to resident superintendent in the District. After several executive positions at the Seaboard regional office in Frederick, Joe became division manager of the West Virginia Division on January 1, 1974. This is the position that he holds at the present time.

I feel sure Joe will continue to serve State Farm in the manner all his colleagues have come to expect of him. I know too that he will continue to exert his efforts on behalf of his community and family. The tribute to Joe Ellis is well deserved.

CUTOFF OF MILITARY AID TO TURKEY

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. BADILLO. Mr. Speaker, the cutoff of military aid to Turkey becomes effective today, February 5, 1975.

While we bask in the warmth of victory in the upholding of law and justice by Congress over executive whim and immorality, our joy is tempered with a definite degree of sadness as we witness the lack of progress in negotiations and the human and political tragedy in Cyprus which is quickly becoming "fait accomplis" with every passing day.

In twice delaying the suspension of military assistance to Turkey in the face of flagrant and illegal use of American weapons in Cyprus, Congress has allowed more than sufficient time for peace talks to achieve even some progress in settling the most pressing problems on this beleaguered island.

During this period of delay, the administration, by flouting both the Foreign Assistance and Foreign Military Sales Acts, not only did not cut off military aid, but proposed an ominous increase to $230 million. And during this timeperiod when Congress has shown more than just a conciliatory attitude toward peace efforts, not only has there been no substantive progress in the negotiations but the Turkish line has stiffened in recent weeks and the talks are actually moving backwards.

Mr. Speaker, this agonizing situation which began with the July 1974 genocidal invasion of Cyprus with 40,000 Turkish troops, and occupation of 40 percent of the richest and most productive part of Cyprus—aided by American military hardware—has worsened with more appalling crimes occuring daily. Since December 18, 1974, when Congress delayed the suspension of military aid to Turkey for a second time, there has been in addition to the thousands dead and many thousands still missing, the shattered plight of more than 200,000 Greek Cypriots massively usurped from their homes and lands, and still today suffering as exiles in the south—a grave and potentially volatile situation.

Added to this heinous violation of every basic principle of international law is the importation of more than 10,000 Turkish Cypriotes from the south by way of Turkey, along with Turkish citizens for the purpose of permanent residency in the north, thereby destroying the demographic character and historic culture of the island. These transplanted intruders today hold new title deeds to thousands of Greek homes, businesses, and acres of land, all as a prelude to partitioning the island into separate zones and eventual annexation of Cyprus by Turkey. A census tabulating the spoils of its military victory has been conducted to determine the captured resources available to the Turks drifting into the enclave daily.

Widespread atrocities—which outweigh any Greek abuses since United Nations and Red Cross agencies have been barred from entering the Turkish zone—continue unabated. Violence and looting persist with even valuable antiquities being smuggled out of the Turkish sector every day and sold abroad. The names of scores of towns and villages in the occupied north are being changed to Turkish with no relationship between the former Greek and the new Turkish names. The once bustling economy is in ruins with the vital Nicosia airport and the seaport at Famagusta still closed.

The ceasefire which has been broken a number of times with the grabbing of more land by the Turkish army, has had its most serious and most recent incident on February 1, 1975, when residents in northern Nicosia abandoned their homes fearing that the Turkish army might advance to take over other areas of the Greek zone.

Against this infamous list of international crimes, the phantom Turkish Government has stated that the withdrawal of 1,000 Turkish troops out of 40,000 represents a concession to Congress when it asked for "substantial progress" toward peace, and the preservation of the sovereignty and the territorial integrity of Cyprus.

Mr. Speaker, this balance sheet of what has occurred not only shows no progress but demonstrates a deterioration of the present unstable conditions, and verifies the proven fact and congressional contention that continued military assistance to Turkey has made the Turkish Government more intransigent and strengthened their refusal to make any concessions toward peace—especially in alleviating the indescribable suffering of the 200,000 refuge-exiles.

The suspension of all military aid to Turkey by the Congress of the United States is not a unilateral or vindictive action but one dictated under our law by Turkey's actions. We would like to have continued aid to Turkey but legal and moral considerations demand that we devote attention to preventing a war between Greece and Turkey that would finally destroy NATO's already-weakened southern flank and risk confrontation with the Soviet Union in the eastern Mediterranean.

A TRIBUTE TO RAY MEYER AND HIS OUTSTANDING CAREER AS COACH OF DEPAUL UNIVERSITY

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. RUSSO. Mr. Speaker, last month Ray Meyer reached a milestone in his coaching career when he achieved his 500th victory as head basketball coach of DePaul University.

In tribute to Coach Ray Meyer, I would like to commend him for the significant contributions he has made to DePaul University and its athletic program, and also to the tremendous string of victories he has compiled.

Ray Meyer is a former Notre Dame graduate who began his coaching career with DePaul University in 1942. During the past 32 seasons Ray Meyer has produced winning teams 27 times, and has also been voted "Coach of the Year" four times by the Chicago Basketball Writers Association.

I can attest to the constant dedication and enthusiasm he has exhibited during my years with the team. While serving as head coach he has known victory and defeat, but his primary objective has always been the future of his players rather than another victory. Ray Meyer not only demanded excellence on the basketball court but also in the classroom. His career has indeed been great, he is the second-winningest active college coach in the country. But even greater will be the memory and friendship his players will cherish of him as they proceed into the ranks of society, distinguishing themselves in their various walks of life.

Mr. Speaker, I know that you and our colleagues, join with me in congratulating Coach Meyer on his singular accomplishment, and wish him continued success in the days ahead.

BLACK HERITAGE WEEK

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ANDERSON of California. Mr. Speaker, the heritage of the black person in the United States, too often neglected in the history books, is one of great achievement and accomplishment. The fact is, black men and women have been in the forefront of our progress as a nation. The list of their accomplishments and their contributions toward making the world a better place to live is endless.

This week is Black Heritage Week in Carson, Calif., and has been proclaimed Black History Week for the Nation as a whole. In view of this observance, I would like to take a few moments to pay tribute to these Americans, who have given our society so much, yet have received so little public acknowledgement.

Throughout the history of the United States, the black American has played an important role in molding our Nation's development.

However, because of the attention given sports heroes and celebrities, the spectacular achievements of black athletes and entertainers have often overshadowed the equally impressive accomplishments of black scientists, inventors, political and religious leaders, and businessmen.

At this point, I would like to cite just a few examples of the black person's role in American history. This should serve to show us all how oblivious we can be to this group's rich heritage.

The first American patriot to die for his country was Crispus Attucks, a black man, shot by the British during the Boston Massacre. During the American Revolution itself, some 5,000 Negroes served in the Continental Army and Navy.

Nearly a quarter of a million black soldiers and sailors fought for the Union forces during the Civil War. Twenty of these men were recognized for valor and received the Nation's highest medal for heroism, the Congressional Medal of Honor.

Jean Baptiste Point DuSable, a black pioneer, founded the settlement of Chicago. Another black pioneer, Matthew Henson, was with Adm. Robert E. Perry when he discovered the North Pole in 1907.

There were more than 5,000 black cowboys in the Old West. A black man, Bill Pickett, invented the art of "bulldogging." James P. Beckworth was a black frontiersman who excelled in trapping and hunting.

The idea of the blood bank was formulated by Dr. Charles Drew, a black surgeon who became the world's greatest authority on blood plasma.

The first black physician in America was James Derham, who established a prosperous medical practice in Philadelphia. The first doctor to perform open heart surgery was black—Dr. Daniel Hale Williams.

The scientific achievements of Booker T. Washington and George Washington Carver are well known to students, but how many Americans have read the works of Alexander Dumas, author of "The Count of Monte Cristo," and realized that he was of African descent, as were Samuel Coleridge-Taylor and Alexander Pushkin. Black Americans such as Paul Laurence Dunbar and Charles Waddel Chestnutt have left their mark in the literary annals of America also.

Despite the extra burden of discrimination black Americans have had to bear, black men have prospered in business. C. C. Spaulding developed his insurance company to the point where it was worth $33 million when he died. S. B. Fuller set up a firm in Chicago that manufactures toiletries and cosmetics and distributes them by door-to-door salespersons. The Fuller Products Co. is one of the largest black-owned businesses in America.

Current leaders in the movement for civil rights and equality have such great black men as Frederick Douglass and Martin Luther King, Jr., to inspire them. Such heroes have the ability to unite Americans, regardless of color or sex.

The work produced by black artists and designers symbolizes the integral part these Americans play in all aspects of the Nation's daily life. The residents of Los Angeles know the fine architecture of Paul Williams, who designed the Beverly Wilshire Hotel, a Saks Fifth Avenue store, office buildings, and mansions. He surely is one of the world's foremost architects.

The list of accomplishments by black men and women in the sports and entertainment fields is virtually endless.

Americans of all races have contributed to the improvement of the quality of our lives; Black Heritage Week is an attempt to bring national attention to the important part this group has played. We should all take pride in the heritage which has been left to us and to future generations by the black pioneers.

PROTECTION OF U.S. DAIRY FARMERS

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. OBERSTAR. Mr. Speaker, of all the victims of our current inflation and recession, none are harder hit than the dairy farmers of Minnesota, particularly those in the east-central part of the Eighth Congressional District.

The hard-working family farmer not only bears the brunt of today's economic conditions, but also suffers the full force of unfair competition from abroad.

Without help, many of them will go under.

As I traveled through east-central Minnesota after last fall's elections, meeting with various groups, dairy farmers repeatedly told me of the decline in milk prices, and their disastrous effects on the individual family farmer.

At these meetings I learned that one of the principal reasons for this decline was growing competition from foreign dairy products—products imported from countries whose standards of purity and sanitation are not up to the tough standards our Government rightly imposes on U.S. dairymen.

Mr. Speaker, American cleanliness standards require constant care throughout the farm, and equipment that is expensive to buy and maintain. For a family farmer, the prices are almost prohibitive; but once bought, the equipment costs must be added to the price of the dairy product.

Yet foreign dairymen, who compete with the American farmer, are not required to meet equal standards, meaning that their products enter this country more cheaply and undercut our domestic prices to the point where they are driving farmers out of business.

Mr. Speaker, the American dairy farmer is in bitter straits as it is.

The President has just vetoed legislation that would have given farmers milk support prices at 85 percent of parity. Farmers in Minnesota and elsewhere throughout the country are among the hardest hit by today's inflationary cycle and high interest rates, and have no relief in sight.

Beef, which brought 47 cents per pound in 1973, brought 19 cents a pound in 1974. Farmers who sent their calves to market found shipping costs were higher than the market price of the calf—they actually owed money after they sold the calves.

On top of this they are clipped by enforced participation in research and promotional programs.

Family farms have been excluded from many support programs, making young farmers even less able to compete with the more favored giant agribusinesses.

And the FHA, supposedly the farmer's friend and spokesman, stands accused of what amounts to planned indifference to the farmer's needs; of causing 6- to 8-month delays in processing loans; giving them the run-around; and failing miserably to address itself and its programs to today's farm problems.

Added to these domestic problems comes the unfair competition from abroad, undercutting American dairymen and possibly creating a health hazard to the consumer as well.

The Dairy Import Sanitation Act, which I introduced this week, requires foreign dairy producers to meet health and sanitation standards as rigid as those American farmers have to meet.

Each country exporting dairy products to the United States would have to set up its own system for farm and plant inspections, and these systems in turn would be monitored by U.S. inspectors to insure compliance.

I urge the Committee on Agriculture to act on this legislation as soon as possible because I know, from what dairymen in east central Minnesota have told me, they need this help badly, and they need it now.

I insert the following newsletter:

OBERSTAR LEGISLATION TO REQUIRE HIGH STANDARDS ON DAIRY IMPORTS

WASHINGTON.—Rep. James L. Oberstar, D-Minn., Tuesday introduced a bill requiring imported dairy products to meet the same standards of purity and wholesomeness now met by American dairymen.

"We must protect both the American consumer and the dairy farmer and manufacturer who, under U.S. law, must comply with tough domestic sanitation standards," Oberstar said.

"To do less is not only dangerous, but grossly unfair to the American dairy farmer who must spend a great deal of money meeting U.S. sanitation requirements."

Oberstar pointed out that while thousands of pounds of contaminated dairy products are refused entry each year, such a small percentage of all dairy imports is inspected that many more thousands of pounds could reach the grocery shelves undetected.

The Oberstar legislation, the Dairy Import Sanitation Act of 1975, would require that foreign dairy producers and manufacturers meet health and sanitation standards as rigid as those which farmers and manufacturers in the U.S. must meet.

Each country exporting dairy products to the U.S. would be required to set up its own system for farm and plant inspections, and these systems in turn would be monitored by U.S. inspectors to insure compliance.

"Dairy imports rose 19% last year, while FDA inspections dropped from 13.2% in 1973 to only 5.8% in 1974," Oberstar said.

"Clearly, this legislation is needed, to guarantee healthful dairy products on the shelves, and a healthy dairy industry in areas like East Central Minnesota."

MALPRACTICE INSURANCE—A CRISIS SITUATION

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. GONZALEZ. Mr. Speaker, I am introducing legislation today that will help alleviate the current emergency situation surrounding medical malpractice insurance.

Medical malpractice suits as well as the cost of malpractice insurance have reached crisis proportions in many of our States, and it is time to take immediate action to relieve this situation.

The bill I am proposing is patterned after Federal riot and flood reinsurance programs to protect primary insurance companies against catastrophic claims and would establish a federally administered medical malpractice reinsurance fund.

Companies selling malpractice insurance could pay into the pool on a volunteer basis and these payments would support the pool.

Initially the pool would pay malpractice liability claims above $25,000, and the figure would be adjusted based on actuarial experience. The Secretary of Health, Education, and Welfare would work with the State insurance authorities and other knowledgeable people in the area of premium rates for primary insurance.

This bill would also require the Secretary to engage in a number of studies and reports including a study of the direct and indirect costs of medical malpractice claims in all federally-supported health care programs.

It was never the intent of the Federal Government to become involved with medical malpractice insurance, but a combination of things have led us to this serious situation where suits against physicians are increasing at the rate of 10 percent a year, and one doctor in three can now expect to be sued during his career.

The cost of coverage for malpractice insurance in some areas of our country is incredible. In New York, new physicians are paying $10,000 to $15,000 per year, and I understand that rates of $34,000 for some anesthesiologists are not uncommon. These high insurance rates ultimately are paid by the consumer in higher health premiums and hospital costs.

While the cost of malpractice insurance has skyrocketed—by almost ten-fold since 1969—an even more serious situation has developed in a number of States including my State of Texas. New doctors just out of medical school are unable to obtain insurance, which could lead to a serious shortage of doctors since they could not be expected to practice without some type of coverage.

Another serious result of the increase in malpractice suits and the increase in damage awards made by juries—in California last year 30 awards of more than $300,000 were made—has forced many doctors to practice what they call defensive medicine.

These doctors are reluctant to try a procedure that is risky but could provide a cure, and they are requiring more lab tests to support and verify their decisions. Practicing defensive medicine could lead to a situation where medical science is stifled, and the cost of medicine can only be increased by requiring excessive testing to be done.

While new doctors are unable to obtain insurance, older doctors are finding it increasingly difficult to be reinsured, and as a result older doctors are being forced into early retirement adding to the already serious doctor shortage around the country.

It is extremely difficult to untangle the issues involved in the increase in malpractice insurance and every faction has a legitimate case to present. The doctors feel the insurance companies premiums are excessive; the insurance companies feel justified because of the large awards being made by the juries hearing malpractice cases; and both sides feel that lawyers are to blame since they work on a contingency basis.

We can not waste time debating who is at fault or who is responsible for the dramatic increase in the cost of malpractice insurance. We must take immediate action and I am hopeful that the House will move expeditiously in considering my bill to reverse this serious situation currently jeopardizing our health system.

WHAT'S HOPEFUL FOR 1975?

HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. ESHLEMAN. Mr. Speaker, in these times of economic questioning, I think it is particularly important to listen to individuals whose wide background in economic policy makes them indispensible national resources.

Walter E. Hoadley is such a man. He is presently executive vice president and chief economist of the Bank of America, NT&SA, San Francisco. Previously, he held similar positions with Armstrong Cork Co. and today serves on the board of directors of that firm.

In a recent address to the Commonwealth Club of California, Mr. Hoadley had some important things to say about our Nation's economic health, the need for confidence in our Nation's economic future and the responsibility of all Amerians to participate in assuring our Nation's economic survival. His speech was a challenge to his audience, and I would like to share it with my congressional colleagues as a challenge to all of us.

"WHAT'S HOPEFUL FOR 1975?

(By Walter E. Hoadley)

Now is the time for the seasoned men and women in our country who have experienced periods of great uncertainty, recession, and even depression to rise up and help restore confidence. They are needed to provide steadying and positive leadership to blunt the increasingly panicky feelings of average Americans who, at age 27, never have had to live through such a period as confronts us in 1975.

The message for all America is simple—the basic strengths of the U.S. economy and the spirit and determination of our people never fail to see us through to better times. Unfortunately, this message is not now being—certainly not forcefully—told. The younger people can't be expected to tell it believingly to themselves and too many older people don't think anybody will listen. I can report from personal research that most young people are more anxious to hear the views of their elders now than at any time in the post-war period.

NEEDLESS CONFIDENCE CRISIS LOOMS

The most serious aspect of all this is that across the nation now there are increasing signs of an impending needless confidence crisis. Once full-blown it can greatly undermine all public and private efforts to reestablish an upward course for the economy in 1975. Some of the signs are: (a) almost universal doubt about the future, (b) more and more postponements of major personal and corporate decisions, (c) rising liquidations rather than new investments, (d) increased austerity at home, office, and factory, (e) common references to the "mess" we are now in, and (f) intensified requests for somebody—usually in government—to "do something", but even more doubt that anything can or will actually be done about it.

A confidence crisis is not to be ignored or taken lightly as seems to be the case in most public and private outlook discussions these days. Fear feeds on uncertainty and reinforces a downward spiral in economic activity by making people believe the "safe" thing to do is not to do much of anything.

My psychologist friends also tell me that it's very human in the face of uncertainty to look for a safe haven by reverting back to modes or levels which seemed secure in the past. Pretty clearly this reversion process is now underway with cumulatively negative overtones. But, it is also stoppable in large part by the sheer recognition that mounting fears and emotions can only compound our problems and delay the solutions which we so anxiously want.

The average American is inexperienced and emotionally unprepared to understand or cope with prolonged recession and is largely unaware of what causes inflation. But I find young people everywhere looking for information about what's going on and even more for reassurance that we'll "make it" in 1975—an amazing doubt for many of us who have seen our country weather great storms successfully in the past.

NO ONE CAN WASTE A YEAR

I'm personally disturbed that so many people have literally written off 1975 as total disaster and have chosen to sit on the sidelines and "wait and see." As suggested, this is the best way to aggravate our problems. Moreover, a year is a precious segment of each of our lives—about 2% of the actuarial life expectancy of the average 27 year old—but 4% for the 50 year old—10 of the 65 year old—and as God only knows 100% for some. No one of us and certainly our nation can afford to waste any year and not 1975.

If you're among the many Americans who have already written off 1975, please take another look: (1) the fundamental outlook is far stronger than it may appear in the headlines and (2) unless some more positive thinking occurs soon, the present weakness could be seriously aggravated into a self-fulfilling deeper recession prophecy, which nobody wants. Negative psychology is now far more dangerous than negative economics because the former kills the will to act. We need more positive action now—not more drifting!

Let's never forget that the outlook for 1975 as always is greatly dependent upon the degree of realism of our worldwide expectations and our personal vantage point. Americans are known to be impatient people, persistently seeking quick and simple answers to our problems. We rapidly take the good for granted, assume it will continue indefinitely, and are shocked when it doesn't. We don't take time to note underlying changes until they threaten to overwhelm us. We are traditionally restless with the status quo, yet quickly become apprehensive when change occurs. We abhor uncertainty, but we are the most readily adjustable people in the world.

Fundamentally, we are a confident people, but economic progress has been so persistent that we've almost forgotten to nurture the roots of our system. We've failed to note that our economic progress in recent years has been so great that other dimensions of life, especially qualitative rather than quantitative values, have pushed such old fashioned economic virtues as productivity, investment and savings into the background. We've hardly learned that the U.S. is far more interdependently linked with other nations than seemed possible only a short while ago.

We've failed until very recently (and already largely forgotten because of the recession) to recognize that the pervasive and long standing slack in the developed world-economy is gone. The problems which now confront us clearly are far more complex than just economic. As a people we've hardly learned the fundamentals of supply and demand economics when we've rather suddenly been confronted with a strong new set of environmental, social, political, and related influences. No wonder we seem confused. Any expectations for return to the good old days can only be totally unrealistic.

YEAR AHEAD CULMINATES MANY BASIC CHANGES

The year 1975 for all these reasons was destined long ago to be flat and anything but serene on many fronts, as even some cursory Monday morning quarterbacking of 1974 will attest. These are enormously changing times for very explicit reasons and it is just not realistic to assume them away as we look ahead. Our nation and the world are shedding the vestiges of deep seated war and postwar periods and struggling to find the priorities, policies, programs, and political and social power structure for the rest of this century. This will take several years. It's our job to make the most of it for what it is—no more no less.

Let's also be careful not to accept at face value the "objective" views of those who capitalize on fear to sell gold and other "sure" assets or advisory services which never seem to have anything constructive to offer.

THE 1975 OUTLOOK IS WHAT WE MAKE OF IT

The most commonly accepted forecast for the United States for 1975 is for a decline in real terms of 1 to 2 percent, price increases of 8 to 10 percent, an unemployment rate of 7 to 8 percent, and an after tax profit reduction of 15 to 20%. Against an expectation of perpetual economic advancement this is a pretty weak outlook.

In fact, the outlook is for the second or third best year in U.S. or any other economic history, with about 85 million men and women at work, record or near record consumer financial assets, minimal excess capacity in basic industries, a topping out of inflation, generous use of the government's time-tested enlarged kit of help for the unemployed and underprivileged, more comparative U.S. advantages over most nations in energy, inflation, capital markets, and financial system strength, unrivaled management expertise, the best educated people in the world in a mood wanting to understand our problems and participate in their solutions, and no war.

This is a pretty hefty set of strengths to help all of us find a solid bottom to this recession close to where we are now—if we'll only demonstrate the willingness to weigh the factual evidence of strengths and not insist on stressing only weaknesses. The key point is not *whether* but *when* the outlook will improve.

CONFIDENCE MUST BE RESTORED PROMPTLY

But, the confidence breadown has proceeded far enough now that much more has to be done promptly to make sure it does not accelerate much further. This is not time for mere reassurances or generalizations. This is a time for action and I mean some dramatic action to catch public attention:

Here's my program:

1. The public already knows too much about our problems, so, let's not you or I or the media dwell on them inside or outside of government unless we're prepared to offer practical solutions. "Put up a positive answer or shut up" could be a motto.

2. Have government, business and research professionals determine where confidence is the lowest, seek out "why?" at the grass roots level and design practical answers and programs which have personal local significance, and above all get people—lots of people—involved.

3. Launch a national weekly educational T.V. program on prime time—financed jointly by public and private funds—involving the President and other leaders as a follow up to the Summit Meetings to present further opportunities for the public to understand more about the nature of our problems and the practical options and limits to their solution. Stress the interrelations of simultaneous inflation and recession and the need for priorities.

4. Settle for some time to come by Congressional inquiries the questions of future material and other shortages or surpluses—real or imaginary—and prospects that U.S. living standards may not be able to rise much further unless a massive program of new investment gets underway; follow up with appropriate action.

5. Indicate a joint public and private broadscale residential and commercial "fix-up" campaign to help the hard hit building industry.

6. Have Congress adopt a strategic program of temporary "confidence restoring" tax cuts to reassure the public and management-investors that "bottom" to the recession will be found promptly, emphasizing (a) quick reaction techniques through one shot forgiveness or lower withholding with promises of more doses as needed, (b) easing of tax deterrents to durable goods purchases and capital investments, and (c) packaged determination to invoke tax increases as confidence and growth return to offset the eventual inflationary potential of any excessive stimulation.

7. To encourage almost defunct forward planning and remove as much uncertainty as possible, make more specific public and private commitments for a minimum of two years.

8. Have the President and the Congress challenge the citizens in all communities to make 1975 the year in which a determination is made of what precisely is to be preserved for posterity and what civic improvements can be made by citizen participation as one of the key action programs of the 1976 Bicentennial.

9. Have President Ford convene an international Summit Conference to discuss openly the critical questions affecting the world outlook for 1975–76, toward the end of developing at least the outline of a concerted program of well known supportive action to invoke should the present worldwide tendency toward recession intensify.

10. Have the joint leaders of the U.S. public and private life call upon the people to recheck their current behavior against recent experience and urge them to spend, save, invest, or borrow on a more normal level if they have allowed fear to cause serious retrenchment.

This is by no means an exhaustive test, but perhaps will serve to illustrate how some dramatic action, soon, against a realistic appraisal of the dangers of further ebbing of confidence as well as irresponsible inflationary fiscal action—can offer a constructive basis for starting restoration of confidence. This is not only important to the U.S. but to the rest of the world which now fears our country will "export recession" in 1975.

THERE IS NO ESCAPE FROM PLANNING NOW—MAKE IT CONSTRUCTIVE

No doubt many will still feel much of what has been said here reflects more hope than certainty. In any event, there is at least one more point to be made. It is to remember that not to plan ahead is really to plan to push forward the status quo—both the best and the worst—in all organizations. At the very least 1975 prospects call for a critical cost-benefit evaluation of our key activities to test the strength and endurance of the human and material resources employed against the markets to be served.

A flat year such as 1975 bluntly means in all our lines of endeavor that we're going to have to make our accomplishments pretty much on our own without much help from the outside, that means more than ever we must ask ourselves—how good really are we?

Let's also recognize that there are widespread feelings among 27 year olds and others that business and the private sector are not really important contributors to national welfare—that only the so-called public sector can determine what is in the public interest—and that right now the best course of action is to control business more while government and the public sector take over more responsibility:

Those who hold such views should answer these questions: Why does productivity fall as government activities multiply? Who is responsible for the greatest flow of innovative ideas and follows them through to reality? Who ultimately has to pay the bills for government expenditures?

The point of all this is that no one should assume that the private sector is not adversely affected by the negative actions of government. Moreover, neither the private sector nor the public sector alone can hope to solve tomorrow's complex problems. Both must be involved and both must remain strong for all Americans to have the best life in qualitative and quantitative terms. Don't let anyone tell you otherwise.

Where we have weaknesses and problems—let's get to work to correct them. They're not going to correct themselves in this environment. Where our fundamentals are sound, let's move ahead—albeit cautiously. When we do we'll avoid the inevitable rush and jam when all the present drifters regain their confidence, in 1975 or 1976, start to move ahead again—only to kick themselves for not taking action now.

Will you be one of them? Don't sit there. Let's get up and do something positive today!

DEATH BY HANDGUN: THE CASE FOR HANDGUN CONTROL

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. HARRINGTON. Mr. Speaker, the Washington Post of January 30 printed two contrasting letters under the heading: "The 'Right To Bear Arms' Versus a Life." It seems to me that the two viewpoints expressed in these letters, taken together, provide yet another strong argument for strong national handgun legislation.

The tragic story of Mary Jo Donovan, as recounted by Claudia Anderson Nevins, of Washington, speaks for itself as an example of the senseless deaths that are in part attributed to the availability of handguns.

The following letter by William J. Herb, of Greenbelt, cities the fact that there are an estimated 20,000 Federal, State, and local statutes presently on the books. While to Mr. Herb this might constitute "some form of gun control," to me it appears worse than none at all and argues forcefully for some form of effective control of handguns, such as I introduced last year.

The text of the articles follows:

THE "RIGHT TO BEAR ARMS" VERSUS A LIFE

Mary Jo Donovan is dead. She died while she was warming up her car on a cold January day in a Maryland suburb of Washington. She died because someone shot her and left a beautiful little boy motherless and a devoted husband and friends without one of the liveliest, most charming, warmest, best humored people we have ever known.

This is not the first letter I have written on gun control. And it probably will not be the last. But I hope to God that it is the most painful, as I doubt that I personally could endure more pain than those of us who knew Mary Jo have experienced. Mary Jo was one of those rare women who had found liberation and was a mother and wife and a career woman who did all of those things well and without complaint or trauma. And she made a lot of people laugh in a time when there is not a great deal to laugh about in the world.

I am tempted to call the National Rifle Association and ask whether they can honestly say that the "right to bear arms" is a sufficient trade-off for the life of one truly fine human being. A right versus a life. Would they think about that? Since hearing that Mary Jo is dead. I have been wandering around in a daze as have most people I know. And all that I seem capable of saying to myself is "Who cares?" I have not been able to decipher what that means, but I want to know when this country is going to get to the point of valuing human life and dignity? I have heard people say that life is cheap in Asia and Africa, but here we have the most senseless killings and a numb acceptance that is frightening.

It would not surprise me if this letter is not printed because of its incoherence. And I can understand that. But I hope that someone, somewhere does read it and realizes that it is intellectually easy to oppose something, but when someone who has been a friend to many and an enemy to no one is sacrificed for nothing, we can only hope that the hopelessness and the bitterness we feel can somehow be interpreted into a positive means of combating the most incredible narrowmindedness that exists in our nation today.

CLAUDIA ANDERSON NEVINS.

WASHINGTON.

In a recent Post column Jerry Wilson attempts to make much of the fact that a majority of Americans favor "some form of gun control," and to use this as an indication of public sentiment for "extraordinarily stringent "limitations on the availability of handguns. With an estimated 30,000,000 handguns presently in America, this sounds strongly like an advocacy of confiscation. This is a giant, fanciful step from "some form of gun control." With 20,000 federal, state, and local laws currently on the books controlling the possession and use of guns, I submit that we already have "some form of gun control."

Mr. Wilson recognizes that "firearms obviously are needed in some instances . . . for safe defense against criminals . . . and by hunters and trappers." But he emphasizes that this need is mainly in rural areas. Granted, there is little hunting or trapping in highly urbanized areas, but an examination of the number of violent crimes per 100,000 population in rural and urban areas, and a consideration of the inability of the police to prevent violent crimes would lead to the conclusion that the urban dweller is in greater need of a means of self-protection.

Wilson attempts to illustrate his case for strict gun controls by citing statistics that show that 10,000 people per year commit suicide by using handguns. He reasons that the "availability of handguns" killed these people. It would seem obvious that an individual intent on committing suicide certainly would be able to find an efficient alternative.

I feel that Wilson's faulty brand of reasoning will logically lead to a call for the confiscation of all privately owned guns, whether they be rifles, shotguns, or (as proposed in a Post editorial the following day) handguns.

WILLIAM J. HERB.

GREENBELT.

IS THE WITCH HUNT BACK IN STYLE?

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mrs. HOLT. Mr. Speaker, after beholding the activities of the Department of Health, Education, and Welfare in the school systems of my own district and others throughout the country, we must conclude that the witch hunt is back in style.

One does not hear of any really solid investigative work to determine the facts involved in any individual complaints alleging racial or sex discrimination.

Instead, we find the Office for Civil Rights pursuing an obsession with records, files, statistics, reports, and charts showing the racial and sex composition of schools, classes, courses, and even disciplinary caseloads.

Local school officials are endlessly harassed with demands for such data, which can be produced only with large expenses of time and money. Agents of the Office for Civil Rights frequently approach local officials in an accusatory manner, challenging the local jurisdiction to prove itself innocent of race and sex discrimination.

The Federal enforcement officials are actually getting deeply involved in the administration of local schools, mandating racial quotas for each school, class and course, and even insisting on racial balance in discipline.

The civil rights laws as they were intended by Congress are not being enforced. Instead, what we are witnessing is a classic example of a bureaucratic fuddle factory in operation, perpetuating and expanding its empire by creating turmoil in local school systems.

To correct this dreadful condition, I have introduced legislation that would set HEW on the proper course.

This legislation would establish an orderly, legal process for the investigation of civil rights complaints, but it would stop the arbitrary and costly demands for records, files, statistics, and reports that burden local educators.

Stated simply, my legislation would prohibit the Federal Government from requiring such information from local school systems, except when the data is necessary to pursue individual, specific complaints of race and sex discrimination.

Whenever a local school district resists demands for information, the Federal agency could petition for a court order releasing the data.

To obtain the court order, the Federal Agency would need to file formal complaints by students or parents and evidence showing "probable cause" that race or sex discrimination has occurred.

This legislation is consistent with American legal tradition. It is a sound approach to enforcement of the laws of the land, but it protects local school districts from unreasonable harassment and impoundment of appropriated funds.

I would urge my colleagues to support this legislation.

PRESIDENT FORD AT RELIGIOUS BROADCASTERS BREAKFAST

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. DON H. CLAUSEN. Mr. Speaker, I am submitting for inclusion in the CONGRESSIONAL RECORD the address of President Ford to the National Religious Broadcasters congressional breakfast which was held in Washington on January 28.

I believe all Members of the House and Senate should take the time to read the President's remarks.

He takes a very strong position in support of religious liberty—one that reflects a positive and sincere expression of his own personal views. It is good that these views guide the man who holds America's highest office.

The President's comments were well received by those in attendance who favor strict adherence to religious liberty as guaranteed under the first amendment of our Constitution.

The National Religious Broadcasters Association is among those in the forefront of those concerned with protecting our religious freedom and the right to worship in the manner of our own choosing.

I believe this speech is timely and reassuring. The President has set the tone for meeting the awesome challenges this country faces here at home and throughout the world.

THE 32D ANNUAL CONGRESSIONAL BREAKFAST OF NATIONAL RELIGIOUS BROADCASTERS

Remarks by the President

I am grateful for your invitation to this Congressional breakfast, which I attended fairly faithfully when I was a Member of the Congress, and from which I derived not only a good deal of religious inspiration but also that powerful encouragement which is described in the familiar hymn as "the fellowship of kindred minds."

I might say, in a secular way, I am still hoping for some of that spirit with the new Congress.

Last year I had the privilege of being with you as Vice President, and I guess the first thing I ought to assure you this morning is that I am not going to do any more job-hopping.

As President, I have been cautioned to be very careful what I say about religious matters. But the separation of church and state, although a fundamental principle to which I fully subscribe, was never intended in my view to separate public morality from public policy. It says that the power of government shall not be used to support or suppress any one faith, but in the same sentence protects the profession and propagation of all faiths.

I took a minute to re-read the First Amendment to the Constitution before coming over here. This is what it says:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

Now that says an awful lot in one sentence; it sustains some of our most precious rights; it also underscores how inter-related they are. Freedom to exercise one's religion would be meaningless without freedom of speech and assembly; without freedom of the press there could be neither religious books nor religious broadcasters.

As we proudly enter a period of celebrating our Bicentennial of independence as a nation, we must remember that our great traditions of freedom did not suddenly start in 1776. For more than two centuries before the Liberty Bell rang, the processes of conflict and compromise were working on this continent, and the impassioned extremes of religious and political rivalry were tested and found wanting.

In the end, our Founding Fathers sought to establish a new order of society embodying the principles of tolerance and freedom, of unity in diversity, of justice with charity. So the First Amendment was written to ensure the perpetuation of the hard-learned lessons from our colonial history that religious belief can neither be coerced nor suppressed by government; that a free people must retain the right to hear, the right to speak, the right to publish and to read, and the right to come together—all of which had been denied the early American settlers at one time or another.

As for the other freedom, the right to petition the government for a redress of grievances, it is hard for any of us who hold public office to imagine a time when this was not permitted. But it was dangerous in America 200 years ago, and it is in many parts of the world today.

I am told that the total listening audience of the National Religious Broadcasters exceeds 40 million persons and that religious broadcasting in this country and throughout the world is growing at the rate of 20 to 30 percent per year. This can be a tremendous force for good, for freedom, and for peace.

While the Founding Fathers never dreamed of radio or television, the personal freedoms they protected make your work possible. The electronic era of communications which is only beginning, as the age of books was only beginning when Gutenberg printed his Bible, holds unlimited opportunities for those who today tell and re-tell the Good News of God's love for man.

As President, I am no less concerned than George Washington was when he observed in his Farewell Address to his countrymen:

"Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensible supports . . . . The mere politician, equally with the pious man, ought to respect and to cherish them. . . . Reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle."

You will note that the First Amendment is stated entirely in the negative; it forbids Congress—because its authors were much more fearful of the tyranny of Parliament than of the King—to make any laws in certain areas of individual freedom.

But President Washington urged all "mere" politicians to respect and cherish the principles of religion and morality. And it has been my experience in the Congress over the years that most of us "mere politicians" really do.

In my first speech as President to my former colleagues in the Congress, I had dedicated groups such as this one in mind when I said:

"On the higher plane of public morality, there is no need for me to preach. . . . We have thousands of far better preachers and millions of sacred scriptures to guide us on the path of personal right-living and exemplary official conduct. If we can make effective and earlier use of the moral and ethical wisdom of the centuries in today's complex society, we will prevent more crime and more corruption than all the policemen and prosecutors of the government can ever deter. If I might say so, this is a job that might begin at home, not in Washington."

Through your broadcasts, you reach into the homes of America, and bring to young and old the ageless axioms of Divine truth. All of us need the sure guidance of God in whatever we do. Although there are many faiths and denominations represented at this meeting, a common goal brings us here: recognition of the need to keep strong the spiritual and moral ties that bind us together as a nation. I will not join the skeptics who say Americans have lost faith, hope or love. But I know that each new generation must rediscover these redeeming qualities and translate them into its own way of living, or lifestyle as they now say. You are helping in this renewal and nurture of our deep religious roots.

When I was young, I learned a couple of verses from the Book of Proverbs, third chapter, which have stuck with me all my life. When I took the oath of office as President, the Bible was open to this passage:

"Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all the ways acknowledge Him, and He shall direct thy paths."

That is what I have tried to do, and will try to do, as your President. I think it does no violence to the separation of church and state to commend these words to my countrymen. If it does, I am in good company, starting with George Washington.

LETTER CARRIERS DISLIKE KOKOMO PLAN

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. HILLIS. Mr. Speaker, in my congressional district, there is a fine little city called Kokomo. Because of the stubbornness of postal management, it has become the rallying cry of indignant letter carriers all over America and eventually could very well be the cause of a nationwide postal strike.

In Kokomo, postal authorities are conducting an experiment which they hope to implement nationwide. The experiment is really kind of a super time-and-motion study, augmented by computers. It is aimed at standardizing the routes of the letter carrier—forcing them to take so many steps a minute, make so many stops in an hour, and so on. The end result of the experiment is to make the heavy task of the mailman even heavier by eliminating some routes by extending the routes still existing. Management feels it can eliminate 15,000 routes throughout the country.

The letter carriers resent this. They feel there are no two routes exactly alike, and no two letter carriers exactly alike, and that it is foolish and vicious to computerize and evaluate them on exactly the same basis.

Mr. Speaker, I agree with the letter carriers. These are fine, dedicated men who, for more than 100 years, have been the Nation's best ambassadors to the people.

Despite all the experimentation going on, the mail service is swiftly deteriorating. Every day it is worse than it was the previous day. Morale is low. The employees are bitter.

I sincerely hope the postal managers will abandon the Kokomo plan, and will concentrate their efforts on moving and delivering the mail as swiftly as possible. A postal strike would be disastrous to the economy in these difficult times. It can be avoided only if management puts away its pride and yields to the commonsense of its employees.

NURSE TRAINING ACT IN 1975 SESSION

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MADDEN. Mr. Speaker, I want to bring to the attention of this Congress the fact that no Nurse Training Act has yet been signed into law. That legislation which the 93d Congress passed was pocket vetoed by President Ford and I am concerned about the effects of not providing assistance to our schools of nursing and to nursing students.

It has been projected that this Nation will require a million nurses by 1980 and this estimate does not include the nurses needed for any NHI program. Certainly we cannot meet the nursing needs of our people without Federal assistance.

I would like to share with you a letter from the chairman, Student/Faculty Affairs, at Indiana University Northwest.

DEAR MR. MADDEN: I am deeply concerned over President Ford's veto of H.R. 17085, the Nurse Training Act. In the past, many students at Indiana University Northwest would not have been able to complete their nursing studies without the help of the Nurse Training Act, and many will be unable to complete their education in the future without this assistance. Forty-five (45) of the one hundred ninety (190) students enrolled in nursing courses for the Fall Semester 1974 were on financial aid—fifty-five percent (55%) of these were minority students. While it is true that some of these students will complete their studies this year under the old act, many will have great difficulty or will find it impossible to complete their studies without aid. In addition, one hundred thirty (130) of the three hundred (300) applicants for admission to the class of 1975 have indicated a need for financial assistance in order to attend school. Since nursing students are not eligible for the National Direct Student Loan, many of these students will be unable to attend school without the Nurse Training Act.

Mr. Speaker, Ms. Malone also stated that area hospitals have gone to the Philippines to recruit nurses. New hospitals have opened in the area during the past 2 years and another is opening this year. These hospitals must have registered nurses if quality care is to be provided. She says that capitation funds, under the NTA, have helped her school to meet the demand for registered nurses and without those funds it will be impossible to meet that demand.

Mr. Speaker, I hope this Congress can move rapidly toward enactment of the Nurse Training Act that was passed in late 1974.

THE EUROPEAN SECURITY CONFERENCE AND THE BALTIC STATES

HON. MILLICENT FENWICK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Ms. FENWICK. Mr. Speaker, the European Security Conference has been in session in Geneva, Switzerland, and Helsinki, Finland, intermittently since June 1973. The Soviet Union first broached the idea of a security conference in 1969 with the aim of stabilizing Europe's future through agreements on security, economics and cultural exchange. The conference has now reached the point where a summit meeting is being planned for early this year to ratify the conference agreements. By some accounts, the size of this summit will exceed both the Congress of Vienna in 1815 and the Versailles Peace Conference of 1919.

One of the many issues that has been raised at this conference is the status of the Soviet-controlled Baltic States of Estonia, Latvia, and Lithuania. The Soviet Union has urged that the World War II boundaries be accepted by the United States and Europe. A ratification by the West would put a seal of legitimacy on the territorial gains made by the Soviet Union during World War II. An acceptance of the Soviet claim that the people of the Baltic States voluntarily joined the U.S.S.R. would be not only a falsification of history, but also a renunciation of the principles of self-determination and respect for human rights and fundamental freedoms on which this country's foreign policy has long been based.

Mr. Speaker, February 24 marks the 57th anniversary of the Estonian independence. It is appropriate at this time for us to remember the people of Estonia, Latvia, and Lithuania who lost their independence during the Second World War. I am introducing today a resolution which expresses congressional concern over the fate of the Baltic States at the European Security Conference. We cannot forsake these valiant people in the name of détente.

FRANCE VERSUS OIL DEPENDENCE

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MURPHY of New York. Mr. Speaker, it appears that France is combatting its energy crisis with far more vigor and optimism than the United States.

By 1985 the French hope to have all base-load electricity supplied by nuclear power plants. In addition, France is significantly ahead of the United States in building the fast breeder reactor.

The Russians are also ahead in building the fast breeder reactor.

On its editorial page of January 4, 1975, the New York Times challenged the administration to show more drive, estimating that the United States could "even reduce its total oil imports to as little as one million barrels a day by 1985."

As this matter is of maximum urgency to all members, I insert this editorial to be printed in the RECORD in its entirety.

FRANCE'S ENERGY PLAN

France's new ten-year program to reduce the country's dependence on imported oil sets an example for the industrial nations, but also emphasizes again the economic power of the oil cartel.

By 1985, President Valéry Giscard d'Estaing intends to reduce the country's dependence on imported fuel from the present level of 75 per cent of energy consumed to 55 or 60 per cent. Conservation, as well as new sources of energy, is to be relied upon. The expectation has been that French economic growth would require energy equivalent to 284 million tons of oil a year by 1985. But the country's economic plan has now been revised on the assumption that a reduction of 16 per cent will be possible to the equivalent of 240 million tons without seriously constraining production.

Increased energy supplies are to be obtained through halting the decline in coal use by opening new mines and by further coal imports. A massive nuclear-power program, already under way, is to be pressed forward vigorously with a target of providing one-fifth of France's energy supply from nuclear-power plants. Whether this can be achieved as early as 1985, however, remains a matter of debate among economic planners. After ten years, France will still be dependent on imports for over half her energy and virtually all her oil.

Some West European countries will be able to do better than that. Britain expects to be a petroleum exporter by the early 1980's with the help of North Sea oil. Holland has natural gas. West Germany still has vast coal resources. But, overall, the dependence of West Europe and Japan on imported oil will remain substantial for many years.

The United States, in contrast, could achieve independence from Middle East oil before 1985 and even reduce its total oil imports to as little as one million barrels a day by 1985 from the current six to seven million. But a far more vigorous effort is required than that currently contemplated by the Ford Administration.

THE REAL DIFFERENCE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. ABDNOR. Mr. Speaker, the financial crisis of the livestock industry has reached such proportions that it is a very real worry as to how many ranchers are going to be able to stay in business and continue producing the quality beef you and I like to have on our tables. The cost-price squeeze continues unabated in rural America, but it is a problem little understood in our cities. Mrs. Robert Pfeil, of Harrold, S. Dak., has sent a letter to the editor of a number of South Dakota newspapers, that tells what our ranchers are up against these days. I want to share that letter with my colleagues so that they, too, can have a better understanding of what is involved in raising the meat they enjoy at the dinnertable:

THE REAL DIFFERENCE

To the Editor:

I am a 365-day-old average calf. My mother is expected to have a 90 per cent chance of raising one live calf per year. Together we are called a unit.

My owner offered to give me to a town citizen the other day to keep and feed until I was ready to butcher. They said they couldn't afford to feed me. My owner asked, "How about me?" The town citizen said my owner had the stuff to take care of me to make the difference.

In this area you are to allow eight acres for my unit per year.

8 acres at $100 per acre at 8 per cent interest	$64
Principal on 8 acres at over 40 years	20
Tax on 8 acres and unit	12
Necessary shots (no illness)	4
Pellets or oats after weaning (6 months)	40
Mineral, salt and vitamins	3

This comes to $143.

How many of these items did you say my owner didn't have to pay for or did you say, Couldn't pay for?

While maintaining me, but not pushing me on this ration, at one year, if I am a heifer, I should weigh 600 pounds. At the current price, if I am good, of 18 cents equals $108. If I am a steer, I should weigh 675 pounds at 23 cents equaling $155.25 or average the two to equal $131.62.

Sorry, I forgot a few things like labor and gas for calving time, checking cattle and feeding, AI expenses or per cent of cost of bull, the expected death loss of 10 per cent or more, vet calls, cow's pregnancy check, insurance, bangs vaccination, mowing hay, bucking, stacking, stack moving, grinding hay, electricity to pump and heat water, repair and upkeep of bunks, fences and sheds, baling and hauling straw, manure hauling, the investment and repair of machinery involved.

Would you tell me again what you really said the difference was?

Mrs. ROBERT PFEIL.

HARROLD.

A NEW APPROACH TO HEALTH: BEYOND NATIONAL HEALTH INSURANCE

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MATSUNAGA. Mr. Speaker, I am convinced that one of the most important issues the 94th Congress will have to come to grips with is that of national health insurance. There is a basic human right to adequate health care, and we must move swiftly to guarantee that that right is more than rhetorical affirmation.

The House Ways and Means Committee has already taken an important step in the right direction, with the selection of Congressman DAN ROSTENKOWSKI to head its Health Insurance and Medicare Subcommittee. I look forward to working with Mr. ROSTENKOWSKI to fashion thoughtful and comprehensive legislation in this most vital area.

Many of the concepts which I believe important in mapping our policy direction in this field are set forth in a speech I was privileged to deliver last month at a seminar on public policy for health sponsored by the University of Hawaii's School of Public Health, chaired by its most able and resourceful dean, Dr. Jerrold Michael.

In order to contribute to the dialog on the country's health care system, I am submitting for my colleagues and other readers of the RECORD the text of my speech:

THE VIEW FROM WASHINGTON: CURRENT FEDERAL HEALTH POLICY AND THE OUTLOOK FOR THE 94TH CONGRESS

(By Hon. SPARK M. MATSUNAGA)

The story frequently told in Washington at this time of the year concerns Senator Theodore Greene, who as a new member of Congress used to have the reputation of attending every social function to which he was invited. He kept a black pocket date book and would check off each function as he attended one after another. On one occasion, Senator Hubert Humphrey spotted him at a corner table lamp, thumbing through the familiar black book, and asked, "Well, Senator, you trying to find out where you're going to next?" "Hell, no," Senator Greene replied "I'm trying to find out where I am right now."

And the mythical Indian Thunderbird, it is said, used to fly backwards because it wanted to see where it had been but didn't give a damn where it was going.

By reading newspaper accounts of what your Federal Government is doing in the Nation's Capitol, some of you may be wondering if any one, from the President on down, knows where we are as a Nation, or in which direction we are headed.

Like the Thunderbird, we can at least see where we have been. Although the scene of the past year certainly has not been a pretty one, we can catch glimpses of encouraging signs—signs which may not only indicate where we are, but which may also point in the direction in which we are headed.

So putting to use that gift of Janus, let us see what has happened in the past and what might lie in the future for us in the area of our special interest—health care policy for our Nation's people.

There is a great tendency, especially at the beginning of a new Congress, to characterize a particular subject of Congressional concern by making out two lists: one, a list of bills passed in the previous Congress, and two, a list of bills the new Congress can be expected to pass. Such lists do serve useful purposes, but, I believe, in the case of health policy, we must do more than that. So while I intend to refer to specific pieces of legislation, both past and future, the references, hopefully, will be related to the theme I will be trying to develop: That health, including but not limited to health care, should be—and must be—a matter of National concern and policy.

To place this discussion in the proper context, we must initially recognize what may be the major political transition of the past few years: the shift of power away from the President to the Congress in the National policy process. This represents a long overdue reversal of trend, triggered primarily by Watergate and its related events.

Prior to Watergate, since the days of Franklin D. Roosevelt and the New Deal, at the same time that the Federal Government was assuming a much larger role vis a vis states and localities, power at the national level had been flowing from Congress to the President. Although briefly slowed down during the eight years of the Eisenhower Administration, this trend was sharply accelerated during the Kennedy-Johnson years. The gravitation of power to the Executive prompted bold social experiments inspired by Presidential dreams of greatness and history-making.

The concept of the so-called "Great Society," fostered during the Johnson Administration, happily focused on health as a major national objective.

The passage of Medicare early in the Johnson Administration was the first attempt by the Federal government to assure health services to a large civilian population. It marked the conversion point in Federal involvement in personal health services—from a benign (and fairly unimportant) participant in the promotion of specified health services and limited research, to an instant major purchaser of services. Federal health expenditures of all kinds rose from $5 billion in 1965, to about $32 billion in fiscal year 1975. Hawaii's share in this fiscal year runs up to about $62 million. The entrance of the Federal government into the medical marketplace has altered the market in ways which we are only now beginning to comprehend.

Medicare was followed by Medicaid and by other health programs, including new Federal programs to support the training of health professionals. In almost geometric progression the federal share of the American health dollar has become the largest share. About 26% of personal health care expenditures in America today are federal expenditures, more than double the figure of ten years ago.

In any market, a single purchaser who outbuys all others has the power to shape the behavior of the suppliers. This is an important fact to which it will be necessary to return later in this discussion.

Paradoxically, at the same time that Lyndon Johnson was building the power of the presidency to unprecedented levels, he was also dispersing power to a new constituency, previously excluded from key decision making processes. The Community Action Program, through its emphasis on Partnership for Health, brought consumers into a major policy role in the health planning process and elevated the American democratic idea of participatory democracy to new heights. The unprecedented programs of the Great Society vested individuals in grassroots organizations and groups with the power to make decisions which affected their own lives.

Thus, there was a new equation of power, one which involved two major concentrations, the President and the grassroots communities. Had presidents not abused the power, this shifted balance might have remained as a new basic structure for decision making. However, as we are regretfully aware, presidential abuse of power created a need for drastic readjustment.

This readjustment was dramatically accomplished to a large degree by three major achievements of the 93rd Congress. They are the War Powers Act, the Congressional Budget and Impoundment Control Act, and the Congressional pursuit of Watergate misdeeds, all of which have reduced the President's powers vis a vis the Congress.

In the framework of a new balance of power which combines the complementary forces of a life-sized, not larger-than-life, presidency; a strengthened Congress; State and local governments with the authority to pursue important policies; and citizen participation in every local decision, we can look more sharply at what the 93rd Congress did, and the outlook for the 94th.

Undoubtedly the most important health legislation enacted by the 93rd Congress is the Health Policy and Planning Act. This new law will reorganize Comprehensive Health Planning, Regional Medical Programs and Hill-Burton, in a way designed to increase the effectiveness of these established programs in meeting the new needs now being recognized. This reorganization effort reveals a recognition on the part of Congress of the new balance of power which has been struck, and its willingness to relinquish as much Federal control over local health activities as possible without jeopardizing the program itself. Hopefully, decisions will be made by local provider and consumer groups and designated State agencies, and the process of developing local health plans, certifying services and facilities for need, and cooperating with local PSRO's—provider controls—will be better advanced under the new law.

The underlying principle of this new legislation is to limit the Federal role to the making of broad policies for health promotion.

Let me add a personal note at this point. Many of you in this room have been instrumental in assuring passage of this bill—do not lose your momentum in Hawaii. Now is the time to develop your new planning structures for our state. Now is the time to shape rather than await the future.

Looking now to the future, the 94th Congress promises to be an activist Congress, one that will clear from the agenda many items of long standing.

To begin with, the new 94th Congress will wind up some of the unfinished business of the old Congress. In the last days of the 1974 session, Congress passed legislation to extend and revise Family Planning programs, Community Mental Health Centers, Neighborhood Health Centers and other important local health services. Regretably this bill was vetoed by President Ford, who seems bent on going down in history as the most vetoing President. The new Congress convening tomorrow can be expected to pass substitute legislation to correct this presidential error in very short order.

The 94th Congress will also pass health manpower legislation to replace the measures which, though passed by both House and Senate, ended up deadlocked in conference. The most important and controversial feature of the health manpower bills in the last Congress were provisions aimed at assuring adequate supplies of health manpower to every community in America. This feature recognizes the right of every individual to have access to health services. It will undoubtedly be retained in some form in the legislation the 94th Congress will enact.

The most controversial of all of the health issues which will be considered by the new Congress in the next few months will no doubt be National Health Insurance. This is not only a proposal whose time has come, but one which has also withstood the ravages of time, maturing and mellowing along the way. As originally proposed by President Franklin D. Roosevelt, National Health Insurance would have given every American the right to acquire medical services as needed. Every other President since Roosevelt has endorsed the concept of national health insurance and has added embellishments to the basic idea. So many approaches to national health insurance are possible that more than 20 versions were introduced in the 93rd Congress.

National health insurance should be aimed at one single goal. This goal must be to guarantee that every single individual's right to health is not denied by any external factor, such as geographic remoteness or lack of ability to pay.

We are indeed fortunate here in Hawaii to enjoy unparalleled medical coverage of the population. Even here, however, there are gaps in coverage, and individuals are unable to acquire the services they require.

A first objective for any program of national health insurance, therefore, must be to guarantee to all persons the services which are now being provided only to some individuals. This must be done with no diminution of the quality or availability of the services which some now receive. The objective—an objective which we can reach—must be to raise the lowest levels of service so that they are equal to the best.

This is what the National Health Security Act would do. It would provide a basic guarantee to every person in the United States that there will be no denial of medical services on account of lack of ability to pay. A guarantee of medical services will be a milestone toward guaranteeing health as a right of every American. By bringing the services of physicians and other providers of basic care within the economic reach of everyone—essentially by reorganizing the setting in which these services are provided—the National Health Security Act will bring to fruition an American dream that has been ignored for far too long.

As can be expected in any new and extensive program, there will no doubt be shortcomings and pitfalls. We will need to guard against lowering the quality of care being delivered, as the quantity of delivery increases. We will need to guard against overutilization. We will need to cope with the potentially inflationary effects of imposing major new demands on an already strained system. These are problems which will be the subject of intense Congressional scrutiny. But, if I may make a prediction, after all is said and done, the 94th Congress will enact legislation very much like the proposed National Health Security Act and take a giant step toward assuring every American the basic right to health care.

Momentous as this step promises to be, I would like to suggest to you today that, even now, we must look beyond the enactment of national health insurance.

Even now, we know that adding medical services beyond a certain quantity—perhaps a quantity we have already reached—does not raise the level of health in a community. In other words, as some insurance commercials keep reminding us, there is more to health than paying bills for health care, or providing that health care.

It will not be enough simply to provide quality treatment to every victim of injury and disease. Such treatment can be given only after the suffering has begun, and the outcome is never certain. It is too wasteful and foolish to let our scarce health resources be expended in this fashion.

There are many diseases and conditions which we have the knowledge to prevent. Once we have met the challenge of providing medical services adequately and equitably, it will be possible to devote greater energies toward finding policies, programs and methods which will promote and protect normal growth and development, instead of concentrating on repairing the failures of our system to support health.

A new approach to health must prevail. Health must be recognized as a human right, and new organizational, professional and service models must be created to promote it. An integrated network of services which combines the domains of nutritionists, environmentalists, immunologists, family planners, community mental health workers and others must be developed. An array of services must be made available in every neighborhood, every community, and every town which will foster and promote normal growth and development. The goal of conquering disease by prevention rather than cure must become universal. In the year that smallpox will finally be eliminated from the earth, it is timely to express this new health policy.

The new organizations which will be needed must employ newly trained professionals to provide services which do not yet exist. These services will have to be organized and directed on the local level, and the crucial decisions will have to be made by the consumers of these services, working in partnership with providers from the whole health service spectrum. The new programs must emphasize the importance of prevention as a health concept and stress health, rather than medicine.

Services will have to be provided by community people, who have the training and the knowledge to move freely about in their own communities, helping individuals to promote and protect their own health. These new professionals should be capable of providing basic repair services as well as referrals to physicians for illness and injury, but their main efforts would be directed at minimizing the incidents requiring these services.

We know that nutrition, environment, exercise and personal habits are closely related to maintaining a good state of health. We know also that smoking, alcohol, and other kinds of substance abuse cause degeneration of health. There is no reason why we cannot begin to identify the kinds of services which are needed in local communities to protect health, and methods to deliver these services and start training people to bring these services to their own home communities. For example, an important health measure enacted last year was the Safe Drinking Water Act, which sets up the state as the primary enforcement agency of national water quality standards.

I was extremely pleased to learn only a few weeks ago of a five-year "Forward Plan for Health," formulated by HEW and "leaked" to the Washington Post, which places major emphasis on prevention, rather than cure. The plan would shift the vehicle for health delivery more toward the local level, while the Federal Government would help by assuring pure drinking water, promoting innoculations of groups susceptible to diseases for which effective vaccines are available, reducing occupational health hazards, and funding more basic health research.

If this conference is to serve as a meaningful forward thrust in the area of its special interest, we must here and now fully commit ourselves to the concept that good health is a basic human right.

We must then make long range plans consistent with this basic right, and we must include as many as possible within the planning process. This is the challenge that awaits us—be we health professional, legislator or private citizen.

Thank you.

CLEAN AIR WILL REQUIRE BOTH STRINGENT EMISSION STANDARDS AND LAND USE AND TRANSPORTATION CONTROLS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. BROWN of California. Mr. Speaker, as we have struggled with the proposals to clean up our presently unhealthy air from the pollutants our modern technology produces, we find ourselves increasingly confronted with hard choices. We wish to increase employment to keep up with the growing work force. We wish to increase energy supplies to avoid energy shortages. And we wish to have a long and healthy, as well as a satisfying, life. Air pollution jeopardizes this last goal very directly by deteriorating our health. Yet increased employment, which is based on even faster climbing energy consumption rates, to produce goods that produce even more pollution, is detrimental to our entire way of life.

We do not have to employ people in jobs that continue this cycle. People could be employed in labor-intensive industries, such as insulating homes, making and retrofitting solar heating panels, and the like, instead of producing automobiles that waste valuable resources, destroy communities, require vast amounts of scarce oil to operate, as well as injure and kill people. If we addressed this issue head on, and dealt with it now, we would avoid the larger problems that are inevitable if we pursue the ways of the past.

I discussed a few weeks ago the President's proposal to freeze auto emission standards, instead of cleaning up the automobile exhaust, as now required by law. Quite simply, we cannot afford to allow the excess pollution the President is urging, to enter the air we must breathe.

But what if we do succeed in cleaning up the automobile to the degree required by law? Will we then have clean air?

Mr. Speaker, unfortunately we will not. Some years ago a number of elected officials, including myself, said that the internal combustion engine must be banned from our urban centers. We introduced legislation to do this, but the Congress, in its wisdom, chose to require maximum emission standards for each vehicle. These emission standards have been met by a variety of engine technologies, mostly the internal combustion engine with modifications, and if all autos in the United States meet the standards currently required by law, we would still have harmful concentrations of air pollution.

This pollution would exist, because of the number of automobiles that exist, even though each one is cleaner, because of the increased miles each auto is traveling, and because of other sources of air pollution. We did not ban the internal combustion engine, but we still have to reduce its use.

This brings me to a subject that I am reluctant to raise, and that is the need for land use and transportation controls. The Environmental Protection Agency has, by court order since they, too, were reluctant, promulgated regulations dealing with land use and transportation controls. The Clean Air Act Amendments, which many Members of this body voted for, required these tools of pollution be used when necessary. They are necessary now.

Many of my colleagues have decided that this legislative authority must be repealed. I must disagree. I will elaborate on my objections in the near future, and at appropriate congressional hearings, but at this time I do wish to advise my friends to tread softly on this issue. It is easy to oppose an arbitrary regulation or a poorly drafted one. But the need for land use and transportation controls as part of the overall efforts to clean up the air is neither.

Mr. Speaker, the February 3 issue of the Los Angeles Times had an article entitled "Air Quality in Basin Deteriorated in '74," and I insert it in the RECORD at this time:

AIR QUALITY IN BASIN DETERIORATED IN 1974—OXIDANT LEVELS UP IN SIX-COUNTY AREA; SETBACK ENDS 2 YEARS OF IMPROVEMENT

(By Larry Pryor)

Data collected by the state Air Resources Board indicates that air quality in the South Coast Air Basin deteriorated during 1974, almost equaling levels not reached since 1971.

In particular, levels of oxidant, the principal constituent of smog, escalated noticeably in the eastern part of the six-county basin, hitting an average hourly peak in Upland of .63 parts per million (ppm), the highest hourly peak since 1970.

However, air quality analysts are unwilling to say yet whether 1974 represents a step backwards in the effort to control smog.

"We can't say things are getting worse," said Jack Paskind, head of air quality monitoring for the ARB. "Compared to 5 years ago, it's better."

The yearly maximum hourly average for oxidant dropped from 11.3 parts per hundred million in 1967 to 8.0 in 1973, then edged up to 8.7 in 1974.

But it is too early, Paskind said, to determine whether the 1974 readings represent adverse weather conditions or a new upward trend in smog readings.

"The only way to get a feel for 1974 will be in 1975 or '76 when we see what the three-year averages look like," he said.

Nevertheless, ARB staff members said that 1974 smog conditions in the basin were definitely worse than the two previous years, which were meteorologically favorable.

In 1973, during the heavy smog months of July, August and September, oxidant readings of .20 ppm were equalled or exceeded on 76 days in the basin. This climbed to 84 days in 1974.

The average oxidant peaks during those three months rose from .47 ppm in 1973 to .51 ppm in 1974. At Upland, the hardest hit area in the basin, the average oxidant level for the three months rose from .28 ppm to .31 ppm.

Within Los Angeles County, the days on which the state standard for total oxidant (a 1-hour average of .16 ppm) was equalled or exceeded rose from 185 in 1973 to 215 in 1974, almost equaling the 1971 total of 218 days.

Nevertheless, this represented an improvement over the peaks of 322 days reached in 1958 and 271 days in 1966.

Last month the Los Angeles Air Pollution Control District interpreted data gathered within the county as confirmation of a "continued downward trend (in smog readings) that began in the late 1960s."

In a formal announcement, the APCD said that this "improving trend in 1974" confirmed earlier district projections that air quality standards will be met in the early 1980s.

"Recent improvements in air quality are the result of better emission control systems on new motor vehicles. Air quality will gradually continue to improve each year as later model and better controlled motor vehicles comprise an increasing percentage of the total vehicle population," said county air pollution control officer Robert G. Lunche.

But Lunche's optimism was not shared by air quality analysts at either the state or federal level. The national standard for oxidant would allow an hourly average of .08 ppm to be exceeded only one day a year.

"By the looks of things, they will get to the carbon monoxide and oxides of nitrogen standards in the 80s, but not get to the (.08) 1 hour per year of oxidant in the South Coast Air Basin," said Paskind of the state ARB.

The persistance of oxidant measurements, despite tighter motor vehicle controls, raises the possibility of whether national air quality standards for oxidants can ever be reached in the basin.

Air specialists at the state level estimate that natural emissions of hydrocarbons from oil and gas fields underlying the basin may be sufficient to cause the federal standard to be exceeded.

The federal Environmental Protection Agency estimated that a 90% decrease in hydrocarbons would be required to achieve the oxidant standard in the basin, since hydrocarbons are a prime ingredient for the creation of oxidant.

However, the ARB estimates that 15% of the hydrocarbons emitted in the basin come from natural sources and are uncontrollable.

Recognition of this "background" problem may eventually lead to the South Coast Air Basin being exempted in some manner from meeting the National Ambient Air Quality Standard for oxidant.

The problem with such an exemption, however, it that the standard is based on health effects, particularly on the effect of oxidant on the young, the aged and the ill.

After an extensive review, the National Academy of Science last year affirmed the medical basis for the standards, even though public officials charged with meeting the standards question whether they are attainable.

This puts public officials, at all levels of government, in a difficult position, since a relaxation of the oxidant standard might mean that some segment of the population would suffer. "It's a question of who's health are you going to write off," said one attorney familiar with the federal Clean Air Act.

It was suggested, not entirely in jest, at a recent meeting on air pollution control strategy that billboards might be erected in the South Coast Air Basin stating that this area is one place in the country where public health standards cannot be met.

"This is a problem residents of the South Coast Air Basin themselves will have to decide," one participant said.

"When natural background air quality exceeds the standards, one might want to be cautious about moving to that area," said Leon Billings, an aide to Sen. Edmund Muskie (D-Me.), who will be holding hearings on revisions to the Clean Air Act later this year.

"The Environmental Protection Agency is good, but not that good," Billings said.

At the meeting, sponsored in Oakland by the California League of Cities, Billings suggested that if high oxidant background levels could be proved, whch EPA is not yet ready to concede, then the South Coast Air Basin might be placed on some sort of variance, taking natural emissions into account.

Such a variance, he said, could be accomplished administratively, without having to revise the act. "The law is flexible enough to revise an air quality standard to take background into account," Billings said.

If meeting the national standards by 1977 as required by the act proves totally unreasonable for Southern California, as most air quality experts expect, Billings said that counties and industries within the air basin could be placed on compliance schedules.

This would require emissions from mobile and industrial sources to be reduced according to a clearly defined time schedule. Failure to meet the deadlines could result in civil and criminal penalties.

This approach has the advantage of retaining the national standard for oxidant but stretching out ways to reach the standard over a realistic but effective time period, Billings said.

A failure by local governments to act in good faith to reduce emissions during this time period, principally through tighter land use controls, could result in a "cutoff of water pollution control funds and a few other goodies we could throw in," Billings said.

The biggest problem facing local government in attaining better air quality, according to top ARB and EPA officials attending conference, is that any steps taken to relax controls on automobiles means a greater burden on land use controls to reduce vehicle traffic.

Whatever concessions that are made to the auto industry at the federal level, in other words, could put local officials in an increasingly untenable position as they are required to scale down or cut off growth in their communities or face federal penalties.

FEDERAL FIREARMS CONTROL

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. CONYERS. Mr. Speaker, today I am pleased to announce that the Subcommittee on Crime of the House Committee on the Judiciary will conduct the first of a series of comprehensive hearings on the subject of Federal firearms control immediately after the coming recess. During this initial phase, Members of Congress will be given an opportunity to express their opinions on this timely and serious problem; in subsequent hearings, representatives of organizations and the general public will be given an opportunity to be heard on this issue.

The hearings will be held on Tuesday, February 18, in 2141 Rayburn House Office Building, and on Thursday, February 20, in 2226 Rayburn House Office Building. Both hearings will begin at 10 a.m. Those Members wishing to testify or to submit a statement for the RECORD should address their requests to the House Committee on the Judiciary, 2137 Rayburn House Office Building, Washington, D.C. 20515.

THE SENIOR AIDES PROGRAM

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. SARASIN. Mr. Speaker, the experience and maturity that senior citizens lend to community service projects constitutes an invaluable resource for our Nation. Each town and city suffers the grievous ill of men and women in need crying out to one another for help and understanding.

Senior citizens, active in the Senior Aides program have found just such a "calling" in the Fifth District of Connecticut. I cannot help but marvel at the contribution Connecticut seniors have made to institutions caring for the mentally retarded, schools serving young boys and girls and adults with learning disabilities and hospitals caring for individuals with physical handicaps. Letters have flooded my office from senior citizens unwilling to give up the emotional and psychological boost the program provides and likewise, from institutions and individuals who have benefited from the serious commitment seniors have pledged to make life better for their neighbors.

The program, funded under title IX of the Older Americans Act authorized $12 million in fiscal year 1975 to operate Senior Aides. Presently, five national organizations or "contractors" administer the program on the local level: First, the National Retired Teachers Association; second, the National Council on Aging; third, the U.S. Department of Agriculture Forest Service; fourth, the National Council of Senior Citizens; and fifth, the National Farmers Association Green Thumb Project. The project is generally part of the Office of National Programs in the Department of Labor.

Contacting the Department of Labor dredges to the fore the long struggle waged during the last year to extend the program and authorize funds. The administration called for the careful annihilation of Senior Aides, claiming that the needs of American seniors were fractured and inestimable by a national organization. Instead, the executive branch proposed that as a way to trim the budget, the programs funded under title IX cease and desist and the local grantees of revenue sharing—any unit with a population exceeding 100,000—assume the responsibility if they so desired.

Congress reacted by proposing a $10 million authorization on the House side and $20 million on the Senate side. The conference committee, settling for the current $12 million, preserved the program and provided a way for the continued useful integration of senior citizens into society. Congress legitimized public service jobs for seniors on a national scale. The jobs that the program funded enhanced the dignity of American seniors and proved that they have a valuable contribution to make to American communities.

In response to the glowing letters of commendation for past performance and anxiety for the coming fiscal year, I have contacted the Department of Labor requesting a continuation of the program. I urge my colleagues to take notice of this serious threat to a vital and talented segment of our population. The wisdom and maturity of experience may temper the impatience and exuberance of youth and lead us to the practical, realistic, and workable solutions to the "people" crises cropping up in our cities and towns each day. How better can we utilize talent than to provide individual help and counseling for those individuals with special problems and to provide a ready work force with all the needed expertise?

Recognizing the impossibility of categorizing an individual over 60 years as useless to society and relegated to either a life of ease and aimlessness or life of hardship and poverty, I have also examined the emergency job programs for senior citizens involvement. Section 701 provides for the inclusion of "part-time work for individuals who are unable because of age, handicap, or other factors to work full time." Further inspection revealed that this new law may provide funds for seniors who are unemployed.

Each area that meets the population requirement of a grantee should seriously consider unemployed seniors for such jobs. We must avoid the waste of human resource that older citizens provide and capitalize on their experience in the next 2 years. We should call on them for a wellspring of ideas, and in turn, I hope we will be able to ease their continued and meaningful integration into society.

TRUTH ABOUT OUR ECONOMY

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. RHODES. Mr. Speaker, President Ford's economic message is an open and frank assessment of America's economic difficulties. The President has concluded, quite wisely I believe, that the American people deserve and need to know the truth about our economy, regardless of how depressing the truth may be.

The President believes that it is up to Government to exercise unprecedented fiscal discipline with regard to spending policies. This will require a considerable degree of courage on the part of Members of Congress. For we have become accustomed to having just about anything we want.

Another major aspect of the President's analysis is the importance of the private sector to do what it can to stimulate production and restore consumer confidence. Many private businesses and industries have already responded to the President's call for help. They are initiating special programs involving cash rebates aimed at getting people to purchase surplus goods.

One such program has been instituted by the Apache Corp. of Minneapolis, Minn. Mr. Raymond Plank, the president of Apache, recently wrote to me to explain his program with the expressed hope that others in the private sector will emulate his effort. The Apache program provides cash incentives to the first 10 percent of the employees who purchase new American-built automobiles or major appliances.

Mr. Plank writes:

> We recognize that governmental action is urgently needed, but, if the private sector can also be sufficiently innovative, our initiatives could supplement yours in important ways.

I wholeheartedly concur with this analysis and applaud this gentleman's concern and initiative—as well as the many other businessmen like him who are trying to help cure our economic problems.

We can get the economy back on a healthy course—but only if Government, business and the consumer all work together. It is my hope also that the private sector will join the national effort to restore our economy's health.

CHINESE NEW YEAR

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. ANDERSON of California. Mr. Speaker, February 11 marks the beginning of the Chinese New Year. It is the "Year of the Hare"—4673. I would like to take a few moments to wish my constituents and the 435,000 persons of Chinese ancestry in the United States a most joyous holiday.

This group's relatively small proportion of the population is no indication of the intensity and energy with which they celebrate their New Year and its spectacular Dragon Parade.

Yuan Tan, the Chinese New Year, traditionally falls on the first new Moon after the Sun has left the sign of Capricorn and entered Aquarius. In non-Zodiac terms, this places it between January 21 and February 19, marking a time when the great cold of winter is receding and when the springtime awakening of the Earth is expected. Men close their accounts with the old year to face the new one with fresh spirit.

The 14-day celebration is not simply a time of noise and light, it is dominated by symbols of the Taoist religion, primarily the Yang forces putting to rout the evil spirits which have accumulated through the year. Behind all the boisterous merrymaking is a series of traditional rituals which symbolize the Chinese concept of the multiplicity of man's ties with, and responsibilities to, the seen and unseen world.

Mr. Speaker, Chinese New Year is a very special time. A rich picture passes before our eyes, a vision of traditional China, bound to strict rules and values, but bursting with life within these restraints.

Certainly all Americans owe a debt of gratitude to those of Chinese ancestry for allowing us to join in their celebration and to experience the rich pageantry of this traditional holiday.

RETIRED OFFICER, VETERAN OF VIETNAM, OBSERVES SOUTHEAST ASIA PLIGHT

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. VAN DEERLIN. Mr. Spsaker, one of my constituents, a retired naval officer who has served in Vietnam both as an officer and a civilian, has furnished me with a copy of a letter he has written to the President outlining views he has gained as an on-the-spot observer of events in that tragedy-ridden region. He is Capt. John McCormick, U.S. Navy, retired, of Coronado, Calif. Because his views are so pertinent, and so directly concerned with events and proposals that face us today, I feel that they should be called to the attention of the Members of Congress who will be asked to act upon legislation to provide additional funds for Vietnam and Cambodia. The letter follows:

CORONADO, CALIF.,
January 31, 1975.

The PRESIDENT OF THE UNITED STATES,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing this letter to express my views on the Vietnam situation and I hope that whoever on your staff opens this letter thinks it important enough to see that *you* get to read it, albeit a bit lengthy.

To introduce myself so you will know I am no kook and am not usually given to writing such letters—I am a retired U.S. Navy Captain, having served my country for 35 years (1931–1966), a graduate of the U.S. Naval Academy and one of three brothers who, between us, served 94 years in the U.S. Military: my eldest brother James, 34 yrs. U.S. Navy, retiring as a Rear Admiral; my next brother, Schuyler, 25 yrs. U.S. Marines, retiring as a Col. My oldest son, John, Jr., served as an Ensign, USNR, voluntarily with the Marines in Vietnam, where he was killed at Quang Tri in 1967. I write the above, not for sympathy, but to prove that I am a dedicated American and as a patriot am concerned about what has happened and is happening in Vietnam today.

In March, 1974, I was offered and accepted a job as a Civil Servant, GS 14, with the Defense Attache's Office (DAO) in Saigon. Although I did not solicit this job I took it because I thought I might be able to help the South Vietnamese in a small way to attain self efficiency. Upon reporting for duty I was assigned as Chief of the Technical Section, Navy Division, DAO. I was astounded at the magnitude of the DAO complex and the large numbers of useless personnel (my opinion) attached to the DAO. This is not to say that there were not some dedicated workers who were endeavoring to help the South Vietnamese. My group spent most of our time putting out "Fire Drills," generated by the General (USA) or some of his high ranking officers—most of these fire drills were not helping the VN in their war efforts.

I worked out of a small building designated as the Vietnamese Navy Technical Bureau, headed by a very competent and dedicated VN Navy Captain Du (pronounced YOU). Capt. Du was my counterpart and as such I got to know him pretty well. Through various sources I found out that he was on the VN Navy Admiral's "______ list" and that Adm. Chon was trying to frame him, demote him and ultimately get rid of him. The real reason for Capt. Du being in disfavor was that he was one of the few honest officers who had at one time tried to stop the "kickback" system existent amongst the VN Hierarchy. This can be checked out by a Commander Herb Wood, USN, whom I believe is now serving in the Washington area.

I sincerely believe that the real reason that the So. Vietnamese cannot defeat the VC and No. Vietnamese is due to the corruption of the Thieu government and most of his high ranking officers. The "flower soldier" system which US Ambassador Martin will probably tell you has been eliminated is very much in existence. In case you are not familiar with the term "flower soldier"—this is a person whose name appears on the military roles, but through a private agreement with the ranking officers he is permitted to continue his work as a civilian while his military pay is pocketed by the brass.

During the VC push on DaNang in August I asked my friend, Capt. Du why the South Vietnamese with supposedly a million troops under arms could not lick 20 to 30,000 North Vietnamese. His reply—DaNang was being defended by regional farmers with no desire to fight and flower soldiers who didn't exist. He said he had just spoken to a classmate of his who headed the VN Navy Seals, a tough fighting unit in DaNang. He had sent them out into VC territory around DaNang to fight the VC. The Province Chief had promised them food rations (which they never received). They captured a sampan loaded with supplies for the VC. When they brought it back to DaNang the owner complained to the Province Chief who then reprimanded the Seals. Obviously the Province Chief was in on the take.

There is very little if any motivation to fight amongst most of the South Vietnamese. An enlisted man can buy his way out of a transfer to a dangerous area if he can come up with sufficient money. This money is then put in the pot, collected by the adjutant, and then divided up amongst the higher brass.

If you have never read W. J. Lederer's book, *Our Own Worst Enemy* I recommend you do so. It was written in 1968 and much of its contents is still pertinent. Of course the black market is very prevalent—a blind person could not miss it. I remember my son writing that even he had to buy some of his supplies on the black market.

Getting back to present day Vietnam I'm sure there are multitudes of reports flowing into your hopper from the U.S. Embassy and the U.S. Military. I know the South Vietnamese are hurting from a shortage of ammo. Whether they use the ammo they have wisely or not I am not qualified to say, although I have heard inferences from VN Navy Officers that their Army shoot at a lot of imaginary targets to make people think they are fighting the enemy.

To me this Vietnam War has been the biggest debacle ever foisted off on the American public. I cannot understand a government forcing our armed forces to fight a defensive war with their hands literally "tied behind their backs". I cannot understand a government with supposedly intelligent leaders not studying history and learning lessons from it. Time and time again I have heard the expression, "This is their country—we must do it their way (and condone their corruption)". This makes me want to retch. When we were suckered into this Vietnam War we *did not have* to condone the corruption. Instead we pussyfooted around playing into the hands of the Communists. We lost 50,000 fine young men and an even worse tragedy, was the hundreds of thousands of young men either physically or mentally maimed—

this due to a pussyfooting government which was either too cowardly to fight an offensive war to win or was very badly misinformed by our representatives in Vietnam.

Without dealing further with our past mistakes, Mr. President, I think it is high time that our government stop playing political football with the American people. Since you are a Republican and the majority of Congress is Democratic I realize you have a problem. I believe you to be an honest and sincere man, which is more than I can say for some of the Congress. Since it is doubtful that you would ever see this letter unless I take an unusual step I am sending copies of this letter to members of Congress in hopes that at least one of them will pass it on to you personally.

I agree with you that South Vietnam is in dire danger of collapsing. However, just giving them more money is not the answer. As long as the Thieu government and the present corrupt military leaders are in control nothing can save this poor country from falling to the Communists. The people know their leaders are corrupt and have no will or motivation to fight. (It might be of interest to note that the high ranking officers are seldom found in the danger zones). I have heard it said many times, "Oh, but it's an Oriental way of life to be corrupt". I have had a fair number of year's experience dealing with Orientals and I find them in general more honest than Caucasians.

This letter has been too long but I had to get it off my chest. I realize that criticism should be constructive. I believe it is necessary to supply ammo to the South Vietnamese ASAP, but I would keep it under American surveillance so that it could not be sold to the VC and that controls be instituted to keep it from being wasted. Then I think the South Vietnamese Government should be told in no uncertain terms to clean house or we pull out completely and immediately. It should not be too difficult to determine which government and military officials are corrupt. Most of them have bought villas and properties with OUR monies and many have "out of the country" bank accounts. You don't do these things on the pay of VN military officers.

I thank God that I am an American free to write such a letter as this, and pray that God will continue to grant us his favors. Good luck, and may God bless you in your efforts to pull this country out of the mire.

Very respectfully,
JOHN W. MCCORMICK,
Captain, U.S. Navy, Retired.

A SALUTE TO RIVERSIDE, ILL.

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. HYDE. Mr. Speaker, the village of Riverside is celebrating this year the 100th anniversary of its founding, only 1 year prior to the 200th birthday of our great Nation. In fitting tribute to the history of Riverside, Mrs. Valerie Kunz, a columnist for the Citizen newspaper, which serves Riverside and a number of other suburban communities west of the city of Chicago, has prepared a column for publication in the Citizen which details the history of Riverside.

Under the leave to extend my remarks in the RECORD, I include her article, entitled "A Salute to Riverside," in the RECORD.

A SALUTE TO RIVERSIDE, ILL.

(By Valerie Kunz)

Lying seven miles to the west of the city of Chicago, in the shadows of the skyscrapers, the village of Riverside, Illinois, nestles on the banks of the Des Plaines River, on the high ridge that runs west from Lake Michigan.

This century old village, conceived by an investment syndicate in the 19th century headed by Emery E. Childs of New York, was executed by the genius and determination of Frederick Law Olmsted and Calvert Vaux into a masterpiece of aesthetic urban planning which, even today, has few rivals. Thus the creation of America's first successful planned suburb, purely residential in character, offered to the affluent of the burgeoning city of Chicago an escape from squalor to the ease and comfort of healthful suburban living.

The area destined to become Riverside was first visited by white men in the year 1634 by Father Jacques Marquette and Louis Jolliet who had explored as far south as Saint Louis and were making their way back to Green Bay. Friendly Indians spoke of a portage that would have many miles of travel. The area was high and contained many springs around the river. Marquette and Jolliet found the area to be the home of a prosperous Indian camp, without mosquitoes and with good game. It was well protected by nature against enemies.

In 1827 a federal grant was given to the State of Illinois to aid in the Construction of a canal at the portage, to implement travel from Chicago to the Mississippi, and in 1833 the Indians signed an agreement giving up their rights to five million acres of land in Illinois and Michigan. The canal lies about a mile south of the village.

Further impetus to the settlement of the area was the completion in 1863 of the double track from Chicago west to the Des Plaines River by the Chicago, Burlington and Quincy Railroad.

Spurred on by the transportation developments in the area, a Chicago businessman and city treasurer began to buy tracts of land along the Des Plaines River. When his holdings reached more than a thousand acres, he built a private estate complete with racing track, livestock farm, and horse stables. As the owner of the famed Sherman House Hotel, David Gage entertained important Chicago and internationally known figures at his "Riverside Farm", destined to become the "Riverside" of Olmsted and Vaux.

Gage sold his farm to the investment syndicate, and Olmsted and Vaux were retained to design a proper setting for the model community which was calculated to return to the investment company owner around seven million dollars in profits.

Although many problems beset the Riverside Improvement Company, Olmsted and Vaux persisted in their plan, designing the village in a curvilinear fashion, using the river as a focus and refusing to disturb the topography of the region.

They created a park with depressed carriageways, which were well drained, drilled wells for an adequate water supply which surprisingly turned out to have natural fluoride, most beneficial to the residents' dental health, installed gas lighting which exists even today, and installed a proper sewage system which still exists, with improvements. Each residence site was to be at least ten feet above the high water mark of the Des Plaines River. The trees and shrubs were placed to add to the aesthetic value of the park-like setting, with at least two trees specified on the parkways for each residence. Trees and shrubbery already growing on the site were saved, if possible.

The "Chicago Tribune" of Sunday, May 9, 1869 reports a group of 500 of Chicago's most prominent citizens and their families travelling by train in ten Pullman dining, drawing and saloon cars furnished by George Pullman himself, with David Gage as host, to Gage's "Riverside Farm" site, and enjoying the hospitality of the farm, track and spa. A sales presentation of the amenities of the proposed village with its elegant villas and the great hotel planned as a center of recreation and social life for the entire Chicago area was made and the sales began.

Sales did not boom as expected in the beginning, however, but the Chicago Fire of 1871, which destroyed all of that vermin filled, pestilence ridden, jerry-built boomtown on the banks of the Chicago River and Lake Michigan proved to be the catalyst to the new suburb's success, and sales soared.

The Village of Riverside came into being in 1875, with the first election held on August 8 at the railroad depot, with 29 votes polled.

Like a proud dowager, the Village of Riverside has known high times and quiet times, but has always handled the period with dignity.

When, in the early 1900's, a number of the original large homes became vacant, the Village Board, then as now an elected, volunteer and unpaid group of citizens, passed ordinances prohibiting the establishment of nursing homes, boarding and rooming houses and private schools.

From time to time attempts have been made to change the original plans of the village as conceived by Olmsted and Vaux. Each has met with defeat, save for one instance when homes were built on a small section of the River. The village remains as planned, with 40% in parks and open lands for the enjoyment of those living in the village, and with a charming variety of homes, each set back from the winding roads, and having no grid-pattern layout as is usual in the case of most developments.

The famous and near famous have made their homes here and, indeed, each generation brings a new offering of those who appreciate living in this sylvan glen.

William LeBaron Jenney, the father of the modern skyscraper, built his home in Riverside and entertained international society lavishly. He designed the village water tower which exists and is functioning today, and which was given national historical landmark status in 1969. In 1969 the State of Illinois designated Riverside as a State Historical Landmark and in 1970 the entire Village was formally certified as a National Landmark—a fitting tribute to two of America's greatest landscape architects, Frederick Law Olmsted and his associate, Calvert Vaux.

Today as the village celebrates its Centennial throughout 1975, a renaissance is taking place. An awakening to the value of the huge old homes, with their vaulted ceilings, dance halls, and excellent structure placed on huge lots that are well landscaped and offer beautiful views, is once again attracting young families, many of them architects, who are restoring and refurbishing these mansions to their former glory and, many times, to a glory they never had before.

The parks and the parkways, still beautifully kept by the village, are an ecological attraction not found elsewhere. Property values are soaring and no house stays on the market for long, should the owners not have a relative to take it over.

Each day that passes is a lasting tribute to Olmsted, Vaux, and those who have steadfastly held their trust over a century.

Visitors to the Chicago area are invited to take a bicycle tour of the grand old town during this Centennial year, or to visit during Centennial Celebration July 27 through August 10, 1975. One caution, however; you may join the many visitors who decided to stay and you, too, might become a Riversider.

(NOTE.—A debt of gratitude is to be paid to Jeffrey R. M. Kunz, who researched and wrote "At the Riverside" as his Honors Thesis submitted for graduation from the University of Wisconsin, 1971. Kunz, now a student at the University of Wisconsin Medical School, studied original records at the Library of Congress prior to writing his thesis.)

AUTO EMISSION CONTROLS

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. EVANS of Indiana. Mr. Speaker, the matter of automobile emission controls is a serious problem, in terms of its impact on the economy caused by lower gasoline mileage, the higher cost of cars with strict emission controls, and employment among auto workers.

The problem must be approached with an awareness of the several considerations involved, and a recognition that none of the choices available will be an easy way out.

The automobile accounts for about 40 percent of the oil consumed in the United States, so it is obvious that maximum fuel economy is desirable. But since the mid-sixties, automobile fuel economy has declined significantly. Four factors affect fuel economy: vehicle weight, power options, driving patterns, and emission controls.

The most significant of the four is vehicle weight. Both safety requirements and luxury options such as air conditioning have been pushing car weights up. Increases in car weights over the past 5 years have cost a fuel penalty of 6 to 7 percent.

Air-conditioning incurs a fuel penalty of between 9 and 20 percent, depending on the temperature and driving habits.

Automatic transmissions account for a 2- to 6-percent fuel penalty.

Emission controls in 1974 models reduce fuel economy by 5 to 15 percent compared to 1970 models, but most of this has been recovered in 1975 models through the use of the catalytic converter. Preliminary test data indicates that the 1975 models have an average fuel economy improvement of about 13 percent over 1974 models at the lower emission levels required by the 1975 interim emission standards. In other words, emission controls have meant at most a fuel economy penalty of 2 percent comparing 1975 with 1970 models.

The statutory emission standards for 1975 have already been pushed back to 1977. Further, a Federal district court ruling on January 28 abolished Environmental Protection Agency regulations on leaded gasoline scheduled to begin this year.

While these actions are not permanent solutions, they do allow time to dig further for workable answers with both investigation and debate of all the alternatives which are available to maximize auto fuel economy. The present delay of 1975 standards until 1977 is already providing us with time for technology and diplomacy to develop acceptable solutions which we all seek.

At this point, I think the wise course for Congress is to consider a further delay beyond 1977 next year, when we will have a more accurate picture of the alternatives available to us in deciding which avenue to pursue. If in 1976 we find that the Nation still cannot afford to implement the 1975 emission standards because of fuel penalties, then I will support the further delay of the 1975 standards beyond 1977.

PUBLIC DISCLOSURE OF LOBBYING ACT OF 1975

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. FISHER. Mr. Speaker, the 93d Congress took certain steps to open up the legislative process: it passed a long-needed campaign reform law and opened the doors of its committee rooms. This year the Democratic Caucus took several much-heralded steps along the same path.

Today I am pleased to join my colleagues, Representative ROBERT W. KASTENMEIER of Wisconsin and Representative TOM RAILSBACK of Illinois, in cosponsoring the Public Disclosure of Lobbying Act of 1975 as another important step forward. It expresses my firm support of the principle that the people have a right to know the facts about those who seek to influence public policy. This principle guided me as a candidate in my campaign last fall. In electing me, the voters gave me a clear mandate to work, as their Congressman, for their right to an open Government.

Lobbyists play an important part in the legislative process. They promptly provide accurate and concise information on the range of issues with which the Congress must deal. However, both the Congress and the public must be able to determine quickly and easily the true source of the information being supplied.

It has been more than 30 years since Congress passed legislation requiring information about lobbying activities. The present law has proved inadequate, ineffective, and incapable of curbing lobbying abuses. The loopholes are wide, and there are no meaningful provisions for enforcement.

The new bill proposed does not in any way restrict lobbying activities. It simply requires lobbyists to identify themselves and their employers clearly, to disclose financial terms under which they are hired, and to disclose each aspect of the policymaking process which the lobbyist expects to seek to influence.

The legislation would apply to both executive and legislative branch lobbying and would be administered by the Federal Election Commission.

I urge strong bipartisan support for this next step toward a more open Government.

ADMINISTRATION REQUEST FOR PUBLIC LAW 480 AMENDMENT

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MORGAN. Mr. Speaker, at the request of the administration, I am today introducing a bill "to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of that act."

The text of the Executive communication from the Office of the Secretary, Department of Agriculture, transmitting the request and bill follow:

DEARTMENT OF AGRICULTURE,
Washington, D.C., January 30, 1975.

Hon. CARL B. ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Transmitted herewith for the consideration of the Congress is a draft bill "To amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of that Act".

The Department of Agriculture recommends that the draft bill be enacted.

The draft bill would amend the availability criteria for commodities which may be disposed of under the Agricultural Trade Development and Assistance Act of 1954 (familiarly known as "Public Law 480").

At the present time the last sentence of section 401 provides that no commodities shall be available for disposition under this Act if such disposition would reduce the domestic supply of such commodity below that needed to meet domestic requirements, adequate carryover, and anticipated exports for dollars as determined by the Secretary of Agriculture at the time of exportation of such commodity. The bill would add to this provision the clause "unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest or humanitarian objectives of this Act".

The proposal is offered in furtherance of the request made in the President's address to the joint session of Congress on October 8, 1974, in which he stated that authority is needed to waive certain of the restrictions on the disposition of commodities under the Act based on national interest or humanitarian grounds. In times of temporary shortages it becomes essential that the food assistance program under Public Law 480 not be discontinued abruptly—particularly in cases where continuation of the program is needed for the foregoing objectives.

Such authority would be used sparingly, and only to meet needs of the highest priority. It would allow the United States to make a significant contribution toward alleviating human suffering and maintaining the economic stability of friendly foreign governments.

At the same time, use of this authority would have little impact on total supplies of any commodity, as quantities exported under Public Law 480 represent very small proportions of supply and total exports for most commodities. For example, under the Act exports of wheat, feed grains, and their products in fiscal year 1974 amounted to 4.9 and 2.5 percent of total exports for those commodities, respectively.

Enactment of the bill would not directly result in increased budget outlays. Use of the authority provided by the bill would be made within the context of existing budget constraints.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed legislation, and that enactment of this proposed legislation would be in accord with the President's program.

Sincerely,

J. PHIL CAMPBELL,
Acting Secretary.

H.R. 3033

A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to provide the United States with the flexibility to carry out the national interest or humanitarian objectives of that Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 401 of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking the period and inserting a comma and the following: "unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest or humanitarian objectives of this Act."

VERMONT GENERAL ASSEMBLY'S UNANIMOUS ENDORSEMENT OF DAIRY BILL

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. JEFFORDS. Mr. Speaker, I am gratified by the action taken on Tuesday, February 4, by the Vermont General Assembly. It unanimously passed a resolution calling for congressional enactment of a bill I am introducing today. The bill calls for a milk price support set at not less than 85 percent of parity with quarterly adjustments to insure that dairy farmers are not caught again in a vicious short term economic squeeze. The nature of the resolution's passage demonstrates the overwhelming sentiment of Vermonters, as well as the dedication of the general assembly.

I am proud to include this resolution in the RECORD:

JR-H14—JOINT RESOLUTION RELATING TO MILK PRICES

Whereas, the price of fluid milk has dropped precipitously over the course of the nine month period from March to December, 1974, and

Whereas, the costs of items the dairy farmer must use to produce his product have risen dramatically, and

Whereas, the combined effects of these market disfunctions have forced many farms into bankruptcy and threaten countless others, and

Whereas, the Secretary of Agriculture's announced parity support floor of 80 percent is far short of what is desperately needed, and will become continually more inadequate without quarterly adjustments to assure a stable and equitable return for dairy products, Now therefore be it

Resolved by the Senate and House of Representatives: That the General Assembly urges the Congress of the United States to enact legislation introduced by Representative James M. Jeffords calling for a milk price support set at not less than 85 percent of parity with quarterly adjustments, and be it further

Resolved: That the Secretary of State be directed to send copies of this resolution to our Congressional Delegation.

THIRTY YEARS AFTER THE YALTA CONFERENCE

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. ZABLOCKI. Mr. Speaker, February 12 marks the 30th anniversary of the Yalta Conference. Last Sunday, February 2, 1975, in Milwaukee at a special meeting of the Polish American Congress, Wisconsin State Division, a statement was unanimously adopted concerning the 30th anniversary of the Yalta Conference.

Present at this special meeting and concurring in the action were representatives of various fraternal, civic and veterans organizations. Officers of the Wisconsin chapter of the PAC include Mr. Edmund Banasikowski, president; Mrs. Leonne D. Wozinski, Dr. Edward Tomasik, Attorney Alexander Sklenarz, William Kowalkowski, Walenty Wozniak, vice presidents; Leopold Sklenarz, secretary general; Jerry Sadowski, treasurer, and Edmund Skonieczny, recording secretary.

In keeping with my policy of making available all views on any given subject I am placing the statement in the RECORD at this point for the reading of my colleagues:

THIRTY YEARS AFTER THE YALTA CONFERENCE

("They respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them." The Atlantic Charter, August 14, 1941.)

The above rallying battlecry of the United States and Great Britain against Nazi tyranny which was seeking to subjugate the world—rang clearly around the globe and brought new hope to the oppressed nations and new confidence in the sacred ideals of humanity.

Almost two years before this pronouncement, Poland, attacked by the Hitlerite hordes, was the first nation which dared to make a heroic stand against the crushing force of the German Armed Forces. With all Poland overrun, with its capital in complete ruin after German bombardments, with thousands killed in battles, Poland continued to fight against the invaders on its own territory and abroad. The Polish Underground Army fought hundreds of skirmishes in the field and forests; it boldly attacked the invader in the cities and successfully sabotaged German military efforts. Thousands of Poles perished fighting on their own soil; other thousands filled German concentration camps and died slow deaths until they reached the gas chambers.

At the same time, thousands of Polish soldiers penetrated the frontiers of neighboring countries and after arduous and perilous journeys reached France where the Polish Army was reorganized again in full battle readiness. This indomitable Polish spirit which never accepted defeat astonished the world. President Roosevelt paid the highest tribute to it when he called Poland "the inspiration of the nations."

Under Polish banners which proudly displayed the national motto, "For your freedom and ours," the Polish forces on land, sea, and in the air battled at the side of their American and British allies, firmly believing that all the battlefields marked the road leading to a free and truly independent Poland with her "sovereign rights and self-government restored."

From the cold fjords of Norway through the fields of France and Italy to the hot sands of Northern Africa, Polish blood flowed in profusion for what Poles believed to be a Common Cause. With the same faith in their hearts, Polish airmen fought in the Battle of Britain and in thousands of air operations over Germany. The Polish Navy covered the Allied convoys and suffered heavy losses. When a Polish unit was first to place its standard on the monastery of Monte Cassino, all Poles abroad and at home felt as if this standard were placed in the heart of Warsaw.

If somebody asks the price of freedom and independence, Poles may sadly reply: "Are six million dead a high enough price for our freedom?"

The Second World War was nearing its end in 1945 when the Soviet intentions of enslaving Poland became evident as the Soviet Union once again used the insidious trick of nominating a puppet government.

On January 19, 1945, the Polish Government in Exile in London, the only true representative of the Polish nation, in a memorandum to the governments of the United Kingdom and the United States, proposed an amicable settlement of the Polish-Soviet dispute, declaring a determination to conclude an alliance with the USSR guaranteeing the security of both States. The memorandum stated, however, that "remembering that Poland, as one of the United Nations in the struggle for the freedom of the world, made immense sacrifices in material and spiritual values, and lost nearly one-fifth of her population killed in the battles, massacred in penal camps and ghettos, perished in prisons, in banishment, and in forced-labor camps—the Polish Government cannot be expected to recognize decisions unilaterally arrived at." The memorandum also stated that the recognition of the puppet government in Poland "would be tantamount to the recognition of the abolition of the independence of Poland, in the defense of which the present war was begun."

In the conference held at Yalta between February 7–11, 1945, involving Roosevelt, Churchill, and Stalin, decisions were made concerning Poland which stunned, not only Polish soldiers abroad and the whole Polish nation, but also ten million Americans of Polish descent.

In a note of February 18, 1945, the Polish Government reminded the British government of its perfidious assurance that "His Majesty's Government would not be likely to contemplate entering into an agreement with a third party which would injure the interest of so loyal an Ally . . ."

The recognition of the so-called "Provisional Government in Lublin" composed mainly of agents of Comintern and the approval of annexation of practically one half of the territory of Poland by the Soviet Union constituted a deadly blow to Poland's freedom.

The noble effort of Congressman Barry on February 26, 1945, in the House of Representatives was in vain when he demanded the rejection of the Resolution of the Crimea Conference which established the eastern frontiers of Poland along the Curzon Line.

Poland's fate was sealed. Not only was Poland robbed by the Soviet Union of half of her territory but the other half became what is known as the Polish Peoples Republic under the Kremlin henchmen and thus deprived of any possibility of having a free representative parliament or government with democratic freedoms.

The tragic fourth partition of Poland became "fait accompli" because of the Judas kisses and despite the praise of Poland's heroism by her allies.

The Polish American Congress lodged a protest against the decisions of the Yalta Conference. Poland was "sold down the river," and, if anybody needs a witness, let him read the book, "I Saw Poland Betrayed" by United States Ambassador Bliss Lane.

There were some efforts to exonerate Roosevelt along the line of argument that it was not the Yalta agreement itself that was bad but the manner of its execution by the Soviet Union. In this regard, British RAF Marshal Sir John Slessor stated clearly: "It is usually said that it is easy to be wise after the event, but after all Yalta and Potsdam came after the events of August and September 1944. How after the fall of the Warsaw uprising any responsible statesman could trust a Russian communist further than he could kick him is beyond human understanding."

Roosevelt was aware of the real situation since he was forewarned by the Polish Government in Exile in London. He knew that sixteen Polish delegates, who were lured by the Soviets under the pretext of friendly discussions, were arrested and deported to the Soviet Union and he also knew that the members of the Polish Underground Army were being arrested by the advancing Soviet Army. He could not claim that he was not aware of the true Soviet intentions toward Poland.

The Yalta conference, which threw Poland into the Soviet orbit, was a close copy of the Munich sellout.

In the February 13, 1945, Congressional Record, Congressman O'Konski of Wisconsin spoke thus to the House:

"I predict to you now, Members of the House, that . . . the Black Sea Conference of appeasement is going to have telltale disastrous effects for all the time to come.

"The crime of Crimea has denied freedom to 100,000,000 Europeans. That is just the beginning. The crime of Crimea puts a stamp of approval for slavery in Finland, Latvia, Lithuania, Poland, Bulgaria, Yugoslavia, Rumania and Czechoslovakia. On Black Monday, February 12, 1945, ironically Lincoln's and Kosciuszko's birthday, the Big Three approved slavery for Poland too. The crime of Crimea has handed 100,000,000 human beings into bondage. Black Monday, February 12, 1945, will go down in world history as the most ghastly international crime of the ages for which the world will pay a heavier price than we paid for World War II. What a sorry spectacle that almost a million of our own boys gave their lives for a new kind of bondage, a new order in Europe. . . . Only Moscow has reason to rejoice. All other decent people today have just reason for sorrow."

Thirty years elapsed since the Yalta conference, and now, from the distance of time, it is obvious how prophetic were the words of Congressman O'Konski.

One hundred million people in East and Central Europe, instead of facing the East with American help and manning the ramparts for the Western World—are today armed by the Soviet Union and menacingly facing the West. The Soviet empire now stretches to the heart of Germany. Emboldened by the Soviet success, Communism raises its ugly head in all European countries.

The free world lost half of Europe as a great potential ally in possible future world conflicts.

When we look back to check where the Western World completely erred and thus created the present highly dangerous position, we can easily point to the Yalta Conference. It is there that the Western World took the wrong turn and wandered into the area of danger.

Poland's fate was handed to the executioner, who just about thirty-five years ago committed an act of genocide at Katyn by murdering 15,000 Polish officers who at that time were prisoners of war and entitled to all the rights which that status confers in the civilized world.

The Soviet authorities denied responsibility for the crime and maintained that it was committed by the Nazis. But this lie is denounced by the official report of the "Select Committee to Conduct an Investigation and Study of the Facts, Evidence and Circumstances of the Katyn Forest Massacre: House Report No. 2430, Union Calendar No. 762. This Committee was created in accordance with a resolution of Congress dated July 2, 1952. In the report we read:

"This committee unanimously finds beyond any question of reasonable doubt that the Soviet NKVD (People's Commissariat of Internal Affairs) committed the mass murder of the Polish officers and intellectual leaders in the Katyn Forest near Smolensk, Russia. The evidence, testimony, records and exhibits recorded by this committee through its investigations and hearings during the last nine months, overwhelmingly will show the people of the world that Russia is directly responsible for the Katyn massacre. Throughout our entire proceedings, there has not been a scintilla of proof or even any remote circumstantial evidence presented that could indict any other nation in this international crime. It is an established fact that approximately 15,000 Polish prisoners were interned in three Soviet camps: Kozielsk, Starobielsk and Ostashkov in the winter of 1939–40. With the exception of 400 prisoners, these men have not been heard from, seen or found since the spring of 1940 . . . we are equally certain that the rest of the 15,000 Polish officers—those interned at Starobielsk and Ostashkov—were executed in a brutal manner. Those from Starobielsk were disposed of near Kharkov, and those from Ostashkov met a similar fate . . . the Ostashkov prisoners were placed on barges and drowned in the White Sea. . . . No one could entertain any doubt of Russian guilt for the Katyn massacre."

The Polish Warsaw regime is but a tool in the hands of the Kremlin and blindly follows its dictates in foreign and domestic politics. The same Communist Party in Moscow which ordered the massacre in the Katyn forest is exerting its power over Poland. Soviet Ambassador Pilotowicz, the Russian Viceroy in Warsaw, holds the scepter of real power. The Polish "Bezpieka" is but an extended arm of the Soviet KGB. The Soviet government continues the Tsarist tradition in foreign affairs, as it was summed up by the Russian historian Karamzin in 1826: "Distrust of the friendship of those whose interests are not in accordance with ours and neglect of no opportunity to damage them."

It is not astonishing that while we condemned Nazi murderers at Nuremberg, nobody even suggested a similar tribunal against the Katyn murderers? The same experience which led to the shame of Yalta dictates silence in the murder of those 15,000 Polish officers. This blatant parody of international justice speaks amply about the complete corruption of moral principles applied in world politics.

The Polish American Congress declares that it does not recognize the Yalta decisions as binding the Polish nation and does not recognize the Warsaw communist regime forced upon Poland by the Soviet Union as the legal representative of Poland.

The Polish nation still staunchly defends its tradition, its culture, and its loyalty to the Church in increasingly difficult conditions. No force can break that indomitable spirit.

Poles still believe that the walls of that gigantic, grim, and blood-spattered Soviet prison of nations will collapse one day and millions of captive people will again enjoy the blessings of freedom.

History gave us two painful lessons at Munich and Yalta and taught us that our own security cannot be bought at the expense of others. World freedom is indivisible. Those two errors brought highly dangerous results and there is now not much room left for any more errors. The next one may be final.

A TRIBUTE TO EARL HOLDSWORTH

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. SARASIN. Mr. Speaker, if the measure of a man is that which he gives of himself—to his family, his friends, his community, and his Nation—then Earl T. Holdsworth must surely be considered as one of the greats of his hometown of Trumbull and of the State of Connecticut.

For several decades, Earl has devoted himself to making life more interesting and more fruitful for those around him. He has worked with children through the Cub Scouts, becoming the first cubmaster for Cub Pack 97 which he organized in Trumbull in 1946. His community directly benefited from his participation in various improvement associations, as a member of the representative town meeting and the Republican Town Committee.

While most men would consider their lives quite full and their service to their community more than enough with such a record of involvement, not so Earl. His interests extended to the public safety, and as both chairman and secretary to the police commission, he worked to improve the facilities and capabilities of the force.

Both his community and his State reaped the fruits of Earl's knowledge and dedication when he was elected to the Connecticut House of Representatives in 1968. It was a special privilege for me to work with him in the general assembly, to see legislation of interest to all residents be examined, nurtured, and implemented under his watchful eye.

Considering Earl's outstanding record of accomplishments and of public service, it is difficult to find the proper words to express our heartfelt thanks for his involvement in the community around him. I am hopeful that, at least in part, a tribute to Earl Holdsworth on Friday, February 7, 1975, will at least partially convey our appreciation for the genuine human concern evinced by this fine American.

LEGISLATION TO TERMINATE THE MUTUAL AID PACT

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. STARK. Mr. Speaker, it is no secret these days that many of our airlines are in financial difficulty. Many of their problems result from the current energy shortage. We can only wait for the development of a strong energy program and the exploitation of new energy sources to alleviate the aviation fuel shortage and combat this aspect of the problem.

There are, however, other problems. I am certain many of my colleagues have not forgotten the legislation we passed in the 93d Congress to aid Pan Am and other U.S. international air carriers against the discriminatory practices they receive in foreign lands. The International Fair Competitive Practices Act of 1974 insures that our airlines can compete on an equal footing with those of other countries.

Today I plan to reintroduce a measure that is also in the spirit of free and equal competition and addresses a problem that I suspect is also affecting the present ill health of our airline industry. In 1958 the Civil Aeronautics Board created the Mutual Aid Pact to account for the windfall profits accruing to airlines whose employees were not striking. The result, today, is a system that regards the mismanagement of airlines and undermines the operation of the free enterprise system in the airline industry.

As many of my colleagues know, the Mutual Aid Pact now subsidizes 50 percent of the operating costs of a struck airline for the first 2 weeks. This decreases each successive week after that by 5 percent until it reaches a rate of 35 percent where it remains to the end of the strike. These payments are made out of whatever windfall profits accrue to other carriers who are not struck. I think a comparison between the level of these subsidies and the insignificant strike benefits of most airline employees—in fact, four unions have absolutely none—will convince my colleagues that this policy removes the incentive on the part of the airline management to negotiate.

Prior to the implementation of the Mutual Aid Pact, the average length of a strike in the airline industry was 15 days. It has now ballooned to approximately 100 days, and it is not uncommon for an airline to register a profit during a strike.

Our economic system promotes excellence through free competition. I maintain that the Mutual Aid Pact attacks this system by disrupting the balance of collective bargaining in the airline industry. Employees can no longer bargain on an equal basis with management. The result is long strikes and the deterioration of air service. Companies who are mismanaged, who have been unable to maintain good management-employee relations are rewarded by subsidies while those who have cultivated good employee relations and developed healthy working conditions are penalized.

When Pan Am recently withdrew from the Mutual Aid Pact, it announced that it had paid out approximately $50.9 million to other airlines while receiving only $5.3 million in return during its four short strikes. It is obvious that Pam Am would be in better financial shape today were it not for the Mutual Aid Pact.

The Mutual Aid Pact has become a crutch to particular airlines who can use it against its workers. But its use is also a detriment to the general health of the airline industry by pulling down the strong in their support for the weak. Ultimately, of course, it is the public who suffers.

Mr. Speaker, I fail to see the logic of this policy and I hope that my colleagues share my puzzlement as to its continued utility.

ORVAL HANSEN: A DISTINGUISHED RECORD

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. BRADEMAS. Mr. Speaker, one of the ablest persons with whom I have had the privilege of serving during my time in the House of Representatives is the Honorable Orval Hansen, our former colleague from the Second District of Idaho.

I had the good fortune of serving with Orval Hansen on two committees, the Committee on Education and Labor and the Committee on House Administration, and on the same subcommittees as well.

Although Orval Hansen is a Republican and I am a Democrat, I know of no more thoughtful or fair minded or hardworking Member of the House than he, and I would add my own to the many good wishes that have been extended to him and his delightful wife, June, by his former colleagues on both sides of the aisle.

Mr. Speaker, I ask unanimous consent to insert at this point in the Record an editorial, "Orval Hansen: a distinguished record," published in the January 9, 1975, issue of the Post-Register, Idaho Falls, Idaho.

The editorial follows:

Orval Hansen: A Distinguished Record

Orval Hansen of Idaho Falls, Idaho's departing Second District Congressman, leaves Congress with an extraordinary legacy of accomplishments. He not only was one of the hardest working members of the House of Representatives in his terms there but one who strained continuously to survey the needs and problems of his constituents. His constant racing back to Idaho to both report and listen kept him in close touch with the people of his district. But it was a wearing standard of operation and severely limited the time he could allot his private or family life.

He also pioneered the opening of four offices in Southern Idaho as reporting and listening posts. With this kind of time burden, it is amazing that he found time to introduce or co-sponsor 200 different measures in Congress while serving in D.C.

Orval Hansen's chief asset was the precious one for all deliberators—a fine sense of good judgment. A scholar who studied abroad as well as a legalist, Hansen never made snap judgments. Such were alien to his mental process. At times, he would seem just a plodder. But he was seeking perspective—that rare divination of what is most-right in a complex array of choices. He could not be snowed by anyone—lobbyist, government agency, legislative specialist, or even a constituent. He was always his own man.

And he had a faculty of being at the right place with the right idea—like his most recent proposal of making surplus potato production (especially processed potatoes) available as emergency food aid overseas without creating supply and price problems for the American consumer. The dehydrated potato is really an ideal way of succoring the world's hungry in the current situation.

Orval Hansen was not always where the corporate executive would like him. Nor was he always in the right place for the environmentalist. He often liked the middle road that too often pleased all too little. But truth, great philosophers have said, is a careful extraction from the poles. And so it was with Hansen. This newspaper did not always agree with him on every issue certainly—but Orval Hansen was a congressman you could call on the phone and disagree with at great length and come away with an appreciation of the studied thought process which put the Idaho congressman at his position.

Former Congressman Hansen knew what exchange of ideas and debate was all about. He prized it as a medium of decision-making. He never got so fixed in a decision that new input from whatever source would not alter or even change his mind if he felt he had missed something in his judgment pilgrimage. Pride never got in the way of the "best decision." His easy openness invited people to challenge his position because you could always have the feeling, after the exchange, that this is what he expected of you—and pleasantly so.

Orval Hansen's chief assets, his deliberative manner and his repugnance for quick judgments, proved his undoing. These assets served him in good stead as master diplomat in helping maneuver a new structure in the AEC wheren the in-grown autocratic "old order" had nearly stalemated the agency's indispensable research spontaneity. He was criticized for not moving hastily but soon the flowering of his patient behind-the-scenes contact work, inside and outside of the Joint Congressional Committee on Atomic Energy, unfolded. He is one of the architects of a new leadership in the AEC which, unfortunately, is being partly dismantled in the new Energy Research and Development agency. Not that the new agency itself is not a necessary blending. It is the unknown qualities of the newly imported leaders yet to be tested.

But these assets were not assets when his reluctance to disengage from President Nixon quickly enough proved his un-doing in the election. It was second nature for Hansen to insist a man, especially a president, was innocent until proven guilty. And President Nixon's final demise occurred on the eve of the Idaho general election. The President's admission of lying was likely such a shock to the Idaho congressman at the time that he had difficulty handling it. His statement on eve of the election reflected this. It hurt him badly.

If one examined his record, Hansen was not an abject Nixon supporter. The President, we must remember, had some good legislative programs as well as bad. But the White House corruption odor had not drifted with sufficient offensiveness to the Idaho congressman's office . . . most likely because he was too busy campaigning to apply his analysis to it. And because polls showed early in his campaign that he was a two to one choice, reversed with events in the White House the last two weeks, he did not campaign as vigorously as usual. And Cong.

Hansen was never the charismatic vote-puller. It was not in his genes to be flamboyant.

So. Cong. Hansen is now Citizen Hansen. But Idaho should mark his tenure well . . . because it is an especially distinguished one. The thoughtful deliberation, the mental breadth and poise of the man, is only rarely seen in the House of Representatives.

PENN CENTRAL MAY FOUNDER DURING CONGRESSIONAL VACATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. GILMAN. Mr. Speaker, this afternoon we will be closing up shop and going home for more than a week in observance of the Lincoln and Washington holidays. When we return, there is a good chance that the Penn Central Railroad will be out of business.

Penn Central is fast approaching the climax of a cash crisis that began in December—and has cried out for congressional attention for more than 2 months. On February 14—in the middle of our recess—the Penn Central will begin declining shipping orders and plans to shut down its operations altogether around February 25, unless Congress provides emergency financial assistance to enable this troubled giant to meet its payroll obligations.

All funds available under section 213 of the Regional Rail Reorganization Act are exhausted, and Penn Central, so long wracked by gigantic debts, has no chance of obtaining even interim credit elsewhere. We, Mr. Speaker, are the last hope of one of our Nation's biggest and most vital transportation corporations. And now, during Penn Central's darkest hour, we are packing up to go home.

I have today received a telegram from Governor Carey of New York, calling further attention to this serious problem. I ask that this telegram be reprinted in this portion of the RECORD.

Hon. BENJAMIN A. GILMAN,
House Office Building,
Washington, D.C.:

Legislation is urgently needed to prevent the Penn Central from commencing reduction in its operations on February 14th and total cessation of services toward the end of the month. Otherwise there will be a grievous economic impact upon the State of New York already suffering from the adverse effects of recession.

Penn Central reports that it has run out of cash and has exhausted possibilities of obtaining financial assistance other than from the Federal Government. I urge you to support legislation amending the regional Rail Reorganization Act of 1973 which would provide the railroad with emergency funding to maintain service vital to the State's economy. The legislation should also provide for the inclusion of the Erie-Lackawanna Railroad under the act. S-281 does this.

HUGH L. CAREY.

The success of the Regional Rail Reorganization Act in developing a viable and effective national rail transportation system will be jeopardized if Penn Central is forced to shut down in this manner. Thousands of employees will be cut off from their pay. Thousands of shippers and businessmen will absorb drastic costs and hardships. The outlook is one of unmitigated disaster.

Mr. Speaker, I most emphatically object to our going on a recess without having dealt with this problem. Penn Central's representatives have been here all week trying to spur us on to action. The Senate has approved a bill meeting the crisis and providing the emergency funding. But the House, without addressing itself to this need, now proposes to go home.

What will we tell the legions of new unemployed that will be created when Penn Central closes its doors? That we were too busy to attend to their problems?

What will we do to protect the thousands of small businessmen and shippers all over our Nation who depend on the Penn Central and whose livelihoods are about to be gravely endangered?

Mr. Speaker, let us undertake some remedial action, and let us take it now. When we come back, it may be too late.

"MECKLENBURG DECLARATION OF INDEPENDENCE"—1775

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MARTIN. Mr. Speaker, as America makes preparations to celebrate the 200th birthday of the founding of our Nation, I want to call to the attention of my colleagues another bicentennial celebration. This one is in Mecklenburg County, N.C., a part of the Ninth District, which I am proud to represent.

On May 20, 1775, a spirit of independence was running strong in Charlotte, the principal town in Mecklenburg County, as 26 leaders in the community met and signed the Mecklenburg Declaration of Independence. These "free and independent people" took the lead in separating themselves from British suppression and tyranny. That historic date was placed on the North Carolina State flag in honor of the brave men who signed that document and who took that bold step. Today, North Carolina license tags for 1975 carry the motto "First in Freedom" for the same reason.

With these thoughts in mind, I am today introducing a joint resolution, signed by the entire North Carolina delegation, calling on the President of the United States to proclaim the date May 20, 1975, as "Mecklenburg Declaration of Independence Day," commemorating the bicentennial of the declaration of independence from the British crown of Mecklenburg County, N.C.

IAM LODGE 1998 IN HONOLULU RECEIVES COMMENDATION

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MATSUNAGA. Mr. Speaker, as one who was invited to the installation-of-officers banquet of Local Lodge 1998, International Association of Machinists and Aerospace Workers—IAM—which was held in Honolulu, Hawaii, on January 11, 1975, I was pleased to note that the occasion also marked a special commendation for the lodge's leadership and spirit in dealing with some of the problems confronting American labor today. The commendation came as part of a speech delivered by William Ryan, a representative from IAM's Grand Lodge in Washington, D.C.

Using broad strokes, Mr. Ryan painted a vivid picture of the fundamental problems of working people. He placed at the doorstep of the Nixon White House full responsibility for unemployment, inflation, and the energy crisis, as well as economic policies which have resulted in a redistribution of the wealth of the American people "out of the pockets of the poor and into the pockets of the rich." What is needed today to cope with these problems, according to Mr. Ryan, is the "right kind of leadership—the kind we had when Franklin D. Roosevelt set up the Manhattan project and when John F. Kennedy set up NASA to put an American on the moon."

William Ryan is well qualified to speak in behalf of labor. From 1953 to 1968 he was president of district 44, a Government employees district of IAM in Watertown, Mass. From 1968 to 1973, Mr. Ryan headed the Government employees department of IAM, and since 1973 he has served at IAM's Grand Lodge as one of three hard-working legislative representatives.

Mr. Speaker, the text of Mr. Ryan's speech follows:

REMARKS BY WILLIAM RYAN

Brothers and Sisters: I appreciate this opportunity to be with you tonight. I bring with me the greetings and best wishes of all of the people at Grand Lodge—especially those who have had the pleasure of working with Lodge 1998—and who join me in congratulating the officers you have elected to lead you in the coming year.

From all the signs and indicators it is obvious that the tasks and responsibilities of leadership are going to be more challenging in the coming year than they have been in the past. I know that every day people come to these beautiful islands to get away from the troubles and turmoil of the mainland. And nothing would make me happier than to be able to give you an optimistic picture of the weeks and months that lie ahead. But the labor movement has never tried to solve problems by ignoring them or pretending they don't exist. And today, the fact is, we face some very fundamental problems—problems that will affect our ability to survive and to make progress on behalf of those we serve.

I think that everyone is aware that basic changes are taking place today in the way the world's wealth is being distributed. More and more of the dollars that American workers have used for food, shelter, clothing and other necessities are now going to pay for oil prices that have quadrupled in less than two years.

Not only is this draining America of dollars but it is adding further flames to what has become a raging fire of inflation.

Economists, newspaper columnists and government spokesmen are well aware of and alarmed by this vast redistribution of the world's wealth that is now taking place.

They are aware that higher energy costs threaten to strip the industrial countries—like Japan, Western Europe and the United States—of the dollars that are needed to finance economic expansion. Certainly, this will cause serious economic dislocations. But long before the redistribution of wealth from Western economies to the Arab world an equally significant redistribution of wealth was going on right here in the United States.

Most people didn't think of wage and price controls as a device for redistributing the nations' wealth. But that's exactly what it was. It took money away from working people and gave it to people in the upper income brackets.

Wage controls were very easy to police. Therefore wage controls worked. But price controls were never really enforced. And by the time Mr. Nixon finally took them off prices were rising at an annual rate of 9% a year.

This is not the only way the wealth of the American people has been redistributed out of the pockets of the poor and into the pockets of the rich. It's been done over the past few years through tax laws and special exemptions that give corporations all kinds of breaks that individuals do not enjoy.

It's been done over the past few years by corporate profits that have increased while the gross national product has been declining. What this means, quite simply, is that the 200 or 300 monopolistic corporations that control our economy are taking a large slice out of a smaller pie. This means, in effect, that everyone else has to make do with less. Recently Congressman Henry Reuss of Wisconsin pointed out that as a result of the economic policies of the Nixon Administration, $10 billion a year—in each year of the past five years—has been transferred out of the pockets of the lowest four-fifths of the nation's income groups and into the pockets of the top one-fifth.

So the problems of working people really didn't start with the Arab embargo or the quadrupling of the oil prices. And over the long run, I think that this is a problem that can be solved with the right kind of leadership.

By the right kind of leadership, I mean the kind we had when Franklin D. Roosevelt set up the Manhattan Project and when John F. Kennedy set up NASA to put an American on the moon. With that kind of leadership we could, in a few years, tell the shieks and shahs of the Middle East to stick their oil in their ear.

There are many kinds of alternative sources of energy that are waiting to be developed. In Japan they have already shown what can be done with roof-top solar power heaters. 40% of Japan's hot water needs are already being supplied by 2.6 million heaters powered by solar energy. Scientists believe that the sunlight shining on a 150 square mile patch of desert, if used efficiently, could provide the United States with all the energy it needs. There is no end to human ingenuity. One solar scientist, named Pete Glaser, has already drawn up blueprints for a huge solar power cell in space capable of converting the sun's energy into electricity and transmitting it to a receiving antenna on earth.

Unfortunately, all the scientific ingenuity in the world isn't going to do us any good if someone doesn't provide leadership. We need leadership to begin moving against the problems of unemployment that are threatening the most serious economic collapse since the 1930's. It is hard for someone who has been around as long as I have to realize that most of the people in the work force today are too young to remember the great depression. Many of today's workers have not even wanted to hear about the great depression because they said, it could never happen again.

Well, tell that to the workers in Detroit where unemployment has already reached depression levels in the auto industry.

Tell it to the millions of people whose unemployment insurance is beginning to run out and who have no prospects for new jobs in the future.

Tell it to the hundreds of thousands of teenagers who graduated from high school last June and who still haven't found their first permanent job.

These basic problems, ranging from energy to inflation to unemployment, cannot be solved by individual action, no matter how well meaning.

Now, more than ever, the working people of America must combine to seek economic equity both at the bargaining table and in the halls of Congress.

As an old government worker and as a long-time representative of government workers I am well aware of the handicaps that government workers have as compared to their counterparts in private industry. In private industry, if an employer refuses to bargain in good faith on wages and working conditions, you can go on strike. In government you can't.

In private industry, if you've got the support of a significant number of those in the work place and the agreement of the employer you can negotiate a union security clause in your contract. In government, even if 100% of the workers belong to the union, you can't negotiate union security and the next worker hired can take all the services and benefits of unionism without accepting the responsibility of helping to support the union.

In private industry, if you want to get actively involved in politics you can go out and work to elect representatives who support labor's programs. But when you work for Uncle Sam, forget it.

I am suggesting that government employees should have the right to strike in the same way that private employees do. And I do think the time has come to replace weak and inadequate executive orders with legislation guaranteeing federal employees the rights that workers in private industry enjoy under the National Labor Relations Act. And that includes the right to negotiate a union shop agreement—when that is what a significant majority of the employees want. I am suggesting that the Hatch Act should be repealed. No one wants to go back to the days when you could be told by your boss that if you wanted to keep your job or were looking for a promotion you had better kick across with a contribution to this candidate or that.

But I do think government employees have as much stake as anyone in electing candidates who support fair tax laws, full employment programs, national health security and other union legislative goals. I beleve the Hatch Act should be repealed so as to increase the scope and effectiveness of the union's political action program. Too often business representatives serving government lodges feel their hands are tied because they cannot seek funds for the Machinists Non-Partisan Political League or endorse candidates who are favorable to the union cause.

These, then, are just a few of the kinds of issues and problems that these officers you have elected will have to deal with in the coming year.

If there is any lodge in the IAM that has the kind of leadership capable of dealing with these problems, it is Lodge 1998. Over the years the people who work with the government membership have developed great pride in Lodge 1998. You have a spirit here—a spirit of real, honest-to-God unionism that has become much too rare in the labor movement. I predict, however, that as more people are forced to tighten their belt buckles there is going to be more of that spirit throughout the rest of the labor movement.

Though I have probably emphasized the negative here, and have perhaps sounded pessimistic, the fact is I really believe that this labor movement and this great country of ours will meet these challenges with the kind of courage and ingenuity that brought us through tough times in the past.

Once again I want to thank you for allowing me to be with you and to each and everyone I say, as I have said before, and hope to say again in the future—Aloha.

PUBLIC SERVICE EMPLOYMENT FUNDS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, last week I began inserting in the CONGRESSIONAL RECORD the prime sponsors receiving funds for public service employment under title VI of the Comprehensive Employment and Training Act.

I am continuing today with allocations for the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin, Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.

The Subcommittee on Manpower, Compensation, Safety and Health which I chair intends to hold oversight hearings on the Comprehensive Employment and Training Act during this session of Congress. We will begin our oversight with hearings concerning the allocation of funds under CETA on February 20, 9:30 a.m., room 2175, Rayburn Building.

The list of allocations follows:

FINAL ALLOCATIONS

Region V	$153, 480, 170
Illinois	25, 856, 251
Chicago	11, 165, 540
Cook County	3, 777, 945
Arlington Hts	67, 018
Berwyn	76, 853
Cicero	126, 408
Desplaines	80, 291
Evanston	260, 982
Oak Lawn	87, 316
Oak Park	92, 560
Skokie	101, 718
Du Page County	597, 012
Elmhurst	52, 164
Kane County	555, 243
Aurora	183, 133
Elgin	201, 041
Lake County	768, 767
Waukegan	228, 474
Macon County	178, 672
Decatur	138, 050
McHenry County	187, 956
Rock Island County	231, 874
Rock Island City	107, 273
Tazewell County	125, 605
La Salle County	137, 925
Rockford Csrt	533, 870
Rockford	236, 193

FINAL ALLOCATIONS—Continued

Bal Winnebago Cnty	127, 336
Champaigne Csrt	207, 226
Champaign Cty	52, 114
Champaign Cnty	104, 905
Will County Csrt	808, 754
Will Cnty	429, 369
Joliet	362, 649
Sangamon Cnty. Csrt	194, 831
Sangamon Cnty	73, 968
Springfield Cty	114, 214
Madison Cnty. Csr	1, 726, 874
Madison Cnty	1, 695, 023
St. Clair Csrt	1, 112, 526
St. Clair Cnty	1, 101, 059
Peoria Csrt	$299, 290
Peoria Cty	238, 595
Peoria County	60, 695
East St Louis	795, 614
Shawnee Csrt	259, 564
Bal of Illinois	2, 191, 163
Adams Cnty	85, 008
Dekalb Cnty	85, 861
Henry Cnty	45, 389
Jackson Cnty	83, 427
Kankakee Cnty	130, 171
Knox Cnty	62, 276
Mclean Cnty	105, 382
Vermilion County	139, 882
Whitside Cnty	107, 941
Indiana	19, 241, 816
Gary	735, 969
Hammond	180, 608
Lake Cnty	315, 885
Elkhart Cnty	344, 751
South Bend	249, 459
St Joseph Cnty	168, 084
Tippecanoe Cnty	89, 374
Madison Cnty	146, 330
Anderson	79, 739
Vigo Cnty	159, 537
Terre Haute Cty	104, 994
Indianapolis	2, 633, 002
La Porte Cnty	107, 966
Ft Wayne Csrt	667, 065
Allen Cnty	107, 289
Fort Wayne	339, 878
Delaware Csrt	309, 812
Delaware Cnty	69, 627
Muncie Cty	217, 854
Evansville Csrt	570, 937
Evansville	330, 141
Bal Vanderbgh Cnty	18, 643
Bal of Indiana	12, 563, 037
Bartholomew Cnty	43, 608
Clark Cnty	714, 585
Floyd Cnty	629, 904
Grant Cnty	610, 815
Hamilton Cnty	131, 453
Henricks Cnty	127, 882
Henry Cnty	405, 832
Howard Cnty	798, 054
Johnson Cnty	168, 589
Monroe Cnty	695, 191
Porter Cnty	231, 168
Wayne Cnty	671, 181
Michigan	57, 169, 351
Wayne Cnty	4, 418, 075
Dearborn Heights C	240, 783
Lincoln Park Cty	257, 468
Redford Township	322, 396
Taylor Cty	471, 491
Westland Cty	230, 246
Detroit	15, 499, 517
Dearborn	279, 101
Livonia	150, 470
Monroe Cnty	368, 887
Bay Cnty	557, 890
Saginaw Cnty	866, 681
Saginaw Cty	527, 478
Oakland Cnty	5, 978, 156
Pontiac Cty	1, 523, 671
Royal Oak Cty	315, 068
Southfield Cty	217, 217
Waterford Twp	603, 433
St Clair Cnty	1, 133, 359
Calhoun Cnty	727, 994
Kalamazoo Cnty	586, 789
Kalamazoo Cty	306, 493
Berrien Cnty	861, 469
Ottawa Cnty	424, 323
Washtenaw Csrt	1, 238, 594
Washtenaw Cnty	1, 078, 866
Ann Arbor	159, 729
Kent Cnty Csrt	2, 482, 833
Kent Cnty	749, 428
Grand Rapids	882, 609
Allegan Cnty	213, 129
Wyoming Cty	184, 505
Muskegon Csrt	970, 327
Muskegon Cnty	850, 552
Genesee/Flint Csrt	3, 665, 450
Genesee Cnty	1, 382, 375
Flint	1, 510, 739
Lapeer Cnty	$295, 082
Shiawasee Cnty	477, 165
Ingham Csrt	1, 440, 381
Ingham Cnty	613, 318
Lansing	619,995
Eaton Cnty	113, 269
Jackson Csrt	1, 870, 453
Jackson Cnty	754, 524
Lenawee Cnty	882, 878
Macomb Cnty	2, 330, 027
Roseville Cty	415, 097
St Clair Shores Ct	305, 757
Sterling Heights C	261, 799
Warren City	681, 272
Bal of Michigan	10, 637, 303
Livingston Cnty	305, 333
Marquette Cnty	277, 953
Midland Cnty	429, 074
Van Buren Cnty	287, 272
Minnesota	8, 900, 238
Duluth	462, 932
Dakota Cnty	207, 301
Urb. Minn. Consrt	3, 752, 847
Minneapolis	2, 191, 716
Bal Hennepin Cnty	669, 399
Anoka Co	475, 819
Bloomington Cty	114, 113
Washington Cnty	189, 917
St Paul City	1, 301, 809
Ramsey Cnty	253, 493
Region III Csrt	530, 057
St Louis Cnty	231, 279
Rural Cep	705, 656
Bal of Minnesota	1, 686, 143
Blue Earth County	77, 706
Rochester County	53, 193
Stearns County	184, 092
Bal Olstead County	35, 478
Ohio	30, 130, 137
Cincinnati	2, 820, 142
Butler County	654, 579
Hamilton City	193, 071
Clark County	379, 704
Springfield City	291, 008
Hamilton County	729, 741
Licking/Del Csrt	261, 295
Licking County	210, 335
Lorain	490, 900
Elyria	144, 252
Lorain City	159, 921
Akron Csrt	1, 432, 004
Akron City	608, 770
Summit County	269, 752
Portage County	411, 424
Medina County	142, 058
Canton Csrt	892, 360
Canton	300, 772
Stark County	477, 953
Wayne County	113, 611
Cleveland Csrt	7, 139, 141
Cleveland City	4, 854, 901
Parma City	131, 605
Cuyahoga County	1, 269, 649
Lake County	384, 351
Cleveland Heights	108, 787
Euclid	147, 265
Lakewood Cty	147, 507
Geauga Cnty	95, 045
Columbus Csrt	1, 549, 962
Columbus Cty	1, 230, 455
Franklin Cnty	319, 507
Dayton Csrt	1, 390, 147
Dayton Cty	798, 406
Montgomery Cnty	364, 543
Greene Cnty	133, 559
Kettering Cty	56, 505
Toledo Csrt	1, 621, 127
Toledo Cty	1, 340, 887
Lucas Cnty	143, 294
Wood Cnty	136, 946
Youngstown Csrt	1, 470, 533
Youngstown Cty	356, 884
Mahoning Cnty	431, 676
Trumbull Cnty	278, 223
Columbiana Co	140, 584
Ashtabula Cnty	134, 111
Warren	129, 055
Bal of Ohio	9, 298, 502
Lima	302, 369
Bal Allen Cnty	80, 316
Athens Cnty	91, 294
Belmont Cnty	157, 999
Clermont County	362, 825
Crawford Cnty	101, 829
Erie Cnty	113, 411
Fairfield County	129, 083
Hancock Cnty	97, 829
Jefferson Cnty	278, 595
Lawrence Cnty	309, 500
Marion County	94, 141
Miami Cnty	86, 513
Muskingum County	112, 081
Mansfield Cty	227, 356
Bal Richland County	136, 239
Ross County	128, 256
Sandusky County	161, 130
Scioto County	380, 237
Seneca County	130, 505
Tuscarawa County	182, 034
Warren County	285, 088
Washington County	116, 411
Wisconsin	12, 182, 377
Outagamie County	138, 602
Appleton City	64, 157
Rock County	400, 236
Milwaukee Csrt	4, 252, 390
Milwaukee County	130, 021
Milwaukee City	4, 027, 752
Wauwatosa	26, 521
West Allis City	68, 097
Madison-Dane Csrt	405, 343
Madison City	247, 095
Dane County	158, 248
WOW Csrt	221, 352
Waukesha County	161, 334
Ozaukee County	26, 245
Washington County	33, 772
Winne-Fond Csrt	388, 334
Winnebago County	103, 675
Oshkosh City	136, 041
Fond Du Lac County	148, 617
Trico Cetac	577, 045
Bal Kenosha County	44, 862
Racine County	89, 876
Racine City	225, 170
Walworth County	92, 410
Kenosha City	124, 727
Rural Cep	536, 308
Bal of Wisconsin	5, 262, 767
Brown County	155, 149
Dodge Cnty	105, 607
Green Bay Cty	338, 344
Eau Claire Cnty	138, 828
Jefferson Cnty	97, 955
LaCrosse City	133, 474
Bal La Crosse Cnty	40, 697
Manitowoc Cnty	118, 404
Marathon County	325, 268
Sheboygan Cnty	136, 620
Wood County	247, 459
Region VI	51, 330, 044
Arkansas	4, 498, 184
Little Rock Csrt	563, 933
Pulaski Cnty	114, 766
Little Rock	198, 895
North Little Rock	80, 140
Texarkana Csrt	287, 054
Texarkana City	108, 351
Bal Arkansas	3, 647, 197
Benton Cnty	76, 753
Craighead Cnty	176, 251
Fort Smith Cty	110, 676
Garland Cnty	129, 918
Bal Jefferson Cnty	38, 183
Mississippi Cnty	99, 318
Pine Bluff Cty	71, 057
Bal Sebastian Cnty	46, 122
Washington Cnty	177, 545
Louisiana	15, 055, 396

Rapides Parish	411, 999
Baton Rouge	607, 599
Lafayette Parish	166, 854
Lafayette Cty	116, 221
Cal/JDavis/Cam Crt	1, 176, 887
Bal Calcasieu	542, 350
Lake Charles Cty	572, 219
Quachita Parish	445, 072
Monroe City	184, 423
New Orleans Cty	4, 370, 842
Jefferson Parrish	979, 921
Shreveport	$737, 158
Bal of Louisiana	6, 159, 064
Acadia Parish	59, 616
Bossier Parish	162, 272
Iberia Parish	60, 042
Lafourche Parish	85, 460
St Bernard Parish	288, 011
St Landry Parish	223, 396
St Mary Parish	54, 698
St Tammany Parish	419, 894
Tangipahoa Parish	388, 355
Terrebonne Parish	104, 291
Vernon Parish	36, 591
Bal Caddo Parish	280, 843
New Mexico	4, 495, 464
Albuquerque	1, 461, 680
Cty of Albuquerque	1, 100, 871
Bal Bernalillo Cnt	244, 224
Bal of New Mexico	3, 033, 784
Dona Ana Cnty	136, 394
San Juan Cnty	140, 208
Santa Fe Cnty	137, 222
Oklahoma	5, 195, 708
Comanche Cnty	106, 510
Lawton City	96, 800
Oklahoma Cnty	249, 629
Oklahoma Cty Csrt	1, 227, 479
Oklahoma Cty	864, 131
Norman City	176, 612
Bal Cleveland Coun	41, 249
Tulsa Csrt	654, 420
Tulsa Cty	467, 644
Bal Tulsa Cnty	79, 914
Bal of Oklahoma	2, 957, 670
Garfield Cnty	47, 146
Muskogee Cnty	165, 438
Payne County	64, 709
Texas	22, 085, 292
Amarillo Csrt	266, 008
Amarillo Cty	121, 866
Bal Randall Cnty	14, 904
Bal Potter Cnty	11, 838
Austin Csrt	490, 627
Austin Cty	301, 617
Bal Travis Cnty	33, 822
Beaumont Csrt	970, 912
Beaumont Cty	341, 686
Bal Jefferson Cnty	175, 658
Pt Arthur Cty	234, 890
Orange Cnty	151, 764
Cameron County	1, 043, 553
Brownsville Cty	422, 279
Corpus Christi Csr	770, 573
Corpus Christi Ct	485, 471
Bal Nueces Cnty	91, 726
Dallas City	957, 998
Dallas County	539, 353
Garland Cty	111, 855
Grand Prairie Cty	71, 183
Irving City	97, 528
Mesquite City	54, 673
Bal Dallas Cnty	204, 114
El Paso Cty/Cnty	898, 434
El Paso Cty	825, 331
Ft Worth Csrt	782, 961
Ft Worth Cty	559, 928
Arlington City	129, 293
Tarrant County	165, 717
Grand Prairie City	8, 899
Galveston Cnty	199, 472
Galveston City	87, 191
Houston	1, 880, 385
Harris County	921, 084
Pasadena City	185, 394
Bell Cnty Csrt	189, 260
Bell Cnty	115, 794
Hidalgo/Willacy Cs	1, 426, 493
Hidalgo Cnty	1, 364, 106
San Antonio Cst	2, 380, 955
San Antonio Cty	1, 996, 340
Bal Bexar Cnty	210, 008
McLennon Cnty Csrt	384, 938
Waco City	211, 385
Bal McLennan Cnty	71, 634
Wichita Cnty Csrt	192, 046
Wichita Falls Cty	79, 362
Bal Wichita Cnty	30, 310
Webb County	762, 726
Laredo City	732, 265
Texarkana Csrt	438, 263
Texarkana City	$253, 18
Bal Bowie Cnty	185, 074
Balance of Texas	6, 423, 534
Abilene City	65, 889
Bal Taylor Cnty	4, 466
Brazos Cnty	79, 086
Gregg Cnty	72, 462
Midland City	57, 734
Bal Midland Cnty	2, 333
Odessa City	90, 126
Bal Ector Cnty	10, 137
San Angelo Cty	63, 781
Bal Tom Green Cnty	2, 208
Tyler City	96, 424
Bal Smith Cnty	70, 500
Victoria Cnty	48, 526
Collin Cnty	83, 001
Denton Cnty	97, 277
Ft Bend Cnty	77, 104
Grayson Cnty	210, 990
Lubbock City	133, 283
Bal Lubbock Cnty	20, 524

LEE HAMILTON'S WASHINGTON REPORT ENTITLED "THE CIA"

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following Washington Report entitled "The CIA":

THE CIA

Most Americans have only the foggiest notion about what the Central Intelligence Agency does, but recently they have been disturbed to hear reports of the CIA conducting massive illegal domestic intelligence operations against dissident groups in the United States and covert actions to undermine foreign governments.

President Ford has acknowledged CIA complicity in the overthrow of the Chilean government and the use of subversion as an instrument of American foreign policy, and the Director of the CIA, William Colby, has now acknowledged that agents maintained thousands of files on American citizens and participated in break-ins, wiretaps, and surreptitious inspections of mail inside the United States.

The CIA, which grew out of the failure of American intelligence during World War II, was organized in the cold war days of 1947 and plunged into action against the worldwide enemy, Communism. Until recently it has drawn scant attention from Americans.

The basic function of the CIA as an independent intelligence gathering organization is not at issue. The charge now is that the CIA has violated the law by mounting intelligence operations against dissident groups in the United States and conducting covert political operations in Chile and other countries.

The President, the Secretary of State, and Congressional leaders have all declared themselves in support of covert operations, even though such a position runs counter to the common assumption that public officials should be both accountable and truthful.

CIA Director Colby acknowledges that whether the United States should abandon covert action and concentrate instead on intelligence gathering is a legitimate question. He admits that such abandonment would not have major impact on the security of the United States, but he argues that threats could arise which would require the United States to conduct covert operations.

Others believe the United States should never be engaged in covert, subversive activities in pursuit of American foreign policy objectives. Still others believe that there may be circumstances when the strategic interests of the United States require an alternative other than diplomacy or military action.

Concern about the CIA is also rising because of its size, cost, and the secretive way in which it is financed. The CIA employs about 16,500 people and spends about $750 million a year. Most Members of Congress do not know how much money they are allocating for the CIA or what it will be used for. In fact, they do not even know when they are voting to allocate it. Small subcommittees of senior members, who rarely challenge the figures and the information supplied to them by the Agency, camouflage the CIA budget and spread it through a number of separate appropriation bills.

Not surprisingly, then, calls have arisen in the Congress for investigations, and there is certain to be much activity in the Congress in 1975 over the CIA.

A public discussion of the appropriate role for the CIA is long overdue. The CIA itself has the first responsibility for preventing further misuse of power, but tighter control over the CIA by the Congress is necessary. So far Congressional oversight has protected CIA interests but not the public interest. The Congress must pass a whole new set of directives and guidelines for the CIA. A central question of such an examination must be to what extent the United States should engage in covert operations. The Congress must also break up the concentration of decision-making power in the hands of a small group of anonymous officials with little or no accountability.

Obviously, the issues are difficult: what is the proper role of the CIA, and how do we achieve effective public oversight of secret operations in a democratic society? Inevitably tension will develop when an organization such as the CIA exists within a democracy. Congressional oversight of the CIA is part, but not all, of the answer. Good oversight can assure that operations are undertaken only in the most extreme cases and in the wisest possible way, but so long as the nation approves of secret activities, oversight alone will not resolve all the problems. There is no way for a democracy to manage secret activities, and no oversight, however effective, can ignore that fact.

I have come to the view that the United States should abandon covert operations designed to influence political results in foreign countries, except perhaps when the national security is clearly in jeopardy. I also believe the CIA should abandon illegal domestic intelligence operations against dissident groups. I am not persuaded that dirty tricks conducted by agents of the United States government serve the national interest. Covert intelligence gathering operations are needed in the modern world, but stringent criteria must be established by the Congress and enforced.

"WILL IT MAKE ME FAT?": THE SENSITIVITIES OF TORTURERS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. FRASER. Mr. Speaker, given the large number of authoritatively reported instances of torture occurring in junta-ruled Chile, it no longer makes sense to speak and write of torture being "allegedly" used as an instrument of government there. It is a fact that the Pinochet government sanctions the use of torture.

Anthony Lewis' January 27 New York Times column recounts not only the inhuman treatment accorded Dr. Gustavo Molina and others by their Chilean captors, it makes clear the corrosive nature of torture. The pride one torturer takes in his "profession" illustrates this clearly.

But there is an encouraging aspect to Lewis' column. Dr. Molina is convinced that outside pressures—Americans expressing concern and outrage about torture and arbitrary arrests—do help those within Chile suffering under the arbitrary Pinochet rule. We must continue to protest even though we have ended military aid to Chile.

The article follows:

WILL IT MAKE ME FAT?

(By Anthony Lewis)

Dr. Gustavo Molina of Chile has been a leading figure in public health in Latin America for years; a book of his is a standard text. He was not in politics in Chile. But as an interne he had roomed with Dr. Salvador Allende, and he was a lifelong friend. At Allende's request he came out of retirement in 1970 to administer a region in Chile's long-established national health service.

Dr. Molina is a grandfatherly man whose voice remains gentle, his manner detached as he describes what he experienced after the military coup in Chile. "I'm 64, I'm a survivor," he says. "I don't care about me personally. I said that to the military men."

On Jan. 8, 1974, "three gentlemen from the Air Force," as he puts it, seized him without notice in Santiago. They threw him on the floor of a station wagon with two other doctors, Giorgio Solimano and Reynaldo Martinez. They were taken to a prison camp called Tejas Verde and kept together in a small room.

On Jan. 14 the three doctors were taken to another place, with hoods over their heads, for questioning. An officer told Dr. Molina that he was suspected of "permitting paramilitary instruction in your building." Dr. Molina realized that he was talking about concerts and social and other meetings in the health center's cafeteria. As he tried to explain, he heard another prisoner screaming in pain.

Dr. Molina was not tortured—he attributes that to his age. His two roommates were. They were strapped under gymnastic "horses," beaten and given electric shocks.

"Their lower limbs were paralyzed," Dr. Molina said. He added in a calm professional tone: "It must be a very low current, because the paralysis lasted only four or five days. I nursed them."

Dr. Solimano's torturer, when he finished, drank a glass of mineral water. "Giorgio," he asked the doctor, "will it make me fat?"

The three doctors had tried to prepare themselves to behave "with dignity." So Dr. Solimano, a nutritionist, gave a careful reply on the effects of mineral water.

"If you ever find me outside, Giorgio," the torturer asked, "what will you do to me?" Dr. Solimano said he would do nothing—he was a doctor, he helped people. The torturer responded: "Don't you see? This is a profession, just like yours."

Why have people behaved so savagely in Chile since the coup? The question puzzles Dr. Molina. It used to be such an orderly country, so law-abiding. And the change is not confined to the military.

"The present Director of Health was my student in 1951," Dr. Molina said—"my favorite student for years. He was a member of the Socialist party then. Now he has become a wild beast, asking the Army to execute certain doctors.

"Why? Why in Germany? I think the same type of ferocity developed in France after the Revolution. It's like a cancer. Suppose tomorrow the left came to power in Chile. Would we be able to stop torture?"

Another important question is whether outside pressure helps the victims of torture and arbitrary arrest. Dr. Molina is convinced that it does, especially when it comes from the United States. He says that various expressions of U.S. concern were crucially helpful to him, notably a committee sent to Chile by Senator Edward Kennedy. He believes that Dr. Solimano was saved by the personal intervention of an American nutritionist, Dr. Nevin Scrimshaw of M.I.T.

No formal charges were ever made against Dr. Molina or the others. After months of confinement he and Drs. Solimano and Martinez were released. He found asylum in the Swedish, then the Colombian Embassy and got out to Colombia. He was interviewed during a visit to the United States, where he spent years of professional life and has many friends. He got his Public Health Degree at Johns Hopkins.

The Chilean junta makes a practice of denouncing as a criminal and conspirator anyone who reports the use of torture. It may be well, therefore, to say that I sought an estimate of Dr. Molina from a man who was in the cabinet of Allende's anti-Communist predecessor in Chile, Eduardo Frei. His estimate was: "a professional, a moderate man, a serious man, a respected physician, not involved in politics."

The junta maintains that it has issued orders against the use of torture. Everett G. Martin of The Wall Street Journal, in a thoughtful recent article from Santiago, wrote: "An honest investigation of its own jails by the junta could end torture quickly if its intentions were genuine."

Dr. Molina does not want to get involved in political attacks on the junta. Indeed, he was reluctant to talk about his own experience—except that he thought doing so might help some doctors who are still in prison in Chile. One is Professor Hugo Behm, an internationally-known demographer. Another is Dr. Natacha Carrion, whose husband was tortured and killed and who delivered her own baby in prison. Dr. Molina hopes that Americans who helped him will care about them as well.

THE 94TH CONGRESS SCOUTING SURVEY

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. BROWN of Ohio. Mr. Speaker, during each of the current and past four Congresses, I have surveyed the Members of the House and Senate for the Boy Scouts of America to determine the participation of Members of Congress in Scouting, either as Scouts during their youth or as adult leaders.

The survey for the current Congress is now complete, with over 97 percent of the new Members of the House and Senate having responded to the survey form or followup phone inquiry. I thank them for their cooperation.

As I have done in the past, I am placing the results of the survey in the CONGRESSIONAL RECORD so that they will be available to other Members of Congress during the next 2 years for reference. The results are also made available to the press, and through my office and the Boy Scouts of America, to others in Scouting or not associated with Scouting who can utilize the information.

A brief summary of the survey results, in the form of a news release, is also included:

THE 94TH CONGRESS SCOUTING SURVEY

WASHINGTON, D.C.—The percentage of Members of the 94th Congress who have participated in Scouting, either as members of Scouting during their youth or as adult volunteers, dropped by 2.3 percent from the 93rd Congress, to 57.7 percent, according to a biennial survey by 7th Ohio District Congressman Clarence J. Brown.

Brown has surveyed Congress at the beginning of each of the current and past four Congresses for the Boy Scouts of America. He said the current survey shows that 309 of the 535 Members of the House and Senate have participated in Scouting, a drop from 321 during the previous Congress. The totals include 249 Members of the House, down from 262 two years ago, and 60 Members of the Senate, up one from 1973.

Brown also noted that the number of Members of the 94th Congress who attained the rank of Eagle as Scouts declined by three from the 93rd Congress, with the loss of seven former Eagle Scouts in the previous House membership, and the addition of four former Eagle Scouts among the current new Members. The Senate Eagle Scout representation remained the same, at five.

Brown's own Scouting activities began as a member of Troop 5 in Washington, D.C., where he served as a Senior Patrol Leader and earned the rank of Eagle. He was also Assistant Scoutmaster of Troop 47 in his hometown of Blanchester, Ohio, a counselor at Camp Hugh Taylor Birch at Yellow Springs, Ohio, and has served as a member of the Tecumseh Counsel, BSA, in southwestern Ohio.

The results of the Scouting survey were placed in the Congressional Record by Brown to be available for use by other Members of the House and Senate, and turned over to the BSA national headquarters for distribution within the organization and other organizations and individuals active in Scouting.

BREAKDOWN OF 94TH CONGRESS SCOUTING SURVEY

Scout (only):	
Representatives	153
Senators	37
Total	190
Scout and leader:	
Representatives	72
Senators	16
Total	88
Leader (only):	
Representatives	24
Senators	7
Total	31
Total:	
Representatives	249
Senators	60
Total	309

Total who were Leaders: 119.

Percentage of Members who participated in Scouting: 57.7%.

EAGLE SCOUTS

Senators—Frank Moss, Utah (D), Richard Schweiker, Penn. (R), Lloyd Bentsen, Tex. (D), John Culver, Iowa (D), and Sam Nunn, Ga. (D).

Representatives: Bill Alexander, Ark. (D) Burt Talcott, Calif. (R), Charles Bennett, Fla. (D), Keith J. Sebelius, Kans. (R), Larry Winn, Jr. Kans. (R), Thad Cochran, Miss. (R), Barber E. Conable, N.Y. (R), Mark Andrews, N.D. (R), Clarence J. Brown, Ohio (R), J. William Stanton, Ohio (R), Tom Steed, Okla. (D), Daniel J. Flood, Penn. (D), Bill Archer, Tex. (R), J. J. (Jake) Pickle, Tex. (D), Henry S. Reuss, Wisc. (D), M. Caldwell Butler, Va. (R), Philip R. Sharp, Ind. (D), John P. Murtha, Penn. (D), Richard T. Schulze, Penn. (R), Robert C. Krueger, Tex. (D).

SILVER BUFFALO

Senator John Glenn, Ohio (D).

SILVER BEAVER

Senator Mark Hatfield, Ore. (R).

Representatives: Del Clawson, Calif. (R), Larry Winn, Jr. Kans. (R), John McCollister, Neb. (R).

SILVER ANTELOPE

Senator Mark Hatfield, Ore. (R).

CUB SCOUT DEN MOTHER

Rep. Marjorie Holt, Md. (R).

RESULTS OF BOY SCOUT SURVEY, 94TH CONGRESS, FIRST SESSION, CONDUCTED BY CONGRESSMAN CLARENCE J. BROWN OF OHIO

Scout denoted by "S"; Leader or Adult Volunteer denoted by "L"; Scout and Leader denoted by "S&L".

ALABAMA

Sen. John Sparkman (D) S&L, John Buchanan, Jr. (R) L, William Dickinson (R) S, Walter W. Flowers (D) S&L.

ALASKA

Sen. Mike Gravel (D) S, Sen. Theodore F. Stevens (R) S&L.

ARIZONA

Sen. Barry Goldwater (R) S, Sen. Paul Fannin (R) S, John J. Rhodes (R) S, Morris K. Udall (D) S&L.

ARKANSAS

Sen. Dale Bumpers (D) S&L, Bill Alexander (D) S, John Hammerschmidt (R) S, Wilbur Mills (D) S&L, Ray Thornton (D) S.

CALIFORNIA

Sen. Alan Cranston (D) S, Sen. John Tunney (D) L, Alphonzo Bell (R) S, Del Clawson (R) S&L, James Corman (D) S, George Danielson (D) S, Ronald Dellums (D) S, Don Edwards (D) S, Barry Goldwater, Jr. (R) S, Harold Johnson (D) L, Robert J. Lagomarsino (R) S, Robert Leggett (D) S&L, James F. Lloyd (D) S, Paul McCloskey (R) L, John McFall (D) L, George Miller (D) S, Norman Y. Mineta (D) S&L, John E. Moss (D) S, Carlos Moorhead (R) L, Jerry M. Patterson (D) S, John Rousselot (R) S, Edward Roybal (D) S, Burt Talcott (R) S&L, Lionel Van Deerlin (D) S, Bob Wilson (R) S.

COLORADO

Frank Evans (D) S&L, James Johnson (R) S, Patricia Schroeder (D) S, Timothy E. Wirth (D) S.

CONNECTICUT

Sen. Lowell Weicker (R) S, Sen. Abraham Ribicoff (D) S, William Cotter (D) S, Robert Giaimo (D) S, Stewart McKinney (R) S, Anthony J. Moffett (D) S.

DELAWARE

Sen. Joseph Biden (D) S, Sen. William Roth, Jr. (R) L.

FLORIDA

Sen. Lawton Chiles (D) S&L, L. A. Bafalis (R) S, Charles Bennett (D) S, J. Herbert Burke (R) S, Dante B. Fascell (D) S, Louis Frey (R) S, Don Fuqua (D) S&L, Sam Gibbons (D) S, James Haley (D) S, Paul Rogers (D) S&L, Claude Pepper (D) S&L, Robert Sikes (D) S, C. W. Young (R) S&L.

GEORGIA

Sen. Sam Nunn (D) S, Jack Brinkley (D) L, John Flynt, Jr. (D) S&L, Bo Ginn (D) S, Phil Landrum (D) S, Elliott Harris Levitas (D) S, Lawrence P. McDonald (D) S, Dawson Mathis (D) S&L, Robert Stephens, Jr. (D) S&L, W. S. (Bill) Stuckey (D) S&L.

HAWAII

Sen. Hiram Fong (R) S&L, Spark Matsunaga (D) S.

IDAHO

Sen. Frank Church (D), S, Sen. James McClure (R) S, George V. Hansen (R) S&L.

ILLINOIS

Sen. Charles Percy (R) S&L, Frank Annunzio (D) L, Philip Crane (R) S, Edward Derwinski (R) S, John Erlenborn (R) S, Tim L. Hall (D) S, Henry J. Hyde (R) S, Robert McClory (D) S, Edward Madigan (R) S, Ralph Metcalf (D) S, Abner J. Mikva (D) S, Corgan Murphy (D) S, Dan Rostenkowski (D) S&L, Paul M. Simon (D) S, Sidney Yates (D) S.

INDIANA

John Brademas (D) S&L, Lee Hamilton (D) S, Elwood Hillis (R) S, Andrew Jacobs, Jr. (D) S, Phillip R. Sharp (D) S.

IOWA

Sen. Dick Clark (D) L, Sen. John C. Culver (D) S, Berkley Bedell (D) S&L, Michael T. Blouin (D) S, Neal Smith (D) L.

KANSAS

Sen. Bob Dole (D) S, Sen. James Pearson (R) S, Martha E. Keyes (D) S&L, Keith Sebelius (R) S, Garner Shriver (R) S&L, Joe Skubitz (R) L, Larry Winn, Jr., (R) S&L.

KENTUCKY

Wendell H. Ford (D) L, Sen. Walter Huddleston (D) S, John Breckinridge (D) S, William Natcher (D) S, Gene Snyder (R) S.

LOUISIANA

Otto E. Passman (D) S, David Treen (R) S, Joe D. Waggonner (D) S.

MAINE

Sen. William Hathaway (D) S, Sen. Edmund Muskie (D) S, William Cohen (R) S.

MARYLAND

Sen. Charles McC. Mathias (R) S, Sen. Glenn Beall (R) S, Goodloe Byron (D) S&L, Marjorie Holt (R) S&L, Gilbert Gude (R) S&L, Clarence Long (D) S, Paul Sarbanes (D) S, Gladys Spellman (D) S&L.

MASSACHUSETTS

Sen. Edward Brooke (R) S, Michael Harrington (D) S, Thomas O'Neill, Jr. (D) L, John Moakley (I) S, Paul E. Tsongas (D) S.

MICHIGAN

Sen. Robert Griffin (R) S&L, William Broomfield (R) S&L, Garry Brown (R) S, Elford Cederberg (R) S, John Dingell (D) S&L, Edward Hutchinson (R) S, Lucien N. Nedzi (D) L, Philip Ruppe (R) S, Richard F. Vander Veen (D) S&L.

MINNESOTA

Sen. Hubert Humphrey (D) S&L, Sen. Walter Mondale (D) S, Bob Bergland (D) S, Donald Fraser (D) S, Bill Frenzel (R) S, Joseph Karth (D) S&L.

MISSISSIPPI

David Bowen (D) S, Thad Cochran (R) S&L, G. V. Montgomery (D) S.

MISSOURI

Bill Burlison (D) S&L, William Clay (D) S, William L. Hungate (D) S, William J. Randall (D) S.

MONTANA

Sen. Lee Metcalf (D) S&L, Max S. Baucus (D) S.

NEBRASKA

John McCollister (R) S&L.

NEVADA

Sen. Howard Cannon (D) S, Sen. Paul Laxalt (R) S, James D. Santini (D) S.

NEW HAMPSHIRE

Sen. Thomas McIntyre (D) L, Norman E. D'Amours (D) S&L.

NEW JERSEY

Sen. Clifford Case (R) S, Sen. Harrison Williams, Jr. (D) L, James J. Florio (D) S, James J. Howard (D) S, William J. Hughes (D) S, Andrew Maguire (D) S, Helen S. Meyner (D) S.

NEW MEXICO

Manuel Lujan (R) S&L, Harold Runnels (D) S&L.

NEW YORK

Herman Badillo (D) S, Barber Conable, Jr. (R) S&L, Thomas J. Downey (D) S, Hamilton Fish (R) L, Benjamin Gilman (R) S, James F. Hastings (R) S, Frank Horton (R) S&L, Jack Kemp (R) S, Robert McEwen (R) S, Matthew F. McHugh (D) S, Donald Mitchell (R) S, Otis Pike (D) S&L, Frederick W. Richmond (D) S, Samuel S. Stratton (D) S&L, John Wydler (R) S.

NORTH CAROLINA

Sen. Jesse Helms (R) S, Ike Andrews (D) L, James Broyhill (R) S, L. H. Fountain (D) S, David Henderson (D) S, Walter Jones (D) S, James Martin (R) S, Stephen Lynbrook Neal (D) S, L. Richardson Preyer (D) S&L, Roy Taylor (D) S&L.

NORTH DAKOTA

Mark Andrews (R) S.

OHIO

Sen. John Glenn (D) L, Sen. Robert Taft, Jr. (R) S&L, John Ashbrook (R) L, Clarence J. Brown (R) S&L, Samuel Devine (R) S, Tennyson Guyer (R) S&L, William Harsha (R) S, Wayne Hays (D) S&L, Thomas N. Kindness (R) S&L, Delbert Latta (R) S, Clarence Miller (R) S, Charles Mosher (R) L, Ronald M. Mottl (D) S, J. William Stanton (R) S, Louis Stokes (D) S&L, Chalmers Wylie (R) S&L.

OKLAHOMA

Sen. Dewey Bartlett (R) S, Carl Albert (D) S&L, John Jarman (D) L, James Jones (D) S, Theodore M. Risenhoover (D) S, Tom Steed (D) S&L.

OREGON

Sen. Mark Hatfield (R) S&L, Sen. Robert Packwood (R) S, Walter Leslie AuCoin (D) S, Robert B. Duncan (D) S&L, Al Ullman (D) L.

PENNSYLVANIA

Sen. Richard Schweiker (R) S&L, Sen. Hugh Scott (R) S, Edward Biester (R) S, Lawrence Coughlin (R) S, Robert W. Edgar (D) S, Joshua Eilberg (D) S&L, Daniel Flood (D) S, William F. Goodling (R) S&L, Albert Johnson (R) L, Joseph McDade (R) S, Thomas Morgan (D) S, John P. Murtha (D) S&L, Gary A. Myers (R) S, Fred Rooney (D) S, Herman Schneebeli (R) S, Richard T. Schulze (R) S&L, E. G. Shuster (R) S, Gus Yatron (D) S.

RHODE ISLAND

Sen. Claiborne Pell (D) S.

SOUTH CAROLINA

Sen. Ernest Hollings (D) S, Sen. Strom Thurmond (R) S&L, Mendel Davis (D) S, Kenneth Lamar Holland (D) S&L, Floyd Spence (R) S&L.

SOUTH DAKOTA

James Abdnor (R) S.

TENNESSEE

Sen. William Brock III (R) S, John Duncan (R) S&L, Harold E. Ford (D) S, Richard Fulton (D) S&L, Ed Jones (D) S, Dan Kuykendall (R) L, Marilyn L. Lloyd (D) S.

TEXAS

Sen. Lloyd Bentsen (D) S&L, Bill Archer (R) S, Omar Burleson (D) S, Bob Casey (D) S&L, James Collins (R) S, Eligio de la Garza (D) S&L, Henry Gonzalez (D) S&L, Jack E.

Hightower (D) S&L, Abraham Kazen, Jr. (D) S, Robert C. Krueger (D) S, Dale Milford (D) S, Wright Patman (D) L, J. J. Pickle (D) S, W. R. Poage (D) L, Ray Roberts (D) S&L, Olin Teague (D) S, Richard White (D) S&L, Charles Wilson (D) S, James Wright, Jr. (D) S&L.

UTAH

Sen. Jake Garn (R) S&L, Sen. Frank Moss (D) S, Allen T. Howe (D) S&L, K. Gunn McKay (D) S&L.

VERMONT

Sen. Patrick Leahy (D) S&L, Sen. Robert T. Stafford (R) S, James M. Jeffords (R) S.

VIRGINIA

Sen. William Scott (R) L, M. Caldwell Butler (R) S, W. C. Daniel (D) L, Thomas Downing (D) S&L, Joseph Fisher (D) S, J. Kenneth Robinson (R) S&L, David Satterfield III (D) S, William Wampler (R) S.

WASHINGTON

Sen. Henry Jackson (D) S, Brock Adams (D) S, Don L. Bonker (D) S, Thomas Foley (D) S, Lloyd Meeds (D) S&L.

WEST VIRGINIA

Sen. Robert Byrd (D) S, Sen. Jennings Randolph (D) S, Ken Hechler (D) S, Robert Mollohan (D) S, John M. Slack, Jr. (D) S, Harley O. Staggers (D) L.

WISCONSIN

Sen. William Proxmire (D) S, Robert W. Kastenmeier (D) S, Henry S. Reuss (D) S&L, William A. Steiger (R) S.

WYOMING

Sen. Gale W. McGee (D) S.

DEDICATION OF L. B. J. BUST

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. PICKLE. Mr. Speaker, at the outset of the 64th Texas Legislature in Austin, Tex. recently, there was a ceremony in honor of a new sculpture of the late President Lyndon B. Johnson. The beautiful bust, which is located in the State capitol building, was done by Ms. Jimilu Mason, of Alexandria, Va. Ms. Mason should be commended not only for her fine work of art, but for her ability in getting Mr. Johnson to stand still long enough to sculpt his likeness. Anyone who knew the President knows that keeping him in one place very long was no easy task.

Texas Lt. Gov. William P. Hobby, Jr., gave the dedicatory address on this recent occasion. Mr. Hobby comes from an illustrious political family in Texas. His late father was Governor of the State from 1917 to 1921. His mother, Mrs. Oveta Culp Hobby, served as the first Secretary of Health, Education, and Welfare during the Eisenhower administration.

I believe that Governor Hobby's words are worth sharing with you and I insert his speech in the RECORD:

ADDRESS GIVEN AT THE DEDICATION OF LBJ BUST

(By Lt. Gov. Bill Hobby)

Governor and Mrs. Briscoe, Speaker and Mrs. Clayton, Mrs. Johnson, Mr. and Mrs. Nugent, distinguished state officials, members of the 64th Legislature, ladies and gentlemen.

Today we are gathered here in Joint Session to honor the memory of one of the greatest Texans of all times.

Some day, I believe, historians will say he was one of the greatest Americans of all times.

The Presidency of Lyndon Johnson was marked by the greatest outpouring of creative and innovative legislation this nation has ever seen . . . legislation that touched the lives of every man, woman and child in America . . . legislation for the people.

He understood the people because he was one of them. Though he rose to fame and fortune, he never, never forgot his humble beginnings. He never forgot those he left behind, because in a very real sense he didn't leave them behind. He brought them with him—every step of the way.

He was uniquely a product of his Texas environment.

The populism of the Texas frontier was as much a part of him as the air he breathed.

The plight of the small farmer and rancher, trying to eke out a living from the unyielding caliche soil, gave him a sense of compassion that remained with him to his dying day. He used to like to tell the story of the farmer in the hill country who once remarked that the great depression of the 30's wouldn't have been so bad if it hadn't come right in the middle of hard times.

Even the State Legislature, which honors him today, left its indelible mark on him and his philosophy.

Lyndon Johnson never served in the Texas Legislature, but his father, Sam Ealy Johnson, Jr., did—from 1905 to 1909, and from 1917 to 1923. And it was through his father's service here that Lyndon Johnson learned his first lessons of politics.

"I remember," he once remarked, "what my father said to me about public service when I was a little boy walking around, following him barefooted and standing there in the hot sand of Blanco County . . . He used to say to me 'Son, if you are to speak for people, you must know them, and if you are to represent people, you must love them.'"

Lyndon Johnson learned that lesson well. He did get to know the people and he did grow to love the people—and he represented them faithfully and well.

It was here, in this chamber, listening to such men as Wright Patman—his father's desk mate—that the fire of public service was kindled in him.

It was here, in this chamber, observing his father's unrelenting fight against the Ku Klux Klan, that he developed his first understanding of what the crippling legacy of bigotry could do to his fellow men.

"My father fought (the Klansmen) many long years ago in Texas," President Johnson once said, "and I have fought them all my life because I believe them to threaten the peace of every community where they exist. I shall continue to fight them because I know their loyalty is not to the United States of America but instead to a hooded society of bigots."

Later as a young school teacher in South Texas, he saw first-hand the results of such discrimination. The nation will never forget his remarks to a Joint Session of Congress in 1965:

"My first job after college was as a teacher in Cotulla, Texas, in a small Mexican-American school," he said. "Somehow you never forget what poverty and hatred can do when you see the scars on the hopeful face of a young child . . . I never thought then, in 1928, that I would be standing here in 1965. It never even occurred to me in my fondest dreams that I might have the chance to help the sons and daughters of those students and to help people like them all over this country.

"But now I do have that chance—and I'll let you in on a secret: I mean to use it."

And he *did* use it.

He took office in the middle of the longest sustained period of prosperity this nation has ever known. A lesser man would have been content to preside over the status quo.

But Lyndon Johnson was not a status quo man. He ripped the glittering cellophane wrapper from around the nation and showed us what was really under it.

He showed us poverty, illness and hunger in the midst of affluence.

He showed us illiteracy and disease in city ghettos and rural hollows alike.

He showed us the plight of a full 20 million Americans who were treated as second-class citizens because of the color of their skins.

He showed us in graphic and sickening detail the ravages man had made on his environment: The filth in our air, the wastes in our lakes and rivers and the junk in our countryside.

And he did more than show us. He demanded that we face up to these problems and do something about them.

Because of Lyndon Johnson, black and brown Americans now walk proudly to the polling place, where once they faced intimidation, fear and rejection.

Because of Lyndon Johnson, every young American now has the opportunity for all the education his mind can take, regardless of the income of his parents.

Because of Lyndon Johnson, every American con now face the terrifying prospect of sickness in old age, at least with dignity and serenity, thanks to Medicare.

Because of Lyndon Johnson, the stark fact of American poverty is an inseparable part of our political dialogue. We may not have wiped poverty out, but we will never again be able to ignore it.

Because of Lyndon Johnson, American consumers are better protected than ever before from unwholesome meat and poultry, dangerous tops and products, and unscrupulous lenders.

Because of Lyndon Johnson and Lady Bird Johnson—who honors us with her presence today—America is a cleaner and more beautiful place to live.

Perhaps Lyndon Johnson's Presidency was best summed up by his Secretary of State, Dean Rusk, at the late President's memorial service at the United States Capitol in January of 1973. Here is what he said:

"More than a thousand years ago, in a simpler and more robust age, perhaps we might have known him as Lyndon the Liberator, for he was determined to free our people in body, mind and spirit."

Well, his determination was translated into action . . . and action into programs. His legacy is written large in the laws of the land—and we are a better people because of it.

COSPONSORS OF KING STATUE BILL

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. BINGHAM. Mr. Speaker, it gives me great pleasure to insert herewith the list of 156 Members who have joined with me in sponsoring legislation to authorize the commissioning of a statue or bust of Dr. Martin Luther King, Jr. for permanent placement in the U.S. Capitol. I sincerely hope that this overwhelmnig support leads to speedy passage of this fitting tribute to a truly great man.

The list of cosponsors follows:

Cosponsors of Martin Luther King, Jr. Statue Bill

1. Abzug, Bella S. (D-NY).
2. Adams, Brock (D-Wash).
3. Addabbo, Joseph (D-NY).
4. Anderson, Glenn (D-Cal).
5. Anderson, John (R-Ill).
6. Ashley, Thomas (D-Ohio).
7. Aspin, Les (D-Wis).
8. Badillo, Herman (D-NY).
9. Barrett, William A. (D-Pa).
10. Bedell, Berkley (D-Iowa).
11. Bell, Alphonzo (R-Cal).
12. Benitez, Jaime (PR).
13. Bergland, Bob (D-Minn).
14. Biaggi, Mario (D-NY).
15. Biester, Edward G., Jr., (R-Pa).
16. Boggs, Lindy (D-La).
17. Boland, Edward P. (D-Mass).
18. Bolling, Richard (D-Mo).
19. Bonker, Don (D-Wash).
20. Brademas, John (D-Ind).
21. Brown, Clarence (R-Ohio).
22. Brown, Garry (R-Mich).
23. Brown, George E., Jr. (D-Cal).
24. Buchanan, John (R-Ala).
25. Burke, James A. (D-Mass).
26. Burke, Yvonne B. (D-Cal).
27. Burton, John L. (D-Cal).
28. Burton, Phillip (D-Cal).
29. Chisholm, Shirley (D-NY).
30. Clay, William (D-Mo).
31. Collins, Cardiss (D-Ill).
32. Conte, Silvio O. (R-Mass).
33. Conyers, John, Jr. (D-Mich).
34. Corman, James C. (D-Cal).
35. Cotter, William R. (D-Conn).
36. Coughlin, Lawrence (R-Pa).
37. Daniels, Dominick V. (D-NJ).
38. Danielson, George (D-Cal).
39. Dellums, Ronald (D-Cal).
40. de Lugo, Ron (VI).
41. Diggs, Charles C., Jr. (D-Mich).
42. Drinan, Robert F. (D-Mass).
43. Duncan, Robert (D-Oreg).
44. Eckhardt, Bob (D-Tex).
45. Edgar, Robert W. (D-Pa).
46. Edwards, Don (D-Cal).
47. Eilberg, Joshua (D-Pa).
48. Evans, Frank E. (D-Colo).
49. Fascell, Dante B. (D-Fla).
50. Fauntroy, Walter E. (DC).
51. Fenwick, Millicent (R-NJ).
52. Findley, Paul (R-Ill).
53. Fish, Hamilton, Jr. (R-NY).
54. Flood, Daniel (D-Pa).
55. Foley, Thomas S. (D-Wash).
56. Ford, Harold (D-Tenn).
57. Fraser, Donald M. (D-Minn).
58. Frenzel, Bill (R-Minn).
59. Giaimo, Robert N. (D-Conn).
60. Gibbons, Sam (D-Fla).
61. Green, William J. (D-Pa).
62. Harrington, Michael (D-Mass).
63. Hawkins, Augustus F. (D-Cal).
64. Hechler, Ken (D-WVa).
65. Helstoski, Henry (D-NJ).
66. Hicks, Floyd V. (D-Wash).
67. Holtzman, Elizabeth (D-NY).
68. Horton, Frank (R-NY).
69. Howard, James J. (D-NJ).
70. Hughes, William (D-NJ).
71. Hungate, William L. (D-Mo).
72. Johnson, James P. (R-Colo).
73. Jordan, Barbara (D-Tex).
74. Karth, Joseph E. (D-Minn).
75. Kastenmeier, Robert W. (D-Wis).
76. Keys, Martha (D-Kans).
77. Koch, Edward I. (D-NY).
78. Leggett, Robert L. (D-Cal).
79. Litton, Jerry (D-Mo).
80. Long, Clarence D. (D-Md).
81. Long, Gillis, W. (D-La).
82. McCloskey, Paul N., Jr. (R-Cal).
83. McHugh, Matthew F. (D-NY).
84. McKinney, Stewart B. (R-Conn).
85. Madden, Ray J. (D-Ind).
86. Matsunaga, Spark M. (D-Hawaii).
87. Mazzoli, Romano L. (D-Ky).
88. Meeds, Lloyd (D-Wash).
89. Melcher, John (D-Mont).
90. Metcalfe, Ralph H. (D-Ill).
91. Mezvinsky, Edward (D-Iowa).
92. Miller, George (D-Cal).
93. Mink, Patsy T. (D-Hawaii).
94. Mitchell, Donald J. (R-NY).
95. Mitchell, Parren J. (D-Md).
96. Moakley, Joe (D-Mass).
97. Moorhead, William S. (D-Pa).
98. Mosher, Charles A. (R-Ohio).
99. Moss, John E. (D-Cal).
100. Murphy, John M. (D-NY).
101. Murphy, Morgan F. (D-Ill).
102. Nix, Robert N.C. (D-Pa).
103. Nolan, Richard (D-Minn).
104. Nowak, Henry (D-NY).
105. Obey, David R. (D-Wis).
106. O'Brien, George M. (R-Ill).
107. O'Neill, Thomas P. (D-Mass).
108. Ottinger, Richard (D-NY).
109. Patten, Edward J. (D-NJ).
110. Pattison, Edward (D-NY).
111. Pepper, Claude (D-Fla).
112. Price, Melvin (D-Ill).
113. Pritchard, Joe (R-Wash).
114. Rangel, Charles B. (D-NY).
115. Rees, Thomas M. (D-Cal).
116. Reuss, Henry S. (D-Wis).
117. Riegle, Donald W., Jr. (D-Mich).
118. Rodino, Peter W., Jr. (D-NJ).
119. Roe, Robert A. (D-NJ).
120. Rosenthal, Benjamin S. (D-NY).
121. Roush, J. Edward (D-Ind).
122. Roybal, Edward R. (D-Cal).
123. Ryan, Leo J. (D-Cal).
124. Sarbanes, Paul S. (D-Md).
125. Schroeder, Patricia (D-Colo).
126. Seiberling, John F. (D-Ohio).
127. Simon, Paul (D-Ill).
128. Sisk, B. F. (D-Cal).
129. Solarz, Stephen (D-NY).
130. Spellman, Gladys (D-Md).
131. Stanton, J. William (R-Ohio).
132. Stark, Fortney H. (D-Cal).
133. Steelman, Alan (R-Tex).
134. Stokes, Louis (D-Ohio).
135. Stratton, Samuel S. (D-NY).
136. Symington, James W. (D-Mo).
137. Thompson, Frank, Jr. (D-NJ).
138. Traxler, Bob (D-Mich).
139. Tsongas, Paul (D-Mass).
140. Udall, Morris K. (D-Ariz).
141. Van Deerlin, Lionel (D-Cal).
142. Vander Veen, Richard (D-Mich).
143. Vanik, Charles A. (D-Ohio).
144. Vigorito, Joseph P. (D-Pa).
145. Waxman, Henry A. (D-Cal).
146. Weaver, James (D-Oreg).
147. Whalen, Charles W., Jr. (R-Ohio).
148. Wilson, Charles (D-Tex).
149. Wilson, Charles H. (D-Cal).
150. Wolff, Lester L. (D-NY).
151. Won Pat, Antonio (Guam).
152. Wydler, John W. (R-NY).
153. Yates, Sidney R. (D-Ill).
154. Young, Andrew (D-Ga).
155. Zefferetti, Leo C. (D-NY).
156. Jacobs, Andrew (D-Ind).

WHAT GOES ON IN VIETNAM?

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Ms. ABZUG. Mr. Speaker, last night's NBC news carried the startling announcement that several teams of uniformed Americans have been sent to Vietnam to help reorganize a supply system for the South Vietnamese air force. UPI says the presence of these Americans violates the spirit if not the letter of the Paris Peace Agreement. The men are put to work 4 days at a time, then flown to the Philippines for an overnight stay. American officials in Saigon say this is technically not a violation of the agreement and is perfectly legal.

I believe it is a violation of that agreement and I am certain that it is a violation of the congressional prohibition against any new American involvement in Vietnam. This is where we came in—and unless we are vigilant, I fear that we will be right back in, with American troops and bombs and planes and ships and ammunition.

If another Presidential war is building, it is time for Congress to get the details and take immediate action to cut off any secret military intervention. I am glad to report that 30 Members of Congress now share this view. My resolution of inquiry, H. Res. 134, now has 30 cosponsors. I hope that many of my colleagues will join in this important search for information.

The names of the cosponsors and text of the resolution are attached:

Names of Cosponsors

Representative Herman Badillo, Democrat of New York.

Representative Edward Beard, Democrat of Rhode Island.

Representative Michael T. Blouin, Democrat of Iowa.

Representative George E. Brown, Democrat of California.

Representative Bob Carr, Democrat of Michigan.

Representative John Conyers, Jr., Democrat of Michigan.

Representative Ronald V. Dellums, Democrat of California.

Representative Christopher J. Dodd, Democrat of Connecticut.

Representative Thomas J. Downey, Democrat of New York.

Representative Robert W. Edgar, Democrat of Pennsylvania.

Representative Don Edwards, Democrat of California.

Representative Harold E. Ford, Democrat of Tennessee.

Representative Mark W. Hannaford, Democrat of California.

Representative Michael Harrington, Democrat of Massachusetts.

Representative Elizabeth Holtzman, Democrat of New York.

Representative Martha Keys, Democrat of Kansas.

Representative Andrew Maguire, Democrat of New Jersey.

Representative Helen S. Meyner, Democrat of New Jersey.

Representative George Miller, Democrat of California.

Representative Parren J. Mitchell, Democrat of Maryland.

Representative Anthony Toby Moffett, Democrat of Connecticut.

Representative Richard Nolan, Democrat of Minnesota.

Representative Charles B. Rangel, Democrat of New York.

Representative Frederick W. Richmond, Democrat of New York.

Representative Benjamin S. Rosenthal, Democrat of New York.

Representative Edward R. Roybal, Democrat of California.

Representative Patricia Schroeder, Democrat of Colorado.

Representative Stephen J. Solarz, Democrat of New York.

Representative Fortney H. Stark, Democrat of California.

Representative James Weaver, Democrat of Oregon.

H. Res. 129

Resolved, That the Secretary of Defense be, and he hereby is, required to furnish to the House of Representatives, within ten days after the adoption of this Resolution, full and complete information on the following:

1. Since the Paris Peace Agreement of January 1973, has the United States carried out reconnaissance flights over North Vietnam or over areas of South Vietnam controlled by the Provisional Revolutionary Government? How many were for military reconnaissance and how many were for other purposes? Please specify what other purposes and dates.

2. Since January 27, 1973, has the United States supplied any reconnaissance information to the government of South Vietnam or otherwise assisted that government in its bombing raids over North Vietnam or over areas of South Vietnam controlled by the Provisional Revolutionary Government? If so, please supply the dates on which such information was supplied.

3. State the number and classification of American personnel now employed in the maintenance or repair of military aircraft and other military equipment in South Vietnam. State the number and classification of American personnel now employed in advising or assisting the government of South Vietnam, specifying the number of those serving in an advisory capacity to the military services of South Vietnam.

4. Are any American aircraft carriers now stationed within 12 miles off the shores of Southeast Asia or en route to that destination? If so, how many?

5. Furnish the following data regarding United States involvement in Cambodia:

(a) the text of Cambodia's request for air supply on Saturday, January 11, 1975;

(b) the number of flights made by C–130s or other American aircraft carrying military supplies to Cambodia between January 11 and the present;

(c) the description and quantity of such supplies and where they are flown from;

(d) the number of American military personnel involved;

(e) the number of American civilians involved;

(f) the cost of supplies, flights and personnel involved.

ALBERT WILLIAM HARTMAN, M.D.—A GREAT HUMANITARIAN

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. KRUEGER. Mr. Speaker, the city of San Antonio, Tex., has long been known for the richness of its historical and cultural heritage. We are proud of its place in the development of the Southwest and its traditions. However, the people of San Antonio are now developing another tradition which is a growing source of pride. This is the city's emerging role as a major center for medical research and treatment.

I would like to pay tribute today to Dr. Albert William Hartman, a man who has been instrumental in the development of our medical facilities. For over 25 years he has tirelessly given of his time and devotion toward this end. The results of his efforts can now be seen throughout our expanding medical community. Through his individual skills he has helped countless numbers of people in our area and become known as the dean of the San Antonio surgeons. Through his collective work with others toward improvements on a community-wide scale, he has had a far-reaching influence.

To show appreciation for his services, the city of San Antonio recently presented Dr. Hartman with the following citation:

> In recognition of a great humanitarian who has labored unceasingly and contributed immeasurably to the expansion of better medical facilities and better health care for this community. His exceptional skill in applying surgery to human ills and his dedication to the serving of mankind assures that his work will be continued through the foundation which proudly bears his name.

Dr. Hartman's major contributions to San Antonio and south Texas resulted from his position as chief of surgery at the Robert B. Green Memorial Hospital from 1946 to 1966. His main preoccupation during these years was in securing improved medical care for those who were lacking adequate financial means. He was instrumental in developing a program for teaching and training hospital personnel, based on methods used in other teaching hospitals. To this end, he helped establish a program for postgraduate education for physicians serving the Robert B. Green Hospital, and greatly improved the ability of the hospital to recruit qualified physicians and supportive personnel.

Following this long and noteworthy service, Dr. Hartman founded the Albert W. Hartman-Edgar F. Frazell Foundation for Medical Research. This has provided for a continuation of Dr. Hartman's work toward improved medical care for our community. In 1968, Dr. Hartman published a paper on breast cancer, and is now involved in expanding this study. His foundation is also supporting a research project at the University of Texas Medical School at San Antonio.

In noting the many accomplishments of Dr. Hartman, it must be mentioned that he serves in various staff capacities in virtually every hospital in San Antonio. Besides the private and community hospitals, he also serves as consultant to surgery at Brooke Army General Hospital, Wilford Hall U.S. Air Force Hospital, and the Audie L. Murphy Memorial Veterans' Administration Hospital.

In addition to serving our community in a medical capacity, Dr. Hartman was appointed by the Governor to serve on the Texas Air Control Board, was president of the Bexar County Hospital District in 1971–72, and served as chairman of the board of governors of Southwest Foundation for Research and Education in 1961–64, and 1967–73. Dr. Hartman has also been active in numerous professional associations.

A humanitarian is a person who, through his actions and philanthropy, shows his concern for human welfare and social reform. Dr. Hartman has certainly achieved such designation through his dedicated service to his fellow man. This concern for human welfare is the great strength of our Nation, and the people of San Antonio would like to share with you their profound appreciation for this man, and for those who will follow and be guided by him.

AQUACULTURE

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. CHAPPELL. Mr. Speaker, the world is confronted today with a food crisis of unprecedented character. The scarcity of food in the world and ever-increasing food prices have clearly highlighted the necessity of expanding our research and development efforts in areas which present viable alternatives for expanded food production.

One of the most attractive alternatives remains the development of aquaculture, the growing of aquatic organisms under controlled conditions. Aquaculture could make a significant contribution to nutrition in many parts of the world by virtue of its high productivity under selected conditions and also by the fact that aquatic crops are primarily protein crops rather than starchy staple foods. Although aquaculture has been developing in the United States for some time, it is still in its early stages and its potential is vast. It offers an excellent opportunity to cope with the problems involved in depletion of the U.S. coastal fish stocks, overfishing generally, and the destruction of natural fish habitats by environmental changes.

Aquaculture currently provides more than half of the Nation's catfish, 40 percent of the oysters, practically all of the trout, and over 10 percent of the salmon. In addition, appreciable amounts of shrimp, lobster, crayfish, clams, scallops, abalone, mussels, pompano, and other aquatic animals are produced annually through aquaculture. With the present state of aquaculture technology, it has been estimated that production by aquaculture could be increased between three and five times from current production levels and that a more concentrated development effort could result in a fifteen to twentyfold increase in production.

I have reintroduced today the National Aquaculture Development Act of 1975. This program will not only increase sources of marine protein for the consumer and the availability and quality level of consumer fishery products, but will also stimulate new business, industry, and employment. The bill authorizes the Secretary of Commerce, working in conjunction with other Federal agencies, to approve the construction of hatcheries, assist public or private organizations with aquaculture, develop a central source of information on aquaculture development, inventory acreage and production, and initiate aquaculture pilot projects.

The potential areas for aquaculture development are unlimited: stock ponds, springs, creeks, bayous, rivers, lakes, wells, seas, and other pool and pond areas that can readily be adapted to useful aquaculture production. Aquaculture can coexist with agricultural pursuits and, in many cases, will provide complementary resources. For instance, water used in aquaculture is an excellent source of fertilizer, either when applied directly, or used for irrigation on various crops.

Aquaculture promises a dramatic increase in the supply of protein for the consumer in the form of fish and fishery products. Increased Federal involvement and coordination in this area is imperative if we are to meet the challenges of a worsening world food crisis.

Mr. Speaker, I have now introduced this bill with 32 cosponsors:

LIST OF COSPONSORS

Mr. Benitez, Mr. Burke of Massachusetts, Mrs. Boggs, Mr. Carter, Mr. Cleveland, Mrs. Collins, Mr. Davis of South Carolina, Mr. deLugo, Mr. Downing, Mr. Fascell, Mr. Harrington, Mr. Hinshaw, Mr. Holland, Mr. Jenrette, Mr. Lagomarsino, Mr. Lehman, Mr. Long of Maryland, Mr. Mathis, Mr. Murhpy of New York, Mr. Patman, Mr. Pattison of New York, Mr. Pepper, Mr. Pritchard, Mr. Rangel, Mr. Rees, Mr. Rodino, Mr. Roe, Mrs. Schroeder, Mr. Schulze, Mr. Seiberling, Mr. Solarz, and Mr. Zeferetti.

I urge my colleagues to consider the importance of this legislation in light of the world food crisis and I urge the Merchant Marine and Fisheries Committee to hold early hearings on this legislation.

THE FUTURE FARMERS OF AMERICA—AMERICA'S YOUTH IN AGRICULTURE

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. NATCHER. Mr. Speaker, I like the Future Farmers of America. I know many of them personally and although I must admit that at times I have a little trouble keeping track, I take pride in their many activities. I like the things they do, the ideals they represent, and I am glad that I have this opportunity to salute my young friends, the Future Farmers, during National FFA Week.

This year their annual nationwide celebration will be observed from February 15 through February 22. It is FFA tradition that their national week include the birthday of George Washington who is revered by members of the Future Farmers not only as the first President of these United States but as our country's first farmer.

"FFA—A Chance For Growth," the 1975 theme for the Future Farmers of America, exemplifies to me the FFA program. It expresses so well its purpose for if ever a program offered its members the opportunity to grow—to explore—and to develop, it is the FFA program.

Founded in 1928, the FFA program has from the start stressed leadership, cooperation, and citizenship. It is an organization run by its student members under adult guidance and serves as a splendid example of American youth in action.

FFA members are vocational agriculture students in 8,000 of our Nation's high schools. The members—and there are 450,000 of them—are young, and it is not as easy to be young today as it has been in the past. We expect more of our young people today. They face more challenging circumstances and decisions.

The FFA program recognizes that its primary goal is to prepare our young men and young women for the future. Its activities are specifically designed as a part of the instructional program in vocational agriculture. Members learn through active participation to assume leadership roles in their schools and communities.

For American youth, choosing a career is just about the most important and, more often than not, the most difficult decision they will have. For FFA members this decision is made easier. Every member of the Future Farmers will not of course become a farmer in the future. But every member will be equipped to handle a job related to the broad field of agriculture. This year alone some 110,000 FFA members will graduate from agricultural education courses in our high schools. There will be one-half million jobs waiting to be filled and these graduates will have the specialized training needed to fill these positions.

Our American youth in agriculture are one of our Nation's most valued resources. It is to them we will look for new concepts in farming, new ideas, and new methods of feeding our people. Certainly recent food shortages attest to the need for a continuing strong program of vocational agriculture and the FFA program. It is a big responsibility they face, but one I am sure they will meet and master.

I congratulate the young men and young women of the Future Farmers of America as they make ready their plans for FFA Week—1975, and wish them every success in their every endeavor.

CONGRESS EMPTOR—LET CONGRESS BEWARE

HON. MARK ANDREWS

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. ANDREWS of North Dakota. Mr. Speaker, I would like to call the attention of my colleagues to an editorial that appeared in the Towner County Record-Herald of North Dakota. Because my State has so many fine weekly newspapers I always pay close attention to what they say.

It concerns the opinions of Blanche Denison who makes some pretty good comments about congressional inaction. Sometimes we in Congress are accused of not seeing the forest for the trees. In the case of Blanche Denison, I think that she can see more clearly, some of the foibles of a Congress that talks much of action in solving the problems of inflation, recession, and unemployment but is not willing to put in some extra hours to help solve some of these problems.

There is a lot of hope that this Congress is going to take some bold steps and get some solid legislation out and signed without a lot of unnecessary delay. Unless Congress does take some positive steps this session, more people like Blanche Denison will react next election and vote out those responsible for the inaction. The editorial follows:

CONGRESS NEEDS SHAKING UP

(By Blanche Denison)

President Ford on Wednesday presented a national and anti-recession program to Congress pleading that it be enacted in "all due haste." Critics say it should have been enacted "yesterday." The Democrats say they have a program just as urgent and much better. Every day of production stoppage, unemployment costs and slowdowns can never be captured again and are estimated to cost 200 million dollars a day in gross national product (to say nothing of tax income). The areas of agreement are large and no time remains for dilly-dallying.

Interviews with Congressional leaders promise they will hurry as fast as they can. Rep. Carl Albert says they even hope to have a bill out of the House Committee ready for floor debate by late March. That is 68 DAYS. What is the matter with burning a little midnight oil, working a few Saturdays, having committee sessions begin early and end late. When they wanted to pass a football telecast bill it went through the House and the Senate and was signed by the President all in three hours.

The entire government took a three-week holiday at Christmas and now have scheduled among their other recesses a vacation from February 6 to February 17 to celebrate Lincoln's birthday. We doubt that Mr. Lincoln would have approved of this, if the country is in the peril some say it is. Not counting Saturdays and Sundays the House has scheduled 63 days of recesses and the Senate 67 days. For Easter observance they need from March 21 to April ; for Memorial Day from May 23 to June 2 and for July 4 observance from June 27 to July 7. The summer recess which we agree they need is from August 1 until September 3 but the House barely gets back until they must take five days from September 12–17 to celebrate Yom Kipper. Then there is the October Vacation from October 10–20 and for Thanksgiving dinner they need from November 21 to December 1. Then comes Christmas again.

People are going to find it hard to take seriously their commitments if elected leaders are not willing to change their schedule for extra effort. In our opinion the one thing that will enrage people now is intra-party squabbling about who gets credit and who gets blame until nothing happens. These are grown men and women acting like children and we deplore it. The one thing that seems to have top priority this first week is committees being named upon committees to investigate and play amateur detective and hearings. Some of this may be necessary, but some of the things being investigated we have lived with for 30 years and they are hardly that urgent. The disgrace of wasted time and money in three months of hearings on Nelson Rockefeller's nomination should be enough to last a long time.

President Ford pointed out in his message that in 1942 Congress enacted the needed legislation to swing the country into the war effort in less than half the time expected. Shaking up the leadership of some committees might help, and there are freshmen legislators determined to do this. They had better act fast before they catch the disease of believing they are in a class by themselves. Somehow it is comforting to find we have a new woman Representative who smokes a pipe and a man who brought his camper to Washington to live in because he refused to pay the cut-throat prices and plans to ride a bus from the campground to the Capitol each day.

At the same time the dust is shaken from the rafters of committee rooms we would like to see Senator Proxmire's bill passed which would strip government officials of their sleek black official limousines. He sets an example by jogging two miles to work each day. His bill would reduce the number of "prestige cars" from 800 to 25 and save 13 million dollars in chauffeurs' salaries alone. The Postal Service would lose six green Mercurys for their executives that they vow is necessary to "attract top people to $60,000 jobs." Such utter foolishness ... Officials like the House doorkeeper and the Secretary for the Senate are said to need chauffeurs so they have time to think and read enroute to their jobs. Other car losers would be under-secretaries and assistant secretaries of Cabinet members, 20 non-cabinet level White House advisors and heads of regulatory commissions. Cabinet member Simon, former Energy chief, will still be chauffeured one block from his office to the White House. If these government officials are worth their salaries they should be smart enough to get themselves to work and home without gouging the taxpayer.

From elected officials to the lowliest subcommittee workers something seems to happen to the common sense of some of the normally good people when they get to Washington. If it is the aroma of royalty—let's fumigate the halls and remind them there is only one reason they are there, and that is the welfare of the United States. If keeping political fences mended and playing politics with national issues is the prime concern, this nation will soon join the ranks of other nations in history—none of which survived 200 years.

We are close to the 200 year mark. It would be nice to make it. Most of our Midwest officials are farmers. Let's ask them to feel the urgency of "a crop on the ground with hail clouds coming up in the West", and really put in some long hours.

B. IRVIN CHENEY RETIRES

HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. STEPHENS. Mr. Speaker, I would like to call the attention of my colleagues to a magnificent record of public service. B. Irvin Cheney, clerk of the County Commissioners of Wilkes County, Ga., has performed for 55 years. His home is Washington, Ga., the first incorporated town in the United States, named in 1780 for Gen. George Washington long before he became the first President of the United States.

The following article by Mildred R. Sisson is recognition of Mr. Cheney's service record appeared on January 16, 1975, in the News-Reporter of Washington, Ga., whose editor is Mr. Smythe Newson:

CHENEY RETIRES

(By Mildred R. Sisson)

He's retired now. Retired? Does that mean "tired" and "tired" again? He's not really tired in that way—a little weary perhaps, and rightfully so. After more than 55 years of service to one's county it's time to be a little bit "tired"—but he's not.

If his eyes were as keen as they once were Irvin Cheney could go on indefinitely. Cataract surgery on one and upcoming surgery on the other eye makes seeing somewhat of a problem these days.

We all know by now that B. I. Cheney, clerk and fiscal officer of the Wilkes County Board of Commissioners for the past 55-plus years, retired Dec. 31, 1974, and was honored, along with C. B. Wright (board member for four terms) by their co-workers with a testimonial dinner last Friday night, Jan. 3.

Irvin Cheney came very near to being born in Wilkes County. His mother could just have easily have been at their place in Wilkes as in Bairdstown, just over the Oglethorpe County line.

His father, Patrick Mell Cheney, an Oglethorpe man, married Lula Belle Walton, a Wilkes County girl. They became parents of nine children. Next to the youngest was Benjamin Irvin, born August 31, 1899, there in Bairdstown. Patrick Mell Cheney was principal of Mercer Institute for a dozen years.

Young Irvin finished high school in Valdosta. After completing Southern Shorthand and Business University in Atlanta he went to the University of Georgia. After receiving his very thorough education in business he went to work in Albany at a bank where his brother was president.

He was there in 1919 when contact with his father's dear friend, Jim Griffin, a merchant who his father thought was a "diamond in the rough," led to his coming to Wilkes County in 1919. He admits that his father's high regard for Mr. Griffin had much to do with his acceptance of the job as clerk of the Wilkes County Board of Commissioners on Sept. 1, 1919.

Members of the board then were Jim Griffin, Ed Barnett, Sam McLendon, T. J. Jackson and J. W. Fanning, with Mr. McLendon as chairman.

From that time on this work has "been his life through thick and thin," according to his wife, the former Mildred Mays Sims—his Millie, daughter of William Mays Sims and Bettie DuBose Sims.

They were married on June 8, 1922, and have five children and 14 grandchildren.

Children first—and they are Lelia Sims, Irvin Jr., Mildred DuBose (Mimi), Marion Pope, and Patricia Stephens (named after their neighbor and friend, the late Dr. R. G. Stephens).

Mrs. Cheney wanted this to be entirely about Mr. Cheney, but she worked many, many years with the county health department, and also did secretarial work for her husband—working late in the night many nights, until Mrs. Ed Markwalter came to fill that position.

And I do have to tell you a little about those dear children.

Lelia married Ben A. Freeman, an attorney in Greenville where they live. She's a talented artist and musician and has taught in both fields. She is currently president of the historical society of Meriweather County. Their children are Nan, Ben, Beth and Patricia.

Irvin Jr. is assistant director of VISTA for the Southeastern States. He lives in Atlanta. His children are Jeanne and the identical twins, June and Joy.

Mimi's husband, Porter B. Cohen, is head of the ASC office in Louisville. She teaches at Burke Academy. Their children are Mildred, Mary, Jim and Katherine.

Patricia married Walter C. Britt, a student at the University of Texas who is working on his doctorate. They live in Austin where she manages a large apartment complex. Brian, Susan and Alice are their children.

And they all add up to a house full which Mother Cheney enjoys very much. She really enjoyed having them all home for Christmas—all except Beth who was in Europe and June and Joy who were in Louisiana.

She starts planning about three weeks ahead of time in order to have time to really enjoy her children. She freezes a lot. That's the way she managed the 4,000 sausage balls she made for the wedding of one of her granddaughters. She really does make delicious ones. She's a good cook anyway, according to her husband.

I'd better get back to telling you about her favorite subject—her husband.

They're members of the First Baptist Church. He became a member there April 26, 1920. He helped organize the first Baptist Training Union which succeeded the old BYPU. He served as clerk of the church for seven years; taught Sunday School for over 20 years; and was an active deacon for several years.

He was a charter member of the 214th Coast Artillery Unit of the Georgia National Guard, which later became an anti-aircraft unit.

He's been a member of the Kiwanis Club.

He considers it an honor to have served on the Mary Willis Library Board with the late Dr. R. A. Simpson and Col. Frank H. Colley.

He's a Mason—member of LaFayette Lodge No. 23 AF&AM.

Mr. Cheney remembers that that ole black bug had wrecked the economy and the county and city governments were having quite a time trying to operate when he went into office, but he did the very best he could, and according to Mr. Cheney and the record, 1934 was the year Wilkes County borrowed its last money and it paid its last interest on borrowed money that same year. Since that time the county has received a good bit of interest on invested reserve funds.

During this period many of the counties in this area were issuing refunding certificates or negotiating loans for operational purposes. According to various board members Mr. Cheney's ideas and suggestions have proven most beneficial to the county. Over the state and in the state offices in Atlanta he has always been held in high esteem and this relationship has proven most beneficial in getting things done. They say he has accomplished much without any publicity of fanfare.

A few years back when Mr. Cheney was thinking of retirement, the chairman of the board, DeLeon H. Reynolds Jr., died and Henry Harris, board member, was appointed as chairman for the unexpired term. Mr. Harris was reelected to that position last year.

Mr. Cheney has always been opposed to deficit spending. Over the years the county government has remainded solvent, and yet has cooperated in every effort made to further the progress of Wilkes County while operating on one of the cheapest tax rates in the state.

He served under six administrations. In addition to his duties as clerk of the commissioners, appointed fiscal officer, he also performed the duties formerly done by the treasurer of Wilkes County before that office was abolished.

Records show that Wilkes County has not had to borrow any funds for operations of county purposes since the year 1934 and not a cent of interest has been paid for such purpose since then.

During the recession of the 1960s—or depression—when quite a number of counties could not borrow money and had outstanding time-warrants due, but unpaid because of no credit, Wilkes County was drawing interest on a reserve account and taking a cash discount on all purchases.

In speaking of his years in office he lists some things which have been met from the Savings Reserves, such as the following: "Wilkes County organized the second forestry fire control unit in the tenth district; had the second health office in the district; has one of the best rescue units in the state; assists in volunteer fire departments over the county; has instituted solid waste (garbage disposal) program; has nursing home ($18,000); hospital ($30,000); and emergency ambulance service ($18,000 per year)—all within the lower 10 per cent of tax rates."

Two years ago they moved into their new home on Sims Street. During the Christmas holidays their sons fashioned a handsome mantel of old lumber from her grandmother's place. This adds to the charm of their lovely living room.

His many friends wish Mr. Cheney—and his Millie—many years of happy retirement, content in the knowledge of a "job well-done."

USELESS ENVIRONMENTAL IMPACT STUDY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MICHEL. Mr. Speaker, in the rush to write laws to deal with the increasing public awareness of environmental problems a few years ago, the Congress made some silly mistakes.

Certainly one of the worst was the requirement for environmental impact statements on everything under the Sun. It is my general opinion that the vast quantities of paper needed to produce these incredibly complex statements is a greater environmental hazard than the problems they are supposed to clear up.

More importantly, the legal battles over these statements have resulted in a disservice to the citizenry, because they have needlessly delayed a great many worthwhile projects.

One such project, needlessly delayed by environmental regulations, is an Interstate Highway project known as the Peoria bypass. This project is of great importance in my district, and in my hometown of Peoria.

An article in last Sunday's Peoria Journal-Star by Bill Prater did an excellent job of showing just how useless and silly the environmental impact statement problem can get. So that my colleagues can better understand this problem, I am including this article in the RECORD at this point:

[From the Peoria (Ill.) Journal-Star, Feb. 2, 1975]

USELESS IMPACT STUDY MIRES I-474 JOB

(By Bill Prater)

An apparently useless environmental impact statement on the Interstate 474 Peoria bypass has inflated the cost of the project as much as $25 million and delayed its completion a year and a half.

The final contracts could be let this August or September, state Department of Transportation officials say, making it doubtful much work will be done this year.

The next tentative completion date: late 1977 on a project originally scheduled for completion in 1972.

The long-awaited highway was the victim of a 1973 out-of-court settlement between environmentalists and the Federal Highway Administration (FHWA). The order, abruptly handed down in September, 1973, was clear: impact statements are required on all major federal highway projects not already under contract.

And I-474 was being built as a series of interrelated projects. About half were under contract.

Massive projects worth $41.9 million—the five interchanges and all but four overpasses—were under construction or awarded before the sudden cutoff.

They stand now, islands of concrete and steel, some completed months ago, others nearly complete, all awaiting pavement that will join them.

That's what awaits approval of the impact statement: about 13 miles of paving and earthmoving work, along with the difficult and costly relocation of a railroad overpass near the Adam Street interchange in Bartonville.

The estimated cost of the project in September, 1973, was about $75 million.

The latest estimates are between $90 million and $100 million, with the cost of unstarted work rising from about $33 million to between $48 and $58 million.

Inflation alone has added 30 to 35 per cent to the increased costs, said William T. Mills, planner for the local DOT office. Interest rates also have soared.

But much of the added cost attributed to inflation may be misleading, said Ronald Houska, bureau chief of programming for the department.

It can be negated, he said, by the transfer of funds to other federal highway projects. All federal highway money allocated to Illinois in 1973 and '74 was spent, he said.

"We have a responsibility to insure that what we are doing does not adversely affect the environment," Houska said. In the case of projects already underway, "if we do find something adverse we can go back and correct it," he added.

"I don't like paper work either. This is just a matter of going back and showing people that what we've done is proper."

Proper or not, what's been done on I-474 would be extremely difficult to change, according to DOT project engineer A. F. Burnham.

The path of the interstate is dictated by work already completed, he said.

"It's the same route at the same locations at the same heights," he said. "There have been no complaints either, really. Everyone wants it."

Wanted or not, the I-474 is not yet out of the bureaucratic woods.

The environmental impact statement, a year in the preparation, is still not approved. The 231-page document was sent to 41 federal, state, local and private agencies for comment, and any conflicts between their recommendations and the DOT's plans must be settled by the FHWA. Burnham said approval of the impact statement could be given in May or June, clearing the way for contract letting about six weeks later.

Mills laughingly said Burnham is "always the optimist," and that it would probably be July at the earliest. Work could begin two months later.

The impact statement was drawn up by Charles Landis, environmentalist for the district office. It was the first of several he has prepared on area road projects.

The document contains the same types of information found in the others: possible adverse effects on wildlife habitat, mineral resources, sites of archaelogical or historical interest and other areas.

In at least one way, however, the I-474 study was Landis's most unusual: all the "possible" adversities had already been inflicted.

Future generations may find something dreadful about the bypass, something a more exacting preliminary study would have eliminated.

"But," planner Mills maintained, "if there are going to be any adverse effects on the environment from this road, we've already done it.

"If we've made mistakes—and I don't think we've made too many—we did it before we had to draw up this thing (the impact statement) and we're committed to them."

The bypass as a whole can be compared with one of its individual embankments, Mills said. "We've already scarred up the earth and done the damage, only now we can't cover it back over."

The specific cause of I-474's woes is the National Environmental Policy Act of 1969.

An obscure section of the act, disregarded until it became the basis for precedent-setting lawsuits required every federal agency to publish detailed statements on the environmental impact of every project under its jurisdiction—along with reasonable alternatives.

Of the lawsuits stemming from this section, one halting the controversial Alaskan Pipeline is famous. It forced the federal government into an exhaustive study of the delicate Alaska tundra and resulted in major engineering changes.

The provision also has been used for suits against the U.S. Army Corps of Engineers, U.S. Forestry Service and other agencies.

The FHWA did not change its policies until 1973, after a suit was filed by the National Wildlife Federation.

Landis said, "Until we got that notice, we just followed our normal procedure—public hearings, studies, that sort of thing." When the full implications of the order became known and the I-474 timetable was thrown into shambles, "it was a shock, I'll tell you," Landis said.

The preliminary environmental impact statement makes only passing reference to the unusual events surrounding the Peoria bypass.

"The submittal of this statement is not in the normal, chronological sequences of events," the statement reads. "Currently, environmental considerations are a part of the pre-planning process. This statement is a result of a suit . . . requiring in-depth environmental considerations for major federally funded projects previously determined exempt."

Though prepared by the Peoria district, the impact statement is officially the product of the FHWA and it must give final approval.

The state "Action Plan" for conducting such studies was not published until April, 1974.

In compliance with FHWA requirements, all states must have such a plan, describing how they will:

Identify social, economic and environmental effects;

Use an interdisciplinary approach in planning and decision making.

Involve the public and other state agencies;

Develop alternative solutions to transportation needs.

The I-474 impact statement dutifully lists alternatives: abandoning work already done in favor of either doing nothing about highway improvements, or upgrading existing roads.

Neither is particularly desirable, the study concludes, adding, "It must also be of great concern that a 'no-build' (or non-completion) alternate at this stage would negate a $50 million public investment."

The study did not say what could be done with those $50 million worth of islands of steel and concrete, but DOT workers jokingly pointed out that proposals could be added later—subject, apparently, to further review.

Other environmental impact statements forced by the 1973 agreement have not been as meaningless as I-474's, but have been just as time-consuming.

A study of a proposed freeway between East St. Louis and Carlyle uncovered possible damage to a swamp valued as a breeding ground for ducks. Approval of the impact statement on that highway is being withheld until the controversy is resolved.

Only a minor portion of that $85 million project—about $9 million worth of bridge abutments—has been spent.

Work also is being delayed on two freeway projects in the Chicago area.

"THE TRIAL OF MARTIN LUTHER KING": CIVIL LIBERTIES AND THE RULE OF LAW

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. YOUNG of Georgia. Mr. Speaker, a new book entitled "The Trial of Martin Luther King," by Alan F. Westin and Barry Mahoney, recounts the court case which arose when Dr. Martin Luther King, Jr., was arrested for leading a civil rights march in Birmingham on Good Friday, April 1963. Dr. King was convicted for violation of a State court injunction against the march, and 4 years later the U.S. Supreme Court upheld the conviction, 5 to 4. Dr. King then returned to Birmingham and went to jail for the last time in his life, in October 1967.

A reexamination of this case is important because, in the words of Dr. Westin:

> It is a matter that goes to the heart of civil liberties under the rule of law, and protection of the process of social change from strangulation by the local status quo.

He concludes that:

> We should be aware how our legal system failed one of the most devoted believers in the American Constitution at a critical moment for him, for the cause of nonviolence, and for the democratic system.

I submit for the RECORD an article drawn from the new book by Dr. Westin, who is professor of public law and government at Columbia University. His coauthor, Mr. Mahoney, practices law in Denver and teaches and does research in the field of criminal justice. The article was published January 19 by the Los Angeles Times.

The article follows:

RULING IN KING CASE INFRINGES LIBERTIES

(By Alan F. Westin)

Martin Luther King Jr. would have been 46 last week if he had not been assassinated in Memphis in 1968. The King anniversary—coming two weeks after the conviction of the major Watergate conspirators—should cause us to raise some hard questions about how our legal system really works.

At first glance, linking King's civil rights troubles with the lawlessness of Richard Nixon and company may seem a forced comparison. Yet there are direct and revealing connections between King's most famous political trial in 1963 and the unfolding of the Watergate affair in the nation's courts.

It was April 12, 1963, when King led his now-famous Good Friday march against segregation practices in Birmingham, Ala. He did so despite a state court injunction, obtained by city officials two days earlier, forbidding all demonstrations, parades and marches in the city by King or his associates. He was arrested, tried by an Alabama court, and found guilty of contempt. Four years later, when his appeal reached the U.S. Supreme Court, a 5–4 majority upheld the conviction.

According to the Supreme Court's majority, King should have called off his demonstration and sued in the Alabama courts to dissolve the injunction. Lecturing King for his "impatience," Justice Potter Stewart declared: "In the fair administration of justice, no man can be judge in his own case, however exalted his station, however righteous his motives, and irrespective of his race, color, politics, or religion.

"Respect for judicial process," Justice Stewart concluded, "is a small price to pay for the civilizing hand of the law. . ."

The decision was warmly applauded at the time by most commentators as a necessary affirmation of the "rule-of-law" principle.

Then, four years after King's death, the Watergate scandal began to unfold. Richard Nixon asserted that he did not have to obey court orders to disclose relevant presidential documents if he felt that it would violate executive privacy to reveal them. In October of 1973, Nixon announced that he would not comply with a final federal court order to give nine presidential tapes to Special Prosecutor Archibald Cox.

At that critical moment, Justice Stewart's language in the King case seemed exactly apt: "In the fair administration of justice, no man can be judge in his own case, however exalted his station . . ."

The American public shared that view. Faced by a fire storm of public protest over his defiance of the court order, and his firing of Cox, Nixon retreated and said he would furnish the tapes. Later, in 1974, a unanimous Supreme Court ordered Nixon to furnish more tapes, for use in the Watergate conspiracy trial. What was revealed in those conversations ultimately forced the President's resignation.

For many observers, the performance of the court in the King and Nixon cases supplied heartening proof that the "rule of law" is alive and well in this country. There is much to support that judgment in the Nixon case, where executive-privilege claims were being invoked by the President to shield his criminal deceptions.

But the same warm approval should not be given to the King decision. It was a bad wound then, and still has harmful effects on civil liberties today.

To understand why the King decision was wrong, consider the moral, political, legal, and practical realities of King's situation in 1963. Black Americans in the South were still being refused service in public-accommodation facilities, denied voting rights, refused equal job opportunities, kept in segregated schools, and subjected to harsh police mistreatment—almost 10 years after the U.S. Supreme Court desegregation ruling of 1954. The moral case against such official, lawless conduct in Birmingham was undeniable.

Politically, the liberally-oriented Kennedy Administration in 1963 was so cowed by Southern and conservative forces in Congress that it had abandoned efforts to press for federal civil rights bills. Unless King could find a way to dramatize the absence of any real progress toward integration in the South, a corroding tokenism would be all that American Negroes would be getting in the mid-1960s.

Legally, King knew that he had a firm constitutional right to lead peaceful picketing, prayer meetings, and orderly protest demonstrations. The U.S. Supreme Court had indicated that local ordinances which left city officials free to deny parade permits at their whim, without objective and careful standards, were unconstitutional. Twice in April, Police Commissioner Bull Connor had refused to issue a permit for picketing or marches. "No," Connor had replied, "I will picket you over to the city jail."

For practical reasons as well, King could not afford to let the Birmingham direct-action campaign become a slow, courtroom test case. More than a year had been spent in planning, raising bail money, and mobilizing national support. If he abandoned the march, he would be trapped on the flypaper of the Alabama judicial system for years—just where Bull Connor wanted him to be.

Several of King's key civil rights campaigns, especially in Albany, Ga., in 1962, had been defeated by such tactics. "The injunction method has now become the leading instrument of the South" to block civil rights efforts, King noted, "a maliciously effective, pseudo-legal way of breaking the back of legitimate moral protests." The whole future of civil rights progress in the 1960s was at stake.

So King marched, and was convicted for contempt of court.

Ironically, if that conviction had reached the U.S. Supreme Court later in 1963, or even by 1965, the odds are it would have been overturned. The Birmingham demonstrations—with pictures of police dogs and fire hoses being used by the police—had triggered protests around the nation, and the world. The political climate was dramatically altered. President Kennedy sponsored legislation requiring equal service in public accommodation facilities, after Kennedy's assassination, President Johnson won passage of that bill as the Civil Rights Act of 1964. In that context, a Warren Court majority would almost certainly have reversed King's conviction.

But the Alabama Supreme Court, notorious for its delays in handling appeals, did not affirm King's conviction until December of 1965. The Supreme Court did not decide the case until June of 1967. By then, black power advocates had arrived; urban riots had broken out in Watts, Newark, and Detroit; anti-war protests were rising; and King was struggling to keep the nonviolent civil rights movement a meaningful force.

In this troubled setting, the Supreme Court put its thumb down not on the side of free expression but on law-and-order. King was sent to jail briefly with the blessing of the nation's highest court.

This did not have to be the outcome, even if we agree that complying with court orders is a fundamental tenet of our legal system. The court should have held that issuing an injunction without giving King a chance to appear and contest it violated basic due process. More broadly, the court should have said that where there are no speedy appeals procedures and where enjoined demonstrations have a critical time factor (the Good Friday holiday), persons cannot be punished for contempt if a later review of their First Amendment claim and the injunction ruling shows that the ban was unjustified.

Since the Supreme Court was later to rule, in 1969, that Birmingham's permit procedures were unconstitutional, this would have meant that enjoining King from marching without such a permit was also illegal.

This may sound somewhat technical to non-lawyers. But it is a matter that goes to the heart of civil liberties under the rule of law, and protection of the processes of social change from strangulation by the local status quo. The King precedent has been used since 1967 to deny vital free-expression rights to farm workers, students, women's rights groups, teachers, public workers, and many others trying to get claims for social justice heard by the American people. The press and TV have also been gaged by local court orders having to withhold vital news stories for months or longer even though the injunctions are later found to violate free-press guarantees.

In marking the anniversary of King's birth, therefore, we should be aware how our legal system failed one of the most devoted believers in the American Constituion at a critical moment for him, for the cause of nonviolence, and for the democratic system.

ADVICE FOR A SOUND ECONOMY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. McDONALD of Georgia. Mr. Speaker, it now appears that the President and Congress are headed toward a stalemate on economic policy. Unfortunately, this stalemate will be over two variations of how the Government should interfere and attempt to "manage" the economy, but not over the fundamental changes that are necessary to permanently solve our economic problems.

Therefore I wish to call the following letter to the attention of my colleagues. The letter, to President Ford from four professors of economics at Grove City College, appeared in the middle October issue of the International Harry Schultz Letter.

The letter follows:

OCTOBER 1, 1974.

President GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: With all the economic advice you received at the Summit Conference you may not mind hearing from the Economics Department of Grove City College which, as you may recall, conferred the degree of Doctor of Laws on you at our commencement of June 8, 1968. We feel especially moved to proffer our advice as the gold school we represent was conspicuously absent at the Summit Conference.

To end inflation and to stabilize the US dollar the following steps need to be taken immediately:

1. The Federal budget must be balanced now, next year, and every year thereafter.

2. Your engine of inflation, the Federal Reserve System, must be inactivated, or better yet, abolished.

3. The Federal Reserve money now in circulation must stay in circulation and be made fully redeemable in gold.

4. With these steps you will have achieved monetary stability. But you will face a recession which past deficit spending and credit expansion have made unavoidable. Without an engine of inflation to accommodate new deficit spending and credit expansion, you will need to cut federal spending even further as federal revenue declines. And to facilitate speedy recovery from the recision business taxes should be cut. We are confident that in a year or two the American economy will resume full speed again, with stable prices and a sound monetary system.

We realize that our advice may not be popular with the economics fraternity, which since the 1930's has preferred the "new economics" of easy money and deficit spending. We are proud to represent the great tradition of classical economics and the gold standard that gave the world natural money rather than depreciating political paper.

Mr. President, the choice is yours. Proceeding on the present road you will preside over an accelerating depreciation of the dollar and all the economic and social evils thereof. Or, you may embark upon the road to gold money which is hard money. There are no alternatives.

Yours respectfully,
William H Burdick, Charles J. Guiler, Paul J. Fair, Hans F. Sennholz,
Professors of Economics, Grove City College.

Mr. Speaker, it is still not too late to take this advice. However radical some of these changes may appear to many of my colleagues, we must keep in mind that the very survival of our free economic and political institutions is at stake.

ENERGY EXPERTISE

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MILFORD. Mr. Speaker, every now and then a letter comes to our attention from a constituent who knows the ins and outs of problems with which we are dealing.

Such a letter has come to me from an energy expert in Dallas, A. G. Galt who is with Pan American Engineering Co.

Because of the information included, and its accuracy, I am placing it in the CONGRESSIONAL RECORD in order that I may share it with my colleagues. I believe with information such as this, we can all make better-informed decisions as we grapple with the energy problems affecting our Nation today.

The letter follows:

PAN-AMERICAN ENGINEERING CO.,
Dallas, Tex., January 30, 1975.

Hon. DALE MILFORD,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: From where you sit today in your profession you are aware that our energy problems perhaps transcend almost any other problem our nation now faces. Without energy there is absolutely no way for industry to expand and provide jobs, and certainly without energy we could have a very real problem in connection with national defense. Unless people have jobs and can work and have income they can't pay taxes, and the federal establishment could not be supported in the manner in which it is now accustomed. If the industrial base of the country cannot expand and provide products and services and the jobs necessary to take care of an ever increasing labor force, our problems today will seem minimal to what they will be in the future. Unless there is sufficient ongoing forward movement of the industrial establishment, the national debt is bound to get in worse shape than it is and our balance of payments overseas will become monstrous. Unless the energy problem is really solved, everything else we talk and argue about might as well be thrown into the ash can.

I know you must be involved at this time with a desire to obtain actual facts about this problem and not voluminous rhetoric from people with particular axes to grind and who are in the main extremely ignorant of the problem. Let me say that I have no connection with, nor do I own stock in, any major oil company, but I do have considerable expertise in connection with energy generally and the following basic bit of date may have some interest for you.

In all of the hassle concerning oil pricing from a domestic point of view, little has been said about the cost in finding and producing crude oil and gas in this country during the past thirty years. There are two leases south of Corpus Christi, Texas, one known as the Flinn and the other the Taylor, which have been producing in an old field since approximately 1938. Both leases have been subject to various workover programs from time to time, depending upon geological data and the economic incentive to look for more hydrocarbons. One of the prime tools the oil operator uses to keep oil production on the line is what is known in the trade as a workover rig. This is a machine which does all of the maintenance on an oil well, pulls the tubing and is used to solve certain production problems; it is the most important maintenance tool the oil operator uses after the well is drilled and placed on production. The use of the workover rig is more or less a continuous process from time to time over the life of the well. The cost of this particular piece of equipment is an excellent yardstick as to the cost the oil operator encounters, this because the rig itself is a piece of machinery with a basic cost and the operation of it includes labor, supervision, taxes, fuel, depreciation and maintenance and all other costs involved with a service operation.

I hand you herewith copy of a workover bill dated January 31, 1945 which shows that the workover rig cost at that time was $10.50 per hour. Let me underline that this hourly cost included supervision and fuel and all other costs. On October 30, 1956, almost eleven years later, the cost of a similar service rig had been raised to $16.50 per hour. A copy of that particular invoice is attached. On September 9, 1974, the use of a similar rig on the Flinn Lease had risen to $50 per hour including the use of a supervisor. In these days of high costs, the companies are trying to break their cost down as to rig time, fuel cost and supervisor's time. In any case, what cost an oil operator $10.50 per hour in 1945 cost him in September, 1974 $50 per hour, or practically five times as much, and on January 1, 1975 the cost of a workover rig has now risen to $55 per hour.

All operators domestically have not made a great deal of money over the past thirty years, and for many, many years it was a question of just trying to stay in business. In 1945 the operator was getting $2.52 per barrel on the average for the grade of crude produced in the area I use as an example. In 1956 the same oil was selling for approximately $2.90 per barrel, and in March of 1973 the price was still only $3.28 and the costs of operation were skyrocketing, and the operator's basic cost for the major items increased all the way from three to five times. Used oil well tubing which in 1956 we bought for $0.35 per foot now sells for $2.00 per foot, and I can provide invoices to support this statement. I submit there is no way you can excommunicate the price of domestic crude for a long period of time from the world price, and certainly there is no reason why the country as a whole should make an example of the oil producer and force him to provide a service and product at a very unfair price when the price of shoes, needles or any other product are allowed to find their price level on the open market.

Every action that is taken in the energy field should be based at this time on whether or not such action will result in more energy. Governmental irresponsibility, political demagogury and the like will not result in one additional barrel of oil or cubic foot of gas or ton of coal.

The campaign to gut the major oil companies can only have in the long run disastrous results for all American citizens. The major oil companies with their tremendous expertise have explored for oil and gas around the world with the greatest efficiency that has ever been involved with a major industry. They have been able to handle the local political problems, they have expended billions of dollars in risk money, they have expanded production, they have provided the technical know-how and engineering, and they have made available to citizens of the world vast amounts of energy. However, as they have made these large investments in the various foreign countries and made those particular local industries very profitable, all of the host countries without exception have become greedy. There has been absolutely no protection afforded American oil companies operating overseas against the unilateral abrogation of contracts, even though such contracts had termination dates far into the future. The American government for the past thirty years has fostered the idea that any contract between an American company and a host producing country could be abrogated if that country went through the face saving gesture of saying they were going to provide adequate compensation for what they were stealing. They have never provided adequate compensation wherever expropriation has taken place whether it was oil, copper or any other resource industry. Recently, Venezuela has taken over the iron ore industry which was brought to bear fruit by U.S. Steel and Bethlehem. The countries producing bauxite are now holding a loaded gun to the head of the aluminum companies and are blackmailing them.

If the American government had a long time ago taken the position that a contract is a contract, that it can be revised in equity to suit new conditions but still must remain a viable instrument under which people can operate, oil, copper, iron ore, bauxite and other companies would have had a much easier time and the United States today would not be cut off, nor would they be under the strictures of price which now prevail worldwide for these commodities. As long as you have people like Senator Frank Church in the Senate fighting all efforts to support American interests abroad, all host countries will feel they can spit on the American flag anytime they desire to do so. The time is long past when the American government can do anything to support its representatives around the world. They could have done it but they didn't.

The main thing we need to do is make ourselves as self-sufficient as possible insofar as concerned, and we can do this through coal, oil shale and additional drilling and exploration for oil and gas. You cannot construct refineries unless people will give you a building site for the refinery. Look at what has been happening in the northeastern part of the United States during the past several years. It is still impossible to get a building site for a refinery in that area. Insofar as exploration for oil and gas is concerned, there have been many people in the Congress and around the country who have always said let the domestic oil and gas industry go to hell because we can always go to the Middle East and buy oil at a buck a barrel. You know where you can stick that idea now.

Most people should get down on their knees and thank God that we have been able to keep our domestic oil and gas industry operating because while we do have energy problems, these problems are nothing like they would be if we did not have an active oil and gas producing industry. The depletion allowance has by media propaganda and political demagoguery turned into a dirty word, but these same people would want depreciation on other types of assets continued. As an example, I am sure the Columbia Broadcasting System takes depreciation on all of the equipment they own, electronic and otherwise, which they use to disseminate the news. If they own a building in New York, I'm sure they take depreciation on that. They consider these assets as a wasting asset in need of depreciation. Oil and gas is a wasting asset and should be depreciable or depletable, whichever word you wish to use.

Perhaps one of the most terrible results of the ignorance relative to energy which has permeated the country is the delay in the building of the Alaska pipeline. If the oil companies had been allowed to proceed originally with the building of that pipeline, we would today be moving through that line two-thirds of the oil necessary to meet the short fall from the Middle East if another embargo takes place. The original cost of the pipeline was $900 million. The latest figure is $6.5 billion. There is only one group of people who will pay the additional cost and that is you, me and all other citizens like us. The zealots who went into court and stopped the building of the line are responsible to no one. Not only have they cost the American public billions of dollars in inflated cost of the line but the oil which must be imported to take the place of oil that would have been coming through that line will probably cost the American public another $25 billion before the line is now operable. The fact that the American government and its people would stand for this type of manipulation by small numbers of hard-headed and unreasoning zealots is sickening.

This country has plenty of energy and the expertise necessary to produce it. We need to make it economically profitable to do all of the things necessary to produce coal, oil from shale, oil and gas exploration, and anything else necessary to reduce the dependence of this country on outside energy sources. The time has come for America to stop listening to demagogic candidates for president, or any other person or group whose actions or ideas set up roadblocks toward making this country self-sufficient in energy. Free enterprise is the only way to get the job done properly and the free marketplace with its competition is the place to take care of the pricing.

Our neighbor to the south, Mexico, is self-sufficient in energy and all energy has been government controlled since the Mexican government ran out of the country in the 1930's those concerns who originally found the oil. The Mexican oil industry has stumbled along only because of the expertise provided by American technology and American equipment. But they are self-sufficient and have become an oil exporter. Today the price of gasoline is 80¢ a gallon in Mexico. I can buy gasoline two blocks from my office at 47¢ per gallon for premium gasoline. Mexicans across the border from Laredo, Texas, cross the bridge to the American side to buy American gasoline because of the cheaper price. When you consider the difference in the economies of the two countries, an 80¢ per gallon price for gasoline in Mexico is about the same as charging the American motorist $1.75 per gallon. Enough said.

Yours very truly,

A. G. GALT.

TIME TO CLEAN UP OUR OWN HOUSE

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. WALSH. Mr. Speaker, for years now, especially since the economic crisis has come to a head, the Halls of the House and Senate have rung with oratorical promises to slash Federal spending to the bone.

Probably every department and agency of the Government has been accused of spending beyond their real needs.

However, it seems to me that the finger of guilt has not been pointed very often at the Congress, one of the worst offenders in the area of excessive spending.

I would like to share with my colleagues a recent editorial, entitled "Expensive Congress," which appeared in the January 12, 1975, edition of the Syracuse Herald-American:

> Almost daily we endure the words of noble intent from Congress.
>
> It is going to cut the cost of Federal government.
>
> It is going to investigate the excessive spending of the Administration.
>
> It is going to attack Federal bureaucracy.
>
> But never a word about one of the worst offenders of excessive spending in Washington—itself.
>
> Remember the parting words of George Aiken of Vermont after 34 years in the Senate? He called Congress an "unholy expansion of committees, subcommittees and staff personel" that has "mushroomed to an unconscionable extent" over the past 10 years.
>
> In 1954 the House and Senate had a combined staff of 4,500 persons and an annual budget of $42-million.
>
> Today, Congress' budget has grown to $328-million to run a staff of 16,000 employees.
>
> If this growth rate continues, Congress will cost a billion dollars a year to run by 1984, according to reliable estimates.
>
> A Washington newsman, Donald Lambro of UPI, checking on the climbing cost of Congress, discovered that the number of bills enacted in 1974 totalled 285, which, he wrote, was little more than the number passed 10 years ago. And a decade ago, Congress' budget and staff were less than one third their present size.
>
> If Congress isn't doing much more work than it did 10 years ago with a third the cost, then are the enormous budget and staff needed now?
>
> Why must the Senate have 17 major committees and 147 Subcommittees? Why must the House have 21 major committees and 133 subcommittees? Why must joint committees of Congress have 17 subcommittees?
>
> All these committees and subcommittees require staff members. The office space for these staffs fills five major buildings and is overlapping into adjacent Capitol Hill complexes.
>
> A sixth office structure is being planned at a cost of $84-million, and Congress still is looking for more land for future office buildings.
>
> Congress now is spending some $50 million a year solely to operate its committees.
>
> Yet Aiken and other congressional veterans complain that many of these expensive subcommittees haven't met in years, least of all held hearings. Others duplicate and overlap the work of dozens of other panels.
>
> Lambro wondered in his report what the special subcommittee on the freight car shortage, the subcommittee on small business problems in smaller towns and urban areas and the select committee on parking were doing?
>
> Congress pays the 25th largest police force in the nation, employs a staff of photographers, and grants the most generous pension program in the world.
>
> It provides fresh cut flowers and tropical plants, free picture-framing, cut-rate haircuts and meals, a private airline reservation service, banking facilities, fully-equipped

gymnasiums and medical services for its members.

This is ridiculous.

Money is too precious to most Americans to have to support such lavish behavior. Congress is not the court of the French kings. It is not Versailles. It is Washington, D.C. supposedly the seat of a democratic nation in which royalty is not supported by its tax-paying population.

Congress, heal yourself.

THE DEMISE OF THE HOUSE INTERNAL SECURITY COMMITTEE

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. DRINAN. Mr. Speaker, on January 14, 1975, the House of Representatives voted to transfer the jurisdiction of the Internal Security Committee to the Judiciary Committee. This was indeed an historic occasion, ending the tenure of a body which has haunted the Congress and the Nation as a whole for well over 30 years.

For the benefit of my colleagues, Mr. Speaker, I would like to insert into the RECORD at this time a number of newspaper and editorial comments which were printed at the time of HISC's demise:

[From the New York Times, Jan. 17, 1975]

AN UN-AMERICAN BODY

The new winds blowing through the House have finally swept away that ailing relic of an ugly past, the House Internal Security Committee. Established in 1930 as the Select Committee to Investigate Communist Propaganda, it reached its heyday in the forties and fifties as the House Un-American Affairs Committee, serving as a platform for such proponents of an American orthodoxy as Martin Dies, Richard M. Nixon, and J. Parnell Thomas. Between 1945 and 1969 it received more than $6.5 million in funds and managed to produce only one major piece of legislation.

But the committee should not be judged on its legislative accomplishments, for it specialized in conducting investigations and destroying careers. It conducted vindictive investigations of the movie industry, the labor movement and of Federal employes and college staffs.

Last month, the Democratic Caucus refused to assign any members to it, other than the chairman, and this week the House buried it. Its epitaph was written years ago by Harry Truman when he called it "the most un-American thing in America."

[From the Nation, Feb. 1, 1975]

HUAC SHELVED

Almost thirty years to the day after it had been established as a standing committee on motion of Rep. John Rankin, the House Committee on Un-American Activities (HUAC), known of recent years as the House Internal Security Committee (HISC), has been consigned to limbo, if not actually abolished. HISC's jurisdiction has been transferred to the House Judiciary Committee. Of a staff of thirty or forty, a few will be kept on for the time being—those designated by HISC's chairman Rep. Richard Ichord (D., Mo.)—but there is no implied obligation to retain them. The committee's records, including some 750,000 individual files, will be transferred to Judiciary's custody. This action on the part of the new Congress calls for three cheers—almost.

Almost, because the Senate Judiciary Committee has its own Subcommittee on Internal Security, with staff and files and jurisdiction to inquire, and no move is underway to abolish it, since the foxy chairman, James Eastland, voluntarily cut the subcommittee's budget in half last year. The house debate does not indicate any likelihood that HISC will be set up as a subcommittee. Still, the files remain ticking away, and it is uncertain what will happen to them. Rep. Robert Drinan (D., Mass.), who played a key role in putting HISC to rest, suggests that they should be turned over to Archives and sealed for fifty years. As property of the House they would not be subject to court action under the Freedom of Information Act, but members could request access to a file which some constituent might want to examine. That remains a cranny through which organizations might gain access to a file for the purpose of harassing an individual of whose politics they did not approve.

Defanging HISC was an artful political maneuver for which major credit goes to Reps. Phillip Burton, Don Edwards and Robert Drinan. Edwards and Drinan had sponsored a resolution calling for the transfer and containing an amendment which would limit inquiries to "sabotage and other overt acts affecting internal security"—essentially harmless language, since the House Judiciary Committee probably has such jurisdiction in any case. But Ichord, reading the signs of doom correctly, offered his own resolution calling for transfer, but limiting inquiries to "Communist and other subversive activities affecting the internal security of the United States." As a face-saving device, it was decided to let the chairman abolish his own committee. So his resolution was adopted by voice vote in the caucus and on the floor of the House. We are left with a practical victory of major proportions, but one that is clouded by some uncertainty.

HISC's dismantling did not just happen, nor can it be attributed solely to the post-Watergate environment or to the new members elected to the 94th Congress. It represents fifteen years of hard work by the National Committee to Abolish HUAC (after 1969, the National Committee Against Repressive Legislation), directed by Frank Wilkinson, with headquarters in Los Angeles. Wilkinson, a tireless and eloquent opponent of HUAC, had been one of its early victims. The committee was set up largely on the initiaitve of Aubrey Williams, Alexander Meiklejohn and James Embree. Harvey O'Connor serves as chairman and the committee has been brilliantly advised on constitutional issues by Thomas J. Emerson of the Yale Law School. Robert Walker Kenny, who has just retired as judge of the Superior Court, Los Angeles County, after years of splendid service, was of great help to the committee as treasurer before his appointment to the bench. Kenny, one of counsel to the Hollywood Ten, had acquired special and invaluable insights about the way HUAC functioned. His former associate, Robert Morris, succeeded him as treasurer. To these individuals, and to other members and supporters of the committee, special thanks are due. HISC's guns have been spiked largely by their efforts.

[From the Chicago Sun-Times, Jan. 18, 1975]

RED-BAITED PANEL DIES AT LAST

A panel snooping on Americans by any other name is still a panel snooping on Americans—and that's why the notorious Committee on Un-American Activities, renamed the House Internal Security Committee, has been scrapped.

The committee never had and never would have justification for being. During the irrational Communist witchhunting days of the 1950s, it became a power body that found a Communist under every rug. It fed on fears and ruined reputations, all in the name of preserving national security.

It survived, partly because residual fears of a Communist or left-wing takeover in this country kept it alive, and partly because it's easy to create a bureaucracy, but tough to kill one. Previous congressional efforts to do so have failed.

But now the House has voted for abolishment, with the concurrence of the chairman of the ISC, Rep. Richard Ichord (D-Mo.). Jurisdiction will go to the Judiciary Committee.

When the head of a committee as unneeded as this one wanted it axed, the message was clear: it was time to bury one of the country's major contradictions of the democratic process.

[From the Chicago Daily News, Jan. 17, 1975]

HUAC WENT OUT OF STYLE

The House Internal Security Committee—successor to the Un-American Activities Committee—is going out of business after 45 years. A lot of old ghosts will be exorcised at the same time.

What happened was that the House Democratic Caucus voted to abolish the committee and turn what was left of its staff, files and functions over to the House Judiciary Committee. Time had simply made the old committee obsolete.

The old Un-American Activities Committee served as a utensil and a springboard for many an ambitious congressman eager to crusade his way to fame and power. Martin Dies, J. Parnall Thomas and Richard Nixon were among those who turned it to their service.

Undoubtedly, in the course of a career in which it amassed data on 750,000 Americans suspected of subversive dirty work the committee caught some authentic bad ones. But just as surely, the evil came to outweigh the good as successive chairmen indulged in the indiscriminate hunting of witches and smearing of the innocent.

As recently as last year, House liberals failed by a vote of 246 to 164 to kill off the committee and its $725,000 budget. It remained for this year's new crop of freshmen to turn the tide, which they did in the caucus on Monday.

Father Robert F. Drinan, the congressman and Jesuit priest who led the recent drive to abolish the committee, declared that the execution marked "a moment in history," and so it did. But the kind of job that became the committee's trademark—the reckless harassment of citizens and assassination of character—has been carried on by other agencies, as the Watergate disclosures have witnessed. At least the new Congress is serving notice that it holds the rights and dignity of individual citizens in greater respect than have some of its predecesors, and that's encouraging.

[From the New Yorker, Jan. 27, 1975]

THE TALK OF THE TOWN

NOTES AND COMMENTS

A colleague of ours had a talk the other day with Father Robert Drinan, the Jesuit priest who serves Massachusetts' Fourth Congressional District in the House of Representatives. Father Drinan, a Democrat, was in an uncommonly buoyant mood, because his party's caucus had just voted to put an end to the House Internal Security Committee (H.I.S.C.), the infamous successor to the even more infamous House Un-American Activities Committee (H.U.A.C.). When Father Drinan was first elected in 1970, the leadership judged it fitting to seat him on the Judiciary Committee and on H.I.S.C. He is, after all, a distinguished member of the bar and a former dean of the Boston

College Law School. From the day of his election, he dedicated himself to the goal of abolishing the H.I.S.C. He said he had not expected so early or complex a success. The caucus vote was by voice, and if there were any dissenting voices they were not very audible. He had expected the official vote in the House to follow the caucus vote by a few days; actually, it followed by only one day. While Father Drinan was getting ready for the last battle, the battle was won: on the opening day of the Ninety-fourth Congress the House killed H.I.S.C. and transferred its jurisdiction to the Judiciary Committee. The interment, Father Drinan said, half-seriously, came before he had finished writing his eulogy or recovered his vestments from the dry cleaner's. About that, he has no real regrets. He does, however, lament the fact that the abolition of the H.I.S.C. was only one provision in the proposed House rules on which the members were voting, since it means that no one will ever know for a certainty who was for—and, more important, against—the legislative demise. Some representatives, of course, have already said; others unquestionably will say; but in all likelihood many will stand mute. Father Drinan pointed out that the President should honor him for his contribution to Whipping Inflation Now. In the last Congress, the H.I.S.C. budget was seven hundred and seventy-five thousand dollars. It had a full-time staff of about forty, and dossiers on hundreds of thousands of people. The files will be in the custody of the Judiciary Committee. Their future is uncertain. "We could deep-six them or recycle them," Father Drinan said. "But under proper supervision they should prove invaluable to historians. We might break the seal in 1984. And I can always boast that I served on the most useless committee in Congress."

[From the Boston Globe, Jan. 16, 1975]

A LENGTHY WITCHHUNT ENDS

The U.S. House, post-Watergate soul-searching coursing through its veins, Tuesday inaugurated its 1975 session on an appropriate note. It consigned to infamy the House Internal Security Committee, a catapult in the late 1940s and early 1950s for a politically ambitious and conspiratorially minded young congressman named Richard M. Nixon.

A precursor of Watergate, the committee for three decades ran roughshod over civil liberties in the name of national security. Mr. Nixon, as a member, beat a demagogic drum in his anticommunist crusade. Although a conspicuous example, the former President was by no means the only offender.

The committee—known until six years ago as the House Un-American Activities Committee—issued 174 contempt citations, 10 times as many as the other House committees combined, but mostly to no avail. The courts found most of the citations unwarranted, and few of the defendants ever went to jail.

Yet only six of the bills originating in the committee since 1945 ever became law. The committee ac- * * * investigations, invading the privacy of countless individuals for dubious legislative advantage. In a 1971 suit, three persons subpoenaed to testify before the committee challenged its authority, charging with some justification that it merely sought the "exposure of witnesses . . . to public scorn, obloquy and harassment and intimidation . . . without any legislative purpose."

In recent years, the power of the committee has withered, as anticommunist hysteria has subsided. Its $725,000 budget of a few years ago has been shaved by more than $100,000 and its staff of 39 persons diminished by 15. It has tended to avoid the raucous confrontations, a staple of the committee in the past, between members and witnesses.

Indeed, the committee had become a shadow of its former self. Many of its members had resigned. No freshmen in the House sought membership this year.

The House thus recognized the inevitable in abolishing the committee. It has assigned its functions to the House Judiciary Committee, steeled from Watergate and equipped to inquire into internal subversion, where necessary. Ironically, it was the Judiciary Committee which had this jurisdiction before the advent of the House Un-American Activities Committee.

The demise of the committee represents a personal victory for Rep. Robert F. Drinan of Massachusetts, who joined it four years ago to challenge it from within. In one of his trenchant critiques of the committee, Drinan said in 1971: "Men and women old enough to recall the use of the U.S. Congress as a vehicle for systematically wrecking the careers and reputations of individuals whose associations did not meet with the approval of their accusers will always look back upon the episode with embarrassment and discomfort." The words stand as a fitting epitaph for the Internal Security Committee.

[From the Washington Star-News, Jan. 19, 1975]

DAGGERS FOR HISC

(By Mary McGrory)

The death of the House Internal Security Committee, formerly the House Un-American Activities Committee, was accomplished in the end by a cloak-and-dagger operation, which was probably the only way it could have been done.

The cloak was the manner of the voting. On Monday, in the blessed anonymity of a voice vote, the Democratic Caucus shouted acceptance of HISC Chairman Richard Ichord's extorted proposal that HISC's functions, files and some of its staff members be turned over to the House Judiciary Committee.

Tuesday, the entire membership, under the cover of voting on a package of rules changes in which the elimination of HISC was included, gave the coup de grace to the panel which has haunted the House for more than 30 years and brought on it much shame and ridicule.

Chairman Ichord spoke with more than formal regret at its passing, as did ranking Republican member John Ashbrook of Ohio.

Many members who had lived for the funeral admitted that had HISC been extricated from the bundle, the vote might have been close. The fear that a vote against HISC can be translated into a "soft-on-communism" charge from one's next campaign opponent dies hard in a chamber where détente is still a cold abstraction.

The two daggers were a pair of determined congressmen, Rep. Robert Drinan, D-Mass., the Jesuit who joined HISC in 1971 to destroy it from within, and Rep. Philip Burton, D-Calif., the fire-breathing new chairman of the Democratic Caucus, who has hated HUAC and HISC with a genuine passion since 1949, when he undertook the defense of several of its targets.

Drinan contended that HISC, with its semblance of legality and respectability, was just as dangerous as HUAC, which, under a succession of wild-man chairmen, never pretended to follow the rules.

He conducted ranking cross-examinations of such "friendly" witnesses as former Asst. Atty. Gen. Robert C. Mardian, who has since been convicted of conspiracy himself. On the other hand, when the committee was offering "sensational" fare, Drinan would announce a boycott and grab the headlines.

But the old terror lurked in congressional hearts. Last October, after three reform committees had recommended HISC's abolition, Ichord won a stay of exectuion by 70 votes. But November brought 75 new members, who, as a group, could be seen at a glance to be more concerned with reform and economy than with Communists under the bed, and Drinan and Burton went back into the trenches.

Drinan wrote letters to the new members recounting the sorry past and dubious future of HISC and hinting that a new member who sought assignment to it would be buying a ticket to oblivion.

Burton began a series of delicate parliamentary maneuvers. His object was to pick off Democratic members of HISC, enticing them from its ranks with promise of plum assignments not available to members of an "exclusive" committee such as HISC. Several slots on the far more desirable Government Operations Committee opened up, and by a skillful evocation of old House practice and new House rules, Burton was able to move them at a rate that left Ichord standing alone.

Many members and citizens are sleeping better of nights knowing that the 745,000 names gathered by HISC are in the hands of Chairman Peter Rodino of the House Judiciary Committee, which is a hotbed of civil libertarians.

The point has been taken by the House as a whole that the most un-American activities in the history of the Republic were conducted by HUAC's most famous alumnus, Richard M. Nixon, and that the internal security was never more threatened than by the men who were running the country.

The Founding Fathers never troubled to define "Americanism," which to them meant being in trouble with the authorities. So of course they never defined what HUAC and HISC breathlessly pursued over the teeth-gnashing years, "Un-Americanism." Now that the official body of definition has been eliminated, perhaps we can all start even again.

CONYERS INTRODUCES GRAND JURY REFORM ACT OF 1975

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. CONYERS. Mr. Speaker, today I am introducing, for myself and 20 colleagues, the Grand Jury Reform Act of 1975, a strengthened version of legislation I introduced in the 93d Congress to restore the grand jury's traditional role as a guardian of American liberties.

Last year, the Congress enacted the Speedy Trial Act of 1974, a long overdue measure to revitalize the eroded constitutional right to a speedy trial. The bill I am introducing today will revitalize another long eroded and neglected constitutional right in our criminal justice system—the right of a citizen to the protective shield of the grand jury.

Historically, grand juries have had two distinct functions:

First. They have evaluated the evidence gathered by a prosecutor to determine whether the State was justified in bringing a person to trial, with the humiliation and expense that entails.

Second. They have conducted independent investigations of offenses allegedly committed or aided by public officeholders. If the State would not investigate itself, a body of citizens would discover and prosecute criminal activity.

As might be expected of an institution 800 years old, the grand jury has had a mixed history. At times, grand juries have acted as "people's panels," shielding the innocent from unjust prosecution, or investigating government authorities who misused their positions for private gain or public harm. In pre-Revolutionary America, for example, grand juries sometimes refused to indict colonists accused of violating British laws, such as the Stamp Act or seditious libel laws, which the jurors believed to be unjust.

But, in more recent times, the grand jury has often been a compliant instrument of the prosecutor. In the words of former Senator Charles Goodell, writing in the May 1973, issue of Harper's:

> Over the years, the complexion of grand juries has changed, their anti-authoritarian tradition has been diluted, and they have become subservient to the interests of the prosecuting authority over which they are assigned to watch.

By 1791, when the Bill of Rights was adopted, the grand jury was established as a major barrier to unchecked prosecutorial authority. The fifth amendment provides that "no person shall be held to answer for a capital, or otherwise infamous crime" unless a grand jury votes in favor of bringing the charge. This provision has been interpreted by the courts to mean that no person may be prosecuted in the Federal courts on a felony charge without a grand jury indictment. Every Federal prosecution—whether for violation of Selective Service or antitrust laws, or for counterfeiting, smuggling, bank robbery, tax fraud, or a variety of other crimes—begins with a grand jury indictment.

In the Federal system, the grand jury usually functions with little conflict and attracts little attention. At least one grand jury is in operation in every busy Federal district at all times, normally meeting once a week or less for several hours at each meeting. The 23 members of the jury normally are chosen at random from the voter registration lists of the counties within the district. At each session, the grand jury considers the evidence gathered by Government investigative agencies, under the direction of one or more assistant U.S. attorneys. Typically, a U.S. attorney calls witnesses into the grand jury room one at a time—an agent of the FBI, the Customs Service, the Internal Revenue Service, or any one of a number of other Federal or local investigative agencies. Sometimes the victim of a crime may also be called as a witness.

In response to the questions asked by the U.S. attorney, the witness, if an investigative agent, will describe the findings of his agency in the case. In addition, either the U.S. attorney or the witness may introduce documentary evidence. After all witnesses have been questioned, the grand jury, with no one else present, votes on whether to indict anybody for committing the possible crime or crimes involved. The grand jury, which until that point has played no role in questioning the witnesses or in shaping the investigation, almost always votes in favor of indictment.

The American Bar Association's "Standards Relating to the Prosecution Function," approved draft 1971, caution that—

> Where the prosecutor is authorized to act as legal advisor to the grand jury he may appropriately explain the law and express his opinion on the legal significance of the evidence but he should give due deference to its status as an independent legal body; The prosecutor should not make statements or arguments in an effort to influence grand jury action in a manner which would be impermissible at trial before a petit jury. (Approved Draft, 1971, p. 87).

Nevertheless, as Judge William Campbell of the Federal bench in Chicago has written:

> Any experienced prosecutor will admit that he can indict anybody at any time for almost anything before any grand jury.

For several years, beginning in 1970, the Justice Department, and particularly its Internal Security Division, convened a series of special grand juries and used them in a way rarely seen before. Instead of calling Government investigators or victims as witnesses, the Government subpenaed a wide variety of citizens who were neither victims nor Government employees. Many of them were associated with the antiwar movement, although some had only incidental ties with antiwar activists. Scores of witnesses were forced to choose between testifying about their friends, relatives, and political associates, or going to jail for contempt of court if they refused to answer the prosecutor's questions in the grand jury room.

In addition, the questions asked of witnesses were often impossible to answer. For example:

> I want you to tell the grand jury what period of time during the years 1969 and 1970 you resided at 2201 Ocean Front Walk, Venice (Los Angeles), who resided there at the time you lived there, identifying all persons you have seen in or about the premises at that address, and tell the grand jury all of the conversations that were held by you or others in your presence during the time that you were at that address. (Question asked by Guy Goodwin of the Internal Security Division of the Justice Department of a witness subpenaed to appear before a federal grand jury in Tucson, Arizona, Fall, 1970.)

Witnesses were jailed for their refusal to answer this question and others that were equally sweeping. Dozens of people were jailed for refusing to testify. Others, unwilling to be jailed for a principle when they knew nothing to incriminate anybody, were forced to disclose the private lives of their friends and relatives.

Probably because the grand jury has a long history as an institution independent of the prosecutor and other arms of the Government, Federal law says almost nothing about its procedures. In the absence of legal restraints, prosecutors have taken control of making decisions that properly belong to the grand jury itself. The prosecutor decides whom to subpena, what questions to ask, the general nature of the investigation, and the question of grants of immunity. One result is that, particularly in recent years, prosecutors have exploited this freedom of action in ways that constitute serious abuses of the power of the grand jury. For example, as illustrated by the question quoted above, prosecutors have been able to force witnesses to answer questions before a grand jury which they would not have to answer if asked in the prosecutor's office or in a police station.

Moreover, the Department of Justice now seeks to remove whatever constraints still remain. In a September 10, 1974, letter to the Honorable PETER RODINO, chairman of the Judiciary Committee, the Department advocated a constitutional amendment that would give attorneys for the Government the sole power to determine when the grand jury indictment process should be used, and when it should be bypassed in favor of a prosecutorial information—a procedure which eliminates the role of the people in this critical stage of the criminal justice process. This proposal would further erode grand jury safeguards which were already weakened recently by the 1974 Supreme Court Calandra decision which ruled that illegally obtained evidence is admissible in grand jury proceedings.

The legislation I am introducing is based on the belief that it is better to strengthen the grand jury as an institution than to restrict or abandon it. First, the place of the grand jury in the federal system is defined unequivocally by the fifth amendment; eliminating or curtailing its role, therefore, would require a constitutional amendment. Such an amendment is practically unrealistic and potentially dangerous to propose changes in the Bill of Rights. Second, grand and petit juries are the only two institutions in our judicial system in which decisionmaking authority is given to the people independent of the Government. I believe that it would be a mistake to eliminate the grand jury, or to minimize its role, at a time when popular participation in our political and legal institutions needs to be encouraged, not discouraged.

The Grand Jury Reform Act of 1975 is designed to end the pattern of grand jury abuse of recent years. The tool which has been crucial to prosecutors' misuse of the grand jury's subpena power has been the ability of prosecutors to obtain court orders of immunity, giving a witness limited immunity from prosecution, but ordering him to testify without regard to his fifth amendment right against self-incrimination.

The legislation I propose would make two changes in immunity procedures. A witness could be given immunity, and a corresponding order to testify, only if he agrees to this exchange. Further, the prosecutor could not approve this exchange without the approval of a majority of the members of the grand jury itself. A judge might then sign an immunity order, once the grand jury, the prosecutor, and the witness all agree to this procedure.

This bill would also require a favorable vote by a grand jury majority to subpena a witness and to seek a court finding of contempt if a witness refuses to testify. Moreover, the Government's power to bypass a grand jury already considering a matter would be greatly restricted, as would the practice of seeking out a more pliable grand jury once one has voted against an indictment.

Also with regard to immunity, this legislation would eliminate "use immunity" which was created by the Organized Crime Control Act of 1970, and subsequently applied to scores of witnesses with no visible or alleged connection with organized crime—racketeering, gambling, narcotics, and prostitution. Use immunity allows the Government to compel a witness to testify, even in a manner which incriminates himself, and then to prosecute the witness for the crime about which he testifies. The immunity offered provides only that, at any later trial, the Government may not use any of the person's compelled testimony or anything derived from that testimony.

Use immunity has been rightly criticized for the narrowness of the protection which it offers the witness. There is no way for a defendant, who had earlier been a recalcitrant witness, to trace the way in which his grand jury testimony was used by Federal, State, or local investigative agencies. Nor is there any way for a defendant to know whether the prosecutor's tactical decisions concerning presentation of the case were shaped by information derived from the defendant's compelled testimony. In light of such problems, this bill eliminates use immunity, but not transactional immunity which protects the witness from prosecution for any of the vents or actions about which he testifies.

In other sections, this bill would provide a number of procedural safeguards for the rights of witnesses appearing before grand juries, for example: Providing for 10 days' notice prior to a hearing on a contempt charge, and 7 days' notice before a subpena is returnable; requiring the transcribing of all grand jury proceedings—except secret grand jury deliberations and consultations between a witness and counsel—and giving the witness the right to obtain a transcript of his testimony within 48 hours; allowing a witness to be represented by counsel in the grand jury room; barring any evidence obtained in violation of a witness' constitutional rights; requiring prosecutors to inform witnesses of their constitutional rights prior to questioning; and a number of other important procedural protections.

This bill also would allow citizens, with court approval, to approach a grand jury and ask it to engage in independent inquiry, as well as to allow citizens to testify in any ongoing inquiry. Watergate has pointed out the difficulties inherent in attempts by a grand jury to investigate criminal activity in which members of the executive branch of the Government may be implicated. This is one reason why the right of citizens to approach the grand jury is of critical importance. This is also why the bill takes the major step of allowing grand juries to retain their own attorneys when they are investigating crimes in which current or former Government officials may be involved. Such attorneys would be empowered to sign indictments in lieu of attorneys for the Government.

I include a summary of the Grand Jury Reform Act of 1975 at this point in the RECORD:

SUMMARY OF THE GRAND JURY REFORM ACT OF 1975

RECALCITRANT WITNESSES

Twelve or more members of the grand jury must vote to make application to the court for an order directing a recalcitrant witness to show cause in a hearing why he/she should not be held in contempt.

Gives the witness ten days notice of a contempt hearing. In the case of a witness subpoenaed to trial, and upon a showing of special need, shorter notice may be given, but not less than five days.

The witness has the right to appointed counsel in contempt proceedings, if the witness is unable to afford it.

Imprisonment shall be in a Federal institution, unless the witness waives this right.

Reduces the period of imprisonment from a maximum of 18 to 6 months for civil contempt, and prohibits reiterative contempt, by making the 6 months cumulative, applying it against any confinement resulting from prior, subsequent, or related grand jury investigations.

Provides that the confined person shall be admitted to bail, pending appeal, unless the appeal is patently frivolous and taken for delay. Appeals shall be disposed of pursuant to an expedited schedule, eliminating the unique "30 day rule", which requires that appeals be decided within 30 days.

Provides that a refusal to answer questions or provide other information shall not be punished if the question or the request is based on any violation of the witness' Constitutional or statutory rights.

Applies all of the above protections to witnesses subpoenaed to trial as well as grand jury witnesses, with the exception of grand jury voting, where in trial the determination is made by the court.

NOTICE TO THE GRAND JURY OF ITS RIGHTS AND DUTIES

Requires that the district court judge who empanels the grand jury give instructions to the grand jurors at the beginning of their term, including: grand jury powers with respect to independent investigation, its right to call and interrogate witnesses, its right to request documents and evidence, the subject matter of the investigation, the necessity of legally sufficient evidence to indict, and the power of the grand jury to vote before a witness may be subpoenaed, granted immunity, be given a contempt hearing or indicted.

Prescribes that failure to so instruct the grand jury is just cause for a refusal to testify or for dismissal of an indictment by that or by a subsequent grand jury on the same matter.

INDEPENDENT INQUIRY

Allows the grand jury, upon notice to the court, to inquire on its own initiative into offenses committed by government or former government officials. The grand jury shall serve for 12 months with no more than two extensions for a maximum of 24 months.

Provides that the court, upon a vote of the grand jury, shall appoint a special attorney to assist the grand jury in investigation. Such attorney will be paid $100/day and may fix compensation for such assistants as is deemed necessary, with the approval of the court. Such attorney shall have exclusive power to assist the grand jury and shall sign any indictment, in lieu of a government attorney.

RIGHTS OF GRAND JURY WITNESSES

Provides that subpoenas be issued only on an affirmative vote of 12 or more members of the grand jury. Subpoenas are not returnable on less than seven days notice. The subpoena must advise the witness of the right to counsel, the right against self-incrimination, whether his/her conduct is under investigation, the subject matter of the inquiry, and the substantive statutes involved. Any witness not advised of these rights cannot be prosecuted, subjected to penalty, or have the evidence used against him/her in court.

Gives witnesses the right to have counsel in the grand jury room, such counsel to be court appointed where appropriate. Counsel shall not be bound by secrecy.

Prescribes that when an investigation includes violations of substantive criminal statutes as well as conspiracy, the grand jury may not be convened in the district where only the conspiracy is alleged. On the motion of the witness the court shall transfer the investigation to another district in which the proceedings may be properly convened. The court shall take into account the distance of the proceedings from the residence of the witness, other burdens on the witness, and the existence and nature of any related proceedings.

Once a grand jury has considered a matter, the government shall not bring the same matter to another grand jury unless the government shows and the court finds that the government has discovered additional relevant evidence.

Provides that transcripts shall be made of the proceedings and be available to the witness, a copy shall be furnished without cost.

Gives the witness and his/her counsel the right to examine and copy any statement of the witness in the possession of the United States which relates to the matter under investigation.

Provides that no person shall be required to testify or be confined if, upon evidentiary hearing, the court finds: (a) a primary purpose or effect of the subpoena is to secure for trial evidence against a person already under indictment, or formal accusation. (b) Compliance with the subpoena is unreasonable or oppressive and involves unnecessary appearances; or the only testimony that can reasonably be expected is cumulative, unnecessary, or privileged. (c) The primary purpose of the subpoena is punitive.

Gives the court in the district out of which the subpoena was issued, the court in the district in which the subpoena was served, and the court in the district in which a witness resides concurrent jurisdiction over motions to quash and other relief. It allows such motions at any time. If a motion is made prior to or during an appearance, the appearance is stayed, pending ruling. If the motion is made during or subsequent to the appearance, the motion must be made in the district of the empaneled jury.

Any person may testimy on a matter before a grand jury or appear before a grand jury to request that it engage in independent inquiry, unless the court finds that such testimony or such appearance would serve no relevant purpose.

IMMUNITY OF WITNESSES

Abolishes all forced and use immunity before grand juries and courts. Transactional immunity is allowed with the written consent of the witness, and by affirmative vote of twelve or more members of the grand jury; or, in the case of a trial proceeding, with the consent of the witness and by application of the U.S. attorney.

Provides transactional immunity for witnesses before Congressional committees and agency hearings.

REPORTS CONCERNING GRAND JURY INVESTIGATIONS

Requires the Attorney General to file detailed annual grand jury reports, describing: (a) the number and nature of investigations in which grand juries were utilized, (b) the number of reports for orders compelling testimony, and the number granted, (c) the number of immunity grants requested, the number approved, and the nature of the investigations, (d) the number of witnesses imprisoned for contempt, and the dates of their confinement, (e) an assessment of the effectiveness of immunity, including the number of arrests, indictments, no-bills, etc., resulting from compelled testimony, and (f) a description of the data banks, etc., by which grand jury data is processed and used by the Justice Department.

EVIDENCE

Requires the government to introduce all evidence in its possession tending to prove the innocence of a potential defendant.

Prohibits the grand jury from returning an indictment on the basis of hearsay evidence alone.

PUBLIC DEBT LIMIT

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. DODD. Mr. Speaker, yesterday I, along with 169 of my colleagues, voted against an increase in the public debt limit. I hope the President takes the time to analyze that vote because I, for one, was sending him a message.

That message is very clear and very simple. The President can not ask me to vote our country into its deepest peacetime debt in history, as he has done with the fiscal 1976 budget.

I was not opposed to allowing our country to meet its obligations when I voted against raising the deficit ceiling. I am opposed to reckless Federal spending on those programs that have little or no effect on the general welfare of the people of this country. A billion dollar a day budget is unacceptable, and the people of this country will not stand for it.

The country needs a two-prong attack to combat the economic distress it is experiencing. It needs to stimulate the economy through a massive input of capital. And it needs to offset the inflationary impact of that imput through a tight, bare necessities budget. It is in the second area that the administration is particularly lacking.

The new budget calls for a $51.9 billion deficit. Yet the budget message states that $91.8 billion is lost as revenue due to tax preferences. That is more than one quarter of the current budget. While there are tax preferences which are beneficial, such as deductions for charitable contributions and medical costs, there are loopholes such as oil and gas preferences which cost the Government $4.4 billion a year or preferential treatment of capital gains which costs the Government $4.9 billion a year. We must end some of these preferences.

Over one-quarter of the $349.4 billion budget is slated for defense. While I would never do anything which might jeopardize this country's capabilities, there must be some expendable money in that program. And the same goes for all departments and agencies in the Government. The President has proposed $17 billion in limitations and reductions in spending. But a large portion of that is supposed to come out of social benefit programs such as social security and food stamps. In rejecting a cutback in food stamp benefits the Congress has already overwhelmingly indicated to the President that in this time when millions of Americans are undergoing fiscal shock, cutting back on benefit programs is extremely ill advised.

The administration can learn a lot from the experience of the town of Willimantic, Conn., in the second district. Faced with a city budget they considered too large, the voters repeatedly refused to authorize their government to spend, tax, or borrow. For 45 days they stood firm, until a budget proposal offering a 9-percent tax cut was accepted.

That is what this country needs to tell the Ford administration and the Congress. Tell them we want a better offer than the one they submitted. The taxpayers of this country are sick to death with irresponsible spending, and they will not stand for almost one-tenth of the 1976 budget being spent on interest on the national debt.

The Congress, I feel, is starting to respond to the taxpayers' needs, but the executive is lagging far behind. My mail has been filled with letters from constituents who do not want their tax dollars poured down the drain.

If the voters of the country could have stood in the well of the House and voted on raising the debt ceiling yesterday, they would have voted "no" just as I did to let the President and the Congress know that it is about time this country opened its eyes to the realities of an ever-growing economic crisis.

THE GOURMET'S ENCYCLOPEDIA OF CHINESE HAWAIIAN COOKING: A WEALTH OF FOOD IDEAS FOR THE CHINESE NEW YEAR

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. MATSUNAGA. Mr. Speaker, for thousands of Chinese Americans throughout our country, this weekend will mark the beginning of the Chinese New Year—the Year of the Hare. Like their fellow citizens, the Chinese welcome the New Year with traditional festivities, including the colorful lion dance. Throughout this week they will be partaking of holiday feasts, including roast suckling pig for abundance, gold coin chicken for prosperity, and phoenix liver with quail eggs for joy and warmth.

With the thought that my colleagues may wish to share in this wealth of good food and good fellowship, I would like to bring to their attention "The Gourmet's Encyclopedia of Chinese-Hawaiian Cooking," a new cookbook published by Hawaii's "host and hostess with the mostest," Alyce and Theodore Char. Mr. and Mrs. Char, both active in civic and cultural affairs in Hawaii, are renowned throughout the island State for their fabulous parties—especially for the gourmet food they serve. At last, at the urging of their many friends, they have compiled a definite cookbook of Chinese-Hawaiian foods including not only their most popular recipes and menus, but a wealth of information about the Chinese kitchen and Chinese customs related to cooking and dining. "The Gourmet's Encyclopedia of Chinese Hawaiian Cooking," published by the Exposition Press, would be an invaluable source for anyone who enjoys Chinese and Hawaiian cooking, and that now includes almost everyone.

I am submitting for inclusion in the Congressional Record two recipes taken from "The Gourmet's Encyclopedia of Chinese Hawaiian Cooking," both for dishes traditionally served during the Chinese New Year celebration. I urge you to try them and wish you and yours Kung Hee Fat Choy—A Happy New Year.

The recipes follow:

Gold Coin Chicken

(Gum Chin Gai)—serves 8–10.
1 lb. cooked Virginia ham fat
1 lb. cooked Virginia ham
1 lb. filet of chicken
½ cup honey
1 tsp. sesame oil
Dash of pepper
2 tbsp. sherry
¼ cup cornstarch
1 egg white

1. Slice ham fat ¼" thick and cut circles 2" in diameter.
2. Slice ham ⅛" thick and cut circles as above.
3. Mix both ham and ham fat with honey and sesame oil.
4. Slice chicken ¼" thick and cut circles 2" in diameter.
5. Sprinkle pepper and sherry on chicken and mix; then coat with two tablespoons cornstarch.
6. Put remaining cornstarch on saucer. Coat piece of ham fat on one side and set down, coated side up; dip piece of ham in cornstarch and then in egg white and place on ham fat; dip piece of chicken in cornstarch and in egg white and set it on ham; gently press all three together. Place on broiler.
7. Repeat, making these stacks of fat, ham, and chicken. This recipe should make 24 to 30 stacks.
8. Broil on second groove in broiler until chicken is cooked. This should take 5 minutes.

Roast Suckling Pig

(Cantonese Style)—serves 20–30.
1 Suckling Pig, 20–30 lbs. dressed
2 cups rock salt
½ cup thick red soy
2 tbsp. salt
1 tsp. pepper

SAUCE

2 cups bean sauce
½ cup brown sugar
½ cup sherry
¼ cup soy sauce
1 cup honey
3 tbsp. water chestnut flour
2 cups green onions, cut 1" long
2 bunches Chinese parsley, cut short
1 tbsp. fragrant spices

1. Rub suckling pig inside and outside with rock salt, rinse and wipe dry.
2. Smear with red soy and sprinkle salt and pepper, inside and outside.
3. Prepare sauce and rub on inside of pig, using handful of greens (onions and parsley) to work with, for ease of spreading sauce. Use remaining sauce to spread on skin of pig.
4. Roast in oven 450° to start. When skin is browned and shows signs of being pitted (about 20 minutes), turn pig over to brown and "burst." Keep rotating until all sides are brown and crispy.
5. While pig is browning, roasting pan will

begin to scorch. Pour boiling water in, 1 cup at a time, as liquid evaporates. This will keep sauce moist and yield flavor for gravy.

6. When skin is well browned, reduce heat to 350° and continue roasting 1 hour; then reduce heat to 325° and finish roasting another hour, or until done. Be sure that there is water in the pan at all times.

7. Occasionally sprinkle with cold water mixed with a little honey, to speed crisping process.

8. Make pan gravy, adding tomato wedges for extra flavor and nourishment. Season to taste.

A large monkey-pod pig board makes an attractive and practical serving platter. Garnish with cherry tomatoes, scallop-edged radishes and onions.

SENATE—*Friday, February 7, 1975*

The Senate met at 11 a.m. and was called to order by Hon. RICHARD STONE, a Senator from the State of Florida.

PRAYER

The Reverend Gabriel Duffy, chairman of the Ecumenical Commission of the Catholic Archdiocese of Washington, College Park, Md., offered the following prayer:

Blessed Heavenly Father:

Praise and thanksgiving be to You for Your goodness and for the love You manifest by creating and sustaining us.

Praise to You for guiding our forefathers to found this Nation.

Praise to You for keeping us in safety and happiness through these two centuries.

Praise to You for the hope and courage we find in our hearts making it possible for us to face all danger, disappointment, and trouble.

We stand so much in need. Never fail to show us Your mercy and gracious understanding.

In every way bless these United States of America. Particularly bless this Senate. Grant to every Member the power to be motivated always by goodness and love as You are, Father, so that each, by his unique talents, will contribute to the healing of all men in their frailty and present pain.

Hear us and heed us, O gracious God, for You are truly merciful and a lover of mankind. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 7, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. RICHARD STONE, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. STONE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, February 5, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL TUESDAY, FEBRUARY 11, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon on Tuesday next.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRESIDENTIAL CANDIDATES

Mr. HUGH SCOTT. Mr. President, we are enlightened from time to time by unsurprising announcements of candidacies for the Presidency. Some may be spurred on by the new campaign elections bill. All, I hope, will be spurred on by the precedent set for sunshine legislative activity. I hope that we will at all times have full disclosure of the financing, as required by law, and I expect that we will.

I hope that we will also have full disclosure of the views of candidates. It is not enough to take one's stance sternly and unflinchingly for motherhood, although it is a vast constituency.

As to the numerous candidates for the Presidency, many of whom honor this body by either their presence or their absence, as exigencies determine, I hope their candidacies will not interfere with the business of the Senate. I hope the necessity for effective legislative action will take high priority over the call of the campaign trail, the lure of the distant places.

I recall previous campaigns during which frequently we in the Senate had to wait until somebody had returned from an earthshaking round of Squash Hollow, Podunk, and Center Corners.

I do not think the Senate will be deterred from its unflagging pursuit of excellence by these absences, however necessary they may seem personally to our numerous candidates. I hope that they will adumbrate the dark places; that they will enlighten us on their views with a considerable degree of specificity; that they will put the national interest above all other interests, including the interests of pressure groups and nationalities, and that they will treat the agencies of constituencies with responsibility and statesmanship.

If I seem to be asking too much, it is because the American people have always expected that of their candidates.

We have a very good President. The burden of proof will be on those who disagree.

So I hope that the Senate can proceed with its business undeterred by distractions of ambition and that we may be able to give a good account of ourselves to the American people.

Good government is the best politics. While, so far, these announcements have had all the impact of a marshmallow on a feather bed, one still hopes that from dialog may emerge an understanding of issues and a clarification of positions, as a result of which the American people will be able to make an informed choice, comes that day, which now seems so far away, in November of 1976.

In the Bicentennial, we will be proud of many things. I want us to be most proud of our democratic system; and I think that if we all keep that at the front of our minds, the public interest will benefit accordingly.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. HUGH SCOTT. I am delighted to yield.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Republican leader has called attention to the importance of our being on the job and working to deal with the problems that confront the Nation.

May I say, in defense of all Senators, that the attendance of all Senators—I am not sure as to my figures, but I think I am relatively safe in saying this—over the past year has been very high, on the average. I have the impression that most Senators, practically all Senators, had a voting attendance last year of certainly above 85 percent, and possibly above 90 percent.

Mr. HUGH SCOTT. I think it was approximately 86 percent.

Mr. ROBERT C. BYRD. With respect to those who are Presidential candidates or who may be Presidential candidates, I think that their attendance record, also, had been good.

I believe that only one Senator has announced that he will be a candidate for the nomination, and that was the announcement of Mr. JACKSON. If I am not incorrect, or if my recollection does not disserve me, I believe that his voting record last year was in the area of 98 or 99 percent attendance.

There are others who are being mentioned as possible Presidential candidates. I believe that a close look at their records will show that over their period of service in the Senate, their records are not open for criticism. Senator BENTSEN, for example, is not an announced candidate, but there is considerable speculation as to whether or not he will become one. I imagine that his voting record over the period that he has been in the Senate is well over 85 percent. I also would venture the guess that that is a better record than a good many of the Senators whose names have not been floated as possible Presidential aspirants. So I do not think that the work of the Senate is going to be hampered by absenteeism on the part of any Senator or Senators who may be aspiring to the highest office in the land.

If all Senators will take to heart what the distinguished Republican leader has said, on both sides of the aisle, and be present when we are in session, the Senate's work will not be curtailed by absenteeism. I feel confident of that.

Mr. HUGH SCOTT. I wonder if the Senator would care to enumerate the other lightning-prone Senators.

Mr. ROBERT C. BYRD. I do not know who they are.

Mr. HUGH SCOTT. I thank the distinguished Senator. This Senator has a recognized voting record of about 93 percent and one has to recognize one's own vulnerability when one attempts to deliver what might be called a lecture. It is not intended as that, but we are anxious to get on with the business, and we are, to a degree, dependent on the other body to furnish us with some of that business. The sooner we get it, the better.

We still have a proposal for a 90-day delay of the President's program, and although a month has passed since the 90-day delay was requested, it is still 90 days, which, in effect, is 120 days. When it is passed, or if it is passed, it might be longer than that. It amounts to saying, "We do not like the President's program, but give us another 90 days and we will think of something." One sincerely hopes that they will, because one party has the votes in Congress; the other party, the President, has the momentum. When we have a situation like that, compromise, it seems to me, is inevitable somewhere along the line.

I thank the Chair.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Senate Resolution 338, 88th Congress, 2d session, appoints the Senator from North Dakota (Mr. Young) to the Select Committee on Standards and Conduct.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Texas (Mr. Bentsen) is recognized for not to exceed 15 minutes.

Mr. BENTSEN. I thank the Chair. I shall offer a series of proposals this morning to reduce greatly the waste of petroleum and natural gas.

Mr. McGOVERN. Will the Senator yield to me for about 30 seconds, with the understanding that it will not come out of his time?

Mr. BENTSEN. I am delighted to yield.

MILITARY SPENDING

Mr. McGOVERN. Mr. President, I have released a statement to the press, that I ask unanimous consent to have printed in the Record, taking exception to the basic thrust of the testimony given by Defense Secretary Schlesinger before the Armed Services Committee on Wednesday.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. McGOVERN. Mr. President, the Secretary completely misses the direct relationship between the economic crisis this country is in today and the excessive levels of military spending. Instead of calling for a modest reduction in military outlays, he presents a budget that would escalate military appropriations by nearly $16 billion in the coming fiscal year above and beyond what we are now spending.

I submit, Mr. President, that is a way, not to strengthen the Nation, but to cripple further our economy and reduce the security of the Nation.

I thank the Senator from Texas for yielding to me.

Exhibit 1

The Administration's Military Posture

(Statement by Senator George McGovern)

The Ford administration's military posture, as described by Secretary of Defense Schlesinger before the Senate Armed Services Committee Wednesday, is as frightening as it is absurd.

I would have thought it impossible to miss the connection between the military binge we have been on for 30 years and the economic crisis we face now. Yet the Ford administration has apparently missed it entirely. Far from scaling back to levels we can bear, they are demanding an escalation of $15.7 billion in military appropriations for 1976. The $104.7 billion proposal for next year is only the first installment on a program that will drain more than $635 billion from American productivity over the next 5 years.

Incredibly, that is more than twice as much in peacetime as we spent on global war between 1941 and 1946.

It is justified by claims that we must have defenses "second to none"—almost as if pride, rather than safety, were the object of arms. But the implication that the Pentagon must go one better on every military boondoggle dreamed up anywhere else in the world is the same old nonsense that has prevented arms control and crippled our economy.

No wonder the President's economic report is so grim. Unless we start saying "no" to Pentagon schemes, we can expect that our economy will stay sick forever. And while they are laying plans to pile arms on arms, President Ford tells us he is so horrified by the size of his budget deficit that he wants to retreat on jobs for the unemployed, food for the hungry, and income for the elderly.

Most Americans doubtless believe that we maintain arms to protect and serve our society at home. But the administration's budget reverses that concept. It reflects a belief that our society exists to serve the architects of military globalism—to serve those who feel they can only see the world clearly from atop massive peaks of weapons.

Secretary Schlesinger is right when he says we live in a troubled world. But it is absurd to assume that American arms can quiet those troubles. Does he think more missiles are relevant to the crisis in food? Does he really think we can end the crisis in fuels and other critical materials by squandering our resources on a military machine? Does he think, even after Vietnam, that nationalistic ambitions can be threatened away—or should be?

We need desperately to recognize what President Eisenhower knew—that when the military-industrial complex gets out of control, it bankrupts our economy and weakens our Nation.

Today the notion that the more we spend on arms the safer we are is a far greater danger to America than any foreign power.

MEASURES TO REDUCE THE CONSUMPTION OF PETROLEUM AND NATURAL GAS

Mr. BENTSEN. Mr. President, the question has been raised as to alternative proposals to the administration's energy program. I intend to supply some of those this morning.

The statement has been made that the President has the momentum. I agree to that, but the momentum has been downhill. That is of great concern to me.

I have listened to the speeches of the President and the Vice President as they go around the country talking about their energy proposal. It is like a finely tuned watch and one has to accept the whole proposal or the watch will not run. I do not happen to know an escapement from a ratchet wheel when it comes to watches, but I contend it is a strange watch, indeed, when it cannot tell time, when the hands are moving in opposite directions, when we are talking about giving something to the economy—trying to spur and stimulate the economy by giving a tax cut—and on the other hand, we take away by increasing the cost of petroleum to the people of this country by some $30 to $50 billion.

When they talk about our having to come back with an immediate answer from Congress, let us say this is a very complex proposal that has been made by the President of the United States. It is a proposal that is going to require careful analysis. In some of the estimates we have had, the administration says it has a $30 billion impact; the Library of Congress says it is a $50 billion impact. Suppose it is somewhere in between. Suppose it is a $40 billion impact. Nobody has ever seen that kind of an impact on one particular segment of the economy before, so they cannot tell us what the results are going to be.

I think it is important that we take our time and that we fully consider it.

This is not a crisis situation insofar as oil and the importation of oil. It is a problem and it is a serious problem, but it is one that we can work out. But I think we do have a crisis situation when it comes to the recession, when we have the deepest recession this country has ever seen since the 1930's. We saw unemployment this morning reported at 8.2 percent. We saw the unemployment rolls in the last month go up to over 1 million people. So let us talk about proposals.

I urge that the Democratic policy committee give careful consideration to my program as they work to develop an alternative to the administration's program. These proposals will be introduced as legislation within the next several weeks.

While I propose these measures as an alternative to some of the specific recommendations of President Ford, I do not advocate them in a partisan sense. I view them as proposals which the Republican Party and the administration can join with the Democratic majority in Congress to support as in our Nation's best interests.

The most serious flaw in the President's proposals is the underlying assumption that somehow, we must reduce imports by an immediate 1 million barrels a day in 1975. By a million barrels. That is a nice round figure that Dr. Kissinger chose. It is a part of the 3 million barrels he is talking about to try to impress the Middle East countries.

The Middle East countries have already reduced the amount of oil they are selling by 8 million barrels a day, because of the decrease in oil consumption by Western nations, and they did it rather than lower the price. Some of those people would just as soon keep that oil in the ground for a while. They are looking toward keeping it for the benefit of their own populations, for jobs they want to create in the fertilizer industry and the petrochemical industry. So we are not going to break the cartel by reducing oil consumption in this country by 1 million barrels a day in 1975. We will not bring them to their knees. But what are we going to do to our own economy? Who will get brought to their knees? That is what concerns me.

In a floor speech on Monday, I stated my opposition to this program, and that I believed any program which would force a million-barrel-a-day reduction in imports during 1975—whether by price increases, taxes, rationing, or allocations was a serious mistake.

We ought to be giving top priority to turning this economy around, to getting people back to work. We are in the worst recession since the 1930's, and efforts to restore noninflationary economic growth must receive top priority in any economic program. The immediate reduction in imports the President is seeking increases the rate of inflation, puts more Americans out of work, and delays our recovery from the recession. The American economy is going downhill fast, approximately 1 million Americans have been added to the employment rolls in just 1 month.

The long-range economic plan the President presented in his budget message bears out by criticism that his program takes over where the Arabs left off.

We are going to see almost as much impact on inflation from what he is talking about, increasing the price of oil, as we did from the action of the Arabs.

He indicates a greater increase in consumer prices this year than last and inflation continuing at almost 8 percent on into 1976. This is a very persuasive argument against an energy program that adds 2 to 4 percent to consumer prices.

And, as to the recession, his assumption that unemployment will remain at over 7 percent for the next 3 years is solid testament to why we should not adopt an energy program that has been estimated to put a half million more Americans out of work next year.

Sometimes people do not realize the impact that unemployment has on a budget in this country. We talk about a $32 billion or $37 billion deficit, and then talk about a $52 billion or $57 billion deficit next year. Let us look at where most of that deficit is coming from. For every 1-percent increase in unemployment, we lose $12 billion to $15 billion in tax revenues coming into the Treasury, and we add $2 billion to $3 billion in unemployment compensation. That is where most of that deficit comes from, in addition to the human misery we are seeing today.

I was down in Atlanta a couple of days ago. They told me they had 3,000 people start lining up at 3 o'clock in the morning, waiting for an office to open at 8 o'clock, to apply for 225 jobs. That should be our biggest concern. The President projects unemployment at over 7 percent, for the next 3 years. Unemployment has not been at 7 percent for more than a few months in the entire period since World War II.

The immediate crisis is not oil—it is jobs. Today unemployment has escalated to 8.2 percent.

The energy issue in 1975 is not the size of our reduction in oil imports this year but rather the adoption of policies that reduce our long-term reliance on imports. The energy crisis has been coming for years, and it is going to take years to solve. I was warning against the dangers of our growing dependence on foreign oil 5 years ago, and that we should not let our policies in this country be held hostage by a group of Middle East countries, that we must develop self-reliance, that we ought to work to curb imports. But no one paid much attention. It was like writing words on the wind. Now we are seeing the typical Government reaction—overreaction to the crisis or problem.

Today, everyone is concerned, and with good reason. But as often happens with problems that go "unnoticed" for years, when they are finally discovered, as I say, Government overreacts. And I believe that adding $30 to $50 billion to inflation and throwing another half million Americans out of work is overreaction.

We can work out these problems by working together. We do not work them out by adding $30 to $50 billion to inflation, and throwing that many more Americans out of work.

We face a long-term problem that demands a long-term solution. Those of us in public life often do not feel comfortable with long-term solutions. Because we do not know if we will be in office long enough to see the results. That is particularly true when the long-term solution is unpopular.

In business we do long-term planning to take advantage of the opportunities and to avoid the pitfalls down the road. It is incredible to me that in this, the biggest economy of all, we do not really do sufficient long-term planning. A lot of politicians do not like it because they do not get credit for it, and someone else gets the credit for it down the line. But the stakes are too big; we have to do some careful, considerate, and long-term planning.

Mr. President, some of the proposals I offer today may be popular ones, but some of them are not. At least one is going to be terribly unpopular, particularly in my home State of Texas.

I can read the public opinion polls. I know the people say they want rationing. I know they say they do not want a gasoline tax, and I am going to propose just the opposite of what is the public desire at this time.

I am speaking of a rebatable gasoline tax. A gasoline tax phased in gradually over several years to reduce the economic hardships and give people time to adjust. This phased-in tax should be combined with a system of tax incentives for new automobiles which get good mileage and tax penalties for new automobiles with poor mileage. Again, this would be phased in over several years so that manufacturers have time to adjust their production lines to smaller, more efficient automobiles.

It may be that some of our sons will not be able to lay down a strip as they pull away from that traffic light. Maybe they will have to settle for smaller engines; but that is the way it ought to be if we are going to cut down on the importation of oil.

The combination of a gradual increase in gasoline taxes and a phased incentive for more efficient automobiles will allow consumers and manufacturers to decide what kind of automobiles are in our future. I think there are people today who are delaying the purchase of any new car just because they are not really sure this need for conservation is real. They hate to pass up that bigger, more comfortable car if all this concern about energy is going to pass. Well, it is not going to pass; it is going to be with us a long time.

Enactment of legislation this year setting the price patterns of the future will put them on notice that the more efficient automobile really is necessary, and they had better give some consideration to mass transportation, shorter commuting distances, and other steps to reduce the amount of gasoline they use.

I would propose we start small, with a 5-cent-a-gallon tax in 1976. It would be increased every year until the tax reaches 30 cents in 4 or 5 years.

That is a substantial hike in the price of gasoline, but it is not so substantial when compared to what has been happening in other fuels. In the last year, the price of oil for homes has increased by two-thirds and the price of residual oil for electricity by 180 percent. These increases occur at a time when the price of gasoline increased by 35 percent.

Even when the full 30 cent tax is reflected, it will have increased the price of gasoline by only about 60 percent above today's prices. And that increase will have been spread over several years. Americans will still be paying less than half as much for gasoline as Europeans who pay $1.80 a gallon right now.

As the tax is phased in, we will begin reducing the incredible amounts of gasoline we consume every day. Those who have studied gasoline consumption tell us that for every 10 cents in tax that you add to gasoline you will reduce consumption in this country by about 250,000 barrels a day; and that level of conservation is going to increase as the years pass.

A phased-in gasoline tax of 30 cents a gallon would reduce gasoline consumption by almost a million barrels a day by 1980. That savings would increase to 1,300,000 barrels a day by 1985.

That is not the only way we will conserve. There are many other things that we can do in addition to that, and I will get into some of those.

The revenue from such a tax should not remain in the hands of government; it should be returned to individuals in a progressive fashion through the tax code and through direct payments to the unemployed and retired. Since the revenues involved would not be large at first, there would be time to work out any flaws in the rebate system before the size of the rebates became very large.

I know that a gasoline tax has been described as inequitable, and even with a progressive rebate system, there will be no perfect equity. But consider the inequities of rationing.

How do you award the coupon books? To licensed drivers? That discriminates in favor of the family with teenagers who drive and against widows and single persons.

Do you award them on the basis of the number of automobiles owned? Then you are treating the executive with three cars three times as well as the steel worker with one.

Do you award one to a household? That discriminates against the family where more than one has to work to make ends meet.

What about the person who must drive long distances in an emergency—or move across the country? Do we solve all of these problems with local rationing boards?

If we create a so-called white market, in which ration coupons can be bought and sold, we are back to allocating on the basis of price—with no certainty as to how high the price will go.

Mr. President, I ask that an editorial on the inequities of rationing which appeared in the Washington Post be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BENTSEN. Mr. President, I am convinced that even after a short period of time, a rationing system would come to be loathed by the American people, and without public support, it would crumble of its own weight—and you are talking about a rationing system that will have to last 5, 6, 7, 8 years, because it would not get to the fundamental root of the problem.

Rationing, at best, is a short-term solution, and we are dealing with a long-term problem.

Mr. President, once the decision is reached to approach our oil import problem through a phased reduction, which economists of both political parties prefer to an abrupt reduction, and once the decision is made to concentrate a substantial part of that effort in gasoline consumption—where you do have some elasticity in the long term—a higher tax with a progressive rebate is the better of two bad choices.

Of course, gasoline is not the only area where conservation of petroleum is needed. We must shift more of our industry away from natural gas and oil, to coal. We are the Saudi Arabia of the world when it comes to coal. We have over a third of the world's supply. We have over a 400-year supply at the present rate of extraction today.

The capital costs involved in conversion to coal are enormous, and I believe we should use our tax code to encourage industry to make this effort. We now have a 5-year amortization for the installation of antipollution equipment. I believe that where coal can be burned in such a way as to meet our environmental needs, we should allow that same 5-year amortization for conversion of boiler capacity to coal.

But in many instances, even with tax incentives, the conversion to burning coal directly in some parts of the country, is unfeasible. In many sections of our country, the transportation system for moving that much bulk coal just does not exist.

One of the promising means of shifting our energy consumption from oil and natural gas to coal is to gasify or liquefy the coal and move it through our present natural gas transportation network.

But look at the problem of a private company. They are understandably reluctant to make enormous investments that these projects require because price undercutting by foreign oil producers might make those fuels uncompetitive at some time.

What do we do about it? Mr. President, I believe what we ought to have is an energy development bank to guarantee the major portion of the cost of those unique major projects that will make us more self-sufficient in energy. A commitment of private equity financing would be required. One would say this energy bank would take, say, 75 to 90 percent of the bottom part of that loan and guarantee it, but private enterprise would have to put in the equity amount, and I think that would get these projects underway.

There are a lot of things we can do to bring about conservation of oil and natural gas in this country. Some of these things proposed by the President are good, and we ought to adopt them, such as the tax credit for home insulation. The Democratic Policy Committee is considering others that also should be adopted. We ought to look to the development and the storage of an oil reserve for national security purposes in this country. We ought to explore the possibility of using some of the empty salt domes that we have so that we could buy that oil over a period of time and store it there, and if an embargo comes again we could get it out where we could have it in the mainstream of our economy and for the defense of our country.

But just because the solutions are long term does not mean there is time for further delay. The time has passed for a Democratic plan or a Republican plan or a congressional plan or an executive branch plan. We must have in 1975 a national energy plan. And I believe that through hard work, cooperation, and the willingness to decide some of the tough issues, we can have one. We cannot just adopt those policies that happen to be popular in a Gallup poll at this moment. Thank you, Mr. President.

EXHIBIT 1

HOW TO RATION GASOLINE

Let us suppose, for a moment, that you are the person to whom President Ford assigns the job of designing a system to ration gasoline. The President thinks that rationing is a terrible idea and wants to cut consumption by raising prices and taxes instead. But a great many well-intentioned senators and congressmen think that rationing is much fairer. We are now going to suppose that they win the coming fight, a rationing law is enacted, and you are appointed to set up the operation. The basic program is clear. There remain only a few minor issues of policy that a sensible person like yourself should have no difficulty resolving quickly and—to repeat the key word—fairly.

The first question is to whom to give ration books, and your first inclination is to give them to every licensed driver. That brings you to the family in which both parents and all three teen-aged children have licenses. If they have five ration books, the kids can continue to drive to school. You think that they ought to take the school bus, and you revoke the kids' coupons. But then you learn that they all have part-time jobs—one of them plays the xylophone in a rock band—and they will be unemployed if they can't drive. You get a call from the White House telling you not to contribute to unemployment, which is rising. You give in, and return the kids' ration books. That gives the family five times as much gas as the widow across the street whose three children are all under 16.

Continuing the crusade for fairness, you take up the case of Family A, whose harassed father has to commute 30 miles to work every day, and Family B next door, whose father runs a mail order business out of his basement. Family B goes to the beach every weekend—very inexpensively because, as the congressmen made clear, the point of rationing is to avoid raising prices. Score another point for fairness and turn to the case of two suburban communities, a mile apart, one of which has bus service to and from central city and the other of which does not. Reasonably enough, you give less gas to people in the community with buses—until you discover that none of them works in the central city. They all seem to work in other suburbs, most of which have no public transportation. Your response, obviously, is to make everyone in the United States fill out a form showing where he works. Then you hire a computer firm to identify those who can get to their jobs by public transit in less than 90 minutes with no more than three transfers; they will get fewer coupons. There are certain difficulties in enforcing these rules, as you concede to several congressional committees, but you expect to be able to handle them with the expanded appropriations that you have requested to hire more federal gas investigators.

Now that you are beginning to get the hang of the thing, you will want to proceed to the case of the salesman who flies to an airport and rents a car. If you issue gas to the rent-a-car companies, the salesman might be tempted to use one of their cars to take his family on a vacation. But the salesman's personal coupons won't cover company trips. Now you have to decide how much gasoline to give to companies, and which business trips are essential. You might turn that over to the staff that you set up to decide which delivery services are essential and how to prevent delivery trucks from being used for personal business.

By the way, you have to consider the rural poor—for example, the laborer who lives far out in the country. Some weeks he's employed far from home and commutes hundreds of miles. Some weeks he finds work nearby. Some weeks he's unemployed, particularly when the weather's bad. You post a prize for the formula to cover that one.

You are beginning to discover the great truth that simple rules are never fair, and the fairer the system gets the more complicated it has to become. Even in World War II, when there were only one-third as many cars and the national dependence on them was far less pronounced, it was necessary to set up boards of citizens in every community to rule on a flood of special requests, hardships, grievances and challenges. It is a method that requires, unfortunately, a massive invasion of personal privacy. Americans accepted it then as a temporary wartime expedient. But the present emergency is not temporary.

A year ago, when the Nixon administration was considering rationing, the planners suggested simply giving everyone the same number of coupons and letting people buy and sell them legally on a "white market," as they called it. But in a white market the laborer with the long trip to work would have to bid against the family that wants to drive its station wagon to Yosemite for its vacation. Under President Ford's price scheme, at least the country would know roughly what the increased price of fuel would be. In a white market, no one could say how high the bidding might go, or how widely it might fluctuate from one season to another.

Congress, and specifically the Democratic leadership, is behaving rather badly. Its committees have been exploring the economics and technology of energy with considerable skill for more than two years, and they understand the choices as well as the administration does. The Democratic leadership's cries for further delay now are hardly more than a plea merely to postpone unpleasant but urgent decisions. A year ago, when President Nixon asked for rationing authority, Congress said that rationing was unpopular; the law never passed. Now that President Ford proposes the other alternative, higher prices, congressmen cite polls to show that people would prefer rationing.

In the present state of general indecision, the most widely popular position is probably the one represented by Gov. Meldrim Thomson of New Hampshire. Gov. Thomson opposes both rationing and higher prices. He would prefer, evidently, simply returning to the halcyon days of 1972 before the energy squeeze took hold of us. It is a pleasant idea. But it is not, unfortunately, one of the real choices—not even for New Hampshire.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 45 minutes, with statements therein limited to 5 minutes each.

ALTERNATIVES TO THE OIL IMPORT TAX

Mr. LEAHY. Mr. President, when the President first announced his energy proposals, I expressed serious reservations on his plan to increase taxes on imported crude oil to $3 a barrel. As the enormity of the impact of the proposal on the economy of Vermont and of the Nation became clear, I soon was convinced that the imposition of such a drastic measure should be delayed at least until the Congress has had the opportunity to consider its full import and all available alternatives.

The suggested tax on imported crude would cost motorists in Vermont between $20 million and $25 million a year. It is estimated that increased costs for residual and home heating oils would average $43 a year for every man, woman, and child in New England. These figures do not take into account the hidden costs to consumers in virtually every product they purchase. Nor do they reflect the disastrous effects on a State with no mass transit system, extremely severe winters, and a heavy reliance on tourism. As it now stands, the President's proposal would wreak havoc with the economy of my State.

There are alternatives for reducing oil consumption. The President has asserted that the economic health and well-being of the Nation require an immediate reduction in oil consumption of 1 million barrels a day. Given that assumption—and it is an assumption on which there is a variance of opinion among economists and the distinguished junior Senator from Texas (Mr. BENTSEN) has also questioned that same assumption here today—it appears to me that our goal is to find a middle way to deal with the crisis to avoid the extremes of an import tariff or punitively high gasoline taxes, on the one hand, and coupon rationing with all its accompanying inconvenience, bureaucracy, and inequities, on the other.

Before going to either extreme, I urge the administration to give serious consideration to a mandatory petroleum allocation plan with 1972 as the base year. It is estimated that a minimum allocation of 91 percent of base period consumption would result in a reduction of oil consumption to the level proposed by the President. At the present time, Vermont is consuming approximately 93 percent of 1972 consumption.

The people of Vermont, along with millions of their fellow Americans, have displayed their willingness to cooperate in conserving fuel. If further sacrifices are necessary, Vermonters will do their part, but they must not be singled out for an unfair share of the burden, which the people of New England presently are bearing.

I am fully aware of the delays, confusion, and inconvenience that citizens encountered last winter when May allocations were calculated hastily and incorrectly. However, now that base levels have been established and the administrative machinery is in place, such a program could be implemented with far less chance of disruption.

Mr. President, to work effectively, and to be accepted on a nationwide basis, any plan for reduction of oil consumption must operate evenly across the Nation, so that no one State or region has to bear an excessive share of the burden. To avoid one of the glaring inequities of last winter's experience, each State must receive an equal portion of adjusted base year consumption. At one point last winter, Vermont received 70 percent of the base period, while some States were receiving well over 100 percent.

Furthermore, it would be extremely difficult to design a single national plan that could adapt to the differing priorities between predominantly urban and rural States, between industrial and agricultural demands, and to other widely diverse economic priorities among the States. Therefore, I suggest that under a proposed mandatory allocation plan, each State be given the responsibility and the power to adapt the allocations to its particular circumstances and needs. This would allow each State to set its own priorities in meeting the petroleum requirements of its people and its industries.

It would, hopefully, avoid many of the problems of last winter's experience by giving each State the flexibility to deal quickly with any inequities that may occur among, for example, competing dealers of petroleum products, and assure that dealers are fairly and equitably treated by their distributors. Unfortunately, that did not always happen last winter.

A State-administered mandatory allocation plan would permit each State to adopt, if necessary, the system best suited to it to assure a fair distribution of gasoline from a wide variety of available options. One might opt for the odd-even day sales plan; another for sticker rationing; another for higher gasoline taxes; still another might choose a minimum purchase plan. The important fact is that the decision would be made at a governmental level more responsive to the will of the people rather than by the Federal bureaucracy here in Washington.

Mr. President, no matter what plan for reducing consumption is eventually implemented, we must make a much greater effort to increase automobile mileage per gallon, either through mandatory performance standards or a stiff tax on gas-guzzling new cars. A recent Department of Transportation report concluded that increased efficiencies plus a shift to small cars could save 3 million barrels of oil a day by 1985, without compromising current clean air standards.

The administration and the Congress cannot afford to shove the issue aside much longer. It is high time that the administration face up to the facts and begin developing plans to assist the automotive industry toward achieving these ends rather than attempting to impose a burdensome, offensive tariff on oil imports that will seriously disrupt our already sick economy—a tax that will provide huge profits for a few at the expense of those in our society who can least afford it.

Mr. President, the Federal Energy Administration already has the authority and the administrative machinery to implement a mandatory allocation plan. While no plan to conserve oil can be implemented without some inconvenience and without hurting some more than others, I believe that a mandatory allocation plan administered by the States may be the fairest and least disruptive approach to the problem at this time. There is no guarantee that it will work, but I believe that given the existing alternatives, it should be given a fair try before we resort to harsher measures.

COMMENDING BESS TRUMAN ON HER 90TH BIRTHDAY

Mr. RANDOLPH. Mr. President, I send to the desk a resolution and ask that it be stated.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 65) commending Bess Truman on the occasion of her 90th birthday.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. RANDOLPH. Mr. President, Bess Truman continues in good health and in good spirit.

It is not just a gesture, but very appropriate for the Members of the Senate to pause and to express appreciation to this very gallant woman, as she approaches her 90th birthday. The distinguished Senators from Missouri (Mr. SYMINGTON and Mr. EAGLETON) and the able majority whip of the Senate (Mr. ROBERT C. BYRD), join in sponsorship of this resolution.

As Longfellow said so long ago, "Age is opportunity no less than youth itself, though in another dress." Robinson Jeffers wrote, "The heads of strong old age are beautiful beyond all grace of youth." Robert Browning in the same vein wrote, "Grow old along with me, the best is yet to be." As a person truly lives and has reverence for life, each day can be a stimulating experience, a marvelous challenge. Older persons never really grow old in spirit if they have health and happiness and a strength of commitment. Too many men and women at the age of 30 and 40 have turned themselves off. They are the individuals who are really "old."

The life of Bess Truman is testimony to these beliefs. The inspiration and strength that she conveyed to a very, very great man as his life's companion will probably never be fully evaluated and understood. We know, however, that her role was of tremendous importance. Our country is better because of Bess Truman. We stand in her debt.

Mr. President, a dear friend, Jack Smith, vice president of Continental Airlines, who has known Mrs. Truman for many years, reminded me of her birthday. It is a special privilege to have the opportunity to present this resolution of appreciation. I served in the House of Representatives when Harry Truman was a Senator and Vice President. My service in the House continued for a time during his Presidency. Mrs. Randolph and I also are grateful for a valued friendship with Bess Truman.

I am pleased that the Senate of the United States is recognizing a good and great woman—Elizabeth Wallace Truman.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 65) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 65

Resolved by the Senate of the United States of America in Congress assembled,

Whereas Elizabeth Virginia Wallace was born on February 13, 1885 in Independence, Missouri; and

Whereas Elizabeth Wallace Truman was from April 12, 1945 to January 20, 1953 First Lady of the United States of America; and

Whereas Bess Truman is held in high regard and great affection by the people of the United States; and

Whereas Bess Truman in her own right and as wife, companion, and advisor to President Harry S. Truman has through the years made many valuable contributions to the nation; Now, therefore be it

Resolved, That the Senate of the United States extends its warm and heartfelt best wishes to Elizabeth Wallace Truman on the occasion of her ninetieth birthday; and be it further

Resolved, That the Secretary shall cause a suitable copy of this Resolution to be conveyed to Elizabeth Wallace Truman.

LEAVE OF ABSENCE

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the Senator from Arizona (Mr. GOLDWATER) be excused from the sessions of the Senate next week due to illness in the family.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE MESSAGES RECEIVED AND REFERRED DURING THE ADJOURNMENT OF THE SENATE

Under authority of the order of February 5, 1975, messages from the President of the United States were received on February 6, 1975, submitting the nominations of Elliot L. Richardson, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain, which was referred to the Committee on Foreign Relations; and George J. Long, of Kentucky, to be U.S. attorney for the western district of Kentucky, which was referred to the Committee on the Judiciary.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. STONE) laid before the Senate sundry messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives received during the adjournment of the Senate on February 6, 1975, under authority of the order of February 5, 1975, stated that the House has passed without amendment the bill (S. 58) concerning compensation and other emoluments attached to the Office of the Attorney General.

The message also stated that the House has passed the following bills in which it requests the concurrence of the Senate.

H.R. 1767. An act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes; and

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

ENROLLED BILL SIGNED

The message further stated that the Speaker has signed the enrolled bill (H.R. 1589) to suspend increases in the costs of coupons to food stamp recipients as a result of recent administrative actions.

The enrolled bill was signed on February 7, 1975, by the Acting President pro tempore (Mr. STONE).

HOUSE BILLS REFERRED

Under authority of the order of February 5, 1975, the following House bills were considered as having been read twice by their titles and referred to the Committee on Finance:

H.R. 1767. An act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. STONE) laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administrator of the National Aeronautics and Space Administration transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes (with accompanying papers); to the Committee on Aeronautical and Space Sciences.

Report of the Department of Agriculture

A letter from the Deputy Assistant Secretary of Agriculture transmitting, pursuant to law, a report concerning additional facilities for research at the State agricultural experiment stations (with an accompanying report); to the Committee on Agriculture and Forestry.

Report of the Department of the Interior

A letter from the Assistant Secretary of the Interior transmitting, pursuant to law, a report on a soil survey and land classification of the lands in the Spokane Indian Reservation Irrigation Development (with an accompanying report); to the Committee on Appropriations.

Final Determination of the Indian Claims Commission

A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a copy of its final determination in the case of the Three Affiliated Tribes of the Fort Berthold Reservation against the United States (with accompanying papers); to the Committee on Appropriations.

Supplemental Appropriation Estimate for the Department of Health, Education, and Welfare

A letter from the Deputy Director of the Office of Management and Budget reporting pursuant to law, on the necessity for a supplemental estimate of appropriation for the fiscal year 1975 for the Department of Health, Education, and Welfare for "Limitation on Salaries and Expenses, Social Security Administration" to the Committee on Appropriations.

Report of the Department of State

A letter from the Assistant Secretary of State reporting, pursuant to law, concerning funds obligated for assistance in, to, for, or on behalf of South Vietnam and Laos; to the Committee on Foreign Relations.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Pilot Cities Program: Phaseout Needed Due to Limited National Benefits" (with an accompanying report); to the Committee on Government Operations.

Specialized or Technical Services Provided to State and Local Governments by the National Aeronautics and Space Administration

A letter from the Administration, National Aeronautics and Space Administration, reporting, pursuant to law, with respect to the scope of the specialized or technical services provided to State or local governments by the National Aeronautics and Space Administration during calendar year 1974; to the Committee on Government Operations.

Second Interim Report of the Geothermal Energy Coordination and Management Project

A letter from the Administrator, U.S. Energy Research and Development Administration, transmitting, pursuant to law, the second interim report of the geothermal energy coordination and management project (with an accompanying report); to the Committee on Interior and Insular Affairs.

Report of the Committee for Purchase From the Blind and Other Severely Handicapped

A letter from the Chairman, Committee for Purchase From the Blind and Other Severely Handicapped, transmitting, pursuant to law, the annual report of the activities of the Committee for Purchase From the Blind and Other Severely Handicapped during the fiscal year ending June 30, 1974 (with an accompanying report); to the Committee on Labor and Public Welfare.

Report Concerning Positions Established During Calendar Year 1974, NASA

A letter from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report of the National Aeronautics and Space Administration with respect to certain civilian positions established pursuant to section 3104(a) (8), United States Code, during calendar year 1974 (with an accompanying report); to the Committee on Post Office and Civil Service.

Proposed Energy Research and Development Administration Authorization of Appropriations, Fiscal Year 1976

A letter from the Administrator, U.S. Energy Research and Development Administration, transmitting a draft of proposed legislation to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs, and the Joint Committee on Atomic Energy, by unanimous consent.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Stone):

A resolution adopted by the Senate of the Commonwealth of Puerto Rico; to the Committee on Finance:

"Resolution

"To request from Congress and the President of the United States of America that the fiscal relations which now exists between Puerto Rico and the United States be honored by the Federal Government and all its departments and agencies

"statement of motives

"The People of Puerto Rico have always, consistently and historically maintained a special relationship with the United States. The United States has recognized this reality since the beginning of its political relations with Puerto Rico.

"On account of this relationship neither Puerto Rico nor its inhabitants have at any time been subject to the uniform fiscal and economic provisions of the Constitution of the United States. The history of the Supreme Court decisions, the resolution of Congress and of the President of the United States recognize this special relation.

"The present relationship between Puerto Rico and the United States conceived and defined in the Federal Relations Act, establishes a series of conditions of a special nature, specific for Puerto Rico, which are not common, nor applicable to the States of the Union. Among these conditions are those related to ficsal matters. Puerto Rico maintains an internal fiscal autonomy as established and consecrated in section 3 of the Federal Relations Act.

"Federal Internal Revenue Laws are not applicable to Puerto Rico, and the taxes collected through the application of the internal revenue laws of the United States on goods produced in Puerto Rico or shipped to the United States or consumed in the Island are reverted into the Treasury of Puerto Rico.

"Customs revenues derived from products imported by Puerto Rico from foreign countries are refunded by the United States to Puerto Rico once the revenue costs related thereto are deducted.

"By virtue of this last provision Puerto Rico is entitled to receive the income for taxes levied or to be levied on all products imported from abroad and, especially, on oil imports.

"The Government of the United States has consistently recognized that Puerto Rico has a legal right, to be refunded for the license payments on oil imported, in accordance with the Federal Relations Act that governs the relations between Puerto Rico and the United States, the same way as are also refunded the fees collected on products imported into the Island. In addition to the tax provision in this sense, there is a particular situation of equity, in which, it is we, Puerto Ricans who pay through our consumption, the amount of that tariff. It is Puerto Ricans who suffer the burden which entails to our environment the refining of this oil. It is with our own effort that we Puerto Ricans, process the oil byproducts for the consumer.

"The Federal Department of Justice, ignoring legal provisions and circumstances of equity, has just issued an opinion whereby Puerto Rico is deprived of the right to receive the funds related with the "import license" fee on oil. This means, for all practical effects that the Federal Government has imposed a tax on Puerto Rico, in contravention of the provisions of our fiscal-political relations. It is, also a hard blow for Puerto Rico and its economic life.

"It is imperative in order to avert serious economical consequences for the People of Puerto Rico, to maintain the clear history on this matter unaltered, as well as to honor the principle of justice represented by taxation without representation. To sustain this interpretation, restrictive and contrary to the most elementary principles of equity and justice, is to attempt against the cordial relations and mutual understanding that should always prevail between Puerto Rico and the United States.

"Be it resolved by the Senate of Puerto Rico:

"1. To express its firm determination that the revenues, which by virtue of the opinion of the Federal Department of Justice, it is intended to deprive Puerto Rico, are revenues which lawfully, legitimately and equitably belong to the People of Puerto Rico.

"2. To request from Congress and the President of the United States to adopt with the utmost urgency, the pertinent measures which may be required to the end that the fiscal relations which now exist between Puerto Rico and the United States be honored by the federal government and all its departments and agencies.

"3. That copies of this Resolution, which reflects the expression and feeling of the People of Puerto Rico, be transmitted to the Honorable President, to the Congress of the United States, and to the Resident Commissioner of Puerto Rico in the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RANDOLPH (for Mr. Jackson), from the Committee on Interior and Insular Affairs:

S. Res. 66. An original resolution authorizing additional expenditures by the Committee on Interior and Insular Affairs for inquiries and investigations. Referred to the Committee on Rules and Administration.

By Mr. GLENN (for Mr. Ribicoff), from the Committee on Government Operations:

S. Res. 71. An original resolution to authorize a study of the purposes and current effectiveness of certain Federal agencies. Referred to the Committee on Rules and Administration.

By Mr. ROBERT C. BYRD (for Mr. Eastland) from the Committee on the Judiciary:

S. Res. 72. An original resolution authorizing additional expenditures by the Committee on the Judiciary for inquiries and investigations. Referred to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following executive reports of committees were submitted:

By Mr. ROBERT C. BYRD, from the Committee on the Judiciary:

Philip H. Modlin, of Virginia, to be a member of the Board of Parole.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BEALL:

S. 597. A bill for the relief of Allen T. Blount. Referred to the Committee on the Judiciary.

By Mr. PASTORE (for himself and Mr. Jackson) (by request):

S. 598. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes. Referred, by unanimous consent, to the Joint Committee on Atomic Energy; and, if and when reported, to the Committee on Interior and Insular Affairs.

By Mr. BEALL:

S. 599. A bill to amend the Older Americans Act of 1965 to extend authorizations of appropriations for 2 years, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. BROCK:

S. 600. A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for medical expenses, and for other purposes. Referred to the Committee on Finance.

By Mr. BENTSEN:

S. 601. A bill for the relief of Guillermo Teodore Ardid-Borraz. Referred to the Committee on the Judiciary.

S. 602. A bill for the relief of Guadalupe Villegas. Referred to the Committee on the Judiciary.

S 603. A bill for the relief of Manuel Suarez and his wife, Aurora Garcia Suarez. Referred to the Committee on the Judiciary.

By Mr. CURTIS:

S. 604. A bill for the relief of Dr. Carlos E. Nossa-Rodriques. Referred to the Committee on the Judiciary.

By Mr. GRIFFIN:

S. 605. A bill for the relief of Heung Soon Kim. Referred to the Committee on the Judiciary.

S. 606. A bill for the relief of Mr. Joselito S. Arca and Dr. Corazon I. Arca. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT:

S. 607. A bill for the relief of Charles John Moncur. Referred to the Committee on the Judiciary.

By Mr. PASTORE (for himself and Mr. Huddleston):

S. 608. A bill to amend subsection (a) of section 315 of the Communications Act of 1934 in order to exempt legally qualified candidates for the offices of President and Vice President of the United States from the equal-time requirements under such subsection. Referred to the Committee on Commerce.

By Mr. JAVITS (for himself, Mr. Williams, Mr. Nelson, Mr. Brooke, Mr. Case, Mr. Hathaway, Mr. Eumphrey, Mr. Mathias, Mr. Mondale, Mr. Percy, Mr. Pell, Mr. Moss, Mr. Randolph, Mr. Hugh Scott, and Mr. Schweicker):

S. 609. A bill to extend for 1 year the authorization for the Emergency Job Programs under title VI of the Comprehensive Employment and Training Act of 1973. Referred to the Committee on Labor and Public Welfare.

By Mr. PHILIP A. HART:

S. 610. A bill to provide that all petroleum imported into the United States after September 1, 1975, shall not be available for purchase other than by the Government of the United States. Referred to the Committee on Finance.

By Mr. RANDOLPH:

S. 611. A bill for the relief of Southwestern University of the District of Columbia. Referred to the Committee on the Judiciary.

By Mr. PEARSON:

S. 612. A bill to regulate commerce by establishing an Economic Adjustment Administration to reduce the adverse economic impact on the public of certain Federal decisions, and for other purposes. Referred to the Committee on Government Operations.

By Mr. HATFIELD (for himself, Mr. Javits, Mr. McGovern, Mr. Packwood, and Mr. Stafford):

S. 613. A bill to prohibit the introduction into interstate commerce of nonreturnable beverage containers, and for other purposes. Referred to the Committee on Commerce.

By Mr. STEVENS:

S. 614. A bill to provide for the establishment of a national cemetery at Fort Richardson, Alaska. Referred to the Committee on Veterans Affairs.

By Mr. PROXMIRE:

S. 615. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes. Referred to the Committee on Government Operations.

S. 616. A bill for the relief of Grace Rodriguez Liscano. Referred to the Committee on the Judiciary.

By Mr. RANDOLPH for Mr. Jackson (for himself and Mr. Fannin) (by request):

S. 617. A bill entitled "Winterization Assistance Act of 1975." Referred to the Committee on Banking, Housing and Urban Affairs.

S. 618. A bill entitled "National Strategic Petroleum Reserve 'Civilian' Act of 1975." Referred to the Committee on Interior and Insular Affairs.

S. 619. A bill entitled "Energy Facilities Planning and Development Act of 1975." Referred to the Committee on Interior and Insular Affairs.

S. 620. A bill entitled "Standby Energy Authorities Act of 1975." Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for Mr. Jackson) (for himself, Mr. Kennedy, Mr. Stevenson, Mr. Magnuson, Mr. Pastore, Mr. Bayh, Mr. Nelson, Mr. Ribicoff, Mr. Moss, Mr. Philip A. Hart, Mr. Haskell, Mr. Humphrey, Mr. Hollings, and Mr. Mondale):

S. 621. A bill to prohibit for a period of 90 days the lifting of all price controls on domestic oil, and to thereafter require the submission to, and the right of review and disapproval of the Congress of such action within 30 days. Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for Mr. Jackson) (for himself, Mr. Magnuson, Mr. Stevenson, Mr. Pastore, Mr. Nelson, Mr. Bayh, Mr. Ribicoff, Mr. Moss, Mr. Kennedy, Mr. Haskell, Mr. Humphrey, Mr. Hollings, and Mr. Mondale):

S. 622. A bill to provide standby authority to assure that the essential energy needs of the United States are met to reduce reliance on oil imported from insecure sources at high prices and to implement U.S. obligations under international agreements to deal with shortage conditions. Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for Mr. Jackson) (for himself, Mr. McIntyre, Mr. Magnuson, Mr. Stevenson, Mr. Pastore, Mr. Nelson, Mr. Bayh, Mr. Ribicoff, Mr. Moss, Mr. Stone, Mr. Philip A. Hart, Mr. Kennedy, Mr. Haskell, Mr. Humphrey, Mr. Hollings, and Mr. Mondale):

S. 623. A bill to extend the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

By Mr. THURMOND (for himself, Mr. Allen, Mr. Curtis, Mr. Dole, Mr. Domenici, Mr. Fannin, Mr. Helms, and Mr. Pastore):

S. 624. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973 have been fully complied with, and for other purposes. Referred to the Committee on Armed Services.

By Mr. KENNEDY (for himself, Mr. Williams, Mr. Javits, and Mr. Schweiker):

S. 625. A bill to establish an Emergency Health Benefits Program for the Unemployed. Referred to the Committee on Labor and Public Welfare.

By Mr. MONDALE (for himself, Mr. Javits, Mr. Abourezk, Mr. Clark, Mr. Brooke, Mr. Case, Mr. Church, Mr. Culver, Mr. Hatfield, Mr. Hathaway, Mr. Philip A. Hart, Mr. Gary W. Hart, Mr. Hollings, Mr. Humphrey, Mr. Kennedy, Mr. McGee, Mr. McGovern, Mr. Metcalf, Mr. Nelson, Mr. Pell, Mr. Randolph, Mr. Ribicoff, Mr. Schweiker, Mr. Stafford, Mr. Stevenson, and Mr. Williams):

S. 626. A bill to provide for services to children and their families, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. MATHIAS:

S. 627. A bill for the relief of Angela Rosas Cruz. Referred to the Committee on the Judiciary.

S. 628. A bill for the relief of Pilar Hilario Tagala. Referred to the Committee on the Judiciary.

S. 629. A bill for the relief of Trevor D'Andrade. Referred to the Committee on the Judiciary.

S. 630. A bill for the relief of Pio G. Valle, Jr. Referred to the Committee on the Judiciary.

S. 631. A bill for the relief of Monica Ribadeneira. Referred to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 632. A bill to help preserve the separation of powers and to further the constitutional prerogatives of Congress by providing for congressional review of executive agreements. Referred to the Committee on the Judiciary.

By Mr. HOLLINGS:

S. 633. A bill to conserve gasoline by directing the Secretary of Transportation to establish and enforce mandatory fuel economy standards for new automobiles, and for other purposes. Referred to the Committee on Commerce.

By Mr. ROTH:

S. 634. A bill to prohibit the use of Federal funds for the transportation of public school children without the written consent of their parents. Referred to the Committee on Labor and Public Welfare.

By Mr. PERCY:

S. 635. A bill to establish an automobile efficiency tax incentive program, and for other purposes. Referred to the Committee on Finance.

S. 636. A bill to terminate the Highway Trust Fund. Referred to the Committee on Finance.

S. 637. A bill to amend the Internal Revenue Code of 1954 to repeal the tax deduction for State and local gasoline taxes. Referred to the Committee on Finance.

S. 638. A bill to amend the Internal Revenue Code of 1954 to increase Federal excise taxes on gasoline, tobacco, and alcohol, and to provide a credit against tax for the increased gasoline tax paid. Referred to the Committee on Finance.

S. 639. A bill to amend the Internal Revenue Code of 1954 to provide income tax relief for small businesses. Referred to the Committee on Finance.

S. 640. A bill to amend the Internal Revenue Code of 1954, to require the dyeing of heating fuel oil. Referred to the Committee on Finance.

By Mr. ROTH:

S.J. Res. 29. A joint resolution proposing an amendment to the Constitution of the United States to guarantee the human rights of pupils attending public schools. Referred to the Committee on the Judiciary.

By Mr. HELMS:

S.J. Res. 30. A joint resolution authorizing the President to proclaim September 8 of each year as "National Cancer Day." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PASTORE (for himself and Mr. JACKSON) (by request):

S. 598. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Research and Development Act of 1974, and for other purposes. Referred, by unanimous consent, to the Joint Committee on Atomic Energy; and, if and when reported, to the Committee on Interior and Insular Affairs.

Mr. PASTORE. Mr. President, I send to the desk a measure proposed by the Energy Research and Development Administration—ERDA—to authorize appropriations for fiscal year 1976 and for the subsequent transition period to the new fiscal year established by the Congressional Budget Act.

This measure would authorize appropriations for the Federal energy research and development programs to be carried out by ERDA. The authority for these programs stems from three enabling acts:

First. The Energy Reorganization Act of 1974, which created ERDA;

Second. The Atomic Energy Act of 1954, as amended, which sets forth congressional policy for the conduct of the nuclear energy programs of ERDA; and

Third. The Federal Nonnuclear Energy Research and Developemnt Act of 1974, which provides for ERDA's nonnuclear R. & D. programs.

The various provisions of this proposed measure must be considered in the Senate by both the Joint Committee on Atomic Energy and the Committee on Interior and Insular Affairs. The members and staffs of the two committees have been in consultation about the provisions of the measure, and I believe it can be expeditiously handled.

An effective and aggressive energy R. & D. program offers the only long-term resolution of the energy problems which beset us today. It is essential that the new administration's programs begin immediately to carry out a coordinated strategy which will explore all of the energy technologies. The Congress must assert its continuing interest in all energy R. & D. as it has in the past maintained a continuing intimate interest in nuclear energy.

The Joint Committee on Atomic Energy has already initiated hearings on ERDA's authorization. My colleague, the chairman of the Interior Committee (Mr. JACKSON) assures me that his committee intends to act expeditiously also.

Mr. President, I ask unanimous consent that this bill be referred to the Joint Committee on Atomic Energy, and when and if it is reported by that committee to the Senate it then be referred to the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, it will be received, and appropriately referred.

Mr. PASTORE. Mr. President, I ask unanimous consent that the text of the message transmitting the measure to the Senate be included in the RECORD at the conclusion of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

U.S. ENERGY RESEARCH AND
DEVELOPMENT ADMINISTRATION,
Washington, D.C., February 4, 1975.

Hon. NELSON ROCKEFELLER,
President of the Senate.

DEAR MR. PRESIDENT: In accordance with the provisions of Section 261 of the Atomic Energy Act of 1954, as amended (42 USC 2017), Section 305 of the Energy Reorganization Act of 1974, (42 USC 5875) and Section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, (42 USC 5915), we are submitting proposed legislation which would authorize appropriations for fiscal year 1976, the period July 1, 1976 through September 30, 1976 (Transition Period), and fiscal year 1977 for the Energy Research and Development Administration.

The proposed legislation requests authorization as follows: fiscal year 1976 request is $4,342,454,000 of which $3,418,587,000 is for "Operating Expenses" and $923,867,000 for "Plant and Capital Equipment"; Transition Period request is $1,130,177,000 of which $1,001,301,000 is for "Operating Expenses" and $128,876,000 for "Plant and Capital Equipment", and fiscal year 1977 request is $4,752,570,000 of which $3,702,600,000 is for "Operating Expenses" and $1,049,970,000 for "Plant and Capital Equipment".

For fiscal year 1976, the above request for authorization of appropriation provides for 7,829 person-years of civilian employment, and $157,161,000 to be expended for personal services. During the Transition Period, the above request provides for 2,000 person-years of civilian employment and $41,490,000 to be expended for personal services. Expenditure amounts other than for personal services include for fiscal year 1976 $4,185,293,000 of which $1,480,017,000 would be incurred in fiscal year 1976, $972,039,000 in the Transition Period, $1,350,316,000 in fiscal year 1977, $209,150,000 in fiscal year 1978, $142,169,000 in fiscal year 1979, $27,068,000 in fiscal year 1980, $4,427,000 in fiscal year 1981, and $107,000 in fiscal year 1982.

Also, expenditure amounts other than for personal services for the Transition Period include $1,088,687,000, of which $7,998,000 would be incurred in the Transition Period, $1,004,152,000 in fiscal year 1977, $47,594,000 in fiscal year 1978, $22,576,000 in fiscal year 1979, $5,833,000 in fiscal year 1980, $427,000 in fiscal year 1981, and $107,000 in fiscal year 1982.

The Office of Management and Budget has advised that this legislative proposal is in accord with the program of the President.

Sincerely,

ROBERT C. SEAMANS, Jr.,
Administrator.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

(Proposed bill for authorization of appropriations for fiscal year 1976 and for the period July 1, 1976, through September 30, 1976, and for fiscal year 1977)

A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1976

SEC. 101. There is hereby authorized to be appropriated to the Energy Research and Development Administration in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974:

(a) For "Operating expenses", $3,418,587,000.

(b) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the showing amounts:

FOSSIL ENERGY DEVELOPMENT

(1) COAL—

Project 76–1–a, clean boiler fuel demonstration plant (A–E and long-lead procurement), $20,000,000.

SOLAR, GEOTHERMAL, AND ADVANCED ENERGY SYSTEMS DEVELOPMENT

(2) PHYSICAL RESEARCH—

Project 76–2–a, accelerator and reactor improvements and modifications, $4,000,000.

NUCLEAR ENERGY DEVELOPMENT

(3) FUSION POWER RESEARCH AND DEVELOPMENT—

Project 76–3–a, tokamak fusion test reactor (A–E and long-lead procurement), Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, $7,500,000.

(4) FISSION POWER REACTOR DEVELOPMENT—

Project 76-4-a, modifications to reactors, $4,000,000.

Project 76-4-b, sodium components test installation steam and feedwater system modification, Liquid Metal Engineering Center, Santa Susana, California, $7,700,000.

(5) Fission Power Reactor Development—

Project 76-5-a, test reactor area fire main replacement, Idaho National Engineering Laboratory, Idaho, $2,200,000.

(6) Nuclear Materials—

Project 76-6-a, additional facilities, high level waste storage, Savannah River, South Carolina, $68,000,000.

Project 76-6-b, additional high level waste storage facilities, Richland, Washington, $35,000,000.

Project 76-6-c, supplemental N reactor irradiated fuel storage, Richland, Washington, $2,500,000.

Project 76-6-d, uprate electrical switchyards for Roane substation, Oak Ridge, Tennessee, $8,100,000.

Project 76-6-e, conversion of existing steam plants to coal capability, gaseous diffusion plants and Feed Materials Production Center, Fernald, Ohio, $12,200,000.

Project 76-6-f, radioactive liquid waste system improvements, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $5,800,000.

NATIONAL SECURITY

(7) Weapons—

Project 76-7-a, MK-12A MINUTEMAN III production facilities, various locations, $3,000,000.

Project 76-7-b, plutonium metallurgy building modifications, Lawrence Livermore Laboratory, California, $1,000,000.

Project 76-7-c, limited life component exchange facility, Charleston, South Carolina, $13,900,000.

(8) Weapons—

Project 76-8-a, fire wall construction, Bendix Plant, Kansas City, Missouri, $2,000,000.

Project 76-8-b, fire protection improvements, Los Alamos Scientific Laboratory, New Mexico, $4,450,000.

ENVIRONMENTAL AND SAFETY RESEARCH

(9) Biomedical and Environmental Research—

Project 76-9-a, modifications and additions to biomedical and environmental research facilities, $3,200,000.

(10) Waste Management—

Project 76-10-a, retrievable surface storage facility, site undetermined, $55,000,000.

(11) General Plant Projects—$64,670,000.

(12) Construction Planning and Design—$6,000,000.

(13) Capital Equipment—acquisition and fabrication of capital equipment not related to construction, $232,347,000.

Sec. 102. Limitations.—(a) The Administration is authorized to start any project set forth in subsections 101(b) (1), (2), (3), (4), (6), (7), (9), and (10), only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Administration is authorized to start any project set forth in subsections 101(b) (5) and (8) only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Administration is authorized to start any project under subsection 101(b) (11) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $750,000 and the maximum currently etsimated cost of any building included in such project shall be $300,000 provided that the building cost limitation may be exceeded if the Administration determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under subsection 101(b) (11) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

Sec. 103. Amendment of Prior Year Acts.—(a) Section 101 of Public Law 91-273, as amended, is further amended by (1) striking from subsection (b) (1), project 71-1-f, process equipment modifications, gaseous diffusion plants, the figure "$295,100,000" and substituting therefor the figure "$478,100,000"; and (2) striking from subsection (b) (9), project 71-9, fire, safety, and adequacy of operating conditions projects, various locations, the figure "$193,000,000" and substituting therefor the figure "$240,000,000".

(b) Section 101 of Public Law 93-60, as amended, is further amended by (1) striking from subsection (b)(1), project 74-1-g, cascade uprating program, gaseous diffusion plants, the figure "$183,100,000" and substituting therefor the figure "$259,600,000"; and (2) striking from subsection (b)(2), project 74-2-c, high energy laser facility, Lawrence Livermore Laboratory, California, the figure "$20,000,000" and substituting therefor the figure "$25,000,000'.

(c) Section 101 of Public Law 93-276 is amended by (1) striking from subsection (b) (1), project 75-1-a, additional facilities, high level waste handling and storage, Savannah River, South Carolina, the figure "$30,000,000" and substituting therefor the figure "33,000,000"; and (2) striking from subsection (b)(1), project 75-1-c, new waste calcining facility, Idaho Chemical Processing Plant, National Reactor Testing Station, Idaho, the figure "$20,000,000" and substituting therefor the figure "$65,000,000"; and (3) striking from subsection (b)(3), project 75-3-e, addition to building 350 for safeguards analytical laboratory, Argonne National Laboratory, Illinois, the figure "$3,500,000" and substituting therefor the figure "$4,300,000"; and (4) striking from subsection (b)(7), project 75-7-c, intermediate-level waste management facilities, Oak Ridge National Laboratory, Tennessee, the figure "$9,500,000" and substituting therefor the figure "$10,500,000".

(d) Section 106 of Public Law 91-273, as amended, is further amended by deleting the present text of subsection (a) thereof and substituting therefor the following: (a) The Administration is hereby authorized to enter into a cooperative arrangement with reactor manufacturers and others for participation in the research and development, design, construction, and operation of a Liquid Metal Fast Breeder Reactor powerplant, in accordance with the criteria, as amended, heretofore submitted to the Joint Committee on Atomic Energy, without regard to the provisions of section 169 of the Atomic Energy Act of 1954, as amended, and the Administration is further authorized to continue to conduct the Project Definition Phase subsequent to the aforementioned cooperative arrangement. Appropriations totaling $100,000,000 are hereby authorized for the aforementioned cooperative arrangement and for the Project Definition Phase authorized by section 106 of Public Law 91-44 and this section, said total amount to include the sum authorized by section 106 of Public Law 91-44. In addition to the sums hereinabove authorized, there is hereby authorized to be appropriated to the Administration $118,900,000 for continuing the design and construction of this demonstration plant during fiscal year 1976, and Transition Period (July 1, 1976–September 30, 1976), all of such sums to be available for use in accordance with the statutory criteria as amended, together with such additional appropriations as may be necessary and sufficient for its operation for a period not to exceed 5 years. The Administration is authorized, in its discretion to use funds available from its fast breeder reactor base program for research and development and engineering as may be required in support of the design, construction, and test operation of this demonstration plant. The Administration is also authorized hereby, without regard to the provisions of section 3679 of the Revised Statutes, as amended, to agree under said cooperative arrangement to provide financial support up to the total amount authorized under this section, less the sums available to the Administration and utilized for the Project Definition Phase: And provided, That said amounts shall not be deemed to include assistance in the form of waiver of use charges during the term of the cooperative arrangement, which the Administration may agree to provide without regard to the provisions of section 53 of the Atomic Energy Act, as amended, in an amount not to exceed $10,000,000.

Sec. 104. Rescission.—(a) Public Law 92-314, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 73-5-d, modifications to TREAT facility, National Reactor Testing Station, Idaho, $1,500,000.

(b) Public Law 93-60, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 74-3-e, modifications to TREAT facility, National Reactor Testing Station, Idaho, $2,500,000.

(c) Public Law 93-276, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 73-13-a, hydrothermal pilot plant, $1,000,000.

TITLE II—AUTHORIZATION OF APPROPRIATIONS FOR THE PERIOD JULY 1, 1976 THROUGH SEPTEMBER 30, 1976

Sec. 201. There is hereby authorized to be appropriated to the Energy Research and Development Administration in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974:

(a) For "Operating expenses", $1,001,301,000.

(b) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the incremental amounts of the following:

FOSSIL ENERGY DEVELOPMENT

(1) Coal—

Project 76-1-a, clean boiler fuel demonstration plant (A-E and long-lead procurement), $8,000,000.

SOLAR, GEOTHERMAL, AND ADVANCED ENERGY SYSTEMS DEVELOPMENT

(2) Physical Research—

Project 76-2-a (accelerator and reactor improvements and modifications, $1,000,000.

NUCLEAR ENERGY DEVELOPMENT

(3) Fusion Power Research and Development—

Project 76-3-a, tokamak fusion test reactor (A-E and long-lead procurement), Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, $3,000,000.

(4) General Plant Projects, $15,900,000.

(5) Construction Planning and Design, $1,500,000.

(6) Capital Equipment, $56,676,000.

Sec. 202. Limitations.—(a) The Administration is authorized to start any project set forth in subsection 201(b) (1), (2), and

(3) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Administration is authorized to start any project under subsection 201(b) (4) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $750,000 and the maximum currently estimated cost of any building included in such project shall be $300,000 provided that the building cost limitation may be exceeded if the Administration determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under subsection 201(b) (4) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

Sec. 203. Amendment of Prior Year Acts.—(a) Section 101 of Public Law 91–273, as amended, is further amended by striking from subsection (b) (1), project 71–1–f, process equipment modifications, gaseous diffusion plants, the figure "$478,100,000" and substituting therefor the figure "$510,100,000."

(b) Section 101 of Public Law 93–60, as amended, is further amended by striking from subsection (b) (1), project 74–1–g, cascade uprating program, gaseous diffusion plants, the figure "$259,600,000" and substituting therefor the figure "$270,400,000".

TITLE III.—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1977

Sec. 301. There is hereby authorized to be appropriated to the Energy Research and Development Administration in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974:

(a) For "Operating expenses", $3,702,600,000.

(b) For "Plant and capital equipment' including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

SOLAR, GEOTHERMAL, AND ADVANCED SYSTEMS DEVELOPMENT

(1) Physical Research—

Project 77–1–a, accelerator and reactor improvements and modifications, $4,000,000.

NUCLEAR ENERGY DEVELOPMENT

(2) Fission Power Reactor Development—

Project 77–2–a, modifications to reactors, $8,000,000.

(3) Nuclear Materials—

Project 77–3–a, safeguards and security upgrading, various locations, $19,000,000.

(4) Advanced Isotope Separation Technology—

Project 77–4–a, separation research laboratory, Los Alamos Scientific Laboratory, New Mexico, $10,000,000.

NATIONAL SECURITY

(5) Weapons—

Project 77–5–a, new weapons production facilities, various locations, $34,000,000.

(6) Weapons—

Project 77–6–a, safeguards and security upgrading, various locations, $25,000,000.

(7) Laser Fusion—

Project 77–7–a, electron beam effects and fusion facility, Sandia Laboratories, Albuquerque, New Mexico, $17,000,000.

ENVIRONMENTAL AND SAFETY RESEARCH

(8) Biomedical and Environmental Research—

Project 77–8–a, modifications and additions to biomedical and environmental research facilities, $3,200,000.

(9) General Plant Projects—$64,670,000.

(10) Construction Planning and Design—$6,000,000.

(11) Capital Equipment—acquisition and fabrication of capital equipment not related to construction, $232,700,000.

Sec. 302. Limitations.—(a) The Administration is authorized to start any project set forth in subsections 301(b) (1), (2), (4), (5), (7), and (8) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Administration is authorized to start any project set forth in subsection 301 (b) (3) and (6) only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Administration is authorized to start any project under subsection 301(b) (9) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be $750,000 and the maximum currently estimated cost of any building included in such project shall be $300,000 provided that the building cost limitation may be exceeded if the Administration determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under subsection 301(b) (9) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

Sec. 303. Amendment of Prior Year Acts.—(a) Section 101 of Public Law 91–273, as amended, is further amended by striking from subsection (b) (1), project 71-1-f, process equipment modifications, gaseous diffusion plants, the figure "$510,100,000" and substituting therefor the figure "$705,000,000".

(b) Section 101 of Public Law 93–60, as amended, is further amended by striking from subsection (b) (1), project 74-1-g, cascade uprating program, gaseous diffusion plants, the figure "$270,400,000" and substituting therefor the figure "$320,000,000".

(c) Section 101 of Public Law 93–276, as amended, is further amended by (1) striking from subsection (b) (5), project 75-5-e, high temperature gas reactor fuel reprocessing facility, National Reactor Testing Station, Idaho, the figure "$10,100,000" and substituting therefor the figure "$72,100,000"; and (2) striking from subsection (b) (5), project 75-5-f, high temperature gas reactor fuel refabrication pilot plant, Oak Ridge National Laboratory, Tennessee, the figure "$3,000,000" and substituting therefor the figure "$44,400,000".

(d) Section 106 of Public Law 91–273, as amended, is further amended by (1) striking from subsection (a) the figure "$118,900,000" and substituting therefor the figure "$258,900,000"; and (2) striking the words "1976, and Transition Period (July 1, 1976–September 30, 1976)" and substituting therefor "1977".

(e) Section 101 of the Energy Research and Development Administration's FY 1976 Authorization Act is amended by (1) striking from subsection (b) (1), project 76–1–a, clean boiler fuel demonstration plant (A–E and long-lead procurement), the words "(A–E and long-lead procurement)" and the figure $20,000,000" and substituting therefor the figure "$91,000,000"; and (2) striking from subsection (b) (3), prospect 76–3–a, tokamak fusion test reactor (A–E and long-lead procurement), Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, the words "(A–E and long-lead procurement)" and the figure $7,500,000" and substituting therefor the figure "$215,000,000".

TITLE IV—GENERAL PROVISIONS

Sec. 401. The Administration is authorized to perform construction design services for any Administration construction project whenever (1) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Administration and (2) the Administration determines that the project is of such urgency that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

Sec. 402. Any monies received by the Administration may be retained and used for operating expenses (except sums received from disposal of property under the Atomic Energy Community Act of 1955 and the Strategic and Critical Materials Stockpiling Act, as amended and fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98h; 30 U.S.C. 7)) notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and may remain available until expended.

Sec. 403. Transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

Mr. PASTORE. I ask unanimous consent, Mr. President, that a statement made by Senator Jackson be printed in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Introduction of a Bill To Authorize Appropriations to the Energy Research and Development Administration

Mr. President: I am pleased to join with my good friend and colleague, Senator Pastore, in introducing this bill to authorize appropriations for the Energy Research and Development Administration for Fiscal Year 1976, and the transition period July 1, 1976, through September 30, 1976.

The Energy Research and Development Administration (ERDA) is the creature of the Energy Reorganization Act of 1974. Very briefly, its mission is to bring a central focus and centralized management and control to the energy research and development activities of the Federal government. The new agency has been vested with broad authority and the principal responsibility for research, development, and demonstration programs in both the nuclear and the nonnuclear areas. Its range of programs and responsibilities include nuclear energy research, fossil fuel energy research, solar, geothermal, and advanced energy systems research, environment and safety research, conservation research and development— and will include, as well, the responsibility for the nation's nuclear weapons program formerly vested in the Atomic Energy Commission.

While the Energy Reorganization Act of 1974 created ERDA and defines its organization and much of its responsibility, the Federal Nonnuclear Energy Research and Development Act of 1974 (P.L. 93–577), the Geothermal Energy Research, Development, and Demonstration Act of 1974 (P.L. 93–410), and the Solar Energy Research, Development, and Demonstration Act of 1974 (P.L. 93–473) also define major segments of the new agency's mission. On the Senate side of the Congress these three important nonnuclear energy bills emanated from and were the product of the extensive work done by the Senate Committee on Interior and Insular Affairs on the nation's overall energy problems. In a word or two, this legislation envisages an all-out research, development, and demonstration effort by ERDA to harness not only nuclear energy to meet our energy crisis, but our fossil fuel resources (coal, shale oil, etc.), and the high promises of solar, geothermal and other advanced energy systems as well.

Hence, the legislation we are introducing today is of vital interest to both the Joint Committee on Atomic Energy and to the Interior and Insular Affairs Committee. The Joint Committee already commenced its consideration of ERDA's Fiscal Year 1976 authorization with a hearing attended by ERDA's new Administrator, Dr. Seamans, and has scheduled a further hearing later this month.

The Interior Committee's Subcommittee on Energy Research and Water Resources will also be scheduling hearings very shortly. Our special interest will be in the nonnuclear aspects of the proposed ERDA authorizations. We intend to work very closely with the Joint Committee and others in the development of an authorization bill well designed to equip this new agency with the wherewithal to move ahead promptly with its responsibilities. I can think of no other program that is more vital to the nation's future.

Mr. PASTORE. I ask unanimous consent that the message sent up by the White House be referred jointly to both committees.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. BEALL:

S. 599. A bill to amend the Older Americans Act of 1965 to extend authorizations of appropriations for 2 years, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. BEALL. Mr. President, I am sending to the desk legislation that would extend the Older Americans Act of 1965, as amended, for 2 additional years. This legislation was drafted by the Department of Health, Education, and Welfare and transmitted to the Congress on January 30, 1975. Mr. President, I ask unanimous consent that the letter of transmittal from Secretary Weinberger be printed in the Record at this point of my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Health,
Education, and Welfare,
January 30, 1975.

Hon. Nelson A. Rockefeller,
President of the Senate,
Washington, D.C.

Dear Mr. President: Enclosed for the consideration of Congress is a draft bill "To amend the Older Americans Act of 1965 to extend authorizations of appropriations for two years, and for other purposes."

All appropriations authorizations in the Older Americans Act of 1965, with the exception of the authorizations for title VII, expire on June 30, 1975. Our draft bill would provide two-year extensions for most of the expiring authorizations, so that they would expire at the same time as the title VII authorizations. Specifically, it would authorize to be appropriated for each of the fiscal years 1976 and 1977—

$200,000 for the National Information and Resource Clearing House for the Aging;

$91,000,000 for title III area planning, social service, and State planning activities;

$5,000,000 for model projects, and

$7,000,000 for part B, title IV, research and development projects.

The draft bill would allow title V, which provides for grants for the acquisition, alteration, renovation, and initial staffing of multipurpose senior centers, and section 309, which provides for grants for transportation projects, to expire. Since title V and section 309 have never been funded, their funding in fiscal year 1976 would amount to a new program initiative. Allowing title V and section 309 to expire would be in accord with the President's stated goal of holding the line on new government spending.

Moreover, the Department of Housing and Urban Development has extensive experience and technical competency in the acquisition and renovation of buildings. HUD has authority under the recently enacted Housing and Community Development Act of 1974 to make grants to local communities, which they may use to support construction and renovation of multipurpose senior centers. Continuation of the Department of Health, Education, and Welfare authority under part A, title V, would therefore be duplicative.

The Department of Transportation, under the Urban Mass Transit Act of 1964 and the Federal-Aid Highway Act of 1973, makes grants for the purpose of providing transportation to the elderly and the handicapped. The section 309 authority in the Older Americans Act is duplicative.

The draft bill would allow parts A and C of title IV to expire, since the Administration has never requested funding for these parts.

In addition, the draft bill would give statutory preference in title III programs, as is now given in title VII programs, to low-income, minority, and limited English-speaking individuals. This will serve to emphasize the Administration's policy of directing limited funds to those who need them most.

The draft bill also makes changes of a technical nature to the Older Americans Act.

We urge prompt and favorable consideration of this bill by Congress.

We are advised by the Office of Management and Budget that enactment of this draft bill would be in accord with the program of the President.

Sincerely,
/s/ Caspar W. Weinberger,
Secretary.

Mr. BEALL. On January 30, 1975, the Honorable Stanley B. Thomas, Jr., Assistant Secretary for Human Development and the Honorable Arthur S. Flemming, Commissioner on Aging, testified before the Select Education Subcommittee of the House Committee on Education and Labor relative to this legislation. Secretary Thomas and Commissioner Flemming outlined the recent accomplishments of the Administration on Aging in implementing the 1973 amendments to the Older Americans Act and they discussed in greater detail the objectives they hope to achieve by way of this legislation. Mr. President, I ask unanimous consent that the testimony of Secretary Thomas and Commissioner Flemming as well as the text of this legislation be printed in the Record at the conclusion of my remarks.

There being no objection, the testimony and bill were ordered to be printed in the Record, as follows:

Statement of Stanley B. Thomas, Jr.

I am pleased to have the opportunity to appear today before the Select Subcommittee on Education to testify on the extension of the Older Americans Act of 1965. Dr. Arthur Flemming, Commissioner of the Administration on Aging, who has been a prime mover in the implementation of the legislation, is with me today and I will ask him to speak to that aspect of the subject.

As I know Dr. Flemming will agree, being involved in the implementation of the coordinated, comprehensive service system under the authorized new Title III of the 1973 amendments to this Act has been an interesting and rewarding experience. I believe that considerable progress has been made toward establishing, in communities across the Nation, focal points for addressing the needs of older persons and toward raising awareness about older persons and their needs on the part of the general population. We have been able to identify some necessary changes as a result of operating experience to date. I will discuss our proposed changes later, but first Dr. Flemming will summarize action that has been taken to implement the program.

Statement of Arthur S. Flemming

I appreciate the opportunity of appearing before this Committee in support of the extension of the Older Americans Act of 1965.

The concept incorporated in both the 1973 and 1974 amendments to the Older Americans Act is a sound one. It provides the basis for the installation and operation of a nation-wide network on aging. During the fiscal year 1974 we placed primary emphasis on the installation of this network. During the present fiscal year we are endeavoring to do everything we can to help the network operate in such a manner as to make a significant contribution to serving the needs of today's older persons.

In this statement it is my purpose to identify some of the steps that we have taken and are taking in order to achieve the objectives set forth in the Act. I am prepared to discuss with the Committee, or to provide for the record, specific information relative to actions taken under each one of the Titles of the Act.

The network to which I have referred the Administration on Aging, the State Offices on Aging, 412 Area Agencies on Aging, and 665 nutrition projects.

As all of us who are a part of this network discharge our responsibilities, I feel that we should keep in mind the following points:

1. We are charged, at all levels of government, with becoming focal points for aging.
2. We are charged, at all levels of government, with serving as advocates for older persons in connection with all issues confronting the lives of older persons.
3. Our major task is to develop a cooperative network to serve older persons through a system of comprehensive coordinated services designed to meet their needs.

In the light of these points, I would like to discuss with the members of the Committee some processes which we are endeavoring to keep uppermost in our minds as we work on the implementation of the provisions of the Act and its amendments.

1. *The process of communication.* We recognize both the importance and complexities of this process. We endeavor to communicate with both the States and the Areas in the following manner:

a. Stating the provisions of the Older Americans Act, As Amended.

b. Promulgating regulations which are designed to implement the provisions of the law in the most effective and expeditious manner. These regulations are binding.

c. The transmission of program instructions designed to clarify questions of policy arising out of provisions of the law or regulations issued under the law. Program instructions are also issued when it is concluded that it would be advantageous to older persons for all of the States, in their roles as focal points for aging and as advocates for older persons, to deal simultaneously with a specific issue. Program instructions are binding.

d. The transmission of guidelines in order to provide technical assistance. They are not binding. States are free to follow or not follow them at their discretion.

e. The transmission of information memoranda in order to provide information which we feel will be helpful to State Agencies on Aging in the discharge of their duties and responsibilities. They do not mandate any action on the part of the States. A good example is the Administration on Aging Information Memorandum 75–5 which relates to the Department of Labor Manpower Programs for Older Americans. The purpose of this communication was to provide the States with the latest information about developments in the employment area and to suggest ways in which the State and Area Agencies might become involved in the interest of meeting the needs of older persons in this area.

2. *The process of locating authority.* The process of identifying what person or what group of persons has authority to act and under what circumstances is one of the most important processes in government. In issuing regulations, guidelines, and program instructions we do everything possible to insure that they are in compliance with both the letter and the spirit of the law.

3. *The process of coordinating the resources made available under the Older Americans Act with other public and private resources for the delivery of services to older persons.* We all recognize that our ability to meet the needs of today's older persons depends on our ability, working together, to make this process work. Here are some of the factors that we believe will help to make this process work:

a. *The Older Americans Act.* Section 301 of the Act calls specifically for State and Area Agencies to enter into new cooperative arrangements with each other and with providers of social services to bring about comprehensive and coordinated service systems on behalf of older persons.

b. *The regulations issued under the Older Americans Act.* These regulations underscore the importance of coordinated programs at both the State and Area levels. They provide that maximum coordination should be achieved between the State Agency and the Area Agency and the social services and medical services Titles under the Social Security Act. They underline the importance of action programs designed to achieve coordination of the delivery of existing services.

c. *A high priority has been given in Fiscal Year 1975 to working out and implementing inter-agency agreements.* The Administration on Aging recognizes that the development of effective interagency working relationships at both the State and Area levels depends to a considerable degree on establishing these relationships at the Washington level.

This is why major emphasis is being given during this Fiscal Year to developing formal working agreements with a number of agencies, both inside and outside the Department of Health, Education, and Welfare. A summary of what has happened up to now follows:

1. *Transportation*—A working agreement with the Department of Transportation is in effect.

2. *Utilization of Volunteers*—A working agreement with ACTION is in effect.

3. *Information and Referral*—A working agreement with the Social Security Administration and the Social and Rehabilitation Service has been developed and is about to be issued. A second working agreement with eleven departments and agencies outside of the Department of Health, Education, and Welfare is also in the final stages of negotiation.

4. *Adult Services Programs*—A working agreement has been developed by the Administration on Aging and the Community Services Administration of the Social and Rehabilitation Service and will be signed shortly.

5. *Medicaid Services*—A working agreement has been developed by the Administration on Aging and the Medical Services Administration.

6. *Rehabilitation Services*—A working agreement between the Administration on Aging and the Rehabilitation Services Administration is in the process of being completed.

7. *Health Services*—A working agreement has been developed between the Administration on Aging and the Public Health Service and is in effect.

8. *Use of School Buses for the Elderly*—Work is moving forward on an agreement which will involve the Department of Transportation and the Office of Education.

9. *Housing*—Work is now underway to identify those parts of the Housing and Community Development Act which will lend themselves to joint agreements between the Administration on Aging and the Department of Housing and Urban Development.

10. *Research on Aging*—An Interdepartmental Task Force on Research on Aging is about to request proposals for a joint contract to inventory Federal Research on Aging. Nine departments and agencies are involved in this project.

11. *Coordination with School Lunch Programs and Facilities*—The Office of Education and the Administration on Aging have reached an agreement in this area.

12. *Energy*—An agreement has been reached which involves the Department of Agriculture, Department of Labor, Department of Housing and Urban Development, Federal Energy Administration, the new Community Services Administration, and ACTION.

We do not expect to develop at the outset what might be regarded as ideal interdepartmental working agreements. As soon as we have reached an agreement at the Washington level we transmit it to the Regions and the States. We invite immediate reactions from them and, through the States, the Areas. As soon as the reactions have been analyzed we will reconvene those who worked on the agreement at the Washington level to determine whether any changes should be made. In the meantime, State executives who feel that they are in a position to implement all or parts of any agreement immediately are urged to do so.

d. *The information memoranda we issue which are designed to keep States abreast of significant developments at the Federal level and which could have an impact on their efforts to pool resources.* Memoranda which have been issued in the areas of transportation, manpower, use of voluntary services, natural disasters and energy are illustrative of what has and can be done.

The objective of all these steps is to facilitate the coordination of the delivery of services for older persons and to bring about a pooling of resources.

4. *The process of involving the States and Areas in the evolution of policy under the Older Americans Act.* In view of the fact that the Federal Government has assigned major management responsibilities to the States and Areas under the Older Americans Act we believe it is important that the experiences, capabilities and insights of their personnel be drawn on as new policies or policy changes are considered. In order to achieve this objective the following steps have been taken:

a. We held in December 1974 a national meeting of State and Area executives on aging.

b. Four meetings have been held with all State executives. Four meetings have been held with the members of the executive board of the National Association of State Units on Aging.

c. Four meetings have been held with the Urban Elderly Coalition.

d. We are arranging to meet with a new national organization of area agencies on aging.

e. If other organizations emerge we will be delighted to meet with them as we see in all of these organizations an opportunity to open up channels of communication and to provide additional opportunities for involvement in the evolution of policy.

f. Provision has been made in the regulations for consultation with the States before national objectives are established for each Fiscal Year. In subsequent years we will also invite, through the States, reactions from the Areas.

5. *The process of providing the State and Area Agencies with the maximum opportunity to respond to the priority needs of older persons within their jurisdictions.* We believe that it is the intent of Congress that we should do everything we can to make this process a reality.

In order to achieve this objective our regulations and program instructions are designed to give both State and Area Agencies on Aging a wide latitude in determining how they should use the Federal dollars made available to them.

For example, as the interdepartmental working agreements become available we recognize that the ability to implement these agreements at the State and Area levels will vary from State to State and from Area to Area.

Although we will encourage each State to use the agreements in at least a few Areas, we will make it clear that in the beginning the decision as to whether to use an agreement, and the extent to which it will be used, will be left to the judgment of the State in consultation with the Areas.

As we gain experience in the implementation of the agreements we may conclude, after consultation with the States and, through the States, the Areas, that some can and should be implemented on a nation-wide basis.

6. *The process of insuring that, when it is possible to do so, high priority needs of older persons, wherever they may live, are dealt with on a national basis.* In the implementation of this process the following steps have been taken:

a. The Title III regulations provide that there must be included in area plans and budgets provisions for an action program designed to coordinate the delivery of existing services for older persons and the pooling of available but untapped resources from both the private and public sectors for services for older persons.

This provision was included because of a conviction that there is an opportunity for implementing the provision in all Areas and that when it is done some older persons will be receiving services they are not receiving today.

b. The goal has been established of assuring that by June 30, 1975, information and referral services that meet minimum standards will be accessible at convenient locations to all older persons.

c. In the submission of State plans for 1975 the States have been required to include an action program designed to bring about a pooling of some of the resources available under Title III of the Older Americans Act with some of the resources available under the Social Services Titles of the Social Security Act. This requirement has been instituted because of a belief that the existence of resources under both titles in all of the Stats calls for positive action designed to pool the resources in the best possible manner.

d. Also, in the submission of State plans for 1975 the States have been required to include an action program designed to deal with some of the unique issues that confront older persons as a result of the energy crisis.

We have initiated this effort because of our conviction that the State Agency on Aging should be the focal point for aging concerns and the advocate for those concerns. Published stories, evidence presented to the Congress and to the Pre-Economic Summit Conference on the Elderly all underscore the problems older persons are confronting because of the energy crisis. We have concluded that those of us who are working in the field of aging should tackle this on a national basis. We hope that the interdepartmental working agreement we have developed will be of assistance in dealing with these issues.

7. *The process of providing technical assistance.* This process is reflected in the discussion of some of the other processes. Nevertheless, it should be highlighted. We believe that the Administration on Aging has the obligation to provide technical assistance to the States and to help them provide technical assistance to the Area Agencies and, through the Area Agencies on Aging, to providers of services.

8. *The process of monitoring and assessing by the Administration on Aging of the programs and activities of State Agencies on Aging, by State Agencies of the programs and activities of Area Agencies, and by Area Agencies of organizations which they have funded for delivery of services.* The manner in which this process is handled will determine to a considerable degree whether or not the objectives set forth by the Congress in the Act will be achieved.

9. *The process of advocacy.* This is one of the most important processes for which those of us who are working in the field of aging are responsible. Here are some of the steps that have been taken at the Federal level in order to implement this process:

a. We have made recommendations, to give a few illustrations, relative to (1) regulations issued by the Department of Agriculture in connection with the use of commodities in the nutrition programs for older persons; (2) regulations issued by the Department of Labor in conection with the Older Americans Community Service Employment Act; (3) regulations issued by the Department of Health, Education, and Welfare for skilled nursing and intermediate care facilities; (4) regulations of the Department of Health, Education, and Welfare relative to the Social Service titles of the Social Security Act; (5) regulations issued by the Department of Health, Education, and Welfare relative to the Supplemental Security program; and (6) regulations issued by the Department of Transportation relative to providing funds for capital investments for transportation of older persons in rural areas.

b. We have developed and are developing, as noted earlier, inter-agency agreements designed to strengthen the Federal Government's involvement in the field of aging. These activities often involve the advocacy role in that, in some instances, other departments and agencies do not recognize initially the unique problems confronting older persons and the necessity of developing special programs in order to respond effectively to these problems.

c. Through inter-agency agreements and information memoranda we are endeavoring to provide State and Area Agencies on Aging with tools which they can use as advocates in such areas as (1) helping older persons to deal with the unique problems that confront them when they are the victims of natural disasters or an energy crisis; (2) insuring that older persons receive their fair share of general revenue sharing funds and specialized revenue sharing funds in such areas as manpower and community development and social services; (3) developing relationships which will result in greater use of school lunch facilities with the end in view of broadening the base of the nutrition program for older persons; (4) opening up opportunities for minority contractors in the field of aging; and (5) providing opportunities for minorities and women to occupy key positions in the field of aging at both the State and Area levels.

d. We meet regularly with the leaders of the national organizations of older persons in order (1) to have them identify the issues which they feel we should be pursuing as advocates for older persons, and (2) to explain to them steps that the Administration on Aging or other agencies contemplate taking so that they can, if they so desire, relate their advocacy roles to these developments.

e. We meet regularly with the top staff related to Congressional committees dealing with issues in the field of aging in order (1) to have them identify issues which they feel we should be pursuing in the field of aging, and (2) to explain to them steps that we have taken or contemplate taking under existing law.

I hope that this testimony has helped to provide some understanding of the manner in which we are undertaking to implement the basic concepts incorporated in the Older Americans Act as amended in 1973 and 1974. Our experiences to date lead me to believe that the concepts are sound. I recommend that we continue to work on implementing them over a period of the next two years. At the end of that period we will be in a position to determine whether the evidence, growing out of indepth experiences, points to the desirability of making basic changes.

CONTINUED STATEMENT OF STANLEY B. THOMAS, JR.

Dr. Flemming has presented an overview of the activities of the Administration on Aging under the present legislative authorities which, except for the Title VII Nutrition Program, expire June 30, 1975.

We believe that these activities have laid a substantial foundation for the work which remains to be done in ensuring that the needs of elderly people across the Nation are met effectively and responsively. To continue this important effort, we seek a two-year extension of the expiring legislation with certain changes based on our experience to date. This two-year extension will bring this portion of the Act into phase with Title VII which expires at the end of FY 1977.

In addition, we would like to see language included in Title III similar to that in Title VII which clearly and specifically states our desire to provide services on a priority basis to those elderly persons who are most in need—those with low incomes and those who are members of racial minority groups. Resources for any activity are always limited, and it is critical to ensure that such resources as staff, energy, facilities, and funds are directed first toward serving those persons most in need Adding our proposed language to the Title III program would make the intent of Title III consistent with the intent of Title VII: that the basis for our priorities is need.

We are also proposing that Title V, which provides for grants for the acquisition, alteration, and renovation, in addition to the initial staffing, of multipurpose senior centers, be allowed to expire. Furthermore, we propose that Section 309, providing grants to States to meet the transportation needs of the elderly, also be allowed to expire.

Title V and Section 309 impose upon HEW responsibilities which are more appropriately carried out by other Departments. The Department of Housing and Urban Development has extensive experience and technical competency in the acquisition and renovation of buildings. Indeed, HUD has authority under the recently enacted Housing and Community Development Act to make grants to local communities, which they may use to support construction and renovation of Multi-purpose Senior Centers.

The Department of Transportation has both authority and funding under the Urban Mass Transportation Act of 1964 and the Federal Aid—Highway Act of 1973 to meet the needs of both the urban and rural elderly. As Dr. Flemming pointed out, the AoA has effected a Working Agreement with DOT which will enable us to work with that Department to meet the transportation needs of the urban elderly. We are currently working on another Agreement which will be focused on the transportation needs of the rural elderly. Enough authority exists, we feel, to enable the Department of Transportation, which has more expertise in this area than HEW, to move forward in meeting the transportation needs of the elderly, and that Department, with input from AoA, is doing so.

We sincerely feel that the changes which I have described will greatly enhance the vitality and responsiveness of our activities concerned with meeting the human needs of elderly people throughout the country. We are submitting to the Congress draft legislation which incorporates the changes I have just outlined. I will be glad to answer any questions you may have.

S. 599

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Older Americans Act Amendments of 1975".

EXTENSION OF THE NATIONAL INFORMATION AND RESOURCE CLEARING HOUSE FOR THE AGING AUTHORIZATION

SEC. 2. Subsection 204(c) of the Act is amended by inserting "; and for the fiscal year ending June 30, 1976, and the following fiscal year, $200,000" after "necessary".

EXTENSION OF AREA PLANNING AND SOCIAL SERVICES PROGRAM

SEC. 3. Subsection 303(a) of the Act is amended by (A) striking out "and" following "June 30, 1974,", and (B) inserting "and $91,000,000 for the fiscal year ending June 30, 1976, and the following fiscal year," after "1975,".

PREFERENCE FOR SERVICES FOR LOW-INCOME, RACIAL MINORITY, OR LIMITED ENGLISH-SPEAKING INDIVIDUALS

SEC. 4. Clause 304(c)(2) is amended by inserting ", with preference to be given to social services for, and, to the maximum extent feasible, provided by organizations operated by, individuals who are of low income, who are members of a racial minority (including Native Americans), or who are not reasonably fluent in the English language, so as to assure that the volume of services to those individuals are at least in proportion to their numbers within the area" after "plan".

EXTENSION OF MODEL PROJECTS AUTHORIZATION

SEC. 5. Subsection 308(b) of the Act is amended by inserting "; and $5,000,000 for the fiscal year ending June 30, 1976, and the following fiscal year" after "1975".

EXTENSION OF RESEARCH AUTHORIZATION

SEC. 6. Section 431 of the Act is amended by inserting "; and $7,000,000 for part B of this title for the fiscal year ending June 30, 1976, and the following fiscal year" after "1975".

PREFERENCE FOR NUTRITION SERVICES FOR LOW-INCOME, RACIAL MINORITY, OR LIMITED ENGLISH-SPEAKING INDIVIDUALS

SEC. 7. Clause 705(a)(4) of the Act is amended to read as follows:

"(4) provide that preference shall be given in awarding grants or contracts under this title to projects primarily serving, and, to the maximum extent feasible, operated by, individuals who are of low income, who are members of a racial minority (including Native Americans), or who are not reasonably fluent in the English language, so as to assure that the volume of services to those individuals are at least in proportion to their numbers in the State.".

EXTENSION OF TIME FOR SUBMITTING RECOMMENDATIONS

SEC. 8. Subsections 205(g) and 205(h) are amended by striking out, in each subsection, "eighteen months after enactment of this Act", and inserting instead "January 1, 1976".

TECHNICAL AMENDMENTS

SEC. 9. (a) The second sentence of subsection 201(a) of the Act is amended to read "The Administration shall be the principal agency for carrying out this Act.".

(b) Section 202 of the Act is amended—

(1) by modifying the heading to read: "Functions of Administration on Aging",

(2) in clause (8), by striking out the last "and", and

(3) in clause (14), by inserting "in Employment" after "Discrimination".

(c) Subclause 304(a)(2)(B) of the Act is amended by deleting the first comma.

(d) Subsection 305(e) of the Act is amended by striking out, in the last sentence, "Commissioners'" and inserting instead "Commissioner's".

(e) Subsection 307(a) of the Act is amended by striking out the last sentence.

(f) Subclause 308(a)(1)(B) of the Act is amended by striking out "construction of" and inserting instead "of constructing".

(g) Subsection 432(b) of the Act is amended by striking out "part" and inserting instead "title".

(h) The heading of section 703 of the Act is amended to read: "Allotment of Funds".

(i) Section 705 of the Act is amended—

(1) in clause (a)(2), by striking out "sets", and inserting instead "set", and

(2) in subsection (c), by inserting, in the last sentence, a comma between "failure" and "or".

(j) Section 706 of the Act is amended—

(1) in clause (a)(5), by inserting a comma between "religious requirements" and "or", and

(2) in clause (a)(8), by inserting a comma between "the program" and "and".

By Mr. BROCK:

S. 600. A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for medical expenses, and for other purposes. Referred to the Committee on Finance.

MEDICAL EXPENSE TAX CREDIT ACT

Mr. BROCK. Mr. President, one of the major issues of the 94th Congress will be the development of a national health care program. There have been various proposals ranging from catastrophic to comprehensive health insurance. I propose a concept which will bridge the gap between catastrophic and comprehensive health insurance, provide equitable assistance based on each individual's income, and involve a minimum of expense to the taxpayer.

In general, this would cover 85 percent of all medical expenses above 15 percent of a person's net taxable income. Money paid for medical expenses would be returned in the form of a tax credit or tax rebate.

This plan would be implemented by adding four lines to the present Internal Revenue Service form. These four lines are:

Line 1. Eligible medical expenses.—As currently defined by the IRS.

Line 2. The deductible.—I propose we protect against those medical costs which exceed 15 percent or IRS adjusted gross income, minus the personal—$750—exemption.

Line 3. The difference between lines 1 and 2, if any.

Line 4. A copayment multiplier which establishes the tax credit or refund. I would ask we refund 85 percent of all excess medical expenses.

The quick refund mechanism that already is in the IRS system could be used in my proposal. Also, if a family had no tax liability, or if the amount of the medical expenses covered exceed the tax liability, a direct tax rebate would be given.

My concept allows the aged, nonworking poor, and working poor to be eligible for tax credits or refunds immediately. Welfare and disability payments, social security payments, et cetera, are not subject to income tax and would not be included in the IRS adjusted gross income. Since the program takes into account the adjusted gross income, it would be a comprehensive plan for the working poor. It is also a backup catastrophic plan for those in the middle income groups, who can afford some medical expenses.

This is why I call my program a bridge—it combines catastrophic and comprehensive health insurance. It does so in a manner that is simple, equitable, easily administratible and efficient.

THE LESSONS OF MEDICARE AND MEDICAID

Medicare and medicaid have proved to be piecemeal, inadequate, and expensive health care programs. These two programs were developed to assist those who were financially unable to obtain medical care. We have watched these two programs reveal their shortcomings for some time. What is needed is a program which will eliminate the unnecessary bureaucracy and cost from medical care while simultaneously providing the necessary medical assistance.

My program, indeed, provides the needed assistance—whether catastrophic or comprehensive—to individuals. It provides this assistance without creating another huge bureaucracy. Rather than replace or restrict the existing health care professions, my concept enhances and facilitates the operation of free enterprise in the medical profession. It is time to hone our health delivery system and to expedite the actual delivery of services. This can be done by utilizing the already existing tax system to provide catastrophic/comprehensive health care.

THE HEALTH CARE CRISIS

The current problems in the health care field consist of several aspects of equal importance. The cost of medical care has risen beyond the ability of some Americans to pay. Medicare and medicaid have not provided coverage at a cost that lower income groups can afford. Rising costs of labor and supplies continue to force the cost of medical care up. Our medical professionals are not evenly distributed throughout the Nation. However, we have the best medical system in the world. These problems should not obscure this reality.

In order to assure that our health care delivery system operate at maximum efficiency, we need to minimize the role of the Government and let the free enterprise system operate. Government and free enterprise must work cooperatively to distribute our health care systems more equitably throughout the Nation. The Government should provide guidance and goals but the operation of the health care delivery systems should be based on free enterprise. Competition has proven to be the most efficient and least inflationary method of attaining our goals. The Medical Expense Tax Credit Act incorporated private enterprise and governmental guidance into a plan which would allow both to operate to the greatest advantage of the other.

THE CRISIS IN COSTS

Inflation is the core of the health care crisis. The cost of care was initially driven upward by the unexpectedly large number of people who began seeking medical care after the enactment of medicare. This is an excellent example of how Government interference with the price mechanism can result in severe allocation problems.

My bill would help reduce costs by removing hospitalization as the main area of reimbursement and by making all medical care equally reimbursable. By incorporating this program into the IRS tax return, we would be implementing a program to cover only those emergency or chronic situations which can be economically disastrous. This program would not cover minor expenses which can be afforded by the individual family, nor would it cover expenses paid for by private insurance. I would like to reemphasize the fact that different income levels would be required to spend a different amount of money before the plan would be "triggered."

Because medical personnel would be certain that all costs would be covered, there would be no incentive under my plan for the excessive hospitalization that characterizes our current health care. Because there is a coinsurance feature to my bill, persons would have an incentive to utilize only the hospital or medical care actually needed. Medical personnel would be free to more fully, develop and utilize preventive health care. Almost all medical economists have recognized the cost benefits of my proposal.

THE COST OF HEALTH SECURITY

It is not necessary or desirable to enact a cumbersome and elaborate national health insurance program. As we have seen, this type of program ends up costing more in taxes and dollars than its benefits provide. Medicare was intended to eliminate cost, instead it increased it.

The Medical Expense Tax Credit Act would provide the most equitable and logical form of governmental health insurance. By linking the amount paid directly to the amount earned, lower income people receive more assistance. Also, benefits are not wasted on those who do not need them. Thus, some of the built-in costs of other proposals are eliminated, as is the cost of maintaining an elaborate administrative bureaucracy.

We all want Americans who need medical care to have it. That is not the issue. The issue is how to provide that care in the most responsible and efficient manner. The classic role of price has been to allocate scarce resources. If a plan to provide medical care does not have some method of limiting unneeded and wasteful trips to the doctor or health care facility, the whole medical system in America will collapse. I consider my bill a compromise, a compromise that can effectively provide assistance without overwhelming our medical delivery systems.

COMMUNITIES WITHOUT DOCTORS

At the present time, doctors are not proportionately spread throughout the Nation. Despite projections of a possible doctor surplus in the mid-1980's, many communities have no prospect of obtaining a local physician. One way to improve this situation would be to tie Government medical education aid to the area in which the students intends to practice.

However, manpower and insurance are two separate issues that should remain separated. An insurance program should not involve itself directly in the distribution of doctors.

My proposal would assist in distribution problems by guaranteeing that doctors would be paid—with a minimum of delay and redtape. This would make it more feasible for the doctors to practice in low income or rural areas.

THE CRISIS OF DISORGANIZATION

At the present we have two major health programs, medicare and medicaid. These programs are confusing and overlapping. We can and should have our health insurance programs in one simple and equitable form. The Medical Expense Credit Act would involve filling out only one form, the annual IRS tax form. The person making the claim would know in advance just what amount of his medical expenses would be covered. There would be considerably less time lag in the reimbursement process than is currently the case with medicare.

This plan that I have suggested does not divide our country into two distinct groups—rich and poor. It treats every individual as just that, an individual. My proposal does give different income levels different amounts of financial support, but it does that without creating a "welfare" category.

THE CRISIS IN QUALITY OF CARE

Medical schools now impose the highest standards of quality upon their graduates. The competition for medical school is keen, and only those students with the best potential are selected. We all, I am sure, are thankful for the high level of competence of the American medical profession. The problem is how to insure that those who need this skilled attention the most are able to receive it.

We should therefore avoid occupying the time of our medical professionals with bureaucratic redtape. Programs that encourage abuse should be avoided. Both of these problems are avoided using the tax credit plan. The patient still pays some percentage of the bill, thus giving the plan a critical cost control feature. Doctors have no additional paperwork requirements placed on them.

THE CRISIS OF INADEQUATE HEALTH INSURANCE

A basic problem with most health care proposals is that they involve two or three separate programs. Because of this, some segments of the population inevitably end up with inadequate or excessive benefits. For example, the elderly now pay more medical expenses from their own pockets than they did before the enactment of medicare.

Not everyone needs the universal comprehensive coverage proposed by some plans. My plan will provide comprehensive coverage for those in need or those who have inadequate catastrophic health insurance. Those families with adequate coverage will receive supplemental assistance only as needed. This is a wise use of the taxpayer's dollars; the need is met without providing expensive comprehensive programs not needed by everyone.

THE FEDERAL GOVERNMENT AS AN INSURANCE CARRIER

Health costs went up sharply in the 1960's and 1970's largely because of inefficient Government controls on health care delivery systems. This same type of Federal control is what made medicare and medicaid virtually guarantee inflationary pressures on the economy. The Government shrould guarantee, not provide, insurance. This is a sound principle used in many different Government programs. Two good examples of this principle at work are the VA and FHA home loan programs.

My legislation has built-in assistance tailored to the need of the individual. No services are paid for that are not received, nor does it require an arbitrary fixed dollar limit to be paid before the insurance coverage starts. By requiring the individual to pay the first 15 percent of his income for medical expenses before Federal support is given, the most effective cost-control mechanism in our free enterprise system is used—the judgment of the individual citizen. He or she will be very concerned with getting the best care for each health dollar. Consumer pressure is more effective than any regulation or bureaucracy.

GUARANTEES TO THE NATION'S DOCTORS AND OTHER PROVIDERS

We are painfully aware of the effects that Government price-fixing can have. Should blanket coverage of medical expenses be offered, hospitals would be inundated by many unnecessary visits. Those who really need attention would be compelled to take their turn after waits in long lines. I repeat, medical care must be allocated under any system. By removing the price completely from medical care, the allocation system becomes the line, the long wait, or some black market system.

The Medical Expense Tax Credit Act would leave intact the free market and private enterprise systems already operating in the medical profession. Voluntarism, doctor-patient relationship, individual choice, public-private competition, and private insurance efficiencies as well as many other existing assets would remain intact. Thus the Government would intervene only in cases of financial need. The Government would not place itself in the position of direct supervision of the medical profession.

COMPARISONS WITH OTHER NATIONS

A comprehensive governmental health insurance program would remove the free enterprise system from many areas of our economy. This type of Federal meddling in the economy on a piecemeal basis has contributed in large measure to our present inflation/recession problem. We need only look at the medical systems in England and Italy to find vivid examples of how a governmentally imposed all-encompassing medical program can wreak havoc with the health care delivery system.

In England, employee contributions are not sufficient to support financial demands for increased salaries and hospital construction. Salaries are Government-regulated; English medical personnel are among the lowest paid in Europe. The disequilibrium in the payment scale is causing a drain on the English medical profession as doctors leave England for other countries.

Italian medical insurance funds are now inadequate, which has caused hospitals to go bankrupt. Money is unavailable, and medical suppliers are refusing to deliver goods.

A close look at almost all foreign plans indicates that they are expensive, involve an extensive bureaucracy, and are not really meeting the health care needs of the total population.

THE MEDICAL EXPENSE TAX CREDIT ACT

The Medical Expense Tax Credit Act has many advantages that other proposals do not offer. It operates within the private enterprise system by not setting doctors' fees, hospital rates, or any other cost. This minimizes the automatic inflationary pressures inherent in the medicare program. My bill strikes a balance between payments by the individual and Government assistance. This encourages the individual not to abuse Federal money, yet enables him to obtain the health care he needs. In extreme instances the States could provide money for those unable to meet the coinsurance costs.

There are no divisions between segments of our population as to kinds of assistance they will receive. Each consumer is expected to pay a proportionate amount of his income for medical aid. And each consumer receives a proportionate amount of Government assistance. This is as it should be.

The Medical Expense Tax Credit Act is an uncomplicated, equitable, and realistic health insurance program. Health care assistance is provided when it is needed. The act builds a bridge between the problems of comprehensive and catastrophic health care. The goal of the act is to assure the best possible health care for the entire population at a cost the American taxpayer can afford. I feel strongly that my proposal does this.

I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was

ordered to be printed in the Record, as follows:

S. 600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Medical Expense Tax Credit Act" or "METCA".

(b) The purpose of this Act is to provide a system of protection against the costs of catastrophic illness which is easy to use and simple to administer by providing for a refundable tax credit for excessive medical expenses incurred by individuals, and to provide for a study as to whether existing Federal programs of medical assistance and health care should be changed in any respect.

Sec. 2. Tax Credit for Medical Expenses.

(a) Allowance of credit.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by redesignating section 42 as 43, and by inserting after section 41 the following new section:

"(a) In general.—There is allowed to an individual as a credit against the tax imposed by this chapter an amount equal to 85 percent of the amount by which the medical expenses paid or incurred by him during the taxable year exceed 15 percent of his modified adjusted gross income.

"(b) Definition.—For purposes of this section—

"(1) Medical expenses.—The term 'medical expenses' means amounts paid or incurred by the taxpayer for medical care expenses for himself or for a dependent (as defined in section 152).

"(2) Medical care expenses.—The term 'medical care expenses' means—

"(A) expenses incurred for—

"(i) the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affection any structure or function of the body; and

"(ii) medicine and drugs; and

"(B)(i) in the case of a taxpayer whose modified adjusted gross income does not exceed $10,000 for the taxable year ($5,000 in the case of a married individual making a separate return of tax), the amounts paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and his dependents, and

"(ii) in the case of any other taxpayer, one-half of such amounts.

"(3) Modified adjusted gross income.—The term 'modified adjusted gross income' means adjusted gross income, reduced by the amount of the deductions for personal exemptions provided in section 151, and increased by—

"(A) the deduction allowed by section 2102 (relating to capital gains), and

"(B) the sum of any amounts received during the taxable year which are excluded from gross income under section 103 (relating to interest on certain governmental obligations).

"(4) Insurance.—The term 'insurance which constitutes medical care' means insurance (including amounts paid as premiums under part B of title XVIII of the Social Security Act, relating to supplementary medical insurance for the aged) covering medical care described in paragraph (2)(A). In the case of an insurance contract under which amounts are payable for other than medical care referred to in such paragraph—

"(A) no amount shall be treated as paid for insurance unless the charge for such insurance is either separately stated in the contract, or furnished to the policyholder by the insurance company in a separate statement,

"(B) the amount taken into account as the amount paid for such insurance shall not exceed such charge, and

"(C) no amount shall be treated as paid for such insurance if the amount specified in the contract (or furnished to the policyholder by the insurance company in a separate statement) as the charge for such insurance is unreasonably large in relation to the total charge under the contract.

Subject to the limitations of this paragraph, premiums paid during the taxable year by a taxpayer before he attains the age of 65 for insurance covering medical care for the taxpayer, his spouse, or dependents after the taxpayer attains the age of 65 shall be treated as expenses paid during the taxable year for insurance which constitutes medical care if premiums for such insurance are payable (on a level payment basis) under the contract for a period of 10 years or more or until the year in which the taxpayer attains the age of 65 (but in no case for a period of less than 5 years).

"(c) Election to apply credit to preceding year.—

"(1) In general.—Notwithstanding the provisions of subsection (a), at the election of the taxpayer, medical expenses paid or incurred in a taxable year may be claimed as a credit against the tax imposed by this chapter for the preceding taxable year.

"(2) Limitation.—The amount of the credit claimed under paragraph (1) for the taxable year preceding the taxable year in which the medical expenses were paid or incurred may not exceed the amount of the credit—

"(A) allowable for the preceding taxable year, or

"(B) allowable for the taxable year in which the medical expenses were paid or incurred.

"(d) Increase in medical insurance income criterion.—

"(1) In general.—Not later than the first day of October of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Secretary of the Treasury or his delegate and publish in the Federal Register the percentage point difference between the price index for the 12 months ending on the preceding June 30 and the price index for the base period. Each dollar amount set forth in subsection (b)(2)(B)(i) shall be increased or decreased, as appropriate, by the same percentage by the Secretary or his delegate, and, as so increased or decreased, shall be the amount in effect for taxable years beginning with or within the next calendar year beginning with or within the next calendar year beginning after each such certification.

"(2) Price index: base period.—For purposes of this subsection—

"(i) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(ii) the term 'base period' means the period beginning July 1, 1975, and ending June 30, 1976.

"(e) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section, but such regulations may not limit an individual's right to choose his own licensed health care provider or place of treatment.".

(b) Payments to individuals whose creditable expenses exceed their tax liability.—

(1) Section 6401(b) of the Internal Revenue Code of 1954 (relating to excessive credits) is amended by—

(A) inserting after "lubricating oil)" the following: ", 42 (relating to medical expenses)", and

(B) striking out "sections 31, 39, and 42".

(2) Section 7201(a)(4) of such Code (relating to assessment authority) is amended by—

(A) inserting "or 42" after "section 39" in the caption of such section, and

(B) striking out "oil)," and inserting in lieu thereof "oil) or section 42 (relating to medical expenses),".

(c) Taxpayer must file return to claim credit.—Section 6012(a) of such Code (relating to persons required to make returns of income) is amended by—

(1) striking out "and" at the end of paragraph (4),

(2) inserting "and" after the semicolon at the end of paragraph (5) and

(3) inserting after paragraph (5) the following new paragraph:

"(6) Every individual who has attained the age of 18 years and who claims the credit allowed by section 42,"

(d) Clerical amendment.—The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Medical expenses.
"Sec. 43. Overpayment of tax.".

(e) Repeal of deductions for medical, dental, etc., expenses.—Section 213 of such Code (relating to medical, dental, etc., expenses) is repealed.

(f) Effective Date.—The amendments made by this section apply to taxable years beginning after December 31, 1975.

Sec. 3. Study of Certain Federal Medical Assistance Programs.

The President is authorized and requested to study the adequacy of the use of refundable tax credit under section 42 of the Internal Revenue Code of 1954 (as amended by this Act) in meeting the health care needs of the Nation as an alternative to medicaid, medicare, and all other Federal medical assistance and health care programs, and to report to the Congress on his findings and conclusion not later than the first day of July, 1978. The report made by the President under this section shall include any recommendations he may have as to whether such Federal medical assistance and health care programs should be terminated, reduced, or changed in any respect.

By Mr. PASTORE (for himself and Mr. Huddleston):

S. 608. A bill to amend subsection (a) of section 315 of the Communications Act of 1934 in order to exempt legally qualified candidates for the offices of President and Vice President of the United States from the equal-time requirements under such subsection. Referred to the Committee on Commerce.

Mr. PASTORE. Mr. President, section 315(a) of the Communications Act of 1934, as amended, presently requires that a licensee who permits the use of his broadcast station by a legally qualified candidate for any public office must afford equal opportunities to all other such candidates for that office in the use of his station's facilities. The legislation I am introducing today would exempt broadcasters from this "equal opportunities" requirement insofar as it applies to legally qualified candidates for the offices of President and Vice President of the United States.

It bears emphasizing, Mr. President, that unlike elections for other public offices the Presidential campaign invariably attracts a virtual plethora of candidates, all of whom must receive equal treatment from broadcasters under section 315 regardless of the significance of their campaign or the breadth of their support. Thus, broadcasters are necessarily inhibited from offering free time to the major Presidential and Vice-Presidential contenders for fear of being deluged with requests for equal opportunities from fringe or minor candidates.

In this regard, it would be noted that in past election years the television networks were prepared to offer substantial amounts of expensive air time free to the major Presidential and Vice-Presidential candidates if they were to be relieved of the requirement of section 315. There is every indication that the networks will repeat these offers should the requirement be repealed in time for the 1976 campaign.

Whatever the merits of a broader repeal, and I acknowledge that there are many, I believe that we should act in this one area where past experience indicates that limited repeal is acceptable to both Houses of the Congress. With this legislation we have the opportunity both to reduce substantially the cost of the 1976 Presidential campaign and to remove one of the primary impediments to a well-informed electorate capable of wisely deciding the critical issues of national leadership.

I am hopeful, Mr. President, that the Senate will recognize this opportunity and consider this legislation with all deliberate speed.

By Mr. JAVITS (for himself, Mr. Williams, Mr. Nelson, Mr. Brooke, Mr. Case, Mr. Hathaway, Mr. Humphrey, Mr. Mathias, Mr. Mondale, Mr. Moss, Mr. Percy, Mr. Pell, Mr. Randolph, Mr. Hugh Scott, and Mr. Schweiker):

S. 609. A bill to extend for 1 year the authorization for the emergency job programs under title VI of the Comprehensive Employment and Training Act of 1973. Referred to the Committee on Labor and Public Welfare.

EMERGENCY PUBLIC SERVICE EMPLOYMENT EXTENSION ACT OF 1975

Mr. JAVITS. Mr. President, I introduce for myself and Senator Williams, the chairman of the Committee on Labor and Public Welfare and 14 others, the Emergency Public Service Employment Extension Act of 1975, a bill to extend for 1 year the authorization of appropriations for the emergency jobs program under title VI of the Comprehensive Employment and Training Act of 1973.

We are joined in this joint bipartisan initiative by Senator Gaylord Nelson, the chairman of the Subcommittee on Employment, Poverty and Migratory Labor, and by Senators Brooke, Case, Hathaway, Humphrey, Mathias, Mondale, Moss, Pell, Percy, Randolph, Hugh Scott, Schweiker, and Stevens.

This measure will provide standby authority extending the authorization of appropriations for the emergency jobs program under title VI of the Comprehensive Employment and Training Act of 1973—CETA—for 1 year beyond its expiration this June 30, 1975.

This bill would authorize "such sums as may be necessary" for fiscal year 1976 for public service employment programs conducted by State and local governmental prime sponsors, under title VI, which was added to CETA under the Emergency Jobs and Unemployment Assistance Act of 1974 (Public Law 93-567), signed into law by the President on December 31, 1974.

We state as our objective an authorization for appropriations to maintain during fiscal year 1976 an aggregate of 1 million public service jobs, taking into account both title VI—which authorizes a nationwide program—and title II of CETA—which is confined to areas of "substantial unemployment," that is areas with 6.5 percent unemployment or more for 3 consecutive months.

To provide 1 million jobs—at $7,800 per year—during fiscal year 1976 would call for Federal appropriations to State and local sponsors of an aggregate of $7.8 billion, which includes also the administration's plans under title II and VI for fiscal year 1975, which I shall describe.

Mr. President, this week in his economic and budgetary messages, President Ford described the Nation as being in a "severe recession."

The January unemployment figures, released this morning by the Bureau of Labor Statistics of the Department of Labor, show just how severe the situation is already.

The Department announced that the national unemployment rate for January was at 8.2 percent, with 7.5 million persons unemployed, compared with a rate of unemployment—unadjusted—for December of 7.1 percent, with 6.5 million unemployed.

These figures—the highest rate and number recorded since the Bureau of Labor Statistics began monthly reporting in 1948—are shattering in economic terms, truly heartbreaking in individual terms, and seriously threatening in the sense of social stability.

The rate already surpasses the 8.1-percent average unemployment rate for this calendar year which President Ford projected this week in his budget and economic messages.

While the rate of unemployment is below depression levels, the number of persons unemployed in January now exceeds the average number of actual unemployed in the period 1933 to 1939. During those years, according to statistics provided to us by the Library of Congress—and which Senator Williams inserted at page 2550 of the Congressional Record for February 5, 1975—there were an average of 10.1 million Americans per year in the unemployed category; but in terms of persons really unemployed, 6.7 million per year were out of work because then, unlike now, those in work relief programs—averaging 3.4 million persons in those years—were counted among the unemployed.

It can be expected, on the basis of these jumps on the national level in January that the January statistics for New York State, which will not be compiled until later this month, will also show dramatic increases. Already in December, New York State was running ahead of the national rate with a rate of 7.6 percent in the State and 570,100 persons unemployed. New York City had an unemployment rate of 8.5 percent with 269,700 unemployed, and Buffalo had unemployment of 10.3 percent and 56,500 unemployed—very shocking figures.

Chairman Williams' home State of New Jersey experienced a staggering rate of 10.3 percent overall in December.

Mr. President, President Ford told us in his state of the Union address January 15, that:

> The emphasis of our economic efforts must now shift from inflation to jobs.

However, the administration's budgetary plans for public service employment do not reflect the statement and the projections of unemployment made by the President.

At the present time, States and localities are entitled to receive an aggregate of $1.5 billion in funds specifically for public service jobs, which it is estimated will cover approximately 250,000 public service jobs; the $1.5 billion consists of approximately $704 million in fiscal year 1974 and 1975 allocations under title II of CETA—which, as I indicated, are limited to areas having unemployment rates of 6.5 percent or more for 3 consecutive months—and $878 million in appropriations—out of an administration request of $1 billion under a statutory authorization of $2.5 billion—for fiscal year 1975 under title VI the new nationwide emergency jobs program.

The administration makes no new budgetary requests for title VI for the remainder of fiscal year 1975 and seeks no authorization for appropriations for public service employment under title VI for fiscal year 1976; instead it estimates that an aggregate of $1.3 billion will be available for public service jobs during fiscal year 1976—which begins July 1, 1975—consisting of a new request included in the President's budget of $400 million under title II and the balance from fiscal year 1975 title VI funds and other CETA funds which the administration estimates will be utilized primarily in fiscal year 1976. At a cost of $7,800 per job this administration's provision would fund only 166,000 public service jobs during fiscal year 1976.

We feel very strongly that much more than the administration has proposed will be needed to meet and, if possible, avert the current unemployment situation and that which is expected over the next few years.

The 1 million jobs we propose represents a substantial commitment, but it is only one-seventh of the number of unemployed persons at 8 percent—and still well below the average annual number of persons in work relief programs during the depression period.

Mr. President, as I noted, we contemplate 1 million jobs to be authorized under our proposal or 840,000 more than the 160,000 which can be available with $1.3 billion projected by the administration, using a cost of $7,800 per annum per job in each case.

To date, New York State has received a total of $154.3 million in funds specifically for public service employment in allocations under title II and fiscal years 1974 and 1975 allocations under title II.

These allocations are approximately 10 percent of the $1.5 billion distributed nationally to date.

Assuming a cost of $7,800 per job, the $154.3 million received by prime sponsors within New York State can fund approximately 20,000 annual public service job slots.

Assuming the same data base, in fiscal year 1976, sponsors within New York State could sponsor as many as 100,000 jobs—or 10 percent of the 1 million we seek to provide.

Mr. President, the measure we introduce today is a companion measure to S. 472, the Full Employment and Job Development Act of 1975, which Senator WILLIAMS and I introduced on January 29, with 13 cosponsors. Under S. 472, there would be established a "Federal full employment board" to spearhead efforts to get people back to work now as well as pursue the objective of full employment as a national goal for the future.

To that end, the Board would be responsible for recommending appropriate levels of public service jobs after reviewing and making recommendations with respect to monetary, fiscal, income and other governmental policies which impact upon achieving full employment.

As these two measures are considered by the committee, it is my expectation that a link between any new public service employment funds and this Board will be developed.

Also, I wish to note that in addition to the very serious national unemployment situation, which I have outlined, there is an extremely threatening situation in respect to unemployment among economically disadvantaged youth.

The National League of Cities advised me by letter on January 29, in response to a request I made, that unemployment among poor youth in our cities would approach 50 percent this summer with an estimated 3.1 million youth looking for employment.

A survey which they provided, documents on a city-by-city basis, that the cities can effectively use—against the target group of 3.1 million youth—slots for 1,147,847 youth.

The statistics are set forth at page 2115 of the CONGRESSIONAL RECORD for February 3.

I will be seeking the support of my colleagues in obtaining whatever funds, which together with existing public funds, will provide the aggregate of $649,681,402 necessary to fund the program.

Mr. President, it is through these and other bipartisan initiatives—such as extended provisions for those who have exhausted their unemployment benefits and for those not previously covered—that we hope to stem the unemployment-depression tide and restore the confidence of the people in the ability of the Government to meet needs realistically during these times.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 609

***Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Emergency Public Service Employment Extension Act of 1975".**

SEC. 2. Section 601 of the Comprehensive Employment and Training Act of 1973 is amended by inserting "(a)" immediately after the section designation, and by adding at the end thereof the following:

"(b) There are authorized to be appropriated such sums as may be necessary for the fiscal year 1976 for carrying out the provisions of this title. Any amount so appropriated for such fiscal year which are not obligated prior to the end of such fiscal year shall remain available for obligation until December 31, 1976.".

Mr. WILLIAMS. Mr. President, I am very pleased to join today as a cosponsor of the Emergency Public Service Employment Extension Act of 1975. This legislation will maintain for a year the program of emergency assistance to the Nation's unemployed by continuing our already established policy of an expanded public service jobs program.

This bill will continue that program which this body adopted on December 18, 1974, as the Special Employment Assistance Act of 1974. That bill was subsequently signed by the President to become Public Law 93-567.

Under that law, a new title VI, added to the Comprehensive Employment and Training Act of 1973—CETA—authorizes an appropriation of an additional $2.5 billion for an extensive public service jobs program, establishing approximately 330,000 new jobs when operating at peak levels—jobs which not only return a sense of dignity and pride to the workers themselves, but serve our Nation's communities by providing improved public services. Certainly this is a vital and meaningful alternative to our present devastating unemployment situation.

The authorization for title VI of CETA expires, however, on June 30, 1975, and requires renewal. The bill we are introducing today would extend the authorization for 1 year for "such sums as may be necessary for the fiscal year 1976" for the emergency jobs program of the act.

It is our intention to seek and to maintain a sustained level of 1 million public service jobs throughout fiscal 1976. This is nearly three times the level currently authorized and funded.

The need for an extensive public service jobs program is, of course, very evident. This Nation is currently suffering a serious economic crisis characterized by severe economic dislocation and rampant unemployment. The latest official Labor Department figures on unemployment showed national unemployment at 7.1 percent, the highest in more than 13 years. The human impact of this statistic means that more than 6.5 million Americans are unable to find work. In my own State of New Jersey, unemployment is running at 10.3 percent statewide, with certain areas much harder hit by even higher unemployment.

Leading economists are forecasting that the problems with the economy and unemployment will not get better quickly. Rather, they see that problem getting worse during the next year. Some leading economic experts have characterized the current economy as experiencing a "free fall" since November of last year, with no one really in control of the slide. Data which was released near the end of last month shows that the fourth quarter in 1974 decline in real gross national product is the most precipitous since World War II, and there are expectations that the plunge will not even begin to slow until the second half of this year at the earliest. It is also becoming readily apparent and generally accepted that, even if recovery does start at midyear, it will be quite feeble and not nearly enough to start the unemployment rate moving down.

In recent testimony before the Congress, Alan Greenspan, Chairman of President Ford's Council of Economic Advisors and the administration's chief economic spokesman, stated that the Nation's economic slump could last longer and be deeper than originally anticipated and that unemployment would reach 8 percent during 1975. Mr. Greenspan also acknowledged something—which has been apparent to most of us—that the suddenness and the sharpness of the contraction in production and employment has made original administration predictions inaccurate and that it is now difficult to accurately assess the precise duration of the current economic crisis. One leading economic expert, Otto Eckstein, has predicted that unemployment will hover over 7.5 percent throughout 1976 and into 1977.

These statistics, while gloomy and unpleasant in and of themselves, do not fully present the picture of the problem and their impersonal nature tends to mask over the high price in human misery of this economic mural. What we are really talking about is people and the impact that the current economic crisis has on them. We are talking about over 7 million men and women who have to face the prospect that they will probably be unemployed for the next 2 years—2 years out of their lives when they will be able to only marginally participate in our society. It is my belief that the Congress cannot allow this situation to continue and that we must take all measures at our disposal to correct the current paralyzing slump and to ease the burden of human suffering throughout the country.

When we adopted the Special Employment Assistance Act of 1974, we anticipated a continued high unemployment rate at least for the current year. The intent of authorizing the allocation of $2.5 billion was to allow the establishment nationwide of a public service jobs program which would permit those workers who are unemployed, because of the current economic downturn, and who have not been able to find meaningful employment, to be able to work and provide for themselves and for their families. The dignity of work for our Nation's laborers is as important to their sense of well-being as it is to actually provide them with the necessities of life.

The program established by the Special Employment Assistance Act of 1974, however, only has a 1 year's lifespan. When we originally enacted the law, we did not fully anticipate the scope or the possible duration of the current economic crisis. Given the predictions of the Nation's economists, we cannot allow the public service jobs program to expire before the Nation's economy outlook becomes brighter. Accordingly the introduction of our bill today is meant to extend and expand the current public service jobs program and authorize additional appropriations as may be needed to continue this alternate form of employment.

Mr. PELL. Mr. President, today I am cosponsoring the introduction of the Emergency Public Service Employment Extension Act of 1974. This legislation would extend funding for public service jobs under Title VI of the Comprehensive Employment and Training Act, for 1 year, until June 30, 1976.

This legislation is urgently needed. In my State of Rhode Island, unemployment last month was 9.1 percent and this month's figures are sure to be higher. Translated into individuals and families, this means that more than 38,000 persons who want to work are unable to find jobs. More than 38,000 families are without income security, beyond what little income there may be in unemployment compensation.

Just this morning, the newest figures on national unemployment were released; 8.2 percent of our national workforce, more than 7.5 million men and women, are out of work.

Unemployment is always a personal tragedy. When it is as pervasive as it now is in our Nation, it becomes a public tragedy of the first order. And it requires strong and united congressional action.

This legislation will be expensive; but it will not be anywhere near as costly to the fabric of our society as would be 1 million additional unemployed workers.

Under this proposed authority, we could support a total of 1 million public service jobs, nationally. It would mean that we would be spending up to $7.8 billion on public service jobs in the next year.

This legislation would mean a great deal to my own home State. If it were appropriated at its maximum level, this legislation would assure approximately 7,500 jobs, on a continuing basis, through next year. That would be a total payroll of $58,500,000 in Rhode Island.

I urge my colleagues to join with us in taking speedy and affirmative action on this measure. It is important to 1 million families, and in a larger sense, to every family, and to every community in our country.

By Mr. PHILIP A. HART:

S. 610. A bill to provide that all petroleum imported into the United States after September 1, 1975, shall not be available for purchase other than by the Government of the United States. Referred to the Committee on Finance.

BALANCE OF PAYMENTS AND COMPETITION IMPROVEMENTS ACT OF 1975

Mr. HART. Mr. President, as I pointed out in remarks on January 23, I feel that the administration's program for dealing with the petroleum crisis suffers from a serious defect: It is highly unlikely to have any effect on the cause of the problem which is, of course, the high price of foreign crude oil.

At the time, I said that I was having legislation drafted which would attempt to get at the two basic problems: The excessive amount of money we export for oil imports and how to break up the international oil monopoly.

Mr. President, today I introduce that bill—the Balance of Payments and Competition Improvements Act of 1975.

Mr. President, in the past 2 years, the Organization of Petroleum Exporting Countries—OPEC—has quadrupled the price of crude, creating serious economic problems over the world and the potential for economic chaos. The administration's response has been to treat the matter as a political one, a matter for foreign policy. We are told that if the consuming nations can take a common stand, we will somehow be able to negotiate a "fair" price with OPEC. Without consumer nation solidarity, according to Mr. Kissinger, the United States can do nothing to lower prices short of "massive political warfare."

This approach has some conspicuous limitations—not the least of which is that the OPEC cartel's conduct may have a lot more to do with ordinary economics than it does with foreign relations. There is no obvious reason why "friendly" nations should prefer less money for their oil than less friendly ones. While the Arab-Israeli dispute may originally have been an important impetus for the cartel, its settlement is unlikely to bring forth cheap oil. After all, the enthusiasm of Indonesia or Venezuela for high oil prices can hardly be expected to follow the twists and turns of Middle Eastern politics.

Treating petroleum prices as a wholly political matter has another limitation. It ignores the possibility that the major multinational petroleum companies have made their own contribution to the world petroleum problem. Sometime prior to the present crisis, the noted petroleum economist, Prof. Morris A. Adleman of Massachusetts Institute of Technology, referred to the cartel-like arrangement between the major international petroleum companies as the "cutting edge" of OPEC. The concept here is that between OPEC and the consuming nations, there is a small group of international companies who have achieved a far more sophisticated degree of coordination than OPEC itself is capable of achieving. The ability of these companies to manage the world's supply of oil and avoid competition is essential to the success of OPEC itself.

The key to the restraint these companies can impose on international competition is the intricate system of joint ventures that tie these companies to each other. Of particular significance, are the major joint ventures which dominate Mideastern production. What is important about these arrangements is the knowledge it gives each firm about the capability and intentions of each of its rivals. The essence of market power is, of course, the ability to restrict production in order to increase price. In an oligopoly, the ability to get a higher price by restricting output is dependent upon knowing that your rivals are doing the same thing. In his World Petroleum Market, Professor Adleman examined "the significance of exchange of information and coordination of production plans among the eight large firms." He began with Aramco which is, of course, a joint venture between Exxon, Texaco, SoCal and Mobil:

> Each Aramco offtaker becomes aware of the nominations of the others, and knows in advance what they intend to sell. Since Aramco nominations are one-year firm and three-year tentative, each offtaker has not only a precise idea of his partners' short-run plans but at least a good idea of their long-run plans for permanent expansion. Compounding this effect is the overlapping membership in joint ventures. If the production plans of, say, Gulf are known to its partner BP, they presumably must also be known to BP's partners in IPC. Therefore, the others can at least get a good idea of the net impact of the Gulf plans. Two of BP's partners in IPC are Esso and Mobil; hence the plans of Gulf and of BP must presumably be known also by SoCal and Texaco. All these firms are in the Middle East. As a result, each of the Persian Gulf producing companies takes account of the action of all others. It would be an exaggeration to say that the companies confer on their production plans. At least among the five American companies, antitrust prudence would not permit that. But each can be assured that nothing is contemplated to threaten an excess of supply and a threat to the price. Each can hold back on output in the almost certain knowledge that all others are doing the same."

In testimony before the Subcommittee on Multinational Corporations, the able economist Dr. John Blair charged that the major firms have in fact coordinated the output of the major oil producing countries. Analyzing the production figures from each of the 11 principal OPEC countries he found an annual average growth rate of 9.55 percent. And by a regression analysis he determined that for each year the actual growth rate never deviated from 9.55 percent by more than one-tenth of 1 percent. He then commented that:

> What makes the stable growth of supply so extraordinary is the widely diverse movements of its separate components. If each of the producing countries had been increasing its output at about the same rate the steady rise in supply could be explained as merely the sum total of the behavior of the individual countries. But this explanation obviously fails if the different sources of supply have been expanding at widely varying rates, and even more strikingly, if some have been characterized by actual declines. That such has been the pattern of the international oil industry is apparent. . . . The international supply picture is a composite of long-sustained steady increases (Saudi Arabia and Iran); of much slower rates of increase (Venezuela, Kuwait and Iraq); of precipitous rises (Libya until 1970, Nigeria, Abu Dhabi, Indonesia); and of occasional pronounced declines (Iran in 1951-54; Iraq in 1957, 1967 and 1972; Nigeria in 1968; and Venezuela and Libya since 1970). Somehow

the major oil companies have been able to "orchestrate" these and other aberrations into a smooth and uninterrupted upward trend in overall supply.

But, it is not just crude production that is done jointly; in virtually every market where they meet they have cooperative arrangements. An elaborate worldwide net of exchange agreements, processing agreements and other joint ventures characterize their "downstream" activity. The conclusion is almost inescapable that the major oil companies have the ability to avoid competitive collisions in every market where they meet.

There is some particularly disturbing evidence that the monopoly power of the international companies has been exercised in a manner directly affecting the American consumer even during the present crisis. This evidence indicates that the international firms have used the OPEC price increases to expand their own profit margins, particularly on foreign crude production. The evidence involves the rather confusing subject of transfer prices. Transfer prices are the prices at which an international oil company sells crude oil to its domestic affiliate or subsidiary. These are not real market prices in the sense of representing arms-length sales between unaffiliated firms; they are wholly matters of internal accounting. For this reason, they are subject to artificial manipulation. If a corporation wishes to increase the profitability of its foreign operations, it can simply raise its transfer prices. Conversely, if it wishes to take additional profits domestically, it lowers them.

Currently, transfer prices have tremendous significance because of the price controls on petroleum products. Under the controls, a refiner can "pass through" all increases in crude costs to its customers in the form of higher prices for its refined products. But the basic issue surrounding transfer prices is not so much a question of compliance or lack of compliance with the Federal Energy Administration's price control regulation. Rather, it is a question of monopoly power. If the major international firms have used the transfer price device to pass through to the American consumers large price increases that go far beyond what can be justified or explained by the increased revenues of the OPEC cartel, then we have been treated to an alarming display of market power. This is true whether or not the pricing conduct of the firms conforms with the FEA regulations or, for that matter, with IRS tax regulations. The ability to successfully raise prices well above costs is what monopoly power is all about.

The evidence as to this manipulation of transfer prices is far from conclusive. Nevertheless, the evidence we do have is deeply disturbing. On October 31, the FEA admitted in the Federal Register that:

> The most recent data for aggregate imported crude oil costs reported to FEA show that in the last few months several of the integrated major oil companies have been importing crude oil at significantly higher landed costs than independent refiners. This phenomenon cannot be fully analyzed until FEA has more detailed information, which FEA will collect as part of this regulation and its audit program. The trend is, however, of concern to FEA because independent refiners purchase most of their crude oil in the open market in arms-length transactions, and the fact that their costs seem to be lower than those of several of the integrated refiners importing significant amounts of equity crude oil suggests that the current landed costs computations of several integrated refiners may exceed the arms-length standards which these regulations are designed to implement.

The clear implication is that there is a distinct possibility the major companies have arbitrarily increased their transfer prices and have used these prices as a basis on which to overcharge consumers. The magnitude of this price manipulation was indicated by an article in Petroleum Intelligence Weekly—October 21, 1974. According to this article, the major firms were transferring foreign crude to their domestic subsidiaries at an average price of $12.99 per barrel. In contrast, independents with over 175,000 barrels per day refining capacity were importing crude at a price of only $11.94. And the refiners with only 75,000 to 175,000 barrels per day capacity, were importing at a price of only $11.44. As the FEA acknowledges, it is this latter price which is most likely to be closer to a genuine market price. This leaves about $1.50 per barrel of the majors' prices which cannot be accounted for. And to put this in perspective, it should be remembered that six international majors, Exxon, Texaco, Gulf, Shell, Standard of California, and Mobil were importing 1.9 million barrels per day of crude in the third quarter of last year.

There are other data which tend to confirm the thesis that there is an unexplained gap between the major firms' transfer prices and the costs we can account for. For example, a published comparison between declared U.S. customs prices—f.o.b.—and estimated average concession oil prices—f.o.b.—for Iranian, Nigerian, and Arabian crude revealed differences of between $1.27 and $1.75 a barrel. Again, the evidence is not in any sense complete, but there is certainly strong reason for raising very serious questions.

We also have evidence indicating that certain major firms dramatically increased their Eastern Hemisphere earnings over their earnings elsewhere. For example, Exxon last year increased its petroleum earnings in the Eastern Hemisphere by 72 percent. Its Canadian and Latin American earnings increased 48 percent and its U.S. earnings increased only 15 percent.

In addition to the overall problem of transfer pricing, there are some specific aspects of the problem which by themselves are very troubling. Transfer prices include the cost of transportation from the producing country to the domestic port. International companies do not, however, include actual costs of transportation in their transfer prices. Rather, they use the average freight rate assessment—AFRA—published by the London Tanker Brokers, which is a weighted average of all charges in force during a given period. Professor Adelman has observed that:

> AFRA is no part of any current arms-length transaction, and is therefore irrelevant to any market price.

But irrelevancy is not the only vice of AFRA rates. At least in recent months they have consistently tended to overstate the shipping costs of the major international firms. FEA, however, permits the use of AFRA rates in computing transfer prices—as does the IRS. This, of course, means that the "costs" which the major firms can pass through to their customers in the form of higher product prices are inflated by an artificial tanker rate.

Again, it must be emphasized that the real issue here is not the possible violation of FEA regulation or even the tax code, rather it is the question of monopoly power. Manipulation of transfer prices by artificially inflating production or transportation costs is only possible in the absence of meaningful competition. If these firms faced serious competition in every market, they would be unable to shift revenue from one level of the industry to another with indifference to real costs.

It is also important to recognize that the question here is something quite distinct from the monopoly power exercised by the OPEC cartel. It involves the monopoly power exercised by the seven international majors, five of which, at least in some sense, purport to be American corporations.

Another disturbing aspect of the transfer price problem is the explanation offered by M. A. Wright, chief executive of Exxon, of the gaps between the transfer prices reported by the majors and those reported by the independents. According to Mr. Wright, the problem is caused by FEA's crude allocation regulations. Under these regulations, refiners such as Exxon with a high percentage of their own crude are required to sell crude oil to refiners with less of their own crude. The selling refiner must price his allocation crude at his average crude cost.

This is intended to equalize the position of domestic refiners. Exxon contends that the oil they sell under the allocation program is high-priced foreign oil. They keep their low-priced domestic oil for themselves. This they claim, then, entitles them to add to the costs of their imported oil, the almost $4 a barrel difference between their average crude costs and their foreign crude costs which they purport to "lose" on the oil they allocate.

What is interesting about this position is that it assumes the FEA statement was referring to the cost of crude oil at the refinery after allocation. In fact, a plain reading of the statement warrants no such assumption. Exxon appears to be rebutting a charge that was not made.

Parenthetically, it is worth noting that Exxon's statement is an interesting commentary on the FEA regulations. Regardless of the letter of the regulations, Exxon's interpretation certainly flies in the face of their purpose. There is no earthly reason why the allocation program should permit Exxon to allocate only high-priced foreign crude. The regulations require the allocation of average crude at average prices. For them to insist on allocating only high-priced foreign crude and recovering a $4 "loss" from consumers is a perversion of the whole system.

The point of all this is that there is considerable reason to believe that the international oil companies do not in any sense represent the interests of the consuming nations. Their interests are far more closely allied with the OPEC cartel. At the very least, the enormous increases in world petroleum prices spectacularly increased the value of the companies' holdings of domestic energy resources. And it appears quite likely that they have profited extravagantly from the opportunities presented by the cartel's price increases.

There are, of course, those who would argue that this is all now irrelevant, and that the role played by the international companies will inevitably diminish. As of yet, however, such predictions seem a bit premature. While it is not always easy to follow the convoluted negotiations over nationalization, participation, equity and buy-back oil prices, and service fees, several factors do not seem likely to change. The major oil companies will continue to have preferred access to the OPEC countries' crude. They will continue to get this crude at some price advantage. They will continue to have a stake in the success of the cartel, that is a stake in higher prices.

This should not surprise anyone. It is the strategy that has been frequently discussed with remarkable candor by the brilliant Saudi Oil Minister, Sheik Yamani. He frequently warned that if the OPEC countries really nationalized the international companies and then had to deal directly with the consuming countries, competition would soon destroy OPEC. He repeatedly argued that OPEC needed to keep the major international companies between it and the consuming nations and the companies must be given an interest in high prices rather than low prices. Barring the unlikely possibility that the OPEC countries will become carried away by their own rhetoric on nationalization, the consuming countries will continue to have the major international firms control the bulk of their foreign crude supplies. In fact, for the United States this control appears to be increasing. The share of U.S. crude imports accounted for by the six internationals has increased from 41 percent in October–November 1973 to 48 percent in the third quarter of 1974. Clearly, at least as far as the United States is concerned, the supply of foreign crude oil is even more firmly in the hands of the small group of firms that have always dominated it.

The problem with the administration's solution to the petroleum crisis is, first of all, that it is no solution at all. It simply assumes that we must take the high foreign crude prices as an established fact. It would, of course, require a cut in consumption, but this is just a matter of reducing our vulnerability to another boycott. No one in the administration is contending that the proposed cut would create the kind of surplus which would cause prices to fall.

The solidarity which Mr. Kissinger would promote between the consuming nations would change little either. No price fix ever came apart because its customers did not like it. Consumer solidarity, as such, is largely irrelevant as long as the consuming nations continue to purchase their oil through agents who have no interest in low prices. Mr. Kissinger's acknowledged indifference to economics is already well known. But we are all in serious danger that he may make it legendary. There are indications that the State Department is once again in the business of attempting to get antitrust exemptions for the international oil companies to help carry out the policies of the consuming nations. This is roughly equivalent to putting the defense of Rome in the hands of Attila the Hun. There is ample evidence that the international oil companies do not, and perhaps cannot, in any real sense represent the interests of the consuming nations.

What is needed is a policy that will put between the American consumer and the OPEC cartel an agent that does not have a stake in the cartel and has as its primary purpose lowering the price of foreign crude.

Mr. President, this would be the impact of the bill I introduce today.

It would:

First. Establish an upper limit annually on how many dollars this country will export to pay for imported oil and petroleum products. Thus, we begin by attacking the real problem—our balance-of-payments deficit.

Second. The Government would be the purchasing agent for all imported crude oil and petroleum products. This eliminates the international oil companies as the buffer between us and the OPEC cartel. More important, by limiting the purchase contracts to no more than 2 years and by opening up this market to all comers, we put in competition as the buffer between us and all present or future cartels.

As many students have noted, there is nothing more disconcerting to any cartel or cartel-like arrangement than to have the number of buyers and transactions increase greatly. This makes policing nearly impossible and usually bodes the end of the cartel.

Third. While the guarantee is not carved in granite, the likely outcome of the new competition would be the lowering of world oil prices.

Mr. President, this country has been pushed and pulled in the international petroleum market for several years. We have let those with monopoly and near-monopoly power call the tune without realizing that the other side of the monopoly coin is monopsony—the extraordinary power of large buyers. As purchasers of 6 million barrels a day of petroleum and petroleum products, we certainly have buyer power.

Our economy is being torn apart by runaway inflation and deepening recession. Our solution is not to tighten our belts and suffer more. Our solution is to use our heads—and the power we do have—to straighten out this market.

This plan—I think—is a step in the right direction and I hope for constructive criticism from any who have it to offer.

Mr. President, I ask unanimous consent that the bill be printed in full in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Balance of Payments and Competition Improvements Act of 1975."

FINDINGS AND DECLARATIONS

"Sec. 2. The Congress finds and declares that—

"(1) the immediate and long-term stability of the economy of the United States is threatened by the high cost of foreign petroleum and substantial and increasing balance of payments deficits;

"(2) a major factor in the present and projected balance of payments deficits is the tripling of the outflow of dollars for petroleum;

"(3) a major factor in the high rate of inflation, unemployment, and other economic dislocations is the quadrupling of the cost of foreign petroleum;

"(4) the present and projected harmful effects to the economy, the businessman, and the consumer are caused by a lack of competition among suppliers of petroleum to the United States and among petroleum companies within the United States; and

"(5) the political and economic importance of imported petroleum from foreign nations is of such significance to the United States that it should be purchased by the Government rather than private companies.

PURPOSES

"Sec. 3. It is the purpose of this Act to instill competition in the imported and domestic petroleum market, to reduce the cost of foreign petroleum and to reduce the balance-of-payments deficit of the United States.

"Sec. 4. For purposes of this Act—

"(a) the term "petroleum" means crude oil, all other refinery feed stocks and all refined petroleum products;

"(b) the term "United States" means the several states, the District of Columbia, Puerto Rico, and the territories and possessions of the United States;

"(c) the term "Administrator" means the Administrator of the Federal Energy Administration;

"(d) the term "person" means an individual, a corporation, a partnership, an association, a joint stock company, a business trust, or an unincorporated organization; and

"(e) the term "responsible bidder" means any company, sovereign state or person acting on its own or on behalf of others who, in accordance with such regulations as may be promulgated by the Administrator, is capable of performing in accordance with the terms of its bid.

"Sec. 5. On June 30, 1975, and on June 30 of each year thereafter, the Secretary of the Treasury, based upon a projected balance of payments commensurate with the Nation's economic security, shall determine the dollar amount of petroleum which may be imported into this country during the October 1 through September 30 twelve-month period immediately following each such determination. Such determination shall be transmitted to the Federal Energy Administrator and made a matter of public record.

"Sec. 6. (a) The Administrator of the Federal Energy Administration, shall, after October 1, 1975, be responsible for the importation of petroleum into the United States within the limits established by the Secretary of the Treasury, and no petroleum shall thereafter be imported into the United States except in accordance with this Act.

"(b) After October 1, 1975, no petroleum shall be imported into the United States except pursuant to a bid submitted in accordance with this Act and accepted by the Administrator. Persons qualifying as responsible bidders wishing to sell oil to the United States shall submit sealed bids to the Administrator in accordance with such regulations as the Administrator shall promulgate.

"(c) All such sealed bids submitted to the Administrator shall be in United States dollar amounts and shall show price, specifications, volume, terms of delivery and schedule of delivery. The Administrator shall have the power to accept or reject any bid or to negotiate with the bidder for terms most favorable to the United States except that no contract accepted will be for a duration of over two years.

"(d) Any person who imports petroleum into the United States except in accordance with this Act shall be punished by a fine not exceeding $1,000,000 or by imprisonment not exceeding 1 year, or both.

"SEC. 7. (a) The Administrator shall promulgate regulations for the fair and equitable allocation by sale of all petroleum so imported into the United States, at prices not to vary more than 10 percent above or below the cost of acquisition of the imported petroleum, taking into account—

"(1) the preservation of an economically sound and competitive petroleum industry; including the priority needs to restore and foster competition in the refining, distribution, marketing and petrochemical sectors of such industry, and to preserve the competitive viability of independent refiners, small refiners, nonbranded independent marketers, and branded independent marketers;

"(2) the allocation of suitable types, grades, and quality of crude oil to refiners in the United States to permit such refineries to operate at maximum capacity; and

"(3) equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry, including independent refiners, small refiners, nonbranded independent marketers, branded independent marketers, and among all users.

"(b) The Administrator shall make adjustments in the price paid by purchasers from the Administrator of imported petroleum at the end of each quarter beginning December 31, 1975, in order that each such purchaser receives a price based upon the average price paid by all such purchasers of imported petroleum of similar grade and quality during that quarter.

"(c) Funds for the purchase by the United States of imported petroleum shall be appropriated from the general revenues of the United States Treasury. Monies realized from the sale of imported petroleum by the Administrator shall be promptly returned to the general revenues of the United States Treasury.

"(d) The provisions of subsection (i) of Section 7 of the Federal Energy Administration Act of 1974 shall apply to any rule or regulation, or any order having the applicability and effect of a rule as defined in section 551(4) of title 5, United States Code, issued pursuant to Section 7 of this Act.

"Sec. 8. The Administrator shall promulgate rules which will provide for the debarment, suspension and placement in ineligibility status of bidders who fail to perform in accord with the terms of their accepted bids. Debarment, suspension and placement in ineligibility status should be used for the purpose of protecting the interest of the United States and not for punishment. To assure the United States the benefits to be derived from the full and free competition of interested bidders, these measures should not be instituted for any time longer than determined necessary to protect the interest of the United States, and should preclude awards only for the probable duration of the period.

"SEC. 9. Any officer or employee of the Federal Energy Administration who shall make unauthorized disclosure of information relating to the identity of the bidders or the terms of the bids shall be punished by a fine not exceeding $100,000 or by imprisonment not exceeding 10 years, or both.

"(a) The Administrator shall ensure that the identity of bidders is known to no more than six persons within the Federal Energy Administration.

By Mr. PEARSON:

S. 612. A bill to regulate commerce by establishing an Economic Adjustment Administration to reduce the adverse economic impact on the public of certain Federal decisions, and for other purposes. Referred to the Committee on Government Operations.

ECONOMIC ADJUSTMENT ACT OF 1975

Mr. PEARSON. Mr. President, I am today introducing the Economic Adjustment Act of 1975. This legislation would establish an Economic Adjustment Administration designed to provide assistance and better service to communities, business concerns and individuals that suffer adversely from Federal laws, regulations and others. It does not create a new level of bureaucracy or expand the size of the Federal Government. Rather it is an attempt to consolidate existing adjustment assistance programs under one roof so that duplications and overlapping functions can be eliminated, thereby reducing waste and inefficiency.

One of the most conspicuous facts of the post-war period has been the staggering growth of the Federal Government. It touches our lives in ways too numerous to enumerate. Reasonable men may differ over whether it is good or bad that the Government has grown this large, but the fact remains that it is the dominant single force shaping our society today.

By virtue of its vast size and powers, the Federal Government makes countless decisions that affect the lives of workers, business concerns, and communities everywhere. Thousands of new regulations and laws are applied every year. Whether it is the promulgation of pollution control regulations, changes in Federal spending patterns, passage of occupational health and safety standards, the closure of military bases or Federal offices, the mandating of food labeling requirements, or any one of a multitude of other Federal actions, our lives are, for better or worse, increasingly the product of Federal decisions.

Although most of the actions undertaken by the Federal Government are justified in the belief that they advance the national interest, it is evident that some of these actions produce negative effects which not only visit economic hardship on many Americans but sometimes produce economic dislocations throughout the society. Moreover, certain Government actions in the area of environmental control, consumer protection, and worker safety, are eroding competition in our society and are contributing to ever greater economic concentration.

This is a result of the fact that large corporations have a much greater ability than small business to finance the increased costs of production associated with the meeting of Federal standards. A small firm in Kansas, for example, which is required to comply with Federal air pollution regulations, or what are called euphemistically "statutory source performance standards," may be unable to raise the necessary capital to underwrite compliance since banks are often reluctant to loan money except where it expands a firm's sales or productive capacity. Compliance with Federal standards will not generate new revenue, it will simply keep a firm from being shut down or severely fined.

For the most part, the adverse consequences of Government actions are left to the marketplace and to individuals to solve. This is as it should be. Nevertheless, sometimes actions in the national interest have an exceptionally harsh impact on some sectors of the society. Although American businessmen and citizens have demonstrated a remarkable flexibility to constantly adapt to changing rules of the game and new circumstances, situations arise where it is simply not fair to require that certain communities, business concerns or individuals "pay" for decisions that benefit the entire Nation.

In this connection, the time has come when we can no longer accept a public policy that brings opportunity to one sector of the society at the expense of another sector. Big Government must be accountable to the public and responsible for the adverse consequences of its decisions where they produce extreme or unwarranted results. Thus, the proposal I am introducing today would force the Federal Government to look at its programs and regulations, and consider the consequences of actions. I believe that it is the first such proposal ever to do so.

In the interest of equity, communities, business concerns, and individuals who have suffered serious injury from Federal actions and have no redress will be eligible for adjustment assistance. Adjustment assistance is not a complex concept. Contrary to the law that prevails in some States—that the State "can do no wrong"—fundamental to my definition of adjustment assistance is the belief that "if the Government is responsible, it should pay." The Federal Government long ago recognized its responsibility to provide adjustment assistance to those adversely affected by its actions; and has already established numerous programs and mechanisms which address this responsibility.

Mr. President, I want to emphasize that my proposal should not be regarded as a panacea for all Government ills and oversights, but instead is limited to providing relief in clearly demonstrated situations of need arising directly from decisions and actions of the Federal Government.

Specifically, my bill establishes an independent agency within the executive branch to be known as the Economic

Adjustment Administration. It would be the product of the consolidation of adjustment assistance programs and mechanisms from the Department of Commerce, Department of Labor, Small Business Administration, Department of Defense, and the Department of Housing and Urban Development.

At present, a community or firm which has been impacted by Federal action is confronted with a vast miscellany of Federal adjustment assistance programs which are confusing and uncoordinated. By contrast to the current crazy quilt of adjustment mechanisms, this proposal is designed to provide a more coherent framework for adjustment assistance programs and make it easier for communities, business concerns, and individuals to identify appropriate assistance programs and make application to them. This legislation is consistent with the bill I recently submitted to create a new Commission on the Operation of the Executive Branch designed to streamline and improve the functioning of the Federal Government.

The Economic Adjustment Administration will be headed by an Administrator appointed by the President with the advice and consent of the Senate. He will have all of the powers, duties, and functions of those agencies and programs transferred to the EAA. In addition, this bill directs the Administrator to conduct a comprehensive study of all existing Federal adjustment assistance programs and their eligibility requirements to identify gaps and deficiencies. The Administrator is required to submit his conclusions and recommendations to Congress within 12 months after the enactment of this act. He may recommend at that time the transfer of additional Federal programs to the Economic Adjustment Administration or the creation of new adjustment assistance programs.

For too many years the Federal Government has established programs and promulgated rules and regulations with little regard to the economic consequences of such actions. My bill requires that every agency and department of the Federal Government be required to file an Economic Impact Statement with the Administrator of the EAA identifying any Federal action which may have a significant adverse impact on any region, community, business concern, or individual in the United States. If no alternative to the Federal action is available, the Administrator of the EAA is authorized—with the approval of the Director of the Office of Management and Budget—to require that up to 10 percent of the budget of any program deemed to have harmful consequences be set aside to mitigate those consequences. Certain regulatory agencies, in the performance of minor functions, shall be exempted from this requirement at the discretion of the Administrator. This provision recognizes the duty of regulatory agencies, through their own internal mechanisms, to assess the economic impact of various routine actions.

In the final analysis, the drive toward bigness and expanded functions has resulted in a government that has intruded into every facet of American life. In this connection, the right of government to act carries with it a responsibility: a responsibility to devote adequate resources and imagination to mitigate the adverse consequences of its actions. Government must never be permitted to become so large and powerful that it loses sight of this responsibility.

Mr. President, I ask unanimous consent that the full text of this bill and a section-by-section summary be printed in the RECORD at this point.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 612

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Adjustment Assistance Act of 1975."

DECLARATION OF POLICY

SEC. 2. (a) The Congress finds and declares that—

(1) Regions, communities, business concerns, and other persons often suffer economic hardships and dislocations as a direct result of certain actions and decisions of the Federal government.

(2) Such hardships and dislocations jeopardize the economic viability and survival of regions, communities, and other persons (especially small business), and adversely affect interstate and foreign commerce by disruption of national, regional, and local economies.

(3) Such hardships and dislocations are caused (A) by the relocation of military and other Federal installations; (B) by the curtailment of Federal activities on such installations; (C) by import, export, and foreign trade policy decisions; (D) by changes in Federal budget expenditure patterns which distort disproportionately certain regional and local economies and severely impact on certain regions, communities, and other persons; and (E) by the changes and expenditures required to comply with guidelines, rules, regulations, and orders of Federal agencies with respect to such matters as enivronmental and consumer protection and occupational safety and health.

(4) State and local government resources are generally insufficient to alleviate adequately such hardships or dislocations.

(5) Existing Federal programs generally do not provide an adequate approach for the alleviation of such hardships or dislocations.

(6) There is no institutional mechanism for focusing existing Federal assistance programs in a manner which provides immediate and long-range assistance to economic adjustment problems of regions, communities, and other persons.

(7) Centralization of economic adjustment assistance program responsibility within the executive branch of the Federal government is necessary to develop a cohesive national policy to coordinate Federal assistance programs and to reduce the multiplicity of Federal program jurisdictional entities.

(b) It is the purpose of this Act to establish an Economic Adjustment Administration to—

(1) provide a consolidated and improved administration of economic adjustment assistance programs benefiting regions, communities, and other persons who suffer economic hardships and dislocations arising from the adverse impact of certain Federal decisions.

(2) study existing adjustment assistance activities to identify deficiencies, if any, in the assistance provided to those suffering such hardships and dislocations and to recommend to the Congress additional legislation as necessary; and

(3) provide assistance to communities, regions, and other persons to enable them to anticipate and plan for Federally-induced structural changes in their economies.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Administration" means the Economic Adjustment Administration, established under section 4 of this Act.

(2) "Administrator" means the Administrator of the Economic Adjustment Administration;

(3) "Commerce" means trade, traffic, commerce, or transportation (A) between a place in a State and any place outside of such State or (B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(4) "Function" means any duty, obligation, power, authority, responsibility, right, privilege, and activity.

(5) "Perform" or "performance" means the exercise of power, authority, right, and privileges.

(6) "Person" means any community or regional entity, in addition to its meaning set forth in section 1 of title 1, United States Code.

ECONOMIC ADJUSTMENT ADMINISTRATION

SEC. 4. (a) There is established within the executive branch an agency to be known as the Economic Adjustment Administration. The Administration shall be directed by an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate prescribed for Level III of the Executive Schedule (5 U.S.C. 5314).

(b) There shall be in the Administration a Deputy Administrator who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Administrator shall receive compensation at the rate prsecribed for Level IV of the Executive Schedule (5 U.S.C. 5315). The Deputy Administrator shall perform such functions, powers, and duties as the Administrator shall prescribe from time to time, and shall act for and exercise the powers of the Administrator during the absence or disability of the Administrator, or in the event of a vacancy in the office of the Administrator.

POWERS AND DUTIES OF THE ADMINISTRATOR

SEC. 5. (a) (1) In the exercise of functions, powers, and duties transferred under section 9 of this Act, the Administrator shall have the same authority as that vested in the office, department, or agency exercising such functions, powers, and duties immediately preceding their transfer, and his actions in exercising such functions, powers, and duties shall have the same force and effect as when exercised by such department or agency.

(2) So much of the positions, personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available or to be made available in connection with the functions, powers, and duties transferred by Section 9 of this Act shall be transferred to the Administrator as the Director of the Office of Management and Budget shall determine: *Provided, however,* That personnel engaged in functions, powers, and duties transferred by such section shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

(3) The transfer of personnel pursuant to paragraph (2) of this subsection shall be without reduction in classification and without reduction in compensation for a period of one year following the date of such transfer.

(b) The Administrator shall in accordance with the Federal Advisory Committee Act (5 U.S.C. App. I) appoint a National Public Advisory Committee on economic adjustment. Such Committee shall consist of twenty-five members and shall be composed of qualified individuals who are representative of labor, management (including representatives of firms meeting the criteria for small business firms established under section 2(3) of the Small Business Act (15 U.S.C. 632)), agriculture, State and local governments, and the public in general. The Administrator shall designate a Chairman of such Committee from the members appointed to such Committee. Such Committee shall, from time to time, make recommendations to the Administrator relative to the carrying out of his duties under this Act. Such Committee shall hold not less than two meetings during each calendar year.

(c) The Administrator may appoint, employ, and fix the compensation of such officers and employees as are necessary to perform the functions vested in him, and he shall prescribe their authority and duties and supervise the exercise and performance thereof.

(d) The Administrator may employ experts, expert witnesses, and consultants in accordance with section 3109 of title 5, United States Code, and he may compensate such persons at rates not in excess of the maximum daily rate prescribed for GS-18 under section 3332 of title 5, United States Code, for persons in Government service employed intermittently.

(e) The Administrator may promulgate such rules, regulations, and procedures as may be necessary to carry out the functions vested in him.

(f) The Administrator may utilize, with their consent, the services, personnel, equipment, and facilities of Federal, State, regional, and local public agencies and instrumentalities, with or without reimbursement therefor, and may transfer funds made available pursuant to this Act, to Federal, State, regional, and local public agencies and instrumentalities, as reimbursement for utilization of such services, personnel, equipment, and facilities.

(g) The Administrator shall cause a seal of office to be made for the Administration of such design as he shall approve. Judicial notice shall be taken of such seal.

(h) The Administrator may enter into and perform contracts, leases, cooperative agreements, or other similar arrangements or transactions with any Federal, State, regional or local public agency or instrumentality, or any other person.

(i) The Administrator may perform such other activities as may be necessary to carry out the purposes of this Act.

STUDY OF ECONOMIC ADJUSTMENT PROGRAMS

SEC. 6. (a) The Administrator is authorized and directed to undertake a comprehensive study of all Federal economic adjustment programs. The study shall include, but need not be limited to, the presentation of information and an analysis of—

(1) actual or possible duplications of assistance;

(2) deficiencies in such Federal programs;

(3) the adequacy of existing funding levels of each assistance program;

(4) the eligibility requirements for each assistance program and identification of deficiencies, duplications, or inconsistencies in such requirements; and

(5) procedures and mechanisms for implementation of each assistance program, and any duplication or inconsistencies therein.

(b) On or before the expiration of the 12 month period following the date of enactment of this Act, the Administrator shall submit a report to the Congress presenting the results of the study and his conclusions, recommendations, and proposed actions to solve the problems identified in the study, including, but not limited to, recommendations for transfer of Federal programs to the Administration, or proposals for the creation of new assistance programs designed to carry out the purposes of this Act.

(c) In the preparation of this study, each department, agency, and instrumentality of the executive branch of the Federal Government and each regulatory agency of the United States is authorized and shall provide the Administrator, on a reimbursable basis or otherwise, such assistance as the Administrator requests.

ECONOMIC IMPACT STATEMENT

SEC. 7. (a) All Federal departments and agencies, except regulatory agencies in the performance of certain functions as prescribed by the Administrator, shall prepare an economic impact statement prior to implementation of any action which results in, or is likely to result in, a significant adverse impact on the economic viability and well-being of a region, community, or other person. Such a detailed economic impact statement by the responsible Federal official shall include, but not be limited to, a statement and analysis of:

(1) economic impact on the basis of macro-economic and micro-economic analysis, with respect to both short range and long range consequences of the proposed action;

(2) adverse economic effects which cannot be avoided should the proposed action be implemented; and

(3) alternatives to the proposed action.

(b) The responsible Federal official shall file each impact statement with the Administrator. If the Administrator determines that the implementation of the proposed action will result in, or is likely to result in, a significant adverse impact on the economic viability of a region, community, or other person, he is authorized to require (with the approval of the Director of the Office of Management and Budget) that the Federal department or agency responsible for the proposed action set aside and transfer from program funds appropriated and allocated to implement the proposed action an amount up to 10 percent of the total amount so appropriated and allocated for purposes of the objectives of this Act, which he shall do in cooperation with, and pursuant to, regulations issued by the Administrator.

INSPECTION AND RECORDKEEPING

SEC. 8. (a) Each recipient of assistance under this Act shall keep such records as the Administrator shall prescribe, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such assistance and such other records as will facilitate an effective audit.

(b) The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any recipient of such assistance of any applicant for such assistance, therefor, received under this Act.

TRANSFER OF FUNCTIONS

SEC. 9. (a) There are transferred to the Administrator—

(1) all functions, powers, and duties of the Secretary of Commerce and other offices and officers of the Department of Commerce under

(A) titles IX and X of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3121, et seq.),

(B) title II (Relief from injury caused by import competition) of the Trade Act of 1974 (Public Law 93-618), and

(C) subsection 2(c) of the Small Business Act Appropriations (Public Law 93-237).

(2) All functions, powers, and duties of the Secretary of Labor and other offices and officers of the Department of Labor under title II (Relief from injury caused by import competition) of the Trade Act of 1974 (Public Law 93-618);

(3) all functions, powers, and duties of the Administrator and other offices and officers of the Small Business Administration under:

(A) title II (Relief from injury caused by import competition) of the Trade Act of 1974 (Public Law 93-618), and

(B) section 7(b) (3), (5), (6), and (7), subsection 7(e) and subsection 7(g) of the Small Business Act 15 U.S.C. 636);

(4) all functions, powers, and duties of the Secretary of Defense and all other officers and offices of the Department of Defense which relate primarily to economic adjustment programs to assist persons other than employees of such department adversely affected by closing of defense installations or changes in defense spending patterns; and

(5) all functions, powers, and duties of the Secretary of Housing and Urban Development and all other officers and offices of the Department of Housing and Urban Development which relates to programs and activities to provide adjustment assistance to persons affected by Federal actions.

TRANSITIONAL SAVING PROVISIONS

SEC. 10. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred pursuant to this Act, and

(2) which are in effect at the time such transfers take effect shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Administrator, or other authorized officials, a court of competent jurisdiction, or by operation of law.

(b) Any proceeding pending before any department, agency, or component thereof at the time any such transfer takes effect regarding any function so transferred, shall not be affected as a result thereof. Any such proceeding shall be continued by the Administrator to the extent that it relates to functions so transferred. Orders may be issued in such proceedings, appeals may be taken therefrom, and payments shall be made pursuant to such orders, as if such transfer had not taken place. Orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Any such proceeding may be discontinued or modified upon the same terms and conditions in the same manner, and to the same extent that it could have been discontinued or modified if such transfer had not taken place.

(c) Except as provided in subsection (e) of this section—

(1) no such transfer shall affect suits commenced before the date of enactment of this act, and

(2) in any such suit, proceedings may be conducted, appeals taken, and judgments rendered, in the same manner, with the same effects and to the same extent as if such transfer had not been made.

(d) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, the functions of which are transferred pursuant to this Act, shall abate by reason of such transfer. No cause of action by or against any such department or agency, or by or against any officer thereof in his official capacity shall abate by reason of such transfer. In any litigation pending at the time any such transfer takes effect, the applicable court may, at any time, upon its own motion or upon the motion of any party, enter any order which is necessary or appropriate to give effect to the provision of this section. Any such suit shall be continued as if such transfer had not been made, except that the Administrator shall be substituted as a party to such suit in place of such department, agency, or officer in his official capacity which was a party to such suit at the time such transfer took effect.

(e) Final orders and actions of any department, agency, or component thereof, or of any officer thereof, in the performance of functions transferred pursuant to this Act shall be subject to judicial review to the same extent and in the same manner as if such orders or actions had been made or taken by any department, agency, or component thereof, or by any officer thereof in the performance of such functions immediately prior to such transfer. Any statutory requirement relating to notice, hearing, action upon the record, or administrative review, which is applicable to any function so transferred to the performance of those functions by the Administrator.

(f) Any reference, in any other law, to any department, agency, or office whose functions are transferred pursuant to this Act, shall after the date of such transfer be deemed a reference to the Administrator.

(g) The Director of the Office of Management and Budget is authorized to make such additional incidental dispositions as he deems necessary or appropriate to effectuate the purpose of this Act with respect to personnel, personnel positions, assets, liabilities, contracts, property, records, unexpended balances of appropriations, authorizations, allocations, and any other funds held, used, arising from, available to or to be made available in connection with functions transferred pursuant to this Act.

(h) Nothing in this Act shall be construed as applying to economic hardships arising out of or in connection with the tax laws or tax policies of the United States.

CONGRESSIONAL OVERSIGHT

SEC. 11. Congress, through the duly authorized committees of the Senate and of the House of Representatives, shall exercise continuing oversight over the activities of the Administration. In the exercise of such oversight, such committees may appoint professional examiners to analyze and evaluate the affairs of the Administration. Each agency and officer of the Federal government is directed to assist and cooperate with any such oversight activities.

ANNUAL REPORT

SEC. 12. Not later than March 1 of each year, the Administrator shall make a comprehensive and detailed report to the Congress and to the President of his operations under this Act for the preceding fiscal year. Such report shall include, but need not be limited to—

(1) a statement of all funds expended under the Act;

(2) a summary of the major recipients of financial assistance under this Act;

(3) the amount and type of assistance provided;

(4) a summary, analysis, and evaluation of all economic impact statements filed with the Administration;

(5) a summary of all actions taken to mitigate the problems detailed in such economic impact statements;

(6) such recommendations for additional legislation as are deemed necessary or appropriate; and

(7) a summary of outstanding problems confronting the Administration of this Act.

CONFORMING AMENDMENTS

SEC. 13. (a) Section 5314 of title V, United States Code, is hereby amended by adding at the end thereof the following:

"(60) Administrator, Economic Adjustment Administration."

(b) Section 5315 of title V, United States Code, is hereby amended by adding at the end thereof the following:

"(80) Deputy Administrator, Economic Adjustment Administration."

AUTHORIZATION FOR APPROPRIATIONS

SEC. 14. There are authorized to be appropriated for purposes of carrying out the provisions of this Act such funds as are necessary.

SECTION-BY-SECTION SUMMARY: ECONOMIC ADJUSTMENT ASSISTANCE ACT OF 1975

Sec. 2. Declaration of Policy.

Sec. 3. Definitions.

Sec. 4. Establishes an independent agency within the executive branch to be known as the Economic Adjustment Administration. The Administration is to be headed by an Administrator appointed by the President, by and with the advice and consent of the Senate. There shall also be a Deputy Administrator.

Sec. 5. Powers and duties of the Administrator. The Administrator shall assume the powers, duties, and functions of those agencies and programs transferred to the new Economic Adjustment Administration. This section also transfers records and certain unexpended appropriations from those agencies and programs to the Administrator. In addition, it provides for the appointment of the National Public Advisory Committee on Economic Adjustment, consisting of 25 members representing all sectors of the society including but not limited to representatives of small business, agriculture, labor, state and local government, and the public in general. This Committee shall make recommendations to the Administrator to expedite the performance of his duties. Other duties and powers of the Administrator are also provided for in this section.

Caveat: No adjustment assistance shall be provided for in this Act for the relief of personal hardships arising out of or in connection with the tax laws or tax policies of the United States.

Sec. 6. Study. In this section the Administrator is authorized and directed to undertake a comprehensive study of all Federal Economic Adjustment Programs and their eligibility requirements to identify gaps, duplications, and inconsistencies. He shall submit his conclusions and recommendations to Congress within 12 months following the enactment to this Act.

Sec. 7. Economic Impact Statement. This section requires that all Federal departments and agencies, except regulatory agencies in the performance of certain functions as prescribed by the Administrator, shall prepare an Economic Impact Statement detailing any adverse consequences likely to arise from Federal actions. These statements shall be filed with the Administrator, and he is authorized to require (with the approval of the Director of the Office of Management and Budget) that the Federal department or agency responsible for any such adverse consequences set aside up to 10 percent of the funds budgeted for the offending program to be used to mitigate the affects of that program.

Sec. 8. Provides for audit and examination procedures.

Sec. 9. Transfer of functions. Adjustment Assistance programs and mechanisms from the Department of Commerce, Department of Labor, Small Business Administration, Department of Defense, and the Department of Housing and Urban Development are to be transferred to the new Economic Adjustment Administration.

Sec. 10. Enumerates the transitional and saving provision. This section provides for the smooth transfer of functions from the agencies and departments consolidated in Section 9 to the new Economic Adjustment Administration.

Sec. 11. This section provides that Congress shall exercise continuing oversight over the activities of the Economic Adjustment Administration.

Sec. 12. This section provides that the Administrator shall make a comprehensive detailed annual report to the Congress and to the President of his operations under this Act.

Sec. 13. Conforming amendments.

Sec. 14. There are authorized to be appropriated such funds as are necessary to carry out the provisions of this Act.

By Mr. HATFIELD (for himself, Mr. JAVITS, Mr. MCGOVERN, Mr. PACKWOOD, and Mr. STAFFORD):

S. 613. A bill to prohibit the introduction into interstate commerce of nonreturnable beverage containers, and for other purposes. Referred to the Committee on Commerce.

RETURNABLE BEVERAGE CONTAINER ACT OF 1975

Mr. HATFIELD. Mr. President, today I am introducing the Returnable Beverage Container Act of 1975. The purpose of this legislation is to signal an end to the trend toward a "no deposit-no return" attitude toward our energy and natural resources—an attitude which this country simply cannot afford. This bill would prohibit the use in interstate commerce of a soft drink or beer container which does not have a refundable deposit and would ban all "flip-top" cans.

It should be clearly understood, Mr. President, that I am not advocating anything new. Indeed, until relatively recently nearly all of the beverages this bill would affect were sold in returnable containers. In 1959, for example, 15.4 billion beverage containers were consumed. In the following 13-year period, when per capita consumption of these beverages increased 33 percent, the consumption of these beverages increased 221 percent, to 55.7 billion by 1972.

This transition is clearly what is known as a "counterecological growth pattern" which has serious implications for our total resource picture. While nonreturnables were promoted because of the added convenience to the consumer, I believe that the overall impact on the consumer has been negative.

First, the most obvious fault of the nonreturnable container is that too many of them end up along the Nation's roads and highways. By volume, beverage container litter amounts to between 54 and 70 percent of the litter in Oregon, according to a 1969 study of the problem. During hearings last year on this subject, John Quarles, Deputy Administrator of the Environmental Protection Agency testified that:

> We find that approximately 8.2 million tons of beer and soft drink containers were produced and discarded in the U.S. in 1972. This figure represents 21 percent of all packaging wastes and approximately 8 percent of the total product waste generated by business and commercial establishments, households and institutions. Beverage containers are the most rapidly growing segment of all municipal waste with a growth rate of approximately 8 percent per year.

It is estimated that 4½ billion containers will become litter in 1980, if present trends continue. The cost of dealing with such litter and municipal waste is, of course, borne by the taxpaying consumer.

A second cost of nonreturnable beverage containers is the energy they waste. Dr. Bruce Hannon, assistant professor of general engineering and staff member with the Center for Advanced Computation at the University of Illinois at Urbana, has conducted an excellent study dealing with this topic. He concludes that the energy required to deliver a unit of beverage to the consumer is about three times more in a throwaway glass container than in returnable bottles. He estimates that 19,640 British thermal units—Btu's—are necessary to bottle a gallon of beer in 12-ounce returnable bottles while 59,800 Btu's are necessary for nonreturnable bottles and 58,190 Btu's for cans. There are those who argue that these figures are irrelevant because the entire beverage packaging industry does not utilize a significant amount of energy, but I would remind them that this waste is the energy equivalent of about 5 million gallons of gasoline per day.

We have been searching for ways to conserve energy and a resumption of a returnable beverage container system is one excellent method. Sensible Citizens Against Throwaways, a locally based group which supported returnable beverage container legislation in Montgomery County, Md., and Crusade for a Cleaner Environment, a national association whose president is also president of Dr. Pepper-Royal Crown Bottling Co., have jointly prepared an information resource kit and press release specifically related to the energy issue, and I ask unanimous consent that these materials be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENSIBLE CITIZENS AGAINST THROWAWAYS (SCAT) AND CRUSADE FOR A CLEANER ENVIRONMENT PRESS RELEASE

The Throwaway soft drink and beer container, long under attack for its litter, solid waste, resource waste, and high cost characteristics, came under a new attack today—it is a shocking waste of energy.

Proponents of a nationwide mandatory return to reusable leisure drink containers released a study showing that such legislation will save 66% of energy saved by a nationwide 50 mile an hour speed limit or more than the energy savings under one plan of limited air flights or about a third of one published government plan for lower home heating limits.

A Montgomery County Maryland citizens organization, Sensible Citizens Against Throwaways (SCAT) and a national environmental unit, Crusade for a Cleaner Environment, presented data supporting enactment of Senate bill S2062 sponsored among others by Senators Hatfield and Packwood of Oregon where similar legislation has been in effect for over a year.

It would ban all non-returnable beverage containers. The Commerce Committee is expected to hold hearings in late January. Montgomery County has studied similar legislation for the past year and its County Council will meet Friday to start final action on the bill.

The focus on the energy aspects of such legislation is timely in that the data has been collected to portray equivalent energy waste of throwaway beverage containers in comparison to other energy savings measures proposed by the Administration.

John Breier, SCAT president, showed an energy saving equivalent of 131,000 barrels of oil per day with an all returnable container system.

Dr. Robert Turner of SCAT presented data showing that at the time of disposal—each 12 oz. beer can has accumulated the equivalent of 26% of its volume in wasted gasoline. It is the same as putting both the can and 3.18 ozs. of gasoline into the family garbage can.

Turner also compared the national energy waste to the heating of 2.5 million three bedroom brick homes and the heating of an average bath to the energy waste of six average throwaway containers. He also noted that a 100-watt light buld burning for 12 hours consumes the waste equivalent energy of a single beer or soft drink can.

Such energy savings or waste come about because each reusable container is used again and again. The SCAT study used 10 trips of one reusable bottle versus the manufacture bottling, transportation and disposal of 10 cans of one-way bottles. The equivalent waste per throwaway is 4195 BTU's.

The equivalent waste of 60 million throwaway containers used in the USA in 1972 is equal to the energy equivalent provided by 5.5 million gallons of gasoline per day. An area such as Montgomery County with 568,000 residents and 204 million throwaways per year could share the equivalent of 18,770 gallons of gasoline savings per day.

Aluminum is the most energy wasteful container; each can representing 6.9 ozs. of gasoline waste. Over 10 billion aluminum containers were used last year.

The study showed recycling is not a viable alternative. Each 16 oz. glass bottle that is recycled adds 10% to its equivalent energy budget.

The nation's total throwaway container equivalent energy waste is equal to the output of 10 Calvert Cliff size nuclear powerplants.

The study, based on those done by Dr. Bruce Hannon of the University of Illinois and the Midwest Research Institute under contract to EPA, utilizes equivalent energy units of British Thermal Units utilized by the mining, manufacturing, bottling, distribution and disposal of one-way and reusable beer and soft drink containers.

Although the total process uses energy from electricity, oil, and gasoline sources the equivalent BTU's are expressed in gallons of gasoline and barrels of crude oil to surface the equivalent energy waste in terms currently used to describe the nation's energy shortage.

Thus the 131,000 barrels of gasoline per day is the BTU equivalent of throwaway energy waste and would require 279,000 barrels of crude oil to make that much gasoline under existing refinery operations. The conversions of an all returnable system would save the *energy equivalent* of 131,000 barrels of gasoline each day. The savings would actually come in the use of less oil, electricity as well as gasoline.

SCAT also presented the results of two studies that showed a move to an all returnable system would actually mean a job increase . . . that is more net jobs with more people required in the bottling and retail outlets and less in the can and bottle manufacturing companies.

INFORMATION RESOURCE KIT: "THE ENERGY CRISIS AND THE THROWAWAY"

(Prepared by Sensible Citizens Against Throwaways (SCAT) Crusade for a Cleaner Environment)

BASIC FACTORS I—ENERGY OF THROWAWAY BEVERAGE CONTAINERS

1972 Production of Beverage Containers

Soft Drink Containers:	*Billion*
Cans	16.4
Throwaway bottles	13.6
Returnable bottles	17.0
Total	47.0
Beer Containers:	
Cans	21.7
Throwaway bottles	8.2
Returnable bottles	6.8
Total	36.7
Total	83.7
Less Returnables	23.8
Net Throwaways	59.9

Analysis of throwaway beverage containers by type

	Billion
Aluminum Cans	10.4
Steel and Bimetal Cans	27.7
Subtotal Cans	38.1
Bottles	21.8
Total Throwaways	59.9

Throwaway beverage containers accounted for 71.5% of production in 1972. Throwaway cans represented 45.5% of the total, and throwaway bottles contributed 26% of the total.

Facts about beverage container usage

The national average consumption of soft drinks is one drink per person per day. There has been an annual growth rate in recent years of 7% per year in leisure beverage consumption.

Sources: Beverage Industry Annual Manual, 1972–73 U.S. Industrial Outlook, U.S. Department of Commerce, 1973.

BASIC FACTORS II

U.S. Population: 208 Million:

Montgomery County: 568 Thousand.

Energy* (millions Btu 1000 gals. of beverage, 12 oz:

Returnable trips:

5	46.5
10	23.6
19	17.3
Bimetal can	56.7
One way glass	70.5
Aluminum can	95.5

Weighed average throwaway Energy Waste over:

10 Trip Returnable**—4198 Equivalent BTU/container.

10 Trip Returnable—4823 Equivalent BTU/container.

10 Trip—8478 Megawatts/year.

19 Trip—9662 Megawatts/year.

With 10 trips, saving is 4.33 oz. gasoline/container.

With 19 trips, savings is 4.94 oz. gasoline/container.

125,000 BTU's equivalent/gallon of gasoline.

1 kilowatt hour—3413 BTU.

60 billion throwaways/year.

10 trip returnable use equals 131,000 BBL/day crude oil saving.

19 trip returnable use equals 149,000 BBL/day crude oil saving.

Washington Area:

400,000 homes heated w/gas heat.

15,000 oil.

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*Phase 2 Midwest Research Institute study under EPA Contract.

**10 Trip used in all calculations.

25,000 electricity.
Crude oil BBL—47% gasoline.

U.S. oil use—Throwaway beverage container waste

Daily U.S. Oil Use—17,000,000 BBL's.

Projected savings*

50 mph, 200–250,000 BBL/Day.
Less Air Flights, 120,000.
—3° ÷ 3° Home, 550,000.
—10% Commercial, 400,000.
Car Pools, 780,000.
Auto Tune-up 6 months, 140,000.
Cold Water Detergents, 180,000.

All returnable system savings*

Dept. of Interior—Office of Energy Conservation John Gibbons—November 22, 1973.
131,000 BBL's/Day 10 Trip.
149,000 BBL's/Day 19 Trip.

EFFECTS ON EMPLOYMENT OF AN ALF REUSABLE BEVERAGE CONTAINER SYSTEM

Industry	Employment (thousands)		
	Present	Reusable	Reusable with 4 percent drop
Total	336, 800	351, 500	337, 100
Soft drink	128. 6	146. 6	141. 2
Malt liquor	58. 1	63. 2	61. 3
Beer distribution	59. 6	76. 9	74. 2
Glass container manufacturing	26. 1	12. 7	10. 4
Basic metals	15. 3		
Retail grocery	19. 6	52. 1	50. 0
Total	336. 8	351. 5	337. 1
Average earnings under each of the proposed systems for all of the industries involved in beverage container packaging and distribution in 1972	$7, 688	$7, 338	$7, 343

Source: "The Beverage Container Problem: Analysis and Recommendations;" EPA–R2–059, September 1972; Bingham, Taylor H. and Mulligan, Paul F.; Research Triangle Institute.

Bottles and Energy Fact Sheet

PRELIMINARY

A tremendous amount of energy waste is associated with "one-way" throwaway beer and soft drink beverage containers. Two comprehensive studies have been performed on the relative energy impact resulting from use of throwaway containers compared to returnable bottles, one by Dr. Bruce Hannon of the Engineering Department at the University of Illinois and the other by Midwest Research Institute under contract to the Environmental Protection Agency. In the calculations below data from the MRI analysis are used, although Dr. Hannon's figures would provide essentially the same results. Here some scientific findings are translated into everyday terms; this analysis is not exact but is intended as a "ballpark" estimate, and where assumptions had to be made, they were in every case conservative (leading to lower than actual apparent energy waste), so the energy squander is actually more severe than described below.

"AVERAGE THROWAWAY CONTAINER" (ATC) DEFINED

The U.S. Department of Commerce reports that 93.7 billion containers for beer and soft drinks were manufactured in the U.S. in 1972:

23.8 billion returnable glass bottles.

28.0 billion bimetal and steel (mostly bimetal) throwaway cans.

21.5 billion throwaway glass bottles.

10.4 billion aluminum throwaway cans.

All containers are assumed here to be 12 oz.; this assumption will provide a lower energy waste estimate than is the real case. The throwaways will be compared to returnable bottles with 10 trips per bottle life, also conservative since national average is 24.

Container description	10-trip returnable	Bi-metallic can	Glass throwaway	Aluminum can
Energy consumed per use (Btu's)	2, 212	5, 316	6, 610	8, 953
Energy wasted compared to 10-trip returnable (per container) (Btu's)	0	3, 104	4, 398	6, 741
Number of uses in 1972 (billions)	23. 8	28. 0	21. 5	10. 4
Total energy consumption (trillion Btu's)	52. 6	148. 8	142. 1	93. 1

Thus energy consumed by the 59.9 Billion throwaways is 384 Trillion BTU's and from this comes a definition of an "Average Throwaway Container" (ATC). The average energy requirement for throwaways is 6410 BTU/Container, and so the average waste per unit is (6410–2212=6198 BTU/Container. It is reasonable to define the national "Average Throwaway Container" (ATC) as a unit which wastes 4198 BTU of energy for every usage when compared to a 10 trip returnable bottle.

1 Average Throwaway Container (ATC)—4198 Btu.

204 Million ATC's (Montgomery County Annual Consumption)—856.5 billion Btu.

59.9 Billion ATC's (USA Annual Consumption)—251 trillion Btu.

GASOLINE EQUIVALENT WASTE

Gasoline contains a stored heat content of 125,000 BTU/Gallon=976.6 BTU/oz. Today we hear about barrels of oil; 1 barrel=42 gallons. It takes 2.12 barrels of oil to make 1 barrel of gasoline. The energy contents above are computed in terms of heat content of gasoline or barrels of oil required to manufacture barrels of gasoline.

12 oz Average Throwaway Container (ATC)=4.3 oz Gasoline.

This amazing result means that everytime someone consumes a 12 oz "disposable" container, he wastes on the average the energy content stored in 4.3 oz gasoline.

Who would fill a beverage container 36% full of gasoline before discarding it?

Wastes for specific container types are compared to a 10 trip returnable bottle:

12 oz Bimetallic Can=3.2 oz Gasoline=26.5% full can.

12 oz Throwaway Glass Bottle=4.5 oz Gasoline=37.5% full bottle.

12 oz Aluminum Throwaway Can=6.9 oz Gasoline=57.5% full can.

Montgomery County Equivalent Waste=6.85 Million Gallons Gasoline/Year.

Montgomery County Equivalent Waste=18.770 Gallons Gasoline/Day which are made from 950 Barrels Oil/Day.

Montgomery County Equivalent Waste=446 Barrels Gasoline/Day which are made from 905 Barrels Oil/Day.

USA Equivalent Waste=2.0 Billion Gallons Gasoline/Year.

USA Equivalent Waste=5.5 Million Gallons Gasoline/Day.

USA Equivalent Waste=131,000 Bar Gasoline/Day which are made from 279, Barrels Oil/Day.

By reducing highway speed limits everywhere in the USA from 65 MPH to 50 MPH the expected national oil saving is 200,000 Barrels Oil/Day. Since stored energy content of oil is roughly equal to that of gasoline, we see that the energy content of 131,000 Barrels Oil/Day is thrown away in the form of "disposable convenience containers", and it is obvious that this waste has become critical since 60% of energy saved by everyone driving slower is literally thrown away by the use of "disposable convenience containers." It can also be considered that 131,000 Barrels of Gasoline/Day (the stored energy equivalent of all throwaways) are manufactured from 279,000 Barrels Oil/Day.

HOUSE HEATING EQUIVALENT WASTE

Washington Gas Light Co. reports that a three (3) bedroom brick house has an annual heating requirement of 102 Million BTU's.

Montgomery County Annual Throwaway Waste=856.5 Billion BTU=8400 Houses.

USA Annual Throwaway Waste=251 Trillion BTU=2.5 Million Homes.

Thus 8400 houses in Montgomery County could be comfortably heated using the energy represented by throwaways in Montgomery County alone; this is about 5% of the home heating requirement (annual) in the county. Reflect on this as you turn down your thermostat.

HOT WATER HEATING

Suppose you take a hot bath in a tub 4½ feet long, 2 feet wide with water 1 foot deep. The heat required to warm this 67.5 gallons of water from 65°F to 110°F is 25.245 BTU's, which can be represented by the energy waste of 6 Average Throwaway Containers (ATC's).

The heat stored in 60 gallons of water (an average home hot water tank) heated from 50°F to 150°F is 50,000 BTU, represented by 12 ATC's.

ILLUMINATION

A 100 watt light bulb burning for over 12 hours consumes the same energy represented by the energy waste of a single 12 oz. ATC (4198 BTU).

EQUIVALENT ELECTRICAL WASTE

Dr. Priscilla Laws, Professor of Physics at Dickinson College, calculated that the USA annual throwaway energy (beverage containers only) could provide all residential electrical power for an affluent city of 7.5 Million people. Scaled down to Montgomery County annual container waste, this would serve 25,800 people.

Time Magazine (November 25, 1973) reported the following energy consumption costs for an average American home: (Note: 1 kw-hr=3413 BTU=0.813 ATC's)

Item	Annual energy (kilowatt-hours)	Equivalent ATC's
Average U.S. household	8, 000	[1] 6, 500
Electric toothbrush	0. 5	0. 4
Electric carving knife	8	6. 5
Garbage disposal	30	24
Refrigerator (average 14 ft.^{3})	1, 137	925
Refrigerator (frost-free 17 ft.^{3})	2, 008	1, 632
Color TV (3.6 hr/day)	440	358
Black and white TV	120	98
Air conditioner	1, 440	1, 170
Automatic clothes washer	103	84
Hot water heater	4, 219	3, 430

[1] Throwaway containers.

RECYCLING COMPARED TO REUSE

Recycling, defined in the present context as return of a glass bottle for sorting, crushing, melting and remanufacture into another (identical) bottle, tends to save glass but not energy. In the reuse process the bottle is cleaned, not remade, at a considerable energy and financial saving. The following table for 16 oz. bottles illustrates this concept; the data are from the Dr. Hannon study, considered at only eight return trips.

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*To get 131,000 BBL's of Gasoline would require 279,000 BBL crude.

Type use	Energy consumed per use (per bottle) (Btu)	Energy wasted compared to returnable bottle (per bottle) (Btu)
Returnable	2,400	0
Throwaway	7,260	4,860
Recycle	7,825	5,425

Two results emerge from the above table: recycling bottles does not save energy, and every time a 16 oz. throwaway bottle is con**sumed 4860 BTU's of energy are wasted. The energy penalty against recycle compared to throwaway arises because it actually requires more energy to sort out the glass from mixed trash in many locations than to mine virgin glass from a single location. In the manufacturing process the overwhelming energy expenditure occurs with the melting and forming process, common to every throw**away and recycle usage. With reused bottles **this meeting is not repeated prior to every** usage, hence **the significantly lower energy** consumption.

OTHER CONSEQUENCES OF UNNECESSARY CONSUMPTION

Only energy costs relating to throwaway bottles and cans have been considered above. **Other factors which would enter into a total impact analysis concurrent with resource** squander would include increased atmospheric emission, increased waterborne wastes **including thermal pollution, more committed water volume for processing, increased post-consumer solid waste, increased industrial solid waste, dangerous and unsightly litter, more strip mines to provide more virgin raw materials, increased encroachment and stress on wildlife habitats, spoilation and ruination of lands, increased financial costs** to the consumer, **and of course less available fuel** with **which to energize higher priority** activities.

EQUIVALENT WASTE OF NUCLEAR POWERPLANTS

The USA national energy waste due to the throwaway system **is 251 Trillion BTU/year** which equals 8500 Mw (Megawatts). **Each unit of Calvert Cliffs Nuclear Power Plant in** Maryland has a maximum electricity generating capacity **of 880 Mw, and so the national energy waste represented by throw**away leisure beverage containers is **equivalent to about ten (10) very large nuclear** power plants.

Stop Squandering Energy on Throwaways

WASHINGTON, D.C., **November 29, 1973.— More than nine million people could be sup**plied with electricity for a whole year by **the energy wasted during 1972 through use of throwaway containers rather than re**turnable bottles for soft drinks and beer, **according to the Crusade for a Cleaner En**vironment.

CCE also calculates that the energy wasted **by the throwaway bottles and cans last year was the equivalent of approximately 1.7 billion gallons of gasoline—enough to operate nearly 1,700,000 automobiles averaging 10 miles per gallon for a typical driving** year of 10,000 **miles.**

Finally, based on the needs of a three-bedroom brick home in the Washigton, D.C. area, CCE's figures show that approximately two million homes in the Middle Atlantic region could be heated with natural gas for an eight-month heating season by the energy wasted on throwaways in 1972.

"Through higher prices paid for beverages in throwaway containers and litter-removal costs, the American consumer has been subsidizing the beer and soft drink industries' concentration in so-called 'convenience' packaging for several years," CCE President N. E. Norton said in releasing the figures. "Now it is clear that this subsidy has included the sacrifice of precious energy supplies as well. The situation will grow even more critical if major beverage companies continue with plans to package their products in throwaway plastic bottles made from scarce petroleum."

Norton, who is also president of Royal Crown-Dr. Pepper Bottling Company of Corpus Christi, Texas, explained that while throwaway containers are wasters of energy, "returnable bottles conserve energy by functioning as their own recycling system. Each returnable travels the natural closed loop from container manufacturer to bottler, to retailer, to consumer, and back again for reuse an average of 15 times.

"With fuel shortages, brownouts and gasoline rationing real possibilities, American industry and consumers must change habits of energy consumption to 'waste not, want not.' I call on my fellow bottlers to set an example for the nation by returning to the returnable system of distribution for soft drinks and malt beverages," Norton concluded.

The Crusade for a Cleaner Environment is a non-profit educational organization working to increase public awareness of the role of throwaway beverage containers in America's litter, solid waste and energy problems.

Throwaway Beverage Containers Waste Energy

The packaging of beer and soft drinks in approximately 60 billion throwaway containers rather than in returnable bottles wasted 211.5 trillion British Thermal Units of energy during 1972.

That energy wastage is the equivalent of:

18.2 billion kilowatt hours of electricity—enough to supply the electrical needs of 9.1 million relatively affluent Americans for a whole year;

1.69 billion gallons of gasoline—enough to operate 1,690,000 automobiles averaging 10 miles per gallon for a typical driving year of 10,000 miles;

Enough energy to heat approximately 2 million three-bedroom brick homes in the Middle Atlantic region with natural gas for an entire eight-month heating season.

While throwaway containers are tremendous energy wasters, returnable bottles conserve energy by functioning as their own recycling system. Each returnable bottle travels the natural closed loop from container manufacturer to bottler, to retailer, to consumer and back again for reuse an average of 15 times.

With fuel shortages, brownouts and gasoline rationing real possibilities, American industry and consumers must change their habits of energy consumption to "waste not, want not." The perfect place to begin is by returning to the returnable bottle system of distribution for soft drinks and malt beverages.

SOURCES

System Energy and Recycling: A Study of the Beverage Industry, by Professor Bruce M. Hannon, Department of General Engineering and Center for Advanced Computation, University of Illinois, December 1971.

An Ecological Approach to Solid Waste Management, by Dr. Priscilla Laws, Professor of Physics, Dickinson College, February 1973.

Beverale Industry 1972–1973 Annual Manual, New York, September 1972.

Washington Gas Light Company, Consumer Education Services, Washington, D.C., November 1973.

Mr. HATFIELD. Mr. President, in view of the legitimate concern currently being expressed about the cost of living and food prices in particular, it is important also to note that when an individual purchases a beverage in a nonreturnable container, that consumer bears the entire cost of manufacturing that container. When refillable containers are used, however, that cost is shared by as many as 20 other individuals who also use the same container. In Oregon, where legislation banning nonreturnables became effective in October of 1972, prices have increased somewhat, but these increases must be viewed in the context of higher production and raw material costs for many beverages and containers. A study on the economic impact of the Oregon law, conducted by two business professors at Oregon State University, concluded that—as beer prices in Oregon are 2.4 percent to 3.7 percent above those in Washington whereas soft drink prices are 4 percent below, the effect of the bottle bill on beverage is not apparent.

Concern about the employment impact of this legislation must also be viewed seriously and, in this regard, more jobs were created in Oregon following adoption of the bottle legislation than lost. This is consistent with the findings of various studies which indicate that more jobs will be created in the area of container handling. In order to minimize any economic dislocation, however, I have provided for a 3-year transition period following enactment of the Returnable Beverage Container Act of 1975, for the necessary conversion. "Flip-top" cans would be banned 1 year after enactment.

It is not necessary to act on this issue without the test of experience. As I have indicated, my State of Oregon adopted legislation to ban nonreturnable containers and "flip-top" cans which has been in effect since October of 1972. The law has worked and the people of Oregon strongly support it. In fact, it was strengthened during the last legislative session. The beverage container share of litter has been reduced by 80 to 90 percent, energy is being saved, and these accomplishments have taken place without the economic dislocations forecast by some.

I realize, Mr. President, that this legislation will be strongly opposed by some segments of the beverage and packaging industries. In fact, an article which appeared last fall in the Washington Star-News indicates that about $20 million per year is being spent to defeat legislation of this nature throughout the Nation. Every Member of Congress can expect to be browbeaten with predictions of widespread unemployment, higher prices, and little impact on litter or energy conservation. I hope my colleagues will consider such statements along with the record of success with the Oregon law and lend their support to the bill.

Throwaway containers should be repugnant reminders of how little society cares about wanton depletion of its energy resources, or a measure of the disdain for helping to curtail the staggering litter and solid waste problems we face. While a laundry list of areas exists where blind obedience to technology has created a host of problems, the beverage container area provides the Congress and the Nation with a clear opportunity to reject the throwaway ethic spawned by the reckless idolatry of technology. We can reject this attitude in favor of one which reduces energy consumption and helps to solve our litter and solid waste problems.

Mr. President, the American people and the Congress must reject the flip-top, snap-tab throwaway society, and banning throwaway nonreturnable containers is a needed first step.

I am pleased to note, Mr. President, that the Senate itself is taking note of the need to use returnables. In a memorandum dated February 3, 1975, Mr. J. Lewey Caraway, the Superintendent of the Senate Office Buildings, asks that "it would also be helpful when ordering soft drinks to order them in returnable bottles" to assist in the trash removal problem. I appreciate Mr. Caraway's concern about this problem; my own office has been using returnable bottles exclusively for some time now, with no problem whatsoever.

I ask unanimous consent that an excerpt from a report of the Citizens' Advisory Committee on Environmental Quality be printed in the RECORD along with a copy of the Returnable Beverage Container Act of 1975.

There being no objection, the bill and excerpt were ordered to be printed in the RECORD, as follows:

S. 613

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Returnable Beverage Container Act of 1975".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that (1) litter composed of beverage containers is a major source of pollution in all areas of this Nation, (2) the collection and disposal of solid waste composed of such containers impose a great cost burden upon the States and their political subdivisions, (3) nonreturnable beverage containers on which no refundable money deposit is required from the consumer pose a threat to health, safety, and welfare of individuals and environment in the United States, (4) the use of such containers results in a waste of energy, and (5) such containers, representing as they do a high cost in the form of litter, energy and solid waste management, should be banned from circulation within and among the several States.

DEFINITIONS

SEC. 3. For the purpose of this Act the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "returnable beverage container" means a beverage container which—

(A) has a clear indication thereon, either by embossing or by a stamp, label, or other method securely affixed thereto, of the refund value of the container, or is a glass container designed for a beverage and having a brand name permanently marked thereon which on the date upon which this section becomes effective has a refund value of not less than 5 cents;

(B) has a refund value of not less than 5 cents;

(C) is not a metal container so designed and constructed that a part of the container is detachable in opening the container without the aid of a can opener;

(3) "beverage" means beer or any other malt beverage, mineral water, or soda water or a carbonated soft drink of any variety in liquid form and intended for human consumption;

(4) "container" means a bottle, jar, can, or carton of glass, plastic, or metal, or any combination thereof, for use in packaging or marketing any beverage;

(5) "interstate commerce" means (A) commerce between any State or territory and any place outside thereof, and (B) commerce within the District of Columbia or within any other territory not organized with a legislative body;

(6) "territory" means any territory or possession of the United States, including the District of Columbia and excluding the Canal Zone.

PROHIBITION

SEC. 4. (a) No person shall manufacture for sale, sell, offer for sale, or introduce or deliver for introduction in interstate commerce any beverage container other than a returnable beverage container.

(b) Whoever violates subsection (a) of this section shall be fined not more than $1,000, or imprisoned for not more than six months, or both.

REGULATIONS

SEC. 5. The Administrator shall establish such regulations as are necessary for the purpose of this Act.

EFFECTIVE DATES

SEC. 6. The provisions of this Act shall be effective with respect to beverage containers, which are metal containers so designed and constructed that a part of the container is detachable in opening the container without the aid of a can opener, after one year following the date of enactment of this Act and with respect to all other beverage containers after three years following such date of enactment, except that, section 5 is effective on such date of enactment.

Federal legislation requiring a refundable deposit on all beverage containers is needed to promote the use and reuse of refillable instead of throw-away beverage containers. As discussed earlier, such action would reduce litter, household rubbish, and consumer expenditures. Moreover, and most importantly, such action would reduce the waste of critically short supplies of energy and nonrenewable resources. On the other hand, enactment of such a measure probably would have adverse impacts on the industries that manufacture and market the "no-deposit, no-return" cans and bottles which are now so prevalent in the marketplace.

With more than 30 states and 25 communities considering different forms of beverage container regulation, why do we need federal legislation that focuses only on beverage containers?

The first and foremost reason is that the energy shortage is a critical national problem, and refillable beverage containers provide an inexpensive, expeditious, and energy-saving alternative to the continued proliferation of energy-wasting disposable beer and soft drink containers. On a nationwide basis, resumption of an all-returnable beverage container system could almost immediately save an energy equivalent of nearly 5 million gallons of gasoline per day. This is equal to the estimated energy yield by 1978 from a crash program to produce oil from shale rock—a project which will involve the expenditure of billions of dollars in capital investment, unprecedented environmental disturbance, and the daily creation of a pile of waste rock six times larger than the Lincoln Memorial.

The second major reason for federal beverage container regulation is that deposit legislation is more feasible and less disruptive when implemented nationally instead of on a state-by-state basis. Federal legislation will solve the problems of interstate bootlegging and littering as well as provide uniform requirements for containers and thus make for less economic disruption in the long run. Checkerboard state-by-state action drawn out over years of legislative debate will result in the unresolved problems becoming regionalized in the areas most reluctant to deal with them, thereby prolonging their final resolution.

The third important reason for federal legislation of this type is timing. Whereas new technologies for solid waste resource recovery will take years to implement on a national basis, required deposits on beverage containers will produce more immediate results. In Oregon, for instance, a year after its bottle bill went into effect, officials were reporting 75 to 85 percent fewer beverage containers in roadside litter, 385 million fewer containers produced, and considerable energy savings. On a nationwide basis, the results would, of course, be far more substantial.

Another important reason for a federal bottle bill is the very real need for federal leadership in establishing a new national conservation ethic that emphasizes prudent consumption of energy and materials resources. Enactment of federal beverage container legislation could be highly significant as a first substantial, nationwide, "waste not, want not" step toward this national conservation ethic. In terms of energy conservation alone, Congress and the Administration could take a giant step forward toward solving the energy problem.

Several beverage container bills have been introduced in the Congress, and the Administration has endorsed the concept of requiring a refundable deposit on all beer and soft drink containers if it is phased in over time. This call for a phased approach is caused by concern about ways and means to reduce the adverse economic impacts resulting from a switch from the manufacture and distribution of disposable bottles and cans to returnable, refillable containers. This is a valid concern, and any federal enactment should include provisions for relieving and/or reducing the adverse effects of job relocation and production changeovers to refillable bottles.

With regard to economic impact, it is important to remember that the suggested legislation would not *ban* throwaway containers; it simply mandates a *refundable deposit* on each container sold. Thus, instead of affecting only container manufacturers, the refund creates economic incentives to influence the consumer as well as the beverage industry to decrease waste. The mandatory deposit, moreover, would make Americans aware of the cost of waste—an extravagance of energy and resources that our society can no longer afford.

Mr. PACKWOOD. Mr. President, I am pleased to join with my Oregon colleague, Senator HATFIELD, to reintroduce legislation to ban all throwaway beverage containers by charging a deposit value of not less than 5 cents for each bottle or can. My home State of Oregon has taken the lead in adopting this important and extremely successful legislation. I am convinced in light of the several studies which have been completed on Oregon's "Bottle Bill," that the Senate should act with foresight by adopting reasonable beverage container legislation. The Environmental Protection Agency endorsed the concept requiring a deposit on all beverage containers during hearings before the Environmental Subcommittee of the Senate Commerce Committee in May, 1974. Even more importantly, the economic, environmental and energy research studies done on the Oregon Bottle Bill affirm the benefits of placing a deposit on throwaways. I believe the materials and energy loss, as well as container litter, should be halted from its present growth rate associated with the 33 percent per capita increase in beer and soft drink consumption from 1959 to 1972.

Based on observations by the Oregon State Highway Department in 1969, discarded beverage containers were estimated to comprise 19.7 percent of highway litter by item. Another study by Prof. Charles Grudgen and Jack Bailes, of Oregon State University, shows reductions in bottle and can waste by nearly 88 percent, which has been widely reported.

The economic trends these professors documented show an increase on total business income as a gain of almost $4 million, with decreased employment in container manufacturing, but increases in other sectors resulting in a net gain of 365 jobs.

The "no deposit, no return" habit of container disposal should be substituted with this energy and materials conservation measure. In 1972, beverage container production used 6 million tons of glass, 1.6 million tons of steel and 570,000 tons of aluminum. Based upon a 90-percent refillable bottle market, with each container making 10 round trips, energy use reductions would approach 194 trillion Btu's of energy—or the equivalent of 92,000 barrels of oil per day.

I respectfully submit my request to the Senate that we begin hearings at the earliest convenient date to hear testimony on this valuable piece of legislation. My hope is that after assembling and those concerned with the proposal, the Senate can concentrate upon the benefits in conserving energy, materials and our landscape's uncluttered appearance.

Mr. President, I ask unanimous consent that my statement be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD.

By Mr. STEVENS:

S. 614. A bill to provide for the establishment of a national cemetery at Fort Richardson, Alaska. Referred to the Committee on Veterans' Affairs.

Mr. STEVENS. Mr. President, today I am introducing a bill to provide for the establishment of a national cemetery at Fort Richardson, Alaska.

With the coming of the Alaska pipeline construction, veterans from all over the United States are coming to my State to live and work. These veterans and the veterans previously living in Alaska have never hestiated to step forward when their country called. However, they are being denied one of the basic privileges that all veterans in this Nation receive. This is the privilege to be buried in a national cemetery in the area near their homes.

There is one national cemetery in Alaska, which according to the National Cemetery Systems study completed by the Veterans' Administration in January 1974, was expected to close out in 1973. This cemetery, located in Sitka, is over 580 air miles from the largest city and population center in the State. It is accessible only by air or by sea. Equate this to veterans living in Washington, D.C., being buried in Atlanta, Ga., and then only reaching the area via air or boat.

The national cemetery at Sitka, which is for all practical purposes closed out, services an area which is 586,400 square miles in size, and which if superimposed on a map of the United States stretches from Seattle to Miami. Having only one closed-out national cemetery in an area as large as Alaska is a very great hardship on our veterans and families. The next nearest national cemetery located in Oregon is over 2,700 miles from Alaska's population center.

This bill is of extreme importance to Alaskan veterans. I am hopeful that when the National Cemetery System study is again considered in this Congress, that the committee will study this bill and act favorably upon it.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Administrator of Veterans' Affairs is authorized and directed to establish a national cemetery at Fort Richardson, Alaska, on lands to be transferred to him by the Secretary of the Army.

(b) The Secretary of the Army shall, within 90 days after the date of enactment of this Act, transfer not less than 200 acres of land adjacent to the post cemetery at Fort Richardson, Alaska, to the Administrator of Veterans' Affairs for use by the Veterans' Administration as a national cemetery.

(c) The national cemetery authorized to be established by this Act shall be a part of the National Cemetery System provided for in chapter 24 of title 38, United States Code.

SEC. 2. There are authorized to be appropriated such funds as may be necessary to carry out the provisions of this Act.

By Mr. PROXMIRE:

S. 615. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes. Referred to the Committee on Government Operations.

LIMOUSINE LIMITATION ACT OF 1975

Mr. PROXMIRE. Mr. President, I send to the desk a bill which I call the "limousine bill" which would limit by law the number of high Government officials who are provided chauffeured limousines.

As chairman of the Subcommittee on Priorities and Economy in Government of the Joint Economic Committee, I have long been interested in wasteful practices of which this is one of the worst.

The "limousine bill" would do essentially three things.

First, it would cut back from an estimated 800 to about 27 the number of Government officials in the Washington area who would be provided chauffeur driven cars.

Second, with the exception of the 27, it would stop the practice, now almost universal, of driving high, and not so high, Government officials to and from home. Under the present law, title 31, section 638(a), Government cars can be used only for official purposes and "official purposes" according to the specific language of the law "shall not include the transportation of officers and employees between their domiciles and places of employment." Unfortunately, that law is broken a thousand times a day in Washington, D.C. itself. My bill would put a stop to that.

Third, it would provide that when cars were needed for official purposes, such as coming to Congress to testify on a bill, the official could use an agency pool car. But the car could not be exclusively assigned to the official or to any other official except for the 27 listed.

LIST OF ELIGIBLE OFFICIALS

Those eligible for chauffeur driven cars would be limited to the President, the Vice President, members of the Cabinet, the U.N. delegate, the Chief Justice, and the following congressional leaders: the Speaker of the House, the President pro tempore of the Senate, and the majority and minority leaders and whips.

The bill would save about $13 million a year. While that may not be much when compared with President Ford's proposed $350 billion budget, to this Senator and most American taxpayers, "$13 million ain't hay."

WHY THE BILL IS IMPORTANT

There are a number of reasons why I am proposing this bill. One of the major problems in modern government is that power too often goes to the heads of those who exercise authority. Public officials should not live in a style which is too far removed from the problems of ordinary citizens. By placing them in the back of a chauffeured driven limousine with their little reading lamps while other people plow through traffic, promotes an "elitist" group or class. And for the most part, most of the Washington elite are nameless and faceless bureaucrats who never had it that good in private life.

LIMITLESS LIMOUSINE POLICY IS BAD

The limitless limousines policy now followed also wastes energy at a time of an energy crisis. When officials are driven to and from home, the cars make four trips a day instead of two trips a day. Nothing is more ironic than seeing the head of the Federal Energy Agency or the Environmental Protection Agency, and even some of their subordinates, being chauffeured around in violation of the law while they call upon others to conserve energy.

While Congress itself has many, many faults, with respect to limousines we are relatively pure. But if Congress followed the policy of the executive branch, all 535 Members, their administrative assistants, and the staff director and chief clerks of every congressional committee would be provided a chauffeur-driven car.

There has never been a better time than now to tighten up on this bureaucratic extravagance. With 8 percent unemployment, a $52 billion deficit, and double-digit inflation, surely the White House staff, budget officials, members of the Home Loan Bank Board, Under Secretaries, Assistant Secretaries, and Assistants to the Under and Assistant Secretaries should give up the use of their exclusive chauffeur-driven cars and limousines.

The United States is a political democracy. There is no reason why 800 high and not so high Government officials should continue to be chauffeured around like potentates.

Mr. President, I ask unanimous consent that the text of the bill be printed in full in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 615

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Limousine Limitation Act of 1975".

DEFINITIONS

Sec. 2. As used in this Act—

(1) "motor vehicle" means any vehicle, self-propelled or drawn by mechanical power, designed and operated principally for highway transportation of passengers, except (A) a vehicle primarily designed for military field training, combat or tactical purposes; (B) a vehicle regularly used by a Government agency in the performance of investigative, law enforcement or intelligence duties, if the head of such agency determines that exclusive control of such vehicle is essential to the effective performance of such duties; or (C) a vehicle used for the transportation of Ambassadors stationed or conductng business abroad; and

(2) "Government agency" means any department, agency, instrumentality, or authority of the executive, legislative, or judicial branch of the Federal Government.

LIMITATION ON ACQUISITION AND USE OF MOTOR VEHICLES

Sec. 3. (a) Except as provided in subsection (b), a Government agency may not—

(1) purchase, hire, or lease, operate, or maintain motor vehicles, other than motor vehicles of the type generally available, on the date of the enactment of this Act, in motorpools of the Federal Government;

(2) employ or procure the services of chauffeurs; or

(3) purchase, hire, or lease, operate, or maintain motor vehicles for the transportation of any elected or appointed officer or employee of a Government agency between his dwelling and his place of employment, except in the case of (A) a medical officer on outpatient medical service, or (B) an officer or employee engaged in fieldwork in remote areas, the character of whose duties make such transportation necessary, and in either such case, only when such exception is approved by the head of the Government agency concerned.

(b) The provisions of subsection (a) do not apply to the purchase, hire, lease, operation, or maintenance of motor vehicles for the personal use by the President, and one each for use by the Vice President of the United States, the head of each Executive Department, the Chief Justice of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives, the Majority and Minority Leaders of the Senate and of the House of Representatives, the Majority and Minority Whips of the Senate and the House of Representatives, and the United States Representative to the United Nations.

(c) No elected or appointed officer or employee of a Government agency, other than those referred to in subsection (b), may be furnished a motor vehicle for his exclusive use.

By Mr. RANDOLPH (for Mr. Jackson) (for himself and Mr. Fannin) (by request):

S. 617. A bill entitled "Winterization Assistance Act of 1975." Referred to the Committee on Banking, Housing and Urban Affairs.

S. 618. A bill entitled "National Strategic Petroleum Reserve 'Civilian' Act of 1975." Referred to the Committee on Interior and Insular Affairs.

S. 619. A bill entitled "Energy Facilities Planning and Development Act of 1975." Referred to the Committee on Interior and Insular Affairs.

S. 620. A bill entitled "Standby Energy Authorities Act of 1975." Referred to the Committee on Interior and Insular Affairs.

Mr. RANDOLPH. Mr. President, on behalf of the junior Senator from Washington, Mr. Jackson, and the senior Senator from Arizona, Mr. Fannin, I introduce, for appropriate reference, three energy bills at the request of the administration.

Mr. President, I ask unanimous consent that the statement of the junior Senator from Washington appear at this point in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Jackson

Mr. President, On behalf of myself and the senior Senator from Arizona (Mr. Fannin) I am today introducing 4 energy bills proposed by the Administrator in the "Energy Independence Act of 1975." The specific titles of the Administration's omnibus energy bill which are being introduced as separate bills are as follows:

Title II—National Strategic Petroleum Reserve (Civilian) Act of 1975;

Title VIII—Energy Facilities Planning Development Act of 1975;

Title XI—Winterization Assistance Act of 1975;

Title XIII—Standby Energy Authorities Act of 1975.

Mr. President, hearings have been scheduled by the Committee on Interior and Insular Affairs on Thursday, February 13 to receive Administration testimony on pending standby energy emergency authorities legislation.

Mr. RANDOLPH. Mr. President, the introduction and reference of these bills is, of course, subject to the unanimous consent request concerning reference of and committee jurisdiction over the administration's omnibus energy bill which was entered by the distinguished minority leader, Mr. Scott, on February 5 at page 2438 of the Congressional Record.

By Mr. RANDOLPH (for Mr. Jackson) (for himself, Mr. Kennedy, Mr. Stevenson, Mr. Magnuson, Mr. Pastore, Mr. Bayh, Mr. Nelson, Mr. Ribicoff, Mr. Moss, Mr. Philip A. Hart, Mr. Haskell, Mr. Humphrey, Mr. Hollings, and Mr. Mondale):

S. 621. A bill to prohibit for a period of 90 days the lifting of all price controls on domestic oil, and to thereafter require the submission to, and the right of review of disapproval of the Congress of such action within 30 days. Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for Mr. Jackson) (for himself, Mr. Randolph, Mr. Magnuson, Mr. Stevenson, Mr. Pastore, Mr. Nelson, Mr. Bayh, Mr. Ribicoff, Mr. Moss, Mr. Kennedy, Mr. Haskell, Mr. Humphrey, Mr. Hollings, and Mr. Mondale):

S. 622. A bill to provide standby authority to assure that the essential energy needs of the United States are met to reduce reliance on oil imported from insecure sources at high prices and to implement U.S. obligations under international agreements to deal with shortage conditions. Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH (for Mr. Jackson) (for himself Mr. McIntyre, Mr. Randolph, Mr. Magnuson, Mr. Stevenson, Mr. Pastore, Mr. Nelson, Mr. Bayh, Mr. Ribicoff, Mr. Moss, Mr. Stone, Mr. Philip A. Hart, Mr. Kennedy, Mr. Haskell, Mr. Humphrey, Mr. Hollings, and Mr. Mondale):

S. 623. A bill to extend the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

SENATOR RANDOLPH INTRODUCES THREE MAJOR ENERGY BILLS ON BEHALF OF SENATOR HENRY M. JACKSON

Mr. RANDOLPH. Mr. President, at this time I introduce three major energy bills on behalf of Senator Henry M. Jackson, chairman of the Senate Interior and Insular Affairs Committee, and fellow Senate cosponsors. Two of these measures, the Standby Energy Authorities Act of 1975 and the Emergency Petroleum Allocation Extension Act of 1975, build on legislation enacted during the 93d Congress.

The third measure, the Petroleum Price Increase Limitation Act of 1975, would restrict for a period of 90 days the President's authority to decontrol domestic oil prices. Subsequently, should the President propose to lift price controls the proposed action would have to be submitted to the Congress and unless disapproved by the Congress within 30 days would take affect. This authority would complement provisions contained in legislation now pending before the House Ways and Means Committee.

During the last 18 months, our country has developed extensive experience under the Emergency Petroleum Allocation Act, which provides authority to control petroleum prices as well as restrict available supplies through allocation at the wholesale or distribution level within our energy supply system. Utilizing this experience, this measure, which I cosponsor with Senator Jackson, would extend this statute for an additional 5 years through December 31, 1980.

The Standby Energy Authorities Act of

1975, which I cosponsor, provides complementary authority to deal with sudden interruptions of supplies such as those resulting from oil embargoes. In addition, this measure would enable the development of necessary programs to implement the United States' recent commitments under the International Energy Agreement, which was signed last fall.

The legislation also provides authority for the allocation of scarce materials, equipment, and other supplies necessary to the maintenance and expansion of domestic energy supplies. Additional authority for export controls is included for equipment essential to domestic energy activities.

These three measures evolve from the activities of the Senate's national fuels and energy policy study, which Senator JACKSON has ably chaired for the last 4 years.

Mr. President, the junior Senator from Washington (Mr. JACKSON) is necessarily absent from the Senate this morning and on his behalf, I introduce, for appropriate reference, three bills which constitute important elements of a national energy policy.

Mr. President, I ask unanimous consent that the statement by the junior Senator from Washington concerning these bills appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR JACKSON ON INTRODUCTION OF MAJOR ENERGY BILLS ON STANDBY ENERGY EMERGENCY AUTHORITIES, NATIONAL STRATEGIC OIL RESERVES, AND TO PROHIBIT THE DECONTROL OF DOMESTIC OIL PRICES

Mr. President, I am today introducing three major bills which constitute important elements of an overall national energy policy.

1. STANDBY ENERGY AUTHORITIES ACT OF 1975

The first bill, the "Standby Energy Authorities Act of 1975" provides the basic authority to deal with the contingency of oil embargoes or other sudden curtailments of the nation's essential energy supplies. This measure is patterned after S. 2589, the energy emergency bill which was vetoed by President Nixon on March 6, 1974.

Mr. President, Title XIII of the Administration's proposed omnibus energy legislation is closely patterned after S. 2589, the bill vetoed by the President in the last Congress. I was pleased to learn that the Administration has reversed its position and now supports the concept of standby authorities to deal with embargo situations and to fulfill U.S. obligation under the sixteen nation International Energy Agreement which was signed last fall.

The bill I am introducing today would establish authority for end-use rationing of gasoline and other petroleum products; the imposition of mandatory energy conservation programs; the allocation of scarce materials, equipment and other supplies; limitations on the export of energy and equipment related to the production of energy; funding for state energy conservation programs and provision for the delegation of specified responsibilities to State governments; and broad authority to acquire and analyze needed data concerning inventories, transport capability and other aspects of the nation's energy system.

Hearings on this measure will be held on Thursday, February 13 before the Interior Committee. I am hopeful that the Committee acts on this measure on an early date.

2. EXTENSION OF EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

The second measure, the "Emergency Petroleum Allocation Extension Act of 1975," would extend the life of the Emergency Petroleum Allocation Act of 1973 to December 31, 1980. At present the Emergency Petroleum Allocation Act would expire on August 30 of this year. It is clear that this Act must be extended for two purposes. First, extension is necessary to insure that the country has in place legislative authority for the allocation of crude oil and petroleum products during periods of shortage conditions and during periods when the government seeks to regulate overall energy consumption and to conserve energy by limiting allocations of petroleum products to some level below unconstrained demand.

The second purpose is to maintain price controls on domestic crude oil and petroleum products. Section 4(a) of the Emergency Petroleum Allocation Act of 1973 provides the only authority in existing law for controlling petroleum prices. If this authority were permitted to expire on August 30 of this year the cost of energy to American consumers would almost double.

3. PETROLEUM PRICE INCREASE LIMITATION ACT OF 1975

The third bill, the "Petroleum Price Increase Limitation Act of 1975" would impose limitations on the President's existing authority to lift or decontrol the existing price controls on domestic oil. President Ford has announced that he intends to lift all domestic oil price controls on April 1, 1975. This action, if permitted to become effective, would see the price of 60 percent of domestic oil production go from its present controlled level of $5.25 a barrel to a minimum of $12 per barrel. The $12 per barrel price could become as high as $15 per barrel if the President is permitted to impose the full $3 tariff fee on imported oil that he has also announced.

Mr. President, the Administration's proposed program to increase energy prices through tariffs, taxes, and the scrapping of price controls is an irresponsible policy that will send shock waves crashing through an already weakened economy and will impose a regressive, unfair, unjustified burden upon the poor, and upon low and middle income segments of society. The huge cost increases involved in this proposed program will serve no important national purpose other than simply to generate revenue in the form of tariff fees and excise taxes.

By Mr. THURMOND (for himself, Mr. ALLEN, Mr. CURTIS, Mr. DOLE, Mr. DOMENICI, Mr. FANNIN, Mr. HELMS, and Mr. PASTORE):

S. 624. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes. Referred to the Committee on Armed Services.

Mr. THURMOND. Mr. President, last year I expressed my concern to my distinguished colleagues in this Chamber about the tragic missing-in-action issue. At that time, I expressed grave doubts about our Government pursuing the procedure to change the status of the missing in action to "killed in action."

Since then I have conducted a more comprehensive review of the military departments' procedures to reach these presumptive findings by implementing the provisions of the law contained in sections 555 and 556 of title 37. I concluded after this review, that these two sections of the law require further study by the Congress insofar as they pertain to Southeast Asia.

Since this study will require time, I am introducing legislation which will temporarily prohibit the military departments from issuing a findings of "killed in action" or "presumed killed in action," as far as missing in action and prisoners of war in Southeast Asia are concerned. The legislative measure will require the Senate and House Armed Services Committees to conduct a study of this problem and report results to the Congress not later than 180 days after the date of enactment of this act.

Meanwhile, the measure will also urge the administration to continue relentless efforts to convince the Democratic Republic of Vietnam—North Vietnam—and the Provisional Revolutionary Government of South Vietnam—Vietcong—to comply with the provisions of article 8 (a) and (b) of the Paris Peace Accord of January 27, 1973. When the President of the United States determines that all reasonable actions have been taken to account for such members, the President must report such determination in writing to the Congress.

Mr. President, I fully realize that the Defense Department probably will not recommend approval of this legislative measure. However, it is clear that our Government is convinced that the Communists could provide considerable information about Americans who are missing or prisoners. These missing also include as many as 20 newsmen from seven different countries. Our Government and the world know that the Communists have information about our men, as stated in official reports, either through photographs, newspaper articles, interviews, foreign broadcasts, observed captures, and other sources.

Consequently, it is very difficult for MIA/POW wives and families and many faithful Americans to accept the current procedures to declare some of our brave men as presumed dead when there is definitely encouraging hope. However, it is also realized, according to my understanding of defense procedures, that a presumptive finding to change the status will not be issued when there is hopeful information available. Nevertheless, I believe our Government is premature in implementing sections 555 and 556 of title 37, as pertains to Southeast Asia, in such great haste.

Mr. President, my bill may not be the only solution to this tragic issue. However, I am convinced that the Congress must devote greater and more serious attention to this law, as it applies to Southeast Asia, and revise it accordingly. Many MIA families have contacted me. They have urged that status changes be stopped until accounting procedures have been proven to be exhausted and a satisfactory new law which will completely protect the rights and individual liberties of each POW and MIA has been enacted to replace or modify sections 555 and 556, chapter 10, title 37 of the United States Code.

Mr. President, this is the objective to my bill. I sincerely urge my distinguished colleagues to give this bill serious and favorable attention.

Mr. President, I request that this bill be appropriately referred and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 624

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding the provisions of sections 555 and 556 of title 37, United States Code, no change in the status of any member of the uniformed services who, on the date of enactment of this Act, is in a missing status as a result of his performance of service in Southeast Asia may be made by the Secretary concerned until—

(1) the Democratic Republic of Vietnam (North Vietnam) and the Provisional Revolutionary Government of South Vietnam have fully complied with the provisions of article 8(a) and (b) of the Paris Peace Accord of January 27, 1973, and

(2) the President of the United States (A) has determined that all reasonable actions have been taken to account for such members, and (B) has reported such determination to the Congress in writing.

(b) As used in subsection (a), the terms "uniformed services", "missing status", and "Secretary concerned" shall have the same meaning ascribed to such terms in chapter 10 of title 37, United States Code.

SEC. 2. The Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives shall each conduct a study of sections 555 and 556 of title 37, United States Code, with a view to determining whether such sections should be amended or repealed. Each such committee shall report the results of its study to the appropriate House of Congress not later than one hundred and eighty days after the date of enactment of this Act together with such recommendaions for legislation as such committee deems appropriate.

By Mr. KENNEDY (for himself, Mr. WILLIAMS, Mr. JAVITS, and Mr. SCHWEIKER):

S. 625. A bill to establish an Emergency Health Benefits Program for the Unemployed. Referred to the Committee on Labor and Public Welfare.

EMERGENCY UNEMPLOYMENT HEALTH BENEFITS ACT OF 1975

Mr. KENNEDY. Mr. President, our Nation is faced with a grave national emergency. We are in the grip of an economic crisis that has left more than 7½ million workers unemployed. And next month, and the next, and the next the Ford administration predicts it will get worse.

More Americans will lose their jobs. Their families will scrimp and scrape to pay their rent—to pay their electric bill—and to put food on the table. The unemployment compensation for the average person is $68 a week. You can hardly live on $68 a week—yet, millions of Americans are standing in lines for hours to collect it—because it is all they have—it is all that stands between them and nothing—because this Nation cannot give them work.

Nor does the crisis end there. More and more unemployed are returning from the unemployment lines only to find their son has broken his arm—or someone is sick—and they have no health insurance. When you lose your job and your paycheck in America, you also lose your health insurance. Within 30, 60, or at most 90 days, the employer stops paying your premium and the insurance company cuts off your policy. It makes no sense at all—but it is true. Just when you can least afford medical bills—you lose all insurance protection—and you pay every cent of every doctor bill out of your own pocket.

And if someone in your family needs to go to the hospital, it may cost every cent you have in the world.

Of course, you can buy health insurance for yourself when you are laid off. That is, you can if you can afford to pay at least $40 a month. That is 15 percent of the average unemployment benefit. In fact, by the time the rent and utilities are paid and you return from the food market—there is simply nothing left. So, according to one estimate as many as 75 percent of workers who have been unemployed more than 30 days have no health insurance at all.

Families without insurance and short on money put off going to the doctor as long as possible, and their health gets worse in the meantime. It makes no sense at all to saddle the unemployed with this added handicap. It makes no sense to compound the tragedy of being laid off with the tragedy of poor health or ruinous doctor bills.

Any thoughtful person would think that if insurance ever covered you, it would cover you when you are down and out, and unemployed. But in fact—that is just when you lose it. That is what we are doing to millions of families in America today—and I believe it amounts to a national emergency.

It need not have been this way. For 5 years, this Congress has talked about national health insurance—about making health care a right for all Americans. But we have done nothing—and now, even if we were to start hearings tomorrow, it will take 3 to 4 years to pass a bill and set up the program. Indeed, if the Ford administration has its way, we will not even start this year—and the administration says it will not even send the Congress a proposal for national health insurance until 1976.

We cannot wait that long. We must start to work immediately on national health insurance. And we must also, as quickly as possible, extend emergency health insurance to our unemployed.

During recent months this Congress has passed several emergency measures to extend unemployment compensation, and to make millions of additional Americans eligible for unemployment compensation. As a result, more than 95 percent of our workforce are assured at least meager unemployment benefits for 26–52 weeks. But only a handful of our workers are assured health insurance beyond 30 days.

That is why I am today introducing the Emergency Unemployment Health Benefits Act. Under this act, until June 30, 1976, the Federal Government will pay the premium to continue health insurance of any unemployed worker receiving unemployment benefits who is not covered by a spouse's or parent's health policy. The employer will not pay, the unemployed worker cannot pay; and without payment—the insurance company will cut you off. And so, I believe the Federal Government must pay. We estimate over 8 million unemployed and their families, a total of nearly 25 million Americans, will benefit from the program during the course of the program. It is the only way we can rescue the unemployed from the insane insurance system we have in this country—and protect them from being ruined by doctor bills.

The fact is, by passing this bill, we will be rescuing more than the worker. We are also rescuing the hospitals, the clinics, the health maintenance organizations, and the doctors. The fact is, many hospital and doctor fees have gotten so high that the average family cannot pay them without insurance. The money just is not there. As more and more unemployed show up for treatment—with no insurance—the hospital either has to turn them away, or write it off to bad debts.

Tragically far too many are turned away. But it is also tragic when great hospitals are brought to the verge of bankruptcy because they cannot collect their bills. America's hospitals and clinics will face a crisis of bad debts in the months ahead. They will feel growing pressure to turn people away, or cut the quality of their services—unless they can be paid.

By making sure the unemployed worker and his family have health insurance, the emergency health benefits program will help avert this crisis, and preserve the quality of American hospitals.

Only the Federal Government can do this job. State treasuries are being emptied by the falling revenues and rising welfare and medicaid costs that result from unemployment. It would be ridiculous to ask them to bear the burden of this program. Moreover, this is not a welfare or medicaid program. To qualify for those programs, a family must be all but impoverished. Meager as they are, unemployment benefits are high enough to disqualify most unemployed workers for medicaid. Nor should the unemployed have to become impoverished to have health insurance.

The program that I am introducing today with Senators WILLIAMS, JAVITS, and SCHWEIKER will continue an unemployed workers health insurance as a form of unemployment benefit during the national emergency we now face.

The program established by this bill is a simple one. It provides funds for the Secretary of Labor to make payments to health insurance carriers, or employers or health and welfare trusts, which agree to continue employment-based health insurance for unemployed individuals.

The provisions of the bill are straightforward.

First, the bill provides health insurance benefits for each individual who is entitled to receive compensation under any Federal or State unemployment program, including the special unemployment assistance program.

Second, the bill provides that the individual and his family receive the same type and scope of benefits they would have received had the worker continued to be employed.

Third, the bill requires the Secretary of Labor to make arrangements to pay insurance carriers—and when appropriate, employers or health and welfare trusts—to continue the unemployed worker's health insurance, plus a reasonable additional amount for administrative costs.

Fourth, arrangements would be made for State unemployment compensation agencies to certify individuals as eligible for the health insurance benefits program. The Secretary of Labor would reimburse the States for their costs.

Fifth, to minimize the costs, the bill would require unemployed workers whose spouse or parent is employed, to enroll wherever possible in health insurance benefits through their employment-based health insurance program, and receive their health insurance coverage there rather than under this Federal program.

Sixth, the bill is a new title of the Emergency Jobs and Unemployment Assistance Act of 1975. The program is to expire on June 30, 1976. Such sums as may be necessary are authorized to be appropriated from general revenues to support the program.

We estimate the cost of the program to be between $1 and $1.5 billion assuming an unemployment rate of 8 percent.

This is a stop-gap emergency program; it is not national health insurance, and it bears no resemblance to the Health Security Act that I have long advocated in the Senate. Indeed, if that bill had been enacted previously, an emergency program would not be necessary at this time.

But the Nation does not now have a health security program. So we are faced with the emergency of millions of unemployed workers without health insurance. We are forced to act to shore up the existing system, and the bill I am introducing today simply pays premiums.

It does not assure comprehensive coverage;

It does not cover every American, or even every unemployed worker;

It does nothing to restrain the inflationary practices of hospitals and other providers;

It does nothing to assure health services are actually available in every community;

It does nothing to assure the quality of health care.

Indeed, this bill simply pays the premiums of the unemployed for the same insurance they had when they were working. I am hopeful we will be able to correct many of the inequities and shortcomings in this approach during committee deliberations.

But there is an emergency. We are forced to act and act quickly. In such situation we cannot remedy the faults of the present health insurance and health care system. We must simply utilize the existing system as best we can. Indeed, we must depend on the Nation's employers, insurance companies, and health care providers to help make this emergency measure work. It may require them to do extra work, to take extra risks—but I am hopeful that they will pitch in to meet this emergency.

I urge my colleagues to join me in supporting this legislation. I further urge you to join me in working for a program of comprehensive national health insurance that makes health care a right for all Americans, such as the Health Security Act of 1975.

Only by passing such a national health insurance program can we insure that stop-gap emergency programs of this type will not be necessary in the future to fix our troubled health insurance system.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 625

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Unemployment Health Benefits Act of 1975."

SEC. 2. The Emergency Jobs and Unemployment Assistance Act of 1974 is amended by adding at the end thereof the following new title:

"TITLE IV—EMERGENCY HEALTH BENEFITS PROGRAM

"ELIGIBILITY FOR HEALTH INSURANCE BENEFITS

"SEC. 401. (a) It is the purpose of the title to provide—

"(1) to each individual who—

"(A) is unemployed and is entitled to receive weekly compensation under a State or Federal unemployment compensation law (including the special unemployment assistance program established by title II of this Act), and

"(B) would, if his employment by his previous employer had not been discontinued, be covered under an employer sponsored health insurance plan, and

"(2) to each dependent spouse (as defined in regulations of the Secretary) and to each dependent child (as defined in such regulations) of an individual described in clause (1),

health insurance benefits of the type and scope which would have been provided to such individual (or to such dependent spouse or dependent child) under the health insurance plan referred to in clause (1)(B), if the individual described in clause (1) were still employed by his previous employer.

"(b) For purposes of subsection (a) an individual is "unemployed" for any week if, for such week, such individual is entitled (or would, except for illness or disease, be entitled) to receive compensation under a State or Federal unemployment compensation law. The Secretary may, in order to facilitate the administration of this title, provide by regulation that an individual will, for purposes of subsection (a), be deemed to be unemployed for all of the weeks in any period of weeks (not in excess of 6 weeks) if such individual is for one or more of the weeks in such period 'unemployed' within the meaning of the preceding sentence.

"(c) No health insurance benefits shall be provided under this title to any person—

"(1) during any period for which he is covered (without regard to the provisions of this title), or has the opportunity to obtain (by reason of action on his part or on the part of any member of his family) coverage, under any employer sponsored health insurance plan, or

"(2) who would have received benefits under an employer sponsored health insurance plan which provided health benefits to formerly employed persons which plan was in effect on February 7, 1975.

"SEC. . Arrangements with carriers and State agencies

"SEC. 402. In carrying out the purpose of this title, the Secretary shall (whenever he is able to do so)—

"(a) enter into arrangements with the carriers (and in appropriate cases with employers or employee welfare benefit plans (as defined in section 3(1) of the Employee Retirement Income Security Act of 1974)) whereby individuals covered for benefits under this title will be provided such benefits under the particular health insurance plan by which such individuals were covered while employed by their previous employer and there will be paid to such carriers (or, in appropriate cases, to such employer or employee welfare benefit plan) amounts equal to the premiums or other charges prescribed for such benefits plus any additional administrative expenses reasonable incurred by the carrier (or by the employer or health and welfare trust) in securing such benefits under the arrangement, and

"(b) enter into agreements with the State agency of each State under which such agency will be utilized by him for the purpose of making determinations, in the case of individuals in the State, of eligibility of such individuals for the health insurance benefits provided by this title, and for the purpose of making payments to carriers (and employers or employee welfare benefits plans) through whom such benefits are secured for individuals in such State; and any such agreement shall provide that the Secretary will pay to each State agency which is a party thereto amounts equal to the administrative and other expenses reasonably incurred by such State agency which is a party thereto amounts equal to the administrative and other expenses reasonably incurred by such State agency in performing the functions specified in the agreement.

"SEC. 403. Definitions.

"SEC. 403. As used in this title:

"(a) the term 'Secretary' means the Secretary of Labor;

"(b) the term 'employer sponsored health insurance plan' means a health insurance plan which covers some or all of the employees of an employer and the premiums for which are paid or collected wholly or in part by the employer;

"(c) the term 'health insurance plan' means an insurance policy, contract, or other arrangement under which a carrier undertakes in consideration of premiums or other periodic payments, to provide, pay for, or reimburse the costs of, health services received by individuals covered by the plan;

"(d) the term 'carrier' means a voluntary association, corporation, partnership, or other nongovernmental organization which is engaged in providing, paying for, or reimbursing the cost of, health services under group insurance policies or contracts, medical or hospital service agreements, membership or subscription contracts, medical or hospital service agreements, membership or subscription contracts, or similar group arrangements, in consideration of premiums or other periodic charges payable to the carrier;

"(e) the term 'employer' shall have the meaning given such term in the applicable State or Federal unemployment compensation law described in section 401(a)(1)(A); and

"(f) the term 'State agency' means the agency of a State which administers the unemployment compensation law of that State, approved by the Secretary under section 3304 of the Internal Revenue Code of 1954.

"TERMINATION DATE

"SEC. 404. Notwithstanding any other provisions of this title, no health insurance benefits may be provided under this title with respect to any week ending after June 30, 1976.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 405. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

Mr. WILLIAMS. Mr. President, each one of us knows how deeply the economic crisis has penetrated the fabric of our society. Disheartening recession, painful inflation, and a critical shortage of energy are all woven together into a heavy blanket, and it is smothering us. The result is that we are choking from a massive lack of jobs.

Our national unemployment tragedy has many faces: The faces of breadwinners in line at the unemployment office or waiting to buy food stamps, the faces of young children going to bed hungry to save on groceries, the dejected look of the older children who are dropping out of college or vocational school because they are unable to afford it anymore and unable to borrow money to get a Federal grant and unable to find a job.

But the most horror stricken face of all is the face of the unemployed worker whose family becomes ill or is sick himself, suddenly realizing that because he has no more job, he has no more health insurance. What does a family do when its savings have been wiped out to pay the rent or the electric bill or to buy food and necessary clothing? Who is going to pay the doctor or put down the deposit for the hospital room?

Mr. President, most Americans have health benefits coverage through their employment. If they are laid off or lose their jobs permanently, their eligibility for coverage usually ends within 30 days. If they are not quickly reemployed, they must go without insurance coverage or they must pay for it themselves at exorbitant individual rates. In my own State of New Jersey, where the unemployment compensation benefits pay a weekly maximum of $90, this is an intolerable, if not impossible burden.

The jobless rate in New Jersey alone is 10.3 percent. And on a nationwide basis, it is estimated that with our current 8.2-percent unemployment rate more than 3 million workers with prior health insurance coverage are in immediate jeopardy of losing these benefits.

All of this points to the fact that our current unemployment emergency is being compounded by a health care emergency.

Just last week, at the briefings on the HEW budget, this very problem was raised with departmental officials. One spokesman said that the problem was under study, but there was no proposal to make yet. Another official said that it really was not a problem at all. He said that the unemployed already have access to health care programs; when their unemployment benefits run out, they can go on public assistance and then they will qualify for medicaid.

Well, I do not think we should wait for these studies. Nor can we say to millions of unemployed Americans that they have to go on welfare before they can qualify for the medicaid program—a program which the administration itself wants to cut back.

We need action now.

And that is why today I am joining with Senators KENNEDY, JAVITS, and SCHWEIKER in introducing the Emergency Unemployment Health Benefits Act.

The purpose of this proposal is to continue basic health benefits coverage for unemployed workers and their families as though they were still employed. This coverage is to be provided in the same manner and to the same extent as when these persons had jobs. Specifically:

In order to be eligible, a person:

First, must be eligible for unemployment compensation benefits;

Second, must have been eligible for health benefits coverage; and

Third, must not be eligible for health insurance as a result of prior employment or coverage through a spouse or other family member.

A person—and any of his dependents who were covered under the health benefits program—would be eligible for coverage as when employed, regardless of medical and surgical benefits.

Coverage would be provided through the health benefits program under which the person was covered during his last employment.

An employer or health and welfare trust would be required to certify that the person was covered, the extent of the coverage, the cost of the coverage, the date of termination of coverage, and the name and address of the health benefits program.

The employer or health and welfare trust would be advised by State unemployment insurance offices of the initial eligibility and termination of eligibility of the employee.

Payment of premiums for unemployed workers would be made to the employer, the health and welfare trust or to a carrier designated by the payee.

The emergency program would extend until June 30, 1976.

If our nationwide unemployment rate reaches as high as 9 percent—a dreadful but possible prospect—it is assumed that the costs of this measure could be $1.75 billion. This figure is based on the assumption that at a 9-percent jobless level, there would be 3.5 million eligible workers who had previous health benefits coverage at an average premium cost of $500 per year. While this appears to be a substantial sum, it is certainly a small price to pay to guard against the economic and human suffering which would otherwise occur.

Mr. President, this is a very straightforward proposal. It is designed to meet a desperate situation—a situation which is not an imaginary picture of the future, but one which is having a broad brush effect right now. At a time when a national health care system is a crying need, the administration's 1976 budget cuts 20 percent out of existing health services programs. They suggested that the States and insurance carriers would pick up the difference. Yet, we know that this is unrealistic, especially since so many will be losing their benefits if this legislation is not enacted.

I must, of course, emphasize that this is not a permanent solution. It is an attempt to fill a void over the short run until we finally develop a mechanism which will assure that this kind of emergency never happens again. A permanent national health insurance system is the only long term answer.

This is not a complex system which will take too long to implement before it has an immediate impact. We will use the existing system of the unemployment insurance program, employers, private insurance carriers, and health and welfare trust funds so that the long delays of developing a new mechanism will not occur.

Mr. President, I cannot emphasize enough the vital importance of this program. The lives of hundreds of thousands of families will be affected. We no longer have the luxury of time to act on this measure, and as chairman of the Labor and Public Welfare Committee, I intend to move on this bill within the month. The health of the American people is our most precious commodity; it cannot be bartered for any price.

Mr. JAVITS. Mr. President I am joining today, as ranking minority member of the Labor and Public Welfare Committee, in introducing—with the chairman of the committee, Senator WILLIAMS, and the chairman, Senator KENNEDY, and ranking minority member, Senator SCHWEIKER, of its Health Subcommittee—the Emergency Unemployment Health Benefits Act.

Our bill is an emergency stopgap measure designed to protect the health of millions of unemployed American workers—men and women—who, through no fault of their own are being laid off due to the current economic crisis. Not only will these Americans be without a job, but at the same time they will be without any protection for the health care needs of themselves and their loved ones. Unemployment benefits leave no room to afford the cost of purchasing health insurance protection.

This measure is not intended to be a substitute for America's need for comprehensive national health insurance, nor is it intended to remedy any inequities or inadequacies in our existing health care system. Rather, it is a humanitarian legislative response to a tragic economic emergency and one which assures millions of Americans a form of health insurance protection if they are the unfortunate victims of illness, injury, or disease.

While the benefits of two measures I sponsored last December which were enacted into law—the Emergency Jobs and Unemployment Assistance Act and the Emergency Unemployment Insurance Act—provide some measure of security for the 7.5 million workers currently unemployed, they are not the entire answer. Unemployment insurance benefits, on the average, replace between 50 and 60 percent of the unemployed workers' lost wages. While this may serve to help keep a roof over his head and help to feed and clothe his family, it does not take into account the critical need for health insurance protection which the unemployed worker finds he cannot maintain when he cannot obtain gainful employment.

The lack of financial resources to purchase health insurance protection leaves the unemployed American workers and their families only one unacceptable alternative—delay or denial of necessary medical care.

Thus, the health condition worsens, as when an upper respiratory infection becomes life-threatening pneumonia. Now the treatment is substantially more expensive and this bankrupting financial burden is cast upon the already financially overburdened State treasury, as the unemployed ill person enters for the first time the medicaid system.

To meet this problem our bill would establish an emergency program to continue the health benefits coverage of those persons who are unemployed and eligible for unemployment insurance benefits. It would continue basic health benefits coverage of nearly 8 million unemployed workers, and their families, despite their unemployment, as though they were still employed. Thus, approximately 25 million Americans will be benefitted during the life of this program. Such coverage is to be provided in the same manner and to the same extent as when the unemployed person was gainfully employed.

The bill provides:

First, in order to be eligible a person: Must be eligible for unemployment insurance benefits under any Federal or State unemployment program including the special unemployment assistance program; must have been eligible for health benefits coverage; and must not be eligible for health insurance as a result of prior employment or coverage through a spouse or other family member.

Second, a person—and any of his dependents who were covered under the health benefits program—would be eligible for coverage as when employed, regardless of the source of payment, for hospital, medical, and surgical benefits.

Third, coverage would be provided through the health benefits program under which the person was covered during his last employment.

Fourth, an employer or health and welfare trust would be required to certify that the person was covered, the extent of the coverage, the cost of the coverage, the date of termination of coverage, and the name and address of the health benefits program.

Fifth, the employer or health and welfare trust would be advised by unemployment insurance offices of the initial eligibility and termination of eligibility of the employee.

Sixth, payment of premiums for unemployed workers would be made to the employer, the health and welfare trust or to a carrier designated by the payee.

Seventh, the emergency program would be for 1 year and there would be authorized such sums as may be necessary.

The preliminary estimates of the cost of the bill—$1.5 billion—assume an annual average premium cost of about $500 for the approximately 3 million eligible unemployed workers—at any one time—with an assumed average 8 percent unemployment rate for the life of the bill.

This is a substantial Federal expenditure, but I prefer to consider it a humanitarian investment in the health care of America's unfortunate victims of the present economic crisis.

There are imperfections and inequities in this emergency bill, and a variety of other alternatives for offering health care to the unemployed have been considered. However, I believe this bill is the best emergency program that can be passed promptly by the Congress.

I intend to continue to work for the enactment of a comprehensive national health insurance scheme which would avoid such future emergencies.

Mr. SCHWEIKER. Mr. President, today we are being told that the rate of unemployment in this Nation continues to climb up to 8.2 percent. Further, I am afraid that they signal that the situation will get worse long before it gets any better. Obviously, our economic dilemma is a nightmare for those Americans who daily join the ranks of the unemployed. Families must turn to unemployment compensation, food stamps, social services, and any other source of support and comfort during this difficult period. Thousands of American workers every day are faced with a bitter choice; as a result of their unemployment, lose their eligibility for health insurance coverage or pay for it themselves at exorbitant individual rates.

Mr. President, I am talking about the 9 million unemployed workers who, with their families, face the terrible risk of not being able to pay for needed medical services. It is my understanding that in the last year alone nearly 2 million workers lost their hospitalization coverage. This situation, the result of the current economic crisis, dictates that we take emergency steps, and that means continuing health benefits coverage for unemployed workers.

Earlier this week I met with a group of unemployed auto workers from Pennsylvania, some of whom must pay close to $100 a month to retain health insurance coverage. Even with the new emergency extension of unemployment benefits, a family of four which had been making $10,000 a year might have to pay nearly one-fourth of its monthly unemployment benefits for health insurance. That is an outrage, especially considering the high cost of food, housing, and other consumer necessities with today's inflation.

I join with my colleagues on the Senate Labor and Public Welfare Committee, the distinguished chairman of the committee, Mr. WILLIAMS, the ranking Republican, Mr. JAVITS, and the chairman of the Senate Health Subcommittee, Mr. KENNEDY, in introducing a bill to extend emergency health benefits to these unemployed workers and their families. We have an emergency on our hands and this is an emergency measure. It is not a program of national health insurance, although such a program, if it were in place, would undoubtedly eliminate the need for a measure of this kind. This measure does not cover all those unemployed workers who need health insurance coverage. To be candid, I am not certain that this measure necessarily represents the best way to proceed in solving this problem. Nevertheless, despite its defects, I feel this bill is necessary so that we can move quickly to enact a program to provide some help to the unemployed.

To meet this problem, this measure establishes an emergency program to continue the health benefits coverage of those persons who are unemployed and eligible for unemployment insurance benefits. The purpose of the proposal is to continue basic health benefits coverage of workers and their families despite their unemployment as though they were still employed. The coverage is to be provided in the same manner and to the same extent as when the person was employed.

In order to be eligible under this proposal, a person must be eligible for unemployment insurance benefits, must have been enrolled in a health benefits plan before becoming unemployed, and must not be eligible for health insurance as a result of prior employment or coverage through another family member. The program would run until June 30, 1976.

Coverage would be provided through the health benefits program under which the worker was covered during his last employment. An employer or health and welfare trust would be required to certify that the person was covered, the extent of the coverage, the cost of the coverage, the date of termination of coverage, and the name and address of the health benefits program. The employer or health and welfare trust would be advised of the initial eligibility and termination of eligibility of the employee. Payment of premiums for unemployed workers would be made to the employer, the health and welfare trust, or to a designated carrier. The program would be funded through general revenue funds appropriated by the Congress.

As I mentioned earlier, this is an emergency program which cannot solve all the problems and will result in some inequities. But, it is imperative that we move quickly to come to grips with this emergency. The Labor and Public Welfare Committee will hold hearings on the bill within the next few weeks and we will have an opportunity to receive the comments and recommendations of the experts in this area as well as those who will benefit from the program. This will allow us to refine and improve the bill and quickly bring it to the Senate.

Obviously, a program of this sort is not inexpensive. At this point, the data is not precise but we can assume that this program may cost at least $1 billion and may reach $1½ billion. Nevertheless, we cannot ignore the welfare of the American workers and we must take the steps necessary to provide them some relief.

Mr. President, I am pleased to be a cosponsor of this measure and I urge my colleagues to join in our effort.

By Mr. MONDALE (for himself, Mr. JAVITS, Mr. ABOUREZK, Mr. CLARK, Mr. BROOKE, Mr. CASE, Mr. Church, Mr. Culver, Mr. Hatfield, Mr. Hathaway, Mr. Philip A. Hart, Mr. Gary W. Hart, Mr. Hollings, Mr. Humphrey, Mr. Kennedy, Mr. McGee, Mr. McGovern, Mr. Metcalf, Mr. Nelson, Mr. Pell, Mr. Randolph, Mr. Ribicoff, Mr. Schweiker, Mr. Stafford, Mr. Stevenson, and Mr. Williams):

S. 626. A bill to provide for services to children and their families, and for other purposes. Referred to the Committee on Labor and Public Welfare.

CHILD AND FAMILY SERVICES ACT OF 1975

Mr. MONDALE. Mr. President, today I am privileged to introduce with the distinguished senior Senator from New York (Mr. Javits), and Senators Abourezk, Brooke, Case, Church, Clark, Cranston, Culver, G. Hart, Philip Hart, Hatfield, Hathaway, Hollings, Humphrey, Kennedy, McGee, McGovern, Metcalf, Nelson, Pell, Randolph, Ribicoff, Schweiker, Stafford, Stevenson, and Williams, the Child and Family Services Act of 1975.

Mr. President, a companion bill is being introduced in the House of Representatives by Representative John Brademas, who chairs the House Select Subcommittee on Education and is a creative and forceful leader on this effort and many other efforts designed to improve opportunities for families and their children. Representative Brademas is joined by Representatives Orval Hansen, Patsy Mink, and Margaret Heckler as major sponsors of the companion bills and by over 80 other cosponsors.

Our bill is designed to provide financial assistance to help States and localities upgrade the quality and expand their services for children and families. This measure incorporates the fundamental principles and elements contained in both the child development provisions in S. 2007, the Economic Opportunity Amendments of 1971, which passed the Congress in 1971, and was voted by President Nixon, and in the Comprehensive Headstart Child Development and Family Services Act of 1972 which passed the Senate by a vote of 73 to 12 on June 20, 1972.

This bill is the identical bill that I introduced last year, S. 3754, on which we held hearings August 8 and 9, 1974. The only difference between the bill I introduce today, and S. 3754, is that the dates have been revised so that the planning year would begin in fiscal year 1976, rather than fiscal year 1975, and the subsequent program years would become fiscal years 1977 and 1978.

PURPOSE

Our bill seeks to help families better meet the need for quality, family-oriented, preschool programs for millions of young children whose mothers are working, or who because of inadequate resources are denied adequate health care, nutrition, or educational opportunity.

It recognizes and specifically provides that child care programs must be totally voluntary, and must build upon and strengthen the role of the family as the primary and fundamental influence on the development of the child.

It assures that parents will have the opportunity to choose among the greatest possible variety of child and family services—including prenatal care, nutrition assistance, part-day programs like Head Start, after school or full day developmental day care for children of working mothers, in-the-home tutoring, early medical screening and treatment to detect and remedy handicapping conditions, and classes for parents and prospective parents.

THE NEED

Mr. President, the need for adequate care for the millions of children whose parents are working has increased drastically in recent decades, and continues to grow. Hearings I conducted recently in my Subcommittee on Children and Youth concerning trends and pressures affecting the American families have provided a real understanding of the needs. Permit me to cite just two findings.

First, there has been a tremendous increase in the number of mothers who are working. Consider the facts:

In 1971, 43 percent of the Nation's mothers worked outside the home, compared to only 18 percent in 1948.

One out of every three mothers with preschool children is working today, compared to one out of eight in 1948.

Thirteen percent of all children—some 8.3 million—are living in single parent families, and 65 percent of these parents are working.

More than 27 million American children under the age of 18 have mothers in the work force.

Yet, there are only about 1 million spaces in licensed day care centers to serve the 6 million preschool children whose mothers work.

Some of these children are receiving adequate care while their mothers work, but many are not. Many are left in purely custodial and unlicensed day care centers, and many others are left alone to look after themselves, because that is all their parents can afford. For example, it is estimated that at least 10 percent of the elementary school children, aged 6 to 11, whose mothers work are left alone after school to look after themselves.

In addition, Mr. President, the need for adequate child care has increased since my previous bill was vetoed. Between 1970 and 1973, for example, there has been an increase of 650,000 in the number of children whose mothers are working. And since that veto, the average family's real spendable earnings have fallen about 4 or 5 percent—increasing the difficulties of working families who do not have enough money to pay for the decent child care they want for their children.

Mr. President, the current needs and the future needs for quality day care were eloquently and powerfully described by Carmen R. Maymi, Director of the Women's Bureau, of the U.S. Department of Labor, in a speech last November. At this point I want to quote several sections of that speech, and I ask unanimous consent that the entire text of her speech appear at the close of my remarks.

Ms. Maymi said, in part:

> It is pointless to argue about whether or not mothers *should* work. The fact is that more and more women *with* children are entering the work force—most of us work because of economic reasons.
>
> However, the employment of mothers is not the only reason many children need day care. Illness or death of the mother, mental or physical handicaps, emotional disturbances, poor family relationships, and poor living conditions are other factors. But the major demand for day care facilities stems from the employment of mothers outside of the home.

Ms. Maymi continued:

> There has been a steady upward trend in the number of working wives with children. Since 1960 the labor force participation of married women with husbands present and with children under 6 years has increased from 18.6 percent to 34.4 percent. The rate of labor force participation for women who were family heads, at 54 percent, was higher than that of wives, but has remained little changed for many years.

Almost 27 million children in the United States under the age of 18 had mothers who were in the labor force in March 19. About one-fourth of these children were below regular school age and required some kind of care while their mothers worked.

Since 1970, the number of children of working mothers has risen sharply by 1.2 million, while the total number of children in families has dropped by 2.2 million. These opposing trends can be attributed to the continuing long-term rise in the number of working wives, both with and without children; a declining birth rate, and an increase in the number of families headed by a woman which is due largely to a rising divorce rate.

Over 12 million children were in families where the father was either absent, unemployed, or not in the labor force. This figure is highly significant in view of the fact that in families headed by a woman, the median income in 1973 was only $6,195 if the mother worked and only $3,760 if she did not.

These figures point out that the need for child care facilities is acute now and that it will increase over the years. Latest estimates indicate that care in licensed centers and homes is available for only 905,000 of the several million children needing day care. By 1985 we expect that 6.6 million mothers, aged 20 to 44, with children under age 5 will be working or looking for work. The demand for day care facilities can be expected to increase accordingly.

> The problem is particularly severe for women heads of families who so often are poor. Of 6.8 million families headed by a woman in March 1974, 32 percent had incomes below the low-income level in 1973. The percent of female-head families with related children under 18 that were poor in 1973 was 42 percent for whites and 67 percent for blacks. Among families headed by Spanish-origin women with incomes below the low-income level in 1973 the figure was 51.4 percent. For families headed by a man the proportion was 6 percent.

Finally, let me include one more quote from Ms. Maymi:

> The child of a working mother is not the only one to benefit from good day care. The mother also gains. The welfare mother, of course, is freed to acquire training and a job. But it is a mistake to think of day care exclusively as a welfare measure. Middle class women struggling to provide their families with an adequate standard of living, can enter the work force as they see fit and women with professional and technical skills can continue to contribute their skills and talents to fill the needs of our society in health, science, business and industry, politics and other fields. Day care in fact, is a boon to women of all economic levels who want the freedom to choose for themselves their own life style and decide for themselves how they can best contribute to the well-being of their families.
>
> Society, too, benefits from a day care system that assures the careful development of future generations and at the same time makes available the skills and capabilities of a large segment of our human resources.

Mr. President, although some existing Federal programs, such as title IV of the Social Security Act, help provide day care for these children, much of it is inadequate. Dr. Edward Zigler, the dedicated and talented former Director of HEW's Office of Child Development, stated that in "many instances we are paying for service that is harmful to children."

Dr. Zigler's concerns about the quality of much of this day care was unfortunately borne out by a recent HEW audit of federally assisted day care programs in nine States. Auditors visited 607 centers and found that 425 failed to meet Federal health and safety requirements, and 243 failed to meet the minimal but essential Federal standards for staff-child ratios.

Mr. President, this lack of enforcement is an absolute disgrace with tragic and profound effects on children and families. Day care programs must provide safe, healthy, secure environments for children, and include educational opportunities. That is why many of us in Congress have fought to establish and maintain Federal standards and that is why they must be enforced. This is not just a technical point. It concerns nothing less than the future of hundreds of thousands of small children.

This lack of enforcement is a major reason why our bill emphasizes the provision of resources and services to upgrade existing programs; why it requires that the 1968 Federal interagency day care requirements shall apply to all programs funded under this act and cannot be watered down; and why we specifically reserve no less than 5 percent of the funds in this bill for the monitoring and enforcement of standards.

The need for improved and upgraded day care opportunities among families near but above the poverty line can hardly be overemphasized. There are 1 million children of working mothers in families with incomes between $4,000 and $7,000—incomes which are just a little too high to qualify for most federally assisted day care programs such as those under Head Start and title IV of the Social Security Act, and too low to afford quality day care in private programs. Indeed, as Ms. Maymi indicated, these families living in near poverty have perhaps the greatest unmet need for quality day care.

Some people would like us to believe that the day care needs of the near-poor and working parents have been adequately met by the recently enacted liberalization of income tax deductions for child care. But the facts do not support this optimism.

In response to my inquiry concerning the tax savings under this new income tax deduction, the Treasury has provided the following information:

A family of four with an income of $5,000 which spends $500 for child care would realize no tax savings;

A family of four with a $7,000 income which spends $700 for child care would realize a savings of only $77;

A family of four with a $10,000 income which spends $1,000 for child care would realize only $190 tax savings;

A family of four with an income of $18,000 and child care expenses of $1,000 would save $250 in taxes.

Mr. President, our hearings on the American families revealed a second striking trend that has paralleled the dramatic increase of working mothers. Over the past several decades, America has experienced the virtual disappearance of the extended family. Testimony showed that at the turn of the century, for example, 50 percent of the homes in Boston contained parents, their children, and at least one other adult—a grandparent, an aunt, or other relative. That figure today is about 4 percent. This is representative of the decline in extended families nationally. And this has meant a tremendous decrease in the availability of relatives to look after children when both mother and father are working.

These inadequacies in our child care system can have a lasting and detrimental effect on children. Every parent knows the importance of the first 5 years of life. We know that these beginning years are the most important for a child's growth and development. These early years are the formative years—they are the years in which permanent foundations are laid for a child's feelings of self worth, his sense of self-respect, his motivation, his initiative, and his ability to learn and achieve.

Yet, the statistics I have cited already make it clear beyond any doubt that we are not offering the support many families need; and that we have particularly neglected families and children with the greatest economic and human need.

Mr. President, today there are over 3 million preschool children whose families have incomes below the poverty level, and probably an equal number of families living in near poverty. In spite of the love and attention these children receive from their families, many are growing up without the nutrition and health care during their early years that are necessary for a child to have a real chance in American life.

These are what I call "cheated children"—children who simply do not have the access to the fundamental kinds of health, nutritional, and educational care that most Americans take for granted.

Consider, for example, just two examples of our Nation's record in the area of child health:

The United States, the richest and most powerful in history, ranks only 14th in the world in infant mortality.

A quarter of a million American children are born each year with birth defects—many of which could have been prevented.

Recent findings by the Mississippi Medicaid Commission provide another sad illustration of the magnitude of children's health needs. The Commission found 1,301 medical abnormalities in the 1,178 children it examined, including: 305 cases of multiple cavities; 97 cases of faulty vision; 217 cases of enlarged tonsils; 57 cases of hernia; 48 cases of intestinal parasites—mostly hookworms; 53 cases of poor hearing; and 32 other medical conditions requiring immediate treatment.

Many poor children—Mexican American, Indians, Eskimos, Puerto Ricans, and members of other minority groups—grow up learning English as a second language, or not at all. They are confronted with an alien language and an alien culture when they begin school, often with very little preparation.

GROWING NATIONAL AWARENESS

Mr. President, our Nation is paying far too great a cost—in both human and economic terms—for this neglect. And there is growing public awareness of these needs. Of all the individuals and organizations which have identified child care and preschool education as a top priority in recent years—and the list is simply too long to include at this point—let me cite just two examples.

The 1970 White House Conference on Children—composed of a broad cross-section of over 2,000 delegates representing every walk of life across our Nation—identified as its No. 1 priority among children's services the provision of "comprehensive family-oriented child development programs including health services, day care, and early childhood education."

Specifically, the White House Conference said:

> We recommend that the Federal Government fund comprehensive child care programs, which will be family centered, locally controlled, and universally available, with initial priority to those whose needs are greatest. These programs should provide for active participation of family members in the development and implementation of the program. These programs—including health, early childhood education and social services—should have sufficient variety to insure that families can select the options most appropriate to their needs. A major educational program should also be provided to inform the public about the elements essential for quality in child care services, about the inadequacies of custodial care, and the nature of the importance of child care services as a supplement, not a substitute, for the family as the primary agent for the child's development as a human being.

The Committee on Economic Development, which is composed of some of the Nation's most respected business leaders, in a March 1971 report, told us that—

> The most effective point at which to influence the cumulative process of education is in the early preschool years . . . there is evidence that effective preschooling gives the best return on the educational investment.

And both the Democratic and Republican Parties in their 1972 national platforms committed themselves to the support of increased funding for comprehensive day care programs for children.

The 1972 Democratic platform, stating a belief reflected in our bill that "child care is not a supplement, not a substitute for the family," called for:

> The Federal government to fund comprehensive developmental child care programs that will be family centered, locally controlled, and universally available.

The Republican 1972 platform similarly urged:

> The development of publicly or privately run, voluntary, comprehensive, quality day care services locally controlled but Federally assisted.

CHILD AND FAMILY SERVICES ACT

Mr. President, I would like to summarize at this point the key elements and principles in the legislation we are introducing today.

First, and above all, this legislation is grounded on the belief and recognition that families are the primary and most fundamental influence on children, and that child and family services programs must build upon and strengthen the role of the family. That is why our bill is designed to maximize parent control and strengthen family life. That is why the programs under this legislation are totally voluntary—available only for children whose parents request them. That is why parents whose children are served under these programs will compose at least 50 percent of the governing boards—which decide what services will be offered, which programs will be funded, and what curriculums, policies, and personnel shall be approved.

And that is why our bill provides a wide variety of services—including part-day child care such as Headstart, in-the-home services to children and their families, full-day child care, after school child care, prenatal care, medical services for new mothers to reduce the incidents of preventable birth defects, and health diagnosis and treatment programs. By a combination of these provisions—the totally voluntary nature, the parent control, and the wide variety of programs available—we are assuring that families will have the options and supports available that they find are necessary.

Second, our bill is designed to assure that any services made available are quality services. Programs funded under this act must meet the 1968 Federal interagency day care requirements, and any improvements thereto promulgated after enactment of this bill. It is not enough simply to provide mind numbing, custodial care for children while their parents work, or health and education services that are third rate, and our bill is drafted specifically to prevent that.

Third, our bill is designed to make services available to a broad range of families who need them. For that reason, services would be free for families with incomes below the lower living standard budget as determined annually by the Bureau of Labor Statistics in the Department of Labor. This is our Government's most realistic measure of the minimum amount a family needs to survive in this country. Currently, the lower living standard budget for an average family of four is $8,118. Under our bill services would be free to families of incomes up to that level, adjusted for family size, and a sliding fee schedule would begin at that point to permit families with incomes above that level to participate at fees they could afford. Sixty-five percent of the funds under this bill would be reserved for serving children from families with incomes up to the lower living standard budget, with up to 35 percent of the funds available to serve children with families with higher incomes.

Fourth, the authorizations in our bill are designed to provide for a 1-year phase-in for planning and training and then steady growth at amounts that could be efficiently and effectively absorbed. During the first year of the bill, we provide $150 million for planning, training, and technical assistance.

This unique planning year is designed to assure that money which becomes available in subsequent years can be used to its full effectiveness. In the second year of the bill, $200 million are authorized for continued planning and preparation, with $500 million available for upgrading and improving programs. The third and final year of this bill provides a $1 billion authorization for upgrading and improving services and programs.

Fifth, the bill provides heavy emphasis on training. Assistance is authorized to local programs for inservice-preservice training, for professional and paraprofessional personnel, especially family members and members of the community. We view this as one of the key elements in our effort to upgrade the kind of care available to children of working parents.

Sixth, the administrative or delivery system in this bill provides that programs would be administered through a system of State and local governmental "prime sponsors," if they meet the criteria and can administer programs effectively, efficiently and in a coordinated fashion. But I want to emphasize at this point that we do not have the final answer to the question of what delivery system is best. Our goal is to explore this question very deeply throughout the hearings and investigations of this bill. We want to develop a system that will insure parental involvement, local diversity to meet local needs, and appropriate State involvement to assure coordination and maximum use of sources available. We intend to invite testimony and views from representatives from Federal, State, and local governments, child and family service specialists, as well as other experts as we seek to discover the best allocation of administrative responsibility among the various levels of government.

Mr. President, let me emphasize one final point. This bill is designed to provide the substance necessary to achieve the national commitment called for 5 years ago. It is our best thinking, after 5 years of legislative investigation, and passage of several previous bills, about the way to best provide for the wide variety of programs and services that families need. But nothing in this bill is etched in stone.

There are profound and important questions about the authorizations in this bill; about the appropriate role of the public schools in the delivery of these services; about the role of profit-making child care programs; and about the appropriate combination of State and local governments in the delivery and administration of these services.

Clearly the economic situation in our country will and should affect the consideration of this bill. Unemployment is now at the absolutely intolerable level of more than 8 percent. Families and children are also suffering from double-digit inflation. There are, obviously, many important programs in the areas of tax relief, tax reform, public service jobs, improved unemployment compensation, and other fields that require the immediate attention of the Congress and the President.

But we believe for many reasons that child and family services should continue to rank among the highest priorities of our Nation because many children need improved services and care—either through a new or an upgraded program of health or child care or other service. These investments in the early years of life are not only the most humane actions our Nation can take—they are also one of the most cost-effective. In addition, at a time of rising unemployment the child care system should be among those programs considered for its job creation capacity, because it is one of the most labor-intensive programs we have.

Permit me also to make a couple of comments concerning the budget deficit in President Ford's budget proposal, and his statement that we cannot afford, indeed that he will veto, any new programs authorizing additional Federal funding.

I am sure that all of us, in the Nation, in the Congress, and in the administration recognize that conditions are difficult. Clearly we cannot, as individual taxpayers or as a nation, afford all the programs and services we might like. Priorities must be set. But they must be done in an equitable way.

And there are clearly areas in the President's budget proposals which must be examined closely—proposals which can be and must be reduced in order to fund higher priority programs such as the one we are introducing today.

The President says he wants no new programs. Yet his budget includes $9 billion increase for the Pentagon, a new $6 billion tax reduction for business, and not a single proposal to close tax loopholes.

I believe it is time we started looking at tax incentives as tax expenditures, and subjecting them to the same scrutiny that we subject appropriations to. Many of them, no doubt, can be justified and will be retained. But they are all expenditures of taxpayers' money, and we should examine every one of them the same way we examine appropriations.

We should question, for example, whether it is more important to our Nation to fund a program such as this, or to continue to subsidize oil companies through the oil depletion allowance at a level of $2.5 billion a year.

We must ask whether it is more important to our Nation to provide $1.2 billion a year to a program designed to strengthen families and help children, or to continue the DISC program of export subsidies to big business which costs the U.S. Treasury about $1.2 billion a year.

We must, finally, consider whether about $400 million a year would be better invested in a program like this, or by continuing the tax deferral preference on the foreign incomes of multinational corporations.

Mr. President, these are some of the questions we hope to address in our hearings. We want the advice and counsel of families, and of a wide variety of individuals and organizations experienced and knowledgeable about child care and child services from all sections of the country as we begin hearings and investigations on this bill.

We will begin joint House-Senate hearings with the Subcommittee on Children and Youth which I chair, and the Select Subcommittee on Education, chaired by Representative BRADEMAS, on February 20 and 21 in Washington. We will also hold a joint field hearing in Chicago February 24. We intend to continue hearings in March, but the specific dates have not been set.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill, a copy of the bill itself, and a copy of the press release describing the bill be printed at this point in my remarks, along with the speech by Ms. Maymi that I referred to earlier in my remarks. I believe I speak for all the sponsors of this legislation when I say that we are open, indeed anxious, to receive suggestions and recommendations about ways to strengthen and improve this bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Section 1

Title.—**Child and Family Services Act of 1975.**

Section 2

Statement of Findings and Purpose.—Finds that the family is the primary and most fundamental influence on children; that child and family services must build upon and strengthen the role of the family; that such services must be provided on a voluntary basis to children whose parents request them with priority for preschool children with the greatest economic and human need; that there is a lack of adequate child and family services; and that there is a necessity for planning and operation of programs as partnership of parents, community, state and local governments, with appropriate federal supportive assistance.

Purpose is to establish and expand child and family service programs, build upon the experience of Headstart, give special emphasis to preschool children and families with the greatest needs, provide decision making with direct parent participation through a partnership of parents, State, local and Federal government.

Section 3

Authorization of Appropriations.—Authorizes $150 million for fiscal 1976 and $200 million for FY 1977 for training, planning, and technical assistance and $500 million in FY 1977 and $1 billion in FY 1978 for program operation. Headstart would be funded under separate authority, and its funding protected by a requirement that no operational funds could be appropriated for this new program unless and until Headstart is funded at the level it received in FY 1975 or FY 1976, whichever is higher.

Forward funding is authorized.

TITLE I—CHILD AND FAMILY SERVICES PROGRAMS

Section 101

Establishes Office of Child and Family Services in HEW to assume the responsibilities of the Office of Child Development and serve as principal agency for administration of this Act; and Child and Family Services Coordinating Council with representatives from various federal agencies to assure coordination of federal programs in the field.

Section 102

Financial Assistance.—Defines puposes for which federal funds can be used: (1) planning and developing programs, including pilot programs; (2) establishing, maintaining, and operating programs, including part-day or full-day child care in the home, in group homes, or in other child care facilities; other specially designed programs such as after-school programs; family services, including in-home and in-school services; information and referral services to aid families in selecting child and family services; prenatal care; programs to meet special needs of minorities, Indians, migrants and bilingual children; food and nutrition services; diagnosis of handicaps or barriers to full participation in child and family services programs; special activities for handicapped children within regular programs; programs to extend child and family service gains, including parent participation, into the elementary schools; (3) rental, renovation, acquisition, or construction of facilities, including mobile facilities; (4) preservice and inservice training; (5) staff and administrative expenses of councils and committees required by the Act; and (6) dissemination of information to families.

Section 103

Allocation of Funds.—Reserves funds proportionately for migrant and Indian children, not less than 10% for services to handicapped children, and not less than 5% for monitoring and enforcement of standards.

Allocates the remainder among the states and within the states, 50% according to relative number of economically disadvantaged children, 25% according to relative number of children through age five, and 25% according to relative number of children of working mothers and single parents.

Allows use of up to 5% of a state's allocation for special state programs under Section 108.

Section 104

Prime Sponsors.—States, localities, combinations of localities or public and nonprofit organizations are eligible to serve as prime sponsors.

The bills current provisions establish performance criteria for prime sponsor: demonstrated interest in and capability of running comprehensive programs, including coordination of all services for children within the prime sponsorship area; assurances of non-federal share; establishment of a Child and Family Services Council (CFSC) to administer and coordinate programs.

Public or private nonprofit organizations can serve as prime sponsors with priority on governmental units. Any locality or combination of localities which submits an application meeting the performance criteria may be designated prime sponsor if the Secretary determines it has the capacity to carry out comprehensive and effective programs. The state may be designated prime sponsor for all areas where local prime sponsors do not apply or cannot meet the performance criteria, provided that the state meets the performance criteria and divides its area of jurisdiction into local service areas with local child and family services councils which approve the relevant portions of the state's plan and contracts for operation of programs within the local service areas.

The Secretary may fund directly an Indian tribe to carry out programs on a reservation. He may also fund public or private nonprofit agencies to operate migrant programs, model programs, or programs where no prime sponsor has been designated or where a designated prime sponsor is not meeting certain needs.

Directs the Secretary to designate an alternative to any prime sponsor discriminating against minority group children or economically disadvantaged children.

Provides opportunity for Governor to comment on prime sponsorship applications and provides appeal procedure for applicants who are disapproved.

The sponsors want to particularly emphasize that as the bill is considered they intend to invite the testimony of representatives of Federal, State, and local government, as well as other experts, with respect to the best allocation of responsibility among various levels of government which will insure parental involvement, local diversity to meet local needs and appropriate State involvement to assure coordination and maximum utilization of available resources.

Section 105

Child and Family Service Councils.—Sets forth composition, method of selection, and functions of councils. Half of members must be parents, selected by parents of children served by programs under the Act. The remaining members appointed by the prime sponsor in consultation with parent members, to be broadly representative of the general public, including representatives of private agencies in the prime sponsorship area operating programs of child and family services and at least one specialist in child and family services. At least one-third of the total council to be economically disadvantaged. The council selects its own chairperson.

A state prime sponsor must establish councils at the state level and for each local service area. Parent members of the state council to be selected by parent members of local councils.

Council approves goals, policies, action and procedures of prime sponsors, including planning, personnel, budgeting, funding of projects, and monitoring and evaluation.

Section 106

Child and Family Service Plans.—Requires that prime sponsor submit plan before receiving funds. Plan must: provide services only for children whose families request them; identify needs and purposes for which funds will be used; give priority to children who have not reached six years of age; reserve 65% of the funds for economically disadvantaged children, and priority thereafter to children of single parents and working mothers; provide free services for children of families below the Bureau of Labor Statistics lower living standard budget and establish a sliding fee schedule based on ability to pay for families above that income level; include to the extent feasible, children from a range of socioeconomic backgrounds; meet the special needs of minority group, migrant, and bilingual children; provide for direct parent participation in programs, including employment of parents and others from the community with opportunity for career advancement; establish procedures for approval of project applications with priority consideration for ongoing programs and applications submitted by public and private non-profit organizations; provide for coordination with other prime sponsors and with other child care and related programs in the area; provide for monitoring and evaluation to assure programs meet federal standards; where possible, supplement funds provided by this Act with assistance from other sources.

Requires that the Governor, all local education agencies, Headstart and community action agencies have the opportunity to comment on the plan.

Establishes appeal procedures if plans are disapproved.

Section 107

Project Applications.—Provides for grants from prime sponsor to public or private organizations to carry out programs under the prime sponsor plan pursuant to a project application approved by the CFSC.

The project applicant must establish a parent policy committee (PPC), composed of at least 10 members with 50% parents of children served by the project, at least one child care specialist, and other representatives of the community approved by the parent members. The PPC must participate in the development of project applications and must approve basic goals, policies, action and procedures of the applicant, including personnel, budgeting, location of center, and evaluation of projects.

The application must: provide for training and administrative expenses of the PPC; guarantee free services for economically disadvantaged children with fees according to the fee schedule for other children; assure direct participation of parents and other family members, including employment opportunities; provide for dissemination of information on the project to parents and the community; and provide opportunities for the participation of children, regardless of participation in nonpublic school programs.

Section 108

Special Grants to States.—Authorizes special grants to the states, on approval of Secretary, to establish a child and family services information program to assess goals and needs in state; to coordinate all state child care and related services; to develop and enforce state licensing codes for child care facilities; and to assist public and private agencies in acquiring or improving such facilities. A state must establish a Child and Family Services Council to receive a special grant.

Section 109

Additional Conditions for Programs Including Construction or Acquisition.—Allows federal funding for construction or acquisition only where no alternatives are practicable, and provides federal funding for alteration, remodeling, and renovation. Provides that no more than 15% of a prime sponsor's funds may be used for construction; that no more than half of that may be in the form of grants rather than loans, limited to public and private non-profit agencies, organizations, and institutions.

Section 110

Use of Public Facilities for Child and Family Service Programs.—Requires that federal government and prime sponsors make available for child and family service programs facilities they own or lease, when they are not fully utilized for their usual purposes.

Section 111

Payments.—Provides 100% federal share for planning in FY 1976, 90% federal share for fiscal 1977 and 1978, 80% for subsequent fiscal years. Provides 100% federal share for programs for migrants and Indians, and allows waiver of part of all of non-federal share where necessary to meet needs of economically disadvantaged children.

Non-federal share may be in cash or in kind. Revenues generated by fees may not be used as non-federal share but must be used by prime sponsor to expand programs.

TITLE II—STANDARDS, ENFORCEMENT, AN EVALUATION

Section 201

Federal Standards for Child Care.—Authorizes a national committee on federal standards, with one-half parent participation, to establish standards for all child care services programs funded by this or any other federal act. The 1968 Interagency Day Care Requirements would continue to apply until such standards are promulgated, and any new standards must be consistent with the 1968 Requirements.

The Secretary must submit the proposed standards for approval to the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor. No prime sponsor or project applicant is allowed to reduce services below these standards.

Section 202

Development of Uniform Code for Facilities.—Requires a committee to develop a uniform minimum code dealing with health and safety of children and applicable to all facilities funded by this Act.

Section 203

Program Monitoring and Enforcement.—Requires the Secretary through The Office of Child and Family Services, to establish an adequately trained staff to periodically monitor programs to assure compliance with the child care standards and other requirements of the Act.

Section 204

Withholding of Grants.—Provides procedure for witholding of funds to programs which have failed to comply with standards or requirements of the Act.

Section 205

Criteria With Respect to Fee Schedule.—Requires Secretary to establish criteria for adoption of the schedule based on family size and ability to pay with considerations for regional differences of the cost of living. The criteria must be submitted for approval by the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor.

Section 206

Evaluation.—Requires the Secretary to make annual evaluations and report to Congress on federal child family services activities.

TITLE III—RESEARCH AND DEMONSTRATIONS

Section 301

Research and Demonstration.—Authorizes child and family services research and requires that the Office of Child and Family Services coordinate research by federal agencies.

TITLE IV—TRAINING OF PERSONNEL FOR CHILD AND FAMILY SERVICES

Section 401

Preservice and Inservice Training.—Provides for training of personnel, including volunteers, employed in programs assisted under this Act.

Section 402

Technical Assistance and Planning.—Provides technical assistance to child and family services programs.

TITLE V—GENERAL PROVISIONS

Section 501

Definitions.—Defines terms used in the Act.

Section 502

Nutrition Services.—Requires that procedures be established to assure adequate nutrition services in programs under the Act, including use of Section 13 (special food service programs) of the School Lunch Act and the Child Nutrition Act.

Section 503

Special Provisions.—Anti-discrimination provisions, including separate provisions on sex discrimination. Requires that programs meet the minimum wage. Prohibits use of funds for constructing, operating, or maintaining facilities for sectarian instruction or religious workshop.

Section 504

Special Prohibitions and Protections.—Provides that no child may be the subject of research or experimentation without parental approval, and that no child may be forced to undergo examination or treatment if parents object. Protects legal rights and responsibilities of parents with respect to the development of their children.

Section 505

Public Information.—Requires that all applications, plans, and written material pertaining thereto be made available to the public without charge.

Section 506

Repeal or Amendment of Existing Authority and Coordination.

Section 507

Acceptance of Funds.

S. 626

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child and Family Services Act of 1975".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the family is the primary and the most fundamental influence on children;

(2) child and family service programs must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or legal guardians request such services, with a view toward offering families the options they believe are most appropriate for their particular needs;

(3) although there have been increased services for children of working mothers and single parents and although Headstart and similar programs have provided supplemental educational and other services for children, such services have not been made available to families to the extent that parents consider necessary, there are many other children whose parents are working full or part time without adequate arrangements for their children, and there are many children whose families lack sufficient resources who do not receive adequate health, nutritional, educational and other services;

(4) it is essential that the planning and operation of such programs be undertaken as a partnership of parents, community, private agencies and State and local government with appropriate supportive assistance from the Federal Government.

(b) It is the purpose of this Act to provide a variety of quality and family services in order to assist parents who request such services, with priority to those preschool children and families with the greatest economic or human needs, in a manner designed to strengthen family life and to insure decisionmaking at the community level, with direct participation of the parents of the children served and other individuals and organizations in the community interested in child and family service (making the best possible use of public and private resources), through a partnership of parents, State and local government and the Federal Government, building upon the experience and success of Headstart and other existing programs.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a) For the purpose of providing training, technical assistace, planning, and such other activities as the Secretary deems necessary and appropriate to plan for the implementation of this Act, there is authorized to be appropriated $150,000,000 for the fiscal year ending June 30, 1976, and $200,000,000 for the fiscal year ending June 30, 1977, to be allocated as prescribed in section 103.

(b) There is authorized to be appropriated $500,000,000 for the fiscal year ending June 30, 1977, and $1,000,000,000 for the fiscal year ending June 30, 1978, except that no funds are authorized to be appropriated for either fiscal year, unless funds appropriated to carry out the Project Headstart program described in section 222(a)(1) of the Economic Opportunity Act of 1964 for such years, or for any successor program are at least equal to the greater of (1) the amount appropriated to carry out such program for the fiscal year ending June 30, 1975, or (2) the amount appropriated to carry out such program for the fiscal year ending June 30, 1976. Any such amounts appropriated for a fiscal year which are not obligated at the end of such fiscal year shall remain available for obligation until expended.

FORWARD FUNDING

SEC. 4. (a) For the purpose of affording adequate notice of funding available under this Act such funding for grants, contracts, or other payments under this Act is authorized to be included in the appropriations Act for the fiscal year preceding the fiscal year for which it shall be available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

TITLE I—CHILD AND FAMILY SERVICE PROGRAMS

OFFICE OF CHILD AND FAMILY SERVICES; SPECIAL COORDINATING COUNCIL

SEC. 101. (a) The Security shall take all necessary action to coordinate child and family service programs under his jurisdiction. To this end, he shall establish and maintain within the Office of the Secretary of the Departent of Health, Education, and Welfare an Office of Child and Family Services administered by a Director appointed by the President with the advice and consent of the Senate, which office shall assume the responsibilities of the Office of Child Development and shall be the principal agency of the Department for the administration of this Act.

(b) A Child and Family Services Coordinating Council, consisting of the Director of the Office of Child and Family Services established under subsection (a) (who shall serve as chairperson), and representatives from the Federal agencies administering the Social Security Act and the Elementary and Secondary Education Act of 1965 and from the National Institute of Education, the National Institute of Mental Health, the National Institute of Child Health and Human Development, the Office of Economic Opportunity, the Department of Labor, and other appropriate agencies, shall meet on a regular basis, as they may deem necessary, in order to assure coordination of child and family service activities under their respective jurisdictions so as to assure—

(1) maximum use of available resources through the prevention of duplication of activities;

(2) a division of labor, insofar as is compatible with the purposes of each of the agencies or authorities specified in this paragraph, to assure maximum progress toward the achievement of the purposes of this Act;

(3) the establishment and maintenance of procedures to insure that each office or agency of the Federal Government conducting chld and family services and related activities is aware of the administrative actions of other offices or agencies with respect to the provision of financial assistance to eligible applicants; and

(4) recommendation of priorities for federally funded research and development activities related to the purposes of this Act.

FINANCIAL ASSISTANCE

SEC. 102. (a) The Secretary of Health, Education, and Welfare through the Office of Child and Family Services, shall provide financial assistance for carrying out child and family service programs for children and their families under this title to prime sponsors (including educational agencies) and to other public and private nonprofit agencies and organizations pursuant to applications and plans approved in accordance with the provisions of this title.

(b) Funds available for this title may be used (in accordance with approved applications and plans) for the following services and activities:

(1) planning and developing child and family service programs;

(2) establishing, maintaining, and operating child and family service programs, which may include—

(A) part-day or full-day child care programs, in the child's own home, in group homes, or in other child care facilities, which provide the educational, health, nutritional, and social services directed toward enabling children participating in the program to attain their maximum potential;

(B) other health, social, recreational, and educational programs designed to meet the special needs of children and families including before- and after-school and summer programs;

(C) family services, including in-home and in-school services, and education and consultation for parents, other family members functioning in the capacity of parents, youth, and prospective and expectant parents who request assistance in meeting the needs of their children;

(D) social services including information, consultation and referral to families that request such services to help them determine the appropriateness of child and family services and the possibility of alternative plans;

(E)(1) prenatal and other medical care including services to expectant mothers who cannot afford such services, designed to help reduce malnutrition, infant and maternal mortality, and the incidence of mental retardation and other handicapping conditions, and (ii) postpartum and other medical services to recent mothers;

(F) programs designed (i) to meet the special needs of ethnic groups, including minority groups, Indian, migrant children, and children from families with special language needs, and (ii) to meet the needs of all children to understand the history and cultural backgrounds of ethnic groups including minority groups which belong to their communities and the role of members of such groups in the history and cultural development of the nation and the region in which they reside;

(G) food and nutritional services;

(H) diagnosis, identification, and treatment of visual, hearing, speech, medical, dental, nutritional, and other physical, mental, psychological and emotional barriers to full participation in child and family service programs;

(I) special activities designed to identify and ameliorate identified physical, mental, and emotional handicaps and special learning disabilities as an incorporated part of programs conducted under this title;

(J) programs designed to extend child and family service gains (particularly parent participation) into kindergarten and early primary grades, in cooperation with local educational agencies;

(K) other such services and activities as the Secretary deems appropriate in furtherance of the purposes of the Act;

(3) rental, lease or lease-purchase, mortgage amortization payments, remodeling, renovation, alteration, acquisition and maintenance of necessary equipment and supplies, and to the extent authorized in section 109, construction or acquisition of facilities, including mobile facilities;

(4) preservice and inservice education and training for professional and paraprofessional personnel, including parents and volunteers, especially education and training for career development and advancement;

(5) staff and other administrative expenses of child and family service councils established and operated in accordance with section 105, and of parent policy committees established and operated in accordance with section 107; and

(6) dissemination of information in the functional language of those to be served to assure that parents are well informed of child and family service programs available to them and may participate in such programs.

(c) Assistance under this title shall be made only for a program which

(1) provides for establishing and maintaining a parent policy committee to be composed of parents of children served by such program, which shall directly participate in the development and operation of such program (as described in section 107),

(2) provides for the regular and frequent dissemination of information to assure that parents of children served by such program are fully informed of program activities, and

(3) provides for regular consultation with the parents of each child regarding their child or children's development, with ample opportunity for such parents to observe and participate in their children's activities.

SEC. 103. (a)(1) From the amounts available for planning and carrying out child and family service programs under this title the Secretary shall reserve the following:

(A) not less than 10 per centum of the total amount available for carrying out this title, which shall be made available for the purposes of section 102(b)(2)(I) of this title (relating to special activities for handicapped children.).

(B) not less than that proportion of the total amount available for carrying out this title as is equivalent to that proportion which the total number of children of migrant agricultural workers bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among programs serving children of migrant agricultural workers on an equitable basis;

(C) not less than that proportion of the total amount available for carrying out this title as is equivalent to that proportion which the total number of children in Indian tribal organizations bears to the total number of economically disadvantaged children in the United States, which shall be apportioned among programs serving children in Indian tribal organizations on an equitable basis;

(D) not more than 5 per centum of the total amount available for carrying out this title, which shall be made available under section 104(e)(2) of this title (relating to model programs);

(E) not less than 5 per centum of the total amount available for carrying out this title, for the purposes of section 203 of this Act (relating to monitoring and enforcement of standards).

(2) The Secretary shall allocate the remainder of the amounts available for this title, among the States and within the States among local areas, so as to provide, to the extent practicable, for the geographical distribution of such remainder in such a manner that—

(A) 50 per centum thereof shall be apportioned among the States, and within each State among local areas, in proportion to the relative number of economically disadvantaged children in each State and local area, respectively;

(B) 25 per centum thereof shall be apportioned among the States, and within each State among local areas, in proportion to the relative number of children through age five in each State and local area, respectively; and

(C) 25 per centum thereof shall be apportioned among the States, and within each State among local areas, in proportion to the relative number of children of working mothers and single parents in each State and local area, respectively.

For the purposes of clauses (A), (B), and (C) of this paragraph, there shall be excluded those children who are counted under clauses (B) and (C) of subsection (a)(1) of this section.

(b) Not more than 5 per centum of the total funds apportioned for use within a State pursuant to subsection (a)(2) may be made available for grants to the State to carry out the provisions of section 108 of this title.

(c) Any portion of any apportionment under subsection (a) for a fiscal year which the Secretary determines after notice to the States and local areas involved will not be required, for the period for which such apportionment is available, for carrying out programs under this title shall be available for reapportionment from time to time, on such dates during such period as the Secretary shall fix to other States or local areas on an equitable basis, taking into account the original apportionments to the States and local areas. Any amount reapportioned to a State or local area under this subsection during a year shall be deemed part of its apportionment under subsection (a) for such year.

(d) In determining the numbers of children for purposes of allocating and apportioning funds under this section, the Secretary shall use the most recent satisfactory data available to him.

(e) As soon as practicable after funds are appropriated to carry out this title for any fiscal year, the Secretary shall publish in the Federal Register the allocations and apportionments required by this section.

STATE AND LOCAL PRIME SPONSORS

SEC. 104. (a) In accordance with the provisions of this section, a State, locality, or combination of localities meeting the requirements of this part may be designated by the Secretary as a prime sponsor for the purpose of entering into arrangements to carry out programs under this title, upon the approval by the Secretary of an application for prime sponsorship which—

(1) describes the prime sponsorship area to be served;

(2) demonstrates the applicant's capability of administering a child and family service program meeting the requirements of this title, including the coordination of delivery of services within the prime sponsorship area of other public agencies operating programs relating to child care necessary for efficient delivery of services under this Act;

(3) provides assurances satisfactory to the Secretary that the non-Federal share requirements of the Act will be met;

(4) sets forth satisfactory provisions for establishing and maintaining a Child and Family Service Council which meets the requirements of section 105;

(5) provides that the prime sponsor shall be responsible for developing and preparing for each fiscal year a plan in accordance with section 106 and any modification thereof and for selecting or establishing an agency or agencies to administer and coordinate child and family service programs in the prime sponsorship area;

(6) sets forth arrangements under which the Child and Family Service Council will be responsible for approving child and family service plans, basic goals, policies, procedures, overall budget policies and project funding, and the selection or establishment and annual renewal of any agency or agencies under paragraph (5) of this subsection and will be responsible for annual and ongoing evaluation of child and family service programs conducted in the prime sponsorship area according to criteria established by the Secretary;

(7) provides assurances that staff and other administrative expenses for the Child and Family Service Councils and Local Program Councils and Project Policy Committees will not exceed 5 per centum of the total cost of child and family service programs administered by the prime sponsors unless such per centum limitation is increased to give special consideration to initial cost in the first operational year, in accordance with regulations which the Secretary shall prescribe;

(b) The Secretary shall approve a prime sponsorship application submitted by a locality which is a (1) city, (2) county, or (3) other unit of general local government, or by a combination of such localities, if he determines that the application so submitted meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out comprehensive and effective child and family service programs in the area of such locality. In the event that the area under the jurisdiction of a unit of general local government described in clause (1), (2), or (3) of the preceding sentence includes any common geographical area with that covered by another such unit of general local government, the Secretary shall designate to serve such area the unit of general local government which he determines has the capability of more effectively carrying out the purposes of this part with respect to such area and which has submitted an application which meets the requirements of this section and includes adequate provisions for carrying out comprehensive child care and family service programs in such area.

(c) The Secretary shall approve a prime sponsorship plan submitted by a State, except for areas with respect to which local prime sponsors are or will be otherwise designated pursuant to this section, if he determines that the plan so submitted meets the requirements of this section and sets forth adequate arrangements for serving all geographical areas under its jurisdiction, and that the plan:

(1) meets the requirements of subsection (a) of this section and includes adequate provisions for carrying out child and family services programs in each such area;

(2) divides those areas within the State for which no prime sponsor has been designated under subsection (b) of this section into local service areas, with due consideration in making such decisions being given to compactness, contiguity, and community of interest;

(3) provides:

(A) for establishing and maintaining with respect to each local service area a local program council composed so that (i) not less than half of the members who shall be chosen initially by parents who are recipients of federally assisted day care services, with equitable and appropriate consideration to parents selected by the parent members of Headstart policy committees where they exist, and at the earliest practicable times by the parent members of parent policy committees, and (ii) the remainder shall be public members broadly representative of the general public, appointed by the chief executive officers or the governing bodies, as appropriate, of the units of general local government within the local program area;

(B) that the comprehensive child care and family service plan to be submitted by the State which affects each such area is developed and prepared with the full participation and approval of the appropriate local program council; and

(C) that contracts for the operation of programs through public or private nonprofit agencies or organizations shall be entered into only if previously approved by the local program council for the appropriate local service area; and

(4) contains assurances that any local program council may appeal directly to the Secretary whenever such council alleges that with respect to its portion of the child and family service plan the State has failed to comply with the provisions of such plan or the provisions of the Act.

(d) In addition to prime sponsors designated under subsections (a), (b), and (c) of this section, the Secretary may fund directly:

(1) an Indian tribe on a Federal or State reservation if he determines that such Indian tribe has the capacity to carry out child and family service programs in the area to be served;

(2) a public or private nonprofit agency, including but not limited to an educational agency or institution, a community action agency, single-purpose Headstart agency, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, employer organization, labor union, or employee or labor-management organization, which submits a proposal:

(A) to provide child care and family services in an area possessing a commonality of interest where no prime sponsor has been designated, or where the prime sponsor is found not to be satisfactorily implementing child and family service programs;

(B) to provide child and family service programs on a year-round basis to children of migrant agricultural workers and their families; or

(C) to carry out model programs especially designed to be responsive to the needs of economically disadvantaged, minority group, or bilingual children and their families.

(e) When any prime sponsor is maintaining a pattern or practice of discrimination against minority group children or economically disadvantaged children, the Secretary shall designate for prime sponsorship an alternative unit of government of public or private agency or organization in the area which will equitably serve minority group children and economically disadvantaged children.

(f) The Governor shall be given not less than thirty nor more than sixty days to review applications for prime sponsorship designation submitted by any applicant within the State other than the State, to offer recommendations to the applicant, and to submit comments to the Secretary.

(g) A prime sponsorship application submitted under this section may be disapproved or a prior designation of a prime sponsor may be withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided (1) written notice of intention to disapprove such application, including a statement of the reasons therefor, (2) a reasonable time in which to submit corrective amendments to such application or undertake other necessary corrective action, and (3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

(h) (1) If any party is dissatisfied with the Secretary's final action under subsection (h) with respect to the disapproval of its application submitted under this section or the withdrawal of its prime sponsorship designation, such party may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such party is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(2) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

CHILD AND FAMILY SERVICE COUNCILS

SEC. 105. (a) Each prime sponsor designated under section 104 shall establish and maintain a Child and Family Service Council composed of not less than ten members as follows—

(1) not less than half the members of such Council shall be parents of children served in programs under this Act chosen in accordance with the provisions of paragraph (1) of subsection (b) of this section;

(2) the remaining members shall be appointed by the prime sponsor, in consultation with the parent members described in paragraph (1) to be broadly representative of the general public, including representatives of private agencies and organizations concerned with or operating programs relating to child and family services and at least one person who is particularly skilled by virtue of training or experience in child and family services;

(3) at least one-third of the total membership of the Child and Family Service Council shall be persons who are economically disadvantaged. Each Council shall select its own chairperson; and

(4) in establishing a Child Development and Family Service Council under this section, the prime sponsor shall give due consideration to the membership of child care and day care coordinating bodies then existing in the area to be served.

(b) In accordance with procedures which the Secretary shall establish pursuant to regulations, each prime sponsor designated under section 104 shall provide, with respect to the Child and Family Service Councils established and maintained by such prime sponsor, that—

(1) the parent members described in paragraph (1) of subsection (a) of this section shall be democratically selected by parents as follows:

(A) in the case of Councils established by prime sponsors which are States, by the parent members of local program councils established under section 104(c)(3); and

(B) in the case of Councils established by prime sponsors other than States (and by States with respect to local program councils), initially by parents who are recipients of federally assisted child care services, with equitable and appropriate consideration to parents selected by the parent members of Headstart policy committees and, at the earliest practicable time, by the parent members of parent policy commitees established under section 107(b)(2);

(2) the terms of office and any other policies and procedures of an organizational nature, including nomination and election procedures, are appropriate in accordance with the purposes of this Act;

(3) such Council shall be responsible for approving child and family service plans, basic goals, policies, procedures, overall budget policies and project funding, and the selection or establishment and annual renewal of an administering agency or agencies and will be responsible for annual and ongoing evaluation of child and family service programs according to criteria established by the Secretary; and

(4) such Council shall, upon its own initiative or upon request of a project applicant or any other party in interest, conduct public hearings before acting upon applications for financial assistance submitted by project applicants under this part.

CHILD AND FAMILY SERVICE PLANS

SEC. 106. (a) Financial assistance under this title may be provided by the Secretary for fiscal year 1976 and any subsequent fiscal year to a prime sponsor designated pursuant to section 104 only pursuant to a child and family service plan which is submitted by such prime sponsor and approved by the Secretary in accordance with the provisions of this title.

(b) Any such plan shall set forth a program for providing child and family service in the prime sponsorship area which—

(1) provides that programs or services under this title shall be provided only for children whose parents request them;

(2) identifies child and family service needs and goals within the area and describes the purposes for which the financial assistance will be used, giving equitable consideration to the needs of children from each minority group and significant segment of the economically disadvantaged residing within the prime sponsorship area;

(3) meets the needs of children and families in the prime sponsorship area, to the extent that available funds can be reasonably expected to have an effective impact, with priority for services to children who have not attained six years of age;

(4) provides that programs receiving funds under section 3(b) will give priority to providing services for economically disadvantaged children by reserving not less than 65 per centum of such funds for the purpose of serving economically disadvantaged children;

(5) gives priority thereafter to providing services to children of working mothers and single parents not covered under paragraph (4);

(6) provides that, to the extent feasible, each program within the prime sponsorship area shall include children from a range of socioeconomic backgrounds;

(7)(A) provides that no charge will be made with respect to any child who is economically disadvantaged, except to the extent that payment will be made by a third party; and

(B) provides, pursuant to criteria established in regulations promulgated by the Secretary as required by section 205, an appropriate and flexible fee schedule for children who are not economically disadvantaged, designed to permit enrollment or continued participation in the program as family income increases and based upon the size of the family, and its ability to pay, which shall provide for appropriately reduced charges for less than full day care, and shall provide that payment may be made in whole or in part by a third party in behalf of a family, with provision for waivers in cases of need.

(8) provides comprehensive services—

(A) to meet the special needs of minority group children and children of migrant agricultural workers with particular emphasis on the needs of children from bilingual families for the development of skills in English and in the other language spoken in the home, and

(B) to meet the needs of all children to understand the history and cultural background of minority groups within the prime sponsorship area;

(9) provides for direct parent participation in the conduct, overall direction, and evaluation of porgrams;

(10) provides that, insofar as possible, unemployed or low-income persons residing in communities being served by such projects will be employed therein, including in-home and part-time employment and opportunities for training and career development, provided that no person will be denied employment in any program solely on the grounds that such person fails to meet State or local teacher certification standards;

(11) includes a career development plan for paraprofessional and professional training, education, and advancement on a career ladder;

(12) provides for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and other interested persons in the community are fully informed of the actvities of the prime sponsor, Child and Family Service Council, project applicants, and parent policy committees;

(13) sets forth provisions describing any arrangements for the delegation, under the supervision of the Child and Family Service Council, to public or private agencies, institutions, or organizations, of responsibilities for the delivery of programs, services, and activities for which financial assistance is provided under this Act or for planning or evaluation services to be made available with respect to programs under this Act;

(14) provides procedures for the approval of project applications submitted in accordance with section 107, including procedures for priority consideration of applications submitted by public and private nonprofit agencies and organizations with ongoing child development programs;

(15) provides, in the case of a prime sponsor located within or adjacent to a metropolitan area, for coordination with other prime sponsors located within such metropolitan area, and arrangements for cooperative funding where appropriate, and particularly for such coordination where appropriate to meet the needs of children of parents working or participating in training or otherwise occupied during the day within a prime sponsorship area other than that in which they reside;

(16) provides for coordination of other child care and related programs (including those relating to manpower training and employment) within the prime sponsorship area with the programs assisted under this Act, including procedures and mechanisms to provide continuity between programs for preschool and elementary school children;

(17) provides for such monitoring and evaluation procedures including licensing, inspection, and enforcement activities as may be necessary to assure that programs in the prime sponsorship area funded under this Act meet the applicable Federal standards as prescribed in section 201 of this Act;

(18) provides, to the extent practicable, for the use of financial assistance and services available from State and local government, Federal sources other than those provided in this Act, and private charitable sources with respect to activities and services under the plan; and

(19) provides for such fiscal control and funding accounting procedures as the Secre-

tary may prescribe to assure proper disbursement of and accounting for Federal funds paid to the prime sponsor.

(c) No child and family service plan or modification thereof submitted by a prime sponsor under this section shall be approved by the Secretary unless he determines, in accordance with regulations which the Secretary shall prescribe, that—

(1) the educational agency for the area to be served and other appropriate educational and training agencies and institutions have had an opportunity to submit comments to the prime sponsor and to the Secretary;

(2) each community action agency or single-purpose Headstart agency in the area to be served responsible for the administration of programs under this part or under section 222(a)(1) of the Economic Opportunity Act of 1964 has had an opportunity to submit comments to the prime sponsor and to the Secretary;

(3) in the case of a plan submitted by a prime sponsor other than the State, the Governor of that State or the State Child and Family Service Council has had an opportunity to submit comments to the prime sponsor and to the Secretary.

(d) A comprehensive child and family service plan submitted under this section may be disapproved or a prior approval withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided—

(1) written notice of intention to disapprove such plan including a statement of the reasons therefor,

(2) a reasonable time to submit corrective amendments to such plan or undertake other necessary corrective action, and

(3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as of right.

PROJECT APPLICATIONS

SEC. 107. (a) Funds may be provided by the prime sponsor for carrying out any program under such prime sponsor's comprehensive child and family service plan only to a qualified public or private agency or organization, including but not limited to an educational agency or institution, a community action agency, single-purpose Headstart agency, community development corporation, parent cooperative, organization of migrant agricultural workers, organization of Indians, organization interested in child care, employer or business organization, labor union, or employee or labor management organization.

(b) Financial assistance under this title may be provided to a project applicant for any fiscal year only pursuant to a project application which is submited to the Child and Family Service Council by a public or private agency and which—

(1) describes the project, identifies the children and families it is designed to serve, and provides for the necessary such comprehensive services.

(2) provides for establishing and maintaining a parent policy committee composed of not less than ten members as follows—

(A) not less than half of the members of each such committee shall be parents of children served by such project, democratically selected by parents of children served by the project, and

(B) the remaining members of each such committee shall consist of (i) persons who are representative of the community and who are approved by the parent members, and (ii) at least one person who is particularly skilled by virtue of training or experience in child care, child health, child welfare, or other child care services, except that the Secretary may waive the requirement of this clause where he determines, in accordance with regulations that such persons are not available to the area to be served;

(3) provides for direct participation of such parent policy committee in the development and preparation of project applications under this title;

(4) assures that the parent policy committee shall have responsibility for approving basic goals, policies, actions, and procedures for the project applicant, and for planning, overall conduct, personnel, budgeting, location of centers and facilities, and direction and evaluation of projects, including approval of the project director and any project applications and modifications thereof;

(5) makes adequate provision for training and other administrative expenses of such parent policy committee (including necessary expenses to enable low-income members to participate in committee meetings);

(6) assures that services shall be provided without charge to any child who is economically disadvantaged except to the extent that payment will be made by a third party, and that charges will be made to any child who is not economically disadvantaged according to the fee schedule established pursuant to section 106(b)(7)(B);

(7) provides for the regular and frequent dissemination of information in the functional language of those to be served, to assure that parents and interested persons are fully informed of project activities;

(8) provides opportunities for the direct participation of parents, older siblings, and other family members in the daily activities of the programs in which their children are enrolled;

(9) assures, to the extent practicable, employment of paraprofessional aides and use of volunteers, especially parents, older children, students, older persons, and persons preparing for careers in child development and family service programs;

(10) assures that children will in no case be excluded from the programs operated pursuant to this title because of their participation in nonpublic preschool or school programs or because of the intention of their parents to enroll them in nonpublic schools when they attain school age;

(11) provides for such fiscal control and fund accounting procedures as the prime sponsor shall prescribe to assure proper disbursement of and accounting for Federal funds.

(c) A project application may be approved by a prime sponsor upon its determination that such application meets the requirements of this section and that the programs provided for therein will otherwise further the objectives and satisfy the appropriate provisions of the prime sponsor's comprehensive child and family service plan as approved pursuant to section 106.

(d) A project application from a public or private agency seeking funds under section 104(d) shall be submitted directly to the Secretary, and may be approved by the Secretary upon his determination that it meets the requirements of subsection (b) of this section.

(e) A prime sponsor may disapprove a project application only if it provides to the project applicant a written statement of the reasons therefor. Such project applicant may submit an appeal to the Secretary requesting the direct approval of such application or modification thereof. Any such appeal shall include such comments, including the project applicant's response to the prime sponsor's statement of reasons for disapproval, as the project applicant may deem appropriate or as the Secretary may require.

SPECIAL GRANTS TO STATES

SEC. 108. (a) Upon application submitted by any State, the Secretary is authorized to provide financial assistance for use by such State for carrying out activities for the purposes of—

(1) establishing a child and family services information program, in order to improve their quality and availability and improve the accessibility of such services to parents who need them;

(2) identifying child and family service goals and needs within the State;

(3) coordinating all State child and family services, and encouraging the cooperation and participation of State agencies in providing such services, including health, family planning, mental health, education, nutrition, and family, social and rehabilitative services where requested by appropriate prime sponsors in the development and implementation of comprehensive child and family service plans;

(4) encouraging the full use of resources and facilities for child and family service programs within the State;

(5) developing, enforcing, and assessing State codes for licensing child and family service facilities within the State;

(6) assisting public and private agencies and organizations in the acquisition or improvement of facilities for child and family service programs;

(7) assisting in the establishment of Child and Family Service Councils and strengthening the capability of such Councils to effectively plan, supervise, coordinate, monitor, and evaluate child and family service programs;

(8) developing information useful in reviewing prime sponsorship applications under section 104 and of comprehensive child and family service plans under section 106.

(b) In order to receive funds under this section, a State shall establish a Child and Family Service Council as prescribed in section 104(a).

(c) Funds received by the State under this section shall be in addition to any funds such State may receive under this title pursuant to an approved prime sponsorship application and comprehensive child and family service plan.

ADDITIONAL CONDITIONS FOR PROGRAMS INCLUDING CONSTRUCTION OF ACQUISITION

SEC. 109. (a) Applications for financial assistance for projects including construction or acquisition may be approved only if the prime sponsor, or the Secretary in cases of applications submitted for his approval, determines that construction or acquisition of such facilities is essential to the provision of adequate child care services, and that rental, lease, or lease-purchase, remodeling, or renovation of adequate facilities is not practicable.

(b) If any facility assisted under this title shall cease to be used for the purposes for which it was constructed, the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds unless the Secretary determines in accordance with regulations that there is good cause for releasing the applicant or other owner from the obligation to do so. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

(c) All laborers and mechanics employed by contractors or subcontractors on all construction, remodeling, renovation, or alteration projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C 276a–276a–5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(d) In the case of loans for construction, the Secretary shall prescribe the interest rate and the period within which such loan shall be repaid, but such interest rate shall not be less than 3 per centum per annum and the period within which such loan is to be repaid shall not be more than twenty-five years.

(e) The Federal assistance for construction, remodeling, renovation, alteration, or acquisition of facilities, may be in the form of grants or loans. Repayment of loans shall, to the extent required by the Secretary, be returned to the prime sponsor from whose financial assistance the loan was made, or used for additional loans or grants under this title. Not more than 15 per centum of the total financial assistance provided to a prime sponsor under this title shall be used for construction of facilities, with no more than 7½ per centum of such assistance usable for grants for construction. Financial assistance for construction or acquisition of facilities pursuant to this Act shall be available only to public and private nonprofit agencies, institutions, and organizations.

USE OF PUBLIC FACILITIES FOR CHILD AND FAMILY SERVICE PROGRAMS

SEC. 110. (a) The Secretary, after consultation with other appropriate officials of the Federal Government, shall within eighteen months after enactment of this Act report to the Congress with respect to the extent to which facilities owned or leased by Federal departments, agencies, and independent authorities could be made available to public and private agencies and organizations, through appropriate arangements, for use as facilities for child and family service programs under this title during times and periods when not utilized fully for their usual purposes, together with his recommendations (including recommendations for changes in legislation) or proposed actions for such use.

(b) The Secretary may require, as a condition to the receipt of assistance under this title, that any prime sponsor under this title agree to conduct a review and provide the Secretary with a report as to the extent to which facilities owned or leased by such prime sponsor, or by other agencies in the prime sponsorship area, could be made available, through appropriate arrangements, for use as facilities for child and family service programs under this title during times and periods when not utilized fully for their usual purposes, together with the prime sponsor's proposed actions for such use.

PAYMENTS

SEC. 111. (a) In accordance with this section, the Secretary shall pay from the applicable allocation or apportionment under section 103 the Federal share of the costs of programs, services, and activities, in accordance with plans or applications which have been approved as provided in this title. In making such payment to any prime sponsor, the Secretary shall include in such costs an amount for staff and other administrative expenses for the Child and Family Service Councils and for parent policy committees, consistent with limitations contained in this title.

(b) The Secretary shall pay from funds appropriated under section 3(a) for fiscal year 1976 an amount equal to 100 per centum of the cost of planning, training, and technical assistance.

(1) Except as provided in paragraphs (2) and (3) of this subsection, the Secretary shall pay from funds appropriated under section 3(b) for fiscal year 1977 an amount not in excess of 90 per centum and from funds appropriated under section 3(b) for fiscal year 1978 and subsequent years an amount not to exceed 80 per centum of the cost of carrying out programs, services, and activities under this title. The Secretary may, in accordance with such regulations as he shall prescribe, approve assistance in excess of such percentage if he determines that such action is required to provide adequately for the child and family service needs of economically disadvantaged children.

(2) The Secretary shall pay an amount equal to 100 per centum of the costs of providing child and family service programs for children of migrant agricultural workers under this title.

(3) The Secretary shall pay an amount equal to 100 per centum of the costs of providing child and family service programs for children in Indian tribal organizations under this title.

(c) The non-Federal share of the costs of programs assisted under this title may be provided through public or private funds and may be in the form of cash, goods, services, or facilities (or portions thereof that are used for program purposes), reasonably evaluated, or union or employer contributions. Fees collected for services shall not be used for the non-Federal share, but shall be used by the prime sponsor to improve and expand programs under the comprehensive child development and family service plan.

(d) If, with respect to any fiscal year, a prime sponsor or project applicant provides non-Federal contributions or any program, service, or activity exceeding its requirements, such excess may be applied toward meeting the requirements, for such contributions for the subsequent fiscal year under this title.

(e) No State or unit of general local government shall reduce its expenditures for child development or child care programs by reason of assistance under this title.

TITLE II—STANDARDS, ENFORCEMENT, AND EVALUATION

FEDERAL STANDARDS FOR CHILD CARE

SEC. 201. (a)(1) Within six months after the enactment of this Act, the Secretary may, after consultation with other Federal agencies and with the approval of the committee established pursuant to subsection (d) of this section, promulgate a common set of program standards which shall be applicable to all programs providing child care services under this or any other Federal Act, to be known as the Federal Standards for Child Care. If the Secretary disapproves the committee's recommendations, he shall state the reasons therefor.

(2) Such standards shall replace but shall be consistent with the Federal Interagency Day Care Requirements as approved by the Department of Health, Education, and Welfare, the Office of Economic Opportunity, and the Department of Labor on September 23, 1968. The 1968 requirements will continue to apply to all applicable programs until program standards authorized by subsection (a) are in effect.

(3) Not less than sixty days prior to implementation of program standards pursuant to subsection (a) of this section, the Secretary shall submit such proposed program standards to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives. Upon majority vote of either Committee within such sixty days disapproving such proposed program standards, such standards shall not take effect.

(b) The Secretary shall establish policies and procedures, in accordance with regulations which he shall prescribe, to assure that all programs and projects assisted under this Act address, on a continuing basis, the individual need of and the appropriateness of child and family service for very young children served—

(1) any program or project providing care outside the home for very young children shall be reviewed and evaluated periodically and frequently by the Secretary, to insure that it meets the highest standards of quality; and the Secretary may reserve such funds as he deems necessary from funds available under this Act for the purpose of evaluation, by appropriate persons, of programs under this Act in order to insure compliance with subsections (a) and (b) of this section.

(2) no program or project described in clause (1) of this subsection shall be approved for assistance under this Act unless it is specifically authorized and approved by the Secretary.

(c)(1) Upon determination that a prime sponsor or project is in violation of one or more of the provisions of this section, the Secretary shall give immediate public notice of such determination to such prime sponsor or project and, if such violation or violations have not been corrected, shall commence action within ninety days of such determination to withhold funds under section 204.

(2) Upon determination that a project is in violation of one or more of the provisions of this section, the prime sponsor shall give immediate notice of such determination to such project and, if such violation or violations have not been corrected, shall commence action within ninety days of such determination to withhold funds under section 204.

(d) The Secretary shall, within sixty days after enactment of this Act, appoint a Special Committee on Federal Standards for Child Care, which shall include parents of children enrolled in Headstart and child care programs, representatives of public and private agencies and organizations administering such programs, specialists, and other public and private providers of child and family services, individuals engaged in licensing activities, and others interested in services for children. Not less than one-half of the membership of the committee shall consist of parents of children participating in programs conducted under title I of this Act and section 222(a) of the Economic Opportunity Act of 1964 and title IV-A of the Social Security Act, or other public programs providing child and family services. Such committee shall participate in the development of Federal Standards for Child Care and modifications thereof as provided in subsection (a).

(e) In no event shall any prime sponsor or program or project receiving assistance under this Act reduce the quality of services provided under this Act below the standards established in this section.

DEVELOPMENT OF UNIFORM CODE FOR FACILITIES

SEC. 202. (a) The Secretary shall, within sixty days after the date of enactment of this Act, appoint a special committee to develop a uniform minimum code for facilities, to be used in licensing child and family services facilities. Such standards shall deal principally with these matters essential to the health, safety, and physical comfort of the children and the relationship of such matters to the Federal Standards for child care developed under section 201.

(b) The special committee appointed under this section shall include parents of children enrolled in comprehensive child services programs and representatives of State and local licensing agencies, public health officials, fire prevention officials, the construction industry and unions, public and private agencies or organizations administering comprehensive child services programs, and national agencies or organizations interested in services for children. Not less than one-half of the membership of the committee shall consist of parents of children enrolled in programs conducted under this title, section 222(a)(1) of the Economic Opportunity Act of 1964, and title IV of the Social Security Act.

(c) Within six months of its appointment, the special committee shall complete a proposed uniform code and shall hold public hearings on the proposed code prior to submitting its final recommendation to the Secretary for his approval.

(d) The Secretary must approve the code as a whole or secure the concurrence of the special committee to changes therein, and, upon approval, such standards shall be applicable to all facilities receiving Federal financial assistance under this Act or in which programs receiving such Federal financial assistance are operated; and the Secretary shall also distribute such standards and urge their adoption by States and local governments. The Secretary may from time to time modify the uniform code for facilities in accordance with the procedures described in subsections (a) through (d).

PROGRAM MONITORING AND ENFORCEMENT

SEC. 203. The Secretary shall provide, through the Office of Child and Family Services, for regular and periodic monitoring and programs under this Act to assure compliance with the child care standards and other requirements of this Act, and shall provide for the establishment and maintenance of sufficient trained staff in such office to accomplish the purpose of this section.

WITHHOLDING OF GRANTS

SEC. 204. Whenever the Secretary, after reasonable notice and opportunity for a hearing to any prime sponsor, or project applicant, finds—

(1) that there has been a failure to comply substantially with any requirement set forth in the plan of any such prime sponsor approved under section 106; or

(2) that there has been a failure to comply with applicable standards pursuant to section 201; or

(3) that there has been a failure to comply substantially with any requirement set forth in the application of any such project applicant approved pursuant to section 107; or

(4) that in the operation of any plan, program, or project carried out by any such prime sponsor, or project applicant or other recipient of financial assistance under this Act there is a failure to comply substantially with any applicable provision of this Act or regulation promulgated thereunder;

the Secretary shall notify such prime sponsor, project applicant, or other recipient of his findings and that no further payments may be made to such sponsor, project applicant, or other recipient under this Act (or in the Secretary's discretion that any such prime sponsor shall not make further payments under this Act to specified project applicants affected by the failure) until he is satisfied that there is no longer any such failure to comply, or that the noncompliance will be promptly corrected. The Secretary may authorize the continuation of payments with respect to any project assisted under this Act which is being carried out pursuant to such plan or application and which is not involved in any noncompliance.

CRITERIA WITH RESPECT TO FEE SCHEDULES

SEC. 205. (a) Not later than one hundred and eighty days after the enactment of this Act, the Secretary shall by regulation establish criteria for the adoption of fee schedules by prime sponsors as provided in section 106(b)(7)(B) of this Act. Such criteria shall be designed to permit enrollment or continued participation in the program as family income increases, shall be based on family size, and ability to pay, and shall provide for appropriately reduced charges for less than full-day care, and shall be appropriately adjusted for regional and urban-rural differences in the cost of living or determined by the Bureau of Labor Statistics.

(b) Not less than sixty days prior to implementation of the criteria established by the Secretary pursuant to section 106(b)(7)(B), the Secretary shall submit such proposed criteria to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives. Upon a majority vote of either committee disapproving such proposed criteria, such criteria shall not take effect and the Secretary shall within sixty days promulgate revised criteria. Such revised criteria, and any revision to criteria established pursuant to this section shall be subject to the requirements of this section.

EVALUATION

SEC. 206. (a) The Secretary shall make an evaluation of Federal involvement in child and family services, which shall include—

(1) enumeration and description of all Federal activities which affect child and family service programs;

(2) analysis of expenditures of Federal funds for such activities and services;

(3) determination of the effectiveness of such activities and services;

(4) the extent to which preschool, minority group, and economically disadvantaged children and their parents have participated in programs under this Act; and

(5) such recommendations to Congress as the Secretary may deem appropriate.

(b) The results of the evaluation required by subsection (a) of this section shall be reported to Congress not later than two years after enactment of this Act.

(c) The Secretary shall establish such procedures as may be necessary to conduct an annual evaluation of Federal involvement in child and family services programs, and shall report the results of each such evaluation to Congress.

(d) Prime sponsors and project applicants assisted under this Act and departments and agencies of the Federal Government shall, upon request by the Secretary or the Comptroller General of the United States make available, consistent with other provisions of law, such information as the Secretary determines is necessary for purposes of making the evaluation required under subsection (c) of this section, or the Comptroller General determines is necessary for an independent evaluation.

(e) The Secretary may enter into contracts with public or private nonprofit agencies, organizations, or individuals to carry out the provisions of this section.

(f) The Secretary shall reserve for the purposes of this section not less than 1 per centum, but not more than 2 per centum, of the amounts available under section 3(b) of this Act for any fiscal year.

TITLE III—RESEARCH AND DEMONSTRATIONS

SEC. 301. (a) The Secretary is authorized to carry out a program of research and demonstration projects, which shall include but not be limited to—

(1) research to develop techniques to measure and evaluate child and family services, and to develop standards to evaluate professional and paraprofessional child and family service personnel;

(2) research to test preschool programs emphasizing reading and reading readiness;

(3) preventive medicine and techniques and technology, including multiphasic screening and testing, to improve the early diagnosis and treatment of diseases and learning disabilities of preschool children.

(4) research to test alternative methods of providing child and family service;

(5) evaluation of research findings and the development of these findings and the effective application thereof;

(6) dissemination and application of research and development efforts and demonstration projects to child and family service and related programs and early childhood education, using regional demonstration centers and advisory services where feasible;

(7) production of informational systems and other resources necessary to support the activities authorized by this Act; and

(8) a study of the need on a nationwide basis for child and family services programs and of the resources, including personnel, which are available to meet this need.

(b) In order to carry out the program provided for in this section, the Secretary is authorized to make grants to or enter into contracts or other arrangements with public or nonprofit private agencies (including other Government agencies), organizations, institutions, and individuals.

(c)(1) The Secretary shall coordinate, through the Office of Child and Family Services established under section 101(a), all child and family services research, training, and development efforts conducted within the Department of Health, Education, and Welfare and, to the extent feasible, by other agencies, organizations, and individuals.

(2) Funds available to any Federal department or agency for the purposes of this title shall be available for transfer, with the approval of the head of the department or agency involved, in whole or in part, to the Secretary for such use as is consistent with the purposes for which such funds were provided, and the funds so transferred shall be expendable by the Secretary through the Office of Child and Family Services established under section 101(a), for the purposes for which the transfer was made.

(d) The Secretary shall conduct special demonstration, and model programs, which demonstration, and model programs shall be subject to the fullest extent practicable to each of the requirements with respect to project applications under section 107.

(e) The Secretary shall report to Congress not later than September 1, 1976, summarizing his activities and accomplishments under this section during the preceding fiscal year and the grants, contracts, or other arrangements entered into and making such recommendations (including recommendations for legislation) as he may deem appropriate.

TITLE IV—TRAINING OF PERSONNEL FOR CHILD AND FAMILY SERVICES

PRESERVICE AND INSERVICE TRAINING

SEC. 401. The Secretary is authorized to make payments to provide financial assistance to enable individuals employed or preparing for employment in child and family services programs assisted under this Act, including volunteers, to participate in programs of preservice or inservice training for professional and nonprofessional personnel, to be conducted by any agency carrying out a child and family services program, or any institution of higher education, including a community college, or by any combination thereof.

TECHNICAL ASSISTANCE AND PLANNING

SEC. 402. The Secretary shall, directly or through grant or contract, make technical assistance available to prime sponsors and to project applicants participating or seeking to participate in programs assisted under this Act on a continuing basis, to assist them in planning, developing, and carrying out child and family services programs.

TITLE V—GENERAL PROVISIONS

DEFINITIONS

SEC. 501. As used in this Act, the term—

(1) "Secretary" means the Secretary of Health, Education, and Welfare;

(2) "State" means the several States and the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(3) "child and family service programs" means programs on a full day or part-day basis which provide or arrange for the provision of the educational, nutritional, health, and other services needed to provide the opportunity for children to attain their full

potential, including services to other family members;

(4) "children" means individuals who have not attained the age of fifteen;

(5) "economically disadvantaged children" means any children of a family having an annual income below the lower living standard budget (adjusted for regional and metropolitan, urban, and rural differences, and family size), as determined annually by the Bureau of Labor Statistics at the Department of Labor;

(6) "handicapped children" includes mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education and related services;

(7) "program" includes any program, service, or activity, which is conducted full- or part-time in the home, in schools, or in child facilities;

(8) "parent" means any person who has primary day-to-day responsibility for any child;

(9) "single parent" means any person who has sole day-to-day responsibility for any child;

(10) "working mother" means any mother who needs child or family service in order to undertake or continue full- or part-time employment, training, or education outside the home;

(11) "minority group" includes, but is not limited to, persons who are Negro American Indian, Spanish-surnamed American, Portuguese, or Oriental, and, as determined by the Secretary, children who are from environments in which a dominant language is other than English and who, as a result of language barriers, may need special assistance, and, for the purpose of this paragraph, "Spanish-surnamed Americans" includes, but is not limited to, persons of Mexican, Puerto Rican, Cuban, or Spanish origin or ancestry;

(12) "bilingual" includes, but is not limited to persons who are Spanish-surnamed Americans, American Indian, Oriental, Portuguese, or others who have learned during childhood to speak the language of the minority group of which they are members and who, as a result of language barriers, may need special assistance;

(13) "local educational agency" means any such agency as defined in section 801(f) of the Elementary and Secondary Education Act of 1965;

(14) "unit of general local government" means any political subdivision of a State having general governmental powers.

NUTRITION SERVICES

Sec. 502. In accordance with the purposes of this title, the Secretary of Health, Education, and Welfare shall establish procedures to assure that adequate nutrition services will be provided in child and family services programs under this Act. Such services shall make use of the special food service program for children as defined under section 13 of the National School Lunch Act of 1946 and the Child Nutrition Act of 1966, to the fullest extent appropriate and consistent with the provisions of such Acts.

SPECIAL PROVISIONS

Sec. 503. (a) The Secretary shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect to such program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program, program participant, or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with, any program or activity receiving assistance under this Act. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program or activity receiving assistance under this Act.

(c) The Secretary may make such grants, contracts, or agreements, establish such procedures, policies, rules, and regulations and make such payments in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including necessary adjustments in payments on account of overpayments or underpayments. Subject to the provisions of section 204, the Secretary may also withhold funds otherwise payable under this Act in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this Act on any term or condition of assistance under this Act.

(d) The Secretary shall not provide financial assistance for any program, service, or activity under this Act unless he determines that persons employed thereunder, other than persons who serve without compensation, shall be paid wages which shall not be lower than whichever is the highest of—

(1) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938 (29 U.S.C. 206), if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof;

(2) the State or local minimum wage for the most nearly comparable covered employment; or

(3) the prevailing rates of pay for persons employed in similar occupations by the same employer.

(e) The Secretary shall not provide financial assistance for any program under this Act unless he determines that no funds will be used for and no person will be employed under the program in this construction, operation, or maintenance of so much of any facility as is for use for sectarian instruction or as a place for religions worship.

SPECIAL PROHIBITIONS AND PROTECTIONS

Sec. 504. (a) Nothing in this Act shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, physical, or other development of their children. Nor shall any section of this Act be construed or applied in such a manner as to permit any invasion of privacy otherwise protected by law, or to abridge any legal remedies for any such invasion which are otherwise provided by law.

(b) The Secretary is directed to establish appropriate procedures to insure that no child shall be the subject of any research or experimentation under this Act unless the parent or guardian of such child informed of such research or experimentation and is given an opportunity as a right to except such child therefrom.

(c) A child participating in a program assisted under this Act shall not undergo medical or psychological examination experimentation or research, immunization (except to the extent necessary to protect the public from epidemies of contagious diseases or in cases of medical emergencies where parental consent cannot be readily obtained), or treatment without the written permission of his parent or guardian based upon full understanding of the procedures and possible consequences.

PUBLIC INFORMATION

Sec. 505. Applications for designation as prime sponsors, comprehensive child development plans, project applications, and all written material pertaining thereto shall be made readily available without charge to the public by the prime sponsor, the applicant, and the Secretary.

REPEAL OR AMENDMENT OF EXISTING AUTHORITY AND COORDINATION

Sec. 506. (a) After consultation with the head of any agency of the Federal Government immediately responsible for providing Federal assistance for and family services, child care, and related programs, including title I of the Elementary and Secondary Education Act of 1965, section 222(a)(2) of the Economic Opportunity Act of 1964, title VII of the Housing and Urban Development Act of 1966, title I of the Demonstration Cities and Metropolitan Development Act of 1966 and titles IV and VI of the Social Security Act, the Secretary of Health, Education, and Welfare shall establish regulations to assure the coordination of all such programs with the programs assisted under this Act.

(b)(1) Section 203(j)(1) of the Federal Property and Administrative Services Act of 1949 is amended by striking out "or civil defense" and inserting in lieu thereof "civil defense, or the operation of child care facilities".

(2) Section 203(j)(3) of such Act is amended—

(A) by striking out, in the first sentence, "or public health" and inserting in lieu thereof "public health, or the operation of child care facilities";

(B) by inserting after "handicapped," in clause (A) and clause (B) of the first sentence the following: "child care facilities"; and

(C) by inserting after "public health purposes" and the second sentence, the following: ", or for the operation of child care facilities,".

ACCEPTANCE OF FUNDS

Sec. 507. In carrying out the purposes and provisions of this Act, the Secretary is authorized to accept and use funds appropriated to carry out other provisions of Federal law if such funds are used for the purposes for which they are specifically authorized and appropriated.

Bipartisan Group of Senators and Congressmen To Seek Child, Family Services Bill

Washington, D.C., February 7.—A bipartisan group of Senators and Representatives joined today to call for new legislation to upgrade and increase day care, preschool education, health and nutrition services available to families for their children.

The group, led by Senators Walter F. Mondale (D-Minn.) and Jacob Javits (R-N.Y.) in the Senate and by Congressman John Brademas (D-Ind.) and Alphonzo Bell (R-Calif.) in the House, introduced companion bills today.

Brademas, Chairman of the House Select Subcommittee on Education, and Mondale, Chairman of the Senate Subcommittee on Children and Youth, announced that they would hold joint hearings on the bill beginning on Thursday, February 20, and Friday, February 21. A joint field hearing will be held Monday, February 24 in Chicago, Illinois.

Among activities supported by the legislation would be day care services for preschool age children including early identification of handicaps; medical services for new mothers to reduce the incidence of preventable birth defects; family counseling; health diagnosis and treatment; and school feeding programs for children.

"Serious gaps exist in the quality and extent of child care services now available to parents for their children. This is a particularly important problem for working parents," the sponsors said in a joint statement released today.

"Today there are only about one million day care openings in licensed day care facilities to serve the six million preschool children whose mothers work.

"Some of these children of working parents are receiving good care from relatives and neighbors, but far too many families are forced to leave their children in facilities which are both seriously understaffed and which provide almost no supportive services."

Mondale and Brademas stressed that participation in the programs authorized by the bill would be completely voluntary.

The sponsors also said they are particularly concerned that parents play a key role in the operation of community projects which would receive support from the new law. This goal would be accomplished, they explained, in two ways:

(1) By establishing policy-making parent councils for each child care and family service program; and

(2) By providing for the participation of parents in the day to day operation of the programs.

The programs would be administered through a system of state and local governmental "prime sponsors" including educational institutions and other public and private nonprofit grantees in specified circumstances. Under the proposed bill, both profit and nonprofit organizations which meet the bill's standards for quality would be eligible to receive funds to operate the programs and provide services.

The new bill is similar to one which Congress passed in 1971 but which President Nixon vetoed in the last days of that year.

Brademas and Mondale emphasized that the proposed was not "etched in stone." They said, "We intend to invite a wide range of interested persons and organizations to present their views to the Committee as we consider this legislation."

At the time this release went to print, 84 Congressmen had joined the sponsors in cosponsoring the House bill, and 23 Senators had agreed to cosponsor the Senate version.

Working Mothers—Their Child Care Needs

(Address by Carmen R. Maymi, Director, Women's Bureau, Employment Standards Administration, U.S. Department of Labor, at a meeting of the Chicago Community Coordinated Child Care Committee, Chicago, Ill., November 2, 1974)

I would like, first of all to express *my* thanks for the opportunity to address this meeting. The Women's Bureau of the Department of Labor has for decades watched the problem of child care grow in magnitude in the United States as the number of working mothers increased. Certainly, in any discussion of day care, the welfare of the child must be given primary consideration, as this meeting proposes to do. But we must also give some thought to the circumstances that make day care necessary. I feel privileged, therefore, to be here to discuss the problems of working families and the services required to meet their child care needs.

It is pointless to argue about whether or not mothers should work. The fact is that more and more women with children are entering the work force—most of us work because of economic reasons.

However, the employment of mothers is not the only reason many children need day care. Illness or death of the mother, mental or physical handicaps, emotional disturbances, poor family relationships, and poor living conditions are other factors. But the major demand for day care facilities stems from the employment of mothers outside of the home.

There has been a steady upward trend in the number of working wives with children. Since 1960 the labor force participation of married women with husbands present and with children under 6 years has increased from 18.6 percent to 34.4 percent. The rate of labor force participation for women who were family heads, at 54 percent, was higher than that of wives, but has remained little changed for many years.

Almost 27 million children in the United States under the age of 18 had mothers who were in the labor forces in March 1974. About one-fourth of these children were below regular school age and required some kind of care while their mothers worked.

Since 1970, the number of children of working mothers has risen sharply by 1.2 million, while the total number of children in families has dropped by 2.2 million. These opposing trends can be attributed to the continuing long-term rise in the number of working wives, both with and without children; a declining birth rate, and an increase in the number of families headed by a woman which is due largely to a rising divorce rate.

While the labor force participation rates of wives with children rose significantly between 1970 and 1974, the absolute increase in the total number of children with working mothers occurred almost exclusively in female-headed families. The number of children was smaller for families if the mother worked than if she did not. This was true whether the family was white or black and whether it was headed by a man or a woman.

Over 12 million children were in families where the father was either absent, unemployed, or not in the labor force. This figure is highly significant in view of the fact that in families headed by a woman, the median income in 1973 was only $6,195 if the mother worked and only $3,760 if she did not.

These figures point out, that the need for child care facilities is acute now and that it will increase over the years. Latest estimates indicate that care in licensed centers and homes is available for only 905,000 of the several million children needing day care. By 1985 we expect that 6.6 million mothers, aged 20 to 44, with children under age 5 will be working or looking for work. The demand for day care facilities can be expected to increase accordingly.

The availability of child care is often the pivot on which a woman's decision to work or remain at home turns. Often it is the earnings of the mother that keeps the family above the poverty line and off public assistance. However, if she is unable to find good care for her children, a woman is usually forced to stay at home and depend on welfare allowances to support her children.

The problem is particularly severe for women heads of families who so often are poor. Of the 6.8 million families headed by a woman in March 1974, 32 percent had incomes below the low-income level in 1973. The percent of female-head families with related children under 18 that were poor in 1973 was 42 percent for whites and 67 percent for blacks. Among families headed by Spanish-origin women with incomes below the low-income level in 1973 the figure was 51.4 percent. For families headed by a man the proportion was 6 percent.

We must objectively review the attitudes of some persons toward child care. Some mothers who want or need to work do not look for jobs because they distrust the kinds of day care available to them. Many are reluctant to leave young children in the care of aging grandparents or of only slightly older brothers and sisters. Some feel that care in day care centers or in the homes of others may separate the child from his or her own family, and still others feel that being parted from the mother is damaging to the emotional stability of the young child.

Clearly these attitudes argue for parent's involvement in the care of their children by others while they are at work. Parents need to know the kind of care their children receive, something about the persons who give that care and the physical surroundings in which their children will spend the better part of their days.

Concerned parents want to be able to work without having to worry about their children, and mothers, in particular, want reassurance that they need not feel guilty about leaving their children in the care of others. Parents also want to be sure that the child's sense of the importance of his or her own family is strengthened and that the experience in the day care setting are consistent with the child's background and with the parent's values.

This last point is of particular concern to minority parents. Spanish-speaking, American Indian and black families want their children to develop a sense of pride in their cultural and racial or ethnic background. They look to the child care center or the family child care home to substitute for the extended family which is rapidly becoming a thing of the past, to be supplanted by the small nuclear family.

The child of a working mother is not the only one to benefit from good day care. The mother also gains. The welfare mother, of course, is freed to acquire training and a job. But it is a mistake to think of day care exclusively as a welfare measure. Middle class women, struggling to provide their families with an adequate standard of living, can enter the work force as they see fit and women with professional and technical skills can continue to contribute their skills and talents to fill the needs of our society in health, science, business and industry, politics and other fields. Day care in fact, is a boon to women of all economic levels who want the freedom to choose for themselves their own life style and decide for themselves how they can best contribute to the well-being of their families.

Society, too, benefits from a day care system that assures the careful development of future generations and at the same time makes available the skills and capabilities of a large segment of our human resources.

While in recent years, major laws addressing the importance of day care, not only as a social measure but as an economic one as well have not been numerous, we still have a considerable body of laws that support the concept of day care.

A number of laws provide funds for day care. The 1962 amendments to the Social Security Act represented a major advance in that direction. They authorized Federal grants-in-aid to State public welfare agencies for day care services, thereby stimulating the States to improve standards for day care facilities and to develop more such facilities.

In 1967 the Act was again amended to authorize the Work Incentive Program which we know as WIN. The law provides for the training and placement in jobs of persons on Aid to Families with Dependent Children, and assures that child care services be available until participants in the program are reasonably able to make other satisfactory arrangements for the care of their children.

The Economic Opportunity Act of 1964 authorized grants for day care projects within community action programs. Head Start is the most notable child development program under this Act. Funds are also provided for care of children of migratory and seasonal farmworkers and for the establishment of day care centers in areas where there are many unemployed or low-income persons.

Day care programs for educationally deprived children are authorized under the

Elementary and Secondary Education Act of 1965.

Funds for the training of day care personnel are provided under a number of laws including the Vocational Education Act of 1963, The Education Professions Development Act, the Manpower Development and Training Act, and the 1967 amendments to the Social Security Act.

Several other laws provide funds for services related to day care such as nursing and other health services and for research and training program; grants for staffing community mental health centers which may include child care centers; for loans and lease guarantee insurance programs for operators of day care centers, and for the construction of day care facilities.

A 1969 amendment to the Labor-Management Relations Act of 1974 permits employers to contribute to trust funds for the establishment of child care centers for preschool and school-age dependents of employees.

Another important legislative step was a change in the Revenue Act of 1971 to liberalize the deductions taxpayers may take for child care expenses. Under the law a business also may deduct, proportionately over a 5-year period, the expense of providing a child care facility for employees' children.

Because many of these measures require community cooperation, they provide an excellent basis for parental involvement in planning and operating day care facilities.

Many imaginative approaches to the problem of day care have evolved in recent years. A noteworthy trend toward union operation of child care centers was begun by the Amalgamated Clothing Workers of America. Baltimore Regional Board has six child health care centers. These centers are financed primarily by employer contributions to the health and welfare funds administered by both the union and the men's clothing industry. The Chicago Regional Joint Board of the same union opened the first union-operated child care center here in 1970. I note that it has been cited as an exemplary center in the handbook on day care for preschool children published by the Office of Child Development in the Department of Health, Education, and Welfare.

The United Federation of Teachers in New York City has a program that calls for 50 centers designed to provide care and education to children of teachers in poverty area schools and to children of residents in the community.

There is a growing trend toward the establishment of day care centers by employers who find it advantageous to have child care facilities in or near the workplace. In a survey of hospitals with 100 or more beds in 1968, the Women's Bureau found 98 hospitals operating day care centers for children of staff members. Twelve have been added since, including the Evanston Illinois Hospital Child Care Center. Officials reported that having such services made it easier to recruit and retain nurses, resident doctors, and other health workers. In addition, the provision of day care for their children permitted some personnel to work full time instead of part-time or to work overtime, shift rotation was facilitated, and there was a reduction in absenteeism. Similar benefits were cited by employers in other industries surveyed by the Women's Bureau for its bulletin, "Day Care Services: Industry's Involvement." At last count 14 company-sponsored centers were operating.

Among other approaches to the day care problem reported by industry is that of the Polaroid Corporation in Cambridge, Massachusetts, which contracted with several licensed day care centers for slots for their employees' children. Under a similar plan the Ford Foundation in New York instituted a plan of providing child care allowances to its employees for child care arrangements made by the employees. The Illinois Bell Telephone Company in Chicago has a program to assist its employees find day care for their children and to encourage local citizens to apply for State foster care licenses.

Federal agencies, too, are beginning to initiate day care centers for children of employees. I am proud to say that the Department of Labor is among the Federal agencies supplying child care services. Our center opened in October 1968 for 30 preschool children of employees in the Washington, D.C. area. Enrollment has grown to 60 children and when the Department moves into a new building we will be able to accommodate 110 children. The center will probably be moved in 1975.

The Labor Department Day Care Center has a twofold purpose—to serve as a demonstration model in employer-sponsored day care service and to promote employee stability and productivity. It is presently operated by a private contractor who has exerted leadership in the Washington, D.C. 4–C's program, the National Child Day Care Association. It is funded by the Department under the Manpower Development and Training Act. Parents pay a sliding fee, depending on their incomes.

The main concerns of the Department are to provide high quality day care at a reasonable cost, delivered by staff members who are chosen on the basis of educational level, work and related experience, and commitment to child care.

Parental involvement is provided through a Parent Group which is designed to encourage parents to give support to the center and to foster understanding between home and center. Parents are given administrative leave to attend meetings of the Group with teachers. Fund raising activities and programs that include speakers, films, and demonstrations are sponsored by the Group.

The children of working mothers deserve the best care we can devise and their mothers have a right to expect such care for their children. In a time of changing family and employment patterns, when society makes multiple demands upon women, expecting them to fulfill a variety of roles, we must find ways to accommodate their special needs. We cannot say we have discharged our obligation to women who work or that we have provided equal opportunities for women until we make sure that no woman who wants to work is kept out of the work force because of a lack of day care for her children.

Mr. JAVITS. Mr. President, I am pleased to join with Senator Mondale in the introduction of the Child and Family Services Act of 1975.

We are joined by 23 of our colleagues, including Senators Abourezk, Brooke, Case, Church, Clark, Cranston, Gary, Hart, Hatfield, Hathaway, Hollings, Humphrey, Kennedy, McGee, McGovern, Metcalf, Nelson, Pell, Randolph, Ribicoff, Schweiker, Stafford, Stevenson, and Williams.

A similar measure has been introduced in the House of Representatives by Congressman Brademas.

This measure is identical to S. 3754, the Child and Family Services Act of 1974, which Senator Mondale and I and 22 of our colleagues introduced on July 11, 1974.

Under our proposal, the Secretary of Health, Education, and Welfare, would be authorized to fund a variety of quality child and family services assisting children and families in the Nation. Services provided under the bill would include in-the-home tutoring, education for parenthood, prenatal services, part-day and full-day and after-school programs, food and nutrition services, and information and referral services to aid families in selecting child and family services.

The program would be administered by the Office of Child and Family Services, essentially a renaming of the current Office of Child Development in the Department of Health, Education, and Welfare, through a system of State and local prime sponsors as well as educational and other institutions and, in specific circumstances other public and private grantees.

Each prime sponsor would submit a comprehensive child and family services plan which would have to be approved by a representative child and family services council. Localities demonstrating capability to administer programs would do so within their jurisdiction. State governments would administer programs in other areas and have specific funds for coordination and specific statewide efforts.

This measure builds upon the child care title which was included in the Economic Opportunity Act Amendments of 1971, which former President Nixon vetoed in December of that year, and upon the Comprehensive Head Start, Child Development and Family Services Act of 1972, jointly sponsored by Senator Mondale and myself, which passed the Senate on June 20, 1972, but as to which no action was taken by the House of Representatives.

We are introducing this measure today in order to prompt a renewed national debate on the need for child care, and in order to begin a dialog with the new administration toward the formulation of a legislative framework for quality child care programs.

To further that debate, discussion and dialog, the measure we introduce today differs from the 1971 and 1972 proposals in a number of important aspects.

First. The bill authorizes an aggregate of $1.8 billion over a 3-year period—fiscal year 1975–1977—compared with the 1972 Senate-passed measure which authorized $2.8 billion over a 2-year period.

Second. We have not included in this measure authorization for the Head Start program. Public Law 93–644, the Head Start, Economic Opportunity, and Community Partnership Act of 1974—which I authored and which the President signed into law on January 4, 1975—extends the Head Start program for the current and 2 succeeding fiscal years.

As the bill we introduce today is considered by the committee, the relationship between the efforts shall be addressed.

Third, we have not included a population requirement for localities to qualify as prime sponsors; the 1971 vetoed bill required a population of 5,000 and the 1972 passed bill required 25,000. We have left this matter open so as to be free to achieve in the final legislation the best allocation of responsibility among various levels of government, which will insure parental involvement, local diversity to meet local needs, and appropriate State and local participation to insure coordination and maximum utilization of available resources.

Mr. President, with this general background I shall now comment on various aspects of this bill which are particularly important to New York City and New York State.

First. In terms of the need for this legislation, I note that in New York City alone there are over 1.9 million children under the age of 14 of which 742,000 are under the age of 6. On the welfare roles, there are over 400,000 children under the age of 14 in families receiving AFDC. In contrast, there are approximately only 43,000 licensed day care slots funded publicly.

For New York State overall—including New York City—there are approximately 4.5 million children under the age of 14, of which 1.8 million are under the age of 6; approximately 830,000 children are in families on the AFDC rolls. In contrast, there are only approximately 50,400 licensed group and family day care slots which are publicly subsidized.

Exact allocations under this measure to the State cannot, of course, at this point in time, be determined, but as a general rule, we expect New York State to receive at least 8 percent of the total of funds available for programs in each of the 2 years of actual operation.

At a cost of approximately $2,400 for each preschool slot, this would mean that 18,182 opportunities could be funded in fiscal year 1976 and 36,364 in fiscal year 1977, from New York State's share of the aggregate of $500 million and $1 billion, respectively.

Second. Under the bill no charge would be made for services for children in families below the Bureau of Labor Statistics lower living standard, now at $8,100 a year for a family of four. This provision is crucial to families in New York City and New York State where the costs are so high that any fees below that point would effectively make it impossible for families to participate in the program. The provisions of this bill are much more realistic in this respect than those in the vetoed 1971 measure, which permitted a fee schedule to be imposed above the level of $4,320 a year for a family of four.

Third. The bill includes, as did previous measures, the requirements not only that parents participate in the programs, but that they have a leading role in the development of the programs. This would be accomplished through the requirement that each prime sponsor have a child and family services council of which one-half of the members must be parents as well as a number of other provisions. The current programs in New York City and State have similar elements in practice and this aspect has been a key element in their effectiveness.

Mr. President, currently in the Nation there are now 700,000 to 1,000,000—depending upon the criteria applied—licensed day care places for 6 million preschool children with working mothers; even beyond that as overall fact, 43 percent of the Nation's mothers work outside the home compared with 18 percent in 1948.

Mr. President, I hope very much that the administration will take a fresh and objective look at the need for comprehensive child care legislation and work with us on establishing a framework to that end.

This is particularly important at this time when child care has such a direct relationship to the recovery of the economy, since such efforts aid parents greatly in securing and maintaining employment opportunities.

Thus, child care should be seen as a necessary correlation to our efforts in providing public service jobs and otherwise expanding employment opportunities.

Mr. WILLIAMS. Mr. President, I am pleased to join in sponsoring the Child and Family Services Act with Senators MONDALE and JAVITS and other Members of the Senate. This bill provides assistance to help local communities and States expand their services for children and families. It incorporates many of the important elements of both the Economic Opportunity Amendments of 1971, which was approved by the Congress but vetoed by President Nixon, and of the Comprehensive Head Start, Child Development and Family Services Act of 1972, which was passed by the Senate. Under this new bill communities could support family services, including prenatal care, nutrition assistance, early screening and treatment to detect and ameliorate handicapping conditions, parental training, and full- or part-day preschool programs like Head Start or other after school and day care for children of working mothers.

This legislation was originally introduced in 1971 as a way of stimulating day care and comprehensive services at the local level to children whose parents work. It represents a recognition of the fact that for working parents with young children serious problems result because of lack of adequate care, inability to pay for care which does exist, and lack of other services such as good nutrition, preschool services and adequate health screening. It is clear that this trend is continuing to grow and, particularly in view of today's bleak economic picture, parents with young children must work to make ends meet.

In 1971, 43 percent of women with children worked, and one of every three women with preschool children worked; 8.3 million children are living in single parent families, and some 65 percent of these parents work. Examining just the number of preschool children whose parents work, the estimate is 6 million. But despite the increasing numbers of these children, adequate day care services exist for only about 700,000. While private care arrangements can often provide very good care, estimates are that 10 percent of these children aged 6 to 11 are left alone with no care after school and larger numbers are left in the care of older relatives—which strains this relationship—or in inadequate facilities.

This situation is more desperate for families living in poverty or near poverty. In the $4,000 to $7,000 bracket, income levels are just too high to qualify for publicly assisted day care programs and too low to be able to afford private programs. As Senator MONDALE reported in his introductory remarks last year, the newly enacted income tax deduction provides little if any solution to this problem. According to Department of Treasury statistics, a family of four with an income of $5,000, spending $500 on day care would realize no tax savings at all; a family of four with an income of $7,000, spending $700 would realize a savings of only $77. Substantially, this provision assists only those individuals who have enough money to buy both an adequate amount of child care and to pay enough taxes to receive a deduction.

In my own State of New Jersey, there is a great need for this legislation. The State has, through the cooperation of State and local government and community organizations in fiscal year 1975, expanded the capacity for developmental day care by 40 percent, doubled services to prevent child abuse and neglect, initiated comprehensive family planning programs and early diagnosis and treatment programs, and has begun implementation of new legislation to divert nondelinquent juvenile offenders from the traditional corrections system. All of these services could be provided through the community under the auspices of this bill.

Yet, the striking point about this expansion of State and local services in New Jersey is the need which will not be filled. At the present time there are approximately 1,000 programs in the State of New Jersey which provide day care and other child care services to over 55,000 children. Without considering middle or upper income families who may also need child care services, approximately 100,000 pre-school children of AFDC moths need these services and presently do not receive them.

Furthermore, more than 45,000 children from families earning less than $8,500 also are in need of such services. Thus, despite the efforts of local communities and community organizations to expand and triple the services available, care is only provided to about one-fourth of the community in need. As Commissioner Ann Klein of the department of institutions and agencies has stated:

> For families, services such as child care and functional education can be the difference between welfare dependency and productive employment; for children, the difference between child abuse and educational enrichment; for taxpayers, the difference between rising welfare rolls and a more productive economy.

Under this bill, child care services would be available to all who request them, but on a strictly voluntary basis. Services would be provided without charge to families earning a poverty-level income or less, and there would be modest fees based on a sliding scale for those with higher income levels. Sixty-five percent of the funds under this bill would be provided only to children from families with incomes up to the lower living standard budget—currently, $8,118 for a family of four. The bill also takes special care to assure that the needs of handicapped children are considered, earmarking not less than 10 percent of the funds for special activities for the identification and provision of services for handicapped children.

I believe that it is very important to stress that this bill is based on the family as the primary and most significant influence on children and as one of the most important institutions in our country. All of the provisions in this bill foster and strengthen the role of the family, including assuring parent control over local programs. The services that could be provided by local communities and towns would be available only for children whose parents request them, and parents of the children receiving services would compose at least 50 percent of the governing boards which would decide what services will be offered and what policies will be followed.

This bill does not suggest that all of the services and knowledge is available right now; a very important provision, I believe, is the one which begins with an initial year for planning and training, including inservice and preservice training, and moves into operation of programs and continued planning and preparation in the second year.

I have been a sponsor of this legislation since its inception and believe that the funds which could be made available to local communities for these services are critical to our economy and to the working parents of this Nation. The bill represents a sound and realistic approach to an urgent national problem.

By Mr. BENTSEN:

S. 632. A bill to help preserve the separation of powers and to further the constitutional prerogatives of Congress by providing for congressional review of executive agreements. Referred to the Committee on the Judiciary.

Mr. BENTSEN. Mr. President, I am today introducing legislation to strengthen the role of the Congress in the foreign policy decisionmaking process by requiring congressional approval of Executive agreements. I have been inspired in this regard by one of this Chamber's most illustrious former Members. During his many years in the Senate, the distinguished former Senator from North Carolina, Sam Ervin, made a major contribution toward rectifying the imbalance that has for too long characterized the policymaking process in this Nation. Of particular concern to him, and to many of us, were the abuses to which uncontrolled Executive power has been put, not only in domestic policy but also in foreign policy. The Congress took a major step toward righting this imbalance by passage, and later an override of the President's veto, of the War Powers Act.

Perhaps just as crucial is the issue of the increasing use of Executive agreements as a means of bypassing the advise and consent role of the Senate on treaties. This problem was thoroughly studied by Senator Ervin and one of his most invaluable legacies to this Nation was legislation he introduced to reassert the voice of Congress in the foreign policymaking process by requiring congressional approval of Executive agreements.

Late last year the Senate passed Senator Ervin's bill, S. 3830, by voice vote; I was one of a bipartisan group cosponsoring that benchmark legislation. Since the House of Representatives did not take action on it, I am today reintroducing it in order to bring to a conclusion the important groundwork laid by Senator Ervin in the area of congressional sharing in the policymaking process.

The use of Executive agreements has, without doubt, been much abused. Indeed the term "Executive agreement" is not to be found in the Constitution. Clearly our Founding Fathers envisioned the treaty as the sole instrument of concluding agreements with other nations. Nevertheless, international agreements are increasingly being made in the form of Executive agreements which, under current law, need only be submitted to the Congress for its information. The use of the Executive agreement as a means of bypassing the advice-and-consent role of the Senate has grown considerably through various administrations both in terms of numbers as well as scope. For example, during the last Congress, attempts were made by the executive branch to submit such crucial national security issues as naval facilities on Diego Garcia, a naval support facility in Bahrain, and an extension of U.S. military base rights in the Azores as Executive agreements which would not require the approval of the Congress. At the same time, such relatively less important issues as the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matters; a Convention for the Protection of Producers of Phonograms against Unauthorized Duplication of their Phonograms; Protocol to the Convention for the International Council for the Exploration of the Sea; and Amendments to the Convention for the Safety of Life at Sea were submitted to the Senate as treaties requiring a two-thirds vote of approval.

Mr. President, I submit that such a practice is an insult to the Congress and a contravention of the Constitution's clear intent that Congress share in the foreign policymaking process.

The issue of separation of powers involved in this bill is an important one and has been thoroughly scrutinized by the Separation of Powers Subcommittee, ably chaired for many years by Senator Ervin, the full Judiciary Committee as well as the Senate Foreign Relations Committee. During the extensive hearings held on this and similar legislation over the course of the last 3 years, testimony was offered by the executive branch reflecting its belief that it possesses wide powers to enter into Executive agreements without benefit of congressional participation.

The Senate, by unanimously passing this bill, rejected this argument. The Constitution does not specifically grant to the President the power to negotiate international agreements other than treaties and there has been no Supreme Court decision recognizing the power of the President to negotiate Executive agreements without benefit of congressional approval. Clearly, therefore, there is need to strengthen the Congress constitutionally mandated role in the foreign policymaking process by sharing in the means by which international agreements other than treaties are made.

The executive branch should welcome this opportunity to share with the Congress the weighty responsibility of reaching agreements with other nations, agreements which reflect our national priorities and which lie at the very heart of the foreign policy process. At a time when Executive power has been much abused, a strengthened congressional role in the policymaking process should go far toward restoring the faith of the people in the institutions of Democratic Government.

I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 632

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress declares that the Constitution of the United States established a system of shared powers between the legislative and executive branches of the United States Government in the making of international agreements; the powers of Congress have been substantially eroded by the use of so-called executive agreements, and the Senate is thereby prevented from performing its duties under section 2, article II, of the Constitution, which provides that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur".

SECTION 1. (a) In furtherance of the provisions of the United States Constitution regarding the sharing of powers in the making of international agreements, any executive agreement made on or after the date of enactment of this Act shall be transmitted to the Secretary of State, who shall then transmit such agreement (bearing an identification number) to the Congress. However, any such agreement the immediate disclosure of which would, in the opinion of the President, be prejudicial to the security of the United States shall instead be transmitted by the Secretary to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives under an appropriate written injunction of secrecy to be removed only upon due notice from the President. Each committee shall personally notify the Members of its House that the Secretary has transmitted such an agreement with an injunction of secrecy, and such agreement shall thereafter be available for inspection only by such Members.

(b) Except as otherwise provided under subsection (d) of this section, any such executive agreement shall come into force with respect to the United States at the end of the first period of sixty calendar days of continuous session of Congress after the date on which the executive agreement is transmitted to Congress or such committees, as the case may be, unless, between the date of transmittal and the end of the sixty-day period, both Houses agree to a concurrent resolution stating in substance that both Houses do not approve the executive agreement.

(c) For the purpose of subsection (b) of this section—

(1) continuity of session is broken only by an adjournment of Congress sine die; and

(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day period.

(d) Under provisions contained in an executive agreement, the agreement may come into force at a time later than the date on which the agreement comes into force under subsections (b) and (c) of this section.

SEC. 2. For purposes of this Act, the term "executive agreement" means any bilateral or multilateral international agreement or commitment, other than a treaty, which is binding upon the United States, and which is made by the President or any officer, employee, or representative of the executive branch of the United States Government.

SEC. 3. (a) This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of concurrent resolutions described by subsection (b) of this section; and it supersedes other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(b) For the purposes of this section, "concurrent resolution" means only a concurrent resolution of either House of Congress, the matter after the resolving clause of which is as follows: "That the Congress does not approve the executive agreement numbered —— transmitted to (Congress) (the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives) by the President on , 19 .", the blank spaces therein being appropriately filled, and the appropriate words within one of the parenthetical phrases being used; but does not include a concurrent resolution which specifies more than one executive agreement.

(c) A concurrent resolution with respect to an executive agreement shall be referred to a committee (and all concurrent resolutions with respect to the same executive agreement shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives as the case may be.

(d) (1) If the committee to which a concurrent resolution with respect to an executive agreement has been referred has not reported it at the end of twenty calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the concurrent resolution or to discharge the committee from further consideration of any other concurrent resolution with respect to the executive agreement which has been referred to the committee.

(2) A motion to discharge may be made only by an individual favoring the concurrent resolution, is highly privileged (except that it may not be made after the committee has reported a concurrent resolution with respect to the same executive agreement), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(3) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other concurrent resolution with respect to the same executive agreement.

(e) (1) When the committee has reported, or has been discharged from further consideration of, a concurrent resolution with respect to an executive agreement, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate on the concurrent resolution shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the concurrent resolution is not in order, and it is not in order to move to reconsider the vote by which the concurrent resolution is agreed to or disagreed to.

(f) (1) Motions to postpone, made with respect to the discharge from committee, or the consideration of a concurrent resolution with respect to an agreement, and motions to proceed to the consideration of other business, shall be decided without debate.

(2) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a concurrent resolution with respect to an executive agreement shall be decided without debate.

SEC. 5. The provisions of section 1 of this Act shall not apply to any executive agreements entered into by the President pursuant to a provision of the Constitution or prior authority given the President by treaty or law.

By Mr. HOLLINGS:

S. 633. A bill to conserve gasoline by directing the Secretary of Transportation to establish and enforce mandatory fuel economy standards for new automobiles, and for other purposes. Referred to the Committee on Commerce.

AUTOMOBILE FUEL ECONOMY ACT OF 1975

Mr. HOLLINGS. Mr. President, John R. Quarles, Deputy Administrator of the Environmental Protection Agency has stated:

> If we are unwilling to face up to the problem of the automobile, we might as well forget about the goal of energy conservation.

His statement is well founded. At present there are more than 100 million registered automobiles in the United States which consume about 14 percent of all U.S. energy, almost three-quarters of all gasoline used, and the equivalent of 31 percent of all petroleum. Moreover, the share of energy consumed by automobiles has been rising. If policies can be devised that save even modest percentages of the fuel consumed by automobiles, the absolute savings in energy will be very large.

The idea of, and the need for, improving automobile fuel economy is not new. For several years the Senate Commerce Committee has been working on legislation that would mandate improved fuel consumption. As a part of his energy program, the President has proposed a 40 percent improvement in fuel economy by 1980 with a relaxation in emission control standards. Our hearings and our experts tell us the President's goal is low. Technology allows us to do better. Our hearings also tell us that the President's proposal needlessly gives up on clean air objectives; we can achieve significant improvement in fuel economy without jeopardizing clean air.

We must do everything possible to head our domestic automobile industry in the direction of clean, safe, and efficient vehicles. Our imported cars are living proof of the fact that these goals are achievable. As in every other case, we have indulged ourselves too long in the conspicuous and wasteful consumption of energy. The bill which we are introducing today sets targets for the automobile industry which are realistic and achievable. Learning from the lessons in the past, we do not set annual targets but rather incremental targets. In other words, we set a standard of at least 50 percent improvement in the industrywide average fuel economy for new automobiles by model year 1980 and a 100 percent improvement in such average by model year 1985. The model year 1974 is used as the base year. By achieving a 50 percent improvement over the 14-mile per gallon average in 1974, we can look to an industry average of 21 miles per gallon in 1980 and an average of 28 miles per gallon in 1985. Assuming a constant number of miles traveled, this kind of improvement translates into a savings of 500,000 barrels of oil per day by 1980 and easily a 2 million barrel per day savings by 1985.

The bill we are introducing adopts the view that mandatory fuel economy standards, implemented over a period of years, would obtain the maximum benefits from new automotive technology. Such a policy would have negligible, if not salutary, effect on auto ownership and new car sales, would result in substantial reduction in costs of owning and operating an automobile, and would improve the U.S. auto industry's competitive position.

The proposed standards also leave flexibility to automobile manufacturers, which would result in a more diverse product mix and wider consumer choices in acceleration, comfort, and roominess. In attempting to meet the fuel economy standard, one auto company would choose new technology, another would choose to shift more rapidly to small cars, and still another could choose some combination of the two.

The levels chosen for industrywide average fuel economy in model years 1980 and 1985 are realistic and necessary, in light of the energy problems facing this Nation. American habits and expectations must change in order to adjust to a new set of realities with respect to energy availability, and this bill is an important step toward implementation of that change.

Our program is not all stick with no carrot. Earlier this session, S. 499, was introduced which establishes a federally sponsored program of research and development into more efficient and alternate engines. We must provide the industry with financial support for their research efficiency and this bill would provide the necessary stimulus.

Our bill creates the choice—the opportunity for the car purchaser to obtain cars with greater fuel efficiency. Further, as I stated January 30, when I discussed my views on an overall energy alternative, it is important to provide the car purchaser with the financial incentive to purchase the more efficient, domestically produced automobiles. We are in the process of drafting and will shortly introduce a system of surcharges to be levied against cars which consume more than their fair share of fuel and a system of tax credits for the purchaser of domestically produced cars which have significantly improved fuel economy.

The Commerce Committee has held extensive hearings on the issue of automobile fuel economy standards. It is hoped that hearings on the fuel economy bill, S. 499, and the other ingredients of the package related to the automobile industry will be scheduled during the week of March 10 and it is hoped that the committee will move to a markup on the legislation shortly thereafter.

The people are looking for direction. They are looking for decisions. It is incumbent upon us to provide them with the leadership they seek.

I ask unanimous consent that the bill be printed in the Record at this time.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 633

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Automobile Fuel Economy Act of 1975".

Sec. 2. The Motor Vehicle Information and Cost Savings Act (15 USC 1901 et. seq.) is amended by adding at the end thereof the following new title:

"TITLE V—FUEL ECONOMY

"SHORT TITLE

"Sec. 501. This title may be cited as the 'Automobile Fuel Economy Act'.

"DECLARATION OF POLICY

"Sec. 502. (a) Findings.—The Congress finds and declares that—

"(1) Each day the United States uses approximately 6,000,000 barrels of oil more than it produces from domestic sources.

"(2) The gap between such domestic consumption and such domestic production is met by the importation of oil from oil exporting nations.

"(3) During the past year, such oil exporting nations, acting in concert, have raised the price of oil by approximately 300 per centum.

"(4) Such price increases and oil importation requirements have caused the United States to suffer deficits in its international balance of payments; have contributed to the highest rate of inflation in decades as the increased cost of fuel is passed on to manufacturers and consumers, and have made the nation prey to arbitrary and exorbitant price fixing by oil exporting nations and vulnerable to unreasonable foreign policy pressures and economic chaos from production reductions and embargoes by such nations.

"(5) For these reasons, it is an urgent necessity for the United States to reduce the quantities of crude oil and refined petroleum products which it imports without further damaging the economy. Automobiles are the single largest and most significant user of petroleum products.

"(6) The amount of oil required for automobile transportation could be reduced by more than 1,000,000 barrels a day through technologically feasible improvements in automobile fuel economy.

"(b) Purpose.—It is therefore declared to be the purpose of Congress in this title to—

"(1) mandate the manufacture of automobiles which reduce the amount of fuel consumed per mile traveled without reducing safety, damageability, or environmental standards; and

"(2) increase the industrywide average fuel economy for new automobiles to achieve at least a 50 per centum improvement in such average by model year 1980 and at least a 100 per centum improvement in such average by model year 1985 over the model year 1974 industrywide average fuel economy level of 14 miles per gallon.

"DEFINITIONS

"Sec. 503. As used in this title, the term—

"(1) 'Administrator' means the Administrator of the Environmental Protection Agency;

"(2) 'automobile' means a four-wheeled vehicle propelled by fuel which is manufactured primarily for use on the public streets, roads, and highways, except any vehicle operated exclusively on a rail or rails, and which has as its primary intended function the transportation of not more than ten individuals. The term includes a light duty truck rated at 6,000 pounds gross vehicle weight or less, and a multipurpose passenger vehicle which has as its primary intended function the transportation of not more than ten individuals, other than a motor home constructed on a truck chassis, truck chassiscab, or special chassis, or constructed through utilizing a truck or similar van;

"(3) 'average fuel economy' means a harmonic average of fuel economy weighted on the basis of automobiles produced. As used in this paragraph, 'harmonic average of fuel economy weighted on the basis of automobiles produced' means the total number of automobiles produced in a given model year by a manufacturer and its affiliates, divided by a sum of terms, each term of which is a fraction created by dividing the number of automobiles of a given model type produced in a given model year by the fuel economy measured for each particular model type rounded to the nearest mile per gallon, as determined by the Administrator;

"(4) 'dealer' means any person engaged in the business of selling new automobiles to purchasers who buy for purposes other than resale;

"(5) 'fuel' means gasoline and diesel oil;

"(6) 'fuel economy' refers to the average number of miles traveled in representative driving conditions by an automobile per gallon of fuel consumed, as determined by the Administrator in accordance with test procedures established by him by rule which are consistent with the Clean Air Act, as amended (42 U.S.C. 1857f-5);

"(7) 'manufacturer' includes an importer;

"(8) 'model type' means a particular class of automobile as defined by the Secretary; and

"(9) 'model year' means the period from the date a model is first offered for sale to purchasers for purposes other than resale, to no later than December 31 of the next calendar year.

"MINIMUM FUEL ECONOMY PERFORMANCE STANDARDS

"Sec. 504. (a) Establishment.—(1) Not later than June 1, 1975, the Secretary shall establish, by rule pursuant to section 553 of title 5, United States Code, minimum average fuel economy performance standards for new automobiles manufactured in model years 1977 through 1985. The standards shall be set for each such model year at a level which the Secretary determines is the maximum feasible such level and shall result, by model year 1980, in an industrywide average fuel economy level which represents at least a 50 per centum improvement over the model year 1974 average. Such standards shall also result, by model year 1985, in an industrywide average fuel economy level which represents at least a 100 per centum improvement in such average over the model year 1974 average. Such standards shall be promulgated in a manner which will result in steady progress toward meeting such industrywide averages for model years 1980 and 1985.

"(2) Beginning in 1977, the Secretary shall review not later than January 1 of each calender year standards promulgated pursuant to this subsection which will take effect in future model years and shall publish the results of such review in the Federal Register. The review required to be published by January 1, 1980, shall include a comprehensive analysis of the program required by this title. Such analysis shall include an assessment of the adequacy of the industrywide average fuel economy requirement for 1985 as specified in section 504(a)(1) of this title and any legislative recommendations he or she might have for adjusting such standard or otherwise improving the program required by this title.

"(3) Any such standard, and any amendment thereto under subsection (b) of this section, shall be promulgated not later than 18 months prior to the beginning of subsequent model years as to which such standard or amendment is to apply, except that the standard applicable to model year 1977 shall be promulgated not later than 12 months prior to the beginning of the 1977 model year.

"(b) Amendment.—The Secretary may from time to time, upon the basis of new information, amend, modify, or revise any average fuel economy performance standard established under subsection (a) of this section, except that no such amendment, modification, or revision may reduce the minimum standard for average fuel economy below that necessary to meet the model year 1980 and 1985 goals specified in section 504 (a)(1) of this title.

"(c) Requirement.—Each manufacturer shall, after the date of enactment of this Act, comply with the applicable minimum average fuel economy standard for the applicable model year. Compliance is to be determined by the Administrator in accordance with test procedures established by him by rule by calculating the average fuel economy of all automobiles produced by such manufacturer during such model year. The Administrator shall report the findings of such compliance determinations to the Secretary. Nothing in this subsection shall be construed to require each individual automobile produced by a particular manufacturer to meet the applicable minimum average fuel economy performance standard if the average fuel economy of all automobiles produced by such manufacturer meets or exceeds such minimum standard.

"(d) Judicial Review.—(1) Any person who may be adversely affected by any rule promulgated under this section may at any time prior to 60 days after such rule is promulgatd file a petition in the United States Court of Appeals for the District of Columbia, or any circuit wherein such person resides or has his principal place of business, for judicial review of such rule. A copy of the petition shall be forthwith transmitted by the clerk of such court to the Secretary. The Secretary shall thereupon cause to be filed in such court the record of the proceedings upon which the rule which is under review was based, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

"(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced in a hearing, in such manner and upon such terms and conditions as the court may deem proper. The Secretary may modify his or her finding as to the facts, or make new findings, by reason of the additional evidence so taken, and he or she shall file such modified or new findings, and his or her recommendation, if any, for the modification or setting aside of his or her rule, with the return of such additional evidence.

"(3) The judgment of the court affirming or setting aside, in whole or in part, any such rule of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(4) The remedies provided for in this section shall be in addition to and not in lieu of any other remedies provided by law.

"DUTIES AND POWERS OF THE SECRETARY AND ADMINISTRATOR

"SEC. 505. (a) GENERAL.—(1) For the purpose of carrying out the provisions of this title, the Secretary or the Administrator, or their duly designated agents, may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, Administrator, or such agents, deem advisable. The Secretary, Administrator, or their duly designated agents, shall at all reasonable times have access to, and for the purpose of examination, the right to copy any documentary evidence of any person having materials or information relevant to any function of the Secretary or Administrator under this title. The Secretary or Administrator is authorized to require, by general or special orders, any person to file, in such form as the Secretary or Administrator may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary or Administrator under this title. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary or Administrator within such reasonable period as he may prescribe.

"(2) The district courts of the United States for a judicial district in the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a duly authorized subpena or order of the Secretary, the Administrator, or their duly designated agents, issued under paragraph (1) of this subsection, issue an order requiring compliance with such subpena or order. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

"(3) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

"(b) INSPECTION.—(1) Every manufacturer of automobiles shall establish and maintain such records, make such reports, conduct such tests, and provide such items and information as the Secretary or Administrator may reasonably require to enable the Secretary or Administrator to carry out their duties under this title and under any rules or regulations promulgated pursuant to this title. Such manufacturer shall, upon request of a duly designated agent of the Secretary or Administrator, permit such agent to inspect finished automobiles and appropriate books, papers, records, and documents. Such manufacturer shall make available all of such items and information in accordance with such reasonable rules as the Secretary or Administrator may prescribe.

"(2) The district courts of the United States for a judicial district in which an inspection is carried out or requested may, if a manufacturer of automobiles refuses to accede to any reasonable requirement or request, issued or made under paragraph (1) of this subsection, issue an order requiring compliance with such requirement or request. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

"(c) PUBLIC DISCLOSURE OF INFORMATION.—The Secretary or Administrator shall disclose so much of any information obtained under this title to the public as he or she determines may assist in carrying out the purposes of this title, except that any information which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, which if disclosed would result in significant competitive damage, shall not be disclosed to the public (other than to officers or employees concerned with carrying out this title), unless such information is relevant to any proceeding under this title. Nothing in this subsection shall authorize the withholding of information by the Secretary or Administrator or any officer or employee under their control from any duly authorized committee of the Congress.

"(d) REPRESENTATION.—Notwithstanding any other provision of law, in any action under this title, the Secretary or Administrator may direct attorneys employed by him or her to appear and represent him or her.

"LABELING AND ADVERTISING

"SEC. 506. (a) STICKER.—Beginning no later than 90 days after the enactment of this title, each manufacturer shall cause to be affixed and each dealer shall cause to be maintained on each new automobile, in a prominent place, a sticker indicating the fuel economy which a prospective purchaser can expect from such automobile, and the estimated average annual fuel costs associated with the operation of such automobile. The form and content of such sticker shall be determined by the Secretary, pursuant to section 553 of title 5, United States Code, after consultation with the Federal Trade Commission.

"(b) DISCLAIMER.—Nothing in this section shall be deemed to prohibit a manufacturer or dealer from representing orally or in writing that the fuel economy or estimated average annual fuel costs required to be disclosed by this section are based on representative driving conditions as determined by the Secretary in consultation with the Administrators of the Environmental Protection Agency and the Federal Energy Administration (or their successors) and should not be construed as a precise calculation of fuel economy or estimated average annual fuel costs to be experienced by an individual purchaser.

"(c) ADVERTISING.—The Federal Trade Commission shall by rule, pursuant to section 553 of title 5, United States Code, direct which type of advertisements for new automobiles shall contain the information regarding fuel economy and average annual fuel costs which is required under subsection (a) of this section.

"(d) CONFORMING AMENDMENT.—Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended by striking out in the first paragraph 'disclosing the following information concerning' and inserting in lieu thereof 'disclosing the information required by the Automobile Fuel Economy Act together with the following information concerning'.

"PROHIBITED CONDUCT

"SEC. 507. The following conduct is prohibited:

"(1) the failure to comply with any provision of this title or any standard, rule, regulation, or order issued pursuant to this title;

"(2) the failure to provide information as required in accordance with this title;

"(3) the failure to permit inspection pursuant to this title; and

"(4) the failure to comply with any labeling and advertising requirement mandated or authorized under section 506 of this title.

"CIVIL PENALTY

"SEC. 508. (a) AMOUNT.—(1) Any manufacturer who is determined by the Secretary or the Administrator, in a proceeding in accordance with section 554 of title 5, the United States Code, to have failed to comply with the requirement set forth in section 504(c) of this title shall be liable to the United States for a civil penalty of not less than $50 and not more than $100 for each mile per gallon by which the average fuel economy of the automobiles manufactured or imported by such manufacturer during the same model year falls short of the applicable minimum fuel economy performance standard established under section 503(a) of this title multiplied by the total number of automobiles manufactured or imported by such manufacturer during such model year. Fractional miles per gallon deviations from an applicable standard shall be penalized on the basis of the $50 to $100 civil penalty multiplied by the fraction.

(2) Any person who is determined by the Secretary or Administrator to have violated a provision of section 507 of this title shall be liable to the United States for a civil penalty of not more than $10,000 for each violation; each day of a continuing violation is a separate violation.

(3) The amount of such civil penalty shall be assessed by the Secretary or Administrator by written notice. The Secretary or Administrator may, at his or her discretion, compromise, modify, or remit, with or without conditions, any such civil penalty only to the extent necessary to prevent the insolvency or bankruptcy of a manufacturer or the substantial lessening of competition within the automobile industry.

"(b) PROCEDURE.—(1) Any person against whom a civil penalty is assessed under this section may obtain review in the appropriate court of appeals of the United States by filing a notice of appeal in such court within 30 days after the date of such order and by simultaneously sending a copy of such notice by certified mail to the Secretary or Administrator. The Secretary or Administrator shall promptly file in such court a certified copy of the record upon which failure to comply or violation was found and such penalty imposed. The determinations of the Secretary or Administrator shall be set aside if found to be unsupported by substantial evidence, as provided by section 706(2)(e) of title 5, United States Code.

"(2) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Secretary or Administrator, the Secretary or Administrator (or, at his or her request, the Attorney General) shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

"RELATIONSHIP TO STATE LAW

"SEC. 509. (a) Except as provided in subsection (b) of this section, after the effective date of any standard issued or effective under this title relating to fuel economy performance standards for automobiles or to fuel economy labeling or advertising of new automobiles, no State or political subdivision thereof may adopt or enforce any standards relating to such matters which are inconsistent therewith.

"(b) The Secretary may, by regulation promulgated pursuant to section 553 of title 5, United States Code, permit any such State or political subdivision thereof to establish standards which are more stringent than the ones under this title if the application of such State or local standards will not, through difficulties in marketing, distribution, or other factors, result in an unreasonable burden on commerce.

"REPORTS

"SEC. 510. (a) Within 300 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress and the President a comprehensive report setting forth his or her findings and containing his or her conclusions and recommendations with respect to the 55 miles per hour national maximum speed limit established by Act of Congress. Such report shall include, but not be limited to, an examination of the extent of compliance with such speed limit by region, State, and geographic area; the amount of gasoline that would have been saved if all motorists had complied with such speed limit; and the feasibility, practicality, safety, and associated energy savings of a requirement that manufacturers install on all new automobiles and other motor vehicles devices that would make it impossible to operate such vehicles at speeds in excess of such national maximum speed limit for any sustained period of time.

"(b) Within 180 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress and the President a comprehensive report setting forth his or her findings and containing his or her conclusions and recommendations with respect to a requirement that each new automobile be equipped with a fuel flow instrument reading directly in miles per gallon and the most feasible means of equipping used automobiles with such instrument. Such report shall include, but not be limited to, an examination of the effectiveness of such instruments in promoting voluntary reductions in fuel consumption, the cost of such instruments, means of encouraging automobile purchasers to voluntarily purchase automobiles equipped with such instruments, and any other factor bearing on the cost and effectiveness of such instruments and their use.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 511. There are authorized to be appropriated to the Secretary for carrying out the povisions of this title such sums as are necessary, not to exceed $1,000,000 for the fiscal years ending June 30, 1975, and June 30, 1976, not to exceed $750,000 for the transitional fiscal quarter ending September 30, 1976, and not to exceed $3,000,000 annually for the fiscal years ending September 30, 1977, and September 30, 1978.

By Mr. ROTH:

S.J. Res. 29. A joint resolution proposing an amendment to the Constitution of the United States to guarantee the human rights of pupils attending public schools. Referred to the Committee on the Judiciary.

S. 634. A bill to prohibit the use of Federal funds for the transportation of public school children without the written consent of their parents. Referred to the Committee on Labor and Public Welfare.

Mr. ROTH. Mr. President, I have been consistently opposed to the forced busing of schoolchildren for whatever purpose and what is more I have supported my beliefs by my votes both in the House and Senate. Just as consistently I have been a firm supporter of quality education and the neighborhood school concept.

I invite the Members of the Senate to reflect upon an important part of the American democratic experience: The struggle to remove those artificial barriers that stand in the way of individual freedom. Do we not all agree with the well-known observer of the American political scene, Theodore S. White, that the instinct and pride of our country from the time of its founding "has been to keep opportunity for individualism open." All of our great struggles—

> Against King George, against the banks, against the trusts, against the bosses—have reflected a doctrine which is more than politics, a doctrine which is of the essence of the culture of the nation; No man must be locked into or hammered into a category from which he has no opportunity to escape. He must not be locked in by the color of his skin or his racial genes; he must not be locked in by lack of educational opportunity; he must not be locked in by birth, or parentage, or age, or poverty.

Mr. President, are we not now making war against this great tradition out of the best of motives? Seeing in the continued segregation of our public schools a blatant inequality that poisons the future of our youth, we have hammered all children—black and white and yellow and red—into categories. We have transported them, on the basis of these categories, great distances. We have disrupted their education, their family life, their involvement in school activities, and their own developing social life. As in all instances where basic principles are sacrificed for momentary expediency, we might properly inquire whether the cure is worse than the illness. Busing experiences in several American cities strongly document this view.

Further as former Congresswoman Edith Green recently said:

> More and more rank and file black Americans are speaking out for quality education rather than the mere mathematical matching of children of a certain skin pigmentation. . . . Many white and black parents are annoyed by the disruption of their neighborhood schools and incensed by the dreams of those who think children are merely numbers.

Mrs. Green who recently retired from Congress is a distinguished Democrat and educational expert. She is also an ardent integrationist who has long been in support of the Supreme Court decision of 20 years ago.

That decision recognized that separate but equal facilities are inherently unequal. Mr. President, the Supreme Court decision in Brown against Board of Education was a contribution to the tradition of removing barriers to self-advancement. But the courts made a decision at war with that tradition when they made the first decision that required busing as a means of achieving an arbitrary racial balance.

Forced busing only imposes new restrictions. It replaces one injustice against few with an injustice against all. Though it springs from the best of motives, it is a dangerous principle and, once applied, a dangerous precedent. For where is it to end? Shall our social planners next enforce quotas that will distribute our children proportionally by sex? Or by intelligence? I cannot support the continuation of such a principle or such a precedent. I cannot support the application of Government power in a way which categorizes people, hammering them into classifications from which there is no escape, even if it is done for the best of motives.

We find ourselves in this unenviable position, because the political branches of Government, for too long, delayed taking the steps necessary to end segregation. By our delay, the judiciary felt compelled to act on its own. The Court has been rightly criticized, of late, for assuming the legislative function in this manner. But criticism alone does not solve the problem.

It is time the Congress took meaningful action to end this problem once and for all.

It is time the busing issue be laid to rest. This issue has tortured Americans long enough. Congress continues to back and fill and never seems to come up with any effective solution. Other issues become involved. Funds for important programs are stalled. We must finally act if we are to protect the concept of the neighborhood school, promote the development of quality education, and insure the best education we can provide for our children. To do otherwise is to shirk our responsibility to the American people.

It is to put this issue to rest that I am introducing a joint resolution providing for a constitutional amendment to prevent the forced busing of schoolchildren. Since a constitutional amendment takes time I am also introducing an additional bill which will limit Federal funds for busing to those cases where parents of children involved, not school officials, make an express written and voluntary request for or consent to such busing.

I urge my colleagues to join me in assuring that these bills are passed and that the problem of forced busing is solved. Once we have set to rest the concerns of parents about this troublesome and divisive issue we can get on with the very necessary job of providing quality education for all of our children.

I ask unanimous consent that the bill and joint resolution be printed at this point in the RECORD.

There being no objection, the bill and joint resolution were ordered to be printed in the RECORD, as follows:

S. 634

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Neighborhood School Act."

SECTION 2. (a) No funds shall be authorized, nor any funds used or withheld by any official or court of the United States, to require or encourage the transportation of any public school pupil to any school because of his or her race, color, national origin, creed, or sex, except in cases involving a child whose parents have made an express, written, voluntary request for, or have given their written, voluntary consent to such transportation.

(b) No funds shall be authorized, nor any funds used or withheld by any official or court of the United States, to require or encourage the assignment of teachers to any particular public school, except in cases involving teachers who have made an express, written, voluntary request for, or have given their written, voluntary consent to such assignment.

S.J. RES. 29

Resolved by the Senate and House of Representatives of the United States of America *in Congress assembled*, Proposing an amendment to the Constitution of the United States to guarantee the human rights of pupils attending public schools.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date and final passage of this joint resolution:

"Article—

"SECTION 1. No public school pupil shall be transported to a particular school because of his or her race, color, national origin, creed, or sex.

"SEC. 2. Congress shall have the power to enforce this article by appropriate legislation."

By Mr. PERCY:

S. 635. A bill to establish an automobile efficiency tax incentive program, and for other purposes. Referred to the Committee on Finance.

S. 636. A bill to terminate the Highway Trust Fund. Referred to the Committee on Finance.

S. 637. A bill to amend the Internal Revenue Code of 1954 to repeal the tax deduction for State and local gasoline taxes. Referred to the Committee on Finance.

S. 638. A bill to amend the Internal Revenue Code of 1954 to increase Federal excise taxes on gasoline, tobacco, and alcohol, and to provide a credit against tax for the increased gasoline tax paid. Referred to the Committee on Finance.

S. 639. A bill to amend the Internal Revenue Code of 1954 to provide income tax relief for small businesses. Referred to the Committee on Finance.

S. 640. A bill to amend the Internal Revenue Code of 1954, to require the dyeing of heating fuel oil. Referred to the Committee on Finance.

SENATOR PERCY'S COMPREHENSIVE ALTERNATIVE TO THE PRESIDENT'S ECONOMY AND ENERGY PROPOSALS

Mr. PERCY. Mr. President, the President's budget and the economic report have hit like a bombshell. As the President promised in his economic message to the Congress earlier in January, his budget, while expansive, is at the same time a very stringent one. In spite of the fact that no new spending programs are proposed, and that health insurance and welfare reform are postponed, the projected deficit of $52 billion, coupled with assumed unemployment rates over 7 percent for several years, comes as a shock and a surprise. The implications of this budget, and of economic projections for the years ahead are extremely sobering. In striking a balance between the goals of recession and inflation, neither seems to be "cured."

However, the President's fiscal 1976 budget does provide a necessary stimulus to economic activity and it implements the bold energy plan he outlined to the Congress earlier. President Ford is to be commended for his leadership in presenting a concrete proposal. While it demands sacrifices of the American people and changes of entrenched attitudes toward consumption of energy, the President's program does, at last, provide the basis for cutting back sharply on domestic consumption, ending the balance of payments drain that our energy purchases have created, and giving us a stronger bargaining position versus the oil exporting countries.

The need for energy conservation must be dealt with firmly and swiftly. The President has called upon Congress to enact his proposals, or comprehensive alternatives to it. For this reason, I have opposed delay in implementing a major element of the President's plan—the import fee on oil. However, as I indicated to the President himself at a meeting in the Cabinet room last week, I believe we should use the period before the full application of the oil import fee in April, to study intensively other alternatives.

Therefore, I am today proposing my own comprehensive alternative to the President's energy program. It embraces many of the President's proposals that I support, and substitutes my own for those with which I disagree.

The theory behind the President's energy program, announced in his state of the Union address, rests on the fundamental presumption that the world oil price rise of 1973–74 was too sudden and too drastic for the world economy to absorb, and that therefore the world price of oil must come down, or at least not be permitted to rise further.

In the next few years major new oil supplies for the United States and the rest of the developed world can only come from the Middle East, and increased reliance on that source would only exacerbate the present tensions over price. Alternative sources of energy will not be available in significant quantities until the 1980's. Thus the only bargaining chip we have in negotiating for a price reduction or stabilization with the Organization of Petroleum Exporting Countries—OPEC—is energy conservation. But this can be a powerful chip.

Regardless of the outcome of our negotiations with OPEC, energy conservation will have a clear positive payoff for the energy-consuming nations. If the price comes down, world monetary strains will be eased. If imports are reduced, trade balances and balances of payments will improve. If the OPEC cartel is weakened, the price of oil will become less arbitrary and more responsive to the market. If energy growth rates are reduced, our resources will last longer and our environment will improve.

This is a sound and workable theory based on energy conservation, and I subscribe to it. Because the United States uses far more energy per capita than any other industrial nation, our contribution to the conservation effort must be proportionately greater. We in the United States should reduce our consumption of oil by 1 million barrels per day or more in 1975 and strive to permanently reduce our overall energy growth rate from 4 percent to 2 percent annually.

The President is right in concluding that mandatory energy conservation programs are now needed to supplement the still vital voluntary programs of the past year. In the months following the Arab embargo last year, voluntary efforts to conserve resulted in only about a 2-percent reduction in U.S. oil consumption, compared with the same period in 1973. Over the long term, voluntarism is ineffective and inequitable because the sacrifice is shared only by those who volunteer.

The President is also right in rejecting gasoline rationing as a solution to our dependence on imported oil. Gas rationing is really a supply restraint rather than a demand restraint mechanism, and thus it would not effect a permanent change in our energy consumption habits.

Rationing would lead inevitably to cheating and demands for exemptions, even if a "white market" coupon system were instituted to make additional fuel available at a higher price. Gas rationing would be inequitable because those who live closest to work and thus contribute the most to conservation would be entitled to the least gasoline, while those who conserve the least would require the most fuel. General administrative rules governing the distribution of gasoline among consumers could never take into account all the special individual circumstances and these, too, would lead to inequities.

There are many components of the President's energy package which conform to the conservation theory and should be supported. For example, the President has asked Congress to provide a tax credit for homeowners who insulate their homes or install storm windows, and to provide direct grants to low-income families and elderly persons who insulate their dwellings. Another program would set mandatory standards for heat efficiency in new homes and commercial buildings. Appliances would be required to use 20 percent less energy by 1980 and to be labeled according to their energy efficiency.

All these mandatory energy conservation measures which the President has proposed should be enacted promptly into law. Congress has already provided by law that the uniform national speed limit of 55 miles per hour, which helped to save about 10,000 lives and 50 million barrels of fuel last year, must be adequately enforced or States could lose their Federal aid to highways.

On the supply side, Congress should also support the President's proposal to explore and develop Naval Petroleum Reserve No. 4 in Alaska. Elk Hills Reserve in California, the only immediately available source of new domestic energy supply, should now be opened for development as the President recommended.

Other parts of the President's program need to be strengthened. For example, the President obtained commitments from automobile manufacturers voluntarily to increase the average fuel efficiency of new cars to 19.6 miles per gallon by 1980, but this commitment was in exchange for a 5-year delay in achieving the exhaust emission standards already required by law. I am deeply disappointed at this. The Federal Government's own studies conclude that the same improvement in fuel efficiency can be achieved by 1980 with current technology and without any impairment of air quality standards.

Instead of trading mandatory pollution requirements for a voluntary commitment to better fuel efficiency, we need a much stronger incentive program. Purchasers of new cars which deliver 15 miles per gallon or less should pay a stiff sliding-scale tax based on the car's fuel efficiency. Conversely, buyers of new cars that deliver better than 17 miles per gallon should receive a cash payment from the Federal Treasury financed from the tax. The standard for fuel economy in new cars should be increased 1 mile per gallon every year until it reaches 24 miles per gallon in 1980. This would be a further incentive for the manufacturers to design and produce more efficient American cars.

The heart of the President's economic and energy program, however, is the system of revenue increases and tax relief. These tax changes attempt to solve several problems at once by transferring income from one segment of the economy to another. The amounts of dollars transferred are staggering and the system is complex. Trying to predict accurately the total impact of this program on the economy will occupy economists for months to come.

In considering the President's proposals, the Congress must try to assess the impact on consumers of the energy taxes and price increases and their corresponding tax cuts. The President's plan calls for the following new energy taxes and deregulation of prices:

First. An import fee on foreign crude oil and refined petroleum products ultimately stabilizing at $2 per barrel. This would raise the price of imported crude oil from about $11 to about $13 a barrel.

Second. Removal of price controls from "old" domestic crude oil and an excise tax of $2 per barrel on all domestic crude oil. This would have the effect of raising the average price of domestic oil from about $8 a barrel to about $13 a barrel. This means that the average price of American oil will rise as much—about $5 a barrel—through deliberate action by our own Government as it did in 1973–74 through deliberate action by OPEC.

Third. Elimination of regulated prices on "new" natural gas and an excise tax on all natural gas of 37 cents per thousand cubic feet. This will have the effect in the first year of increasing the price of new natural gas contracts in interstate markets from about 45 cents to at least $1.37 per thousand cubic feet to equal the current average intrastate rate plus the excise tax.

Fourth. A tax on all domestic crude oil to capture the windfall profits resulting from price decontrol. The tax would initially take 88 percent of the windfall profits on crude oil and would phase out over several years.

The President anticipates that the import fees and excise taxes will bring in $18 billion and the windfall profits tax will capture another $12 billion in the first year.

The President's program thus relies heavily on an enormous price increase to achieve the energy conservation goals of the United States. The assumptions are that demand for oil and gas will be cut markedly by these price increases and that the burden of sacrifice will be shared equitably throughout the economy.

In order for these assumptions to work, a further assumption must be made—that demand for all petroleum products is equally elastic. We know that this is not the case. Demand for heating oil and petrochemical feedstocks, for example, is much more stable, and thus less dependent on price, than demand for gasoline. But a tax on crude oil would likely drive up the price of all refined products.

In the absence of Government controls or incentives, refiners would be expected to pass on their tax burdens more heavily to consumers of the products with the lease elastic demand; namely, heating oil and petrochemical feedstocks. This is only good business sense.

The effect would be that gasoline consumers, who could contribute the most to conservation by eliminating nonessential driving, would sacrifice the least. Conversely, homeowners and renters of homes heated with oil and gas would sacrifice the most.

There is a limit to the amount of energy that can be conserved in a home in winter. Once the thermostat is turned down and the dwelling is insulated, then higher prices just translate into being cold. For low-income persons, unbearably high heating bills can mean freezing to death.

To counter the effect of fuel taxes being passed on to the customers least able to pay, the administration has established a system of regulations and incentives for refiners to encourage higher price increases for gasoline than for other products. The President's advisers have expressed the hope that retail gasoline prices will increase by about 15 cents a gallon, and other products, about 10 cents a gallon.

It is reasonable to ask: If the real purpose of the President's tax program is to raise gasoline prices, why not simply tax gasoline at the pump? This would prevent the highly inflationary effects of a $5-per-barrel increase in average crude oil prices spreading throughout the economy. It would avoid the problem of higher home heating costs. It would avoid the added bureaucratic tangle of applying incentives to refiners. Most importantly, it would concentrate on cutting consumption of the product most susceptible to conservation; namely, gasoline.

In place of the complex series of import fees, excise taxes, decontrolled prices and windfall profits taxes, the Congress should enact a retail sales tax on gasoline of 20 cents per gallon the first year and 30 cents per gallon in subsequent years. So that the tax will not be recessionary, the equivalent of the tax on the first 450 gallons purchased the first year and the first 400 gallons purchased each subsequent year should be rebated to individuals as an income tax credit, or as a cash refund for those who do not pay Federal income taxes. Four hundred gallons is the amount consumed by a car traveling 8,000 miles and delivering 20 miles per gallon.

A gasoline tax would generate sufficient revenues to permit flexibility for applying either fiscal stimulus or restraint. If the tax on the first 450 gallons is rebated to each individual the first year, a 20-cent-a-gallon gas tax would still produce over $6 billion in revenues. In future years, a 30-cent-a-gallon gas tax would produce over $10 billion above the rebated amount.

Under the President's program, the import fees, excise taxes, and windfall profits taxes imposed on producers will tend to multiply as they are spread through the economy. Consumers will pay higher direct fuel prices for gasoline, heating oil, diesel oil, and natural gas. Consumers will also pay higher indirect fuel costs for air travel, train travel, electricity, and petrochemical products, as well as higher product prices due to increased fuel costs paid by industrial and commercial users.

A study conducted by the Library of Congress concludes that this ripple or multiplier effect could result in total costs to consumers of up to $50 billion this year, $20 billion more than the administration's estimate. The Library of Congress also believes that the direct fuel costs alone will add 3 percent to the inflation rate, and that indirect costs could possibly add another 2 percent to inflation.

The Federal Energy Administration has conceded that its original estimate of $250 per year in additional costs to the average family was too low. They now estimate that combined direct and indirect fuel costs will add at least $275 to the average family's annual expenses, and could add up to $345. Other estimates have ranged up to $1,000 per family.

A simple rebatable gasoline tax would, I believe, conserve as much fuel as the President's plan, cost consumers less and avoid both the immediate inflationary and potential recessionary effects of the President's program. The rebatable gas tax I have proposed would cost the average family about $160 the first year and $210 in subsequent years in increased fuel costs, and more than half of those amounts would be rebated directly.

Although I disagree with his crude oil tax approach, the President cannot be faulted for proposing a bold and comprehensive program to attack the triple-headed monster facing our economy—inflation, recession, and energy dependence. The Congress has not lived up to its obligation to develop an equally comprehensive alternative program of its own.

Until the Congress enacts a gasoline tax or some other serious alternative energy conservation proposal, I shall oppose any effort to delay the implementation of the President's proposed import fee. A vote for delay is a vote for inaction and for continued dependence on high-priced foreign oil. The time for rhetoric about energy conservation is past. The time for action is now.

Another part of my alternative energy conservation package is abolition of the highway trust fund, which every year earmarks billions of dollars of Federal gas tax revenue primarily for highway construction, whether the highways are needed or not.

The highway trust fund has outlived its usefulness. It has discouraged the development of other modes of transportation which are far more energy-efficient than cars. This money should be channeled into general revenues where it could be used to help finance various types of transportation or other national needs.

In addition to the energy conservation tax measures I outlined above, the program I am presenting today includes several proposals to achieve greater equity in our tax system and lay the basis for long-term economic growth.

I agree with President Ford that a temporary economic stimulus of $12 billion is called for at this time, but Congress must insure that the money we rebate is actually poured back into the spending stream, not just tucked away, by giving the bulk of the rebates to low-income groups who need it to combat inflation.

I strongly support the President's proposal to enact a permanent reduction in tax rates, particularly for low-income individuals, and to increase the standard deduction. This $16.5 billion in tax relief will help mitigate the effect inflation has had on real wages in recent years.

I also favor increasing the business investment tax credit for all industires to 12 percent for a 1-year period and then setting it at 10 percent permanently. Capital investment is vital to our real long-term growth.

Small businesses have been particularly hard hit by inflation and are generally less able to take advantage of the investment tax credit. Under existing law corporations pay a 22-percent tax on the first $25,000 of income and a 48-percent tax on income in excess of $25,000. I propose this base to $100,000.

The revenue-raising measures in my package will make our tax laws more equitable and raise the necessary revenue to fund these tax relief proposals.

First, I am introducing legislation to increase the Federal tax on alcohol by 50 percent and on tobacco by 100 percent. These luxury taxes have not been increased for 23 years and would raise an estimated $5.8 billion.

Second, tax reforms are necessary in the area of energy production and use. The following measures, which will raise over $5 billion a year in revenues when fully effective, should be adopted immediately:

Repeal the Federal income tax deduction for State and local gasoline taxes.

Limit the credit against U.S. taxes for taxes paid to foreign countries on oil production income.

Repeal the domestic depletion allowance this year, with longer phaseout provisions for independent producers and stripper wells.

Repeal the foreign depletion allowance.

Require foreign oil and gas extraction income to be figured on a country-by-country basis and prohibit the use of excess tax credits on that income to be used to offset taxes due on other types of income in the same counrty or to offset taxes in other countries.

Dye heating fuel oil to deter tax fraud in its use as a diesel fuel.

Nonenergy related tax reforms in my proposal include repealing the special tax advantages allowed Western Hemisphere trading companies and increasing the effectiveness of the minimum tax by including additional items of preference income and raising the applicable tax rate. These two reforms would increase Federal revenues by nearly $1 billion per year.

As shown on the chart below, this program will pay for itself. The revenue-disbursing measures are funded by the revenue-raising measures. I believe this is a must for any comprehensive program. In our efforts to fight recession, we must not form the basis for ever-increasing budget deficits in the future.

In conclusion, I oppose any effort to delay the implementation of the President's program of import taxes without a consistent proposal to replace it. That is why I am offering my own alternative today. The keystone of a correct economy-energy program is in my view a gasoline tax. It will have an immediate impact on consumption, and can be administered in order to have a selective, quantifiable, controllable effect on the economy and American families, and can be rebated through the tax system without unusual difficulty. However, until Congress sees fit to proceed with a comprehensive program to deal seriously with our economic and energy problems, I will not oppose implementation of the President's plan. It is far more important now to have a concrete plan of action than to delay and have none.

Mr. President, I ask unanimous consent that a chart showing the fiscal impact of my energy conservation and tax reform proposals, a summary of the bills I am introducing today and the texts of these bills be printed at this point in the RECORD:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 635

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 36 of the Internal Revenue Code of 1954 (relating to certain other excise taxes) is amended by inserting at the beginning thereof the following new subchapter:

SUBCHAPTER A—AUTOMOBILE FUEL CONSUMPTION TAX

"SEC. 4451. Imposition of tax.

"SEC. 4451. IMPOSITION OF TAX.

"(a) IN GENERAL.—There is imposed on each new automobile sold to a final purchaser a tax in the amount determined under subsection (b). The tax imposed by this subsection shall be paid by the final purchaser.

"(b) AMOUNT OF TAX.—The amount of tax referred to in subsection (a) is determined in accordance with the following table:

If the fuel consumption rate (in miles per gallon) of the new automobile is:	The credit is:
Over 15	$0
Over 13 but not over 15	$200
Over 11 but not over 13	$420
Over 9 but not over 11	$680
Not over 9	$1,000

"(c) CREDIT AGAINST TAX.—There shall be allowed as a credit against the tax imposed by this subsection an amount determined in accordance with the following table:

If the fuel consumption rate (in miles per gallon) of the new automobile is:	The credit is:
Not over 17	$0
Over 17 but not over 19	$75
Over 19 but not over 21	$150
Over 21 but not over 23	$225
Over 23	$300

"(d) INCREASE IN TAX AND CREDIT.—

"(1) 1977–1978.—Effective January 1, 1977, each fuel consumption rate listed in the tables under subsections (b) and (c) shall be increased by 2 and, as increased, shall be the rate in effect for calendar years 1977 and 1978.

"(2) 1979–1980.—Effective January 1, 1979, each such rate shall be increased by 4 and, as increased, shall be the rate in effect for calendar years 1979 and 1980.

"(3) 1981–1982.—Effective January 1, 1981, each such rate shall be increased by 6 and, as increased, shall be the rate in effect for calendar years 1981 and 1982.

"(4) 1983 and thereafter.—Effective January 1, 1983, each such rate shall be increased by 8 and, as increased, shall be the rate in effect for calendar years after 1982.

"(e) COLLECTION OF TAX AND REFUNDS.—

"(1) COLLECTION.—Every person who receives payment for a new automobile on which a tax is imposed under this section shall collect the amount of the tax from the final purchaser making such payment.

"(2) REFUNDS.—Each persons who sells a new automobile to a final purchaser shall report to the Secretary or his delegate the amount of credit, if any, to which such purchaser is entitled under subsection (c).

"(f) DEFINITIONS.—For the purposes of this section—

"(1) FINAL PURCHASER.—The term 'final purchaser' means the first person who in good faith purchases a new automobile for purposes other than resale.

"(2) FUEL CONSUMPTION RATE.—The term 'fuel consumption rate' means the fuel consumption rate determined on the basis of the Automobile Fuel Consumption Schedule prepared by the Administrator of the Environmental Protection Agency.

"(3) NEW AUTOMOBILE.—The term 'new automobile' means an internal combustion engine vehicle, other than a truck or bus, which is a highway motor vehicle as defined in section 4482(a)."

SEC. 2. AUTOMOBILE FUEL CONSUMPTION SCHEDULE.

(a) STUDIES.—The Administrator of the Environmental Protection Agency shall, from time to time, study the fuel consumption rates of automobiles which are subject to the tax imposed by section 4451 of the Internal Revenue Code of 1954 (relating to automobile fuel consumption tax).

(b) CRITERIA.—The studies conducted under subsection (a) shall include tests—

(1) of each automobile model subject to such tax equipped—

(A) with each available engine size (measured by horsepower);

(B) with standard accessories; and

(C) with standard tires;

(2) which shall be conducted—

(A) under driving conditions representative of average urban and highway driving speeds and circumstances,

(B) with the fuel used being of the quality normally recommended for use in such automobile, and

(C) with such automobile carrying the average weight load recommended for such automobile.

(c) REPORTS.—Based upon the studies conducted under subsection (b), the Administrator shall determine the fuel consumption rate of each automobile with each available engine size, standard accessories, and standard tires. The Administrator shall, not later than January 1, 1976, and by January 1 of each year thereafter, report to the Secretary of the Treasury a schedule of all such rates to be known as the Automobile Fuel Consumption Schedule. The Automobile Fuel Consumption Schedule shall be published in the Federal Register each year.

(d) Until the first Automobile Fuel Consumption Schedule is reported to the Secretary of the Treasury under subsection (c), the fuel consumption rate shall be determined for purposes of section 4451 of the Internal Revenue Code of 1954 by reference to the harmonic mean between the urban and highway test cycles as reported by the Environmental Protection Agency under the 1975 Federal Test Procedure.

SEC. 3. TECHNICAL AMENDMENTS.

(a) ASSESSMENT AUTHORITY.—Section 6201 (a) of the Internal Revenue Code of 1954 (relating to assessment authority) is amended by adding at the end thereof the following new paragraph:

"(5) ERRONEOUS CREDIT UNDER SECTION 4451.—If on any claim for a refund of excise taxes under chapter 36 there is an overstatement of the credit allowable by section 4451 (relating to automobile fuel consumption tax), the amount so overstated which is allowed as a refund may be assessed by the Secretary or his delegate in the same manner as in the case of a mathematical error."

(b) REFUNDS.—Section 6401 of the Internal Revenue Code of 1954 (relating to amounts treated as overpayments) is amended by—

(1) redesignating subsection (c) as subsection (d), and

(2) inserting after subsection (b) the following new subsection:

"(c) EXCESS CREDIT UNDER SECTION 4451.—If the amount allowable as a credit under section 4451 (relating to automobile fuel consumption tax) exceeds the tax imposed by chapter 36 of subtitle D of chapter 1, the amount of such excess shall be considered an overpayment."

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 36 of the Internal Revenue Code of 1954 is amended by inserting at the beginning thereof the following new item: "Subchapter A. Automobile fuel consumption tax."

SEC. 4. LABELING.

Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended by inserting "(a)" after "Sec. 3" and by adding at the end thereof the following:

"(b) Every label required to be affixed under subsection (a) shall include, in the case of any automobile on which a tax was imposed or a credit allowed by section 4451 of the Internal Revenue Code of 1954 (relating to automobile fuel consumption taxes)—

"(1) the fuel consumption rate determined to be applicable for such automobile, and

"(2) the tax paid or credit allowed under such section 4451."

S. 636

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective on and after July 1, 1975—

(1) the Highway Trust Fund is terminated and the amount in such Fund, including any obligations held in such fund, shall be covered into the general fund of the Treasury;

(2) any outstanding appropriations from, or obligations of, such Trust Fund shall be made from such general fund;

(3) any authorizations for appropriations to be made from such Trust Fund shall be considered to be authorizations for appropriations from such general fund; and

(4) section 209 of the Highway Revenue Act of 1956 is repealed.

S. 637

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective after December 31, 1974 (1) section 164 (a) of the Internal Revenue Code of 1954 as amended (relating to deduction of taxes not related to a trade or business) is amended by striking out paragraph (5) (relating to taxes on gasoline and other motor fuels);

(2) section 164(b)(5) (relating to separately stated taxes) is amended by striking out "or of any tax on the sale of gasoline, diesel fuel, or other motor fuel."

S. 638

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Revenue Act of 1975".

SEC. 2. (a) Subpart A of part III of subchapter A of chapter 32 of the Internal Revenue Code of 1954 (relating to manufacturer's excise taxes) is amended by redesignating section 4084 as 4085, and by inserting after section 4083 the following:

"SEC. 4084. ADDITIONAL TAX.

"There is imposed on gasoline sold by the producer or importer thereof, a tax of—

"(1) 20 cents a gallon with respect to gasoline sold before January 1, 1976, and

"(2) 30 cents a gallon with respect to gasoline sold after December 31, 1975.".

(b)(1) Section 4082(d) of the Internal Revenue Code of 1954 (relating to definition of wholesale distributor) is amended by inserting "or section 4084" after "section 4081" where it appears in paragraph (2).

(2) Section 4083 of such Code (relating to exemption of sales to producer) is amended by inserting "or section 4084" after "section 4081".

(3) Section 4101 of such Code (relating to registration) is amended by striking out "section 4081 or section 4091" and inserting in lieu thereof "section 4081, section 4084, or section 4091".

(4) Section 4221(d)(6)(C) is amended by inserting "or section 4084" after "section 4081".

(5) Section 4226(a) of such Code (relating to floor stocks taxes) is amended by adding at the end thereof the following new paragraphs:

"(8) 1975 tax on gasoline.—On gasoline subject to tax under section 4084 which on the date occurring 15 days after the date of enactment of the Revenue Act of 1975, is held by a dealer for sale, there is hereby imposed a floor stocks tax at the rate of 20 cents a gallon. The tax imposed by this paragraph shall not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor to gasoline held for sale by a producer or importer of gasoline.

"(9) 1976 tax on gasoline.—On gasoline subject to tax under section 4084 which, on January 1, 1976, is held by a dealer for sale, there is hereby imposed a floor stocks tax at the rate of 30 cents a gallon. The tax imposed by this paragraph shall not apply to gasoline in retail stocks held at the place where intended to be sold at retail, nor to gasoline held for sale by a producer or importer of gasoline.".

(6) Section 6421(b)(1) of such Code (relation to allowance for local transit systems) is amended by inserting after "(A)" the following: "one-half of the tax paid under section 4084 for each gallon of gasoline so used on which tax was paid under such section and".

(c) The table of sections for such subpart A is amended by striking out the item relating to section 4084 and inserting in lieu thereof the following:

"Sec. 4084. Additional tax.

"Sec. 4085. Cross references.".

(d) The amendments made by this section apply to gasoline sold on or after the 15th day after the date of enactment of this Act.

SEC. 3. (a) Section 5001(a) of the Internal Revenue Code of 1954 (relating to imposition and rate of tax on distilled spirits) is amended by striking out "$10.50" and inserting in lieu thereof "$15.75".

(b) Section 5021 of such Code (relating to imposition and rate of tax on distilled spirits and wines) is amended by striking out "30 cents" and inserting in lieu thereof "45 cents".

(c) Section 5022 of such Code (relating to tax on cordials and liqueurs containing wine) is amended by striking out "$1.92" and inserting in lieu thereof "$2.88".

(d) Section 5023 of such Code (relating to tax on blending of beverage brandys) is amended by striking out "30 cents" and inserting in lieu thereof "45 cents".

(e) Section 5041(b) of such Code (relating to rates of tax on wines) is amended by—

(1) striking out "17 cents" in paragraph (1) and inserting in lieu thereof "26 cents",

(2) striking out "67 cents" in paragraph (2) and inserting in lieu thereof "$1.01",

(3) striking out "$2.25" in paragraph (3) and inserting in lieu thereof "$3.38",

(4) striking out "$3.40" in paragraph (4) and inserting in lieu thereof "$5.10", and

(5) striking out "$2.40" in paragraph (5) and inserting in lieu thereof "$3.60".

(f) Section 5051(a) of such Code (relating to rate of tax on beer) is amended by striking out "$9.00" and inserting in lieu thereof "$13.50".

(g) The amendments made by this section take effect 15 days after the date of enactment of this Act.

SEC. 4. (a) Section 5701 (a) of the Internal Revenue Code of 1954 (relating to rate of tax on cigars) is amended by—

(1) striking out "75 cents" in paragraph (1) and inserting in lieu thereof "$1.50",

(2) striking out "$2.50" in paragraph (2) (A) and inserting in lieu thereof "$5.00",

(3) striking out "$3.00" in paragraph (2) (B) and inserting in lieu thereof "$6.00",

(4) striking out "$4.00" in paragraph (2) (C) and inserting in lieu thereof "$8.00",

(5) striking out "$7.00" in paragraph (2) (D) and inserting in lieu thereof "$14.00",

(6) striking out "$10.00" in paragraph (2) (E) and inserting in lieu thereof "$20.00",

(7) striking out "$15.00" in paragraph (2) (F) and inserting in lieu thereof "$30.00", and

(8) striking out "$20.00" in paragraph (2) (G) and inserting in lieu thereof "$40.00".

(b) Section 5701 (b) of such Code (relating to tax on cigarettes) is amended by—

(1) striking out "$4.00" in paragraph (1) and inserting in lieu thereof "$8.00", and

(2) striking out "$8.40" in paragraph (2) and inserting in lieu thereof "$16.80".

(c) Section 5701 (c) of such Code (relating to tax on cigarette papers) is amended by striking out "½ cent" and inserting in lieu thereof "1 cent".

(d) Section 5701 (d) of such Code (relating to tax on cigarette tubes) is amended by striking out "1 cent" and inserting in lieu thereof "2 cents".

(e) The amendments made by this section take effect 15 days after the date of enactment of this Act.

SEC. 5. (a)(1)(A) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credit allowable) is amended by redesignating section 42 as 43, and by inserting after section 41 the following new section:

"SEC. 42. EXCISE TAX ON GASOLINE.

"(a) IN GENERAL.—There is allowed as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 20 cents multiplied by the number of gallons of gasoline purchased by the taxpayer during the taxable year.

"(b) Limitations.—

"(1) Amount.—The credit allowed by subsection (a) for any taxable year shall not exceed $90 ($180 in the case of a joint return under section 6013).

"(2) Application with other credits and deductions.—In determining the number of gallons of gasoline purchased by the taxpayer during the taxable year, any gasoline purchased with respect to which a credit or a deduction is claimed under this chapter for the taxable year shall be disregarded.".

(B) The amendments made by this paragraph apply to taxable years beginning after December 31, 1974, with respect to amount paid or incurred after such date.

(2) (A) Section 42 of such Code (as added by subsection (a) of this section) is amended—

(i) by striking out "20 cents" in subsection (a) and inserting in lieu thereof "30 cents", and

(ii) by striking out paragraph (1) of subsection (b) and inserting in lieu thereof the following:

(1) Amount.—The credit allowed by subsection (a) for any taxable year shall not exceed $120 ($240 in the case of a joint return of tax under section 6013).".

(B) The amendments made by this paragraph apply to taxable years beginning after December 31, 1975, with respect to amounts paid or incurred after such date.

(3) The table of sections of such subpart A is amended by striking out the item relating to section 42 and inserting in lieu thereof the following:

"Sec. 42. Excise tax on gasoline.

"Sec. 43. Overpayments of tax."

(b) Section 6401(b) of such Code (relating to excessive credits) is amended by—

(A) inserting after "(lubricating oil)" the following: ", 42 (relating to tax credit for excise tax on gasoline),"; and

(B) striking out "sections 31 and 39" and inserting in lieu thereof "sections 31, 39, and 42".

(3) Section 6201(a)(4) of such Code (relating to assessment authority) is amended by—

(A) inserting "OR 42" after "Section 39" in the caption of such section;

(B) striking out "oil)," and inserting in lieu thereof "oil) or section 42 (relating to excise tax on gasoline),".

S. 639

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective after December 31, 1974:

(1) section 11(d) of the Internal Revenue Code of 1954 as amended (relating to the corporate surtax exemption) is amended by striking out "$25,000" and inserting in lieu thereof "$100,000".

S. 640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act may be cited as the Dye Marking Act.

Sec. 101. Definitions.

For purposes of this Act

(1) the term "number 1 fuel oil" means any distillate oil which meets the following distillation requirements (established by the American Society of Testing Materials under test numbered D–86): the 10 percent point is equal to 420 degrees Fahrenheit maximum, and the 90 percent point is equal to 550 degrees Fahrenheit maximum;

(2) the term "number 2 fuel oil" means any any distillate oil which meets the following distillation requiremments (established by the American Society of Testing Materials under test numbered D–86): the 10 percent point is equal to 440 degrees Fahrenheit maximum, and the 90 percent point is equal to 610 degrees Fahrenheit maximum; and

(3) the term "Administrator" means the Administrator of the Federal Energy Administration.

Sec. 102. Limitation on Use of Marked Fuel Oil.

(a) No person shall purchase or use any number 1 fuel oil or number 2 fuel oil which is marked in accordance with the provisions of subsection (b)(1) for the purpose of providing fuel, which makes it subject to tax under section 4041(a) of the Internal Revenue Code of 1954 (relating to imposition of tax on diesel fuel) for any diesel-powered highway vehicle.

(b)(1) Any person who sells or distributes number 1 fuel oil or number 2 fuel oil shall provide for the marking of such fuel oil in accordance with rules which the Administrator shall prescribe under this subsection, except that such fuel oil shall be marked if such fuel oil is to be used in a manner which makes it subject to tax under section 4041(a) of the Internal Revenue Code of 1954 (relating to imposition of tax on diesel fuel).

(2) The Administrator shall, before prescribing such rules, conduct and make available to the public a study to determine—

(A) the appropriate oil soluble dye to be used for the marking of such fuel oil, and the proportionate amounts of such dye to be used for such marking;

(B) the appropriate point or points in the petroleum distribution system at which such dye shall be added to such fuel oil in order to carry out the marking requirements of this section; and

(C) effective means and procedures through which the Administrator may oversee the marking of such fuel oil in accordance with the provisions of this section.

(3) The Administrator shall prescribe such rules no later than 180 days after the date of the enactment of this Act. Such rules shall, to the extent the Administrator considers practicable, take into account the findings and conclusions of the study which the Administrator conducts under paragraph (2).

Sec. 103. Inspection.

The Administrator or his delegate may enter during business hours the premises (including places of storage) of any person who sells or distributes number 1 fuel oil or number 2 fuel oil, and the Administrator or his delegate may have access to any motor vehicle owned or operated by any such person, for the purpose of conducting an inspection or examination to determine whether such person is in compliance with the provisions of this Act. The Administrator or his delegate may provide for the inspection of any other motor vehicle to insure the compliance with the provisions of this Act.

Sec. 104. Penalty.

Any person who violates any provision of this Act shall be fined not more than $25,000 or imprisoned not more than 5 years, or both.

Sec. 105. Effective Date.

The provisions of this Act shall take effect on the date of the enactment.

PERCY ENERGY CONSERVATION AND TAX REFORM PROGRAM—FISCAL IMPACT

1975 CALENDAR YEAR

[Estimated in billions]

Revenue Raising Measures:	
Gasoline Tax of 20¢ a gallon	* $18.00
Luxury Taxes on Alcohol and Tobacco	5.80
Energy Related Tax Reforms	3.48
General Tax Reforms	.85
Total Revenue Raised	28.13
Revenue Disbursing Measures:	
Individual Gasoline Tax Rebate (450 gals.)	9.00
Increased Business Tax Deductions	2.70
Cut in Individual Rates	$16.50
Credit for Home Insulation	.50
Subtotal Revenue Disbursed	28.70
One Time Economic Stimulus (Ford Proposal):	
Individual Tax Cut of 12% geared to low income individuals	12.00
Raise Investment Tax Credit to 12%	4.00
Total Revenue Disbursed	44.70

1976 CALENDAR YEAR

Revenue Raising Measures:	
Gasoline Tax of 30c a gallon	*25.80
Luxury Taxes on Alcohol and Tobacco	5.80
Energy Related Tax Reforms	3.78
General Tax Reforms	.85
Total Revenue Raised	36.23
Revenue Disbursing Measures:	
Individual Gasoline Tax Rebate (400 gals.)	12.00
Increased Business Tax Deductions	3.87
Cut in Individual Rates	16.50
Credit for Home Insulation	.50
Raise Investment Tax to 10%	2.00
Raise Base for Small Business Tax Rate	2.50
Total Revenue Disbursed	37.37

*Presumes a cut in gasoline consumption of 10% (750,000 barrels a day) at 20¢ a gallon and of 14% (one million barrels a day) at 30¢.

1977 AND FUTURE CALENDAR YEARS

Package will be in fiscal balance as of calendar 1978, at which time revenues from phasing out the oil depletion allowance will be $417 million higher than in 1976 and the tax credit for home insulation will be terminated. By calendar 1980, the oil depletion allowance phase out will be raising another $1.1 billion above 1978 revenues.

SUMMARY OF BILLS INTRODUCED BY SENATOR PERCY

Rebatable gasoline tax

Provides for a new fuel conservation tax on gasoline with rebates to consumers for essential driving. The tax would be 20 cents a gallon in 1975 and would increase to 30 cents a gallon on January 1, 1976. Revenue raised would be paid into the general fund of the Treasury. An annual tax credit for essential driving would be provided on the first 450 gallons of gasoline purchased by an individual in the first year, and the first 400 gallons purchased in subsequent years. A driver could receive a tax credit of up to $90 in the first year (20 cents times up to 450 gallons used) and up to $120 in subsequent years (30 cents times up to 400 gallons). The credit is obtained by filing a Federal income tax return, whether or not a driver has any income tax liability.

Auto efficiency tax incentive program

Establishes an automobile efficiency tax incentive program by taxing new car purchases on the basis of gasoline mileage. Based on an initial fuel economy standard of between 15 and 17 miles-per-gallon, which is the average gas mileage range for 1975 model cars, a new car purchaser would be subject to a tax or payment depending on fuel efficiency. A purchaser of a new car that delivers more than 17 miles-per-gallon would receive a payment from the Federal Treasury on a sliding scale, up to $300 for a car that gives 23 miles-per-gallon or more. Conversely, a purchaser of a new car that delivers 15 miles-per-gallon or less would pay a tax that starts at $200 and increases in steps to a maximum of $1,000 on a car that delivers 9 miles per gallon or less. The scale for taxes and payments would increase by 2 miles-per-gallon every two years until 1983, when the standard for fuel economy would reach the range of 23 to 25 miles-per-gallon. This program would be a strong incentive for consumers to purchase and manufacturers to produce more fuel efficient cars.

Abolition of the highway trust fund

Abolishes the Highway Trust Fund and makes the billions of dollars collected annually from the Federal gas tax available to help finance various types of transportation or other national needs. A trust fund designed for highway construction is anachronistic in our present economic condition. It has discouraged the development of other modes of transportation which are far more energy-efficient than cars. The fund now has a balance of $8 billion, but work has either been completed or is underway on 99 percent of the nation's 42,500 mile Interstate Highway System.

Repeal of deductibility of State and local gas taxes

Repeals the Federal income tax deduction now allowed for state and local gasoline taxes, retroactive to January 1, 1975. This deduction is a Federal subsidy on gasoline sales. National policy now emphasizes fuel conservation. The subsidy works against that policy. Moreover, the income tax deduction for state and local gasoline taxes, like other deductions, benefits only those taxpayers whose incomes are high enough to warrant itemized deductions. Those taxpayers are the ones least in need of selective tax benefits. Also, this deduction deprives the Federal Treasury of about $600 million annually.

Increased luxury taxes

Increases tax on alcohol by 50% and increases tax on tobacco by 100%. These taxes, which have not been increased in over 20 years, are levied on the producer. The current tax on alcohol varies with alcoholic content: from 17¢ per gallon for spirits that are less than 14% alcohol by volume to $10.50 per gallon for spirits that are 50% alcohol by volume. The current tax on tobacco varies with type and size. The tax on small cigarettes is $4.00 per thousand, the tax on large cigarettes is $8.40 per thousand. The current tax on small cigars is 75¢ per thousand and the tax on large cigars is from $2.50 to $20.00 per thousand depending on retail price.

Reduce "small business" tax rate

Increases the base on which the normal corporate tax is levied from $25,000 to $100,000. Under current law, a tax of 22 percent is levied on the first $25,000 of corporate income and a tax of 48 percent is levied on all income above $25,000. Small businesses have been particularly hard hit by inflation and, because of the nature of their business, are generally less able to take advantage of increases in the investment tax credit. This measure will be of primary benefit to small corporations.

Dye heating fuel oil

Requires that number 1 and number 2 heating fuel oil be colored with an oil soluble dye to deter tax fraud. Under existing law, diesel fuel is taxed at the rate of 12¢ per gallon (4¢ federal and 8¢ state).

An extensive black market has developed in which untaxed heating oil is substituted for taxable diesel fuel. It has been estimated that up to $500 million in Federal revenues are lost every year because of this fraud. A similar program was instituted in Canada in 1973 and resulted in a 58.5% increase in revenues in the first year of operation.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 63

At the request of Mr. Beall, the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of S. 63, a bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for certain income of condominium housing associations, homeowner associations, and cooperative housing corporations.

S. 275

At the request of Mr. Stevens, the Senator from Alaska (Mr. Gravel) was added as a cosponsor of S. 275, a bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence.

S. 319 AND S. 320

At the request of Mr. Talmadge, the Senator from Oregon (Mr. Hatfield), and the Senator from Iowa (Mr. Culver) were added as cosponsors of S. 319, a bill to provide a priority system for certain agricultural uses of natural gas; and S. 320, a bill to provide natural gas for essential agricultural purposes.

S. 445

At the request of Mr. Hugh Scott, the Senator from Alaska (Mr. Gravel) was added as a cosponsor of S. 445, a bill to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or reduction in the benefits the individuals or family has been receiving under certain Federal or federally assisted programs.

S. 472

At the request of Mr. Javits, the Senator from Nevada (Mr. Cannon) was added as a cosponsor to S. 472, the Full Employment and Job Development Act of 1975.

S. 489

At the request of Mr. Abourezk, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of the bill (S. 489) to amend the Clayton Act to preserve and promote competition among corporations in the production of oil, natural gas, coal, oil shale, uranium, geothermal steam, and solar energy.

S. 564

At the request of Mr. Hugh Scott, the Senator from Pennsylvania (Mr. Schweiker) was added as a cosponsor of S. 564, a bill to provide public financing of primary and general elections for the Senate and House of Representatives.

SENATE RESOLUTION 12

At the request of Mr. Roth, the Senator from Massachusetts (Mr. Brooke) was added as a cosponsor of Senate Resolution 12, amending the standing rules of the Senate providing for open meetings of conference committees.

SENATE RESOLUTION 20

At the request of Mr. Kennedy, the Senator from South Dakota (Mr. Abourezk) and the Senator from Connecticut (Mr. Ribicoff) were added as cosponsors of Senate Resolution 20, relating to the Vladivostok agreement and strategic arms control.

SENATE RESOLUTION 48

At the request of Mr. Sparkman, the Senator from Delaware (Mr. Biden) was added as a cosponsor of Senate Resolution 48 urging continuing efforts on behalf of the missing-in-action in Southeast Asia.

SENATE RESOLUTION 66—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(Referred to the Committee on Rules and Administration.)

Mr. RANDOLPH (for Mr. Jackson), from the Committee on Interior and Insular Affairs, reporting the following resolution:

S. Res. 66

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Interior and Insular Affairs, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, and (4) to consent to the assignment of personnel of other committees of the Senate to assist in carrying out the purposes of section 3 of this resolution. Travel and other expenses, other than salary, of any personnel from other committees assigned to the committee pursuant to this paragraph for the purposes of section 3 of this resolution may be paid under this resolution.

Sec. 2. The expenses of the committee under this resolution shall not exceed $817,000, of which amount (1) not to exceed $35,000 shall be available for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

Sec. 3. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SENATE RESOLUTION 67—A RESOLUTION CONCERNING THE SAFETY AND FREEDOM OF VALENTYN MOROZ, UKRAINIAN HISTORIAN

(Referred to the Committee on Foreign Relations.)

Mr. GRIFFIN (for Mr. Taft (for himself, Mr. Beall, Mr. Buckley, Mr. Humphrey, Mr. Mathias, Mr. Ribicoff, Mr. Hugh Scott, Mr. Weicker, and Mr. Williams)) submitted the following resolution:

S. Res. 67

Whereas Valentyn Moroz, historian, writer, and spokesman for the cultural integrity of the Ukrainian people, is currently imprisoned in the Soviet Union on the charges of anti-Soviet agitation and propaganda; and

Whereas such charges are without basis as in his valiant attempts to preserve and defend the rights of the Ukrainian people and the culture of the Ukraine and to defend the principle of basic human rights, Valentyn Moroz has done no more than exercise rights granted him by the Constitution of the United Soviet Socialist Republics: Now, therefore, be it

Resolved, That the Senate requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz, historian, writer, and spokesman for the cultural integrity of the Ukrainian people.

SEC. 2. The Secretary of the Senate shall transmit copies of this Resolution to the President and the Secretary of State.

Mr. GRIFFIN. Mr. President, on August 22, 1974, the distinguished Senator from Ohio (Mr. TAFT) introduced Senate Resolution 392, which requested the President to express the concern of our Government for the safety and freedom of Mr. Valentyn Moroz. It will be recalled that Mr. Moroz is a Ukrainian historian and writer who has been imprisoned in the Soviet Union on charges of anti-Soviet agitation and propaganda.

Although I have been, and continue to be, a strong supporter of the ideals of détente with the Soviet Union, I have been disturbed by reports concerning Mr. Moroz' treatment in prison. Last year I joined with the distinguished Senator from Ohio in cosponsoring Senate Resolution 392 but, unfortunately, the Congress adjourned without considering it.

Because he is unable to be here today, Senator TAFT has asked me to reintroduce his resolution. Accordingly, I do so on his behalf and on behalf of eight of our colleagues.

I ask unanimous consent that a statement prepared by Senator TAFT be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection it is so ordered.

STATEMENT OF SENATOR TAFT

Mr. President, as I noted during the last session when I introduced this resolution regarding the great Ukrainian writer and historian, Mr. Valentyn Moroz:

I have long supported the administration's policy of improving our relations with the Soviet Union. But I have also believed that we cannot, as a price for improved relations, be silent about Soviet abuses of basic human rights. The resolution I introduce now is concerned with such an abuse: The imprisonment of Mr. Valentyn Moroz.

Today, Mr. Moroz languishes in prison, serving a 14-year term for "anti-Soviet agitation and propaganda." He thus joins a distinguished group of Soviet writers and intellectuals who have felt the weight of Soviet oppression for their defense of basic human rights. The conditions of his imprisonment are such as to raise grave questions about his physical and mental well-being.

Mr. Moroz, a defender of human rights, is the most noted and uncompromising spokesman within the Soviet Union for the rights of the Ukrainian people and for the maintenance of the Ukrainian culture and national heritage. The Ukrainian culture and national history is independent of that of the Russian people. It is a long and distinguished history, and Ukrainian culture ranks among the great national world cultures. But the Ukrainians have always had to struggle against the politically dominant Russians for the maintenance of the Ukrainian tradition. Under the Soviet Government, the campaign to eradicate the Ukrainian national heritage—and the heritage of other national groups within the Soviet Union—has been prolonged and intense. It continues today. And no one has been more valiant in his efforts to oppose this unjust campaign than Valentyn Moroz.

I ask my colleagues to join me in expressing our humanitarian concern for Mr. Moroz, for the conditions of his imprisonment and for his freedem. In his attempts to defend the culture of the Ukraine, Mr. Moroz has done no more than exercise the basic human rights guaranteed to him by the Soviet constitution. There can be no justification for depriving him of his liberty for exercising these rights. I sincerely hope that the Senate will approve this resolution, and that President Ford will express our concern on this matter to the Soviet Government in the strongest possible terms.

Today, Mr. Moroz's situation remains uncertain. He has apparently ended the hunger strike he began to protest his terrible prison conditions, but we do not know if those conditions have materially improved. Accordingly, I believe it is once again appropriate to ask my colleagues to join me in expressing our concern for this gallant defender of human rights. I am pleased that my distinguished colleagues, Mr. Beall, Mr. Buckley, Mr. Griffin. Mr. Humphrey, Mr. Mathias, Mr. Ribicoff, Mr. Scott of Pennsylvania, Mr. Weicker, and Mr. Williams have joined as cosponsors of this resolution.

SENATE RESOLUTION 68—A RESOLUTION ESTABLISHING A PROCEDURE FOR REQUIRING AMENDMENTS TO BILLS AND RESOLUTIONS TO BE GERMANE

(Referred to the Committee on Rules and Administration.)

Mr. PASTORE (for himself, Mr. BENTSEN, Mr. BROCK, Mr. BROOKE, Mr. BURDICK, Mr. DOMENICI, Mr. PELL, Mr. RANDOLPH, and Mr. SYMINGTON) submitted the following resolution:

S. RES. 68

Resolved, That rule XVIII of the Standing Rules of the Senate is amended—

(1) by inserting after "QUESTION" in the caption a semicolon and the following: "GERMANENESS";

(2) by inserting "1." before "If"; and

(3) by adding at the end thereof the following new paragraph: "2. (a) At any time during the consideration of a bill or resolution it shall be in order to move that no amendment which is not germane or relevant to the subject matter of the bill or resolution, or to the subject matter of an amendment proposed by the committee which reported the bill or resolution, shall thereafter be in order. Such a motion shall be highly privileged and shall be decided without debate.

"(b) If a motion made under subparagraph (a) is agreed to by an affirmative vote of two-thirds of the Senators present and voting, then an amendment thereafter proposed (except amendments proposed by the committee which reported such bill or resolution) which is not germane or relevant to the subject matter of such bill or resolution, or to the subject matter of an amendment proposed by the committee which reported such bill or resolution, shall not be in order. A motion to reconsider the vote by which such motion was so agreed to or was not so agreed to shall not be in order, and, if such motion was not so agreed to, it shall not be in order to make a second motion under subparagraph (a) with respect to such bill or resolution.

"(c) When a motion made under subparagraph (a) has been agreed to as provided in subparagraph (b) with respect to a bill or resolution, points of order with respect to questions of germaneness or relevancy of amendments shall be decided without debate, except that the Presiding Officer may, prior to ruling on any such point of order, entertain such debate as he considers necessary in order to determine how he shall rule on such point of order. Appeals from the decision of the Presiding Officer on such points of order shall be decided without debate.

"(d) The provisions of this paragraph shall not apply to amendments subject to the rules of germaneness and relevancy contained in paragraph 4 of rule XVI and paragraph 2 of rule XXII."

Mr. PASTORE. Mr. President, 1 year ago the Senator from Texas and I submitted a resolution amending the standing rules of the Senate in an attempt to expedite the business of the Senate.

We were concerned that it has become the rule rather than the exception that our sessions run from January through December and yet our work still remains unfinished.

We decided that much of the trouble lies with the matter of germaneness. We have no intention of circumscribing in any way the right of debate, but we feel that nongermane floor amendments which, in many instances, take days and weeks to consider and yet are brushed aside in a matter of moments in conference could somehow be handled in a more judicious manner.

The purpose of this resolution is to make it possible to prohibit the introduction of nongermane amendments only and if two-thirds of those present and voting so decide. This motion would be nondebatable and nonrenewable whether decided one way or the other.

If the Senate, by two-thirds vote of those present and voting, decided that no nongermane amendments would be in order, thereafter no nongermane amendments could be offered for the remainder of the consideration of the pending business.

On the other hand, if such motion failed, then nongermane amendments would be in order for the remainder of the pending business.

Neither the Senator from Texas nor myself are wedded to this particular plan and we would hope that the Rules Committee, to which in all probability this resolution will be referred, will give this matter serious consideration.

If a better way is found to expedite the business of the Senate, the Senator from Texas and I will be only too glad to support it.

But there can be no question that our duties have become more complex, that our work has become more burdensome, especially in these troubled times, and some way has to be found which will make the legislation process more effective.

Mr. BENTSEN. Mr. President, I am pleased to join with the distinguished senior Senator from Rhode Island (Mr. PASTORE) as a joint sponsor of a Senate resolution which would establish a new Senate rule for germaneness of amendments.

The Senator from Rhode Island and I discussed this amendment during the closing weeks of the first session of the 93d Congress when nongermane amendments were often delaying the consideration of important legislative initiatives. The Senator from Rhode Island, as we all know, has been concerned with the question of germaneness for some time. The Senate rule of debate during the first 3 hours of legislative business bears his name and he has given the Senate consistent leadership on matters of procedure and debate.

I am honored, therefore, to jointly sponsor with the senior Senator from Rhode Island a Senate resolution which would allow the Senate to prohibit nongermane amendments by a two-thirds vote. The resolution would not restrict any Senator's right to debate a motion but would merely allow a two-thirds majority of the Senate to prohibit amendments that are not germane to the pending business.

Too often, Mr. President, we in the Senate find ourselves embroiled in issues to quote Shakespeare, "full of sound and fury and signifying nothing." We heatedly debate nongermane amendments delaying the Senate for days, and then find these amendments summarily dismissed in conference because of the rules and attitude of the other body concerning nongermane amendments. Perhaps there will be times when the Senate will want to debate a nongermane amendment simply to expose an issue or to stimulate interest in a particular problem, and this rule will not prevent those debates from taking place.

But when the overwhelming majority of Senators feels that an issue should be dealt with quickly—nongermane amendments could be prohibited and the pending business could be given the Senate's full, undivided attention.

The motion to restrict nongermane amendments could be offered at any time during the consideration of a bill. The motion would not be debatable and could not be offered more than once to a particular bill or resolution. If two-thirds of the Senate were to agree, then all amendments would have to be germane according to the decision of the Chair.

I believe this is a fair proposal but I would be happy to consider any other suggestions for dealing with this issue that Senators might have to offer. I hope that the Rules Committee will hold hearings on this proposal and that some device can be found that will speed up our consideration of important measures and make the legislative process more efficient.

SENATE RESOLUTION 69—A RESOLUTION DISAPPROVING THE PROPOSED DEFERRAL OF BUDGET AUTHORITY

(Referred to the Committee on Appropriations, the Committee on the Budget, and the Committee on Public Works.)

Mr. RANDOLPH (for himself, Mr. Muskie, Mr. Bentsen, Mr. Burdick, Mr. Cannon, Mr. Gravel, Mr. Magnuson, Mr. Montoya, Mr. Moss, Mr. Williams, Mr. Robert C. Byrd, and Mr. Culver) submitted the following resolution:

S. Res. 69

Resolved, That the Senate disapproves the proposed deferral of budget authority for Federal-aid highways, which deferral (D75-17) was set forth in a special message transmitted by the President to the Congress on September 20, 1974, under Section 1013 of the Impoundment Control Act of 1974.

Mr. RANDOLPH. Mr. President, while Americans debate the most effective means of reversing the economic recession, the Federal Government has at its disposal the ability to create thousands of jobs in a relatively short time.

Because our national economy continues to decline and demands urgent attention, I introduce today a resolution overruling the Presidential deferral of $10.7 billion in Federal-aid highway funds.

This is the second such resolution being submitted today. The other would revoke the impoundment of $5 billion for the construction of municipal waste treatment facilities.

Mr. President, throughout my public career I have seen the ability of public works construction to produce employment at the same time it produces useful public facilities. Improved highways are needed in all parts of the country and can be built with income-producing jobs.

The Federal Highway Administration has computed that each billion dollars invested in highways produced 151,040 jobs. These include jobs directly involved in roadbuilding, plus those with suppliers and in communities that are generated as a result of the construction. It is immediately apparent, therefore, what potential lies in the impounded funds.

I fully recognize that there are many unanswered questions concerning highway funding and the ability to put the money to work with a minimum of delay. The Committee on Public Works has scheduled a hearing for February 27 to review the budget request of the Federal Highway Administration for fiscal year 1976. This hearing is being conducted as part of our responsibility under the Congressional Budget Act. It is my intension to utilize the hearing also to consider the resolution I submit today and the issues it raises.

Mr. President, I believe, however, that there is sufficient information presently available to warrant proposing at this time the rejection of the Presidential deferral of Federal-aid highway funds.

In addition to the tangible benefits resulting from roadbuilding, our positive action on this resolution and the one freeing water pollution control funds would be the long-awaited sign to the American people that the Congress is moving to reverse the deterioration of the economy.

I have received information indicating that more than $2 billion in highway work could be placed under contract by the end of June, in addition to the $2.3 billion already programed for that period. This could create well over 300,000 jobs—or even more if the money is concentrated in projects that have a higher labor usage than the average.

With the release of additional highway money, there are many types of projects which can be started with little delay. I envision that such quick-start work could take place in areas such as road reconstruction, bridge work and safety improvements.

Part of the ability to accelerate the highway program lies in the fact that the roadbuilding industry is now operating at slightly less than 50 percent of its capacity. The shortages of materials that hampered construction programs a year ago have eased considerably so that there would be few delays for this reason.

The deferral message sent to the Congress by President Ford impounds a total of $10.7 billion. This amount includes all of the authorized highway money for fiscal year 1976, or about $6.4 billion. A substantial portion of this is programed for release on July 1 to finance the program during the next year. Of more concern to us now is the remaining $4.3 billion in impounded funds which were authorized for fiscal year 1975 and prior years. Passage of the resolution I introduce today would release all of this money, much of which could be placed to good use in the near future.

Mr. President, the distribution of impounded highway money is not uniform throughout the country. Some States which have been able to move ahead have relatively little in the total impoundment. Others, mainly those in which expensive Interstate projects have been delayed, have hundreds of millions of dollars charged to them. So that Members will know the situation for their States I have prepared a table showing a State-by-State breakdown of impounded highway money. This does not include funds apportioned for fiscal year 1976 or approximately $500 million in impounded funds that are not apportioned to the States on a formula basis. I ask unanimous consent that the table be printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

Alabama	$12,711,043.38
Alaska	2,210,709.23
Arizona	60,317,207.29
Arkansas	12,583,517.38
California	62,697,364.89
Colorado	41,666,729.04
Connecticut	204,207,162.32
Delaware	13,486,752.31
Florida	34,250,095.81
Georgia	55,964,961.00
Hawaii	92,457,909.98
Idaho	15,505,096.46
Illinois	309,502,604.73
Indiana	54,145,092.29
Iowa	53,857,094.65
Kansas	32,874,664.66
Kentucky	2,079,825.74
Louisiana	69,359,641.12
Maine	17,595,696.74
Maryland	284,058,324.15
Massachusetts	263,931,267.69
Michigan	79,999,916.71
Minnesota	68,287,604.61
Mississippi	29,443,730.13
Missouri	19,730,951.16
Montana	61,345,754.41
Nebraska	30,229,874.15
Nevada	1,760,275.06
New Hampshire	17,337,068.58
New Jersey	182,284,708.24
New Mexico	12,430,134.22
New York	499,725,227.35
North Carolina	59,425,918.16
North Dakota	20,492,853.93
Ohio	173,777,222.18
Oklahoma	28,599,176.18
Oregon	86,243,017.28
Pennsylvania	139,757,393.52
Rhode Island	47,918,102.12
South Carolina	10,734,959.97
South Dakota	20,473,284.43
Tennessee	43,406,804.47
Texas	79,048,123.29
Utah	39,701,717.05
Vermont	703,010.96
Virginia	19,802,397.74
Washington	63,887,005.76
West Virginia	28,049,056.24
Wisconsin	49,289,096.17

Wyoming	$30,709,016.37
District of Columbia	197,943,257.10
Puerto Rico	19,188,421.29
Total	3,777,333,517.07

Mr. RANDOLPH. Mr. President, the Committee on Public Works will develop new highway legislation this year. In it we hope to chart the direction of the Federal-aid program in the years ahead. There is an immediate need, however, to stimulate our economy. The American people expect action from the Congress, and the adoption by the Senate of this resolution would be our affirmative response.

SENATE RESOLUTION 70—A RESOLUTION DISAPPROVING THE PROPOSED DEFERRAL OF BUDGET AUTHORITY

(Referred to the Committee on Appropriations, the Committee on the Budget, and the Committee on Public Works.)

Mr. MUSKIE (for himself, Mr. Randolph, Mr. Burdick. Mr. Cannon, Mr. Gravel, Mr. Magnuson, Mr. Montoya, Mr. Moss, Mr. Williams, Mr. Robert C. Byrd, Mr. Culver, and Mr. Gary W. Hart) submitted the following resolution:

S. Res. 70

Resolved, That the Senate disapproves the proposed deferral of budget authority for Water Program Operations Construction Grants, which deferral (D75–9) was set forth in the special message transmitted by the President to the Congress on September 20, 1974, under Section 1013 of the Impoundment Control Act of 1974.

Mr. MUSKIE. Mr. President, in deferral No. D75–9, dated September 20, 1974, President Ford proposed to defer the obligation of $9 billion in clean water funds—a major part of the program to restore America's once beautiful lakes and streams.

The Congress authorized $18 billion for the fiscal years 1973–1975 under title II of the Water Pollution Control Act Amendments of 1972 to provide grants for the construction of municipal waste water treatment works. When we wrote the law in 1972, the cost of accomplishing this objective was estimated to be $25 billion. Current estimates of the minimum facilities needs are in excess of $60 billion. The Environmental Protection Agency is authorized by the act to allot the funds to the States in accordance with a formula based on the "needs" for such facilities. Grants are then made to muncipalities for the construction of the waste treatment facilities. The Federal share of these construction projects is set at 75 percent.

The Congress authorized $18 billion for the program in 1972. However, only $9 billion had been allocated for fiscal years 1973, 1974, 1975.

On January 24, 1975, the President authorized release of $4 billion of the total, leaving $5 billion in deferral status. This $5 billion could be putting Americans to work; $5 billion to give Americans the quality environment they have asked for; $5 billion to stimulate sagging construction industry; $5 billion for a meaningful, productve program.

This deferral should be immediately disapproved by the Senate; I am today introducing the necessary resolution and ask for early Senate action.

While this withholding of funds to fight inflation was occurring the economy started a downward turn. A recessionary cycle began. High unemployment has developed as a result of the downturn in our economy. Unemployment in December was 7.1 percent which means that nearly 6 million workers are currently out of work. A large part of this unemployment—1½ percent—is in the construction industry. This means that approximately 900,000 workers or 15 percent of construction employment is currently out of work. Mr. President, if the administration had not impounded these waste water treatment construction funds, many projects would be under way now which could be providing employment for construction workers.

Russell Train, Administrator of the Environmental Protection Agency, in recent testimony before the Environmental Pollution Subcommittee of the Senate Public Works Committee said,

> We estimate that the program provided over 40,000 on-site jobs and more than that number of off-site jobs last fiscal year (1974).

This figure represents jobs on only those projects which are actually under construction and is not nearly reflective of what the obligation of the entire $18 billion—$13 billion presently available for allotment and $5 billion currently deferred—could accomplish. It is estimated by the Bureau of Labor Statistics that each $1 billion of contract construction for waste treatment plants creates 22,000 on-site jobs. This, allotment and obligation of the $14 billion available would create 310,000 on-site new construction jobs and nearly double that number for off-site jobs and jobs in other industries.

Mr. President, almost a quarter of a million Americans could be employed in worthwhile jobs—jobs helping to meet an important national objective. Americans want clean water—they have amply demonstrated it in countless local elections throughout the last several years. They want meaningful employment—make-work jobs should only be the very last resort. Release of these impounded funds provides both opportunities.

The impact of impoundment was characterized in a recent GAO report which stated:

> The President's impoundment could seriously hamper achieving the goal of eliminating discharge of pollutants into navigable waters by 1985 once administrative and legislative requirements are met.

This deferral must therefore be disapproved for two reasons:

First. Delay in funding seriously hampers the national goal of elimination of discharge of pollutants into navigable waters by 1985 and,

Second. Job opportunities are unnecessarily curtailed in a period of rising unemployment.

While the Supreme Court considers the legality of Presidential impoundments, we must move now to release these funds under the authority of section 1013(b) of the Impoundment Control Act of 1974, if we are to effectively halt the current economic recession.

Some would argue that the obligational process is too slow for waste treatment construction programs to have any substantial effect on the unemployment situation. I do not believe this is necessarily correct. EPA has indicated in recent testimony that they are attempting to speed up the obligation process through administrative action such as the budget request for 172 new positions for construction grant administration, State certification of compliance with procedural requirements, and elimination of as much redtape as possible. Any increase in obligation rate will help the employment situation and that is what is needed at this time.

It has been argued that EPA can not spend the money any faster than they are—how will they know unless they try it? There certainly are countless worthy projects all across the country just waiting for Federal funding so they can begin. The States are constantly crying out for more Federal construction grant funds.

The President missed the point in his state of the Union message. There is not a thing in the budget that refers to the need to create jobs to deal with this 7 to 8 percent unemployment that the budget projects for the next 4 years, not a word.

The President should have said, "Look, we need to create some jobs. There is $9 billion of impounded funds for waste treatment plants, we are going to put that to work as fast as we can do it and I am going to release all of it."

If, as a practical matter, there is a limit to the pace at which it can be obligated, this will emerge. But the mere fact of announcing the release would have the effect of stimulating the construction industries, stimulating local governments across the country in order to appreciate their efforts. I believe it could have a very beneficial psychological impact upon the mood of the country.

This is a way to get people to do useful, lasting work. I have talked to municipal officials about public service employment. There are limits to that. There are limits beyond which you are only creating leaf-raking jobs, and at very high pay by comparison to the leaf-raking jobs of the depression of the 1930's. The public by and large would accept this $5 billion for sewage treatment plant construction. They would accept it enthusiastically.

The other day I was up in the town in which I was born. The business district is on an island in the middle of the river and as I went across the bridge onto the island, I was confronted by a big concrete breakwater—it had been built after the floods of the 1930's to protect the island. Written across the front of it, etched in the permanence of the concrete, was WPA 1936". Now there is a public works project, produced with public money, supporting public jobs, built in 1936—it still gives value to the citzens of my hometown. They see it every day. They understand it. They welcome it. They support that kind of spending. The kind of spending we are asking for today.

Mr. President, we have given the American people bad economic news for a long time; it is time we did something positive. The Senate must reject this deferral.

Mr. RANDOLPH. Mr. President, the Federal Water Pollution Control Act Amendments of 1972 committed this country to an ambitious program to end the contamination of our waters. That measure authorized the obligation of $18 billion in Federal funds to help communities build waste treatment facilities. Regrettably, the effectiveness of this program has been hampered by the impoundment of part of that money by the executive branch.

In deferral No. D75–9, dated September 23, 1974, President Ford proposed to defer the obligation of $9 billion in contract authority to finance the construction of waste treatment plants under the Federal Water Pollution Control Act Amendments of 1972—Public Law 92–500.

On January 24, 1975, the President announced in a letter to the EPA Administrator, his decision to release for allotment $4 billion of the $9 billion he had proposed in September be deferred. In so doing, he said that:

> The Administrator should take aggressive steps to assure that the funds are used efficiently.

But the deferral is still pending before the Congress, minus the $4 billion. I propose that these funds be released for obligation into our sick economy as soon as is practicable.

Unemployment in the construction industry, seasonally adjusted, at the end of December was 15 percent, more than twice the national average. When the deferral message was sent up, the President made his case on fighting inflation. Today his more important priority, if I understand his recent words correctly, is fighting recession.

The President now has before us in effect a deferral request for the remaining $5 billion. The question is: Why should the President withhold this duly authorized money from the benefits it will bring to the economy? Inflation is no longer a valid reason. In fighting recession we need to put the unemployed to work and to stimulate the economy. These $5 billion would be money well placed to accomplish those purposes.

First, the sector of our economy that has consistently suffered severely is the construction industry. Beside high unemployment, the ravages of inflation were particularly severe—fantastic price increases in materials, shortages, supply delivery crisis, high priced and scarce capital and more—leading to bankruptcies and diminished bidding activity.

Engineering-News Record in its January forecast on construction sees a downturn in constant dollar volume for 1975 and 1976. Physical volume will be down, competition will be keener, and profit margins will be slim.

The Bureau of Labor Statistics has estimated that sewer works construction can employ onsite and offsite 47,680 persons per billion dollars. At the same time, the same billion dollars buys materials and equipment providing considerable stimulation to the economy. Thus using BLS estimates, the additional $5 billion in question would generate some 238,000 jobs.

Mr. President, it will be said that the Environmental Protection Agency cannot practically move the money out that fast—cannot obligate it—if even it were made available. Suppose those practical limits exist. What harm does it do to release it? One thing it will do is create a blessed psychological impact that would surely bolster our sagging confidence in the economy today. But no one can say for certain that with extra effort the money cannot be spent.

The jobs would go more to the plain, everyday laborer on sewer lines and waste treatment plants than other categories of workers. Operating engineers make up a substantial part of the workforce needed, pipelayers, cement finishers, bricklayers, and plumbers are others. A significant category of jobs also is made up of administrative, clerical, technical, and professional people.

While I do not waiver in my support for a strong public service jobs program, I see in the release of these withheld EPA funds not only a sure method to create thousands of needed jobs and a way to stimulate the economy, but I see also a program that builds an enduring facility that a community will have for a long time to come.

What we ask is that this $5 billion be immediately allotted to the States; that all haste be made to move the money to obligation and get it percolating in the economy. But most of all, to hurry and put idle men and women to work.

Mr. President, I am sorry that the President did not address himself to the creation of needed jobs in his state of the Union message. The budget he has submitted does not address the question of jobs. Yet, the Economic Report says, dolefully, that we can expect high unemployment for the next few years. That may be candor, but it does not build much confidence.

I recommend that we deny the deferral of these funds, and press the President to allot them immediately.

Mr. President, the ranking member of the Public Works Committee, Senator Baker, is absent from the Chamber but has asked that his written remarks be included at this point in the Record.

The Senator from Tennessee has given the issue his usual careful attention and has concluded that he cannot join us in introducing these resolutions. He has indicated, however, that he intends to follow developments carefully and could, perhaps, support selected increases in budget levels where reduced unemployment appears likely to result.

I ask unanimous consent that Senator Baker's statement appear at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Baker

Mr. President, I regret that I cannot support my good friends, the distinguished Senators from West Virginia and Maine, in the introduction of resolutions disapproving deferral of funds for sewage treatment construction grants and highways.

The effect of these resolutions is to make immediately available for obligation almost $20 billion not currently in the budget for 1975. Estimates are that we will experience a Federal deficit of $32 billion in fiscal 1975 without any additional release of funds.

It is, of course, true that the whole $20 billion will not be spent before the end of this fiscal year, June 30, 1975. But the availability of these funds will put pressure on the State to obligate them as quickly as possible.

There is no guarantee or indeed, great likelihood, that the funds obligated will be for projects in areas where there is high unemployment. In fact, it is likely that some of these funds may divert labor from other worthwhile projects to projects for which Federal funds are suddenly—and only temporarily—available.

I am aware of the need to stimulate employment. I am aware of the need to move ahead with projects to clean up the nation's waters and provide safe and efficient transportation. I am not opposed to carefully planned expenditure of funds for these purposes, even if such expenditures were to exceed the Administration's present budget plans.

But voting to release $20 billion with little control over where the money is spent would aggravate inflation without necessarily buying any decrease in unemployment.

At the end of last year Congress passed, as part of the Emergency Jobs and Unemployment Assistance Act of 1974, the Job Opportunities Program, which requires Federal agencies to review the programs they administer and recommend those which could be expanded to provide jobs for the unemployed.

The results of these evaluations could form the basis for assessment of where expenditures logically should be increases. Once information of this nature is available, I might very well join with others to propose selective increases in the President's budget levels.

We should not act injudiciously. Looking a little ahead we see the President's budget predictions of a $52 billion deficit for fiscal 1976. Even this level requires that there be belt-tightening in Federal programs. The projected deficit for 1976 exceeds any in peacetime history and is surpassed only by the deficit incurred at the peak of our war effort in 1943.

Where there is little assurance that a massive increase in the availability of Federal funds will significantly improve the unemployment picture, I must oppose potential escalation in an already staggering deficit.

SENATE RESOLUTION 71—ORIGINAL RESOLUTION REPORTED AUTHORIZING A STUDY OF THE EFFECTIVENESS OF CERTAIN FEDERAL AGENCIES

(Referred to the Committee on Rules and Administration.)

Mr. GLENN (for Mr. Ribicoff), from the Committee on Government Operations, reported the following resolution:

S. Res. 71

Whereas there are a large number of Federal and State agencies which regulate in significant ways various aspects of the Nation's economy;

Whereas the proliferation of such agencies over a long period of time, and under a variety of circumstances, has resulted in overlapping regulatory jurisdictions, conflicting mandates and procedures that have affected the efficient operation of the Government and the economy;

Whereas to consider certain reforms in Federal and State regulatory policies and in the operations and organization of the agencies, a Senate committee study is indicated to review the effectiveness of the agencies and consider any necessary legislation: Now, therefore, be it

Resolved, That the Senate Committee on Government Operations and the Senate Committee on Commerce are authorized under sections 134(a) and 136 of the Legisaltive Reorganization Act of 1946, as amended, and in accordance with their jurisdiction specified in rule XXV of the Standing Rules of the Senate to conduct a cooperative study of instrumentalities in the Federal and State government with substantial economic, health or safety regulatory authority, activities of which affect the growth or efficiency of the economy, or the quality or safety of goods or services, or the health or safety of the general public.

SEC. 2 (a) The study shall contain findings, conclusions, and recommendations concerning activities within the Federal regulatory agencies with respect to—

(1) the most serious deficiencies within the regulatory process which tend to contribute to inflation, lessen competition, or which adversely affect the public and regulated companies,

(2) the extent to which certain areas of the national economy are over-regulated or under-regulated, with special emphasis on overlapping regulatory jurisdictions, conflicting mandates, and actual implementation of existing laws and regulations.

(3) the economic costs and benefits of regulation, or the lack thereof, with special emphasis on the inflationary impact of regulation on the cost to the consumer of goods and services, the added costs to manufacturers and suppliers in providing goods and services, the anti-competitive effects of some regulation, the degree of market concentration in regulated as opposed to nonregulated industries, and productivity factors affected by regulation,

(4) the continued appropriateness or applicability of original regulatory purposes and objectives as mandated by statute, and an evaluation of the purposes and objectives which regulation should now serve,

(5) the consequences to the Nation of selective deregulation in specified areas or selective modification of regulatory purposes, operations, and procedures in specific areas,

(6) the need for, and specific recommendations concerning increased or more stringent antitrust enforcement as a higher order national priority, including proposals for any new legislation which may be needed or for restructuring of the Federal antitrust effort,

(7) specific recommendations for legislative actions to improve the effectiveness, efficiency, and responsiveness to the public of Federal regulatory agencies, including but not limited to the following—

(A) selective elimination of specific regulatory functions, procedures, activities, or practices;

(B) selective elimination, merger, or transfer of overlapping or related regulatory jurisdictions, mandates, or functions;

(C) revisions in the laws, regulations, structure, operation, procedures, activities, or mechanisms of the regulatory agencies;

(D) elimination, transfer, or separation out of the subsidy-granting or other forms of promotional activities performed by regulatory agenices which adversely affect or interfere with their principal regulatory responsibilities;

(8) an evaluation of other proposals for improving the effectiveness, efficiency, and responsiveness to the public of the regulatory agencies including, but not limited to an evaluation of proposals for—

(A) encouraging the enunciation of broad policy guidelines by the regulatory agencies instead of continuing to permit unclear policies to develop impliedly through a series of case-by-case decisions or adujudications involving differing facts and circumstances;

(B) making the regulatory responsibilities of selected or all regulatory agencies more independent of the executive branch by requiring simultaneous submission of budget and legislative requests to the President and the Congress, and by permitting each regulatory agency to independently control and supervise its own litigation in the Federal courts;

(C) eliminating collegial commissions altogether or selectively, and replacing the commission form with a single administrator:

(D) revising procedures for selecting commissioners and reviewing their qualifications, including the designation or establishment of a distinguished Board of Regulatory Review to provide its recommendations or guidance on names submitted by the President as possible appointees for regulatory agency positions;

(E) revamping the conflict-of-interest statutes, or their applicability to regulatory agency officials, so as to limit the movement of persons from a regulated industry or a related industry to the agency which regulates that industry, and the movement of persons from the agency back to the regulated industry;

(F) limiting the removal of regulatory agency officials to reasons relating to their inefficiency, neglect of duty, or malfeasance in office;

(G) making regulatory agency officials, in their personal capacity, civilly or criminally responsible for intentional misuse or abuse of their office for reasons relating to (i) their disclosure of trade secrets or other confidential or privileged information; (ii) their failure to make information available to the public pursuant to the Freedom of Information Act; (iii) their failure to open up agency meetings, sessions, and agency advisory committee meetings and sessions to the public; or (iv) their neglect or failure to carry out the provisions of the laws administered by them;

(H) providing for the payment of reasonable costs and expenses in agency proceedings of intervenors on behalf of the public or consumer interests and an assessment of the manner by which such a proposal might be implemented across the board including the anticipated costs therefor;

(I) creating a new Administrative Court of the United States as an expert judicial unit to handle agencies;

(J) amending the Administrative Procedure Act and modifying agency rules to expedite regulatory agency proceedings as a means of facilitating more timely decision-making and preventing wasteful costs attendant to agency delays;

(K) substituting direct subsidies, where appropriate, for complicated and cumbersome regulatory schemes, with hidden taxes and costs, which aim at achieving a particular economic or social purpose;

(L) improving the information-gathering, analysis, storage, and retrieval systems within the regulatory agencies while lessening the paperwork burden both within the agencies and within the regulated industries by avoiding needless duplication;

(M) providing for more effective means of informing the public of the activities within the regulatory agencies and their specific or general impact on the public interest in matters of particular importance or impact;

(9) recommendations for assuring an ongoing review and assessment of the economic costs and benefits, and the deficiencies of Federal regulatory activities, including proposals for limiting the growth of bureaucracy, and phasing out selected agencies or establishing a time certain within which they would expire unless Congress specifically renews their mandates by legislative enactment, and

(10) a realistic and detailed assessment of the costs or savings, transitional, interim, and long-term, of Commission proposals and recommendations for regulatory reform.

(b) The study shall also consist of findings, conclusions, and recommendations concerning activities within State, regional, and local regulatory agencies which tend to contribute to inflation, lessen competition, or which adversely affect the public and the regulated companies. The report shall give special emphasis to areas where Federal regulatory activities interact with or are affected by the activities of State, regional, or local regulatory units, and where the latter acivities, or the absence of misdirection thereof, have an important inflationary impact.

(c) As used in this resolution, the term "Federal regulatory agency" includes any existing independent Federal agency which, as one of its principal responsibilities, exercises regulatory functions affecting one or more segments of American industry, as well as any agency or governmental unit within an agency or department of the Federal Government which exercises such regulatory functions as one of its principal activities.

(d) In carrying out their responsibilities under this section, the Committees shall utilize, wherever appropriate, all existing studies, investigations, reports, and other existing material relevant to their responsibilities.

SEC. 3. For the purposes of this resolution the Chairmen of the Committee on Government Operations and the Committee on Commerce, acting jointly with the ranking minority members of both Committees, are authorized through July 1, 1976, (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, (4) to consent to the assignment of personnel of other committees of the Senate to assist in carrying out the purposes of this resolution, and (5) to appoint an advisory panel or panels of nongovernment experts, having fair representation from business, labor, and consumer interests.

SEC. 4. The Committee on Commerce and the Committee on Government Operations shall prepare and submit not later than July 1, 1976, to the Senate a joint report on the findings of the study authorized by this resolution. Each such committee shall report its recommendations for such legislation as that committee deems advisable to the Senate. Where findings and recommendations for legislation relate to an agency which is subject to the jurisdiction of another committee of the Senate, such findings and recommendations shall be forwarded to that committee for appropriate action.

SEC. 5. For the purpose of this resolution, the Committee on Commerce is authorized to expend, from the contingent fund of the Senate, from March 1, 1975, through September 1, 1976, not to exceed $375,000, upon vouchers signed by the chairman of that committee, with the approval of the ranking minority member. For the purpose of this resolution, the Committee on Government Operations is authorized to expend, from the contingent fund of the Senate, from March 1, 1975, through September 1, 1976, not to exceed $375,000, upon vouchers signed by the chairman of that committee with the approval of the ranking minority member.

SENATE RESOLUTION 72—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

(Referred to the Committee on Rules and Administration.)

Mr. ROBERT C. BYRD (for Mr. EASTLAND) from the Committee on the Judiciary, reported the following original resolution:

S. RES. 72

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate so far as applicable, the Committee on the Judiciary, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services or personnel of any such department or agency.

SEC. 2. The Committee on the Judiciary, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed $4,391,400 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries and to the procurement of the services of individual consultants or organizations thereof (as authorized by section 202.

* * * * *

SEC. 3. Not to exceed $429,500 shall be available for a study or investigation of administrative practice and procedure, of which amount not to exceed $14,500 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 4. Not to exceed $815,100 shall be available for a study or investigation of antitrust and monopoly, of which amount not to exceed $8,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 5. Not to exceed $310,000 shall be available for a study or investigation of constitutional amendments, of which amount not to exceed $14,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 6. Not to exceed $381,800 shall be available for a study or investigation of constitutional rights, of which amount not to exceed $10,117 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 7. Not to exceed $258,000 shall be available for a study or investigation of criminal laws and procedures.

SEC. 8. Not to exceed $17,500 shall be available for a study or investigation of Federal charters, holidays, and celebrations.

SEC. 9. Not to exceed $223,500 shall be available for a study or investigation of immigration and naturalization.

SEC. 10. Not to exceed $272,000 shall be available for a study or investigation of improvements in judicial machinery, of which amount not to exceed $10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 11. Not to exceed $400,000 shall be available for a complete and continuing study and investigation of (1) the administration, operation, and enforcement of the Internal Security Act of 1950, as amended, (2) the administration, operation, and enforcement of other laws relating to espionage, sabotage, and the protection of the internal security of the United States, and (3) the extent, nature, and effect of subversive activities in the United States, its territories and possessions, including, but not limited to, espionage, sabotage, and infiltration by persons who are or may be under the domination of the foreign government or organization controlling the world Communist movement or other movement seeking to overthrow the Government of the United States by force and violence or otherwise threatening the internal security of the United States.

SEC. 12. Not to exceed $428,000 shall be available for a study or investigation of juvenile delinquency, of which amount not to exceed $14,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 13. Not to exceed $168,000 shall be available for a study or investigation of patents, trademarks, and copyrights.

SEC. 14. Not to exceed $98,000 shall be available for a study or investigation of national penitentiaries, of which amount not to exceed $500 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 15. Not to exceed $220,000 shall be available for a study or investigation of refugees and escapees, of which amount not to exceed $3,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 16. Not to exceed $70,000 shall be available for a study or investigation of revision and codification.

SEC. 17. Not to exceed $280,000 shall be available for a study or investigation of separation of powers between the executive, judicial, and legislative branches of Government, of which amount not to exceed $10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 18. Not to exceed $20,000 shall be available for a study or investigation of Federal Bureau of Investigation oversight.

SEC. 19. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 20. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SENATE CONCURRENT RESOLUTION 11—TOWARD A BARRIER-FREE ENVIRONMENT FOR ALL HANDICAPPED AMERICANS

(Referred to the Committee on Labor and Public Welfare.)

Mr. RANDOLPH submitted the following concurrent resolution:

S. CON. RES. 11

Whereas it is estimated that one out of ten persons in the United States today has limited mobility due to a temporary or a permanent physical handicap; and

Whereas improved medical techniques and an expanding population of older persons is increasing the number of persons with limited mobility every year; and

Whereas the physical environment of our Nation's communities continues to be designed to accommodate the able-bodied, thereby increasing the isolation and dependence of disabled persons, and to break this pattern requires a national commitment:

Now therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the manmade environment, and that the adoption and implementation of this policy requires the mobilization of the resources of the private and public sectors to integrate handicapped people into their communities.

TOWARD A BARRIER-FREE ENVIRONMENT FOR ALL HANDICAPPED AMERICANS

Mr. RANDOLPH. Mr. President, in recent years the American public and the Congress have become increasingly aware of the problems and the needs of those who are elderly and who have handicaps.

One result of this new awareness has been the belated recognition that our society has not provided to the handicapped population full freedom to enjoy benefits of society. Disabled persons are confronted daily with difficult or unsurmountable obstacles, which are simply not perceived or appreciated by the majority of our citizens in the course of everyday life.

What for many of us are mundane normalities of living are, too often, to people with handicaps, absolute barriers to employment, education, transportation, housing, or leisure. A person in a wheelchair cannot negotiate a flight of stairs. He must have access to an elevator or inclinator, or be carried. Nor is he able, in most places, to take advantage of toilet facilities, or get on a bus. A quadriplegic cannot negotiate a street curb. If he or she is to have fuller access to the benefits of our world, the deaf person needs light signals.

The blind person needs braille or sound signals and an elimination of dangerous and unnecessary obstacles. Washing one's hands in a public lavatory can even be difficult for a blind individual. If he finds the sink and the soap, and the towel dispenser is not immediately at hand, he must rely on someone else to provide the towel or grope around on his own.

An affirmative action program to hire handicapped individuals is not of much value if the person hired is not physically able to get to the workplace.

The problems wheelchair-bound people are having with accessibility to commercial air transportation has been brought to public attention recently. Some airlines have demonstrated an incredible insensitivity to the right of disabled persons to travel by air. The Federal Aviation Administration has been of little help in ameliorating this problem. Over the recent adjournment period a staff member of the Senate Committee on Labor and Public Welfare was physically removed from a commercial airliner traveling from New York to Washington because she did not have a medical certificate stating that she could travel unaccompanied by an attendant. Such incidents should not be allowed to occur.

These are just a few of the myriad barriers faced by handicapped people each day of their lives. It should be a national policy to eliminate these barriers which exist for a substantial segment of our population.

Congress has taken a few steps toward this end. In 1968, the Architectural Barriers Act became law. That legislation required that all Federal and federally-assisted buildings must meet accessibility standards as determined in regulations of the General Services Administration, Department of Defense, Department of Housing and Urban Development, and Department of Health, Education, and Welfare. Public Law 91-205 requires that Washington's Metro subway system also adhere to such standards.

On September 26, 1973, the Rehabilitation Act of 1973 became law. That measure included a provision, which I authored, to establish a Federal Architectural and Transportation Barriers Compliance Board, the functions of which are, among others, to insure compliance with standards adopted pursuant to the Architectural Barriers Act of 1968, and to study and recommend legislative and administrative means of providing accessibility by handicapped persons to housing, public transportation of all kinds, public buildings and monuments, and parks and parklands. Amendments to the 1973 Act became law on December 7, 1974. These amendments included provisions which would strengthen the Board and provide it with an enforcement mechanism.

Voluntary groups and individuals at the local, State and national levels, have recognized the need to provide a barrier-free environment in which handicapped and nonhandicapped alike have freedom of movement and access. Working in isolation, these programs have met with varying degrees of success as local resources and capabilities differ. However, the effectiveness of even the most successful of these voluntary efforts is diluted by fragmentation and lack of coordination with similar projects elsewhere. A national goal and national program can offer the shared resources, expert consultation, and area-wide coordination that is necessary to reinforce and strengthen local efforts.

To meet this need for a national commitment and declaration of purpose, leaders in the field of barrier-free design met in January, 1974, at the American Institute of Architects' national headquarters for a 2-day conference on environmental barriers.

Cosponsored by AIA, the National Easter Seal Society, and the President's Committee on Employment of the Handicapped, the conference took two major actions: developing a national policy for a barrier-free environment and advocating the establishment of a national center to implement it.

Since the announcement of the policy, it has been endorsed by more than 100 organizations and business concerns ranging from the National Paraplegia Foundation to the Metropolitan Life Insurance Co.

To provide the central coordination called for by the conference, a National Center for a Barrier-Free Environment is being organized by a coalition of eight national organizations, including strong representation of handicapped groups. I understand that this is the first nongovernmental cooperative effort on a national level to work toward assuring handicapped citizens their rights to full and free use of the environment.

Mr. President, the resolution I introduce is patterned after the national policy adopted at the conference on environmental barriers last January. I believe the resolution is sound. Its adoption by the Congress would be beneficial to the community of handicapped citizens, who are looking to their national legislature to provide leadership in the elimination of the environmental barriers that impede them in their everyday living.

This resolution will establish that the Congress endorses a national policy to eliminate such barriers. I urge its adoption.

SENATE CONCURRENT RESOLUTION 12—SUBMISSION OF A CONCURRENT RESOLUTION PROVIDING FOR A JOINT SESSION OF CONGRESS TO RECEIVE A "STATE OF THE STATES" MESSAGE FROM THE NATIONAL GOVERNORS' CONFERENCE

(Referred to the Committee on Rules and Administration.)

Mr. BROCK (for himself, Mr. GARN, Mr. HUMPHREY, Mr. BUMPERS, Mr. EASTLAND, Mr. FANNIN, Mr. FORD, Mr. HARTKE, Mr. HUDDLESTON, Mr. JACKSON, Mr. LAXALT, Mr. MCGOVERN, Mr. MOSS, Mr. NUNN, Mr. THURMOND, and Mr. WILLIAMS) submitted the following concurrent resolution:

S. CON. RES. 12

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on February 20, 1975, at 1 o'clock p.m. for the purpose of receiving a message on the State of the States from the Chairman of the National Governors' Conference.

CALL FOR A "STATE OF THE STATES" ADDRESS

Mr. BROCK. Mr. President, today I have introduced a resolution to have a joint session of Congress addressed by the chairman of the National Governor's Conference. Mr. GARN of Utah and Mr. HUMPHREY of Minnesota have joined me as primary sponsors of this resolution.

As we approach our Bicentennial, it is particularly appropriate that we recognize the important role played by State governments. The relationship between the Federal Government and State government—federalism—is the foundation of our democratic type of government.

Article 10 of the Constitution specifically delegates all powers not vested to the Congress to the States. Over the years, the relationship between these two different levels of government has expanded, and, as the problems of government have grown more complex, the State remains the governing body closest to the people.

While separate, there has always been a close relationship between the Congress and the States. Indeed, until the passage of the 17th amendment, Senators were appointed by the various State legislatures.

In addition to the close constitutional ties, State and Federal governments also share similar problems. State governments know firsthand the terrible impact of recession and inflation. The fiscal position of State governments has deteriorated considerably over the past year. Expenditures are growing much more rapidly than receipts. This is not unlike our own experience here in Washington.

Congress needs a direct and regular report from the States, like the State of the Union. An address from time to time, by the head of the Governors' Conference, would be beneficial. It would allow one Governor to outline the common problems of the States. It would also be a direct and obvious sign of our continuing concern over the impact of Federal policies on State government.

While each of us can communicate with the Governor of our home State, it is often difficult for us to receive a good overview of the specific problems common to most States. I feel confident that the chairman of the National Governors' Conference would be able to provide us with insight and information. The chairman of this year's Governors' Conference is Gov. Calvin Rampton from Utah.

Mr. President, I am pleased that this resolution is being sponsored bipartisanly by so many Senators. I am particularly pleased to be joined in this resolution by the distinguished Senator from Minnesota. Mr. HUMPHREY has long been an advocate of improved communication exchange between the States and the Federal Government. To this end, he has lent his unqualified support to Governor Rampton of Utah and Governor Anderson of Minnesota for a "state of the States" report, and has spoken with the leadership of both Houses about the merits of this idea. His Modern Congress Act, S. 563, introduced this week, will further enhance the mutual understanding we need to foster between governmental units at all levels by calling for the establishment of a Federal-State legislative council to explore, research, and recommend solutions to problems of mutual concern.

He feels, as I do, that a "state of the States" report would be a valuable means of nurturing a cooperative relationship between the States and the Federal Government, and bring a new dimension to American federalism as we work together to meet the challenges ahead.

AMENDMENTS SUBMITTED FOR PRINTING

PROHIBITION AGAINST TARIFFS ON OIL IMPORTS—SENATE JOINT RESOLUTION 12

AMENDMENT NO. 4

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted an amendment intended to be proposed by him to the joint resolution (S.J. Res. 12) to prohibit for a period of 60 days the imposition of tariffs, fees, and quotas on oil imports and the lifting of all price controls on domestic oil, and to require the submission to and the right of approval of the Congress of any such action within 30 days.

REFUND OF 1974 INCOME TAXES—H.R. 2166

AMENDMENT NO. 5

(Ordered to be printed and referred to the Committee on Finance.)

BALANCED GROWTH TAX INCENTIVES

Mr. PEARSON. Mr. President, I introduce an amendment providing special tax incentives for job-creating investments in rural areas and in certain urban areas. The objective of this proposal is to advance the goal of rural development and balanced national growth.

Mr. President, over the past several years there have been many expressions of concern in the Congress and across the country about the growing imbalance in the distribution of our Nation's population; that too many of our people are concentrated in too few metropolitan agglomerations. Many of us have argued that this tilt in the population balance away from the countryside and the small town toward the large cities is economically inefficient, environmentally unsound, and socially undesirable. And we have argued that this imbalance will worsen unless steps are taken to counter it.

Congress has formally recognized the problem and declared an intent to develop balanced growth policies. Title X of the Agricultural Act of 1970 states:

> The Congress commits itself to a sound balance between rural and urban America. The Congress considers this balance so essential to the peace, prosperity and welfare of all our citizens that the highest priority must be given to the revitalization and development of rural areas.

And title VII of the Housing and Urban Development Act of 1970 declares:

> The Congress finds that the rapid growth of urban population and uneven expansion of urban development in the United States, together with a decline in farm population, slower growth in rural areas, and migration to the cities, has created an imbalance between the Nation's needs and resources and seriously threatens our physical environment, and that the economic and social development of the Nation, the proper conservation of our natural resources, and the achievement of satisfactory living standards depend upon the sound, orderly, and more balanced development of all areas of the Nation.

These are bold declarations. I believe the intent they embody is sound; that the achievement of a more rational, balanced growth is essential to the Nation's health and welfare.

Yet the gap between these broad declarations and the concrete programs to achieve them is enormous. We did adopt the Rural Development Act of 1972 and this was a significant achievement. And in the Housing and Community Development Act of 1974 we adopted several measures, particularly in the area of housing which will further the cause of rural development. But beyond this there is little to point to.

Mr. President, given the nature of our federal system and our aversion to centralizing planning, it is not likely that we will ever implement a comprehensive, unified balanced growth policy as such. It is not likely that we will, at least in the near future, emulate the balanced growth policies that many of the European countries have already adopted. But certainly we can and must take additional steps to advance the cause of balanced growth. The legislation I propose today is one such step, a step which I believe is timely and essential.

Mr. President, the Congress will soon be acting on President Ford's request for a temporary increase in the investment tax credit. I propose that in acting on this request we provide a mechanism whereby the investment tax credit can be used as a tool to encourage rational, balanced growth.

Specifically, I propose that at such time as the temporary increase in the investment tax credit expires that a special tax credit for job-creating investments in the manufacturing, processing, assembling, and distribution of personal property located in designated balanced growth areas be retained on a permanent basis.

The amendment I offer today is to H.R. 2166, the tax bill now under consideration by the House Ways and Means Committee. H.R. 2166 calls for a 1-year increase in the investment tax to 10 percent. Therefore, my amendment would retain at the conclusion of the temporary period, a modified investment tax credit at the 10 percent level for job-creating industries locating in balanced growth areas. I would stress that my proposal can be modified to fit whatever approach the Congress finally decides to take on the issue of the general investment tax credit.

Mr. President, this proposal defines two types of balanced growth areas. First, are the nonmetropolitan or "rural" counties. These are counties which are not a part of a standard metropolitan statistical area, which for the most part means they do not contain a city of over 50,000. There is one exception. Nonmetropolitan counties within 25 miles of metropolitan areas of over 250,000 would be excluded.

Second, certain portions of urban counties which are suffering a serious decline in population could be designated as eligible balanced growth areas. This provision is made in recognition of the fact that while the primary problem is an imbalance between metropolitan and nonmetropolitan America, there is also a growing imbalance within some of our metropolitan communities. The movement of jobs from the central cities to the suburbs has created a great economic imbalance which needs to be addressed.

In summary, most nonmetropolitan areas and some metropolitan areas are potentially eligible for designation as balanced growth areas and, therefore, job-creating industries locating in these areas would be eligible for the special balanced growth tax credit.

Mr. President, one very important provision of this legislation involves State governments in the decisionmaking process as to how the system of balanced growth tax credits is to be used.

Specifically, areas which meet the definitions provided for in this legislation will not actually become eligible until they are formally designated as balanced growth areas by the individual State governments.

In other words, the State would have the option of designating all, some, or none of the areas within its boundaries which meet the definitional standards of the legislation. I would anticipate that some States would designate all potential balanced growth areas to be eligible. Other States which have already developed some land use and balanced growth planning mechanisms would be selective and would designate only certain areas to be eligible for the balanced growth tax credit. And, it might be, that some States would decide not to participate in the program at all.

In any case, this gives to the States an important responsibility. It would, I believe, provide an important stimulus to the development of land use and economic growth planning within each State. And, certainly, it would encourage a greater dialog between the State governments and the local communities. In this connection, this legislation provides that States shall designate the eligible balanced growth areas consistent with the State's goals of balanced growth and land use and in accordance with the expressed desires of the affected local communities.

Mr. President, one further comment in regard to the possible designation of balanced growth areas in metropolitan communities. If a county in a standard metropolitan statistical area has shown a net decline in population over the past 5 years, portions or all of that county may be designated as a balanced growth area. However, the State in designating balanced growth areas within metropolitan areas may not designate metropolitan balanced growth areas which contain a total population greater than the total population contained in designated nonmetropolitan balanced growth areas.

Mr. President, this proposal builds on the established principle that investment tax credits can be used to stimulate the development of new jobs. It proposes to use this tool to encourage the development of new jobs in areas which will contribute to the goal of balanced national growth. And, of particular importance, it brings the States into the decisionmaking process. This proposal provides them a powerful new tool that they can use to shape the growth patterns within their boundaries. Thus, while contributing to the goal of balanced national growth, this legislation I believe also would help to strengthen our federal system.

Mr. President, I ask unanimous consent that the text of this amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 3

On page 16, immediately before line 3 insert the following new section:

SEC. 302. INVESTMENT CREDIT FOR PROPERTY IN BALANCED GROWTH AREAS.

(a) Permanent 10 Percent Investment Credit.—Paragraph (1) of section 46(a) (determining the amount of the investment credit) is amended to read as follows:

"(1) General rule.—The amount of the credit allowed by section 38 for the taxable year shall be equal to the sum of—

"(A) 10 percent of the qualified investment (as defined in subsection (c)) attributable to section 38 property which is qualified balanced growth property, and

"(B) 7 percent of the qualified investment (as so defined) attributable to other section 38 property."

(b) Qualified Balanced Growth Property.—Section 48 (relating to definitions and special rules) is amended by redesignating subsection (k) and (l), and by inserting after subsection (j) the following new subsection:

"(k) Qualified Balanced Growth Property.—

"(1) In general.—For purposes of this subpart, the term 'qualified balanced growth property' means balanced growth property—

"(A) which is used predominantly in one or more designated balanced growth areas (or former balanced growth areas), and

"(B) the construction, reconstruction, or erection of which is commenced at a time when the area is a designated balanced growth area or the acquisition of which is pursuant to a binding order or contract placed or entered into at a time when the area is a designated balanced growth area.

"(2) Balanced growth property.—For purposes of this subpart, the term 'balanced growth property' means section 38 property with respect to which the taxpayer establishes, under regulations prescribed by the Secretary or his delegate, that—

"(i) such property will assist in providing new employment opportunities in the balanced growth area or areas (or former balanced growth area or areas) in which it is used,

"(ii) such property will be used in the manufacture, processing, assembling, or distribution of personal property (other than in a business consisting primarily of selling or leasing property at retail), or in connection with, or a part of, a facility providing recreation to the public which is not inconsistent with State recreation plans, approved by the Bureau of Outdoor Recreation, and with local economic development plans, and

"(iii) the new employment opportunities in the balanced growth area or areas (or former balanced growth area or areas) which will be assisted by such property will not result in a decrease in employment in any other area.

"(3) Designated balanced growth areas.—For purposes of this subpart, the term 'designated balanced growth area' means a geographical area, designated pursuant to a law of the State in which the area is located by the Governor or other officer or agency of the State prescribed by the State law, which is within—

"(A) a county (i) no part of which is within a standard metropolitan statistical area designated by the Office of Management and Budget, and (ii) no part of which is within 25 miles of a standard metropolitan statistical area which has a population of 250,000 or more, or

"(B) a county (other than a county described in subparagraph (A)) which has suffered a net decline in population during the immediately preceding five-year period.

Such term also includes any area within an Indian reservation.

"(4) Criteria for State laws.—In order to qualify under this subsection, a State law must provide—

"(A) that balanced growth areas will be designated consistent with goals for balanced growth in the State and its counties and other political subdivisions and areas thereof, and consistent with the expressed desires of the governing bodies of its counties and other political subdivisions,

"(B) for an annual review of all designations and the revocation of any designation of an area which is no longer an area described in subparagraph (A) or (B) of paragraph (3), and

"(C) that the total population of designated balanced growth areas described in subparagraph (B) of paragraph (3) may not exceed the total population of designated balanced growth areas described in subparagraph (A) of such paragraph."

On page 16, line 3, strike out "302" and insert "303".

On page 17, line 1, strike out "303" and insert "304".

On page 18, strike out lines 17 through 25 and insert the following:

Sec. 305. EFFECTIVE DATES.

(a) For sections 301 and 303.—The amendments made by sections 301 and 303 shall apply to taxable years beginning after December 31, 1974, and before January 1, 1976.

(b) For section 302.—The amendments made by section 302 shall apply to taxable years beginning after December 31, 1975.

(c) For section 304.—The amendments made by section 304 shall apply only with respect to distributions made during the 5-year period beginning on the date of the enactment of this Act.

NOTICE OF ERDA HEARINGS

Mr. CHURCH. Mr. President, as chairman of the Energy Research and Water Resources Subcommittee of the Senate Interior and Insular Affairs Committee, I want to give notice that the subcommittee will conduct public hearings on March 3, 4, 5, and 6, 1975, on the proposed authorization bill for the Energy Research and Development Administration for fiscal year 1976.

On the first day of the hearings the subcommittee will invite a panel of experts from outside the Government to present their views on the administration recommendations. Representatives of ERDA will be scheduled the second day. The third and fourth days of hearings will be devoted to obtaining views from representatives of interested organizations and industries and from the public-at-large.

The hearings will begin at 10 a.m., on the days scheduled in room 3110 of the Dirksen Senate Office Building.

Parties interested in making a contribution to these hearings should contact Mr. Yamagata or Mr. Malone of the subcommittee staff, room 3206, Dirksen Senate Office Building, telephone: 202—224–9894 and 224–1076.

NOTICE OF HEARING ON THE PLIGHT OF INDIANS

Mr. ABOUREZK. Mr. President, I wish to inform my colleagues, the Indian people and the public that the Subcommittee on Indian Affairs, which I chair, will hold a general informational hearing on February 24 to explore the need for justice reform on Indian reservations and communities.

The costly and tragic Indian occupation of the historic Wounded Knee Indian community in South Dakota occurred approximately 2 years ago. I followed this episode closely and endeavored to identify the contributing causes. It is my belief that the unequal application of law enforcement and justice on several of the reservations in South Dakota were among the major factors leading to this episode. I have been informed by Indian people from other parts of the country that a similar situation exists on their reservations and in their communities.

It is my hope that the committee will be able to undertake an orderly exploration of this problem with a view toward developing constructive legislation that will improve the quantity and quality of law enforcement programs and justice for Indian people.

The hearing will commence at 10 a.m. in room 3110, Dirksen Senate Office Building, and will be open to the general public.

NOTICE OF HEARINGS ON JOBS AND UNEMPLOYMENT IN NEW JERSEY

Mr. WILLIAMS. Mr. President, the Senate Labor Subcommittee will hold hearings in New Jersey on jobs and unemployment on February 12 and 13. On Wednesday, February 12, at 9:30 a.m., the hearings will take place in the Passaic City Hall, City Council Chambers, third floor, corner of Passaic and Gregory Avenues, Passaic. On February 13, at 9:30 a.m., the hearings will be held in the Camden County Council Chambers, Camden County Court House, 6th and Market Streets, Camden, N.J.

ADDITIONAL STATEMENTS

LOFTY POSITION OF HON. JOSEPH F. JOHNSTON, U.S. SENATOR FROM ALABAMA, AUGUST 6, 1907, TO AUGUST 8, 1913

Mr. ALLEN. Mr. President, on today I received a letter dated February 5, 1975, from Hon. Joseph F. Johnston, reading in part as follows:

> About the year 1910 or 1912, election of Senators was held in the Illinois legislature at which a Republican, Mr. Lorimer was elected. It was a bitterly contested election and the matter was brought before the Senate on charges by the Democrats of improper campaign expenditures by Lorimer. A committee was appointed, including the Senator from Alabama, Joseph F. Johnston. At lengthy hearings, the matter came before the Senate and on a partisan vote, Lorimer was refused his seat. Senator Johnston voted against his fellow Democrats amid great uproar and criticism. I attach an excerpt from the speech he made in the Senate on that occasion.

The present Mr. Joseph F. Johnston, of Birmingham, Ala., is a grandson of Senator Joseph F. Johnston and is one of the outstanding attorneys and constitutional authorities in the United States.

Since the speech by Senator Johnston announces such a lofty stand for principle above politics or popular clamor, I ask unanimous consent that this excerpt from Senator Johnston's speech, referred to in Mr. Johnston's letter, be printed in the Record as a standard which all Senators might seek to emulate.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

> Mr. President, I entered the Confederate Army in April, 1861, because the State of Alabama had seceded from the Union, and I believed their cause was righteous and that it was my duty so to do. For four long, bloody years I followed the flag of Dixie, sometimes n defeat and often to victory. I became convinced before the surrender that we could not succeed, because we could not replace the brave men who fell on the field of battle. We were shut out from the world, and could only draw recruits from the cradle. The idea never came into my mind that because we must inevitably fail I should desert to the enemy. I stood by my colors facing death

and defeat until Lee and Johnston surrendered the fragments of glorious armies whose fame will never die. The span of my years may be shortened by the shots stopped by my breast in that failing cause; but, all in all, my keenest satisfaction in the past rests not upon those moments when I swam with the tide, but when I bared my breast, with Ajax, and took the lightning. Mr. President, I refuse to save myself at the sacrifice of my convictions and my honor. The people have not heard the evidence as I have. They have not taken an oath to do impartial justice according to the Constitution and the laws. I have. I cannot render judgment upon their convictions, nor can they transfer to themselves my punishment if I violate my own. I would be unworthy of my place if, for any fears of public retribution or disapproval, or for the sake of securing popular favor, I should disregard the convictions of my judgment and conscience. If every member of the Legislature of Alabama and every citizen of the State should demand that I should yield to the popular clamor for the conviction of anyone upon their belief about the facts contrary to my judgment, my convictions, and my oath as a Senator, I should promptly resign my commission and permit them to choose a successor who might be more willing than I to sacrifice his honor and self-respect for a seat in the Senate. I have taken no oath and made no promise to cast my vote according to the edict of the press. I ran before the wind of no popular temporary issue. I rode into this Chamber upon no hobby selected for political effect. I believe that the dignity of a Senator is not consistent with catchpenny platforms, patent issues, or maudlin generalities, and that my presence here is based upon the conviction of my people that upon all public questions my experience and my record of service in the past justified them in relying upon me to consider patiently each question in the light of public welfare and vote my convictions.

CHIEF JUSTICE JOSEPH R. MOSS

Mr. THURMOND. Mr. President, the even-handed application of justice, under law, is essential to our constitutional system. One of the outstanding jurists of this country who has administered that system with exceptional ability and distinction is the present chief justice of South Carolina, Joseph R. Moss.

He has served as our State's top jurist for the last 9 years and prior to that time was an associate justice of the South Carolina Supreme Court for a decade. Previously, he was a circuit judge for 8 years. His eminence as a constitutionalist and legal scholar, while tempered with the practical logic of the court, is known throughout the land.

However, in recent weeks Chief Justice Moss has said he will retire from the bench in July when he reaches the age of 72. Although he will be stepping out of an active role in the State's judicial affairs, all who know him look forward to his continuing counsel and activities in the interests of his State.

Mr. President, for the last quarter-century, Joseph R. Moss has compiled a distinguished record of jurisprudence which stands as a demonstrated example for all in the legal profession to follow and be guided. His devotion to both individual fairness and public good is without question. He has truly administered justice, under the law, in a manner which is exemplary, as well as effective.

This man's spirit of public service stems from a time well before his tenure on the bench. He was an outstanding lawyer practicing in his hometown of York, S.C., and in the courts of our State. In political affairs during that period, he served as chairman of the York County Democratic Executive Committee for 15 years. As the culmination of the public spirited service which he rendered to his county, he was elected to the South Carolina State Senate.

As a State senator, Joseph R. Moss demonstrated so thoroughly his abilities as a student and practitioner of the law that his fellow members of the General Assembly selected him for a circuit judgeship. It was the beginning of his judicial career which has brought him such honor and provided the State such excellence.

The people of South Carolina and the institution of law which Chief Justice Moss has upheld have reaped the benefits of his service. All of us look forward to his continued participation in the affairs of his community and State after his retirement in July.

Mr. President, following the recent announcement by Chief Justice Moss that he would step down from his post this summer, an excellent article written by Hugh E. Munn of the State newspaper in Columbia, S.C., was published about him. I ask unanimous consent that this article, entitled "Chief Justice Moss a Man of the Law," be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHIEF JUSTICE MOSS A MAN OF THE LAW

The old wooden steps leading up to the second-floor office creaked and swayed as it heaved a billow of dust into the air.

At the top, a door rattled open, revealing a dimly-lit room consumed by huge shelves of old law books and paraphernalia.

And there behind a low row of tables sat the S.C. Supreme Court's Chief Justice, Joseph R. Moss—a man at home in his world of legal briefs, books and opinions.

The Chief Justice was in his workshop, a place where law is made and where, more often than not, legal history also gets its start.

Moss's desk was covered with documents and books, but he sifted through the stacks with ease and familiarity. He knew the old office located in York like the back of his hand.

For 19 years, Moss has used the second-floor space in his work as a S.C. Supreme Court justice—nine of those years as the state's chief justice.

"A lot of law has flowed through here," Moss said pointing proudly to the stacks on the table.

"Right now, I'm working on a case so complicated that it means we're (Moss and his law clerk) having to trace down an original act of the General Assembly," Moss said.

"But that's not too unusual. A lot of times, we have to try to construe what a state statute really means. How do you know? You've got to diiigg," Moss said, drawing out the word.

Moss thought about what he said for a minute and then added, "One time I had been digging for days looking for a particular South Carolina law written way back there, but we couldn't find a thing.

"I was about to give up on the idea, when one day I was reading an opinion handed down by the supreme court in one of the Dakotas," Moss said.

Moss said the opinion told how a Dakota law in question in the case had been patterned after an old South Carolina law—the very law Moss had been looking for.

"I grabbed it up, wrote an opinion, and later, somebody asked me how in the world I found that old law—that it was a physical impossibility," Moss said.

"I told him, research, man, research," Moss said, bellowing with laughter. "I never did tell him the truth."

The 71-year-old chief justice leaned back in his chair, running his fingers through a maze of silver white hair like he was rummaging through a file cabinet for some long-forgotten memory.

It quickly became apparent the judge doesn't forget much at all. "I just got to get it in order, that's all."

He began thinking aloud . . .

"You know, we got some funny appeals out there in all the courts," he said, waving his hand toward the door.

"I read just recently, where this prisoner out west somewhere filed an appeal in federal court, claiming his rights had been denied.

"He wanted to be transferred out of the prison and be sent to a women's prison nearby, but they wouldn't let him," Moss said.

He began to laugh again, "He said the prison people were denying him his rights to be sent to the women's prison, because the Bible said ". . . be fruitful and multiply."

Moss picked up one of his old law books and looked at it intently. He looked up a few moments later.

"You know, here in South Carolina, we have a good judicial system. Oh, I know you'll find flaws—you'll find flaws in anything, but it's a good one," he said.

"Our system has never put a taint on a single man, and I'm proud of it," the judge said, "and I want to help keep it that way."

Moss will be stepping down as Supreme Court justice in July after reaching the mandatory retirement age of 72. But that's in July, and Moss made it clear he was going to keep on working until then.

"Lord, I've seen a lot of law come by me since I started as a circuit judge way back in 1948," Moss said. The York County native and farmer served from the state's Sixteenth Circuit until his election to the Supreme Court in 1956.

"In this business, you've got to have a high boiling point—can't get mad over just any little thing.

"In fact, I always told people that after I made a decision, you have 24 hours to cuss the judge. After that, it's contempt," the chief justice said and grinned.

"Looking back now, I guess I'd say that the hardest thing for a judge on any criminal court bench is the job of fitting the punishment to the individual," said Moss.

But once on the Supreme Court, there's a whole new ball game, Moss said. "Here, you're dealing with cold records . . . personalities are not too much involved."

So, how does he do it—getting down to dealing with the hard facts and coming up with an opinion?

"Well, I don't worry too much about it. I just get in there and let it go. Now with cases which are going to set precedent, I do some worrying.

"I just want to be certain I'm right on it . . . that is, saying it so there won't be any question. Of course, I feel that way about any case," he said.

He added, "Man, sometimes, I really agonize over a case. I've written opinions, rewritten them, re-considered them until it's gone well over a month.

"Two months later, I'd look back and see just how simple it really was," he said.

Moss was asked what type of case bothers his the most.

"Oh, there's no doubt . . . a child custody case. It's anguishing in a way to try to decide who should get the child.

"All you can do is try to determine from the record in front of you just what is in the best interest of the child. It's all you can do," Moss said.

"I've got a lot of hope for this judicial reform bill," said Moss. "I think the Riley bill (a bill implementing the judicial reform amendment) is a step in the right direction.

"Of course, I'm also concerned about the jurisdiction of the new district court system set out in the bill. If every case is transferred to the circuit courts, it'll be just as crowded as ever. But, I believe the bill will take care of it in the long run," Moss said.

Moss quickly added, "You know, the ideal way to clear the dockets is to put two judges in one circuit all the time, but in places like Columbia, Greenville, and Charleston, there's a limit as to how to clear the docket. There's no space to try the cases."

Moss then began thinking again of his times on the circuit bench.

"When I got on, not as many mean, heinous crimes to be tried. I don't know if it is because of a change of times, but now, the percentage of crimes has gone way up," said Moss.

"I can remember, in Conway, I went in there faced with 105 cases one year. I left there with only one case left untried or settled," he said.

But Moss is realistic. He said he knows the same thing can't be done now—there's just too many cases, and a month on the bench, seven days a week, wouldn't clear the docket in some areas.

"Now on the Supreme Court, a lot has changed too since the old days," said Moss. "But on the circuit bench then, a judge didn't have problems of things like uninsured motorists and the like.

"The passage of legislation has increased the civil cases, there's no doubt," Moss said. "It's the same for the Supreme Court too.

"I guess no fault insurance is going to be the next big case load for all the courts," said Moss.

Moss said that 19 years on the Supreme Court has taught him one good lesson: "We're an appellate court. If the issues are not raised, we shouldn't be concerned with it."

Moss thought again about the state's high court and his involvement with it as justice and chief justice.

"I've been lucky, I know. There've been some right important cases that have come out of our court since I've been on it," he said.

Moss named several of the cases. One was the Holzwasser case last year: a 3–2 Supreme Court ruling upholding a state law which subjects property owned or leased by manufacturing businesses to a higher tax rate than other property.

The majority opinion from Moss and Associate Justices Bruce Littlejohn and J. Woodrow Lewis reversed a lower court ruling which declared unconstitutional portions of a 1972 General Assembly Act allowing counties to assess the tax.

Another case cited by Moss was a 1967 Supreme Court ruling—the Industrial Bond decision.

In that case, the court issued an opinion broadening the state's Industrial Revenue Bond Act to permit revenue bond financing of projects begun before the act was passed earlier that year.

The opinion followed another ruling by the court, giving the Revenue Bonds Act a clean bill of health—thus, opening the door for what promised to be a substantial upswing in industrial development. The act in essence provided public funds for private industry.

"You know, thinking back about those cases, it makes you think about the difficulty in issuing opinions," Moss said.

"I'd rather not write an opinion sometimes, especially if it means putting a man in the electric chair, but if it's the law, I'm not going to hide from it . . . I'm not going to disassociate myself from it," Moss said.

Moss loved talking about the court—all facets of the judicial process. He said conversations on the subject sometimes last for hours.

But a short time later, Moss' law clerk, Pete Perrill, confessed the truth:

"If you really must know, the chief justice would rather talk about farming—that's what he loves most."

Moss never would say what he planned to do after he steps down as chief justice in July.

"One thing for sure," Perrill said, "he won't just sit down. He'll go back to his farm or practice law or something."

SALARIES OF FEDERAL JUDGES SHOULD BE RAISED

Mr. PERCY. Mr. President, once again I recommend that the salaries of Federal judges be raised. This is not an academic inquiry. It is a matter of concern to everyone who is dedicated to creating and maintaining a standard of excellence on the Federal bench.

The ultimate appointment of men and women to the Federal bench reflects a lifetime of legal excellence, judgment and wisdom. Their appointment is by the President of the United States and they are confirmed by the U.S. Senate.

We must remember that the best lawyers earn tremendous salaries in private practice. Most Federal judges, should they return to private practice, could earn far more than they presently do. But most Federal judges do not ask to be paid the same amount they could earn in private practice. They ask only that their salaries keep pace with the cost of living. Judicial salaries were frozen in 1969. Since then, the Consumer Price Index has risen 42 percent. While salaries for most Federal employees have increased 38 percent since 1969, the salaries of Federal judges have not changed.

We now face a significant crisis. Some of our best Federal judges have resigned recently to resume private practice. As these vacancies occur, it becomes more difficult to find qualified attorneys who are willing to leave private practice for the Federal bench and face salary cuts. Unless we increase salaries for Federal judges to keep pace with the cost of living, the caliber of our Federal judges and thus our system of justice, will deteriorate.

I urge the President to submit a request for pay increases for Federal judges. I urge my colleagues to support the measure.

I ask unanimous consent that there be printed in the RECORD a letter I recently received from an eminent Federal district court judge, whose name I have deleted, which explains the dilemma which many Federal judges face today.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 24, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator,
Room 4321, Dirksen Building,
Washington, D.C.

DEAR SENATOR PERCY: I know you are aware of the recent concern among Federal judges over salaries. The problem is particularly acute among younger judges like myself, with children still in school and no income other than our salaries.

During my years on the bench, I have exhausted the reserve capital accumulated during my law practice, and now find myself solely dependent on a salary which by any fair standards has become inadequate.

Congress does not seem aware of the urgency of the problem. I am told that five Federal judges have resigned this past year for financial reasons, and as our plight becomes more commonly known, I am beginning to receive discreet inquiries as to whether I am considering returning to the practice. I followed up one such inquiry from an old friend and was offered a guaranteed minimum income in an amount twice my salary. I have postponed responding while I await whatever action comes from the 94th Congress. I'm sure you can imagine the soul searching my dilemma has precipitated.

There is much data available on our financial status and I would be happy to supply it if you wish. But a few central facts tell the story. Since our salary was fixed at $40,000 in 1969, the consumer price index has risen 42%. Most other Federal employees have received pay increases of 38%, and the average income of attorneys has risen 43%. A comparable increase for the judiciary would warrant a $60,000 salary.

A judicial salary commission appointed by President Nixon several years ago recommended a 25% increase. Under the law creating the commission, its recommendation to Congress becomes law unless specifically disapproved. I understand President Ford will send this recommendation to Congress if he can get any assurance from the leadership that it will be allowed to become law.

While this would result in an increase much less than fair, it certainly would be welcome. My fellow judges and I would be grateful for your support in bringing it about.

I would be happy to discuss this with you or give you further information if you wish it.

Sincerely,

_____ _____.

A LIMITATION ON THE PRESIDENT'S AUTHORITY TO IMPOSE A TARIFF ON OIL IMPORTS

Mr. RANDOLPH. Mr. President, earlier today the junior Senator from Washington (Mr. JACKSON) and the senior Senator from Massachusetts (Mr. KENNEDY) testified before the Senate Finance Committee on H.R. 1767, a House-passed bill which prohibits for a period of 90 days the imposition of new tariff fees on oil imports.

Mr. President, I ask unanimous consent that the statement by the junior Senator from Washington be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HENRY M. JACKSON

Mr. Chairman, Members of the Committee, I am pleased to appear before this Committee with my distinguished colleague from Massachusetts. Your Committee has before it a House passed bill, H.R. 1767, a measure which would prohibit for a period of ninety days the imposition of new tariffs, fees and quotas on oil imports.

We are at a significant crossroads in the effort to resolve our nation's energy crisis fairly and sensibly. Decisions in the weeks and months ahead will set this country on a course which will not be easily altered. I am confident that the Congress will take decisive action based on a reasoned and thoughtful examination of the merits of alternative energy conservation programs.

The President's energy price and tax proposals would, if implemented, result in intolerable price increases for all energy consumed in the United States. With the President's proclamation increasing the fees on imported oil by $1.00 per barrel, we are already thrust down the road to "prohibitive" energy pricing. If Congressional inaction allows the President's program of import fees and domestic crude oil price decontrol to take effect, American consumers will pay an additional $33.6 billion in higher energy costs. This amounts to nearly $150 for each man, woman and child in the United States, nearly $600 for an average family of four. These enormous cost increases would affect all petroleum products and would quickly spread to other energy sources—coal, natural gas, uranium—which compete with oil in the United States. These price increases will push up the cost of all goods and services in all regions of the country.

I believe the President's program contains the seeds of economic disaster for the United States, without substantially improving our energy situation. It will depress an economy already on the brink of depression. It will also perpetuate double digit inflation. By attempting to achieve long-term energy goals in the short run, the Administration's program will create economic chaos: higher energy prices; more bankruptcies, more unemployment, more inflation, a captive foreign policy, and a weakened economic position for domestic companies which engage in international commerce.

The Joint Resolution which Senator Kennedy and I have introduced requires that the Congress be consulted on these proposals before they are implemented, that each proposal be fully justified as to rationale and impact, and that the Congress have the right of disapproval. Our resolution and the House passed bill provide time for Congressional participation and deliberation leading to the development of a fair, sensible and effective energy conservation program.

We have already learned much about the disruptive economic potential of the President's proposals. Yesterday the Interior Committee and representatives from other committees participating in the Senate's National Fuels and Energy Policy Study, heard testimony from representatives of industry, electric utilities and higher education. The testimony was as alarming as it was informative. The President's program would—

Increase fuel costs for one segment of the transportation industry alone—the airlines—by $1 billion, which could lead to a 15% increase in air fares or result in as many as 50,000 lost jobs;

Force universities and colleges to absorb higher energy costs, $1.7 million for one major university, necessitating tuition increases and a sharp curtailment in research and educational output;

Drive up utility rates to intolerable levels for business and consumers; and

Fail to limit energy consumption significantly because the demand for petroleum products is largely insensitive to price changes.

One witness, Mr. Charles R. Owens, who formerly served in the Administration as Deputy Assistant Administrator at the Federal Energy Administration in charge of oil price control policy stated that he believes "the President's program is based on several highly dubious assumptions". These include the assumption:

"That a viable recession recovery program can be financed by regressive oil and natural gas taxes.

"That demand elasticity for energy is significantly negative despite the contrary evidence over the entire post-World War II period. Even the past eighteen months, while admittedly exceptional, indicate almost zero elasticity.

"That U.S. domestic oil production can be quickly turned around, even though under the two-tier price system U.S. output still declined by 10 percent or 900 thousand barrels per day from December 1973 to December 1974.

"That exploration incentives would still be positive with the recommended excise taxes on oil, plus the excess profits tax.

"That the cake is really worth the candle. A makeshift tax package—both on the input side and on the rebate side—has been constructed to show OPEC that we mean business, to put economic pressure on foreign oil producers, despite the fact that the amounts involved are only a minor fraction of producing capacity, and to prove to our European and Japanese allies that we are willing to make sacrifices. We strongly suggest that the potential strategic benefits of these 'bargaining chips' ought to be balanced against a rigorous assessment of their costs."

Mr. Chairman, I would like to submit copies of this testimony for the Committee's hearing record.

Finally, Mr. Chairman, I would like to submit for the hearing record an economic analysis of the cost of the Administration's energy price, tax and tariff program which was prepared by the Interior Committee staff at my request.

Table VIII of this analysis shows the significant effect of cost increases in the direct purchase of fuels and electricity and the even larger effect of indirect energy use on expenditures. Thus, for a poor family, approximately $125 in increased costs for direct energy purchases corresponds to nearly $340 in increased costs when purchases of nonfuel goods and services are accounted for. For middle-income families, $200 to $250 in increased costs for direct purchases of fuels and electricity become $500 to $700 in total cost increases per family when all purchases are considered.

This table also shows the disproportion between added energy costs and ability to pay. The poor must find extra cash to pay for a third as much energy as the well off, yet they must find this cash in an income which is on the average, only an 8th to a 10th as large. Thus, the basic requirements for food, shelter, heat, transportation, and essential clothing and manufactured goods place a floor on energy requirements which does not respect relative ability to pay. When basic energy prices increase, the burden falls much more heavily in proportion to ability to pay on the poor.

The table shows that added energy costs which the President's program would provide for will reduce the purchasing power of the poor by over 11 percent while for the well off, only 3 percent of income will be affected.

TABLE VIII.—INCREASED ENERGY COSTS FOR HOUSEHOLDS BY INCOME: DIRECT AND INDIRECT ENERGY PURCHASES

Category	Income [1] (1974 dollars)	Cost increase for direct energy purchases [2]	Cost increase for indirect energy purchases [3]	Total increases
Poor	$3,050	$124	$212	$336
Lower middle income	9,770	176	329	505
Upper middle income	17,000	242	506	748
Well off	29,900	287	657	944

[1] Income adjusted by the ratio of consumer price indexes: December 1971; December 1972=1.221.

[2] Purchases of fuels and electricity for households; energy costs assumed to increase by 60 cents per million British thermal units.

[3] Purchases of all products (food, automobiles, housing appliances, petrochemicals, services) dependent on energy; dollar-for-dollar passthrough of 60 cents per million British thermal units is assumed.

Mr. Chairman, the President's energy program includes many proposals for whose adoption Congress has worked long and hard. These will receive early action and enjoy bipartisan support. His "prohibitive" energy pricing proposals have *not*, as the House vote indicates, received support.

I urge your Committee to act at an early date to report H.R. 1767 to the Senate floor. The sooner this ill-conceived Administrative policy of huge increases in the tariff on oil imports, without any form of Congressional assent, action or review, is set aside the sooner Congress and the Administration can get at resolving the many difficult energy problems facing the nation.

THE CASE FOR TAXING GASOLINE AND AUTOMOBILES

Mr. PERCY. Mr. President, on February 3, 1975, the New York Times editorially supported the idea of taxing gasoline and automobiles as an alternative to the administration's proposals for tariffs and excise taxes on crude oil.

Since the energy crisis has made us acutely aware of the need to reduce our dependency on foreign petroleum, we must seek to cut consumption where we can most afford to—with the automobile. By taxing gasoline and the larger, inefficient automobiles, we can strike at the most elastic use of petroleum. As the editorial points out, it is far easier for most Americans to cut down on their driving than to go without heat in their homes.

During the last session of Congress, I introduced a package of energy legislation which included a gasoline tax and an auto-efficiency tax incentive program. I plan to reintroduce this legislation soon and since the New York Times so effectively argues the case for these proposals, I would like to share the editorial with my colleagues.

I ask unanimous consent that the New York Times editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 3, 1975]

TAXING GASOLINE AND AUTOS

GASOLINE

The fatal flaw in the Administration's arguments against a gasoline tax is the assumption that all uses of petroleum are equal—equally necessary or equally wasteful, equally desirable for social or economic health. Thus, President Ford insists on a tariff on all crude oil imports rather than a higher excise tax on gasoline alone.

Yet, essential though automobile transport has become in most parts of the country, many American families have already found that the gasoline to power inefficient cars, one driver at a time, over short urban and suburban distances is far easier to spare in their energy budget than, say, the fuel to provide basic 68-degree heat in the home.

On average, American motorists drove about 300 miles less per car last year as a result of the higher cost of gasoline forced by foreign oil producers' price increases. This is an indication of the elasticity in gasoline—optional consumption that falls off as the price rises.

Nor is it necessary fairer, as the Administration contends, to spread out the costs of conserving energy across all petroleum users—which, one way or another, means everyone. It is surely fairer to let each American motorist make the decision for himself how much to drive, rather than to force every consumer to pay the higher costs passed along by utilities, industries and everyone else who uses petroleum in the production process.

The fourfold price increase that has already occurred in crude oil has forced gasoline prices up about 37 per cent, but far higher percentage increases hit other fuel prices: diesel fuel went up 49 per cent, home heating oil 66 per cent, aviation fuel 100 per cent and residual fuel oil, used in industry and electric utilities, a staggering 143 per cent.

Where is the equity, therefore, in "sparing" motorists the burdens of a sizable increase in the cost of a gallon of gasoline in order to spread out the burden among all petroleum products when these other products have already risen so much more?

Undoubtedly, adjustment to higher gasoline prices would create hardships, particularly at the start and in localities where there may now be no practical alternative to the car for employment and communication. But designing a system of rebates and allowances for essential automobile uses would be far less complicated than any attempt to compensate for the gross inflationary damage from across-the-board petroleum price increases.

The social and economic judgment that underlies President Ford's abhorrence of a gasoline tax centers on an exaggerated pride of place which he assigns to the automobile industry. However, the unpalatable fact is that the directions pursued in car design and marketing over the past decade and the infrastructure of highways and community development that this trend has promoted have distorted the economic growth and social well-being of the nation.

One current example is the impact on employment and energy consumption from highway construction, so long the symbol of this country's auto-based economy. In a recent issue of Science magazine, two researchers calculated the difference between spending $5 billion on construction of new highways or investing the same amount in railroads and other mass transit facilities. The energy consumed in the construction work alone would be 62 per cent less for railroads than for highways; such a shift in priorities, moreover, would provide more than 8,000 additional jobs.

Leaders of the automobile industry recognize the need for new directions. Chrysler has begun a long-term restructuring that cuts capital overhead by one-third and projects sales in the range of 6 million cars every year instead of 8.8 million sold in 1974. General Motors has announced a four-year research program, costing $3 billion, to make its models smaller and lighter.

Such steps are but a beginning. Dr. Edward Teller, who knows something about advanced technology, believes that "except for the mental inertia in Detroit, we could have a fifty-mile-per-gallon car in perhaps as short a time as three years." Another critic of the automobile industry, Donald E. Weeden, president of the City Club of New York, has even proposed "massive government aid to Detroit to produce twenty million compact cars a year in order to get us out from under our existing inefficient fleet." A tax on horsepower or automobile weight would be a logical complement to a tax on gasoline; the goal is not to penalize motorists, but to reward efficient design and use of cars.

No energy policy that aims to protect the status quo of the automobile industry by preserving the relative cheapness of gasoline can make more than a dent in the profligacy of this country's energy consumption.

The undoubted hardships of a gasoline tax can only be measured against the alternative hardships foreshadowed by President Ford's tariff plan; these are becoming more extensive with each new economic analysis by the government itself. For the longer term, automobile and gasoline taxes would promote the necessary trend of American life away from the extravagances of the unfettered automotive economy.

ILLEGAL ALIENS IN AMERICA

Mr. CURTIS. Mr. President, today there are a huge number of jobs held by illegal aliens in America, when millions of American citizens are unemployed. I wish to address myself to changes in public policy necessary to correct this injustice.

We have the unhappy statistics as to the growth of unemployment due to a combination of inflation, energy shortages, and sharp decline in consumption and capital formation. The latest shows 7.1 percent of our work force unemployed. In human terms, this means 6 million people out of work.

Alongside this, we have estimates by the Immigration and Naturalization Service that there are from 6 to 12 million illegal aliens in this country.

Stated another way, those who have come illegally in recent years more than equal the total of all those who have entered our country legally over the past 25 years.

This in itself is bad enough.

But I am receiving frequent complaints from citizens in Nebraska and neighboring States seeking employment that a large number of jobs are held by illegal aliens. Many of my colleagues report the same situation elsewhere in the country.

Attorney General William Saxbe, last October, estimated that at least one million jobs are held by illegal aliens.

In December, after hearings by a House Government Operations Subcommittee, it was stated that illegal aliens take at least 1.2 million jobs from American citizens, and earn $10 billion annually.

These are not simply "jobs that no one else will take," as is sometimes asserted.

According to Representative LEO RYAN, of that committee, half the jobs held by illegal aliens pay from $4.50 to $6.50 per hour and another 20 percent are semiskilled. The 30 percent remaining are lower-paying farm jobs.

Again, this is confirmed by individual letters and calls received from constituents, both native-born or naturalized.

If these jobs were available to American citizens, it would reduce unemployment by 20 percent of those unemployed, and by more than 1 percent of all Americans in the labor market.

In many instances, the illegal alien sends part of his money earned to his native country. Thus, this transfer of funds represents one more cash outflow affecting adversely our balance-of-payments position.

Mr. President, I realize that all immigrants—legal or illegal—still come to America because it is the land of opportunity.

I realize that many illegal aliens are exploited and forced to accept lower wages, or poorer working conditions lest their illegal status be reported.

But these factors can hardly serve as justification when the net effect is to take jobs from citizens—many of whom came to this country under our immigration and naturalization laws—and depress wage levels.

Our first obligation is to our citizens, particularly when so many are unemployed.

As to why so many aliens have entered this country illegally, there seems to be general agreement with Commissioner Leonard Chapman—and I commend him for his candor—that the Immigration and Naturalization Service has simply not had enough funds to prevent the silent, stealthy, unceasing flow of illegal entries.

At present, he has only 1,350 men to cover the entire 2,000 mile Mexican border. Most of the illegal aliens come from the Western Hemisphere, and of these the largest number come from Mexico. Nor will this flood stop; the surplus labor force in Mexico is expected to soar in years to come.

Parenthetically, it should be noted that prior to the enactment of the Immigration Act of 1965, the problem of illegal entries from Western Hemisphere countries was relatively minor. The act—perhaps unintentionally—seems to have established policies which actually encourage such entries.

Commissioner Chapman has pointed out that not only do these illegal aliens take jobs from American citizens, but they benefit from our country's general social services, and educational facilities, without paying any taxes.

Mr. President, I understand that the Service has requested an additional $50 million for fiscal year 1976 to increase its force by 2,200 men and women. It would seem absolutely essential that such increase be approved by OMB and Congress. I intend to support this request, and would hope that my colleagues on the Judiciary and Appropriations Committees agree on the need for it.

I am informed that with the Service's present training facilities, it will take at least 2 years to recruit, train, and integrate into the Service that many additional personnel.

The Service expects to graduate a class of about 140 this March, and 225 in the next class.

The Service at present makes a special effort to recruit Vietnam-era veterans, for which I commend them. About 45 percent of the present class are such veterans. I would hope this number could be increased, under the provisions of the Vietnam Era Veterans Readjustment and Assistance Act of 1974.

The Service is also requesting additional funds for a type of census to establish more precise figures as to how many illegal aliens are in this country, and holding jobs. This, too, would seem eminently justified.

Finally, the Service is requesting additional funds for interior and repatriation operations.

Today the problem is not simply stopping illegal entries, although this is difficult enough.

The Service must find the illegal aliens who have "disappeared" in cities all over America. A large number of its additional staff will be assigned to this task.

Once illegal aliens are located, they must be returned to their native land. If the alien has no funds, the cost of transportation must be borne by the Service. Each regional office has a limited allocation of funds for this purpose, and if such funds are exhausted, the Immigration Service has no recourse but to turn such aliens loose, with orders to report to the regional office. Naturally, they simply go underground again.

The Service cannot afford to hold them in detention indefinitely. Nor can they file criminal charges unless there is evidence of several violations of parole, or of commission of crimes such as smuggling. To do otherwise would swamp the dockets of Federal district courts.

Finally, Mr. President, I urge enactment of legislation making it illegal for an employer to knowingly employ illegal aliens. This would seem to be necessary to cut off the job market for such aliens.

Such legislation must be very carefully drawn to protect those who hire illegal aliens in good faith. Today, many of the latter are provided with false or stolen work certificates, phony marriage licenses and so forth, all making it difficult for the employer to detect the illegal alien.

I would hope that this combination of additional funding for the Service and legislation drying up the job markets would make the message very clear to those who seek to enter our country illegally: You will not be able to find jobs in America, and if you enter illegally you will be detected in short order and returned to your own land.

Even more important, these policies would demonstrate to unemployed American citizens that more jobs will be available to them, and unemployment will not in part be due to jobs being held by those who enter our country illegally.

ROCKET ATTACK ON CAMBODIAN SCHOOLCHILDREN

Mr. THURMOND. Mr. President, it was shocking to read in the Washington Post this morning, February 7, about the rocket attack against Phnom Penh by Communist forces which took the lives of 18 school children between the ages of 7 and 9.

Having visited Phnom Penh less than a month ago I was greatly moved by the conditions in that city which is surrounded by Communist forces.

It is incomprehensible to me why any military force would indiscriminately fire upon the civilian populace. This tactic is typical of Communist forces in Cambodia and South Vietnam, which have used terrorism in attempts to achieve their political and military objectives.

I know the American people will be repulsed by this further example of the tactics used by Communist forces in Indochina.

Mr. President, I ask unanimous consent that the article appearing in the Washington Post February 7 be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROCKETS KILL 18 CHILDREN IN CAMBODIA

(By H. D. S. Greenway)

PHNOM PENH, February 6.—War came to the center of this capital today as insurgent rockets killed 22 persons—18 of them schoolchildren between the ages of seven and nine—and wounded more than 50 others.

The explosion of the first rocket, which struck in a tree just outside the College Wat Phnom, could be heard throughout the center of town. That blast was followed by the high-pitched, hysterical shrieking of frightened and injured schoolchildren.

Reporters rushed to the scene and found tearful teachers and police carrying the shattered bodies of dead and injured out into street.

The rocket explosion had sent shrapnel through the roof and window, killing nine children at their desks. Eight more children, and a woman French teacher, died subsequently in hospitals around the city, according to hospital authorities. The number of wounded children could not be accurately determined but it appears to be between 25 and 35.

The rocket attack had apparently interrupted a French lesson because the words "chapeau" and "champignon" were left chalked on a blood-spattered blackboard.

Crowds of anxious parents defied police and forced their way into the schoolyard, crying and calling out the names of their children. Soon there were at least a hundred more outside in the street, as word spread through the city.

A second rocket landed moments after the first beside a taxi stand near the central market. Four persons were reported killed and at least a score wounded. The corpse of a woman, her head blown away, lay crumpled in blood on the floor of her small street stall, which the police quickly closed.

"If they bombard the center of the city, where else is there left to go?" a woman asked anxiously. While the war has raged in the countryside and even on the outskirts of the city, there have been comparatively few rocket or artillery attacks in the center of town.

Since increased fighting began on Jan. 1, however, officials said that more than 550 rockets have struck the city and its airport, killing 75 persons and wounding more than 335.

In addition to the two rockets that hit the center of town today six rockets hit the airport, the Cambodian military command said. But there were no casualties or damage there.

The 1,000-pupil College Wat Phnom is now temporarily closed and the Yyceee Descartes, another French school nearby which was hit without injury to students last year, has also closed temporarily. Most of the students at both schools are Cambodian.

On Tuesday the French ambassador here told the 1,500-member French community that it would be a "wise precaution" to evacuate women and children from the country. Embassies have periodically evacuated dependents during the war, but this year fewer embassies had evacuated their women and children than during the dry-season fighting two years ago.

According to army headquarters here the shells were 107-mm. rockets fired from the east bank of the Mekong, where the insurgents hold positions a few miles from the city. A third round landed not far from the school, but it failed to explode.

The 107-mm. rocket is a notoriously inaccurate weapon and can only be pointed in the general direction of the target.

SCIENCE POLICY AND WHITE HOUSE ADVISERS

Mr. MATHIAS. Mr. President, our success or failure in grappling with the problems which face us—the problems of our economy, of our environment, of energy, and other scarcities—will depend in large measure upon the procedures which we establish to deal with them. We need new procedures to bring to bear the resources at our disposal. One of the greatest of those resources is science. Science, particular scientific research and development, requires planning. We need new procedures to make our political processes work in a manner permitting farsighted planning.

There has been of late much discussion of the need for establishing a mechanism to provide such "resource allocation" of science. The debate about how this will be accomplished has centered upon the wisdom of reestablishing the Office of Science and Technology in the White House. Indeed, legislation which would accomplish this was passed by the Senate last year, but failed of enactment in the House of Representatives. Because of my continuing interest in matters of science policy and the procedures which we employ to arrive at such policy, I have introduced S. 79 to establish the U.S. Science and Technology Board, which provides another approach to this problem.

I wish to call to the attention of the Senate, as part of what I hope will be a continuing dialog on this issue, an article by Eugene B. Skolnikoff and Harvey Brooks, entitled "Science Advice in the White House? Continuation of a Debate" which appeared in the January 10, 1975, issue of Science magazine. This is an important article and should be read as an aid in viewing the extent and breadth of the problem, as well as for the solutions proposed. I ask unanimous consent that this article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCIENCE ADVICE IN THE WHITE HOUSE? CONTINUATION OF A DEBATE

(By Eugene B. Skolnikoff and Harvey Brooks)

A new debate over the purpose and structure of a science advisory apparatus in the White House is now well underway, spurred by the apparent interest of President Ford in some kind of structural change. An important article by G. B. Kistiakowsky in *Science* in April 1974, the report by a select committee of the National Academy of Sciences (NAS) chaired by James R. Killian, the recent hearings of the House Committee on Science and Astronautics, S. 32 sponsored by Senator Kennedy (D–Mass.) and passed by the Senate, and assorted items in the pages of this and other journals have contributed to the debate.[1] So far, the consensus seems to favor creation of a modified Office of Science and Technology—a three-member Council for Science and Technology patterned after the Council of Economic Advisers and the Council on Environmental Quality. The existing arrangement in which the director of the National Science Foundation (NSF) also serves as science adviser to the President is given short shrift, as are other possibilities.

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[1] *National Academy of Sciences,* "Science and Technology in Presidential Policymaking—A Proposal," Report of the ad hoc Committee on Science and Technology, June 1974; G. B. Kistiakowsky, *Science* 184, 38 (1974); E. B. Skolnikoff, *Public Sci. 5,* (No. 6) 1 (1974); S32 The National Policy and Priorities for Science and Technology Act of 1974.

We agree with the proposal for a three-member Council for Science and Technology (CST); but we believe the detailed structure is much less important than the nature of the tasks to be performed and the arguments that justify such a council in the first place. The case for the CST has not been made adequately, in our view, by any of the contributors to the debate, although the Kistiakowsky article comes closest. The NAS study, the most widely quoted, fails to deal with the politics behind the issue or to examine the real and critically important lessons of the rise and fall of the President's Science Advisory Committee (PSAC) and the Office of Science and Technology (OST). It is essential that we be clearer about the possibilities and limitations of a science office at the White House level if a successful and stable office is to be achieved.

For analytical purposes it is useful to divide the functions that must be performed into (i) the science advisory function for the President, and (ii) the science policy function for the Executive branch. Although they overlap, there is a difference between an intimate advisory role for the President, and a broader science and technology "management" or policy role for the government as a whole. The first involves a close personal association with the President in a White House staff relationship, bringing to his attention scientific and technological aspects of policy issues under consideration, and representing him in dealings with other parts of the government. The second implies all the problems of allocation of resources for science and technology, reconciliation and integration of multiagency programs, evaluation of the quality of agency R & D programs, early warning of technology-related problems, and concern for the health of the R & D community, for science education, and for other policy issues directly related to or bearing on science and technolgy.

In practice a sharp demarcation between these two functions is not possible; there is a difference of emphasis only. The PSAC and later the OST clearly felt responsible for both. Yet one of the two could be represented at the White House level without the other, depending on a given President's preferences. In fact, we would argue that it was the statutory identification of, and, indeed, confusion between the two functions, and OST's persistence in attempting to fill both simultaneously when the advisory function was withering on the vine, that contributed to the ultimate demise of the office. The science policy function, if justifiable at the presidential level, can give an institution permanence; the advisory function will always depend on the variations of presidential style and politics.

SCIENCE ADVISORY FUNCTION FOR THE PRESIDENT

There is presumably no reason to debate at this time the need for scientific and technological advice at the presidential level. The significance of the various technology-rich security, energy, environmental, and other issues that a president personally must face are obvious. Equally evident is his difficulty in obtaining technical judgments that he can grasp and then interpret in relation to the political and other considerations which he must also weigh in these issues.

But agreeing that there is such a need does not determine how that need should be met. This science advisory function could be performed within the National Security Council (NSC) and domestic council structures or as part of Office of Management and Budget (OMB), through a single person with a small staff in the White House, or through a CST. Whatever mechanism is established, it will have to take into account that every President has his own working style and pattern of White House relationships, and that these cannot be determined by others. The primary political lesson from the OST experience is that it is not possible to legislate an intimate advisory function for the President. In fact, institutions at that level with political power independent of the President almost certainly will be ignored and probably will be destroyed.

Ultimately the President's test of a successful science advisory apparatus is whether it helps him politically while still preserving its own intellectual integrity and unique perspective. It can help him by suggesting new policy or program initiatives for which he can take personal credit or by being foresighted about science and technology issues that are likely to cause controversy. The science adviser can keep the President from allowing problems to fester until they can be used by critics and from putting the President's political prestige behind projects and policies that are likely to fail eventually because they are unsound scientifically. In many cases the science adviser can retain credibility not by directly opposing presidential views on policy grounds, but rather by clearly and forcefully warning the President of the political consequences before and not after he embarks on certain courses. Or, the adviser can help provide a scientific evaluation and justification for initiatives a President might desire to take on political grounds, or make sure after the fact that the implementation of such initiatives is technically sound and not undermined by the biases of the departments and agencies. The PSAC played that role with respect to the early bilateral science agreements with Japan and the Soviet Union and many aspects of the space program, and it could, if it still existed, be continuing that role in relation to Project Independence and to the growing number of bilateral agreements for science cooperation.

The most difficult problem is in the national security area. Here the President's need for scientific and technological advice independent of the Defense Department and other security-related agencies is crucial. In fact, the primary contributions of PSAC were not only in advice to the President, but often in direct relations with the Pentagon. But the special assistants for National Security Affairs since 1960 were never fully comfortable with a role for PSAC in this area and increasingly tended to reduce PSAC influence. Over time, PSAC's influence in the security area was far less than it was in the late 1950's and early 1960's, and far less than was in fact needed.

There may, however, be alternatives. If there is no science advisory office close to the President, another possibility for security issues could be the creation of a science advisory staff within NSC, although such a staff would be hard to establish with adequate size and continuity. However, if there were a science advisory office, joint staff assignments between NSC and the science office, as developed between OST and NSC for a time, could be a valuable coupling. One way or the other, a science advisory function in the security area for the President is critical.

In sum, for the presidential advisory function we believe that some mechanism is essential but that it must be established anew by each President. It can take many different forms; but if a stable, politically savvy, high-quality staff in the Executive Office of the President was already performing the science policy function, and, therefore, was ready at hand, it could be the likely candidate for a personal advisory role. But such a staff must have a continuing reliable foundation if it is to be "ready at hand" for each President, and it must be competent to carry out both functions, recognizing that they can compete as well as be mutually supportive.

SCIENCE POLICY FUNCTION FOR THE EXECUTIVE BRANCH

One component of the role for which PSAC and later OST were created was to oversee a burgeoning federal responsibility for science and technology. The situation today is not basically different from what it was in the late 1950's and early 1960's as far as R & D is concerned. The federal budget for R & D is larger, though not in relation to the gross national product. R & D allocations continue to be made annually at department levels based on the missions of those departments. Scientific and technological competence is much more widespread throughout government, but science and technology are also more intimate parts of all policy issues than ever before.

However, there are some other changes as well. In contrast to defense and space programs, technical programs in support of the solutions of social problems tend to conform much less easily to the functional organization of the Legislative and Executive branches. Whereas high technology programs in defense and space are largely concerned with means to serve agreed goals, technical programs to solve social problems more often are concerned with alternative goals as well as means to achieve goals. These programs characteristically cut across agency objectives and capabilities in a way that make overall planning both more essential and more difficult. The fact that political, economics, and other nontechnical or semi-technical considerations are much more prominent in the key decisions regarding future directions in such policy areas as energy, transportation, environmental planning, health care delivery, and food supply, adds to the need and difficulty of overall planning.

As the pace of both social change and expectations accelerate, planning for future needs, assuring timely investments in specific technologies, and avoiding premature commitment to the wrong large-scale systems loom as much greater imperatives than even 15 years ago. An early warning capability to foresee problems requiring R & D investment well before the problems require crisis treatment thus takes on immensely important proportions.

The growing complexity and resulting inertia of government make it increasingly critical that policies once decided have adequate oversight and are then followed through. For all the well-understood reasons, the political forces at work in multiagency issues, aided and abetted by the pattern of organization and influence of Congress, tend to dilute or divert changes of policy direction unless continuous oversight is maintained.

The slow but hopefully real signs of change in the Congress, where there is a developing capability to examine scientifically and technologically related issues on a broader base than in the existing committee structure, calls, in turn, for a matching capability in the Executive branch. The Office of Technology Assessment and the new congressional budget office could become powerful factors in challenging Executive branch policies or the lack of them. Or, the argument can equally be turned the other way: A strong science policy focus in the Executive branch would contribute significantly toward bringing forth a competent congressional response, thus strengthening the Congress' capabilities in science and technology, and in turn assuring a more intelligent and relevant public debate on such issues.

Perhaps there is no area of government activity where the conflict between immediate needs and long-range capabilities for problem-solving is more evident than in the application of science and technology to immediate needs. The growing pressure for visible, measurable, usually short-term payoffs of research at the expense of long-range research, while not confined to one Administration, may, in fact, require continuous vigilance and political mobilization on the part of leaders of the scientific community if long-term injury to the national scientific potential is to be avoided.

But even for this function, it is not self-evident that a new office is needed. At least some of the needs mentioned above, in particular those involving budgetary and related allocation questions, could fall quite naturally within the purview of the OMB. Others, such as "early warning," do not necessarily have to be carried out above the level of the departments and agencies. In fact, some needs, such as concern for the health of the scientific and technology community, may require advocacy roles that conflict with other functions in which a more distinterested approach is necessary.

A strong argument, moreover, could be made for an effort to build the right kind of scientific and technological competence within the OMB and the Domestic Council and to strengthen the NSF Science and Technology Policy Office to perform long-range analyses. Such a solution would avoid creating a new Executive Office agency and would more importantly bypass some of the inevitable problems of an office at the White House level having both management and advocacy roles.

On balance, however, we believe the case is stronger for recreating an instrument in the Executive Office of the President with science policy functions as we have outlined them.

(1) Over many years OMB has never shown a willingness or ability to build the kind of staff able to oversee with substantial technical insight the science and technology activities of the government. This is particularly evident with regard to defense programs, on which OMB has had little influence overall. Even if OMB attempted to build an adequate in-house technology competence, such an office would likely be so tied to the annual budget cycle and so sensitive to pressures to limit expenditures that it would be difficult to carry out those functions requiring a different time perspective. In addition, multiagency program initiation and oversight, usually involving other issues beyond budgetary matters, would be exceedingly difficult to carry out reasonably from an office with predominantly budgetary concerns.

(2) Whatever value the science policy office in NSF can have, and that can be substantial, it simply cannot be expected to perform politically difficult management functions that involve influencing or controlling programs of large rival departments. If nothing else, the key to flushing out problems and evaluating progress and potential is access to detailed, accurate information from the working level. As difficult as it is for a White House office to get accurate information when agencies do not want to give it, it would be impossible for NSF, which must work largely through approved channels.

(3) The foreign policy role that is needed, discussed below, cannot be carried out at all adequately from either OMB or NSF.

(4) A strong focal point in Congress requires a strong focal point in the Executive Office where all the threads can be gathered together.

(5) Our last argument for a strong science policy office is simply our hope that such an office would in fact also be used as a close presidential adviser. It cannot be used, however, if it does not exist.

Thus, we believe an Executive Office mechanism for science policy is the best solution, although there are important problems that must be faced. The precise structure is not as important as its mandate, though we believe a three-man office or council makes sense as a way of dividing what will quickly become difficult burdens. It should be a council serving at the pleasure of the President, to insure his acceptance of it as part of his Administration, though the staff might well be a continuing one.

To make it possible for such a council to serve in a presidential advisory role, the science policy function must be distinguished from operational responsibility for specific interagency programs. The OST got into difficulties when its operational responsibilities conflicted with its advisory responsibilities and it found itself in the position of being both the promoter and critic of particular scientic programs in such areas as atmospheric sciences, oceanography, and water resources. Even with the most conscientious efforts to be objective, it was seen by operating agencies with different priorities, and by congressional committees, as having a particular program axe to grind; and this tended to erode its credibility as a disinterested advisory body even in areas where no such conflict of interest existed.

The initiative of the Executive Office will sometimes be needed to get important new programs off the ground, but any such initiative should be undertaken with the clear understanding that operational responsibility would be transferred as soon as possible to existing agencies or new interagency mechanisms separate from the Executive Office. The role of PSAC in the creation of the National Aeronautics and Space Administration (NASA) out of the old National Advisory Committee on Aeronautics (NACA) is the kind of proper transitional responsibility we have in mind. Except temporarily, an Executive Office agency should not be placed in the position of having to promote a new technical program while at the same time being expected to balance it in an objective way against existing programs within agencies.

OBJECTIVITY OF SCIENTISTS AND ENGINEERS

The very intimate relation of scientific and technological factors with broader aspects of policy issues means that scientific and technological inputs alone are far from enough if a council is to do its job adequately, a point that the NAS study mentions but does not demonstrate that it fully appreciates. In fact, the NAS study points out how large is the group of qualified scientists and engineers who can "provide counsel with respect to major societal matters that entail a strong scientific and technological component." However, the study indicates only that they should have broad experience in administrative and political tasks within their professions and personal qualities of "intelligence, wisdom, judgment, humanity and perspective." These qualities are so obviously desirable for anybody in a high position that they are hardly helpful criteria for the selection of scientists.

The qualities required have to do more with the ability to understand the political and economic setting sufficiently so that the scientific and technological factors may be seen as intimate interacting parts. In other words, the individuals should be able to translate policy concerns into questions about relevant science and technology; should be able to relate scientific and technological uncertainties to political choices; should understand the impact of policy objectives on technological development; and should be able and willing to enter the political and institutional competition inherent in the making of policy. But all these abilities require a sophistication in the nontechnical aspects of policy issues, as well as in the scientific and technological components. These are not widespread talents, nor are they easily acquired. The subset of qualified individuals is not defined by the number of scientists and engineers in management posts in their professions, as the NAS report states. Nor, we might add, is the subset made up only of scientists and engineers. The need for such abilities is demonstrated by the PSAC and OST studies outside the national security area, studies that were both prescient and ineffective.

For almost every crisis problem of the 1970's there is a PSAC or OST report which foresaw the problem and recommended a research program to do something about it. But in almost every case OST failed to get the attention of top policy-makers sufficiently to raise the issue to the necessary level of political visibility to generate concern and action. Authoritative, scholarly reports were produced, but little else. And the subject tended to die after a little flurry of attention.

Why? Basic researchers and academic scientists have a professional bias which assumes that if only the facts and understanding are made available, society will automatically appreciate their implications and act accordingly. The PSAC has by-and-large represented this orientation, and most of its reports failed to translate their analyses sufficiently for politicians to understand their significance in their own terms. The energy report did not say how the energy supply situation might reflect on the American economy and our foreign policy goals. The food report did not demonstrate that the world food problem might produce tangible political and economic effects that could embarrass an administration. The civilian technology report did not explain adequately how a lag in the development of civilian technology might ultimately contribute toward undermining the U.S. international trade position and consequently the position of the dollar as a reserve currency. These failures were not merely failures of political skill and salesmanship; they represented deficiencies in analysis of the problems involved, because the understanding of political and economic implications was considered to be outside PSAC competence, in the province of the politicians. There remained a deep intellectual gulf between the scientific analysis and the policy pressures and options faced, or soon to be faced, by decision-makers. This was a real intellectual gulf, not just political naiveté.

Of course, a difficult dilemma is faced here. The more the political implications of scientific advice are explicitly dealt with, the more it is necessary to depart from the domain of "objective" and "value free" analysis, which has helped to make scientific advice acceptable to politicians and the public in the first place. But there is a fair amount of mythology on this question of objectivity and value-free analysis on the part of scientists and engineers that needs to be straightened out

There is no question that in their professional capacities scientists and engineers must live by an ethic of objectivity. Whatever their intent, however, scientists and engineers are subject, on policy issues, to biases and prejudices just as are others. The issues on which advice is sought at the higher levels of government are almost always ones in which technical uncertainty is high, important evidence is lacking, and associated nontechnical issues are contentious and critical. Judgment on both technical and nontechnical issues and on their interaction is thus required; a logically reasoned single answer is not possible. Judgment is necessarily affected by biases, policy preferences, ignorance, differing estimates of the nontechnical factors, and other vagaries. There is nothing wrong with this; it is unavoidable.

But it must be recognized, contrary to the impression left by the NAS report, that a council of scientists cannot provide purely "objective" analyses. What such a council will do is give another view, a different and fresh perspective; and, on issues not involving its own institutional loyalities, it may in fact be a more disinterested view than that of the agencies of government whose bureaucratic interests are more directly involved. But its objectivity is only relative, and very much affected by the nature and implications of the particular question that is being considered.

On the other hand, he must be careful here not to imply a simple politicization of the science advisory function. There is a difference between purely political advice and the kind of analysis performed with a clear attempt to attain as much objectivity as possible. In scientific and technological matters this is often easier than in other fields because at least some part of every problem is factual and verifiable. Moreover, scientists and engineers often carry influence to the extent that they are seen to be objective and outside the normal policy battles. These are valuable attributes that deserve to be presserved and utilized, for increasingly society requires institutions that are seen to be in some sense disinterested and able to be relied upon for independent judgments.

Our point is that this is a matter of degree, and that it should not be assumed that the advice of scientists and engineers on policy questions is totally disinterested. Nor should it be accepted that science advice can be no more "objective" than any other personal or political input. There is a value to striving for objectivity; we just must recognize that it has its limitations, and that the greater the range of uncertainty in the technical answers, the wider the door for entry of differing policy perspectives.

The NAS committee itself demonstrates this problem. Its conclusions were surely influenced by the fact that a large majority of the committee members and its executive assistant had been heavily involved in PSAC in the past, yet this fact is never mentioned. It is also curious that the role of science and technology in society is referred to almost exclusively in positive terms. The widespread public concerns over the negative effects of technology are only hinted at, and never addressed directly.

On the other side of the same coin, it must be recognized that a CST will be assumed by others to be an advocate, whether intended or not. Moreover, it must and should be concerned with the health of science, which necessarily involves some advocacy. There is no avoiding this conflict between advocacy and objectivity; it can, in fact, be dealt with in practice, but it must be recognized if there is to be any chance of dealing with it.

The foregoing discussion suggests that advice about science and technology must somehow be better intergrated into political and social thinking about the future of the country. There is a need for "interpreters" who think more like politicians and policymakers, but are still not bound by the exigencies of short-term political considerations. The need is for people wo can talk to both the scientists and the politicians continuously, but not feel themselves fully identified with either.

In the light of this discussion, the makeup of the three-man council is particularly difficult to define. Certainly, all or most of the members should have the confidence of the scientific and technological communities in the sense that they will insure the highest professional standards. But, the council members must not be simply representatives of the communities; their scientific credentials are a necessary but not sufficient condition for effectiveness in the advisory function. Perhaps one way to proceed would be for the President to seek lists of candidates from recognized bodies in the scientific and engineering communities, such as the NAS and the National Academy of Engineering (NAE), from among which he would hope to choose. He should not be bound by such nominations, but they would set a standard to help avoid the danger of appointing those whose views are regarded as extreme or eccentric among scientists and engineers, or those who are politically active but of low scientific quality of judgment.

It is also entirely reasonable that one or more members of the council not be scientists. Rather, they could come from a growing group who are sensitive to scientific and technological issues and have the experience and ability to relate these to the political environment and to political choices. Presumably, many on the staff of the council would also have these characteristics.

PUBLIC ACCESS

One of the more difficult questions, much less pertinent in the early days of PSAC and OST than today, is the degree to which a science office at the White House level should be accessible to public scrunity of its meetings and reports. In part, this is a matter of law as a result of the Federal Advisory Committee Act and the Freedom of Information Acts as well as the precedents set by the turmoil of Watergate. In part, too, it is a matter of policy as a result of the need for an electorate better informed on the implications and opportunities of science and technology.

Our judgment on this issue follows the distinction made between a science policy function for the Executive branch and the science advisory function for the President. The science policy function can more readily be and is now required to be a relatively open process with some public access to committee meetings, published reports, and the like. Without destroying the office's effectiveness and access to information it should not be to difficult to devise a pattern allowing considerable openness on some issues, or on some parts of the process.

This openness would also be particularly helpful in making it possible to obtain more inputs from nongovernmental sources, including more of the scientific "grass roots."

With the detached air of those not bearing the responsibility, we also heartily endorse the proposal often made that a science policy office should be required to issue an annual report on some aspects of the state of science and technology in the United States. That could be a powerful educational and policy tool, useful for the Congress and the public, as well as a vehicle for forming Administration science policy.

The presidential advisory function, however, cannot be open to any appreciable extent. Aside from problems of classified material, a president requires confidentiality of his advisers on substantive policy issues. When policy is being formulated, the President should consider the widest possible variety of options. Early disclosure can alert powerful lobbies to seek to block consideration of options adverse to their perceived interests. Premature publicity regarding options subsequently rejected can embarrass the President and ensure that he will not consult his advisers until his own mind is fairly well made up. The last thing that endears advisers to a President is their adding to his political problems rather than helping to solve them.

This dichotomy does serve to create a possible barrier to a President's willingness to use as his personal staff advisers a council whose members operate with some public access to their deliberations. The problem should be manageable, however, with some clear rules of procedure. As with so many problems, this one can probably be dealt with effectively if it is recognized from the outset.

RELATIONS WITH THE SCIENTIFIC COMMUNITY

The relations between a CST and the scientific and engineering community in the country are important and not at all likely to be simple. The question is whether it is or seems to be representative of scientific and technological interests or whether it is in some sense independent and objective. As we have already said, the problem of objectivity and advocacy is unavoidable, but it must be acknowledged and plans should be made to avoid its pitfalls. With regard to relations with the community at large, a CST would have to go to considerable lengths and exercise unusual discipline to avoid responding directly to lobbying by scientists and their professional organizations. The NSF can much more appropriately perform that lobbying role, and with the existence of a council it would have an understanding ear at court.

Even in its relations with NSF, a CST should not simply treat NSF's proposals and budgets more sympathetically than others, but as critically as it treats other agencies. A council's influence with other White House bodies is likely to erode, as did OST's, if it is perceived, even unjustly, to be insufficiently critical with its "own" constituency.

The reorganized NAS and NAE and the Institute of Medicine (IOM) present a special situation. Their large and strong capability both for mobilizing scientific competence from outside the government for analysis of many public issues or for evaluating the state-of-the-art in fields of science and technology is too valuable not to be used heavily by a CST. But the work inevitably carries the tag of coming from the heart of the science "establishment" and does in fact tend to reflect the implicit biases of this group of scientists and engineers.

The CST's job, then, would be to use NAS, NAE, and IOM, but to recognize that inputs from those organizations are only one of those it must have. In any case, as we discussed earlier, the CST must be so acutely aware of the need to present its findings in terms useful to its immediate clients that it should never be in a position of uncritically adopting outside reports as its own.

INTERNATIONAL DIMENSION

When it comes to attempting to define the role of a White House science office in the nonmilitary aspects of U.S. foreign policy, and particularly with the Department of State, most observers are reduced to vague handwaving. The reasons are not hard to find.

The Department of State itself has never been able to build the level of internal science capability to which it has repeatedly committed itself. Its present science office is the strongest it has ever had, but we believe that even the last director, Herman Pollack, would agree that it needs substantial changes. With weak internal competence in State in the past, it was difficult for PSAC to relate effectively and usefully to the department.

A more fundamental reason for weakness in the Department of State is the fact that many of the foreign policy issues with important technological aspects—now covering an increasingly wider portion of foreign affairs—are issues in which other agencies of government have a large and often commanding voice. Space, atomic energy, food, environment, oceans, to say nothing of defense, are all subjects in which the technical agencies of government have money, large staffs, and dominant control of complex esoteric information. The Department of State has neither money nor large staffs in these areas nor great competence in the individual technologies. And yet it is expected to cover all issues while each of the other agencies can focus on its area of primary concern.

The situation is ripe for change. A new office, headed by an Assistant Secretary of State, has been created to be responsible for scientific, ocean, and environmental affairs. Dixy Lee Ray, recently head of the Atomic Energy Commission (AEC) has been named as the first incumbent. The office will have greater prestige within the department, and perhaps more personnel. A new advisory committee on Science and Foreign Affairs had earlier been established to help the Secretary of State; it now could be in a position to assist the new Assistant Secretary to tap outside expertise in order to avoid complete dependence on the technical agencies.

Thus, one possible answer with regard to CST's role in foreign policy is to wait until

State is itself stronger so that there can be more effective interaction. But there are other factors that must be taken into consideration.

When one looks at the entire federal R&D budget, a curious fact emerges. A substantial portion of that budget, well more than half, is committed to missions which have strong foreign policy motivations and repercussions: primarily the Department of Defense, some of the AEC, and some of NASA. A good portion of the rest goes for work in subjects that will affect foreign policy quite directly: agriculture, energy, oceanography, foreign trade, and population to mention just a few.

However, given this strong foreign policy motivation for federal R&D, the Department of State, the one department of government most concerned with foreign policy below the President, has essentially no voice in the allocation of those R&D resources. Instead, other departments and agencies rely on their own interpretation of what serves foreign policy goals in setting their R&D objectives. The President and Executive Office agencies (NSC and OMB) oversee the process, but only in the most general terms. The Department of State merely has to cope with the consequences.

Perhaps the Department of State never can do much to become a real participant in R&D allocations, although we believe the attempt has never seriously been made. If it were undertaken, a CST at the White House level could be a powerful, even an essential ally.

Quite apart from what the Department of State does, however, it seems clear that a CST in its science policy role must attempt to fill this important gap. It must make a concerted, selfconscious effort, more than PSAC ever attempted, to keep foreign policy concerns constantly before it in all the subjects with which it deals. This will have implications for membership, for staffing, and for the agenda; but it is an important requirement not now being carried out adequately any where in government. There is no other candidate agency within the Executive Office of the President, and even if State were better able to participate, it would need help.

Last, it is well to point out that bilateral science and technology agreements are becoming a more frequently used tool of presidential diplomacy. While it would be a mistake for a White House science policy office to have operating responsibility for those agreements, there certainly needs to be a capability for overseeing the agreements and their execution at a level above that of the departments. The NSF director, in his capacity as presidential science adviser, is performing that function now; but operational responsibilities are scattered among several departments and agencies, and in practice there is relatively little policy coordination. The overview of OST is now sorely missed by those most heavily involved in carrying out the agreements.

OTHER ISSUES

Many other issues deserve detailed attention, but these cannot be covered in a brief article. Let us mention just three: (i) How should the social sciences be represented, if at all? We believe it is essential that the social sciences be included in the science policy mandate of CST, although the means for doing so merit more discussion. (The NAS report does not mention the social sciences at all.) (ii) How is experience in other countries in their science policy structure relevant and useful for the United States? For example, is there merit in adopting the French practice of allocating a specific budget to the science policy office to be used for seeding new research areas or reorienting old ones? How has that actually worked in practice? To what extent is it applicable in the U.S. context? (iii) What of the recurring proposal for a cabinet-level Department of Science and Technology? We have not discussed this alternative in part because it does not seem to us to be either viable or desirable, but in any case because a new cabinet department would not solve the problem of Presidential advice or Executive Office oversight. If such a department were created, it certainly would be a powerful force in scientific and technological affairs, but the broader technology-related policy issues and the need for integration of programs across departments and agencies would remain. The actors would be different, but the essential factors similar.

SUMMARY

Thus, we are skeptical of the commonly stated arguments for re-creation of a science office at the White House, but are ultimately convinced that such an office is justified. A three-man CST is a reasonable proposal, although the detailed structure is less critical than the mandate given to the office, and the general understanding within government of its functions and limitations and of its relationship to the President.

To give it permanence, the office should be grounded in a science policy management and oversight function that is critically needed today. That kind of strong office could lead a president to use it as his personal science advisory staff, but the decision must be made anew by each president. The president does have other ways of obtaining scientific advice, although the right kind of science office would be a preferable route in our view.

The importance of such an office being able to present its analyses and recommendations in policy terms useful to other policymakers cannot be over-estimated. This has important implications for the kind of competence required to staff and work with such a council; it also requires recognition of the fact that policy-relevant studies and advice can never be value-free, even when carried out by scientists and engineers.

And finally, such a council could bring intensive and continuous attention to the international dimension of U.S. science policy, which seems to us to be particularly neglected.

It is not yet clear whether there will be any structural changes in the new Administration. But it is not too soon to be clearer about the essential factors that should underlie a sensible proposal for this or the next Administration.

HON. MAC SWINFORD: FEDERAL DISTRICT JUDGE 1937–75

Mr. FORD. Mr. President, yesterday in Cynthiana, Ky., friends from throughout the country and from all walks of life paid their final tribute to Judge Mac Swinford, an eminent jurist and remarkable man.

Judge Swinford, who died on February 4, had served as a Federal district judge longer than any other individual in America with one exception. He was appointed in 1937 by President Franklin D. Roosevelt.

Admitted to the Kentucky bar in 1922, Mr. Swinford gave dignity and meaning to law, as a practicing attorney, a U.S. attorney, and Federal district judge.

Despite an extremely heavy workload in his judicial duties, Mr. Swinford always had time for others. For 38 years he taught a men's Sunday school class at the Cynthiana Presbyterian Church. This quickly became a unique experience for those attending, many who were members of other religious denominations, and others who periodically drove from other communities because they found a very special attachment to the lessons Judge Swinford taught.

He had time for young people who sought his counsel, his assistance and his presence. He had time for community betterment—in education, recreation and the other wide ranges of human needs.

Judge Swinford was one of America's leading authorities on Thomas Jefferson, an avid sportsman, and exceptional writer. I commend to you a very interesting book, "Kentucky Lawyer," which he authored and one that contains many humorous and entertaining stories.

Judge Swinford had every reason to be a proud husband and father. His family has made numerous contributions to the betterment of society through professional, social, governmental, and personal services.

We have lost a great talent, a perceptive mind, and a compassionate man who believed in the magnificence of America, the people and the God who rules over us. I have lost a dear friend, as have so many others.

THE MID-EAST CONFLICT

Mr. PERCY. Mr. President, in the hope of bringing nearer the day of peace in the Middle East, I have recommended changes in both Israeli and Arab policy. The fact is that I have not changed my long-held support for the legitimate aspirations of the brave people of Israel. I continue to support Israel's desire for peace and security. I continue to care about the future of Israel and in face-to-face meetings with the rulers of a substantial number of Arab countries, accompanied by our American Ambassadors, I reiterated my long-held and deeply felt position that:

First. Israel as a sovereign nation must be fully recognized by the Arab States.

Second. The borders and territorial integrity of the State of Israel must be guaranteed to the maximum possible extent.

Third. The ability of the people of Israel to live in peace and security must be assured.

I recounted the revulsion of the world to the extermination of 6,500,000 Jews by the Nazis and the role this played in causing the United Nations to create a State of Israel in 1947. Certainly the Palestinians, who now desire a "homeland," should be able to understand the longing of Jews through the centuries to have a homeland of their own.

As I said to the Egyptian press in Cairo, a statement sent to all Arab capitals by USIA:

> In any peace the sovereignty of the State of Israel and its people must be assured. I have found no basic disagreement with this cardinal concept in my travels to date in the Arab world, a sign of real progress. A peace settlement would also bring an end to discriminatory economic practices such as the Arab boycott of firms doing business with Israel, and restriction in the passage of Israeli-flag ships, and cargoes through the Suez Canal.

It is because I care deeply about Israel that I have recommended changes in Israel's policy.

The changed circumstances in the Middle East require changes in Israel's policy, because the Arab States are no longer weak. They are becoming richer and stronger in every respect. Most significant, they have become united, which poses special and new dangers for Israel.

I am saying that Israel, in her own interest, should make those adjustments now which will avert a fifth and bloodier war. Time is not on Israel's side, unfortunately. Time is now on the side of the Arabs as they build their strength. Therefore, in these circumstances, as I urged Prime Minister Rabin just a week ago in Jerusalem, I hope Israel will start a process enabling the more moderate Arabs to resist the pressures of the military and radical elements in their countries from going to war once again.

In exchange for Israeli withdrawal from most of the occupied lands and negotiation with the Palestinians, Israel should require formal diplomatic recognition by the Arab States, free and unhampered use of the Suez Canal when it is opened for cargoes destined for Israel as well as for Israeli-flag ships, and the beginning of economic and cultural diplomatic, economic, political and military assistance support for Israel during the difficult time of negotiation, during the rearrangement, and into the future.

If this can be achieved, and I believe it can, Israel would finally have peace and the full and essential recognition of her neighbors which it has long sought.

What I have suggested is an alternative to the prospect of imminent war which hangs over Israel today. At great risk of being misunderstood by a community I respect and which I believe has respected me, I have made these suggestions with Israel's survival and well-being uppermost in my mind, along with my responsibility to the United States national interest.

There are perils in any policy, in any path, but I feel it my duty to speak frankly even though others may disagree. I do not claim infallibility. Were I that wise I would have advised Israel after the 1967 war to make a magnanimous gesture toward the then humiliated Arab nations.

As I have said many times, my support for Israel's legitimate aspirations for peace and security is irrevocable. I mean that with all my heart.

FUTURE HOMEMAKERS OF AMERICA

Mr. CURTIS. Mr. President, I would like to take a moment to encourage the activities of a fine youth organization, the Future Homemakers of America.

There are half a million members from secondary schools in all 50 States learning to become better adults by extending themselves to the communities in which they live.

An FHA chapter at Northwest High School in Grand Island, Nebr., for example, is presently working with small children in their community through Head Start and through foster home programs.

The Franklin, Nebr., chapter has 40 members involved in a program of career orientation sessions designed to enrich their own lives and extending into their homes and communities.

In Nebraska, as in all the States, FHA members pursue goals of personal growth, better family life, vocational preparation, and community involvement.

These are worthy goals, part of our fine youth tradition in this country. America can only be as strong as its people. Our young people are our future.

As Future Homemakers of America celebrate National FHA Week and their 30th anniversary, they have my best wishes.

MR. ROBERT D. WILSON

Mr. SPARKMAN. Mr. President, Mr. Robert D. Wilson, Congressional Liaison Officer with the Office of the Secretary of the Air Force, retired on December 31, 1974, after completing more than 37 years of active and distinguished Government service. The past 21 years of Mr. Wilson's service has been in the Office of Legislative Liaison.

I know that many other Members of Congress have shared the same relationship with Mr. Wilson that I have enjoyed. He has worked very closely with my office on problems of my constituents, and he has always attacked each problem as a personal challenge. He never seemed satisfied with anything short of doing an outstanding job no matter how small or how large the problem. It would be impossible to recount all of the good works that Mr. Wilson has done for thousands of Air Force members and their families over the past two decades.

I know that my office will miss him greatly, and I am sure the same is true of all the other Members of the Senate. I also know that my colleagues join with me in wishing him the best over the coming years.

PROMINENT ATTORNEY YANCEY McLEOD DIES

Mr. THURMOND. Mr. President, Yancey A. McLeod, a distinguished lawyer and former chairman of the South Carolina Democratic Party, died last week in Columbia, S.C., at the age of 65. The son of Thomas G. McLeod, Governor of South Carolina from 1923 to 1927, Yancey McLeod was a skillful political leader in his own right, and his achievements have given added luster to an already famous name. I knew Yancey McLeod for many years. For some of that time we were political friends, for some we were political foes. However, I always had the highest regard for his character, abilities, and patriotism, and I rise now to pay him a few words of well-deserved tribute.

Yancey McLeod served his country on the battlefield, in the courtroom, and in government. A practicing attorney for more than four decades, he left his practice during World War II to join the Marine Corps. After 17 months of combat duty in the Pacific theater, he returned home and began to take a more serious interest in politics. In 1946, he was elected to a 4-year term in the South Carolina State senate.

Thereafter, he was continuously active in the affairs of the South Carolina Democratic Party, becoming State chairman in 1964. In that year, he also was a member of the Platform Committee of the Democratic National Convention. In addition to his many political and legal activities, he found time to devote to a wide variety of civil organizations and to his church, the First Presbyterian Church of Columbia, where he served as a deacon and taught Bible classes for many years.

It is hard to believe that so strong, active, and vigorous a man is no longer with us. His death is a sad loss to friends and associates all over South Carolina. However, the legacy of achievement that he leaves behind is imperishable, and all who knew him should be proud and grateful that he lived so productive a life.

Mr. President, at the time of Mr. McLeod's death, a number of articles appeared in his honor in newspapers throughout South Carolina. I ask unanimous consent that three such accounts be printed in the RECORD at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Columbia (S.C.) Record, Jan. 29, 1975]

PROMINENT ATTORNEY YANCEY McLEOD DIES

Yancey Alford McLeod, 65, a Columbia attorney for 42 years, and a former state senator, died today in Richland Memorial Hospital.

Funeral plans will be announced by Dunbar Funeral Home.

Mr. McLeod was born in Bishopville, a son of the late Gov. Thomas Gordon McLeod and Elizabeth Alford McLeod. He moved from Bishopville to Columbia in 1923 when his father was inaugurated as governor.

He graduated from Columbia High School, the University of South Carolina and its law school. He was a major in the United States Marine Corps, serving 17 months combat duty in the South Pacific during World War II.

He later served as executive officer at Congaree Air Base.

A member of the First Presbyterian Church, he was a deacon and a teacher of the Men's Bible Class for many years and was a former member of the Board of Visitors of Presbyterian College.

Politically active until recent years, he was elected in 1946, to the State Senate from Richland County. He served one term. He represented Richland County on the State Democratic Executive Committee from 1956 until 1964. In that year, he was elected State Democratic chairman representing South Carolina on the Platform Committee at the party's National Convention in Atlantic City.

In 1932, upon graduation from the University of South Carolina Law School, he practiced law in Columbia and thereafter was an attorney with the Federal Land Bank, later a trial specialist as special attorney with the U.S. Department of Justice and as an assistant United States Attorney, assigned to the Lands Division of the Justice Department.

He represented the U.S. Government in many condemnation proceedings that resulted when the Savannah River Project was begun in early 1950's by the Atomic Energy Commission. He became one of the leading legal authorities in the Southeast on land condemnation proceedings.

He was a former president of the Richland County Bar Association, former secretary-treasurer of the S.C. Bar Association, and a member of the American Bar Association and the U.S. 4th Circuit Judicial Conference.

Mr. McLeod was a member of Sigma Alpha Epsilon and Omicron Delta Kappa Fraternities, American Legion, VFW, Marine Corps League, Military Order of the World Wars, the Elks, Forest Lake Club, the Cotillion, Palmetto Club and the Torch Club.

Surviving are his wife, Mrs. Brownlee Neeley Hair McLeod; a daughter, Mrs. Leonard W. (Melinda) Rousselle Jr. of Florence; a son, Yancey A. McLeod Jr. of Columbia; and a granddaughter.

The family is at the residence, 4205 Woodleigh Rd.

[From the Columbia (S.C.) State, Jan. 30, 1975]

Yancey McLeod, Ex-S.C. Demo Chief, 65, Dies

Yancey Alford McLeod, former state Democratic Party chairman and state senator, died Wednesday in Richland Memorial Hospital. He was 65.

Mr. McLeod was born in Bishopville, a son of the late Gov. Thomas Gordon McLeod and Elizabeth Alford McLeod. He moved to Columbia in 1923 when his father was elected governor.

He graduated from Columbia High School, the University of South Carolina and its law school. He served in the Marines during World War II in combat duty for 17 months in the Pacific. He later served as executive officer at Congaree Air National Guard Base.

He was named state Democratic Party chairman in 1964 and represented South Carolina in platform committee deliberations at the Democratic National Convention that year. He was a special attorney with the Justice Department and an assistant U.S. attorney, specializing in land condemnations. During the 1950's he assisted the government in acquiring the land that is now used for the Savannah River Plant.

He was elected in 1946 to the State Senate from Richland County, serving one term. From 1956 to 1964 he represented Richland County on the State Democratic Executive Committee.

A practicing attorney for 42 years, he was a former president for the Richland County Bar Association, former secretary-treasurer of the S.C. Bar Association, and a member of the American Bar Association and the U.S. 4th Circuit Judicial conference.

Mr. McLeod was a member of Sigma Alpha Epsilon and Omicron Delta Kappa Fraternities, American Legion, VFW, Marine Corps League, Military Order of the World Wars, The Elks, Forest Lake Club, the Cotillion, Palmetto Club and the Torch Club.

A member of the First Presbyterian Church, he was a deacon, a teacher of the Men's Bible Class for many years, and a former member of the Board of Visitors of Presbyterian College.

Surviving are his widow, Mrs. Brownlee Neeley Hair McLeod; a daughter, Mrs. Leonard W. (Melinda) Rouselle Jr. of Florence; a son, Yancey A. McLeod Jr. of Columbia; a sister, Mrs. Lucy McIntyre of Toronto, Canada; a brother, Thomas G. McLeod of Spartanburg, and a granddaughter.

Services will be 4 p.m. today in the First Presbyterian Church, conducted by Dr. Hugh McClure.

Pallbearers will be Robert Adams Jr., Walton J. McLeod III, James I. Milliken, Dr. Frank C. Owens, George R. Rembert, Dr. Milledge B. Seigler, William K. Temple and William Wingfield.

Dunbar Funeral Home, Gervais Street Chapel, is in charge.

[From the Columbia (S.C.) State, Feb. 2, 1975]

A Responsible Citizen

A son of a former governor of South Carolina, Yancey A. McLeod was destined for leadership in public service, and his lifetime is an example of responsible citizenship which the younger generation would do well to emulate.

He served the nation in the U.S. Marine Corps during World War II. He served this community and state as the senator from Richland County. He served the state Democratic party as its chairman. He served the Presbyterian church as a deacon and a teacher and as a member of the Board of Visitors of Presbyterian College.

And he served his profession—the law—for 42 years, on occasion as an attorney for the U.S. Department of Justice, and at one time as president of the Richland County Bar Association. His membership in many community and professional organizations kept him actively involved in public affairs.

Senator McLeod died the other day of cancer at the age of 65. But he leaves an example of a worthwhile life which should be an inspiration for everyone who has the opportunity to serve others.

REDUCING FUEL WASTE

Mr. MATHIAS. Mr. President, Mr. Robert H. Wilder, of Maryland, recently sent me his article in Industry and Power magazine of August of 1943. He was writing as an engineer in Chicago, Ill., and on the basis of personal experience. The article, entitled "Practical Methods for Reducing Fuel Waste," is a timeless piece, but particularly important for us to review now. Mr. Wilder has wide experience in installing and maintaining industrial and residential boilers and provides a blueprint for fuel savings. I ask unanimous consent that this article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Practical Methods for Reducing Fuel Waste

(By Robert H. Wilder)

High over-all efficiency of power plants can be attained only by exceptionally close and continued scrutiny of all elements of daily operation. Lack of attention to basic factors can be considered as the primary cause for burning fuel in excess of the best possible standards for the equipment involved.

Some one person must be responsible to the management for the operation of the boilers. Unfortunately, in many plants, particularly the smaller ones, the boiler operators are assigned to too many jobs outside of the boiler room. While the practice of having the boiler operator assume numerous maintenance or production jobs around the plant may appear to be economical, the apparent labor saving in dollars and cents will generally be more than offset by fuel losses due to lack of attention to the many factors entering into the efficient production of steam.

In the discussion of the following causes of fuel waste, the assumption has been made that the plant is functioning without the instruments necessary to control daily operation, and that the assistance of instruments is not required to put the suggested remedies into practice, although such aid would be helpful.

EXCESS AIR

Perhaps without question, excess air is the one factor that causes the greatest fuel waste in boiler operation. With either oil- or coal-fired units, excess air is generally the result of operating with too much draft.

If 13% CO_2 in the flue gases is assumed as representing good all-around furnace efficiency for solid and liquid fuels, the amount of air taken into the furnace for combustion with this condition will run about 20% for heavy oil, or 40% for coal, in excess of the actual weight (lb air per lb fuel) required for theoretically complete combustion of the fuel. Any amount of air taken into the furnace over and above that required for the theoretically complete process of combustion is referred to as "excess air."

While a moderate amount of excess air admission to the furnace is essential to guard against possible oxygen deficiency, incomplete combustion, smoke, and extremely high furnace temparatures, any amount that will reduce the CO_2 below 10%, for the particular fuel burned, should seldom be permitted (except with gas fuel).

AIR IS EXPENSIVE

Excess air is a most expensive raw material when used to burn more fuel than required. It causes a waste of fuel that grows as the amount of excess air increases, although not in direct proportion. As the ratio of excess air to fuel burned increases, the exit gas temperature increases and the percentage of CO_2, as well as steam pressure, decreases. To make steam and/or to hold the pressure then becomes increasingly more difficult. Excess air is responsible for fuel waste ranging as high as 50% in many plants where no instruments are available to indicate such losses promptly.

Excess air wastes fuel because all air that enters the furnace at room temperature (70° F. more or less) must be heated to a furnace temperature of 2000° F. or higher. Unless sufficient fuel is burned to maintain this relatively high temperature, the boiler will suffer from the consequent chilling action which larger quantities of cold air will exert as the air is drawn into the furnace from the atmosphere.

Consequently, burn no more fuel than the minimum required to bring a predetermined quantity of air for efficient combustion up to furnace temperature. The amount of air will vary with the steam and fuel demands and the degree of furnace efficiency or CO_2 percentage desired. Any amount of air, therefore, beyond that which suits maximum steam, fuel, and CO_2 requirements, is entirely superfluous. Its continued use will merely demand more fuel just to maintain the required minimum furnace temperature without benefit to boiler. In other words, air in excess of the 20% to 40% fuel requirements for high efficiencies merely robs the boiler of the heat released by the extra fuel consumed to satisfy the superfluous quantity of air.

Probably the chief source of the introduction of wasteful excess air is the improper operation of the stack or breeching damper. The correct amount of air for combustion can be best controlled, manually or automatically, by the gas outlet damper. The damper setting should always suit, first, the load and second, CO_2 or furnace efficiency.

Reduce the draft just as much as possible without decreasing the steam output and without making dense smoke, and reasonably efficient operation will result. Try to maintain fuel and draft ratios at all times so that a very light haze is visible at the top of the stack.

In some localities, insurance or other regulations demand that the stack or uptake butterfly damper be wired open or completely removed where oil is burned, as a safeguard against furnace explosions. A wide-open stack will unquestionably cause great fuel waste. Under these circumstances, a good procedure is to install a barometric draft regulator which does not restrict the breeching area. This type of control operates on the principle of the check damper, decreasing the draft by admitting cold air to the breeching or stack.

Flexible controls, such as chains, wires, and ropes, provide a very unsatisfactory means of damper control as an exceedingly slight variation in the damper control mechanism will often mean the difference between light haze and dense smoke—good efficiency or poor. The best system of damper control will include a rigid rod which, if manually operated, should be equipped with a screw and wheel for close adjustment.

PERIODIC TESTS

With boilers equipped with automatic draft regulation, periodic tests should be made with portable instruments to make certain that draft and fuel supply controls are well balanced and closely adjusted to suit the load range.

All air required for the combustion of oil should be admitted close to the burner and within the confines of the flame. Otherwise, stratification of gas and air currents may exist due to inadequate mixing or lack of turbulence and may result in low efficiency. Therefore, if secondary air is thus admitted, investigate the size and shape of the checkerwork.

When coal is burned, all combustion air should, as nearly as possible, be admitted through the fuel bed. As the coal burns, holes will develop within the fuel bed and will admit large quantities of excess air into the furnace. Unless the fuel bed is frequently raked by hand or agitated mechanically, the leakage of excess air through such holes will be responsible for considerable waste. Proper attention to the fuel bed will not only keep the CO_2 percentage and steam pressure where they belong, but will also decrease the combustible matter in the ash. In some instances, a small amount of over-fire air is desirable for brief periods to overcome dense smoke during the volatilization of fresh coal, but ordinarily the continued use of over-fire air represents a definite loss except in those cases where the air is injected a high velocity for the specific purpose of eliminating stratification by the promotion of turbulence.

No air leaks should be allowed to exist in the furnace walls. To discover such leakage, go over every inch of the setting with a candle while the boiler is in operation. Make a chalk mark at each spot where the flame is sucked into a crack. Then take immediate steps to caulk and seal the leaks permanently.

Don't overlook warped and poorly fitted doors and door frames. With HRT boilers, the blow-off pipe sleeves, rear arches, and any space between front wall and boiler shell should be investigated. With water-tube boilers, look particularly for leakage between headers and setting walls. With sectional header boilers, don't miss the space between the sections.

All brick settings are subject to cracking and leakage sooner or later. Plastic wall coatings, which always remain sufficiently elastic or pliable to allow for expansion and contraction, can be applied to the exterior brickwork to stop air infiltration.

COMBUSTION OF OIL

Atomization into fine particles is the first step towards complete combustion of oil. Dirty nozzle tips, spinner cups encrusted with carbon, and similar conditions, will defeat their purpose—atomization. Burner tips or heads should be changed and cleaned frequently. With horizontal rotary burners, wipe the spinner cups clean and swing them away from the boiler fronts as soon as they are taken out of service. Don't let oil drippings bake on the cups.

Flames should be kept in suspension at all times. If furnace walls or floor are close enough to cause flame impingement, carbon formations, incomplete combustion, and increased refractory maintenance will ensue.

Sludge and unstable viscosity of the oil can result in poor circulation of the fuel to and from burners, can unbalance the proper automatic control of the air-fuel ratio, and can reflect themselves in faulty atomization. Temperature variation of the oil from tank to burner tips can likewise upset conditions. Several new mediums now on the market are designed to eliminate sludge, and normalize viscosity.

Since soot prevents the absorption of heat by the boiler, it should not be allowed to collect on any exposed boiler heating surface. One-fifth inch of soot is equivalent in insulating effect to 1 in. of asbestos, according to U.S. Bureau of Mines.

Many plants have no adequate means for cleaning tubes. Cleaning by hand once a week is entirely inadequate. In the more efficiently operated plants, tube cleaning is done systematically three or four times daily, or during each watch. Each time the tubes are blown, the outlet gas temperature is reduced and the boiler immediately begins to absorb more heat.

Automatic soot blowers are a present-day necessity. Frequently, an installation will pay for itself within a few months. Soot not only results in waste of fuel, but if allowed to bake onto the tubes it can eventually result in tube deterioration, due to the sulphur content of the soot.

Every steam leak, needless to say, represents an indirect fuel loss. A handy man with a wrench and some packing should go over every steam line and valve, from the boiler to the end of the plan and back again. Stopping all visible steam leaks will save many barrels of oil or tons of coal.

Underground lines conveying return condensate should be checked. Every ounce of hot condensate returned to the boiler reduces the amount of make-up water needed. You can figure an approximate fuel loss of 1% for every 10–11° below 200° F. at which the feedwater enters the boiler.

SCALE

Scale on the water side of the tubes is similar to soot on the fire side. One pound of scale costs approximately 50 lb. of coal per month. If permitted to build up an appreciable thickness, it will be increasingly more difficult for the water to absorb the heat available from combustion. Scale not only causes fuel waste but also contributes to tube or shell deterioration from overheated surfaces. Most boiler bags and ruptures can be traced to scale or other accumulations on the inside of the heating surface.

To prevent excessive scale formations, have the feedwater analyzed periodically and then treat the water in accordance with findings.

PROTECTING THE ELDERLY FROM TAX OVERPAYMENTS

Mr. KENNEDY. Mr. President, the Senate Special Committee on Aging recently compiled a list of itemized deductions available to the elderly to insure that they are aware of the legitimate deductions available to them.

As a member of the Senate Special Committee on Aging and chairman of its Subcommittee on Federal, State, and Community Services, I have seen all too often that elderly Americans pay more than their share of taxes. They cannot afford the tax counsel that could advise them of expenses which they are entitled to consider as deductions.

Similarly, if elderly Americans find that they have failed to take advantage of legitimate deductions in previous tax years, they still may obtain refunds by filing a form 1040X within 3 years after the original return was due or two years after the tax was paid, whichever is later.

For that reason, I ask unanimous consent that the checklist, which has been reviewed by Internal Revenue Service personnel, be printed in the RECORD.

There being no objection, the checklist was ordered to be printed in the RECORD, as follows:

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

MEDICAL AND DENTAL EXPENSES

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3% of a taxpayer's adjusted gross income (line 15, Form 1040).

INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3% rule.

DRUGS AND MEDICINES

Included in medical expenses (subejct to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 15, Form 1040).

OTHER MEDICAL EXPENSES

Other allowable medical and dental expense (subject to 3% limitation):

Abdominal supports.
Acupuncture services.
Ambulance hire.
Anesthetist.
Arch supports.
Artificial limbs and teeth.
Back supports.
Braces.
Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.
Cardiographs.
Chiropodist.
Chiropractor.
Christian Science practitioner, authorized
Convalescent home (for medical treatment only).
Crutches.
Dental services (e.g., cleaning, X-ray, filling teeth).
Dentures.
Dermatologist.
Eyeglasses.
Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed).
Gynecologist.
Hearing aids and batteries.
Home Health services.
Hospital expenses.
Insulin treatment.
Invalid chair.
Lab tests.
Lip reading lessons (designed to overcome a handicap).
Neurologist.
Nursing services (for medical care, including nurse's board paid by you).
Occupational therapist.
Ophthalmologist.
Optician.
Optometrist.
Oral surgery.
Osteopath, licensed.
Pediatrician.
Physical examinations.
Physician.
Physical therapist.
Podiatrist.
Psychiatrist.
Psychoanalyst.
Psychologist.
Psychotherapy.
Radium therapy.
Sacroiliac belt.
Seeing-eye dog and maintenance.
Speech therapist.
Splints.
Supplementary medical insurance (Part B) under Medicare.
Surgeon.
Telephone/teletype special communications equipment for the deaf.
Transportation expenses for medical purposes (7¢ per mile plus parking and tolls or actual fares for taxi, buses, etc.).
Vaccines.
Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).

Wheelchairs.

Whirlpool baths for medical purposes.

X-rays.

TAXES

Real estate.

State and local gasoline.

General sales.

State and local income.

Personal property.

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pension or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, recovery of pension costs, dividends exclusion, unemployment compensation and public assistance payments).

CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20% of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7¢ per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

INTEREST

Home mortgage.

Auto loan.

Installment purchases (television, washer, dryer, etc.).

Bank credit card—can deduct the finance charge as interest if no part is for service charges or loan fees, credit investigation reports. If classified as service charge, may still deduct 6% of the average monthly balance (average monthly balance equals the total of the unpaid balances for all 12 months, divided by 12) limited to the portion of the total fee or service charge allocable to the year.

Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).

Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

CASUALTY OR THEFT LOSSES

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

CHILD AND DISABLED DEPENDENT CARE EXPENSES

The deduction for child dependent care expenses for employment-related purposes has been expanded substantially. Now a taxpayer who maintains a household may claim a deduction for employment-related expenses incurred in obtaining care for a (1) dependent who is under 15, (2) physically or mentally disabled dependent, or (3) disabled spouse. The maximum allowable deduction is $400 a month ($4,800 a year). As a general rule, employment-related expenses are deductible only if incurred for services for a qualifying individual in the taxpayer's household. However, an exception exists for child care expenses (as distinguished from a disabled dependent or a disabled spouse). In this case, expenses outside the household (e.g., day care expenditures) are deductible, but the maximum deduction is $200 per month for one child, $300 per month for two children, and $400 per month for three or more children.

When a taxpayer's adjusted gross income (line 15, Form 1040) exceeds $18,000, his deduction is reduced by $1 for each $2 of income above this amount. For further information about child and dependent care deductions, see Publication 503, Child Care and Disabled Dependent Care, available free at Internal Revenue offices.

MISCELLANEOUS

Alimony and separate maintenance (periodic payments).

Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.

Union dues.

Cost of preparation of income tax return.

Cost of tools for employee (depreciated over the useful life of the tools).

Dues for Chamber of Commerce (if as a business expense).

Rental cost of a safe-deposit box for income-producing property.

Fees paid to investment counselors.

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees for securing employment.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if employment requires it.

Payments made by a teacher to a substitute.

Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—Taxpayers may now claim either a deduction (line 33, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $50 ($100 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $12.50 ceiling ($25 for couples filing jointly).

Presidential Election Campaign Fund.—Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) to help defray the costs of the 1976 Presidential election campaign.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

OTHER TAX RELIEF MEASURES FOR OLDER AMERICANS

Filing status	*Required to file a tax return if gross income is at least—*
Single (under age 65)	$2,050
Single (age 65 or older)	2,800
Married couple (both spouses under 65) filing jointly	2,800
Married couple (1 spouse 65 or older) filing jointly	3,550
Married couple (both spouses 65 or older) filing jointly	4,300
Married filing separately	750

Additional Personal Exemption for Age.—In addition to the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before you 65th birthday. Thus, if your 65th birthday is on January 1, 1975, you will be entitled to the additional $750 personal exemption because of age for your 1974 Federal income tax return.

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met. (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10% of the mutual dependent's support, *but only one of them,* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers.—A taxpayer may elect to exclude from gross income part, or, under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000, an election may be made to exclude part of the gain based on a ratio of $20,000 over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 1 year before or 1 year after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Retirement Income Credit.—To qualify for the retirement income credit, you must (a) be a U.S. citizen or resident, (b) have received earned income in excess of $600 in each of any 10 calendar years before 1974, and (c) have certain types of qualifying "retirement income". Five types of income—pensions, annuities, interest, and dividends included on line 15, Form 1040, and gross rents from Schedule E, Part II, column (b)—qualify for the retirement income credit.

The credit is 15% of the lesser of:

1. A taxpayer's qualifying retirement income, or

2. $1,524 ($2,286 for a joint return where both taxpayers are 65 or older) minus the total of nontaxable pensions (such as Social Security benefits or Railroad Retirement annuities) and earned income (depending upon the taxpayer's age and the amount of any earnings he may have).

If the taxpayer is under 62, he must reduce the $1,524 figure by the amount of earned income in excess of $900. For persons at least 62 years old but less than 72, this amount is reduced by one-half of the earned income in excess of $1,200 up to $1,700, plus the total amount over $1,700. Persons 72 and over are not subject to the earned income limitation.

Schedule R is used for taxpayers who claim the retirement income credit.

The Internal Revenue Service will also compute the retirement income credit for a taxpayer if he has requested that IRS compute his tax and he answers the questions for columns A and B and completes lines 2 and 5 on Schedule R—relating to the amount of his Social Security benefits, Railroad Retirement annuities, earned income, and qualifying retirement income (pensions, annuities, interest, dividends, and rents). The taxpayer should also write "RIC" on line 17, Form 1040.

CONFIRMATION OF EDWARD H. LEVI TO BE ATTORNEY GENERAL

Mr. PERCY. Mr. President, on Wednesday, February 5, once again the Senate considered the nomination of an Attorney General of the United States. This is the fifth time in 6 years that we have gone through this process. It has been disconcerting to the Senate, troubling to the American people, and damaging to the Justice Department. The past few years have been times of turmoil for the Justice Department. It is time that stability, professionalism, and excellence become the rule, not the exception, at the Department.

Edward H. Levi, the man nominated by President Ford to be Attorney General and sworn in today at the Justice Department, is an ideal choice for this office at this time. Dr. Levi is not a partisan. He has never run for political office. He has never managed a political campaign. This lack of partisan political association, combined with a well-deserved reputation as a legal scholar, an eminent educator, and a man of high integrity, make him well suited to serve as Attorney General.

In the past, I have urged that the post of Attorney General be taken out of partisan politics. I will make my plea again. We have seen the politicization of the Justice Department. We have witnessed a Presidential campaign directed from the office of the Attorney General. The citizens of this Nation have come to distrust the Justice Department because they perceive it to be the sword of political retaliation rather than the shield of citizen's rights. The Justice Department should not be an independent agency. It is an essential part of any administration. However, the individuals who head the Justice Department should not be instruments of partisan politics.

The office of the Secretary of State is traditionally perceived as a nonpartisan position. Likewise, I believe the office of Attorney General should be nonpartisan.

The Attorney General's counsel and advice can and should be sought by the administration as policy is determined. But that counsel and advice should be sought in the determination of public, not political policy.

I wholeheartedly supported Dr. Levi's nomination. Over the past 25 years, as a trustee of the University of Chicago, I have worked closely with him. In all our dealings, I have found him to be a man of wisdom, determination, energy, and thoughtfulness.

Mr. President, along with many others who have advocated a man of high stature to become Attorney General, I applaud the nomination and confirmation of Dr. Levi.

Following are the brief, but meaningful remarks Mr. Levi made at his swearing-in ceremony today.

I ask unanimous consent that the statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REMARKS OF ATTORNEY GENERAL EDWARD H. LEVI AT HIS SWEARING-IN CEREMONY

President Ford, Vice President Rockefeller, Justice Powell, Members of the Cabinet, distinguished Members of Congress, Deputy Attorney General Silberman:

It is with a sense of responsibility I assume this post. The mission of the Department of Justice is a great one. The law is a servant of our society. Its enforcement administration can give more effective meaning to our common goals: among them domestic tranquillity, the blessings of liberty, the establishment of justice.

These goals do not bring themselves into being. If we are to have a government of laws and not of men, then it particularly takes dedicated men and women to accomplish this through their zeal and determination, and also their concern for fairness and impartiality. I know this Department always has had such dedicated men and women. I recall with pride the years I spent in this Department.

We have lived in a time of change and corrosive skepticism and cynicism concerning the administration of justice. Nothing can more weaken the quality of life or more imperil the realization of the goals we all hold dear than our failures to make clear by word and deed that our law is not an instrument for partisan purposes and it is not an instrument to be used in ways which are careless of the higher values within all of us.

Mr. President, when you spoke to me two months ago, you were eloquent and persuasive as to your high aspirations for this Department. I am sure the able men and women of this Department will join with me in responding to your aspirations.

ENERGY: THE NECESSITY OF DECISION

Mr. HUGH SCOTT. Mr. President, Secretary of State Kissinger, in a recent speech before the National Press Club, details the multipronged efforts being made to establish international cooperation between the OPEC nations and the oil-consuming nations. The Secretary paints a rather optimistic picture, focusing on U.S. activities to bring about international collaboration. This is a most lucid presentation of the problems facing the United States and our efforts to deal with them.

Mr. President, I ask unanimous consent that the full text of "Energy: The Necessity of Decision" and the questions and answers that followed be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENERGY: THE NECESSITY OF DECISION

(Address by Secretary of State Henry A. Kissinger before the National Press Club)

Ladies and Gentlemen:

I appreciate this opportunity to speak to you on the question of energy.

The subject is timely, for this week marks an important moment in both our national and international response to the energy crisis.

On Wednesday, the Governing Board of the International Energy Agency [IEA] convenes in Paris for its monthly meeting. This organization, which grew out of the Washington Energy Conference, represents one of the major success stories of cooperation among the industrialized democracies in the past decade. In recent months it has begun to mobilize and coordinate the efforts of the industrial democracies in energy conservation, research, and development of new energy sources. The IEA already has put in place many of the building blocks of a coordinated energy policy. At the forthcoming meeting, the United States will advance comprehensive proposals for collective action, with special emphasis on the development of new energy sources and the preparation of a consumer position for the forthcoming dialogue with the producers.

Equally important, we are now engaged in a vital national debate on the purposes and requirements of our national energy program. Critical decisions will soon be made by the Congress—decisions that will vitally affect other nations as well as ourselves.

THE NATURE OF THE CHALLENGE

The international and national dimensions of the energy crisis are crucially linked. What happens with respect to international energy policy will have a fundamental effect on the economic health of this nation. And the international economic and energy crisis cannot be solved without purposeful action and leadership by the United States. Domestic and international programs are inextricably linked.

The energy crisis burst upon our consciousness because of sudden, unsuspected events. But its elements have been developing gradually for the better part of two decades.

In 1950, the United States was virtually self-sufficient in oil. In 1960, our reliance on foreign oil had grown to 16 percent of our requirements. In 1973, it had reached 35 percent. If this trend is allowed to continue, the 1980's will see us dependent on imported oil for fully half of our needs. The impact on our lives will be revolutionary.

This slow but inexorable march toward dependency was suddenly intensified in 1973 by an oil embargo and price increases of 400 percent in less than a single year. These actions—largely the result of political decisions—created an immediate economic crisis, both in this country and around the world. A reduction of only 10 percent of the imported oil, lasting less than half a year, cost Americans half a million jobs and over one percent of national output; it added at least 5 percentage points to the price index, contributing to our worst inflation since World War II; it set the stage for a serious recession; and it expanded the oil income of the OPEC nations from $23 billion in 1973 to a current annual rate of $110 billion, thereby effecting one of the greatest and most sudden transfers of wealth in history.

The impact on other countries much more dependent on oil imports has been correspondingly greater. In all industrial countries economic and political difficulties that had already reached the margin of the ability of governments to manage have threatened to get out of control.

Have we learned nothing from the past year? If we permit our oil consumption to grow without restraint, the vulnerability of our economy to external disruptions will be grossly magnified. And this vulnerability will increase with every passing year. Unless strong, corrective steps are taken, a future embargo would have a devastating impact on American jobs and production. More than 10 percent of national employment and output, as well as a central element of the price structure of the American economy, would be subject to external decisions over which our national policy can have little influence.

As we learned grimly in the 1920's and 30's, profound political consequences inevitably flow from massive economic dislocations. Economic distress fuels social and political turmoil; it erodes the confidence of the people in democratic government and the confidence of nations in international harmony. It is fertile ground for conflict, both domestic and international.

"In 1950, the United States was virtually self-sufficient in oil. In 1960, our reliance on foreign oil had grown to 16 percent of our requirements. In 1973, it had reached 35 percent."

The situation is not yet so grave, but it threatens to become so. The entire industrialized world faces at the same time a major crisis of the economy, of the body politic, and of the moral fiber. We and our partners are being tested—not only to show our technical mastery of the problems of energy, but even more importantly to show if we can act with foresight to regain control of our future.

For underlying all difficulties, and compounding them, is a crisis of the spirit—the despair of men and nations that they have lost control over their destiny. Forces seem loose beyond the power of government and society to manage.

In a sense we in America are fortunate that political decisions brought the energy problem to a head before economic trends had made our vulnerability irreversible. Had we continued to drift, we would eventually have found ourselves swept up by forces much more awesome than those we face today.

As it is, the energy crisis is still soluble. Of all nations, the United States is most affected by the sudden shift from near self-sufficiency to severe dependence on imported energy. But it is also in the best position to meet the challenge. A major effort now—of conservation, of technological innovation, of international collaboration—can shape a different future for us and for the other countries of the world. A demonstration of American resolve now will have a decisive effect in leading other industrial nations to work together to reverse present trends toward dependency. Today's apparently pervasive crisis can in retrospect prove to have been the beginning of a new period of creativity and cooperation.

One of our highest national priorities must be to reduce our vulnerability to supply interruption and price manipulation. But no one country can solve the problem alone.

Unless we pool our risks and fortify the international financial system, balance-of-payments crises will leave all economies exposed to financial disruption. Unless all consuming nations act in parallel to reduce energy consumption through conservation and to develop new sources of supply, the efforts of any one nation will prove futile—the price structure of oil will not be reformed and the collective economic burden will grow. And unless consumers concert their views, the dialogue with the producers will not prove fruitful.

The actions which the United States takes now are central to any hope for a global solution. The volume of our consumption, and its potential growth, is so great that a determined national conservation program is essential. Without the application of American technology and American enterprise, the rapid development of significant new supplies and alternatives sources of energy will be impossible.

There is no escape. The producers may find it in their interest to ease temporarily our burdens. But the price will be greater dependence and greater agony a few years from now. Either we tackle our challenge immediately or we will confront it again and again in increasingly unfavorable circumstances in the years to come. If it is not dealt with by this Administration, an even worse crisis will be faced by the next—and with even more anguishing choices.

History has given us a great opportunity disguised as a crisis. A determined energy policy will not only ease immediate difficulties, it will help restore the international economy, the vitality of all the major industrial democracies, and the hopes of mankind for just and prosperous world.

THE STRATEGY OF ENERGY COOPERATION

We and our partners in the International Energy Agency have been, for a year, pursuing strategy in three phases:

The first phrase is to protect against emergencies. We must be prepared to deter the use of oil or petrodollars as political weapons and, if that fails, we must have put ourselves in the best possible defensive position. To do this, we have established emergency sharing programs to cope with new embargoes, and created new mechanisms to protect our financial institutions against disruption. This stage of our common strategy is well on the way to accomplishment.

The second phase is to transform the market conditions for OPEC oil. If we act decisively to reduce our consumption of imported oil and develop alternative sources, pressure on prices will increase. Measures to achieve this objective are now before the International Energy Agency or national parliaments; we expect to reach important agreements on them before the end of March.

Once the consumer nations have taken these essential steps to reduce their vulnerability, we will move to the third stage of our strategy—to meet with the producers to discuss an equitable price, market structure, and long-term economic relationship. Assuming the building blocks of consumer solidarity are in place, we look toward a preparatory meeting for a producer-consumer conference before the end of March.

Our actions in all these areas are interrelated. It is not possible to pick and choose; since they are mutually reinforcing, they are essential to each other. No emergency program can avail if each year the collective dependence on OPEC oil increases. New sources of energy, however vast the investment program, will be ineffective unless strict measures are taken to halt the runaway, wasteful growth in consumption. Unless the industrial nations demonstrate the political will to act effectively in all areas, the producers will be further tempted to take advantage of our vulnerability.

In recent months we and our partners have taken important steps to implement our overall strategy. Two safety nets against emergencies have been put in place. In November, the IEA established an unprecedented plan for mutual assistance in the event of a new embargo. Each participating nation is committed to build an emergency stock of oil. In case of embargo, each nation will cut its consumption by the same percentage, and available oil will be shared. An embargo against one will become an embargo against all.

"A major effort now—of conservations, of technological innovation, of international collaboration—can shape a different future for us and for the other countries of the world. A demonstration of American resolve now will have a decisive effect in leading other industrial nations to work together to reverse present trends toward dependency."

And in January, the major industrial nations decided to create a $25 billion solidarity fund for mutual support in financial crises—less than 2 months after it was first proposed by the United States. This mutual insurance fund will furnish loans and guarantees to those hardest hit by payments deficits, thus safeguarding the international economy against shifts, withdrawals, or cut-offs of funds by the producers.

The next steps should be to accelerate our efforts in the conservation and development of new energy sources. Action in these areas, taken collectively, will exert powerful pressures on the inflated price. No cartel is so insulated from economic conditions that its price structure is invulnerable to a transformation of the market. Because of the reduced consumption in the past year, OPEC has already shut down a fourth of its capacity, equaling 9 million barrels a day, in order to keep the price constant. New oil exploration, accelerated by the fivefold-higher price, is constantly discovering vast new reserves outside of OPEC. The $10 billion in new energy research in the United States—on the scale of the Manhattan Project and the moon-landing program—is certain to produce new breakthroughs sooner or later.

As the industrial nations reduce consumption and increase their supply, it will become increasingly difficult for OPEC to allocate the further production cuts that will be required among its members. Even now, some OPEC members are shaving prices to keep up their revenue and their share of the market. Indeed, it is not too soon in this decade of energy shortages to plan for the possibility of energy surpluses in the 1980's.

The strategy we have been pursuing with

our partners since the Washington Energy Conference has linked our domestic and international energy policies into a coherent whole. We have made remarkable progress, but much remains to be done. The question now is whether the industrialized countries have the will to sustain and reinforce these promising initiatives. Conservation and the development of new sources of energy are the next priorities on our common agenda.

CONSERVATION

Unconstrained consumption of cheap oil is the principal cause of the present vulnerability of the industrial countries. Neither the United States nor other consumers can possibly reduce their dependence on imports until they reverse the normal—which is to say wasteful—growth of consumption.

There is simply no substitute for conservation. Alternative energy supplies will not be available for 5 or 10 years. In the next few years conservation, and only conservation, will enable us both to absorb the present burden of high energy costs and to begin to restore the balance of consumer-producer relations.

Only a determined program of conservation can demonstrate that we and our partners have the will to resist pressures. If the industrialized nations are unwilling to make the relatively minor sacrifices involved in conservation, then the credibility of all our other efforts and defensive measures is called into the question.

Some say we face a choice between conservation and restoring economic growth. The contrary is true. Only by overcoming exorbitant international energy costs can we achieve reliable long-term growth. If we doom ourselves to 50 percent dependence on imported energy, with the supply and price of a central element of our economy subject to external manipulation, there is no way we can be sure of restoring and sustaining our jobs and growth. These decisions will depend on foreign countries for whom our prosperity is not necessarily a compelling objective.

To be sure, conservation—by any method—will have an economic cost. The restructuring which it entails, away from production and consumption of energy-intensive goods, incurs shortrun dislocations. At a time of recession, this must concern us. Yet these costs are small compared to what will be exacted from us if we do not act. Without conservation, we will perpetuate the vulnerability of our economy and our national policy. And we will perpetuate as well the excessive international energy prices which are at the heart of the problem.

"Some say we face a choice between conservation and restoring economic growth. The contrary is true. Only by overcoming exorbitant international energy costs can we achieve reliable long-term growth."

At present, the United States—in the midst of recession—is importing 6.7 million barrels of oil a day. When our economy returns to full capacity that figure will rise; by 1977 it will be 8 or 9 million barrels a day in the absence of conservation. Imports will continue to grow thereafter. Even with new production in Alaska and the outer continental shelf, this import gap will remain if we do not reduce consumption significantly and rapidly.

With these prospects in mind, President Ford has set the goal of saving a million barrels a day of imports by the end of this year and 2 million by 1977. That amounts to the increase in dependence that would occur as the economy expands again, in the absence of a conservation program.

Our conservation efforts will be powerfully reinforced by the actions of our IEA partners and of other interested countries such as France. Their collective oil consumption equals ours, and they are prepared to join with us in a concerted program of conservation; indeed some of them have already instituted their own conservation measures. But any one country's efforts will be nullified unless they are complemented by other consumers. This is why the United States has proposed to its IEA partners that they match our respective conservation targets. Together we can save 2 million barrels a day this year; and at least 4 million barrels in 1977.

If these goals are reached, under current economic conditions OPEC will have to reduce its production further; even when full employment returns, OPEC will have surplus capacity. More reductions will be hard to distribute on top of the existing cutbacks of 9 million barrels a day. As a result, pressures to increase production or to lower prices will build up as ambitious defense and development programs get under way. By 1977 some oil producers will have a payments deficit; competition between them for the available market will intensify. The cartel's power to impose an embargo and to use price as a weapon will be greatly diminished.

"In short, the massive development of alternative sources by the industrial countries will confront OPEC with a choice: they can accept a significant price reduction now in return for stability over a longer period; or they can run the risk of a dramatic break in prices when the program of alternative sources begins to pay off."

But if America—the least vulnerable and most profligate consumer—will not act, neither will anyone else. Just as our action will have a multiplier effect, so will our inaction stifle the efforts of others. Instead of reducing our collective imports, we will have OPEC's ability to raise prices, which is now OPEC's ability to raise prices, which is now in question, will be restored.

In exchange for a brief respite of a year or two, we will have *increased* and industrialized world's vulnerability to a new and crippling blow from the producers. And when that vulnerability is exposed to public view through a new embargo or further price rises, the American people will be entitled to ask why their leaders failed to take the measures they could have when they should have.

One embargo—and one economic crisis—should be enough to underline the implications of dependency.

THE IMPORTANCE OF NEW SUPPLIES

Conservation measures alone, crucial as they are, cannot permanently reduce our dependence on imported oil. To eliminate dependence over the long term we must accelerate the development of alternative sources of energy. This will involve a massive and complex task. But for the country which broke the secret of fission in 5 years and landed men on the moon in 8 years, the challenge should be exciting. The Administration is prepared to invest in this enterprise on a scale commensurate with those previous pioneering efforts; we are ready as well to share the results with our IEA partners on an equitable basis.

Many of the industrialized countries are blessed with major energy reserves which have not yet been developed—North Sea oil, German coal, coal and oil deposits in the United States, and nuclear power in all countries. We have the technical skill and resources to create synthetic fuels from shale oil, tar sands, coal gasification and liquefaction. And much work has already been done on such advanced energy sources as breeder reactors, fusion, and solar power.

The cumulative effort will of necessity be gigantic. The United States alone shall seek to generate capital investments in energy of $500 billion over the next 10 years. The Federal Government will by itself invest $10 billion in research into alternative energy sources over the next 5 years, a figure likely to be doubled when private investment in research is included.

But if this effort is to succeed, we must act now to deal with two major problems—the expense of new energy sources and the varying capacities of the industrialized countries.

New energy sources will cost considerably more than we paid for energy in 1973 and can never compete with the production costs of Middle Eastern oil.

This disparity in cost poses a dilemma. If the industrial countries succeed in developing alternative sources on a large scale, the demand for OPEC oil will fall, and international prices may be sharply reduced. Inexpensive imported oil could then jeopardize the investment made in the alternative sources; the lower oil prices would also restimulate demand, starting again the cycle of rising imports, increased dependence, and vulnerability.

Thus paradoxically, in order to protect the major investments in the industralized countries that are needed to bring the international oil prices down, we must insure that the price for oil on the domestic market does not fall below a certain level.

The United States will therefore make the following proposal to the International Energy Agency this Wednesday:

In order to bring about adequate investment in the development of conventional nuclear and fossil energy sources, the major oil importing nations should agree that they will not allow imported oil to be sold domestically at prices which would make those new sources noncompetitive.

This objective could be achieved in either of two ways. The consumer nations could agree to establish a common floor price for imports, to be implemented by each country through methods of its own choosing such as import tariffs, variable levies, or quotas. Each country would thus be free to obtain balance-of-payments and tax benefits, without restimulating consumption, if the international price falls below agreed levels. Alternatively, IEA nations could establish a common IEA tariff on oil imports. Such a tariff could be set at moderate levels and phased in gradually as the need arises.

"Collective actions to restore balance to the international economic structure . . . will contribute enormously to the likelihood of the success of the projected consumer-producer dialogue."

President Ford is seeking legislation requiring the executive branch to use a floor price or other appropriate measures to achieve price levels necessary for our national self-sufficiency goals.

Intensive technical study would be needed to determine the appropriate level at which prices should be protected. We expect that they will be considerably below the current world oil prices. They must, however, be high enough to encourage the long-range development of alternative energy sources.

These protected prices would in turn be a point of reference for an eventual consumer-producer agreement. To the extent that OPEC's current high prices are caused by fear of precipitate later declines, the consuming countries, in return for an assured supply, should be prepared to offer producers an assured price for some definite period so long as this price is substantially lower than the current price.

In short, the massive development of alternative sources by the industrial countries will confront OPEC with a choice: they can accept a significant price reduction now in return for stability over a longer period; or they can run the risk of a dramatic break in prices when the program of alternative sources begins to pay off. The longer OPEC waits, the stronger our bargaining position becomes.

The second problem is that the capacities of the industrialized countries to develop new energy sources vary widely. Some have rich untapped deposits of fossil fuels. Some have industrial skills and advanced technology. Some have capital. Few have all three.

Each of these elements will be in great demand, and ways must be found to pool them effectively. The consumers, therefore, have an interest in participating in each other's energy development programs.

Therefore, the United States will propose to the IEA this Wednesday the creation of a synthetic fuels corsortium within IEA. Such a body would enable countries willing to provide technology and capital to participate in each other's synthetic energy projects. The United States is committed to develop a national synthetic fuel capacity of one million barrels a day by 1985; other countries will establish their own programs. These programs should be coordinated, and IEA members should have an opportunity to share in the results by participating in the investment. Qualifying participants would have access to the production of the synthetics program in proportion to their investment.

In addition, the United States will propose the creation of an energy research and development consortium within IEA. Its primary task will be to encourage, coordinate, and pool large-scale national research efforts in fields—like fusion and solar power—where the costs in capital equipment and skilled manpower are very great, the lead times very long, but the ultimate payoff in low-cost energy potentially enormous.

The consortium also would intensify the comprehensive program of information exchange which—with respect to coal, nuclear technology, solar energy, and fusion—has already begun within the IEA. We are prepared to earmark a substantial proportion of our own research and development resources for cooperative efforts with other IEA countries which are willing to contribute. Pooling the intellectual effort of the great industrial democracies is bound to produce dramatic results.

When all these measures are implemented, what started as crisis will have been transformed into opportunity; the near panic of a year ago will have been transformed into hope; vulnerability will have been transformed into strength.

THE MUTUAL INTERESTS OF CONSUMERS AND PRODUCERS

Consumer solidarity is not an end in itself. In an interdependent world, our hopes for prosperity and stability rest ultimately on a cooperative long-term relationship between consumers and producers.

This has always been our objective. It is precisely because we wish that dialogue to be substantive and constructive that we have insisted that consumers first put their own house in order. Collective actions to restore balance to the international economic structure, and the development in advance of common consumer views on the agenda, will contribute enormously to the likelihood of the success of the projected consumer-producer dialogue. Without these measures, discussions will only find us restating our divisions, and tempt some to seek unilateral advantages at the expense of their partners. The result will be confusion, demoralization, and inequity, rather than a just reconciliation between the two sides.

"The producers seek a better life for their peoples and a future free from dependence on a single depleting resource; the industrialized nations seek to preserve the hard-earned economic and social progress of centuries; the poorer nations seek desperately to resume their advance toward a more hopeful existence."

A conciliatory solution with the producers is imperative for there is no rational alternative. The destinies of all countries are linked to the health of the world economy. The producers seek a better life for their peoples and a future free from dependence on a single depleting resource; the industrialized nations seek to preserve the hard-earned economic and social progress of centuries; the poorer nations seek desperately to resume their advance toward a more hopeful existence. The legitimate claims of producers and consumers, developed and developing countries, can and must be reconciled in a new equilibrium of interest and mutual benefit.

We must begin from the premise that we can neither return to past conditions nor tolerate present ones indefinitely. Before 1973, market conditions were often unfair to the producers. Today they are unbearable for the consumers; they threaten the very fabric of the international economic system on which, in the last analysis, the producers are as dependent for their well-being as the consumers.

As the consumers approach their preparatory meeting with the producers, what are the basic principles that should guide them?

The United States will propose the following approach to its partners in the IEA:

First, we should explore cooperative consumer-producer action to recycle the huge financial surpluses now accumulating. The oil producers understand that these new assets—which are far greater than they can absorb—may require new management mechanisms. At the same time, the industrial nations know that the stability of the global economic structure requires the constructive participation of the producers.

Second, and closely related to this, is the need to examine our internal investment policies. The oil producers need productive outlets for their revenues; the industrial democracies, while they should welcome new investment, will want to retain control of essential sectors of their economies. These needs can be reconciled through discussion and agreement between consumers and producers.

Third, we must help the producer nations find productive use for their wealth in their own development and to reduce their dependence on a depleting resource. New industries can be established, combining the technology of the industralized world with the energy and capital of the producers, for their own benefit and that of the poorer nations. The creation of fertilizer and petrochemical plants is among the more promising possibilities.

Fourth, the oil-producing countries and the industrial consuming countries share a responsibility to ease the plight of the poorest nations, whose economies have been devastated by OPEC's price increases. Technology and capital must be combined in an international effort to assist those most seriously affected by the current economic crisis.

Fifth is the need to provide consumers with a secure source of supply. Another attempt to use oil as a weapon would gravely threaten the economies of the industrial nations and destroy the possibilities of consumer-producer cooperation. Oil-sharing arrangements by the consumers would blunt its impact at first, but over time an atmosphere of confrontation would be inevitable. Thus, if the producer-consumer dialogue is to be meaningful, understandings on long-term supplies are essential.

A central issue, of course, will be price. It is vital to agree on prices for the long run which will satisfy the needs of consumers and producers alike. The balance-of-payments crisis of the consumers must be eased; at the same time, the producers are entitled to know that they can count on a reasonable level of income over a period of time.

The United States is ready to begin consultations with the other major consuming nations on this agenda. We will be prepared to expand on these proposals, and will welcome the suggestions of our friends, so that we can fashion together a common and positive program.

In sum, consumers and producers are at a crossroads. We have the opportunity to forge new political and institutional relationships, or we can go our separate ways, each paying the price for our inability to take the long view. Mutual interest should bring us closer together; only selfishness can keep us apart. The American approach will be conciliatory.

The implications for the structure of world politics are profound. If we act with statesmanship we can shape a new relationship between consumer and producer, between developed and developing nations, that will mark the last quarter of the 20th century as the beginning of the first truly global, truly cooperative international community.

THE NEED FOR UNITED ACTION

The United States will soon celebrate the 200th anniversary of its independence. In those 200 years Americans have gloried in freedom, used the blessings of nature productively, and jealously guarded our right to determine our fate. In so doing, we have become the most powerful nation on earth and a symbol of hope to those who yearn for progress and value justice. Yet now we sometimes seem uncertain of our future, disturbed by our recent past, and confused as to our purpose.

But we must persevere, for we have no other choice. Either we lead, or no one leads; either we succeed, or the world will pay for our failure.

The energy challenge is international; it can only be met by the cooperative actions of all the industrial democracies. We are far advanced with our partners toward turning a major challenge into bold creation and determined response.

But our hopes for the future rest heavily on the decisions we take on our own domestic energy program in the days and weeks ahead. Our example—for good or ill—will chart the course for more than ourselves alone. If we hesitate or delay, so will our partners. Undoing measures already instituted, without putting an alternative program in their place, will have implications far transcending the immediate debate.

"The energy challenge is international; it can only be met by the cooperative actions of all the industrial democracies."

The United States bears world responsibility not simply from a sense of altruism or abstract devotion to the common good—although those are attributes hardly deserving of apology. We bear it, as well, because we recognize that America's jobs and prosperity—and our hopes for a better future—decisively depend upon a national effort to fashion a unified effort with our partners abroad. Together we can retain control over our affairs and build a new international structure with the producers. Apart we are hostages to fate.

A domestic program that will protect our independence; a cooperative program with other consumers; and accommodation with producers—these are the indispensable and inseparable steps toward a new equilibrium of interest and justice. No one step can succeed in the absence of the other two.

It is the glory of our nation that, when challenged, we have always stepped forward with spirit and a will to dare great things. It is now time to do so again, and in so doing to reaffirm to ourselves and to the world that this generation of Americans has the integrity of character to carry on the noble experiment that began 2 centuries ago.

The CHAIRMAN [William Broom, president of the National Press Club]. Thank you, Mr. Secretary.

Mr. Secretary, in November you, the Secretary of the Treasury, and Mr. Arthur Burns, the Chairman of the Federal Reserve Board, all made speeches emphasizing the imperative need to bring about a lowering of the OPEC prices of oil. Now the Administration is advocating an energy policy based upon a price even higher than the OPEC price. What happened between November and now?

Secretary KISSINGER. I do not think it is correct to say that the Administration's energy policy is based on an increase in price.

The Administration's energy policy attempts to reduce consumption. The increase in price that is designed to reduce consumption will be rebated to the American public so that the inflationary impact will be severely minimized, if not eliminated. So we are not dealing here with an increase in price that produces a balance-of-payments drain. We are dealing with a technical measure designed to reduce consumption for the reasons that I have explained, and the increase will then be rebated in various ways to the American people.

Q. Our audience has many questions for you today, Mr. Secretary. A second one here concerns what you anticipate from our Allies. The first questioner asks—what result might you foresee if IEA nations do not all agree on some method of establishing floor prices; specifically, what results if only the U.S.A. does so. And secondly, someone wonders if you can identify or expect any European country or any consuming nation not to act in parallel in the consumer bloc.

A. The proposal about a floor price will, of course, only be formally submitted to our Allies on Wednesday. But we have had some exploratory conversations which lead us to believe that the proposal will receive a sympathetic reception. The United States is, of course, in a position to establish such a price for itself, and given the scale of its investment, it could carry out a very massive program for the development of alternative energy sources. But in order to achieve the objectives which I have described, the cooperation of all the consumers would be extremely important.

I would not want to identify—indeed, I do not know any consumers that are likely to disagree. I believe that the cooperation of the nations in IEA, as I pointed out in my speech, has been one of the great success stories of the last decade-and-a-half. Within the space of less than a year, very major steps have been taken in the field of conservation, in the field of emergency sharing, and in the field of financial solidarity. And I have every confidence that the spirit of cooperation that has brought us to this point will hold in the months ahead.

Q. A number of questions on price. What do you estimate the protected price of oil will be? For how long will it be protected? How will the long-term protected price be affected by inflation? And based on your remarks, what do you believe is the minimum price per barrel for domestic oil that will be required to keep U.S. investments competitive?

A. Well, the precise price would have to be established first by more detailed technical studies, and then in consultation with our partners that also have an interest in the problem. However, it can be stated now that the protected price would be substantially below the existing period of time sufficient to justify the massive investment in the alternative sources that are called for.

With respect to the impact of inflation on the protected price, if a long-term price arrangement were made with the producers and if the price were pegged at a level considerably below current world prices, the United States would not exclude discussing indexing in relation to it.

Q. If the cost of oil in the United States and in the major industrial nations remains above the level of exported oil, or Communist country prices, how are U.S. or European exporters of petrochemicals going to cope with competition from Eastern European or other nations?

A. Well, this assumes that there is an unlimited capacity by the Soviet Union to expand its oil exports at lower prices; and we doubt seriously that this capacity exists.

Q. Have you had any reaction as yet from the oil-producing countries' leaders regarding President Ford's plan to impose the import levy on oil in this country? What is the possibility that the oil-producing countries will use that as a reason for a further price increase?

A. We have not had any reaction from the oil-producing countries with respect to the President's import tax. I believe also that the oil producers very clearly understand the difference between a price increase that compounds a balance-of-payments deficit and a price increase that is rebated to the consumers.

Q. Do you agree, Mr. Secretary, with Senator Church's proposal that the United States set up an oil-purchasing agency as one way of eliminating unnecessary competition for profits and supplies?

A. I have frankly not had an opportunity to study this proposal in great detail, and I therefore would rather withhold judgment.

Q. An enterprising member of the audience asks—can we trade U.S. wheat for Russian oil?

A. That, too, is something I would like to examine a little bit. [Laughter and applause.]

Q. We have a number of questions on other countries, particularly the Middle East, where you will be going within a very short space of time. Will it be possible to arrange a further military disengagement on the Sinai with Egypt without further progress with Syria on the Golan Heights? And secondly, will the time come when the United States will have to deal with the Palestine Liberation Organization [PLO]?

A. If I didn't believe that there was some possibility of progress in further negotiations, I would not obviously go to the Middle East. Of course any step that is taken should only be considered as an interim step toward a final peace. And all other of the nations in the Middle East will have to participate in that next step—or will have to participate not in the forthcoming step, but will have to participate in a negotiation for a final peace.

With respect to the PLO, we have stated our position repeatedly, that there is no possibility of a negotiation as long as the PLO does not recognize the existence of Israel.

Q: How do you explain shipments of American airplanes to the Middle East and to the Arab countries in view of the possibility of the renewal of an Arab embargo on oil?

A: In my press conference last week, I explained the American policy with respect to arms shipments to other countries as follows: The questions that have to be answered are whether a threat to the security of these countries exists in the minds of these countries; whether the United States considers this a realistic appraisal; whether the United States has an interest in the stability and security of the countries concerned; and finally, whether, if the United States does not supply these weapons, these countries would remain without weapons. In the case of the arms shipments to which the United States has agreed, we believe that the answer to each question can be affirmative—and in view of the various balance-of-payments considerations that I have earlier outlined, also in our interest. But the controlling decision is not a commercial one. The controlling decision is the political one that I explained.

Q: Four or five questions on Cuba. The first one asks whether you have any comment on Senator Sparkman's recent remarks about resuming U.S. relations with Cuba and what are the changes that U.S. policy towards Cuba will change this year.

A: I'm brave but not reckless. [Laughter.] In the spirit of partnership between the Congress and the Executive that I called for recently, I would like to say that we are examining our policy toward Cuba—that we are prepared to look at various of the measures that have been taken in the inter-American system with a view toward seeing what can be done in our Cuban relationship.

Q: Do you see any possibilty, Mr. Secretary, of an opportunity for the United States to sell some goods to Cuba in the near future to help us with our balance of payments?

A: Whatever decision will be made on Cuba is not going to be dictated by economic considerations. It will grow out of our assessment in the international context, as well as our overall relationships with the Western Hemisphere.

Q. Let's switch to the Eastern Hemisphere for a moment. A member of the audience notes that Chinese leaders are reportedly dissatisfied at the pace of Sino-American rapprochement. When will the United States recognize mainland China? Will it be during President Ford's visit to China this year? And, presuming, when will we withdraw U.S. troops from Taiwan?

A. I read these accounts with great interest, but of course we can only deal with the expressions that the Chinese leaders make to American officials. And we do not have the impression that the Chinese leaders are dissatisfied with the state of Chinese-American relations. We are committed in the Shanghai communique to proceed toward the normalization of relations with the People's Republic of China. We are determined to carry out not only the letter but the spirit of the Shanghai communique; and we will base our improving relations with the People's Republic of China on these principles.

Q. Within a few days, the Prime Minister of Pakistan will be paying a visit to Washington. Is the United States ready to lift the embargo on arms to Pakistan when Prime Minister Bhutto is here this week?

A. The question about Pakistan, an ally which is in the curious position of being subject to American embargo, is always before us—especially at a time when the Prime Minister of Pakistan visits the United States. No decisions have yet been made, and I doubt that any final decision will be made while Prime Minister Bhutto is here. But of course it is always a subject that is seriously examined in preparation for his visit and of course will be discussed.

Q. A pair of questions on Viet-Nam. Is the division of South Viet-Nam into Government and Viet Cong regions a feasible way to stop the fighting? Or—to put it another way—another questioner asks: Despite any agreements that have been made or will be made, do you feel there can be peace in Viet-Nam as long as North Vietnamese troops occupy any part of South Viet-Nam?

A. The United States has always been prepared, together with the Government in Saigon, to see to it that peace is maintained in South Viet-Nam along the demarcation lines that existed when the armistice agreement was signed. It is the Communist side which has consistently refused to agree to a demarcation and to deploy the international control teams by which such a demarcation would be insured.

Under the agreement in January 1973, there was no requirement for the withdrawal of the North Vietnamese troops which were then in South Viet-Nam. But there was a flat prohibition against any further increase in their numbers—or, indeed, a flat prohibition against sending any new personnel. This prohibition has been consistently violated from the very first day of the agreement. And the only security problem in South Vietnam is the presence of North Vietnamese military forces.

Q. Back to the Western Hemisphere. Today's Washington Post reported some conclusions by former Chilean Ambassador Orlando Letelier, who alleged that he had been deceived about CIA involvement with the opposition to the Allende government. In retrospect, should any of the CIA's activities have been different—do you regret the outcome?

A. I found it amazing that the front page of a leading newspaper would report a totally unsupported story by an individual who, after all, was not exactly disinterested and who told a rather amazing tale that he had been invited to the house of a Washington columnist to receive a special message from me.

Now, it would be an interesting question—who exactly passed that message to him that he should come to the house of the columnist. That columnist does not remember such an incident; I do not remember such an incident. And while our denial was duly reported in the last paragraph of the story, one would not be able to determine that from the front page of an article that can only be designed to prove that I was telling a lie for purposes that are totally unclear by a man who has a profound interest in the problem. And I might say I find it particularly painful because I have not been uninvolved in his release from prison in Chile. [Applause.]

Q. A pair of questions here about food as it relates to the present energy crisis. One questioner wants to know if there is a plan to use food as a weapon in the strategy of the consuming nations against the oil-producing countries.

A. In my first public statement as Secretary of State, two days after I was sworn in, I proposed the convening of a World Food Conference. I did so because it seemed to me that if we were serious about our assertions that the world was interdependent and that a new world order had to be instituted based on this principle, then we had a moral and political obligation to use the resource which we have in surplus for the benefit of all of mankind. We made proposals at the World Food Conference which were designed to alleviate the chronic food shortage that exists all over the world; and we emphasized that whatever the level of American food aid, we would not be able to deal with the chronic problem by American food alone—that it was necessary to increase the productivity, especially in less developed countries, to improve the distribution, and to take other fundamental measures of agricultural reform, to which the United States will contribute.

With respect to American food aid, which is a separate problem, a very large percentage of this food aid is given for primarily humanitarian purposes. There are, of course, countries where we are conscious that this food aid also helps us politically, and we have no reason to apologize for this. But even in those countries there is a profound need for food.

We have worked closely with Senator [Hubert H.] Humphrey, with Senator [Mark O.] Hatfield—first, to produce the maximum level of food aid that was possible and, secondly, to allocate it in a manner that met both the humanitarian and other needs of this country.

Q. In that connection, Mr. Secretary, in the final moments of drafting the budget, $178 million was apparently added to the total available for the P.L. 480 Food for Peace program. Some people are crediting you with arguing for the addition of that $178 million. Who is going to receive it? How much of the total food aid available will go to most seriously affected [MSA] countries? Have Cambodia and South Viet-Nam been added to the MSA list?

A. I can hardly keep up with the newspaper reports printing the breakdown of various working papers with respect to food aid, none more recent, incidentally, than 2 months. I frankly don't know the exact figure that was added in recent weeks to the budget. But, again, if you remember—I don't know why I assume that each of you remember every detail of every speech I gave; I look at my staff here and they have to open staff meetings by rehearsing them, in spite of their prayers. [Laughter.]

But in that speech I indicated that the United States would support the highest possible level of food aid. The only reason we did not announce the level then was because of the impact on American domestic prices and because we were afraid that if the result of announcing a high level of food aid would be to push up the American domestic food prices, that then congressional support for the food aid program might evaporate altogether. Therefore we have consistently been at the highest level that was compatible with our domestic price structure.

Now that the recent crop reports have indicated that we have adequate food supplies, we have, as a matter of course, gone to the high levels. And it is not the case that this was suddenly jury-rigged in order to produce a particular effect. With respect to the allocations required by the Congress between the humanitarian and other purposes, we have worked out this arrangement with all the Senators and Congressmen who have shown a particular interest in the problem.

To answer your specific question, Viet-Nam and Cambodia have not been added to the MSA list, even though, in fairness, the only reason they are not on the MSA list of the United Nations is because Viet-Nam is not in the United Nations.

The CHAIRMAN. Thank you very much.

NEED FOR A REGULATORY REFORM COMMISSION

Mr. ALLEN. Mr. President, the need to reform Federal regulatory practices has been abundantly clear to Congress now for several years.

Originally conceived as a lean team of public watchdogs, the Federal regulatory system has become a herd of bloated elephants meandering directionless around the congressional waterhole.

The answer to the problem is not for Congress to give birth to yet another elephant, such as the proposed Agency for Consumer Advocacy, alias Consumer Protection Agency—even if it is trained to stick its tusks into the flanks of others around the waterhole.

The answer is for Congress to recognize that a problem of tremendous dimension exists, one that will not be solved without a commitment to coordinated, comprehensive regulatory reform.

This will not be an easy task, nor will it be pleasant. But it must be begun in earnest. The taxpayer can no longer continue to bear the burden of supporting a regulatory system packed with costly waste, redtape, and highly questionable symbiotic relationships between regulators and those whom they regulate.

For this reason, I have again introduced my bill to create a National Commission on Regulatory Reform, Senate Joint Resolution 7, and I again hold to the hope that Congress will recognize the need for us to begin comprehensive regulatory reform now.

Rather than, once again, explaining this bill, I ask unanimous consent that an excellent editorial from the January 26 edition of the Birmingham News be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REFORM REGULATORY AGENCIES

Federal regulatory agencies have been the subject of criticism from at least two different directions. Businessmen have found a multiplicity of regulations restrictive and costly; the red tape often, from this point of view, drives up the cost of products and services without justification. Consumerists, on the other hand, have condemned the regulatory agencies as having softened over the years to the point that they have become cozy with the interests they were intended to regulate.

In October, President Ford called for "a joint effort by the Congress, the executive branch and the private sector to identify and eliminate existing federal rules and regulations that increase costs to the consumer without any good reason in today's economic climate."

Soon after the President made his appeal, several resolutions were offered to establish regulatory reform commissions. One of those resolutions was by Sen. Jim Allen, D-Ala. As was the case with all the resolutions, Allen's plans died with the adjournment of the last Congress.

This past week, however, Allen reintroduced his resolution to create a National Commission on Regulatory Reform.

The commission as Allen proposes it would offer broad representation. It would be made up of 15 members, chosen in this manner: Three by the Senate, three by the House, three by the President and six from the private sector. Of the latter six, two would be chosen to represent the labor community, two for business and two for consumers. The six would be appointed by the President with confirmation by the Senate.

Unlike the other resolutions offered last year, Allen's plan would not limit the inquiry of the commission to the independent agencies, but would include executive branch agencies as well.

Furthermore, the Allen version specifically names certain agencies for scrutiny by the commission. These agencies have been frequently named as being unresponsive to the public's interest or suspected of causing unjustified cost increases. These agencies are the Civil Aeronautics Board, the Consumer Product Safety Commission, the Environmental Protection Agency, the Federal Communications Commission and nine others, including the U.S. Postal Service.

And the Allen version would mandate the proposed commission to study the degree to which the regulatory agencies represent the interests of consumers in their decision-making process. Additionally, such a commission would be required to report on alternative methods of improving consumer representation—including, specifically, the feasibility of a nonregulatory Agency for Consumer Advocacy or, as it has also been called, a Consumer Protection Agency.

The commission would be required to report to the President and Congress within one year on its findings, specifically on the economic impact of regulatory agencies. Within 18 months, the commission would be required to submit a comprehensive report on consumer representation in agencies and on alternative methods of improving representation. Further reports would be required at the end of two years, then after three years.

It is to be hoped that the White House will give Allen's resolution support by once again calling for a regulatory commission.

Certainly such a commission is needed, and Allen's plan is the strongest and most specific proposal that has yet been submitted. It deserves, and doubtless will attract, widespread support.

SWARTHMORE COLLEGE ACTS TO CONSERVE FOOD

Mr. HATFIELD. Mr. President, on the evening of December 9, 1975, I had the pleasure of addressing the student body of Swarthmore College in Swarthmore, Pa. As a result of their interest in the world food situation, students were asking for information relating to the World Food Conference and the worldwide need for food and agricultural development. I found the evening to be most enjoyable and encouraging as the college community expressed genuine interest in helping effect a solution to this problem which faces each of us.

As part of their work for the beginning of a solution, students, faculty, and administration joined in collecting money and conserving food intake. They continued their program of education in the issue. Shortly after the visit to Swarthmore, I received a report of the activities of the Swarthmore College Committee on World Hunger. From other reports I have received by mail, word-of-mouth, and in phone conversations, this activity is being repeated by colleges and citizen and church groups all across our country. This fact, and information reported in the December 18 hearing before the Senate Select Committee on Nutrition and Human Needs, is evidence of the responsiveness of the American people to the very real needs of others. I would call this to the attention of my colleagues and hope that the administration will soon realize that the hearts and pocketbooks of the American people are indeed open to others, even in this time of economic uncertainty.

I ask unanimous consent that the report of the Swarthmore College Committee on World Hunger be printed in the Record.

There being no objection, the report was ordered to be printed in the Record as follows:

The Swarthmore College Committee on World Hunger

The Swarthmore College Committee on World Hunger was organized in mid-November, 1974, for two purposes:

To increase awareness and concern at Swarthmore College about the severe world hunger problem and what can be done about it;

To aid the causes of short-term food assistance and long-term agricultural development in poor countries.

The Committee of twelve students and two faculty members organized a fast by students on the night of December 11, 1974. 612 students, half the student body, signed petitions requesting the College food service to send the money saved by their abstaining from dinner to Oxfam-America, an organization working to reinforce agricultural self-help projects in developing countries. The fast yielded a rebate of $500, to which was added $114 of supplementary donations given by concerned students.

The student fast was matched by faculty and administration action, which demonstrated that world hunger is a concern among all segments of the College community. A note circulated to faculty members urging their families to join the fast resulted in contributions of over $430 to the Swarthmore donation to Oxfam-America. The usually lavish official banquet given by the President of the College to host an eminent visiting speaker was replaced, in observance of the world food crisis, by a simple meal.

Educating the College community on the issues of world hunger is another focus of Committee effort. While students were fasting the evening of December 11, professors from the biology, history, political science, and philosophy departments, joined by Carrol Streeter, former editor of *Farm Journal*, spoke to the College on various aspects of the food problem. The following day, Dick Gregory, a renowned political speaker noted for his extended fasting on behalf of the world's poor, was brought to the campus to offer his views to a large audience.

These recent programs are part of an ongoing concern at Swarthmore College. Contemplated future actions include political lobbying and regular fasting, perhaps in conjunction with community groups or other colleges. Educational efforts will continue: an all-day symposium of visiting experts is being planned, and study groups are being organized. We realize that the world food crisis will not disappear quickly, and that our efforts must be multiplied.

Rebecca Cantwell,
Rupa LeFevre,
John Rodgers,
David B. Sacks,
Coordinator,
Student members of the Swarthmore College Committee on World Hunger.

U.S. (POLITICAL) ENERGY CRISIS

Mr. HANSEN. Mr. President, the Society of Independent Professional Earth Scientists is an organization, as its name implies, that should be well versed in the Nation's energy and mineral resources.

Last week, my good friend and colleague, the distinguished Senator from Arizona (Mr. Fannin), was asked to address the SIPES annual meeting at Dallas, Tex.

His remarks support the objectives of the President's energy proposals. He traces the course of our drift into foreign oil dependency and what we must do to get out—and the alternatives.

As Congress considers the President's proposals and the alternatives, I highly recommend that all Senators could benefit from Senator Fannin's very astute analysis of the U.S. energy situation.

As ranking minority member of the Senate Interior Committee which has been engaged in a study of national fuels and energy policy for almost 4 years, Paul Fannin is eminently qualified to speak about energy and I ask unanimous consent that the text of his speech to SIPES be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech by Senator Paul Fannin to the Society of Independent Professional Earth Scientists

About two weeks ago President Ford told us quite frankly that the state of the union is not good.

Today I want to talk with you about the state of the oil industry in America, about the relationship of this industry to congressional politics, and about the threat to all business and industry in our country.

Quite frankly, the state of the free enterprise system is not good. In fact, it is in great danger. Proponents of government controls and Washington dictatorship are blasting away at the oil industry. The oil companies and fellow energy producers are in a state of siege.

The 93rd Congress took us to the doorstep of nationalization. The 94th Congress threatens to push us over the threshold onto the irreversible pathway to total nationalization.

If the assault on the energy industries is successful, the liberals will move quickly to clamp government control on all other major segments of the American economic system.

You, ladies and gentlemen, are in the trenches. You are the front line of defense.

How are we going to save the private oil industry? How are we going to save the private enterprise system?

To answer these questions, we must consider three points:

1. American public opinion and how it gets translated into the politics of energy;
2. What the last Congress did and what the current Congress is likely to do to the energy industry; and
3. What you can do to turn things around before it is too late.

First, let's consider the public attitude toward oil companies. Far too many citizens think of oil companies in terms of "monopolists," "price-fixers," "polluters," and "tax evaders."

This picture of oil companies has been promoted by liberal journalists and peddled by opportunist politicians seeking high public office. It was fed by the frustrations of the average man in the face of last winter's fuel shortage. It has been allowed to grow through a cataclysmic failure of communications between industry and the public.

While some politicians have fed this attitude for their own selfish ends, others have reacted to obvious growth of public bias against oil companies.

Politicians who want to stay in office try to please their constituents. If they perceive a widely held belief that some industry has exploited the people, the politicians will introduce legislation to correct the situation. It makes little difference whether the public perception is accurate or the legislation wise. Reality and political reality are not necessarily the same.

Not only are Congressmen inclined to speak out against the oil industry in response to what they see as strong public opinion, they also are afraid to vote for incentives needed to increase energy supply.

Such incentives often entail higher prices to bring about more drilling and greater production. Consumer and environmental groups exert terrific pressure against such action.

Populist politics is nothing new in the United States, and it already was enjoying a revival when the Arab boycott added fuel to the flames in the fall of 1973.

In December 1973, a Lou Harris Poll on the public mood relative to gasoline prices stated the following:

"The key to public unwillingness to see gasoline prices rise as a means of cutting consumption is that the public is willing to undergo cutbacks in its use of home heating (oil) and gasoline, but is patently opposed to price rise as a way to control usage. Basically, this means that ultimate rationing of gasoline and fuel oil will go down better than will any system of cutting demand by manipulating the price. The reasoning of the public is that raising the price would help the rich and penalize the poor, and that anything which adds to the cost of living is hard to stomach."

Two months later a Gallup poll showed that more people thought the energy crisis was caused by the oil companies than by any other single factor.

This was the atmosphere when the 93rd Congress opened its second session just about one year ago. Politicians reacted quite predictably by agitating for a wide array of legislation which would punish, control and virtually destroy oil as a private industry.

We had repeated battles on energy legislation—battles which created much more heat than illumination as far as resolving our problems is concerned.

You will recall that a mandatory price rollback bill would have set the price for new and released oil at $5.25 per barrel. The President wisely vetoed this legislation, and we barely sustained the veto in the Senate.

This was not the only punitive legislation brought before Congress in the past year.

A review of this legislation is instructive because it reveals patterns which have been carried into and intensified in the 94th Congress.

First, we should look at bills acted upon by the 93rd Congress ostensiby to increase energy supplies. The incentives the Congress provided in these bills were submerged by punitive and unnecessary regulatory controls of the field operations of the oil companies.

The Deep Water Port Bill is one example. This law so heavily regulates licensing and operation of ports that it will be difficult for oil companies even to obtain a license.

Another case in point is the Energy Supply Act which passed the Senate but not the House. It called for leasing and regulatory reforms pertaining to exploration and development of the outer continental shelf. It contained no new incentives, only a myriad of provisions penalizing the industry.

Included in the bill was mandatory submission of the Secretary of the Interior of proprietary data obtained not only from drilling cores pursuant to an OCS lease, but also of seismographic data obtain under an exploration permit. Other provisions would cause serious delays and inequities in expanding OCS leasing, exploration and production.

We also should consider the Clean Air Act Amendments of 1974 which were intended ostensibly to bring about the conversion of electrical utilities from oil and gas to coal. Instead, the amendments contained such stringent air quality provisions that no more than nine or ten plants throughout the country were able to convert to coal.

The Alaska Pipeline Act is a fourth example. This bill contains over 20 separate sections and sub-sections regulating the operations not only of the Alaska Pipeline but all future oil pipelines crossing public lands.

The Pipeline Act, however, is one bill where the 93rd Congress showed some economic good sense. In addition to clearing the legal way for the pipeline, the bill included the amendment allowing the exemption of stripper well production from price controls. This was a very important and immediate incentive to continue pumping from marginal wells and to reactivate some wells which had been abandoned.

Other bills related to increasing energy supplies were involved principally with intermediate and long term supply problems associated with coal gasification and liquefaction, oil shale, solar, geothermal and nuclear energy.

Incidentally, one interesting program now being studied is the Pacer Project. This involves hollowing out a huge cavern in a salt dome and using nuclear reactions in the cavern to generate steam which would be piped to the surface where it would turn conventional power generators. Much of this is still theoretical, but it is an extremely interesting program.

It appears that Congress will take action to increase energy supplies only so long as the Federal government does the planning and oversees the programs. The Congress is willing to commit billions of dollars to long-range energy development, but unwilling to make much more modest steps which would enable private industry to alleviate our immediate shortage and build capacity for the longrun.

All authorization bills related to new energy research, development and demonstration programs call for thorough program planning by government agencies coupled with submission of such plans for Congressional review. This takes time, as does the development of new energy technologies to the point of broad scale commercial utilization. These acts will not increase domestic energy supplies significantly until the late 1980s or 1990s.

Action on this legislation underscores the political sex appeal of "clean" and "renewable" energy sources.

Each bill contained reaffirmation of the need to protect the environment and conserve energy. Two solar bills and a geothermal bill moved through Congress before the nonnuclear energy research and development legislation which gave heavy emphasis to fossil fuel development.

The "clean" and "renewable" concepts coupled with the equally popular conservation, or demand reduction, are ideologies which will be with us for some time.

It is likely that when the Congress begins its review of these programs, some headlines will be sought by Members of Congress raising objections to petroleum industry involvement in the programs.

Despite the problems, it is essential that the traditional petroleum industry be involved. Industry leaders should sit down with officials of the Energy Research and Development Administration to help in planning and in participation. If such a relationship does not develop, the Energy Research and Development Administration will find other friendly companies with whom to do business.

What may evolve in such an event is a series of joint Federal-industry corporations with a collective virtual monopoly on the development of new technologies.

Let's continue our analysis of the 93rd Congress by considering the growing determination to throw all corporate books open to government and public examination.

The Energy Information Bill was predicated on the theory that the oil industry is not to be trusted. This legislation suggests that the government must have complete access to all industry files, including proprietary information, to be certain the industry is not cheating.

Although this bill did not pass, its purpose was achieved by the inclusion of its principal features in two bills which became law. Both the Federal Energy Administration legislation and the Coal Conversion and Clean Air Act Amendments contain provisions which guarantee access to oil company corporate information.

This includes the right to conduct searches and to compel production of evidence.

In trying to establish a strategy for the current Congress, it may be as important for us to look as closely at what the 93rd Congress almost did as at what it actually did.

The 93rd Congress, as I mentioned earlier, almost forced an oil price rollback.

It almost enacted a punitive windfall profits scheme.

It almost pased a disastrously restrictive surface mining bill.

It almost put through a land use bill which would have been destructive of our property rights and our economic future.

It gave frightenly serious consideration to a ridiculous proposal for FOGCO—A Federal Oil and Gas Company.

It attempted to force a rationing program on the Administration.

The 93rd Congress was anti-oil; it was anti-business; it was obsessed with government control of enterprise.

Members of Congress who worked the past two years to socialize our system are back, and they have an exceptionally large group of first-term members anxious to slay corporate giants and lesser entrepreneurs.

It may be that the oil industry will look back on the 93rd Congress as "the good old days," if the next two years are as hectic as I believe they will be.

Here is what you can expect:

Efforts already are being made to negate President Ford's entire energy package. Instead, the majority in Congress appears determined to impose an energy rationing system.

There will be a new and vigorous attempt to legislate lower oil prices and to end the stripper well exemption.

Although we desperately need deregulation of natural gas, there will be a fight to impose a new system of price controls on wellhead production.

The depletion allowance will be cut drastically if not eliminated completely and there may even be an attack on intangible drilling deductions.

Other legislation which will be promoted in this Congress would:

Require Federal chartering of energy companies;

Establish public utility regulation of all energy;

Require divorcement and divestiture;

Prohibit the lifting of dealer franchises;

Regulate international oil companies dealing with producing countries; and

Reform the Outer Continental Shelf Lands Act.

There will be legislation concerning energy facility siting, strategic reserves of oil, and even more disclosure of corporate information.

The congressional leadership already is attempting to railroad strip mining legislation to the White House and there will be another scrap over land use.

And the idea of a Federal Oil and Gas Corporation is by no means dead.

My objective in giving you this gloomy rundown on what the 93d Congress did and what the 94th will try to do is not to depress or discourage you. My objective is to demonstrate the urgent need for each of you to become active in shaping the political future of our country.

Most of you are highly competent in technology and business. Now, for your own survival, you must become competent also in politics.

If you believe in private enterprise and the economic system which has made America the great nation it is, you must become involved politically. You can work to turn things around before it is too late.

During this past year, I have talked to a number of groups around the country. Because of our reduced numbers, those of us in Congress who believe in private enterprise must have more help than ever before.

I have suggested that businessmen and industry leaders begin politicizing—that is, using the tactics of consumer groups, the environmentalists and other successful grassroots pressure organizations.

This involves a process of identifying, recruiting, training and motivating constituent groups to intervene in the governmental process in order to promote changes in laws and policies which will result in direct benefits to the group itself.

This group may be energy company employees, stockholders, businesses closely affiliated with energy companies, all consumers of energy, employees of large companies which use energy, and unions which represent these workers.

These are the kind of people who must be made aware of the fact that Federal legislation which adversely affects the energy industry will adversely affect them personally.

These are the people who must be informed as to what actions they can take.

These are the people who must be motivated to act.

Simply put, you must convince employees, stockholders, customers, and the general public that the free enterprise system is in their best interest. You must express your company and industry in terms of jobs created, taxes paid, quality goods and services produced. You must not only educate the people, but you must motivate them to express themselves forcefully to Members of Congress on issues involving energy and our economic system.

Each of you personally should write your Congressmen and Senators giving your views on mandatory rationing and conservation and the need to restore the price mechanism as the fairest and most efficient allocator of fuels.

Better yet, each of you should visit your Congressmen and Senators. You should involve your friends, relatives and business associates in the effort.

Some organizations wield strong influence on our politics, but the controlling force today lies in the grassroots.

Polls tell us that the majority of the American public and a majority of Congress favors a policy which would include:

1. The freezing or reduction of energy price levels through law.
2. A gasoline rationing system.

Unless we can demonstrate to the people how disastrous this program would be, you can be certain that the Congress will enact such rationing and controls.

We must make it clear to the American people that these proposals for government dictatorship over energy will put an end to use of the price mechanism as a means of increasing supply and reducing demand. The day the price mechanism is rejected is the day the irreversible decision will be made to nationalize the energy industry. When that happens, we will see a steady progression of the government taking over industry after industry—steel, mining, airlines, and so on.

President Ford has presented a plan to preserve and enhance our private enterprise system in the energy industry.

The President's bold and decisive action has caused pandemonium in the liberal ranks of Congress. It is now evident to most Americans that the President is the only one with a comprehensive plan.

The Members of Congress who are complaining the loudest have no alternative proposal. Critics of the President mutter generalities about rationing, but mainly they want to stall another three months in hopes that they will stumble on to some new scheme they can sell to the public.

Rationing is not the answer. It is inconceivable that our country could set up a program to decide equitably how much gasoline each of the 125 mililon American drivers should get each week. This would require a massive, unbelievably expensive bureaucracy. Rationing would necessarily be arbitrary and inequitable.

When Americans understand they would get on the average of 9 gallons of gas a week; that they would have to stand in line to get coupons; that gas prices probably would go up anyway; that blackmarkets would flourish under the best of rationing systems—then the public will turn quickly against rationing.

President Ford's program is not perfect. He has invited the Congress to help perfect it. I believe that he has given us an excellent framework and we should get on with the job.

Unless the American public rallies to the support of President Ford's program, we will have bureaucrats telling us how much fuel we are entitled to and what procedures we have to follow to obtain it.

For you and me—for every American—the choice is clear. We can restore and maintain the pricing mechanisms which served our country so well for almost two centuries or we can deliver total economic control of the country to Washington.

We can pay slightly high prices for fuels and maintain our individual freedom to choose whether we want to spend our money on beefsteak or gasoline, or we can yield our freedom and let the government dictate how much fuel we are entitled to. When this happens, it is only a short step to government edict over how much beefsteak—and other commodities—we can have.

We must get across to the people that rationing does nothing to increase supply—it is simply a plan for sharing of scarcities. In fact, it seems inevitable that rationing could mean a continuing reduction of supply and an ever decreasing allocation of gasoline, fuel oil, natural gas and other fuels to each individual or company or industry.

Given the opportunity to make fair profits and to operate under a fair tax structure, American oil and other industries can and will respond to the energy needs of America. We will develop adequate and reasonably priced fuel supplies. It can't be done overnight, but it can be done.

It is the people, speaking through Congress, who will choose from these alternatives.

You and I have alternatives, too.

We can stand by quietly and allow catastrophe to strike, or we can fight.

If you are not already enlisted in this crusade, I urge you to join immediately. We must fight.

RULES OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. RANDOLPH. Mr. President, the Interior Committee, at its organizational meeting on January 24, adopted new committee rules for the 94th Congress.

On behalf of the junior Senator from Washington (Mr. Jackson) I ask unanimous consent that the committee's rules be printed in the Record.

There being no objection, the rules were ordered to be printed in the Record, as follows:

Rules of the Committee on Interior and Insular Affairs, 94th Congress

COMMITTEE RULES

Rule 1. The Standing Rules of the Senate and the provisions of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, to the extent the provisions of such Acts are applicable to the Committee on Interior and Insular Affairs and as supplemented by these rules, are adopted as the rules of the Committee.

MEETINGS OF THE COMMITTEE

Rule 2.(a) The Committee shall meet on the third Wednesday of each month while the Congress is in session for the purpose of conducting business, unless, for the convenience of the Members, the Chairman shall set some other day for a meeting. Additional meetings may be called by the Chairman as he deems necessary.

(b) Business meetings for any Subcommittee may be called by the Chairman of such Subcommittee, *Provided*, That no Subcommittee meeting or hearing other than a field hearing, shall be scheduled or held concurrently with a full Committee meeting or hearing, unless a majority of the Committee concurs in such concurrent meeting or hearing.

OPEN HEARINGS AND MEETINGS

Rule 3. Hearings and business meetings of the Committee or any Subcommittee shall be open to the public except when the Committee or such Subcommittee by majority vote orders a closed hearing or meeting.

HEARING PROCEDURE

Rule 4. (a) Public notice shall be given of the date, place, and subject matter of any hearing to be held by the Committee or any Subcommittee at least one week in advance of such hearing unless the Chairman of the full Committee or the Subcommittee involved determines that the hearing is non-controversial or that special circumstances require expedited procedures and a majority of the Committee or Subcommittee involved concurs. In no case shall a hearing be conducted with less than twenty-four hours notice.

(b) Each witness who is to appear before the Committee or any Subcommittee shall file with the Committee, at least 24 hours in advance of the hearing, a written statement of his or her testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

(c) Each Member shall be limited to five minutes in the questioning of any witness until such time as all Members who so desire have had an opportunity to question the witness.

(d) The Chairman and ranking Minority Member or the ranking Majority and Minority Members present at the hearing may each appoint one Committee staff member to question each witness. Such staff member may question the witness only after all Members present have completed their questioning of the witness or at such other time as the Chairman and the ranking Minority Member or the ranking Majority and Minority Members present may agree.

BUSINESS MEETING AGENDA

Rule 5. (a) A legislative measure or subject shall be included on the agenda of the next following business meeting of the full Committee or any Subcommittee if a written request for such inclusion has been filed with the Chairman of the Committee or Subcommittee at least one week prior to such meeting. Nothing in this rule shall be construed to limit the authority of the Chairman of the Committee or Subcommittee to include legislative measures or subjects on the Committee or Subcommittee agenda in the absence of such request.

(b) The agenda for any business meeting of the Committee or any Subcommittee shall be provided to each Member and made available to the public at least three days prior to such meeting, and no new items may be added after the agenda is so published except by the approval of a majority of the Members of the Committee or Subcommittee. The Clerk shall promptly notify absent Members of any action taken by the Committee or any Subcommittee on matters not included on the published agenda.

QUORUMS

Rule 6. (a) Except as provided in subsections (b), (c) and (d), five Members shall constitute a quorum for the conduct of business of the Committee.

(b) No measure or matter shall be ordered reported from the Committee unless eight Members of the Committee are actually present at the time such action is taken.

(c) Except as provided in subsection (d), three members shall constitute a quorum for the conduct of business of any Subcommittee.

(d) One Member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure before the Committee or any Subcommittee.

VOTING

Rule 7. (a) A roll call of the Members shall be taken upon the request of any Member.

(b) Proxy voting shall be permitted on all matters, except that proxies may not be counted for the purpose of determining the presence of a quorum. Unless further limited, a proxy shall be exercised only upon the date for which it is given and upon the items published in the agenda for that date.

SUBCOMMITTEE

Rule 8. (a) Membership of Subcommittees shall be fixed by the Chairman in consultation with the ranking minority member, and, insofar as possible, shall reflect the wishes and preferences of the individual members of the Committee.

(b) Following consultation with the ranking Minority Member, the Chairman may, from time to time, establish such ad hoc or special subcommittees as he deems necessary to expedite Committee business.

(c) Any Member of the Committee may sit with any Subcommittee during its hearings and business meetings but shall not have the authority to vote on any matters before the Subcommittee unless he is a Member of such Subcommittee.

SWORN TESTIMONY

Rule 9. Witnesses in Committee or Subcommittee hearings may be required to give testimony under oath whenever the Chairman or ranking Minority Member of the Committee or Subcommittee deems such to be necessary. All testimony at any hearing to confirm a Presidential nomination shall be under oath and the confidential financial statement received by the Committee shall be accompanied by a sworn affidavit by the nominee as to its completeness and accuracy.

CONFIDENTIAL TESTIMONY

Rule 10. No confidential testimony taken by or confidential material presented to the Committee or any Subcommittee, or any report of the proceedings of a closed Committee or Subcommittee hearing or business meeting, shall be made public, in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee at a business meeting called for the purpose of making such a determination.

DEFAMATORY STATEMENTS

Rule 11. Any person whose name is mentioned or who is specifically identified in, or who believes that testimony or other evidence presented at, an open Committee or Subcommittee hearing tends to defame him or otherwise adversely affect his reputation may file with the Committee for its consideration and action a sworn statement of facts relevant to such testimony or evidence.

BROADCASTING OF HEARINGS OR MEETINGS

Rule 12. Any meeting or hearing by the Committee or any Subcommittee which is open to the public may be covered in whole or in part by television broadcast, radio broadcast, or still photography, Photographers and reporters using mechanical recording, filming, or broadcasting devices shall position their equipment so as not to interfere with the seating, vision, and hearing of Members and staff on the dais or with the orderly process of the meeting or hearing.

AMENDING THE RULES

Rule 13. These rules may be amended only by vote of a majority of all the Members of the Committee in a business meeting of the Committee: *Provided,* That no vote may be taken on any proposed amendment unless such amendment is reproduced in full in the Committee agenda for such meeting at least three days in advance of such meeting.

UNEMPLOYMENT FIGURES

Mr. BUCKLEY. Mr. President, Americans today received more bad news with the announcement by the U.S. Government's Bureau of Labor statistics that unemployment reached 8.2 percent in January. Unfortunately, all indications are that there will be more bad news to follow. About the only mitigating factor is that as it now stands Americans can expect significantly less inflation for the next several months.

As the evidence comes in it appears that the monetary policy of the Federal Reserve Bank must bear a large meassure of the burden for the deepening recession. In 1973 money stocks were growing at an inflationary rate of between 8 and 10 percent. However, in recent months the Fed has rapidly closed down the money supply increase to a 1 to 2 percent level. The overrapid contraction from too high levels has contributed significantly to our present recession problems. While it is absolutely essential that we bring inflation under control it is a mistake to think that it is possible to do so other than slowly. We are now learning that lesson.

However, the current recessionary trend confronts the Nation's economy with a twin set of problems: Reaction to the recession and overreaction to the recession. Unfortunately, the staggeringly high deficit projection of $51.9 billion severely aggravates the twin problem.

If the Nation's economic policymakers, which includes the Congress, forces or leads us into an overreaction to the rising unemployment then we will be in for a debilitating round of new inflation. Inflation is still the economy's No. 1 long-term problem: The implication of the high budget deficit will make it extremely hard for us to solve.

There is something we can do about the recession and the unemployment rates. The Congress will soon have before it important legislation which will effect a major reform on the implementation of the Nation's monetary policy, the key economic factor. The legislation, which I will sponsor with its author, the Senator from Wisconsin (Mr. PROXMIRE) and the Senator from Minnesota (Mr. HUMPHREY), will do the following three things:

First. The Fed is directed to increase the rate of growth in the money supply over its most recent slow rate of increase—this will help to fight the recession;

Second. To insure that the reaction to the recession is not excessive and, therefore, inflationary, as it has been in previous recessionary circumstances, the Fed is directed to tie monetary growth rates to "the economy's long-run potential to increase production"; and

Third. To insure that the Fed sticks to this approach, it is required under the resolution to report semiannually on "its money supply growth targets and other monetary policy actions required in the upcoming 6 months."

I am convinced that if this resolution is passed and followed by the Federal Reserve Bank we will be able to substantially eliminate its past erratic performance. We will not end the vicious recession-inflation-recession cycle until we come to grips with the monetary realities of the Nation's economy.

THE IMPACT PROGRAM IN BALTIMORE CITY

Mr. MATHIAS. Mr. President, the October-November 1974 issue of the Maryland Governor's Commission on Law Enforcement and Administration of Justice's newsletter contains a report on the implementation and progress thus far of the IMPACT program in Baltimore City.

In 1971, the Law Enforcement Assistance Administration—LEAA—instituted a major new program, High Impact, aimed at attacking street crime including robbery, rape, murder, aggravated assault, and burglary in eight cities. Through the funding of IMPACT projects by the Governor's Commission, the Mayor's Coordinating Council, and LEAA, Baltimore City has been identifying and dealing with this type of "stranger to stranger" street crime.

The aim of the IMPACT program is to establish procedures for increasing arrests by better educating both the police and the public, reducing the incidence of crime by stepping up efforts to make streets and buildings more inaccessible targets for criminal activity, and to improve the processing and treatment of IMPACT offenders by improving court procedures and rehabilitation efforts. The success of the IMPACT program is currently being evaluated. Today, with predictions that criminal activity will increase sharply over the next few years, experimental projects such as IMPACT should be carefully watched. Congress will next year consider the LEAA program as it comes up for renewal and will be considering, among other things, the IMPACT program.

Mr. President, I ask unanimous consent that the Governor's Commission newsletter containing the Commission's analysis of the IMPACT program in Baltimore City be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PLANNING FOR IMPACT

Crucial to the implementation of Impact in Baltimore City was an intensive planning process aimed at identifying the characteristics of Impact crimes (where they occur, what time they occur, what is their extent) and the characteristics of the Impact offender.

The second stage of the planning effort involved designing a comprehensive program to increase arrests, reduce crime incidence and provide for processing and treatment of Impact offenders.

The Impact offender is most frequently a young person between the ages of 18–25. According to figures compiled by the Mayor's Coordinating Council on Criminal Justice in Baltimore, just under 9 out of every 10 Impact crimes are committed by offenders in this age group.

Seven areas

Planning for the Impact program was carried out by the Governor's Commission and the Mayor's Coordinating Council, and programs were designed to encompass all areas of the criminal justice system. Seven program areas have been established: Prevention of Youth Crime, Drug Abuse Prevention, Intensive Community Patrol by Police, Court Requirements, City Jail, Citizen Involvement, and Target Hardening (efforts to make streets and buildings more difficult targets for criminal activity).

Implementation and monitoring of projects funded under Impact is the joint responsibility of the Governor's Commission, the Mayor's Coordinating Council and LEAA's regional office in Philadelphia. Program financial support comes from special LEAA discretionary funds, rather than the normal block grant funds which are made available by the Governor's Commission for most of its programming.

Within this organizational framework, LEAA exercises final funding authority. All projects, however, must be approved by the Governor's Commission to insure compatibility with overall State-wide criminal justice plans. The Commission also administers the projects financially and monitors project activity in close cooperation with the Mayor's Coordinating Council.

Since program funding began in August, 1972, approximately 30 projects have been implemented. Grant awards, totaling nearly $15 million, have been made to Baltimore City and to various State agencies providing criminal justice services in Baltimore.

HOW IS IMPACT WORKING?

The projects comprising the impact program are diverse, covering such areas as diversion of youthful offenders, police helicopter patrol, community relations, addict treatment, community-based treatment for adult and juvenile offenders and court services.

Police

Police programs under impact have two major goals: to improve the effectiveness of patrol activities and to encourage cooperation between police and citizens through effective community relations.

A total of 41 foot patrolmen are currently assigned to posts in high crime sectors of six districts as part of Impact's Intensive Community Patrol project. The patrolmen operate in addition to regularly-assigned motorized patrols in the areas. The project's objective is to reduce Impact crime by providing this increased level of patrol services.

Helicopter patrol is another component of the intensive patrol effort under Impact Funds have enabled the purchase of two additional helicopters for the Baltimore City Police Department (bringing the total to five), as well as providing for their crews. The helicopters are used in conjunction with mobile ground units as a crime prevention tool for Impact crimes, enabling pursuit and surveillance in areas normaly inaccessible to ground vehicles. During the period between July, 1973 and June, 1974, the helicopter unit assisted in the apprehension and arrest of 440 suspects involved in 209 incidents.

Department officials indicate from arresting officers' reports that these arrests could not have been effected without the support of the helicopter.

Officials of the City Police Department point out that the helicopters can usually respond to a call for service within seconds, and because of their aerial vantage point, can locate suspects and relay information to ground units.

As for their value in preventing crime, officials note the "psychological impact the highly-visible helicopter patrol unit imparts upon the potential criminal, thus curtailing the opportunity for unlawful activity." As an example of the helicopters' usefulness in detecting crime, police statistics indicate that between July 15, 1973 and June 30, 1974, 160 criminal investigations were initiated after suspicious activity was observed by aerial patrols.

The Police Department has also hired two civilian community relations specialists under an Impact grant, who provide liaison on a City-wide basis and work in close contact with citizens in communities where Impact crime is most severe.

Attending an average of 15 community meetings each month, the specialists have had person-to-person contact with over 6,000 citizens in the last 15 months; they have served on various City-wide committees and planning groups, have participated in various seminars, and have assisted in organizing and strengthening neighborhood groups attempting to combat crime.

Two major programs have been initiated. The first is a lecture series which has introduced citizens to the proper ways to provide information to police, and to such topics as self defense for women and children and the burglary prevention program, "Operation Identification."

Secondly, a Businessmen's Crime Prevention program has been designed to reduce the amount of assaults, robberies and burglaries of business in the inner-city. Businessmen participating in the program have formed an association through which they contribute nominal dues. The dues are paid out in the form of a monetary reward for information leading to the apprehension of persons victimizing commercial establishments. The Police Department does not handle the dues money.

THE IMPACT OFFENDER AND THE COURTS

The Impact program is a system-wide effort, aimed not only at preventing the target crimes, but at improving the criminal justice system's ability to deal with offenders once arrests have been made.

An offender's initial contact with the system after arrest is usually with the courts, where, frequently, critical initial decisions are made. Efficient case processing and effective sentencing can often make the difference between an offender's rehabilitation and his return to criminal activity.

Since a high proportion of Impact offenders are under the age of 18 (53 percent in 1971), considerable emphasis has been placed on the prevention and treatment of youth crime. Here, the focus is on community-based activity, such as projects to divert juveniles away from the formal criminal justice process at an early stage or projects designed to provide residential community treatment for youths as opposed to institutional confinement.

Impact courts

It is generally agreed by criminal justice authorities that swift processing of offenders through the court system is of paramount importance in improving the system and assuring that justice is delivered both to the offender and to society. The American Bar Association notes that "a speedy trial is necessary to preserve the means of proving the charge, to maximize the deterrent effect of prosecution and conviction, and to avoid, in some cases, an extended period of pre-trial freedom of the defendant during which time he may flee, commit other crimes, or intimidate witnesses." The National Advisory Commission on Criminal Justice Standards and Goals in its report on the courts also notes that first priority in improving the system "should be given to speed and efficiency in achieving final determination of guilt or innocence of a defendant."

The courts component of the Impact program is attempting to achieve this over-all goal of speedier trials in a number of ways including the establishment of two special courts to handle Impact offenses, and the provision of clerical support, Public Defender services, and pre-sentence investigative services for the two courts.

With these and other resources, the Impact Courts have the capability to hear an increased volume of cases. For a two-month period in 1973 (prior to the implementation of the Courts), there were 341 total trials heard in the various parts of the Supreme Bench's Criminal Court compared to 412 for the same two month period in 1974, a 20 percent increase.

Clerical support

Clerical support for the Impact Courts is provided by two courtroom clerks and deputy clerks who work exclusively in the Impact Courts. These clerks provide such court supportive services as city jail liaison, docket review and preparation of materials necessary for bail hearings, trials, and data processing purposes. In general, these clerical personnel provide the necessary administrative support that is necessary for the efficient operation of the Impact Courts.

A Public Defender's project is meeting the goal of providing defense counsel for every indigent Impact offender coming before the Impact courts.

Pre-sentence reports

Under a grant to the State Department of Parole and Probation, a team of probation agents develops pre-sentence reports on offenders coming before the Impact Courts. These reports, which provide information relating to an offender's personal, educational and employment background as well as criminal history, are useful to the judge for sentencing purposes. A major goal is the completion of pre-sentence reports within 14 days after the request is received from the Courts. Statistics from the first year of the project have shown that the average time interval between the time the request was received by the Division and the time that the report was transmitted to the trial judge was approximately 12.0 days. A secondary responsibility of the probation team is to provide intensive supervision for those Impact offenders placed on probation.

Pre-sentence reports now are requested by the judges of the Impact Courts in virtually all cases. Demonstrating the increase over normal court practice, in a four-month period prior to program implementation (July 1, 1973-November 1, 1973), the Courts asked for pre-sentence investigations approximately 42 percent of the time. For a period of eight months after the program started, this rate climbed to approximately 93 percent. Also, in approximately 87 percent of the cases in which pre-sentence reports were ordered, the recommendations of project staff were followed (140 out of 160 total recommendations). In addition, there has been some indication that the number of incarcerations resulting from conviction has declined as a result of the increase in pre-sentence report services.

Chief Judge Dulany Foster, of the Baltimore City Supreme Bench, notes that although the Impact Courts have not as yet been entirely successful in achieving many of the goals related to time intervals between arrest and disposition, he feels much progress has been made. He is especially encouraged, he says, by data which show that the average number of days from arrest to disposition has been reduced substantially. A survey of impact offenders prior to program implementation in 1972 showed an average arrest through disposition time of 271.3 days. This time has now been reduced to 172 days. "This is a very significant reduction," says Judge Foster.

"The High Impact Courts project is an important management tool," he notes, "which has forced us into a position where we must look at our judicial process objectively, constantly review and evaluate the various steps in this process to determine where any weaknesses may exist, and concentrate on remedying these weaknesses."

TREATING THE IMPACT OFFENDER

Of the 5,728 cases involving impact offenses handled by the Baltimore City Juvenile Court in FY 1972, 2,353 or 41 percent of these involved youthful offenders under the age of 14. Nearly 70 percent of these were sent through the court process and handled formally.

JUVENILE DIVERSION ACTIVITY

Recent evidence has shown, however, that experiencing the formal court process can often have very detrimental effects on many young offenders and often increases their chances of recidivating. As one alternative, juvenile authorities have suggested that these offenders be treated in pre-trial diversion programs where their problems can be more effectively diagnosed and they can receive the counseling or treatment they need.

The Diversion of Impact Offenders project, funded under Commission grants of over $900,000, is a Department of Juvenile Services (DJS) project which attempts to divert 10- to 14-year-old impact offenders from the juvenile justice system into various community social services programs. The agencies implementing the program are the Southeast Community Organization, the East Baltimore Community Corporation, and the Baltimore Urban League.

Referrals to the project come from DJS intake. All possible candidates for the program are screened carefully before they are accepted. The coordinator of the project, working with DJS intake staff, makes the initial determination regarding acceptance into the program based on a number of criteria. Youths must be first-time offenders between the ages of 10 to 14 and live within the boundaries services by one of the three implementing groups. When this initial screening is completed, clients are referred to the servicing group in their community. A second screening process is then undertaken to determine the willingness of the candidate and his parents to participate in the project. If all are willing, the youth enters the program.

The youth, his parents, and the counselor then agree on a treatment program for the youth based on his needs. The youth remains in his home for the duration of the program, maintaining constant communication with his counselor at the community agency, and intensively supervised by the counselor. After 45 days, a progress report is written outlining the steps taken toward achieving the goals of the treatment plan and describing future plans. At the end of 90 days, the youth's progress is evaluated and a recommendation is made to the Court to drop or not drop charges. If it is recommended that charges should not be dropped, the youth may voluntarily stay in the program for up to a year; if he does not wish to continue, the Court determines the youth's disposition.

Counseling activities

Guiding the youth through each step of his treatment is a counselor who works closely with the youth and develops a plan of action for him depending on his individual needs. There are four counselors at the East Baltimore Community Corporation and the Baltimore Urban League. The Southeast Community Corporation employs three counselors. Most of these individuals have had previous experience in counseling and community service. Many of them live in the community where they work; are familiar with its customs and life styles, and are known and respected in their neighborhoods. Project coordinator Paula McLellan notes that a number of the counselors are also parents and can understand the difficulties that sometimes arise in family life. This tends to improve counselors' rapport both with the youths and their parents, she says.

Since major emphasis in the project is placed on its accessibility to the youths it serves, counselors keep their schedules flexible so they can meet with and counsel the youths on an informal basis in their neighborhoods.

Individual, peer group, and family counseling sessions are held at regular intervals. Ms. McLellan emphasizes the special importance of peer group counseling. She notes that especially in this age group when a youth's peers are so important to him, it is imperative that, following his offense, he is accepted again by his friends. "Including his friends in on the counseling sessions," she notes, "helps reduce any stigma that he may feel is attached to him because of his offense and promotes his re-acceptance into the peer group."

Client capacity at the community agencies ranges from 45 to 60, providing a low counselor/client ratio for the three or four counselors at each participating agency. This lends itself to the intensive supervision these youths need to help them overcome their problems.

Counselors also plan for and participate in both formal and informal activities for the youths. Again, the participation of peers is welcomed. Activities have included field and camping trips, drug education and employment counseling, tutorial programs and athletic instruction.

Community resources

In attempting to successfully reintegrate the youth into his community, project staff have attempted to utilize community resources in a variety of ways. All maintain contact with the school system in order to insure the attendance of the youths in the program and to provide counseling and tutoring as appropriate. Youths and their families are referred to various social service agencies for medical, financial, or other special needs, and counselors closely follow up on these referrals.

Of the 164 impact youths serviced as of this date, 117 have successfully participated (completed 90-day participation and were recommended for dismissal of charges) and only eleven have participated unsuccessfully (clients not recommended for dismissal of charges). Thirty-six youths have not completed the 90-day mandatory participation to date.

A major goal of the project is to prevent the repetition of impact offenses by youthful offenders. So far, 12 rearrests have occurred during youths' participation and four after completion of the 90-day period.

Other projects

Additional project activity has provided for intensive probation services for juvenile offenders, residential facilities used as alternatives to institutionalization and career development training made available through the Port of Baltimore Sea School.

Community Treatment for Adults

Another impact project addresses the problem of young offenders (between 18 and 26), and their efforts to reintegrate into the community after a period of confinement. The O'Brien House, located adjacent to the Maryland Penitentiary and operated by the Maryland Department of Public Safety and Correctional Services, houses young men who are within six to ten months of parole, mandatory release or expiration of sentence. Individualized treatment programs oriented toward community re-entry are developed for each house resident.

Intensive supervision

Another treatment approach for the young offender is that of intensive supervision.

For a Parole and Probation agent with an average normal caseload of approximately 150 clients, the time constraints that are necessarily a part of such a large caseload can often make it difficult for agents to give clients the individualized, concentrated attention they need to address their specific problems.

In recognizing this situation and as one attempt to reduce recidivism rates among young adult impact offenders, the Division of Parole and Probation has initiated a program of intensive, personalized counseling and supervision for these offenders. Termed the Intensive Differential Supervision of Impact Parolees and Probationers, the program is aimed at 18 to 26 year-old impact offenders.

Under the program, Parole and Probation agents work with offenders who have been placed on parole or probation to address their specific problems and to utilize available community resources to help reintegrate the offender into the community. Project director Basil Day notes that the project is termed "intensive" because each agent has an active caseload of only 20; the treatment is "differential" because treatment methods and approaches differ from client to client.

There are 20 Parole and Probation agents working in the program. They operate in pairs in a sort of "buddy" system. Under this system, two agents work closely together and become familiar with each other's caseloads. They complete at least some portion of their field work together, consult with each other in developing treatment plans and handle one another's clients in each other's absence.

Team approach

Each pair of agents belongs to a team of five agents. With each team, various agents have developed special fields of interest such as alcoholism, drug abuse, or employment and act as specialists in these fields, with clients assigned to them according to their respective needs in these areas. Team members meet weekly to discuss individual cases and to offer suggestions in development of treatment plans for clients.

One group of agents uses a "collective team" approach in which cases are not assigned to a single agent, but rather to a team consisting of four agents. Initial contacts at the institution, office sessions and field supervision are completed by any or all members of the team, depending upon the situation. Routine visits are usually accomplished by individual agents; in more intense counseling sessions, all of the agents may become involved as they attempt to pinpoint a client's difficulties and develop a treatment plan for him. All team members share responsibility for the client and supervise and guide him as he progresses through the program.

Project director Day notes that in the team approach, constant communication and cooperation is required of the agents. As they learn to utilize the resources of other team members and of community agencies, Day says, they become more capable of recognizing an individual client's problems and more efficiently adapt a treatment program to fit his needs.

Project objective

A major objective of the project has been to maintain 80 percent employment or job training for project participants. In striving to achieve this goal, agents individually counsel and assist their clients in their efforts to obtain employment. They brief them on what employers expect, assist them in completing applications, and often accompany them on the initial interviews with employers. If an individual is hired, the agent maintains contact with the employer and is available for consultation with the client or employer should problems arise on the job. Some agents who have become employment specialists search the newspaper want ads for job possibilities for clients, and one has been assigned a desk at the Employment Security Job Bank and has all its resources available to him.

Day points out that this intensity of efforts in the area of employment has resulted in a 76.1% employment rate for clients during the first grant year.

Project agents counsel clients with drug or alcohol abuse problems or refer them to appropriate treatment programs if necessary. They maintain close contact with representatives of these agencies to determine the progress being made by their clients.

The Intensive Supervision program gives impact parolees and probationers the concentrated guidance and counseling they need to tackle their specific problems. Project staff feel that such personalized, intensive treatment, utilizing community resources wherever possible, can be one means of accelerating an offender's rehabilitation, and ultimately, his successful reintegration into the community.

CITY JAIL

At the City Jail, three projects have been developed. The first two are designed to provide for diagnostic and classification services for inmates, and for background reviews to determine eligibility for release on recognizance.

A third project, now in its initial phases, will ultimately provide a computerized record-keeping system which will deliver data on inmates relating to such things as court appearances, discharge and transfer.

DRUG PROGRAMS

Drug abuse represents a special problem in that a significant number of impact offenders have drug problems, and because specialized treatment is necessary in handling them. For example, the Division of Correction indicates that on an average daily basis, between 650 and 700 offenders under its custody who are Baltimore residents are under incarceration for robbery, armed robbery and burglary. Approximately 77 per cent of these inmates are identified as drug abusers.

Part of the drug treatment activity under impact is coordinated through the Court Referred Addict Treatment Unit (CRAT).

Under a pre-trial release component. Impact offenders are screened after arrest. Those with drug problems who are eligible for pretrial release are referred to the CRAT Unit for treatment referral pending trial.

Another intensive probation supervision project is also available for impact offenders with drug problems.

In addition, a project entitled Confined Addicts Seeking Help (CASH) operates at the City Jail. CASH is a therapeutic inmate community which utilizes group discussion and peer pressure in dealing with drug problems.

A final drug abuse project, now in its planning stages, will provide programming for impact parolees and releasees. Its goal is to assist impact offenders who are institutionalized in overcoming drug problems. Its method is to begin working with offenders while they are under incarceration and continue treatment through pre-release and release status.

OTHER ACTIVITY

A final area of program activity centers on the provision of street lighting and residential security measures designed to make areas more difficult targets for criminal activity.

Under this program area, high intensity street lights have been funded and are opearting in areas with severe impact crime problems. In addition, a residential security program was implemented in four of the City Housing Authority High Rise projects in Baltimore. Included in the security package were security guards and various communications alterations aimed at providing improved contact between residents and security guards.

EVALUATING IMPACT

Plans are now underway for a broad-based evaluation of the Impact Program, an evaluation designed to measure the program's success in reducing impact crime and in lowering recidivism rates.

In addition to the evaluations which are being performed on all individual Impact projects to measure their effectiveness in meeting various program goals, close analysis of crime rates is also taking place.

One effort in measuring crime impact has been the implementation of victimization surveys which utilize in-home personal interviews to determine crime victimization. This technique has been found useful in determining the amount of crime which occurs and is not reported to the police (as opposed to the more traditional crime measurements based on reported incidents).

An initial victimization survey was conducted by LEAA in Baltimore prior to the implementation of Impact projects. (See Governor's Commission Newsletter, Volume 4, Number 3, April-May, 1974.) A follow-up study is planned in order to determine the possible effect of the Impact Program on crime.

The Uniform Crime Reports (UCR) data, which measures reported incidents, is also being monitored. Analysis to date shows that the rates dropped by six percent in 1973 from 1972 levels. Although the overall crime rates for 1974 appear to be fluctuating upward, preliminary statistics indicate that on an overall basis, Impact crimes are not rising at as rapid a pace as non-Impact crimes.

For the first six months of 1974, as compared with the first six months of 1973, the volume of non-Impact crimes rose an average of 16 percent, while the average volume for Impact crime rose only 4 percent.

Specifically, the non-Impact crimes of larceny and auto theft were up 19 percent and 14 percent, respectively. In the Impact categories, murder and non-negligent manslaughter were up 7 percent, rape was down 8 percent, robbery was up 18 percent, aggravated assault was down 10 percent, and burglary/breaking and entering was up 17 percent.

It should be noted that the volume of crime in all Impact categories, with the exception of aggravated assault, was down in the first six months of 1974 from 1972 levels. Aggravated assault increased only slightly.

BALTIMORE CITY IMPACT GRANTS

Project, grantee, and current year award

Community Treatment Project; Dept. of Juvenile Services; $513,501.

Residential Facilities Project; Dept. of Juvenile Services; $44,400.

Diversion of Youthful Impact Offenders; Dept. of Juvenile Services; $362,160.

Intensive Differentiated Supervision of Impact Parolees and Probationers; Dept. of Public Safety and Correctional Services; $497,363.

Community Residential Facility for Youth; Dept. of Public Safety and Correctional Services; $199,170.

Port of Baltimore Sea School; Baltimore City; $165,546.

Drug Rehabilitation Project for Impact Parolees and Releasees; Dept. of Public Safety and Correctional Services; $388,572.

Intensive Supervision of Narcotic Offenders; Dept. of Public Safety and Correctional Services; $136,254.

Pre-Trial Release—High Impact Narcotic Offenders; Baltimore City; $226,768.

Court Referred Addict Treatment Unit (CRAT); Baltimore City; $281,401.

Confined Addicts Seeking Help (CASH); Baltimore City; $27,389.

Expansion and Optimization of Helicopter Patrol Coverage; Baltimore City; $99,600.

Intensive Community Patrol by Police; Baltimore City; $279,007.

Police Civilians; Baltimore City; $500,000.

Civilian Community Relations Specialist; Baltmore City; $27,389.

High Impact Courts; Baltimore City; $562,874.

High Impact Courts—Clerk of Criminal Court; Baltimore City; $75,225.

High Impact Courts—Public Defender Project; Office of the Public Defender, $147,599.

High Impact Courts—Probation Department Project; Dept. of Public Safety and Correctional Services; $108,301.

Reception, Classification, Diagnosis and Treatment; Baltimore City; $109,802.

Jail Bail Review; Baltimore City; $62,415.

On-Line Jail System; Baltimore City; $191,036.

Pre-Trial Intervention; Baltimore City; $314,969.

Funded One Time Only

Target Hardening—High Rise Security; Baltimore City; $204,000.

Target Hardening—Street Lighting; Baltimore City; $500,000.

Loch Raven Radio Watch; Baltimore City; $2,872.

THE ADMINISTRATION'S ENERGY PROPOSAL

Mr. ABOUREZK. Mr. President, earlier this week when Federal Energy Administrator Frank Zarb testified before the Interior Committee concerning the President's energy proposal, I had the privilege of questioning him on inconsistencies in the administration's position. Mr. Zarb was unable to answer why administration spokesmen, including the President, spend roughly half their time denouncing high prices for imported oil, and the other half denouncing low prices for domestic oil. While everyone from President Ford on down to the White House maintenance staff has threatened war over oil, the obvious undenied objective of the administration policy is to allow domestic oil prices to increase to an unnaturally high level, through taxes and decontrol, and then to remain there.

Which brings me to a second major inconsistency. Mr. Zarb candidly admitted during his testimony that the world is full of oil, in fact, he agreed that we are floating on oil. I have always believed this to be true, and I considered talk of energy shortages and crises to be clever propaganda efforts creating a basis for oil price increases. Given the surplus of oil, it is dangerously inconsistent then for the President to offer the Nation only the choices of either long gas lines, coupon rationing, or rationing through higher prices and taxes. We do need to conserve fuel for fertilizer manufacture and for other feedstocks, but should it not be done in a more orderly manner?

Do we need administration predictions of doomsday if we do not conserve now? Rather than the options offered by the President, which admittedly will conserve very little oil, it would seem more sensible to require that all cars manufactured and sold in this country deliver efficient gas mileage, that fuel-efficient urban mass transit and cross-country rail systems be developed, and that the Federal Government seriously consider solar power for both heating and cooling and for the production of electrical power.

And, as I. F. Stone would say, one of the biggest whopperoos of them all was the flat statement by Mr. Zarb that there will be a free market with respect to oil by 1985. And this free market, he said, will then force oil prices downward.

Into that breach rode Secretary Henry Kissinger, virtually at the same time, but in a separate appearance at the National Press Club, to say that what is needed is a common floor price for imported oil so that oil prices cannot go too low so as to discourage investment in energy sources. While these men have greater experience in explaining secret bombing missions, Government destabilization programs, the free distribution of weapons to both sides in a conflict, I know that a proper rationale will be forthcoming from a neutral member of the administration.

NATURE CURRICULUMS IN THE PUBLIC SCHOOLS

Mr. YOUNG. Mr. President, a prominent North Dakota businessman and a very good friend of mine, Mr. Harold Shafer of Bismarck, called my attention to an excellent column appearing in the Bismarck Tribune of January 17, written by Bill Mitzel, the Tribune's outdoor editor.

This column is one of the best I have ever read dealing with wildlife and hunting. Too often people who have been exposed to wildlife in any manner are misled and misguided by mass media presentations which simply are not realistic.

Hunting is an extremely popular activity in my State of North Dakota, as it is in many other States. We are fortunate in our part of the country that it is still possible for everyone, regardless of their financial status, to hunt and fish. We have a great variety and abundance of fish and game species in North Dakota.

This column advocates that school children should be informed about the very important role played by wildlife in our environment. I think this is an excellent approach and I commend the steps already taken by some school systems to include courses of this nature in their curriculums.

Mr. President, I request unanimous consent that Mr. Mitzel's column be printed in the RECORD as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUTDOORS WITH BILL MITZEL

The education of our young people receives foremost attention in this country but a facet of it which desperately needs attention concerns man and his relationship to wildlife.

It's discouraging that so many children grow up knowing so little about wildlife and how they are affected by it—regardless whether they hunt and fish or not.

A child having parents who are outdoor enthusiasts is well and good but it's not enough. And perhaps the primary responsibility rests on the parents' shoulders for the necessary education. Too many parents regard it as a minor issue.

WILDLIFE EDUCATION LAX

Educators, too, have been grossly lax in not realizing the importance of this aspect of life. Until the last few years, there has been nothing available to youngsters in school systems about wildlife except what they might find at the library.

As a result, children get their education from the so-called "nature" films which depict nature as being something superficial. Many children grow up thinking that animals are human and in later years fall into the path of the anti-hunting proponents, which is one of the most misinformed groups in the world today.

They grow up thinking that hunting is murder and to kill an animal is just the wrong thing to do. And they are also heavily influenced into thinking that nature and wildlife consists of a utopia where everything is beautiful and man is just a sore thumb in the spectrum.

Ronald Stastney, State Director of elementary education, feels that the system is changing. "We're seeing more of it (environmental education) every year with increasing interest," he said, adding, "Federal grants are in the proposal stages and in coming years it will become more prominent in the school."

Stastney also indicated that while the interest is intensifying, the present aspects deal primarily with the ecological problems. While this is excellent, we also need to educate the youngsters in another area—wildlife existence.

IMPRESSED WITH FILM

While I was standing in line to see the latest nature film now making the rounds, I cautiously expected to see the old Disney routine again where Snow White was making grizzly bears purr like kittens.

But I was impressed with the fact that this film included some of the more brutal acts of nature which consisted of a golden eagle routinely attacking a rabbit for a meal. One could hear barely audible tones of sympathy for the rabbit and there was an atmosphere of "that mean old eagle" that you could almost touch.

I wondered how many people—especially children—really saw the magnificence of that scene. I wondered how many realized that that is the way it is supposed to be and as a result such an act was truly beautiful.

What we really need, starting from the first grade, is education concerning WHY an eagle kills rabbit and why some animals are predators and why some are not.

CAUGHT IN 'BAMBI' TRAP

Stastney predicts that in the very near future education will include all these aspects. But until that time comes we're caught in a "Bambi" trap which builds respect for the animal kingdom but doesn't bother exposing WHY we should possess that respect. A child's curiosity about nature is instinctive. But it needs to be nourished correctly.

The opponents of the proposed mourning dove bill reason that we shouldn't add it to the game bird list because it's a "pretty bird" and it doesn't harm anyone. Had these people been educated at the right time they would realize that such reasons are totally irrelevant. A cock pheasant is one of the most beautiful birds in the world but that is not a reason for not hunting them.

If you, as a sportsman, will take the time to look at the real bounty of a rainbow trout, a fox, or a cock pheasant before you dispose of it, and teach your children tc do the same, we'll have them all around for a long time.

THE AIR FORCE F-15

Mr. THURMOND. Mr. President, today we have some good news. The Air Force announced yesterday that its new air superiority fighter, the F-15, has broken all existing world time-to-climb records during recent tests in North Dakota.

This represents a great achievement for the Air Force and for the builder of the F-15, the McDonnell Douglas Co. in St. Louis, Mo.

As this aircraft continues to prove its worth I hope the Air Force will consider stepping up the monthly production in the out years as our forces acquire the F-15. In times of unemployment and lesser resources we must remember that the price of any product comes down when the production rate is increased. This approach, while costly during a given period, puts the system into use quicker and at a lower cost.

Mr. President, I ask unanimous consent that the announcement released by the Air Force yesterday be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

ANNOUNCEMENT, FEBRUARY 4, 1975

WASHINGTON, D.C.—An Air Force F-15 "Eagle" advanced tactical fighter unofficially broke all existing world time-to-climb records during test operations conducted at Grand Forks AFB, ND, the Air Force announced today. The eight records were previously held by the Soviet Union and U.S. Navy.

While breaking the time-to-climb records, the flights provided the Air Force with valuable information on the performance of the F-15 at extremely high altitudes and the operation of the various aircraft systems under these conditions.

Records broken include the 20,000 meter (65,617 ft), 25,000 meter (82,021 ft) and 30,000 meter (98,425 ft) time-to-climb records set by a Russian MIG-25/E-2-66/"Foxbat" fighter in 1973, one by better than 25 percent. For example, time to 20,000 meters (65,617 ft) was reduced from approximately 2 minutes 45 seconds down to 2 minutes 3 seconds.

The five low altitude records previously held by a U.S. Navy F-4 "Phantom" were—3,000 meter (9,843 ft), 6,000 meter (19,685 ft), 9,000 meter (29,529 ft), 12,000 meter (39,370 ft) and 15,000 meter (49,213 ft). These records were broken by from 14 percent to more than 30 percent.

Air Force claims for the new records must be verified by the Federal Aeronautique International (FAI) in Paris, France, before they become official. The National Aeronautics Association (NAA), the U.S. arm of the FAI, officiated during all test flights and will submit record data to FAI on behalf of the Air Force.

McDonnell Douglas Company, St. Louis, Missouri, is the F-15 airframe manufacturer and Pratt and Whitney Company, East Hartford, Connecticut, makes the F-100 25,000 lb thrust turbofan engine.

The F-15 is the first Air Force operational fighter aircraft with a thrust to weight ratio greater than one, enabling it to accelerate even while in a vertical climb.

Records	Held by	When	Old record (seconds)	New record (seconds)	Pilot
3000 m (9,843 ft)	Phantom (U.S.) F-4H.	Feb. 21, 1962	34.5	27.60	Smith.
6000 m (19,685 ft)	Phantom (U.S.) F-4H.	Feb. 21, 1962	48.8	39.35	Macfarlane.
9000 m (29,529 ft)	Phantom (U.S.) F-4H.	Mar. 3, 1962	61.7	48.90	Do.
12,000 m (39,370 ft)	Phantom (U.S.) F-4H.	Mar. 1, 1962	77.1	59.40	Do.
15,000 m (49,213 ft)	Phantom (U.S.) F-4H.	Mar. 3, 1962	114.5	77.05	Peterson.
20,000 m (65,617 ft)	Foxbat (U.S.S.R.) E-266 MIG-25.	June 4, 1973	169.8	122.95	Do.
25,000 m (82,021 ft)	Foxbat (U.S.S.R.) E-266 MIG-25.	do	192.4	160.95	Do.
30,000 m (98,425 ft)	Foxbat (U.S.S.R.) E-266 MIG-25.	do	243.4	207.60	Smith.

NEW JERSEY JOBLESSNESS SEVERE

Mr. WILLIAMS. Mr. President, the unemployment figures for January are disheartening but not surprising. We have known for several weeks that hundreds of thousands of people were being laid off during last month.

But the shock is great, nevertheless, to be told today that nearly a million more breadwinners were put out of work in January—930,000 to be exact.

And these cold statistics are no real measure of the human misery of the unemployed today.

The 8.2 percent unemployment rate is seasonally adjusted. It fails to take into account nearly 1 million persons who have lost hope completely and stopped looking for work altogether. It does not tell the story of nearly 4 million persons whose work day has been cut back for economic reasons.

In my home State of New Jersey, joblessness is worse than in nearly any other State. The December rate was 10.3 percent according to State employment figures.

The full 1 percent increase nationally means that New Jersey's unemployment rate probably exceeds a devastating 11 percent today.

That is alarmingly close to the 12.4 percent average unemployment over the first 7 years of the New Deal in the 1930's.

Everywhere in Washington, over the last few weeks, the disaster that was confirmed today has been anticipated—everywhere, that is, except in the White House.

The President has been saying for 3 weeks that he was declaring war on recession, but his program does not reflect a commitment to close the gaping wound of joblessness.

His chief economic adviser said yesterday that nothing can be done about 8-percent unemployment without driving the Federal budget deeper into the red.

What he meant was that nothing can be done if we follow President Ford's misguided economic policy, which contains no significant recommendations to close glaring tax loopholes that cost the Federal Treasury billions of dollars per year.

Something can be done, and I am convinced that the Congress is prepared to do it:

Directly create 1 million public service jobs for those who can find no other productive work:

Get the funds to pay for it by closing the tax loopholes; and

Change the President's priorities to channel more Federal resources into helping the poor and unemployed.

DONALD BLESSING RICE, JR., SELECTED AS OUTSTANDING MAN

Mr. MATHIAS. Mr. President, the city of Frederick, Md., was honored by the recent selection of one of its native sons, Donald Blessing Rice, Jr., as one of America's 10 outstanding young men for 1975 by the U.S. Jaycees. Mr. Rice's parents, former Mayor and Mrs. Donald B. Rice, still reside in Frederick. Donald Rice currently lives in Santa Monica, Calif., where he is president of the Rand Corp.

Mr. President, the Frederick News published an article reporting Mr. Rice's selection by the Jaycees, and listing his many outstanding accomplishments. I ask unanimous consent that the article may be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

JAYCEES SELECT RICE AS OUTSTANDING MAN

Donald Blessing Rice, Jr., formerly of Frederick, and now residing in Santa Monica, Calif., was one of three attorneys, two physicians, a university president and four others noted for selfless devotion to the betterment of mankind, who have been named as America's Ten Outstanding Young Men for 1975 by the United States Jaycees.

Rice is the son of Mr. and Mrs. Donald B. Rice of Kline Blvd. He resides with his wife Susan, and three sons in Santa Monica, Calif., where he is president of the Rand Corp.

Rice, 35, during his professional career has worked toward solutions of specific problems of our society and, at the same time, made improvements in the processes by which these problems have been attacked. In short—trying to help the government serve the people.

Rice received his Ph.D. in economics from Purdue in 1965, and served as a faculty member at the Naval Postgraduate School until 1967. As a faculty member he developed a course to teach Department of Defense managers, (civilian and military) new planning, programming, and budgeting system designed to lead to more rational decision-making and to better choices in resource management.

Between 1967 and 1970, as Director of Cost Analysis, Office of the Sec'y of Defense; Rice's concern was with improving the nation's security in the broad sense, including, for example the economic aspects of defense spending, and coordination with the President's National Security Council on defense program and budget planning.

As Assistant Director of the Office of Management and Budget during 1970–72, he supervised the budget and management activities for one-third of the federal agencies. Rice saw his job as that of improving the way the government carries out its responsibilities to the taxpayer.

During the past two years as President of The Rand Corporation, Rice has enhanced the organization's twenty-five year reputation as a national resource which effectively applies intellect to the complexities of national defense and domestic problems. Under his leadership, Rand is a meeting ground where problems and resources come together to serve the government in the broadest sense and at the highest policymaking levels.

After leaving the government, Rice's expertise and counsel is still sought by federal executives. He has acted as a public servant both in the government and outside of it. His success had laid a foundation for even more impressive future achievement in the public interest.

His academic interest continues . . . he has been instrumental in the development of the Rand Graduate Institute; a new, innovative graduate program leading to a doctoral degree in policy studies, coupling formal academic training with on the job training in applied policy analysis through work on the Rand research projects.

Twelve specific criteria are used as the basis for selecting the most qualified recipients of the award: personal improvement; financial success and economic innovation; social improvement to major contemporary problems; philanthropic contribution or voluntary service; politics or government service; scientific or technological contributions; legal reform; cultural achievement; academic leadership; athletic accomplishment and example; moral and religious leadership; and success in the influence of public opinion.

Screening judges for the 1975 awards were Congressman James R. Jones; John Johnson, President, Johnson Publishing Company; and Sheffield Nelson, President, Arkansas Louisiana Gas Company. Finalist judges included William J. Clark, President, Massachusetts Mutual Life Insurance Company; John Mack Carter, President and Editor In Chief, American Home Publishing Company; Senator Charles H. Percy; House Minority Leader John J. Rhodes; and James A. Skidmore, Jr., President, Science Management Corporation.

A VIEWPOINT ON EDUCATIONAL FUNDING POLICIES

Mr. YOUNG. Mr. President, one of the difficult problems I have to deal with—and I believe this is true with most Members of Congress—is the conflicting viewpoints of many of our best educators on their appraisals of new educational techniques and policies.

Recently I received a letter from Mr. Harold Wakefield who has spent his lifetime in education and who was the superintendent of my home school district for a quarter of a century. I do not know of a school superintendent who has more right to be proud of the achievements of his students than him.

Mr. President, I ask unanimous consent to have Mr. Wakefield's recent letter to me printed in the Record as a part of my remarks. I think the thoughts he expressed will be of real interest to Members of the Congress and readers of the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

LA MOURE, N. DAK.,
January 18, 1975.

Hon. MILTON R. YOUNG,
Dirksen Office Building,
Washington, D.C.

DEAR MILT: I am one who believes that the United States is the best country in the world and North Dakota is a state in which we can be proud to live. I have lived long enough to go through two world wars, two depressions and years of healthy growth and expansion. Today we are hearing about depression, inflation, energy crisis and a breakdown of foreign relations. The people in the past have faced up to adversity and will do so today if they are given facts truthfully. However I am finding it hard to get unbiased reports on conditions and facts in the United States.

Congress cannot solve these problems through "miracle" legislation. Pumping money into the economy by increasing the deficit in the federal budget will not solve the problems. They can suggest remedies, give leadership and set an example of being willing to make personal sacrifices in order to bring about a solution. The solution will only come when all of the people are willing to make sacrifices in order to solve these problems. Sometime ago a philosophy was developed which proposed that whenever a segment of society was in trouble, the federal government, using money from our pockets, would provide aid. This has destroyed the attitude of people to make provisions for periods of difficulty. Revenue sharing has not been used to reduce the cost of local government but rather has lead to a search for new projects. For example one city is using part of its revenue sharing money to put a carpet on a football field. The federal government, the state government, and the local government can help solve inflation by reducing their budgets.

The energy crisis is going to be solved when the people are willing to cooperate by reducing their demands for energy. A tax on fuel or on gasoline is not the solution. The only people who will have to reduce their use of energy will be the lower and middle income group. Those with substantial income will not reduce their use of energy because of a special tax.

Our problems are going to be solved when everyone from the president down is willing to do his share in solving these problems through personal sacrifices. Now is the time for all of us to be American Citizens first and not just Democrats, Republicans or Mugwumps. The welfare of the United States should come first and our personal desire second. I hope that I can contribute my share in solving these problems.

Sincerely yours,

HAROLD WAKEFIELD.

JOBS IMPACT OF THE FEDERAL BUDGET: A PRIORITY FOR THE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. WILLIAMS. Mr. President, the Senate Committee on Labor and Public Welfare, which I have the privilege to chair, has derived a large and grave responsibility in these times of economic trouble. It is the responsibility to probe intensively for remedies to the national unemployment tragedy.

We now have the President's program. His energy plan, his budget for fiscal 1976, and his annual economic report have been presented to the Congress and the people.

Together, they comprise an exhaustive statement of the priorities and programs to which the President has committed himself for the year. But even in combination, the Presidential statements do not add up to a sufficient commitment to deal with the effects of recession.

There is no clear indication that the administration comprehends the human misery that unemployment has produced; on the contrary, proposed budget reductions for human needs would aggravate an already painful situation. No more than casual consideration was given to the jobs impact of a vast range of Federal budget decision. There is no intensive administration effort to determine what mix of Federal programs would most effectively provide additional jobs in the most direct manner.

In short, I have concluded that the President's program fails to offer an urgent commitment to take immediate and direct steps to cope with joblessness and the hopelessness it fosters.

I did not come to this conclusion easily. I have been willing to allow President Ford ample time and opportunity to assume command of the leadership burden he accepted under some very unusual and trying circumstances.

I had hoped that, after taking office last August, Mr. Ford would move as quickly as possible to confront the specter of growing recession. Instead, with his economic policy statement of last October, he sent the Federal Government in pursuit of inflation, to the virtual exclusion of the signs of recession.

Immediately after the election, the President modified his course somewhat and cooperated with the Congress in enacting vital improvements in the unemployment insurance program and expansion of emergency employment programs. Moreover, his new budget reflects a supplemental request for an additional $125 million—to enhance the $875 million already appropriated—for creation of public service jobs. In addition, he has budgeted significantly larger amounts of Federal funds for unemployment benefits.

But he has made no recommendations to raise the minimum level of unemployment payments nor to extend the benefits over a longer period of time. It is my hope that he is prepared to make such recommendations in a supplemental request later this year. With unemployment projected to deepen even more and sustain a disastrously high level for many months, I believe it will be imperative to take these steps.

Neither has the President devised a program to provide health care services for unemployed persons who are not receiving public assistance payments. A spokesman for HEW acknowledged, in a briefing prior to release of the 1976 budget, that no such program has been formulated; it is only under study.

At a time when a national health care system is a crying need, the President has not provided for even the minimum needs of those who are the most obvious victims of the current recession.

With those prefatory comments, Mr. President, I will turn now to what I regard as two major and pervasive deficiencies of the President's program as defined by his budget.

First, the budget fails to cope with unemployment in a direct, effective manner. It proposes to stimulate the economy with tax rebates, tax credits, tax subsidies, grant subsidies, increased military spending, and the huge Federal deficit that will result. But these are economic devices that will take a long time to trickle down and be translated into jobs. As I have already noted, the budget contemplates no expansion of—and in some cases, no further appropriations requests for—programs for directly creating federally financed work opportunities that provide useful and productive work. This need must be addressed by the Congress, and I am hopeful that the President will cooperate in this effort.

Second, it seems apparent that the first Ford budget was compiled without considering, except very casually, the impact on the grim jobs picture of budget cuts in other areas of Federal programs, particularly those of the Department of Health, Education, and Welfare. In the budget briefings at HEW, an official conceded that decisions were made to cut funding of health, education, handicapped, and aging programs without any serious study of the employment impact on professionals or other employees of these programs at the State and local level.

Some of the other questions that the budget people should have asked are: How many young people will be forced to drop out of college or vocational school because their Federal student assistance would be cancelled or denied? How many of them would increase the ranks of the unemployed? How many would be condemned to underemployment for their lifetimes for want of adequate training and education?

Mr. President, these and a host of other vital questions require answers if the Congress is to fully and effectively address the needs of the times and the best Federal role for meeting those needs.

The Committee on Labor and Public Welfare is prepared to do its part in developing some of the answers, and I want to advise my colleagues today that the committee is preparing for hearings in Washington and across the country on the national unemployment tragedy and the urgent, crying need to understand and remedy the human misery of millions of people without productive jobs.

Two of the many responsibilities of the committee are employment and manpower. I intend to make them our top priority as a committee in 1975 and for as long as it takes to recover from 6 years of fragmented economic policies.

Every Federal decision that translates into jobs or unemployment will be examined by the committee, including impoundment of appropriated funds, budget cuts in Federal programs, and funding levels of emergency employment programs.

Fundamental to this effort and its major goal is to identify the best mix of Federal programs for expanding job opportunities in the current crisis as well as in better times.

The product of our work, hopefully, will be of assistance to the Committee on the Budget and the Committee on Appropriations in compiling their view of national priorities.

Mr. President, the specific steps which I announce today include:

National employment hearings with leading economists, national labor leaders, representatives of industry, and administration officials appearing before the committee to discuss immediate job shortages and long-range effects of Federal budget decisions;

Intensive overview study of the jobs impact of Federal budget and policy decisions to provide the perspective that was only casually considered by the administration in formulating next year's budget; and

Field hearings in key areas around the country where unemployment has reached disastrous proportions to document the human impact of joblessness.

The national employment hearings will be scheduled to begin in late February, and the field hearings will be conducted over a 3-month period beginning on February 12, in Passaic, N.J., and continuing February 13, in Camden.

In the field hearings, we intend to collect the graphic evidence of the terrible human impact of the current situation—cold and hungry families whose breadwinners have been laid off, young people giving up on finding their first decent job or getting the education and training they need, bankruptcy, illness, hopelessness, and growing despair spawning crime that engulfs new victims.

This grim national mural must be brought into full view in Washington, where Federal policymakers focus on lifeless economic statistics and have not seen the flesh-and-blood effects of their policies.

In the longer range, Mr. President, the committee will also endeavor to construct a concise and easily understood report on priorities for the Department of Labor and the Department of Health, Education, and Welfare. This effort, I believe, is indispensable in communicating to the citizens of the Nation the real priorities of the Federal Government—those enacted by the Congress and agreed to by the President.

At present, only the executive branch is heard on national priorities. The President's annual budget virtually monopolizes public attention on priorities, and the Congress has no comparable instrument or procedure for communicating the end product of its arduous deliberations over the course the Nation will take.

That void must be filled. The real priorities as expressed in enacted laws must be brought into public view. It is not enough for Congress to share the power of governing. The people of the Nation must understand how that power is shared and to what uses it is put. Only then will public confidence in this great legislative body be enhanced and the institutions of our constitutional Government strengthened.

POSITIVE ACTION BY CONGRESS IS NEEDED TO RESOLVE THE OIL CRISIS

Mr. BUCKLEY. Mr. President, since the reality of energy policy was brought home with such force as a consequence of the Arab oil embargo following the 1973 Middle East war, the need for action by the Government has become increasingly apparent.

Indeed, the Senate has long recognized the need for action when, on May 3, 1971, it adopted Senate Resolution 45 authorizing a national fuels and energy study to help formulate policy so that appropriate remedial legislation could be provided by the Congress. After more than 3½ years of study, costing more than $1,500,000, the study group has yet to issue its report. The Congress has yet to take even the first steps toward developing a comprehensive energy policy; and in only one area, the passage of the Alaska pipeline bill, has action been taken that will have any positive effect on the supply of petroleum. Thus, the Congress effectively did nothing while the inexorable forces of declining domestic production and increasing imports from the Arab States continued to build up.

President Ford, on the other hand, has managed to offer a comprehensive energy policy for the United States. I disagree strongly with certain elements of it, although I believe the thrust is in the right direction. It does offer a coherent strategy to encourage more domestic production of petroleum and other energy sources, while limiting our degree of dependence on foreign, and particularly Middle Eastern sources of petroleum. The fact that Congress was unable to develop suitable legislation for over 3 years makes it highly unlikely that the Congress will come up with something suitable in 60 or 90 days.

Every day that we delay to implement a sound energy policy simply increases the degree to which we become dependent on oil imports from the Middle East. The possibility of another embargo is a real one; not merely because the dispute with Israel remains unresolved, but because many of the nations involved are highly unstable, and could become hostile to the United States overnight as a result of a political coup or for any one of a dozen other circumstances, and express this hostility through an embargo. During the the 1973 embargo, this Nation had to adjust, and adjust painfully to a 15-percent decrease in petroleum, rationed by the patience of the consumer at the gasoline line. If an embargo comes in the latter part of this decade, we may have to adjust to a far greater reduction in available petroleum; one that would result not merely in personal inconvenience but in serious economic disruptions and unemployment. It is far better for the economic security of this Nation that we take steps now to avert such a tragedy rather than try to risk the consequences that would accompany a severe drop in the supply of energy available to our economy.

The joint resolution that has been introduced by the Senators from Massachusetts and Washington (Messrs. KENNEDY and JACKSON) requiring a 60-day moratorium on two key aspects of the President's energy strategy—the imposition of import duties on imported crude oil and petroleum products and on the lifting of remaining price controls on domestically produced oil—reflects the bankruptcy of the Congress' own approach to the energy crisis. Moreover, it represents more than a mere 60-day postponement for "purposes of study." Moreover, as the joint resolution would require that following the 60-day period, any subsequent proposals by the President to either tax or limit imports would be subject to veto by either House of the Congress, the net effect will be to paralyze the ability of the Executive to take essential first steps toward a rational resolution of our energy problems, all in the name of sparing the American consumer the higher costs for energy that any rational solution is going to require in one form or another.

As I mentioned at the outset, there are certain aspects of the administration's proposals with which I disagree. It is to meet these specific objections that I am introducing an amendment to Senate Joint Resolution 12. It will steer a middle course between the need to reduce our dependence on imported petroleum and the need to distribute the burden of energy conservation in a manner more equitable for all sectors of the Nation. My amendment modifies the pending resolution, Senate Joint Resolution 12, to: First, exempt for 60 days product imports—over 80 percent of which are in the form of distillate and residual fuels—from the tariff proposed by the Ford administration; and second, permit the deregulation of "old oil." With regard to the exemption of product, the statistics of energy imports make it evident that this is a reasonable course for the Congress to take to equalize the burden of inevitable higher prices for energy. The United States imports 1.8 million barrels of residual oil, the major source of fuel for the generation of electricity in the East, 1.7 million barrels of which are imported to the east coast. The east coast consumption of residual oil accounts for 95 percent of all residual oil imports. Similarly, with regard to the distillate products, the east coast accounts for 88 percent distillate imported into the United States. These figures have been compiled by the Petroleum Research Foundation, and are based on recent consumption patterns. My amendment would eliminate the tariff from this portion of our energy imports which so disproportionately affects the east coast of the United States. Crude oil imports would continue to be subject to the tariff proposed by the Ford administration but the burden would be equalized since existing FEA procedures are likely to be far more successful at spreading the burden of higher crude oil price imports over the entire Nation than spreading the cost of imported petroleum products over the entire country.

The exemption of import duties on petroleum products serves an additional important function. There is a substantial body of evidence that suggests that the extraordinary rise in the cost of electricity and heating oil in the Northeast that has resulted from the region's unique dependence on high priced Arab oil has already resulted in as much conservation in the use of fuels to heat homes and generate electricity as is apt to be realized through the price mechanism. In other words, to raise the price of these commodities still further will not result in savings to justify the added cost to consumers. The 60-day period allowed by my amendment will enable the administration to present any evidence it may have to the contrary. If it should then still believe an increase in cost to be necessary in order to achieve necessary reductions in consumption, then it can notify the Congress of its intention to do so, subject to the right of veto in the Congress that must be exercised by a vote of both Houses. This will require, in other words, positive action by the Congress as a whole thus placing responsibility for the ultimate decision where it belongs.

Permitting the administration to proceed with the deregulation of old oil is likely to bring far more petroleum from domestic sources into production than many imagine. The significant difference between the regulated and nonregulated price provides no incentive for small producers to bring petroleum to the market. The release of old oil from controls putting it on the same basis with currently decontrolled "new" oil may well substantially offset the "loss" resulting from the exemption of petroleum products from the import tariff.

THE INTERNATIONAL TRADE COMMISSION

Mr. HATFIELD. Mr. President, the U.S. International Trade Commission, known until recently as the U.S. Tariff Commission, has scheduled a series of hearings around the country on the probable economic effects of tariff concessions. As we know, such hearings are required before the President can enter into trade agreements to reduce tariffs.

What impresses me, though, is the fact that these hearings will be held throughout the country. I applaud the Commission for this step. How many times have we met with our constituents on an issue of deep concern to them, and been told they could not afford to come to Washington to testify, either before Congress or a regulatory body? The International Trade Commission is taking their platform, their forum, out into the people, and I am very impressed by this step. I certainly hope that the hearings provide a broader based perspective for trade decisions than would have been possible if the hearings were held solely in Washington, or only in one or two other cities.

I am very interested in the future of international trade. My colleague from Oregon, Mr. PACKWOOD, serves on subcommittees on both the Banking and the Finance Committees that involve international trade. In addition, Congressman AL ULLMAN now serves as chairman of the Ways and Means Committee. I think I speak for all of us when I thank the Commission for scheduling hearings in Oregon, for I know we will be interested in their findings.

Mr. President, I ask unanimous consent that a press release describing the hearings and a public notice about the hearings be printed in the RECORD, along with a letter from Chairman Catherine Bedell.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Press release from the U.S. International Trade Commission]

INTERNATIONAL TRADE COMMISSION ANNOUNCES NATIONWIDE HEARINGS ON IMPACT OF FUTURE INTERNATIONAL TRADE AGREEMENTS

The U.S. International Trade Commission (formerly the U.S. Tariff Commission) today announced nationwide hearings for the purpose of seeking the views of all segments of agriculture, business, labor, consumers, and the general public concerning the economic impact of future tariff reductions which the President can make through international trade agreements under the Trade Act of 1974.

Public hearings will be held in Washington, D.C., and 13 other cities beginning on February 25 and continuing through March and April in accordance with the following schedule:

Cities and dates (1975):
Washington, D.C., February 25–27.
New Orleans, La., March 4–5.
Atlanta, Ga., March 6–7.
Phoenix, Ariz., March 11–12.
San Francisco, Calif., March 13–14.
Minneapolis, Minn., March 18–19.
Portland, Oreg., March 20–21.
New York, N.Y., April 1–2.
Boston, Mass., April 3–4.
Chicago, Ill., April 8–9.
Cleveland, Ohio, April 10–11.
Denver, Colo., April 14–15.
Omaha, Nebr. April 16–17.
Kansas City, Mo., April 18–19.
Washington, D.C., April 8–until completed.

The Trade Act of 1974 authorizes the President to enter into trade-agreement negotiations and, within limits, to change U.S. import duties to carry out concessions made in such agreements. The President may eliminate duties that are not over 5 percent ad valorem (or the equivalent) and reduce higher duties by as much as 60 percent.

The Commission seeks the views of interested parties, either in writing or at its public hearings. It is interested in developing factual information on trends in domestic production, investment, capacity, profits, and employment; the availability and costs of raw materials; trends in imports and in the price relationships between domestic and imported articles; relative technologies of domestic and foreign industries producing like or directly competitive products; the extent to which duty reductions may be reflected in market prices both of the domestic and imported products; the market outlook for both domestic and imported products as a result of duty reductions of the magnitude authorized by the act; and the effect of market changes on consumer interests.

On January 14, 1975, the President published and furnished the International Trade Commission a list of articles on which he will consider granting concessions in international trade negotiations. This list, copies of which may be obtained from the Secretary of the Commission, includes all importable articles except certain bearings, certain ceramic tableware, and certain petroleum products, which the Trade Act of 1974 excludes from consideration for trade-agreement concessions.

The Commission is to assist the President in judging the probable economic impact of the proposed duty changes on U.S. manufacturing, agriculture, mining, fishing, labor, and consumers. As part of its advice, the Commission may recommend that reductions in duties should be staged over longer periods of time than specified in the Trade Act, in order to give domestic producing interests additional time to adjust to a possible increase in imports. The International Trade Commission is required to give its views to the President on or before July 14, 1975.

As indicated above, the first public hearing will be held February 25–27, 1975, in the hearing room of the U.S. International Trade Commission, 8th and E Sts., N.W., Washington, D.C. It will resume in Washington on April 8, 1975. Hearings will be held in cities outside Washington, D.C., during March and April. The hearings in cities other than Washington, and in Washington beginning on April 8, will continue until all interested parties have been heard. Notice will be furnished as to the locations of hearing rooms in cities other than Washington.

Requests to appear at the public hearings shall be filed in writing with the Secretary of the Commission at least 2 weeks prior to the commencing date of the hearing in the city at which the appearance is to be made. Questions respecting the hearings should be directed to the Secretary. Parties wishing to testify at one of the hearings should obtain from the Commission a copy of the public notice issued January 1975.

[Public notice of investigation and hearings, released by the U.S. International Trade Commission]

PRESIDENT'S LIST OF ARTICLES WHICH MAY BE AFFECTED BY INTERNATIONAL TRADE NEGOTIATIONS

On January 14, 1975, the President, pursuant to section 131(a) of the Trade Act of 1974 (hereinafter referred to as "the Act"), furnished the United States International Trade Commission (hereinafter referred to as "the Commission") a list of articles (hereinafter referred to as the "President's list") to be considered in international trade negotiations to be conducted under authority of section 101 of the Act. The President's list is published in paragraph 11–B of his "Notice of International Trade Negotiations and of Articles which may be Affected by such Negotiations" (40 F.R. 2659).

I. Investigation instituted.—In accordance with the President's request and section 131 of the Act, the Commission has instituted an investigation for the purpose of obtaining, to the extent practicable, information of the kind described in section 131(d) of the Act for use in connection with the preparation of advice to the President required by section 131(b) of the Act. This advice will be the Commission's judgment, with respect to each article included in the President's list, as to the probable economic effect of the continuance, elimination, or reduction of United States duties, or continuance of United States duty-free or excise treatment, on industries producing like or directly competitive articles and on consumers.

II. Procedure for conduct of hearings and submission of written views:

A. Public hearings in connection with the investigation will be held in the following cities commencing at 10 a.m. on the dates indicated:

Cities and dates [1] (1975):
Washington, D.C., February 25–27.
New Orleans, La., March 4.
Atlanta, Ga., March 6.
Phoenix, Ariz., March 11.
San Francisco, Calif., March 13.
Minneapolis, Minn., March 18.
Portland, Oreg., March 20.
New York, N.Y., April 1.
Boston, Mass., April 3.
Chicago, Ill., April 8.
Washington, D.C., April 8.
Cleveland, Ohio, April 10.
Denver, Colo., April 14.
Omaha, Nebr., April 16.
Kansas City, Mo., April 18.

Further notice will be published in the Federal Register as to the names and locations of the hearing rooms in cities other than Washington. The public hearings in Washington, D.C., will be held in the hearing room of the U.S. International Trade Commission, 8th & E Streets, N.W., Washington, D.C., commencing at 10 a.m. on the dates indicated.

1. Requests to appear at the public hearings shall be filed in writing with the Secretary of the Commission at least two weeks prior to the commencing date of the hearing in the city at which the appearance is to be made. Such requests shall contain the following information:

a. A description of the article or articles on which testimony will be presented, including, if possible, the item number or numbers in the Tariff Schedules of the United States [2] covering the article or articles.

b. The name and organization of the witness or witnesses who will testify, and the name, address, telephone number, and organization of the person filing the request.

c. A statement indicating whether the testimony to be presented will be on behalf of importers, domestic producers, consumers, or other interests.

d. A careful estimate of the aggregate time desired for presentation of oral testimony by all witnesses for whose appearances the request is filed.

2. Allotment of time.—Because of the extensive scope of the President's list, limitation of time for the presentation of oral testimony is in the public interest. Accordingly, the scheduling appearances at the hearing the time to be allotted to witnesses for the presentation of oral testimony will be limited as circumstances require. Supplemental written statements will be allowed in all cases, and should be submitted at the time of presentation of oral testimony.

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[1] The hearings in Washington, D.C., scheduled to begin February 25 will conclude on February 27; those scheduled to begin April 8 will continue until all interested parties have been heard. The hearings scheduled in cities other than Washington, D.C., will continue until all interested parties have been heard.

[2] The Tariff Schedules of the United States Annotated (1975) is for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402; and is also available for inspection without charge at any field office of the U.S. Customs Service or the Department of Commerce and at depository libraries.

3. *Notification of date of appearance.*—Persons who have properly filed requests to appear will be individually notified in advance of the date on which they will be scheduled to present oral testimony and of the time allotted for presentation of such testimony.

4. *Order of hearings.*—To the extent practicable the hearings at each city will follow the order of the Tariff Schedules of the United States, beginning with Schedule I, Animal and Vegetable Products.

5. *Questioning of witnesses will be limited to members of the Commission and its staff.*

B. *Written information and views in lieu of appearances at the public hearings may be submitted by interested persons.* A signed original and nineteen true copies of such statements shall be submitted. Business data which it is desired shall be treated as confidential shall be submitted on *separate sheets, each clearly marked at the top "Business Confidential."* All written statements, except for confidential business data, will be made available for inspection by interested persons. To be assured of consideration by the Commission, written statements in lieu of appearances should be submitted at the earliest practicable date, but not later than the date of the closing of the public hearings.

III. Communications to be addressed to Secretary.—All communications regarding the Commission's investigation should be addressed to the Secretary, United States International Trade Commission, Washington, D.C. 20436.

U.S. International
Trade Commission,
Washington, D.C., January 22, 1975.

Hon. Mark O. Hatfield,
U.S. Senate,
Washington, D.C.

Dear Senator Hatfield: The United States International Trade Commission (formerly the United States Tariff Commission) has announced an investigation instituted at the request of the President on the probable economic effect of proposed tariff concessions to be granted by the United States in international trade negotiations to be conducted under the provisions of the Trade Act of 1974. Public hearings in the investigation will be held in Washington, D.C., and 13 other cities; hearings will begin on February 25 and continue through March and April. The schedule of hearings is shown in the Commission's public notice and press release, copies of which are attached.

The Commission invites you to present your views at any of the public hearings, in person or in writing, and it welcomes the views of any segment of agriculture, business, labor, and the general public in your state.

If the Commission can assist you or your staff with any questions regarding the announced investigation and hearings, please contact my office (202/523-0111) or the office of the Secretary of the Commission (202/523-0161).

Sincerely yours,

Catherine Bedell,
Chairman

THE FEDERAL BUDGET AND THE CITIES: REPORT BY THE NATIONAL LEAGUE OF CITIES AND THE UNITED STATES CONFERENCE OF MAYORS

Mr. MUSKIE. Mr. President, this is the fourth year the National League of Cities and the United States Conference of Mayors have published a study of the Federal budget and its impact on our cities. They do this because of the budget's increasingly important impact on Federal-State-city relationships and their interaction with the private sector.

These organizations are concerned with the President's budget and the kind of attention paid to State and local government needs. They ask: "Is this the end of the road for New Federalism?" And they add: "If the 1976 budget is a headache for President Ford, it is a concussion for the Nation's cities."

I commend this report to my colleagues and ask unanimous consent that highlights of the report, together with the text, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Some Highlights of the Report

The budget projects an unemployment rate of 8.1 percent in 1975 and 7.9 percent in 1976. This will translate into unemployment five times that rate among the young, the minorities and the other vulnerable members of the work force who tend to live in cities or are drawn to them in hard times in search of work. The budget falls far short of addressing the needs of these workers who will not receive unemployment benefits and will be unable to afford housing, health care, and other social services for themselves and their families.

The cost of running cities is now rising at an annual rate of 11 to 14 percent, but the yield of local taxes is up only 8.8 percent. Nevertheless, the budgeted grants for local governments fail to keep up with this inflation rate; indeed, in constant dollars, the budget actually cuts federal aid to cities.

The budget for defense procurement and construction, factors in an inflation rate of about 10 percent, but allowances for any inflation in domestic programs such as housing, transportation, etc., are ruled out.

One of the budget's strategies is to restrain the rate of growth of income assistance programs, a plan that most burdens dependent city dwellers, who therefore will turn in desperation to City Hall for services they cannot afford to buy themseves.

The budget's attitude toward state and local governments and social programs is characterized by the Public Health Services budget, which, in the words of the Administration, "reflects the decision to require that states, local governments" and other non-federal sources contribute 20 percent more than they did in 1975 to the cost of health care programs receiving federal support.

The federal budget relies heavily on both state and local governments to compensate for lagging social effort at the federal level. The effect is counter-productive in two ways: First, the Federal Government, which is sustained by a progressive tax structure, would virtually force state and local governments to take the unpopular step of raising taxes, many of which are regressive, at the same time the Federal Government is prescribing popular tax cuts for itself as an economic stimulator. Second, the displacement of responsibility from federal to non-federal governments compounds the fiscal problems of cities, which heavily depend on state aid for education, health, welfare, public works and other programs.

The budget is so preoccupied with dealing with deficits, containing social assistance costs, and meeting the energy crisis that it does not adequately address the entire range of needs of the people and of the other levels of government. As an example, the budget is so oriented toward tomorrow's energy costs and tomorrow's feared inflation, that it fails to take account the cumulative effects of previously skyrocketing inflation on top of which city government budgets are now precariously balanced.

A central problem of the budget is that it virtually ignores the interdependence of the intergovernmental system, the relative inflexibility of the revenue resources available to local governments, and the escalating social and fiscal demands upon the cities. Absent is any coherent and comprehensive federal strategy for dealing with local fiscal and social needs, the cities have a right to ask: Is this the end of the road to the New Federalism?

The Federal Budget and the Cities

(A review of the President's budget in light of urban needs and national priorities)

Published by the National League of Cities and the United States Conference of Mayors, 1620 Eye Street, N.W., Washington, D.C. 20006.

Allen E. Pritchard, Executive Vice President, National League of Cities.

John J. Gunther, Executive Director, United States Conference of Mayors.

Additional copies of this publication may be obtained from: NLC and USCM Publications Center, 1620 Eye Street, N.W., Washington, D.C. 20006.

Price: 1-9 copies, $8 each; 10-99 copies, $6 each; 100 or more copies, $4 each.

PREFACE

The National League of Cities and the United States Conference of Mayors are the two organizations which jointly represent the nation's cities in Washington. With offices located in the nation's Capital for more than 40 years, the League and the Conference have developed a highly professional staff.

The League, founded in 1924, and the Conference, founded in 1933, maintain joint Washington offices; however, each organization retains its own members, president, officers, policy committees, members, and staff.

This study, "The Federal Budget And The Cities," is the fourth edition of an annual series. It is prepared by League and Conference staff under our direction in accordance with League and Conference policies adopted at annual meetings by locally elected officials.

The federal budget, submitted to the Congress on February 3, represents President Ford's proposed financial plan for the Federal Government for the year beginning July 1, 1975. It not only takes into account economic and other factors; it also sets forth the priorities which he deems essential to carry out his plan.

The budget is a political document expressed in accounting terms. It is the single most important federal document published each year. It is the vehicle for the most important and comprehensive collection of priority decisions which the United States makes in the course of a year.

All too often the public does not pay sufficient attention to the implications contained in the budget. The reason for this public inattention are clear enough. The budget is not one document but four, ranging in size up to the 1,092-page budget appendix. It is highly complex and it abounds with numbers whose meaning are often elusive.

Although the budget reports the results of the hard decisions among competing priorities, the budget does not indicate which choices were the most difficult or what plausible alternatives were available.

The report, "The Federal Budget And The Cities," examines the budget from an urban perspective. The report contains 22 chapters. The first chapter offers a budget overview. The second highlights subjects of major concern. The 20 remaining chapters deal with specific topics.

Allen E. Pritchard, Jr.,
Executive Vice President,
National League of Cities.
John J. Gunther,
Executive Director,
U.S. Conference of Mayors.

OVERVIEW

The Cities' View of the Budget—In Brief: Seeking public approval of his proposed Budget, President Ford personally briefed the press Saturday morning, February 1, at the State Department. The last time a President of the United States had done that was on January 19, 1952, when Harry Truman told reporters: "This budget has been the biggest headache I have ever had," Mr. Ford recalled. He went on to say, "Well, as I look at the Federal Budget for the fiscal year 1976, I can only say, 'Harry, I hope you left some aspirin for me.' "

If his 1976 Budget is a headache for President Ford, it is a concussion for the cities.

As seen by the cities, the faults in the Budget include:

The Budget projects an unemployment rate of 8.1 percent in 1975 and 7.9 percent in 1976, which may translate into unemployment five times that rate among the young, the minorities and the other vulnerable members of the work force who tend to live in cities or are drawn to them in hard times in search of work. The Budget falls far short of addressing the needs of these workers who will not receive unemployment benefits and will be unable to afford housing, health care, and other social services for themselves and their families.

The cost of running cities is now rising at an annual rate of 11 to 14 percent, but the yield of local taxes is up only 8.8 percent.[1] Nevertheless, the budgeted grants for local governments fail to keep up with this inflation rate; indeed, in constant dollars, the Budget actually cuts federal aid to cities.

The Budget for defense procurement and construction factors in an inflation rate in the neighborhood of 10 percent, but allowances for any inflation in domestic programs—housing, transportation, etc.—are ruled out.

One of the Budget's strategies is to restrain the rate of growth of income assistance programs, a plan that most burdens dependent city dwellers, who therefore will turn in desperation to City Hall for services they cannot afford to buy themselves.

The Budget's attitude toward state and local governments and social programs is characterized by the Public Health Services budget, which, in the words of the Administration, "reflects the decision to require that states, local governments" and other non-Federal sources contribute 20 percent more than they did in 1975 to the cost of health care programs receiving Federal support.

The Federal Budget, as illustrated by the Public Health Services budget, relies heavily on both state and local governments to compensate for lagging social effort at the Federal level. This is unrealistic: State and local governments in 1974 registered about a $7.5 billion deficit, according to the National Income Accounts. The effect is counter-productive in two ways: First, the Federal Government, which is sustained by a progressive tax structure, would virtually force state and local governments to take the unpopular step of raising their taxes—many of them regressive—at the same time it is prescribing popular tax cuts for itself as an economic stimulator. Second, the displacement of responsibility from the Federal to the state governments compounds the fiscal problems of cities, which heavily depend on state aid for education, health, welfare, public works and other programs.

The FY 76 Budget is so preoccupied with dealing with deficits, containing social assistance costs, and meeting the energy crisis that it does not adequately address the entire range of needs of the people and of the other levels of government. As an example, the Budget is so oriented toward tomorrow's energy costs and tomorrow's feared inflation, that it fails to take account of the cumulative effects of previously skyrocketing inflation on top of which city government budgets are now precariously balanced.

A central problem of the Budget is that it virtually ignores the interdependence of the intergovernmental system, the relative inflexibility of the revenue resources available to local governments, and the escalating social and fiscal demands upon the cities. These points have been reiterated to Federal policy makers in recent meetings with state and local leaders, but the Budget ill reflects our concerns. Absent any coherent and comprehensive Federal strategy for dealing with local fiscal and social needs, the cities have a right to ask: Is this the end of the road for the New Federalism?

In short, the cities are pounded by inflation and recession at home and by inept and insensitive Federal policies in Washington. Hence the concussion. It will take more than aspirin to cure it.

Highlights of the budget: Describing the Budget, President Ford told the press on February 1, ". . . the President's annual budget is a carefully considered and integrated set of policies, programs, and priorities that a President recommends to the people and to the Congress to set our national course into the future."

Highlights of his Budget—his first since taking office less than six months ago—include proposals for:

Total outlays of $349 billion in FY 76, an increase of $36 billion over FY 75.

A deficit of $52 billion—a peacetime record, and the second highest deficit in history.

Congressional approval of another $17 billion in rescissions and deferrals of appropriations, and economies to be achieved by imposing a five percent ceiling on increases in Federal civilian and military pay and Federal benefit payments (e.g. Social Security, railroad and Federal retirement pay, Supplemental Security Income, food stamps, and child nutrition programs) that are tied to the cost of living.

Increased aid to the unemployed, totaling $17.5 billion in unemployment insurance benefits and $1.3 billion for public service employment.

An import fee on oil, and taxes on domestically produced petroleum and natural gas and on their producers, including a $12 billion windfall profits tax, all adding up to $30 billion.

Turning around that $30 billion in FY 76 as "equalization rebates and payments" in the form of: $2 billion to state and local governments to be distributed under the existing General Revenue Sharing formula, $16.5 billion in individual income tax cuts, $2 billion to persons too poor to pay Federal income taxes, $6.5 billion in corporate income tax cuts, and $3 billion for Federal operations.

An increase in budget authority for defense of $16.4 billion, up 18 percent over FY 75.

A one-year moratorium on new Federal spending programs, except for energy and defense.

The economy and the cities: The economic decline of 1974 had a severe impact on the fiscal resources of state and local governments. Beginning with the third quarter of 1973, the National Income Accounts figures for state and local governments shifted from a surplus to a deficit position. By the third quarter of 1974, the annualized deficit was estimated at about $7.5 billion.

The severity of the economic crisis and its implications for state and local government was recognized by the Joint Economic Committee in its final report to the 93rd Congress. The report predicted:

"The combination of inflation-affected expenditures and recession-induced revenue shortfalls will make it very difficult for many state and local governments to make it through the upcoming year without tax increases, employee layoffs and cuts in levels of service."

This gloomy prediction is now a harsh reality for many city governments, as shown by a recent survey of 67 cities:

The 55 cities that provided data on fuel costs reported an average rise of 90 percent from 1973 to 1974.

Thirty-six cities reported that the economy was forcing postponements of planned capital improvements.

Twenty-one cities reported municipal job layoffs or job freezes.

Forty-three cities anticipated revenue shortfalls in 1975.

Forty-two cities expected to raise taxes and/or cut services during 1975.

The budget and the cities: While the President's Budget outlines a specific set of programs for dealing with the economic crisis, it fails to recognize the unique potential of state and local governments in the recovery process. Instead of developing a coordinated intergovernmental approach to our economic problems, the Budget would force local governments to take budgetary action that could work at cross purposes with national economic recovery strategies. For example, local governments are being forced to:

Increase taxes, while the Federal Budget proposes stimulation of the private sector through tax reductions.

Lay off employees, while the Federal Budget proposes to create jobs in the private economy by these Federal tax cuts.

Reduce essential public services, many of them most needed by those hardest hit by the economic crisis.

The sheer magnitude of the state and local sector should be reason enough to coordinate carefully the national economic program with state and local governments. As of 1972, 47.5 percent of all government expenditures took place at the state and local levels, and employment at those levels was four times greater than federal employment. With the public sector accounting for more than 32 percent of the gross national product, and state and local governments accounting for 43 percent of the combined public sector, common sense should dictate a coordinated intergovernmental approach to the current crisis.

The President's Budget sets forth economic recovery policies that both help and rely heavily upon the private sector. In his Budget Message, the President said: "I believe that tax relief, not more government spending, is the key to turning the economy around to renewed growth." The Budget calls for $16 billion in tax rebates during 1975, with $12 billion for individual tax relief and $4 billion for corporate tax relief. This anti-recessionary measure will be coupled with $3.5 billion in increased aid to the unemployed.

Thus, the President proposes to shift some billions of dollars in purchasing power to private business and to individuals. In the process, he is taking some funds away from Federal programs that aid cities and that also help to support the economically weak and others who are unable to help themselves. The League and the Conference recognize that there must be some belt-tightening and acceptance of hardship in our recovery effort, but they also believe that the President's program is uneven and unfair in its likely impact and unwise in its support of the private sector at the expense of the public sector. For after all, the state and local public sectors interact with the private sector no less than the Federal public sector does.

The long run: The President's Budget is also designed to "avoid commitments to excessive growth of Federal spending in the long run" and thereby to reduce the inflationary pressures during the recovery period. To achieve this objective, the President is proposing that Congress approve budgetary reductions and restraints to prevent an additional $17 billion deficit. In addition, the rate of growth of many programs would be curtailed over the next two decades, despite the Budget's own projection of unacceptably high unemployment rates for the rest of this decade.

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[1] "Quarterly Summary of State and Local Revenue," U.S. Dept. of Commerce, Bureau of the Census, December, 1974.

The President's determination to provide the bulk of the anti-recessionary economic stimulus through the private sector, as opposed to increased public sector activity, means that the urgent needs of the cities will go largely unmet.

The cities, it should be stressed, are the locus for the increased private sector activity that the Administration wishes to promote. The cities provide necessary services and infrastructures. Crippling of cities could limit or undermine the gains of the private sector. The recovery program, we assert, should aid cities as well as the private sector.

The FY 76 Budget does not adequately address the needs of cities. Instead of fully capitalizing on the potential ability of state and local governments to contribute to the recovery effort, the Budget proposes a reduction, in real dollar terms, of Federal assistance to the cities. This reduction can only place an additional burden on hard-pressed municipal budgets, increasing the likelihood of regressive local tax increases or cutbacks in essential services, or both.

Energy: In its energy tax and payment proposals, the Administration plans to make available to state and local governments $500 million in FY 75 and $2 billion in FY 76 to offset the new fuel and energy costs the Ford program will impose on local levels. But municipal energy bills are already high because they have been rising rapidly for more than 18 months. Twenty-five to thirty billion dollars already have been drained out of the economy to pay for inflated energy related costs, and cities have paid their share of this huge sum. No remedy, however, for the inflated fuel costs already burdening municipal budgets is provided in the President's Budget.

The President's proposal to compensate state and local governments prospectively for rising energy costs is computed under the General Revenue Sharing formula, which is based on population, income, and tax effort. This formula relates poorly, if at all, to actual municipal energy costs. Cities use energy in proportion to the number of miles of road that have to be lighted and patrolled, the number of buildings that have to be heated, the number of trash pickups that have to be made, and so on. Moreover, cities that rely on oil and natural gas for fuel are in a distinctly different situation from those that use coal and hydro-electric power. Further, the General Revenue Sharing formula excludes schools, which are heavy energy users for buildings and buses.

A critical long-term city concern is the cost, supply and distribution of energy and the related economic impacts. The immediate picture does not seem bright. And the longer range Budget, insofar as it sheds light, is not favorable, for example, budget authority and outlays for natural resources, environment, and energy are expected to fall from 1976 to 1980.

From the standpoint of the cities and the nation as a whole, the President's program leaves no room for a reduction in oil prices. His tax and allowance program would put a floor under the current quadrupled international price, which has been established by a cartel of oil-exporting countries. This seems to be an inflexible policy of despair, from the standpoint not only of the consumer, but also of local government.

Finally, the Administration's decision to increase the price of petroleum products generally, rather than to focus on gasoline prices, signals its continued willingness to promote the use of energy-inefficient automobiles, rather than to concentrate national growth around mass-transit-serviced metropolitan modes.

Some bright spots, including general revenue sharing: Despite the foregoing, there are some bright spots in the Budget for cities. Though the Administration has resisted the amount of subsidy for public passenger vehicles that would be necessary to provide real incentives to use them instead of private cars in metropolitan areas, the President's transportation budget, discussed in detail elsewhere in this book, is a distinct plus. So, too, is the Budget's release of $4 billion in previously impounded water pollution control construction funds.

We are also pleased that the President proposes to renew the General Revenue Sharing Act through 1982. But the specific figures for 1976 show an anticipated outlay to state and local governments of $6.3 billion, almost the same figure as for 1975. Our pleasure is tempered, therefore, by the fact that no provision has been made for the 11 percent increase in prices over calendar year 1974 and the additional increase sure to take place before FY 76 begins next July 1. The Budget figures themselves show that overall Federal aid to state and local governments will advance about 6 percent in 1976 over 1975, an increase far short of the inflation rate experienced in the past year. If state and local governments are to continue to carry out vital programs adequately, and if their citizens are to receive the service and assistance they require, some provisions must be made to bridge the gap caused by inflation.

Between 1976 and 1980, Federal aid for community and regional development will drop from an outlay of $5.9 billion to $5.3 billion. Compare this 10 percent drop with the defense budget, which is projected to grow over the same period by more than 50 percent. Meanwhile, education, Federal manpower and social service expenditures will remain level. Revenue sharing will show a small rise, going from $7.2 billion in 1976 to $7.7 billion in 1980, an increase well below the expected pace of inflation. The Administration's budget projection thus gives extraordinary emphasis to defense expenditures—at the expense of domestic programs.

Economic assumptions: While the proposed Federal response to the critical fiscal and economic needs of the cities is disquieting, the economic assumptions underlying the President's Budget are also a cause for concern. Present economic conditions are extremely unstable: few predicted that the unemployment rate would climb to seven percent as early as December 1974. The revised budget deficit estimates are a good illustration of the effects of economic instability on the Federal Budget. In mid-January, the President said the deficit for FY 76 would be 45 to 47 billion dollars. Two weeks later, he was forced to revise this estimate upward by four to six billion dollars because of rapid decline in projected revenue and rise in Federal payments for unemployment compensation.

Double standards: As indicated elsewhere in this discussion, the FY 76 Budget applies a double standard to different sectors of the economy and the intergovernmental system.

On the one hand, we find that the Budget encourages private investment in capital expansion. On the other hand, we find that capital investment in the public sector is discouraged—e.g. there are to be no new construction starts in the Army Corps of Engineers domestic public works programs.

On the one hand, we find that the Budget assigns greater responsibility for program planning and management to the state and local governments. On the other hand, we find that the Housing Act Section 701 program, a vital planning and management capacity building tool for state and local governments and regional planning councils, is to be cut in half.

On the other hand, as already noted, we find that the defense budget is both increased and allowed to take account of future inflation. On the other hand, domestic Federal programs are given no such leeway.

The historical perspective: One of the premises of the President's budget-makers is that Federal grant outlays have been going up and up, and therefore the time has come to restrain them. This premise requires analysis.

First, the proposed rate of increase in federal aids to state and local governments next year is well below the 11 percent inflation rate. Second, the proportion of Federal grant outlays in relation to total Federal outlays, domestic Federal outlays and state and local expenditures peaked in FY 73, has been going down since, and is projected to decline further in FY 76. Table Overview I demonstrates these points.

TABLE OVERVIEW I.—IMPACT OF FEDERAL GRANT OUTLAYS ON GOVERNMENTAL EXPENDITURES

	Federal aid			
		As a percent of—		
Fiscal year	Amounts (millions)	Total Federal outlays	Domestic Federal outlays [1]	State-local expenditures [2]
1960	$7,040	7.6	15.9	14.7
1965	10,904	9.2	16.6	15.4
1970	23,954	12.2	21.1	19.1
1971	29,849	14.1	22.7	21.1
1972	35,940	15.5	23.8	23.0
1973	43,963	17.8	26.1	25.2
1974	46,040	17.2	24.7	23.6
1975 estimate	52,649	16.8	23.6	23.3
1976 estimate	55,632	15.9	22.3	22.2

[1] Defined for this purpose as excluding national defense and international programs.

[2] As defined in the National Income Accounts.

Source: Fiscal year 1976 Budget Special Analysis O, p. 242.

In reviewing this Budget, we recognize that it includes a variety of intergovernmental fiscal transfers. The sum of these transfers is depicted in Table OVERVIEW I. While General Revenue Sharing and block grants (e.g. community development, law enforcement, employment, etc.) comprise a growing share of the total, it must be remembered that the remaining categorical grant programs still are important to cities.

The New Federalism

Despite the fiscal problems created for the cities by recent Federal budgets, the National League of Cities and the U.S. Conference of Mayors did express satisfaction last year with the direction of the Nixon Administration in grant consolidation and apparent decentralization of the intergovernmental system. There was a coherent strategy for dealing with the non-Federal partners in that system and a recognition of their interaction with both the private sector and the Federal portion of the public sector. The strategy and the partnership were known as "The New Federalism."

Our problem with the Ford Administration's Budget is not only that it creates greater fiscal problems than ever, but also that it sees only dimly the vital and dynamic role of local governments in the intergovernmental system.

This Administration's obvious lack of attention in its FY 76 Budget to state and local government needs is even more distressing when one considers the amount of discussion that has taken place among Federal, state, and local government officials since President Ford took office.

At numerous meetings and forums, governors, mayors, county officials, and the President himself discussed issues of mutual concern. Yet there is little evidence that the

Budget reflects what state, county and city leaders were saying.

It is for these reasons that we feel the cities are entitled to ask: Is this the end of the road for "New Federalism"?

BUDGET HIGHLIGHTS

Community Development and Housing

The President seeks $5.9 billion in new appropriations for HUD, up 13 percent from last year, mainly to liquidate prior year commitments, but not to generate significant new ones. Second year funding for the new Community Development Block Grant program would increase only slightly. The new Section 8 Housing Assistance Payments program would continue through FY 76 at an annualized rate of 400,000 units. The severe reduction in Housing Act Section 701 planning funds would be continued.

Community Services Administration (OEO)

Funding for the remaining community action and economic development activities of the old Office of Economic Opportunity, now the Community Services Administration, would be cut almost $60 million. Research and development would be dropped. State economic opportunity offices no longer would receive federal funds.

Drug and alcohol abuse

Drug Abuse.—Enforcement funds would increase by $20 million, primarily for tighter border control in the Southwest. FY 76 funds available to communities for treatment services would decrease by $4 million from the FY 75 level of $126 million, a loss that would be compounded by a proposed 10 percent reduction of the federal match.

Alcohol Abuse.—While the FY 76 budget for alcohol abuse reflects a slight increase over the FY 75 request, the additional funds are to be used primarily for continuation grants, rather than new starts. At the same time, the FY 76 Budget calls for drastic rescissions in the FY 75 budgetary resources. Cities are most affected by these proposed cuts.

Economic Development Administration

The Economic Development Administration (EDA) budget would rise by $46.4 million to $314.3 million, but $36 million of the increase would be for new trade adjustment assistance. Public works programs would be substantially cut, while business development, economic adjustment, and state grants would be increased. Preliminary estimates suggest that SMSAs, which receive only about about 25 percent of EDA funds, would receive the same amounts in FY 76 as in FY 75. The effect would be a severe cut in resources for ongoing local economic development activities and an increase in aid only for short-term adjustment to local economic crises.

Education

The overall education budget contains a cut of $400 million, with three-fourths of the reduction in elementary and secondary education programs. The major programs would be advance-funded again, but with about $500 million less than this year. Funds have been requested for the major programs to cover the transition quarter—July, August, and September, 1976. The Administration again proposes legislation to decrease by two-thirds the amount of money available for impact aid. Higher education would be cut by $133 million, of which $122 million would be for student assistance.

Employment

The level of Comprehensive Employment and Training Act (CETA) funding, other than for temporary public service jobs (Title VI), would remain constant at $2.4 billion, including $1.6 billion for training and summer youth employment (Title I), $400 million for public service employment (**Title II**), and $414 million for national and special programs. No new funds are sought for summer youth employment or the Recreation Support Program. Summer of 1975 and 1976 youth programs are to be funded from local CETA Title I resources. The Budget also proposes a rescission of $12 million in FY 75 funds for public service employment for the elderly.

Energy

To reduce the nation's dependence on foreign oil, a comprehensive plan for reducing consumption and increasing domestic energy supply is proposed, featuring oil import and excise taxes, income tax rebates, and an energy research and development program. The Budget emphasizes production over conservation and nuclear over non-nuclear energy sources in its $1.7 billion outlay request.

Environment

The President directs the Environmental Protection Agency to release $4 billion in previously impounded water pollution control construction grants in FY 76, bringing the total available for them since 1972 to $13 billion. But the level of support for local government's air pollution control and monitoring, insufficient in past years, would be further cut, despite Federal requirements to improve air quality. Solid waste resource and energy recovery effort again will be minimal.

Food stamps and nutrition programs

Proposed regulations would reduce food stamp outlays by $217.3 million over projected FY 76 amounts. The Department of Agriculture will propose a new block grant nutrition program which would reduce nutrition outlays by $410.8 million below FY 75 levels.

Health

The budget would slash community health programs (comprehensive health formula grants to state and local governments, community health centers, maternal and child health, family planning, migrant health, health maintenance, and National Health Service Corps) by an overall 30 percent. State and local governments are asked to join private institutions and third-party payers in picking up 20 percent of the Federal share of other Federally supported health programs. The President's Budget Message says: "We should begin plans for a comprehensive national health insurance system. However, . . . I cannot now propose costly new programs."

Income security and social services

Major restraints on public assistance expenditures are proposed, thus potentially burdening state and local governments with financing a larger portion of income security programs. The burden would be compounded by a plan to impose a five percent ceiling on cost of living increases to beneficiaries of income security programs. These plans, however, are subject to Congressional approval.

Intergovernmental personnel assistance

For the second year in a row, the Administration requests $15 million for the IPA program. The actual operating level of the program has now been frozen for the last three years at about $14 million.

Law enforcement assistance administration

LEAA's budget authority will decrease from $880.1 million in FY 75 to $796.8 million in FY 76. This will mean a decrease of $88 million in crime control aid to state and local governments.

National defense

The President seeks $107.7 billion in budget authority for national defense programs—a $16.4 billion (18 percent) increase over FY 75. If appropriated by Congress, this military budget would be the largest in U.S. history.

Office of Minority Business Enterprise

The Office of Minority Business Enterprise (OMBE) program budget for FY 76 is $52.6 million, an increase of $600,000 over FY 75. $1.1 million is requested to establish a new "city OMBE" demonstration project in seven cities.

Research and development

The Budget proposes increases in obligations for research and development totaling nearly $3 billion, but these are not for the agencies most concerned with cities. The total research and development budget would increase from $18.8 billion to $21.6 billion, but the proposed HUD research and development budget would be the same as FY 74—$65 million. That for HEW would be slightly less than in FY 74. The proposed energy research and development budget also does not appear to respond to the needs of the cities.

Rural development

The Administration requests a decrease of $120 million in rural development loan funds and proposes to maintain FY 75 levels for rural development grants. The rural housing budget is $112 million below this year's level.

Transportation

Mass transit capital grants would increase slightly from a FY 75 level of $1.05 billion to a FY 76 level of $1.1 billion. But formula grants, to be used for both capital and operating purposes, would be increased substantially from $300 million in FY 75 to $500 million in FY 76, as authorized by law. Funding for urban highways would be increased slightly in FY 76, although the proposed funding level of $685 million is substantially below the $1.3 billion authorization. The large increase in funding for the Interstate, $500 million, makes clear the Administration's strong commitment to this program at the expense of all other highway programs. Airport and Airway Trunst Fund grants for planning and construction would be increased slightly from $345 million in FY 75 to $350 million in FY 76. However, the FY 75 level included a one-time Congressionally-sponsored 1975 supplemental of $25 million; hence the FY 76 Budget seeks a $30 million increase over the equivalent FY 75 program.

Veterans

Reflecting 12 percent pension and 22.3 percent G.I. Bill increases voted in 1974, the Veterans Administration Budget is to climb from $13.6 billion in FY 75 to $15.6 billion in FY 76. G.I. Bill spending, with supplementals, is expected to total $4 billion in FY 75 and decrease to $3.6 billion in FY 76.

THE FEDERAL BUDGET PROCESS: A NEW APPROACH

The Congressional Budget and Impoundment Control Act of 1974 mandates a comprehensive role for the Congress in shaping the Federal budget and holding the Executive branch accountable for spending programs. It creates a process to:

Improve Congressional control of the total federal budget;

Bring order to the piecemeal approach that Congress has taken toward the budget in the past;

Enable citizens to join in an annual Congressional debate on budget priorities;

Rationally deal with Federal tax expenditures;

Relate the Federal budget to current and projected economic conditions; and

Restrict the President's ability to withhold the expenditure of funds.

Congress will fully implement its new process in 1976 to develop the FY 77 Budget. The limiting of the President's ability to "impound" or withhold funds made available by the Congress through appropriations or other actions became effective when the law was enacted last year. Under the Act, the traditional fiscal year (July 1 through June 30) is changed to October 1 through September 30. This change is intended to give Congress adequate time to formulate its budget before the start of the fiscal year. Under the present system, Congress is unable to complete action on all budget bills before the fiscal year begins, tending to produce uncertainty.

Under the new Act, Fiscal year 1977 will begin October 1, 1976. Therefore, the FY 76 Budget must take account of the fifteen month 1976 federal fiscal year—the months of July, August and September make up the extra three months.

The primary significance of the new budget process is that Congress for the first time must vote on the priorities within the annual Federal budget as a whole. Less than two-thirds of the budget is appropriated by Congress each year, and these funds are allocated piecemeal through thirteen regular appropriations bills and a few special measures.

The old Congressional budget system contrasts sharply with that of most state and local governments, which vote complete annual budgets at one time. Further, only about 40 percent of the total Federal budget is controllable by Congress in the short run, because the remainder of the budget is expended in mandatory, permanent or trust fund programs established previously in law. Now, Congress must determine the relative worth of all spending programs and the internal tradeoffs of the tax structure itself (including special interests through tax breaks). The new process will not be limited to the immediate year; it will take into account a five-year frame of reference as well.

The new Act limits the President's ability to refuse to spend funds voted by Congress. A special message must be sent to Congress if the President wishes to *rescind* or *defer* spending of appropriated money, stating the amount and reasons for his request. A *rescission* i.e., not spending appropriated money at all, will require affirmative action by both the House and the Senate within 45 working days or the money must be spent. A *deferral* means that spending will be delayed to a later time in the same fiscal year; it will take effect automatically unless at least either House of Congress disapproves.

COMMUNITY DEVELOPMENT AND HOUSING

The Administration's FY 76 Budget for the Department of Housing and Urban Development proposes a series of expected steps to further realize the objectives of the 1974 Housing and Community Development Act.

The President is requesting $5.9 billion in appropriations, up 13 percent from the previous year. Nearly all of this increase results from the necessity of liquidating commitments made in prior year housing and community development programs. It does not represent a significant increase in commitments for future activities. Outlays are projected to increase substantially over last year, up 28 percent to $7.1 billion. The bulk of this rise is due to a projected "draw down" of funds under the new block grant program. HUD's budget includes approximately $322 million in impounded or deferred funds in three basic programs. This figure would drop to $264 million during FY 76 as some carryover funds were spent.

For community development, the budget proposes to fund the new block grant program during its second year at a level only slightly above the appropriation for FY 75. The Section 701 Comprehensive Planning program would continue a second year at the $50 million level, existing entirely on deferred funds from FY 75.

For assisted housing, the budget acknowledges that, at best, only half of the original goal for subsidized units will be reached during the balance of FY 75. New budget authority is sought in order to support a 400,000 unit level of activity in FY 76.

Community development

The Administration is asking Congress for a 2 percent increase in the funding level for the Community Development Block Grant program (CD). The proposed second-year appropriation for the new program of $2.55 billion would be $450 million below the actual authorized level in the 1974 Housing Act. At least 1,000 local governments will be receiving initial block grant contracts during the *last* five months of FY 75. Second-year block grant contracts will also be lumped in the second-half of FY 76. Thus, since no annual grant commitments are scheduled to come up for refunding during the July 1, 1976–September 30, 1976 transitional quarter (due to the change in the fiscal year), the Administration has not proposed any transitional appropriation for CD.

The FY 76 budget for HUD also reports on the transfer (authorized under the 1974 Act) of $628 million in unutilized, previously-impounded community development categorical funds into HUD's revolving funds. These funds, which will be used to liquidate program commitments already outstanding, had originally been provided by Congress for such activities as basic water and sewer facilities, open space, neighborhood facilities, and public facilities loans. Future HUD assistance for such activities will come through the Community Development Block Grant program.

701 comprehensive planning

On December 16, 1974, the President's deferral of one-half or $50 million in already-appropriated Section 701 comprehensive planning assistance went into effect. The proposed FY 76 budget for HUD announces that no new 701 funds will be requested and that the program is projected to continue for a second year at the same $50 million level. While the budget does not address the department's funding strategy, it is presumed that the present approach of excluding further funding of cities over 50,000 population will continue.

Policy development and research

Also on December 16, 1974, the deferral of $8 million in funds for HUD's policy development and research activities became official, thereby reducing the FY 75 program level to $57 million. For FY 76, the Administration proposes to add the $8 million carryover to a request for a new appropriation of $57 million, producing a $65 million level for the year. Nearly one-quarter of the FY 76 funds are proposed to go toward continued testing of the twelve "direct cash assistance" or "housing allowance" experiments around the country.

Housing

As expected, the Administration's proposed budget continues the nearly total reliance of HUD on the new Section 8 Housing Assistance Payments program in lieu of all other available low-income housing subsidy mechanisms. All of the new contract authority provided by the 1974 Act for low-income subsidies has been released by the Department, including $900 million in Section 8 funds. During the rest of FY 75, HUD estimates that approximately 200,000 units will reach the commitment stage. During FY 76, the balance of another 200,000 units will go to commitment under the 1974 Act funds.

The budget also requests Congress to authorize an additional 200,000 units for FY 76, bringing that year's total to 400,000. Thus, the Administration estimates that 600,000 units of assisted housing could be committed between January 1975 and June 1976. The budget cautions that all these figures are rough estimates. The actual number of subsidized units will depend upon several factors, including the ultimate mix of new versus existing units placed under subsidy (since new units require nearly twice as much subsidy as existing units).

The budget also confirms an earlier announcement by HUD that the $215 million in Section 202 elderly housing funds are now available for construction loan financing only, with Section 8 subsidies available for "rent-up."

TABLE HUD-1.—COMMUNITY PLANNING AND DEVELOPMENT

[In millions of dollars]

	Fiscal year 1975				Fiscal year 1976			
	Authorization	Appropriations (actual)	Estimated obligations	Carryover appropriations	Authorization	Appropriations (request)	Estimated obligations	Transition period,[1]
CD block grants	2,550	2,495	2,495	0	3,000	2,550	2,550	0
Sec. 701 comprehensive planning	130	100	50	[2] 50	150	0	50	0
Policy development and research	(3)	65	57	[2] 8	(3)	57	65	16

[1] July 1 through Sept. 30, 1976.
[2] Deferred by President, effective Dec. 16, 1974.
[3] Open.

TABLE HUD-2.—HOUSING ASSISTANCE PAYMENTS

[In units]

	Fiscal year 1975			Fiscal year 1976	
	Units authorized	Estimated commitments	Carryover (units)	New units requested	Estimated commitments
Sec. 8 housing assistance payments [1]	400,000	200,000	200,000	200,000	400,000

[1] Actual number of units committed will depend upon ultimate use of Sec. 8 subsidies for new construction or rehabilitation (more expensive) versus existing housing (less expensive).

For the existing inventory of public housing projects now under management around the country, the budget proposes to increase operating subsidy funds for FY 76 by $75 million—up to a total $525 million. Distribution of these funds will be through HUD's recently-developed performance funding formula. Under the new budget control act, all previous "back door" contract authority, such as public housing funds, must now go "front door," meaning that Congress must give prior approval before the funds can be committed.

The two major low- and moderate-income FHA interest subsidy programs from the 1968 Housing Act would continue to remain essentially dormant, according to the Administration's plan. At the moment, some $264 million in Section 235 homeownership subsidy funds are frozen and the department remains adamant in its intention not to utilize those funds. For the Section 236 multi-family rental program, $181 million will be available and unutilized at the beginning of FY 76. However, HUD anticipates that all of these funds will have been committed by the end of FY 76 (approximately 70,000 units) in conjunction with its present policy of meeting bona fide commitments which the department incurred before the January 1973 moratorium.

TABLE HUD-3.—STATUS OF OTHER ASSISTED HOUSING PROGRAMS

[In millions of dollars]

	Fiscal year 1976 status of other assisted housing programs		
	Contract authority available	Estimated obligations	Carryover authority
Section 235 homeownership	264	0	264
Section 236 rental	181	[1] 181	0

[1] To be used for completing outstanding bona fide commitments; no new commitments will be made.

Comment

For the first time in the last five years, the Administration's proposed budget for HUD is relatively simple and straightforward with few, if any, surprises. This is in sharp contrast to the previous four budgets which had each been based in large part upon a series of legislative actions by the Congress, none of which actually occurred as projected. Instead, this budget is focused on the process of carrying out the new activities created by the 1974 Housing and Community Development Act.

For cities, the message is a mixture of satisfaction and disappointment. On the positive side, particularly in light of recent experience with HUD budgets, there is a certain relief that comes with a hold-the-line budget. The two major programs of the department—Community Development Block Grants and the Section 8 Housing Assistance Payments program—would be continued into FY 76 at about current levels. Since both are new programs, such an approach might appear satisfactory at first.

However, inflation and the increasing needs of the cities continue. In the case of the Community Development Block Grant program, the decision of the Administration not to seek a significant increase in funding in the second year, if upheld by Congress, will cause very serious problems. Moreover, it was generally understood at the time of the debate on the 1974 act that the Administration was prepared to support a series of annual increases in the funding of the program that would get it to the $2.9 to $3 billion level by the third year (FY 77). Indeed, HUD officials based much of the selling effort to the smaller, first-time CD communities that will rely on discretionary funds on the assumption that subsequent increases in the total appropriation would produce substantial discretionary funding resources for their needs.

Instead, with the first year of the new Community Development program at a level of $55 million below that authorized, there is now a probability that there will be little or no discretionary funds for first-time communities within metropolitan areas. The minor 2 percent rise proposed by the Administration in the second year will certainly be absorbed by the many "urban counties" whose entitlement amounts will double under the act in FY 76. One year without reasonable funds for discretionary communities is bad enough, two years would be intolerable.

Also bearing heavily on the negative impact of the Administration's proposal to hold-the-line on C.D. funds is the corresponding reduction being proposed elsewhere in the FY 76 budget in various urban-oriented social service programs, particularly in the area of health. Under the C.D. block grant program, communities are required to first exhaust other federal grant-in-aid sources for social services funding before using C.D. funds (other than for matching). As the alternative sources of these "software" funds decrease, the local pressures upon the limited C.D. block grant dollars measurably increase. For those communities with "formula" (rather than "hold harmless") entitlements, failure to increase the total national C.D. pot will hurt.

A parallel disappointment, and one possibly even more serious on a dollar-for-dollar basis, concerns the Section 701 comprehensive planning program. Recenty, the 701 program has become one of the most valuable funding tools for local governments of all sizes and locations. The Administration's decision to cut the program in half—down to $50 million—and to eliminate the funding for cities over 50,000 population on the grounds that these communities can use C.D. block grant funds is disastrous. It is simply not true that C.D. funds may be used for the same purposes as 701 funds. A careful comparison of the two programs makes this point immediately. Moreover, the argument itself exposes a basic lack of understanding about 701. It is a capacity building, general planning and management tool, not a functional planning system.

The reduction in the budget for policy development and research is similarly troubling, since it comes at a time when new and better approaches to old problems are clearly needed. In periods of high stress such as the present, research funding should be increased rather than reduced.

The significance of the Administration's recommendations in the area of assisted housing is hard to judge with any precision, since the primary mechanism on which all bets have been placed is untried and is certain to have a rocky start. While cities will express disappointment at the reduced estimate of Section 8 units to be processed to commitment in FY 75, there are strong signs that even the projected 200,000 units will not be reached by this June 30.

All of this suggests that there should be a willingness to adopt some of the more important administrative changes that have been proposed in the design of the Section 8 program and to utilize the existing Section 235 and 236 programs in tandem with the new program—a more flexible strategy that this budget forthrightly rejects.

COMMUNITY SERVICES ADMINISTRATION

OEO becomes CSA

The budget of the former Office of Economic Opportunity, now the Community Services Administration (CSA), reflects the changes authorized in the recently enacted Head Start, Economic Opportunity and Community Partnership Act of 1974, and a cut of $57.8 million for FY 76 activities.

The law changed the name of the Office of Economic Opportunity. It also allowed the submission of a reorganization plan, currently being developed, which would transfer CSA to the Department of Health, Education and Welfare and the Title VII "Special "Impact" program for local community development programs to the Department of Commerce. CSA will continue to administer the Legal Services program until the new Legal Services Corporation is fully operating.

The CSA budget reflects some important reductions. Last year's budget requested no funds for OEO programs, a move strongly resisted by Congress, NLC, USCM, and other public interest groups and community organizations. The program level finally appropriated came to $420.8 million. This year's budget continues the phase-out of "categorical" programs within the CSA structure. The FY 76 budget indicates the following new steps:

Research development and evaluation

No funds are requested for R & D activities. During 1974 they were delegated to other federal agencies with statutory responsibility and funds were appropriated to these agencies (HEW, DOL, etc.) at a program level of $4.4 million for 1974 and an estimated $6.3 million for 1975. The FY 76 budgetary change completes the transfer of these activities and phases out R & D.

Community action operations

At the cutting edge of the "war on poverty" were the local community action organization (CAA's). They received the bulk of the former OEO budget and will get the majority of proposed FY 76 CSA spending. Total CAA "local initiative" funds will be reduced from $330 million to $295 million according to the proposed budget. The law authorizing the creation of the Community Services Administration also reduced the maximum federal share from 80 percent of programs or activities under this category to 70 percent in 1976. Thus, CAA activities could continue at the present level but local governments will have to increase their matching share. Exempted are CAA's whose annual operating level is $300,000 or less. In these cases, the federal share shall not exceed 75 percent of the total approved cost.

TABLE CSA-1.—COMMUNITY SERVICES ADMINISTRATION

[Obligations in millions of dollars]

	Fiscal year—		
Program by activities	1974 (actual)	1975 (estimated)	1976 (estimated)
Research and demonstration	4.4	6.3	
Community action programs	227.9	[1] 370.5	[2] 319.0
Community economic development	38.3	39.0	39.0
Legal services program	72.4		
General support	4.6	5.0	5.0
Total	347.6	420.8	363.0

[1] Includes $330,000,000, local initiatives; $7,500,000, SOS; $90,000,000 SEOO; and $24,000,000 program administration.

[2] Includes $295,000,000 local initiatives; and $24,000,000 program administration.

Source: Fiscal year 1976 Budget Appendix, p. 864.

Other important changes in the CSA budget include the following:

Senior Opportunity Services (SOS)

No budget request was made. Last year SOS operated at a level of $7.5 million.

Funding of State Economic Opportunity Offices

No budget request was made. Last year, $9 million was spent for staffing and administration of SEOO's in 50 states, the District of Columbia, Virgin Islands, Guam, Samoa, and the Commonwealth of Puerto Rico. The budget reflects the insistence by the Administration that states and local governments pay the administrative costs for CSA activities.

The Youth Recreation and Sports program operated by HEW and Emergency Food and Medical Services which was funded for $22 million in 1974 will also be discontinued.

Community Economic Development

This program presently funds 35 grantees in urban and rural areas to stimulate economic development activities in minority and low-income areas. The legislation changing

OEO to CSA also transferred the Title VII "special impact" program to the Office of Minority Business Enterprise in the Department of Commerce. The FY 76 Budget requests a total of $39 million for community development corporation programs.

Legal Services Corporation

Until the Legal Services Corporation (LSC) is operated as an independent agency and a board of directors is appointed, CSA will continue to have jurisdiction over LSC program activities. No budget request will be made until the new corporation is operating; current program levels are on the basis of a "continuing resolution" which sustains the present funding level.

Comment

While less stringent than last year's attempt by the Administration to phase-out completely the Office of Economic Opportunity, this year's budget proposals nevertheless will have a negative impact on the urban poor and the elderly, on research and development efforts in metropolitan areas and, finally, on the technical services given to Community Action Agencies by State Economic Opportunity Offices throughout the country. The new Community Services Administration and the present lack of direction on the reorganization plan ordered by Congress compound the present financial picture at the troubled agency.

The Administration proposes to eradicate the Senior Opportunity Services (SOS) program which serves the elderly poor in many metropolitan areas. A relatively small program, SOS allowed Community Action Agencies (excluded from consultation on the larger HEW aging programs) some "leverage" money to stimulate activities for the elderly.

The budget would cut off funds for the State Economic Opportunity Offices. These offices have provided the necessary technical assistance to CAA's in both urban and rural areas to develop new programs. They have acted as information points within specific geographic regions for CAA's.

The CSA's R&D activities, too, provided some financial assistance to urban governments seeking ways to solve the age-old problems of poverty with new approaches and new solutions. Even though most of the functions of R&D in the former Office of Economic Opportunity have been transferred, these special R&D funds permitted great flexibility and gave cities a valuable tool for developing new approaches to solving urban problems.

Finally, the proposed reduction of the percentage in the federal share constitutes another "squeeze" on local governments, already hard-pressed because of inflation and other high costs of services, to continue the more than 900 local community action agencies across the country.

TABLE DA-1.—DRUG ABUSE BUDGET

[In millions of dollars]

	Fiscal year—			
	1973 OBL[1]	1974 B.A.[2]	1975 Res[3]	1976 B.A.[2]
Drug abuse prevention	$465.8	$510.4	$447.1	$443.8
Drug law enforcement	214.1	277.9	299.9	319.6
Total	679.9	788.3	747.0	763.4

[1] OBL—Obligations.

[2] B.A.—Budget authority.

[3] Includes Rescissions.

Note: These figures represent a composite of requested budget authorities for 21 agencies for prevention and 8 agencies for enforcement in both directed and non-directed efforts. These figures are not shown as line items in some agencies' budgets, but are estimates which change categories and are refined periodically. Therefore, the figures in a similar table in "The budget for fiscal year 1975" will differ in some instances from figures set forth in this table for fiscal year 1976 composites.

Source: Special Action Office for Drug Abuse Prevention.

DRUG AND ALCOHOL ABUSE

Drug abuse

The estimated budget authority of $763.4 million for federal drug abuse efforts for FY 76 is an increase of $18.3 million over FY 75. It represents a greater emphasis on enforcement programs but provides less for drug abuse prevention.

Prevention

$336.9 million are requested for prevention efforts in directed programs and $106.9 million for prevention support within larger federal programs. The National Institute on Drug Abuse (NIDA) will administer the major portion of the directed funds with a budget request of $221.8 million with $173 million to be available for community programs. Most efforts in cities are supported through treatment grants and contracts with the category of community programs in NIDA which is broken down as follows:

TABLE DA-2.—NATIONAL INSTITUTE OF DRUG ABUSE

[Budget Authority in millions of dollars]

	Fiscal year—		
Community programs	1974 carryovers and advanced funding	1975 BA[1]	1976 BA
Treatment grants and contracts	21+	[3] 105.0	122.0
Demonstration grants		12.0	11.1
NARA[2] contracts		1.2	1.0
Education grants and formulas		2.7	3.9
State formula grants		35.0	35.0
Total	21+	[4] 155.9	173.0

[1] Rescissions level which represents reduction of $1,123,000,000.

[2] Narcotics Addiction Rehabilitation Act.

[3] 126 equivalent.

[4] 176.8 equivalent.

Source: Special Action Office for Drug Abuse Prevention.

Treatment for ninety-five thousand persons is supported within the total scope of the community program. Eighty-seven thousand of the 95,000 treatment slots are within the treatment grants and contracts.

Requests for the remaining categories—education information, research, evaluation and planning direction support—do not differ significantly from FY 75 levels. In the area of training, however, $7 million less is requested, i.e., $3 million as compared to the FY 75 level of $10 million. The reduction primarily represents the elimination of regional treatment centers, with these activities being transferred to the National Drug Abuse Training Center.

As for preventive education, no funds are requested for the Office of Education to implement the Drug Abuse Education Act, as none were requested for FY 75. The $3.9 million requested for education programs are to be administered by NIDA and could be available directly to communities.

The Law Enforcement Assistance Administration (LEAA) within the Department of Justice will continue to administer the treatment alternatives to the Street Crime Program from its discretionary program budget with $3.7 million estimated for FY 76, which is $2.1 million less as compared to $5.8 million in FY 75.

The Special Action Office for Drug Abuse Prevention (SAODAP), which has coordinated federal prevention activities for the past three years, from the Executive Office of the President, will cease to exist June 30, 1975, when the Drug Abuse Office and Treatment Act of 1972, (P.L. 92–255), expires. Many of SAODAP's functions will be transferred to NIDA. P.L. 92–255 also authorizes the major portion of funds which NIDA administers.

Law enforcement

Of the total enforcement budget authority of $319.6 million, (not including prevention activities of enforcement agencies) $147.9 million is for the Drug Enforcement Administration (DEA) within the Department of Justice. This represents an increase of $15.1 million over FY 75 and is to be used for criminal enforcement primarily along the southwestern border to combat an expected rise in the availability of both Turkish and brown heroin. The estimates for drug enforcement activities of LEAA and other Justice agencies total $64.7 million with the major portion of the $13.8 million requested for the U.S. Attorneys and marshals for personnel to continue drug related prosecution.

Most of the remainder of the enforcement budget is accounted for through the following estimates: $42.5 million to the State Department, $42.6 million to the Bureau of Customs and $20 million to the Internal Revenue Service in the Department of Treasury. These FY 76 estimates are set at approximately the same level as in FY 75.

Comment

The $17 million requested increase for treatment grants and contracts (see Table DA–2) should be evaluated in light of the 10 percent decrease in the federal match for these funds which is to drop to 63 percent. Under the present 73 percent federal match (approximately $1,500 of the $2,100 necessary per annum per treatment slot), $130.5 million is estimated as necesary to continue the 87,000 treatment slots supported by NIDA administered treatment grants, which most directly provide services at the local level. The estimate does not take inflation into account or the anticipated increased need for treament which is predicted by SAODAP due to the growing infiltration of Turkish and brown heroin, as documented by both SAODAP and DEA. Also, at present most NIDA funded programs are operating at 100 percent capacity due to reallocation of unused treatment slots during the past year.

The federal government expects state and local government to allocate funds for the 10 percent reduction in the federal match. This expectation is based on the false assumption that state and local governments are in a "better fiscal position" than the federal government. Thus the federal government is pressuring local governments to provide additional support.

The Treatment Alternative to Street Crime Program, administered by LEAA, was conceived by SAODAP to provide treatment for all persons graduated from TASC programs. However, the recent shortage of treatment slots is making it difficult for NIDA to honor SAODAP's commitments, particularly since NIDA must provide a 90 percent match for any new grants. LEAA has developed TASC programs out of its 15 percent discretionary funds based on this commitment and does not want to continue the operational costs of TASC programs on a long term basis or to graduate clients where no treatment is available. State governments will be expected to assume costs for any TASC program in existence over two years.

The Administration is recommending that SAODAP be allowed to expire as part of a move to transfer to appropriate federal agencies the duties of all special offices operating from the Executive Office of the President. However, it is doubtful that NIDA will be able to assume the broad coordinating functions of SAODAP, operating as an agency four layers from the top of the Department of Health, Education and Welfare. There is also concern in some quarters that since the director of the DEA reports directly to the Attorney General, the enforcement aspect of drug abuse may receive more emphasis, particularly in view of the new heroin infiltration.

Extension of the Drug Abuse Office and

Treatment Act is of major importance to continuing national, state and local efforts against drug abuse.

Alcohol abuse

The President's FY 76 Budget for the National Institute of Alcohol Abuse and Alcoholism (NIAAA) reflects a slight increase over last year's request. The requested funds, however, are to be used primarily for continuation grants rather than new starts. At the same ime, the FY 76 Budget calls for drastic rescissions in the FY 75 budgetary resources.

Rescissions

If the proposed reductions were to be accepted, the alcohol budget would diminish from a total of $165.8 million (including both the Congressional appropriations and remaining 1973 impounded funds) to $90.3 million. This would represent a cut of approximately $54.4 million, or one-third of the current budget authority.

Cities would be most affected by the proposed rescissions as project grants and contracts, which are the main source of funds for local programs, would be reduced from a level of $80.9 to $40.4 million. Since $16 million represents 1973 appropriations and cannot be reduced by the Administration, the actual revised 1975 Budget request for community projects and grants is $24.5 million.

TABLE AA-1.—FUNDS FOR ALCOHOL ABUSE

In millions of dollars]

	Fiscal year 1974 actual	Fiscal year 1975				Fiscal year 1976 estimated
		Request	Resources		Revised request	
Research	$10.5	$10.4	$11.0	[1]0.1	$9.0	$9.0
Training	6.9	1.9	11.4	[1]3.7	1.9	7.0
Community programs:						
Project grants and controls	70.0	32.0	80.9	[1]16.0	24.5	45.5
Grants to States	56.9	45.6	52.0	------	45.6	45.6
Management and information	8.8	9.9	10.4	[1].2	9.2	7.1
Total[3]	153.2	99.9	165.8	[1]19.8	[2]90.2	114.2

[1] Represents 1973 appropriation restoration available for obligation until Feb. 7, 1975.

[2] Excludes 1973 appropriation restorations. With restorations, 1975 revised budget is $110,100,000.

[3] Totals may vary due to rounding.

Sources: Proposed Rescissions of Budget Authority, Report Pursuant to sec. 1013 of Public Law 93-344, rescission No; R75-70; Appendix to the Budget for Fiscal Year 1976, p. 402. Appendix to the Budget for Fscal Year 1975, p. 410; Material submitted by the National Institute on Alcohol and Alcohol Abuse.

Budget request

The total budget request for FY 76 is $114.2 million, as compared to $99.9 million in FY 75. Project grants and contracts are aimed at improving the capability of communities to establish programs of alcoholism prevention, treatment and rehabilitation. The budget authority requested for these programs is $45.5 million, more than $32.1 million initially requested for FY 75. The FY 76 Budget will provide continuation funding for grants initiated in 1975 and before. Funds will provide up to 80 percent of previous funding levels for all categorical programs with the exception of Indian and poverty programs, which will be continued at 100 percent and 90 percent respectively. All other programs will be expected to obtain funding support from sources other than the federal government.

Research was decreased from $10.4 million to $9 million, and management and information from $9.9 million to $7.1 million. Grants to states remained at the same level ($45.6). The Administration will propose legislation for 1976 to require a non-federal match for formula grants. Training increased from $1.9 million to $7.0 million. In supporting alcoholism training projects, NIAAA intends to increase the number of qualified professional and para-professional personnel working in the field of alcoholism and to improve the knowledge of such persons as law enforcement officers and lawyers who come into contact with alcohol offenders. NIAAA is also establishing four area Alcoholism Education and Training Programs in different sections of the country to assess the localized need for manpower in alcohol programs.

Comment

Both the requested rescissions for FY 75 and the justifications for the FY 76 Budget clearly indicate the Administration's decision to require local governments, states and categorical programs to assume financial responsibility for the continuing cost of alcohol services. A significant part of the revised FY 75 budget for community projects and grants is focused on assisting cities, states and individual programs to establish the capacity for seeking non-federal funding, and to utilize resources such as third party payments in providing services. However, not all programs may have the time to obtain enough resources for their 20 percent contribution between FY 75 and FY 76.

Although alcohol abuse has been recognized as the nation's foremost health problem, and Congress has consistently passed high levels of funds for alcohol programs, the Administration has still chosen to reduce these funds. While all programs of the National Institute of Alcohol Abuse and Alcoholism are cut in the revised FY 75 Budget, the impact of reduced funds will be felt most heavily in the cities. If the rescinded funds for project grants and contracts were obligated, approximately 534 new projects could be awarded, as well as 188 renewed. Only 295 new awards will be possible under the rescissions.

ECONOMIC DEVELOPMENT ADMINISTRATION

The Public Works and Economic Development Act of 1965, through its creation of the Economic Development Administration and the Regional Action Planning Commissions, has as its purpose the strengthening of those local economies "suffering substantial and persistent unemployment and underemployment." While the program has been largely rural oriented and seriously underfinanced (approximately $3 billion has been appropriated since FY 65), it has given significant assistance to struggling urban economies.

In its Federal Budget for FY 75, the Nixon Administration recommended that EDA and the regional commissions be phased out and replaced by federal revenue sharing through block grants to states for economic development. That effort failed and Congress extended the Public Works Act for two more years. The 1975 EDA extension legislation also made several changes in the agency's program which could be beneficial to cities as well as other communities: new planning and capacity building grants for cities and other subfederal levels of government; an easing of the requirements for cities being designated for assistance; an improved business loan program more responsive to urban conditions; and a new economic adjustment program for state and substate jurisdictions. The total amount appropriated to EDA for FY 75 excepting funds for the regional commissions was $267.9 million. This latter figure assumes Congressional approval of a pending Administration rescission request of $2 million from EDA's technical assistance program.

For FY 76 the Administration proposes a budget of $314.3 million, an increase of $46.4 million, and an addition of 88 permanent EDA employees (see chart below). It should be noted that this budget includes the addition of funds for the newly created trade adjustment program established by the 93rd Congress in the Trade Adjustment Act of 1974. Nearly $36 million in trade adjustment monies are included. Thus, EDA's current programs will receive substantially less than the $46 million projected budgetary increase. Federal officials concede that the need for trade adjustment assistance is as yet unknown. Finally, the Office of Budget and Management continues to prohibit the release of nearly $150 million in accrued funds in EDA's revolving fund.

The following is an outline of the major program components of the proposed FY 76 EDA Budget.

Public works grants and loans

EDA's Public Works Program will undergo a substantial reduction of $32.2 million including the elimination of funding for the Public Works Impact Program, which provides for short term labor intensive public works projects in high unemployment communities and neighborhoods. Urban communities have expressed general support for PWIP. The Administration maintains that public works are ineffective for the stimulation of emergency employment, and that programs involving federal project approvals should be de-emphasized. The public works programs have provided important assistance for local governments to install support facilities for business development, e.g., utilities, transportation improvements.

Business development

This program of business loans, loan guarantees and lease guarantees will be increased substantially by $35 million, including $17 million under the Trade Act of 1974 for firms adversely affected by import competition. It should be noted that in the past SMSA's have received far less money percentage wise from this title of the EDA program than from any other.

Planning, technical assistance, and research

EDA's planning budget will receive a net increase of $6.3 million, but that will include a reduction of $1.5 million in economic planning grants for cities and other substate jurisdictions. The technical assistance budget will receive a net increase of $2.7 million with the new monies going to a new $3 million program of technical assistance under the Trade Act of 1974, while the current technical assistance program suffers a $300,000 reduction.

Grants to States for supplemental and basic funding of EDA programs

The FY 75 EDA extension legislation established a new program of grants to the states for use in supplementing or making grants and loans for activities authorized under Titles I, II, and IV of the EDA Act, with the states providing 25% of the assistance. Funds are distributed among the states in proportion to the amount of public works grants each state has received since EDA was created. This program will receive a substantial increase of $7 million in FY 76.

Economic adjustment assistance

This program, begun in 1975, provides special economic development and adjustment assistance to states and local areas to assist them in meeting actual or threatened unemployment arising from increased competition from imports, natural disasters, environmental closures, defense closures and other impacts of federal action, and other economic adjustment problems resulting from severe changes in economic conditions. The program's budget will be increased by $26,250,000. It should be noted, however, that the FY 75 start up appropriation of $38,750,000 was a six months' appropriation, and the FY 76 $65 million budget also includes $15 million for trade adjustment assistance.

Comment

While the Economic Development Administration survived Administration efforts to phase it out and replace it with a state oriented economic adjustment revenue sharing program, the proposed FY 76 budget for EDA indicates the persistence of Administration thinking: greater emphasis on assistance to states; a shift away from federal project approvals to revenue sharing program decentralization; a shift to economic adjustment programs rather than longer term economic development; and continued limited financing of federal economic development efforts.

TABLE EDA-5.—ECONOMIC DEVELOPMENT ADMINISTRATION

[In millions of dollars]

	Fiscal year—			Change fiscal year 1975 to fiscal year 1976
	1974 (actual)	1975 (estimated)	1976 (estimated)	
Budget highlights:[1]				
Program level—				
Budget authority and administration	$240.5	$267.9	$314.3	$46.4
Outlay	235.8	274.9	259.6	−15.3
Permanent employment	650.0	650.0	738.0	+88.0
Direct obligations by program:[2]				
Public works and business development	193,808	173,200	176,000	
Planning, technical assistance and research:				
Planning	7,739	12,200	18,500	
Technical assistance	17,765	7,300	10,000	
Research	989	500	500	
Subtotal, planning, technical assistance and research	26,493	20,000	29,000	
Grants to State for supplementa and basic funding of title I, II, and IV activities (title III, sec. 304)		13,000	20,000	
Economic adjustment (IX)		38,750	65,000	
Total obligations	220,301	244,950	290,000	

[1] U.S. Department of Commerce "Fiscal Year 1976 Budget Outline," p. 17.

[2] "The Budget of the U.S. Government, Fiscal Year 1976, Appendix," p. 232.

The increase in EDA's FY 76 proposed budget is largely accounted for by the infusion of funds for trade adjustment programs. While our preliminary estimates suggest that SMSA's, which presently receive approximately only 25% of EDA funds, will receive the same dollar amounts in FY 76 as in FY 75, this will involve a severe reduction of monies available for on-going economic development activities, e.g., public works, economic planning, and technical assistance, and an increase in monies only for assistance for economic adjustment to external developments impacting local economies. The dollar amounts may remain relatively equal but the change in the budget's composition would be significant. With the requested 26.5 million dollar increase in its budget, the pivotal question is whether EDA's new economic adjustment program will become a program of short-term reactions to local economic crises, or a more flexible vehicle for long-term redevelopment of local economies, and hopefully, increasingly urban economies. The substantial increase in grants to states indicates the continued emphasis on strengthening the state role in economic development.

The Administration's overall economic strategy is also manifested in the EDA budget. Economic stimulation will be sought through assistance to the private sector, e.g., increases in the business development program, while public sector programs are curtailed, e.g., severe reduction in public works. While business development assistance, especially with the improved financing programs added in FY 75, is a valuable anti-recessionary and economic development tool, commensurate assistance is also needed for public sector infrastructure, technical assistance and economic planning to support local economic development. In line with its view that public works are a poor vehicle for emergency employment the Administration is also seeking to defer the $125 million accelerated public works program established by the Emergency Employment Act of 1974 (Title X) and to have those monies transferred to the public service employment program of the Department of Labor. In contrast, proponents of accelerated public works programs have indicated that such programs, while providing short term job opportunities, would also contribute to the long-term improvement of the national and local economies and increase long-term private sector job opportunities.

In contrast to the Administration's proposed EDA budget, mayors recently called for nearly a sevenfold increase in EDA's budget. This increase would include over $1 billion in additional funds for current EDA programs and $500 million for an anti-recessionary accelerated public works program.

EDUCATION

For FY 76 the President is requesting a total budget authority of $6.086 billion, a decrease in funding of approximately $400 million. Cuts in elementary and secondary education programs (down $291 million) account for approximately three-fourths of the decrease.

Rescissions, deferrals and reductions

At the same time the President has decreased the education budget, he has sent to Congress proposals to rescind or defer another $660 million of appropriated FY 75 education funds. If Congress should support these requests, educational funding would decrease by more than $1 billion. In particular, the President has proposed rescissions of $35.9 million in elementary and secondary education ($21 million will come from Bilingual Education and Follow Through funds); $102.5 million in education for the handicapped; $39.7 million in occupational, vocational, and adult education; $58.3 million in higher education; and $49.4 million in library resources.

Deferral proposals amount to $374.3 million: higher education basic opportunity grants, $298.7 million; higher education construction, $72.8 million; and library resources, $2.8 million. These proposals represent one-half of the rescissions and deferrals proposed from all HEW funds.

Advance funding for consolidated programs

With an overall decrease of $400 million, no programs will be significantly increased in FY 76. Support and innovation for elementary and secondary education increased by $41 million but that increase is based on approval of a $9 million rescission in funds for strengthening state departments of education. Grants for the Disadvantaged increased by a mere $24 million; Education for the Handicapped increased $24 million, while at the same time the President has proposed a rescission of $102.5 from FY 75 funds and FY 76 advance funded monies.

Legislation supporting the consolidation of programs in elementary and secondary education was passed in FY 75. The FY 76 budget reflects this by providing funds to trigger the consolidations and provide advanced funding for the programs. In addition to the $6.086 billion requested for the Office of Education, $2,328 billion in advance funding has been requested. The programs for which advance funding is requested, at FY 76 levels, are Grants for the Disadvantaged, Consolidated Programs (elementary and secondary education), Education for the Handicapped, Adult Education, and Libraries and Instructional Resources.

Programs maintaining fiscal year 1975 levels

Other elementary and secondary programs are funded at FY 75 levels, which, due to inflation will be viewed by some as a decrease. Of particular interest in this category are Bilingual Education (with a $15 million rescission proposed); Follow Through (with a $6 million rescission proposed); and Vocational Education (with a $39.7 million rescission proposed and the introduction of new legislation to consolidate programs, the result of which will increase the non-federal dollar share).

Emergency school aid

Funding for the Emergency School Aid program continues to be an unresolved issue. Congress has not yet passed an appropriation for the program which is currently operating under a temporary continuing resolution. The continuing resolution funds the program at $234 million, which is at a much higher level than the President proposed. The Administration wants to reduce the level to $75 million. Its rationale is that funds can be targeted to those school districts with the greatest need of desegregation assistance rather than allocations being based on state apportionment formulas. At the same time, the Administration has indicated that if the continuing resolution becomes the budget authority for Fy 75, rescissions of continuing resolutions will also be proposed. If approved, the rescission would reduce federal spending by $159 million.

Impact aid

The proposed Impact Aid legislation would reduce FY 76 budget authority by $390 million and reduce outlays by $270 million.

Library resources

The President will also propose legislation in the area of Library Resources. This legislation will support the integration of library and information services as well as new methods of delivery of library services.

Higher education

Although higher education fared rather well in FY 75, this is not the case for FY 76. Student assistance funds, which accounted for the major portion of the increased funds in higher education last year have been decreased by some $122 million. This $122 million is a net decrease resulting from the following changes in funding: Supplement Opportunity Grants of $240 million are to be eliminated; the Direct Loan program is to be reduced to $9 million, a reduction of $320 million; and Work-Study funds are to be reduced by $50 million. These reductions amount to $610 million. Of this $610 million reduction, only $488 million will find its way back into Student Assistance programs. Basic Opportunity Grants will increase by $390 million; Guaranteed Loans will increase by $74 million (the President has also requested supplemental appropriations in FY 75 of $150 million for this program); and Incentive Grants for state scholarships will increase by $24 million

TABLE ED-1.—ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

[Budget authority in millions of dollars]

	Fiscal year 1974	Fiscal year 1975		Fiscal year 1976
		Enacted	Revised	
Elementary and secondary education:				
Grants for disadvantaged	$1,719	$1,876	$1,876	$1,900
Advance for 1977				(1,900)
Support and innovation	173	141	132	173
Advance for 1977				(173)
Bilingual education	58	85	70	70
Right to read	12	12	12	12
Follow through	53	53	47	42
Education broadcasting facilities	13	12	7	7
Environmental education	2	2	2	
Drug abuse education	6			
Subtotal, ESEA	2,036	2,181	2,146	2,204
Impact area aid	593	656	656	266
Emergency school aid	258	[1] 102	102	102
Education of the handicapped	148	200	147	[2] 175
Occupational, vocational, and adult	692	678	639	[3] 644
Indian education	42	42	42	42
Total	3,769	3,859	3,732	3,433

[1] $75,000,000 of estimate pending before Congress.

[2] Does not include $50,000,000 advance funding (fiscal year 1977) for State grants.

[3] Does not include $68,000,000 advance funding (fiscal year 1977) for adult education.

Research

The federal role in education, as viewed by the Administration, is devoted to developing and encouraging improvements in the educational process through research, innovation and reform, extending and assuring equal educational opportunity, and supporting projects that will enable the states to improve their capability to provide and finance educational activities. The FY 76 Budget indicates that requests for the National Institute of Education have been increased from $70 million in FY 75 to $80 million. Additional authorizing legislation appropriating $357 thousand for FY 75 research will be proposed. The National Center for Education Statistics, created by the Education Amendments of 1974, will be funded at an increase of $7.6 million over the FY 75 request of $9.1 million; and $17.6 million is requested for the fund for the improvement of Post-Secondary Education. Overall, funds for research in education will more than double in FY 76 increasing from $119 million in FY 75 to $254 million in FY 76.

The FY 76 budget provides about $39 million for innovative and experimental programs authorized under the Special Projects Act included in the Education Amendments of 1974. The FY 75 budget included $18 million for some of these activities which were formerly conducted under the Cooperative Research Act which has been repealed. The Special Projects Act is designed to support experiments with new educational and administrative methods and techniques, and to meet special educational needs and problems.

TABLE ED-2.—HIGHER EDUCATION

[Budget authority in millions of dollars]

	Fiscal year—			
		1975		
	1974	Enacted	Revised	1976
Student assistance:				
Basic opportunity grants	$475	$660	$660	$1,050
Supplemental opportunity grants	210	240	240	
Direct loans	293	329	329	9
Other student assistance	908	750	900	948
Total, student assistance	1,686	1,979	2,129	2,007
Other higher education	2,021	2,255	2,345	2,213
Total	3,707	4,234	4,474	4,220

Comment

The Administration's FY 76 budget for education again clearly indicates the federal government's continued position that education is the responsibility of states and local governments. At the same time, local education agencies generally have been experiencing a hold-fast, if not a decline in the states' support for local education.

Consolidation of elementary and secondary programs will be completed during FY 76. At best it can be said that the Administration has continued advanced funding for these programs. Whether or not the level of funding is sufficient to have an impact on monumental urban education problems remains to be seen. Regardless, they are not of the nature to relieve the present "financial crunch" urban education agencies are experiencing today, particularly in terms of basic operating expenditures.

As usual, because all education funds are controllable funds (Impact Aid being the only exception) money for education along with other social programs, continues to suffer first and severely when there are cutbacks in federal spending. This year the crunch will be particularly severe because of increased energy costs. Because the vast majority of the nation's local education agencies are financially autonomous, they will be greatly affected by increased energy costs and will be pressing for federal financial support to offset their increased costs.

The Administration's proposed change in the Impact Aid program can have a tremendous effect on the general operating revenue of local education agencies. Impact Aid represents one of the few programs that provides unrestricted funds to school districts. A decline in these funds will place an additional and unnecessary burden on urban school systems already plagued with financial dependencies and no new sources are on the horizon to raise additional funds.

The Emergency School Aid program is again challenged by the Administration. The Administration argues that allocation of these funds should be based on need, not on a formula and that local education agencies must develop definitive plans for the use of these funds in assisting school desegregation. The shift in allocation criteria again raises the question of the Administration's level of commitment toward eliminating the occurrence of other Bostons and it places the tough responsibility for initiating desegregation activities on the local school district.

The court decisions affecting education for the handicapped have only exposed the top of the iceberg. Many more federal dollars are going to be needed to assist local education agencies in meeting their responsibility for educating this segment of the urban population.

The greatest need for education funds is at the elementary and secondary levels—in the public schools of the nation's cities—not in higher education. Based on a need factor, higher education receives a disproportional share of the federal education dollar.

EMPLOYMENT

Manpower Training and employment programs

The President's FY 76 Budget calls for an appropriation of $2.4 billion for programs funded under the Comprehensive Employment and Training Act (CETA) of 1973. This is the same level of funding for CETA (excluding Title VI) as is presently in place after the December Labor-HEW appropriation. Title I of CETA would require $1.6 billion, Title II $400 million, and Titles III and IV $414 million, all of which equal current funding levels. Title I funding includes comprehensive manpower services and summer youth employment programs. Title II of CETA provides public service employment activities, and Title III monies for support manpower activities to special target populations. Title IV of CETA represents the nationally operated Job Corps Program.

Title I

Out of the $1.6 billion available for Title I activities, 80 percent, or $1.3 billion, will be distributed among prime sponsors through the Title I formula. The remaining funds will be used to maintain the 90 percent hold harmless requirements, provide bonuses to promote consortiums of local jurisdictions, supplement vocational education activities, support state manpower services councils, fund manpower activities through the states, and to provide other activities at the Secretary's discretion.

Emergency employment

The FY 75 appropriation of $875 million for the Emergency Jobs and Unemployment Assistance Act of 1974 is incorporated into the President's FY 76 budget as outlays. The Budget proposes transfer of $125 million appropriated for Title X of EDA (for public works projects) to Title VI of CETA. The budget anticipates therefore, that $1 billion in funds will be available for public service employment under Title VI in a time frame of calendar year 1975. Of this amount, it is estimated that $350 million will be consumed by June 30, 1975, and that $650 million will be available during FY 76. No FY 76 funds are being requested for Title VI pending an evaluation of the nation's needs and the program's success.

In addition, no funds are being requested for any further extensions of the Emergency Employment Act of 1971. Total new funding being requested by the President for public service employment in FY 76 thus amounts to $400 million, solely for Ttile II of CETA.

Job Corps

The budget reflects anticipated outlays during FY 76 of $171 million for the Job Corps Program, compared to $175 million in FY 75. The President's budget, therefore, requests a reduction of $4 million in funding for this national program.

Comment

The President's budget reflects two basic considerations of the Administration: the projection of significant amounts of carryover funds from FY 75, and a cautious, wait-and-see attitude toward public service employment. The manpower budget request also ignores the impact of a rate of inflation of 12.2 percent on manpower activities.

A $2 billion level of FY 75 public service employment activity is proposed to be refunded with a $400 million FY 76 budget request. Even with projections of carryover funds, this request would barely suffice for an orderly phase-out of the project, when reality calls for its immediate and substantial expansion. The failure to take early recognition of the problems of the unemployed and deal effectively with them can only lead to a severe reduction in our capacity to respond to an urgent national crisis that is growing worse, not better.

The proposed level of public service employment activity could result in lay-offs of workers in these programs as early as June, 1975. With most projections calling for a prolonged downturn in the economy this prospect is unacceptable.

The following table compares FY 75 public service employment resources with the President's 76 budget:

TABLE M-1.—PUBLIC SERVICE EMPLOYMENT RESOURCES

[In millions of dollars]

	Fiscal year—	
	1975 (actual)	1976 (estimated)
CETA, title II	[1] $780	$400
CETA, title VI	875	
Proposed transfer from title X of EDA to title VI of CETA	125	
Emergency Employment Act of 1971 (PEP)	250	
Total	2,030	400

[1] Includes $380,000,000 of fiscal year 1974 title II funds that were allocated in effect during fiscal year 1975.

Should no resources beyond the proposed $400 million be made available to CETA prime sponsors during FY 76, slowdowns in hiring under existing resources would begin to occur within the next few months. This would be extremely detrimental to the nation's unemployed, but necessary if prime sponsors are to avoid mass layoffs of public service workers. The current pace of hiring is extremely rapid and participation in the programs is expected to peak at 320,000 by April, 1975. This peak would then fall-off precipitously unless additional resources were provided. More unemployed must be served if this effort is to be at all meaningful, yet as their needs grow, the President's Budget would only reduce the resources available to serve them.

Under the Budget, CETA manpower training efforts in urban areas also would suffer at a time of rapidly expanding needs. CETA Title I funding of $1.6 billion, while equaling the FY 75 level in total, does not mean that prime sponsors will be receiving the same allocations as last year. The Title I formula will continue to reduce the funding levels of most major cities through the 90 percent hold harmless provision of the Act.

In light of the above discussion, the expectation that prime sponsors will fund summer youth employment and recreation programs from future and existing Title I resources is ludicrous. Unemployment among youth is soaring and may reach 50 percent in urban areas by this summer. In failing to request a supplemental appropriation for the summer of 1975 or to seek budget authority for a summer of 1976 program, the President's budget plainly disregards the enormous needs of this group.

It is clear that despite Administration statements to the contrary, public service employment and certainly manpower training are not reflected in the budget as part of the President's anti-recession program.

Related manpower programs

In related areas, the Budget reflects deferral of funds in one program while requesting a continuation of others at current operating levels.

A budget authority request of $218 million is sought for the Work Incentive Program. The requested amount and projected carryover funds will sustain the program at the FY 75 level of $315 million. Since FY 75 operations were conducted largely with FY 74 carryover funds, a $93 million increase in the Department of Labor's authority and a $27 million increase in authority for the Department of Health, Education, and Welfare portion of the program are being requested.

The budget proposes an increase of $116 million for the Occupational Safety and Health Administration, including $5 million to provide on-site technical assistance to small employers, $2.5 million additional for state administered programs and $6.2 million for 300 new compliance officers.

To cushion the impact of statistics gathering in light or emergency employment legislation, the budget requests authority of $61.7 million, a $7 million increase over FY 75, to improve statistics gathering activities.

A budget request of $79.7 million, an increase of $3.6 million, is included for employment standards and equal employment opportunity activities. The increase is to be used primarily for an additional 200 compliance officers.

The Budget requests a rescission of $12 million for public service employment under Title X of the Older Americans Act—the entire amount appropriated for FY 75.

An additional $36 million has been requested for Special Workers' Compensation Benefits, increasing its budget to $201 million.

To administer the Department of Labor's portion of the Employee Retirement Income Security Act of 1974, the budget requests an addition of $4.9 million to be incorporated into a $42 million request for labor-management services.

The Budget also requests a $5.1 billion FY 75 supplemental appropriation for advances to the Unemployment Insurance Trust Fund. No new budget authority is requested for payments to workers not previously covered by unemployment insurance, as provided by the Emergency Jobs and Employment Assistance Act of 1974.

Summer youth programs

While the Department of Labor anticipates a 1975 summer youth employment program of approximately the same magnitude as last year (710,000 slots at a cost of $380 million), there are no specific funds earmarked and the budget states that a supplemental appropriation will not be sought for either summer 1975 or summer 1976. CETA prime sponsors are expected to fund summer youth programs out of existing CETA Title I allocations and surplus carry-over funds accruing from FY 75 CETA operations.

The Recreation Support Program is also not reflected in the budget this year. The new Community Services Act of 1974, transferred this program from the Department of Labor to OEO, OEO, however, has not proposed any funding for recreation support during FY 76. This program received $17 million during FY 75.

Comment

Rapidly rising unemployment rates and deteriorating economic conditions will have a severe impact on joblessness among youth this summer. With projected increases in the number of disadvantaged youth and alarming numbers of lay-offs in both the private and public sector, an unemployment rate of 50 percent or more is anticipated among disadvantaged youth this summer. Cities have estimated that they can effectively employ 1.2 million youth at a cost of $650 million (at the new minimum wage rate of $2.10 per hour). A supplemental appropriation in this amount that specifically addresses the growing crisis of youth unemployment is essential if there is to be a summer program of meaningful magnitude. The recent enactment of the Emergency Jobs and Unemployment Assistance Act of 1974 responded to the needs of the rapidly increasing ranks of unemployed adults. A similar response is necessary to meet the separate crisis of youth unemployment.

ENERGY

Energy programs

Energy is one of the central issues of the President's FY 76 Budget. President Ford proposes:

An excise tax on imported oil of $2.00 a barrel;

An excise tax on domestically-produced petroleum and natural gas;

Decontrol of oil prices;

A windfall profits tax;

Deregulation of prices on new natural gas;

Leasing of off-shore oil and gas resources on the outer continental shelf;

More extensive use of the naval petroleum reserves;

Conversion of utilities from oil to coal;

A petroleum storage system;

An expanded research and development program which focuses on nuclear and nonnuclear resources;

Amendments to the Clean Air Act which would permit deterioration of air quality standards;

A five-year moratorium on automobile emission standards;

An $80 rebate to non-taxpayers for increased energy costs;

A low-income energy conservation program;

National mandatory thermal efficiency standards;

Energy facility siting legislation which would allow state override of local land-use decisions in facility siting;

Mandatory appliance and automobile efficiency labelling;

Decreased individual and corporation income taxes;

An income tax credit of 15% of expenditures on energy-saving home improvements;

A five-year moratorium on auto emission standards;

A two billion dollar payment to state and local governments; and

A three billion dollar payment to federal agencies.

Energy policy

This program is designed to reduce our dependence on foreign oil by raising the cost of energy in every sector of the economy, thus encouraging conservation through price rationing. The effects of the rising prices are expected to be modified somewhat by the tax cuts and rebates to corporations and individuals. These various payments are not viewed as an economic stimulus but as one part of an energy strategy which will reduce energy consumption without undue hardship upon any one sector of the economy.

The loosening of environmental standards, the leasing of federal lands, and the energy facility siting legislation all are efforts at increasing the domestic supply of energy. The Administration feels that the energy needs of the country warrant a slowing of the environmental gains made during the past decade.

The efficiency labelling and the mandatory thermal efficiency standards both attempt to increase conservation through public education and through energy efficient building codes.

Research and development

In terms of budget impact, the proposed energy research and development budget is among the more important aspects of the President's energy proposals. It serves to point out the direction in which the Administration feels that we as a nation should travel.

The FY 76 budget allocates $2.2 billion to federal energy programs representing a little more than one-half of one percent of the total federal budget. This budget will meet programmatic needs in four broad categories: general operating programs ($478 million), regulatory programs $164 million), uranium enrichment ($738 million), and research and development program ($1.7 billion).

"The funds for energy R & D . . . will be in research and development with the newly created Energy Research and Development Administration (ERDA) responsible for over 90% of energy research funds.

"The funds for energy R & D . . . will support a broadly based and balanced development effort on technologies for energy supply, environmental control, and conservation" (Special Analyses, p. 253). Within ERDA, the budget allocates the agency's funds as follows:

TABLE EN-1.—ENERGY RESEARCH AND DEVELOPMENT OPERATING EXPENSES

[In millions of dollars]

	Fiscal year—	
	1975	1976
Petroleum and natural gas	$17.3	$23.7
Oil shale	3.5	8.1
Coal	174.2	311.3
Solar energy	8.8	57.1
Geothermal	13.8	28.3
Advanced energy systems	12.3	23.2
Physical research program	281.6	312.5
Electric power transmission	6.4	11.8
Advanced automotive power systems	4.5	8.3
Energy storage systems	5.8	9.1
End-use conservation		3.0
Fusion power R. & D	85.0	120.0
Fission development programs	1,235.5	1,513.9
Weapons R. & D	819.9	873.5
Other national security	47.3	64.9
Environmental and safety research	165.0	197.7

Source: ERDA press release, Feb. 1, 1975.

The research and development effort is divided into five major areas.

Fossil Energy—This program is intended to stimulate increased energy supply from oil, gas, and coal. The major programs within this area are coal liquefication, tertiary recovery methods for oil and gas fields, adaption of low quality synthetic fuels for automobiles, and in site production of oil and gas from oil shale.

Solar and Geothermal Energy—This program will be conducted to establish the economic viability of solar energy in the heating and cooling of buildings and wind conversion. The geothermal program will continue to develop the technological base necessary to stimulate the generating of electricity in substantial amounts by 1985.

Nuclear Energy—This program will accelerate the development of fusion power technology. The program will also continue to increase the support of existing and developing fission technologies.

Environmental and Safety Research—This program will continue to study the effects of energy production on living systems. The effort will primarily focus on the effects of fission technology in the production of electricity.

Conservation—Program emphasis is on improving the efficiency of electric power transmission, advanced automotive power, and storage systems.

COMMENT

President Ford's proposals for increasing the nation's energy supply within the context of the nation's immediate needs and within the context of the long term needs of the country appear to be misdirected.

There is no question that if we are to reduce our energy consumption it must be done through the economy and include all forms of energy. The President's proposal, which will raise energy costs through oil taxes and the gas deregulation, is aimed at this reduction of consumption. But the questions remain: does the President's proposal reduce consumption equitably? and, can our already depressed economy stand the shock of such drastic price hikes in so short a time?

In terms of equity, the President's energy proposal fails for at least four reasons:

1. It raises prices for goods and services which are inelastic for the low income groups without providing enough support to offset the increases.

2. It affects regions of the country disproportionately without a similarly disproportionate tax rebate system.

3. The distribution of rebates to cities is not based upon a formula which bears any relation to the differing impact of the energy crises upon cities.

4. It does not provide relief to school systems.

It is difficult to judge the ability of the economy to stand the strain of this policy, but estimates place the direct costs of the President's proposals at over $50 billion. The proposals return $30 billion through various mechanisms leaving the economy and the consumer with a $20 billion shortfall and a national deficit of $30 billion.

The proposed strategy for increasing energy supply through the loosening of environmental standards and the leasing of federal lands appears to indicate a serious change of policy on the part of the federal government. The League and the Conference are committed to a policy of developing environmentally safe sources of energy. Thus, the amendments to the Clean Air Act, the conversion of utilities, the leasing of off-shore drilling rights, and the five-year moratorium on auto emission standards appear to eradicate much of the progress made during the past 10 years of increasingly stringent environmental protection. No one can argue our need to develop domestic energy resources, but there can be no excuse for degrading the environment for the sake of cheap energy. The environmental gains this country has made have been hard won, and we should not sacrifice them in a frenzy of energy development.

The President's research and development proposals appear to be the most misdirected of the energy proposals. The R & D budget is almost entirely production oriented. Of the more than $4.2 billion allocated to ERDA for FY 76 only $3 million will be committed to research on end-use conservation. This budget must cover residential, commercial, and industrial conservation research. It appears that the President not only expects the public to use less energy, but also expects it to do without the benefit of conservation research.

The FY 74 Budget proposed to provide adequate, reasonably priced, clean energy through the energy R & D programs. In that year, and in every succeeding year, we have witnessed an ever quickening march in the opposite direction with only a slight hesitation for FY 76. The energy R & D effort puts 60% of its resources into nuclear development allocating $120 million to fusion development and over $1 billion to fission R & D even though the promise of nuclear fission has dimmed as we have seen billions of dollars invested in nuclear power plants which are inefficient, unpredictable, and constantly threaten disaster. Not only are the plants cost-inefficient but the ever-increasing wastes from these plants continue to present an insoluble disposal problem. Fusion offers promise, but not without a greater commitment than the federal government has been willing to make.

But nuclear power is not the only environmentally dirty power source being invested in by the federal government: oil shale, coal development, and off-shore drilling have also received a disproportionate share of resources given their rather limited promise for long-term usefulness and acceptability.

For years, the League and the Conference have called for an energy research budget which more clearly meets the needs of the American people. The nation needs a budget which for the short term focuses on conservation—not production—and for the long term, develops a broad based program for clean energy—not the environmentally dangerous development of fission and other destructive technologies to the exclusion of more acceptable technologies.

This year the budget proposes an over 500% increase in funding for solar and geothermal energy, but still only commits 9% of the total R & D budget to the development of these inexhaustible sources of clean, inexpensive energy.

Cities are by nature energy conserving. Their concentration of human and physical resources guarantee energy efficiency. Population density reduces travel distances and makes possible the use of mass transit. Housing concentrations limit energy use and transmission costs. And in cities the existing physical facilities are well-used, reducing the need to expend scarce energy on the creation of new facilities.

Not only are cities by nature energy conserving, but city governments have shown their ability to reduce urban energy use even further. While city fuel costs have risen 90%, cities have managed to keep the increase in their expenditures for fuel to 45%. The proposed federal energy policy acts contrary to the nature of cities and the efforts of city governments ignoring a cooperative approach to the problem. Instead, it works at cross purposes to local governments, forcing higher taxes and reduced services at a time when people should be encouraged to live in cities.

ENVIRONMENT

The FY 76 Budget provides for an increase of $47 million in authority for the Environmental Protection Agency (EPA), raising the total of its operating budget to $743 million.

Water pollution control

The EPA will allot $4 billion to states next week for further construction of water pollution control facilities. The money will not be available for obligation, however, until the beginning of the next fiscal year. This will bring the total amount of funds obligated under Section 207 of the Water Pollution Control Act Amendments of 1972 to $13 billion. The act authorized $18 billion, which was to be obligated over three years concluding with the current budget cycle. During FY 76, EPA expects actual construction activity to substantially increase. Figures listed below indicate that the level of funds obligated for reimbursement purposes was substantially lower during the current fiscal year, thus making available more dollars for new construction activity which will actually be initiated during the latter half of 1975.

TABLE ENV-1.—EPA CONSTRUCTION GRANT AUTHORIZATIONS BY TYPE OF EXPENDITURE

[In billions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
New construction	1.541	3.550	5.200
Reimbursement	1.249	.541	----------

Source: EPA fiscal year 1976 Budget Briefing Document, Feb. 1, 1975.

The EPA water quality operating budget reflects a fundamental realignment of staff effort from permit issuing to compliance enforcement and monitoring. Along with this is an increasing emphasis on improving the management and administration of the construction grants program. A reduction of 151 persons is sought in those functions involving permit issuance. In contracts, the grants, administration, and related enforcement activities have been substantially increased. EPA indicated in a special briefing session that the agency had completed permit work for 94 percent of major industrial and 88 percent of major municipal users as of Jan. 1, 1975, thus justifying the shift.

EPA operating programs

The EPA's operating budget will be increased by $47 million from $696 million for FY 75 to $743 million for FY 76. Over half of this increase is due to the enactment of a Safe Drinking Water Act during the last session of Congress. Other significant increases include: $3.6 million for construction grants management; $4 million for noise abatement control; $10 million for pesticides; and $14 million for management and support. This budget reflects the emphasis placed on improved management of the wastewater construction grant program discussed above, increased technical assistance to farmers and other crop growers who must comply with pesticide standards during the ensuing fiscal year, and implementation of a new water supply program.

Air pollution

The proposed $140 million air budget represents a decrease of almost $12 million. The decrease is primarily attributed to a reduction in commitment to stationary source pollution control technology research. This reduction, however, does not reflect a lack of emphasis on pollution control technology. Rather it is indicative of the fact that the first phase in a series of research efforts in this area undertaken during the current fiscal year was a capital intensive and nonrepetitive one.

Grants to pollution control agencies will remain the same at $51.5 million, while technical assistance and training grants will be reduced somewhat below their FY 75 level of $10.3 million due to a transfer of several functions, including the advanced automotive power systems program to the newly created Energy Research and Development Administration.

Funding for 11 new positions has been requested for the assembly line monitoring program aimed at reducing the number of automobiles shipped to cities which have inadequate emission control devices.

Solid waste management

The Administration's FY 76 budget request for EPA's solid waste management program, including resource and energy recovery, is $16.6 million. The entire proposed increase of $2 million will be applied towards the development of guidelines for the disposal, storage, treatment, and transport of hazardous wastes. This continued narrow focus of EPA's solid waste program will attempt a further classification of hazardous materials by their types and sources. In addition, EPA desires to identify the potential health effects of hazardous wastes and to study various approaches aimed at controlling hazardous waste pollution. The budget provides an increase of 10 fulltime positions for the Office of Solid Waste Management Programs for these purposes.

The remainder of this year's budget request is expected to support program components similar to FY 75. No new resource or energy recovery demonstration grants are planned, despite a continued emphasis on technical assistance to cities, counties, and states beginning resource recovery programs. In addition, the Administration did not request funds for planning demonstration and construction grants for conventional solid waste systems.

Water supply

The budget request of $32.3 million for the water supply program represents an increase of almost $25 million over FY 75. Most of the money will be used to carry out the newly enacted Safe Drinking Water Act. In the aggregate the Administration has requested $24 million out of $78 million authorized by the act, including $10 million out of $15 million authorized for state program grants, $2.9 million out of $15 million authorized for health research, and $4.3 million out of $15 million authorized for control technology development. Although the act specially authorizes the appropriation of $40 million for technical assistance and training for local government agencies, the Administration has requested less than $10 million.

Noise abatement control

The noise budget request has been increased by $4.9 million over FY 75. This increased authority will be used to speed up the issuance of guidelines and regulations under the act. Thirty-two additional staff persons would be authorized; 20 to work on the development of standards and 10 to be dispatched to the 10 regional offices.

Parks and recreation

The Land and Water Conservation Fund administered by the Interior Department's Bureau of Outdoor Recreation would again be funded at its ceiling level of $300 million. Of this $175.8 million would be available for matching grants to state and local governments for outdoor recreation planning, land acquisition, and development of facilities, and $117.9 million would be spent by federal agencies to expand various recreational opportunities.

Comment

This year's EPA budget, like some new domestic programs, appears to have been "held harmless." In any other budget year, perhaps, a level of funding such as contemplated by the Administration for environever, requirements imposed on local governmental programs would be satisfactory. Howments by federal environmental statutes make this year quite different from all others.

Of paramount concern to cities is the Administration's recent proposal to place a five-year moratorium on automobile emission standards. This would insure that the nation's localities will suffer a larger amount of noxious emissions from automobiles than is technologically necessary. At the same time, the Administration has failed to request an increase in the pollution control technical assistance program to aid cities in the development and implementation of air control plans. As of June 1, 1975, cities will have to implement indirect source reviews for all new construction activity. Transportation control plans with parking management requirements will also be in effect. These two requirements will be a tremendous burden to cities both from an economic and a technical point of view, and adequate financial assistance should be provided to help in carrying out these federal programs.

The second most distressing item in the EPA budget again is the miniscule budgetary request for solid waste management. The nation is in a period of economic ill health due to a number of related factors, not the least of which is an imbalance in the demand for and supply of energy. Solid waste activities, because of that commodity's great potential as a supplemental energy source, should be funded at a level at least 50 times what the current budget calls for, rather than ignored in the absence of any prior congressional initiative.

The Safe Drinking Water Act, signed by the President in December of last year, places onerous reporting, monitoring, and economic burdens on localities. Realizing this to be the case, Congress established a series of program grants and technical assistance programs aimed at helping states and localities comply with federal drinking water standards. The Administration proposes to spend less than half of the state program grant money and less than one-fourth of the technical assistance dollars during FY 76. Furthermore, the $50 million water facility construction loan program has been completely ignored, with Administration spokesmen indicating that they "may" deal with this issue in a supplemental appropriation request later this year.

Finally, the funds authorized to assist organization of localities in the first year of comprehensive areawide planning under the complex and often delayed procedures governing the Section 208 (Water Pollution Control Act) program will expire at the end of the present fiscal year. Only $53 million has been requested for FY 76, and only $123 million out of the $150 million appropriated for FY 75 will be expended. This phasing down of Section 208 funding comes at a time when many localities have begun to overcome the deliberate inertia injected into the program by the Office of Management and Budget (which opposes this type of funding) and could prove to be disastrous to the program's already failing health.

FOOD STAMPS AND NUTRITION PROGRAMS

Food stamps

Proposed USDA regulations, effective March 1, will reduce food stamp outlays by $217.3 million over projected FY 76 figures and by $61.4 million over estimated FY 75 outlays. The proposed regulations would require all eligible food stamp families to pay 30 percent of their income in order to receive their full coupon allotment. These regulations would lower income limits for food stomp elegibility, reduce net benefits for people who do qualify, and discourage the participation of marginally-eligible families and individuals in the program. Congress has overwhelmingly approved and sent to the President legislation prohibiting any change in the food stamp program, thus freezing for all of 1975 the amount of payments at the Jan. 1, 1975 level. Most observers feel that a Presidential veto is unlikely.

In other food-related programs, the Administration is requesting a slight increase for elderly feeding over FY 75 and the same amount as last year for nutrition education. The Administration is also preparing legislation which would place a 5 percent limit on price index (cost-of-living) adjustments during the period Jan. 1, 1976 through June 30, 1976 for all child nutrition and food stamp programs. The direct food distribution program to institutions is scheduled for termination.

TABLE FS-1.—FOOD STAMPS AND OTHER FOOD PROGRAMS

[Outlays in millions of dollars]

	Fiscal year—			
	1974 (actual)	1975 (estimated)	1976 (existing law)	1976 (proposed legislation)
Food stamp program	$2,864.9	$3,703.0	$3,858.9	$3,641.6
Direct distribution to families (Indian dairy)	193.7	42.5	2.8	2.8
Direct distribution to institutions	19.8	22.3		
Food donations (Indian food)			5.8	5.8
Elderly feeding		5.6	6.0	6.0
Operating expenses	6.8	7.2	6.7	3.5
Nutrition education	47.4	47.4	47.4	47.4
Total, food stamp and other programs	3,132.5	3,828.0	3,927.6	3,707.1

Source: U.S. Department of Agriculture, 1976 Budget Summary, Feb. 1, 1975.

Nutrition

The Administration will propose a new block grant program for child nutritional assistance, and will not seek extensions of legal authority for certain nutrition programs scheduled to expire in June. These programs (pilot school breakfast, nonschool food, and supplemental food for women, infants, and children) will be folded into the proposed new block grant program. Under the proposed new program USDA would spend $410.8 million less for nutrition assistance than it did in FY 75. According to USDA, the new program would eliminate the present set of overlapping child feeding programs, increase assistance to the needy, reduce subsidies currently paid to the non-needy, and provide states with more discretion and flexibility to tailor feeding programs to local conditions.

TABLE FS-2.—NUTRITION ASSISTANCE

[Outlays in millions of dollars]

	Fiscal year—			
	1974 (actual)	1975 (estimated)	1976 (existing law)	1976 (proposed legislation)
Child nutrition:				
Cash grants to States:				
School lunch (sec. 4)	$412.1	$444.4	$498.0	
Free and reduced price lunches	683.2	751.1	865.0	$1,682.5
School breakfast	60.7	73.3		
Nonfood assistance	29.1	28.0	28.0	
State administration expenses	3.7	6.7	6.7	
Nonschool food program	70.4	116.7		
Grants in lieu of commodities			73.0	
Commodities to States	347.8	361.0	365.2	
Nutrition training, surveys, and operation expenses	8.4	11.1	14.4	
Total, child nutrition	1,615.6	1,792.2	1,850.3	
Special milk program	62.1	120.0		
Special supplemental food program	15.3	127.1		
Total, nutrition	1,693.0	2,039.3	1,850.3	1,682.5

Source: U.S. Department of Agriculture, "1976 Budget Summary," Feb. 1, 1975

If enacted, it appears that the proposed legislation would eliminate as eligible recipients all but the poorest family groups ($4,500 for a family of four) unless the state chooses to provide assistance to families with higher incomes (up to 125 percent of the poverty level). The proposed legislation is expected to reduce the total number of children receiving nutritional assistance from 25 million to approximately 9 million.

HEALTH

The austerity of the overall Budget is reflected in the health proposals, which have three basic strategies: (1) rescissions of appropriations already enacted; (2) reduction or elimination of certain categorical programs; and (3) changes in matching ratios to reduce federal shares in formula grant programs.

The health budget is unrealistically low because it assumes congressional approval of all of these strategies, together with substantial costs savings attributed to the more efficient delivery systems which are supposed to be in place as the result of planning and organization.

The Administration is not proposing major new legislation. The national health insurance proposal of last year will not be resubmitted as an Administration bill, and manpower and services legislation will originate in the Congress.

Rescissions

The President has already requested the Congress to rescind appropriations previously made for health programs in the amount of $800 million. Three hundred and fifty million dollars of this is from the National Institutes of Health (NIH) research funds; $284 million from health services planning and development (principally unobligated "Hill-Burton" construction funds; $104 million from alcohol, drug abuse, and mental health funds (mainly community mental health center monies); and $26 million from health services funds (mostly maternal and child health grants).

TABLE H-1.—RESCISSIONS EXAMPLES

[In millions of dollars]

Program	Available resources	To be rescinded fiscal year 1975
Maternal and child health	$305.0	$24.0
Preventive health:		
Venereal disease	28.0	2.7
Immunization	6.2	.3
Lead-based paint	9.0	2.5

Source: Derived from fiscal year 1975 Labor, HEW appropriations; President's Rescission Message, January 1975; and the fiscal year 1976 budget.

The Administration continues to press for elimination of federally-aided construction programs and is again delaying and obstructing the commitment of appropriated funds for health facilities construction.

Reduction or abolition of categorical health programs

The comprehensive health formula grant program, which provides basic public health program support to states, is proposed to be terminated. This program provides $90 million in formula grants to states under expiring authority which is not proposed for renewal.

Proposed for substantial reductions (in addition to rescissions) are the rodent control, lead-based paint, venereal disease and immunization programs. These are all key urban public health programs, and the Administration views them as local, not federal, responsibilities. The total reduction would be $14.3 million.

Community mental health centers support is again proposed to be phased out, and only continuations of existing alcohol program grants and contracts are contemplated.

The new National Health Planning and Resources Act replaced the Comprehensive Health Planning, Regional Medical Programs, and Hill-Burton construction programs. While the new law visualized the commitment of significant new resources, the budget proposed $175 million, which, together with a proposed supplemental appropriation of $75 million, is to fund all of the activities consolidated in that law. Again this year, the Adminstration proposes the transfer of some PHS hospitals to local agencies.

Changes in the Federal share of Federal-State formula grant programs

In general, the budget proposes that the federal support for state and local programs such as Community Health Centers, Maternal and Child Health, Migrant Health, and Family planning be reduced by about 20 percent.

TABLE H-2—SELECTED HEALTH ITEMS

[In millions of dollars]

Program	Fiscal year— 1975 (Enacted)	Fiscal year— 1976 (Requested)
Community health services	796	496
Comprehensive health grants	90	0
Community health centers	200	155
Maternal and child health	277	212
Family planning	100	79
Disease control	106	90
Venereal disease	28	20
Lead paint	9	4
Rat control	13	5

Source: Fiscal year 1976 budget.

Another proposal with significant effect on the larger states and major cities is the plan to reduce the floor under the federal share for medicaid from 50 percent to 40 percent. The 13 states affected (Alaska, California, Connecticut, Delaware, District of Columbia, Hawaii, Illinois, Maryland, Massachusetts, Michigan, Nevada, New Jersey, and New York) currently spend nearly 70 percent of the medicaid dollars. This 10 percent shift represents a substantial amount in the $7 billion medicaid program, probably from $200 to $700 million over the next few years.

TABLE H-3.—MEDICAID—FEDERAL FUNDING

[In millions of dollars]

	Fiscal year— 1975	Fiscal year— 1976
Inpatient hospital care	1,780	1,767
Skilled nursing homes	1,264	1,383
Intermediate care	995	1,020
Physicians' fees	674	701

Source: Fiscal year 1976 budget.

The change in matching proposed will have an impact on local public hospitals, especially if the state passes the increased local share to the local government. Other legislative changes are proposed in medicaid.

Proposed legislation

Health legislation to be proposed by the Administration includes the following:

Discounting federal matching for adult dental care under medicaid;

Providing reasonable cost limitations for hospital care (medicaid);

Offsetting the impact of medicare (Title XVIII) cost sharing on medicaid;

Reducing matching floor from 50 percent to 40 percent;

Transferring St. Elizabeth's Hospital from NIMH to the District government.

Other legislation expected to be considered by the Congress includes:

National Health Insurance—A variety of proposals including catastrophic coverage, coverage of unemployed workers, etc., are being prepared for hearings before the Ways and Means Committee.

Health Manpower—The Congress will probably reach early agreement on a comprehensive bill along the lines of the bill which failed to emerge from conference in the final days of the 93rd Congress.

Health Services—A bill identical to the vetoed bill of the last Congress has been introduced.

Comment

The Administration's philosophy of moving health care toward a third party reimbursement system continues. More cost sharing is proposed, with tightened cost controls and eligibility requirements. Emphasis will be placed on development of planning and delivery systems with a "disengagement" by the federal government from support of programs and services. Direct service costs will be shifted more and more to state and local governments. Construction aid will be severely limited and eventually phased out under current budget philosophies.

From the cities' point of view, the fault with the health budget is summarized in the words of Dr. Theodore Cooper, Acting Assistant Secretary for Health, Department of Health, Education, and Welfare, in his Feb. 1, 1975 briefing:

"The budget reflects the decision to require that states, local governments, private institutions, and third-party payers contribute a greater share of the cost of the health care programs we are supporting. We are anticipating that this increased contribution will be about 20 percent of the revised 1975 program level."

The proposed reduction in categorical and formula grants that are vital to community health are to be 30 percent—significantly greater than the proposed 20 percent overall reduction in federal support for health care.

INCOME SECURITY AND SOCIAL SERVICES

A comprehensive review of federal programs which maintain or supplement personal income with cash benefits or in-kind services would encompass more than 40 activities ranging from social security (OASDI) to housing assistance and school lunches. Service programs, such as child care and manpower training for special population groups, increase earnings capacity or otherwise reduce the need for cash benefits.

However, in this analysis, "welfare" is limited to public assistance, including aid to families with dependent children (AFDC), medicaid, social services, training for state and local personnel and child welfare services; the Supplemental Security Income Program (SSI) which substantially replaced the adult public assistance categories (aged, blind and disabled) as of Jan. 1, 1974; and programs for special population now incorporated into the new Office of Human Development (OHD) in the Department of Health, Education, and Welfare (HEW).

Grants to States for public assistance

The maintenance assistance figures of $4.668 billion shown in Table IS–1 are based on estimates submitted by the states in November 1974 and adjusted by HEW to reflect proposed regulatory and legislative changes. This table does not include monies for the aged, blind, and disabled categories (except for close out costs) which are now included under the Social Security Administration accounts.

TABLE IS-1.—MAINTENANCE ASSISTANCE

[Budget authority in millions]

Program	Fiscal year— 1974	1975[1]	1976
Aid to families with dependent children	3,750	4,208	4,084
Adult categories	945	5	6
State and local administration	466	515	540
Emergency assistance	38	31	37
Repatriated U.S. nationals	1	1	1
Total, program costs	5,200	4,745	4,668

[1] Fiscal year 1975 figures represent congressional appropriations with administration adjustments to those totals based on regulatory or legislative proposals.

Source: Department of Health, Education, and Welfare, fiscal year 1976 budget briefing document, Feb. 3, 1975.

TABLE IS-3.—FEDERAL INCOME SECURITY BENEFITS

[In millions of dollars]

	Fiscal year— 1974 (actual)	1975 (estimated)	1976 (estimated)
Federal outlays for cash benefits:			
Social Security (OASDI)	54,007	62,294	68,753
Federal employee benefits	11,322	14,122	15,534
Veterans benefits	7,167	8,000	8,061
Public assistance	6,832	8,410	9,214
Unemployment insurance	5,208	13,581	17,047
Railroad retirement	2,621	2,972	3,211
Other programs	1,097	1,073	1,069
Proposed legislation included above		(−60)	(−4,632)
Subtotal outlays, cash benefits	88,255	110,511	122,889
Federal outlays for in-kind benefits:			
Food and nutrition	4,466	5,534	5,207
Health care	16,669	20,171	22,079
Housing	1,776	2,190	2,653
Proposed legislation included above		(−255)	(−2,025)
Subtotal, outlays, in-kind benefits	22,912	27,895	29,940
Total benefits	111,167	138,346	152,829

Source: Department of Health, Education, and Welfare, fiscal year 1976 budget briefing document, Feb. 3, 1975.

The projected caseloads for FY 76 indicate that although the rapid increases of the late 1960s have ended, there will be a greater growth in the next year due to the economic situation. The greatest relative growth is occurring in the average monthly payment which has increased from $56.56 in FY 74 to an estimated $67.41 in FY 76. The caseload increases in those three years in families are small—10,845 (FY 74); 10,995 (FY 75); and 11,241 (FY 76). HEW has stressed repeatedly that management initiatives have been successful in reducing overpayments and eliminating ineligibles with the result that the funds can be used to increase individual payments.

Projected costs under the public assistance program for FY 76 need to be closely examined because of the possible implications of proposed federal legislation which will severely impact local and state finances. HEW is asking localities and states "to share a greater proportion of the financing of public assistance programs and health services programs for special target groups." A variety of legislation will be proposed (See Table IS-2), the most costly being a reduction of federal matching in the medicaid and social services programs. The reduction in medicaid from 50 to 40 percent would affect the 13 largest states. The services matching rate (from 75 to 65 percent in 1976 and to 50 percent in FY 77) would affect all states and localities.

A number of regulatory and legislative proposals are incorporated in the medicaid budget. The proposals are a reaction to the substantial increases in federal funding for the program—$3.2 billion in FY 71 to $6.8 billion in FY 75—averaging 25 percent annually. Medicaid costs on the average are shared almost equally between the federal and state or local governments. The major emphasis in reducing costs through regulations will be through greater utilization review and greater use of eligible third-party payments.

The recently enacted Social Services Amendments of 1974 (P.L. 93-647) stabilizes the program for the first time in several years. Expenditures are expected to grow in FY 76 in this substantially broadened program which includes a greater role of cities in the development of overall planning. It is likely that many states will be reaching their ceiling of federal matching funds within the next fiscal year.

While no legislation is specifically proposed for reform of the income transfer programs, the President emphasizes in his budget message that he does not want to abandon the effort to simplify the system. He will work with Congress this year to seek alternatives to the present complicated welfare system, hopefully to develop a solution which he believes will be no more costly than the present program.

Until the enactment of some form of income security program, HEW will continue the emphasis on the WIN program. An additional $120 million are requested for FY 76, with the major part of the increase in training and incentives, rather than in child care and other supportive services.

Supplemental security income program

The SSI program, initiated Jan. 1, 1974, replaced the state administered program of assistance to the aged, blind and disabled with a program administered by the federal government with uniform eligibility requirements and support levels, and with optional state supplementation. The minimum benefits of $146 for an individual and $219 for a couple are subject to automatic cost of living increases and would be affected by the proposed 5 percent limitation on all such benefits.

The number of beneficiaries is substantially lower than estimates given prior to enactment of the program. Outreach efforts by HEW thus far have received few responses. The total number projected for the end of FY 75 is one million lower than the number estimated in the FY 75 budget. Benefit payments are approximately $200 million higher because of the provision for two cost of living increases during the last calendar year, and because the average monthly benefit under the SSI program is approximately 45 percent higher for the aged and 22 percent higher for the disabled than was anticipated.

Office of Human Development

The newly created Office of Human Development is responsible for administration of programs serving vulnerable groups including the aging, handicapped, children, native Americans, and youth. Organizational changes accomplished through Congressionally initiated legislation moved the juvenile delinquency program to the Justice Department and moved the vocational rehabilitation program from the Social and Rehabilitation Services to OHD.

All of the programs in OHD in the Federal Budget show either a constant level in FY 76 or small increases. However, in reviewing the FY 75 appropriations made by the Congress, there are actual decreases proposed in FY 76 aging and vocational rehabilitation programs. The elderly community services (Title III) budget is reduced $9 million, elderly nutrition (Title VII) is reduced $25 million, and training reduced $8 million in FY 76, if actual FY 75 appropriation figures are used. In addition, the FY 76 request for vocational rehabilitation represents a decrease of $23 million over amounts appropriated.

There will be a new initiative in child abuse programs and the runaway youth project will be maintained at the FY 75 level. The aging program will remain the same in FY 76 with the emphasis on providing the same number of meals within the same funding (despite increasing food and labor costs). The rationale for maintaining constant funding is that most programs are now operational and require no start-up and lower administrative costs.

The $434 million for Head Start will continue to provide services to approximately 300,000 children. Because of the emphasis placed by Congress on serving handicapped children through this program, an increase of $20 million will be targeted toward improving services to 38,000 handicapped children currently enrolled.

Comment

The financial status of the OASDI programs have come under close scrutiny this year because of the large potential net spending from the fund in FY 76. Without the 5 percent limitation, the fund will distribute $4.148 billion more than it receives in contributions; with the limitation, as well as with other cost saving legislation, that total is expected to be reduced to $837 million. This development is the result of new lower forecasts of the level of employment and of earnings for FY 76. It would mean that the reserves in the trust fund would be used to cover the difference in income and spending.

The OASDI (social security) fund is only one of a number of income security programs which are tied through legislation to a cost-of-living index. The President, at the press briefing on the FY 76 budget, emphasized that he believes that the "uncontrollables" in the federal budget, such as social security, can be controlled through legislation. Legislation to reduce expenditures in these programs in FY 76 would reduce expenditures by $17 billion. Table IS-2 shows that over $6.2 billion of these cuts would be in public assistance and Social Security Administration programs.

Total federal income security benefits are estimated to exceed $152 billion in FY 76. This represents an increase of over $41 billion or about 38 percent from the FY 74 total of $111 billion. The major factors accounting for this change include:

By law, $96 billion of the 1976 outlays are in programs tied to the cost of living.

Primarily because of increased costs of medical care, health care benefits will increase.

The new SSI program has increased both average benefits and the number of eligible recipients compared to the state operated adult programs which it replaced.

Anticipated new outlays of $17.4 billion for unemployment insurance reflect both an increase in benefit levels and also in the number of eligible workers.

All programs presently tied by law to changes in the Consumer Price Index would be limited to a benefit increase of 5 percent under administration proposals. The effect of this legislation as well as other cost saving measures is reflected in Table IS-3 which shows those programs included in the $152 billion total.

The rapid increases in income security programs reflect the impact of the administration's commitment toward an "income strategy." Such a strategy which places more cash directly into the hands of the poor and aged within the cities may be most desirable in terms of direct impaction a city's economy. The opposing strategy of providing "in-kind" services such as day care or manpower training may not place money directly into programs from which the cities benefit on a dollar for dollar basis. Furthermore, in times of an economic downturn, it is more difficult to quickly channel monies through in-kind services programs into purchasing power within the cities. The trade-offs between services and cash assistance programs are still under debate within the Administration and may not be settled within the near future because of the potentially great cost of "cashing out" services programs and the strong constituency developed in support of those programs in recent years.

The proposed limit of 5 percent on cost of living increases may cause problems for cities, since in the long run, localities may have to supplement the incomes of the most needy. If other health, services, and maintenance programs expenditures are reduced, either through regulatory changes or through legislation, the net effect for cities could be disastrous given the billions of dollars involved in such programs.

TABLE IS-2.—PUBLIC ASSISTANCE AND SOCIAL SECURITY

[Outlays in millions of dollars]

	Fiscal year—	
	1975	1976
Public assistance:		
Revisions of income disregard and work-related expenses benefit computation provisions	−63	−200
Revision of AFDC accounting and redetermination periods	−20	−146
Utilization of medicaid matchng formula for AFDC in all States	−20	−60
Elimination of Federal matching for adult dental care under medicaid	−10	−81
Revised Federal matching formula for social services		−448
Absent parent support	−10	−90
State and local training restrictions	−10	−30
Reduction of the minimum Federal matching provision in medicaid from 50 percent to 40 percent	−200	−636
Other provisions	−2	−6
Subtotal, Public Assistance	−340	−1,700
Social security:		
Limitation on automatic cost-of-living adjustment in July to a maximum of 5 percent		−2,654
Eliminate retroactive annuity benefit option	−45	−443
Make retirement test computation annual rather than monthly	−15	−205
Provide increased cost sharing by medicare beneficiaries but limit total cost sharing to a maximum of $750 annually	−255	−1,279
Medicaid offset	+13	+113
Place limits on the rate of yearly increase in reasonable costs of medicare providers		−100
Subtotal, social security	−302	−4,568

Source: Department of Health, Education, and Welfare, fiscal year 1976 Federal budget briefing document, Feb. 3, 1975.

INTERGOVERNMENTAL PERSONNEL ASSISTANCE

For the second straight year, the Administration is requesting $15 million for the Intergovernmental Personnel Act (IPA) program. An additional $4 million is requested for the July-September 1976 transition period to the new federal fiscal year. The actual operating level of the IPA program has been frozen for the last three years.

TABLE IPA-1.—IPA FUNDING HISTORY

[In thousands of dollars]

	Fiscal year—			
	1973 (actual)	1974 (actual)	1975 (estimated)	1976 (estimated)
Budget authority (appropriation)	$15,000	$10,000	$15,000	[1] $15,000
Outlays	13,665	14,239	14,400	15,000

[1] Administration request.

Source: "Fiscal year 1976 Budget Appendix," pp. 855 and 865.

Comment

The Intergovernmental Personnel Act of 1970 authorized the U.S. Civil Service Commission to provide grants and other assistance to improve and strengthen the personnel, manpower, and management capabilities of state and local governments. IPA grants have been used to upgrade the quality and effectiveness of municipal personnel and management resources through a variety of approaches, including the development and implementation of training for municipal employees. It is a program in which small governmental investments have had significant payoffs, and is currently the only federal program providing flexible, comprehensive assistance in the personnel and management areas.

The IPA program is without fiscal year limitation, authorizing such sums as are necessary to carry out the intent of the act. Initial expectations for adequate program funding have not been realized, and inflation already has eaten away over $4 million of the program's total $52.5 million appropriation since FY 72. The Administration's FY 76 request of $15 million, therefore, can only be viewed as a net reduction for the IPA program.

Equally discouraging to cities is the apparent lack of federal commitment to improving management capabilities at the local level. This pattern emerged in the Nixon Administration with the phaseout of HUD's Title VIII community development training program and university communuity services grants under Title I of the Higher Education Act. The trend has continued in the Ford Administration with the proposed deferral of $50 million in HUD comprehensive planning assistance (701) appropriations. The lack of other management improvement resources will produce an even greater demand for IPA funds in FY 76.

LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

The requested budget authority for the Law Enforcement Assistance Administration for FY 76 is $769.8 million. Additional authorizing legislation is to be proposed for $195 million to cover July 1 through September 30, 1976, the three-month transition period from FY 76 and the start of FY 77 on October 1, 1976. This change was mandated in the Congressional Budget Reform and Impoundment Control Act of 1974. The $769.8 million figure represents a decrease of 12.6 percent under the FY 75 appropriation of $880.6 million and is 77 percent of LEAA's authorized funding level of $1 billion. LEAA's expenditures, however, will increase from $865.7 million in FY 75 to $887.6 in FY 76 due to carry over of unexpended funds from previous fiscal years.

As Table LEAA 1 shows, a substantial portion of the decrease is reflected in Category 2a, the block grant program, which is reduced by $66.4 million, representing a decrease of 14 percent. Category 6, educational assistance and special training programs, also decreases considerably, from $44.5 million to $26.6 million. Discretionary funds (Category 2b) are reduced from $84 million to $73 million, representing a decrease of 13 percent. The other major decrease is in Category 3, corrections, which is decreased by $15.6 million.

Category 1, planning grants to states and local governments, is increased by 9 percent, from $55 million to $60 million. This is the only category showing a significant increase.

With the exception of Category 5, research, evaluation and technology transfer, the budget for programs at the national level remains fairly stable. Category 4, technical assistance, stays at the FY 75 funding level ($14 million), as does Category 7, data systems and statistical assistance ($26 million). Management and operations, Category 8, is increased by 7 percent (from $21.6 million to $23.1 million). It should be noted that this category has increased by 49 percent since FY 73.

No budget authority is requested for implementation of the Juvenile and Delinquency Prevention Act of 1975, which is authorized for $125 million in FY 76.

Comment

While the League and Conference recognize the need for overall austerity in the FY 76 budget, they take strong exception to the proposed category reductions in the LEAA program. The purpose of the Omnibus Crime Control and Safe Streets Act of 1968, as amended in 1970 and 1973, is to aid states and localities in improving their criminal justice systems and in controlling crime. Yet, the proposed FY 76 budget ignores the necessity for increased federal crime control funds at the local level. Instead, the federal bureaucracy is kept intact, while the aid to state and local governments is reduced by $88 million.

TABLE LEAA-1.—LEAA BUDGET, FISCAL YEAR 1974, 1975, AND 1976

[In millions of dollars]

	Fiscal year—		
Categories	1974 (appropriated)	1975 (appropriated)	1976 (requested)
Grants for development and implementation of comprehensive plans	50.0	55.0	60.0
Matching grants to improve and strengthen law enforcement:			
(a) Allocations to States according to popu. lation	480.3	480.0	413.7
(b) Allocations to States, localities, or private nonprofit organizations as determined administratively	88.7	84.0	73.0
Aid for correctional institutions and programs	113.0	113.0	97.4
Technical assistance	12.0	14.0	14.0
Research, evaluation and technology transfer	40.1	42.5	35.4
Educational assistance and special training programs	45.0	44.5	26.6
Data systems and statistical assistance	24.0	26.0	26.6
Management and operations	18.0	21.6	23.1
Total	871.1	880.6	769.8

Source: Appendix to the Budget, Fiscal Year 1976, p. 611; Appendix to the Budget, Fiscal Year 1975, p. 617; Appendix to the Budget, Fiscal Year 1974, p. 628.

The increase in planning funds from $55 million to $60 million, while welcome, mercy will allow state and local planning agencies to keep pace with inflation; it will not mean inceased planning capabilities. Moreover, only $2 million of the $5 million increase may go to localities, a barely adequate sum to be divided among localities in the 50 states.

The proposed reduction in funds available for reserach and evaluation will have serious ramifications for both LEAA and localities. This is the critical year for the LEAA program. Congress is demanding evidence of LEAA's effectiveness, while local elected officials are faced with decisions on the institutionalization of expiring LEAA-funded programs. But the very budget item that would enable both Congress and local decisionmakers to have information on the performance of LEAA projects is cut below both the FY 74 and FY 75 funding levels.

In the summer of 1974, Congress recognized the need for federal assistance to combat the ever-growing problems of juvenile crime and delinquency and passed the Juvenile Justice and Delinquency Prevention Act of 1974, which the President signed into law on September 7, 1974. The program is to be administered by LEAA and is designed to support badly needed innovative juvenile delinquency programs at the state and local levels. To date, no funds have been appropriated to implement the program, and no budget authority is requested for FY 76. The Act is meaningless without funds. Since nearly half of the crime in the United States is committed by persons under 18, who are the target sevice population under the Juvenile Justice Act, it seems incredible that funding is not requested in the LEAA budget. We will not begin to see a long-term downward trend in our crime rate until juvenile problems can be adequately addressed which certainly requires strong federal leadership and assistance.

Contrasting sharply with the austere LEAA budget requests are the requests for agencies involved in federal crime control efforts. The request for the Drug Enforcement Administration (DEA) represents an 11 percent increase over FY 1975 ($135.7 million to $150.8 million). The proposed increase for the federal prison system is $22.4 million, while a $25.1 million increase is requested for the Federal Bureau of Investigation (FBI). Salaries and expenses for U.S. attorneys and marshals are increased by $14.6 million. The League and the Conference are not opposed to these increases, but feel they are being made at the expense of local government.

NATIONAL DEFENSE

For the first time in U.S. history, the military budget may exceed $100 billion. For FY 1976, the Administration has requested that Congress grant budget authority for national defense activities totalling $107.7 billion. This figure represents an increase over FY 1975 of $16.4 billion or some 18 percent. Even when taking into account the effect of pay increases and in inflation on military purchases, spending is increasing. That means military functions are being expanded very substantially in terms of real dollars.

Considering budget outlays controllable by Congress each year, the portion proposed for military purposes has increased from 67 percent in FY 1975 to 69 percent in FY 1976. (About 75 percent of the total Federal budget is made available in mandatory, permanent and trust fund programs established in law and, therefore, is relatively uncontrollable by Congress.)

TABLE D-1.—COMPARISON OF FISCAL YEAR 1975 AND FISCAL YEAR 1976 MILITARY BUDGET AUTHORITY

[In billions of dollars]

	Fiscal year	
	1975 (enacted by Congress)	1976 (request) [1]
Department of Defense	[2] 84.3	[5] 101.8
Military assistance	[3] 3.5	3.3
Aid to Southeast Asia	1.0	[6] 1.3
Atomic Energy—ERDA	1.8	1.9
Other	−1.2	−.5
Less proposed recissions	−.3	
Add proposed supplemental	[4] 2.4	
Total	91.3	107.7

[1] Comparable figure in outlays for fiscal year 1976 is $94,000,000,000. This analysis uses budget authority because it is the most meaningful indicator of program commitments.

[2] Includes proposed legislation to reduce reserve personnel costs by $17,000,000 and receipts of $112,000,000 from proposed sale of naval petroleum reserves.

[3] Appropriations not yet enacted. Estimate based on authorizing legislation.

[4] Includes $300,000,000 for South Vietnam and $222,000,000 for Cambodia.

[5] Includes an estimated supplemental of $1,700,000,000 to be requested later this year, receipts of $649,000,000 from a proposed sale of naval petroleum reserves and assumes holding Federal pay raises and retiree cost of living increases to 5 percent.

[6] For South Vietnam only. Aid to Cambodia, included under military assistance account, is classified at this time.

Source: Budget of the United States Government, fiscal year 1976, p. 338 and Office of the Assistant Secretary of Defense, fiscal year 1976 Department of Defense Budget, News Release 46–75, Feb. 3, 1975.

Note: Increase from fiscal year 1975 to fiscal year 1976: $16,400,000,000 (+18 percent).

The FY 1976 military budget could grow another $2.2 billion if certain assumptions made by the Administration do not materialize. The increase from FY 1975 to FY 1976 would then be $18.6 billion (20 percent). The Administration is assuming Congress will reduce reserve personnel costs in FY 1975, reduce certain equipment, authorize sale of petroleum reserves and hold FY 1976 pay and retirement increases to 5 percent.

For the second year since U.S. forces disengaged from the Vietnam conflict, the military budget continues to rise. The Administration argues that the military is entitled to a large increase in its FY 1976 budget to recoup cuts made by Congress last year.

The Administration also argues that spending should be increased to compensate for the effect of inflation on military programs. This policy is not applied to other programs of the Federal government except payments and benefits programs which are tied by law to increases in the consumer price index. In the latter case, the Administration proposes holding increases to 5 percent in FY 1976. At the same time, an inflation allowance of 8.4 percent is granted for total national defense activities. After taking account of the inflation factor, military programs grow $8.7 billion (9.5 percent) in real terms.

Highlights

Some of the major changes and trends in military programs and funding are:

Aid to Southeast Asia—For FY 1975, Congress enacted military aid of $700 million for South Vietnam and $275 million for Cambodia. The Administration has requested supplemental funding for FY 1975 of $300 million for South Vietnam and $222 million for Cambodia. For FY 1976, the Administration proposes an additional $1.3 billion for South Vietnam, an increase of 128 percent (including the supplemental) over the level approved by Congress for FY 1975. The FY 1976 request for Cambodia is classified at this time.

Personnel—Total military personnel will be reduced from 2,129,000 to 2,100,000 and civilian personnel will be reduced from 994,000 to 985,000. Assuming the 5 percent limit proposed for pay increases, pay costs for active military personnel will remain at about the same level as FY 1975.

Force Structure—Force levels are to remain relatively constant except for Army divisions. One division was added in FY 1975 and two more are to be added in FY 1976 bringing the total to 16. About $400 million will be required for equipment and construction for the three new divisions.

Procurement—Appropriations for procurement are to be increased 47.8 percent to $24.7 billion. This substantial growth in procurement funding is caused by a combination of increased purchases of certain systems and initial procurement of systems coming out of research and development phase. The systems for which procurement funding is to increase most dramatically are aircraft (A-10, F-15A, AWACS), missiles (Trident I, Sidewinder, Sparrow, Condor and Maverick), ships (attack submarines, destroyer tenders, fleet oilers, destroyers and patrol frigates) and tracked vehicles (M60A1 tanks and M113A1 personnel carriers). $2.3 billion will be requested to cover unforeseen costs in the shipbuilding program.

Research and Development—Funding for research and development is to increase 18.9 percent to $10.9 billion. The major items contributing to this increase are modification of the B-52 bomber to carry the Harpoon missile, air combat fighter, B-1 bomber, sea launched cruise missile, Navy air combat fighter, SAM-D missile, SHORAD missile, PHALANX ship gun system, UTTAS tactical transport aircraft, site defense against ICBM's and the space shuttle.

Military Construction—The military construction program is to go up 49.8 percent to $2.9 billion largely due to major increases in support facilities for the Trident submarine, sheltering aircraft in Europe and troop housing.

Five year projection

The Administration forecasts that by FY 1980 the military budget will reach about $150 billion, an increase of nearly 9 percent a year. If Pentagon estimates of inflation are taken into account, obligations will rise at about 2 percent per year in terms of real purchasing power. This increase is deemed necessary "to provide for selective improvements and to take advantage of changes in technology."

OFFICE OF MINORITY BUSINESS ENTERPRISE

The Office of Minority Business Enterprise was established within the United States Department of Commerce by Executive Order 11458 on March 5, 1969, to provide the following services: (1) to coordinate programs and operations of the federal government which affect the establishment, preservation, and strengthening of minority businesses; and (2) to promote the mobilizations of activities and resources of state and local governments and the private sector to develop and stabilize minority business enterprise.

For the third consecutive year, the OMBE budget has remained relatively stable at approximately $52 million. The budget authority for FY 76, at $52.6 million, is an increase of $600,000 over the FY 75 Budget.

TABLE OMBE-1.—BUDGET AUTHORITY REQUESTED

[In millions of dollars]

	Fiscal year—			
	1974 (actual)	1975 (estimated)	1976 (estimated)	Change 1975 to 1976
OMBE program level	$52.4	$52	$52.6	+$.6

Source: "U.S. Department of Commerce News," February 3, 1975.

Although there was only a slight increase in the FY 76 Budget, OMBE's programs were modified significantly. A budget authority of $1.1 million has been requested to establish a new "city OMBE" project in seven cities. This effort will focus on local government's efforts in minority business activity.

An additional $1.6 million are requested to provide additional contractor staff for about 50 business development organizations to permit increased management and technical assistance to minority firms, and to establish six additional Construction Contractor Assistance Centers to assist minority construction firms.

These program increases are accompanied by some program decreases. There is a decrease of $1.4 million resulting from the termination of a minority business training program and another $1.4 million decrease resulting from the reduction in scope of assistance provided by OMBE-funded consulting firms.

Comment

There seems to be a slowly increasing recognition by the federal government, as reflected in the OMBE FY 76 Budget, that minority-owned business firms are a part of the local economy. Such recognition by the federal government is long overdue and necessitates the programming of minority business activities more around local economic planning and development activities. An effort of this nature should be designed to promote minority business development within the scope of the city's economic development framework. Unless minority business enterprises are recognized and dealt with as a part of the local economic infrastructure, the importance of training and education, the development of capital accumulating institutions, and of management and technical assistance will be drastically reduced.

RESEARCH AND DEVELOPMENT

The President's proposed research and development budget for FY 76 calls for total obligations of $21.6 billion, an increase of $2.7 billion, or 15 percent, from the estimated FY 75 obligations of $18.8 billion. It also proposes that another $1 billion be obligated for research and development (R & D) facilities in FY 76. Over half of the R & D budget ($11.4 billion) is in the category of defense, an increase of $1.9 billion from FY 75. Another $7.3 billion is proposed for civilian R & D and $2.9 billion for space R & D.

TABLE R. & D.-1.—CONDUC T OF R. & D. BY MAJOR PROGRAM AREA

[Obligations in billions of dollars]

Program	Fiscal year—		
	1974 (Actual)	1975 (Estimated)	1976 (Estimated)
Conduct of R. & D.:			
Defense[1]	9.0	9.5	11.4
Space[2]	2.5	2.7	2.9
Civilian (other than space)	5.9	6.6	7.3
Total[3]	17.4	18.8	21.6

[1] Includes military related programs of the Energy Research and Development Administration transferred from the AEC.

[2] Includes all NASA programs except areonautical research, space application (e.g., pollution monitoring communications, earth observations), energy technology application, and technology utilization which are classified under civilian programs.

[3] These data do not reflect amounts of Federal support for private sector R. & D. through tax expenditures and allowances to defense and space contractors for independent R. & D. Tax expenditures, discussed by special analysis F, are estimated to have grown from about $6,000,000,000 to $65,000,000,000 during the period 1974 to 1976. Independent R. & D. allowances are estimated at approximately $4,000,000,000 per year during this same period.

Source: Fiscal year 1976 budget, "Special Analyses," p. 252

TABLE R. & D.-2.—CONDUCT OF RESEARCH AND DEVELOPMENT BY MAJOR DEPARTMENTS AND AGENCIES

[Obligations in millions of dollars]

Department of agency	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Defense military functions	8,396	8,833	10,603
National Aeronautics and Space Administration	3,024	3,327	3,526
Energy Research and Development Administration	1,475	1,893	2,346
Health, Education, and Welfare	2,286	2,092	2,285
National Science Foundation	556	619	680
Agriculture	384	428	468
Transportation	370	368	402
Interior	198	303	315
Environmental Protection Agency	177	287	300
Commerce	181	211	230
Veterans Administration	87	102	102
Nuclear Regulatory Commission	44	59	96
Housing and Urban Development	65	58	65
Justice	37	67	45
All other	127	135	134
Total	17,408	18,780	21,602
Total, conduct of research	7,163	7,545	8,255
Total, conduct of development	10,245	11,235	13,346

Source: FY 76 Budget, Special Analyses, p. 255.

Within the civilian portion of the R & D budget, the largest functional category is health with approximately $2.6 billion FY 76 obligations. About one-fourth of total obligations is planned for energy with the largest share, $1.6 billion, going to the new Energy Research and Development Administration.

It is useful to look at the R & D budget in two ways: first, with reference to who is spending the money and second, according to the functional areas at which the money is directed.

Departments and agencies

Table R & D 2 details the proposed obligations and outlays for the conduct of research and development by major departments and agencies. It shows the Defense Department at the top with $10.6 billion, containing the largest proposed increase of $1.8 billion. A $1.4 billion increase is proposed for the Energy Research and Development Administration. The Department of Health, Education and Welfare, which has the fourth largest R & D budget, shows an increase in proposed obligations between FY 75 and FY 76, but a slight decrease from FY 74. And the Department of Housing and Urban Development, ranking 13th among the 14 departments and agencies which spend 99% of the federal research and development money, shows a proposed increase in obligations from $58 million to $65 million; but the sum is identical to that of FY 74. The difference is in proposed deferrals for FY 75.

Functional areas

For the first time, a separate document, a Report on the Federal R & D Program, prepared by the Federal Council for Science and Technology, was released with the budget. In addition to describing the agency R & D proposals, it pursues functional areas across agency lines in the categories of basic science, climate, energy, environment, food, health/bio-medical, materials, oceans, and social. Energy R & D is discussed in the section on energy above.

Social R & D, "all socio-economic R & D performed in support of projects, programs, or policies for federal social programs" totals $1.1 billion of the proposed $21.6 billion R & D total. This is a confusing figure because of the variety of activities it contains—from "determining nutrition needs" in AID to investigating the "human factors involved in weapons systems development" in the Department of Defense to research in income supplements for low-income persons in HEW.

HEW has the largest share of the proposed social R & D obligations, i.e., $652 million, an increase of $112 million over FY 75 but only $61 million more than FY 74. The proposed amounts for NSF, the Department of Agriculture and the Department of Defense all exceed that for HUD.

Comment

If the President's budget is a statement of priorities for the coming year, the research and development budget is an assertion of goals for the future. What can or will be done depends on what is known and the knowledge will be gained only if it is sought. It is difficult to make judgments about the adequacy of proposed research expenditures separate from judgments about need, priorities, and potential for payoff. It is perhaps more difficult in the research area than in others because the possible benefits often remain unknown until the project is successful. It is especially difficult to deal with this budget because so many dollars are in the limbo of deferral, making FY 75 figures uncertain and FY 76 totals unclear. However, from the city perspective, the proposed R & D budget provokes serious questions.

Are city needs directly and adequately reflected in the R & D budget? The proportion of the total funds which is proposed for HUD, $65 million of the $21.6 billion, seems scant. When viewed over time it looks even less adequate. And when the proposed HUD deferrals, in areas such as energy conservation, housing rehabilitation, and improving local management are compared with changing and growing urban needs, it must be concluded that too little is being devoted to the investigation of cities, their problems, and possible solutions. Can it be true that national needs justify an R & D budget for Agriculture seven times greater than that for HUD and for the Veterans Administration one-third larger?

Are city needs taken into account adequately in areas of research indirectly related to cities? The weaknesses in the energy R & D budget are discussed in the energy section of this report. In that area it is clear that special needs of cities with regard to energy receive incomplete and tangential concern. The decline since FY 74 in the Research Applied to National Needs (RANN) Intergovernmental Science and Research Utilization program from $11.5 million to $3 million also suggests a low priority for putting knowledge to use for cities. The figures on the distribution of social R & D funds amond the various agencies suggests, also, that a great deal of research which might be of use to cities is conducted in departments that are remote from direct city interests. More, rather than less, money should be devoted to consolidating and communicating this knowledge.

Rural development

The Administration has requested a decrease of $120 million in rural development loan funds and proposes to maintain FY 75 levels for rural development grants. The Farmers Home Administration budget requests $900 million in loan authority for water and waste disposal, community facilities, and business and industrial development. Proposed FY 76 grants for rural water and sewer, and business and industrial development total $160 million, pending congressional approval of a $3.75 million rescission requested by the Administration. The FY 75 budget authority of $3.5 million for rural community fire protection grants has been proposed for recission, and no program is proposed for FY 76.

TABLE RD-1.—RURAL DEVELOPMENT LOANS AND GRANTS

[Outlays in millions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Loans:			
Water and waste disposal	$470	$470	$400
Community facilities	50	200	200
Business and industrial development	200	350	300
Total loans	720	1,020	900
Grants:			
Water and waste disposal[1]	24	[2] 150	150
Business and industrial development	10	[3] 10	10
Community fire protection	----------	(4)	----------
Total grants	34	160	160
Rural development total	754	1,180	1,060

[1] Water and sewer grants will be given for systems development only in fiscal year 1976. No water and sewer planning grants will be funded.

[2] $120,000,000 of this amount was carried over from fiscal year 1974.

[3] Pending approval of a $3,750.000,000 rescission.

[4] Pending approval of a $3,500,000 rescession.

Source: U.S. Department of Agriculture, "1976 Budget Summary," Feb. 1, 1975.

Municipalities of 10,000 population and under are eligible for rural water and sewer and community facilities loans. Industrial loans are available to cities of 50,000 or less in a rural setting, with preference given to cities under 25,000. The $120 million decrease in rural development loan assistance will be exacerbated by the slowness with which outlays are likely to reach the cities. On Aug. 8, in one of his last official actions, former President Richard Nixon vetoed the agriculture appropriations bill. USDA operated on a continuing resolution for the latter half of 1975, severely limiting expenditures for that period. FHA also has been slow in implementing many of the provisions of the Rural Development Act of 1972.

Rural Housing

Housing loans and grants are projected at $2,142 million in FY 76, a decrease of $112 million from the basic program which operated last year. Proposed cuts will be shared equally by both new and existing housing purchase programs under the low income subsidized ownership program. Approximately 62 percent of housing units financed will be subsidized. No funds are being requested in FY 76 for domestic farm labor housing grants (funded at $7.5 million and $5 million in FY 74 and FY 75) or for mutual and self-help housing grants (funded at $4 million and $5 million in FY 74 and FY 75).

TABLE RD-2—HOUSING UNITS ASSISTED

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Subsidized units	51,523	79,470	66,460
Unsubsidized units	54,405	45,930	40,925
Total	105,928	125,400	107,385

Source: U.S. Department of Agriculture, 1976 Budget Summary, Feb. 1, 1975.

TABLE RD-3.—RURAL HOUSING PROGRAMS

Outlays in millions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Subsidized ownership program:			
Purchase:			
New	$556	$700	$650
Existing [1]	150	536	486
Repair loans	4	20	20
Mutual and self-help site loans		1	
Technical assistance grants	4	1	
Rental insured	135	100	100
Farm labor loans	10	10	
Farm labor grants	10		
Total, subsidized	869	1,368	1,256
Unsubsidized program:			
Ownership:			
Low income	102	93	93
Moderate income	782	744	744
Other site loans	2	3	3
Rental	38	46	46
Total, unsubsidized	924	886	886
Total, rural housing program	1,793	2,254	2,142

[1] Includes $1,100,000 for repairs to homes purchased in 1974, $2,500,000 in 1975, and $2,700,000 in 1976.

Source: "U.S. Department of Agriculture, 1976 Budget Summary," Feb. 1, 1975.

TRANSPORTATION

The Administration's FY 76 Budget for transportation assistance for the nation's cities reflects funding levels for mass transit as authorized in the National Mass Transportation Assistance Act of 1974, substantial decreases in the commitment to urban highways, and a slight increase in funding for airport planning and construction programs. Given the continued crisis in energy, and the concomitant drastic need for more efficient modes of transportation, the Administration's plan falls far short of meeting the transportation needs of cities.

During this session of Congress, the Administration plans to send major new airport and highway legislative proposals to the Congress. It is expected that the highway proposal will call for substantial changes in financing, program structure and the federal role. It appears that the Administration will seek to make the Highway Trust Fund available exclusively for Interstate funding, return two cents of the gasoline tax to the General Fund and allow states the option of picking up one cent of the motor fuel taxes (gasoline, diesel and special fuels).

The more than 30 categorical grant programs would be consolidated into four major programs: Interstate System, urban transportation, rural transportation and safety construction. All but the Interstate System would be funded from general revenue.

The proposed airport legislation seeks flexibility in the use of funds, revised formula grants based on air carrier departures, transfer of general aviation airport responsibility from the federal government to the states, and changes in aviation user fees.

Urban mass transportation

Capital Facilities—Prior to enactment of the National Mass Transportation Assistance Act (NMTA Act) of 1974, Congress appropriated $1.35 billion for FY 75 transit capital grants. The NMTA Act created a new formula grant program for operating and capital purposes, authorizing $300 million for FY 75 and $500 for FY 76. Congress and the Administration then agreed to a total FY 75 funding level of $1.1 billion for capital grants and $300 million for the new formula grants, requiring a supplemental appropriation of $50 million to reach that level. Because DOT did not request a supplemental, the FY 75 level will actually be only $1.05 billion, instead of the agreed upon $1.1 billion level. For FY 76, the Administration is requesting $1.1 billion for capital grants.

UMTA estimates that an additional $200 million per year in 1975 and 1976 will be spent on transit capital programs through the interstate transfer provision and Urban System substitution provisions of the 1973 Federal-Aid Highway Act. According to UMTA, the increase in funding for capital purposes will permit a slightly higher level of assistance to meet requests from localities for capital grants, including the "acquisition of new bus and rail stock and continued construction support for new rapid transit systems and extensions."

Formula Grants—Formula grants, authorized in the National Msas Transportation Assistance Act of 1974 for capital and operating purposes at local discretion, will be increased from a FY 75 level of $300 million to a FY 76 level of $500 million. UMTA has made it clear that in addition to operating expenses, these funds should be used for routine bus replacement and bus purchases.

TABLE 1.—URBAN MASS TRANSPORTATION

[Obligations in millions of dollars] [1]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Capital facilities	$870	$1,050	$1,100
Formula grants		300	500
Technical studies	38	37	41
R.D. & D	67	46	67
University research and training	2	2	2
Other	8	10	14
Total [2]	985	1,445	1,724

[1] In UMTA terminology "administrative reservations."

[2] Totals may differ slightly due to rounding.

Source: "Appendix to the Budget for Fiscal Year 1976," p. 712.

Technical Studies—Technical studies grants (Section 9 grants) will be increased from a FY 75 level of $37 million to a FY 76 level of $41 million. This program provides assistance to state and local public agencies for studies related to management operations, capital requirements, economic feasibility and other planning activities related to the construction, acquisition or improved operation of mass transportation systems, facilities and equipment.

Research, Development and Demonstration (R, D & D)—R, D & D grants (Section 6 grants) will be increased substantially from a FY 75 level of $46 million to a FY 76 level of $67 million. Most of this increase is for R, D & D of new systems such as personal rapid transit systems and dial-a-ride systems. The increase also includes $10 million for transit-related bicentennial activities in the District of Columbia, and other programs related to planning methodology, policy development, and management methods. The estimated project level of 155 projects represents an increase over the estimated 140 projects last year.

Highway programs

Interstate System—Obligations from the Interstate System would be increased substantially from a level of $2.56 billion to $3.06 billion in FY 76. The increase of $500 million for the Interstate, compared with a total increase of $600 million in all highway funding demonstrates the clear commitment by the Administration to this program, at the expense of urbanized and small urban programs.

Rural and Small Urban Transportation—The rural and small urban transportation program would provide financial assistance to states for highway construction on the rural primary and secondary systems, the priority primary system in these areas and other programs for areas under 50,000 population. The FY 76 Budget would be increased by $22 million to a FY 76 level of $905 million.

TABLE T-2.—FEDERAL-AID HIGHWAYS

[Obligations in millions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Interstate	$2,965	$2,560	$3,060
Rural and small urban	1,093	883	905
Urbanized areas [1]	812	667	685
Construction safety	63	251	300
Other	253	239	250
Total [2]	5,186	4,600	5,200

[1] Legislative authorizations for urban highways are $1,170,000,000 for fiscal year 1974, $1,250,000,000 for fiscal year 1975 and $1,300,000,000 for fiscal year 1976.

[2] Totals may differ slightly due to rounding.

Source: "Appendix to the Budget for Fiscal Year 1976," p. 687

Urbanized Area Transportation—The urbanized area program is to provide assistance for highway construction on the Urban System, urban extensions of the primary and secondary systems, the Priority System in urbanized areas, the Urban High Density Traffic program and other federally-aided programs for areas with a population of 50,000 or more. The Federal-Aid Highway Act of 1973 authorized a total of approximately $1.3 billion for these programs. The FY 76 estimated costs for highways is only $685 million, indicating that the Administration proposes to spend about one-half the amount authorized by the Congress. This continues the trend by the Administration to defer vitally needed urban highway funding. It should be noted that Urban System funds can be used, at local discretion, for highway transit purposes.

Airports

Airport planning and construction grants will total $350 million in FY 76 which is the funding level in the Administration's proposed airport legislation expected to be submitted to Congress within the next month.

Although this funding level represents only a small increase of $5 million over the FY 75 level, the FY 75 level included a one-time congressionally-sponsored 1975 supplemental of $25 million, hence the proposed FY 76 Budget will result in a $30 million increase over the equivalent FY 75 program. Nevertheless, the funding falls far below estimated requirements for airport construction.

TABLE T-3.—AIRPORT AND AIRWAY TRUST FUND

[Obligations in millions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Planning grants	$8	$10	
Construction grants	300	335	$350
Total [1]	308	345	350

[1] Totals may differ due to rounding.

Source: "Appendix to the Budget for Fiscal Year 1976." p. 684.

Comment

Mass Transit—Although the capital grants program has been increased significantly over the past several years, it still falls far short of the estimated basic bus and rail requirements of the nation's cities.

Cities also are concerned about the need to provide incentives for increased bus production, although it does not appear from the Budget that the Department of Transportation plans to make any major thrust in this direction. Currently, there is about an 18-month waiting period from order to delivery of buses.

Highway Funds—Total obligations for highways in FY 76 are estimated at $5.4 billion. The $600 million increase over FY 75 funding will go almost exclusively to the Interstate System which is to be increased by $500 million.

The Federal-Aid Highway Act of 1973 authorized approximately $5.8 billion for FY 76 from the Highway Trust Fund. Given the previous failure to obligate highway funds authorized by the Congress, and the projected withholding of funds in FY 76, the unexercised obligational authority in the Highway Trust Fund will be approximately $10.7 billion. The Administration also is expected to recommend deferring $400 million authorized in the 1974 legislation, bringing the total amount withheld to $11.1 billion.

The Budget includes only $685 million for urbanized areas, although Congress authorized about $1.3 billion for urban highway programs. Based upon the Federal Highway Administration's composite price index, highway construction costs have risen substantially and funding for the urban programs has failed to keep pace with increased costs. Also, cities still have extensive highway needs, as demonstrated by the forecasted expenditure of almost $5 billion on highways in metropolitan areas in 1975.

Finally, the Administration's proposed highway legislation would extend the Highway Trust Fund indefinitely and restrict the use of it to funding for completion of the Interstate System, expected to take 15 to 18 years. The department considers the Interstate as its main priority and after completing the system, DOT plans extensive Interstate rehabilitation and reconstruction.

All other highway programs would compete for general funds. However, the states would have the option of picking up one cent in motor fuel taxes (about $1.3 to $1.4 billion annually), which could be used for highway or transit purposes.

Airports—The proposed airport legislation would increase flexibility in the use of funds, extend eligibility to public use portions of terminal areas and allow acquisition of land for environmental compatibility, but it would also make certain Federal Aviation Administration (FAA) operations eligible for payment from user taxes currently restricted to planning and construction grants.

The League and Conference have opposed any diversion of these taxes to fund FAA operations, so long as cities continue to have planning and construction requirements. The Airport Operators Council International (AOCI) has estimated that just to keep pace with inflation over the past five years would require a funding level of approximately $600 million annually.

In addition, there is a surplus of almost $600 million in the Airport and Airway Trust Fund, which, it appears, the Administration may want to use for maintenance. Cities believe that this surplus could be used for the creation of a revolving land banking program to acquire land for future airport expansion and for environmental purposes.

VETERANS EDUCATION AND JOB OPPORTUNITIES

Overall Veteran's Administration FY 76 expenditures are expected to climb from the $13.6 billion projected in the FY 75 budget to $15.6 billion outlays. This reflects 22.3 percent GI Bill and 12 per cent pension increases voted by Congress in 1974. The GI Bill is the nation's largest scholarship program. FY 75 expenditures are expected to total $4 billion, an increase of almost $1.1 billion over last year's estimate. The administration calls for the repeal of the extension of the benefits expiration date from 8 to 10 years, and on the assumption that happens, projects FY 76 benefits at $3.6 billion.

Rescission requests are made to wipe out the FY 75 appropriation of $23,750,000 for the veterans cost of instruction program which enabled more than 1,000 colleges, junior colleges and technical schools to start Veterans Service's offices in July, 1973. No money is requested for this program for FY 76. With soaring unemployment among younger veterans, who were among the last hired because of the 70–72 recessions, no new federally-funded employment programs targeted to veterans are recommended. No legislation is recommended to correct geographical inequities in GI Bill use, which turn on the great state variance in costs and availability of post-secondary education. States in the West and the South, generally, have greater numbers of lower cost education institutions, especially junior colleges and technical schools, and, as a result, higher GI Bill usage.

Comment

Increased GI Bill expenditures represent an important anti-recessionary tool, since the more people who sign up for education and training the more money Congress appropriates under its open-ended commitment to veterans. More jobless veterans may turn to the GI Bill as an income supplement, as well during unemployment, with the hope that subsequent to compeltion of their education and training, they will become more competitive on the job market.

Additional spending on the GI Bill represents the increased attractiveness of the benefits resulting from the 1972 and 1974 increases. But, additional impact must be attributed to the veterans cost of instruction and supported by the League and Conference which gave educational institutions these staff to deal with veterans. A failure to continue this program indicates a continued emphasis on the so-called "income strategy" of funding the consumer and not the institution that serves him. This income strategy emphasis disregards the fact that unless the institution provides the consumer with services and is in a financial position to continue to do so, there may be no services to buy. There is national evidence that these programs for the first time opened up significant educational opportunities for low income and minority veterans.

Unemployment for veterans 20-24 has soared, rising to 15% overall and 25% for black veterans. Continued increases in veterans' unemployment can be expected because of their lack of seniority. Congress wrote specific provisions into the 1974 Emergency Job legislation, as well as the GI Bill amendments, providing for concerted efforts by the Veterans Administration, HEW and the Labor Department to work together in obtaining veterans' education, training and job opportunities. No specific funds are earmarked by the budget for this, but it is hoped that the GI Bill, emergency public jobs and where necessary, unemployment compensation, will be viewed as complementary means to create long-term opportunities for individuals who served the country.

TABLE VET-1.—VETERANS

[Outlays in billions of dollars]

	Fiscal year—		
	1974 (actual)	1975 (estimated)	1976 (estimated)
Total VA budget	$13, 386	$15, 466	$15, 592
GI bill outlays	3, 249	4, 042	3, 600

Source: Fiscal year 1976 budget, p. 144.

GLOSSARY

Appropriation—Congressional action to allow a Federal program or agency to incur obligations to spend or to lend money.

Authorization—Basic substantive legislation that sets up a Federal program or agency. Such legislation sometimes sets limits on the amount that can subsequently be appropriated, but does not usually provide budget authority.

Budget Authority—Authority provided by the Congress—mainly in the form of appropriations—which allows Federal agencies to incur obligations to spend or lend money. While most authority is voted each year, some becomes available automatically under permanent laws—for example, interest on the public debt. Budget authority is composed of:

—New Obligational Authority—Authority to incur obligations for programs in the expenditure account; plus

—Loan Authority—Authority to incur obligations for loans made under programs classified in the loan account.

—Contract Authority—Some budget authority is in the form of contract authority, which permits obligations, but requires an appropriation or receipts to liquidate or pay these obligations.

Budget Surplus or Deficit—The difference between budget receipts and outlays, representing the expenditure account surplus or deficit plus net lending.

Deferral—An Executive Branch action or inaction which delays the availability of budget authority for obligation. Under the new Congressional Budget Reform and Impoundment Control Act, the President must send a special deferral message to Congress stating his reasons. A deferral means that spending will be delayed until later in the same fiscal year. Deferrals take effect automatically unless at least one House of Congress disapproves.

Federal Funds—Funds collected and used by the Federal government, as owner. The major federally-owned fund is the general fund, which is derived from general taxes and borrowing and is used for the general purposes of the government. Federal funds also include certain earmarked receipts, such as those generated by and used for the operations of government-owned enterprises.

Fiscal Year (FY)—Year running from July 1 to June 30 for fiscal year 1975 and earlier fiscal years. FY 76 will have a fifth or Transitional Quarter, ending September 30, 1976 (see "Transition Quarter"). All subsequent fiscal years will begin October 1 and end September 30. The fiscal year is designated by the calendar year in which it ends.

Impoundments (Budgetary Reserves)—A general term that refers to the withholding of budgetary authority from obligation—that is, recissions or deferrals.

Obligations—Commitments made by Federal agencies to pay out money for products, services, loans, or other purposes—as distinct from the actual payments. Obligations incurred may not be larger than the budget authority.

Outlays—Checks issued, interest accrued on the public debt, or other payments made, net of refunds and reimbursements.

Rescission—Enacted legislation canceling budget authority previously granted by Congress. Under the Congressional Budget Reform and Impoundment Control Act of 1974, the President must send a message to Congress stating his reasons for the proposed rescission. Congress must approve the rescission within 45 Congressional working days, or the money must be spent.

Reserves—See "Impoundments".

Transition Quarter—Due to change in the fiscal year (See "Fiscal Year") FY 76 will cover a fifteen-month, rather than a twelve-month, period. The months of July, August, and September 1976 are the transition quarter.

Trust Funds—Funds collected and used by the Federal government, as trustee, for specified purposes, such as social security and highway construction. Receipts held in trust are not available for the general purposes of the government. Surplus trust fund receipts are invested in government securities and earn interest.

REVENUE SHARING

Mr. HRUSKA. Mr. President, in recent weeks I have received many letters from Nebraska communities urging that the general revenue-sharing program be extended.

Local officials in Nebraska and elsewhere are becoming concerned over the fate of revenue sharing. There have been widely circulated reports that certain special interest groups are trying to kill or radically change the revenue program or cripple it with stringent Federal controls. One of the program's most attractive features has been that, to a large extent, local governments have been able to use revenue-sharing funds where they deem best.

If the letters I have received from Nebraska are any indication, the State, county, and municipal officials have been utilizing these funds wisely and in accordance with the wishes and interests of the citizens they serve.

For instance, the Holt County Board of Supervisors infromed me that they have used the money for improvement of county roads without increasing the tax levy. The Frontier County Commissioners have been able to gravel many miles of unpaved county roads and to purchase road improvement and maintenance equipment which they could not afford previously. Nemaha County used revenue-sharing funds to erect a new county jail. The city of Weeping Water used the funds to furnish a clinic for a doctor and purchase a lot to enlarge the fire hall. These are a few instances of how revenue sharing has proved beneficial to the communities in my State.

Mr. President, I was pleased to cosponsor S. 11, the bill introduced recently to extend the revenue sharing act. As I stated when S. 11 was introduced, I believe that this measure provides "a sound basis for careful review and reevaluation of general and special revenue sharing." In addition, the bill contains many provisions which might improve the program's operation and suggest solutions for the problems which some local officials have encountered.

S. 11 would provide indefinite automatic funding of revenue sharing, eliminate restrictions on the uses of revenue sharing funds by local officials, and relate entitlements to a fixed percentage of Federal adjusted gross income.

These would be worthwhile improvements in the program, and they merit serious consideration by the Congress. I look forward to the forthcoming hearings on S. 11 and on other revenue sharing proposals during the 94th Congress.

I appreciate hearing from Nebraska officials who have worked closely with all facets of revenue sharing and are most familiar with its advantages and disadvantages. I am pleased to know that the mayors, county commissioners, and municipal authorities of my State strongly favor continuing the program and that their communities have made good use of the revenue sharing funds they have received.

Mr. President, I received a letter from a distinguished constituent of mine, Mayor Glenn Zajicek, the mayor of Wilber, Nebr., asking my help in "keeping the revenue sharing program alive." He said:

> I realize it has been an added tax but I still think that other federal programs of less value and other worthless programs could be done away with.

He concluded:

> This is about the only way in which we can start getting our government back to local control.

I know of no one who has better credentials to speak of the success of revenue sharing than the mayor of a small city in mid-America. His firsthand experience with the workings of revenue sharing should provide invaluable insight to us.

Mayor Zajicek enclosed an article he wrote on revenue sharing. I ask unanimous consent that his letter and the article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

CITY OF WILBER,
January 29, 1975.

Senator ROMAN HRUSKA,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am very concerned about keeping the revenue sharing program alive. I realize it has been an added tax BUT I still think that other federal programs of less value and other worthless programs could be done away with.

Enclosed is an article that I wrote on revenue sharing. Use it anyway you see fit if you want to. It may seem a little course to you and you may not agree with me 100% but after all this is your privilege. After being Mayor of Wilber for over 9 years I feel that I am qualified to know what is best for our community. One thing that I do know is that we do not need more federal control.

This is about the only way in which we can start getting our government back to local control.

Sincerely,
Mayor GLENN ZAJICEK,
Wilber, Nebr.

THE TRUTH ABOUT THE REVENUE SHARING PROGRAM AS SEEN BY A SMALL TOWN MAYOR

(By Glenn W. Zajicek, mayor of Wilber, Nebr.)

Even tho there are a few strings attached to revenue sharing it is the start of one of the best programs ever offered to cities and small towns. There is room for corrections but let us face the simple facts. We are finally getting some of our own tax money back without having to go to the Federal Government on bended knees. Anyone who has ever been involved in any Federal funding program knows of the red tape and excessive costs encountered due to this red tape. Also the small towns do not have the money and personnel to support the lobbys in Washington like big business and like the large labor unions. Therefore we have little voice in anything that big business and the large labor unions do not agree with.

We must realize that the back bone of this country is still the so-called little people. (Small farmer, small business and small industry). Many of these are located in the smaller communities.

I never could quite understand how the Federal Government could implement the same programs for New York City and Wilber, Nebraska. It is so far fetched that it does not even make sense. This is like comparing the New York Yankees to the Pee Wee Midget Baseball Club of Wilber. We simply are not in the same league.

We are now suffering from excessive inflation. Most of this has been due to our Federal bureaucracy. Two good examples of this are our meat and dairy industries. Over the last few years the small meat processors and small dairy people have almost been obliterated from business.

Why? Because of the many stupid bureaucratic regulations. I realize that we need health regulations for these two industries but what these people had and have to put up with is ridiculous. There was little or no co-operation between the State and Federal Government. Both sent out inspectors in some cases that were comparable to the German SS men. In some cases they made up their own rules and regulations. Every few months more money had to be spent to come up to the so-called standards. The inspectors were never satisfied. So many of the small meat processors and small dairy people gave up and quit. So now most of the meat industry and dairy industry is in the hands of big business. This is why meat and dairy products are higher than they should be. Bring back the small family type meat processor and small dairy farms and these prices will stabilize. Course the damage has already been done. This is easier said than done.

Now the reason I have expounded on the meat and dairy industries is to make clear the need to get the power of government back to the state and local level. We know our needs. We are here where we can keep better watch on what goes on. We are not perfect nor will we solve all the problems but I am sure we can cut the Federal spending by this so called do it yourself method.

We do not need Federal aid on highway

funds, in schools, sewer and water grants and a lot of the other so called give away Federal programs. Plain logic will tell anyone that the school needs or highway needs etc. In different parts of the country will vary. So why waste these funds when they are not needed in certain areas of the country. Let the state, county and local governments determine their needs. One thing for sure—we can ——— things up any worse than they are now.

Our bureaucracy is like a tumor. It keeps growing more every day. It is costing the tax payer more every day and we are getting less for our money. The only solution is to operate and cut away the tumor and leave the healthy tissue. Which in this case would be a government by the people. We do not need a government to support the people. In a democracy the people are the Government and they should be able to support themselves.

Revenue sharing to Wilber, Nebraska, has been a shot in the arm to our community. We have tried to use it wisely and today we find ourselves with a smaller mill levey than we had four years ago. We have used it in law enforcement, recreation, public health and flood control. It has enabled us to use other city money in fire protection and public safety. And the sweet part of it all is that we did not have to go begging for the money.

Nobody has ever come around and ask me about revenue sharing and I am sure many mayors like myself have never been consulted. Most of the loud mouths who talk against revenue sharing are political opportunists who know little about local government.

When our forefathers planned this great democracy of ours they did not intend the Federal government to have the vast powers it has today over state and local government. They were in a sense a lot smarter than we are today because they could see the crippling effect that a powerful central government could have over local government.

How many times have we heard the phrase "let the government do it"? We are finally coming to realize that someday the so called government is going to do everything for us. When this happens then where is the government by the people? We can say goodby to our democracy and hello to a socialistic form of government where the people will have very little to say. We can look up the word "socialism" and the word "communism" in the dictionary and we find little difference between the two.

A lot of our problems can be solved if we get the working part of Government back to the State and local level. The Federal Government has a place in our country but not at the bureaucratic level it is at now. The people are still the key in a democracy. Our people in our communities have to assume leadership. They have to assume their obligations and their responsibilities provided them in our Constitution and the Bill of Rights. Too many people in this country want to work forty hours a week, draw large wages and then its all fun time—fishing, golfing, bowling etc. To hell with any responsibilities. And yet these people still want to live in a democracy.

It is plain stupidity to blame all the problems of this country on one man—the President of the United States. He is no miracle man nor can we expect one man to have all the answers. The simple fact is that the job is too big for one man. In other words our Federal Government as it is today is too big.

This in itself should prove why we need a revenue sharing type of program to help lessen the load of the Federal Government.

As I see it the people in this country have one of two choices: No. 1—to keep letting the Federal Government do everything for us and have our country ending up as a socialistic republic or No. 2—get off of their dead behinds, wake up and start assuming their democratic responsibilities and start working to make this the democracy our forefathers intended it to be. After all we get out of something just what we put into it. If we put nothing into this democracy of ours then we can expect nothing back. It is time that we stop letting other people do our work for us.

Revenue sharing is the key that can unlock the door that leads us back to a better life but most of all a true democracy where the people assume the responsibilities and do the work that should be done to make our communities and our country a better place to live.

AUTHORIZATION TO INTRODUCE MEASURES UNTIL MIDNIGHT TONIGHT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may have until midnight tonight to introduce bills, submit resolutions, and to include statements thereon for the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR CERTAIN ACTION TO BE TAKEN DURING THE ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during adjournment of the Senate over to 12 o'clock noon on Tuesday next, the Secretary of the Senate be authorized to receive messages from the President of the United States and the House of Representatives, that they may be appropriately referred, and that the Vice President, the President pro tempore, and the Acting President pro tempore may be authorized to sign all duly enrolled bills and joint resolutions.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 12 noon on Tuesday next. There will be a period for transaction of routine morning business.

GENERAL INFORMATION

As to Tuesday and the balance of next week, the following measures are expected to be available for possible floor action—rollcall votes could occur:

First. Debt ceiling bill.

Second. Ninety-day deferral bill, oil import tariff.

Third. S. 353, maritime authorization.

Fourth. Resolutions on rescissions and deferrals are highway funds and waste treatment funds.

ADJOURNMENT TO TUESDAY, FEBRUARY 11, 1975

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon on Tuesday next.

The motion was agreed to; and at 11:48 a.m., the Senate adjourned until Tuesday, February 11, 1975, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 6, 1975:

DEPARTMENT OF STATE

Elliot L. Richardson, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain.

DEPARTMENT OF JUSTICE

George J. Long, of Kentucky, to be U.S. attorney for the western district of Kentucky for the term of 4 years (reappointment).

NOMINATIONS

Executive nominations received by the Senate February 7, 1975:

IN THE COAST GUARD

The following named commanders of the Coast Guard Reserve to be permanent commissioned officers in the Coast Guard Reserve in the grade of captain:

Robert E. West
Arthur S. Langlie
Thomas K. Thorpe
Frederick W. Brundick III
Daniel M. Conway
Thomas A. Roach
Richard H. Funsch
Christopher Aeschlimann
Jan D. Wegenka
Paul H. Kuhn
August H. Douglas, Jr.
Robert G. Lyle
Eldon L. Laidig
Harry W. Bischoff
Glenn G. Anderson
John J. Fitzgerald
Thomas S. Latham

IN THE ARMY

The following-named officers to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Gen. Michael Shannon Davison, [redacted] Army of the United States, (major general, U.S. Army).

To be lieutenant general

Lt. Gen. Elvy Benton Roberts, [redacted], Army of the United States (major general, U.S. Army).

IN THE NAVY

The following-named officers of the U.S. Navy and Naval Reserve for temporary promotion to the grades indicated in the staff corps as indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

Commander

Aguila, Honorato M.
Altman, Jeffrey Alan
Amis, Edward Stephen, Jr.
Amundsen, Duane George
Arendale, Stephen Sydney
Ashley, L. G., Jr.
Babka, John Christopher
Barnwell, Grady Glenn J.
Barone, Robert Michael
Beal, Lowell Richard
Beatty, Hugh Tyrrell
Biesecker, Gary L.
Bigley, Harry Alan, Jr.
Blome, Bruce Richard
Boffman, Harry Randolph
Borel, Sylvain Angelo
Bosley, William R.
Bounds, Terrell Buddy J.
Brewer, Robert Francis
Brumfield, James Douglas
Bryan, Floyd Talmadge
Bryant, David Willard
Burnett, John R.
Burns, Arthur Charles
Burrows, William Mead J.
Butcher, Michael Dane
Caldwell, Craig Wilson
Campbell, Barry Blair
Campbell, Corder Compton

Campbell, James Anthony
Carlisle, John Lester
Carlisle, John Wesley J.
Carson, Homer Shannon I.
Carstensen, Richard O.
Chambers, Robert Edward
Childers, Marvin Alonzo
Christensen, Mahlon F.
Clark, George Wesley, Jr.
Clark, Thomas Alan
Clyde, Harrie Robert
Colgan, Diane Leslee
Connor, Thomas Martin
Conte, Robert Salvador
Cooley, William Emory J.
Cordell, Larry Donald
Cox, Joel Robert, Jr.
Craver, William Dillon
Credle, William Frontis
Cross, David Alan
Daly, Richard George
Daniels, Bruce Lynn
Davis, William Roger
Day, Cyrus M., III
Dibona, Douglas Dante
Donaldson, Robert Carter
Douglas, Donald Steven
Duckworth, Dyce Jerome
Duffey, Depue Hazen, Jr.
Dwyer, Robert Dennis
Edwards, Bruce George
Ellsworth, Robert Martin
Ellwood, Leslie Clive
Farrell, Kenneth H.
Flanagan, Michael Cyril
Flynn, Edward Thomas, Jr.
Foote, D. D.
Fuselier, Francis Wayne
Gallagher, Wililam Joseph
Getz, Lawrence Gilbert
Gilson, Mayo Dean
Golden, Richard Allen
Goldschmidt, Mark Norman
Gordon, Dennis Harvey
Gorske, Arnold Lowell
Granatir, Robert Francis
Greeson, Charles Stewart
Gregory, George William
Grodin, Douglas Michael
Gunther, Stephen Flack
Haley, John Marshall
Hall, James Henderson, I
Hallenbeck, John Mansfield
Hallet, Kathleen Kagan
Harder, David Franklin
Hardy, John Sherman, Jr.
Harris, Arthur S.
Harris, Clarence Monroe
Harris, Richard Ernest
Hawkins, Michael Lawrence
Hayes, Robert Preston B.
Hitt, Curtis Lee
Hoger, Norman Garwood
Holtzman, Garry Lynn
Hopper, Richard Edmund
Houghton, James Orville
Houk, William Michael
Isenhart, George Edwin
Izzo, Joseph Leonard
Jackman, William Martin
Jacobson, Albert Dale
Jacquet, James Martin
Jewell, Calvin Thomas
John, David Alan
Johnson, Paul Elmer
Keith, Virgil Anderson
Kemp, David Garrett
Kimbrell, Fred Taylor J.
Kindschi, George William
King, Byron Francis, Jr.
King, Charles Robert
Kirchner, John Patrick
Klein, William Joseph
Knapp, Robert Sinclair
Knight, Douglas Reid
Koenig, Harold Martin
Krebs, Curtis James
Kundert, Ernest Edgar
Lange, Thomas Allen
Langhus, Peter A.
Lavarias, Santiago P.
Lewis, Ronald William
Lewis, Stephen Barnett
Lichtman, David Michael
Lohner, Thomas
Lomas, William Roger
Lorenzen, Paul Conrad
Ludewig, Robert L.
Luiken, George Anthony
Lyman, William Michael
Lynch, Thomas Patrick
Malinovsky, Michael Rud
Malone, Patrick Thomas
Margulies, Robert Allan
Martinson, Alice Marie
Marty, Alan Thomas
Mason, Jack Fabian
Mason, William Terry
Mathers, James McClurg
Mattheis, Kenneth Robert
Max, Martin H.
McArtor, Robert Dennis
McCormick, Hugh Bernard
McGill, Willis Alexander
McKee, Edgar Geer
McKenzie, William Fount
McKinney, Douglas Edgar
McLamb, James Norwill
McMillan, Donald Malcolm
Medina, Miguel Pablo
Meinecke, Henry Milton
Mendez, Prudencio, Jr.
Miller, George J.
Miller, William David
Mlynarczyk, Francis A.
Moglen, Leslie Joel
Moynihan, Donald Thomas
Muller, Steven Anthony
Myster, Stuart Howard
Navarro, Godofredo L.
Neal, David Alistair
Nebel, Otto Theodor III
Nelson, Fred Ritchie, Jr.
Nelson, Richard Arnold
Newton, Dennis Elbert I
Nicholson, Thomas Corne
Nielson, Karl Douglas
Nowak, Gerald Joseph
O'Connell, Kevin John
Odwyer, Andrew J.
Oller, Dale William
Panek, Henry Francis
Parvin, Thomas Steve
Paul, Francis Ferdinand
Paul, Theodore Otis
Pease, Gary Lee
Penner, Lawrence Raymond
Pettit, William Francis
Plaza, Jesus Aurelio
Poundstone, John Walker
Pratt, Richard Alfred, I.
Pries, Richard Edwin
Pryor, Norman Dale
Radnich, Robert Hays
Ray, Walter F.
Reed, James Croft
Reed, William Jerome
Rhyne, Dennis Alfred
Ricker, William Ernest
Roan, Ralph R.
Rodgers, Donald E.
Rodgers, Stephen John
Roelofs, Bruce A.
Romolo, Joseph Louis
Roper, Albert Lonsdale
Rosenthal, Myer Hyman
Routenberg, John Albert
Sanford, Frederic Goodman
Satko, Frank Gregory
Sawyer, Ralph Alphonse
Schang, Steven Jacob, Jr.
Scher, Irwin
Schmottlach, David Ralph
Schweitzer, Robert Leon
Scott, Kenneth Neal
Seal, William Clayborn
Seckler, Jerrold Howard
Shaver, Philip James, II
Shaw, Gerald Lee
Sheffer, Lee Allan
Siegfried, George Earle
Slesers, Juris
Somma, Richard Martin
Spader, Bryan Dale
Spence, Clarence Howard
Steele, Samuel McDowell
Steinberg, Steven Marc
Stenberg, Michael Donald
Stevens, Bruce Lawrence
Stevens, Larry Phillip
Stice, Richard Bell
Stokos, James
Strauss, Michael Brian
Stromberg, Murray Gage
Stuckey, Charles Edward
Suvari, Agu
Sydlowski, Paul E.
Talton, Hugh Johnston
Tashchian, Agop
Telesh, George Gregory
Templeton, Gilbert W.
Todd, Gary Price
Turner, Tommy
Ulch, George Alan
Unsicker, Carl Lester
Upchurch, William David
Vanderberry, Robert C. J.
Vandersalm, Thomas J.
Vasquez, Guillermo A.
Vega, Luis Eduaro
Voth, Gayle Vernon
Watkins, Robert P., Jr.
Waugh, Robert Andrew
Weisberg, Jan Joseph
Welch, William Calvin
Werner, Leslie George
Westcott, William Ireland
Whitlock, Paul Austin J.
Wilson, Richard Lee
Wong, Kuan P.
Woodburn, Richard

SUPPLY CORPS

Anderson, Floyd Raymond
Armour, Robert Charles
Billings, Thomas Hadley
Bloom, Jardine Clifton
Boltz, Jacob
Brand, Herbert Fred
Bruton, Lawrence Layne
Burns, Reuben Donald
Chenoweth, Denver, Jr.
Christensen, Thomas William
Cook, Bennie Wayne
Dempsey, Robert James
Desmarais, Normand Donald
Ditmore, Carl Alexander, Jr.
Draper, Walter Scott, III
Drinnon, James Willlard, Jr.
Erickson, Roger Charles
Ervine, Donald McClure
Farnsworth, David Lee
Faul, David Charles
Fournier, Alexander F., III
Francis, Thomas Marlin
Gartrell, Cecil Eugene
Gear, James Robert
Gentile, Ronald Philip
Gibfried, Charles Philip
Goodman, James Clement, Jr.
Hamlin, Rudolph Barry
Hardin, Jonathon Jaben, Jr.
Heavener, Richard Wayne
Hoffmann, Wilbur Edwin, Jr.
Inman, James Edward
Isenhour, Thomas Henry
Jacroux, Paul Edward
Jarman, Cecil Albert, Jr.
Johnson, Jerry Eugene
Jordan, James Clyde, Jr.
Knachel, Robert Eugene
Knapp, Emmett Jay
Koczur, Eugene
Krieg, William Cecil
Kuhns, Howard Edwards
Leber, Theodore Timothy, Jr.
Ledwig, Donald Eugene
Lee, Richard Henry
Leisenring, Richard Porter
Ligon, Samuel Joseph, Jr.
Lynch, Ronald Paul
Machesky, John Michael
McGee, Bernard James

McGee, William Cozadd
Meier, John Douglas
Mezzio, George Henry
Miles, Darrell Raymond
Moore, Robert Marion
Morgart, James Alan
Parker, Jimmie Roscoe
Paskowitz, Selwyn S.
Percifield, William Lester
Peters, Richard Dale
Ransdell, Maurice Gene
Reavis, Peter Augustus, Jr.
Roth, Jon Biddle
Schleck, Peter Joseph
Selgelid, Larry Curtis
Shaughnessy, David Brian
Shiels, John Morse
Steidle, Robert Earl
Talbot, Patrick Joseph, Jr.
Tribbie, Arthur Stewart
Wadsworth, William Theodore
Waller, Billy Glenn
Werbel, Samuel Gerson
Wolff, Norman Dieter
Yeager, Howard Bailey

CHAPLAIN CORPS

Anderson, Philip David
Baar, Harold Leroy
Brock, David Francis
Campbell, Eli Hoke, Jr.
Cox, Joseph Donald
Dowd, Patrick Arthur
Duke, Robert William
Fitzsimmons, David Harlan
Greco, Evan Joseph
Grubbs, Roy Dale
Jayne, Edward Eben
Koeneman, Alvin Berthold
Krabbe, Donald Louis
Loughman, Kenneth Michael
Morley, John Francis
Peters, Jack Richard
Purdham, Aldon Elwood
Quinn, Robert John
Turner, Wallace Barry
Walker, John Francis
Willard, Melville Frederick J.

CIVIL ENGINEER CORPS

Bell, Warren Miller
Bonham, Paul Windsor, Jr.
Booth, Robert Midgley
Currie, Wayne Lee
Davis, Harry Paul, Jr.
Emsley, Thomas Howard
Fraunces, George David
Greenwald, James Michael
Harmon, William Hayne
Horacek, Jerry Lee
Lafond, John Allen
Lewis, Quentin Edward David
McCorvey, Donald Laney, Jr.
Monarch, Delmont Jerome, Jr.
Osborn, James Harold
Patterson, Joe Thomas, Jr.
Poole, Arthur Seeger, Jr.
Preston, Robert Lowell
Robinson, George Sydnor, Jr.
Thomas, Eugene William
Tucker, Tracy Clark
Vasilik, Kenneth John
Weir, Charles Edwin, Jr.
Wilson, Eric Rex, Jr.
Wisenbaker, Richard Yancey

JUDGE ADVOCATE GENERAL'S CORPS

Cronin, George Francis, Jr.
Hunt, Roger Wayne
Michael, George Lewis, III
Pope, Charles Evans, III
Vanderlugt, Robert William
Warwick, Howard Roger, Jr.

DENTAL CORPS

Baycar, Robert Stephen
Bernhard, George Karb J.
Blake, James Morris
George, Gary Stapleton
Hartman, Gerald Lee
Kennard, John Thomas
Licking, Thomas Charles
Pfeifer, David Lewis
Poe, Gerald Stivers
Stuart, William W., Jr.
Yavorsky, John Dennis

MEDICAL SERVICE CORPS

Anderson, Francis Graham, Jr.
Bennett, Floyd Edward
Blankenship, William Leon
Butler, Robert Charles
Chan, Robert Sherman
Ellis, Glenn Mercer
Ferguson, Donald Richard
Hammett, Gene Lee
Hinds, Robert Bruce
Kennedy, Robert Samuel
Levandowski, Thaddeus Freder
Lucas, John Richard
McCullagh, Robert Francis
McKelvy, Patsy Lurleen
Mulrennan, John Andrew, Jr.
Richardson, Fredric Maury
Schroeder, William Henry
Steil, James Joseph
Wentworth, Richard Lee
Zimmerman, Lonnie Victor

NURSE CORPS

Anderson, Dolores Elaine
Banks, Audrey Estelle
Barbarick, Donna Louise
Frawley, Shirley Mae
Lochte, Rose Marie
Lockwood, Lavon Ruth
McIntyre, Joan
Merrill, Shirley Elaine
Porter, Julia H.
Tuttle, Nancy L.
Wallace, Donna L.
Miller, Barbara E.

The following-named regular officer of the U.S. Navy for temporary promotion to the grade of commander in the Supply Corps, pursuant to title 10, U.S. Code, section 5787, subject to qualification therefor as provided by law:

Tarr, Nicholas W.

The following-named officers of the U.S. Navy and Naval Reserve for temporary promotion to the grades indicated in the staff corps as indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

Lieutenant commander

Baxter, Nicholas Herbert
Becker, Albert Eugene J.
Carlson, Daniel William
Coombs, Douglas Ray
Criddle, Frank J.
Damm, Stephen R.
Delaney, Adrain Joseph
Devig, Patrick Marvin
Gemelli, Ralph Joseph
Golembieski, Miachel Ed
Gorrell, Alan Louis
Hassett, James Martin J.
Haworth, David Lee
Hay, James Thomas
Huffman, William Raymond
Hurst, James Martin
Jette, Norman Timothy, I
Kammeyer, Steven Edward
Kramer, Douglas Alan
Mayr, James Francis
McLeod, James William
Murray, William Kent
Nase, Harold Wallace
O'Bryan, Robert Keene
Peterson, Daniel Reuben
Reedy, John Canaday
Sanders, John Woodrow
Schenk, Joseph Henry
Schwab, Charles William
Shreck, James Neil
Swanson, Richard Thomas
Thomas, Otis Victor, Jr.
Verkleeren, John Luce
Voge, Victoria Mae
Wagner, William Jordan
Watts, Michael Allen
Weber, Daniel James
Williams, John Francis

SUPPLY CORPS

Allega, Timothy James
Barnes, Frank
Barnett, Orlando Tyrone
Bedle, William Blis
Benbow, Robert Thomas
Bray, Richard Lee
Brown, William Timothy
Chamberlin, Edward Robert
Coffin, Charles Edward, III
Crognale, Stanley Joseph, Jr.
Dawson, Joseph Charles
Dexter, Stephen Thompson
Doubleday, Ross Justin
Eaton, Roy William, Jr.
Edgerton, Donald Kenneth
Engel, Raymond Paul
Freeny, Ronald Nelson
Guth, Michael Harold
Hilton, David Eastwood
Hoyt, Charles Arny III
Ireland, Dennis Wayne
Jaudon, James Elton III
Jenkins, Evan Richard
Jepson, Francis Edwards, Jr.
Kauffman, David Carl
Keller, Frank Boyd
Kern, Samuel Yeager
Kincaid, Bruce David
King, Lawrence Allen
Kinsey, Joseph William
Krause, Ben Allen
Libby, Kurt William
Loveday, Leonard Norman
Madril, Richard Joseph
Marx, Paul Thomas
McGinnis, William James
McInnis, Rober Eugene
Meehan, Clement Thomas, Jr.
Moore, Beryl Grant II
Mortsolf, Larry Alonzo
Nelson, Ronald Charles
Newton, George Edward
Novak, Wayne Frank
Nuzum, Judge Meigs
Ott, Gene Franklin
Parks, Michael Blake
Printz, Stephen Carl
Quirk, David John
Sarver, Gordon Jay
Satterthwaite, Peter Leo
Scarola, Joseph Ralph
Schechter, Kenneth Alan
Scudi, John Turner
Seyfried, Philip Joseph, Jr.
Shirley, Joseph Garrison
Soares, Leonard Joseph
Souza, John Edward
Spadafora, William Henry
Stanton, William Hugh
Trimpert, Eugene Charles
Ullrich, James Marshall
Utter, James Henry
Vanrooy, Lester Arthur, Jr.
Vaughan, Larry Edward
Weave, Willis Stanley

CHAPLAIN CORPS

Ferraro, Joseph Anthony
Frankel, Bernard
Moore, Paul James
Perry, William Lee
Pilarski, Peter Richard

CIVIL ENGINEER CORPS

Ankrum, George Theodore
Bare, James Clement
Bone, Talbot Wade
Brown, Richard Eugene
Brown, William David
Eckloff, James Clement
Everhart, Guy Franklin
Fadden, Dean Everett
Franz, John Peter
Fucile, Eugene Paul
Geibel, Bruce Burgee
Heath, John Emery
Hoff, Michael Leroy
Holm, Stanley Robert, Jr.
Jones, Lloyd Kenneth
Laursen, Brian Ray
Lehman, John August

Lowery, Edward Joseph, Jr.
Lucas, John Albert, Jr.
Nash, David Julian
Owens, James Walter, II
Palmborg, James Glenn
Rever, John Nicholas
Sherron, John Thomas
Somers, Allen Harry
Spiezio, Frank Anthony
Thurston, Benjamin Easton
Walters, Victor Young
Ward, James Emerson
Yankoupe, George William

JUDGE ADVOCATE GENERAL'S CORPS

Grant, Harold Eric
Kerr, Gerald Lee, III
Milliken, Jon Chancy
Newman, Richard Carson
Nolta, Franklin Lyman
Scholz, Ronald Walter
Shea, John Patrick, III

DENTAL CORPS

Abulafia, Lewis Harold
Akerson, Harvey Alan
Ambrose, John Michael
Auclair, Paul Lionel
Bailey, Charles Stephen
Beaudry, Robert Joseph
Beaver, Geoffrey Hood
Bial, John Joseph
Boyd, John Joseph, Jr.
Broadbent, Charles D.
Comey, Thomas Edward
Creed, Thomas William
Doblecki, Walter
Draude, Joseph Anthony
Dunlap, Robert M.
Eickenhorst, Julius W.
Evans, William Richard
Ewald, Franklin Henry
Fertig, Steven Allen
Figenshau, James Gibbs
Frankel, Richard Lee
Frazier, Joseph Irvin
Fuhrman, Robert James
Fullerton, William Lloyd
Genet, Philip Edwin
Graf, George Herbert
Gray, Jonathan Loomis
Guman, Richard Andrew
Hadman, James Allen Bal
Hendrickson, Dean Alan
Herrmann, Robert Christ
Horton, Jowell Dean
Hoyem, Stephen
Jackson Ronald David
Janek, Bruce S.
Jorgensen, Michael George
Kapa, Stanley Francis
Lamb, Courtney Charles
Lander, Charles William
Lehman, Joseph William
Lynch, Peter Gerard
Mariner, Robert Walker
Maroney, William Francis
Martin, John Christopher
Miller, Richard Charles
Moyer, Gary Neal
Nolan, Gordon James
Oboyle, Ronald Charles
Parker, Robert Scott
Peterson, Burke Brent
Reeves, William George
Rocha, Theodore Everett
Sanders, John Joseph
Santoro, Robert Joseph
Schneider, Theodore, IV
Schwenk, Robert James
Sharrock, Michael Francis
Simkovich, John Joseph
Smith, Millard Bedford
Smith, Ronald James
Sorensen, Jon Arthur
Spann, Charles Earl
Stannard, Paul Francis
Steakley, Steven Lee
Stuller, Charles Bernard
Styrlund, Thomas Frederick
Towle, Herbert Jere, III
Tozzi, Raymond A.
Tyler, Martin Thomas
Walton, James Franklin
Waytena, James Richard
Weiskopf, Mark Allen
Witherspoon, Robert A.

MEDICAL SERVICE CORPS

Benander, Douglas Norman
Blanton, James Roger
Cooper, Fuman Kenneth
Edwards, Darrel
Hickey, Myron Joe
Hostetler, Melvin Glenn
Jeffs, Robert Anton Aulie
Lamdin, Jay Marshall
Ludwig, William Carl
Mathewson, Gordon Wesley
McGrath, William Peter
Moore, John Riley
Morris, Wayland Franklin, Jr.
Morton, Robert Johnathan, Jr.
Oleary, Terrence James
Potter, Duane Ernest
Price, Darrell Loyd
Snow, Kenneth Souder, Jr.
Tackitt, Robert Duane
Thrall, Allen Mason
Tveten, Paul David
Walker, Richard Ives

NURSE CORPS

Austin, Stuart Richardson, Jr.
Baker, Deirdre Call
Becklun, Joan Kay
Bohn, Randolph Joseph
Corbusier, Jill Ann
Dault, Judith Ann
Elsesser, Mary Ann
Engel, Joan Marie
Finley, Frances Lee
Jordan, Janice Yvonne
Mencik, Barbara Ann
Monk, Judith Lynn
Morris, Edward William

The following-named officers of the U.S. Navy for temporary promotion to the grade indicated in the line subject to qualification therefor provided by law:

LINE

Lieutenant commander

Aaker, Charles Ervin
Aanerud, Kenneth Dean
Abbot, Charles Stevenson
Abraham, Michael, III
Ackerson, Jeffrey Townsend
Adams, Merchant Stewart
Agee, Jerry Bond
Akst, H. Gordon
Alexander, Samuel John
Allen, Lloyd Edward, Jr.
Allen, Thomas Richard
Allman, John Chelsea, Jr.
Almon, John Sterling
Ameel, Frederick Donald
Angelina, Peter Gerald
Arje, Andrew Coulter
Armstrong, Douglas McLean
Arnold, John Paul
Arquette, Howard Ralph
Ashford, Richard F., Jr.
Atkins, Ronald Wayne
Aurand, David Robert
Avery, Robert Butner
Badger, Richard Lee
Baggett, Donald William
Baird, Leo James Michael
Bandy, Robert Frank
Banks, Bruce Christian
Baranowski, William
Barchi, Richard Henry
Barker, Timothy Lee
Barry, Thomas Joseph
Bartel, Edward Donald
Bartley, Archie Lee, Jr.
Baskerville, James Jay
Bateman, James Harold
Bates, George Macnider
Baumann, Dennis Clement
Beachy, John Scott
Beal, Robert Everett
Beard, Timothy Robert
Beattie, David John
Beaudry, Rodolphe Wildy
Beaulier, Jerome Eugene
Beck, Andrew Conrad, II
Beers, Robert Norman
Begbie, Albert Joseph
Beiser, Richard William
Benn, Ross Gary
Bergen, Laurence Michael, Jr.
Berning, Ronald Charles
Berry, William
Betts, Craig Robert
Biery, George Monroe, II
Bill, David Spencer, III
Billings, Alan James
Billings, Leland Raymond
Birchfield, Robert Boyd
Bird, Noel Thomas
Birkmaier, William B., Jr.
Bishop, Donald Elmore
Bixler, Michael Balfour
Bixler, Paul Woodruff
Black, Harold David
Blair, Dennis Cutler
Blakeney, James Houston
Blocksom, Roland Daly, Jr.
Blomberg, Charles Lawrence
Boenninghausen, Roger Paul
Bokesch, William Michael
Booth, Gregory Seeley
Borich, Michael Stephen
Borsh, Richard Martin, Jr.
Bortz, Richard Vaughan
Bouck, David William
Bowenkamp, Robert Donald
Bowles, Hugh Conrad
Bowman, Frank Lee
Boyd, John Stuart
Boyer, Robert Frank
Bradt, Douglas James
Brandenstein, Daniel Charles
Braun, Farrell John
Brennan, Neil Maxwell
Brewer, Joe Robert
Broder, William Thomas
Brodsky, Robert Gray
Bronaugh, Welbourne F. J.
Brooks, Nicholas George
Brooks, Robert Andrew
Brooks, Robert Emmett
Brooks, William Keith
Brosee, Manfred Neil
Broughton, Thomas Gary
Bruckner, James Winston
Bryant, Franklin Simons
Buchanan, Richard Alan
Bucher, Lawrence Charles
Buckingham, James Robert
Buckley, John Thomas
Buege, Paul Stephen
Buletza, Peter George
Bunge, Thomas Edward
Burhans, Nicholas Pegau
Burkhart, James Richard, II
Burkhead, Franklin, Jr.
Burmaster, Charles Lyman
Burns, Franklin Jeffrey
Burns, Kenneth Edward
Burton, Charles William
Butler, Edward John
Byron, John Ladue
Calabough, Jerry Simms
Callahan, Patrick Anthony
Campbell, James Dougal
Canaday, Brent Arnold
Cannon, Arthur Bruce
Capute, Joseph Robert
Carey, Edwin Fenton, Jr.
Carlson, David Samuel
Carlson, Edward James
Carlton, Kenneth Marvin
Carmody, William Oliver
Carroll, James Norman
Carter, Rodger Besley
Carter, William Campbell
Casterline, John Braman
Center, William Dillard
Chandler, Michael Stewart
Chandler, Thomas Haywood
Clark, Dale Veldon
Clark, Vernon E.

Clark, William Stephen
Clarke, Joseph Dallas, IV
Claybrook, Sam
Clegg, Marshall Cardon
Cline, Gary Keith
Cloninger, Arthur Douglas
Clothier, Thomas John
Cobb, Robert Linah
Cockcroft, Thomas D.
Coffey, William Jackson
Cole, Otis Robert, III
Colgan, Stephen Gregory
Collier, James Church
Collins, Alfred Leroy, Jr.
Coneway, Clinton James
Conn, George Richard Werner
Connell, Jack Peterson
Cook, Donald Edward, Jr.
Copeland, Larry Mack
Council, George Sloan, Jr.
Cramer, Michael William
Crane, Melvin Edward
Creighton, John Oliver
Crenshaw, William Robins, Jr.
Crider, Thomas John
Gripe, Paul Lynn
Crociata, Joseph Philip
Cronyn, Brian Sullivan
Crosby, Dennis Allen
Crowell, Gary Dean
Crowley, Jarrett Hunter, II
Cumings, Ronald Anthony
Currier, Richard Martin
Curtis, Stephen Edward
Cutchin, Richard Lee
Daly, Thomas Milton
Dambekaln, Andris
Daniel, Donald Charles Felix
Daniels, Harold Edward, Jr.
Darrow, Lester Martin
Davis, Ernest Lamont
Davis, Harold Walker
Davis, John Stark
Davis, Lee Alfred
Davis, Stephen Brooks, Jr.
Delello, Nicholas Joseph
Dennis, Patrick Joseph
Denton, Richard Jackson
Deserio, Darryl James
Dicarlo, Louis Albert
Dickens, Phillip Wayne
Dittmer, Edward Raymond, Jr.
Dixon, Gregg Woodford
Deoane, Robert K.
Dolan, Peter James
Donaldson, Paul Howard
Donnelly, Walter Patrick, Jr.
Donovan, Daniel Jeremiah
Dooley, John Patrick
Dorsi, Robert Anthony
Douglas, Billy Stephen
Dove, Curtis Ray, Jr.
Dowgwilla, Frank Michael, Jr.
Downey, Robert Vincent
Draper, John Joseph, III
Droll, Joseph Alfred
Dudley, Scott Bruce
Duffy, John Francis
Duncan, Robert Ray
Dunn, Dale Raymond
Durnan, Patrick Aloysius
Dutcher, William Earl
Dwinelle, William Alfred
Dye, Gary Thomas
Dye, George Walter, Jr.
Earhart, John Dudley, Jr.
Earl, Dennis Roland
Eberle, Daniel Joseph
Ecker, Paul William
Echles, James Warren
Ede, Terrence Frederick
Edwards, David Alan
Edwards, James Edward
Edwards, Michael Bruce
Eldridge, James Donald, Jr.
Ellis, Charles Eugene
Ellis, John Raymond
Emery, Robert Hugh
Engelken, James Karl
Ernst, Larry Lee
Eshleman, Donald Eugene
Eskridge, Escal Larry
Eubanks, Thomas Irvin
Evans, Kirk Eden
Evans, Samuel Hall
Everett, David Harrell
Fagan, Patrick Michael
Fairchild, Lawrence Vernon
Farmer, Clinton Jefferson
Farnsworth, William A., Jr.
Farrell, Richard Kenneth
Farris, Wayne Ross
Fellows, Richard Hudson
Felsinger, Richard Cox
Felton, Lewis Allen
Felty, Joseph William R.
Ferguson, Lawrence Leroy
Field, Michael Edward
Findley, Joseph Herbert, Jr.
Finta, Thomas William
Fisher, Dwight Douglas
Fiske, Gary William
Fitch, David Atwood
Fitzgerald, John Stephen
Fitzgibbons, Thomas Arthur
Flegel, Kenneth Christian
Fletcher, Jerry Jon
Fletcher, Luther Lawrence, II
Franconeri, James Joseph
Frantz, James Joseph
Franzitta, Anthony Michael
Frederick, Jeffrey Con
Fredrickson, John Allen
Friese, Laurence Victor
Fuentez, Raymond Marques
Fumia, Francis Henry, Jr.
Gabber, Wilhelm Martin
Gage, Carvel Clinton, Jr.
Gallagher, Tilden Matthew, Jr.
Galler, Joseph Louis
Gallo, Robert Michael
Galvin, James Joseph
Garnar, George Edgar
Gary, Michael Anthony
Gaskin, Peter Joseph, II
Gavin, Gerald Robert
Gebeaux, Robert Joseph
Genrich, Charles Mainard
Gerber, Raymond
Gerhardt, Robert Ross
Gibbs, Maurice Edward
Giblin, James Francis, Jr.
Gibson, Terrell Allen
Giles, Wayne Houston
Gill, James Michael
Gill, Robert Pearson
Gillard, James Henry
Ginsburg, Peter Arthur
Gnerlich, Charles Henry
Gohmann, Barton Charles
Gordon, Ian Scott
Goryanec, George Thomas, III
Grant, Homer Thomas, Jr.
Gray, Will Phelps
Greenamyer, Richard Doyle
Grillo, Pat Louis
Grim, Thomas Harold
Haley, James Richard
Hall, David Parkin
Halligan, James Reginald
Hamly, Richard Dana
Hanley, Wayne Richard
Hansen, George Robert, Jr.
Hanson, Donald Arthur
Hanson, Jeffery Wayne
Hardy, Randall Webster
Harford, Joseph Leo
Hartzell, Ray Kaufman Murphy
Haskell, Edwin Richard
Haskins, Michael Donald
Hattan, Robert Leland
Haughney, Charles Joseph
Hayes, William Steven
Helmsin, Francis Kenneth, Jr.
Hemmerle, George Edouard
Henderson, Joseph Kee
Hendrickson, Larry John
Herrera, Henry Francis
Hersh, David Sidney
Hewlett, Holden Willets
Higdon, Kenneth Hill
Hill, Daniel Davies
Hill, Roger Benton
Hines, Ronald Dewitt
Hitchcock, Terrence Walton
Hoberg, Raymond John
Hodge, Jerome Brownlee
Hodgens, Timothy Holdridge
Hofstetter, Robert Emil
Holbrook, Robert Scott
Holian, Francis Kevin
Holk, Frederick Arthur, Jr.
Hollender, Edmund Victor
Honour, Walter Whitaker, Jr.
Hontz, Edward Brigham
Hopson, Thomas Edward
Horn, William Allen
Horner, Timothy Francis
Hornick, James Freeman
Hough, James Arthur
House, William Louie
Howell, Buford Fredrick
Hoxie, Stephen Sanders
Huber, Paul Mikel
Hudson, Warren Putnam
Huffman, Thomas Bartlett
Hughes, Ivan Estes
Hughes, Kirby Edmondson, II
Hulme, Woodrow Wilson, II
Hulse, Richard Louis
Humphrey, James Smith, III
Hunt, Andrew William, Jr.
Hunter, William Carrol, Jr.
Hura, Myron
Irwin, William Jenner
Jackson, John Dwight
James, Gary Douglas
Januszewski, Francis James
Jewell, Charles Norman
John, William Harrison
Johns, Ernest Houston
Johnson, Adrian Warren, Jr.
Johnson, Alan Keith
Johnson, David Allen
Johnson, Hartle Eric
Johnson, Jay Lynn
Johnson, Jerry Lee
Johnson, Paul Niels Thornton
Johnson, Pierce Jarvis
Johnston, Raymond Albert
Jones, Charles Ernest, III
Jones, Charles Ray
Jones, David Morgan
Jones, Edward Allen
Jones, Francis Terrell
Jones, Jerry Lee
Jones, Kenneth Lee
Jordan, Robert Lucius
Joyce, Robert Richardson
Juhl, Douglas Wray
Julian, Benjamin Eugene
Kainer, Edward Lester
Kallsen, Bruce Donald
Kane, Leonard K., II
Kauffman, Carl Francis
Kaufhold, Francis Frederick
Kearney, Michael Erwin
Keefe, George Edwin, Jr.
Keller, James Henry
Kelly, James Peter
Kelly, John Thomas
Kelly, Robert Tyrone
Kemlein, Donald Fleetwood, Jr.
Kendrick, Robert Carroll
Kennedy, William Henry
Kenty, Jay William
Kessmann, Richard David
Kesson, Charles Edmund, II
Kickhofel, George Charles
Kight, Ben
King, Carl
King, Larry Lee
Kissick, Ronald Wayne
Klahr, Owen Allen
Klapperich, Donald Harry
Klinkhamer, David Joseph
Knott, Gerald Wayne
Korbet, Michael Thomas
Kowalick, Stephen Joseph Jr.
Kropf, Wallace Leroy
Kupka, Stephen Gregory
Kuykendall, George Ira, Jr.
Labrecque, Robert Joseph
Lagomarsino, Thomas Sivert

Laprevotte, William
Larkins, James Marion, Jr.
Larrabee, Stephen Harris, Jr.
Larson, David Charles
Lashley, Lewis
Lauer, Klaus Wilfried
Lawless, John Martin
Lawson, Thomas Nelson
Lebaron, George Rohmer, Jr.
Lecompte, Walter Herrell, Jr.
Lee, Earl Cunningham, II
Leonard, Fred Parker, III
Lepage, Roger Henry
Lewis, James Crawford
Lewnes, Christopher
Lichtenwalter, James Edward
Lichtermann, Richard D.
Lienhard, John Bernard
Lightstone, Robert Martin
Liner, Bennice Lee
Lingo, Dennis Roy
Lipfert, Ralph Hall
Lipscomb, Warren Neilson, Jr.
Livingston, Douglas Henry
Lockwood, Ernest Reese
Loconte, Salvatore John
Long, Donald Erskine
Loome, James Michael
Loop, David Everett
Lopacinski, James Michael
Lopez, Teodoro Granillo
Lorenz, William Frederick, II
Lorren, Lonnie Dwight
Lortscher, David John
Love, Buddy Alfred
Love, Glendel Devon
Lovelady, David Eugene
Luce, Charles Marlin, Jr.
Lueneburg, Raymond Lee
Lundberg, William Dennis
Lyons, John Thomas, III
Lyons, Joseph Eugene, Jr.
Lyons, Richard Leo
Mahlstedt, Paul Williams
Major, William Earl, II
Mallett, Carl Victor
Maloney, Elbert Sevier, Jr.
Manko, Michael Bradley
Manlove, Donald Norman
Marfiak, Thomas Fletcher
Marinshaw, Stephen Alfred, Jr.
Marquez, Octavio Jimenez
Marshall, Rolf
Martin, James Harold
Martin, Port Robert
Martineau, Paul William, Jr.
Martinek, Charles Allen
Massicot, William Harvey
Masters, Quentin Steward
Mathis, Troy Eddie, Jr.
Matthaei, Raymond Eugene
Mattis, David William
Matton, Michael Nevett
Mattox, Walter Charles, Jr.
Maynard, James Devere
McBride, Jon Andrew
McBurnett, Richard Lee
McClelland, Thomas Lee
McClendon, Robert Pierce, Jr.
McConnell, John Michael
McCullough, Carl Preston
McCumber, Ralph Ray, Jr.
McDonald, Jerry Ralph
McGann, William Henry, III
McGovern, Patrick Daniel
McKendrick, John Demille, Jr.
McKenney, Edward Anthony
McKenney, John Wayne
McKinney, Ronald Lewis
McKnight, Philip Kinsey, Jr.
McLeod, Robert Stirling
McMinn, John Finle
McMullin, Lynn Darnell
Mears, Allen Kennard
Mears, Michael Lawson
Medlin, William Douglas
Meloney, Michael Bruce
Mendenhall, Corwin Guy, III
Michna, Kenneth Ralph
Miess, Samuel Allan
Miller, Gary Raymond
Miller, Richard Gillett
Minor, Donald Anderson
Minton, Joseph Kelly
Mitchell, John Thomas
Mitchell, Thomas R., III
Mittell, John Evans
Mittendorff, Gerald Ernest
Mobley, Joseph Scott
Mollet, Robert Edward
Montgomery, George Wynn
Moore, Edwin Terry
Moore, George Malcolm
Moore, Thomas Stephen
Morgan, Edward Earle
Morris, Ralph Richard
Morrison, Richard Martin
Moser, Curtis Clayton
Moses, Dale Hopkins
Mossman, Harry Seeber
Muldoon, Patrick Michael
Mullin, Leo George, Jr.
Murkland, Richard Grant
Murphy, Dennis Edward
Murphy, Timothy Aloysius
Murray, Robert Edward
Naber, Michael Edmund
Nelson, Carl Dean
Nelson, Thomas Swan
Nesbit, Thomas Burns
Nester, Cletis Maynard
Newell, James Kirk, III
Nichols, Loring Buttrick
Nicholson, Donald Lee
Nicholson, Samuel Thorne
Nicks, Harold Troy
Norton, David Howel
Notz, Frank Peter
Novak, Emanuel Joe
Nundahl, Gerald Alvin
Nunno, Thomas
Nuquist, Harold Stanley, Jr.
Nygard, Howard Thomas
O'Brien, Michael Francis
Odegaard, Richard Erling
O'Donnell, Robert
Offutt, James Hucorn, III
Ohlert, Edward James
O'Keefe, Thomas Stephen, Jr.
Olmstead, Allen John, Jr.
Olsen, Curtis Wayne
Olsen, Richard Allen
Olson, Terry Gene
O'Malley, John Francis
Ostenson, Harold Thomas
Ouderkerk, Milford Merwin
Oyler, Joe Richard, II
Paddock, John Francis, Jr.
Palm, Danny James
Parker, Leonard Alden, Jr.
Parker, Richard Ernest
Parkes, Norman Michael G.
Patch, David Alan
Patterson, John Carroll
Pearson, Larry Glen
Pelensky, Mark
Pender, Orland James, Jr.
Pennington, Larry Dilver
Pentecost, Claude Daniel
Percival, Robert Clayton
Pergler, Robert Armstead
Perrotta, Joseph William, Jr.
Perry, Wilburn Robert, Jr.
Peterson, Brent Lynn
Peterson, Carl Marvin, II
Peterson, Gordon Irwin, Jr.
Peterson, Michael Curtis
Pfeifer, Charles Gregory
Phelan, Joseph Francis
Philips, Gary Quinten
Piatt, Cummings William
Piper, Harry Lee
Pitman, Edgar Leroy, II
Plumb, Paul Douglas
Pool, Willard Owen, Jr.
Porter, Thomas John
Posenecker, William Warren
Powell, James Milton, Jr.
Pratt, Edmund Lee, Jr.
Prout, James Gregory, III
Pruitt, James Griffin
Prusaitis, Gerald Joseph
Prydybasz, Andrew Michael, Jr.
Puffer, James Whitney
Pursley, Robert Earl, III
Quinn, Neal Albert, Jr.
Quinn, Robert Joseph, Jr.
Radican, William Walter
Rahn, Donald Frederick
Ramsey, Gerald Frank
Rawson, Warren Addison, Jr.
Reass, Richard Martin
Reidelberger, William Henry
Reynolds, Tom Hunter, Jr.
Rich, John Shipley
Richards, Francis Gerald
Richardson, Terry Allen
Riddick, George Thomas, Jr.
Riley, Michael Dean
Rinaldi, Ronald Albert
Rist, Austin Michael
Rittenour, Harry Taylor
Roberts, Charles Raymond
Roberts, Joel Herbert
Robidoux, Richard Ronald
Robinson, Lee Hayward, Jr.
Rockwell, John Hobart, III
Rohrkemper, Stephen Frederic
Roland, John Rogers, Jr.
Rose, Francis Immediato
Ross, Paul Davidson, Jr.
Rowe, Donald
Ruland, James Kenneth
Rule, William Martz
Ryan, James Jonathon
Ryan, Robert Earl
Sadler, Clint Densmore
Sadler, John Clinton
Saffell, Charles Raymond, Jr.
Sage, Fred Walter, III
Salinas, Daniel, II
Sanders, James Clifford
Sanders, Robert Charles
Sanders, Robert Tracy
Sarich, Ace John
Sawyer, Ivan Ernest
Saylor, William Harry
Schaede, Harry Robert
Scheerer, Raymond Henry
Schleicher, Harold C., Jr.
Schlein, Paul Barron
Schneider, Edward Thomas
Schneider, Ronald Dale
Scholl, John Foster
Schoolfield, Ernest Lynn
Schroll, John Raymond
Schuyler, James Preston
Scott, Donald James
Scott, Morris Bruce, Jr.
Scott, Murrel Clifton, Jr.
Scott, William Raymond
Scoville, Judson Lawrence
Sears, Jay Allen
Sears, Scott Lowrie
Sears, William Carr
Secrest, David Emmett Heaume
Sedlak, John Ray
Selfridge, Harry Edward
Senappe, John, Jr.
Seward, Theodore Clark, Jr.
Shaddock, Gilbert Perry
Shank, Michael Howard
Shannon, James Okey
Sheedy, Patrick James, Jr.
Shelton, Leonard George, Jr.
Sherer, Wesley Michael
Sherman, Marshall Robert
Shewell, Daniel John
Shipe, Edwin Evan III
Shubert, William Moses, Jr.
Sigler, John Fleet
Silvia, Michael Ferreria
Simmons, Robert Thomas
Simmons, William Alfred
Simons, William Edgar
Simpson, James Kendall
Simpson, Robert William
Singleton, Michael Robert
Skroch, Albert Paul, Jr.
Smith, Carleton James, III
Smith, David Peter
Smith, Gerald Clark
Smith, James Harvey

Smith, Thomas Joseph
Smith, Tracy William
Smith, Walter Kenneth, Jr.
Snyder, John William, Jr.
Snyder, Luther William, Jr.
Snyder, William Thomas D.
Solan, John Michael
Solomon, Dennis Lee
Sosnicky, Andrew Peter
Speakman, Glendon Caldwell
Spelbring, Daryl Carlton
Spicer, Tadd Edward
Spikes, Clayton Henry
Standrich, Elvin Beryle
Steel, James Robert, Jr.
Steele, Allen Wayne
Steele, Joseph Henry, III
Sterling, Stoughton, III
Stewart, John Christopher
Strawn, William Wesley, Jr.
Strother, John Wayne
Stuckey, James Godfrey
Sulfaro, John James
Sullivan, James Vincent, Jr.
Sullivan, Michael James
Sumnick, John Michael
Swank, Jeffrey Lee
Swanson, John Fredrick
Sweatt, John L., Jr.
Swenson, Daniel Austin
Syrko, Thomas Michael
Tafuri, Ronald Robert
Tappan, Benjamin, III
Temme, Robert Lee, Jr.
Thomas, John Morgan
Thomas, Lewis Carroll
Thomas, Patrick Edward
Thompson, John Ralph
Timmons, David Richard
Toriello, Andrew Norman, Jr.
Tracey, Michael Thomas
Trafton, Wilbur Cobb
Tryon, Frank Harold, Jr.
Tucker, Douglas
Twaddle, Roy Royce, III
Valley, Bruce Leon
Vanderpoel, Eric, II
Vidosic, Richard Paul
Vogt, Peter Dixon
Votava, Charles Frank, III
Waddoups, Lynn J.
Wagenseil, Lawrence Lee
Waggoner, David Thomas
Wahlig, Leonard Otto
Wales, Paul Robert
Waline, Richard Laverne
Walker, David Mathieson
Walker, Donald Edgar
Walker, Niles Allen
Walls, William Hammond
Walsh, David Francis
Warren, Edward Ola
Waschbusch, John Frank
Wassmer, Douglas Harold
Watson, David
Weber, Robert Sycks
Weeks, Floyston Allan
Weller, Philip Baxter
Wells, John Carroll
Wheeler, William Richard
White, Allen Hardin, Jr.
Whittemore, Michael Alan Nye
Wiant, Jeffrie Edwin, Jr.
Weigand, Rudolph Paul, Jr.
Wiese, Clifford Allen
Wiggins, Joseph Lambert, Jr.
Wilcox, Keith Lee
Wiles, Marvin Benjamin C.
Wiley, Armando Anibal
Willems, Robert Cecil
Williams, Gregory Bruce
Williams, James Thomas
Williams, Robert Russell, III
Williams, Thomas Johns, Jr.
Wilsbach, Ronald Keith
Wilson, Clark Albert
Wilson, Eldon Stephen
Wilson, John Franklin
Winge, Donald Ernest
Wittenberg, Robert Ralph
Woerner, James Paul, Jr.
Wojtkowiak, Daniel Leonard
Wolff, Richard Ernest
Woltz, David Ralph
Wonicker, William Curtis
Wood, Charles Mills, III
Wood, William Allison
Woodard, James Charles, Jr.
Woods, Robert Allen
Woodward, Harlan Wilfred
Woolrich, Raymond Dudley
Woy, Gary William
Wrenn, Ralph Elliott
Wright, James Robert
Wright, Peter Warren
Wright, Thomas Williams
Wyatt, James Colquitt, III
Wyman, Bruce Dana
Yates, Cornelius H., III
Yeaw, Ronald Everest
Yokley, Robert Andrew
Zafran, Robert
Zeigler, Philip Eugene
Zucker, Clayton George
Zvacek, Robert Dale
Zveare, Dennis Leeth

The following-named women officers of the U.S. Navy, for permanent promotion to the grade of lieutenant commander in the line, subject to qualification therefor as provided by law:

Anderson, Susan Halnauer
Boling, Deanna Irene
Canfield, Susan Barbara
Clair, Carolina
Clark, Barbara Lorraine
McElligott, Marie Louise

The following-named officers of the U.S. Navy for temporary promotion to the grade of lieutenant commander in the staff corps, as indicated, subject to qualification therefor as provided by law:

DENTAL CORPS

Acquavella, Richard F.
Gher, Marlin E.
Kriz, John F.
Lewis, Doyle M.

The following-named officers of the U.S. Navy for temporary promotion to the grade of lieutenant in the line and staff corps of the U.S. Navy, as indicated, subjects to qualification therefor as provided by law:

LINE

Armentrout, Wilfred H.
Brown, Larry D.
Burns, Brian H.
Crandall, Charles K., Jr.
Fath, Thomas M.
Finney, Charles P.
Folkman, Stewart G.
Gamber, Charles T.
Gavin, Donald E.
Gawlik, Joseph A.
Gibson, Robert P.
Griffin, Lee B.
Hans, William F.
Himmelmann, Michael R.
Hodermarsky, George T.
Hunt, David E.
Keehn, Thomas J.
Krayer, William E.
Kreutzer, Kenneth L.
Levinge, Charles A.
Mac Garvey, Ronald E.
Massenberg, Walter B.
Mayer, John S.
Maxson, David E.
Mitchell, James P.
Nelson, John P.
O'Leary, Joseph L.
Peck, John P.
Quartano, Anthony G.
Reed, Michael R.
Rogerson, Edward S.
Ruble, Steven M.
Ryan, Daniel K.
Scruggs, David A.
Shields, Guy M.
Shipp, William B.
Sigmon, Kennis L.
Toennies, Peter E.
Wasielewski, Michael C.
Willenbrock, Eric F.
Wilson, Steven D.
Wooldridge, Gregory C.
Zakem, Jeffrey S.
Zimmerman, Frank M.

SUPPLY CORPS

Branaman, Larry G.
Capizzi, David A.
Fennell, Walter F.
Grames, Steven M.
Self, James J.

CIVIL ENGINEER CORPS

DiGeorge, Frank P., III
Gecan, Anton S.
Guthrie, Gene S., Jr.
Hering, Alfred G.
Kechter, Ronald A.
Parsons, Robert C.
Rigby, William H., Jr.
Schneider, Charles H.
Vanderels, David
Weaver, Vaughan C.

MEDICAL SERVICE CORPS

Densley, Merylnn D.
Petersen, Paul C.

NURSES CORPS

Barlow, July L.
Cranston, Christine A.
Hobbs, Linda H.
Joswig, Mary E.
Penick, June G.
Watkins, Pamela R.

Comdr. Anthony P. Chatowsky for temporary promotion to the grade of commander in the Medical Corps of the Reserve of the U.S. Navy, subject to qualification therefor as provided by law.

The following-named officers of the U.S. Navy for permanent appointment to the grade of lieutenant in the Medical Service Corps of the U.S. Navy, subject to qualifications therefor as provided by law:

Scott, Kelvin P. G.
Stant, George M., Jr.

Lt. (junior grade) Jolene K. Schaefer for permanent promotion to the grade of lieutenant in the line of the U.S. Navy, subject to qualification therefor as provided by law.

Lt. Robert A. Englemann, of the U.S. Navy, for transfer to and appointment in the Supply Corps in the permanent grade of lieutenant (junior grade) and temporary grade of lieutenant.

The following-named officers of the U.S. Navy for transfer to and appointment in the Supply Corps in the permanent grade of ensign and temporary grade of lieutenant (junior grade):

Friedel, John M.
Leclair, Daniel V.
Orr, William D.
Worrall, Eric H.

The following-named officers of the U.S. Navy for transfer to and appointment in the Supply Corps in the permanent grade of ensign:

Bailey, Richard D.
Bauman, Daniel J., Jr.
Dawson, Craig B.
Finley, Michael E.
Marshall, Douglas B.
Soles, Harry G., Jr.
Young, Mark A.

The following-named officers of the U.S. Navy for transfer to and appointment in the Civil Engineer Corps in the permanent grade of lieutenant (junior grade) and temporary grade of lieutenant:

Brubeck, Gregory W.
Moore, Michael P.

The following-named officers of the U.S. Navy for transfer to and appointment in the Civil Engineer Corps in the permanent grade of ensign and temporary grade of lieutenant (junior grade):

Doo, Harry Y.C.K.
Steinke, Paul D.
Rodriguez, Glenn R.

The following-named officers of the U.S. Navy for transfer to and appointment in the Civil Engineer Corps in the permanent grade of ensign:

Thomas, Harold E.
Williams, David G.

The following-named officers of the U.S. Navy for transfer to and appointment in the Judge Advocate General's Corps in the permanent grade of lieutenant (junior grade) and temporary grade of lieutenant:

Kain, Michael R.
Miller, William A.
Surpless, Donn C.

Lt. Harold T. Nicks, of the U.S. Navy, for transfer to and appointment in the Judge Advocate General's Corps in the permanent grade of lieutenant.

Lt. (junior grade) John C. Lessel, of the U.S. Navy, for transfer to and appointment in the Judge Advocate General's Corps in the permanent grade of lieutenant (junior grade).

The following-named officers of the U.S. Navy for permanent promotion to the grade of Chief Warrant Officer, W-3 subject to qualification therefor as provided by law:

Abretski, Paul Robert
Adelwerth, Robert Thomas

Akley, Larry Donald
Alabado, Gregory Paterno
Almand, Richard Maxwell
Anderson, J. Quinton
Armfield, Alfred Emanuel S.
Armour, Warren Thomas
Ashworth, Robert Arthur
Avenson, Jerome Harvey
Aversano, Anthony Joseph
Aycock, Joe Edward
Bagley, Raymond Calvin
Baker, Clyde Ernest
Barker, Harvey Ward
Barnhart, Edward Eugene
Bartholomew, David Lynn
Bartke, Harrold Lincoln
Bartley, James Arnold
Beare, Lloyd Allen
Beatty, Arthur
Benning, Vale Jean
Bettis, Bobby Gerald
Biernesser, James Carr, Jr.
Billick, Dan Richard
Blackwell, Andrew Pinkney
Blanchard, Gary Franklin
Blanchard, Raleigh Thomas
Bobo, Billy Joe
Bobo, Jerry Lyn
Bolton, Harold Leslie, Jr.
Booth, Robert Walter
Borgmann, Frederick William
Bothe, James John
Boyle, David John
Bradford, Billy Cleveland
Brice, Allen Guy
Brooks, Edgar Tearl
Brooks, William Albert
Broussard, Clarence Joseph
Brown, Donald Claudean
Brown, Richard Arnold
Brown, Robert Edward
Brueggeman, James Edward
Buist, Andrew Robertson
Buote, Raymond Edmund
Burbridge, Robert Lee
Busseno, Henry William
Butler, Clyde Lewis
Butler, Robert Edmund
Callahan, Alvin Edward
Cameron, Robert Murdoch
Campbell, Cager Wayne
Campbell, Donald Leroy
Campbell, Leonard Malcolm
Campbell, Willis Eugene
Carey, John Dale
Cartwright, William Fuller
Caspary, Kenneth Allen
Caton, Robert Nelson
Chambers, Harold Dean
Cherry, Stephen Wallace
Chisholm, Leonard Marby
Chitwood, Orvis Hugh, Jr.
Choate, Edward Howe
Clark, Harry Eugene
Clark, Jimmy
Clarke, Robert Eugene
Clements, David Lawrence
Conti, Charles William
Cooper, Gary David
Cormier, Edward Norris, Jr.
Countryman, Larry Dean
Coupland, Steve Joel
Cousins, Jack William
Cox, Anderson Hunter
Crain, Robert Levan, Jr.
Crane, Alvin Edward
Creel, Cecil Doyle
Crickman, Frederick Paul
Crowder, James Dunn
Cubbedge, Carlon Eugene
Cutler, William Donald
Darr, Sammy Lee
Davis, Edward Lyle
Davis, Neil Carter
David, Wiliam Leighton
Day, Raymond Francis, Jr.
Dechene, Philip Edward
Deese, David Shannon
Delancey, James Douglas
Dirkes, Ernest Anton
Donnellan, David Francis
Dorso, John Michael
Dougherty, Thomas James
Dove, Gene Francis
Dowell, Billy Ray
Drier, Melvin Franklin
Driscoll, Richard Francis
Driver, John Edward
Dryfka, John Edmund
Dubose, James Tracy
Duckworth, George Earle
Duffy, Mark Edward
Dunning, James Leslie
Edwards, Bernard Darriel
Edwards, Kenneth Paul
Edwards, Thomas McCord
Eggett, Andrew James
Eney, Neilson Eugene, Jr.
Ennis, James Wathan
Espy, Ira John
Etten, Gary Albert
Evans, Charles Dean
Farlow, Roger Kent
Faulkner, Norman Harrison
Ferrara, Bernard Joseph
Fetter, Norman Leonard
Finfrock, Patrick
Fite, James Wilson
Fitzgerald, Thomas Maurice
Flanders, Mack Haywood
Floyd, George Francis
Flynn, Kevin Anthony
Folkers, Dale Carl
Ford, John Robert
Ford, William Patrick
Foster, Charles Lee
Free, Dale Kenneth
Freeman, George
Freese, Allen Paul
Garnett, Claude, Jr.
Garrahan, Richard
Garrett, Leo Edward
Gates, Richard Wesley
Gebbie, Larry Allen
Gibson, Richard Ernest
Giunta, Joseph Francis
Glover, Andrew Lee
Goerg, Frederick Clarence
Gordon, Harold Leroy
Goss, Marlin Earl
Graff, Clinton George, Jr.
Graves, Charles Richard
Gray, Charles Rolland
Greenberger, David
Greene, Bobby Eugene
Gregory, Thomas
Griggs, Edward Cole
Guerra, Manuel William, Jr.
Gutierrez, Zoilo Rosario
Haffner, Guy Allen
Hagensick, John Richard
Haggard, Henry Clay
Hall, Clifford Richard
Haller, Bernard Joseph
Halliday, Alvin Leroy
Hannon, Billie Gene
Hardin, Larry Kenneth
Harrington, Festus Marcel
Harris, Lester Leroy
Harris, Wendell, Jr.
Harry, Robert Meade
Hart, Monte Arthur
Harvison, Lynn Doyal
Hasselbacher Delmar Earl
Haupt,-Lloyd
Havenstein, Gene Leon
Haworth, James Ray
Hazard, William Lavern
Helton, James Nathaniel
Henry, James, III
Heuchert, Richard Herman
Hicks, Edward Kent
Hicks, William James
Hill, Robert Wallace
Hine, Jerry Gordon
Hines, Milton
Hisey, Howard Alan
Hobbs, Hurshel Benton, Jr.
Holiway, Weldon Yvonne
Hollon, Maurice Calvin
Holmes, Doyle Edward
Holt, Lonnie Dean
Howard, Donald Reed
Howard, James Elijah, Jr.
Hughes, Charles Earl
Hutcheson, James Edward
Jackson, Harold Bell, Jr.
Jackson, Robert Burns
James, Bobby Campbell
Jeffcoat, James Mark
Jensen, Gordon Mark
Jensen, James Cecil
John, Paul Maret
Johnson, Arthur Lee
Johnson, Thomas Scott, Jr.
Johnston, Darrell Edwin
Johnston, James Edward
Johnston, Wilford Paul
Jones, Carlos
Jones, Rodney Richard
Jordan, Boykin Bristow
Kale, James Edward
Keaton, William Creath
Kehoe, Raymond Jerome
Kellum, William Clayton, Jr.
Kennedy, Robert Lee
Kerwin, James Albert
Kilpatrick, James Hoyt, Jr.
Kirkpatrick, Gerald Eugene
Kloke, Carl Herbert
Knall, Daniel John
Knapik, Paul Peter, Jr.
Kondziela, Jack
Kuhnert, Howard Julius, Jr.
Lane, Richard Dale
Langmaid, Robert Vance, Jr.
Lardner, Thomas Paul
Lawrence, James Ross
Lear, Gerald Shirley
Lechtenberg, Richard Clem
Lentz, Joe Blane
Lesperance, Robert Francis
Lighthart, Lloyd William
Lister, Robert Corley
Little, Benerson Vernon
Little, Charles Ernest
Little, William Theodore, Jr.
Locke, Gary Winfred, Jr.
Lockey, Donald Lee
Londot, Jack Lane
Loney, James Eldredge
Long, Homer Richard
Loonam, John Francis
Lopez, Clyde Cecil
Loranger, Richard George
Lormor, Eugene Harold
Lovejoy, Jay Edward
Lucie, George Rexford
Lutze, Robert Gerald
Lynn, William Jackson
Maddock, James Fairweather
Maggard, Andrew James
Mahar, Joseph Chester
Maiden, Jesse Joe
Majchrowicz, Edward John
Malboeuf, Ernest Joseph
Malone, Robert Grant
Mann, Elmer Heath
Marsh, Robert Dean
Marshall, Leo Roy
Martin, Norman Richard
Mathews, Carl Leon
Mathis, Larry Thomas
Maurd, Richard Fay
May, Bobby Eugene
Mayers, Joseph
Mayo, Jimmy David
McCleer, James Lawrence
McCowan, Kenneth Edwin
McGee, Carl Edwin
McGee, Thomas Earl
McGowan, John, Patrick
McGuire, David Nelson
McManus, Theodore Glenn
Meade, Joe Davis, III
Melton, William Gene
Menhennett, James Richard
Metzger, William Marvin
Miller, Clyde Dudley
Miller, Paul Howard
Miller, Phillip Edson
Miller, Roy Allan

Mills, Charles William
Mitchell, Elmer Ray
Moen, Rodney Charles
Morgan, Walter Claude
Moyer, Milton John
Mueller, John Carroll
Mueller, Robert Arthur
Mullen, George Augustine
Mumford, Donald Emerson
Murphy, John Thomas
Murray, Wendel Albert
Nash, Ronald Edwin
Nassar, Albert Nicholas
Neal, Paul Gartrelle
Nechvatal, Charles James
Neste, Carl Alfred
New, Melvin Roger
Nichols, Paul Malcolm
Noel, Ronald Eugene
Oliver, Richard Henry
Olsen, Fredrick Lee
Olson, John Theodore, Jr.
Olsson, John Phillip, Jr.
Owens, Terry Dean
Page, Alfred Leonard
Paquin, Joseph Russell
Parsons, James Franklin
Parsons, William Gilbert
Partesius, John Scott
Patino, Donald Verdi
Patkus, Joseph Thomas
Payton, John Dewey
Peele, Franklin Dale
Pelletier, Ronald Wilbrod
Percival, William Lee
Perritti, Frank Victor, Jr.
Perry, Allen Burrell
Perry, Junior Lacie
Peszynski, Walter Franklin
Peters, John Wesley
Petrick, Robert George
Pirozzoli, David Paul
Pittman, Norward Thomas
Pletcher, Thomas Ray
Pochkowski, Joseph Daniel
Pohl, Matthew John
Popikas, Charles Frederick
Posey, James Arthur, Jr.
Poynter, Charles Ray
Preti, Wilfred Joseph
Price, Earl Junior
Price, John Edward
Pridgen, Joel Bernard
Priolo, Gary Philip
Ragghianti, Charles Frank
Rakfeldt, Harry Ottomar
Rasmussen, Anker Martin
Ratliff, Thomas Linwood
Ray, Harold Lonzo
Reddix, Charles John
Reed, Frank Guy
Reese, Robert Wayne
Reeves, Donald Ray
Reinoehl, Phillip Wells
Reynolds, Eugene Nicholas
Rice, Charles Oliver
Rice, Glenn, Jr.
Richardson, David Lee
Richardson, Donald Charles
Richey, James Horace
Riddle, Richard Arnold
Rigg, Donald Arthur
Ritz, Richard Charles
Ritzel, Charles James
Robertson, Bernard Lee, III
Robinson, Frank Jeffrey
Robinson, Richard Stanton
Rockwood, Donald James Jr.
Rodgers, Carl Todd
Rogers, Thomas Eudene
Romas, Gregory George
Ross, Albert James, Jr.
Ross, Johnny Edward
Rossignol, Donald Joseph
Ruryk, Mirian Eugene
Rutland, Roger Wayne
Ryan, Gerald Dean
Ryder, Leon Elmer
Salinas, Amando Santos
Santonil, Rosendo Torres
Sauls, Aubrey Plowden
Schaffer, Lawrence Carl, Jr.
Scheierman, Robert Leroy
Schier, Robert Martin
Schraud, Henry Frank
Schroeder, William
Sears, James Arthur
Seymour, John Clinton
Sheehan, Donald Francis
Sherman, Richard Floyd
Sherrill, James Durwood
Shierling, Johnnie Wayne
Shreve, Julius George
Shumpert, Harold Corbett
Siemers, Uwe
Skaw, Larry Roger
Skelley, Willard Richard, Jr.
Skipper, John William
Sliger, Ronald Wilburn
Smith, Floyd Harold
Smith, Howard Patrick
Smith, James Luther
Smith, Lester Clark
Smitheman, James Courtland
Snow, Homer Eugene
Snyder, Ray Lewis, Jr.
Sockell, Edward Joseph
Soderlund, John Henry
Sowers, Bobby Gene
Sparks, Howard Frank
Spear, Earl Jay
Spears, Tommie Edward
Stanek, David Monroe
Stauffer, Robert George
Stendel, James Clinton
Stephens, Hugh Lawson
Stephenson, Thomas Richard
Stephenson, Gerald Dwayne
Stewart, Lowell Thomas
Stiffler, James William
Stout, Arling George, Jr.
Stowe, Abraham Ronald
Stowe, Dorothy Jean
Strong, Franklin Eugene
Stuck, James Roland
Stutler, Frank Otley, Jr.
Sutter, William Winston
Tanner, Marshall Elliotte, Jr.
Tanner, William Earl
Taylor, Donald Walter
Thomas, Donald Ralphael
Thomas, Gordon Joel
Thompson, Byron Haywood
Thompson, Robert Miller
Thompson, Stelio Guy
Thomson, Bruce Lindsay
Toomey, Thomas Patrick
Tosatto, Francis Levern
Treadway, Alton Glen
Tucker, Charles Wayne
Turley, Brian Dale
Turner, Donald Paul
Turner, James Sunday, Jr.
Turpin, Thomas Richard
Tuttle, Donald Eugene
Twombly, Bennett Clayton
Uptegrove, Edwin Wayne
Vanhee, Richard Charles
Vanhoose, Ronald
Ventgen, Robert John
Verbic, Alan Robert
Vettese, Anthony
Villanueva, Anastacio, Lazaro
Wales, Richard Allan
Walsh, William Francis
Walter Fredrick Sebastian
Walters, Chester Huel
Walz, Lee Lucas
Watford, Qube Gene
Watson, Chester Arthur, Jr.
Watson, Donald Reed, Jr.
Weaver, Sterrie, Leon, Jr.
Webb, Elvin Bernell
Webb, Rufus Willis
Wegrzyn, Raymond Robert
Wells, Harold Adolph
Wertz, Bruce Neal
West, Frank, Jr.
Whitaker, Lawrence Winans
Williams, Thomas Yeaman
Wilson, James Orville
Wilson, Jerrold Bradley
Wilson, Philip Barry
Wilson, Robert Henry
Wood, Ronal Dewey
Woody, Guy Willard
Worley, James Lloyd
Wray, Donald Milford
Wyatt, William Douglas
Yavorosky, Vincent Michael
Yeatts, Harold
Yoneda, Minoru Mickey
Young, Neal Ronald
Zeitler, George Dean

IN THE MARINE CORPS

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Alexander, Joseph A.
Antosh, Steven A.
Augspurger, Dennis S.
Bambrick, Philip M.
Barnes, Richard K.
Belleman, Guy M.
Berquist, Larry W.
Blankenship, Edward W.
Bower, Mark V.
Breller, Allan C.
Bristol, Michael G.
Buchinger, Philip E.
Budimier, Jeffrey L.
Burgin, Joe C.
Cade, Adolphe C., IV
Cagiano, Mark A.
Campbell, Andrew H.
Card, William A.
Carlsen, James
Carroll, John K., Jr.
Casey, Mark W.
Cassidy, Alan T.
Catanach, Anthony H.
Celvi, Michial M.
Clarke, Robert A.
Cole, Eugene J.
Cotten, Rodney M.
Cramer, Joseph F.
Cushing, William R.
Darbyshire, David L.
Deen, Frank C.
Dillingham, Wayne E.
Dolan, Thomas E.
Donahue, William J.
Doscher, Paul A.
Easterly, Arnoldo R.
Eberling, Gary M.
Elder, Myles E.
Ellis, Daniel P.
Estep, Jeffrey P.
Fitzgerald, Richard C.
Fritts, Kenneth M.
Garrabrants, William M.
Gilbreath, David L.
Glagola, Michael J.
Glover, Thomas C.
Goodale, Richard W., Jr.
Goodloe, James, Jr.
Gordon, Kevin L.
Gram, Charles A.
Guevremont, John J.
Hanaway, Michael J.
Hardy, Eugene P.
Hartley, George S.
Henderson, John D.
Herrington, Steve
Hetler, Kim O.
Hickey, Mark A.
Horne, Francis G., Jr.
Hubert, Robert J.
Hurst, Clifford G.
Hug, David C.
Hughes, Michael K.
Hurst, Clifford G.
Iaquinto, Christopher J.
Inabinet, Michael J.
Jagielski, John M.
Johnson, Mark A.
Johnson, Richard T.
Kaessner, David J.
Karlson, David J.
Klauser, Frederick J.
Klinefelter, Christian P. M.
Knight, Robert L., Jr.
Kozick, Stephen, III
LaBarre, Allan K.
Lasseter, Granville D., II
Laverick, James M.
Lewis, James L.
Lochocki, Frank M.
Lott, John L.
Lydon, Kevin B.
Lynard, Constantine W.
Macadam, Adam F., II
Maher, Henry E.
Maldonadoz, Robert J.
McCann, William J.
McCleskey, Nathaniel T.
McDonnell, Joseph M.
McGuinness, Allan P.
McNamara, Paul P.
Merchant, Paul G., Jr.
Miller, Jeffrey W.
Miller, Melvin R.
Miller, William A.
Monnie, Robert B.
Mossman, Mark G.
Motes, Michael J.
Murphy, Richard J.
Murray, William R.
Nicholas, Ronald C.
Nielsen, Eric P.
Nielson, Thomas J.
Nowlan, Rex C.
Oberholtzer, David M.
O'Connor, Mark F.
O'Donnell, Fulton P.
Olney, Courtney L.
Ordone, Stanley A.
Packard, Richard J.
Page, Harry A.
Panter, Rodney P.
Park, Curtis R.
Parker, Raymond D.
Patterson, Gregory A.
Peoples, Melvin L.
Pettengill, James J.
Phillips, David A.
Pietrzak, Steven R.
Pistochini, Greg P.
Plough, Kenneth A.
Price, Joseph E., II
Prout, Steven L.
Raines, Randal A.
Rains, Kenneth C.
Rann, David P.
Rapp, Daniel E.
Regan, James M.
Richter, Jeffrey C.
Robb, Stephen C.
Ruckriegel, John R.
Sadberry, Dan R.
Sandkuhler, Kevin M.
Schuler, Alan K.
Shookster, John A.
Sherry, Mark D.

Simmons, Richard L.
Slavick, Frank P.
Sloan, Timothy A.
Smith, Robert F.
Snyder, Wesley F.
Somers, Daniel G.
Sondermann, John W.
Stock, Paul C.
Strahan, Robert W.
Sturgeon, Clyde N.
Sumrall, Carroll B.
Swain, John D.
Sweeney, John L., Jr.
Taylor, Walter E.
Taylor, Walter L.
Thompson, Jerry L.
Towsey, Craig W.
Trichler, William K.
Turner, John H.
Tussing, Bert B.
Wagner, Michael W.
Walick, David G.
Wangsgard, John E.
Watson, Paul H.
Wright, James M.
Younger, Robert E.
Zak, Michael J.
Zarate, Michael A.

The following-named (Marine Corps enlisted commissioning education program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Brown, Donald D.
McQuerry, Thomas O.

The following-named (Navy Enlisted Scientific Education Program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Benefield, John W.
Boyd, Charles E.
Carpenter, Steven C.
Crissinger, Michael A.
Fletcher, William R.
Forgy, James R.
Goldmon, William E.
Hall, Graham T.
Herbert, Stanley M.
Jones, Peter L.
Lape, Joseph S.
Laughlin, Larry L.
McIntyre, Luther B.
Seal, John F.
Seward, James J.

HOUSE OF REPRESENTATIVES—*Monday, February 10, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Fear not, for I am with you; be not dismayed, for I am your God; I will strengthen you; yea, I will help you.—Isaiah 41: 10.

"Another day is dawning,
Dear Father, let it be,
In working or in waiting
Another day with Thee."

We thank Thee, O God, for the coming of a new day and for the opportunity to serve Thee and our Nation in these troubled times. As we bow at the altar of prayer, may the words of our mouths and the meditations of our hearts be acceptable in Thy sight, O Lord, our strength and our Redeemer.

Steady our spirits for the tasks of these hours and strengthen us to do our work as well as we can do it. Deliver us from fears which unfit us for our labors, from bitterness which belittles our efforts, from resentments which ruin our dispositions, and from worries which weary us and wear us out. Why should we do ourselves these wrongs when with us is prayer, and joy and strength and courage are with Thee. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO U.S. MILITARY ACADEMY

The SPEAKER. Pursuant to the provisions of 10 U.S.C. 4355(a), the Chair appoints as Members of the Board of Visitors to the U.S. Military Academy the following Members on the part of the House: Mr. MURPHY of New York; Mr. LONG of Maryland; Mr. CEDERBERG; and Mr. GILMAN.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO THE U.S. NAVAL ACADEMY

The SPEAKER. Pursuant to the provisions of title 10, United States Code, section 6968(a), the Chair appoints as members of the Board of Visitors to the U.S. Naval Academy the following Members on the part of the House: Mr. FLOOD, Mr. SIKES, Mr. EDWARDS of Alabama, and Mrs. HOLT.

APPOINTMENT AS MEMBERS OF COMMISSION ON ART AND ANTIQUITIES OF U.S. SENATE

The SPEAKER. Pursuant to the provisions of Public Law 92-342, the Legislative Branch Appropriation Act, 1973, the Chair appoints the following Members to serve with the Speaker and with the members of the Commission on Art and Antiquities of the U.S. Senate in supervising the restoration of the Old Senate and Supreme Court Chambers in the Capitol: Mr. O'NEILL, Mr. RHODES, Mr. MAHON, and Mr. CEDERBERG.

APPOINTMENT OF ADDITIONAL MEMBER ON COMMITTEE ON AGING

The SPEAKER. The Chair appoints as an additional member of the Committee on Aging the gentleman from Hawaii (Mr. MATSUNAGA) to rank after the gentleman from Florida (Mr. PEPPER).

There was no objection.

PROPOSALS OF ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

(Mr. RONCALIO asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, today, I am introducing three House concurrent resolutions which if approved by the Congress would express approval of three proposals of the Energy Research and Development Administration in the area of international agreements for cooperation of nuclear energy.

Two of the proposals raise the present ceiling on the amount of nuclear materials which may be distributed by the United States—ERDA—to two international agencies, Euratom and the International Atomic Energy Agency. The third extends the existing agreement for research purposes with the Government of Israel.

By provisions of sections 54 and 123 of the Atomic Energy Act of 1954, as amended, proposals of this nature must be submitted to the Congress for review. On February 6, 1975, I chaired hearings of the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy to consider these proposals. These resolutions are submitted in accordance with the Atomic Energy Act of 1954, as amended, which requires that within 30 days of submission of the proposals to the Congress the Joint Committee must report to the Congress its views and recommendations on the proposals with corresponding concurrent resolutions either favoring or disfavoring the proposals.

These resolutions will be the subject of a Joint Committee markup session tentatively scheduled for February 13, in order to comply with the time limits as provided by the Atomic Energy Act.

CARIBBEAN TAX HAVEN TOUR

(Mr. VANIK asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. VANIK. Mr. Speaker, on April 12, 1975, 3 days before 75 million Americans must have their Federal income tax filed, 80 other Americans will be leaving Miami on a tax-dodging Caribbean tax haven tour. The tour will cost a minimum of $1,750, sunny and tax deductible to the participants who will have opportunity to learn how to take full advantage of legal tax avoidance.

This group will be wined, dined, and advised by local government officials in Cayman, Costa Rica, Panama, the Netherlands Antilles, and the Bahamas. It is unconscionable that our tax laws and trade laws permit this form of international tax piracy—luring desperately needed revenues from the Federal Treasury of the United States.

Mr. Speaker, the tax haven abuse is becoming more widespread and is resulting in incredible distortions in investment practices. For example, American Federal Reserve banks had $20.7 billion in Bahamas and Cayman Islands at the end of 1973, more than enough to make the entire island green with American money.

I am today requesting Ambassador Harald Malmgren, acting head of the Office of Special Representative for Trade Negotiations, to raise the issue of tax haven countries at the multilateral trade negotiations being conducted in Geneva. It is time that the international community consider trade sanctions against those nations which flaunt their role as world tax havens.

The letter is as follows:

House of Representatives,
Washington, D.C., February 10, 1975.
Hon. Harald B. Malmgren,
Ambassador, Special Representative for Trade Negotiations, Washington, D.C.

Dear Mr. Ambassador: During the up-coming Multilateral Trade Negotiations in Geneva, I request you and other American negotiators to raise the issue of improper trade practices by tax haven countries. While tax haven countries do not restrict—in the traditional sense—trade between nations, they clearly offer unfair and distorting "subsidies" which attract the flow of capital, industries, and jobs from the United States and other industrialized nations. In many cases, these tax haven countries are quietly supported by their former owners or possessor countries—who are usually members of the Organization for Economic Cooperation and Development.

Judging from recent advertisements, I believe that the tax haven abuse is becoming more widespread. It is resulting in incredible distortions in investment practices. For example, at the end of 1973, members banks of the Federal Reserve System had invested assets of some $20.7 billion in the Bahamas and Cayman Islands—both of which are notorious tax haven countries. These assets were larger than the assets of these banks in Continental Europe as of the end of 1973!

As another example, I am enclosing for your information, a pamphlet advertising a "Caribbean Tax Havens Tour." This "tour," organized by a seminar service, will leave Miami on April 12th and travel to Grand Cayman, Costa Rica, Panama, Netherlands Antilles, the Bahamas, and return to New York on April 25th. For a registration fee of $1,750 (including tuition, air fare, hotel accommodations, receptions, and cocktail parties), the first 80 persons who sign up will have "a unique opportunity to not only visit the major tax havens in the Caribbean, but to attend informative lectures as well in each tax haven dealing with its particular advantages.

"These sessions will be conducted by distinguished government officials, financial experts, and noted legal authorities."

For example, the program for Costa Rica includes such "topics" as "Costa Rica Taxes Only Local Income." In Panama, the lead lecture is entitled "Panama's Role as a Major Tax Haven." In the Antilles, the topics include "Netherlands Antilles as a Base for Eurobonds and Holding Companies" and "Using a Netherland Antilles Company to Invest in U.S. Real Estate." Finally, one of the Bahamas topics is "The Bahamas Is Still An Important Tax Haven."

I think you will agree that this type of promotion is a form of unfair international competition, resulting in unneeded and unproductive investments. I urge the American delegation to the new trade negotiations to oppose extending any form of Generalized System of Preferences to recognized tax haven countries. In addition, I believe serious consideration should be given to establishing some form of counter-vailing duty or tariff on the products of tax haven countries. I would appreciate your comments on how the problem of tax haven countries could be raised during the trade negotiations.

Sincerely yours,
Charles A. Vanik,
Member of Congress.

ABOLISH THE USELESS FEDERAL METALLIC AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous material.)

Mr. HECHLER of West Virginia. Mr. Speaker, the President has been asking Congress to tighten its belt on Federal spending. For 3 years I have been trying to have abolished a very useless board which does nothing but meet once a year for administrative purposes, the Federal Metallic and Nonmetallic Mine Safety Board of Review.

It recently submitted its report to the Speaker of the House on its activities for 1974—and its activities were none. The report for calendar year 1974 even made a mistake in the date placed on the report, dating it "January 11, 1974" for its calendar year 1974 report. Yet the President in his budget has asked for $60,000 for this useless board, which includes two administrative personnel, and pays the travel expenses of the five members who travel here to Washington for meetings to do absolutely nothing.

Mr. Speaker, this Board should have been abolished long ago. It was created in 1966, but did not begin to "function" until 1971, yet the President has just announced the renomination of Mr. Charles E. Schwab of the Golden Cycle Corp. of Colorado to serve on this Board.

Mr. Speaker, I have asked the chairman of the Committee on Labor and Public Welfare of the Senate, Senator Harrison Williams to take steps so the Senate reject the confirmation of Mr. Schwab, and I have written the chairman of the Committee on Education and Labor of the House, Representative Carl Perkins, to recommend the appropriate legislation to deauthorize this board. If that cannot be done, we certainly ought to cut out the appropriation for the Board. It is outrageous that this board should continue to exist and do absolutely nothing.

The Board is supposed to receive appeals from mine operators served with closure orders. But no such appeals have ever been filed, despite the fact that in calendar year 1974 there were 1,988 closure orders issued by the Department of the Interior. This do-nothing Board has managed to spend nearly $200,000 since 1971.

Under unanimous consent, I include the following letters and reports:

February 4, 1975.
Hon. Harrison A. Williams, Jr.,
Chairman, Committee on Labor and Public Welfare, Dirksen Office Building.

Dear Chairman Williams: I understand that President Ford has recently nominated Mr. Charles E. Schwab to a second four year term as an industry representative to the long-dormant Federal Metal and Nonmetallic Mine Safety Board of Review.

I strongly urge that your Committee promptly move to terminate this Board, in lieu of recommending confirmation of this nominee.

This Board is akin to the old Federal Coal Mine Safety Board of Review which Congress terminated in 1969. Like the old coal mine Board, this Board has five part-time members, consisting of a university professor, two mineral-industry representatives, and two labor representatives.

Its statutory reason for existing is to "hear and determine" applications filed by mine operators for "annulment or revision" of closure orders issued by Interior Department inspectors and orders issued by the Secretary. But no such applications have ever been filed with the Board, despite the fact that in calendar 1974 there were 1,988 closure orders issued by Interior. This is because Section 9 of the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 772, 777) gives the operator another procedural avenue of review, namely the Secretary of the Interior. There have been no appeals to the Board from a final order of the Secretary. In essence, the Board duplicates the Secretary's procedure and is unnecessary.

Since July, 1971, when the Board began to function, it has met less than six times "for administrative purposes." Yet in this period it has managed to spend nearly $200,000 none of which has benefited the health and safety of the miners.

Although the President has recently implored Congress to be frugal and not increase the budget for people-oriented programs, I note that he is asking Congress to appropriate $60,000 in Fiscal Year 1976 for this "Do-Nothing" Board.

I urge that your Committee move to terminate this Board before Mr. Schwab's current term expires in July, 1975, and provide for direct appeals from the Secretary to the courts.

Yours sincerely,
Ken Hechler.

House of Representatives,
Washington, D.C., February 8, 1975.
Hon. Carl D. Perkins,
Chairman, House Education and Labor Committee, Rayburn House Office Building.

Dear Chairman Perkins: President Ford recently nominated Mr. Charles E. Schwab of the Golden Cycle Corporation of Colorado to a second four year term as an industry representative to the long-dormant Federal Metal and Nonmetallic Mine Safety Board of Review.

This Board, which was created in 1966, but did not begin to function until 1971, is akin to the old Federal Coal Mine Safety Board of Review which Congress terminated in 1969. Like the old coal mine Board, this Board has five part-time members, consisting of a university professor, two mineral-industry representatives, and two labor representatives.

Its statutory reason for existing is to "hear and determine" applications filed by mine operators for "annulment or revision" of closure orders issued by Interior Department inspectors and orders issued by the Secretary. But no such applications have ever been filed with the Board, despite the fact that in calendar 1974 there were 1,988 closure orders issued by Interior.

This is because Section 9 of the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 772, 777) gives the operator another procedural avenue of review, namely the Secretary of the Interior. The operators can then appeal to the Board and then to the courts, but there have been no appeals to the Board from a final order of the Secretary since 1971. In essence, the Board duplicates the Secretary's procedure and is unnecessary.

Since July, 1971, the Board has met less than six times "for administrative purposes." Yet in this period it has managed to spend nearly $200,000, none of which has benefited the health and safety of the miners. It has an Executive Secretary and a secretary.

Although the President has recently implored Congress to be frugal and not increase the budget for people-oriented programs, I note that he is asking Congress to appropriate in Fiscal Year 1976 another $60,000 for this "Do-Nothing" Board.

I plan to introduce a bill next week to terminate this Board and to provide for judicial review of Secretarial orders or decisions. I hope that your Committee will enact such legislation before Mr. Schwab's current term expires in July, 1975, and thus save the taxpayers at least $60,000 annually. If this is done, confirmation will be unnecessary.

Yours sincerely,
Ken Hechler.

FEDERAL METAL AND NONMETALLIC
MINE SAFETY BOARD OF REVIEW,
Washington, D.C., January 15, 1974.
Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Enclosed is calendar year 1974 report of the activities of the Federal Metal and Nonmetallic Mine Safety Board of Review, as required by Section 10(1) of the Federal Metal and Nonmetallic Mine Safety Act (30 U.S.C. 729(1)).

Respectfully yours,
JUBAL HALE,
Executive Secretary.

1974 CALENDAR YEAR REPORT—FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

The Federal Metal and Nonmetallic Mine Safety Board of Review is an independent agency established to review mine closure orders issued by authorized representatives of the Secretary of the Interior (i.e., mine safety inspectors) which require a mine operator to close all or part of a mine because conditions exist in violation of the Federal Metal and Nonmetallic Mine Safety Act or regulation(s) issued pursuant to this Act. Appeal to the Federal Metal and Nonmetallic Mine Safety Board of Review is the principal administrative remedy of a mine operator affected by a closure order and it is before the Board that a record is made from which further appeal may be pursued to the court.

Though 1998 mine closure orders were issued in 1974 under the Federal Metal and Nonmetallic Mine Safety Act, none of these orders was appealed by a mine operator to this Board. Therefore, assuming these orders have been enforced, either the mines remain closed, or they have reopened because the violations have been abated, or the order has been annulled or revised by the Secretary of the Interior.

The Board maintained its principal (and only) office in the District of Columbia, as required by Section 10(d) of the Federal Metal and Nonmetallic Mine Safety Act (30 U.S.C. 729(d)). The Board met once in 1974 for administrative purposes.

JUBAL HALE,
Executive Secretary.

PARLIAMENTARY INQUIRY

Mr. YOUNG of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. YOUNG of Texas. Mr. Speaker, is it the understanding that when the House adjourns today, it will adjourn to meet on Thursday next?

The SPEAKER. The gentleman is correct.

THE LATE ROY A. STAUFFER

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MCDADE) is recognized for 5 minutes.

Mr. McDADE. Mr. Speaker, we who live in northeastern Pennsylvania have lost one of the truly outstanding men we have known in the 20th century through the death of Roy A. Stauffer.

He was a truly amazing man. He was one who started as a bicycle mechanic and became the largest Chevrolet dealer in northeastern Pennsylvania. He took the view that what he had done with his life, any community could do with its own life. With untiring effort he set about convincing people of northeastern Pennsylvania that any effort to build their communities must come from within, and so he worked with so many communities to build the spirit of self-development, and saw that effort bring thousands and thousands of jobs to those communities. For this, he became known as the "father of community industrial development."

He headed a new concept in community development which was known as the "Lackawanna Industrial Fund Enterprises" or LIFE, and through LIFE there were built in northeastern Pennsylvania shell buildings for potential industrial occupants. When the shells were completed, the people of the community, led by Roy Stauffer went out to find the industries to occupy them, and they were remarkably successful in their quest. For this, Roy also became known as the "Father of the Scranton Story."

It is planned to name the West Pittston riverbank "Stauffer Commons," and it is also planned to erect a monument to his memory. For a man like Roy Stauffer, no new monument is really needed. His work in building our communities lives on and will outlive all of us.

I share the sorrow of his widow and children at his death, but I know they are immensely consoled by the thought of what this remarkable man did in his lifetime.

At this point I will append an editorial from the Scranton Times:

ROY STAUFFER PERSONIFIED "BOOTSTRAP" RECOVERY

When Roy Stauffer was being honored as the "father of the Scranton Story" by the Scranton Chamber of Commerce nearly 20 years ago this newspaper observed that "More citizens of the Roy Stauffer type would mean a bigger and better Scranton." That comment bears repetition today in looking back on his long and productive life which came to a close with his death on Sunday.

Perhaps more than any other of the many notable people who have been associated with the continuing effort to develop a strong and varied industrial base for our region's economy Roy Stauffer personified this bootstrap operation.

He had gone from bicycle mechanic to auto mechanic and to ownership of what became the largest new car dealerships in Northeastern Pennsylvania. In doing so he overcame the obstacles of the Depression. During World War II when cars were scarce he converted his auto sales operation into a defense plant. When the war was over he advocated that residents of the area pool their own resources to supply the funds to build plants for new industry here.

As a leader of SLIBCo, the Scranton Plan and Lackawanna Industrial Fund Enterprises, Mr. Stauffer made the search for new industries and new jobs an obsession. He worked just as tirelessly for his neighbors in Luzerne County. And the results in both Lackawanna and Luzerne counties are impressive in the statistics of new plants and diversified job opportunities.

Grateful civic groups heaped awards and honors on him before his retirement. And a monument to this enterprising figure was authorized by the Greater Pittston Chamber of Commerce for Susquehanna River Common last summer.

Roy Stauffer made this valley a better place than he found it, making it possible for others to have the opportunities for success he had developed in hard times for himself. His indomitable spirit and dedication to the economic welfare of the region set an example for all to follow in his day and in the years ahead.

SENIOR INTERN RESOLUTION

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. BIESTER) is recognized for 5 minutes.

Mr. BIESTER. Mr. Speaker, I am pleased today to reintroduce House Resolution 16, establishing the John McCormack senior intern program, with an additional 24 cosponsors. To date, 71 Members have joined Mr. BINGHAM, Mr. HEINZ, Mr. HILLIS, Mr. REGULA, Mr. WYDLER, and me in this effort to create a 2-week Washington internship program for district residents aged 60 and above. We are encouraged that you, Mr. Speaker—and both Mr. O'NEILL, the majority leader, and Mr. RHODES, the minority leader—have lent your support to this idea by cosponsoring the resolution.

For each of the past 3 years I have conducted such a program, bringing two senior citizens from my district to Washington during a 2-week period in May. At these times they had a first-hand opportunity to watch Congress and a congressional office in operation and meet with various experts in the areas of legislation and Federal programs affecting the elderly. They have also been active workers in the office during that period, apprising me in depth of the various special difficulties experienced by older men and women in my district and in America.

An increasing number of House and Senate colleagues have joined in this internship program since 1972, and the program has developed momentum and an ongoing quality despite the absence of legislation. We are hopeful that the resolution can be adopted in time for implementation this May, but, regardless, we will be continuing our ad hoc program this year. In the near future Members will be informed of the exact date of the program, and we hope our colleagues will plan now to join us in this constructive educational venture.

SUPPORT FOR THE OFFENDER EMPLOYMENT AND TRAINING ACT

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 10 minutes.

Mr. RAILSBACK. Mr. Speaker, we are facing an ever growing crisis in our corrections system. The high rate of recidivism clearly demonstrates the inadequacy of our present techniques of rehabilitation. It is estimated that between 50 and 80 percent of all crimes are committed by individuals who have previously been confined in our prisons. As a member of the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice I have had the opportunity to visit prisons throughout the country and have come to the conclusion that if we are to remedy this situation we must be willing to dramatically change our traditional methods of incarceration.

Recent studies have shown a significant correlation between unemployment and recidivism. The lack of a vocational skill is a major barrier to the reintegration of the prisoner into the community;

unfortunately, rehabilitation, in terms of preparing the convict for employment, has been a disappointing failure. Ex-offenders rarely find jobs because they lack marketable skills and have not been given adequate vocational training. It is all too easy for an ex-convict to return to crime if he is unable to find a job.

Legislative restrictions have severely limited the program of the Federal Prison Industries, the Department of Justice corporation responsible for offering Federal prisoners training and work experience, is able to provide. The FPI is required to restrict competition with free labor and business. The goods produced are used solely by Government agencies and institutions and inmates are generally employed in unskilled jobs for which there is little demand in the free market. Prison industries fail to provide inmates with the necessary education and skills which would enable them to enter the free labor market upon their release. There is little demand for persons trained in making license plates, bookbinding, or furniture refinishing. The entire operation lacks proper incentives, relevance, and modern managerial motivation.

It is in response to these gross inadequacies of our present system that I am reintroducing the Offender Employment and Training Act which would enable us to use free market expertise to revitalize our antiquated system. Senator PERCY, an acknowledged leader in the field of penal reform, is introducing identical legislation in the Senate. The bill was previously introduced in the 93d Congress but failed to reach the floor.

Title I of the act applies to Federal correctional institutions. It provides authorization for the Federal Prison Industries to make grants or loans to, or contract with, private organizations for construction or operation of projects designed to train and employ Federal offenders. Such projects may also provide supportive services including education and counseling. The private organizations would be the employers of the prisoners and the project could operate within the prison facility itself or outside of it.

Prisoners would receive wages at a rate not less than that paid for similar work or training in the locality in which the work or training is to be performed. The work or training performed must be of such a nature as to make it likely that the inmates will be able to find comparable employment upon release. From the wages earned would be deducted money to support the inmate's dependents and pay for the prisoner's room and board. In addition, up to 10 percent of his wages would go to a fund which would be established for the purpose of compensating victims of crimes.

The program would be supported by a Federal Employment and Training Fund whose moneys would be derived from repayments of loans and proceeds from sales where the employer is a Federal agency, such as the Federal Bureau of Prisons. The fund would also be supported by such annual congressional appropriations as would be necessary to make the fund not less than $10 million.

Title II of the Offender Employment and Training Act gives to the Attorney General the same powers given the Federal Prison Industries in title I for carrying out similar projects in State correctional institutions. The State program would be funded by a $10 million authorization for each of the next 5 years.

Ideally, industrial programs should expose inmates to a work experience that would enhance their opportunities to acquire suitable employment. In addition, the production of an economically useful product would enable inmates to acquire self-respect and the satisfaction of a job well-done. A diligent effort should be made to initiate the manufacture of products which are in demand on the free market so that offenders can transfer their newly acquired job skills into meaningful employment after their release.

The Offender Employment and Training Act would create such a realistic and competitive work situation. This would provide the inmate with the necessary physical skills and mental preparation to reenter society as a productive individual and in so doing would help to lower our inflated crime rate. Since the ultimate beneficiary of these changes can only be our society as a whole, I am extremely hopeful that the Congress will give the Offender Employment and Training Act its immediate and favorable consideration.

AGAINST RATIONING

The SPEAKER. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, there is a great deal of discussion now about rationing gasoline as an alternative to President Ford's suggested increase in tariffs on oil imports.

I am opposed to rationing.

I oppose it, because it would be expensive, it would enlarge the bureaucracy and it would tend to make liars and cheats out of all of us.

Frankly, I have been surprised that some of my colleagues in the Congress have said they favor rationing, and I have been surprised that many others have discussed rationing as a real alternative to the President's proposals.

I suppose it is because this might appear to be a way to keep the price down on gasoline. But in my view, the price will go up no matter which plan we approve.

Continuation of the free market system of allocating gasoline, as outlined by President Ford, would be fairer and more efficient than a cumbersome rationing method. It would avoid a black market and it would eventually solve our energy crisis by encouraging the development of new sources of energy and discouraging oil imports. Rationing would institutionalize and prolong the crisis.

Many Americans who remember the rationing days of World War II are quick to point out the difficulties and inequities that existed.

Any rationing plan adopted today would probably be a "white market" system—coupons would be transferable and people who did not need all their coupons could legally sell them to those who did. "White market" rationing would generate less skulduggery and ill-feelings than the World War II variety did. But it would still be inadequate and unfair.

The Federal Energy Administration, which would run any rationing program, recently spelled out some of the possible consequences. Coupons would go to the Nation's 125 million licensed drivers; another 15 million Americans might rush to get licenses just to be able to procure coupons. The "white market" price of the coupons could reach $1.20 per gallon—over and above the current average pump price today of 55 cents.

More important, rationing would not provide a financial incentive to the U.S. energy industry to produce more domestic oil and it would not help to promote energy conservation outside of curbing the use of cars. At the same time, the FEA reckons that rationing would probably depress the gross national product by nearly $13 billion in the first year, presumably by cutting the market for new cars.

Unquestionably, rationing would generate widespread inequities. Lower-income motorists would be penalized, because they tend to drive inefficient old cars that get poor gasoline mileage. Residents of rural and suburban areas would suffer more than city dwellers, because they are not served by adequate mass transit systems.

It is important to remember that any way we go—even if we do nothing—it is going to cost us more money and to do nothing would be ignorant.

At this point, the President's proposal is the only plan that will return money to the taxpayers in an amount almost equal to the increase in fuel costs. But its a long way from being adopted. It is complicated and has may parts that need amending and I shall continue to give it great study.

STATE DEPARTMENT BOMBING INDICATES CONTINUED NEED FOR INTERNAL SECURITY COMMITTEE

The SPEAKER. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 5 minutes.

Mr. BAUMAN. Mr. Speaker, the recent bomb blast in a State Department washroom may be, according to some sources, a prelude to more violence by radical groups. It is also a tragic and graphic demonstration of the continuing need for maintaining the House Committee on Internal Security as a standing committee of the House of Representatives. For this and other reasons I am pleased to cosponsor the bill of my colleague from Ohio (Mr. ASHBROOK) which will accomplish that worthy goal.

In my view, and in the view of the Internal Security Committee in the past, individuals and organizations are entitled to hold whatever radical views they may wish. This freedom is part of the heritage of America, and the House Internal Security Committee had no desire to threaten this freedom.

But when organizations and individuals begin to take violent action, such as the State Department bombing, and the planting of a bomb in a Federal building in Oakland, Calif., then they become a legitimate concern of the Government. Both law enforcement and legislative arms of the Government need to be aware of groups and individuals who are committed to violence. If new legislation is appropriate, we need to be able to evaluate proposals and alternatives in a calm and rational manner.

The State Department bombing also demonstrates a need for more aggressive oversight of Government security programs, which had been part of the mandate of the House Internal Security Committee. As recently as last summer the committee conducted oversight hearings which went into personnel security practices at the State Department.

Mr. Speaker, here are a few facts which I hope will be of interest to my colleagues. The House Internal Security Committee has probably the most reliable information in the country on the Weather Underground outside FBI files. Not specific information on the precise whereabouts of individual members—that is the job of law enforcement agencies. But HISC has information on the origins of the group, the dominant philosophy of its members, their previous affiliations, and an insight into their motivations. This is the kind of information which can be invaluable in understanding and coping with the motivations of such individuals and groups. It is information which we as legislators should have in order to confront the problem of violence-prone groups in our society head-on, with our eyes open.

During the period from 1971 to 1973, there were 573 incidents of violence in this country attributed to terrorists, including firebombings, arsons, snipings, shootings, ambushes, and other criminal acts. Terrorists during this period were responsible for 152 police woundings and 43 deaths, as well as 53 civilian woundings and 22 deaths.

In June of last year, an FBI agent appearing before HISC testified that the FBI was interested in 52 different groups which could be characterized as subversive. Of these groups, 21 were characterized as terrorist, with a membership of 15,000. As the FBI pointed out, this does not mean that all of these individuals are necessarily planning terrorist acts, or even personally inclined to terrorism. Nonetheless, given the fact that terrorist activities by their nature can be carried out by just a few people, the presence of such a substantial number of organizations and individuals who are at least willing to endorse the rhetoric of terrorism should be of concern to Congress. The word is father to the deed, and the record shows that plenty of misdeeds have been committed.

I would like to insert at the conclusion of my remarks an article which appeared in the January 30 Washington Post, which quotes radical sources as speculating that the State Department bombing may be a "muscle-flexing gesture that may be a prelude to more violence." The writer, Paul Valentine, also discusses a new manifesto attributed to the Weather Underground, "Prairie Fire." This manifesto openly calls for mass violence in order to "disrupt the empire—to incapacitate it."

I hope my colleagues, on sober reflection, will reconsider the decision to abolish the House Internal Security Committee. Prompt consideration of the bill of the gentleman from Ohio (Mr. Ashbrook) to restore HISC will give us that opportunity. If we are to be faced with a renewed onslaught of radical violence, we should have the legislative ability to learn about it and deal with it intelligently. The continued existence of the House Internal Security Committee is our best guarantee that the House of Representatives will maintain that capacity.

The article follows:

Weather Unit Claims Credit for Bombing

(By Paul W. Valentine)

The long quiescent Weather Underground Organization, emboldened by the nation's current social and economic unrest, bombed the State Department yesterday in a muscle-flexing gesture that may be a prelude to more violence.

This is the dominant view of several sources close to radical and underground politics here. In interviews yesterday, a number of activists and observers said the loose network of one to two dozen Weather Underground collectives throughout the nation has been preparing for months for some kind of overt and dramatic action.

"They've been more active in the last six to seven months," said Mike Drobenaire, a longtime antiwar organizer and now a law student at Howard University.

"I don't think they're dormant . . . I think we'll hear from them again," said another source who, like most others, asked not to be identified.

The State Department blast was the first political bombing in Washington for which the Weather Underground has taken credit since the May 19, 1972, explosion at the Pentagon. The Weather Underground claimed credit for both the Pentagon blast and an earlier explosion at the Capitol on March 1, 1971. No arrest has been made in either case.

Between 1970 and 1972, the organization also said it was responsible for at least 20 bombings in other cities against targets ranging from police stations and government military research centers to draft boards and ROTC buildings.

Since then, the shadowy and loosely defined organization, led by such noted radical militants as Mark Rudd, Cathlyn P. Wilkerson and Bernardine R. Dohrn, has been relatively quiet.

The FBI has identified at least 23 persons as Weather Underground fugitives wanted on a variety of criminal charges.

FBI and D.C. police intelligence officials said they do not know how many persons are actively involved in the Weather Underground today.

Their number was put at about 400 in 1970 by police, but sources close to radical activity here said yesterday that the number has probably decreased since then.

Despite the decrease, the tempo of Weather Underground's activity picked up last summer with publication and distribution of a new manifesto called "Prairie Fire," a 152-page statement of Weather Underground's revolutionary aims and purposes.

The soft-cover book, complete with photographs, maps and drawings, is available at radical literature bookstores and newsstands and is distributed through at least two overt outlets in New York and San Francisco.

These overt outlets—post office box numbers in New York and San Francisco—are further evidence of growing popular or "above ground" support for the Weather Underground, one source said here. Another source estimated that 3,000 to 4,000 copies of the original book have been printed.

The sources said "Prairie Fire" and newspaper format reprints of it are also available through an outlet in Cambridge, Mass.

The manifesto sets the stage for new violent actions, such as the State Department bombing, radical observers say.

Its opening chapter calls for both "mass struggle and clandestine struggle, peaceful and violent, political and economic, cultural and military."

Later, it says "We are at an early stage, going from small to large. The mass armed capability which will destroy the enemy has its beginnings in armed action.

"Our intention is to disrupt the empire . . . to incapacitate it, to put pressure on the cracks, to make it hard to carry out its bloody functioning against the people of the world. . . ."

Radical sources here offered in their assessment of Weather Underground's coordination of its far-flung system of collectives, the groups of five to eight persons making up the basic units of the organization.

"They're so far underground that they don't have much communication," said Drobenaire. "It's a whole kind of isolation."

The collectives are largely autonomous units, he said acting often on their own initiative without coordinating their actions through the Weather Underground's five-member central committee.

Another source said, however, that despite the logistical problem of being underground, "the Weather people have mechanisms for organizing across the country. . . . It would only take a dozen of them—representives from each of the major cities—meeting on a weekend to work out a plan of action."

RULES OF THE COMMITTEE ON WAYS AND MEANS

The SPEAKER. Under a previous order of the House, the gentleman from Oregon (Mr. Ullman) is recognized for 5 minutes.

Mr. ULLMAN. Mr. Speaker, clause 2 (a)(3) of rules XI of the rules of the House of Representatives requires the publication in the Congressional Record within 30 days of the convening of the Congress of committee rules specifying regular meeting days and any other rules which are in addition to those required by clause 2(a)(3). In satisfaction of this requirement, I submit for publication in the Record the rules of the Committee on Ways and Means for the 94th Congress. These rules were adopted by the committee on January 21, 1975:

Rules of the Committee On Ways and Means

Rule XI of the Rules of the House of Representatives, provides in part:

* * * The Rules of the House are the rules of its committees and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees.

* * * Each subcommittee of a committee is a part of that committee, and is subject to the authority and direction of that committee and to its rules so far as applicable.

* * * Each standing committee of the House shall adopt written rules governing its procedure. Such rules * * *

(1) shall be adopted in a meeting which is open to the public * * *

(2) shall be not inconsistent with the House or with those provisions of law having the force and effect of Rules of the House * * *

In accordance with the foregoing, the Committee on Ways and Means, on January 21, 1975, adopted the following as the Rules of the Committee.

RULE 1. IN GENERAL

Except where the terms "full committee" and "subcommittee" are specifically referred to, the following rules shall apply to the Committee on Ways and Means and its subcommittees as well as to the respective chairmen.

RULE 2. MEETING DATE, QUORUM, AND QUORUM FOR TAKING TESTIMONY AND EVIDENCE

The regular meeting day of the Committee on Ways and Means shall be on the second Wednesday of each month while the House is in session. A majority of the Committee constitutes a quorum for business. Provided, however, that two members shall constitute a quorum at any regularly scheduled hearing called for the purpose of taking testimony and receiving evidence.

RULE 3. SUBCOMMITTEE MEETINGS

Insofar as possible, meetings of the Committee and its subcommittees shall not conflict. Subcommittee chairmen shall set meeting dates after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

RULE 4. SUBCOMMITTEES

All matters referred to the Committee on Ways and Means involving the Internal Revenue Code shall be considered by the whole Committee and not in subcommittee. The purpose of this is to expedite consideration of these matters.

There shall be six standing subcommittees as follows: Subcommittee on Social Security; Subcommittee on Health; Subcommittee on Unemployment Compensation; Subcommittee on Trade; Subcommittee on Public Assistance; and Subcommittee on Oversight.

The jurisdiction of such subcommittees shall include:

1. *Subcommittee on Social Security* shall consist of 13 Members, 9 of whom shall be Democrats and 4 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Social Security will include bills and matters referred to the Committee on Ways and Means which relate to the Federal Old-Age, Survivors' and Disability Insurance System and employment taxes and trust fund operations relating to that system, but shall not include those titles of the Social Security Act involving health benefits, unemployment compensation or welfare matters. The jurisdiction of this subcommittee, more specifically, will include bills and matters involving title II of the Social Security Act, as well as provisions in title VII and title XI of the Act relating to procedure and administration involving the Old-Age, Survivors' and Disability Insurance System.

2. *Subcommittee on Health* shall consist of 13 Members, 9 of whom shall be Democrats and 4 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Health includes bills and matters which are referred to the Committee on Ways and Means relating to programs which provide payments (from any source) for health care, health delivery systems, or health research. More specifically, the jurisdiction of the Subcommittee on Health includes bills and matters relating to the health care programs of the Social Security Act (including titles V, XI (Part B), XVIII, and XIX thereof) and tax credit (including tax credits where no tax is due) and deduction provisions of the Internal Revenue Code dealing with health insurance premiums and health care costs.

3. *Subcommittee on Unemployment Compensation* shall consist of 10 Members, 7 of whom shall be Democrats and 3 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Unemployment Compensation will include bills and matters referred to the Committee on Ways and Means which relate to the Federal-State system of unemployment compensation, and the financing thereof, including the programs for extended and emergency benefits.

More specifically, the jurisdiction of this subcommittee shall include all bills and matters pertaining to the programs of unemployment compensation under title III, IX and XII of the Social Security Act. Chapter 23 of the Internal Revenue Code, the Federal-State Extended Unemployment Compensation Act of 1970, the Emergency Unemployment Compensation Act of 1974, and provisions relating thereto.

4. *Subcommittee on Trade* shall consist of 16 Members, 11 of whom shall be Democrats and 5 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Trade will include customs and customs administration including tariff structure, classification, valuation of, and special rules applying to imports, and special tariff provisions and procedures relating to customs operation affecting exports and imports; import trade matters, including import impact, industry relief from injurious imports, adjustment assistance, unfair import practices including antidumping and countervailing duty provisions, and import policy relating to dependence on foreign sources of supply; reciprocal trade agreements including multilateral and bilateral trade negotiations involving tariff and nontariff trade barriers to and distortions of international trade; international rules, organizations and institutional aspects of international trade agreements; and special trade-related problems involving market access, access to materials in short supply, trade with developing countries, operations of multinational corporations and state trading.

5. *Subcommittee on Public Assistance* shall consist of 10 Members, 7 of whom shall be Democrats and 3 of whom shall be Republicans.

In general, the jurisdiction of this subcommittee shall include bills and matters referred to the Committee on Ways and Means affecting those provisions of the Social Security Act relating to welfare matters, i.e., welfare reform, supplemental security income, aid to families with dependent children, social services and child support, and eligibility of welfare recipients for food stamps.

More specifically, the jurisdiction of this subcommittee shall include bills and matters relating to titles I, IV, VI, X, XIV, XVI, XVII, XX and related provisions of titles VII and XI of the Social Security Act.

6. *Subcommittee on Oversight* shall consist of 13 Members, 9 of whom shall be Democrats and 4 of whom shall be Republicans.

The jurisdiction of this subcommittee shall include all matters within the scope of the Committee but shall be limited to existing law and said oversight jurisdiction shall not be exclusive but shall be concurrent with that of the other subcommittees, and with respect to matters involving the Internal Revenue Code said concurrent jurisdiction shall be shared with the full Committee. Before undertaking any investigation or hearing, the Chairman of the Subcommittee on Oversight shall confer with the Chairman of the full Committee and the Chairman of any other subcommittee having jurisdiction.

RULE 5. SUBCOMMITTEE CHAIRMAN

Democratic members of the Committee shall have the right in order of full committee seniority to bid for vacant subcommittee chairmanships. Such bids shall be subject to approval by a majority of those present and voting in the Democratic caucus of the Committee. If the caucus rejects a subcommittee chairmanship bid, the next senior Democratic Member may bid for the position as in the first instance. No member of the Committee who serves on the Budget Committee shall serve as a chairman of a subcommittee. A subcommittee chairmanship shall not be considered vacant while the subcommittee chairman has taken a leave of absence to serve on the Budget Committee.

RULE 6. EX-OFFICIO MEMBERS OF SUBCOMMITTEES

The Chairman and the ranking minority member may sit as ex-officio members of all subcommittees. They may be counted for purposes of assisting in the establishment of a quorum for a subcommittee. However, their absence shall not count against the establishment of a quorum by the regular members of the subcommittee. Ex-officio members shall not vote in the subcommittee.

RULE 7. REFERENCE OF LEGISLATION AND SUBCOMMITTEE REPORT

Every bill, or other matter (except bills concerning the Internal Revenue Code) referred to the Committee or initiated by the Committee shall be referred by the Chairman of the full Committee to the appropriate subcommittee within 2 weeks from the date of its receipt by the Committee unless by a majority vote of the Democratic members of the full Committee, consideration is to be by the full Committee.

No bill reported by a subcommittee shall be considered by the full Committee unless it has been presented to all members at least 48 hours prior to the meeting, together with a comparison with present law, a section-by-section analysis of the proposed change, and a section-by-section justification.

RULE 8. SUPERVISION, DUTIES OF COMMITTEE STAFFS

The staff of the Committee, both professional and clerical, shall be under the general supervision and direction of the Chairman of the full Committee except as provided in Rule XI Clause 5(d) and Clause 6 of the Rules of the House of Representatives concerning committee expenses and staff. Provided, however, that the chairman of each subcommittee shall be entitled to select and designate at least one professional staff member for said subcommittee and at least one clerical staff member for said subcommittee subject to the approval of a majority of the Democratic members of said full Committee. The ranking minority member shall have the right to designate one staff member. Said staff members shall be compensated at a salary commensurate with the responsibilities prescribed by said subcommittee chairman. Compensation shall be provided out of appropriated amounts—rather than statutory amounts allowed each committee.

RULE 9. COMMITTEE BUDGET AND EXPENSES

The Chairman, in consultation with the majority members of the Committee, shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel, travel, investigation, and other expenses of the Committee. After consultation with the minority members, the Chairman shall include an amount budgeted to minority members for staff under their direction and supervision. The chairman of each subcommittee, in consultation with the majority members thereof, shall prepare a subcommittee budget to include funds for staff, travel, investigations, etc., as may be required for the work of the subcommittee. Thereafter, the Chairman shall combine such proposals into a consolidated committee budget, and shall present the same to the Committee for its approval or other action. The Chairman shall take whatever action is necessary to have the budget as finally approved by the Committee duly authorized by the House. After said budget shall have been adopted, no substantial change shall be made in such budget unless approved by the Committee.

RULE 10. WITNESSES

Witnesses who are scheduled to appear before the Committee shall file with the clerk of the Committee at least 24 hours in advance of his appearance a written statement of his proposed testimony and shall limit his oral presentation to a summary of his statement unless this provision is waived by the Chairman. Witnesses shall provide sufficient copies of his statement to the clerk for distribution to members, staff and news media.

RULE 11. QUESTIONING OF WITNESSES

Committee members may question witnesses only when recognized by the Chairman for that purpose. All members shall be limited to five minutes on the initial round of questioning. In questioning witnesses under the five minute rule, the Chairman and the ranking minority member may be recognized first after which members may be recognized in the order of their arrival at the hearing. Among the members present at the time the hearing is called to order, seniority shall be recognized. In recognizing members to question witnesses, the chairman may take into consideration the ratio of majority members to minority members and the number of majority and minority members present and shall apportion the recognition for questioning in such a manner as not to disadvantage the members of the majority.

RULE 12. PUBLICATION OF TENTATIVE DECISIONS

A copy of any tentative or final legislative decision made by the Committee on the subject matter under consideration shall be made available to each Member of the Committee by the next meeting of the Committee, or at the latest, by the next day.

RULE 13. AMENDMENT TO PROVISION PREVIOUSLY READ

In the process of reading a bill for amendments, it shall be in order to return to a previously read portion of the bill for the purpose of considering and acting upon amendments thereto. However, if such previously read portion has been adopted by a record vote, the provisions of Rule XVIII of the Rules of the House of Representatives concerning reconsideration shall be applicable except that the term "succeeding day" shall be defined as the next day on which a quorum of the Committee is present.

RULE 14. RECORD VOTES

A record vote on an issue shall be required on the request of a Member which is supported by at least one-fifth of a quorum.

RULE 15. PREVIOUS QUESTION

The Chairman shall not recognize a Member for the purpose of moving the previous question unless the Member has first advised the chair and those Members present that this is the purpose for which recognition is being sought.

RULE 16. RECOMMENDATION FOR APPOINTMENT OF CONFEREES

Whenever in the legislative process it becomes necessary to appoint conferees, the Chairman shall recommend to the Speaker as conferees the names of those members of the subcommittee which handled the legislation in the order of their seniority upon such subcommittee and such other committee and subcommittee members as the Chairman may designate. In making recommendations of minority members as conferees the Chairman shall consult with the ranking minority member of the Committee.

RULE 17. RECORDS OF HEARINGS

An accurate stenographic record shall be kept of all testimony taken at a public hearing. Witnesses may, in the presence of a member of the Committee staff and at reasonable times in the office of the Committee, examine the transcript of his own testimony and may make suggestions to the staff to correct grammatical or technical changes as will not substantially alter the records of the testimony. Members shall correct their own testimony and return transcripts as soon as possible after receipt thereof. The Chairman may order the printing of the hearing record without the corrections of a witness or Member if he determines that such Member or witness has been afforded a reasonable time to make such corrections and that further delay would impede the consideration of the legislative actions which is the subject of the hearing.

RULE 18. TRANSCRIPTS OF OTHER COMMITTEE MEETINGS

An accurate stenographic record shall also be kept of all markup and other meetings of the Committee, whether they be open or closed to the public. This record shall be available for inspection by Members, together with their staffs, at reasonable times and places. This record shall not be published or made public in any way except by a majority vote of the Committee. Before any release of the uncorrected record, Members must be given a reasonable opportunity to correct their remarks.

RULE 19. BROADCASTING OF COMMITTEE OR SUBCOMMITTEE HEARINGS

The provisions of House Rule XI 3(f) are by reference specifically made a part of these rules.

RULE 20. PARTY RATIO

The ratio of Democrats to Republicans on any subcommittee of the Committee shall be not less than two Democrats plus one to each Republican including ex-officio members. In recommending to the Speaker members of conference commitees, the same ratio shall apply.

RULE 21. PROXY VOTING

Voting by proxy shall be permitted in accordance with the manner prescribed in House Rule XI 2(f).

SUPPLEMENTAL SECURITY INCOME PROGRAM REFORM

The SPEAKER. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 15 minutes.

Ms. HOLTZMAN. Mr. Speaker, the supplemental security income program (SSI) has been in operation for a year now. Its serious flaws have caused great hardship to many elderly and disabled Americans. Because SSI recipients—the poverty-stricken aged, blind and disabled—are among the most helpless people in our society and have been hardest hit by inflation, it is essential that Congress act quickly to remedy these deficiencies. I have, therefore, introduced a comprehensive SSI reform bill.

The most serious problem with SSI is its failure to provide adequate living allowances for a substantial number of recipients. I am sure that most of my colleagues have received, as I have, desperate appeals from constituents who simply do not have enough money for food and shelter. As inflation continues, the number of persons in such circumstances will undoubtedly increase.

My bill contains several approaches to this problem. It assures that cost-of-living increases in benefits will be received by beneficiaries in all States; it provides for supplementary housing benefits to persons with high rents or housing costs; it mandates that persons who receive social security increases will not suffer corresponding reductions in their SSI benefits; and it allows SSI recipients in "cash out" States to elect to receive food stamps.

Each of these measures is essential if SSI is to make the difference between survival and despair for the poverty-stricken aged, blind, and disabled. Although the program now contains a cost-of-living increase provision, there is no guarantee that recipients will actually get increased benefits. States are not required to pass such increases through to recipients, but may keep the benefit of a Federal increase entirely to themselves. In addition, in some States, neither the State nor the beneficiaries receive cost-of-living increases. My bill would assure that cost-of-living increases are received by all SSI beneficiaries.

The supplemental housing allowance corrects a fundamental inequity in the SSI program. Because SSI benefits are determined without regard to the actual living costs of individual recipients, some people simply cannot live on the allowances provided. These discrepancies are largely due to variations in rent or housing costs. The New York State Assembly Standing Committee on Social Services, which held extensive hearings into SSI problems, noted:

> It is not at all uncommon in many areas of this state for even a single person to have to pay rent in the range of $140 to $160 per month. After also paying for utilities, an essential phone, personal necessities, transportation and perhaps heat, a person with as little as the basic monthly SSI grant of $206.85 may have as little as $1.00 a day with which to put food on the table. SSI recipients must therefore each month tread a thin line between malnutrition and eviction or utility disconnection.

When we realize that elderly and disabled persons in these circumstances have no other available sources of Government assistance, it is not difficult to understand the despair that leads them, when faced with eviction, to talk of suicide.

My bill will prevent this intolerable hardship by providing a supplemental housing allowance of up to $50 per month for an individual or couple whose rent or housing costs exceed one-third of monthly income. Such a payment will, for many recipients, make the difference between severe deprivation and a subsistence level income.

The bill provides a third protection against inflation, by insuring that persons receiving both SSI and social security payments do not lose the benefit of social security increases. Last year, persons whose social security benefits were relatively high received increases of 11 percent. Persons whose benefits were so low that they were eligible for SSI, however, recevied no increase because their SSI checks were reduced by the exact amount of the social security increases. It is absurd that those social security recipients who are sufficiently well off that they do not need SSI will get benefit increases while those who are poorer will not. My bill would prevent this cruel and senseless result.

In recognition of the particular difficulty faced by the elderly because of skyrocketing food costs, my bill allows SSI recipients, who live in States which provide a cash payment rather than food stamps, to elect to receive the stamps instead. Receiving food stamps may often help SSI recipients to budget for food purchases. This provision also will insure that "cash-out" payments reflect the current value of food stamps rather than those which existed in 1972.

Another great inequity of the program is in the fact that persons who are "grandfathered-in" to SSI from public assistance—because they have turned 65 or become sufficiently disabled to meet the rigorous Federal standards—often lose very substantial amounts of benefits. Congress recognized this problem when it required that persons "grandfathered-in," when the SSI program began in January 1974, suffer no loss in benefits. Surely persons newly transferred to SSI deserve the same protection.

The bill contains a number of administrative changes, including a provision for the emergency replacement of undelivered, lost or stolen SSI checks or cash. At the present time, it takes at least 2 weeks for persons to receive replacement SSI checks, leaving many recipients with no money for food or rent in the interim. My bill requires that emergency check replacement procedures be made available, so that no elderly, blind or disabled person need face eviction or go without food because of someone else's error or crime.

Other sections of the bill provide for speedy action on SSI applications, make revisions in eligibilty rules for separated spouses, and provide more flexible payment provisions for certain disabled persons.

We have seen, in SSI's first full year of operation, the great hardship it has caused to many elderly, blind and disabled persons. We have also learned, I believe, how to keep such hardship from continuing. I urge my colleagues to act quickly to make the essential reforms my bill offers so that SSI will no longer mean, to many people, federally financed starvation.

CONGRESS SAYS COLLECT FOREIGN DEBTS PROMPTLY

The SPEAKER. Under a previous order of the House, the gentleman from Arkansas (Mr. Alexander) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, it has been the foreign policy of this great Nation to help others in need. None can deny that we have marched side by side on the battlefields with our allies. Our brothers and sisters have died for the cause of peace. We have labored side by side with the citizens of the world's undeveloped nations in strengthening their economies.

And we have taxed our citizens to help those countries torn by war and those whose development needs outstripped their available financial and technical resources.

Now, hostilities have ceased throughout most of our world. War-torn lands have been rebuilt. Many nations have made great strides toward development.

Today we find our own Nation in a state of financial need. Not for loans from friends, but for the repayment of just debts.

U.S. assistance helped heal the war-torn land of Iran. We recently witnessed the offer of the Shah to invest more than $200 million to bail out Lockheed from its financial bind. This offer is, in effect, made with money generated by an Iranian economy rebuilt partially with American foreign aid. Iran now owes the United States more than $1 billion and is delinquent in its repayments more than $39 million.

My amendment to the Foreign Assistance Act of 1974, signed by the President on December 30, 1974, makes it indisputably clear to such countries with past due debts owed to the people of this Nation that those debts are to be paid now and that future payments are to be made on time.

Foreign nations, individuals, and international organizations owe the United States $32.5 billion according to June 30, 1974 Department of Treasury statistics.

Of the 158 nations and 17 organizations that owe the United States, 110 of the countries and 7 of the organizations are at least 90 days overdue in their payments. Delinquent debts on June 30, 1974 totalled $562,706,773.

After 4 years of hearings by my Subcommittee on Foreign Operations on the subject of foreign debt collection, I have come to the conclusion that the State Department lacks the determination in representing the best interest of the American taxpayer by promptly collecting outstanding foreign debts.

If all the foreign debts now delinquent were paid at this time it would balance the budget and have a dramatic effect on the sliding value of the dollar.

Our sense of responsibility to humanity must be no less than in the past, but it must be tempered strongly by a sense of duty to help take the siphon of an inflated economy out of the pocketbooks of our citizens through an injection of foreign dollars provided us in repayment of just and due debts.

While my amendment makes it clear that the United States intends to keep its commitments to other nations, it also makes it clear that foreign countries must keep their commitments to the people of the United States.

I urge the President and the State Department to take affirmative action to carry out this congressional directive and represent the American taxpayer as he should be.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Dickinson (at the request of Mr. Rhodes), for today, on account of official business.

Mr. Frey (at the request of Mr. Rhodes), after 5 p.m., February 5, 1975, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Biester) to revise and extend their remarks and include extraneous material:)

Mr. McDade, for 5 minutes, today.

Mr. Biester, for 5 minutes, today.

Mr. Railsback, for 10 minutes, today.

Mr. Edwards of Alabama, for 5 minutes, today.

Mr. Bauman, for 5 minutes, today.

(The following Members (at the request of Mr. Roncalio) to revise and extend their remarks and include extraneous material:)

Mr. Ullman, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Ms. Holtzman, for 15 minutes, today.

Mr. Brademas, for 5 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Alexander, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Biester) and to include extraneous matter:)

Mr. Myers of Indiana.

Mr. Shuster.

Mr. Bell.

Mr. Edwards of Alabama.

Mr. Collins of Texas.

(The following Members (at the request of Mr. Roncalio) and to include extraneous matter:)

Mr. Burke of Massachusetts.

Mr. Moffett in two instances.

Mr. Annunzio in six instances.

Mr. Anderson of California in three instances.

Mr. Gonzalez in three instances.

Mr. Stokes in three instances.

Mr. Rangel in 10 instances.

Mr. Harrington in 10 instances.

Mr. Downing.

Mr. Evans of Indiana.

Mr. Wolff in two instances.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 58. An act compensation and other emoluments attached to the Office of Attorney General.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on Febuary 7, 1975 present to the President, for his approval, a bill of the House of the following title:

H.R. 1589. An act to suspend increases in the costs of coupons to food stamp recipients as a result of recent administrative sections.

ADJOURNMENT

Mr. RONCALIO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 10 minutes p.m.), under its previous order, the House adjourned until Thursday, February 13, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

289. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that various appropriations have been apportioned on a basis which indicates a necessity for supplemental appropriations for fiscal year 1975, pursuant to section 3679 of the Revised Statutes [31 U.S.C. 665]; to the Committee on Appropriations.

290. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Agriculture for the Child Nutrition Program has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation for fiscal year 1975, pursuant to section 3679 of the Revised Statutes [31 U.S.C. 665]; to the Committee on Appropriations.

291. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Air Force Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

292. A letter from the Acting Administrator of General Services, transmitting a report on borrowing authority under the Defense Production Act covering fiscal year 1974, pursuant to section 304(b) of the Act [50 U.S.C. App. 2094(b)]; to the Committee on Banking, Currency and Housing.

293. A letter from the Acting Assistant Secretary of State for Congressional Relations; transmitting a report on political contributions made by Peter H. Dominick, Ambassador-designate to Switzerland, and his family, pursuant to section 6 of Public Law 93–126; to the Committee on Foreign Affairs.

294. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to sell certain defense articles to Spain, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

295. A letter from the Acting Director of Territorial Affairs, Department of the Interior, transmitting a report for fiscal year 1974 by the Governor of American Samoa on disposal of foreign excess property, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

296. A letter from the Governor of the Canal Zone, transmitting a report covering fiscal year 1974 on disposal of foreign excess property by the Panama Canal Company and the Canal Zone Government, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

297. A letter from the Assistant Secretary of the Interior, transmitting a report of the Honokohau Study Advisory Commission and the National Park Service on the feasibility and desirability of incorporating the Honokohau National Landmark into the National Park System, pursuant to section 3 of Public Law 92–346; to the Committee on Interior and Insular Affairs.

298. A letter from the Assistant Secretary of the Interior, transmitting the Annual Report of the Colorado River Basin Project for fiscal year 1974, pursuant to 82 Stat. 885; to the Committee on Interior and Insular Affairs.

299. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

300. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the Act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.

301. A letter from the Secretary of Transportation, transmitting the 1974 national highway needs report, pursuant to section 3 of Public Law 89–139 (H. Doc. No. 94–45); to the Committee on Public Works and Transportation and ordered to be printed with illustrations.

302. A letter from the Acting Secretary of Transportation, transmitting a report on the pedestrian and bicycle safety study, pursuant to section 214(b) of Public Law 93–87; to the Committee on Public Works and Transportation.

RECEIVED FROM THE COMPTROLLER GENERAL

303. A letter from the Acting Comptroller General of the United States, transmitting a summary of the proposed rescissions of budget authority pending before Congress (H. Doc. No. 94–46); to the Committee on Appropriations and ordered to be printed.

304. A letter from the Comptroller General of the United States, transmitting a report on the status of efforts to offset the balance-of-payments deficit for fiscal year 1974 attributable to maintaining U.S. forces in Europe; jointly, to the Committees on Government Operations, and Armed Services.

305. A letter from the Comptroller General of the United States transmitting a report on the activities of the Office of Federal Elections, General Accounting Office, in the administration of the Federal Election Campaign Act of 1971; jointly, to the Committees on Government Operations, and House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 3. A bill to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce (Rept. No. 94–6). Referred to the Committee of the Whole House on the State of the Union.

[*Pursuant to the order of the House on Feb. 6, 1975, the following report was filed on Feb. 10, 1975*]

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 2051. A bill to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes; with amendment (Rept. No. 94–7). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG (for herself, Mr. Eilberg, Mr. Mitchell of Maryland, Mr. Nix, Mr. Price, Mr. Roybal, Mr. Solarz, Mr. Stokes, Mr. Waxman, and Mr. Charles H. Wilson of California):

H.R. 3090. A bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974 to provide increased unemployment benefits; to the Committee on Education and Labor.

By Mr. ANDREWS of North Dakota:

H.R. 3091. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances, and to increase the estate tax exemption from $60,000 to $200,000; to the Committee on Ways and Means.

By Mr. BADILLO:

H.R. 3092. A bill to provide that certain aliens illegally in the United States may have their status adjusted to that of permanent residents; to the Committee on the Judiciary.

By Mr. BIESTER (for himself and Mr. Pressler):

H.R. 3093. A bill to provide for a procedure to investigate and render decisions and recommendations with respect to grievances and appeals of employees of the Foreign Service; to the Committee on Foreign Affairs.

By Mr. CRANE (for himself, Mr. Moorhead of California, Mr. Eshleman, Mr. Spence, Mr. Davis, Mr. Stuckey, Mr. McDonald of Georgia, Mr. Waggonner, Mr. Young of Florida, Mr. Steiger of Arizona, Mr. Archer, Mr. Lott, Mr. Runnels, Mrs. Holt, Mr. Burgener, Mr. Whitehurst, Mr. Goldwater, Mr. Mollohan, Mr. Satterfield, and Mr. Symms):

H.R. 3094. A bill to limit U.S. contributions to the United Nations; to the Committee on Foreign Affairs.

By Mr. DRINAN:

H.R. 3095. A bill to direct the President to exempt crude oil, petroleum products, natural gas, and related products, which are used as petrochemical feedstocks, from any action to adjust imports of such oil, products, or gas under the Trade Expansion Act of 1962 or the Trade Act of 1974; to the Committee on Ways and Means.

By Mr. EDWARDS of Alabama:

H.R. 3096. A bill to temporarily suspend required emission control on automobiles registered in certain parts of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EILBERG:

H.R. 3097. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. FORD of Michigan (for himself, Mr. Vander Veen and Mr. Esch):

H.R. 3098. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. FREY:

H.R. 3099. A bill to amend the Public Health Service Act to provide assistance for Tay-Sachs disease screening, counseling, and research programs; to the Committee on Interstate and Foreign Commerce.

By Mr. NEAL:

H.R. 3100. A bill to limit the use of limousines; to the Committee on Government Operations.

By Mr. GOODLING:

H.R. 3101. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE:

H.R. 3102. A bill to establish the Potomac National River in the States of Maryland, Virginia, and West Virginia, and in the District of Columbia, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3103. A bill to require the Secretary of the Army to permit the burial in Arlington National Cemetery of all veterans and their eligible survivors; to the Committee on Veterans' Affairs.

By Mr. HEINZ (for himself, Mr. Seiberling, Mrs. Schroeder, Mr. Vander Jagt, and Mr. Ford of Tennessee):

H.R. 3104. A bill to establish a National Commission on Regulatory Reform; to the Committee on Interstate and Foreign Commerce.

By Mr. HELSTOSKI:

H.R. 3105. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide benefits to survivors of police officers, firemen, and correction officers killed in the line of duty, and to police officers, firemen, and correction officers who are disabled in the line of duty; to the Committee on the Judiciary.

H.R. 3106. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3107. A bill to increase the contribution by the Federal Government to the costs of employees' group life and health benefits insurance; to the Committee on Post Office and Civil Service.

H.R. 3108. A bill to amend titles II, VII, XI, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes; to the Committee on Ways and Means.

By Mr. JOHNSON of California:

H.R. 3109. A bill to authorize appropriations for the saline water conversion program for fiscal year 1976; to the Committee on Interior and Insular Affairs.

By Mr. McEWEN:

H.R. 3110. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

By Mr. McFALL:

H.R. 3111. A bill to establish a National Energy and Conservation Corporation (AMPOWER), and for other purposes; jointly to the Committees on Interior and Insular Affairs, and Science and Technology.

By Mr. MOAKLEY:

H.R. 3112. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain medical facilities; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. MOSHER (for himself, Mr. Biester, Mrs. Boggs, Mr. Cohen, Mrs. Fenwick, Mr. Fish, Mr. Hechler of West Virginia, Mr. Jeffords, Mr. McCloskey, Mr. Melcher, Mr. Miller of California, Mr. Mitchell of Maryland, Mr. Patterson of California, Mr. Rangel, Mrs. Schroeder, and Mr. Studds):

H.R. 3113. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of certain records, and for other purposes; to the Committee on the Judiciary.

By Mr. OBEY (for himself, Mr. Railsback, Mr. Gaydos, Mr. Danielson, Mr. Mazzoli, Ms. Holtzman, Mr. Patten, Mr. Ford of Tennessee, and Mr. Biester):

H.R. 3114. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 3115. A bill to amend the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

By Mr. PIKE (for himself, Mr. Addabbo, Mr. Beard of Rhode Island, Mr. Brown of California, Mr. Corman, Mr. Downey, Mr. Drinan, Mr. Edgar, Mr. Goodling, Mr. Harrington, Mr. Hechler of West Virginia , Mr. Ichord, Mr. Jeffords, Mr. Mazzoli, Mr. Moorhead of Pennsylvania, Mr. Mosher, Mr. Pattison of New York, Mr. Rees, Mr. Ryan, Mr. Stark, Mr. Taylor of North Carolina, Mr. Vander Veen, Mr. Waxman, Mr. Charles Wilson of Texas, and Mr. Charles H. Wilson of California):

H.R. 3116. A bill to provide for the conservation of petroleum and other natural resources by imposing an excise tax on the sale of certain automobiles and granting a tax credit on the sale of certain automobiles according to the rate at which such automobiles consume fuel, and for other purposes; to the Committee on Ways and Means.

By Mr. REES (for himself, Mr. Nix, and Mr. Charles H. Wilson of California):

H.R. 3117. A bill to amend the National Labor Relations Act to provide that the duty to bargain collectively includes bargaining with respect to retirement benefits for retired employees; to the Committee on Education and Labor.

By Mr. ROGERS (for himself and Mr. Esch):

H.R. 3118. A bill to amend the Clean Air Act so as to assure that aerosol spray containers discharging Chlorofluoromethane compounds in the ambient air will not impair the environmental ozone layer, to prevent any increased skin cancer risk, and otherwise to protect the public health and environment; jointly to the Committees on Interstate and Foreign Commerce, and Science and Technology.

By Mr. SKUBITZ:

H.R. 3119. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of Florida:

H.R. 3120. A bill to prohibit commercial flights by supersonic aircraft into or over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and by the Secretary of Transportation, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. DERWINSKI:

H.J. Res. 206. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of the President and Vice President; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself, Mr. Wolff, Mr. Robert W. Daniel, Jr., and Mr. Clay):

H.J. Res. 207. Joint resolution authorizing the President to proclaim September 8 of each year as National Cancer Day; to the Committee on Post Office and Civil Service.

By Mr. FREY:

H. Con. Res. 112. Concurrent resolution expressing the sense of the Congress with respect to the location of U.S. servicemen missing in action in the Democratic Republic of Vietnam; to the Committee on Foreign Affairs.

By Mr. PERKINS (for himself, Mr. Beard of Rhode Island, Mr. Stokes, Mr. Tsongas, and Mr. Carr):

H. Con. Res. 113. Concurrent resolution expressing the sense of the Congress with respect to increases in costs of operating a national school lunch and school breakfast program; to the Committee on Education and Labor.

By Mr. RONCALIO:

H. Con. Res. 114. Concurrent resolution expressing the approval of the Congress of the amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" proposed by the Atomic Energy Commission on January 14, 1975; to the Joint Committee on Atomic Energy.

H. Con. Res. 115. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the International Atomic Energy Agency, proposed by the Atomic Energy Commission on January 8, 1975; to the Joint Committee on Atomic Energy.

H. Con. Res. 116. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the European Atomic Energy Community, proposed by the Atomic Energy Commission on January 8, 1975; to the Joint Committee on Atomic Energy.

By Mr. BENNETT (for himself, Mr. Blouin, Mr. Brown of California, Mr. Harrington, Mr. Hechler of West Virginia, Ms. Holtzman, Mr. Lagomarsino, Mr. Pressler, and Mr. Schulze):

H. Res. 167. Resolution amending clause 6 of rule X of the Rules of the House of Representatives with respect to the election of the chairmen of standing committees of the House; to the Committee on Rules.

By Mr. BIESTER (for himself, Mr. Bingham, Mr. Heinz, Mr. Hillis, Mr. Regula, Mr. Wydler, Mr. Rhodes, Mr. Gude, Mr. Hechler of West Virginia, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mrs. Holt, Ms. Holtzman, Mr. Horton, Mr. McCloskey, Mr. McKinney, Mr. Maguire, Mr. Meeds, Mr. Melcher, Mr. Metcalfe, Mr. Mitchell of New York, Mr. Mitchell of Maryland, Mr. Moorhead of Pennsylvania, Mr. Murphy of Illinois, and Mr. Patten):

H. Res. 168. Resolution to establish a John W. McCormack senior intern program; to the Committee on House Administration.

By Mr. BIESTER (for himself, Mr. Bingham, Mr. Heinz, Mr. Hillis, Mr. Regula, Mr. Wydler, Mr. Ford of Tennessee, Mrs. Keys, Mrs. Burke of California, Mr. Stokes, and Mr. Zablocki):

H. Res. 169. Resolution to establish a John W. McCormack senior intern program; to the Committee on House Administration.

By Mr. CRANE (for himself, Mr. Symms, Mr. Moorhead of California, Mr. Lent, Mr. Hansen, Mr. Charles H. Wilson of California, Mr. Hutchinson, Mr. Collins of Texas, Mr. Devine, Mr. Bafalis, Mr. McDonald of Georgia, Mr. Kemp, Mr. Spence, Mr. Murphy of New York, Mr. Eshleman, Mr. Archer, Mr. Schulze, Mr. Milford, Mr. Myers of Indiana, Mr. Lujan, Mr. Cleveland, and Mr. Martin):

H. Res. 170. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

16. By the SPEAKER: Memorial of the Legislature of the Commonwealth of Massachusetts, relative to Ireland; to the Committee on Foreign Affairs.

17. Also, memorial of the Legislature of the State of Oklahoma, relative to strip-mine reclamation; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GUDE introduced a bill (H.R. 3121) for the relief of Gregoria Ridler and her children Maria Louise and Roberto Harry, which was referred to the Committee on the Judiciary.

SYNOPSIS OF BILLS INTRODUCED

H.R. 201. January 14, 1975. Agriculture. Directs the Secretary of Agriculture to establish under the Agricultural Adjustment Act of 1938 a national acreage allotment for rice to maintain adequate supplies and to prevent excessive carryover stocks. Imposes an established price for rice under the Agricultural Act of 1949.

H.R. 202. January 14, 1974. Armed Services. Revises the computation method for armed forces retainer and retired pay for certain individuals to reflect current active duty pay rates.

H.R. 203. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by: (1) redefining certain terms; (2) permitting employers to maintain safety councils; and (3) enumerating affirmative defenses for employers to proceedings brought under the Act.

Directs the Secretary of Labor to: (1) waive penalty provisions against employers under certain circumstances; (2) assist certain employers in complying with the Act; and (3) waive standards established under the Act where he determines that it would be impossible for employers to comply.

H.R. 204. January 14, 1975. Judiciary. Incorporates the National River Academy of the United States.

H.R. 205. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 and the Interstate Commerce Act to authorize reduced fares on a space-available basis for persons who are sixty-five years old or older.

H.R. 206. January 14, 1975. Public Works and Transportation. Limits the charge which can be made by common carriers in interstate commerce for transporting elderly persons during nonrush hours to half the published tariff.

Establishes procedures fo. reimbursing carriers which lose money due to the provisions of this Act.

Revises the Urban Mass Transportation Act of 1964 to give preference, for assistance under such Act, to States and local bodies which adopt specially reduced rates for elderly persons transported in intrastate commerce.

H.R. 207. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 208. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for the expenses of education above the twelfth grade paid by the taxpayer for providing an education for himself or any other individual.

H.R. 209. January 14, 1975. Ways and Mean. Amends the Internal Revenue Code to allow an individual a limited credit against the tax imposed for amounts paid by him during the taxable year as tuition for the education in a private non-profit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 210. January 14, 1975. Ways and Means. Increase the amount of outside earnings allowed before any reduction in the Old Age, Survivors, and Disability Insurance benefits, under the Social Security Act, may be made.

H.R. 211. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 212. January 14, 1975. Bank, Currency and Housing. Requests the Federal Reserve Board and the Federal Open Market Committee to maintain a minimum rate of increase in the money supply of six percent for the first six months of 1975.

Directs the Board to allocate credit toward non-inflationary uses and away from inflationary uses.

Authorizes the Board to impose supplementary reserve requirements on member banks for the purpose of reducing the loans and investments of commercial banks.

H.R. 213. January 14, 1975. Judiciary. Authorizes the appointment of a special judicial prosecutor and investigators to assist grand juries in an inquiry into any activities of an officer in the executive branch.

H.R. 214. January 14, 1975. Judiciary. Prohibits the search of business, private, or medical records, the opening of foreign and domestic mail, or the interception of wire or oral communications except as otherwise authorized by law.

Repeals the authority of the President, the Attorney General, or appropriate State officials to order such searches.

Requires persons seeking an order from a court to authorize the interception of wire, oral or other communication or the opening of mail to report to the Committee on the Judiciary of the Senate and House of Representatives.

H.R. 215. January 14, 1975. Judiciary. Grants newsmen the privilege of nondisclosure of information or sources of information except in specified circumstances. Makes the order of a Federal or State Court granting, modify or refusing a claim of privilege subject to judicial review.

H.R. 216. January 14, 1975. Interstate and Foreign Commerce. Requires the public dissemination of information related to seizures and recalls made under the Federal Food, Drug, and Cosmetic Act.

H.R. 217. January 14, 1975. Foreign Affairs. Authorizes the Secretary of the Treasury to make payments to wartime members of the Royal Army of Yugoslavia, and their survivors. Establishes a Yugoslav Claims Commission to determine individual eligibility for payments under this Act.

Directs the Secretary of State to negotiate with the Federal Government of Germany for reimbursement of payments made under this Act.

H.R. 218. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit contributions to the United Nations to be deductible for income tax purposes as a charitable contribution.

H.R. 219. January 14, 1975. House Administration. Prohibits requiring the disclosure of marital status by one sex if the same disclosure is not required of individuals of the opposite sex for determining voter qualification under State law for Federal elections.

H.R. 220. January 14, 1975. Judiciary. Authorizes the issuance of special immigrant visas to residents of Northern Ireland who have British citizenship.

H.R. 221. January 14, 1975. Education and Labor. Establishes an Institute for the Improvement of Museum Services within the Department of Health, Education, and Welfare which is authorized to make grants to museums to improve and increase museum services.

H.R. 222. January 14, 1975. Interstate and Foreign Commerce. Regulates the manufacturing, processing, and packaging of food for sale in interstate commerce by establishing a system for licensing food manufacturers, processors, and packers under the Federal Food, Drug, and Cosmetic Act. Authorizes the Secretary of Health, Education, and Welfare to recall or embargo any food deemed a significant potential public health hazard.

H.R. 223. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act with respect to certain grounds for the exclusion or deportation of aliens.

H.R. 224. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act to make it unlawful to knowingly hire an alien not lawfully admitted into the United States. Requires that employees of the Department of Health, Education, and Welfare disclose the names of illegal aliens who are receiving assistance under the Social Security Act.

H.R. 225. January 14, 1975. Public Works and Transportation. Requires that mass transportation facilities and rolling stock built or purchased with Federal funds pursuant to the Urban Mass Transportation Act of 1964 be designed with features to allow utilization by elderly and handicapped persons.

H.R. 226. January 14, 1975. Ways and Means. Amends the Social Security Act to permit officers and employees of the Federal Government to elect coverage under Old Age, Survivors and Disability Insurance. Sets forth the procedures by which Federal employees may elect such coverage.

H.R. 227. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow individuals either a deduction or a credit against the income tax for the cost of commuting between his or her residence and place of employment.

H.R. 228. January 14, 1975. Banking, Currency and Housing Requires the developers of all federally assisted condominium projects to disclose specific information on proposed new condominium construction or conversion to condominium units of existing structures.

Establishes the office of Assistant Secretary for Condominiums in the Department of

Housing and Urban Development. Authorizes the Secretary of Housing and Urban Development to make grants to State and local governments to establish similar programs.

H.R. 229. January 14, 1975. Ways and Means. Amends the Social Security Act to include routine Papanicolaou tests for uterine cancer among the medical services covered under Medicare.

H.R. 230. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of the Interior to issue certain obligations to acquire additional waterfowl nesting and breeding grounds.

Authorizes the payment of principal and interest on such obligations through revenues obtained from the sale of Federal migratory bird hunting stamps along with other revenues available in the migratory bird conservation fund.

H.R. 231. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 232. January 14, 1975. Government Operations. Directs the Comptroller General to conduct a study on the effect of reporting requirements of Federal regulatory programs on business establishments.

H.R. 233. January 14, 1975. Interstate and Foreign Commerce. Establishes an Office of Rural Health Care in the Department of Health, Education, and Welfare to administer all Federal laws related to health care programs in rural areas.

H.R. 234. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for, and the limiting of, ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 235. January 14, 1975. Post Office and Civil Service. Redesignates the dates for observance of Memorial Day and Veterans' Day as legal holidays.

H.R. 236. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 237. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to revise and consolidate the provisions of the Code with respect to small business. Establishes a Committee on Tax Simplification for Small Business to suggest changes in the Code with respect to small business. Requires the Secretary of the Treasury, with the assistance of the Office of Small Business Tax Analysis to be created within the office of the Secretary, to submit to the House Committee on Ways and Means and the Senate Committee on Finance recommendations for structural changes in the Code relating primarily to small business.

H.R. 238. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 239. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a credit against taxes for certain amounts deposited by a taxpayer in an educational savings plan for himself or a dependent to pay the expenses of postsecondary education.

H.R. 240. January 14, 1975. Armed Services. Entitles to severance pay individuals who have been involuntarily, although honorably, discharged from the armed forces.

H.R. 241. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to develop a comprehensive plan for use of the lands and waters adjacent to or related to Assateague Island National Seashore in Maryland and Virginia. Authorizes the Secretary to provide for a visitor transportation system to that portion of the Seashore located in Virginia.

H.R. 242. January 14, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to direct the Secretary of Health, Education, and Welfare to pay in full any outstanding educational loan incurred by any physician, dentist, or optometrist who agrees to practice in an area with a shortage of such professionals.

H.R. 243. January 14, 1975. Interstate and Foreign Commerce. Extends the maximum term of license for the operation of broadcasting stations from three to five years.

H.R. 244. January 14, 1975. Interstate and Foreign Commerce. Gives the Secretary of Housing and Urban Development the authority to make loans to certain cable television systems.

H.R. 245. January 14, 1975. Judiciary. Sets forth the conditions under which a Federal Court may entertain an application for a writ of habeas corpus in behalf of a person in custody pursuant to the judgment of a State court.

H.R. 246. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act by permitting cargo vessels to carry more than sixteen passengers when emergency situations arise.

H.R. 247. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of Commerce to aid private builders and owners in the development, construction, and operation of nuclear-powered merchant ships.

H.R. 248. January 14, 1975. Post Office and Civil Service. Entitles certain prevailing rate Federal employees to night differential pay as part of their basic pay for purposes of determining such pay in conversions to the General Schedule.

H.R. 249. January 14, 1975. Post Office and Civil Service. Authorizes election of health benefits coverage by Federal employees and annuitants for themselves and their spouses at a rate based on coverage of two persons. Establishes the amount of Government contribution towards such employee health insurance plans.

H.R. 250. January 14, 1975. Veterans' Affairs. Excludes certain Social Security payments in determining annual income for purposes of paying non-service-connected disability pensions to veterans.

H.R. 251. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from Federal tax that portion of costs paid for communications services attributable to taxes imposed by State and local governments.

H.R. 252. January 14, 1975. Ways and Means. Amends the Social Security Act to make certain aged, disabled, uninsured individuals eligible for benefits under the Act.

H.R. 253. January 14, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act, by reducing the requisite number of covered quarters to 20.

H.R. 254. January 14, 1975. Science and Technology. Establishes a National Metric Conversion Board to develop a program to accomplish conversion to the metric system in the United States.

H.R. 255. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to acquire and designate certain lands in California as the Mulholland National Scenic Parkway.

H.R. 256. January 14, 1975. Judiciary. Authorizes the Secretary of the Treasury to reimburse State and local law enforcement agencies for assistance rendered at the request of the United States Secret Service.

H.R. 257. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act to make it unlawful for persons to knowingly employ or refer for employment aliens who have not been lawfully admitted to the United States for permanent residence.

Directs that the Immigration and Naturalization Service shall increase its staff.

H.R. 258. January 14, 1975. Post Office and Civil Service. Extends to volunteer fire, rescue and ambulance companies the rates of postage on second-class and third-class bulk mailings applicable to certain nonprofit organizations.

H.R. 259. January 14, 1975. Veterans' Affairs. Repeals all limitations on the aggregate period for which a person may receive assistance under two or more of the veterans' educational assistance programs.

H.R. 260. January 14, 1975. Ways and Means. Removes the limitation upon the amount of outside income which an individual may earn while receiving benefits under the Social Security Act.

H.R. 261. January 14, 1975. Rules. Establishes a Congressional Joint Committee on Intelligence Operations to oversee and exercise exclusive jurisdiction over agencies engaged in foreign intelligence activities and operations.

H.R. 262. January 14, 1975. Armed Services. Forbids characterization of separation from the armed forces on any discharge certificate. Describes conditions under which an other than honorable discharge may be issued. Sets forth procedures for issuing an other than honorable discharge.

H.R. 263. January 14, 1975. Government Operations. Directs the Comptroller General to conduct a study on the effect of reporting requirements of Federal regulatory programs on business establishments.

H.R. 264. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants and enter into contracts for projects to provide Huntington's disease screening, and research in the diagnosis, treatment, and prevention of Huntington's disease. Directs the Secretary to disseminate information on Huntington's disease and to provide voluntary screening, counseling, and treatment therefor within the Public Health Service.

H.R. 265. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to appoint a National Commission to develop a national plan for the control of epilepsy and its consequences.

H.R. 266. January 14, 1975. Judiciary. Prohibits any civil officer of the United States or any member of the Armed Forces from using the Armed Forces to exercise surveillance of civilians or to execute civil laws.

H.R. 267. January 14, 1975. Judiciary. Prohibits the sale of certain handguns in the United States.

H.R. 268. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 269. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income amounts received by an individual during a taxable year as a pension, annuity, or other benefits under a State or local public retirement system.

H.R. 270. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income pensions or annuities received by policemen or firemen or their dependents or survivors, for services performed in the employ of a Federal, State or local government.

H.R. 271. January 14, 1975. Ways and

Means. Amend the Internal Revenue Code to allow an individual a limited credit against the tax imposed for amounts paid by him during the taxable year as tuition for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 272. January 14, 1975 Ways and Means. Amend the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-five to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 273. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 274. January 14, 1975. Ways and Means. Amend the Internal Revenue Code to permit a taxpayer an additional personal exemption and withholding exemption for each dependent who is mentaly retarded.

H.R. 275. January 14. 1975. Ways and Means. Amend the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old Age, Survivors and Disability Insurance benefits.

H.R. 276. January 14, 1975. Ways and Means. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to make emergency asistance grants to supplemental security income recipients whose checks are lost, stolen or undelivered.

H.R. 277. January 14, 1975. Armed Services. Revises the method of computing the retired or retainer pay to which a member of the armed forces is entitled.

H.R. 278. January 14, 1975. House Administration. Establishes an American Folklife Center in the Library of Congress.

H.R. 279. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to impose on the producers of crude oil produced in the United States a tax on windfall profits.

H.R. 280. January 14, 1975. Agriculture. Authorizes the Secretary of Agriculture to distribute seeds for us in home gardens.

H.R. 281. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 282. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for each ton of post-consumer waste paper processed in the United States by the taxpayer during the taxable year into new commercially marketable pulp paper, paperboard, or other similar products.

H.R. 283. January 14, 1975. Ways and Means. Revises the tax rates for Old Age, Survivors and Disability Insurance and hospital insurance under the Internal Revenue Code of 1954. Raises the ceiling on income taxable for Old Age, Survivors and Disability Insurance under the Social Security Act and Internal Revenue Codè of 1954. Provides that one-third of the cost of the Old Age, Survivors and Disability Insurance program be borne by the Federal Government.

H.R. 284. January 14, 1975. House Administration. Requires States holding Federal primary elections to hold such elections on certain specified dates.

H.R. 285. January 14, 1975. Interstate and Foreign Commerce. Requires no-fault motor vehicle insurance as a condition precedent to using the public streets, roads, and highways.

H.R. 286. January 14, 1975. Judiciary. Imposes penalties for the robbery or attempted robbery of any narcotic drug from any pharmacy.

H.R. 287. January 14, 1975. Judiciary. Authorizes the compensation of persons injured by certain criminal acts. Establishes, as an independent agency, the Violent Crimes Compensation Commission to carry out the purposes of this Act.

H.R. 288. January 14, 1975. Post Office and Civil Service. Requires the posting in post offices of information regarding voter registration, voting, and communicating with the President, Vice-President, and Members of Congress.

H.R. 289. January 14, 1975. Post Office and Civil Service. Makes election day a national holiday.

H.R. 290. January 14, 1975. Post Office and Civil Service. Abolishes the United States Postal Service. Repeals the Postal Reorganization Act. Re-establishes the Post Office Department as an executive department of the Federal Government.

H.R. 291. January 14, 1975. Post Office and Civil Service. Requires the postmark on mail matter to disclose the name of the place in which the mail matter is actually mailed, the assigned zip code, and the date and time of mailing.

H.R. 292. January 14, 1975. Post Office and Civil Service. Directs the Postal Service to issue a stamp in commemoration of the Jewish victims of Nazi Germany in World War II.

H.R. 293. January 14, 1975. Veterans' Affairs. Extends the entitlement of veterans to educational assistance from thirty-six months to forty-five months.

H.R. 294. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to establish the Internal Revenue Commission to administer the internal revenue laws. Transfers all functions relating to the administration and enforcement of the Internal Revenue Code from the Secretary of the Treasury or his delegate, to the Internal Revenue Commission.

H.R. 295. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 296. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a certain amount received during the taxable year as an annuity, pension or other retirement benefit by an individual or married couple.

H.R. 297. January 14, 1975. Ways and Means. Increases the amount of supplemental security income benefits under the Social Security Act.

H.R. 298. January 15, 1975. Ways and Means. Lowers the age at which an individual becomes eligible for Old-Age, Survivors and Disability Insurance and Medicare benefits under the Social Security Act. Increases the minimum monthly benefit amount. Increases the amount of outside income which may be earned by recipients of certain benefits under the Social Security Act.

H.R. 299. January 14, 1975. Judiciary. Standards of Official Conduct. Creates a Federal Lobbying Disclosure Commission. Requires Lobbyists to: (1) register with the Commission; (2) make and retain certain records; and (3) file reports with the Commission regarding their activities. Repeals the Federal Regulation of Lobbying Act.

H.R. 300. January 14, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to sell all rights to phosphate deposits in certain lands in Florida.

H.R. 301. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Housing and Urban Development to make direct low-interest loans to assist homeowners and other owners of residential structures in purchasing and installing more effective insulation and heating equipment.

H.R. 302. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited credit against the income tax for amounts paid for the purchase and installation of qualified heating equipment or insulative materials in the taxpayer's principal residence.

H.R. 303. January 14, 1975. House Administration. Repeals the authority of the Committee on House Administration to adjust allowances for Members of Congress, standing committees, leadership offices, and officers of the House.

H.R. 304. January 14, 1975. Merchant Marine and Fisheries. Establishes the Marine Fisheries Conservation and Development Fund for the conservation, management, protection and development of the marine fisheries of the United States. Places the administration of the Fund under the Secretary of Commerce.

Establishes an Advisory Committee to assist the Secretary in carrying out his functions under this Act.

H.R. 305. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of Commerce to make loans to commercial fishermen whose vessels or equipment have been damaged or destroyed by foreign fishing vessels.

Authorizes the Secretary to cancel repayment of such loan if his investigation reveals that the damage was caused solely by the foreign vessel, or to require repayment with interest when the owner of the United States vessel was partially or entirely at fault.

H.R. 306. January 14, 1975. Armed Services. Authorizes the Administrator of General Services to dispose of a specified quantity of silver from the national stockpile.

H.R. 307. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Housing and Urban Development to make direct low-interest loans to assist homeowners and other owners of residential structures in purchasing and installing more effective insulation and heating equipment.

H.R. 308. January 14, 1975. Interstate and Foreign Commerce. Extends the Emergency Petroleum Allocation Act of 1973 for an additional two years.

H.R. 309. January 14, 1975. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to prohibit pipeline companies engaged in the transportation of oil from transporting any oil through its pipelines if that company has an interest in such oil.

H.R. 310. January 14, 1975. Judiciary. Prohibits persons from directly or indirectly engaging in commerce in the marketing of refined petroleum products while also being affiliated in the business of production, refining, or transportation of petroleum products.

H.R. 311. January 14, 1975. Judiciary. Establishes a National Corrections Academy to provide continuing education and training for Federal, State and local corrections personnel.

H.R. 312. January 14, 1975. Rules. Requires that new forms and reports, and revisions of existing forms resulting from legislation be contained in reports of Congressional committees reporting the legislation.

H.R. 313. January 14, 1975. Veterans Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 314. January 14, 1975. Veterans' Affairs. Repeals the time limit within which a veteran must use his educational benefits. Extends the maximum period of eligibility for educational benefits from thirty-six months to forty-five months.

H.R. 315. January 14, 1975. Ways and Means. Requires Congressional aproval of all tariffs imposed by the President on petroleum imports.

H.R. 316. January 14, 1975. Ways and Means. Amends the Internal Revenue Code by disallowing deductions for depreciation to a landlord who has been convicted of violating provisions of a housing code.

H.R. 317. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 318. January 14, 1975. Ways and Means. Revises the eligibility requirements freeze under the Social Security Act by reducing the requisite number of covered quarters to 20.

H.R. 319. January 14, 1975. Ways and Means. Imposes a motor vehicles excise tax on the sale of certain gasoline-powered automobiles based upon the rate at which such automobiles consume fuel.

Directs the Secretary of Transportation to prepare an Automobile Fuel Consumption Schedule based on existing motor vehicle excise tax law.

H.R. 320. January 14, 1975. Education and Labor. Directs the Commissioner of Education to allot $100 annually to each public and private school pupil in the United States for the purpose of defraying part of the cost of his education.

H.R. 321. January 14, 1975. Foreign Affairs. Directs the President, under the Foreign Assistance Act of 1961, to suspend economic and military assistance to any country which fails to take appropriate steps to prevent narcotic drugs produced in the country from entering the United States unlawfully.

H.R. 322. January 14, 1975. Interstate and Foreign Commerce. Requires under the Federal Food, Drug, and Cosmetic Act that all ingredients in food be listed on the food container label in the order of their predominance.

H.R. 323. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for and the limiting of ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 324. January 14, 1975. Interstate and Foreign Commerce. Bans the introduction of diethylstibestrol into any animal or food product transported, sold, or received in interstate commerce.

H.R. 325. January 14, 1975. Judiciary. Makes any alien who becomes a public charge within twenty-four months of his arrival in the United States subject to deportation under the Immigration and Nationality Act. Requires an affidavit of support by a citizen sponsor as a condition of admission of any alien excludable because he is likely to become a public charge.

H.R. 326. January 14, 1975. Judiciary. Makes it a Federal crime for any person to carry out any research activity on a human fetus alive outside the mother's womb or to intentionally kill or hasten the death of such fetus in any federally supported facility or activity.

H.R. 327. January 14, 1975. Judiciary. Prohibits the introduction, or manufacture for introduction of switchblade knives into interstate commerce.

H.R. 328. January 14, 1975. Judiciary. Prohibits the transportation of contraband cigarettes in interstate commerce. Provides that this Act shall not be construed to affect the concurrent jurisdiction of a State to enact or enforce State cigarette tax laws.

H.R. 329. January 14, 1975. Merchant Marine and Fisheries. Requires that a minimum percentage of United States oil imports be carried on privately owned United States-flag commercial vessels.

H.R. 330. January 14, 1975. Merchant Marine and Fisheries. Requires that a minimum percentage of United States oil imports be carried on privately owned United States-flag commercial vessels.

H.R. 331. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 332. January 14, 1975. Public Works and Transportation. Modifies the New York Harbor collection and removal of drift project in accordance with a survey report. Directs the Secretary of the Army to immediately carry out the project.

H.R. 333. January 14, 1975. Judiciary. Revises the Federal Criminal Code.

H.R. 334. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual a credit against the tax imposed for amounts not to exceed $500 paid by him during the taxable year as tuition for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 335. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption and the amount of a withholding exemption for a taxpayer. Increases the gross income level requirement for filing a return and the gross income level which allows a later joint return to be deemed filed as of the date of the separate return or returns filed for the same tax year.

H.R. 336. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income during the taxable year a limited amount received as an annuity, pension, or other retirement benefit.

H.R. 337. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 338. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income interest earned on any deposit or withdrawable account in a savings institution.

H.R. 339. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income a limited amount received during the taxable year as an annuity, pension, or other retirement benefit.

H.R. 340. January 14, 1975. Ways and Means. Increases the amount of outside earnings allowed before any reduction will be made in Old Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 341. January 14, 1975. Ways and Means. Revises the eligibility requirements for disability insurance benefits applicable to the blind under the Social Security Act.

H.R. 342. January 14, 1975. Ways and Means. Repeals certain provisions of the Social Security Act which reduce Old Age, Survivors and Disability Insurance benefits as a function of the beneficiary's outside income.

Lowers the age of eligibility for Old Age, Survivors and Disability Insurance benefits under the Social Security Act. Eliminates the age requirement for survivors benefits when the survivor is under a disability.

Amends the Social Security Act to eliminate deductibles and coinsurance fees under Medicare. Extends Medicare hospital insurance coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs. Extends Medicare supplementary medical insurance coverage to include eye, dental and foot care, dentures, hearing aids and influenza immunizations.

H.R. 343. January 14, 1975. Armed Services. Amends the National Security Act of 1947 and the Central Intelligence Agency Act of 1949 to prohibit certain intelligence operations within the United States by the Central Intelligence Agency.

H.R. 344. January 14, 1975, Banking, Currency and Housing. Amends the National Housing Act by authorizing the Secretary of Housing and Urban Development to issue loans to help homeowners continue making mortgage payments during periods of financial distress.

Establishes the Homeownership Conservation Loan Insurance Fund under the Secretary of Housing and Urban Development to carry out the purposes of this Act.

H.R. 345. January 14, 1975. Education and Labor. Amends the Civil Rights Act of 1964 to make it unlawful for an employer, a labor organization, or a labor or employer job training program to discriminate on the basis of military discharge status.

H.R. 346. January 14, 1975. Education and Labor. Extends the provisions of the Age Discrimination in Employment Act of 1967 to employees of States and their political subdivisions.

H.R. 347. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by applying the safety and health standards of that Act to athletic contests between secondary schools or between institutions of higher education.

H.R. 348. January 14, 1975. Education and Labor. Requires educational institutions engaged in interscholastic athletic competition to employ certified athletic trainers.

Requires the Commissioner of Education to make grants to institutions of higher learning to assist them in educating athletic trainers.

H.R. 349. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants to the Deganawidah-Quetzalcoatl University to be used for its development and improvement.

H.R. 350. January 14, 1975. Foreign Affairs. Prohibits the expenditure of funds for military assistance to the Republic of Vietnam under certain conditions, and for the deployment of any United States Armed Forces to Indochina. Prohibits the funding of police or prison systems in certain foreign countries.

H.R. 351. January 14, 1975. Government Operations. Amends the Budget and Accounting Act of 1921 by requiring the Comptroller General to make a continuing investigation of matters relating to the receipt and expenditure of public funds. Expands the duties of the Comptroller General in making expenditure analyses of public funds.

H.R. 352. January 14, 1975. Interstate and Foreign Commerce. Declares that any toy which is a facsimile of any weapon or destructive device used by the Armed Forces shall be considered a banned hazardous substance under the Federal Hazardous Substance Act.

H.R. 353. January 14, 1975. Judiciary. Grants unconditional amnesty to certain individuals for acts done in the course of protest against United States military operations in Indochina.

Establishes an Amnesty Commission to administer the provisions of this Act.

H.R. 354. January 14, 1975. Judiciary. Requires the registration of firearms. Establishes minimum standards for licensing possession of firearms. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, possession or transportation of handguns.

H.R. 355. January 14, 1975. Judiciary. Directs officials of agencies in the executive branch to supply information to any committee of Congress upon request within 30 days. Directs the Comptroller General to withhold funds from agencies that fail to comply with such a request, unless such failure to comply is authorized under the Act.

H.R. 356. January 14, 1975. Foreign Affairs. Limits the assessed and voluntary contributions of the United States to the United Nations and its affiliated agencies to an amount not to exceed an amount which bears the same ratio to the total budget of the United Nations as the total population of the United States bears to the total population of all the member states of the United Nations.

H.R. 357. January 14, 1975. Judiciary. Requires the President to appoint the Director of the Federal Bureau of Investigation to a single term of fifteen years.

H.R. 358. January 14, 1975. Merchant Marine and Fisheries. Establishes the limit of the United States fishery zone at two hundred miles from the inner limit of the territorial sea.

Extends the jurisdiction of the United States over fish which originate in United States inland waters to wherever such fish range in the oceans except that jurisdiction does not extend into the fishery or territorial waters of another country.

H.R. 359. January 14, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of the department in which the Coast Guard is operating to regulate the design, inspection, and certification of submersible vessels; the licensing of operators of such vessels, and the certification of schools giving instruction in the operation of such vessels.

Authorizes the Secretary to appoint an advisory committee for the purpose of advice and consultation on matters under this Act.

H.R. 360. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936 to extend the United States Merchant Marine Academy to persons in the maritime industries other than merchant marine officers, to expand the scope of the educational program at the Academy, and to change the name of the Academy to the "United States Maritime Academy."

H.R. 361. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual a limited credit against the tax imposed for amounts paid by him during the taxable year as tuition for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 362. January 14, 1975. Ways and Means. Amends the Social Security Act to allow a surviving spouse to authorize direct payment of the insured's lump-sum death payment to a funeral home for his burial expense.

H.R. 363. January 14, 1975. Ways and Means. Establishes a health insurance benefit program under the Social Security Act by providing for direct Federal payment of health insurance premiums and indirect subsidization by allowing income tax credits for health insurance premiums paid by an individual.

Establishes a Health Insurance Advisory Board to develop guidelines for administering this program.

Directs the States to pay deductibles and coinsurance fees for persons receiving cash assistance under certain Social Security Act programs.

H.R. 364. January 14, 1975. Ways and means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old Age, Survivors and Disability Insurance benefits.

H.R. 365. January 14, 1975. Judiciary. Establishes under the Omnibus Crime Control and Safe Streets Act of 1968 a Federal death benefit to be paid to the survivors of firefighters who die in the performance of their duty.

H.R. 366. January 14, 1975. Judiciary. Directs, under the Omnibus Crime Control and Safe Streets Act of 1968, that a gratuity be paid to survivors of certain public safety officers who die in the performance of duty.

H.R. 367. January 14, 1975. Judiciary Amends the provisions of the Immigration and Nationality Act relating to the adjustment of status of aliens, numerical limitations on visas, and conditions precedent to admission of aliens to the United States.

H.R. 368. January 14, 1975. Judiciary. Makes additional immigrant visas available for immigrants from certain foreign countries.

H.R. 369. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income amounts received by a volunteer fireman for serving as a member of a firefighting or rescue unit.

H.R. 370. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of Commerce to carry out a national aquaculture development program. Defines aquaculture as the culture and husbandry of aquatic organisms.

H.R. 371. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old Age, Survivors and Disability Insurance benefits.

H.R. 372. January 14, 1975. Ways and Means. Revises the eligibility requirements for disability benefits and the disability freeze under the Social Security Act by extending eligibility to individuals with 40 quarters of coverage regardless of when they were earned.

H.R. 373. January 14, 1975. Interstate and Foreign Commerce. Public Works and Transportation. Requires that the Administrator of the Environmental Protection Agency include a cost-benefit analysis in compliance orders issued in enforcement of air and water pollution control regulations pursuant to the Clean Air Act and the Federal Water Pollution Control Act.

H.R. 374. January 14, 1975. Agriculture. Amends the Food Stamp Act by authorizing quarterly adjustments in the face value of a household's coupon allotment to reflect changes in retail food prices

H.R. 375. January 14, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to provide for reimbursement and advanced construction for certain publicly owned treatment works.

H.R. 376. January 14, 1975. Judiciary. Merchant Marine and Fisheries. Interior and Insular Affairs. Establishes a Marine Resources Conservation and Development Fund for use by the Secretary of the Interior for various marine resources programs. Requires monies collected from leases on the Outer Continental Shelf to be deposited into the fund with a certain percentage to be returned to the States.

Creates regional environmental review boards to assess the impact of regulations designed to protect the Outer Continental Shelf environment.

H.R. 377. January 14, 1975. Judiciary. Establishes an Antitrust Revision Commission to study the operation and enforcement of the antitrust laws and to recommend revisions to Congress.

H.R. 378. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of the Interior to classify and inventory wetland resources, to measure wetlands degradation, and to evaluate the environmental contribution of natural wetlands.

H.R. 379. January 14, 1975. Ways and Means. Amends the Social Security Act to eliminate the waiting period requirement for disability benefits and the disability freeze.

H.R. 380. January 14, 1975. Ways and Means. Sets forth standards, to be incorporated in State plans, pertaining to the discharge or transfer of Medicaid recipients from skilled nursing or intermediate care facilities.

H.R. 381. January 14, 1975. Interior and Insular Affairs. Designates a segment of the Oklawaha River in Florida for potential addition to the national wild and scenic rivers systems.

H.R. 382. January 14, 1975. Judiciary. Revises the standards and procedures for parole of Federal prisoners.

H.R. 383. January 14, 1975. Veterans' Affairs. Stipulates that any limited campaign period shall be treated as a period of war for the purposes of authorizing veterans' benefits.

H.R. 384. January 14, 1975. Veterans' Affairs. Directs the Secretary of the Army to establish a national cemetery in Florida.

H.R. 385. January 14, 1975. Veterans' Affairs. Specifies the amount payable for travel expenses for persons traveling to and from Veterans' Administration facilities.

H.R. 386. January 14, 1975. Veterans' Affairs. Authorizes and directs the Administrator of Veterans' Affairs to construct a Veterans' Administration hospital in the Halifax area of Volusia County, Florida.

H.R. 387. January 14, 1975. Judiciary. Confers exclusive jurisdiction upon the district courts of the United States to hear tort claims for money damages which arise under the Constitution or statutes of the United States. Declares that such claims are to be determined in accordance with applicable Federal law.

Authorizes the Secretary of Health, Education, and Welfare, the Secretary of Defense, and the Administrator of Veterans' Affairs to hold harmless or provide liability insurance for any officer or employee held liable for certain torts, under certain circumstances.

H.R. 388. January 14, 1975. Judiciary. Authorizes the Attorney General to exchange criminal record information with certain State and local non-law-enforcement agencies.

H.R. 389. January 14, 1975. Public Works and Transportation. Increases the maximum Federal share of the cost of shore restoration and protection projects.

H.R. 390. January 14, 1975. Post Office and Civil Service. Computes Federal Civil Service annuities by applying current basic pay scales.

H.R. 391. January 14, 1975. Education and labor. Authorizes the Secretary of Labor to make grants to States to enable them to assist public and private nonprofit agencies to provide day care services for children from needy families where the parents are working, training, or incapable of self-support.

H.R. 392. January 14, 1975. Judiciary. Authorizes the Attorney General to develop Community Correctional facilities for use by Federal, State and local governments. Establishes Federal policy groups to deal with the issues of standards for correctional facilities, and training of correctional personnel.

H.R. 393. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit ministers, members of religious orders, and Christian Science practitioners to revoke their election to be exempt from coverage under the old-age, survivors, and disability insurance program.

H.R. 394. January 14, 1975. Interstate and Foreign Commerce. Amends the Social Security Act by authorizing administrative and judicial review on claims arising under the medicare supplemental medical insurance programs.

H.R. 395. January 14, 1975. Agriculture. Requires the Secretary of Agriculture to provide Federal assistance to agricultural producers for various soil conservation purposes.

H.R. 396. January 14, 1975. Agriculture. Establishes a National Agricultural Bargaining Board in the Department of Agriculture to provide standards for the qualification of agricultural cooperative organizations for bargaining purposes, to define the mutual obligation of handlers and agricultural cooperative organizations to bargain in good faith, and to enforce this obligation. Exempts the bargaining activities of qualified associations and handlers from the enforcement of the antitrust laws of the United States.

H.R. 397. January 14, 1975. Agriculture. Prohibits the importation of any dairy product into the United States unless it has been inspected and found to be wholesome and unless the foreign farms and plants in which such products were produced comply with all inspection, grading and other standards prescribed by the Secretary of Health, Education, and Welfare.

H.R. 398. January 14, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 399. January 14, 1975. Armed Services. Allows certain members of the National Guard to wear civilian clothing when performing their duties in a civilian status.

H.R. 400. January 14, 1975. Armed Services. Authorizes the Administrator of General Services to dispose of specified amounts of beryl ore equivalents from the national stockpile and the supplemental stockpile.

H.R. 401. January 14, 1975. Banking, Currency and Housing. Establishes a Presidentially-convened Capital Markets Advisory Committee for the purpose of developing criteria for advising financial institutions as to which demands on the credit markets merit priority in lending.

H.R. 402. January 14, 1975. Banking, Currency and Housing. Directs that paper money printed after January 1, 1975, shall have the denomination imprinted on it in braille.

H.R. 403. January 14, 1975. Education and Labor. Establishes a national adoption information exchange system to be administered by the Secretary of Health, Education, and Welfare.

H.R. 404. January 14, 1975. House Administration. Requires the use of a minimum percentage of recycled paper in the printing of the Congressional Record.

H.R. 405. January 14, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 406. January 14, 1975. Interstate and Foreign Commerce. Prohibits the shipment or sale in interstate commerce of nonreturnable beverage containers for which no reasonable refundable money deposit is required.

Directs the Secretary of Health, Education, and Welfare to define the term "nonreturnable containers."

H.R. 407. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants to assist the States in bringing publicly operated or publicly assisted facilities for the mentally retarded into conformity with standards which will assure humane care, treatment, habilitation, and protection of the mentally retarded in residential facilities. Establishes a National Advisory Council on Standards for Residential Facilities for the Mentally Retarded to assist the Secretary of Health, Education, and Welfare in implementing and reviewing the standards established by this Act.

H.R. 408. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make grants for the establishment and operation of home health services and for the purpose of initiating, developing, and maintaining programs for the training of professional and paraprofessional personnel to provide home health services.

H.R. 409. January 14, 1975. Interstate and Foreign Commerce. Amends the Flammable Fabrics Act to extend the provisions of that Act to construction materials used in interiors, and to require the Secretary of Commerce to determine toxicity standards or other regulations, where there is determined to be a danger from toxic byproducts produced by the burning of such substances.

H.R. 410. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make loans to certain cities and counties for the establishment of nonprofit clinics for the spaying and neutering of dogs and cats.

H.R. 411. January 14, 1975. Interstate and Foreign Commerce. Prohibits or restricts the ownership or control by foreign interests of certain issuers of securities, corporation, real estate, or natural resources deemed to be vital to the economic security and national defense of the United States. Establishes the National Foreign Investment Control Commission to supervise and regulate foreign investments in domestic interests.

H.R. 412. January 14, 1975. Judiciary. Revises the Immigration and Nationality Act to allow the immigration of children of individuals suffering from Hansen's disease under regulations to be promulgated by the Secretary of State.

H.R. 413. January 14, 1975. Judiciary. Requires the establishment of a system for the redress of law enforcement officers' grievances and acceptance of a law enforcement officers' bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 414. January 14, 1975. Judiciary. Requires court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail and for the inspection or procurement of telephone, bank, credit and other records. Requires reports to Congress and to the Administrative Office of the United States Courts concerning court orders requested, denied, and approved.

H.R. 415. January 14, 1975. Merchant Marine and Fisheries. Designates several species of sealife to be included in the definition of Continental Shelf fishery resource.

H.R. 416. January 14, 1975. Merchant Marine and Fisheries. Guarantees the right to a trial by jury for persons charged with a violation of the Migratory Bird Treaty Act.

H.R. 417. January 14, 1975. Merchant Marine and Fisheries. Establishes the limit of the United States fishery zone at two hundred miles from the inner limit of the territorial sea.

Extends the jurisdiction of the United States over fish which originate in United States inland waters to wherever such fish range in the oceans except that jurisdiction does not extend into the fishery or territorial waters of another country.

H.R. 418. January 14, 1975. Rules. Creates a Congressional Joint Committee on Foreign Investment Control in the United States to study the manner in which the National Foreign Investment Control Commission established by the "Foreign Investment Control Act of 1974" fulfills its functions.

H.R. 419. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 420. January 14, 1975. Veterans' Affairs. Permits retired veterans of the uniformed services with service-connected disabilities to be paid retired pay concurrently with compensation for any service-connected disability rated thirty percent or more in degree of disability.

H.R. 421. January 14, 1975. Veterans' Affairs. Establishes a program for mortgage protection life insurance for veterans unable to acquire commercial life insurance because of service-connected disabilities.

H.R. 422. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 423. January 14, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay service pensions to certain World War I veterans, their widows, and their children.

H.R. 424. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 425. January 14, 1975. Ways and Means. Amends the Social Security Act by guaranteeing a minimum annual income to the elderly.

H.R. 426. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for expenses incurred in connection with the adoption of a child by the taxpayer.

H.R. 427. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to revise and consolidate the provisions of the Code with respect to small business. Establishes a Committee on Tax Simplification for Small Business to suggest changes in the Code with respect to small business. Requires the Secretary of the Treasury, with the assistance of the Office of Small Business Tax Analysis to be created within the Office of the Secretary, to submit to the House Committee on Ways and Means for the Senate Committee on Finance recommendations for structural changes in the Code relating primarily to small business.

H.R. 428. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 429. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income the interest on deposits in certain savings institutions.

H.R. 430. January 14, 1975. Ways and Means. Permits a taxpayer who has donated his own blood to specified organizations to deduct under the Internal Revenue Code as a charitable contribution an amount specified for each pint donated.

H.R. 431. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 432. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

H.R. 433. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer an additional personal exemption and withholding exemption for each dependent who is mentally retarded.

H.R. 434. January 14, 1975. Ways and Means. Authorizes semiannual computation of cost-of-living increases in Old Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 435. January 14, 1975. Ways and Means. Amends the Social Security Act by eliminating the special eligibility requirements for widow's benefits.

H.R. 436. January 14, 1975. Ways and Means. Amends the Internal Revenue Code by entitling persons owning a homestead, having low income, and being sixty-five years of age and over to be reimbursed for property taxes accrued for the taxable year.

H.R. 437. January 14, 1975. Ways and Means. Amends the Social Security Act to extend Old Age, Survivors and Disability Insurance coverage and Medicare hospital coverage to include drugs. Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 438. January 14, 1975. Ways and Means. Increases the amount of outside earnings allowed before any reduction will be made in Old Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 439. January 14, 1975. Ways and Means. Excludes general and cost-of-living increases in Old Age, Survivors and Disability Insurance benefits under the Social Security Act from being considered income for the purpose of determining an individual's eligibility for veterans pensions or dependency and indemnity compensation for parents of deceased veterans.

H.R. 440. January 14, 1975. Atomic Energy. Authorizes an independent study of the civil nuclear power functions and special industrial operations of the Atomic Energy Commission. Directs the National Academy of Sciences to conduct the study for the Joint Committee on Atomic Energy.

H.R. 441. January 14, 1975. Atomic Energy. Amends the Atomic Energy Act of 1954 to permit the States, concurrently with the Atomic Energy Commission, to regulate emissions of radioactive effluents.

H.R. 442. January 14, 1975. Armed Services. Revises Armed Forces regulations pertaining to notification of next of kin in the case of death of a serviceman.

H.R. 443. January 14, 1975. Armed Services. Revises the computation methods for armed services retainer and retired pay for certain individuals to reflect current active duty pay rates.

H.R. 444. January 14, 1975. Education and Labor. Amends sections of the Occupational Safety and Health Act of 1920 relating to civil penalties for employers in violation of the Act.

H.R. 445. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by requiring the Secretary of Labor to recognize differences between the light residential construction industry and the heavy construction industry.

H.R. 446. January 14, 1975. Government Operations. Requires the Administrator of General Services to notify each Member of Congress whenever federally owned real property located in his district is subject to disposal.

H.R. 447. January 14, 1975. House Administration. Increases the number of copies of the daily edition of the Congressional Record to be furnished to each Representative, Delegate, and Resident Commissioner in Congress.

H.R. 448. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to revise the procedure for consideration of applications for renewal of broadcast licenses.

H.R. 449. January 14, 1975. Interstate and Foreign Commerce. Amends the Uniform Time Act by changing the duration of the daylight savings time period.

H.R. 450. January 14, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to suspend motor vehicle emissions control in all parts of the United States except for certain designated air quality control regions.

Prohibits the Administrator of the Environmental Protection Agency and the States from enforcing motor vehicle emissions control standards in areas outside designated regions during the suspension period.

H.R. 451. January 14, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the perfomance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 452. January 14, 1975. Judiciary. Increases the penalties for use of a firearm in the commission of a felony.

H.R. 453. January 14, 1975. Judiciary. Specifies that in jury trials, all questions of obscenity shall be decided by the jury alone without comment by the court.

Removes the jurisdiction of Federal Courts to review, reverse or set aside the determination of a jury or a State court that an article, matter, thing, device or substance is obscene, lewd, lascivious, indecent, vile or filthy.

H.R. 454. January 14, 1975. Judiciary. Authorizes the Secretary of State to restrict travel to foreign countries by citizens and nationals of the United States.

H.R. 455. January 14, 1975. Post Office and Civil Service. Abolishes the Commission on Executive, Legislative, and Judiciary Salaries established by the Federal Salary Act of 1967.

H.R. 456. January 14, 1975. Veterans' Affairs. Revises the eligibility requirements for outpatient dental services and treatment for veterans who were prisoners of war.

H.R. 457. January 14, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to increase or decrease, on an annual basis and in an amount equal to the percentage by which the Bureau of Labor Statistics' Consumer Price Index increases or decreases, the monthly monetary rates for compensation, dependency and indemnity compensation, pension, subsistance allowance, educational assistance allowance, and special training allowance benefits. Increases, under the same procedure, the pension payable under the Veterans' Pension Act of 1959.

H.R. 458. January 14, 1975. Veterans' Affairs. Revises the effective date for determining death compensation, dependency and indemnity compensation, or death pensions for veterans and their survivors.

H.R. 459. January 14, 1975. Ways and Means. Amends the Social Security Act to require that Old Age, Survivors and Disability Insurance benefits be paid for the month during which a beneficiary dies.

H.R. 460. January 14, 1975. Judiciary. Prohibits the transportation or use in interstate or foreign commerce of counterfeit, fictitious, altered, lost or stolen transportation tickets.

H.R. 461. January 14, 1975. Interstate and Foreign Commerce. Amends the Interstate Commerce Act to prohibit pipeline companies engaged in the transportation of oil from transporting any oil through its pipeline if that company has an interest in such oil.

H.R. 462. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to designate certain money paid to or collected from employee stock-ownership plans as deductible from taxable income.

H.R. 463. January 14, 1975. Rules. Establishes a Congressional Joint Committee on Intelligence Oversight to oversee and exercise jurisdiction over agencies engaged in foreign or domestic intelligence activities. Requires such agencies to keep the joint committee currently informed on their activities.

H.R. 464. January 14, 1975. House Administration. Prohibits Members of Congress who have been defeated or have resigned or retired from traveling outside the United States at Government expense.

H.R. 465. January 14, 1975. Judiciary. Repeals the Gun Control Act of 1968. Reenacts the Federal Firearms Act. Makes the use of a firearm to commit a felony a Federal crime.

H.R. 466. January 14, 1975. Rules. Requires, with certain exceptions, that meetings of Congressional Committees and Government agencies be open to the public.

H.R. 467. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income interest earned on any deposit or withdrawable account in a savings institution.

H.R. 468. January 14, 1975. Ways and Means. Amends the Second Liberty Bond Act to require that each annual budget submitted to Congress by the President include one item specifically providing for the retirement of the public debt.

H.R. 469. January 14, 1975. Post Office and Civil Service. Abolishes the Commission on Executive, Legislative and Judicial Salaries established by the Federal Salary Act of 1967.

H.R. 470. January 14, 1975. Banking, Currency and Housing. Amends the Federal Home Loan Mortgage Corporation Act to permit the Federal Home Loan Mortgage Corporation to purchase older seasoned mortgages from Savings and Loan Associations and other financial institutions.

Establishes a schedule according to which such mortgages must be repurchased by the seller.

H.R. 471. January 14, 1975. House Administration. Forbids Members of the House of Representatives who have been defeated for re-election to travel at public expense, with certain exceptions.

H.R. 472. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require the Secretary of Health, Education, and Welfare, after consultation with the Secretary of Agriculture, to establish standards for a grading system by which retail purchases may determine the relative nutritional value of different foods for human consumption.

H.R. 473. January 14, 1975. Post Office and Civil Service. Eliminates the requirement of apportionment of appointments in the departmental service in the District of Columbia among the States, territories, possessions, and the District of Columbia on the basis of population as determined by the census.

H.R. 474. January 14, 1975. Post Office and Civil Service. Requires the Postal Service to consult with agencies of State and local government regarding the construction of certain Postal Service facilities. Establishes hearing procedures with respect to proposals for such construction.

H.R. 475. January 14, 1975. Ways and Means. Repeals the statutory authority to impose quotas on the importation of meat and meat products.

H.R. 476. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from Federal tax that portion of costs paid for communications services attributable to taxes imposed by States and local governments.

H.R. 477. January 14, 1975. House Administration. Directs certain legislative officers to enter into agreements with Virginia, Maryland and the District of Columbia to withhold State or District of Columbia income taxes of each Member of Congress or specified employees subject to such income tax, and who voluntarily agree to such withholding.

Authorizes the Committee on House Administration to review such agreements.

H.R. 478. January 14, 1975. Banking, Currency and Housing. Directs that paper money printed after January 1, 1976, shall have the denomination imprinted on it in braille.

H.R. 479. January 14, 1975. Banking, Currency and Housing. Excludes certain advertising costs from those expenses which regulated public utilities may include in their computation of rates or charges.

Establishes an advisory board to determine which advertising expenses are allowable and which are to be excluded.

H.R. 480. January 14, 1975. Education and Labor. Amends the Federal Coal Mine Health and Safety Act of 1969 by repealing the requirement that black lung benefits be offset by amounts received from State workmen's compensation, unemployment compensation, and disability insurance benefits.

H.R. 481. January 14, 1975. Education and

Labor. Amends the Labor-Management Reporting and Disclosure Act of 1959 by requiring that all officers of national labor organizations be elected by secret ballot of the members.

H.R. 482. January 14, 1975. House Administration. Establishes within the Information Systems of the Congress an office to compile and disseminate information relating to pending legislative proposals. Directs the Committee on House Administration to establish and administer such system. Gives the Office a toll-free telephone line.

H.R. 483. January 14, 1975. House Administration. Requires the use of recycled paper in the printing of the Congressional Record.

H.R. 484. January 14, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 485. January 14, 1975. Interior and Insular Affairs. Amends the National Trails System Act to designate the Potomac Heritage Trail in Maryland, Pennsylvania, Virginia, West Virginia, and the District of Columbia, as a component of the National Trails System.

H.R. 486. January 14, 1975. Judiciary. Amends the Federal Criminal Code by increasing the penalties for the use of a firearm in the commission of a felony.

H.R. 487. January 14, 1975. Judiciary. Prohibits making appropriations to the Department of Justice for any fiscal year beginning on or after July 1, 1975, unless authorized by Congress after the date of enactment of this Act.

H.R. 488. January 14, 1975. Merchant Marine and Fisheries. Amends the Duck Stamp Act to prohibit the charging of a Federal fee to any individual sixty-five years or older for the privilege of hunting, trapping, or fishing.

H.R. 489. January 14, 1975. Post Office and Civil Service. Abolishes the United States Postal Service. Repeals the Postal Reorganization Act. Re-establishes the Post Office Department as an executive department of the Federal Government.

H.R. 490. January 14, 1975. Post Office and Civil Service. Permits certain Postal Service employees to attend the funerals of certain persons without loss of pay or deduction from annual leave.

H.R. 491. January 14, 1975. Public Works Transportation. Amends the Federal Aviation Act of 1958 to prohibit smoking on scheduled flights in interstate or overseas transportation.

H.R. 492. January 14, 1975. Science and Technology. Establishes a National Metric Conversion Board to develop a program to accomplish conversion to the metric system in the United States.

H.R. 493. January 14, 1975. Ways and Means. Permits a taxpayer who has donated his own blood to specified organizations to deduct under the Internal Revenue Code as a charitable contribution an amount specified for each pint donated.

H.R. 494. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to reduce the amount of individual income tax withheld from wages.

H.R. 495. January 14, 1975. Veterans' Affairs. Extends the maximum period of veterans' eligibility for educational benefits from thirty-six months to forty-five months.

H.R. 496. January 14, 1975. Veterans' Affairs. Defines service in the Women's Army Auxiliary Corps as active duty for the purposes of all laws administered by the Veterans' Administration.

H.R. 497. January 14, 1975. Banking, Currency and Housing. Amends the National Housing Act to authorize the Secretary of Housing and Urban Development to insure loans to finance improvements to long-term care facilities required to correct deficiencies identified in State surveys and Federal certification procedures.

H.R. 498. January 14, 1975. Education and Labor. Amends the Older Americans Act of 1965 by requiring State plans to provide for home health services and community access to and security of long-term care facilities.

H.R. 499. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act by requiring and establishing procedures for the publication and adjudication of proposed consent orders.

H.R. 500. January 14, 1975. Interstate and Foreign Commerce. Establishes the Commission on Mental Health and Illness of the Elderly to develop a national policy of mental health for aged and aging persons.

PETITIONS, ETC.

Under clause 1 of rule XXII,

Mr. MOAKLEY presented a petition of the Metropolitan Police Patrolmen's Union, Local 1576, AFL–CIO, Hingham, Mass., relative to neighborhood schools; to the Committee on Education and Labor.

EXTENSIONS OF REMARKS

HEARINGS ON FOOD STAMP COSTS

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Friday, February 7, 1975

Mr. TALMADGE. Mr. President, on February 5 the Committee on Agriculture and Forestry, which I chair, heard testimony about the food stamp program and the proposed regulations of the Department of Agriculture which would have the effect of increasing the costs to recipients for food stamps.

An eloquent appeal to the committee to prevent the administration's proposed price increases was delivered by a distinguished member of the senate of my State of Georgia, Mr. Henry McDowell, of Savannah.

I ask unanimous consent that Senator McDowell's statement, together with a letter from Gov. George Busbee, of Georgia, which likewise urged action to delay the proposed increase, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ATLANTA, GA., *February 4, 1975.*

Senator HENRY MCDOWELL,

DEAR SENATOR MCDOWELL: It is my understanding that you will present testimony on February 5, 1975, to the Committee on Agriculture of the United States Senate. I appreciate your discussing with me the nature of the testimony which you will provide and reviewing with me a draft of your statement.

Please convey to the members of the Committee that I share your concern with the effect of the proposed increased cost of food stamps upon recipients in Georgia, particularly elderly recipients. I fully support your strong stand on this matter, and I have also written to the President requesting a delay in the implementation of his proposed increase in food stamp costs.

I want to commend you for your interest and action on behalf of food stamp recipients in Georgia and I hope you will convey to members of the Committee my deep concern with respect to this matter.

Sincerely,

GEORGE BUSBEE.

STATEMENT OF SENATOR HENRY MCDOWELL, SECOND DISTRICT OF GEORGIA

Mr. Chairman, members of the committee, I come before you in hope of persuading you toward action to overcome the decision by President Ford to increase the cost of food stamps to recipients.

This decision, if allowed to run it's course, will be disastrous for many of the nations elderly and disadvantaged at a time when President Ford is advocating an 18 billion dollar tax rebate for people, both black and white, who are earning more money than ever before. They live in better homes, own more cars and other possessions. They have more vacation time from jobs they mostly like. Their young are going to college. In short, they are progressing. The elderly and disadvantaged are not.

Before I continue, I would like for you to know that my concern is real. It is deeply felt. It derives from my own life experience which includes living in an orphanage during the depression, standing in soup lines and the early degradation of living off welfare, my father passed away in 1935 when I was 9. My mother found herself unexpectedly alone, with 4 children, no means of support, no training and no work experience. There is little wonder that I have demanded, do demand and will continue to demand both dignity and reasonable standards of life for the nations disadvantaged. In my campaign for election I promised that I would demand respect and dignity for programs for the unfortunate and the senior citizens.

Our Government has tried to help. The new deal gave us "social security"—a bright ray of hope, promise and comfort shining out of that era of depression, degradation, destitution and hunger. It is that word "hunger" that I wish to emphasize and leave in your minds today. President Ford's decision to increase the cost of food stamps requires the nations hungry to dampen the nations recession by making their starvation a little more acute. Gentlemen do not become party to this decision by action or inaction.

Consider the nation's elderly, most of whom are retired under "social security" under this Government's solemn promise that they could with their earned pension support themselves adequately and with dignity in their declining years. Instead they have been reduced to reliance upon food stamps to sustain even minimum nutrition. Now the President's decision would turn this desperately needed help into a Trojan horse. In addition to calling for higher costs for food stamps, the President has now asked Congress to defer increased social security benefits scheduled to go into effect in July.

As of January 1, 1975, there were 483,302 Georgians participating in the food stamp program. . . . Of this number 11.5% or 55,599 are senior citizens. Bureau of Agriculture's statistics indicate that these people fall almost entirely in the one and two member family category and have retirement income of $100 to $150 per month. At this time their purchase bonus is $22.00 per person per month or only $264.00 per year. This is a meager amount.

When the new guideline becomes effective on March 1, 1975, their purchase bonus will be cut to $8.50 per person per month. Enter the trojan horse. The cost of patricipation in the food stamp program—cost of going to and from the place of application and the place of distribution, the cost of buying from the particular store that accepts food stamps—may for many exceed the meager purchase bonus. It may just not be worth it. Dollars available for food supply will be reduced by $13.50 per month. In most cases this amount of money buys more than a week's supply of food for a senior citizen.

Hard to believe isn't it when you and I may spend this amount or more for just one dinner in one of the fine restaurants of Atlanta or Washington.

In summation, the elderly citizens of the State of Georgia will lose more than $9,000,000.00 in purchasing power for food.

This averages out to $162.00 per year per person. Where would these people find this amount since they are too old to work even if the economy were sound?

In all of America's history, the greatness of her agricultural production has not been exceeded—not in her revolution, not in her emancipation proclamation, not in the placing of the first man upon the moon. In the light of the abundance of America's agriculture, I did not take office in the legislature of Georgia and I am confident you did not take office in the Senate of these United States to mend the Nation's recession by taking food from the tables of the Nation's poor and elderly.

I thank you for this privilege of appearing here and for your attention.

UNEMPLOYMENT IN DETROIT

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1975

Mr. DIGGS. Mr. Speaker, the national problems of the economy have become a crisis of enormous proportions in the city of Detroit. While the national unemployment figure for December was 7.1 percent, the unemployment rate in Detroit was 18 percent. With a continuing problem of high crime rates, inflation, housing, education, and health, Detroit has become a near-disaster area.

New Detroit, Inc., the Nation's first urban coalition which incorporates leaders of business, labor, city and State government as well as grassroots community organizations, has formed an ad hoc group to consider solutions to this situation. I am most pleased to present their recommendations to my colleagues for their careful study and review:

FEDERAL ACTIONS TO PULL THE ECONOMY OUT OF THE RECESSION PROPOSALS OF NEW DETROIT, INC.

The United States is in a serious recession. Unemployment is high and rising, affecting many areas of the country. Real personal income has been declining for some time and is now affecting almost every sector of the economy. As a result, many states and local governments, particularly the State of Michigan and the City of Detroit, are experiencing a significant decline in tax revenues, while the need for expenditures on social welfare is increasing.

The national unemployment rate in mid-December was 7.1%, representing 6.5 million persons unemployed, and it is generally believed it will go substantially higher. In many states and cities the unemployment rate already is substantially higher. In Michigan it was 11.2% in December. In the six-county Detroit Metropolitan Area* it was 12.4%. The State of Michigan forecasts that in the first quarter of this year the unemployment rate will average 12.5% in Michigan and 16% in the six-county Detroit Metropolitan area.

In the City of Detroit the December rate of unemployment was approximately 18%. It likely will average about 23% in the first quarter of this year, and in the most depressed areas of the city and for minority groups it will be substantially higher, perhaps double. A 23% unemployment rate in Detroit means 126,000 persons are out of work—one out of every four in the city's work force.

It seems clear that additional action by the federal government is critical to deal with the problems of recession that plague our economy. Additional actions to deal with the plight of the unemployed and to stimulate consumer and business purchases, thus providing jobs, are immediately necessary.

We recognize that measures to pull the economy out of the recession must not be such that they cause excessive inflation after the economy begins to recover. We therefore are recommending some measures that would be operative only in 1975. Also, we are not suggesting specific dollar amounts, believing that the administration and the Congress must decide on the over-all size of the anti-recession package as more up-to-date economic data become available.

Our purpose is to recommend the kinds of actions that will be most effective both in helping the individuals and industries that are being hurt most by the present recession and in stimulating the over-all economic recovery. Our proposals recognize that it is important to avoid creating long-term inflationary pressures, but we believe that inflationary pressures are diminishing and the Nation's principal concern must now be the recession.

New Detroit, therefore, recommends the following federal actions:

EXPAND PUBLIC SERVICE AND PUBLIC WORKS EMPLOYMENT

In December the Congress passed, and the President approved, legislation to temporarily extend the duration and coverage of unemployment benefits and to provide additional public service and public works employment. We believe these measures are vitally important. They will provide help to people who are in real need, and by maintaining their purchasing power will help dampen the downward spiral of the economy.

The $2.5 billion for public service employment and the $500 million for public works authorized in the recent legislation plus approximately $1 billion authorized earlier in 1974 will only provide about 500,000 jobs for a year. Unless there is a decrease in the level of unemployment (which currently exceeds 6.5 million) a significant expansion of these programs will be required.

RELEASE DEFERRED FEDERAL FUNDS

The administration has deferred the expenditure of over $23 billion that have been appropriated by the Congress. A large portion of these funds could be used to finance projects for which plans exist and the states and local agencies are ready to award contracts rapidly. Release of all or part of these funds could have an early and significant impact on employment in construction and allied industries and could be accomplished through action by either the President or the Congress.

PROVIDE IMMEDIATE TAX RELIEF FOR INDIVIDUALS

Congress should immediately enact tax relief for individuals. The actions should be designed primarily to restore the purchasing power of lower and middle income groups. Possible actions include (a) short-term (for 1975 only) reductions in income tax rates and/or the provision of income tax credits and (b) long-term adjustments of the personal exemption allowance and tax brackets to reflect inflation.

These actions would provide immediate relief for many of the people who have been most severely affected by recession and inflation. It would put additional money into the pockets of people who would be most likely to spend it, and thus would help to stimulate the economy.

INCREASE THE AVAILABILITY OF MONEY AND CREDIT THROUGH ACTION OF THE FEDERAL RESERVE SYSTEM

Many believe the rein on monetary growth imposed by the Federal Reserve lasted too long and has been a principal cause of the economic downturn. The money supply increased at an annual rate of 1.6% from June to September, much less than the rate of inflation. Between September and December it increased at a rate of 5.0%, but this is still not enough. A more substantial increase is necessary in order to reduce interest rates and stimulate the economy.

REMOVE THE FEDERAL EXCISE TAX ON MEDIUM AND HEAVY-DUTY TRUCKS

The excise tax on cars and light trucks was removed several years ago. The tax that remains is discriminatory. Its removal would help stimulate sales of medium and heavy-duty trucks and reduce costs to users.

DO NOT IMPOSE ANY NEW MOTOR VEHICLE STANDARDS UNTIL CONGRESS HAS EXAMINED ALL OF THE INTERRELATED SOCIAL AND ECONOMIC COSTS AND BENEFITS OF CURRENT, FUTURE AND PROPOSED FEDERAL STANDARDS FOR AUTOMOBILES

No new motor vehicle standards, whether for safety, damageability, emissions, noise or fuel economy, should be imposed until Congress has examined all of the interrelated social and economic costs and benefits of current, future and proposed standards. This re-examination should include effects on employment and energy consumption as well as direct costs and benefits to the public. New standards should not be imposed until such a re-examination has been conducted.

DETERMINE AND IMPLEMENT A NATIONAL ENERGY PROGRAM

We believe that concern over energy has contributed to the decline in consumer confidence in the economy. A quick decision on, and an early start to implement, a comprehensive national energy program is needed. Such a program should balance conservation measures with measures to increase supply, and should provide for extensive research into both conservation and production technologies.

CONSIDER OTHER PROGRAMS TO STIMULATE CONSUMER AND BUSINESS EXPENDITURES

Congress also should consider new programs such as a temporary increase in the investment tax credit and tax credits or deductions for individual purchasers of consumer durable goods. Programs of this nature would have to be carefully structured to avoid administrative complexity, "windfalls" and excessive impacts on federal revenues, and to confine their stimulus to expenditures that would otherwise be deferred or not made at all.

FOOD AND FUN FOR THE ELDERLY IN SACRAMENTO

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 6, 1975

Mr. BRADEMAS. Mr. Speaker, the November 1974 edition of HUD Challenge, published by the Department of Housing and Urban Development, carries an excellent article by Sue Thomas describing a nutrition program for elderly people in Sacramento, Calif.

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* Wayne, Oakland, Macomb, Livingston, Lapeer and St. Clair counties.

The program is one of 52 in California funded under Title VII of the Older Americans Act which is under the jurisdiction of the subcommittee I am privileged to chair. Title VII provides funds to States to support projects offering one hot meal a day, 5 days a week, to Americans aged 60 and over.

Mr. Speaker, the program described in this article illustrates that the nutrition program for the elderly offers not only food but also companionship, recreation, and human warmth.

A flavor of what this program means to the senior citizens of Sacramento can be gleaned from the following description:

> Banjo bands serenade the lunchers and provide music for dancing afterward; a self-proclaimed "hillbilly comedian" takes to the stage as often as he's asked; and, at one of the four centers, "Golden Fingers Charlie" jealously guards the piano.

There are several human portraits of more than passing interest, but perhaps the most touching is the following:

> An elderly man who arrived on his first visit unshaven, rumpled, and somewhat intoxicated, returned the next day sober and shaven. He now returns daily in a tie and freshly pressed suit.

But I think, Mr. Speaker, the description I most appreciated was of a man nicknamed "Graft and Corruption."

The article tells us that:

> He complains bitterly about government inadequacies with every bite, but comes every day!

Mr. Speaker, because I believe this article makes human the technical problems about which we legislate, I include it at this point in the RECORD.

NUTRITION PLUS! FOOD AND FUN FOR THE ELDERLY

(By Sue Thomas)

The elderly—like other groups that society sometimes tries to push into pigeon holes based on income, race, national origin, or education—continue to defy definition. As a matter of fact, many a frail, white-haired woman is more at home with a racing form than with a lap full of grandchildren. And probably few aging men resemble the bland, pipe-smoking cliches so often seen on television.

Elderly people are as individual and distinctive as other human beings. Probably more so, for they have had a lot more practice.

Tina Gontarski, coordinator of Sacramento, California's nutrition program for the elderly, daily bears witness to that fact. Tina is an employee of the Sacramento Housing and Redevelopment Agency, headed by Director William Seline. The agency's Federal grant to administer the program is the only one awarded to a California housing agency. Other grants for such nutrition programs have been made across the Nation, including a total of 52 in California, but few are administered by housing agencies.

The program itself was established by Title VII of the Older Americans Act of 1965. As amended by law March 22, 1972, the Act authorizes allotments on a formula basis to the States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands.

The allotments provide up to 90 percent of the costs of establishing and operating nutrition projects which furnish low-cost, nutritionally sound meals to persons aged 60 and over, and to their spouses regardless of age.

Sacramento's program began March 25, 1974, with the aim of eventually serving a hot, mid-day meal to 550 persons, five days a week at four sites selected for high-density concentrations of elderly residents. A secondary goal, federally funded for one year, was to break the grip of isolation and loneliness in which many older persons are caught.

Both objectives have met with extraordinary success. At present, an average 571 noon meals are served and the four centers are open from 10 a.m. to 2 p.m. daily. Crowds of people come not only to eat, but to socialize or take advantage of services and programs made available by the housing agency.

The opportunity to gather with others holds strong appeal. Says Tina Gontarski, "They treat us like a social club, not as if this were a necessary meal. It's their place and they feel like they belong."

CENTERS ADOPT OWN STYLE

Each center has developed a distinct atmosphere of its own, due to the supervisor in charge and the particular group it serves. There is even rivalry between the centers, where entertainment is supplied by outside volunteers or by the elderly participants themselves.

Banjo bands serenade the lunchers and provide music for dancing afterward; a self-proclaimed "hillbilly comedian" takes to the stage as often as he's asked; and, at one of the four centers, "Golden Fingers Charlie's" jealousy guards the piano. (When another pianist was invited to play, Charlie tried to pull him off the bench and has since claimed that the piano was ruined.)

As "Golden Fingers Charlie's" reputation as a piano whiz has spread, he has even been kidnapped by a carload of elderly abductors who swept him off to play during lunch at *their* center. A contrite Charlie now plays the "ruined" piano and vows not to be kidnapped again.

FRIENDSHIPS SPARKED

Many friendships, and a few romances, have blossomed at the centers, according to Tina. One of the volunteers related that an elderly woman who was lunching for the first time, registered a complaint.

"Young man," she said to him, "you seated me at a table with five men!"

When the volunteer began an apology, she continued, "That's all right. One of them asked me for my phone number and that hasn't happened in 17 years."

Troublemakers are never a problem, reports Tina. A small group of regular participants makes sure that the unruly or apparently inebriated are tactfully and quietly brought into line.

Most center visitors appear regularly three, four, or even five days a week. They are a fascinating mix of personalities. One man, nicknamed "Graft and Corruption," complains bitterly about government inadequacies with every bite, but comes every day. Mabel (not her real name) now eats alone because other diners have learned through experience that no uneaten dessert is safe within her reach.

An elderly man who arrived on his first visit unshaven, rumpled and somewhat intoxicated, returned the next day sober and shaven. He now returns daily in a tie and freshly pressed suit.

SERVICES VOLUNTEERED

There are now 60 regular volunteers assisting in the program, many of them formerly only participants. Seventy percent of the volunteers are over 60 years of age. Helping out, even in a small way, contributes to individual dignity and self-respect. There is a wide range of volunteer services; one center boasts dancing waiters and singing kitchen help. Those who can afford to pay may offer donations.

The Elderly Nutrition Program supplements meals at the centers with a small but growing home delivery program and other services. A Public Health Department nurse makes regular visits to the centers and glaucoma and hearing tests are on the agenda. A social worker is on duty at each center four hours daily to provide counseling, information and referral services. Employment opportunities are available through a Senior Job Mart. Lectures and classes are scheduled on various subjects and films and safety talks are provided by the Sacramento Police Community Relations Department.

The eagerness and enthusiasm of those who participate in the program is evidence of need for a chance to be with others and to escape the loneliness to which the elderly are prey. Recently, an elderly woman who learned that a safety film was to be scheduled at 11 a.m. arrived at 8:45 a.m. to make sure she would get a seat. That's how popular Sacramento's "food and fun" program has become with elderly residents.

OIL INVESTMENT NEEDED

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. COLLINS of Texas. Mr. Speaker, many questions have arisen over the question of oil industry profits. The subject is rarely presented in its proper perspective by judging profits against return on investment. I would like to share with my colleagues just one example of the tremendous outlay increases facing our producers.

The other day, I received a set of invoices from Corpus Christi describing the cost, over the past 30 years, of workover rig operations. A workover rig is a piece of equipment used by operators to solve production problems, search for new hydrocarbons, and maintain an oil well. Because operation of the workover rig includes cost, labor supervisions, taxes, fuel, depreciation, and maintenance, it represents a fairly accurate yardstick of increased oil production costs.

The first invoice is dated January 31, 1945. At that time the hourly cost of a workover rig was $10.50. By 1956, that cost had risen to $16.50 per hour. On September 9, 1974, a similar rig operation had risen to $50 an hour—five times the cost of operation in 1945, and on January 1, 1975, notice was served that the cost was being increased to $55.

With these costs in mind, let us look at corresponding prices for produced crude. In 1945, the cost of a barrel of crude was $2.52 in the Corpus Christi area. By 1956, this cost had risen only slightly to $2.90 per barrel, and in 1973, the cost was still only $3.28. While production costs were five times higher, crude prices had risen less than $1 per barrel. Facing these statistics, it is not hard to understand why many of our small producers are hesitant to take on the increased production which is so desperately needed.

Another example of tremendous cost increases is seen in the Alaska pipeline construction costs. The original cost of the pipeline was estimated by be $900 million. Today, that figure has risen to $6.5 billion.

Other countries have taken a much more realistic approach to their energy situations. Mexico, for example, after having a very late start in the oil producing business has achieved self-sufficiency. The price of gasoline in Mexico is 80 cents per gallon. When you consider the difference in economics, 80 cents per gallon in Mexico would be the same as $1.75 a gallon in the United States.

The Chase Manhattan Bank has estimated that our program for reasonable self-sufficiency will require over $15 billion annually in production and exploration costs. Before we rush into oil depletion allowance prohibitions and windfall taxes, I think that each of us should carefully study these basic facts. It is essential to encourage the oil industry to plow back the cash flow generated and keep the emphasis on more drilling in the United States.

NO MINORITIES ON FORD'S BLUE RIBBON PANEL

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. STOKES. Mr. Speaker, the American public was recently shocked by revelations of CIA domestic surveillance over U.S. citizens. Responding to a general outcry, President Ford appointed a blue ribbon panel to investigate the allegations. But his choices for that panel were an even greater affront to the American sense of justice. Congressman WILLIAM CLAY speaks very eloquently to the question of the lack of minority representation on the President's panel in the following article reprinted from the January 22, 1975, edition of the Boston Globe. I submit the article for the interest of my colleagues:

FORD DISPLAYS RARE "FOXMANSHIP"

Shortly following the revelation that the CIA had been involved in widespread domestic spying on U.S. citizens, President Ford announced that a panel of blue-ribbon citizens would be formed to look into the allegations.

White House press secretary Ron Nessen announced that these blue chippers would be individuals who had no previous connections with the CIA. As the panel was finally announced by the President, it sounded as if "no connections" was confused with "reconnections" with the CIA.

Heading the list was Vice President Rockefeller, who has been a long-time member of the Foreign Intelligence Advisory Board, which is charged with reviewing the activities of the CIA.

Gen. Lyman Lemnitzer formerly headed the Joint Chiefs of Staff at the time of the Bay of Pigs invasion.

Lane Kirkland, secretary-treasurer of the AFL-CIO, has long CIA connections.

Former Undersecretary of State Douglas Dillon is a long time pillar of the US foreign policy establishment.

Ronald Reagan is no relief since he is known for his contempt for civil disturbance and dissidence.

Longevity is certainly to be respected and the list sounded like a bid for gerontocracy, with its teenager being 52 years young. The "blue ribbon" suddenly paled to a familiar whitewash with no minority representation, which was a large target of CIA espionage activities.

Acting as if Watergate never happened, President Ford once again allowed the fox into the chicken coop to straighten up the mess. In doing so, he may turn out to be the craftiest fox of them all. Two of the foxes include the two most likely GOP presidential candidates facing Ford in 1976—Ronald Reagan and Nelson Rockefeller.

If by chance, the panel really does its job and turns out information damaging to the chairman, Nelson Rockefeller, the damage would be too great to overcome by 1976. If, on the other hand, the panel washes its hands in its own laundry water and attempts to cover up allegations that may surface during congressional investigations, then two foxes would be caught in the trap. Such foxmanship would allow Mr. Ford no trouble winning the GOP nomination.

It is shameful that once again this country has to reach back into the dungeons and waste valuable time, money and physical strength in order to clean up the Nixon mire.

In an effort to assure us that these activities will never happen again, I am joining with other colleagues in the House to advocate creation of a special congressional committee to oversee the activities of intelligence agencies such as the CIA. This committee will try to find out whether the law has been broken and, if so, seek prosecution of individuals responsible.

NO NONSENSE NATION

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. SHUSTER. Mr. Speaker, in these times when we hear so much about our so-called military commitments, the draft, amnesty and all the rest involved with national defense to foreign countries, it is refreshing to take a look at a truly "neutral" nation.

Switzerland is famous for more than timepieces and chocolate. Its greatest achievement is true neutrality.

I commend the reading of this editorial "No Nonsense Nation" in the Altoona Mirror recently to the Members of the House.

The editorial follows:

NO NONSENSE NATION

Only one country has withstood the test of time among the many which have declared themselves "neutral" in world affairs in the twentieth century. Neutrality is practically a synonym for Switzerland, so effectively have the Swiss lived up to the pledge of eternal neutrality made to them in 1815 at the Congress of Vienna, at the close of the Napoleonic wars.

But Switzerland doesn't take its neutrality lightly. It is prepared to go to war against an invader with armament and trained men which would do credit to nations many times her size. Every able-bodied male is subject to military training up to age 50.

Every Swiss home contains a war manual which covers everything from caring for the wounded to launching a grenade attack. All men subject to military call also must keep automatic rifles and ammunition in their homes.

Twenty divisions could be put in the field in hours, with a reserve of 750,000 men who have had military training. Hundreds of jet fighters, 1,000 tanks, assorted guided missiles and antitank rockets and an early warning radar defense network round out the Swiss defenses.

All military training in the land is defensive, designed to take the heaviest toll of an invading army at the lowest cost to the defenders. Considering the highly favorable terrain for defensive positions, this small nation with a population half that of Tokyo is capable of standing off giants.

Certainly the Swiss model of neutrality is worth emulating by the many countries, both large and small, which have not found a successful means of living in peace and mutual respect with their neighbors. Switzerland is not impregnable but she has shown the world she means it when she says all she wants to do is mind her own business.

Anyone wishing to test the firmness of that policy will pay dearly.

GOVERNMENT REGULATIONS HELP CAUSE INFLATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. CRANE. Mr. Speaker, the serious problem of inflation has two parts—too much money chasing too few goods.

The first part of the inflationary problem, too much money, is the result of excessive monetary expansion over a number of years. The cause of such an inflationary expansion of the money supply is chronic deficit spending by Congress. To cover expenditures that exceed tax revenues the Federal Government prints more money and thereby increases the money supply. This reckless excessive spending by Congress is the basic cause of our endemic inflation. This is why I have consistently voted against any unnecessary Federal spending bills while in Congress, and I will continue to do so in the future. Moreover, this is why I have further acted to cut reckless Federal spending by introducing and supporting legislation that would mandate that Congress balance the budget in the future by placing an absolute ceiling on all Federal spending.

The second part of the inflationary problem, too few goods, is a result of the growing supply of goods not keeping pace with the excessive expansion of the money supply. To the extent that Government regulations promote inefficient use of resources, pushing up costs without increasing production, such Government interference in the marketplace causes inflation. Such regulations, of course, are often intended to achieve other purposes, but too seldom are intended benefits weighed against their economic costs. Politicians imply that they can give constituents something for nothing through the regulatory process. The cost, they argue, will be borne by industry. This is misrepresentative nonsense. Eventually the consumer bears the cost through higher prices. The public through Federal regulations ends up paying excessive costs for minimum gain.

We in the United States have been blessed with the highest standard of living of any nation in the world. This is a result of our free enterprise system. It is the most efficient and most effective economic system history has ever known. Consequently, the free enterprise system delivers goods to the consumer at the lowest prices. Government interference in the marketplace through regulations undermines the free enterprise system causing costly economic disfunctioning. There is absolutely no way that bureaucrats, however well intentioned, can make the vital determinations governing the marketplace as efficiently over the long run as can individual consumers. Free from the discipline of the profit motive, bureaucrats generally promote regulations that are ineffective, inefficient, and costly to administer. Consequently, such regulations fuel the flames of rampant inflation.

It has been calculated that the cost to business large and small to fill out all the forms provided by Government is $18 billion a year and it is estimated that it costs the Government at all levels another $18 billion a year to print and shuffle paperwork. These costs are passed on to you as a consumer paying higher prices and as a taxpayer paying unnecessarily high taxes.

A prime example of the inflationary damage caused by Government interference in the marketplace is the rapid price increases in gasoline. Within a brief period of time the average cost of a gallon of gas has increased from just over 30 cents a gallon to around 60 cents a gallon. The current high cost of gasoline has less to do with the Arab oil boycott of last winter than with Government interference in the free market.

Since 1954 Federal regulators have kept the price of natural gas artificially low. By cutting potential profits in this manner, the Federal Government effectively discouraged further exploration for natural gas and thereby cut the supply of natural gas as a fuel supply. The Federal Government aggravated the problem in 1959 by imposing import quotas on oil which prevented suppliers from meeting the increasing demand for petroleum.

Such severe inflationary pressures were further heightened when development of the Alaskan pipeline, which could provide some 2 million barrels of oil a day, was delayed for 6 years. Beyond this, the Federal Government promulgated antiemission standards for automobiles resulting in cars that impose a 10-percent fuel penalty over cars built prior to enactment of these Federal regulations. Other Government environmental standards have forced factories to turn from burning cheap and plentiful soft coal to already strained supplies of gas, thereby increasing not only the demand for—and thus the price—of the gas itself, but also making the products more expensive. Additional restrictions have been added to already tough Federal regulations on atomic energy facilities, slowing the construction of new plants and reducing the electricity output of some already in operation.

It is readily apparent that long before the Arab boycott, Government interference in the marketplace was effectively working to force the consumer to pay higher prices for gasoline and other forms of energy. Now that the Arab oil boycott has long since been lifted, it is these Government interferences in the marketplace that continue to fuel the rampant inflationary prices for gasoline which you must pay.

Congress, however, does not learn. Last fall both Houses of Congress passed new inflationary cargo preference legislation regarding gasoline. This bill requires that 30 percent of all petroleum imports be transported in U.S. ships rather than competitively in whichever available ship will transport oil to the United States at the lowest cost. It is estimated that this new Government interference in the marketplace will add an unnecessary cost burden on the American economy approaching $60 billion over the next 10 years. That will result in all Americans paying grossly higher prices.

Of even greater concern than the debilitating inflation caused by Government interference in the marketplace is that such coercive action infringes upon our economic liberties. In our free enterprise system the jury of American business is found in the dollars of millions of free citizens who judge products and services as they choose between them. Government regulations take that liberty away from the consumer and put such power in the hands of nonelected bureaucrats not answerable to the consumer. You thereby begin to lose the freedom of economic choice; and, when economic freedom is challenged, our political freedom becomes increasingly tenuous. There is an intrinsic link between economic freedom and political freedom.

To the extent that Government interference in the marketplace hinders growth of productivity it causes inflation. The intended benefits of such regulations must be weighed against their economic costs and their harm to economic freedom. This is why I have consistently voted against needless Federal regulations of business while in Congress and I will continue to do so in the future. Moreover, this is why I have initiated and supported legislation that will repeal many of the inflationary regulations now in full force and effect that have contributed to today's unjust inflation.

Inflation was my top priority concern when I first was elected to Congress in 1969 and it has remained my top priority concern. I have opposed excessive Federal spending and needless Federal regulations where the intended benefits are far outweighed by the economic cost of further inflationary pressures. I pledge to you my continued stewardship to safeguard your pocketbook by fighting inflation in the years ahead.

HOOSIERS ARE NO. 1

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. MYERS of Indiana. Mr. Speaker, those of us from Indiana have always felt we were No. 1 in the Nation when it comes to playing basketball and so it is with some pride that I call to the attention of my colleagues the fact that the "Hurryin' Hoosiers" from Indiana University have been atop the world of collegiate basketball for the past 6 weeks.

The Hoosiers have won 25 straight and are ranked No. 1 in both the Associated Press and United Press International polls.

The Hoosiers are not new to such lofty heights. The 1953 NCAA champions finished the season No. 1 in both polls and the 1954 squad was rated No. 1 by United Press International.

To Head Coach Bobby Knight and the fantastic Hoosiers, we offer our congratulations on their No. 1 rating and best wishes for continued success in the remaining weeks of the season.

SENATOR PERCY STRESSES THE NEED FOR COOPERATIVE ACTION TO SOLVE WORLD PROBLEMS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. RANGEL. Mr. Speaker, the following address was given by Senator CHARLES PERCY to the General Assembly of the U.N. In it, he stresses the important point that if we are to solve our global problems, it must be through cooperative action. The creation of an international grain reserve, the discovery of alternative sources of energy, the elimination of unrestrained population growth—all these depend on the realization that the destiny of every individual nation is the destiny of the world. It will be impossible for any nation to stand while others are crumbling around it. Economic nationalism will be our demise; the conditions for our survival and our perpetuation are interdependent.

In light of our country's recent nonaction on the world food problem, I would like to submit this address for the consideration of my colleagues:

COOPERATIVE ACTIONS TO SOLVE ECONOMIC AND SOCIAL PROBLEMS

(Statement by Senator Charles H. Percy, U.S. Representative to the U.N. General Assembly)[1]

On this speck of debris in the universe which we call earth, no individual, no nation, no race can be an island unto itself. The economic and social issues that face one face us all.

Philosophically, the United States is committed to improving the economic and social welfare of humanity. The great difficulty is to translate our philosophical commitments into political realities. It is easy to speak in platitudes, but much harder to talk in the political realities of what can be done.

Certainly the major issues facing the 29th Assembly will be economic. They will be interwoven in the fabric of virtually every topic discussed. Without economic resources, we cannot realistically move to solve the vast social problems that beset this planet. This does not mean that economic and social problems are separate. They are not. In fact, many of the solutions to the economic problem of increasing the wealth of the world are closely tied to social conditions.

The state of humanity necessitates that the agenda before us be broad. The issues we must deal with this year include inflation, trade reform, monetary reform, economic assistance, population planning, food production, the status of women, and education.

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[1] Made in Committee II (Economic and Financial) of the U.N. General Assembly on Oct. 1 (text from USUN press release 123).

But as essential to all these issues, we must resolve through open discussion and negotiation the lowering of the price of international crude oil.

The price of international crude oil is the most destabilizing element in the world economy today. Its price denies the developing countries of the world adequate energy supplies to run their economies and fertilizer to grow their crops. The most seriously affected nations must take the rise in price directly out of the very low standard of living of their populace.

While the developed countries can borrow funds among each other in the short run, they will not be able to stand the drain of funds for a long period. No matter how effective the recycling of dollars is from oil exporters to oil importers, regional and national balance of payments disparities will grow so great that even many now-developed countries will be faced with international insolvency.

Such events could collapse the trade and monetary systems that have been so painfully constructed since the end of World War II. This in turn could certainly mean economic catastrophe, first for the less developed nations of the world, then for oil-dependent countries, and last for such countries as the U.S.S.R. and the United States who have oil resources of their own. And further, what optimism can there be in the long run for nations, primarily oil producers, in such a world?

No one can benefit from a worldwide depression. What will be lost is years of economic growth, resulting in despair for at least a generation of the world's people. What will be lost is a chance to work on our social and economic interests together. We must work together. There is no reasonable, rational alternative. Economic nationalism should not bring down the world economic system, and thus social and political systems; nor should that system be operated for the benefit of only a few.

An alternative solution, of course, to the problem of oil prices is the development of alternative energy sources. All nations must work cooperatively on energy research to achieve technical breakthroughs to harness new sources of energy and better develop existing energy sources.

At best, however, this is a longer term solution, and for the time being most nations will continue to be heavily reliant on oil. That is why the policy of certain oil-producing nations engaged in unilateral price fixing on a noneconomic basis, commonly known as cartels, poses such severe economic problems to the world.

Such practices, whether they be by sellers or buyers, by industrial nations or less developed, can be ruinous. Like retaliatory tariff barriers and competitive devaluations, economic nationalism can spread through the body of the world economy and essentially destroy it. The world has come too far to return to barter.

This body should further note that such practices are contrary to the principles and objectives of the General Agreement on Tariffs and Trade (GATT) in that they are monopolistic, anticompetitive, and distort flows of resources.

To be more specific, three key international organizations—GATT, the IMF [International Monetary Fund], and the IBRD (World Bank) [International Bank for Reconstruction and Development]—are the basis for today's world trade and payments system. Thus the international payments system itself is threatened by these practices.

Unilateral price fixing on a noneconomic basis is unusually bad no matter who does it—not just in oil but in all commodities. Those who decry the present oil crisis must also look to themselves—are they in the process of fixing other prices?

If these practices are continued, those shouldering the brunt of such practices, particularly in developing countries, can take only so much. Masses of unemployed and starving will bring a powerful political and economic reaction against those causing the problem.

Therefore we must all consider in this forum and send home to our governments the following message:

Abandon monopolistic economic practices, wherever they may exist, that are now the main cause of distortion in our world economy.

Return to and reaffirm the open trade and free payments principles of these organizations—the United Nations, GATT, IMF, and IBRD.

Understand that the long-term prosperity of each nation depends to a degree on the prosperity of all nations.

Understand that not to correct these problems is to threaten grave economic disruption worldwide.

My own country certainly has a strong responsibility to help achieve these ends. Less developed countries need more access to the markets of developed nations. While our trading system is built on the idea of comparative advantage, the realities of economics are such that it is difficult to penetrate major markets and risky to move against established competition.

The trade reform bill now before the U.S. Senate establishes the principle of trade preferences for less developed countries. It is not enough, I would be the first to admit, but it is a start. As a realist, I can only report that it may be politically difficult to get more.

NEED FOR NEW SOLUTIONS

The economic problems facing the world today have been further aggravated by world social problems and demonstrate the need to view economic and social questions as inextricably related. The solution of one without the other is impossible.

As stated by the U.N. Committee for Development Planning in its 1970 report: [2]

While it is evident that high rates of growth of output and income have to be realized in these (developing) countries in order to eliminate mass poverty, to generate fuller opportunities all round and to finance some of the social measures, the process of development has itself to be viewed in terms of fundamental structural changes and as much with reference to concepts and methods appropriate to planned social transformation as those customary to economic analysis and policy-making . . . for this reason, *the distinction often made between economic and social objectives is not a very meaningful one to draw.* [Italic added.]

How true. In the search for solutions to our traumatic economic and social problems, we must find a rational balance between people and resources so that the quality of human life worldwide may be enhanced.

If the problems basic to human and national survival—the population explosion, food and resource shortages, mass poverty—are to be solved, new, nonstereotypic solutions are needed.

Central to the creative and innovative processes needed to produce these new solutions is education. Education is the fount of knowledge and thus the basis from which civilization, cultures, and humankind have grown and advanced. Education has been the basis from which the world has made its immense advances in science and technology. If the world's acute problems of poverty, disease, and hunger are to be resolved, education must continue to produce the breakthroughs necessary to expand agricultural, industrial, and technological productivity. Increasing technological progress, however, will require new skills and resources. Only through education will the need for expanded skills and resources keep in line with new demands.

That education is integral to national development goes without saying. Education, however, is also the basis for personal development. It is through education that people seek to improve themselves and reach full potential.

We have to take into account that we are all committed to education. The more education people get, the more dissatisfied they become with their lives when the shackles of ignorance are thrown off, if their rising expectations are not met. They will become a destabilizing force within each nation if they have no hope and are faced only with despair.

FULL UTILIZATION OF TALENTS OF WOMEN

The ultimate purpose of economic growth, stability, and well-being is to provide the opportunities for a better life to all people. Particularly important will be the elimination of mass poverty and social injustice.

One of the greatest economic mistakes and social injustices that almost every nation in the world has at one time or another been guilty of is the assignment of women to a second-class role in society.

Actually, the role women often do play in contributing to social and economic development has perhaps gone as unrecognized as the potential role they can play. But, with great justification, no longer are they going to tolerate it. Action must be taken to correct both of these problems if women are to be fully integrated into all aspects of national and international economic, political, and social activity.

Both economic and social development require the full utilization and recognition of all individuals in society—economic development because all potential resources must be utilized in this effort, social development because a fundamental precept of human rights is that all people must be allowed to participate in the economic and political processes by which decisions are made about their lives.

It was because of this that I sponsored legislation in the U.S. Senate requiring the United States to work so far as possible toward the integration of women into the implementation of our foreign aid programs. This requirement is now law, but we must work to assure that its intent is carried out

Similarly, we must all work to assure that the principle of equality for women established in the original U.N. Charter is realized—not only in the nations of the world but in the functioning of the United Nations itself. We must all work, individually and collectively, on the economic and social changes necessary to bring this about.

Education and the avenues for greater participation in society give birth to rising expectations, expectations which cannot be met without new economic development.

The United Nations has wisely designated 1975 as International Women's Year. But let us not wait until next year to develop programs to better utilize one-half of the world's human resources. ECOSOC [Economic and Social Council] has called for a World Conference on the Status of Women, which Colombia has offered to host, in June 1975. We fully support the objective of the Year and the conference and will do all we can to insure the success of both.

GLOBAL APPROACH TO POPULATION PROBLEMS

In another area involving the linking of economic and social issues, the United Nations was living up to its potential as a global problem-solving organization in naming 1974 as World Population Year and in sponsoring the World Population Conference in Bucharest. In sponsoring Population Year and the conference, the United Nations has successfully assumed a leadership role in urging upon the world community the need for a unified approach to development and the problems that accompany development.

At the Bucharest World Population Conference, I was particularly struck by the complex interrelationships of the economic and social problems we face. The subject of population was once the esoteric realm of demographers—scientists whose concern was with numbers and distributions of people. In 1974, however, the population issue can no longer be separated from the problems of agriculture, resources, land use, health, education, women's rights, as well as all other aspects of economic and social development.

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[2] U.N. doc. E/4776.

In Bucharest, the global approach to problem solving worked well. Candid expressions of widely disparate views were heard, but they did not obscure the real desire of participating nations to reach agreement on approaches to population problems. The World Plan of Action, the document resulting from the Conference, is an outline which any nation may follow in its search for improved living conditions and opportunities for its people.

The Plan of Action is an excellent base upon which the United Nations and its member nations can build. But the Plan of Action must be recognized as only an outline and only a foundation for continuing efforts. The United Nations must not delay in urging all nations to accept as their own and to implement the far-reaching recommendations of the Plan of Action. At this point, the Plan of Action is only a document. Concerted efforts by us here in New York and by the governments of all nations can, however, transform that document into a reality that will mean a higher quality of life for all people.

SHORT-TERM AND LONG-TERM FOOD PROBLEMS

Finally, no problem is more economically and socially intertwined or global in dimension or in greater immediate need of U.N. attention and assistance than the world food situation. During a recent visit to South Asia, I saw firsthand the magnitude of unmet nutritional needs the world faces.

The problem is that if food production only stays even with demand for the foreseeable future, then it will be impossible to upgrade the diets of those who exist on subsistence or lesser diets at present. Hundreds of millions of persons around the world are undernourished or even malnourished. Moreover, if production fails to live up to expectations for any one of a number of reasons, then millions who are now malnourished because of subsistence diets will fall below this dietary level. They will starve.

We face two different but related problems. There is the short-term problem of providing food aid to meet existing food emergencies and of organizing a system to deal with similar situations which may arise in the next few years, and there is the longer range problem of increasing worldwide production, particularly in developing countries. This latter problem requires nothing short of a revolution in the countryside of developing nations. Neither set of problems will be easily solved. For our part, the United States this year will increase the amount of money we spend on food aid for others.

Such aid, however, even from many nations, is not enough and can never be enough. Long-term relief can only be accomplished through increased agricultural production in developing countries. As a U.S. Senator from a major agricultural state, I know that the lives of millions in distant lands cannot be allowed to depend on crop success or failure in another country.

Developing countries must have fertilizer production capability and the technological base from which to guide their own growth. And the developed nations must assist them in achieving this independent base. This is the main avenue to economic and social growth with justice.

I find it encouraging that the concept of a U.N.-sponsored World Food Conference developed simultaneously in the U.S. Government and at the last Nonaligned Conference. The fact that we worked together in the last Assembly and the Economic and Social Council to bring this idea to fruition bodes well. But as with the Population Conference, the United Nations has responsibility to carry through, and well beyond the World Food Conference, with efforts to solve the problem of production, storage, and distribution we all face.

In summation then, what the global community must do and what the United Nations must actively encourage are the following:

1. The price of international crude oil must be lowered.

2. The development of alternative sources of energy must be encouraged.

3. Economic nationalism should be discouraged, and we must return to the open trade and free payments principles of the United Nations along with a monetary system adapted to our changing world.

4. Educational opportunities for all peoples must continue to expand, but opportunities for economic fulfillment must expand commensurately.

5. Women must be given a greater role in economic development.

6. The United Nations must help encourage countries to deal with population problems by developing plans to eliminate unrestrained population growth.

7. We must solve the world's food problems through an international system of nationally held food reserves and increased investments in research, fertilizer production, and development assistance.

Only if we really work together on these problems and dedicate ourselves to their solutions will we have the chance to actually benefit all of humankind. If we just let empty rhetoric consume our days this fall, then we will have empty stomachs. Nations will have to empty treasuries, and eventually we will all go down together. On the other hand, through cooperative action the self-interest of all nations, we can find solutions to these problems which will be worthy of the objectives of this organization.

SUPERSONIC AIRCRAFT FLEET

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. WOLFF. Mr. Speaker, last week I called attention to the work of a distinguished scientist who has had the courage to openly challenge the Department of Transportation's misleading statements on the dangers to world health of a fleet of supersonic aircraft.

Today I am pleased to present for the RECORD a story by a distinguished environmental reporter for Newsday, of Long Island, Mr. Harry Pearson. I must say that this story, which appeared in Newsday, January 30, first alerted me to the problems posed by the DOT's report. Stories and headlines carried in other papers, including here in the Nation's Capital, I am sorry to say, apparently fell for the smoke screen laid down by the DOT.

But as you will see, Harry Pearson did what all good journalists do by going beyond the story handed out by some interested party to check for himself. And what a story he found, Mr. Speaker. A story of possible duplicity at the highest levels of our scientific establishment.

It is my hope that the Office of Technology Assessment probe I have requested will get to the bottom of the story once and for all.

[From the Long Island (N.Y.) Newsday, January 30, 1975]

EXPERT: UNITED STATES IS MISREADING SST DATA

(By Harry Pearson)

WASHINGTON.— Last week, the Department of Transportation released the results of a three-year study of the effects of the supersonic transport on the stratosphere, a report minimizing earlier scientific predictions that the plane would destroy much of the ozone shield that protects life on earth from deadly solar radiation.

Yesterday, an expert on the earth's upper atmosphere told a Senate committee that the study data actually contradicts the conclusions drawn by the agency, and shows that a fleet of 500 SSTs could strip away 40 per cent of the ozone shield and, within a single year, put an end to life on earth as it is.

The scientist, Thomas M. Donahue, chairman of the University of Michigan's atmospheric and ocean science department, said he had examined the agency's preliminary data last fall. He said that the department had changed some important basic assumptions in the final report—such as assuming one SST would fly four hours a day instead of eight, thereby cutting its pollution by half—and had failed to correct mathematical errors. The errors would, if corrected, confirm the most pessimistic predictions about the plane's effect on ozone, he said.

The official in charge of the study, Alan Grobecker, defended the new calculations on a variety of grounds. For one thing, he said, Donahue has not seen an appendix explaining the study's methodology. When he does, he will be satisfied, Grobecker contended. The reduced flying time was based on new airline estimates.

Grobecker said that a fleet of 500 SSTs flying four hours a day, would strip away only 1.5 per cent of the ozone shield each year. (Donahue maintains that the figure is off by more than 40 per cent.) Grobecker said the present Anglo-French and Soviet SSTs, which number just over a dozen, have had no measurable impact on the upper atmosphere and that 125 SSTs would have to be flying in the stratosphere daily before scientists could measure an impact.

Donahue, who testified before the Senate Aeronautical and Space Committee on threats to the ozone, said the department's study showed that for every one per cent the ozone was reduced there would be a two per cent increase in the incidence of skin cancer. "Since there are," he said, "among the white population of the United States 600,000 new cases of skin cancer and 2,000 deaths resulting from skin cancer reported every year, this SST effect would work out to about 100,000 new skin cancer cases and 340 extra related deaths in the United States every year per hundred SSTs . . . 500 SSTs would result in a 42.5 per cent reduction in ozone and this result could only be characterized as cataclysmic."

EVER-INCREASING OIL PRICES

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. MOFFETT. Mr. Speaker, during these frantic days of trying to bring under control the inflationary effects of ever-increasing oil prices and developing a rational, people-based national energy policy, we must give consideration to varying perspectives on these problems and proposed solutions. The Institute of Policy Studies, a Washington-based think tank, has published in the January issue of their newsletter a plan for public ownership and management of the U.S. energy industry. Because of my feelings that Members should be well-informed on all sides of the issues, I insert this article in the RECORD.

[From the Elements, January 1975]

NEW ENERGY—OUR PLAN IS TO TURN THE PRIVATELY CONTROLLED U.S. ENERGY INDUSTRY INTO A SOCIALIZED REGIONAL AND LOCAL NETWORK

Last year a group of us at the Institute for Policy Studies sought to develop the outlines of an overall plan that would change the existing energy system in the United States. We set forth principles, and then a tentative scheme for a new system, actually a network of democratically constituted local, regional and national energy organizations. This system would have the authority to produce, transmit and distribute energy throughout the nation. Its introduction clearly would have major effects on other parts of the political economy as well.

In doing so we recognized all the dangers inherent in Utopian planning. But it seemed to us important to set forth a vision for the future and also a fretwork into which various reforms or changes could be fit. Otherwise, we are likely to go fumbling along, patching up a decrepit system here and there, not driving for any fundamental change.

Our plan or system is based on several principles, including:

1. The natural resources of the nation should belong to all the people.

2. Each citizen should be assured a fair share of the energy made available to the American people.

3. Whatever system is developed, it should be firmly rooted in local popular control. Thus, regional and district agencies, created under the plan, should be involved in every stage of the preparation of the national energy plan.

4. All information regarding the activities of every energy agency, all reserve statistics and data on energy consumption should be publicly available on a timely basis, to facilitate the fullest possible participation by the public in the preparation of the plan, and in its subsequent implementation.

5. The prices of energy products should be set at the minimum level consistent with the costs of production and the ecologically-sound use of the nation's resources, including not only energy resources but also air, water, land and other natural resources.

6. There should be the minimum possible consumption of non-renewable resources. Where possible, the energy plan should be coordinated with other national planning aimed at reducing the consumption of non-renewable resources.

With these principles in mind, the group then began to lay out an initial, tentative scheme for actually translating the ideas into a legislative and administrative program.

Briefly, the concept calls for creation of public energy districts around the country. There would be several hundred such districts, and the district energy boards would be chosen in general elections. The district boards would plan, control and administer energy production and distribution within their territories. They are the guts of the system. The local districts, in turn, would send representatives to regional energy boards. The regional boards would send representatives to the national energy agency, which would coordinate and develop national energy policy and arrange for international transactions.

This governmental system would plan energy development and execute energy policy. It would dispense research and development funds and administer large portions of the energy apparatus that is now under private control.

The essential aim was to ground an energy system in responsive democratic government at the local level, which would not only govern, but whose constituents would be intimately involved in actual production, distribution and use of energy. The plan would place control of private transportation systems, i.e., oil and gas pipelines and electric transmission systems, in the hands of the national agency. The plan additionally would sever the bonds that link industry and government by removing planning from the industry purview and putting it in the hands of the new system. Research and development functions also would be taken from the federal government and industry, and instead placed directly in the hands of the district, regional and national energy agencies.

In practice this energy system might work like this: The energy district board of, let's say, Riverhead, Long Island, New York, would meet weekly to debate and develop energy policy that would include a five to ten year forward plan. These plans would take into account such factors as the feasibility of introducing solar energy for heating and cooling of buildings, low energy architecture, transportation and industrial patterns. Riverhead's district then would join with other public energy districts making up a Middle Atlantic region, for monthly meetings at New York. At these meetings, the Riverhead representative would work with other regional representatives in hammering out a coordinated energy plan, also involving maximum use of solar and other alternative energy schemes. These meetings would result in a regional plan, which the regional representative would present in Washington to the national agency. The members of the national agency, each one representing a region, would then work up a coordinated national plan that sought to meet the requirements of each region and district.

Suppose, in the case of the Middle Atlantic region, including Riverhead, the national plan calls for allocating oil to be used for medicine and gasoline. The national board allots the region an amount of oil production on the outer-continental shelf off Louisiana. Then the Middle Atlantic region contracts with the southern region for production of the oil at rates established by the national board. The oil then is transported from offshore Louisiana to Middle Atlantic refineries via pipelines controlled by the national board, and from the Middle Atlantic refineries to Riverhead, in pipelines controlled by the region.

This system is operated by a popular governmental planning process that is grounded in local constituencies. Private enterprise functions within this system in a circumscribed way, i.e., its methods of operation, rates, etc., are established by the system, treated in effect as a public utility.

Here is a more detailed description of the plan's different aspects:

PUBLIC ENERGY DISTRICTS

The heart of the plan involves creation of a new local governmental unit to administer energy policy—the Public Energy District (PED). This would be a sort of municipal corporation, a political subdivision within a state. The idea is taken in part from Lee Webb's work on a model energy scheme for Vermont. In part it is based on historical experience in the state of Washington. As David Whisnant has described the Washington experience in *People's Appalachia*, "In concept the public utility district is relatively simple. Normally a PUD law authorized a publicly controlled body to issue revenue-producing bonds, receive and disburse funds, acquire real estate (by condemnation if necessary), construct dams and other power generation and distribution facilities, and sell electric power. Many PUDs in the northwest are distribution facilities only, buying their power from the Bonneville Power Administration. All PUDs pay a specified portion of their receipts into the general revenue funds of their counties. As nonprofit enterprises, they are able to supply electricity to their customers at about half the rate charged by private utilities, while paying off their own indebtedness to bondholders.

"The public utility district mechanism quickly proved capable of achieving spectacular results in poor Washington counties. Tiny Lewis County, with a population of 35,000 farmers, loggers, and cattlemen and no industry, now operates a $2 million-a-year PUD which provides nearly a quarter of a million dollars a year in revenues for the county—including $125,000 per year to support its public schools. Chelan County, also quite small, started its PUD in 1936 and purchased its first transmission lines nine years later. Within the next few years it bought out some existing power systems, built a 249,000 KW generating facility at Rock Island, and financed construction of its own Rocky Reach dam by selling $263 million worth of revenue bonds. The 800,000 KW Rocky Reach project is a model of activity in the public interest; its powerhouse even includes a museum of artifacts excavated during construction of the dam. Power from Rocky Reach, available by 1961, attracted manufacturing installations by Alcoa, Dow Chemical, the Vanadium Corporation, and others. By 1967, 22 Washington PUDs were supplying electric power to 280,000 customers."

Directors of the PED would be elected at the polls as part of regularly scheduled elections with standards set for local geographic and worker representation.

A public energy district would have power of eminent domain, but not the power to tax.

The public energy district would be the basic unit within the proposed system of local, regional, and federal energy planning and administrative bodies. It would conduct planning, carry out research and development, produce oil, gas, coal, uranium, etc., design and manufacture solar collectors, build oil refineries, lay pipelines, operate and construct electric generation systems—all of the functions now carried on by the different energy industries or fragmented public or non-profit bodies.

It is anticipated that the district would continuously debate energy policy and establish and administer policy for the region. It would set utility rates and priorities for end use of fuels.

The district is meant to be a powerful political and economic organization. For example, if an automobile manufacturer sought to open a plant within a public energy district, it must first submit a detailed plan of operations to the PED whereupon the directors would initiate hearings on the advisability of building such a plant, initially taking into account the plan's impact on energy and the environment. But as the PED developed, it might also go further, inquiring into the energy efficiency and usefulness of the end product, i.e., car, truck or bus; the effect of the plant on employment and transportation within the PED, environmental impacts, effect on economic growth policies, and in other ways look into the beneficial and adverse effects of constructing the factory.

Within the different operations of the district, workers would manage and operate the facilities, although the overall policies would be determined by the district board or council, which of course also would include workers.

REGIONAL ENERGY BOARDS

Each public energy district would send a representative of its board to a regional energy board. The federal government has developed 10 multistate regions for the purpose of administering its different programs, and while these regions are arbitrary, the plan uses them as a basis, at least tentatively.

(There are several different sorts of federal regions, including six large "depressed areas" defined by the Economic Development Administration; 25 metropolitan administrative areas called Federal Executive Boards, and 10 overall administrative regions which cover the entire nation and its territories. Under Nixon, the major emphasis was to develop the 10 regions, and the Department of Labor, HUD and HEW all were committed to similar regional concepts, and often had offices in the same building in the same city, which served as a sort of regional capital: Boston, New York, Philadelphia, Atlanta, Dallas, Denver, Chicago, San Francisco, Seattle, and Kansas City. Nixon set up a regional council where representatives of each involved agency have a seat.)

While the public energy district would administer energy resources on a day to day basis, the regional board would allocate resources within the total area.

The Tennessee Valley Authority provides an idea of what a regional organization might be like. Since its origins in 1933, TVA sought to mesh together different aspects of resource planning, electric power, agriculture, industry, fertilizer production, navigation, flood control, recreation, conservation. It conceived of the immediate job as not merely to build dams and reservoirs, but to put people to work. It did not contract for the workers, but hired them directly, building them communities, attending to their health needs. It was an important force in reinforcing existing state and local governments, by delegating tasks to these governments on a contractual basis. Its free technical services helped raise the level of state and local services.

Even though it was entirely surrounded by hostile corporations and a federal government which reinforced those corporations, TVA became an immensely important economic force, far more so than often is recognized. It should be remembered that TVA's electrical production program initially made possible the nuclear industry. Without the vast quantities of electricity produced by the combined coal and hydroelectric plants of the valley authority, the Atomic Energy Commission's uranium enrichment plants could never have operated. In providing that electricity, TVA literally reorganized the coal industry. It introduced the concept of long term contracts, was an important factor in mechanizing the coal industry, and became the single largest purchaser of coal, a vital factor in the market. It also introduced a modicum of sanity into the electrical utility industry, through its interlinks with other private systems in the south and southeastern mountains, particularly the American Electric Power Company's operations. Despite the vitriolic attacks made upon TVA by private power, the valley authority, through these entities, made the private systems stronger and more stable.

The tragedy of TVA is that because it became so much an instrument of national economic policy, it has been placed in a position of turning against its own constituency on the strip mine issue. Because of its policy of providing low priced electricity, the authority seeks out coal at the lower prices, and hence trades heavily in strip mined coal from Appalachia. Strip mining is ruinous to the entire region; by buying the stripped coal TVA turns its own constituency against it.

A similar situation developed around nuclear power. TVA reorganized the coal industry to provide the electricity to enrich the uranium necessary for hydrogen bombs and nuclear power plants. In doing so it was answering the dictates of the Pentagon, which was anxious to perpetuate nuclear technology.

Under this new proposal, the possibility of such policy would be greatly lessened by grounding the policies of a TVA-like authority in the local districts, which in this instance would include the strip mined areas, and it could not become an instrument of topdown federal policy.

NATIONAL ENERGY ORGANIZATION

The purpose of this board or agency would be to coordinate the ideas and plans of the different regions. It would be an important organization, providing the point of contact with the federal governmental apparatus and the Congress.

It would have several principal functions. Perhaps the most important would be to act as trustee of the nation's natural resources, allocating scarce resources to regions for distribution to localities.

In principle, all natural resources of the nation ought to be public, and not given solely to any corporation for exploitation on its own terms. But, as with all other aspects of this plan, transitional steps are needed. Here is one good example:

The national agency could take over from the Interior Department administration of those territories already in the public domain; that is, areas specifically removed from commerce by the Congress for the purpose of the general public good. These federal resources include an extensive amount of mineral fuels. The estimates vary. According to a common estimate, over 50 percent of the fossil fuel energy resources of the United States are in the public domain territories. Some estimates place the amounts as high as 80 percent. According to the Ford Foundation's Energy Policy Project report, about one-third of the remaining domestic oil and gas resources are estimated as likely to be found in the outercontinental shelf, which is part of the public domain. In 1972, the outercontinental shelf lands produced 10 percent of the domestic oil and 16 percent of the domestic gas. Oil shale is almost entirely controlled by the federal government. About one-half the domestic coal in the West is under federal control. About 85 percent of the strippable low sulphur deposits are in the public domain. About half of the nation's geothermal resources are on public land. An estimated 50 percent of the domestic uranium supply is in the public domain.

These estimates do not include the huge areas of Alaska that already have been leased by the federal government to oil companies, nor the state-controlled lands.

Under one concept, a transitional scheme would be to place these important resources, already in the federal public domain (and in one sense "nationalized") within the control of the national agency, whose regional constituents then could make initial plans and coordinate national policy based on this resource base.

Eventually, the idea would be to widen the concept of public lands so that all natural resources, including mineral fuel resources, were considered public.

In principle then, all energy sources would come under the public control.

In addition, the national organization should have a planning staff that functioned as a public research and development center serving the different regions. Probably this staff would conduct the mapping and resource estimates that now are carried out by private industry.

The national organization would take over functions of the Federal Power Commission and the other regulatory agencies. For instance, it would establish all interstate rates and end use priorities for energy, and arrange for international trade.

As the history of the modern energy cordustry instructs, again and again large corporate interests—the Standard Oil Trust, its successor companies, the Morgans, Insulls, Rockefellers—dominated different sectors of the industry through control of the transmission facilities. Rockefeller initially built his monopoly through control over transportation. In the 1930s, the Morgans and Rockefellers controlled the natural gas business by dominating the pipelines. In California today, the major companies control the industry by ownership of pipelines. In electricity, brownouts and blackouts are due in large part to the inefficient systems caused because private companies refuse to transmit public power and interlock their systems with public power systems. Tanker fleets, the largest navies in the world, still are controlled by the major oil companies, and so on. Transportation of energy is absolutely crucial to its ultimate control. Therefore, under the plan the major interstate transportation facilities should be placed under direct control of the national energy board. This is a crucial part of our long range plan.

The plan would have the national board in a staged process acquire outright control (obtain 51 percent of securities) of the major interstate natural gas and oil pipelines, and electrical transmission systems.

During this 10-year period, the national energy board would lease and operate those portions of oil, gas and electrical transmission systems necessary to transmit energy from public domain territories to the different public energy districts. Terms of the leases would be negotiated between the board and the companies.

The lease period would provide an effective test of the systems and the energy board could determine which parts of the transportation lines could be used in its developing inter-regional system.

In the case of interstate commerce in energy that was transported by water, rail, truck or airplane, the energy board would establish rates and prescribe general policy.

While the national board would determine policy and establish rates, the actual work would be carried out at the local level by the PEDs. Neither the national energy board nor the regional boards should maintain sizeable bureaucracies. All work, including planning, bookkeeping, hearings and investigations should be conducted by the PED staff.

The national energy board would regulate commerce in energy between regions. Commerce within a given region, among the public energy districts, would be governed by the regional board. Commerce within the public energy district would be regulated by that board.

PLANNING

As the brief history of the oil and coal industries indicates, the crucial element in the industry's control of public resources and of federal governmental policy is planning. Systematically, since the early 1920s, the federal government has given over to industry access to natural resources and has refused to plan these resources.

The central, most important step in breaking apart big capital from the federal government would be to remove planning from the industry. The representative federal board as envisioned in this plan would conduct routine, careful mapping of the nation's mineral energy resources, including geophysical assessments, shallow and deep core drilling, environmental tests, aerial and space surveys, mapping and testing of the nation's coal, etc.

As with other parts of the proposed system, the actual work would be carried out within the different energy districts under contract from the federal and regional boards.

Federal money designated for planning would be earmarked for use first by local energy districts, and secondly through contract with not-for-profit groups within the localities.

Where the money was spent on private industry, it would go to locally owned and managed small business.

This is a tentative long range plan for political action. It cannot be implemented tomorrow; the outline surely will change with experience and discussion. But we offer the plan as the beginning of a debate for socializing our natural resources.

(Those participating in the IPS discussions included Bettina Conner, Len Rodberg, James Ridgeway, Robb Burlage. A more detailed version of this plan will appear in *New Energy*, by James Ridgeway and Bettina Conner, to be published by Beacon Press this spring.)

CORPORATE SOCIAL RESPONSIBILITIES

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. STOKES. Mr. Speaker, the black businessman has a unique perspective on the role and responsibility of business corporations in improving the quality of life for all Americans. A black leader in the corporate world, and my personal friend for many years, Mr. Harold Sims, has eloquently addressed himself to the subject of corporate social responsibility in the following article reprinted from Contact magazine. I submit Harold Sim's commentary on this topic of emerging importance for the interest of my colleagues:

THE QUEST FOR CORPORATE SOCIAL RESPONSIBILITY: ALTRUISM, NECESSITY OR OPPORTUNITY

(By Harold R. Sims)

". . . profit takes on a new meaning for enlightened businessmen who know that unless today's profits are in part used for important social ends, there may be no profits tomorrow." Whitney M. Young, Jr., from Beyond Racism, 1969.

Nowadays, it seems that everyone is talking about corporate social responsibility. From every spectrum of the American ideological span, from Milton Friedman to Michael Harrington, debates and discussions ensue about the proper or improper role business must increasingly play or not play in using its resources to become more directly involved in the nation's new campaign to improve the quality of life.

In many ways, this is a curious and unbalanced debate. On the more visible side, the American corporation is often portrayed as a greedy, insensitive power broker which only reacts to short-term profits, government decree or consumer threat. Yet, on the less visible side, many of the principal architects of these negative or cynical portrayals have been empowered to effectively challenge the corporations from the very resources and technology which the corporations generate.

This latter point—the funding or enabling by American business of the institutions which have been among its most effective critics—may be among its greatest contributions to the free enterprise system to date.

In some ways, this unbalanced debate is part of the overall disenchantment with established institutions of any kind within the public cynicism and distrust of our times.

In other ways, these portrayals may also suggest that in view of the failure of other major, non-profit and tax-supported American institutions to stabilize or reverse our national drift towards social mismanagement and human resource abuse, the American public has turned to the business corporation to demand that it play an increased role in solving the human and social problems that are currently undermining America's present and future and the very survival of its marketplace. This conclusion was best articulated by the eminent humanist and social thinker, Dr. Kenneth Clark, when he concluded that: "Business and industry are our last hope. They are the most realistic elements in our society."

Whatever the rationale, there is widespread recognition today that business corporations must take a more active role and an increased involvement in more directly pursuing and meeting the social, consumer and citizenship challenges of these times.

To aid in this contemporary quest for the "why to" and the "how to" of greater corporate social response, this article will examine this emerging challenge from these overlooked or new prespectives: (1) The historical role of business corporations as fundamental social institutions; and (2) the unique role of the Black American experience as a key barometer to social change and opportunity.

HISTORIC ROOTS AND SOCIAL FRUITS

("Commerce is generally understood to be the basis on which the power of this country hath been raised, and on which it must ever stand."—Benjamin Franklin.)

In the quest for corporate social responsibility, one of the greatest barriers is a limited understanding of the primary and historic roles the business corporation has played in the evolution of Western society and the non-Western world. This limited understanding has led to a great deal of ethnic and human amnesia, propaganda and guilt about how the United States was made and the role economics played in it.

Without clarifying that evolutionary framework, it will be almost impossible for corporations to move beyond reaction to affirmatively and aggressively learn how to better relate social responsibility to its bottom line.

Carefully and creatively reexamined then, this excluded history reminds us that:

America is fundamentally an economic system;

It was an economic system long before it was a political or a democratic system;

In the 470 odd years since that system was planted in North America, economic considerations have tended to dominate all or most other concerns, whether spiritual, political or ideological;

The earliest and most enduring instrument of this European-launched economic system was the foreign-owned, European-based trading company—the forerunner to today's multinational, multi-geographic corporation; and

This trading company or foreign-controlled, state-owned corporation, born in the post-Marco Polo age, became the greatest and most effective weapon of conquest (called colonialism), as well as economic development, in the history of humankind. By dividing and pacifying people on the basis of relative need, supply, demand and exchange, it separated relative from relative, nation from nation, tribe from tribe—rearranging civilizations on the basis of markets and resources rather than custom and tradition.

Slavery then existed in America for economic necessity or cause, not for racial or moral reasons, and when it became uneconomical it died—notwithstanding the instrument of war.

Segregation existed in America for economic not political reasons, and when it became uneconomical it died—notwithstanding the instruments of organization, philanthropy, protest and Black Messiahs.

Today, those same economic forces which permitted and encouraged a nation founded on principles to undermine its very inception with evil and misdeeds now demands that, to survive, it must *include all* Americans, as ruthlessly as it *excluded some* Americans. It must *pursue humanity* for all, as relentlessly as it *tolerated inhumanity* to many.

Commerce or business is the very heart of the American system. Not only was it a principal cause of the nation's revolution and the foundation of the Republic, but the individuals who wrote and shaped its Constitution and institutions were all essentially businessmen.

The real and enduring strength in America's private enterprise system lies not in its mythological exhortations about so-called self-made men but in what Paul N. Ylvisaker calls "creative aristocracy." That is, business' ability to accommodate, include and utilize enormous diversity based on talent and performance rather than heredity, race, sex and class, as the right places, at the right time.

For example, throughout its early history American business was an exclusive club, run by owner/managers and frequently dominated by men from Great Britain and other points in Western and Central Europe. The alienated and restless minorities which violently and noisily confronted that system in the "isms" and "movements" of the time were basically the late arrivals with the funny names and wrong religions from the wrong parts of Europe—East and South.

Ever since 20th century American business "cut in" these excluded Europeans to avoid being "cut out," it has become richer, more powerful and more influential than ever envisioned. But significantly and tragically, American business erected these new manager/professionals as barriers between the long-time excluded Americans (primarily women and non-Whites) and the heirs of these original owner/mangers—thereby allowing their heirs to move in a single generation from liberal advocates to conservative resisters.

Despite the amnesia being practiced against the female and non-White consumer citizen by the "new immigrant"—himself just one generation removed from the urban ghetto, one step from the boat dock, and one home mortgage from poverty—inclusiveness has still proven to be the one unchanging and effective fact in the continuing evolution of America's stability, wealth and growth. In fact, there has never been a single instance when expanding or "cutting" people into a critical U.S. system has not made the system richer, wiser and more productive for all included in it.

We must conclude, therefore, that the most historically sound, socially significant thing that corporations must and can do now is to include all of its currently excluded consumer citizens (especially women and those of African, Asian, Native American and Latin descent) into the total reward and responsibility system of the business corporations which their dollars and needs support—and to do so without delay.

BLACK BAROMETER—SOCIAL CHANGE

("If American history means anything, it proves that great ability may appear among the sons and daughters of unsuccessful or very ordinary parents. Any system that promises well for our future must guarantee these young people the opportunity they deserve."—Robert Wood Johnson, 1947.)

The key catalyst in triggering this current movement by business towards economic inclusiveness is Black America. As a direct result of the urban-racial disturbances of the 1960's, most American corporations entered the quest for social responsibility late and, even then, through reaction rather than desire. Responding to the findings of the Kerner Commission Report, the password was "jobs"—for the Black unemployed, underemployed and outraged.

In this climate, social responsibility came to mean in the minds of many such things as "exceptions for Blacks," "riot prevention," "ghetto handouts," "women's lib," etc., rather than an increased willingness on the part of business to confront and participate in the solution of certain cost-related social problems. No pragmatic attempts were made to seriously seek the relationship of this new movement to the changing consumer market climate, taxes, capital investment, talent shortages and other known business opportunities and threats.

Business managers were asked to hire Black workers for racial reasons rather than for business reasons. The Federal government reinforced this request with threats of economic sanctions and court cases. Alien communications techniques and internal structures were created within large corporations to effect social responsibility efforts on the periphery rather than in the mainstream of corporate power. These forces led many businesses to regard social responsibility as pie-in-the-sky altruism and forced government intervention. This led to defensiveness and resistance by some businesses, which generated increased public pressure and new government regulations.

Black America, too, saw the corporate social responsibility movement through limited and reactionary eyes. Yielding to the pain and glory of the 1960s, they began to view it as tokenism, deception and other insincere efforts, won by fear rather than commitment to the liberation of human talent. Civil rights were glorified and economic rights underplayed. Black achievers in politics were publicized and highlighted out of proportion to their actual accomplishments; while Black achievers in business were largely ignored or viewed as powerless, selfish compromisers out of proportion to their real value, emerging role and critical necessity. The inseparable relationship between the survival of Black political power and the acquiring of Black economic power was largely ignored or unattended.

Despite these conditions, Black America's efforts and sensitivities once again predicted the course of action and goals for all other excluded minorities and women in the 1970s. As it was during the Civil War and its Reconstruction, the peculiar and complete interweaving and interaction of the Black American within the total institutional framework of the American society still makes them the most accurate and sure predictor of the nation's social future.

For example, the origins of the American labor union, the Susan B. Anthony movement, the "New Deal" programs, the full employment struggle, the Equal Opportunity movement, the War of Poverty, the humanization of the Army, etc., were all conceptualized, demanded and often initiated in the Black community, long before political parties or majority representatives even conceived of or supported the idea or the deed. Even the artistic fashion and social lifestyle of America is often seen and lived in Harlem before it ever reaches Broadway. Gunnar Myrdal made this point in *An American Dilemma*, when he argued that Black America's impact on White America is as great as White America's control of Black America.

To paraphrase Mayor Kenneth Gibson, "Wherever America is going, Black America will get there first."

Viewed in these terms, it is critical for business to understand that you cannot uplift Black America without uplifting all America. Particularly vital here is the role of the Black woman as the link between the struggles for racial equity and sex equality. *Strategies which propose to neglect Blacks for other minorities or women beg for delayed disaster rather than shared progress.*

Black America, on the other hand, must come to grips with the importance, resources and vulnerability of the American business community to the changing economic climate at home and around the world. Continued rhetoric or strategies which treat corporations and minorities in it as persons to be used rather than co-equally supported may lead once again to the loss of hard-fought rights, due to the failure to seize and retain the power to influence those free enterprise, life-supporting systems which fundamentally shape America.

Both Black Americans and corporations must understand that their collective unity ensures the advancement of all excluded classes and the maximization of talent utilization and market expansion. Economics, like the world, is round.

VISION TO TRANSFORM THE MARKETPLACE

America then is fundamentally a business or economic society, whose economic institutions lay the foundation for freedom as we perceive it; whose roots are in its very constitutional framework of existence.

Economic development, as a vision, means that the world expects now and will demand tomorrow that business also do its work for the good of the society or the marketplace which sustains it, while continuing to make a competitive profit. Economic nationalism has moved multinationally and transnationally in pursuit of an economic result, which improves the quality of life and the percentages for survival.

The expressions and expectations of this new vision have transformed the marketplace.

In such a climate, reducing the uncontrollable circumstances or the environmental risks of doing business becomes as important to marketing as increasing sales. For example, profit yields to market uncertainty which sets lower limits on investment return. In fact, marketing pioneer Naylor Fitzhugh of Pepsi Cola argues that the formula for profit today and tomorrow must subtract risk cost after all other cost has been made to realistically determine real earnings or real profits and actual value.

One can easily speculate, for example, on how favorable the American marketplace could be in terms of tax-load, environmental health, consumer purchasing power, balance of payments, productivity, skill availability, safety, security and general peace of mind, *if* we in buisness had viewed Whitney Young's call for a domestic Marshall Plan as our first order of business in the 1960s and in our vested and urgent interest.

We can therefore summarize our examination of the quest for corporate social responsibility with these conclusions:

Corporations and business are historically the foundation of our economic system and, fundamentally, social institutions with tremendous impact upon the fabric and lifestyle of modern society. As such, they incur major responsibilities which in turn present major opportunities for market growth and survival through innovative social investment.

Corporations must understand that Black Americans are the key barometers to social change and economic progress in America as well as in developing countries abroad. They are the way to reducing the risk climate and improving the environment for better and more secure business performance.

Black Americans must learn to *independently* assess and better appreciate the business corporation so that the creative resources of business, minority and female America can move from confrontation to conciliation to mutual rewards through cooperation. The struggle for social justice and respect in America has shifted to the corporate inside. Whitney Young has been multiplied manyfold.

Black women have a critical role in this emerging new coalition for change. They must negotiate the dangerous barriers between racial aspiration and female self-assertion.

Corporate social responsibility then is an idea whose time has come. It affirms that business must learn to manage change or it will be controlled by change. It recognizes that in today's marketplace, social responsibility has joined the marketing team in its quest to help business survive and prosper.

However, to survive and profit from these new challenges to the American economic system in a free world marketplace, both business and its society—especially its Third World, female and youth components—must demonstrate, through a new code of action-oriented results, that:

The price of peaceful progress is to make progress in peaceful times.

The price of profit today is reinvestment in tomorrow.

The price of keeping power is sharing power.

The price of independence is interdependence.

THE PERILS OF CURTAILMENT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. UDALL. Mr. Speaker, the economic crisis has evoked as many varied opinions as alternative solutions. Governmental controls, laisse faire philosophy, and administrative subsidies have all been suggested with the conventional attitude of complete curtailment of production. All these responses seem to me to be negative, hasty and individually ill-suited to be the answers for the problems facing the United States.

I have been seeking positive approaches, and along these lines I want to bring to the attention of colleagues some fresh thoughts presented in a paper by Mr. Sidney Scheuer.

Mr. Scheuer has had a most varied and fruitful experience as one of our top economic administrators and negotiators during World War II. In a private capacity as president of Scheuer & Co. and Intertex International, he was one of the pioneers in East-West trade, taking an early lead when it was unpopular and difficult to do so. He struggled with the economics of America before under the leadership of the late President Franklin D. Roosevelt.

As chairman of the National Committee for an Effective Congress, Mr. Scheuer recognizes the great disadvantage which American businesses face in competition with the highly centralized and subsidized Iron Curtain economics. He feels only positive Government action will stimulate large scale trade initiatives.

While I have some clear differences with Mr. Scheuer's approach, I commend it to my colleagues as a fresh and innovative analysis which may help provoke further thought.

The article follows:

The following is an evaluation of the advantages of maximizing production as against the disadvantages of broad-scale curtailment.

Over-organization and over-manning are among the major maladies of modern society. They are a form of sickness which has overtaken the capitalist as well as the Eastern Communist worlds. They betray a belief and trust in foolproof formulae which are supposed to prevent error and eliminate uncertainties.

This concept has failed completely; instead of achieving efficiency and improving management, it has merely given rise to burdensome and unproductive costs. No area of human activity has been exempted from this obsessive surge—government services, municipal activities, industry, professional organizations, educational establishments and most other areas of activity.

What to do and how to do it are difficult to determine. Undertaking corrective steps at a time when capitalist societies are in disarray as never before in modern times is not easy. Obviously, when and as correction is undertaken, displacement and unemployment will ensue. While pensions, unemployment insurance and other similar programs are available in greater measure than ever before, ways must be found to deal with the displaced persons involved. If they have talents, as many have, they can be employed usefully provided a new beginning and a new approach are adopted.

To accomplish this would necessitate large scale and unorthodox initiatives. One such appears to be to undertake a new approach in production policies; to wit, the operation of our industrial facilities at maximum capacity. While this sounds like economic and financial heresy, it is nothing of the kind. Only in areas which are experiencing radical changes in requirements should this recommendation be altered, and many of these ought to have been anticipated. Perhaps the principal example of this is automobile production.

If a boost is given to production, employment will be maintained at a high rate; however difficulties in financing inventories and operations would have to be cleared up. In this connection, it should be recalled that for many years we mistakenly subsidized our agriculture to prevent overproduction. We learned that this caused a costly drain upon American citizens and in the end did a disservice. Large-scale curtailment of industrial production would be even more costly.

Through the Export-Import Bank in cooperation with private banking we now make available enormous sums to assist our exports. Is it not equally desirable that the Export-Import Bank's functions be broadened to include those hitherto performed by the Reconstruction Finance Corporation, i.e., financing domestic industrial activities which necessitate financing of inventories. The financing of the export of increased production would seem to come within current Export-Import Bank operations. Markets for this excess can be found. With a little effort we can produce what the world needs.

The benefits of such a scheme are indisputable: reduction of unemployment, increased efficiency, lowering of production costs. Moreover, the important practical as well as psychological benefits generated would not only be helpful in the U.S. but throughout the world.

The risks of maximum operation would be less than those of broadscale curtailment. One need only contemplate an average curtailment of 33⅓% throughout major American manufacturing facilities to recognize the enormous cost thereof, and the widespread distortions which this would cause. A dominant industrial society cannot curtail itself into prosperity. Even though other countries find it necessary to retrench or find it prudent to do so, this does not automatically make it a wise course for us to follow. If our society allows itself to become the captive of classical economic theories in this unclassical world, we will be the losers. Private stockholders and investors will benefit if such a bold concensus is adopted. Such a national undertaking would prove our competence to adjust to the vicissitudes of a chaotic international world and an ability to look beyond current economic abnormalities.

The use of raw materials as blackmail by Middle East suppliers has been emulated by other commodities-supplying countries. This could have been forestalled; it ought certainly to have been denounced as a moral assault on international society, but now it is a reality and must be dealt with.

Governments that treat certain industries as instruments of national policy are among the additional international factors which capitalist societies must contend with. The culmulative influence of all this upon free competition is something new to our business community, so it behooves us to give tangible proof of our commitment to maximum productivity.

If this is done, the balance sheet of our capitalist society will look much better in two years than it will if curtailment, withdrawal, and fear dominate. The open question is whether the necessary leadership can be generated and whether it will recognize this as an opportunity and as a test of strength. Our industrial effectiveness hinges upon statesmanship. Employment will be vastly more increased by work rather than by handouts, by using our strengths rather than by permitting our economic society to deteriorate. Innumerable objections will be raised; one being that prices will decline—but isn't that what is urgently desired? Will our economy not be less damaged if recovery is based on higher employment and the increased demand this generates? Taxes, too, would be higher if operations are maintained rather than if they are not.

Emerging and industrializing nations, China, U.S.S.R. and Eastern Europe are all expanding production. Would it not be a sad commentary on capitalism if the largest industrial nation were to move backwards at such a time? It is realized that this rough outline describes a procedure unfamiliar to classical economic practitioners but do the times not demand just this?

REPUBLIC OF LITHUANIA

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. BELL. Mr. Speaker, I would like to remind my colleagues in the Congress that February 16 of this year will mark the 57th anniversary of the establishment of the Republic of Lithuania.

On that day, it would befit all of us in this Nation to contemplate the ongoing struggle of the oppressed people of Lithuania, who had enjoyed their independence only 22 years before the Soviet Union invaded and forcibly annexed the Baltic States of Lithuania, Latvia, and Estonia in 1940.

The determined struggle of the Lithuanian people to be free of this oppression continues, as demonstrated by the following resolution adopted recently by the Lithuanian-Americans of southern California, which I respectfully call to the attention of my colleagues and all Americans:

RESOLUTION

Unanimously adopted at a mass assembly of Lithuanian-Americans and their friends, living in Southern California, sponsored by the Lithuanian-American community of the United States, Western Division, held on Supday, December 23, 1974, at 12:15 p.M. at the Marshall High School Auditorium (3939 Tracy Street, Los Angeles, California, 90027) in meeting and honoring Mr. Simas Kudirka, a Lithuanian seaman, who in November, 1970 jumped from a Soviet fishing trawler to a Coast Guard ship tied alongside and several hours later was surrendered to the Russians, triggering worldwide outrage, after four years of suffering and torturing by the Soviet Communists in the Soviet prisons and slave-labor camps, finally in November, 1974 he and his family landed in America.

Whereas the Soviet Union took over Lithuania by force of arms in June, 1940; and

Whereas the Lithuanian people are strongly opposed to foreign domination and are determined to restore their freedom and sovereignty which they rightly enjoyed for more than seven centuries in the past; and

Whereas all representatives of the United Nations, including the Soviet Union, signed the Declaration of Human rights ten years ago, but the Soviet Union has failed to live up to the principles and goals of the aforementioned declaration; and

Whereas the government of the Soviet Union, through a program of deportations and resettlement of peoples, continues in its effort to change the ethnic character of the populations of the Baltic States; and

Whereas scores of new States were established and founded since 1945 in Asia and Africa and admitted into the United Nations; and

Whereas it has been the firm and consistent policy of the government of the United States to support the aspirations of Baltic peoples for self-determination and national independence; Therefore be it

Resolved, That we, Americans of Lithuanian origin or decent, reaffirm our adherence to American democratic principles of government and pledge our support to our President and our Congress to achieve lasting peace, freedom and justice in the world; and be it further

Resolved, That the President of the United States carries out the expression of the United States Congress contained in *H. Con. Res. 416* (89th Congress) by bringing up the Baltic States question in the United Nations and demanding the Soviets to withdraw from Lithuania, Latvia, and Estonia; and be it finally

Resolved, That copies of this resolution be forwarded this day to the President of the United States, Secretary of State Henry Kissinger, United States Ambassador to the United Nations, John A. Scali, and selected members of the United States Congress.

JOHN CINGA,
Chairman, Lithuanian-American Community of the United States—Western Division.

VOLUNTEER FIREFIGHTERS

HON. DAVID W. EVANS

OF INDIANA

Monday, February 10, 1975

Mr. EVANS of Indiana. Mr. Speaker, we are all aware that fire is a major national problem. The United States leads the industrialized nations of the world in per capita deaths and property loss from fire. Even by conservative estimates, fire costs in the United States are over $11 billion annually. The cost of human lives, both victims and firefighters, is an immeasurable cost.

Manpower is a key factor in prevention and control of fires. But the incentives for firefighters are few. Theirs is the most hazardous profession in the Nation, with a death rate 15 percent greater than the next most dangerous occupation—mining and quarrying.

Despite these great risks, about 1 million Americans serve as volunteer firefighters which is five times the number of paid firefighters. It would cost at least $4.5 billion annually to replace these civic-minded volunteers with paid firefighters.

But there are no financial incentives for volunteers and few opportunities for training beyond the basic levels. Training is an expensive undertaking that removes the trainees from useful service for a period of time.

Costs incurred by volunteer firefighters during the performance of their duties are normally reimbursed to the volunteer. However, under present law, this reimbursement is considered income by the Internal Revenue Service and is taxable. Not only does this destroy what little incentive there is for volunteer service, but we are also taxing these public-spirited individuals who have donated their own time and efforts to provide a dangerous and essential service to their local communities.

I have joined in sponsoring legislation, H.R. 369, to allow these volunteer firefighters and rescue teams to exclude from their gross income certain amounts of income received in the performance of their duties.

I hope that the Ways and Means Committee, to which the bill has been referred, will take a close look at the problem this bill is designed to remedy, and give the bill its favorable consideration.

The text of H.R. 369 follows:

H.R. 369

A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts received by members of certain firefighting and rescue units.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as section 125 and by inserting after section 123 the following new section:

"SEC. 124. CERTAIN PAYMENTS TO VOLUNTEER FIREMEN

"(a) GENERAL RULE.—In the case of an individual who is a volunteer fireman, gross income does not include amounts received by him for service as a member of a firefighting or rescue unit of a State or a political subdivision thereof.

"(b) VOLUNTEER FIREMAN.—For purposes of this section, the term 'volunteer fireman' means any individual—

"(1) who serves as a member of a firefighting or rescue unit of a State or political subdivision thereof, and

"(2) who does not receive compensation for such service in excess of—

"(A) $5 for each occasion on which such individual serves as a member of such unit in response to an emergency call for firefighting or rescue services, and

"(B) $5 for each occasion on which such individual attends an administrative or other meeting of such unit, but not to exceed $10 during any month.".

(b) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 124. Certain payments to volunteer firemen.

"Sec. 125. Cross references to other Acts.".

SEC. 2. The amendments made by the first section of this Act shall apply to taxable years beginning after December 31, 1974.

BICENTENNIAL ACTIVITIES IN QUINCY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, as I mentioned yesterday, I am pleased to bring to the attention of my distinguished colleagues a series of articles published by Quincy Heritage, Inc., concerning Bicentennial activities in Quincy, Mass.—city of Presidents:

HONORING JOHN Q. ADAMS—500 TREES TO BE PLANTED FOR BABIES IN 1975, 1976

John Quincy Adams, sixth president of the United States, had a personal motto: "Plant trees for the future."

During his presidency, Adams initiated the planting of 100,000 trees in Florida to insure young America ample wood for future shipbuilding.

Quincy Heritage will honor the memory and spirit of the country's sixth president by planting 500 trees throughout the city in the name of the children born during 1975 and 1976.

The parents of each Quincy baby born during those two years will receive a certificate stating that a tree has been planted in their child's name.

Local civic organizations, clubs, businesses and individuals can contribute funds to plant a tree or trees.

The purchase and planting cost of each tree is $50. Estimated cost of the entire two-year project approaches $25,000. Quincy Heritage hopes to conduct two plantings each year with the aid of the Park and Recreation Department.

Quincy Heritage also plans to involve Quincy's students in raising contributions for tree-plantings by sponsoring a tree walk-a-thon. Slated for April 18, the walk-a-thon will be held in conjunction with the reenactment of Colonel Francis W. Parker's original address to the townspeople exactly 100 years before, when he became (Quincy's) first superintendent of schools.

There will be two walk-a-thon sessions—one in the morning, another in the afternoon. The purpose of the walk-a-thon is three-fold. Most importantly, Quincy students will acquire an appreciation of the rich heritage of their city. Students will visit and investigate historic sites nearby their own schools, enriching their knowledge about their city. At some of the lesser-known sites, teachers will discuss the significance of the area with the students.

Secondly, students will help to beautify the city by picking up pieces of litter as they travel.

Thirdly, the students will raise money for tree planting during the walk-a-thon through pledges. Checkpoints will be established at each school to provide soft drinks, water and first-aid to walkers. Quincy Heritage volunteers will man these checkpoints to verify the distance walked by each student.

PROGRESSIVE EDUCATION BORN IN QUINCY

Progressive education was born in Quincy. Colonel Francis W. Parker, Quincy's first superintendent of schools, developed the "Quincy System", a plan which revolutionized teaching methods and became nationally known.

In 1900, the year marking the 25th anniversary of the birth of the new system, Col. Parker returned to Quincy, giving a speech on the "Quincy System" at United First Parish Church.

To commemorate the contributions of this great man, a reenactment of this event will take place April 18, at United First Parish Church. A top United States education figure will be invited to participate in the commemoration.

HANCOCK CEMETERY RESTORATION TO CONTINUE

Quincy Heritage will be able to continue the restoration of the 330-year-old Hancock Cemetery with the help of a $9,200 grant from the executive office of educational affairs.

Some 50 high school students associated with the Neighborhood Youth Corps and the Quincy Youth Commission will work on the restoration project under the direction of North Quincy High School anthropology teacher Richard Riley.

During the summer of 1974, students spelled out the name of the cemetery in pieces of sod along the cemetery entrance side near City Hall.

Students will be able to develop their skills as artisans, craftsmen, tradesmen and resource teachers. Designed to increase appreciation and respect for our historic properties, the project will be a unique learning experience for the students of the city.

The $9,200 grant will enable Quincy Heritage to complete the next phase of work which includes "gridding" of the cemetery, mapping burial plots and studying the histories of families buried there. Gridding involves dividing the cemetery into small sections in order to determine the exact location of gravesites.

John Graham, executive director of Quincy Heritage sees the beautification of the cemetery as an "ideal project" for involving the youth of the city with the value and process of historic preservation while providing them with needed jobs.

He hailed the project as "a major contribution" to the city's celebration of its 350th anniversary in 1975 and the nation's Bicentennial in 1976.

UNDER PROJECT LINC—TEACHERS RESEARCHING QUINCY HISTORY FOR STUDENTS

Six Quincy teachers and one principal are researching aspects of Quincy's history in order to develop learning material for Quincy students.

Under the auspices of Project LINC, Quincy Public Schools' Title III project, students will be able to explore Quincy's historical sites and learn of Quincy's heritage, helping to involve them in the city's celebration of its 350th anniversary.

Gerald Butler of Lincoln-Hancock Community School is developing information on the history of the granite industry, its importance to the city and the reasons for its decline.

Joan Leonard of the Parker School and Laura DiTullio of the Squantum School are investigating the role of women in the 19th century.

Gene Ronayne, assistant principal at Quincy Elementary School, David Hohmann of the Wollaston School and Marshall D——— of the Squantum School, are researching the potential of the United First Parish Church for re-creation of the 18th and 19th century Quincy life.

Eugene Creedon, principal of the Parker School, spent the summer researching education in the 1870's and 1880's at the time of the appointment of Col. Francis W. Parker as the first superintendent in Quincy.

LINC students started to learn first-hand about Quincy's historic sites in September and October of last year during the Adams Academy Dig.

Under the guidance of North Quincy High School teacher Richard Riley and Quincy High School teacher Daniel Lutts, several students assisted in the attempt to unearth the old Hancock well on the grounds of the academy—the birthplace of Patriot John Hancock.

APRIL 11–12—QUINCY TO MARK 350TH BIRTHDAY AT 2-DAY CELEBRATION

(By Mary Ann Duggan)

Quincy will officially celebrate its 350th birthday April 11 and 12 with a week-end dinner-dance and homecoming day.

A semi-formal, sit-down dinner at the Chateau de Ville in Randolph will begin the festive weekend Friday, April 11. Quincy natives who have gained national recognition have been invited to return to their historic Granite City to participate in the two-day, birthday-homecoming celebration.

William Szathmary, alias Bill Dana, recently replied to Mayor Walter J. Hannon's invitation to attend the city's 350th anniversary party. Dana thanked the Mayor for his gracious invitation and said he would try to re-arrange his schedule and attend the city's planned celebrations.

In his letter, Dana wrote:

"Quincy is very important to me. There is an expression here—'Put me in with a hard pencil.' "

He added, "Just one other problem concerning the birthday party. What do you get a city which has everything?"

Invitations have also been sent to stage and film actress Ruth Gordon, actress Lee Remick, former Boston Braves pitcher Dick Donovan, Channel 7 TV personality Paul Benzaquin and WWI veteran and Congressional medal winner Charles McGilvray.

Friday's dinner-dance will begin at 6:30 p.m. with a social hour. A roast beef dinner will be served at 7:30 p.m.

Throughout the evening, John Savini's 15-piece orchestra will entertain the guests along with Quincy accordionist Mabel Biagini.

On display that evening will be plywood and paper mache scale-model reproductions of Quincy's historic sites, made by students at Broad Meadows Junior High School.

Tickets for the dinner-dance cost $17 each. Reservations must be made in advance since seating is limited. Everyone attending the event will receive the official 350th anniversary medal in bronze.

On Saturday, Quincy Square will be the scene of a gala birthday party and homecoming day for the entire city. Mayor Walter J. Hannon will present "Citizens of Distinction" awards to Quincy residents, past and present, who have made significant contributions to the community.

Both the Quincy High School Band and the North Quincy High School Band will entertain during the afternoon celebration which will begin at 2 p.m. A gigantic birthday cake will be cut into thousands of pieces —enough for everyone attending.

In case of inclement weather, the celebration will be held at the Quincy Vocational Technical School.

Leo Meady is chairman of the Quincy Heritage Social Committee which has planned and co-ordinated the birthday-homecoming weekend. Ticket chairman for the dinner-dance is Mrs. William Walsh.

"SALUTE TO QUINCY DINNER" KICKS OFF HERITAGE EVENTS

A "Salute to Quincy's Heritage Dinner" Wednesday night marked the official beginning of the city's celebration of its 350 years of history.

Paul Benzaquin of Channel 7 was the main speaker at the four-hour festive event held at the Carlton House, North Quincy.

During the evening Mayor Walter J. Hannon announced the 54 winners of the Quincy Heritage poster and slogan contests co-sponsored by the Quincy Savings Bank and The Quincy Sun.

The evening of entertainment and celebration began at 6:30 p.m. Pete Henderson, custodian at the Merrymount School, entertained the crowd with a solo performance on the bagpipes.

A sit-down roast beef dinner was served at 7:30 p.m., followed by the announcement of the slogan and poster contest winners.

For Benzaquin it was a pleasant homecoming. He is a graduate of Quincy High School. Benzaquin is the host of an hour-long morning talk show on Channel 7. A former Herald and Globe reporter, he is the author of "Fire", a book chronicling the horror of the Coconut Grove holocaust. He was also nominated for two Pulitzer Prizes.

The premier of "Quincy Played Its Part", a 20-minute film produced by sixth graders, closed the gala evening. Under the direction of Walter McCarthy, Atlantic Junior High School Graphic Arts teacher, the children tried to envision and re-create the life of the early settlers leaving their homes and friends to make a new life in a new and unfamiliar frontier.

WHY WE PRONOUNCE IT "QUIN-ZEE"

Why do we pronounce Quincy "Quin-zee" when just about everyone else in the country refers to it as "Quin-see"?

There are 19 other Quincy's in the U.S. but they pronounce it "Quin-see".

Can they be right and we be wrong?

Not according to Quincy's late city historian William C. Edwards who never budged an inch whenever the argument ever came up. And it still comes up.

The reason we pronounce it "Quin-zee" is very simple.

"That's the way the Quincy family pronounced it," he used to explain.

"The original Quincy family which settled here at Mount Wollaston pronounced it 'Quin-zee' including Col. John Quincy after whom Quincy, Mass.—the first Quincy—was named in 1792."

Colonel Quincy was the great grandfather of sixth President John Quincy Adams.

Apparently all 19 other Quincy's in the U.S. were named after John Quincy Adams.

And, apparently the early settlers of those communities thought John Quincy pronounced it John "Quin-see".

Anyway, that is how Edwards explained it. Seems like a sound argument.

SIXTH GRADERS PRODUCE MOVIE "QUINCY PLAYED ITS PART"

"Quincy Played Its Part", a 20-minute movie produced by sixth grade Quincy students, premiered Wednesday night at the gala opening of Quincy's Bicentennial and 350th anniversary celebrations.

Under the direction of Walter McCarthy, graphic arts teacher at Atlantic Junior High School, students involved in "Summer Scene"—the city's summer school program—began to research the film's story-line during the summer months.

McCarthy conceived of the idea of making the film not only to involve the youngsters in the celebration of their city's birthday and the nation's bicentennial but to cultivate in them a better understanding of their heritage and history.

"Stars" in the movie include Michael Dineen, Patrick Doherty, Christine Flynn, Lisa Flynn and Karen Kiley, all sixth graders from Quincy elementary schools.

The film tries to capture the feelings and to re-create the lives of the early pioneer settlers who abandoned the security of their homeland and sailed to the New World, building a new life in distant, unfamiliar land.

To prepare for the making of the film, the students visited the Quincy Yacht Club for a sailing lesson during the summer. They learned the intricacies of sailing and the skill needed to man a vessel at sea.

The students also visited Plimouth Plantation, Quincy's Heritage Trail, United First Parish Church, the Hancock Cemetery, the Dorothy Quincy Homestead and the birthplaces of John Adams and John Quincy Adams. Film for the movie was shot at these historic sites.

The film also contains shots of pictures in books and tells the story of the early stages of the Revolution, emphasizing the role of John Adams.

James Lynch, a teacher at Atlantic Junior High, as well as the school children, narrate the film.

McCarthy said the children reacted eagerly to making the movie. He said:

"I hope they learned about Quincy's role in the nation's beginning and I hope they got an idea of how a film is made."

ARTICLE ON QUINCY IN MASSACHUSETTS BICENTENNIAL GUIDE

"Quincy: Still Making Merry On Merry Mount", is a full-page article on Quincy Heritage included in the official Massachusetts Bicentennial Guide.

The article discusses the major programs of Quincy Heritage, including tourmobile service to historic sites, the restoration of Hancock Cemetery, its information center and the production of such plays as "American Primitive", based on letters written between Abigail Adams and John Adams.

The Massachusetts Bicentennial Guide, a 160-page booklet filled with illustrations and pictures, is specifically designed to help residents and tourists pre-plan their itinerary to include special Bicentennial events planned throughout the Commonwealth.

Edward McColgan, executive director of the Massachusetts Bicentennial Commission, presented Mayor Walter J. Hannnon with Quincy's first copy of the official guidebook in November.

The booklet is now on sale at the Quincy Heritage offices located in the Quincy Center MBTA Station.

CALENDAR OF EVENTS

Following is a calendar of events scheduled for a three-month period to celebrate Quincy's 350th anniversary.

Many other events are being arranged throughout 1975 and 1976—the nation's bicentennial, but the actual dates, times and places have not yet been completely firmed up.

Quincy Heritage will update the calendar during the two-year period and it will be published in The Quincy Sun.

Jan. 15, 6:30 p.m.—"Salute to Quincy's Heritage" Dinner and program at the Carlton House.

Jan. 23, 7:30 p.m.—"Quincy's Pride" slide show presented to Central School/Home Association at Central Junior High.

Jan. 27, 8:30 p.m.—"Quincy's Pride" slide show presented to the Quincy Hadassah at City Hall.

Jan. 30 and 31, 8 p.m.—"Damn Yankees" at Broadmeadows Junior High School.

Feb. 5, 5 p.m.—Concelebrated Mass at St. Mary's Church with sermon by Bishop Fulton J. Sheen of New York.

Feb. 5, 6:30 p.m.—"Quincy's Pride" slide show presented to Braintree Men's Club at All Soul's Church, Braintree.

Feb. 12, 8:15 p.m.—"Quincy's Pride" slide show presented to the Mother's Guild at St. Joseph's Church.

Feb. 26, 8 p.m.—"Quincy's Pride" slide show presented to the Mr. and Mrs. Club of the Wollaston Congregational Church.

March 11, 8:30 p.m.—"Quincy's Pride" slid show presented to the Evening Division of the Quincy Women's Club.

March 13, 12:45 p.m.—"Quincy's Pride" slide show presented to the Wollaston Mothers' Club at the Wollaston Lutheran Church.

March 11, 8:30 p.m.—"Quincy's Pride" slide show presented to the Daughters of the American Revolution, General Sylvanus Thayer Chapter.

March 20, 21, 24, 25, 8 p.m.—"Quincy Heritage Cabaret" at North Quincy High School Auditorium.

March 20 and 21, 8 p.m.—"American Primitive" by William Gibson, a play based on the letters of Joan and Abigail Adams, at Broadmeadows Junior High.

QUINCY HISTORICAL SOCIETY PROGRAMS

Jan. 23—350 Years—H. Hobart Holly.

Feb. 27—Recent developments at the American China Trade Museum—Paul E. Molitor, Jr., illustrated.

March 27—Digging it all up in Eastern Massachusetts—George R. Horner, illustrated.

Meetings are held at the United First Parish Church, Quincy Square, at 7:30 preceded by a dinner by reservation. The public is welcome.

WILLIAM AND MARY CELEBRATES 282D ANNIVERSARY

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. DOWNING. Mr. Speaker, Saturday marked the 282d anniversary of the granting of the charter for the College of William and Mary in Virginia. The ceremonies commemorating the event were highly marked by an address by Mr. Virginius Dabney, the retired editor of the Richmond Times Dispatch in which position he won the Pulitzer Prize. Since that time Mr. Dabney has devoted much of his energy to a lifetime interest in Virginia to the result that his scholarship has endowed the Old Dominion with her finest volume of history to date.

Like most Virginians, Mr. Dabney is proud of our State's history and understandably proud that the richness of Virginia's past enables us to take a responsible role in the preparations for the bicentennial of our country's founding.

We have not found it necessary to manufacture new tales of Virginia's past, and we are prone to take issue with those who would attempt such an effort.

On Saturday, Mr. Dabney once again exercised the skilled hand of an editor as he took to task two authors who recently have treated the truth quite loosely in their writings about certain leaders in the movement which brought this Nation into being. I am pleased to insert the full text of his remarks in the RECORD:

FACTS AND THE FOUNDING FATHERS

(By Virginius Dabney)

It is fitting that at the ancient College of William & Mary, whose halls have been trod by so many of the great men in our early history, we should concern ourselves on this Charter Day with the two hundredth anniversary of the American Revolution and our country's founding.

The men and women who carried the Continental Army to victory after years of intense struggle against apparently overwhelming odds, and then created a nation, deserve our veneration. They were not perfect, they had their faults and frailties, but they possessed ability, courage, determination and character.

There was a musical show a few years ago entitled "1776". It did not purport to portray history as it was. Thomas Jefferson as a mooning, dreamy, not altogether bright individual certainly seemed a travesty on the original, and Richard Henry Lee as a song and dance man was so far removed from reality that nobody, let us hope, took "1776" seriously as a picture of actual persons and events.

But two books have appeared recently, both choices of the Book-of-the-Month Club, that are in a quite different category. At the very time when we are preparing to exalt those who brought the United States of America into being, and to pay tribute to their virtues and their accomplishments, *Burr* by Gore Vidal and *Thomas Jefferson* by Fawn Brodie have been published. These best-selling volumes, purporting to be based on sound scholarship, tend strongly to degrade some of the very men whom we, in the bicentennial, are seeking to honor.

The Brodie book is not objectionable simply because it advances wholly unproved charges against Thomas Jefferson. It is even more objectionable because it seeks to show that the alleged fathering of a brood of mulatto children affected Jefferson's whole life thereafter, giving him a guilt complex. One of numerous far-fetched interpretations advanced by Mrs. Brodie is that "the unwritten and unadmitted tragedy of Jefferson's life" was that he had to "keep up an elaborate pretense" that his relations with Sally Hemings, the mother of the children, did not exist. Evidence of this so-called "tragedy" has somehow escaped Jefferson's other biographers.

It should be recognized at the outset that the charge of fathering mulatto children was first circulated against Jefferson by a vicious, unscrupulous drunkard named James T. Callender, who had become furious with President Jefferson because the President refused to appoint him postmaster at Richmond.

While proof of Callender's allegation is wholly lacking, there is no question that, when young and single, Jefferson tried to seduce the wife of his friend, John Walker, when Walker was absent on a trip. This was admitted by Jefferson, who was obviously no plaster saint, and his modern biographers do not try to make him out one. They are aware of his faults, and this is obvious in their books about him.

But the three greatest living authorities on Thomas Jefferson all agree that Mrs. Brodie's book is based on half-truths, unwarranted assumptions and grievous misinterpretation of the known facts.

All three of them—Dumas Malone, Julian P. Boyd and Merrill Peterson—have devoted the greater part of their adult years to the study of Jefferson, in contrast to Mrs. Brodie, whose other books have been in entirely unrelated fields. These superlative scholars have provided me with heretofore unpublished statements concerning the Brodie book, which they have authorized me to use at this time. Their views were completely shared by the late Douglass Adair, profound student of the Jefferson era and onetime editor of the *William & Mary Quarterly*.

Dumas Malone, whose magisterial biography of Jefferson is regarded by authorities on both sides of the Atlantic as the last word on the subject, was reluctant to comment on the Brodie volume, saying that as a rule he did not discuss "other people's books on Thomas Jefferson." His statement is too long for me to quote it in full, but I give the following extract:

"This determined woman runs far beyond the evidence and carries psychological speculation to the point of absurdity. The resulting mishmash of fact and fiction, surmise and conjecture is not history as I understand the term. . . .

"Mrs. Brodie is not without insight into Jefferson's personality, and except for her obsession, might have contributed to our understanding of him. But to me the man she describes in her more titillating passages is unrecognizable.

"She presents virtually no evidence that was not already known to scholars, and wholly disregards testimony which I regard as more reliable. . . .

"Fawn Brodie and Gore Vidal cannot rob Washington and Jefferson of their laurels, but they can scribble graffiti on their statues. It is unfortunate that dirty words are so hard to erase, and it is shocking that the scribblers should be so richly rewarded."

Julian P. Boyd, editor of the massive collection of Jefferson's papers, whose colossal scholarship is universally recognized, terms "the principal defect of Brodie's work the manipulation of evidence, the failure to give due weight to the overwhelming considerations of fact and plausibility which conflict with her preconceptions."

Dr. Boyd points out that "among the whole chorus of adulatory critics of Mrs. Brodie's book, not a single Jefferson scholar is to be found. Mrs. Brodie's Jefferson never existed . . . He is as fictional as the Jefferson in Vidal's *Burr*," Boyd says. He repudiates completely Brodie's picture of a "despairing, ambivalent, indecisive, guilt-ridden man."

Testimony of two aged blacks, published in the *Pike County, Ohio, Republican* in 1873, on which Mrs. Brodie relies heavily, was "obviously prompted by someone for some unexplained purpose", says Boyd, "being unquestionably shaped and perhaps even written and embellished by the prompter." Malone terms it "in the tradition of political enmity and abolitionist propaganda."

One impressive fact, which Mrs. Brodie ignored, was that one of the aged men professed to have personal recollections of events that occurred before he was born.

Merrill Peterson, greatly respected Jeffersonian scholar and author of "The Jefferson Image in the American Mind", and "Thomas Jefferson and the New Nation", says concerning the Brodie book: "Mrs. Brodie has her obsessive theory and she sends it tracking through the evidence, like a hound in pursuit of game . . . in the end nothing is cornered and we are as remote from the truth as when we began. . . . I see no need to charge off in defense of Jefferson's integrity when we have no solid grounds for doubting it."

Dr. Peterson adds that Callender's newspaper article of 1802, "without supporting evidence of any kind, is the principal source of the legend, and in all likelihood we would not be discussing it today, but for him.

"The legend was born in the malignant political climate of 1800; it was revived by abolitionists, for whom it disclosed the ultimate corruption of slavery . . . and it enjoys some currency today because of intense curiosity about history of the black man in America . . . Callender's known character, his motives, his talent for libel—none of this damages his credibility for Mrs. Brodie."

Douglass Adair has an entire chapter entitled "The Jefferson Scandals" in his recently published posthumous volume *Fame and the Founding Fathers*. In it he makes the following statement:

"In four widely separated areas of the country, four different scholars independently discovered four key documents, no one of which alone solves the puzzle, but which, when checked and cross-checked against each other, together throw a great blaze of light on Jefferson as a slaveholder, on the Monticello slaves, and in particular on the slaves named Hemings. Today it is possible to *prove* that Jefferson was innocent of Callender's charges."

Adair's chapter on Jefferson was written in 1960. His assertion that the four documents referred to "prove" Jefferson's innocence seems a bit strong. It is almost impossible at this late date to *prove* such a thing beyond the shadow of a doubt. But it is altogether possible to indicate, on the basis of these documents, that the Master of Monticello was almost certainly innocent. All the probabilities point in that direction.

The four documents referred to by Adair are Jefferson's *Farm Book*, a letter from Henry S. Randall to James Parton, the statement of Madison Hemings published in Ohio in 1873 and reminiscences of Isaac Jefferson, another slave at Monticello.

Jeffersonian scholars have studied these materials for years and they have all concluded that Jefferson was innocent. They believe with Adair that Peter Carr, son of Dabney Carr and Jefferson's sister, Martha, was the father of the mulatto children in question. They believe further that Peter's brother Sam was the father of another group of mulattoes.

Thomas J. Randolph, Jefferson's grandson, told the historian Henry S. Randall, that Sally Hemings was the mistress of Peter and his sister Betsey, the mistress of Samuel—and from these relationships sprang the progeny which resembled Mr. Jefferson. The Hemings girls' "connection with the Carrs was perfectly notorious at Monticello, and scarcely disguised by the latter—never disavowed by them," said Randolph.

He further declared that he showed Peter and Sam a newspaper containing an insulting article about Jefferson's supposed paternity of the children. In Randolph's words:

"Peter read it, tears coursing down his cheeks, and then handed it to Samuel. Samuel also shed tears. Peter exclaimed: 'Aren't you and I a couple of ——— pretty fellows to bring this disgrace on our poor uncle who has always fed us! We ought to be ——— by ———!' (Expletives deleted.)

Ellen Randolph Coolidge, granddaughter of Jefferson wrote that Peter Carr had been overheard to say, with a laugh, that "the old gentleman had to bear the blame of his and Sam's misdeeds."

As corroborative evidence we have the statement of Edmund Bacon, overseer at Monticello, who said he knew who the father of Sammy's children was, and it was not Thomas Jefferson. He did not name the father, but said, "I have seen him come out of her [Sally's] room many a morning when I went up to Monticello very early."

Why did Thomas Jefferson never deny publicly that he fathered these children? The most plausible explanation is that his father-in-law, John Wayles, had undoubtedly sired Sally Hemings, Jefferson's supposed paramour, and five additional children by Betty Hemings. In other words, this group of six illegitimates at Monticello were Jefferson's wife's half-sisters and brothers. With his father-in-law producing one group of mulattoes and his nephews producing two similar broods, it is easy to see why Jefferson was unwilling to enter into public controversy concerning this matter.

Despite Mrs. Brodie's repeated assertions that Jefferson had Sally Hemings for his concubine over a period of many years, she reaches the remarkable conclusion that his "heroic image remains untarnished and his genius undiminished." Yet she asserts that the affair gave him a guilt complex for the rest of his life.

Mrs. Brodie even tosses off the charge that George Wythe, perhaps the most venerated man of the age, was the father of the mulatto boy who died from the same poisoned coffee that killed Wythe. She makes no attempt to offer proof.

Mrs. Imogene E. Brown, who has recently completed a biography of Wythe after several years of work, and Julian Boyd, who wrote a 45-page monograph on "The Murder of George Wythe", both say there is absolutely no foundation for this charge. Merrill Peterson and Dumas Malone term it sheer fantasy.

It is dismaying that Mrs. Brodie's confused and confusing book has been so highly praised by some non-Jeffersonian scholars in the universities. Written by a professor of history, it has been lauded by other professors of history. Just what this signifies for the deterioration of standards on the faculties of our seats of learning I leave to others to determine.

The other book that we are considering today was not written by a professor of history, but by a novelist who makes pretensions to historical knowledge, *Burr*, by Gore Vidal, is even more objectionable than *Jefferson* by Brodie, since it defames both Washington and Jefferson.

I have been astounded by the number of people who have taken this book seriously.

One reason perhaps is to be found in the declaration of the publisher on the jacket. "The facts are actual", we are told, "and the portraits of the major characters, Washington, Jefferson, Hamilton . . . are drawn from their own words and from the observations of their contemporaries." Also, "the book creates with scrupulous accuracy . . . the most significant years in the history of America." Vidal himself says that "the story told is history and not invention."

Let us first look at this so-called history as it concerns George Washington.

The story is related largely in the words, or supposed words, of Aaron Burr, not the most admirable character in American history, who, it should be noted, hated both Washington and Jefferson.

He hated Washington from the time when the latter caught him in 1776 reading confidential papers on his desk. Washington had returned suddenly after leaving the room. The commander-in-chief gave Major Burr a well-deserved tongue-lashing. Burr's first biographer, who knew him for forty years, wrote that "his prejudices against General Washington were immovable."

In Vidal's book, Burr is constantly sneering at Washington, without any explanation by the author of the reasons for this bitterness. Nothing is said concerning the fact that Washington caught him reading confidential documents. Burr repeatedly makes slurring observations concerning Washington's appearance, his character and his ability. Yet we are told that this is a portrait drawn from Washington's "own words and the observations of his contemporaries."

Of course, there were contemporaries in the opposition party, as was Burr, who denounced Washington on all kinds of ridiculous grounds, and who simply invented charges when this appealed to them. Anybody can go through the records and find these statements. For example, the Philadelphia *Aurora*, the country's leading Republican paper, said when the first President of the United States completed his second term and retired to private life, that the Master of Mount Vernon was "the cause of all the misfortunes of our country . . . every heart ought to beat high with exultation that the name of Washington from this day ceases to give currency to political iniquity and to legalize corruption."

Those who today may have reservations concerning the American press will doubtless concede that anything as preposterous as the foregoing will hardly be found in any leading twentieth century American newspaper.

But this is the sort of thing that Vidal seems to have relied on for the observations of "Washington's contemporaries." And the contemporary who is relied on more than any, of course, is Aaron Burr.

Washington, says Burr, ultimately "might be judged as an excellent politician who had no gift for warfare . . . an incompetent general." He adds that "in my view, had [Horatio] Gates or [Charles] Lee been placed in command of the Army, the war would have ended at least three years sooner."

Washington, needless to say, made his mistakes, including some bad ones, in the war of the Revolution, and he could not have won without the aid of France. But let us consider the enormous handicaps under which he labored and the fact that his sometimes ragged and starving, and always poorly equipped, army was facing soldiers from what was then the most powerful nation on the globe.

With respect to the Father of His Country's personal characteristics, we are informed by Burr that he was "slow-witted" but "no man was cleverer when it came to business and the promotion of his own commercial interests." One bit of evidence not mentioned by Burr is that the greedy and grasping Washington served seven years as commander-in-chief of the Continental Army and eight years as President of the United States, and refused to accept compensation in either post. He even spent some of his own funds for expenses.

Reference is made to his "cold, dull, serpent's glance", his "bleak, dark-toothed smile" and his "cold, serpent's nature." Also, he never read "any book at all." All this is what Vidal terms "history, not invention."

The one and only time that Vidal, or Burr, can bring himself to praise Washington, even half-heartedly, is when he speaks of him as "the supreme creator of this Union", but adds that he achieved this by his "powerful will and serpentine cunning."

The existence of this reptilian George Washington seems to have eluded his principal biographers. He has been intensively studied by Douglas S. Freeman and James T. Flexner, who probably, at a conservative estimate, devoted ten times as many hours to this enterprise as Gore Vidal. Freeman's massive biography got the Pulitzer Prize and Flexner's the National Book Award and a special Pulitzer citation. After the most thorough study ever made by anybody of Washington, Freeman failed to make a single reference to serpent's glances or serpentine cunning, and termed him "greater than any of us believed he was." Flexner called him "the indispensable man." Dumas Malone, who is completing the definitive biography of Thomas Jefferson, nevertheless regards Washington as the greatest of all Americans. The English historian, John Richard Green, in his classic *Short History of the English People*, said of Washington: "No nobler figure ever stood in the forefront of a nation's life."

After mature reflection, I have concluded that the opinions of Douglas Freeman, James Flexner, Dumas Malone and John Richard Green outweigh those of Gore Vidal.

Among those who knew Washington best were the members of the Virginia General Assembly, a body in which he had served several terms before the Revolution. In 1785 they commissioned the foremost sculptor in Europe, Houdon, to execute his statue from life, and place it in the Capitol at Richmond, in recognition of his services to the nation. In 1788, before Washington became President, the people of Richmond began celebrating his birthday annually as a holiday. If the description of Washington in *Burr* is based on the observations of his contemporaries, as the book's jacket claims, why was no reference made to such contemporaries as these, who paid him such conspicuous honor? Or those who demanded unanimously that he became the first President of the United States?

Vidal's and Burr's strictures on Thomas Jefferson are not quite so startling as those on George Washington, since Burr could hardly have failed to feel strong hostility toward Jefferson, in view of the latter's role in Burr's trial for treason. President Jefferson did his best to obtain a conviction, and his methods toward that end, it must be conceded, do not show him in his best light.

It is understandable, then, that in the book Burr terms his implacable enemy "a hypocrite" and "the most deceitful" man he had ever known. Burr also repeats the old canard that "Wise Tom preferred the safety of Virginia and the excitement of local politics to the dangers of war."

But when he refers to perhaps the most brilliantly versatile man America has produced as "an intellectual dabbler" who "never did any one thing particularly well," he lapses into absurdity. He becomes still more nonsensical by strongly implying that Jefferson couldn't even write, for he says that certain words of the Master of Monticello display "a more than usual infelicity of style."

Burr even sneers at John Marshall, the man who saved him from conviction on charges of treason. He states that in the crucial opinion that secured his acquittal, Marshall moved "with elephantine grace away from his own earlier position", and Burr adds that the Chief Justice underwent "a shameful collapse before Jefferson and public opinion."

Yet all this defaming of Washington, Jefferson and Marshall is hardly surprising, given Burr's tremendous prejudice against Virginians. "Putting aside honor like a Virginian" is one of his choice phrases. Only James Madison, among all the Virginians, qualified as a gentlemen, in Burr's opinion. We inhabitants of the Old Dominion would be inclined to regard this judgment as slightly excessive.

The amazing thing about Vidal's *Burr* and Brodie's *Jefferson* is that so many supposedly intelligent readers seem to take them seriously. It is understandable that these books have sold well, for almost any reasonably literate work that makes sensational charges against revered figures or downgrades those whom we have been taught to honor, will appeal to the groundlings. It is, however, dismaying that persons of presumed discrimination have accepted the slanders in these volumes.

Here at the College of William & Mary, where so many of the foremost men in our early history studied, and in Williamsburg, where the heroic Virginians of the revolutionary era made some of the epochal decisions in our annals, it is peculiarly appropriate that we denounce these untruths and half-truths for what they are.

The shades of Washington, Jefferson, Marshall, Wythe, Patrick Henry, George Mason, Peyton Randolph, Richard Henry Lee and a host of others who made this nation, look down upon us here, as we celebrate Charter Day at this fine old institution of higher learning, and as we move into the bicentennial. Let us remember their great and gallant services, and let us keep faith with them in gratitude for their lasting contributions to the founding of the republic.

U.S. POLICY TOWARD CUBA ANACHRONISTIC

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. HARRINGTON. Mr. Speaker, last week I introduced legislation designed to improve our relations with Cuba by amending or repealing laws long overtaken by events.

The first of my proposals is a joint resolution of the House to repeal the Cuba Resolution. Passed as Public Law 87-733 on October 3, 1962, the original resolution was little more than a policy statement expressing hostility toward the Cuban Government. As such, its repeal would be a convenient means of demonstrating an interest in reconsidering our relations with that country.

My second proposal is a bill to end the economic sanctions the United States has imposed on the Government of Cuba. More substantive than the joint resolution, it would bring relations with Cuba more in line with our recent efforts toward rapprochement with other countries, most notably the People's Republic of China and the Soviet Union.

As a matter of fact, to ignore détente with Cuba, or any other country for that matter, is out of harmony with this Nation's expressed foreign policy. In the case of Cuba, it involves more than just a foolish consistency because the reasons for threatening and isolating Cuba have become anachronistic.

In the early part of the last decade, it was commonly held that the isolation of Cuba would contribute to her decline and ultimately purge the island of communism. The result of this action has been increased Communist influence in Cuba, a country which is today stronger, not weaker than it was 13 years ago. Ironically, it is the United States which is now isolated. American opinion notwithstanding, eight members of the Organization of American States—OAS—Argentina, Mexico, Peru, Venezuela, Barbados, Jamaica, Panama, and Trinidad and Tobago—have recognized Cuba and three others—Colombia, Costa Rica, and Equador—are contemplating similar shifts in their foreign policy. At a meeting of the OAS in Quito last year, 12 members voted in favor of accepting Cuba as a member, another indication that Latin American countries are not willing to follow the United States blindly.

In addition, the United States, whose shortage of sugar alone makes trade with Cuba worthwhile, is beginning to find its policy divorced from the interests of its businesses. Recently, American automobile companies, recognizing that Cuba is a market for modern equipment, have set up subsidiaries in at least one country—Argentina—for the production and sale of tractors; other firms are seeking similar exemptions for licenses elsewhere; the Litton Co. for instance wishes to sell $500,000 worth of furniture to Cuba from Canada.

Because so many Latin American countries have normalized their relations with Cuba, or at least carry on trade, prolonging the U.S. embargo will have serious implications for our status in the Organization of American States. If Congress is serious about a "new dialog" with Latin America and about détente, concrete action must replace rhetoric. It is in this spirit that my proposals are offered.

OF PROXIES AND PARTISANSHIP

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, I was astounded and confounded to read in last Friday's Washington Post that House Democrats are charging Republicans with partisanship in their successful move to ban proxy voting on the ethics committee. I would remind my colleagues that the proxy voting ban was originally proposed unanimously in the last Congress by our completely bipartisan select committee on committee reform, and that it was adopted by a bipartisan House majority last October. It was only by a secret democratic caucus vote this January that proxy voting was restored to the House rules.

To charge that opposition to proxy voting is partisan is like claiming that opposition to military desertion is unpatriotic. I would point out that, among other things, our ethics committee is charged with voting on allegations of official misconduct by House Members. To permit proxy voting on this committee would be like permitting Judiciary Committee members to vote resolutions of impeachment without first exposing themselves to the evidence. We have not learned a thing from Watergate if we think our own ethics committee can faithfully discharge its duties in absentia.

I noted with interest that the new chairman of the ethics committee defended proxy voting on the grounds that it has been "a longstanding rule on the committee." This is one of the weakest defenses I have ever heard for proxy voting. It also used to be a longstanding practice to burn women at the stake who were thought to be witches. But that did not make it right.

The Democrats have been frequently credited in the press with at least tightening-up on the proxy procedure. But the fact is that the new rule permits a Member to vote by proxy if he "is absent on official business or is otherwise unable to be present." Rule XI, clause 2(f). This "tight" new rule protects the golfer as well as the Member attending another committee meeting. Let us face it: proxy voting is nothing more than a coverup for truancy and dereliction of duty. The American people will not stand for this democratic game of legislative hooky being played by a bunch of absentminded professors.

Finally, Mr. Speaker, I was amazed to read that the chairman of the formerly reform-minded democratic study group has proposed that the democratic caucus pack the ethics committee with Democrats in order to restore proxy voting. This proposal is one of the most cynical and perverse ploys I have ever heard. It makes a complete mockery of the concept of an ethics committee. But such high-handed power plays are to be expected under the King Caucus system erected by the Democrats. In the alternative, the same DSG chairman has proposed that the caucus strip the ethics committee of its legislative jurisdiction. One wonders whether this suggestion has been made to penalize the committee for eliminating proxy voting, or to block bipartisan action on such necessary legislation as personal financial disclosure and regulation of lobbying. It would not surprise me if the caucus voted to shift this jurisdiction to the House Administration Committee as it did jurisdiction for congressional salaries last January. This would be but one more nail in the reform coffin, courtesy of King Caucus.

Mr. Speaker, I would suggest that the cleanest way to resolve this whole dispute over proxy voting would be for the Rules Committee to take immediate action on my House Resolution 113 which would abolish proxy voting in all committees and to permit the full House a separate vote on the issue. Let us indeed see by this test vote whether this Congress is more or less reform-oriented than the last Congress.

The Post article follows:

HILL PANEL BARS VOTE BY PROXY

(By Richard L. Lyons)

House Republicans won their first partisan fight of the year yesterday—in the supposedly nonpartisan Ethics Committee.

The committee to police official conduct of House members was created in 1967 after the House had thrown out Rep. Adam Clayton Powell (D-N.Y.) for misuse of public funds. In recognition of its nonpartisan function, Ethics is the only House committee where both parties have equal membership. Democrats dominate all others in the same 2-to-1 ratio by which they control the House.

The issue yesterday was proxy voting. Republicans have tried at organizational meetings of most House committees this year to outlaw this procedure, which allows absent members to cast votes in some circumstances. Proxy voting favors the majority party, depriving Republicans of winning committee votes by catching Democrats with too many absentees.

The Republicans had lost every time until yesterday. When the 12-member Ethics Committee met to organize under its new chairman, Rep. John J. Flynt (D-Ga.), they defeated a motion to permit limited proxy voting. The vote was a party line tie, 6 to 6.

Flynt said this was the first time to his knowledge that a partisan vote had been cast in the committee and expressed regret "that a longstanding rule of the committee was changed by a party line vote."

Rep. Thomas S. Foley (D-Wash.) warned that the action might cause the caucus of all House Democrats to change the committee's membership giving Democrats control or removing its legislative jurisdiction, or both. The committee is empowered not only to sit in judgment on congressional conduct but to propose legislation on lobbying and financial disclosure.

Foley and other Democrats tried for more than an hour yesterday to persuade Republicans that, of all committees, Ethics is the one where proxy voting is most justified.

Republicans contend that proxy voting should be abolished. It is not permitted on the House floor and committee chairmen should not be permitted to prevail by casting a pocketful of proxies for absent members, Republicans argue.

Time was when an absent member could authorize a colleague to vote his proxy on any issue at any time. Last year the House adopted a ban on proxies, but when the new Congress convened last month, Democrats pushed through the House a change permitting committees to adopt limited proxy rules. A member must sign a statement that his vote may be cast on a specified date in a specified manner. Most of the Democrat-dominated committees have adopted this change.

Foley noted that the Ethics Committee includes chairmen of three other major committees and senior Republicans on three others. Rep. Edward Hutchinson (Mich.), ranking Republican on the Judiciary Committee, would have found it difficult to leave the Nixon impeachment hearings last year to vote at an Ethics Committee meeting, Foley argued. But the six Republicans were not swayed.

THE PRESIDENT'S ENERGY AND ECONOMIC PROGRAM

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. WOLFF. Mr. Speaker, Now that the House has passed H.R. 1767 and hopefully, the Senate will join our efforts, we can fully analyze the President's complex energy and economic program and evaluate the implications of any comprehensive program. One issue which I think deserves consideration is the impact the President's program will have on all of the organizations and institutions which now enjoy a tax exempt status. As these entities pay no taxes, they are not eligible for the rebate program as it is now set up. However, they will not be exempt from the rises in the cost of energy supplies which are essential to their operation. I think that some provision must be made to remedy this unique squeeze in which the tax exempt institutions find themselves.

At this point, I include a letter which I received from Mr. Steven Muller, president, Johns Hopkins University which details this situation:

THE JOHNS HOPKINS UNIVERSITY,
January 28, 1975.

HON. LESTER L. WOLFF,
House of Representatives,
Washington, D.C.

DEAR MR. WOLFF: As the Congress of the United States moves toward new policy and legislation on the related problems of energy and the economy, please allow me to draw your attention to an extraordinary difficulty that may face the entire tax exempt sector of American cultural, religious and higher educational institutions. The unintended effect of proposals made by President Ford and others would be to single out these institutions with a burden that would be both unfair and possibly ruinous.

President Ford has proposed a combination of increased taxes on crude oil imports and other measures that would increase consumer costs of energy, and tax relief for individuals and business enterprises. Cultural, religious, and higher educational institutions would as a consequence be confronted with further increases in fuel and energy costs, but because of their tax exempt status these institutions could not benefit from any measures of tax relief. These institutions also face the insoluble problem of finding it largely impossible to pass on increased utility costs to their clients and patrons.

Because of this last condition, all of the institutions across the country to which I refer already face severe new budgetary difficulties. Please let me offer one segment of my own institution as a typical example. On the Homewood campus in Baltimore of The Johns Hopkins University our total expenditures for oil, natural gas and electricity during the academic and fiscal year 1972–73 amounted to $667,885. In 1973–74 these expenditures rose to $837,163. For the current 1974–75 year we are projecting expenditures of $1,271,584. For 1975–76 our present projection calls for expenditures of $1,818,180. In 1972–73 we were paying 10.3¢ per gallon for oil; currently we are paying 33¢ per gallon—an increase of over 300%. In 1972-73 we were paying 49.5¢ for 1,000 cubic feet of natural gas; currently we are paying 80.4% per 1,000 cubic feet—an increase of over 75%. In 1972–73 we were paying 1.47¢ per kilowatt-hour of electricity; currently we are paying 2.62¢ per kilowatt-hour—again an increase of over 75%. Our projections for next year assume that we will continue to be compelled by the Baltimore Gas and Electric Company to use oil rather than natural gas throughout most of the winter; that there will be some further increase in oil and electricity rates; and that there will be a very substantial increase in natural gas rates. Despite a reduction of nearly 20% in the total consumption of oil, natural gas and electricity on the Homewood campus, we are, therefore, looking at the grim prospect of a tripling of utility costs over four years—from $667,685 in 1972–73 to over $1.8 million in 1975–76.

This is already a desperate situation. Further reductions in energy use are possible only at the price of significant sacrifices in the quality of our academic programs. I trust that it is obvious that we are in no position to meet this explosion of utility costs simply by matching increases in student tuition and fees. We obviously face other unavoidable expenditure increases for wages and salaries, costs of paper and telephone, social security contributions as a large employer, etc. If this savage problem were now compounded by one or more additional rounds of increases in energy costs without relief, the impact on my institution would be literally destructive.

I cite this one major campus of The Johns Hopkins University not as a case of special pleading, but because it typifies the problem confronting every university, college, hospital, museum, concert hall and church in the United States, perhaps most acutely in the northeastern part of the country. I know that it is not the intent of the President or the Congress to solve problems of energy or the economy by destroying the tax exempt cultural, religious and high educational institutions of America. I write to you in the simple hope and faith that a candid and explicit statement of this special problem before new national solutions are worked out in detail may help to avert an unintentional turning of what is already a crisis into a catastrophe.

Sincerely,

STEVEN MULLER.

TURKEY—YESTERDAY AND TODAY

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. MYERS of Indiana. Mr. Speaker, a respected friend of mine, R. D. McAllister of Arlington, Va., recently made some very interesting observations on the history of events in the conflict over Cyprus which I want to share with all the Members of the House:

TURKEY—YESTERDAY AND TODAY

When one reads about recent events on Cyprus and the hesitation of the U.S. to cut off aid to Turkey, even while thousands of lives have been devastated, one realizes that history does indeed repeat itself. Although not a major power, Turkey still manages to capitalize and milk the maximum advantage from her strategic location just as she has done for several centuries, always doing as she pleases, regardless of world opinion, for she knows she holds the ace in the game of the nations.

During the 19th and early 20th Centuries it was England rather than the U.S. who overlooked Turkey's faults, and in both instances, the main factor in this anomalous behavior is Russia. In England's case, landlocked Russia had repeatedly tried to gain control of the Turkish straits, but England couldn't permit this, since Turkey lay on the route to England's Indian empire. It took World War I to make England finally realize she had "backed the wrong horse," for when she turned to Turkey for help, England found her many years of friendship and backing had all been for naught. Now apparently the U.S. considers Turkey essential to the containment of Russia and stands silent while Turkish crowds hail their hero Ecevit by strewing his path with flowers. Turkey has been the beneficiary of all this concern for her welfare "not because of their beautiful black eyes" as someone said once, but because of her location.

The Turks first appeared in the West during the 11th Century. Valiant fighters, they swept out of the plains of central Asia and conquering as they went, gradually took over and established the Ottoman Empire in Asia Minor, Egypt, Arabia, North Africa, the Balkan penninsula, and even some parts of southern Russia. By 1453 the Turks had taken Constantinople, marking the end of the Byzantine Empire. Successful at conquest, they were unsuccessful in ruling over those conquered, with the result they gradually lost much territory. The Greeks won their independence early in the 19th Centry. So inspired was Lord Byron, the English poet, by the Greek fight for freedom that he went to Greece to help not only personally but financially. He died there at Missolonghi in 1824 and is still revered as a Greek hero. By the end of the 19th Century more territory was lost: Algeria to France in 1830 and Tunisia in 1881; Great Britain got Cyprus in 1878 and occupied Egypt in 1882; in 1908 Austria annexed Bosnia and the Bulgarians won their freedom; in 1911 Italy took Libya; and finally with the Balkan Wars Turkey lost most of what was left of her European possessions.

During the last half of the 19th Century, even when all Europe had dubbed Turkey "The Sick Man of Europe" and the Sultan of Turkey, Sultan Abdul Hamid, was called "The Great Assassin," England still backed Turkey every time Russia made any move against her, even fighting the Crimean War. Toward the end of the century another great power entered the circle of those seeking Turkey's favors. Germany, turning eyes eastward, adopted the policy "Der Drang nach Osten"—We Push Eastward. In 1898, even while the world was still aghast at the 1896 massacres of 100,000 Armenian subjects of Turkey, the German Emperor travelled to Palestine to show his friendship for the Sultan who was responsible for the massacres. So grateful was the Sultan for this show of friendship, in 1899 he rewarded the Emperor with the Baghdad Railway concession, a railway which played an important part in World War I.

England managed to maintain her friendship with Turkey in spite of the growing presence of the Germans. A major event occurred in 1909 when the Young Turks rose and deposed the Sultan, installing a constitutional government. The world little realized the future importance of two of the Young Turks, an obscure Army officer of Polish extraction named Enver, and an Islamized Bulgarian gypsy, a postal clerk, named Talaat.

It was the first World War that really brought home to the Turks the value and significant strategic importance of their land. As the events piled one on top of another: the assassination of the Archduke; the demands on Serbia by Austria; the backing of Austria by her ally Germany; the backing of Serbia by her ally Russia; the pact between France and Russia; the efforts of France and Russia to get England to commit herself; English reluctance until Belgium was invaded; the invasion of Belgium as Germany struck through to win a fast victory; and then they were finally all at it.

In the meanwhile all the participants were anxiously eyeing Turkey. With Germany facing France on the west and Russia on the east, Turkey's position was crucial to Germany. For the allies, too, Turkey's location was of extreme importance. Lord Kitchener, head of the British War Office, instructed Sir Louis Mallet, British Ambassador at Constantinople, to keep Turkey neutral at all costs, or at least until he could get Britain's Indian army through the Suez. Sir Louis' second objective was to insure that, if all efforts failed to avoid a state of war between England and Turkey, it should be clearly by the unprovoked aggression of Moslem Turkey, for Great Britain did not want to offend her Moslem Indian subjects. With these factors in mind, Sir Louis informed the Turks that England, France, and Russia would guarantee Turkey's independence and integrity against any attack if Turkey would remain neutral. England's main hope was that having helped Turkey all those years, Turkey would now reciprocate. When the final decision was made, Turkey went with Germany. Having foreseen Turkey's importance, Germany had, through the friendship of Enver, who by now was Minister of War and an ardent Prussophile, installed German officers to train the Turkish Army. Another decisive factor turned out to be two pairs of ships.

A short time before the great war, Turkey and Greece were having serious problems over the islands of Chios and Mitylene, and the Turks deported thousands of Greeks from their homes. It is said if the war had not come, there would have been a Greco-Turk war in 1914. Turkey had purchased two ships from England to bolster her navy in case of war with Greece. Just as they were about to be delivered to the Turks, England found herself involved in the war and decided to hold the two ships for her own navy, notifying Turkey of her decision on August 3rd. The appropriation of the two ships could not have taken place at a worse time as far as the British cause was concerned, for the Germans were making every effort to keep the Turks on their side. Anti-British feeling ran high in Turkey, so that when on August 10th the two German Cruisers, the Goeben and Breslau, entered the Dardanelles, the Turks welcomed them warmly. Although at the time Turkey was still neutral, and under international laws could not allow the German ships to remain there more than 24 hours, a statement was issued that Turkey had "purchased" the two ships, and the German crew put on Turkish fezes and remained at their posts.

Confident of a quick victory, Germany at first assured the Turks they need not enter the war, but by early September when the Battle of the Marne took place and Germany realized the quick victory was not materializing, the Turks found themselves drawn in. Many believe Germany would have been beaten in 1915 if Turkey had remained neutral. By the end of 1914 Enver had embarked on the first campaign ordered by the Germans—an attack on the Russian Caucasus. In that bitterly fought winter campaign, of Enver's original 150,000 men, only 12,000 survived.

Another major action that resulted in enormous human consequences was the failure of the British to force the straits leading to Constantinople in early 1915. After suffering great losses, the British decided to withdraw their navy on March 18, 1915. Historians would later find that the fleet had been on the brink of victory had it persisted another day or two. This failure to keep the straits open not only resulted in preventing the Allies from supplying the Russian army and contributed indirectly to the Bolshevik revolution, but also set the scene for the first genocide of the 20th Century, one that has never been admitted to by Turkey; a genocide that has been overlooked by most history books and is remembered only by a few over 65 years of age, who as children were admonished when they didn't finish their food, "Remember the starving Armenians."

The present generation knows so little about it that one college-educated young woman was recently heard to remark that she had a friend whose Armenian parents were chased out of Germany by Hitler. That is why Hitler felt confident when he undertook his Jewish pogroms, telling his commanders in 1939, "Who, after all, speaks today of the annihilation of the Armenians?" Just as Hitler later carried out his genocide under cover of World War II, when no one could stop him, so the Turks in April 1915 decided with the straits impregnable the propitious moment had arrived to complete what the Sultan had left incomplete in 1896 and to get rid of the Armenian subjects of Turkey once and for all. They activated their previously made plans.

Henry Morgenthau, who was on the spot as the American Ambassador and who repeatedly tried to convince the Turks of the monstrosity of such action, has written: "The great massacres and persecutions of the past seem almost insignificant when compared to the suffering of the Armenian race in 1915." Talaat once requested Morgenthau to collect the proceeds of the insurance written with American companies on the lives of Armenians now dead. "The government of Turkey is now the beneficiary," Talaat told the American Ambassador. This same Talaat fled to Berlin when Germany lost and was tracked down and assassinated by an Armenian youth in 1921. The youth was tried and acquitted by German courts. In 1943, again under cover of a war, the Turks brought Talaat's body back to Turkey, and extolling him as a true patriot, buried him with full honors.

Thus, in view of their past actions and when one considers the end results of England's friendship, one cannot but speculate on the necessity for our current stance toward Turkey. In light of modern technological advances, are we continuing to base our security needs on outmoded concepts? At the turn of the century, in a world without planes and missiles, it is easy to understand how imperative it was for England to protect her trade routes. With our arsenal of intercontinental missiles, is Turkey still that important to the United States? Are we, too, "backing the wrong horse" as England eventually concluded?

The Turkish Sultan Abdul Hamid is once said to have remarked to a friend, "My nation has been wooed by all the powers, but is still a virgin." Since England wasn't able to make her after a century of wooing, one wonders if the United States can.

AID TO CAMBODIA

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. MOFFETT. Mr. Speaker, the Members of the House of Representatives have been asked by the administration, not even 2 months after decisive legislation on the part of Congress, to put up another $222 million of the American people's money for the war efforts of Mr. Lon Nol of Cambodia—a leader who has thus far been unable to fight his way out of a paper bag.

In addition, the administration is asking for us to lift the ceiling on the amount of food for peace they can

send over there—a program that some of us call food for war since the profits from that food have been used by Lon Nol and by Thieu to buy weapons or run their prisons.

Any possible claims that U.S. aid of any kind is being used for economic development in Cambodia, of course, would have to be false. A country completely involved in war, and especially in a regime besieged by political and military opposition, has no time for proper development. The claim that the United States will lose its credibility by withdrawing support from Lon Nol is equally absurd. We have already lost our credibility by having dropped more than 250,000 tons of bombs on Cambodia in order to "insure its neutrality."

Actually, I do not want to use the word "we" when we talk about U.S. policy in Indochina; because the promises made to corrupt dictators like Thieu and Nol were not made by the American people; the "secret" bombing of Cambodia was a secret not to Cambodians or Chinese or Russians, but to the American people; and the billions of dollars described by the administration as investment in Indochina, most of my constituents regard as a waste. And the loss of 55,000 GI's, Mr. Speaker, drew the most distinct line of all between "we," the American people, and "they," the policymakers who make deals with Indochinese dictators.

I would like at this point to introduce into the RECORD the February 6, 1975, New York Times editorial by Anthony Lewis, entitled "A Successful Operation," which points out the discrepancies between word and action in the administration's Cambodian war which is now several years old:

[From the New York Times, Feb. 6, 1975]

A SUCCESSFUL OPERATION

(By Anthony Lewis)

BOSTON, February 5.—Last December, just before it recessed, Congress put a ceiling of $275 million on military aid for Cambodia in the current fiscal year. The act used unusually firm language, prohibiting spending beyond the ceiling for "any operation, project or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel or advisers. . . ."

Six weeks later, the Administration is back asking for more: an additional $222 million in military aid for Cambodia, almost as much as the amount just fixed by Congress for the whole year. And although the figure is not yet generally known, the Administrations wants another $425 million in military aid for the next fiscal year, starting July 1.

Philip Habib, Assistant Secretary of State for East Asian and Pacific Affairs, told a House Appropriations subcommittee the other day that the added money was essential—to save the Lon Nol regime in Cambodia, and with it American credibility. The world is watching to see what we do in Cambodia, he said.

Mr. Habib is a skillful and experienced diplomat, and he made a good witness. But his case for more aid—the argument of military need and U.S. credibility—can be convincing only if one is oblivious to very recent history. It is crucial to look at the record: the record of American words and action, and the results in Cambodia.

1. THE WORDS

Overt U.S. involvement in Cambodia began with the "incursion" announced by President Nixon on April 30, 1970. Mr. Nixon said his purpose was not to "expand the war into Cambodia" but to hit North Vietnamese sanctuaries. If he had not acted, he said, "the credibility of the United States would be destroyed," and we would seem "like a pitiful helpless giant."

On June 3, 1970, Mr. Nixon pronounced the incursion "the most successful operation of this long and difficult war." He gave assurance that the U.S. was not undertaking a long-term military role in Cambodia. After July 1, he said, the only American military activity in Cambodia would be "air missions" against the Vietnamese Communists' movement of men and supplies—and then only when necessary to protect "the lives and security of our forces in South Vietnam."

On June 30 Mr. Nixon repeated that assurance. He added that there would be "no U.S. advisers with Cambodian units." And, finally, he said the U.S. would give military aid to Cambodia "in the form of small arms and relatively unsophisticated equipment."

In a television interview the next day, July 1, 1970, Mr. Nixon spoke of what the incursion had done for Cambodia. "Cambodia's chances of surviving as a neutral country are infinitely better," he said, "than they were on April 30."

2. THE ACTIONS

American military activity in Cambodia after July 1, 1970, was not limited to air missions against Vietnamese forces, or limited to the purpose of protecting U.S. troops in South Vietnam. There was a massive intervention from the air in the Cambodian civil war—bombing that continued after all American forces left Vietnam in 1973, until Congress stopped it.

Aid was not limited to "small arms and relatively unsophisticated equipment," nor were military advisers kept out. Congress eventually legislated a ban on advisers, but current reports from Cambodia make plain that American diplomats and others still play a critical role in advising, if not directing, Lon Nol's tactics.

The United States has spent nearly $7 billion thus far on bombs in and aid to Cambodia: More than 250,000 tons of bombs were dropped on Cambodia, and at the known rates for the Indochina air war that would have cost roughly $5 billion. And aid to Lon Nol has totaled $1.85 billion to date.

3. THE RESULTS

The civil war has raged on for five more years, with human results that are heartrending even by the standards of war in Indochina.

Some 700,000 Cambodians have been killed or wounded. That is 10 percent of the population: the equivalent in the United States of 20 million casualties. According to estimates by the Senate Refugee subcommittee, 3,389,000 Cambodians have been made homeless by the war. That is nearly half the population.

As for the Lon Nol regime, its chances of survival have never been worse than they are now, after five years of American assistance. It is a Government without political will, corrupted almost to the point of disintegration, hanging on in Phnom Penh and a few other towns only because of American subvention.

Can anyone who looks at the record believe that American intervention has helped the people of Cambodia? Would more intervention be likely to bring them peace, or Asia political stability? Yet those are the arguments that Congress is being asked to accept, just a month or two after setting a limit to the tragedy of American intervention in Cambodia.

The operation was "most successful," but the patient is dying.

DR. JOHN L. S. HOLLOMAN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. RANGEL. Mr. Speaker, the February issue of Black Enterprise carries an excellent article on Dr. John L. S. Holloman, president of the New York City Health and Hospitals Corp. "Mike" Holloman is a resident of my congressional district and has long been active in Harlem community affairs. His appointment last year by Mayor Abraham Beame makes him the top hospital administrator in the United States, in charge of 19 hospitals providing a full range of health services in New York.

At this point, I am introducing the article on Dr. Holloman in the RECORD:

THE HOSPITAL ADMINISTRATOR

(By Jacob Wortham)

In many ways, John Lawrence Sullivan Holloman, Jr., is quite extraordinary. A 55-year-old black physician who has spent most of his professional life (30 years) treating residents of New York City's Harlem, Holloman is well past the age of the typical "new black achiever" of the seventies. Perhaps that is why many people were somewhat surprised seven months ago, when the soft-spoken, but formidable, champion of better health care for the poor was elected to the nation's number one non-federal public health services post.

As president of the New York City Health and Hospitals Corporation, Holloman oversees the operations of 19 municipal hospitals with a combined capacity of 15,000 beds and a combined budget totaling almost $1 billion a year.

To select a president, the corporation's board of directors spent nine months reviewing the credentials of more than 160 candidates before responding to the concerns of a bipartisan coalition of black politicians that a black be seriously considered for the $65,000-a-year job.

Predictably, after Holloman's selection, the board's action was applauded in the black community and denounced by some of the city's top white politicians, physicians and newspapers. In a scathing editorial, *The New York Times* called Holloman a poor choice, a man "more distinguished for his adroitness in personal and intergroup relations than for his skill or experience in hospital administration." It could be argued that personal warmth and expertise in human relations are invaluable assets for the head of a hospital system where a majority of the patients are poor blacks or Puerto Ricans. Moreover, it was never expected that anyone could handle the job single-handedly. Holloman, like his predecessor, Joseph English, is surrounded by expert managers and technicians at the vice presidential level. "What is important," says one Holloman supporter, "is that the man at the top be able to identify with the corporation's chief constituency."

But "Mike" Holloman, as he is known to his close friends, sees himself as more than a peacemaker to the corporation's often disenchanted community advisory boards.

Seated at the head of a long conference table, in his downtown office, Holloman is poised and, at times, philosophical as he answers his critics. His major challenge, he says, "is to help the citizens of New York recognize that quality health care is a right. We must work to eliminate a dual health care system, which somehow deems the poor to be less worthy of good care than those who are able to pay."

Even Holloman's most obstinate detractors would find it difficult to question his sincerity on such issues. Ever since he graduated from the University of Michigan Medical School in 1943, the stocky, bearded physician has been at the forefront of the struggle against racial and economic discrimination in medicine.

For several years, he led pickets outside the annual convention sites of the American Medical Association, until the often conservative AMA took a stand against discrimination and segregation in health facilities and in medical societies.

"You must remember," he says, "at one time our hospitals were more segregated than our churches."

Holloman was also one of the founders of the Medical Committee for Civil Rights, which provided medical assistance during many of the freedom marches throughout the south during the 1960s. In fact, he met his second wife, the former Patricia Ann Tatze, a nurse, during the march to Selma, Alabama, in 1965.

Mrs. Holloman, who is 40-years-old, coordinated an education program for the Public Health Association before giving up her career to take care of their children, Laura Ann, 3, and Ellen Victoria, 10 months.

Home for the Hollomans is a spacious apartment in a Harlem co-operative. But the head of the family rarely gets a chance to spend much time there. Since he took over the presidency of the corporation, he has been on the job 14- to 16-hours-a-day, seven-days-a-week. And he must be available around the clock, in case a crisis situation arises at one of the 19-member hospitals.

It's a grueling schedule and Holloman must budget his time wisely. He is usually the first person to arrive at his office (by eight o'clock most mornings) and immediately settles down to attack the perpetual flow of paper work that will inevitably escalate as the day progresses.

By the time his secretary arrives, Holloman is ready to iron out any kinks in his itinerary, which she gives him the night before. At least three mornings a week, he calls his executive staff into session for discussions on matters, ranging from budget to personnel. And, on any given day, there is usually a luncheon to attend or a conference with board members, in addition to a speaking engagement or a meeting with politicians.

Although the latter is absolutely essential to anyone in his position, it has created problems for Holloman, whom some critics have charged lacks independence because of his "close ties" with the politicians. He, in turn, emphatically replies, "I am my own man. My only commitment is to the citizens of New York."

That is undoubtedly so, but the problem arises because the quasi-independent corporation was created by the state legislature, in 1970, which gave the mayor and city council virtual control over the selection of board members.

Additionally, more than 46,000 employes are required to run the corporation's 19 hospitals and numerous health centers. They treat more than two million patients yearly and the funds must be appropriated by New York's City Council. So, while Holloman asserts his independence, he is compelled to recognize that good relations with the political sector "are a must" if the corporation is to be able to deliver quality health care services. Consequently, it is a thin line and a tight rope that he walks. Fortunately, he is well-qualified for it.

Still some observers wonder if Holloman will be able to pull the corporation out of a financial crisis that often appears unwieldly. When he took over the presidency, the Medicaid reimbursement rate (which provides 68 percent of the patient revenues) was slightly more than $120 per day while the private non-profit hospitals were receiving more than $200 per day. "From this source alone," says Holloman, "the municipal hospitals were being short-changed by about $45 million per year. I immediately directed my staff to appeal the reimbursement rates and the result has been an increase to slightly more than $200 a day."

A great deal of Holloman's time is also spent in consultation with the hospitals' community advisory boards. "I have always been an advocate of patient rights," says Holloman. "These boards are made up of people who are our consumers of services and we have found that by listening to them, it becomes easier to find ways to make the system work more smoothly.

"One of my goals is to move the hospitals closer to the people who are being served," says Holloman. To achieve that, he recently acquired the unanimous approval of the corporation's board to relocate the Queens Hospital Center from a white middle-income area to a site closer to the hospital's black constituency.

The community board applauded Holloman's victory, with one member saying "at last we seem to have someone downtown who is willing to stick his neck out for the poor."

If the corporation's relations with the local boards have improved since Holloman took office, it may be due, in part, to his low-key profile, and to some extent, his color. The boards' members are mostly blacks and Puerto Ricans and they, no doubt, find it easier to communicate with a man who has been constantly linked to the ghetto.

Of course, while Holloman may speak their language, he was never child of the streets. His father, whose name he bears, was a scholarly minister, who pastored Second Baptist Church, in the nation's capital, for almost 55 years. "My father was a particularly fine person," he says. "I am very fortunate to have been brought up by him." John, Sr. and his wife, Rose, had five children—four girls and one boy. He attended Washington's segregated public schools and then graduated from Virginia Union University in Richmond, with honors in chemistry.

He came to Harlem Hospital as an intern in 1943, following his graduation from the University of Michigan. A year later, he joined the Army Air Corps and served under Benjamin O. Davis in an all-black bomber group that called itself the "Spookwaffe."

When the war was over, Holloman returned to New York and did postgraduate medical training in internal medicine at Cornell University and Bellevue Hospital. He then set up a private practice in Harlem and proceeded to build a solid reputation as a highly respected urban doctor.

He is a former president of the National Medical Association and was an assistant vice president of the Health Insurance Plan of Greater New York at the time of his election to the hospitals corporation presidency. He has also been the medical director of two diagnostic laboratories.

Holloman's credentials are indeed impressive. Why then do so many people keep insisting that he lacks the administrative ability to handle his job efficiently? He doesn't have the answers, but some of his supporters will tell you that much of the criticism stems from outright racism. As one black politician put it: "It's difficult for some folks to conceive of a black man being the city's highest paid public official. They feel he has arrived a bit too far, too soon."

Holloman doesn't discount the racism factor, but he says he's much too busy to give it serious thought. "I accepted this job because I believe in providing good service to people," he says. "That comes from my dad. He always knew there was a lot to be done and never shirked his responsibility."

An admirable philosophy. But why does a man who has lived perhaps three quarters of his life want to take on a system that some people insist can never run smoothly because of its size? "Because I sincerely believe the system can work for the good of all New Yorkers," Holloman says. "If I didn't really believe that I wouldn't be here."

Holloman is reminded that, in the past he has been a critic of many of the corporation's programs, especially one that affiliates each municipal hospital with a non-public hospital or school.

He has no plans to scrap the program but intends to make sure the municipal hospitals are not short changed.

"There are still quite a few problems," he explains, "but they are solvable. We pay the voluntary hospitals for certain services and we are now demanding that they be rendered promptly and efficiently."

Holloman is a strong advocate of a proposal to establish a public medical school in New York City. Such a school would be related to the municipal hospital system. The school would emphasize human dignity and students would be taught that poor people and minority peoples are not just guinea pigs. "Our prime raison d'Etre would be patient care," he says.

Holloman has been chief executive of the world's largest municipal hospital system for less than a year. It is too early to tell whether he'll be able to make the system work for everybody. But so far, he seems to be making it work for those who most need it: the disadvantaged.

A MOCKERY OF PEACE WITH HONOR

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. CRANE. Mr. Speaker, even though the war in Vietnam is no longer the front page or on TV every day, the war has not ended. Hanoi has been ceaselessly probing the strength of South Vietnamese positions with the continued material support of Moscow and Peking. Yet, the United States neglects to fulfill its pledged responsibilities to the South Vietnamese by training their troops and by providing necessary material to their army which has proven itself most capable in the past when it had been sufficiently supplied.

Prof. John P. Roche—a former Chairman of Americans for Democratic Action—in a column entitled, "A Mockery of 'Peace with Honor,'" published January 3, 1975, in the Philadelphia Bulletin, reminds us of our promises to provide the people of South Vietnam with the means to protect themselves from an unrelenting aggression.

I commend this article to the attention of our colleagues:

PLIGHT OF SOUTH VIETNAM—A MOCKERY OF "PEACE WITH HONOR"

(By John P. Roche)

WALTHAM, MASS.—I hoped it would never be necessary to write again of Vietnam, and I suspect that most Americans have consciously or unconsciously blocked the war from memory. But those of us who still cherish that old-fashioned notion of American honor must focus attention on events in Vietnam.

Congressional parsimony in military assistance to the still beleaguered Saigon government could make a grim jest out of "Vietnamization" and a mockery of "peace with honor." While Moscow and Peking have continued to load Hanoi's arsenal with sophisticated weaponry, and an estimated 200,000 North Vietnamese are camping in South Vietnam, the United States has virtually turned off the tap.

The underlying premise of Vietnamization was that the United States would fulfill its responsibilities to the Vietnamese by training their troops and providing the necessary hardware. The rationale for withdrawing our forces was that they were no longer necessary. But implicit in this arrangement was the understanding that we would continue to supply adequate military assistance. Since Vietnam went off the map as far as the average newspaper reader or TV viewer was concerned, many people assume the war has died down. Actually the war has never ended. Hanoi has been ceaselessly probing in strength, now in the North, now in the Delta, now in the An Loc region.

Nobody in Saigon or Washington knows what the overall strategy is. One theory, long cherished, has General Giap's troops cutting through South Vietnam to the coast at Hue. This explains why there has been so much effort expended in the Central Highlands in the neighborhood of Kontum.

Then there are others who say that Hanoi plans to open a "tank corridor" in the flatlands between An Loc and Saigon. Reconnaissance indicates that the Ho Chi Minh trail is now paved, paralleled by an oil pipeline, and as busy as the Jersey Turnpike on a hot Summer weekend. Much of the stuff coming down are tracked vehicles—tanks (big T–62s as well as T–54s), armored personnel carriers and flak wagons. Communist warehouses seem inexhaustible.

The record of the Army of the Republic of Vietnam (ARVN) has been excellent. Despite an almost universal bad press, ARVN has fought hard and well. (One reason ARVN has been consistently badmouthed is that it let down all the prophets of its imminent collapse. They have a vested interest in its failure—a fact that may have motivated some members of Congress to swing the budgetary ax. If ARVN won't commit suicide, this logic runs, let's shoot it down and regain our prophetic status.)

But it is dying of the logistical starvation. The Communists, with unlimited resources and splended lines of communication all the way from North Vietnam to Cambodia, can take the offensive at the time and place of their choosing. ARVN has to react. When the probe toward Hue began, for example, the strategic reserve was rushing north. At which point the Communists moved into the Delta to grab the rice crop.

As it now stands, ARVN has to ration shells and ammunition in a way inconceivable to any American GI. Admittedly, Americans are notorious for their lousy fire discipline—never use one bullet when there are five left in the clip—but last year, before the latest budget cuts, an ARVN maneuver battalion was operating with 20 percent of the logistical support provided for an equivalent American unit. In other words, Congress' latest paring will take this figure below 20. ARVN, in desperation, may have to issue Montagnard crossbows.

The consequence of this policy is easy to predict. The Government of the United States will betray and destroy an ally almost invisibly, inch by inch. And the worst of it is that the technique will be self-justifying: ARVN is doing badly so let's stop supporting that bunch of losers. So ARVN will do worse. Congressional critics of ARVN should take a hard look at the number of South Vietnamese killed in action as a proportion of that nation's population. (The last time I figured it, the equivalent figure for the United States would be roughly two million dead.) These brave men and their American comrades died to prevent a totalitarian conquest; they may well have died in vain if the Congress covertly makes it impossible to defend the autonomy of the Republic of Vietnam.

MARGERY W. ROBINSON

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 10, 1975

Mr. STOKES. Mr. Speaker, after 42 years of unselfish dedication to the welfare of the Cleveland community, Margery W. Robinson has retired from her post as head counselor of the John Adams High School Guidance Department. She was recently honored for her many years of service at an appreciation dinner sponsored by the faculty and staff of John Adams High School.

Margery W. Robinson is one of the most outstanding women in our community, and has made a lasting contribution over the years as an educator, a social worker, and a guidance counselor. I know my colleagues will join me in commending Mrs. Robinson for her lifelong service to the community.

I submit for the interest of my colleagues a biography of this remarkable woman as printed in the program from the January 17, 1975, banquet held in her honor:

MARGERY W. ROBINSON

The occasion of the Retirement of Margery W. Robinson as Head Counselor of the Guidance Department at John Adams High School marks the close of forty-two years of service in the field of Social Work, Education and Guidance.

At the beginning of the thirties, Margery Robinson became a visitor with Associated Charities and County Relief. She held this position until 1936 when she was appointed Case Worker of Cuyahoga County Child Welfare Board. Other areas of employment in the social field include: Probation Officer of Cuyahoga County Juvenile Court; Group Leader of Adolescent boys and girls (evenings); Community Organization on Kinsman (East 79th Street Area); Homefinding Caseworker and Casework Supervisor of the Cuyahoga County Child Welfare Board; Group Leader for girls; Woodland Center Neighborhood House; Homefinding Caseworker (Part-time) Children's Services and Pediatric Social Worker, Mount Sinai Hospital.

Entering the field of Education in the Cleveland Public Schools, Margery gave invaluable assistance to the home and school Visitor Programs at Addison Jr. High School, served as Guidance Counselor at Addison, John Hay and John Adams Senior High Schools.

She has worked with the Scouting Programs, served as Superintendent of Sunday Schools, Sunday School Teacher at St. James A. M. E. Church.

She and her family are members of Antioch Baptist Church. She was past president of Antioch's Board of Christian Education. She is a member of Delta Sigma Theta Sorority, also many other civic and community organizations too numerous to name.

Mrs. Robinson is a graduate of Central High School, received an A.B. Degree from West Virginia State University, Institute, West Virginia; holds a MSSA Degree from Western Reserve School of Applied Sciences, and a Post Master's Certification Program in guidance and counseling from John Carroll University.

Margery W. Robinson is the wife of the late Attorney Armond L. Robinson. Her Family includes A. Stanford Robinson, an ordained minister, presently working on a Ph.D. in Historical Studies in Religion at Graduate Theological Seminary, Berkeley, California; a daughter, Marita E. Robinson Brown, certified counselor and teacher, presently working part-time at Cuyahoga Community College; a son-in-law, Thomas G. Brown, a teacher at John Adams High School, and two grandchildren, Myana Kim and Jefferson Jabari Brown.

Throughout her years of service, Mrs. Robinson has demonstrated her deep and abiding loyalty to her constituents and planned sound ways for meeting their needs.

SENATE—*Tuesday, February 11, 1975*

The Senate met at 12 o'clock meridian and was called to order by Hon. WENDELL H. FORD, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Create in us a clean heart, O God, and renew a right spirit within us that we may walk worthy of those who put their trust in us. Fill Thy rightful place in our hearts and reign supreme in our lives. Show us that every wound has a blessing and every scar a remembered grace—that even though we walk in the valley, Thou art with us. Be with us in moments of hard thinking and painful decisionmaking, as well as in times of triumphant joy. Make us ill content with anything less than that which serves our fellow man and advances Thy kingdom. May justice and truth be the fruit of our labors.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 11, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WENDELL H.

FORD, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. FORD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, February 7, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until 12 o'clock noon on Thursday.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order today, there be a period for the transaction of routine morning business, with statements therein limited to 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MARITIME ADMINISTRATION AUTHORIZATION, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 12, S. 332.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 332) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the Appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1975, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000;

(b) payment of obligations incurred for ship operating-differential subsidy, $242,800,000;

(c) expenses necessary for research and development activities, $27,900,000;

(d) reserve fleet expenses, $3,742,000;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $10,518,000; and

(f) financial assistance to State marine schools, $2,973,000.

SEC. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for fiscal year 1975 such additional supplemental amounts for activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. Section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), is amended (a) by inserting "(a)" immediately before "Contracts" in the first sentence thereof; and (b) by adding at the end thereof the following new subsection:

"(b) There shall be established and maintained within the Maritime Administration such regional offices as may be necessary, including, but not limited to, one such office for each of the four post ranges specified in subsection (a) of this section. The Secretary of Commerce shall appoint a qualified individual to be the Director of each such regional office and shall carry out appropriate functions, activities, and programs of the Maritime Administration through such regional offices.".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–7), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill, as reported, is to authorize appropriations for programs of the Maritime Administration for fiscal year 1975 and to assure that the Maritime Administration maintains regional offices for each of the nation's four principal seacoasts, including the Great Lakes.

SUMMARY AND DESCRIPTION

The legislation provides for authorization of appropriations for six categories of maritime programs of the Department of Commerce, which are administered by the Maritime Administration, in the aggregate sum of $562,933,000. Those programs, and the amounts authorized, are as follows:

(1) Acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships—$275 million;

(2) Payment of obligations incurred for ship operating-differential subsidy—$242.8 million;

(3) Expenses necessary for research and development activities—$27.9 million;

(4) Reserve fleet expenses—$3.742 million;

(5) Maritime training at the Merchant Marine Academy at Kings Point, N.Y.—$10.518 million; and

(6) Financial assistance to State marine schools—$2.973 million.

Section 2 authorizes additional supplemental appropriations for fiscal year 1975 for the activities specified in section 1 of the bill, to the extent necessary for increases in salaries, pay, retirement, or other employee benefits authorized by law.

Section 3 of the bill amends the section of the Merchant Marine Act, 1936 which requires the four major seascoasts (Atlantic, Gulf, Great Lakes, Pacific) to be treated equitably by providing that at least one regional office of the Maritime Administration be maintained for each of the four areas.

BACKGROUND

The 93rd Congress passed the fiscal year 1975 maritime authorization (H.R. 13296) on December 20, 1974. That legislation was pocket-vetoed by President Ford after the 93rd Congress had adjourned because of a provision providing for reimbursement for U.S. fishing vessels and equipment damaged by foreign flag vessels. On January 23, 1975, S. 332 was introduced and ordered favorably reported, without amendment, on January 27, 1975. The bill is identical to the vetoed H.R. 13296 in every respect except that the amendment which required the Federal Government to reimburse U.S.-flag fishing vessel owners for damage to their equipment by foreign-flag vessels, was deleted.

EXPLANATION OF THE AUTHORIZATION FOR FISCAL YEAR 1975

In 1970, the most comprehensive and far-reaching maritime legislation in decades was enacted in order to halt a pronounced decline of the U.S. merchant marine. That legislation, the Merchant Marine Act, 1970 (Public Law 91–469) (the "1970 Act"), provided for a 10-year program to improve the efficiency of American shipyards and to build a modern, efficient U.S.-flag merchant fleet so that the United States could once again be a major maritime Nation.

This bill, S. 332, authorizes appropriations for the 5th year of the program established by the 1970 Act. In considering the authorization request for fiscal year 1975, the Committee has reviewed the performance of the Maritime Administration. Substantial progress has been made toward rebuilding the U.S. merchant marine, and it has become increasingly clear that with continued support the goals set in 1970 will be reached.

Shipbuilding has reached a new peacetime high. The backlog of orders for new vessels is 3½ times as large as when the program began in 1970. The present backlog of 90 merchant ships valued at $3.6 billion represents 200,000 man-years of employment for shipyard workers and those in the supply industries and a potential addition to our fleet of nearly 6.2 million deadweight tons. U.S. shipbuilders have begun for the first time to receive orders for very large crude oil carriers and have advanced to a leading position in the construction of liquefied natural gas carriers. The progress in the field of energy carriage balances earlier construction of modern liner vessels including LASH and RO/RO vessels for intermodal operations.

Series production of vessels and shipyard modernization and expansion have contributed to a reduction in subsidy rates for ship construction. The declining subsidy rates which encourage shipyard efficiency are being met and, in certain cases, the subsidy award is significantly below the guideline rate. While the guideline rate is presently 39 percent, awards for tankers have been made at 33.4 percent and liquefied natural gas carriers have been contracted for at 16.5 percent.

In the area of vessel operations, modern bulk carriers built with Federal assistance are beginning to enter foreign trade. This is important because over 90 percent of our country's foreign trade tonnage is comprised of bulk cargoes and U.S. participation in this trade has been minimal for many years. In the liner trades, the average age of our subsidized fleet has decreased by 20 percent and the average ship size has increased by 17 percent, reflecting the replacement of older vessels with larger ships of advanced design.

Progress is also being made toward reducing the dependence of operators on operating subsidies. A number of capital intensive U.S.-flag vessels, such as container ships, are competing in our foreign trade without subsidy. Nineteen vessels previously receiving operating subsidy no longer receive such aid.

The 10-year merchant marine program is approaching its midpoint. Clear signs of progress are evident. The construction of a modern, balanced, competitive American merchant fleet is well underway. As these vessels are delivered and enter service, U.S.-flag penetration of our essential trades should become more evident, especially in the area of bulk carriage. The 1970 Act's program is proving to be an appropriate instrument for restoring our Nation's prominence in international shipping. In the opinion of the Committee, this program should be continued to its completion.

SUMMARY

The amounts authorized by the bill are as follows:

(*a*) *Acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000.*

These funds finance payment of construction subsidies based on the difference between United States and foreign shipbuilding costs. These sums are paid to U.S. shipyards so that operators can purchase American-built vessels at the same price as similar foreign-built vessels. In order to encourage the competitiveness of American yards, the 1970 Act provides for the gradual reduction of the construction subsidy level from 45 percent in 1971 to 35 percent in 1976.

Subsidized shipbuilding orders exceeding $2.5 billion have been placed with U.S. shipyards since enactment of the 1970 Act. These orders have provided for the construction of 52 new ships of 4.7 million deadweight tons and for the conversion of 19 existing ships into container ships. These vessels are of advanced and highly productive design. They comprise a diverse mix of types that will provide the United States a more competitive fleet in a variety of trades.

The authorization request for this activity for fiscal 1975 ($275 million) is the same as that for fiscal year 1974. This amount will sustain an adequate and orderly shipbuilding program. Maritime Administration officials project awarding contracts for fourteen new ships, the conversion of four container ships into larger capacity container ships and funding for three ships for which contracts were awarded in 1974.

Ships currently being built with the aid of construction-differential subsidy are larger and more costly than those envisioned when the 1970 Act was passed and their productive capacity exceeds the capacity goal established in 1970. The fiscal year 1975 authorization request will allow series production of bulk cargo ships to continue at existing yards. The economies realized through series orders are essential to achieve competitiveness in the production of energy carriers. When in service, these ships will help to create a competitive U.S.-flag bulk cargo fleet. The combined 1974 and 1975 programs will generate 50,000 man-years of work for shipyard employees and about an equivalent amount of employment in supporting industries.

Maritime Administration officials have expressed confidence that in 1975 all ship construction contracts will be awarded at a subsidy rate lower than the 37 percent mandated by the 1970 Act. Subsidy rates have been as low as 33.4 percent for some types of tankers and 16.5 percent for LNG's. These declining subsidy rates mean that for a given level of Government support, a larger shipyard orderbook is generated. Thus, while the 1975 program level is $23 million less than in 1974 due to a decrease in the availability of carryover funds, the 1975 funds will generate approximately $976 million in shipyard orders—$65 million more than generated by the higher 1974 level of funding.

(*b*) *Payment of obligations incurred for ship operating-differential subsidies, $242,800,000.*

Operating subsidies are generally based upon the difference between U.S. and foreign vessel operating costs and are paid in order to promote the maintenance of a U.S.-flag merchant fleet capable of providing essential shipping services. Essential services are defined as those ocean services, routes and lines, and bulk cargo carrying services essential for the promotion, development, expansion, and maintenance of the foreign commerce of the United States. Operators receiving subsidies for the provision of such services must operate American-built vessels manned by American crews. The fiscal year 1975 authorization request of $242,800,000 will finance operating subsidies to U.S.-flag operators in order to promote the continuation of essential American merchant marine services. Subsidized liner activity will remain at essentially the same level as in fiscal 1974. New bulk vessels, most of which were built under the construction subsidy program, will be entering into service this year and in 1975. This is reflected by an increase in subsidized regular bulk carrier service from 3.1 ship-years in 1974 to 6.8 in 1975. Carriage of the 1973 grain purchases to the Soviet Union will be completed this year. No funds have been requested for fiscal 1975 for special commodity shipments of this type due to uncertainties about the extent of possible future purchases and the level of charter rates prevailing at the time.

From the $242,800,000, an estimated $198,932,000 in subsidy will be paid in fiscal year 1975 for 5 passenger and combination passenger/cargo, 153.2 general cargo and 6.8 bulk carrier ship-years of operation. An additional $43,868,000 will pay obligations incurred under subsidy contracts for subsidized operations in prior years. The fiscal 1975 request reflects a decrease of $15,489,000 from the 1974 adjusted level of $258,289,000. It should be noted, however, that the 1974 level includes a 1973 appropriations carryover of $13,774,410 and a 1974 supplemental authorization for $23 million (P.L. 93–308).

(*c*) *Expenses necessary for research and development activities, $27,900,000.*

The Maritime Administration research and development program has as its purpose the development of technological superiority in order to enable U.S. shipyards and vessel operators to become more competitive. Projects under the program involve the development of new and more efficient types of ships, machinery, and equipment, and the improvement of operating practices in order to improve American shipping and shipbuilding and help overcome foreign advantages (*e.g.* as low-wage costs). Industry participation and cost sharing have been emphasized to insure the relevance and practicality of these projects.

In the area of advanced ship construction, the 1975 program will continue to explore new ship construction methods and equipment as well as new ship designs which will lower shipbuilding costs. Examples of this research include new welding procedures, standardized component designs, shipyard automation, and the development if improved transmission and propulsion systems, such as an advanced gas turbine and nuclear power.

In order to reduce operating costs and improve ship utilization, the Maritime Administration supports research and development in the area of advanced ship operations systems. Projects in this area include computerized models to assist operators with cargo space documentation, intermodal distribution coordination, fleet management, and computers to aid in navigation, communications, ship maneuvering and collision avoidance. These improvements will result in greater vessel utilization and increased safety of operation. This activity also supports R. & D. efforts in the areas of pollution abatement and safety improvements. The 1975 program will continue to develop cost-effective means of reducing pollution.

The fiscal year 1975 request for research and development of $27,900,000 is an increase of $8,900,000 from the 1974 appropriation level. The 1974 appropriation of $19 million was augmented by $5 million carried forward from 1973. Thus, the actual increase in program level from 1974 to 1975 is $3,900,000.

(*d*) *Reserve Fleet expenses, $3,742,000.*

The Maritime Administration maintains the National Defense Reserve Fleet in order to supplement our active merchant fleet in time of war or national emergency. The authorization request for this activity in fiscal year 1975 is $3,742,000. That is $31,000 less than in 1974. This reduction in Reserve Fleet expenses results from the consolidation of the fleet at the sites and the elimination of obsolete tonnage. In 1975 29 merchant ships and 101 Navy ships are scheduled for scrapping. The fleet will then consist of 294 ships.

(*e*) *Maritime training at the Merchant Marine Academy at Kings Point, N.Y., $10,518,000.*

This authorization request of $10,518,000 is for the operation of the Merchant Marine Academy at Kings Point, N.Y., to train cadets for service as officers in the U.S. merchant marine. The 1975 program anticipates a graduating class of 200 officers, approximately the same level as in the past several years.

The major portion of the $1.9 million increase requested for this category is for the necessary modernization program at the Academy, including renovation and improvement of the physical fitness facilities.

(*f*) *Financial assistance to state marine schools, $2,973,000.*

The requested authorization is for the training of cadets at six participating state maritime schools located in California, Michigan, New York, Maine, Massachusetts, and Texas. Federal assistance to these schools, authorized by the Maritime Academy Act of 1958, as amended (46 U.S.C. 1383), includes subsidies and grants to the schools, allowances to cadets for uniforms, textbooks and subsistence, and maintenance and repair expenses of training vessels on loan from the National Defense Reserve Fleet.

The 1975 authorization request of $2,973,000 reflects an increase over 1974 of $546,000. Expenditures under this authorization will remain at essentially the same level as in 1974 except in the area of maintenance and repair of Federally owned schoolships. The requested increase will allow conversion from a reactive to a preventive maintenance program and assure continued compliance with Coast Guard and American Bureau of Shipping safety standards.

Section 2 of the bill is basically a technical amendment to avoid having to amend the 1975 authorization request if supplemental appropriations for fiscal year 1975 are required for increases in remuneration of employees at the National Defense Reserve Fleet and the Merchant Marine Academy.

Section 3 of the bill would modify section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213) to establish by law at least one regional office of the Maritime Administration for each of the Nation's four seacoasts.

Section 809 currently provides that contracts entered into under the 1936 Act shall "equitably serve, insofar as possible, the foreign-trade requirements of the Atlantic, Gulf, Great Lakes, and Pacific ports of the United States." This amendment would provide the administrative structure for implementing that obligation as well as other responsibilities of the Maritime Administration.

Since the Maritime Administrtaion already maintains regional offices for the Atlantic (New York), Gulf (New Orleans), and Pacific (San Francisco) ports, the practical effect of the amendment is to require the establishment of one additional regional office for Great Lakes ports and the St. Lawrence Seaway. A Great Lakes regional office can and should serve as a focal point for efforts to re-establish overseas U.S.-flag service in the Lakes and to realize the full potential of our fourth seacoast.

The amendment also requires the Secretary of Commerce to appoint a director for each regional office and it is the Committee's expectation that, where necessary, these offices will be established and adequately staffed as promptly as possible.

ESTIMATED COSTS

Pursuant to section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91–510), the Committee estimates that the cost of the legislation is $562,933,000, the specific amounts authorized by the bill, plus administartive expenses incurred in establishing one additional regional office.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that the action previously taken on S. 332 be vitiated and that the bill be restored to its place on the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Lutrelle F. Parker, of Virginia, to be Deputy Commissioner of Patents and Trademarks.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination will be stated.

DEPARTMENT OF COMMERCE

The second assistant legislative clerk read the nomination of Lutrelle F. Parker, of Virginia, to be Deputy Commissioner of Patents and Trademarks.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATION SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Michigan desire recognition?

Mr. GRIFFIN. I do not.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. There will now be a period for the transaction of routine morning business, with statements therein limited to 15 minutes.

The Senator from Utah is recognized.

(The remarks of Mr. Moss appear under Statements on Introduced Bills.)

The ACTING PRESIDENT pro tempore. The Senator from Arkansas is recognized.

Mr. McCLELLAN. Mr. President, I yield to the distinguished Senator from Wisconsin.

COST OVERRUN ON "NAUTILUS"

Mr. PROXMIRE. Mr. President, the overhaul of the Nation's first atomic submarine, the *Nautilus*, will cost $48 million—more than three times the original overhaul contract price of $14.1 million.

No wonder shipbuilding and repair costs will go up $2.3 billion in the fiscal year 1976 defense budget. The lack of sound management by the Navy in its overhaul program is appalling.

The *Nautilus* is a good example. The original contract for the *Nautilus* overhaul was given to Electric Boat by the Navy in August 1972, at a time when Electric Boat desperately wanted the business. Navy officials negotiated a $14.1 million target price with Electric Boat even though both parties knew that the job would cost substantially more.

Costs rose when Electric Boat began to have serious problems with scheduling work. As a result of cost overruns in other Navy projects, the *Nautilus* overhaul was postponed 7 months from January to August 1972. And then total costs began to soar well above the contract target prices.

By August 1973, the total program costs were estimated at $27.5 million. September brought $35 million. In May of 1974, it was $41 million and the August 1974 estimate was $48.1 million. In November of 1974, the Navy and Electric Boat reached a new target price agreement of $24.3 million, well below what both parties then knew were the true costs.

In order to fund the additional cost of the reconditioning of the *Nautilus*, the Navy was forced to defer overhaul on the U.S.S. *Skipjack* and the U.S.S. *W. C. Lowe*. Meanwhile, Electric Boat is in the middle of significant cost overruns on the overhaul of two fleet ballistic missile submarines, the U.S.S. *Andrew Jackson* and the U.S.S. *Lafayette*. The former is up to $51.3 million from $30.9 million and the latter has a 55-percent increase from $31.2 to $48.5 million.

The number of man-days necessary for submarine overhaul at Electric Boat has climbed dramatically from 113,100 in 1972 for the U.S.S. *Pargo* to 350,000 in 1975 for the U.S.S. *Dace*. Overhaul prices per ship have gone up 57 percent since 1969.

The fault for such slipshod work lies both with the Navy and the contractor. The original *Nautilus* estimates were so low as to suggest deliberate under-costing to buy-in for the work. And revisions in the target price were set at half the full costs as estimated by the Navy and Electric Boat.

In addition, the program has other major failings. Spare parts were not available. Electric Boat's authorization to handle radioactive materials was revoked at one point due to dangerous control practices. The training of qualified workers was not accomplished in time. The amount of required work was underestimated.

The lack of coordination between the Navy and Electric Boat can only be interpreted as mismanagement of the worst kind. If costs on the *Nautilus* continue to rise, soon the overhaul program will total more than the original purchase price of $58.2 million in 1955. Prior overhauls of the *Nautilus* in 1960 and 1966 cost $24.8 million, not including a $5 million refueling in 1968.

The U.S. shipbuilding and overhauling program is a colossal mess. We are getting repair work done far too late at far too great a price. The Navy was warned about such mismanagement in a General Accounting Office report in June 1973, but the same old problems persist.

It is about time that the Navy stopped rewarding favorite shipyards with business they cannot adequately perform. The real threat to our shipbuilding and overhauling program is not lack of money, but lack of tough management.

There should be official questioning from Congress as to why the Navy entered into the *Nautilus* contract at a price it knew to be extremely low and why our ship repair program is on the rocks.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Arkansas has the floor.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the time consumed by the Senator from Wisconsin be charged to him, and not to my allocation of time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE FACTS ABOUT DEFENSE SPENDING

Mr. McCLELLAN. Mr. President, in my more than three decades of service in this body, I can recall few documents as shocking and as sobering as the administration's proposed budget for the 1976 fiscal year.

The bare figures speak for themselves—$349.4 billion in outlays—nearly $1 billion a day—and a $52 billion deficit. Thus 1 day of each week of the coming fiscal year will be a deficit day, adding $1 billion each week to the already astronomical national debt.

Storms that have been gathering by reason of deficit spending over many years have suddenly swept over our economy with such force and velocity that they are disrupting the American way of life. This budget clearly forecasts a continuation and a growing intensity of these storms.

Inasmuch as the budget request for national defense—$94.027 billion in outlays—including $92.8 billion for the Department of Defense—almost $9 billion in expenditures over fiscal year 1975, is the largest single item in the President's request—critics of defense spending are already mounting their usual attack upon it.

From them we hear the same old refrain:

> We can't afford a defense budget of this size; defense funds should be slashed and such reduction should be used to increase appropriations for health, education, mass transit or non-military government programs.

The more exuberant critics claim the defense budget is "soaring out of control."

We are told that a greedy military-industrial complex is gobbling up funds needed for underfunded social programs; that a national defense budget of this magnitude fuels an ever-spiraling arms race which may end in nuclear disaster.

The facts properly interpreted, however, present quite a different picture.

To be sure, $94 billion is an enormous sum, especially when compared with the $55.9 billion cost of defense only 10 years ago.

But, outlays for national defense have shrunk during the 10-year period from 41.5 percent of total Federal budget outlays to 26.9 percent requested for fiscal year 1976.

Since fiscal 1966, the cost of the Federal Government has gone up $214.7 billion—from $134.7 to $349.4 billion estimated for fiscal 1976. Of that total increase, only $38.2 billion—or 17.8 percent—is attributable to national defense spending. The remaining 82.2 percent, or $176.5 billion of the $214.7 billion increase, is attributable to nonmilitary functions and services, such as human resources and general government.

So very little blame can possibly be lodged against the Defense Department for the exorbitant increase in Federal expenditures.

Since fiscal 1966, nondefense programs including Federal outlays for human resource items—education and manpower; health, including medicare and medicaid; income security, including individual benefits—have increased from 58.5 percent of the budget to 73.1 percent. In dollar terms, the increase for those functions was $176.5 billion—from $78.8 billion to $255.3 billion, in the last 10 years.

Thus, while national defense costs were rising by 68 percent over the past 10 years—from $55.9 to $94 billion—total other Government expenditures were climbing from $78.7 to $255.3 billion by 224 percent.

And the defense share of both the total Federal budget and the gross national product continues to decline. In fiscal 1976, for example, proposed national defense outlays constitute only 26.9 percent of the total budget—down about 14 percent from the fiscal year 1966 level. Between 1966 and 1976, national defense outlays declined from 7.7 percent of the gross national product to 5.9 percent. During this same period, outlays for the nondefense portion of the budget rose from 10.9 to 16.0 percent of the gross national product.

Moreover, defense spending has been rising far less rapidly than any other major item in the budget.

For example, during the past 10 years:

Federal aid to education, manpower, and social services jumped 257 percent, from $4.1 to $14.6 billion.

Public assistance increased 440 percent, from $3.4 to $18.4 billion.

Social security and other retirement and disability programs increased 247 percent, from $21.4 to $74.3 billion.

Health services, including medicare and medicaid, increased by 963 percent, from $2.6 to $28 billion.

Interest on the national debt increased by 205 percent, from $11.3 to $34.4 billion.

Many other like comparisons could be cited.

So, Mr. President, contrary to the misconceptions of many well-meaning persons who demand a revision of priorities with regard to the defense budget—including some Members of this body—the truth is that we have already revised our spending priorities on an across-the-board basis.

The truth is that we are spending far less proportionately today to maintain our national security than we are spending for human needs and nondefense programs.

Why, then, are we now being called upon to provide for expenditures of an additional $9 billion over the amount being spent on national defense in the current fiscal year?

To a great extent, the answer lies largely in the cancer of inflation, the increasing sophistication of weapons systems, the need to replace obsolescent equipment, and the high cost of an all-volunteer force.

Even as I speak, the fires of inflation are consuming a significant amount of the funds Congress has made available to the Department of Defense. For example, on September 30, 1974, the Secretary of Defense sent me a report on the status of 42 selected weapons systems which showed that inflation has driven up the cost of completing these programs by a phenomenal $16 billion over estimates made only 3 months before. I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McCLELLAN. For example:

In World War II, a B–29 bomber cost $680,000. If we buy the B–1 bomber, each one will cost $76.4 million.

In World War II, a P–51 fighter aircraft cost $54,000. An F–14 of today costs $17.8 million.

In World War II, the price of an M–1 rifle was $50.22. A modern M–16 costs $137.17.

The annual pay of a recruit in 1950 was $960. Today, a recruit receives $4,130.

Only 8 years ago, it cost $1.30 a day to feed a soldier. Now it costs $2.68 and—as any housewife knows—the cost of food is still going up.

Here is a table showing the phenomenal increases in the cost of food served in the mess halls of the Armed Forces:

Cost of food items	Cost in 1964 (cents)	Cost today[1] (cents)	Percent increase
White bread, 1 lb	0.21	0.27	28.6
Round steak, 1 lb	1.04	1.75	68.3
Rib roast, 1 lb	.83	1.56	88.0
Chuck roast, 1 lb	.57	1.23	115.8
Pork chops, 1 lb	.88	1.80	104.6
Bacon, 1 lb	.67	.90	34.3
Hamburger, 1 lb	.49	.82	67.4
Pork loin, 1 lb	.61	1.60	162.3
Milk, ½ gal	.48	.76	58.3
Coffee, 1 lb	.82	1.12	36.6

[1] August 1974. These are bulk prices paid by the Department of Defense.

Military personnel costs have in recent years also escalated as a result of inflation and the all-volunteer services concept. In fiscal 1976, personnel and related costs will account for 53 percent of the Department of Defense outlays, or $49.2 billion of the $92 billion estimated. This represents an increase of $2.4 billion in spending on personnel in 1 year alone to maintain a much smaller force.

Although the number of military personnel will have been reduced from 3.5 million men in 1968 to 2.1 million in 1976, average per capita cost is expected to double—due principally to pay increases and inflation—from $5,500 to $12,000 in 1976. As a result, total active duty pay costs for our military personnel have risen from $19 billion in 1968 to $25 billion in 1976.

Spending for national defense is up almost $9 billion over last year, but nearly one-third of this, $2.4 billion, will go for military and civilian pay and related personnel costs. Of the remaining $6 billion, about $1.8 billion will go for procurement; $2.6 billion for operation and maintenance; about $1 billion for research and development, and about $400 million for military construction and family housing.

In the area of fuel costs alone, the bill will rise by $400 million between fiscal year 1975 and 1976, even though actual consumption will be about the same.[2]

Mr. President, I do not want my re-is a very real and significant growth in funding for our national defense effort contemplated in the fiscal year 1976 budget, and it must bear very close scrutiny in light of the overall budget totals.

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[2] In fiscal year 1976, 199.5 million barrels at a cost of $3.4 billion, compared with 198.2 million barrels at a cost of $3.0 billion in fiscal year 1975.

I want to assure my colleagues that the Appropriations Committee will examine very carefully some of the following areas of increase, and make prudent reductions where they are feasible. Some of the more significant areas of concern include:

An increase in military aid to South Vietnam of almost $600 million;

A $650 million increase budgeted for a higher peacetime tempo of air operations, more real property maintenance, greater numbers of ship alterations and increased maintenance in other areas;

A one-time request of $2.3 billion to pay for naval ships whose costs were very seriously underestimated by the administration in fiscal year 1975 and previous years;

Very significant increases—approaching $1 billion—in war reserves;

A 20-percent increase—over $1.6 billion—in research and development funding to pay for a whole range of new initiatives in advanced weapons systems—both strategic and tactical;

A significant and costly program to increase exploration, development and production of oil from our naval petroleum reserves as well as to establish a sizable national strategic petroleum reserve;

An increase of over $1 billion in appropriations for military construction and family housing programs.

It is obvious that reasonable men will often differ on the question of "how much is enough" for defense. However, Mr. President, I wish to impress upon this body the following facts:

During fiscal 1976, national defense will receive the smallest share of the Federal budget since 1940—the year before Pearl Harbor.

During fiscal 1976, defense will have the lowest levels in manpower it has had since 1950.

No one can seriously challenge the proposition that there must be significant reductions in Federal spending. But, defense spending is only one segment of the national budget—and of the national obligation, I may add. It cannot be forced to bear the whole burden of fighting inflation.

For the sad truth is that despite détente, military power is by no means irrelevant in the modern world. It is a real, tangible, and indispensable element of our national and international policy.

The burden of military preparedness which we must bear is not easy to carry. There is no way to shirk or escape this burden without weakening—and possibly imperiling—our national safety and security. As we celebrate the Bicentennial of the independence of our Nation during this coming fiscal year, it is well for us to be guided by the words of Thomas Paine:

> Those who expect to reap the blessings of freedom, must, like men, undergo the fatigue of supporting it.

Mr. President, in the processing of the defense appropriations bill this year, the Senate Appropriations Committee will most carefully examine the budget request and will endeavor to make reductions wherever it is determined, or where it reasonably appears, that cuts can be made without doing violence to our military posture and without reducing the level of deterrent and preparedness believed to be essential to national security.

I would like to point out, Mr. President, that in fiscal year 1973 when I first became chairman of the Appropriations Committee, we were able to reduce Defense Department appropriation requests by $5 billion. In fiscal 1974, we made a reduction of $4 billion. And, in fiscal 1975, we reduced Defense Department requests by $5½ billion. I am sure we will be able to make some reductions again in 1976. But, I want to reiterate, in substance, what I said in my remarks here in the Senate on August 21, 1974. I stated that in light of world conditions today it is imperative that we—our country—support and maintain a defense posture of deterrent proportions. In doing so, we not only provide for our own security, but we also serve the cause of peace throughout the world. If we do less, we will surely incur unacceptable risks to our own security and invite provocations and impositions that may challenge peace throughout the world.

I hope, Mr. President, we consider what the consequences can well be if we become a second-rate military power.

The price of maintaining military strength of deterrent proportions—of preparedness—comes high today, but it is certainly more than worth the cost and the sacrifices it entails if it prevents war and contributes to peace.

I would again remind my colleagues that the highest priority—and we hear a lot about priority, Mr. President—for any of us, for any individual, is the preservation of life itself—survival. And so it is with our Nation. National security that insures the preservation of our freedom and way of life is our highest governmental priority. No other obligation of government is paramount to or transcends the obligation to insure national survival.

Mr. President, I ask unanimous consent that a letter from the Secretary of Defense to me regarding the effects of inflation on defense costs and a chart prepared by the staff of the Senate Committee on Appropriations showing the comparison of defense spending to the cost of human resources and other programs from fiscal 1966 to fiscal 1976 be printed in the RECORD at this point.

There being no objection, the letter and chart were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., September 30, 1974.
Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Appropriations, U.S. Senate.

DEAR MR. CHAIRMAN: The Selected Acquisition Reports for June 30, 1974 are currently being finalized for transmission to you in the near future. The reports are behind schedule this quarter to permit implementation and refinement of the changes previously discussed with the Committee staff and the inclusion of more realistic escalation indices for the out-year programs.

marks today to be misinterpreted. There

In the interim, there is attached for your information a summary of the more significant program cost data reflected in the preliminary SAR's for June. While some of the data included therein may change, the summary will provide you with advance information on the magnitude of the cost increases since the March submission.

Since the factors that influence economic escalation are beyond the control of the Department of Defense, we continue to believe that the Base Program estimates provide you and the Congress with the best measure of management efficiency. The Base Program includes the best estimate of all acquisition costs associated with a program except for economic escalation. The increase in Base Program estimates since the March SAR's is $875M bringing the Base Program cost to complete for the 42 SAR programs to $106.5B. By Service, the increase is $619M for the Navy, $261M for the Army, and a decrease of $23M for the Air Force.

In addition to providing estimates for the Base Programs, we have, as previously agreed, provided estimates reflecting the impact of economic escalation for all programs in the SAR system *through completion*, in some cases extending 15 years into the future. In providing these economic escalation factors, we are attempting to provide you and the Congress with our best estimate of the eventual dollar costs of systems procured, as described in each of the SAR's. These are our best estimates and their development required assumptions concerning the overall economy and the impact of national and international events on the various elements of costs for our weapons systems. In addition, our estimates are heavily influenced by the timing and rate of procurement for these systems.

The rate of inflation experienced in the U.S. since last December (when previous indices were developed) has been much greater than anticipated. As a result, the inflation indices developed last July reflect much higher rates and this accounts for the significant increase in the escalation estimates reported in the June SAR's.

For the December and March SAR's, we developed general price escalation indices which provided for a 4.5% increase for procurement in FY 1975 and 3.1% in FY 1976 and each calendar year thereafter. For the June SAR's, we developed revised price indices which indicated an 11% increase from 1974 to 1975, 8% in 1976, decreasing to 4.3% in 1980 with 3.7% per year thereafter. Although the Services are provided the OSD indices for general application, they are encouraged and do in fact develop their own indices which are representative of the conditions pertinent to a particular program. Based on the past few months' experience, the 11% projection for FY 1975 may be too low.

The overall increase since the March SAR's is $16.9B, bringing the total cost to complete for the 42 SAR programs to $143.6B. By Service, the increase is $7.3B for the Navy, $3.7B for the Army, and $5.9B for the Air Force. A $16.0B increase in the provision for economic escalation reflected in the June SAR's is responsible for 95% of the overall cost increase this quarter. The increase in economic escalation by Service is $6.7B for the Navy, $3.4B for the Army and $5.9B for the Air Force.

By weapon system, 10 programs account for $15.1B or 89% of the total cost increase reported this quarter. These are the programs of longer range where the effects of higher out-year escalation are most significant. The 10 programs, which are marked with a check on the enclosure, are the Navy's TRIDENT, SSN-688, DD-963 and PF systems; the Army's SAM-D, UTTAS, AAH and XM-1 systems; and the Air Force B-1 and F-15 systems.

With kindest regards,
Sincerely,
JAMES R. SCHLESINGER.

BUDGET OUTLAYS BY FUNCTION 10-YEAR COMPARISON (1966-76)

[Millions of dollars]

	Fiscal year 1966			Fiscal year 1976 (proposed)			Budget dollar and percent increase from fiscal year 1966 to 1976
	Amount	Percent of total budget	Percent of GNP	Amount	Percent of total budget	Percent of GNP	
National defense	55,856	41.5	7.7	94,027	26.9	5.9	Up 38,171 or 68 percent.
(Department of Defense portion)	(54,178)	(40.2)	(7.5)	(89,800)	(25.7)	(5.6)	(Up 35,622 or 66 percent.)
Education, Manpower and Social Services	4,093	3.0	.6	14,623	4.2	.9	Up 10,530 or 257 percent.
Public assistance	3,400	2.5	.5	18,368	5.3	1.2	Up 14,968 or 440 percent.
General retirement and disability insurance (including Social Security).	21,435	15.9	3.0	74,356	21.3	4.7	Up 52,921 or 247 percent.
Health	2,638	2.0	.4	28,050	8.0	1.8	Up 25,412 or 963 percent.
Interest	11,286	8.4	1.6	34,419	9.9	2.2	Up 23,133 or 205 percent.
General Government and other costs	35,944	26.7	5.0	85,529	24.5	5.4	Up 49,585 or 138 percent.
Total	134,652	100.0	18.7	349,372	100.0	21.9	Up 214,720 or 159 percent.

10-YEAR COMPARISON OF DEFENSE OUTLAYS TO TOTAL OUTLAYS

[Millions of dollars]

	Fiscal year 1966			Fiscal year 1976 (Proposed)			Increase	
	Amount	Percent of total budget	Percent of GNP	Amount	Percent of total budget	Percent of GNP	Amount	Percent
National Defense	55,856	41.5	7.7	94,027	26.9	5.9	38,171	68
(Department of Defense portion)	(54,178)	(40.2)	(7.5)	(89,800)	(25.7)	(5.6)	(35,622)	(66)
Federal Government other than defense	78,796	58.5	10.9	255,345	73.1	16.0	176,549	224
Total	134,652	100.0	18.7	349,372	100.0	21.9	214,720	(1)

[1] Of the total increase of $214,700,000,000, only 17.8 percent is attributable to national defense, while 82.2 percent of the increase is attributable to nonmilitary functions.

Note: Columns may not add due to rounding.

Mr. McCLELLAN. Mr. President, I most earnestly urge my colleagues in the Senate, in Congress, to read the statistics and weigh them in the light of what is their duty and responsibility in this critical period in our Nation's history.

I yield the floor.

[Ex. 1]

SAR PROGRAM ACQUISITION COST SUMMARY JUNE 30, 1974

[In millions of dollars]

System	Current estimate			Changes in current estimate this quarter		
	Base program	Prov. for eco. escal.	Total	Base program	Prov. for eco. escal.	Total
Navy:						
A-7E	$2,226.0	$364.5	$2,590.5	+$4.1	+$17.7	+$21.8
E-2C	883.6	101.2	984.8	−2.3	+6.0	+3.7
F-14A	5,338.3	968.7	6,307.0	−29.7	−8.7	−38.4
P-3C	2,428.1	295.9	2,724.0	−50.0	+24.7	−25.3
S-3A	2,377.8	910.9	3,288.7	+12.0	+36.0	+48.0
Aegis	501.7	47.6	549.3			
Condor	366.8	45.7	412.5	+11.5	+5.0	+16.5
Harpoon	783.0	395.9	1,178.9		+147.1	+147.1
Phoenix	991.7	162.6	1,154.3		+37.9	+37.9
Poseidon	4,790.7	NR	4,790.7	+47.7	NR	+47.7
Sidewinder AIM-9L	101.8	30.6	132.4	+6.8	+18.1	+24.9
Sparrow III F	587.8	212.0	799.8	−50.2	+34.4	−15.8
Trident	11,417.2	4,029.2	15,446.4	+94.3	+2,921.0	+3,015.3
MK-48	1,369.4	187.8	1,557.2	−4.2	+100.9	+96.7
SSN-688	5,932.6	1,930.0	7,862.6	+84.1	+756.3	+840.4
DD-963	2,838.2	760.4	3,598.6	+241.7	+277.7	+519.4
DLGN-38	1,272.7	319.1	1,591.8	+25.0	+200.0	+225.0
LHA	980.5	199.4	1,179.9	−1.3	+35.9	+34.6
PF	2,807.8	2,466.8	5,274.6	+130.2	+1,661.6	+1,791.8
PHM	776.2	331.3	1,107.5	+99.8	+249.3	+349.1
CVAN-68 Class	2,045.5	512.3	2,557.8		+211.9	+211.9
Total Navy	50,817.4	14,271.9	65,089.3	+619.5	+6,732.8	+7,352.3
Army:						
Lance	898.4	47.3	945.7	+4.5	+16.2	+20.7
Imp. Hawk	700.6	151.8	852.4	+.1	+21.4	+21.5
Safeguard	4,572.0	790.0	5,362.0	−14.0		−14.0
Sam-D	$3,810.0	$2,579.0	$6,389.0	+$259.4	+$1,229.9 [1]	+$1,489.3
HLH	252.0	2.3	254.3		+2.3	+2.3
UTTAS	1,918.6	1,484.2	3,402.8		+727.2	+727.2
MICV	226.4	118.5	344.9		+59.3	+59.3
Scout	204.5	57.8	262.3			
AAH	1,464.0	1,054.2	2,518.2	+11.2	+505.9	+517.1
XM-1	2,328.3	1,946.9	4,275.2		+874.9	+874.9
Total Army	16,374.8	8,232.0	24,606.8	+261.2	+3,437.1	+3,698.3
Air Force:						
A-7D	1,324.4	157.9	1,482.3	−3.8		−3.8
A-10	1,799.0	954.5	2,733.5		+212.6	+212.6
B-1	12,209.8	6,422.8	18,632.6		+3,632.6	+3,632.6
F-5E	387.8	34.7	422.5			
F-15	7,586.5	3,354.8	10,941.3	+47.1	+1,620.0	+1,667.1
F-111	5,492.4	1,625.4	7,117.8	−8.1		−8.1
AWACS	1,965.9	689.5	2,655.4		+178.8	+178.8
AABNCP	466.2	52.4	518.6	+23.3	+11.0	+34.3
Maverick	410.3	162.9	573.2			
Minuteman III	5,922.7	968.4	6,961.1	−.4	+115.8	+115.4
SRAM	1,135.4	19.8	1,155.2			
Sidewinder AIM-9I	184.1	57.1	241.2		+38.4	+38.4
Sparrow III F	368.4	142.0	510.4	−81.1	+76.8	−4.3
Total Air Force	39,302.9	14,642.2	53,945.1	−23.0	+5,886.0	+5,863.0
Grand total	106,495.1	37,146.1	143,641.2	+857.7	+16,055.9	+16,913.6

[1] Reflect changes since Dec. 31, 1973: no SAM-D SAR for Mar. 31, 1974.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The ACTING PRESIDENT pro tempore (Mr. FORD). The Chair, on behalf of the President of the Senate pro tempore, pursuant to Public Law 93-618, and upon the recommendation of the chairman of the Committee on Finance, appoints the following Senators as official advisers to the U.S. delegations to international conferences, meetings, and negotiation sessions relating to trade agreements: Senators LONG, TALMADGE, RIBICOFF, FANNIN, and ROTH; and as alternates to the above conferences, meetings, and negotiation sessions: Senators HARTKE, HARRY F. BYRD, JR., NELSON, MONDALE, GRAVEL, BENTSEN, HATHAWAY, HASKELL, CURTIS, HANSEN, DOLE, PACKWOOD, and BROCK.

VIETNAM: IN DEFENSE OF CONGRESS AND THE VIETNAM AGREEMENT

Mr. McGOVERN. Mr. President, in recent days spokesmen for the executive branch have joined with President Thieu in Saigon in a full offensive designed to obtain more military aid from the Congress of the United States and from the American taxpayers. President Thieu is now freely available to the American press in Saigon to talk about what he refers to as American abandonment or American betrayal.

Those words are in quotation marks.

To the administration, the Vice President has pressed the attack with his recent speech in New Jersey in which he said that the United States has a "moral obligation" to Saigon, which was "negotiated by the Secretary of State, which the Congress authorized."

The Vice President said:

> If we don't, if the Communists take over and one million people are killed—they are going to be liquidated—I think we ought to know where the responsibility lies.

The clear implication being that unless Congress gives the administration and the Thieu regime everything requested in addition to the American military aid, Congress is responsible then for the political state of South Vietnam, including any deaths that might take place after that time.

Now at least, Mr. President, the Vice President has made explicit what many of us felt was implicit in the administration's policy of pouring more funds and guns into Vietnam for more than 2 years later we were told "peace" was "at hand."

This claim of an "obligation" to the Thieu regime tells us far more directly that while the Paris Agreement was offered to the American public and to the Congress to admire, the administration was secretly telling President Thieu that he could ignore it and that it represented not a new American policy but only a political expedient at home.

The Vice President, has also clarified the administration's political strategy. The aggressive campaign that is now being waged for this $300 million in supplemental arms is a device to shift the blame for a policy that has already failed and, indeed, was a failure from the very beginning.

So we are suddenly transported back in time.

We are taken back to the 1950's and the tactics of the so-called McCarthy era, now asking not, "Who lost China?" but the new question will be, "Who lost Vietnam?"—as if either China or Vietnam were ever ours to lose in the first place.

We are taken back to the mid-1960's with claims about the "bloodbath" that we will supposedly prevent in Indochina if we continue to send arms, overlooking the fact that more than 4 million people have been killed or maimed in the bloodbath that has continued all along.

We are back a decade to Indochina, debating issues long since resolved, or at least that we thought were resolved, and refueling a war that we were determined to end years ago.

Now we are back to the early 1970's, when the Vice President of that time eagerly unloaded on any institution or group which failed to see the glory of the war policy that he served—while the same Secretary of State privately pleaded to press on, if only because to end the war would cause a rightwing backlash and divide the Nation.

But I submit to administration spokesmen that Congress will not yield to these scare tactics into abandoning the Paris Agreement. Rather, we will insist that the Paris Agreement must be the cornerstone of our policy in Vietnam—even when it, apparently, has been abandoned by its authors.

And more aid to General Thieu is the way to sabotage the Paris Agreement, not save it. Those military funds that we are now being asked to provide in a supplementary way would go not to achieve a real peace, not to move the struggle from the battlefield to the political arena, but to avoid that course.

I think it is time we had a true accounting of what that agreement provided and how the agreement has fared in the last 2 years.

Despite the posturing 2 years ago, that agreement was no diplomatic miracle. The pretense has been that 4 more years—1969–73—of spending lives and spilling blood brought not only peace, but "peace with honor," even victory, in Vietnam. But that is belied by the terms.

For our Nation, the Paris Agreement was a way out of Vietnam—to bring our troops and prisoners home.

For the Thieu government, the agreement did provide something more than what Secretary Kissinger once called a "decent interval." It also offered a chance to participate in the process that would decide the political future of Vietnam—not to dictate, but to participate.

And for the North Vietnamese and the Provisional Revolutionary Government, the agreement brought essential concessions from the United States and from the Saigon regime—concessions "the other side" refused to yield back even in the face of the brutal Christmas bombing of 1972.

The agreement contained a guarantee against further American interference in Vietnamese affairs. It recognized the legitimacy of the Provisional Revolutionary Government. It promised the PRG zones for control in the south, and an equal role in shaping machinery for elections and an ultimate political settlement. It called for the release of all political prisoners, and it guaranteed political freedoms for all sides.

The agreement has not fared well.

The weight of the evidence is that the Paris agreement had the support of the Democratic Republic of Vietnam, of Hanoi, and the Provisional Revolutionary Government in the South, the insurgent forces in the South that we used to refer to as the Vietcong.

But President Thieu from the very beginning has opposed the Paris agreement. From the beginning he has tried to subvert it. And if he can, he will destroy it.

Militarily, from the date of that agreement, General Thieu's forces pressed the attack no less aggressively than before.

They captured hamlets long under the control of the Provisional Revolutionary Government, they moved more troops into contested areas, and they built more military outposts. A joint American-South Vietnamese study in early 1974, just about a year ago, revealed that for every round of ammunition fired by the opposition, and there had been many, South Vietnamese troops fired 16. And that probably understates the ratio. The Foreign Relations Committee staff found last year that the ratio sometimes runs as high as 50 to 1 in areas where "random harassment and interdiction fire against Communist-controlled areas is still common."

Beyond this, the Foreign Relations Committee investigators have uncovered a practice of reporting from our Embassy that is frighteningly familiar. The staff report, "Vietnam: May 1974" tells us:

> One consistent pattern which emerges from a study of these reports is the Embassy's tendency to play down or to ignore obvious cease-fire violations by the South Vietnamese armed forces.

Here in Washington, Mr. President, we are left to wonder whether the blind are once again being misled by the blind on events in Vietnam where we have so frequently, over the years, been misled as to the facts and the realities.

But wherever the information or the misinformation begins, the truth is clear that Mr. Thieu has ignored the cease-fire and the terms of the Paris Agreement from the very beginning.

The struggle in Vietnam, of course, has not been waged only for a cease-fire. It has been fought primarily to settle a political dispute.

In other words, the forces that were going to control the political strength of South Vietnam and the Paris Agreement was a way to settle that dispute by peaceful means. What has happened to those political terms?

President Ford told us on January 28, in his message calling for supplemental Vietnam and Cambodia funds, that—

> The Communists have also violated the political provisions of the Paris Agreement. They have refused all South Vietnamese offers to set a specific date for free elections, and have now broken off negotiations with the Government of the Republic of Vietnam.

It did not settle the argument, but it did say the time has come to move it off the battlefield into the political arena.

But President Thieu has made no offer for elections that bears any resemblance to the Paris Agreement. It is those terms, once endorsed by all parties, which have been the focus of unrelenting insistence from the DRV and the PRG, and unrelenting resistance from General Thieu.

And in line with that underlying event, the Paris Agreement called for immediate political freedoms, more specifically the release of our political prisoners. It called for establishment of a national council and concord with authority shared equally by all the contending parties, by the Provisional Revolutionary Government, by the present government in Saigon, or to sympathizers and then by representatives of neutral or third forces, and that council was to be formed before the elections were scheduled.

It was to serve as a kind of provisional government that would set the machinery for the election and see that it was carried out in an objective and fair manner. The council was to assure political freedoms and run the elections.

Now, instead of that, President Thieu wants to set the date for elections first and then says that he, not the council, will assure political freedoms and that that will be done for only a 90-day period prior to the election.

In a sense, Mr. President, he wants to hold the ballot box and set the stage for the election rather than having this done by groups representing all the various forces in South Vietnam.

Instead of that, Mr. Thieu wants to set the date for elections first, and then he says he, not the council, will assure political freedoms—for just 90 days before the elections are held.

What of the national council on reconciliation and concord? Mr. Thieu dismisses that easily. It contemplates a third neutral force in South Vietnam. But he has made it a violation of law in South Vietnam—decree law 93/SL/CT—for anyone to commit "acts of propaganda for and incitement of neutralism." So Mr. Thieu simply locks up the neutralists, and then tells us that while he would like very much to follow the agreement, he cannot, for the third force simply does not exist.

So, under that provision of the Thieu government, anyone who would admit publicly that he is neutral between the government and the insurgent forces is put in prison. This is what has happened in the last 10 days to five major daily newspapers. They were not Communist newspapers, but papers that had the courage to offer some criticism of the Thieu regime. For their courage and trouble their editors and publishers were sent to prison. This is the regime that we are being asked to bail out once again in South Vietnam.

In fact, Mr. Thieu has tried every avenue to destroy the Paris accords. His policy throughout has been the same one declared by his Premier Khiem in 1973:

> We will not let the Paris Agreement decide the fate of South Vietnam. Our army is determined to decide the fate of South Vietnam. Today the world does not rely on international law, but on force.

Now, in 1975, we are told of cease-fire violations on the other side. Of course, there have been some. But after President Thieu has declared war in spite of peace, after he has rejected the political alternative and has said openly that he has no intention of abiding by the Paris Peace Agreement, one wonders why he has any further claim on American arms and American dollars to sustain that position in open violation of the terms of the Paris agreement.

Under the circumstances, I suspect the American people will find it hard to share the administration's outpouring of sympathy for Mr. Thieu. He has had fair warning—Congress has turned down escalating arms requests for 2 straight years. He has had fair opportunity—that written into the Paris accord. But he has defied those options and made another choice.

For 2 years, Mr. Thieu has poked and prodded the beehive. Now it is his responsibility, not ours, to bear the sting of battle.

And if any American official has encouraged him in that course, let that official now justify his mistake. If anyone has made a private commitment to General Thieu in defiance of the Paris accords, then let him look privately for funds. For no official has been granted such authority to commit the United States.

Mr. President, it was implied by the Vice President's statement that the Congress has somehow made a commitment to indefinitely continuing American military aid to this regime in Southeast Asia.

On the contrary, the Congress has taken great care to limit executive authority in Indochina, and to force a full disengagement.

On three separate bills, Congress has specifically prohibited the use of funds to finance any U.S. involvement in hostilities "in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia."

Congress has also excluded any U.S. involvement in paramilitary operations in Indochina.

Congress has prohibited the presence of any U.S. military advisers in Cambodia, and I am today introducing a bill reflecting the obvious intent of Congress to extend that prohibition to Vietnam and Laos as well. It would rule out military advisers for "military, paramilitary, police, or other security or intelligence forces in that part of the world. This is, in fact, a step to adopt by American law a provision which should be treated as law in any case, because we accepted it in the Paris agreement.

Finally, Congress has repudiated the presumption that while we have ruled out a direct American involvement, we have somehow ruled in the limitless involvement of American dollars. Just where has Congress granted anyone authority to promise aid to General Thieu? The answer is, we have not.

What we have done is to cut administration requests for military aid to Vietnam by $1.26 billion in 2 years. We have provided declining sums—some $1 billion in 1974, and $700 million in 1975. Congress has neither authorized nor acquiesced in any commitment to the Thieu regime; we have instead declared that this aid must end.

After all of this, I am astonished that this administration still insists upon being led around by General Thieu; by the machinations and manipulations to send him more funds. I am amazed by what Vice President ROCKEFELLER says and how he says it.

But there is one thing I welcome.

Far from fearing it, I welcome the opportunity for Congress to assume the responsibility for what happens next—for the decision to choose the Paris Agreement over General Thieu.

Let them call it blame. I call it credit. For it will mean that the Congress and the country have moved toward commonsense recognition that we cannot indefinetly provide arms for continued killing in Vietnam.

If some of their leaders are not, I think the American people are mature enough to welcome this peace now, even if it falls short of the impossible promises of a few years ago.

If some of their leaders have not, I think the American people, who have borne the costs, have also grasped the lessons of this abominable decade in Indochina.

If some of their leaders still resist the truth, I think the American people understand that this country has neither the right, nor the power, nor the need, to write an American formula for the future of Southeast Asia.

Congress does have a responsibility in Vietnam. The responsible course now is to help this new President avoid the trap which cursed his predecessors and nearly ruined the Nation. It is to break free at last from a permanent, costly client dictatorship, from an endless time of killing and suffering for the Vietnamese people.

I foresee—in both the eyes of the American people and in the reflections of history—far more blessing than blame in declaring that our military role in Southeast Asia is coming to an end.

It should not be forgotten, Mr. President, that it was through that practice of sending in military advisers that we were first sucked into this tragic and bloody conflict in Southeast Asia.

Mr. President, I send my bill to the desk and ask that it be appropriately referred.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

THE OIL IMPORT DUTY

Mr. DOLE. Mr. President, in an effort to avoid either confrontation or further delay between efforts by the executive branch and the legislative branch to come to grips with, and perhaps find some solution to the economic and energy problems which face this Nation, it seems to the junior Senator from Kansas that our primary effort should be in trying to work out some agreement or some compromise on the President's action to impose an oil import duty.

As the junior Senator from Kansas understands it, there are those who oppose any import duty; there are those who would seek to delay the imposition of this duty for 90 days, and there are probably a great many on both sides of the aisle who have some other solution.

It occurs to the Senator from Kansas that one resolution might be to freeze the import tax at $1 for a period of 90 days. This would give those who are seeking additional time for some alternative plan that 90-day period they desire and would leave in effect the $1 import tax imposed by proclamation by the Executive on February 1.

In an effort to strike a compromise, I shall offer, as a member of the Committee on Finance at its meeting tomorrow, in the event there is a quorum present, and I assume there will be a quorum present, an amendment which would do specifically two things: It would suspend until May 1 the President's power to impose an oil import duty in excess of the $1 per barrel tariff previously imposed on February 1. Thus, the present $1 per barrel tariff would be frozen at that level until May 1.

After May 1, unless Congress enacts new legislation, the President's power under the Trade Expansion Act of 1962 to impose larger import fees would be restored.

Mr. President, today the President of the United States is in the State of Kansas speaking to the Midwestern Governors, Republicans and Democrats, and speaking to others who are concerned about our economy and also the energy-related problem.

As I have said to members of the White House staff and to my colleagues in the Senate, if we are really concerned about the American people, then we should not let the energy crisis or any other problem become so politicized that we refuse to have some flexibility.

Mr. President, again without encouragement from the White House and without any support from the White House—perhaps opposition from the White House—without much support from other colleagues, it is still my hope that the amendment I shall offer tomorrow will prevent a confrontation between the Congress and the President and avoid a loss of time that would result from such a confrontation.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. DOLE. Yes.

Mr. PASTORE. Mr. President, I believe we have reached a point where there is a misunderstanding of the old adage, that it all depends on whose ox is being gored. My part of the country, New England, depends entirely upon, or almost entirely upon, imported oil. This is not true of Kansas. That is not true of other parts of the country. I believe that the American people are willing to assume their responsibility whatever the sacrifice may be, provided that that sacrifice is equally shared by all Americans. That is not what is happening today.

There was a time, going back to 1959, when President Eisenhower instituted, under Executive directive, a quota on the importation of oil. At that time, you could buy foreign oil cheaper than domestic oil. The argument was made that unless we limited the importation of cheap foreign oil, the result would be that the military or the national defense would be jeopardized, and that for that reason, in order to stimulate domestic production, we should limit the importation of foreign oil. That is the argument they gave.

So when we could buy it cheaper than the domestic oil, they slapped on a quota.

What is happening now? Now that the foreign oil costs more than 2½ times domestic oil, they are saying to the people of Rhode Island, "It is not bad enough that you have to pay 2½ times more than if you got the domestic oil, but on top of it all, we are going to put another tax on, and we will call it a tariff tax." This is the injury that is being misunderstood.

How is this President doing it? He is doing it exactly the way Eisenhower did it. He slapped it on unilaterally. He did not call in the Governors nor the mayors nor the leaders of Congress. He did not call in anybody. He just got his coterie of advisers around him, and then he said, this is it, and he gave it to us right between the eyes.

That is exactly what they did. They put on a $1 tax on February 1. They are going to put on another $1 tax on March 1, and another $1 tax on April 1. By the time they get through, they will have socked $40 billion on the backs of the taxpayers of this country.

Am I taking too much time?

Mr. DOLE. I assume that I can find more time.

Mr. PASTORE. I am only half-way through.

[Laughter.]

Mr. DOLE. I think the discussion is good.

Mr. ROBERT C. BYRD. The Senator will have no problem getting additional time.

Mr. PASTORE. All I say is that there is an injustice here.

The President also is recommending that we remove the controls from domestic oil, and he can do that under the law. He does not have to come to Congress. If he wants to deregulate natural gas, he has to come to Congress, but he is recommending that, too. By the time they get through, God help the poor consumers of America.

What are they doing? The President predicated his budget on an unemployment rate of 7.9. The unemployment rate today is 8.2, from the governmental agency.

George Meany was on television last Sunday, and he said that they have taken the bottom line, that the real unemployment rate in this country is now 10 percent. He may be taking the top line, but in between we have 9 percent. You do not have to be a high school graduate to know that the difference between 8 and 10 is 9. [Laughter.] What does that mean? That means 9 million people out of work. That is what we are up against.

What we Democrats want to do is this: We are saying to the President, "We are not repudiating you. All we are asking you to do is to give us a reprieve for 90 days. Give us a chance to come up with something." We will come up with it. We are working on it right now. What we will come up with is good, because the thrust of our program is going to be to put this economy back on the track, to cut down the unemployment rate if we can, to give jobs if we can, to conserve our energy that is being wasted. Over the years, we have become a very neglectful and wasteful society, unnecessarily so.

That reminds me of a story. When I was the Governor of my State, we had a visiting dignitary come to my State, and I had to entertain him at luncheon. We had a rather nice luncheon, and the time came when the waiters had to pick up the dishes. There was a great deal of food, because the people had not eaten all the food.

I said to my guest, "Isn't it a shame? With so many hungry people in the world, look at all the food that goes to the garbage pail."

Without flickering an eyelash, he looked at me and said, "Governor, I come from a poor country; but if we had your abundance, we would be doing the same thing."

What do I mean by that? I mean by that that because we had an abundance, we began to waste. Now we do not have the abundance any more, and the thing to do is to conserve. We can conserve.

We have a 55-mile-an-hour speed limit on our highways. If you drive 55 miles an hour, every Tom, Dick, and Harry will pass you. That is wasting gasoline.

We can convert to coal. Why make an automobile that can go 120 miles an hour on a 55-mile-an-hour road? We can save money there. We can make smaller cars; we can have less horsepower; we can do a lot of things before we begin to soak the poor.

What does the President say? Let the poor people who need the food stamps pay more. Let the people on social security get no more than 5 percent, even though they are entitled to 8.5 percent. Is that the way to deal with the question of equality of sacrifice?

Raise the price of gasoline by 20 cents. I do not think the Vice President of the United States is going to be bothered by that. I do not think he is going to be bothered by that. I do not think he even knows how many miles a gallon his car will go—and if I had $250 million, I would not know, either. That is what we are doing.

All I am saying is that the time of reckoning has come. We of the Democratic Party will give a program, but do not paint us into a corner. Once the President has exercised that authority and we vote to delay and we cannot override his veto, then we have government by minority, not government by majority. That is what we are going to be up against.

We are going to get it right here, right in the neck; that is where we are going to get it.

All I say to my good friend from Kansas is that I hope he can speak to the President. The Senator from Kansas is a wise man, an astute man. He knows that $3 is bad, but he is willing to come down to $1.

I say this to the Senator: Why do we not call it all off for 90 days? It is not going to kill anybody. Let us start some conservation; let us start some conversion; but let us find out where we are going. All this tax will do will be to add to inflation, add to unemployment, and add to the misery of the country. The time has come to put it to an end.

I thank my good friend for his patience. He has always been kind and generous.

Mr. DOLE. Mr. President, I appreciate the nonpartisan remarks of the senior Senator from Rhode Island. [Laughter.]

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time taken by my good friend the Senator from Rhode Island not be charged against the time of the Senator from Kansas.

The PRESIDING OFFICER (Mr. GARY W. HART). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I say to the distinguished Senator from Rhode Island that I certainly have great respect for his views, and I think the discussion is good.

What I am doing, in effect, is freezing the $1 tariff for 90 days, trying to compromise with what some Democrats may want and at least leave in effect the President's $1 tariff for that period. There may be better compromises; there may be other compromises; perhaps no compromise is possible. But in the view of the junior Senator from Kansas, we could be talking about this problem a year from now and still have no resolution of it, unless we are willing to compromise.

It is not enough to denounce the President's stated circumstances, whether it be in social security, whether it be in unemployment, or whether it be in inflation. It is whether or not this Congress and this President are willing to come to grips with the situation.

I shall talk with the President. As the Senator from Kansas indicated earlier, my amendment is not supported, as far as I know, by the White House. It may not be supported by anyone but the Senator from Kansas. But it is some indication of the willingness on the part of 1 Senator or possibly 5 Senators or 10 Senators of the need to reach a solution and a recognition of the seriousness of the problem. Any of us could give a laundry list of programs passed in past administrations which have added to the problems of today; and that could be added to inflation, added to the cost of government, added to the cost of social programs. But I am certain that that kind of exchange will not do much insofar as resolution of the real problem before us.

Insofar as the cost to New England is concerned, a special effort has been made to ease the impact on regions heavily dependent on imported petroleum products. The Senator from Kansas was informed this morning that under his amendment, the imported products used in New England would not absorb any of this $1 tariff. That is because imported petroleum products have been given a 60 cents per barrel subsidy. The subsidy has been ended which would have about the same impact on New England as the $1 per barrel tariff on imported crude oil would have on the rest of the country.

Insofar as the added price of gasoline, it would add about 1 cent per gallon. A study done in my State of Kansas indicates that Kansas residents, under the President's mandate, if enacted, would pay about $101 per capita of increased gasoline costs whereas the residents of New England would only pay about $70. We love New England, but we do more driving in the Midwest. While problems are different in certain geographical areas in this country, it is rather difficult to tell an American in one part of the country that he should pay one-third more because he lives in the Midwest.

So under the amendment I plan to offer, New England comes out about the same as or slightly better than the rest of the country. While I understand the concerns of the Senator from Rhode Island, I believe his objections are unwarranted. Under the action taken February 1, which my amendment would essentially freeze for 90 days, all regions of the country should see about a 1 cent per gallon increase in the price of gasoline.

As far as the Senator from Kansas has been able to determine, there are no plainless remedies. Anything designed to come to grips with the problem will be bitter medicine, whether it comes from the Democratic spoon or the Republican spoon or whether it comes from some coalition of Democrats and Republicans working with the President.

Finally, a major purpose of even suggesting an amendment is to indicate that we need to stop wasting time and move toward a comprehensive solution. If Congress passes the so-called Ullman bill, which suspends for 90 days from date of enactment—not 90 days from the date it was introduced on January 23, but 90 days from the date of enactment—the power of the President to impose any import duty, then we have, in effect, delayed an effort toward a comprehensive solution for about 150 days or more.

If the House bill, H.R. 1767, should be reported by the Senate Committee on Finance tomorrow, if there is a quorum present, and if then, sometime next week, it should be passed by the Senate, vetoed by the President, and then if it goes through the veto process, we will have consumed another 2 or 3 weeks' time or more while the American people still wait for action.

It seems to the Senator from Kansas that we can avoid the confrontation between Congress and the President, that further delay can be avoided. Perhaps working in concert, we can work together toward a comprehensive solution of the energy problem. The amendment is a compromise on the President's plan to increase import fees to $3 as indicated by the distinguished Senator from Rhode Island. It would freeze the $1 tax on crude oil imports at that level until May 1. It would give those in Congress who want more time the 90 days to come up with some alternate plan. It may not represent the best compromise in the mind of every Senator, but it does present an opportunity to make an honest effort to move toward some resolution of the greater problem of over-dependence on crude oil imports.

Mr. NELSON. Mr. President, will the Senator from Kansas yield?

Mr. DOLE. I yield.

Mr. NELSON. I should like to ask the distinguished Senator from Kansas and the Senator from Rhode Island the same question.

As I understand the Senator from Rhode Island, the President's proposal discriminates against New England, which uses all imported oil.

Mr. DOLE. The understanding of the Senator from Kansas is that President Ford's proposal would seek to lessen any advantage there may be in the form of windfall profit, and to reduce any differences in regional impact.

Mr. NELSON. It is not the intention of the administration to have a two-tier price, a price on imported oil that is $2 or $3 a barrel higher than the oil produced domestically?

Mr. DOLE. As I understand the testimony of witnesses and statements I have read, this would be a one-price system. We have had a two-tier domestic price system for some time. It has not worked very well. I see the distinguished chairman of our committee just entered. I think I am correct that there would be one price for imported and one price for domestic oil.

Mr. NELSON. I addressed the question also to the Senator from Rhode Island and perhaps the chairman of the Committee on Finance.

Mr. PASTORE. It is inevitable—the minute we decontrol domestic oil, there is no question in my mind that the price will rise to the OPEC price. It is bound to happen. It is natural. It could not be any other way, because we are not going to have two-price oil. The minute we take the control off, then the regular forces of free enterprise will have to lift the price so that it will level off the same as for imported and domestic. It is inevitable.

The only thing that disturbs me—I like the President. I think he is a fine person. I do not mean any aspersion upon Jerry Ford. I think he is a wonderful man, he is a good father, he is a wonderful husband. That is not the point here. But I do say I do not think he has a leg to stand on in criticizing the Democratic Congress. Let me tell the Senator why.

First of all, what we intend to do is pegged all on rejecting the $3 tariff. All of our plans—to stimulate the economy, to avoid further disruption to the economy, to avoid further unemployment—our whole program is being pegged on the rejection of the tariff.

Now, the President has imposed the tariff and there is nothing we can do about it except to pass a bill to say we delay it for 90 days.

If we pass it by an overwhelming vote in the House, which they did, and if we pass it by an overwhelming vote in the Senate, but not by a two-thirds vote, then the President will veto it and we cannot override his veto. So where does that put us in the Democratic Party? We would have to shift our whole plan all over again because we are knocking the bottom right out of our program.

Our program is to make jobs, to decrease inflation if we can, and if we go ahead and put on this $3 tax and we can do nothing about lifting it, and the Committee on Finance passes its package on a $20 billion rebate and tax reduction, the President has his plan; he has his package. All he has to wait for is for us to do a little conservation on automobiles and what-have-you. But he would have the major part of his plan. And that is where he has boxed us in.

That is where he boxed us in, because he has unilaterally imposed a tariff without consultation with Congress. That is all I say.

Mr. DOLE. Well, he had that authority under the 1963 act.

Mr. PASTORE. Of course, he has the authority; but there is a morality involved here, too. Why stand up and criticize us after you have hit us over the head with a club?

Mr. DOLE. I am not criticizing.

Mr. PASTORE. That is what it amounts to. It is like saying, "Give me your baseball bat" and then saying "Hit a home run." How are we going to do it?

Mr. DOLE. Well, we do not want you to hit a home run.

Mr. PASTORE. I want to hit a home run on this package we are going to suggest. All I am saying is that we have got to have a rejection of that tax if we want to avoid further unemployment and further inflation; and our whole program is tabbed and anchored to that. And he is taking that tool away from us.

Mr. DOLE. If there is this fear that we might be boxed in, why would not the amendment that I have discussed offer some way out, not a Democratic way, but a way for Congress to respond and a way for the President to respond?

Mr. PASTORE. The President will not even buy the Senator's program. The White House has told us that everyone in the White House is against the Senator's scheme, and everyone in the White House is against my scheme. All they are doing is attempting to use the Congress of the United States as a battering ram; that is all. They are letting us have it between the eyes, and the time has come when we have got to begin to talk turkey, and the turkey I mean is the one that gobbles along on two legs.

Mr. DOLE. The Senator is not talking about the other Turkey, over in the Middle East?

Mr. PASTORE. No; that is another problem. All I want to say to my good friend from Kansas is that even he realizes the President has gone too far. All I am saying is that there should have been better rapport, better consultation.

This idea that you leave me out of your consultations, and then you say, "I am giving you this; it may be rotten, but you will be giving me something"—they are taking that away from us, because unilaterally he has imposed his program on us, and the only way we can get by it is by overriding his veto; and that is minority government. I say again, Jerry Ford has become a champion vetoing President in the history of this country.

Mr. DOLE. As I think the Senator has stated, the head count is very close as to whether or not a veto might be sustained. It seems to me that rather than waste all that time, there should be some modification. Perhaps the Senator from Rhode Island has a modification, or the Senator from Louisiana, or the Senator from Wisconsin. I would not say the President rejected any compromise because I do not believe the President has. If the witnesses he sent to the Finance Committee on Monday speak for the administration, they are willing to compromise, and if they are not willing to compromise, they should not say in the presence of the Senate Committee on Finance that they are willing to compromise.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOLE. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, it is my feeling that no one, at this point, really has the answer to the problem, and I include myself in the generality of that statement. I do not think anyone has the answer to it, but I do think there have been some good suggestions made, which would contribute to the solution of the problem, and I think that some of those suggestions have been made by the President, some of them have been made by some of the Senators on this side of the aisle—and I would certainly include the suggestions made by the distinguished Senator from Rhode Island, as well as those made by Senators on the other side of the aisle.

There have been some good suggestions made, and those that we can agree upon as useful proposals should be incorporated into a package. That is what it is going to require in the long run anyway, a package of suggestions, each of which will help to find this Nation's way out of a very difficult situation.

I regret to say that ever since this energy crisis hit us, we have so far succeeded in doing just one simple little thing, and that is to widen the right of way for the Alaskan pipeline from—what was it?—50 feet to 100 feet, or some such thing as that. That is about all we have done.

We sent a proposal down to the President that was advocated by the distinguished manager, the Senator from Washington (Mr. JACKSON), that had some good facets to it. There were a lot of good pieces in that package, but there was one item in there that the then energy administrator, Mr. Simon, said would be very counterproductive and would defeat the administration's whole effort to move us toward self-sufficiency. That was the so-called price rollback, which Mr. Simon felt would be counterproductive to trying to increase the domestic production of energy, and that as it was written he felt compelled to advise that he would probably have to recommend a veto if the rollback remained in the package.

But the Democratic leadership, particularly those managing the bill, were determined to insist on that, so the President vetoed the bill. They could not override the veto; and in view of that fact, I think they should have taken everything in the bill for which the President would have been willing to sign, which was about 95 percent of what they were proposing, and send that back down to the President and let him sign it.

That was 15 months ago.

Now we find Mr. JACKSON criticizing the President, that those provisions that the President vetoed, which the President is now recommending, did not become law.

The point is that Congress should have sent them on back down there again, minus the one provision that the President was unwilling to sign. I think we need to recognize sooner or later that we cannot make the President sign something he thinks is bad law, but certainly we can send him the things on which he would agree with us to be good law, and he would sign that much of it.

One thing that appeals to me about the President's action is that at least it puts the pressure on Congress to do something, and I am hopeful that, with the result of what the President has done, the debates occurring, and the matters being considered by both sides of the aisle, we will wind up making a constructive contribution towards solving the energy problem; because, as I said, when Richard Nixon was President and the energy crisis hit us, he came up with a proposed "Project Independence," that was supposed to have given this Nation self-sufficiency in 7 years. As I recall it, he was going to have this Nation independent in energy by 1980. Now that we have Jerry Ford as President, he is sending us his proposal, but he is going to have us self-sufficient in 10 years, by 1985. So about all I can see that has been achieved so far is that where 2 years ago we were supposed to be independent in 7 years, now we are supposed to be independent in 10 years; so we have spent 2 years losing 3 years, and we are now 5 years farther away from the target than we were 2 years ago.

I hope he will keep pressure on Congress to do something, emphasizing that if we do not do something, something horrible will happen to the country, and I hope that he will keep the pressure on and maybe something will happen, at least as to these suggestions that everyone agrees to now.

Everyone agrees that we ought to try to get people to install storm windows and insulate their homes. Maybe we can get that much done. Everyone agrees that we ought to produce energy out in the Atlantic, that that is the biggest undeveloped frontier. Maybe we can do something about that.

In addition to the pipeline built across Alaska, we ought to put a pipeline down through Canada to bring oil and gas to the United States. Maybe we can get some of that done.

We ought to encourage people to find ways to make better use of the energy we have. Maybe we can do something about that. A lot of suggestions have been made. I have made some myself.

Maybe we can do something about some of those things. So, if we just keep the pressure on maybe we can accomplish results with regard to the price. Maybe we can have better public transportation, more carpooling, smaller automobiles, better gas mileage.

If pressure is kept on Congress perhaps Congress will react. But I am not the least bid proud of the fact that nothing except the Alaskan pipeline can be cited as an achievement during the last 2 years.

How long ago was it that the Arabs imposed a boycott on the United States? Almost 500 days now, is it not?

Mr. DOLE. Five hundred some.

Mr. LONG. About 500 days ago, and nothing has been achieved.

You have 100 Senators, each of whom could propose his own program between now and this time tomorrow. Just say, "All right, give me the Long program." I could have it ready for you by this time tomorrow.

"Give me the Dole program," and I am sure you could do the same thing, and so could everybody else in the Senate.

You have 435 Congressmen who could do the same thing.

The President has already submitted his program to us. All I am saying is that one would think that with 500 days to work on it we would have succeeded in doing more than just authorize a widening of the right-of-way for the Alaskan pipeline.

It looks to me as though that is all that has been achieved in more than a year since this thing hit us, and we are 3 years further away from our target date now than we were then. So I would hope that as a result of the President at least saying, "If Congress does not do something I am going to do something," something will begin to happen around here. That is why I am reluctant to vote to strike down what the President has done. I think we ought to try to simply move from that point to enact a program that we think is better, instead of trying to stop him from moving forward with his.

Mr. DOLE. I thank the Senator from Louisiana. I believe that he is in accord with the hopes also of the Senator from Kansas. My thought is that the pressure now is on Congress, and it would not be increased on March 1 and again on April 1, but would give Congress that 90-day period, and then if we still have not done anything but maybe reconsider the Alaska right-of-way, and we might do that again, then the President would be free on May 1 to reimpose $2 or $3. But, in any event it would seem to the Senator from Kansas that the time for action is now.

REMARKS OF SENATOR NUNN AT NATIONAL PRAYER BREAKFAST

Mr. ROBERT C. BYRD. Mr. President, I was impressed by the remarks offered by the junior Senator from Georgia at the recent National Prayer Breakfast, and the philosophy they contained.

In order that any of my colleagues who did not hear them may have the opportunity of reading Senator NUNN's words, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

Mr. President, Mrs. Ford, Mr. Vice President, Ladies and Gentlemen:

One evening after an extremely busy day in a large city, Mr. Jones, a businessman, rushed to catch the commuter train which would take him to his suburban home. In the station he noticed Johnny, a small, poorly clothed, crippled boy selling apples at a small stand. Another man obviously in a great rush accidently knocked the boy from his stand and all of the little fellow's apples were left scattered over the dirty floor of the station.

The man who caused this accident paused for a brief moment and muttered a meaningless apology before quickly departing in a rush to avoid missing the train. Mr. Jones, also in a hurry, quickly passed by, but had a second thought as he started aboard his departing train and returned to the scene.

As he stooped over to help the little crippled boy recover his apples from the floor, he suddenly realized that Johnny was also blind as he groped about in pursuit of his only merchandise.

Mr. Jones took a little time from his busy life, recovered all the apples, brushed each one off with his handerchief and placed them on the fallen stand, which he had re-erected.

In departing he handed the young lad a crisp five dollar bill. As Mr. Jones started on his delayed journey, Johnny, the little crippled boy, clutched him by his coat and with large tears in the eyes that could not see, asked him, "Mr. are you Jesus?" (Pause)

No, Johnny, Mr. Jones is not Jesus—but—to be more like the Master—full of kindness, compassion, and understanding—is the goal of every Christian. Only Jesus Christ lived the perfect life, and like Mr. Jones, we Senators who meet each Wednesday morning in the Vandenberg Room are far from perfect.

There are those who criticize our regular Wednesday morning prayer breakfast meetings as being nothing more than self-serving exercises in Senatorial soul-searching. Some claim we are no better than the hypocritical pharisee, praying aloud in the temple, raising our voices for all to see how devout we are. To these cynics, I readily admit we have normal faults and normal motivations.

For me, that's the heart of it. If anyone knows he is human and subject to limitations and frailties, it should be the Senator and Congressman who are trying to write laws which will govern fairly the lives of over 200 million people. Think about that for a moment and you'll know how inadequate we are—alone. That is why I believe that those of us in the Senate who gather each Wednesday morning to study the scriptures, to share personal insights into our own religious convictions, emerge the better for this experience.

In Proverbs, we find this admonition: "As a man thinketh in his heart, so is he." (Proverbs 23:7)

This is what we are trying to do—remold our hearts, reshape our thoughts, and better serve our nation and the world by obedience to God's laws and God's will.

As you may remember, the pharisee I referred to earlier was not alone in the temple. Over in the corner was the publican, and his words more truly express the thoughts we all feel: "God be merciful to me, a sinner." (Luke 18:13)

SAM ERVIN—AMERICAN PATRIOT

Mr. ROBERT C. BYRD. Mr. President, I am sure that all my colleagues in this body shared my regret when Senator Sam Ervin decided to retire at the end of the 93d Congress. I am equally certain that all of us join in wishing him many years of pleasant and carefree retirement in his beloved Old North State.

I recently had the privilege of addressing a dinner in Sam Ervin's honor, given by and for the Cystic Fibrosis Foundation of North Carolina in Winston-Salem.

I ask unanimous consent that my speech on that occasion be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH FOR SAM ERVIN AT CYSTIC FIBROSIS DINNER

(By U.S. Senator ROBERT C. BYRD from West Virginia)

Mr. Chairman, Senator Ervin, Ladies and Gentlemen:

It is always a genuine pleasure for me to visit with the good folks in North Carolina. As many of you know, the Tarheel State was my birthplace, though I moved at a very early age to the Mountain State of West Virginia. I have a very warm spot in my heart for this State, and a very warm spot in my heart for the great Carolinian and great American whom we honor tonight.

There is something about Sam Ervin that personifies all the qualities and the strengths of character of which Americans have always been proud, and which we have always admired.

To some men there are given by Providence the characteristics of human kindness, compassion, and understanding to complement wisdom, erudition, and a deep love of his country and its institutions. Such men do not come down the pike every day. But when one does, he is a giant in his time.

Such a man began his journey to greatness when he was born in Morganton seventy-eight years ago. In the years between those simple bucolic days and the frenetic times in which we now live, Sam Ervin has seen this great and good country of ours change from the peace and calm of a rural society into the world's most powerful and most prosperous industrial, technological, and urban nation. He, himself, has played a significant role in the shaping of our destiny by his wise and conscientious counsel in the high places of government—both as a highly respected member of the judiciary and as a distinguished member of the United States Senate!

Sam Ervin has long enjoyed a well deserved reputation as one of the country's most knowledgable constitutional lawyers. Many times, on the floor of the United States Senate, I have listened, and marveled, at his command of the words and provisions of our Constitution; his immense knowledge and recollection of even the most obscure interpretations of that great document by a wide variety of jurists and constitutional scholars; and his incisiveness in illustrating exactly the point of constitutional law required to prove the rightness of his case in debate.

We have all heard the hypothetical question: If you were going to be a castaway on a desert island, and you were allowed only three books, which books would you choose?

I have never asked Sam this question, but my guess would be that he might settle for the Holy Bible, the Federalist Papers, and Lefler and Newsome's "North Carolina—A History of a Southern State."

When a man has served in the Senate of the United States for 21 years, and has been exposed for that length of time to the sometimes unreal world of Washington, D.C., it is entirely likely that instead of the man's making an impression on Washington, the nation's Capital leaves its controlling impression on the man. And sometimes that impression is not the kind of impression that we like to see. There have been men who have gone to Washington from the grassroots of America, and who have forgotten after a while that the grassroots that bred and nurtured them, are still there. They have forgotten the debt they owed to the good people who placed their confidence in them and sent them to Washington. They have forgotten that the road that leads to Washington, leads back home.

This will never be said of Sam Ervin. For, with all the honors that he has garnered in his distinguished career—both in his home state and at the hub of political power in Washington—he is still a man, who, in the words of Rudyard Kipling, can:

> Walk with Kings—nor lose the common touch. . . .

Though Sam Ervin has always been a man of great stature among those of us who have been privileged to know him over the years, it is only in the last few years that his virtues and his strengths have become well known to the people of this entire nation, and, indeed, to people in many other parts of the world through the marvels of television technology.

When the Senate, in one of our acts of wisdom, chose Sam Ervin as Chairman of the Senate Select Committee to investigate the excesses of what we know as Watergate, our wisdom was perhaps greater than we knew. For not only did the Chairman conduct the hearings with the skill expected of him—he also introduced into the Committee deliberations an aura of belief in high principles, truth, and integrity, and encouraged in the millions of Americans who followed the televised hearings, a recrudescence of the spiritual values that inspired and sustained our people and our leaders when this nation was much younger than it is now.

Tonight should be an occasion for remembering, for there is much in the past that is timeless, and that we can, and should, apply to the present and to the future.

In 1776, that most farsighted North Carolinian, Sam Spencer, and his associates wrote, in Section 35, Article I of the North Carolina Constitution, the admonition: A frequent recurrence to fundamental principles is absolutely necessary to preserve the blessing of liberty.

Revelations of the very recent past show, with a sharp truth, how very relevant to our own lives and times are these words of two centuries ago. Sam Ervin has always known how relevant the words are, and how relevant they will always be, to a nation born in turmoil and nurtured in freedom. He has constantly espoused and urged upon us the principles from which sprang the great testaments of liberty—the Magna Carta, the Declaration of Rights, and the Declaration of Independence.

To some men, to be called "old-fashioned" would approach an epithet. To Sam Ervin, to be called "old-fashioned" is a compliment—as it should rightly be. For he is old-fashioned enough to believe that however strong may be the winds of mischance or malevolence, the tree of liberty will stand unbroken, because its strong roots are embedded in the human heart and in the past.

He is old-fashioned enough to believe that, long before America became the powerful and prosperous nation that we know today, there were built into our national character the qualities of faith in God, adherence to truth, devotion to ideals, love of our heritage, and respect for the law.

In a Memorial Day address in 1884, to Union Veterans of the Civil War, Mr. Justice Holmes said:

"Above all, we have learned that whether a man accepts from Fortune her spade, and will look downward and dig, or from Aspiration her axe and cord, and will scale the ice, the one and only success which it is his to command is to bring to his work a mighty heart."

The distinguished Tarheel we honor tonight has always brought to his work a mighty heart. And to complement that mighty heart, he has always brought to his work a searching and highly-active mind, full of commonsense and penetrating wit. The United States Senate, the State of North Carolina, and the country are much the richer because he is among us.

In our relatively brief history as a nation, many patriots can be counted. Some have found their glory by sustaining us against our enemies on the field of battle. Some have inspired us by their example of courage and tenacity in the face of persecution and the threat of dire penalty. And some, by their steadfast devotion to, and championing of, the Rule of Law and the Bill of Rights, have helped to preserve for posterity the inalienable rights that were conferred on every American by the Founders of this Republic.

Among these latter, three North Carolinians have honored places. In the 18th century, it was Sam Spencer. In the 19th century, it was Zeb Vance. In the 20th century, it has been, and is Sam Ervin.

But no one man, however dedicated he may be to a cause—however much of himself he may sacrifice for that cause—however powerful his voice may be in the espousing of that cause—can hope to see the flowering of his ideals unless there is an answering chord in the hearts and in the minds of the people for whose wellbeing the battle is being fought.

Sam Ervin would hardly be human if, at some periods in his lifelong dedication to the cause of freedom and liberty of the people, he had not felt that the struggle naught availeth. Notwithstanding, he has never given up the struggle, and today, he is honored for his labors by his peers, and loved and admired by millions of his countrymen for his staunchness in the defense of their rights as a free people.

I read once that at one time during World War I, Sam Ervin was posted "Missing in Action" and remained on the missing list for some considerable time. When he finally turned up in his hometown, the whole community expressed its relief that Sam had been found. "I was never lost", he told them. "I knew where I was all the time."

Sam Ervin, United States Senator, American patriot, honored equally by kings and commoners, and to whom we, his colleagues in the Congress said a reluctant and most regretful farewell, has always known exactly where he was! All the time!

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. Ford) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives received on February 10, 1975, during the adjournment of the Senate and under the authority of the order of February 7, 1975, stated that, pursuant to the provisions of 10 United States Code 4355(a), the Speaker has appointed Mr. Murphy of New York, Mr. Long of Maryland, Mr. Cederberg, and Mr. Gilman members of the Board of Visitors to the U.S. Military Academy on the part of the House.

The message also stated that, pursuant to the provisions of 10 United States Code 6968(a), the Speaker has appointed Mr. Flood, Mr. Sikes, Mr. Edwards of Alabama, and Mrs. Holt members of the Board of Visitors to the U.S. Naval Academy on the part of the House.

The message further stated that, pursuant to the provisions of Pubilc Law 92–342, the Legislative Branch Appropriation Act, 1973, the Speaker has appointed Mr. O'Neill, Mr. Rhodes, Mr. Mahon, and Mr. Cederberg to serve with him and with the members of the Commission on Art and Antiquities of the U.S. Senate in supervising the restoration of the Old Senate and Supreme Court Chambers in the Capitol.

ENROLLED BILL SIGNED

The message also stated that the Speaker has signed the enrolled bill (S. 58) compensation and other emoluments attached to the Office of Attorney General.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. Ford).

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The Acting President pro tempore (Mr. Ford) laid before the Senate the following letters, which were referred as indicated:

Proposed Legislation To Amend the Commodity Futures Trading Commission Act of 1974

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Commodity Futures Trading Commission Act of 1974 to eliminate three provisions which encroach on the separation of powers (with an accompanying papers); to the Committee on Agricuture and Forestry.

Deficiency Apportionments Required To Permit Payment of Pay Increases

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, deficiency apportionments required to permit payment of pay increases granted pursuant to law (with accompanying papers); to the Committee on Appropriations.

Deficiency Apportionments for the Child Nutrition Program, Department of Agriculture

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, deficiency apportionment based on a determination that the Department of Agriculture is required to permit reimbursement increases pursuant to law and that an emergency has arisen involving the immediate welfare of individuals to whom the United States is required to make payment of amounts in accordance with formulas prescribed by law; to the Committee on Appropriations.

Federal Contributions Program, Equipment and Facilities

A letter from the Director, Defense Civil Preparedness Agency, transmitting, pursuant to law, a report of Federal Contributions Program Equipment and Facilities for the quarter ending September 30, 1974 (with an accompanying report); to the Committee on Armed Services.

Federal Contributions Program, Equipment and Facilities

A letter from the Director, Defense Civil Preparedness Agency, transmitting, pursuant to law, a report of Federal Contributions Program Equipment and Facilities for the quarter ending December 31, 1974 (with accompanying papers); to the Committee on Armed Services.

Proposed Construction Projects by the Air Force Reserve

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting, pursuant to law a list of proposed construction projects to be undertaken by the Air Force Reserve (with accompanying papers); to the Committee on Armed Services.

Proposed Legislation by the Department of Defense

A letter from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and for other purposes (with accompanying papers); to the Committee on Armed Services.

Proposed Legislation Affecting the Separation of Powers

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the act entitled "To increase deposit insurance from $20,000 to $40,000, to provide full insurance for public unit deposits of $100,000 per account, to establish a National Commission on Electronic Fund Transfers, and for other purposes" (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation by the Office of Management and Budget

A letter from the Director of the Office of Management and Budget transmitting a draft of proposed legislation to amend the Employment Act of 1946 to include general price stability as a national goal of comparable importance to full employment (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

Report Concerning Implementation and Administration of the Fair Packaging and Labeling Act

A letter from the Chairman, Federal Trade Commission, transmitting, pursuant to law, a report concerning the implementation and administration of the Fair Packaging and Labeling Act during fiscal year 1947 (with an accompanying report); to the Committee on Commerce.

Reports of the National Railroad Passenger Corporation

Two letters from the Vice President of the National Railroad Passenger Corporation transmitting, pursuant to law, reports on the operations of Amtrak for the months of October and December 1974 (with accompanying reports); to the Committee on Commerce.

Report of the Secretary of Transportation

A letter from the Secretary of Transportation transmitting, pursuant to law, a report submitted in accordance with section 203, title II of the Ports and Waterways Safety Act of 1972 (with an accompanying report); to the Committee on Commerce.

Summary of the 1974 National Transportation Report

A letter from the Secretary of Transportation transmitting, pursuant to law, the summary of the 1974 National Transportation Report (with an accompanying report); to the Committee on Commerce.

Report of the D.C. Apmory Board

A letter from the Chairman of the District of Columbia Armory Board transmitting, pursuant to law, the annual report and financial statements of the Armory Board for the fiscal year ending June 30, 1974 (with accompanying report); to the Committee on the District of Columbia.

Proposed Legislation by the Board for International Broadcasting

A letter from the Chairman of the Board for International Broadcasting transmitting a draft of proposed legislation to amend the Board for International Broadcasting Act of 1973 to provide authorization for appropriations for fiscal years 1976 and 1977 (with accompanying papers); to the Committee on Foreign Relations.

International Agreements Entered Into by the United States

A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the United States within 60 days after the execution thereof (with accompanying papers); to the Committee on Foreign Relations.

Annual Report of the Peace Corps

A letter from the Director, the Agency for Volunteer Service, transmitting, pursuant to law, the Peace Corps annual operations report for the fiscal year 1974 (with an accompanying report); to the Committee on Foreign Relations.

Disposal of Foreign Excess Property Report

A letter from the Acting Director of Territorial Affairs, U.S. Department of the Interior, transmitting, pursuant to law, a report on disposal of foreign excess property (with an accompanying report); to the Committee on Government Operations.

Disposal of Excess Property in Foreign Countries

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a negative report covering the disposal of excess property in foreign countries for calendar year 1974; to the Committee on Government Operations.

Reports of the Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the status of selected major weapon systems being acquired by the Department of Defense (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report summarizing the activities of the Office of Federal Elections, General Accounting Office, in the administration of the Federal Election Campaign Act of 1971 with respect to campaigns for the offices of President and Vice President of the United States (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the accountability and physical controls of the Treasury Department's gold bullion reserves (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the status of efforts to offset balance-of-payment deficit for fiscal year 1974 attributable to maintaining U.S. forces in Europe, Department of Commerce, Department of Defense (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the need for better controls on foreign students, Department of Justice, Department of State (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Operations of the Five Service Academies," Department of Defense, Department of Transportation, Department of Commerce (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the audit of the Commodity Credit Corporation, Department of Agriculture (with an accompanying report); to the Committee on Government Operations.

Proposed Surface Mining Control and Reclamation Act of 1975

A communication from the President of the United States, transmitting the proposed Surface Mining Control and Reclamation Act of 1975 (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report of the Honokohau Study Advisory Commission

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report of the Honokohau Study Advisory Commission and the National Park Service concerning as to the feasibility and desirability of incorporating the site of the Honokohau National Landmark into the National Park System (with an accompanying report); to the Committee on Interior and Insular Affairs.

Report of the Colorado River Basin Project

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, the annual report of the Colorado River Basin Project for the fiscal year ended June 30, 1974 (with an accompanying report); to the Committee on Interior and Insular Affairs.

Loan Application From Valley Center Municipal Water District, Valley Center, California

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, an application for $3,500,000 to supplement its original loan received from the Valley Center Municipal Water District, Valley Center, Calif.; to the Committee on Interior and Insular Affairs.

Proposed Legislation to Authorize Appropriations for the Indian Claims Commission

A letter from the Chairman, Indian Claims Commission, transmitting a draft of proposed legislation to authorize appropriations for the Indian Claims Commission for the fiscal year 1976 (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Annual Report of the Joint Federal-State Land Use Planning Commission for Alaska

A letter from the State Cochairman, Federal-State Land Use Planning Commission for Alaska, transmitting, pursuant to law, submitting a report on its activities during 1974 (with an accompanying report); to the Committee on Interior and Insular Affairs.

Proposed Contract for a Research Project Entitled "Design, Manufacture and Field Development of an Automated Extraction System (Mini Miner)"

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract with the National Mine Service Co., Indiana, Pennsylvania, for a research project entitled "Design, Manufacture and Field Development of an Automated Extraction System (Mini Miner)" (with accompanying papers); to the Committee on Interior and Insular Affairs.

Admission of Certain Aliens Into the United States

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders entered in the cases of aliens who have been found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

Third Preference and Sixth Preference Classification for Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classification for certain aliens (with accompanying papers); to the Committee on the Judiciary.

Temporary Admission of Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders entered in 305 cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act as exercised on behalf of such aliens (with accompanying papers); to the Committee on the Judiciary.

Suspension of Deportation Orders for Certain Aliens

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders suspending deportation as well as a list of the persons involved (with accompanying papers); to the Committee on the Judiciary.

Annual Report of the National Academy of Sciences

A letter from the President, National Academy of Sciences, transmitting, pursuant to law, the annual report of the National Academy of Sciences for the fiscal year ending June 30, 1972, including the annual report of the National Academy of Engineering and the annual report of the Institute of Medicine covering the fiscal year ending June 30, 1972 (with an accompanying report); to the Committee on Labor and Public Welfare.

Regulations Governing Loans to Private Nonprofit Schools for Strengthening Instruction in Academic Subjects

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, regulations governing loans to private nonprofit schools for strengthening instruction in academic subjects (with accompanying papers); to the Committee on Labor and Public Welfare.

Proposed Legislation To Make Certain Technical and Perfecting Amendments to the Educational Amendments of 1974

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to make certain technical and perfecting amendments to the Educational Amendments of 1974 (with accompanying papers); to the Committee on Labor and Public Welfare.

Proposed Appropriations Authorization for the National Science Foundation

A letter from the Director, National Science Foundation, transmitting a draft of proposed legislation for authorization for fiscal years 1976 and 1977 for the National Science Foundation (with accompanying papers); to the Committee on Labor and Public Welfare.

Proposed Legislation to Repeal Limitations on the Compensation and Other Emoluments Attached to the Office of Attorney General

A letter from the Acting Attorney General of the United States, transmitting a draft of proposed legislation to repeal limitations on the compensation and other emoluments attached to the Office of Attorney General (with accompanying papers); to the Committee on Post Office and Civil Service.

Report of the Department of Defense on Civilian Positions

A letter from the Assistant Secretary of Defense, Manpower and Reserve Affairs, transmitting, pursuant to law, a report of the Department of Defense on civilian positions in the department allocated or placed in grades GS-16, 17 and 18 (with an accompanying report); to the Committee on Post Office and Civil Service.

List of Immigration and Naturalization Service Positions

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, reporting, pursuant to law, on Immigration and Naturalization Service positions (with accompanying papers); to the Committee on Post Office and Civil Service.

Annual Report of the Highway Safety Improvement Programs

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on the Highway Safety Improvement Programs (with an accompanying report); to the Committee on Public Works.

Pedestrian and Bicycle Safety Report

A letter from the Acting Secretary of Transportation, transmitting, pursuant to law, a report entitled "Pedestrian and Bicycle Safety" (with an accompanying report); to the Committee on Public Works.

1974 National Highway Needs Report

A letter from the Secretary of Transportation, transmitting pursuant to law, the 1974 National Highway Needs Report (with an accompanying report); to the Committee on Public Works.

Proposed Legislation for Authorization of Appropriations for the U.S. Nuclear Regulatory Commission

A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a draft of proposed legislation to authorize appropriations for the Nuclear Regulatory Commission totaling $219,935,000 for fiscal year 1976 and $217,000,000 for fiscal year 1977 (with accompanying papers); to the Joint Committee on Atomic Energy.

Proposed Legislation To Increase the Authorization for Appropriations for the Nuclear Regulatory Commission

A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a draft of proposed legislation to increase the authorization for appropriations for the Nuclear Regulatory Commission by $56,400,000 for "salaries and expenses" (with accompaying papers); to the Joint Committee on Atomic Energy.

Cumulative Report of Fiscal Year 1975 Rescissions and Deferrals—February 1975

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report of fiscal year 1975 rescissions and deferrals, February 1975 (with an accompanying report); to the Committee on Appropriations, the Committee on the Budget, the Committee on Public Works, the Committee on Agriculture and Forestry, the Committee on Armed Services, the Committee on Labor and Public Welfare, the Committee on Banking, Housing and Urban Affairs, the Committee on Interior and Insular Affairs, the Committee on the Judiciary, the Committee on Foreign Relations, the Committee on Finance, and the Committee on Government Operations.

Proposed Rescissions Requiring Congressional Approval Before March 1, 1975

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report of proposed rescissions requiring congressional approval before March 1, 1975, retransmitted to the 94th Congress due to the sine die adjournment of the 93d Congress (with an accompanying report); to the Committee on Appropriations, the Committee on the Budget, the Committee on Government Operations, the Committee on Agriculture and Forestry, the Committee on Commerce, the Committee on Armed Services, the Committee on Labor and Public Welfare, the Committee on the Judiciary, the Committee on Foreign Relations, and the Committee on Finance.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Ford):

Two concurrent resolutions adopted by the Legislature of the State of Louisiana; to the Committee on Finance:

"House Concurrent Resolution No. 7

"A concurrent resolution to memorialize the Congress of the United States to take steps necessary to insure the welfare of the sugarcane farmworker and the small sugarcane farmer

"Whereas, the failure of Congress to reenact the Sugar Act of 1938, as amended in 1948, seriously impairs the well-being and economy of Louisiana and her citizens in that it has had the effect of abolishing protection of a domestic industry which is vulnerable to the elements and to global economic competition and economic instability; and

"Whereas, the amendments to the Sugar Act (H.R. 12525) would have subsidized the sugarcane industry with federal benefit payments guaranteeing the production of domestic sugar with fair profit to the producers, fair and reasonable wages for the workers, and at a fair price for the consumer; and

"Whereas, under the proposed new Sugar Act wage rate hearings would have been conducted by an administrative law judge, rather than by the Sugar Division of the USDA; final wage determinations would still have rested with the Secretary of Agriculture, but would have been subject to judicial review with the wage criteria strengthened to take into account the seasonal nature of sugarcane farming; and

"Whereas, federal workmen's insurance would have been provided and workers would have been allowed to enforce the law by filing civil suits for double damages and growers of sugarcane would have been prohibited from retaliating against workers who exercised their rights; and

"Whereas, under H.R. 12525 sugarcane growers would not have been permitted to charge their workers more than reasonable costs for items provided by company stores and service agencies, since these operations have literally forced the workers into an indebtedness that they find economically irreversible; and

"Whereas, the conclusion of the 93rd Congress saw the expiration of the Sugar Act and this will undoubtedly result in severe economic disruption in the sugarcane industry in the state of Louisiana and to consumers in general.

"Therefore, be it resolved by the House of Representatives of the state of Louisiana, the Senate thereof concurring, that the legislature of the state of Louisiana does hereby petition and memorialize Congress to act immediately to amend the Sugar Act as per H.R. 12525 of the 93rd Congress so that the plight of the sugarcane farmers, workers, and entire industry will be resolved in a more equitable fashion in order that domestic sugarcane can be produced with a fair profit to the producers, fair and reasonable wages for the workers, and a fair price for the consumers.

"Be it further resolved that the entire Louisiana delegation to the Congress of the United States and Representative W. R. Poage, Chairman of the Agriculture Committee of the House of Representatives, are hereby petitioned to reintroduce a bill to reenact the Sugar Act in accordance with the provisions of H.R. 12525 of the 93rd Congress and to take all necessary steps to insure its passage.

"Be it further resolved that a copy of this resolution be transmitted immediately to the Honorable W. Pat Jennings, Clerk of the United States House of Representatives, and to the Honorable Frances R. Valeo, Secretary of the United States Senate. The entire Louisiana delegation to Congress and to the Honorable W. R. Poage, Chairman of the Agriculture Committee of the House of Representatives.

"HOUSE CONCURRENT RESOLUTION No. 43

"A concurrent resolution to express the intent of the Louisiana Legislature with respect to references to proposed amendments to the Sugar Act (H.R. 12525) contained in House Concurrent Resolution No. 7, adopted during the 1975 Extraordinary Session of the Louisiana Legislature

"Whereas, during this 1975 Extraordinary Session, the Louisiana Legislature adopted House Concurrent Resolution No. 7, which resolution memorializes the Congress of the United States to take steps necessary to insure the welfare of the sugarcane farm worker and the sugarcane farmer; and

"Whereas, said resolution infers that proposed amendments to the Sugar Act (H.R. 12525) would have subsidized the sugarcane industry with federal benefit payments; and

"Whereas, it is not now, nor was it ever, the intent of the Louisiana Legislature to request that Congress provide subsidies in any form to the sugarcane industry, or to increase the benefits that sugarcane workers receive in excess of those already provided these workers in accordance with provisions of the Fair Labor Standards Act.

"Therefore, be it resolved by the House of Representatives of the state of Louisiana, the Senate thereof concurring, that the legislature of the state of Louisiana, through the language contained in House Concurrent Resolution No. 7 of the 1975 Extraordinary Session memorializing the Congress of the United States to take steps necessary to insure the welfare of the sugarcane farm worker and the sugarcane farmer does hereby expressly state its intent that it did not then, and does not now, request in any manner or form that Congress provided subsidies to the sugarcane industry.

"Be it further resolved that the legislature of the state of Louisiana does hereby further express its intent that it did not then, and does not now, request that Congress provide any additional benefits to sugarcane workers in excess of those already being provided these workers in accordance with the provisions of the Fair Labor Standards Act.

"Be it further resolved that a copy of this resolution be transmitted to the Honorable W. Pat Jennings, Clerk of the United States House of Representatives and to the Honorable Frances R. Valeo, Secretary of the United States Senate, the entire Louisiana delegation to Congress and to the Honorable W. R. Poague, Chairman of the Agriculture Committee of the House of Representatives."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MOSS (for himself, Mr. MAGNUSON, Mr. PHILIP A. HART, Mr. KENNEDY, and Mr. JAVITS):

S. 641. A bill to regulate commerce and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes. Referred, by unanimous consent, jointly and simultaneously to the Committee on Labor and Public Welfare and the Committee on Commerce, with the provision that when the first committee reports the bill, the second committee reports promptly or is discharged from further consideration of the bill.

By Mr. MOSS:

S. 642. A bill to amend the Federal Trade Commission Act to authorize certain State and local officials to enforce certain rules promulgated by the Federal Trade Commission, and for other purposes. Referred to the Committee on Commerce.

By Mr. MOSS (for himself and Mr. MAGNUSON):

S. 643. A bill to regulate commerce by establishing uniform test protocols for consumer products, and for other purposes. Referred to the Committee on Commerce.

By Mr. MOSS (for himself and Mr. MAGNUSON):

S. 644. A bill to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes. Referred to the Committee on Commerce.

By Mr. JAVITS:

S. 645. A bill for the relief of John H. R. Berg. Referred to the Committee on the Judiciary.

By Mr. MATHIAS:

S. 646. A bill for the relief of Mary P. Keefe. Referred to the Committee on Post Office and Civil Service.

By Mr. TAFT (for himself, Mr. HUGH SCOTT and Mr. BAYH):

S. 647. A bill to provide for the certification of certain historic barns and to provide a tax credit for the costs of maintaining the exterior appearance and structural soundness of such barns. Referred to the Committee on Finance.

By Mr. CURTIS:

S. 648. A bill to amend section 502 of the Small Business Investment Act of 1958 to provide for loans for plant acquisition, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. CHURCH:

S. 649. A bill for the relief of Roberto Quispe. Referred to the Committee on the Judiciary.

By Mr. CHURCH:

S. 650. A bill to amend title II of the Social Security Act to provide that the special minimum insurance amount thereunder shall be increased—in like manner as other benefits thereunder are increased—to take account of increases in the cost of living. Referred to the Committee on Finance.

By Mr. CHURCH (for himself, Mr. HASKELL, and Mr. RIBICOFF):

S. 651. A bill to make changes in the treatment of foreign income, to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes. Referred to the Committee on Finance.

By Mr. JACKSON (for himself, Mr. METCALF, and Mr. FANNIN) (by request):

S. 652. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE:

S. 653. A bill to amend the Budget and Accounting Act, 1921, to provide for audits by the General Accounting Office of expenditures by intelligence agencies of the Government and for reports thereon to certain committees of the Congress. Referred to the Committee on Government Operations.

By Mr. NELSON (for himself and Mr. HASKELL):

S. 654. A bill to provide for minimum energy conservation fuel economy performance standards, and for other purposes. Referred to the Committee on Commerce.

By Mr. SPARKMAN (for himself and Mr. TOWER):

S. 655. A bill to amend title III of the National Housing Act to authorize a temporary program to afford mortgagors additional opportunities to cure home mortgage defaults. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SPARKMAN (for himself and Mr. ALLEN):

S. 656. A bill to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of Alabama. Referred to the Committee on Interior and Insular Affairs.

By Mr. SPARKMAN:

S. 657. A bill for the relief of Mildred Sophia Henry. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. HATFIELD, Mr. MONDALE, Mr. TUNNEY, and Mr. MCGEE):

S. 658. A bill to prevent famine by increasing world food production through the development of land-grant type universities in agriculturally developing nations. Referred to the Committee on Foreign Relations, by unanimous consent.

By Mr. HUMPHREY:

S. 659. A bill to amend the Social Security Act to provide for improvements in the program relating to the diagnosis, screening, and referral of child health and maternal conditions established by title V of such Act. Referred to the Committee on Finance.

By Mr. MONDALE (for himself, Mr. BROOKE, and Mr. PHILIP A. HART):

S. 660. A bill to provide emergency relief with respect to home mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes who are unable to amortize their debt elsewhere, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. NUNN (for himself and Mr. TALMADGE):

S. 661. A bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS (for himself, Mr. LEAHY, Mr. STAFFORD, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH, and Mr. CHURCH):

S. 662. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the need of elderly and handicapped persons, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SPARKMAN (by request):

S. 663. A bill to provide additional military assistance authorizations for Cambodia for the fiscal year 1975, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. MCGOVERN:

S. 664. A bill to prohibit U.S. military advisers in Indochina. Referred to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOSS (for himself, Mr. MAGNUSON, Mr. PHILIP A. HART, Mr. KENNEDY, and Mr. JAVITS):

S. 641. A bill to regulate commerce and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes. Referred, by unanimous consent, jointly and simultaneously, to the Committee on Labor and Public Welfare and the Committee on Commerce, with the provision that when the first committee reports the bill, the second committee reports promptly or is discharged from further consideration of the bill.

Mr. MOSS. Mr. President, for myself, Mr. MAGNUSON, Mr. HART of Michigan, Mr. KENNEDY, and Mr. JAVITS, I introduce a bill to regulate commerce and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes.

Mr. President, I ask unanimous consent that the bill be jointly and simultaneously referred to the Committee on Commerce and to the Committee on Labor and Public Welfare, with the proviso that when one committee reports the bill, the other will be limited to 45 days to report, or the second committee will be deemed discharged from consideration of the bill.

Mr. GRIFFIN. Mr. President, reserving the right to object, may I ask what bill this is?

Mr. MOSS. This is a bill introduced by me, Senator MAGNUSON, Senator HART, Senator KENNEDY, and Senator JAVITS, to regulate adulterated food, in a consumer bill.

Mr. GRIFFIN. I do not know anything about that or the merits of the bill, but it is highly unusual, upon the introduction of a bill, to require that the bill be reported within a given period of time. Whether or not that would be enough time for the committees, I have no idea.

Mr. MOSS. This, by the way, has been cleared with the Committee on Labor and Public Welfare, which is the second committee involved besides the Committee on Commerce, and it is very satisfactory with them.

Mr. GRIFFIN. I have no objection to the reference of the bill to the two committees, but I object, at least temporarily, to the requirement that it be reported at any particular time.

So, Mr. President, I reluctantly object.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. MOSS. May I speak further to that? This is simply a matter of determining how much time would be permitted beyond when one committee reports. This is no absolute requirement; but when one committee goes ahead, the second committee then is limited to 45 days after the first committee has reported.

Mr. President, since there seems to be objection to the specific number of days, I will amend my unanimous-consent request to a proviso that when one committee reports the bill, the other committee will, as soon as possible, report on the bill so as not to delay unduly its consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. MOSS. Mr. President, the bill which we introduce today is virtually identical to the Consumer Food Act, S. 2373 of the 93d Congress. That bill passed the Senate without dissent in July 1974. Unfortunately, the House was unable to act on the bill during the remaining days of the 93d Congress, and so we have it before us again.

The bill is designed, first, to provide consumers with greater assurance that the food they eat is safe and wholesome, and second, to prevent consumer deception and confusion by requiring comprehensive food label information. The Consumer Food Act of 1974 requires food processors to develop comprehensive safety assurance systems and empowers the Secretary of Health, Education, and Welfare—HEW—acting through the Food and Drug Administration—FDA—to develop safety assurance standards for systems that fail to provide adequate protection. The legislation would upgrade the Nation's food safety and sanitation programs: by providing national registration program for food processors under the auspices of the Secretary of Health, Education, and Welfare; by requiring annual inspections of food processing establishments; and by extending FDA's inspection authority to include examinations of records maintained by food processors. In addition, food manufacturers would be required to provide complete, and in some cases, quantitative food ingredient information, open-dating information on perishable and semiperishable food products, and information regarding the nutritional value of food products.

EXHIBIT 1

S. 641

A bill to regulate commerce and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Food Act of 1975".

TITLE I—FOOD SURVEILLANCE

SEC. 101. Section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321) is amended by inserting after subsection (x) thereof the following two new subsections:

"(y) The term 'food processor' means any person who owns or operates any establishment in which food is processed."; and

"(z) The term 'safety assurance' includes, and is limited to, those processing factors which bear upon whether a food may be adulterated within the meaning of section 402(a) of this Act: *Provided,* That with respect to the application of subsections (a) and (c) of section 410 of this Act to fresh fruits and vegetables in raw unpeeled form, the term includes, and is limited to, those processing factors which bear upon whether a food may be adulterated within the meaning of paragraphs (3) and (4) of such section 402(a).".

SEC. 102. Chapter IV of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 341–348) is amended by adding at the end thereof the following two new sections:

"FOOD SURVEILLANCE

"Safety Assurance Procedures

"SEC. 410. (a) (1) A food processor shall, unless he is exempted by the Secretary pursuant to paragraph (4) of this subsection, develop, implement, and maintain safety assurance procedures for each establishment which he owns or operates. Such procedures shall be set forth in writing (in such manner and form as the Secretary shall prescribe) and such writings shall be available to the Secretary, within 6 months after the date of enactment of this section. In developing such procedures, a food processor shall—

"(A) identify those control points in the food processing operation carried out by any establishment owned or operated by him which are important in the prevention of adulteration, within the meaning of section 402(a) of this chapter;

"(B) identify the hazards associated with each such point;

"(C) establish adequate controls at each such point; and

"(D) establish adequate monitoring of the controls at each such point.

"(2) The safety assurance procedures developed under paragraph (1) of this subsection shall be reviewed, and appropriate revisions made, at least annually, by the food processor involved.

"(3) Written documents required under this section shall be retained for 5 years and shall be subject to inspection, pursuant to section 704 of this Act.

"(4) A food processor shall be exempted from the requirements of this subsection if the Secretary finds by regulation that the establishment or type of establishment owned or operated by such processor is unlikely, because of the nature or volume of its food processing, to create or contribute to a significant risk of adulteration, within the meaning of section 402(a) of this chapter.

"Safety Assurance Plan

"(b) (1) On or before December 31 of each year, the Secretary shall prepare a safety assurance assessment report concerning existing and potential risks of adulteration, within the meaning of section 402(a) of this chapter, which are known to him and for which safety assurance procedures, safety assurance standards, or inspection and monitoring by the Secretary appear necessary or appropriate to protect the public. Such report shall—

"(A) specify all risks identified;

"(B) rank such risks in the order of their public importance; and

"(C) state, in general terms, the means by which such risks are to be controlled (that is, by safety assurance procedures, safety assurance standards, or identified methods or procedures of inspection and monitoring).

"(2) The first safety assurance assessment report shall include a proposed safety assurance plan, in the form of a proposed regulation, which shall be designed to control the risks required to be specified in such report. Such plan shall include a specific schedule for implementation (that is, the date by which (A) appropriate provisions shall be included in safety assurance procedures; (B) an appropriate safety assurance standard shall be developed and adopted; or (C) a particular method or procedure of inspection and monitoring—including, where appropriate, the frequency of its application—shall be implemented), in such detail as to permit reasonable evaluation by interested persons of the adequacy of the Secretary's total safety assurance effort. Subsequent safety assurance assessment reports shall include any proposed changes in the safety regulation. Such plan may be further amended at any time at the discretion of the Secretary. No such plan or amendment thereto shall contain provisions regarding safety assurance procedures or safety assurance standards applicable to processing which consists solely of the sale of food in a retail establishment for consumption on or off the premises.

"(3) The safety assurance assessment report and the proposed safety assurance plan or amendments thereto shall be published in the Federal Register and interested persons shall be afforded an opportunity for comment pursuant to section 553 of title 5, United States Code. Any final plan or amendment shall constitute final agency action subject to judicial review, in accordance with section 701(f) of this Act.

"(4) The safety assurance plan shall provide for inspection at least once each year, by authorized representatives of the Secretary, of each establishment engaged in the processing of food, other than an establishment (A) which is engaged in processing which consists solely of the sale of food in a retail establishment for consumption on or off the premises; or (B) which is of a type which the Secretary by regulation finds is unlikely, because of the nature or volume of its food processing, to create or contribute to a significant risk of adulteration, within the meaning of section 402(a) of this chapter: *Provided*, That such plan may provide for a transfer by the Secretary of resources committed to such annual inspections to other food safety assurance activities subject to his jurisdiction upon a finding that such transfer is necessary to protect health and safety.

"(5) The safety assurance plan shall, at a minimum, be formulated so as to (A) reduce or eliminate all risks required to be specified in prior safety assurance assessment reports to the maximum extent feasible; and (B) provide reasonable assurance that within 4 years of the date of enactment of this section no risk shall constitute an unreasonable risk of adulteration, within the meaning of section 402(a) of this chapter, unless and to the extent that the Secretary for good cause finds (and incorporates such finding and a statement of the reasons therefor in the plan) that the realization of this objective is infeasible, impractical, or contrary to the public interest.

"Safety Assurance Standards

"(c)(1) If the Secretary finds that any food or class of food is being processed in such a manner as to present an unreasonable risk of adulteration, within the meaning of section 402(a) of this chapter, and that existing safety assurance procedures and inspection and monitoring activities are not adequate to protect against such risk to the extent required by paragraph (8) of this subsection, he shall promulgate regulations or amendments to existing regulations in order to establish a safety assurance standard to reduce or eliminate such risk.

"(2) Regulations under this subsection shall be promulgated in accordance with section 553 of title 5, United States Code, after notice and an opportunity for a hearing: *Provided*, That (A) the Secretary shall publish in the Federal Register his findings and an adequate statement of reasons underlying the provisions adopted, including responses to objections and comments of interested persons; and (B) an order promulgating regulations or amendments to regulations under this subsection shall be subject to judicial review, in accordance with section 701(f) of this Act.

"(3) Regulations under this subsection may be proposed by the Secretary upon his own initiative or upon the petition of any interested person. In promulgating or modifying such regulations the Secretary shall consider the reports and recommendations of appropriate advisory committees established by the Secretary.

"(4) Regulations under this subsection shall designate—

"(A) the food or class of foods which is subject to the safety assurance standards being established;

"(B) the persons required to conduct surveillance in accordance with such standards;

"(C) the contaminants, properties, unsanitary practices, or other factors (including but not limited to micro-organisms, heavy metals, toxins, drug residues, pesticide residues, filth, and other potentially harmful constituents and practices) for which surveillance is required;

"(D) the sampling methods and methods of inspection and examination by which such surveillance shall be accomplished;

"(E) the methods of analysis by which such examinations shall be accomplished;

"(F) the circumstances under which reports of such surveillance and test results shall be submitted to the Secretary; and

"(G) the activities (including sampling, analysis, and inspections) which the Secretary shall undertake to assure compliance with the safety assurance standards being established.

"(5) No safety assurance standard established under this subsection shall be applicable to any person who has developed, implemented, and maintained safety assurance procedures under subsection (a) of this section which the Secretary finds are adequate to protect against risks of adulteration to the extent required by paragraph (8) of this subsection.

"(6) The Secretary shall periodically evaluate the adequacy of any safety assurance standard established under this subsection and propose amendments in order to reflect new information or changes in methods of food processing.

"(7) Any person or group of persons may petition the Secretary, for an amendment of, or an exception to, regulations promulgated under this subsection, to permit the use of methods other than those specified in the regulations. Upon a showing that any alternative method is equally or more effective than the method specified in the regulations, the Secretary shall (A) approve the requested amendment or exception; or (B) refer the petition for an amendment or exception to an advisory committee established pursuant to subsection (d) of this section for its consideration and recommendation.

"(8) The safety assurance standards established pursuant to paragraphs (1) and (2) of this subsection shall be formulated and implemented so as to provide reasonable assurance that food does not present an unreasonable risk of adulteration, within the meaning of section 402(a) of this chapter. Such standards may vary, as appropriate, among different foods or classes of foods. If there is insufficient knowledge to establish such a standard for any food or class of foods, the Secretary shall immediately initiate a program to acquire sufficient knowledge and to develop such a standard.

"(9) If the Secretary finds a threat or potential threat to the public health, which requires that there be an immediate increase in the level of surveillance pursuant to safety assurance standards, with respect to any foods or classes of foods, he may direct an increase in such level (or otherwise modify the applicable safety assurance standards) to the extent that he determines necessary. Such an order may be entered without regard to any procedural prerequisites otherwise applicable, except that the Secretary shall provide an opportunity for a hearing thereon and comply with other applicable procedures as soon as practicable after the increase in the level of surveillance has been directed.

"(10) Chemical and other analyses performed under this section to determine the presence and amount of contamination in food shall be performed through the use of the best instruments, technology, and trained personnel which are reasonably available.

"Advisory Committees

"(d)(1) The Secretary is authorized to appoint and organize such standing or ad hoc advisory committees as he deems necessary or appropriate to study and report to him with respect to existing and potential hazards to health and safety related to food, risks of adulteration, and recommended action to reduce such hazards or risks. Each committee so established shall provide, to the maximum extent practical, an opportunity for any interested person to submit data and views on all matters considered by such committee. The meetings of such committees shall be governed by the Federal Advisory Committee Act of 1972 (5 U.S.C. App. I). The Secretary shall cause any report submitted to him by any such committee to be published as soon as practicable in the Federal Register and shall provide interested persons an opportunity to comment thereon.

"(2) Where advisory committees are established, the members shall be individuals who are qualified, by training and experience, in food safety or in the use of statistical sampling techniques, analytical methodology, or other technical disciplines relevant to food surveillance. The provisions of chapter 11 of title 18, United States Code, shall apply with respect to voting members of any such committee. In addition to such technical experts, any such committee shall include, as nonvoting members, a representative of consumer interests and a representative of industry interests. Committee members may be nominated by appropriate scientific, trade, and consumer organizations. The Secretary shall designate one of the members of any such committee to serve as chairman. Committee members shall, while attending meetings or conferences of the committee or otherwise engaged in its business, be compensated at per diem rates fixed by the Secretary, but not at rates in excess of the rate for grade GS–18 of the General Schedule at the time of such service, including traveltime. While serving away from their homes or regular places of business, members of such committees may be paid travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. The Secretary shall furnish any such committee with adequate clerical and other necessary assistance, and he shall prescribe by regulation the procedures to be followed by it.

"Records and Examination

"(e)(1) Any person required to comply with the requirements of subsection (a) or (c) of this section shall establish and maintain such records as the Secretary may by regulation require pertaining to safety assurance procedures and safety assurance standards and make such records available to the Secretary upon request.

"(2) The Secretary may require, by general or specific orders, the submission of special reports or answers in writing to specific questions containing such data and information relating to any safety assurance procedures and safety assurance standards, or the implementation thereof, or any matter relating to detection of adulterated or misbranded food, which may assist him in carrying out the purposes of this Act. The district courts of the United States shall have jurisdiction to enforce such general or specific orders and to require access to such information, upon application of the Attorney General or of the Secretary pursuant to section 309 of this Act. An action for enforcement of such orders may be brought in the district court of the United States for any judicial district in which the person or establishment involved is found or transacts business.

"Notification

"(f)(1) A food processor, upon learning, or acquiring information which supports the conclusion, that there is, with respect to food processed by him, an unreasonable risk of adulteration, within the meaning of section 402(a) of this chapter, shall immediately notify the Secretary of such risk, if such food has left his control. Such food processor shall also notify the Secretary of any recall of any food which is adulterated, within the meaning of section 402(a) of this chapter, if such food has left an establishment subject to his control. No information or statements derived exclusively from any notification required under this section (except for information contained in records required to be maintained under any provision of this Act) shall be used as evidence in any proceeding brought against an individual pursuant to section 303 of this Act with respect to any alleged violation of law occurring prior to or concurrently with such notification.

"(2) The notifications required by paragraph (1) of this subsection shall contain a clear description and evaluation of the risk of such adulteration, including, but not limited to, the nature of the food affected and the quantity involved, and a statement of the measures to be taken to protect the public from such risk.

"Citizens Civil Actions

"(g)(1) Except as provided in paragraph (2) of this subsection, any person may commence a civil action for mandatory or prohibitive injunction relief, including interim equitable relief, on his own behalf, whenever such action constitutes a case or controversy—

"(A) against any person (including the Secretary) who is alleged to be in violation of any regulation promulgated under subsection (c)(1) of this section; or

"(B) against the Secretary where there is alleged a failure of the Secretary to comply with the safety assurance plan established under subsection (b) of this section or to perform any act or duty under this section which is not discretionary with the Secretary. The district courts of the United States shall have jurisdiction over actions brought under this section, without regard to the amount in controversy or the citizenship of the parties.

"(2) No civil action may be commenced—

"(A) under paragraph (1)(A) of this subsection—

"(i) prior to 60 days after the plaintiff has given notice of the alleged violation to the Secretary and to any alleged violator in such manner as the Secretary may by regulation require; or

"(ii) if the Attorney General or the Secretary has commenced and is diligently prosecuting proceedings with respect to such alleged violation.

"(B) under paragraph (1)(B) of this subsection, prior to 60 days after the plaintiff has given notice to the Secretary of such alleged failure to comply with the plan or to perform an act or duty.

"(3) In any action under this subsection the Attorney General or the Secretary may intervene as a matter of right.

"(4) The court, in issuing any final order in any action brought pursuant to paragraph (1) of this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such an award is appropriate.

"(5) Nothing in this subsection shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any regulation or order or to seek any other relief.

"(6) For purposes of this subsection, the term 'person' means an individual, corporation, partnership, association, State, municipality, or political subdivision of a State.

"Other Authority

"(h) This section shall not be construed to exempt the Secretary or any other person from any obligation imposed by any other provision of this Act or by the provisions of any other Act, nor shall this section be construed to permit the use of any substance, practice, or conduct resulting in the presence of adulterated food if such use, practice, or conduct would not have been permitted in the absence of this section.

"Exemption

"(i) This section shall not apply to—

"(1) any processing subject to the exclusive jurisdiction of the Secretary of Agriculture;

"(2) processing which consists solely of the sale of food in a retail establishment for consumption on or off the premises, except with respect to safety assurance assessment reports and safety assurance plans prepared or established pursuant to subsection (b) of this section; or

"(3) processing of food which is not or has not been introduced into, delivered or held for introduction into, or shipped in or received or held for sale after shipment in, interstate commerce.

"Small Business Assistance

"(j) The Secretary shall cooperate with the Small Business Administration with respect to applications (under section 7(b)(5) of the Small Buiness Act, as amended (15 U.S.C. 631 et seq.)) for loans to assist affected small business concerns to comply with requirement under this section. The Small Business Administration shall direct that applications from such concerns, regarding proposed additions to or alterations in plant, facilities, or methods of operation which are designed to enable such concerns to comply with requirements under this section, shall be reviewed by the Secretary. The Secretary shall evaluate each such application and shall report to the Administrator (or to the bank or lending institution) within 60 days as to whether such additions or alterations are appropriate to assist the applicant to comply with such requirements and whether he recommends that the loan be granted.

"FOOD CODING

"Uniform System

"SEC. 411. (a) The Secretary is authorized and directed to establish by regulation as soon as is feasible a uniform system of coding applicable to packaged foods consisting of symbols which will permit the identification of (1) the identity and plant location of each food manufacturer and packer, (2) the identity of each individual food, (3) the lot or batch number of the food, and (4) determines, by regulation, with respect to any food or class of foods, that because of the nature of the food or the volume processed, such identification of any or all such matters is not necessary to protect the public health. Such regulations for uniform coding shall not prohibit any manufacturer or packer from coding any additional information which is not inconsistent with the required information and which is necessary to effect any reasonable commercial purpose of such manufacturer or packer.

"Public Information

"(b) The Secretary shall make available to the public sufficient information to enable consumers to comprehend the basic elements of such uniform coding system established pursuant to subsection (a) of this section.

"Coding Requirements

"(c) The Secretary is authorized and directed to require by regulation, to the extent that it is technically feasible and economically practicable, that the immediate container and outside container (if any) of packaged food bear legibly and prominently thereon the symbol or symbols established in the system of coding pursuant to subsection (a) of this section.

"Distribution Records

"(d) The Secretary is authorized and directed to require by regulation, to the extent that it is technically feasible and economically practicable, that distribution records of food include such information as is adequate to reasonably permit the tracing of packaged foods coded pursuant to regulations under this section and which is helpful in effecting and monitoring recalls of such food.

"Exemption by Regulation

"(e) Upon the petition of any person, the Secretary is authorized to exempt by regulation from any requirements established pursuant to subsection (c) or (d) of this section any packaged food or distribution records if such person demonstrates that such food or records are subject to a coding or tracing system, or type of coding or tracing system, which is adequate to meet the purposes of this section and which does not conflict with any system established by the Secretary pursuant to subsection (a) of this section. Any such exemption shall not be inconsistent with or endanger the protection of the public health.

"Availability of Records

"(f) For the purposes of establishing a coding system pursuant to subsection (a) of this section and for monitoring recalls of packaged food, the Secretary is authorized to require by regulation that manufacturers and packers of packaged foods keep records and make such records available to the Secretary on request in the manner and form he deems necessary. The Secretary is authorized to issue any general or special order which he finds is necessary in order to assemble the information necessary to establish such system of coding. The district courts of the United States shall have jurisdiction to enforce such orders upon application of the United States. An action for such enforcement may be brought in any district court of the United States where the person or establishment involved is found or transacts business.

"Exemption

"(g) This section shall not apply to manufacturing and packing of packaged food in a retail establishment for consumption on or off the premises.".

SEC. 103. Section 304 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 334) is amended by adding at the end thereof the following two new subsections:

"(g) If any food is found by an authorized representative of the Secretary in any establishment or vehicle where it is held for purposes of, or during, or after distribution in interstate commerce, such food may be detained by such representative for a reasonable period, not to exceed 20 days, if such representative concludes that the facts provide a reasonable basis to show that such food is adulterated, misbranded, or otherwise in violation of this Act. Such food may be detained pending seizure action under this section or notification of any Federal, State, or other governmental authority having jurisdiction over the food, and such food shall not be moved by any person from the place at which it is located and detained (except as the Secretary may authorize), until released by the Secretary. If the food is still being processed, and has not been put in final form for shipment, processing may continue until the food is put in final form, but detention of such food in final form may be ordered. Any person who would be entitled to claim such food if it were seized may appeal such detention to a superior official. Such official shall conduct an informal hearing on the matter and confirm or revoke such detention within 5 days of such appeal. The Secretary may extend such detention for an additional 10 days, upon making a finding (and giving appropriate notice) that such extension is necessary to institute seizure action under this section.

"(h) There is a rebuttable presumption, because virtually all food is subject to the jurisdiction of this Act, that any food found in any State is subject to seizure and condemnation pursuant to this section. The claimant or any other party to a condemnation proceeding under this section shall have the burden of establishing that the article or articles are not subject to the jurisdiction of this Act. In the absence of such a showing jurisdiction shall be deemed to be established.".

Sec. 104. Section 402 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 342) is amended by adding at the end thereof the following two new subsections:

"(f) If it is a food which was processed other than in compliance with safety assurance procedures and applicable safety assurance standards required by or pursuant to section 410 of this chapter.

"(g) If it is packaged food, and the immediate container and outside container (if any) do not bear legibly and prominently symbols which the Secretary requires to be placed thereon pursuant to section 411 of this chapter.".

Sec. 105. Section 301 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331) is amended by adding the following three new subsections:

"(q) The failure to develop, maintain, and make accessible safety assurance procedures as required by section 410(a) of this Act, the failure to comply with safety assurance procedures or safety assurance standards required by or pursuant to section 410 of this Act, the failure to maintain or make available records or make reports required pursuant to section 410 of this Act, or the failure or the refusal to furnish notification or other information as required by or pursuant to section 410 of this Act, with respect to food subject to the jurisdiction of this Act.

"(r) The unauthorized movement of a food detained under section 304(g) of this chapter or the removal or alteration of any mark or label used to identify the food as detained.

"(s) The failure (1) to comply with any regulation promulgated pursuant to section 411(c) or 411(d) with respect to any food or distribution records subject to such subsections, (2) to comply with the conditions of any exemption provided pursuant to section 411(e), or (3) to keep records or provide information as required by or pursuant to section 411(f).".

Sec. 106. Chapter III of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331–7) is amended by adding at the end thereof the following two new sections:

"CIVIL PENALTIES

"Sec. 308. (a) Any person who is found by the Secretary, after notice and an opportunity for an adjudicative hearing in accordance with section 554 of title 5, United States Code, to have committed an act prohibited by section 301 of this chapter with respect to any food, shall be liable to the United States for a civil penalty of not more than $10,000 for each day of violation. The amount of such civil penalty shall be assessed by the Secretary, or his delegate, by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the prohibited act or acts committed and, with respect to the person found to have committed such act or acts, any history of prior offenses, ability to pay and effect on ability to continue to do business, and such other matters as justice may require.

"(b) Any person against whom a violation is found and a civil penalty assessed under paragraph (1) of this subsection may obtain review in the appropriate court of appeals of the United States by filing a notice of appeal in such court within 30 days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the Secretary. The Secretary shall promptly file in such court a certified copy of the record upon which such violation was found and such penalty imposed, as provided in section 2112 of title 28, United States Code. The finding of the Secretary shall be set aside if found to be unsupported by substantial evidence, as provided by section 706 (2)(e) of title 5, United States Code.

"(c) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Secretary, the Secretary shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

"AUTHORITY TO INITIATE LEGAL ACTIONS

"Sec. 309. Notwithstanding any other provisions of law, the Secretary may initiate, defend, or appeal any court action arising under this Act through his own legal representative or through the Attorney General, except that the Attorney General shall have exclusive authority to initiate prosecution of persons under section 303 of this Act.".

Sec. 107. Section 304 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 334) is amended by deleting "United States attorney for such district" each time it appears therein and inserting in lieu thereof "the Secretary of the United States attorney for such district, as appropriate,".

Sec. 108. (a) Section 702(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 372(a)) is amended by inserting after the first sentence thereof the following new sentence: "In connection with the training by the Secretary of any individual who is not an officer or employee of the United States to prepare him to perform the duties described in the preceding sentence, the Secretary may allow such individual travel expenses to and from the place of such training, including per diem in lieu of subsistence while in travel status and during such training, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for individuals in the Government service employed intermittently: *Provided,* That the individual's training is conducted under an agreement between the Secretary and any State or any political subdivision of a State, pursuant to which such individual, upon the completion of the training, will be employed by such State or political subdivision to conduct examinations or investigations to carry out the purposes of this Act.".

(b) Section 6(c) of the Fair Packaging and Labeling Act (15 U.S.C. 1455(c)) is amended by inserting at the end thereof the following new sentence: "In connection with the training by the Secretary of any individual who is an officer or employee of any State or any political subdivision of a State, duly commissioned by the Secretary as an officer of the Department of Health, Education, and Welfare to conduct examinations, investigations, or perform other functions, for the purposes of carrying out this Act, the Secretary may allow such individual travel expenses to and from the place of such training, including per diem in lieu of subsistence while in travel status and during such training, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for individuals in the Government service employed intermittently: *Provided,* That the individual's training is conducted under an agreement between the Secretary and a State, or a political subdivision of a State, pursuant to which such individual, upon the completion of the training, will be employed by such State, or political subdivision to conduct examinations or investigations to carry out the purposes of this Act.".

Sec. 109. Section 702 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 372) is amended by adding at the end thereof the following new subsection:

"(f) For the efficient administration and enforcement of this Act as it relates to food, the provisions (including penalties but excluding annual reports) of sections 6(b), 9, and 10 of the Federal Trade Commission Act (15 U.S.C. 46(b), 49, 50) are made applicable to the jurisdiction, powers, and duties of the Secretary in administering and enforcing the provisions of this Act as it relates to food and to any person, firm, or corporation with respect to whom such authority is exercised. The Secretary may prosecute any inquiry necessary to his duties under this Act in any part of the United States, and the powers conferred on the district courts of the United States by such section 6(b), 9, and 10 of the Federal Trade Commission Act may be exercised for the purposes of this Act by any such court.".

Sec. 110. (a) Section 704(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 374(a)) is amended by inserting immediately after the first sentence thereof the following two new sentences: "In the case of any establishment manufacturing, processing, preparing, packaging, or holding food, inspection shall extend to safety assurance records bearing upon whether a food may be adulterated, within the meaning of section 402(a) of this Act, and records bearing upon the accuracy of statements made in the labeling of food. Safety assurance records shall be limited to process flow diagrams; any analytical procedure or method used; the results obtained from tests to ascertain compliance with safety assurance standards or procedures; quality assurance instructions or manuals; complaints; any record which relates to a breakdown in or demonstrates a pattern or possible weakness in safety assurance procedures or standards; food ingredient usage records; process validation and control records; coding; and shipping information.".

(b) Section 704(a) of such Act (21 U.S.C. 374(a)) is further amended by striking the words "second sentence" in the last sentence and inserting in lieu thereof "fourth sentence".

Sec. 111. Section 801 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381) is amended by adding at the end thereof the following new subsection:

"(e)(1) Every person importing, offering for importation, or otherwise responsible for importing into the United States any food or class or food shall file with the Secretary, at least 30 days prior to such importation, a certificate in such manner as the Secretary shall specify, demonstrating that the particular imported food or class of foods has been produced in accordance with safety procedures and in compliance with any applicable safety assurance standard established pursuant to section 410 of this Act.

"('2) The Secertary shall request the Secretary of the Treasury to refuse admission into the United States, pursuant to this section, of any such food or class of food which the Secertary determines has not been produced in accordance with section 410 of this Act, or where the importer has failed to file the certification required in this subsection.

"(3) Any such food refused admission shall not be admitted until such time as the Secretary may determine that the food offered for importation is not injurious to the public health. For the purpose of making such determination, the Secretary reserves the right to request that a duly authorized employee or agent of the Secretary be permitted to inspect the processing procedures employed in the production of the food or class of food offered for importation.".

SEC. 112. Section 705 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 375) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall not use to his own advantage, or reveal, other than to other officers or employees of the Department, or to the courts when relevant in any judicial proceeding under this Act, any trade secret information relating to food or any other information referred to in section 1905 of title 18, United States Code, insofar as it relates to food. With respect to information relating to food which was originated by any person other than the Secretary, whenever the Secretary determines that information which he desires to disclose is not trade secret information and is not otherwise referred to in such section 1905, he immediately shall give notice to the originator of such information that he intends to disclose such information, identifying the information in such notice with sufficient particularity to enable its originator to evaluate whether it is referred to in such section 1905, and the Secretary shall provide such originator with an opportunity, which is reasonable under the circumstances but not to exceed 15 days, to initiate a civil action to enjoin, suspend, or restrain any such intended disclosure on the ground that such information is a trade secret or is otherwise referred to in section 1905 and, therefore, is prohibited from disclosure by this subsection. The district courts of the United States shall have jurisdiction over actions brought under this subsection, without regard to the amount in controversy. The courts shall expedite the disposition of such actions and shall cause them to be conducted in a manner which is designed to protect the confidentiality of the information intended to be disclosed by the Secretary.".

SEC. 113. Section 201(f) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321 (f)) is amended by inserting after "animals," the following: "except that in section 402 (f), 410, and 411 of this Act such term shall not include articles used for food or drink for animals,".

SEC. 114. The amendments made by this title shall take effect upon the date of enactment of this Act, except that the first report under section 410(b) of the Federal Food, Drug, and Cosmetic Act shall be required on or before December 31, 1976.

TITLE II—FOOD ESTABLISHMENT REGISTRATION

SEC. 201. The Congress finds and declares that—

(a) in order to make regulation of interstate commerce in food effective, it is necessary to provide for registration and inspection of all establishments in which food intended for human consumption is manufactured, processed, packaged, labeled, stored, or otherwise handled;

(b) the products of all such establishments are likely to enter the channels of interstate commerce and to affect such commerce directly; and

(c) the regulation of interstate commerce in food, without provision for registration and inspection of establishments that may be engaged only in intrastate commerce in such food, would discriminate against and depress interstate commerce in such food and adversely burden, obstruct, and affect such interstate commerce.

SEC. 202. Chapter IV of the Federal Food, Drug, and Cosmetic Act, as amended by this Act, is further amended by adding after section 411 the following new section:

"REGISTRATION OF FOOD ESTABLISHMENTS

"General

"SEC. 412. (a) On or before December 31 of each even-numbered year (or of such other year as the Secretary may determine), each food processor in any State shall prepare and submit to the Secretary a registration statement which shall include, but not be limited to his name; principal place of business; the location of each establishment owned or operated by him; and, for each such establishment, a complete list, in such form as the Secretary shall by regulation prescribe, of all classes of foods processed therein. Such list shall identify the types of processing utilized for each class of food. The Secretary shall promulgate regulations defining classes of foods and types of processing, to promote uniformity and expeditious administration with respect to such registration.

"Notification

"(b)(1) Any person, upon first engaging in the processing of food in any establishment which he owns or operates in any State, shall immediately notify the Secretary and prepare and submit to him a registration statement containing the information required under subsection (a) of this section.

"(2) Any person who has duly registered under this section shall notify the Secretary if he ceases to process or discontinues the processing of any class of food in any establishment, within 90 days of such cessation or discontinuance. Such notification shall not be required in the case of any temporary cessation of processing which is necessitated by the seasonal character of operations at the particular establishment or which is caused by temporary conditions beyond the control of such person.

"(3) Every person who has submitted a registration statement in accordance with this section shall immediately notify the Secretary of any additional establishment which he acquires or at which he commences operations in any State and which involves the processing of food. Such notice shall contain a supplemental registration statement which shall include, with respect to such additional establishment, the information required by subsection (a) of this section.

"Number

"(c) The Secretary may assign a registration number to any person or any establishment registered in accordance with this section.

"Public Availability of Information

"(d) The Secretary shall make any registration statement filed pursuant to this section available for inspection by any person without charge, except to the extent that such information is a trade secret or other matter referred to in section 1905 of title 18, United States Code.

"Exemption

"(e) This section shall not apply to—

"(1) any class of food processors whom the Secretary may by regulation exempt from the application of this section upon a finding in writing that registration in ac-
for the protection of the public health;
cordance with this section is not necessary

"(2) any processing subject to the exclusive jurisdiction of the Secretary of Agriculture;

"(3) any processing consisting solely of the sale of food in a retail establishment for consumption on or off the premises; or

"(4) the processing of distilled spirits, wine, or malt beverages as defined in the Federal Alcohol Administration Act (27 U.S.C. 201–211).

"Inspection

"(f) Every establishment in any State which is required to be registered with the Secretary under this section shall be subject to inspection, pursuant to section 704 of this Act.

"Foreign Registration

"(g) The Secretary may by regulation provide for the registration of foreign establishments engaged in the processing of food intended to be offered for importation into the United States.

"Definitions

"(h) As used in this section and sections 402(f), 402(g), 403(o), 410, 801(a), and 801 (e) of this Act—

"(1) 'name' includes, in the case of a partnership, the name of each partner and, in the case of a corporation, the name appearing on the corporation's charter or certificate of incorporation, the name of each principal corporate officer, and the name of any State of incorporation;

"(2) 'principal place of business' and 'location of each establishment' include mailing address and telephone number; and

"(3) 'processing' and 'processed' include manufacturing, processing, packing, labeling, storing, importing or being in any manner responsible for importing, or otherwise handling food.".

SEC. 203. Section 301 of the Federal Food, Drug, and Cosmetic Act, as amended by this Act (21 U.S.C. 331), is further amended by adding after subsection (s) thereof the following new subsection:

"(t) The failure to register or the failure to provide any information, as required by section 412 of this Act.".

SEC. 204. Section 403 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343) is amended by adding at the end thereof the following new subsection:

"(o) If it was processed in an establishment required to be registered under section 412 of this Act and not so registered.".

SEC. 205. Section 801(a) of such Act (21 U.S.C. 381(a)) is amended by inserting "(1)" immediately after "(a)" and adding at the end thereof the following new paragraph:

"(2) The Secretary may refuse entry of any food offered for importation into the United States which has been processed in any establishment, other than an establishment registered pursuant to section 412 of this Act.".

SEC. 206. The amendments made by this title shall take effect on the first day of the seventh calendar month which commences after the date of enactment of this Act.

TITLE III—FOOD LABELING

SEC. 301. The Congress finds that the availability to consumers in a uniform manner of information regarding the dating, ingredients, and nutritional qualities of food will enhance the health and the nutritional and economic welfare of the consumer. The presence of differing, additional, conflicting, or nonuniform labeling requirements for foods leads to consumer confusion and higher food costs by requiring for different localities separate labels for the same food; discriminates against and depresses interstate commerce in such foods; and adversely burdens, obstructs, and affects such interstate commerce.

SEC. 302. Section 403 of the Federal Food, Drug, and Cosmetic Act, as amended by this Act (21 U.S.C. 343), is further amended by adding after subsection (o) thereof the following new subsection:

"(p) If the label or labeling bears any information regarding the dating of a food for human consumption, unless such information is in accordance with regulations promulgated by the Secretary. Regulations promulgated under this subsection shall—

"(1) identify, upon a finding of need to prevent violations of this Act, those foods or classes of food with respect to which date information must be provided, or those characteristics of a food or class of foods which necessitate the providing of date information;

"(2) require the processor of a food, with respect to which the Secretary has made a finding that date information is necessary, to place on the package or label of such food the date by which the processor recommends that such food be sold at retain for consumption (sell date);

"(3) require that the date be stated on the package or label in a clear and conspicuous manner and in such form as will enable the consumer readily to identify the day or date, without reference to any decoding information;

"(4) require that the date be accompanied by a statement or phrase which clearly states that the date expressed is a sell date;

"(5) require a statement of the storage conditions recommended by the processor, if such storage conditions differ from ordinary room temperature;

"(6) prohibit a processor of any food with respect to which the Secretary has made a finding that date information is necessary from placing on a label or in labeling of such food any other information which may appear to the ordinary consumer to represent a sell date; and

"(7) prohibit a processor of any food with respect to which the Secretatry has not made a finding that date information is necessary from placing on the label or in labeling of such food any date information which may appear to the ordinary consumer to represent a sell date, unless such information is expressed in a manner consistent with the requirements of paragraph (2) through (6) of this subsection.".

SEC. 303. Section 403 of the Federal Food Drug, and Cosmetic Act, as amended by this Act (21 U.S.C. 343), is further amended by adding after subsection (p) thereof the following new subsection:

"(q) If it purports to be or is represented as a food for human consumption—

"(1) to which a nutrient or nutrients have been added; or

"(2) for which any claim of nutritional value is made on the label or in labeling, or in advertising or in promotion of such food; unless the nutrition information on the label or in labeling is in accordance with regulations promulgated by the Secretary.".

SEC. 304. (a) Section 401 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 341), is amended by striking out the fourth sentence thereof.

(b) Section 403(g) of such Act (21 U.S.C. 343(g)), is amended to read as follows:

"(g) If it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by regulations as provided by section 401 of this chapter, unless (1) it conforms to such definition and standard; and (2) its label bears the name of the food specified in such definition and standard.".

SEC. 305. (a) Section 403(i) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343(i)), is amended to read as follows:

"(i) (1) If its label fails to bear the common or usual name of the food, if there is one; and

"(2) In case the food is fabricated from two or more ingredients, if its label fails to bear—

"(A) the common or usual name of each such ingredient (in the order of its predominance); except that (i) spices and flavorings, other than those sold as such, may be designated as spices and flavorings without naming each such ingredient, if information concerning each spice and flavoring not designated on the label is available upon request from the manufacturer or distributor named on the label: *Provided,* That the Secretary may by regulation require certain spices and flavorings to be named on the labels or packages upon a finding that such disclosure is necessary to protect public health or to provide information useful to consumers; and (ii) subject to such conditions as the Secretary may by regulation provide, this provision shall not apply to the following:

"(a) a food which has been received in bulk containers at a retail establishment, if such food is displayed to the purchaser with the labeling of the bulk container plainly in view or with a counter card, sign, or other appropriate device plainly in view which prominently and conspicuously displays the information required to be stated on the label;

"(b) incidental additives that are present in a food at insignificant levels and which do not have any technical or functional effect in such food;

"(c) the label declaration of a harmless marker which is used to identify a particular manufacturer's product, in order to protect against disclosure of a trade secret;

"(d) closely related ingredients that may be declared by a general term or without regard to order of predominance in a manner that accurately states the nature of the ingredients;

"(e) a shipment or other delivery of a food which is, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantity at an establishment in which it is originally processed, labeled, or packed;

"(f) an assortment of different items of food which are packed in such a way that there are variations in the ingredients in different packages;

"(g) shipping containers or other transportation wrappings, tray pack displays, and transparent wrappers; and

"(h) inner packages in multicomponent food packages; and

"(B) a declaration of the percentage of any ingredient of any such food for human consumption if (i) the ingredient is an integral part of such food and is significant with respect to value, quality, nutrition, or acceptability of such foods, or (ii) the ingredient is required to be so declared by the Secretary by regulation upon a finding that such information would be useful to consumers.".

(b) Section 403(k) of such Act (21 U.S.C. 343(k)) is amended by striking out "paragraphs (g) and (i)" and inserting in lieu thereof "paragraph (i)".

(c) The Secretary of Health, Education, and Welfare shall conduct, or cause to be conducted (taking into consideration, and providing for representation of, views held by consumer, industry and health groups concerned with food labeling) a study of the need to amend the Federal Food, Drug, and Cosmetic Act to require that the common or usual name of every spice and flavoring used in the fabrication of a food for human consumption be declared on the label of such food. Such Secretary shall transmit a report on the results of such study to the President and Congress simultaneously within 1 year after the date of enactment of this Act. This report shall assess the need of consumers for such information, the feasibility of requiring all such ingredients to be labeled, any potential beneficial or adverse economic or health consequences of such labeling, and the reasonableness of alternatives to the labeling of all such ingredients.

SEC. 306. Section 407(c) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 347(c)) is amended to read as follows:

"(c) No person shall serve colored olemargarine or colored margarine at a public eating place, whether or not any charge is made therefor, unless—

"(1) a notice that oleomargarine or margarine is served is displayed prominently and conspicuously in such place and in such manner as to render it likely to be read and understood by the ordinary individual being served in such eating place; or

"(2) a notice that oleomargarine or margarine is served is printed or is otherwise set forth on the menu in type or lettering not smaller than that normally used to designate the serving of other food items; or

"(3) each separate serving bears or is accompanied by labeling identifying it as oleomargarine or margarine.".

SEC. 307. Chapter IX of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 391-2) is amended by adding at the end thereof the following new section:

"SEC. 903. (a) It is declared to be the express intent of Congress to supersede any and all laws of the States or political subdivisions thereof, insofar as they may now or hereafter provide for information on the label or in labeling of a food which is in addition to or different from information required on the label or in labeling under section 403 of this Act or regulations promulgated thereunder, except as provided in subsection (b) of this section.

"(b) (1) Upon application of a State or political subdivision thereof, the Secretary is authorized to exempt from subsection (a) of this section any existing or proposed law or regulation for such jurisdiction as provided in this subsection.

"(2) An application for exemption under this subsection shall demonstrate that the implementation of the subject law or regulation in the applying jurisdiction will likely promote the interests of consumers therein without unduly burdening interstate commerce, and that such law or regulation is inappropriate for promulgation as a Federal requirement.

"(3) Upon receipt of an application for exemption, which shall be accompanied by any materials gathered by the applicant in its legislative or administrative consideration of the existing or proposed law or regulation, the Secretary shall publish such application in the Federal Register as a proposal, accompanied by a description of any supporting materials submitted therewith which, because of their voluminosity or other good and stated reason, are not suitable for publication at that time. Such supporting materials shall be available for public inspection at an appropriate location identified at the time the application is published as a proposal.

"(4) The procedure for consideration and action upon a proposed exemption shall be pursuant to section 553 of title 5, United States Code, except that the Secretary shall allow at least 60 days for public comment and shall provide interested persons with an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions, and shall keep a transcript of any oral presentation.

"(5) The Secretary shall grant the proposed exemption upon finding that the subject law or regulation will likely promote the interests of consumers within the applying jurisdiction without unduly burdening interstate commerce or otherwise adversely affecting the interests of all consumers, and such action shall be subject to judicial review pursuant to section 701(f) of this Act.".

SEC. 308. Section 301 of the Federal Food, Drug, and Cosmetic Act, as amended by this Act (21 U.S.C. 331), is further amended by adding after subsection (t) thereof the following new subsection:

"(u) Changing, altering, or removing before the sale of a packaged food to the ultimate consumer, any statement or information required by regulations issued under section 403 of this Act to be placed on the label or in labeling of such food.".

SEC. 309. This title shall not apply to the labeling of distilled spirits, wine or malt beverages to the extent of the application or the extension thereto of the Federal Alcohol Administration Act (27 U.S.C. 201–211).

SEC. 310. The amendments made by this title shall take effect upon the date of enactment, except that the effective date for any regulations promulgated pursuant to this title shall be no earlier than the first day of the sixth month beginning after the date regulations are published as a final order in the Federal Register with respect to all new or changed labels printed thereafter, and the first day of the eighteenth month beginning after the date the regulations are published as a final order in the Federal Register with respect to all other labels.

By Mr. MOSS:

S. 642. A bill to amend the Federal Trade Commission Act to authorize certain State and local officials to enforce certain rules promulgated by the Federal Trade Commission, and for other purposes. Referred to the Committee on Commerce.

Mr. MOSS. Mr. President, I introduce for appropriate reference a bill to amend the Federal Trade Commission Act to authorize certain State and local officials to enforce certain rules promulgated by the Federal Trade Commission, and for other purposes.

Mr. President, this bill is aimed at improving the scope and comprehensiveness of the consumer protection programs administered by the Federal Trade Commission. It achieves this end by authorizing State and certain local jurisdictions to enforce regulations and orders that the Commission has promulgated to prohibit unfair trade practices. The bill also provides an improved framework in the Federal Trade Commission to coordinate State and Federal consumer protection activity.

The bill arises from many years of increasingly close cooperation between the States and the Federal Trade Commission in the consumer protection area. During the past decade, not only have more and more States handled consumer protection issues on a higher priority basis, but they have also been working together, and with the FTC more and more, to insure that their activities have a comprehensive effect. Much of the interstate coordination has come through the work of the National Association of Attorneys General and the Federal Trade Commission's Office of Federal-State Relations. The cooperation is natural because many of the underlying consumer protection statutes passed by the various States were modeled on the Federal Trade Commission Act and because many of the problems the attorneys general face cover several States at the same time.

This bill formalizes the hitherto informal cooperation and adds the element of authorizing State and certain local enforcement officials to enforce regulations that the Federal Trade Commission has promulgated in the consumer protection area.

The bill does not force the States to take any action. The attorneys general are free to decide whether or not they will enforce FTC rules within their jurisdictions and, subject to the FTC's limited power of preemption, how they will enforce such rules if they choose to enforce them. The central notion behind the bill is that, while the nationwide Commission may perceive and prohibit a broad trade abuse, local variations may make it more sensible and crucial for local enforcement officials to take legal action against the violators. At the same time, a violation may have vast local ramifications, but not affect an area sufficiently broad to require the commitment of the FTC's limited resources.

This bill also contains certain amendments which bring the language of the Federal Trade Commission Act into line with present trends of consumer protection legislation established by the passage of the Magnuson-Moss Warranty Act last year including an amendment which would allow the Federal Trade Commission to grant its regional office more autonomy in order to eliminate money-wasting delays that are encouraged by the present setup.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 642

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State and Local Enforcement Act of 1975".

SEC. 2. Section 5(b) of the Federal Trade Commission Act (15 U.S.C. 45(b)) is amended by adding at the end thereof the following two new sentences: "The functions of the Commission under this subsection with respect to the issuance and service of complaints may be exercised by bureau and regional directors designated by the Commission for such purpose, pursuant to the general policy of, and any guidelines set forth by, the Commission. Any such designated person may exercise the powers which the Commission is authorized to exercise under section 9 of this Act, in pursuing investigations to determine whether facts exist which would warrant the issuance of a complaint. If any such complaint is issued, any such deignated person may bring suit pursuant to section 13 of this Act.".

SEC. 3. The first sentence of Section 5(c) of the Federal Trade Commission Act (15 U.S.C. 45(c)) is amended by striking out in the first sentence thereof "where the method of competition or the act or practice in question was used or where such person, partnership, or corporation resides or carries on business" and inserting in lieu thereof "where such person, partnership, or corporation has its principal place of business".

STATE AND LOCAL ENFORCEMENT

SEC. 4. The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by (1) striking out section 21 thereof; (2) amending section 1 thereof by striking out "That a" in the first sentence thereof and inserting in lieu thereof, with appropriate paragraph indentation, the following:

"(a) This Act may be cited as the 'Federal Trade Commission Act'.

"(b) A";

(3) by redesignating section 20 as section 21; and (4) by inserting after section 19 the following new section:

"SEC. 20. (a) (1) If any person, partnership, or corporation (A) violates any rule which is promulgated by the Commission under this Act with respect to unfair or deceptive acts or practices (other than an interpretive rule or a rule which the Commission has provided is not one whose violation is an unfair or deceptive act in or affecting commerce), or (B) engages in any act or practice in or affecting commerce with respect to which the Commission has issued against any person, partnership, or corporation a cease and desist order which has become final, then the Attorney General of the State in which such act or practice occurred, or his delegate, may commence a civil action for appropriate relief against such person, partnership, or corporation, in any court of competent jurisdiction in such State.

"(2) If any person, partnership, or corporation violates any rule which is promulgated by the Commission under this Act with respect to unfair or deceptive acts or practices (other than an interpretive rule or a rule which the Commission has provided is not one whose violation is an unfair or deceptive act or practice in or affecting commerce), then the chief law enforcement officer of any Indian reservation or similar self-governing entity not under the jurisdiction of State authorities, in which such act or practice occurred, may commence a civil action against such person, partnership, or corporation for relief in a tribal court or in an appropriate district court of the United States.

"(3) If any person, partnership, or corporation violates any rule promulgated by the Commission under this Act with respect to unfair or deceptive acts or practices (other than an interpretive rule or a rule violation which the Commission has provided is not one whose violation is an unfair or deceptive act or practice in violation of section 5(a) of this Act), then any person directly affected by such violation may commence a civil action against such person, partnership, or corporation for relief under subsection (b) in any court of competent jurisdiction of a State or of an Indian reservation or similar self-governing entity not under State jurisdiction.

"(4) In commencing an action authorized by paragraph (1) or (2) the Attorney General, the chief law enforcement officer, or the moving party shall give notice of the theory and the alleged facts of the action to the Commission and its appropriate regional office, or in the case of an action authorized by paragraph (3) to the appropriate State Attorney General, within 10 days of filing the action. The Commission, or a regional office if so authorized by the Commission, or in the case of an action authorized by paragraph (3) such Attorney General may intervene in any such action as a matter of right to move that such action be consolidated, in whole or in part, with a broader civil action which involves the same issue or issues and the same or different parties and which the Commission, or, in the case of an action authorized by paragraph (3), the Attorney General, is in the course of diligently pursuing through appropriate administrative or judicial proceedings. The court, in ruling on such motion, shall consider which course is more likely (i) to resolve the factual or legial issues involved; (ii) to preclude repetition of the alleged unfair or deceptive act or practice; and (iii) to result in substantive justice to the parties directly involved in such litigation. A court order consolidating such an action with other actions shall not prejudice the right of any claimant involved to recommence such civil action if the Commission's action fails to result in a conclusive determination of the claim. Any applicable limitation periods are tolled in the interim and begin running again on the termination of the Commission's action.

"(b) The court, in an action under subsection (a), shall have jurisdiction to grant such relief as it finds necessary to redress injury which resulted to consumers or other persons, partnerships, and corporations as a consequence of the rule violation. Such relief may include, but shall not be limited to, injunctions, rescission or reformation of contracts, the refund of money or return of property, or the payment of damages or attorney's fees, or both, and public notification respecting the rule violation, except that nothing in this subsection shall be construed to authorize any award of exemplary or punitive damages. In any action brought under this section, Federal statutes and the decisions of the Commission and decisions and opinions of the courts of the United States shall be the rules of decision, and any remedy available in a court of the United States or for enforcing an order of a court of the United States shall be available. Except with regard to the actual claims settled or decided in actions brought under subsection (a), actions brought under subsection (a) shall in no way restrict or prejudice any right of the Commission to commence any actions involving the same or other parties on the same or similar issues in any place wherein the Commission has jurisdiction to act.

"(c)(1) The governing body on Indian reservations, or similar self-governing entities not under State jurisdiction, is authorized to develop regulations required by local circumstances or conditions to eliminate or preclude unfair or deceptive acts and practices in commerce. Such regulations, when adopted, are to supplement existing laws, rule, and regulations affecting trade on the reservations and similar self-governing entities not under State jurisdiction. Such regulations shall preempt any trade regulations promulgated by the Bureau of Indian Affairs, wherever the two conflict. Such regulations are to be promulgated under procedural rules adopted by the local self-governing body and they shall be applied uniformly to such proceedings: *Provided*, That reasonable opportunity shall be given for oral or written comment on proposed regulations before they take effect. The local self-governing body may alter or amend such regulations and procedural rules from time to time as is necessary to insure the smooth flow of commerce and the elimination or preclusion of trade abuses.

"(2) The governing body of Indian reservations, and other self-governing entities not under State jurisdiction, shall have the exclusive authority to license traders as a prerequisite to the operation of trading establishments. The Commission shall cooperate with such governing body to develop regulations and procedures to control the granting of such licenses. Upon the approval of such regulations and procedures by such local self-governing body, the sole authority to license trading establishments shall vest in such body, and any prior Federal or State authority with reference to such licensing shall lapse and cease to have any further force and effect.

"(d) The Commission shall coordinate local, State, and Federal trade regulation and enforcement activities. Such coordination shall include, but not be limited to, the gathering and dissemination of information about regulation enforcement in all parts of the United States, periodic evaluations and progress reports concerning the enforcement of trade regulations, special studies to develop recommendations for alternative enforcement strategies, consumer education programs, and other programs that might enhance the impact of regulations, and seminars or similar educative programs designed to inform State and local authorities of current Commission regulations and anticipated Commission initiatives.".

SEC. 5. Section 12(a)(2) of the Textile Fiber Products Identification Act (15 U.S.C. 70j(a)(2)) is repealed.

(b) Paragraphs (3) through (11) of section 12(a) of such Act (15 U.S.C. 70j(a)(3) through 70j(a)(11)) are renumbered as paragraphs (2) through (10), respectively, of such section 12(a).

SEC. 6. Section 5(a)(6) of the Federal Trade Commission Act (15 U.S.C. 45(a)(6)) is amended to read as follows:

"SEC. 5. (a)(6) The Commission is empowered and directed to prevent persons, partnerships, or corporations, except banks and entities subject to the Packers and Stockyards Act, 1921, as amended (to the extent so subject, and except as provided in section 406(b) of such Act) from using unfair methods of competition in or affecting commerce and from committing unfair or deceptive acts or practices in or affecting commerce.".

SEC. 7. Sections 2, 2a, and 3 of the Clayton Act (15 U.S.C. 13, 13a, and 14) are amended by striking out "in commerce" wherever the term appears and inserting in lieu thereof "in or affecting commerce".

SEC. 8. Section 2 of the Federal Trade Commission Act (15 U.S.C. 42) is amended by adding at the end thereof the following new paragraph:

"No officer or agency of the United States, other than the Civil Service Commission for the purpose of evaluating professional qualification, shall have any authority to require the Chairman or the Commission to obtain approval of the appointment, employment, or promotion of any individual by the Commission. No individual may be required to advocate, or to be involved in advocating or supporting programs and positions espoused by the executive branch of the Federal Government or to participate significantly in the determination of major political questions by such branch, as a prerequisite to, or as a condition of, any appointment, employment, or promotion by the Commission.".

SEC. 9. (a) Section 21 of the Federal Trade Commission Act, as amended by this Act, is further amended by (1) inserting "(a)" before the first sentence thereof; and (2) adding at the end thereof the following three new subsections:

"(b) The Congress, through the duly authorized committees of the Senate and the House of Representatives, shall exercise continuing oversight over the activities of the Commission. In the exercise of such oversight, such committees may authorize professional staff members to conduct inquiries into the activities of the Commission, maintain transcripts of pertinent discussions, and to report thereon to such committees in order to facilitate such oversight. Each agency and officer of the Federal Government is directed to assist, and cooperate with, such oversight.

"(c) Whenever the Commission submits any budget estimate, request, or information to the President or the Office of Management and Budget, it shall concurrently transmit a copy of such budget estimate, request, or information to the Congress.

"(d) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.".

By Mr. MOSS (for himself and Mr. MAGNUSON):

S. 643. A bill to regulate commerce by establishing uniform test protocols for consumer products, and for other purposes. Referred to the Committee on Commerce.

Mr. MOSS. Mr. President, I introduce for myself and for Mr. MAGNUSON for appropriate reference a bill to regulate commerce by establishing uniform test protocols for consumer products and for other purposes.

A prime prerequisite to a properly functioning competitive marketplace is that consumers must have access to information regarding the relative merits of competing products. Without such information it is virtually impossible to make discriminating buying decisions. But in a marketplace as sophisticated as ours, being an "informed consumer" would be a full-time job. Not only are there thousands of different types of products in our stores, but meaningful information about each is scarce, if even available at all. One economist has said:

> The expert buyer has always been the exception; and the consumer is not only an inexpert buyer but the increasing complexity of consumer's goods is constantly increasing his ignorance.

The proliferation of products, coupled with the lack of meaningful criteria upon which to compare competing products creates a serious barrier to a properly functioning free market. To what does the consumer now turn to enable him to make informed choices? One source is advertising, but by and large it is uninformative and has focused less on the objective performance characteristics of the advertised products than on the psychological associations they may permit.

Another source of information utilized by consumers is the reputation of the manufacturer's brandname. Unfortunately, merely because a manufacturer's name appears on a product does not insure that product's level of quality relative to competing products. For example, whereas the Hamilton DE651 clothes dryer was rated "Not Acceptable" by Consumer's Union and the Frigidaire DAT was ranked quite high for overall quality, the opposite was true for clothes washers. The CU tests indicated that the Hamilton WA771 model was superior to the Frigidaire WCDAT machine. Similarly, Consumer's Reports warns its readers that—

> A rating of a given model should not be considered a rating of other models sold under the same brandname unless so notified in the report.

Consumers also tend to rely on price as an indicia of quality: the more expensive the product, so the thinking goes, the higher the quality. However, there is no rule of the marketplace that there be a consistent relation between price and quality.

The work of Consumer's Union in testing consumer products though commendable, does not entirely fulfill the need for product information. The problem is not the type of information that Consumer's Union is providing, but rather where it is being provided. Since most of us do not consider ourselves professional consumers, we have only a limited amount of time to consult Consumer's Reports on each and every purchase. The information is not at our fingertips when we need it—in the retail outlet.

Additionally, because of the vast number of products in the marketplace and frequent model redesigns Consumer's Union cannot always keep pace with up-to-date data on current models. Thus a CU rating may become outdated soon after it is published and may not be revised for several years.

A final source of information affecting consumers buying habits are word-of-mouth representation of salespersons or friends. With respect to the former, however, salespersons are oftimes uninformed about the products they sell. Advice from friends is sometimes useful, although the needs of one person may not always be compatible with those of another. Hence, a satisfactory product for one may not be satisfactory for another. What consumers need is a source of objective information comparing competing products based on a variety of characteristics, and which is available at the point of sale.

The absence of information in consumer product markets has a profound effect on competition. The uninformed buyer's lack of information and reliance on trademarks, brand names, company reputation, and the like has the effect of shifting the competitive emphasis in the industry away from both price competition and real quality competition. The result is higher prices contributing to our current inflationary spiral and inferior products.

The consumer's lack of effective knowledge creates oligopoly power and oligopoly profits in at least two ways. First, it limits price and quality competition among established firms. His inexpertness in appraising the relative merits of competing products lessens competition on price and quality by making it unprofitable for producers to emphasize those two product dimensions. Competitively speaking it is pointless to offer improved quality to customers who cannot distinguish good quality from bad. Similarly, the uninformed buyer's habit of judging quality by price weakens also price competition. The offer of a lower price will largely defeat its purpose in markets where a low price is regarded as a sign of inferior quality. Additionally, with price and quality competition muted, the remaining competition in these markets tends to focus on the advertising of only marginally relevant features of the product, expenditures that themselves significantly raise costs, and thus the prices consumers are ultimately required to pay.

A second injury resulting in oligopoly power due to consumer ignorance is that it protects existing firms from the potential competition of newcomers by setting high barriers of entry to the market. The most important obstacle to a newcomer in a market is the consumer's tendency to judge products by the size, age, and reputation of the manufacturing firm—not by the quality of the product being sold. Because consumers are unable to objectively compare the relative merits of a new firm's products and that of a well know manufacturer, the tendency is to purchase the product of the latter.

It is no surprise, then, that in surveying the 1967 census of manufacturers published by the Census Bureau, in virtually every important consumer market, we find three or four firms, each selling a heavily promoted brand name product accounting for perhaps 70 percent or more of the industry's total sales. For example, the four largest manufacturers of household laundry equipment account for 78 percent of the market. Similarly, the four largest manufacturers of sewing machines claim 81 percent; of electric lamps—91 percent; of household vacuum cleaners—76 percent; of household refrigerators and freezers—73 percent and cathode ray picture tubes—84 percent.

It is clear to me that industry, as well as consumers would welcome a program such as that which I propose in the Consumer Product Testing Act. From a businessman's standpoint, it will be a relief to know that a competitor will not use a phony procedure to measure a quantifiable characteristic of his product. For example, I recently heard of an incident involving the sale of washing machines by two different manufacturers. Both machines used the same model washing drum purchased from the same supplier—but one claimed a 2-pound larger capacity than the other. Similarly, refrigerator capacities are computed in a variety of ways. As a result, two refrigerators in a showroom which are advertised to have identical capacity may, in reality, be of substantially different size.

The use of objective performance criteria has been tried and tested and the results have been unquestionably successful in revitalizing market forces to upgrade product quality. I refer specifically to the tobacco industry, where since a 1966 FTC consent decree, manufacturers have been publishing the Federal Trade Commission tar and nicotine ratings in print advertising. Because of the concern of smokers of the adverse health consequences of smoking, manufacturers have undertaken aggressive advertising campaigns to promote low tar and nicotine cigarettes. As a result, several new brands with low tar and nicotine ratings are today among the best sellers—and this is without the aid of broadcast advertising.

The legislation which I am introducing today would provide consumers with a simple but meaningful source of information which would objectively compare competing products. Under the scheme outlined in this bill, the Federal Trade Commission, utilizing the resources of the National Bureau of Standards would develop, propose, and promulgate objective product testing protocols for classes of consumer products. The testing protocols would be designed to measure the performance characteristics of the product and translate that performance in easily comparable terms. Test characteristics would include ratings on materials, durability, operating cost, and effectuation of purpose. The results of the tests would be available to consumers at the point of sale, prior to the sale.

It is important to emphasize no product would fail the tests; the results would simply be available to consumers to make a more informed judgment as to which of competing products best fits his needs.

In this era of severe inflation and recession, the American consumer is searching for ways to get more for his dollar. I am convinced that by providing simple and clear objective performance results, manufacturers will be forced once again to compete based on product quality, durability, and price.

I ask unanimous consent that the text of the Consumer Product Testing Act be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 643

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Product Testing Act of 1975".

DECLARATION OF POLICY

Sec. 2. Informed consumers are essential to the fair and efficient functioning of a free market economy. It is therefore declared to be the purpose of the Congress in this Act to establish reliable and uniform protocols for quality and performance testing of consumer products and to require meaningful dissemination of the results of such tests to the consumers of such products.

DEFINITIONS

Sec. 3. As used in this Act, the term—

(1) "agency" means any executive agency, as defined in section 105 of title 5, United States Code, but the term does not include the General Accounting Office;

(2) "Commission" means the Federal Trade Commission;

(3) "consumer product" means—

(A) any article produced or distributed (i) for sale to a consumer for use in or around a permanent or temporary household or residence, a school, in recreation, or otherwise, or (ii) for the personal use, consumption, or enjoyment of a consumer in or around a permanent or temporary household or residence, a school, in recreation, or otherwise;

(B) motor vehicles or motor vehicle equipment as defined by sections 102 (3) and (4) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391);

(4) "consumer product test protocol" means a standardized procedure for performing, pursuant to regulations promulgated by the Commission, objective tests, inspections, or measurements which are required under this Act, the results of which will provide a basis for judging and comparing product characteristics;

(5) "product characteristics" means the features of a consumer product which relate to its quality and performance under conditions of normal use, including reasonably foreseeable abuse, in or for the purpose or purposes for which it is designed or adapted. Such features of a consumer product include, but are not limited to, (A) effectuation of purpose; (B) durability; (C) average annual cost of operation; (D) maintenance requirements; (E) frequency and nature of repair; and (F) environmental impact in the manufacture, use and disposal of such product;

(6) "retailer" means a person to whom a consumer product is delivered or sold for purposes of sale or distribution by such person to a consumer;

(7) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and any other territory or possession of the United States; and

(8) "supplier" means any person, other than a retailer, engaged in the business of making consumer products available to consumers, directly or indirectly.

TEST PROTOCOLS

SEC. 4. Whenever the Commission determines that a consumer product test protocol for a consumer product would assist consumers in making informed purchasing decisions, the Commission shall commence a proceeding for the development of such a test protocol. In establishing priorities among consumer products to be the subject of such proceeding, the Commission shall consider all relevant factors, including, but not limited to—

(1) the importance of each consumer product to the average consumer, based upon an evaluation of the number of consumers who purchase such products, the frequency with which such product is purchased, the cost of such product and the per unit annual consumption thereof;

(2) the case with which the average consumer can personally ascertain, and the likelihood that he will know, the quality and performance characteristics of each consumer product prior to purchase, based on the technical complexity of each such product, the degree of product differentiation between competing products, and the rate of technological change of each such product relative to the frequency of purchase; and

(3) the economic impact for suppliers, retailers, and consumers of prescribing test protocols for each consumer product.

DEVELOPMENT OF TEST PROTOCOLS

SEC. 5. (a) A proceeding for the development of a test protocol for a consumer product shall be commenced by the publication in the Federal Register of a notice in accordance with this paragraph. Such notice shall—

(1) describe the consumer product as to which a test protocol is to be developed;

(2) identify the product characteristics of such product which can be reliably and uniformly tested, measured, and reported;

(3) state the Commission's determination that a consumer product test protocol would be of assistance to consumers in making informed purchasing decisions; and

(4) invite any person, including any State or Federal agency (other than the Commission), within 30 days after the date of publication of the notice (A) to submit to the Commission an existing protocol as the proposed consumer product test protocol or (B) to offer to develop the proposed consumer product test protocol.

An invitation under paragraph (4) shall specify a period of time, during which the protocol is to be developed, which shall be a period ending 180 days after the publication of the notice, unless the Commission for good cause finds (and includes such finding in the notice) that a different period of time is appropriate.

(b) If the Commission determines that (1) there exists a protocol which has been issued or adopted by any Federal agency or by any other qualified agency, organization, or institution, and (2) such protocol would, if applied, assist consumers in making informed purchasing decisions, then the Commission may publish such protocol as a proposed consumer product test protocol.

(c)(1) The Commission may accept one, or more than one, offer to develop a proposed consumer product test protocol pursuant to the invitation prescribed by subsection (a) (4) of this section, if it determines that the offeror is technically competent, is likely to develop an appropriate standard within the period specified in the invitation under such subsection, is providing for participation by technically competent consumers, and will comply with regulations of the Commission under paragraph (3) of this subsection. The Commission shall publish in the Federal Register the name and address of each person whose offer it accepts, and a summary of the terms of such offer as accepted.

(2) If an offer is accepted under this subsection, the Commission may agree to contribute to the offeror's cost in developing a proposed consumer product test protocol, in any case in which the Commission determines that such contribution is likely to result in a more satisfactory standard than would be developed without such contribution, and that the offeror is financially responsible. The Commission shall reimburse offerors for the cost of their professional services rendered wherever such offerors are not so reimbursed, directly or indirectly, by their employers. Regulations of the Commission shall set forth the items of cost in which it may participate, and shall exclude any contribution to the acquisition of land or buildings.

(3) The Commission shall prescribe regulations governing the development of proposed consumer product test protocols by persons whose offers are accepted under paragraph (1) of this section. Such regulations shall include requirements—

(A) that standards recommended for promulgation be suitable for promulgation under this Act, be supported by test data or such other documents or materials as the Commission may reasonably require to be developed, and (where appropriate) contain suitable test methods for measurement of compliance with such test protocols;

(B) for notice to and an opportunity for interested persons (including representatives of consumers and consumer organizations) to participate in the development of such test protocols;

(C) for the maintenance of records, which shall be available to the public, to disclose the course of the development of test protocols recommended for promulgation, the comments and other information submitted by any person in connection with such development (including dissenting views, comments, and information with respect to the need for such recommended standards), and such other matters as may be relevant to the evaluation of such recommended test protocols; and

(D) that the Commission and the Comptroller General of the United States, or any of their duly authorized representatives, have access for the purpose of audit and examination, to any books, documents, papers, and records relevant to the development of such recommended test protocols or to the expenditure of any contribution of the Commission for the development of such test protocols.

(d) Whenever (1) the Commission has published a notice under subsection (a) of this section; (2) has not accepted an existing test protocol pursuant to subsection (b) of this section; and (3) has determined that the development of such a protocol by the Commission itself would be of benefit to the public, then the Commission may proceed to develop and publish in the Federal Register a proposed consumer product test protocol, whether or not it has accepted offers to develop such a proposed test protocol.

(e) Not more than 270 days after its publication of a notice of proceeding pursuant to subsection (a) of this section (which time may be extended by notice by the Commission upon a showing of good cause therefor and publication thereof in the Federal Register), the Commission shall publish in the Federal Register a notice withdrawing such notice of proceeding or publish a proposed rule which proposes a consumer product test protocol applicable to any consumer product subject to such notice.

(f)(1) Within 60 days after the publication under subsection (b), (d), or (e) of this section of a proposed consumer product test protocol, the Commission shall—

(A) promulgate a consumer product test protocol which will assist consumers in making informed purchasing decisions with respect to the product or products subject to such test protocol; or

(B) withdraw by rule the applicable notice of proceeding if it determines that such test protocol (i) would not assist consumers in making informed purchasing decisions with respect to the product or products subject to such test protocol, or (ii) is not in the public interest,

except that the Commission may extend such 60-day period for good cause shown (if it publishes its reasons therefor in the Federal Register).

(2) Consumer product test protocols which have been proposed under this section shall be promulgated pursuant to section 553 of title 5, United States Code.

(g) Each consumer product test protocol shall specify the date such protocol is to take effect not exceeding 180 days from the date promulgated, unless the Commission finds, for good cause shown, that a later effective date is in the public interest and publishes its reasons for such finding in the Federal Register. The effective date of a consumer product test protocol under this Act shall be set at a date at least 30 days after the date of promulgation unless the Commission for good cause shown determines that an earlier effective date is in the public interest. In no case may the effective date be set at a date which is earlier than the date of promulgation.

(h) The Commission may by rule amend or revoke any consumer product test protocol. Such amendment or revocation shall specify the date on which it is to take effect which shall not exceed 180 days from the date the amendment or revocation is published unless the Commission finds for good cause shown that a later effective date is in the public interest and publishes its reasons for such finding in the Federal Register. Where an amendment involves a material change in a consumer product test protocol, the provisions of this section shall apply. A consumer product test protocol may be revoked only if the Commission determines that such test protocol is not reasonably necessary to assist consumers in making informed purchasing decisions.

DUTIES OF COMMISSION

SEC. 6. (a) The Commission shall—

(1) promulgate regulations governing the manner in which suppliers or retailers may advertise that their products have been tested in accordance with the requirements of the Commission under this Act and the results therefrom. Such regulations shall prohibit false statements and misrepresentations; and

(2) encourage or establish programs designed to furnish consumers with information which will enable them to utilize information developed under the consumer product test protocols.

(b) Whenever the Commission publishes a consumer product test protocol and such protocol has become effective, the Commission shall require, in such form and detail as it deems necessary, each supplier or retailer doing business in interstate commerce or whose activity affects interstate commerce, to make a copy of the complete results, or a summary thereof, available without charge to each retailer who sells or distributes the product or products of such supplier subject to such protocol. Such retailer shall make such results available without charge to each consumer at the point of sale prior to sale.

NATIONAL BUREAU OF STANDARDS

SEC. 7. (a) GENERAL.—The Secretary of Commerce, through the National Bureau of Standards, shall develop the resources, facilities, and expertise necessary to assist and advise the Commission in the exercise of its responsibilities under this Act, at the request of the Commission and subject to its direction. Whenever the Commission itself proceeds to develop a proposed consumer product test protocol, it shall utilize such resources, facilities, and expertise.

(b) CONFORMING AMENDMENT.—Section 1 of the Act of July 22, 1950 (15 U.S.C. 272) is amended by inserting after subsection (f) a new subsection as follows:

"(g) The development of consumer product test protocols, pursuant the Consumer Product Testing Act.".

COMPLIANCE TESTING

SEC. 8. (a) AUTHORITY.—The Commission may conduct or contract, pursuant to subsection (d) of this section, for compliance testing of consumer products subject to consumer product test protocols in order to insure the veracity of test results determined by suppliers, retailers, or any other person who has tested such consumer products.

(d) DUTY OF SUPPLIERS.—Any person who supplies a consumer product for which a consumer product test protocol is in effect shall furnish a reasonable number of such products without cost to the Commission upon request. Consumer products furnished to the Commission under this subsection shall be drawn randomly from regular production runs of such product.

(c) RETURN OF PRODUCTS.—Upon completion of any compliance testing, the Commission shall return to the supplier from whom it was obtained any consumer product which is tested for compliance with any applicable consumer product test protocol. Such supplier shall, in any subsequent sale or lease of such product, disclose that it has been subjected to compliance testing and shall indicate the extent of damage, if any, prior to repair.

(d) CONTRACTUAL AUTHORITY.—The Commission may enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to conduct compliance testing, and on such terms as the Commission may deem appropriate, with any agency or instrumentality of the United States, with any State or political subdivision thereof, or with any public or private person, firm, association, corporation, independent testing laboratory, or institution.

ENFORCEMENT

SEC. 9. (a) GENERAL.—Any person who—

(1) has reason to believe that another person is committing or intends to commit a violation of any provision of this Act; and

(2) can demonstrate that he will be adversely affected by that violation,

may bring an action against such other person in the district court of the United States for the district in which such other person resides, does business, or may be found, to obtain injunctive relief against such other person. The district courts of the United States shall have jurisdiction over such actions without regard to the citizenship of the parties or the amount in controversy. The provisions of section 13(b) of the Act of September 26, 1914 (15 U.S.C. 53b) shall apply to any grant of injunctive relief under this section.

(b) NOTICE.—Before bringing an action under this section, the person seeking relief must give notice by certified mail to the Commission and to the person or persons against whom the relief will be sought. Such notice shall be given not less than 60 days prior to commencement of the action. Such notice shall state the nature of the alleged violation, the relief requested, and the location of the court in which the action will be brought.

(c) COSTS.—In an action under this section, costs of litigation, including reasonable attorney's and expert witness' fees, may be apportioned to the parties whenever the court determines that such an award is appropriate.

PROHIBITED ACTS

SEC. 10. No person—

(1) shall induce or encourage the purchase of any consumer product by—

(A) falsely representing that the product has been tested in accordance with consumer product test protocols promulgated under this Act; or

(B) misrepresenting the result of any consumer product test protocol applied to the product;

(2) engaged in testing consumer products in accordance with the provisions of this Act shall—

(A) falsely represent that the product has been tested in accordance with applicable consumer products test protocols; or

(B) misrepresent the results of any tests of any consumer product conducted or asserted to have been conducted in accordance with the applicable consumer product test protocol; or

(3) shall advertise or distribute any consumer product imported into the United States with respect to which any statement or representation has been made which is in violation of this section.

PENALTIES

SEC. 11. (a) CIVIL VIOLATION.—It shall be a violation, under section 5(a)(1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)), for any person—

(1) engaged in testing consumer products under this Act; or

(2) advertising or selling any product tested in accordance with the provisions of this Act,

to violate any provision or fail to comply with any applicable requirement under this Act or any regulation issued pursuant to this Act. Conduct prohibited under section 10 of this Act shall constitute unfair and deceptive acts or practices under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(b) CRIMINAL VIOLATION.—Any person who willfully violates any proivsion of this Act or any regulation promulgated thereunder shall on conviction be fined not more than $10,000 for each day of violation or imprisoned for not more than 2 years, or both.

REPORTS

SEC. 12. The Commission shall, not later than July 1, 1976, and on or before July 1 in each succeeding year, report to the Congress on the implementation of this Act during the preceding twelve months, and on the extent of compliance with the Act and the regulations issued thereunder.

COOPERATION WITH OTHER FEDERAL AGENCIES

SEC. 13. The Commission may obtain from any Federal department or agency such statistics, data, program reports, and other materials as it may deem necessary to carry out its functions under this Act. Each such department or agency shall, to the extent practicable, cooperate with the Commission and furnish such materials to it.

AUTHORIZATION OF APPROPRIATIONS

SEC. 14 (a) COMMISSION.—There are authorized to be appropriated to the Commission for the purposes of carrying out the provisions of this Act not to exceed $2,000,000 for the fiscal year 1976, not to exceed $3,500,000 for the fiscal year 1977, and not to exceed $4,000,000 for the fiscal year 1978.

(b) BUREAU OF STANDARDS.—There are authorized to be appropriated to the Secretary of Commerce for the use of the National Bureau of Standards for the purposes of carrying out section 7 of this Act not to exceed $5,000,000 for each of the fiscal years 1976, 1977, and 1978.

EFFECT ON OTHER TEST PROTOCOLS

SEC. 15. Trade regulation rules promulgated pursuant to section 5 of the Federal Trade Commission Act (15 U.S.C. 45) which relate to quality and performance criteria of consumer products shall be subject to the provisions of section 6 and sections 8 through 14 of this Act. Amendments or modifications to such rules shall be subject to section 5 of this Act.

By Mr. MOSS (for himself and Mr. MAGNUSON):

S. 644. A bill to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes. Referred to the Committee on Commerce.

PRODUCT SAFETY IMPROVEMENTS ACT OF 1975

Mr. MOSS. Mr. President, during the closing days of the 92d Congress, we enacted the Consumer Product Safety Act. This act, which established the Consumer Product Safety Commission, gave the Federal Government a major role in assuring the health and safety of the American public. The National Commission on Product Safety had shown that each year, 20 million Americans are injured by hazards relating to consumer products.

The Commission has now been in business for almost 20 months. On February 21, 26, and 27, our committee will conduct major oversight hearings into the implementation of the act. In addition, it will be necessary at that time to amend the act to authorize additional appropriations.

In my opinion, it is too early to make any major modifications to the act. Since most new agencies require a shakedown period of at least a year, the Commission is just now beginning to exercise the full scope of its powers under the act. However, there are several minor amendments which are needed to refine several provisions of the act. I proposed today those amendments.

On April 3 and 11, 1974, the Committees on Commerce and Government Operations held joint hearings to investigate a controversy between the Consumer Product Safety Commission and the Civil Service Commission. The controversy arose in late 1973 when four members of the Consumer Product Safety Commission wrote to Chairman Hampton of the Civil Service Commission urging expeditious approval of its noncareer executive assignment—NEA—personnel. Citing the provisions of 5 CFR 305.601 (b), Chairman Hampton concluded that an NEA position is to be filled by one who advocates administrative policies and thus, White House clearance of such nominees is required. I believe that the application of these regulations to the Consumer Product Safety Commission, and in fact, to any independent regulatory agencies, is both unwise and inappropriate. Independent agencies are structured as such because of the sensitive rulemaking and adjudicatory roles they play. The enabling legislation of the Consumer Product Safety Commission is designed to allow this decision-making process to proceed in an atmosphere free of outside influence.

This controversy has yet to be resolved to my satisfaction. Accordingly, I am proposing an amendment to the act which would prohibit the Office of the President, the Office of Management and Budget, or any other Executive Office or Agency to approve, other than for professional qualifications, appointments to the Commission staff.

Under the Consumer Product Safety Act, a manufacturer of a consumer product or a distributor and retailer of such product, who discovers that a product fails to comply with applicable consumer product safety standards or contains a defect which could create a substantial product hazard, must immediately inform the Commission of its discovery. There was an unintentional gap in the act, however, with respect to products liability underwriters and independent test laboratories. Because of the nature of their business, such underwriters or laboratories may have occasion themselves to discover failure to comply or a substantial product hazard. Since the purpose of the act is to detect and remedy such defects in the marketplace, it is appropriate that when such an underwriter or laboratory obtains such information, the Commission should be so informed.

I have proposed an amendment which would effectuate this policy. Upon discovery of a failure to comply or substantial product hazard, the underwriter or independent test laboratory would be required to notify the manufacturer of such product. If the product is one which is distributed in commerce, then the manufacturer himself must comply with the requirement of the act. If the manufacturer has not complied, then it becomes the obligation of the underwriter or independent test laboratory to inform the Commission of the substantial product hazard. I believe that this amendment will assure prompt remedial attention to what may be very serious defects in consumer products.

If the Consumer Product Safety Act is to have teeth, it is necessary that it be enforced uniformly and fairly throughout the Nation. It is for this reason that I have proposed to clarify the act to allow the Consumer Product Safety Commission itself to go directly into court to initiate or defend a civil and criminal action which may arise under the laws administered by it, that is, Consumer Product Safety Act, the Federal Hazardous Substances Act, the Flammable Fabrics Act, the Poison Prevention Packaging Act, and the Refrigerator Safety Act. Under the current system, the determination of whether to initiate a suit and upon what ground the suit will be argued is determined by local desires, views, or prejudices of the many different U.S. Attorneys throughout the United States. That discretion under my amendment would be with the Consumer Product Safety Commission because it is the responsibility of this Commission to administer the laws entrusted to it. Therefore the decision of which cases to initiate or how cases would be defended would also rest with that agency. To provide otherwise would allow the Commission to escape the responsibility for its regulatory acts by virtue of the actions of another Federal agency or some subdivision thereof.

Mr. President, I assure you that the Committee on Commerce will consider each of these amendments thoroughly during its oversight hearings this month.

Mr. President, I ask unanimous consent that the "Consumer Product Safety Commission Improvements Act of 1975" be reprinted in the RECORD in full at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 644

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Product Safety Commission Improvements Act of 1975".

SEC. 2. Paragraphs (1), (2), and (3) of section 32(a) of the Consumer Product Safety Act (15 U.S.C. 2081(a)) are amended to read as follows:

"(1) $55,000,000 for the fiscal year 1976.

"(2) $60,000,000 for the fiscal year 1977.".

SEC. 3. Section 4(g) of the Consumer Product Safety Act (15 U.S.C. 2053(g)) is amended by adding at the end thereof the following new paragraph:

"(3) No officer or agency of the United States, other than the Civil Service Commission for the purpose of evaluating professional qualification, shall have any authority to require the Chairman or the Commission to obtain approval of the appointment, employment, or promotion of any individual by the Commission. No individual may be required to advocate, or to be involved in advocating or supporting programs and positions espoused by the executive branch of the Federal Government or to participate significantly in the determination of major political questions by such branch, as a prerequisite to, or as a condition of, any appointment, employment, or promotion by the Commission.".

SEC. 4. Section 4 of the Consumer Product Safety Act (15 U.S.C. 2053) is amended by adding at the end thereof the following new subsection:

"(i) The Congress, through the duly authorized committees of the Senate and the House of Representatives, shall exercise continuing oversight over the activities of the Commission. In the exercise of such oversight, such committees may authorize professional staff members to conduct inquiries into the activities of the Commission, to maintain transcripts of pertinent discussions, and to report thereon to such committees in order to facilitate such oversight. Each agency and officer of the Federal Government is directed to assist, and cooperate with, such oversight.".

SEC. 5. (a) Section 3(a) of the Consumer Product Safety Act (15 U.S.C. 2052(a)) is amended by adding at the end thereof the following two new paragraphs:

"(15) The term 'product liability insurer' means a legally constituted and authorized entity which has issued or entered into a contract or other legally binding obligation to pay or compensate an injured person for losses associated with a consumer product distributed in commerce or which has insured a manufacturer of a consumer product distributed in commerce against risks involving such product.

"(16) The term 'independent testing laboratory' means a person who, in accordance with professional standards and objective test protocols, tests consumer products and evaluates them for safety and other characteristics and which is not owned or controlled, in whole or in part, directly or indirectly, by the manufacturer of the consumer product being tested or evaluated.".

(b) Section 15(b) of such Act (15 U.S.C. 2064(b)) is amended by (1) deleting "(1)" at the beginning of the first subparagraph thereof and inserting in lieu thereof "(A)"; (2) deleting "(2)" at the beginning of the second paragraph thereof and inserting in lieu thereof "(B)"; (3) inserting "(1)" immediately after "(b)" and before "Every manufacturer"; and (4) adding at the end thereof the following new paragraph:

"(2) Every product liability insurer and independent testing laboratory which obtains information which reasonably supports the conclusion that a consumer product distributed in commerce—

"(A) fails to comply with an applicable consumer product safety rule; or

"(B) contains a defect which could create a substantial product hazard, as described in subsection (a)(2),

shall, as soon as practicable but not later than 1 business day after such information is obtained, notify the manufacturer of such product of such information and conclusion by telephone and by certified mail. Upon receipt of such information, the manufacturer of such product shall be subject to, and shall act in accordance with, the provisions of paragraph (1). If such product is distributed in commerce, such insurer or laboratory shall take steps to determine whether, within 24 hours after the receipt of such notice, such manufacturer has informed the Commission pursuant to paragraph (1). In the event that such manufacturer has failed to meet his obligation pursuant to such paragraph, such insurer or laboratory shall inform the Commission of such failure to comply or of such defect pursuant to paragraph (1).

SEC. 6. (a) Section 22(a) of the Consumer Product Safety Act (15 U.S.C. 2071(a)) is amended by deleting "(with the concurrence of the Attorney General)" in the second sentence thereof.

(b) Section 27(b)(7) of such Act (15 U.S.C. 2076(b)(7)) is amended by inserting "civil or criminal" after "enforcing the" and before "laws"; and by deleting "with the concurrence of the Attorney General".

(c) Section 27(c) of such Act (15 U.S.C. 2076(c)) is amended by deleting "with the concurrence of the Attorney General".

By Mr. TAFT (for himself Mr. HUGH SCOTT, and Mr. BAYH):

S. 647. A bill to provide for the certification of certain historic barns and to provide a tax credit for the costs of maintaining the exterior appearance and structural soundness of such barns. Referred to the Committee on Finance.

Mr. GRIFFIN. Mr. President, at the request of the Senator from Ohio (Mr. TAFT), I am today introducing his historic barn bill.

Mr. President, I ask unanimous consent that his statement, the statement of the Senator from Pennsylvania (Mr. HUGH SCOTT) and the bill be inserted in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR TAFT

Mr. President, for years our conservation efforts have been largely directed toward the preservation of the wilderness. As important as these efforts are, I think we must recognize the need to preserve some of the artistic, historical, and architecturally unique buildings which have graced our Nation's landscape and have become so much a part of the great heritage of this country. I think that this is particularly true with respect to some of our Nation's barns.

As the suburban sprawl of hamburger stands, used car lots and gasoline stations devours our countryside, the rural charm of this country gradually is being destroyed.

To an equal degree economic forces weigh in favor of replacing old, artistic barns with new structures which do not retain much of the beauty of America's past. The beauty of these barns is nowhere more apparent than in the Amish sections of Ohio, Pennsylvania, Indiana, and Wisconsin. Much of the beauty and the great joy of New England lies in the barns which grace that landscape. These barns were created in an era when people took great pride in their work. They are a great part of our Nation's heritage and should not be allowed to pass from the American scene.

To replace an old, artistic barn with a corrugated metal building is just as much a destruction of our environmental beauty as a pizza stand in Glacier National Park.

STATEMENT OF SENATOR HUGH SCOTT

Mr. President, as one who takes great pride in the rural charm of his home State, I am pleased to join in the effort to preserve historic barns with architectural and aesthetic significance. These architecturally unique barns are apparent and abundant in the Amish and rural areas of Pennsylvania, and I am sure my colleagues from the Amish sections of Ohio, Indiana and Wisconsin can offer similar testimony on these monuments of quality workmanship.

The legislation would allow owners to claim a 10 percent Federal tax credit for funds spent to maintain the exterior appearance and structural soundness of barns, 40 years or older, which would have to be certified for preservation by the Secretary of Interior. The Secretary would select barns on the basis of their location and historic, architectural and artistic appeal. Participation in the program would be initiated by voluntary application to the Secretary of Interior, and barn ownership would remain in private hands.

Mr. President, what pastoral scene is complete without an aesthetic barn. With the Bicentennial almost upon us, we must act now to assure that these unique reminders of our rural heritage remain on the American scene.

S. 647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Preservation of Historic Barns Act".

CERTIFICATION BY SECRETARY OF THE INTERIOR

SEC. 2. Upon application made therefore, the Secretary of the Interior is authorized to certify, for purposes of this Act, any barn which he determines (1) was constructed at least forty years prior to the year in which certification is made, and (2) is of historic, architectural, or artistic significance because of its location, construction, or exterior appearance. In carrying out the provisions of this section, the Secretary of the Interior is authorized to consult with the Advisory Board on National Parks, Historic Sites, Buildings, and Monuments.

AMENDMENT OF INTERNAL REVENUE CODE

SEC. 3. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 40 as 41, and by inserting after section 39 the following new section:

"Sec. 40. Maintenance of historic barns.

"(a) GENERAL RULE.—There shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 10 percent of the amounts paid or incurred during that taxable year by the taxpayer for maintaining the exterior appearance and structural soundness of any historic barn owned by him and certified by the Secretary of the Interior under section 2 of the Preservation of Historic Barns Act as being of historic, architectural, or artistic significance.

"(b) LIMITATION.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property).

"(c) REGULATIONS.—The Secretary or his delegate is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) The table of sections for such subpart is amended by striking out

"Sec. 40. Overpayments of tax."

and inserting in lieu thereof:

"Sec. 40. Maintenance of historic barns.

"Sec. 41. Overpayments of tax."

(c) The amendments made by this section shall apply to taxable years beginning after December 31, 1974.

Mr. GRIFFIN subsequently said: Mr. President, earlier today, the junior Senator from Michigan introduced a bill on behalf of Mr. TAFT who, unfortunately, is in the hospital temporarily, and I ask unanimous consent that that bill may carry his name as though he had introduced it.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. CURTIS:

S. 648. A bill to amend section 502 of the Small Business Investment Act of 1958 to provide for loans for plant acquisition, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

AMENDING SMALL BUSINESS LEGISLATION

Mr. CURTIS. Mr. President, I rise to call attention to some adverse and unnecessary restrictions in the authorizing legislation of the Small Business Administration, and to urge swift approval of a bill I am introducing today to change this situation.

The purposes of the Small Business Administration include aiding, counseling, assisting and protecting small businesses; the licensing of, and providing loan assistance to, small business investment companies; and extending loan assistance to small business concerns and State and local development companies.

Among the services of the Small Business Administration are programs to: First, provide financial counseling and loan guarantees; second, make direct or lender participation loans to small business concerns to help them finance plant construction, conversion, or expansion; third, finance the acquisition of equipment, facilities, machinery, supplies, or materials; and fourth, provide small businesses with working capital.

In addition, loans are made to State and local development companies, which, in turn, provide assistance to small businesses.

This year the SBA will be 22 years old, and in the time since it has come into existence, it has provided financial assistance of more than $12.5 billion to nearly 200,000 small businesses across the Nation.

The two largest activities of the Small Business Administration are the regular business loan program under section 7(a) of the Small Business Act of 1953, and the investment development program under sections 501 and 502 of the Small Business Investment Act of 1958.

In less than 22 years, through the end of 1974, the regular business loan program has provided financial assistance of $11.4 billion to 190,662 small businesses throughout the United States. In its shorter period of time, 1958 through 1974, the investment development program has provided nearly $1.4 billion in assistance to 5,441 small businesses. The Section 502 assistance is further broken down into $531.2 million in direct loans, and $605 million in development company investments and bank loans.

Because there is no workable formula or method for determining meaningful employment statistics for the regular SBA loan program, there are no such figures available for this program. However, statistics can be kept for the section 502 program, and this program shows that 257,020 jobs were created or saved by its funding through the end of 1974.

Mr. President, the value of the Small Business Administration, and the good it has done through its programs to aid and assist small business development, is quite obvious from the information I have provided here. I know of no one who would quarrel with the good which the programs of Small Business Administration has done throughout the country.

It has come to my attention, however, that the language of the authorizing legislation of the SBA programs is such that it restricts many good and worthwhile instances of SBA assistance to small businesses. Because of this, I am introducing legislation today which should correct the problem, and further expand on the efficiency and worthiness of the Small Business Administration.

The first section of my bill provides for two changes, one relating to section 7(a) regular business loans, and the other to section 502 investment development company loans.

The second section deals with the regular business loan program. It provides for issuance of loans involving both land acquisition and construction costs, and sets the maximum repayment period at 20 years.

The present language of section 7(a)(4) of the Small Business Act provides for a maximum repayment period of 15 years for loans made for construction, but it does not allow for loans made involving both property acquisition and construction. My bill would correct this inequity, by adding the repayment provision for loans issued for both real property acquisition and plant construction; and it would extend the maximum repayment period on these and regular construction loans to 20 years.

The first section of my bill would correct an inequity in the section 502 program. The present language of the Small Business Investment Act specifies that SBA "may make loans for plant construction, conversion, or expansion, including the acquisition of land to local development companies." This language excludes the approval of loans under this act for acquisition of existing plant facilities.

According to an opinion issued by the SBA's general counsel in May 1974, section 502 loans could not be used solely to purchase an existing plant or facility. The opinion was based on an interpretation of the phrase "conversion or expansion" to mean acquisition of an existing facility if such acquisition is incidental to the construction of other facilities.

SBA offices around the Nation have run into many situations where existing facilities are available and appropriate for small business use without the need for conversion or expansion. Yet, because of the language of section 502 and the SBA's opinion on it, SBA offices cannot provide assistance to small businesses which would locate solely in existing facilities and which would not also have to convert or expand those facilities. My bill would amend the language of the Small Business Investment Act to allow the SBA to make loans solely for acquisition of existing plant facilities, as well as for other facilities included in the act.

Mr. President, the need is acute. Many SBA offices around the country have encountered industrial prospects that are looking for existing buildings and plants. In this day and age, when construction costs and material shortages are high, the application of this loan program to already existing facilities could provide substantial savings. This proposed change would reduce unnecessary expenditures in the construction of new facilities where suitable existing facilities are available, and would at the same time stretch the funding and authority of the SBA further to allow for financing of more small business investments.

I urge that these legislative changes be taken up promptly, and ask unanimous consent that the text of the bill be printed in the Record at this time.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 648

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502 of the Small Business Investment Act of 1958 is amended by inserting "acquisition," after "plant".

Sec. 2. Section 7(a)(4)(C) of the Small Business Act is amended to read as follows: "(C) no such loans including renewals and extensions thereof may be made for a period or periods exceeding 10 years except that such portion of a loan made for the purpose of acquiring real property and construction of facilities may have a maturity of 20 years plus such additional period as is estimated may be required to complete such construction."

By Mr. CHURCH:

S. 650. A bill to amend title II of the Social Security Act to provide that the special minimum primary insurance amount thereunder shall be increased—in like manner as other benefits thereunder are increased—to take account of increases in the cost of living. Referred to the Committee on Finance.

COST-OF-LIVING ADJUSTMENTS FOR SPECIAL MINIMUM BENEFICIARIES

Mr. CHURCH. Mr. President, I introduce for appropriate reference, a bill to provide cost-of-living adjustments for special minimum beneficiaries under the social security program.

The special minimum benefit was enacted into law in 1972 for persons with low lifetime earnings and long periods of covered employment under social security.

Congress intended this benefit to be at least equal to the basic Federal payment level for the supplemental security income program. SSI's income standards are now $146 a month for qualifying aged, disabled, and blind persons and $219 for couples.

Under present law, the special minimum payment is computed by multiplying $9 by an individual's covered social security employment above 10 years but not greater than 30 years.

For example, a retired worker with 30 years of covered employment who becomes eligible for benefits at age 65 would be entitled to at least $180 a month under the special minimum provision. In the case of an individual with 25 years of credited service, his special minimum monthly benefit would be $135.

One of the fundamental principles underlying the social security system is that a person who contributes should receive a benefit. And, this is a major reason for the adoption of the special minimum provision.

Today it provides valuable help for low-income persons with a long-term attachment to social security.

But, there is an urgent need to perfect this measure. And, the bill that I introduce is designed to make two important improvements.

First, it would extend the automatic cost-of-living adjustment mechanism to special minimum payments.

When this provision was adopted in 1972, it was decided not to apply the automatic escalator mechanism to this measure, essentially for two reasons:

Additional time was needed to obtain information about these beneficiaries to determine whether there was, in fact, a clear-cut need to increase their payments when prices rise; and

SSI did not have a cost-of-living adjustment mechanism.

These reasons, however, are no longer applicable today. Quite to the contrary, the 12.2 percent increase in living costs during 1974—the steepest jump since 1946—provides a very compelling reason to extend the cost-of-living provision to special minimum beneficiaries.

Today the vast majority of retirees under Federal income maintenance programs have built-in protection against inflationary pressures. More than 30 million social security beneficiaries will receive a cost-of-living increase in July.

In his state of the Union message, President Ford called for a 5-percent ceiling for this automatic adjustment.

However, 52 Senators—a clear-cut majority—have joined me in sponsoring Senate Concurrent Resolution 2 to express congressional opposition to any reduction in the cost-of-living raise. This action should remove any doubt in the minds of social security beneficiaries that they will be denied the full amount of the cost-of-living increase.

Moreover, the SSI program now has an automatic escalator provision with the enactment of Public Law 93-368 last summer. Additionally, proposals are being advanced to extend similar protection for railroad retirees and VA pensioners.

And to my way of thinking, this coverage should also apply to persons who receive special minimum payments under social security.

Surely, they are no less deserving than other social security beneficiaries or Federal annuitants. In all likelihood, they may be in greater need of this protection because they are ordinarily struggling on very limited incomes. They typically depend upon their special minimum payments for their primary source of income. In some cases these benefits are an aged person's sole source of support.

More than 120,000 persons now receive special minimum payments. For retired workers who receive these benefits, the average monthly payment is $159. This contrasts with the average monthly benefit of $188 for all retired workers under social security.

Second, my bill would correct an inequity concerning the application of last year's two-step, 11-percent increase for special minimum beneficiaries. The Senate-passed version of this legislation also included a two-stage raise in the special minimum payment, as well as extending the cost-of-living provision to these individuals.

Unfortunately, these measures were modified in conference committee. The net impact is that special minimum beneficiaries received a 6-percent raise.

My proposal would, in effect, pass on the second stage of last year's social security increase to these individuals. This would occur simultaneously with the provision to make the automatic cost-of-living adjustment mechanism applicable for special minimum beneficiaries, effective for June 1975.

With inflation continuing at an unacceptably high level, both of these measures are needed now. For these reasons, I urge early action on this legislation.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 650

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 215(a)(3) of the Social Security Act is amended by striking out "$9.00" and inserting in lieu thereof "$9.50".

(b) The amendment made by this section shall apply with respect to monthly insurance benefits under title II of the Social Security Act for months after May 1975.

Sec. 2 (a) Section (i)(2)(A)(ii) of such Act is amended by striking out "(but not including a primary insurance amount determined under subsection (a) (3) of this section)" and inserting in lieu thereof the following: "(with any increase in the special minimum primary insurance amount applied after the determination of such special minimum primary insurance amount under subsection (a) (3) of this section)".

(b) The amendment made by this section shall apply, after the application of section 1 of this Act, with respect to monthly insurance benefits under title II of the Social Security Act for months after May 1975 (without regard to when the insured individual became entitled to such benefits or when he died).

By Mr. CHURCH (for himself, Mr. HASKELL, and Mr. RIBICOFF):

S. 651. A bill to make changes in the treatment of foreign income, to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes. Referred to the Committee on Finance.

Mr. CHURCH. Mr. President, I wish to introduce the Tax Neutrality Act of 1975 in behalf of Senator HASKELL, Senator RIBICOFF, and myself. This bill would make certain changes in the Internal Revenue Code which presently constitute powerful inducements for large corporations to invest abroad rather than at home.

Congressman CHARLES VANIK of the 22d District in Ohio plans to introduce similar legislation in the House.

The number of concessions given to American-owned multinational corporations in the way of tax havens, tax deferrals, and special tax advantages, if they invest abroad, are legion.

This amendment attempts to eliminate from the Internal Revenue Code the most detrimental of the tax concessions which tilt our policy heavily in favor of the outmigration of American capital, which, of course, entails the export of American jobs. The revenue effect of this legislation would be to raise over $4 billion for the U.S. Treasury.

Figures released by the Tariff Commission give ample proof of the direct effect this pro-foreign-investment bias has had on U.S. trade. Trade of multinational corporations has been growing at a more rapid rate than the average rate of growth of imports and exports. For example, U.S. merchandise exports shipped to majority-owned affiliates of U.S.-based MNC's increased from $7.8 billion in 1966 to $13 billion in 1970, an average annual gain of 13.5 percent. U.S. imports from such affiliates, although smaller than exports, increased even more rapidly—from $5.8 billion in 1966 to $10.9 billion in 1970, an average annual gain of 17.2 percent. Because such trade flows grew more rapidly from 1966 to 1970 than did aggregate U.S. exports and imports—9.4 percent and 11.8 percent, respectively—they accounted for an increasing proportion of aggregate U.S. trade.

As the Tariff Commission further notes:

> Although the surplus generated by U.S. trade with majority-owned affiliates of U.S.-based MNC's increased slightly from 1966 to 1970, the more rapid growth in imports raises the possibility that in the future such imports could even exceed exports to these affiliates.

We must recognize that the multinational corporations are now central to the entire trading picture.

After 2 years of intensive investigation by the Senate Foreign Relations Committee Subcommittee on Multinational Corporations of which I am chairman, I am of the opinion that we must end current Government policies which favor investment abroad rather than here at home. This bill is premised upon the proposition that Government policy on investment here or abroad should be essentially neutral and thus investment be channeled in accordance with real economic efficiencies.

But the central conclusion to which I have arrived, as a consequence of our hearings, is that U.S. Government policy is not neutral. We have so tilted public policy in favor of overseas rather than domestic investment that I sometimes wonder why any multinational corporation given a choice, invests in the United States at all. So I think the time has come to signal to the American people and the world at large that we are intent not upon reverting to a sterile policy of beggar thy neighbor protectionism but upon correcting the imbalance of American policies that have promoted and stimulated overseas investment, at times, at the expense of domestic investment. The provisions of this bill will increase U.S. tax revenues by over $4 billion per year while stimulating the domestic economy by encouraging the marginal investment dollar to be placed at home rather than abroad.

The provisions of this bill are:

Revenue in millions of dollars per year

Elimination of "Western Hemisphere Trade Corporations" provision	[1]$100
Elimination of Domestic International Sales Corporations (DISC) provision	[1]920
Elimination of the provision which allows "less developed country corporations" not to "gross up" realized dividends from its foreign subsidiaries for purpose of tax credit provision	[1]80
Eliminates deferral of foreign earnings	[2]1,000
Eliminates optional "overall limitation" on foreign tax credit, bars carry forwards and carry backs of excess foreign credits, and provides a loss recapture provision (exact figures not available but in excess of)	[3]2,000
Total revenue	4,100

[1] "Federal Subsidy Programs," Subcommittee on Priorities and Economy in Government of the Joint Economic Committee (October 18, 1974); also Tax Analysts and Advocates, "Fiscal 1975 Tax Expenditure Budget" (January 21, 1974).

[2] Musgrave testimony before the Committee on Ways and Means, February 28, 1973.

[3] Staff of the Subcommittee on Multinational Corporations.

TAX CREDIT

Mr. CHURCH. Currently, U.S. corporations are given over $20 billion per year in tax credits for taxes they pay abroad. These credits can be carried forward and carried back to shield foreign income from U.S. taxation over a decade. Moreover, under current provisions tax credits from one foreign country can be used to offset income from another foreign country. The tax credit provisions and deferral are the most important tax incentives for a corporation to invest abroad rather than in the United States. The abuses fostered by the tax credit provisions are legion. For example, the foreign tax credit provisions currently allow the international oil companies to shield all their offshore shipping and refining revenues from U.S. taxation—even though they pay almost no taxes to the host countries for these operations. Thus, the current tax credit structure is one of the main reasons so little shipping is done in U.S. ships and why so much oil refining is done abroad.

In her testimony before the Ways and Means Committee on February 28, 1973, Professor Musgrave reported that in many industries the rate of return before tax considerations is higher for investment in the United States than abroad. But because of the tax credit provisions, corporations often choose to invest abroad. The tax credit reforms in this bill will correct this. Tax neutrality demands that the tax credit provisions of the Internal Revenue Code be amended to allow that a tax credit be given only for the country in which the foreign tax is paid and for the year in which the foreign taxes are paid. Neutrality also demands that foreign losses written off against U.S. gains later be recaptured. This restructuring of the code will provide for neutrality in the decision of the U.S. corporations to invest in a particular foreign country or in the United States and will raise at least $2 billion in extra revenue for the United States.

DEFERRAL

In a paper presented to the Joint Economic Committee in 1972, Prof. Peggy Musgrave concluded that—

> The consequences of tax deferral are far reaching owing to the differentials between United States and foreign profits tax rates. Since profits earned by a foreign-incorporated subsidiary and held or reinvested abroad are subject only to the foreign rate of tax considerable tax advantage may be had by earning such income in relatively low tax jurisdictions. Thus, a U.S. corporation operating through a foreign-incorporated subsidiary in a country with, say, an effective tax rate of 30 percent has 70 cents out of every dollar for reinvestment purposes, whereas if the same investment had taken place in the United States only 52 cents of each dollar of profit would be available. So long as profits are kept abroad, and the foreign tax rate is below that in the United States, there is a tax incentive to foreign investment through the deferral provision. Furthermore, the incentive is greater, the lower is the foreign rate, thus making for differential investment incentives among foreign countries.

As we learned in the course of our hearings, many developing countries grant incentives which insure that there is no tax at all on the earnings of multinational corporations. This was the case with the Ford Motor Co. in Taiwan. Taiwan granted Ford a 5-year tax holiday to locate a Philco electronic facility in that country, along with accelerated depreciation, duty-free import of machinery, and exemption from export taxes. In Korea, our hearings showed that Motorola's investment in that country was 100 percent tax free for 8 years.

In the course of our hearings, my distinguished colleague from Illinois, Senator PERCY, asked Mr. Stanford Ross, former Assistant Tax Legislative Counsel of the Treasury Department:

> Could you explain to the Subcommittee how an American company with an investment in Brazil can set up a paper company in the Bahamas and not pay taxes in either the United States or Brazil? What can we do to stop this practice?

Mr. Ross answered that "the real solution is to eliminate tax deferral."

Tax deferral thus permits U.S. corporations to pay no U.S. income taxes on the profits of their foreign subsidiaries until those profits are brought back home—which may be never. The effect of this provision is that if a U.S. corporation uses its foreign profit for reinvestment abroad, the foreign profit is not subject to U.S. taxation.

In the domestic economy, of course, all investment in new plant and equipment is normally financed from after-tax corporate income. It is generally considered an extraordinary and temporary measure for us to provide a 7- or 10-percent tax credit for new investment, in effect offering a temporary Government subsidy to stimulate a needed expansion of domestic capacity. The foreign operations of our multinationals, on the other hand, enjoy a permanent 100-percent U.S. tax writeoff for any new investment they can finance directly from their overseas profits.

As Professor Musgrave concluded:

> Deferral clearly introduces a non-neutral incentive to invest abroad and is difficult to defend on both equity and efficiency grounds.

John Nolan, formerly Deputy Assistant Secretary of the Treasury for Tax Policy, told the President's Commission on International Trade and Investment:

> There is a clear-cut bias in our existing tax structure favoring the manufacturer of goods abroad through foreign subsidiaries as opposed to exporting, in order to benefit from the deferral of U.S. taxes.

In sum, tax deferral on foreign income offers tremendous advantages to U.S. corporations which invest abroad. It offers nothing to those which invest at home. It operates as an American subsidy to the overseas operations of U.S. companies.

LESS DEVELOPED COUNTRY AND WESTERN HEMISPHERE TRADE CORPORATION

In addition to the general problem of deferral this amendment eliminates the so-called Less Developed Country Holding Company and the Western Hemisphere Trade Corporation provisions of the Internal Revenue Code. Under section 922 of the code, certain U.S. corporations doing business in the Western Hemisphere are given a special deduction from taxable income. In effect, the provision amounts to a reduction of 14 percentage points in the U.S. corporation income tax rate. The apparent intent of the original—1942—legislation was to relieve U.S. investors in the Western Hemisphere from any competitive disadvantage resulting from the wartime U.S. corporate surtax. The annual revenue loss to the Treasury resulting from this provision is estimated to be $100 million.

World War II ended 29 years ago. It is time we ended this anachronism.

The Lesser Developed Country Holding Company provision was created to soften the impact of the 1962 Revenue Act crack down on "tax haven" operations. Income earned in tax haven countries such as Panama, the Bahamas, Bermuda, Liberia, and the Netherlands Antilles was, after the reform legislation, treated as taxable in the year in which it was earned—that is to say not subject to the deferral rules. However, income earned in lesser developed countries was exempted from this rule and Panama and Liberia were denominated lesser developed countries. Further, the general rule that profit on the sale of stock of foreign subsidiaries is treated as ordinary income does not apply to those holding companies. This enables ship owners wishing to repatriate their Liberian and Panamanian profits to receive capital gains treatment when the taxes are finally paid. They do this by reinvesting the earnings abroad and then selling the stocks for a capital gain.

Corporations not interested in shipping have also taken advantage of the LDC Holding Company to avoid the "grossing up" for foreign source income. The gross-up requirement was enacted to prevent corporations from claiming the foreign tax credit and taking a deduction for foreign taxes paid. When dividends are "grossed up" the foreign taxes paid must be added back to the total amount of income if a tax credit has been taken. LDC holding companies do not face this "gross-up" requirement.

Finally, this amendment would eliminate the Domestic International Sales Corporation provision of the code. The DISC, as it is called—is allowed to defer taxes on export earnings. The stated purpose of the DISC is clearly counter to a neutral tax policy. Since the devaluation of the dollar and the arrival of floating exchange rates, the rationale for the amendment is vitiated because floating exchange rates insure that the American exports "stay competitive."

This year, U.S. taxpayers can expect the DISC to cost them $920,000,000 in lost tax revenue. The prime beneficiaries are the 100 largest corporations, all of whom are in the export business and would stay in it with or without DISC.

And there are other objections—the DISC encourages and subsidizes the export of scarce commodities, it encourages sham transactions which permit domestic income to be shifted abroad, and it encourages U.S. companies to use the DISC money for foreign plants.

Mr. HASKELL. Mr. President, I am pleased to join with the distinguished Senators from Idaho (Mr. CHURCH) and Connecticut (Mr. RIBICOFF) in introducing the Tax Neutrality Act of 1975.

Our bill addresses itself to the present imbalance in our tax laws between incentives to invest overseas and those which encourage domestic investment. We believe that this proposal will eliminate that imbalance, will help to avert a worsening of the trade deficit which America is now experiencing and will end the exporting of jobs abroad at a time when jobs are so desperately needed at home.

At the same time, this bill if passed by the Congress, would represent a major step in the direction of meaningful tax reform. It would result in $4 billion in new Federal revenues—dollars which might be well spent on providing much needed tax relief to the American people or which might be diverted to direct stimulation of our domestic economy.

We propose, Mr. President, to repeal the controversial DISC provisions of the Internal Revenue Code as well as the "Western Hemisphere trade corporations" and "less-developed-country corporation" tax subsidies. Additionally, our bill would substantially tighten the foreign tax credit provisions of present law and would eliminate the current "deferral" of taxation on income earned by foreign subsidiary corporations.

These proposals should be viewed in the light of the recent passage of the Trade Reform Act of 1974. In our approval of that legislation, we were seeking to eliminate tariff and nontariff obstacles to international trade. We hope, through the Trade Reform Act, to achieve neutrality among nations with respect to international trade. But, neutrality among nations is only the first necessary step: our task is incomplete until we also achieve neutrality in our own policies, including the tax law, with respect to international trade.

That such a bias toward investment abroad exists in our tax laws today is hardly a debatable point. Provisions such as those which are dealt with by our bill encourage American business to send its capital abroad. In so doing, American corporations are shipping American jobs and technology abroad and diverting tax dollars which might have accrued to the American Government to foreign nations. This diversion of tax dollars results in increased pressure to tax businesses and individuals here in the United States and this shifting of the tax burden within the United States is a substantial part of the reason that progressiveness is more an ideal than a reality within our own tax structure.

In the final analysis, the Trade Reform Act cannot be viewed in isolation. We must look at the effect that a reduction in tariff and nontariff barriers to trade will have in light of the Tax Code's encouragement of overseas investment. I maintain, and it is a basic premise of this bill, that unless we address these tax incentives, we will soon begin to realize an increase in our imports without any comparable increase in our exports. That would worsen what is already a disturbing picture of our trade balance.

Senator CHURCH, through the fine work of his Multinational Corporation Subcommittee, has analyzed the trends in international trade. His study of multinational corporations lends great support to our contentions. He points out, for example, that trade by multinational corporations has been growing at a faster rate than the average rate of growth of imports and exports and that, in the context of this increased trade, imports from foreign subsidiaries to the United States have been growing at a significantly more rapid rate than have exports of merchandise from the United States to such corporations. Thus, exports to such corporations increased from $7.8 billion in 1966 to $13 billion in 1970—an average annual gain of 13.5 percent. Meanwhile, however, U.S. imports from foreign subsidiaries of U.S. corporations, although still smaller than exports, has grown from $5.8 billion in 1966 to $10.9 billion in 1970—an average annual gain of 17.2 percent. Thus, Mr. President, imports from such corporations are growing at a rate which is some 27.4 percent more rapid than the rate at which our exports to those corporations is growing. It should be no surprise then, that the Tariff Commission recently noted that "the more rapid growth in imports raises the possibility that in the future such imports could even exceed exports to their affiliates."

We can avert that possibility by eliminating from the tax laws the incentive to send American capital abroad. The National Committee for Tax Justice reports that "between 1960 and 1971 the book value of foreign investment by United States industry increased from about $32 billion to $86 billion." The 50 largest U.S. corporations derived over 40 percent of their incomes from over-earnings on the foreign incomes of all United States corporations in that year were some $11 billion. Incredibly enough, of that $11 billion only $640 million—about 6 percent—was paid in U.S. taxes.

The tax realities of overseas investment are largely why our corporations choose to invest abroad rather than at home even though in many industries the rate of return before tax considerations is higher for investment in the United States than for investment overseas. There are several elements of this tax reality—the most dominant, and therefore the best place to begin our analysis, is the foreign tax credit provision of the Internal Revenue Code.

FOREIGN TAX CREDITS

At the present time, income taxes paid to foreign governments may be credited against income taxes otherwise due the Federal Government. The rationale for allowing such credits is quite simple and, in the main, entirely appropriate. The objective of the credit is to prevent double taxation on multinational corporations since, to impose such double taxation, would put international corporations at an extreme disadvantage with respect to foreign companies.

Of the $11 billion in 1970 taxable income of U.S. corporations from foreign operations, according to the National Committee for Tax Justice, $5.7 billion or 51.8 percent was paid in foreign taxes. Because of these taxes some $4.6 billion was credited against U.S. taxes. Additionally, credits may, at present, be carried forward or backward to protect foreign income from U.S. taxation for a full decade. Under our bill, tax credits may be taken only for the year in which the foreign taxes are actually paid.

There are two forms of "limitation" on the use of the foreign tax credit. They are the "per country" and the "overall" limitation, and they are optional with the corporate taxpayer. "The overall limitation" is, in reality, no meaningful limitation at all. Under this provision, the taxpayer aggregates all of his foreign income and taxes. The tax credit for all of the foreign tax imposed is limited to the U.S. tax on the total amount of foreign source income. The overall limitation, then, allows a corporation to, in effect, use tax payments to country "A" to offset taxes due to the United States on income earned in country "B." This so-called limitation stretches the "double taxation" rationale of the foreign tax credit beyond any reasonable bounds.

If the overall limitation were repealed, as this bill would do, the taxpayer would henceforth be subjected to the "per country" limitation. Under this limitation, the taxpayer must segregate its income or losses from each country: The credit allowed for foreign tax payments, then, may not exceed the U.S. tax imposed on that income. This revision of the U.S. tax treatment of foreign taxes would limit the double taxation rationale to its proper scope.

Finally, Mr. President, the foreign tax credit provisions of the Internal Revenue Code must be amended to deal with the problem of royalty payments. At present, the IRS allows corporate taxpayers to credit against their U.S. tax liability royalty payments made to foreign governments. The problem is especially acute with respect to payments made to foreign governments in connection with the extraction of oil or gas—the rights to which frequently are owned by those governments. Royalty payments are ordinary business expenses and, hence, should generate nothing more than a deduction for the purpose of determining tax liability. Unfortunately, when paid to foreign governments in the guise of income taxes, the IRS allows a credit against taxes—reducing U.S. tax liability on a dollar-for-dollar basis—rather than a deduction against gross income—which would reduce tax liability by 48 cents on the dollar.

The Tax Neutrality Act does not deal with the royalty problem. On Monday of this week, however, I introduced S. 512, which would, among other things, prohibit the taking of a tax credit for any payment which is a royalty payment rather than a bona fide foreign tax payment.

DEFERRAL OF TAXES ON SUBSIDIARY INCOME

At present, the tax laws do not require U.S. corporations to pay taxes on income earned by controlled foreign subsidiaries until those earnings have been distributed to the domestic parent corporation. If the income is kept outside of the United States, the corporation may reinvest it abroad and indefinitely defer U.S. taxation. As a result, the Federal Treasury lost $375 million in tax revenues in 1972.

The Department of the Treasury recommended the repeal of this provision of the tax code as long ago as 1962. Repeal would help to eliminate the present tax incentive to export jobs, technology, and capital abroad. This incentive exists especially with respect to those countries which have a tax rate on corporate income below the 48-percent U.S. rate. The multinational corporation can avoid the higher U.S. tax on its foreign income as long as the subsidiary neglects to repatriate the earnings by declaring dividends on behalf of its U.S. parent. Corporations which operate entirely within the domestic economy must look to after-tax dollars for further investment. Multinational corporations, however, receive a permanent 100-percent income exclusion as long as they use their subsidiaries profits for further investment abroad. This provision provides the clearest incentive to multinational corporations to (re)invest abroad rather than at home. It should be repealed.

WESTERN HEMISPHERE TRADE CORPORATIONS

Under the "Western Hemisphere Trade Corporation" provisions of the tax code, businesses which operate in Latin America are taxed on those operations at a rate of 34—rather than the usual 48—percent.

The historical basis of this special rate was an effort during World War II to relieve these corporations of the wartime corporate surtax which the United States then imposed. Still in existence today, this special tax rate costs the Federal Treasury approximately $50 million a year. The House Ways and Means Committee recently recommended repeal of the WHTC provisions. The committee explained its reason for this position as follows:

> Your committee believes general tax equity requires that income derived from all foreign sources be taxed at the same rate . . . [I]n many instances the WHTC deduction merely adds to the complexity of preparing an income tax return without providing significant tax benefits.
>
> The preferential rate granted to WHTCs has also encouraged U.S. manufacturers to set the prices on sales of goods to related WHTCs so as to maximize the income derived by the WHTC, since this income is taxed at the lower WHTC rate. These pricing practices have been the source of many controversies between taxpayers and the Internal Revenue Service. Finally, the broad interpretation given to the WHTC provisions by the Internal Revenue Service has enabled corporations to obtain the benefits of the WHTC provisions for goods manufactured outside the Western Hemisphere by causing the title to the goods which are sold by the WHTC to be passed within the Western Hemisphere. In such a situation your committee believes it is inappropriate to give special tax relief.

LESS DEVELOPED COUNTRY CORPORATIONS

LDCC's are subsidiaries of U.S. corporations which operate in less developed countries. Like all other foreign subsidiaries they may earn income which is not taxable to their U.S. parent unless and until they return their profits to the United States.

Additionally, however, they are exempted from the general rule that profit on the sale of the stock of a foreign subsidiary is to be taxed as ordinary income rather than as capital gains. By allowing the U.S. parent to sell this stock at a capital gain, the U.S. corporation can turn ordinary income into capital gain by simply leaving its profit in the foreign subsidiary until such time as it repatriates that profit by selling the stock of the foreign subsidiary. In this way, the parent pays capital gains taxes on the value of the stock of its subsidiary although that value consists principally of retained ordinary income.

Finally, LDCC's need not "gross up" their income as must other corporations. The "gross up" requirement prevents corporations from taking both a foreign tax credit and, in effect, a deduction for foreign taxes paid. "Grossing up" means that the parent must add to the dividends which it receives from its foreign subsidiary the amount of foreign taxes paid whenever the parent intends to take a tax credit against the U.S. tax liability it incurs on that foreign income. LDCC's and their parents need not "gross up" their dividends for the purpose of taking the foreign tax credit.

The Tax Neutrality Act would repeal these tax preferences for LDCC's and their domestic parents.

DISC—DOMESTIC INTERNATIONAL SALES CORPORATIONS

Under the DISC provisions of the Internal Revenue Code, specially organized export corporations are permitted to defer indefinitely the tax on one-half of the income earned from the production and sale of export goods. The purpose of DISC ostensibly is to provide an extra stimulus to the business of exporting. The plain fact of the matter, however, is that there is no evidence whatsoever that DISC has indeed been effective in promoting exports. What we do know beyond any question is that DISC has, over the last several years, represented an extraordinary drain on the Federal Treasury.

DISC's are frequently nothing more than paper subsidiaries established by large corporations solely to take advantage of the favorable tax treatment provided by the Internal Revenue Code. In 1972, 22 percent of the income received by all DISC's was earned by eight corporations with gross receipts of over $100 million. Over 80 percent of the approximately 2,220 DISC's in existence at that time were owned by corporations with assets of over $100 million. According to the National Committee for Tax Justice:

> [B]y the end of 1972 one company, Weyerhauser, had deferred perhaps permanently $3.6 million in taxes simply by having accomplished the mechanics of adopting export operations to the DISC form.

When DISC was originally enacted, in 1971, the Nation was facing a very serious balance-of-payments deficit. In 1973, the United States enjoyed a $700 million trade surplus and had a record breaking $70 billion in exports. There is no evidence, however, that this trade turnaround was a product of DISC, and there is no reason to believe that DISC will improve our current trade problems.

Indeed, according to the International Economic Report of the President, the 1972–73 turnaround in the U.S. trade balance was caused primarily by increased worldwide demand for our agricultural and manufactured exports and by the 15-percent devaluation of the dollar over the past 2 years. The General Accounting Office has reported that DISC "is not considered to have had much influence toward increasing U.S. exports to date. Neither has it resulted in exporters lowering their prices to meet competition." Finally, a report recently prepared by the U.S. Department of the Treasury reached no firm conclusion as to whether the existence of these tax breaks led to greater exports than would have been the case in their absence. Indeed, the report noted that 1972 was the first year of devaluation of the dollar and that "other powerful influences were brought to bear on the U.S. trade position," apart from the tax changes brought about by the passage of the DISC provisions.

Further, to the extent that DISC encourages the export of U.S. commodities in short supply—such as soybeans and wheat—the American taxpayer gets a double punch. First, we subsidize these exports by depleting the Federal Treasury at the direct expense of the taxpaying public, and, second, consumers feed corporate profits by paying higher prices caused by the increased worldwide demand for these products.

What we do know for certain has been accomplished by the passage of DISC is that the Federal Treasury has been depleted to a far greater extent than was originally anticipated when DISC was proposed. The Treasury Department had estimated that the revenue loss for 1972 would be approximately $100 million; instead the Treasury loss for that year turned out to be 2½ times that amount, or $250 million. The revenue loss for 1973 was approximately $500 million and, it is estimated, the loss will reach nearly $815 million for 1974, and over $900 million for 1975.

Under this bill, the DISC provisions of the Internal Revenue Code would be repealed.

By Mr. JACKSON (for himself, Mr. Metcalf and Mr. Fannin) (by request):

S. 652. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, I am introducing today by request for myself and the chairman of the Subcommittee on Minerals, Materials, and Fuels (Mr. Metcalf) and the ranking minority member of the Interior Committee (Mr. Fannin) the surface coal mining bill sent to the Congress by President Ford on February 6.

I believe that the bill which the President pocket-vetoed last December achieved a proper balance between the need to develop our Nation's coal resources and the need to protect the environment. I see no need to amend that bill which I have reintroduced with Senator Metcalf as S. 7, the Surface Mining Control and Reclamation Act of 1975.

I ask unanimous consent that the letter from President Ford together with the administration's summary of principal changes from S. 425 incorporated in the administration's bill be printed in the Record at the close of my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

The White House,
Washington, D.C., February 6, 1975.

The Honorable The President,
U.S. Senate,
Washington, D.C.

Dear Mr. President: Our Nation is faced with the need to find the right balance among a number of very desirable national objectives. We must find the right balance because we simply cannot achieve all desirable objectives at once.

In the case of legislation governing surface coal mining activities, we must strike a balance between our desire for environmental protection and our need to increase domestic coal production. This consideration has taken on added significance over the past few months. It has become clear that our abundant domestic reserves of coal must become a growing part of our Nation's drive for energy independence.

Last December, I concluded that it would not be in the Nation's best interests for me to approve the surface coal mining bill which passed the 93rd Congress as S. 425. That bill would have:

Caused excessive coal production losses, including losses that are not necessary to achieve reasonable environmental protection and reclamation requirements. The Federal Energy Administration estimated that the bill, during its first full year of operation would reduce coal production between 48 and 141 million tons, or approximately 6 to 18 percent of the expected production. Additional losses could result which cannot be quantified because of ambiguities in the bill. Losses of coal production are particularly important because each lost ton of coal can mean importing four additional barrels of foreign oil.

Caused inflationary impacts because of increased coal costs and Federal expenditures for activities which, however desirable, are not necessary at this time.

Failed to correct other deficiencies that had been pointed out in executive branch communications concerning the bill.

The energy program that I outlined in my State of the Union Message contemplates the doubling of our Nation's coal production by 1985. Within the next ten years, my program envisions opening 250 major new coal mines, the majority of which must be surface mines, and the construction of approximately 150 new coal fired electric generating plants. I believe that we can achieve these goals and still meet reasonable environmental protection standards.

I have again reviewed S. 425 as it passed the 93rd Congress (which has been reintroduced in the 94th Congress as S. 7 and H.R. 25) to identify those provisions of the bill where changes are critical to overcome the objections which led to my disapproval last December. I have also identified a number of provisions of the bill where changes are needed to reduce further the potential for unnecessary production impact and to make the legislation more workable and effective. These few but important changes will go a long way toward achieving precise and balanced legislation. The changes are summarized in the first enclosure to this letter and are incorporated in the enclosed draft bill.

With the exception of the changes described in the first enclosure, the bill follows S. 425.

I believe that surface mining legislation must be reconsidered in the context of our current national needs. I urge the Congress to consider the enclosed bill carefully and pass it promptly.

Sincerely,

GERALD R. FORD.

SUMMARY OF PRINCIPAL CHANGES FROM S. 425 (S. 7 AND H.R. 25) INCORPORATED IN THE ADMINISTRATION'S SURFACE MINING BILL

The Administration bill follows the basic framework of S. 425 in establishing Federal standards for the environmental protection and reclamation of surface coal mining operations. Briefly, the Administration bill, like S. 425:

Covers all coal surface mining operations and surface effects of underground coal mining;

Establishes minimum nationwide reclamation standards;

Places primary regulatory responsibility with the States with Federal backup in cases where the States fail to act;

Creates a reclamation program for previously mined lands abandoned without reclamation;

Establishes reclamation standards on Federal lands.

Changes from S. 425 which have been incorporated in the Administration bill are summarized below.

CRITICAL CHANGES

1. *Citizen suits.* S. 425 would allow citizen suits against any person for a "violation of the provisions of this Act." This could undermine the integrity of the bill's permit mechanism and could lead to mine-by-mine litigation of virtually every ambiguous aspect of the bill even if an operation is in full compliance with existing regulations, standards and permits. This is unnecessary and could lead to production delays or curtailments. Citizen suits are retained in the Administration bill, but are modified (consistent with other environmental legislation) to provide for suits against (1) the regulatory agency to enforce the act, and (2) mine operators where violations of regulations or permits are alleged.

2. *Stream siltation.* S. 425 would prohibit increased stream siltation—a requirement which would be extremely difficult or impossible to meet and thus could preclude mining activities. In the Administration's bill, this prohibition is modified to require the maximum practicable limitation on siltation.

3. *Hydrologic disturbances.* S. 425 would establish absolute requirements to preserve the hydrologic integrity of alluvial valley floors—and prevent offsite hydrologic disturbances. Both requirements would be impossible to meet, are unnecessary for reasonable environmental protection and could preclude most mining activities. In the Administration's bill, this provision is modified to require that any such disturbances be prevented to the maximum extent practicable so that there will be a balance between environmental protection and the need for coal production.

4. *Ambiguous terms.* In the case of S. 425, there is great potential for court interpretations of ambiguous provisions which could lead to unnecessary or unanticipated adverse production impact. The Administration's bill provides explicit authority for the Secretary to define ambiguous terms so as to clarify the regulatory process and minimize delays due to litigation.

5. *Abandoned land reclamation fund.* S. 425 would establish a tax of 35 cents per ton for underground mined coal and 25 cents per ton for surface mined coal to create a fund for reclaiming previously mined lands that have been abandoned without being reclaimed, and for other purposes. This tax is unnecessarily high to finance needed reclamation. The Administration bill would set the tax at 10 cents per ton for all coal, providing over $1 billion over ten years which should be ample to reclaim that abandoned coal mined land in need of reclamation.

Under S. 425 funds accrued from the tax on coal could be used by the Federal government (1) for financing construction of roads, utilities, and public buildings on reclaimed mined lands, and (2) for distribution to States to finance roads, utilities and public buildings in any area where coal mining activity is expanding. This provision needlessly duplicates other Federal, State and local programs, and establishes eligibility for Federal grant funding in a situation where facilities are normally financed by local or State borrowing. The need for such funding, including the new grant program, has not been established. The Administration bill does not provide authority for funding facilities.

6. *Impoundments.* S. 425 could prohibit or unduly restrict the use of most new or existing impoundments, even though constructed to adequate safety standards. In the Administration's bill, the provisions on location of impoundments have been modified to permit their use where safety standards are met.

7. *National forests.* S. 425 would prohibit mining in the national forests—a prohibition which is inconsistent with multiple use principles and which could unnecessarily lock up 7 billion tons of coal reserves (approximately 30% of the uncommitted Federal surface-minable coal in the contiguous States). In the Administration bill, this provision is modified to permit the Agriculture Secretary to waive the restriction in specific areas when multiple resource analysis indicates that such mining would be in the public interest.

8. *Special unemployment provisions.* The unemployment provision of S. 425 (1) would cause unfair discrimination among classes of unemployed persons, (2) would be difficult to administer, and (3) would set unacceptable precedents including unlimited benefit terms, and weak labor force attachment requirements. This provision of S. 425 is inconsistent with P.L. 93-567 and P.L. 93-572 which were signed into law on December 31, 1974, and which significantly broaden and lengthen general unemployment assistance. The Administration's bill does not include a special unemployment provision.

Other Important Changes. In addition to the critical changes from S. 425, listed above, there are a number of provisions which should be modified to reduce adverse production impact, establish a more workable reclamation and enforcement program, eliminate uncertainties, avoid unnecessary Federal expenditures and Federal displacement of State enforcement activity, and solve selected other problems.

1. *Antidegradation.* S. 425 contains a provision which, if literally interpreted by the courts, could lead to a nondegradation standard (similar to that experience with the Clean Air Act) far beyond the environmental and reclamation requirements of the bill. This could lead to production delays and disruption. Changes are included in the Administration bill to overcome this problem.

2. *Reclamation fund.* S. 425 would authorize the use of funds to assist private landowners in reclaiming their lands mined in past years. Such a program would result in windfall gains to the private landowners who would maintain title to their lands while having them reclaimed at Federal expense. The Administration bill deletes this provision.

3. *Interim program timing.* Under S. 425 mining operations could be forced to close down simply because the regulatory authority had not completed action on a mining permit, through no fault of the operator. The Administration bill modifies the timing requirements of the interim program to minimize unnecessary delays and production losses.

4. *Federal preemption.* The Federal interim program role provided in S. 425 could (1) lead to unnecessary Federal preemption, displacement or duplication of State regulatory activities, and (2) discourage States from assuming an active permanent regulatory role, thus leaving such functions to the Federal government. During the past few years, nearly all major coal mining States have improved their surface mining laws, regulations and enforcement activities. In the Administration bill, this requirement is revised to limit the Federal enforcement role during the interim program to situations where a violation creates an imminent danger to public health and safety or significant environmental harm.

5. *Surface owner consent.* The requirement in S. 425 for surface owner's consent would substantially modify existing law by transferring to the surface owner coal rights that presently reside with the Federal government. S. 425 would give the surface owner the right to "veto" the mining of Federally owned coal or possibly enable him to realize a substantial windfall. In addition, S. 425 leaves unclear the rights of prospectors under existing law. The Administration is opposed to any provision which could (1) result in a lock up of coal reserves through surface owner veto or (2) lead to windfalls. In the Administration's bill surface owner and prospector rights would continue as provided in existing law.

6. *Federal lands.* S. 425 would set an undesirable precedent by providing for State control over mining of Federally owned coal on Federal lands. In the Administration's bill, Federal regulations governing such activities would not be preempted by State regulations.

7. *Research centers.* S. 425 would provide additional funding authorization for mining research centers through a formula grant program for existing schools of mining. This provision establishes an unnecessary new spending program, duplicates existing authorities for conduct of research, and could fragment existing research efforts already supported by the Federal government. The provision is deleted in the Administration bill.

8. *Prohibition on mining in alluvial valley floors.* S. 425 would extend the prohibition on surface mining involving alluvial valley floors to areas that have the potential for farming or ranching. This is an unnecessary prohibition which could close some existing mines and which would lock up significant coal reserves. In the Administration's bill reclamation of such areas would be required, making the prohibition unnecessary.

9. *Potential moratorium on issuing mining permits.* S. 425 provides for (1) a ban on the mining of lands under study for designation as unsuitable for coal mining, and (2) an automatic ban whenever such a study is requested by anyone. The Administration's bill modifies these provisions to insure expeditious consideration of proposals for designating lands unsuitable for surface coal mining and to insure that the requirement for review of Federal lands will not trigger such a ban.

10. *Hydrologic data.* Under S. 425, an applicant would have to provide hydrologic data even where the data are already available—a potentially serious and unnecessary workload for small miners. The Administration's bill authorizes the regulatory authority to waive the requirement, in whole or in part, when the data are already available.

11. *Variances.* S. 425 would not give the regulatory authority adequate flexibility to grant variances from the lengthy and detailed performance specifications. The Administration's bill would allow limited variances—with strict environmental safeguards—to achieve specific post-mining land uses and to accommodate equipment shortages during the interim program.

12. *Permit fee.* The requirement in S. 425 for payment of the mining fee before operations begin could impose a large "front end" cost which could unnecessarily prevent some mine openings or force some operators out of business. In the Administration's bill, the regulatory authority would have the authority to extend the fee over several years.

13. *Preferential contracting.* S. 425 would require that special preference be given in reclamation contracts to operators who lose their jobs because of the bill. Such hiring should be based solely on an operators reclamation capability. The provision does not appear in the Administrations' bill.

14. *Any class of buyer.* S. 425 would require that lessees of Federal coal not refuse to sell coal to any class of buyer. This could interfere unnecessarily with both planned and existing coal mining operations, particularly in integrated facilities. This provision is not included in the Administration's bill.

15. *Contract authority* S. 425 would provide contract authority rather than authorizing appropriations for Federal costs in administering the legislation. This is unnecessary and inconsistent with the thrust of the Congressional Budget Reform and Impoundment Control Act. In the Administration's bill, such costs would be financed through appropriations.

16. *Indian lands.* S. 425 could be construed to require the Secretary of the Interior to regulate coal mining on non-Federal Indian lands. In the Administration bill, the definition of Indian lands is modified to eliminate this possibility.

17. *Interest charge.* S. 425 would not provide a reasonable level of interest charged on unpaid penalties. The Administration's bill provides for an interest charge based on Treasury rates so as to assure a sufficient incentive for prompt payment of penalties.

18. *Prohibition on mining within 500 feet of an active mine.* This prohibition in S. 425 would unnecessarily restrict recovery of substantial coal resources even when mining of the areas would be the best possible use of the areas involved. Under the Administration's bill, mining would be allowed in such areas as long as it can be done safely.

19. *Haul roads.* Requirements of S. 425 could preclude some mine operators from moving their coal to market by preventing the connection of haul roads to public roads. The Administration's bill would modify this provision.

The attached listing shows the sections of S. 425 (or S. 7 and H.R. 25· which are affected by the above changes.

LISTING OF PRINCIPAL PROVISIONS IN S. 425 (S. 7 AND H.R. 25) THAT ARE CHANGED IN THE ADMINISTRATION'S BILL

Subject	Title or section S. 425, S. 7, H.R. 25	Administration bill
Critical changes:		
1. Clarify and limit the scope of citizens suits	520	420.
2. Modify prohibition against stream siltation	515(b)(10)(B), 516(b)(9)(B).	415(b)(10)(B), 416(b)(9)(B).
3. Modify prohibition against hydrological disturbances	510(b)(3), 515 (b)(10)(E).	410(b)(3), 415 (b)(10)(E).
4. Provide express authority to define ambiguous terms in the act.	None	601(b).
5. Reduce the tax on coal to conform more nearly with reclamation needs and eliminate funding for facilities.	401(d)	301(d).
6. Modify the provisions on impoundments	515(b)(13), 516(b)(5).	415(b)(13), 416(b)(5).
7. Modify the prohibition against mining in national forests.	522(e)(2)	422(e)(2).
8. Delete special unemployment provisions	708	None.
Other important changes:		
1. Delete or clarify language which could lead to unintended "antidegradation" interpretations.	102 (a) and (d)	102 (a) and (c).
2. Modify the abandoned land reclamation program to (1) provide both Federal and State acquisition and reclamation with 50/50 cost sharing, and (2) eliminate cost sharing for private land owners.	Title IV	Title III.
3. Revise timing requirements for interim program to minimize unanticipated delays.	502(a) through (c), 506(a).	402(a) and (b), 406(a).
4. Reduce Federal preemption of State role during interim program.	502(f), 521(a) (4).	402(c), 421(a) (4).
5. Eliminate surface owner consent requirement; continue existing surface and mineral rights.	167	163.
6. Eliminate requirement that Federal lands adhere to requirements of State programs.	523(a)	432(a).
7. Delete funding for research centers	Title III	None.
8. Revise the prohibition on mining in alluvial valley floors.	510(b)(5)	410(b)(5).
9. Eliminate possible delays relating to designations as unsuitable for mining.	510(b)(4), 522 (c).	410(b)(4), 422 (c).
10. Provide authority to waive hydrologic data requirements when data already available.	507(b)(11)	407(b)(11).
11. Modify variance provisions for certain post-mining uses and equipment shortages.	515(c)	402(d), 415(c).
12. Clarify that payment of permit fee can be spread over time.	507(a)	407(a).
13. Delete preferential contracting on orphaned land reclamation.	707	None.
14. Delete requirement on sales of coal by Federal lessees.	523(e)	None.
15. Provide authority for appropriations rather than contracting authority for administrative costs.	714	612.
16. Clarify definition of Indian lands to assure that the Secretary of the Interior does not control non-Federal Indian lands.	701(9)	601(a)(9).
17. Establish an adequate interest charge on unpaid penalties to minimize incentive to delay payments.	518(d)	418(d).
18. Permit mining with 500' of an active mine where this can be done safely.	515(b)(12)	415(b)(12).
19. Clarify the restriction on haul roads from mines connecting with public roads.	522(e)(4)	422(e)(4).

By Mr. PROXMIRE:

S. 653. A bill to amend the Budget and Accounting Act, 1921, to provide for audits by the General Accounting Office of expenditures by intelligence agencies of the Government and for reports thereon to certain committees of the Congress. Referred to the Committee on Government Operations.

Mr. PROXMIRE. Mr. President, this bill will put teeth in the congressional oversight of the intelligence community by authorizing the General Accounting Office to audit and analyze the expenditures of these agencies.

The CIA and other intelligence agencies have protected themselves from congressional review by not allowing audits of their programs. Billions have been spent yearly without one financial audit at the direction of Congress. Expenditures declared to Congress have been taken at face value.

The CIA claims that its programs are audited internally and by the Office of Management and Budget. But the limited number of people involved and their obvious self-interest raise doubts about the thoroughness of this procedure.

The GAO has found that congressional requests for data about intelligence operations have been disrupted by the refusal of the agencies involved to allow access to records. They have refused access by denying GAO officials the appropriate security clearances.

The GAO has successfully audited the most sensitive Defense Department programs for years without being denied data. Thus the obstruction of the intelligence community appears to be more of a protective device than a legitimate concern for protecting sources and methods.

When the GAO tried to effectively audit CIA programs in a trial period from 1959 to 1961, the CIA denied GAO access to data necessary for the audit and the project ended in failure.

In 1973, the GAO was stopped from concluding field investigation of a Defense Department installation involved in intelligence matters due to problems with intelligence clearances.

A second field survey involving a different installation dealing with technical publications of foreign countries also was disrupted by problems with obtaining access by GAO staffers who already had top secret and atomic energy "Q" clearances.

In contrast to the roadblocks posed by the CIA and military intelligence agencies, the National Security Agency has been more cooperative with the GAO. At the request of the NSA, since 1955 the GAO has been auditing accounts at the NSA facility. Although this is a strict auditing procedure without program analysis, the onsite presence of GAO personnel greatly facilitates such work.

Congress has no way of independently checking on the funds it provides to the intelligence community—without the help of the GAO. With the national intelligence program variously estimated at between $3 and $6 billion, depending on the definition of strategic and tactical intelligence, there is serious possibility of financial irregularities.

How does the CIA handle the profits of its proprietary organizations, the airlines, and other front companies? Do profits go into the CIA budget?

Does the Director of CIA have a special "Director's fund" which can be used without justification to any other person?

Does the CIA have reserves of money set aside for unforeseen contingencies? Where would such reserves be retained? In foreign banks? Here in the United States? Under what terms and conditions?

How does the CIA change American dollars into the local currencies of foreign countries?

Have the American taxpayers been getting the best intelligence at the most effective price for their tax dollars?

These and many other questions should be asked of the CIA and the rest of the intelligence community.

Under this bill, GAO investigations would be done only at the request of an official congressional committee with intelligence jurisdiction. Such audits and program investigations would be made public only if the congressional committees and the intelligence community agreed on an unclassified format.

Mr. President, I ask unanimous consent that a 13-page GAO letter dealing with intelligence matters be printed in the Record, and the full text of this bill be so printed in the Record.

There being no objection, the letter and bill were ordered to be printed in the Record, as follows:

Comptroller General of
the United States,
Washington, D.C., May 10, 1974.

Hon. William Proxmire
U.S. Senate

Dear Senator Proxmire: In a letter dated January 24, 1974, you requested our assistance in reviewing the extent of Congressional oversight and control over the operations of the United States intelligence community. You consider the following agencies as part of the intelligence community: the Central Intelligence Agency; the Defense Intelligence Agency; the National Security Agency; the intelligence components of the Army, Navy and Air Force; the Federal Bureau of Investigation; the Department of the Treasury; the Atomic Energy Commission; and the Bureau of Intelligence and Research of the Department of State.

Under the Constitution of the United States the Congress is empowered to raise and support armies, provide and maintain a Navy and make rules for the Government and regulation of the Armed Forces. Art. I, Sec. 8, Cls. 12, 13 and 14. Clause 18 of Article I, Sec. 8 of the Constitution empowers the Congress "[T]o make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States and in any Department or Officer thereof."

Pursuant to its constitutional authority, the Congress has enacted numerous statutes dealing with national security. We will concentrate herein on the two statutes cited in your letter.

On July 26, 1947, there was signed into law the National Security Act of 1947, Pub. L. 80–253, 61 Stat. 495, as amended, 50 U.S.C. 401, *et seq*. Generally that act established a federated agency, the National Military Establishment, to coordinate the three separate executive departments of the Army, Navy and Air Force, each to be headed by a civilian secretary. Outside the National Military Establishment, but somewhat closely related to it, three other agencies were created by the act: the National Security Council, the Central Intelligence Agency, and the National Security Resources Board.

The National Security Council (Council) was established to advise the President with respect to the integration of domestic, foreign and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security. As such it is generally the President's chief policy advisor in national security matters. It also assists the President in implementing that policy. As established by that statute, the Council consisted of the President, the Secretary of State, the Secretary of Defense, the secretaries of the three services, the Chairman of the National Security Resources Board, and certain enumerated persons when appointed by the President by and with the advice and consent of the Senate to serve at the President's pleasure. The composition of the Council has since been altered slightly.

Established under the Council is the Central Intelligence Agency (CIA). The purpose of this agency is largely to coordinate, under the direction of the Council, the intelligence activities of the several Government departments and agencies in the interest of national security. In addition to its coordination functions the CIA performs such other functions and duties related to intelligence affecting the national security as the Council may from time to time direct.

The National Security Resources Board, which was abolished by statute in 1954 (act of September 3, 1954, 68 Stat. 1226, 1244), was composed of a Chairman and such heads or representatives of the various executive departments and independent agencies as may be designated from time to time by the President. Its purpose was to advise the President relative to the coordination of military, industrial and civilian mobility and certain other matters.

On June 20, 1949, the Congress enacted Public Law 81–110, which is known as the Central Intelligence Agency Act of 1949, 63 Stat. 208 as amended, 50 U.S.C. 403a–403j. The purpose of this legislation generally is to grant the CIA the necessary authority for its proper and efficient administration. Previously the CIA had been operating under the 1947 Act which did not grant the CIA "the authorities necessary for its proper administration." As a result of questions raised by this Office and other agencies as to the legality of some of the CIA's activities, Congress decided to spell out the manner in which the agency would be administered. Public Law 81–110 deals with, among other things, procurement authority, travel and allowances for CIA personnel, methods of expenditures of appropriated funds, and other related authorities connected with the agency's administration. Other provisions enable the agency to protect its confidential functions. In passing this act the Congress recognized that some of its provisions were of an unusual nature but determined that they were nonetheless necessary to the successful operation of an efficient intelligence service.

Your inquiry first requests us to review the oversight authority of Congress in relation to the aforementioned acts and the intelligence community as a whole. Through the exercise of the "power of the purse" given to it by the Constitution, the Congress, in our view, is entitled to any information on the expenditure of funds which it wishes to receive from the executive branch of the Government. When denied desired data the Congress may deny funds to the agency involved until such information is forthcoming. Within the limits of this ultimate power the Congress may establish the rules with respect to its access to information and materials held by the executive branch.

In enacting the above-cited statutes the Congress did not specifically address itself to the question of the kind and amount of oversight and control which it would exercise over the intelligence community, other than giving the community, under the direction of the CIA, authority to keep its operations from becoming public.

However, the attitude of the Congress with respect to its oversight functions, at that time, can be seen in its consideration of the Central Intelligence Agency Act of 1949 (CIA Act). In hearings held by the House Committee on Armed Services on February 23, 1949, on H.R. 1741, H.R. 2546, and H.R. 2663, the Chairman stated:

"Now, of course, we all recognize the purpose of this bill. Of course, there is a great deal of matter that we cannot discuss here, and we cannot discuss on the floor of the House. We will just have to tell the House they will have to accept our judgment and we cannot answer a great many questions that might be asked. We cannot have a Central Intelligence Agency if you are going to advertise it and all of its operations from the tower [of the Empire State Building]." pp. 486–487.

In its report of February 24, 1949, to the House on H.R. 2663, the Committee set forth an explanation of certain sections of the bill. It concluded, however, that:

"The report does not contain a full and detailed explanation of all of the provisions of the proposed legislation in view of the fact that much of such information is of a highly confidential nature. However, the Committee on Armed Services received a complete explanation of all features of the proposed measure. The committee is satisfied that all sections of the proposed legislation are fully justified." House Rept. 81–160, p. 6.

The House considered the Committee report on March 7, 1949.) See Cong. Rec. (daily ed.) pp. 1982–1990). Objection was raised at that time to the failure of the Committee to inform the House as to the full implications of the bill under consideration. For example, Mr. Celler stated in pertinent part:

"Mr. Speaker, although I do not like the hush-hush business surrounding this bill, I shall not oppose it. Certainly if the members of the Armed Forces Committee can hear the detailed information to support this bill, why cannot our entire membership? Are they the Brahmins and we the untouchables? Secrecy is the answer. What is secret about the membership of an entire committee hearing the lurid reasons? In Washington three men can keep a secret if two men die. It is like the old lady who said, 'I can keep a secret but the people I tell it to cannot.'" p. 1985.

The Senate on May 27, 1949, amended and passed the bill (H.R. 2663) as passed by the House. The Senate debate (Cong. Rec. (temp. ed.) pp. 7082–7090)) reflects the knowledge of that body that it was not being given a full explanation of all of the provisions of the bill. Despite this lack of knowledge on the part of both Houses of Congress, the conference report was agreed to and the bill passed both Houses and was signed by the President.

Inasmuch as the Congress as a whole was not given a detailed explanation of the provisions of the CIA Act of 1949 or of the underlying information which prompted the legislation, it seems that the Congress expected its oversight over the CIA to be handled by the appropriate committee in secrecy consistent with the manner in which the bills which were enacted into this legislation were handled.

Since that time, however, there has been extensive and increasing concern on the part of various members of the Congress with the level of oversight and independent surveillance over the intelligence community. The question of whether the Congress was giving sufficiently serious consideration to the constitutional provision that no money may be spent from the public treasury without congressional approval was the subject of a major Senate debate in 1956. The debate was triggered in part by the 1955 Hoover Commission Study which expressed concern about the absence of congressional and other outside surveillance of Government intelligence activities.

Senator Mansfield introduce a bill—with 34 cosponsors—for a joint committee on intelligence. The Senate Rules Committee majority concluded that while secrecy is essential for certain intelligence community operations, a wide area of intelligence activities constituted proper grounds for congressional review; and reported the bill favorably out of the committee.

A strong administration opposition to the bill caused 14 of the original cosponsors of the bill to reverse their positions and the bill was defeated by a vote of 59 to 27, with 10 Senators not voting.

In 1960 two events resulted in congressional attention being given to the subject issue.

Shortly after the U-2 incident the Senate considered, but did not pass, a proposal for a major reorganization of the policy-making machinery of the executive branch, which provided for, among other things, the transfer from the CIA of all non-clandestine intelligence collection, and the establishment of a joint committee of the Congress on the CIA.

The House, shortly thereafter considered a resolution—triggered by the suspected defection of two NSA employees—to authorize the House Committee on Un-American Activities to conduct a full and complete study of each of the intelligence agencies. The House adjourned without passing the resolution. However, the Chairman of the Armed Services Committee did name a three man subcommittee to conduct, without publicity, a complete investigation of the intelligence agencies.

In 1966 the subject issue was again debated in the Senate. Consideration of more systematic congressional surveillance of intelligence activities was focused by a proposed Senate resolution calling for an investigation by the Senate Foreign Relations Committee of American foreign intelligence activities The proposal was referred to the Foreign Relations Committee, where it was approved by a vote of 14 to 5. After considerable debate the Senate voted—61 to 28—to send the resolution to the Armed Services Committee but no action was taken on the bill. However, the Chairman of the Armed Services Committee did invite selected members of the Foreign Relations Committee to attend all intelligence subcommittee sessions.

In the past two decades, more than 200 bills aimed at making the CIA more accountable to the Congress have been introduced.

Thus, although the question of whether the Congress exercises adequate oversight concerning the intelligence community has been raised a number of times, the determination made in 1949 that Congressional oversight would be limited to reviews by the relatively few members who serve on certain designated committees or subcommittees remains unchanged.

You also requested that we provide you with an opinion as to the legality of the Council's issuing classified directives to the intelligence community based on the CIA Act of 1949 and the National Security Act of 1947, if the directives deal with subjects, such as instructions to engage in covert activities not considered in the original legislation. You also ask whether the terms of subsections 102(d) (4) and (5) of the National Security Act, 50 U.S.C. 403(d) represent "a totally open ended provision" and whether the Council must make all directives issued pursuant to those subsections available to the Congress.

The relevant portions of section 102(d) provide:

"(d) For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the Agency (CIA), under the direction of the National Security Council—

* * * * *

"(4) to perform, for the benefit of the existing intelligence agencies such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;

"(5) to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct."

As noted above, the Council is the President's chief advisor on national security policy and it also is responsible for assisting in implementing that policy. The Council acts generally through the issuance of instructions or directives to the agencies within the intelligence community. Inasmuch as the Council is endowed with broad authority in this area, it may issue directives dealing with virtually any subject dealing with national security and United States intelligence operations. While the statute does not explicitly mention "covert operations and activities," it seems clear that those operations and activities are part of the national security intelligence operations which are within the Council's jurisdiction. Of course, the Council may not direct an agency to perform duties proscribed by statute. Thus, for example, the CIA may not undertake internal security functions. See subsection 102(d)(3) of the NSA Act of 1947 (50 U.S.C 403(d)(3)). Copies of the Council's directives apparently would be available to the Congress in accordance with the discussion above of congressional oversight of intelligence operations.

Finally, you have asked for a review of GAO's right to review, audit or otherwise examine the programs and operations of the various intelligence agencies. Also, you request information on the success we have had in obtaining information from and about the intelligence community, the staff support we could provide to the oversight committees and the problems which might attend congressional requests for investigations in the intelligence field.

The basic audit authority of this Office is contained in the Budget and Accounting Act, 1921, and the Accounting and Auditing Act of 1950. Pursuant to these and other statutory authorities the audit authority of the General Accounting Office extends generally to the expenditures of the various departments and establishments. There are, however, exceptions provided by law, including a fairly substantial number of instances where expenditures are accounted for solely upon a certification by the head of the department or establishment involved. For example, expenditures of a confidential, extraordinary or emergency nature by the CIA are to be accounted for solely on the certificate of the Director of Central Intelligence. 50 U.S.C. 403j(b). Sometimes such restrictions are contained in appropriation acts. For example, annual appropriations for the Federal Bureau of Investigation have included funds to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General and accounted for solely on his certificate.

Overall we have had relatively limited contact with the intelligence community. However, we have had sufficient contact to enable us to identify certain problems we would have in obtaining information from and about intelligence organizations. Underlying these problems is the extremely high degree of sensitivity attached to intelligence matters and the desirability within the intelligence community of reducing the risk of leakage by minimizing the number of people having access to such matters. Part of this latter factor, which also entails a relatively considerable expenditure of time and money in obtaining necessary security clearances, is that the intelligence community restricts the numbers of clearances it will issue to us. Generally to carry out a survey or review in a timely manner, develop a report and process it though Office review channels requires effort on the part of a relatively large number of people. Our experience indicates, however, that we will be issued only a few clearances on a given intelligence subject—not nearly enough to allow us to do the type of job we normally expect to do. Of course, we try to streamline our procedures as much as possible in handling these matters. Another problem is working out arrangements acceptable to all parties for distributing any of our final products to the Congress.

Following enactment of the Central Intelligence Agency Act of 1949, the then Director of the Agency requested that notwithstanding the very broad and unusual powers granted to the CIA by the Act, an audit of expenditures at the site, as previously performed by GAO, be continued. Accordingly, our Office continued to make audits of vouchered expenditures under the same arrangements that were in effect with the predecessor Central Intelligence Group. However, in view of the provisions of section 8 of the Act (formerly section 10), no exceptions were taken to any expenditures; in those cases where questionable payments came to our attention, we referred the matter to the CIA Comptroller's Office for corrective action. In using the term "questionable payments," we meant any expenditures which, except for former section 10(a) of the Act, appeared to be impropr or illegal either under law or under the decisions of the Comptroller General. In our audit work, we did not make substantive reviews of Agency policies, nor of its practices and procedures; further, we made no audit of expenditures of unvouchered funds.

Subsequent to enactment of Central Intelligence legislation, we broadened the type of audit we made of the activities of most Government agencies. We adopted the "comprehensive audit" approach under which we construed an agency's financial responsibilities as including the expenditure of funds and the utilization of property and personnel in the furtherance of authorized programs or activities in an efficient, economical and effective manner. We concluded in 1959 that this broader type of audit was appropriate for our work at the CIA and was more likely to be productive of evaluations which would be helpful to the Congress and the Agency Director. We also determined that the previous limited audit work at CIA should not be continued. In the fall of 1959, we agreed with the then Director of Central Intelligence to broaden our audit efforts at CIA, on a trial basis.

In 1961, after the trial period, we concluded that under existing security restrictions on our audit of CIA activities, we did not have sufficient access to make comprehensive reviews on a continuing basis which would produce evaluations helpful to the Congress. We further determined that continuation of the limited financial audit effort which we had conducted in prior years at the CIA would not serve a worthwhile purpose; we therefore proposed to cease all activities at the Agency. At about this same time the Agency was engaged in a major reorganization and strengthening of its comptroller and internal audit functions. Concurrence in our proposal to terminate all audit efforts was forthcoming in 1962, and since that time we have not conducted any reviews at the CIA nor any reviews which focus specifically on CIA activities.

At this point, it might be useful to relate some of the activities and problems we have had in relation to the intelligence community.

One of our divisions, the Procurement and Systems Acquisition Division (PSAD), has attempted to engage in several reviews in the intelligence area. For example, in June 1973, it planned to make a survey at a Department of Defense field installation but access was blocked because of the sensitive nature of work being performed there. Instead, DOD suggested that the Division Director first obtain a special clearance, get a briefing on the installation, and then decide what GAO's course of action should be. He immediately requested clearance for himself and an Assistant Director. Even though both had Top Secret and AEC "Q" clearances, a new "full field" investigation was required for the special clearance involved. They have not yet received the clearances, and consequently have obtained no information about the installation other than its name.

In another instance, this division had one of our regional offices make a survey at a DOD field installation having responsibility for analyzing data contained in foreign country technical publications. The survey proceeded well until our requests for information apparently reached the sensitive stage. A meeting was then held with a high intelligence official in Washington at which time the conditions under which we could continue our work were outlined. The official seemed to be very cooperative and offered to accelerate the special clearance procedure so long as no more than 3 or 4 staff members were to be cleared and assigned to intelligence work for several years. It appeared to us that we would not have full control over the direction of our effort. Because of this and other factors we decided to terminate the survey.

On another assignment, initiated at the request of a Senate Armed Services subcommittee, we attempted to compare the Soviet and U.S. expenditures for military research and development. We had good cooperation from DOD, including access to some intelligence reports, due at least partially to the existence of a congressional request. But even so, we were not able to see all the intelligence reports used by DOD in making its own comparison. The intelligence community refused to provide us with the reports or to work with us directly.

Our International Division has the most contact with and concerning the intelligence community. The International Division has had contact with the Central Intelligence Agency directly or indirectly in connection with broad reviews regarding such matters as international narcotics control, military activities in Laos, contracting for technical services, language training, transfers of excess defense articles to foreign governments, U.S. economic assistance programs, and the wheat sale to the Soviet Union. In some cases the Division has experienced cooperation from the CIA in obtaining information it desired; in other cases attempts to get information were frustrated. The Division's overall success in obtaining information from the intelligence community must be characterized as border line, at best.

Finally, we might discuss the work of our Logistics and Communications Division with respect to the National Security Agency (NSA). The NSA is a separately organized agency within the Department of Defense and, for financial administrative convenience, is under the direction of the Secretary of Defense. It is a unified organization providing for the collecting and presenting of intelligence information on a worldwide basis through verbal or message type media and interception and analysis of wave or signal type communications. NSA is also responsible for insuring secure communications systems for all departments and agencies of the Government. The Congress has enacted several statutes to safeguard the agency's cryptologic activities and to enable the Government to limit disclosure of its cryptologic activities to such information as does not interfere with the accomplishment of cryptologic missions.

In response to a request by the Director of NSA an arrangement was approved by the Comptroller General on July 18, 1955, whereby a GAO staff member would be assigned to the NSA on a permanent basis to perform onsite audits of its vouchers and accounts. The designated staff member or GAO representative and the responsible Director having general supervision for this work were required to obtain the necessary special security clearance to conduct reviews, surveys, or other similar efforts.

From 1955 through 1973 only two or three GAO personnel had this special clearance at any one time. During this period the audit effort by GAO has been primarily the compliance type, that is, examining the financial accounting records and related documents together with limited effort in the procurement and contracting areas.

Under present on-site audit procedures all vouchers, contracts, schedules, accounts current or statements of transactions, and other supporting documents are kept at NSA or designated records storage sites for audit purposes. This is primarily for security reasons because the majority of the documentation is of classified nature and not for ready publication.

The ready accessibility of the GAO representative(s) to NSA officials provides for frequent discussions and ready "on the spot" resolution of questionable entitlement claims provides for early detection of over or under payments thereby enabling NSA to take appropriate action. Generally, these matters and other queries relating to the functions of NSA are handled between GAO representative(s) and cognizant NSA officials on an informal basis primarily because of agency controls and provisions of law to safeguard the sensitive activities of the NSA.

The provisions of Public Law 86–36, approved May 1959 enables NSA to function without disclosure of information which would endanger the accomplishments of its missions. Section 6 thereof provides that no law shall be construed to require the disclosure by the organization or any function of the NSA of any information with respect to the activities thereof. We believe that this section should not be construed as prohibiting GAO access on a confidential basis but only as prohibiting disclosure of its findings to the public at large. Consequently, no formal report disclosing the results of our continuing examinations of the agency activities has been published. To date, informal discussions with officials outside of NSA have been held with only those GAO personnel, at the director level or higher, having the proper clearance and the need-to-know concerning the various sensitive activities of this agency.

Discussions were held in latter 1973 and early 1974 with top-level NSA officials about GAO expanding its examinations by performing management-type reviews of the significant aspects of the agency's operations as well as the compliance type financial audits and certain assist work for other GAO divisions that we have been engaged in up to the present. Although it was concluded that the expansion was feasible, performance of reviews in some functions would be limited from a practical viewpoint, based upon applicable laws, regulations, and controls governing the cryptologic functions of NSA.

Furthermore, it was very evident that any work involving NSA operations would require, without exception, the special clearance for each GAO staff member assigned responsibility for this type of work. This can be a problem because (1) the clearance is expensive, (2) requires at least 6 or more months to complete, (3) for certain operations higher level clearances might be necessary, and (4) the results of the work performed would be highly classified and severely limited in distribution.

Since discussions in latter 1973, arrangements have been made with NSA to have eight additional staff members obtain the necessary clearances. This will provide ten staff members with this type clearance. To date seven have been cleared. We have been advised that the required clearance for work at NSA will generally be acceptable for performing similar work at other organizations (other than the CIA) within the intelligence community. We plan for fiscal year 1975 preliminary review efforts of NSA's automatic data processing functions.

As indicated by the foregoing, we have had some serious difficulties in obtaining information from and about the intelligence community. Sometimes the community has cooperated to the extent of providing us with the requested information but we have been unable to verify it independently. The problem of obtaining proper security clearances is a major obstacle to our work. Hence, for example, while many of our staff have clearances for "Top Secret" defense data and "Atomic Energy Restricted" data, these are not considered sufficient for access to all intelligence data. In each case the "need-to-know" test is applied and the deeper we have tried to delve into the workings of the intelligence community, the more difficult the test becomes. We have been told that within the Defense intelligence community there would be over 100 separate clearances involved if one person were to gain access to the entire community. The time it takes to obtain clearances varies but it is at best a slow process. Also, as indicated, there is a question as to whether we could get enough staff members cleared to do a thorough job on a timely basis.

From prior experience, it is our view that a strong endorsement by the congressional oversight committees will be necessary to open the doors to intelligence data wide enough to enable us to perform any really meaningful reviews of intelligence activities.

We trust the above has been responsive to your inquiry.

Sincerely yours,

R. F. KELLER,
Acting Comptroller General
of the United States.

S. 653

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Budget and Accounting Act, 1921 (31 U.S.C. 411 *et seq.*) is amended by adding at the end thereof the following new section:

SEC. 320. (a) Notwithstanding the provisions of section 8(b) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 408j(b)) or of any other provision of law, the accounts and operations of each intelligence agency of the Government shall be audited pursuant to the provisions of this section and under such rules and regulations as may be prescribed by the Comptroller General. For purposes of this subsection, the term 'intelligence agency' means the Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, the Intelligence and Research Bureau of the Department of State, and the intelligence components of the Department of the Treasury, the Department of the Army, the Department of the Navy, the Department of the Air Force, the Energy Research and Development Administration, and the Federal Bureau of Investigation. Such term also includes any successor agency or component to any of the agencies or components named in the preceding sentence.

"(b) The Comptroller General shall arrange for security clearances of such officers and employees of the General Accounting Office as may be necessary to carry out the provisions of this subsection, and the intelligence agencies shall give the highest priority to processing such clearances.

"(c) The head of each intelligence agency shall cooperate with the Comptroller General and the officers and employees assigned by him in carrying out the provisions of this subsection.

"(d) At the request of any committee of the Senate or the House of Representatives, or any joint committee of the Congress, which has legislative jurisdiction over any intelligence agency or the appropriation of funds therefor, or of any subcommittee of any such committee or joint committee to which such jurisdiction has been delegated by such committee or joint committee, the Comptroller General shall (A) submit to such committee, joint committee, or subcommittee a report of any audit of the accounts and operations of such intelligence agency conducted pursuant to this subsection, and (B) conduct an audit pursuant to this subsection of such accounts and operations of such intelligence agency as may be requested and submit a report thereon to such committee, joint committee, or subcommittee."

By Mr. NELSON (for himself and Mr. HASKELL):

S. 654. A bill to provide for minimum energy conservation fuel economy performance standards, and for other purposes. Referred to the Committee on Commerce.

Mr. NELSON. Mr. President, never in our history has our Nation been confronted, as it is today, with the intertwined crises of energy and economy. Our ravenous appetite for energy and our wastfeul habits have made us dependent on highly priced, artificially controlled foreign oil. This dependence for about 40 percent of the oil we consume each day is draining the economic life out of this Nation. It has caused the most massive and widespread dislocations in our economy since the Depression. Yet, we are consuming more oil today than we used before the embargo despite its more than 150 percent increase in price.

Last year American consumers sent $24.2 billion to foreign oil producers to support the Nation's energy habit. Less than half that amount came back in terms of foreign investments. This unprecedented and alarming outflow of dollars was a major contributor to the country's 1974 $3 billion balance of trade deficit. The greater the demand—the greater the imports—the greater the economic problems. We continue to support and feed a petrochemical monster more frightening than Frankenstein.

The sudden and severe increase in the price of oil has created domestic inflation and recession and directly threatens the world with economic depression, chaos and panic. As elected decisionmakers who must deal with the complexities of energy, inflation, and rescession, we have no other reasonable and responsible choice except to cut our energy consumption. We must reduce annual energy growth in half.

The time has come for decisive bipartisan action. We have talked, discussed, and debated enough.

Approximately 20 percent of all the petroleum this Nation consumed in 1973 was used to fuel our cars, over 77.6 billion gallons a year. One step we must now take to counter the effects that petroleum prices have on our economy is to reduce the amount of gasoline consumed by our automobiles by increasing fuel economy.

As a matter of national policy we must establish minimum energy conservation fuel economy performance standards for cars to achieve the highest practicable improvement in fuel economy at the earliest possible date.

On January 30, 1975, the Senate Democratic Caucus went on record supporting the concept of requiring fuel-economy improvement. The caucus directed the appropriate committees and subcommittees to expedite consideration of legislation that implements the policy of automobile fuel-economy improvement.

I am introducing a bill that establishes minimum fuel economy standards. This bill, the National Energy Conservation Fuel Economy Performance Standards Act of 1975, mandates a 57 percent improvement in fuel economy by 1980, and a 75 percent improvement by 1985. These standards are practicable and achievable and if enacted into law will have a dramatic impact on the nation's economy. This bill is only a first step toward establishing a national energy policy, but it is an absolutely essential one.

Under this proposal a firm could continue to manufacture a mix of cars including large sedans and station wagons so long as the average of all models produced accomplish 25 miles per gallon by 1985.

If every car now on the road met the minimum fuel economy performance standards for 1980 established by this act:

First. This Nation could reduce its oil consumption by 672 million barrels a year, 1.84 million barrels a day.

Second. It would reduce gasoline consumption by 28.2 billion gallons a year, over 36 percent.

Third. At an average price of 50 cents per gallon for gasoline, such a standard would save consumers $14 billion a year.

Fourth. It would cut our imports by 30 percent and reduce the flow of dollars out of the country by $7.2 billion a year, approximately $20 million a day.

The U.S. Environmental Protection Agency and the Department of Transportation have released a study that states the technology to achieve these standards is technologically reasonable and available. The technology and design changes can be phased in over the next few years, gradually increasing fuel economy while reducing our dependence on foreign imports. The industry would:

First, install radial tires on all new cars. This action would reduce gasoline consumption by 2.5 percent.

Second, reduce aerodynamic drag by 10 percent saving another 1.5 percent.

Third, install a more fuel-efficient engine that would yield 25 percent better fuel economy, and

Fourth, reintroduce a fourth gear on automatic transmissions, overdrive. This would save another 4 percent.

In addition, the automobile manufacturers would have to shift the model types and numbers of cars they produce. On a percentage basis, the industry produced during 1974 27 percent large cars, 45 percent middle-sized cars, and 28 percent small-sized cars. To achieve the mandated standards the industry would have to adjust their sales mix to: 10 percent large cars, 44 percent middle-sized cars, and 46 percent small cars.

Section 204(a)(2) of this bill establishes a standard of 24.5 miles per gallon by 1985, a 75-percent improvement in automobile fuel economy. If all cars on the road today averaged 25 miles per gallon:

First. Auto use of gasoline would be reduced 40 percent over current levels, a savings of 31 billion gallons a year, over 2 million barrels a day.

Second. Consumers would save approximately $15.5 billion a year.

Third. The flow of dollars would be reduced by $8.3 billion a year.

Fourth. We would save the equivalent of the output of 1¼ Alaska pipelines.

Our next object to reach as soon as practicable must be to double gasoline mileage, to achieve 30 miles per gallon. This accomplishment would have the dramatic consequence of:

First. Reducing auto gasoline consumption by 50 percent over current levels, a saving of 38.8 billion gallons a year, over 2.5 million barrels a day.

Second. Consumers would save an estimated $19.4 billion a year.

Third. We would reduce the flow of dollars out of the country by over $10.3 billion a year.

Fourth. This is the equivalent of 1.5 Alaska pipelines, or 42 percent of our current imports.

We cannot afford delays in establishing a national energy conservation program. The need to act is too great, the result of inaction too disastrous. We must act now.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Energy Conservation Fuel Economy Performance Standards Act of 1975."

TITLE I—STATEMENT OF FINDINGS AND PURPOSES

SEC. 101. The Congress hereby finds and declares that—

(1) the Nation will face a shortage of domestically produced energy at least for the decade following enactment of this Act;

(2) almost twenty-nine per centum of the petroleum consumed by this country in 1973 was used to fuel passenger motor vehicles;

(3) this Nation consumed over seventy-seven billion gallons of gasoline during 1973;

(4) the Nation's well-being requires the establishment of a mandatory fuel economy automobile performance standard to achieve the highest practicable improvement in fuel economy at the earliest possible date.

TITLE II—AUTOMOBILE FUEL EFFICIENCY

DEFINITIONS

SEC. 202. (a) For the purposes of this title, the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "Manufacturer" means any person engaged in the manufacturing or assembling of new passenger motor vehicles, or importing new passenger motor vehicles for resale;

(3) "passenger motor vehicle" means a four-wheeled vehicle propelled by fuel which is used and is manufactured primarily for use on streets, roads, avenues, and highways. The term includes a light duty truck rated at six thousand pounds gross vehicle weight or less.

(4) "fuel" means gasoline or diesel oil;

(5) "fuel economy" means the average number of miles traveled in representative driving conditions by a passenger motor vehicle per gallon of fuel consumed to the nearest tenth of a mile, as determined by the Administrator in accordance with test procedures established by him by rule which are consistent with the Clean Air Act, as amended (42 U.S.C. 1857 F–5);

(6) "average fuel economy" refers to a harmonic average of fuel economy weighted on the basis of passenger motor vehicles produced. As used in this paragraph, "harmonic average of fuel economy weighted on the basis of passenger motor vehicles produced" refers to the total number of passenger motor vehicles produced in a given model year by a manufacturer and its affiliates, divided by the sum of terms, each term of which is a fraction created by dividing the number of passenger motor vehicles of a given model type produced in a given model year by the fuel economy measured for each particular model type rounded to the nearest tenth of a mile per gallon, as determined by the Administrator;

(7) "model type" refers to a particular class or classes of passenger motor vehicles as determined by the Administrator;

(8) "model year" refers, with reference to any specific calendar year, to the manufacturer's annual production period (as determined by the Administrator) which includes January 1 of such calendar year. If the manufacturer has no annual production period, the term "model year" shall mean the calendar year. For the purpose of assuring passenger motor vehicles manufactured before the beginning of a model year were not manufactured for the purposes of circumventing the effective date of a standard under Section 303(a), the Administrator may proscribe by regulation definitions of "model year" otherwise than provided above.

TESTING AND LABELING

Sec. 203. (a) On an annual basis, the Administrator shall determine and publish for the benefit of consumers, information with respect to passenger motor vehicle fuel efficiency.

(b) Beginning no later than 90 days after the enactment of this title, each manufacturer shall cause to be affixed and each dealer thereof shall cause to be maintained on each new passenger motor vehicle, in a prominent place, a sticker indicating the minimum fuel economy as determined by the Administrator for such passenger motor vehicle, and the estimated average annual fuel costs associated with the operation of such passenger motor vehicle. The form and content of such sticker shall be determined by the Federal Trade Commission, pursuant to section 553 of title 5, United States Code.

(c) The Federal Trade Commission shall by rule, pursuant to section 553 of title 5, United States Code, direct that the information regarding fuel economy and average annual fuel costs, required under subsection (c) of this section, be displayed in a conspicuous part of any advertisement for new passenger motor vehicles which refers to purchase price or acquisition cost of such passenger motor vehicle.

PERFORMANCE STANDARDS

Sec. 204(a)(1) The Administrator shall prescribe (and from time to time revise) in accordance with the provisions of this section minimum fuel-economy performance standards for any class or classes of new passenger motor vehicles for model year 1977 and each model year thereafter.

(2) Regulations prescribed by the Administrator under this section shall be designed to achieve the maximum fuel-economy which he determines is practicable and feasible; *provided* that, the fuel-economy standard for model year 1980 shall not be less than 22.0 miles per gallon, and, the standard for model year 1985 shall not be less than 24.5 miles per gallon. The Administrator shall not prescribe fuel-economy standards for a manufacturer for any model year which is less stringent than the fuel-economy standards applicable to such manufacturer in the preceding model year.

(3) In determining standards under this section the Administrator shall take into account the available technology, and the period of time necessary to permit the development and application of the requisite technology, giving appropriate consideration to: the cost of compliance, the economic impact of compliance, the natural resource impact of compliance, and the impact on regulations applicable to the emission of air pollutants from any class or classes of new passenger motor vehicles or new passenger motor vehicle engines established under Title II of the Clean Air Act, any applicable safety standards, and other aspects affecting the public health and welfare.

(4)(i) The Administrator shall initially promulgate standards for the model years 1977 and each model year through 1985, inclusive, no later than 270 days after the date of enactment of this Act.

(ii) The Administrator shall initially promulgate standards for the model year 1986 and each model year through 2000, inclusive, no later than January 1, 1983.

(b)(1) Each manufacturer of new passenger motor vehicles shall comply with the minimum fuel-economy standard for the applicable model year.

(2) The Administrator shall prescribe (and from time to time revise) procedures by which compliance with the standards prescribed under subsection (a) of this section are determined. Such regulations shall contain testing procedures necessary to assure compliance with the provisions of this section and requirements respecting instructions of the manufacturer for maintenance, use, or repair of the passenger motor vehicle.

(3) If the Administrator determines that the average fuel-economy of any class of new passenger motor vehicles offered for sale by a manufacturer during any model year fails to meet the standards established under subsection (a) of this section with respect to such class, such manufacturer shall be in violation of such standard and shall be subject to the provisions of section 208.

(4) The Administrator may require manufacturers of new passenger motor vehicles and new motor vehicle engines to submit in such form, in such manner, and at such time as he may require, information and data as to sales and fuel economy of new passenger motor vehicles and new passenger motor vehicle engines, and such other information and data that he may require to ascertain compliance with the requirements of this title.

ENFORCEMENT

Sec. 205 (a)(1) Whenever the Administrator determines in accordance with regulations that a model type of new passenger motor vehicles, manufactured, or proposed to be manufactured, fails or will fail to achieve the fuel economy reported by the manufacturer for purposes of determining the average fuel economy for all new passenger motor vehicles anticipated to be sold by the manufacturer during the model year; or if the Administrator determines that the sales for any model type are or will be substantially different than those reported by the manufacturer for the purposes of determining the average fuel economy for all new passenger motor vehicles anticipated to be sold by the manufacturer during the model year, he shall inform the manufacturer of such determination and shall recommend to the manufacturer that corrective action as the Administrator determines may be necessary to achieve the standards established under section 204. Such corrective action may include requirements to curtail or suspend sales of model types the fuel economy of which falls below the average fuel economy standard under section 204.

(2) If the manufacturer fails to take corrective action necessary to achieve compliance with section 204 within the time determined by the Administrator, the Administrator may order the curtailment or suspension of sales of any model types manufactured by such manufacturer until such time as the manufacturer demonstrates to the satisfaction of the Administrator that it will meet the standards under section 204.

(3) If the manufacturer fails to comply with an order issued by the Administrator within the time required by such order, the Administrator may commence a civil action for appropriate relief, including permanent or temporary injunction. Any such action brought under this section may be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business. Such court shall have jurisdiction to restrain violation of the Administrator's order and to compel compliance.

DUTIES AND POWERS OF THE ADMINISTRATOR

Sec. 205(a) General.—(1) For the purpose of carrying out the provisions of this title, the Administrator may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Administrator deem advisable. The Administrator shall at all reasonable times have access to, and for the purpose of examination, the right to copy any documentary evidence of any person having materials or information relevant to any function of the Administrator under this title. The Administrator is authorized to require, by general or special orders, any person to file, in such form as the Administrator may prescribe, reports or answers in writing to specific questions relating to any function of the Administrator under this title. Such reports and answers shall be made under oath or otherwise, and shall be filed wtih the Administrator within such reasonable period as he may prescribe.

(2) The district courts of the United States for a judicial district in the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a duly authorized subpoena or order of the Administrator, issued under paragraph (1) of this subsection, issue an order requiring compliance wtih such subpoena or order. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

(3) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

"(b) Inspection.—(1) Every manufacturer of passenger motor vehicles shall establish and maintain such records, make such reports, conduct such tests, and provide such items and information as the Administrator may reasonably require to enable the Administrator to carry out their duties under this title and under any rules or regulations promulgated pursuant to this title. Such manufacturer shall, upon request of a duly designated agent of the Administrator, permit such agent to inspect finished automobiles and appropriate books, papers, records, and documents. Such manufacturer shall make available all of such items and information in accordance with such reasonable rules as the Administrator may prescribe.

"(2) The dictrict courts of the United States for a judicial district in which an inspection is carried out or requested may, if a manufacturer of automobiles refuses to accede to any reasonable requirement or request, issued or made under paragraph (1) of this subsection, issue an order requiring compliance with such requirement or request. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

"(c) PUBLIC DISCLOSURE OF INFORMATION.—The Administrator shall disclose so much of any information obtained under this title to the public as he determines may assist in carrying out the purposes of this title, except that any information which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, which if disclosed would result in significant competitive damage, shall not be disclosed to the public (other than to officers or employees concerned with carrying out this title), unless such information is relevant to any proceeding under this title. Nothing in this subsection shall authorize the withholding of information by the Administrator or any officer or employee under their control from any duly authorized committee of the Congress.

"(d) REPRESENTATION.—Notwithstanding any other provision of law, in any action under this title, the Administrator may direct attorneys employed by him or her to appear and represent him or her.

PROHIBITED CONDUCT

"SEC. 207. The following conduct is prohibited:

"(1) the failure to comply with any provision of this title or any standard, rule, regulation, or order issued pursuant to this title;

"(2) the failure to provide information as required in accordance with this title;

"(3) the failure to permit inspection pursuant to this title; and

"(4) the failure to comply with any labeling and advertising requirement mandated or authorized under section 203 of this title.

CIVIL PENALTY

"SEC. 208. (a) AMOUNT.—(1) Any manufacturer who is determined by the Administrator, in a proceeding in accordance with section 554 of title 5, the United States Code, to have failed to comply with the requirements of section 204 of this title shall be liable to the United States for a civil penalty of not less than $50 and not more than $100 for each mile per gallon by which the average fuel economy of the passenger motor vehicles manufactured or imported by such manufacturer during the same model year falls short of the applicable minimum fuel economy performance standard established under section 204 of this title multiplied by the total number of passenger motor vehicles manufactured or imported by such manufacturer during such model year. Fractional miles per gallon deviations from an applicable standard shall be penalized on the basis of the $50 to $100 civil penalty multiplied by the fraction.

(2) Any person who is determined by the Administrator to have violated a provision of section 207 of this title shall be liable to the United States for a civil penalty of not more than $10,000 for each violation; each day of a continuing violation is a separate violation.

(3) The amount of such civil penalty shall be assessed by the Administrator by written notice. The Administrator may, at his discretion, compromise, modify, or remit, with or without conditions, any such civil penalty only to the extent necessary to prevent the insolvency or bankruptcy of a manufacturer or the substantial lessening of competition within the automobile industry.

"(b) PROCEDURE.—(1) Any person against whom a civil penalty is assessed under this section may obtain review in the appropriate court of appeals of the United States by filing a notice of appeal in such court within 30 days after the date of such order and by simultaneously sending a copy of such notice by certified mail to the Administrator. The Administrator shall promptly file in such court a certified copy of the record upon which failure to comply or violation was found and such penalty imposed. The determinations of the Administrator shall be set aside if found to be unsupported by substantial evidence, as provided by section 706 (2)(e) of title 5, United States Code.

"(2) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator, the Administrator (or, at his or her request, the Attorney General) shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

AUTHORIZATION OF APPROPRIATIONS

SEC. 209. There is authorized to be appropriated to the Administrator for carrying out the provisions of this title such sums as are necessary, not to exceed $3,000,000 for the fiscal year ending September 30, 1976 and not to exceed $2,000,000 annually for the fiscal years ending September 30, 1981.

By Mr. SPARKMAN (for himself and Mr. TOWER):

S. 655. A bill to amend title III of the National Housing Act to authorize a temporary program to afford mortgagors additional opportunities to cure home mortgage defaults. Referred to the Committee on Banking, Housing, and Urban Affairs.

HOME RETENTION ACT OF 1975

Mr. SPARKMAN. Mr. President, I introduce a bill to amend title III of the National Housing Act to authorize a temporary program to afford mortgagors additional opportunities to cure home mortgage defaults. My bill is entitled the "Home Retention Act of 1975."

This bill would be of benefit to those homeowners, who because of economic conditions over which they have no control face the loss of their home through foreclosure. Very generally, the measure would authorize the Government National Mortgage Association—GNMA—to purchase mortgages with outstanding balances not to exceed $45,000 of homeowners who face foreclosure. The bill authorizes the GNMA to "work with" the homeowners by first, refinancing the entire amount of the mortgage to bring the monthly installments on the mortgage within a range the homeowner can afford to pay, or second, to suspend the mortgage payments for a period of time in order to let the homeowner readjust his economic situation so that he can make his mortgage payments. In the case of the latter, the homeowner may be required to make a baloon payment at the end of the mortgage term, or he may increase his monthly mortgage payments over the remaining life of the mortgage to "catch up" the payments which were deferred during the suspension. Once the homeowner and the GNMA have reached an agreement for "curing" the default, the GNMA could then sell the mortgage back into regular mortgage market channels.

The GNMA is presently the arm of the Federal Government that lends support to the mortgage market by purchasing special categories of mortgages originated under various Federal housing, VA, and conventional programs. These are usually mortgages in which regular mortgage investors do not wish to invest because the mortgage secures housing built under new programs which have not been tried or proven, or under programs with special interest rates or terms, which at the time of origination, are unpopular with mortgage investors. Once the new program proves unsuccessful—that is, the mortgage has a chance to cure under GNMA ownership—they become popular with mortgage investors and are sold off by GNMA. My bill simply takes the present function of the GNMA one step further to let that agency deal directly with the homeowner in order to save his home in the event he faces foreclosure because of some economic circumstance over which he has no control.

It might be argued that there is no need for this type of legislation presently. The latest figures compiled on mortgage delinquencies and defaults do not show any upward turn. However, we all know that over the last several months unemployment has been on the rise. Last week it was announced that unemployment figures for January 1975 reached 8.2 percent, the highest in many years, and we are told this situation will get worse before it turns better. At this time, also, many of the unemployed still have certain unemployment benefits flowing to them and are able to meet some of their commitments with these benefits. If unemployment deepens, as some predict, and unemployment benefits come to an end, there is a real question as to what will happen to mortgage delinquencies and defaults.

Mr. President, we have an excellent opportunity now to lock the barn door before the mule gets out. Early consideration and enactment of my bill will give us the tool we need to help American homeowners retain their homes if the situation comes to that.

I ask unanimous consent that the text of my bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 655

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Home Retention Act of 1975".

SEC. 2. Title III of the National Housing Act is amended by adding at the end thereof the following new section:

"EMERGENCY AUTHORITY FOR CURING DEFAULTS

"SEC. 314. (a) Whenever the Secretary finds, because of economic conditions or other factors, that substantial numbers of homeowners could benefit from the assistance available under the authority conferred by this section, he shall direct the Association to exercise the authority conferred by this section with respect to mortgages which meet the requirements of this section.

"(b) Upon being directed by the Secretary to exercise its authority under this section, the Association is authorized to acquire from mortgagees approved by it any mortgage which covers a one- to four-family residence (including a unit in cooperative or condominium project) and which involves an outstanding balance of not to exceed $45,000 ($55,000 in the case of a residence located in Alaska, Hawaii, or Guam), upon a determination by the Association that the assistance available under this section will enable the mortgagor under such mortgage to avoid a default or to cure a default before foreclosure without exposing the Association to an excessive risk of loss.

Prior to acquiring any mortgage under this section, the Association shall by appraisal establish a fair market value of the property. The price, which the Association may pay for such acquisition shall not exceed the lesser of (1) the fair market value of the property or (2) the unpaid principal balance, unpaid interest to the date of acquisition, and amounts theretofore advanced by the mortgagee for the protection of its lien or the property.

"(c) The Association shall furnish such counseling or other advice or assistance to the mortgagor as it determines to be appropriate. If the Association determines that such action is necessary it may—

"(1) refinance the entire amount of the mortgage, together with such expenses incurred in acquiring and refinancing the mortgage it deems appropriate, in order to reduce the monthly debt service payment, and may include in such refinancing such cash advances to the mortgagor as it may deem appropriate to assist the mortgagor's financial rehabilitation, except that the total amount refinanced may not exceed the lesser of $45,000 ($55,000 in Alaska, Hawaii, or Guam) or the fair market value of the property;

(2) suspend the mortgagor's obligation to pay under the mortgage for such period of time, but not to exceed 24 months, as the Association determines to be necessary to enable the mortgagor to retain the property while securing employment; and

"(3) recast the entire amount of the mortgage debt over the remaining term thereof (with or without a balloon payment at the end of such term), or over a longer term which does not exceed 75 percent of the Association's estimate of the remaining economic life of the property. Any mortgage acquired, and any other extension of credit by, the Association under this subsection shall bear interest at a rate determined by the Association to be adequate to cover the cost of funds borrowed under subsection (d) and administrative costs incurred by the Association under this section.

"(d) The Association may issue to the Secretary of the Treasury its obligations in an amount outstanding at any one time sufficient to enable the Association to carry out its functions under this section. Each such obligation shall mature at such time and be redeemable at the option of the Association in such manner as may be determined by the Association, and shall bear interest at a rate to be determined by the Secretary of the Treasury, taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the obligation of the Association. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Association issued under this section, and for such purposes the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchase of the Association's obligations hereunder.

"(e)(1) The Association is authorized to guarantee securities based on pools or trusts of the mortgages acquired by the Association under this section as provided in section 306 (g) of this Act with respect to federally insured or guaranteed mortgages and to act as issuer of such guaranteed securities. The Association shall possess with respect to securities under this section all the powers it possesses with respect to securities guaranteed under such section 306(g), and the provisions of such section shall apply to guarantees under this section, except that such section shall not be deemed to prohibit the Secretary from guaranteeing payment of only a part of the principal and interest on securities issued under the provisions of this section.

"(2) The Association may offer and sell any securities guaranteed under this subsection to the Federal Financing Bank, and such Bank is authorized to purchase any securities so offered. The Association may also offer and sell any securities guaranteed under this subsection to any Federal Reserve Bank. The proceeds from the sale of such securities when issued by the Association shall be treated in the accounts in the same manner as if such proceeds were from the sale of the underlying mortgages.

"(f) The Secretary is authorized during any period when the Association holds a mortgage acquired under this section and which is insured under the National Housing Act to waive the requirement for payment of any mortgage insurance premium under such Act.

"(g) The Association is authorized to enter into such contracts and other arrangements and to pay for such services as may be necessary to carry out its functions under this section without regard to any limitation on administrative expenses heretofore enacted.

"(h) The authority conferred by subsection (b) may not be exercised after the expiration of 2 years following the date of enactment of the Home Retention Act of 1975."

By Mr. HUMPHREY (for himself, Mr. HATFIELD, Mr. MONDALE, Mr. TUNNEY, and Mr. MCGEE):

S. 658. A bill to prevent famine by increasing world food production through the development of land-grant-type universities in agriculturally developing nations. Referred to the Committee on Foreign Relations, by unanimous consent.

LAND-GRANT UNIVERSITIES ENLISTED TO INCREASE FOOD PRODUCTION

Mr. HUMPHREY. Mr. President, I am today introducing legislation to address the long-term food needs of the developing world.

As I have indicated before, the food crisis has short- and long-term dimensions. While we should be prepared to be as helpful as possible in providing food aid to address the short-term problem, the major focus must be on the longer range problem of increasing agricultural production.

We have 69 land-grant universities in the United States which represent a unique resource. These institutions have played a vital role in this country in conducting research and carrying out extension programs.

The record of American agriculture in producing food and fiber for this Nation and the world is one which is unparalleled anywhere.

In the past 20 years, these land-grant institutions helped establish nine new land-grant-type universities overseas at a cost of only $42 million.

This bill authorizes a maximum of $150 million a year in order to expand this program to capitalize on the capabilities and experience of these institutions.

In many countries the Green Revolution has ground to a halt. There is a whole second generation of new problems relating to newer seed varieties, plant diseases, irrigation methods, credit pesticides which must be addressed.

The sophisticated talent and experience which these institutions can provide are needed to make a further step forward. New indigenous institutions are needed so that national research scientists, teachers, economists and agromists can be trained, to address the agricultural problems of the developing nations.

In the long run, the food crisis must be solved by each individual nation. Establishing this capability in the developing countries—and especially the food deficit nations—will go a long way in meeting the food crisis.

The recent energy and fertilizer shortages, as well as erratic weather, have all served to set back agricultural production. This proposed program would new start in expanding food production.

This bill has been introduced in the House by Representative FINDLEY with 70 cosponsors in that body. I am pleased to announce that Senators HATFIELD, MONDALE, TUNNEY, and MCGEE have joined in sponsoring the Senate legislation.

I am hopeful that this body will give serious consideration to this measure.

Mr. President, I ask unanimous consent that this bill be referred to the Foreign Relations Committee.

I also ask unanimous consent that the text of my bill—to prevent famine by increasing world food production through the development of land-grant type universities in agriculturally developing nations—be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 658

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress declares that, in order to prevent famine and establish freedom from hunger, the United States should help increase world food production by strengthening land-grant universities in the United States to enable them to assist and cooperate in developing and improving land-grant type universities in agriculturally developing nations.

The Congress so declares because it finds:

(1) that the establishment, endowment, and continuing support of land-grant universities in the United States by federal, state and county governments has led to agricultural progress in this country;

(2) that land-grant universities in the United States, through two decades of experience, have demonstrated their ability to cooperate with other nations in expanding indigenous food production, while continuing effective support of U.S. food production for both domestic and international markets; and

(3) that land-grant universities in the United States need a stable source of financial assistance from the federal government

in order to expand, or in many cases continue, their cooperative efforts with other nations.

SEC. 2. DEFINITIONS.—As used in this Act—

(a) The term "land-grant universities" means those colleges or universities in each state, territory or possession, or the District of Columbia now receiving, or which may hereafter receive, benefits under the Act of July 2, 1862 (known as the First Morrill Act) or the Act of August 30, 1890 (known as the Second Morrill Act).

(b) The term "land-grant type university" means a school of higher education in a foreign country which:

(1) conducts classroom teaching programs in agriculture, animal sciences, and vocational and domestic arts appropriate to local needs;

(2) either conducts or cooperates in programs of extension work, through which knowledge concerning food production is made available directly to farmers and farm families;

(3) either conducts or cooperates in carrying out agricultural research; and

(4) is organized to encourage the interaction among teaching, research and extension work through adaptation of land-grant principles to the local characteristics and needs.

SEC. 3. FINANCIAL ASSISTANCE TO LAND-GRANT UNIVERSITIES IN THE UNITED STATES.—(a) The President is authorized to provide financial assistance to land-grant universities under appropriate memoranda of understanding, to enable them to:

(1) Strengthen their capabilities in teaching, research and extension work relating to food production, processing, distribution and consumption in agriculturally developing nations;

(2) Develop a proposal for an agreement with an agriculturally developing nation, or university in such nation, to carry out one or more of the programs specified in paragraph (3) of this subsection; and

(3) Enter into and carry out cooperative agreements with agriculturally developing nations or universities in such nations, for the conduct of one or more of the following programs designed to aid in the development of land-grant type universities in the cooperating nation:

(A) cooperation in developing capacity in the university in the cooperating nation for classroom teaching in agriculture, animal sciences, or vocational and domestic arts appropriate to local needs;

(B) cooperation in agricultural research to be conducted in the cooperating nation, at an international agricultural research center, or in the United States as a means of enriching the teaching process, providing knowledge and information useful to either university or nation, or promoting increased efficiency in the production, marketing, distribution, or utilization of food commodities in either nation;

(C) cooperation in the planning, initiation and development of extension services, through which information concerning agriculture and related subject is made available directly to farmers and farm families in the agriculturally developing nations by means of education and demonstrations; and

(D) cooperation in the exchange of educators, scientists and students between the two nations for the purpose of assisting in the successful development of the university in the cooperating nation.

(b) The President shall determine which foreign nations are agriculturally developing. He shall establish and maintain a list of agriculturally developing nations which express an interest in establishing or developing land-grant type universities and shall periodically circulate this information to all land-grant universities in the United States.

(c) The President shall also solicit from land-grant universities with which he has entered into a memorandum of understanding pursuant to section 4 of this Act proposals for agreements between such universities and agriculturally developing nations or universities in such nations.

SEC. 4. UNDERSTANDINGS AND AGREEMENTS.—(a) To be eligible to receive financial assistance under this Act, a land-grant university must enter into a memorandum of understanding with the President. The President shall submit each proposed memorandum of understanding to the International Land-Grant University Advisory Board for its review and evaluation before entering into such memorandum. The memorandum of understanding with regard to each land-grant university shall contain such terms and conditions as may be agreed upon but at a minimum shall contain the following:

(1) a provision that an official of the land-grant university shall be designated to be responsible for the programs carried out by such university under this Act;

(2) the terms under which the land-grant university may obligate and expend funds for the formulation and execution of proposals relating to the establishment or development, or both, of a land-grant type university in an agriculturally developing nation, including terms under which subcontracting with other United States institutions or agencies may occur; and

(3) a requirement that the land-grant university shall submit an annual report to the President, which report shall include a statement of the activities carried out by such university pursuant to the memorandum of understanding during the preceding 12 months and a projection of all such activities, if any, that it may contemplate during each of the next ten years.

(b)(1) Before entering into an agreement with an agriculturally developing nation or university in such nation, a land-grant university shall submit the proposed agreement to the President for approval. Before approving a proposed agreement the President shall submit it to the International Land-Grant University Adivsory Board for review and evaluation.

(2) Each agreement between a land-grant university and an agriculturally developing nation or university in such nation shall set forth the level, character and duration of the obligations that the land-grant university and the cooperating nation or university in such nation agree to assume, and shall include provisions to insure that the university in the cooperating nation is a land-grant type university as defined in section 2(b) of this Act.

SEC. 5. INTERNATIONAL LAND-GRANT UNIVERSITY ADVISORY BOARD.—(a) To assist in the administration of the program authorized in section 3 of this Act, the President shall establish an International Land-Grant University Advisory Board to be composed of four representatives from the federal government, one of whom shall be designated by the Secretary of Agriculture, and four representatives from the land-grant universities in the United States. The Board shall remain in existence indefinitely.

(b) The duties of the International Land-Grant University Advisory Board shall include, but not be limited to providing for:

(1) review and evaluation of memoranda of understanding between the President and land-grant universities, and each substantial amendment thereof;

(2) review and evaluation of proposals for agreements between land-grant universities and agriculturally developing nations or universities in such nations before final approval by the President;

(3) oversight of agreements and domestic activities authorized by this Act and undertaken by land-grant universities to assure compliance with the purposes of this Act; and

(4) recommendation to the President for the apportionment of funds to the President for administrative expenses and to land-grant universities which have entered into memoranda of understanding with the President pursuant to section 4 of this Act.

(c) In making recommendations pursuant to subsection (b)(4) of this section the International Land-Grant University Advisory Board shall consider all pertinent factors, including the following:

(1) the capacity of the land-grant university in the agricultural sciences;

(2) the capacity of the land-grant university to maintain an appropriate balance of teaching, research and extension functions;

(3) the capacity, experience and commitment of the land-grant university in international agricultural efforts; and

(4) the priority of the problems to be solved in the cooperating nation.

SEC. 6. WITHHOLDING OF FUNDS.—If the President determines that a land-grant university with which he has entered into a memorandum of understanding has failed to comply with the requirements of that memorandum or has failed to carry out the provisions of an agreement with an agriculturally developing nation or university in such nation, he may withhold any funds apportioned to or due such land-grant university.

SEC. 7. FUNDING.—(a) There are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act, but not to exceed $150 million in a fiscal year. Such sums are to remain available until expended.

(b) Funds authorized under this Act shall be in addition to any allotments or grants that may be made under other authorizations.

(c) Land-grant universities may accept and expend funds from other sources, public or private, in order to carry out the purposes of this Act. All such funds, both prospective and in hand, shall be periodically disclosed to the President, as he shall by regulation determine, but no less often than in each annual report.

SEC. 8. EXERCISE OF FUNCTIONS.—The President may exercise any functions conferred upon him by this Act through such agency or officer of the United States Government as he shall direct. The head of any agency or any officer to whom functions under this Act are delegated by the President may promulgate such rules and regulations as may be necessary to carry out such functions, and may delegate authority to perform any such functions, including, if he shall so specify, the authority successively to redelegate any of such functions to any of his subordinates.

By Mr. HUMPHREY:

S. 659. A bill to amend the Social Security Act to provide for improvements in the program relating to the diagnosis, screening, and referral of child health and maternal conditions established by title of such act. Referred to the Committee on Finance.

CHILD AND MATERNAL HEALTH CARE EXTENSION ACT

Mr. HUMPHREY. Mr. President, today I am introducing legislation which can signal the initiation of a new child and maternal health care policy for the United States. The Child and Maternal Health Care Extension Act of 1975 authorizes a decisive Federal response to the critical deficiencies in the availability and financing of early diagnosis, screening, and treatment of serious child and maternal health conditions in many areas of our Nation, and particularly among our lower-income families.

This bill, an extension of title V of the Social Security Act, establishes a program which would guarantee that all infants, children, and pregnant women, regardless of residence, income, or race will have equal access to medical diagnosis, screening, and comprehensive medical care. Our children are our investment in the future; they deserve effective health care.

DOCTOR SHORTAGE EMERGENCY

Currently, there are two major problems which affect primary health care to children—the number of medical personnel in this field, and a serious, nationwide maldistribution of those personnel.

Statistics presented in "Lengthening Shadows" by the American Academy of Pediatrics, and information published by the AMA in "The Distribution of Physicians in the United States, 1971," give us an idea of the severity of the problem. Although the national number of pediatricians increased during 1963–71, the loss of general practitioners, coupled with the 6-percent increase in population under 18 years of age, has resulted in a substantial decrease in the total number of effective primary child health care providers.

This is not the only problem hampering the provision of health services to children. There is also a serious nationwide maldistribution of doctors providing this care. According to statistics published by the AMA in the study previously cited, there are 133 counties, having a total population of nearly one-half million persons, which do not have a single, active physician; 1,600 additional counties, with a total population of at least 23 million persons, do not have an active, resident pediatrician.

While the medical professions have not agreed on the ideal number of primary health care providers per 100,000 children, these counties without a single pediatrician and only a small number of general practitioners are, by any standard, understaffed. There, children of all races, rich and poor alike, are denied a basic equality of access to the health care services available to children fortunate enough to reside elsewhere.

To improve this Nation's child health care program, the problems caused by the declining numbers as well as the maldistribution of primary child health care providers must be alleviated. Only by addressing these two basic problems can the infrequency of physician visits by large proportions of American children be reduced, and equal access to child health care be assured for all children, regardless of family income or residential location.

ONCE BASIC SOLUTION: MOBILE HEALTH CARE FACILITIES

The first substantive part of my bill, section 3, specifically confronts the problems of declining numbers and the maldistribution of primary child health care providers. And it addresses these critical needs through a new and very practical mechanism—the establishment of mobile health care facilities in physician-shortage counties across the Nation through grants to States under an expanded title V of the Social Security Act.

In every eligible county in the State there must be a mobile health care team in operation, including a pediatrician and more than one of the following: A pediatric nurse practioner, a registered nurse, a licensed practical nurse, a dietition, and a health assistant. Emphasis is also placed on the use of paraprofessionals and students in medicine and the allied health professions. And, the frequency and locations of mobile health team visits must be clearly spelled out in the State plan.

The key focus of mobile health care teamwork will be careful medical examinations of expectant mothers and children. These examinations must include the diagnosis of the following child health problems:

Child abuse and neglect;
Nutritional deficiencies;
Dental problems;
Emotional problems;
Visual and hearing defects;
Mental retardation and learning disorders;
Crippling and handicapping conditions; and
Catastrophic illness.

When these conditions are screened, the child must receive immediate treatment by the mobile health care team, and be referred to the nearest major facility which provides health care on an inpatient or outpatient basis. This referral must be followed up by a team assistant, to assure that the further required treatment was actually received.

Medical examinations by the mobile health care team are to be free to all children and expectant mothers. The costs of further treatment for lower-income families are to be covered under appropriate public health programs.

PEDIATRIC NURSE PRACTITIONERS

Another step in alleviating the shortage and maldistribution of primary child health care providers is to expand opportunities for education and service as pediatric nurse practitioners.

It is abundantly clear that from the perspectives of time and economy, greater use should be made of pediatric nurse practitioners. It takes less time and less money to train them than to train pediatricians who would provide an equivalent amount of service. According to a recent survey of pediatricians, more than 50 percent favored delegating to allied health workers, such as pediatric nurse practitioners, tasks such as immunization, providing instructions on child care and feeding, compiling the medical history of the patient and the patient's family, and providing certain medical advice.

These same pediatricians stated that the major obstacle to the greater use of allied health workers in pediatric practice was the lack of trained workers. While the Federal Government has provided some moneys for the training of pediatric nurse practitioners, much more needs to be done. To place more emphasis on this obvious educational need, section 4 of my bill would amend title V, section 511 of the Social Security Act to make grants to institutions of higher learning specifically for the training of pediatric nurse practitioners.

OVERCOMING THE COST BARRIER TO HEALTH CARE

The United States has a comparatively high infant mortality rate among the developed nations of the world.

The infant mortality rate varies considerably, however, among economic categories within the United States. One of the factors causing the high infant mortality rate, particularly among the poor, is the lack of pre- and postnatal medical care. The percentage of mothers who receive no prenatal care is 10 times greater among low-income white families than it is among white families earning more than $10,000; the discrepancy between these income categories is even greater when nonwhite families are considered.

Many of these mothers receiving no prenatal care would be able to receive a diagnosis and some medical assistance from the mobile health care units established under the provisions of the bill I am introducing today.

For those low-income mothers who are fortunate enough to receive prenatal care, most do not have any insurance covering medical costs and hospitalization during delivery or for subsequent treatment.

After birth, life-threatening, and catastrophic illness take a toll among our children and usually require large financial expenditures by the family in order to secure remedial medical care. Family medical insurance usually does not cover the considerable expense of treating a catastrophic or life-threatening illness.

If we are to guarantee that our children suffering from life-threatening and catastrophic illnesses will receive medical care—and not have such care denied by a family's low income—the Federal Government must begin to provide greater support for such care.

To achieve the goal of greater Federal Government support for the care of these child and maternal health conditions, section 6 of my bill would amend section 505(a)(7) of the Social Security Act to require that as a condition for receiving Federal allotments, State plans must provide for comprehensive health care and services for prematurely born infants and for full-term infants who have defects or conditions which are life-threatening or handicapping and which can be corrected or ameloriated.

This section also is amended to require that by fiscal 1980 State plans should provide for comprehensive health care and services to all children under 6 years of age whose health is threatened or had been impaired seriously by a major trauma, a life-threatening illness, or an illness of catastrophic nature.

Furthermore, section 7 of my bill would amend section 505(a) of the Social Security Act to add a new requirement that States shall have plans to provide comprehensive maternity and infant care for low-income families. This care would include prenatal care, care during and after childbirth, and related hospital services for mothers, and comprehensive medical care for infants during their first year of life.

EARLY DIAGNOSIS AND TREATMENT VITAL

Mr. President, it has become increasingly clear that the most serious need in promoting quality health care for mothers and children in America today is the early identification of health problems and their immediate treatment.

This point is driven home in a recent study of child health care in the Washington, D.C., area. It noted a high incidence of serious health problems, such as iron deficiency anemia, uncorrected vision defects, and hearing losses among children of upper-income neighborhoods as well as in low-income areas.

The conclusion of the study's director, Dr. David M. Kessner, is that—

> Either the children had not been screened by doctors, or that a thorough diagnosis had not been made after initial screening tests, or the children had not been properly treated after diagnosis.

I repeat, this conclusion applies to children of families in the upper-income brackets as well as to children of poor families. It is a conclusion that has been reached again and again in recent studies of child health problems across our Nation.

It is precisely the central intent of my bill to make early medical examination, diagnosis, screening, and immediate treatment readily accessible to expectant mothers, infants, and children, regardless of income or place of residence. I urge Congress to take action on this priority national program.

Mr. President, I ask unanimous consent that the text of the Child and Maternal Health Care Extension Act be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 659

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "'Child and Maternal Health Care Extension Act".

DECLARATION OF POLICY

SEC. 2. The Congress finds and declares that in order to reduce the infant mortality rate and generally improve the health of children—

(1) more emphasis must be placed upon alleviating the problems caused by the declining numbers and the maldistribution of primary child health care providers, and

(2) greater access to medical care for children must be provided in order to improve child health and to eliminate the needless suffering and crippling conditions experienced by children because of the lack of available early diagnosis, screening, and treatment of potentially serious medical conditions.

SEC. 3. (a) Title V of the Social Security Act is amended by adding at the end thereof the following:

"PART B—MOBILE HEALTH CARE FACILITIES

"APPROPRIATION

"SEC. 525. For the purpose of enabling the States to diagnose, screen, and provide immediate limited treatment of child health and maternal health conditions, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this part. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary of Health, Education, and Welfare, State plans for establishment and operation of mobile health care facilities.

"STATE PLANS FOR MOBILE HEALTH CARE FACILITIES

"SEC. 526. (a) A State plan for the establishment and operation of mobile health care facilities must—

"(1) provide that a mobile health care team shall be in existence and operate in each of the eligible counties within the State;

"(2) provide for the establishment or designation of a single State agency to supervise the administration of the plan;

"(3) provide that the State agency designated in accordance with paragraph (2) will have authority to carry out the plan in conformity with this section;

"(4) provide that the State agency will (A) make an annual report to the Secretary concerning the activities, achievements, and operations of each mobile health care team established in such State, in such form and containing such additional information as the Secretary may from time to time require, and (B) comply with such requirements as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

"(5) provide that the Comptroller General of the United States or his delegate shall have access, for the purpose of audit and examination, to the data on which any report required to be submitted under paragraph (4) is based;

"(6) provide that the State agency will from time to time, but not less often than annually, review its State plan and submit to the Secretary any modifications thereof which it considers necessary;

"(7) provide that—

"(A) the personnel assigned to each mobile health care team will include a pediatrician and more than one of each of the following: a pediatric nurse practitioner; a registered nurse; a licensed practical nurse; a dietician; and a health assistant; and

"(B) to the extent practical, students in medicine and the allied health professions who plan to specialize in pediatrics or family medicine will be included as personnel on each mobile health care team;

"(8) designate, in accordance with regulations established by the Secretary, the locations within each eligible county that the mobile health care team will visit and the frequency and duration of such visits;

"(9) provide that the mobile health care team will give children medical examinations and that such examinations must include, but are not limited to, the diagnosis and screening of the following conditions—

"(A) child abuse and neglect,

"(B) nutritional deficiencies,

"(C) dental problems,

"(D) emotional problems,

"(E) visual and hearing defects,

"(F) mental retardation and learning disorders,

"(G) crippling and handicapping conditions, and

"(H) catastrophic illnesses;

"(10) provide that the medical methods, procedures, and equipment the State will require each mobile health care team to employ to assure that the examination and the diagnosis of the conditions designated in paragraph (9) will be of high quality be set out in the State plan;

"(11) provide that each mobile health care team test for pregnancy and screen and diagnose all prenatal and postnatal conditions up to one year after giving birth;

"(12) provide that each mobile health care team screen all pregnant and lactating women for nutritional deficiencies;

"(13) provide that the medical examination, diagnosis, and screening provided by each mobile health care team be free to all children and pregnant and lactating women;

"(14) provide that each mobile health care team will provide immediate preventive care or treatment for the diagnosed conditions where, in the judgment of the attending physician, such immediate care is required because of the serious condition of the patient;

"(15) provide that, for those conditions requiring medical treatment a mobile health care team reasonably cannot provide, the patient will be referred to the nearest, major facility which provides health care on an inpatient or outpatient basis, except that children requiring such referrals shall, whenever possible, be referred to an accredited hospital with facilities for parents to spend extended periods of time with their children during the child's hospital confinement;

"(16) provide that each mobile health care team will refer cases of child abuse and neglect to the appropriate State agency and to any public or private nonprofit center established to identify, prevent, and treat child abuse and neglect which serves the geographic area covered by such team;

"(17) provide that in addition to giving immediate treatment to infants diagnosed as nutritional risks, each mobile health care team will refer such infants to the appropriate local public or private nonprofit health or welfare agencies receiving funds under section 17(a) of the Child Nutrition Act of 1966, as amended, so that such infants may receive supplemental foods;

"(18) provide that children who are crippled or who are suffering from conditions leading to crippling will be referred to the State agency providing services to crippled children under part A of this title;

"(19) provide that women diagnosed as pregnant will receive from the mobile health care team whatever immediate care or treatment their conditions require and for further referral by such team to appropriate health care facilities and physicians as appropriate;

"(20) provide that women determined to be nutritional risks shall be referred to the appropriate local public or private nonprofit health or welfare agencies receiving funds under section 17(a) of the Child Nutrition Act of 1966, as amended, so they may receive supplemental foods;

"(21) provide that all referrals shall be subsequently reviewed by a health assistant assigned to the mobile health care team which makes a referral; and

"(22) provide that any individual who receives treatment in addition to the examination, diagnosis, screening, or immediate treatment which is authorized under the State plan will be given the opportunity to enroll in any public health care program for which he is eligible and that payment for such additional treatment will be made in accordance with the provisions of such program and that, in all other cases, additional treatment will be paid for by such individual.

"(b) The Secretary shall approve any plan which fulfills the conditions specified in subsection (a), except that he shall not approve any plan which—

"(1) proposes to employ a mobile health care team which will visit too few locations or whose visits will be of such frequency and duration to be inadequate to carry out the purposes of this part; or

"(2) fails, in the case of a State in which there is an agreement in effect pursuant to section 794C of the Public Health Service Act under which students or trainees in the allied health professions participate in a work-study program, to provide that employment under such a work-study program on a mobile health care team automatically qualifies as part of such a work-study program.

"PAYMENTS TO STATES

"SEC. 527. (a) Appropriations pursuant to section 525 shall be available for making grants to States having a plan approved under section 526 for the establishment and operation of mobile health care facilities.

"(b) Payments pursuant to grants made under this section may be in advance or by way of reimbursement and in such installments as the Secretary shall prescribe by regulation.

"OPERATION OF STATE PLANS

"SEC. 528. (a) The Secretary shall review periodically the eligibility of all counties in each State and notify the appropriate State agency of changes in the eligibility of each such county to participate in the program established under this part. Each county that is an eligible county (and is participating in the program established under this part) whose child health care ratio is found to exceed the limit established by the Secretary shall continue to be an eligible county and may continue to participate in the program established under this part for not more than one year after notice of ineligibility has been transmitted to the State agency.

"(b) If the Secretary, after reasonable notice and opportunity for hearing to the State agency supervising the administration of the State plan approved under this section, finds—

"(1) that the plan has been so changed that it no longer complies with the provisions of section 526(a); or

"(2) that in the administration of the plan there is a failure to comply substantially with any such provision; or

"(3) that an eligible county within the State is not included within the State plan;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure) until the Secretary is satisfied that there will no longer be any such failure to comply. Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).

"(c) Whenever any State desires a modification of the State plan in order to reduce the scope or extent of the care and services provided by a mobile health care team under such plan, or to terminate any of the care and services so provided, the Secretary shall, upon application of the State, approve any such modification only if such modification does not violate any of the provisions of section 526(a) or any existent regulation established pursuant thereto.

"DEFINITIONS

"SEC. 529. When used in this part—

"(a) The term 'State' means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.

"(b) The term 'county' includes a political subdivision of a State formally denominated as a county, parish, or other similar unit.

"(c) The term 'child health care provider' means a pediatrician and such other health care personnel as the Secretary shall designate by regulation after consultation with recognized authorities in, and Federal agencies concerned with, child health care.

"(d) The term 'child health care ratio' means the proportion of child health care providers in a State per 100,000 population under 18 years of age in such State.

"(e) The term 'eligible county' means (1) a county in which there is not located a practicing pediatrician, or (2) a county whose proportion of child health care providers to population under 18 years of age is less than the child health care ratio as defined in subsection (d).

"(f) The terms 'pregnant and lactating women', 'infants', and 'supplemental foods' shall have the same meanings when used in this part as such terms are defined in section 17 of the Child Nutrition Act of 1966, as amended.

"REPORTS

"SEC. 530. The Secretary shall evaluate annually the operations and accomplishments of the mobile teams in terms of extending child and maternal health care to areas with few primary child health care providers and achieving the purposes of this part. The Secretary shall report his findings together with any recommendations to the President and the Congress not later than March 1 of each year."

(b) Title V of the Social Security Act is further amended by inserting "PART A—GENERAL SERVICE PROGRAMS" immediately below the caption of such title.

TRAINING OF PEDIATRIC NURSE PRACTITIONERS

SEC. 4. Section 511 of such Act is amended by inserting immediately before the period in the last sentence "and for the training of pediatric nurse practitioners."

PAYMENT FOR SERVICES RENDERED BY A PEDIATRIC NURSE PRACTITIONER

SEC. 5. (a) Section 1905(a) of such Act is amended by redesignating paragraph (17) as paragraph (18) and inserting after paragraph (16) the following new paragraph:

"(17) services rendered by a pediatric nurse practitioner;".

SERVICES FOR CRIPPLED CHILDREN

SEC. 6. (a) Section 505(a)(7) of such Act is amended to read as follows:

"(7) provides, with respect to the portion of the plan relating to services for crippled children—

"(A) for early identification of children in need of health care and services, and for health care and treatment needed to correct or ameliorate defects or chronic conditions discovered thereby, through provision of such periodic screening and diagnostic services that are not already provided by mobile health care teams established pursuant to part B, and such treatment, care, and other measures to correct or ameliorate defects or chronic conditions, as may be provided in regulations of the Secretary;

"(B) effective July 1, 1976, for comprehensive health care and services to prematurely born infants (as determined in accordance with standards prescribed by the Secretary) and full-term infants (as determined in accordance with standards prescribed by the Secretary) who have defects or conditions which are life threatening or handicapping and which can be corrected or ameliorated by health care services and other measures relating to the correction or amelioration of such defects or conditions, as may be provided in regulations of the Secretary; and

"(C) effective July 1, 1976, for comprehensive health care and services to children whose health is threatened or has been seriously impaired by major trauma, life-threatening illness, and other illnesses of a catastrophic nature, and for the provision of such care and services to all children in such age groups as may be prescribed in regulations of the Secretary except that effective by July 1, 1979, such care and services shall be provided to all children under age 6;".

MATERNAL AND CHILD HEALTH SERVICES

SEC. 7. Section 505(a) of such Act is amended—

(1) by striking out "and" at the end of paragraph (14);

(2) by striking out the period at the end of paragraph (15) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following:

"(16) effective July 1, 1977, provides, in the case of families with low income (as determined by the State in accordance with criteria prescribed by the Secretary), for (A) comprehensive maternity care to prospective mothers (including prenatal care, care during and after childbirth, and inpatient hospital services related to such care), and (B) comprehensive medical health care for infants duirng the first year of life."

EFFECTIVE DATE

SEC. 8. The provisions of this Act shall become effective on July 1, 1975.

By Mr. MONDALE (for himself, Mr. BROOKE, and Mr. PHILIP A. HART):

S. 660. A bill to provide emergency relief respect to home mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes who are unable to amortize their debt elsewhere, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

HOMEOWNERS' LOAN ACT OF 1975

Mr. MONDALE. Mr. President, I am today introducing legislation which attempts to anticipate a possible tragedy for thousands of Americans and, most importantly, to avoid it. I am talking about the heartbreak of losing one's home. And, for literally thousands of Americans, that heartbreak may become a reality over the next several months.

As unemployment continues to increase, inflation continues at astronomic levels, and energy problems continue to take their toll in both prices and jobs, many Americans may find it increasingly difficult, and eventually impossible, to meet home mortgage payments. For these unfortunate citizens, a major investment—quite possibly the largest investment of their lifetime—will vanish, and their shelter will be suddenly gone.

So that the Federal Government, in anticipation of this possibility, may be ready to cope with this tragedy and aid families faced with mortgage foreclosure, I am today introducing standby legislation which would reactivate the Home Owners' Loan Corporation. The legislation is designed to become operative only when the foreclosure situation reaches crisis proportions and provides real help to those American families faced with the loss of their homes.

I am pleased to announce that this legislation is cosponsored by the distinguished Senator from Massachusetts (Mr. BROOKE) and the distinguished Senator from Michigan (Mr. PHILIP A. HART).

THE ORIGINAL HOMEOWNERS' LOAN CORPORATION

During 1932 and 1933, this Nation experienced a period of high unemployment. At the same time, the public exhibited a serious lack of confidence in existing property values. As a result of these two forces, the annual rate of real property foreclosures climbed to nearly 250,000. Most of the foreclosed properties were owner-occupied homes. And, surely, the foreclosures resulted from the inability of families, with the head of the household unemployed, to meet mortgage payments.

The foreclosures obviously exacerbated the economic hardships of the effected families. In addition, they had a domino effect by collapsing real estate values and making lenders reluctant to finance new housing. The resultant inactivity in the construction industry further contributed to the depression of the entire economy.

Against this background, Congress enacted the Home Owners Loan Act of 1933. It directed the members of the Federal Home Loan Bank Board to establish the Home Owners' Loan Corporation and to serve as the Board of Directors of the HOLC. The HOLC represented an attempt to counteract mortgage foreclosures by allowing the HOLC to purchase mortgages from private lending institutions and to refinance the mortgages of homeowners faced with foreclosure, because of temporary financial hardship.

The HOLC was authorized to issue stock of up to $200 million and up to $2 billion in bonds. The bonds had the full faith and credit of the United States behind them, were tax-exempt, and were to bear interest at a rate of 4 percent or less.

The HOLC was authorized to exchange its bonds for home mortgages and other liens—such as tax liens—secured by real estate. A $14,000 limitation—or 80 percent of the value of the property—was placed on the mortgage loan balance to be amortized over a 15-year period and could grant such extensions of time for payment as might prove necessary. The maximum interest rate on the refinanced mortgage would be 5 percent, which was significantly lower than the prevailing rate. The HOLC could also make cash loans to homeowners with debt-free homes who were faced with financial difficulties and possible loss of the home. Such loans could not exceed 50 percent of the appraised value of the property and bore an interest rate of 6 percent or less.

The Home Owners' Loan Corporation was established in June 1933 and eventually liquidated in March of 1951. It made, or acquired and refinanced about 1,016,000 mortgage loans; most during the first 3 years of its existence. The original aggregate amount of these loans totaled $3,093,000,000. Only about 19 percent of the original loans ended in foreclosure. In the process of its operations, the HOLC helped about 800,000 homeowners save their homes. It also helped innumerable lending institutions from whom it acquired mortgages. By stemming the tide of foreclosures, it was also influential in stabilizing property values and in restoring the necessary confidence which led to an upturn in residential construction. When the HOLC discontinued operations in 1951, it had a net surplus of $14 million.

THE NEED FOR THE HOLC TODAY

In December 1974, industrial production fell 2.8 percent. This decline followed a 4.6-percent decline in the previous 11 months. More than 7 million Americans are out of work, and leading economists are predicting another 1 million jobless Americans. In the automotive industry alone, there are more than 200,000 unemployed workers. This is more than one-third of the automobile workers. With housing starts down 50 percent from a year ago, 640,000 workers in the construction industry are without jobs.

Against the backdrop of high unemployment, we find a situation where, for millions of American homeowning families, mortgage payments are high in relation to income and savings. This predicament is particularly acute for young workers who acquired their homes in recent years at high prices with mortgage interest rates high. Unemployment rates among this group will be even higher than the national average, and their savings are frequently too small to permit them to meet mortgage payments over any extended period of unemployment.

There are also millions of elderly American homeowners who, although their homes may be debt-free, will find it extremely difficult to meet the cost of property taxes during a period of inflationary living costs. Their fixed incomes will simply be squeezed too far. Many will lose their homes to tax liens.

For millions of homeowners of all ages, the equity invested in their homes represent their greatest asset. Furthermore, almost all would have to pay more for housing in today's inflated market, if they were forced to live elsewhere. When the cruel arm of unemployment reaches into their homes, literally millions of Americans will find their shelter seriously threatened. They will have nowhere to turn, and nowhere to hide. Although many mortgages are insured, they are insured to protect the lender-mortgager against loss, not usually the homeowner-mortgagor.

When the mortgage foreclosure rate on all properties reaches a level of five-tenths of 1 percent, it is estimated that the rate of foreclosures on one- to four-family properties would be approximately 100,000 per year—surely a critical situation. When and if such a situation occurs—and we have every reason to believe that it might—we should be prepared to help those families who face the possibility of a loss of their home.

A NEW HOLC

Mr. President, I am today introducing legislation designed to help these homeowners who face the possibility of the loss of their homes during a serious economic downturn. The bill establishes a new Home Owners' Loan Corporation, to come into being when and if the Federal Home Loan Bank Board index reaches the critical five-tenths of 1 percent level. The Board of Directors of the corporation will be the chairman of the Federal Home Loan Bank Board, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Administrator of Veterans' Affairs. The corporation will be empowered to issue stock and bonds at levels sufficient to serve its needs.

There are between 30 and 35 million owner-occupied one- to four-family homes in this country. More than 20 million of these homes are subject to outstanding mortgages.

According to a quarterly index published by the Federal Home Loan Bank Board, the mortgage foreclosure rate on all properties for the first three-quarters of 1974 was approximately four-tenths of 1 percent. But, according to figures compiled by the Mortgage Bankers Association, the mortgage delinquency rate on one- to four-family properties—the most accurate measure of potential mortgage foreclosures on this class of properties—was 4.23 percent for the fourth quarter of 1974. In addition, seriously delinquent loans—those with two or more payments past due—are 1.20 percent. We are seeing a trend—an ominous trend toward mortgage foreclosure on a widespread basis for one-to four-family dwellings.

The new HOLC will have two, broad powers. First, it will be empowered to assist individuals and families, who have experienced a substantial loss of income as a result of unemployment, meet home mortgage payments. Within defined limits, the corporation may make payments to such individuals and families for a period of up to 18 months to help save their home from potential foreclosure. The payments will constitute a second mortgage on the property.

Second, the corporation will be empowered to acquire, in exchange for bonds issued by it, home mortgages and other obligations and liens secured by real estate. The power is limited to one- to four-family properties of a value of $50,000 or less. The corporation may refinance the mortgages so acquired over a 30-year period at an interest rate not to exceed 6 percent. In addition, the corporation will be able to help homeowners redeem homes already lost to foreclosure.

It is important to note that the HOLC will not become operative—and will cost nothing—until we are faced with a national foreclosure crisis. When and if that crisis comes, we will be ready with a mechanism for helping thousands of Americans from losing their homes.

Mr. President, I am hopeful that this body will give prompt consideration to this important legislation. I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 660

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Homeowners' Loan Act of 1975".

DEFINITIONS

SEC. 2. As used in this Act—

(1) The term "Corporation" means the Homeowners' Loan Corporation created under section 3 of this Act.

(2) The term "home mortgage" means a first mortgage on real estate in fee simple or on a leasehold under a renewable lease for not less than ninety-nine years upon which there is located a dwelling for not more than four families, which is used by the owner as a principal residence, and which has a value not exceeding $30,000.

(3) The term "first mortgage" includes such classes of first liens as are commonly given to secure advances on real estate under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby.

ESTABLISHMENT AND CAPITALIZATION OF HOMEOWNERS' LOAN CORPORATION

SEC. 3. (a) There is established a corporation to be known as the Homeowners' Loan

Corporation, which shall be an instrumentality of the United States, which shall have authority to sue and to be sued in any court of competent jurisidiction, Federal or State, and which shall be under such bylaws, rules, and regulations as it may prescribe for the accomplishment of the purposes and intent of this section. The Board of Directors of the Corporation (hereinafter referred to as the "Board") shall consist of the Chairman of the Federal Home Loan Bank Board, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Administrator of Veterans' Affairs, all of whom shall serve as such Directors without additional compensation.

(b) The Board shall determine the minimum amount of capital stock of the Corporation and is authorized to increase such capital stock from time to time in such amounts as may be necessary, but not to exceed in the aggregate $1,000,000,000. Such stock shall be subscribed for by the Secretary of the Treasury on behalf of the United States, and payments for such subscriptions shall be subject to call in whole or in part by the Board and shall be made at such time or times as the Board deems advisable, and for the purpose of making such payments, the Secretary shall use as a public debt transaction the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under the Second Liberty Bond Act are extended to include such payments. The Corporation shall issue to the Secretary of the Treasury receipts for payments by him for or on account of such stock, and such receipts shall be evidence of the stock ownership of the United States. The Secretary of the Treasury may sell, upon such terms and conditions and at such price or prices as he shall determine, any of the stock acquired by him under this subsection. All purchases and sales by the Secretary of the Treasury of such stock under this subsection shall be treated as public debt transactions of the United States.

(c) The Corporation is authorized to issue bonds in an aggregate amount not to exceed $10,000,000,000, which may be sold by the Corporation to obtain funds for carrying out the purposes of this section, or exchanged as hereinafter provided. Such bonds shall be issued in such denominations as the Board shall prescribe, shall mature within a period of not more than eighteen years from the date of their issue, shall bear interest at a rate not to exceed a rate determined by the Secretary of the Treasure taking into account the average yield on outstanding marketable obligations of the United States as of the close of the preceding month. Such bonds shall be fully and unconditionally guaranteed as to interest only by the United States, and such guaranty shall be expressed on the face thereof. In the event the Corporation shall be unable to pay upon demand, when due, the interest on any such bonds, the Secretary of the Treasury shall pay to the Corporation the amount of such interest, which is hereby authorized to be appropirated out of any money in the Treasury not otherwise appropriated, and the Corporation shall pay the amount of such interest to the holders of the bonds. Upon the payment of such interest by the Secretary of the Treasury the amount so paid shall become an obligation to the United States of the Corporation and shall bear interest at the same rate as that borne by the bonds upon which the interest has been so paid. The bonds issued by the Corporation under this subsection shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by any State, county, municipality, or local taxing authority. The Corporation, including its franchise, capital, reserves, and surplus, and its loans and income, shall likewise be exempt from such taxation; except that any real property of the Corporation shall be subject to taxation to the same extent, according to its value, as other real property is taxed.

FUNCTIONS

Sec. 4. (a) The Corporation shall, during any three calendar quarters beginning with a calendar quarter in which the Federal Home Loan Bank Board determines that the foreclosure rate (stated as an annual percentage rate of all mortgaged structures in any geographic area) exceeds one-half of 1 percent, make, and contract to make, assistance payments to individuals and families who reside in such area and who have incurred substantial losses of income as a result of unemployment, in such amounts as the Corporation determines to be necessary to enable such individuals and families to meet home mortgage payments, except that—

(1) payments under this subsection may not be made for a period in excess of 18 months with respect to any mortgagor; and

(2) payments may not be made under this subsection with respect to any mortgagor unless the Corporation determines that such mortgagor will be able to avoid or cure a default on the mortgage without exposing the Corporation to an unreasonable risk of loss.

The aggregate amount of payments with respect to any mortgagor shall be secured by a lien on the mortgaged property and shall be repayable upon disposition of the property by the mortgagor or upon completion of the period of amortization for the mortgaged. The Corporation shall by regulation require periodic recertifications of income of any mortgagor assisted under this subsection. The Corporation may not make assistance payments under this subsection whenever it determines that the mortgagor has recovered a sufficient portion of the income lost as a result of unemployment to reassume his obligations under the mortgage. In addition to the assistance available under this subsection, the Corporation may furnish other assistance available under this section with repect to any mortgagor.

(b) The Corporation is authorized, for a period of three years after the date of enactment of this Act, but only during any three calendar quarters beginning with a calendar quarter in which the Federal Home Loan Bank Board determines that the foreclosure rate (stated as an annual percentage rate of all mortgaged structures in any geographic area) exceeds one-half of 1 percent (1) to acquire in exchange for bonds issued by it, home mortgages and other obligations and liens secured by real estate located in such area (including the interest of a vendor under a purchase-money mortgage or contract) recorded or filed in the proper office or executed prior to the date of enactment of this Act, and (2) in connection with any such exchange, to make advances in cash to pay the taxes and assessments on the real estate, to provide for necessary maintenance and make necessary repairs, to meet the incidental expenses of the transaction, and to pay such amounts, not exceeding $50, to the holder of the mortgage, obligation, or lien acquired as may be the difference between the face value of the bonds exchanged plus accrued interest thereon and the purchase price of the mortgage, obligation, or lien, except that the aggregate of such advances and payments shall be reduced by an amount determined by the Board to be equal to the amount of costs which would have been incurred in foreclosure proceedings in connection with the mortgage, lien, or other obligation. The face value of the bonds so exchanged plus accrued interest thereon and the cash so advanced shall not exceed in any case $50,000. In any case in which the amount of the face value of the bonds exchanged plus accrued interest thereon and the cash advanced is less than the amount the homeowner owes with respect to the home mortgage or other obligation or lien so acquired by the Corporation, the Corporation shall credit the difference between such amounts to the homeowner and shall reduce the amount owed by the homeowner to the Corporation to that extent. Each home mortgage or other obligation or lien so acquired shall be carried as a first lien or refinanced as a home mortgage by the Corporation on the basis of the price paid therefor by the Corporation, and shall be amortized by means of monthly payments sufficient to retire the interest and principal within a period of not to exceed thirty years, but the amortization payments of any homeowner may be made quarterly, semiannually, or annually, if in the judgment of the Corporation the situation of the homeowner requires it. Interest on the unpaid balance of the obligation of the homeowner to the Corporation shall be at a rate not exceeding 6 per centum per annum. The Corporation may at any time grant an extension of time to any homeowner for the payment of any installment of principal or interest owed by him to the Corporation if, in the judgment of the Corporation, the circumstances of the homeowner and the condition of the security justify such extension. As used in this subsection, the term "real estate" includes only real estate held in fee simple or on a leasehold under a lease renewable for not less than ninety-nine years, upon which there is located a dwelling for not more than four families used by the owner as a home or held by him as a homestead and having a value not exceeding $50,000. No discrimination shall be made under this Act against any home mortgage by reason of the fact that the real estate securing such mortgage is located in a municipality, county, or taxing district which is in default upon any of its obligations.

(c) The Corporation is further authorized, during any quarter referred to in subsection (b) in any case in which the holder of a home mortgage or other obligation or lien eligible for exchange under subsection (b) of this section does not accept the bonds of the Corporation in exchange as provided in such subsection and in which the Corporation finds that the homeowner cannot obtain a loan from ordinary lending agencies, to make cash advances to such homeowner in an amount not to exceed 50 per centum of the value of the property for the purposes specified in such subsection (b). Each such loan shall be secured by a duly recorded home mortgage and shall bear interest at a rate of interest which shall be uniform throughout the United States, but which in no event shall exceed a rate of 6 per centum per annum, and shall be subject to the same provisions with respect to amortization and extensions as are applicable in cases of obligations refinanced under subsection (b) of this section.

(d) The Corporation is further authorized, during any quarter referred to in subsection (a) or (b), to exchange bonds and to advance cash, subject to the limitations provided in subsection (a) or (b) of this section, to redeem or recover homes lost by the owners by foreclosure or forced sale by a trustee under a deed of trust or under power of attorney, or by voluntary surrender to the mortgagee within two years prior to such exchange or advance.

(e) The Board shall issue such rules and regulations as may be necessary, including rules and regulations providing for the appraisal of the property on which loans are made under this section so as to accomplish the purposes of this Act.

(f) Any person indebted to the Corporation may make payment to it in part or in full by delivery to it of its bonds which shall be accepted for such purpose at face value.

ADMINISTRATIVE PROVISIONS

Sec. 5. (a) The Corporation shall have power to appoint and fix the compensation of such officers, employees, attorneys, or agents as shall be necessary for the performance of its duties under this Act, without regard to the provisions of other laws applicable to the employment or compensation of officers, employees, attorneys, or agents of the United States. No such officer, employee, attorney, or agent shall be paid compensation at a rate in excess of the rate provided by law in the case of the members of the Federal Home Loan Bank Board. The Corporation shall be entitled to the free use of the United States mails for its official business in the same manner as the executive department of the Government, and shall determine its necessary expenditures under this Act and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other law governing the expenditure of public funds.

(b) The Board is authorized to make such bylaws, and issue such rules and regulations, not inconsistent with the provisions of this section, as may be necessary for the proper conduct of the affairs of the Corporation. The Board is further authorized and directed to retire and cancel the bonds and stock of the Corporation as rapidly as the resources of the Corporation will permit. Upon the retirement of such stock, the reasonable value thereof as determined by the Board shall be paid into the Treasury of the United States and the receipts issued therefor shall be canceled. The Board shall proceed to liquidate the Corporation when its purposes have been accomplished, and shall pay any surplus or accumulated funds into the Treasury of the United States. The Corporation may declare and pay such dividends to the United States as may be earned and as in the judgment of the Board it is proper for the Corporation to pay.

PENALTIES

SEC. 6. Whoever makes any statement, knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Homeowners' Loan Corporation or the Board upon any application, advance, discount, purchase, or repurchase agreement, or loan under this Act, or any extension thereof by renewal deferment, or action or otherwise, or the acceptance, release, or substitution of security therefor, shall be punished by a fine of not more than $5,000, or by imprisonment for not more than two years, or both.

FEDERAL HOUSING ADMINISTRATION AUTHORITY

SEC. 7. During any period when the Corporation is carrying out its function pursuant to section 4, the Secretary of Housing and Urban Development may not make cash expenditures in connection with default proceedings under any provision of the National Housing Act, except as provided in the second sentence of section 207(j) of such Act.

AUTHORIZATION

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. BROOKE. Today, Mr. President, for the first time in over 35 years, the strength of the American economy is being severely tested by high unemployment, increasing business failures, and fading consumer confidence. These weaknesses in our economy are real and severe, and anyone who ignores them is only fooling himself. The hardships which will be felt by the families of the unemployed are equally real and severe, and all of us must work to find ways to alleviate those hardships and provide new jobs for the unemployed.

As a member of the Housing Subcommittee I have been particularly concerned about unemployment in the construction trades which rose to 664,000 or 15 percent of the workers in that industry in December. Housing starts in December of 1974 plummeted to an 8-year low annual rate of 868,000 units—a 60.5-percent decline from the October 1972 high annual rate of 2,509,000 starts.

Toward the end of last year the Congress passed the Brooke-Cranston Act to provide additional mortgage credit on an emergency basis to stimulate housing construction. So far $4,899,600,000 has been committed under this act. More stimulus to the housing industry may be needed, and I shall not hesitate to introduce and support new legislation to get housing starts up, because I believe that a recovery in housing can lead the way to general economic recovery.

While offering stimulus to the housing industry by way of the Federal secondary mortgage market, we cannot ignore the potential threat which unemployment itself presents for the residential real estate industry. If unemployment forces a large number of families to default on their mortgages, we could witness a deluge of foreclosed properties pouring onto the already glutted housing market, depressing prices, and destroying consumer confidence. The hardship for families losing their homes would be severe.

History has taught us that widespread foreclosures can be avoided if remedial action is taken. We know that there is no need to put the temporarily unemployed through the financial wringer.

To avoid the hardship which could result from temporarily high unemployment and to avoid the destabalization of our real estate markets, I have joined with Senators MONDALE and HART in introducing the Homeowners' Loan Act of 1975. Its objectives are the same as that which inspired the 1933 act from which it takes its name, though some new devices are incorporated.

Action by the HOLC to avoid foreclosures will be automatically triggered whenever the foreclosures rate in any geographic area exceeds one-half of 1 percent for any calendar quarter. Payments will be to mortgagors who the HOLC determines will be able to avoid or cure a default on their mortgage without exposing the Corporation to an unreasonable risk of loss. Any mortgagor who is assisted in making mortgage payments by the HOLC will be responsible for reimbursing the HOLC for such assistance at such time as his mortgage is fully amortized or upon sale of his property, and this liability will be secured by a lien against the property.

The bill also provides the HOLC with all of the powers it had under the 1933 act, including the power to purchase mortgages from mortgagees.

This bill provides protection against foreclosure for the unemployed and lessens the danger of a precipitous collapse in our real estate markets. As ranking minority member on the Housing Subcommittee, I shall urge early hearings on this subject.

A NEW HOLC

Mr. PHILIP A. HART. Mr. President, I am pleased to cosponsor with the Senator from Massachusetts (Mr. BROOKE) the bill introduced by Senator MONDALE to reestablish the Home Owners' Loan Corporation.

As we seek ways to help people with serious financial problems due to economic conditions, we would do well to look to our past for success stories.

The HOLC is such a story.

The HOLC was first used during the depression when mortgage foreclosures were increasing. It purchased mortgages from private lending institutions to refinance the mortgages of homeowners faced with foreclosures, because of temporary financial hardship.

In 1951, Congress determined that the foreclosure crisis was over and HOLC was closed down. At that point, it had handled about $1 million mortgage loans and showed a slight profit.

I doubt that I need repeat here today's unemployment figures. Whether you believe that unemployment will level off at 8 million or go higher—or whether you are hopeful that the figure will not change from the current 7 million jobless—there is no question that many families face or will face the possibility of losing their homes, because they cannot afford to keep up their mortgage payments.

The problem of foreclosures in Michigan, perhaps hardest hit by the recession, has already led some lending institutions and some State legislators to call for reinstatement of an HOLC-type program.

Under the bill introduced today, a new HOLC would come into being without further action by Congress if the Federal Home Loan Bank Board foreclosure index reaches the critical five-tenths of 1 percent level. That would mean about 100,000 foreclosures a year.

The foreclosure rate on all properties for the first 9 months of 1974 was about four-tenths of 1 percent. The number of mortgages which were seriously delinquent—meaning 2 or more months in arrears—is running at a high 1.2 percent, an ominous sign for the near future. Further, the Mortgage Bankers Association, I understand, estimates the mortgage delinquency rate on one- to four-family rents at 4.23 percent for the last quarter.

The bill would permit the corporation to:

Issue stock and bonds at levels sufficient to serve its needs.

Acquire, in exchange for bonds issued by it, home mortgages and other obligations and liens secured by real estate.

Deal only with one- to four-family properties of a value of $50,000 or less.

Refinance mortgages over 30 years at an interest rate not to exceed 6 percent.

Make cash advances, up to 50 percent of the property value, to homeowners whose obligations cannot be secured by the corporation.

Assist homeowners in redeeming homes already lost to foreclosure.

Members of the Board of Directors for HOLC would include the Federal Home Loan Bank Board, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Administrator of Veterans' Affairs.

It is my hope that the bill will receive prompt consideration in both the Senate and the House, where it has been introduced by Congressman WILLIAM D. FORD, of Michigan.

By Mr. NUNN (for himself and Mr. TALMADGE):

S. 661. A bill to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

CHATTAHOOCHEE RIVER NATIONAL RECREATION AREA

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a statement by Senator NUNN and a bill he is introducing today, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR NUNN

In an age of urban crowding, it is increasingly important that we preserve the available open spaces in and near our large cities for recreational use. The Chattahoochee River is one of the recreation areas favored by Georgians who live in the metropolitan area of Atlanta, and it is a pleasant retreat for thousands each year.

In the 93rd Congress, I introduced legislation, S. 1738, cosponsored by Senator Talmadge, which would set aside along a 48-mile stretch of the Chattahoochee River near Atlanta as a national recreational area. A similar bill, sponsored by Congressman Andrew Young and cosponsored by all of the 10 Georgia Congressmen, was introduced at that time.

Field hearings, chaired by Senator Johnston, were conducted on S. 1738, by the Committee on Interior and Insular Affairs in Atlanta last October 28. Testimony from these hearings overwhelmingly demonstrated the need to provide additional recreational areas for our citizens, particularly since our use of available recreational lands continues to rise at the rate of at least 10 percent each year.

This testimony also demonstrated the urgency of protecting our outstanding natural resources, such as the Chattahoochee River, before they are lost.

I am re-introducing this bill on behalf of Senator Talmadge and myself to protect some of the most beautiful river vistas and scenic woodlands in the Southeast for the enjoyment of future generations of Georgians; and I am pleased to announce that a similar bill was introduced on February 6 in the House of Representatives by Congressman Andrew Young.

By Mr. WILLIAMS (for himself, Mr. LEAHY, Mr. STAFFORD, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH, and Mr. CHURCH):

S. 662. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

NATIONAL MASS TRANSPORTATION ASSISTANCE ACT AMENDMENTS OF 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a statement by Senator WILLIAMS, on a bill he is introducing today, be printed in the RECORD.

There being no objection, the statement and bill were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WILLIAMS

NATIONAL MASS TRANSPORTATION ASSISTANCE ACT AMENDMENTS OF 1975

Last year the Congress enacted PL 93-503, the National Mass Transportation Assistance Act of 1974. This legislation was the result of three years of legislative effort and created a new 11.8 billion dollar landmark mass transportation assistance program.

During the consideration of this legislation many comments were received concerning the operations of the mass transportation program. Unfortunately, it was not possible at that time to include these comments in legislative form in PL 93-503. Among the areas of legislative interest were suggestions on new programs for the elderly and the handicapped.

MASS TRANSPORTATION FOR ELDERLY AND HANDICAPPED PERSONS

Section 16 of the Urban Mass Transportation Assistance Act of 1970 made it a declaration of national policy that elderly and handicapped persons have the same rights as other persons to utilize mass transportation facilities and services. This section authorized the Secretary of Transportation to make grants or loans to states and local public bodies to assist in providing services which are planned, designed, and carried out to meet the special needs of elderly and handicapped persons. However, even more should be done for this segment of our population.

At the present time, we have no mass transit systems which are effectively accessible to handicapped persons. BART, in San Francisco has taken the first giant step toward this goal by making its rapid rail facilities fully accessible to the handicapped. Unfortunately, however, its feeder lines are not similarly equipped, and thus, the BART rail system cannot be fully utilized by the handicapped. Other mass transit systems, such as TARTA in Toledo, Ohio, and TRI-MET in Portland, Oregon, also have taken the first steps toward providing accessible transportation for handicapped persons.

In most cases, however, handicapped persons must rely on family or friends, use specially equipped automobiles, or rely on private transportation systems which often charge exorbitant prices. In the District of Columbia, for example, there is no alternate transportation system to take the handicapped to and from work, and on the one system which provides transportation for medical check-ups and therapy, the going rate is $35 per trip. New York City has numerous private transportation companies for the handicapped. However, the average charge for day time service for a regular customer is approximately $12 per trip, or $60 per week, or $2,880 per year. Charges for weekend services are even greater.

Recently, a New York State survey of social service agencies estimated that at least $80 million per year is being spent to provide special transportation for physically, economically and socially disadvantaged clients. Transportation services for these clients consume as much as 30 per cent of budgeted funds.

This financial burden becomes all the more overwhelming due to the fact that the elderly and handicapped are less affluent than average citizens, and thus, the human costs and limitations imposed on this group by limited mobility, make public mass transit essential for their well being.

According to a recent edition of Trends for the Handicapped, we now have approximately 67.9 million handicapped citizens. This population includes: 1.2 million blind, or visually impaired persons; 7.6 million persons with heart conditions; 6.2 million persons using orthopedic aids and wheelchairs (including crutches and braces); 1.8 million deaf persons; 18.3 million hard of hearing persons; 14.5 million persons with respiratory ailments; 18.3 million persons with arthritis.

Furthermore, according to 1970 census figures, 85% of this group has an income of less than $7,000, and of these, 52% have an income of less than $2,000. For these citizens, the limitations on mobility coupled with their inability to find accessible transportation and attendant care, vastly constrains their ability to pursue active lives and find gainful employment.

And yet the costs of planning accessible mass transportation, if pursued on a rational basis, are not out of reach. Accessibility of stations, new terminals, and bus stops will add only minimally to transit costs since all that is required is to integrate the necessary special features in the primary design of the facilities. The largest of these costs are in the installation of elevators or other modes of moving from level to level in multi-floor facilities. The cost of accessible rapid rail cars, may well be diminuous, since all that is required is the rearranging of the interior of one car to provide accessible bathroom facilities and to widen the doors and aisles.

The major expense comes in the design of buses. While their actual costs are difficult to estimate, the Department of Transportation has indicated that once in mass production an accessible bus would be expected to add from $2,000 to $5,000 to the overall price. This additional cost, assuming that roughly one tenth of the 50,000 buses presently in existence is replaced each year, would be roughly $25 million per year.

But one fact is clear, initial steps must be immediately taken to provide accessible mass transit for the elderly and handicapped. In the case of major existing mass transit systems, a revamping of all existing facilities and vehicles would mean a huge financial undertaking; and in cities like New York this would doubtlessly be impossible. Yet, it is important even in these areas to begin to take the initial steps toward a fully accessible system. One which in the future, will provide public transportation to elderly and handicapped consumers.

Specifically, our legislation will require that all assistance under the Urban Mass Transit Assistance Act provide for the effective utilization of mass transportation for elderly and handicapped individuals. It will require the Secretary to assure that all projects funded under the Act are planned, designed, constructed and operated to allow effective utilization of mass transportation for the handicapped. In addition the Secretary shall not approve any program or project unless he finds that such requirements have been complied with.

Our bill provides that effective immediately, all vehicles, buildings, stations, and other structures for new rapid rail systems, other grade separated fixed guideway systems, and other vehicles integrated with such systems, and extensions of existing systems which form usable segments, and other station facilities used by the public be accessible to the elderly and handicapped. It also requires the Secretary to issue accessibility standards for transit vehicles designed for at-grade operations, provided, however, that he may incorporate reasonable exceptions from the requirement of full accessibility of these vehicles as may be necessitated by the nature of the vehicle or its proposed use and commercial availability of reliable equipment if he determines, based on substantial evidence and a detailed timetable, that the effective utilization of mass transportation by elderly and handicapped persons is otherwise assured. The proposal also requires the immediate establishment of a local advisory committee (at least half of whose members must be handicapped persons) for the geographical area for which a capital or operating assistance grant is made. Such committee shall be involved in drawing up a detailed timetable for compliance with these amendments, and such timetable must be submitted within 90 days from the time any grant is made, and the service proposed for elderly and handicapped persons must be included as part of the public hearing required for capital assistance under the Act. In addition all technical study grants made under section 9 of the Act shall include work elements necessary to produce a comprehensive plan for meeting the mass transportation needs of elderly and handicapped persons by July 1, 1977.

The Secretary is also required to establish a National Advisory Council on the Accessibility of Mass Transportation, at least half of whose members must be handicapped persons, and the Secretray is required to submit to the Congress on or before July 1, 1977, a comprehensive report on mass transportation needs of elderly and handicapped persons including such additional measures which must be undertaken to assure effective utilization by such persons.

Our bill also increases from 1½ to 2 percent the amount available under section 4(c) of the Act which may be utilized to assist States and local public bodies and non-profit corporations and associations in providing accessible mass transportation for the handicapped. Finally, the definition of "handicapped person" is amended to specifically include any individual who is non-ambulatory, wheelchair bound, or who has semiambulatory capabilities.

This legislation sets up a process which takes into consideration the problems of existing mass transit systems, and at the same time, assures that all new planning and design of systems meet the needs of elderly and handicapped persons.

OPERATING ASSISTANCE FOR NON-URBANIZED AREAS

Our bill would also authorize a program of operating assistance for rural and small urban areas. When the Congress enacted PL 93-503 it authorized up to $500 million of Section 3 capital grant funds for rural and small urban areas (under 50,000 in population). The authority was restricted solely to capital grant funds. Since the passage of the bill, the Congress has received expressions of interest to extend this new rural and small urban program to include assistance for operating costs. Public transportation in rural areas is also non-existent. New programs will be started only if service is made available. This will almost certainly require immediate operating assistance.

Therefore, we are proposing that this new program be administered at the outset as a discretionary program. This is in contrast to the urban program which is administered by way of a formula grant program. After our initial experience with the discretionary program, we may well be able to devise an equitable and effective formula grant program.

As I mentioned, the 1974 National Transportation Assistance Act authorized up to $500 million for rural and small urban areas for capital purposes. This Act would *not* require any new money. It would merely expand the uses of existing authorizations.

GRANTS FOR MANAGERIAL TRAINING PROGRAMS

Under the present provisions of Section 10 of the Urban Mass Transportation Assistance Act of 1964, the Secretary of Transportation is authorized to make grants to provide fellowships for training of personnel employed in managerial, technical, and professional positions in the urban mass transportation field.

This training program has ben hampered in the past by certain restrictive provisions. Specifically, these restrictions are:

1. The number of fellowship grants UMTA can make in a year;

2. A 12½ state limitation on the number of fellowships awarded to any one state.

3. The exclusion of employees of private transit operators from receiving fellowships under this program.

Our amendment would simply remove these restrictions so that the benefits of the training program can be better distributed among our existing transit systems as well as new systems under development. The payoff of this investment in human resources will be felt immediately in improved transit operational efficiencies.

FUNDING REPORT AND UPDATE

The 1970 UMTA Act created the present capital grant program. It provided $3.1 billion in contract authority to finance capital costs of mass transit projects for a five-year period-fiscal 1971–1975. An important concept of this program was that $3.1 billion was only an estimate of the needs of the program for five years, and that funding levels would be reviewed by both the Congress and the Administration on a two-year basis. Since passage of this legislation, two reporting periods have come and passed, February 1972 and February 1974. Both times the Administration did not submit requests for further funding. Instead they submitted legislation to cause major revisions in the UMTA program.

However, during this period the Congress on its own initiative added an additional $3 billion in 1973 and $4.825 billion in 1974. During calendar 1976, we expect to consider needs for additional authority.

Since this reporting requirement has not been effective, the Congress eliminated it in the Discontinuation and Modification of Reports Act late last session. And Section 6 of this bill provides a new reporting and update requirement, that in my opinion should and will be effective.

During the debate on PL 93-503, Senator Weicker raised the question of adequacy of funding. In my response, I assured him, as I assure the Senate, that I intend to review our mass transit program every two years and that we will seek additional authorization to meet developing needs.

In this regard, I want to commend the President on his budget statement on mass transit. In it he declares that he intends to use alternative analysis of major capital projects to determine major new mass transit projects that will qualify for multi-year obligation. This was what was envisioned in the 1970 Act. The new reporting and update provision will further enhance the Administration's ability to make these multi-year obligations that are so necessary a part of major new transit capital projects.

This section would also eliminate the liquidation schedule in Section 4 of the UMTA Act. As I mentioned earlier, the 1970 UMTA Act authorized $3.1 billion of contract authority. These funds were made available immediately for obligation. A schedule of liquidation of funds was provided, however, as a technique of program control. In practice, UMTA has learned there is a wide and unpredictable range between the time when the obligation is made and when the obligation is liquidated into cash. This is not an uncommon characteristic of major construction projects.

As a result OMB, DOT and the Congressional Appropriations Committees have developed the concept of Administrative Reservations as the means of annual program control. The President's Budget presents an amount the Administration declares it intends to reserve in obligations during the fiscal year. The Congress acts on this proposed level and is free to accept, raise or lower the amount. This seems to be a satisfactory method.

As a result of this, the liquidation schedule has become obsolete as a control mechanism and its elimination is called for.

In addition, this legislation provides for an expanded definition of transit "construction" to include "engineering" and for a loan forgiveness program which is especially relevant to the State of Rhode Island. In regard to the loan forgiveness program, the efforts of the Senators for Rhode Island, Mr. Pastore and Mr. Pell, have been especially helpful in the drafting of the legislation.

In my opinion this legislation is urgently needed in order to fully implement the provisions of PL 93-503. It is legislation which should and must be enacted into law.

S. 662

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

OPERATING SUBSIDIES IN AREAS OTHER THAN URBANIZED AREAS

Section 1. The last sentence of section 4 (c) of the Urban Mass Transportation Act of 1964 is amended by inserting before the period at the end thereof a comma and the following: "and of such $500,000,000, not to exceed $250,000,000 may be used in such areas for the payment of subsidies for operating expenses on the same terms and conditions and subject to the same limitations as are contained in section 5(d)(2), the last three sentences of section 5(e), and subsections (f) through (n) of section 5."

FELLOWSHIP ASSISTANCE

Sec. 2. Section 10 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"GRANTS FOR TRAINING PROGRAMS

"Sec. 10. The Secretary is authorized to make grants to States, local public bodies, and agencies thereof and private mass transportation operators to provide fellowships for training of personnel employed in managerial, technical, and professional positions in the urban mass transportation fields. Fellowships shall be for not more than one year of training in public or private training institutions offering programs having application in the urban mass transportation industry. The recipient of a fellowship under this section shall be selected on the basis of demonstrated ability and for the contribution which he can reasonably be expected to make to an efficient mass transportation operation. The assistance under this section toward each fellowship shall not exceed the lesser of $12,000, or 75 per centum of the sum of (1) tuition and other charges to the fellowship recipient, (2) any additional costs incurred by the educational institution in connection with the fellowship and billed to the grant recipient, and (3) the regular salary of the fellowship recipient for the period of the fellowship (to the extent that salary is actually paid or reimbursed by the grant recipient)."

EXPANDED DEFINITION OF CONSTRUCTION TO INCLUDE ENGINEERING

Sec. 3. Section 12(c) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and" at the end of clause (4);

(2) by striking out the period at the end of clause (5) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(6) the term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction, reconstruction, or acquisition of facilities and equipment for use in public mass transportation, including designing, engineering, location surveying, mapping, acquisition of right-of-way, relocation assistance, acquisition of replacement housing sites, acquisition and rehabilitation, relocation, and construction of placement housing."

MASS TRANSPORTATION FACILITIES AND EQUIPMENT TO MEET THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

SEC. 4. Section 16 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"MASS TRANSPORTATION FACILITIES AND EQUIPMENT TO MEET THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

"SEC. 16. (a) It is hereby declared to be the national policy that—

"(1) elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services;

"(2) special efforts shall be made in the planning, design, construction, and operation of mass transportation facilities and services so that the availability to elderly and handicapped persons of mass transportation which they can effectively utilize will be assured; and

"(3) all Federal programs offering assistance for mass transportation (including the programs under this Act) should effectively implement this policy.

"(b) The Secretary shall require that projects receiving Federal financial assistance under this Act shall be planned, designed, constructed, and operated to allow effective utilization of mass transportation services by elderly and handicapped persons who are unable without special facilities or special planning or design to utilize such facilities and services effectively. The Secretary shall not approve any program or project under this Act unless he finds that the program or project complies with the requirements mandated by this section. The Secretary shall, as part of carrying out this section, require the following:

"(1) Effective immediately, any vehicle, building, station or other structure for any new rapid rail system or other grade-separated fixed guideway system, and any other vehicle integrated with such a system, and any extension of an existing system that forms a usable segment, and any other station facility for use by the general public shall be accessible to elderly and handicapped persons. The Secretary shall issue accessibility standards for transit vehicles designed for at-grade operations, which may incorporate such reasonable exceptions from the requirements for grade-separated systems as the Secretary may deem required by the nature of the vehicle or its proposed use and the commercial availability of reliable equipment to facilitate accessibility except that such exceptions shall only apply where the Secretary determines, based on substantial evidence and in accordance with a detailed timetable submitted pursuant to the second sentence of paragraph (2), that the provisions of this subsection are otherwise being carried out.

"(2) Effective immediately, a local advisory committee (at least half of the members of which shall be elderly and handicapped persons) shall be established for each geographical area in which assistance under section 3 or 5 is being furnished. The committee shall be utilized in drawing up a detailed time table for compliance with this subsection and in carrying out provisions of this subsection. A project agreement for assistance under either such section shall specify the time, not to exceed 90 days from the grant of assistance, for implementation of the timetable.

"(3) Effective immediately, the sevice proposed to be provided for elderly and handicapped persons shall be presented at the public hearing required as part of the application process for assistance under section 3 of this Act.

"(4) Effective immediately, all technical study grants made under section 9 of this Act in support of local transportation planning (including those grants made for the fiscal year 1975-1976 planning program) shall include work elements necessary to produce, in consultation with the local advisory committee required by paragraph (2), by July 1, 1977, a comprehensive local plan for meeting the mass transportation needs of elderly and handicapped persons within the geographical area included in the study.

"(c) The Secretary shall establish a National Advisory Council on Accessibility of Mass Transportation at least 50 percent of the members of which shall be elderly and handicapped persons. The Advisory Council shall advise and consult with the Secretary on all matters relating to mass transportation for elderly and handicapped persons.

"(d) On or before July 1, 1977, the Secretary shall prepare and submit to the Congress a comprehensive report on the mass transportation needs of elderly and handicapped persons, including information generated under technical study grants subject to the requirements of paragraph (b)(4) of this section; research, development, and demonstration activities undertaken in furtherance of the national goal set forth in subsection (a); and the progress made in assuring the effective utilization by elderly and handicapped persons of mass transportation services and facilities assisted under this Act, and shall recommend additional measures to assure such effective utilization.

"(e) In addition to the grants and loans otherwise provided for under this Act, the Secretary is authorized to make grants and loans—

"(1) to States and local public bodies and agencies thereof for the specific purpose of assisting them in providing mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons, with such grants and loans being subject to such terms, conditions, requirements, and provisions as are applicable to grants and loans made under section 3(a), and for the purposes of all other laws, any grant or loan under this subsection shall be deemed to have been made under such section; and

"(2) to private nonprofit corporations and associations for the purpose of assisting them in providing transportation services meeting the special needs of elderly and handicapped persons for whom mass transportation services planned, designed, and carried out under paragraph (1) are unavailable, insufficient, or inappropriate, with such grants and loans being subject to such terms, conditions, requirements, and provisions (similar insofar as may be appropriate to those applicable to grants and loans under paragraph (1)), as the Secretary may determine to be necessary or appropriate for purposes of this paragraph. Of the total amount of the obligations which the Secretary is authorized to incur on behalf of the United States under the first sentence of section 4(c), 2 per centum may be set aside and used exclusively to finance the programs and activities authorized by this subsection (including administrative costs).

"(f) Of any amounts made available to finance research, development, and demonstration projects under section 6 after the date of the enactment of this section 1½ per centum may be set aside and used exclusively to increase the information and technology which is available to provide improved transportation facilities and services planned and designed to meet the special needs of elderly and handicapped persons.

"(g) For the purposes of this Act, the term 'elderly and handicapped persons' means any individual who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, including any individual who is non-ambulatory wheelchair bound or who has semiambulatory capabilities, is unable without special facilities or special planning or design to utilize such facilities and services effectively."

LOAN FORGIVENESS

SEC. 5. (a) The Secretary of Transportation may convert equipment and facilities loans heretofore made under section 3(a) of the Urban Mass Transportation Act of 1964 or title II of the Housing Amendments of 1955 (42 U.S.C. 1492), to grants under the conditions set forth below. A grant agreement for the acquisition, construction, reconstruction, or improvement of facilities and equipment under section 3(a) may provide for forgiveness of principal and interest on a loan previously made in lieu of a cash grant in the amount forgiven. Such grant shall be subject to such terms and conditions as the Secretary may deem necessary and appropriate, taking into account the degree of completion of the project financed with the loan.

(b) In lieu of the local matching share otherwise required, the grant agreement may provide that State or local funds shall be committed to mass transportation projects in the urbanized area, on a schedule acceptable to the Secretary, in an amount equal to the local share that would have been required had the amount of principal and interest forgiven been the Federal share of a capital grant made when the original loan was made. The State or local funds contributed under the terms of the preceding sentence shall be made available for projects eligible for funding under section 3(a), and may not be used to satisfy the local matching requirements for any other grant project.

NEW REPORTING REQUIREMENT AND ELIMINATION OF LIQUIDATION SCHEDULE

SEC. 6. Section 4(c) of the Urban Mass Transportation Act of 1964 is amended by striking the third sentence and adding the following:

To assure for orderly planning and program development under Section 3, the Secretary shall report to Congress on or before February 1, 1976. A detailed estimate of the cost of grants to be made under Section 3 for providing public mass transportation service in urban areas for each fiscal year within the period beginning with fiscal year 1977 and ending with fiscal year 1981. On or before February 1, 1978, the Secretary shall report to Congress a detailed estimate of the cost of grants to be made under Section 3 for providing public mass transportation service in urban areas for each fiscal year within the period beginning with fiscal year 1979 and ending with fiscal year 1983.

SENATOR RANDOLPH COSPONSORS LEGISLATION TO PROVIDE FOR MASS TRANSPORTATION ASSISTANCE TO MEET THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

Mr. RANDOLPH. Mr. President, it is a privilege to join the Senator from New Jersey (Mr. WILLIAMS) and the Senator from Vermont (Mr. STAFFORD) in introducing legislation designed to provide for mass transportation assistance to meet the needs of elderly and handicapped persons. It is my belief that this bill is another step forward in providing equal rights for these citizens in this critical area.

As chairman of the Subcommittee on the Handicapped and the Senate Committee on Public Works, I have become aware of the importance of transportation to everyone in this Nation. Immobility breeds isolation; mobility is the means of satisfying basic needs and of finding and obtaining basic necessities. In our society, when there is no transportation, we cannot get to and from work, the market for our food, or the doctor for treatment. In addition, there is an inability to participate in spiritual, cultural, recreational, and social activities. In effect, we are denied participation in our community and culture; we are denied access to necessary services; and in most instances we are even denied the opportunity to work.

During the 93d Congress, the Subcommittee on the Handicapped considered legislation which would: guarantee the right of every handicapped child to an appropriate public education and help provide quality educational services; extend and amend the provisions of the Randolph-Sheppard Vending Stand Act for the Blind to improve employment opportunities for blind vendors; improve and strengthen the vocational rehabilitation program and stress that severely handicapped persons be served under the program; establish an Architectural and Transportation Barriers Compliance Board; create an affirmative action program to insure that handicapped citizens are not discriminated against in employment; and establish the right of this population to participate in any and all programs receiving Federal financial assistance. I am proud that this legislation is now public law.

Yet it would be an exercise in futility for us to enact these programs if the people for whom they were intended could not get to them because of inaccessible transportation. Indeed, many Federal programs for handicapped and elderly individuals have had to include a transportation component because accessible mass transit systems simply do not exist in most areas of the country. This has led to a proliferation of small, isolated transportation programs, each with different guidelines and differing eligibility and operating restrictions. They are administered by various Federal agencies, primarily the Department of Health, Education, and Welfare; the Department of Housing and Urban Development; and the Office of Economic Opportunity. This is clearly an inefficient and unsatisfactory way of meeting the transportation needs of those who are mobility impaired.

However, there has been no concentrated, coordinated Federal effort to develop any definitive policy to meet these special needs until very recently. The Architectural Barriers Act of 1968, section 16 of the Urban Mass Transportation Amendments of 1970, and Public Law 91–205—which extended the provisions of the Architectural Barriers Act to the Washington, D.C. subway system—were the only measures which addressed the problem of accessibility of mass transit until the 93d Congress Then, in the past 2 years, the Committee on Public Works amended the Federal Aid Highway Act so that projects receiving assistance under that act could effectively be utilized by handicapped and elderly persons and, in an amendment which I was pleased to sponsor, specifically included those in wheelchairs in the definition of handicapped persons. There is also an amendment to the "Department of Transportation and Related Agencies Appropriation Act, 1975" which states that none of the funds provided under that act can be available for the purchase of motor buses or passenger rail or subway cars unless the cars, buses and facilities are designed to meet the mass transportation needs of the elderly and the handicapped.

Another provision our subcommittee developed was the establishment of an Architectural and Transportation Barriers Compliance Board, contained in the Rehabilitation Act of 1973. This Board is composed of designees—executive level IV or higher—from the Departments of Health, Education, and Welfare; Transportation; Housing and Urban Development; Labor; Interior; Defense; the General Services Administration; the U.S. Postal Service; and the Veterans' Administration. Its duties are to: First, insure compliance with the standards issued pursuant to the Architectural Barriers Act of 1968; second, investigate and examine alternative approaches to the architectural, transportation, and attitudinal barriers confronting handicapped individuals; third, determine what measures are being taken by Federal, State, and local governments and by other public or nonprofit agencies to eliminate such barriers; fourth, promote the use of the International Accessibility Symbol; fifth, make reports to the President and to the Congress describing the results of its investigations, and sixth, make recommendations to the President and Congress concerning legislation and administration. In addition, the Board is charged with determining how and to what extent transportation barriers impede the mobility of handicapped individuals and aged handicapped individuals and to consider ways in which travel expenses in connection with transportation to and from work for handicapped individuals can be met or subsidized. Finally, the Board is to determine what measures are being taken to eliminate barriers from public transportation systems—including vehicles used in such systems—and to prevent their incorporation in new or expanded transportation systems.

This past Friday it was my privilege to introduce Senate Concurrent Resolution 11, declaring the sense of Congress that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the manmade environment, and that the adoption and implementation of this policy requires the mobilization of the resources of the private and public sectors to integrate handicapped people into their comunities. It is my belief that this resolution is complementary to the requirement in section 504 of the Rehabilitation Act of 1973 which states that:

> No otherwise qualified handicapped individuals in the United States . . . shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

The legislation which Senator WILLIAMS is introducing today is another logical step in eliminating barriers. This bill amends section 16 of the Urban Mass Transportation Act of 1964, as amended, by bringing the definition of "handicapped person" into line with the newly amended definition in the Federal Aid Highway Act and mandates specific requirements in meeting the mass transportation needs of elderly and handicapped persons. These requirements must be met if the Secretary is to approve the program or project. Any exceptions must be based on substantial evidence that the requirements cannot be met, and there is a detailed timetable showing that the other requirements are being carried out. The measure established both local advisory committees and a National Advisory Council on Accessibility of Mass Transportation, all of which must be composed of at least 50 percent handicapped persons. Finally, the Secretary of Transportation is to prepare and submit to the Congress a comprehensive report on the mass transportation needs of handicapped and elderly persons.

Mr. President, as I said the other day, voluntary groups and individuals at the local, State and national levels have recognized the need to provide a barrier-free environment in which handicapped and nonhandicapped alike have freedom of movement and access. Working in isolation, these programs have met with varying degrees of success as local resources and capabilities differ. A national goal and national program can offer the shared resources, expert consultation, and areawide coordination that is necessary to reinforce and strengthen local efforts. Again, I urge adoption of my resolution which will establish that the Congress endorse a national policy to eliminate such barriers and urge support of the legislation being introduced today by Senator WILLIAMS.

Finally, Mr. President, I wish to commend both Senator WILLIAMS and Senator STAFFORD for their excellent work in the area of transportation for elderly and handicapped individuals. Senator WILLIAMS is the very able chairman of the Committee on Labor and Public Welfare and is a valuable member of the Subcommittee on the Handicapped. Senator STAFFORD is the ranking minority member of the Subcommittee on the Handicapped and is a member of the Public Works Committee. He has made significant contributions to our endeavors on behalf of handicapped Americans. It is my hope that our colleagues will join with us as we continue our efforts to make accessible transportation a reality for all citizens.

By Mr. SPARKMAN (by request):

S. 663. A bill to provide additional military assistance authorizations for Cambodia for the fiscal year 1975, and for other purposes. Referred to the Committee on Foreign Relations.

ADDITIONAL MILITARY ASSISTANCE AUTHORIZATIONS FOR CAMBODIA FOR FISCAL YEAR 1975

Mr. SPARKMAN. Mr. President, by request, I introduce for appropriate reference a bill to provide additional military assistance authorizations for Cambodia for the fiscal year 1975, and for other purposes.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and a section-by-section analysis be printed in the Record at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated January 29, 1975.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 663

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 504(a) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following sentence: "In addition, there is authorized to be appropriated to the President not to exceed $222,000,000 for additional military assistance for Cambodia for the fiscal year 1975."

Sec. 2. Section 655 of the Foreign Assistance Act of 1961 is amended by repealing subsection (a) and subsection (b) thereof.

Sec. 3. The value of orders of defense articles and services ordered under Section 506 of the Foreign Assistance Act of 1961 for military assistance for Cambodia shall not exceed $75,000,000 in the fiscal year 1975.

Department of State,
Washington, D.C., January 29, 1975.

Hon. Nelson A. Rockefeller,
President of the Senate,
U.S. Senate, Washington, D.C.

Dear Mr. President: I am transmitting herewith a draft bill to provide additional military assistance to Cambodia, together with a section-by-section analysis.

This legislation is designed to carry out the recommendations of the President in his message to the Congress yesterday requesting additional Indo-China Assistance.

Respectfully,

Linwood Holton,
Assistant Secretary for
Congressional Relations.

Section-by-Section Analysis of the Proposed Bill To Provide Additional Military Assistance Authorizations for Cambodia

The proposed bill would amend the Foreign Assistance Act of 1961, as amended, to provide certain additional authorizations for military assistance to Cambodia in fiscal year 1975.

The first section of the bill would amend Section 504(a) of the Foreign Assistance Act of 1961 to add a new sentence authorizing the appropriation of not to exceed $222,000,000 for the purpose of providing additional military assistance to Cambodia. This would be in addition to the current $600,000,000 worldwide military assistance authorization enacted by the Foreign Assistance Act of 1974, $200,000,000 of which has already been obligated for Cambodia.

Section 2. This section would amend the Foreign Assistance Act of 1961 by repealing Section 655(a), which establishes an overall ceiling of $377,000,000 on economic and military assistance of any kind to, for, or on behalf of Cambodia, no more than $200,000,000 of which may be available for military assistance, and which establishes a $75,000,000 ceiling on the exercise of the President's "draw-down" authority under Section 506 of the Act for Cambodia, and Section 655 (b), which establishes rules for the computation of the $377,000,000 ceiling. The repeal of subsections (a) and (b) of Section 655, however, shall not be deemed to affect any unrepealed provisions of law which refer to them. Moreover, the remaining subsections of Section 655, in particular the reporting requirements of subsections (e) and (f), would be left intact. Removal of Section 655(a) would not change the allocation of $100,000,000 for economic assistance contained in Section 36 (a) (2) of the Foreign Assistance Act of 1974 but it would permit increased P.L. 480 food assistance to meet Cambodian needs.

Section 3. This section establishes a limitation of $75,000,000 on the exercise of the President's "draw-down" authority under Section 506 of the Foreign Assistance Act of 1961 for military assistance for Cambodia in fiscal year 1975. A similar limitation is contained in Section 655(a) of the Act; inasmuch as Section 2 of the proposed bill would repeal that section, it is necessary to reenact that limitation through the inclusion of a separate provision to that effect in the proposed bill.

By Mr. McGOVERN:

S. 664. A bill to prohibit U.S. military advisers in Indochina. Referred to the Committee on Armed Services.

(The remarks of Mr. McGovern in connection with the introduction of the above bill are printed earlier in the Record.)

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 15

At the request of Mr. Dole, the Senator from Arizona (Mr. Goldwater) was added as a cosponsor of S. 15, a bill to amend the Congressional Budget Act of 1974 to require the Congressional Budget Office to prepare inflationary impact statements in connection with legislation reported by Senate and House Committees.

S. 18

At the request of Mr. Dole, the Senator from Tennessee (Mr. Brock), the Senator from Minnesota (Mr. Humphrey), and the Senator from New York (Mr. Buckley) were added as cosponsors of S. 18, a bill to amend the act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honeybees, and for other purposes.

S. 211

At the request of Mr. McGee, the Senator from Utah (Mr. Moss), the Senator from Idaho (Mr. Church), and the Senator from Pennsylvania (Mr. Schweiker) were added as cosponsors of S. 211, to amend the Internal Revenue Code of 1954 with respect to .22 caliber ammunition recordkeeping requirements.

S. 284

At the request of Mr. Humphrey, the Senator from Kentucky (Mr. Huddleston) was added as a cosponsor of the bill (S. 284) to provide price support for milk at 90 percent of parity and for other purposes.

S. 331

Mr. HASKELL. Mr. President, my distinguished colleague from Nebraska, Mr. Hruska, has introduced S. 331, a bill to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday. I ask unanimous consent that I be added as a cosponsor of S. 331. I am pleased to be able to indicate my full support for this legislation.

The PRESIDENT OFFICER. Without objection, it is so ordered.

Mr. HASKELL. Many Colorado veterans have written to me and ask that I do all I can to restore Veterans Day to its original date. This piece of legislation is very important to them and their respective organizations, including the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Non-Commissioned Officers Association, and the American Veterans of World War II, Korea, and Vietnam.

One day each year is set aside to honor Americans who have died in service to our Nation. Because of the nearly unanimous commitment of these surviving veterans organizations to the traditional date for that observance I feel we must act to reinstitute that date. I appreciate so many people contacting me concerning this matter and am pleased to be able to give them my full support.

S. 513

At the request of Mr. Humphrey, the Senator from Wisconsin (Mr. Nelson) was added as a cosponsor of the bill (S. 513) to provide for adjustments in established price and loan levels for certain agricultural commodities, to improve stabilization of farm prices and incomes and to provide for improved management of certain agricultural commodities during times of shortage and for other purposes.

S. 632

At the request of Mr. Bentsen, the Senator from Iowa (Mr. Clark), the Senator from Utah (Mr. Moss), the Senator from Minnesota (Mr. Mondale), the Senator from Delaware (Mr. Roth), the Senator from South Carolina (Mr. Hollings), the Senator from South Dakota (Mr. McGovern), the Senator from Alaska (Mr. Gravel), the Senator from Idaho (Mr. Church), and the Senator from West Virginia (Mr. Randolph) were added as cosponsors of the bill (S. 632) to help preserve the separation of powers and to further the constitutional prerogatives of Congress by providing for congressional review of executive agreements.

SENATE JOINT RESOLUTION 25

At the request of Mr. Jackson, the Senator from Pennsylvania (Mr. Hugh Scott), was added as a cosponsor of the joint resolution (S.J. Res. 25) to authorize and request the President to issue a proclamation designating the calendar week beginning May 12, 1975, as "National Historic Preservation Week."

SENATE CONCURRENT RESOLUTION 5

At the request of Mr. Dole, the Senator from Alabama (Mr. Allen) was added as a cosponsor of Senate Concurrent Resolution 5, to urge the President to establish a Council on the Missing in Action.

SENATE RESOLUTION 32

At the request of Mr. Moss, the Senator from Pennsylvania (Mr. Hugh Scott) and the Senator from Utah (Mr. Garn) were added as cosponsors of Senate Resolution 32, to disapprove deferral of certain budget authorizations.

SENATE RESOLUTION 48

At the request of Mr. SPARKMAN, the Senator from Florida (Mr. STONE) was added as a cosponsor of the resolution (S. Res. 48) urging continuing reports in behalf of Americans missing in action in Southeast Asia.

SENATE CONCURRENT RESOLUTIONS 13, 14, AND 15—SUBMISSION OF CONCURRENT RESOLUTIONS EXPRESSING THE APPROVAL OF CONGRESS ON DISTRIBUTION AND USES OF ATOMIC MATERIAL

(Referred to the Joint Committee on Atomic Energy.)

Mr. PASTORE submitted the following concurrent resolutions:

S. CON. RES. 13

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed additional amounts of special nuclear material which may be distributed to the International Atomic Energy Agency pursuant to the provisions of Section 54a, of the Atomic Energy Act of 1954, as amended, submitted in the January 8, 1975 letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

S. CON. RES. 14

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed additional amounts of special nuclear material which may be distributed to the European Atomic Energy Community pursuant to the provisions of Section 54a of the Atomic Energy Act of 1954, as amended, submitted in the January 8, 1975 letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

S. CON. RES. 15

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" submitted in the January 14, 1975 letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

SENATE CONCURRENT RESOLUTION 16—SUBMISSION OF A CONCURRENT RESOLUTION AUTHORIZING PRINTING OF ADDITIONAL COPIES OF "INCOME SECURITY FOR AMERICANS: RECOMMENDATIONS OF THE PUBLIC WELFARE STUDY"

(Referred to the Committee on Rules and Administration.)

Mr. HUMPHREY submitted the following concurrent resolution:

S. CON. RES. 16

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee three thousand additional copies of its joint committee print of the 93d Congress, 2d session, entitled "Income Security for Americans: Recommendations of the Public Welfare Study".

SENATE CONCURRENT RESOLUTION 17—SUBMISSION OF A CONCURRENT RESOLUTION AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF "FEDERAL SUBSIDY PROGRAMS"

(Referred to the Committee on Rules and Administration.)

Mr. HUMPHREY submitted the following concurrent resolution:

S. CON. RES. 17

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee three thousand additional copies of its joint committee print of the 93d Congress, 2d Session, entitled "Federal Subsidy Programs".

SENATE RESOLUTIONS 73 THROUGH 80—SUBMISSION OF SENATE RESOLUTIONS DISAPPROVING THE DEFERRAL OF CERTAIN BUDGET AUTHORITY

(Referred to the Committee on the Budget and the Committee on Appropriations.)

Mr. PASTORE submitted the following resolutions:

S. RES. 73

Resolved, That the Senate expresses its disapproval of proposed deferral D75–121, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 74

Resolved, That the Senate expresses its disapproval of proposed deferral D75–119, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 75

Resolved, That the Senate expresses its disapproval of proposed deferral D75–117, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 76

Resolved, That the Senate expresses its disapproval of proposed deferral D75–116, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 77

Resolved, That the Senate expresses its disapproval of proposed deferral D75–114, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 78

Resolved, That the Senate expresses its disapproval of proposed deferral D75–113, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 79

Resolved, That the Senate expresses its disapproval of proposed deferral D75–112, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

S. RES. 80

Resolved, That the Senate expresses its disapproval of proposed deferral D75–111, as set forth in the message of November 26, 1974, which was transmitted to the Congress by the President under section 1013 of the Impoundment Control Act of 1974.

FISCAL YEAR 1975 ENERGY DEFERRALS

Mr. PASTORE. Mr. President, last December I submitted resolutions which would have expressed the disapproval of the Congress of eight budget deferrals in the Atomic Energy Commission's energy programs. The Senate was unable to act on those resolutions because of the short time then remaining in the session.

These programs have now been transferred to the New Energy Research and Development Administration. The considerations which led the Joint Committee on Atomic Energy to recommend that these deferrals be overridden are even more valid today, as ERDA takes its first steps toward its goal of the development of new energy sources, and as Congress and the administration settle down to the difficult task of resolving this country's serious energy problems, both present and future. Accordingly, I am today submitting those resolutions for the consideration of the 94th Congress.

The proposed deferrals would delay development efforts for the liquid metal fast breeder reactor, gas cooled reactors, controlled thermonuclear research, and laser fusion, as well as fundamental physical research efforts essential to ERDA's nuclear and nonnuclear programs, and would delay improvements which will significantly increase the Nation's uranium enrichment capacity. The committee believes that the delays will cost the Nation far more in the long run than they would save, both from an economic standpoint and in terms of energy independence.

I hope that prompt action can be taken to reverse this unfortunate decision to curtail critical energy efforts for a questionable budgetary exercise. ERDA must be allowed and encouraged to pursue these essential technology efforts with all the resources that are needed.

AMENDMENTS SUBMITTED FOR PRINTING

NATIONAL RESOURCE LANDS MANAGEMENT ACT—S. 507

AMENDMENT NO. 5

(Ordered to be printed and referred to the Committee on Interior and Insular Affairs.)

Mr. HASKELL. Mr. President, on January 30, 1975, I introduced for myself, the chairman of the Senate Interior Committee and the chairman of its Subcommittee on Minerals, Materials, and Fuels, S. 507, the National Resource Lands Management Act. Inadvertently omitted from page 53 of the 55 page act was an entire subsection. In order to restore that subsection, I am today introducing, for myself and the two cospon-

sors of S. 507, an amendment to that bill. I ask unanimous consent that the text of the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 5

"(d) Section 1 of the Act of March 3, 1877 (19 Stat. 377, ch. 107, as amended by section 2 of the Act of March 3, 1891 (26 Stat. 1096, ch. 561, 43 U.S.C. 321), is repealed except the following language:

'All surplus water over and above such actual appropriation and use, together with the water of all lakes, rivers, and other sources of water supply upon the public lands and not navigable, shall remain and be held free for the appropriation and use of the public for irrigation, mining, and manufacturing purposes subject to existing rights.' "

PROHIBITION OF THE IMPOSITION OF TARIFFS ON OIL—S.J. RES. 12

AMENDMENTS NOS. 6, 7, AND 8

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted three amendments intended to be proposed by him to the joint resolution (S.J. Res. 12) to prohibit for a period of 60 days the imposition of tariffs, fees, and quotas on oil imports and the lifting of all price controls on domestic oil, and to require the submission to and the right of approval of the Congress of any such action within 30 days.

TEMPORARY SUSPENSION OF PRESIDENTIAL AUTHORITY TO IMPOSE FEES ON, OR OTHERWISE ADJUST PETROLEUM IMPORTS—H.R. 1767

AMENDMENT NO. 9

(Ordered to be printed and referred to the Committee on Finance.)

Mr. JAVITS submitted an amendment intended to be proposed by him to the bill (H.R. 1767) to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

NOTICE OF HEARINGS ON THE 25TH AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Indiana (Mr. BAYH), I announce that the Subcommittee on Constitutional Amendments is scheduling hearings on the 25th amendment for February 25 and 26. These hearings will begin a comprehensive review of the implementation of the 25th amendment during the Vice Presidential confirmations of Gerald R. Ford and Nelson A. Rockefeller. In addition, the subcommittee will hear testimony on suggested modifications of the amendment including a proposal introduced by the Senator from Rhode Island (Mr. PASTORE), Senate Joint Resolution 26.

On February 25 the hearing will be held in room 318, Russell Senate Office Building, beginning at 10 a.m. and on February 26 we will meet in room 6202, Dirksen Senate Office Building at 10 a.m.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on Constitutional Amendments, room 300, Russell Senate Office Building, Washington, D.C. 20510.

ANNOUNCEMENT OF PUBLIC HEARINGS BEFORE THE ENVIRONMENT AND LAND RESOURCES SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. HASKELL. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Environment and Land Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for Friday, March 7, beginning at 10 a.m., in room 3110 of the Dirksen Senate Office Building. Testimony is invited on S. 507, a bill to provide for the management, protection, and development of the national resource lands, and for other purposes. As you know, Mr. President, this is the National Resource Lands Management Act which the Senate passed during the second session of the 93d Congress.

For further information regarding the hearings you may wish to contact Mr. Steven Quarles of the subcommittee staff on 224–9894. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Environment and Land Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

ANNOUNCEMENT OF PUBLIC HEARINGS BEFORE THE ENVIRONMENT AND LAND RESOURCES SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. HASKELL. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Environment and Land Resource Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for Wednesday, February 26, beginning at 10 a.m., in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding two bills which are presently before the subcommittee. The measures are: S. 267, a bill to designate the Flat Tops Wilderness, Routt and White River National Forests, in the State of Colorado; and S. 268, a bill to designate the Eagles Nest Wilderness, Arapaho, and White River National Forests, in the State of Colorado.

Since the subcommittee will conduct a field hearing on these measures in the near future to solicit testimony from public witnesses, the purpose of the hearing on the 26th is to receive oral testimony from agency witnesses only. Of course, anyone wishing to submit a written statement for the record is certainly encouraged to do so.

For further information regarding the hearings, you may wish to contact Mr. Steven Quarles or Mr. Tom Williams of the subcommittee staff at 224–9894. Those wishing to submit a written statement for the hearing record should write to the Environment and Land Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

ADDITIONAL STATEMENTS

CONTROLLED ENVIRONMENTAL AGRICULTURE

Mr. HUMPHREY. Mr. President, too frequently we are overwhelmed by the immediate magnitude of problems we face. The world's food problem is a good example. There are many obstacles to be overcome in order to provide more and better quality food for millions of hungry and malnourished people, both in the United States and overseas.

Most of these obstacles involve nature—either unlocking nature's secrets or controlling nature's forces. Man's will to overcome these obstacles is the key. This requires that the leaders of the world make a commitment to unravel nature's enigmas. The development and proper extension of technology underlies all breakthroughs that must occur.

One area of technology that is worth increased attention is "Controlled Environmental Agriculture." To date, this technological innovation has been limited to increasing the availability of fresh vegetables.

However, the potential extension of controlled environmental agricultural techniques to certain aspects of grain and legume crop production needs to be explored. It could be another step toward man's goal of assuring future generations that they will not go to bed hungry. Increased research emphasis is necessary to utilize this technology on behalf of the hungry and malnourished.

A recent article, "Desert Food Factories," by Carl N. Hodges and included in the January 1975 issue of Technology Review, describes a specific type of controlled environmental agriculture—CEA—technology applicable to desert areas of the world.

Work has already been done utilizing this approach in Abu Dhabi and areas of the Southwest United States.

Other CEA technologies exist: For example, a pulse light system designed by Don Widmayer of Control Environment Systems, Inc. This system seems to have merit in energy-rich countries such as Iceland with available geothermal energy resources.

Mr. President, I ask unanimous consent that this informative article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Desert Food Factories

(By Carl N. Hodges)

If the world's growing hunger is to be satisfied, means obviously must be found for increasing productivity from the finite land that is available for farming. The so-called "Green Revolution" in grains, which is not without its inherent limitations, at best offers a partial solution. Many other innovations will be prerequisite to feeding the explosive population. One promising response to this challenge may be seen in an improbable place: tiny Abu Dhabi, a sandy Arab Shaikdom best known for petroleum. Several times in the past two years, cucumbers, tomatoes, eggplant, and peppers were air-freighted into Lebanon from Abu Dhabi. Because none of these trial consignments—which were of exceptional quality—exceeded a ton in weight, the transactions caused no noticeable excitement among international traders. To agriculturists, on the other hand, they were worth at least a footnote for two reasons: the food was extracted from one of the least arable locations on earth, and Abu Dhabi always had imported vegetables, many of them ironically brought from Lebanon.

What enabled this cornucopian transformation was an artificial oasis that scientists and engineers from the University of Arizona have superimposed on a parched islet off the Arabian mainland. There, desalted seawater, distilled with waste heat captured from generators, is used to irrigate vegetables inside plastic-skinned greenhouses in which the microclimate can be regulated. All of this may seem reminiscent of *Dune*, a 1967 Frank Herbert novel that ecology buffs have evangelized as almost a new *Book of Revelations*. In *Dune* the locale is a waterless planet bereft of any verdure save that in an indoor garden. In Abu Dhabi the nonfictional indoor gardens promote fertility where dust storms, heat, and aridity preclude ordinary agriculture, and the low, sparse shrubs barely sustain a few browsing camels.

This concept began to evolve half a world away, in Tucson, at what now is the University's Environmental Research Laboratory. Our sole interest, initially, was in a theory for the low-energy humidity—cycle desalination of seawater. A small working model was put together on a large lot that once had been the campus polo field. Then, in 1962, a 2400-gallon-a-day unit was fabricated on the Gulf of California at Puerto Penasco, Sonora, Mexico, a shrimp fishing and boat-building settlement 220 miles southwest of Tucson. This was a joint venture with the University of Sonora, the genesis of bi-national cooperation between the two institutions that continues still at Puerto Penasco.

Sunlight originally provided the energy for the desalting process, although solar energy later was abandoned for a more immediately practical source: the waste heat from the two diesel-electric generators at the reserach station. Internal combustion engines, as is well known, dispel to the atmosphere much of the energy they produce. So, at Puerto Penasco, heat exchangers—recovery mufflers—were attached to the exhausts and water jackets' of the generators, and that heat then was harnessed for the distillation of saline water. The desalting unit worked well enough, and even yet might prove to be feasible for certain small-scale applications.

Meanwhile, it had become clear, though that any desalted water probably will remain too costly for conventional irrigation for the foreseeable future—and particularly in arid areas where evaporation and transpiration are prodigious. A crop in the desert may consume up to 100 times its weight in water each day—most of it merely to keep cool. An obvious question was whether there might be a way, by creating a manipulatable milieu, to till vegetables on a desert coast with a minimum expenditure of desalted water. As it turned out, there is. Biologists at our laboratory determined that plants grown in essentially 100 percent relative humidity demand less than a third of the water required by those in a humidity of 35 percent. In practice, though, this is easier theorized than done.

LIGHTING AND COOLING, AND TOM SAWYER'S WHITEWASH

While sunlight is esesential, of course, to photosynthesis, excessive radiation sometimes overheats leaves. When that happens, three of nature's fail-safe systems cool them: convection, re-radiation, and transpiration of water. Transpiration may be reduced simply by adding humidity—which lessens the vapor-pressure gradient between leaf and atmosphere—and cooling may be maintained by substituting more convection and re-radiation. Thus, the leaf temperature and consequently the convectional and radiational transfer increase, and a slight rise occurs again in transpiration. As long as this leaf temperature is not high enough to impair productivity, there is no problem. In a controlled ambience, however, where one objective is optimum sunlight, the equilibrium temperature, with only natural convection, can be exteremely high. Cooling becomes crucial.

If one wishes to alter the envrionment, he must commence, patently, with small, confined spaces. Accordingly, the Environmental Research Laboratory, with Rockefeller Foundation funding, erected and evaluated greenhouses of diverse materials and configurations—first on the old polo field and then in Mexico. Structures of air-inflated plastic appeared promising. The plastic would be relatively inexpensive, the covers easy to install, and there would be no supports to inhibit sunlight. We chose a 12 mil polyethylene, with a yield strength of about 1,400 p.s.i. It was treated to filter out ultraviolet radiation, which has no photosynthetic utility and simply adds heat to the greenhouse.

Eight pneumatic polyethylene "tents," resembling long, translucent quonsets, were inflated at Puerto Penasco in 1966. Each was 100 feet long and 12 feet wide, and anchored to a concrete curb. To enhance the environmental control, that is, to form a more or less closed loop, the half-cylinders were put up in pairs; each pair was connected front and back by concrete tunnels. Early in the first summer, it became obvious that no crops within the enclosures could withstand the withering sun. To diminish the radiation load, therefore, the greenhouses were shaded, i.e., they were sprayed with Tom Sawyer's whitewash—a mixture of water, gypsum and glue. This protection was sufficient. Since the expected lifetime of the plastic at Puerto Penasco was only 12 months, the plastic cover could be sprayed with shading compound late in the spring and replaced for another year at summer's end. Changing plastic covers was an elementary procedure, a three-hour job for four men. Inflation, which takes less than two minutes, was done with the circulation system, two ¾ h.p., 10,000 c.f.m. belt-driven propeller fans.

Once inflated, little pressure was required to keep the polyethylene canopies taut. A primary 1/6 h.p. centrifugal inflation blower maintained a positive pressure generally of .01 to .02 p.s.i., albeit, this was a function of ambient wind velocity. When wind speeds reached about 20 m.p.h., the covers were stiffened by an automatically switched-on, 1-horsepower blower that increased the pressure to about .03 p.s.i.

The air flow created by the circulation system began in the back on one house. Fans forced the air through a tunnel to the adjoining house and up through packed-column heat exchangers, low honeycomb-like stacks of corrugated asbestos through which seawater was sprayed. After the moistened current flowed the length of the house, it was deflected through the front tunnel and back down the opposite unit to the fans again. This movement, on the order of 20,000 c.f.m., continued in a ceaseless pattern.

Pressure blowers inserted 1,000 to 1,800 c.f.m. of outside air into each house. Inside, because the cycle was virtually closed, the trapped air swept every two minutes through the spray of the packed column, becoming almost saturated. Humidity hovered close to 100 per cent. Both it and the air velocity, which prevents stagnation at leaf surfaces, were important to environmental control.

Water for the packed columns, like that for the desalting process, was pumped at a year-round temperature of approximately 78°F. for a seawater well. Thus, temperature in the greenhouses could be controlled to a considerable extent by managing the flow of the seawater through the packing. The column was not an evaporative cooler, but rather a direct-contact heat exchanger. Because the corrugated asbestos spread out the water, the effective heat-transfer area was high. Nominally, seawater flowed through the corrugated asbestos at a rate of about 120 gal./m., and the temperature of the air blown from the packed column remained near that of the incoming seawater. On hot days, the cooling flow could be increased to 140 gal./m. or so. This would bring the interiors closer to seawater temperature. If higher night temperatures were desired during the winter, the water flow could be shut off completely. On extremely cold days, 94°F. blowdown seawater from the desalting plant outlet could be piped into the houses for warmth.

WATER USE DOWN, CROP YIELDS UP

Winter or summer, damp tropical conditions prevailed within the greenhouses, sheltered as they were from the harshness of the surrounding desert. Eighteen different kinds of vegetables, as well as strawberries, have been harvested from this manipulated environment. Once the plastic covers were in place and the greenhouses were inflated, the beach sand was leached to remove excess salt, a step that required no more than a half-gallon of pure water per square foot of growing area. When the experiments began, the vegetables were seeded in separate plots of either the natural beach sand or an amalgam of vermiculite and spahgnum peat moss. The crops did no better in the artificial medium; since then they have been set out only in the native sand.

CONTROLLED-ENVIRONMENT YIELDS VERSUS FIELD-GROWN YIELDS IN TONS

Vegetable	Field-grown yield (U.S.) acre/crop	Abu Dhabi		
		Acre yield per crop	Crops per year	Total yield acre/year
Broccoli	4.2	13.0	3	39.0
Bush beans	3.0	4.6	4	18.4
Cabbage	12.0	23.0	3	69.0
Cucumber	12.0	70.0	3	210.0
Tomato	30.0	60.0	2	120.0

GROWING AND HARVEST PERIODS: OPEN FIELDS VERSUS CONTROLLED ENVIRONMENT

Vegetable	Growing period (days)		Harvest period (days)	
	Field	Greenhouse	Field	Greenhouse
Cabbage	62±	51	1	1
Cucumber	90	83	55	30
Eggplant	130	181	40	125
Lettuce	70	38	10	4
Radish	30	30	1	4
Tomato	140	130	50	69

Water-soluble fertilzers (mainly nitrogen, phosphorus, potassium, magnesium, calcium, and iron) were mixed with the desalted water for irrigation; this mixture then was rationed frugally to the crops through trickle (or drip) irrigation systems. One such system watered each plant individually from a spaghetti-like network of tiny plastic tubes; another released water in small droplets at soil level through perforated plastic tubing. Only enough water was applied, with each treatment, to reach the bottom of the root zone. As hundreds of horticultural varieties were tested, it quickly became evident that those plants that were developed in hot, humid areas would respond best to the closed environments.

Not only did this approach require one-third as much water, but because of the heat and intensive light, many crops matured more rapidly than they would have outdoors—bibb lettuce, for instance, was ready for the table 20 days sooner—and most of them produced far more profusely. Again to use lettuce as an example, the yields were five times those of open fields. The productivity of carrots, eggplant and radishes were more than doubled.

The closed-system houses proved to be hotter in mid-summer than was the ideal for tomatoes and some other varieties. Some of the laboratory's later models are compromises: they have fiberglass sides but plastic roofs, and the moistened air flows in one end and out the other.

Of course, people have nurtured vines in shelters of one sort or another for a long time. Tiberius Caesar, the emperor who ruled Rome for almost a third of the first Christian century, is said to have possessed such an affinity for cucumbers that considerable trouble was taken to provide them for him. His minions tinkered together portable cucumber beds—covered with such fairly transparent stone as slate and mica—that could be carried indoors on chilly Italian days. George Washington protected citrus trees in a heated "orangery" at Mount Vernon. Even before then, a glass-sided conservatory, which contained exotic shrubs, had been built on the James Beckman estate in New York—which became distinguished as the place where Nathan Hale was detained the night before his appointment with a British hangman. Whether the Beckman building was heated, no one knows now.

The present greenhouse industry, which is not large compared with agriculture as a whole, has developed more in Europe than in this nation. At last accounting, there was slightly more than 1000 acres of vegetable greenhouses in the U.S., or less than the Guernsey alone has. Wherever they are located, most modern greenhouses usually are simple glass affairs with rudimentary environmental controls—usually only heating in order to extend growing seasons into the winter. What the Arizona group has contributed, then, are ways of much more precise manipulation of the microclimate and the use, where it can be done, of seawater for cooling greenhouses in the summer. These methods, more akin to industry than to traditional crop husbandry, appeared to make farming feasible in locations where otherwise it would be impractical, particularly on desert coasts.

GROWING IN THE ABU DHABI DESERT

The experimental greenhouses at Puerto Penasco were about a year old when word of them reached Abu Dhabi, a small, oil-rich principality on the Persian Gulf 500 miles south of Kuwait. A government official there read about the Mexican work in *Time* magazine and discussed it with the ruler, Shaikh Zayed. The Shaikh decided that his desert country needed an integrated power-water-food facility. The only vegetables grown in Abu Dhabi (population ca. 50,000) at that time were produced seasonally, and in limited quantities, at an inland oasis called Al-Ain.

The ruler offered to finance some training and research in Arizona and Mexico as well as his new horticultural center. The site he selected for the center was Jazirat as Sadiyat (the Island of Happiness), across a narrow inlet from this capital. Sadivat was essentially inhabited only by the families of fishermen who occupied 24 palm-frond huts, or "barrastis."

Because the island lacked both water and roads, the University's resident staff, which arrived early in 1970, first had to build a jetty, a construction-phase desalting plant, and almost two miles of paved roads. A research greenhouse had been planted by that June, and work began on the five acres of commercial greenhouses. When completed early in 1971, half of the spread consisted of 48 inflated half-bubbles of plastic, each approximately the same size as those at Puerto Penasco. While the Puerto Penasco structures must be entered through underground air-locks, those on Sadiyat branch off from central concrete tunnels that serve both as airlocks and as packing areas. Four steel-framed polyethylene-covered houses, totaling about 101,000 square feet, sprawl across the remaining 2½ acres.

The center was designed in this manner so that such low-growing crops as cabbage. spinach and beans, which need no supports, could be grown in the pneumatic houses, while tomatoes and cucumbers, which are trained vertically on a cordon system, might be planted in the structured houses.

Three diesel engines, developing 580 B.H.P. at 750 r.p.m., provide power. A waste-heat recovery muffler connected to each engine provides energy for the desalting plant, a multiple-effect, spray-flash, 70,000-gal./day unit. This unit makes, primarily for irrigation purposes, a distillate with a purity of 0.5 to 1 p.p.m. dissolved solids. For cooling the greenhouses, untreated seawater is pumped directly from the Gulf by vertical turbine pumps, at temperatures that vary seasonally from 66° to 88° F.

Summer heat proved to be a major challenge. Inside the chambers, the average daily dry bulb temperatures reach a maximum of 93° F. in June, but the wet bulb temperature continues to rise until September, decreasing the effectiveness of the cooling system. For example, in June at the maximum day temperature a 42° F. suppression of the ambient temperatures can be attained but only a 35° F. differential would be possible in August because of the higher relative humidity.

In the summer, night temperature in the greenhouses will reach a low of only 86°F. It is these high night temperatures that accelerate high rates of respiration in the plant, making it difficult to achieve good yields of most crops except for Malabar spinach, melons, and cucumbers. As at Puerto Penasco, in the summer the greenhouses are shaded at varying extents, depending on the crop. These decreases the amount of incoming radiation and therefore the heat load within the greenhouse.

Growing temperatures of 75°F. by day and 64°F. by night can be maintained during the winter by regulating the evaporative cooling system and/or the amount of incoming air. The evaporative cooling system used in Abu Dhabi are corrugated-asbestos heat exchangers. Seawater is sprayed over the top of these corrugated materials. Wintertime heating systems are not necessary (the lowest recorded temperature on the Abu Dhabi coastline was 50°F.).

In the framed greenhouses, air is exhausted through the middle of the roof. The negative pressure that this creates inside results in air flow into the house across the heat exchanger. In the inflated greenhouses, air is pulled through the asbestos by fans mounted in the end wall. The air that is forced through the house is exhausted through the roof of the central corridor to which the air-supported greenhouses are attached. The corrugated materials provide a large surface area for contact between seawater and air. Humidity within the houses normally is high, because the cooling system, which operates nearly all year, essentially saturates the already-humid incoming air with moisture.

The horticultural techniques developed at Puerto Penasco needed little modification. Once more, the vegetables were sown directly in the indigenous beach sand (which on Sadiyat is more than 95 per cent calcium carbonate with a pH of 8.3); commercial-grade, water-soluble fertilizers were added to the irrigation water, and this mixture then was applied through trickle irrigation systems. Again, the varieties that had originated in tropical regions turned out to be the most suited for the rain-forest conditions of the greenhouses; the tomato that has grown best on the island is one bred at the University of Hawaii. Lettuce for reasons still not understood has grown poorly, but most other crops have succeeded. Even under the constraints of summer heat, it has been possible to produce two yearly crops of tomatoes, for example.

COVERING THE WORLD WITH CUCUMBERS

As a result, the productivity of Puerto Penasco has been more than duplicated in Abu Dhabi. Last year for instance, four times as many tomatoes were carted from the Sadiyat greenhouses as one would pick from open fields in the United States, in part because two full crops a year could be harvested from the greenhouses. Yields of cabbage were five times what they would have been in a productive field. Crops usually matured more rapidly in the enclosures, and harvest periods by and large lasted longer. Altogether, the five acres of covered beach sand gave up an average of a ton a day of high-quality vegetables, and the year-long output of tomatoes alone was enough to supply almost 10,000 persons at U.S. levels of consumption.

The most impressive results came with cucumbers, which seldom bear more than a dozen tons/acre/crop in American fields. More than five times that much, or 60 tons/acre/crop, has been taken from the Sadiyat structures; by growing continuously it becomes possible to obtain 210 tons/acre each 12 months. (Extrapolation can be exhilarating. Assume a global population of six billion in the year 2000. In the improbable event that only one per cent of our planet's 2.5 million square miles of coastal deserts was covered by then with such greenhouses and planted entirely in cucumbers, enough of the green cucurbits would pour from them to allot every human on earth three pounds a day.)

Actually, what vegetables are sown depends considerably upon the market. Fifteen different Sadiyat crops have been sold locally, including eggplant, peppers, radishes, turnips, parsley, spinach, broccoli, cabbage, snap beans, squash, kale, and beets. But each was evaluated for marketability as well as productivity, and the results suggest that tomatoes and cucumbers would be the most profitable.

Harvesting also has been timed so that the greenhouse produce does not compete with the fairly limited supply that comes from the Al-Ain oasis. This desire to avoid local competition was the point of the trial shipments to Lebanon, where the prices commanded were sufficient to make such exports realistic, once the local market is satisfied. Exporting could be especially attractive, since demand is high in Beirut at a time (from mid-November through mid-March) when sales from Al-Ain reach their nadir.

From the beginning of the project, the goal was to invest full management, ultimately, in the local people. Because of this, training has been stressed. How well this transfer of technology has succeeded may be measured by the fact that all the trainees have remained in the program after their apprenticeship. Or its success might be evinced in the careers of the original trainees, three

Abu Dhabians who spent seven months in Tucson and Puerto Penasco to acquire the requisite skills. Two now manage the Sadiyat greenhouses; the third is in charge of packing.

But the new facility has meant far more to Sadiyat than merely a few jobs. Once the island families had to haul water from the mainland, but now they get water and electricity from the new facility. Several of them boast television sets, and Shaikh Zayed is replacing their old huts with modern houses. Where once there was only saltbush, now trees and grass are irrigated with effluent from a sewage treatment unit at the facility.

THE TECHNOLOGY EXISTS—REFINEMENTS NEEDED

The Abu Dhabi installation, the first large scale desert "vegetable factory," undoubtedly is the first of many. Across the Gulf, the area's oil companies asked E.R.L. engineers to design two acres of controlled-environment greenhouses for the Iranian island of Kharg, the largest petroleum depot in the world. The first crops there will be harvested this year.

Back in the United States, the first purely commercial application of this technology already was in business. Environmental Farms, Inc. (E.F.I.), near the laboratory on the fringe of Tucson, broke ground in 1968 for a modest 1.2 acre facility.

Three years later, Superior Farming Co., a large California-based agribusiness concern, purchased the property and set out on a $1.5 million program to expand E.F.I. to 10 acres. When that construction was completed at the end of 1972, there were five new fiberglass-and-plastic greenhouses. Two of them were 264 by 541 feet—or thrice the size of a football field. These rigid-framed structures were designed by E.R.L. engineers. They are built of galvanized steel columns, bar joists and gutters, fiberglass walls, and inflated "pillow" roofs, each roof made up of two polyethylene sheets separated by air. The air layer faciltates temperature control inside the house; and the plastic covers, like those at Puerto Penasco, can be coated at the onset of summer to reduce the heat load, and then changed with autumn's arrival. Horizontal aspin pads and centrally-located exhaust fans evaporatively cool the growing area, which is heated by conventional fan-coil units that are supplied hot water from two central heating stations. Municipal water is abundant. In 1973, its first full year of operation, Environmental Farms marketed almost 1,150 tons of tomatoes, its only product (again, by contrast, a grower would consider 150 tons a fortunate yield from an outdoor plot of that size). Still, the laboratory horticulturists suspect that even this volume can be multiplied by introducing new varieties and by more sophisticated environmental engineering. As one small, straightforward example of what might be done, it was found that tomato quality tended to improve when the upper leaves were pruned in such a way that they provided shade for the fruits below.

As is true at Abu Dhabi, the Tucson tomatoes, most of which are of prime quality and sell on supermarket shelves in the Midwest and Northeast, are planted directly in desert sand that has been washed and screened. The same growing medium is utilized at a second commercial installation designed by ERL—on the Fort Yuma Indian Reservation. The reservation lies in a part of eastern California, on the Colorado River, where such sand is not scarce. There, five acres of growing enclosures were established last year with federal funds; the project has assured employment for 20 to 30 tribesmen.

Technologically, controlled-environment agriculture seems, to use, to need only refinement. As for the economics, more experience will be instructive. Neither the Abu Dhabi project, because of its logistics, nor the Fort Yuma complex, which was federally funded, bears much resemblance to any future investments—anywhere. Although its management is optimistic, Environmental Farms is new. Meanwhile, the research continues. Among other things, a plant breeder is seeking to winnow out genetically those varieties that fare best under controlled conditions, while the engineers try to develop new greenhouses that will be less costly to erect and operate. The present ones are not inexpensive (those at Fort Yuma, for instance, cost $120,000 an acre to build), and thus they are practical only for high-value crops. One goal is to reduce this capitalization so that high-protein but lower cost foodstuffs may be similarly produced.

Last year, the laboratory began to apply to aquaculture (the husbandry of marine life) some of the same techniques it has devised for horticulture. As a preliminary step, shrimp are being cultured experimentally in the air-inflated greenhouses—now called "Aquacells"—at Puerto Penasco.

Shrimp are unlikely to stave off a famine, nor are tomatoes. But what one learns about the intensive, engineered cultivation of them—or any other food—nonetheless could have a considerable impact.

A CABLE TELEVISION PROGRAM FOR THE ELDERLY—GAYLORD WHITE HOUSE AND MOUNT SINAI COOPERATE

Mr. JAVITS. Mr. President, we are all deeply concerned that the elderly in our society should not be cut off from community and social activities, as well as from friends, because of their lack of mobility and personal funds.

I am gratified to learn that one of New York's outstanding educational institutions, Mount Sinai School of Medicine of the city of New York, has designed an innovative response to this critical problem. The Mount Sinai School of Medicine's Department of Community Medicine has developed a cable television project to reach out to the elderly in their own homes, over their own TV sets, to inform them of the happenings in their own communities, and to involve them in the production and programing.

Funding for this unique demonstration program, which reaches 330 tenants, with a median age of 76 in the Gaylord White House, at Second Avenue and 104th Street, in New York City's Manhattan was provided by the Lister Hill National Center for Biomedical Communications.

I commend to my colleague's attention an article on the project by Edward Wallerstein, coordinator, and Carter L. Marshall, M.D., chief of the Mount Sinai School's Division of Communications of the Department of Community Medicine, in the periodical "Perspective," published by the National Council on the Aging, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TELECOMMUNICATIONS: AN APPROACH TO DEISOLATION OF THE ELDERLY

(By Edward Wallerstein and Carter L. Marshall, M.D.)

Of all the problems besetting the elderly, perhaps that of isolation is the most distressing. Separated from spouse or family by death or distance, from employment by forced retirement or the sheer antipathy of ageism, uprooted from familiar surroundings by economics, the elderly may suffer to the extent of sensory deprivation. In extreme cases, such alienation can lead to "pseudosenility," where presenting symptoms mimic those of organic brain syndrome.

The greater the isolation, the more serious will become other aspects of living patterns—less attention paid to nutrition, personal health or appearance, hygiene. These characteristics, self-perpetuating, feed upon themselves, resulting in depression and a consistent decline in both physical and emotional well-being—and thus furthering the elderly's isolation.

TV SET MAY BE ONLY "COMPANION"

How to reduce this downward spiral? This paper describes one unique method, a demonstration project fully operational in New York City since early June 1974: Using television to attack the problem. Data indicate that not only do the elderly watch more television than any other age category, they spend more time at it than at anything else. For the isolated elderly, the TV set may be their major or only contact with the outside world; many living alone may even keep it turned on until sign-off time for "company."

That TV influences people of all ages is evidenced by the $2.5 billion spent annually on commercial TV to promote products and services, many of dubious value. For the isolated elderly who have its "advice" as a single source for solving health problems, it can be disastrous.

HEALTH ADVICE OFTEN MISLEADING

In a recent study, Wayne State University School of Medicine monitored a Detroit network TV channel during a typical 130-hour broadcast week. Of total programming, health-related content was used only 7.2 percent of the time, and 70 percent of the material was either inaccurate and/or misleading. Ten times as many commercial spots urged the use of pills as there were messages warning against drug abuse. Some useful health information was offered, but professional health resources were not mentioned to any discernible degree. Major health problems (heart disease, cancer, stroke, accidents, mental health, etc.) were virtually ignored. Studies of educational TV programming, with a few notable exceptions, showed the same lack of health coverage.

TV CAN EDUCATE, MOTIVATE, ACTIVATE

Yet television, beyond providing passive entertainment, can be used to educate, motivate, activate. The "Sesame Street" success is a case in point; another is last year's "V.D. Blues," which asked readers to call in questions. In New York City, 15,000 calls were answered in less than two hours; 50,000 calls were made during the day. The following day, city venereal disease detection centers were taxed beyond capacity.

In early 1971, the City University of New York's Mount Sinai School of Medicine, Department of Community Medicine, established a communications division to explore the application of telecommunications technology to disseminate health information to an inner city geriatrics population, using television in a totally new way: reaching the elderly in their own apartments over their own TV sets.

We chose the elderly as our target population because:

Their health needs are greater than those of any other age group; their illnesses are apt to be more prolonged.

They account for a disproportionate amount of total health expenditures. Though about 10 percent of the population, their health bills are 27.4 percent of the national total.

We had another aim: The need for health care providers to learn how to communicate with the elderly. By disseminating health information via TV and coordinating it with the delivery of health care, our hypothesis was that the health status (emotional, physical and social) of the Gaylord White residents could be materially improved.

MEDIAN AGE IS 76

With funding from the Lister Hill National Center for Biomedical Communications, we chose as a demonstration site an East Harlem single-rise public housing project, the Gaylord White House, Second Avenue at 104th Street, whose 246 apartments house 330 tenants with a median age of 76. Approximately 20 percent each are black or Puerto Rican; the remainder are white, half of whom are of Italian extraction.

First, we installed a special bidirectional cable television system (CATV) with free outlets in each apartment connected to the tenant's set. We established a small base studio in the basement, activating one unused CATV channel specifically as the Gaylord White channel. On regular CATV, residents receive clearly all channels, including Very High Frequency (VHF) and Ultra High Frequency (UHF) and additional CATV channels available only to subscribers.

USE MOBILE EQUIPMENT

With the black and white system, we telecast live or via videotape; with all the equipment mobile (mounted on carts), we can produce and cablecast from any apartment or common building area, as well as from the basement studio. Most of the programming is directed to impacting two areas of tenant health: Their psychosocial isolation and need for ego support; increasing their knowledge of health status, and how to use the health care delivery systems available.

Currently, we cablecast six hours a week, one hour each Monday, Wednesday and Friday mornings, repeating the programs at noon. A wide variety of material is presented, although the daily format is fairly consistent: A greeting with the date, time and weather; a rundown of activities at Gaylord White and the neighborhood; a tenant reading an inspirational message or poem. Then comes "Eye on the Community," describing some activity or service of interest to residents. This might be followed by segments on nutrition and shopping, accident prevention or health problems. The cablecast usually concludes with "Know Your Neighbor," with resident appearances.

The full-time project staff includes a director, associate director, an assistant director responsible for software (written programs) production; three production assistants do videotape, edit and cablecast. Graduate students in health education assist in all phases, serving as nutrition committees, etc.

Generally, tenant response has been very good. We make every effort to involve them in all activities, from planning programs to handling equipment to appearing on camera. In effect, with no constraints as to time, format or content, we have a built-in, excellent laboratory to test the effectiveness of the medium in serving the needs of an elderly population.

"Know Your Neighbor," featuring the tenants themselves, is by far the most popular program. To date, more than 40 have "starred," some for a few minutes, others for half an hour. Some have given vignettes of their own lives; others have demonstrated skills, talents and hobbies, ranging from cabinetry to doll-making and growing houseplants to singing and dramatic readings. Seeing themselves or their neighbors on TV delights them, and it encourages others to participate.

"STARRING" ENHANCES GROOMING

Being a "star" also does much to improve self-image and self-esteem. Initially, many were reluctant to appear on camera, but with staff encouragement and after seeing their neighbors appear, they are becoming more and more eager to participate. Besides the 40 or so who have appeared on "Know Your Neighbor," we recently videotaped a picnic starring 25 tenants, most of them for their first time.

We've had many requests for reruns; when we schedule them, the once shy tenants who appeared on the tape begin busily ringing their neighbors' doorbells to alert them to watch. In fact, several have complained that their appearances were too short; one person even suggested that we rerun the tape in slow motion so it would last longer.

IMPLICATIONS ARE POSITIVE

We have seen other positive implications that our program is making inroads in reducing isolation. Two examples: After considerable encouragement from the staff, one 90-year-old who loves houseplants agreed to appear with a representative of a nearby botanic garden. Prior to her appearance, she had seldom, if ever, been seen outside her apartment; now she frequently visits with her neighbors. Another tenant, fairly sociable until her husband's death, isolated herself completely afterwards, feeling she had little assistance during his lengthy illness or comfort after his death. With the staff's gentle prodding and the lure of activities, she now participates.

Other auspicious aspects are visible signs of better grooming: Tenants refuse to appear on camera if they feel improperly dressed or groomed or have their dentures out; the attitude seems to carry over in general, not just for camera appearances.

HEALTH PROVIDERS LEARN, TOO

We have begun to involve health providers in producing the programs, a novel experience for them in learning to communicate effectively with an elderly population. (Most medical schools offer no training in geriatrics.) They have developed programming in such areas as dermatology, proper medication, oral hygiene, gastroenterology, nutrition, accident prevention, body mechanics, breast cancer, headaches and hypertension.

Whenever possible, our programming calls for a behavioral response, i.e., taking part in a recreational activity, registering to vote, requesting a recipe booklet and, most importantly, making (and keeping) dental and medical appointments and getting free chest X-rays, breast mammographies.

VIEWING AUDIENCE HIGH

From random telephone surveys after 10 weeks of cablecasting, we know that we have better than a 30 percent viewing audience; half of the residents say they watch the Gaylord White Channel at some time during every week. We are researching now for specific elderly's problems which might be addressed via television; we are experimenting to determine the most effective ways to impart whatever information and assistance is needed.

Although much too early to specifically measure the program's success, the results to date are both promising and exciting. Naturally, we hope for renewal when our current contract with Lister Hill expires in August 1975; much experimentation is still needed. We want to address the question of how long it takes to accurately measure the medium's effectiveness in long-term behavioral response; we want to test some applications of the technology in areas such as mental health, health education, alcoholism, etc. Definitely, the need for such research is there.

CRUDE OIL EXCISE TAXES

Mr. McCLELLAN. Mr. President, I recently received a thoughtful memorandum from a correspondent discussing the desirability of imposing excise taxes on American crude oil production as part of an energy conservation program which I would like to share with my colleagues.

The memorandum, prepared by John P. Renshaw, of Hillsborough, Calif., concludes that this type of tax would not be in the best interests of our Nation. Such taxes, he states, would hinder the prospects for making our country self-sufficient.

In view of current importance of energy conservation programs to the future of the American economy, I believe that Mr. Renshaw's memorandum is worthy of study by the Members of the Senate.

Therefore, Mr. President, I ask unanimous consent that a copy of Mr. Renshaw's memorandum be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM

DECEMBER 31, 1974.

Subject: Desirability of possible U.S. excise taxes on U.S. crude oil production, as part of a larger program for solving or mitigating U.S. energy problems.

Conclusion: In general, such excise taxes of any noticeable magnitude appear not to be in our country's best interests in any sort of new tax law combinations because we are a net importer and wish to encourage to the greatest practical extent new domestic exploration and production. For other countries that are net exporters, such excise taxes, or their equivalent, can and obviously do make sense.

Discussion: Politically powerful consumer resentment both towards higher fuel costs and also to oil companies in general, and desires to limit what is thought to be uncalled-for profit bonanzas by those companies and individual producers: these all bring about efforts to reduce or eliminate resultant near-term higher profits (whether reasonable or not) by means including:

(a) Federal control of crude prices at rates selectively and on average lower than those prevailing in the rest of the free world; allocation;[2] and public rationing; and/or

(b) Government-imposed domestic crude oil excise taxes[1]—that serve to lower the selling price available to producers; and/or

(c) Some form of excess profits taxes.

Any or all of these will not solve or appreciably lessen the long-term shortage problem of U.S. production—even though there could be short-term balance-of-payment and consumer and voter appeal for a number of them. Yet a reasonable and politically acceptable program may involve some of the above factors—together with many others not to be discussed here. The latter could include not only incentives to discover and produce more, but also (on the side of decreasing consumption)—possible import tariffs, fees, or quotas. However, any appreciable excise tax on oil domestically produced does not make sense. To illustrate this point by two simplified, imaginary—but quite possible—specific examples:

First, assume the proposed tax decreases the present selling price available to the producer. Then, assume a successful drilled well (including previous associated dry holes) together with necessary equipment is correctly calculated to need an average gross production volume to the producer of $300 per day for a certain number of years in order to make a profit reasonably competitive with other investment opportunities. If oil sells for $10 per barrel and this is all available to the well owners, then $300 divided by $10, or 30 barrels per day average or better is acceptable and will be so sought. However, if—for example—there was an excise tax of $5 per barrel included in the $10 sales price per barrel, then $300 divided by ($10 minus $5), or 60 barrels per day is needed. This would mean an informed intelligent investor who correctly assumed some such average discovery results and needs would, with no excise tax, risk his money in drilling for a probable final 30 barrel average per day well, or hopefully better. With the above excise tax, he wouldn't drill unless 60 barrels were an average minimum expectancy. Therefore, the excise tax would tend to reduce intelligent exploration and publicly-needed production because it should eliminate drilling on prospects between the 30 barrel and 60 barrel per day production area assumed above. Although these figures are purely fictitious and not based on any industry averages, nevertheless the principle is obvious.

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[1] These taxes should be differentiated from increased sales taxes on one or more final products (such as gasoline) as sold to the consumer. These sales taxes could somewhat reduce demand for final product fairly quickly, and therefore reduce industry import volume and cost and therefore national balance-of-payments problems. U.S. producers or their incentives to both discover oil and to produce it should not be noticeably affected by these taxes.

[2] Whether on imports; geographically within this country, by industry or company; or on end sellers (i.e. gasoline service stations).

Next, assume an excise tax on crude producers that is *added* to the present selling price available to the producer. Using the previous supposition of: $300 per day average revenue needed, $10 oil price available to the producer, and then a $5 per barrel tax[3] added—the results could be as follows:

If no tax, then $300/$10 obviously price-controlled oil is 30 barrels per day average needed. If, on the other hand, there is a $5 tax added and demand for domestic crude is not appreciably affected, then $10 is still available to the producer—and 30 barrels per day average is still needed. However it should be pointed out that the latter assumes the crude buyers will buy $15 oil which is undoubtedly domestically protected and made possible by import limitations and extra taxation. Therefore, if $15 is a valid selling price without a tax, then $300 divided by $15 is only 20 barrels a day needed—instead of 30. This $15 price to the producer should open up greater potential volumes of oil, while it lasts. Under our example, wells between 20 and 30 barrels would then be attractive, whereas with the tax they were not. With $15 crude, the Federal government would not now get a $5 barrel tax—but the main objective here presumably is more domestic oil and not just more tax revenue. If these prices in some large "fortunate" cases result in "unconscionable" profits (i.e. over a period of time they are far above those available in other industries or businesses), then some partial (but not complete—because that is wasteful) definitely-temporary excess profits tax could be considered. This should politically solve the bonanza "problem" and still provide proper incentive for looking for smaller producer wells and therefore greater crude production volume. However, it should be remembered that bonanzas hardly ever last long because they automatically invite competition; and a temporary bonanza can increase discoveries sooner (and in the public interest) than can run-of-the mill or below-average financial incentives. As has been said: "the best cure for high prices can be high prices"—in spite of the temporary problems they make while they last. It's a question of what is the lesser of several evils—or, to be more constructive, what is the more common sense or practical course.

In the second of the above drilling examples involving a $5 per barrel added surtax, this tax certainly can serve to limit consumption of imports and yet be politically palatable if the $5 is largely returned to most needy consumers and voters. Yet in both drilling examples, the tax does not maximize discovery of new oil. It shuts off intentional seeking for many low-production wells which can, in the aggregate, be an appreciably large total volume of production. It also lessens the present incentives to seek new larger wells as soon as possible. As a matter of interest, the average producing well in the U.S. is now only producing about 18 barrels per day.

Although its discussion does not strictly belong here, there is another related matter that Congress should well ponder if it wants to urge the discovery and production of the greatest amount of domestic oil at the cheapest price and in a reasonably short time. That matter is: the probability, frequency, timing and magnitude of future law changes which may affect the expected profitability of long-term, high-capital energy projects after those projects are initiated in good faith under previously existing laws. And any such retro-active law changes can often unfairly further complicate the problem.[4] The results of the prospect of such restrictive legislation could easily be that private enterprise will discount at the time of deciding to embark on a new project any existing incentives to find and produce needed new energy sources because of the "danger" of Congress later changing its mind. This outlook can be wasteful to the general public because of itself it may make necessary greater-than-needed immediate incentives to counter this future contingency in the eyes of the investor. The more capital-intensive and long-term the project, the more this will be true. A similar somewhat-related problem for these latter-type projects is not only substantially higher costs than reasonably anticipated, but possible future much lower-than-expected unit energy sales prices. Congress may at some point have to seriously consider for some vital projects, a form of minimum price support and/or a type of shared risk-taking through possibly innovative financing in cooperation with private industry.

I only mention these here because they are important and will continue to be. Perhaps in some cases there should be unchangeable Federal guarantees for a certain number of years. Perhaps law-changing retroactivity should be legally limited to a certain time period.

In a broader sense, all these questions of oil and/or gas excise and other taxes also have great possible long-term energy importance in that they serve to make more difficult the determination of competitive future probable energy BTU costs that will in turn affect the development, suitability, timing, and initial and operating costs of other specific competing future energy sources. The applicability of later systems will be determined not only by technology but by what is then (at times of major installation and use) considered competitive BTU costs—including those of safety, environment, and largely political need.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, on December 11, 1946, the United Nations General Assembly adopted a resolution affirming that genocide was a crime under international law and that those guilty of it, whoever they were and for whatever reason they committed it, were punishable. Furthermore, the Assembly requested the Economic and Social Council to consider preparation of a convention against genocide.

On December 9, 1948, speaking before the General Assembly, Assistant Secretary of State Ernest A. Gross said:

> It seems to the United States delegation that, in a world beset by many problems and great difficulties, we should proceed with this convention before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man. Positive action must be taken now. My government is eager to see a genocide convention adopted at this session of the Assembly and signed by all member states before we quit our labors here.

On that very day, the Assembly unanimously adopted the Convention on the Prevention and Punishment of the Crime of Genocide. American participation and support were crucial in drafting and securing unanimous passage of the treaty. However, the United States has since then abrogated its role as world leader in the field of human rights by failing to ratify the Genocide Convention which we were so instrumental in drafting. To the amazement of the nearly 80 countries which have ratified the Convention thus far, the United States continues to stand aloof from a treaty outlawing perhaps the most heinous crime known to mankind.

In its report of March 1974 to the House of Representatives, the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs stated:

> The United States, through its failure to become a party to all but a few of the human rights treaties, has become increasingly isolated from the development of international human rights law. This failure impairs both our participation in the U.N. work in human rights, and our bilateral efforts to persuade governments to respect international human rights standards.
>
> There are at least 29 human rights conventions which the United States has not ratified. Even alleged inconsistency between provisions of the conventions and the U.S. Constitution would not justify outright rejection by the Senate since reservations may properly be attached to ratifications to preserve the integrity of the U.S. Constitution.

Ratification of the Genocide Convention will reassert the human rights leadership of America which is in keeping with our historical traditions. As President Kennedy remarked to the Senate in 1963:

> The United States cannot afford to renounce responsibility for support of the very fundamentals which distinguish our concept of government from all forms of tyranny.

I urge ratification of the United Nations Genocide Convention at the earliest possible date.

DAVID PACKARD ADDRESSES THE FOURTH ANNUAL FINANCIAL MANAGEMENT CONFERENCE

Mr. HARRY F. BYRD, JR. Mr. President, Washington remembers well the effective and able service David Packard rendered our Government as Deputy Secretary of Defense. He served 3 years in this important position.

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[3] A $5 tax per 42 gallon barrel is about 12 cents per gallon of crude or the total of all of its products. If all this tax later fell only on gasoline, it would be the equivalent of not far from 25 cents per gallon.

[4] Examples of such problems in foreign countries are: North Sea higher demands by England and Norway well after relevant drilling projects were undertaken; and later Canadian restrictions causing additional doubts about the future of Tar Sand recovery projects.

Mr. Packard is chairman of the board of the Hewlett-Packard Co., Palo Alto, Calif.

On January 20, 1975, he addressed the Fourth Annual Financial Management Conference held in Washington. I ask unanimous consent that Mr. Packard's able presentation be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks at the Fourth Annual Financial Management Conference by David Packard

I am greatly honored to be with you today at this fourth annual conference. This meeting revives memories of my days at the Pentagon where I spent a great deal of my time working on the problems that are the concern of all of you here—budgeting financial control, management improvement. I do not expect that all of the problems we faced back in 1969 and '70 have been solved, but I am sure the JFMIP is continuing to make a very important contribution to better government.

One strong impression that I took with me when I left Washington is that the majority of the men and women at the management level throughout our government are people of high professional competence with sincere dedication to better government. The average citizen does not have that impression, particularly these days, because the news media mostly talks about the alleged mischief that goes on here in Washington. The average citizen hardly ever hears about the important work that is done so well by you men and women who are here today—and by your associates in your respective organizations. I want to take this opportunity to express my appreciation for the fine job that is being done. I only wish there was some way for the people all across America to know how well served they are by you people.

I believe it is good that you are devoting this conference to a discussion of the federal budget process, hopefully focusing on the all-important question—can the Congressional Budget and Impoundment Control Act of 1974 be implemented in a way that the Federal Government will have better control of its spending? I do not believe the answer to this question is a clear cut yes, by any means, and I welcome this opportunity to explore this issue with you.

I also will try to point out some other areas where I believe you can be helpful to the Congress and to the various departments and agencies in the executive branch in which you serve.

Even though I have serious reservations about how well these new budget procedures will work in practice, I was in favor of them, and spent some time and effort to encourage the Congress to pass this new Act. At least now there is a mechanism that can be made to work—if there are enough people in the Congress who want to make it work, and who are in agreement on what they really want this federal budget procedure to do.

As I see it, there are at least three things which are expected to be improved by this legislation. The *first* is to make federal spending more effective as a fiscal tool to influence the economy of the country in a positive, constructive way. Fiscal policy is widely acknowledged as a way to accelerate or decelerate economic growth and to help control inflation. We have not had a way to implement federal fiscal policy in a responsive and responsible way in the past, and it is hoped by many, including me, that the new budget procedures will enable the Congress to do better in the area in the future than it has done in the past.

The *second* expectation is to provide a better mechanism for the Congress to assess the issues and establish priorities of both the programs in the President's budget and those programs which may be initiated by the Congress. There is a real problem here, because the most accurate information and the most objective analysis will not always assure the same order of priorities, nor agreement on the issues, even in a non-political environment. I have the impression, and maybe I am wrong, that there are some people around this town who are quite able to use any fact and any analysis to support whatever they have already decided as the right thing to do.

But I would hasten to add, although it does not always appear to be so, there is a fairly high level of responsibility in the Congress on issues that are really important, and better information and analysis certainly should help to produce better legislation and better federal budgets.

The *third* objective is to establish a more realistic time table so that, hopefully, the appropriations can all be approved, kept within the fiscal policy constraints that are established, and enacted before the beginning of the fiscal year. On this point we will have to just wait and see.

I want to go back, now, and discuss some of the fiscal policy issues which the Congress will be addressing under the new budget procedures.

On the first hand, there will be a very difficult problem with timing, as we can see from what has happened in this current economic crisis. In the Spring of 1974 the economy was going strong, although with an unacceptably high rate of inflation. Responsible fiscal policy under the situation that prevailed earlier in the year would certainly have called for a budget surplus for the 1975 fiscal year, beginning in July.

The President's economic conferences showed a broad consensus that the proposed $305 billion spending level should be cut back at least to $300 billion. Most of the economists and others who attended those meetings would have supported a cut to below $300 billion, had it been considered politically feasible.

This view of what was needed in federal fiscal policy for 1975, a budget in balance if not a surplus, still generally prevailed until about October of 1974, when a considerable number of economists and others began to express doubts that inflation was the main problem in our economy.

Today, just three months later, I judge the consensus of the experts has turned about 179 degrees and most would now support a budget deficit. A $20–$30 billion deficit for fiscal 1975 is now being proposed by some who would have thrown up their hands in horror at the thought of such a thing three to six months ago. This situation is a good example of why there is a real problem for the Congress in deciding what kind of fiscal medicine the economy is going to need six months or a year ahead, even if one assumes the Congress can decide on the right medicine for the current state of the economy.

But I have an even more fundamental concern about the utility of federal fiscal policy as defined by a gross surplus or deficit as a useful tool to determine the well-being of the nation's economy. The double digit inflation of 1974 was clearly not brought on by federal fiscal policy, as bad as it was, at least by the federal fiscal policy of the last year or two—although the cumulative effect of a number of years of past federal fiscal policy—or the lack of it—was without doubt a factor of some importance in setting the stage for the serious economic problems we have today.

There were, however, a number of specific and unusual events that together generated this troublesome combination of inflation and depression we are plagued with today. The first event was the devaluation of the dollar against the currencies of our major international trading partners, and decoupling the world monetary system from gold that occurred in the summer of 1971.

This action increased the cost of a great many products and raw materials imported into the U.S. and lowered the cost to many of our international customers of the products and materials the U.S. exports to them. This greatly increased the export demand on our domestic supply of many products. The dollar devaluation hit our farm products, soybeans and grain, for example, particularly hard because of another unusual event which followed—a serious shortfall in worldwide food production due to adverse weather worldwide. The demand for grain and other food products increased tremendously in the world market and drove food prices up to levels no one anticipated. There were federal government actions which could have helped in this situation, but these were in the area of export controls—not fiscal policy as implemented by a deficit or surplus in the federal budget.

I believe a case can be made that the 1971 dollar devaluation was the result of a long period of bad federal fiscal policy—many years of deficits, heavy spending overseas to help restore our allies and Japan after World War II, and the fact that the United States has carried too large a share of the cost of national security for Europe and Japan for too long.

Let's face it—even before 1971, the real value of the dollar had, in fact, deteriorated in respect to many other currencies and sooner or later a devaluation had to occur.

This inflationary effect of devaluation did not show up immediately. There were goods in transit at the old exchange rates—a first-in first-out inventory problem much like the one in oil last year, but not so severe. Many companies tried to soften the impact by adjusting the price of their products, but the inflationary effects of the devaluation became apparent in 1972. The impact of this 1971 devaluation was compounded by federal fiscal policy in 1972 in a way that had very little to do with the congressional budget process. Federal spending was simply accelerated to improve the economy in the election year in ways I am sure I do not have to explain to this audience.

Then in the fall of 1973 came the Yom Kippur War, the oil embargo and a four-fold increase in the cost of international oil. This was a highly inflationary incident. It was completely independent of domestic fiscal or monetary policy and, as you all well know, caused a substantial increase in the cost of energy derived from oil, and materials and products made from oil.

Budget procedures, or the lack of them, had nothing to do with the doubling of the price of gasoline, and no budget action will bring the price of gasoline back to where it was in 1972.

These major events were all unusual and, to a large extent, out of the range of what might have been done with even good fiscal and monetary policy that might have been implemented through this period.

To compound the problem, the federal government undertook a number of actions over the last several years which were done for worthy purposes, supported by both the Congress and the administration, and yet only added to the inflation already triggered by the series of unusual events I have described.

Federal requirements placed on actions by business and industry in such areas as air and water quality, occupational safety, and automobile safety, are no doubt inspired by lofty ideals and are also needed in some form, and at least to some degree. At the same time, these federal regulations imposed on business and industry have added real and substantial cost to the production of goods and services, and have been the major factor in causing this concurrent inflation and recession.

There is no doubt in my mind that the serious depression of the automobile industry is the main reason that what was a modest downturn in the economy has turned into the worst recession since the 1930s. We have problems in housing, short term problems in the semi-conductor industry, and in other areas—but our entire economy is so dependent on the automobile industry that we can not have national prosperity without a healthy state of prosperity in automobiles.

Our Congress, in its great wisdom on environmental pollution and safety on the highway, has brought the economy of the United States to its knees by bringing the automobile industry to its knees. There is simply no other way to explain the economic dilemma of the United States today. There are other factors to be sure, but the Congress of the United States has the sole responsibility for legislating features which the public does not want, and legislating costs which the public will not pay on 1975 model cars. That, ladies and gentlemen, is the reason—and the only reason—we have depression and inflation at the same time.

Sure, the 1975 model automobiles cost more partly because of higher material and labor costs, brought about by the inflationary factors which I have already described—imported materials, more expensive oil and wage increases granted in response to general price increases. But a large share of the increase in the cost of the average 1975 automobile is because features costing at least $600 have been added to meet federal requirements on emission control and safety by Congressional legislation—specifically, about $200 for emission control devices which do not increase fuel efficiency, and $400 for safety devices that customers have to take whether they want them or not.

We have a recession today primarily because the public is not willing to buy the 1975 model car that the federal government has designed and priced for us.

Furthermore, as I understand it, there is still legislation on the books to require by 1978 an air bag safety device that will require about $100 million of R&D and tooling for each automobile company, and more stringent emission standards that will require each automobile manufacturer to spend on the order of $300 million. You and I and everyone else who buys a car in the future, will have to pay these costs which will add hundreds of dollars more to the price of automobiles.

Frankly, I almost think the Congress is wasting its time devising a fiscal policy to control inflation through budgetary control legislation. No conceivable fiscal policy can bring automobile prices *down* as much as other federal actions are driving costs and prices *up*.

It is not only that these federally dictated features are driving the prices up, they are driving the customers out of the market. These are far more powerful fiscal policies than you can apply with the new budget procedures.

I do not want a 1975 model automobile designed by the Congress, and would not buy one, even if the government gave me a tax rebate to cover the full price. I would rather use my 1972 model for a few more years, and I know I have a great deal of company around the country.

I am sure you people here today understand this situation as well as I. The point I want to make is that, at least in the environment of 1972, '73, and '74 better federal fiscal policy—even if it could have been achieved through better congressional budget procedures—would not have enabled our country to avoid this terrible double dose of inflation and recession.

I hope the Members of the Congress will learn the lesson that they should go slow in imposing detailed requirements on the products and procedures of business and industry. They did learn something about the acceptability of interlocking seat belts—but the problem goes much, much further—it is not just automobiles.

I sincerely believe you people in this organization can help in this matter. Cost effectiveness would be a very useful concept to apply to some of the things Congress has been asking business and industry to do—and this just might be a more useful place to apply the fine analytical procedures you people are capable of providing, than on the budget issues through this new legislation.

Another place where you can help is to reach agreement among yourselves, that where federal requirements should be placed on the private sector—and I will admit there are some places they should be—they will, at least, be consistent among all the agencies. The only way we are going to stop inflation is to improve productivity, to produce more and better products and services for every dollar we spend on wages and salaries. The only way the government will get more for the taxpayers' dollars it spends, is to take those actions which will help the private sector become more productive. It is manifestly absurd to ask business to keep one set of books for the IRS, one set for the SEC and one for the GAO. I can assure you, whatever such requirements may accomplish, they will not help bring inflation down, nor help get the economy moving again, not get a better value for the taxpayer's dollar.

There are many matters to be dealt with by the federal government that are as important as fiscal policy, as exercised by the Congress through these new budget procedures. But fiscal policy is one of the tools that can be useful, and I would like to talk a little more about some other aspects of fiscal policy which should be kept in mind.

The make-up of the budget will be as important as the size of the surplus or deficit. A one-time deficit or surplus of 1% of the GNP, which would be about $14 billion at the current rate, might or might not have too much effect on the economy. This would certainly depend on the spending and the revenue raising details, as well as the amount. A tax rebate that put $14 billion of spendable cash in the hands of the consumers in a short time would have an entirely different effect than the same amount spread over the year in welfare—or different, even, from the same amount given as a tax reduction to business and industry or as an investment credit. The nature of the deficit or surplus, thus, may be just as important as the amount—and this issue needs careful attention as the new procedures are put into effect.

And the longer term effect of federal fiscal policy must be kept in mind. A 1% deficit over a period of 10 or 20 years could be a considerably different problem than a one-time 1% deficit—or a 1% deficit when called for and a 1% surplus when called for, which would tend to average out over a reasonable period of time. I know it is too much to expect for the political process to come out with anything that rational, but it should be held out for consideration—at least, that one option *is* to have a surplus often enough to balance out the deficits over a period of several years.

And so, in summary, I would like to repeat that I believe this new legislation will at least provide a mechanism for the Congress to work with the President and implement a responsible fiscal policy. That has not been possible before—at least, it has not been done. We have talked about federal fiscal and monetary policy as being the two most important tools to deal with the health of the economy. It would be a very constructive step if we could finally tailor a mutually supporting fiscal and monetary policy instead of having to rely so heavily on monetary policy alone—or monetary actions working against fiscal actions, as we have seen many times.

There are some practical problems with this legislation—timing will certainly be one, as well as *what* in addition to *how* much should be in the fiscal package. There will be severe political problems—but then, what else is new?

I hope, but I am not sure that what is new, is at least a comprehension that the federal budget is an important fiscal tool which, if used properly can help keep our economy strong and keep inflation down—sound federal fiscal policy can contribute to the welfare of this great country of ours. But, I want to emphasize there are many other actions taken by the federal government that affect the economy, as we have seen in our present plight. And so I hope, as you people work with your respective sponsors on the budget process, you will also work with your respective sponsors on some of these other matters. I have mentioned today.

The future welfare of this country requires more responsible economic policy by the Congress and by the President than we have seen in recent years. I know you people here today can have a large role in helping to bring this about. I hope you will make this your first priority.

Thank you for asking me to be with you.

LITHUANIAN ANNIVERSARY

Mr. MATHIAS. Mr. President, it was my privilege on Saturday, February 8, 1975, to attend the annual banquet of Lietuviu Draugiju Taryba, Baltimore's Council of Lithuanian Societies at the invitation of its president, Elena Armanas. The event commemorated the 724th anniversary of Lithuanian nationhood and 57th anniversary of the founding of the Republic. It was also a welcome to Simas Kudirka, the Lithuanian seaman who was recognized by the world as a courageous spokesman for individual liberty and for national freedom.

I ask unanimous consent that the text of a resolution adopted by the council last year and a brief history of Simas Kudirka be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESOLUTION

We, Lithuanian Americans of the Council of Lithuanian Societies of Baltimore, at a meeting held on February 17, 1974, at Lithuanian Hall, commemorating the 724th Anniversary of the formation of the Lithuanian State when Mindaugas the Great unified all Lithuanian principalities into one kingdom in 1251 and the 57th Anniversary of the establishment of the Republic of Lithuania on February 16, 1918, unanimously adopt the following resolution:—

Whereas in 1918 the Lithuanian people exercised their right of self-determination and restored the Independent Lithuanian State by establishing the Republic of Lithuania and

Whereas in the peace treaty of July 12, 1920 Soviet Russia officially recognized the sovereignity and independence of Lithuanian and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatory of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17th, 1940 invaded with overwhelming armed forces occupied Lithuania, and forcefully annexed the Lithuanian Nation; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the free Republic of Lithuania, consistently has refused to recognize the seizure of Lithuania and forced incorporation of this freedom-loving country into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the communist regime in seeking political and religious freedom, as demonstrated by the Lithuanian Sailor, Simas Kudirka, the self-immolation of Romas Kalanta, the subsequent demonstrations of thousands of young Lithuanians, and the petition of 17,000 Lithuanian Roman Catholics to Kurt Waldheim of the United Nations; and

Whereas the 89th Congress unanimously passed House Concurrent Resolution 416 urging the President of the United States to direct attention of world opinion at the United Nations and other international forums, to the denial of the rights of self-determination for the peoples of Lithuania, Latvia and Estonia, and to maintain that policy and the respect for human rights as fundamental freedom before the respective committees of the Conference on Security and Cooperation in Europe, and further

Resolved, to request the President of the United States to vigorously implement House Concurrent Resolution 416 to the fullest extent, and further

Resolved, that copies of this resolution be forwarded this day to the President of the United States, the United States Secretary of State, the United States Ambassador to the United Nations, the United States Senators from Maryland, the Members of the United States House of Representatives from Maryland, Republican and Democratic Parties Leaders in the United States Congress, the Charge d'Affairs of Lithuania in Washington, D.C. and the Lithuanian Consul General in New York, Chicago, Los Angeles and the press.

SIMAS KUDIRKA

Simas Kudirka, born in Lithuania in 1929, was eleven years old when the Russian Army invaded his independent homeland in 1940. His formative years saw Lithuania occupied by the Russian and German Armies, saw mass deportations of Lithuanians to Siberian concentration camps, and saw his fellow schoolmates joining the local partisans to fight for Lithuania's freedom.

By the time he was twenty one, he was an apprentice seaman specializing in radio technology. He became a seaman to escape the tragedy in his homeland, but even on the ships he found discrimination because of his nationality and his refusal to join the Communist Party.

This was the background that made Simas Kudirka risk his life on that fateful day November 23, 1970 off of Martha's Vineyard.

"I do not consider myself guilty, since I did not betray my homeland, Lithuania, I do not consider Russia, called the Soviet Union, as my homeland".

"All I demand is an independent Lithuania, one that is not occupied by any army, and has a free, democratic system of elections".—Statements by Simas Kurdika at his trial in May of 1971.

PUBLICATION OF RULES AND ORGANIZATION OF THE COMMITTEE ON APPROPRIATIONS

Mr. McCLELLAN. Mr. President, the Committee on Appropriations held its organizational meeting on February 5, 1975. At that meeting the committee adopted rules of procedure for the 94th Congress, established its subcommittees and the subcommittee's jurisdictions, and agreed to subcommittee assignments.

In accordance with the provisions of the Legislative Reorganization Act, as amended, I submit for publication in the RECORD the rules adopted by the committee.

I also ask unanimous consent that the list of subcommittees, showing the members thereon, and the subcommittee jurisdictions be printed in the RECORD.

There being no objection, the committee rules, list of subcommittees, and subcommittee jurisdictions were ordered to be printed in the RECORD, as follows:

RULES GOVERNING THE PROCEDURE OF THE SENATE COMMITTEE ON APPROPRIATIONS, ADOPTED PURSUANT TO SECTION 133(b) OF THE LEGISLATIVE REORGANIZATION ACT OF 1946, AS AMENDED

1. MEETINGS

The Committee will meet at the call of the Chairman.

2. QUORUM

(a) *Reporting a bill.* A majority of the members must be present for the reporting of a bill.

(b) *Other business.* For the purposes of transacting business other than reporting a bill or taking testimony, one-third of the members of the Committee shall constitute a quorum.

(c) *Taking testimony.* For the purpose of taking testimony, other than sworn testimony, by the Committee or any subcommittee, one member of the Committee or subcommittee shall constitute a quorum. For the purpose of taking sworn testimony by the Committee three members shall constitute a quorum, and for the taking of sworn testimony by any subcommittee one member shall constitute a quorum.

(d) *Ex officio members.* In determining if a quorum is present ex officio members appointed pursuant to paragraph 6 of Rule XVI of the Standing Rules of the Senate shall not be considered.

3. PROXIES

Votes may be cast by proxy when any member so requests.

4. ATTENDANCE OF STAFF MEMBERS AT EXECUTIVE SESSIONS

Attendance of Staff Members at Executive Sessions of the Committee shall be limited to those members of the Committee Staff that have a responsibility associated with the matter being considered at such meeting. This rule may be waived by unanimous consent.

5. BROADCASTING AND PHOTOGRAPHING OF COMMITTEE HEARING

The Committee or any of its subcommittees may permit the photographing and broadcast of open hearings by television and/or radio. However, if any member of a subcommittee, including ex officio members, objects to the photographing or broadcasting of an open hearing, the question shall be referred to the Full Committee for its decision.

6. AVAILABILITY OF SUBCOMMITTEE REPORTS

When the bill and report of any subcommittee is available, they shall be furnished to each member of the Committee twenty-four hours prior to the Committee's consideration of said bill and report.

7. POINTS OF ORDER

Any member or ex officio member of the Committee who has in charge an appropriation bill, is hereby authorized and directed to make points of order against any amendment offered in violation of the Senate rules on the floor of the Senate to such appropriation bill.

SUBCOMMITTEES AND SUBCOMMITTEE JURISDICTIONS

(The names of ex officio members appear in italics. Senator McClellan, as chairman of the Committee, and Senator Young, as ranking minority member, are ex officio members of all subcommittees of which they are not regular members. *Ranking minority member.)

AGRICULTURE AND RELATED AGENCIES

Senators McGee, Stennis, Proxmire, Byrd, Inouye, Bayh, Eagleton, Chiles, Fong,* Hruska, Young, Hatfield, and Bellmon.

Talmadge, Eastland, and *Dole.*

Jurisdiction

Department of Agriculture (*except* Forest Service).

Farm Credit Administration.

Commodity Futures Trading Commission.

Food and Drug Administration (HEW).

DEFENSE

Senators McClellan, Stennis, Pastore, Magnuson, Mansfield, McGee, Proxmire, Montoya, Inouye, Young,* Hruska, Case, Fong, Stevens, and Schweiker.

Symington, Jackson, and *Thurmond.*

Intelligence Operations

Senators McClellan, Stennis, Pastore, Young, and Hruska.

Jurisdiction

Department of Defense—Military: Departments of Army, Navy (including Marine Corps), Air Force, and Office of Secretary of Defense (*except* Military Construction, Military Assistance, and Civil Defense).

Central Intelligence Agency.

DISTRICT OF COLUMBIA

Senators Chiles, Johnston, Huddleston, Mathias,* and Schweiker.

Eagleton, Inouye, and *Bartlett.*

Jurisdiction

District of Columbia.

FOREIGN OPERATIONS

Senators Inouye, Proxmire, McGee, Chiles, Johnston, Brooke,* Hatfield, and Mathias.

Jurisdiction

Agency for International Development.

ACTION (international programs, Peace Corps).

Asian Development Bank.

Cuban Refugee Program (HEW).

Export-Import Bank.

Foreign Military Credit Sales.

Inter-American Development Bank.

Inter-American Foundation.

International Bank for Reconstruction and Development (World Bank).

International Development Association.

International Monetary Fund.

Migration and Refugee Assistance (State).

Military Assistance Program.

Overseas Private Investment Corporation.

HUD-INDEPENDENT AGENCIES

Senators Proxmire, Pastore, Stennis, Mansfield, Bayh, Chiles, Johnston, Huddleston, Mathias,* Case, Fong, Brooke, and Bellmon.

Also on Aeronautical and Space Activities: *Moss, Symington,* and *Goldwater.*

Jurisdiction

Department of Housing and Urban Development.

American Battle Monuments Commission.

Cemeterial Expenses, Army.

Consumer Information Center (GSA).

Consumer Product Safety Commission.

Council on Environmental Quality and Office of Environmental Quality.

Disaster Relief.

Environmental Financing Authority (Treasury).

Environmental Protection Agency.

Federal Home Loan Bank Board.

National Aeronautics and Space Administration.

National Commission on Water Quality.

National Science Foundation.

- Office of Consumer Affairs (HEW).
- Selective Service System.
- Veterans' Administration.

INTERIOR

Senators Byrd, McClellan, McGee, Montoya, Inouye, Chiles, Mansfield, Hollings, Stevens,* Young, Hruska, Hatfield, and Bellmon.

Jurisdiction

Department of the Interior.
- (*Except:*
  - Alaska Power Administration.
  - Bonneville Power Administration.
  - Bureau of Reclamation.
  - Southeastern Power Administration.
  - Southwestern Power Administration.)

Other Agencies:
- American Revolution Bicentennial Administration.
- Commission of Fine Arts.
- Energy Research and Development Administration—Fossil Fuels Research and Development and Related Matters.
- Federal Energy Administration.
- Federal Metal and Nonmetallic Mine Safety Board of Review.
- Forest Service (USDA).
- Franklin Delano Roosevelt Memorial Commission.
- Indian Claims Commission.
- Indian Education Activities.
- Indian Health Activities (HEW).
- Joint Federal-State Land Use Planning Commission for Alaska.
- National Capital Planning Commission.
- National Foundation on the Arts and the Humanities.
- National Gallery of Art.
- Pennsylvania Avenue Development Corporation.
- Smithsonian Institution.
- Woodrow Wilson International Center for Scholars.
- Youth Conservation Corps (Forest Service).

LABOR, HEALTH, EDUCATION, AND WELFARE

Senators Magnuson, Stennis, Byrd, Proxmire, Montoya, Hollings, Eagleton, Bayh, Chiles, Brooke,* Case, Fong, Stevens, and Schweiker.

Jurisdiction

Department of Health, Education, and Welfare.
- (*Except:*
  - Cuban Refugee Program.
  - Food and Drug Administration.
  - Indian Education Activities.
  - Indian Health and Construction Activities.
  - Office of Consumer Affairs.)

Department of Labor.

Related Agencies:
- ACTION (domestic programs).
- Community Services Administration.
- Corporation for Public Broadcasting.
- Federal Mediation and Conciliation Service.
- National Commission on Libraries and Information Science.
- National Labor Relations Board.
- National Mediation Board.
- Occupational Safety and Health Review Commission.
- Railroad Retirement Board.
- Soldiers' and Airmen's Home.

LEGISLATIVE

Senators Hollings, McClellan, Huddleston, Schweiker,* and Mathias.

Jurisdiction

U.S. Senate.

Joint Items:
- Architect of the Capitol (*except* House items).
- Botanic Garden.
- Cost-Accounting Standards Board.
- General Accounting Office.
- Government Printing Office.
- Library of Congress.
- Office of Technology Assessment.

MILITARY CONSTRUCTION

Senators Mansfield, Inouye, Johnston, Huddleston, Stevens,* Bellmon, and Brooke. *Symington, Cannon,* and *Tower.*

Jurisdiction

Military construction, Army, Navy (including Marine Corps), Air Force, and Defense Agencies, and Reserve Forces.

Military family housing.

Homeowners Assistance Fund.

PUBLIC WORKS

Senators Stennis, Magnuson, Byrd, Pastore, McGee, Montoya, Hollings, Johnston, Huddleston, Hatfield,* Young, Hruska, Case, Schweiker, and Bellmon.

Also on Rivers and Harbors items: *Randolph, Muskie,* and *Baker.*

Also on Atomic Energy items: *Jackson, Symington,* and *Baker.*

Jurisdiction

Energy Research and Development Administration (*except* for fossil fuels research and development and related matters).

Department of Defense—Civil:
- Department of the Army:
  - Corps of Engineers—Civil.

Department of the Interior:
- Alaska Power Administration.
- Bonneville Power Administration.
- Bureau of Reclamation.
- Southeastern Power Administration.
- Southwestern Power Administration.

Related Agencies:
- Appalachian Regional Commission.
- Appalachian Regional Development Programs.
- Delaware River Basin Commission.
- Federal Power Commission.
- Interstate Commission on the Potomac River Basin.
- Nuclear Regulatory Commission.
- Susquehanna River Basin Commission.
- Tennessee Valley Authority.
- Water Resources Council.

STATE, JUSTICE, COMMERCE, THE JUDICIARY

Senators Pastore, McClellan, Mansfield, Hollings, Magnuson, Eagleton, Johnston, Huddleston, Hruska,* Fong, Brooke, Hatfield, and Stevens.

Also on Diplomatic and Consular items: *Sparkman,* ———, and *Javits.*

Jurisdiction

Department of Commerce.

Department of Justice.

Department of State (*except* Migration and Refugee Assistance).

The Judiciary.

Related Agencies:
- Arms Control and Disarmament Agency.
- Board for International Broadcasting.
- Commission on Civil Rights.
- Commission on the Organization of the Government for the Conduct of Foreign Policy.
- Equal Employment Opportunity Commission.
- Federal Communications Commission.
- Federal Maritime Commission.
- Federal Trade Commission.
- Foreign Claims Settlement Commission.
- Legal Services Corporation.
- Marine Mammal Commission.
- National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance.
- Renegotiation Board.
- Securities and Exchange Commission.
- Small Business Administration.
- Special Representative for Trade Negotiations.
- Tariff Commission.
- U.S. Information Agency.

TRANSPORTATION

Senators Bayh, Byrd, Stennis, Magnuson, Pastore, Eagleton, Case,* Stevens, Mathias, and Schweiker.

Jurisdiction

Department of Transportation.

Related Agencies:
- Civil Aeronautics Board.
- Interstate Commerce Commission.
- National Transportation Safety Board.
- Panama Canal.
- United States Railway Association.
- Washington Metropolitan Area Transit Authority.

TREASURY, POSTAL SERVICE, GENERAL GOVERNMENT

Senators Montoya, Bayh, Eagleton, McClellan, Bellmon,* and Hatfield.

Also on Postal Service items: *McGee, Randolph,* and *Fong.*

Jurisdiction

Treasury Department.

United States Postal Service.

Executive Office of the President:
- Compensation of the President.
- Council of Economic Advisers.
- Council on International Economic Policy.
- Domestic Council.
- Executive Residence.
- National Commission on Productivity.
- National Security Council.
- Office of Intergovernmental Relations.
- Office of Management and Budget.
- Office of Telecommunications Policy.
- Special Action Office for Drug Abuse Prevention.
- Special Assistance to the President.
- Special Projects.
- Unanticipated Personnel Needs.
- White House Office.

Funds Appropriated to the President:
- Economic Stabilization Activities.
- Emergency Fund for the President.
- Expenses of Management Improvement.

Independent Agencies:
- Administrative Conference of the United States.
- Advisory Commission on Intergovernmental Relations.
- Advisory Committee on Federal Pay.
- Civil Service Commission.
- Commission on Executive, Legislative, and Judicial Salaries.
- Commission on Government Procurement.
- Commission To Review National Policy Toward Gambling.
- Committee for Purchase of Products and Services of the Blind and Other Physically Handicapped.
- General Services Administration.
- Tax Court of the United States.

Other:
- Civil Defense Preparedness Activities (Defense).
- Commission on Federal Paperwork.
- Council on Wage and Price Stability.
- General Provisions, Governmentwide.
- National Commission on Electronic Fund Transfers.
- National Commission on Supplies and Shortages.
- Office of Federal Procurement Policy.
- Official Residence of the Vice President.

CHILD NUTRITION CUTS ILL-ADVISED

Mr. McGOVERN. Mr. President, on February 4, the Ford administration moved to so drastically cut the federally funded child nutrition programs that, if successful, its place in history will be assured.

The place would be a dark one, empty of charity, void of a sensible purchase on the future.

Their theory is that when the Ship of State is foundering on the shoals of stagnation, some people have to be sacrificed, some have to be discarded, so that voyage may resume.

That way, if the Ship of State is in trouble, at least it will not sink because of an overload of the poor, the young, or the unborn. They will be cast out, to sink or swim in the seas of an unfriendly economy.

History will note that when the crunch came, the Ford administration resorted to lifeboat ethics.

There is no other way to describe their budget proposal for federally funded nutrition programs.

In one proposal, they seek to eliminate:

First, diet supplementation for 650,000 low income women, infants, and children in 48 States;

Second, 2½ billion school lunches for children from middle-income homes;

Third, milk for tens of millions of young schoolchildren;

Fourth, all meals for any child in a Day Care Center, Head Start Center, and

Fifth, all school breakfasts, taking food away from over 1½ million young children each day.

This proposal seems to me to be a case of blaming the victims. I am certain Congress will not tolerate such action.

The proposed fiscal year 1976 budget for the Food and Nutrition Service of the Department of Agriculture incredibly includes the following language:

> Breakfast, non-school (Day Care, Head Start, and Summer Feeding), and Special Milk are proposed to be terminated. . . .
>
> . . . proposed legislation would repeal and supersede all existing child nutrition legislation. . . .
>
> This is about $600 million less than the present set of programs continued into FY-1976. . . .
>
> WIC Program to be terminated. . . .
>
> Commodities to schools would . . . be reduced . . .
>
> Terminate current set of programs and separate appropriations . . .

There it is in a nutshell. Elimination of programs serving daily millions of women, infants, and children, plus drastic reduction and reshaping of others.

What makes this action particularly foolhardy is that it comes at a time when these programs, tried and proven, could be a real help to the people of this country, without a great increase in cost.

At a time when food costs are rising over 15 percent per year, when unemployment is hitting recordbreaking numbers, when double digit inflation is bewildering almost everyone, when the farm economy is plagued by firestorms, and when local economies need a boost, the Federal nutrition programs are in a unique position to be used to help, not to hurt, our people.

I am certain Congress will not allow 30 years of progress in the health and welfare of children to be destroyed because of misguided values.

I am certain Congress will not act to take support away from the farmer, away from the hard-pressed family food budget, away from the faltering economy.

In addition, the proposed budget continues the drastic cutbacks in the food stamp program. This year's cut of about $325 million is projected into next year as a cut of $700 million and is based on an assumption that at least 1.3 million persons will be cut from the rolls. Since participation in the food stamp program is growing daily, that cut is more likely to drop 2 million persons from the rolls. Frankly, the Congress is not going to let this happen. Before this week is out, I believe we will have reversed the cut proposed for this fiscal year and next.

I am not saying that food stamps or child nutrition programs are beyond any power of meddling.

They are not.

They can be improved, expanded, streamlined, made less bureaucratic.

I plan shortly to introduce legislation to do just those things, as I have in the past.

But I would hope these programs are beyond budgetary opportunism and ill-advised use of power.

And I would hope at last they had earned their existence through ordeal, too many tries to count.

I would hope they be, at last, beyond lifeboat ethics.

Last week both Congress and the administration acted to change the status of federally funded nutrition delivery programs.

Congress voted overwhelmingly to freeze food stamp prices at their current levels until the end of 1975.

At nearly the same time, the administration proposed a budget for the child nutrition programs which effectively abolishes food benefits for millions of Americans, including low-income infants, schoolchildren of all ages, and the elderly.

I will soon introduce legislation to continue, improve, and expand our child nutrition programs.

I hope and trust Congress will respond to this proposal with the same speed and wisdom it did in the case of food stamps.

The following articles contained in the February 6, 1975, edition of the Community Nutrition Institute Weekly Report, accurately describe the administration's intention of eliminating the child nutrition programs, as well as the feeding programs for the elderly. There is also an article on the food stamp legislation.

Mr. President, I ask unanimous consent that these articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Budget Message Proposes Ending Child Nutrition Programs

The Ford Administration ignited a new firestorm in the nutrition area this week by calling for the abolition of the school lunch, school breakfast, special milk, equipment assistance, day care, summer feeding, supplemental feeding, and women, infants, and children (WIC) programs.

The Administration said it would seek legislation designed to replace all existing child nutrition programs with a single program of block grants to states. The announcement came this week with the unveiling of President Ford's budget request for fiscal year 1976.

The block grants would provide $600 million to $700 million less in food assistance in fiscal 1976 than would the continuation of existing programs. The principal savings would result from termination of federal support for school meals served to non-poor children.

Pregnant and nursing women who now receive food supplements under the WIC and supplemental food programs would also be cut off entirely. Block grant funds would be available for the provision of meals to children only.

BLOCK GRANTS PROPOSED

Under the Administration's proposal, states would be able to use block grant funds to provide meals meeting one-third of the U.S. Recommended Daily Allowances (RDAs) of basic nutrients to children from families with incomes up to 125 percent of the poverty line. The children could receive their meals in schools, day care centers, summer recreation programs or other institutional settings.

The proposal would knock out about $650 million a year in federal support currently provided to schools to help defray the costs of breakfasts, lunches and milk served to children from families above 125 percent of the poverty line. William G. Boling, manager of USDA's child nutrition division, predicted that the prices charged for school lunches would rise about 22 cents if the block grant concept goes into effect.

State allocations under the new proposal would be determined by multiplying $202 (90 cents per meal times 225 days) by the number of children in the state who are between the ages of one and 17 in families below the poverty line. Part of a state's allocation would be withheld, however, if the state had poor children in schools with no school food programs. The funds would be released only if the state used them to establish food programs in these schools.

The proposal is sure to meet vigorous and probably insurmountable opposition in Congress. It would require families of four with incomes above $5,640 a year to pay an average of 65 to 70 cents for each child. This aspect of the program will be difficult to sell on Capitol Hill.

In addition, an increase of 20 cents or more in the price of school lunches would drive several million paying children out of the program. The Senate Nutrition Committee estimated in a 1973 report that each increase of one cent in the price of school lunches causes one percent of the paying students (or about 145,000 children) to drop out of the program.

If the number of children purchasing lunches declines sharply, per-lunch preparation costs will rise, necessitating possible further increases in meal prices and further dislocations in the program.

Organizations and agencies involved with non-school food programs also are likely to oppose the Administration proposal. Day care and summer feeding programs would have no assurance of receiving funds from state officials who would control the block grants, and WIC directors would see their new programs dissipated almost entirely.

The proposal has already drawn a bitter blast from Senator George S. McGovern (D-S.D.), Nutrition Committee chairman, who declared within hours after release of the budget message that he was totally and implacably opposed to the block grants proposal.

"I am certain Congress will not allow 30 years of progress in the health and welfare of our children to be destroyed because of misguided values," McGovern declared.

FOOD ASSISTANCE PROGRAMS—FISCAL YEARS 1974–76

[Program level—Dollars in millions]

Program	1974 actual	1975 estimate	1976 Under existing legislation	1976 Under proposed legislation
Child nutrition programs:				
1. Cash grants to States:				
(a) School lunch (section 4)	$412.1	$444.4	($498.0)	
(b) Free and reduced price lunches	683.2	751.1	(865.0)	
(c) School breakfast	60.7	73.3	( )	
(d) Nonfood assistance	29.1	28.0	(28.0)	
(e) State administrative expenses	3.7	6.7	(6.7)	
(f) Nonschool food program	70.4	[1] 116.7	( )	
(g) Grants in lieu of commodities			(73.0)	
2. Commodities to States	347.8	361.0	(365.2)	
3. Nutrition training and survey and operating expenses	8.4	11.1	(14.4)	[2] $1,682.5
Special milk program	62.1	120.0	( )	
Special supplemental food program	15.3	127.1	( )	
Total	1,693.0	2,039.3	1,850.3	[2] 1,682.5
Food stamp program	$2,864.9	$3,703.0	$3,858.9	[3] $3,641.6
Direct distribution to families	193.7	[4] 42.5	[3] 2.8	[3] 2.8
Direct distribution to institutions	19.8	22.3		
Food donating program			[3] 5.8	[3] 5.8
Elderly feeding		5.6	6.0	6.0
Section 32 operating expenses (AMS & FNS)	6.8	7.2	6.7	3.5
Nutrition education (Extension Service excluding administrative expenses)	47.4	47.4	47.4	47.4
Total food assistance	4,825.5	5,867.3	5,777.9	5,389.6

[1] Includes $64,000,000 for day care feeding and $52,700,000 for summer feeding.

[2] USDA is proposing to substitute a comprehensive block grant program for the present child nutrition programs, special milk, special supplemental food (WIC), and commodity supplemental food programs, $1,682,500 is being requested for the block grant program in fiscal year 1976.

[3] Both the $2,800,000 under "Direct Distribution to Families" and the $5,800,000 under "Food Donations Program" are for commodity distribution to needy families on Indian reservations.

[4] Includes $6,400,000 for supplemental feeding.

Note: USDA is proposing to limit cost-of-food adjustments in all food programs to 5 percent over the 18-month period from Jan. 1, 1975, to June 30, 1976. This proposal would reduce food stamp expenditures by $217,300,000 to a total of $3,641,000.

USDA administrators have little optimism about their proposal's chances in Congress. At a press briefing on the budget request last Saturday, USDA budget director Jerome Miles noted wryly: "There are some who think this won't pass."

ELIMINATION OF PROGRAMS

Even if the block grant proposal is defeated, however, the Ford Administration will seek to terminate the school breakfast, summer feeding, day care, WIC, supplemental feeding and special milk programs. Legislation governing all these programs except supplemental feeding and special milk expires June 30, and the Administration announced this week it will not seek to have these programs renewed.

In addition, while authority for the supplemental and milk programs does continue beyond June 30, the Administration is requesting no money whatsoever for these programs, whether or not a block grant proposal is enacted. Only the school lunch program, equipment assistance for schools, and commodities for schools would be allowed to continue into fiscal 1976, under the USDA budget request, if the block grants are not implemented.

The Administration is also proposing to terminate all commodity deliveries to orphanages, children's homes, homes for the aged, and other institutions. These institutions are receiving $22.3 million in commodities during the current fiscal year.

A background paper on the budget prepared by the budget division of USDA's Food and Nutrition Service notes that the "general theme" of the fiscal 1976 budget for food programs is "the need to reduce federal spending." The paper also observes that USDA is assuming no growth in participation in the food programs. "In fact, declines are expected to result from tighter administration," the paper declares.

FIVE PERCENT "CAP"

In addition to a wholesale dismantling of the child nutrition programs, the Administration is asking for new legislation to limit cost-of-food adjustments in all federal food programs to 5 percent over the 18-month period from July 1, 1975 to June 30, 1976, even though food costs may rise 20 percent or more during this period (see CNI Vol. V:5).

Food stamp households would be especially hard hit by this proposal. USDA officials say that the food stamp allotment for a family of four, currently set at $154 a month, would be allowed to rise only to $158 a month on July 1, 1975 and would not be permitted to increase at all on January 1, 1976, if the 5 percent limit is enacted.

Without the limit, the food stamp allotment for a family of four is expected to rise to $164 this July and to $172 next January 1, according to USDA.

The 5 percent limit would also hit school food programs—if these were allowed to continue instead of the block grant. School food reimbursements already rose more than 5 percent on January 1 of this year. Consequently, there would be no increase at all in reimbursements again for 18 months—until July 1, 1976.

The reduction in food stamp allotments and school food reimbursements would be permanent rather than for a one-year period, because the percentage increase that would be allowed in July 1976 would cover only the preceding six months rather than the entire 18-month period. There would be no "catch-up" to bring food stamp allotments and school food reimbursement rates up to the levels they would otherwise have attained during this period.

This means that food stamp allotments would remain permanently nearly 10 percent below the cost of the economy food plan, the cheapest food plan calculated by USDA. The Department's own studies show that over half the families spending at the full cost level of the economy plan still have poor diets and that only one out of ten families spending at this level gets 100 percent of the RDAs for the seven most basic nutrients.

Commodity donations to schools and elderly feeding programs would also be limited to a 5 percent increase. The donations, which currently total 10 cents per meal, would be limited to 10.5 cents per meal in fiscal 1976. Similarly, reimbursements in the special milk program would rise to only 5.25 cents per half pint of milk next year (if the special milk program is continued).

COMMODITY PROGRAMS

In the area of commodity programs, the new budget shows that the Ford Administration, like the Nixon Administration before it, wishes these programs would largely disappear. The budget contains no money at all for the provision of commodities to institutions. In addition, the donation of commodities to schools and other child nutrition programs would be ended by the block grant proposal.

USDA officials said that commodities could still be made available for schools from time to time, but the commodities would have to be paid for with the state's block grant money. (The budget does show that if the block grant proposal and the 5 percent ceiling are both rejected by Congress, USDA expects to provide about 9.38 cents in commodities and about 1.87 cents cash in lieu of commodities for each school lunch served in fiscal 1976.)

USDA also plans to provide $8.6 million in commodities for Indian reservations still distributing commodities to needy families and $6 million in commodities to nutrition projects for the elderly. However, the elderly feeding commodities would be composed entirely of food items that are in surplus. USDA's authority to purchase non-surplus commodities at market prices for school food and elderly feeding programs expires June 30, and the Department will not seek to have this authority renewed. The selection of commodities available to elderly feeding programs in fiscal 1976 could be extremely limited as a result.

The budget also shows that USDA plans to spend only $28 million on equipment assistance for schools in fiscal 1976 if the block grant proposal is not accepted. The $28 million figure is the same amount spent on this program in fiscal years 1974 and 1975, representing somewhat of a decline in real support for this program when inflation is taken into account. A USDA survey released last March showed school districts reporting a need for $177 million in equipment aid.

SUMMER FEEDING AFFECTED

While Congress is likely to reject the Administration's legislative recommendations in most child nutrition areas, one program—summer feeding—could still suffer substantial damage in the coming months. Proposed regulations for the summer feeding program generally come out in February, and handbooks and application forms usually follow in March. This year, however, USDA will apparently issue no regulations or handbooks because it is seeking to abolish the program.

If summer feeding sponsors are forced to wait for enactment of new legislation extending the program, they may find themselves unable to begin any preparation for this year's program until the summer is almost upon them. The result would be administrative chaos and a program that reaches only a small number of children.

Another program whose future now appears uncertain is the women, infants, and children (WIC) feeding program. Congress is unlikely to adhere to USDA's request to let this program expire on June 30, and the WIC program probably will be extended. But what level of funding Congress will choose to provide for the WIC program is now unclear.

At present, USDA is required by legislation and by court order to spend about $125 million on the WIC program in fiscal 1975. In order to spend this amount the Department has been awarding large numbers of new grants and allowing caseload increases during the course of the fiscal year. If all WIC projects that have now been funded were to operate at full capacity for a year the cost of the program could run close to $200 million.

Since USDA can be expected to oppose any efforts to secure funding of this magnitude for WIC next year, a major battle over WIC funding could develop this spring.

FOOD STAMP ESTIMATE

The budget message requests only $3.86 billion for the food stamp program in fiscal 1976, but this estimate was based on the mistaken assumption that Congress would allow the Administration to raise the price of food stamps on March 1. If Congress succeeds in blocking the food stamp price increase, the projected cost of the program in fiscal 1976 will rise to nearly $4.8 billion.

FORD REBUFFED ON STAMP CUTBACK

The Ford Administration's effort to raise food stamp prices collapsed this week in the face of a 374–38 House vote to freeze food stamp prices at their current levels until the end of 1975.

An identical measure was approved by the Senate Agriculture Committee on Wednesday and appeared headed for sure passage on the Senate floor as CNI Weekly Report went to the printer.

The Senate was also expected to approve a resolution directing the Agriculture Secretary to provide a study of the food stamp program by June 30. That study, the resolution said, should include recommendations for disqualifying ineligible households, increasing penalties for abuse of the program and reducing "administrative complexities which make joint operations with other federal assistance programs difficult."

Administration spokesmen have indicated that President Ford, faced with the opposition of more than two-thirds of both houses of Congress, will reluctantly sign the freeze bill when it reaches him.

Meanwhile, several state food stamp directors said this week that because of the certain victory of the legislation, they would begin preparing March food stamp authorization-to-purchase cards that reflect current food stamp prices rather than the increased prices the Administration had wanted to charge. A survey conducted by CNI and several other organizations last week found that states were planning to begin reprocessing their caseloads to reflect the higher prices within the next few weeks (see CNI Vol. V:5).

LOWER PRICES DISCUSSED

The legislation passed by the House is intended only as a temporary freeze on food stamp prices. Both the House and Senate Agriculture Committees want to study the question of food stamp prices—as well as other food stamp issues—more thoroughly over the next few months. Farm legislation probably will include a number of food stamp amendments.

However, the degree of Congressional opposition to the Administration's plan makes it certain that this forthcoming farm legislation will not contain any food stamp price increase. In fact, Congress may act to lower prices for some or all food stamp households.

A bill (S. 13) introduced by Senator George S. McGovern (D-S.D.) to lower food stamp prices has attracted 45 co-sponsors in the Senate (see CNI Vol. V:3). Rep. Thomas Foley (D-Wash.), the new chairman of the House Agriculture Committee, said last week that his Committee would also examine proposals to lower food stamp prices in the coming months; he is considered sympathetic to this idea.

CUTBACK PROPOSED FOR AGING PROGRAMS

The Ford Administration last week proposed that Congress withdraw spending authority for some $42 million in fiscal year 1975 program funds for the elderly.

The proposal to rescind spending authority would reduce funding for Title VII nutrition programs for the elderly by $25 million. Title II area agency programs would be cut back by $9 million, and training and technical assistance programs would be eliminated, a recision of $8 million. These recisions are reflected in President Ford's fiscal 1976 budget request for aging programs (see table on page 7.)

Under budget reform legislation enacted last year, the executive branch may not impound appropriated funds, but it may propose rescinding the money. Any proposed recision—and the Administration last week proposed 35 fund reductions overall—must be approved by both the Senate and the House. If a majority vote is lacking in either chamber, a recision proposal cannot take effect.

Congress now has 45 days in which to accept the proposed recisions. If Congress does not act within that time, the Administration must spend or obligate the funds as rapidly as possible, Congressional sources say.

The likelihood of Congress accepting the recision of funds for the aging is extremely small. Even officials of HEW's Administration on Aging (AoA) concede privately that the funds will be allocated to the states for program use soon after March 10.

The only question remaining with respect to fiscal 1975 funds is whether AoA will spend the additional $50 million that Congress authorized for Title VII programs over the $100 million requested by the Administration. The confusion stems from Congress action in raising Title VII funding by only $25 million in direct appropriations, stipulating that the other $25 million be taken from available carryover funds.

HEW spokesmen claim that the White House Office of Management and Budget (OMB), which makes basic spending decisions for the Administration, has not yet indicated whether it believes the $25 million Congressional directive to be as binding as a $25 million appropriation.

SPECIAL PROGRAMS FOR AGING

[In thousands of dollars]

	1974 actual	1975 estimate	1976 estimate
Community services	106,558	96,000	96,000
Nutrition	99,600	99,600	99,600
Research, demonstration and manpower	16,500	7,000	7,000
Federal council on aging		1,000	1,000
Total	222,658	203,600	203,600

In his fiscal 1976 budget request, the Administration asked for a carbon copy of its proposed fiscal 1975 budget. The $96 million community services budget, HEW said, would support 412 area agencies established in 1975 and make possible some 40 model project grants, the same as the 1975 level.

With respect to the Title VII nutrition program, HEW said a $99.6 million funding level would provide 200,000 hot meals daily in 665 project sites nationwide. Increases in food costs, it said, would be "partially offset by management improvement, savings from nonrecurring capital and administrative expenses incurred in 1974, and obtaining funds from other public and private sources."

The budget proposal contains $2 million over two years for two major studies by the Federal Council on Aging: a study on the interrelationships of government benefit programs for the elderly, and a study on the combined impact of taxes on the elderly.

UNEMPLOYMENT AND THE ECONOMY

Mr. MOSS. Mr. President, the Labor Department announced Friday that the Nation's jobless rate has reached 8.2 percent—7.5 million Americans are now out of work.

By every indication, unemployment will increase in the months ahead. President Ford in his economic report, delivered last week, predicted that unemployment will continue to rise. Only last Thursday, his chief economic advisor, Alan Greenspan, said that the Nation's jobless rate will reach 8.5 percent sometime this year. At least one major economist outside the administration has predicted that the unemployment rate will remain above 8 percent for the next 2 years.

While there may be some disagreement about the actual statistics, it is now clear to everyone that our Nation now confronts a critical period of deep and sustained recession. Not since the 1930's has there been a greater need for Congress to take bold, corrective action.

Last Thursday, the House Ways and Means Commitee approved a $20.2 billion tax cut aimed at stimulating the Nation's economy. This cut includes a 10 percent "rebate" on 1974 taxes to be returned to taxpayers sometime this spring. In addition, it calls for an $8 billion cut in 1975 taxes, primarily for those taxpayers who earn less than $20,000 a year. This cut would be reflected in reduced withholding taxes this summer.

The question now facing Congress is whether these tax relief measures contain sufficient stimulus to turn the economy around. Given the latest unemployment figures, it is clear that the situation is far more serious than we had estimated only a few weeks ago. It is quite possible we will have to move in a direction of a more substantial tax cut. Alternatively, Congress may have to consider a sizable increase in the current public service jobs program, which is now providing some 330,000 federally financed employment opportunities. With some 930,000 workers joining the unemployment rolls in the last month alone, our current efforts in this area have become grossly inadequate.

What is needed now is a broad-ranging approach to the Nation's economic difficulties. We need to determine how overall spending and taxation policies can be geared to the battle against recession.

Last summer Congress enacted historic legislation to give the legislative branch a far tighter grip on the Federal budget. It provides that each year Congress pass a concurrent resolution setting overall levels of Federal expenditure and taxation that meet the Nation's current economic needs.

On Friday, February 14, I am presiding over a day of Budget Committee field hearings in Utah on the impact of the Federal budget. I will attempt to survey the effect of various Federal spending and tax policies on my State's economy. Senator GARN and Governor Rampton have agreed to testify. The hearings will be held in the State Office Building auditorium in Salt Lake City at 9 a.m. on February 14.

Other witnesses will include:

Alan Witt, of the Utah Foundation, who will discuss the impact of Federal spending on Utah's overall economic outlook.

Joseph Perry, acting dean of the College of Business, University of Utah, who will also discuss the impact of Federal expenditures on the local economy.

Curtis Harding, director of the Utah Employment Security Office, will comment on the employment impact of Government programs in the State. He will also provide a survey of the State's overall employment situation and outlook, as well as an up-to-date assessment of the public service employment program and its effectiveness in providing local jobs.

Herbert Smart, Utah State finance director, will discuss the impact of Federal budgeting on the State's own budget planning.

Mickey Gallivan, director of the Utah Travel Council, will talk about the impact of Federal energy and economic policies on the State's tourist industry.

Ross Barnes, Regional Director of the Office of Economic Opportunity, will also appear to give a complete overview of all Federal spending in the State.

SENATOR MONDALE SAYS NEW FOOD AND AGRICULTURAL POLICY ESSENTIAL FOR FARMERS AND CONSUMERS

Mr. HUMPHREY. Mr. President, on February 6, the Senator from Minnesota, Mr. MONDALE, testified before the Committee on Agriculture and Forestry on the need for substantial improvements in our Nation's farm and food policies. His statement touched upon each of the crucial elements in our agricultural and nutrition programs; the deficiencies in price supportive mechanisms, the need for a farmer-consumer food reserve, the case against cutbacks in child feeding and other national nutrition programs, the need for Federal purchase and distribution of beef, and the necessity of strengthening world food assistance programs under Public Law 480.

I would like to share with my colleagues in the Senate the complete text of Senator MONDALE's statement. Mr. President, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR WALTER F. MONDALE

I am grateful for this opportunity to express to the Senate Agriculture Committee my view concerning the need for major revisions in laws affecting the management of our nation's food supplies.

In 1974, America's livestock, poultry, and dairy industries struggled against serious, and in too many cases, ruinous losses. Farmers were forced to absorb an increase in production costs approaching 20 percent. Net farm income, overall, fell by 17 percent. During the same period consumers, far from enjoying savings, paid an average of about 15 percent more for food than they paid in 1973.

The lessons of the past two years should be obvious. Neither the farmer nor the consumer benefits from wildly fluctuating prices.

Recent history has proven American agriculture to be the miracle of the world. Family farmers are widely and properly recognized as among the most efficient production units in modern society.

Nevertheless, the benefits of this unprecedented achievement are all too often being lost to farmers and to consumers through a lack of proper federal management. Indeed, it has become an article of faith of this Administration, as it was of its predecessor, to exercise as little leadership as possible in assuring that this great productive machine functions as it should. There is a lack of careful thought and planning that is at best mindless and at worst harmful to our nation's legitimate interests.

Take an illustration. Two weeks ago a 68 year old woman was arrested in St. Paul. She was charged with stealing two packages of sausage. The Judge asked her why she did it, and she told him that she was hungry but had run out of food stamps.

This is not an isolated example. Senior citizens, many of them living on Social Security, are picked up each week for trying to get away with a package of cold cuts or cheese. They've never stolen before. They are simply desperate.

Yet Farmers in 1974 slaughtered cattle because they could not afford to feed them. Our grasslands are filled with surplus beef. And the Administration has developed no coherent plan to get this food to the people who need it and in the process prevent farmers from being forced into bankruptcy.

Instead, the Administration is proposing that food stamp recipients be required to pay thirty percent more for benefits.

The only solution to our food problem being offered by the Administration is to tell the grain farmer to produce every acre in sight. But the grain farmer who is looking at skyrocketing bills for fuel, fertilizer and other farm inputs and is weighing the tremendous reductions in animal feeding demands, and knows the abysmal levels of price protection the Administration is willing to give to him, is now thinking long and hard about the wisdom of planting to full capacity.

It is ironic that the Administration is now proposing floor prices for members of the OPRC cartel which could result in billions in consumer costs while they oppose meaningful price guarantees for American farmers.

An American farmer, assessing the Administration's program and its results so far with respect to beef or poultry or dairy products, can only conclude that it is an invitation to ruin. And as consumers, I believe most Americans know, there is no way they can benefit when farmers by the thousands are forced out of business.

If leadership is not forthcoming from the Administration, it is up to the Congress to write and enact a law that includes the basic elements of a rational and balanced food policy.

NATIONAL FOOD BUDGET AND NATIONAL ENERGY AND RESOURCES BUDGET

The first feature of a realistic food program must be a provision for proper planning. The Minnesota Farmers Union, in consultation with the Minnesota AFL–CIO and consumer representatives, has been working to fashion just such a planning mechanism. Here is what the MFU proposes, and I fully support their recommendations. At the beginning of each year the Administration would be required to prepare a national food budget which would specify production goals for each commodity based on estimated domestic and world market demand. Included in the demand equation would be food assistance requirements at home and abroad. With the production goals established, the Administration would then prepare an Energy and Resource Budget, detailing the requirements for energy, credit, fertilizer, transportation, and other production items and setting forth the government's policy to mobilize the resources of all Federal agencies to assure the availability of inputs needed to meet production goals.

FARMER—CONSUMER FOOD RESERVE

A second ingredient of workable food policy must be a mechanism to assure availability of supplies and stability of prices. The design of a system to protect the farmer against catastrophic surpluses and to cushion the consumer against rapid escalation of prices should form the heart of this Committee's recommendations to the Senate. Senator Humphrey has proposed the basic elements of such a system in a bill which I am proud to cosponsor. This bill would provide for the creation of a national farmer-consumer food reserve system. It would offer income protection to farmers by increasing the target price and loan levels in the 1973 Agricultural and Consumer Protection Act. The present levels were outdated even before the ink was dry on the law. The current escalator clause would then ensure that each year hereafter the target levels would be increased to keep pace with changes in production costs.

To assure adequate supplies and to stabilize market prices, our bill would provide for the accumulation of reserves of wheat, feed grains, soybeans, and cotton in times of surplus which would be held off the market as protection to consumers against shortage. The consumers I refer to here are, in the first instance, mostly other farmers, namely poultry, hog, dairy, and other livestock producers.

Government purchase and release prices under the loan program are the key to protection for grain, soybean, and cotton farmers on the one hand and consumers (both livestock and household) on the other. Existing loan programs with rates varying between 30 and 40 percent of parity offer protection to no one.

Under the bill we are submitting, the exact levels for the target prices and loan rates have been left open. During the hearings this week and next, the Committee will be receiving testimony from farm organizations and consumer representatives. I am hopeful that agreement can be reached in specific figures that can satisfy the needs of both interests—or to put it another way—to restore balance and stability to U.S. food and agricultural system.

The Committee has ample evidence that many farmers are disillusioned with the target price system as embodied in existing law. They feel that only a realistic floor under market prices through the loan program can offer meaningful protection against the risks of all out production.

Without proposing any number for the supportive mechanisms, the most important of which are the loan levels, I would only says that if we are going to expect farmers to bear the expenses of fence to fence production, the Federal Government should be prepared to make a commitment of the "risk-sharing involved as close to full parity as possible, limited only by our need to remain competitive in world markets, to maintain a workable balance in terms of price-feed ratios within our agricultural economy, and to provide sufficient supply at reasonable prices for domestic consumers.

DAIRY PRICE SUPPORTS

One of the sectors within Agriculture that has been under greatest stress during the past year is the dairy industry. I represent the nation's fourth largest milk producing state, which contributed an estimated 8.2 percent of the U.S. total in 1974. And in Minnesota this year alone more than 3,000 dairy farmers have been forced out of business. The milk cow population in Minnesota, as throughout the country, is currently at the lowest level in well over a decade.

It is not difficult to understand why dairymen are going out of business when one looks at the crushing cost-price squeeze under which they are forced to operate. I would like to submit for the record detailed statistical information regarding producer losses in 12 typical Minnesota counties. At this time, I will just highlight the results of one study compiled by J. R. Larson of the St. Cloud Vocational Center in St. Cloud, Minnesota. This study of 416 dairy farms in the north-central portion of the State shows an average net loss of $200 per cow disregarding any allowance for the farmer's own labor. On a normal sized herd of 36 cows, this works out to an annual loss of more than $7,000 per farmer.

Only the depression in livestock markets has kept consumers from feeling the full impact of today's disastrous losses in the dairy industry. But if present trends continue, we will be heading straight into the worst milk shortage in recent history.

To prevent such a tragedy, I have joined with Senator Humphrey in proposing legislation to increase milk price supports to 90% of parity with quarterly adjustments required throughout each milk-marketing year. This is a relatively modest increase from the present level of 80 percent, but it is essential if the alarming reduction in cowherds is to be halted and reversed.

NATIONAL NUTRITION PROGRAMS

Cutbacks or elimination of federal nutrition programs for school children, senior citizens and the disadvantaged are harmful in the best of times. Today, when inflation and recession are eating away at family income that is available for food, they are unconscionable. Yet the Administration is proposing a $1.3 billion cutback in national nutrition programs. They would abandon the Special Milk, School Breakfast, Summer Feeding, and W.I.C. Program in favor of a block grant approach to child nutrition; and they tried to force a major increase in the cost of food stamps to recipients. As a member of the Budget Committee, I will fight for continuation of needed child feeding programs. I am pleased that the Senate has now passed legislation which would prevent the increase in food stamp costs. I cannot think of any word but shameful to describe a suggestion that the poor and elderly should be subjected to what amounts to a new 7% federal tax on their incomes during a time when their real purchasing power is being eroded at a rate of 12 percent a year.

Earlier in my statement I described the terrible irony of Social Security recipients being driven into theft of cold cuts and sausage when our livestock industry is depressed by swollen inventories. With the support of the National Farmers Organization, Senator McGovern has proposed a bill to allow for distribution of surplus beef to people who are today desperately in need of it. Through federal purchase and distribution programs, supplies of beef, dairy, and other high protein products should be made available on a temporary basis to senior citizens and others in the United States who have been forced by inflation into near subsistence diets.

WORLD FOOD AID

Throughout my testimony I have concentrated on the problems of the American food economy. But we should not lose sight of the fact that what are for us managable problems may be insoluable to other countries without outside help, principally from the United States.

Last November the World Food Conference met in Rome to consider the world food problem and to develop recommendations for both national and international action.

At that meeting it was revealed that the current, severe, food deficits in so-called "fourth world" nations may be just the tip of the iceberg. Indeed, within the next decade the food import requirements of deficit countries is expected to triple or to double under even the most optimistic of assumptions.

The Food for Peace Program (P.L. 480) is the primary mechanism by which the United States offers assistance to developing countries in the event that emergency needs cannot be met through normal commercial channels.

The world food shortages experienced in 1974 served to focus national attention on the inadequacies of the current Food for Peace Program. For example, at a time when global needs soared to record highs, and pictures of starving children could be found on the front page of any newspaper, the level of actual aid under the P.L. 480 program was reduced to less than half the average maintained in the late 1960's and early 1970's. While Administration officials initially resisted calls for expanded aid, after some delay they found that in fact it was possible to step up the program.

We also found that the bulk of the assistance under Title I of P.L. 480 was going not to countries most desperately in need, but to those that are of political or military importance to the Defense and State Departments.

Congress last December approved Senator Humphrey's amendment, which I strongly supported, to limit the proportion of U.S. food aid that can be sent for political rather than humanitarian reasons.

This year I would urge the Committee to consider additional reforms aimed at strengthening and improving our P.L. 480 programs, such as the inclusion of specific * * *.

As a beginning, I believe the Committee should consider setting a minimum target for food assistance of 5 million tons to be directed toward countries in greatest need and to be reduced only when actual need diminishes. This level is well below historical U.S. food aid contributions and would not have placed an undue burden on our economy even in 1974—the tightest supply year in two decades.

While the Department of Agriculture continues to voice optimism regarding the magnitude of world food needs, the World Bank in a recent study projected a negative rate of per capita growth for each year of the next five years in the world's poorest countries. I believe we should provide a reliable assurance of minimum supplies and assure that at least that minimum level be directed toward the countries that are most needy.

The Title II program of Public Law 480 provides assistance for the world's poorest people, including pregnant women, infants and children, refugees and disaster victims. Over the past two years tens of millions of people have been cut from Title II assistance just when their needs have increased dramatically. U.S. voluntary agencies have a demonstrated competence in distributing supplies under the Food for Peace program at volumes greatly in excess of the current level. I believe that the Congress should therefore consider a substantial increase in funding for Title II to a level perhaps double the fiscal 1975 program.

Finally, with the added funds I would hope that increased emphasis could be given to the distribution of food among infants and pregnant women so that greater attention is given to reaching the very young before permanent mental or physical damage has occurred.

CONCLUSION

Today, I have touched upon a few, by no means all, of the elements which I believe ought to be included in a comprehensive U.S. food policy. The job of this Committee in fashioning legislation that is acceptable to both farmers and consumers will not be an easy one. And whatever bill is approved by the Congress faces the possibility, if not the probability, of a Presidential veto. The challenge of this Committee and for the Congress as a whole will therefore be to design a program that can command broad-based support within the House and Senate and from consumers, workers, and the many elements of the farm community.

I firmly believe that each group individually, and our country as a whole, has more to gain from working together on behalf of such a bill than from allowing those who prefer no policy whatsoever to prevail. For the victims of a mindless agricultural program, as we have seen over the past two years, are the average man and woman whether they live in St. Cloud, Minnesota, in rural Mississippi, or in New York City. Our common interest lies in working together toward the development of a "balanced" national food and agricultural policy that will restore some semblance of "stability" to this vitally important section of our nation's economy. Under the leadership of this Committee I believe we can shape a program to achieve such a goal.

FOOD STAMP PROGRAM

Mr. McGOVERN. Mr. President, I ask unanimous consent to have printed in the Record an editorial from Friday's Washington Post on the rejection by the Congress of the President's proposed cutback in the food stamp program. Along with the Post, I hope our overwhelming vote the other day constitutes a clear message to the President that his economic program has some basic priorities reversed and that the human needs of our citizens simply cannot and will not be sacrificed as we search for the appropriate solutions for the Nation's economic difficulties.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Washington Post, Feb. 2, 1975]

Food Stamps and Congress

For the first bill of the season, the 94th Congress could not have made a better choice than to reverse the ill-advised attempt by the Ford administration to raise the price of food stamps for the poor. By voting in overwhelming margins against the President's action, both houses sent the clear message that a veto would be useless. Indeed, once the sentiment of Congress became clear earlier in the week, the administration might even have done well to rescind the regulation on its own.

But in one sense, and only one, it is good that the administration permitted the issue to reach a vote in Congress. Now, at least, there is a commitment from the Congress and the administration to have a thorough review of the manner in which the stamp program is being operated. There is some concern that some people who are affluent are receiving benefits intended only for the poor. If that is true, the abuses should be stopped. But the problems should be dealt with in a manner that does not spread punitive procedures through the whole program; the many should not suffer for the sins of a few. At the same time, there are many other problems with the program, among them that its provisions tend to hurt the elderly poor living alone—the very people who need this assistance the most.

In its moment of crisis, the food stamp program turned out to have a remarkable coalition of friends. Sen. James Allen, the conservative Alabama Democrat, joined forces with George McGovern, the South Dakota liberal, to bring the 76–8 result in the Senate. And William C. Wampler, the Virginia Republican loyalist, went against his party's President when the House voted 374–38 to freeze the food stamp prices.

There is a message for the President in these votes and it appears to reject the notions propounded in the President's budget message. The administration has adopted the view that cutting food stamp outlays and reducing planned increases in Social Security payments is a proper approach to reducing federal spending in a time of recession. At the very point at which the administration was working to cut benefits for food stamps, the enrollment in the program was increasing by hundreds of thousands, and it now stands at 17.1 million persons. In light of these conditions, it is no wonder that the President had a hard time persuading congressmen whose constituents are facing rising unemployment that this is the time to reduce the federal food assistance dollar.

The administration is projecting a high rate of unemployment over the next several years, and yet it proposes cutting the programs that can assist the unemployed most effectively. A simple calculation of the impact on local economies if the food stamp program had been successfully reduced shows that the most likely result of those reductions would have been even more unemployment. Consider that at the present rate of unemployment, $7.50 of every $100 spent on food in the United States today is paid by food stamps. As Sen. McGovern said in the floor debate. "I don't think we have a better social program on the books than the food stamp program. It is absolutely essential to our country, especially at this time."

Other than its attempt to reduce social programs, we have seen little from the Ford administration that suggests anyone is thinking comprehensively about the problem of the new unemployed or the chronically poor. The best the administration has been able to tell us is that there are likely to be more poor people, that they are going to stay poor for awhile to come, and that they are going to consume a larger and larger share of the federal, state and local tax dollars. It seems to be assumed by the administration that such a state of affairs is inevitable and endurable. It would be nice if the administration had also spoken in more precise detail of its great hopes for curing this situation by describing its attempts to put large numbers of people back to work. That remains the best way of reducing the load on the food stamp program.

WELFARE REFORM

Mr. McCLELLAN. Mr. President, reform is one of the most loosely used and abused words in the English language today. Any change from past practice—good, bad, or indifferent—is labeled as reform with the obvious hope of making it palatable to the American people.

Once again, as a recent editorial in the Arkansas Democrat has pointed out, a plan which would almost double the cost of welfare programs is being sold to the American taxpayer as a "reform."

A joint congressional subcommittee has, according to the editorial, recommended after a 3-year study that the current welfare program be scrapped and a new one started which will skyrocket costs from $16 billion to $31.4 billion.

Included would be $7.5 billion in tax deductions for the nonwelfare eligible poor. As the Arkansas Democrat notes, this would be offered not on a temporary basis as part of the fight against inflation and recession, but on a permanent basis.

Mr. President, this is certainly a strange sort of welfare "reform." Instead of reducing welfare rolls as one would expect from a change described as a reform, it would add more people to them. It would put a floor under failure.

There may be a need to help those who are gainfully employed but whose incomes are low, but I do not believe that such assistance should be called welfare "reform." This term should be reserved for putting a permanent end to the worst feature of the current welfare mess—the continuing dependency that it breeds.

I ask unanimous consent that the editorial from the Arkansas Democrat of December 9, 1974, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Arkansas Democrat, Dec. 9, 1974]

BEYOND WELFARE

Double the cost of welfare. That's what a joint congressional subcommittee recommends after studying welfare reform for three years. We need to look closely at any reform that would rocket welfare costs from $16 billion to $31.4 billion. What is reform?

Cutting costs, or at least insisting on efficiency, is how many people look at reform. One reason hardly anybody is happy with welfare is the fraud and sloppy handling of eligibility that mar it.

Real reform means change, and only change can remedy the worst feature of present welfare—the spirit of continuing dependency it breeds. When loafing is a better deal than working, you've got permanent welfare. Like most reform proposals, the committee's plan is strong on incentives—though not, so far as we can tell, on a must-work feature for the ablebodied.

But the plan does encourage the head of the welfare family to work: The family gets a guaranteed annual cash income (a feature of most reform plans) and the head of it can work and add to the total without losing more than the work brings him—which is not the case now. Also, the family would get some tax deductions.

The price for the plan is high—$7.5 billion in new money. If it helps people work their way OFF welfare, maybe it's worth considering—especially since Aid to Families of Dependent Children would be junked, along with foodstamps, which themselves are threatening to create an empire of the dole.

If the committee had quit there, we'd be inclined to weigh the pros and cons—but it doesn't: It proposes to spend another $7.5 billion in tax deductions for the nonwelfare-eligible poor. Now, the committee doesn't offer this as part of the fight against inflation-recession; it's offered as a permanent feature—a sort of war on poverty.

And the trouble with it is that it fuzzes up the question of, where do we put a floor under failure? Just whom all do we help in this fashion—anybody that inflation drives below a certain purchasing level? That question involves a lot more than welfare and welfare reform. We think the committee should leave that second $7.5 billion out. It's already got enough on its welfare plate.

AMERICAN EXPRESS RESPONSE TO THE EXPOSURE DRAFT TO THE FINANCIAL ACCOUNTING STANDARDS BOARD

Mr. SPARKMAN. Mr. President, on October 21, 1974, the Financial Accounting Standards Board issued an exposure draft entitled "Accounting for Contingencies." This exposure draft is of a proposed statement of financial accounting standards which has been issued by the Board for public comment.

Many of my colleagues share my interest and concern in seeing that accounting standards be promulgated providing for full, complete, and accurate financial reporting. So that my colleagues can share the benefit of at least one response to the exposure draft, I ask unanimous consent that the views of American Express be printed in the RECORD.

There being no objection, the views were ordered to be printed in the RECORD, as follows:

ACCOUNTING FOR CONTINGENCIES

The Financial Accounting Standards Board (FASB) was launched two years ago as an independent agency to set-up accounting standards with the encouragement, financial support and hopes of those concerned with financial reporting. The general expectation was that standards could be established that provided full, complete, and accurate financial reporting, industry by industry, while permitting some latitude and the exercise of independent judgment by industry. The need for more uniform accounting standards has been well documented and their development remains as our common objective. What must be avoided is the attempted development of uniform standards that are so detailed as to make them unworkable from a practical standpoint when applied across the board. If the recent exposure draft on "Accounting for Contingencies" is a reliable preview of the FASB's developing approach, their future and effectiveness may be brought into question. As a minimum, the exposure draft represents movement down the path that all had hoped to avoid. Such a course of action, if followed, will be a severe disappointment to those involved with financial reporting—investors, public accountants, regulators, industrial management, and rating agencies, to name a few—who support the vital need for an on-going standards-setting independent agency outside of government.

The reasons for our concerns are real. The exposure draft, is approved in its present form, will produce six damaging consequences:

1. Add materially to the cost of doing business by U.S. corporations with no offsetting economic or social gains.
2. Extinguish the multi-billion dollar self-insurance capacity of U.S. industry.
3. Add substantially to the unfavorable U.S. balance of payments.
4. Distort annual reported earnings of U.S. Property and Liability companies—a distinct disservice to their owners, managers, and employees.
5. Strain the underwriting capacity of the U.S. insurance industry which has been shrunk importantly by the worst year in industry history.
6. Create windfall revenues for the reinsurance industry, mostly located abroad.

Of equal concern is the fact that a considerable amount of public testimony was elicited as background for the FASB draft. It would appear that much of this public testimony has been ignored along with several longstanding basic accounting principles.

We believe that these views of the FASB's exposure draft are widely-held. Even worse, in some quarters there is a feeling of helplessness to influence a change of direction. This feeling should be of as much concern to the FASB as its emerging philosophy.

The need for standards of financial reporting for contingencies is continuing and much in the exposure draft is constructive and appropriate. On balance, however, it will require significant revision in order to rid it of the damaging consequences cited above. Each of the consequences needs a closer look.

1. Add materially to the cost of doing business by U.S. corporations with no offsetting economic or social gains.

This consequence would result from the exposure draft's flat prohibition of self-insurance reserves. Managements which have responsibly provided self-insurance reserves would have to seek other means of obtaining the protection that these reserves provided. In general, this would have to be accomplished through the acquisition of costly new insurance policies. The alternative would be to face decreased loss protection. Considering today's economic conditions, this inflation of costs seems particularly inappropriate. Common sense as well as accounting sense, requires that methods of accounting should not increase the costs of doing business. These increased costs can be avoided by revising the exposure draft to permit controlled self-insurance reserves, including catastrophe reserves.

2. Extinguish the multi-billion dollar self-insurance capacity of U.S. industry.

U.S. industry typically carries a portion of its loss exposure internally much as individuals do when they purchase $100.00 deductible" insurance policies. If the amount of deductibility is significant, a business firm will build a reserve over time to shield its earnings from the self-insured loss when it occurs. No one really knows the total of self-insurance reserves in this country. However, "multi-billion" seems a reasonable estimate since total corporate net worth last year approximated 500 billion dollars. Admittedly, self-insurance reserves can be abused. Nonetheless, self-insurance reserves are a sound means of protection against the impact of loss, and often, the most economic means an organization can employ to obtain needed protection. Rather than flatly excluding self-insurance reserves, as the exposure draft does, it should permit the establishment of these reserves along with reasonable standards to prevent abuses. For instance, rules could be adopted that would permit such reserves to be drawn down only over a specific period of time.

3. Increase substantially the unfavorable U.S. balance of payments.

This consequence would also flow from the draft's prohibition of self-insurance reserves. Business firms deprived of self-insurance protection would, in most cases, buy substitute protection from the insurance industry. Most of the new protection would have to be found abroad. The vast majority of U.S. reinsurance needs is met outside the United States. Thus, because of the nature of the world-wide insurance industry, the draft as written would cause dollar out-flows to foreign insurance centers. No reliable statistics are available, but such out-flows would be sizable and in the range of hundreds of millions of dollars.

Distort annual reported earnings of U.S. property and liability companies—a distinct disservice to their owners, managers, and employees.

The special characteristics of the property and liability insurance business has, until recently, meant hard-to-understand financial reporting—significantly different from the bulk of U.S. industries' financial reporting. Two years ago, after broad discussion and study, much of the property and liability industry adopted certain broad general principles of financial reporting which removed most of the distortion and peculiarities from property and liability companies' annual financial reporting. The draft as written adds material distortion because of its prohibition of catastrophe reserves, which are a type of self-insurance reserve for insurance companies. In brief, the draft forbids insurance firms from matching, in the same time period, the revenues they received for protecting policyholders from catastrophic losses and their expenses in providing that protection.

The major motivation in the purchase of insurance is to gain protection against loss arising from flood, hurricanes, tornadoes, and other catastrophes. A portion of every dollar of property insurance premium pays for such protection. Clearly a similar portion of each dollar of property insurance premium revenue is earned by providing such protection. However, such revenue obviously is not earned until the service or protection is provided. Catastrophes, by their nature, cannot be predicted precisely in advance, although their occurence over time is a certainty. Many insurance companies, therefore, have established a "catastrophe reserve" setting aside a predetermined specific percentage of premium income monthly to absorb the expenses of reimbursing catastrophe victims. In so doing, these companies are recognizing their liability to provide the protection sought by their policyholders. This practice surely stands the test of reason. The exposure draft, however, prohibits such reserves principally on the grounds that the occurence and costs of catastrophes cannot be predicted in advance. Surely the FASB is correct in these ascertions, but in no way does that alter the fact that the insurance companies are receiving revenues and assuming liabilities to provide catastrophe protection. Since catastrophe losses are often large when they do occur, the abolition of catastrophe reserves could mean random and wide swings in property and liability companies' earnings. Such erratic swings serve no one's interest. The draft should be amended to permit reasonable catastrophe reserving practices.

5. Stretch the underwriting capacity of the U.S. insurance industry, which has already been shrunk importantly by the worst year in its history.

The proposed prohibition of self-insurance and catastrophe reserves would generate, in a stroke, heavy new requirements for insurance. The capacity to provide insurance protection is limited by certain financial ratios and regulatory policies. A surge of demand for insurance protection, which would no doubt be measured in the hundreds of millions or even billions of dollars, would have the same effect experienced in other areas when demand surges in the fact of shrinking capacity: Prices rise and shortages occur. Thus, we would have the effect of an accounting practice straining the capacity of an industry. Again, the draft should be modified to remove this undesirable consequence by permitting self-insurance and catastrophe reserves in accordance with reasonable standards.

6. Create windfall revenues and profits for the reinsurance industry here and abroad.

Deprived of self-insurance and catastrophe reserves, U.S. industry, including property and casualty insurance companies, would have to seek new insurance protection. This would mean a strong upsurge in demand for services of the reinsurance industry. If the exposure draft is adopted without modification, the FASB will unwittingly provide windfall profits in one industry while increasing the costs of many others and eventually the consumer. This consequence could also be eliminated by the authorization of reasonable self-insurance and catastrophe reserves.

Public testimony and filings preceding the issuance of the exposure draft highlighted most of the arguments listed here and include testimony on certain longstanding and broad accounting principles. For example, Ernst and Ernst offered testimony in support of the explicit need for providing for future catastrophic losses. They testified, "We regard revenue deferral as the appropriate way to account for catastrophe losses sustained by casualty insurance companies." Accounting for Future Losses, A Statement by Ernst & Ernst to the Financial Accounting Standards Board, May 7, 1974.

RECOMMENDATIONS

The FASB is a new organization with important responsibilities. It is not yet bound by precedents of its predecessor, the Accounting Principles Board. While the exposure draft on "Accounting for Contingencies" as written would have damaging consequences and limit the FASB's future effectiveness, it can be rectified. Some specific recommendations for FASB action are:

1. Delay the effective date of the exposure draft to permit its material revision.

2. Appoint a "blue ribbon" working committee of insurance and general industry executives familiar with self-insurance and catastrophe reserves to work with FASB members and its Advisory Council to draft guidelines governing the use of self-insurance and catastrophe reserves.

3. Re-issue a revised exposure draft to permit the use of self-insurance and catastrophe reserves.

4. Revise its procedures so as to include an advisory review mechanism of proposed exposure drafts by thoughtful and responsible persons. Such a review panel should include representatives of users of financial reports, e.g., rating agencies and producers of financial reports, i.e., industrial accountants and academicians.

5. Redirect its emerging basic philosophy so as to encourage the general usefulness of financial reports. While accounting abuses will always be with us, they are committed by a handful of practitioners. The FASB will surely fail its purposes and disappoint its supporters if it perceives its role chiefly as a maker of detailed rules designed to thwart those who would mislead. No body of detailed rules can frustrate those determined to mislead and abuse, and attempts to write such rules lead only to violations of common sense and distortions of financial reporting. Although the FASB and its supporters deplore reporting abuses, their approach should not be one of detailed rule writing, but rather one of causing clearer and fuller disclosure of the practices followed by firms in preparing their public financial reports.

SENATE YOUTH PROGRAM

Mr. HUMPHREY. Mr. President, once again it has been my privilege to participate in the activities of the Senate youth program.

It is a matter of great pride to me, Mr. President, that I was an original sponsor, in the 87th Congress, of Senate Resolution 324, expressing the willingness of the Senate to cooperate in the development of this program.

Made possible by grants from the William Randolph Hearst Foundation, the Senate youth program each year brings two high school students from each of the States and the District of Columbia to Washington for a 1-week internship to learn the workings of the Federal Government, with special emphasis on the U.S. Senate. Each student delegate is awarded a $1,000 scholarship with the single stipulation that he or she study political science for at least 2 years of their college careers.

Delegates are selected on a competitive basis by the chief school officer of each State, and each student is involved in school and community affairs.

Representing my own State of Minnesota at the 13th annual Senate youth program were Lynn A. Ericson, of Arden Hills, Minn., and Wade H. Henrichs, of Albert Lea. It was my pleasure to be able to spend time with these fine young people and to present their certificates and scholarship grants at a luncheon on February 5.

On February 3, I addressed the Senate youth program delegates at the Mayflower Hotel. I want to share with my colleagues excerpts of my remarks.

Let me also take this opportunity to congratulate Mr. Randolph A. Hearst, chairman of the Hearst Foundation Committee, and Mr. Ira P. Walsh, director of the Senate youth program, for their superb direction in assuring the continued excellence of this program. I also commend my colleagues in the Senate for their willingness to cooperate in this ambitious endeavor.

Mr. President, I ask unanimous consent that a portion of my remarks of February 3 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY

I am delighted to be back with the Senate Youth Program delegates again this year. I have been privileged to participate in your activities on many occasions, and it is a matter of great pride that I have been able to have a part in helping your program along from time to time.

You probably have come to Washington with certain ideas about how the federal government works—or doesn't work—to meet the needs of its citizens.

Washington is the place to test your impressions of history against the realities of the present and your hopes for the future.

I hope that your minds are open to the new information you are gaining this week.

I hope that your thoughts are being challenged, worked over, and measured against what civics books say government in our democracy *should* be.

Mr. Dickens probably would agree that the America of 1975 offers both the best of times and the worst of times.

Many would say that the worst of times are upon us. We have witnessed over two years of the most turbulent, trying times in the history of our nation.

The President of the United States resigned in a cloud of scandal and corruption; the integrity of our constitutional system has been threatened; the system by which we elect public officials has been maligned. In short, our Constitution has met its greatest test outside of the Civil War.

And while the While House and the Congress tried to sort out the facts and bring about a solution to our constitutional problems, economic and social problems almost got out of hand.

As a result, our economic stability and national well-being have been threatened with a burning inflation and the worst recession since the Great Depression of the 1930's.

More than 6½ million Americans are out of work, and this is a conservative figure.

Many of our people literally cannot afford to buy groceries for next week.

And there is lingering insecurity about the long-range availability of fuel supplies to keep factories in operation, to heat our homes, and to move people and products across this great land.

You don't need me to tell you that we have big problems—problems which might qualify these as the worst of times.

But I'm not a pessimist by nature. I don't like to go around preaching gloom and doom, so I won't start now. While we must face our problems realistically, we must also acknowledge that we have the ability and the tools to transform these into the best of times.

Look at the evidence. Even with a serious recession, America is the most prosperous country on earth.

While our rate of inflation is totally unacceptable at 12 percent, it's not as bad as in England, say, where it is 18 percent. Or France, which has an inflation rate of 13 percent. In Italy, it's 20 percent.

And while we worry, with good reason, about a fuel shortage, we are one of the major oil producing countries. We consume more fuel than any country on the face of the earth, but we have the capability to develop alternative forms of energy—unlike many countries.

Our constitutional system has indeed been threatened and abused. But our government is still standing. Our commitment to the purposes and ideals of the Constitution has been greatly strengthened. We have proven that we are, indeed, a government of laws and not of men. And our political and election systems are undergoing extensive reforms—proving that ours is a living, vibrant, constantly improving democracy.

We have the resources, and we have the tools, to make these the best of times.

You are fortunate to live in the United States of America—a land where natural resources, education, technology and communications are among the finest in the world. We have the tools to meet almost any challenge.

This week you are in Washington to take a first-hand look at the government. You might be thinking the government is in pretty lousy shape, that nobody is coming up with answers, that all they do is spend a lot of time fighting over ideas and proposals.

Some of you might like me to tell you that the government is perfect. Well, I'm here to tell you that it isn't perfect. And do you want to know why? Because it's run by 213 million people, none of whom are perfect. That's right. Representative democracy is not—it cannot be—perfect, and I, for one, don't think that it has to be perfect to be successful.

Winston Churchill once said: "Many forms of government have been tried, and will be tried in this world of sin and woe . . . no one pretends that democracy is perfect or allwise. Indeed, it has been said that democracy is the *worst* form of government *except* all those other forms that have been tried from time to time."

The Founders, in their great wisdom, created what Daniel Webster called, "The *people's* government, made *for* the people, made *by* the people, and answerable *to* the people."

Tempered by years of bitter struggle in the American colonies for justice and equal treatment by the "mother country" of Great Britain, the framers of the Constitution left no doubt where the concentration of power was to be in our government.

"We the People," they wrote. Not we the rich, or we the poor, or we the blacks, or we the whites, or we the politicians, or we the corporate executives, but we the *people*. There are no words more beautiful in our heritage than these.

They knew that democracy is not an efficient form of government. The word "efficiency" is not mentioned one time in any of our national documents. But you will find the words: compassion, justice, liberty, equality.

And how will we secure the blessings of liberty for all Americans? How will we harness the resources of this land and put them to work for the common good? How will we guide our inefficient democracy toward the goals we share? The answer to all these questions is—You.

Yes, these could be considered the worst of times. But you, more than any other group of Americans alive, face the challenge of making these the best of times—the best of beginnings.

I have a poster in my office which bears this slogan: "Today is the first day of the rest of your life." This expression appeals to me because it is a reminder that each day can be a new beginning.

In our dynamic democracy there always will be one constant—the inevitability of change.

The problems and the challenges will always be replaced by new ones, which will require new approaches, new ideas, new solutions.

In a few years, it will be you who are proposing the solutions, and you must be prepared.

This week, you have a unique opportunity to begin your preparations to assume leadership. As you continue to meet with government officials, open your minds to accept new ideas. Listen well and then challenge what you hear.

When you go home, get involved in community activities—in political affairs. Share what you have learned with your classmates, with your families, and make it your business to know what's going on in the world.

Because it *is* your business. In this country, government is *everybody's* business.

THE ENERGY CHALLENGE

Mr. McGOVERN. Mr. President, the editor of the Lake Preston, S. Dak., Times has reprinted with thoughtful editorial comment a recent newsletter on the energy problem that I have sent to my South Dakota constituents.

Mr. John Sittner, the editor of the Lake Preston paper, is an unusually perceptive and objective man. I am thus gratified that he saw fit to reprint my newsletter.

I ask unanimous consent that Mr. Sittner's editorial and the text of my newsletter as carried in the February 6, 1975, Lake Preston Times be printed in the RECORD.

There being no objection, the editorial and the text of the newsletter were ordered to be printed in the RECORD, as follows:

A LOOK AT THE WHOLE PICTURE

The intense hassle over the proposed tax on oil imports is entwined in the gloomy national picture of inflation and recession. And rightly, it is engaging much of the attention of Congress and the administration. For the decision on the oil import tax is of critical importance in the way the nation deals with the immediate economic problems.

But the oil import tax, indeed, the entire oil import situation, is only a small part of a most serious national energy problem.

For a look at the big picture of energy, at programs directed at resolving the major crisis clouding the national future, we recommend your attention to the following newsletter received this week from Senator George McGovern.

Mention of the newsletter author's name will automatically turn off a lot of readers, turn on some others.

But those of you who can put aside or rise above blind political partisanship, at least long enough to read the newsletter objectively, will find it most enlightening. We just hope you can read and consider what the senator says as objectively as he says it.

The reasons for our present energy dilemma are enormously complex, but there are five basic factors which seem to have caused our present situation.

1. Our total and our per capita energy consumption have been rising rapidly.

2. The demand for oil and natural gas has outstripped the domestic supply and refinery capacity, producing an increased dependence on imports.

3. Because all energy uses pollute to some degree, the increased use of energy has come into direct conflict with our need to preserve the air, water and land.

4. The lack of a coordinated national energy policy has led to poor long-range planning and to conflicting policies on the part of the government and the energy industries.

5. Potentially useful energy options such as solar, geothermal, Nuclear fusion, wind power and energy conservation have not been developed.

Today, about 95 per cent of all energy used in the United States is based on the fossil fuels, coal, oil and natural gas. Between 1850 and the present, we shifted our energy use pattern first from wood to coal, and then from coal to oil and natural gas. The joyride of cheap fossil fuel energy in the United States seems to be over and we must now adopt a new energy use pattern. We are not running out of energy, but we are running out of cheap oil and natural gas.

In spite of this, over 50 per cent of the energy used in this country is wasted. We could cut this by one-third to one-half—without a loss in the quality of life—through a national energy conservation program based on existing technology. Based on the information we now have, it seems clear that the epoch of readily available supplies of oil and natural gas will probably be over in the world around 2015 to 2030 and in the United States by 1990 to 2015, if not sooner. Since it takes 20 to 50 years to develop and phase in a new energy system, we have no time to lose in seeking replacements.

Instead of getting all of our fossil fuels out of the ground as quickly as possible, a compelling case can be made for deliberately setting aside perhaps a third of our reserves of natural gas and petroleum as raw material to produce petro-chemicals in future decades. These chemicals are used to produce most of the fertilizers, pesticides, detergents, synthetic fibers, inorganic and organic chemicals, plastics and other products we need in modern society. The use of petrochemicals is growing rapidly and already accounts for about 6 per cent of all fossil fuels used in the United States. It seems unlikely that an entirely new chemical industry, not based on fossil fuel raw materials could be developed in the next few decades. As a result, this may be the single most important use of these resources.

So far, the federal government's response to the 1973–74 energy policy crisis has been to view it only as a short-term "situation" that will not interfere with wasteful energy lifestyles and ever increasing total and per capita energy demands. The 1975 plan for achieving energy self-sufficiency by 1980 projects a thirteen-fold increase in nuclear energy, expansion of the coal industry by over 50 per cent, a 30 per cent rise in domestic oil production, a voluntary energy conservation program rather than laws that would be strongly opposed by automobile and oil companies—and too little attention to the development of alternative energy sources. The cost of this project over the next five years is estimated at $750 billion.

This short-sighted policy could produce a temporary and highly misleading energy surplus. But based on the longer-term realities of the situation, it could develop into a series of national and global energy catastrophes. Using up the world's high quality natural gas and oil supplies over the next few decades would leave us no high net energy resources to phase in other energy options should they become feasible and as they become available. We must face the fact that the realities of energy supplies will not give away to political or industrial pronouncements about self-sufficiency.

The most critical need in the immediate future is to develop and implement a national energy policy. Any plan of this kind should probably include the following elements:

1. Establish a Cabinet-level National Energy Agency.

2. As one of the Agency's first tasks, establish a national energy policy based on the evaluation of short-term (1975–1985), intermediate term (1985–2000) and long-term (2000 to 2020) energy options and strategies.

3. Institute thermodynamic bookkeeping for all resources and options to evaluate and report all energy resources in terms of estimated net energy yield rather than on total energy reserves.

4. Break up the horizontal and vertical monopolistic practices or potential of individual energy companies and of groups of companies acting directly or indirectly as energy cartels.

5. Slow down the expansion of nuclear fission power until its net energy yield can be evaluated, its risks decreased and other safer and perhaps more net energy yielding alternatives can be evaluated.

6. Reduce the average par capita rate of energy growth and institute a massive energy conservation program.

7. Stimulate exploration and development of domestic supplies of oil, natural gas, coal, oil shale and coal gasification, but only in conjunction with increased environmental controls and the mandatory energy conservation program.

AMERICAN SOCIETY OF BANK DIRECTORS

Mr. SPARKMAN. Mr. President, I commend the American Society of Bank Directors, founded in 1970, in its aim to enlist the aid of America's 200,000 citizen bank directors to work for better banking laws so that banks can better serve the local communities of our Nation.

Citizen bank directors go to the fundamental concept of commercial banking in America, where leading local citizens serve on bank boards in their communities, and thereby bring a broad experience and wide variety of expert advice and counsel to operational officers, the professional bankers, who run the banks.

It is the balance between the professional banker and the citizen directors which gives our great banking system its strong fundamental strength, as each local bank is thereby truly a community service institution.

We salute the American Society of Bank Directors in its efforts to bring educational programs to citizen bank directors and in its constant efforts to achieve better banking laws at State and national levels through the participation of its citizen directors in keeping legislators informed of grassroots banking problems and needs.

A broad participation by bank directors in the American Society of Bank Directors will inevitably result in strengthening America's great commercial banking system.

ENERGY AND THE ECONOMY

Mr. MATHIAS. Mr. President, in an editorial published on February 8, 1975, the editors of the Baltimore Sun commented on a proposal I have made to deal with our related energy and economic problems.

Since their perception and comment will undoubtedly have weight and value for Members of the Senate, I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MATHIAS AND THE GAS TAX

There are 535 members of Congress, and therefore nearly 535 pet schemes for dealing with the nation's energy problems. As legislators prepare to shoot down President Ford's comprehensive program, we can expect to hear of proposals ranging from rationing to stripping the State of Colorado. One of the more interesting approaches of recent weeks has come from Maryland's senior senator, Charles McC. Mathias, who has foresworn his earlier flirtation with rationing to focus on a gasoline tax and an income-tax rebate.

The Mathias plan, which may require refinements and more precise calculations, would place a tax of perhaps as much as 30 cents a gallon on gasoline. The senator would use the $32 billion thus collected to cut or rebate withholding taxes, which he feels are excessive in any case. Most taxpayers in lower and medium income brackets would receive rebates of about $250 a year, more than enough to compensate an average driver consuming 700 gallons a year and hence paying about $210 in added gasoline taxes. Rebates would be cut down on a sliding scale to zero for taxpayers in higher income brackets. Citizens who do not drive would, in effect, get a substantial tax break, which is the senator's intention. Those too poor to pay taxes would get increases in Social Security or food-stamp allotments.

As with all other energy plans that have surfaced thus far, there are some built-in inequities in the Mathias idea. A Baltimorean from the inner city having to drive to work in Sparrows Point or an Allegany county farmer who must drive frequently to Cumberland obviously would need more gasoline than a Ruxton suburbanite who could take a bus down Charles street.

Nevertheless, the Mathias plan has some overriding advantages that commend its close consideration. Foremost is its concentration on gasoline consumption, which is the most wasteful and polluting and reduceable use of petroleum. The senator would forcefully cut driving without sharply increasing the cost of heating homes, drying crops and making fertilizer. And he would pump back into the economy huge sums that presumably would be spent largely on products other than gasoline. Compared to President Ford's program, the Mathias plan thus could be more effective in fighting the recession and produce a much less inflationary economy.

PRESIDENT FORD RELEASES $2 BILLION OF IMPOUNDED HIGHWAY FUNDS—ECONOMY WILL BENEFIT

Mr. RANDOLPH. Mr. President, I am gratified to report to the Members of the Senate that President Ford has announced today that he will release $2 billion in impounded Federal-aid highway funds.

While the withholding of congressionally approved highway funds has been a serious issue for 8 years, it is especially critical in this time of economic distress. With the national unemployment rate now standing at 8.2 percent of the work force, we must utilize every realistic means at our disposal to reverse this trend.

The commitment of available funds to highway construction is one such means. The money released today will have the double impact of easing unemployment and helping States to build needed roads. It is estimated that $2 billion worth of highway projects can be placed under contract before the end of June. According to figures compiled by the Federal Highway Administration, more than 250,000 jobs could result from the expenditure of these funds.

The highway construction industry is operating at less than 50 percent of capacity. The longer this situation continues, the less able the industry will be to carry out an expanded program in the future. The release of the $2 billion not only will create jobs, it will also preserve a substantial portion of the industry.

Senate Public Works Committee members will develop a new highway bill this year. As we go forward with that work, we also will carefully monitor the commitment of the $2 billion released today. There are indications that the highway programs of some States already are impaired by the lack of local matching funds. If this shortage of State revenues prevents the utilization of Federal assistance, the Congress will consider emergency legislation to alleviate this situation.

Inflation has shrunk the highway dollar just as it has eroded the purchasing power of all expenditures. An additional $2 billion, when added to the $2.3 billion previously programed for obligation during the first half of 1975, will enable us to compensate for inflation and to accelerate the job-creating highway program. I have supported public service job programs as an essential part of our antirecession effort. But I remain convinced that the creation of lasting facilities makes public works construction an even more effective weapon in the arsenal to fight economic stagnation.

There is soundly based satisfaction that the Federal-aid highway program has received a boost today. I hope the action of the President is a signal that the artificial restriction of this activity is at an end.

Mr. President, there has been some misunderstanding about the job-producing potential of highway construction. Today, I received a report from the Federal Highway Administration which contains the latest information on highway construction employment impact. While the figures are slightly below those previously used—probably because of inflation—they are most impressive. The report also shows the amounts of fuel utilized in highway building.

I ask unanimous consent that this information be printed in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

EMPLOYMENT IN FEDERAL-AID HIGHWAY PROGRAM

General National Average Employment: 25,600 man-years are created for each $1 billion (on-site); 28,700 man-years are created for each $1 billion (off-site); 71,750 man-years are created for each $1 billion (induced); 126,050 man-years are created for each $1 billion (Total).

EMPLOYMENT BY PROJECT TYPE

[In billions of dollars]

	Onsite man-years	Offsite man-years	Induced man-years	Total man-years
Grade and drain	38,000	43,000	106,000	187,000
Bituminous paving	19,000	21,000	52,000	92,000
P.C. concrete paving	19,000	22,000	54,000	95,000
Structures	25,000	28,000	74,000	127,000
Miscellaneous	18,000	20,000	50,000	88,000

FUEL USAGE IN FEDERAL-AID HIGHWAY PROGRAM[1] (BY TYPE OF PROJECT)

	1973 gallons per million dollars	1974 (estimate) gallons per million dollars
Grade and drain	193,900	148,710
Bituminous paving	125,100	95,950
P.C. concrete paving	95,600	73,300
Structures	26,800	20,550
Miscellaneous	26,100	20,200

[1] 75 percent diesel fuel, 25 percent gasoline.

Note: Average for all Projects: 107,000 gallons per million dollars—1973; 82,060 gallons per million dollars—1974.

A FOOD ALLIANCE?

Mr. HUMPHREY. Mr. President, there is a growing awareness by consumers that their interest in stable food prices is consistent with the interest of farmers. Both farmers and consumers stand to benefit from stable food prices, based on both ample domestic reserves and short-supply export management regulations.

There is also a growing awareness by consumers that the food middleman is entirely responsible for the 15-percent hike in food prices during 1974—a hike which occurred despite a 2-percent drop in farm prices. The Joint Economic Committee has revealed, for example that Safeway's return on equity now exceeds that of Shell Oil Co. In fact, middleman profits may provide the foundation for a food alliance between farmers and housewives—both have an interest in restoring competition to the food retailing industry. Each has an interest in seeing the middlemen and retailers now receive 60 cents of every food dollar.

A number of farmers and consumer groups are evaluating the basis for an alliance. One such encounter occurred the last week in January here in Washington sponsored by the Consumer Federation of America. Mr. William Rice, of the Washington Post, reviewed this session on Thursday, February 6. He emphasized the need for education of consumers on the problems daily faced by farmers—a clear duty our farmers should help to undertake.

I commend Mr. Rice's article to my colleagues. I ask unanimous consent that Mr. Rice's article, "Farmer, Consumer: An Uneasy Alliance," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 6, 1975]

FARMER, CONSUMER: AN UNEASY ALLIANCE

(By William Rice)

"The farmer and the cowman should be friends," sang the stage population of "Oklahoma" in the musical of the same name. No one was singing last week at the Consumer Assembly sponsored by the Consumer Federation of America, but the message was clear: the farmer and the consumer should be friends.

One speaker at a panel discussion on managing food supplies set up a conflict, a sort of tag-team match, between "monopolies and inflation" (in the black trunks) and farmers and consumers (in the white). Another talked of a "triad" of workers, producers and consumers. Everyone talked of the new attitude in Congress and the "intelligence" and "new ideas" that had arrived with the 75 new members.

But at this point the alliance is as uneasy as a couple introduced by mutual friends out on a date. Both sides fear that selfish interests will overwhelm common courtesy at the first test.

The farm interests (and no few consumer leaders) wonder whether the grass-roots consumer pressure that has so quickly become a viable political reality may not be limited by a narrow-scope desire for a return to pre-1972 food prices, something they consider an impossibility.

Consumer leaders such as Ellen Haas, the articulate president of the Maryland Citizens Consumer Council, recoil visibly when asked out of the blue if they will favor a return to government price supports for farmers. They need to know more before taking any position.

The stakes are large, because an alliance is slowly building that intends to change the traditional view that what is good for business (including agricultural business) is good for America. Congress is preparing to examine the structure of the food industry, its tendencies toward monopoly and vertical integration, and the curious pattern of profits that has been woven since prices began to jump upwards in 1972.

The questions are many, but one that has to be answered before the others are posed with any insistence is, how deeply is the consumer committed? Boycotts or protest merely for a return to yesterday, don't interest the professionals of either camp.

"I feel we need reasonable, stable prices," said Ellen Haas, who was the lone woman and lone consumer leader on the seven-person panel, "but to ask for just lower prices would be irresponsible. We do feel a lot of the 'whys' of pricing have not been answered. We have questions and just because the price of a steak may drop from $1.79 a pound to $1.69 a pound, does not mean we are going to stop asking those questions."

Earlier in the day, Sonny Covill, a North Carolina farmer speaking for the activist National Farm Organization, had addressed the entire assembly in a hypnotizing biblical cadence. He spoke of the multi-billion dollar indebtedness of the nation's farmers and said:

"I'm no authority on anything, just a man who is deeply concerned. I'm not sure today I'm going to be able to farm in 1975 . . . Our problem is everybody's problem."

Solutions to the problem, or at least temporary measures to prevent it from becoming worse, are being proposed. Bob Frederick, a representative of National Grange, a farmers' group, spoke out in favor of establishing grain reserves, but warned, "Reserves won't lead to an immediate lowering of prices. They may help remove the valleys and peaks of prices for consumers but prices shouldn't reach the low levels of pre-1972. Labor, transportation, packaging; all those costs have gone up."

There was talk of a reserve program that would have an "explicit" price level for releasing food reserves, with price floors and ceilings to protect farmers as well as consumers, of the need for a "national security" reserve to keep a minimum level of foods within United States borders, and of adjusting the foreign aid program away from processed and blended foods toward raw farm materials.

"Reserves can work for both the farmer and the consumer," said Ben Radcliffe, president of the South Dakota Farmers Union, "or to their detriment. How we move beyond basic principles to specific details is important."

Specific details, ranging from reestablishing a grain reserve to food export policy and food stamps for the poor, will be taken up by the House and Senate Agriculture Committees during the current session of Congress. Ellen Haas said at one point that a "concern for the consumer" has been missing in the Department of Agriculture. The same has been said of the House Agriculture Committee.

This session, consumer leaders hope, it will be a different story.

The fact that a number of new members of the House Agriculture Committee are from urban districts "doesn't bother me a bit as a farmer" said a man from South Dakota.

But urban consumer ignorance of farm prices is not only monumental, it has, in the past, been willful. Urban consumers are confused. They are, as one of their number put it, "tired of being blamed," for "causing" price increases and then blamed for complaining about them.

Farmers suspect the middle men, but it is middle men who, in the end, pay them whatever cash they do see. They are consumers themselves, but the "consumer" with political muscle lives in a big city far away. Their points of view, even the implications of the words both groups use, often are different.

Farmers, talking their special language of parities and defensively saying, "American agriculture can't live on domestic consumption alone," (as though consumers would slap on a foreign-trade embargo each time a food goes up in price) are uncertain, too.

Education is needed on both sides if the alliance is to work. Few tend to fault the farmer. The potential villains are a number of factors over which neither the farmer nor the consumer has much, if any, control: middlemen, weather, international hunger and politics are along them.

Rep. Neal Smith (D-Iowa) recalled that "before the turmoil over food prices, city people really didn't concern themselves with discussions over farm policy."

The unstated conclusion at the Assembly was that no rational national food policy can be formulated until these complexities are explained and better understood. "Agriculture" can no longer be a turn-off word for the urban consumer. Agriculture committees and the Agriculture Department are making decisions that effect everyone. To fully comprehend the issues will not be easy, but, as Rep. Smith told the panel, "Some years you can get educated faster than others."

A NEW LOOK AT OUR FOOD POLICY

Mr. McGOVERN. Mr. President, the Committee on Agriculture and Forestry is undertaking an indepth review of our Federal farm programs with the hope of making substantial improvements in our food and farm policies.

The distinguished chairman of our committee, the Senator from Georgia (Mr. TALMADGE), has written an articulate assessment of this Nation's food situation for the February issue of Nation's Business. The chairman's views deserve the most careful study and wide dissemination.

I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Nation's Business (magazine), February 1975]

CAN WE PRODUCE ENOUGH FOOD?

(By Senator HERMAN TALMADGE)

Can the United States continue to serve as "breadbasket of the world," feeding not only its own people in a manner unprecedented in human history but trying to satisfy the food needs of so much of the rest of mankind as well?

To answer that question we must first understand the complexities of the global food situation.

Two years ago, bins and silos across our land bulged with grain, the base product from which so much of our food—especially beef—flows. Americans could eat abundantly and cheaply. And millions of tons of feed grains were left over, not only to feed the hungry of Asia, Africa and other underdeveloped and undeveloped areas of the world but to meet some of the demands of rich, industrialized nations.

But there has been a marked change in the picture. International affluence, and the diminishing value of the American dollar, have vastly stimulated demand for our agricultural products. The world food supply-demand situation has been turned topsy-turvy. Inflation has taken its toll. Fuel, so essential in the manufacture of fertilizer, has soared in price and has become scarce or potentially scarce. Weather has dealt harsh blows. And the American farmer, instead of enjoying the fruits of his labor, has become the target of scorn.

While huge farm surpluses may be a thing of the past, America has the capacity and know-how to continue expanding its output. Millions of additional acres of land can be converted to agriculture. Technology continues to improve. It is a miracle of our times that only 4 per cent of our population can produce such an abundance of food and fiber—enough to feed and clothe 210 million Americans and millions more abroad. And these farmers are prepared to do more, if they have adequate supplies of fertilizer, equipment and good weather, and—above all—if they are given guarantees of adequate price and income protection.

Despite all the problems and adversities that plague agriculture, some bright spots appear on the horizon. American agriculture is far and away the most efficient and most productive in the world. It continues as our nation's most productive economic sector.

Not surprisingly, perhaps, U.S. agriculture today accounts for nearly all of the soybeans, about half of the feed grains and a third of the wheat and rice in international trade. In a sense, this food abundance is to the United States what oil is to the Middle East.

Except for our massive exportation of farm commodities—nearly $22 billion in 1974—the U.S. balance of payments ledger would show a much grimmer bottom line. Food exports have helped immeasurably in recent months to offset some of the American trade deficit resulting from the exorbitant price of Arab oil reaching our shores.

Needless to say, the high productivity of the American farmer is critically important in this period of food supply uncertainty.

We have been most generous with our food. Our humanitarian instincts and Christian heritage have moved us to help those who are starving, who are suffering from malnutrition. I believe strongly in large-scale exportation of American food, for dollars or for humanitarian reasons. But I don't want the U.S. to fall into short supply. If people are going to be hungry in the world, I want Americans to be the last to be hungry.

SHARING WHAT WE CAN AFFORD

There are some realities that cannot be ignored. We represent only 6 per cent of the world population. It's simply beyond our capacity to guarantee that the remaining 94 per cent of the earth's inhabitants eat well. I believe in helping the poorer nations—and others—by making available our technology and I believe in sharing with them what we can afford.

Further, I am in favor of cooperating with other nations in trying to relieve hunger. But that isn't plowing new ground. We've been doing this for 20 years, to the tune of some $25 billion in food aid alone. That's more than all the other nations of the world combined have given. I am, however, unwilling to have some foreign agency tell the United States in what quantities it must ship food and to what countries. I want America to retain control of the amount, and control over who receives it.

Export controls are mentioned as a panacea to ensure that no food leaves our shores until American needs have been adequately met. This is a shortsighted approach to a long-range problem. We cannot treat lightly our commitments to those nations which traditionally depend on American agricultural products. If we impose export controls, or slap on an embargo, these countries will look elsewhere for their food. A good example of this is the embargo we imposed on soybeans about two years ago. Japan, one of our major customers, was forced to look elsewhere. It invested huge amounts of capital in South America, particularly Brazil, to produce more soybeans. Not that Japan wanted to turn away from the U.S.; it simply was seeking insurance against an unreliable supplier.

While I am opposed to direct export controls I think it is imperative that we monitor more closely our stocks of wheat, feed grains and soybeans. Only in that way can we be sure we not only will meet our domestic needs but at the same time will not commit irreparable harm to our friendly trading partners abroad. And as far as our trading partners are concerned, they must realize that we cannot sell what we do not have. Healthy international trade relations are always based on a healthy domestic economy.

We do not need a drastic revision of our current national farm programs, but some changes in the 1973 Agriculture and Consumer Protection Act will have to be made in order to guarantee realistic prices for our farmers. As a first step in the new Congress, we will develop an emergency farm bill to be entitled, "The Agriculture and Anti-Depression Act of 1975."

I hope Congress accepts the fact—and the Administration will go along—that we must substantially raise target prices for cotton, wheat and feed grains. Equally important, whatever legislation emerges, there must be an "escalator clause" guaranteeing the farmer compensation for increases in production costs over which he has no control. That is in addition, of course, to guarantees that he will receive an equitable return on his investments of money and labor.

TARGETS THAT MISS

In the 1973 Act, the Senate tried to establish a price floor on basic agricultural products so the farmer would receive 70 per cent of parity (a formula which guarantees that a farmer's buying power is kept abreast of rising costs) but we had to settle for less in the face of a threatened Presidential veto. In the two or so years which have followed that legislation, the cost of production of many farm products has risen 50 per cent or more. Hence, the target price levels set in 1973 (averaging about 50 per cent of parity) are unrealistically low.

If we are going to ask the American farmer to produce more food for our own domestic consumption, we have to assure him that he won't be hit by disastrous cost increases. Cotton is a good example. Last year, cotton sold for about 40 cents a pound. But it now costs many farmers over 50 cents to produce that same pound of cotton. The result is that you will see large acreages of cotton being switched to soybeans this year because the farmer believes he'll get a better break on that commodity at the marketplace.

I am sure our farmers will heed the call of President Ford for all-out farm production in 1975. But simple economic justice demands that they be provided reasonable income protection in return for the high risk they must shoulder.

There is no question that the shortage of food and the escalating world population are inextricably tied together. It was estimated at the recent World Food Conference in Rome that 144 per cent more food, or a total annual global output of 3.7 billion tons, will be required just to maintain current inadequate levels of nutrition in the face of a one billion population increase by the year 1985.

The United States has done its utmost to help alleviate hunger and malnutrition across the face of the globe. It will continue to do so. But we cannot carry the burden alone. Nor should we be expected to do so at giveaway prices.

Already, the United States is taking steps to broaden its output of food. Since 1972 we have increased the number of acres under grain production by 23 million, for a total of 167 million acres. Another 20 million acres of idle cropland can be made productive within a reasonably short period. Similarly, we raised our investment in agriculture by $2.5 billion in 1973 alone. Certainly, proportionate efforts should be made by all food exporting countries.

Unfortunately, the birth rate is highest in those areas of the world with the least efficient agriculture—in Asia, Latin America and Africa. While the developing countries, with their large and growing populations, have 35 per cent more land in grain production than the developed countries, they produce 20 per cent less grain. By 1985, it is estimated, the gap between what the developing nations produce and what they need could rise from 25 million tons to as much as 85 million tons annually.

We must also consider in any forecast of future food supplies that even if zero population growth is achieved in the most highly industrialized nations, the demand for more food (and more nutritious food) will continue to increase in them. Standards of living are steadily rising in virtually all of these countries and this has spurred demands for a higher protein diet, which principally means meat, milk and eggs. Per capita meat consumption in the United States, for instance, has reached a level of about 188 pounds a year and is still going up. Every country that can afford it either is producing or buying more meat than ever before, although per capita consumption does not match that of the United States.

In addition to some $25 billion worth of agricultural shipments under the Food for Peace program since 1954, we have been most generous in sharing our technology. Under the foreign aid program, we have encouraged countries which cannot adequately feed their people to use better strains of seed, more fertilizer and more efficient methods of agriculture. While this has not been overwhelmingly successful, we must continue to help these countries to help themselves.

Pouring tremendous amounts of food and money into needy countries is humanitarian beyond doubt. But it may be a disservice at the same time. The more we give, the more they rely on us. Why not encourage a Marshall Plan approach in which, given initial help by us, they work toward self-sufficiency? We would continue to provide technological assistance, working closely with their farmers to develop their own agricultural resources.

FERTILIZER: A KEY

A key to any solution of food shortages, both at home and overseas, is the availability of fertilizer. Cheap food which we have enjoyed for so many years in this country has stemmed from constant improvements in farm technology. Higher-yielding and disease-free varieties of crops and more efficient machinery are examples. But, above all, this superabundance of food is due to the expanded use of fertilizer. In the past quarter century, we have seen corn and sorghum yields tripled and cotton and rice yields more than doubled. Parallel gains have been noted throughout agriculture.

However, fertilizer supplies for this year are expected to be down nearly 20 per cent from 1973. At the same time, the price of fertilizer is skyrocketing with no end in sight.

If we are going to have adequate supplies of fertilizers to meet the ever-growing demand for food, we must give fertilizer manufacturers priority in the allocation of natural gas. You can't produce food without fertilizer and you can't produce fertilizer without natural gas. Because of environmental and other factors, we are not building enough new fertilizer plants now to keep up with demand. I find it ironic that 10 U.S.-built fertilizer plants are under construction in Communist China and others are planned in Soviet Russia while we sit in limbo.

However we resolve our own food problems, I will insist that it not be at the expense of the free enterprise system. No one is more averse to government intervention in the marketplace than I am. That is why I am skeptical about imposing export controls on our farm products and that is why I am opposed to a return to huge government-controlled stocks of food reserves.

Experience has shown us over and over again that undue government interference in agriculture is always extremely costly to the taxpayers. That was especially true a few years back, when our silos and warehouses bulged with surplus farm commodities purchased and held in reserve by the federal government. Not only is this inordinately costly but it poses a threat to the market price of all commodities—the government can break the market price of any reserve commodity by releasing it for sale whenever it chooses.

I can't predict how agriculture, and the problems inherent in agriculture, will fare under the new Congress. It is becoming increasingly more difficult to steer sound farm legislation through Congress. Fewer and fewer members have an appreciation of, or an interest in, the problems of the farmer. With the new makeup of the House of Representatives, for example, the majority of its 435 members don't have a single farmer in their Congressional districts.

But I believe we have a chance now to convince them their well-being is affected by how much American agriculture is producing, and how sound American agriculture is. This is the task ahead. And the farmer must make his voice heard.

This new Congress has an opportunity to win a place in history by doing more lasting good for American agriculture than any Congress since the 1930s. I hope it will meet that challenge.

CHANGES NEEDED IN THE FARM PROGRAM FOR COTTON

Mr. STENNIS. Mr. President, the Committe on Agriculture and Forestry, under the leadership of the distinguished Senator from Georgia (Mr. TALMADGE), is holding hearings this month on the changes that are needed in the Agricultural Act of 1973 in order to make that legislation effective under the situation as it exists today on American farms and in the marketplace.

Testimony is to be heard on cotton production on Monday next, February 17, and I have asked to be heard by the committee on that date.

My remarks today are directed primarily toward the production of cotton. However, many of the comments I make on that commodity can also be applied to other crops, including wheat, corn, grain sorghum, and other feed grains, and to soybeans.

After the Senate adjourned in 1974, I spent several weeks in Mississippi, during which I visited many areas of the State and had extensive discussions with cotton farmers and other agricultural producers and scientists. I also had the pleasure of addressing the annual meeting of the American Farm Bureau Federation at New Orleans on January 7. While there I met with a number of the delegates to that meeting, all of whom are very current in their knowledge of the problems of the agricultural community.

More recently, on January 31 and February 1, I returned to Mississippi and made an extensive automobile tour through the Mississippi Delta, the tremendously fertile farming area in the western part of the State which extends from the Tennessee border south to the central latitude of the State. The delta is one of the most productive agricultural areas in the Nation. It is farmed very intensively and very skillfully, and the practices used there are most modern and scientific. The farmers throughout Mississippi are in a bad situation as a result of some of the provisions of current farm legislation, and those who operate in the less productive areas and soils are, of course, in even more dire straits.

I can attest that all of the cotton producers in Mississippi are facing a very grim situation. I am reliably informed that the situation is the same in other cotton producing areas. If a remedy is not provided soon, we may see the end of cotton production as a major crop in the United States.

The fact is that rising production costs, caused by inflation, have simply outstripped the market price, and a farmer who plants cotton under the target price established by current law is facing a prohibitive loss in the coming crop year. I have been told by many cotton farmers that the estimated costs to produce a pound of cotton this year will be

49 or 50 cents. Estimates vary but they are close to that figure.

The inflation of production costs is a reflection of the increased costs of fuels and chemicals. Pesticides, herbicides, and fertilizers have also increased greatly in cost. It is obvious that further cost increases can be expected in gasoline, diesel fuel, and propane or other gas, all used in cotton growing, harvesting, and processing.

At the same time cotton prices have dropped substantially from a year ago and are presently very low. With the situation as it is today, a cotton farmer who plants his land this coming crop year is facing a potential loss of 11 or 12 cents a pound. He also faces a serious problem in getting the production credit he needs if he does intend to plant a crop.

There are a number of changes needed in the Agriculture Act of 1973 to meet this situation. They involve target prices, and the administration of Commodity Credit Corporation—CCC—loans and Farmers Home disaster loans.

The target or floor price established by the Agriculture Act of 1973 is 38 cents a pound for cotton. With estimated costs at 50 cents and rising, the incentive for a cotton farmer to put in his crop is obviously lacking. I strongly urge a necessary revision of the act to provide for a target price of an absolute minimum of 52 cents a pound for cotton.

The Agriculture Act of 1973 contains an escalator clause, to adjust target prices for farm commodities such as cotton, wheat, and feed grains, so that they take into account rising production costs. However, the escalator clause does not take effect until the 1976 and 1977 crop years. This delay was established as one of the measures necessary to avoid a Presidential veto of the bill at the time it was passed. I propose that the escalator clause be made effective in 1975 and subsequent years.

The most troublesome aspect of cotton production is the fact that there is a great lack of stability from year to year, both in the supply of cotton available and in the price it will bring, creating a disorderly and unpredictable market situation.

The purpose of the Commodity Credit Corporation, according to the 1974–75 Government Manual, and I quote—

> is to stabilize and protect farm income and prices, to assist in maintaining balanced and adequate supplies of agricultural commodities and their products, and to facilitate the orderly distribution of commodities.

In short, CCC loans are intended to promote stability of both price and supply, but as presently administered under relatively recent legislative changes, they fail to do so in cotton production. Loan levels are low, interest rates are high, and a farmer facing a low market price cannot hold his cotton long enough to avoid selling at a severe loss.

The Agriculture Act should be amended so that a firm loan rate is established at the time the crop is planted. The loan rate should be related to the estimated production costs of that crop, and set moderately below those costs, so that while the farmer would not be guaranteed a profit he could get adequate financing at today's production costs. This is essential in the situation with which we are faced. The interest rate certainly should be below the current rate of 9.375 percent.

The farmer should then have the option of holding his cotton under that loan for a period not shorter than 1 crop year beyond the year of production. Should the farmer elect to relinquish his crop in return for the amount of the loan then, of course, the cotton is in the hands of the Commodity Credit Corporation and becomes a factor in market price stability.

Provision should be made in the legislation to relate the selling price to the loan price. The price at which the CCC could sell the cotton would have to be set at a reasonable percentage above the loan level, so that the market would not be forced down to the detriment of the farmers who elected to hold their cotton.

Farmers Home emergency loans are a means of assisting agricultural areas which have had low production because of extreme weather conditions. As they are presently administered they can cause the marketing of crops under very unfavorable market conditions. The disaster loan program should be made as responsive as possible to the purpose for which it was established, which is to enable a farmer to finance another crop when he has lost one to weather.

In closing, Mr. President, I wish to commend the Senate Agriculture Committee for the prompt initiation of hearings on the farm programs. If the Agriculture Act of 1973 had become law in the form in which it was originally passed by the Senate, some of the problems I have discusesd would not have occurred, and I trust that these aspects can now be remedied.

I urge very strongly that the Congress give the highest possible priority to new farm legislation. The American farmer is entitled to a fair return on his investment, like any other business; he must have access to substantial amounts of credit at reasonable interest at the beginning of the crop year; and he should be able to expect enough stability in market prices so that he can plan ahead.

The world is in a food crisis. How it comes out is going to depend primarily on the American farmer. He needs all the help we can give him.

THE REPORT ON SOCIAL SECURITY

Mr. BENTSEN. Mr. President, on Monday of this week a paper entitled "Social Security, a Sound and Durable Institution of Great Value," was presented to the public by a distinguished group of men with recognized expertise in the field of social security. The group included five former Secretaries of Health, Education, and Welfare, namely the Honorable Arthur Flemming, the Honorable John Gardner, the Honorable Wilbur Cohen, the Honorable Robert Finch, and the Honorable Elliot Richardson. It also included all three living ex-Commissioners of Social Security, Prof. Charles Schottland, Mr. William Mitchell, and Mr. Robert M. Ball. It will be noted that the group includes Secretaries and Commissioners of both political parties who served under both Republican and Democratic administrations. It can, therefore, in no sense be termed a political or partisan statement.

I wish to commend this statement to my colleagues in the U.S. Senate as an important contribution to the study of this subject which again is commanding increased attention on the part of the public.

As the authors point out, nearly every American has a personal stake in the social security system. There are now more than 30 million people receiving a social security benefit check every month. More than 9 out of 10 workers are currently covered under the system. In this year a hundred million people will contribute and receive credits under the system. Social security is today responsible for keeping some 12 million Americans out of poverty and is the most important single source of income for the majority of beneficiaries.

At the very time the social security system seems to be approaching its goals of providing economic security for such a large proportion of our population and is generally accepted as doing a reasonably good job in this respect, it is coming under more criticism than it has been subject to for a long time. Perhaps this is due in part to the very size of the program and the number of people affected by its operations. Possibly also this is a result of the fact that the financing of this huge system has become an ever-increasing burden.

I believe that constant analysis of so important a system is always healthy. Criticism too can be helpful if it is criticism directed to a constructive examination of how we can best provide an underpinning of income against those hazards and uncertainties with which workers are always confronted such as unemployment, old age, disability or death of the family breadwinner.

Some of the criticism has not carried an understanding of the basic principles of the system. For example, there are those who look at only one side—the contribution side of the system ignoring the progressivity in the benefit structure, and come up with the judgment that the system is nothing but a cruel and unfair tax on the poor. It is true that the tax structure of the system needs to be under examination and we do need to ask ourselves about equity, but we must address ourselves to the equity of the system as a whole and not just to the financing part of it. We must look at both sides of the coin, the contribution side and the benefit side. This is one of the cogent factors to which this paper calls our attention.

Others have charged that Congress has been irresponsible in providing periodic increases in benefits. Sometimes these same critics charge Congress with imposing a burdensome regressive tax on the workers. On the whole, I believe the record will show that Congress has acted responsibly in the social security field. Congress has never increased benefits without provision for financing these raises. I would point out that we cannot have the argument both ways: criticizing the increase in taxes and at the same time charging Congress with failing to finance the system.

Against these charges, I am pleased to note that there are thoughtful approaches being made to the problem. These approaches note that it is not the social securiy system that created the problem of old age and disability. These problems have been with us and the social security system is the best answer we have been able to develop to date. If indeed, as some of our population analysts have predicted there will be some 60 years from now 30 people aged 65 and over for every 100 persons of working age, as contrasted to the 18.3 in that group at present—that will be a problem that we will not only have to meet but will have to plan for well in advance. But there is time. And there is no reason to make abrupt changes to meet this eventuality.

In the short run too there may well be a deficit in the system this year and possibly next—especially if the gloomy economic forecasts of the President and his advisers can be relied upon. But a temporary deficit is not always a matter of serious concern. There are currently some $46 billion in assets in the social security cash benefit trust funds. If we have to dip into these reserves in a period of recession that is no cause for alarm. In fact, most financial analysts and advisers point out that the existence of these reserves is one of the new stabilizing factors in our economy. Reserves are there to be used. We cannot, of course, keep drawing on them indefinitely. But one of their functions is to provide an underpinning of the program that gives us time to make whatever changes are called for. It gives us time to reexamine the needs and test the soundness of the financing structure and make the changes that thoughtful analysis calls for.

The administration takes the position, however, that this situation calls for a reduction in the benefit increases required under present law to meet increasing living costs. So the President proposes cutting the increase to 5 percent. Such a proposal reflects the opinion that one purpose of the trust funds is to help reduce the deficit in the overall budget. This is a view to which I do not subscribe and I believe a majority of my colleagues will agree that the full cost-of-living increase scheduled under present law should go into effect in the checks payable in July of this year. Social security beneficiaries have already seen an erosion of their benefits resulting from double-digit inflation. The automatic provision of the law aims at restoring their lost purchasing power. This is important to the beneficiaries and it is important to economic recovery.

It seems to me the paper released on Monday by these men who have a solid reputation for expertise in this field is a substantial contribution to the kind of thoughtful approach the present situation calls for. I may not be in complete agreement with every one of their conclusions. But I do intend to give it careful study and I commend such study of this paper to my distinguished colleagues in the Senate.

At this time, Mr. President, I am not asking it to be introduced into the RECORD as I understand that the Special Senate Committee on Aging is including it as an appendix to their current report. It will thus be available in such quantity that we will be in a position to provide copies to people who inquire of us to the status of the social security system at this time.

CREDIT ALLOCATION WILL WORK

Mr. HUMPHREY. Mr. President, Arthur Brimmer, a member of the Federal Reserve Board from 1966 until last August, has testified that a system of credit allocation would be both workable and efficient. His assessment is based on his years of experience in the Fed and his intimate knowledge of previous programs designed to channel the flow of credit.

According to Dr. Brimmer, the Federal Reserve's foreign credit restraint program—which was in effect from March 1965 through January 1974—was a great success. Compliance by the banks with the ceiling on foreign credits was "remarkably good." The burden of the restraint was shared equitably among all banks—no exceptions were made and the banks knew that the Fed would enforce its restrictions. Far from creating the "national credit police state" run by a "a new brigade of bureaucrats," that Secretary Simon warns would accompany any attempt to control the direction of credit, this successful program was managed by three or four staff members, an officer at the Fed, and a few staff members in each of the regional reserve banks.

Mr. President, if we can effectively operate such a program to preserve the balance of payments, we can certainly operate a similar program to restore balance in the allocation of credit in this country. At a time when Mr. Simon says inflation is still one of our greatest problems, there appears to be ample credit for inflationary activities, such as corporate mergers that facilitate administered pricing and for speculation in foreign currencies and commodities. However, at the same time, there is little credit available to build homes, and reverse the recession in that industry, and nowhere near enough credit to keep our competitive small business sector healthy.

We have been receiving grave warnings from the administration's spokesmen that we must not "overdo" monetary and fiscal policy. If we overstimulate, overspend or overborrow, they tell us, we will be in serious trouble. It seems to me that this is a perfect opportunity to do some credit directing that will make it unnecessary to overuse the heavier tools of fiscal and monetary policy. According to Dr. Brimmer, this fine tuning can be effectively managed by only a few technicians.

Mr. President, I ask unanimous consent that a recent Wall Street Journal article, "Ex-Fed Member Backs Credit Allocation, Disputes Simon on Fears of 'Police State' ", be printed in the RECORD. It is very important that the views of experienced "money managers" be available to all of us as we reach our own conclusions on this important issue.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EX-FED MEMBER BACKS CREDIT ALLOCATION, DISPUTES SIMON ON FEARS OF "POLICE STATE"

WASHINGTON.—A former member of the Federal Reserve Board said the Fed could allocate credit without creating a police state.

Andrew Brimmer, currently a professor at the Harvard Business School, told a House Banking subcommittee that the Fed could nudge banks to channel loans to specified U.S. borrowers just as simply and successfully as it got them to limit their overseas lending between 1965 and 1974.

The subcommittee is holding hearings on a bill that would require the Fed to allocate loans toward "priority" uses and away from "inflationary" uses. Tuesday, Treasury Secretary William Simon told the panel that the bill would establish a "national credit police state," run by "a new brigade of bureaucrats."

But Mr. Brimmer, who served on the Fed from 1966 through last August, took a more sanguine view. Last fall, he said, the board issued a statement on bank-lending policies designed to encourage banks to lend for certain specified purposes and to discourage lending for other purposes. In January, the Fed began monitoring the performance of banks within those voluntary guidelines.

The guidelines contain "the makings" of a system of voluntary credit allocation that the Fed could implement without encountering the difficulties that the board has found in the approach contained in the bill, Mr. Brimmer said. The bill would require banks to maintain extra reserves against nonpriority loans; they could reduce these reserves by the amount of any priority loans they made.

With "some modifications," these guidelines could serve as the basis for a system of priority commercial bank loans and investment, Mr Brimmer said. His willingness to try this, he added, is based on the Fed's experience with its voluntary foreign-credit-restraint program, which was in effect from March 1965 to January 1974 and was designed to reduce the U.S. balance-of-payments deficit.

Under that program, which Mr. Brimmer managed for nearly six years, the Fed gave each bank a ceiling on the amount of its foreign credits. The Federal Reserve district banks were responsible for administering the program day-to-day in their regions.

Managing the program took only three or four staff members at the board plus an officer and a few staff persons in each Reserve bank, Mr. Brimmer told the subcommittee. Yet, compliance was "remarkably good" and the banks believed that the Fed was administering the program "fairly and equitably," he added.

Exceptions weren't made for banks regarding the foreign-credit ceilings, "and, above all, the banks knew that the Federal Reserve would enforce the guidelines," Mr. Brimmer concluded.

But a spokesman for the American Bankers Association echoed Treasury Secretary Simon's warning. "Free markets, responsive to competition among borrowers and lenders, should determine the allocation of credit, rather than any bureaucracy subject to error and political pressure," Beryl Sprinkel told the subcommittee.

Mr. Sprinkel, executive vice president of Harris Trust & Savings Bank, Chicago, urged Congress, instead, to grant a tax credit to stimulate investment in a few priority areas, such as housing.

BACK AGAIN TO HOOVER

Mr. MONDALE. Mr. President, the ghost of Herbert Hoover walks through the pages of the Ford budget.

Once again we are told that the first priority of a nation sinking deeper into recession must be to cut Federal spending.

Once again we are told that financing a large Federal deficit will disrupt private capital markets.

Once again we are told that public works and public employment programs to stimulate the economy must be resisted.

Once again we are told that the Federal share of relief and social welfare programs must be cut back because this is a "local responsibility."

Once again we are told that the poor and the aged must suffer so that Federal spending can be restrained.

All that remains to complete the historical parallel is for the Federal Reserve Board to continue its policy of unduly limiting growth in the money supply, which, unhappily, it shows signs of doing.

This is a prescription for economic disaster.

It has become a cliché that those who will not learn from history are doomed to repeat it. Historically parallels are never exact, but the similarities between what is happening now and what happened in the early 1930's are disturbing.

Here is a passage from Arthur Schlesinger's "The Crisis of the Old Order":

> Though the Treasury could still report a surplus of nearly $200 million for 1930, it was evident that the nation was headed for a deficit in 1931. As the deficit came nearer, Hoover became increasingly preoccupied with what he actually defined as "the primary duty of the Government, that is, to hold expenditures within our income." More and more, the growing federal debt seemed the primary threat to recovery. "For the government to finance by bond issues," Hoover declared in December 1930, "deprives industry and agriculture of just that much capital for its own use and for employment. Prosperity cannot be restored by raids upon the public Treasury." Tax revenues continued to fall in 1931; and the federal deficit that year was almost a billion dollars—the largest peacetime deficit in American history. With national income still going down, the prospect for 1932 was even more dismal; the deficit might well end up three times as great. Hoover now redoubled his efforts. He demanded the most rigid retrenchment in government. He called for an increase in taxes. He denounced proposals for public spending. (p. 232)

And what happened? Federal deficits grew to unprecedented levels, unemployment soared, and the Nation slid inexorably into depression. From a $300 million budget surplus and 8.7 percent unemployment in 1930, the numbers grew staggeringly worse. Here are the Federal budget deficits for the years 1931–37, measured as a percentage of GNP, and the unemployment rates. President Ford's projected fiscal year 1975 deficit is 2.4 percent of GNP, and the projected fiscal year 1976 deficit is 3.3 percent of GNP:

	Federal deficit as percent of gross national product	Unemployment rate (percent)
1931	2.8	15.9
1932	2.6	23.6
1933	2.3	24.9
1934	4.5	21.7
1935	3.6	20.1
1936	4.4	16.9
1937	.4	14.3

Some may take comfort from the fact that the present 8.2 percent unemployment rate is not nearly as high as the levels reached in the depression. However, a recent Library of Congress study points out that unemployment was measured differently during the 1930's. The principle difference was that those employed in Federal work relief programs, such as the WPA and the Civilian Conservation Corps, were counted as unemployed, whereas today they would be counted as employed. When the unemployment rates for the 1930's are adjusted for this difference, they look like this:

	Percent
1933	18.9
1934	9.9
1935	16.4
1936	10.1
1937	8.9

With many economists predicting that unemployment will reach 10 percent this year, it is disturbingly apparent that we are not very far from depression-level unemployment rates.

RECESSIONS AND DEFICITS

President Ford is disturbed by the projected $52 billion deficit for fiscal year 1976, and he should be. But he is disturbed for the wrong reasons.

Some deficits result from excessive Federal spending. The $25 billion "guns and butter" deficit of fiscal year 1968 was one of these.

But others result from recession and declining revenues. That is what has caused the huge fiscal year 1976 deficit, and President Ford says as much in his budget message. If the economy were as fully employed in 1976 as it was in 1974, the President says on page 6, tax receipts would be $40 billion higher, aid to the unemployed would be $12.7 billion lower, and there would be no deficit at all.

Further, he says:

> We must recognize . . . that if economic recovery does not begin soon, the Treasury will lose anticipated receipts and incur even larger deficits in the future.

It is, I should think, a useful insight. But it is not put to use. Instead of setting a course that will restore a balanced budget by bringing recession to an end, the President has proposed budget cuts and an energy policy that will make recession vastly worse and postpone far into the future the prospect of returning to a balanced budget.

In a time of deepening recession, a single-minded effort to reduce deficits by cutting spending achieves approximately the same results as those obtained by a dog which pursues its own tail. Each $10 billion cut in spending reduces the deficit by only around $5 billion, since the spending cut pushes down economic activity and reduces Federal revenues. You never quite catch up with yourself.

President Ford is not content with Hooverian spending cuts, however. Tax increases are also proposed.

To be sure, the President has asked for a one-time tax rebate of $16 billion. But he has proposed on top of this program of energy price and tax increases that will withdraw a minimum of $50 billion in purchasing power from the economy, while restoring at the most only $30 billion.

This $20 billion difference will act very much like a tax increase, rapidly nullifying the modest stimulus of the $16 billion rebate, and plunging us ever deeper into recession.

Unfortunately, we have already had a demonstration of the impact of imposing a de facto $204 billion tax increase on a recessionary economy. The quadrupling of oil prices last year by the OPEC cartel has extracted about $20 from American consumers, and had a great deal to do with last year's double digit inflation and slide into recession.

President Ford now proposes to do practically the same thing again, only this time we are doing it to ourselves.

FINANCING DEFICITS IN A RECESSION

President Hoover's declaration that financing Federal deficits by borrowing "deprives industry and agriculture of just that much capital for its own use and employment" finds its echo in recent statements by our Secretary of the Treasury.

Testifying before the House Ways and Means Committee on January 23, for example, Secretary Simon said:

> [In] the event that the Congress is unwilling to accept the strong discipline the President is trying to impose upon Federal spending, the higher deficits that will result will certainly threaten the private capital markets with intolerable burdens.

Yet the private capital markets have found a much larger burden of Federal debt tolerable in the past. As a matter of fact, Federal debt held by the public is near its lowest level in 20 years, measured both as a percentage of total debt, and as a percentage of GNP. Federal debt held by the public was 62 percent of GNP in fiscal year 1954, compared to an estimated 28.4 percent in fiscal year 1976, budget, page 366. And Federal debt held by the public has declined from about 40 percent of total debt in calendar 1954 to about 14 percent in 1974, special analyses, page 45.

There is also balm for the Secretary's feverish distress in the report of the President's Council of Economic Advisers, which declares that "the deficit as presently estimated can probably be financed without serious problems in 1975."

In just the past month, commercial and industrial loans by the Nation's largest banks have declined by more than 3.5 percent as a result of the deepening recession. Consumer debt in December dropped by $877 million, the second monthly decline in a row and the largest 1-month decline on record.

And just today, the Washington Post reported that Salomon Brothers, the New York investment banking firm, estimates that overall demand for new credit will decline in 1975 for the second straight year. Including Federal Government borrowing, the Salomon Brothers study estimates that total demand for new credit will fall to $163.3 billion this year, down from $171.8 billion in 1974 and the record $185.1 billion in 1973.

This follows the pattern of past recessions. As overall economic activity declines, private borrowing is reduced, leaving room for a growth in Federal borrowing. Indeed, if Federal borrowing did not fill at least part of the gap left by the decline in private borrowing, the economy could slump even further.

UNEMPLOYMENT

According to the President's budget, "maximum feasible employment" means an unemployment rate above 7 percent well into 1978, and no return to the unemployment levels of last year until 1980.

Is that the best we can do? Can we truly tell over 7 million Americans that it is not "feasible" to put them back to work for years to come?

The President joined readily with the Congress late last year in pushing through an authorization of $2.5 billion for over 300,000 additional public service jobs. A few days later, an appropriation for $875 million of this amount was approved, enough for 100,000 jobs. States and localities throughout the Nation are now hiring workers under the program, with long lines of applicants in most areas.

I have joined in sponsoring legislation that would increase the authorization for public service jobs to as much as $8 billion, enough for 1 million new jobs. This would still be less than 15 percent of those out of work.

In his January 15 state of the Union speech, President Ford declared that:

> The emphasis on our economic efforts must now shift from inflation to jobs.

Yet when his budget came out less than 3 weeks later, no money was proposed for public service jobs beyond the $875 million already appropriated. The program is to be cut off at at 100,000 jobs.

Was the shift of emphasis from inflation to jobs so ephemeral that it lasted less than 3 weeks?

Inflation lasted as Public Enemy No. 1 for over 3 months, and now we have energy.

Yet we should not give up hope. The President may yet turn to recession. The process of elimination, at least, is on our side.

HELP FOR THE POOR AND THE AGED

Mr. Hoover did not oppose poor people being helped. He just did not think the Federal Government should be the one to do it. That sort of thing was a "local responsibility."

Mr. Ford seems to have something of the same approach. His budget proposes that the States assume a much larger share of the cost of health, social services, medicaid, and other programs that help the poor. And he expresses great concern over the growth of "income transfer" programs like social security, SSI, food stamps, and medicare.

"We must begin to limit the rate of growth of our budgetary commitments in the domestic area to sustainable levels," the President says in his budget message. And he proposes to begin by holding cost of living increases under many of these programs to 5 percent, about half of what the increase would otherwise be.

His gimlet budget-cutter's eye has trouble focusing on other areas, however. The $15.7 billion increase in the Pentagon budget escapes the excoriation that is heaped upon spending for the poor, and the $522 million in military aid for Vietnam and Cambodia is hailed as a great contribution to our Nation's well-being.

There is dutiful listing of some $92 billion in "tax expenditures" like the oil depletion allowance—$2.5 billion—and DISC—$1.3 billion—but there is no hint of alarm over their continued existence and growth.

WHAT SHOULD BE DONE?

The President has made his proposals and spelled out their consequences with commendable frankness. Those consequences, in my judgment, are unacceptable. It is not enough, however, to say that the President is wrong. We have a responsibility to come up with alternatives.

This alternative approach must cover three areas—budget priorities, tax and fiscal policy, and energy.

While the President's preoccupation with spending cuts is excessive, and the cuts he has chosen to propose are the wrong ones, it cannot be said that no cuts should be made in Federal spending. Cuts could be made in Pentagon spending and foreign military aid without impairing our economic recovery, and "tax expenditures" like DISC, the oil depletion allowance, ADR, and others could easily be eliminated. It is a matter of priorities, and if the President thinks a cut of $17 billion has some magic, I believe we could make cuts in these areas that would better reflect our Nation's needs.

I believe we need a tax cut of around $30 billion this year, and $15 billion in 1976 and thereafter, if we are to restore healthy economic growth in the years to come. I proposed legislation—S. 469—to provide for a cut of this size in individual and corporate taxes on January 28—Congressional Record, page 1545. A just-completed forecast using the Wharton econometric model indicates that a $30 billion tax cut would result in substantially lower inflation and unemployment over the next 2 years than would President Ford's tax and energy proposals.

Finally, we must devise a comprehensive energy program that will end our dependence on foreign oil by 1985. This will require serious and often difficult measures to conserve energy, and broad-ranging programs to develop alternative energy sources. But it is not clear to me that it is either necessary or feasible to bite off as large a chunk of this long-term goal over the next 2 years as President Ford proposes. When beneficial results will flow from reducing oil consumption by a million barrels a day by the end of this year that would not equally flow from cutting 500,000, or 200,000, or 700,000? And what are the costs of moving rapidly to reduce consumption in the midst of a recession?

These and other questions must be posed and answered before the President's energy package is accepted. I will be discussing them soon in a longer statement on this very serious and complex issue.

ON THE DEATH OF DENNIS BANKS

Mr. RANDOLPH. Mr. President, it has been said that sincerity is the salt of eloquence, and nowhere has this been better defined in recent days than in the heartwarming commentary of WRC-TV's coanchorman Jim Vance "On the Death of Dennis Banks."

This sensitive, moving gesture of solace to a grieving mother might have quickly been forgotten by an oft-times cynical and violence-sated audience, had not the Washington Post reprinted Vance's words on its editorial page of January 28.

Mrs. Carroll E. Miller, president of the General Federation of Women's Clubs, commenting on the Post article, said "it is a rare occasion in the 1970's when journalism is distinguished by such humaneness." I agree, and feel that TV newsman Vance's commentary deserves a broader audience. I am pleased to share his compassionate remarks with my colleagues, and ask unanimous consent that the Post article be placed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

On the Death of Dennis Banks

(Comments by Jim Vance, coanchorman of WRC-TV's "News Center" program, on the broadcast of Jan. 22.)

I want to say something to Mrs. Vera Banks . . . But I'm not sure what it is . . . I really don't know what to say. You probably know by now that Mrs. Banks' eldest son Dennis, was murdered last Friday (Jan. 17) because he chose to act like a man. What he did was to get involved, when a bunch of young dudes boarded the bus on which he was riding—and refused to pay their fares—while hassling the woman driving the bus. I cannot tell you, Mrs. Banks, how deeply sorry I am . . . and how sickened . . . and enraged . . . and how stupid I feel because of your son's needless death.

When I talked with you on the phone earlier today, I stumbled and stammered. I apologize. I have seen death and destruction and ignorance and rage—but the circumstances of your son's death are more than I can handle with the usual newsman's crust. I am troubled because I'm not really sure that I have what it takes to do what your son did. And I am very concerned about the conditions that drive people to act as your son's killers did. And I am appalled that my people continue destroying each other in this way. But be he white, black, yellow, pink or green, a punk is a punk.

You raised a fine young man, Mrs. Banks. He was a hero and, for what it's worth, I will remember him—and my kids will know his name. And I wish I knew what to say to you.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess awaiting the call of the Chair.

The motion was agreed to, and at 1:35 p.m., the Senate recessed, subject to the call of the Chair.

The Senate reassembled at 1:41 p.m. when called to order by the Presiding Officer (Mr. GARY W. HART).

AUTHORIZATION TO INTRODUCE MEASURES UNTIL 5 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may have until the hour of 5 p.m. today to introduce bills and resolutions and to include statements for the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I also would include in my request a provision that Senators may offer amendments and have them printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. I want to thank the majority whip for getting the unanimous-consent request allowing Senators until 5 o'clock to introduce resolutions, amendments, and bills.

I would like to make certain, though, and I ask the Chair, would it not be in order for a Senator under that unanimous-consent request to provide for any special instructions concerning where the bill would be referred to in terms of the committee, or that it be reported in any particular time?

I would assume that if there were any requests for special instructions that it would not fall within this agreement.

The PRESIDING OFFICER. Any special instructions would have to be made by unanimous consent from the floor.

Mr. GRIFFIN. I appreciate that clarification on the part of the Chair.

Then, I want to say—although I wish that the Senator from Utah were here, and I will call his attention to my comments—earlier today the Senator from Utah (Mr. MOSS) did get unanimous consent that a bill be referred to two committees and that it be reported by the second committee and I think the words the Senator used were "as soon as possible."

The Senator from Michigan did not object to that, but I want to indicate at least my understanding that the words "as soon as possible" have no meaning other than as they might serve as guidance or a sense of the Senate, so to speak, and that it would impose no requirement or direction of an absolute nature on the committee and certainly would not require that the bill go on the Calendar at sometime to be determined independently of the committee.

That is only a statement by the junior Senator from Michigan, I am not even going to ask the Chair to rule on it.

It is an unusual request, one which I think ought to be discouraged, but as I would understand it, it would have very, very limited meaning and would only serve in the sense of guidance to the committee but providing no restrictions or directions that would be binding on the committee.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, following the recognition of the leaders or their designees, there be a period for the transaction of routine morning business with statements limited therein to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 12 o'clock noon. There will be a period for the transaction of routine morning business with statements limited therein to 10 minutes each.

The Senate is meeting in order to transact business if committees report matters to the floor. The Foreign Relations Committee met today, I understand, to consider certain nominations. The Committee on Armed Services met today. The Committee on Interior and Insular Affairs met today. Hopefully, the Committee on Finance will be able tomorrow to report out the debt limit and the measure delaying the tariff on oil imports for early action.

It is for this reason that the Senate is meeting tomorrow and Thursday, in the event that such legislation should be reported and without request for delayed Senate floor action.

Rollcall votes can always occur, so Senators are so alerted.

Mr. President, may I add to my previous statement of the program by saying that the Senate will be in session on Monday next, even though that is the day for the reading of Washington's Farewell Address. In the past the Senate has been in session on such Mondays, action has been taken on various measures, and rollcall votes have occurred. I would anticipate the same for Monday next, inasmuch as the debt ceiling will expire on Tuesday.

The two measures that are being considered by the Finance Committee and which, incidentally, were not received by the Senate until last Thursday, February 6, are both very important measures, one dealing with the debt limit extension—I understand the present ceiling will expire on Tuesday at midnight—and the other dealing with suspension of the President's authority to impose the oil tariff.

Consequently, Senators should arrange their schedules accordingly. I thought I ought to make this statement for the RECORD lest Senators be under the misunderstanding that no rollcall votes will occur on the day when Washington's Farewell Address is being read.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 noon tomorrow.

The motion was agreed to; and at 1:48 p.m., the Senate adjourned until tomorrow, Wednesday, February 12, 1975, at 12 meridian.

NOMINATIONS

Executive nominations received by the Senate February 11, 1975:

INTER-AMERICAN DEVELOPMENT BANK

Yan Michael Ross, of Maryland, to be Alternate Executive Director of the Inter-American Development Bank, vice Kenneth A. Guenther, resigned.

U.S. POSTAL SERVICE

William A. Irvine, of Pennsylvania, to be a Governor of the U.S. Postal Service for the remainder of the term expiring December 8, 1976, vice George E. Johnson, resigned.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Robert Morin Shoemaker, [redacted] Army of the United States (brigadier general, U.S. Army).

CONFIRMATION

Executive nomination confirmed by the Senate February 11, 1975:

DEPARTMENT OF COMMERCE

Lutrelle F. Parker, of Virginia, to be Deputy Commissioner of Patents and Trademarks.

(The above nomination was approved subject to the nominee commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

SENATE—*Wednesday, February 12, 1975*

The Senate met at 12 o'clock meridian and was called to order by Hon. JOHN C. CULVER, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou who hast made and preserved us "one Nation under God," we lift our hearts in thanksgiving for the memory of Thy servant Abraham Lincoln. We thank Thee for his humble birth, his simple faith, his wise philosophy and his courageous leadership. May the mantle of his wisdom, his patience, his kindness, and his firmness encompass us and move us to a higher and holier dedication to service in our time. Rekindle in us the fires of patriotism and a deeper love of God and our fellow man.

As he took heed of Thy Word, so may we remember "that the judgments of the Lord are true and righteous altogether." Then "with malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive to finish the work we are in; to bind up the Nation's wounds; * * * to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 12, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JOHN C. CULVER, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CULVER thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, February 11, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MARITIME ADMINISTRATION AUTHORIZATION, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 12, S. 332.

The ACTING PRESIDENT pro tempore. The bill will be stated by title. The legislative clerk read as follows:

A bill (S. 332) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LONG. Mr. President, this bill (S. 332) authorizes appropriations for the present fiscal year 1975 for the programs of the Maritime Administration of the Department of Commerce.

The total amount authorized is $562,933,000, the same total requested by the administration earlier this year.

Mr. President, on December 12, 1974, the Senate passed H.R. 13296 which was identical to this bill with two exceptions. One was a committee amendment which inserted into the Shipping Act of 1916 a definition of "citizen of the United States" which includes a State or political subdivision thereof, thereby permitting States and other governmental bodies to create and hold ship mortgages and thus enable them to provide financing of fishing vessels. That provision was deleted in the conference committee agreement on this legislation.

The other was an amendment that was adopted here in the Senate when H.R. 13296 was approved. That provision provided for reimbursement for U.S. fishing vessels and equipment damaged by foreign-flag vessels. It was that provision which President Ford stated as his reason to pocket-veto this legislation on January 3, 1975.

The bill before us now contains the exact amounts requested by the administration for maritime program authorizations for fiscal 1975 and a section 3 which amends that section of the Merchant Marine Act, 1936, which requires the four major seacoasts—Atlantic, Gulf, Great Lakes, and Pacific—to be treated equitably by providing that at least one regional office of the Maritime Administration be maintained for each of the four areas. As far as I am aware, there is no opposition to this provision.

The fiscal 1975 authorization consists of the following:

The sum of $275 million for construction-differential subsidy for the acquisition, construction, or reconstruction of U.S.-flag vessels built in U.S. shipyards. These funds finance payment of construction subsidies based on the difference between United States and foreign shipbuilding costs.

The sum of $242.8 million for payment of obligations incurred for ship operating subsidies.

Such subsidies are based on the difference between United States and foreign vessel operating costs. They are paid to promote the maintenance of a U.S.-flag merchant fleet capable of providing essential shipping services in the U.S. foreign commerce. The funds in this category will be paid in fiscal year 1975 for 5 passenger and combination passenger/cargo, 153.2 general cargo, and 6.8 bulk carrier ship-years.

The sum of $242.8 million for payitime Administration research and development program is included in the bill. The MARAD R. & D. program supports the development of technology to enable U.S. shipyards and vessel operators to become more competitive. The principal areas of this activity include advanced ship construction and operation as well as pollution abatement and safety improvements. Industry participation and cost sharing are strong elements in this program.

The authorization of $3.7 million supports the MARAD effort in maintaining the national defense reserve fleet which supplements our active merchant fleet in time of war or national emergency.

The sum of $10.5 million is for the U.S. Merchant Marine Academy at Kings Point, N.Y., and $2.9 million of the request is for assistance to the six State maritime schools located in California, Michigan, Texas, Massachusetts, New York, and Maine.

Mr. President, the Department of Commerce appropriation bill which has been passed by the Congress and approved by the President includes this martime program. The amount appropriated was $2 million less than this authorization request. The reduction was made in the research and development item. All the others have been approved as contained in this bill.

Section 3 of the bill would modify section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), to establish by law at least one regional office of the Maritime Administration for each of the Nation's four seacoasts.

Section 809 currently provides that contracts entered into under the 1936 act shall "equitably serve, insofar as possible, the foreign-trade requirements of the Atlantic, gulf, Great Lakes, and Pacific ports of the United States." This amendment would provide the administrative structure for implementing that obligation as well as other responsibilities of the Maritime Administration.

Since the Maritime Administration already maintains regional offices for the Atlantic (New York), gulf (New Orleans), and Pacific (San Francisco) ports, the practical effect of the amendment is to require the establishment of one additional regional office for Great Lakes ports and the St. Lawrence Seaway. A Great Lakes regional office can and should serve as a focal point for efforts to reestablish overseas U.S.-flag service in the lakes and to realize the full potential of our fourth seacoast.

The amendment also requires the Secretary of Commerce to appoint a director for each regional office and it is the committee's expectation that, where necessary, these offices will be established and adequately staffed as promptly as possible.

This section embodies the provisions of S. 406 which was introduced by Senator SCOTT of Pennsylvania, the distinguished minority leader. That bill would authorize the establishment of a Great Lakes regional office in the Maritime Administration.

Mr. President, I urge approval of this measure.

The ACTING PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill (S. 332) was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the Appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1975, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000;

(b) payment of obligations incurred for ship operating-differential subsidy, $242,800,000;

(c) expenses necessary for research and development activities, $27,900,000;

(d) reserve fleet expenses, $3,742,000;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $10,518,000; and

(f) financial assistance to State marine schools, $2,973,000.

SEC. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for fiscal year 1975 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. Section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), is amended (a) by inserting "(a)" immediately before "Contracts" in the first sentence thereof; and (b) by adding at the end thereof the following new subsection:

"(b) There shall be established and maintained within the Maritime Administration such regional offices as may be necessary, including, but not limited to, one such office for each of the four post ranges specified in subsection (a) of this section. The Secretary of Commerce shall appoint a qualified individual to be the Director of each such regional office and shall carry out appropriate functions, activities, and programs of the Maritime Administration through such regional offices.".

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-7), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill, as reported, is to authorize appropriations for programs of the Maritime Administration for fiscal year 1975 and to assure that the Maritime Administration maintains regional offices for each of the nation's four principal seacoasts, including the Great Lakes.

SUMMARY AND DESCRIPTION

The legislation provides for authorization of appropriations for six categories of maritime programs of the Department of Commerce, which are administered by the Maritime Administration, in the aggregate sum of $562,933,000. Those programs, and the amounts authorized, are as follows:

(1) Acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships—$275 million;

(2) Payment of obligations incurred for ship operating-differential subsidy—$242.8 million;

(3) Expenses necessary for research and development activities—$27.9 million;

(4) Reserve fleet expenses—$3.742 million;

(5) Maritime training at the Merchant Marine Academy at Kings Point, N.Y.—$10.518 million; and

(6) Financial assistance to State marine schools—$2.973 million.

Section 2 authorizes additional supplemental appropriations for fiscal year 1975 for the activities specified in section 1 of the bill, to the extent necessary for increases in salaries, pay, retirement, or other employee benefits authorized by law.

Section 3 of the bill amends the section of the Merchant Marine Act, 1936 which requires the four major seacoasts (Atlantic, Gulf, Great Lakes, Pacific) to be treated equitably by providing that at least one regional office of the Maritime Administration be maintained for each of the four areas.

BACKGROUND

The 93rd Congress passed the fiscal year 1975 maritime authorization (H.R. 13296) on December 20, 1974. That legislation was pocket-vetoed by President Ford after the 93rd Congress had adjourned because of a provision providing for reimbursement for U.S. fishing vessels and equipment damaged by foreign flag vessels. On January 23, 1975, S. 332 was introduced and ordered favorably reported, without amendment, on January 27, 1975. The bill is identical to the vetoed H.R. 13296 in every respect except that the amendment which required the Federal Government to reimburse U.S.-flag fishing vessel owners for damage to their equipment by foreign-flag vessels, was deleted.

EXPLANATION OF THE AUTHORIZATION FOR FISCAL YEAR 1975

In 1970, the most comprehensive and far-reaching maritime legislation in decades was enacted in order to halt a pronounced decline of the U.S. merchant marine. That legislation, the Merchant Marine Act, 1970 (Public Law 91-469) (the "1970 Act"), provided for a 10-year program to improve the efficiency of American shipyards and to build a modern, efficient U.S.-flag merchant fleet so that the United States could once again be a major maritime Nation.

This bill, S. 332, authorizes appropriations for the 5th year of the program established by the 1970 Act. In considering the authorization request for fiscal year 1975, the Committee has reviewed the performance of the Maritime Administration. Substantial progress has been made toward rebuilding the U.S. merchant marine, and it has become increasingly clear that with continued support the goals set in 1970 will be reached.

Shipbuilding has reached a new peacetime high. The backlog of orders for new vessels is 3½ times as large as when the program began in 1970. The present backlog of 90 merchant ships valued at $3.6 billion represents 200,000 man-years of employment for shipyard workers and those in the supply industries and a potential addition to our fleet of nearly 6.2 million deadweight tons. U.S. shipbuilders have begun for the first time to receive orders for very large crude oil carriers and have advanced to a leading position in the construction of liquefied natural gas carriers. The progress in the field of energy carriage balances earlier construction of modern liner vessels including LASH and RO/RO vessels for intermodal operations.

Series production of vessels and shipyard modernization and expansion have contributed to a reduction in subsidy rates for ship construction. The declining subsidy rates which encourage shipyard efficiency are being met and, in certain cases, the subsidy award is significantly below the guideline rate. While the guideline rate is presently 39 percent, awards for tankers have been made at 33.4 percent and liquefied natural gas carriers have been contracted for 16.5 percent.

In the area of vessel operations, modern bulk carriers built with Federal assistance are beginning to enter foreign trade. This is important because over 90 percent of our country's foreign trade tonnage is comprised of bulk cargoes and U.S. participation in this trade has been minimal for many years. In the liner trades, the average age of our subsidized fleet has decreased by 20 percent and the average ship size has increased by 17 percent, reflecting the replacement of older vessels with larger ships of advanced design.

Progress is also being made toward reducing the dependence of operators on operating subsidies. A number of capital intensive U.S.-flag vessels, such as container ships, are competing in our foreign trade without subsidy. Nineteen vessels previously receiving operating subsidy no longer receive such aid.

The 10-year merchant marine program is approaching its midpoint. Clear signs of progress are evident. The construction of a modern, balanced, competitive American merchant fleet is well underway. As these vessels are delivered and enter service, U.S.-flag penetration of our essential trades should become more evident, especially in the area of bulk carriage. The 1970 Act's program is proving to be an appropriate instrument for restoring our Nation's prominence in international shipping. In the opinion of the Committee, this program should be continued to its completion.

SUMMARY

The amounts authorized by the bill are as follows:

(a) Acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000.

These funds finance payment of construction subsidies based on the difference between United States and foreign shipbuilding costs. These sums are paid to U.S. shipyards so that operators can purchase American-built vessels at the same price as similar foreign-built vessels. In order to encourage the competitiveness of American yards, the 1970 Act provides for the gradual reduction of the construction subsidy level from 45 percent in 1971 to 35 percent in 1976.

Subsidized shipbuilding orders exceeding $2.5 billion have been placed with U.S. shipyards since enactment of the 1970 Act. These orders have provided for the construction of 52 new ships of 4.7 million deadweight tons and for the conversion of 19 existing ships into container ships. These vessels are of advanced and highly productive design. They comprise a diverse mix of types that will provide the United States a more competitive fleet in a variety of trades.

The authorization request for this activity for fiscal 1975 ($275 million) is the same as that for fiscal year 1974. This amount will sustain an adequate and orderly shipbuilding program. Maritime Administration officials project awarding contracts for fourteen new ships, the conversion of four container ships into larger capacity container ships and funding for three ships for which contracts were awarded in 1974.

Ships currently being built with the aid of construction-differential subsidy are larger and more costly than those envisioned when the 1970 Act was passed and their productive capacity exceeds the capacity goal established in 1970. The fiscal year 1975 authorization request will allow series production of bulk cargo ships to continue at existing yards. The economies realized through series orders are essential to achieve competitiveness in the production of energy carriers. When in service, these ships will help to create a competitive U.S.-flag bulk cargo fleet. The combined 1974 and 1975 programs will generate 50,000 man-years of work for shipyard employees and about an equivalent amount of employment in supporting industries.

Maritime Administration officials have expressed confidence that in 1975 all ship construction contracts will be awarded at a subsidy rate lower than the 37 percent mandated by the 1970 Act. Subsidy rates have been as low as 33.4 percent for some types of tankers and 16.5 percent for LNG's. These declining subsidy rates mean that for a given level of Government support, a larger shipyard orderbook is generated. Thus, while the 1975 program level is $23 million less than in 1974 due to a decrease in the availability of carryover funds, the 1975 funds will generate approximately $976 million in shipyard orders—$65 million more than generated by the higher 1974 level of funding.

(b) *Payment of obligations incurred for ship operating-differential subsidies, $242.800,000.*

Operating subsidies are generally based upon the difference between U.S. and foreign vessel operating costs and are paid in order to promote the maintenance of a U.S.-flag merchant fleet capable of providing essential shipping services. Essential services are defined as those ocean services, routes and lines, and bulk cargo carrying services essential for the promotion, development, expansion, and maintenance of the foreign commerce of the United States. Operators receiving subsidies for the provision of such services must operate American-built vessels manned by American crews. The fiscal year 1975 authorization request of $242,800,000 will finance operating subsidies to U.S.-flag operators in order to promote the continuation of essential American merchant marine services. Subsidized liner activity will remain at essentially the same level as in fiscal 1974. New bulk vessels, most of which were built under the construction subsidy program, will be entering into service this year and in 1975. This is reflected by an increase in subsidized regular bulk carrier service from 3.1 ship-years in 1974 to 6.8 in 1975. Carriage of the 1973 grain purchases to the Soviet Union will be completed this year. No funds have been requested for fiscal 1975 for special commodity shipments of this type due to uncertainties about the extent of possible future purchases and the level of charter rates prevailing at the time.

From the $242,800,000, an estimated $198,932,000 in subsidy will be paid in fiscal year 1975 for 5 passenger and combination passenger/cargo, 153.2 general cargo and 6.8 bulk carrier ship-years of operation. An additional $43,868,000 will pay obligations incurred under subsidy contracts for subsidized operations in prior years. The fiscal 1975 request reflects a decrease of $15,489,000 from the 1974 adjusted level of $258,289,000. It should be noted, however, that the 1974 level includes a 1973 appropriations carryover of $13,774,410 and a 1974 supplemental authorization for $23 million (P.L. 93–308).

(c) *Expenses necessary for research and development activities, $27,900,000.*

The Maritime Administration research and development program has as its purpose the development of technological superiority in order to enable U.S. shipyards and vessel operators to become more competitive. Projects under the program involve the development of new and more efficient types of ships, machinery, and equipment, and the improvement of operating practices in order to improve American shipping and shipbuilding and help overcome foreign advantages (*e.g.* as low-wage costs). Industry participation and cost sharing have been emphasized to insure the relevance and practicality of these projects.

In the area of advanced ship construction, the 1975 program will continue to explore new ship construction methods and equipment as well as new ship designs which will lower shipbuilding costs. Examples of this research include new welding procedures, standardized component designs, shipyard automation, and the development of improved transmission and propulsion system, such as an advanced gas turbine and nuclear power.

In order to reduce operating costs and improve ship utilization, the Maritime Administration supports research and development in the area of advanced ship operations systems. Projects in this area include computerized models to assist operators with cargo space documentation, intermodal distribution coordination, fleet management, and computers to aid in navigation, communications, ship maneuvering and collision avoidance. These improvements will result in greater vessel utilization and increased safety of operation. This activity also supports R. & D. efforts in the areas of pollution abatement and safety improvements. The 1975 program will continue to develop cost-effective means of reducing pollution.

The fiscal year 1975 request for research and development of $27,900,000 is an increase of $8,900,000 from the 1974 appropriation level. The 1974 appropriation of $19 million was augmented by $5 million carried forward from 1973. Thus, the actual increase in program level from 1974 to 1975 is $3,900,000.

(*d*) *Reserve Fleet expenses, $3,742,000.*

The Maritime Administration maintains the National Defense Reserve Fleet in order to supplement our active merchant fleet in time of war or national emergency. The authorization request for this activity in fiscal year 1975 is $3,742,000. That is $31,000 less than in 1974. This reduction in Reserve Fleet expenses results from the consolidation of the fleet at the sites and the elimination of obsolete tonnage. In 1975 29 merchant ships and 101 Navy ships are scheduled for scrapping. The fleet will then consist of 294 ships.

(*e*) *Maritime training at the Merchant Marine Academy at Kings Point, N.Y., $10,518,000.*

This authorization request of $10,518,000 is for the operation of the Merchant Marine Academy at Kings Point, N.Y., to train cadets for service as officers in the U.S. merchant marine. The 1975 program anticipates a graduating class of 200 officers, approximately the same level as in the past several years.

The major portion of the $1.9 million increase requested for this category is for the necessary modernization program at the Academy, including renovation and improvement of the physical fitness facilities.

(*f*) *Financial assistance to state marine schools, $2,973,000.*

The requested authorization is for the training of cadets at six participating state maritime schools located in California, Michigan, New York, Maine, Massachusetts, schools, authorized by the Maritime Academy Act of 1958, as amended (46 U.S.C. 1383), includes subsidies and grants to the schools, allowances to cadets for uniforms, textbooks and subsistence, and maintenance and repair expenses of training vessels on loan from the National Defense Reserve Fleet.

The 1975 authorization request of $2,973,000 reflects an increase over 1974 of $546,000. Expenditures under this authorization will remain at essentially the same level as in 1974 except in the area of maintenance and repair of Federally owned schoolships. The requested increase will allow conversion from a reactive to a preventive maintenance program and assure continued compliance with Coast Guard and American Bureau of Shipping safety standards.

Section 2 of the bill is basically a technical amendment to avoid having to amend the 1975 authorization request if supplemental appropriations for fiscal year 1975 are required for increases in remuneration of employees at the National Defense Reserve Fleet and the Merchant Marine Academy.

Section 3 of the bill would modify section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213) to establish by law at least one regional office of the Maritime Administration for each of the Nation's four seacoasts.

Section 809 currently provides that contracts entered into under the 1936 Act shall "equitably serve, insofar as possible, the foreign-trade requirements of the Atlantic, Gulf, Great Lakes, and Pacific ports of the United States." This amendment would provide the administrative structure for implementing that obligation as well as other responsibilities of the Maritime Administration.

Since the Maritime Administration already maintains regional offices for the Atlantic (New York), Gulf (New Orleans), and Pacific (San Francisco) ports, the practical effect of the amendment is to require the establishment of one additional regional staff for Great Lakes ports and the St. Lawrence Seaway. A Great Lakes regional office can and should serve as a focal point for efforts to re-establish overseas U.S.-flag service in the Lakes and to realize the full potential of our fourth seacoast.

The amendment also requires the Secretary of Commerce to appoint a director for each regional office and it is the Committee's expectation that, where necessary, these offices will be established and adequately staffed as promptly as possible.

ESTIMATED COSTS

Pursuant to section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91–510), the Committee estimates that the cost of the legislation is $562,933,000, the specific amounts authorized by the bill, plus administrative expenses incurred in establishing one additional regional office.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination will be stated.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nomination of Philip H. Modlin, of Virginia, to be a member of the Board of Parole.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL MONDAY, FEBRUARY 17, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in adjournment until 12 o'clock noon on Monday next.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, that order may be changed during the day.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, with statements therein limited to 10 minutes each.

Is there morning business?

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. CULVER) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriations committee.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE NATIONAL SICKLE CELL ANEMIA CONTROL ACT—MESSAGE FROM THE PRESIDENT

A message from the President of the United States received during the adjournment of the Senate on February 6, 1975, transmitting the annual report on the administration of the National Sickle Cell Anemia Control Act was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

I am pleased to send to the Congress the Second Annual Report on the Administration of the National Sickle Cell Anemia Control Act (P.L. 92–294) in accordance with the requirements of Section 1106 of the Public Health Service Act. The Annual Report highlights the progress made in the implementation of the National Sickle Cell Disease Program and related activities as provided for in the Act.

Research efforts to investigate the mechanisms and subsequent complications of the abnormal sickling phenomenon in sickle cell anemia have continued to receive significant attention over the past year under the National Institutes of Health. Clinical trials and preliminary studies utilizing various antisickling agents are underway to alter the sickling process and thus aid individuals who suffer from sickle cell anemia. Demonstration service activities designed to improve public awareness, education, detection and counseling in regard to sickle cell have significantly increased over the past year under the combined efforts of the Health Services Administration and the National Institutes of Health.

The activity toward Sickle Cell Anemia continues to be of high priority for our Government and I am pleased to commend this report to the attention of the Congress.

GERALD R. FORD.

THE WHITE HOUSE, *February 5, 1975.*

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. CULVER):

A joint resolution of the Legislature of the State of Wisconsin; to the Commitee on Agriculture and Forestry:

"1975 SENATE JOINT RESOLUTION 14

"Memorializing congress to increase the support level of manufactured milk to 100% of parity

"Whereas, farm costs have risen at an alarming rate in the last several years; and

"Whereas, the present $7.24 support level is only 80% of the parity equivalent; and

"Whereas, the full parity equivalent for manufactured milk today is $9.05 per hundredweight; and

"Whereas, the cost of producing milk today is $8.61 per hundredweight; and

"Whereas, if current trends continue unabated, an addition of $1.81 to the present level is needed to bring the price of manufactured milk to the 100% parity level; and

"Whereas, milk production has recently been in sharp decline nationally; and

"Whereas, milk production per cow has decreased by 5% in the past year; and

"Whereas, over 4,000 individuals have left dairy farming in Wisconsin in the past 2 years; and

"Whereas, this combination of increased milk production costs and reduced prices has continued the exodus from the farms of the nation, which has contributed dangerously to urban as well as rural instability; and

"Whereas, the continuous decline of milk production threatens the health and welfare of our nation; now, therefore, be it

"Resolved by the senate, the assembly concurring, That the congress is respectfully petitioned to increase the support level of manufactured milk to 100% of parity beginning April 1, 1975, for the coming market year; and, be it further

"Resolved, That certified copies of this resolution be immediately transmitted to the President of the United States, the secretary of the U.S. senate, the clerk of the U.S. house of representatives, the U.S. secretary of agriculture and each member of the Wisconsin congressional delegation."

IMPACT OF OIL TARIFF PROGRAM ON RHODE ISLAND

Mr. PELL. Mr. President, I am deeply concerned by President Ford's decision to move forward with his proposal to impose tariffs on oil imports, especially without the opportunity for congressional review and approval. While I recognize that we, as a nation, must substantially reduce our petroleum imports, I am not nor persuaded by administration arguments that such a tariff is either the best means of achieving the necessary oil import reduction, or in the best economic interests of the country; it quite clearly is not for my State and New England.

My views in this regard are shared by the members of the Rhode Island General Assembly, and I would like my colleagues to be aware of their position as expressed in a resolution adopted recently memorializing Congress to oppose the increased taxes on imported and domestic oil. In addition, I would call my colleagues' attention to the recent remarks of Dr. John Sawhill, former Administrator of the Federal Energy Administration, in the Boston Globe of February 2, regarding the President's oil import tariff program. I ask unanimous consent that the resolution and Boston Globe article be printed in the RECORD at the conclusion of my remarks, and that the resolution be appropriately referred.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. PELL. Mr. President, in my opinion the administration has been badly misinformed regarding the economic impact of the tariff proposals on the Nation and especially, on New England. I have been advised that this may be largely the result of a failure by the Federal Energy Administration and other agencies to provide a detailed economic analysis of the impact of the President's proposed action as required by law under the National Security Clause of the Trade Expansion Act of 1962.

An indepth economic analysis would have shown that the oil tariff program will not only have an impact on industry in my State and New England of catastrophic proportions, but will also place an intolerable burden on consumers in the region who are already paying 30 percent more for energy than the United States as a whole. The New England Fuel Institute estimates that a direct pass-through of the higher tariffs on home-heating oil and residual fuel used by utilities will add $152 a year to every New England family's energy bill. In Rhode Island, the higher tariffs on residual fuel used by utilities will increase fuel adjustment charges an estimated 11 to 25 percent.

The impact of the oil tariff on Rhode Island industry is even more alarming as demonstrated in an article which appeared in the Providence Sunday Journal of February 2. I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks. As the article notes, with State unemployment already at 9.1 percent and many marginal industries already curtailing or moving operations to new locations as a result of exorbitant energy costs, the imposition of further tariffs could spell disaster for the economy of Rhode Island.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 3.)

Mr. PELL. Mr. President, I am deeply aware of the grave energy situation which confronts our Nation along with the urgent need to reduce domestic energy consumption. I am aware also of the importance of close cooperation between the President and Congress in resolving this tragic problem. I cannot, however, support a program which is piecemeal, will place a further unjust burden on the consumers of my State and New England, and does not take into account the substantial energy conservation savings already achieved by New Englanders.

I, therefore, strongly urge my colleagues to support legislation to delay for 90 days the imposition of tariffs and fees on oil imports. This will give Congress the opportunity to review the President's program and prepare fair and equitable alternatives to accomplish the energy conservation goals we all desire.

EXHIBIT 1

The resolution agreed to by the General Assembly of the State of Rhode Island, which was referred to the Committee on Finance, reads as follows:

"RESOLUTION MEMORIALIZING CONGRESS TO OPPOSE THE INCREASED TAXES ON IMPORTED AND DOMESTIC OIL

"Whereas, The proposals by President Ford to increase the tariff on imported oil and the tax on domestic oil will greatly boost the overall cost of petroleum products; and

"Whereas, Rhode Island heavily relies on imported oil for its petroleum needs, such an increase places an inequitable burden on the state and the region; and

"Whereas, The President's proposal to increase the cost of petroleum will result in cost increases in all sectors of the economy; now, therfore, be it

"*Resolved,* That the House of Representatives of the state of Rhode Island and Providence Plantations hereby memorializes congress to oppose the increased taxes on imported and domestic oil; and be it further

"*Resolved,* That the Secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the Rhode Island delegation in congress."

EXHIBIT 2

[From the Boston Globe, Feb. 5, 1975]

SAWHILL CALLS U.S. ENERGY POLICIES RIDICULOUS AND UNFAIR TO NORTHEAST

(By David Nyhan)

WASHINGTON.—John Sawhill, who was eased out of the nation's top energy job by the Ford Administration, said yesterday the Administration's energy-economy policies are "absolutely ridiculous" and unfairly penalize New England.

"I think New England is being discriminated against," said Sawhill, former head of the Federal Energy Administration. He called Mr. Ford's oil import tariff fees a hastily-concocted program, and said "I don't know anybody who would disagree with that position."

New Englanders in Congress are trying to overturn the oil import fee, charging the scheme Mr. Ford implemented last Saturday could eventually cost the six-state region $800 million annually in higher oil prices.

Sawhill said the Administration is shying away from tackling headon the need to conserve gasoline, and that it is moving to revive the ailing auto industry, hurt badly by slumping sales and massive layoffs.

"I think the Michigan Mafia is at work," he said, in apparent reference to the fact that President Ford, his top economic aide, L. William Seidman, and his closest Senate friend, minority whip Robert Griffin, are all from the home base of the auto industry.

"My own perception is that the economic policy and the energy policy were put together separately and are not coordinated," he said. Sawhill is in the running for an appointment by congressional Democrats to head the new Congressional Budget Office.

"My own concern is that the energy policies will negate the economic policies. The No. 1 problem is recession—we have to do everything we can to get people back to work. Aid scooping $50 billion out of the economy (under the Ford economic program) is not the way to do it."

Asked if he was forced out of the Administration because of his views, Sawhill said, "Oh, yes, I felt very strongly about this."

Concerning the rebate structure, under which the Administration claims New England will pay no more for its oil, than the rest of the nation, Sawhill said: "I don't think anybody understands it."

He said, "the basic flaw (with the President's program) is that it is asking for too much too soon" in terms of restricted oil imports.

Sawhill proposes a modest gasoline tax such as a 5 cents a gallon now, and phasing in 5 cents more each year so that in four years gasoline would carry a tax of about 25 cents a gallon. This would not disrupt the economy, he said, and would give the public time to prepare for it.

"What we need to do is not have a crash program to reduce oil usage—that is too tough on the economy—but we should have a long-range program to change the life-style and consumption habits of the American people, and put that in place now."

He criticized the underpinnings of the Administration's oil import fee approach, which aims to curb oil imports by one million barrels a day in its first year. "I've never seen any justification for (the target of) one million barrels a day," Sawhill said.

"We are spiralling down into the worst recession since World War II," he said adding that unemployment will probably be worse than the Administration predictions of at least six million unemployed through 1980.

As far as New England's dependence on oil, which is greater than the nation's as a whole, he said, "Frankly, I think you just can't have that kind of program which has that regional impact. What we need is not a sharp reduction right now (of imported oil) but to put in place policies that will curb long-term consumption nationally."

"I favor things like a mandatory requirement that new cars get at least 20 miles per gallon, mandatory thermal standards for new buildings (to conserve heat loss), subsidies for installation of storm windows and insulation, and substantial tax credits" to induce energy conservation.

EXHIBIT 3

[From the Providence Sunday Journal, Feb. 2, 1975]

HOW OIL TARIFF HURTS FACTORIES

(By Donald D. Breed)

Rhode Island manufacturers are reacting to President Ford's energy program with varying degrees of dismay and alarm.

"It's just another noose around your neck when you're doing business in New England," said Reginald K. Meade, general manager of Washburn Wire Co.'s strikebound Phillipsdale plant, normally one of the state's biggest consumers of electricity and residual oil.

John G. Buckley, vice president of Northeast Petroleum Industries Inc., importer and distributor of petroleum products, declared that Northeast's industrial customers, under the spur of last year's price increases, have already cut energy consumption as much as possible. "The only way to conserve more is to shut down plants. That's a heck of a way to achieve conservation," he said.

Already, two plants have announced plans to close, citing energy savings.

Even before the Ford program was announced, Stamina Mills Inc. in North Smithfield said it would relocate in Alabama. Paul Dubin, president, said oil costs went from $50,000 to $100,000 and then to $330,000 in three years—the biggest jump within the last year. "If we were all working on the same base, we'd stay where we are," he said. "But when another manufacturer in another area is working with lower costs, either you get involved in that same area, with the same costs, or you go out of business."

The other factory is Hasbro Industries Inc.'s in Woonsocket, which is being shut down indefinitely because purchase of smaller but more productive equipment at Hasbro's Pawtucket and Central Falls plants creates additional manufacturing capacity at those locations. Stephen D. Hassenfeld, president, estimates that by shutting down the Woonsocket facility Hasbro will have $100,000 in energy costs—the biggest single item in a total saving of around half a million dollars. About three-fourths of the energy savings will come in electricity and oil and the rest because trucks and cars won't have to transport materials and people back and forth from Woonsocket.

In the cases of Stamina and Hasbro, the companies are staying in business. But Buckley fears that a good many marginal industries—and New England has many—could be pushed over the edge. Next summer, he said, the Ford administration could be congratulating itself on lower energy consumption in New England achieved either by factories going out of business or by shutting down for the duration of the tariff.

Two large Rhode Island factories, both heavy energy users that closed down last year citing high fuel and electricity costs and reopened under new management, would seem to be under particular pressure.

Fairmont Foundry Cranston Inc. took over the facility vacated by ITT Grinnell Corp., which had lost money turning out cast iron plumbing fittings for a competitive, relatively static market. Fairmont plans to become a commercial job shop, with a market where customers might be better able to absorb cost increases.

David J. Wilson, Fairmont's vice president and treasurer, said that electricity comprises 10 percent of costs at the foundry, which has electric furnaces. "We are trying to develop long-term relationships with people out of the region," he said. "If we really are out of whack with people in the rest of the country, it will restrict our market." To Wilson, the question was not so much *whether* electricity would go up, but by *how much*.

Rhode Island utilities have been unable to give precise forecasts, since they use different mixes of fuel and have no official word on what the tariff will be. Narragansett Electric Co., for example, will be importing some one million barrels of residual oil this winter and spring, the first part of it arriving last week. The amount of the tariff would depend on the month it was unloaded. Estimates of the increase to the fuel adjustment range from 11 percent to 25 percent. In some industries, the fuel adjustment portion of the bill is already larger than the regular portion, since there are no discounts to large users on the fuel adjustment.

At New Bradford Dyeing Association, president Richard Grills said, "Yes, it will be drastic," adding that especially when the economy is down, any marginal industry that faces increased costs is pressed. Asked if New Bradford would have been started up if management had known of the tariff, Grills said, "I'll pass that one. Who knows? Would you have married your wife today? The decision is made, and we're moving. Put it this way: I have a tremendous amount of faith in Governor Noel, and I think he will be able to lick this thing."

The President's program comes in two parts. The first he has authority to do on his own—unless Congress intervenes, as it seems likely to do. The other part is a sweeping program that would transform the United States from a relatively low-cost energy consumer to a high-cost consumer. For this second part, the President requires assent of Congress, which undoubtedly has its own ideas about it all.

The first part of the Ford program has the greatest impact on New England, because of the region's excessive dependence on petroleum products. It's not that imported petroleum is taxed—adjustments have been made to spread extra tariff costs—but because only petroleum is involved in stage one.

The New England Economic Research Office in Washington calculates that by the end of stage one, the cost increase per capita will be close to $73 per capita in New England, compared with $59 per capita nationwide.

Stage one itself falls into three parts. On Feb. 1, there will be a $1 per barrel tariff on imported crude oil, coupled with a $1 a barrel rebate on imported products—what New Englanders principally import. So the tariff washes out in the first month. But in addition, the recent "entitlements" portion of the oil allocation program is canceled. Loss of this measure, which was to spread oil costs among the regions, adds about 62 cents a barrel to the cost of imported products at the start; it could be worth about 80 cents a barrel later. So in February, imported products cost about 62 cents more. At the same time this is happening, domestic refined products will increase by the same amount, since 60 percent of U.S. refinery runs are either from imported crude oil or oil on which there are no price controls.

In March, the tariff rises another $1 a barrel, which means another 60 cents a barrel for products from U.S. refineries. Also, the rebate for imported products will fall 40 cents short of washing out the tariff. The same thing happens in April.

Thus, by April 1 products from U.S. refineries would be $1.80 a barrel more expensive and imported products would be $1.80 to $2 a barrel more expensive (depending on the value of the entitlement).

The most striking example of New Englands' dependence on petroleum is in the generation of electricity. As between the main fossil fuels—petroleum, coal and natural gas—79.8 percent of New England's electric power comes from petroleum, compared with 59.7 percent in the Pacific, 36.5 percent in the mid-Atlantic and 23.9 percent in the south Atlantic.

These figures, supplied by the Associated Industries of Massachusetts, come from 1974 Federal Power Commission data. They don't take into consideration the recent change-over from oil to coal at some New England generating facilities. Nor do they count electricity from water power and nuclear fission.

In 1974, New England got 30.3 percent of its electricity from non-fossil sources—23.2 percent from nuclear energy and 7.1 percent from hydroelectric plants. The commitment to nuclear energy was the highest of any region in the country.

However, the dependence on fossil fuels (i.e., petroleum) rises in the southern portion. New England Electric System, which serves most of Rhode Island four-fifths of Massachusetts and a small part of New Hampshire, in 1974 obtained 12.3 percent of its power from nuclear plants and 10.1 percent from hydroelectric, or 22.3 percent from non-fossil fuel sources.

While stage one of the Ford program—the one most likely to go through—hurts New England industry disproportionately, the other part of the program would probably help the region in the long run.

For petroleum, the Ford program calls for lifting all price controls and adding a $2-per-barrel excise tax on domestic oil and a $2.63 tax on imported oil. For natural gas, new funds would be lifted from Federal Power Commission controls, which would mean a gradual lifting of the price over the next decade. There would also be a 37-cents-per-MCF (thousand cubic feet) tax on all natural gas.

Since the FPC has kept natural gas at 20.6 cents per MCF at the wellhead, the excise tax more than doubles it. Transmission and distribution costs amount to more than the wellhead price, but the industry estimates that end-user prices would rise by 25 to 50 percent just from the tax.

With the price lid off other forms of fossil fuels, the price of coal could be expected to rise to the energy-equivalent level. Coal prices are already under pressure because of the hefty settlement to miners and, in the case of strip-mined coal, the costs of restoring the land from which it was taken.

As Buckley of Northeast Petroleum summarizes it, it would raise energy costs to "the OPEC price plus freight plus $2." OPEC is the Organization of Petroleum Exporting Countries, the cartel which has quadrupled the price of crude oil in a little over a year. Although the stated purpose of Mr. Ford's proposals would be to make the United States independent of foreign energy sources, Buckley's assumption is that OPEC would continue to establish the going price for oil anywhere in the world. He argues that imports would continue, and "the marginal supplier sets the price."

Stage two of the Ford program still has some inequities, from the New England viewpoint. Imported oil, which the region relies on disproportionately, would still be 63 cents higher. And there would be a lag for the mix of natural gas prices—some free market and some controlled—to catch up to the decontrolled energy prices.

Still, the transition from a cheap-energy economy to a costly-energy economy would probably be more traumatic for the rest of the country. For one thing, New England has already gone through it once, when the Mideast war and embargo sent oil prices skyrocketing.

Brian Curtis of Kenyon Piece Dyeworks said that this fall energy costs, as a percentage of billings, of the southern competitors of New England's dyers and finishers were just two points behind New England mills. They had been four or five points behind, he said.

Curtailments of natural gas at the southern mills has forced them to switch to more expensive forms of energy. A call to the superintendent of one mill in Alabama disclosed that it had shut down its dyeing and finishing plant—the most energy-intensive part—rather than use oil. As for the other factories, he remarked: "We're fortunate that we don't have the most modern boilers, which use only gas or oil, and so we've been able to burn coal."

He also remarked that the weather that day was favorable—"temperatures supposed to be in the 60s." That is the kind of regional advantage that can't be altered by either president or Congress.

New England, being more compact, has its own advantages. The energy coordinator for the state of Texas, according to the New York Times, claims that gasoline prices resulting from the President's program will be $71.04 per capita in New England and $107.27 per capita in the West-South central states.

People in other regions note that the Northeast has better mass transit systems in place, and that people drive longer distances to work in the South and Midwest.

Curtis said that Kenyon and other northern mills have "done a tremendous job on what can be done quickly and easily" to conserve energy. More savings, he said, would be "tougher and tougher," but he was confident that more can be found.

More efficient boilers may be purchased, though they are expensive, he said. Other examples were use of colors that need less heat, and scouring at lower temperatures.

The textile industry, which has traditionally been secretive, is beginning to share information that relates to conservation of energy, Curtis said. His confidence at the factory-management level flies in the face of ivory-tower studies arguing that the only way Americans can conserve is to lower living standards. New Englanders may show the rest of the country how deep the bullet can be bitten. Stephen Hassenfeld said that Hasbro will save 14 percent of energy expense in its New England plants by shutting down the Woonsocket plant. If everybody cut back by 14 percent, he said, the problem would be well on the way to being solved.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. GRIFFIN (for Mr. THURMOND), from the Committee on Armed Services:

Joseph Laitin, of Maryland, to be an Assistant Secretary of Defense.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. GRIFFIN. Mr. President, on behalf of the distinguished Senator from South Carolina (Mr. THURMOND), from the Committee on Armed Services, I report favorably the nomination of Lt. Gen. John Russell Deane, Jr., to be general, USA, Major General Guthrie, USA, to be lieutenant general, 25 to be permanent major general (beginning with Maj. Gen. Robert Creel Marshall and ending with Maj. Gen. John Robin Davis Cleland, Jr., USA, and 18 for promotion to major general and brigadier general in the Reserve of the Army and 12 Army National Guard major generals and brigadier generals for Federal recognition; in the Navy, Rear Adm. Horace B. Robertson, Jr., to be Judge Advocate General in the grade of rear admiral, Rear Admirals Waller III, Davis, and Watkins for promotion to the grade of vice admiral, Vice Admirals Michaelis and Talley, Jr., to be admiral, Captain O'Connor for promotion to the grade of rear admiral and 10 Naval Reserve captains to the grade of rear admiral; and, in the Air Force, there are 66 for promotion to the grade of major general and brigadier general (both temporary and permanent), 6 Air National Guard colonels to the grade of brigadier general and 42 temporary appointments to the grade of brigadier general. I ask that the these names be placed on the Executive Calendar.

The ACTING PRESIDENT pro tempore (Mr. Culver). Without objection, it is so ordered.

Mr. GRIFFIN. In addition, there are 441 in the Army for promotion to the grade of colonel and below, and in the Air Force there are 1,079 for promotion to the grade of colonel and below. Since these names have already appeared in the Congressional Record and to save the expense of printing again, I ask unanimous consent that they lie on the Secretary's desk for the information of any Senator.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record at the end of the Senate proceedings of January 16 and January 21, 1975.)

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on February 11, 1975, he presented to the President of the United States the enrolled bill (S. 58) relating to compensation and other emoluments attached to the Office of Attorney General.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. YOUNG:

S. 665. A bill to authorize a feasibility study of the West River Diversion Unit, Pick-Sloan Missouri Basin program in North Dakota and South Dakota, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. BENTSEN (for himself, Mr. Ribicoff, Mr. Humphrey, Mr. Schweiker, Mr. Beall, Mr. Burdick, Mr. Case, Mr. Domenici, Mr. Gravel, Mr. Leahy, Mr. McGee, and Mr. Moss):

S. 666. A bill to provide an income tax credit for savings for the payment of postsecondary educational expenses. Referred to the Committee on Finance.

By Mr. BEALL (for himself, Mr. Dole, Mr. Domenici, Mr. Goldwater, Mr. Hartke, Mr. Javits, Mr. Mathias, Mr. McGovern, Mr. Metcalf, Mr. Stevens, Mr. Tower, and Mr. Tunney):

S. 667. A bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property and for other purposes. Referred to the Committee on Finance.

By Mr. BIDEN:

S. 668. A bill to provide a special payment to certain elderly and disabled social security recipients. Referred to the Committee on Finance.

By Mr. MOSS:

S. 669. A bill for the relief of Kenji Okuma. Referred to the Committee on the Judiciary.

S. 670. A bill to regulate commerce and to prohibit unfair or deceptive acts or practices in commerce, and for other purposes. Referred to the Committee on Commerce.

By Mr. HUMPHREY:

S. 671. A bill to establish a Federal Inland Waterways Administration in the Department of Transportation. Referred to the Committee on Government Operations.

S. 672. A bill to authorize any officer or employee of the United States to accept the voluntary services of certain students for the United States. Referred to the Committee on Post Office and Civil Service.

By Mr. MOSS:

S. 673. A bill to establish an energy stamp program which will provide energy stamps to certain low-income households to help meet residential energy costs incurred by such households. Referred to the Committee on Labor and Public Welfare.

By Mr. PASTORE (by request):

S. 674. A bill to authorize supplemental appropriations to the Nuclear Regulatory Commission for fiscal year 1975. Referred to the Joint Committee on Atomic Energy.

S. 675. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes. Referred to the Joint Committee on Atomic Energy.

By HANSEN (for himself and Mr. McGee):

S. 676. A bill to authorize the Secretary of the Interior to enter into contracts for the development of the additional areas of the Heart Mountain Irrigation District, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON:

S. 677. A bill to establish a strategic energy reserve office in the Federal Energy Administration, to create a strategic energy reserve system to minimize the impact of interruptions or reductions of energy imports, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT:

S.J. Res. 31. A joint resolution proposing an amendment to the Constitution of the United States relating to prayer in public schools. Referred to the Committee on the Judiciary.

By Mr. HOLLINGS (for himself, Mr. Magnuson, Mr. Hartke, Mr. Williams, Mr. Humphrey, Mr. Hathaway, Mr. Chiles, Mr. Stevens, Mr. Taft, Mr. Buckley, Mr. Thurmond, Mr. Johnston, and Mr. Beall):

S.J. Res. 32. A joint resolution to authorize and request the President to issue a proclamation designating the month of October 1975 and each succeeding October as "National Fish and Seafood Month." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN (for himself, Mr. Ribicoff, Mr. Humphrey, Mr. Schweiker, Mr. Beall, Mr. Burdick, Mr. Case, Mr. Domenici, Mr. Gravel, Mr. Leahy, Mr. McGee, and Mr. Moss):

S. 666. A bill to provide an income tax credit for savings for the payment of postsecondary educational expenses. Referred to the Committee on Finance.

Mr. BENTSEN. Mr. President, today I am reintroducing legislation to provide greater educational opportunities for an estimated 33 million young Americans through the creation of educational savings plans. This bill was originally introduced last November.

The educational savings plans provided for in this bill will allow a Federal tax credit for individuals who save for either vocational or other higher educational expenses. Funds deposited in these educational savings plans will be channeled into savings and loan associations, mutual savings banks, and other federally insured financial institutions—the majority of whose loans are related to housing. These savings plans will not only make postsecondary education more readily available to millions of this country's young, they will provide a stable source of private funds at reasonable interest rates to potential American homeowners.

The average American has four basic economic goals beyond the day-to-day physical needs for survival—he wants to be able to purchase his own home, to provide for his children's education, to meet his family's health needs, and finally to provide for his own retirement when those working years are behind him.

Despite the progress of the last several decades, in recent years these four basic goals of homeownership, education, health care, and retirement have become further from the reach of millions of Americans. I believe it is the duty of Government to provide policies that enhance the opportunity for working Americans to accomplish the goals which they have chosen.

Last year the Congress passed a major piece of legislation to reform the private pension system and I was pleased to have played a role in that effort. This Congress we hope to pass legislation to provide a national system of health insurance and I hope to play a role in seeing that legislation enacted as well. But in addition to retirement income and health care, I believe we must take steps to assist American families in meeting the educational needs of their children and those families' needs for housing.

In the 10 years between 1962 and 1972, the costs of tuition, room and board at public colleges and universities increased 50 percent, compared to a 38 percent increase in the Consumer Price Index. During the same period, the costs of private higher education have escalated 80 percent, more than twice the rise in the Consumer Price Index. Equally important, vocational education programs have also seen substantial cost increases.

Middle and lower middle income students have been increasingly priced out of postsecondary education. With limited funds available under the various programs of student financial aid, and with college costs increasing, we confront a situation in which the costs of a secondary education tend to eliminate those who fall between the categories of the very poor and the very rich. The children of the very poor frequently qualify for full scholarship aid, and those who are very rich can afford high tuitions. It is primarily moderate-income Americans who are frequently ineligible for Federal student assistance and who have been suffering during the cost squeeze in education. The educational savings plan provided for in this legislation should be of considerable benefit to these families. It should also provide an element of predictability to families concerned about how they are going to meet the cost of their children's higher education.

In addition, Mr. President, these educational savings plans can give strong impetus to our efforts to provide a better trained work force and to improve the productivity of the American worker. In recent years, many countries have been outstripping the United States in productivity as they have adopted American management techniques and improved their technologies. One of the lessons of the economic summit held last year was that our country badly needs the new technology and higher level of skills created by a vigorous postsecondary education program in both our colleges and vocational schools.

When American youth becomes more productive, the individual and the economy benefit. The educational savings plan should channel increasing numbers of students into career education, develop their skills, lower unemployment rates, and provide the Nation with a more effective work force.

The Department of Treasury estimates that as many as 15 million families would utilize these plans to save for the education of 33 million children. This would mean approximately $9 billion would be deposited in educational savings plans annually. Since these plans will be managed by savings and loan associations, mutual savings banks, and any other institution placing 50 percent of its assets into housing-related loans, these plans will provide a stable source of financing for home mortgages and construction loans.

Mr. President, the unavailability of a steady flow of capital into housing is creating unnecessary shortages of housing and inefficiencies in construction.

Thrift institutions, such as savings and loan associations and mutual savings banks which will be able to offer educational savings plans, made 65 percent of this Nation's loans for the purchase of homes in 1973 and have been the traditional source of such lending. Savings and loan associations put approximately 85 percent of their funds into mortgages generally and 75 percent into single-family dwellings. Mutual savings banks have over 60 percent of their assets in mortgages. But, Mr. President, these institutions suffer serious shortages of funds during periods of tight money and high interest rates.

During the last period of tight money in 1969 there was a net outflow of over a billion dollars during the course of the year. As interest rates eased in 1970 and 1971, funds began to move back into these institutions for a peak new inflow of over $23 billion in 1972. But when interest rates began to climb again in 1973, that net inflow was more than cut in half to only $10½ billion. When the administration's tight money policies of 1973 really began to be felt that inflow was further cut to $4.7 billion for 1974. We are never going to be able to provide the almost 2 million new homes Americans need every year when the principal source of funds for housing is subject to this type of fluctuation.

The $9 billion in annual deposits for educational savings plans provided by my legislation would not be subject to such market fluctuations and would provide a steady source of financing for as many as 300,000 new homes per year.

As a result of the unavailability of financing, the current depression in housing appears to be the worst since the 1930's. Housing starts have dropped from an annual rate of over 2½ million in October 1972 to 1.3 million in 1974.

Fluctuations such as these not only drive up home prices by creating a housing shortage, they cause serious inefficiencies in every phase of home construction by increasing the cost of materials and skilled labor and contributing to homebuilder bankruptcies. Over 630,000 construction workers are now unemployed. Over 1,000 homebuilders were forced out of business last year. Inflation in housing cannot be controlled by forcing skilled construction workers and homebuilders into other lines of work or by continuing to create artificial shortages of housing units available.

Mr. President, the periodic unavailability of funds for housing has created seven major housing cycles since World War II. Past experience indicates that a substantial increase in construction costs occurs during the 2 years following the bottom of the cycle. We will be paying for the present depression in the housing industry with higher construction costs this year and 1976. And, Mr. President, most Americans have already been priced out of the market for a new home. A home that cost $32,000 in 1971 now costs $45,750—a 43-percent inflationary increase over 3 years. Moreover, when the extra cost of the 2½-percent increase in interest rates during that period is included, the monthly payments have gone up 78 percent. A more stable and lower cost source of funds must be made available if the opportunity for homeownership is to be a reality for millions of American families.

The Treasury estimates that a $1.7 billion annual revenue loss will occur from the tax credits allowed on these educational savings plans. However, this estimate does not take into consideration the benefits to the Treasury of lower unemployment rates and more stable profits in construction and construction-related industries. I believe most if not all of the direct revenue loss of this legislation would be offset by the benefits of steadier economic growth. I am sure that when the long-term benefits of greater educational opportunity are considered we will find, as we did with the veterans' education programs, the country reaps a healthy return on its investment.

Mr. President, with the twin goals of encouraging long-term savings and education and stabilizing the flow of funds into housing, the educational savings plan addresses two of the most serious social issues confronting the American people. I believe this is the kind of tax incentive the American people want—one which addresses the basic needs of our society and one which benefits millions of average citizens.

I ask unanimous consent that the text of the legislation be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by redesignating section 42 as 43, and by inserting after section 41 the following new section:

"Sec. 42. Postsecondary Educational Savings Plan.

"(a) General Rule.—There is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the amounts deposited by the taxpayer in an educational savings plan (as defined in subsection (c)(1)) for himself or a dependent.

"(b) Limitations.—

"(1) Taxpayer account.—In determining the amount of the credit allowable under subsection (a) for the taxable year with respect to any educational savings plan maintained by the taxpayer for his own benefit, amounts deposited in any taxable year in excess of $250 and amounts deposited during any taxable year in which the taxpayer is enrolled in any eligible postsecondary educational institution shall be disregarded.

"(2) Dependent account.—In determining the amount of the credit allowable under subsection (a) for the taxable year with respect to any educational savings plan maintained by the taxpayer for the benefit of his dependents, amounts deposited in any taxable year in excess of $250 per dependent and amounts deposited during any taxable year for any dependent who is enrolled in an eligible postsecondary educational institution shall be disregarded.

"(c) Definitions.—For purposes of this section—

"(1) Educational savings plan.—The term 'educational savings plan' means a savings account maintained by the taxpayer for the benefit of himself or of a dependent in a savings institution exclusively for the purpose of paying expenses of postsecondary education incurred by the taxpayer for himself or his dependent.

"(2) Savings account.—The term 'savings account' means an interest-bearing deposit or account which is not payable on a specified date or at the expiration of a specified time after the date of deposit (although the individual who maintains the deposit or account may be required by the bank or savings and loan association with which the deposit or account is maintained to give notice in writing of an intended withdrawal not less than 30 days before withdrawal is made.

"(3) Savings institution.—The term 'savings institution' means—

"(A) a savings and loan association, the deposits or accounts of which are insured by the Federal Savings and Loan Insurance Corporation, or

"(B) a mutual savings bank, the deposits or accounts of which are insured by the Federal Deposit Insurance Corporation, or

"(C) any other financial institution which invests at least 50 percent of its assets in residential realty mortgages, residential construction loans, residential realty improvement loans, or mobile home loans.

"(4) Expenses of postsecondary education.—The term 'expenses of postsecondary education' means, subject to regulations of the Commissioner of Internal Revenue and the Commissioner of Education, the actual per student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as determined by regulation to be reasonably related to attendance at an eligible postsecondary educational institution.

"(5) Eligible postsecondary educational institution.—The term 'eligible postsecondary educational institution' means formal instruction, research, and other learning opportunities offered by educational institutions that primarily serve persons who have completed secondary education or who are beyond the compulsory school attendance age and that are accredited by agencies officially recognized for that purpose by the United States Office of Education or are otherwise eligible to participate in Federal programs.

"(d) RECAPTURE OF CREDIT ALLOCABLE TO NONQUALIFIED USE.—

"(1) DISQUALIFICATION FOR NONEDUCATIONAL PURPOSE.—If any amount in such account is withdrawn and expended for anything other than an expense of postsecondary education, a tax shall be imposed on the amount expended for a noneducational purpose equal to the credits allowed under this section for all prior taxable years on this amount.

"(2) DISQUALIFICATION FOR FAILURE TO USE ACCOUNT.—

"(A) TAXPAYER ACCOUNT.—An educational savings plan maintained by the taxpayer for the payment of expenses of postsecondary education incurred by him for his own education is terminated for the taxable year following the taxable year (of the taxpayer) in which the taxpayer attains the age of 25 years, or if the taxpayer is enrolled in an eligible postsecondary educational institution at that time, when the taxpayer terminates such enrollment. A tax shall be imposed on any amount remaining in such account upon termination, equal to the credits allowed under this section for all prior taxable years on this amount. However, no tax shall be imposed under this subparagraph in the event of the death of the taxpayer or disability (within the meaning of section 72(m) (7)).

"(B) DEPENDENT ACCOUNT.—An educational savings plan maintained by the taxpayer for the payment of expenses of postsecondary education incurred by him for the education of dependents of the taxpayer is terminated for the taxable year following the taxable year (of the taxpayer) in which the youngest dependent for whose benefit the account is maintained attains the age of 25 years or if that dependent is enrolled in an eligible postsecondary educational institution at that time, when that dependent terminates such enrollment. A tax shall be imposed on any amount remaining in such account upon termination, equal to the credits allowed under this section for all prior taxable years on this amount. However, no tax shall be imposed under this subparagraph in the event of the death or disability (within the meaning of section 72(m) (7)) of all dependents.

"(e) APPLICATION WITH OTHER CREDITS.—The credit allowed by this section to the taxpayer shall not exceed the amount of the tax imposed on the taxpayer for the taxable year by this chapter, reduced by the sum of the credits allowable under this subject (other than under this section and section 31).

"(f) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section.".

(b) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Postsecondary educational savings plan.

"Sec. 43. Overpayments of tax.".

SEC. 2. The amendments made by this Act shall apply to taxable years beginning after December 31, 1974.

By Mr. BEALL (for himself, Mr. DOLE, Mr. DOMENICI, Mr. GOLDWATER, Mr. HARTKE, Mr. JAVITS, Mr. MATHIAS, Mr. MCGOVERN, Mr. METCALF, Mr. STEVENS, Mr. TOWER, and Mr. TUNNEY):

S. 667. A bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property, and for other purposes. Referred to the Committee on Finance.

HISTORIC STRUCTURES TAX ACT OF 1975

Mr. BEALL. Mr. President, I am sending to the desk legislation that would amend the Internal Revenue Code of 1954 to encourage the preservation of historic buildings and structures and for the rehabilitation of other property. I have been joined by 11 of my colleagues in sponsoring this legislation. The following Senators have cosponsored the Historic Structures Tax Act of 1975; Senators ROBERT DOLE, PETE V. DOMENICI, BARRY M. GOLDWATER, VANCE HARTKE, JACOB K. JAVITS, CHARLES MATHIAS, GEORGE MCGOVERN, LEE METCALF, TED STEVENS, JOHN TOWER, and JOHN V. TUNNEY. I first introduced this bill on August 3, 1973 (S. 2347) but unfortunately no action was taken during the 93d Congress. Similar although not identical legislation was introduced in the House of Representatives during the 93d Congress by our distinguished colleague from New York, Representative BARBER B. CONABLE, JR.

Mr. President, I feel that our current system of tax incentives works in a very direct and definite way against enlisting private funds in historic restoration projects. We can no longer continue to systematically destroy our Nation's history, weaken the fabric of our communities, and deplete our resources as we have in the past. As our national values readjust to the concept of a finite world it is important for us to update our tax system so as to help redirect and achieve socially desirable goals.

As we approach our Bicentennial celebration, more and more Americans are becoming committed to the cause of historic preservation. It is truly an idea whose time has come and I think it is incumbent upon the 94th Congress to move expeditiously with legislation designed to achieve that goal. By preserving our communities we can strengthen the social fabric which unites Americans of different ethnic, racial, and religious backgrounds.

Mr. President, I have prepared a section-by-section analysis of the proposed Historic Structures Tax Act and I would ask that it along with environmental impact statement prepared by the Department of Treasury be printed in the RECORD at the conclusion of my statement.

Shortly after I introduced S. 2347 I wrote to various Federal, State, and local agencies, historical societies, and other organizations seeking to perserve our Nations' historical treasures asking each to comment on this legislation. I was gratified by the large number of letters I received, many of which contained the reoccurring theme which was summed up in a quote by the late Dr. Henry Nelson Synder who said:

> An institution which tends to forget its past will soon have a past not worth remembering.

In a letter addressed to the chairman of the Senate Finance Committee, Mrs. Eleanor Stearns, assistant to the administrator of the Octagon—a National Historical Landmark administered by the American Institute of Architects Foundation, Inc.—stated:

> To what extent, and under what conditions, we can hope to protect our environment and architectural heritage in a meaningful and adaptive manner is up to speculation. Yet, what is real is our unique opportunity to do something constructive NOW before the wrecking ball takes its toll—and along with it, tangible and material symbols of our past with which we are able to identify.
>
> This is not to say that all "old" buildings are viable and must be preserved but, rather, that those buildings which are potentially adaptive—as so many are—should be treated in such a manner as to encourage preservation, and not destruction. S. 2347 provide such incentive.

The Historic Structures Tax Act would harness the constructive aspects of our Federal tax system so as to preserve historically significant buildings, encourage the rehabilitation rather than the demolition of older buildings in our urban centers; and increase the development of additional open spaces for public use. The Historic Structures Tax Act is a modified version of legislation that was strongly supported by the administration during the 93rd Congress.

Mr. President, I ask unanimous consent that the following items be printed in the RECORD at the conclusion of my remarks; section-by-section analysis; excerpts from the Environmental Impact Statement, prepared by the Department of the Treasury; an analysis of the bill prepared by the Adivsory Council on Historic Preservation; and a Library of Congress summary of the tax law affected by the Historic Structures Tax Act.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

THE PROPOSED HISTORICAL STRUCTURES TAX ACT OF 1975—SECTION-BY-SECTION ANALYSIS

TITLE I—SHORT TITLE

Title I labels the Act as the Historical Structures Tax Act of 1975 and specifies that all amendments contained in the Act are amendments to the Internal Revenue Code.

TITLE II—PRESERVATION AND REHABILITATION OF HISTORIC STRUCTURES

Title II contains provisions intended to encourage preservation of historic buildings and structures certified by the Secretary of the Interior as registered or qualified for registration on the National Registry. In addition, the Bill limits depreciation to the straight-line method in the case of buildings constructed on sites which were formerly occupied by demolished historic structures.

Section 201

Section 201 adds a new section 189 to the Code, permitting a 5 year write-off of rehabilitation expenditures incurred with respect to historic structures which are used in the taxpayer's trade or business or held for the production of income provided that property acquired in connection with such expenditure is otherwise eligible for the depreciation allowance.

On the disposition of a certified historic structure, gain would be treated as ordinary income to the extent that the special write-off provided under this section exceeded the depreciation deduction which would have otherwise been allowable (without regard to this provision). This section would apply with respect to all expenditures made after February 15, 1975.

Section 202

Section 202 would add a new section to the Code providing that no deduction would be allowed for amounts expended in the demolition of a registered historic structure, or for the undepreciated cost of such a structure. Both items would have to be allocated to the basis of the land. The section would apply to all demolitions occurring after the date of enactment.

TITLE III—REHABILITATION OF OTHER PROPERTY

Section 301

Section 301 would add a new subsection (o) to the general depreciation rules of section 107. Under this new provision, if a taxpayer substantially rehabilitated depreciable property, he would be permitted to elect to compute depreciation with respect to his pre-existing basis in the building as though the entire structure was first placed in service by him. This will permit a taxpayer who purchases a used building and rehabilitates it to utilize so-called accelerated methods of depreciation, a privilege which is not now accorded taxpayers under the law.

In order to qualify for this special treatment, the amounts added to capital account during a 24 month period must be at least $5,000 in amount and must be greater than the undepreciated cost of the property, determined at the beginning of the 24 month period. The provision is effective with respect to such expenditures incurred after June 30, 1975.

TITLE IV—CHARITABLE TRANSFERS FOR CONSERVATION PURPOSES

Title IV provides several amendments to the charitable contribution provisions in section 170 of the Code, the effect of which is to permit a charitable contribution deduction for certain types of transfers which are not presently allowed under the law. Specifically, section 401(a) provides that a charitable deduction will not be denied on the transfer of a partial interest in property, where the interest is either an easement of 15 or more years duration granted exclusively for conservation purposes, or is a remainder interest in real property which is granted exclusively for conservation purposes. "Conservation purposes" mean the preservation of open land areas for public outdoor recreation or education, or scenic enjoyment; the preservation of historically important land areas or structures; or the protection of natural environmental systems.

These amendments would apply with respect to contributions made after February 15, 1975.

EXHIBIT 2

TAKEN FROM THE ENVIRONMENTAL IMPACT STATEMENT

(Prepared by the Department of the Treasury)

Rehabilitation.—These changes would seek to minimize the difference in tax treatment between demolition and rehabilitation of buildings. At the present time, the destruction of older structures and their replacement with new buildings or with parking lots and related low-density facilities are given tax benefits unavailable to the owner who wishes to substantially rehabilitate the original structure. The resulting loss of architectural variety, especially in the downtown areas of cities, and the continued deterioration of older buildings until a decision to demolish is made, have resulted in degradation of the urban environment. In order to counter this trend, the proposal would provide accelerated depreciation rates now available for new buildings to the undepreciated cost of old buildings which are substantially rehabilitated.

Historic Preservation.—Several changes are proposed to encourage the preservation of historically significant buildings. With the high rate of building demolition and replacement in the United States, it has been estimated that more than 25 percent of the buildings recorded by the Historic American Buildings Survey since 1933 have been destroyed. Present economic incentives do not favor the retention and restoration of these buildings, particularly those in private ownership. Maintenance costs are high and restoration expenses often exceed potential future returns for buildings held for commercial purposes.

The new proposals would seek to readjust these incentives so as to favor retention and restoration. They would allow a five-year writeoff of rehabilitation expenditures on depreciable property, would require capitalization of the costs of demolition and the undepreciated cost of the demolished building, and would limit depreciation on new structures placed on the site of a demolished or substantially altered Registered structure to the straight-line method.

Charitable Transfers.—The preservation of natural areas, scenic landscapes, unique ecosystems and other environmentally important lands is appreciably aided by the willingness of private landowners to dedicate their property to conservation purposes. Whether the gift is of the entire property or of rights over it that protect it from abuse, there are non-profit organizations which are empowered to receive such donations and to protect the areas from environmental degradation. Additionally, local and state governments are increasingly more involved in these activities. However, some provisions of the 1969 Tax Reform Act have had the unfortunate result of discouraging these important conservation undertakings. In dealing with a broad range of tax abuses in the area of charitable deductions, the reforms inadvertently swept in many transactions that would have these beneficial environmental impacts.

The changes now being proposed would rectify the treatment given for the charitable donation of land or rights in land for environmental purposes. Specifically, they would allow deductions for all donated conservation-related easements, even those granted for less than perpetuity. They would allow the deduction of remainder interests when donated for a wide range of conservation purposes.

ENVIRONMENTAL IMPACT OF THE PROPOSED CHANGES

The rehabilitation proposals are specifically aimed at preserving a variety in the size and architecture of urban structures by offering to the investor an attractive alternative to the demolition of older buildings. Center city commercial areas have been particularly affected by a tendency to convert land usage to large multi-story structures or to parking lots and other low density uses often related to motor vehicle accommodation. The resultant loss in the character and charm of our cities is a permanent concession to economic realities. While the 1969 reforms provided special amortization for low and moderate income rental housing these proposals would apply regardless of income level, although the tax incentives for low and moderate income units would continue to receive most favored treatment. Recent changes in other aspects of depreciation deductions allowable make it difficult to predict the pace of change as a result of these proposed provisions.

The proposed changes in the tax law are in no way intended to replace local and state governmental decisions related to the proper planning and regulation of land use. Nor will they have much effect absent a strong and creative effort by those levels of governemnt to deal with the problems of urban blight. Nevertheless, over the long term the effect of moving toward more equal tax treatment of demolition and rehabilitation should result in greater variety and character in the urban environment. More older structures should be retained and renovated. Downtown areas should provide a broader range in architecture as the ages of buildings will be more varied. Smaller older structures should be saved and used where before they might have been converted to parking lots. Residential areas with a high number of rental units should show greater numbers of rehabilitated structures. Fewer structures should be abandoned and left to decay.

The historic preservation provisions are intended to provide to the taxpayers strong incentives to save those buildings and neighborhoods of such historical importance as to warrant a place on the National Register. It is estimated that as a result of these provisions increased expenditures will be made to restore and rehabilitate such structures, added efforts will be made to preserve them, and they will become desired structures that will be used and kept in good condition.

While these tax benefits may cause increased pressure for commercial use of such structures as offices and so forth, many of the buildings are now located in commercial areas, are unsuited for residential use, crews. Additionally, other proposals are being made outside the tax area that will provide benefits for owner-occupied historical buildings. Finally, provision of special tax treatment for Registered buildings will provide added interest in the possibility of registration and may result in a significant expansion in future years in the number of structures on the National Register.

The changes in the tax provisions governing the deduction of charitable donations of land and interests in land should increase the attractiveness of this alternative for many taxpayers. Along with related changes being considered in the valuation methods used by the Internal Revenue Service in some of these cases, these proposals should make the donation of land for conservation purposes one of the most advantageous of gifts. If past actions are indicators, it is expected that many of these donations will be of attractive large estates near urban areas, which would provide scenic and open space opportunities beyond the capabilities of most local governmental budgets. Additionally, the variety of possible uses for such lands—recreation, natural preserves, study areas, research areas, and scenic beauty to name a few—will allow for a varied balance of use and protection. Different conservation groups and public bodies will decide how best to use their own areas, hopefully providing a variety of outdoor experiences for the public.

IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES

While the proposals require no commitment of present resources by the Government, they will cause a small revenue loss.

EXHIBIT 3

THE ENVIRONMENTAL PROTECTION TAX ACT AND THE HISTORIC STRUCTURES TAX ACT, AN ANALYSIS FOR THE ADVISORY COUNCIL ON HISTORIC PRESERVATION, SEPTEMBER 24, 1973

INTRODUCTION

While certain safeguards have been established, notably at the Federal level, to guide governmental undertakings in a manner consistent with preservation objectives, little control presently exists over private actions that may adversely affect historic properties. This is particularly true in the case of a private individual planning to alter or redevelop a historic building that he owns. In the absence of direct government regulations, economic factors generally determine the fate of such privately-owned historic structures. The unceasing growth of the Nation creates constantly changing economic conditions that affect the continued use of historic properties in their traditional functions. The opportunity for greater gain through redevelopment, or the inability to make an adequate return due to an obsolete physical plant, compels the owner of a historic property to undertake its replacement. Thus suburban sprawl presses for housing developments on the Antietam and Manassas battlefields and high-rise technology forces New York's Pennsylvania Station and Chicago's Old Stock Exchange to yield to new buildings producing greater revenue per square foot.

Many of these economic threats to historic properties are caused by rapid growth, especially in urban areas. Little can be done, other than imposing direct controls on development, to influence private economic decisions in those situations. However, the natural pace and direction of growth are often accelerated by governmental policy determinations, especially those affecting tax apportionment. Indeed, some economic decisions in the private sector affecting historic properties are made solely on the basis of tax consequences. Consequently, diminishing or increasing the tax liability accruing from a certain action can have a sigificant effect on the decision to undertake that action. While tax policy at all levels of government influences action in the private sector, changes in the Federal revenue laws generally have the most pronounced effect on the taxpayer's burden. Therefore, modifications in the Internal Revenue Code present considerable potential for establishing tax incentives (and disincentives) to stimulate private preservation activity.

Having recognized the impact of tax policies on private economic decisions, it can be demonstrated that the present Federal tax structure encourages the replacement of old buildings, including those of historical significance, with new ones. Two bills now in Congress, the Environmental Protection Act (H.R. 5584) and the Historic Structures Tax Act (S. 2347), will remove tax-generated pressures for the replacement of historic structures and will provide additional positive incentives for private action that further the objectives of historic preservation. It should be noted that the provisions of both bills regarding historic properties are virtually identical and will be considered accordingly.[1]

THE PROBLEM AND PROPOSED SOLUTIONS

The proposed amendments deal with three major areas of conflict between the present Internal Revenue Code and historic preservation policy. These are the treatment of demolition costs and losses, the depreciation and amortization of rehabilitation expenses, and the deduction of gifts of interests in property as charitable contributions. To appreciate the inherent limitations on the proposed bill's reforms, it is important to note that the Code only allows deductions of depreciation, amortization, and demolition costs when charged to commercial properties, including those used for rental purposes. This well-established doctrine admits of no exceptions, and it would require a radical charge of long-standing tax policy to extend those deductions to noncommercial properties. It should also be noted that the primary concern of the drafters was the threat to historic buildings in declining urban commercial districts, and the bill reflects this. A related proposal was directed to noncommercial properties, providing for FHA home improvement loans of up to $15,000 for National Register properties as opposed to the regular limit of $5,000, and an extension of the repayment period from 7 to 15 years. This proposal was introduced in Congress last year, but was not acted upon before adjournment. Finally, a portion of H.R. 5584 is concerned with the preservation of coastal wetlands and, consequently, will not be covered in this analysis.

DEMOLITION COSTS AND LOSSES

Present provisions of the Internal Revenue Code encourage the demolition of old commercial structures regardless of their historical or architectural merit. This encouragement derives from two sources. First, the Code allows the owner of such a building to deduct from his income the expenses of demolition and his unrecovered investment in the building (undepreciated costs).

Example 1: T owns a building with an undepreciated cost of $100,000 and spends $50,000 to demolish it. The $150,000 deduction reduces T's taxes by $75,000 based on the corporate tax rate of approximately 50%.

The second incentive is found in the Code's allowance of accelerated depreciation [1] on the new building constructed on the cleared site, when that building is used for business purposes. Accelerated depreciation induces new investment by permitting the deduction of a larger portion of the investment in a shorter time than the normal straightline depreciation method allows.

Example 2: T constructs a building that costs $1,000,000 and has a useful life of 20 years. Its depreciation treatment and resulting tax savings would be as follows:

Year	Straightline method		Declining balance method	
	Deduction	Tax reduction	Deduction	Tax reduction
1	$50,000	$25,000	$200,000	$100,000
2	50,000	25,000	160,000	80,000
3	50,000	25,000	128,000	64,000
4	50,000	25,000	102,400	51,200
5	50,000	25,000	81,920	40,960
6	50,000	25,000	65,536	32,768
7	50,000	25,000	52,428	26,214
8	50,000	25,000	41,923	20,971
9	50,000	25,000	33,555	16,777
10	50,000	25,000	26,844	13,422
20	50,000	25,000	3,000	1,500
Total (20 yrs)	1,000,000	500,000	987,939	493,964

Note: Depreciation is defined by sec. 167(a) of the code as "a reasonable allowance for the exhaustion, wear and tear (including a reasonable allowance for obsolescence)—(1) of property used in the trade or business, or (2) of property held for the production of income."

While both methods produce essentially equal deductions and savings over the long run, accelerated depreciation is obviously attractive to the taxpayer attempting to minimize his tax burden. He can sell the building after about five years and reinvest in a new commercial structure that qualifies for accelerated depreciation, thereby starting the entire process over again. Present tax law does not extend this treatment to old buildings that may be historic and, therefore, makes them less attractive to purchasers than new buildings.

The proposed amendments to the Internal Revenue Code would change the treatment of demolition costs and depreciation when a historic building used in a trade or business is involved. Section 302 denies deduction of the undepreciated cost of the building and the expense of demolishing it when the building is a "certified historic structure."[2] Rather than taking the deduction as shown in Example 1, the taxpayer would be required to add those sums to his investment (basis) in the land on which the demolished historic structure stood. This would then be considered in the computation of his capital gain when the property was sold.

Example 3: The cost (basis) of the land in Example 1 is $100,000. Under the new provision, T must add the $100,000 undepreciated cost of the demolished building and the $50,000 demolition cost to that figure, thereby resulting in an adjusted basis of $250,000. He sells the land for $500,000. His gain is $250,000 and his tax, at capital gains rates, is $62,500. Under the old provision, he would have received the $150,000 deduction at the time of demolition, representing a tax saving of $75,000. I would then compute his gain from a $100,000 basis on his property. Thus $400,000 gain would incur a tax of $100,000 at the time of sale. However, since he has already received a $75,000 reduction in his taxes at the date of demolition, his net tax liability for the entire transaction is $25,000. This compares with $62,500 liability from the same set of circumstances under the proposed amendments.

	Present code	Proposed amendment
Deduction for demolition plus loss	$150,000	0
Immediate tax saving	75,000	0
Addition to basis	0	$150,000
Capital gain on sale for $500,000	400,000	250,000
Tax on sale	100,000	62,500
Net tax from demolition and sale	25,000	62,500

Not only does the amended provision reduce the tax benefit accruing from the demolition of a historic building, but it also defers the realization of this reduced benefit until the owner of the land chooses to sell. Consequently, the owner who clears for dedevelopment is denied the incentive existing in the present Code.

A second amendment addresses the depreciation incentive. Section 201 requires that any improvement "in whole or in part" constructed on a site previously occupied by a certified historic structure that was demolished or substantially altered must be depreciated on the straightline method. Excepted are rehabilitations aproved by the Secretary of Interior pursuant to Section 301 discussed below. As indicated by Example 2 and the related discussion, the straightline method of depreciation is generally the least conducive to new investment in properties. Denying accelerated depreciation on a building constructed on the site of a historic structure makes that site substantially less attractive to a redeveloper and will induce him to consider other sites for new construction that are not historic and, therefore, not restricted by the tax laws. For the owner of the parcel, demolition and rebuilding becomes economically less rewarding and, pursuant to Section 401 discussed below, rehabilitation becomes more attractive.

REHABILITATION EXPENSES

The tax treatment of rehabilitation expenses of historic properties used for commercial purposes is the second major area affected by the Environmental Protection Tax Act and the Historic Structures Tax Act. While the Code does not define rehabilitation expenses, it is clear that these expenses, as covered by the amendments, are limited to capital expenditures and do not include items properly classified as maintenance expenses.[3]

Restoration costs would not likely be included as rehabilitation expenses under the proposed amendments. Present treatment of rehabilitation expenses requires that they be added to the basis of the property and, therefore, would provide only a deferred and reduced tax benefit when the property is sold (see Example 3).

The proposed amendments would alter the treatment of rehabilitation expenses in two respects. Section 301 would allow the owner of a historic building used for business or rental purposes to deduct his rehabilitation expenses from his annual income over a period of five years.[4] To qualify for this treatment, the building would have to meet the requirements of a "certified historic structure," and the rehabilitation would have to be certified by the Secretary of the Interior or his delegate as being consistent with the historic character of the property or the

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Footnotes at end of article.

historic district in which it is located. It is further required that the rehabilitation expenses exceed the cost of the property and $5,000.

Example 4: T spends $100,000 to rehabilitate a historic building, which cost him $75,000. Under the existing law, this amount would be added to the basis of the property. Upon sale, it would reduce T's gain by $100,000 and, at corporate tax rates, reduce T's tax liability by $25,000. Under the new provision, T would be able to deduct $20,000 annually from his income for five years. This would result in an annual tax saving of $10,000 or $50,000 for the five-year period, twice the benefit received under present law.

Section 401 provides an alternative incentive to rehabilitation. The current Internal Revenue Code permits only straightline depreciation to be taken on a building constructed before 1953. As shown by Example 2, this makes a post-1953 structure more attractive to a buyer considering the potential tax consequences, because the newer building would qualify for accelerated depreciation while a pre-1953 structure must be depreciated on the straightline method.[5] Section 401 would permit the owner of a "substantially rehabilitated property" to utilize accelerated depreciation methods. To qualify, the investment in rehabilitation must be at least $5,000 over two years and must exceed the original value of the structure at the beginning of that two-year period. This Section 401 treatment is not limited to "certified historic structures" and, therefore, would benefit properties of less than Register caliber as long as they were used for business or rental purposes. Accelerated depreciation under Section 401 would be an alternative to amortization of rehabilitation expenses under Section 301. This is attractive to the owner of an expensive building, because as the cost of the building increases in relation to the rehabilitation costs, depreciation becomes a larger factor and amortization a lesser one.

Example 5: T purchases a historic building for $1,000,000. He invests another $1,000,000 in rehabilitation. Useful life of the structure is 20 years, and the tax is computed at the corporate rate, 50%. The tax consequences under the various provisions would be as follows:

Year	Present code, straightline depreciation of cost only		Proposed amendment				
			Sec. 301, amortization of rehabilitation expenses, straightline depreciation of cost			Sec. 401 (declining balance depreciation of cost rehabilitation expenses)	
			Deduction				
	Deduction	Tax saving	Depreciation	Amortization	Tax saving	Deduction	Tax saving
1	$100,000	$50,000	$50,000	$200,000	$125,000	$400,000	$200,000
2	100,000	50,000	50,000	200,000	125,000	320,000	160,000
3	100,000	50,000	50,000	200,000	125,000	256,000	128,000
4	100,000	50,000	50,000	200,000	125,000	204,800	102,400
5	100,000	50,000	50,000	200,000	125,000	163,840	81,920
6	100,000	50,000	50,000	0	25,000	131,072	65,536
7	100,000	50,000	50,000	0	25,000	104,856	52,428
8	100,000	50,000	50,000	0	25,000	83,886	41,943
9	100,000	50,000	50,000	0	25,000	67,110	33,555
10	100,000	50,000	50,000	0	25,000	53,688	26,844
20	100,000	50,000	50,000	0	25,000	6,002	3,001

CHARITABLE CONTRIBUTIONS

The third area of revisions contained in the Environmental Protection Tax Act and the Historic Structures Tax Act in the deduction of property interests as charitable contributions. Recent tax reforms have generally, with the exception of easements perpetual in terms, abolished the deduction of less than fee interest in land—such as easements, options to purchase and long-term leases—donated for charitable purposes. This eliminates any tax incentive for the donation of a scenic or facade easement on a historic property except when given for a perpetual term. Also, charitable deductions for remainder interests[6] have been limited to residences and farms, preventing the donor from realizing any of the tax benefits previously available and thereby removing an incentive to give.

Section 501 proposes modifications to current Internal Revenue Code provisions to encourage the donation of less than fee and remainder interests to organizations for preservation purposes. Any lease, option to purchase, or easement of not less than 30 years duration could be granted to a recognized charitable organization, including State and local governments, for conservation purposes and qualify the donor for a deduction from his income equal to the value of the interest conveyed. Under Section 501(a)(4), conservation purposes include "the preservation of land areas for public outdoor recreation or education, or scenic enjoyment; the preservation of historically important land areas or structures; or the protection of natural environmental system." The section would also permit the deduction by the donor of a remainder interest in a conmmercial or rental property granted for conservation purposes. This would allow the owner of a historic property to donate it to a preservation organization, while retaining the right to use the property until his death. In the meantime he would realize immediate tax benefits from his gift, and the recipient of the remainder interest would have certain rights to prevent the deterioration or alteration of the property. Finally, the bill changes the estate and gift tax provisions to allow the deduction of these same interests for conservation purposes, thereby encouraging bequests of such intrest.

In summary, the Environmental Protection Tax Act and the Historic Structures Tax Act would redress much of the imbalance of the present tax system that mitigates against the preservation of historic properties employed in commercial use. The existing encouragement of new construction, through deduction of demolition costs and losses and accelerated depreciation, is reversed in the case of recognized historic structures. Rehabilitation of historic buildings is favored by the write-off rehabilitation expenses and the allowance of accelerated depreciation for substantially rehabilitated structures. Finally, the deduction of charitable contributions of less than fee and remainder interests for conservation purposes is permitted. Besides the obvious incentives to private preservation activity, the inducement of preferred tax treatment should be a spur to enrollment of properties on the National Register because that listing is the basis for qualifying for the proposed incentives.

STATUS OF THE BILLS

The Environmental Protection Tax Act was drafted jointly by the Council on Environmental Quality and the Department of the Treasury. With the Administration's backing, Representative Byrnes of Wisconsin, ranking minority member of the Ways and Means Committee, introduced the bill on April 27, 1972. As H.R. 14669, the bill was referred to the Ways and Means Committee but no further action was taken during the 92nd Congress. In February 1973, the President transmitted his 1973 Environmental Program to the Congress, including a request for action on the Environmental Protection Tax Act. On March 14, 1973, Representative Conable of New York reintroduced the measure. Designated H.R. 5584, the Environmental Protection Tax Act of 1973 is currently pending before the House Ways and Means Committee.

On August 3, 1973, Senator J. Glenn Beall of Maryland introduced S. 2347, the "Historic Structures Tax Act of 1973." This measure embodies all the historic preservation incentives found in the proposed Environmental Protection Tax Act and analyzed in this paper. S. 2347 is currently pending before the Senate Finance Committee.

FOOTNOTES

[1] For simplicity, all section numbers referred to in this paper will be those of H.R. 5584.

[2] "Certified historic structure" is the term used by the bill for those properties covered by its provisions. As defined in Section 301 (d)(1), the term includes any building or structure subject to depreciation which is: (1) listed individually on the National Register; or (2) is located in a Registered historic district and is certified by the Secretary of the Interior or his delegate as being of historic significance to the district. The term, "subject to depreciation" means that the building must be used in a trade or business or for the production of income, as in the case of a rental property.

[3] The Code defines capital expenditures as amounts spent on "permanent improvements or betterments made to increase the value of any property." These expenses are not deductible from income as maintenance expenses are and must normally be added to the basis of the property. In Jones v. Commissioner, 242 F. 2d 616 (5th Cir. 1957), a taxpayer who reconstructed a building in the Vieux Carre was required to treat "general rehabilitation" costs as capital expenditures.

[4] The process of deducting capital expenditures such as rehabilitation costs from income, rather than adding them to the basis of the property, is referred to as amortization.

[5] The basis for depreciation in either case would be the purchase price plus any capital improvements subsequently made in the building.

[6] A remainder interest is a right to ownership of a property that does not take effect until the expiration of another's interest in the property. For example, if T donated a remainder interest in his home to the National Trust, subject to a life estate in T, the Trust would not acquire full title to the property until T died. The Trust would have certain rights over T's use of the property during his lifetime.

EXHIBIT 4

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., March 20, 1974.

To: The Honorable J. Glenn Beall, Jr.
From: Economic Division
Subject: Summary of tax law affected by S. 2347, Historic Structure Tax Act

This memorandum is in response to your request for a summary of present tax law which is relevant to the provisions of S. 2347, Historic Structures Tax Act, and the changes which would be effetced by enactment of this bill. Following is a summary covering the three basic objectives outlined in your letter. The first two objectives are covered as a unit since present law and the provisions of S. 2347 are overlapping in their applicability.

1. Encourage the preservation of historic buildings and structures certified by the Secretary of Interior.

2. Encourage the rehabilitation, rather than the demolition, of existing structures.

PRESENT LAW

Under present tax law, accelerated depreciation is available for new building construction. For new real property (other than residential housing) constructed after July 24, 1969, depreciation may be computed under the 150 percent declining balance method (1½ times the straight line rate is applied in each year to the balance of the cost, without construction of salvage value), or it may be computed under any other consistent method which does not give greater allowances in the first two-thirds of useful life than the 150 percent declining-balance method. Used real property acquired after July 24, 1969 is generally limited to straight line depreciation. Exceptions to these methods are provided for both new and used residential rental property.[1] Thus, under present law, an older building or historical structure could be demolished, and a taxpayer could receive accelerated depreciation on the new commercial building constructed on the cleared site. In addition, deductions are permitted for the expenses of demolition and the unrecovered investment in a building.

CHANGES PROPOSED BY S. 2347

S. 2347 would provide incentives for the rehabilitation of older structures rather than their destruction. It would provide accelerated depreciation rates now available for new buildings to the undepreciated cost of old buildings which are substantially rehabilitated. If a taxpayer substantially rehabilitates depreciable property, he would be permitted to elect to compute depreciation with respect to his preexisting basis in the building as though the original use of the property began with him. This will permit him to use the accelerated method of depreciation. In order to qualify for this special tax treatment, the mounts added to capital account during a 24 month period must be at least $5,000 in amount and must be greater than the adjusted basis of the property as determined at the beginning of the 24 month period. The changes made by this provision would apply to additions to capital account made after June 30, 1974.

In the case of a certified historic structure (certified by the Secretary of the Interior as registered or qualified for registration on the National Register), S. 2347 would permit a five year write-off of rehabilitation expenditures if the structures are used in the taxpayer's trade or business or held for the production of income. Deduction for depreciation would also be allowed with respect to the portion of the adjusted basis which is not amortized.

On the disposition of a certified historic structure, gain would be treated as ordinary income to the extent that the special write-off provided under the bill exceeded the depreciation deduction which would have otherwise been allowable (without regard to this provision). The changes made by this provision would apply to additions to capital account made after February 15, 1973.

S. 2347 provides that no tax deduction would be permitted in the case of the demolition of a certified historic structure, or for the undepreciated cost of such a structure. Both items would have to be allocated to the basis of the land. Structures located in a registered historic district would be treated as a certified historic structure unless the Secretary of the Interior certified, prior to demolition, the structure was not of historic significance to the district. The changes made by this provision would apply to demolitions occurring after the date of enactment.

If a certified historic structure is demolished or substantially altered, but not in conformity with the rehabiltation provisions included in the bill, S. 2347 provides that any new construction, after February 15, 1973, on the site previously occupied by the historic structure would be eligible only for straight line depreciation. The changes made by this provision apply to property placed in service after December 31, 1973.

3. Encourage charitable transfers of property for use of parks, open spaces, or other conservation purposes.

PRESENT LAW

Under Federal income and estate and gift tax law, a charitable deduction is not allowed for contributions (not made by a transfer in trust) of a partial interest in property unless the contribution would be deductible if that interest had been transferred in trust. The disallowance does not apply, however, to contributions of (1) a remainder interest in a personal residence or farm, or (2) the undivided portion of the taxpayer's entire interest in the property. For example, a deduction will be allowed where an individual makes a gift of his residence to charity and retains the right to live in the residence for his life. Also, a gift of an open space easement in gross is considered a gift of an undivided interest in property where the easement is in perpetuity, and is, therefore, deductible.

A deduction is allowed for contributions transferred in trust except under certain circumstances These exceptions involve contributions of remainder interests and income interests, as follows:

Remainder interests—no deduction is allowed for contribution of a remainder interest unless the trust is a charitable remainder annuity trust or a charitable remainder unitrust, or a pooled income fund.

Income interests—no deduction is allowed unless the interest is in the form of a guaranteed annuity, or the trust instrument requires that the charity receive an annual fixed percentage of the fair market value of the trust property determined annually.

CHANGES PROPOSED BY S. 2347

S. 2347 would revise the tax treatment of the charitable donation of land or rights in land for environmental purposes. S. 2347 would provide that a charitable deduction under income and estate and gift taxes would not be denied for the transfer to a qualifying organization or a partial interest in property where the interest is either a lease on, option to purchase, or easement with respect to real property of not less than 30 years' duration or is a remainder interest in real property which is granted exclusively for conservation purposes. Qualifying organizations are those to which individual contributions are eligible for the maximum 50 percent deduction. They include public charities, private operating foundations, and private nonoperating foundations which either distribute the contributions they receive to public charities or private operating foundations within 2½ months following the year of receipt, or qualify as community foundations. The term "conservation purposes" means the preservation of land areas for public outdoor recreation or education, or scenic enjoyment; the preservation of historically important land areas or structures; or the protection of natural environmental systems.

By Mr. BIDEN:

S. 668. A bill to provide a special payment to certain elderly and disabled social security recipients. Referred to the Committee on Finance.

Mr. BIDEN. Mr. President, I have become alarmed that our economic system is going backward as far as providing people with the basic necessities of life. More and more Americans are finding it difficult to contend with increasing costs of housing, utilities, food, clothing, and transportation.

The Ford administration's 1976 budget proposals submitted to us yesterday only aggravate an already deteriorating situation. Indeed, they make a modest existence almost impossible.

It is the elderly who perhaps suffer most in a recession/inflation economy such as we now are laboring under. Poverty among this age group is almost a way of life—for example, last year only one of five older Americans had an income sufficient to pay any Federal income tax.

Elderly Americans pay more than 10 cents of each dollar of their incomes for natural gas and electricity, compared to 2 percent paid by middle-income groups. Per capita health care expenditures for the elderly are three times higher than those for persons under 65, and while individuals under 65 pay 23 percent of their income for housing, older Americans pay 35 percent. While food costs have risen 15 percent during the past year, elderly incomes have remained fixed.

This administration's solution to the problem is to raise the price of food stamps, limit the automatic cost-of-living increase in social security benefits to 5 percent instead of the projected higher rate, and to grant a tax rebate, which only 20 percent of the elderly will receive.

Mr. President, early in my service in the Senate, I determined that I would use my vote to try to discourage unwise or wasteful spending. But I do not share the President's view that the way to do this is to place the burden on older Americans, who have already shouldered the brunt of inflation.

Although I have introduced legislation to provide a $50 tax credit to all taxpayers, most senior citizens would be ineligible because so few of them pay Federal income tax. For this reason, I am today introducing legislation which would grant social security recipients a bonus in the form of one additional payment equal to one-half of their monthly benefit check. This additional payment would be financed from the general revenues, not the trust fund, and it would be payable to individuals who currently receive benefits under title II of the Social Security Act. Individuals receiving this additional payment would, therefore, include retired workers receiving benefits for old age or disability, dependents of retired or disabled workers, and surviving family members of a deceased worker. The cost of the additional payment would be financed from the general treasury so as not to place added burden on the social security trust fund.

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[1] In addition, a special provision was enacted in 1969 which included incentives comparable to those in S. 2347. This provision permits taxpayers to elect to compute depreciation for rehabilitation expenditures on buildings for low- and moderate-income rental housing which are made after July 24, 1969 under the straight line method over a period of 60 months if the additions or improvements have a useful life of 5 years or more.

Mr. President, President Ford's budgetary proposals with respect to our older Americans seem almost unconscionable. His budget proposes a ceiling of 5 percent on social security benefits while inflation is running at a double digit figure. It would almost appear as if we are asking that portion of the population which is over 65 to singlehandedly pay off the national debt.

The legislation I propose would provide at least some small relief to senior citizens from a staggering inflation. It could help them meet their energy costs, for example, or purchase more food.

In this regard, a recent study by HEW in conjunction with the Federal Energy Administration urged the consideration of other policy options to supplement the existing Federal assistance programs which are inadequate to meet the needs of the poor. Among the options stated were changes in the food stamp benefit structure to lower the purchase price of coupons, and an energy stamp program to provide needy families and individuals with coupons to be used in purchasing home heating fuels.

Mr. President, I am concerned that we have just been presented with a proposed budget, one-seventh of which is a deficit. We cannot turn away from this problem. But neither can we turn away from the elderly, poor, and disabled individuals who cannot fend for themselves.

I would urge my colleagues in the Senate to move quickly and favorably on my bill so that we can provide some measure of relief to those who have been most severely hurt by the present economy.

I ask unanimous consent that the text of the legislation I am introducing be printed in the RECORD at this point in my remarks:

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 668

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the amount of the monthly insurance benefit to which any individual is entitled under Title II of the Social Security Act for the second month after the month in which this Act is enacted shall for such month (and for such month only) be increased (1) in the case of any such individual (other than an individual who is entitled to such benefit under such section 227 or 228 and whose spouse is also entitled to such a benefit under such section 227 or 228) by $50 or (if greater) by an amount equal to 50 per centum of such benefit (as determined without regard to this Act), and (2) in the case of any such individual who is entitled to such benefit under section 227 or 228 and whose spouse is also entitled to such benefit under such section 227 or 228, by an amount equal to 50 per centum of such benefit (as determined without regard to this Act). For purposes of applying the proceding sentence, the amount of an individual's monthly benefit under section 228 of the Social Security Act shall be regarded as the amount of such benefit as determined under such section without regard to the provisions of subsection (c) thereof.

(b) (1) The increase in social security benefits provided by this Act shall not be considered to be a "general benefit increase under this title" (as such term is defined in section 215(i)(3) of the Social Security Act.

(2) The amount of the increased payment of monthly insurance benefit for the second month after the month in which this Act is enacted payable to any individual shall, if administratively feasible, be paid at the same time as and as a part of the regular monthly insurance benefit paid to such individual for such month; otherwise, a special payment equal to the amount of such increase shall be paid to such individual at the earliest practicable date after the date on which such regular monthly insurance benefit is paid to such individual.

(3) The amount of the increase in monthly insurance benefit payable to any individual under this Act shall, for purposes of title II of the Social Security Act, be treated as a part of a regular monthly insurance benefit payable under such title, except that the provisions of section 203(a) of such Act shall not be applicable with respect to so much of the monthly social security payment (as increased by this Act) paid to any individual as is attributable to the increase in such payment made by reason of the provisions of this Act.

SEC. 2. Notwithstanding any other provision of law, any amount payable to any individual by reason of the provisions of the first section of this Act shall not be included in the income of such individual (or of the family of which he is a member) for purposes of determining the eligibility of or amount of assistance to be provided to such individual (or of the family of which he is a member) under any program which is designed to assist needy individuals or families, if such program is a Federal program or a State program supported wholly or in part by Federal funds.

SEC. 3. There is hereby authorized to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and to the Federal Disability Insurance Trust Fund an amount equal to the aggregate of the additional amounts paid from such Fund, as monthly insurance benefits under title II of the Social Security Act, by reason of the provisions of the first section of this Act.

By Mr. MOSS:

S. 670. A bill to regulate commerce and to prohibit unfair or deceptive acts or practices in commerce, and for other purposes. Referred to the Committee on Commerce.

CONSUMER FRAUD ACT

Mr. MOSS. Mr. President, I introduce, for appropriate reference, a bill to regulate commerce and to prohibit unfair or deceptive acts or practices in commerce and for other purposes.

I ask unanimous consent that the text of the bill be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, during the past few years, the Committee on Commerce and, particularly its Consumer Subcommittee, has concentrated on developing "self-help" tools for consumers and on improving the regulatory framework so that the Government's agencies are able to respond quickly and effectively to today's problems.

In the self-help area, for example, we have considered class actions and other dispute settlement mechanisms in the Consumer Controversies Resolution Act and similar bills. We have also worked toward improving the content of warranties, toward increasing substantive disclosures in advertising, and toward encouraging more effective product testing to provide consumers with the kind of adequate information they need for informed decisionmaking in the marketplace.

On the regulatory side, the committee has worked to eliminate delay and enhance the fairness and comprehensiveness of Government regulation as it affects the marketplace. We have, for example, readjusted the authority of the Federal Trade Commission so that it can provide effective protection against and deterrence to many kinds of consumer fraud. We have also worked toward bringing the regulatory authority in the safety area up to date to help solve the problems posed by occasional food adulteration and product hazards to our mass market economy.

During our consideration of these and similar measures, it became clear that despite the impressive array of administrative and civil penalties which can effectively encourage strict compliance, fraudulent operators who perpetrate wanton abuses are left virtually untouched by existing laws.

As the then Attorney General William Saxbe stated during a conference of State and local consumer protection officials last June, further sanctions are necessary if we are to root out those who are all too willing to engage in or take advantage of unconscionable marketing practices. At that time, the Attorney General said that "tough criminal penalties are needed rather than civil sanctions which too often are toothless," and he noted that a new fraud statute is necessary since now the only major vehicle for prosecuting blatantly fraudulent marketing practices is the rather narrow mail fraud statute.

To fulfill the need that our studies and the Attorney General pointed up, in the last days of the 93d Congress, I introduced a "Consumer Fraud Act" and I am reintroducing it now to put teeth into the web of consumer protection laws.

The act works by defining a variety of fraudulent trade practices which are clearly deceptive and unconscionable and it subjects those who knowingly engage in these practices to criminal penalties. The requirement that the conduct be knowingly engaged in precludes the possibility that the criminal penalties will be enforced against any inadvertent violations, but insure that the unscrupulous operators who engage in deceptive practices as a matter of course will no longer be able to profit from their wrongdoing.

The conduct proscribed by this bill includes knowingly making false or misleading statements concerning the need for, or necessity of, any goods, services, replacements, or repairs; representing that goods are new, knowing that they are not in fact new; failing to return or refund deposits or advance payment for goods which are not delivered or services not rendered; offering gifts, prizes, free items, or other gratuities intending not to provide them as offered in connection with a sale of goods or services to a consumer; and using physical force, threat of physical force, undue harassment, or coercion in dealing with consumers.

Clearly, there are activities which we do not condone and the conduct of which should be punished. They are also not the kind for which we need a regulatory mechanism, such as the Federal Trade Commission, to determine whether they are unfair or deceptive. When knowingly engaged in, these activities are crimes and should be punished as such.

S. 670

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Fraud Act".

SEC. 2. As used in this Act, the term—

(1) "consumer" means any human being who is offered or supplied goods or services for personal, family, or household purposes;

(2) "goods" means personal and real property, but the term does not include securities or interests in securities;

(3) "services" means any benefit resulting from the labor, skill, or time of another person or from the use of property, including, but not limited to, labor, professional service, transportation, telephone, mail, other public service, electricity, gas, other public utility service, insurance, banking, accommodations in hotels, restaurants, or other places, admission to exhibitions, performances, or other places, and the use of property owned by another;

(4) "statement" means any representation in any form of advertising, any oral or visual presentation, or any other representation, presentation, or conduct which is intended to communicate to consumers;

(5) "supplier" means any person who is in the business of making goods or services available, either directly or indirectly, to consumers; and

(6) "unfair consumer practice" means any of the following: (A) offering goods or services intending not to sell them as offered; (B) advertising goods or services intending not to supply reasonably expectable public demands, unless the advertisement discloses a limitation; (C) knowingly making false or misleading statements concerning the need for, or necessity of, any goods, services, replacements, or repairs; (D) representing that the consumer will obtain any rights, privileges, or remedies, knowing that the consumer will not in fact obtain them; (E) representing that goods are new, knowing that they are not in fact new; (F) representing that goods are of a particular standard, grade, quality, style, or model, knowing that they are not; (G) knowingly making false or misleading statements concerning (i) the reason for, existence of, or amounts of price reductions, or (ii) savings in comparison to prices charged by competitors or one's own price; (H) representing that goods or services are those of another person, knowing that they are not; (I) failing to return or refund deposits or advance payments for goods which are not delivered or for services which are not rendered in the absence of any default or breach of obligation on the part of consumers making such deposits or advance payments; (J) knowingly representing that goods or services have sponsorship, approval, origin, safety, or performance characteristics, ingredients, uses, benefits, or quantities that they do not have, or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have, except that the conduct described in paragraph (J) of this section shall not be an unfair consumer practice if the supplier shows that an affirmation merely of the value of the goods or services, a statement of his opinion of the goods or services, or any similar statement did not take unfair advantage of the consumer's knowledge, ability, experience, or capacity; (K) taking consideration for goods or services intending not to deliver such goods or not to perform such services, or intending to deliver goods or to provide services which are materially different from those ordered or sold; (L) knowingly making false or misleading statements concerning the profitability, risk, or any other material aspect of any home-operated business opportunity or venture; (M) offering gifts, prizes, free items, or other gratuities, intending not to provide them as offered in connection with a sale of goods or services to a consumer; (N) knowingly making false or misleading statements concerning the existence, terms, or any discount offered as an inducement for the sale of goods or services to a consumer in return for giving the supplier the names of prospective consumers or otherwise helping the offeror to enter into any other consumer transaction; (O) using physical force, threat of physical force, undue harassment, or coercion in dealing with consumers; or (P) any other act or practice which is unfair or deceptive to a consumer and which is prohibited by section 5(a)(1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)).

SEC. 3. Chapter 63 of title 18, United States Code, is amended by inserting therein, and amending the syllabus accordingly, the following new section:

"§ 1345. Unfair consumer practices

"Whoever, in connection with the sale or distribution of goods, services, or other property by the use of any means or instrumentality of transportation or communication in or affecting interstate or foreign commerce or by use of the mails, with actual knowledge or knowledge fairly implied, engages in or offers or attempts to engage in an unfair consumer practice, as defined in section 2(7) of the Consumer Fraud Act, shall be fined not more than $10,000 or imprisoned for not more than three years, or both.".

SEC. 4. Any contract or agreement in or affecting interstate or foreign commerce which provides for the purchase of goods or services in furtherance of an unfair consumer practice is void. Any person who knowingly induces a consumer to enter into a contract or agreement pursuant to or in furtherance of an unfair consumer practice shall be liable to such consumer in an amount equal to three times the consideration paid and any other loss suffered, together with the costs of any legal action required including a reasonable attorney's fee (based upon actual time expended). Such amount may be recovered in a civil action in an appropriate district court of the United States. The district courts of the United States shall have jurisdiction of any action brought under this section without regard to the citizenship of the parties or the amount in controversy. An action under this section may be brought within three years from the last date on which such consideration was paid.

SEC. 5. The Attorney General of the United States, or the chief law enforcement officer or the attorney general of any State in which a prohibited act or practice occurred, may upon a finding that any person is engaged or is about to engage in any act or practice which constitutes an unfair consumer practice, may bring an action in the appropriate district court of the United States to enjoin such act or practice. Such courts shall have jurisdiction over such actions and shall provide appropriate relief. Such court may grant a temporary restraining order, or a preliminary or permanent injunction without bond.

SEC. 6. This Act does not annul, alter, or affect the scope or applicability of the laws of any State relating to unfair consumer practices except to the extent that such laws permit acts or practices which are unlawful under this Act.

By Mr. HUMPHREY:

S. 671. A bill to establish a Federal Inland Waterways Administration in the Department of Transportation. Referred to the Committee on Government Operations.

OUR INLAND WATERWAYS—A VALUABLE NATIONAL RESOURCE

Mr. HUMPHREY. Mr. President, I am today introducing legislation to establish a Federal Inland Waterways Administration within the Department of Transportation. I believe this reorganization proposal requires priority attention in light of the vital importance of our inland waterways and the increasing demands being placed on this transportation network.

Over the years I have been a strong exponent of the development and use of our Nation's inland waterways as a cost-effective transportation system and as a vital component in regional development and in the promotion of commerce for associated port facilities.

Commerce on our inland waterways is of major importance. In 1972, freight carried on inland waterways and the Great Lakes reached over 338 billion ton-miles. This was more than twice the freight carriage level in 1950. About one-fifth of all the Nation's freight is carried on the inland waterways—consisting chiefly of coal, grain, sugar, iron ore, forest products, petroleum, chemicals, sand, and large semifinished and finished products.

This commerce is highly important to the economy of Great Lakes ports, including Duluth and other Minnesota terminals. In addition, the inland waterway ports of Minneapolis and St. Paul handled over 6.4 million tons in 1970, and even this amount is small in comparison to the tonnage handled by such major inland ports as St. Louis, Memphis, Baton Rouge, and New Orleans.

The dramatic dimensions of our inland waterway system and its major impact on commerce are probably not generally well known. We are talking about a system that includes 25,543 miles of federally improved navigable inland channels, exclusive of the Great Lakes, and where 38 States with 95 percent of the population have commercial transportation services by vessels. We are describing a large-scale ship-building and carrier industry—including 1,849 companies engaged in commercial operations on the inland waters; and in which 80,000 persons are employed aboard an inland fleet of over 17,500 dry cargo barges and scows, more than 3,400 tank barges, and 4,278 towboats and tugs.

The Alaskan, Atlantic, and Gulf Intercoastal Waterways, and the major Mississippi system with Ohio, Tennessee, Arkansas, and Missouri River tributaries are perhaps best known and have been of incalculable importance in the economic growth of large sectors of our Nation. The opening of the St. Lawrence Seaway etsablished the largest inland navigation system on the continent. But inland channels on other rivers, as well as constructed waterways and canals, have also achieved significant regional economic development in Washington, California, Texas, Alabama, Georgia, Florida, Illinois, States bordering on tributaries of the Chesapeake and Delaware Bays, and New York with the Hudson River-State Barge Canal system.

My point in outlining the scope and importance of the inland waterways is to emphasize their key role in the Nation's transportation system. However, this role is not reflected in the organization of the Department of Transportation, except for the U.S. Coast Guard and the St. Lawrence Seaway Development Corporation. Rather, responsibilities appear to be shared by the U.S. Army Corps of Engineers, the Maritime Administration of the Department of Commerce—Office of Domestic Shipping, the Interstate Commerce Commission—regulating some 16 percent of inland waterway ton-miles, the Federal coastal ports, and the Tennessee Valley Maritime Commission—with respect to Authority.

The significant absence of a DOT agency on our inland waterways is highlighted by the fact that DOT does have separate Administrations responsible for the development and regulation in the public interest of America's aviation, highway, railroad, and urban mass transit systems.

In this time of profound public concern over forces contributing to inflation, and as we face simultaneously the specter of recession and energy supply shortages, it is highly important to organize Federal policies and programs to promote those sectors which can help stabilize and strengthen our economy. In this regard, two facts about inland waterways transportation merit very close attention: First, it requires less energy per ton-mile than any other method of freight distribution; and second, shipping costs per ton-mile are significantly lower than for several other transportation services.

The responsibilities of the Federal Government in the public interest with respect to our inland waterways were recognized very early in the history of our Nation, with the enactment in 1824 of legislation providing for the improvement of rivers and harbors on a planned basis. Several transportation laws in the present century have underscored the importance of the waterways system, and steps have been taken periodically to promote its development, including the establishment in 1924 of the Inland Waterways Corporation, which continued in operation for several years.

More recently, however, there has been increasing legislative recognition of the problems associated with technological modernization and continued expansion of inland waterways transportation. This includes legislation passed by the 92d Congress to require radio-telephone communications, and amendments to the Interstate Commerce Act, enacted by the 93d Congress, relating to mixed cargoes including dry bulk commodities.

The pressures of expanding commerce on the inland waterways will require increased attention by the executive and legislative branches. We must examine closely the need and feasibility of modernizing navigation systems, where it is contended that obsolete harbor and channel installations will hamper the substantial ton-mile carriage increase expected over the next 10 years. It is important, however, that industry and Government work cooperatively at an early stage in studying and recommending appropriate and equitable measures for financing such capital improvements and ongoing operational costs.

Such cooperation was evident in the National Planning Conference on Domestic Shipping, sponsored by the Maritime Administration in 1972, which has resulted in the proposal of a 5-year program. This would be important in achieving effective administration of the Federal Ship Financing program under the Merchant Marine Act, recently amended to permit participation by inland waterway carriers, where MarAd is currently committed to about $53 million in financing for barges and towboats.

However, the implications of continuing technological innovations in inland waterways shipping will require serious study and appropriate response on a broader scope by the Federal Government. When we confront such matters as increased horsepower of tugs and towboats, expanded loads resulting from integrated barge carriage, containerization and barge redesign, and more recently, developments in Seabee and LASH systems for the carriage of barges, as well as the environmental impact of increased traffic, it is clear that piecemeal approaches by multiple Federal agencies to rapid developments in this major transportation system can no longer be tolerated.

We need to establish a central reference point in the Federal Government with overall responsibility to initiate and coordinate policies and programs for the development and improvement of the waterways and transportation, and to coordinate regulatory functions to promote safe and efficient transportation in this system which is so vital to our national interests. Moreover, we must assure that a rational and comprehensive approach is taken in the development of environmental protection policy with respect to inland waterways.

Presently, there appears to be a confusing matrix of responsibilities shared by at least seven Federal agencies. Whatever the capabilities and accomplishments of these agencies may be, the lack of an organization plan and program for integrated transport regulation and development on the inland waterways can only have an adverse effect upon carriers, shippers, and consumers.

Mr. President, last November I originally presented my proposal for the establishment of a Federal Inland Waterways Administration in a letter to Secretary of Transportation Claude S. Brinegar. In his reply of December 16, 1974, Secretary Brinegar stated that:

> The proposal has such merit as to warrant a more complete analysis of the possibilities.

And he indicated that a staff analysis would be immediately undertaken. Although I have not been informed of the results of this staff study, I was encouraged by the Secretary's reply to propose this reorganization for consideration by Congress.

Mr. President, I believe the establishment of a Federal Inland Waterways Administration merits action early in the 94th Congress. I ask unanimous consent that Secretary Brinegar's letter and the text of this legislation be included at this point in the RECORD.

There being no objection, the letter and bill were ordered to be printed in the RECORD, as follows:

SECRETARY OF TRANSPORTATION,
Washington, D.C., December 16, 1974.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: This is in further reply to your letter of November 6, 1974, regarding the inland waterways transportation system, and its attendant problems and potential. Your letter raises many interesting possibilities and points out some of the weaknesses of the current situation regarding the administration and development of an integrated, economical transportation alternative in the water mode.

As your letter points out, specialized Government agencies have evolved over the years which deal with certain aspects of the inland waterways system: the Army Corps of Engineers for development of our natural resources; the Coast Guard, in addition to its many other functions has the responsibility for aids to navigation and search and rescue; the Interstate Commerce Commission regulates some of the inland waterways carriers; and there are other concerned organizations, both Federal and State.

I agree that some increased coordination of Federal policies, programs and actions concerning inland waterways is a desirable goal. However, by the depth of the analysis of the current situation contained in your letter, I am sure you appreciate the complexities and problems attendant to achieving such a goal. Although certain of the activity in this field is outside the scope of this Department, I believe that the proposal has such merit as to warrant a more complete analysis of the possibilities. Accordingly, I have directed my staff to initiate such an effort, and to report to me the results of their analysis. Also, I intend to discuss this with representatives of the Office of Management and Budget, other interested Federal agencies, and will advise you further.

Thank you for your interest and please be assured that this matter will receive my personal attention.

Sincerely,

CLAUDE S. BRINEGAR.

S. 671

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Inland Waterways Administration Act of 1975".

FINDINGS

SEC. 2. (a) The Congress finds that—

(1) the inland waterways play a key role in the transportation system of the United States, and

(2) there is no single organization responsible for the development and regulation in the public interest of inland waterways of the United States.

(b) It is the purpose of this Act to establish a Federal Inland Waterways Administration in order to initiate and coordinate programs for the development, regulation, and improvement of inland waterways in the United States and transportation thereon.

ESTABLISHMENT

SEC. 3. (a) There is established within the Department of Transportation the Federal Inland Waterways Administration. The Administration shall be headed by an Administrator appointed by the President, by and with the advice and consent of the Senate. The Administrator shall be under the supervision and direction of the Secretary of Transportation.

(b) The functions of the Secretary under this Act shall be administered through the Administration.

FUNCTIONS

SEC. 4. (a) In order to carry out the purposes of this Act, the Secretary, through the Administration, shall—

(1) develop and recommend appropriate policies, programs, and actions affecting inland waterways and transportation on such waterways, with particular emphasis upon such policies, programs and actions relating to safety;

(2) coordinate Federal policies related to the inland waterways system;

(3) conduct continuing comprehensive surveys, collect data, and make available findings on the dimensions of the inland waterways system and its impact on commerce;

(4) provide information and such other assistance to interested persons as may be authorized by the Congress to aid in the maintenance of an efficient inland waterways system;

(5) encourage comprehensive planning by appropriate port authorities designed to coordinate Federal and State activities affecting the development and use of the inland waterways system; and

(6) carry out such other activities as will promote the purposes of this Act and as will assure conformity with appropriate provisions of the National Environmental Policy Act of 1969 (83 Stat. 852).

(b) (1) There are transferred to the Secretary, and the Secretary shall perform, such functions of—

(A) the Maritime Administration of the Department of Commerce,

(B) the Federal Maritime Commission,

(C) the Corps of Engineers of the Department of the Army,

(D) the Tennessee Valley Authority, and

(E) the Interstate Commerce Commission as the Director of the Office of Management and Budget determines relates to inland waterways.

(2) There are transferred to the Secretary, and the Secretary shall perform, the functions of the head of each agency set forth in paragraph (1) of this subsection as such functions relate to a function transferred under paragraph (1) of this subsection, as determined by the Director of the Office of Management and Budget.

(c) Within 180 days after the effective date of this section, the President may transfer to the Department any function of any other agency or office, or part of any agency or office, in the executive branch of the United States Government if the President determines that such function related primarily to functions transferred to the Department by this section.

TRANSFER OF PERSONNEL AND PROPERTY

SEC. 5. (a) All personnel, liabilities, contracts, property, and records as are determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with any function transferred under the provisions of section 4(b), are transferred to the Secretary.

(b) (1) Except as provided in paragraph (2) of this subsection, personnel engaged in functions transferred under this Act shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

(2) The transfer of personnel pursuant to subsection (a) shall be without reduction in classification or compensation for one year after such transfer.

TRANSFERS WITHIN THE DEPARTMENT

SEC. 6. The Secretary is authorized and directed to transfer to the Administration—

(1) that portion of the functions of—

(A) the Coast Guard; and

(B) the St. Lawrence Seaway Development Corporation, and

(2) that portion of his functions administered by or through—

(A) the Coast Guard; and

(B) the St. Lawrence Seaway Development Corporation which relates to inland waterways.

ANNUAL REPORT

SEC. 7. The Secretary shall, as soon as practicable after the end of each fiscal year, prepare, as part of the annual report required under section 11 of the Department of Transportation Act, a report on the activities of the Administration during the preceding fiscal year. Such report shall contain objective data on (1) changes in the development and physical dimensions of the inland waterway system and the effect such changes have on commerce on inland waterways, (2) commercial operations on the inland waterways including industries, persons employed and equipment; (3) needs for improvement of channels, locks and other physical facilities on the inland waterways system; (4) special needs for critical areas such as specific ports or selected portions of the waterways system, and (5) policies, programs, recommendations with respect to maintaining or improving the quality of the human environment.

SAVINGS PROVISIONS

SEC. 8. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this Act, by (A) any agency or office, or part thereof, any functions of which are transferred by this Act, or (B) any court of competent jurisdiction, and

(2) which are in effect at the time this Act takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Secretary, by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any agency or office, or part thereof, functions of which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Department. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the agency or office, or part thereof, before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Secretary, by a court of competent jurisdiction, or by operation of law.

(c) (1) Except as provided in paragraph (2)—

(A) the provisions of this Act shall not affect suits commenced prior to the date this section takes effect, and

(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any agency or office, or part thereof, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any agency or office, or part thereof, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such official of the Department as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this Act takes effect, any agency or office, or officer thereof in his official capacity, is a party to a suit, and under this Act—

(A) such agency or office, or any part thereof, is transferred to the Secretary, or

(B) any function of such agency, office, or part thereof, or officer is transferred to the Secretary,

then such suit shall be continued by the Secretary (except in the case of a suit not involving functions transferred to the Secretary, in which case the suit shall be continued by the agency, office, or part thereof, or officer which was a party to the suit prior to the effective date of this Act).

(d) With respect to any function transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any agency, office, or part thereof, or officer so transferred or functions of which are so transferred shall be deemed to mean the department or officer in which such function is vested pursuant to this Act.

(e) Orders and actions of the Secretary in the exercise of functions transferred under this Act shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the agency or office, or part thereof, exercising such functions, immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such function by the Secretary.

(f) In the exercise of the functions transferred under this Act, the Secretary shall have the same authority as that vested in the agency or office, or part thereof, exercising such functions immediately preceding their transfer, and his actions in exercising such functions shall have the same force and effect as when exercised by such agency or office, or part thereof.

COMPENSATION

SEC. 9. Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(60) Administrator, Federal Inland Waterways Administration, Department of Transportation."

DEFINITIONS

SEC. 10. For the purpose of this Act—

(1) "Administration" means the Federal Inland Waterways Administration;

(2) "Administrator" means the Administrator of the Federal Inland Waterways Administration;

(3) "Department" means the Department of Transportation;

(4) "function" includes power and duty; and

(5) "Secretary" means the Secretary of Transportation.

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

SEC. 11. (a) This Act, other than this section, shall take effect ninety days after the date of enactment of this Act, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Notwithstanding subsection (a), the officer provided for in section 3 may be appointed in the manner provided for in this Act, at any time after the date of enactment of this Act. That officer shall be compensated from the date he first takes office, at the rate provided for in this Act. Such compensation and related expenses of his office shall be paid from funds available for the functions to be transferred to the Department pursuant to this Act.

By Mr. HUMPHREY:

S. 672. A bill to authorize any officer of the United States to accept the voluntary services of certain students for the United States. Referred to the Committee on Post Office and Civil Service.

STUDENT INTERNS IN THE EXECUTIVE BRANCH

Mr. HUMPHREY. Mr. President, I am today introducing legislation which will provide relief from existing civil service regulations which place severe constraints upon programs which provide unsalaried educational internships in Federal agencies for high school, college, and graduate students.

The purpose of this bill is to allow our Federal agencies to open their doors to student involvement in challenging apprenticeship roles which can greatly enhance the participants' knowledge about Government. Many Members of Congress make it possible for students to spend some time in their offices, to learn the workings of Government. In my own office, I have attempted to have an ongoing internship program whereby an average of 15 students per year provide voluntary services. It is an advantageous situation both for the students and for my staff, as these young people perform duties ranging from clerical work to the development of legislative proposals.

In previous Congresses I have introduced proposals to establish internships in State and local government, and to provide interns with modest stipends, and I will be offering similar legislation again this year. A number of State legislatures and agencies have undertaken internship programs and have found this to be a workable, successful addition to State programs.

Mr. President, I believe we need to extend and expand the number of educational opportunities which are provided for students from high school through graduate school. Many in public life have called for increased youth participation in government. We have acted to lower the voting age to 18, and young people in increasing numbers are seeking elective office. Political participation in this country can and should begin as part of the educational process, and the bill I am introducing today would open another avenue to participation by making it possible for Federal agencies to accept the voluntary services of young people.

Because such student activity exists primarily for the educational and intellectual benefit of the interns, I can see no justification for the existing regulations which prohibit unsalaried service, and which prevent the creation of thousands of additional opportunities for young people.

As a model of the current educational programs, I commend to the Senate's attention the Executive High School Internships of America. This program, which annually involves 1,300 high school juniors and seniors across the country, enables young people to serve as special assistants-in-training to executives in government and related fields. The internship carries a full semester of academic credit, but no pay. Sponsoring executives are required to provide a broadly stimulating educational experience and are specifically prohibited from using students as clerks, messengers, or for other functions for which people would be compensated. The founder and national director, Dr. Sharlene Pearlman Hirsch, developed the idea for this program after serving as a Washington intern in education in the U.S. House of Representatives.

Mr. President, I ask unanimous consent that the text of my bill be included at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 672

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 3679 of the Revised Statutes of the United States (31 U.S.C. 665(b)) or any other provision of law, any officer or employee of the United States may accept voluntary service for the United States if such service is performed by a person who is enrolled as a student, not less than half-time, in an institution of higher education or a secondary school at the time the person makes application to perform such voluntary services.

SEC. 2. As used in this Act, the terms "institution of higher education" and "secondary school" have the same meaning as prescribed for such terms in section 1201 of the Higher Education Act of 1965 (20 U.S.C. 1141).

By Mr. MOSS:

S. 673. A bill to establish an energy stamp program which will provide energy stamps to certain low-income households to help meet residential energy costs incurred by such households. Referred to the Committee on Labor and Public Welfare.

Mr. MOSS. Mr. President, home heating costs have risen sharply in recent months and have risen substantially since 1971. In fact, prices for each of the household fuels has risen more since 1971 than any other major commodity or service in the Consumer Price Index, except for food. The most rapid increase has been in the price of fuel oil. From December 1971, to December 1974, the price of fuel oil increased by over 70 percent. A recent study by th Department of Health, Education, and Welfare listed several cities in which households using the primary home heating fuel of the area have experienced significant increases in heating bills:

Projected-price increase of primary fuel 1974–75

Buffalo	44.7
Cleveland	34.5
Washington, D.C.	33.6
San Francisco-Oakland	30.1
Cincinnati	29.4
Boston	27.3
Seattle	26.9
Baltimore	26.4
Philadelphia	24.6
New York	18.0
Detroit	17.8
St. Louis	17.6

Mr. President, these figures tell only part of the story. Total residential energy costs have risen sharply, not only home heating costs. The price increases in electricity have been nearly as dramatic as the increase in home heating fuel. On February 3, the Washington Post reported that the average residential electric bill in Maryland and the District of Columbia rose 33 percent last year while in Virginia electric bills rose 60 percent. Increased electric bills have been mostly the result of price increases for coal and oil, the fuels burned to generate electricity.

Even if the Congress defeats the administration's proposal to deregulate natural gas and oil and to tax oil imports it is likely that residential energy cost will continue to increase faster than the Consumer Price Index. This is confirmed by the HEW study which projects price increases for residential energy for 1974–75:

	Percent
Natural gas	14.6
Fuel oil	23.1
Electricity	17.2

This continued rapid rise in the price of residential energy is causing severe hardships for those least able to adjust—the poor, the low-income working families, and the elderly.

The press has reported case after case of individual suffering. The tragedy of the elderly couple in Schenectady, N.Y., who died from cold after the utility company turned off their heat. The lady in Kansas who receives $82 per month from social security and pays the propane company $80 to heat her house. Or cases of families paying more to heat their homes than to rent them. These conditions are simply intolerable. Millions of low-income Americans are carrying a disproportionate share of the increased residential energy costs.

The poor spend an average of 15 percent of their income on electricity and home heating compared to less than 5 percent for those with incomes over $16,000. Because heating costs come in several large lump sums in the winter and the poor are less able to summon up cash reserves or obtain credit, it becomes impossible for some low-income households to pay their heating bills. With the prices of other essentials like food and clothing also rising, the poor are even less able to shift their consumption from nonessentials. Among the poor, energy consumption is almost entirely a necessity, whereas fuel consumption by others is more a matter of lifestyle. To adjust to rising energy costs the poor must cut into consumption of basic needs.

Furthermore, the pricing policies of utility companies penalize the poor. Utility rates decline with the amount purchased. Rates are designed partly to encourage usage, but poor households use substantially less electricity and natural gas than other households, but pay almost 8 percent more per unit—that is per million B.t.u.'s. Therefore, the poor who can afford only small amounts of electricity or natural gas and use it entirely for necessities pay more per unit than other households.

There are Federal programs which guarantee a certain minimum level of housing, medical care, and nutritional levels for low-income families. In an examination of the various income security programs it is apparent that the cost of residential energy has not been considered a basic necessity, but, Mr. President, heating and lighting a home is a basic necessity.

Today I am introducing a bill to establish a national energy stamp program. This bill will provide entitlements to low-income families to help them meet the rising costs of residential energy.

Those eligible for benefits are households with less than $6,000 income. If every eligible family participated in this program the cost to the Treasury would be less than $1 billion. This cost is not excessive when one realizes that there are over 40 million people living in households which earn less than $6,000 a year. Rising residential energy costs have forced lower living standards on these 40 million people and in many of these households a choice must be made between heat and food. No family should have to make this sort of decision. We must guarantee a basic standard of living for all Americans. No one should be deprived of minimum levels of heat and light, food, housing, and medical care.

This bill will require the Secretary of Health, Education, and Welfare to establish benefit levels that will take into consideration climate, household size, type of fuel used, fuel price, household income, and subsequent price increases in residential energy. Benefits will be set high enough to offset much of the increase in residential energy cost but low enough so as not to induce unnecessary fuel consumption. Each eligible household will receive coupons in amount equal to 30 percent of their utility costs. Funding will be provided by the Federal Government and each State desiring to participate in the energy stamp program must submit for approval a plan of operation specifying the manner in which such program will be conducted within the State.

By Mr. JACKSON:

S. 677. A bill to establish a strategic energy reserve office in the Federal Energy Administration, to create a strategic energy reserve system to minimize the impact of interruptions or reductions of energy imports, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

STRATEGIC ENERGY RESERVES ACT OF 1975

Mr. JACKSON. Mr. President, I am introducing for appropriate reference the proposed Strategic Energy Reserves Act of 1975.

Two years ago I introduced legislation to establish strategic reserves. Eighteen months ago, administration spokesmen testified before the Interior Committee that some type of strategic reserve was necessary. Until last month, however, the executive branch had never endorsed or proposed a strategic reserve system.

The 94th Congress must act now, on a priority basis, to authorize a strategic reserve.

The concept of strategic energy reserves is simple. The stockpiling of energy supplies provides some degree of protection against unexpected interruptions or reductions of energy imports. And the very existence of adequate reserves can serve as a deterrent to such interruptions or reductions.

The creation and maintenance of strategic reserves—with oil and other energy forms priced at historic highs—will not be cheap. The question must be asked, however, can we afford not to stockpile such reserves?

We had a taste, during the Arab embargo last year, of the economic impact caused by import interruptions. During the first quarter of 1974, when the full effect of the embargo was felt, imports averaged 2.2 million barrels per day below earlier projections. The resulting cutback in petroleum consumption was accompanied by a 7-percent decrease in real GNP, rather than the increase forecast before the embargo.

The relatively short duration of the embargo, coupled with strong energy conservation efforts, kept the impact of the embargo within manageable limits. But a prolonged embargo could have far more serious effects. Obviously, the degree of vulnerability depends on the level of imports. The Project Independence Report, asserting that vulnuerability to import disruptions depends on world prices, concluded that—

> At $7 oil and no new domestic policy actions, imports will reach 12.3 MMBD in 1985, of which 6.2 MMBD are susceptible to disruption. A one year embargo could cost the economy $205 billion.
>
> At $11, imports will decline to 3.3 MMBD by 1985, and only 1.2 MMBD are susceptible to disruption, at a cost of $40 billion for a one year embargo.

Thus, the impact of a future embargo could be serious enough to justify comprehensive—albeit costly—measures to minimize such impacts.

Existing petroleum stocks are clearly inadequate to fulfill the protective and deterrent functions of a strategic reserve. Dr. John Sawhill told the committee last November that within 20 days:

> We would be down to a point where we would be scraping the bottom of the barrel and disrupting our system.

The extent of inventories obviously varies from product to product and from month to month. Realistic definitions of minimum operating inventories leaves us an effective reserve equal to 20 to 30 days of imports. With imports now supplying nearly 40 percent of domestic energy consumption, that kind of margin is too thin for comfort.

The legislation I have introduced today would authorize the immediate establishment of a strategic energy reserve system. This system would be composed of:

First. A national strategic energy reserve including storage of crude oil equal to 25 percent of crude oil imports for 3 months. This reserve could be built up with oil from the public lands, including the naval petroleum reserves.

Second. Industry storage reserves requiring importers of crude oil, residual fuel oil, and refined petroleum products to maintain reserves equal to the highest 3-month level of such commodities imported by him in the preceding 24 months.

Third. Utility storage reserves to be maintained by power stations above a specified size and to be adequate to maintain normal power generation for at least 3 months.

Fourth. Coal storage reserves to equal 6 months of coal consumption to be composed of coal mined by or for the United States from federally owned lands and Federal coal lands from which coal lands from which coal could be mined for consumption within 30 days of an order to do so.

The legislation establishes an overall 5-year period for creating the reserve system. Some components would be completed in less time.

Prior to creation of the reserve, up to 10 percent of readily available inventories could be set aside as an interim reserve.

The legislation also authorizes a prototype storage program to evaluate, within the next year, the problems involved in storing petroleum in geological formations like salt domes. However, in light of existing experience with such storage, a prototype program may not be necessary.

Mr. President, the legislation I am proposing would enable the Government to begin at once the establishment of a strategic reserve system. The legislation proposed on this subject by the administration, on the other hand, offers no assurance that any Government action will take place in the immediate future.

The administration bill sets grandiose goals, but no timetable to meet them. It contains sweeping grants of authority to the President to require reserve storage, with no certainty that such authority will be properly used. The administration bill, carefully read, is nothing more than a prescription for further study and further delay.

Mr. President, the administration opposed strategic reserves legislation 2 years ago, because it felt the subject required further study. Now it is asking Congress to endorse further studies of this subject.

Clearly, the time for study has passed. The need for strategic reserves is well established. We have the capacity to create a workable strategic reserve system. We should now move to do so.

Mr. President, I ask unanimous consent that the text of the proposed Strategic Energy Reserves Act of 1975 be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 677

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Strategic Energy Reserves Act of 1975".

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS.—(a) The Congress hereby determines that—

(1) the nation's increasing dependence on foreign energy sources poses a significant threat to the Nation's economy, security, and well-being;

(2) there is a continuing danger that imports of energy supplies will be subject to interruption or reduction for political or economic reasons;

(3) such interruptions or reductions would have a disruptive economic effect, creating hardship for millions of Americans; and

(4) there is a clear need to minimize the impact of such interruptions or reductions through the establishment of a national system of strategic energy reserves.

SEC. 102. DECLARATION OF POLICY.—It is hereby declared to be the policy of the United States to create over a period of five years, and to maintain thereafter, strategic energy reserves in storage capable of replacing energy imports for at least ninety days in order to reduce the impact of interruptions or reductions in imports of energy supplies.

TITLE II—STRATEGIC ENERGY RESERVE SYSTEM

SEC. 201. GENERAL PROVISIONS.—(a) In order to protect the United States economy against interruptions in energy imports and to provide adequate energy inventories for national security purposes there is hereby created a strategic energy reserve system (hereinafter referred to as the "system") for those fuels subject to the provisions of this Act which shall be composed of the following:

(1) national strategic energy reserves;
(2) industry storage reserves;
(3) utility storage reserves; and
(4) coal storage reserves.

(b) There shall be established in the Federal Energy Administration a Strategic Energy Reserve Office (hereinafter referred to as the "Office"). The Administrator acting through the Office shall exercise authority over the establishment, management, and replenishment of the strategic energy reserve system provided for in this Act. The Office shall have a Director appointed by the President with the advice and consent of the Senate.

(c) As used in this Act, the terms "refined petroleum products" means gasoline, naphtha, kerosene, distillates, refined lubricating oils, diesel fuel, unfinished oils, and liquified petroleum gases.

SEC. 202. NATIONAL STRATEGIC ENERGY RESERVES.—(a) There are hereby authorized to be created national strategic energy reserves, which shall consist of crude oil stored in tanks, natural geological formations or otherwise, and a national strategic coal stockpile.

(b) The Administrator is hereby authorized and directed to establish within five years, and maintain thereafter, national strategic energy reserves equal to 25 per centum by volume of crude oil imports for three consecutive months.

(c) For the purpose of this section, the base period for determining the three-month equivalent of 25 per centum of crude oil imports shall be those three consecutive months in the preceding twelve months in which import levels were the highest.

(d) For the purpose of establishing and maintaining the reserves authorized in subsection (b) hereof, the Administrator is authorized to place in storage, transport, or exchange:

(1) crude oil produced from Federal Lands, including the Naval Petroleum Reserves to the extent authorized by law; and

(2) crude oil to which the United States is entitled as royalty from future production upon Federal lands, including the Outer Continental Shelf.

SEC. 203. INDUSTRY STORAGE RESERVE.—(a) For the purpose of creating an industry storage reserve, the Administrator is authorized to require that within five years after the date of this Act, every importer of crude oil, residual fuel oil or refined petroleum products accumulate and thereafter maintain in storage in tanks, natural geological formations or otherwise a strategic reserve for each such commodity equivalent to the highest three-month level of such commodities imported by him in the preceding twenty-four months. Such strategic reserves shall be available for distribution according to the terms and conditions set forth in Title III of this Act;

(b) Within ninety days of the date of enactment of this Act, the Administrator shall review alternatives for financing the industry storage reserve, including but not limited to, financing solely by industry; financing by Government through grants, rebate of import fees, tax credits or other means; and financing through some combination of industry and Government participation, and shall recommend to Congress a program for financing the industry storage reserve that equitably distributes the costs thereof among different regions of the country with regard for the impact on consumers and the need to maintain the competitive viability of all sectors of the petroleum industry.

(c) From the date of enactment of this Act until such time as the industry storage reserves authorized by subsection (a) of this section are complete, a per centum of readily available inventories (as defined in subsection (f) of this section) shall be reserved in storage and dedicated for use as strategic reserves, to be used under the terms and conditions set forth in title III. Such per centum shall be determined by the Administrator, but in no event shall exceed 10 per centum of readily available inventories;

(d) Every barrel of crude oil, residual fuel oild, or refined petroleum products imported and stored in the industry storage reserve shall be exempt from any import license fee now or hereafter imposed;

(e) Nothing in this section shall be construed to transfer title of any crude oil, residual fuel oil, or refined petroleum products to the United States or to a third party; and

(f) For the purposes of this Act, the industry storage reserve shall consist of readily available inventories which can be drawn down without affecting the importer's operations at normal capacity. Such readily available inventories shall not include minimum working level inventories or otherwise unavailable stocks.

SEC. 204. UTILITY STORAGE RESERVES.—Within two years after the date of enactment of this Act, all fossil-fueled baseload electric power generating stations with a generating capacity of one hundred million British thermal units or more in an hour shall establish and thereafter maintain fuel reserves sufficient to maintain normal power generation for a period of not less than three months.

SEC. 205. COAL STORAGE RESERVES.—The Administrator, in cooperation with the Administrator of the General Services Administration, is authorized and directed within five years after the date of enactment of this Act, to stockpile and maintain a national strategic coal reserve, equivalent to six months of coal consumption. Such reserve shall consist of: (1) Federally owned coal mined by or for the United States from Federally owned coal lands, and (2) Federal coal lands from which coal could be mined for consumption within thirty days of an order to do so. Lands to be mined or dedicated for this purpose shall be selected by the Secretary of the Interior within six months of the date of enactment of this Act.

TITLE III—ADMINISTRATION

SEC. 30. AUTHORITY OF THE ADMINISTRATOR.—To implement the establishment, management, and replenishment of the system, the Administrator, in furtherance of and not in limitation of any other authority, is authorized to:

(a) promulgate rules, regulations or orders necessary or appropriate to implement the provisions of this Act;

(b) acquire by purchase, condemnation or otherwise, land or interests in land for the location of storage and related facilities;

(c) construct, purchase, lease or otherwise acquire storage and related facilities;

(d) use, lease, maintain, sell or otherwise dispose of storage and related facilities acquired pursuant to this Act;

(e) execute any contracts necessary to carry out the provisions of this Act;

(f) require that performance under contracts and orders (other than contracts for employment) which he deems necessary or appropriate to implement this Act shall take priority over performance under any other contract or order and for the purpose of assuring such priority, to require acceptance and performance of such contracts or orders in preference to other contracts or orders by any person he finds to be capable of their performance, and to allocate materials and facilities in such manner, upon such conditions and to such extent as he shall deem necessary or appropriate to achieve the objectives of this Act;

(g) cause proceedings, whenever he deems it necessary to implement this Act, to be instituted in any court having jurisdiction of such proceedings to acquire by condemnation, any real or personal property, including facilities, temporary use thereof, or other interests, therein, together with any personal property located thereon or used therewith, that he deems necessary to achieve the objectives of this Act;

(h) waive application of the provisions of the Federal Property and Administrative Services Act of 1949, as amended, with respect to procurement necessary for the purposes of this Act, if he finds it is in the national interest to do so;

(i) order the use of all or any part of the strategic reserves established pursuant to this Act, when imports of crude oil, residual fuel oil, and refined petroleum products have fallen significantly or will within thirty days in his judgment, fall significantly below existing requirements for such imports, resulting in an existing or prospective shortage of at least 10 per centum of import requirements.

(j) require that the replenishment of depleted reserves is accomplished expeditiously; and

(k) establish price levels and allocation procedures for the national strategic energy reserves created pursuant to sections 202 and 205 of this Act but nothing in this Act shall be deemed to authorize the Administrator to exercise such authority with respect to the industry and utility storage reserves created pursuant to section 204 of this Act.

SEC. 302. CONDEMNATION PROCEEDINGS.—

Before any condemnation proceedings are instituted pursuant to this Act, an effort shall be made to acquire the property involved by negotiation unless, because of reasonable doubt as to the identity of the owner or owners, because of the large number of persons with whom it would be necessary to negotiate, or for other reasons, the effort to acquire by negotiation would involve, in the judgment of the Administrator, such delay in acquiring the property as to be contrary to the national interest. In any condemnation proceeding instituted pursuant to this section, the court shall not order the party in possession to surrender possession in advance of final judgment unless a declaration of taking has been filed, and a deposit of the amount estimated to be just compensation has been made, under the first section of the Act of February 26, 1931 (46 Stat. 1421), providing for such declarations. Unless title is in dispute, the court, upon application, shall promptly pay to the owner at least 75 per centum of the amount so deposited, but such payments shall be made without prejudice to any party to the proceeding. Property acquired under this section may be occupied, used, and improved for the purpose of this Act prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended.

SEC. 303. STRATEGIC ENERGY RESERVES FUND.—There is hereby created in the Treasury of the United States a strategic energy reserves fund. All import fees levied on petroleum imports shall be paid into such fund. Such fund shall be used for the creation and maintenance of the national strategic energy reserves created by sections 202 and 205 of this Act.

SEC. 304. DISCLOSURE, INSPECTION, INVESTIGATION.—(a) Every importer or user of fuels subject to the provisions of this Act shall prepare such accounts, records of cost-accounting procedures, correspondence, memorandums, papers, books, and other records as the Administrator may by rule and regulation prescribe as necessary or appropriate for purposes of the administration of this Act.

(b) The Administrator shall at all times have access to and the right to inspect and examine all producing, transportation, storage, refining, or processing facilities, and all accounts, records, and memorandums of persons subject to the provisions of this Act; and it shall be the duty of such persons to furnish to the Administrator, within such reasonable time as the Administrator may order, any information with respect thereto which the Administrator may by order require.

SEC. 305. PETROLEUM STORAGE PROTOTYPE PROGRAM.—(a) To evaluate the practicability of and to identify the problems attendent upon the storage of petroleum in mines, salt domes, or other geological formations, the Administrator is authorized to establish a prototype program for such storage. This program shall provide for the actual storage if necessary to achieve the purposes of this Section, of such volumes of crude oil, residual fuel oil or refined petroleum products as may be required for test and evaluation purposes in not less than one but no more than three mines, salt domes, or other geological formations, located onshore or offshore on the Federal lands.

(b) Within one year after the date of enactment of this Act the Administrator shall submit to the Congress a report on the prototype program if any, for the storage of petroleum in mines, salt domes, or other geological formations. This report shall include but not be limited to: (1) description of environmental, technological, and material problems encountered; (2) cost per barrel of petroleum stored; (3) evaluation of the practicability of large-scale, long-term storage of petroleum in mines, salt domes, or other geological formations; and (4) recommendations for and factors to be considered in the development of such a large-scale, long-term program.

(c) The Secretary of the Interior is authorized to claim in kind for the purposes of this section and the Administrator is authorized for the purpose of the establishment of the petroleum storage prototype program required by this section, to transport, exchange, and store incidental to that program such per centum as may be required of all crude oil which the United States owns or is entitled to as royalty oil from future production upon Federal lands, including the Outer Continental Shelf.

SEC. 306. ANNUAL REPORTS.—The Administrator shall prepare, have printed, and transmit to the President and the Congress an annual report summarizing all actions taken under authority of this Act, with an analysis of their impact, an evaluation of their effectiveness in fostering the objectives listed in section 102, and any recommendations he may address to Congress for legislation regarding the matters governed by this Act.

SEC. 307. AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Administrator such funds as are necessary for implementation of the provisions of this Act.

SEC. 308. SEVERABILITY.—If any provision of this Act or the applicability thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

By Mr. BARTLETT:

S.J. Res. 31. A joint resolution proposing an amendment to the Constitution of the United States relating to prayer in public schools. Referred to the Committee on the Judiciary.

Mr. BARTLETT. Mr. President, I am today reintroducing my proposed constitutional amendment that would insure our children their freedom to pray in our public schools.

As you know, Mr. President, it has now been about 13 years since the U.S. Supreme Court handed down its edict which in effect has made prayer in school illegal.

Although 13 years have passed, I have found in my travels around Oklahoma that the Supreme Court decision is still unacceptable to the vast majority of our people. And they cannot understand why their elected leaders have done nothing to change that decision.

We have had hearings, speeches, and talk, but thus far there has been no constitutional amendment brought before this body.

I hope we will not let another session of Congress come and go without action on this measure. The longer we are deprived of the complete freedom to pray the easier it will be to forget the need for this freedom. Our forefathers fought and died to insure us this right. We must not allow the least erosion of the liberties which these patriots fought so valiantly to secure.

By Mr. HOLLINGS (for himself, Mr. MAGNUSON, Mr. HARTKE, Mr. WILLIAMS, Mr. HUMPHREY, Mr. HATHAWAY, Mr. CHILES, Mr. STEVENS, Mr. TAFT, Mr. BUCKLEY, Mr. THURMOND, Mr. JOHNSTON, and Mr. BEALL):

S.J. Res. 32. A joint resolution to authorize and request the President to issue a proclamation designating the month of October as "National Fish and Seafood Month." Referred to the Committee on the Judiciary.

Mr. HOLLINGS. Mr. President, today I am introducing a joint resolution calling for the designation of the month of October of this year and October of each succeeding year as "National Fish and Seafood Month."

As this Nation begins the celebration of its 200th year of progress and independence, we have a most appropriate time to honor America's oldest industry.

The American fish and seafood industries produce more than 5 billion pounds of fish and shellfish annually from our oceans, lakes and rivers, providing food and nourishment for citizens in all walks of life.

As a rich source of protein, fish represent a vital contribution to a nutritious, yet economical, diet in these days of inflation. Nutritionists and medical authorities are strong in their belief that marine and aquatic protein represent a valued element in the American diet and a much-needed weapon in the fight against world hunger and malnutrition.

Yet, despite the historical contribution of commercial fishing and of seafood processors to the American Nation, these endeavors have been experiencing troubled times in recent years.

As was pointed out in connection with Senate Concurrent Resolution 11, passed during the 93d Congress:

> It is almost sunset for seafood operations in our Nation.

In the resolution, it was noted that, while the world catch has doubled over the past 10 years, that of the United States has declined and we have plunged from first to sixth place in seafood production.

It is obvious that increased attention is needed for this great industry which is vital to the American diet and to its economy.

To illustrate a point, one has only to look at the budget allocation for developing the potential of protein from our lakes and oceans and its relationship to other national programs. Out of a total Federal budget of more than $300 billion, the National Oceanic and Atmospheric Administration—NOAA—is allotted some $400 million for its budget. Out of this, National Marine Fisheries Service—NMFS—receives some $44 million or a little more than 10 percent of the NOAA budget. The point is quite simple. We believe that the two primary American priorities that must be dealt with in the future are energy and food, yet we see that aquatic protein is virtually ignored in our American budget.

NMFS has begun development of an industrywide national fisheries plan to be aimed at rehabilitating the U.S. marine fisheries. In addition, the National Ocean Policy Study group, of which I am chairman, is examining all aspects of our Nation's need to develop a comprehensive plan to guide future American use of the ocean and its resources.

This action is an important one now and will become more important in the future when the proposed extension of U.S. fisheries jurisdiction and conservation of coastal marine species becomes a reality. When that comes about we will have to mount an even greater effort at rebuilding our fishing capability in order to make full use of the seafood resources off our shore—resources currently largely harvested by subsidized foreign fleets.

To reiterate, our fishermen and their allies in the food industry can provide a valuable service in our efforts for a balanced economy and our fight against inflation.

Recently, our distinguished First Lady, Mrs. Gerald Ford, said over nationwide television that she was serving more fish at the White House in her efforts against the costly inroads of inflation. We applaud this individual act to call attention to the nutritional and economical value of seafood in the American diet.

But let us look at the broader aspects of this fight. At the recent White House Conference on Inflation, the National Fisheries Institute presented its position thusly:

> Increased productivity is the overwhelming answer as the single most important tool to defeat inflation worldwide. As productivity increases, employers can increase wages without increasing prices ...
>
> American fishermen have suffered greatly from poor productivity . . . Inactivity and disregard for the problems these individuals face has left the United States with a fishing fleet so antiquated as not to attract badly needed public or private investments. This has happened to American fishermen while highly advanced foreign fleets literally vacuum fish from the sea up to twelve miles from our shores.
>
> Steps must be taken . . . to conserve and manage stocks of fish, particularly those whose very existence is threatened by the current trends of overfishing. Failure to recognize the immediate need for application of sound management and conservation principles will cause an important renewable food and still economical protein source to become an expensive delicacy.
>
> Once the appropriate measures to protect our living marine resources have been taken, a reallocation of capital must be effected to the benefit of the U.S. fishing fleet to enhance productivity. Only in this way, can we, as a Nation, take full advantage of the valuable and renewable fisheries in the waters off our coast.

In short, there are a number of factors to be considered in our efforts to strengthen the capacity of our fishermen to serve the American need for increased supplies of protein.

We need to press forward with vigorous programs of environmental protection and improvement for the fisheries industry, and we need to encourage the growth and development of all aspects of our fisheries enterprises.

We need to increase support for the management of all fisheries on the basis of adequate scientific information in order to maximize the sustainable harvest of all species.

In addition, we need a thoroughgoing educational campaign to foster the utilization of unused species and of portions of our seafood catch that now are being wasted. The current loss of protein in the processing of blocks and fillets is a vast waste of an invaluable national resource.

We also need to look at our regulations—in harvesting, transportation, and processing—to bolster the beneficial ones and to eliminate those which constitute barriers to our progress.

And, lastly, we need to encourage aquaculture—an area in which our scientists are developing methods to augment our natural fishing industry. These endeavors are in keeping with the innovative spirit that has helped make this Nation great.

Mr. President, all the elements above are included in work now taking place in the National Ocean Policy Study and the Commerce Committee's Subcommittee on Oceans and Atmosphere. We plan to examine, early in this session, the proposed national fisheries plan and make recommendations which will enable the Nation's oldest industry, once again, to afford maximum benefits to this great Nation and to its people.

And so, Mr. President, what more appropriate time than on the eve of the observance of our 200th year, is there for saluting America's oldest industry—one that has contributed greatly to the health of our people and to the welfare of our economy in the past—and for mounting a cooperative effort to enable the fish and seafood industry to renew itself and redouble its contributions to our great society.

I ask unanimous consent that the text of this resolution appear at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 32

Whereas the fishing industry and its related segments is the oldest continuous industry in these 50 States; and

Whereas fish and seafood provide a readily available protein resource for feeding Americans of all walks of life; and

Whereas this rich protein resource could be a potent weapon in the war against world food problems; and

Whereas the United States fishermen and their allies in the food industry produce more than five billion pounds of fish and shellfish annually to provide a major source of natural food to enrich each American's diet; and

Whereas the total water resources surrounding and within the United States of America are capable of producing an even greater abundance of nutritious, wholesome seafood products; and

Whereas the President's Advisory Committee on Oceans and Atmosphere, coincidentally with the Nation's 200th birthday celebration, has recommended the launching of a national fisheries plan aimed at rehabilitating United States marine fisheries; and

Whereas, the nation's fishermen and seafood processors consist of a large group of independent businessmen who represent the best in the American tradition of individual endeavor in their goal of producing food for the American people and the world's hungry; and

Whereas, it is appropriate to honor the nation's oldest industry while saluting the 200th anniversary of this nation; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of October in 1975 and in each succeeding year as "National Fish and Seafood Month", and calling upon the people of these United States and interested groups and organizations to observe such month with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 28

At the request of Mr. Moss, the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Jersey (Mr. CASE), and the Senator from Washington (Mr. JACKSON) were added as cosponsors of the bill (S. 28) to amend the Internal Revenue Code of 1954 to provide a credit against tax, or in the alternative a deduction, for energy conserving residential expenditures.

S. 294

At the request of Mr. BIDEN, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of the bill (S. 294) to amend the Internal Revenue Code of 1954 to increase the effectiveness of the minimum tax for tax preferences.

S. 295

At the request of Mr. BIDEN, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of the bill (S. 295) to amend the Internal Revenue Code of 1954 to eliminate percentage depletion for oil and gas wells over a 3-year period.

S. 296

At the request of Mr. BIDEN, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of the bill (S. 296) to amend the Internal Revenue Code of 1954 relating to the application of the foreign tax credit to taxpayers engaged in the extraction, production, or refining of oil or gas in foreign countries.

S. 426

At the request of Mr. HOLLINGS, the Senator from Minnesota (Mr. MONDALE), the Senator from Utah (Mr. MOSS), the Senator from Delaware (Mr. ROTH) and the Senator from Connecticut (Mr. WEICKER) were added as cosponsors of the bill (S. 426) to establish a policy for the management of oil and natural gas in the Outer Continental Shelf; to protect the marine and coastal environment; to amend the Outer Continental Shelf Lands Act; and for other purposes.

S. 548

At the request of Mr. PROXMIRE, the Senator from Kansas (Mr. DOLE) and the Senator from New York (Mr. BUCKLEY) were added as cosponsors of the bill (S. 548) to prevent the Food and Drug Administration from regulating safe vitamins and minerals as dangerous drugs.

SENATE JOINT RESOLUTION 21

At the request of Mr. HOLLINGS, the Senator from Texas (Mr. TOWER) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of the joint resolution (S.J. Res. 21) to authorize and request the President to issue annually a proclamation designating February of each year as "National History Month."

SENATE JOINT RESOLUTION 26

At the request of Mr. PASTORE, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of the joint resolution (S.J. Res 26) proposing an amendment to the Constitution of the United States providing for a special election for the offices of President and Vice President when an individual who has been appointed Vice President succeeds to the Presidency.

SENATE CONCURRENT RESOLUTION 18—SUBMISSION OF A CONCURRENT RESOLUTION REFERRING TO THE CONDUCT OF MONETARY POLICY

(Referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. PROXMIRE (for himself, Mr. HUMPHREY, Mr. ABOUREZK, Mr. BAYH, Mr. BUCKLEY, Mr. CRANSTON, Mr. HASKELL, Mr. LONG, Mr. MCGEE, Mr. MCGOVERN, Mr. MONDALE, Mr. RIBICOFF, Mr. TUNNEY, and Mr. WILLIAMS) submitted the following concurrent resolution:

S. CON. RES. 18

Whereas Article 1, Section 8 of the Constitution provides that Congress shall have the money power, namely ". . . to coin money and regulate the value thereof," and

Whereas Congress established the Federal Reserve Board as its agent, and delegated to its agent the day to day responsibility for managing the money supply, and

Whereas the United States economy is now suffering from excessively high unemployment and a decline in production and the gross national product, together with inflation, and

Whereas the substantial budget deficits anticipated during fiscal years 1975 and 1976 could result in substantially higher interest rates and a reduced supply of mortgage credit in the absence of reasonable growth in the money supply, and

Whereas Congress has received expert evidence that the economy's performance is affected by changes in the rate of growth of the money supply; Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States hereby directs its agents, the Board of Governors of the Federal Reserve and the Federal Open Market Committee to

(i) take appropriate action in the first half of 1975 to increase the money supply at a rate substantially higher than in recent experience and appropriate to actively promote economic recovery; and

(ii) maintain long-run growth of the money supply commensurate with the economy's long-run potential to increase production, so as to effectively achieve the goals of maximum employment and stable prices.

Pursuant to this directive, the Federal Reserve shall consult with Congress at semiannual hearings before the Committees on Banking about its money supply growth targets and other monetary policy actions required in the upcoming six months.

CHANGE IN MONETARY POLICY NEEDED

Mr. PROXMIRE. Mr. President, I am introducing today a resolution along with Senator HUMPHREY and other Senators directing our agents, the Board of Governors of the Federal Reserve and the Federal Open Market Committee, to follow certain guidelines in conducting monetary policy so that we quickly reverse the still deepening recession and achieve both maximum employment and stable prices over the long run. A turn around in monetary policy is of equal importance to the tax cut in stimulating the economy. In fact, the effect of any tax reduction could be entirely canceled out if the Federal Reserve continues its supertight monetary policy. That is why this resolution is so important to the Congress and the country.

The Federal Reserve System was established by the Congress to manage the Nation's monetary policy. Ultimate responsibility resides in the Congress, where it was vested by the Constitution. Proper exercise of this responsibility requires that Congress provide meaningful policy guidelines for the conduct of monetary policy and exercise close and continuing oversight of its implementation. The Federal Reserve Act, as amended, provides neither meaningful guidelines nor specifies a procedure whereby Congress can oversee monetary policy in an orderly way.

EXISTING GUIDELINES AND OVERSIGHT

The Federal Reserve Act empowers the Federal Open Market Committee, using the facilities of the New York Reserve Bank, to conduct open market operations. The act also empowers the Board of Governors to review and determine discount rates established by Reserve banks, to change member banks' reserve requirements and to regulate ceiling rates on savings and other time deposits. There are four passages in the law which relate to the Federal Reserve System's monetary policy powers. They allude to "accommodation" of commerce, business, or industry, and agriculture; to the "maintenance of sound credit conditions" to "the general credit situation of the country"; and to the prevention of "injurious credit expansion or contraction." These criteria are ambiguous and archaic. New guidelines are needed, ones that are clear and meaningful for conducting monetary policy in our modern economy to achieve both maximum employment and stable prices.

Congressional oversight of Federal Reserve actions also needs to be changed. Currently, oversight is carried out almost haphazardly. As a result, the Federal Reserve often pays inordinate attention to views that are not necessarily representative of the entire Congress. On the other side of the coin, the Congress receives information about monetary policy only irregularly and most never in time to be useful in formulating its fiscal and other economic policies

Our resolution will correct these deficiencies. It provides meaningful guidelines both for our present depressed economy and over the long term, and also establishes a procedure for regular oversight hearings.

The resolution calls for substantially stepping up the rate of growth of the money supply in the first half of 1975 in recognition of the need to facilitate recovery from the present still deepening recession. This is our immediate objective. Our long term objective is to achieve both stable prices and maximum employment. To accomplish this, the resolution calls for money supply growth commensurate with our economy's long term potential to increase production. Pursuant to these guidelines, the resolution directs that the Federal Reserve Board consult with the Congress about its upcoming policies at semiannual hearings before the House and Senate Banking Committees.

MONETARY POLICY IN THE CURRENT ECONOMIC PICTURE

In the past year we have experienced double digit inflation, depressions in the housing and automobile industries and rising unemployment nationwide. The outlook for this year is equally grim. Though inflation is expected to taper off somewhat, the administration forecasts that unemployment will average more than 8 percent. Indeed, the unemployment rate has already climbed to 8.2 percent in January, the highest level since 1942. Monetary policy errors, as evidenced by erratic changes in the growth rate of the money supply—and also other monetary aggregates—have helped to bring about this sorry state of economic affairs. Monetary policy has not been the only factor of course. Long delayed depreciation of the dollar against other major currencies in late 1971 and early 1973, budget deficits totaling nearly $40 billion in 1971 and 1972 followed by a reduction to $6 billion in 1973 and to less than $3 billion in the first 3 quarters of 1974, widespread droughts and crop losses in 1972 and 1974, and the OPEC imposed increases in the price of oil in late 1973 and 1974 were events that caused major price and production changes in our economy. Erratic changes in the growth rate of the money supply compounded the destabilizing impact of these events.

Proper management of the Nation's money supply would assure that in future years, whatever else goes wrong, at least the creation of new money would be at a rate which operated to mitigate, not magnify, perverse trends in prices, interest rates, production, and employment.

MONEY SUPPLY IN THE RECENT PAST

From 1948 to 1964, money supply growth resembled a roller coaster titled slightly downward. From 1965 until now it looks like a roller coaster angled sharply upward. In the last 10 years the growth rate of publicly held currency and demand deposits—which together comprise our money supply—have increased and decreased around a rising trend in four distinct cycles. The most pronounced rise and fall have occurred in the latest cycle, which yet endures in its falling phase. During this cycle we have experienced both extremely high and extremely low rates of growth of the money supply. From mid-1972 to mid-1973, the money supply grew 9 percent, the highest 12-month rate of growth since World War II. From mid-1973 until now the growth rate has fallen sharply, and during the last 6 months, was at an annual rate of only 1 percent, one of the lowest six month growth rates since 1948 and representing the sharpest turnaround since that time.

These erratic shifts in the growth rate of the money supply have contributed to our recent economic instability. They have helped to generate waves of inflation and recession, one after the other, and sometimes overlapping. Each wave of inflation has been more virulent than its predecessor, reflecting—in part—the upward drift of new money creation, and similarly, each recession has been deeper and longer than its predecessor, reflecting—in part—increasingly sharp and prolonged decelerations in money supply growth. Let me add at this point that all other monetary aggregates exhibit the same roller coaster with upward drift growth pattern, and most recently, the growth rates of all have decelerated sharply.

IMMEDIATE OBJECTIVE OF THE RESOLUTION

The immediate objective of economic policy must be to reverse the still deepening recession and mounting unemployment, which stands now at more than 8 percent. If we are to reverse the recession and achieve our legislated employment and housing goals, we must, in the months immediately ahead, have substantially faster money supply growth than the Federal Reserve allowed in recent months. Though it was necessary to slow the growth of the money supply from the peak rates of 1972–73, it was a tragic mistake to cut the growth rate nearly 8 percentage points in just 19 months from mid-1973 until now. Because of the resulting shortfall in the public's money holdings there is urgent need to step up the rate of growth of the money supply in the first half of this year very substantially above the recent rate. Part (i) of the resolution recognizes this need and directs the Federal Reserve to increase the money supply during the first half of 1975 "at a rate substantially higher than in recent experience and appropriate to actively promote economic recovery." It is vital to the 7½ million unemployed workers and their families that this be done.

THE LONG TERM OBJECTIVE

At the same time it also is vital to make sure that the speedup of money supply growth is not overdone, as it was in 1972 and 1973. We cannot allow the Federal Reserve authorities to generate a new and more virulent wave of inflation. But based on past experience, as the recent history of money supply growth so clearly shows, we cannot be sanguine about their willingness not to do so. Part (ii) of the resolution provides a safeguard against their doing so. It requires that over the long run money supply growth be maintained "commensurate with the economy's long-run potential to increase production." This guideline will help the Fed resist any future political pressure either from the White House or the Congress to over-accelerate to achieve short run gains at the cost later on of still another round of inflation, high interest rates, recession.

PROVIDING FOR ORDERLY OVERSIGHT

It is time to recognize that the men to whom Congress gave responsibility for the day to day management of monetary policy need meaningful guidelines and systematic oversight. Parts (i) and (ii) of the resolution provide the guidelines. Pursuant to these directions, the resolution establishes a procedure for routinely and regularly overseeing Federal Reserve policy. Specifically the resolution states that—

> The Federal Reserve shall consult with Congress at semiannual hearings before the Committees on Banking about its money supply growth targets and other monetary policy actions required in the upcoming 6 months.

Regular consultations on the targets of monetary policy within the framework of the guidelines would assure that those who have responsibility for the day-to-day management of monetary policy are held accountable by the Congress for their actions, and assure at the same time, that Congress as a whole and not just individual members influences the formation and implementation of monetary policy. Let me also say in this connection that in the West German Federal Republic, the free world's strongest and most stable economy, the Central Bank now follows a similar procedure of disclosure and consultation to what the resolution proposes. It has not hurt the value of the mark, led to speculative excesses or gains, or in any way hurt the West German economy. Rather, the procedure has helped achieve economic stability in West Germany and it would do so here. In particular, it would accomplish this by permitting all economic units, households, investors, producers, and governmental units including the Congress, to formulate their plans and policies without having to play Russian roulette with future Federal Reserve policy.

CAN CONGRESS DO THE JOB?

Mr. President, I recognize there are those who feel that Congress does not have the capability to oversee monetary policy. Monetary policy is said to be too complex for the Congress to understand and should be left entirely to the Federal Reserve. Others have argued that Congress has a persistent inflationary bias and that if we had a voice in monetary policy we would always be in favor of an excessive expansion of the money supply. Let me respond to these fears.

First of all, it is not true that the central issues in monetary policy are beyond the comprehension of the Congress. Fiscal policy is equally complex but we have not delegated our spending or taxing powers to the President or an independent agency. As a matter of fact, we now recognize the need for an integrated approach in spending and tax matters and are beginning to reassert our authority over fiscal policy through the Congressional Budget Control Act of 1974. Under this act, Congress will be required to consider and debate very complex issues in economic policy. I believe the time has come for a similar reassertion of our monetary powers. I simply cannot believe that monetary policy would not be improved by the Federal Reserve systematically consulting with the Congress to receive the advice of the entire membership. If we have learned anything in the last few years, it is that so-called experts always can benefit from the views of the Congress. It is time to recognize that this is not Plato's Republic but the United States of America. It is time that we in the Congress rid ourselves of our institutional inferiority complex.

To be sure, the average Member of Congress may not have a deep knowledge about some of the details involved in conducting monetary policy. This is why we have delegated the day-to-day management of the money supply to the Federal Reserve. But monetary policy is more than a technical exercise in money and banking. In regulating the growth of the money supply, it is sometimes necessary to balance competing goals. For example, at the moment and over the longer term I see no basic conflict between the goals of stable prices and maximum employment, in a recovery period we might have to choose between taking inflationary risks or failing to do so and risking a full-fledged depression. Such decisions are essentially political. They affect the well-being of every American. We are the elected representatives of the people and are in the best position to reflect their goals and aspirations. The Federal Reserve may be more qualified to handle the detailed execution of monetary policy; but the Congress is more qualified to shape its broad outlines.

Second, it is simply not true that Congress is weak on fighting inflation. We have consistently cut the President's budget request. We also have increased our control over total spending through the Congressional Budget Control Act of 1974. There is no reason to assume that the 535 Members of Congress are inherently biased in favor of inflation as compared to the 7 persons who are appointed by the President to be members of the Board of Governors of the Federal Reserve and the 12 Reserve bank presidents whose appointments are approved by the Board of Governors.

As elected officials, we are accountable to the voters for our actions. When we cast a vote, our political necks are on the line. If we were to direct the Federal Reserve to pursue an inflationary policy, we would soon be out of office. We have to answer to the voters and they are deeply concerned about inflation. Indeed, the resolution recognizes this. It makes stable prices a coequal goal with maximum employment over the long term.

In contrast to the Congress, the members of the Board of Governors of the Federal Reserve are appointed for 14-year terms and are accountable to no one. There are some who applaud this lack of political accountability on the basis of the mistaken theory that monetary policy should be insulated from "political pressures." This ivory tower view of monetary policy is wrong both in theory and in fact. The Federal Reserve does not conduct monetary policy in a vacuum. The Fed is subject to a wide variety of backroom inflationary pressures—from bankers who want a more rapid growth in bank reserves to meet loan commitments; from government securities dealers who are against any sharp increase in interest rates; from Treasury officials who want a stable market for Government issues; from White House political aides who want easy money during an election year; from business firms who want bail-out loans from member banks; and from outspoken individual Members of Congress whose monetary views may not be representative of Congress as a whole. These inflationary pressures are bound to have some influence on the Federal Reserve. I am sure the Fed thought it was following a wise policy in 1972 and part of 1973 when it allowed the money supply to increase at an annual rate of 9 percent. However, I cannot help but wonder whether monetary policy would have been quite as expansionary if the members of the Board of Governors and the Reserve bank presidents had to answer to the voters.

I do not mean to suggest that the Federal Reserve will always be wrong and the Congress will always be right. If Congress assumes a more active consulting role in monetary policy as the resolution envisions, it will undoubtedly make mistakes from time to time, just as the Federal Reserve has made mistakes from time to time. But because we are politically accountable to the voters, I believe that over the long run, our advice will help to minimize future errors in monetary policy.

AMENDMENTS SUBMITTED FOR PRINTING

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS—SENATE RESOLUTION 66

AMENDMENT NO. 10

(Ordered to be printed and referred to the Committee on Rules and Administration.)

Mr. RANDOLPH (for himself, Mr. Inouye, Mr. Hart of Michigan, Mr. Hathaway, Mr. Jackson, Mr. Johnston, Mr. Magnuson, Mr. Mondale, Mr. Moss, Mr. Pastore, Mr. Ribicoff, Mr. Sparkman, Mr. Stennis, and Mr. Williams) submitted an amendment intended to be proposed by them jointly to the resolution (S. Res. 66) authorizing additional expenditures by the Committee on Interior and Insular Affairs for inquiries and investigations.

NOTICE OF BUDGET COMMITTEE SEMINARS

Mr. BELLMON. Mr. President, at the request of the chairman of the Senate Budget Committee, Mr. Muskie, I have been asked to announce that on February 18, 19, and 20 the Committee on the Budget will conduct three seminars on critical issues in the 1976 budget. Framed within the three major budget areas, the panels will be devoted to physical resources, human resources, and military-international affairs.

Panelists and committee members will appear in an informal setting to highlight and debate key fiscal policy choices facing the Congress and the country.

These Budget Committee meetings will begin at 9 a.m. in room 357 of the Russell Senate Office Building. The panels will be open to the public.

ANNOUNCEMENT OF SUBCOMMITTEE HEARINGS

Mr. McGEE. Mr. President, about this time last year I had the honor of accompanying Secretary Kissinger to the Tlatelolco Conference, which ushered in the "new dialog" in our relations with Latin America. In retrospect, the much heralded success of that meeting—summed up in the phrase "the Spirit of Tlatelolco"—was to be short lived.

The rhetoric of a year ago has since given way to the reality of today:

The United States has been hauled before a special session of the OAS council;

The nations of Latin America have condemned the Trade Reform Act of 1974; and

The Buenos Aires Foreign Ministers' Conference, scheduled as the next round of the "new dialog," has been postponed indefinitely.

These actions and others, most notably having to do with the issue of Cuba, indicate a dramatic turnabout in our relations with the hemisphere. The whys and wherefores of this situation need to be fully examined.

Mr. President, with this purpose in mind, the Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Relations will begin February 21 several days of public hearings on United States-Latin American relations.

The hearings will begin with testimony from three distinguished former Government officials: Jack Vaughn, Sol Linowitz, and Arturo Morales-Carrion, each of whom will provide the subcommittee with an overview of U.S. relations with Latin America. Their testimony will insure a broad perspective on the major issues confronting the nations of this hemisphere.

The following week, the subcommittee will proceed with 3 days of hearings on specific categories of issues: economic relations, special political problems, and regional organizations and agreements. A variety of witnesses will appear on these issues, thus offering the subcommittee a wide range of views in each of these areas.

On the fifth and final day of hearings in early March, Secretary Kissinger has been asked to present the administration's analysis of the primary issues confronting the hemisphere and to discuss overall U.S. policy objectives toward Latin America. By agreement with Chairman Sparkman, the Secretary's appearance will be under the auspices of the full committee.

Mr. President, I am confident that a mutually convenient time can be arranged for Secretary Kissinger's testimony in the course of these hearings. His appearance will afford us an opportunity not only to review our policy toward Latin America but, in addition, to discuss with him Congress' role in the making of it. As Members of Congress are aware, the Secretary of State has had a great deal to say in recent weeks about the making of foreign policy. In view of this, my colleagues and I look forward to discussing this matter with him in the context of specific policy issues relating to Latin America. I am sure that such a discussion will help produce a better understanding of our Latin American policy and of the foreign policy roles assigned to the executive and legislative branches of our Government.

ADDITIONAL STATEMENTS

ADDRESS BY SENATOR GOLDWATER AT THE INTERNATIONAL PRINTING WEEK DINNER

Mr. GOLDWATER. Mr. President, on January 21 of this year I was honored by the Printing Industry of New York at their annual dinner held at the Waldorf. My legal assistant, Mr. Terry Emerson, put together my remarks for that evening, and they are so well done and so typical of his dedicated work that I ask unanimous consent that they be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Senator Barry M. Goldwater

As we mark in 1975 the Bicentennial of major events which led inevitably to American independence—the battles of Lexington and Concord, the convening of the Second Continental Congress, the bravery at Bunker Hill, and the commission of George Washington as Commander in Chief of the patriot armies—I think it is fitting that we should consider tonight the achievements of the namesake of the award with which you have honored me and the contributions which he and his trade have made to the birth of the nation and to its living heritage.

In 1874, the editor of Franklin's Memoirs, John Bigelow, wrote "that there never was a time in the history of our country when the lessons of humility, economy, industry, toleration, charity. and patriotism, which are made so captivating in his pages, could be studied with more profit by the rising generation of Americans than now."

A century later these words hold even greater truth than when written. In our society, with its unbounded challenges and problems, nothing is worth so much as the example and the lessons of an individual, who, having emerged from poverty and obscurity, by self-initiative, labor, sacrifice, and faithfulness to his principles, conquered all adversities and advanced the cause of liberty throughout the world.

Franklin was the oldest of the Founding Fathers by an entire generation, being born in Boston in 1706. His bookish inclination determined his father to make him a printer, and at age 12, he was indentured to serve with his brother James.

When about 16, Franklin entered into an agreement with his brother that if he would give him half the money he paid for his board, he would board himself. Franklin was able to save half what his brother paid him and use this as a fund for buying books. While his brother and the other apprentices went from the printing-house for their meals, Franklin remained there alone using the time till their return for study of famous works, including Locke's "On Human Understanding."

Franklin quickly became proficient in the printing business. He was with James in 1721, when his brother began the fourth newspaper to appear in America, the New England Courant.

It was at this time that Franklin, a 16-year old apprentice, experienced at first hand the arbitrary powers of government. One of the pieces which James published in the Courant criticized the government for inaction against pirates operating off the coast of Rhode Island and gave offense to the Colonial Assembly.

James was taken up, censured, and imprisoned for a month, until the Assembly ordered that he should no longer print the paper. This restriction was surmounted by having it printed under the name of "Benjamin Franklin." The paper went on accordingly, under young Benjamin's name, for several months.

In October of 1723, at the age of 17, Franklin embarked almost penniless for New York and then Philadelphia, where he took up work with one of the two printers in the city.

Encouraged by the flattery and false promises of the local Governor, Franklin set forth to England to choose, so he thought, the inventory of a little printing-house with which he was to set up shop in Philadelphia. Arriving in London on Christmas eve of 1724, without a promised letter-of-credit from the Governor, Franklin was able to make the most of his situation by immediately getting into work with the best known London printing-houses.

On occasion, Franklin would carry up and down stairs of his shop a large form of type in each hand, when others carried but one in both hands. In this way, Franklin, who was called the "Water-American," disproved the belief of his British companions at the press who followed a practice of "drinking stronger beer that they might be strong to labor."

Franklin moved from press-work to the composing room, where his uncommon quickness as composing recommended him for being put upon all work of dispatch.

Thus he spent about 18 months in London, before returning to Philadelphia in October of 1726. Once home, it was not long before he set up his own printing-shop. His diligence gained him immediate repute. At the merchant's evening-club, one of the members remarked of Franklin, that "I see him still at work when I go home from club, and he is at work again before his neighbors are out of bed."

In 1729, Franklin acquired a newspaper, the Pennsylvania Gazette, from his former employer, who had stolen the idea from Franklin, but had dismally failed with the project. The Gazette proved extremely profitable under Franklin and he could afford to promote several of his workmen by establishing them with printing-houses in different colonies on agreements of partnership.

Franklin does not mention it in his Autobiography, but he was the first man in America to conceive of the publication of a true magazine. This was in 1740.

At the age of 42, Franklin retired from active participation in his printing business, intending to devote the rest of his life to "philosophical studies." Franklin would continue to be known first as a printer, however, even by himself. In both his self-written epitaph and his last will, Franklin refers to himself as "Benjamin Franklin, printer."

Franklin was still the printer when at age 83, only four months before his death, he complained to Noah Webster in a lengthy letter about the "improvements backwards" of modern printers who adopt styles which render characters less legible. Franklin also admonished Webster "that your Spelling Book is miserably printed."

Franklin enjoyed of course, several imposing careers. He achieved fame not only as a printer, editor and publisher, but as an author, philosopher, scientist, negotiator and statesman.

As to the latter, I would mention that in an address before the printers of New York at your celebration of the 168th anniversary of the birthdate of Franklin, the United States poet and journalist, William Cullen Bryant, remarked that Franklin saw "further into the true province and office of a free government, and the duties of its legislators, than any man of his time."

Bryant said of Franklin that: "He saw and pointed out the folly of governing too much. He saw that it is not the business of a government to do what can possibly be done by individuals."

It was Franklin, the statesman, who in 1754 presented his Albany Plan for the union of all the colonies under one general government; whose arguments against "taxation without representation" before the House of Commons in February of 1766 deserve much credit for the repeal of the Stamp Act one month later; and who in May of 1776 was unanimously chosen to be a Delegate to the Second Continental Congress. Here, his name would become inseparable from the Declaration of Independence.

In the fall of 1776, Franklin, then 70 years old, was sent as a special commissioner to Paris. Thus opened one of the most glorious chapters of his life.

By early 1778, after the Treaty of Alliance between France and the United States had been concluded, everyone in England was urging the Ministery to negotiate a peace with America. Secret ministerial agents attempted to extract from Franklin some basis of a peace short of recognizing the independence of the colonies and to obtain his consent to negotiate separately from our ally, France.

Bigelow writes: "Franklin's brave and masterly deportment under all the temptations held out to him by the English government, his farseeing faith in the ultimate success of the cause upon which he had embarked 'his life, his fortune and his sacred honor,' and his inflexible loyalty to our ally, reflect perhaps as much credit on the American name and lend as much dignity to our national origin as any event of the Revolution."

But Franklin's career as a statesman was not yet over. In 1787, at age 81, he was chosen as a member of the Constitutional Convention, which he attended for five hours every day from beginning to end.

As we all know, the first two months of the session were almost entirely spent in tedious debates about the terms upon which the small States should be associated with the larger ones. It was when the chances of agreement upon this subject seemed to be at their minimum, that Franklin proposed the compromise, which, after some modification, was agreed to and is conceded to have saved the Union—that all States should be equally represented in the Senate and according to their population in the House.

No one else, save Washington, took greater interest in the subsequent adoption of the Federal Constitution than Franklin. He lost no opportunity to commend it to public favor.

The press which Franklin had nurtured served the Country well, both as carriers of public opinion and information regarding the Constitution, and as the medium for arguments which ultimately led to compromises resulting in adoption of the Bill of Rights.

Out of about 100 weekly newspapers then published in the United States, nine out of ten were on the side of ratification. Newspapers of the period undoubtedly deserve a great share of the credit for the remarkable fact that by July 26, 1788, barely ten months after the Convention had closed, eleven States had approved the Constitution.

If the press helped to obtain ratification of the Constitution, it has since helped to serve as its guardian. Supreme Court Justice Potter Stewart instructs us that a free press not only disseminates knowledge, but serves as a check on the three official branches of the government.

But freedom of the press also implies responsibility in its exercise. Even Franklin, in his Autobiography, cautions printers "not to pollute their presses" by printing "false accusations" and "scurrilous reflections" on individuals and governments.

We also have it from Justice Frankfurter, one of the recognized top ten Justices of America, that:

"The press does have the right, which is its professional function, to criticize and advocate. . . . But the public function which belongs to the press makes it an obligation of honor to exercise this function only with the fullest sense of responsibility."

Walter B. Wriston, in remarks before the Commercial Club of Boston, stated that one dimension of the responsibility which the press owes to the public is to correct its lack of "a sense of history which is essential to balance, to perspective and to optimism."

The novelist and Professor of English, Mark Harris, recently concurred that the press "lacks not only a sense of history but even the memory of yesterday."

What the press must understand is that the problems of today did not come upon us suddenly and that there are few instant solutions for repair of these troubles overnight.

Instead of simplifying every matter, artificially constructing everything as happening "today, and establishing a provocative contest out of every human action or statement, the press must bring to the people sufficient good information for the development of a sound public opinion. As Washington once wrote, it is "only after time has been given for cool and deliberate reflection that the real voice of the people can be known."

Difficult matters must be reported as they really are, complex and perhaps incapable of immediate comprehension or answer. So as not to wrongly undermine public confidence, readers must be informed that not all programs and policies, particularly in the realm of foreign affairs, can be justified after the event with absolute precision of proof. There is nothing sinister in the behavior of an official who has acted according to his best prediction of what are in their nature unpredictable events. Nor should the lessons of how the great figures of our past, such as Franklin, handled the grave problems of their day be forgotten.

So, too, the press must recognize that the First Amendment is not the only source of freedom. Freedom of the press itself presupposes the existence of other freedoms and institutions which support that of the press or may be of equal importance to a free society.

For example, in 1972, the Supreme Court wrote:

"The Amendment does not reach so far as to override the interest of the public in ensuring that neither reporter nor source is invading the rights of other citizens through reprehensive conduct forbidden to all other persons."

Freedom of the press also assumes a sufficient maturity so that reasoned criticism will be accepted as such without treating every suggestion for self-reform as if it were a reincarnation of the Alien and Sedition Laws.

I would close with these words of caution because I fear the press is in danger of losing public confidence, not by attacks from without, but by excesses from within.

When newspapers print the most sensitive national secrets with abandon, when every effort by the Republic to protect its basic legal functions is portrayed as being indecent, and when the best public servants among us are denied even that minimum of trust necessary for the effective discharge of their duties, then it is time for the media to reappraise where it, and the country, are headed, and whether the way for each is illuminated by what Franklin would call "a rising and not a setting Sun."

RELEASE OF IMPOUNDED HIGHWAY FUNDS

Mr. STENNIS. Mr. President, I am very pleased at the announcement by President Ford that he is releasing $2 billion in highway funds which have heretofore been impounded.

Putting money into highway construction is a very effective way of creating jobs and at the same time making a solid investment for the future. These are the kinds of jobs that create other jobs, in the industries that supply the materials, heavy equipment, vehicles, and so on that are used in highway construction.

I think this kind of action is preferable to the concept of public service employment jobs, because we end up with something susbtantial as a result, although I also recognize the need for public service jobs also.

This decision to build highways is particularly effective because the construction industry is one that has been particularly hard hit by the recession. I would like to see a similar action taken to stimulate the housing industry also.

I note that the President has said that this is to be "first-come-first-served" money—that any State that has projects ready to go and the State share of the money ready can come in and ask for these highway trust funds.

I note also that the President expressed the thought that some priority should be given to missing links in interstate routes and to mass transit. I urge strongly that these suggested priorities not be applied in such a way that money cannot be put into State primary and secondary systems. If the secondary highway system is included, this makes eligible the county and rural highways, which are eligible under present law, to receive a portion of the secondary highway funds.

Mr. President, if spending is to be done to help turn the economy around, the highway system is a good place to do it, and I commend this decision by the administration. My interpretation is that the President's order does include secondary highways which in turn includes rural and county highways as being eligible for a portion of the money. I shall pursue this further in time.

THE BUDGET AND THE PEOPLE

Mr. MOSS. Mr. President, barely 3 months ago President Ford refused to declare the American economy in recession. The administration has since taken a crash course in economic conditions. It learned that in December unemployment was at 7.1 percent and rising, inflation was running at 11 percent and rising, output in constant 1958 dollars had dropped 2.2 percent from 1973 and was declining. Some of the statistics, especially unemployment, have steadily worsened in the interim. What are most staggering, however, are the administration's plans and expectations for the future.

With remarkable candor if nothing else, the White House in its budget proposals admits to planning on hard times for several years. Average annual unemployment, it says, will rise to 8.1 percent in 1975 and drop only slightly to 7.9 percent in 1976. Already 8.2 percent unemployment has been posted for January. The projection means that more than 7½ million individuals will be out of work 18 months from now.

Inflation will rise to 11.3 percent this year and continue at nearly 8 percent through 1976. This estimate includes 2 percent the President attributes to his energy taxes, although most private experts believe these proposals will add from 2.8 to 3.5 percent to the cost of living. In addition, the import tariff on oil, decontrol of "old" oil, decontrol of the wellhead price of new natural gas, and the excise tax on natural gas will cost consumers $50 billion or more, cause perhaps one-half million Americans to lose their jobs, and hobble the country with $10 billion in lost economic output. It is easy to see why the proposed $16 billion income tax rebate is going to have a very small stimulative effect. The Gross National Product, discounting inflation, will decline 3.3 percent in 1975 and only begin to rise, gradually, in 1976.

"COMPASSION" ENDS HERE

On top of fewer jobs and higher prices this year, President Ford insists that Congress cut Federal spending by $17 billion below what it would otherwise be if outlays continued at their present level. A large majority of these reductions affect programs the budget euphemistically calls "human resources." Most, though not all, of these programs will have more dollars to spend, but the inflated dollars will buy less in fiscal year 1976 than they did in 1975. In a world of rising prices, holding a program steady or to a small increase is equivalent to cutting it. In "real" terms, therefore, there may be more money for unemployment compensation but less money for medical care, education, social service; job training, and food and nutrition assistance to individuals.

The poor and the elderly would suffer more than half of the proposed cuts.

Budget Director Roy Ash commented:

> It is a question of how well off they should be. In the past 25 years, this country has been more compassionate toward those in need than at any other time in the history of this country or any country.

INCOME

Despite the rapid growth of Government income transfers in the past 20 years, there has been almost no significant redistribution of earned income—let alone of capital and physical assets—since World War II. Increases in social security and other programs remedied our long neglect of a growing segment of the population. They were not compassionate but necessary to prevent an enormous gap between the few wealthy and the many destitute.

Now the administration asks the Congress to put a 5 percent ceiling on all income security increases, not for a year but for 18 months until July, 1976, while the consumer price index is expected to climb some 15 percent. The proposal applies to social security, supplemental security income, disabled coal miners' benefits, railroad and military and civil service retirement, Federal pay, food stamps, and child nutrition programs.

President Ford would also reduce the Federal share of welfare and social service payments from 75 percent to 50 percent in 2 years. In a recessionary period when State revenues are falling, deficits growing, and layoffs and expenditure cutbacks increasing, it is hardly likely that the States can make up the 25 percent difference. It is not even clear that the administration will ask them to do so. The budget document states,

> Should the States assume the increased share of the costs, the overall level of available service would remain the same.

In other words, should the States not be able to assume the increased share of the costs, welfare and social service payments to poor people would shrink 25 percent. As HEW Secretary Weinberger concedes,

> Many deserving people . . . will have to scale down their expectations.

JOBS AND JOB TRAINING

For job training and public service employment, the budget reduces Federal spending absolutely, not just in "real" dollars. Job training drops $500 million, public employment $50 million in spite of unemployment projections of 8 percent for 2 years. The temporary public service job program would not be extended beyond its December 1975, expiration date and would create only 111,000 man-years of employment, far less than the Congress authorized last year.

HEALTH

The 11 million elderly who receive medical care under medicare have been paying an increasing share of their health care costs in recent years. Medicare is paying correspondingly less—35 percent in 1973 compared to 40 percent in 1969. The administration would accelerate the trend. Premium costs for medicare part B would increase 30 cents to $7 per month beginning in October. The elderly would also pay more for hospitalization—10 percent of the bill, up to $750 for each stay—and for physicians' services.

The attempt to shift the burden of social programs to the States applies to medicaid as well as welfare. The Federal Government contribution would be reduced from 50 percent to 40 percent in the 13 States with the highest per capita income levels. The budget would adversely affect all medicaid recipients, however, by eliminating benefits for dental services.

Absolute cuts are scheduled for venereal disease control, immunization, and rodent control programs and for neighborhood health centers and community mental health centers. These plans run counter to health trends. The proportion of children immunized against polio has declined 3 percent—to 60 percent—since 1972; venereal disease is epidemic in the United States. Real reductions, discounting inflation, would affect health research, education and training, and medical facilities construction.

FOOD AND NUTRITION

The Congress has voted to rescind the administration's regulation raising the price of food stamps to a uniform 30 percent of income, but the budget imposes a 5-percent ceiling on expansion of the program in a time of increasing need. The President's proposals are especially hard on children. They would totally eliminate the school breakfast program—serving 1.5 million children last year—the nonschool food program for children in day care and other institutions, and the special milk program. The school lunch program would serve fewer meals to fewer children in fiscal year 1976 if the administration has its way.

EDUCATION

Total spending for education would not keep pace with inflation. And once again the White House plans drastic cuts in the education impact aid.

A FAIR "DEAL"

A chief architect of this disastrous social policy is leaving the administration. When asked what he had learned during 2 years in government, Roy Ash replied:

> I found that decisions are reached by deal making rather than intellectually. By deals I mean deals primarily between Congress and the executive or within Congress. We in the executive branch are relatively pure.

Clearly, purity has gone astray and it is up to the Congress and citizens to work out a fair "deal" for the people.

I believe such a program must include a larger tax cut to stimulate economic growth, to restore workers to jobs, and to help middle and lower income individuals. We should avoid a meat-ax approach to energy conservation, whether by taxes, price increases, quotas, or rationing, when the greater need is for economic recovery. The Wharton School of Finance estimates that a $30 billion tax reduction, without the proposed energy package, would result in more production, more employment, and less inflation than the President's budget. More gradual, long term measures to encourage industrial, automobile, and home energy efficiency would not so seriously compound our present difficulties.

The administration's tough talk of mutual sacrifice conceals the grossly inequitable distribution of their burden among people and among their needs. We should not impose on income assistance ceilings which will reverse the economic gains of the poor, retired, and elderly. Nor should we dump social programs in the laps of hard-pressed State and local governments. Under present conditions, the recipients will be the victims. Not all social spending is equally vital and worthy, no more than is all defense spending. But the President's sweeping cuts in real income must not be allowed to stand.

THE LATE RONALD A. WEBB, FOREIGN SERVICE OFFICER

Mr. LONG. Mr. President, the unexpected and tragic passing of one of America's very capable Foreign Service officers, Ronald A. Webb, who most recently distinguished himself in the field of international maritime affairs, came as a great shock to those who knew and worked with him.

Born and reared in southern California, Ronald Webb, first served his country in the U.S. Army during the Korean war. At the time he had completed 3 years of study at the University of Southern California. Upon discharge from military service, Mr. Webb pursued further studies at Georgetown University and Mexico City College. In 1956, he received a degree in international affairs from the University of California at Los Angeles.

Entering the Foreign Service in 1957, Ronald Webb ably fulfilled a series of assignments in Santo Domingo, the Department of State, and in Paris. In 1969 he received a merit honor award for his outstanding work with the economics section of the American Embassy in Madrid. More recently, he was the Director of the Office of Maritime Affairs at the State Department where he not only formulated and coordinated U.S. international maritime policy efforts, but also effectively represented his country at numerous international conferences and meetings, including the U.N. Conference on a Code of Conduct for Liner Conferences.

Ronald Webb was halfway through an academic year at the Harvard University Center for International Affairs prior to being assigned abroad at the time of the tragedy which ended his life and those of his wife and her mother. I want to extend my deepest sympathy to the members of his family. He is survived by his mother, Mrs. Felita Engle, of Gardenia, Calif.; his children, Peter and Diana Webb, presently of Lexington, Mass.; his stepson, Donald S. Lebow, of Riverside, Calif.; and his brother, Manning Webb, of Los Angeles, Calif.

Mr. Webb served our Nation with distinction, and in the finest tradition of the Foreign Service.

AMENDMENT OF MEAT IMPORT ACT OF 1964

Mr. BELLMON. Mr. President, on behalf of the distinguished Senator from New Mexico (Mr. DOMENICI) who is necessarily away from the Senate today, I ask unanimous consent that a statement by him relating to S. 595 be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR DOMENICI

I am pleased to join with the distinguished Senator from Oklahoma (Mr. BARTLETT) in introducing S. 595, a bill to amend the 1964 Meat Import Act.

This bill will amend the meat import law in the following two ways:

1. The maximum amount of beef imports in any one year would be limited to a total not to exceed 750 million pounds. This is approximately 430 million pounds below today's level and would represent an initial decrease of 36 percent.

2. Future import adjustments would be based on a responsive relationship with a 1969–72 base period.

In his remarks, the Senator from Oklahoma (Mr. BARTLETT) gave the following illustration to show how this bill would work:

"From 1969–72 the percentage of grain-fed slaughter to total slaughter was 73 percent. This 1969–72 period reflects operation of a relatively stable market and is used for the base percentage. Since late 1973 there has been economic adjustment in the beef industry. This has taken the form of increased domestic production of nonfed beef, which must compete with foreign nonfed beef imports. The extent of this adjustment is evident in the fact that fed-cattle marketings in the last quarter of 1974 fell to 60 percent of the total beef slaughter. This represents a 17.8 percent change from the base period. This 17.8 percent decline in fed beef production would then be utilized to further reduce the level of foreign beef imports. Thus, the base of 750 million pounds would be reduced on a quarterly basis by 17.8 percent so that total beef imports for the quarter could not exceed 154.1 million pounds—616.4 million pounds at an annual rate. This compares to 300 million pounds per quarter which would be allowed in under the present Act and represents a reduction of foreign beef imports of nearly 50 percent."

We must keep in mind, Mr. President, that the manufacturing type of beef which we import competes directly with our own increasing production and slaughter of cow and other non-fed beef.

On the domestic side, our calf crop has increased more than slaughter in recent years. This growth has been steady since 1966, with a crop of 51 million in 1974 and 53 million expected in 1975. In 1973, cattle and calf slaughter was 2.9 million head less than in 1972, while the calf crop was growing by 1.3 million head. In 1974, for the first time since 1968, our slaughter increase was greater than the calf crop increase. We can see from these figures that the industry is starting to eat away at excessive cattle numbers. Although we can expect slaughter in 1975 will again be greater than the calf crop increase, these two years' slaughter increases won't offset the numbers build-up in 1973.

If we look at recent figures on the composition of cattle slaughter, they show a decrease in fed slaughter and a sharp increase in non-fed slaughter. In 1974, fed cattle accounted for only about 60 percent of total slaughter, compared with more than three-fourths in 1973. Typically, increased slaughter is depressing prices and will ultimately result in a reduction or at least a leveling off of cattle numbers. However, just as it takes time to build up cattle numbers, it takes an extended period of time to work out of the oversupply.

The large U.S. cattle supplies are only part of a worldwide surplus of cattle and beef. In total, world cattle numbers in 1974 increased by an estimated 15 million head, which includes exporting countries such as Australia. Compounding the problem for the U.S. cattle industry, all major importing nations except for the U.S. have banned or severely restricted beef imports, leaving the U.S. as the only country with its borders wide open for ultimate "dumping" of the surplus.

Many cattlemen share with me a fundamental belief in free world trade. However, as long as other nations involved in world trade of meat do not follow the same policies, as long as every other major importing nation is effectively embargoing or restricting meat imports, I believe we have no other choice but to insist that beef imports into our own country be restrained.

CONSOLIDATED FINANCIAL STATEMENT OF SENATOR AND MRS. ADLAI E. STEVENSON

Mr. STEVENSON. Mr. President, in accordance with my practice, as an officer of the State of Illinois and now the Federal Government, of publicly disclosing all my economic interests, I have prepared the following consolidated financial statement for my wife and myself as of January 1, 1975. As is also my practice, I update these statements quarterly and copies are available to the public in my Senate offices.

I ask unanimous consent that the following consolidated financial statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Consolidated Financial Statement of Senator and Mrs. Adlai E. Stevenson

Real estate:	
Home, Chicago, Ill	$90,000
Home, Washington, D.C. (cost)	125,000
One-third interest, residence, Beverly, Mass	30,000
Interest in farm, Jo Daviess County, Ill	77,500
Fractional interest, Fisk Building, Amarillo, Tex	3,200
Fractional interest, 1776 Pennsylvania Avenue, Washington, D.C	20,000
Fractional interest, 633 Folsom Street, San Francisco, California	12,000
Real Estate—St. Maarten Island	8,000
10 percent undivided interest in real estate, Tiburon, Calif	66,195
Stocks and bonds:	
12,640 shares, Evergreen Communications, Inc. (publishes Bloomington, Ill. Daily Pantagraph, operates WROK, Rockford, Ill. & WJBC, Bloomington, Ill., owns 10% of Bloomington, Ill. CATV)	164,573
3 shares, Bloomington Broadcasting Corp., Class B, nonvoting	1,500
533 shares, KBA Townbuilders Group Ltd., Tel Aviv	550
34.1 shares, R.R. Leaseholds, Inc	500
State of Israel Bond	500
Stocks and bonds (market value as at Dec. 31, 1974):	
10,000 Bonds, Baltimore, Md., 6.25 percent, October 15, 1984	10,200
Commercial paper	10,000
250 shares Deere & Co	10,438
300 shares General Electric	9,600
200 shares Hesston Corp	4,150
83 shares IBM	13,633
69 warrants Lin Broadcasting Corp.	163
100 shares Pfizer, Inc	3,175
200 shares Spectra Physics Inc	1,025
210 shares Xerox Corp	10,605
705 shares Rowe Price New Era Fund	5,971
Life insurance policies (cash surrender value):	
United Services Automobile Association Life Insurance Co	1,226
Northwestern Mutual Life Insurance Co	1,616
Continental Assurance Co	4,122
Civil Service Retirement System	14,016
Cash: Less current obligations	1,000
Miscellaneous: Personal property, including securities of nominal value, furniture, cars, paintings and clothing	50,000
Total	750,458
Debts:	
Mortgages:	
Perpetual Building Association, Washington, D.C	74,430
Continental Bank, Chicago, Ill	14,512
Note payable to Brown Brothers Harriman	9,000
Note payable to Continental Assurance Co	4,053
Total	101,995

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee. In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notification I have just received.

There being no objection, the notification was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *February 7, 1975.*

In reply refer to: I–1080/75.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 75–4, which contains information concerning a proposed Letter of Offer in excess of $25 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF,
Director, Defense Security Assurance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

TRANSMITTAL NO. 75–4, NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE FOREIGN MILITARY SALES ACT, AS AMENDED

a. Prospective Purchaser: Spain.

b. Total Estimated Value: $203,042,220.

c. Description of Articles or Services Offered: F–4E and RF–4E aircraft, spares and support equipment.

d. Military Department: Air Force.

e. Date Report Delivered to Congress: 7 February 1975.

FALLING FARM PRICES

Mr. SYMINGTON. Mr. President, the lead editorial in the January 30, 1975, Washington Post accurately describes the present dilemma faced by both American farmers and consumers.

Food and feed grain farmers are being squeezed between heavily increased costs for fuel and fertilizer needed for production and falling prices for their products.

Livestock and dairy farmers are caught between higher feed costs and investment payments and lower prices. Missouri farmers tell us that today cattle and milk prices are not sufficient to pay feed bills and repay loans. These farmers are losing money by staying in business and are receiving no return for their investment and labor.

The quickest way for farmers to reduce their costs is to reduce production. This will raise prices to the consumer and reduce our exports which bring billions of dollars back to the United States and help pay for our oil imports bills.

The Committee on Agriculture and Forestry started hearings on the 1975 farm bill Monday. Effective agricultural programs are needed for both producers and consumers.

As the Post editorial correctly states:

> Higher price supports would be expensive—but not nearly as expensive as the present waves of inflation at the grocery store and of panic on the farms.

I ask unanimous consent that this editorial and four letters from Missouri farmers be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FALLING FARM PRICES

Farm prices have now been falling for three months, tightening the dilemma of American agricultural policy. When farm prices go up consumers are hurt, and inflation at the supermarket triggers cost-of-living increases throughout the whole economy. When prices go down, farmers are hurt and begin to cut back the production on which the government is counting for export sales.

You may have gained the impression that food prices, around 1972, began behaving very differently from the way they had before in the memory of most of us. There is a reason for it. A combination of bad luck and bad policy has wrecked the system that used to stabilize American farm prices. Agricultural markets are inherently unstable, and without government intervention they swing wildly up and down disrupting the whole economy. Until the middle of 1972 the Department of Agriculture carried tremendous stocks of basic foodstuffs and feed grains, which it could sell off if prices began to rise unusually high. If prices began to sink unusually low, the Department gave support payments to the farmers and bought grain for the reserves. The memorable Russian wheat sale of the summer of 1972 removed at one whack most of the nation's wheat reserves. But that huge sale turned out to be only the beginning of the great surge of foreign demand for American food. It was the effect of rising wealth and rising standards of living abroad, amplified by the devaluation of the dollar.

In this country all farm prices, unrestrained by the presence of the traditional reserves, shot up. But if there was now no limit on the upward swing of the cycle, it was also true that the farmer no longer had any protection on the downward swing. The old structure of loans and payments was still legally in effect but, with the erosion inflicted by inflation, the support levels were no longer enough to cover the basic costs of production. American agriculture is again threatened by precisely the classic roller-coaster pattern of boom and bust that the whole intricate and expensive array of farm price supports were worked out in the 1930s to prevent. Farmers liked the new free-wheeling market as long as it wheels higher, but when it turns around—as it did last fall—they see their danger very clearly.

Since October the price of corn, the largest American crop, is down by almost one-fourth. Soybeans and soy meal are down more than a third. What's going on here? Take the example of wheat, which cost $1.50 a bushel until the Russians started buying it in July 1972. By this time last year, the same bushel cost nearly $6. But then, as the year went on, the price sank. The winter wheat harvest starts in late spring, and it looked like a very big harvest. By last May, the price had fallen to $3.50. With last summer's bad weather and heavy exports, supplies tightened up again and by October the price was over $5.

But instead of continuing to rise steeply until late winter, as it did last year, the price of wheat suddenly began to sink in November. It's now down to about $4. The reasons begin with consumer resistance to high prices at the grocery store, and individual shoppers' decisions to cut back on expensive meat. Most of the grain raised in this country goes, not to people, but to animals being raised for the butchers. Since late summer the meat producers have cut back sharply on the number of animals, particularly beef cattle, that they are raising for market. That, in turn, has diminished domestic demand for grain. The consumers' rebellion that started nearly two years ago has now been painfully reinforced by the recession. Cutting back on meat is, for many families, no longer a matter of choice.

Exports, meanwhile, are down a bit because the administration is at last paying attention to their effects and has been leaning on foreign buyers to take it easy. When the Soviet government tried to buy more than three million tons of grain last September, the White House intervened and suspended the sale. Subsequently it persuaded the Soviets to take a smaller amount, a little over two million tons. There appears to have been pressure, less public and formal, on other overseas buyers. Now, with the rapid decline in prices of recent months, the administration currently gives indications of changing direction enough to keep exports at last year's level.

But some of the grain producers are, predictably, pushing for unlimited exports. Last year the administration belatedly instituted a requirement for prior government approval of any significant export sale. Several of the producers' lobbies are angrily demanding an end to this procedure, on grounds that it discourages foreign shipments. But producers should have learned by now that increasing the instability of the market is no answer to their troubles. The Agriculture Department made the latest in a long succession of serious and obvious blunders yesterday when it caved in to the grain lobbies and doubled the size of shipments that can be exported without prior federal approval.

Producers and consumers together now have the strongest kind of interest in a compromise. It would mean a level of federal price supports high enough to ensure farmers of profitable operation at the very high volumes that the nation needs. It means rebuilding national stocks of grain, not only as insurance against an emergency but to dampen further inflationary increases in prices. The intolerable fluctuations were not predictable, but in retrospect the reasons are entirely comprehensible. Higher price supports would be expensive—but not nearly as expensive as the present waves of inflation at the grocery store and of panic on the farms.

Stewartsville, Mo.,
January 15, 1975.

Hon. Stuart Symington,
Washington, D.C.

Dear Honorable Mr. Symington: I sold (gave them away) my dairy cows today, why—Because the milk check would not pay feed cost, electricity—never no wages. I was going in debt, just to milk 8 hours a day—

I have milked for 19 or 20 years. There never was any money in it—but last July, the pay for milk broke $2 a hundred and the heavy losses began.

Washington has become a center of investigation. Everything is being investigated. Chain stores pricing of food has run the gauntlet many times and always come out lily white.

I was only a surface deal. Politicians know only 1 vote in 20 belongs to farmers. So farm clout power is nil.

Chain stores pay the cost of getting public officials elected and public officials are aware of that!

Hundreds of farmers went broke in the beef fiasco. Were we so short of beef that President Nixon had to let all foreign countries export their beef to the U.S.A. free of tariff?

And a year and a half later—It is still free of tariff—coming here to overburden the American beef farmer and cheapen his costly product.

How long—Mr. Senator will our farmers have to live with the words of President Ford in his veto message of 85% parity for milk—"The farmer doesn't deserve any raise and besides it's inflationary."

What does the term inflationary mean?

Rich 1972 beef feeders were so damn broke in 1974, they couldn't buy groceries, after the break—Milk prices won't pay the feed bills—No *wages*, no *profits*, what *so ever*—Is America still a land of opportunity when its farmers go broke feeding the people? Why not investigate the real cause of the Food Economics instead of giving food purveyors all the "lily white" breaks?

Stanley Paul.

Urbana, Mo.

Dear Sir: I'm writing you in regards to the Dairymen's situation! When are we going to get some help? The milk check doesn't even pay for the corn we grind in our dairy feed! This is an emergency! If the situation doesn't change soon, all the dairymen will have to go out of the business, thousands already have! We can't even *give* our calves away and we can't afford to raise them! So what choice have we? It doesn't seem like this administration cares about the hard-working dairy men! I *urge* you to do everything in your power to do something quick!

Our expenses are continually rising beyond reason. We have talked to quite a few dairy men around here and they all say they can't afford to buy fertilizer and seed. Both have tripled.

Our health insurance goes up $11.00 starting Jan. 1. Every thing has gone up so much that even at $10.00 a hundred for our milk, we couldn't break even.

Due to the heavy exports of grain to foreign countries must be the reason our feed has gone up so high. If this is the case then the government should *subsidize* our dairy feed. We would greatly appreciate anything you can do to help.

Farmers have been asked by President Ford to produce more. First the farmer has to get something to produce with! Most of the dairy farmers around here can't afford to fertilize this year. Consequently we'll be short of feed for our cows next winter, if we last that long.

My wife and I work from 3:30 AM to 9 PM *seven* days a week. No vacations and no holidays. Don't even have time to visit our neighbors.

With so much Foreign Aid "dished" out it seems to me like we need more "aid" at home!

We just heard prices of gasoline is going up! What next? The slight raise we're supposed to get isn't enough for what we have lost!

Sincerely,

Mr. Robert Magly.

Licking, Mo.,
January 17, 1975.

Dear Sir: I am a beef farmer in partnership with my father. We depend on baled hay to winter our cattle. Recently I learned that baler twine costs $34.00 per bale as of January 16, 1975 at the local MFA (Missouri Farmers Association). One year ago February 9, 1974, it was priced at $17.55 per bale at that same MFA. Prior to 1974 baler twine prices hovered around $10.00 per bale.

Farmers were told price hikes were due to shortages, yet supplies never seemed to run out. Everyone was able to get the price inflated twine so was there really a shortage?

I would like to know who or what is behind these outlandish prices. Is this part of a scheme to push cattlemen out of business?

If baler twine manufacturers were able to stay in business and grow when twine sold for around $10.00 per bale, why is it necessary for them to charge 3 to 4 times this amount now?

Please investigate this situation. Farmers have rights, too. Reply requested.

Respectfully yours,

Timothy R. Moloney.

Rich Hill, Mo., *January 26, 1975.*

Senator Stuart Symington.

Dear Senator: In checking the Cattle on Feed Report, it is down 29%. I was wondering when they were going to use this extra feed grain. If the rest of livestock feed is cut as much as cattle feed it will amount to more than all the exports. They want all out production of grain, then they want to increase the price of fuel, fertilizer and all other products using oil.

It has been less than two years since they wanted all out production of meat. They have never been able to cripple the livestock business without hurting the rest of the economy. I see where Mr. Kissinger is talking war. When you have to kill & cripple people that is too drastic for me.

Very Truly Yours,

F. M. Bell.

ALLOCATIONS FOR PUBLIC SERVICE JOBS

Mr. BEALL. Mr. President, on January 28, the Department of Labor announced allocations for public service jobs programs covered under the Emergency Jobs and Unemployment Assistance Act of 1974. In the case of Maryland, the allocations, based on totally unrealistic unemployment figures from the Bureau of Labor Statistics, were so low as to defy belief. They completely failed to recognize the serious unemployment problem in two areas of my State, the Eastern Shore and western Maryland.

As a result, I called on Secretary of Labor Brennan to utilize discretionary funds to bring this allocation for the two areas up to fair levels.

On January 31, 1975, two counties in the western Maryland consortium, Garrett and Frederick, passed resolutions deploring this situation. I ask unanimous consent that the resolutions be printed in the Record.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

Resolution 1975–1976

Whereas, the citizens of Garrett County have an unemployment rate of 13.9%; and,

Whereas, the President of the United States, Gerald R. Ford, signed into law an emergency bill to provide funding for an expanded Public Service Employment program; and,

Whereas, the Western Maryland Manpower Consortium has been cited as one area of efficiency in hiring people to improve the unemployment rate; and,

Whereas, the Bureau of Labor Statistics of the U. S. Department of Labor recently re-

structured their statistics to reflect a discrepancy in the unemployment rate for Garrett County; and

Whereas, the Garrett County Commissioners have determined that the statistics were arrived at arbitrarily; and,

Whereas, funds for the Western Maryland Manpower Consortium were reduced based on the new statistics of the Department of Labor; and,

Whereas, the Western Maryland Manpower Consortium, under Title VI CETA had their allocation reduced from $1,377,000 to $384,000; and,

Whereas, Garrett County, Maryland, under the new program had their allocation reduced from $192,000 to $50,845 and is presently unable to continue the Public Service Employment program in Garrett County as initially planned and implemented; be it therefore.

***Resolved,* That the Board of Commissioners of Garrett County oppose the reallocation of Title VI Comprehensive Employment Training Act founds to the Western Maryland Manpower Consortium as a result of the unrealistic figures of the Bureau of Labor Statistics of the U. S. Department of Labor.**

RESOLUTION No. 75-1-1

Whereas, Frederick County, Maryland was given a Department of Labor commitment of $323,426 under Title VI of the Comprehensive Employment and Training Act for a period of one (1) year;

Whereas, there was a strong indication from the Department of Labor officials that there would be a second allocation of at least another $323,426;

Whereas, at the urging of Department of Labor officials, all of the positions funded for the first allocation were filled by January 24, 1975;

Whereas, jobs for the second allocation have been developed;

Whereas, Frederick County Chamber of Commerce has committed itself to "Operation Maximum Employment," asking the private sector to share the available work load with those unemployed;

Whereas, "Operation MAV-EM" is designed to be a mutual effort of the private and public sectors based in part on the availability of public service positions;

Whereas, the Department of Labor's actual commitment to Frederick County, Maryland is only $85,378; and

Whereas, forty-one (41) persons currently employed in Frederick County public service jobs will only be employed for ninety (90) days instead of the promised one (1) year maximum because of this service reduction of funding; Now, therefore, be it

***Resolved,* by the Board of County Commissioners of Frederick County, Maryland, the official governing body of the County, that it deplores the cut in Title VI funding under the Comprehensive Employment and Training Act and its incumbent human suffering, and further**

***Resolved,* That any and all efforts be made to restore public service job funds to at least the level of the first and second preamble clauses.**

DANVILLE GAS SHORTAGE RESPONSE

Mr. HARRY F. BYRD, JR. Mr. President, the city of Danville, Va., was threatened with a severe and crippling natural gas shortage this winter.

Because of shortages of supply, the municipally owned Danville Gas Co. announced on December 27 that it would have to cut back deliveries by 55.5 percent. The cutback could have cost 30,000 jobs in industries using natural gas and in other industries that would be affected.

Danville city officials, in conjunction with the chamber of commerce, mounted a campaign for conservation of natural gas for nonindustrial use—principally home heating—which has been an enormous success.

It now appears that Danville will weather the winter without job losses at its major plants. The credit goes to the people of Danville and their dedicated leaders.

The story of Danville's successful conservation effort is well told in two items which have reached me: A communication from the Danville Chamber of Commerce and a New York Times News Service article which appeared in the Washington Star-News and many other newspapers.

The Danville story dramatizes what can be done by way of voluntary conservation of energy.

I ask unanimous consent that the account by the chamber of commerce and the New York Times News Service story be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOW 50,000 DANVILLIANS SAVED 10,000 JOBS AND THE CITY'S ECONOMY DURING THEIR 1974–75 "ENERGY CRISIS"

On Friday, December 27th, 1974, 50,000 Danvillians found themselves with their backs to the wall. Transcontinental Gas Pipeline Corporation (Transco) had just announced a cut in Danville's natural gas supplies of 55.5% effective January 1, 1975. This proposed cut would leave industries without their much needed process gas. Without a guarantee of such gas supplies, four major industries (Dan River Inc., Corning Glass, Goodyear Tire and U.S. Gypsum) would be forced to cease operations and throw approximately 10,000 workers out of a job.

Danville's industrial payroll represents roughly 85% of the City's purchasing power. No city could withstanding this kind of a blow to its economy very long, so Danville got together to—"Save Gas, Save Jobs."

THE PROBLEM

Convincing citizens of Danville our National Energy Crisis (as created by Transco's announced curtailment) is, in fact, real.

Gaining their full cooperation in a program designed to conserve energy on the local level so that local industries could remain in operation, and to overcome general public skepticism created by many conflicting reports and rumors concerning the energy crisis and the cut back on natural gas supplies by the Transcontinental Gas Pipeline Corporation.

OBJECTIVES

1. Bring every citizen of Danville and surrounding county up-to-date on the current energy situation and the local effect resulting from this shortage.
2. Create a public desire to cooperate on a local voluntary energy conservation program.
3. Inspire public enthusiasm to insure continued reduction of personal energy consumption over the winter months in an effort to keep our local industries working—"Save Gas, Save Jobs."

HOW THE PROBLEM WAS SOLVED

Following Transco's announced curtailment plans on December 27, 1974, a meeting of Chamber of Commerce officials, City officials, and representatives of the affected industries, was held to chart a course of action. The Chamber of Commerce assumed the responsibility of urging and organizing a public conservation program through the services of all local news outlets. This consisted of on the scene radio reports and interviews, television interviews and stories, newspaper photos and features, speaking engagements arranged for civic clubs and other organizations. Conferences were established with industrial energy customers, the City and Chamber of Commerce officials on a week to week basis so that all parties could keep on top of a constantly changing situation.

1. A total of $526.66 has been spent on the entire campaign to date.

2. Effective use of public service spots featuring local personalities on all radio stations and the use of public speakers and appearances to answer questions and convey the appeal led to public acceptance, confidence and cooperation.

The City Manager and Executive Vice President of the Chamber appeared on several radio interview programs explaining the day to day situation and asking for community-wide support to reduce natural gas consumption so local industries could keep working and thereby keep Danville working.

Local and Regional coverage—public service spots and news stories used on all local radio stations and throughout local newspapers. The appeal was also carried as news stories on Channel 7 (CBS), Channel 10 (NBC) from Roanoke, Channel 13 (ABC) from Lynchburg, Channel 2 (CBS) Greensboro, and the Greensboro Daily News. Our local news outlets carried day to day stories on the need for continued conservation and the success being generated through conservation measures.

National coverage—ABC from Washington carried a 3 to 5 minute story on their evening news broadcast concerning the City's effort to save natural gas for their industries. The New York Times carried a story on the City's efforts and success with saving gas for its industrial use.

RESULTS

1. Danville's industries and economy are still very much alive, and a relatively safe cushion of a 10% reserve in natural gas has been gained through the conservation efforts carried out by commercial establishments and private homeowners.
2. Gas Department officials credit the voluntary efforts of the general public for a reduction in consumption of natural gas supplies by 13% during the first six days of the campaign in January.
3. Weekly breakfast meetings between the affected industries, Chamber and City officials served to keep the public informed and enthused over the current situation and success of the conservation effort.
4. Federal Power Commission Judge adjusts federal priorities for gas customers because of Danville's cooperative attitude and display to save gas for its industrial customers and citizens.

[From the Washington Star-News, Feb. 3, 1975]

DANVILLE WEATHERING CUT IN NATURAL GAS

(By Douglas E. Kneeland)

DANVILLE, VA.—It's beginning to look as if Danville is going to make it through the winter after all without becoming an economically depressed area.

But it was touch and go there for a while for this old industrial city of 47,000 on the banks of the muddy Dan River in the Piedmont country of south central Virginia.

Before Christmas, Danville seemed to be more than holding its own as recession gnawed much of the rest of the country. The home of Dan River Fabrics, which employs about 8,000 persons in its sprawling plants along the river bank, had broadened its industrial base in recent years with the addition of Goodyear Tire and Rubber, Corning Glass and United States Gypsum factories.

Unemployment then was 4.1 percent, well below the national average of 7.1 percent.

Suddenly, on Dec. 27, Transco—the pipeline concern that supplies natural gas to the Danville Gas Company, a municipally owned utility—informed the city that because of shortages, it would have to cut deliveries by 55.5 percent on Jan. 1, up from a previously announced cut of 44 percent.

"This would have meant shutting our industries down," said James W. Lord, the city manager. "That would have been 9,800 jobs, just like that. Then for every industrial job that goes out, you can figure about two or three in other businesses. You'd be talking about 30,000 people out of work. We couldn't afford that."

The problem was that, under the federal priority system, home heating takes precedence over all industrial uses. But what is known as "process" gas is indispensible to Danville's four major industries.

"We decided we were going to have to do something about it," said Raymond C. Gourley, vice president of Dan River Inc. "Ten thousand people out of work in a city of 47,000 and you've had it.

"It would have looked silly to have gas for homes and nobody having money to pay for it," he said. "It's bad enough to have layoffs but it's worse when they're compounded by shortages, artificial or otherwise."

His use of the word "artificial" reflected a widespread skepticism here as to whether the shortage was real or whether the gas company was merely trying to increase pressure on Washington to decontrol the wellhead price of gas, a move most producers argued would provide an added incentive for more exploration and drilling.

That weekend in late December, city officials and leaders of business and industry huddled in a series of hastily called meetings. The major industries agreed to join the city in hiring attorneys to present a petition to the Federal Power Commission for emergency relief. And it was decided that the chamber of commerce would wage an intensive campaign for voluntary cutbacks in the use of gas for heating by businesses and residents. Meanwhile, the municipal gas company said it would continue to supply the industries as long as possible.

Almost overnight, the whole community seemed to be involved in saving gas. Every hour the local radio stations ran appeals such as, "set your thermostat at 65 degrees and keep Danville working." The afternoon newspaper ran a box on page 1 urging readers to save gas and jobs. The merchants paid for four banners to be strung across the main entrances to the downtown shopping district saying, "business is at 65 degrees, are you? Let's help save jobs."

"I've never seen people cooperating more fully on any program than they have on this," said Albert Koplen, whose father and grandfather were clothing merchants here. "I think the responsibility has been remarkable. They realize that without this vital energy, industry here could just be shut down."

The upshot, according to the city manager, has been that Danville has cut back about 10 percent in its use of gas for heating. In the meantime, Dan River fabrics bought about 1.4 million gallons of liquid propane, which the city converted to gas and distributed among the industries.

THE CONGRESS CANNOT BE BLAMED FOR SECRETARY KISSINGER'S FAILURES

Mr. STEVENSON. Mr. President, now that history has stripped the policies of Henry Kissinger of their pretensions to grandeur and his actions of their pretensions to success, the Secretary is casting the blame upon the Congress.

Congress is blamed for Soviet repudiation of the 1973 trade agreement. Congress is blamed for the fiasco in the eastern Mediterranean. The foundation is being laid so that Congress will be blamed for the inevitable fall of the Thieu and Lon Nol regimes in Southeast Asia.

The truth is that Congress is not responsible for the Soviet Union's repudiation of the trade agreement. In the trade bill which it passed in December, Congress merely codified the "Kissinger compromise" on emigration from the Soviet Union, linking most-favored-nation status and Export-Import Bank credits for the Soviet Union to "assurances" of more liberal Soviet emigration policies. The Soviets then repudiated the trade agreement after revealing that Secretary Kissinger had misled the Congress. There was no Kissinger compromise, according to the Soviet Foreign Minister. Then, instead of defending the United States, Secretary Kissinger blamed Congress and defended the Russians.

In the eastern Mediterranean, U.S. relations are strained with Turkey, Greece, and Cyprus. The Turks are in Cyprus; Greece is partly out of NATO. And Secretary Kissinger blames Congress for having jeopardized the security of the United States by cutting off military aid to Turkey.

The truth is that the fiasco in the eastern Mediterranean is rooted in the administration's support of the now-deposed Greek junta. Congress action in denying further aid to Turkey was occasioned by the Turkish invasion of Cyprus. The Turkish use of U.S.-supplied arms in Cyprus violated the Foreign Military Sales Act, the Foreign Assistance Act, and the agreement under which Turkey accepted the arms. The cutoff should have been automatically triggered. The law of the United States should have been defended, not evaded, by the official entrusted with its enforcement. It should not have been necessary for the Congress to insist upon its enforcement. But Secretary Kissinger sought to reward the Turkish aggressor at the expense of U.S. relations with the new Greek Government and the Makarios government in Cyprus. He defended the Turkish position instead of his own Government's.

If, as Secretary Kissinger contends, our national security is endangered by the halting of arms shipments to Turkey, he could advise the President to exercise the authority granted to him by Congress to continue such shipments by declaring them to be "important to the security of the United States."

In South Vietnam, 500,000 U.S. troops could not assure the survival of the Thieu regime. The truth is that the Thieu regime cannot survive because it is not supported by the non-Communist peoples of South Vietnam. Its enemy is its own people. Had President Nixon and Secretary Kissinger believed their own rhetoric, they might have made possible for the people of South Vietnam a democratic electoral process and a government, perhaps led by General Minh, which governed with popular support instead of U.S. support. Such a government might have negotiated a settlement and accomplished our ostensible purpose; namely, self-determination. But all such proposals for a political settlement have been opposed by President Nixon and Secretary Kissinger. The erstwhile war for self-determination became transparently a war for the perpetuation of a corrupt and oppressive regime. It was the Congress which finally ended the overt involvement of U.S. personnel in Southeast Asia. But now it is the Congress which is to be blamed for the inevitable fall of the Thieu and Lon Nol regimes.

The great Western Alliance is in disarray, a casualty of vest-pocket diplomacy, bilateral maneuverings in Moscow and Peking, and neglect. The truth is that the personal diplomacy of Secretary Kissinger, and the Presidents who have served under him, has left little time for U.S. interests in Europe or indeed the remainder of the world. Our relations with Japan, the great power of Asia, have also been strained by neglect.

And everywhere along the odyssey of Secretary Kissinger promises are left behind—along with cash, credits, nuclear reactors and arms. High expectations are excited by such attention and then are disappointed. It is a dangerous method for the conduct of a great power's affairs. Actors upon the world stage dare not be embarrassed, and so they leave something behind—a little treasure here, a little blood there, a little of the Nation's prestige and influence everywhere.

A great power does not pursue its interests with bribes, false promises and gesticulations upon the stage of world opinion.

Détente with the Soviet Union, vaguely defined as both a noble end and a noble process, has been pursued by ignoble means—cash. The United States has given more than $1 billion in concessionary loans to the Soviet Union in 2 years, with nothing as yet gained and everything—from our capital to our wheat to our strategic superiority—lost. The Congress is not opposed to détente; it is opposed to the purchase of détente. It did not cut off Soviet credits, but it did say that before more than an additional $300 million in Eximbank credits can be extended to the Soviet Union, the world's largest oil producer and second richest nation, congressional approval must be obtained. It thereby sought to exercise its constitutional power over the purse.

The People's Republic of China was undoubtedly led by President Nixon and Secretary Kissinger to expect a loosening of the relationship between the United States and the Chinese Nationalists. The Nationalists were undoubtedly led not to expect that, and so both sides, promised too much, are disappointed. Relations with both are now strained. Another of Secretary Kissinger's castles in the air has begun to crumble. The altogether hopeful, long-overdue effort to normalize relations with the People's Republic and break down its isolation in the world, was imperiled by method and style. The President and the Secretary, probably with an eye on the Gallup poll, paid homage in the middle kingdom, undermining by such obsequious and impulsive methods a legitimate purpose and the confidence of friendly Asian nations.

And then to cover the right flank at home, the U.N. was chastised by President Nixon for agreeing with him that there was in fact but one government of China, a government located in Peking. That institution, now much neglected, responds in kind. It was not long ago that the United States spoke with authority in the United Nations.

One might have expected the student of Prince Metternich and advocate of détente with the Soviet Union to accept a concert of nations at Geneva to hammer out an accommodation of the conflicting interests in the Middle East. Instead, the Secretary pursued peace energetically but hopelessly, motivated by the myth of his own personality and indispensability. Once again the means became the ends. The United States offered cash in Syria, arms to Saudi Arabia, nuclear reactors to Egypt and Israel, seeking to avoid humiliation and inevitable failure. A Sinai disengagement, in one stage or two, is relatively easy because all the parties, including the Soviets, want a secure route through the Suez Canal to the Indian Ocean. The next slice of the salami will be hard—because the parties and the issues are all woven together and the Soviets fear U.S. penetration in the Mideast. In the meantime precious time runs out for negotiation and moderation in the Middle East.

Secretary Kissinger's mistake in the Middle East is not the mistake of the Congress. If he heeded the advice of others he would involve the Soviet Union in a multinational negotiating process with all of the Middle East parties prepared to accept the existence of all the others, including, in the proper circumstances, responsible representatives of the Palestinian people. He would share the responsibility and the limelight with the Soviet Union and waste no more time.

It was not the Congress which propped up the Greek junta against tides of history and humanity and caused the fall of Makarios and the Turkish invasion of Cyprus. The Congress is guilty, but only because it went along.

It was not the Congress which intervened in the internal affairs of Chile to help depose a democratically elected government, or aided the now-deposed Government of Portugal to our embarrassment in Portugal and sub-Sahara Africa.

It was not the Congress which tilted to the now-deposed butcher, Yahya Kahn, in the Indo-Pakistani war, estranging the peoples of the world's largest democracy, India, and now the world's seventh largest nation, Bangladesh.

The Congress is to blame for the deterioration of America's position in the world, but not for reasons assigned by the Secretary of State. The Congress is to blame because for too long its members naively applauded the adventures of Henry Kissinger and Richard Nixon. Unwittingly they became part of the personality cult; charmed at dinner parties, dazzled by the disingenuous intellect, always hoping, they went along. They were blinded by the truth, but now in the twilight they see the errors of personal diplomacy and the dangers of liaisons with rotting and totalitarian regimes the world over.

One looks in vain for the vaunted triumphs of Secretary Kissinger in Europe, the Asian mainland, Japan, Latin America, and Africa and finds instead declining U.S. influence. He did not perceive and anticipate the interconnection between economics and politics, now made plain by the oil crisis.

His means without ends prompt convulsive reactions by the United States. The sheiks are kissed on the cheek one day, threatened with war the next. The United States loses credibility because it lacks principle and consistency.

The aggrandizement in the hands of one man of more power than any man could wisely employ causes a dangerous neglect of the future. The Secretary deals with the immediate, jumping from one crisis to the next, rarely preventing them. The Government acts without a vision of the future, an understanding of history and frequently without premeditation. The energy crisis was foreseen by some in the Congress but not by the administration. The long-term consequences of the arms buildup in the Persian Gulf is still not understood or even analyzed. The future is subordinated to the perceived exigencies of the present.

So it is with nuclear proliferation. For the sake of cash sales now, the United States accelerates the proliferation of reactors worldwide. Yet the most serious threat to the peace and stability of the world may be the accelerated, unlicensed proliferation of nuclear technology, ostensibly for peaceful purposes but with nonpeaceful potential made plain by the Indian detonation of its "peaceful" explosive. If the threat of every nation having its own bomb is to be contained it will be contained by U.S. leadership—and soon—or not at all. Congress passed legislation to force the administration to review nuclear safeguards and to prepare for the Nuclear Proliferation Treaty review conference in May. But the President and the Secretary of State are providing no perceptible leadership on that issue in a world desperately seeking dependable and inexpensive nuclear alternatives to undependable and expensive oil.

Almost any foreign policy would be better than none. Given a policy, the Congress and the military might begin to gear military expenditures to our purposes in the world instead of planning expensively for every conceivable contingency. The CIA and all agencies could act with some concert in support of some purpose. The United States has no foreign policy, only the odysseys of Secretary Kissinger, his dreams and secrets. The agencies of Government are cut loose to fend for themselves with little direction or input.

History has overtaken the personal diplomacy of Henry Kissinger. Impressionable Members of the Congress and the press have awakened to the truth: The personal diplomacy of Secretary Kissinger is threatening to make of the United States the apparition Mr. Nixon most feared—a pitiful, helpless giant.

So the Congress is moving ponderously to arrest the decline of the United States in the world by limiting the flexibility of the Secretary. He has forfeited the confidence of many in the Congress. It has no duty to endorse error and repose unlimited authority in the architect of national decline—as, for example, by granting his requested $30 billion blank check on the Export-Import Bank. Reluctantly the Congress is moving, not so much to protect itself from false charges as to protect the Nation from the egocentricity of its Secretary of State.

The time has come for a serious national debate over U.S. foreign policy, its objectives and methods, and the division of authority between the legislative and executive branches.

The Nation requires a foreign policy which alines the United States once again with its principles and with the yearnings of humanity seeking bread and freedom.

When the Secretary recognizes that morality and self-interest can coincide, and gets down to the hard work of foreign policy formulation and implementation, he will earn the confidence of the Congress and the public. When he begins to share power with the institutions of Government established for the conduct of foreign policy in all parts of the globe, his own State Department included, he will earn the confidence of his own branch of the Government.

The Congress is poorly suited for a major role in the formulation and implementation of foreign policy. It is not a role which the Congress seeks. The strong inclination in the Congress is to give the President free rein so long as his power in foreign affairs is not abused and for so long as the judgments are sound. And there lies the rub. The power has been abused, and in the minds of many the judgments have been calamitous. That being so, the Congress is compelled to choose between licensing the continued misconduct of foreign relations or of exercising powers which it is not altogether equipped to exercise. It has no choice except to prevent further miscalculations in the world, as best it can, privately begging for the day when foreign policy is managed by men in whom it can confidently repose authority.

The President is moving commendably to bring men of the highest distinction, untarnished by public failure, into places of high authority. Edward Levi, William Coleman, John Dunlop, as well as the continuing service of James Schlesinger, will all help restore confidence in the probity, as well as the judgment of the executive branch. A Secretary of State similarly endowed—either a Henry Kissinger prepared to share the Nation's power or someone else—could restore confidence at home and abroad in the conduct of the Nation's most vital affairs—its foreign affairs.

THE PRESIDENT'S ENERGY MESSAGE

Mr. MOSS. Mr. President, Mr. B. Z. Kastler, president of Mountain Fuel Supply Co., of Salt Lake City, Utah, wrote to me a few days ago concerning the President's energy message as it pertains to natural gas. Mr. Kastler is a longtime friend of mine and a very effective and able chief executive of Mountain Fuel—which is the natural gas supplier for the State of Utah. Mr. Kastler enclosed with his letter a statement about the problem of natural gas distributors which I think is of interest to all of the Senate. While I do not necessarily endorse everything that Mr. Kastler has set out, I agree with a great deal that he has written and I think his presentation is thoughtful. I, therefore, ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S ENERGY MESSAGE

In connection with the President's energy message as interpreted by the White House "Fact Sheet" (issued by the office of the White House Press Secretary), I earnestly invite your attention to the following:

1. The message is singularly devoid of any mention of problems besetting the natural gas industry (save mention of deregulation of "new" gas), while at the same time being most solicitous of identical problems besetting the electric industry.

On page 39 of the White House Fact Sheet (item II A7), the President proposes only with respect to electric utilities, a host of tax reforms, together with five specific mandated reforms of State Public Utility Commission processes. It is earnestly submitted that the natural gas industry is as vital to this nation's energy picture as is the electric industry and just as badly requires the assistance proposed as does the electric industry. In fact, the natural gas industry may be more vital since it is a primary supplier of energy whereas the electric industry is essentially a secondary supplier. (The Federal Energy Administration "Project Independence" Report states that the electric utility industry utilizes 26% of the nation's energy resources to produce 10% of the nation's energy needs.)

In our service area of Utah alone, Mountain Fuel Supply Company delivers, on a Btu basis, about five times more energy as does our good electric company, Utah Power & Light Company.

While I readily concede the electric utility industry needs investment tax credits, preferred stock dividend deductions and the five regulatory reforms that would expedite, simplify and make regulatory processes more equitable, so does the natural gas industry!

Moreover, any review and report to the President on the entire regulatory process and financial situation relating to electric utilities, as now called for, should not and must not be so limited to the electric utility business, but should apply to all regulated utilities in the energy business—particularly the natural gas business!

Finally, those utilities engaged in the energy business, both electric and gas, also suffer from Federal Regulatory processes which could stand improvement. My company has been visited with many Federal Power Commission mandated or approved increases in the cost of purchased gas (both field and pipeline purchases), given under the laudable banner of spurring exploration for and development of new gas supplies. Yet my company has been before this body for two years in an effort to gain approval of a simple 30-mile pipeline to bring additional supplies of gas we already have to a market that badly needs it. The long delay in the face of repeated urgings has forced us to advise our larger firm customers—for the first time in our history—that we may have to curtail them this winter for lack of this capacity and not for lack of gas. Involved are schools, large commercial buildings, some light industries, etc. Additionally, failure of the FPC to consider the impact of its frequent increases (often given on little or no notice and sometimes even granted retroactively over substantial past periods) has caused distributors such as Mountain Fuel Supply Company not only to file frequent and irritating rate increase applications with State regulatory authorities, but also to go to substantial work constantly redrafting its service schedules, setting up new billing amounts, etc. Moreover, my Company lost several million dollars in revenues in 1974 due to lag of time between when the FPC imposed increases on us and when we, in turn, achieved State permission to collect the increases from our customers. Surely this is not in the public interest and defies reasonable explanation, let alone public understanding.

2. The administration's proposals not only exclude the natural gas industry from the host of tax benefits and regulatory reforms promised the electric industry, but also proposes to visit natural gas customers with a 37¢ per Mcf excise tax! This would almost double some of our rates and would represent a very substantial increase of all of our rates.

The apparent purpose of this large excise tax is threefold:

(a) To encourage conservation of scarce natural gas and discourage low priority uses of natural gas such as for electric generation.

(b) To keep the price of gas in its present relationship to the price of oil, upon which the administration proposes an equivalent excise tax of an additional $2 per barrel. This is deemed necessary partly because much electricity is generated from burning oil and an increase in oil prices will force an increase in electric rates to the point where many electric users will rush to use of cheaper gas for uses readily convertible (such as cooking, home heating and water heating) unless gas, likewise, is increased in price by use of governmentally imposed excise taxes.

The gas excise tax is also designed to force electric generation away from use of natural gas to use of coal.

The trouble with this proposal is that, as previously pointed out, the gas industry is offered none of the tax and regulatory benefits which will be bestowed upon the electric industry, and no proposal is made to terminate the preferred treatment of the electric industry when the desired switch of electrics to coal is achieved. To give these benefits to the electric industry while penalizing the gas industry with an excise tax could well distort the competitive situation to the point where users will find it financially advantageous to use electricity for such uses as home and water heating. This would not only significantly damage a natural gas industry which is as badly in need of help and is as vitally important to the nation's energy needs as the electrics, but would bring about the highly undesirable result of causing switches from gas system heating with an overall efficiency of 60 to 70% to electric system heating with an overall efficiency of 25% to 35%. This is certainly not in the interest of fuel conservation. Moreover, it would place an entirely impossible burden upon electric systems already overtaxed in meeting customer demands. Imagine the capacity needed if we were to disappear and the electrics were called upon to deliver five times the energy they now deliver! Imagine the problems of fuel supply, pollution, siting, water, etc., etc.! Ponder the wisdom of sacking an energy system which is 70% efficient in favor of one 35% efficient!

3. Much is said and implied in the President's message to accomplish conversion of electric plants from scarce oil or gas to coal. Tax and regulatory breaks are offered, the Clean Air Act will be amended, and so forth. However, as coal can be used to generate electricity (at about 28% to 35% efficiency), so can coal be used to produce gas by several gasification processes and at much better conversion efficiencies of between 50% and 70%. Yet, no tax, regulatory or pollution incentives are offered to promote coal gasification, even though the plants require huge capital outlays and can utilize higher sulphur coals with less pollution effect. Certainly if use of abundant coal is to be encouraged as a substitute for scarce natural gas in electric generation, it should receive equal or greater encouragement for use to produce manufactured gas as a quality substitute for scarce natural gas, particularly since the conversion efficiencies are greater!

An energy policy unfairly canted against natural gas (it being the only fossil fuel regulated as to price since 1954) not only resulted in a rush to use and waste this artificially low-priced premium fuel, but also drove out of the picture those persons who explore for and find this resource because the price was kept so low. This caused a screaming emergency in the natural gas industry which has resulted in less gas at much higher cost. The solution now seems to be to abandon regulation in the face of the emergency, and to replace artificially low regulated prices not only with much higher unregulated prices, but with a punitive excise tax thrown in to insure the switch from gas and thereby produce the undesirable side result of effectively crippling or destroying the competitive posture of the gas industry. An even more undesirable side result will be the forcing of many people to use a far less efficient and less sound source of energy from a conservation as well as an environmental point of view. Just as two wrongs do not make a right, neither do two excesses produce an appropriate solution to a problem. We learned long ago that patients dying from the excesses of medieval medicine were not helped much by the process of leeching their blood!

Natural gas now accounts for 30.6% of the total energy supplies of this nation (see Project Independence report). In spite of bad past governmental regulation, the industry is still alive albeit by a narrow margin. The substantial contribution of natural gas to the nation's energy blood stream must not be rubbed out by further governmental excesses. To be sure, the United States can afford to lose some blood, but not 30.6%! Excluding transportation, natural gas supplies 40.9% of the nation's energy needs.

The outpouring of concern for the electric industry is understandable and timely, but the lack thereof for the harder-pressed and more victimized natural gas industry defies both understanding and reason, has no logical basis, and will militate against the objectives of prudent use of energy resources, energy conservation, and ultimate energy independence.

We realize our nation made a serious mistake by keeping the gas baby in the hot bath water of government regulation for over 20 years. I submit it is not now a reasonable solution to throw the baby out with the bath water!

PROPOSED DEFERRAL OF THE OIL IMPORT TARIFF

Mr. GRIFFIN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Ohio (Mr. TAFT).

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR TAFT

While I believe that strong mandatory energy conservation measures are essential, President Ford's import tariff is the wrong way to conserve energy at the wrong time. I urge my colleagues in the Senate to vote for the measure which would delay imposition of the tariff for 90 days and cancel that portion of the tariff which has already been imposed.

The import tariff will drain billions of dollars from American incomes, just the opposite of what our economy needs. In recent testimony before the Joint Economic Committee, Charles Schultze of the Brookings Institution testified that by April, the price rise in "new" and imported oil resulting from the tariff would be draining American incomes at a rate of about $10 to $11 billion per year. The President's total energy package recognizes this factor and balances it with permanent tax cuts. However, it is already apparent that the entire energy package, including these tax cuts, will not be acted upon fast enough by the Congress to counteract the added burden of the tariff on consumers' incomes.

There are also good reasons to question the tariff as a means of achieving energy conservation. It is hard to see why American consumers and industries should be forced to pay a higher price for all crude oil than the artificial world price set by the OPEC cartel, which is far too high already. Furthermore, President Ford's energy conservation strategy of raising the price of crude oil would cause serious inflation and dislocation in key industries, possibly without reducing oil consumption enough. Instead, the energy conservation proposals I suggested to the President in a letter several weeks prior to his state of the Union message were more directed to gasoline, because that it is the area of greatest energy waste. At the time, I suggested measures such as gasless weekend days, promotion of fuel-efficient automobiles (which is being done) and possibly a partial rationing or allocation approach in which the use of gasoline beyond individuals' basic needs would be taxed heavily.

In view of the serious concerns and uncertainties with respect to the President's energy proposals and the profound impact which any comprehensive energy program will have, Congress should have ninety days to develop its compromise proposal. Its challenge is to do so.

SENATOR McGEE WINS CONSERVATION AWARD

Mr. HUMPHREY. Mr. President, I was delighted to note that the February 1975 issue of Rural Electrification reported the presentation of the Distinguished Service Award to the National Association of Conservation Districts to my colleague and friend, the Senator from Wyoming (Mr. McGEE).

The NACD award is conferred annually to "an American citizen for significant contributions to the protection and development of the Nation's privately owned natural resources."

This is certainly a well deserved award. Senator McGEE understands the importance of providing adequate funding and investment in order to protect and develop our basic natural resources.

Senator McGEE also deserves credit for challenging President Nixon's impoundment program, which he accurately described as "tearing up the Constitution to balance the budget."

Mr. President, I wish to join in saluting Senator McGEE, and I am delighted at this recognition of the leadership he has provided. I ask unanimous consent that the Rural Electrification article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

McGEE WINS CONSERVATION AWARD

Senator Gale McGee (D-Wyo.) has been presented the Distinguished Service Award of the National Association of Conservation Districts in ceremonies held in Denver, Colo., on Feb. 4.

The top award, conferred annually by the NACD, is given to "an American citizen for significant contributions to the protection and development of the nation's privately owned natural resources."

McGee, who is chairman of the Senate Appropriations Subcommittee on Agriculture, Environmental and Consumer Protection programs, has been particularly interested in the needs of rural America in general and soil conservation programs in particular.

This interest and concern spurred the Wyoming Democrat, in 1973, to challenge then President Nixon's action of impounding congressionally mandated funds for many agricultural programs and termination of others such as the Rural Electrification Administration's direct-loan program and the Rural Environmental Assistance Program (REAP).

At that time, McGee characterized the action as "tearing up the Constitution to balance the budget." The Senator then proceeded to have his subcommittee fashion a new appropriations bill to fund Agriculture, Environmental and Consumer programs during fiscal 1974. He refused to receive Administration witnesses to testify on budget requests, noting: "Last year the Secretary of Agriculture urged my subcommittee to fund every program the President ended up dumping in December.

"At that time, there was not a whisper that we could not afford these programs," he said. "Instead, the President chose to make a mockery of our whole constitutional process by waiting until after the election and until after Congress had adjourned to take the most deliberately deceitful route possible—executive fiat."

The Wyoming Democrat said the only really effective tool to fight the President was the power of the purse. "That is why I am invoking the power of the purse."

McGee is particularly supportive of legislation to control the strip mining of coal and other minerals. He feels that the nation's energy needs must be balanced against the need for environmental safeguards.

He long has advocated more rational planning when it comes to land development, noting that millions of acres of productive farmland in the United States had been destroyed by urban sprawl and mineral exploitation.

"We are entering an era of worldwide food shortages," he said. "Our most valuable resource as a nation is the food productive capacity of our agricultural sector. We cannot abuse one of the most valuable tools available to our farmers' productive efforts—the land."

In accepting the award, the Senator pointed out that his subcommittee had been able to withstand the challenge thrown at it by President Nixon two years ago.

"We have restored soil conservation programs as a major effort of the U.S. Department of Agriculture," he said. "While I am not yet satisfied that we have achieved adequate funding levels for these programs, I believe we have more than held our own in light of the domestic economic problems which are forcing us to tighten our belts in Washington."

SLASHING PROGRAM FUNDS FOR THE ELDERLY

Mr. PELL. Mr. President, President Ford recently proposed that some $42 million be withdrawn from fiscal year 1975 program funds for the elderly. The major portion of that amount, exactly $25 million, would be taken from the title VII nutrition program for the elderly.

I deplore this ill-conceived attempt to slash funds from this excellent and vitally important nutrition program. I can think of no single program which more clearly meets the needs of millions of persons in this country, and which has achieved such immediate and broad-based community support.

In my home State of Rhode Island, the story of the luncheon programs has been heartwarming and encouraging. Fully, 1,000 hot and nutritious meals are served daily, at lunch sites all over the State, in neighborhood centers and in modest storefronts, in churches, and in gymnasiums. The program has drawn enormous community support. Senior aides and CETA employees help to prepare and serve the meals; and the seniors themselves have increased their voluntary contributions, to the breaking point, in an effort to keep the State at the 1,000-meals-a-day level, against the skyrocketing cost of food. The President speaks about belt tightening: the fact is that the elderly citizens of Rhode Island have already used up all the notches in their belts just to keep the program at its current size. They cannot, and should not, be asked to suffer a cutback in meal days, or contribute even more of their small incomes. Where is the logic in holding back on necessary social security increases, as the President proposed, and at the same time cutting supplementary social services, such as the nutrition program? There is no logic in that, only a shortsighted ignorance of the real needs of senior citizens.

The message of the President's proposed rescission is that the elderly can do without. I know, to the contrary, that if additional funds were available, Rhode Island has enough immediate need so that it could expand its lunch program threefold. The President's proposed cuts, on the other hand, would push us back to only 800 meals each day.

Mr. President, I believe that this proposed rescission is totally unacceptable. Under the rules of the Congressional Budget and Impoundment Control Act of 1974, Congress must approve a rescission proposal, if it is to take effect. I will certainly not vote to support this rescission, and I urge my colleagues to do likewise.

IMPROVED EQUIPMENT FOR FIREFIGHTERS

Mr. BEALL. Mr. President, last October, the Congress passed what I consider landmark legislation in the area of fire safety. The Federal Fire Prevention and Control Act for the first time gave major Federal impetus to our national effort to combat fire and its related tragedies, and I was pleased to be a cosponsor of and conferee on this long-awaited legislation.

During our work on the bill, the Commerce Committee came to the realization that one of the biggest problems facing today's firemen is the development and purchase of adequate equipment. On September 26, 1973, I was privileged to chair hearings on the legislation, and at that time one of my constituents, Fireman Thomas Herz of Baltimore City, appeared before the committee. Fireman Herz was severely injured fighting a house fire in Baltimore, and he showed us the equipment he was wearing during that fire. The gear in almost every instance was burned or melted almost beyond recognition. The committee, impressed with his testimony and the statements of others, therefore included within the bill mandates to develop new and improved equipment for our firefighters.

On January 30, 1975, the Wall Street Journal published an article entitled "Firefighting Gear Improves, But Cities Can't Afford To Buy It" which discusses in some detail some of the problems facing local firemen in obtaining quality equipment. I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Firefighting Gear Improves, But Cities Can't Afford To Buy It—New Technology Is Blocked by Squeeze on Budgets; Rapid Water and Jet-Axe—Bringing Insurers Up to Date

(By Jeffrey A. Tannenbaum)

Jarrold A. Parry, a volunteer fire chief in Pierce County, Wash., was wearing a white fireman's coat made from a relatively new synthetic fiber, called aramid, when he was showered with flaming oil from an exploded tank about 18 months ago.

The 38-year-old fireman suffered severe burns on the parts of his body that the cost didn't cover, but his torso wasn't harmed. "If I hadn't had that kind of coat on," he says, "I wouldn't be alive now. My doctor also said that. An old-style coat would have just burned up."

The fire district's taxpayers don't deserve credit for providing their volunteers with the latest and best equipment—Mr. Parry had paid for his $90 fire coat out of his own pocket. Today, the other 21 members of his volunteer district still have cheaper and less-effective canvas coats, like most of the nation's fire fighters.

And therein lies a problem: The technique of dousing fires, which hasn't changed much in decades and is considered incredibly old-fashioned by some critics, is now able to benefit greatly from recent scientific advances. A number of developments—including electronic fire-hose nozzles, new chemicals and even robot firemen—promise to make fire fighting both safer and more effective, saving lives and property. But fire departments, largely because of financial difficulties, are slow to catch on.

"NOBODY CAN AFFORD THEM"

"There's no question that technology in the fire service is way out of date," says James M. Newman, a municipal official in Oakland, Calif., and co-author of a comprehensive recent study of fire-fighting gear. Adds Donald M. O'Brien, general manager of the International Association of Fire Chiefs, "We've discovered all these technological innovations, but nobody can afford to pay for them."

Ironically, money problems are blocking the advent of new technology just as many former problems are being cleared away. For instance, critics long have considered fire departments to be so tradition-bound and riddled with internal politics as to be unreceptive to change; but more and more departments are showing signs of breaking out of this pattern and actively are embracing the new developments.

Governmental indifference also is being shaken off. On the federal level, a bill is expected to be introduced in Congress that would extend the protection of the Occupational Safety & Health Act to fire fighters who now are excluded because their employers are local governments. On the state level, Washington shortly is expected to implement the first state standards for fire-service equipment; other states are expected to follow suit sooner or later.

The insurance hurdle may be dismantled, too. Most fire insurers use a grading schedule to help judge the capability of local fire departments, which is a major factor in setting insurance rates. The grading schedule historically has been revised very infrequently—it wasn't updated at all between 1956 and 1973—which meant that there was no credit given to fire departments for new types of equipment and thus no incentive to invest in them; in fact, there was incentive to keep old equipment. But now the grading schedule is supposed to be updated more frequently, according to Daniel J. McNamara, president of the industry-sponsored Insurance Services Office, which has been responsible for it since 1971.

NO GOVERNMENT MONEY

All these moves might be expected to lead to massive reequipping of fire departments across the country, except for one additional fact: Neither the federal nor state governments appear to be contemplating pumping very much money into fire department modernization.

A new federal agency, the National Fire Prevention and Control Administration, was established in October, and it already has rejected several dozen appeals for capital-improvement funds. Joseph E. Clark, the acting administrator, says: "We don't have authority to give money away for the purchase of equipment. It's not in the legislation."

The outlook isn't much better in Washington state. Charles C. Soros, a 32-year-old Seattle fire captain, is asked how long it will take for the state's fire departments to meet the proposed equipment standards. "I'm afraid I might never see it in my lifetime," he replies. "Nobody has the money for new equipment."

As a result, the new fire-fighting technology is showing up in only a few, widely scattered cities. Even so, the effectiveness of the new equipment and materials is attracting a lot of attention among fire-fighting officials.

RAVES FOR RAPID WATER

Perhaps none has so dramatic an impact as Rapid Water, a chemical additive that Union Carbide Corp. started selling to fire departments about four years ago. The chemical, polyethylene oxide, is added to the water that flows through fire hoses to reduce the friction in the hose and cause the water to squirt out faster. Fire fighters can get up to 50% more flow than before with the same pump pressure and hose size—or get the same flow as before with a smaller hose that's much easier to use.

"We're getting water on the fires faster, and it's less tiring for the men," says Frank C. Burke, a deputy fire chief in Syracuse, N.Y., one of the first cities to use Rapid Water. In part because of improved manpower deployment, but largely because of new equipment, "I would say that the initial knockdown on a good fire at a residence is taking us five to 10 minutes now, and before it could go 30 to 40 minutes," he says.

Nine of Syracuse's 14 pumpers now are outfitted to use Rapid Water, and the other five will be so equipped soon. But Union Carbide and Bendix Corp., which makes the related pumping equipment, says that orders still only trickle in. Only about 20 fire department's of the nation's approximately 25,000 have started using the system, a Carbide manager says. "It's always a problem for fire departments to get capital funds," he adds. "We recognize it's going to be slow growth."

An electronic fire-hose nozzle, designed to operate a pumper by remote control, is being marketed by a subsidiary of Grumman Corp. Grumman has tackled a universal problem of fire fighters—the inability of those who carry a fire hose to control the water flow. The water always has been controlled by another fireman at the pumper itself. The attempts at coordination, involving hand signals and hollering, are often clumsy, inefficient and downright dangerous for the fire fighters.

By using a dial on the Grumman nozzle, a fire fighter can alter or stop the water flow quickly. "It's far more effective and safer for the guy using the nozzle," says William J. Patterson, a deputy fire chief in Long Beach, Calif., which has been using a prototype. The nozzle also frees the fireman at the pumper for other tasks. "We feel that the nozzle speeds our attack a great deal," Mr. Patterson says. The only drawback: It costs about $12,000 to automate two hoses, an expense that few fire departments say they could afford.

Another expensive new wrinkle is using controlled-charge explosives to break through walls instead of picks and axes. Crestwood, Mo., fire chief William J. Kramer credits Jet-Axe, an explosive developed by a subsidiary of OEA Inc., with curtailing the spread of a shopping-center blaze in neighboring Warson Woods not long ago. Fire fighters blasted through a four-inch thick concrete-and-steel floor in seconds and headed off the rapidly spreading flames. But Jet-Axe's makers say it has been slow to catch on with fire departments, at least partly because of the cost: $85 to $150 per explosion.

PROBING SMOKY ROOMS

Still another new aid is Probeye, which helps fire fighters make their way through smoky rooms. Derived by Hughes Aircraft Co. from military equipment that tracks missiles, the cameralike instrument detects infrared radiation rather than normal light and thus can pinpoint cinders in concealed places or people caught in smoke-filled rooms. The Anaheim, Calif., fire department has been testing a prototype, and Hughes says it has a handful of orders. Many fire departments are balking at the price of $3,575, though, and Hughes says it might find a better market among utilities, for which the device also has applications.

New technology also promises to relieve fire fighters of highly flammable clothing, plastic helmets that melt and breathing apparatus that is so bulky it contributes to exhaustion. Many injuries and deaths are attributed to inadequate equipment. W. Howard McClennan, the president of the International Association of Fire Fighters, asserts—and federal officials say that he isn't exaggerating—that "many firemen are still wearing coats that are far more flammable than babies' night clothing.

None of these problems has yet been solved to the satisfaction of fire fighters, but a good deal of progress has been made in some areas, notably the fire coat. Many coat makers have switched to aramid, a fiber developed by Du Pont Co. that is much more fire-resistant than the materials it is displacing. More recently, Carborundum Co. has developed another new fire-resistant fiber, called novoloid; the company says that a fabric made of novoloid can be splashed with molten lead without burning through.

Among other developments, federal officials recently started field tests of an improved breathing apparatus for fire fighters. The new compressed-air system, designed by the National Aeronautics & Space Administration, is made of glass fibers rather than steel or aluminum and weighs about 13 pounds less than conventional gear.

Budgetary and other barriers to change may fall in time, but then a new one could spring up. Many fire chiefs expect opposition from labor unions because technology can eliminate some fire fighters' jobs. New York City says the use of Rapid Water on a portion of its pumpers has led to the elimination of 265 jobs, a move accepted by the union only in return for some expensive contract concessions. Grumman's nozzle also could replace fire fighters, some sources say.

In the not-too-distant future, another source of union controversy may even be robots designed to carry fire hoses. In Scottsdale, Ariz., the privately owned Rural-Metro Fire Department has built a four-wheeled, tank-like device called the Snail, which led the attack on a leaking tank car of butane not long ago and presumably is ready to tackle an actual fire. So far, though, the Snail isn't likely to replace a human. "He still doesn't climb stairs very well," says the Snail's designer, Louis A. Witzeman.

MISSOURIANS SET EXAMPLE ON FUEL CONSERVATION

Mr. SYMINGTON. Mr. President, President Ford has urged reduction of oil consumption by 1 million barrels per day. Most Americans recognize that goal as one which should be achieved in the national interest.

Missourians have been working to help achieve that goal, and figures recently released by the Missouri Department of Revenue show that their efforts have been effective. Last year, motor fuel consumption in our State was reduced nearly 3.8 million barrels below 1973.

If all the States could have achieved similar reductions, it would have meant 452,530 barrels of motor fuel saved each day last year, almost half of the reduction sought under the President's program.

It is of particular note that in December 1974 motor fuel consumption in Missouri was nearly 10 percent below that in December 1973.

I ask unanimous consent that a news article from the St. Louis Post-Dispatch about the reduced fuel consumption in Missouri be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FUEL USAGE OFF 5.7 PERCENT IN MISSOURI

JEFFERSON CITY, January 22.—Motorists bought 159,481,583 fewer gallons of motor fuel for highway use in Missouri in 1974 than they did in 1973, year-end figures of the Missouri Department of Revenue show.

The annual totals show 2.789 billion gallons for 1973, and a decline of 5.72 per cent to 2,630 billion gallons of gasoline and diesel oil in 1974.

During the calendar year, fuel consumption was down anywhere from .69 percent in July 1974 against July 1973 to 17.14 per cent in January 1974 compared to a year earlier.

In only three months of 1974 were there increases over 1973. They were May 11.75 per cent; August 1.09 per cent, and November 3.45 per cent.

In December 1974, the last monthly figures available, motorists purchased 22,590,647 fewer gallons of gasoline, 9.69 per cent fewer than they bought in December 1973.

The amount of motor fuel for highway purposes is derived by subtracting from the gross gallonage the fuel used for aviation, agricultural, industrial and marine use.

GEN. THADDEUS KOSCIUSZKO

Mr. BIDEN. Mr. President, today, February 12, marks the birth of one of the great military leaders in the American Revolution, Gen. Thaddeus Kosciuszko.

Kosciuszko came to America in 1776 from Poland to volunteer to fight in the Continental Army as a colonel of Army Engineers. He distinguished himself in the Carolinas as well as in the battles of New York and Yorktown. One of his greatest contributions in the independence struggle was the engineering of fortifications, in particular, the fortification at West Point.

At the close of the war, the Polish patriot was acknowledged by Congress for his gallant service. By special act, he was granted rights and privileges of American citizenship. Thaddeus Kosciuszko was also commissioned brigadier general for his historic role in the American Revolution.

At this time, only a short period away from the celebration of the Bicentennial, we should acknowledge one of those responsible for the birth of this Nation. Thaddeus Kosciuszko is placed in the annals of American history among the proponents of sovereign rule.

PROFILE OF WILLIAM E. SIMON

Mr. HARRY F. BYRD, JR. Mr. President, probably no one who has served as Secretary of the Treasury in our Government has done so at a more difficult time than William E. Simon.

He is forced to deal daily with soaring inflation and a sagging economy. Most efforts to remedy one of these problems tend to make the other worse. It is not an enviable task.

I believe Mr. Simon is doing a splendid job. He is hard working, forthright, and intelligent. I have been very favorably impressed with his actions and comments under extremely trying circumstances.

The February issue of Nation's Business includes an interesting profile of Secretary Simon, which brings out both the tough problems which he faces and the determination with which he tackles them. It gives interesting insight into his thinking and his habits. It is both interesting and informative, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SIMON'S CAMPAIGN TO CURB BIG GOVERNMENT

There's a television show on the air in Washington every Saturday that features a mixed group of correspondents discussing what's been going on around town.

"I watch you each week," William E. Simon told a participant one day at a luncheon. "Boy, you guys don't know how many times I've been on the verge of calling you up right then and telling you what you just said was all wet."

"I talk back to the television set," Mr. Simon explained a few moments later. "I just can't stand it when somebody gets something perfectly simple messed up in trying to explain it."

As Secretary of the Treasury and chairman of the President's Economic Policy Board, Mr. Simon is equally pained that in this period of economic stress so many ignore what to him is a simple explanation of why we are now struggling with recession and inflation.

"We're in this mess because of things done in the past," he says. "Inflation causes recession. We're going to come out of it, but we don't want to come out of it and two years from now have worse inflation, which could only lead to worse recession.

"What I wish everybody would understand is that government spending doesn't cure economic problems. Massive government spending just creates them."

Statements similar to these have caused some members of Congress, columnists and economists to accuse the 47-year-old former New York investment banker of being a "Neanderthal," or "Eighteenth Century thinker."

To this, Bill Simon says simply: "It's the philosophy that bothers them. If they can't punch holes in the philosophy, they try to tear down the man."

He contends his philosophy is merely an unshakable belief in the American free enterprise system, "which has brought us the greatest prosperity in the history of the world.

"All I'm saying is that this system has worked, is working and will work if we let it and don't strangle it with government and regulation."

Mr. Simon has been preaching a message of less government and less government spending ever since he joined the Administration in 1972 as Deputy Secretary of the Treasury.

But it wasn't until the energy crisis struck in December, 1973, that he jumped overnight from being a little known sub-Cabinet official to a household word.

That was when he was named to take over the Federal Energy Office, established by President Nixon to coordinate federal energy policies. With imported Arab oil cut off in a global political power play, Mr. Simon's job became one of keeping fuel going to businesses so they could continue to produce, and making enough fuel available to the public to keep it comfortable and mobile.

He succeeded—"and without getting into any coupon-rationing fiasco," he says with a grin of satisfaction.

BIG, BAD BILL?

But along the way there started building a long list of what he calls "myths about Simon."

Such as?

Mean, tough to work for and get along with.

Has a short fuse . . . temper blowups.

Fighting for power.

Rigid.

"Your list could go on and on," he says. "They just aren't true, so why worry about these petty things?"

What does worry him, he says, is that in this "critical issue stage" there seems to be very little concern about issues, but a lot of focus on personalities.

"You know, Sen. Fulbright [J. William Fulbright, a former chairman of the Senate Foreign Relations Committee who lost an Arkansas primary contest] put it pretty well in his farewell speech at the National Press

Club when he said, 'You people are more interested in the singer than the song.' "

The song being sung today could very well be entitled, "The Economy," with Congress and the Administration a Washington version of Tin Pan Alley.

When Mr. Nixon named him Treasury Secretary (after a first choice declined the job) to succeed George Shultz, Mr. Simon immediately put on 44 other hats—for that's how many officially designated functions the nation's top financial officer has. He added another when President Ford named him to chair the newly created Economic Policy Board.

The Board's executive committee meets in the White House daily at 8:30 a.m., to discuss the economic state of the nation, and it meets with President Ford twice a week, sometimes more often.

AN EARLY BIRD

By the time of the 8:30 a.m. meeting, Mr. Simon has already put in a pretty good day. He gets up every morning by 5, "catches up on my reading with a cigaret and a cup of coffee," and is usually in his Treasury office shortly after 7. At 8, there is a meeting with Donald Rumsfeld, the President's top assistant, and the senior White House staff.

After the executive committee session—the other participants are L. William Seidman, staff director of the Policy Board; Alan Greenspan, chairman of the Council of Economic Advisers; the director of the Office of Management and Budget; and the President's special assistant for trade—he is back at Treasury coping with a schedule that changes almost hourly.

The Secretary was one of the chief suppliers of the options President Ford considered when he finalized the Administration fiscal policies that he outlined in his State of the Union message to Congress.

Says Mr. Simon: "The President has to have every option available to him when he makes his decisions. The Economic Policy Board certainly tries to give it to him. Sometimes recommendations are unanimous. Sometimes strong opinions of a varying nature are also given."

Does he ever give his opinions to the President, personally and alone?

"Oh, sure. He knows how I feel. He knows how a lot of people feel. He gets a good input. Then he makes the decisions. Sometimes, when we talk, it's philosophical. Other times, I've got position papers with me, especially when we talk about taxes."

To get the nation out of recession, the President proposed a $12 billion reduction in income taxes for 1974, to be rebated by the Treasury in two checks. In addition, noting that inflation is pushing people into higher tax brackets, he called for a $16.5 billion annual reduction in personal incomes taxes from 1975 on.

Mr. Ford also proposed a one-year $4 billion increase in investment tax credits for farmers and business. For the future, both to offset "inflationary distortions" and to stimulate activity, he urged a reduction in the corporate income tax rate from 48 per cent to 42 per cent of profits above $25,000 the present 22 per cent would remain).

On the energy front, the President asked Congress to increase excise taxes or import fees on all crude oil, and on imported petroleum products, by $2 a barrel. Meantime, on his own authority, he said, he would raise import fees $3 per barrel by April 1, and he will limit imports if he feels it is necessary. And he said he will end price controls on "old" domestic oil.

Also, he would delay certain environmental standards for autos, deregulate the price of new natural gas, raise natural gas excise taxes and impose a windfall profits tax on energy producers. In addition, he would extend the investment tax credit increase (a rise from 7 per cent to 12 for most businesses and from 4 per cent to 12 for utilities) for two years in the case of utilities that build power plants which don't use oil or natural gas.

A "HORRIFYING" DEFICIT

A result of his proposals, Mr. Ford said, would be a 1976 budget deficit of at least $45 billion.

The size of the deficit "horrifies me," Mr. Simons says, but he adds that it is necessary to stop the nation's economic slide. He emphasizes: "I intend to fight to enact the President's entire program. And it should be taken in its entirety."

That the Administration is going to have a big fight on its hands in Congress is obvious. The Democratic majority has proposed its own version of a remedy for the nation's economic ills and, while it favors a tax cut, it prefers one different in emphasis than the President's.

Because Mr. Simon is an ardent advocate of pay-as-you-spend policies, eyebrows were raised all over Washington when it became known some weeks before the President's message that the Administration was thinking of the cut and that he hadn't hit the roof.

The Secretary says he doesn't see any contradiction.

"First of all, nothing is more important than responsible budgeting," he explains. "If we had followed pay-as-you-go policies over the past decade, we wouldn't be in our present mess. However, I don't advocate a balanced budget when the economy is falling off into recession. Budget deficits in recession are inevitable and even desirable since they do provide a needed degree of fiscal stimulus.

"But we also have rampant inflation to contend with. And there is a world of difference in terms of inflation between a deficit which results from sluggish tax revenues, and one which results from runaway federal spending. The first type of deficit helps to stabilize the economy; the second type would further destabilize it."

Since the Secretary isn't shy about speaking up for Administration economic views, there's hardly a network talk show on television he hasn't appeared on more than once. In fact, he and Secretary of State Henry Kissinger are probably the most publicly recognizable of all Cabinet members.

In his TV appearances, or when he is testifying before a Congressional committee, Mr. Simon startles listeners with the machine-gun rapidity with which he hurls out a seemingly endless array of facts and figures—specifics on almost any subject within the sphere of the moment.

"It's discomforting to see a man so damn sure of himself," one Congressman confides. "You think he'd have to look at some notes once in a while just to make sure he's right."

One reason he doesn't need notes is because "I have an almost photographic memory," the Secretary says. "I seem to be able to remember almost anything I've read, including some damn silly stuff. I don't mean just the substance of something, but the page number."

IN A CROSSFIRE

Mr. Simon is considered, even by his critics, a dedicated, hard-working and competent person. But his views—and more importantly the ability to influence the President with those views—bring him into a strong cross fire from Congressmen, from dozens of diverse groups, and even from within the Administration.

One basic cause of conflict between some in Congress and Mr. Simon is his belief that whatever you do in the short term for the economy has to be consistent with long-range objectives.

"Unfortunately, too many in government view long-term projection as the next election," he says.

"I tend to take the longer view. I'm dedicated to turning around this big ship of government. Government at all levels today is taking about 32 or 33 per cent of our gross national product. If it continues to grow, it's going to be the end of our free enterprise system."

Mr. Simon says he is enough of a "political realist" to know it isn't easy to cut government spending or convince everyone that overspending is the prime cause of inflation.

"We have a love-hate relationship with inflation," he contends. "We hate inflation, but we love everything that causes it."

REGULATIONS THAT RESTRICT

The biggest surprise to him when he came to Washington, he says, was "the way everybody runs to government for the answer to a problem. Everybody, business included. I was simply amazed. Government's not the answer. Government's mostly the problem."

One area, in the Secretary's view, that's long overdue for a close look is just what regulation is really doing to American business.

"The regulations that were created to protect have ended up protecting special interests," he says. "Most are anticompetitive and cost consumers billions of dollars. And they certainly cost business, too.

"It will be an excruciating difficult thing to do to judge these regulations on the basis of what they're really accomplishing. But just because it's tough doesn't mean you shouldn't try."

The Secretary and his wife, Carol, live in McLean, Va. They have seven children, ranging from William E. Jr., 23, to Katie, 7.

When he isn't working, which is rare, Mr. Simon likes to play tennis, and he scrounges around for a partner when an unexpected free hour turns up.

"I usually can get Art Buchwald [the columnist]. He's a tennis bug, too, and seems to be able to drop what he's doing almost any time."

Mr. Simon had an intimate knowledge of some of the Treasury's activities before he officially joined it. As a senior partner of Salomon Brothers he was responsible for the investment banking firm's government and municipal securities department.

"I knew the financial end of Treasury," he says. "But I didn't know much about the law enforcement part. I learned."

While Mr. Simon plans to stay as Secretary of Treasury as long as the President wants him, he definitely doesn't intend to be a 30-year government man.

"I worked my way up to the top once before and I can do it again," he says, grinning.

But he is serious when he answers a question on how he will feel about the job he's done if and when he does return to private business:

"Comfortable. I'll feel comfortable. I won't have compromised any principles. I'll have spoken my piece and done my best."

NATIONAL CHILD ABUSE AWARENESS WEEK

Mr. BEALL. Mr. President, today I would like to focus attention on the beginning of National Child Abuse Awareness Week—February 9–15. As a member of the Senate Subcommittee on Children and Youth, I have, over the last few years, become more aware of the atrocities being committed against innocent children and the need for greater public awareness of this problem. A measure which I cosponsored, the Child Abuse Prevention Act, signed on January 31, 1974, is certainly a step in the right direction, providing for demonstration programs for the prevention, identification, and treatment of child abuse and neglect.

This week, a national conference on child abuse is being held in California, further heightening the attempts to end society's current frustration in dealing with abused children and abusive parents.

Every child, no matter how different or unique, is of the same intrinsic worth, and should be given the opportunity to fulfill his utmost potential. It is our duty to insure that all children have those rights we consider basic, and to reaffirm the importance of children as the future of American society. I am hopeful that the Subcommittee on Children and Youth will continue in its efforts on behalf of our Nation's youngest citizens, and I commend those groups throughout the country whose efforts to improve the lives of children benefit us all.

OUR ENERGY-RELATED ECONOMY

Mr. MOSS. Mr. President, the administration, like a horse with blinders, has set its sights on a single solution to our complex energy and economic problems. Since it insists there can be no second thoughts, it ignores the worried voices of the people of this Nation.

I recently received a letter from a Utah rancher, who served as legislative chairman at a recent convention of the Utah-Idaho Farmers Union. The delegates to that convention are deeply disturbed with President Ford's proposed oil import tariff. They fear for their economic futures under a tax they term as "vastly inflationary." If the costs of the items used in livestock and agricultural production continue to rise, they predict drastic decreases in food production capabilities and the collapse of many cattle farms.

The residents of Utah are greatly concerned with the continuing downturn of our energy related economy. Although the presently available gas supply is adequate for the needs of the Western States, Utahans are looking toward an uncertain energy future for the entire Nation.

Mr. President, I ask unanimous consent that this letter from one of my constituents be printed in the RECORD. It is indicative of the plight and proposals of people from this area of the country.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ROOSEVELT, UTAH,
February 3, 1975.

Senator FRANK E. MOSS,
U.S. Senate,
Washington, D.C.

DEAR TED: In response to your letter of Jan. 24th I am sorry that I have not written my favorite Senator more often during the past few months, expressing my sentiments towards various national problems, than I have. It is very easy in the ranching business to become involved in the everyday problems of land, water, cattle, and grass, and disregard the larger problems afflicting this nation. Let's just say a person gets in a rut.

In regard to the problems of the supply of natural gas, I am in complete accord with your conclusion that this is an immediate pressing problem. I do know that if enough natural gas is not available for the fertilizer industry, that our food production capabilities, especially in the field of grains and corn, will decrease dramatically with a great number of adverse effects upon our economy.

The testimony, which was given at your hearing in Salt Lake City on natural gas, was very informative and interesting to me. As I read the testimony and tried to correlate the statements made, against my own limited knowledge and experience, I came to several conclusions:

1. In the production of oil and gas from oil shale, it would be best if a production program involving the In Situ process could be developed. Large scale strip mining of oil shale and the attendant debris left after processing, would after a few years, make the landscape of the western states comparable to that of the moon.

2. I have considerable reservations in regard to the large scale use of nuclear explosives in the production of natural gas. I cannot help but think that over a period of years, fissionable material would leach into both atmosphere and water supplies causing a great many difficulties to future generations.

3. The large scale use of conventional explosives, to me, show great promise in the production of gas from low permeability rock and should be vigorously pursued.

4. The use of our vast coal supplies in the production of both gas and oil will increase drastically during the next few years, and be an immediate source of new energy.

5. Several of the individuals from the oil and gas industry testified that the removal of Federal regulations on interstate gas would stimulate greater production. My personal belief is that this would only result in greater profits for the oil industry whose profits have already been described as being 'indecent'. This would occur because the majority of natural gas production occurs as a result of oil production. My personal experience with the oil industry is that a large portion of this industry is totally lacking in either honesty or devotion to the best interests of this nation.

I would suggest a two-fold program of first, a larger write off of taxes upon the discovery and production of new sources of natural gas and that leasing of both state and federal lands for oil and gas, be based totally on a royalty basis rather than bonus and royalty. Such a program would apply incentives to the established industry to seek additional sources of gas and allow the introduction of more independent operators into, what is now, an almost monopolistic industry.

At a recent convention of the Utah-Idaho Farmers Union, I served as legislative chairman, and our delegates were deeply opposed to President Ford's proposed program to increase the tax on both domestic and import oil. The delegates expressed the opinion that such a tax would be vastly inflationary in character, affecting a large portion of the items used in the production of agricultural products. In reality the desired reduction of oil usage should come from the recreational sector of the American economy, because it produces the least in the absolute essentials of a productive society. If this means rationing, then we must have rationing, but it might well be achieved by a publicity campaign discouraging tourist travel by automobile and closing of service stations on Sunday, except for those serving the trucking industry with a diesel outlet. Such a program would discourage long distance and recreational travel by automobile and decrease the usage of oil without the bureaucracy involved in a rationing program.

At the present time, the cattle industry is in a "helluva shape," in that the costs of production are far in excess of what is received for the product which is being produced. If this continues one more year, those young men who are deeply in debt will not survive. I have no solution to the problem. The decision of the Dept of Agriculture not to raise the grazing fees for 1975 will help. Here in the Uintah Basin, the Dept of Interior, Bureau of Indian Affairs, proposes to raise the water assessments on water administered by the Bureau by approximately 35 percent. If this increase could be deferred for a year or two until the cattle industry can get back on its feet, it would be of great benefit to our farming community which is based on a livestock economy.

Thank you, Senator, for allowing me to comment on a few of the problems with which we are faced, and if I can ever be of service to you, please let me know.

Best regards,

KARL SHISLER.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, several times the Genocide Convention has been attacked by those who hold that it makes punishable the acts of soldiers in combat. They state that members of one military organization who kill or wound members of another military organization belonging to another nation are guilty of genocide as described under the terms of the treaty.

Article II of the treaty describes genocide as acts committed "with intent to destroy, in whole or in part, a national ethical, racial or religious group." This is clearly not the intent in a military engagement. Military action is designed to force the surrender of an opposing government. Genocide, on the other hand, is action with the intent to kill people just because they are members of a certain group.

Death or injury of military personnel in active combat is obviously not covered under the terms of the Genocide Convention. However, by ratifying this treaty, the United States can stand firm with over 80 other nations to try to prevent the horrors of genocide from occurring. I strongly urge my colleagues to ratify it as expediently as possible.

A TRIBUTE TO NANNIE MITCHELL TURNER

Mr. SYMINGTON. Mr. President, during this week, Black History Week, I think it fitting to pay tribute to a great lady, a Missourian who contributed much to her community, her Nation and to the history of the black press and black America.

Mrs. Nannie Mitchell Turner owned and published the St. Louis Argus, the oldest black-owned business in Missouri, which has been published continuously longer than any other weekly newspaper in the Nation.

Born in 1887 to parents who themselves were born into slavery, Mrs. Turner lived a full and beautiful life until her death on January 25 of this year. She was 88 years old and had been a newspaperwoman for 70 years.

Another black-owned newspaper, a competitor for many years, the St. Louis American, paid tribute to her in an editorial on January 30, 1975.

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NANNIE MITCHELL TURNER

Those of us who toil in the vineyards of the nation's Black Press know of the untold hardships that are connected with the regular publication of a weekly newspaper. These hardships range from long hours of work trying to coax an extra thousand newspapers out of a press that had seen its best days when it was purchased.

These are some of the hardships that Mrs. Nannie Mitchell Turner, 88, could testify to in her nearly 70 years of newspaper work in St. Louis. She came here at the age of 16, the newly wedded wife of William E. Mitchell. Both had lived in Alexander City, Ala. With Mr. Mitchell's brother, J. E. Mitchell, the three of them founded the St. Louis Argus in 1906. From a small beginning, the Argus grew in size and influence to the prestige it enjoys today. The Argus has won 25 national awards.

Mrs. Mitchell was widowed in 1945 when William E. Mitchell died. Eight years later she was married to Young Turner. In her 71 years in St. Louis she has been active in organizations designed to help young people. She was also active in women's organizations. She was of great financial support to civil rights organizations and was interested in several financial institutions.

But first and foremost, Nannie Mitchell Turner was a newspaper woman. She was most proud of the title of "First Lady of the Black Press" which was bestowed upon her by the National Newspaper Publishers Association.

For 69 years she wrote a regular column which appeared in the Argus. In her later years, she also wrote a column for the St. Louis Post-Dispatch. Both Ebony Magazine and the National Urban League selected her among the one hundred most distinguished Americans. She knew the newspaper business inside out because she worked at it. In her career she covered every kind of story ranging from civil rights to society. Her spirit served her almost to the end. We understand that she quit driving her own car only about six months ago.

When the final history of the Negro Press in America is compiled, we are certain that alongside the names of the Douglasses, the Sengstackes and the Murphy's there will be the name of Nannie Mitchell Turner. It was our good fortune to know her.

FOUNDATIONS AT THE CROSSROADS

Mr. HARTKE. Mr. President, there are 29,000 private foundations in the United States with assets of more than $21 billion and total annual grants of nearly $3 billion. While that represents a significant amount of money, it is only one-tenth of all the money which is spent by private charity each year. What gives private foundations their importance is that they alone make a rational effort to apply their money in a concerted effort to meet public needs.

There is much that is good about the private foundation community, but there is also room for significant improvement. It was in this vein that I spoke this week before the Conference on Federal Tax and Other Problems of Non-Profit Organizations in Washington, D.C.

Mr. President, I ask unanimous consent that the text of my remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

FOUNDATIONS AT THE CROSSROADS

(By Senator VANCE HARTKE)

Earlier this week, the President sent Congress a record budget request of three-hundred-forty-nine billion dollars for the coming fiscal year. During that year, private philanthropy in the United States will account for expenditures equal to about one-tenth of the Federal budget, and of that total, private foundations spend ten cents of every charitable dollar—or three billion dollars. In about three days alone, the Federal Government will exceed what all private foundations spend in a year.

Placed in that perspective, it may seem odd that twenty-nine thousand institutions whose total assets equal less than twenty-one billion dollars should have such great importance to our society.

Clearly, their importance goes far beyond the business foundations generate for lawyers and accountants. Foundations are a unique and important American institution. When southern education was sagging in the aftermath of the Civil War, and neither State nor Federal governments provided any assistance, it was an American private foundation which came to the rescue. When hookworm was devastating our farmland, it was an American private foundation which used its human and financial resources to provide a solution. When the magnitude of world hunger became clear, it was American foundations which provided the impetus for the green revolution. There was a time some fifty years ago when foundations spent more money for education than the Federal Government.

A great deal has changed in those fifty years. The Federal Government has blossomed into a mammoth bureaucracy. While foundations continue to give more money to education than to any other purpose, the Federal Government spends more on higher education alone than foundations spend on all of their grants for all purposes.

Much more has happened in fifty years than the growth of the Federal Government. In five decades, our society has become highly urbanized, computerized and plasticized. Government is an integral part of our daily lives with programs to aid businessmen, students, farmers, the unemployed, the poor, the aged and the sick. More and more discretion has been placed in the hands of local governments and citizen groups for the expenditure of Federal funds. Foundations must adjust to these new conditions and new needs.

Our people have a laundry list of unmet needs and problems. High on that list are such items as the energy crisis; the failure of our economic institutions; the need to restore the qualities of brotherhood and humanity to our daily lives in the face of frustration, congestion, and pollution; the failure of too many of our public schools to educate; and the need for government to become more responsive to the people.

There is so much to be done that it seems futile to begin the process of listing the full range of public priorities, but that is precisely what private foundations must do. Too many private foundations are content to continue business as usual. They make no rational effort to assess the needs of the community they serve or to hire a professional staff to administer their affairs, and they make no annual reports. There are many examples of private foundations in this country which do an excellent job, but they are outnumbered at least five to one by foundations which are failing to serve the public purpose adequately.

Let there be no mistake. The only reason for the existence of private foundations is to serve the public purpose. The law requires it, and it makes good sense. American taxpayers sacrifice their right to the benefit of six-hundred-million dollars in tax revenues each year so that foundations and other tax-exempt charitable institutions can make use of money which would otherwise go to the Federal treasury. The people have a right to expect that money to be used for public purposes.

The Tax Reform Act of 1969 set out a variety of basic requirements which are designed to assure that private foundations will act in the public interest. But legal requirements alone are not enough. Foundations must go beyond the letter of the law to determine what real public needs are in this age of change and then fit their grant-making programs to meet those needs. They must remember that it was their devotion to innovation and experimentation which marked their early years, and that those two qualities are needed even more today.

Government may be into every aspect of our lives, but we cannot count on government to chart new territory, monitor itself, or examine the basic institutions upon which it depends for its existence. These are the modern-day frontiers for foundations which need to be explored and probed for the good of our society.

If for no other reason, foundations must re-examine themselves as a simple matter of survival. Many people are deeply concerned about provisions of the Tax Reform Act of 1969. But I can tell you that it is far more important to me and to the other members of Congress that foundations demonstrate they still have a valuable role to play in our society; that they demonstrate they have a continuing right to the benefits which they enjoy under our tax laws. It may be that there are provisions of the internal revenue code which are working a serious injustice on private foundations, but the burden will be on those foundations to demonstrate to Congress and to the public that their loss is also society's loss.

One part of the foundation problem is a matter of public relations. Publishing annual reports, publicizing grants, and making contact with Members of Congress in whose districts or States grants are made will help the foundation community get its message across.

But this is more than a question of merchandising. If foundations are to continue to exist as viable and unique American institutions, they must have a clearly-defined purpose. To exist for the sole purpose of giving away money is not enough. Charitable grants which further a distinct objective meaning to the existence of a foundation and give substance to the foundation's continuing use of tax privileges.

Once the objective is established, a foundation can weigh with rational criteria the various grant proposals it receives and evaluate just how effectively that money is being used by the recipient. Too few foundations engage in this type of rational grant-making process, and even fewer make a serious effort to determine how the money is being used by the grantee.

I can see no reason why fifty or a hundred-thousand dollars should be given away without first setting strict conditions on what the foundation expects in return for its money. It is time that the foundation community adopt evaluation and accounting practices which enable the effective monitoring of each and every foundation grant. Congress can require this by law, but it would be far more effective if the foundation community did it voluntarily.

In a similar vein, there are too few foundations which make any effort to make an assessment of the effect which a grant is likely to have on a community. Many of our government programs now require citizen-group evaluation. Foundations ought to reach out to the community to get an idea of how the public evaluates the impact of the foundation's money.

Another method by which foundations can improve their public service is to broaden the representation of the governing boards. No group which seeks to serve the public can afford to limit itself to dependence on a select group of executives to set policy and direction.

These are some of the basic challenges facing foundations. I have raised them during the past year and a half during which I have served as chairman of the Senate Subcommittee on Foundations, and I intend to raise them again and again until foundations get the message that they must make some basic changes if they are going to survive. There is a major role which foundations can continue to play, but the substance of tomorrow will not be found in the pages of yesterday. It may be that some foundations will not be able to survive the dual challenge presented by a suspicious public and a sagging economy, but I want to do everything I can to assure that those which do survive leave a legacy of lasting value long after their organizational demise.

Part of the efforts of the Subcommittee on Foundations during this Congress will be directed toward examining the substance of foundation activity in our society. We held two days of hearings last September on the role of foundations in public broadcasting. A hearing on foundations and the aged is planned for next month. And there will be other hearings on such areas as education, health, minorities, urban problems, and the arts. We want to know just what benefit foundations are providing the public, but we will also examine the relationship between Government and foundations. It concerns me, for example, that some functions which now receive substantial foundation support could be just as effectively supported by Government. That in turn would free foundation money for new program areas which need a more innovative and dramatic approach than Government can provide.

While these hearings are taking place, the subcommittee will devote a substantial amount of time to examining the provisions of the Tax Reform Act of 1969. During the last Congress, we held three separate sets of hearings on this subject, and I can foresee the need for at least a dozen more during the next several months.

Many of you know that the members of the subcommittee issued a statement last October recommending a fifty percent reduction in the four percent excise tax. The loss in Government revenues will be minimal when compared to the increased benefits which could go to our society when that tax is lowered to two percent. And I think it is time that we stopped calling it an excise tax and instead call it what it should have been called in the first place: An audit fee designed to cover at least a portion of the Government's expense of supervising tax-exempt organizations.

Many witnesses before the subcommittee have testified that the minimum payout provisions of the 1969 act are working a severe hardship on foundations. The purpose of the payout provision is sound. Foundations should not be permitted to unreasonably accumulate wealth. A foundation should be required to pay out all of its investment income, and there ought to be a legislative standard which encourages foundations to invest in income-producing assets.

Just what that standard ought to be has been the subject of disagreement. Two things are clear at this time. First, Congress has not accumulated enough hard facts to determine whether a legislative modification of the standard ought to be made. Information which will become available to the Congress this fall should make that determination possible.

On the other hand, it is equally clear that the method presently being used by the Treasury Department to set the payout rate is open to question. At the subcommittee's November hearings, it was revealed that the department has been using treasury notes with approximately five years remaining duration as its standard. The members of the subcommittee suggested a more equitable market-basket approach which takes into account the performance of both debt and equity investments, and I am hopeful that this type of approach will be adopted by treasury for 1975.

There are some basic premises underlying the Tax Reform Act which deserve to be reexamined. One is the severe restrictions which were placed on private foundations compared to other types of philanthropic institutions. These restrictions were justified because it was thought that the private nature of foundations demanded increased public control through legislation, while public charities were by their nature more subject to the influence of the people.

It is now clear that this is one premise which rests on an extremely fragile foundation. Public charities throughout this country are practicing daily abuses of their tax privilege in the form of excessive fund-raising costs, unscrupulous fund-raising tactics, and inadequate public financial disclosure, and I can promise you that our subcommittee will begin an examination of these practices early this year.

One of the major contributions of the subcommittee has been its persistence in developing new information about the foundation community. We discovered, for example, that nearly five thousand private foundations have terminated since 1969. At our suggestion, the Internal Revenue Service has been conducting a survey to determine why these foundations terminated and what happened to their assets after termination.

The foundation birth rate question is one which has concerned the subcommittee. In 1968, it had been thought that there would be nearly one and a half million foundations by the year 2000 with total grants of forty-eight billion dollars. The upward trend in the number of foundations has clearly been reversed. When that fact is coupled with the general economic decline of the past several years, it is equally apparent that foundation grants will be decreasing in the years ahead.

The subcommittee on foundations will examine the degree to which the Tax Reform Act of 1969 is a factor in the decline in the size of the foundation community. On at least one aspect of this question, it is clear that the act has discouraged the formation of new foundations. Its many complexities present so many hazards in the way of forming new foundations that many donors find it easier to create a less complex philanthropic organization or they may simply decide to give their money away in a more direct manner.

One answer to this problem would be the publication by the Internal Revenue Service or by a private group, of literature which explains the various philanthropic alternatives in clear language so that donors and organizers can have a better idea what the law and the regulations say. Lawyers and tax accountants can provide very useful advice, but their clients must first know what questions to ask.

These next two years will be important ones for private foundations. One of the most important developments will be the publication of the conclusions and recommendations of the Filer commission about the whole field of private philanthropy. Just as the Peterson Commission report formed the basis for congressional action in 1969, so will this new commission provide an impetus for legislation.

The Filer Commission should be completing its work by June. In the time that is remaining, I hope that its distinguished members and staff will reach out to a broader spectrum of the population for information and support assistance. Just as in any field of interest, there is an established group of experts who are called upon time after time for their advice and knowledge. The Commission has done an excellent job of harnessing these people for its work, but it cannot afford to neglect a whole wealth of as yet untapped talent which can lend a new and equally valuable perspective to the field of philanthropy.

In the long run, Congress will need the services of an on-going publicly-funded commission on private philanthropy to provide a continuous supply of information. This is a subject of immense importance to America. It may be more rhetoric than fact, but private philanthropy has the potential of promoting the diversity and pluralism which should characterize our society. If Congress were to end the charitable deduction in response to a growing public belief that it mainly represents a rip-off of the average taxpayer, the net result would be catastrophic. It is precisely to avoid that type of catastrophe that Congress needs the assistance of a permanent advisory commission as soon as possible.

At a time of fiscal crisis at every level of government, when social programs are being cut back and when the appropriation of almost every tax dollar is watched through a microscope, our society can ill afford to experience the weakening of foundations.

I want to continue to work with you and with anyone else who sincerely cares about the future of foundations so that we can tear down any legislative barrier which gets in the way of innovative foundations. I hope that you will write to me and that you will encourage any foundations with which you may be associated to contact me or their own elected representatives so that they can help us to understand their concerns.

There is a vital future for private foundations in this country so long as they continue to meet the pressing needs of our people with programs which are dynamic and creative. I intend to do all that I can to challenge foundations to do more and to do better so that potential can become a reality.

PRELIMINARY REPORT TO THE SENATE RE HEARINGS ON SMALL BUSINESS TAX NEEDS

Mr. NELSON. Mr. President, the Select Committee on Small Business has just completed 2 days of public hearings as a part of its inquiry to assess the impact of inflation and recession on small business, for the purpose of making recommendations as to what should be included in the emergency tax bill now before the Congress.

SMALL FIRMS SUFFER MOST

After receiving testimony from four national small business groups, four regional small business organizations, and the Small Business Administration, I must sadly conclude that conditions are worse for small business than they are for the economy generally.

Overall, the current recession is the worst since the 1930's: unemployment is above 8 percent—the highest since 1941. The drop in the gross national product has been the steepest since 1938, and lacks only one-tenth of a percentage point of being the most severe economic contraction since the Great Depression.

Meanwhile, consumer prices rose 12.2 percent during 1974, and wholesale prices, which directly reflect the costs producers charge distributors, and which must in turn be relayed to retailers and consumers, rose 20.9 percent.

However, as an organization of smaller manufacturers in Pennsylvania informed us, prices of industrial commodities for its members have risen 26 percent in the past year. In the construction industry nationwide, a field in which smaller businesses are important, materials increased 21.2 percent, in the year ending in August 1974. That escalation was exclusive of land which is thought to have risen even faster.

The effects of inflation on bank accounts of small firms was explained to the committee plainly by the National Association of Wholesaler-Distributors in the following terms:

> (W) holesalers are primarily feeling the effects of inflation through higher inventory replacement costs. It costs the average wholesaler 20 percent more to replace a particular product in his inventory than he had to pay when he purchased the identical product one year ago. Thus, *to maintain the same volume of inventory, he requires an additional 20 percent investment* in his inventory . . . *his accounts receivable also goes up 20 percent* even though he may be fortunate enough to collect from his customers within the same time limits of a year ago. This places him in a most difficult position as—being small business without access to additional capital for equity—*the additional inventory replacement costs must come from after-tax earnings.* (Emphasis added.)

Thus, all the numbers on the income statement are going up: "profits" may show up 20-percent higher also, and because the tax rates have not changed, taxes will be higher despite the fact that the profits may actually be lower in real terms. This inequity is compounded, because of certain accounting practices such as accounting methods commonly used by small businesses which do not reflect the full cost of replacing inventories. Most small firms use outdated costs, while they must now replace their inventory and equipment at the inflated costs of today.

Small businesses have described these as "phantom profits," and they are aggravated even further by the fact that under accrual accounting, which is in general use by small firms, profits must be reported at the time of sale, even though much of the payment for these goods comes in months later.

SMALL ENTERPRISES STARVED FOR CAPITAL

All of these factors, as well as the tight-money-high-interest-rate policy of the past year have squeezed the smaller businessman's bank account to the vanishing point. So, to pay his taxes and for the merchandise he sells, it is almost certain that he must borrow money. At that point, the entrepreneur faces interest rates far above the prime rate paid by large national corporations. Witnesses told us that interest costs for small ventures range from 12½ to 18 percent effective rates.

One owner of a 47-year-old bakery in Michigan had borrowed funds at 17 percent to purchase new equipment. The bank also required the loan to be secured by securities representing much of the owner's life savings. When the recession came, the bank foreclosed on the stock, which was selling at depressed 1974 prices.

Evidence before the committee indicates that, since the public market for small business securities practically came to a standstill in 1974, small firms had nowhere else to turn but to banks, factors, and other high-price lenders. New issues of underwritten securities issues have declined as follows:

1972	409
1973	101
1974	9

Only $16.1 million was raised in public securities markets through new underwritten stock issues for all businesses during the entire year of 1974.

PROFITS FORCED DOWNWARD FOR SMALL FIRMS

The recession has been in the news daily, and it has been a harsh fact of life for small business during the past year. The official figures may show that overall corporate profits were about 15 percent higher in 1974 than they were in 1973. But the contrast for small business was dramatically different. Testimony at the hearings disclosed that profits, under the impact of these pressures, had been declining for the past six quarters. Not surprisingly, this decline accelerated during the past 6 months, according to the National Federation of Independent Business Survey, with only 15 percent of the firms reporting higher earnings during that period while 50 percent showed lower earnings.

BUSINESS FAILURES RESULT

So, deprived of profits and unable to obtain credit at reasonable rates, many small businesses were forced to close their doors.

Statistics on business failures in 1974 bear this out, rising above 10,000 for the first time in 3 years. Even more significantly, the average liability in these failures climbed from $246,000 to $306,000, a jump of almost 25 percent in the magnitude of these business bankruptcies. This indicates that some of the more substantial businesses had been forced to go under—at great human cost—as well as financial cost.

Other small business persons have kept going only by reducing their living standards, working harder, extending more credit, and borrowing money at ulcer-creating interest rates. By doing so they have helped to maintain employment and the flow of vital goods and services in their communities and neighborhoods.

WHAT SHOULD BE DONE?

It is quite obvious to the committee that small business needs help to maintain its existing employment and production, let alone to increase its expenditures for new capital investment, employment, and productivity improvements.

It seems to me that the number one priority is to preserve the businesses that have proven useful and valuable to their towns and cities over the years as the best platform to launch any program to revive and expand the economy.

In order to stimulate the economy, without boosting the present double-digit inflation rate, we feel that Government tax policy must devote some attention to the service-oriented, cost-conscious, competitive small business segment of the economy which accounts for 97 percent of the number of businesses, over one-half of employment, and one-third of the gross national product.

These figures alone suggest that, when it comes to tax benefits devoted to the business sector, about one-third should be allocated to small business if we are interested in stimulating the economy generally, and closer to one-half if the Nation is serious about maintaining and expanding employment.

But the structure of American business is even more convincing in this regard. Testimony before the committee shows that in the last 25 years, employment by manufacturers has declined from over one-half to the present 40 percent of total employment, while jobs in the wholesaling, retailing, and service sectors have increased to about 60 percent of total employment. The indications are that of the 18½ million jobs that were created between 1950 and 1973, 75 percent were in the distribution and servicing trades, where small businesses predominate.

We also know that it is traditional, where a small business person has his own name on the door and his reputation at stake, that he will work extra hours, make extra sacrifices, and try harder to deliver lower prices and extra services to satisfy his clientele. We heard repeatedly in our hearings that this resourceful, hard-working segment of our business population is anxious to increase its business, provide more employment, and make additional investments, if only they are given a fair chance.

ADMINISTRATION'S TAX PROGRAM DOES NOT RECOGNIZE SMALL BUSINESS

Because small business needs are acute, and their potential for energizing the economy is so great, it was a shock to me that the administration's tax proposals would badly shortchange this extensive segment of the economy.

For example, as to the investment tax credit proposal, our information is that the 352 largest corporations account for more than one-half of the total investment credit. The 90 percent of corporations which are small business got the benefit of less than 5 percent, and 10 million noncorporate businesses accounted for about 18 percent.

The corporate tax rate reduction proposal made by the administration gives no benefits whatever to 90 percent of the corporations earning less than $25,000, and ignores the possibility of energizing noncorporate businesses. We are encouraged that the House Ways and Means Committee has moved in the right direction by agreeing to a decrease in the tax rate in the corporation earnings between $25,000 and $50,000 and easing the restriction on investment credit benefits for used machinery.

However, the hearings made clear to our committee that far more is needed to provide basic equity to the small business community as well as noninflationary stimulation to the economy. Accordingly I have formulated the following outline of matters which are being discussed with the committee as the basis for submitting an early legislative proposal to redress the imbalances in the emergency tax program and give small business a fair share of the benefits:

OUTLINE OF POSSIBLE SMALL BUSINESS PROVISIONS TO BE PROPOSED FOR INCLUSION IN THE EMERGENCY OR "QUICKIE" SMALL BUSINESS TAX BILL

Noncorporate business:

An effort within the general framework of the individual rate proposal to encourage employment, investment, and productivity by noncorporate business, including:

An increase in allowable first-year depreciation along the lines approved by the Ways and Means Committee in August 1974;

Re-examination of the $50,000 restriction upon investment credit attributable to the purchase of used machinery.

Corporations:

Some temporary relief for some corporations earning less than $25,000;

An increase of the corporate surtax to a level which is realistic in terms of inflation and, upon the basis of our testimony of encouraging capital growth;

An increase in permissible accumulated earnings to $150,000, likewise along the lines approved by the Ways and Means Committee in 1974;

Some assistance to those businesses willing to begin a new enterprise under current conditions;

Parity for small business and non-corporate business, if loss carry-overs are acted upon, and a 10-year carry-forward for new businesses; and

A possible advantage for small businesses as to the investment tax credit.

I hope that many of my colleagues in the Senate will join with us in this effort to produce a tax bill which is fair to small and large business, and will thus be in the best interest of the entire economy. I welcome suggestions toward putting together the soundest possible proposal to aid the beleaguered small businessman and will be glad to work with the President, the Treasury Department, and all concerned within the Congress toward that result.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess, awaiting the call of the Chair.

The motion was agreed to; and at 12:05 p.m. the Senate recessed, subject to the call of the Chair.

The Senate reassembled at 12:07 p.m., when called to order by the Presiding Officer (Mr. FORD).

RECESS UNTIL 1:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 1:30 p.m. today, with the understanding that the period for the transaction of routine morning business will carry over, that statements therein will be limited to 10 minutes each, and that the period for the transaction of routine morning business will be limited to not to exceed 1 hour.

There being no objection, the Senate, at 12:08 p.m., recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. FORD).

STUDY OF NATIONAL FUELS AND ENERGY POLICY

AMENDMENT NO. 10

Mr. RANDOLPH. Mr. President, I submit an amendment which I send to the desk. I ask that the cosponsors be read.

The PRESIDING OFFICER (Mr. FORD). The clerk will read the cosponsors.

The assistant legislative clerk read as follows:

Amendment intended to be proposed to Senate Resolution 66 by Messrs. RANDOLPH, INOUYE, HART of Michigan, HATHAWAY, JACKSON, JOHNSTON, LONG, MAGNUSON, MONDALE, MOSS, PASTORE, RIBICOFF, SPARKMAN, and WILLIAMS.

Mr. RANDOLPH. Mr. President, we face major economic and energy problems. I believe all Members of the Senate are intensely interested in continuing the Senate's efforts, which has been in effect for several years toward a national energy policy.

In 1971, pursuant to Senate Resolution 45, which I had the responsibility to author, our National Fuels and Energy Policy Study came into being.

Since that time the effort has been diligently carried forward by the members of the several committees which have jurisdictions in energy matters.

Some 2 years later, on January 31, 1974, Majority Leader MIKE MANSFIELD formed an ad hoc committee to coordinate energy legislation in response to the wishes of the Democratic conference. This committee, under the able chairmanship of Senator INOUYE, initiated a study of the dynamics of the present Senate committee jurisdiction and an analysis of the various alternative proposals for restructuring committee assignments for the purpose of determining the substance and the timing of any change in Senate committee organizational structures as might be deemed necessary.

Last year, in order to provide sufficient time for this activity, the ad hoc committee recommended, and the full Senate ratified, extension of the Senate's National Fuels and Energy Policy Study for an additional year, under the active chairmanship of Senator HENRY M. JACKSON. Representation on the study was expanded from the Interior, Public Works, Commerce, and Joint Atomic Energy Committees to also include members from the Committees on Finance, on Foreign Relations, on Government Operations, and on Labor and Public Welfare. This action has proven particularly important in the heavy energy legislative agenda during the second session of the 93d Congress, and the reorganization of the House of Representatives' committees that was also in process.

It is not really understood that during the 93d Congress a total of 421 energy-related bills were introduced in the Senate. Some 405 of these measures were referred to a single Senate committee, and 6 were jointly referred to more than one committee. Final congressional action, Mr. President, was completed on 48 measures, of which 43 were signed and 5 were vetoed at the White House.

I ask unanimous consent that this list be printed in the RECORD at this point in my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

MAJOR ENERGY LEGISLATION—93D CONGRESS

I. ENACTED AND PUBLIC LAW

Public Law and bill number

1. Economic Stabilization Act Amendments: Public Law 93-28, S. 398.
2. Rural Electrification Act: Public Law 93-32, S. 394.
3. Water Resources Planning Act: Public Law 93-55, S. 1501.
4. Federal-Aid Highway Act: Public Law 93-87, S. 502.
5. To Amend the Euratom Corporation Act of 1958, as amended: Public Law 93-88, S. 1993.
6. Oil Pollution Act Amendments: Public Law 93-119, H.R. 5451.
7. Rail Passenger Corporation: Public Law 93-146, S. 2016.
8. Mineral Leasing Act of 1920, Amendments and Trans-Alaska Oil Pipeline Authorization: Public Law 93-153, S. 1081.
9. Emergency Petroleum Allocation Act of 1973: Public Law 93-159, S. 1570.
10. Emergency Daylight Saving Time Energy Conservation Act of 1973: Public Law 93-182, H.R. 11324.
11. Northeast Rail Service Act: Public Law 93-236, H.R. 9142.
12. Emergency Highway Energy Conservation Act: Public Law 93-239, H.R. 11372.
13. Supplemental Appropriation Act to Explore and Develop Naval Petroleum Reserves: Public Law 93-245, H.R. 11576.
14. Intervention on the High Seas Act: Public Law 93-248, S. 1070.
15. Fuel Cost Pass-Through for Truckers: Public Law 93-249, S.J. Res. 185.
16. Federal Energy Administration: Public Law 93-275, S. 2776.
17. AEC Authorization Act: Public Law 93-276, S. 3292.
18. NASA Authorization Act: Public Law 93-316, H.R. 13998.
19. Energy Supply and Environmental Coordination Act of 1974: Public Law 93-319, H.R. 14368.
20. Special Energy Research and Development Appropriations for 1975: Public Law 93-322, H.R. 14434.
21. AEC Omnibus Legislation of 1974: Public Law 93-377, S. 3669.
22. Housing and Commodity Development Act: Public Law 93-383, S. 3066.
23. Aid Energy Affected Small Business: Public Law 93-386, S. 3331.
24. Natural Gas Pipeline Safety Act, as amended, additional appropriations: Public Law 93-403, H.R. 15205.
25. The Solar Heating and Cooling Demonstration Act of 1974: Public Law 93-409, H.R. 11864.
26. Geothermal Energy Research, Development and Demonstration Act: Public Law 93-410, H.R. 14920.
27. Public Works and Economic Development Act: Public Law 93-423, H.R. 14883.
28. Defense Production Act of 1950, extended for 2 years: Public Law 93-426, S. 3270.
29. Emergency Daylight Saving Time Energy Conservation Act of 1973, amendments: Public Law 93-434, H.R. 16102.
30. Energy Reorganization Act of 1974: Public Law 93-438, H.R. 11510.
31. Federal Columbia River Transmission System: Public Law 93-454; S. 3362.
32. Solar Energy Research, Development and Demonstration Act of 1974: Public Law 93-473, S. 3234.
33. Foreign Investment Study Act: Public Law 93-479, S. 2840.
34. To amend the tariff schedule of the United States to provide for the duty free

entry of methanol imported for use as fuel: Public Law 93-482, H.R. 11251.

35. International Nuclear Cooperation: Public Law 93-485, S. 3698.

36. National Railroad Passenger Corporation: Public Law 93-496, H.R. 15427.

37. Export Administration Amendments: Public Law 93-500, S. 3792.

38. Urban Mass Transportation Act: Public Law 93-503, S. 386.

39. Emergency Petroleum Allocation Extension Act of 1974: Public Law 93-511, H.R. 16757.

40. Federal Nonnuclear Energy Research and Development Act of 1974: Public Law 93-577, S. 1283.

41. Deep Water Port Act: Public Law 93-627, H.R. 10701.

42. Federal-Aid Highway Act Amendments of 1975: Public Law 93-643, S. 3934.

43. Export-Import Bank Act Amendments (requires semi-annual report on impact of domestic energy resources of each loan involving export of any energy-related product or service): Public Law 93-646, H.R. 15977.

II. VETOED

1. Energy Emergency Act (S. 2589, H.R. 11450), March 6, 1974.

2. Atomic Energy Act, Price-Anderson provisions (H.R. 15323), October 12, 1974.

3. TVA Pollution Control Cost Credit (H.R. 11929, S. 3057), December 21, 1974.

4. Energy Transportation Security Act (H.R. 8193, December 30, 1974.

5. Surface Mining Control and Reclamation Act (S. 425, H.R. 11500), December 30, 1974.

Mr. RANDOLPH. Mr. President, on the basis of the experience with enactment of these measures, Senator INOUYE'S ad hoc committee on coordinating energy legislation goes forward in its study which will lead to recommendations to facilitate more orderly Senate consideration of energy and energy-related legislation.

In the interim, this ad hoc committee recommends that the Senate's National Fuels and Energy Policy Study be extended for an additional year with the addition of members from the Committee on Aeronautical and Space Sciences.

On behalf of Senator INOUYE and myself and the other members of the ad hoc committee: Senators HART, HATHAWAY, JACKSON, JOHNSTON, LONG, MAGNUSON, MONDALE, MOSS, PASTORE, RIBICOFF, SPARKMAN, STENNIS, and WILLIAMS, I offer an amendment to Senate Resolution 66, to carry out that purpose and I ask unanimous consent that it appear in the RECORD at this point in my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 10

Redesignate Section 3 of Senate Resolution 66 as Section 4 and add the following new subsection 3:

"SEC. 3. (a) The committee shall continue the study of national fuels and energy policy authorized pursuant to S. Res. 45, agreed to on May 3, 1971. In carrying out the purposes authorized by S. Res. 45, the committee shall make—

"(i) a full and complete investigation and study (including the holding of public hearings in appropriate parts of the Nation) of the current and prospective fuel and energy resources and requirements of the United States and the present and probable future alternative procedures and methods for meeting anticipated requirements, consistent with achieving other national goals, including the high priorities—national security and environmental protection; and

"(ii) a full and complete investigation and study of the existing and prospective governmental policies and laws affecting the fuels and energy industries with the view of determining what, if any, changes and implementation of these policies and laws may be advisable in order to simplify, coordinate, and provide effective and reasonable national policy to assure reliable and efficient sources of fuel and energy adequate for a balanced economy and for the security of the United States, taking into account: the Nation's environmental concerns, the investments by public and private enterprise for the maintenance of reliable, efficient, and adequate sources of energy and fuel and necessary related industries, and the need for maintenance of an adequate force of skilled workers.

"(b) In carrying out the investigations set forth in S. Res. 45, agreed to on May 3, 1971, the committee shall, in addition to such other matters as it may deem necessary, give consideration to—

"(i) the proved and predicted availabilities of our national fuel and energy resources in all forms and factors pertinent thereto, as well as to worldwide trends in consumption and supply;

"(ii) projected national requirements for the utilization of these resources for energy production and other purposes, both to meet short range needs and to provide for future demand for the years 2000 and 2020;

"(iii) the interests of the consuming public including the availability in all regions of the country of an adequate supply of energy and fuel at reasonable prices and including the maintenance of a sound competitive structure in the supply and distribution of energy and fuel to both industry and the public;

"(iv) technological developments affecting energy and fuel production, distribution, transportation, and/or transmission, in progress and in prospect, including desirable areas for further exploration and technological research, development, and demonstration;

"(v) the effect that energy producing, transportation, upgrading, and utilization has upon conservation, environmental, and ecological factors, and vice versa;

"(vi) the effect upon the public and private sectors of the economy of any recommendations made under this study, and of existing governmental programs and policies now in effect;

"(vii) the effect of any recommendations made pursuant to this study on economic concentrations in industry, particularly as these recommendations may affect small business enterprises engaged in the production, processing, and distribution of energy and fuel;

"(viii) governmental programs and policies now in operation, including not only their effect upon segments of the fuel and energy industries, but also their impact upon related and competing sources of energy and fuel and their interaction with other governmental goals, objectives, and programs; and

"(ix) the need, if any, for legislation designed to effectuate recommendations in accordance with the above and other relevant considerations, including such proposed amendments to existing laws as necessary to integrate existing laws into an effective long-term fuels and energy program.

"(c) In furtherance of the purposes of Senate Resolution 45, agreed to on May 3, 1971, the chairman and ranking minority member of each of the Committees on Aeronautical and Space Sciences, on Commerce, on Finance, on Foreign Relations, on Government Operations, on Labor and Public Welfare, and on Public Works, or members of such committees designated by such chairmen and ranking minority members to serve in their places, and the ranking majority and minority Senate members of the Joint Committee on Atomic Energy, or Senate members of such committee designated by such ranking majority and minority members to serve in their places, shall participate and shall serve as ex officio members of the Committee for the purpose of conducting the Senate's National Fuels and Energy Policy Study.

"(d) The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976."

Mr. RANDOLPH. Mr. President, today this fuels and energy task force held a hearing at which five panelists brought to us important information on our energy situation. The testimony will help all Members of the Senate, to be more knowledgeable in connection with the programs that need to be initiated to meet our problem.

I remind those critics who allege that there has been a lack of Senate action in matters relating to energy that 421 bills were introduced and that final congressional action was taken on 48. Another 21 measures received active consideration in one House or the other.

I direct attention to one particular measure, the Energy Supply and Environmental Coordination Act, signed into law by the President in June 1974.

Mr. President, only last week, 9 months later, were regulations proposed to implement it. Certainly after we have worked and given to an administration such legislation to facilitate conversion to coal, which would release great quantities of natural gas and petroleum, and nothing is done with that legislation, we naturally wonder how can we proceed to meet these problems.

Mr. President, in December, it was indicated by the Federal Energy Administration in a report to the Congress that we could save 1 million barrels of oil per day in this country through an effective energy conservation program on four particular fronts. I ask unanimous consent that those figures be inserted at this point in the RECORD.

There being no objection, the figures were ordered to be printed in the RECORD, as follows:

Strategy for near term program

[Thousand barrels per day saving (1975)]

Industrial: Industrial conservation and energy audits	175
Transportation:	
Auto fuel economy (1975 model yr. gains	58
55 mile-per-hour limit enforcement	50
Encourage car tuning and tire inflation	7
Encourage use of public transportation	5
Encourage carpooling	40
Encourage activity and route coordination	130
Subtotal	290
Buildings:	
Modify ventilation in commercial buildings	50
Insulation	15
2 degree thermostat change	102
Furnace, A/C maintenance	5
Urge reduced commercial lighting	100
Urge turnoff gas yard lights	8
Encourage energy conscious design	5
Reduce hot water thermostat by 10 degrees	5

Encourage cold water laundering	20
Maintenance and reduced use of appliances	35
Subtotal	345
Fuel substitution:	
Coal conversion of utilities	115
Coal conversion in industry	75
Total	1,000

Mr. RANDOLPH. Now, it is being said that such a program is too ambitious. It is not; voluntary energy conservation can become a way of life. It is very evident from the actions of government, industry and individuals that we have not yet set ourselves to the task of changing the life style of America which is wasteful from the standpoint of energy.

Mr. President, an example of the failure of the Senate to provide leadership comes from this morning's hearing. As some 10 Members of the Senate discussed energy problems with the panel of five very knowledgeable individuals, including John Sawhill the former Administrator of the Federal Energy Administration, the room temperature was 81 degrees.

All over the Capitol complex—in the office buildings of the Senate and House, even in the Capitol itself—we are doing work in rooms that are heated 10 and 12 degrees more than they need to be.

There is comfort and security in lower temperatures. In fact, a better job can be done by people in rooms that are not excessively warm.

Mr. HARRY F. BYRD, JR. Will the Senator from West Virginia yield?

Mr. RANDOLPH. Yes, I yield to my friend from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, the Senator from Virginia is so knowledgeable in the field of energy, I am wondering if the Senator would give an estimate of how much petroleum could be saved, in his judgment, on a voluntary basis, if the Government would get behind a voluntary program and make clear to the public a need for a conservation program. I think the public would respond. How much does the Senator feel could be saved in the way of petroleum products?

Mr. RANDOLPH. I say to the able Senator from Virginia that the Federal Energy Administration itself said, and I have placed as part of this record a document released in December, that we could save a million barrels of oil daily on a voluntary program.

Mr. HARRY F. BYRD, JR. Well, that is all the President seeks to save with this heavy tax and tariff on petroleum products, is it not?

Mr. RANDOLPH. Yes, and now we find those who are beginning to take these figures and say that they were not accurate. At the hearing this morning I pointed out what we can save by improved insulation, and what we can save by the 55-mile-an-hour speed limit. If observed, it saves us at a minimum 2 million gallons of gasoline every day in this country—that is 50,000 barrels of oil every 24 hours.

I appreciate the question because I think the energy conservation action taken by the Senate a few days ago is a partial answer to what the Senator is saying.

We believe by the resolution which was passed on energy conservation that now is the time, with no partisanship involved whatsoever, that the President of the United States should proclaim an energy conservation crusade in this country and designate February 16 to March 15 as Energy Conservation Month and then to report to us on March 31 what has been done voluntarily by the American people in the Senator's State, and in a congressional district.

The challenge would be very great. We have urged the President to proclaim this crusade and to designate the month.

Mr. HARRY F. BYRD, JR. It would be a very desirable thing to do, it seems to me, and if this country could save the energy that needs to be saved by voluntary conservation, we are all much better off than enacting programs that will add to the inflationary spiral.

Mr. RANDOLPH. I thank the Senator, and I am in agreement with his views.

Mr. President, as I have stated, very substantial savings in energy use can be achieved through a massive conservation program. There must be strong leadership from Washington to achieve this objective, however. As Senators we are aware of many local efforts to establish energy conservation projects. It was my privilege last Saturday to meet with the members of the Morgan County-Berkeley Springs Energy Conservation Committee in West Virginia. There in our Mountain State a group of interested citizens are mobilizing local organizations and residents to initiate voluntary energy savings actions.

I am confident that their endeavors will be successful. It is my belief that other areas of West Virginia and our country will benefit from the initiative of the people of Morgan County and Berkeley Springs.

We are failing in our conservation efforts which, in rather substantial degree, would take care of the so-called need to conserve petroleum consumption by a rather complex maneuvering as suggested by the administration's economic and energy programs. We need to do the very simple job of voluntary conservation along a broad front in this country. With maximum determination, the American people can conserve; they will halt wasteful practices; they will prove equal to the task.

S. 641—CONSUMER FOOD ACT OF 1975

Mr. MOSS. Mr. President, yesterday, upon the intrduction of the bill S. 641, a bill to regulate commerce and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes, I propounded a unanimous-consent request that the bill be referred to two committees and that when the first committee reports, the second shall have 45 days to report or be considered discharged from further consideration of the bill.

The Senator from Michigan, the acting minority leader at that time, objected to the request, which I then modified and which appears on the bill as follows:

> When the first committee reports the bill, the second committee reports promptly or is discharged from further consideration of the bill.

I altered my unanimous consent request in order to accommodate the objections of the Senator from Michigan. However, he did state:

> It is highly unusual, upon the introduction of a bill, to require that the bill be reported within a given period of time.

Mr. President, not only did the referral on the particular bill last year relate to two committees, but it also required one committee to report by a date certain. It would seem to me that when the committee chairman of the second committee and the ranking member of the second committee are in agreement as to the length of time they want the bill, we might, as a matter of comity, comply with that request.

In the current instance, the Labor and Public Welfare Committee felt that 45 days was sufficient time after, and I repeat after, the Commerce Committee had acted, in which to further consider the bill. Last year I recall two additional bills which, with the concurrence of the chairman and ranking member, were similarly jointly referred to two committees with a 45-day proviso. These bills, S. 707 and E. 2928, were subsequently reported and placed on the calendar without any difficulty in complying with the predetermined 45-day proviso. Each committee had the bill for the same length of time, that is from introduction until reporting, however one committee had an additional 45-day period in which to consider the bill after the first had reported.

In the future, I hope the assistant minority leader or his designee would permit such unanimous consent referrals if they have been cleared with the relevant committee leadership.

Mr. President, I would be remiss in the above remarks if I let pass my own statement that the Labor and Public Welfare Committee were the "second" committee in considering the bill which was introduced yesterday. The only sense in which the Labor and Public Welfare Committee is the second committee is that: First, I introduced the bill and am not a member of that committee, and second, the bill as originally developed originated in the Commerce Committee. The referral and use of the term second committee presupposes that the Commerce Committee would act first, although, in the last session, the Committee on Labor and Public Welfare acted first. In order to put to rest any unintended innuendo, let me state that the Committee on Labor and Public Welfare has as much jurisdiction over this legislation as does the Commerce Committee, and some might say even more. Let us just say we are equals when it comes to this particular bill.

ORDER FOR STAR PRINT OF S. 495

Mr. BARTLETT. Mr. President, a portion of the language was deleted from Senate bill 595. I ask unanimous consent that a star print be made of the bill to incorporate the additional language and sponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT TO THE PROPOSED SUSPENSION OF THE PRESIDENT'S ENERGY IMPORT FEE PROGRAM

Mr. JAVITS. Mr. President, I have submitted an amendment to the 90-day stay of the President's energy program which was referred to the Committee on Finance. I commend it to the study and the reading of Senators. I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 9

Strike all after enacting clause of H.R. 1767 and insert:

That, during the period beginning on the date of the enactment of this Act and ending at the close of the sixtieth day thereafter, nothing in section 232(b) of the Trade Expansion Act of 1962 (U.S.C. 1862(b)) or in any other provision of law shall be deemed to grant to the President any authority to adjust fees, tariffs, or other charges on imports of petroleum or any product derived therefrom except in accordance with the provisions of this Act.

SEC. 2. (a)(1) Any action which is taken after January 15, 1975, and before the date of the enactment of this Act by the President under section 232(b) of the Trade Expansion Act of 1962 or any other provision of law which results in the imposition of a rate of duty on petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline shall cease to have effect on the date of the enactment of this Act.

(2) Upon appropriate request therefor filed with the customs officer concerned on or before the sixtieth day after the date of the enactment of this Act, the entry or withdrawal of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline to which a rate of duty imposed by the President (pursuant to any action by him after January 15, 1975, and before the date of the enactment of this Act under such section 232(b) or any other provision of law) applies shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as if no duty applied to such entry or withdrawal.

(b)(1) Any action which is taken after January 15, 1975, and before the date of the enactment of this Act by the President under section 232(b) of the Trade Expansion Act of 1962 or any other provision of law which results in the imposition of a tax or fee on the importation of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline which is higher than the tax or fee imposed on the importation of petroleum or any such product on January 15, 1975, shall cease to have effect on the date of the enactment of this Act; and the tax or fee imposed on the importation of petroleum or any such product derived therefrom after such date of enactment shall be the tax or fee in effect on January 15, 1975.

(2) Upon request therefor filed with the appropriate Federal agency on or before the sixtieth day after the date of the enactment of this Act, the amount of any tax or fee imposed by the President (pursuant to any action by him after January 15, 1975, and before the date of the enactment of this Act under such section 232(b) or any other provision of law) and paid by any person on the importation of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline which exceeds the tax or fee that was imposed with respect to the importation of petroleum or such products derived therefrom on January 15, 1975, shall be rebated to such person.

SEC. 3. If during the sixty-day period referred to in the first section of this Act—

(1) the Congress declares war,

(2) United States Armed Forces are introduced into hostilities pursuant to specific statutory authorization,

(3) a national emergency is created by attack upon the United States, its territories or possessions, or its Armed Forces,

(4) United States Armed Forces are introduced into such hostilities, situations, or places, or are enlarged in any foreign nation, under circumstances which require a report by the President to the Congress pursuant to section 4(a) of the War Powers Resolution (50 U.S.C. 1453(a)).

SEC. 4. Nothing in the first section and sections 2 and 3 of this Act shall be deemed to affect the validity of any proclamation or executive order issued before January 16, 1975, by the President under section 232(b) of the Trade Expansion Act of 1962.

Mr. JAVITS. Mr. President, in accordance with the energy program I announced and explained on the floor of the Senate on Tuesday, January 21, I today introduce an amendment in the form of a substitute to H.R. 1767, the bill suspending for a period of 90 days the President's authority to take any import adjustment action relating to petroleum products.

The substitute amendment I am offering will prohibit the President from imposing any new fee or tariff on imported petroleum or products derived from imported petroleum with the excepton of motor gasoline, the fuel that is most elastic in demand subject to the greatest waste and inefficiencies in use. It will thus exempt from any increased tariff imported home heating oil and residual fuel—the two fuels that most critically are needed and on which further price increases can be tolerated least by hard-pressed consumers.

It will also exempt all commercial and industrial fuels, on which immediate increases in prices have not been shown to cause substantial decrease in use, and on which further price increases would have a significant inflationary impact on the entire economy.

It would reduce the period of suspension, which is in effect the period for congressional review from 90 to 60 days, giving the Congress enough time to formulate any alternative program, yet still maintaining an atmosphere of urgency that is undeniably necessary.

Finally, it would not prevent the President from utilizing his quota authority to reduce imports if he determines that the requirements for imposition of a quota exist.

Mr. President, the goals of the Kennedy-Jackson resolution, the House-passed bill and my amendment are not divergent. We each recognize the need for congressional and public scrutiny of the Executive action announced by the President with regard to import tariffs and decontrol of the price of old oil. Realistically and substantially, we each oppose as a matter of policy any additional tax on users of imported residual fuel and home heating oil, who have suffered the most in the past year from the skyrocketing costs of imported oil and who have already cut back on their use to the greatest extent possible in the short term.

Additionally, we each think it a necessary prerequisite, before any action is taken carefully to analyze the economic and social effects of increased prices on industrial and commercial fuels, which ripple through to the ultimate consumer in higher prices for all goods and services.

However, our methods of achieving that goal are substantially different. The Kennedy-Jackson resolution and the House-passed bill invite a veto. They each provide a confrontation with the President that I believe is unnecessary and unwise. Passage as presently worded invites the possibility of a long-term stalemate, where the Congress blocks Presidential energy initiatives and the President vetoes congressional energy programs.

Our Nation cannot withstand such a continuing confrontation—nor should it be forced to endure the delays inherent in partisan politics. It desperately needs action to relieve our energy problems and start the process toward energy independence by 1985. With that we all agree. And yet, the Kennedy-Jackson and House bills fail to take the steps—even a small step—necessary to compromise with the President so that America will have an energy policy that is workable and fair.

As I have said before, we must recognize that the era of cheap fossil fuel energy resources is over. If we are to increase energy efficiency and productivity over the long term, the price of energy relative to other goods and services must rise. Moreover, if we are to develop alternative sources of supply, and increase the incentives for private investment in new sources, the long-term price of energy must be high enough to warrant that investment. To hold out to the American people that we can solve our energy problems and continue low prices for oil and gas is counterproductive to energy conservation and a false promise.

But, the form, the pace and the magnitude of that increase is one of the primary issues of energy policy facing the Congress. I believe the increase should be phased in over a 3- to 5-year period, and imposed selectively on those petroleum products that show the greatest price elasticity and the minimum adverse economic and social impacts.

However, neither this policy nor any other will result from stalemate and veto. I feel it is irrelevant to the American people where the blame may lie—and that the American people want effective leadership and sound policy. I believe those goals—which require achieving the immediate goal of subjecting the President's Executive actions to congressional oversight—can be achieved. But I do not think it need be achieved by confrontation.

Mr. President, I believe with the changes I propose, the President can sign this legislation and break the ice over energy policy. It would be a major first step toward the congressional-Executive cooperation that is critically needed to solve the enormous and complicated energy problems we face.

Mr. President, the amendment proposes to confine the President's order respecting an increase in the tariff on imported petroleum and petroleum products of $3 by monthly stages to, essentially, fuel used to drive motor cars of all kinds, and to exclude from it home heating oil, residual fuel oil, and other industrial and commercial petroleum levels and feedstocks.

The concept would be that in this regard, that is, in respect to gasoline primarily, the demand is more elastic in the short term. We all know how much we waste. We had proof of it when we dealt with the gasoline lines, early in 1974, and were able to economize to the tune of pretty close to 1 million barrels of gasoline a day just by some rudimentary precautions respecting how much and when people could buy gasoline.

The amendment would also preserve the quota power of the President, to use in coordination with his mandatory allocation authority. It would stay the rest of the President's import tariff order for 60 days.

What the amendment really tries to do, Mr. President, is to avoid a confrontation now, and to try to bring about at least a partial agreement between the President and Congress so that without confrontation an atmosphere can be created for development of an energy package of a much broader kind.

The resistance to the President's energy package as it has now developed has proven to be so great that, coupled with the President's offer of partnership with Congress, offering to work out with us what ought to be done, the opportunity is presented to cooperate instead of confront, and this opportunity ought to be availed of.

I realize perfectly, and I hope that the President realizes, that he has to do something to come to an accommodation with the Congress. The amendment which I have offered, which would be in the nature of a substitute for the whole bill as ordered reported out by the Finance Committee today, is designed toward that end.

Mr. President, I commend the amendment to the consideration of the majority and the minority alike—it is entirely nonpartisan. I hope that there will be further fruitful discussion about it and that the White House will think about it very seriously.

I believe it is possible to reach agreement on an energy program. But the immediate failure to agree should not block the tax rebate, which is urgently essential for America's first priority, which today is jobs.

I hope very much, whether it is my idea or someone else's idea, that we will not try to resolve the whole question here and now, which probably cannot be done except with the shedding of a lot of blood, in legislative terms and in terms of the country's recovery, but will rather come to an interim accommodation, and then endeavor, with that kind of atmosphere created, to work out a plan which will be agreeable to the Congress, the President, and the country.

Mr. President, I end by pointing out that we have settled many bills this way, and they looked just as insoluble as this one. It has always worked out best for all concerned. That has happened in education; it has happened in manpower; it has happened in legal services, and in other bills.

I believe the effort, the collaborative effort, of that kind, with the White House and the Congress getting together on practicalities, is clearly indicated now. I hope that this substitute may lead in that direction.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to, and at 1:58 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 1:59 p.m., when called to order by the Presiding Officer (Mr. FORD).

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, there are certain nominations at the desk which have been reported today from the Committee on Armed Services. I ask unanimous consent that the Senate go into executive session to consider those nominations.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

DEPARTMENT OF DEFENSE

The second assistant legislative clerk proceeded to read sundry nominations in the Department of Defense.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to, and at 2 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 2:01 p.m., when called to order by the Presiding Officer (Mr. FORD).

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL 11 A.M. MONDAY, FEBRUARY 17, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow it stand in adjournment until 11 a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT; AUTHORIZATION FOR CERTAIN ACTION TO BE TAKEN DURING THE ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow; that the session on tomorrow be merely a pro forma session, and that immediately after convening the Presiding Officer shall, without the transaction of any business or debate, declare the Senate adjourned until 11 a.m. on Monday next. I further ask unanimous consent that Senators may have until 5 p.m. today to introduce bills, resolutions, and amendments, and to include statements in the RECORD; that on tomorrow they may have from 12 noon to 3 p.m. to introduce bills, resolutions, or amendments, but with no statements for the RECORD tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess, awaiting the call of the Chair.

The motion was agreed to; and at 2:02 p.m. the Senate recessed, subject to the call of the Chair.

The Senate reassembled at 2:10 p.m., when called to order by the Presiding Officer (Mr. BARTLETT).

AUTHORITY FOR JOINT COMMITTEE ON ATOMIC ENERGY TO HAVE UNTIL MIDNIGHT FRIDAY, FEBRUARY 14, 1975, TO FILE REPORTS ON SENATE CONCURRENT RESOLUTIONS 13, 14, AND 15

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Joint Committee on Atomic Energy have until midnight Friday, February 14, 1975, to file its reports on Senate Concurrent Resolutions 13, 14, and 15.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet tomorrow at 12 o'clock noon in a pro forma session, with no speeches and no business. Senators will have until 5 o'clock p.m. today to have speeches printed in the RECORD and to introduce bills, resolutions, and amendments. They will have, on tomorrow, until 3 o'clock p.m. to introduce bills, resolutions, and amendments, but with no accompanying statements for the RECORD.

Upon the adjournment of the pro forma session tomorrow, the Senate will go over until 11 o'clock a.m. on Monday next. After the two leaders or their designees have been recognized on Monday next, the reading of the Farewell Address of President George Washington will occur, with Senator GARN of Utah reading the address.

After the reading of Washington's Farewell Address on Monday, there will be a period for the transaction of routine morning business by unanimous consent, not to extend beyond 1 hour, with statements limited therein to 10 minutes each, and other business, if ready for transaction by the Senate, will be transacted.

Rollcall votes are not to be ruled out. There have been past instances, many of them, in which business has been transacted by the Senate and rollcall votes have occurred on the day of the reading of Washington's Farewell Address.

Hopefully, on Monday, the joint leadership will be able to reach an agreement as to the taking up of the bill extending and enlarging the debt limit, and also the bill suspending the President's authority to impose oil import tariffs. That agreement is being worked on at this time, but we shall not be able to achieve it this week.

I feel that the Senate has accomplished its purpose and there would be no reason for any session tomorrow other than a pro forma session, the purpose having been to allow committees to meet and to assist in the expedition of the reporting by the Committee on Finance of the two measures to which I have alluded. It is my understanding that there is a request from the minority to have until Monday to file the report on the oil import tariff measure. That being the case, and the two measures being somewhat tied together for various reasons, there would be no purpose in the Senate meeting on tomorrow or Friday.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 2:14 p.m. the Senate adjourned until tomorrow, Thursday, February 13, 1975, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 12, 1975:

DEPARTMENT OF STATE

William G. Bowdler, of Florida, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of South Africa.

DEPARTMENT OF JUSTICE

Ralph B. Guy, Jr., of Michigan, to be U.S. attorney for the eastern district of Michigan for the term of 4 years (reappointment).

John E. Clark, of Texas, to be U.S. attorney for the western district of Texas for the term of 4 years vice William S. Sessions, resigned.

Ramon M. Child, of Utah, to be U.S. attorney for the district of Utah for the term of 4 years vice C. Nelson Day, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 12, 1975:

DEPARTMENT OF JUSTICE

Philip H. Modlin, of Virginia, to be a member of the Board of Parole for the term expiring September 30, 1977.

DEPARTMENT OF DEFENSE

Joseph Laitin, of Maryland, to be an Assistant Secretary of Defense.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be major general

Brig. Gen. Robert M. White, [redacted] FR, Regular Air Force.

Brig. Gen. Harrison Lobdell, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. George H. Sylvester, [redacted] FR, Regular Air Force.

Brig. Gen. William C. Burrows, [redacted] FR, Regular Air Force.

Brig. Gen. Paul W. Myers, [redacted] FR, Regular Air Force, Medical.

Brig. Gen. John G. Albert, [redacted] FR, Regular Air Force.

Brig. Gen. Charles L. Wilson, [redacted] FR, Regular Air Force.

Brig. Gen. Lucius Theus, [redacted] FR, Regular Air Force.

Brig. Gen. Robert C. Thompson [redacted] FR, Regular Air Force.

Brig. Gen. John R. Spalding Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Robert E. Sadler, [redacted] FR, Regular Air Force.

Brig. Gen. Winfield W. Scott, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Richard H. Schoeneman, [redacted] FR, Regular Air Force.

Brig. Gen. Thomas M. Sadler, [redacted] FR, Regular Air Force.

Brig. Gen. Lovic P. Hodnette, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Walter D. Druen, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Benjamin R. Baker, [redacted] FR, Regular Air Force, Medical.

Brig. Gen. Richard C. Bowman, [redacted] FR, Regular Air Force.

Brig. Gen. Gerald J. Post, [redacted] FR, Regular Air Force.

Brig. Gen. Carl D. Peterson, [redacted] FR, Regular Air Force.

Brig. Gen. Cecil E. Fox, [redacted] FR, Regular Air Force.

Brig. Gen. Kermit C. Kaericher, [redacted] FR, Regular Air Force.

Brig. Gen. Don D. Pittman, [redacted] FR, Regular Air Force.

Brig. Gen. Robert A. Rushworth, [redacted] FR, Regular Air Force.

Brig. Gen. Charles C. Blanton, [redacted] FR, Regular Air Force.

Brig. Gen. John J. Murphy, [redacted] FR, Regular Air Force.

Brig. Gen. James P. Mullins, [redacted] FR, Regular Air Force.

Brig. Gen. Wayne E. Whitlatch, [redacted] FR, Regular Air Force.

Brig. Gen. Thomas M. Ryan, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Malcolm E. Ryan, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. James L. Brown, [redacted] FR, Regular Air Force.

Brig. Gen. Benjamin F. Starr, Jr., [redacted] FR, Regular Air Force.

The following officers for appointment in the Regular Air Force to the grades indicated, under the provisions of chapter 835, title 10 of the United States Code:

To be major general

Lt. Gen. James E. Hill [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Howard M. Lane, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Edward P. McNeff, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Howard P. Smith, Jr., [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. James E. Paschall, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Travis R. McNeil, [redacted] FR, (Brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. George Rhodes, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Kendall Russell, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Jack Bellamy, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Timothy I. Ahern, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Charles E. Buckingham, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

Lt. Gen. Brent Scowcroft, [redacted] FR, (brigadier general, Regular Air Force), U.S. Air Force.

To be brigadier general

Brig. Gen. David W. Winn, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John R. Spalding, Jr., [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Cecil E. Fox [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Kermit C. Kaericher, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Bohdan Danyliw, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Benjamin F. Starr, Jr., [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Norman C. Gaddis, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Henry B. Stelling, Jr., [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Jack I. Posner, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. James B. Currie, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Rupert H. Burris, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Thomas F. Rew, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William C. Norris, [redacted] FR, (colonel, Regular Air Force, U.S. Air Force.

Brig. Gen. Carl G. Schneider, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Richard C. Bowman, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Richard H. Schoeneman, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John G. Albert, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Frank G. Barnes, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. George M. Wentsch, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. James P. Mullins, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Carl D. Peterson, [redacted] FR, (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Donald N. Vivian, [redacted] FR, (colonel, Regular Air Force, Medical), U.S. Air Force.

The following officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be brigadier general

Col. William P. Acker [redacted] FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Anderson W. Atkinson, [redacted] FR, Regular Air Force.

Col. Walter H. Baxter III, [redacted] FR, Regular Air Force.

Col. Stanley C. Beck, [redacted] FR (major, Regular Air Force) U.S. Air Force.

Col. John H. Bennett, [redacted] FR, Regular Air Force.

Col. Rufus L. Billups, [redacted] FR, Regular Air Force.

Col. Max B. Bralliar, [redacted] FR, Regular Air Force, Medical.

Col. Jay R. Brill, [redacted] FR, Regular Air Force.

Col. William E. Brown, Jr., [redacted] FR, Regular Air Force.

Col. Kelly H. Burke, [redacted] FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Kenneth D. Burns [redacted] FR (major, Regular Air Force) U.S. Air Force.

Col. Carl H. Cathey, Jr. [redacted] FR (major, Regular Air Force) U.S. Air Force.

Col. Edgar A. Chavarrie, [redacted] FR, Regular Air Force.

Col. Ernest J. Clark, [redacted] FR, Regular Air Force, Medical.

Col. Robert F. Coverdale, [redacted] FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. William D. Curry, Jr., [redacted] FR, Regular Air Force.

Col. Charles L. Donnelly, Jr., [redacted] FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Philip C. Gast, [redacted] FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Don M. Hartung, [redacted] FR, Regular Air Force.

Col. Charles C. Irions, [redacted] FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Thomas E. Lacy, [redacted] FR, Regular Air Force.

Col. Chris C. Mann, [redacted] FR (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. James R. McCarthy, [redacted] FR, (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Edward J. Nash, [redacted] FR, Regular Air Force.

Col. George K. Patterson, [redacted] FR, Regular Air Force.

Col. John R. Paulk, [redacted] FR, (lieutenant colonel, Regular Air Force) U.S. Air Force.

Col. Thomas C. Pinckney, Jr., [redacted] FR, Regular Air Force.

Col. Andrew Pringle, Jr., [redacted] FR, Regular Air Force.

Col. Walter B. Ratliff, [redacted] FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Irving B. Reed, [redacted] FR, Regular Air Force.

Col. Richard G. Rumney, [redacted] FR, Regular Air Force.

Col. George L. Schulstad, [redacted] FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Eugene D. Scott, [redacted] FR, Regular Air Force.

Col. Robert Scurlock, [redacted] FR, Regular Air Force.

Col. James W. Stansberry, [redacted] FR, Regular Air Force.

Col. Leroy W. Svendsen, Jr., [redacted] FR, Regular Air Force.

Col. Herbert V. Swindell, [redacted] FR, Regular Air Force, Medical.

Col. Daryle E. Tripp, [redacted] FR, Regular Air Force.

Col. Everett L. True, [redacted] FR, Regular Air Force.

Col. Ewell D. Wainwright, Jr., [redacted] FR (lieutenant colonel, Regular Air Force), U.S. Air Force.

Col. Joseph E. Wesp, [redacted] FR, Regular Air Force Medical.

Col. Robert F. C. Winger, [redacted] FR (lieutentant colonel, Regular Air Force), U.S. Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 35, 831, and 837, title 10, United States Code:

To be brigadier general

Col. Harry L. Cochran, Jr., [redacted] FG, Air National Guard.

Col. Richard L. Frymire, Jr. [redacted] FG, Air National Guard.

Col. Grady L. Patterson, Jr. [redacted] FG, Air National Guard.

Col. Richard A. Rann, [redacted] FG, Air National Guard.

Col. Hal C. Tyree, Jr., [redacted] FG, Air National Guard.

Col. Bobby E. Walls, [redacted] FG, Air National Guard.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be general

Lt. Gen. John Russell Deane, Jr., [redacted] Army of the United States (major general, U.S. Army).

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general

Maj. Gen. Robert Creel Marshall, [redacted] Army of the United States, (brigadier general, U.S. Army).

Lt. Gen. John Alfred Kjellstrom, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Robert Leahy Fair, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Chester M. McKeen, Jr. [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Kenneth Banks Cooper, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Richard Edward McConnell, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Ernest Graves, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Thomas McKee Tarpley, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Ira Augustus Hunt, Jr., [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Richard Luther West, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. William Roy Wolfe, Jr., [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Joseph Corbett McDonough, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Wilbur Henry Vinson, Jr., [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Gordon Sumner, Jr., [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Herbert Eric Wolff, [redacted], Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Charles Robert Myer, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Robert Morin Shoemaker, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Charles James Simmons, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Sam Sims Walker, [redacted], Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. John Royster Thurman III, 238–26–1135, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Charles Dwelle Daniel, Jr., 260–60–1991, Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Charles Maurice Hall, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. Elmer Raymond Ochs, [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. William Johnston Maddox, Jr., [redacted] Army of the United States, (brigadier general, U.S. Army).

Maj. Gen. John Robin Davis Cleland, Jr., [redacted] Army of the United States, (brigadier general, U.S. Army).

The U.S. Army Reserve officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3384:

To be major general

Brig. Gen. Naiff Harold Kelel, [redacted].

Brig. Gen. Lee Lawrence, [redacted].

Brig. Gen. Howard Ashton Louderback, Jr., [redacted].

Brig. Gen. John Henry Neiler, [redacted].

Brig. Gen. Norris Ewel Sills, [redacted].

Brig. Gen. Donald Austerfin Yongue, [redacted].

To be brigadier general

Col. Forrest Anderson Abbott, [redacted].

Col. Bill Charles Branson, [redacted].

Col. JRoyston Brown, [redacted].

Col. Charles Maxwell Headrick, [redacted].

Col. Evan LeRoy Hultman, [redacted].

Col. Frederick Hebel Lawson, [redacted].

Col. Marion Mann, [redacted].

Col. Gordon Clark McKeague, [redacted].

Col. Forrest Cooke Murphy, Jr., [redacted].

Col. James David Randall, Jr., [redacted].

Col. William Doyle Tidwell, Jr., [redacted].

Col. Donald Lloyd Turkal, [redacted].

The Army National Guard of the United States officers named herein for appointment as Reserve commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3385:

To be major general

Brig. Gen. Charles Hayden Jones, [redacted]

Brig. Gen. William Robert Sharp, [redacted]

Brig. Gen. Harold Roden Story, [redacted]

To be brigadier general

Col. Wilbur Robert Buntin, Jr., [redacted]

Col. James Arthur Daley, [redacted].

Col. George Henry Fairfield, [redacted].

Col. Morphis Albert Jamiel, [redacted].

Col. Clarence Frost Rhea, [redacted].

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of title 10 United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Cunningham Campbell Bryant, [redacted].

Brig. Gen. Richard Austin Miller, [redacted]

To be brigadier general

Col. John Coffey, Jr., [redacted].

Col. Marvin Kent Speigner, [redacted].

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John Reiley Guthrie, [redacted], U.S. Army.

IN THE NAVY

Rear Adm. Donald C. Davis, U.S. Navy, having been designated for commands and other duties of greater importance and responsibility commensurate with the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Capt. John J. O'Connor, Chaplain Corps, U.S. Navy, for temporary promotion to the grade of rear admiral subject to qualification therefor as provided by law.

Rear Adm. Edward C. Waller III, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Vice Adm. Frederick H. Michaelis, U.S. Navy, having been designated for commands and other duties of great importance and responsibility commensurate with the grade of admiral within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of admiral while so serving.

Vice Adm. George C. Talley, Jr., U.S. Navy, for appointment to the grade of vice admiral on the retired list, pursuant to the provisions of title 10, United States Code, section 5233.

Rear Adm. Horace B. Robertson, Jr., Judge Advocate General's Corps, U.S. Navy, to be Judge Advocate General of the Navy with the rank of rear admiral, for a term of 4 years.

Rear Adm. James D. Watkins, U.S. Navy, for appointment as Chief of Naval Personnel in the Department of the Navy for a term of 4 years.

Rear Adm. James D. Watkins, U.S. Navy, having been designated for commands and other duties of great importance and responsibility determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

The following-named officers of the Naval Reserve for temporary promotion to the grade of rear admiral subject to qualification therefor as provided by law:

LINE

Sigmund F. Bajak
Bernard E. Nash
Richard Lyon
Thomas E. Morris
Anthony H. Murray, Jr.
Paul W. Rohrer

MEDICAL CORPS

Winston H. Weese

SUPPLY CORPS

Charles H. Mayfield

CHAPLAIN CORPS

Bertram W. Korn

DENTAL CORPS

Edward U. Austin

IN THE AIR FORCE AND ARMY

Air Force nominations beginning Raymond S. Bennett, Jr., to be colonel, and ending Arthur R. Zeitler, to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 16, 1975.

Air Force nominations beginning James G. Sanders, to be lieutenant colonel, and ending James B. Miller, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on January 16, 1975.

Air Force nominations beginning Douglas E. Adamson, to be first lieutenant, and ending Doreen N. Yoshioka, to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 16, 1975.

Air Force nominations beginning Nicholas Annicelli, Jr., to be colonel, and ending Owen C. Oheir, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on January 21, 1975.

Army nominations beginning Daniel L. Miller, to be colonel, and ending Albert A. Otero, to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 16, 1975.

Army nominations beginning Norman L. Barnes, to be colonel, and ending Dorothy F. Jones, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on January 21, 1975.

EXTENSIONS OF REMARKS

LITHUANIAN INDEPENDENCE DAY

HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 12, 1975

Mr. SCHWEIKER. Mr. President, I would like to join Lithuanian-Americans from Pennsylvania, and around the Nation, in commemorating the 57th anniversary of the establishment of the Republic of Lithuania this coming Sunday, February 16, 1975.

Once again, we take this occasion to pay tribute to the Lithuanian people, whose steadfast determination on behalf of the cause of personal freedom for all individuals is an inspiration to us all.

Once again, we call attention to the broad issue of human rights, self-determination, and religous freedom, which should be the cornerstones of truly free persons throughout the world.

It has been a pleasure for me to work closely on a variety of issues with members of the Lithuanian-American community throughout Pennsylvania. In particular, Lithuanian-American groups have been most helpful to me in drafting and implementing the bill I sponsored, the Ethnic Heritage Studies Programs Act, Public Law 92–318.

The February 16 anniversary is an important one, and I join in paying tribute to the Lithuanians.

HOUSE OF REPRESENTATIVES—*Thursday, February 13, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

This is the word . . . not by might, nor by power, but by my spirit, saith the Lord.—Zechariah 4: 6.

O God, our Father, we thank Thee for the refreshment of sleep and for the restoration of soul rest brings to our weary spirits. Now with fresh vigor we face the work of another day. In the midst of our labors keep our hearts close to Thee as we seek to solve the problems that confront us and our Nation.

Grant unto us strength for daily duties and stamina for these demanding days that with clear minds, clean hearts, and creative spirits we may prove ourselves worthy of these hours which call aloud for wisdom, courage, and integrity.

Above the noise and din of human voices may we hear Thy still, small voice as we endeavor to do what is right as Thou dost reveal the right to us.

In the mood of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate has passed a bill of the following title, in which the concurrence of the House is requested:

S. 332. An act to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce.

The message also announced that the

President pro tempore, pursuant to Public Law 93-618 and upon the recommendation of the chairman of the Committee on Finance, appointed Mr. LONG, Mr. TALMADGE, Mr. RIBICOFF, Mr. FANNIN, and Mr. ROTH as official advisers, on the part of the Senate, to the U.S. delegations to international conferences, meetings, and negotiation sessions relating to trade agreements; and as alternates to the above conferences, meetings, and negotiation sessions: Mr. HARTKE, Mr. HARRY F. BYRD, JR., Mr. NELSON, Mr. MONDALE, Mr. GRAVEL, Mr. BENTSEN, Mr. HATHAWAY, Mr. HASKELL, Mr. CURTIS, Mr. HANSEN, Mr. DOLE, Mr. PACKWOOD, and Mr. BROCK.

APPOINTMENT AS MEMBERS OF AMERICAN REVOLUTION BICENTENNIAL BOARD

The SPEAKER. Pursuant to the provisions of section 10(a), Public Law 93-179, the Chair appoints as members of the American Revolution Bicentennial Board the following Members on the part of the House: The gentlewoman from Louisiana (Mrs. BOGGS) and the gentleman from Virginia (Mr. BUTLER).

APPOINTMENT AS MEMBERS OF BOARD OF TRUSTEES OF HARRY S. TRUMAN SCHOLARSHIP FOUNDATION

The SPEAKER. Pursuant to the provisions of section 5(b), Public Law 93-642, the Chair appoints as members of the Board of Trustees of the Harry S. Truman Scholarship Foundation the following Members on the part of the House: The gentleman from Missouri (Mr. BOLLING) and the gentleman from Missouri (Mr. TAYLOR).

APPOINTMENT AS MEMBERS EX OFFICIO OF BOARD OF TRUSTEES OF JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

The SPEAKER. Pursuant to the provisions of section 2(a), Public Law 85-874, as amended, the Chair appoints as members ex officio of the Board of Trustees of the John F. Kennedy Center for the Performing Arts the following Members on the part of the House: The gentleman from New Jersey (Mr. THOMPSON); the gentleman from Wyoming (Mr. RONCALIO); and the gentleman from Michigan (Mr. ESCH).

APPOINTMENT AS MEMBERS OF AMERICAN INDIAN POLICY REVIEW COMMISSION

The SPEAKER. Pursuant to the provisions of section 1(b), Public Law 93-580, the Chair appoints as members of the American Indian Policy Review Commission the following Members on the part of the House: the gentleman from Washington (Mr. MEEDS); the gentleman from Illinois (Mr. YATES); and the gentleman from Arizona (Mr. STEIGER).

APPOINTMENT AS MEMBERS OF FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

The SPEAKER. Pursuant to the provisions of section 1, Public Law 372, 84th Congress, as amended, the Chair appoints as members of the Franklin Delano Roosevelt Memorial Commission the following Members on the part of the House: the gentleman from New York (Mr. MURPHY); the gentleman from New Jersey (Mr. HOWARD); the gentleman from Maryland (Mr. GUDE); and the gentleman from New York (Mr. FISH).

APPOINTMENT AS MEMBERS OF NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES

The SPEAKER. Pursuant to the provisions of section 5, Public Law 93-426, the Chair appoints as members of the National Commission on Supplies and Shortages the following Members on the part of the House: The gentleman from California (Mr. REES) and the gentleman from Ohio (Mr. J. WILLIAM STANTON).

APPOINTMENT AS MEMBERS OF FEDERAL RECORDS COUNCIL

The SPEAKER. Pursuant to the provisions of 44 United States Code 2701, the Chair appoints as members of the Federal Records Council the following Members on the part of the House: The gentleman from Missouri (Mr. BURLISON) and the gentleman from Minnesota (Mr. FRENZEL).

PUBLICATION OF RULES OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

(Mr. JOHNSON of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. JOHNSON of California. Mr. Speaker, pursuant to clause 2(a)(3) of rule XI of the Rules of the House of Representatives the publication of committee rules in the CONGRESSIONAL RECORD within 30 days of the convening of the Congress. These rules should specify regular meeting days and other rules in addition to those required by the above clause. To satisfy this requirement and to comply with committee rule I(e), Chairman ROBERT E. JONES, of the Committee on Public Works and Transportation, has asked that I submit for publication in the RECORD the rules of the Committee on Public Works and Transportation for the 94th Congress. These rules were adopted by the committee on February 5, 1975:

RULES FOR THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

RULE NO. I—GENERAL PROVISIONS

(a) The Rules of the House are the rules of the committee and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under Rule X of House Rules and (subject to the adoption of expense resolutions as required by Rule XI, clause 5 of House Rules) to incur expenses (including travel expenses) in connection therewith.

(c) The committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of the committee shall be paid from the contingent fund of the House.

(d) The committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of the committee under Rule X and XI of House Rules during the Congress ending at noon on January 3 of such year.

(e) The committee's rules shall be published in the Congressional Record not later than 30 days after the Congress convenes in each odd-numbered year.

RULE NO. II—REGULAR AND SPECIAL MEETINGS; OPEN COMMITTEE MEETINGS

(a) Regular meetings of the committee shall be held on the first Tuesday of every month to transact its business unless such day is a holiday, or Congress is in recess or is adjourned, in which case the Chairman shall determine the regular meeting day of the Committee for that month. When the Chairman believes that the committee will not be considering any bill or resolution before the full committee and that there is no other business to be transacted at a regular meeting, he will give each member of the committee, as far in advance of the day of the regular meeting as the circumstances make practicable, a written notice to that effect and no committee meeting shall be held on that day. This paragraph shall not apply to meetings of any subcommittee.

(b) The Chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the Chairman.

(c) If at least three members of the committee desire that a special meeting of the committee be called by the Chairman, those members may file in the offices of the committee their written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(d) If the Chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) The committee may not sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

(f)(1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public: Provided, however, That no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a)(3) of House Rule X or by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives; Provided, however, that the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

RULE NO. III—RECORDS AND ROLL CALLS

(a) There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a roll call is demanded. The result of each such roll call vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting. A record vote may be demanded by one-fifth of the members present. With respect to each record vote by the committee to report any bill or resolution, the total number of votes cast for and the total number of votes cast against the reporting of such bill or such resolution shall be included in the committee report.

(b) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as Chairman of the committee; and such records shall be the property of the House and all members of the House shall have access thereto.

RULE NO. IV—PROXIES

(a) A vote by any member in the committee or in any subcommittee may be cast by proxy, but such proxy must be in writing during each roll call in which they are to be voted. Each proxy shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

(b) Proxies shall be in the following form:

Hon. ———,
House of Representatives,
Washington, D.C.

DEAR ———: Anticipating that I will be absent on official business or otherwise unable to be present, I hereby authorize you to vote in my place and stead in the consideration of ——— and any amendments or motions pertaining thereto.

——— ———,
Member of Congress.

Executed this the — day of ———, 19—, at the time of ——— p.m./a.m.

RULE NO. V—POWER TO SIT AND ACT; SUBPOENA POWER

(a) For the purpose of carrying out any of its functions and duties under House Rules X and XI the committee, or any subcommittee thereof, is authorized (subject to subparagraph (b)(1) of this paragraph)—

(1) to sit and act at such times and places within or without the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(2) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents

as it deems necessary. The Chairman of the committee, or any member designated by the Chairman, may administer oaths to any witness.

(b)(1) A subpoena may be issued by the committee or subcommittee under subparagraph (a)(2) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the members of the committee and authorized subpoenas shall be signed by the Chairman of the committee or by any member designated by the committee.

(2) Compliance with any subpoena issued by the committee or subcommittee under subparagraph (a)(2) may be enforced only as authorized or directed by the House.

(c) Each witness who has been subpoenaed, upon the completion of his testimony before the committee or any subcommittee, may report to the office of cousel of the committee, and there sign appropriate vouchers for travel allowances and attendance fees. If hearings are held in cities other than Washington, D.C., the witness may contact the counsel of the committee, or his representative, prior to leaving the hearing room.

RULE NO. VI—QUORUMS

A majority of the members of the committee shall constitute a quorum of the committee for business and a majority of the members of any subcommittee shall constitute a quorum thereof for business: *Provided,* That any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE NO. VII—HEARING PROCEDURES

(a) The Chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at an earlier date. In the latter event the chairman or the subcommittee chairman whichever the case may be shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 2 working days before the day of his appearance, a written statement of his proposed testimony and shall limit his oral presentation to a summary of his statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the Chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) Upon announcement of a hearing, to the extent practicable the Clerk and Staff Director shall cause to be prepared a concise summary of the subject matter (including legislative reports and other material) under consideration which shall be made available immediately to all members fo the committee. In addition, upon announcement of a hearing and subsequently as they are received, the Chairman shall make available to the members of the committee any official reports from departments and agencies on such matter.

(e) All other members of the committee may have the privilege of sitting with any subcommittee during its hearing or deliberations and may participate in such hearings or deliberations, but no such members who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(f) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witnesses in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority nor the members of the minority. The chairman may accomplish this by recognizing two majority members for each minority member recognized.

(g) The following additional rules shall apply to investigative hearings:

(1) The Chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The Chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) If the committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person, it shall—

(A) receive such evidence or testimony in executive session;

(B) afford such person an opportunity voluntarily to appear as a witness; and

(C) receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (5), the Chairman shall receive and the committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the committee.

(10) No major investigation by a subcommittee shall be initiated without approval of a majority of such subcommittee.

RULE NO. VIII—PROCEDURES FOR REPORTING BILLS AND RESOLUTIONS

(a) (1) It shall be the duty of the Chairman of the committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any request, the clerk of the committee shall transmit immediately to the Chairman of the committee notice of the filing of that request.

(b) (1) No measure or recommendation shall be reported from the committee unless a majority of the committee was actually present.

(2) With respect to each roll call vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

(c) The report of the committee on a measure which has been approved by the committee shall include

(1) the oversight findings and recommendations required pursuant to the last sentence of clause 2(b) (1) of Rule X of the House separately set out and clearly identified;

(2) the statement required by section 308 (a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures;

(3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison of the committee; and

(4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b) (2) of Rule X of the House separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

(d) Each report of the committee on each bill or joint resolution of a public character reported by the committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(e) If, at the time of approval of any measure or matter by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (3) and (4) of subparagraph (c) are included as part of the report. This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(B) the filing by any such committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

(f) If hearings have been held on any such measure or matter so reported, the committee shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—

(1) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

(2) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress.

RULE NO. IX—OVERSIGHT

(a) In order to assist the House in:

(1) its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration, and enactment of such modifications or changes in those laws, and of such additional legislation, as may be necessary or appropriate, there shall be in conformity with Rule XV a Subcommittee on Investigations and Review.

(b) The Subcommittee on Investigations and Review and the appropriate subcommittee with legislative authority shall cooperatively review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, and subject matter of which is within the jurisdiction of the committee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Subcommittee on Investigations and Review and the appropriate subcommittee with legislative authority shall cooperatively review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jursdiction of the committee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of the committee. The Subcommittee on Investigations and Review shall in no way limit the responsibility of the subcommittees from carrying out their oversight responsibilities.

(c) The Subcommittee on Investigations and Review and the appropriate subcommittee with legislative authority shall cooperatively review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the committee.

RULE NO. X—REVIEW OF CONTINUING PROGRAMS; BUDGET ACT PROVISIONS

(a) The committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(d) of Rule XIII of House Rules.

(b) The committee shall review, from time to time, each continuing program within its jurisdictions for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

(c) The committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(d) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such divisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(e) Whenever the committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget, in accordance with the Congressional Budget Act of 1974.

RULE NO. XI—BROADCASTING OF COMMITTEE HEARINGS

(a) It is the purpose of this clause to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which committee hearings, or committee meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as legislative and representative body and regarding the measures, public issues, and other matters before the House and its committees, the consideration thereof, and the action taken thereon; and

(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

(b) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(c) It is, further, the intent of this clause that the general conduct of each meeting (whether of a hearing or otherwise) covered, under authority of this clause, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, and the personal behavior of the committee members and staff, other Government officials and personnel, witnesses, television, radio, and press media personnel, and the general public at the hearing or other meeting shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

(1) distort the objects and purposes of the hearings or other meeting or the activities of committee members in connection with that hearing or meeting or in connection with the general work of the committee or of the House; or

(2) cast discredit or dishonor on the House, the committee, or any member or bring the House, the committee, or any member into disrepute.

(d) The coverage of committee hearings and meetings by television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause.

(e) Whenever any hearing or meeting conducted by any committee of the House is open to the public, that committee may permit, by majority vote of the committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the committee may adopt in accordance with the purposes, provisions, and requirements of this clause.

(f) The written rules which may be adopted by a committee under paragraph (e) of this clause shall contain provisions to the following effect:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of this rule, relating to the protection of the rights of witnesses.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level necessary to provide adequate television coverage of the hearing or the meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

RULE NO. XII—COMMITTEE AND SUBCOMMITTEE BUDGETS

(a) The Chairman, in consultation with the chairman of each subcommittee, the majority members of the committee and the minority membership of the committee, shall, for each session of the Congress, prepare a consolidated committee budget. Such budget shall include necessary amounts for staff personnel, for necessary travel, investigation, and other expenses of the full committee and its subcommittees.

(b) Authorization for the payment of additional or unforeseen committee and subcommittees' expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(c) The Chairman or any chairman of a subcommittee may initiate necessary travel requests as provided in Rule XIV within the limits of the consolidated budget as approved by the House and the Chairman may execute necessary vouchers thereof.

(d) Once monthly, the Chairman shall submit to the Committee on House Administration, in writing, a full and detailed accounting of all expenditures made during the period since the last such accounting from the amount budgeted to the full committee. Such report shall show the amount and purpose of such expenditure and the budget to which such expenditure is attributed. A copy of such monthly report shall be available in the committee office for review by members of the committee.

RULE NO. XIII—COMMITTEE AND SUBCOMMITTEE STAFF

(a) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority members of the committee shall determine within the budget approved for such purposes; Provided, however, that no minority staff person shall be compensated at a rate which exceeds that paid his or her majority party staff counterpart.

(b) The professional and clerical employees of the committee not assigned to a subcommittee or to the minority under the above provision shall be appointed, and may be removed, and their remuneration determined by the Chairman.

(c) The professional and clerical staff assigned to the minority shall be under the general supervision and direction of the ranking minority party member of the full committee who may delegate such authority as he determines appropriate.

(d) The professional and clerical staff of the committee not assigned to a subcommittee or to the minority shall be under the general supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(e) It is intended that the skills and experience of all members of the committee staff shall be available to all members of the committee.

(f)(1) The chairman of each standing subcommittee of this committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority member of each standing subcommittee on this committee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of clause 6 of House Rule XI; Provided, however, a staff person appointed by a ranking minority member shall be compensated at a rate not to exceed that paid his or her majority party staff counterpart.

(4) Subparagraphs (1), (2), and (3) shall apply to six subcommittees only, and no member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the subcommittee chairmen and ranking minority party members pursuant to subparagraphs (1) and (2) shall be made available from the staff positions provided under clause 6 of House Rule XI unless such staff positions are made available pursuant to a primary or additional expense resolution.

(6) Except as provided by the above provisions, the professional and clerical members of the subcommittee staffs shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman in consultation with and with the approval of a majority of the majority members of the subcommittee, and with the approval of the chairman.

(7) The professional and clerical staff of

a subcommittee shall be under the supervision and direction of the chairman of that subcommittee.

RULE NO. XIV—TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such additional expense resolutions as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be reimbursed from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee of any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the Chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is to be made;

(4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the Chairman. Such prior authorization shall be given by the Chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a) and in addition thereto setting forth that subcommittee funds are available to cover the expenses of the person or persons being authorized by the subcommittee chairman to undertake the travel and that there has been a compliance where applicable with Rule VII of the committee.

(c) (1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittee, prior authorization must be obtained from the Chairman, or, in the case of a subcommittee from the subcommittee chairman and the Chairman. Before such authorization is given, there shall be submitted to the Chairman, in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States may be initiated by the Chairman or the chairman of a subcommittee (except that individuals may submit a request to the Chairman for the purpose of attending a conference or meeting) and shall be limited to members and permanent employees of the committee.

(3) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (or members and staff attending meetings or conferences) shall submit a written report to the Chairman covering the activities and other pertinent observations or information gained as a result of such travel when requested by the Chairman.

(d) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and of the Committee on House Administration pertaining to such travel.

RULE NO. XV—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be 6 standing subcommittees. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees, respectively:

(1) Subcommittee on Aviation

(2) Subcommittee on Economic Development

(3) Subcommittee on Investigations and Review

(4) Subcommittee on Public Buildings and Grounds

(5) Subcommittee on Surface Transportation

(6) Subcommittee on Water Resources

(b) The committee may provide for such additional subcommittees as determined to be appropriate; Provided, however, that such additional subcommittees are approved by a majority of the majority members on the committee.

(c) A member serving as chairman of any subcommittee on this committee shall not also serve as the chairman of a subcommittee on any other standing committee; Provided, however, that this provision shall not apply to members serving as subcommittee chairmen on the Budget Committee; House Administration Committee; Joint Committees; or on the Small Business Committee who served as a subcommittee chairman on the Select Committee on Small Business as of October 8, 1974.

RULE NO. XVI—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings wherever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any member authorized by the subcommittee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) In any event, the report of any subcommittee on a measure which has been approved by the subcommittee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the subcommittee, for the reporting of that measure. Upon the filing of any request, the clerk of the committee shall transmit immediately to the chairman of the subcommittee notice of the filing of that request.

(d) All committee or subcommittee reports printed pursuant to 'egislative study or investigation and not approved by a majority vote of the committee or subcommittee, as appropriate, shall contain the following disclaimer on the cover of such report:

"This report has not been officially adopted by the Committee on (or pertinent subcommittee thereof) and may not therefore necessarily reflect the views of its members."

(e) Where practicable, bills, resolutions, or other matters favorably reported by a subcommittee shall automatically be placed upon the agenda of the committee as of the time they are reported and shall be considered by the full committee in the order in which they were reported unless the committee shall by majority vote otherwise direct. No bill reported by a subcommittee shall be considered by the full committee unless it has been delivered to the offices of all members at least 48 hours prior to the meeting, unless the chairman determines that such bill is of such urgency that it should be given early consideration. Where practicable, such bills, resolutions, or other matters shall be accompanied by a comparison with present law and a section-by-section analysis of the proposed change.

RULE NO. XVII—REFERRAL OF LEGISLATION TO SUBCOMMITTEES

(a) Each bill, resolution, investigation, or other matter which relates to a subject listed under the jurisdiction of any subcommittee named in Rule XV referred to or initiated by the full committee shall be referred by the Chairman to the subcommittee of appropriate jurisdiction within two weeks, unless, by majority vote of the majority members of the full committee, consideration is to be by the full committee.

(b) Referral to a subcommittee shall not be made until three days shall have elapsed after written notification of such proposed referral to all subcommittee chairmen, at which time such proposed referral shall be made unless one or more subcommittee chairmen shall have given written notice to the Chairman of the full committee and to the chairman of each subcommittee that he intends to question such proposed referral at the next regularly scheduled meeting of the committee, or at a special meeting of the committee called for that purpose at which time referral shall be made by the majority members of the committee. All bills shall be referred under this rule to the subcommittee of proper jurisdiction without regard to whether the author is or is not a member of the subcommittee. A bill, resolution, or other matter referred to a subcommittee in accordance with this rule may be recalled therefrom at any time by a vote of the majority members of the committee for the committee's direct consideraton or for reference to another subcommittee.

(c) In carrying out Rule XVII with respect to any matter, the Chairman may refer the matter simultaneously to two or more subcommittees, consistent with Rule XV, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee, or refer the matter to a special ad hoc subcommittee appointed by the Chairman (from the members of the subcommittee having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the full committee thereon, or make such other provisions as may be considered appropriate.

RULE NO. XVII—SIZES AND PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

(a) To the extent that the number of subcommittees and their party ratios permit, the size of all subcommittees shall be established so that the majority party members of the committee have an equal number of subcommittee assignments; Provided. however, that a member may waive his or her right to an equal number of subcommittee assignments on the committee; and Provided further, that the majority party members may limit the number of subcommittee assignments of the Chairman and the subcommittee chairman in order to equalize committee workloads.

(b) On each subcommittee there shall be a ratio of at least two majority party members for each minority party member, plus one majority party member. In calculating the ratio of majority party members to minority party members, there shall be included all *ex officio* voting members of the subcommittees.

(c) Following shall be the sizes and majority/minority ratios for subcommittees:

(1) Subcommittee on Aviation: (22 members) (15 majority; 7 minority)

(2) Subcommittee on Economic Development: (22 members) (15 majority; 7 minority)

(3) Subcommittee on Investigations and Review: (22 members) (15 majority; 7 minority)

(4) Subcommittee on Public Buildings and Grounds: (22 members) (15 majority; 7 minority)

(5) Subcommittee on Surface Transportation: (25 members) (17 majority; 8 minority)

(6) Subcommittee on Water Resources: (25 members) (17 majority; 8 minority)

(d) The full committee Chairman shall recommend to the Speaker as conferees the names of those members (1) selected by the majority party members of the committee in a manner determined by them, and (2) selected by the minority. Provided, however, that recommendations of conferees to the Speaker shall provide a ratio of at least two majority party members for each minority party member, plus one majority party member.

PUBLICATION OF RULES OF THE COMMITTEE ON GOVERNMENT OPERATIONS

Mr. BROOKS. Mr. Speaker, pursuant to clause 2(a) (3) of rule XI of the Rules of the House of Representatives, I submit for publication in the Congressional Record the Rules of the Committee on Government Operations, which were adopted on February 4, 1975:

Rules of the Committee on Government Operations, U.S. House of Representatives, 94th Congress

Rule XI, 1(a) (1) of the House of Representatives provides;

The Rules of the House are the rules of its committees and subcommittees so far as applicable, except that motion to recess from day to day is a motion of high privilege in committees and subcommittees.

Rule XI, 2(a) of the House of Representatives provides, in part:

Each standing committee of the House shall adopt written rules governing its procedure. * * *

In accordance with the foregoing, the Committee on Government Operations, on February 4, 1975, adopted the following as the rules of the committee:

RULE 1—APPLICATION OF RULES

Except where the terms "'full committee" and "subcommittee" are specifically referred to, the following rules shall apply to the Committee on Government Operations and its subcommittees as well as to the respective chairmen.

[See House Rule XI, 1.]

RULE 2—MEETINGS

The regular meetings of the full committee shall be held on the third Thursday of each month at 10 a.m., except when Congress has adjourned. The chairman is authorized to dispense with a regular meeting or to change the date thereof, and to call and convene additional meetings, when circumstances warrant. A special meeting of the committee may be requested by members of the committee in accordance with the provisions of House Rule IX, 2(c) (2). Subcommittees shall meet at the call of the subcommittee chairmen. Every member of the committee or the appropriate subcommittee, unless prevented by unusual circumstances, shall be provided with a memorandum at least three calendar days prior to each meeting or hearing explaining (1) the purpose of the meeting or hearing; and (2) the names, titles, background and reasons, for appearance of any witnesses. The minority staff shall be responsible for providing the same information on witnesses whom the minority may request.

[See House Rule XI, 2(b).]

RULE 3—QUORUMS

A majority of the members of the committee shall constitute a quorum, except that two members shall constitute a quorum for taking testimony and receiving evidence. Proxies shall not be used to establish a quorum. If the chairman is not present at any meeting of the committee or subcommittee, the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

[See House Rule XI, 2(h).]

RULE 4—COMMITTEE REPORTS

Bills and resolutions approved by the committee shall be reported by the chairman in accordance with House Rule XI, 2(1).

Every investigative report shall be approved by a majority vote of the committee at a meeting at which a quorum is present. Supplemental, minority, or additional views may be filed in accordance with House Rule XI, (2) (1) (5). The time allowed for filing such views shall be three calendar days (excluding Saturdays, Sundays, and legal holidays) unless the committee agrees to a different time, but agreement on a shorter time shall require the concurrence of each member seeking to file such views. A proposed report shall not be considered in subcommittee or full committee unless the proposed report has been available to the members of such subcommittee or full committee for at least three calendar days (excluding Saturdays, Sundays, and legal holidays) prior to the consideration of such proposed report in subcommittee or full committee. If hearings have been held on the matter reported upon, every reasonable effort shall be made to have such hearings available to the members of the subcommittee or full committee prior to the consideration of the proposed report in such subcommittee or full committee.

RULE 5—PROXY VOTES

A member may vote by proxy on any measure or matter before the committee and on any amendment or motion pertaining thereto. A proxy shall be in writing and be signed by the member granting the proxy; it shall show the date and time of day it was signed and the date for which it is given and the member to whom the proxy is given. Each proxy authorization shall state that the member is absent on official business or is otherwise unable to be present; shall be limited to the date and the specific measure or matter to which it applies; and, unless it states otherwise, shall apply to any amendments or motions pertaining to that measure or matter.

[See House Rule XI, 2(f).]

RULE 6—ROLL CALLS

A roll call of the members may be had upon the request of any member.

[See House Rule XI, 2(e).]

RULE 7—RECORD OF COMMITTEE ACTIONS

The committee staff shall maintain in the committee offices a complete record of committee actions including a record of the roll-call votes taken at committee business meetings. The original records, or true copies thereof, as appropriate, shall be available for public inspection whenever the committee offices are open for public business. The staff shall assure that such original records are preserved with no unauthorized alteration, additions, or defacement.

[See House Rule XI, 2(e).]

RULE 8—SUBCOMMITTEE; REFERRALS

There shall be seven subcommittees with appropriate party ratios which shall have fixed jurisdictions. Bills, resolutions, and other matters shall be referred by the chairman to subcommittees within two weeks for consideration or investigation in accordance with their fixed jurisdictions. Where the subject matter of the referral involves the jurisdiction of more than one subcommittee or does not fall within any previously assigned jurisdiction, the chairman shall refer the matter as he may deem advisable. Bills, resolutions, and other matters referred to subcommittees may be reassigned by the chairman when, in his judgment, the subcommittee is not able to complete its work or cannot reach agreement thereon.

[See House Rule XI, 1(a) (2).]

RULE 9—EX OFFICIO MEMBERS

The chairman and the ranking minority member of the committee shall be ex officio members of all subcommittees. They are authorized to vote on subcommittee matters; but, unless they are regular members of the subcommittee, they shall not be counted in determining a subcommittee quorum other than a quorum for the purpose of taking testimony.

RULE 10—STAFF

Except as otherwise provided by House Rule XI, 5 and 6, the chairman of the full committee shall have the authority to hire and discharge employees of the professional and clerical staff of the full committee and of subcommittees subject to appropriate approval.

RULE 11—STAFF DIRECTION

Except as otherwise provided by House Rule XI, 5 and 6, the staff of the committee shall be subject to the direction of the chairman of the full committee and shall perform such duties as he may assign.

RULE 12—HEARING DATES AND WITNESSES

The chairman of the full committee will announce the date place, and subject matter of all hearings at least one week prior to the commencement of any hearings, unless he determines that there is good cause to begin such hearings at an earlier date. In order that the chairman of the full committee may coordinate the committee facilities and hearing plans, each subcommittee chairman shall notify him of any hearing plans at least two weeks in advance of the date of commencement of hearings, including the date, place, subject matter, and the names of witnesses, willing and unwilling, who would be called to testify including, to the extent he is advised thereof, witnesses whom the minority members may request. The minority members shall supply the names of witnesses they intend to call to the chairman of the full committee or subcommittee at the earliest possible date. Witnesses appearing before the committee shall, so far as practicable, submit written statements at least 24 hours in advance of their appearance.

[See House Rule XI, 2(g)(3), (g)(4), (j), and (k).]

RULE 13—OPEN MEETINGS

Meetings for the transaction of business and hearings of the committee shall be open to the public or closed in accordance with Rule XI of the House of Representatives.

[See House Rule XI, 2(g).]

RULE 14—FIVE-MINUTE RULE

A committee member may question a witness only when recognized by the chairman for that purpose. In accordance with House Rule XI, 2(j)(2), each committee member may request up to five minutes to question a witness until each member who so desires has had such opportunity. Until all such requests have been satisfied, the chairman shall, so far as practicable, recognize alternately on the basis of seniority those majority and minority members present at the time the hearing was called to order and others on the basis of their arrival at the hearing. Thereafter, additional time may be extended at the direction of the chairman.

RULE 15—INVESTIGATIVE HEARINGS; PROCEDURE

Investigative hearings shall be conducted according to the procedures in House Rule XI, 2(k). All questions put to witnesses before the committee shall be relevant to the subject matter before the committee for consideration, and the chairman shall rule on the relevance of any questions put to the witness.

RULE 16—STENOGRAPHIC RECORD

A stenographic record of all testimony shall be kept of public hearings and shall be made available on such conditions as the chairman may prescribe.

RULE 17—TV, RADIO, AND PHOTOGRAPHS

When approved by a majority vote, an open meeting or hearing of the committee or a subcommittee may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, subject to the provisions of House Rule XI, 3. In order to enforce the provisions of said rule or to maintain an acceptable standard of dignity, propriety, and decorum, the chairman may order such alteration, curtailment, or discontinuance of coverage as he determines necessary.

RULE 18—ADDITIONAL DUTIES OF CHAIRMAN

The chairman of the full committee shall:

(*a*) Make available to other committees the findings and recommendations resulting from the investigations of the committee or its subcommittees as required by House Rule X, 4(c)(2);

(*b*) Arrange such meetings, designate participants and submit such reports to the House as may be necessary to carry out the coordination of oversight activities and reporting requirements under House Rule X, 2(c);

(*c*) Direct such review and studies on the impact or probable impact of tax policies affecting subjects within the committee's jurisdiction as required by House Rule X, 2(d);

(*d*) Submit to the Committee on the Budget views and estimates required by House Rule X, 4(g); and

(*e*) Prepare, after consultation with subcommittee chairmen and the minority, a budget for the committee which shall include an adequate budget for the subcommittees to discharge their responsibilities.

IS STRIP MINING REALLY SAFER?

(**Mr. HECHLER** of West Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Speaker, a lot of my friends ask me: How can you be against strip mining when strip mining is so much safer than the dangers of underground mining? Well, the latest official figures for 1974 refute the popular image that strip mining is safer. In fact, the rate of underground mining fatalities for 1974 was 0.43 per million man-hours worked, and the rate of strip mining fatalities per million man-hours-worked was exactly the same: 0.43 per million man-hours.

Between 1973 and 1974, the strip mining fatality rate jumped from 0.30 to 0.43 per million man-hours, while the fatality rate in underground mines declined from 0.49 to 0.43. Strip mines are getting more dangerous, and underground mines are getting safer. Also, the Mining Enforcement and Safety Administration has set up a different category called "other surface mining" in which the accident rate shows a higher additional frequency of fatalities than listed under strip mines. For example, the rate is 0.60 per million man-hours under "other surface mining," which is defined as "sliding or falling materials" and "haulage," and these fatalities would send the strip mining fatality rate actually higher than the rate for underground mining.

Mr. Speaker, giant strides will be made in the next few years in stepping up this Nation's coal production. The President and the Congress agree that a major public and private investment will have to be made in converting coal to synthetic liquids and natural gas.

You hear a lot of high-level talk, studies, conferences, and statements about billions of dollars of money, risks, tax incentives, and R. & D. but very little attention is paid to the human problem of how to protect the safety of coal miners and how this Nation can expect to attract the necessary manpower unless we dramtically improve the atrocious accident record in coal mines.

The final grim figures for 1974, just released show that 130 coal miners were killed in 1974, which is only 2 less than in 1973. That is not much to brag about when you consider there was also a coal strike in 1974.

Mine safety is possible. Bethlehem Steel and United States Steel have achieved excellent safety record in the underground mines they operate. You can not obtain safety for coal miners by slick public relations or by politicizing the Mining Enforcement and Safety Administration.

Because of poor administration, a huge backlog of health and safety violations and fines have accumulated. During the last year the Department of the Interior has been settling thousands of violations for as little as 32 to 44 cents on the dollar.

FISHERMEN NEED HELP ON FUEL COSTS, TOO

(**Mr. SIKES** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, the President announced earlier this week a plan for a rebate program to compensate farmers for increased energy costs caused by the administration's proposed conservation program. The special rebate would help farmers pay increased oil taxes. I support the President in this matter and, in fact, I have urged stronger means to help farmers to produce commodities which are needed here and abroad. Now, I want to urge that a similar rebate program be extended to other industries, particularly the commercial fishermen, who must have fuel for their operation and who are in serious financial difficulty because of increased fuel costs.

It is very important that the American people continue to have fresh, low-cost food products which the commercial fishermen have always supplied. However, this will not be possible unless the problems of the commercial fishermen are recognized and assistance be given to them to help defray the double problem of higher operating costs and lower receipts. Therefore, I strongly urge that President Ford and Federal Energy Administrator Frank Zarb include the commercial fishing industry in the fuel rebate program and to institute additional programs for the relief of the commercial fishing industry. I urge my colleagues to join me in making this recommendation to the President and the FEA.

INTRODUCTION OF MEDICAL MALPRACTICE ARBITRATION BILL

Mr. ASHLEY. Mr. Speaker, I am today introducing the Medical Malpractice Insurance and Arbitration Act of 1975. This legislation is a direct outgrowth of the spreading nationwide crisis in medical malpractice insurance. Physicians in many States, including Ohio, are faced with outright cancellation of their insurance coverage as the few companies left in this field announce their decision to cease underwriting physicians' liability. Others are faced with skyrocketing premium rates, ranging as high as 100 to 300 percent above their present payments.

The insurance companies claim that the escalating amounts of jury awards in malpractice suits make this type of coverage no longer profitable for them. Regrettably, we simply do not have any nationwide compilation of statistics to know whether this is true or not. But what we do know is that the medical profession, not only physicians but hospitals as well, feels that this situation threatens the cost and quality of health care available in the States and communities where the problem has arisen.

The crisis is acute in my congressional district. We have had very few successful malpractice suits over the past decade. Yet one of our chief insurers has announced it will discontinue coverage of classes IV and V physicians imminently, and many of them have been unsuccessful in finding alternate coverage. One group of anesthesiologists insured by another company has been notified that its group premium will rise from $48,000 a year to $360,000. Individual premium increases up to $60,000 annually have been reported to me, as has at least one case of a young doctor who has just completed his residency but cannot afford the initial $20,000 set as his liability premium. Eighteen Toledo area hospitals recently had their coverage cancelled, but found another company at a greatly increased cost.

This is not a problem for the medical profession alone. Physicians in high-risk specialities are contemplating ceasing practice under the impact of these rate hikes. Doctors and hospitals who pay these sky-high premiums will obviously pass the costs on to their patients. The practice of defensive medicine, taking excessive precautions against the possibility of error, is growing, adding a further threat to the availability of affordable health care throughout the community.

Mr. Speaker, HEW Secretary Weinberger has assembled a task force of health policy specialists under Dr. Roger Egeberg to convene meetings of insurers, State insurance commissioners, and the medical profession to seek solutions to this problem. The American Medical Association is working with the State medical societies to attempt to develop programs for the various State legislatures to prevent this possible disruption of health services. In my own State of Ohio the medical community is preparing legislation which would establish a State commission to become the insurer of Ohio's hospitals and medical practitioners. In addition, a National Conference on Medical Malpractice has been scheduled for the Washington area to provide a forum for exchange of views on this matter between State and Federal officials and the insurance industry.

In my own examination of this problem, I retain doubts as to whether this is essentially a State or Federal problem, since the licensing of physicians and regulation of insurance have been till now responsibilities of the various States.

Nevertheless, the seriousness of this situation requires an exploration of the possibilities for Federal legislation if solutions are not forthcoming elsewhere. The bill I am introducing today embodies my belief that the settlement of malpractice suits through arbitration offers the most reasonable prospect of insuring the rights of claimants and the rights of health providers, while at the same time guaranteeing the maximum return to the injured party in a case where the suit is justifiable.

A report by the defunct HEW Medical Malpractice Commission indicated that arbitration saves time from the normal 3–4 years of court lag in jury cases, costs 15 to 45 percent less than court cases in expenses exclusive of final awards, and increases the chances of informal and satisfactory settlement. One California physicians' group which has included arbitration in its contract with subscribers for more than 3 decades reports that over 90 percent of claims are settled informally through this mechanism.

The bill I am introducing would require States to enact legislation to create arbitration panels, set licensure standards for physicians, and set fees for attorneys participating in arbitrated settlements. Health providers would pay an annual premium into a Federal medical malpractice insurance fund under the administration of the Secretary of HEW and would receive malpractice insurance coverage from the government. The bill would require initial submission of malpractice claims to arbitration. A petition for arbitration would be filed in civil court, and the presiding judge would appoint a panel consisting of a chairman and an equal number of attorneys and members of the medical profession to hear the parties to the case.

The panel would have subpena power, and after hearing both parties, would decide by majority vote whether there was liability and what the damages should be. The panel's decision would be filed with the court, and if the parties accept it, it would be binding. If either party to the suit rejects the decision, the claimant then has the recourse of beginning civil action for the damages, with the arbitration panel's recommendation admissible as evidence by either party in any subsequent court proceeding. This provision answers the objections of some that an arbitration system might tend to be biased toward the health provider. And finally, the legislation establishes maximum fee rates for attorneys in malpractice suits to provide reasonable compensation for services performed.

The bill requires HEW to develop national standards for licensure of health professionals, but it does not preclude any State from establishing its own program as long as it meets or exceeds the national standards.

Mr. Speaker, I have called on the insurance companies, HEW, and the House Subcommittee on Health to initiate action for an early resolution of the crisis in medical malpractice insurance. I do not know if this arbitration approach is the best possible solution. But I am concerned that action be undertaken at the earliest opportunity, and legislative vehicles are needed as a focus of congressional hearings. I am afraid of the impact of declining health services or further cost increases to the public and hope that early action either by the Congress, the state legislatures, or the medical profession itself will resolve this matter as fairly as possible in the public interest.

INTRODUCTION OF THE TAX NEUTRALITY ACT OF 1975

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, today I am pleased to join Senators CHURCH, HASKELL, and RIBICOFF in introducing the Tax Neutrality Act of 1975. This legislation represents the first attempt since 1962 to establish the principle of neutrality in our taxation of the foreign operations of U.S. corporations and individuals. The Revenue Act of 1962, although dealing primarily with the taxation of foreign source income, did not resolve many of the important problems raised by our present tax system. At the same time, however, the 1962 act was the first comprehensive review of this portion of our tax code since the enactment of our original income tax laws in 1913 and 1918.

The short, taxation of foreign income has been an area of law long neglected by Congress. During this long period of neglect piecemeal changes in the law—establishment of Western Hemisphere Trade Corporations, Less Developed Country exceptions, and Domestic International Sales Corporation—all served to obscure the principle of neutrality on which our taxation of foreign income was purportedly based. At the same time, complex and controversial issues surrounding the computation of U.S. tax liabilities on foreign income—issues such as deferral, limitations on the foreign tax credit, and the deductibility of foreign losses—have remained unresolved.

The legislation I am introducing today takes a comprehensive look at all of these provisions and proposes reforms in the law based on a standard of neutrality. "Neutrality" in this context means that our tax laws should not artificially encourage or discourage foreign investment. American companies should make their investment decisions not on the basis of tax considerations, but on the basis of sound economic judgments. If we re-establish this principle in our tax laws, our economy—as well as those of our trading partners—will be better off.

As Senator CHURCH has demonstrated through extensive investigations before his Subcommittee on Multinational Corporations, our present tax laws are far from neutral. Multinational corporations with an army of expert tax accountants and lawyers armed with computers now make investment decisions based largely on tax considerations. A proliferation of paper corporations in tax haven countries such as Grand Cayman, Panama, Costa Rica, and the Netherlands Antilles are only the most notorious examples of the distortions which our tax laws create. Far more serious from the standpoint of the health of our domestic economy are the decisions by our huge multinational corporations to make enormous investments in fixed assets abroad in order to avoid payment of U.S. taxes. In this regard, the critical reform of our tax laws must be the elimination of deferral, the provision which allows U.S. taxpayers to avoid current tax on foreign income by simply reinvesting these profits in their foreign incorporated subsidiaries.

The stakes in the reform of our taxation of foreign income are enormous. U.S. direct investments abroad have a book value of about $86 billion. These investments—which are largely made by our Nation's largest corporations—produce close to $200 billion in output. In 1970, total pretax profits from U.S. direct investments was $18 billion. U.S. taxes on that profit, after allowance for foreign taxes, amounted to only $900 million—or 5 percent of the profit.

Through enactment of the Tax Neutrality Act a substantial degree of justice will be returned to our tax structure. The Government will realize increased revenues without at the same time jeopardizing the strength or competitiveness of American investment abroad. Most importantly, the Tax Neutrality Act will substantially eliminate tax considerations from multinational investment decisions. Opportunities in our domestic economies will not be subject to the grossly unfair competition of other countries who offer special tax holidays and concessions.

Specifically, this legislation accomplishes five important reforms:

First, Elimination of deferral of foreign earnings;

Second. A reform of the foreign tax credit by—

Eliminating the "overall limitation" option,

Denying carry forward and carry backs of excess foreign tax credits, and

Institution of a loss recapture provision;

Third. Elimination of the "Western Hemisphere Trading Corporations" provisions;

Fourth. Elimination of the "Domestic International Sales Corporation", and

Fifth. Elimination of the "Less Developed Country Corporations" exceptions for computing the foreign tax credit and foreign earnings.

The revenue gain from these reforms is sizable. Reforming the foreign tax credit will increase Treasury revenues by roughly $2 billion. Eliminating DISC's—perhaps the most outrageously useless preference in the tax code—will alone pick up about $1.3 billion. Eliminating deferrals will raise another $1 billion, while doing away with Western Hemisphere Trading Corporations and exceptions for Lesser Developed Country Corporations will place another $180 million in the Treasury. Total Treasury gain will be $4.5 billion per year. The important point to emphasize is that these revenue gains will not result from punitive taxation. Rather, they are the product of returning our tax laws to the principle of neutrality. This legislation seeks fairness and equity—nothing more.

For an economy suffering the jaundiced symptoms of capital starvation, the Tax Neutrality Act has important implications. Investment dollars now being sucked out of our economy by tax preferences will be attracted by new opportunities in our economy. This will mean an expansion of domestic investment, a strengthening of our economy, and additional jobs for American workers.

The complexity of this area of the tax law has itself been the primary obstacle to reform. In the weeks ahead, I intend to offer an explanation of the major problem areas of our taxation of foreign income and a more detailed description of the remedies provided by the Tax Neutrality Act of 1975.

OIL AND GAS LIMITATIONS SEEN AS WRONG POLICY

(Mr. YOUNG of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YOUNG of Texas. Mr. Speaker, according to recent reports, the National Science Foundation has, after a lengthy study, indicated that contrary to public belief and contrary to the belief of the administration, the oil and gas reserves in this country amount to something on the order of about half of what the administration had thought they were, or a supply of about 25 years.

Mr. Speaker, I recommend that the administration think carefully about these figures before it attempts to limit the production of oil or gas or the importation of petroleum products, from whatever source. I would recommend also to those people who are so interested in the present plight of the automobile industry and the manufacture of automobiles that as long as those automobiles are going to be run on gasoline, they not continue to try to wreck the petroleum industry of this country.

PROPOSED FUEL COST REBATE SHOULD INCLUDE FISHERMEN

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, President Ford in his speech to the Kansas Legislature informed the American public that he had instructed the FEA to formulate a program whereby farmers would receive a rebate on their fuel costs, as I understand it, if his recommended program of a tariff on imported oil is approved.

I have informed the President that I, in behalf of the farmers of my district applaud his decision. Respectfully, I further informed him that he should include not only farmers and ranchers, but also the fishing industry which is having such a difficult time with fuel costs, among other problems.

I advised the President that we must not forget that our fishermen are "the farmers of the sea."

PERMISSION FOR JOINT COMMITTEE ON ATOMIC ENERGY TO FILE REPORTS ON HOUSE CONCURRENT RESOLUTIONS 114, 115, AND 116, UNTIL MIDNIGHT, FRIDAY, FEBRUARY 14, 1975

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that the Joint Committee on Atomic Energy may have until midnight, Friday, February 14, 1975 to file its reports on House Concurrent Resolutions 114, 115, and 116.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

LEGISLATIVE PROGRAM FOR WEEK OF FEBRUARY 17, 1975

(Mr. BAUMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAUMAN. Mr. Speaker, I have asked for this time in order to inquire of the distinguished majority whip if he will give us the program for the coming week.

Mr. McFALL. Mr. Speaker, will the acting minority leader yield?

Mr. BAUMAN. I yield to the majority whip.

Mr. McFALL. Mr. Speaker, I will be very glad to provide that information for the Members of the House.

The program for the House of Representatives for the week of February 17, 1975, is as follows:

On Monday, we will call the Consent Calendar, and we have no bills scheduled. Under suspension of the rules, there are no bills scheduled. On that day we will have the traditional reading of Washington's Farewell Address.

On Tuesday, we will call the Private Calendar, and there are no bills scheduled.

Under suspension of the rules on that day, there will be two bills, as follows:

H.R. 2302, Government employees per diem and mileage expenses; and

H.R. 3, maritime authorization, fiscal year 1975.

On Wednesday, we will consider H.R. 2051, Regional Rail Reorganization Act, subject to a rule being granted; and

House Resolution 138, Select Committee on Intelligence.

On Thursday and for the balance of the week, we will consider the supplemental appropriations bill for fiscal year 1975—that bill is still unnumbered—which will have in it the money for Penn Central which we hope will have been authorized on the previous day, and it will have in it some money from the Legislative Subcommittee on Appropriations.

Mr. BAUMAN. Mr. Speaker, may I ask, in view of the heavy, even crushing schedule that we will have next week, will we work Friday or Saturday to accomplish any of that business?

Mr. McFALL. If the gentleman will yield for that purpose, I am getting some help from other Members on the floor. They say we might, but I would think that we ought to be able to finish up our business on Thursday of next week.

Mr. BAUMAN. I notice the gentleman from Ohio (Mr. VANIK) conferring about the heavy schedule we have. Perhaps the gentleman would like to advise as to whether he feels we should have a quorum call today to perhaps take care of the extensive business we have.

Mr. McFALL. Speaking for the gentleman from Ohio, I think it would be better to have two or three extra quorums next week rather than one today.

Mr. BAUMAN. I fully understand the implications of the gentleman's statement.

Mr. McFALL. With reference to the calendar for next week, I would say to the gentleman from Maryland that the legislative bills that are on it are very important.

The money for the Penn Central Railroad, $100 million, is very important because of the necessity for the railroad's meeting a payroll on February 25. Assurances have been given to the Penn Central that that money would be available to them so that they need not begin the embargo of freight. In order to shut down the railroad, that would be necessary, if they do not get the money; and assurances were given to them that the Congress would act expeditiously in providing these sums.

Consequently, they have not embargoed the freight.

Both bills, the one from the Committee on Interstate and Foreign Commerce and the one from the Committee on Appropriations, are very important to the Northeast corridor of railroads and the operation of the railroads hereafter.

Mr. BAUMAN. Mr. Speaker, I would just observe that the gentleman is quite correct. I think, however, that the Penn Central officials could learn a great deal if they would observe the gentleman from California and his conferees, the leadership on the other side. They would learn a great deal about how to run a railroad efficiently.

I thank the gentleman, Mr. Speaker.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

WHAT STRIP MINING IS DOING TO THE NATION

(Mr. RONCALIO asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I would like to use this occasion, while we are not heavily laden with other matters this week, to compliment my colleague, the gentleman from West Virginia (Mr. HECHLER), on his observation about strip mining and what it is doing to this Nation.

In my State of Wyoming, the onslaught of surface mining is going on at such a pace that everyone in the State is concerned lest we become one vast chasm from Yellowstone Park to Cheyenne, and from Newcastle to Evanston.

Perhaps legislation is necessary now to compel every surface mining company to deep-mine a certain percentage for every million ton that it surface-mines. Otherwise, I fail to see how the 39 times more deep coal that Wyoming contains at levels from 1,500 feet and deeper will ever be mined, if we continue the unregulated, hell-bent-for-destruction strip mining of coal.

We should compel an early transition to deep mining in Wyoming, and compel its growth annually in relation to surface mining tonnage.

Thank you, Mr. Speaker.

THE POTOMAC HERITAGE TRAIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 10 minutes.

Mr. BAUMAN. Mr. Speaker, 7 years ago the Congress passed and the President signed into law, the National Trails System Act which instituted a national system of recreation and scenic trails. Pursuant to the act, the Secretary of the Interior and the Secretary of Agriculture are directed to determine the feasibility of including other trails within the national system of trails. Under this provision the Department of the Interior has recommended that the Potomac Heritage Trail be included in the National Trail System, and I am today introducing a bill to effectuate this.

I support the conclusion of the Department and am today introducing legislation to amend the National Trails System Act by designating the Potomac Heritage Trail as a component of the National Trails System. This trail which is approximately 874 miles in length and runs from Point Lookout, St. Mary's County, Md., in my district and Smith Point, Va., to a point near Johnstown, Pa., is well suited for inclusion in the national system. From a historical, environmental, and recreational vantage point the trail will offer all of us the opportunity to enjoy the scenic views, the wildlife and waterfowl which abound throughout the length of the trail and to obtain a better understanding of the historic events which have helped shape our Nation's heritage.

As proposed by the Interior Department, the trail will originate at Point Lookout State Park, a one-time Union prison camp during the War Between the States, which has remained in a natural state. It will then proceed through wooded and some cleared land toward St. Mary's City, the first permanent settlement and first capital of Maryland. At St. Mary's City the replica of the 17th century State House with its view of the St. Mary's River and other historical buildings will bring back the spirit of the early colonization of the tidewater area.

Beyond St. Mary's City, the trail follows stream valleys past Leonardtown and Charlotte Hall through Allen's Fresh and the Zekiah Swamp, an area which saw Lincoln's assassin John Wilkes Booth hide out after his tragic act in 1865. This swamp is still relatively primitive with little surrounding development that would indicate the passage of time. Past this point the trail turns west to the remaining buildings of the historic town of Port Tobacco. Almost 300 years ago this was one of the busiest ports in the new world and the area was visited in 1609 by Captain John Smith.

These historical notes indicate the educational benefit which will be derived by the countless citizens who will travel this trail if the Congress and the State and local governments take appropriate action. As a cosponsor of pending legislation to amend the Land and Water Conservation Act to encourage additional historic preservation, I am hopeful that the involved States will see fit to use funds that may become available under the Land and Water Conservation Act to provide for the establishment of this historic trail.

As a member of the National Parks Subcommittee of the Interior and Insular Affairs Committee, I look forward to the prompt scheduling of hearings on this and similar proposals and believe that congressional action can be completed on this matter so that the Department of the Interior can begin to plan for the development and management of the trail.

THE CHILD AND FAMILY SERVICES ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 15 minutes.

Mr. BRADEMAS. Mr. Speaker, on Thursday, February 6, the child and family services bill was introduced on behalf of myself and my distinguished colleagues, the gentlewoman from Hawaii (Mrs. MINK), the gentleman from California (Mr. BELL), and the gentlewoman from Massachusetts (Mrs. HECKLER), as well as on behalf of a number of other Members of the House whose names I shall include following these remarks.

I should also note, Mr. Speaker, that companion legislation was introduced in the other body by the distinguished senior Senator from Minnesota, Senator MONDALE, and the distinguished senior Senator from New York, Senator JAVITS on Friday, February 7.

Mr. Speaker, as chairman of the Subcommittee on Select Education of the Committee on Education and Labor, I have been struck by the repeated testimony before the subcommittee concerning the critical importance of the early years of human life to later development, and I am pleased that so many Members of the House, both Democrats and Republicans, are today joining to forward a new bill to strengthen services to families and children in those crucial early years.

Mr. Speaker, the Child and Family Services Act is aimed at increasing and improving the day-care, preschool education, health, nutrition, and other services available to American families for their children.

UNMET NEEDS

I trust that no one here today would argue that there are no unmet needs in these crucial areas. Consider that with respect to health care—ours, infant mortality. I would hope that the prenatal and postpartum care which this bill can help provide, will make possible a start on improving this appalling statistic.

Or, to take another area of need, consider the handicapped child. Today there are 7 million handicapped youngsters in the United States between the ages of 0 and 18, including 1 million handicapped pre-school children.

Fully 60 percent of these youngsters are not receiving the special educational services they need, and many of them lack the medical assistance they also require.

Early identification programs for handicapped and learning disabled children, such as can be established under this bill, will allow prompt treatment at an early age, treatment which can make a critical difference in helping such children reach their full potential.

Mr. Speaker, to cite a third area of need, I hope my colleagues are aware that there are today only 1 million licensed day-care places available for the 6 million preschool children with working parents.

It is time we made a start on providing decent recreational educational, and social services for those youngsters who do not receive care from relatives or friends, but who are too often simply abandoned by their parents to wander the streets.

Mr. Speaker, I could continue to cite evidence of the need for a national commitment to a spectrum of services for families and children. I could recall for my colleagues the growing numbers of mothers who are working, the increasing number of single-parent families, the extraordinary numbers of teenage parents embarking on parenthood with little help or assistance, and the continued gap between demand and funds to support the Headstart preschool program.

But we really should not have to make the case anew for providing better services for children and their families in this country. Conferences, experts on children, and Congress itself, have repeatedly called for a comprehensive child development program, and still we do not have one.

BACKGROUND OF LEGISLATION

Let me briefly recall the history of support for this legislation.

The 1970 White House Conference on Children—representing parents, pediatricians, health and welfare experts, professors, and authorities in practically every area of children's needs—voted as their first priority to recommend the creation of a system "to provide comprehensive family-oriented child development programs including health services, day care, and early childhood education."

Mr. Speaker, former President Nixon's 1969 message on welfare reform proposed expansion of the Federal commitment to child care, to provide "more than custodial" care. At that time, he announced that—

> This administration is committed to a new emphasis on child development in the first 5 years of life.

President Nixon's own Commission on School Finance urged the Nation not to ignore evidence that problems with later schooling might be related to lack of early help to children and families. The Commission urged the President to support child development programs because "we believe that the Federal Government should encourage the development of such programs for all children, with financial assistance provided for children from low-income families."

The Committee for Economic Development, which is composed of some of the Nation's most respected business leaders, in a March 1971 report, told us that—

> The most effective point at which to influence the cumulative process of education is in the early preschool years . . . there is evidence that effective preschooling gives the best return on the educational investment.

Finally, Mr. Speaker, let me point out that both the Democratic and Republican Parties in 1972 pledged, as part of their national platform, support of increased funds for comprehensive day care services.

The 1972 Democratic platform noted that "child care is a supplement, not a substitute, for the family," and called for:

> The Federal government to fund comprehensive developmental child care programs that will be family centered, locally controlled, and universally available.

In similar fashion, the 1972 Republican platform urged:

> The development of publicly or privately run, voluntary, comprehensive, quality day care services, locally controlled but Federally assisted.

And, of course, Mr. Speaker, Congress has spoken on the subject, indicating the concern of the Nation's elected representatives, for adequate care for children. Indeed, a measure to accomplish many of the same goals we are today reviewing, S. 2007, passed both Houses in 1971, but was vetoed by Mr. Nixon in December of that year.

And in 1972 both the House and the Senate considered new legislation to accomplish these goals, with bills reported from committees in both bodies, and passing in the Senate.

Thus, I believe it to be true that the time is proper for another effort to heed the recommendations of so many, and to follow through on the actions we have ourselves on several occasions begun.

SPECIFIC PROVISIONS OF BILL

Let me turn now to several aspects of the specific proposal being introduced today.

First. I want to stress that participation in the program supported under the proposed act will be entirely voluntary. That is to say, children will be eligible for these services only after a written request from their parents or guardians has been received.

Second. I want to emphasize that the bill requires parental involvement at every stage in the planning, developing, and carrying out of programs.

Because the family is the central shaping force and influence on children, and because the needs and interests of families differ throughout the Nation, this legislation allows the greatest local flexibility in selecting a variety of services and ways of delivering them.

Thus, with involvement of each child's parents in selecting services, of parent groups in designing programs, and local prime sponsors in overall planning, the sponsors of the legislation believe that it will create a genuinely responsive, dynamic system, rather than a static set of programs dictated in regulations or guidelines from afar to a community and its families.

Third. The Child and Family Services Act is aimed at serving children in all socioeconomic groups. Too often programs established by Federal or State Government have concentrated exclusively on a particular set of children who may, indeed, have unique needs but who end up segregated into programs by income or race. Programs under the proposed act must, to the extent possible, involve all children, for all our children must be encouraged to reach the fullest growth and development within the family and with support from schools and other institutions in our society.

Fourth. Let me note that the bill introduced is somewhat more modest than the one approved by Congress in 1971, and to a greater extent emphasizes the planning and development of programs prior to their actual implementation.

Indeed, no funds will be available to put programs into place until the second year after enactment of this legislation. Funds available in the first year will be used for planning as well as research and the training of personnel required to carry on the programs.

The funding authorized in the Child and Family Services Act totals $1.85 billion over 3 years, as opposed to an authorization of over $2 billion in the bill vetoed in 1971. The bill I have introduced authorizes $150 million in the first year for startup planning, training, and technical assistance.

Finally, Mr. Speaker, let me say a word about the actual administration of the program as proposed in the legislation. I mention this subject because we often are led to believe that concepts of "local autonomy" or "returning flexibility to local and State governments" are the exclusive concern of the administration, which is, of course, not true.

The bill makes State and local governments the potential prime sponsors for programs under the act, subject to certain requirements of comprehensive planning, needs assessment and parental participation in those processes. The range of services which can be offered, and the means by which they are offered, can vary as widely as the imagination and ingenuity of these local sponsors, again subject to certain standards of quality of care and parental involvement.

But it does seem to me, Mr. Speaker, that the proposed Child and Family Services Act is a good example of a creative partnership of the Federal, State, and local governments for the purpose of carrying out a national policy on child and family services, with roles reserved to each level of government, but with major flexibility left at the actual service-delivery level.

A national set of functions is identified in the bill, for research, evaluation, and certain basic standard-setting tasks; beyond that, States and localities must assess their children's needs and plan from there how best to meet them.

Mr. Speaker, this proposal is neither new or old federalism, regionalization, decentralization, or any other catch phrase; the proposal is just plain commonsense.

CONGRESSIONAL HEARINGS

I want, in conclusion, Mr. Speaker, to advise Members of the joint hearings which the Subcommittee on Select Education expects to hold with our colleagues in the other body later this month. As the bill is considered, we plan to listen to testimony and views of representatives of State and local governments, as well as Federal officials, child and family service specialists, other experts, and other citizens in order to achieve in the final piece of legislation the allocation of responsibility among the various levels of government that will best insure parental involvement, local diversity to meet local needs, and appropriate State participation to provide coordination and maximum utilization of available resources.

Mr. Speaker, I believe these hearings will provide us with a great opportunity to make good on an eloquent promise voiced only a few years ago by former President Richard Nixon:

> So critical is the matter of early growth that we must make a national commitment to providing all American children an opportunity for healthful and stimulating development during the first five years of life.

Mr. Speaker, other Members of the House who are also cosponsoring the bill are as follows:

LIST OF COSPONSORS

Mr. Perkins, Mr. Meeds, Mr. Peyser, Mr. Lehman, Mr. Esch, Mr. Benitez, Mr. Pressler, Mr. Clay, Mr. Miller of California, Mr. Hawkins, Mr. Thompson, Mr. Daniels, Mr. Dent and Mr. Beard of Rhode Island.

Ms. Abzug, Mr. Addabbo, Mr. Anderson of California, Mr. AuCoin, Mr. Badillo, Mr. Bingham, Ms. Boggs, Mr. Boland, Mr. Bonker, Mr. Brown of California, Ms. Burke of California, Mr. Carney, Mr. Carr, Ms. Collins of Illinois, Mr. Conyers, Mr. Corman, Mr. Dellums, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, and Mr. Fascell.

Mr. Flood, Mr. Florio, Mr. Ford of Tennessee, Mr. Fraser, Mr. Gibbons, Mr. Gilman, Mr. Gonzalez, Mr. Green, Mr. Harrington, Mr. Harris, Mr. Hayes of Indiana, Mr. Hechler of West Virginia, Ms. Holtzman, Mr. Horton, Ms. Jordan, Mr. Kastenmeier, Ms. Keys, Mr. Koch, Mr. Matsunaga, Mr. Metcalf, Mr. Mikva, and Mr. Mineta.

Mr. Mitchell of Maryland, Mr. Moakley, Mr. Moorhead of Pennsylvania, Mr. Nix, Mr. Oberstar, Mr. Ottinger, Mr. Pepper, Mr. Rangel, Mr. Rees, Mr. Richmond, Mr. Riegle, Mr. Rodino, Mr. Roe, Mr. Rosenthal, Mr. Roybal, Mr. Sarbanes, Ms. Schroeder, Mr. Scheuer, Mr. Seiberling, Mr. Solarz, and Ms. Spellman.

Mr. Stokes, Mr. Vander Veen, Mr. Waxman, Mr. Charles H. Wilson of California, Mr. Won Pat and Mr. Young of Georgia.

Mr. Speaker, I include at this point in my remarks a section-by-section analysis of the Child and Family Service Act:

SECTION-BY-SECTION ANALYSIS OF THE CHILD AND FAMILY SERVICES BILL

Section 1. *Title*—The act may be cited as the Child and Family Services Act.

SEC. 2. *Statement of Findings and Purpose*—The Congress finds that the family is the primary and most fundamental influence on children; that child and family service programs must build upon and strengthen the role of the family; that there is a lack of adequate child and family services available to working mothers, single parents and families who lack sufficient resources to provide their children with adequate health, nutritional, educational, and other services; and that it is essential that planning and operation of programs be undertaken as a partnership of parents, community, State and local governments with appropriate Federal supportive assistance.

It is the purpose of the act to provide quality child and family services with a priority to families with the greatest need and to provide the decisionmaking at the community level, with the direct participation of the parents and other individuals and organizations in the community.

SEC. 3. *Authorization of Appropriations*—The bill authorizes $150 million for fiscal year 1976 and $200 million for fiscal year 1977 for training, planning and technical assistance. Program operation would begin in fiscal year 1977 and there is authorized to be appropriated $500 million in fiscal year 1977, and $1 billion in 1978. (Head Start would be funded under present authority and its funding protected by a requirement that no operational funds could be appropriated for this new program unless and until Head Start is funded at the level it received at fiscal year 1975 or 1976, whichever is greatest.)

SEC. 4. *Forward Funding*—This provision provides for appropriating funds under this act during the preceding years for which it shall be available for obligation.

TITLE I—CHILD AND FAMILY SERVICE PROGRAMS

SEC. 101. *Office of Child and Family Services; Special Coordinating Council*—Subsection (a) directs the Secretary of Health, Education, and Welfare to establish within the Office of the Secretary, an Office of Child and Family Services to coordinate all such programs within the department, to be headed by a Presidentially appointed (with the advice and consent of the Senate) Director. This office shall assume the responsibilities of the present Office of Child Development.

Subsection (b) directs heads of various agencies to meet regularly as a Child and Family Services Coordinating Council, chaired by the Director mentioned in subsection (a). The Council, among other responsibilities, shall assure the establishment and maintenance of procedures to keep all offices aware of actions of others in providing financial assistance to eligible applicants, and shall recommend priorities for federally funded research and development related to the purposes of this act.

SEC. 102. *Use of Federal Funds*—Financial assistance shall be provided for carrying out programs by prime sponsors and other public and private nonprofit agencies and organizations, for the following activities and services:

1. Planning and developing child and family service programs.

2. Establishing, maintaining, and operating programs such as—

Part- or full-day care in homes or centers which provide educational, health, nutrition, and social services.

Other health, social, recreational, and educational programs designed to meet the special needs of children and families, including before- and after-school and summer programs.

Family services meeting the needs of children, including in-home and in-school services and education, for parents, other family members serving as parents, youth and prospective parents.

Social services to families including counseling and referral to help the family determine the appropriateness of services.

Prenatal and other medical care to expectant and post-partum mothers to reduce infant and maternal mortality and the incidence of mental retardation and other handicapping conditions.

Programs to meet the special needs of children of minority, ethnic, Indian, and migrant families, and children from families with special language needs, and to meet the needs of children to understand the background of minority and ethnic groups.

Food and nutritional services.

Diagnosis, identification, and treatment of visual, speech, medical, dental, nutritional, and other physical, mental, psychological, and emotional barriers to full participation in child service programs.

Special activities to ameliorate handicaps and disabilities, as an incorporated part of programs under the act.

Programs designed to extend child care gains (particularly parent participation) into kindergarten and primary grades.

3. Construction and alteration of facilities, and acquisition of equipment and supplies.

4. Training and education, both preservice and inservice, for professional and other personnel including parents and volunteers.

5. Expenses of child and family service councils and project policy committees as provided in section 105 and section 107.

6. Dissemination of information to parents.

Subsection (c) provides that assisted programs must have parent policy committee, must frequently and regularly disseminate information about program activities to parents, and must consult with parents regularly with respect to each child's development and must allow opportunity for parents to observe and participate in their children's activity.

Subsection (d) directs the Secretary to consider the factors of need for the program, prior planning in the area, the ability of the applicant to serve children in the area, when reviewing applications for grants or loans.

SEC. 103. Subsection (a) directs the Secretary to reserve certain amounts of the available funds for special purposes: not less than 10 percent for special activities relating to handicapped children; population proportions for migrant and Indian children, in their ratio to the total number of economically disadvantaged children in the country; 5 percent for model projects as provided under Sec. 104; and not less than 5 percent for enforcement of child care standards under section 203.

The act directs that the balance of funds be distributed as follows:

1. 50 percent to be apportioned among the States, and within each State among local areas, in proportion to the number of economically disadvantaged children in each State and local area.

2. 25 percent to be apportioned among the States and within each State among local areas, in proportion to the number of children through age 5 in each State and local area.

3. 25 percent to be apportioned as above, with respect to the relative numbers of children of working mothers and single parents in each State and local area.

Each State may use no more than 5 percent of its apportionment for the purpose of the planning and other activities specified in section 108.

SEC. 104. *State and Local Prime Sponsors*—Subsection (a) sets forth requirements that must be met by applicants for prime sponsorship, whether by States, localities, or combinations of localities. The requirements include:

1. Description of the area to be served, and the applicant's capability to coordinate the delivery of services within the area.

2. Assurance of contributing the required non-Federal share.

3. Satisfactory provisions for establishing a Child and Family Service Council meeting the requirements of section 104.

4. Provision for annual plans from the prime sponsor, as set forth in section 106.

5. Arrangements for the carrying out by the Child and Family Service Council of its responsibilities for approving plans, goals, budget policies, annual review of other agencies involved in the plans, and for evaluation of the programs conducted in the area.

6. Assurance that administrative costs of the Child and Family Service Councils, Local Program Councils, and Project Policy Committees will not exceed 5 percent of the to-

tal cost of programs administered by the prime sponsors.

Subsection (b) provides that the Secretary shall approve an application for prime sponsorship submitted by a locality—a city, county, or other unit of general local government, or combination of localities—if it meets the requirements of subsection (a).

If a prime sponsorship plan from a State meets these requirements, the Secretary shall approve it, according to subsection (c).

Subsection (d) provides that the Secretary may approve an application for prime sponsorship by a State, if it meets the requirements of subsection (a) and if there are no designated prime sponsors in the area, divides the area into local service areas. These areas shall be the basis for local program councils composed half of members chosen by parents receiving federally assisted day-care services (with due consideration to parents selected by parent members of Head Start policy committees where they exist) and at the earliest practicable time by parent members of project policv committees, the other half to be public members appointed by the chief executives of units of local government within the local service area. Plans submitted by the State, and any contracts for operation of programs, shall be approved by the local program councils for the appropriate local service areas. Finally, State plans, must contain assurances that any local program council may appeal to the Secretary whenever such council alleges that the State has failed to comply with provisions of the State plan or the act.

Subsection (e) provides that the Secretary may fund directly, Indian tribes, and public or private agencies (including educational, community action, Head Start, parent cooperative, organization of migrant agricultural workers or Indians, employer organization, labor union) which submits a proposal to provide comprehensive child care and family service in an area:

1. Where no prime sponsor has been designated or where the prime sponsor is found not to be satisfactorily implementing child care programs.

2. On a year-round basis to children of migrant agricultural workers or their families.

3. Where the program will be a model designed especially to be responsive to the needs of economically disadvantaged, minority group, or bilingual children and their families.

Subsection (f), (g), (h), and (i) provide for termination of prime sponsorship if patterns of discrimination are found; for review by Governors of application for prime sponsorship within a State; and for other procedures for termination of prime sponsorship or disapproval of an application for prime sponsorship, including access to the courts for review of such action.

SEC. 105. *Child and Family Service Councils*—Subsection (a) sets forth the required composition of the Child and Family Service Council required for each prime sponsor. The 10 or more members shall be composed half of parents of children served in programs under this act, and the remainder appointed by prime sponsor in consultation with the parent members. The nonparent members are to be broadly representative of the public, and of private agencies, and shall include at least one person skilled in the field of child and family services. One third of the members shall be economically disadvantaged.

Subsection (b) directs the Secretary to issue regulations concerning other aspects of the Councils, so that the parents members are democratically selected (in the case of State prime sponsors) by local program council parents, or by parents in other cases who are recipients of federally assisted day-care services and with due consideration to parents who are selected by Head Start policy committee parents. Regulations shall further provide that the duties of the Councils include approving plans, basic goals, policies, procedures, overall budget policies and project funding, selection and evaluation of administering agencies. Finally, the regulations shall provide that the Council shall, at its own initiative or at the request of an applicant, conduct public hearings before acting on applications for financial assistance.

SEC. 106. *Child and Family Service Plans*—This section set forth requirements (subsections (a) and (b)) which prime sponsors must meet in a service plan:

Services must be provided only for children whose parents request them.

Needs must be identified, and means to meet them, with priority for services to children under age 6.

Programs receiving aid under the act must reserve not less than 65 percent of their funds for services to economically disadvantaged children.

Next priority must be given to providing services to working mothers' children, or children of single parents.

Programs shall include children from a range of socioeconomic backgrounds to the extent feasible.

No charge will be made to any disadvantaged child (except those paid by third parties).

Comprehensive services are to be provided for migrant, minority, and bilingual children, and to meet the needs of all children to understand the history and cultural background of minority groups in the prime sponsorship area.

Prime sponsors must provide for direct parent participation in program conduct, direction, and evaluation.

Plans must provide for employment of unemployed or low-income residents of communities being served by projects, and no person shall be denied employment solely for not being certified as a teacher.

Career development plans for paraprofessionals must be included.

Regular information dissemination to parents and other interested people must be provided for.

Provides clear definitions of any delegations of authority under the supervision of the Child and Family Service Council.

Includes procedures for handling project applications, for coordinating with other prime sponsors under the act and with other programs, and for monitoring projects to check compliance with standards set forth in section 201.

Provides for the use of State, local, and other Federal resources.

Subsection (c) requires that no plan be approved until the Secretary determines that opportunity for comment has been given to local educational and training agencies, Community Action or Head Start agencies, and State Governors and State Child and Family Service Council.

Subsection (d) provides for orderly procedures to be followed in case of disapproval of a proposed plan.

SEC. 107. *Project Applications*—This section lists types of agencies eligible for project funds under the comprehensive plans of a prime sponsor, and the requirements an applicant must meet. Any qualified public or private agency or organization is eligible, and must show in its application:

A parent policy committee with broad participation and powers.

Assurance that no fees will be charged economically disadvantaged children (except as paid by a third party).

Involvement of family members in children's daily activities.

Regular information dissemination to parents.

Employment of paraprofessionals, use of volunteers.

Assurance that children will not be excluded because of participation in nonpublic education.

Subsection (d) provides that the Secretary may directly approve project applications from public or private agencies seeking funds under Section 104(d).

Subsection (e) provides for procedures of appeal of disapproved project applications, including appeal to the Secretary.

SEC. 108. *Special Grants to State*—States with established Child and Family Service Councils may apply for additional funds for certain purposes in addition to providing services. The purposes for which funds may be requested under this section include: information programs for parents, identifying service needs and goals in the State, coordinating child services of separate agencies where requested by prime sponsors, developing and enforcing standards for licensing facilities, assisting organization in acquiring facilities, assistance to Child and Family Service Councils, developing information useful in reviewing applications under the act.

SEC. 109. *Additional Conditions for Programs Including Construction or Acquisition*—The section provides certain conditions for Federal assistance for constructing or acquiring facilities, including labor standards, repayment to the government in case the facility is used for other purposes, and certain limits on loan interest and repayment periods. Financial assistance for construction or acquisition of facilities shall be available only to public and private nonprofit agencies, institutions, or organizations.

SEC. 110. *Use of Public Facilities for Child and Family Service Programs*—The section requires the Secretary to report to the Congress within 18 months after enactment of the act, on the availability of Federal facilities to public and private agencies for use as facilities for child and family service programs under the act. Prime sponsors may be required to review their own facilities for such use also.

SEC. 111. *Payments*—Subsection (a) provides that the Secretary shall pay the Federal share of the costs of programs and services, including staff and administrative expenses of the Child and Family Service Councils and parent policy committees, from allocations or apportionments under section 103.

Subsection (b) provides that the Federal share of certain activities shall be: 100 percent of the cost of planning, training and technical assistance in 1976; 90 percent of the cost of programs and services in 1977, to be reduced to 80 percent in 1978 and thereafter, though the amounts may be raised by the Secretary. Indian and migrant agricultural workers' children's services are to be reimbursed at 100 percent.

Subsection (c) allows the non-Federal share to be provided in public or private funds, goods, services, facilities. Fees collected for services shall not be used for the non-Federal share, but to enrich and expand the program.

Subsection (d) allows for carrying over to the next year, any excess local contribution above the amount required in a given year.

Subsection (e) requires States and local governments not to reduce its expenditures for child development or child care because of aid received under this title of the act.

TITLE II—STANDARDS AND EVALUATIONS

SEC. 201. *Federal Standards for Child Care*—The 1968 Interagency Day Care Requirements are to apply to programs under the act, but the Secretary is directed to draw up new standards within 6 months of enactment of the act, with the advice and approval of a committee composed at least half of parents of children receiving services under certain programs. Prior to implementation, appropriate committees of Congress shall have opportunity to disapprove.

Subsection (b) directs the Secretary to assure that programs and projects under the act assess individual children's needs and the appropriateness of the child and family services being rendered. Programs or projects providing care outside the home for very young children shall be reviewed and evaluated periodically and frequently by the Secretary to insure they meet the highest standards of quality.

SEC. 202. *Uniform Code for Facilities*—The Secretary is directed to establish a committee, composed of at least half parents, to draw up a uniform minimum code for facilities receiving Federal assistance under this act. The code shall deal with matters essential to the health, safety, and physical comfort of the children. The code shall be completed within 6 months of the committee's appointment, and must be the subject of public hearings.

SEC. 203. *Programs Monitoring and Enforcement*—This section provides for program monitoring and enforcement.

SEC. 204. *Withholding of Grants*—By this section, the Secretary is authorized under certain conditions to withhold grants.

SEC. 205. *Evaluation*—Subsection (a) requires a comprehensive review of all Federal activities affecting child and family service programs, including their effectiveness, costs, and parent participation, within 2 years of the act's passage.

Subsection (c) calls for additional annual evaluations of Federal involvement in child and family service programs, to be reported to Congress, and subsection (d) requires prime sponsors to provide data for such evaluations.

Subsection (f) reserves not less than 1 percent nor more than 2 percent of the amounts available under section 3(c) for evaluation in any given year.

TITLE III—FACILITIES AND RESEARCH FOR CHILD AND FAMILY SERVICES PROGRAMS

SEC. 301. *Mortgage Insurance for Comprehensive Child Services Facilities*—This section authorizes the Secretary to insure mortgages on new facilities of public or private agencies, not to exceed $250,000 or 90 percent of the cost of the project. The section also establishes a Child and Family Services Facility Insurance Fund, with such sums as shall be necessary authorized to be appropriated.

SEC. 302. *Research and Demonstrations*—A diverse program of research and demonstrations in authorized in subsection (a), including but not limited to studies of child development, program assessment, comparison of alternative methods, syntheses of research, dissemination of findings, studies of national needs, and other purposes.

Subsection (c) provides that the Secretary shall coordinate all child and family service research, development, and training within the Department of Health, Education, and Welfare and other agencies, through the Office of Child and Family Services established under the act.

Subsection (e) requires the Secretary to report on activity under this section no later than September 1975, to the Congress.

TITLE IV—TRAINING OF PERSONNEL FOR CHILD AND FAMILY SERVICES

SEC. 401 through 404. *Training*—States that the Congress recognizes that one of the major barriers of quality child care is the lack of sufficiently trained and prepared professional and paraprofessional staff. The purpose of this title is to respond to that need by stimulating sufficient training programs in every State and region to assure an adequate supply of personnel to meet the staff requirements. The Secretary of Health, Education, and Welfare is authorized to make grants to and contracts with, institutions of higher education, State and local agencies private organizations, and producers of television programing to develop programs to—

(a) Provide postgraduate level training for teachers.

(b) Attract and recruit personnel.

(c) Retrain personnel.

(d) Provide pre-service and in-service training for teaching, management and supervisory and administrative posts in childhood programs, including the training and certification of child development associations.

(e) Help parents and students understand and practice sound child care techniques.

(f) Develop educational television programs and other material, and

(g) Develop and refine certification criteria. There is authorized to be appropriated to carry out these sections for fiscal year 1976 through fiscal year 1978, $40 million, $60 million, and $75 million, respectively.

SEC. 405. This section amends the Higher Education Act to authorize $20 million for 1976 and subsequent years for training and retraining of professional personnel for comprehensive child services programs, and a like amount for 1976 and subsequent years for training and retraining of nonprofessional personnel.

SEC. 406. This section authorizes forgiveness of indebtedness under the National Defense Education Act loan program, at the rate of 15 percent for each year of service in a program under this act's title I.

SEC. 407. This section authorizes grants to individuals employed in, and programs set up under, title I of the act for in-service training for professional and nonprofessional staff including volunteers, conducted by the agency or an institution of higher education of both.

SEC. 408. This section authorizes $5 million for fiscal year 1976 and each succeeding year to carry out the in-service training of section 407.

TITLE V—GENERAL PROVISIONS

SEC. 501. *Definition*—This section defines terms used in the act. "Children" includes all individuals who have not reached age 15. "Economically disadvantaged children" are those in a family having an annual income below the lower living standard budget as determined annually by the Bureau of Labor Statistics at the Department of Labor.

SEC. 502. *Nutrition*—This section directs the Secretary to assure that adequate nutrition services are provided in programs under the act, including use of the special food service program for children as defined in the National School Lunch and Child Nutrition Acts.

SEC. 503. *Special Provisions*—In this section are included antidiscrimination, method of payment, minimum wage, and nonsectarian provisions.

SEC. 504. *Special Prohibitions and Protections*—Subsection (a), (c) states that nothing in the act should be construed to infringe on or usurp the moral and legal rights and responsibilities of parents and guardians with respect to the moral, emotional, physical or other development of their children. Informed consent shall be required of parents or guardians before any child is subject to any research or experimentation. Similar understanding and prior consent must be obtained in the case of medical or psychological examination, experimentation, or research, immunization or treatment.

SEC. 505. *Public Information*—Applications for designation as prime sponsor, comprehensive child development plans, project plans, and all written material pertaining to them, shall be available to the public without charge by sponsors, applicants, and the Secretary.

SEC. 506. *Coordination With, Repeal or Amendment of, Other Authority*—Subsection (a) directs the Secretary to establish regulations to assure coordination of programs assisted under the act with other Federal assistance for child development, child care, and related programs, including title I of the Elementary and Secondary Education Act, titles IV and VI of the Social Security Act, the Economic Opportunity Act, and several Housing and Model Cities Acts.

Subsection (b) provides that day care furnished under State plans under titles IVA and IVB of the Social Security Act, shall be day care services made available under title I of this act. The Secretary is directed to make services under this act available to children receiving aid under the Social Security Act, also.

Subsection (c) amends the Federal Property and Administration Services Act of 1949 to add child care programs as eligible recipients of property declared surplus by Federal departments or agencies.

SEC. 506. *Acceptance of Funds*—The section allows the Secretary to accept and use funds appropriated to carry out other Federal laws if such funds are used for the purposes for which they were authorized.

RULES OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, the rules of the Committee on the District of Columbia for the 94th Congress were adopted by the committee by majority vote, a quorum being present, at a meeting open to the public on Monday, February 3, 1975. The gentleman from Michigan, CHARLES C. DIGGS, JR., chairman of the committee, has requested that I submit the rules as adopted for publication in the CONGRESSIONAL RECORD in accordance with clause 2 of rule XI of the Rules of the House of Representatives:

RULES GOVERNING PROCEDURES, COMMITTEE ON THE DISTRICT OF COLUMBIA, 94TH CONGRESS

A. IN GENERAL

(1) The Rules of the House are the rules of this Committee and each subcommittee so far as applicable, except that a motion to recess from day to day is a motion of high privilege in the Committee and subcommittees.

(2) Each subcommittee is a part of this Committee, and is subject to the authority and direction of the Committee and to its rules so far as applicable. The rules of the committee shall be the rules of its subcommittees.

(3) No major investigation by a subcommittee shall be initiated without approval of the Chairman of the Committee or the majority of the full committee.

(4) Any Member, when recognized by the Chairman, may address the Committee on any bill, motion, or other matter under consideration before the Committee. The Chairman may limit to 5 minutes the time of any such member, after giving due considera-

tion to the importance of the subject matter and to the length of time available.

B. REGULAR MEETING DAYS

(1) The full committee will have its regular meetings on the first Monday in each calendar month at 10:00 A.M. When the House is in recess, the regular monthly meetings of the Committee may be dispensed with at the discretion of the Chairman upon notce of such action to all members of the Committee.

(2) The Committee shall meet, for the consideration of any bill or resolution pending before the Committee or for the transaction of other committee business, on all regular meeting days fixed by the Committee.

(3) Subcommittee chairmen shall set meeting and hearing dates after consultation with the chairman and other subcommittee charimen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

C. ADDITIONAL AND SPECIAL MEETINGS

(1) The Chairman may call and convene, as he considers necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The Committee shall meet for such purpose pursuant to that call of the chairman.

(2) If at least three members of the Committee desire that a special meeting of the Committee be called by the Chairman, those members may file in the offices of the Committee their written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the Committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the Committee may file in the offices of the Committee their written notice that a special meeting of the Committee will be held, specifying the date and hour of, and the measure or matter to be considered at, the special meeting. The Committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the Committee shall notify all members of the Committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

D. RANKING MAJORITY MEMBER TO PRESIDE IN ABSENCE OF CHAIRMAN

If the Chairman of the Committee or subcommittee is not present at any meeting of the Committee or subcommittee, the ranking member of the majority party on the Committee or subcommittee who is present shall preside at that meeting.

E. COMMITTEE RECORDS AND ROLLCALLS

(1) The Committee shall keep a complete record of all committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each rollcall vote shall be made available by the Committee for inspection by the public at reasonable times in the offices of the Committee. Information so available by the public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting.

A record vote in subcommittee may be had upon the request of any subcommittee member, and in full Committee upon the request of any Committee member.

(2) Records of hearings before the Committee shall not be available to the public for quotation of any Member until after such Member has had an opportunity to examine and approve such hearing records.

(3) All Committee and subcommittee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the chairman of the Committee or a subcommittee; and such records shall be the property of the House and all Members of the House shall have access thereto.

F. PROXIES

A vote by any member in the Committee or in any subcommittee may be cast by proxy, but shall be in writing, shall assert that the member is absent on official business or is otherwise unable to be present at the meeting of the Committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

G. OPEN MEETINGS AND HEARINGS

(1) Each meeting for the transaction of business, including the markup of legislation, of the Committee or subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public; *Provided, however,* that no person other than members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by (2) of this rule, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the Committee or subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives; *Provided, however,* that the Committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

H. QUORUM

(1) The number of members to constitute a quorum for the purpose of taking testimony and receiving evidence in full Committee or subcommittee is two.

(2) A majority of the Committee or a subcommittee shall constitute a quorum for other meetings.

I. CALLING AND INTERROGATING WITNESSES

(1) Whenever any hearing is conducted by the Committee or a subcommittee upon any measure or matter, the minority party Members on the Committee or subcommittee shall be entitled, upon request to the Chairman of the Committee or subcommittee by a majority of the minority party Members before the completion of the hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(2) The Committee and subcommittees shall apply the five-minute rule in the interrogation of witnesses in any hearing until such time as each Member of the Committee or subcommittee who so desires has had an opportunity to question each witness.

(3) Committee Members may question witnesses only when they have been recognized by the Chairman for that purpose.

(4) All questions put to the witnesses before the Committee shall be pertinent to the bill or other subject matter before the Committee for consideration.

(5) Insofar as is practicable, each witness who is to appear must file with the Committee (in advance of his or her appearance) a written statement of the proposed testimony and limit the oral presentation at such appearance to a brief summary of his or her argument.

J. INVESTIGATIVE HEARING PROCEDURES

(1) The Chairman of the Committee or subcommittee at an investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the Committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The Chairman of the Committee or subcommittee may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the full Committee may cite the offender to the House for contempt.

(5) If the Committee or subcommittee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person, it shall—

(A) receive such evidence or testimony in executive session;

(B) afford such person an opportunity voluntarily to appear as a witness; and

(C) receive and dispose of requests from such person to subpoena additional witnesses. Full Committee authorization is required to subpoena witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the Committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Committee.

(8) In the discretion of the Committee or subcommittee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The Committee or subcommittee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the Committee.

K. REPORTING BILLS AND RESOLUTIONS

(1) No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present.

(2) Any Member at a meeting of the full Committee or any Member of the subcommittee involved may make a point of order that a quorum is not present.

(3)(a) Each Committee report shall include in its text a statement of the reported legislation's intent or purpose, need, the results of motions to report, a five-year cost estimate, oversight statement, inflationary impact statement, and statement required by sections 308(a) and 403 of the Budget and Impoundment Control Act of 1974, Administration or Departmental position (if any), and changes in existing law, in addition to such other provisions as the Chairman deems necessary.

(b) If, at the time of approval of any measure or matter by the Committee, any Member of the Committee gives notice of intention to file supplemental, minority, or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the Committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental, minority, and additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted pursuant to the requirements of sections 308(a) and 403 of the Budget and Impoundment Control Act of 1974) are included as part of the report. This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(B) the filing by the Committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by the Committee upon that measure or matter.

L. POWER TO SIT AND ACT; SUBPOENA POWER

(1) For the purpose of carrying out any of its functions and duties under these rules, the committee, or any subcommittee thereof, is authorized—

(A) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(B) subject to (2)(A) of this rule, to subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman of the Committee, or any member designated by the Chairman, may administer oaths to any witness.

(2)(A) A subpoena may be issued by the Committee or subcommittee under (1)(B) of this rule in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee, and authorized subpoenas shall be signed by the Chairman of the full Committee or by any Member designated by the Committee.

(B) Compliance with any subpoena issued by a Committee or subcommittee under (1)(B) of this rule may be enforced only as authorized or directed by the House.

M. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

Whenever any hearing or meeting conducted by the Committee or any subcommittee is open to the public, the Committee or subcommittee may permit, by majority vote of the Committee or subcommittee, that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, but only under the following rules:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the Committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

N. COMMITTEE STAFFS

1. Subcommittee staffs: From the funds provided for the appointment of Committee staff pursuant to primary and additional expense resolutions of the House:

(1) The Chairman of each standing subcommittee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority party member of each standing subcommittee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in 2(c) of this rule or (B) the rate paid the staff member appointed pursuant to 1(1) of this rule.

(4) No member shall appoint more than one person pursuant to 1(1) and 1(2) of this rule.

(5) The staff positions made available to the subcommittee Chairman and ranking minority party Members pursuant to 1(1) and 1(2) of this rule shall be made available from the staff positions provided under clause 6 of Rule XI of the House unless such staff positions are made available pursuant to a primary or additional expense resolution.

2. Committee staffs.

(a)(1) Subject to subparagraph 2(a)(2) of this rule and paragraph 2(d) of this rule, the Committee may appoint, by majority vote of the Committee, not more than eighteen professional staff members. Each professional staff member appointed under this subparagraph shall be assigned to the Chairman and the ranking minority party member of such Committee, as the Committee considers advisable.

(2) Subject to 2(d) of this rule, whenever a majority of the minority party Members of the Committee so request, not more than six persons may be selected, by majority vote of the minority party Members, for appointment by the Committee as professional staff members from among the number authorized by 2(a)(1) of this rule. The Committee shall appoint any persons so selected whose character and qualifications are acceptable to a majority of the committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the minority party members may select other persons for appointment by the Committee to the professional staff until such appointment is made. Each professional staff member appointed under this subparagraph shall be assigned to such committee business as the minority party members of the Committee consider advisable.

(3) The professional staff members of the Committee—

(A) shall be appointed on a permanent basis, without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions;

(B) shall not engage in any work other than committee business; and

(C) shall not be assigned any duties other than those pertaining to committee business.

(4) Services of the professional staff members of the Committee may be terminated by majority vote of the Committee.

(b)(1) The clerical staff of the full Committee shall consist of not more than twelve clerks, to be attached to the office of the Chairman, to the ranking minority party member, and to the professional staff, as the Committee considers advisable. Subject to 2(b)(2) and 2(d) of this rule, the clerical staff shall be appointed by majority vote of the Committee, without regard to race, creed, sex, or age. Except as provided by 2(b)(2) of this rule, the clerical staff shall handle committee correspondence and stenographic work both for the Committee staff and for the Chairman and the ranking minority party Member on matters related to committee work.

(2) Subject to 2(d) of this rule, whenever a majority of the minority party Members of the Committee so request, four persons may be selected, by majority vote of the minority party Members, for appointment by the Committee to positions on the clerical staff from among the number of clerks authorized by 2(b)(1) of this rule. The Committee shall appoint to those positions any person so selected whose character and qualifications are acceptable to a majority of the Committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the minority party members may select other persons for appointment by the Committee to the position involved on the clerical staff until such appointment is made. Each clerk appointed under this subparagraph shall handle committee correspondence and stenographic work for the minority party members of the Committee and for any members of the professional staff appointed under 2(a) 2 of this rule on matters related to committee work.

(3) Services of the clerical staff members of the full Committee may be terminated by majority vote of the Committee.

(c) Each employee on the professional staff, and each employee on the clerical staff, of the Committee, is entitled to pay at a single per annum gross rate, to be fixed by the Chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code.

(d) If a request for the appointment of a minority professional staff member under paragraph (a), or a minority clerical staff member under paragraph (b), is made when no vacancy exists to which that appointment may be made, the Committee nevertheless shall appoint, under paragraph (a) or paragraph (b), as applicable, the person selected by the minority and acceptable to the Committee. The person so appointed shall serve as an additional member of the professional staff or the clerical staff, as the case may be, of the Committee, and shall be paid from the contingent fund, until such a vacancy (other than a vacancy in the position of head of the professional staff, by whatever title designated) occurs, at which time that person shall be deemed to have been appointed to that vacancy. If such vacancy occurs on the professional staff when seven or more persons have been so appointed who are eligible to fill that vacancy, a majority of the minority party members shall designate which of those persons shall fill that vacancy.

(e) Each staff member appointed pursuant to a request by minority party Members under paragraph (a) or (b), and each staff member appointed to assist minority party Members of a Committee pursuant to an expense resolution shall be accorded equitable treatment with respect to the fixing of his or her rate of pay, the assignment to him or her of work facilities, and the accessibility to him or her of committee records.

(f) Paragraphs (a) and (b) shall not be construed to authorize the appointment of additional professional or clerical staff members of the Committee pursuant to a request under either of such paragraphs by the minority party members of that committee if six or more professional staff members or four or more clerical staff members, provided for in paragraph (a)(1) or paragraph (b)(1) as the case may be, who are satisfactory to a majority of the minority party members, are otherwise assigned to assist the minority party members.

(g) Notwithstanding paragraphs (a)(2) and (b)(2), the Committee may employ nonpartisan staff, in lieu of or in addition to committee staff designated exclusively for the majority or minority party, upon an affirmative vote of a majority of the Members of the majority party and a majority of the Members of the minority party.

3. Members seeking assistance from the staff shall make their requests through the Chairman or the ranking minority Member.

O. REFERRAL OF BILLS, RESOLUTIONS, AND OTHER MATTERS TO SUBCOMMITTEE

(1) All legislation and other matters referred to the Committee shall be referred to the subcommittee of appropriate jurisdiction within 2 weeks unless, by majority vote of the majority Members of the full Committee, consideration is to be by the full Committee.

(2) The Chairman may refer a matter simultaneously to two or more subcommittees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee.

(3) Should a subcommittee fail to report back to the full Committee on any measure within a reasonable time, the Chairman may withdraw the measure from such subcommittee and report that fact to the full Committee for further disposition.

P. SUBCOMMITTEE

(1) There shall be the following standing subcommittees:

Commerce, Housing and Transportation.
Education, Labor and Social Services.
Government Operations.
Judiciary.
Fiscal Affairs.
Bicentennial Affairs, the Environment, and the International Community.

(2) Additional legislative subcommittees may be established by a majority of those voting, a quorum being present, of the full Committee.

(3) Each member shall be given an equal number of subcommittee assignments insofar as practicable.

(4) Bills shall be assigned to subcommittees in accordance with the subject matter of the subcommittees.

(5) The Chairman and the ranking minority Member of the full Committee shall be *ex officio* members of all subcommittees and special subcommittees with the right to vote thereon. *Provided that* the ranking minority Member of the full Committee may waive his right to membership on one or more subcommittees.

(6) Any member of the full Committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and to participate but shall not have authority to vote on any matters before the subcommittee unless he is a member of such subcommittee.

(7) The majority Members of the Committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee and shall authorize a member or members to negotiate that ratio with the Minority; provided, that the ratio on each subcommittee including *ex officio* members, shall be no less favorable to the Majority than the ratio for the full Committee and that the ratio on conference committees also shall be no less favorable to the Majority than the ratio for the full Committee.

Q. GENERAL OVERSIGHT RESPONSIBILITIES

The Committee and each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the Committee or the subcommittee, respectively, and the organization and operation of the Federal and District agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Committee and each subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the Committee or subcommittee, respectively (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of the Committee or subcommittee, respectively. Each subcommittee is required to conduct oversight in the area of their respective jurisdiction, to assist in carrying out the full committee's responsibilities under Rule X 2. of the House of Representatives. The establishment of an oversight committee shall in no way limit the responsibility of the subcommittees with legislative jurisdiction from carrying out their oversight responsibilities.

R. ADDITIONAL FUNCTIONS

(1) The committee and each subcommittee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing program and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(d) of Rule XIII of the House of Representatives.

(2) The committee and each subcommittee shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

S. POINTS OF ORDER

No point of order, other than a point of order that a quorum is not present, against the hearings or business procedures of the committee shall be sustained unless it is made in a timely fashion (1) at the commencement of the hearing or meeting, or (2) at the time such point of order first occurs. Any point of order not raised in a timely manner in subcommittee shall not be sustained in full committee.

T. NOTICE OF MEETINGS AND AGENDA

(1) The committee and each subcommittee shall make public announcement of the date, place and subject matter of any committee hearing at least one week before the commencement of the hearing. If the committee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly published in the Daily Digest.

(2) The agenda for all Committee meetings, setting out all items of business to be

considered, including a copy of any bill or a summary of any bill and of any subcommittee amendments, shall be furnished each committee member by delivery to his office at least two full calendar days (excluding Saturday, Sunday and Legal Holidays) before the meeting. This requirement may be waived by a two-thirds vote, a quorum being present, of the Committee.

(3) No bill or other matter shall be brought up for hearing or other consideration except with the approval of the Chairman or by a majority of those voting, a quorum being present; *Provided*, that any member (other than the Chairman) making the motion for consideration under this rule has given 2 days' notice in writing to all members of the committee.

U. AMENDING COMMITTEE RULES

The committee rules may not be amended unless the member proposing the amendments gives two days' notice (excluding Saturday, Sunday and Legal Holidays) in writing of the text of the proposed change to all members.

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ENERGY—A CALL TO ACTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. FITHIAN) is recognized for 5 minutes.

Mr. FITHIAN. Mr. Speaker, I rise today to issue a call to the House for action in the field of energy. Today, as in so many other times of national crisis, the American people look to this body for positive, constructive leadership, and decisive action. The eyes of the American people are upon us and we must not fail them.

Let us admit from the start that we are now caught in a trap largely of our own making. We have, as a nation, been wildly extravagant in our use of energy and woefully shortsighted in our conservation of our natural resources. We have become accustomed to a way of life in which we take energy for granted; and we are now paying the price.

Despite all of our differences of opinion on our energy situation, we can all agree on one thing—our country is in a difficult situation. We must now find a way to extract ourselves from a serious energy shortage.

We can find our way out of our current dilemma, just as we have found our way out of other, more serious problems in the past. But let us not kid ourselves. There will be no easy solutions this time.

As we begin our efforts to solve the Nation's energy problems, let us take a long hard look at our own past efforts in the field of energy. In the past we have accepted in this House a crazy quilt patter of overlapping and sometimes conflicting jurisdictions relating to energy. There has been no one single forum for the discussion of energy problems in the past for there is no one committee assigned jurisdiction to this whole subject area.

While our current arrangement may have been acceptable in 1955 and tolerable even in 1965, it is unacceptable in 1975. To draw a few parallels, who in industry would attempt to build a complex machine without blueprints or coordinated supervision? What educator would allow the important task of decisionmaking to lazily drift through half a dozen academic committees of varying size and resources? What captain at sea would allow his crew to set a ship's sails at their own speed according to their own personal judgments? I believe the time has come to ask ourselves a similar question: What type of legislature can hope to resolve the energy problems this country now faces while standing in disarray on the topic?

The time has come, Mr. Speaker, to organize this House for the task at hand. We need to form a committee with full responsibility to deal with energy. It should be a strong, active committee, with full powers of investigation, legislation, and oversight of all aspects of our national energy effort. It should draw its talent and expertise from Members of both parties who have demonstrated their active interest in seeking solutions to our energy problems. Its creation would not, as our recent experience in creating the Budget Committee has shown, greatly disrupt the activities of the House. Such a committee would not, in itself solve our energy problems. But it could provide the type of leadership in the field of energy we so desperately need.

And what is true of our need for a centralized, efficient effort in energy matters in this House seems also to apply to the Senate. I will not brashly suggest how our distinguished colleagues should conduct their affairs, but let us in this House lead the way, hoping that they will follow.

Our need for bold new approaches for solving our energy problems extends beyond the legislative branch. What America calls for today is imaginative, innovative, and determined Executive leadership; leadership of the sort that President Kennedy showed when he took those first exciting steps toward putting a man on the Moon; leadership of the type that President Eisenhower demonstrated in his battle for open skies inspection; and leadership of the sort shown by Franklin Roosevelt in launching the Manhattan project to harness the atom. History tells us that man's accomplishments through technology are limited only by his imagination, innovation, and determination. Our current administration has, at least shown determination.

What we see in the administration's proposal to raise the price of imported crude oil is a lack of innovation and imagination that would cost the American people between $15 and $40 billion in the coming year. It will stimulate wide-ranging price increases in everything from plastics to paint, from milk containers to clothing, from fertilizer to utility rates. The profits derived from this proposal would be narrowly limited to oil companies and related industries. And they would be enormous. The average American family will have to cope with increased prices on nearly everything they purchase at a time in which they can least afford it.

The average working family will have to make a substantial sacrifice without any real prospect of altering the energy crisis. It is generally conceded that the price of gasoline must rise to nearly 80 cents a gallon before the price system would significantly reduce consumption. Gasoline at 80 cents a gallon is unacceptable. If gasoline were increased only 10 to 15 cents as the administration suggests, it would stimulate inflation without conserving energy resources.

I reject the tendency popular these days, and encouraged by administration spokesmen, to limit our discussion of the energy crisis to gasoline rationing or higher prices. A wide range of alternatives are still open to us, even in the area of gasoline supply. But to view the energy crisis solely in terms of gasoline is misleading. To expect either rationing or higher gasoline prices to solve all our energy problems is grossly inaccurate. The fact of the matter is that the comprehensive energy policy we must build must go far, far beyond the discussion of gasoline prices, important though they may be. Gasoline is only one part of the total energy picture for this country. I refuse to view this problem in such narrow terms and I urge my colleagues and the President to accept a broader, more comprehensive view of the energy situation.

When a conflict arises between the Congress and the President as has occurred with regard to energy policy, we cannot be content in offering criticisms. We must offer constructive alternatives. I am greatly encouraged by efforts within the past few days to formulate such constructive alternatives, although these painful efforts have again demonstrated the need for a reorganization of our committee structure.

The main problem we all face in our efforts to resolve our energy problems is one of attitude. We must reject the notion that our energy problems are insoluble. But we must also reject the notion that conventional administrative methods are adequate to handle the problem at hand.

I believe that America calls today for Presidential action to gather together the best scientific and economic talent this country has to offer. It is evident that political appointees and bureaucratic paper pushers now at the helm of our energy effort have failed us. More of the same type can only compound the problem. How refreshing it would be if the President called a press conference to tell the world that he was bringing together our best minds on energy—the nuclear and mining engineers, the geologists, economists, and automotive engineers—to take charge of our efforts to develop our energy reserves and alternative energy sources.

I call for an immediate and thorough shakeup of the upper echelons of our Federal bureaucracy to make room for men with fresh new ideas on energy. We should then make every effort to coordinate and rationalize responsibility for energy development and management, both inside and outside our existing agency structure. We should encourage a task-oriented approach to administration of energy development rather than the traditional agency-oriented approach. We should stress flexibility and administrative innovation rather than rigid formality. And most important of all we must ungrudgingly support the effort with whatever appropriations are necessary to get the job done.

I strongly urge the President to consider these proposals and implement them as soon as possible. I, for one, can assure him of my support for this ambitious experiment. While it would provide no easy end to our energy problems, this reorganization seems to be at least a sound beginning.

A careful restructuring of our efforts in both the legislative and executive branches can be of enormous value in achieving our energy goals. Yet we must not ignore the substantive aspects of the effort. In forming our national energy policy let us direct our efforts along two parallel tracks. On one track should be those necessary efforts to expand our present production and develop every possible means of conservation within our present technology. On the other track we should pursue bold and innovative programs for the development of new sources of energy, wherever they may be found.

Our short-range policy goals should include immediate efforts to maximize domestic production of crude oil and natural gas. Foreign tax credits, which encourage American oil corporations to expend much of their efforts and resources abroad, must be abolished. We should begin an immediate program to build a 90-day strategic reserve to decrease the impact of foreign oil interruptions. Greater coal production from existing mines should be encouraged by all practical means. Every prospect for building safe nuclear plants must be explored. These efforts, among others can bear fruit within the next few months. They may also have an immediate effect on the oil-producing countries, although we should proceed in any case to lessen our dependence on foreign oil.

At the same time we must begin efforts which will not bear fruit without several years of intensive effort. These programs should include the construction of new coal mines, a crash program to perfect sulfur dioxide scrubber technology to allow easily accessible eastern coal to be burned safely, expansion of safe nuclear power, and construction of the oil shale and coal gasification plants now on the drawing boards.

The short-range track of our energy effort is limited by existing technology. Our long-range track is limited only by the imagination of our scientists and engineer and our continued willingness to financially support them wherever their research takes them. Fusion, advanced fission reactors, hydrogen technology and fuel cells, geothermal and solar power all seem to hold great promise as energy sources for the nineties and beyond—if we speed up their development now.

The challenge lies not only in the area of new energy production, but also in energy conservation. Let us be equally daring in this area. Rather than talking about closing down gas stations on Sundays, let us talk about requiring 25-mile per-gallon performance from all new cars by 1980. Instead of arguing about reducing passenger miles traveled in cars and airplanes, let us work toward expansion and revitalization of energy efficient passenger rail service. Instead of talking merely about turning down thermostats in homes and businesses, let us make it our national policy to promote the installation of efficient insulation and heat pump systems in both new and eixsting buildings.

Mr. Speaker, I have never known the American people in times of crisis to fail in their support of their elected leaders if they have been told the truth. I am convinced that we should tell them plainly that there is no quick fix or easy solution to the problems we now face. But if they know that we are making every possible effort in this House to seek solutions to our national energy problems and to reform and coordinate our efforts with those of the Senate and the administration, I am sure that they will respond with resolute support. We must tell them plainly that the answer to our problems are not in the stars, nor in the whimsical decisions of our Arab neighbors, but in the talent, resources, and dedication of the American people.

LITHUANIA'S STRUGGLE FOR INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Rodino) is recognized for 10 minutes.

Mr. RODINO. Mr. Speaker, the struggle for freedom and independence ranks foremost in the hearts of people all over the world. As a nation, we have fought and struggled to maintain our own autonomy for almost two centuries now. Yet the people of Lithuania, who celebrate the 57th anniversary of their declaration of independence this year, still can only dream of a time when they will really be free again.

On July 22, 1922, our Government recognized the independence of the Lithuanian people—an independence which lasted only 18 years, until this small but proud country was invaded and annexed by the Soviet Union against its will.

The yoke of oppression and domination is indeed a harsh and difficult one, but the Lithuanian people have not buckled under the strain. Instead, they have grown stronger in their resolve, they have continued to resist and they have continued to sacrifice. How long will it take before the Soviet regime realizes that their system of repression and subjugation will never quench the burning desire to be free?

We will not forget the escape attempt of Simas Kudirka. We will not forget the self-immolation of Romas Kalanta and the subsequent demonstrations by thousands of young Lithuanians. These courageous acts are symbols of the commitment and dedication of the Lithuanian people. And we will not forget our commitment to the Lithuanian people. For we have heard your protests, we have recognized your courageous stand, and we will continue to support your struggle to achieve the liberty and freedom which belongs to all men.

Thus, let us reaffirm what we declared 16 years ago, "to not be a party to any agreement or treaty that would confirm or prolong the subordination of the formerly sovereign Lithuanian state."

VARIABLE INTEREST RATES RAISE BIG QUESTIONS

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the Federal Home Loan Bank Board once again is floating the idea of imposing a variable interest rate on home buyers.

This is a major step—a dangerous step—and it is one that should not be undertaken without full congressional airing. In fact, Mr. Speaker, I am convinced that a full hearing of this issue will clearly show that it is against the public interest and that it will not serve as any great solution for the mortgage lenders.

Under this proposal, the lenders would be free to increase the interest payments when interest rates rose generally in the economy. Thus, the contract which the home buyer signs with the lender would be open-ended and the borrower would have no way of knowing what his monthly payments might be in the future.

True, the proposal would also allow interest rates to be lowered as interest rates went down generally in the economy, but the history of the money markets plainly indicates the emptiness of this side of the equation. The lenders obviously are not promoting this scheme because they think interest rates—over the long haul—are going to trend downward.

The Federal Home Loan Bank Board proposal would allow the lenders to increase interest rates by 2½ percent over the life of the mortgage—thus an original 8 percent mortgage could be moved up to a 10½ percent mortgage—an increase of almost one-third. Mr. Speaker, I do not think there are many home buyers—certainly in the low- and moderate-income categories—who could afford a one-third increase in their monthly interest rate payments.

Mr. Speaker, a variable interest rate will force many low- and moderate-income families completely out of the mortgage market. Lenders will simply refuse to consider loans to persons who might be unable to meet higher interest payments in future years. A lot of people who could now qualify for a fixed interest rate mortgage would be turned down flat under the variable proposals.

Mr. Speaker, without question mortgage lenders have had great difficulty during our repeated periods of tight money and I think that the Congress definitely needs to find solutions to this problem. But the variable interest rate scheme is not the answer. The answer lies in providing a more competitive atmosphere among the various segments of the financial community and, most importantly, setting monetary policy straight. What we need are monetary policies which can provide long-term stability for both the lenders and the borrowers.

Mr. Speaker, we need to find this stability—we need to require it—at the Federal Reserve. It is wrong to try to require the consumer to provide this stability for mortgage lenders out of his already depleted pocketbook.

Mr. Speaker, I place in the RECORD a copy of a Wall Street Journal story on this latest proposal by the Federal Home Loan Bank Board:

[From the Wall Street Journal, Feb. 13, 1975]

HOME MORTGAGES AT VARYING RATES ARE AGAIN URGED

WASHINGTON.—The Federal Home Loan Bank Board, after two retreats under fire from Congress and consumer groups, again advanced its proposal for variable-rate home mortgages.

And the board said that unless Congress stops it, the agency will adopt the proposal in six months or so, allowing federally chartered savings and loan associations to issue home mortgages on which the interest rates would vary generally with money-market rates.

Opponents of the plan fear it would prompt S&Ls to become more restrictive in their mortgage lending. They reason that S&Ls would make such loans only to borrowers they believe will be able to make sharply higher mortgage payments at some future time when market rates are substantially higher. Many low-income or fixed-income families would be considered poor risks and wouldn't get mortgage loans, these critics believe.

Specifically mentioning those with low or fixed incomes. Thomas Bomar, Bank Board chairman, acknowledged that variable-rate mortgages "aren't for everybody."

Bank Board officials also said that had variable-rate mortgages been allowed in 1973, interest rates on those mortgages would have risen one full percentage point since then due to the sharp jump in interest rates generally during the past year.

The Bank Board said it believes the variable-rate mortgages will increase incomes of S&Ls during periods of high interest rates, thus allowing them to pay higher savings rates and keep savers from withdrawing and placing their funds in higher-yielding securities, such as Treasury bills. Mr. Bomar said this presumes that the current interest-rate ceilings on savings accounts will be removed. With extra savings, S&Ls will be able to make more home mortgages, Mr. Bomar said.

The agency said it expects S&Ls will still offer both fixed-rate and variable-rate mortgages "for a long time" after the new ones are approved. Borrowers "will decide how much of each kind will exist," the Bank Board asserted. However, the proposals don't require S&Ls to offer both types.

Under the proposals, interest rate changes would be determined by an index beyond the control of the lender. Such an index could be tied to the average interest rate on mortgages or to rates paid for Treasury or corporate securities.

In addition, S&Ls couldn't raise interest rates on the mortgages more than twice each year or more than one-half percentage point each increase. The increase during the life of a mortgage couldn't exceed 2.5 percentage points. That means, for example, that the rate on a mortgage with an initial interest rate of 8% could never exceed 10.5%.

Rates would have to decline when the index went down but increases would be optional. Furthermore, the board's proposals would allow the term of a mortgage loan to be extended to 35 years from the present 30-year limit as an alternative to increasing the monthly payments when rates went up. Even with the longer term, however, the Bank Board noted that a borrower probably would still have to increase his monthly payments if his mortgage interest rate went up more than 0.25 percentage point.

The Bank Board proposals don't require congressional approval. The board could have permitted the variable-rate mortgages some time ago, but officials were concerned about congressional action. Congressional banking committees are planning hearings on the issue.

The U.S. League of Savings Associations, a major S&L trade group, applauded the Bank Board proposals contending that variable-rate mortgages will boost housing starts and "will help home owners, who want to sell their houses, and home buyers, who are looking for financing."

But a spokesman for the National Association of Home Builders said his trade group continues to "dislike" the idea of variable-rate mortgages. "We've been saying for years that buying a home is a great hedge against inflation. You can't say that with variable-rate mortgages," the spokesman asserted.

NATIONAL HUNTING AND FISHING DAY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SIKES. Mr. Speaker, for the past 3 years, I have sponsored legislation in the House designating the fourth Saturday of September as "National Hunting and Fishing Day." I was very pleased that 109 Members of the House joined me in cosponsoring this measure last year. I am introducing the bill again today and I invite my colleagues to join me as cosponsors and urge their active participation and support.

National Hunting and Fishing Day has been very popular with the American people and I feel that it should be continued. This event has significant meaning to the more than 55 million hunters and fishermen who have contributed so generously to conservation and the improvement of outdoor recreation in this country.

National Hunting and Fishing Day has become one of the most meaningful and widely observed activities of its kind.

In the last 3 years, there have been over 8,500 separate observances in all 50 States with some 40 million Americans taking part. These activities are annually endorsed and recognized by all 50 State governments and by over 500 municipalities.

The observance of National Hunting and Fishing Day has served to make millions of Americans more aware of the outdoorsman's role in conservation and has enlisted the support of all Americans, sportsmen and nonsportsmen alike, in the ever important conservation effort.

National Hunting and Fishing Day has been described as this Nation's newest sporting tradition and is, in fact, being observed in Italy, Germany, and South America.

SUCCESS OF FORESTRY INCENTIVES PROGRAM JUSTIFIES EXPANSION

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the Congress took a major step forward when it authorized the Forestry Incentives Program as a means of assuring an adequate supply of wood for future generations. Although field work did not get underway until March of 1974, all of the available funds, $14.4 million, were applied for within 6 months. Nearly 20,000 forest owners asked for assistance in replanting and improving more than 400,000 acres. Present authorization is for $25 million per year. Rapid progress thus far made is a clear indication that the program is too small to meet the need which is being demonstrated.

The Foresty Incentives Program, approved by Congress as Public Law 93–86, authorizes the Federal Government to share the costs incurred in planting trees and applying cultural treatments in the small forest holdings of private, nonindustrial owners. This classification embraces 296 million acres of commercial forest land in 4 million separate ownerships. Many of these small tracts have no forestry management programs and are only partially productive. Yet taken together, they comprise nearly 60 percent of all the commercial forest in the United States. Consequently, their present level of productivity is of much importance to the future welfare of the Nation.

While the incentives program is designed to stimulate land owners to invest in the improvement of their forests, it also is having important supplemental effects. For example, the States of Mississippi and Virginia have enacted parallel forest resource programs under which the States will share planting costs with private landowners.

In a related move, a lumber company has offered to pay the owners of small forests an annual rental based upon the productivity of the soil. Several other forest industries are helping their smaller neighbors by providing labor and equipment at cost.

Only a few days ago, I noted a new project in New England in which a utility company will generate power from wood chips, thus saving its dependence upon oil. I like that. We can produce wood forever; something we cannot do with other sources of power.

With this kind of cooperation, the future becomes much brighter, particularly as it relates to new sources of energy and improvement of the environment.

I am introducing a bill today to amend the Forestry Incentives Act that would increase the Federal authorization to $50 million annually from the present $25 million. It is time now to plan for the future.

The forestry incentives program has another important feature. It requires the investment of at least $1 of private money for every $3 in Federal cost sharing. This fact is of special significance in the present critical economic period when it is important to make the most of each opportunity, particularly if it offers employment to people in need of work. For example, the State Forester of South Carolina reports that during the first 9 months of the program, forestry incentives provided approximately 100,000 hours of heavy machine time employment for small contractors who found themselves with little or no construction work to do. During the same period, 240,000 man-hours of labor were used in planting some 30,000 acres of nonproductive land.

Similar achievements are reported in North Carolina where 851 contractors and laborers are engaged in forestry incentives work. The story is being repeated in varying degrees in many other States.

There are some problems, however. Some forest owners who should participate and wish to do so cannot because they own more land than the 500 acre limit set by Public Law 93-86. This restriction is particularly burdensome in some of the Western States where ownerships of a section—640 acres—are common. Therefore, I recommend that the present 50-acre limitation in Public Law 93-86 be raised to 1,000 acres of forest land per owner and I am also introducing a bill today to accomplish this objective.

I urge my colleagues to support these proposals and I invite their cosponsorship.

OFPP: AN OMBUDSMAN "OF LARGE BUT UNCERTAIN DIMENSION"

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the February 1975 issue of Government Executive goes into detail on the newly created Office of Federal Procurement Policy. This organization has a unique responsibility to both legislative and executive branches. It is obvious that it can exercise considerable influence and its accomplishments can be very meaningful. The article is all the more interesting because it talks in detail about Hugh Witt, the Administrator of OFPP. Mr. Witt is well known and very highly regarded on Capitol Hill. There are many in Congress who rate him among the most competent Federal officials.

Mr. C. W. Borklund, the publisher of Government Executive, outlines in brief a few of Mr. Witt's accomplishments in these words:

> When Congress was discussing how to staff the OFPP they were about to create, veteran House Government Operations Committee staff director, Herb Roback, reportedly suggested, "Why don't you get just a small, competent Administrator?"
>
> At 5'11", Witt is not very small but his credentials clearly claim he is both competent and has had more than enough experience to have heard "all those procurement alibis before." A 1943 University of Kentucky graduate, he spent three years in aircraft production control, went into sales promotion after World War II.
>
> ### DEEP EXPERIENCE
>
> He joined the Air Force staff in the Pentagon at the outbreak of the Korean war; moved up to the Air Force Secretary's office in 1954, working mostly on weapon systems programming. In 1960, he became Air Force assistant deputy for procurement policy and served on the Air Force Contract Appeals Board.
>
> A year later, he was promoted to Deputy for Supply and Maintenance to the Air Force Assistant Secretary (Installations & Logistics); moved down the hall in 1970 to be special assistant to the Navy Assistant Secretary (Installations & Logistics); "went over to the enemy," as Pentagon veterans like to put it, in 1973 when he was pulled up to the OSD (Office/Secretary of Defense) level as Principal Deputy Assistant Secretary of Defense (Installations & Logistics.)
>
> ### AWARD WINNER
>
> Among his arm-long list of government career awards: three Exceptional Civilian Service awards, highest civilian citation given by the Air Force; in 1973, the Navy's top Distinguished Civilian Service Award But getting to OMB hasn't been all accolades.
>
> In addition to the complex, challenging headaches of the job itself, Witt, a "supergrade" already, got only a modest income boost. That is being offset by the higher meal, travel and parking costs downtown compared to what he paid at the Pentagon.
>
> All of which, he says, prompts "Janie (his wife) to ask every once in a while, 'Explain again how you got promoted'."

Mr. Borklund's article also has this to say about Mr. Witt:

> Three times last year, then-director of the Office of Management and Budget (OMB) Roy Ash asked Hugh E. (for Ernest) Witt to come to work in OMB. The arm-long title offered Witt: Deputy Associate Director and Assistant to the Director for Procurement Policy.
>
> Witt, then Principal Deputy Assistant Secretary of Defense (Installations & Logistics), called the executive director of a major industrial association after the third request and asked the retired admiral and long-time friend what he thought of the idea.
>
> The answer, after a long pause, "Hugh, it's an impossible job. Why don't you take it?"
>
> The post was a tough enough task when Witt, who is 53 and looks 15 years younger, finally accepted in June, 1974. It has become even more challenging and more powerful a job since—as most signs then said it likely would. Though a changeover in U.S. Presidents and resultant paperwork delays stretched out the decision-making, in late December Congress approved Witt's White House nomination as the first Administrator of the newly created Office of Federal Procurement Policy (OFPP).

Mr. Speaker, I feel that the Members of the House will also be interested in the OFPP charter in brief which follows:

> ### THE OFPP CHARTER IN BRIEF
>
> OFPP Administrator Hugh Witt has his Congressionally mandated job description written long-hand on a big paper pad mounted on an easel, standing in his office for any visitor to see.
>
> The six easily stated, yet broadly comprehensive, assignments:
>
> "The functions of the Administrator shall include—
>
> "(1) establishing a system of coordinated, and to the extent feasible, uniform procurement regulations for the executive agencies;
>
> "(2) establishing criteria and procedures for an effective and timely method of soliciting the viewpoints of interested parties in the development of procurement policies, regulations, procedures and forms;
>
> "(3) monitoring and revising policies, regulations, procedures, and forms relating to reliance by the Federal Government on the private sector to provide needed property and services;
>
> "(4) promoting and conducting research in procurement policies, regulations, procedures, and forms;
>
> "(5) establishing a system for collecting, developing, and disseminating procurement data which takes into account the needs of the Congress, the executive branch, and the private sector;
>
> "(6) recommending and promoting programs of the Civil Service Commission and executive agencies for recruitment, training, career development, and performance evaluation of procurement personnel."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. TREEN, for this week, on account of official business of the House Committee on Armed Services.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BAUMAN) and to revise and extend their remarks and include extraneous matter:)

Mr. KEMP, for 30 minutes, today.

Mr. BAUMAN, for 10 minutes, today.

(The following Members (at the request of Mr. DE LA GARZA) to revise and extend their remarks and include extraneous matter:)

Mr. BRADEMAS, for 15 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. FRASER, for 5 minutes, today.

Mr. FITHIAN, for 5 minutes, today.

Mr. RODINO, for 10 minutes, today.

Mr. VANIK, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BAUMAN) and to revise and extend their remarks:)

Mr. HEINZ.

Mr. YOUNG of Florida in five instances.

Mr. BELL in two instances.

Mr. BAUMAN in two instances.

Mr. DERWINSKI in two instances.

Mr. MCCOLLISTER.

(The following Members (at the request of Mr. DE LA GARZA) and to include extraneous material:)

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ.

Mr. OBERSTAR.

Mr. ROSENTHAL in three instances.

Mr. SEIBERLING in 10 instances.

Mr. EILBERG.

Mr. NOWAK.

Mr. LONG of Maryland in 10 instances.

Mr. REES.

Mr. FORD of Tennessee.

Mr. HALL in two instances.
Mr. BURKE of Massachusetts.
Mr. MOFFETT.
Miss JORDAN.
Ms. ABZUG.
Mr. TRAXLER.
Mr. MOAKLEY in two instances.
Mr. DE LA GARZA.
Mr. STOKES.
Mr. MORGAN.

ADJOURNMENT

Mr. DE LA GARZA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 16 minutes p.m.), under its previous order, the House adjourned until Monday, February 17, 1975, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RONCALIO: Joint Committee on Atomic Energy. House Concurrent Resolution 114. Concurrent resolution expressing the approval of the Congress of the amendment to the 1955 Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy proposed by the Atomic Energy Commission on January 14, 1975 (Rept. No. 94–8). Referred to the Committee of the Whole House on the State of the Union.

Mr. RONCALIO: Joint Committee on Atomic Energy. House Concurrent Resolution 115. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the International Atomic Energy Agency, proposed by the Atomic Energy Commission on January 8, 1975 (Rept. No. 94–9). Referred to the Committee of the Whole House on the State of the Union.

Mr. RONCALIO: Joint Committee on Atomic Energy. House Concurrent Resolution 116. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the European Atomic Energy Community, proposed by the Atomic Energy Commission on January 8, 1975 (Rept. No. 94–10). Referred to the Committee of the Whole House on the State of the Union.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

306. A letter from the Acting Secretary of Agriculture, transmitting the annual report of the Federal Crop Insurance Corporation for the 1974 crop year, pursuant to 61 Stat. 719; to the Committee on Agriculture.

307. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority for fiscal year 1975, as of February 1, 1975, pursuant to section 1014(e) of Public Law 93-344 (H. Doc. No. 94–48); to the Committee on Appropriations and ordered to be printed.

308. A letter from the Secretary of the Air Force, transmitting the semiannual report on Air Force experimental, developmental, and research contracts of $50,000 or more, covering the period ended December 31, 1974, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

309. A letter from the Director, Defense Civil Preparedness Agency, transmitting a report on Federal financial assistance to States for civil defense equipment and facilities during the quarter ended September 30, 1974, pursuant to section 201(i) of the Federal Civil Defense Act of 1950, as amended [50 U.S.C. App. 2281(i)]; to the Committee on Armed Services.

310. A letter from the Director, Defense Civil Preparedness Agency, transmitting a report on Federal financial assistance to States for civil defense equipment and facilities during the quarter ended December 31, 1974, pursuant to section 201(i) of the Federal Civil Defense Act of 1950, as amended [50 U.S.C. App. 2281(i)]; to the Committee on Armed Services.

311. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes; to the Committee on Foreign Affairs.

312. A letter from the Acting Assisting Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92–403; to the Committee on Foreign Affairs.

313. A letter from the Secretary of Commerce, transmitting a report on export administration for the third quarter of 1974, pursuant to the Export Administration Act of 1969, as amended [50 U.S.C. App. 2409]; to the Committee on Foreign Affairs.

314. A letter from the Chairman, Advisory Commission on Intergovernmental Relations, transmitting the 16th annual report of the Commission, pursuant to Public Law 86–380; to the Committee on Government Operations.

315. A letter from the Secretary of the Interior, transmitting the fourth annual report on the operation of the Colorado River, covering operations during water year 1974 and projections for water year 1975 for the reservoirs in the Colorado River Basin, pursuant to 82 Stat. 885; to the Committee on Interior and Insular Affairs.

316. A letter from the Chairman, U.S. Water Resources Council, transmitting a draft of proposed legislation to amend the Water Resources Planning Act to increase the rate of compensation for experts and consultants and to provide continuing authorization for appropriations without limitation; to the Committee on Interior and Insular Affairs.

317. A letter from the Acting Secretary of Transportation, transmitting a draft of proposed legislation to amend the Rail Passenger Service Act of 1970 to authorize additional appropriations; to the Committee on Interstate and Foreign Commerce.

318. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft amendment to the President's proposed Energy Independence Act of 1975 concerning automobile emission standards; to the Committee on Interstate and Foreign Commerce.

319. A letter from the Secretary, Railroad Retirement Board, transmitting a draft of proposed legislation to amend the Railroad Retirement Act of 1974 to provide for the continuing annual credit to the Railroad Retirement Account and the Railroad Retirement Supplemental Account of the taxes collected under the Railroad Retirement Tax Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

320. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 216(b)(1) of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

321. A letter from the Acting Secretary of Transportation, transmitting the fourth annual report of the Urban Mass Transportation Administration on capital assistance, technical studies, and relocation grants, covering calendar year 1974, pursuant to 84 Stat. 965; to the Committee on Public Works and Transportation.

322. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report on the 1974 survey of the estimated costs of construction of needed publicity owned wastewater treatment works, pursuant to section 516(b) of the Federal Water Pollution Control Act, as amended; to the Committee on Public Works and Transportation.

RECEIVED FROM THE COMPTROLLER GENERAL

323. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Student Loan Insurance Fund for fiscal year 1974 (H. Doc. No. 94–49); to the Committee on Government Operations and ordered to be printed.

324. A letter from the Comptroller General of the United States, transmitting a report on improvements needed in Army cost-effectiveness studies for major weapon systems; jointly, to the Committees on Government Operations, and Armed Services.

325. A letter from the Comptroller General of the United States, transmitting a report on the financial operations of the five service academies; jointly, to the Committees on Government Operations, Armed Services, and Merchant Marine and Fisheries.

326. A letter from the Comptroller General of the United States, transmitting a report assessing the performance of the Office of Management and Budget and the Federal agencies in implementing title IV of the Intergovernmental Cooperation Act of 1968 and section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 through OMB Circular A–95; jointly, to the Committees on Government Operations, and Banking, Currency and Housing.

327. A letter from the Comptroller General of the United States, transmitting a report on how local housing authorities can improve their operations and reduce dependence on operating subsidies; jointly, to the Committees on Government Operations and Banking, Currency and Housing.

328. A letter from the Acting Comptroller General of the United States, transmitting a report on the accountability and physical controls of the Treasury Department's gold bullion reserves; jointly, to the Committees on Government Operations, and Banking, Currency and Housing.

329. A letter from the Comptroller General of the United States, transmitting a report on Government support of the shipbuilding industrial base; jointly, to the Committees on Government Operations, and Merchant Marine and Fisheries.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY:

H.R. 3122. A bill to amend the Public Health Service Act to provide for a national program of medical malpractice insurance and arbitration of medical malpractice claims; to the Committee on Interstate and Foreign Commerce.

By Mr. BAUMAN:

H.R. 3123. A bill to amend the National Trails System Act by designating the Potomac Heritage Trail located in portions of Maryland, Pennsylvania, Virginia, West

Virginia, and the District of Columbia, as a component of the National Trails System; to the Committee on Interior and Insular Affairs.

By Mr. **BAUMAN** (for himself, Mr. Harrington, Mrs. Holt, Mr. Richmond, Mr. Solarz, and Mr. Whitehurst):

H.R. 3124. A bill to amend the Coastal Zone Management Act of 1972 to authorize financial assistance to coastal States to enable them to study, assess, and plan the effects of offshore energy-related facilities and activities in or on the Outer Continental Shelf on their coastal zones, and to provide for needed public facilities and services; to provide assistance to the coastal States for coordinating coastal zone planning, policies, and programs in contiguous interstate areas; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. **BELL**:

H.R. 3125. A bill to establish in the State of California the Channel Islands Marine National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. **FORD** of Tennessee:

H.R. 3126. A bill to amend the Fair Packaging and Labeling Act to require that packaged consumer commodities be labeled to show their selling price; to the Committee on Interstate and Foreign Commerce.

By Mr. **JOHNSON** of California (for himself, Mr. McFall, and Mr. Santini):

H.R. 3127. A bill to provide for the preservation of critical scenic, environmental, and outdoor recreational values of Lake Tahoe Basin in California and Nevada; to the Committee on Interior and Insular Affairs.

By Mr. **KEMP**:

H.R. 3128. A bill to amend section 102 of the National Environmental Policy Act of 1969 to permit the appropriate Federal official to delegate the responsibility for the preparation of an environmental impact statement to the appropriate State agency or official; to the Committee on Merchant Marine and Fisheries.

H.R. 3129. A bill to amend section 109 of title 23 of the United States Code to permit the Secretary of Transportation to delegate the responsibility for the preparation of an environmental impact statement to the State affected by a proposed project on a Federal-aid highway system; to the Committee on Public Works and Transportation.

By Mr. **LaFALCE**:

H.R. 3130. A bill to amend the National Environmental Policy Act of 1969 in order to clarify the procedures therein with respect to the preparation of environmental impact statements; to the Committee on Merchant Marine and Fisheries.

By Mr. **LONG** of Maryland:

H.R. 3131. A bill to amend the Emergency Petroleum Allocation Act of 1973 to direct the President to establish a program for the end-use allocation of gasoline; to amend the Internal Revenue Code of 1954 to impose an energy conservation tax on gasoline; and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. **MITCHELL** of New York:

H.R. 3132. A bill to grant a Federal charter to the Italian American War Veterans of the United States; to the Committee on the Judiciary.

By Mr. **PATMAN**:

H.R. 3133. A bill to establish the Smaller Communities Administration; to the Committee on Banking, Currency and Housing.

By Mr. **PRICE** (for himself and Mr. Bob Wilson) (by request):

H.R. 3134. A bill to authorize appropriations during the fiscal year 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes; to the Committee on Armed Services.

By Mr. **REES**:

H.R. 3135. A bill to amend the Federal Reserve Act to establish special asset reserve requirements for all financial institutions to maintain a fund from which moneys may be drawn for the purpose of purchasing mortgages; to the Committee on Banking, Currency and Housing.

By Mr. **SIKES**:

H.R. 3136. A bill to amend the Agricultural Act of 1970 to increase the amount authorized to be appropirated for the forestry incentive program administered under title X of such act; to the Committee on Agriculture.

H.R. 3137. A bill to amend the Agricultural Act of 1970 to increase the size of a tract which may be affected by the forestry incentive program administered under title X of such act; to the Committee on Agriculture.

By Mr. **TRAXLER**:

H.R. 3138. A bill to amend title II of the Social Security Act to provide that the automatic cost-of-living increases in benefits which are authorized thereunder may be made on a semiannual basis (rather than only on an annual basis as at present); to the Committee on Ways and Means.

H.R. 3139. A bill to amend title II of the Social Security Act to provide that an individual otherwise eligible may be paid full widow's or widower's insurance benefits at age 55, or reduced widow's or widower's insurance benefits at age 50 (age 45 in case of disability); to the Committee on Ways and Means.

H.R. 3140. A bill to amend the Internal Revenue Code of 1954 to increase the amount of retirement income eligible for the tax credit for retirement income from $1,524 to $5,000, and for other purposes; to the Committee on Ways and Means.

H.R. 3141. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 3142. A bill to provide for the monthly publication of a consumer price index for the aged and other social security beneficiaries, which shall be used in the provision of the cost-of-living benefit increases authorized by title II of the Social Security Act; to the Committee on Ways and Means.

H.R. 3143. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

H.R. 3144. A bill to amend title XVIII of the Social Security Act to include drugs requiring a doctor's prescription among the medical expenses with respect to which payment may be made under the voluntary program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. **VANIK**:

H.R. 3145. A bill to make changes in the treatment of foreign income, to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. **YOUNG** of Florida:

H.R. 3146. A bill to amend the Emergency Petroleum Allocation Act of 1973 to provide for the equalization of residual fuel oil prices charged to public, private, and invested-owned utilities and other persons using such oil; to the Committee on Interstate and Foreign Commerce.

By Mr. **BELL** (for himself, Mr. Udall, Mr. Roncalio, Mr. Burgener, Mr. Biester, and Mr. Vander Veen):

H.J. Res. 208. Joint resolution to authorize the Secretary of the Interior to establish on certain public lands of the U.S. national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. **SIKES**:

H.J. Res. 209. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on Post Office and Civil Service.

By Mr. **BOLLING**:

H. Con. Res. 117. Concurrent resolution providing for the printing as a House document of the hearings and panels of the Select Committee on Committees; to the Committee on House Administration.

By Mr. **EILBERG**:

H. Con. Res. 118. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

H. Con. Res. 119. Concurrent resolution expressing the sense of the Congress with respect to the incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics; to the Committee on Foreign Affairs.

By Mr. **TRAXLER**:

H. Con. Res. 120. Concurrent resolution that the members of the Chamber of Commerce of Frankenmuth, Mich., be commended; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

18. By the **SPEAKER**. Memorial of the Legislature of the State of Louisiana, relative to sugar; to the Committee on Agriculture.

19. Also, memorial of the Legislature of the State of Oklahoma, relative to food stamps; to the Committee on Agriculture.

20. Also, memorial of the House of Representatives of the State of Oklahoma, relative to Turkish opium production; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII,

Mr. **PATMAN** introduced a bill (H.R. 3147) for the relief of Col. John H. Awtry, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

24. The **SPEAKER** presented a petition of the House of Representatives of the Republic of Cyprus, Nicosia, relative to the Turkish invasion of Cyprus; to the Committee on Foreign Affairs.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the second calendar quarter 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
	(Mark one square only)			

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

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B. United Service Organizations, Inc., 237 East 52d Street, New York, N.Y. 10022.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. The Chase Manhattan Bank, N.A. 1 Chase Manhattan Plaza, New York, N.Y. 10015.

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A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
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A. Committee for a Healing Repatriation, 604 East Armory Avenue, Champaign, Ill. 61820.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Eli Lilly & Co., PO Box 618, Indianapolis, Ind. 46206.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.

A. Barry M. Cullen.
B. International Paper Co., 1620 I Street NW., Washington, D.C. 20006.

A. Cummins Engine Co., Inc., 1000 Fifth Street, Columbus, Ind. 47201.

A. Dumitru G. Danielopol, 2401 Calvert Street NW., Washington, D.C. 20008.
B. Government of Chile, 1736 Massachusetts Avenue NW., Washington, D.C.

A. David S. Danielson, 1730 M Street NW., Suite 206, Washington, D.C. 20036.
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B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.

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A. Evans, Petree, Cobb & Edwards, 900 Memphis Bank Building, Memphis, Tenn. 38103.
B. Tennessee Farm Bureau Federation Columbia, Tenn. 38401.

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B. Virginia Petroleum Industries, 1809 Staples Mill Road, Richmond, Va. 23230.

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A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Suite 1101, Washington, D.C. 20006.

B. First Mortgage Investors, 801 41st Street, Miami Beach, Fla. 33140.

A. Marx Leva, 815 Connecticut Avenue NW., Suite 1101, Washington, D.C. 20006.

B. First Mortgage Investors, 801 41st Street, Miami Beach, Fla. 33140.

A. John P. Mackey, 810 National Press Building, Washington, D.C. 20004.

B. The Ad Hoc Committee in Defense of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.

A. Michael Maggio, 3820 Morrison Street, Washington, D.C.

B. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Suite 1204, Washington, D.C. 20006.

A. Management Communications, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.

A. C. Travis Marshall, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Clarence E. Martin, 119 South College Street, Martinsburg, W. Va. 25401.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Clarence J. Martin, 6014 Fort Hunt Road, Alexandria, Va.

B. Association for the Advancement of Psychology, 1200 17th Street NW., Washington, D.C. 20036.

A. John H. Martin, P.O. Box 659, Eustis, Fla. 32726.

B. Aero Transway Enterprises, Inc., P.O. Box 163, Tallahassee, Fla. 32302.

A. F. Ronald Mastriana, 7620 Market Street, Youngstown, Ohio 44512.

B. Edward J. De Bartolo Corp., 7620 Market Street, Youngstown, Ohio 44512.

A. Anthony F. Mauriello, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.

B. New York State Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.

B. Santee River Cypress Lumber Co. & Beidler Owners, Suite 1354, 222 West Adams Street, Chicago, Ill. 60606.

A. J. R. McAlpin, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. Ann McBride, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. D. McCurrach, 1500 Wilson Boulevard, No. 609, Arlington, Va. 22209.

B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Lawrence Monaco, 1600 I Street NW., Washington, D.C. 20006.

B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. Michael Monroney, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.

A. George L. Mortimer, P.O. Box 163, Tallahassee, Fla. 32302.

B. Aero Transway Enterprises, Inc., P.O. Box 163, Tallahassee, Fla. 32302.

A. Jerome E. Murphy, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 842, Washington, D.C. 20036.

B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 842, Washington, D.C. 20036.

B. United Service Organization, 237 East 52d Street, New York, N.Y. 10022.

A. National AeroSpace Services Association, 1501 Wilson Boulevard, Arlington, Va. 22209.

A. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Suite 1204, Washington, D.C. 20006.

A. National Hairdressers and Cosmetologists Association, 3510 Olive Street, St. Louis, Mo. 63103.

A. National Solid Wastes Management Association, 1730 Rhode Island Avenue NW., Suite 800, Washington, D.C. 20036.

A. National Water Resources Association, 897 National Press Building, Washington, D.C. 20045.

A. Nationwide Insurance Cos. & Affiliates, 246 North High Street, Columbus, Ohio 43216.

A. Robert R. Nelson, 900 15th Street NW., Washington, D.C. 20005.

B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

A. H. W. Newman, 1330 New Hampshire Avenue, Washington, D.C.

B. United States Coast Guard Chief Petty Officers Association, 1001 Third Street SW., Suite 813, Washington, D.C.

A. New York State Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. American Public Transit Association, 1100 17th Street NW., Suite 1200, Washington, D.C. 20036.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Hospital Financing Study Group, New York, N.Y.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Minneapolis City Council, 307 City Hall, Minneapolis, Minn. 55415.

A. T. J. Oden, Suite 900, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Independent Gasoline Marketers Council, Suite 900, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Herschell E. Parent, 301 Commercial National Bank Building, Little Rock, Ark.

B. Arkansas Petroleum Council, 301 Commercial National Bank Building, Little Rock, Ark. 72201.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

A. Andrew R. Paul, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Jack Pearce, Suite 808, 910 17th Street N.W., Washington, D.C. 20006.

B. Milk Industry Foundation, 910 17th Street NW., Washington, D.C.

A. Amos A. Plante, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Exxon Co., USA, P.O. Box 2180, Houston, Tex.

A. Ronald L. Plesser, 1712 N Street NW., Washington, D.C. 20036.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Pohoryles, Goldberg, Repetti & Harris, 1150 17th Street NW., Washington, D.C.

B. St. Mary of Nazareth Hospital Center, 1120 North Leavitt Street, Chicago, Ill. 60622.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert S. Reese, Jr., 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc.

A. John Arthur Reynolds, P.O. Box 512, Fresno, Calif. 93709.

B. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.

A. William F. Ross, 716 Palmetto State Life Building, Columbia, S.C. 29201.

B. South Carolina Petroleum Council, 716 Palmetto State Life Building, Columbia, S.C. 29201.

A. John W. Rowland, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Stanley J. Sawicki.

B. Stanley Sawicki & Son Inc., 1521 West Lafayette Boulevard, Detroit, Mich.

A. Carol A. Seeger.

B. National Cable Television Association, 918 16th Street NW., Washington, D.C.

A. Peter J. Semper Jr., 13915 Panay Way, Marina del Rey, Calif. 90291.

B. Council for Responsible Nutrition.

A. Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.

B. Association for the Improvement of the Mississippi River, c/o T. P. Walsh, 10 Broadway, St. Louis, Mo. 63102.

A. Mark S. Sigurski, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Arkansas Best Corp., 1000 South 21st Street, Fort Smith, Ark. 72901.

A. James A. Skinner, Jr., 1136 Second Avenue North, Nashville, Tenn. 37208.

B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Smith and Hewes, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. Bart B. Chamberlain, Jr., 717 First Federal Tower, Mobile, Ala. 36616.

A. Robert B. Smith, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William H. Smith, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. South Carolina Petroleum Council, 716 Palmetto State Life Building, Columbia, S.C. 29201.

A. Ronald R. Tullos, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. John G. Turner, Jr., Suite 1204, 1700 K Street, NW., Washington, D.C. 20006.

B. Standard Oil Co., of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

A. Joseph D. Tydings, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. J. Joseph Vacca, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

A. Virginia Petroleum Industries, 1809 Staples Mill Road, Richmond, Va. 23230.

A. Charlotte Voorde, 133 Duddington Place, SE., Washington, D.C. 20003.

B. Association for the Advancement of Psychology, 1200 17th Street NW., Washington, D.C. 20036.

A. Thomas C. Walker, Browning-Ferris Industries, Inc., P.O. Box 3151, Houston, Tex. 77001.

A. Johnnie M. Walters, 1730 Pennsylvania Avenue NW., Suite 1060, Washington, D.C. 20006.

B. Vepco, Seventh and Franklin Streets, Richmond, Va.

A. R. J. Watson, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Rockwell International Corp.

A. Theodore F. Weihe, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

A. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif., 93709.

A. John L. Zorack, 1800 K Street NW., Washington, D.C. 20006.

B. Pan American World Airways, 1800 K Street NW., Washington, D.C. 20006.

QUARTERLY REPORTS*

***All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.**

The following quarterly reports were submitted for the third calendar quarter of 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ◄

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◄

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e.g., salary, fee, etc.)

6. $--------TOTAL for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year

8. $--------TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $--------TOTAL now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during this Quarter

12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ------------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures

9. $--------TOTAL for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year

11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PAGE 2

A. Albert E. Abrahams, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,870.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $300.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $11,514.13. E. (9) $11,514.13.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,800. E. (9) $3,008.26.

A. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $803.62. E. (9) $749.

A. Aircraft Owners & Pilots Association, P.O. Box 5800, Washington, D.C. 20014.
E. (9) $563.85.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $1,350. E. (9) $320.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $13,741.27. E. (9) $13,741.37.

A. Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.

A. Alderson, Catherwood, Ondox & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.
D. (6) $1,065. E. (9) $39.06.

A. Willis W. Alexander, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,500.

A. Roger D. Allan, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John Allen.
B. Union Oil Co., of California, 461 South Boylston Street, Los Angeles, Calif. 90054.
E. (9) $80.

A. Nicholas E. Allen, 444 Shoreham Building, Washington, D.C. 20005.
B. Music Operators of America, Inc., 228 North La Salle Street, Chicago, Ill. 60601.
D. (6) $300. E. (9) $227.57.

A. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $8,393.51. E. (9) $8,393.51.
B. National Organization for Women, Inc.,

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa. 17022.
D. (6) $440.68. E. (9) 5.23.

A. American Automobile Association, 811 Gatehouse Road, Falls Church, Va. 22042.
E. (9) $120.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $24,313.12. E. (9) $24,313.12.

A. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $2,628.59. E. (9) $2,628.59.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $3,847.37. E. (9) $3,847.37.

A. American Family Corp., 1432 Wynnton Road, Columbus, Ga. 31902.
D. (6) $1,825. E. (9) $31.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068; Washington Offices: 425 13th Street NW., Washington, D.C. 20004.
D. (6) $49,538. E. (9) $49,538.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $76,609.77.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $300. E. (9) $300.

A. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $37,509.15. E. (9) $309.44.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $2,776.35. E. (9) $3,307.20.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $36,537.38. E. (9) $36,537.38.

A. American Israel Public Affairs Committee, 1341 G Street NW., Suite 908, Washington, D.C. 20005.
D. (6) $64,804.32. E. (9) $35,041.78.

A. American Land Title Association, Suite 303, 1828 L Street NW., Washington, D.C. 20036.
E. (9) $634.23.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
D. (6) $1,104. E. (9) $30.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
E. (9) $28,061.77.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $4,545.

A. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
E. (9) $2,999.06.

A. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $6,493.16. E. (9) $6,493.16.

A. American Optometric Association, c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $3,084.40. E. (9) $3,084.40.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $492.15.

A. American Parents Committee, Inc. 52 Vanderbilt Avenue, New York, N.Y. 10017.
D. (6) $12,173.96. E. (9) $21,481.98.

A. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $29,173. E. (9) $51,721.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $7,847.58. E.(9) $7,847.58.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
E. (9) $12,804.28.

A. American Postal Workers Union AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $1,577,782.46. E. (9) $81,874.80.

A. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. American Short Line Railroad, Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $649.86. E. (9) $649.86.

A. The American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $883.10. E. (9) $4,249.67.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers & Forwarders Association of America, Inc., One World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $375. E. (9) $193.41.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $2.40.

A. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $21,777.23. E. (9) $21,777.23.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $42,649.65.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.

A. Morris J. Amitay, 1341 G Street NW., Suite 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $3,333.32.

A. Anthony L. Anderson, Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $4,000. E. (9) $1,320.

A. J. Lem Anderson, 400 First Street NW., Washington, D.C. 20001.
B. Time Inc., Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,750. E. (9) $509.05.

A. Scott P. Anger, 1725 K Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.

A. Andrea N. Anglin, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $550.

A. J. Donald Annett, 1001 Connecticut Avenue NW., Suite 510, Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $100.

A. Clarence A. Arata.
B. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $16,250.

A. John C. Archer, 1515 Wilson Boulevard, Arlington, Va., 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,100. E. (9) $300.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. Government of the Virgin Islands of the United States, c/o Verne A. Hodge, P.O. Box 280, St. Thomas, V.I. 00801.
D. (6) $1,500.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Association of Recording Merchandisers, Inc., 1060 Kings Highway North, Suite 200, Cherry Hill, N.J. 08034.
D. (6) $50.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $1,035. E. (9) $15.50.

A. Arkansas Petroleum Council, 301 Commercial National Bank Building, Little Rock, Ark. 72201.

A. Fred Armstrong, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Howard Arnett, 918 16th Street NW., Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $918. E. (9) $673.12.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Family Corp., 1902 Wynnton Road, Columbus, Ga. 31906.
D. (6) $1,825. E. (9) $31.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $5,000.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Electronic Data Systems Corp., 7171 Forest Lane, Dallas, Tex. 75230.
E. (9) $28.73.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Realty Committee, 230 Park Avenue, New York, N.Y. 10017.
D. (6) $625. E. (9) $55.31.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $874.80. E. (9) $40.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Fairchild Camera & Instrument Corp., 464 Ellis Street, Mountain View, Calif. 94040.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Puerto Rican Government, Economic Development Administration, G.P.O. Box 2350, San Juan, Puerto Rico 00936.

A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Judith A. Assmus, 1763 R Street NW., Washington, D.C. 20009.
B. Washington Research Project Action Council, 1763 R Street NW., Washington, D.C. 20009.
D. (6) $346.15.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex.
E. (9) $31.30.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Association of American Railroads, American Railroads Building, Room 211, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $6,133.69. E. (9) $6,133.69.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y.
E. (9) $500.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
E. (9) $26.68.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $480.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $900. E. (9) $250.

A. Robert L. Augenblick, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $50. E. (9) $31.

A. Richard W. Averill, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, in care of Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (5) $800. E. (9) $301.

A. Donald L. Badders, 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW Credit Data, 100 Oceangate, Suite 800, Long Beach, Calif. 90802.
D. (6) $721. E. (9) $236.16.

A. Baer & Marks, 70 Pine Street, New York, N.Y. 10005.
B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y. 10004.

A. John C. Bagwell, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

A. James F. Bailey, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $6,500. E. (9) $453.50.

A. Grace C. Baisinger, 2870 Arizona Terrace NW., Washington, D.C. 20016.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $375.57.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Thomas F. Baker, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.
D. (6) $66.72.

A. Donald Baldwin, Donald Baldwin Associates, 906/1625 I Street NW., Washington, D.C. 20006.
B. American Electric Power Co., 2 Broadway, New York, N.Y. 10004.
D. (6) $4,500. E. (9) $218.33.

A. Robert D. Bannister, 925 15th Street NW., Washintgon, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,687.50.

A. Jo Ann S. Barefoot, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $937.50.

A. Thomas H. Barksdale, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $9,075. E. (9) $616.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036
B. Clearly, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Richard L. Barr, 620 Capital City Bank Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.
E. (9) $313.24.

A. Robert W. Barrie, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $290.

A. Fraser Barron, 1054 Potomac Street NW., Washington, D.C. 20007.
B. Havasupai Tribal Council, Supai, Ariz. 86435.
D. (6) $3,884.42. E. (9) $296.02.

A. David S. Barrows, 214 Century Building, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. T. Michael Barry, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $199.38.

A. Weldon Barton.
B. The Farmers' Educational and Co-Operative Union of America, 1012 14th Street NW., Washington, D.C.
D. (6) $4,246.18. E. (9) $59.49.

A. William M. Bates, Bell & Stanton, Inc., 2016 Peachtree Center Building, Atlanta Ga. 30303.

B. Georgia Farm Bureau Federation.

D. (6) $4,500. E. (9) $868.06.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.

B. Independent Gasoline Marketers Council, 1523 L Street NW., Washington, D.C. 20005.

D. (6) $2,500.

A. Batzell & Nunn, 1523 L Street NW.,

B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.

D. (6) $500.

A. Gary Lee Bauer, 1730 K Street NW., Suite 905, Washington, D.C. 20006.

B. Direct Mail/Marketing Association.

D. (6) $10,000. E. (9) $3,300.

A. Merle D. Baumgart, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C., 20036.

D. (6) $600. E. (9) $35.

A. Bruce A. Beam, 40 Franklin Road SW., Roanoke, Va. 24009.

B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24009.

D. (6) $3,965.82. E. (9) $3,965.82.

A. Donald S. Beattie, 400 First Street, NW., Washington, D.C. 20001.

B. Congress of Railway Unions, 400 First Street NW., Washington, D.C.

E. (9) $1,609.70.

A. John H. Beidler, 1125 15th Street NW., No. 600, Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace and Agriculture Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $8,578.13. E. (9) $484.70.

A. Page Belcher, 1701 Pennsylvania Avenue NW., Suite 404, Washington, D.C. 20006.

A. Thomas S. Belford, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,312.50. E. (9) $329.27.

A. Kenneth E. BeLieu, 1725 De Sales Street NW., Washington, D.C. 20036.

B. Gas Supply Committee.

D. (6) $916.66. E. (9) $495.06.

A. Bruce Benefield, 2030 M Street NW., Washington, D.C. 20036.

B. TRW Inc., 2030 M Street NW., Suite 800, Washington, D.C. 20036.

D. (6) $300.

A. Kathleen M. Bennett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. E. M. Benson, Jr., 515 South Flower Street, Los Angeles, Calif. 90071.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $900.

A. Berry & Gipson, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Atlanta Corp., 17 Varick Street, New York, N.Y. 10013.

A. Berry & Gipson, 1700 Pennsylavnia Avenue NW., Washington, D.C. 20006.

B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. R. Berry & Gipson, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. OEHEG—Sudtiroler Platz 8, A–6020 Insbruk, Austria; OEMOLK, P.O. Box 176 A–1013, Vienna, Austria.

A. Max N. Berry, Berry & Gipson, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, NY.

A. Robert L. Bevan, 1120 Connecticut Avenue NW., 7th Floor, Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $700. E. (9) $25.

A. William C. Bickel, Suite 700, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Gulf Oil Co., P.O. Box 2100, Houston, Tex. 77001.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $9,534. E. (9) $195.15.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Billig, Sher & Jones, 1126 16th Street NW., Washington, D.C. 20036.

B. Steamship Conferences.

D. (6) $675.

A. Tracy Bird, Suite 302, 1725 K Street NW., Washington, D.C. 20006.

B. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $275

A. Lydia Bitter, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.

B. U.S. Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.

D. (6) $300. E. (9) $300.

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $1,500. E. (9) $133.44.

A. Jerald Blizin, 1425 K Street NW., Washington, D.C. 20005.

B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Blumberg, Singer, Ross, Gottesman & Gordon, 245 Park Avenue, New York, N.Y. 10017.

B. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

D. (6) $6,000.

A. Tersh Boasberg, 1225 19th Street NW., Suite 602, Washington, D.C. 20036.

B. Preservation Action, 1225 19th Street NW., Washington, D.C. 20036.

E. (9) $164.57.

A. Becky Bogard, 2600 Virginia Avenue NW., Washington, D.C.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $360.

A. A. Dewey Bond, P.O. Box 3556, Washington, D.C. 20007.

B. American Meat Institute, P.O. Box 3556, Washington, D.C., 20007.

D. (6) $500. E. (9) $16.

A. T. J. Boone, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

D. (6) $750. E. (9) $200.

A. Mark Borinsky, 1910 K Street NW., Washington, D.C. 20006.

B. National Council To Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Charles E. Bosley, 100 Maryland Avenue NE., Washington, D.C.

B. Council for a Livable World.

D. (6) $5,400.

A. G. Stewart Boswell, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.

B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.

D. (6) $2,225. E. (9) $222.03.

A. Albert D. Bourland, 1660 L Street NW., Suite 804, Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

D. (6) $3,000. E. (9) $1,828.

A. Kenneth J. Bousquet, 2021 K Street NW., Suite 709, Washington, D.C. 20006.

B. General Atomic Co., San Diego, Calif.

D. (6) $1,600. E. (9) $400.

A. J. Wiley Bowers, 415 Pioneer Building, Chattanooga, Tenn. 37402.

B. Tennessee Valley Public Power Association, 415 Pioneer Building, Chattanooga, Tenn. 37402.

A. Alan Caldwell, 1825 K Street NW., Washington, D.C. 20006.

B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif. 94119.

D. (6) $666.66. E. (9) $34.

A. Edward L. Bowley, 817 14th Street NW., Washington, D.C.

B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.

D. (6) $8,988.70. E. (9) $1,117.

A. Boyden & Kennedy, 1000 Kennecott Building, Salt Lake City, Utah 84133.

B. Hopi Indian Tribe, Oraibi, Ariz.

D. (6) $27,010. E. (9) $4,174.

A. Melvin J. Boyle, 1125 15th Street, NW., Washington, D.C. 20005.

B. International Brotherhood of Electrical Workers, AFL–CIO–CLC, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $6,333.

A. Frank W. Bradley, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C.

E. (9) $75.

A. George E. Bradley, 1341 G Street NW., Washington, D.C. 20005.

B. Organization of Professional Employees of USDA (OPEDA), 1341 G Street NW., Washington, D.C.

D. (6) $1,260. E. (9) $25.

A. Wayne W. Bradley, 535 North Dearborn Street, Chicago, Ill. 60610.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610,

D. (6) $417. E. (9) $244.

A. Charles N. Brady, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

E. (9) $120.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $421. E. (9) $75.37.

A. Robert M. Brandon, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $425.

A. Parke C. Brinkley, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association.

A. Wally Briscoe.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $135. E. (9) $16.50.

A. John Broadbent, 161 East 42d Street, New York, N.Y. 10017.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. David A. Brody, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 316 Lexington Avenue, New York, N.Y. 10016.
D. (6) $450.

A. Michael D. Bromberg, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
D. (6) $4,500.

A. David W. Broome, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $43.18.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.
D. (6) $800.

A. Michael F. Brown.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Travis Taylor Brown, 2525 49th Street NW., Washington, D.C.

A. Brown, Vlassis & Bain, 222 North Central Avenue, Phoenix, Ariz. 85004.
B. Navajo Tribe, Window Rock, Ariz. 86515.
D. (6) $4,550. E. (9) $2,609.20.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Council of Housing Producers, 9301 Wilshire Boulevard, Suite 312, Beverly Hills, Calif. 90210.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. International Franchise Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Massachusetts Bankers Association, Inc., 125 High Street, Boston Mass. 02110.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. PruLease, Inc., 1255 Boylston Street, Boston, Mass. 02215.

A. Marguerite E. Bryan, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL-CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $990. E. (9) $309.13.

A. George S. Buck, Jr., P.O. Box 12285, Memphis, Tenn 38112.
B. National Cotton Council of American, P.O. Box 12285, Memphis, Tenn.

A. Norman D. Burch, 1775 K Street NW., Washington, D.C. 20006.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.
D. (6) $3,375. E. (9) $184.44.

A. Thomas G. Burke, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $145.83. E. (9) $83.

A. Burley & Dark Leaf Tobacco Export Association, 1100 17th Street NW., Washington, D.C.
D. (6) $50,773.42. E. (9) $966.92.

A. Phillip C. Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $581.25. E. (9) $94.79.

A. George Burnham IV, 1625 K Street NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $351. E. (9) $455.

A. Charles S. Burns, 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 20022.
D. (6) $1,200. E. (9) $171.44.

A. Richard M. Bush, Suite 501, Barr Building, Washington, D.C. 20006.
B. Pacific Northwest Power Co.
D. (6) $450. E. (9) $435.

A. Business Executives Move for New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.
D. (6) $2,277.50. E. (9) $1,903.41.

A. James J. Butera, 1709 New York Avenue NW., Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,325. E. (9) $190.09.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
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A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y. 10005.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y., 10005.

A. Camp, Carmouche, Palmer, Carwile & Barsh, Pioneer Building, Lake Charles, La., 70601.
B. Louisiana Department of Conservation, State of Louisiana, P.O. Box 44275, Capitol Station, Baton Rouge, La. 70804.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $340.91.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.
E. (9) $280.

A. Charles O. Campbell, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
E. (9) $120.

A. Sharyn G. Campbell, 1620 I Street NW., Suite 603, Washington, D.C. 20006.
B. National BankAmericard, Inc., 555 California Street NW., San Francisco, Calif. 94126.
D. (6) $2,500. E. (9) $3,295.63.

A. W. Dean Cannon, Jr., 1444 Wentworth Avenue, P.O. Box R, Pasadena, Calif. 91109.
B. California Savings and Loan League, 1444 Wentworth Avenue, P.O. Box R, Pasadena, Calif. 91109.
D. (6) $1,500. E. (9) $274.16.

A. David L. Cantor, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $650. E. (9) $63.08.

A. Marvin Caplan.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,715. E. (9) $129.25.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Connecticut General Life Insurance Co., et al.
D. (6) $1,800. E. (9) $30.

A. Caplin & Drysdale, 1101 17th Street, NW., Suite 1100, Washington, D.C. 20036.
B. Council on Foundations, Inc., 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $1,525.

A. Cardon Sanders & Ferrell, 1776 F Street NW., Washington, D.C. 20006.
B. CIT Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Norval E. Carey, 2021 K Street NW., Washington, D.C. 20006.

B. General Atomic, San Diego, Calif.
D. (6) $1,000. E. (9) $375.

A. Philip Carlip, Seafarers International Union, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
B. Seafarers International Union, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
D. (6) $2,500. E. (9) $1,676.27.

A. Elizabeth Carpenter, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowles, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $200. E. (9) $5.

A. L. C. Carpenter, 201 South Seventh Street, Columbia, Mo. 65201.
B. Midcontinent Farmers Association.
D. (6) $5,299.32. E. (9) $456.66.

A. Henry A. Carrington, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.

A. Charles T. Carroll, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. John R. Carson, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $6,250.

A. David C. Carter, 1156 15th Street NW., Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. John L. Casey, 127 East 59th Street, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.
B. South African Sugar Association, P.O. Box 507, Durban, South Africa.
D. (6) $30,000. E. (9) $2,360.18.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $121.05.

A. Rita L. Castle, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.
B. The Organization of Plastics Processors.
D. (6) $4,307.

A. Frank R. Cawley, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Agricultural Publishers Association, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
D. (6) $50. E. (9) $79.67.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va., 23219.
D. (6) $100. E. (9) $89.88.

A. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $5,077.50. E. (9) $20,905.63.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street, NW., Washington, D.C. 20008.
B. Cordage Institute, 2300 Calvert Street NW., Washington, D.C. 20008.
D. (6) $1,125.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street, NW., Washington, D.C. 20008.
B. Satra Corp., 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $1,500.

A. Justice M. Chambers, 2300 Calvert Street, NW., Washington, D.C. 20008.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.
D. (6) $7,500. E. (9) $575.64.

A. James W. Chapman.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $3,146.

A. William C. Chapman, 1660 L Street, NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich., 48202.
D. (6) $3,000. E. (9) $2,723.57.

A. Nancy H. Chasen, 133 C Street, SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street, SE., Washington, D.C. 20003.
D. (6) $500.

A. Leslie Cheek III, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $123,718.11 E. (9) $12.15.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee.
D. (6) $1,725. E. (9) $66.35.

A. Kimball Clark, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $125.94. E. (9) $173.54.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250. E. (9) $582.94.

A. Robert M. Clark, 1100 Connecticut Avenue NW., Suite 1020, Washington, D.C. 20036.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $2,000. E. (9) $300.

A. Joan Claybrook, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,200.

A. Clay Pipe Industry Depletion Committee, Post Office Box 6, Pittsburgh, Kans. 66762.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $67.42.

A. Clayton Brokerage Co. of St. Louis, Inc., 7701 Forsyth Boulevard, St. Louis, Mo. 63105.
E. (9) $900.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Interbank Card Association, Suite 3600, 110 East 59th Street, New York, N.Y. 10022.
D. (6) $68.90.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natomas Co., 601 California Street, San Francisco, Calif 94108.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Oil Shale Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10533.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. American Brands, Inc., 245 Park Avenue, New York, N.Y. 10017.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Brown & Williamson Tobacco Corp., Louisville, Ky. 40201.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Liggett & Myers, Inc., 4100 Roxboro Road, Durham, N.C. 27702.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Lorillard, Division of Loews Theatres, Inc., 200 East 42d Street, New York, N.Y. 10017.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Philip Morris, Inc., 100 Park Avenue, New York, N.Y. 10017.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. R. J. Reynolds Industries, Inc., Winston-Salem, N.C. 27102.
E. (9) $82.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Ronald D. Clements, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
E. (9) $90.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.
D. (6) $1,575. E. (9) $315.

A. Clifford, Warnke, Glass, McIwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Bessemer & Lake Erie Railroad Co., 600 Grant Street, P.O. Box 536, Pittsburgh, Pa. 15230.
E. (9) $35.

A. Clifford, Warnke, Glass, McIwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Railroad Passenger Corp. (AMTRAK), 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
D. (6) $510. E. (9) $111.

A. Clifford, Warnke, Glass, McIwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. New York Cocoa Exchange, Inc. and New York Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y.; New York Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.; Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.
D. (6) $8,000. E. (9) $1,630.78.

A. Clifford, Warnke, Glass, McIwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Madison Avenue and St. Clair Street (Box 1035), Toledo, Ohio 43061.
D. (6) $1,000. E. (9) $200.

A. Larry D. Cline, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $19.25.

A. Grover B. Cobb, 1200 Travis, Houston, Tex. 77002.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Grover C. Cobb, 1771 N. Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $400.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
E. (9) $440.

A. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
E. (9) $1,324.43.

A. Jeffery Cohelan, 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $999.99.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,125. E. (9) $1,112.03.

A. Timothy A. Colcord, 1620 I Street NW., No. 603, Washington, D.C. 20006.
B. National BankAmericard, Inc., 555 California Street, San Francisco, Calif. 94126.
D. (6) $6,875. E. (9) $7,592.89.

A. Eleanor Cole, UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.
B. UBA, Inc.
D. (6) $1,000. E. (9) $1,000.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250. E. (9) $239.35.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $1,347.32.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. The Chase Manhattan Bank, One Chase Manhattan Plaza, New York, N.Y. 10015.
E. (9) $361.07.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. Claude Charles, 37 Severn Road, The Peak, Hong Kong.
E. (9) $10.32.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $399. E. (9) $39.39.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. H. H. Robertson Co., Two Gateway Center, Pittsburgh, Pa.
D. (6) $1,229. E. (9) $67.75.

A. William Cole.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90054.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee of American Tanker Owners, Inc., One Chase Manhattan Plaza, New York, N.Y. 10005.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. National Ethical Pharmaceutical Association, P.O. Box 13547, St. Petersburg, Fla. 33733.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. American Cylinder Manufacturers Committee, 1666 K Street NW., Washington, D.C. 20006.
D. (6) $25.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209
D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. American Footwear Industries, Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $500. E. (9) $475.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. Bicycle Manufacturers Association of America, Inc., 122 East 42d Street, New York 10007.
D. (6). $500. E. (9) $100.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. Department of Information, Private Bag X152, Pretoria, 0001, Republic of South Africa.
D. (6) $17,937.50 E. (9) $25,095.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. National Broiler Council, 1155 Fifteenth Street NW., Washington, D.C. 20005.
D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. Tool & Stainless Steel Industry Committee, 1666 K Street NW., Washington, D.C. 20006.
D. (6) $1,250. E. (9) $525.

A. Robert B. Collyer, UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.
B. UBA, Inc.
D. (6) $1,000. E. (9) $1,000.

A. Colorado Railroad Association, 702 Majestic Bldg., Denver, Colo., 80202.
D. (6) $600. E. (9) $1,600.

A. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.
D. (6) $31,475. E. (9) $8,074.62.

A. Committee of Copyright Owners (CCO), c/o Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
D. (6) $5,490.44. E. (9) $5,490.44.

A. Committee on Strikes in Transportation, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,479,227.63. E. (9) $388,102.02.

A. Harold B. Confer, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,014.

A. Congress of Railway Unions, 400 First Street NW., Washington, D.C. 20001.
D. (6) $8,539.39. E. (9) $8,538.99.

A. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $4,462.21. E. (9) $4,462.21.

A. Raymond F. Conkling, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $120. E. (9) $41.30.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $1,449.44. E. (9) $1,449.44.

A. Jerry C. Connors, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
E. (9) $120.

A. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

A. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y.
D. (6) $164.25. E. (9) $15.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill. 60611.
B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $2,600.

A. Jack T. Conway, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,812.50. E. (9) $577.61.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.
B. M. & I. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Howard Lee Cook, Jr., 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $914.

A. James A. Cook, 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.
B. Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.
E. (9) $650.

A. Eileen D. Cooke, 110 Maryland Avenue NE., Suite 101, Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $660.30.

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Committee, Inc., P.O. Box 1123, Portsmouth, N.H. 03801.
D. (6) $1,850. E. (9) $1,207.42.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada
D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $10,000. E. (9) $67.05.

A. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $855.

A. Darrell Coover, 1625 I Street NW., No. 812, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018
D. (6) $2,000. E. (9) $208.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D.(6) $975. E. (9) $87.50.

A. Richard L. Corrigan, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $634.88.

A. Allan D. Cors, 1800 K Street NW., Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.
B. Penthouse International Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $7,500. E. (9) $5,529.57.

A. Eugene E. Cortright, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Company, 1660 L Street NW., Washington, D.C. 20036.

A. David Cosson, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
D. (6) $125.

A. Bertram Robert Cottine, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $56.67.

A. Robert M. Coultas, 1100 17th Street NW., Washington, D.C. 20036.
B. Institute for Rapid Transit, 1100 17th Street NW., Washington, D.C. 20036.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C.
D. (6) $6,987.62. E. (9) $6,987.62.

A. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue, NW., Washington, D. C. 20036.
D. (6) $5,000. E. (9) $5,653.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $432. E. (9) $294.80.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Adhesive & Sealant Council, 1410 Higgins Road, Park Ridge, Ill. 60068.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Corn Millers Federation, 1030 15th Street NW., Washington, D.C. 20036.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Association of Bituminous Contractors, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Classroom Periodical Publishers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Industrial Diamond Association of America, 59 East Main Street, Moorestown, N.J. 08057.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Kohler Co., Kohler, Wis. 53004.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Linen Supply Association of America, 917 Arthur Godfrey Road, Miami Beach, Fla. 33140.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Printing Ink Manufacturers, 101 Executive Building, Elmsford, N.Y. 10523.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Erectors Association, 1800 North Kent Street, Arlington, Va.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Glass Dealers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Optical Manufacturers Association, 1730 North Lynn Street, Arlington, Va. 22209.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue, NW., Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Society of Oral Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Business Men's Assurance Company of America, BMA Tower One Penn Valley Park, Kansas City, Md. 64141.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $432.90. E. (9) $294.80.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Eli Lilly and Co., P.O. Box 618, Indianapolis, Ind. 46206.
E. (9) $15.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $9.17.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Irving Trust Co., One Wall Street, New York, N.Y. 10015.
E. (9) $10.46.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. MGIC Investment Corp., 600 Marine Plaza, Milwaukee, Wis. 43201.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Committee for Limited Profit Housing, c/o HRH Construction Corp., 515 Madison Avenue, New York, N.Y. 10022.
E. (9) $54.04.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Perdue Incorporated, P.O. Box 1537, Salisbury, Md. 21801.
E. (9) $190.33.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.
E. (9) $11.10.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Association of Research Libraries, 1527 New Hampshire Avenue, NW., Washington, D.C. 20036.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.
D. (6) $1,365.50. E. (9) $19.70.

A. Robert W. Crawford, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20005.

A. P. H. Croft.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $832.50. E. (9) $960.21.

A. H. C. Crotty, Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich. 48203.

A. Jack A. Crowder, Suite 1001, 1150 17th Street NW., Washington, D.C.
B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $1,500. E. (9) $67.47.

A. James M. Cubie, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $250.

A. Barry M. Cullen
B. International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.
D. (6) $420. E. (9) $55.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $328. E. (9) $2,270.

A. Frank Cummings, Gall, Lane & Powell, 1250 Connecticut Avenue NW., Wasihngton, D.C. 20036.
B. Institute of Electrical & Electronics Engineers, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $3,500.

A. John T. Curran, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $9,240. E. (9) $3,933.64.

A. Cystic Fibrosis Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.
E. (9) $3,308.70.

A. John Jay Daly, Direct Mail/Marketing Association, 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association.
D. (6) $10,000. E. (9) $3,300.

A. Thomas A. Daly, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.

A. Frank C. Daniel, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $8,750.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $405. E. (9) $3,930.

A. Stephen I. Danzansky, Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $12.05.

A. Richard C. Darling, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $480. E. (9) $234.55.

A. Philip J. Daugherty, Industrial Union Department, AFL–CIO.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,624. E. (9) $110.52.

A. John B. Davenport, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $118.

A. North Dakota Railway Lines, P. M. Davison, Jr., 418 East Rosser Avenue, PO. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines, et al.
E. (9) $629.15.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Bankers Life and Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.
E. (9) $56.62.

A. Charles W. Davis, One First National Plaza—No. 5200, Chicago, Ill. 60603.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

A. Charles W. Davis, One First National Plaza—No. 5200, Chicago, Ill. 60603.
B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.
E. (9) $25.

A. Charles W. Davis, One First National Plaza—No. 5200, Chicago, Ill. 60603.
B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.
D. (6) $1,300. E. (9) $512.01.

A. Charles W. Davis, One First National Plaza—No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,300.

A. Charles W. Davis, One First National Plaza—No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.
E. (9) $25.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $54.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
E. (9) $25.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. United Insurance Co., One East Wacker Drive, Chicago, Ill. 60601.
D. (6) $150. E. (9) $56.62.

A. Claire Davis, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $150.

A. David R. Davis, 714 Harrison Building, Indianapolis, Ind. 46204.
B. Indiana Petroleum Council, 714 Harrison Building, Indianapolis, Ind. 46204.
D. (6) $70. E. (9) $17.50.

A. George R. Davis, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.
B. Amalgamated Transit Union, National Capital Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. Ovid R. Davis.
B. The Coca-Cola Co., P. O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $90. E. (9) $315.

A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, DC. 20006.

A. Charles W. Day, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $325. E. (9) $272.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. Tony T. Dechant.
B. The Farmers' Educational and Cooperative Union of America, 1012 14th Street NW., Washington, D.C.
D. (6) $4,000. E. (9) $171.11.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Recording Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.
D. (6) $945. E. (9) $154.47.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C., 20037.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
D. (6) $440. E. (9) $52.15.

A. John L. Delano, P.O. Box 1172. Helena, Mont. 59601.
B. Montana Railroad Association, P.O. Box 1172, Helena, Mont. 59601.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6.) $150.

A. George W. Della, III, 1115 Maryland National Bank Building, 10 Light Street, Baltimore, Md. 21202.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.
D. (6) $250.

A. Vincent A. Demo, 25 Broadway, New York, N.Y. 10004.
B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $7,500. E. (9) $2,225.

A. Ray Denison, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, Federation of Trades and Labor Unions, 815 16th Street NW., Washington, D.C.
D. (6) $9,083.60. E. (9) $408.59.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $625. E. (9) $200.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. American Society of Composers, Authors & Publishers, One Lincoln Plaza, New York, N.Y. 10023.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Emergency Committee for American Trade (ECAT), 1211 Connecticut Avenue NW., Washington, D.C. 20036.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, New York, N.Y. 10006.

A. R. Daniel Devlin, 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.

A. Ralph B. Dewey, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $2,342.60. E. (9) $1,080.91.

A. Dialog, 1156 15th Street NW., No. 900, Washington, D.C. 20005.
B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.
E. (9) $868.28.

A. Charles J. DiBona, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington D.C. 20006.

A. John M. Dickerman, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $6,029.28. E. (9) $232.05.

A. Annette Dickinson, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council for Responsible Nutrition.
D. (6) $3,750.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $101,107.87. E. (9) $101,107.87.

A. James F. Doherty, 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Masachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $4,812.48.

A. Robert C. Dolan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $540. E. (9) $327.90.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building.

A. Gary W. Donnelly, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $16.75.

A. James A. Dorsch, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $398. E. (9) $162.23.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Advance Schools, Inc., 5900 Northwest Highway, Chicago, Ill. 60631.

A. F. Raymond Downs, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45201.

A. Robert H. Doyle, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $4,031.25.

A. Andrew Drance, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $414. E. (9) 129.02.

A. Wilbur B. Dronen, 100 N.E. Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 N.E. Adams Street, Peoria, Ill. 61629.
D. (6) $750. E. (9) $653.35.

A. Franklin B. Dryden.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $120. E. (9) $120.

A. Evelyn Dubrow, Union-1710 Broadway, New York City 10019.
B. International Ladies' Garment Workers', Union, 1710 Broadway, New York City 10019.
D. (6) $4,654. E. (9) $2,612.83.

A. William DuChessi, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $1,850. E. (9) $100.

A. Donald A. Duffy, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $450. E. (9) $225.

A. M. L. DuMars, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $60.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Douglas G. Dunn, 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $1,500.

A. Bruce Dunton, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $2,160. E. $100.

A. J. D. Durand, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $480.

A. J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.
B. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.
E. (9) $88.75.

A. Roy W. Easley, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
D. (6) $24.18. E. (9) $2.50.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $650. E. (9) $1,100.

A. Robert E. Ebel, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corporation, 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $19.50.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
D. (6) $857.50.

A. Arthur B. Edgeworth, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $587.50.

A. E. Neel Edwards, 921 Washington Building, Washington, D.C. 20005.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.
D. (6) $2,500. E. (9) $310.99.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. John P. Edwards, 1030 15th Street NW., Suite 720, Washington, D.C. 20005.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $2,500. E. (9) $1,317.18.

A. Jonathan W. Edwards, 429-B New Jersey Avenue SE., Washington, D.C. 20003.
B. The Navajo Nation, Window Rock, Ariz. 86515.
D. (6) $6,250. E. (9) $3,225.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $750. E. (9) $60.12.

A. George H. Efthemes, P.O. Box 6549, Wheeling, W. Va. 26003.
E. (9) $10.

A. J. C. B. Ehringhaus, Jr., 1600 South Eads Street, Arlington, Va. 22202.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.

A. Harmon L. Elder, 2000 L Street NW., Suite 520, Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.
D. (6) $250. E. (9) $263.64.

A. Electronic Data Systems Corp., 7171 Forest Lane, Dallas, Tex. 75230.
E. (9) $28.73.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
E. (9) $353.63.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
D. (6) $1,681.01. E. (9) $1,351.44.

A. John C. Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $25,576.63. E. (9) $23,243.93.

A. Richard W. Emory, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $145.61.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
E. (9) $757.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $235.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.
B. Bob Hoffman, York Barbell Co., York, Pa. 17405.
D. (6) $1,800. E. (9) $287.16.

A. M. Dale Ensign, 1625 Eye Street NW., Washington, D.C. 20006.
B. Husky Oil Co., Box 380, Cody, Wyo. 82414.
E. (9) $40.

A. Grover W. Ensley, 200 Park Avenue, New York, N.Y. 10017.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $759.

A. Barry Ensminger, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street, Suite 708, Washington, D.C. 20036.

A. David C. Evans, Suite 404, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.
E. (9) $512.05.

A. Evans, Petree, Cobb and Edwards, 900 Memphis Bank Building, Memphis, Tenn. 38103.
B. Tennessee Farm Bureau Federation, Columbia, Tenn. 38401.
D. (6) $2,000. E. (9) $1,617.66.

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States.
D. (6) $3,364. E. (9) $15.

A. Robert R. Fahs, 1030 15th Street NW., Washington, D.C.
B. Cargill, Inc., 1200 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $2,500. E. (9) $23.

A. The Farmers' Educational and Co-Operative Union of America (National Farmers Union), P.O. Box 2251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $65,498.40. E. (9) $34,440.51.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $1,915.44. E. (9) $1,915.44.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
E. (9) $4,500.

A. Stuart F. Feldstein.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $127.50. E. (9) $50.

A. Carol Fielders, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $2,823.93. E. (9) $2,823.93.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.
B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver V6E 2HI, British Columbia, Canada.
D. (6) $8,907.94. E. (9) $400.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.
B. Joint Committee of Printing and Publishing Industries of Canada, 321 Bloor Street East, Toronto 5, Ontario, Canada.
D. (6) $1,340.32. E. (9) $130.

A. Francis S. Filbey, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $6,250.79.

A. Maurice W. Fillius, 5040 Lowell Street NW., Washington, D.C. 20016.
B. Bacardi Corporation, San Juan, Puerto Rico.

A. Luke Findlay, Jr., 306 North Cherry Street, Falls Church, Va. 22046.
B. Lawyers Cooperative Publishing Co., Rochester, N.Y. 14603.

A. James W. Finley, 1660 L Street NW., Suite 915, Washington, D.C. 20036.
B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.

A. Firearms Lobby of America, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $4,230.25. E. (9) $4,649.31.

A. Robert W. Fischer, 144 West Colfax, Denver, Colo. 80202.
B. Board of Water Commissioners (Denver Water Department), 144 West Colfax, Denver, Colo. 80202.
D. (6) $816.48. E. (9) $453.19.

A. William J. Flaherty, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $7,976.80. E. (9) $29.17.

A. James F. Fleming, 991 National Press Building, Washington, D.C.
B. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.
D. (6) $1,000.

A. Carl J. Fleps, The Greyhound Corp., 1629 K Street NW., Suite 300, Washington, D.C. 20006.
D. (6) $275. E. (9) $66.

A. John F. Fochtman, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $753.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cabot Corp. and Subsidiaries, 125 High Street, Boston, Mass. 02110.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.
D. (6) $2,895.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.
D. (6) $4,460. E. (9) $7.10.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Natomas Co., 601 California Street, San Francisco, Calif. 94108.
D. (6) $695. E. (9) $2.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., et al.

A. Gordon Forbes, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.
B. Minnesota Railroads Association.
D. (6) $500. E. (9) $498.84.

A. Tim C. Ford, Glass Container Manufacturers Institute, 1800 K Street NW., Washton, D.C.
B. Glass Container Manufacturers Institute, 1800 K Street NW., Washington, D.C.
E. (9) $913.91.

A. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga. 30329.

A. James W. Foristel, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,300. E. (9) $457.

A. David H. Foster.
B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $2,500. E. (9) $237.50.

A. Ebert E. Fournace, 301 Cleveland Avenue SW., Canton, Ohio 44702.
B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702; American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.
D. (6) $1,176. E. (9) $807.15.

A. John G. Fox, 2000 L Street NW., Washington, D.C. 20036.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.
D. (6) $98.82.

A. Joe H. Foy, 1200 Travis, Houston, Texas 77002.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $607.98. E. (9) $76.60.

A. James O. Freeman, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,375. E. (9) $22.

A. Mark H. Freeman, 910 17th Street NW., Suite 728, Washington, D.C. 20006.
B. League of New Community Developers, 910 17th Street NW., Suite 728, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $60.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $1,722.71.

A. Susan Fridy, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $750. E. (9) $28.70.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Hualapai Tribe of the Hualapai Reservation, Peach Springs, Ariz.
D. (6) $78.15. E. (9) $10.88.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Navajo Tribe, Window Rock, Ariz.
D. (6) $4,205. E. (9) $1,000.36.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Nez Perce Tribe, Lapwai, Idaho.
D. (6) $600. E. (9) $5.30.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak.
D. (6) $3,500. E. (9) $54.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Pueblo of Laguna, Box 194, Laguna, N. Mex.
D. (6) $838. E. (9) $16.14.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Salt River Pima-Maricopa Community, P.O. Box 120, Route 1, Scottsdale, Ariz.
D. (6) $187.50. E. (9) $2.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Seneca Nation of Indians, P.O. Box 231, Salamanca, N.Y. 14779.
D. (6) $2,800.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $100.

A. Gay H. Friedmann, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $1,000. E. (9) $223.72.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $87,285. E. (9) $12,676.

A. Frank W. Frisk, Jr., 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $550.

A. Charles H. Fritzel, 1625 I Street NW., No. 812, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,500. E. (9) $92.

A. Cornelius F. Froeb, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. David C. Fullarton, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
D. (6) $200.

A. Ronald K. Fuller, 101 Ash Street, P.O. Box 1831, San Diego, Calif. 92112.
B. San Diego Gas & Electric Co., 101 Ash Street, P.O. Box 1831, San Diego, Calif. 92112.
D. (6) $7,196.50. E. (9) $8,204.44.

A. James E. Gaffigan, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $225.02. E. (9) $32.23.

A. Mark J. Gallagher.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.
D. (6) $4,134.83. E. (9) $476.40.

A. Peter N. Gammelgard, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Nicole Gara, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $2,086.93.

A. William B. Gardiner, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $7,012.50.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,281.22. E. (9) $1,628.52.

A. Edward A. Garmatz, 2210 Lake Avenue, Baltimore, Md. 21213.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.
D. (6) $875. E. (9) $20.50.

A. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $870.

A. Gas Supply Committee, 1725 De Sales Street NW., Washington, D.C. 20036.
D. (6) $65,750. E. (9) $2,115.76.

A. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
E. (9) $857.50.

A. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.
E. (9) $50.

A. George W. Gephart, 1412 Gas & Electric Building, Baltimore, Md. 21203.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.
D. (6) $99.70. E. (9) $319.48.

A. Mary Condon Gereau, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
D. (6) $4,710.50. E. (9) $149.50.

A. Lesley Chapman Gerould, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $1,025. E. (9) $4,014.

A. Wayne Gibbens, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $900. E. (9) $411.62.

A. Joseph L. Gibson, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
D. (6) $42.50. E. (9) $150.

A. Arthur P. Gildea, 2347 Vine Street, Cincinnati, Ohio 45219.
B. National Conference of Brewery & Soft Drink Workers—International Brotherhood

of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Affiliate: 300 S. Ashland Boulevard, Chicago, Ill. 60607.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio 43215.

B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.

E. (9) $67.91.

A. Dave Givens, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.

B. Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.

E. (9) $275.24.

A. GM Washington Consultants, Inc., Public Relations Counsel, 905 16th Street NW., Suite 304, Washington, D.C. 20006.

B. William G. Simon, 2404 Wilshire Boulevard, Los Angeles, Calif. 90057.

A. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

E. (9) $62.50.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C. 20006.

B. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $312.50. E. (9) $62.50.

A. John Goldsum, P.O. Box 1148, Austin, Tex. 78767.

B. Texas Power & Light Co., Dallas, Tex.; et al.

E. (9) $54.70.

A. Don A. Goodall, 1625 I Street NW., Suite 614, Washington, D.C. 20006.

B. American Cyanamid Co., Wayne, N.J. 07470.

D. (6) $212.50. E. (9) $101.50.

A. Vance V. Goodfellow, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.

B. Crop Quality Council, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.

D. (6) $6,600.

A. Brenda J. Gore.

B. National Cable Television Association, 918 16th Street NW., Washington, D.C.

D. (6) $600. E. (9) $25.

A. Frederick D. Goss, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.

D. (6) $2,100.

A. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

B. Florists' Transworld Delivery Association, 900 West Lafayette Boulevard, Detroit, Mich. 48226.

A. David B. Graham, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $115.

A. Dan L. Grant, 230 Peachtree Street, Suite 1507, Atlanta, Ga. 30303.

B. American Petroleum Institute, 1801 K Street NW,. Washington, D.C. 20006.

D. (6) $50.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.

B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

D. (6) $1,403.80. E. (9) $25.00.

A. Robert K. Gray, 1425 K Street NW., Washington, D.C.

B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

D. (6) $400. E. (9) $108.15.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C. 20008.

B. Citizens Comittee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $70.50. E. (9) $92.55.

A. Samuel A. Grayson, 611 Idaho Building, Boise, Idaho 83702.

E. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68102.

E. (9) $867.85.

A. Dale Greenwood, 302 Hoge Building, Seattle, Wash. 98104.

B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.

A. C. O. Gregory, Jr., 151 North Carolina Avenue SE., Washington, D.C. 20003.

B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.

D. (6) $6,461.49.

A. Claiborne D. Gregory, 1809 Staples Mill Road, Richmond, Va. 23230.

B. Virginia Petroleum Industries, 1809 Staples Mill Road, Richmond, Va. 23230.

A. William G. Grief, 1155 15th Street NW., Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $500.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., 701, Washington, D.C. 20036.

D. (6) $8,254.30. E. (9) $8,254.30.

A. James J. Gudinas, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va.

E. (9) $120.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $725.01. E. (9) $111.38.

A. Samuel Gusman, 1025 Connecticut Avenue NW., Suite 202, Washington, D.C. 20036.

B. Rohm and Haas Co., Independence Mall West, Philadelphia, Pa. 19105.

D. (6) $500. E. (9) $100.

A. Paul R. Haerle, 2 Embarcadero Center, San Francisco, Calif. 94111.

B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.

E. (9) $235.92.

A. Howard R. Hague, Jr.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $2,714.40. E. (9) $11.10.

A. Matthew Hale, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW.

D. (6) $1,000. E. (9) $200.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill. 60602.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, Harker, Stanton & John Coffey, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Williams Companies, National Bank of Tulsa, Tulsa, Okla.

A. J. G. Hall, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $4,500. E. (9) $2,025.10.

A. Hamel Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. The Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. C.B. & T. Bancshares, Inc., 1148 Broadway, Columbus, Ga. 31901.

E. (9) $2.60.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. The Hardaway Co., 11th Street and Third Avenue, Columbus, Ga.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. International Nickel Co., 1 New York Plaza, New York, N.Y. 10004.

E. (9) $15.00.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. Standard Oil Co. (Indiana), 200 East Randolph Street, Chicago, Ill. 60601.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 2006.

B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. Patricia L. Hanahan, 1155 15th Street NW., Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $250.

A. James E. Hanson, Ron Ahern & Associates, 121 Second Street NE., Washington, D.C. 20002.

B. Puget Sound Tug & Barge Co., 1102 S.W. Massachusetts St., Seattle, Wash. 98134.

D. (6) $395.

A. Robert B. Harding, 1801 K Street NW., Washington, D.C. 20006.

B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.

D. (6) $350. E. (9) $110.50.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.

B. National Tool, Die and Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers.

D. (6) $2,500. E. (9) $539.66.

A. Bryce N. Harlow, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.

B. The Procter & Gamble Mfg. Co., 301 East Sixth Street, Cincinnati, Ohio 45201.

D. (6) $125. E. (9) $354.83.

A. C. Wayne Harmon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $700. E. (9) $300.

A. A. J. Harris II, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $467.46. E. (9) $42.73.

A. Herbert E. Harris II, 1030 15th Street NW., Suite 840, Washington, D.C. 20005.
B. Warner & Harris, Inc., 1030 15th Street NW., Suite 840, Washington, D.C. 20005.
D. (6) $1,800.

A. Stephanie Harris, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.

A. James W. Hart Jr., 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.
B. Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.

A. William C. Hart, 1625 I Street NW., Washington D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $3,185. E. (9) $4,893.50.

A. Rita M. Hartz, 1737 H Street NW., Washington, D.C. 20006.
B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.
D. (6) $7,520.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Sidney G. Hawkes, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Mead Corp., 118 West First Street, Dayton, Ohio 45402.
D. (6) $825. E. (9) $605.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

A. Robert T. Hayden, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,681.80. E. (9) $750.58.

A. Patrick J. Head, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
D. (6) $136.50. E. (9) $150.

A. Health Insurance Association of America, 1701 K. Street NW., Washington, D.C.
D. (6) $8,146.51. E. (9) $8,146.51.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $129.03. E. (9) $129.03.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $393.75. E. (9) $23.50.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y. 10017.
B. American Parents Committee, Inc., 52 Vanderbilt Avenue, New York, N.Y. 10017.

A. John F. Heilman, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $4,812.50.

A Spencer H. Heine, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
D. (6) $32.15. E. (9) $150.

A. Ross E. Heller, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

A. Phil D. Helmig, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $225. E. (9) $250.

A. Leslie P. Hemry, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $194.40. E. (9) $2.50.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y.
D. (6) $1,500. E. (9) $33.14.

A. George F. Hennrikus, Jr.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,392.

A. Maurice G. Herndon, 425 13th Street NW., Washington, D.C. 20004.
B. National Association of Insurance Agents, 85 John Street, New York, N.Y. 10038.
E. (9) $3,672.07.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.
B. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.
D. (6) $1,300. E. (9) $993.58.

A. Andrew I. Hickey, Jr., 1133 15th Street NW., Washington, D.C. 20005.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $9,586.60. E. (9) $1,281.38.

A. M. F. Hicklin, 620 Capital City Bank Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.
E. (9) $676.14.

A. J. Thomas Higginbotham, Pittsburgh, Pa. 15230.
B. Mellon Bank, N.A., and Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $402.86.

A. J. Eldred Hill, Jr., 720 Hotel Washington, Washington, D.C. 20004.
B. UBA, Inc.
D. (6) $2,000. E. (9) $2,000.

A. Richard Hinds, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Harry R. Hinton, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,250. E. (9) $1,083.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $510.

A. Claude E. Hobbs, 1801 K Street NW., Ninth Floor, Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $900. E. (9) $195.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.
B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.
D.(6) $3,149. E. (9) $124.25.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Constructors Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $8,713.19. E. (9) $102.23.

A. Dale Curtis Hogue, 1128 16th Street NW., Washington, D.C. 20036.
B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.
E. (9) $300.

A. Thomas W. Holland, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.

A. Henry W. Holling, 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $630. E. (9) $682.

A. Lee B. Holmes, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $4,438. E. (9) $14,765.

A. John W. Holton, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,750. E. (9) $69.50.

A. The Hormel Foundation, Austin, Minn. 55912.
E. (9) $1,104.06.

A. Houger, Garvey, Schubert & Barnes, 1019 19th Street NW., Suite 810, Washington, D.C. 20036.
B. States Steamship Co., 320 California Street, San Francisco, Calif. 94104.
D. (6) $50,000. E. (9) $8,181.88.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
E. (9) $1,185.

A. Thomas Howarth, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. U.S. Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $990. E. (9) $990.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Companies, Allstate Plaza, Northbrook, Ill. 60062.

A. Charles L. Huber, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $10,312.50. E. (9) $128.65.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. American National Financial Corp., 300 Delaware Avenue, Wilmington, Del. 19801.
E. (9) $1,935.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. Lomas & Nettleton Financial Corp., 2001 Bryan Tower, Dallas, Tex. 75222.
E. (9) $1,680.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. Zale Corp., 3000 Diamond Park Drive, Dallas, Tex. 75247.
E. (9) $1,680.

A. Stanley W. Hulett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Gregory A. Humphrey, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,025. E. (9) $409.

A. Richard M. Hunt, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.
D. (6) $1,125.

A. James L. Huntley, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $6,909.73. E. (9) $1,241.21.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Washington, D.C. 20037.
E. (9) $25.

A. Philip A. Hutchinson, Jr., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $250. E. (9) $75.

A. Elmer P. Hutter, P.O. Box 2255, Washington, D.C. 20013.
B. Arnold L. House, Washington, D.C.; Retail Food, et al.
E. (9) $148.

A. Elmer P. Hutter, P.O. Box 2255, Washington, D.C. 20013.
D. (6) $5.

A. F. N. Ikard, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $2,125. E. (9) $739.

A. Independent Gasoline Marketers Council, 1747 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.
E. (9) $125.18.

A. Indiana Petroleum Council, 714 Harrison Building, Indianapolis, Ind. 46204.
E. (9) $149.50.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $11,151.69. E. (9) $11,151.69.

A. Institute for Rapid Transit, 1100 17th Street NW., Washington, D.C. 20036.

A. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $5,159.12.

A. International Brotherhood of Teamsters 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $17,523.19.

A. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $133,080. E. (9) $133,080.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $2,383.75.

A. Investment Counsel Association of America, Inc., 172 East 59th Street, New York, N.Y. 10022.
E. (9) $448.50.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $726.42. E. (9) $8,757.01.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $120.

A. Robert C. Jackson, 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $2,750. E. (9) $105.66.

A. Joseph A. Jeffrey, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $77.50. E. (9) $5.75.

A. Philip F. Jehle, 300 National Press Building, Washington, D.C. 20045.
B. Smith Kline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.
E. (9) $850.

A. David M. Jenkins II, 1800 K Street NW., Suite 622, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J. 07960.
E. (9) $154.36.

A. A. W. Jessup, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

A. Anita Johnson, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $35. E. (9) $3.52.

A. Jess Johnson, Jr., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. John B. Johnson, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.
B. Alabama Petroleum Council, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.

A. John H. Johnson, Jr., 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers.
D. (6) $2,250.

A. John Paul Johnson, 1725 De Sales Street NW., Washington, D.C.
B. Gas Supply Committee.
D. (6) $143.88. E. (9) $108.36.

A. Rady A. Johnson, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $2,065. E. (9) $10.20.

A. Reuben L. Johnson.
B. The Farmers' Educational and Co-Operative Union of America, 1012 14th Street N.W., Washington, D.C.
D. (6) $4,859.04. E. (9) $159.78.

A. Stanley L. Johnson, 1001 Connecticut Avenue NW., Suite 510, Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $25.

A. Charles N. Jolly, 1775 K Street NW., Suite 315, Washington, D.C. 20006.
B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.
E. (9) $2,334.38.

A. Allan R. Jones, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $1,448.06.

A. Charlie W. Jones, 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $250. E. (9) $110.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.
E. (9) $6.

A. L. Dan Jones, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $21.50.

A. Oliver H. Jones, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $9,750. E. (9) $10,816.

A. Richard J. Jones, 1110 Davidson Street, Champaign, Ill. 60631.
B. Independent Grocers Alliance (IGA), 300 West Adams Street, Chicago, Ill. 60606.

A. Ronald K. Jones, 7841 Doane Court, Springfield, Va. 22152.
B. Mobile Homes Manufacturers Association, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $5,530.

A. Carl D. Jordan, 408 East Maple Street, Fremont, Mich. 49412.
B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.

A. Francis M. Judge, 1615 H Street NW., Washington, D.C. 20006.

B. Chamber of Commerce of the USA, 1615 H Street, NW., Washington, D.C. 20006.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.

B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

E. (9) $27.

A. Katten, Muchin, Gitles, Zavis, Pearl & Galler, 125 South Clark Street, Chicago, Ill. 60603.

E. (9) $1,081.61.

A. Gerald M. Katz, 1800 Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $145.61.

A. Carleton R. Kear, Jr.

B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.

D. (6) $211.

A. Howard B. Keck, 555 South Flower Street, Los Angeles, Calif. 90071.

B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.

E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.

B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.

E. (9) $275.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $2,625. E. (9) $500.13.

A. John G. Keller, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Exxon Co., P.O. Box 2180, Houston, Tex.

A. Julie C. Keller, 401 Wilcox Building, Portland, Oreg. 97204.

B. Oregon Filbert Commission, 12295 S. W. Main, Tigard, Oreg. 97223.

D. (6) $3,000. E. (9) $3,000.

A. Paul J. Kelley.

B. Amerco, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.

E. (9) $2,240.

A. John T. Kelly, 1155 15th Street NW., Washington, D.C. 20005.

B. Pharmaceutical Manufacturers Association.

A. George Kelm, 1 First National Plaza, Suite 5200, Chicago, Ill. 60603.

B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.

D. (6) $1,300. E. (9) $512.01.

A. I. L. Kenen, 1341 G Street NW., Suite 908, Washington, D.C. 20005.

B. American Israel Public Affairs Committee, 1341 G Street NW., Suite 908, Washington, D.C. 20005.

D. (6) $833.22.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D.C. 20006.

B. Marathon Oil Company, Findlay, Ohio 45840.

E.(9) $425.40.

A. Jerry W. Kennedy, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis Tenn. 38112.

A. Jeremiah J. Kenney, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corporation, 1370 Pennsylvania Avenue NW., Washington, D.C. 20006.

E. (9) $30.36.

A. Robert T. Kenney, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

A. William J. Kenney 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $220. E. (9) $150.

A. John V. Kenny.

B. National Cable TV Association, Inc., 918 16th Street NW., Washington, D.C.

D. (6) $127.50. E. (9) $50.

A. Thomas P. Kerester, Coopers and Lybrand, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Balcor Co., 1 Concourse Plaza, 4711 Golf Road, Skokie, Ill. 60076.

A. Carl F. Kettler, 1709 New York Avenue, Washington, D.C. 20006.

B. Air Transport Association of America.

A. James L. Kimble, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.

D. (6) $1,500. E. (9) $250.

A. Kenneth L. Kimble, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Iife Insurance Association Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $175. E. (9) $65.

A. Charles L. King, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $32.

A. David S. King, 1620 I Street NW., Suite 800, Washington, D.C. 20006.

B. Syndicat des Distillateurs de Sucre, de Madagascar.

D. (6) $12,000. E. (9) $40.

A. Susan B. King, 421 Fourth Street SE., Washington, D.C. 20003.

B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.

D. (6) $6,734.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $7,500. E. (9) $2,122.69.

A. Peter M. Kirby, 1709 New York Avenue, Washington, D.C. 20006.

B. Air Transport Association, 1709 New York Avenue, Washington, D.C. 20006.

D. (6) $1,666.87. E. (9) $1,506.82.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.

B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Ernest A. Kistler, 2 North Ninth Street, Allentown, Pa. 18101.

B. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.

A. James D. Kittelton, 7901 Westpark Drive, McLean, Va. 22101.

B. National Machine Tool Builders Association, 7901 Wespark Drive, McLean, Va. 22101.

D. (6) $595.37. E. (9) $50.

A. Ralph W. Kittle.

B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.

D. (6) $500. E. (9) $650.

A. Douglas E. Kliever, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. John S. Knox, Jr., 166, 16th Street NW., Atlanta, Ga. 30318.

B. The Coca-Cola Bottlers' Association, 166, 16th Street NW., Atlanta, Ga. 30318.

D. (6) $250.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.

D. (6) $1,000. E. (9) $250.

A. Robert M. Koch, 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $15.25.

A. Ann Kolker, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $225.

A. Horace R. Kornegay, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $250.

A. Kenneth S. Kovack, 815 16th Street NW., Suite 706, Washington, D.C. 20006.

B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $5,815.63. E. (9) $967.26.

A. June K. Kraeft, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $148.

A. Stephen W. Kraus, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Lawrence E. Kreider, 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. Richard W. Kreutzen, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

D. (6) $600. E. (9) $63.85.

A. Philip Kugler, 1012 14th Street NW., Washington, D.C. 20005.

B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.

D. (6) $4,525.02. E. (9) $622.23.

A. William J. Kuhfuss. 225 Touhy Avenue, Park Ridge, Ill. 60068.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $1,125.

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A. Lloyd R. Kuhn, 1725 De Sales Street NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.
D. (6) $8,946. E. (9) $1,377.77.

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A. Michael M. Kumpf, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $500. E. (9) $200.

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A. Norman G. Kurland, Bangert & Co., Inc., 2027 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Bangert & Co., Inc., 111 Pine Street, San Francisco, Calif. 94111.
D. (6) $4,725. E. (9) $6,080.06.

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A. Daniel M. Kush, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.

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A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005; 11 South LaSalle Street, Chicago, Ill. 60603.

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A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $11,154. E. (9) $9,100.

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A. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $15,680.39.

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A. Edward J. Lachowicz, 4317 Brandywine Street NW., Washington, D.C. 20016.
B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $1,906.66. E. (9) $19.35.

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A. Nick L. Laird, Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

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A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

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A. A. M. Lampley, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $100.

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A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.
D. (6) $50. E. (9) $25.

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A. Karl S. Landstrom, 610 North Edison Street, Arlington, Va. 22203.
B. Sportsmans Paradise Homeowners Association, 10612 Dalerose Avenue, Lennox, Calif. 90304.
D. (6) $335.90. E. (9) $44.75.

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A. R. Josh Lanier.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $1,325. E. (9) $25.

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A. James J. La Penta, Jr., 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $631.75.

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A. Glenn T. Lashley, 8111 Gatehouse Drive, Falls Church, Va. 22042.
B. District of Columbia Division, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

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A. Lawyers Committee To End the War, 1 Wall Street, 25th Floor, New York, N.Y. 10005.
E. (9) $3,238.39.

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A. Lawyers To Preserve the Constitution, 36 West 44th Street, Room 500, New York, N.Y. 10036.

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A. Monte Lazarus, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $500. E. (9) $230.24.

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A. League of New Community Developers, 910 17th Street NW., Suite 728, Washington, D.C. 20006.
D. (6) $6,512.80. E. (9) $7,301.15.

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A. Robert F. Lederer, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

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A. Robert W. Lee, 1028 Connecticut Avenue NW., No. 1004, Washington, D.C. 20036.
B. The John Birch Society, Inc., 395 Concord Avenue, Belmont, Mass. 02178.

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A. Peter R. Leffe, Department of Architecture, University of California, Berkeley, Calif. 94720.

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A. Robert J. Leigh, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

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A. Joseph L. Leitzinger.
B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Washington 98164.
D. (6) $408. E. (9) $524.24.

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A. Gilbert LeKander, 910 17th Street NW., Suite 501, Washington, D.C. 20006.
B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., P.O. Box 3727, Spokane, Wash. 99202.
D. (6) 450.

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A. Nils A. Lennartson, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $697.92.

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A. Earl T. Leonard, Jr., c/o The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $316. E. (9) $603.43.

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A. Donald Lerch & Co., Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

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A. Harry LeVine, Jr., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $795. E. (9) $400.

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A. Robert G. Lewis.
B. The Farmers' Educational & Cooperative Union of America, 1012 14th Street NW., Washington, D.C.
D. (6) $1,384.61. E. (9) $54.98.

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A. Ronald L. Leymeister, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $97.21.

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A. Herbert Liebenson, 1225 19th Street NW.. Washington, D.C. 20036.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C.
D. (6) $4,500. E. (9) $1,200.

—

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc.

—

A. John E. Linster, 2000 Westwood Drive, Wausau, Wis. 54401.
B. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
D. (6) $500.

—

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Board of Commissioners, County of Wayne, City County Building, Detroit, Mich. 48226.
D. (6) $4,000. E. (9) $267.32.

—

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. The Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.
D. (6) $4,019.20. E. (9) $424.44.

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A. Charles B. Lipsen.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $11,442.34. E. (9) $400.

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A. Robert G. Litschert, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $553.75. E. (9) $209.77.

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A. Sheldon I. London, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $800.

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A. Edward J. Lord, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,480. E. (9) $147.16.

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A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $750.

—

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $500. E. (9) $100.

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A. James P. Low, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street, NW., Washington, D.C. 20036.

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A. Gerald M. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $1,236.50.

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A. Freddie H. Lucas, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $300. E. (9) $128.

A. Lund Levin & O'Brien, 1625 Eye Street NW., Washington, D.C. 20006.

B. Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J. 07960.

D. (6) $154.36.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.

B. Pacific Northwest Power Co., Public Service Building, Portland, Oreg. 97204.

E. (9) $26.53.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.

B. Pennsylvania Power & Light Co., Two North 9th Street, Allentown, Pa. 18101.

D. (6) $600. E. (9) $43.22.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.

B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.

D. (6) $2,500.

A. Lusk-Evans Limited, 1120 Connecticut Avenue NW., Suite 940, Washington, D.C. 20036.

A. James H. Lynch, Jr., 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

D. (6) $5,654.60. E. (9) $349.09.

A. Mark H. Lynch, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $500.

A. Robert N. Lynch.

B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.

D. (6) $6,073.55. E. (9) $2,468.46.

A. Richard Lyng, P.O. Box 3556, Washington, D.C. 20007.

B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.

D. (6) $500. E. (9) $20.

A. Shane MacCarthy, 1730 North Lynn Street, Arlington, Va. 22209.

B. Printing Industries of America, Inc., 1730 North Lynn Street, Arlington, Va. 22209.

D. (6) $1,125. E. (9) $1,892.85.

A. James E. Mack, 1225 19th Street NW., Washington, D.C. 20036.

B. National Confectioners Association, 36 South Wabash Avenue, Chicago, Ill. 60603.

D. (6) $12,500. E. (9) $3,551.29.

A. James E. Mack, 1225 19th Street NW., Washington, D.C. 20036.

B. Peanut Butter Manufacturers and Nut Salters Association, 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $7,500. E. (9) $592.19.

A. Duncan H. Mackenzie, 3019 Goat Hill Road, Bel Air, Md. 21014.

D. (6) $18.50. E. (9) $2,490.

A. John P. Mackey, 810 National Press Building, Washington, D.C. 20004.

B. The Ad Hoc Committee In Defense Of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.

D. (6) $2,500. E. (9) $1,950.03.

A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $2,625. E. (9) $769.42.

A. Michael Maggio, 3820 Morrison Street, Washington, D.C.

B. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Suite 1204, Washington, D.C. 20036.

D. (6) $1,936.50. E. (9) $200.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. Andre Maisonpierre, 1776 F Street NW., Washington, D.C. 20006.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.

E. (9) $440.

A. Thomas M. Malone, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

E. (9) $465.89.

A. Ben J. Man, 400 First Street NW., Suite 700, Washington, D.C. 20001.

B. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.

D. (6) $1,801.80. E. (9) $244.64.

A. Management Communications, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $140.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.

B. National Coal Association, Coal Building, 1130 17th Street NW., Washington, D.C.

D. (6) $7,374.99. E. (9) $77.80.

A. Mike Manatos, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.

B. The Procter & Gamble Manufacturing Co., 301 East 6th Street, Cincinnati, Ohio 45202.

D. (6) $.67. E. (9) $227.18.

A. ManExec, Inc., 231 East Vermijo Avenue, Box 572, Colorado Springs, Colo. 80901.

B. Red River Valley Cooperative, Inc., Box 43, Hillsboro, N. Dak. 58045.

E. (9) $663.08.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.

E. (9) $325.

A. H. Warren Mann., 1200 Travis, Houston, Tex. 77002.

B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

D. (6) $5,000. E. (9) $3,000.

A. Dallace F. Marable, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers.

D. (6) $472. E. (9) $467.

A. J. Eugene Maranz, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Ronald M. Marcus, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,500.

A. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.

E. (9) $7,500.45.

A. David J. Markey, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $800. E. (9) $299.17.

A. Rodney W. Markley, Jr., 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich. 48121.

A. Ralph J. Marlatt, 640 Investment Building, 1511 K Street NW., Washington, D.C. 20005.

B. National Association of Mutual Insurance Agents, 640 Investment Building, Washington, D.C. 20005.

E. (9) $1,205.

A. Dan V. Maroney, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Edwin E. Marsh, 200 C Street SE., No. 401, Washington, D.C. 20003.

B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.

D. (6) $4,885.26. E. (9) $1,142.80.

A. Winston W. Marsh, 1343 L Street NW., Washington, D.C. 20005.

B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.

A. C. Travis Marshall, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $200. E. (9) $50.

A. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. J. Paull Marshall, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $294.50. E. (9) $248.65.

A. Thomas A. Martin, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $500. E. (9) $200.

A. Steven A. Martindale, 1425 K Street NW., Washington, D.C. 20005.

B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

D. (6) $300.

A. Richard E. Martinez, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $555.80. E. (9) $547.35.

A. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $145.61.

A. Mike M. Masaoka, Suite 520 Farragut Building, 900 17th Street NW., Washington, D.C. 20006.

B. American Japanese Trade Committee, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Suite 520 Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Mike M. Masaoka, Suite 520, Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Nisei Lobby, Suite 520, Farragut Building, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Masaoka-Ishikawa and Associates, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. Paul J. Mason, 1730 Pennsylvania Aveneu NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Jon G. Massey, Suite 3, 125 C Street SE., Washington, D.C. 20003, P.O. Box 8293, Washington, D.C. 20024.
B. Oil Investment Institute.

A. P. H. Mathews, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $250.43. E. (9) $159.60.

A. Charles D. Matthews, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
B. National Ocean Industries Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $624.99. E. (9) $386.63.

A. Robert A. Matthews, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $348.96.

A. Charles E. Mattingly, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,683. E. (9) $125.48.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Joint Government Liaison Committee, 1111 E Street NW., Washington, D.C. 20004.

A. Anthony F. Mauriello, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
B. New York State Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
D. (6) $40.

A. Albert E. May, 1625 K Street NW., Washington, D.C., 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $410. E. (9) $14.43.

A. Arnold Mayer, 100 Indiana Avenue NW., Room 410, Washington, D.C. 20001.
B. Amalgamated Meat Cutters and Butcher Workmen of North America (AFL-CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $7,111. E. (9) $720.

A. Mayer, Brown & Platt, 231 South LaSalle Street, Chicago, Ill. 60604.
B. Encyclopaedia Britannica, 425 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $8,275.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Santee River Cypress Lumber Co. & Beidler Owners, Suite 1354, 222 West Adams Street, Chicago, Ill. 60606.

A. Mayer, Brown & Platt, 231 South LaSalle Street, Chicago, Ill. 60604.
B. Scott, Foresman & Co., 1900 East Lake Avenue, Glenview, Ill. 60025.

A. Mayer, Brown & Platt, 231 South LaSalle Street, Chicago, Ill. 60604.
B. L. M. Williams and Clayton Burch families, c/o Continental Illinois National Bank & Trust Co., 231 South LaSalle Street, Chicago, Ill. 60693.

A. H. Wesley McAden, 1030 15th Street NW., Suite 508, Washington, D.C. 20005.
B. Cook Industries, Inc., 2185 Democrat Road, Memphis, Tenn. 38116.
D. (6) $1,500.

A. J. R. McAlpin, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $360. E. (9) $72.27.

A. William J. McAuliffe, Jr., 1828 L Street NW., Suite 303, Washington, D.C.
B. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $220.

A. Ann McBride, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,250.02. E. (9) $215.22.

A. Carlos R. McCalla, Jr., Route 2, Box 72F, New Windsor, Md. 21776.
B. U.S. Tobacco Co., 100 West Putnam Avenue, Greenwich, Conn. 06830.
E. (9) $50.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $344.41. E. (9) $35.67.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Gulf & Western Industries, Inc., 1 Gulf & Western Plaza, New York, N.Y. 10023.
D. (6) $2,849.87. E. (9) $33.34.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $4,386.89. E. (9) $75.68.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Montgomery Coca-Cola Bottling Co., Inc., North Perry & Jefferson Streets, Montgomery, Ala. 35102.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Quaker State Oil Refining Corp., Oil City, Pa. 16307.
D. (6) $563.50. E. (9) $22.51.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Alfred P. Slaner, 640 Fifth Avenue, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

A. Harry G. McComas, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $89.48 E. (9) $55.

A. Robert A. McConnell, Jr., 4234 Winfield Scott Plaza, Scottsdale, Ariz. 85251.
B. AMERCO, International, 2727 North Central Avenue, Phoenix, Ariz. 85004.
D. (6) $352.91. E. (9) $526.94.

A. E. L. McCulloch, Room 819, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Cleveland, Ohio. 44114.
D. (6) $284.60. E. (9) $81.50.

A. D. McCurrach, 1500 Wilson Boulevard, No. 609, Arlington, Va. 22209.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Albert L. McDermott, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $524.52. E. (9) $269.22.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $54.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $103.40.

A. Robert E. McGarrah, Jr., Suite 708, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $7,080.

A. Robert M. McGlotten, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,450.90 E. (9) $391.20.

A. Marshall C. McGrath.

B. International Paper Co., 1620 I Street NW., No. 700, Washington, D.C. 20006.
D. (6) $770. E. (9) $107.43.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,947.60. E. (9) $427.40.

A. Marianne McGuire, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $14.42. E. (9) $21.

A. Clarence M. McIntosh, Jr., 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $853.26.

A. W. F. McKenna, McKenna & Fitting, 1156 15th Street NW., Washington, D.C. 20005.
B. First Federal Savings, Phoenix, Ariz.; First Federal Savings, Tampa, Fla.; City Federal Savings, Elizabeth, N.J.; First Federal Wisconsin, Milwaukee, Wis.
D. (6) $1,092.80. E. (9) $900.

A. William F. McKenna, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., Washington, D.C. 20005.
D. (6) $120.

A. John S. McLees, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20006.
D. (6) $250.

A. William F. McManus, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $375. E. (9) $285.15.

A. Jane Pierson McMichael, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $3,500. E. (9) $250.

A. C. W. McMillan, Suite 1015, National Press Building, 14th and F Streets, Washington, D.C. 20045.
B. American National Cattlemen's Association, 1001 Lincoln, Denver, Colo. 80202.
D. (6) $1,500.

A. Ralph J. McNair, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $50.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. American Dredging Co., et al.
D. (6) $8,750. E. (9) $4,556.49.

A. Harry McPherson, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward, Inc., P.O. Box 18339, Chicago, Ill. 60680.
D. (6) $250. E. (9) 25.

A. George G. Mead, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $501.83.

A. Carl J. Megel, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,600. E. (9) $2,800.

A. William H. Megonnell, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,947.60. E. (9) $257.40.

A. R. Otto Meletzke, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $20.

A. Jeffrey M. Menick, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Ellis E. Meredith, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
E. (9) $1,137.61.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.
B. Aris Gloves, Inc., 140 Geary Street, San Francisco, Calif. 94108.
E. (9) $1,121.03.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.
B. National Association of Recycling Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $9,375. E. (9) $540.48.

A. Lawrence C. Merthan, 1015 18th Street NW., Washington, D.C. 20036.
B. The Carpet and Rug Institute, Dalton, Ga. 30720.
D. (6) $250. E. (9) $26.90.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. George F. Meyer, Jr.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $503.

A. James G. Michaux, 1801 K Street NW., Washington, D.C. 20006.
B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Ronald Michieli, Suite, 1015, National Press Building, 14th and F Streets, Washington, D.C. 20045.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,000.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $78.81. E. (9) $1,556.73.

A. A. Stanley Miller, 910 16th Street NW., Room 302, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $100.

A. Miller, Cassidy, Larroca & Lewin, 1320 19th Street, NW., Suite 500, Washington, D.C. 20036.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.
D. (6) $1,035. E. (9) $31.58.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minn. 55402.
D. (6) $6,500. E. (9) $56.76.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lockheed Aircraft Corp., Burbank, Calif. 91503.
D. (6) $4,940.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Sperry and Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $550.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Sperry and Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $2,625.

A. Clinton R. Miller, 4620 Lee Highway, Room 240, Arlington, Va. 22207.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.
D. (6) $5,000. E. (9) $8,560.79.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $262.50. E. (9) $39.39.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf, Inc., New York, N.Y.
D. (6) $300. E. (9) $180.37.

A. Edwin Reid Miller, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
B. Nebraska Railroad Association, Union Pacific Building, 1416 Dodge Strret, Omaha, Nebr. 68179.
D. (6) $7,049.88. E. (9) $779.61.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $875.

A. Luman G. Miller, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oregon 97204.
D. (6) $1,313.28. E. (9) $1,313.28.

A. Jack Mills, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Thomas F. Mitchell, 1735 I Street NW., Washington, D.C. 20006.
B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.
E. (9) $210.

A. Mobile Homes Manufacturers Association, P.O. Box 201, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $1,565. E. (9) $1,565.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $1,398. E. (9) $51.44.

A. Michael Monroney, 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $900. E. (9) $500.

A. Montgomery Ward & Co., Inc.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.
E. (9) $611.15.

A. G. Merrill Moody, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $117.25. E. (9) $252.50.

A. O. William Moody, Jr., 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $1,378.46.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, Washington, D.C. 20036.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y.

A. Gene P. Morrell, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $1,500. E. (9) $1,023.

A. John W. Morton, 1660 L Street, NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Jack Moskowitz, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,100. E. (9) $414.35.

A. Lynn E. Mote, 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. Daniel J. Mundy, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
B. Building and Construction Trades Department, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $6,249.88. E. (9) $1,759.12.

A. George L. Murphy, 905 16th Street NW., Suite 304, Washington, D.C. 20006.
B. GM Washington Consultants, Inc., 905 16th Street NW., Suite 304, Washington, D.C. 20006.

A. Jerome E. Murphy, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $250.

A. John J. Murphy, Shoreham Building, Suite 416, 806 15th Street NW., Washington, D.C. 20005.
B. National Customs Service Association.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL–CIO, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $100.

A. Richard W. Murphy, 1200 18th Street NW., Suite 1109, Washington, D.C. 20036.
B. Merck & Co., Inc., Rahway, N.J. 07065.
D. (6) $500.

A. Tom O. Murphy, 1156 15th Street NW., Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific Railroad Co., 516 West Jackson Boulevard, Chicago, Ill., 60606.
D. (6) $100. E. (9) $163.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. The Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $150. E. (9) $81.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. Iron Ore Lessors Association, Inc., 1500 First National Bank Building.
D. (6) $100.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. National Association of Industrial Parks, 1800 North Kent Street, Arlington, Va., 22209.
D. (6) $75. E. (9) $72.

A. D. Michael Murray, 1120 Connecticut Avenue NW., Suite 842, Washington, D.C. 20036.
B. National Council of Coal Lessors, Inc., 1425 H Street NW., Washington, D.C. 20005.
D. (6) $75. E. (9) $85.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $185.

A. Thomas H. Mutchler.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $300. E. (9) $19.

A. Fred A. Myers, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $750. E. (9) $100.

A. J. Walter Meyers, Jr., 4 Executive Park East NE., Atlanta, Ga., 30329.
B. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga., 30329.

A. John J. Nangle, 1625 I Street NW., Suite 812, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $500.

A. Augustus Nasmith, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
B. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
D. (6) $82.50.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $540.62. E. (9) $925.64.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.
D. (6) $157. E. (9) $442.05.

A. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Suite 1204, Washington, D.C. 20036.
D. (6) $19,575. E. (9) $26,755.05.

A. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $1,938.19. E. (9) $12,297.37.

A. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.
D. (6) $1,526.21. E. (9) $1,526.21.

A. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 315, Washington, D.C. 20005.
D. (6) $300. E. (9) $117.50.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $300. E. (9) $300.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $7,995.61.

A. National Association of Letter Carriers, 100 Indiana Avenue, NW., Washington, D.C. 20001.
D. (6) $1,055,049.14. E.(9) $42,831.21.

A. National Association of Mutual Insurance Co.'s, 2511 East 46th Street, Suite H, Indianapolis, Ind. 46205.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $5,629.63. E. (9) $5,629.63.

A. National Association of Plumbing Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $5,348.12. E. (9) $5,348.12.

A. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
E. (9) $14,459.80.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $300. E. (9) $300.

A. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.
D. (6) $2,293.58. E. (9) $2,293.58.

A. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.

D. (6) $2,495. E. (9) $11,492.07.

A. National Committee for Research in Neurological Disorders, 927 National Press Building, Washington, D.C. 20045.
D. (6) $4,621.50. E. (9) $6,777.08.

A. National Consumer Alliance, 1922 North High Street, Columbus, Ohio 43201.
D. (6) $472.41. E. (9) $472.41.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $14,064.53. E. (9) $14,064.53.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Cenco Instruments Corp., 2600 South Kostner Avenue, Chicago, Ill.
D. (6) $1,475. E. (9) $120.34.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.
D. (6) $1,111.08. E. (9) $330.49.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Encyclopaedia Britannica Educational Corp., 425 North Michigan Avenue, Chicago, Ill.
D. (6) $1,000. E. (9) $174.76.

A. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.
D. (6) $2,176. E. (9) $2,086.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y. 10017.

A. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.
D. (6) $360,562.78. E. (9) $23,690.46.

A. National Federation of Independent Business, 920–922 Washington Building, Washington, D.C. 20005.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $37,183.17. E. (9) $37,183.17.

A. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $800.

A. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $7,017.29. E. (9) $7,017.29.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $4,799.16. E. (9) $4,799.16.

A. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $501.59.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $551. E. (9) $23,118.82.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
E. (9) $4,109.05.

A. National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
E. (9) $1,62

A. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
E. (9) $1,500.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $2,562.52.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $3,566.56.

A. National Solid Wastes Management Association, 1730 Rhode Island Avenue NW., Suite 800, Washington, D.C. 20036.

A. National Student Alliance, 1922 North High Street, Columbus, Ohio 43201.
D. (6) $207.87. E. (9) $207.87.

A. National Telephone Cooperative Association, 2100 M Street NW., Suite No. 307, Washington, D.C. 20037.
E. (9) $2,425.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $100. E. (9) $100.

A. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $30,413.20. E. (9) $7,944.17.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $17,689. E. (9) $7,052.26.

A. The Nation-Wide Committee on Import-Export Policy, 815 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $3,744. 61.

A. Navajo Tribe, Office of the Controller, Window Rock, Ariz. 86515.
E. (9) $7,159.20.

A. Alexander W. Neale, Jr., 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $1,495.

A. Alan M. Nedry, 1801 K Street NW., No. 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $300. E. (9) $127.48.

A. Allen Neece, Jr., 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.
D. (6) $300.

A. Frances E. Neely, 245 Second Street NW., Washington, D.C. 20002.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) 2,070.

A. Robert R. Nelson, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $100.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $160.

A. Ivan A. Nestingen, Suite 700, 1010 16th Street NW., Washington, D.C. 20036.
B. American Nursing Home Association, 1200 15th Street NW., Washington, D.C. 20005.
D. (6) $1,200. E. (9) $120.05.

A. E. John Neumann, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $400. E. (9) $300.

A. Robert B. Neville, 1155 15th Street NW., Suite 505, Washington, D.C. 20005.
B. National Restaurant Association, 1155 15th Street NW., Washington, D.C.; 1 IBM Plaza, Suite 2600, Chicago, Ill.
D. (6) $950. E. (9) $32.41.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,312.50. E. (9) $647.36.

A. E. J. Newbould, 1130 17th Street NW., Washington, D.C. 20036.
B. National Clay Pipe Institute, P.O. Box 310, Crystal Lake, Ill. 60014.
D. (6) $150.

A. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $7,600. E. (9) $17,647.

A. New York State Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
E. (9) $170.

A. Richard Ney, 700 New Hampshire Avenue NW., Washington, D.C. 20037.
B. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $6,750. E. (9) $3,492.56.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $600. E (9) $410.30.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $1,725. E (9) $489.

A. Patrick J. Nilan, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.
D. (6) $9,691.36. E. (9) $1,796.37.

A. Gail Ann Chew Nishioka, 1730 Rhode Island NW., Suite 204, Washington, D.C. 20036.
B. Japanese American Citizens League, 22 Peace Plaza, Suite 203, San Francisco, Calif. 94115.
D. (6) $810.

A. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.
E. (9) $1,125.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Nancy A. Nord, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United

States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $100. E. (9) $5.

A. Seward P. Nyman, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $650.

A. Coleman C. O'Brien, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,250. E. (9) $31.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allegheny Corp., New York, N.Y.
D. (6) $500. E. (9) $30.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Clinical Laboratory Association, 1747 Pennsylvania Avene NW., Suite 600, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $95.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $1,750. E. (9) $227.50.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Transit Association, 465 L'Enfant Plaza West SW., Suite 2900 Washington, D.C. 20024.
D. (6) $750. E. (9) $42.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Committee for Study of Revenue Bond Financing, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $1,666.50. E. (9) $482.39.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Hospital Financing Study Group, New York, N.Y.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., 2900 IDS Tower, Minneapolis, Minn. 55402.
D. (6) $1,500. E. (9) $450.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Association of Church and Institutional Financing Organizations, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
D. (6) $100. E. (9) $73.60.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Association of Women's & Children's Apparel Salesman, 515 Peachtree-Palisades Building, Atlanta, Ga.
D. (6) $1,000.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Federation of Independent Business, 150 West 20th Street, San Mateo, Calif. 94403.
D. (6) $2,000.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Upper Mississippi Towing Corp., 7703 Normandale Road, Room 110, Minneapolis, Minn. 55435.
D. (6) $2,500. E. (9) $283.

A. Lawrence J. O'Connor, Jr., 1801 K Street NW., Suite 1021, Washington, D.C. 20006.
B. The Standard Oil Co., Midland Building, Cleveland, Ohio 44115.
E. (9) $931.99.

A. T. J. Oden, 1747 Pennsylvania NW., Suite 900, Washington, D.C. 20006.
B. Independent Gasoline Marketers Council, Suite 900, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $300.

A. James F. O'Donnell, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Philippine Sugar Institute.
D. (6) $3,000. E. (9) $250.

A. Bradford C. Oelman, Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $2,400. E. (9) $247.40

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $5,400.04.

A. Richard C. O'Hara, 1120 Investment Building, Washington, D.C. 20005.
B. Harness Tracks of America, 333 North Michigan Avenue, Chicago, Ill. 60601.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.
E. (9) $67.91.

A. Oil Investment Institute, Suite 3, 125 C Street SE., P.O. Box 8293, Washington, D.C. 20003.

A. Edward W. Oliver, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Michael Sanders Olson, P.O. Box 2776, Raleigh, N.C. 27602.
B. Carolinas Association of Mutual Insurance Agents, Inc. P.O. Box 2776, Raleigh, N.C. 27602.
E. (9) $25.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Samuel Omasta, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $10.50.

A. Charles T. O'Neill, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $247.39.

A. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.
D. (6) $6,000. E. (9) $6,205.

A. Organization of Professional Employees of the U.S. Department of Agriculture (OPEDA), 1341 G Street NW., Washington, D.C. 20005.
D. (6) $1,836.64. E. (9) $2,608.70.

A. John L. Oshinski, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,889.48. E. (9) $1,228.50.

A. David A. Oxford, 1016 North Carolina Avenue SE., Washington, D.C.
B. Mobile Homes Manufacturers Association, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $6,500. E. (9) $65.

A. Juris Padegs, 127 East 59th Street, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Norman Paige, Distilled Spirits Council of the United States, Inc., 538 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, Inc., 538 Pennsylvania Building, Washington, D.C. 20004.

A. Edward J. Panarello, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $7,436.44. E. (9) $794.85.

A. Frederick Panzer, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Herschell E. Parent, 301 Commerical National Bank Building, Little Rock, Ark. 72201.
B. Arkansas Petroleum Council, 301 Commercial National Bank Building, Little Rock, Ark. 72201.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $425.80.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $2,625.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash. 98004.
D. (6) $2,853. E. (9) $1,440.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $900. E. (9) $181.67.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Maritime Association, 17 Battery Place, New York, N.Y. 10004.
D. (6) $1,100. E. (9) $44.93.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Society of Association Execu-

tives, 1101 16th Street NW., Washington, D.C. 20006.
D. (6) $650. E. (9) $17.85.

A. Patton, Boggs & Blow, 1200 17th Street, NW., Washington, D.C. 20036.
B. Association of Oil Pipelines, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $1,722. E. (9) $206.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass.
D. (6) $1,100. E. (9) $15.26.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Boating Industry Association, 401 N. Michigan Avenue, Chicago, Ill. 60601; National Association of Engine & Boat Manufacturers, 537 Steamboat Road, Greenwich, Conn. 06830.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Chippewa-Cree Tribe, Rocky Boy Route, Box Elder, Mont. 59521.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Council of State Chambers of Commerce. 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.
D. (6) $265.50. E. (9) $2.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.
D. (6) $1,100. E. (9) $101.74.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $16.47.

A. Patton, Boggs & Blow, 1200 17th Street N.W., Washington, D.C. 20036.
B. Machinery Dealers National Association, 1400 20th Street N.W., Washington, D.C. 20036.
D. (6) $150.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Marcor, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.

A. Patton, Boggs, & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. National Medical Care, Inc., 560 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $960. E. (9) $7.68.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. The Nestle Co., 100 Bloomingdale Road, White Plains, N.Y. 10605.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. New Process Co., 220 Hickory Street, Warren, Pa. 16365.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Outboard Marine Corp., 1401 Cushman Drive, P.O. Box 82409, Lincoln, Nebr. 68501.
D. (6) $340. E. (9) $5.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $527. E. (9) $27.15.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $2,500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.
D. (6) $300. E. (9) $1,305.84.

A. Andrew R. Paul, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $250. E. (9) $85.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Bros., Inc., 4000 Warner Boulevard, Burbank, Calif. 91505.
D. (6) $642. E. (9) $186.20.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $355.85. E. (9) $281.81.

A. Peabody, Rivlin, Lambert & Dennison, 1730 M Street NW., Suite 707, Washington, D.C. 20036.
B. Los Angeles Trial Lawyers Association, 1313 West Eighth Street, Suite 308, Los Angeles, Calif. 90017.
D. (6) $1,000. E. (9) $1,031.09.

A. John J. Pecoraro, 1750 New York Avenue N.W., Washington, D.C. 20006.
B. International Brotherhood of Painters & Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,686.53.

A. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
E. (9) $643.22.

A. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
E. (9) $12,915.63.

A. Dominic V. Pensabene, 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
B. Standard Oil Co. of California, 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
D. (6) $50. E. (9) $25.

A. J. Carter Perkins, Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $1,000.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National REA Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $3,333.33. E. (9) $1,672.27.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,681.80. E. (9) $424.81.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
E. (9) $1,983.51.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. Sam Pickard, 1101 17th Street NW., Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500. E. (9) $10.15.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C. 20036.
B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.
D. (6) $3,333.33 E. (9) $434.19.

A. Pierson, Ball & Dowd, 1000 Ring Building NW., Washington, D.C. 20036.
B. Standard Oil Co., (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock, Tex. 79408.
D. (6) $2,299.44. E. (9) $1,350.

A. Amos A. Plante, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

A. Ronald L. Plesser, 1712 N Street NW., Washington, D.C. 20036.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $337.31.

A. Pohoryles, Goldberg, Repetti & Harris, 1150 17th Street NW., Washington, D.C.
B. St. Mary of Nazareth Hospital Center, 1120 North Leavitt Street, Chicago, Ill. 60622.
D. (6) $5,000. E. (9) $438.98.

A. Kenneth B. Pomeroy, 10404 Conover Drive, Silver Spring, Md. 20902.
B. National Association of State Foresters.
D. (6) $3,000. E. (9) $647.71.

A. Everett O. Post, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.
D. (6) $233.31. E. (9) $32.47.

A. John Post, 888 17th Street NW., No. 601, Washington, D.C. 20006.
B. The Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017; 888 17th Street NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $5.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $405.

A. Ramsey D. Potts, Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $19.75.

A. Ramsay D. Potts, 910 17th Street NW., Washington, D.C. 20006.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
D. (6) $432. E. (9) $16.50.

A. Richard M. Powell, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Robert D. Powell, Suite 400, 734 Fifteenth Street NW., Washington, D.C. 20005.
B. National Business Aircraft Association, Inc., 425 13th Street NW., Washington, D.C. 20004.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $705. E. (9) $104.18.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $2,292. E. (9) $80.

A. William C. Prather.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $600.

A. Dan Prescott, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $90.08. E. (9) $53.26.

A. Preservation Action, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $1,225.17. E. (9) $1,002.41.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $437.50.

A. Arnold J. Prima, Jr., 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $1,265.34.

A. PROD, Inc., Suite 700, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $230.10.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $210. E. (9) $210.

A. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $760.17. E. (9) $760.17.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Howard Pyle, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $1,422. E. (9) $13.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,319.04.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $393.12.

A. Raymond Raedy, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $125. E. (9) $175.

A. Richard J. Ragan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $375. E. (9) $50.54.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $10,692. E. (9) $10,692.

A. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $1,500. E. (9) $1,500.

A. Donald A. Randall, Suite 1201, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Automotive Service Councils, Inc., Suite 112, 188 Industrial Drive, Elmhurst, Ill. 60126.
D. (6) $3,000. E. (9) $602.50.

A. Jerry F. Rapp, 1155 15th Street NW., Suite 606, Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $250.

A. D. Michael Rappoport, P.O. Box 1980, Phoenix, Ariz. 85001.
B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $644.88. E (9) $433.07.

A. G. J. Rauschenbach.
B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
D. (6) $2,000. E. (9) $1,060.

A. Timothy J. Redmon, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $14.42. E. (9) $45.

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Dwight C. Reed, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.
D. (6) $59.13. E. (9) $42.15.

A. Lawrence D. Reedy, 1730 M Street NW., Suite 805, Washington, D.C. 20036.
B. American Association of Advertising Agencies, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $600.

A. J. Mitchell Reese, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $1,500. E. (9) $300.

A. John T. Reggitts, Jr., R.D. No. 2, Boonton Avenue, Boonton, N.J. 07005.

A. John A. Reilly, Kenyon & Kenyon Reilly Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams, et al.
E. (9) $25.

A. W. W. Renfroe, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
E. (9) $310.37.

A. Reserve Officers Association of U.S., 1 Constitution Avenue NE., Washington, D.C.
D. (6) $1,315.07. E. (9) $481.50.

A. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $5,252.

A. William L. Reynolds, 1101 15th Street NW,. Suite 400, Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $980. E. (9) $520.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044.
E. (9) $2,484.50.

A. Theron J. Rice, 1130 17th Street NW., Suite 400, Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Maxwell E. Rich, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La.

A. Warren S. Richardson, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. John D. Ritchie, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. Stark Ritchie, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. William Neale Roach, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $97.38.

A. William S. Roberts, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $48.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $245.90.

A. Robinson, Silverman, Pearce, Aronsohn, Sand & Berman, 230 Park Avenue, New York, N.Y. 10017.
B. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.
E. (9) $59.28.

A. John P. Roche, 1000 16th Street NW., Washington, D.C. 20036.
B. American Iron & Steel Institute, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $210.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $937.50.

A. Frank W. Rogers, Suite 793, 1801 K Street NW., Washington, D.C. 20006.
B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif. 90017.
D. (6) $750.

A. Walter E. Rogers, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $1,000.

A. Rogers & Wells, 1666 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Deltona Corp., 3250 Southwest Third Avenue, Miami, Fla. 33129.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Teachers Insurance & Annuity Association/College Retirement Equities Fund, 730 Third Avenue, New York, N.Y. 10017.
D. (6) $1,355. E. (9) $35.

A. John F. Rolph III, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,500.

A. Kenneth S. Rolston, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Nicholas Roomy, Jr., 301 Virginia Street East, Charleston, W. Va. 25301.
B. Appalachian Power Co., 301 Virginia Street East, Charleston, W. Va. 25301.
D. (6) $221.15. E. (9) $222.27.

A. Larry M. Rosenstein, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William F. Ross, 716 Palmetto State Life Building, Columbia, S.C. 29201.
B. South Carolina Petroleum Council, 716 Palmetto State Life Building, Columbia, S.C. 29201.

A. Rouss & O'Rourke , Lawyers Building, 231 East Vermijo Avenue, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S.A. de C.V. (known as UNPASA), Balderas 36, Mexico, D.F. Mexico.
D. (6) $9,999. E. (9) $2,764.14.

A. Larry Rubin, 1319 F Street NW., Washington, D.C. 20004.
B. United Electrical, Radio & Machine Workers of America (UE), 11 East 51st Street, New York, N.Y. 10022.
D. (6) $2,951.

A. John Forney Rudy, 1800 K Street NW., Suite 622, Washington, D.C. 20006.
B. Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Joseph Ruskiewicz, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometic Association, care of Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $12.50. E. (9) $30.

A. Perry A. Russ, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists, 901 North Washington Street, Alexandria, Va. 22314.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $4,318.18. E. (9) $271.66.

A. Wally Rustad, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW.. Washington, D.C. 20009.
D. (6) $150.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C.
B. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,250. E. (9) $1,378.59.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Optometric Association, 1730 M Street NW., Washington, D.C.
D. (6) $800. E. (9) $1,277.22.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Washington, D.C. 20036.
B. American Trucking Association, 1616 P Street NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $508.74.

A. Millard H. Ruud, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.

A. Ella Marice Ryan, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $250. E. (9) $78.80.

A. C. Hill Rylander, 425 13th Street NW., Washington, D.C. 20004.
B. National Association of Insurance Agents, 85 John Street, New York, N.Y. 10038.
E. (9) $3,002.94.

A. Carl K. Sadler, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $6,827.80. E. (9) $7,442.18.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. Burmah Oil & Gas Co., P.O. Box 94193, Houston, Tex. 77018.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. The Signal Cos., Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.

A. Charles E. Sandler, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Irene Saunders.
B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $3,160.80.

A. Thomas H. Saunders, 1825 K Street NW., Suite 501, Washington, D.C. 20006.
B. The Dow Chemical Co., Midland, Mich. 48640.

A. Ruth M. Saxe, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $350.01. E. (9) $154.64.

A. Henry Schacht.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $2,850. E. (9) $923.74.

A. Jerome D. Schaller, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $2,192.73.

A. Kenneth D. Schanzer, 1771 N Street NW., Washington, D.C.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,249.98. E. (9) $282.49.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md., 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $145.61.

A. Stephen I. Schlossberg, 1125 15 Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $9,883.91. E. (9) $1,340.90.

A. Robert L. Schmidt, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass.
D. (6) $975.

A. Mahlon Schneider.
B. Green Giant Co., Le Sueur, Minn. 56058.
D. (6) $500. E. (9) $20.

A. Hilliard Schulberg, Suite B-3, 5010 Wisconsin Avenue NW., Washington, D.C. 20016.
B. National Liquor Stores Association, Inc., Suite B-3, 5010 Wisconsin Avenue NW., Washington, D.C. 20016.
D. (6) $225. E. (9) $20.

A. Hilliard Schulberg, Suite B-3, 5010 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Washington D.C. Retail Liquor Deal-

ers Association, Inc. Suite B-3, 5010 Wisconsin Avenue NW., Washington, D.C.
D. (6) $555. E. (9) $40.

A. Donald H. Schwab, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,014.05. E. (9) $18.

A. Sydnee M. Schwartz, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $800.49. E. (9) $164.50.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Occidental Life Insurance Co. of California, Occidental Center, Los Angeles, Calif. 90054.
E. (9) $100.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Provident Life & Accident Insurance Co., Chattanooga, Tenn. 37402.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $90. E. (9) $3.67.

A. Ronald C. Seeley, 1357 Nicolet Place, Detroit, Mich. 48207.
B. Estate of Bert N. Adams et al.
D. (6) $4,500. E. (9) $4,500.

A. Peter J. Semper, 13915 Panay Way, Marina del Rey, Calif. 90291.
B. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,050. E. (9) $853.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $300. E. (9) $56.

A. Patricia S. Senger, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $87.50.

A. J. Richard Sewell, 1701 K Street NW., Suite 503, Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.
D. (6) $900. E. (9) $100.

A. Leo Seybold, 1709 New York Avenue, Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $1,192.75. E. (9) $766.52.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $402. E. (9) $170.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $145.61.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Albright Title & Trust Co.
D. (6) $11,305.90. E. (9) $333.59.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. American National Cattlemen's Association, Denver, Colo.
D. (6) $1,000.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Estate of Howard Allington et al.
E. (9) $14,460.59.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $1,100. E. (9) $30.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Independent Grocers' Alliance et al.
D. (6) $4,374.20. E. (9) $515.70.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Mauritius Sugar Syndicate, Mauritius Chamber of Agriculture, Plantation House, Port Louis, Mauritius.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.
B. American Fur Merchants Association, 224 West 30th Street, New York, N.Y.

A. Shaw, Pittman, Potts & Trowbridge, Barr Building, 910 17th Street N.W., Washington, D.C. 20006.
B. Doubleday & Co., Inc., 277 Park Avenue, New York, N.Y. 10017.

A. John J. Sheehan, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $7,683.89. E. (9) $4,156.42.

A. Jowanda Shelton, 910 16th Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, Inc., 11 West 60th Street New York, N.Y. 10023.
D. (6) $3,600.

A. Norman R. Sherlock, 1709 New York Avenue, Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $2,376.87. E. (9) $1,852.12.

A. Edward L. Shields, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,390.

A. Harvey A. Shipman, 1725 K Street NW., Suite 1103, Washington, D.C. 20006.
B. Penn Central Transportation Co., 6 Penn Center Plaza, Philadelphia, Pa. 19104.

A. James K. Shiver, 1629 K Street NW., Suite 600, Washington, D.C.
B. Diamond Shamrock Chemical Co., Cleveland, Ohio.
D. (6) $100. E. (9) $50.

A. W. Ray Shockley, 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $1,250. E. (9) $27.33.

A. L. J. Sichel, 1730 M Street NW., No. 808, Washington, D.C. 20036.
B. Abbott Laboratories, North Chicago, Ill. 60064.

A. Mark S. Sigurski, Suite 1100, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Motorola, Inc., 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $150.

A. David Silver, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, Washington, D.C. 20006.
D. (6) $33.

A. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $1,916. E. (9) $1,367.89.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Arkansas Best Corp., 1000 South 21st Street, Fort Smith, Ark. 72901.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Association for Advanced Life Underwriting, 1922 F Street NW., Washington, D.C. 20006.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. MCA, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C. 20002.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National League of Insured Savings Associations, 1200 17th Street NW., Washington, D.C. 20036.

A. James E. Simmons, 1730 Pennsylvania Avenue NW., Suite 220, Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
E. (9) $398.30.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee.
D. (6) $1,725. E. (9) $62.

A. Julian H. Singman, 815 16th Street NW., Room 310, Washington, D.C. 20006.
B. International Longshoremen's Association, AFL-CIO, 17 Battery Place, Suite 1530, New York, N.Y. 10004.
D. (6) $5,000. E. (9) $2,019.26.

A. James A. Skinner, Jr., 1136 2d Avenue North, Nashville, Tenn. 37208.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.
E. (9) $512.05.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,000.

A. Carstens Slack, 1825 K Street NW., Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. William L. Slayton, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1736 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. American Horse Council, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $6,250. E. (9) $4,559.61.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $6,250. E. (9) $39.16.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. The Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $8,500. E. (9) $669.86.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Committee of American Tanker Owners, c/o Neal M. Mayer, Esq., 100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
D. (6) $25,000. E. (9) $807.45.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. National Hockey League, 2 Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.
D. (6) $8,500. E. (9) $439.59.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $6,000. E. (9) $264.17.

A. Donald E. Smiley, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $794.57.

A. Arthur J. Smith, 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006.
B. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

A. J. Kenneth Smith, Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $4,000. E. (9) $1,015.

A. Robert Wm. Smith, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $252. E. (9) $184.

A. Wallace M. Smith, 425 13th Street NW., Washington, D.C. 20004.
B. National Association of Mutual Insurance Co's., 2611 East 46th Street, Suite H, Indianapolis, Ind. 46205.
D. (6) $500. E. (9) $66.

A. Wayne H. Smithey, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,465. E. (9) $1,143.60.

A. Arthur V. Smyth, 1625 I Street NW., Suite 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $500. E. (9) $100.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
B. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
D. (6) $640.75. E. (9) $326.17.

A. John M. Snow, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,495.

A. J. R. Snyder, 400 1st Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 1st Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $300.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.
D. (6) $2,062.35. E. (9) $3,563.65.

A. Charles B. Sonneborn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $855.

A. South Carolina Petroleum Council, 716 Palmetto State Life Building, Columbia, S.C. 29201.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150. E. (9) $150.

A. Joe P. Sparks, 4234 Winfield Scott Plaza, Scottsdale, Ariz. 85251.
B. Havasupai Tribe of Indians, Supai, Ariz.
D. (6) $8,345.55. E (9) $1,994.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.
B. Air Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $624. E. (9) $125.

A. William W. Spear, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $799.16. E. (9) $2.77.

A. Frank J. Specht, 1725 De Sales Street NW., Washington, D.C. 20036.
B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. William C. Spence, P.O. Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.
D. (6) $40. E. (9) $3.10.

A. Joseph L. Spilman, Jr., 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $483. E. (9) $100.

A. J. Roy Spradley, Jr., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.
E. (9) $214.

A. John W. Sroka, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John M. Stackhouse, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,562.50. E. (9) $407.27.

A. The Standard Oil Co. (Ohio), 1801 K Street NW., Suite 1021, Washington, D.C. 20006.
E. (9) $931.99.

A. Melvin L. Stark, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $350.

A. Steinhart, Goldberg, Feigenbaum & Ladar, 1 Post Street, San Francisco, Calif. 94104.
B. Valley Center Municipal Water District, Valley Center, Calif. 92082.
D. (6) $905. E. (9) $71.08.

A. Steptoe & Johnson, 1250 Connecticut Avenue, Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Robert College of Istanbul, Turkey, 380 Madison Avenue, New York, N.Y. 10017.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Rule of Law Committee, 1250 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. Wynne A. Stevens, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209

B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $870.

A. Travis B. Stewart, 1775 K Street NW., Washington, D.C. 20006.

B. Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.

D. (6) $650. E. (9) $150.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C. 20002.

B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $6,039.35. E. (9) $648.82.

A. William M. Stover, 1825 Connecticut Avenue NW., Washington, D.C. 20009.

B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

D. (6) $1,000. E. (9) $100.

A. Herald E. Stringer, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind. 46206.

D. (6) $6,465. E. (9) 2,150.72.

A. John D. Stringer, 1776 F Street NW., Washington, D.C. 20006.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.

E. (9) $1,725.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

D. (6) $2,750. E. (9) $376.73.

A. Walter B. Stults, 312 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.

D. (6) $600.

A. Roger H. Sullivan, 723 Investment Building, Washington, D.C. 20005.

B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

A. Irving W. Swanson, 1155 15th Street NW., Washington, D.C. 20005.

B. Pharmaceutical Manufacturers Association.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.

B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

D. (6) $8,750.04.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.

B. Bethlehem Steel Corp, Bethlehem, Pa. 18016.

D. (6) $200. E. (9) $332.50.

A. Russell A. Swindell, P.O. Box 2635, Raleigh, N.C. 27602.

B. North Carolina Railroad Association, P.O. Box 2635, Raleigh, N.C. 27602.

D. (6) $170.84. E. (9) $249.96.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga.

A. Noble J. Swearingen, 101 Second Street NE., Washington, D.C. 20002.

B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.

D. (6) $1,000.

A. TADCO Enterprises, Inc., 1625 I Street NW., Washington, D.C. 20006.

B. Government of Bolivia, United States Embassy, 1145 19th Street NW., Washington, D.C.

E. (9) $547.10.

A. Charles C. Talley, 100 Angus Court, Charlottesville, Va. 22901.

B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill.

A. David Tarr, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $262.50.

A. William K. Tell, Jr., 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.

D. (6) $450. E. (9) $271.88.

A. Paul Tendler, 1030 15th Street NW., Washington, D.C. 20005.

B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.

D. (6) $3,669.23. E. (9) $3,669.23.

A. L. D. Tharp, Jr., 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

D. (6) $300.

A. J. Woodrow Thomas Associates, Inc., 734 15th Street NW., Washington, D.C. 20005.

B. REA Express, Inc., 219 East 42d Street, New York, N.Y. 10017.

D. (6) $6,750.

A. Bert M. Thompson, 1776 F Street NW., Washington, D.C. 20006.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.

E. (9) $990.

A. William D. Thompson, 1660 L Street NW., Suite 804, Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

D. (6) $3,000. E. (9) $3,716.28.

A. Cyrus C. Tichenor III, 815 Connecticut Avenue NW., Suite 1007, Washington, D.C. 20006.

B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.

D. (6) $5,250. E. (9) $5,050.44.

A. Drew V. Tidwell, 1725 K Street NW., Washington, D.C. 20006.

B. Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $2,000. E. (9) $1,032.09.

A. Paul J. Tierney, 1100 17th Street NW., Washington, D.C. 20036.

B. Transportation Association of America.

D. (6) $192.37. E. (9) $152.37.

A. Michael L. Tiner, 1775 K Street NW., Washington, D.C. 20006.

B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $3,031.13. E. (9) $475.50.

A. Maurice B. Tobin, 1010 16th Street NW., Washington, D.C.

B. Potlatch Corp., 1 Maritime Plaza, Box 3591, San Francisco, Calif.

D. (6) $25.

A. H. Willis Tobler, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

A. David R. Toll, 1140 Connecticut Avenue, No. 1010, Washington, D.C. 20036.

B. National Association of Electric Co's., 1140 Connecticut Avenue NW., Washington, D.C.

D. (6) $886.56. E. (9) $340.37.

A. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.

B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 11 East Wacker Drive, Chicago, Ill.

D. (6) $6,500. E. (9) $117.50.

A. Richard P. Trotter, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.

D. (6) $2,335.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 2006.

B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $300.

A. St. Clair J. Tweedie, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.

B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte. N.C. 28281.

D. (6) $1,100. E. (9) $61.87.

A. Joseph D. Tydings, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $23.52.

A. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue, Washington, D.C. 20001.

E. (9) $12,511.50.

A. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.

E. (9) $1,325.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

E. (9) $1,545.31.

A. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.

E. (9) $415.97.

A. United States League of Savings Association, 111 East Wacker Drive, Chicago, Ill.

E. (9) $63,083.74.

A. Universal Development Consultants, Inc., 425 13th Street NW., Washington, D.C. 20004.

B. Mortgage Bankers Association of America.

A. Herbert C. Upson, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. J. Joseph Vacca, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $3,306.88.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.

B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. John A. Vance, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.

B. Pacific Gas and Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

D. (6) $786.50. E. (9) $534.14.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., Suite No. 912, Washington, D.C. 20005.

B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.

E. (9) $107.09.

A. Lois W. Van Valkenburgh, 1673 Preston Road, Alexandria, Va. 22302.

B. Citizens Committee for UNICEF, 110 Maryland Avenue NW., Washington, D.C. 20002.

D. (6) $62.

A. Richard E. Vernor, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Elizabeth Alderman Vinson, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the U.S., 1730 M Street NW., Washington, D.C. 20036.

D. (6) $710.

A. Walter D. Vinyard, Jr., 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.

D. (6) $1,500. E. (9) $250.

A. Virginia Petroleum Industries, 1809 Staples Mill Road, Richmond, Va. 23230.

A. Donn L. Waage, 730 15th Street NW., Washington, D.C. 20005.

B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.

D. (6) $187.50. E. (9) $38.25.

A. E. F. Waldrop, Jr., 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $380.25.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Allied Chemical Corp., P.O. Box 1057R, Morristown, N.J. 07960.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aluminum Co. of America, Washington, D.C. 20006.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Electric Co., Washington, D.C. 20005.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Motors Corp., General Motors Building, Detroit, Mich. 48202.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Gulf Oil Corp., Washington, D.C. 20036.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Illinois Central Industries, 111 E. Wacker Drive, Chicago, Ill. 60601.

D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Laredo National Bank, et al.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Steel Corp., 2800 Grant Building, Pittsburgh, Pa. 15219.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Procter & Gamble, Cincinnati, Ohio 45201.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Weyerhaeuser Co., Tacoma, Wash. 98401.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.

B. Bipartisan Committee on Absentee Voting, Inc., 1800 K Street NW., Suite 614, Washington, D.C. 20006.

E. (9) $57.96.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jack A. Waller, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Association of Firefighters, 1750 New York Avenue NW., Washington, D.C. 20006.

D. (6) $6,435.84.

A. Charles S. Walsh.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C.

D. (6) $127.50. E. (9) $15.

A. William A. Walton, 800 Merchants National Bank Building, Eighth and Jackson Streets, Topeka, Kans. 66612.

B. Kansas Railroad Committee, 800 Merchants National Bank Building, Eighth and Jackson Streets, Topeka, Kans. 66612.

D. (6) $450. E. (9) $450.

A. Richard D. Warden, 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $6,728.13. E. (9) $563.23.

A. Jack Ware, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1001 K Street NW., Washington, D.C. 20006.

D. (6) $11,000. E. (9) $177.

A. Warner & Harris, Inc., 1030 15th Street NW., Suite 840, Washington, D.C. 20005.

D. (6) $8,418.60. E. (9) $8,001.03.

A. Leonard Warner, 1030 15th Street NW., Suite 840, Washington, D.C. 20005.

B. Warner & Harris, Inc., 1030 15th Street NW., Suite 840, Washington, D.C. 20005.

D. (6) $1,800.

A. Pamela R. Warner, Suite 5, 121 Second Street NE., Washington, D.C.

B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif.

D. (6) $300. E. (9) $844.57.

A. Washington Research Project Action Council, 1763 R Street NW., Washington, D.C. 20009.

E. (9) $1,537.01.

A. George A. Watson, Suite 800, 1612 K Street NW., Washington, D.C. 20006.

B. The Ferroalloys Association, Suite 800, 1612 K Street NW., Washington, D.C. 20006.

E. (9) $1,500.

A. George K. Watts, 1155 15th Street NW., D.C. 20005.

B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $300.

A. Clyde M. Webber, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

D. (6) $12,207.30. E. (9) $1,996.08.

A. Theodore F. Weihe, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $650.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.

B. American Society of Composers, Authors & Publishers—Performing Rights Society, ASCAP Building, 1 Lincoln Plaza, New York, N.Y. 10023.

D. (6) $3,600.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.

B. Beneficial Management Corp., 200 South Street, Morristown, N.J.

D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. Canada-France-Hawaii Telescope Corp., Institute for Astronomy, 2840 Kolowalu Street, Honolulu, Hawaii. 96822.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Morton N. Weiss, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,500.

A. Edward O. Welles, 1910 K Street NW., Washington, D.C. 20006.
B. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Fred M. Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,250. E. (9) $158.57.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $150.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Clyde A. Wheeler, Jr., 240 Radnor Chester Road, St. Davids, Pa. 19087.
B. Sun Oil Co., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $7,000. E. (9) $1,910.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Wheeler, Van Sickle & Anderson, 25 West Main Street, Madison, Wis. 53703.
B. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Donald K. White, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $835.50. E. (9) $774.06.

A. John C. White, Room 1008, 1101 Seventeenth Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., Room 1008, 1101 17th Street NW., Washington, D.C.

A. John S. White, 1625 I Street NW., Washington, D.C. 20006.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $887.18.

A. Douglas Whitlock, II, 1660 L Street NW., Suite 1005, Washington, D.C. 20036.
B. Zale Corp., 1660 L Street NW., Suite 1005, Washington, D.C. 20036.
D. (6) $500. E. (9) $150.

A. Richard J. Wiechmann, 260 Madison Avenue, New York, N.Y.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. David Wilken, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Society of Travel Agents, Inc., 360 Lexington Avenue, New York, N.Y.
E. (9) $854.81.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $52.07.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., 135 East South Temple Street, Salt Lake City, Utah.
E. (9) $75.77.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.
E. (9) $2.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. College Placement Council, Inc., 65 East Elizabeth Street, Bethlehem, Pa.
E. (9) $11.60.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana.
E. (9) $168.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Estate of Albert W. Small, c-o Mrs. Albert W. Small, 5803 Green Tree Road, Bethesda, Md.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $33.31.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Nana Regional Corporation, Inc., Box 48, Kotzebue, Alaska 99752.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Quinaielt Tribe of Indians, Taholah, Wash.
E (9) $37.23.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $94.89.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. U.S. National Bank, Medford, Ore., acting for the "Remaining Members" of the Klamath Indian Tribe, Oregon.
E. (9) $141.11.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

A. Williams, Connolly & Califano, 839 17th Street NW., Washington, D.C.
B. Northwest Industries, 400 West Madison Street, Chicago, Ill. 60606.
E. (9) $3.89.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.

A. Francis G. Williams.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

A. Harding deC. Williams, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif. 94119.
D. (6) $166. E. (9) $16.

A. Williams & King, 1620 I Street NW., Suite 800, Washington, D.C. 20006.
B. National Nutritional Foods Association, 7727 South Painter Avenue, Whittier, Calif. 90602.
D. (6) $7,500. E. (9) $773.

A. Williams & King, 1620 I Street NW., Suite 800, Washington, D.C. 20006.
B. Noranda Mines, Limited, P.O. Box 45, Commerce Court West, Toronto, Ontario, Canada.
D. (6) $10,000. E. (9) $1,268.22.

A. Robert E. Williams, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,250. E. (9) $882.

A. Robert G. Williams, 2020 14th Street North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wisc. 54601.
D. (6) $462.50. E (9) $208.45.

A. Samuel M. Williams, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $400. E. (9) $300.

A. Thomas C. Williams, 1 Farragut Square South, Washington, D.C. 20006.
B. National Football League, 410 Park Avenue, New York, N.Y. 10022.
D. (6) $500. E. (9) $7.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Council for Responsible Nutrition, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Marianas Political Status Commission, P.O. Box 977, Saipan, Mariana Islands 96950.
D. (6) $35.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Oil Investment Institute, 2500 Dunstan, Houston, Tex. 77005.

A. W. E. Wilson, 623 Ockley Drive, Shreveport, La. 71106.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $937.50. E. (9) $128.13.

A. R. J. Winchester, 900 Southwest Tower, Houston, Tex. 77002.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $6,850. E. (9) $5,000.

A. Winston & Strawn, Suite 1040, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Gould, Inc., 8550 West Bryn Mawr Avenue, Chicago, Ill. 60631.
D. (6) $850. E. (9) $33.13.

A. Winston & Strawn, Suite 1040, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. International Council of Shopping Centers, 445 Park Avenue, New York, N.Y. 10022.
D. (6) $1,062.50. E. (9) $211.57.

A. Russell C. Wisor, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $3,375. E. (9) $261.23.

A. Richard F. Witherall, 702 Majestic Building, Denver, Colo. 80202.
B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.
D. (6) $600. E. (9) $1,600.

A. James E. Wolf, 2020 14th Street, North Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
E. (9) $90.30.

A. Sidney M. Wolf, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Nathan T. Wolkomir, 1737 H Street NW., Washington, D.C. 20006.
B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C.
D. (6) $9,693.60. E. (9) $1,850.46.

A. Kenneth B. Wollack, 1341 G Street NW., Suite 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $3,750.

A. David G. Wood, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,230. E. (9) $348.08.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Ewing M. Kauffman, Marion Laboratories, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $2,062.50. E. (9) $540.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $2,062.50. E. (9) $540.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.
B. The Flying Tiger Line, Inc., Los Angeles International Airport, Los Angeles, Calif.

A. Peter W. Woofter, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $9,900. E. (9) $409.

A. George M. Worden, 1425 K Street NW., Washington, D.C.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Edward E. Wright, 1901 Pennsylvania Avenue NW., Washington, D.C.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $5,000.

A. Wyatt, Saltzstein, Minton & Howard, 1300 Wyatt Building, Washington, D.C. 20005.
B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.
D. (6) $2,250. E. (9) $46.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94016.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, The Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Petersen Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90069.

A. Dennis M. Yamamoto, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, O.D., 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $356.06. E. (9) $386.85.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. John H. Yingling, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.
B. First National City Bank, 399 Park Avenue, New York, N.Y. 10022.
D. (6) $200. E. (9) $115.49.

A. Cornelius T. Young, 3515 North Summit Avenue, Milwaukee, Wis 53211.
B. Wisconsin Electric Power Co. System, 231 West Michigan Street, Milwaukee, Wis. 53201.
D. (6) $3,000. E. (9) $243.23.

A. Young, Kaplan & Edelstein, 277 Park Avenue, New York, N.Y. 10017.
E. (9) $858.33.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,756. E. (9) 155.04.

A. Robert J. Young, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., USA (A Division of Exxon Corp.), P.O. Box 2180, Houston, Tex.
E. (9) $15.20.

A. John S. Zapp, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $2,400. E. (9) $955.

A. Thomas Zaucha, 1725 I Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
E. (9) $500.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $340.61.

A. Paul G. Zurkowski, 4720 Montgomery Lane, Bethesda, Md., 20014.
B. Information Industry Association, 4720 Montgomery Lane, Bethesda, Md. 20014.
D. (6) $420.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $114.79.

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the second calendar quarter of 1974 were received too late to be included in the published reports for that quarter.

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◀

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◀

AFFIDAVIT

[Omitted in printing]

PAGE 1◀

A. Albert E. Abrahams, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 925 15th Street NW., Washington, D.C.

D. (6) $2,870.

A. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.

D. (6) $2,500. E. (9) $2,500.

A. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.

D. (6) $3,600. E. (9) $2,286.81.

A. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $800.50. E. (9) $624.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $13,495.57. E. (9) $13,495.57.

A. Paul W. Airey, 4517 Sunset Drive, Panama City, Fla. 32401.

B. Air Force Sergeants Association, 6101 28th Avenue, Suite 713, Washington, D.C. 20031.

A. John Allen.

B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90054.

D. (6) $300. E. (9) $322.15.

A. Amalgamated Clothing Workers of America, 15 Union Square, New York, N.Y. 10003.

D. (6) $16,287.07. E. (9) $16,287.07.

A. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $133.70. E. (9) $10,319.63.

A. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.

D. (6) $16,576.45. E. (9) $21,875.53.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $2,130.92. E. (9) $2,130.92.

A. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

E. (9) $1,508.

A. American Maritime Association, 17 Battery Place North, New York, N.Y. 10004; 1612 K Street NW., Washington, D.C. 20006.

E. (9) $3,246.11.

A. American Optometric Association, c/o Jack A. Potter, O.D., Secretary-Treasurer, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $4,621.77. E. (9) $4,621.77.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $54.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.

E. (9) $125.

A. American Vocational Association, 1510 H Street NW., Washington, D.C. 20005.

D. (6) $1,675. E. (9) $1,615.

A. Edward Anderson, 1625 L Street NW., Washington, D.C. 20036.

B. American Federation of State, County and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $5,080. E. (9) $39.

A. William C. Anderson, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,500. E. (9) $39.88.

A. Robert E. Ansheles, Suite 907, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. CITC Industries, Inc., 1 Park Avenue, New York, N.Y., 10016.

D. (6) $465. E. (9) $107.65.

A. Clarence A. Arata, Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

B. Metropolitan Washington Board of Trade.

D. (6) $16,250.

A. John C. Archer, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $550. E. (9) $300.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.

B. American Bottled Water Association, 1411 West Olympic Boulevard, Los Angeles, Calif. 90015.

A. Arnold & Porter, 1229 19th Street NW., Washigton, D.C.

B. Franklin Life Insurance Co., Franklin Square, Springfield, Ill. 62701.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.

B. Maremont Corp., 168 North Michigan Avenue, Chicago, Ill. 60601.

D. (6) $250. E. (9) $5.30.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.

B. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.

E. (9) $817.73.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.

B. Powell Lumber Co., Lake Charles, La.

A. Associated Builders & Contractors, Inc., 1625 I Street NW., No. 321, Washington, D.C. 20006.

D. (6) $6,000. E. (9) $3,500.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex.

E. (9) $98.79.

A. Associated Third Class Mail Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $300. E. (9) $300.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.

B. National Coal Association, Coal Building, Washington, D.C. 20036.

E. (9) $1,405.95.

A. Charles W. Bailey, 1990 M Street NW., Suite 400, Washington, D.C. 20036.

B. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.

A. George F. Bailey, Jr., P.O. Box 21, Montgomery, Ala. 36101.

B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala.

D. (6) $82. E. (9) $287.65.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Joseph Baroody, 1100 17th Street NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $300. E. (9) $150.

A. Barrett Smith Schapiro & Simon, 26 Broadway, New York, N.Y. 10004.

B. New York Cocoa Exchange, Inc., 127 John Street, New York, N.Y. 10038; New York Coffee and Sugar Exchange, Inc., 79 Pine Street, New York, N.Y. 10005.

D. (6) $500. E. (9) $125.

A. Davis M. Batson, 1155 15th Street NW., No. 611, Washington, D.C. 20005.

B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

A. Gary Lee Bauer, 968 National Press Building, Washington, D.C. 20045.

B. Direct Mail Marketing Association.

D. (6) $10,000. E. (9) $3,300.

A. Ralph C. Beerbower, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress.

D. (6) $1,075.

A. Kenneth E. BeLieu, 1725 De Sales Street NW., Washington, D.C. 20036.

B. Gas Supply Committee.

D. (6) $916.66. E. (9) $270.

A. Winston Everett Bell, P.O. Box 1718, Las Vegas, Nev. 89101.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.

B. Association of Trial Lawyers of America.

D. (6) $3,000. E. (9) $150.

A. Kathleen M. Bennett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. William C. Bickel, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Gulf Oil Co., U.S., P.O. Box 2100, Houston, Tex. 77001.

A. Bruce P. Bickner, Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60603.

B. DeKalb Agresearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. Bruce P. Bickner, Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60603.

B. Heinold Commodities, 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Billig, Sher & Jones, 1126 16th Street NW., Washington, D.C. 20036.

B. Steamship Conferences.

D. (6) $750.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. Ad Hoc Coalition for Cemetery Care, 6216 South Stanford Way, Whittier, Calif. 90601.

E. (9) $21.38.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. Occidental Life Insurance Co., 12th Street at Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, Suite 412, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Paul Revere Corp., Worcester, Mass. 01608.

A. Brent Blackwelder, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $392.30.

A. Richard W. Blake, 1776 K Street NW., Washington, D.C. 20006.

B. National Sugarbeet Growers Federation, 1000 10th Street, Greeley, Colo. 80631.

A. Richard W. Bliss, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $725.

A. Rodney A. Bower, 1126 16th Street NW., Washington, D.C. 20036.

B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.

D. (6) $240. E. (9) $20.

A. J. Wiley Bowers, 415 Pioneer Building, Chattanooga, Tenn. 37402.

B. Tennessee Valley Public Power Association, 415 Pioneer Building, Chattanooga, Tenn. 37402.

A. Lester M. Bridgeman, Bridgeman & Pyeatt, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.

B. Bart B. Chamberlain, Jr., Myrtlewood Lane, Spring Hill, Mobile, Ala.

D. (6) $1,215.

A. Bridgeman & Pyeatt, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.

B. Bart B. Chamberlain, Jr., Myrtlewood Lane, Spring Hill, Mobile, Ala.

D. (6) $1,390.

A. Judith Brody, 3811 Fulton Street NW., Washington, D.C. 20007.

B. National Council to Control Handguns, 4114 Davis Place NW., No. 204, Washington, D.C. 20007.

A. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Roard, Rosemont, Ill. 60018.

D. (6) $30,662.66. E. (9) $30,662.66.

A. G. N. Buffington, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

B. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $400. E. (9) $10.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Hearst Corp., 959 Eighth Avenue, New York, N.Y. 10019.

D. (6) $900. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.

D. (6) $3,000. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

E. (9) $700.

A. George J. Burger, 250 West 57th Street, New York City, N.Y.

B. Burger Tire, 250 West 57th Street, New York City, N.Y.

A. George J. Burger, 30 Clinton Place, New Rochelle, N.Y. 10801.

B. National Federation of Independent Business, 30 Clinton Place, New Rochelle, N.Y. 10801.

E. (9) $385.55.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.

B. The Montana Power Co., Butte, Mont. 59701.

E. (9) $17.48.

A. Lowell A. Burkett, 1510 H Street NW., Washington, D.C. 20005.

B. American Vocational Association, 1510 H Street NW., Washington, D.C. 20005.

D. (6) $1,100.

A. Jerald R. Butchert, 905 Parker Avenue, Falls Church, Va.

B. Metropolitan Water District of Southern California, P.O. Box 54153, Los Angeles, Calif. 90054.

D. (6) $4,062. E. (9) $1,968.67.

A. Charles S. Caldwell, 900 15th Street NW., Washington, D.C. 20005.

B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

D. (6) $2,852.15.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y. 10005.

B. New York Stock Exchange, 11 Wall Street, New York, N.Y. 10005.

A. Charles R. Carlisle, Suite 903, 1701 K Street NW., Washington, D.C. 20006.

B. Lead-Zinc Producers Committee.

D. (6) $1,200. E. (9) $883.56.

A. Chapin Carpenter, Jr., 1629 K Street NW., No. 603, Washington, D.C. 20006.

B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.

D. (6) $2,000. E. (9) $795.08.

A. Alfred Carr, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,579.35. E. (9) $134.15.

A. Richard M. Carrigan, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,579. E. (9) $334.51.

A. David C. Carter, 1156 15th Street NW., Washington, D.C. 20005.

B. U.S. Beet Sugar Association, 1156 15th Street NW., Washingtn, D.C. 20005.

A. Rita L. Castle, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.

B. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.

D. (6) $4,307. E. (9) $48.50.

A. Justice M. Chambers, 2300 Calvert Street NW., Washington, D.C. 20008.

B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.

D. (6) $7,500. E. (9) $870.20.

A. Chemtex, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.

D. (6) $2,798.11. E. (9) $6,684.96.

A. Clayton Brokerage Co. of St. Louis, Inc., 7701 Forsyth Boulevard, St. Louis, Mo. 63105.

E. (9) $900.

A. Coalition Against Strip Mining, 324 C Street SE., Washington, D.C. 20003.

D. (6) $533. E. (9) $2,826.90.

A. Coalition of Concerned Charities, c/o John G. Milliken, 1776 F Street NW., Suite 200, Washington, D.C. 20006.

D. (6) $6,200. E. (9) $11,277.11.

A. Carl A. S. Coan, Jr., 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $7,687.49. E. (9) $1,349.51.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

D. (6) $14,112.50. E. (9) $1,562.36.

A. Jeffery Cohelan, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $999.99.

A. William Cole.

B. Union Oil Co. of California, 461 South Boylson Street, Los Angeles, Calif. 90054.

D. (6) $300. E. (9) $126.

A. William J. Colley, 1025 Vermont Avenue NW., Washington, D.C. 20005.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

A. William J. Colley, 1025 Vermont Avenue NW., Washington, D.C. 20005.

B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. William J. Colley, 1025 Vermont Avenue NW., Washington, D.C. 20005.

B. National Ethical Pharmaceutical Association, P.O. Box 13547, St. Petersburg, Fla. 33733.

A. John M. Collier, 4436 Perrier Street, New Orleans, La. 70115.

B. S.F.P.A., P.O. Box 52468, New Orleans, La. 70152.

D. (6) $5,425.02. E. (9) $902.47.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.

B. American Cylinder Manufacturers Committee, 1666 K Street NW., Washington, D.C. 20006.

D. (6) $50.

A. James F. Collins, 1000 16th Street NW., Washington, D.C. 20006.

B. American Iron & Steel Institute, 150 East 42d Street, New York, N.Y.

D. (6) $500. E. (9) $125.

A. T. Neal Combs, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Sand Spring Home, in care of E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.

D. (6) $200.

A. Committee for a Healing Repatriation, 604 East Armory Avenue, Champaign, Ill. 61820.

D. (6) $1,387.02. E. (9) $1,205.43.

A. Committee for Humane Legislation, Inc., 910 16th Street NW., Washington, D.C. 20006.

D. (6) $7,556.97. E. (9) $16,126.26.

A. Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.

D. (6) $85,450. E. (9) $61,238.19.

A. Harry N. Cook, 1130 17th Street NW., Washington, D.C. 20036.

B. National Waterways Conference, Inc.

A. Charles F. Cook, Jr., 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $1,175.

A. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $22,540.83. E. (9) $13,079.63.

A. Council of AFL-CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C.

D. (6) $1,250. E. (9) $1,250.

A. John A. Couture, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $4,968.76. E. (9) $327.89.

A. Elizabeth M. Cox, 1266 National Press Building, Washington, D.C. 20045.

B. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.

D. (6) $3,300.

A. Cramer, Haber & Becker, 475 L'Enfant Plaza SW., Suite 4100, Washington, D.C. 20024.

B. Action Committee for Community Services, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $7,656.25. E. (9) $10,706.18.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $7,305.80. E. (9) $739.28.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America.

D. (6) $872. E. (9) $2,438.

A. Robert J. Cushman, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $2,050. E. (9) $119.57.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. American Importers Association, 420 Lexington Avenue, N.Y. 10017.

D. (6) $3,000. E. (9) $134.03.

A. John Jay Daly, 968 National Press Building, Washington, D.C. 20045.

B. Direct Mail Marketing Association.

D. (6) $10,000. E. (9) $3,300.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. National Office Machine Dealers Association, 1510 Jarvis Avenue, Elkgrove, Ill. 60007.

D. (6) $3,000. E. (9) $225.05.

A. Fred E. Darling, 110 Maryland Avenue NE., Suite 510, Washington, D.C. 20002.

B. Non-Commissioned Officers Association of USA, P.O. Box 2268, San Antonio, Tex. 78298.

D. (6) $435.

A. Richard C. Darling, 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

D. (6) $480. E. (9) $212.20.

A. John C. Datt, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $4,000. E. (9) $46.28.

A. Daniel P. Dawson, 200 East Randolph Drive, M.C. 3101, Chicago, Ill. 60601.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.

B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20005.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. Association of Plaintiffs Trial Attorneys for Metropolitan Washington, D.C., Washington, D.C. 20005.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. C.T.I. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.

B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.

E. (9) $5,988.

A. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60606.

E. (9) $40.

A. Delta Group, Ltd., 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

B. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

D. (6) $3,849.56. E. (9) $987.50.

A. Leslie E. Dennis, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $925. E. (9) $68.

A. C. H. DeVaney, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,500. E. (9) $103.85.

A. Annette Dickinson, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. Council for Responsible Nutrition.

D. (6) $3,750. E. (9) $43.80.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Committee for the Martin Report, 1735 New York Avenue NW., Washington, D.C.

D. (6) $5,000. E. (9) $336.06.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Vance Sanders & Co., Boston, Mass.; Federated Investors, Inc., Pittsburgh, Pa.; Fidelity Management & Research Co., Boston, Mass.

A. James F. Doherty, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Group Health Association of America, Inc.

D. (6) $4,812.48.

A. John D. Doherty, Jr., 900 17th Street NW., Washington, D.C. 20006.

B. Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $293.33. E. (9) $128.89.

A. Richard Morgan Downey, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $200.

A. William DuChessi, 1126 16th Street NW., Washington, D.C. 20036.

B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.

D. (6) $1,850. E. (9) $100.

A. Louise C. Dunlap, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $3,499.98. E. (9) $145.48.

A. Bruce Dunton, 1126 16th Street NW., Washington, D.C. 20036.

B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.

D. (6) $2,160. E. (9) $100.

A. Henry I. Dworshak, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress.

D. (6) $1,175.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

D. (6) $843.75.

A. Hallett D. Edson, 956 North Monroe Street, Arlington, Va. 22201.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $1,883.40.

A. Frank Ellis Associates, Inc., Suite 400, 1730 North Lynn Street, Arlington, Va. 22209.

E. (9) $210.

A. D. A. Ellsworth, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $6,750. E. (9) $1,415.43.

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $4,200. E. (9) $656.25.

A. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $28,323.27. E. (9) $28,128.82.

A. Robert S. Esworth, c/o Classroom Teachers of Dallas, 3816 San Jacinto, Dallas, Tex. 75204.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,915. E. (9) $100.

A. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

A. Brock Evans, 1050 Mills Tower, San Francisco, Calif. 94104.

B. Sierra Club, 1050 Mills Tower, San Francisco, Calif. 94104.

D. (6) $7,000. E. (9) $150.

A. Federation of American Scientists, 307 Massachusetts Avenue NE., Washington, D.C. 20002.

D. (6) $8,669.79. E. (9) $216.66.

A. Leon Felix, Jr., 10600 West Higgins Road, Rosemont, Ill. 60018.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,723. E. (9) $75.

A. Fensterwald & Ohlhausen, 910 16th Street NW., Washington, D.C. 20006.

B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

D. (6) $600. E. (9) $2,959.

A. C. H. Fields, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,813. E. (9) $32.38.

A. Frank C. Fini, 2020 Brooks Drive, Apt. 506, Suitland, Md. 20028.

B. Air Force Sergeants Associations, 6101 28th Avenue SE., Suite 713, Marlow Heights, Md. 20031.

A. James W. Finley, 1660 L Street NW., Suite 915, Washington, D.C. 20036.

B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.

A. David M. Fleming, 1155 15th Street NW., Washington, D.C.

B. International Management Consultants, 1155 15th Street NW., Washington, D.C.

A. James F. Fleming, 991 National Press Building, Washington, D.C.

B. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.

D. (6) $1,000.

A. Roger Fleming, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,075. E. (9) $32.97.

A. Richard J. Flynn, Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. Richard J. Flynn, Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. David H. Foerster, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,568. E. (9) $27.70.

A. Tim C. Ford, 1800 K Street, Washington, D.C.

B. Glass Container Manufacturers Institute.

E. (6) $1,665.23.

A. Ronald C. Frankis, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $1,435. E. (9) $208.93.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.

B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $816.88. E. (9) $4,186.02.

A. Robert D. Fritz, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

E. (9) $914.86.

A. Gailor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.

B. Affiliated Capital, Guaranty National Bank Building, 7500 Bellaire Boulevard, Houston, Tex. 77036.

D. (6) $125. E. (9) $25.

A. Gailor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.

B. D. H. Baldwin Co., 1801 Gilbert Avenue, Cincinnati, Ohio 45202.

D. (6) $125. E. (9) $25.

A. Gailor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.

B. Blue Chip Stamps, 5801 Eastern Avenue, Los Angeles, Calif. 90040.

D. (6) $125. E. (9) $25.

A. Gailor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.

B. First Texas Financial Corp., 6060 North Central Expressway, Dallas, Tex. 75206.

D. (6) $125. E. (9) 25.

A. Gailor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.

B. ISC Industries, Inc., 3430 Broadway, Kansas City, Mo. 64141.

D. (6) $125. E. (9) $25.

A. Gailor, Burns & Elias, 700 E Street SE., Washington, D.C. 20003.

B. National Association of State Savings Insurers, 700 E Street SE., Washington, D.C. 20003.

D. (6) $125. E.(9) $25.

A. William R. Ganser, Jr., 4804 Folse Drive, Metairie, La. 70003.

B. S.F.P.A., P.O. Box 52468, New Orleans, La. 70152.

D. (6) $1,125.

A. Tom Garrett, 620 C Street SE., Washington, D.C. 20003.

B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.

D. (6) $1,950.

A. Gas Supply Committee, 1725 De Sales Street NW., Washington, D.C. 20036.

D. (6) $430,450. E. (9) $2,434.52.

A. Leo J. Gehrig, 1 Farragut Square South, Washington, D.C. 20006.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $1,715.94. E. (9) $371.80.

A. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

E. (9) $843.75.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

E. (9) $3,229.39.

A. John Gibson, 1625 L Street NW., Washington, D.C. 20036.

B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $5,898. E. (9) $238.62.

A. Glidden-Durkee Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

E. (9) $50.

A. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

E. (9) $104.16.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C. 20006.

B. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $625. E. (9) $104.16.

A. John Goldsum, P.O. Box 1148, Austin, Tex. 78767.

B. Texas Power & Light Co., Dallas, Tex.

E. (9) $465.54.

A. Jack Golodner, 1990 M Street NW., Washington, D.C. 20036.

B. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.

D. (6) $2,500. E. (9) $310.

A. Jack Golodner, 815 16th Street NW., Washington, D.C. 20006.

B. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. George W. Gowen, 27th Floor, 161 East 42d Street, New York, N.Y. 10017.

B. United States Lawn Tennis Association, Inc., 51 East 42d Street, New York, N.Y. 10017.

D. (6) $770.

A. James W. Green, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,965. E. (9) $513.35.

A. William G. Grief, 1155 15th Street NW., Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $500.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 800, Washington, D.C. 20036.

D. (6) $8,696.89. E. (9) $8,696.89.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill. 60602.

A. Keith Halliday, 1725 K Street NW., Washington, D.C. 20006.

B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $300.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. C.B. & T. Bancshares, Inc., 1148 Broadway, Columbus, Ga. 31901.

E. (9) $15.44.

A. Patricia L. Hanahan, 1155 15th Street NW., Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $250.

A. Andrew E. Hare, 1990 M Street NW., Suite 400, Washington, D.C. 20036.

B. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.

D. (6) $700. E. (9) $197.

A. Donald L. Harlow, Air Force Sergeants Association, 310 Riley Street, Falls Church, Va. 22046.

B. Air Force Sergeants Association, 6101 28th Avenue SE., Suite 713, Marlow Heights, Md. 20031.

A. Robert E. Harman, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,537. E. (9) $75.

A. Herbert E. Harris II, 1030 15th Street NW., Suite 840, Washington, D.C. 20005.

B. Warner & Harris, Inc., 1030 15th Street NW., Suite 840, Washington, D.C. 20005.

D. (6) $1,800.

A. Kit H. Haynes, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,500. E. (9) $80.63.

A. William F. Heimlich, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44th Street, New York, N.Y. 10017.
E. (9) $59.

A. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.
E. (9) $280.

A. Harold J. Heinold, Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.
D. (6) $50. E. (9) $20.

A. Harold J. Heinold, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.
D. (6) $100. E. (9) $40.

A. Barbara Heller, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $564. E. (9) $175.91.

A. Lillie E. Herndon, 700 North Rush Street, Chicago, Ill. 60611.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
D. (6) $27,973.94. E. (9) $573.81.

A. Donald E. Hirsch, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,750. E. (9) $34.06.

A. Ralph D. Hodges, Jr.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.

A. Miles B. Hopkins, 5601 Eastern Avenue, Baltimore, Md. 21224.
B. Glidden-Durkee Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

A. Casey Hughes, 1266 National Press Building, Washington, D.C. 20045.
B. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.
D. (6) $1,600.50. E. (9) $37.50.

A. Gregory A. Humphrey, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,508.76. E. (9) $483.76.

A. David J. Humphreys, Paulson and Humphreys, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Recreation Vehicle Industry Association, 2720 Des Plaines Avenue, Des Plaines, Ill. 60018.
D. (6) $16,925.

A. Lawrence H. Hunt, Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60603.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. Lawrence H. Hunt, Sidley & Austin, 1 First National Plaza, Chicago, Ill. 60603
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Washington, D.C. 20037.
E. (9) $25.

A. Lester S. Hyman, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Eastern Gas & Fuel Associates, Boston, Mass.
D. (6) $2,500.

A. Sarah B. Ignatius, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,300.02.

A. Bernard J. Imming, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $437.50.

A. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. Independent Gasoline Marketers Council, 1747 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.
E. (9) $428.90.

A. Japanese American Citizens League, 22 Peace Plaza, Suite 203, San Francisco, Calif. 94115.
D. (6) $3,130. E. (9) $3,130.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,075.

A. John Paul Johnson, 1725 De Sales Street NW., Washington, D.C. 20036.
B. Gas Supply Committee.
D. (6) $143.88.

A. Richard J. Jones, 1110 Davidson Street, Champaign, Ill. 60631.
B. Independent Grocers Alliance, 300 West Adams Street, Chicago, Ill. 60606.
D. (6) $75.

A. Robert S. Jones, 900 Union Commerce Building, Cleveland, Ohio 44115.
B. Glidden-Durkee Division, SCM Corp., 900 Union Commerce Building, Cleveland, Ohio 44115.
E. (9) $50.

A. Ronald K. Jones, 7841 Doane Court, Springfield, Va. 22152.
B. Mobile Homes Manufacturers Association, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $5,530. E. (9) $56.78.

A. James J. Judge.
B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C.
D. (6) $100.

A. Robert E. Juliano, 1666 K Street NW., Suite 304, Washington, D.C. 20006.
B. Hotel & Restaurant Employees & Bartenders International Union, 120 East Fourth Street, 13th Floor, Cincinnati, Ohio 45202.
D. (6) $4,999.98. E. (9) $3,623.94.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $13.50.

A. Julie C. Keller, 401 Wilcox Building, Portland, Oreg. 97204.
B. Oregon Filbert Commission, 12295 Southwest Main, Tigard, Oreg. 97223.
D. (6) $3,000. E. (9) $3,000.

A. James J. Kelly, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $1,034. E. (9) $1,000.27.

A. R. G. Kendall, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.
D. (6) $280. E. (9) $339.

A. James J. Kennedy, Jr., 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $6,000.

A. William J. Kenney, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $220. E. (9) $150.

A. Michael Kerr, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $3,634.50. E. (9) $44.50.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $1,125. E. (9) $917.25.

A. Peter M. Kirby, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America.
D. (6) $1,666.87. E. (9) $1,220.94.

A. Richard D. Kisling, 9500 Dashia Drive, Oxon Hill, Md. 20022.
B. Air Force Sergeants Association, 6101 28th Avenue SE., Suite 713, Marlow Heights, Md. 20031.

A. Helen Marie M. Klein, 215 Loyola Drive, Millbrae, Calif. 94030.
B. Alaska Federation of Natives, 133 Queen Anne Avenue North, Seattle, Wash. 98109.
D. (6) $675. E. (9) $720.

A. Ralph D. Klopfenstein, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. DeKalb AgResearch, Inc., Sycamore Road, Chicago, Ill. 60606.

A. Ralph D. Klopfenstein, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Paul R. Knapp, 1511 K Street NW., Washington, D.C. 20005.
B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $875.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $725.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30303.
B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.
D. (6) $250.

A. Joseph L. Koach, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.

A. Joseph L. Koach, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.

A. George W. Koch, 1425 K Street NW., Suite 900, Washington, D.C. 20005.

B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

D. (6) $60.26.

A. Paul A. Korody, Jr., 1725 I Street NW., Washington, D.C. 20006.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.

A. Richard W. Kreutzen, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

D (6) $250. E. (9) $26.30.

A. Philip Kugler, 1012 14th Street NW., Washington, D.C. 20005.

B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.

D. (6) $5,377.67. E. (9) $852.65.

A. Ralph D. B. Laime, 2201 Route 38, Cherry Hill, N.J. 08034.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,915. E. (9) $75.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $100.

A. Lane and Edson, P.C., 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $450.

A. Jeffrey M. Lang, Bridgeman & Pyeatt, 1750 New York Avenue NW., Suite 210, Washington, D.C. 20006.

B. Bart B. Chamberlain, Jr., Myrtlewood Lane, Spring Hill, Mobile, Ala.

D. (6) $175.

A. Reed E. Larson, 1990 M Street NW., Suite 400, Washington, D.C. 20036.

B. National Right To Work Committee, 1990 M Street NW., Washington, D.C. 20036.

D. (6) $35.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $3,300.

A. George H. Lawrence, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $550. E. (9) $135.

A. Lawyers Committee To End the War, One Wall Street, 25th Floor, New York, N.Y. 10005.

E. (9) $111.31.

A. Lawyers To Preserve the Constitution, 36 West 44th Street, Room 500, New York, N.Y. 10036.

A. Corinne M. Leach, 6200 25th NE., Seattle, Wash. 98115.

B. Alaska Federation of Natives, 133 Queen Anne Avenue North, Seattle, Wash. 98109.

A. Barbar J. Leerskov, 1266 National Press Building, Washington, D.C. 20045.

B. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.

D. (6) $1,755. E. (9) $12.25.

A. Donald Lerch & Co., Inc., 1101 17th Street NW., Washington, D.C. 20036.

B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

A. Joseph A. Letorney, 20 Ashburton Place, Boston, Mass. 02128.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,272. E. (9) $75.

A. Leva, Hawes, Symington, Martin and Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Eastern Gas & Fuel Associates, Boston, Mass.

D. (6) $2,500.

A. Leva, Hawes, Symington, Martin and Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Union Investment GmbH, Neue Mainzer Strasse 33–35, 6 Frankfurt am Main 16, Federal Republic of Germany.

D. (6) $575. E. (9) $32.

A. Morris J. Levin, 1620 I Street NW., Washington, D.C. 20006.

B. Association of American Railroads, American Railroad Building, Washington, D.C. 20006.

D. (6) $1,000.

A. J. M. B. Lewis, Jr., 315 Shenandoah Building, P.O. Box 2887, Roanoke, Va. 24001.

B. National Council of Coal Lessors, 317 Southern Building, Washington, D.C. 20005; Iron Ore Lessors Association, 1500 First National Bank Building, St. Paul, Minn.

D. (6) $9,000. E. (9) $900.

A. J. Stanly Lewis, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $3,371.87.

A. Liberty Lobby, Inc., 130 3d Street SE., Washington, D.C. 20003.

D. (6) $25,465.93. E. (9) $22,303.61.

A. Herbert Liebenson, 1225 19th Street NW., Washington, D.C. 20036.

B. National Small Business Association, 1225 19th Street NW., Washington, D.C.

D. (6) $4,500. E. (9) $1,200.

A. Jonathan Lindley, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $2,452. E. (9) $69.85.

A. Joseph Lippman, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Sheldon I. London, 1025 Vermont Avenue NW., Washington, D.C. 20005.

B. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.

D. (6) $800.

A. George V. Lucas, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $1,034.

A. C. Lance Lujan, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,911.40. E. (9) $184.25.

A. Lumbermen's Mutual Casualty Co., Long Grove, Ill. 60049.

E. (9) $1,550.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. John V. Maraney, 324 East Capitol Street, Washington, D.C. 20003.

B. National Star Route Mail Carriers' Association, 324 East Capitol Street, Washington, D.C. 20003.

A. Robert V. Mariani, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $1,034. E. (9) $1,109.90.

A. Edwin E. Marsh, 200 C Street SE., Suite 401, Washington, D.C. 20003.

B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah, 84101.

D. (6) $3,256.84. E. (9) $1,175.06.

A. Clarence E. Martin, 119 South College Street, Martinsburg, W. Va. 25401.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Len Martin, 613 C Street NW., Washington, D.C. 20004.

D. (6) $3. E. (9) $632.50.

A. Charles H. Mauzy, 3951 Snapfinger Parkway, Decatur, Ga. 30032.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,723. E. (9) $75.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.

B. L. M. Williams, Clayton Burch families, c/o Continental Illinois National Bank and Trust Co., 231 South LaSalle Street, Chicago, Ill. 60693.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.

B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.

D. (6) $3,500.

A. Mayer, Brown & Platt, 231 South La Salle Street, Chicago, Ill. 60604.

B. Scott, Foresman & Co., 1900 East Lake Avenue, Glenview, Ill. 60025.

A. Anthony Mazzocchi, 1126 16th Street NW., Washington, D.C. 20036.

B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.

D. (6) $2,362.50. E. (9) $318.50.

A. Ellen M. McCartney, 2401 Virginia Avenue NW., Washington, D.C. 20037.

B. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $4,375.12.

A. John L. McCormick, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $2,500.02.

A. Edward McDonald, 815 16th Street NW., Washington D.C., 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $1,034. E. (9) $945.49.

A. Stanley J. McFarland, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $5,550. E. (9) $465.

A. Peter E. McGuire, 400 First Street NW., Washington, D.C. 20001.

B. National Association of Retired & Veteran Railway Employees Inc., P.O. Box 6060, Kansas City, Kans. 66106.

D. (6) $250. E. (9) $250.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 510, Washington, D.C. 20002.

B. Marine Corps League, National Headquarters, 933 North Kenmore Street, Suite 321, Arlington, Va. 22201.

E. (9) $6.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 510, Washington, D.C. 20002.

B. Noncommissioned Officers Association of the USA, P.O. Box 2268, San Antonio, Tex. 78298.

D. (6) $3,084. E. (9) $4,032.55.

A. Medical-Surgical Manufacturers Association, 1666 K Street NW., Suite 208, Washington, D.C. 20006.

E. (9) $2,789.25.

A. James R. W. Medina, Rutland Drive, Carmichael, Calif. 95608.

B. California Rural Indian Health Board, Rutland Drive, Carmichael, Calif. 95608.

A. Carl J. Megel, 1012 14th Street NW., Washington, D.C. 20005.

B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.

E. (9) $11,680.

A. Louis L. Meier, Jr., 1625 I Street NW., Washington, D.C. 20006.

B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.

D. (6) $300. E (9) $245.

A. Nanine Meiklejohn, 1625 L Street NW., Washington, D.C. 20036.

B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $4,167. E. (9) $23.50.

A. T. H. Meredith, 6030 Warwick Court, New Orleans, La. 70114.

B. S.F.P.A., P.O. Box 52468, New Orleans, La. 70152.

D. (6) $2,281.26.

A. Marc Messing, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $382.05.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. Miller, Cassidy, Larroca & Lewin, 1320 19th Street NW., Suite 500, Washington, D.C. 20036.

B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

D. (6) $12,325. E. (9) $402.93.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minn. 55402.

D. (6) $2,525. E. (9) $25.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Lockheed Aircraft Corp., Burbank, Calif. 91503.

D. (6) $7,960.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Interfraternity Conference, Inc., P.O. Box 40368, Indianapolis, Ind. 46240.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Questor Corp., 1801 Spielbusch Avenue, Toledo, Ohio 43601.

D. (6) $770. E. (9) $46.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.

D. (6) $1,375.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.

D. (6) $475.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. United Mine Workers of America Welfare and Retirement Fund, 2021 K Street NW., Washington, D.C. 20006.

D. (6) $765.

A. Clinton R. Miller, 4620 Lee Highway, Suite 240, Arlington, Va. 22207.

B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.

D. (6) $5,000. E. (9) $9,644.35.

A. Lester F. Miller, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $296. E. (9) $8.

A. Clarence Mitchell, 422 First Street SE., Washington, D.C. 20003.

B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.

D. (6) $4,000.

A. Mobile Homes Manufacturers Association, P.O. Box 201, 14650 Lee Road, Chantilly, Va. 22021.

D. (6) $1,666.78. E. (9) $1,666.78.

A. John Morgan, 1925 K Street NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

E. (9) $658.90.

A. Tom O. Murphy, 1156 15th Street NW., Washington, D.C. 20005.

B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. George E. Myers, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $1,201.30. E. (9) $22.35.

A. Nash, Ahern & Abell, 4400 Jenifer Street NW., Washington, D.C. 20015.

B. United Mine Workers of America Welfare & Retirement Fund, 2021 K Street NW., Washington, D.C. 20006.

A. National Air Carrier Association, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $962.50. E. (9) $962.50.

A. Clarence Mitchell, National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.

D. (6) $254,756.91. E. (9) $21,278.35.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $36,938.95. E. (9) $11,843.24.

A. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $100. E. (9) $100.

A. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 315, Washington, D.C. 20005.

D. (6) $300. E. (9) $117.50.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.

D. (6) $1,750. E. (9) $1,230.

A. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $135,426.43. E. (9) $36,393.38.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $800. E. (9) $761.80.

A. National Association of Recording Merchandisers, Inc., 1060 Kings Highway North, Suite 200, Cherry Hill, N.J. 08034.

E. (9) $10.

A. National Beer Wholesalers' Association of America, Inc., 6310 North Cicero Avenue, Chicago, Ill. 60646.

D. (6) $21,635.03. E. (9) $687.59.

A. National Coal Association, Coal Building, Washington, D.C. 20036.

D. (6) $490,025.73. E. (9) $3,581.28.

A. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

D. (6) $300. E. (9) $88.81.

A. National Committee for Research in Neurological Disorders, 927 National Press Building, Washington, D.C. 20045.

D. (6) $11,000. E. (9) $10,045.63.

A. The National Committee on the Presidency, Inc., 63 East 82d Street, New York, N.Y. 10028.

D. (6) $2,671.41. E. (9) $10,875.14.

A. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill. 60611.

D. (6) $27,973.94. E. (9) $573.81.

A. National Council of Agricultural Employers, 237 Southern Building, 15th and H Streets NW., Washington, D.C.

D. (6) $200. E. (9) $2,200.

A. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $61,943.60. E. (9) $7,060.28.

A. National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $516,681.37. E. (9) $6,260.81.

A. National Federation of Independent Business, 920–922 Washington Building, Washington, D.C. 20005.

B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.

D. (6) $30,060.79. E. (9) $30,060.79.

A. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.

E. (9) $930.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.

D. (6) $8,002.51. E. (9) $27,053.91.

A. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.

D. (6) $17,966.89. E. (9) $17, 966.89.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.

A. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.

D. (6) $1,498.62. E. (9) $1,498.62.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $45,897.55. E. (9) $24,016.27.

A. National Right to Life Committee, Inc., 1200 15th Street NW., No. 500, Washington, D.C. 20005.

E. (9) $6,100.

A. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.

D. (6) $2,419. E. (9) $2,419.

A. National Rural Housing Coalition, 1346 Connecticut Avenue NW., No. 500G, Washington, D.C. 20036.

D. (6) $2,586.72. E. (9) $2,757.71.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $6,066. E. (9) $3,272.

A. National School Transportation Association, 9001 Braddock Road, Springfield, Va. 22131.

D. (6) $1,601.35. E. (9) $1,601.35.

A. National Taxpayers Union, 625 East Capitol Street SE., Washington, D.C. 20003.

D. (6) $24,021.13. E. (9) $21,821.69.

A. National Water Resources Association, 897 National Press Building, Washington, D.C. 20045.

D. (6) $12,976.68. E. (9) $5,680.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.

D. (6) $29,182. E. (9) $5,273.65.

A. Navajo Tribe, Office of the Controller, Window Rock, Ariz. 86515.

E. (9) $28,596.95.

A. Ivan A. Nestingen, 1010 16th Street NW., Washington, D.C. 20036.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $900. E. (9) $225.

A. Network, 224 D Street SE., Washington, D.C. 20003.

D. (6) $6,395.20. E. (9) $6,989.46.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

D. (6) $100.

A. Julia J. Norrell, 1620 I Street NW., Washington, D.C. 20006.

B. Association of Trial Lawyers of America.

D. (6) $3,457.98.

A. Rebekah Norton, 422 First Street SE., Washington, D.C. 20003.

B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.

D. (6) $1,149.21.

A. W. Brice O'Brien, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $825.

A. T. J. Oden, 1747 Pennsylvania Avenue NW., Suite 900, Washington, D.C. 20006.

B. Independent Gasoline Marketers Council, Suite 900, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $75.

A. Bradford C. Oelman, Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.

D. (6) $2,400. E. (9) $212.40.

A. Charles E. Olson, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,579.35. E. (9) $358.04.

A. James J. O'Neill, 22 Thames Street, New York, N.Y. 10006.

B. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.

D. (6) $12,120. E. (9) $1,518.85.

A. Franz M. Oppenheimer, Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Union Investment GmbH, Neue Mainzer Strasse 33–35, 6 Frankfurt am Main 16, Federal Republic of Germany.

D. (6) $225.

A. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.

D. (6) $6,000. E. (9) $4,355.50.

A. J. Allen Overton, Jr., 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $1,675.

A. David A. Oxford, 1016 North Carolina Avenue SE., Washington, D.C.

B. Mobile Homes Manufacturers Association, 14650 Lee Road, Chantilly, Va. 22021.

D. (6) $6,500. E. (9) $110.

A. Carol Ames Parker, 620 C Street SE., Washington, D.C. 20003.

B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.

D. (6) $2,100.

A. D. V. Pensabene, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Standard Oil Co. of California, Suite 1204, 1700 K Street, Washington, D.C. 20006.

D. (6) $50. E. (9) $25.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., Suite 200, Washington, D.C. 20006.

B. Coalition of Concerned Charities, 1776 F Street NW., Suite 200, Washington, D.C. 20006.

D. (6) $11,277.11. E. (9) $11,277.11.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.

B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.

D. (6) $3,083.33. E. (9) $3,122.45.

A. Walter T. Phair, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C. 20006.

D. (6) $400. E. (9) $400.

A. Grant C. Pinney, 730 North Balsam, Ridgecrest, Calif. 93555.

B. Sierra Sands Unified School District, 730 North Balsam, Ridgecrest, Calif. 93555.

A. Frederick T. Poole, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,563. E. (9) $108.80.

A. Robert D. Powell, Suite 400, 734 15th Street NW., Washington, D.C. 20005.

B. National Business Aircraft Association, Inc., 425 13th Street NW., Suite 401, Washington, D.C. 20004.

A. William I. Powell, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $1,075. E. (9) $41.

A. Brainard E. Prescott, 220 C Street SE., Suite 309, Washington, D.C. 20003.

B. Coalition of Independent Ophthalmic Professionals, c/o Theo E. Obig, Inc., 75 East 55th Street, New York, N.Y. 10022.

D. (6) $3,200. E. (9) $5,356.

A. Arnold J. Prima, Jr., 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,200. E. (9) $1,411.53.

A. Questor Corp., 1801 Spielbusch Avenue, Toledo, Ohio. 43694.

E. (9) $816.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Bermuda Department of Tourism, Hamilton, Bermuda.

D. (6) $1,666. E. (9) $5.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. Fibreboard Corp., 55 Francisco Street, San Francisco, Calif.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa.

D. (6) $2,000.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. Keystone International, Inc., Box 38, Dillon, Colo.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. National Bulk Carriers, Inc., 1345 Avenue of the Americas, New York. N.Y.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. National Ski Areas Association, Inc., 99 Park Avenue, New York, N.Y.

D. (6) $1,500.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. Princess Hotels International, 1345 Avenue of the Americas, New York, N.Y.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. R. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.

D. (6) $1,000.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. Sea-Land Service, Inc., P.O. Box 900 Edison, N.J.

D. (6) $900. E. (9) $49.50.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.

B. Stimson Lumber Co. & Miller Redwood Co., 31 Pacific Building, Portland, Oreg.

D. (6) $125.

A. Rial M. Rainwater, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $327. E. (9) $12.

A. Clarence B. Randall, Jr., 1625 I Street NW., Suite 321, Washington, D.C. 20006.

B. Associated Builders & Contractors, Inc.

D. (6) $6,000. E. (9) $3,500.

A. Jerry F. Rapp, 1155 15th Street NW., Suite 606, Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $250.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.

B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.

D. (6) $150.

A. Carl L. Rechin, 900 Union Commerce Building, Cleveland, Ohio 44115.

B. Glidden-Durkee Division, SCM Corp., 900 Union Commerce Building, Cleveland, Ohio 44115.

A. Recording Industry Assoication of America, Inc., 1 East 57th Street, New York, N.Y. 10022.

D. (6) $27,413.73. E. (9) $29,015.20.

A. Recreation Vehicle Industry Association, 2720 Des Plaines Avenue, Des Plaines, Ill. 60018.

E. (9) $16,925.

A. Research to Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y. 10022.

E. (9) $2,643.99.

A. Reserve Officers Association of United States, 1 Constitution Avenue NE., Washington, D.C.

D. (6) $1,422.31. E. (9) $398.75.

A. James J. Reynolds, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.

B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.

D. (6) $1,875. E. (9) $250.40.

A. John Arthur Reynolds, P.O. Box 512, Fresno, Calif. 93709.

B. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.

D. (6) $1,952.50. E. (9) $688.78.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. Rosalie Riechman, 120 Maryland Avenue NE., Washington, D.C. 20002.

B. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa. 19107.

D. (6) $1,602.90.

A. S. F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

B. National Association of Margarine Manufacturer, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. John Riley, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $750. E. (9) $15.86.

A. Geo. W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.

B. Alton Box Board Co., Alton, Ill. 62002.

D. (6) $3,000. E. (9) $1,340.

A. John P. Roche, 150 East 42d Street, New York, N.Y.

B. American Iron & Steel Institute, 150 East 42d Street, New York, N.Y.

D. (6) $500. E. (9) $210.

A. Diana Rock, 1625 L Street NW., Washington, D.C. 20036.

B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $3,500. E. (9) $11.70.

A. Ronald E. Robinson, 2800 Smith Tower, Seattle, Wash. 98104.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,723. E. (9) $100.

A. Robinson, Silverman, Pearce, Aronsohn, Sand & Berman, 230 Park Avenue, New York, N.Y. 10017.

B. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.

E. (9) $391.53.

A. William L. Rodich, 5601 Eastern Avenue, Baltimore, Md. 21224.

B. Glidden-Durkee Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

D. (6) $1,034. E. (9) $928.72.

A. Walter E. Rogers, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

D. (6) $1,000.

A. Nathaniel H. Rogg, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15 and M Streets NW., Washington, D.C. 20005.

D. (6) $2,437.50. E. (9) $114.55.

A. Gail Rosenberg, 705 G Street SE., Washington, D.C. 20003.

B. National Abortion Rights Action League, 250 West 57th Street, New York, N.Y., 10019.

D. (6) $1,800.

A. Sand Springs Home, Sand Springs, Okla.

E. (9) $210.

A. Peter G. Sandlund, Room 400, 919 18th Street NW., Washington, D.C. 20006.

B. Council of European and Japanese National Shipowners' Associations, 30–32 St. Mary Avenue, London *EC3A 8ET*, England.

D. (6) $11,250. E. (9) $9,410.09.

A. Jerome D. Schaller, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.

E. (9) $327.72.

A. William J. Schreiber, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Ann Scott, 1266 National Press Building, c/o National Organization for Women, Washington, D.C. 20045.

B. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.

E. (9) $57.64.

A. Durward Seals, 1019 19th Street NW., Washington, D.C. 20036.

B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.

D. (6) $312.50. E. (9) $48.

A. Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $450. E. (9) $450.

A. Peter J. Semper, Council for Responsible Nutrition, 13915 Panay Way, Marina del Rey 90291.

B. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $5,100. E. (9) $3,840.83.

A. Leo Seybold, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association of America.

D. (6) $1,192.75. E. (9) $645.74.

A. S.F.P.A. (Southern Forest Products Association), P.O. Box 52468, New Orleans, La. 70152.

D. (6) $10,590.08. E. (9) $10,590.08.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.

B. American Fur Merchants Association, 224 West 30th Street, New York, N.Y., and Fur Conservation Council, and Fur Conservation Council of America, Inc.

D. (6) $500. E. (9) $208.10.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $1,175.

A. Norman Sherlock, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association.

D. (6) $2,008.12. E. (9) $2,403.92.

A. W. Lee Shield, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. A. Z. Shows, Suite 502, 2600 Virginia Avenue NW., Watergate Office Building, Washington, D.C. 20037.

D. (6) $4,550. E. (9) $3,944.97.

A. Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill., 60115.

D. (6) $50. E. (9) $20.

A. Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

D. (6) $100. E. (9) $40.

A. Barry M. Siegel, 22 Thames Street. New York, N.Y. 10006.

B. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $8,400. E. (9) $1,772.14.

A. Margie Siegel, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, and Municipal Employees, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $4,279. E. (9) $84.73.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Arkansas Best Corp., 1000 South 21st Street, Fort Smith, Ark. 72901.
D. (6) $300. E. (9) $25.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 Fifteenth Street NW., Washington, D.C. 20005.
D. (6) $300. E. (9) $15.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.
D. (6) $350. E. (9) $25.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. MCA, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.
D. (6) $300. E. (9) $25.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C. 20002.
D. (6) $250. E. (9) $25.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National League of Insured Savings Associations, 1200 Seventeenth Street NW., Washington, D.C. 20036.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
E. (9) $191.37.

A. Donald K. Simpson, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $191.66.

A. Hall Sisson, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $3,430.66.

A. Jonathan W. Sloat, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $51.60. E. (9) $4.

A. Dennis M. Small, 21930 Third Place West, Bothell, Wash. 98011.
B. Alaska Federation of Natives, 133 Queen Anne Avenue N., Seattle, Wash. 98109.
D. (6) $675. E. (9) $720.

A. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va. 22207.
B. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.
D. (6) $4,406.19. E. (9) $1,051.31.

A. Arthur V. Smyth, 1625 I Street NW., Suite 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $500. E. (9) $100.

A. John M. Snow, 8401 Connecticut Avenue NW., Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue NW., Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.
B. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $624.

A. Sportsman's Paradise Homeowners Association, 10612 Dalerose Avenue, Lennox, Calif. 90304.
E. (9) $1,000.

A. J. Gilbert Stallings, 1211 Connecticut Avenue NW., Washnigton, D.C. 20036.
B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. Joseph J. Standa, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,119. E. (9) $75.

A. Allan J. Stanton, 205 Luhrs Building, Arizona Railroad Building, Phoenix, Ariz. 85003.
B. Southern Pacific Transportation Co., 65 Market Street, San Francisco, Calif. 94105; Atchison, Topeka, and Santa Fe, 121 East 6th Street, Los Angeles, Calif. 90014.
D. (6) $600. E. (9) $832.

A. Melvin L. Stark, 1025 Connecticut Avenue NW., Suite 211, Blake Building, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 211, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $350.

A. Robert H. Starkey, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $256. E. (9) $6.

A. Steinhart, Goldberg, Feigenhaum & Ladar, 1 Post Street, San Francisco, Calif. 94104.
B. Valley Center Municipal Water District, Valley Center, Calif. 92082.
D. (6) $2,735. E. (9) $771.03.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

A. Herald E. Stringer, 1608 K Street NW., Washington, D.C.
B. American Legion, 700 North Pennsylvania Street, Indianapolis, Ind. 46206.
D. (6) $6,465. E. (9) $467.60.

A. Roger J. Stroh, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $212.50. E. (9) $77.41.

A. Stroock & Stroock & Lavan, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Music Publishers Association, 110 East 59th Street, New York, N.Y. 10022.
D. (6) $300.

A. G. Don Sullivan, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $575.

A. Frank L. Sundstrom, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

A. Sunkist Growers, Inc., 14130 Riverside Drive, Sherman Oaks, Calif. 91423.
E. (9) $6,060.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Agway, Inc., P.O. Box 1333, Syracuse, N.Y. 13201.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Central States Health & Life Co. of Omaha, Howard at 18th Street, Omaha, Nebr. 68102.
D. (6) $500. E. (9) $15.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. National Association of Life Companies, 1365 Peachtree Street NE., Atlanta, Ga. 30309.
D. (6) $500. E. (9) $15.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Retail Credit Co., P.O. Box 4081, Atlanta, Ga. 30302.
D. (6) $1,500. E. (9) $100.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Travelers Insurance Co., 1 Tower Square, Hartford, Conn.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The William K. Warren Foundation, 6465 South Yale Avenue, Suite 1000, Tulsa, Okla. 74136.
D. (6) $500. E. (9) $50.

A. Sutherland, Asbill, & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. World Airways, Inc., Oakland International Airport, Oakland, Calif. 94614.
E. (9) $45.

A. Ronald E. Sweet, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $350. E. (9) $20.

A. Monroe Sweetland, 1705 Murchison Drive, Burlingame, Calif. 94010.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,369. E. (9) $100.

A. L. D. Tharp, Jr., 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. Bert M. Thompson, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,235.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44th Street, New York, N.Y. 10017.

A. John P. Tracy.

B. American Bar Association, 1705 DeSales Street NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $50.

A. J. P. Trainor, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $4,249.98. E. (9) $840.20.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio, 44113.

A. Richard P. Trotter, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,335.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.
B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. J. Drake Turrentine, Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Union Investment GmbH, Neue Mainzer Strasse 33–35, 6 Frankfurt am Main 16, Federal Republic of Germany.
D. (6) $350.

A. United Egg Producers, 1001 International Boulevard, Suite 1105, Atlanta, Ga. 30354.
E. (9) $1,575.

A. United Fresh Fruit & Vegetable Association 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $2,279.42. E. (9) $2,279.42.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
E. (9) $3,997.35.

A. U.S. Lawn Tennis Association, Inc., 51 East 42d Street, New York, N.Y. 10017.
E. (9) $770.

A. R. Dick Vander Woude, 10600 West Higgins Road, Rosemont, Ill. 60018.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,915. E. (9) $75.

A. Richard E. Vernor, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert E. Vinson, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $28.50.

A. Mary E. Vogel, 1266 National Press Building, Washington, D.C. 20045.
B. National Organization for Women, Inc., Legislative Office, 1266 National Press Building, Washington, D.C. 20045.
D. (6) $2,749.98. E. (9) $129.65.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. INA Corp., 1600 Arch Street, Philadelphia, 19101.

A. DeMelt E. Walker, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,017.50. E. (9) $63.15.

A. George R. Walker, 3901 Hawkins Point Road, Baltimore, Md. 21226.
B. Glidden-Durkee Division, SCM Corp., 3901 Hawkins Point Road, Baltimore, Md. 21226.

A. John S. Walker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gliddens Durkee Division of SCM Corp.

A. Henry L. Walther, 1990 M Street NW., Suite 400, Washington, D.C. 20036.
B. National Right to Work Committee, 1990 M Street NW., Washington, D.C. 20036.
D. (6) $125. E. (9) $22.

A. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $4,515.67. E. (9) $8,845.21.

A. Washington Research Project Action Council, 1763 R Street NW., Washington, D.C. 20009.
E. (9) $1,029.56.

A. Pamela R. Warner, Suite 5, 121 2d Street NE., Washington, D.C.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif.
D. (6) $300. E. (9) $355.41.

A. Ray Wax, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.
B. National Associaton of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. 2, Sheridan, Ind. 46069.
E. (9) 72.10.

A. George D. Webster, 1747 Pennsylvania Avenue NW., Washintgon, D.C. 20006.
B. Sand Springs Home, c/o E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.
D. (6) $200.

A. Fred Wegner, 1750 K Street NW., Suite 1190, Washington, D.C. 20006.
B. Retired Persons Services, Inc., 1750 K Street NW., Suite 1190, Washington, D.C. 20006.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $150.

A. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.
D. (6) $767.15. E. (9) $2,932.02.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. George Wilkens, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60606.

A. George Wilkens, 222 South Riverside Plaza, Chicago, Ill. 60606.
B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Harry D. Williams, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $250.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Bankers Association of Puerto Rico, c/o Wender, Murase & White, 350 Park Avenue, New York, N.Y. 10022.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Blomquist, Batte & Campbell, Inc., 1039 College Avenue, Wheaton, Ill. 60187.
D. (6) $50. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, DC., 20036.
B. Estee Lauder, Inc., 767 Fifth Avenue, New York, N.Y. 10022.
D. (6) $100. E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Executive & Employee Benefit Plans, Inc., P.O. Box 4626, Columbus, Ohio 43212.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. James G. Freeman & Associates, 1825 Magnolia Avenue, Burlingame, Calif. 94010.
D. (6) $100. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Globe Feather & Down Co., 1030 West North Avenue, Chicago, Ill. 60622.
D. (6) $500. E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $1,000. E. (9) $100.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Association of School Bus Contract Operators, P.O. Box 324, Fairfax, Va. 22030.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Council for Health Care Services, 407 N Street SW., Washington, D.C. 20024.

A. William & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. School Bus Manufacturers Institute, 5530 Wisconsin Avenue, NW., Suite 1220, Washington, D.C. 20015.
D. (6) $500. E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.
D. (6) $100. E. (9) $20.

A. Robert G. Williams, 2020 14th Street North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
E. (9) $659.

A. John C. Williamson, 1825 K Street NW., Washington, D.C. 20006.
B. Mobilehome Dealers National Association, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $2,000.

A. John C. Williamson, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
B. Mortgage Insurance Companies of America, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
D. (6) $2,000. E. (9) $113.67.

A. John C. Williamson, 1825 K Street NW., Suite 604, Washington, D.C. 20006.

B. National Apartment Association, 1825 K Street NW., Suite 604, Washington, D.C. 20006.

D. (6) $2,000.

A. John C. Williamson, 1825 K Street NW., Suite 604, Washington, D.C. 20006.

B. Potere, Inc., 470 Elmora Avenue, Elizabeth, N.J. 07208.

D. (6) $1,000.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Deal Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.

D. (6) $5,916. E. (9) $72.

A. Curtin Winsor, Jr., 900 17th Street NW., Washington, D.C. 20006.

B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $342. E. (9) $84.15.

A. John H. Witmer, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. DeKalb AgResearch, Inc., Sycamore Road, DeKalb, Ill. 60115.

A. John H. Witmer, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Heinold Commodities, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. James E. Wolf, 2020 14th Street North, Arlington, Va. 22201.

B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.

E. (9) $395.40.

A. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa. 19107.

D. (6) $34,476.01. E. (9) $7,891.67.

A. Burton C. Wood, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $5,671.89. E. (9) $794.96.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Albert H. Zinkand, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Getty Oil Co., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John L. Zorack, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association.

D. (6) $1,076.20. E. (9) $339.80.

SENATE—*Thursday, February 13, 1975*

The Senate met at 12 o'clock meridian and was called to order by Hon. RICHARD STONE, a Senator from the State of Florida.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 13, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. RICHARD "DICK" STONE, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. STONE thereupon took the chair as Acting President pro tempore.

BILLS, RESOLUTIONS, AND AMENDMENTS

(Pursuant to the order of Wednesday, February 12, 1975, bills were introduced and resolutions and amendments were submitted today as follows:)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DOLE:

S. 678. A bill to amend the Internal Revenue Code of 1954 as it relates to the Federal estate tax, to increase the individual exemption, to provide an alternate method of valuing for estate tax purposes certain real property including that listed on the National Register of Historic Places, in order to encourage the preservation of open lands and historic places if they continue to be used as such for at least 5 years after the estate tax is applicable. Referred to the Committee on Finance.

S. 679. A bill to amend the Internal Revenue Code of 1954 as it relates to the Federal estate tax, to increase the individual exemption when real property is involved, to provide an alternate method of valuing for estate tax purposes certain real property including that listed on the National Register of Historic Places, in order to encourage the preservation of open lands and historic places if they continue to be used as such for at least 5 years after the estate tax is applicable. Referred to the Committee on Finance.

By Mr. STONE:

S. 680. A bill to amend the Emergency Petroleum Allocation Act of 1973 so as to encourage and protect investments in research, exploration, development, and production of the energy resources of the United States, and to reduce the prices of energy sources and products, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MOSS:

S. 681. A bill to allow the use of certain funds authorized to be appropriated for expenditure from the highway trust fund and apportioned to the States pursuant to title 23, United States Code, without matching State or local funds. Referred to the Committee on Finance.

By Mr. JAVITS:

S. 682. A bill for the relief of Giampaola (John Paul) Montovani. Referred to the Committee on the Judiciary.

AMENDMENT SUBMITTED FOR PRINTING

TEMPORARY SUSPENSION OF PRESIDENTIAL AUTHORITY TO IMPOSE FEES ON, OR OTHERWISE ADJUST PETROLEUM IMPORTS—H.R. 1767

AMENDMENT NO. 11

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill (H.R. 1767) to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

ADJOURNMENT TO 11 A.M., MONDAY, FEBRUARY 17, 1975

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now adjourn until 11 a.m., on Monday next.

Thereupon, at 12 o'clock and 18 seconds p.m., the Senate adjourned under the order of Wednesday, February 12, 1975, until Monday, February 17, 1975, at 11 a.m.

EXTENSIONS OF REMARKS

CHAIRMAN PETER RODINO RECOMMENDED FOR SUPREME COURT

HON. BARBARA JORDAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Ms. JORDAN. Mr. Speaker, in the February 2, 1975, issue of the Newark Star Ledger, Dr. Nathan Wright, Jr. argues persuasively why Congressman PETER RODINO should be appointed to the Supreme Court. Among the prospective names any President should include in a list of possible Supreme Court nominees is the name of PETER RODINO. I commend to my colleagues the following article:

RODINO DESERVES SEAT ON U.S. SUPREME COURT

(By Dr. Nathan Wright, Jr.)

In the light of the possible creation of a number of new federal judgeships, New Jerseyans in particular should be boosting one of their most heroic sons for one of the imminent vacancies. House Judiciary Committee Chairman Peter Rodino acquitted himself before the public eye, during the Nixon impeachment hearings, as one of the nation's most astute and judicious referees in a congressional court of inquiry.

The qualities of calmness, fairplay in the face of tremendous open and covert political pressure and diligence in the orderly pursuit of truth are all essential to the retention and furtherance of integrity in our courts. These attributes have been displayed by Chairman Rodino for years but never so brilliantly as in the televised House Judiciary Committee hearings this past year.

An able lawyer, he has chaired the U.S. House of Representatives' committee of lawyers with such distinction that he has been rated in several pools as the most effective chairman in the Congress.

For more than a third of a century, "the law" has been Chairman Rodino's life. His concern for judicial excellence is evidenced in his work with the House Judiciary Committee in which he rose through the ranks and, through seniority of service, became its perhaps most celebrated leader.

Newarkers have found in Mr. Rodino an able and effective public servant whose sympathies and supportiveness have been broad enough to bridge the notorious divisions of what has been called at once America's most beseiged and beleaguered city. While Newarkers may be divided on many issues, there is wide agreement that Chairman Rodino has meant much to the preservation of their city.

Some have encouraged, with good reason, that Mr. Rodino be nominated for the next vacancy on the U.S. Supreme Court. Once nominated, his confirmation would be certain and a grateful nation which has had little reason to be other than cynical would have ample cause to be proud of something. The nation would see in "Justice Rodino" an able and accomplished public servant who has faithfully championed human rights, they would see a proven leader among the nation's ablest lawyer-statesmen. They would have a patriot honored on the field of battle and an internationalist who has been decorated repeatedly for his work in promoting world understanding and cooperation.

Supporters of Mr. Rodino, who should include most of the public-spirited community of the State of New Jersey, should approach their U.S. Senators and Representatives and make direct communication with the White House. Republican Party members especially would have much to gain in securing from President Gerald Ford, the nonpartisan appointment of a popular jurist. After all, it will take almost as many Democratic votes as those of Republicans to place Mr. Ford in the White House for a second term. A nonpartisan image through the instrumentality of a "Justice Rodino" would go far to assure the kind of support which will be decisive for Mr. Ford's political future.

If any public servant, in all of the bleakness and tragedy of Watergate, has stood tall and wondrously beautiful, it has been Newark's hometown hero, Peter Wallace Rodino.

Newark needs a hero to be hailed at home and also heralded nationally. The U.S. Supreme Court needs a new kind of face to offset the Nixonian image of an attempted turning back of the political clocks via appointments of "strict constructionists" in a period of rapid social, political and economic change. Mr. Rodino would offer a sense of stability, while being particularly sensitive to the evolving needs which America faces in terms of the re-interpretation of the law.

It is high time that all Americans had something to cheer about. In Mr. Rodino's receiving of an appropriate reward for the most distinguished public service, by the offer of even greater opportunity for more substance service, we would be observing one of the soundest principles of good democratic government. At the same time we would restore much of a needed faith ourselves and in our system.

REPRESENTATIVE LONG INTRODUCES GASOLINE CONSERVATION PLAN

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. LONG of Maryland. Mr. Speaker, I am introducing a bill to establish a program for cutting demand for gasoline and for spreading the reduced supply in an equitable manner without the massive bureaucracy of rationing and without an across-the-board tax on petroleum as proposed by the President.

My bill would authorize a Federal surtax on gasoline of some 40 cents per gallon, while also providing for the issuance of a certain number of gasoline tax "discount coupons" to each motorist on a monthly basis. My bill provides the necessary legislative framework for such a program, which could be developed along the lines of my suggested plan, as follows:

Each driver would routinely and regularly be sent coupons which entitle him to a monthly supply of gasoline at present prices—enough gasoline for the necessary driving of an average motorist A driver would turn over his tax discount coupons at the gas station instead of paying the surtax.

When a driver uses up his monthly supply of coupons, he would be able to buy additional gasoline—unlike a strict rationing program—at a higher price, which includes the surtax. The motorists, therefore, would have a real incentive to save money and gasoline by cutting out nonessential driving or by driving an economy car.

My plan would avoid the bureaucracy and expense of a rationing system. Under my plan, there would be no need for a "gasoline allotment board" in each of thousands of communities and neighborhoods; no need to wait in long lines to get rationing stamps; no need to fill out dozens of forms; no need for a motorist to argue that he needs a bigger ration of gasoline for his business or other purpose, because an additional supply would be available.

Under my plan, coupon distribution would be handled cheaply and without redtape. Preprinted coupons, bearing license numbers in order to minimize theft or black marketing, could be mailed directly to motorists' homes. Printing and mailing could be arranged with the assistance of State motor vehicle agencies, whose computerized data banks would facilitate distribution. The Maryland Motor Vehicle Administration assures me that such a plan is administratively feasible.

My plan would not discourage those persons who already limit their driving. In order to encourage maximum conservation of fuel, unused coupons could be worth cash—redeemable at a designated agency, such as a post office.

Under my plan, the individual's freedom of choice is preserved, unlike strict taxing or rationing schemes. In addition, my plan could be adapted to heating oil and other fuels, as well.

My plan avoids the severe economic impact and inflationary ripple effects of President Ford's proposal to allow prices for all petroleum products—including gasoline, heating oil, industrial fuels, lubricants, and others—to increase by 40 percent. My plan offers a real incentive not President Ford's economic bludgeon, for cutting demand for fuel.

Mr. Speaker, my plan avoids many of the bad effects of rationing or across-the-board price boosts. In addition, my plan could encourage a saving of up to 900,000 barrels of gasoline per day.

I call upon my colleagues in the Congress to join with me in working toward the quick adoption of such a plan for reducing gasoline consumption.

DULUTH'S BRUCE BENNETT—SUPER BOWL HERO

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. OBERSTAR. Mr. Speaker, before the excitement of the Super Bowl becomes totally lost in the fast pace of events, I would like the House to recognize that not all the Superheroes were on the field that day.

One of the finest heroes was in the sportswriters box during the game—and if that surprises anyone, his story is even more astounding.

Bruce Bennett, sportswriter for the Duluth News-Tribute and Herald, was born without arms; yet he has become preeminent in a world dominated by typewriters—the world of print journalism.

We would consider him extremely handicapped; Bruce does not recognize the meaning of the word as applied to him.

Despite his heroism at overcoming the longest odds, Bruce has been little recognized outside his hometown of Duluth—until Pat Livingston, of the Pittsburgh Press, wrote the following article, reprinted in the Duluth News-Tribune.

I would like to insert that article in the RECORD at this point, so that all of us may be better able to place our own personal "problems" in perspective:

OUR BRUCE BENNETT—A REAL SUPER BOWL HERO

(By Pat Livingston)

(The following column was written by a Pittsburgh Sports Editor after he met Bruce Bennett, Executive Sports Editor of the Duluth News-Tribune and Herald, in New Orleans prior to the Super Bowl game. The column mirrors the thoughts of Bennett's associates at the newspapers, and we're certain, those of his friends, acquaintances and his readers. When Bennett returned to his desk, we showed him the column. His reaction was that he's not personally looking for publicity, but if the story gives encouragement to others, he's all for reprinting it here. We agree—Orville E. Lomoe, Executive Editor.)

NEW ORLEANS.—The real Super Bowl hero may never win a car, never be cited as the comeback player of the year, never will be hailed as a super star.

Instead, he's an anonymous sports writer, a guy you never even heard of, a guy whose column has never even been syndicated through the state of Minnesota.

He's Bruce Bennett, a sports writer from Duluth, Minn., who was born without arms even before anyone ever heard of thalidomide, the drug which triggered off a set of lawsuits which threatened, for a time, to destroy the pharmacy business.

Bruce Bennett's arms end just below the elbow. If he orders a beer in a bar, he asks you to pick up the bottle and transfer it to the stumps, which he handles with a dexterity that would knock normal people goggle-eyed.

"It's no handicap," says Bennett. "I never had hands or fingers so I have no idea of what I don't have. If you stick something in these stumps, I can handle it.

"The only thing I can't do is tie a necktie." He added, "but then I don't really need one. I'm wearing this tie tonight because Bud Grant, the coach of the Vikings, has a dress code. He expects everyone on the plane to wear a jacket and tie.

"I left Minneapolis and my wife tied my tie for me," he added. "It's probably the last time I'll wear a tie while I'm down here."

A graduate of the University of Michigan, Bennett went into the communications media because, despite his abnormally, he thought he could make it in radio or television. After all, he reasoned, how does one type without fingers?

Oddly, says Bennett, he got his first job on a newspaper.

"I applied for a job on a small newspaper in Texas," he recalled. "The editor looked at me and said 'How do you expect to write a story?'

"But they had a program in Michigan where they helped people like me with special equipment. They made a cup-like thing for me which I could slip over these stumps and it could control a typewriter key. I may not be the fastest typist in the world, but I've never missed a deadline.

I have seen Bruce Bennett in press boxes wherever the Vikings have played. But last night was the first time I ever had a chance to talk to him. I had admired the way this armless man had, with his gerry-built gadget, pecked away at his typewriter.

"I've never considered myself a handicapped person," said he. "I was born this way. Living without hands never struck me as being unusual. I never had to re-learn a technique. I'd feel sorry for you if you were to lose your hands."

"But why," I asked him, "did you figure on being a newspaper man, a sports writer?"

"I've been in sports all my life,' he replied. "High school and college I was manager of the basketball and football teams. I wanted to stay in sports, and the only way I could do it was to be a writer."

I suggested to Bruce Bennett, that, as a writer, he had an advantage over all of us especially when he walked into a loser's dressing room.

"How, for example, could a player on a losing team ignore him? How could a loser say that his luck had turned against him?"

Bruce Bennett smiled.

"I have pretty good rapport," he replied, "with all ball players."

Bruce Bennett knows I am writing this column. I am writing it because this is Super Bowl week, a week when the heroes are strong, healthy studs. Men whom God has given excellent bodies with unbelievable strength and swiftness; men who, by the sheer weight of their own unlimited talent, have been able to overcome what to us are obstacles.

But by the time this week is over, and when the Steelers, as well as the Vikings, get an understanding of the obstacles the Bruce Bennetts of this world have overcome, I'm sure the Super Bowl will still be merely a bauble, its honors a tangled mass of tinsel.

The real heroes of this world are the Bruce Bennetts, the guys who even thought they are born without wrists and hands, have the stick-to-it-iveness and the intensity to run a typewriter.

The world may salute winners but my hat, this year at least, is off to a sports writer who covers the Vikings. To the people of Pittsburgh, he may not be a factor in Sunday's Super Bowl game, but I'm sure each and every one of you would be thrilled to get to know this man with stubs for arms.

LITHUANIAN INDEPENDENCE DAY

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. McCOLLISTER. Mr. Speaker, as Americans, we prize our freedom above all other possessions. Our passionate preparations for the Nation's Bicentennial testify to the great symbolic value which still attaches to the achievement of our national independence. Our freedom and independence has provided the moral force in this great Nation which has propelled us forward and undergirded our development as the world's most open and affluent society.

The American people are justly proud possessors of the first modern republic and the longest enduring. We have championed and encouraged self-determination by oppressed people in every part of the world.

It is, therefore, wholly appropriate that the American people join with the Lithuanian-American community and Lithuanians throughout the world on February 16 commemorating the 57th anniversary of the Republic of Lithuania and the 724th anniversary of the Lithuanian State. Ironically—and sadly—the only country in which Lithuanians will be unable to observe this historical event will be in Lithuania itself due to the continued Russian occupation and subjugation there.

The Republic of Lithuania grew and prospered for 22 years from February 16, 1918 until June 15, 1940, when that nation and its neighbors Latvia and Estonia, were overrun by the Soviet Empire and forcibly incorporated by the Soviet Union. Lithuanians have not accepted this foreign occupation of their land. Lithuanians still risk their lives to defy their Communist captors. All freedom-loving Americans applaud the struggle of Lithuanians to break away from Soviet control.

The United States has kept the faith. Our Government, true to its founding principles, has steadfastly maintained a policy of nonrecognition of the imposed Communist governments in Lithuania and her Baltic neighbors. The American people have sustained those of Lithuanian descent in our country who have kept alive the cause of liberty since 1940 for their countrymen at home.

Americans take it for granted that personal freedoms are their inalienable right. In other countries, those freedoms are often infringed or denied outright. Those who struggle to maintain or secure these cherished rights are true heroes for mankind everywhere.

The struggle of the Lithuanian is both heroic and inspiring to all the world's freedom-loving peoples. The example of Lithuania should never be forgotten. On their day of independence, we honor Lithuanians everywhere, saluting them for their brave struggle, and hoping with them that the injustices suffered by those in their homeland will be recognized and action taken to correct this intolerable situation. We all hope and pray that future Lithuanian Independence Day commemorations will be held in the homeland celebrating renewed independence.

ESTABLISH NATIONAL PETROLEUM RESERVES ON PUBLIC LANDS

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. BELL. Mr. Speaker, for more than a year now, I and a number of others in the House of Representatives and the Senate have worked to open up the naval petroleum reserves to help ease this country's critical energy situation and dangerous dependency on foreign oil imports.

On February 6, 1975, Jack W. Carlson, Assistant Secretary for Energy and Minerals of the Department of the Interior, testified before the House Subcommittee on Public Lands in favor of this action.

I respectfully call to the attention of my colleagues his remarks, the complete text of which follows:

ESTABLISH NATIONAL PETROLEUM RESERVES ON PUBLIC LANDS

(Testimony of Assistant Secretary Jack W. Carlson, February 6, 1975)

Mr. Chairman and Members of the Committee, I welcome this opportunity to express the views of the Administration on proposals which will allow the Naval Petroleum Reserves to make their contribution to the nation's energy fuel requirements.

The Administration is in agreement with the intent of the many proposals to develop rapidly the petroleum reserves on public lands, including the Naval Petroleum Reserves, such as Elk Hills in California and Naval Petroleum Reserve Number Four in northern Alaska.

Many of the proposals recognize that the petroleum reserve concept is out-of-date and more readily accessible inventories are needed for both defense and national economic purposes. They recognize the need for oil now and in the years ahead. They call for development and production from Petroleum Reserve Numbers One, Two, and Three. They call for eventual exploration, development, and production of Petroleum Reserve Number Four according to a plan approved by Act of Congress. The Administration applauds the authors of these bills.

The President has proposed a similar approach. Last week he sent to the Congress the Energy Independence Act of 1975. The Act is comprehensive. It includes provision for conservation of energy, increasing the supplies of energy, and it includes contingency plans to handle emergency situations.

Title I and Title II of the Act would provide for the production of the existing Naval Petroleum Reserves and the establishment of a National Strategic Petroleum Reserve.

The present productive capacity of Elk Hills would be made immediately available to defense needs, strategic storage, and to the national economy, backing out high-cost imported oil.

The Act provides for fully developing NPRs #2 and #3.

It provides for exploration, development, and production of NPR #4 in Alaska by private industry similar to the Outer Continental Shelf or by whatever other procedure which the President determines to be best suited to its development.

The President calls for the early production of Elk Hills—160,000 barrels a day available now and over 300,000 barrels per day by 1977. The President calls for the most rapid exploration, development, and production of NPR #4. This could mean as much as two million barrels a day additional supplies by 1985 from the estimated 10 to 30 billion barrel reserve. (However, I should indicate that, until exploration is completed, we won't know the extent of oil in paying quantities.)

The President proposes setting up two reserves. The first would be a ready inventory for the military. The National Strategic Petroleum Reserves (Military) would in time total 300 million barrels. It would allow the Department of Defense to use petroleum products of double their current consumption for one full year without reducing the supplies available to the civilian economy. The military is consuming about one-half million barrels a day now.

The second reserve would ultimately total one billion barrels and be available for the national economy. The President's energy program envisions independence from foreign sources by 1985. Imports in 1985 should total only three to five million barrels per day. If an embargo should then occur, the National Petroleum Reserve (Civilian) could provide a flow of three million barrels a day for one year, or five million barrels a day for more than seven months.

The very existence of these National Strategic Petroleum Reserves would be a deterring factor in the minds of foreign power which might contemplate the use of an embargo to achieve its national policy objectives. If we are again faced with the necessity of replacing oil supplies lost through an embargo similar to that of October 1973, this strategic reserve would allow us to carry on the nation's business—unharmed—for up to a full year. And that is a very important consideration because it affects the future security of this nation.

At our request, the National Petroleum Council, an advisory committee to the Department of the Interior, made a study of Emergency Preparedness against another interruption of foreign supply. One of their most important recommendations was the creation of a strategic petroleum storage program.

The Project Independence Blueprint arrived at the same conclusion. The Blueprint indicated a good cost/benefit ratio for strategic storage, indicating that the storage would save the economy $3 to $5 for each $1 cost in the event of another embargo like that of October 1973. For a larger interruption of foreign supply, the cost/benefit ratio would be much higher. Clearly, a national storage program is a good investment. (Copies of the National Petroleum Council studies are available.)

I have asked the NPC to follow up on their study and make recommendations on the alternative ways to develop a program. The letter making the request is attached. Other governmental studies will also be requested, I am sure.

In some respects the Act proposed by the President differs from the proposals presented by several distinguished Members of the Congress.

We would recommend against proposals that create potential delays such as requiring subsequent Acts of Congress after the passage of the initial bill.

We recommend that reliance be placed on the private sector and that the Administration not be required to explore for oil and gas production on public lands, in the State of Alaska or elsewhere. We do not feel that the Federal government should socialize risk-taking in the search for oil and gas.

We do not feel that a case had been made indicating that the private enterprise system has failed us and the Government must, either as a monopoly or as a competitor with private business, search for oil and gas. Oil exploration, primarily carried out by small and medium-sized firms, has been particularly vigorous. This is evidenced by the more than 32,000 wells complete in 1974, up 21% from 1973. Independents drilled 88% of the exploratory wells in 1974. It is also shown by the nation's leadership in technological improvements in all facets of oil extraction and processing.

Moreover, if the Federal Government were to finance exploration from its own resources, the additional budget costs could easily exceed $12 billion for the exploration and development of NPR #4 alone.

If competition is inadequate, there are many policy tools that are less drastic than socializing a sector of the oil industry. We are using some of them in our management of the Outer Continental Shelf. Large companies will be prohibited from bidding together. Royalty bidding is being tested to reduce the front-end payments so as to open up leases for smaller companies. Our test so far indicates that we should do more of this.

This concludes my opening remarks and I am pleased to respond to your questions.

EVANS SAYS NO MORE AID TO SOUTH VIETNAM

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. EVANS of Indiana. Mr. Speaker, unemployment among American workers has now reached 8.2 percent. There are 7.5 million Americans out of work. There is talk of increasing the social security tax. Inflation has eroded the purchasing power of all citizens. Capital shortages are plaguing the business community.

Despite these difficult economic problems facing the Nation, and the calls for more sacrifices by the American people, **President Ford has asked the taxpayers to once again dip into their pockets for a** charitable donation to South Vietnam and Cambodia—and this one is not tax deductible.

Mr. Speaker, our disengagement from the war in Vietnam was greeted by all Americans with relief, no matter how much Americans differed on the question of our involvement in Vietnam. For myself, and for my constituents who have written to me expressing their opposition to sending more dollars to Vietnam, **the United States has met its obligations. All told, we have spent over $140 billion to preserve the Saigon government's corrupt way of life and suffered 359,899** American casualties.

Since the 1973 cease-fire alone, U.S. aid to Saigon has totaled $8.17 billion—over $11 million a day. We could meet the President's request for funds for half a million man-years of training and employment in 7 months with these $11 million. We could pay for our entire elderly nutrition program in less than 10 days We could pay for the President's request for mass transit assistance in about 6 months.

Mr. Speaker, there is no need to remind the American people of how much money they have already given away. They have also given their young men, at an immeasurable cost. The Saigon regime has picked our pockets long enough, and the people in Indiana's Sixth District think it is time to close out the open-ended checking account.

REPORT ON ABORTIONS IN THE UNITED STATES SINCE THE 1973 SUPREME COURT DECISION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Ms. ABZUG. Mr. Speaker, a report recently released by the Alan Guttmacher Institute of Planned Parenthood illustrates the beneficial effects of the legalization of abortion resulting from the Supreme Court's 1973 decision in Roe against Wade. According to the report, the number of legal abortions in the United States rose from 600,000 in 1972 to almost 900,000 in 1974. Many women who before the 1973 Supreme Court decision were forced to resort to illegal and unsafe abortions are now able to secure a safe and legal abortion in a hospital or clinic.

Additionally, the report notes that the distribution of facilities performing abortions throughout the United States has become somewhat more equitable since 1972, eliminating to some degree the need for women to spend large sums of money and considerable amounts of time to travel to a facility where abortions are performed. Remaining restrictive State laws, however, which are only gradually being eliminated by court action, still impose on some women the burden of traveling to other States in order to secure legal abortions.

Another important consequence of the legalization of abortion has been a dramatic decrease in the number of deaths resulting from abortion. Dr. Christopher Tietze, an author of the Planned Parenthood report, was quoted in a February 3 New York Times article as saying that according to data gathered by the Center for Disease Control, deaths from abortion declined from 300 a year in the 1960's to 47 in 1973. Dr. Tietze attributes this decrease to the replacement of illegal abortions with legal ones.

One finding of the report is less encouraging. The survey indicates that only 17 percent of all public hospitals, as compared to 28 percent of nongovernmental, non-Catholic hospitals, were performing abortions in the first quarter of 1974. Unfortunately, Congress has encouraged these discriminatory—and probably unconstitutional—practices by including or proposing to include in some pieces of legislation so-called conscience clauses, which allow certain institutions to refuse to make their facilities available for the performance of abortions. The effect of such a reluctant response to the Supreme Court decision on the part of publicly financed hospitals, and on the part of Congress, is to make the constitutional right to choose abortion considerably less available to low-income women, who depend on such hospitals for much of their medical care. As the report states, it is these women:

> . . . who experience the highest rates of unwanted and mistimed pregnancy and who, therefore, have the greatest need for safe, legal abortion.

It is of the utmost importance that Congress act to protect these women by opposing any measures which would tend to restrict their right to choose an abortion.

For the benefit of my colleagues, I submit the introduction to this report, which summarizes its contents, be inserted in the RECORD at this point:

LEGAL ABORTIONS IN THE UNITED STATES SINCE THE 1973 SUPREME COURT DECISIONS

(By Edward Weinstock, Christopher Tietze, Frederick S. Jaffe and Joy G. Dryfoos)

(NOTE.—Edward Weinstock is a Senior Planning Associate, Frederick S. Jaffe is President and Joy G. Dryfoos is Director of Planning of The Alan Guttmacher Institute. Christopher Tietze is Senior Consultant with The Population Council. This article is based upon research supported by grants from the Commonwealth Fund and the Ford and Rockefeller Foundation's Program in Social Research and Legal Research in Population Policy.)

At least 745,400* legal abortions were performed in the United States during 1973, according to responses to a nationwide survey of 2,991 U.S. hospitals, clinics and private physicians. Responses from providers for the first quarter of 1974 suggest that the number rose to almost 900,000 abortions in 1974. (Tonsillectomy is the only legal surgical procedure for which a higher annual number has been reported—917,000 in 1972.[1]) There were 16.5 legal abortions reported by providers for every 1,000 women of reproductive age in 1973 (the abortion rate); or 239 abortions per 1,000 live births (the abortion ratio). A total of 1,642 agencies and physicians contributed legal abortion data to the survey, conducted under the auspices of The Alan Guttmacher Institute; 1,191 of those surveyed said they did not perform any abortions during the survey period, while 158 did not respond.

The 1973 estimate represents an increase of 158,600, or 27 percent, over the total of 586,800** legal abortions reported to the Center for Disease Control (CDC) in 1972,[2] the projection of 892,200 legal abortions performed in 1974 represents an additional increase of 146,800, or 20 percent over 1973. Thus, sizable numerical and percentage increases in the number of legal abortions, observed since the first state abortion reform laws were enacted in 1967,*** have continued.

Since the 1973 U.S. Supreme Court decisions in *Roe* and *Doe,* which declared restrictive state abortion laws unconstitutional,[3] there has also been considerable redistribution of legal abortion services in the United States. Legal abortions continue, however, to be concentrated in a relatively small number of states. Thus, New York and California, with just one-fifth of all U.S. women of reproductive age, accounted for nearly two-fifths of all abortions reported by providers in the first quarter of 1974, while in states like Louisiana, Mississippi, North Dakota and West Virginia, virtually no abortions were reported by providers.

The large increases in numbers of abortions reported in each year since legal restrictions against abortion began to be relaxed by some states, the continuation of these increases in each quarter since the 1973 Supreme Court decisions, and the persistent differences between states in accessibility of legal abortion, suggest that the utilization of legal abortions services has not yet reached a plateau, and that the number of legal abortions will continue to increase.

Changes in the distribution of legal abortions following the 1973 Supreme Court decisions tended to vary according to whether states had a liberal or restrictive abortion policy before the decisions. States in which few abortions were reported in the year prior to *Roe* and *Doe* experienced a 262 percent increase in procedures reported by providers in the year following. States in which a substantial number of abortions had been performed, but which restricted them mainly to state residents, experienced a 70 percent increase. However, states with liberal access, which served significant numbers of out-of-state women prior to the decisions, experienced a decline of 23 percent in procedures reported by providers.

Ninety percent of the increase in the number of abortions reported between the first quarter of 1973 and the first quarter of 1974 was accounted for by specialized nonhospital abortion clinics. Such clinic abortions now exceed the number performed in hospitals, which remained almost unchanged from 1973 to 1974. There was a large percentage increase in the number of legal abortions performed in physicians' offices, but these accounted for only two percent of all abortions reported by providers.

The slow response of hospitals to the Supreme Court decisions is especially marked in public hospitals, upon which low-income Americans are largely dependent for medical care. Just 17 percent of public short-term general hospitals reported performing abortions in the first quarter of 1974, compared to 28 percent of comparable non-Catholic voluntary and private hospitals.

A relatively small number of providers account for a majority of the legal abortions reported for the nation. Thus, 118 hospitals and clinics, each of which performed more than 500 abortions in the first quarter of 1974, comprise seven percent of all abortion providers, but account for 57 percent of all abortions performed in the nation during the quarter.

These are the first nationwide data to reflect the impact of the 1973 Supreme Court decisions on abortion; they indicate that the decisions significantly affected the distribution of legal abortion services geographically and among types of providers, as well as the number of abortions which were performed.

FOOTNOTES

*The total of 745,000 legal abortions reported by respondents to the survey underestimates the actual number of legal abortions performed in the United States during 1973. Some abortion providers could not be identified and, therefore, were not surveyed at all; a few providers chose not to cooperate. Although it is not possible to determine precisely the extent of the undercount, preliminary data from state central reporting systems suggest that the underestimate is between five and 10 percent of the total (see "Methodology"), so that the actual number of legal abortions performed during 1973 was probably about 800,000. There are, of course, no data to indicate the number of illegal and self-induced abortions performed during the year.

**Data from 27 states are included in the CDC report (see reference 2). Some legal abortions were performed in other states, mainly on medical grounds, but in the absence of central reporting systems these were not included in the nationwide statistics compiled by CDC. Therefore, the total of 586,800 legal abortions reported for 1972 underestimates the true number by an unknown amount.

***Thus, the number of legal abortions reported to the CDC rose by 170,800 (from 22,700 to 193,500) between 1969 and 1970; by 292,300 between 1970 and 1971 (after the first abortion 'repeal' laws were enacted in New York, Hawaii, Alaska and Washington); and by 100,900 between 1971 and 1972. (See reference 2.)

REFERENCES

[1] National Center for Health Statistics, DHEW (NCHS), "Hospital Discharge Survey Data," *Monthly Vital Statistics Report,* Vol. 23, No. 7, Supplement 3, 1974, Table 4, p. 4.

[2] Center for Disease Control, DHEW (CDC), *Abortion Surveillance, Annual Summary 1972,* DHEW Publication No. (CDC) 74-8205, Atlanta, 1974, Table 1, p. 10. (Numbers from this report are rounded here to the nearest hundred.)

[3] *Roe* v. *Wade,* 410 U.S. 113 (1973); and *Doe* v. *Bolton,* 410 U.S. 179 (1973).

THE 57TH ANNIVERSARY OF THE REPUBLIC OF LITHUANIA

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. STOKES. Mr. Speaker, Americans of Lithuanian origin, throughout the Nation, will celebrate the 57th annual Lithuanian Independence Day on February 16, 1975. On that day we might all benefit from the contemplation of the ongoing struggle of the Lithuanian people to free themselves of the yoke of oppression. These hardy people have enjoyed only 22 years of independence when the Soviet Union invaded and forcibly annexed their country in June 1940.

Today the Lithuanian people are still determined to restore their freedom and national sovereignty. This commitment is shared by all Americans of Lithuanian origin and descent, and is exemplified in the following statement issued by the Lithuanian-American Community of the U.S.A. National Executive Committee, which I submit for the interest of my colleagues.

AN INVISIBLE NATION—A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramtic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Detente, which should foster a relaxation of the iron fist of Communist regimes, providing for the begining of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

SECOND DISTRICT RESIDENTS COMMENT ON PRESIDENT'S PROGRAM

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. LONG of Maryland. Mr. Speaker, I asked my constituents in Maryland's Second Congressional District to give me their reaction to the President's program as set forth in the state of the Union message.

As part of my regular newsletter, I asked for a vote of "approval" or "disapproval" on five major Presidential points: A one-time tax rebate, a permanent tax rate cut, an import tax on foreign oil, Federal energy conservation taxes, and a ban on new Federal programs.

I am pleased that over 2,500 have taken the time to respond and to provide many comments.

Responses indicate that most are willing to see a halt to new Federal programs if they can have a tax rate cut, and a slight majority are willing to live with Federal energy conservation taxes.

Poll participants emphatically supported curtailment of Federal programs—62 percent, and a permanent tax cut—74 percent, as methods of coping with inflation and recession.

In addition, 56 percent favor a one-time tax rebate, "in order to get us back on the track," in the words of one respondent.

The least popular of the President's proposals was the import tax on foreign oil, with only 43 percent approving.

It was especially pleasing to note that many did write very thoughtful, detailed comments, including several individuals who agreed with my suggestion to avoid the bureaucracy of rationing and the injustice of uniform gasoline tax hikes by setting up a gas tax discount coupon system, to enable all Americans to buy a basic quantity of gasoline at reasonable cost while making gasoline available at higher prices—resulting from Federal surtaxes—for those who choose to pay.

Many writers emphasized their willingness and that of their friends and neighbors to make sacrifices, if those sacrifices are truly necessary to avoid economic disaster at home and petroleum blackmail abroad. On the other hand, many emphasized, they will not be sacrificial lambs—the butt of all bad consequences of energy and economic problems.

[In percent].

	Approve	Disapprove	No response
1-time tax rebate	56.6 (56)	44.4 (44)	----------
Permanent tax rate cut	73.5 (74)	21.5 (20)	5.0
Import tax on foreign oil	43.1 (43)	56.4 (56)	.5
Federal conservation taxes	50.6 (51)	48.6 (48)	.8
No new Federal programs	62.3 (62)	34.9 (35)	2.8

Note: Included in these figures are those responses which either approved or disapproved of all 5 points. These figures were: Approve, 14 percent, disapprove, 1.5 percent.

Figures in parentheses are rounded.

WALTER T. GREANEY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. MOAKLEY. Mr. Speaker, it is my pleasure to bring to the attention of the House of Representatives the national commander of the Disabled American Veterans. Mr. Walter T. Greaney resides in Jamaica Plain in my Ninth Congressional District of the State of Massachusetts.

I include the following:

WALTER T. GREANEY

Walter T. Greaney was elected National Commander of the Disabled American Veterans August 9, 1974, at the organization's 53rd National Convention in New Orleans, Louisiana.

A native of The Dorchester section of Boston, Mass., Greaney has been a member of Dorchester Chapter No. 13 of the DAV since 1947 and has served the DAV as an officer at Chapter, State and National levels. He was National Senior Vice Commander in 1973-74, and is serving as a national officer for the fifth successive year.

Mr. Greaney, who holds five earned academic degrees, attended Boston College High School and Boston College, Boston, Mass. After graduation from college with an A.B. degree in 1943, he enlisted in the U.S. Army and subsequently fought as an infantryman in Company K, 13th Regiment, 8th Infantry Division in Normandy, Northern France and the Rhineland, during which time he was twice wounded. He was honorably discharged with a wartime, service-connected disability in December, 1945.

After World War II, he returned to the Boston area and obtained J.D. and L.L.M. degrees in law from Boston University and A.M. and Ph.D. degrees from Harvard University. A practicing attorney, he is a member of the Massachusetts Bar and the Bar of the Federal District Court. Also, he is a professor at Boston College and Chairman of the Department of Finance.

Active in civic and service organizations, National Commander Greaney has been President of the Faculty Club and Chairman of the Faculty Council at Boston College. He is a member of the Section of Taxation of the American Bar Association, and the Labor-Management Committee of the Boston Bar Association. He is also a member of the American Economic Association and the Financial Management Association. He has numerous publications in taxation and budgeting.

Mr. Greaney and his wife Phyllis, live in the Jamaica Plain section of Boston with their son Walter, a fourth year student at Boston College.

I commend the efforts of Mr. Greaney and the Disabled American Veterans for their dedication to the goals of upholding and maintaining the Constitution and laws of the United States, providing for the disabled veteran, his widow and his dependents and for serving comrades, community, and country. I commend them for encouraging and fostering a spirit of understanding which will guard against future wars.

JAY H. LASKER TO RECEIVE THE HUMAN RELATIONS AWARD

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. REES. Mr. Speaker, on Wednesday, February 26, 1975, the Music and Performing Arts Lodge of B'nai B'rith is presenting its annual Human Relations Award to a constituent and friend, Mr. Jay H. Lasker, at a testimonial luncheon in New York City.

I am indeed proud to honor the outstanding leadership Jay Lasker has shown in the field of human relations and for his never ending devotion to human rights which is the sole criterion upon which this national selection is based. The Human Relations Award of the Anti-Defamation League is given each year to an outstanding leader in the music and performing arts industries in this country; previous recipients over the last 6 years have included the presidents of Columbia Records, Warner Bros. Records, and Capital Records, as well as others.

Jay H. Lasker, the former president of ABC/Dunhill Records, has lived a life devoted to the betterment of those with whom he lives and has been a leader in the fight for human relations for all people. A distinguished veteran, having served with the U.S. Army from 1943 through 1945 in the European theater, and a gifted and talented attorney, having graduated from St. John's University School of Law, Jay Lasker culminated his professional activities when he ascended to the presidency of ABC Records, where he was the chief operating officer of ABC Records, Dunhill Records and their affiliated music publishing companies. He had been the president and cofounder of Dunhill Records and when that firm was acquired by ABC Records, he became the president of that entire operation. He had demonstrated to the people with whom he has worked and to the artists with whom he has dealt an undivided devotion to ethical and professional standards of the highest order. The creative contributions of artists developed under the leadership of Jay Lasker are synonymous with the development of contemporary music in American society. Such musical performers as the Mamas and the Papas, Three Dog Night, B. B. King and others have enriched the fabric of American culture with a spirit of optimism and hope certainly needed in these troubled times.

Mr. Speaker, I wish the RECORD to reflect these views and I ask the Members of the House to join me in commending Jay H. Lasker on the event of his recognition as the recipient of the Human Relations Award of the Anti-Defamation League.

TADEUSZ KOSCIUSZKO

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. DERWINSKI. Mr. Speaker, as I have in the past, I wish once again to bring to the attention of the Members, the anniversary of the birth of a "Hero of Two Worlds," Tadeusz Kosciuszko. Kosciuszko, born February 12, 1746, is not only well known for the role he played in American history, but also for his fight for liberty for all peoples on the other side of the Atlantic.

Beginning his education as a member of the corps of cadets in Poland and later furthering his military instruction in Italy, France and Prussia, Kosciuszko declined offers of positions in the British and French armies, and instead journeyed to America soon after the Thirteen Colonies declared their independence from Great Britain.

After receiving an appointment as an engineer, and within 2 months receiving the rank of colonel in the army of the infant Nation, Kosciuszko's first assignment was the fortification of the Delaware River approaches to Philadelphia in order to secure this position against the British forces. His strategy was so successfully carried out that the young Pole was awarded 50 pounds by the Pennsylvania Council of Safety as a token of appreciation.

Kosciuszko also supervised the construction of fortifications at Saratoga, Ticonderoga, and West Point. As a result of his military ingenuity, Congress granted him an appointment as brigadier general after the Revolutionary War.

He returned to Poland in 1784. After the second partition of his native country in 1793, Kosciuszko led a national uprising which was successful in its early stages, but finally collapsed, to be followed by the final partition which erased Poland from the map of Europe. Nonetheless, a proud page in history of this unhappy nation was written by Kosciuszko and his fellow Poles.

On April 3, 1974, at Raclawice, 4,000 Polish troops and 2,000 peasants, the latter armed only with scythes and pikes, defeated 5,000 Russian troops. The tide turned against Poland, however, when Prussian troops joined the forces of the Czar to help subjugate the heroic defenders of Poland.

Kosciuszko, who is rightly honored as "The Hero of Two Worlds," helped Americans to secure their independence and did his utmost in a vain effort to save Poland from extinction.

Mr. Speaker, as we approach the year of our country's Bicentennial, I find it most appropriate to reemphasize the great donation made by Tadeusz Kosciuszko to our American heritage. In our battle for independence, he made a lasting contribution to the struggle for freedom as a native of a foreign land.

He believed that freedom was indivisible and that its blessings should be shared by everyone—by the slaves in America and by the peasants of Europe, no less than their more fortunate neighbors of the nobility.

Mr. Speaker, during the month of February, we are paying tribute to the memory of George Washington, who led our Nation to independence, and Abraham Lincoln, who led it during the war to preserve its union from dissolution.

Let us also take time to honor the memory of Tadeusz Kosciuszko who, like Washington, wanted freedom for all nations and like Lincoln, wanted freedom for all people.

LITHUANIAN NATIONAL DAY

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. MORGAN. Mr. Speaker, I am pleased to join many of my colleagues in commemorating the 57th anniversary of the Declaration of Independence of the Republic of Lithuania, which will occur on Sunday, February 16.

I welcome this opportunity to pay tribute to Americans of Lithuanian descent. Moreover, as chairman of the Committee on Foreign Affairs, I want to take note of two positive developments, which occurred during the past year and in which our committee was directly involved.

First and foremost, there was the well-publicized arrival in this country last November of Mr. Simas Kudirka—together with his mother, his wife, and two children. As Members will recall, Mr. Kudirka was a Lithuanian seaman, whose attempted defection to the United States was aborted in the fall of 1970 as a result of bureaucratic bungling and an apparent lack of coordination among various agencies of our Government. Fortunately, this unhappy episode has been resolved to the satisfaction of all concerned. It also resulted in the issuance of revised guidelines by the executive branch on procedures for handling requests for temporary refuge and asylum.

In this connection, I want to commend my friend, the gentleman from Ohio (Mr. HAYS), for the exhaustive hearings he held in the subcommittee he chaired on State Department Organization and Foreign Operations—now redesignated the Subcommittee on International Operations. I believe the subcommittee's efforts to ascertain the facts in this case served not only to bring this matter to public attention, but also to stimulate the executive branch, under the personal direction of two President, to take corrective action.

Second, I wish to point out that last month Radio Liberty began—for the first time in its history—programs in the Lithuanian language. A full program schedule including 30-minute daily broadcasts in Lithuanian will go into effect at the beginning of March. The programing will include news, world press reviews, news and political analysis, historical, cultural and human rights broadcasts with special focus on Lithuanian interests.

Moreover, following adoption of an amendment, which was initially approved by our committee and was subsequently passed by both Houses of Congress, Radio Liberty has been authorized to initiate broadcasts in the Estonian and Latvian languages. I understand that the search for qualified programing staff in Latvian and Estonian is already underway, and I intend to support continued funding for these programs in the coming year.

Recently, Mr. Speaker, I had the privilege of taping a brief statement for subsequent transmission over Radio Liberty to the people of Lithuania. I understand that this statement will be included in the special program scheduled for February 16, in honor of Lithuanian National Day. I insert the text of this message in the RECORD at this time:

TEXT OF STATEMENT

The independence of Lithuania, which was restored 57 years ago today, was cruelly snuffed out in 1940. But in those twenty-two years the Lithuanian people have showed great economic and cultural progress, which stands out in modern history. Even in these difficult times, your inner strength and love for freedom give us hope for the brighter future in which we all believe.

THE 724TH ANNIVERSARY OF THE LITHUANIAN STATE

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. MOFFETT. Mr. Speaker, I appreciate this opportunity to remind my colleagues that Sunday, February 16, 1975, will commemorate the 57th anniversary of the establishment of the Republic of Lithuania and the 724th anniversary of the Lithuanian State.

On that day, Americans of all origins and backgrounds should pause to acknowledge the worldwide drive for Lithuanian independence, which has eluded the Republic for the last 34 years. While reflecting on the meaning of religious freedom and basic human rights, we should then translate our thoughts into action—we must voice our support to those Lithuanians who are still denied their freedom and their rights today.

The determined spirit of all Lithuanians should be viewed both with respect and as a source of inspiration for all to reaffirm their own precious principles.

IS OSHA PROMOTING ANARCHY?

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. BAUMAN. Mr. Speaker, of all the Government regulatory agencies imposing restrictions and redtape on American business, with small business being hurt the most, perhaps none has aroused so much controversy as the Occupational Safety and Health Administration. Since OSHA was passed in 1971, businessmen, employees, and consumers have all been adversely affected by the redtape and added expense which OSHA has caused. Of particular concern to many of us has been OSHA's apparent concern more with catching and punishing people who missed a footnote in OSHA's voluminous regulations than with allowing a reasonable amount of time for businesses to acquaint themselves with regulations and bring themselves into compliance.

As one who has supported efforts to repeal OSHA, I was particularly interested to see a recent column by syndicated columnist, John Lofton, concerning OSHA. The tale which Mr. Lofton tells, of a company which obtained a variance after more than a year of expensive legal rigmarole, because they were able to prove that OSHA's own requirements constituted a safety hazard, is particularly revealing. I hope my colleagues will consider this illustration of the folly of trying to have the Federal Government run every aspect of the lives of the American people:

ONE BRUSH WITH OSHA, AND YOU SEE THE MERITS OF ANARCHY

(By John Lofton)

For American business, particularly small business, the Occupational Safety and Health Act has been about as helpful as the Lilliputians were to Gulliver.

Since it went into effect in April of 1971, OSHA, as the law is commonly referred to, has come under fire from businessmen, employes and consumers.

The degree of dissatisfaction is indicated by the fact that in the four years since OSHA went on the books, approximately 100 bills have been introduced in Congress to amend it.

Among the complaints about the miles of new OSHA red tape have been that the rules and regulations are highly technical, making them impossible for small businesses to decipher without expert help, and that the standards are often too expensive to meet.

A survey by McGraw-Hill publications estimates that OSHA cost business $2.5 billion in 1972 and $3.1 billion in 1974. It has been reported that proposed OSHA noise-control standards could cost business anywhere from $13 billion to $31 billion, depending on how strict the rules are actually made.

To illustrate just how much red tape OSHA seeks to impose on American business, in June of last year, an entire edition of the Federal Register—342 pages long—was devoted to new OSHA rules and regulations. But this was not all. This particular publication represented only part II of the new standards.

Now, despite all the hell being raised, OSHA's head man, Assistant Secretary of Labor John Stender, says he doesn't understand why anybody questions the need for his new law. He says he doesn't know what all the furor is about.

Well, assuming Mr. Stender is expressing a sincere ignorance, I'd suggest he take a look at the recent variance that OSHA granted the Caterpillar Tractor Company of Peoria, Ill.

The Caterpillar people ran afoul of OSHA because they had the crazy idea that they know best how to mount their own fire extinguishers.

They mount them on retractable boards suspended from the warehouse superstructure.

In the stored position, the bottom of these boards is eight feet from the floor. When a two-foot nylon rope attached to the bottom of the board is pulled, presto! The board springs downward to a position about two-and-a-half feet from the floor and the extinguisher is within easy reach of the employes.

This sounds safe enough, right? To you maybe. But not to OSHA.

You see, OSHA has thought of everything and specifies not only the kinds of mountings allowable for fire extinguishers, but also sets the permissible height of the top of extinguishers at five feet for those under 40 pounds and three and a half feet for those over 40 pounds. So, as any ignoramus can see, in mounting their extinguishers the way they did, the Caterpillar people were in gross violation of OSHA safety standards prescribed in 29 CFR 1910.157(A) sections (5) and (6).

Anyway, to make a long story short, and I mean a long story, earlier this month, after a year of unexplained bureaucratic paper shuffling at OSHA by God only knows how many GS-whatevers, OSHA not only okayed the way the folks at Caterpillar hang their fire extinguishers, but the division of variances tells me that OSHA thinks it is such an "excellent" approach that they'll probably modify their standards and adopt Caterpillar's.

Now what's so incredible about this whole ridiculous, time-consuming idiocy, is that in the good old days, before there was an OSHA, the Caterpillar Company hung its fire extinguishers just as OSHA now recommends they be hung.

But, as the company's assistant safety manager Bob Keller explained to me, Caterpillar spent $60,000 in their Decatur, Ill. plant to rip this system out and install their own.

Why? Because fork-lift drivers kept smashing into the extinguishers and damaging them. They were simply too low to the ground.

So, here we see government in action. Big Brother in Washington makes a law, already found to be unworkable years ago by private industry, then after a year of consideration, ends up scrapping it and adopting the heretofore illegal standard as its own, in a ruling which should never have been any of the government's business in the first place.

It's this sort of stupidity which makes the arguments for anarchy not entirely unappealing.

LITHUANIAN INDEPENDENCE DAY

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. HALL. Mr. Speaker, this Sunday, February 16, will mark the 57th anniversary of the establishment of the Republic of Lithuania. Lithuania was to enjoy only 20 years of peace and freedom from oppression. In 1939, the Soviet Union began its occupation of Lithuania. To this date, the U.S. Government maintains a policy of nonrecognition of the forcible annexation of Lithuania. While we continue our policy of détente, we must not forget the aspirations of the Lithuanian people.

Mr. Speaker, on this, the 57th anniversary of the Republic of Lithuania and the 724th anniversary of the founding of the Lithuanian State, I wish to join with the Lithuanian-Americans of the 15th District in paying tribute to a people dedicated to self-determination and religious freedom. I commend the fine work of such groups as the Northern Illinois University Lithuanian Club, whose president is Mr. Rimantas Gencius, and all the others working to see the achievement of the goal of Lithuania's self-determination.

NATIONAL HEALTH INSURANCE IS OUT WHILE FORD IS IN

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. ROSENTHAL. Mr. Speaker, as long as Gerald Ford is in the White House, the American people will not have a universal, publicly administered, and consumer-oriented national health insurance program.

This President, who pledged support for national health insurance when he took office in August and 5 months later threatened to veto any such legislation, says we cannot afford it.

I say we cannot afford not to have national health insurance. Health care costs are one of the most inflationary elements in our high cost of living. They are now running $105 billion a year and totally out of control. The only way to bring them under control is enactment of a program like the Health Security Act.

The Health Security Act (H.R. 22), which I have sponsored in the past three Congresses, is a universal, publicly administered health care program that would mandate strict cost controls and provide the same coverage for all persons regardless of income or employment.

The President has said that if the economy turns around this year, he would support a health insurance bill next year similar to the one proposed in 1974 by then-President Nixon.

He wants a health care system that is good for the insurance industry and the doctors. We have got that. We want one for the people.

I want to caution my colleagues against enactment of legislation just for the sake of passing something.

It would be disastrous if something like the Nixon-Ford bill or one of the industry proposals were enacted. That would be a giant step backward. It would just further entrench the present nonsystem of uncontrolled costs, enormous profits, and unequal distribution of health care that has plagued this country for so long. And it would push real reform farther away and make it harder to achieve.

I believe there are enough votes in the House to pass a publicly administered, proconsumer national health insurance bill, and I am hopeful the Senate will follow that lead. If the President vetoes it, we must take the issue to the people in 1976 and make it a major issue in the congressional and Presidential campaigns. We need a President who truly wants to see people-oriented health care reform instead of a welfare plan for industry.

Health costs are now out of control. Americans are currently spending $105 billion a year on health care, 7.8 percent of the gross national product. This is the only major industrial nation without a comprehensive national health insurance system.

For all we spend, we rank behind a host of other nations in such vital indicators as infant mortality and life expectancy. The only category in which we rank first is cost.

The Health Security Act has been accused by critics of being the most costly proposal before Congress. Just the opposite is true. The reason is cost control. The Nixon-Ford plan, like those being put forth by industry, does nothing to bring burgeoning costs under control. As a result, they are grossly inflationary and open to the same abuses that have plagued the medicare program, where Government payments to health care providers are viewed not as the ceiling but as the floor for even higher fees.

The Health Security Act is the only proposal before the Congress that would end the present system of open-ended costs. It would cost more initially because it is the only plan that would extend coverage to the millions of Americans who now have none, but with its program of oversight, its emphasis on preventing medicine and its firm cost controls, it would be the cheapest of all in the long run. It also would offer the most extensive coverage, eliminating the need to go outside the program, and pay extra for care not included in some other plan.

This is the only proconsumer national health insurance proposal before the Congress. The other major programs have the distinct proindustry viewpoint of their authors. And all too often the industry has shown itself to be more concerned with wealth than health. We cannot afford to perpetuate that.

BUY A CAR AND FIGHT RECESSION

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. TRAXLER. Mr. Speaker, in a bold action I hope will be imitated across the Nation, the chamber of commerce of Frankenmuth, Mich., has announced that member businesses will pay $100 in cash to anyone purchasing a new car from a local dealership. This creative move on the part of the businessmen of Frankenmuth, to my knowledge the first such initiative taken by a chamber anywhere in the United States, should be applauded by every citizen concerned about fighting the recession and getting our economy moving again.

The startling announcement a few days ago that unemployment reached 8.2 percent nationally in January is underscored by the fact that within the automobile industry the jobless rate is 24 percent, and climbing. In fact, since one out of every six American jobs is related directly or indirectly to automobile production, it is likely that we will be able to do little about our deepening recession until we can restore consumer confidence and stimulate demand for cars and other durable consumer goods. The key to our economic recovery should be found in the motto, "Buy a Car."

In times of economic crisis many Americans quite naturally turn to their Government for answers to our troubles. Certainly, immediate action by the Congress to rebate taxes and reduce withholding could do much to increase the average family's purchasing power. But we should not depend upon Government action alone. Voluntary cooperation by individuals, groups, and civic organizations can also do much to stimulate demand and provide incentives for consumer purchases.

Thus, I was particularly pleased to learn of this innovative action taken by the member businesses of the Frankenmuth Chamber and I am hopeful that this first step will signal a new working partnership of American business and Government to bolster sales, production, and employment in our American economy. Small business is hurt most in a recession, so actions such as these to get our economy moving will prove to be a sound investment for these businessmen.

Mr. Speaker, this act of leadership and faith on the part of the Frankenmuth Chamber should not go unheralded; nor should it stand alone. I am today introducing a resolution commending the chamber for its cash rebate program. At the same time, I challenge chambers of commerce and other civic organizations across the Nation to follow Frankenmuth's example. Working together, citizens both in and out of government can help to create a climate of economic growth, full employment, and prosperity for all.

H. CON. RES. 120

Whereas unemployment has reached 8.2 percent nationally and is still rising, and unemployment in the automotive industry is now over 24 percent, and millions more Americans find their jobs threatened by our growing recession;

Whereas the only solution to rising unemployment lies in stimulating consumer demand for automobiles and other durable consumer goods;

Whereas the restoration of consumer confidence and business sales will benefit workers and small businesses immeasurably;

Whereas the Chamber of Commerce of Frankenmuth, Michigan, has offered a $100 cash rebate to anyone who purchases a new car or truck from any automobile dealership within the city of Frankenmuth;

Whereas this bold and innovative action on the part of these leaders should help to stimulate automobile sales, production, and jobs, which in turn will stimulate production and employment in other sectors of the economy: Now, therefore be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the members of the Chamber of Commerce of Frankenmuth, Michigan, be commended for bold and generous initiatives which will contribute to the economic welfare of this nation.

OIL PRICE RELIEF

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. YOUNG of Florida. Mr. Speaker, I am today introducing legislation to amend the Emergency Petroleum Allocation Act of 1973 to provide for the equalization of residual fuel oil prices charged to public, private, and investor-owned utiliites, and other persons using such oil.

As the Organization of Petroleum Exporting Countries—OPEC—has raised prices again and again, it has become very clear that the Emergency Petroleum Allocation Act contains a major deficiency as far as Florida and certain other States are concerned. While giving the FEA authority to regulate prices of petroleum products, the act did not specifically direct the FEA to equalize prices so that those States most heavily dependent on imported oil do not suffer more economically in comparison with the rest of the Nation.

Florida's electric utilities use residual fuel oil refined almost exclusively from Venezuelan crude oil. In January of 1973, a barrel of Venezuelan crude cost $3.84. In December of 1974, that same barrel of crude cost $12.38, of which the Venezuelan Government took $10.05. Thus, Florida's utilities are paying double the price paid by utilities elsewhere in the Nation which use fuel refined from price-controlled domestic oil selling at $5.75 per barrel.

The result has been an astronomical increase in Florida electric bills. In September of 1973, the Florida Power Corp.'s fuel adjustment charge to the average customer was $3.20 and the cost of 1,000 kWh was $25.26, for a total bill of $28.46. By September 1974, the average fuel adjustment charge had risen to $15.60 and the price of 1,000 kWh was $37.66, for a total bill of $53.26. Similar increases have prevailed for the 1.7 million customers of Miami-based Florida Power & Light Co. At the end of January, Venezuela further increased its oil prices—by 44 cents per barrel to Florida Power and 33 cents per barrel to Florida Power & Light. These latest increases have not yet been reflected in the electric bills of already overburdened customers.

If the President's $1.20 per barrel tariff for residual fuel oil is allowed to stand, this could cost the average electric consumer an additional $1.10 per month. I voted for H.R. 1767, a bill to defer for 90 days the President's authority to impose a tariff on imported oil because I feel this additional burden on the already reeling Florida utilities and consumers is unwarranted and inequitable. Florida and the other Atlantic States need relief, not higher prices.

Last fall, the Federal Energy Administration outlined a series of alternative proposals to create price equalization for residual fuel oil users, and spread the burden of expensive foreign oil throughout the Nation. In a letter to FEA Administrator Sawhill, I strongly supported alternative rule 3 as providing substantial relief to Florida electric consumers. Under this alternative rule, residual fuel prices paid by Florida utilities could have dropped as low as $6 per barrel—and the average fuel surcharge of individual customers could have been reduced by as much as 40 percent.

Despite my prodding, and that of many other concerned Members of Congress, the FEA failed to adopt alternative 3, and Florida electric bills have continued to rise. Therefore, I have introduced legislation directing the President to exercise his authority under the Emergency Petroleum Allocation Act so as to equalize the ceiling price throughout the United States at which residual fuel oil is sold. This can be done, as in alternative rule 3, by making available in all parts of the United States, residual fuel oil refined from higher-priced crude oil and residual fuel oil refined from lower-priced crude oil in the same proportion as domestic and foreign oil make up the national oil pool from which such residual fuel oil is refined.

America currently uses some 18 million barrels of oil per day, of which close to 7 million barrels is high-priced foreign oil. But because Florida relies almost exclusively on the imported oil, Floridians pay disproportionately higher prices for their electricity and home heating oil. Under my bill, Florida's utilities will be able to purchase 11 barrels of lower-priced domestic oil for each 7 barrels of expensive OPEC oil.

Floridians and other east coast utility users have pleaded for relief for a year now. The utility companies themselves have sought in vain to have the FEA bring some equality into the situation. Millions of dollars, most of them from consumers who can ill-afford the loss, have flowed into the coffers of the oil companies and the OPEC countries. My bill will attack this problem by equalizing residual fuel oil prices throughout the Nation.

AN INVISIBLE NATION

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. EILBERG. Mr. Speaker, 57 years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only 22 years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the U.S. Government and other great Western powers have steadfastly maintained a policy of nonrecognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstration by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of détente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present—spirit of détente—in which to give visible support to the Lithuanian people.

The U.S. Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the 2d session of the 89th Congress when House Concurrent Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

THE IMPACT OF OCS OIL AND GAS

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. BAUMAN. Mr. Speaker, many of us in the Congress have been concerned about the onshore impact which will result from the production of oil and gas in the frontier areas of the Outer Continental Shelf. The Middle Atlantic Coastal States, including my own, are adjacent to approximately 3.5 million acres to be leased by the Interior Department to oil companies.

Thomas B. Edsall of the Baltimore Sun has written an excellent article embodying many of the problems which this oil and gas development will present.

The facts he records make it all the more important that we adopt legislation such as I have introduced which would allow States time to prepare for this onshore impact. In my opinion, it also shows the need for the creation of a Federal coastal zone fund which would provide revenue sharing to the affected coastal States out of the revenues paid by the oil companies to the Federal Government.

I include the article at this point:

STATE NOT READY FOR ONSHORE UPHEAVAL AN OFFSHORE OIL STRIKE WOULD BRING

(By Thomas B. Edsall)

About 35 miles off Maryland's Atlantic coast lies a section of the outer continental shelf considered by geologists to be a prime site for oil and natural gas drilling—the Baltimore Canyon.

The federal government appears certain to lease about 3 million acres in the southern part of the canyon for exploration and drilling by oil companies, perhaps as early as December.

An undersea oil strike in the canyon inevitably would result in major economic and environmental changes for Maryland and surrounding states, primarily in onshore development. The likelihood is small, scientists say, that a blowout from drilling rigs, which will be invisible from shore, would result in oil-covered beaches along the Delmarva coast.

NO STATE CONTROL OFFSHORE

The states do not control the offshore leasing program, although Maryland and 11 others are asking the Supreme Court for that power.

But the states only are beginning to act to control the onshore activities of a polluting industry that will require extensive state and municipal services. In Virginia, companies already are preparing for drilling operations and might be insulated from future state legislation. The effects of development in that state will spill over into Maryland.

Although the federal intention to lease Atlantic deposits for drilling has been known since 1971, Maryland officials have not made essential choices on state policy toward refineries, storage tank farms, pipelines, petrochemical factories, port facilities and equipment construction sites.

Instead of a coherent approach—banning oil-related facilities, controlling them exclusively by the state or leaving them to the discretion of local officials—individual issues appear likely to be resolved through haphazard action in the General Assembly.

The impact on the land will be significant. Medium-sized refineries in rural areas require up to 5,000 acres. Facilities for assembling drilling rigs onshore need 1,000 acres or more and must have port facilities from which to float their contraptions out to sea. Refineries spawn petrochemical plants that turn petroleum products into synthetic rubber, plastics, fertilizer, explosives and other products.

The economic impact of these activities also is heavy. They will require major governmental expenditures on roads, schools, housing, hospitals, police and fire protection, sewage facilities and garbage collection.

Balancing the cost of these governmental services against gains in taxes and other revenues, Louisiana officials contend that the state loses about $38 million a year from offshore oil production in the Gulf of Mexico.

The economic impact will be felt by traditional industries and their employees. On Maryland's Eastern Shore, a general laborer in the chicken industry earns $2.85 an hour, or $114 a week. Chicken processors cannot hope to compete with the oil industry, where production workers average about $260 a week, according to government statistics.

There is no way to predict the impact on Maryland of oil exploration and drilling.

Several factors indicate there will be considerable pressure on Maryland for the siting of oil refineries and other facilities, if that oil is found and tapped.

The three states that form the Delmarva Peninsula have virtually no refining capacity. Amoco Oil Company operates a small refinery in Yorktown, Va., Maryland has two small asphalt-refining factories and Getty Oil Company operates a 140,000-barrel-a-day refinery in northern Delaware.

Delaware is the most attractive location for the oil industry. But that state has a law barring large-scale development along its coast, and industry groups view that legal barrier as insurmountable.

Cox Enterprises is attempting to build a 155,000-barrel-a-day refinery in Portsmouth, Va., but that facility would handle only imported crude oil. That location is more distant from the offshore drilling area than Maryland or even the existing refineries in the Philadelphia-Marcus Hook section.

Oil company officials told the Worcester county (Md.) commissioners last month that there was little likelihood a refinery would be built in Maryland because the Philadelphia-Marcus Hook refineries would switch to processing offshore oil as imported petroleum, their current supply, is cut back.

That argument is contradicted by these points.

The refining capacity of the Northeast is far below the needs of the area, and it is doubtful that any decrease in oil shipped to existing refineries would develop.

According to the American Petroleum Institute, a trade association, the oil industry would prefer to construct a new refinery specifically geared to process the chemical characteristics of offshore oil, which differs from imported crude.

It would be far simpler to run a pipeline from rigs in the southern section of the canyon directly to the Eastern Shore than up the Delaware Bay and the Delaware River to the Marcus Hook-Philadelphia region.

There is very little room for expansion of the four refineries in the Philadelphia-Marcus Hook section.

PROXIMITY TO ROADS

The Eastern Shore of Maryland and the Baltimore harbor area offer the attraction to the oil industry of being near major road networks feeding the Northeast, which has one of the largest shortages of locally refined oil products in the country. (The Eastern seaboard states consume 40 per cent of the oil produced and imported into the country, but have the refining capacity for only 12 per cent.)

While opposition to refineries is intense in many of the Chesapeake Bay counties—both Anne Arundel and St. Marys counties rejected proposed refineries and Worcester county officials are adamant in opposition to offshore drilling—there are some areas that are less hostile.

Baltimore, which is seeking to strengthen its stagnant tax base, appears to be encouraging Crown Central Petroleum Company to locate a refinery in the Curtis Bay section.

Somerset county and state officials have been considering for nearly 10 years a proposed industrial park and deepwater port facility at the mouth of the Annemessex river near Crisfield. The development would include a possible refinery, according to state officials.

STATE HAS OPTIONS

Given the anticipated pressures on Maryland for the siting of oil-related facilities if there is a strike in the lower section of the Baltimore Canyon, the state has several options.

Local plebescites on refineries, similar to that in St. Mary's county, could be held whenever the refineries are proposed, in the city or the counties.

This would permit some local control over development, but would not protect the interests of communities surrounding a county that might, for example, decide that it wants to permit the construction of a refinery and benzene plant on the Chesapeake Bay.

Legislation banning refineries along both bay and Atlantic coastlines, similar to the Delaware measure, could be passed. If upheld by the courts, this would prevent environmental threats from development within state borders.

It also could lead to further consequences. If other states follow Delaware's example by prohibiting heavy industry, intense pressure might develop for passage of a federal refinery siting act that would, in effect, take out of the hands of state and local governments the power to reject or approve oil-related development.

A Maryland ban also could force intensified development in Virginia where both the Governor, Mills E. Godwin, Jr., and many local officials have declared their interest in drawing the new industry. If the development occurs in Virginia without strong efforts to insure environmental protection, damage to the Chesapeake Bay could be worse than if the development were in Maryland.

SHORE PRESSURES

The siting of major installations on the Virginia portion of the Eastern Shore, a strip of land about 55 miles long and 10 miles wide, would create major pressures for additional housing, schools and other municipal services in Maryland's Somerset and Worcester counties without providing compensatory revenue from real estate taxes on the industry.

A third alternative, a system of giving both the state and local governments veto power over the development, has been proposed by the Maryland Environmental Trust and sponsored in the General Assembly by Delegate John S. Arnick (D., 8th, Baltimore county), the House majority leader.

The Arnick bill would require a two-step approval process for all major oil-related development and construction within the state. If, for example, an oil company sought to build a refinery in Somerset county, the local government first would have the power to accept or reject the proposal. If accepted, the state would consider the project anew. If rejected, the proposal would be dead.

The measure provides a mechanism for both state and local control without the negative consequences of an outright ban. The intent, however, according to one of its authors, K. King Barnett, a lawyer and member of the Maryland Environmental Trust, is to serve as an implicit ban.

A problem with the measure is that it is not an effective vehicle for state planning. The legislation would permit initial decisions concerning the location of refineries to be made by the oil companies which first would propose the sites to local governments; there is no control beyond the exercise of a veto.

FRAGILE RESOURCE

Opponents of drilling and refining operations in Maryland argue that the state has a unique and fragile resource in the Chesapeake Bay and that the state has only 33 miles of Atlantic coastline, all of which is dedicated to either preservation or to intense recreational use.

The bay, which has 4,500 miles of shoreline and covers more than 2.8 million acres, has been described by L. Eugene Cronin, director of the University of Maryland's Chesapeake Biological Laboratory, as "probably the most valuable and vulnerable large estuary in the world."

A specific study of the potential environmental effects of refineries and petrochemical complexes on the bay was completed last year by Curt D. Rose, of the Center for Environmental and Estuarine Studies, University of Maryland. He concluded that:

"Petroleum pollution is a greater threat in semi-enclosed bays and estuaries than in open water because of the limited nature of low flushing rates on dilution of toxic hydrocarbons. . . . Traces of oil pollution have been observed in impoundments with poor circulation for as long as 11 years after the occurrence of a spill."

Some forms of aquatic life, principally shellfish, are particularly vulnerable to oil resulting either from major spills or the chronic minor accidents that are, according to industry and government experts, inevitable.

"In Chesapeake Bay, the southernmost limit of the soft clam's distributional range, the threat of oil pollution is particularly ominous. . . . Any additional stress acting in concert with adverse natural conditions could cause calamitous mortalities."

TOXIC HYDROCARBONS

Refined petroleum products often contain more low-boiling hydrocarbons than crude oil. Low-boiling hydrocarbons, which can be absorbed and stored in the fatty tissues of organisms, "are the most toxic of petroleum fractions and are acutely poisonous to man and marine animals."

(That conclusion is an argument used by advocates of a refinery also. The heavy traffic of tankers carrying more toxic refined petroleum along the bay would be reduced significantly if the area had its own refining capability, they argue.)

The discovery of major oil fields in the North Sea off Scotland offers a case study of the potential impact of onshore development and alternative ways to meet it.

In essence, the Scottish national and local governments agreed on the necessity of development and change in the region. Parliament granted the local government extensive planning and fiscal powers. The Zetland County Council, the local governing body, imposed a stiff $4.8 million annual "disturbance" tax on the oil companies and joined with the companies in a nonprofit corporation to regulate pipelines built in the area.

The County Council has imposed some stiff restrictions on the industry. Onshore facilities have been centralized and companies are required to share them, to prevent industrial sprawl. The council is considering requirements that further expansion be underground or piggy-back, atop existing development facilities. The council retains its corporate voting power to prevent companies from skirting the regulatory statutes.

ECONOMIC UPHEAVAL

County regulation has not been able to stop the upheaval in the traditional economy of the Scottish towns, however. As B. F. Wishart, editor of the Shetland Times, observed:

"Shops have closed for lack of staff, milk deliveries have ceased, bread is being imported because bakeries have closed and it is virtually impossible to find a tradesman willing to undertake repairs and maintenance, as the small firms have either lost their staff to the main contractors or are themselves engaged in oil-related work."

The Scottish option of dealing with offshore oil development is not available in this country because of the lack of agreement between federal and local government over the necessity of drilling. Worcester county, the state's only oceanfront jurisdiction, is on record as opposing anything connected with oil exploitation.

The lack of co-operation among units of government in the United States also stems in large measure from the close ties between the federal agencies regulating offshore drilling and the oil companies. These ties preclude the delegation of authority to state or local agencies.

CONDOMINIUM PROBLEMS AND ABUSES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. ROSENTHAL. Mr. Speaker, the Department of Housing and Urban Development today began hearings on condominium problems and abuses as a result of my amendment to the Housing and Community Development Act of 1974, which called for such a study. These hearings—and the 6-month HUD study of which they are a part—represent the Federal Government's first serious attempt to examine the many abuses of the housing phenomenon known as the condominium boom. Although that boom has been slowed temporarily by the Nation's economic difficulties, the trend will continue and even accelerate.

Problems associated with condominium purchases and conversions are potentially among the most pressing consumer problems in the Nation. Thousands of individuals have been mislead or defrauded in their purchase of a condominium and, in the case of conversions from rental units to condominium ownership, many persons—some of them elderly and poor—have been dispossessed and unable to find decent substitute housing.

Unless strong remedial action is taken, abuses surrounding condominium sales and conversions will become a far greater national scandal than the rash of interstate land sale frauds that swept the country several years ago.

In my own congressional district in Queens, N.Y., hundreds of prospective condominium purchasers in a development known as Village Mall Townhouses are on the verge of losing more than a half million dollars in deposits because of the possible insolvency of the developer. And 5,000 families in rental apartment developments known as Fresh Meadows and Windsor Park have been living under the threat of a financially ruinous condominium conversion.

Reliable information on the problems and abuses of condominium ownership and conversion are difficult to come by. In pulling together data last June for the amendment to the Housing and Community Development Act, which mandated this HUD study, I was astonished to learn that it was virtually impossible to get reliable information about the condominium situation from the Department of Housing and Urban Development—ostensibly the Nation's leading authority on housing matters.

It has been predicted that within the next 20 years, half the population may be living in condominiums. The shift to condominiums is particularly acute in New York City and other urban and suburban areas where new condominium building and conversion of rental units are rapidly displacing multifamily rental apartments. According to the National Association of Home Builders and the U.S. Census Bureau, more new condominium units will have been built in 1973 and 1974—461,000—than were built in the entire 20-year period from 1950 to 1970. In the New Yory City area between 1950 and 1970, 116,000 new condominium units were constructed. The median family income of those owning condominiums and coops in New York in 1970 was $14,000—a figure that is much higher today due to the rapid increase in the cost of living. Unfortunately, there are no reliable statistics and hardly any reliable estimates on the number of condominium conversion taking place across the Nation.

Mr. Speaker, while there are endless reports of deceptive and fraudulent practices associated with condominium purchases—such as loss of deposits, inadequate disclosure, understated upkeep fees, misleading advertising, and lack of ownership of key recreational and maintenance facilities—it is in the area of condominium conversions and the dislocation of existing renters where the greatest and perhaps the most personally tragic abuses take place.

Apart from the psychological stress caused by a forced move from an apartment home one may have rented and maintained for many years, the financial burden can be staggering even to middle-income families. According to the American Movers Conference, a typical intracity move in New York City and other large metropolitan areas runs between $240 and $300. Together with other costs, a forced move can wipe out the savings of most poor and many middle-income families.

It is becoming increasingly clear that condominium construction and conversions are shrinking the availability of decent rental housing. Accordingly, the continuing and even accelerating trend toward condominium sales and conversions has enormous long-range implications for the U.S. housing policy.

That is why it is distressing to me that it took a congressionally mandated study to stimulate HUD into coming to grips with the human and public policy implications imposed by the condominium boom. Until now, not only has HUD lacked the vital statistical information necessary to public-policy decisionmaking, but its "consumer" information publications on the subject, while they cite a few warning signals, merely describe the nature of condominium ownership or promote its alleged advantages.

It is my understanding that HUD has already awarded a contract to a private consulting firm for a comprehensive examination of the implications of the condominium situation. It is obviously essential that this study be accurate, objective, and comprehensive.

The Department's "background statement" to prospective contractors as contained in its "request for proposal," raises some serious questions about HUD's objectivity and the objectivity of the pending study. A portion of the "background" statement reads as follows:

> Although it is believed that the majority of condominium and cooperative projects are well run and cause few problems, the Department of Housing and Urban Development wishes to obtain complete information on the nature and extent of the difficulties or abuses which may be occurring....

I do not believe that that kind of statement to prospective contractors is consistent with the kind of objective and serious study that the situation demands. Moreover, while I believe that the parameters of the HUD study are reasonably complete, I would like to call attention to what I regard as some serious inadequacies and loopholes in the areas to be studied.

First. The Department's "request for proposal" fails to make mention of the need to develop information on the financial stability and solvency of developers. Newspaper and other reports available to me indicate that there are often serious questions about the financial reliability of condominium entrepreneurs.

Second. The contract fails to deal with the issue of "sweetheart" agreements between developers and lending institutions. Serious questions have been raised in my own congressional district about whether financial institutions require adequate collateral from condominium developers. In fact, tomorrow I am meeting with officials of the Federal Reserve System and Home Loan Bank Board to discuss the matter.

Third. No measure is to be taken of the psychological impact of condominium conversions on the elderly and other displaced persons. The "human factor" in condominium conversions is of an importance equal to the financial situation.

Fourth. An assessment of State and local condominium and cooperative regulations, not called for in the HUD study, would be highly desirable.

Mr. Speaker, many of our colleagues in the House have already been convinced of the need for substantive Federal protections in the area of condominimum sales and conversions. Along with 33 colleagues, I have recently introduced H.R. 2347, the Condominium and Tenants Rights Act of 1975. Similar legislation has been introduced in the Senate. This legislation provides for broad protections for prospective purchasers of condominiums and for those tenants of rental apartments who would be displaced by condominium conversions. It is my hope and expectation that the HUD study will provide objective and comprehensive information to the Congress and the public so that we can be in position to legislate public policy in the broad public interest.

CLEARLY MARKED PRICES ARE A NONNEGOTIABLE CONSUMER RIGHT

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. FORD of Tennessee. Mr. Speaker, I am today introducing legislation which would amend the Fair Packaging and

Labeling Act to require that packaged consumer commodities be labeled to show their selling price.

This legislation is of immediate concern to every consumer because of the recent introduction and use of the Universal Product Code in several major supermarket chains in the United States. The UPC is a coding system which marks each individual product with a symbol composed of a series of bars of varying widths and a numerical code. The price is listed on the shelf below the product and not on the product itself. During checkout, the customer's purchases are passed over a scanner built into the checkstand. The scanner registers the symbol and retrieves the product name and price from the store computer. This information is then printed on the customer receipt tape.

Research and development of the computerized checkout stand are already accomplished fact. By the end of this year over 30 major supermarket chains will be testing the new scanners and within the next 5 years they will be commonplace. Over 50 percent of all supermarket products are already coded. My objections are not with the advent of the new technology which the UPC represents. I do not doubt the systems' potential efficiency. I am concerned, however, that we make clear to those testing and implementing the UPC that clearly marked prices on all packaged products sold are a nonnegotiable right of all consumers.

There are serious implications in the loss of product price marking under the UPC system. For the consumer, the cash register slip will be the only information available on product prices once the shopper leaves the store premises. While shopping, a consumer will be unable to make even a rough estimation of the total cost of the products which are being collected in the basket. In addition, comparison shopping from one aisle to the next or from one shopping day to another will be virtually impossible. There is also the obstacle of checking the accuracy of the computer terminal in registering the code since the shopper would be required to remember the shelf price of each product in the basket. Some supermarket chains are gratuitously making available grease pencils to those customers who wish to mark their own purchases before checking out.

Furthermore, as many consumer organizations have already pointed out, consciousness of food costs and price rises come in great part through constantly noticing prices on food packages stocked at home. This educational tool would be lost with the elimination of price marking.

Some supermarket chains have argued that if price marking is made mandatory there would be no incentive to proceeding with the UPC system. This objection has been countered by the very firms which actually produce the scanners. They estimate the difference in savings between eliminating price marking and retaining it that an individual store will enjoy is approximately $225 a week. The store should still gain $23,000 in annual savings through other advantages the UPC will present. I submit that $225 a week is not too high a price to pay to retain such a basic consumer privilege.

PUBLIC BROADCASTING TO CONFRONT MENTAL HEALTH MYTHS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. HEINZ. Mr. Speaker, a serious national problem is plaguing society. It debilitates some people temporarily and some people permanently. It disrupts homes and careers, ruins relationships and can totally destroy the individual victim. Its cost in suffering is beyond measure and its cost to the American people in dollars and cents is $20 billion a year.

It is the country's mental health problem and today, it touches 1 out of 10 Americans.

Mr. Speaker, over the past decade a quiet revolution has been occurring in the treatment of the mentally ill. It is estimated that in 1975, over 1,400,000 patients will receive care in their communities through community mental health centers. In part, as a result of the growing number of community mental health centers, the census of State mental hospitals is decreasing—they decreased in 1973 alone by 9 percent—or some 30,000 patients.

The administration has not asked for additional community mental health funds in the 1976 budget. This failure to develop new federally funded community mental health centers is tragic, considering the need for 1,500 established national community mental health centers. So far only 600 community mental health centers have begun operations with the assistance of this fine Federal-State-local partnership.

Unfortunately that still leaves 60 percent of the Nation without the services of this outstanding program. That is why on January 14, I introduced H.R. 501, the Community Mental Health Centers Amendments of 1975. My bill would expand and improve this fine program so we could eventually provide community-based mental health services to each American who needs them.

We must continue to fight for community-based mental health care. But beyond the advances resulting from the community mental health movement, much more remains to be done. This is particularly true of the need for a better public understanding of mental illness and its victims.

Unfortunately, mental and emotional diseases are still considered by many to be a taboo subject. But it is a subject that must be dealt with. I am very pleased to note that public television is attempting to do just that.

On March 31, a new public television series on mental health will premiere. The series, called "The Thin Edge," is being produced by WNET's science program group in New York and will attempt to deal with many of the myths and misconceptions surrounding mental health.

"The Thin Edge," made possible by an $850,000 grant from Bristol-Myers Co., will be five 60-minute programs carried by Public Broadcasting Service—PBS—nationally on a bimonthly basis.

According to the executive producer, David Prowitt, the specials will explain normal and abnormal behavior in the areas of depression, aggression, guilt, anxiety, stress and sexuality.

In essence, "The Thin Edge" will seek to help Americans recognize their natural emotions and effectively deal with them before it is too late—before they cross the thin line into the area of serious mental illness.

It is hoped that following each documentary, each public television station will broadcast its own "followup" program for its community, handle incoming calls and questions from viewers, and assist its region in launching mental health projects.

"The Thin Edge" is a prime example of what public broadcasting is doing to inform and assist our people. Admirably, more than 75 mental health and civic organizations in the United States have taken a special interest in the series and are supporting its efforts. Among these organizations are the National Association of Mental Health, the National Institute of Mental Health, the American Psychological Association, and the President's Committee on Mental Retardation.

It is my hope that "The Thin Edge" will stir a significant response among the American public to encourage men and women to tackle the mental health problems in their communities.

THE 57TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. DERWINSKI. Mr. Speaker, Sunday, February 16, will mark the 57th anniversary of the declaration of independence of a small nation on the Baltic Sea. On this date in 1918, the Republic of Lithuania was created. This nation, which for over a century has been held captive by the Russian Empire, has steadfastly maintained its courageous resolve for the rights of freedom and privileges of self-determination.

I am pleased to join with my colleagues as well as all Americans of Lithuanian origin and descent in commemorating the independence of once-free Lithuania. Tragically, the freedom-loving people now living in Lithuania are unable to join in celebrating this auspicious occasion, as they are forced to live in bondage under the ruthless tyranny of the Soviet Union.

In the short 22 years that it enjoyed independence, Lithuania made great progress. However, the enjoyment of liberty was brutally cut off in 1940, when the Soviet Union forcefully annexed that Republic with its Union of Soviet Socialist Republics, an incorporation which has never been recognized by the United

States. The country was a battleground throughout World War II, first occupied by the Nazis and then returning to Communist domination after the war.

Well over a million people of Lithuanian background live in the United States, approximately 200,000 of them in Illinois. Many of them came to America after their native land had been occupied by Soviet troops. Thousands of others fled from Lithuania to other lands and still other thousands have been sent to Siberia and elsewhere by the tyrants in the Kremlin. It is estimated that in just one brief period alone, June 15–21, 1940, 45,000 of her people lost their lives or were deported.

Despite their long suffering under the harsh yoke of communism, no amount of repression has succeeded in stifling the Lithuanians' inate yearning for and constant hope for sovereignty and individual freedom. No better example of this can be shown than the frantic attempt by the Lithuanian seaman, Simas Kudirka, as he escaped from Soviet bondage onto a U.S. Coast Guard vessel. Kudirka was forcibly returned to Soviet custody, but was released from Soviet imprisonment last year after having served nearly 4 years of his 10-year sentence for "treason."

Romas Kalanta, who gave his life in a public demonstration against the repression and tyranny of the U.S.S.R., brought forth an eruption of national spirit, proving that Lithuania still strives for the precious freedom it once enjoyed.

Periodically stories of persecution and suppression of human rights break through the Soviet curtain. But we may be sure that there are many such violations which do not become known publicly.

As a result of migrations, deportations, repopulation from other sections of the Soviet Union, over half of the people now living in Lithuania are unable to speak Lithuanian. What makes this so tragic is that Lithuanian is the oldest living language in all Europe. Not only their language, but their right to educate their children to the cultural heritage of Lithuania has been oppressed by the Communist doctrine.

As we are painfully aware, the Soviet Union halted the growth of independence and free existence of human rights. There is no indication that persecution or religious suppression in Lithuania is abating; it is compounded by official Kremlin denial of the existence of the Roman Catholic Church, which has played an important role in Lithuanian history and is symbolic of Lithuanian nationhood.

I have introduced House Concurrent Resolution 11, which concerns recognition by the European Security Conference of the Soviet Union's illegal occupation of Estonia, Latvia, and Lithuania. The U.S. policy of nonrecognition of this forcible annexation reinforces Lithuanians in their determination to await national independence and free existence of human rights. The right of self-government in a free and open society, the very cornerstone upon which our society is founded, has been denied these peace-loving people.

On this occasion, we should reaffirm our commitment to those Baltic nations still struggling for independence. The eventual restoration of self-determination for Lithuania, as well as Estonia and Latvia, must be an objective of freedom-loving people throughout the world.

LITHUANIAN ANNIVERSARY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. MOAKLEY. Mr. Speaker, on February 16 Lithuanians and people of Lithuanian descent all over the world will celebrate the 57th anniversary of the establishment of the Republic of Lithuania. For 20 years, the Lithuanian Republic enjoyed a democratic government, a stable economy and a flowering of national culture.

Tragically, however, this year Lithuanians will celebrate the spirit of the Republic only. In 1940, the Soviet Union occupied Lithuania and imprisoned its Government officials and many of its non-Communist citizens. This brave Republic is still under Soviet Union oppression. The United States did not recognize the incorporation of Lithuania into the Soviet Union. I have supported and will continue to support any attempts to bring this matter before the United Nations.

Mr. Speaker, I would like to insert at this time a statement by the Lithuanian-American Community of the U.S.A.

AN INVISIBLE NATION—A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Detente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the spirit of Detente, which should foster Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

BALANCE NEEDED IN NUCLEAR ENERGY DEBATE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 13, 1975

Mr. ROSENTHAL. Mr. Speaker, 31 Members of Congress and 5 citizen groups are joining me today in appealing to the Nation's 7,000 radio and television broadcasters to provide air time for critics of nuclear power in an effort to balance the multimillion-dollar promotional campaigns of industry and government.

Recent developments lend special urgency to this appeal. In his state of the Union address last month, President Ford announced a goal of 200 nuclear power stations in the next decade. Just a few days later, on January 29, 23 of the Nation's 52 licensed nuclear powerplants were ordered shut down for safety inspections.

The Nation is on the verge of making major energy decisions that will affect our well-being for years to come, yet the scientific and environmental critics have not had an adequate or equal opportunity to make their case to the American public.

For years the nuclear industry and the Government have spent millions of dollars selling nuclear power. This year alone, the Atomic Energy Commission and its successor agency, the Energy Research and Development Administration, are spending over $2.3 million on public information campaigns designed to sell nuclear power. The industry is spending several times that amount—we asked for precise figures but they refused—for advertising and promotion of nuclear power, with emphasis on 30- and 60-second broadcast spots.

In addition, the Atomic Industrial Forum, the nuclear industry's tax-exempt so-called educational arm, is planning to spend over $1.3 million this year on influencing members of Congress, Federal and State officials, the media, labor unions and others.

With the Federal Government, industrial giants like Exxon and Westinghouse, public utilities like Con Edison and pressure groups like the Atomic Industrial Forum allied on the same side, you can see why we feel the average American has not had an equal opportunity to hear the critics' side of this important issue. I feel that if the public is to make intelligent and well-informed decisions about our Nation's energy policies, the media must provide access for the many scientists, environmentalists, and consumers who question the safety and effectiveness of nuclear power.

We are asking the Nation's broadcast media to allow nuclear critics to use the format that has been so heavily used by the nuclear industry and the Government, the short 30- and 60-second spot broadcast during prime time. Public Media Center, in cooperation with several other environmental and public interest groups, has prepared a campaign of 30- and 60-second radio and television spots that will be offered to all broadcasters on the dangers of nuclear power. We consider these spots as examples of viewpoints that are not currently being aired by the media.

By the same token, in making this appeal my colleagues and I are not endorsing or rejecting the use of nuclear power—we have differing viewpoints on this issue—but we are advocating a better balance in the media on this important question.

We made a similar appeal last year in response to the multimillion-dollar advertising blitz by the oil industry. That effort was very successful, generating positive responses from over 1,000 radio and televsion stations nationwide.

The ability of all segments of the national community to communicate their viewpoints on important public issues is fundamental to the workings of a democracy and is assured to all by the first amendment. The U.S. Supreme Court has held that the fairness doctrine of the Federal Communications Act is designed to protect the paramount first amendment rights of viewers and listeners to be exposed to all sides of important public controversies. For this reason, we are making a good faith appeal for cooperation from the Nation's broadcasters on this crucial issue.

Legal aspects of the request for free airtime by the Members of Congress and the citizen groups are being coordinated by Media Access Project, a Washington-based public interest law firm which acts in a similar capacity in numerous fairness doctrine proceedings.

Joining the Members of Congress in appealing to the broadcasters to correct the imbalance created by many years and millions of dollars worth of nuclear promotion are Environmental Action, Friends of the Earth, Media Access Project, Public Citizen, and Public Media Center.

The letter follows:

House of Representatives,
Washington, D.C., February 7, 1975.

Dear Broadcaster: We are deeply concerned over the imbalance on the public airwaves created by many years and millions of dollars worth of government and industry promotion of nuclear power. Consequently, we are appealing to the nation's broadcasters to take affirmative action to assure that the public is fully and fairly exposed to all sides of this crucial issue.

Many corporate interests with large investments in nuclear technology have mounted a media campaign of 30- and 60-second messages explicitly and implicitly promoting nuclear power. The Atomic Energy Commission has conducted media campaigns, including TV spots featuring Chairperson Dixy Lee Ray, that promote the use of nuclear power as a safe, efficient and clean source of energy. This effort is being continued by its successor agency, The Energy Research and Development Administration. Government spokespersons have appeared on news and public affairs programs all over the country advocating increased use of nuclear power. Recent prime time presidential addresses on energy have advocated expanding our nuclear power facilities.

As you know, the Federal Communications Act requires broadcasters to present all responsible divergent viewpoints on controversial issues of public importance. Achieving this balance is especially crucial now since the nuclear industry and the government are spending millions of dollars to sell nuclear power as our primary energy sources for the future.

We believe it is essential that the many scientists, environmentalists and concerned citizens who question the safety and reliability of nuclear power have an opportunity to respond. The ability of all segments of the national community to communicate their viewpoints on important public issues is fundamental to the workings of a democracy and is assured to all by the First Amendment.

In addition to comprehensive exposure in news and public affairs programs, it is also important that citizens have the opportunity to communicate in the most effective format possible, the format that has been utilized so heavily by the nuclear industry—the short 30- or 60-second spot announcement broadcast during prime time.

The Supreme Court has held that the "Fairness Doctrine" is designed to protect the paramount First Amendment rights of viewers and listeners to be exposed to all sides of important public controversies. We urge you to consider how the purposes behind the "Fairness Doctrine" can be served by utilizing spot announcements such as those prepared by Public Media Center and other public interest groups to insure that the public is exposed to all sides of this controversial and critically important issue.

We urge your cooperation with their efforts and hope that you will respond favorably to their petition for public service air time.

Joining the Members of Congress sending this letter are Public Media Center, Friends of the Earth, Environmental Action, Public Citizen, and Media Access Project, a public interest law firm coordinating the legal aspects of this request.

Sincerely,

Benjamin S. Rosenthal.

Other Members of Congress signing are:

James Abourezk, U.S.S.; Bella S. Abzug, M.C.; Joseph P. Addabbo, M.C.; Jerome J. Ambro, M.C.; Herman Badillo, M.C.; George E. Brown, Jr., M.C.; Ronald V. Dellums, M.C.; and Thomas J. Downey, M.C.

Don Edwards, M.C.; Hamilton Fish, M.C.; Donald M. Fraser, M.C.; Richard H. Fulton, M.C.; Mike Gravel, U.S.S.; Michael Harrington, M.C. and Henry Helstoski, M.C.

Elizabeth Holtzman, M.C.; Edward I. Koch, M.C.; Parren J. Mitchell, M.C.; Robert Nix, M.C.; Edward W. Pattison, M.C.; Charles B. Rangel, M.C.; Frederick W. Richmond, M.C.; and Peter W. Rodino, Jr., M.C.

James H. Scheuer, M.C.; Patricia Schroeder, M.C.; John F. Seiberling, M.C.; Louis Stokes, M.C.; Burt L. Talcott, M.C.; Paul E. Tsongas, M.C.; Lester L. Wolff, M.C.; and Stephen L. Neal, M.C.

Mr. Speaker, there are four serious problem areas facing our Nation in the development of nuclear energy.

DANGER OF ACCIDENTS, FAILURE OF SAFETY SYSTEMS, AND OTHER OPERATIONAL PROBLEMS

The fission process by which energy is created is controlled by inserting and then withdrawing uranium fuel rods. If for any reason the fuel rods should fail to function, intense and uncontrolled heat would be generated. Nuclear powerplants do not explode. Instead, the reactor wall would melt down and radioactive material would be released into the atmosphere. According to the Brookhaven report commissioned by the AEC, such an excrusion could, and probably would, cause 50,000 deaths, 100,000 injuries, contaminate an area the size of Pennsylvania, and cause $17 billion in property damage.

The emergency core cooling system was designed to prevent this type of meltdown. Each time this has been tested it has failed to function. Last month's shutdown of almost half the Nation's reactors was for inspection of leaks in this system. The magnitude of a potential nuclear disaster requires a perfect technology—something mankind has never been able to develop.

INABILITY TO DISPOSE OF NUCLEAR WASTE MATERIAL—PLUTONIUM

Both industry and Government admit they have no viable solution to this problem. Plutonium is a fiendishly toxic material. A pound of plutonium, if efficiently spread around the country, would be more than enough to give lung cancer to everyone. It is the most dangerous and toxic material ever developed and it remains toxic for at least several thousand years. The waste disposal problem is a very important moral consideration: we may get some temporary convenience from nuclear powerplants but we are leaving a legacy of radioactive waste for our children and their children and hundreds of future generations yet unborn.

RISK OF SABOTAGE, THEFT OF RADIOACTIVE MATERIAL AND TERRORISM

Plutonium is the basic raw material for atomic weapons. Anyone with a working knowledge of physics and some plutonium could manufacture a Nagasaki-type bomb. In a nuclear economy, we will be transporting and storing large quantities of this deadly material. Many experts have already pointed out how easy it would be to steal a sufficient amount to literally hold the world for ransom. Most knowledgeable people agree that it is only a matter of time until we are faced with a major terrorist act involving plutonium.

INEFFICIENCY AND DISECONOMIES OF NUCLEAR POWERPLANT OPERATION

According to the AEC, until August 1974 the nuclear industry had achieved 68.1 percent availability and 56.6 percent average capacity. This is far below all other forms of generating electricity. The plants require incredible capital investments and yet have never achieved an economical level of operation. The consumer is footing the bill.

A case in point is Con Edison of New York. Its Indian Point No. 1 unit was out of service for all of 1973. Indian Point No. 2 also developed serious problems. It has been unreliable enough that the New York Times characterized the plant as on-again and off-again—June 11, 1974. On June 10, 1974, the non-availability of the plant resulted in a major voltage reduction in the New York area. Unexpected cost, unreliability and construction delays with Indian Point No. 3 contributed to a derating of Con Edison bond issues. This led to higher interest rates and both interest and operating expenses caused the company to omit it's first quarter dividends. To raise necessary money, Con Ed sold the Indian Point No. 3 plant to the State of New York.

The AEC requires that any company operating a nuclear plant demonstrate sufficient financial solvency to operate the plant safely. Con Ed's troubles have led AEC to initiate an investigation to determine if sufficient funds are available for Con Ed to continue safe operations.

The nuclear industry, which touts perfection in safety, has been unable to efficiently operate or even keep in operation its nuclear facilities.

HOUSE OF REPRESENTATIVES—*Monday, February 17, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Preserve me, O God; for in Thee do I put my trust.—Psalms 16: 1.

O Thou who art our refuge in every age and our strength for each day, we thank Thee for the glorious history of our beloved Republic and for the heroic service rendered by men and women in our past whose devotion and sacrifice has helped to make and preserve us as a nation.

Particularly this day do we remember our first President and once again listen to the words of wisdom in his Farewell Address. We thank Thee for his courage in adversity, his fortitude in hardship, and his faith which sent him to his knees in prayer that he might learn the way to go.

May the memory of this great American strengthen the soul of America and inspire our people to rise above the difficulties and the discouragements of the present hour as they respond to the challenge to keep freedom and peace active and alive in our troubled world.

We mourn the passing of our beloved colleague, JERRY L. PETTIS. Grant unto his loved ones strength and courage for the living of these days; through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

GEORGE WASHINGTON'S FAREWELL ADDRESS

The SPEAKER. Pursuant to the order of the House of February 4, 1975, the Chair recognizes the gentlewoman from New Jersey (Mrs. FENWICK) to read George Washington's Farewell Address.

Mrs. FENWICK. Mr. Speaker, I thank the Speaker for extending me this honor.

Mrs. FENWICK read the Farewell Address as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty of propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your heart, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

When then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious of liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as the main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western*; whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion; and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warning, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supporters. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice toward all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature, Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment; sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest; in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith: Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise, to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1873, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of Congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

Geo. Washington.

United States,
17th September, 1796.

REPRESENTATIVE ELIZABETH KEE

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, it is my sad duty to inform the House of the passing of former Representative Elizabeth Kee, who died on Saturday evening at Bluefield, W. Va.

Mrs. Kee was elected in a special election following the death of her husband, the late Representative John Kee, and was sworn in on July 17, 1951. She was reelected six times, and retired undefeated after serving in the House until January 3, 1965. She was succeeded by her son, Representative James Kee, who served in the House from Mrs. Kee's retirement until 1973. It is unique in the history of our Nation that father, mother, and son served in this body over a span of 40 years.

I will obtain time so as to enable all Members to honor Mrs. Kee for her service in the House, at a later date.

[From the Washington Post, Feb. 17, 1975]

Former Representative Maude Elizabeth Kee Dies

(By Jean R. Hailey)

Former Rep. Maude Elizabeth Kee (D-W. Va.), who succeeded her husband and in turn was succeeded by her son as a member of the U.S. Congress, died Saturday in Bluefield, W. Va. She was 75.

Mrs. Kee, who represented the Fifth District of West Virginia, won a special election to fill the unexpired term of her husband, the late Rep. John Kee, after his death in 1951.

She was re-elected six times to full terms, running unopposed in several elections. When ill health forced her to retire in 1964, she was succeeded by her son, former Rep. James Kee, who held the seat until he lost the primary in 1972.

Both Mrs. Kee and her son were well versed in the affairs of Congress before they took office. She had served as executive secretary to her husband from the time he entered Congress in 1932 until his death. Her son was her administrative assistant when she retired.

Born in Radford, Va., Mrs. Kee attended public and private schools in Montgomery County, Va., and Roanoke and in Bluefield, W. Va. She was a graduate of Roanoke Business College.

While working for her husband, who became chairman of the House Foreign Affairs Committee, Mrs. Kee once described a successful congressional secretary as a combination of "clergyman, lawyer, psychiatrist and family friend."

While holding down a full-time job, she also at one time was the author of a column, "Washington Tidbits," which was syndicated in West Virginia newspapers.

Mrs. Kee played an important role in the establishment of a noted library at the Woodrow Wilson Rehabilitation Center in Fisherville, Va.

Finding that the center, which was established to look after the education and rehabilitation of handicapped persons of all ages, had facilities for a library but no books, she started a campaign for contributions.

As a result, more than 10,000 volumes were given and many of them were autographed by the famous. Among the contributors were President and Mrs. Truman, their daughter, Margaret, Vice President and Mrs. Alben Barkley, Mrs. Woodrow Wilson, Gen. Eisenhower, Winston Churchill, J. Edgar Hoover, Gen. George Marshall and members of the diplomatic corps and of Congress.

After she was elected to Congress, Mrs. Kee was a member of the House Veterans Affairs Committee and chairman of the subcommittee on veterans' education, training and other benefits.

She continued her interest in the handicapped, working with a group of Episcopal ministers in developing a hobby project. She had been an active member of Christ Episcopal Church in Bluefield and of St. James Episcopal Church in Washington.

Mrs. Kee also at one time had been active on the Congressional Club's advisory board and was a member of the American Newspaper Women's Club. She belonged to the Daughters of the American Revolution.

In addition to her son, she is survived by a daughter, Frances; a sister, Hazel Hall Simpkins; a brother, Frank Simpkins, three grandchildren and two great-grandchildren.

PERMISSION FOR MEMBERS TO REVISE AND EXTEND IN BODY AND IN EXTENSIONS OF REMARKS

Mr. O'NEILL. Mr. Speaker, without its being considered a precedent, I ask unanimous consent that all Members who desire to do so may have permission to revise and extend their remarks and include extraneous material in the Record following the reading of George Washington's Farewell Address and also in that portion of the Record entitled "Extensions of Remarks."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPECIAL ORDERS GRANTED FOR TODAY PUT OVER UNTIL TOMORROW

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that any special orders granted for today be put over until tomorrow, to be called before any special orders previously granted for February 18.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ROLLCALL VOTES ON TUESDAY, FEBRUARY 18, POSTPONED UNTIL WEDNESDAY, FEBRUARY 19

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that all rollcall votes on Tuesday, February 18, except those concerning procedural matters, be postponed until Wednesday, February 19, and be considered as unfinished business on that day.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PUBLICATION OF RULES OF THE COMMITTEE ON SMALL BUSINESS OF THE HOUSE OF REPRESENTATIVES

Mr. EVINS of Tennessee. Mr. Speaker, pursuant to clause 2(a)(3) of rule XI of the U.S. House of Representatives, I submit for publication in the Congressional Record a copy of the rules of the Committee on Small Business as approved by the Committee on Thursday, February 6, 1975:

Rules of the Committee on Small Business of the House of Representatives of the United States, 94th Congress, 1975–76

(Adopted February 6, 1975.)

INTRODUCTION

The following are the Rules of the Committee on Small Business of the House of Representatives for the 94th Congress adopted by the Committee on Small Business.

These Rules are in conformity with the requirements of the Legislative Reorganization Act of 1970 (P.L. 91-510); the Legislative Reorganization Act Amendment of 1971 (P.L. 92-136); H. Res. 988 (93d Cong., 2d Sess.) adopted October 8, 1974, as amended by H. Res. 5 (94th Cong., 1st Sess.) adopted January 14, 1975; and the Rules of the House of Representatives of the United States for the 94th Congress.

RULE 1—RULES OF THE HOUSE

The Rules of the House of Representatives shall be the Rules of the Committee on Small Business so far as applicable, except that a motion to recess from day to day is a motion of high privilege in the Committee and its subcommittees.

RULE 2—USE OF TERMS

Except where the terms "Full Committee" and "Subcommittee" are specifically referred to, the following rules shall apply to the Committee on Small Business and its subcommittees, as well as to the respective Chairmen.

RULE 3—COMMITTEE JURISDICTION

The Committee shall have jurisdiction over all bills, resolutions and other matters relating to (1) assistance to and protection of small business, including financial aid; and (2) participation of small business enterprises in Federal procurement and Government contracts.

In addition to the aforestated legislative jurisdiction, the Committee shall have general and special oversight functions as hereinafter provided in Rule 4, and additional functions as hereinafter provided in Rule 5.

RULE 4—OVERSIGHT RESPONSIBILITIES

(A) In order to assist the House in—

(1) its analysis, appraisal, and evaluation of (a) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (b) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration, and enactment of such modifications of or changes in those laws, and of such additional legislation, as may be necessary or appropriate,

the Committee shall have oversight responsibilities as provided in paragraph (B).

(B) The Committee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within its jurisdiction, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Committee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within its jurisdiction (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within its jurisdiction.

(C) The Committee shall have the function of reviewing and studying on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdiction.

(D) The Committee shall have the function of studying and investigating, on a continuing basis, the problems of all types of small business.

RULE 5—ADDITIONAL FUNCTIONS

(A) The Committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purpose of this paragraph a Government agency includes any department, agency, establishment, wholly owned Government corporation, or instrumentality of the Federal Government or the government of the District of Columbia.

(B) The Committee shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program should be modified so that appropriations therefor would be made annually.

(C) The Committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(D) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the Committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(E) The Committee, when directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process, shall promptly make such determinations and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget, in accordance with the Congressional Budget Act of 1974.

RULE 6—PROCEDURE

(A) The Committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities and to incur expenses (including travel expenses) in connection therewith.

(B) The Committee is authorized to have printed and bound testimony and other data presented at hearings held by the Committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of a committee shall be paid from the contingent fund of the House. Hearing records shall be published within 30 days and reports within 60 days after hearings are completed.

(C) The Committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on its activities under this rule and Rule X of the House during the Congress ending at noon on January 3 of such year.

RULE 7—COMMITTEE MEETINGS

(A) The full Committee shall meet on the second Tuesday of each month at 9:30 a.m. in the Committee Hearing Room—2359 Rayburn Building, for the consideration of any bill or resolution pending before the Committee or for the transaction of other Committee business except when the House is in adjournment or in recess. In the temporary absence of the Chairman at any meeting of the Committee, the ranking Member of the majority party on the Committee who is present shall preside at that meeting.

(B) The Chairman of the full Committee may call and convene, as considered necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other Committee business, and written notices of such meeting shall be dispatched to each Member. The Committee shall meet for such purpose pursuant to that call of the Chairman.

(C) If at least three Members of the Committee desire that a special meeting of the Committee be called by the Chairman, those Members may file in the offices of the Committee their written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the Committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the Members of the Committee may file in the offices of the Committee their written notice that a special meeting of the Committee will be held, specifying the date and hour of, and the measure or matter to be considered at, that special meeting. The Committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the Committee shall notify all Members of the Committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(D) The Committee shall keep a complete record of all Committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each such rollcall vote shall be made available by the Committee for inspection by the public at reasonable times in the offices of the Committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting.

(E) All Committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as Chairman of the Committee; and such records shall be the property of the House and all Members of the House shall have access thereto.

(F) The Chairman of any subcommittee may call and convene, as considered necessary, meetings of the subcommittee and hold hearings for the consideration of any bill or resolution pending before or referred to the subcommittee or for the conduct of other subcommittee business under its jurisdictions. Written notices of such meetings shall be dispatched to each Member of the Subcommittee and the subcommittee shall meet for such purpose pursuant to the call of the subcommittee chairman. Such meetings and hearings shall be scheduled after consultation with the Chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full Committee and subcommittee meetings or hearings wherever possible.

RULE 8—FUNCTIONS AND RESPONSIBILITIES OF CHAIRMAN

(A) The Chairman, after consultation with Majority Members, shall establish and define the jurisdiction of subcommittee and, after consultation with the Ranking Minority Member, schedule Committee meetings and hearings and the subject matter thereof, or approve any matter to be studied or investigated by the Committee.

(B) The Chairman shall designate Chairmen and Majority Members of Subcommittees pursuant to Rule M V of the Democratic Caucus Manual, assign and define the studies or investigations to be undertaken by them, and make such changes therein as he deems advisable and appropriate prior to the commencement of such studies or investigations. Appointment of Minority Members to Subcommittees shall be made in accordance with nominations submitted by the Ranking Minority Member of the Committee.

(C) The Chairman presiding at any hearing is responsible for the preservation of order, decorum and propriety of the proceedings in all respects.

(D) The Chairman shall have such additional functions, responsibilities, and powers as are contained in other portions of these Committee Rules, in the Rules of the House, in the laws and statutes in force, and such incidental authority as may be necessary to act as Chairman.

RULE 9—ESTABLISHMENT OF SUBCOMMITTEES

(A) There are hereby established the following subcommittees with their jurisdictions:

Subcommittee on SBA and SBIC Legislation

This Subcommittee shall be responsible for legislation affecting the operations of SBA—the Small Business Act, the Small Business Investment Act, as well as other legislation referred to the Committee by the Speaker.

Subcommittee on Energy and Environment

This Subcommittee shall be responsible for oversight, investigation and review of all problems affecting small business arising from matters concerning energy and the environment; jurisdiction would include marketing of petroleum products, transportation of petroleum products, review of natural gas and synthetic fuel development, coal, nuclear energy, petrochemical matters, and environmental problems.

Subcommittee on Government Procurement and International Trade

This Subcommittee shall be responsible for oversight, investigation and review of all problems affecting small business relating to government procurement, as well as the problems of small business in international trade; jurisdiction would include procurement under regular government procurement programs, Small Business Act 8(a) procurement by SBA, set-asides, subcontracting, renegotiation of government contracts, and government regulations involving small business procurement problems.

Subcommittee on SBA Oversight and Minority Enterprise

This Subcommittee shall be responsible for the investigation and review of SBA operations and of matters affecting minority business enterprise.

Subcommittee on Activities of Regulatory Agencies

This Subcommittee shall be responsible for oversight, investigation and review of all problems affecting small business relating to concentration, monopoly and other matters involving regulatory agencies; jurisdiction would include unfair and deceptive trade practices, advertising techniques, credit regulation, monopolistic practices, and antitrust and anticompetitive practices.

Subcommittee on Commodities and Services

This Subcommittee shall be responsible for oversight, investigation and review of all activities affecting small business concerning products, commodities, and services except for matters relating to energy; jurisdiction would include services industry problems, product and commodities problems, grain marketing and transportation, freight forwarding and customs brokerage, franchising, red tape and paperwork burdens of small business, and similar matters.

(B) The full Committee Chairman may, in his discretion, establish such additional subcommittees as he deems appropriate, but any such subcommittee so established shall be only on an ad hoc and temporary basis.

(C) Each subcommittee of the Committee is a part of this Committee and is subject to its authority and direction and to its rules.

A Subcommittee shall not hold hearings or undertake any study or investigation of a matter not assigned to it.

(D) There shall be appointed to each standing Subcommittee at least two Members of the Minority Party, and all appointments of Minority Members shall be made in accordance with nominations submitted by the Ranking Minority Member of the Committee.

(E) Party representation upon each standing Subcommittee shall have the same numerical ratio as Party representation on the full Committee.

RULE 10—COMMITTEE STAFF

(A) Professional Staff.

(1) The full Committee, by majority vote, may authorize the appointment of not more than eighteen professional staff members. Each such staff member shall be appointed by the Chairman.

(2) Whenever a majority of the Minority Party Members so request, not more than six persons may be selected, by majority vote of the Minority Party Members, for appointment as professional staff members from among the number authorized by paragraph (1) of this Rule, whose character and qualifications are acceptable to a majority of the Committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the Minority Party Members may select other persons for appointment to the professional staff until such appointment is made. Each professional staff member appointed under this subparagraph shall be assigned to such Committee business as the Minority Party Members of the Committee consider advisable.

(3) The professional staff members of the Committee—

(a) shall be appointed on a permanent basis, without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions;

(b) shall not engage in any work other than Committee business; and

(c) shall not be assigned any duties other than those pertaining to Committee business.

(4) Services of the professional staff members of the Committee may be terminated by majority vote of the full Committee.

(B) Clerical Staff.

(1) The clerical staff of the Committee shall consist of not more than twelve clerks to be appointed by the Chairman of the full Committee. The clerical staff shall be appointed without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions. Such clerical staff shall handle Committee correspondence and stenographic work on matters related to Committee business.

(2) Whenever a majority of the Minority Party Members of the Committee so request, four persons may be selected, by majority vote of the Minority Party Members, for appointment by the Ranking Minority Member to positions on the clerical staff from among the number of clerks authorized by paragraph (B)(1) whose character and qualifications are acceptable to a majority of the Committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the Minority Party Members may select other persons for appointment to the position involved on the clerical staff until such appointment is made. Each clerk appointed under this paragraph shall handle Committee correspondence and stenographic work on matters related to Committee business.

(3) Services of the clerical staff members of the Committee may be terminated by majority vote of the full Committee.

(C) Salaries.

Each employee on the professional staff, and each employee on the clerical staff of the Committee, is entitled to pay at a single per annum gross rate, to be fixed by the Chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code.

(D) Nonpartisan Staff.

Notwithstanding paragraphs (A)(2) and (B)(2) of this Rule, the Committee may employ nonpartisan staff, in lieu of or in addition to Committee staff designated exclusively for the Majority or Minority Party, upon an affirmative vote of a majority of the Members of the Majority Party and a majority of the Members of the Minority Party.

(E) Consultants.

The Chairman of the full Committee, with the approval of the Committee on House Administration, may contract for the services of individual consultants and others, as provided under the terms of section 303 of the Legislative Reorganization Act of 1970 (Public Law 91-510) and other provisions of the law, to make studies or advise the Committee with respect to any matter within its jurisdiction.

(F) Staff Title Designations.

The Chairman of the full Committee shall designate such titles for members of the professional staff, clerical staff, nonpartisan staff, and consultants, as are indicated of their respective duties and as he may deem appropriate. The Minority Party professional and clerical staffs may be designated with such titles as the Ranking Minority Party Member of the Committee may recommend to the Chairman as being appropriate.

(G) Staff Administration.

Duties and responsibilities of staff members shall be performed and staff personnel affairs and day to day operations shall be administered under the direct supervision and control of the Executive Director, who shall be responsible for providing timely, effective and economical staff services to the Committee and its Subcommittees.

RULE 11—HEARINGS AND MEETINGS PROCEDURES

(A) Open meetings and hearings.

(1) Each meeting for the transaction of

business, including the markup of legislation, of the Committee or Subcommittee thereof shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than Members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not aply to open Committee hearings which are provided for by subparagraph (2) of this Rule, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the Committee or Subcommittee thereof shall be open to the public except when the Committee or Subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* That the Committee or Subcommittee may by the same procedure vote to close one subsequent day of hearing.

(3) The Committee shall make public announcement of the date, place, and subject matter of any hearing at least one week before the commencement of the hearing. If the Committtee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly sent for publication in the Daily Digest of the Congressional Record.

(4) The Committee shall, insofar as is practicable, require each witness who is to appear before it to file with the Committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of his or her argument.

(5) No point of order shall lie with respect to any measure reported by the Committee on the ground that hearings on such measure were not conducted in accordance with the provisions of this paragraph; except that a point of order on that ground may be made by any Member if, in the Committee, such point of order was (a) timely made and (b) improperly overruled or not properly considered.

(B) Quorum.

A majority of the Members of the Committee or any Subcommittee thereof shall constitute a quorum for the transaction of Committee or Subcommittee business, except that two or more shall constitute a quorum for the purpose of the taking of evidence, including sworn testimony.

(C) Proxies.

A vote by any Member of the Committee or any of its subcommittees by proxy is permitted, provided that such proxy shall be in writing, and delivered to the Clerk of the Committee, shall assert that the Member so voting by proxy is absent on official business or is otherwise unable to be present at the meeting of the Committee or its subcommittee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy only for motions to recess, adjourn, or other procedural matters. Each proxy shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

(D) No meetings during House Five-Minute Rule.

Neither the Committee nor any of its Subcommittees may sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

(E) Calling and interrogation of witnesses.

(1) Whenever any hearing is conducted by the Committee upon any measure or matter, the Minority Party Members on the Committee shall be entitled, upon request to the Chairman by a majority of them before the completion of the hearing, to call witnesses selected by the Minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(2) The Committee shall apply the five-minute rule in the interrogation of witnesses in any hearing until such time as each Member of the Committee who so desires has had an opportunity to question each witness.

(F) Investigative hearing procedures.

(1) The Chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the Committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purposes of advising them concerning their constitutional rights.

(4) The Chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the Committee may cite the offender to the House for contempt.

(5) If the Committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person, it shall—

(a) receive such evidence or testimony in executive session;

(b) afford such person an opportunity voluntarily to appear as a witness; and

(c) receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (5), the Chairman shall receive and the Committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Committee.

(8) In the discretion of the Committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The Committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the Committee.

(G) Reporting bills and resolutions.

(1) It shall be the duty of the Chairman of the full Committee to report or cause to be reported promptly to the House any measure approved by the Committee and to take or cause to be taken necessary steps to bring the matter to vote.

(2) In any event, the report of the Committee on a measure which has been approved by the Committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the Committee a written request, signed by a majority of the Members of the Committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the Committee shall transmit immediately to the Chairman of the Committee notice of the filing of that request.

(3)(a) No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present.

(b) With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the Committee report.

(4) The report on a measure which has been approved by the Committee shall include (i) the oversight findings and recommendations required by House Rule X(2)(b)(1) separately set out and clearly identified; (ii) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures; (iii) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the Committee; and (iv) a summary of the oversight findings and recommendations made by the Committee on Government Operations separately set out ad clearly identified whenever such findings and recommendations have been submitted to the Committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the Committee's deliberations on the measure.

(5) Each report of the Committee on each bill or joint resolution of a public character reported shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(6) If, at the time of approval of any measure or matter by the Committee, any Member of the Committee gives notice of intention to file supplemental, minority, or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that Member, with the clerk of the Committee. All such views so filed by one or more Members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter. The report of the Committee upon that measure or matter shall be printed in a single volume which—

(a) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report; and

(b) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted) are included as part of the report.

The foregoing provisions shall not preclude—

(c) the immediate filing or printing of a Committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as hereinabove provided; or

(d) the filing by the Committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by the Committee upon that measure or matter.

(7) If hearings have been held on any such measure or matter so reported, the Committee shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House.

(H) Reports on Investigative Hearings.

The report of any subcommittee on a matter which was the topic of a study or investigation shall include a statement concerning the subject of the study or investigation, the findings and conclusions, and recommendations for corrective action, if any, together with such other material as the subcommittee deems appropriate.

Such proposed report shall first be approved by a majority of the subcommittee Members. After such approval has been secured, the proposed report shall be sent to each Member of the full Committee for his approval or his supplemental, minority or additional views. Any such additional views shall be in writing and signed by the Member and filed with the Clerk of the Committee within five calendar days (excluding Saturdays, Sundays, and legal holidays) from the date of the transmittal of the proposed report to the Members.

After the expiration of such five calendar days, the report may be filed as a House Report and any such additional views filed by one or more Members of the Committee shall be included within, and shall be a part thereof. Such report shall be printed in a single volume which—

(a) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(b) shall bear upon its cover a recital that any such supplemental, minority, or additional views are included as part of the report.

RULE 12—POWER TO SIT AND ACT

For the purpose of carrying out any of its functions and duties under this Rule and Rule X of the Rules of the House, the Committee, or any Subcommittee thereof, is authorized—

(A) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings; and

(B) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman of the Committee, or the Chairman of a subcommittee, may administer oaths to any witness.

RULE 13—SUBPOENA POWER

(A) A subpoena may be issued by Committee or Subcommittee in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee, and authorized subpoenas shall be signed by the Chairman of the full Committee or by any Member designated by the Committee.

(B) Compliance with any subpoena issued by a Committee or Subcommittee may be enforced only as authorized or directed by the House.

RULE 14—BROADCASTING OF COMMITTEE HEARINGS

(A) Whenever any hearing or meeting conducted by the Committee is open to the public, the Chairman of the full Committee may permit that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography (or by any of such methods of coverage), but only in accordance with the purposes, provisions and requirements of this Rule.

(B) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(C) No witness served with a subpoena by the Committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This paragraph is supplementary to the rule, relating to the protection of the rights of witnesses.

(D) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions or the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(E) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or the visibility of that witness and that Member to each other.

(F) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(G) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(H) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(I) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(J) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the Committee.

(K) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by other media.

(L) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(M) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(N) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

RULE 15—EXPENSES OF COMMITTEE

(A) The Committee may not be committed to any expense whatever without the prior approval of the Chairman of the full Committee.

(B) Travel funds authorized for the Committee under the Rules of the House are for expenses incurred in the Committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee and its employees engaged in carrying out their official duties outside the United States. No appropriated funds shall be expended for the purpose of defraying expenses of Members of the Committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to their use of such currencies:

(1) No Member or employee of the Committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law.

(2) Each Member or employee of the Committee shall make to the Chairman of the Committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier; or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation and the identification of the agency. All such individual reports shall be filed by the Chairman with the Committee on House Administration and shall be open to public inspection.

PUBLICATION OF RULES OF THE COMMITTEE ON BANKING, CURRENCY AND HOUSING

Mr. REUSS. Mr. Speaker, on behalf of the Committee on Banking, Currency, and Housing, and pursuant to clause 2 of rule XI of the rules of the House, I am pleased to place in the RECORD the Committee's Rules of Procedure for the 94th Congress.

These rules were adopted in an open meeting of the committee on January 29, 1975.

On January 28, 1975, the full Democratic membership of the Committee on Banking, Currency and Housing met pursuant to rule M III A of the manual of the Democratic Caucus. Subcommittee chairmen were elected pursuant to the rules outlined in MVA of the caucus manual and subcommittee assignments were filled according to steps 1, 2, and 3 of manual rule MVB.

I am pleased also to place in the RECORD the subcommittee assignments of the Committee on Banking, Currency and Housing.

Jurisdiction and number of subcommittees, powers and duties of subcommittees, reference of legislation and other matters, party ratios on each subcommittee, and subcommittee budget and staffing were all determined and are being implemented precisely according to the terms of caucus manual rule M III A (1) through (5).

The rules and subcommittee assignments follow:

RULES FOR THE HOUSE COMMITTEE ON BANKING, CURRENCY, AND HOUSING

RULE NO. I—GENERAL PROVISIONS

(a) The Rules of the House are the rules of the committee and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committee and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under rule X of House Rules and (subject to the adoption of expense resolutions as required by rule XI, clause 5 of House Rules) to incur expenses (including travel expenses) in connection therewith.

(c) The committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of the committee shall be paid from the contingent fund of the House.

(d) The committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of the committee under rule X and XI of House Rules during the Congress ending at noon on January 3 of such year.

(e) The committee's rules shall be published in the Congressional Record not later than 30 days after the Congress convenes in each odd-numbered year.

RULE NO II—REGULAR AND SPECIAL MEETINGS; OPEN COMMITTEE MEETINGS

(a) Regular meetings of the committee shall be held on the first and third Tuesday of each month while the Congress is in session. When the chairman believes that the committee will not be considering any bill or resolution before the full committee and that there is no other business to be transacted at a regular meeting, he will give each member of the committee, as far in advance of the day of the regular meeting as the circumstances make practicable, a written notice to that effect and no committee meeting shall be held on that day.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the chairman.

(c) If at least three members of the committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within 3 calendar days after the filing of the request, the chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(d) If the chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) The committee may not sit, without special leave, while the House is reading a measure for amendment under the 5-minute rule.

(f) (1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: Provided, however, That no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a) (3) of House Rule X or by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives; Provided, however, that the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

RULE NO. III—RECORDS AND ROLLCALLS

(a) There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a rollcall is demanded. The result of each such rollcall vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting. A record vote may be demanded by any three of the Members present or, in the apparent absence of a quorum, by any one member. With respect to each record vote by the committee to report any bill or resolution, the total number of votes cast for and the total number of votes cast against the reporting of such bill or such resolution shall be included in the committee report.

(b) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access thereto.

RULE NO. IV—PROXIES

(a) A vote by any member in the committee or in any subcommittee may be cast by proxy, only if that member is attending another committee or subcommittee meeting on which that member serves, and where said committee or subcommittee is in a mark-up session; this shall also cover attendance of the member at Joint Conference Committees and meetings of the House and/or Joint Budget Committees. Such proxy must be in writing and in the hands of the chief clerk of the committee or the clerk of the subcommittee, as the case may be, during each rollcall in which they are to be voted. Each proxy shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

(b) Proxies shall be in the following form:

Hon. ————,
House of Representatives,
Washington, D.C.

Dear ————: I will be attending a meeting of the ———————— which is in markup session. I hereby authorize you to vote in my place and stead in the consideration of ———————— and any amendments or motions pertaining thereto.

————————————
Member of Congress

Executed this the — day of ————, 19—, at the time of ———— p.m./a.m.

RULE NO. V
POWER TO SIT AND ACT; SUBPENA POWER

(a) For the purpose of carrying out any of its functions and duties under House Rules X and XI the committee, or any subcommittee thereof, is authorized (subject to subparagraph (b) (1) of this paragraph)—

(1) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(2) to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The chairman of the committee, or any member designated by the chairman, may administer oaths to any witness.

(b) (1) A subpena may be issued by the committee or subcommittee under subparagraph (a) (2) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the members of the committee and authorized subpenas shall be signed by the chairman of the committee or by any member designated by the committee.

(2) Compliance with any subpena issued by the committee or subcommittee under subparagraph (a) (2) may be enforced only as authorized or directed by the House.

(c) Each witness who has been subpenaed, upon the completion of his testimony before the committee or any subcommittee, may report to the office of counsel of the committee, and there sign appropriate vouchers for travel allowances and attendance fees. If hearings are held in cities other than Washington, D.C., the witness may contact the counsel of the committee, or his represenatives, prior to leaving the hearing room.

RULE NO. VI—QUORUMS

A majority of the members of the committee shall constitute a quorum of the committee for business and a majority of the members of any subcommittee shall constitute a quorum thereof for business: Provided, That any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE NO. VII—HEARING PROCEDURES

(a) The chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at an earlier date. In the latter event the chairman or the subcommittee chairman whichever the case may be shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify all members of the committee and the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 24 hours in advance of his appearance, 100 copies of his proposed testimony and may be required to limit his oral presentation to a summary of his statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the majority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) Upon announcement of a hearing, the Clerk and Staff Director shall cause to be prepared a concise summary of the subject matter (including legislative reports and other material) under consideration which shall be made available immediately to all members of the committee. In addition, upon announcement of a hearing and subsequently as they are received, the chairman shall make available to the members of the committee any official reports from departments and agencies on such matter.

(e) All other members of the committee may have the privilege of sitting with any subcommittee during its hearing or deliberations and may participate in such hearings or deliberations, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(f) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witnesses in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority. The chairman may accomplish this by recognizing two majority members to each minority member recognized.

(g) The following additional rules shall apply to investigative hearings:

(1) The chairman at any investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) If the committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person it shall—

(A) receive such evidence or testimony in executive session;

(B) afford such person an opportunity voluntarily to appear as a witness; and

(C) receive and dispose of requests from such person to subpena additional witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may review and photostat a copy of his or her testimony given at a public session or, if given at an executive session, when authorized by the committee.

RULE NO. VIII—PROCEDURES FOR REPORTING BILLS AND RESOLUTIONS

(a) (1) It shall be the duty of the chairman of the committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request.

(b) (1) No measure or recommendation shall be reported from the committee unless a majority of the committee was actually present.

(2) With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

(c) The report of the committee on a measure which has been approved by the committee shall include

(1) the oversight findings and recommendations required pursuant to the last sentence of clause 2(b) (1) of rule X of the House separately set out and clearly identified;

(2) the statement required by section 308 (a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures;

(3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee; and

(4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b) (2) of rule X of the House separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

(d) Each report of the committee on each bill or joint resolution of a public character reported by the committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(e) If, at the time of approval of any measure or matter by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (3) and (4) of subparagraph (c) are included as part of the report. This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(B) the filing by any such committee or any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

(f) If hearings have been held on any such measure or matter so reported, the committee shall make every reasonable effort to have such hearings printed and available for distribution to the Member of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—

(1) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

(2) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both House of Congress.

RULE NO. IX—OVERSIGHT SUBCOMMITTEE

(a) In order to assist the House in:

(1) its analysis appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration, and enactment of such modifications or changes in those laws, and of such additional legislation, as may be necessary or appropriate, there shall in conformity with rule XV there shall be established an Oversight Subcommittee.

(b) The Oversight Subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee, and the organization and operation of the Federal agencies and entities have responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Oversight Subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the committee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake futures research and forecasting on matters within the jurisdiction of the committee. The Oversight Subcommittee shall in no way limit the responsibility of the subcommittees from carrying out their oversight responsibilities.

(c) The Oversight Subcommittee shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the committee.

RULE NO. X—REVIEW OF CONTINUING PROGRAMS; BUDGET ACT PROVISIONS

(a) The committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing program and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7((d) of rule XIII of the House Rules.

(b) The Committee shall review, from time to time, each continuing program within its jurisdictions for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

(c) The committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(d) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(e) Whenver the committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget in accordance with the Congressional Budget Act of 1974.

RULE NO. XI—BROADCASTING OF COMMITTEE HEARINGS

(a) It is the purpose of this clause to provide a means, in conformity with acceptable standards of diginity, propriety, and decorum, by which committee hearings, or committee meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as a legislative and representative body and regarding the measures, public issues and other matters before the House and its committees, the consideration thereof, and the action taken thereon; and

(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

(b) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(c) It is, further, the intent of this clause that the general conduct of each meeting (whether of a hearing or otherwise) covered, under authority of this clause, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, and the personal behavior of the committee members and staff, other Government officials and personnel, witnesses, television, radio, and press media personnel, and the general public at the hearing or other meeting shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

(1) distort the objects and purposes of the hearings or other meeting or the activities of committee members in connection with that hearing or meeting or in connection with the general work of the committee or of the House; or

(2) cast discredit or dishonor on the House, the committee, or any member or bring the House, the committee, or any member into disrepute.

(d) The coverage of the committee hearings and meetings of television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause.

(e) Whenever any hearing or meeting conducted by any committee of the House is open to the public, that committee may permit, by majority vote of the committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the committee may adopt in accordance with the purposes, provisions, and requirements of this clause.

(f) The written rules which may be adopted by a committee under paragraph (e) of this clause shall contain provision to the following effect:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of this rule, relating to the protection of the rights of witnesses.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member of each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondent's Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

RULE NO. XII—COMMITTEE AND SUBCOMMITTEE BUDGETS

(a) The chairman, in consultation with the majority members of the committee shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel, for necessary travel, investigation, and other expenses of the full committee, and after consultation with the minority membership, the chairman shall include amounts budgeted to the minority members for staff personnel to be under the direction and supervision of the minority, travel expenses of minority members and staff, and minority office expenses. All travel expenses of minority members and staff shall be paid for out of the amounts so set aside and budgeted.

(b)(1) The chairman of each subcommittee, in consultation with the majority members thereof, shall prepare a budget to include funds for staff, travel, investigations, and miscellaneous expenses as may be required for the work of the subcommittee.

(2) The chairman of each subcommittee shall control the funds provided for in the subcommittee budget.

(c) The chairman shall combine the proposals of each subcommittee with the preliminary budget of the full committee into a consolidated committee budget, and shall present the same to the committee for its approval. The chairman shall then take all action necessary to bring about it approval by the Committee on House Administration and by the House.

(d) Authorization for the payment of additional or unforeseen committee and subcommittees' expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(e) The chairman or any chairman of the subcommittee may initiate necessary travel requests as provided in rule XIV within the limits of their portion of the consolidated budget as approved by the House and the chairman may execute necessary vouchers thereof.

(f) Once monthly, at the regularly scheduled meetings, the chairman shall submit to the committee, in writing, for its approval, or other action, a full and detailed accounting of all expenditures made during the period since the last such accounting from the amount budgeted to the full committee. Such report shall show the amount and purpose of each expenditure and the budget to which such expenditure is attributed.

RULE NO. XIII—COMMITTEE AND SUBCOMMITTEE STAFF

(a) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority members of the committee shall determine within the budget approved for such purposes by the committee; provided, however, that no minority staff person shall be compensated at a rate which exceeds that paid his or her majority part staff counterpart.

(b) The professional and clerical employees of the committee not assigned to a subcommittee or to the minority under the above provision shall be appointed, and may be removed, and their remuneration determined by the chairman in consultation with and with the approval of the majority members of the committee within the budget approved for such purposes by the committee.

(c) The professional and clerical staff assigned to the minority shall be under the general supervision and direction of the minority members of the committee who may delegate such authority as they determine appropriate.

(d) The professional and clerical staff of the committee not assigned to a subcommittee or to the minority shall be under the general supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(e) It is intended that the skills and experience of all members of the committee staff be available to all members of the committee.

(f) (1) The chairman of each standing subcommittee of this committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority member of each standing subcommittee on this committee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of clause 6 of the House Rule XI; provided, however, a staff person appointed by a ranking minority member shall be compensated at a rate not to exceed that paid his or her majority party staff counterpart.

(4) Subparagraphs (1) and (2) and (3) shall apply to six subcommittees only, and no member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the subcommittee chairmen and ranking minority party members pursuant to subparagraphs (1) and (2) shall be made available from the staff positions provided under clause 6 of House Rule XI unless such staff positions are made available pursuant to a primary or additional expense resolution.

(6) Except as provided by the above provisions, the professional and clerical members of the subcommittee staffs shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman in consultation with and with the approval of a majority of the majority members of the subcommittee, and with the approval of a majority of the majority members of the full committee, within the budget approved for the subcommittee.

(7) The professional and clerical staff of a subcommittee shall be under the supervision and direction of the chairman of that subcommittee.

RULE NO. XIV—TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such additional expense resolution as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be reimbursed from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee of any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is to be made;

(4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the chairman. Such prior authorization shall be given by the chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a) and in addition thereto setting forth that subcommittee funds are available to cover the expenses of the person or persons being authorized by the subcommittee chairman to undertake the travel and that there has been a compliance where applicable with rule VII of the committee.

(c) (1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittee, prior authorization must be obtained from the chairman, or, in the case of a subcommittee from the subcommittee chairman and the chairman. Before such authorization is given, there shall be submitted to the chairman, in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States may be initiated by the chairman or the chairman of a subcommittee (except that individuals may submit a request to the chairman for the purpose of attending a conference or meeting).

(3) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (or members and staff attending meetings or conferences) shall submit a written report to the chairman covering the activities and other pertinent observations or information gained as a result of such travel.

(d) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and the Committee on House Administration pertaining to such travel.

RULE NO. XV—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be nine standing subcommittees as follows: Subcommittee on Domestic Monetary Policy; Subcommittee on Housing and Community Devolopment; Subcommittee on Economic Stabilization; Subcommittee on Consumer Affairs; Subcommittee on International Development Institutions and Finance; Subcommittee on Financial Institutions Supervision, Regulation and Insurance; Subcommittee on International Trade, Investment and Monetary Policy; Subcommittee on General Oversight and Renegotiation; and Subcommittee on Historic Preservation and Coinage. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees, respectively.

Subcommittee on Domestic Monetary Policy

The jurisdiction of the Subcommittee on Domestic Monetary Policy extends to all matters relating to monetary policy and agencies which directly or indirectly affect monetary policy, including the effect of such policy and other financial actions on interest rates, allocation of credit, and the structure and functioning of domestic and foreign financial institutions.

Futher, the jurisdiction of the Subcommittee on Domestic Monetary Policy extends to all private foundations and charitable trust.

Further, the jurisdiction of the Subcommittee on Domestic Monetary Policy extends to Federal and State-chartered credit unions to the extent they are not under the jurisdiction of other subcommittees.

Subcommittee on Housing and Community Development

The jurisdiction of the Subcommittee on Housing and Community Development extends to all matters relating to housing and mortgage credit (except programs administered by the Veterans' Administration), including mortgage and loan insurance pursuant to the National Housing Act; FHA mortgage interest rates; rural housing; housing assistance programs; secondary mortgage market programs and all other activities of FNMA, GNMA, and FHLMC; private mortgage insurance; housing construction and design standards; housing-related energy conservation; housing research and demonstration programs; financial and technical assistance for nonprofit housing sponsors; counseling and technical assistance; regulation of the housing industry (including landlord-tenant relations); real estate lending powers of financial institutions (including regulation of settlement costs); and interest charges for members of the Federal Home Loan Bank System.

The jurisdiction of the subcommittee further extends to matters relating to community development and community planning, training and research, including community development block grants; urban renewal; model cities; rehabilitation loans and grants; neighborhood facilities grants; open space land and urban beautification grants; water and sewer facilities grants; public facilities loans; national, urban or community development banks; advance acquisition of land programs; new communities assistance programs; national urban growth policies; comprehensive planning (including land use and areawide programs); community development training and fellowships; and urban research and technologies.

Further, jurisdiction of the subcommittee extends to flood insurance and related land use controls, urban property protection and reinsurance, crime insurance, and regulation of interstate land sales.

Subcommittee on Economic Stabilization

The jurisdiction of the Subcommittee on Economic Stabilization shall extend to all matters relating to financial aid to all sectors and elements within the economy, all matters relating to economic stabilization, and all defense production matters as contained in the Defense Production Act of 1950, as amended, and all related matters thereto.

Subcommittee on Consumer Affairs

The jurisdiction of the Subcommittee on Consumer Affairs shall include all matters relating to consumer credit, including those matters in the Consumer Credit Protection Act dealing with truth-in-lending, extortionate credit transactions, restrictions on garnishment, reports of the National Commission on Consumer Finance, and fair credit reporting. The jurisdiction shall further include collection practices, discrimination in the extension of consumer credit, creditor remedies and debtor defenses. Federal aspects of the Uniform Consumer Credit Code, and credit cards.

The jurisdiction of the subcommittee shall further extend to matters relating to the price of consumer goods, services, and commodities; the rationing of consumer products; and hoarding.

Subcommittee on International Development Institutions and Finance

The jurisdiction of the Subcommittee on International Development Institutions and Finance extends to all matters relating to all multilateral development lending institutions, including activities of the National Advisory Council on International Monetary and Financial Policies as related thereto; and monetary and financial developments as they relate to the activities and objectives of such institutions.

Subcommittee on Financial Institutions Supervision, Regulation and Insurance

The jurisdiction of the Subcommittee on Financial Institutions Supervision, Regulation and Insurance extends to all agencies which directly or indirectly exercise supervisory or regulatory authortiy in connection with, or provide deposit or other insurance for financial or other institutions, the establishment of interest rate ceilings on deposits, and all auxiliary matters affecting or arising in connection with the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Share Insurance Fund, the Federal Home Loan Bank Board, the Federal Reserve Board and System, the National Credit Union Administration, and the Comptroller of the Currency, together with those activities and operations of any other agency or department which relate to both domestic or foreign financial institutions.

Further, jurisdiction extends to and includes, with respect to financial institutions and the department and agencies which regulate or supervise them, all activities relating to and arising in connection with the matters of chartering, branching, mergers and acquisitions, consolidations, and conversions.

Subcommittee on International Trade, Investment and Monetary Policy

The Subcommittee on International Trade, Investment and Monetary Policy shall have jurisdiction over all matters within the jurisdiction of the committee relating to international trade, including but not limited to the activities of the Export-Import Bank.

Further, the jurisdiction of the subcommittee shall extend to international investment policies, both as they relate to U.S. investments for trade purposes by citizens of the United States and investments made by all foreign entities in the United States.

Further, the subcommittee shall have jurisdiction over the International Monetary Fund, its permanent and temporary agencies, and all matters related thereto.

Subcommittee on General Oversight and Renegotiation

The Subcommittee on General Oversight and Renegotiation shall assist the House Committee on Banking, Currency and Housing in appraising the administration of the laws and regulations under the jurisdiction of the committee and present such recommendations as deemed necessary to the appropriate subcommtitee(s) of the committee.

Further, the subcommittee shall exercise continuing oversight of the execution by the administrative agencies concerning any of the laws the subject matter of which reside within the jurisdiction of the committee and shall study all pertinent reports, documents and data pertinent to the jurisdiction of the committee and make the necessary recommendations or reports thereon to the appropriate subcommittee(s) of the committee.

Further, the subcommittee shall have full jurisdiction over the Renegotiation Act of 1951, as amended.

Subcommittee on Historic Preservation and Coinage

The jurisdiction of the Subcommittee on Historic Preservation and Coinage includes FHA property improvement loans under title I of the National Housing Act which can be used to finance the preservation of historic structures; community development block grant funds authorized under title I of the 1974 Housing Act which can be used to finance the acquisition and preservation of historic properties; and section 701 comprehensive planning grants to public bodies which can be used to finance surveys of historic sites and structures.

Further, the subcommittee's jurisdiction extends to all matters relating to coins, coinage, currency and medals, including commemorative coins, commemorative medals, proof and mint sets and other special coins, Coinage Act of 1965, gold and silver, including coinage thereof (but not the par value of gold), gold medals, counterfeiting, and currency denominations and designs.

(b) The committee may provide for such additional subcommittees as determined to be appropriate; Provided, however, that such additional subcommittees are approved by a majority of the majority members on the committee.

(c) A member serving as chairman of any subcommittee on this committee shall not also serve as the chairman of a subcommittee on any other standing committee; Provided, however, that this provision shall not apply to members serving as subcommittee chairman on he Budget Committee; House Administration Committee; Joint Committees; or on the Small Business Committee who served as a subcommittee chairman on the Select Committee on Small Business as of October 8, 1974.

Subcommittees of the Committee on Banking, Currency and Housing

Domestic Monetary Policy

Wright Patman, Tex., Chairman; Joseph G. Minish, N.J.; Harold E. Ford, Tenn.; Mark W. Hannaford, Calif.; Stephen L. Neal, N.C.; James J. Blanchard, Mich.; William A. Barrett, Pa.; John B. Conlan, Ariz.; George Hansen, Idaho; Willis D. Gradison, Jr., Ohio.

Housing and Community Development

William A. Barrett, Pa., Chairman; Leonor K. (Mrs. John B.) Sullivan, Mo.; Thomas L. Ashley, Ohio; William S. Moorhead, Pa.; Robert G. Stephens, Jr., Ga.; Fernand J. St Germain, R.I.; Henry B. Gonzalez, Tex.; Parren J. Mitchell, Md.; James M. Hanley, N.Y.

Walter F. Fauntroy, D.C.; Lindy (Mrs. Hale) Boggs, La.; Jerry M. Patterson, Calif.; Andrew Maguire, N.J.; Harold E. Ford, Tenn.; John J. LaFalce, N.Y.; Les AuCoin, Oreg.; Thomas M. Rees, Calif.

Garry Brown, Mich.; J. William Stanton, Ohio; John H. Rousselot, Calif.; Chalmers P. Wylie, Ohio; Stewart B. McKinney, Conn.; John B. Conlan, Ariz.; Richard Kelly, Fla.; Charles E. Grassley, Iowa.

Economic Stabilization

Thomas L. Ashley, Ohio, Chairman; James J. Blanchard, Mich.; Carroll Hubbard, Jr., Ky.; John J. LaFalce, N.Y.; Leonor K. (Mrs. John B.) Sullivan, Mo.; Thomas M. Rees, Calif.; Jerry M. Patterson, Calif.; Andrew Maguire, N.J.

Gladys Noon Spellman, Md.; Paul E. Tsongas, Mass.; Fernand J. St Germain, R.I.; Stewart B. McKinney, Conn.; J. William Stanton, Ohio; Richard T. Schulze, Pa.; Willis D. Gradison. Jr., Ohio; Richard Kelly, Fla.

Consumer Affairs

Frank Annunzio, Ill., Chairman; Leonor K. (Mrs. John B.) Sullivan, Mo.; Gladys Noon Spellman, Md.; William A. Barrett, Pa.; Henry B. Gonzalez, Tex.; Walter E. Fauntroy, D.C.; Stephen L. Neal, N.C.; Chalmers P. Wylie, Ohio; Millicent Fenwick, N.J.; Charles E. Grassley, Iowa.

International Development Institutions and Finance

Henry B. Gonzalez, Tex., Chairman; Paul E. Tsongas, Mass.; Lindy (Mrs. Hale) Boggs, La.; Robert G. Stephens, Jr., Ga.; James M. Hanley, N.Y.; Thomas M. Rees, Calif.

Walter E. Fauntroy, D.C.; Gladys Noon Spellman, Md.; Carroll Hubbard, Jr., Ky.; Albert W. Jonhson, Pa.; Henry J. Hyde, Ill.; Charles E. Grassley, Iowa; Millicent Fenwick, N.J.

Financial Institutions Supervision, Regulation and Insurance

Fernand J. St Germain, R.I., Chairman; Frank Annunzio, Ill.; William A. Barrett, Pa.; James M. Hanley, N.Y.; William S. Moorhead, Pa.; Carroll Hubbard, Jr., Ky.; Wright Patman, Tex.; Stephen L. Neal, N.C.; Jerry M. Patterson, Calif.

Butler Derrick, S.C.; Thomas L. Ashley, Ohio; Walter E. Fauntroy, D.C.; Lindy (Mrs. Hale) Boggs, La.; John H. Rousselot, Calif.; Albert W. Johnson, Pa.; Chalmers P. Wylie, Ohio; Garry Brown, Mich.; Willis D. Gradison, Jr., Ohio; Henry J. Hyde, Ill.

International Trade, Investment and Monetary Policy

Thomas M. Rees, Calif., Chairman; Stephen L. Neal, N.C.; Philip H. Hayes, Ind.; Mark W. Hannaford, Calif.; James J. Blanchard, Mich.; Andrew Maguire, N.J.; Les AuCoin, Oreg.; Paul E. Tsongas, Mass.; William S. Moorhead, Pa.

Fernand J. St Germain, R. I.; Carroll Hubbard, Jr., Ky.; John J. LaFalce, N.Y.; Thomas L. Ashley, Ohio; J. William Stanton, Ohio; Garry Brown, Mich.; John B. Conlan, Ariz.; Henry J. Hyde, Ill.; Richard Kelly, Fla.; Millicent Fenwick, N.J.

General Oversight and Renegotiation

Joseph G. Minish, N.J., Chairman; Parren J. Mitchell, Md.; Butler Derrick, S.C.; Philip H. Hayes, Ind.; Henry B. Gonzalez, Tex.; Fernand J. St Germain, R.I.; Lindy (Mrs. Hale) Boggs, La.; George Hansen, Idaho; John H. Rousselot, Calif.; Stewart B. McKinney, Conn.

Historic Preservation and Coinage

Robert G. Stephens, Jr., Ga., Chairman; Gladys Noon Spellman, Md.; Frank Annunzio, Ill.; Philip H. Hayes, Ind.; Mark W. Hannaford, Calif.; Richard T. Schulze, Pa.; Albert W. Johnson, Pa.

RULE NO. XVI—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings wherever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) The subcommittee chairman and the ranking minority member of the subcommittee shall be responsible for explanations, either oral or in writing, to the full committee of any bill, resolution or other matter reported to the full committee. Provided, that this shall not be construed in any way to limit the debate in full committee nor the right of any member to present his individual views.

(d) All committee or subcommittee reports printed pursuant to legislative study or investigation and not approved by a majority vote of the committee or subcommittee, as appropriate, shall contain the following disclaimer on the cover of such report.

"This report has not been officially adopted by the Committee on (or pertinent subcommittee thereof) and may not therefore necessarily reflect the views of its members."

(e) Bills, resolutions, or other matters favorably reported by a subcommittee shall automatically be placed upon the agenda of the committee as of the time they are reported and shall be considered by the full committee in the order in which they were reported unless the committee shall by majority vote otherwise direct: Provided, that no bill reported by a subcommittee shall be considered by the full committee unless each member has been provided with reasonable time prior to the meeting to analyze such bill, together with a comparison with present law and a section-by-section analysis of the proposed change, and a section-by-section justification.

RULE NO. XVII—REFERRAL OF LEGISLATION TO SUBCOMMITTEES

(a) Each bill, resolution, investigation, or other matter which relates to a subject listed under the jurisdiction of any subcommittee named in rule XV referred to or initiated by the full committee shall be referred to the subcommittee of appropriate jurisdiction within 2 weeks unless, by majority vote of the majority members of the full committee, consideration is to be by the full committee.

(b) Referral to a subcommittee shall not be made until 3 days shall have elapsed after written notification of such proposed referral to all subcommittee chairmen, at which time such proposed referral shall be made unless one or more subcommittee chairmen shall have given written notice to the chairman of the full committee and to the chairman of each subcommittee that he intends to question such proposed referral at the next regularly scheduled meeting of the committee, or at a special meeting of the committee called for that purpose at which time referral shall be made by the majority members of the committee. All bills shall be referred under this rule to the subcommittee of proper jurisdiction without regard to whether the author is or is not a member of the subcommittee. A bill, resolution, or other matter referred to a subcommittee in accordance with this rule may be recalled therefrom at any time by a vote of the majority members of the committee for the committee's direct consideration or for reference to another subcommittee.

(c) Committee reports shall be filed at such time as the committee shall determine with reasonable time allowed for members to file supplemental, individual, dissenting or other views.

(d) In carrying out rule XVII with respect to any matter, the chairman may refer the matter simultaneously to two or more subcommittees, consistent with rule XV, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee, or refer the matter pursuant to rule X to a special ad hoc committee appointed by the chairman (from the members of the subcommittee having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the full committee thereon, or make such other provisions as may be considered appropriate.

RULE NO. XVIII—SIZES AND PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

(a) To the extent that the number of subcommittees and their party ratios permit, the size of all subcommittees shall be established so that the majority party members of the committee have an equal number of subcommittee assignments: Provided, however, that a member may waive his or her right to an equal number of subcommittee assignments on the committee; and provided further, that the majority party members may limit the number of subcommittee assignments of the chairman and the subcommittee chairmen and the minority party members may limit the number of subcommittee assignments of ranking minority party members in order to equalize committee workloads.

(b) On each subcommittee there shall be a ratio of at least two majority party members for each minority party member, plus one majority party member. In calculating the ratio of majority party members to minority party members, there shall be included all ex-officio voting members of the subcommittees.

(c) Following shall be the sizes and majority/minority ratios for subcommittees:

(1) Subcommittee on Domestic Monetary Policy: Total—10. Majority—7. Minority—3.

(2) Subcommittee on Housing and Community Development: Total—25. Majority—17. Minority—8.

(3) Subcommittee on Economic Stabilization: Total—16. Majority—11. Minority—5.

(4) Subcommittee on Consumer Affairs: Total—10. Majority—7. Minority—3.

(5) Subcommittee on International Development Institutions and Finance: Total—13. Majority—9. Minority—4.

(6) Subcommittee on Financial Institutions Supervision, Regulation and Insurance: Total—19. Majority—13. Minority—6.

(7) International Trade, Investment and Monetary Policy: Total—19. Majority—13. Minority—6.

(8) Subcommittee on General Oversight and Renegotiation: Total—10. Majority—7. Minority—3.

(9) Subcommittee on Historic Preservation and Coinage: Total—7. Majority—5. Minority—2.

(d) The full committee chairman, or a member designated by a majority of the majority members on the committee, shall recommend to the Speaker as conferees the names of those members (1) selected by the majority party members of the committee in a manner determined by them, and (2) selected by the minority party members of the committee in a manner determined by them. Provided, however, that recommendations of conferees to the Speaker shall provide a ratio of at least two majority party members for each minority party member, plus one majority party member.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HECHLER of West Virginia, for 1 hour, February 24, 1975, to revise and extend his remarks and include extraneous material.

(The following Members (at the request of Mr. ROUSSELOT) to revise and extend their remarks and include extraneous material:)

Mr. HASTINGS, for 5 minutes, February 18.

Mr. HASTINGS, for 15 minutes, February 19.

Mr. BAUMAN, for 15 minutes, February 18.

THE LATE HONORABLE JERRY L. PETTIS

Mr. ROUSSELOT. Mr. Speaker, it is with a heavy heart and a sense of regret that those of us in the California delegation—and our colleague, the Honorable BOB WILSON, was sorry he could not be here today—announce the passing of our good and close friend, JERRY PETTIS.

JERRY was a very devoted public servant. He gave full and total time to this job. He was always on the job when he was to be present, and we regret very much that he has left us in such a tragic way. He knew and totally studied all of his responsibilities as a Member of this House, and was a very thorough member of the Ways and Means Committee.

Prior to his service in the House of Representatives he had built many successful businesses in the private market system, and proved that the system worked, especially for the consumer.

He brought that knowledge and that capability to this House of Representatives and was able to bring that insight to the Committee on Ways and Means which plays such an important role in the House of Representatives. The Ways and Means Committee affects every single citizen of this country, and JERRY carried that responsibility with a sense of deep concern for all those affected by its actions.

JERRY PETTIS was a very fine religious man and believed thoroughly in spiritual values as an important part of life. He leaves a family rich in the tradition of those religious values. We know that it will be of comfort to Shirley and his children to be aware that these religious values will help all of them in this time of need.

The California delegation will announce at another time a special order so that others will have the opportunity to comment on their feelings about this fine public servant, JERRY PETTIS. We are well aware that he has many friends in this House and outside this Congress.

I would like to yield to my colleague, the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I appreciate the gentleman yielding.

When my office was called last Friday to advise me of the possibility of JERRY PETTIS' plane crashing, I was stunned. When the final word came to me, our worst fears had come true, and I just felt crushed, for it was just a few weeks ago that I had appointed JERRY PETTIS as my deputy whip here on the Republican side.

Since that time we have had occassion to meet frequently, making plans for the whip organization. I was counting on him so much to give us the help we desperately needed.

As the gentleman from California (Mr. ROUSSELOT) has indicated, this is not the time for extended eulogies, as most of the California delegation remained out in California at the conclusion of the Lincoln Day recess and will stay there for the funeral; but I do want to extend my unbounded sympathy to Shirley and their three children, Yvonne, Peter, and Debra.

Mr. Speaker, I should like to announce that funeral services will be held tomorrow at 1 p.m. at the University Church, Loma Linda, Calif., with burial in the Monte Cito Memorial Park.

Funeral arrangements are being handled by the Emerson-Bartlett Mortuary, 703 Brookside Avenue, Redlands, Calif.

Messages can be sent either there or in care of Dr. and Mrs. Harold McCumber, 24934 Tulip Avenue, Loma Linda, Calif. 93254.

In lieu of flowers, the family has requested that contributions be made to the JERRY L. PETTIS Veterans Hospital, Memorial Chapel Fund, Post Office Box 425, San Bernardino, Calif. 92402.

It is my understanding, Mr. Speaker, that the congressional delegation here in Washington that will be attending the funeral will gather on the House steps at 8:45 in the morning to leave for Andrews Air Force Base and to have wheels up as soon as we can and then returning to Washington very late tomorrow evening.

Mr. ROUSSELOT. Mr. Speaker, I yield to my colleague, the gentleman from California (Mr. MCFALL).

Mr. McFALL. Mr. Speaker, all of us share the sorrow and deep regret at the passing of our colleague, the gentleman from California, Mr. JERRY PETTIS. All of us in the California Delegation will participate later in eulogies to this great man; but it should be said at this time that JERRY PETTIS' untimely death is a great loss to this House and a great loss to the country.

JERRY PETTIS at 58 years of age had many more years of remarkably competent service to give to his country. He had been a flyer in World War II, an instructor; he flew over the Hump in China. He was an inventor of remarkable capacity, a businessman, an educator, an economics professor, a man who had been a commercial flyer with the United Airlines and a principal assistant to President Patterson of United Airlines in the beginning of United's operations in this country. Here was a man who had much to give to his country, as he had given in the past.

I feel a real sense of personal loss. My wife and I went with Shirley and JERRY to China in 1973. They were a remarkable couple, with a very fine family.

Mr. Speaker, we extend our deepest sympathy to Shirley and the family.

Mr. ROUSSELOT. Mr. Speaker, I thank my colleague for his comments.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I am happy to yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, I join my colleagues in expressing at this particular time our regrets to the wife of JERRY and his family.

I knew JERRY well. He was an extremely interesting fellow with an amazing background both in the business world and as an inventor, aviator, and a loyal Member of this House. He was true to the philosophy in which he believed. No matter by what means or method we measure a man, JERRY PETTIS was a great man.

Mr. Speaker, I will enlarge upon my remarks at a later time.

Mr. ROUSSELOT. Mr. Speaker, I thank the distinguished majority leader for his remarks.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague from Ohio.

Mr. DEVINE. Mr. Speaker, I thank the gentleman from California for yielding to me, and join with the others here on the floor today in paying tribute to one of God's great people, JERRY PETTIS of California.

I was shocked to learn of the manner in which he passed away. Just the last week before our recess period I had breakfast with JERRY. We had a rather lengthy discussion about air safety and talked about ground proximity warning indicators and so forth. I never knew of a man more dedicated to safety in the field of aviation than JERRY. He was a long time commercial pilot for United Airlnes and a highly successful businessman in his own right. He flew all over his district.

Mr. Speaker, I have to believe that there were some factors beyond his control which caused him to pancake into the mountain as he did on this occasion.

He made tremendous contributions to this House as well as to this country through his dedicated public service. He was an objective man, especially in analyzing the great issues before our country.

Mr. Speaker, I join the gentleman in the well and the others here in paying tribute to him, to his memory and to his family, to whom we all wish to offer our condolences.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman from Ohio for his remarks. Our colleague, Mr. DEVINE, is right when he says that JERRY PETTIS gave many hours to solving the problems of air safety.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from New York (Mr. CONABLE), a fellow Member with JERRY on the Ways and Means Committee.

Mr. CONABLE. Mr. Speaker, I thank the gentleman for yielding to me.

I sat next to JERRY PETTIS on the Ways and Means Committee, and I knew him very well and admired his character and his abilities. I share in the general shock we all feel at the tragic accident that has deprived the Nation of his services.

JERRY was the kind of Congressman who did not view himself as a professional legislator, but as a man who, having benefited greatly from the rewards that our particular system could give to his energy, abilities, and ingenuity, felt that the owed his country something in return.

When JERRY ran for Congress, he was not looking for a job; he came here as a man who had been successful in everything he had done. He approached public service with absolutely the finest motivation any American citizen could have, to repay his country for permitting him to make the most of his opportunities as a private citizen.

Mr. Speaker, we have been enriched by association with this kind of man and the ideals of public service he symbolized. I deply regret his passing, and participate in a general feeling of loss that we are never going to be able to express adequately.

Mr. ROUSSELOT. Mr. Speaker, I think the gentleman from New York has stressed, as so many others have, the unusual and outstanding sense of public service that JERRY PETTIS gave to the House, to his constituents and to the whole Nation. As my colleague from New York has just mentioned, he really came here to serve, not himself, but his constituency and the entire Nation. That statement cannot be made of very many public servants.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding.

I did not have the opportunity of knowing JERRY PETTIS as long and as well as many of my colleagues, but one did not have to know JERRY PETTIS very long to know exactly what kind of a man he was, what kind of a Representative he was, and what kind of an American he was.

It has all been pretty well said, but I think one thing we could all keep in mind is that perhaps if we all just think a little bit, as I certainly have been doing since Friday, about what kind of a man he was, about what kind of a Congressman he was, and try a little bit harder to be that way ourselves, perhaps some good will come out of this tragedy.

Mr. ROUSSELOT. The gentleman is correct. It is probably the best way we can remember JERRY PETTIS, a true memorial to his good service, by doing the same thing ourselves.

Mr. JACOBS. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Indiana.

Mr. JACOBS. I thank the gentleman for yielding.

I want to thank my colleague from California for taking this occasion to pay tribute to a decent human being whom I have known for a decade. I would sum up my impression of Jerry Pettis by saying that he was one of the most self-disciplined human beings I have ever known, which is to say that he was economical with the resources of this world, and all of those who knew him know that he was economical with his words. He did not say a lot, but when he said something one understood what he meant and one knew a contribution had been made.

He was a decent human being, and I think that not only this body but, obviously, this country—and, really, this world—has suffered from his loss.

One can only remember the epitaph that seems to be proven again and again every time our hearts are broken this way, that only the good die young.

Mr. ROUSSELOT. I thank my colleague from Indiana.

Mr. Speaker, I offer a privileged resolution.

The Clerk read the resolution, as follows:

H. Res. 171

Resolved, That the House has heard with profound sorrow of the death of the Honorable Jerry L. Pettis, a Representative from the State of California.

Resolved, That a committee of 70 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy to the family of the deceased.

The resolutions were agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee the following Members on the part of the House:

Mr. Moss, Mr. Rhodes, Mr. Michel, Mr. Bob Wilson of California, Mr. Sisk, Mr. McFall, Mr. Johnson of California, Mr. Bell, Mr. Corman, Mr. Edwards of California.

Mr. Hawkins, Mr. Leggett, Mr. Roybal, Mr. Talcott, Mr. Van Deerlin, Mr. Charles H. Wilson of California, Mr. Don H. Clausen, Mr. Del Clawson, Mr. Phillip Burton, Mr. Rees, Mr. Wiggins.

Mr. McCloskey, Mr. Anderson of California, Mr. Goldwater, Mr. Rousselot, Mr. Danielson, Mr. Dellums, Mr. Brown of California, Mr. Burgener, Mrs. Burke of California, Mr. Hinshaw, and Mr. Ketchum.

Mr. Moorhead of California, Mr. Ryan, Mr. Stark, Mr. Lagomarsino, Mr. John L. Burton, Mr. Hannaford, Mr. Krebs, Mr. Lloyd of California, Mr. Miller of California, Mr. Mineta, Mr. Patterson of California, Mr. Waxman.

Mr. Mills, Mr. Burleson of Texas, Mr. Landrum, Mr. Vanik, Mr. Ullman, Mr. Burke of Massachusetts, Mr. Karth, Mr. Rostenkowski, Mr. Schneebeli, Mr. Clancy, Mr. Pike, Mr. Waggonner.

Mr. Fulton, Mr. Gibbons, Mr. Green, Mr. Conable, Mr. Duncan of Tennessee, Mr. Esch, Mr. Ruppe, Mr. Steiger of Arizona, Mr. Steiger of Wisconsin, Mr. Winn, Mr. Archer, and Mr. Vander Veen.

The Clerk will report the remaining resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 12 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 18, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

330. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under the German Offset Agreement for the quarter ended December 31, 1974, pursuant to section 819 of Public Law 93–437; to the Committee on Appropriations.

331. A letter from the Secretary of Defense, transmitting his determination and certification that the Airborne Warning and Control System is cost effective and meets the mission needs and requirements of the Department of Defense, pursuant to section 101 of Public Law 93–365; to the Committee on Armed Services.

332. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend provisions of the Department of Defense Appropriation Authorization Act of 1975 which provide for the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces and for other purposes; to the Committee on Armed Services.

333. A letter from the Comptroller of the Currency, Department of the Treasury, transmitting his annual report for 1973, pursuant to section 333 of the Revised Statutes [12 U.S.C. 14]; to the Committee on Banking, Currency and Housing.

334. A letter from the Under Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to extend the Federal riot reinsurance and crime insurance programs; to the Committee on Banking, Currency and Housing.

335. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to a request by the Government of Singapore for permission to transfer certain U.S.-origin radio equipment to the Government of New Zealand, pursuant to section 3(a) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

336. A letter from the Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting a quarterly report for the period ended December 31, 1974, on the programing and obligation of contingency funds, pursuant to section 451(b) of the Foreign Assistance Act of 1961, as amended [22 U.S.C. 2261(b)]; to the Committee on Foreign Affairs.

337. A letter from the Acting Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to Public Law 92–403; to the Committee on Foreign Affairs.

338. A letter from the Public Printer, transmitting the annual report of the Government Printing Office for fiscal year 1974; to the Committee on House Administration.

339. A letter from the Acting Secretary of the Interior, withdrawing the proposed distribution plans for Grand River Band of Ottawa and Cowlitz judgment funds awarded in Indian Claims Commission dockets 40–K and 218, previously submitted pursuant to section 2(a) of Public Law 93–134; to the Committee on Interior and Insular Affairs.

340. A letter from the Acting Secretary of the Interior, transmitting a proposed plan for the use and distribution of the judgment funds awarded to the Stillaguamish Tribe of Indians in docket No. 207 before the Indian Claims Commission, pursuant to 87 Stat. 466; to the Committee on Interior and Insular Affairs.

341. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to increase the appropriation authorization relating to the volunteers in the parks program, and for other purposes; to the Committee on Interior and Insular Affairs.

342. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting a copy of the Commission's fiscal year 1975 apportionment schedule, received from the Office of Management and Budget; to the Committee on Interstate and Foreign Commerce.

343. A letter from the vice president for government and public affairs, National Railroad Passenger Corp., transmitting the annual report of the corporation for calendar year 1974, pursuant to section 308(b) of the Rail Passenger Service Act, as amended; to the Committee on Interstate and Foreign Commerce.

344. A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Antitrust Civil Process Act to increase the effectiveness of discovery in civil antitrust investigations, and for other purposes; to the Committee on the Judiciary.

345. A letter from the Chairman and members, U.S. Commission on Civil Rights, transmitting a report on the civil rights activities of the Office of Revenue Sharing of the Department of the Treasury, pursuant to Public Law 85–315; to the Committee on the Judiciary.

346. A letter from the Secretary of the Treasury, transmitting the annual report on exemptions from coastwise prohibitions for certain barges of foreign registry, pursuant to section 2 of Public Law 92–163; to the Committee on Merchant Marine and Fisheries.

347. A letter from the Secretary of Commerce, transmitting revised regulations governing yellowfin tuna purse seining using encircling gear promulgated under section 111 of the Marine Mammal Protection Act of 1972; to the Committee on Merchant Marine and Fisheries.

348. A letter from the Chairman, Marine Mammal Commission, transmitting the second annual report of the Commission, covering calendar year 1974, pursuant to section 204 of Public Law 92–522; to the Committee on Merchant Marine and Fisheries.

349. A letter from the Director, U.S. Arms Control and Disarmament Agency, transmitting the annual report for calendar year 1974 on scientific and professional positions authorized to be established in the Agency, pursuant to 5 U.S.C. 3104(c); to the Committee on Post Office and Civil Service.

350. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Public Works and Transportation.

351. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to require that certain veterans receiving hospital care from the Veterans'

Administration for nonservice-connected disabilities be charged for such care to the extent that they have health insurance or similar contracts with respect to such care; to prohibit the future exclusion of such coverage from insurance policies or contracts; and for other purposes; to the Committee on Veterans' Affairs.

352. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to provide for an 8-year delimiting period for the pursuit of educational programs by veterans, wives, and widows, and for other purposes; to the Committee on Veterans' Affairs.

353. A letter from the Acting Director, Office of Telecommunications Policy, Executive Office of the President, transmitting a draft of proposed legislation to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and Appropriations.

RECEIVED FROM THE COMPTROLLER GENERAL

354. A letter from the Acting Comptroller General of the United States, transmitting his review of the proposed rescissions and deferrals of budget authority and the supplementary reports revising previously proposed rescissions and deferrals contained in the message from the President dated January 30, 1975 (House Document No. 94–39), pursuant to sections 1014 (b) and (c) and 1015(b) of Public Law 93–344 (H. Doc. No. 94–50); to the Committee on Appropriations and ordered to be printed.

355. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during January 1975, pursuant to section 234 of Public Law 91–510; to the Committee on Government Operations.

356. A letter from the Acting Comptroller General of the United States, transmitting an appraisal of the special summer food program for children; jointly to the Committees on Government Operations, and Education and Labor.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ULLMAN:

H.R. 3148. A bill to amend the Internal Revenue Code of 1954 to provide for a refund of 1974 individual income taxes, to increase the low income allowance and the percentage standard deduction, to provide a ,credit for certain earned income, to increase the investment credit and the surtax exemption, and for other purposes; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts (for himself, Mr. ASHLEY, Mr. BAUCUS, Mr. BIAGGI, Mr. BIESTER, Mr. DELLUMS, Mr. EDWARDS of Alabama, Mr. FREY, Mr. GILMAN, Mr. JACOBS, Mr. KARTH, Mr. KREBS, Mr. LAFALCE, Mr. MAGUIRE, Mr. MILLER of California, Mr. MINETA, Mr. MURPHY of Illinois, Mr. PATTISON of New York, Mr. PRITCHARD, Mr. ROE, Mr. ST GERMAIN, Mr. SOLARZ, Mr. JAMES V. STANTON, and Mr. VIGORITO):

H.R. 3149. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.R. 3150. A bill to amend title II of the Social Security Act so as to remove the limitation receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3151. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pension, or other retirement benefits; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 3152. A bill to amend title 10 of the United States Code in order to establish Optometry Corps in the Army and the Navy and to provide a separate optometric service within the Air Force; to the Committee on Armed Services.

H.R. 3153. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. HARRINGTON:

H.R. 3154. A bill to amend the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. HOWARD:

H.R. 3155. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other purposes; to the Committee on Public Works and Transportation.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

21. By the SPEAKER: Memorial of the Legislature of the State of Arkansas, relative to fuel prices and fuel rationing; to the Committee on Interstate and Foreign Commerce.

22. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to the Clean Air Act; to the Committee on Interstate and Foreign Commerce.

23. Also, memorial of the Legislature of the State of New York, relative to Northwestern railroads; to the Committee on Interstate and Foreign Commerce.

24. Also, memorial of the Legislature of the State of South Carolina, relative to daylight saving time; to the Committee on Interstate and Foreign Commerce.

25. Also, memorial of the Legislature of the State of North Dakota, ratifying the proposed amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

26. Also, memorial of the Legislature of the State of Rhode Island and Providence Plantations, relative to public works projects; to the Committee on Public Works and Transportation.

27. Also, memorial of the House of Representatives of the Commonwealth of Puerto Rico, relative to "license" fees on imported oil; to the Committee on Ways and Means.

28. Also, memorial of the Legislature of the State of Maine, relative to cost of living increases in Federal income maintenance programs; jointly, to the Committees on Ways and Means, Interstate and Foreign Commerce, Post Office and Civil Service, and Armed Services.

SENATE—*Monday, February 17, 1975*

The Senate met at 11 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

We shall pray today in the words of President George Washington's prayer for his country. Let us pray.

"Almighty God: we make our earnest prayer that Thou wilt keep the United States in Thy holy protection; that Thou wilt incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government; and entertain a brotherly affection and love for one another and for their fellow citizens of the United States at large. And finally that Thou wilt most graciously be pleased to dispose us all to do justice, to love mercy, and to demean ourselves with that charity, humility, and pacific temper of mind which were the characteristics of the divine Author of our blessed religion, and without a humble imitation of whose example in these things we can never hope to be a happy nation. Grant our supplication, we beseech Thee, through Jesus Christ, our Lord." Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, February 12, and Thursday, February 13, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE SELECTION OF SENATOR GARN TO DELIVER WASHINGTON'S FAREWELL ADDRESS

Mr. HUGH SCOTT. Mr. President, we are specially fortunate today in that the Senator who has been selected to deliver Washington's Farewell Address has certain direct connections with the Washington family, which I am going to request that he mention at the opening of his reading of the address. I do this with special pride, as perhaps the only Member of the Senate who actually was born on property belonging to George Washington's sister.

So I have a special interest in the fact that the Senator from Utah (Mr. GARN) has perhaps the most direct connection of any Senator to the Washington family, and therefore the best reason for being chosen today.

READING OF WASHINGTON'S FAREWELL ADDRESS

The ACTING PRESIDENT pro tempore. Under the order of the Senate of January 24, 1901, as modified on February 5, 1975, the Senator from Utah (Mr. GARN), having been appointed by the Vice President, will now read Washington's Farewell Address.

Mr. GARN. Mr. President, I appreciate the request of the Senator from Pennsylvania. I am pleased to be asked to read this address today.

As most people may be aware, George Washington, himself, had no children. His youngest brother, Charles August Washington, did, however.

My grandmother's maiden name was Martha Virginia Washington. This is why I had to live in Virginia. There was no way I could have lived on the Maryland side of the river, with a grandmother named Martha Virginia Washington. Her father, my great grandfather, was Charles August Washington, a great, great, great grandson of George's youngest brother.

So I do deem it an honor to be able to read George Washington's Farewell Address this morning.

Mr. GARN, at the rostrum, read the Farewell Address, as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the production of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufacturers at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as the main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute: they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice toward all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment; sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest; in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gliding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence. (I conjure you to believe me fellow citizens) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the Government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under the character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

WASHINGTON'S FAREWELL ADDRESS

Mr. RANDOLPH. Mr. President, we have been privileged today to have the Farewell Address of George Washington read in the Senate, as is the custom. I commend the reading of the address by our able colleague from Utah (Mr. GARN).

This address—never really delivered as such—gave us the wisdom of George Washington after he had led this country during the period of his executive responsibility. I often think, however, that there was an earlier period in the life of George Washington which prepared him, in a sense, for this later responsibility in the early years of our Government.

Recalling now, with my fellow Senators and fellow citizens, the events in the life of George Washington, I take us from this Chamber, with its warmth and security, to December 1776, when George Washington was attempting to hold together a little band of patriots. They were beginning, really, the formation of the Republic which came about formally with the signing of the Declaration of Independence.

General Mercer, who was a very close friend of George Washington, said in his diary at that time of their so-called staff hospital:

> We have no medicine. We have no food. We have not a bandage fit to be used. We have three blankets.

That was a crucial hour in the history of our country when George Washington, located 10 miles above the falls of the Delaware River, was striving to hold his forces together. We should remember that those who had enlisted in that Continental Army in those days had enlisted for 1 year. Christmas was approaching, and the men, who were cold, had insufficient clothing and food, were going home to their families. The situation became so precarious for Washington and the small group of officers who worked with him that when he pleaded for a thousand volunteers to replace those who had enlisted, only 100 answered his call. I think a lesser man, Mr. President, would have gone home himself. I shall always believe—though this is only a matter of personal feeling—that there was a hand of deliverance which was stretched out to George Washington in those hours.

Washington appealed for 261 pairs of pants. Why did he make that very precise request? It was because that was the number of men who could not answer the muster call because of a lack of clothing.

What sacrifice, what determination, what faith. Those were the trying hours that I speak of, as we remember the address of George Washington of 20 years later.

Sometimes we are inclined to forget or overlook that only one-third of the people of the United States then wanted a new Republic to come into existence. One-third wished to remain under British rule, and one-third did not care very much one way or the other.

So George Washington and those who were working at his side, realized they had the support of only a minority as they brought into being the United States of America.

It is appropriate also to recall the 56 men who signed our Declaration of Independence. They were men of affluence, of property, of education, often of culture and they were in a position to lose everything, because the placing of their signatures on that document was an act of treason.

Stephen Hopkins came down from Rhode Island, racked with pain, against the advice of his physician, his hand gnarled with arthritis. They placed the pen between his fingers and helped to guide him as he signed his name. He said "My hand trembles but my heart does not."

On and on could be told the story of the 56 signers. They are not mere statistics. I regret that so very often in our school systems the story of each of the signers is not studied.

One of the signers had 11 children, all of whom were to lose their lives in the coming years because of what he had done. Carroll of Carrollton, Md., the only man who signed the name of the community from whence he came, was a very rich man in those days—in the coin of that day, worth perhaps over $1 million. His fortune was laid on the line. He said he would lose everything—and how prophetically he spoke. He died a pauper—Carroll of Carrollton, Md.

We often hear that John Hancock was a very pompous man. He wanted to sign in big letters and be first. Well, the reason he signed first was that he was the president of that Congress.

As he signed, he said:

> I will sign in letters so large that His Majesty will be able to read without benefit of glasses.

These were the men, the men who joined with Washington in the dawning hours of this Republic.

Mr. President, Senator GARN called our attention to the fact that he has a relationship with the Washington family through an ancestry from Charles Washington.

Charles Washington was the youngest full brother of George Washington. He was identified with an area that Senator ROBERT C. BYRD and I represent in the Senate.

In 1759, 4½ acres of land were presented to Charles Washington by the General Assembly of the Colony of Virginia. He later was to serve many terms as the magistrate in Spotsylvania County, Va.

The records show also that at Martinsburg in Berkeley County, W. Va., there were 80 acres of land owned by Charles Washington. I have determined from court records that this acreage became the town of Charles Town in 1780. This thriving community and area are approximately 1 hour and 20 minutes' driving time from the District of Columbia to the west.

At that time, the land of Charles Washington was in Berkeley County. Scenic Jefferson County, named after Jefferson, was to become a county at a later date. Historic Harpers Ferry is also located in Jefferson County.

Those 80 acres, by the court records, were to be laid out in such a manner, with convenient streets, as to serve the people who were to live there.

There were in that town certain trustees, and the trustees included John

Augustine Washington, a brother of Charles; Thornton Washington and William Washington, both nephews of Charles.

Charles Town, when it was brought into being, was to have a main street called Washington Street. This was to be in honor of Charles Washington, whom Senator GARN mentioned in his preface to the reading of the Farewell Address today.

Then there was a parallel street to Washington Street which was to be called Liberty Street. People who were then thinking of the Washingtons were thinking also of the liberties which this country had won through the sacrifice of men like the Washingtons. Particularly today we think of George Washington who was, in truth and in fact, the Father of our Country.

Washington, in the words which the Senator read from the lectern, said something that was correct then, is correct now, and will be correct in the future. He realized that people would come to America from other countries, and so Washington said:

> Citizens by birth, or choice, of a common country, that country has the right to concentrate your affections.

Mr. President, in this hour, perhaps an easier hour, although a critical hour, in the history of our Republic, I hope it is not inappropriate for me to mention the beginnings of this Republic. In a sense, this is a challenge for all of us—Senators and all those in governmental positions, as well as the people of the United States—to recognize that we do have a very solemn obligation. We must strive to be worthy of our Founding Fathers, of the signers of the Declaration of Independence, and of the first President of the United States.

QUORUM CALL

Mr. GARN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 1 hour, with statements therein limited to 10 minutes.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 91-452, appoints the Senator from Vermont (Mr. STAFFORD) to the Commission on the Review of the National Policy Toward Gambling, in lieu of the Senator from Maryland (Mr. BEALL), resigned.

MESSAGES FROM THE HOUSE

At 11:50 a.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker has appointed Mrs. BOGGS and Mr. BUTLER members of the American Revolution Bicentennial Board on the part of the House.

The message also announced that the Speaker has appointed Mr. MEEDS, Mr. YATES, and Mr. STEIGER of Arizona members of the American Indian Policy Review Commission on the part of the House.

The message further announced that the Speaker has appointed Mr. BOLLING and Mr. TAYLOR of Missouri members of the Board of Trustees of the Harry S. Truman Scholarship Foundation on the part of the House.

The message also announced that the Speaker has appointed Mr. THOMPSON, Mr. RONCALIO, and Mr. ESCH members ex officio of the Board of Trustees of the John F. Kennedy Center for the Performing Arts on the part of the House.

The message further announced that the Speaker has appointed Mr. MURPHY of New York, Mr. HOWARD, Mr. GUDE, and Mr. FISH members of the Franklin Delano Roosevelt Memorial Commission on the part of the House.

The message also announced that the Speaker has appointed Mr. REES and Mr. J. WILLIAM STANTON members of the National Commission on Supplies and Shortages on the part of the House.

The message further announced that the Speaker has appointed Mr. BURLISON of Missouri and Mr. FRENZEL members of the Federal Records Council on the part of the House.

At 1:35 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House has heard with profound sorrow of the death of the Honorable JERRY L. PETTIS, a Representative from the State of California.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following letters, which were referred as indicated:

AIR FORCE REPORT ON EXPERIMENTAL, DEVELOPMENTAL AND RESEARCH CONTRACTS

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report of the Air Force on experimental, developmental and research contracts of $50,000 or more, by company, for the period July 1, 1974 through December 31, 1974 (with an accompanying report); to the Committee on Armed Services.

PROPOSED LEGISLATION TO EXTEND THE FEDERAL RIOT REINSURANCE AND CRIME INSURANCE PROGRAMS

A letter from the Under Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to extend the Federal riot reinsurance and crime insurance programs (with accompanying papers); to the Committee on Banking, Housing and Urban Development.

PROPOSED LEGISLATION TO AMEND THE MERCHANT MARINE ACT

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 216(b)(1) of the Merchant Marine Act, 1936 (with accompanying papers); to the Committee on Commerce.

PROPOSED LEGISLATION TO AMEND THE RAIL PASSENGER SERVICE ACT

A letter from the Acting Secretary of Transportation, transmitting a draft of proposed legislation to amend the Rail Passenger Service Act of 1970 to authorize additional appropriations (with accompanying papers); to the Committee on Commerce.

PROPOSED LEGISLATION TO AUTHORIZE UNITED STATES PAYMENTS TO THE UNITED NATIONS

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to authorize U.S. payments to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and for other purposes (with accompanying papers); to the Committee on Foreign Relations.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on examination of the fiscal year 1974 financial statements of the Student Loan Insurance Fund, administered by the Office of Education, Department of Health, Education, and Welfare (with an accompanying report); to the Committee on Government Operations.

ANNUAL REPORT OF THE COLORADO RIVER BASIN

A letter from the Secretary of the Interior, transmitting, pursuant to law, the fourth annual report of the operation of the Colorado River Basin (with an accompanying report); to the Committee on Interior and Insular Affairs.

WITHDRAWAL OF PLANS SUBMITTED FOR DISTRIBUTION OF AWARDS PROVIDED BY THE INDIAN CLAIMS COMMISSION

A letter from the Acting Secretary of the Interior, withdrawing the distribution plans previously submitted by the Indian Claims Commission for Dockets 40K and 218; to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION TO AMEND THE WATER RESOURCES PLANNING ACT OF 1965

A letter from the Chairman, U.S. Water Resources Council, transmitting a draft of proposed legislation to amend the Water Resources Planning Act to increase the rate of compensation for experts and consultants and to provide continuing authorization for appropriations without limitation (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION TO AMEND THE RAILROAD ACT OF 1974

A letter from the Secretary, U.S. Railroad Retirement Board, transmitting a draft of proposed legislation to amend the Railroad Retirement Act of 1974 to provide for the continuing annual credit to the Railroad Retirement Account and the Railroad Retirement Supplemental Account of the taxes collected under the Railroad Retirement Tax Act, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT OF THE ENVIRONMENTAL PROTECTION AGENCY

A letter from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, the final report on the results of the 1974 survey conducted nationwide to estimate the costs of construction of needed publicly owned wastewater treatment works (with an accompanying report); to the Committee on Public Works.

PROPOSED AMENDMENTS OF THE ENVIRONMENTAL PROTECTION AGENCY

A letter from the Administrator of the Environmental Protection Agency transmitting proposed amendments to the President's omnibus energy bill (with accompanying papers); to the Committee on Public Works.

Proposed Legislation by the Department of the Interior

A letter from the Acting Assistant Secretary of the Interior transmitting a draft of proposed legislation authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes (with accompanying papers); to the Committee on Public Works.

Proposed Legislation by the Veterans Administration

A letter from the Administrator of the Veterans' Administration transmitting a draft of proposed legislation to require that certain veterans receiving hospital care from the Veterans' Administration for nonservice-connected disabilities be charged for such care to the extent that they have health insurance or similar contracts with respect to such care, and for other purposes (with accompanying papers); to the Committee on Veterans' Affairs.

A letter from the Administrator of the Veterans Administration transmitting a draft of proposed legislation to provide for an 8-year delimiting period for the pursuit of educational programs by veterans, wives, and widows, and for other purposes (with accompanying papers); to the Committee on Veterans' Affairs.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the General Court of the Commonwealth of Massachusetts; to the Committee on Foreign Relations:

"Resolutions Memorializing the Congress of the United States To Recognize the Contributions of the Irish People to Our Nation

"*Whereas,* Recognizing the many contributions of men and women of Irish blood to the building of our great Nation and to the cause of freedom everywhere since the earliest times; and

"*Whereas,* Recognizing the many contribuland is artificially partitioned against the wishes of the overwhelming majority of the Irish people; and

"*Whereas,* Recognizing that Irish people in the six-county area known as "northern Ireland" are denied basic civil and human rights and are unable to obtain adequate protection from attack or equal justice under law; and

"*Whereas,* The explosive situation in "northern Ireland" is an unreasonable threat to the peace and is therefore the legitimate concern of all men; and

"*Whereas,* It is in the best interests of the United States that there be a just and equitable solution to this problem; and

"*Whereas,* For humanitarian reasons, as well as out of respect for the principles of freedom, liberty, justice, natural law and history, we hereby take notice of the deplorable state of affairs in Ireland; therefore be it

"*Resolved,* That the Massachusetts General Court memorializes and petitions the Congress of the United States to express the opinion that Irish people ought to be permitted to exercise the right of national self-determination thus returning the disputed six counties to the Irish Republic, unless a clear majority of all the people of Ireland in a free and open plebiscite determine to the contrary; and be it further

"*Resolved,* That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the Secretary of State, to the President of the United States, to the presiding officer of each branch of Congress and to the members thereof from the Commonwealth."

REPORTS OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the Senate of February 13, 1975, the following reports of a committee were received:

By Mr. PASTORE, from the Joint Committee on Atomic Energy, without amendment:

S. Con. Res. 13. A concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the International Atomic Energy Agency, proposed by the Atomic Energy Commission on January 8, 1975 (Rept. No. 94–8);

S. Con. Res. 14. A concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the European Atomic Energy Community, proposed by the Atomic Energy Commission on January 8, 1975 (Rept. No. 94–9); and

S. Con. Res. 15. A concurrent resolution expressing the approval of the Congress of the amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" proposed by the Atomic Energy Commission on January 14, 1975 (Rept. No. 94–10).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RIBICOFF, from the Committee on Finance, without amendment:

H.R. 1767. An act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes (together with minority and supplemental views) (Rept. No. 94–11).

By Mr. LONG, from the Committee on Finance, without amendment:

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975 (Rept. No. 94–12).

Mr. LONG. Mr. President, on behalf of the Committee on Finance, I file a committee report on H.R. 2634, the so-called debt limit bill, and ask it be printed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ANNUAL REPORT OF THE SELECT COMMITTEE ON SMALL BUSINESS (REPT. NO. 94–13)

Mr. NELSON. Mr. President, on behalf of the Select Committee on Small Business, and its chairman of last year, Senator Alan Bible of Nevada, I am submitting today the 25th annual report covering the committee's activities during 1974. I ask unanimous consent that the report be printed, together with illustrations and appendices.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Because Senator Bible retired from this body prior to the end of the last session, it was not possible for him to file this report, which encompasses proceedings of the calendar year ending December 31.

The mandate of the select committee is: "to study and survey by means of research and investigation all problems of American small-business enterprise * * *" in order to aid the Congress in enacting immediate legislation and to be responsive to the public interest in this vital area of our economy.

The report monitors developments in the economy, which have such a determining effect on the fortunes of the Nation's 12 million enterprises, 97 percent of which are classified as "small business." It records increases of 12.2 percent in the Consumer Price Index and 20.9 percent in the Wholesale Price Index during the past year which have placed small firms in a cost/price/tax squeeze imperiling their survival, in many cases.

Adversity in the housing, auto, and related industries are described with respect to their effects on small business.

In the obtaining of capital for small firms, the report sets forth the reduction of between 25 and 30 percent in the national stock averages; the decline of 60 percent in small business securities offerings; as well as a steady and disturbing reduction of about one-eighth—over the past 4 years—in the number of small securities broker-dealers available to provide financing to independent businesses.

These and other statistics reflect that small business certainly has many difficult problems in the year ahead.

The report recaps the committee's extraordinary study of "The U.S.A. Business Community" which has received the favorable attention of many governmental and private institutions on its publication in September 1974.

The regular oversight functions of the committee as to the Small Business Administration are summarized in its review of the financial, management, and other assistance programs of that agency.

The committee under Senator Bible's chairmanship also performed what I consider to be notable work in assisting smaller firms into compliance with environmental and consumer initiatives. The report reviews the programs of SBA, which the committee helped bring into being, and tabulates the financial assistance provided to date in these areas.

In the tax field, the committee's achievements in 1974 included: gaining approval and the establishing of a Small Business Advisory Committee to the Commissioner of the Internal Revenue Service; and approval by the House Ways and Means Committee of nine provisions of the Bible-Evins bill, which deal with small business tax reform and relief.

The committee also devoted substantial resources to energy and materials problems, and produced constructive results. One example is a major study by SBA of the small business impact of energy shortages, which is summarized and excerpted in the report.

Other chapters furnish a wealth of detail on such subjects as:

Government Procurement.

Crime Against Small Business—cargo theft and fencing.

Corporate Giantism.

Small Business Credit Needs.

Small Business Problems in the Pharmaceutical Industry, and

Efforts to Reduce Paperwork for Small Firms.

For the first time, the report contains a list of exhibits, which provides an additional key to the diverse research which is called forth by the many-sided relations of small business to the economy.

The report also contains a legislative index of all bills enacted and proposed which have major effects on the Small Business Administration and small business in general.

In my view, the 25th annual report of the committee will be an invaluable resource for research and action. I recommend this volume to my colleagues in Congress, to academic institutions, small business organizations, and to all of our citizens who are interested in maintaining our free enterprise system and preserving small businesses as viable contributors of the Nation's goods, services, employment, and the pride and self-respect which has traditionally accompanied business ownership.

Copies are available, in limited numbers, at the committee offices: 424 Russell Senate Office Building, Washington, D.C. 20510.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. YOUNG:

S. 683. A bill for the relief of Ghalam Reza Padash and his wife, Homa Ghasemshahi Padash. Referred to the Committee on the Judiciary.

By Mr. STEVENS (for himself and Mr. Gravel):

S. 684. A bill to amend the Federal Aviation Act of 1958, as amended, by requiring certification and subsidy of at least two air carriers to points receiving neither highway nor railroad service. Referred to the Committee on Commerce.

By Mr. STEVENS:

S. 685. A bill to authorize certain corporations under the Alaska Native Claims Settlement Act to merge or consolidate, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MATHIAS:

S. 686. A bill for the relief of Asuncion Ventura-Rumi. Referred to the Committee on the Judiciary.

S. 687. A bill for the relief of Consuelo Coronado. Referred to the Committee on the Judiciary.

S. 688. A bill for the relief of Antonio Passalaqua. Referred to the Committee on the Judiciary.

S. 689. A bill for the relief of Magdalena Pisga Mulato. Referred to the Committee on the Judiciary.

By Mr. STAFFORD:

S. 690. A bill for the relief of Sheila J. Phelps. Referred to the Committee on the Judiciary.

By Mr. CANNON (for himself and Mr. Eastland):

S. 691. A bill to increase benefits provided to American civilian internees in Southeast Asia. Referred to the Committee on the Judiciary.

By Mr. HOLLINGS (for himself and Mr. Magnuson):

S. 692. A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer, and for other purposes. Referred to the Committee on Commerce.

By Mr. WILLIAM L. SCOTT (for himself, Mr. Curtis, Mr. Eastland, Mr. Fannin, Mr. Goldwater, Mr. Helms, and Mr. Thurmond):

S. 693. A bill to amend the Clean Air Act to establish a limitation on certain air quality standards established pursuant to such Act. Referred to the Committee on Public Works.

By Mr. WILLIAM L. SCOTT (for himself, Mr. Eastland, Mr. Fannin, Mr. Goldwater, Mr. Helms, and Mr. Thurmond):

S. 694. A bill to amend the Clean Air Act with respect to certain stationary source emission limitations. Referred to the Committee on Public Works.

By Mr. WILLIAM L. SCOTT (for himself, Mr. Eastland, Mr. Fannin, Mr. Helms, Mr. Laxalt, and Mr. Thurmond):

S. 695. A bill to amend the Clean Air Act with respect to certain motor vehicle emission standards. Referred to the Committee on Public Works.

By Mr. HUMPHREY:

S. 696. A bill for the relief of certain individuals formerly employed by the Nationwide Food Service in the U.S. Senate Restaurant. Referred to the Committee on Post Office and Civil Service.

By Mr. HUMPHREY (for himself, Mr. Huddleston, Mr. Mondale, and Mr. Symington):

S. 697. A bill to improve agricultural yields in the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China. Referred to the Committee on Foreign Relations.

By Mr. CANNON:

S. 698. A bill requiring the Secretary of Agriculture to convey certain lands to Mr. and Mrs. Pat Clark, of Las Vegas, Nev. Referred to the Committee on Agriculture and Forestry.

By Mr. DOLE (for himself, Mr. Gary W. Hart, Mr. Packwood, Mr. Domenici, Mr. Abourezk, Mr. Bartlett, Mr Bellmon, Mr. Bentsen, Mr. Biden, Mr. Brock, Mr. Cranston, Mr. Culver, Mr. Fannin, Mr. Ford, Mr. Garn, Mr. Glenn, Mr. Gravel, Mr. Hartke, Mr. Haskell, Mr. Humphrey, Mr. Javits, Mr. Laxalt, Mr. Leahy, Mr. Mondale, Mr. Morgan, Mr. Moss, Mr. Pell, Mr. Stevenson, Mr. Tower, and Mr. Tunney):

S. 699. A bill to permit Senators to use mobile offices in their home States. Referred to the Committee on Appropriations and the Committee on Government Operations, by unanimous consent.

By Mr. THURMOND:

S. 700. A bill to amend the Agricultural Adjustment Act of 1938, as amended. Referred to the Committee on Agriculture and Forestry.

By Mr. STEVENSON (for himself and Mr. Magnuson):

S. 701. A bill to regulate commerce and promote the general welfare by assuring increased supplies of natural gas, oil, and other energy sources at reasonable prices for the consumer, and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS (for himself and Mr. Gravel):

S. 684. A bill to amend the Federal Aviation Act of 1958, as amended, by requiring certification and subsidy of at least two air carriers to points receiving neither highway nor railroad service. Referred to the Committee on Commerce.

Mr. STEVENS. Mr. President, two decisions by the Civil Aeronautics Board prompted the bill I introduce today.

In 1969, the Civil Aeronautics Board initiated the Alaska service investigation. The investigation was subsequently divided into three phases: trunk line, regional routes, and bush routes. The CAB issued a decision and order in December 1971 for the trunk line and regional route phases. In this decision, the CAB created a monopoly situation by suspending two of the three carriers serving southeastern Alaska. One carrier had previously been suspended in 1965. A second carrier received a subsidy, and the third did not. Upon suspending two of the carriers, the CAB gave a monopoly route award to the remaining carrier on a subsidy ineligible basis.

In September 1972, the CAB decided the bush routes phase of the Alaska service investigation. In this decision, the CAB created another monopoly situation by suspending one of two subsidized carriers serving northwestern Alaska. The remaining carrier received a monopoly route award on a subsidy ineligible basis. Petitions for reconsideration were subsequently filed. In response, the CAB granted a motion for a stay order. On November 19, 1974, the CAB dissolved the stay order, denied the petitions for reconsideration, and permanently suspended the primary carrier's authority to serve the Anchorage-Nome-Kotzebue route.

Southeast Alaska is islandic. It has neither road nor rail service to Anchorage or Seattle, which are its only gateways other than by air. Air transportation is the only mode of travel other than infrequent and slow ferry service. Northwest Alaska—Nome, Kotzebue, and Unalakleet—is also far and remote. It typifies the Alaskan dilemma of sparsely populated communities scattered great distances from population and supply centers. In the winter months, the Bering Sea freezes and the only mode of transportation is by air. While Alaska is not alone in such physical characteristics, these portions of the State typify the dependence on air of many isolated rural communities in this country. Competition is important. The absence of competing rail and highway service makes competing air service all the more important.

These two CAB decisions were not in the public's interest. In its attempt to strengthen the financial prospects of Alaskan air operations, the CAB gave insubstantial weight to the commerce, postal, and national defense needs, and the public interest which dictated alternative dependable air carrier service.

Mr. President, CAB's November 19 decision was especially untimely. Late last fall, high winds and severe flooding nearly destroyed every town and village along the Seward Peninsula coastline. These Alaskans are now rebuilding. Food, supplies, and construction materials are needed. The only means of transporting these materials and foodstuffs during the winter months is by air. This entire emergency situation has been put on the capabilities of only one airline.

The present status of Alaska's economy stimulated by the North Slope oil development and the Native Claims Settlement Act demand increased air service, not less. Yet, the CAB continues on a course of eliminating air carrier competition to those communities which are so dependent on air transportation. This problem is of extreme concern to Alaskans.

For this reason, I am today introducing legislation which will insure continued air service to points in Alaska and elsewhere that receive neither highway nor rail service. This legislation would make it clear that air service to points in the United States, including Alaska and Hawaii, receiving neither highway service nor railroad service shall be maintained on air routes. It will also insure that subsidy payments necessary to provide such air service will be allowed.

The bill will accomplish the following:

First, the legislation adds a new provision to section 102 of the Federal Aviation Act of 1958. Section 102 details the considerations of the CAB in determining whether certification should be granted, altered, amended, modified, or suspended under section 401 of the act. This will broaden the public interest standards of the act. It will require the CAB to determine whether or not competing modes of transportation are available to communities for which the CAB authorizes airline service. If communities are isolated from railroad or highway transportation systems, the CAB will have to accommodate this dependency on air service by providing a sufficient amount of competition with the air mode.

Second, section 2 will require that no term or condition of any certificate can limit the maximum subsidy amounts payable for service to or from points receiving neither railroad service nor highway service. Existing certificates must be so amended.

Third, section 3 will require that in deterring the need for such a subsidy, the Civil Aeronautics Board and the Secretary of Transportation must consider air service to be a requirement for points receiving neither highway service nor rail service.

Fourth, section 4 will require that in determining the public convenience and necessity under the sections I have previously mentioned, the Board shall consider that the certification of at least two air carriers in areas receiving neither highway service nor railroad service is necessary for the public convenience and necessity.

This legislation is intended to prescribe guidelines in determining the amount of subsidy and the criteria for certification. It is not intended to increase the amount of subsidy paid.

I request unanimous consent that the bill itself be printed in its entirety in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 684

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Aviation Act of 1958, as amended, is hereby further amended as follows:

SECTION 1. By redesignating clauses (d), (e), and (f) of section 102 (49 U.S.C. 1302) as clauses (e), (f), and (g), respectively, and by inserting after clause (c) the following:

"(d) The extension of such service to points in the continental United States which shall include Alaska and Hawaii receiving neither highway service nor railroad service."

SEC. 2. By adding a paragraph (7) to subsection (e) of section 401 (49 U.S.C. 1371) that shall provide as follows:

"(7) No term or condition in any certificate shall limit the maximum subsidy amounts payable with respect to service to or from points that receive neither railroad service nor highway service. The Board shall, without hearings, alter, modify, or amend any existing certificate term or condition in contravention of this requirement so as to bring such term or condition into conformity therewith."

SEC. 3. By adding the following sentence to subsection (b) of section 406 (49 U.S.C. 1376): "In the exercise of their powers and duties under this subsection, the Board and the Secretary of Transportation shall consider as required for the commerce of the United States, the Postal Service, and the national defense, air service to points in the continental United States which shall include Alaska and Hawaii receiving neither highway service nor railroad service."

SEC. 4. Add a new section 406a as follows:

"In determining the public convenience and necessity under sections 102, 401, and 406, the Board shall consider as necessary to the sound development of an air-transport system properly adapted to the needs of the foreign and domestic commerce of the United States, the Postal Service, and the national defense, the certification of at least two air carriers to provide air service to points in the United States receiving neither highway service nor railroad service."

By Mr. STEVENS:

S. 685. A bill to authorize certain corporations under the Alaska Native Claims Settlement Act to merge or consolidate, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, today I am introducing a bill which will authorize the merger or consolidation of village corporations formed within the same region of Alaska under the Alaska Native Claims Settlement Act.

I am seeking this legislation because many of the village corporations established under the Alaska Native Claims Settlement Act have found that they are too small to effectively manage their resources. Thus, NANA Regional Corporation, Inc., one of the 12 regional corporations created in Alaska pursuant to the Alaska Native Claims Settlement Act and the 11 village corporations in the NANA region have sought this merger in order to permit operation of these corporations on a larger and more efficient scale. This legislation is necessary because of the provisions of the Settlement Act, which prohibit, for a period of 20 years from the date of enactment of the act, any sale, assignment or other alienation of stock of any regional corporation by its shareholders. These restrictions also apply against alienation of the village corporation stock. In any statutory merger or consolidation under Alaska law, a shareholder would be exchanging his shares in one corporation for shares of stock in another corporation and, therefore, no such mergers or consolidations may take place without enactment of appropriate legislation which modifies the restrictions against alienation of stock. This bill is intended to accomplish this.

Under the provisions of this bill, mergers or consolidations among village corporations within the same region would be authorized. Only intraregional mergers would be permitted. This assures that any corporations resulting from mergers carried out pursuant to this bill would continue to be owned and controlled by enrolled Alaskan Natives.

The bill further permits the subsequent merger of any such merged corporations with other such merged corporations within the same region. This is intended to cover the situation where not all the Settlement Act corporations in a region merge at once.

Furthermore, the measure expressly would be applicable to mergers which are voted on by shareholders either before or after the bill's enactment. This would allow mergers which may be voted on and approved by the shareholders before Congress enacts legislation to permit the merger to be carried out, with the merger vote contingent upon such legislation.

Once a merger had taken place, the merged corporation would be entitled to all rights and benefits of the Settlement Act which otherwise would be directed at the individual regional or village corporations which participated in the merger, and would be subject to all the restrictions and obligations as were applicable to such corporations. Transfers of rights and titles pursuant to a merger would not affect the tax exemptions granted by the Settlement Act.

Two provisos are also contained in this bill. The first of these is intended to clarify what otherwise would be an ambiguity as to whether or not, in a merger, the shareholders may exercise dissenters' rights. In any merger or consolidation under Alaska law a shareholder voting against the merger may make demand for payment of the value of his shares, and if the merger becomes effective, the corporation must buy out his shares.

The second proviso permits the elimination under certain circumstances of the extra dividend rights given to nonvillage residents as part of the terms of a merger or consideration. A merger of the village corporations into a regional corporation would eliminate any distinction between the two classes of shares, and after the merger all stockholders would be placed on the same footing. The nonvillage residents would lose their extra dividend rights; in exchange, however, they would acquire, through the merger, a percentage share of the assets formerly held by the village corporations. Without the proviso, however, would allow the elimination of these dividends in a merger only if the class of shareholders affected thereby is permitted to vote on the merger separately as a class and votes in favor of it.

As stated previously, the need for this legislation arises because of certain peculiar circumstances existing in some of the regions. The boards of the corporations in the NANA region came to realize that some of the corporations simply were too small and too inexperienced to survive on their own, and that they had little chance of ever becoming thriving business enterprises.

Sufficient funds were not available to allow the corporations to operate without incurring losses. Management talent, of course, was also scarce; few Natives in these villages have ever operated corporations. In the NANA region the problem is further compounded by the fact that many of the villages are in extremely remote locations, with little if any communications facilities to the outside world, and only the airplane as transportation. For this reason, NANA, until now, has been carrying its village corporations, assisting them with virtually all administrative actions that are required. The corporations, therefore, came to realize that the only permanent solution is to merge with each other, or with NANA. The resulting larger corporation or corporations would then stand a much better chance of long-term survival.

At informal meetings held in the villages, an overwhelming majority of the village corporation stockholders attending indicated they were in favor of merger and asked the various boards to pursue the proposal. This support results in part from the fact that the Natives in the various villages in the region historically share a strong common heritage and bond. Regardless of what village in the region they may be from and which village corporation they may be stockholders in, they view themselves as all being united as part of the region, and their main interest is in the survival of the region as a whole and of the regional corporation. For these reasons, there is strong sentiment in favor of a merger in the village corporations.

The Natives desire to succeed in the endeavor begun under the Settlement Act. They want to become self-sufficient, but they realize that this cannot occur if they continue to operate as separate entities. Thus, the key to them realizing this goal lies within the merger of the village corporations into a strong and vital body capable of handling the many needs of the village corporations and their shareholders. If this legislation is enacted, such a merger can be made possible at the option of the various village corporations.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record immediately following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 685

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any provision of the Alaska Native Claims Settlement Act (85 Stat. 688), any corporation created pursuant to section 7 (d) or 8 (a) of such Act within any of the twelve regions of Alaska, as established by section 7 (a) of such Act, may, at any time, merge or consolidate, pursuant to the applicable provisions of the laws of the State of Alaska, with any other of such corporation or corporations created for the same region.

(b) Any corporations resulting from said mergers or consolidations further may merge or consolidate with other such merged or consolidated corporations within the same region or with other of the corporations created in said region pursuant to section 7 (d) or 8 (a) of the Alaska Native Claims Settlement Act. Such mergers or consolidations shall be on such terms and conditions as are approved by vote of the shareholders of the corporations participating therein, and may take place pursuant to votes of shareholders held either before or after the enactment of this Act. Upon the effectiveness of any such mergers or consolidations the corporations resulting therefrom and the shareholders thereof shall succeed and be entitled to all the rights, privileges and benefits of the Alaska Native Claims Settlement Act, including but not limited to the receipt of lands and moneys and exemptions from various forms of Federal, State and local taxation, and shall be subject to all the restrictions and obligations of such Act, as are applicable to the corporations and shareholders which participated in said mergers or consolidations or as would have been applicable if the mergers or consolidations and transfers of rights and titles thereto had not taken place.

(c) Notwithstanding the provisions of section 7 (h) (1) or 8 (c) of the Alaska Native Claims Settlement Act, the stockholders of any corporation participating in any such mergers or consolidations may exercise the rights accorded under Alaska law to dissenting shareholders in a merger or consolidation.

(d) Notwithstanding the provisions of section 7 (m) of the Alaska Native Claims Settlement Act, in any merger or consolidation in which the class of stockholders of a regional corporation who are not residents of any of the villages in the region are entitled under Alaska law to vote as a class, the terms of the merger or consolidation may provide for the elimination of the right of said class to receive dividends pursuant to said section 7 (m).

Sec. 2. Notwithstanding any other provision of this Act or of any other law, no such corporation referred to in the first section of this Act may so merge or consolidate unless that corporation's shareholders have approved such merger or consolidation of that corporation with any other such corporation or corporations.

By Mr. CANNON (for himself and Mr. Eastland):

S. 691. A bill to increase benefits provided to American civilian internees in Southeast Asia. Referred to the Committee on the Judiciary.

Mr. CANNON. Mr. President, on behalf of Senator Eastland and myself, I am very pleased to submit an amendment to the War Claims Act of 1948. A similar amendment (S. 1728) passed the Senate during the last Congress, but unfortunately the House attached an additional provision which proved unacceptable to the Senate.

In essence, our bill would amend section 5 of the War Claims Act of 1948 to increase the authorized detention benefit for American civilians during the Vietnam conflict from $60 per month to $150 per month. These benefits would be paid from funds which have already been appropriated under the fiscal year 1973 supplemental appropriation of $16 million to the Foreign Claims Settlement Commission. These funds are available until expended and would be used for payment of civilian internee benefits under this amendment when enacted.

Mr. President, I am hopeful that the 94th Congress will move forward with consideration of this amendment as it now stands, without the additional provision which killed the bill during the last Congress. At this time, I request that this bill be appropriately referred and ask unanimous consent that the following material be printed in the Record:

First. Cannon-Eastland bill;

Second. Legislative chronology of S. 1728;

Third. Excerpt from House Report No. 93–1179; and

Fourth. Excerpt from House debate on S. 1728, August 12, 1974.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 691

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(i) (3) of the War Claims Act of 1948 (50 App. U.S.C. 2004(i)(3)) is amended by striking out "$60" and inserting in lieu thereof "$150".

Attachment 2

Legislative Chronology of S. 1728

S. 1728: Revised digest exists (CG93) ⅝, mittee on Judiciary.

ACTIONS:

5/8/73: srcm010, Referred to Senate Committee on Judiciary.

10/4/73: scac070, Reported to Senate, S. Rept. 93–434.

10/8/73: sfac150, Measure passed Senate.

10/9/73: nrcm010, Referred to House Committee on Interstate and Foreign Commerce.

7/3/74: ncac080, Reported to House, amended, H. Rept. 93–1179.

8/12/74: nfac080, Measure passed House, amended, roll call No. 477 (368–17).

12/19/74: conf070, House agreed to conference report.

Attachment 3

Excerpt From House Report No. 93–1179

CIVILIAN INTERNEE BENEFITS

Detention benefits for civilians and members of the U.S. Armed Forces were authorized by the War Claims Act of 1948 to provide a measure of compensation for those Americans captured and held as prisoners of war during World War II. The original law set the benefit rate at $60 per month for civilians and $2.50 per day (equivalent to $75 per month) for military personnel. In 1954 the Act was amended to include internees during the Korean conflict. Another amendment in 1970 (Public Law 91–289) authorized detention benefits for civilian and military internees in Southeast Asia during the Vietnam conflict. The rate for civilian benefits was continued at $60 for each calendar month.

To qualify for the benefit a civilian must be a United States citizen who was captured in Southeast Asia during the Vietnam conflict or who went into hiding in Southeast Asia in order to avoid capture by a hostile force. The benefit is not authorized for any person who voluntarily, knowingly, and without duress gave aid to or collaborated with or in any manner served any hostile force. The benfit is effective for all periods during which a civilan was interned in Southeast

Asia during the Vietnam conflict. The Foreign Claims Settlement Commission determines the amount and validity of benefit claims and provides for payment of adjudicated claims from appropriated funds.

The detention benefit for military personnel was raised by Public Law 91–289, enacted in 1970, and is presently $2.00 for each day without adequate food and $3.00 per day for certain other violations of the Geneva Convention of 1949. All the military prisoners whose claims have been processed by the Foreign Claims Settlement Commission have qualified for and have been paid the total benefit of $5 per day. No comparable increase in benefits was made in 1970 with respect to civilian American citizens held by a hostile force in Southeast Asia. American civilian prisoners suffered the same deprivations and hardships during the Vietnam conflict as military prisoners. Therefore, it is a matter of equity to give civilians the same detention benefit that is provided under the 1948 Act for military personnel.

ATTACHMENT NO. 4

EXCERPTS FROM HOUSE DEBATE ON S. 1728, AUGUST 12, 1974

The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS):

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of S. 1728, a bill to amend the War Claims Act of 1948.

This bill amends two sections of the War Claims Act of 1948 to accomplish different purposes. Section 5 is amended to increase the authorized detention benefit for American civilians during the Vietnam conflict from $60 to $120 per month. The purpose is to raise the detention benefits authorized for civilians who are or were being held as prisoners to the same level presently authorized for military personnel. Since American civilian prisoners suffered the same deprivations and hardships as military prisoners, it is a matter of equity to give them the same detention benefit.

No appropriations are involved, since funds have already been appropriated for payment of the internee benefits.

Section 213 of the War Claims Act is amended to give a first priority to the payment in full of the remaining individual awards for property losses arising out of World War II. Then the bill gives a second priority to payment of the remaining corporate awards for similar losses up to the level of $50,000.

Existing law provides for payment of the major part of both individual and corporate awards on a proportional basis. The unpaid corporate awards total $94.7 million; the unpaid individual awards total $6.5 million. Therefore, pro rata payments would distribute most of the remaining funds to the largest corporate claimants.

Payments for property losses are made from the War Claims Fund, a trust account on the books of the U.S. Treasury. Therefore, no appropriations are required for this amendment to the War Claims Act. The War Claims Fund consists of the net proceeds of German and Japanese assets seized in the United States during World War II.

The sums remaining in the fund will not be sufficient to pay all remaining claims in full. For this reason, priorities of payment become important. Equitable considerations concerning the nature of the individual losses led to the decision to give priority to their payment, followed by payment of the smaller remaining corporate awards.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, does not the gentleman from West Virginia think that as a matter of principle it is unfair to pay civilians as military personnel are paid under the circumstances of Vietnam?

Mr. STAGGERS. That is debatable. If the gentleman from Iowa will let me explain, they were there doing jobs, at least, most of them, for the Government, serving their country only in a different capacity. Especially in view of the fact that there are so few civilian internees, only 66, I would say to the gentleman from Iowa that they should receive the same benefit as military personnel.

Mr. GROSS. Is it not true that the civilians were there voluntarily?

Mr. STAGGERS. Some were and some were not. Some were, as I understand.

Mr. GROSS. What is that?

Mr. STAGGERS. Some were working for the Government, and were there under orders.

Mr. GROSS. I do not think that any of them were drafted as civilians and sent to Vietnam.

I do not want to make an issue of this particularly, but I wonder if we are not here setting a precedent which may live to haunt us later. I think there is a great distinction from one who is voluntarily in Vietnam, and someone who may have been involuntarily there.

Mr. STAGGERS. I would say to the gentleman from Iowa that some of these were serving the Government, along with the military personnel, and they were captured. They were doing their jobs just the same as the military personnel were.

Mr. GROSS. That may well be. They are both serving the Government, but on an entirely different basis.

Mr. STAGGERS. That is true. And both of them were interned in the same camps and had to undergo the same kind of treatment.

By Mr. HOLLINGS (for himself and Mr. MAGNUSON):

S. 692. A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer, and for other purposes. Referred to the Committee on Commerce.

NATURAL GAS PRODUCTION AND CONSERVATION ACT

Mr. HOLLINGS. Mr. President, I introduce for appropriate reference the Natural Gas Production and Conservation Act. For the past several weeks a Democratic Caucus Committee has worked hard to propose a comprehensive energy and economic program to restore health and full employment to our economy. This program draws on idle industrial and manpower capacity in an effort of wartime intensity to build greater efficiency in consumption and enlarge production of energy.

The program is an alternative to that proposed by the President, which sets a course of wrenching the economy further by cutting energy supplies, raising prices, and hoping the energy budget will somehow balance out. The President's program may add to the burdens of inflation, deepening recession, and unemployment that now plague the Nation.

As part of the congressional program to restore a vigorous full-employment economy, we are introducing legislation to reform Federal policy regarding natural gas.

The appropriate form of Federal regulation of natural gas wellhead prices has been a subject of great concern to the Commerce Committee. This is a matter of considerable controversy, and during the last Congress the Commerce Committee held more than 21 days of hearings on a dozen proposals to amend the Natural Gas Act of 1938.

The proposal that I introduce today is the culmination of this exhausitve examination.

This proposal rejects the complete deregulation of new natural gas prices. Such action would cost consumers billions of dollars per year and provide no assurance that supplies would be substantially increased. This is the wrong time to impose such additional costs on an already extremely fragile economy.

We are convinced that price ceilings for new natural gas must be established to provide new certainty to producers and prevent natural gas prices from soaring to the equivalent of cartel-imposed oil prices. A growing body of evidence suggests that domestic production of natural gas has reached a peak and that resource constraints will prevent an enlargement of supplies regardless of the price. A recent Federal Power Commission Staff Report entitled "A Realistic View of U.S. Natural Gas Supply" concludes that:

> A significant point that emerges from our analysis is that conventional U.S. gas production has reached its peak and will be declining for the indefinite future. This reverses a long historical record of growth and introduces a new dimension to the gas shortage. It is no longer simply a matter of gas supply failing to meet increasing requirements. It means that from here on, we must make do with less gas in absolute terms.

The proposal which we introduce today is intended to deal with these new realities. It would establish new gas ceiling prices designed to provide greater certainty and incentives to natural gas producers. These ceiling prices would be automatically adjusted for inflation. Except for obtaining essential information, the FPC would have no jurisdiction over producers. The artificial distinction between interstate and intrastate prices would be eliminated—as in the case of oil, natural gas ceiling prices would apply throughout the Nation. The bill contains a number of other provisions designed to alleviate current natural gas shortages and improve the supply situation. Also established are mandatory natural gas conservation measures and allocation of gas to high-priority end-uses.

Mr. President, I ask unanimous consent that the accompanying description and text of the proposal be printed in the RECORD at this point.

There being no objection, the bill and description were ordered to be printed in the RECORD, as follows:

S. 692

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Production and Conservation Act of 1975".

SEC. 2. The Natural Gas Act (15 U.S.C. 717 et seq.) is amended by striking out section 24 thereof (15 U.S.C. 717w) in its entirety and by inserting immediately after the enacting clause thereof and before section 1 thereof (15 U.S.C. 717) the following: "That this Act may be cited as the 'Natural Gas Act'.

"TITLE I—GENERAL PROVISIONS".

SEC. 3. The Natural Gas Act (15 U.S.C. 717 et seq.) is amended by adding at the end thereof the following new title:

"TITLE II—PRODUCTION AND CONSERVATION INCENTIVES

"SHORT TITLE

"SEC. 201. This title may be cited as the 'National Gas Production and Conservation Act'.

"DEFINITIONS

"SEC. 202. As used in this title, the term—

"(1) 'affiliate' means any person directly or indirectly controlling, controlled by, or under common control or ownership with any other person. The Commission is authorized and directed to define the terms 'control' and 'ownership';

"(2) 'boiler fuel use of natural gas' means the use of natural gas as the primary source of fuel for the purpose of generating steam or electricity;

"(3) 'Federal lands' means any land or subsurface area within the United States which is owned or controlled by the Federal Government or with respect to which the Federal Government has authority, directly or indirectly, to explore for, develop, and produce natural gas. The term includes the Outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a));

"(4) 'intrastate commerce' means commerce between points within the same State, unless one such point is located upon Federal land within such State or unless such commerce passes through any place outside such State;

"(5) 'Mcf' means a thousand cubic feet of natural gas of pipeline quality at 14.73 pounds per square inch at 60 degrees Fahrenheit.

"(6) 'new natural gas' means natural gas production which is irrevocably dedicated to interstate or intrastate commerce for at least 20 years but which the Commission in its discretion determines was not dedicated prior to January 1, 1975;

"(7) 'old natural gas' is natural gas which, prior to January 1, 1975 was dedicated to interstate commerce as determined by the Commission on the date of the first certification of such natural gas;

"(8) 'producer' means a person who produces and commits to interstate or intrastate commerce more than 10 million Mcf of natural gas per year or who produces natural gas and does not qualify as a smaller producer;

"(9) 'purchaser' means a person who purchases or acquires natural gas from a producer or small producer;

"(10) 'residential user' means a person who uses natural gas for personal, family, or household purposes;

"(11) 'small user' means a person or governmental entity using less than fifty Mcf of natural gas on a peak day of natural gas usage in the preceding calendar year;

"(12) 'small producer' means a person as determined by the Commission (A) who is not an affiliate of a person who produces and designate one or more high-cost production commits to interstate or intrastate commerce more than 10 million Mcf of natural gas or an affiliate of a person engaged in, or who is not himself engaged in, the transportation by pipeline of natural gas in interstate or intrastate commerce; and (B) who together with all affiliates, if any, has not produced and committed to sale more than 10 million Mcf of natural gas in the calendar year preceding or during the year in which he wants to qualify for small producer pricing under section 204 of this title as determined by the Commission; and

"(13) 'user' means a person or governmental entity using any natural gas which is supplied in interstate or intrastate commerce.

"NEW NATURAL GAS

"SEC. 203. (a) GENERAL.—Notwithstanding the provisions of sections 4 and 5 of this Act and except as provided in subsection (c) of this section, new natural gas may be sold or transferred in interstate or intrastate commerce by a producer, only if its total price, including the market value of any advance payments or any other form of compensation, at the time deliveries are first commenced does not exceed the sum of—

"(1) a base price as determined in accordance with subsection (f) of this section;

"(2) any applicable adjustment in accordance with subsection (b) of this section; and

"(3) an additional amount, if any, authorized to be charged under subsection (c) or (d) of this section.

"(b) BASE PRICE ADJUSTMENT.—Commencing July 1, 1975, and at annual intervals thereafter, the national base price enumerated in subsection (a)(1) of this section shall be adjusted for any inflation by multiplying it by a number whose numerator is the annual implicit price deflator for gross national product as of the date of computation and whose denominator is the implicit price deflator for gross national product for the base year 1974 as compiled by the Bureau of Economic Analysis as initially published by the Department of Commerce. The adjusted base price shall only be applicable to new natural gas sold during the year for which such adjusted base price is applicable.

"(c) ANNUAL PRICE INCREASE.—A producer may, at the time of dedication of new natural gas, provide by contract for an annual cumulative increase in the price of such natural gas which is delivered in a particular year. Such increase may not exceed 2 per centum per year of the adjusted base price at the time of such commitment.

"(d) SPECIAL PRICE.—(1) The Commission may authorize a person to charge for new natural gas an amount in excess of the price authorized in subsection (a) of this section, in any high-cost production area designated by the Commission. The Commission may areas, and pursuant to subsection (f) of this section may establish one or more high-cost production area base rates if the Commission finds—

"(A) that the current and prospective costs of production in such high-cost production area or areas designated by the Commission are substantially above the base price authorized under subsection (a) of this section; and

"(B) the production of new natural gas in such designated high-cost production areas promotes the public convenience and necessity.

"(2) The Commission shall authorize a person to charge for new liquefied or synthetic natural gas a special price, which is in excess of the price authorized in subsection (a) of this section, if such person establishes to the satisfaction of the Commission that such liquefied or synthetic natural gas production promotes the public convenience and necessity and that such additional charge is necessary or appropriate to permit such person to recover costs incurred plus a reasonable rate of return on such person's investment in producing or making available to a purchaser such liquefied or synthetic natural gas. Any plant constructed and operated for the purpose of manufacturing synthetic natural gas for sale in interstate commerce shall be subject (A) to the jurisdiction and authority of the Commission under title I of this Act to the same extent as any natural gas company; and (B) to the provisions of this section: *Provided*, That such jurisdiction and authority shall not include the feedstock of such plant or facilities associated with such feedstock.

"(e) EXCEPTION.—(1) The Commission is authorized and directed to prohibit a producer of new natural gas from selling such natural gas at a price authorized in this section if—

"(A) such producer had discovered such natural gas on Federal lands 2 years or more prior to the date of enactment of this title; and

"(B) such producer does not establish to the satisfaction of the Commission that it was reasonable for such producer not to have dedicated such natural gas to interstate commerce prior to the date of enactment of this title.

"(2) A producer of new natural gas who is prohibited by paragraph (1) of this subsection from selling such natural gas at a price authorized under this section shall only be permitted to sell such natural gas in interstate commerce as if it were old natural gas and dedicated to interstate commerce as of the date of enactment of this title. Such a producer shall also be subject to the production requirements of subsection (c) of section 207 of this title.

"(f) COMMISSION BASE PRICE DETERMINATION.—(1) Within 180 days following the date of enactment of this title, the Commission shall establish an initial national base price to be retroactive to January 1, 1975, of new nautral gas and shall review and reestablish the national and any high-cost production area base price at five-year intervals after initial establishment pursuant to paragraphs (2), (3), and (4) of this subsection. The initial national base price shall be not less than 40 cents per Mcf and not more than 75 cents per Mcf at a heating value of 1 million British thermal units of energy per Mcf.

"(2) In establishing the initial base price of new natural gas within the range prescribed in paragraph (1) of this subsection, and in establishing subsequent national and high-cost production area rates, if any, the Commission shall consider current and prospective costs of production of such natural gas in the relevant area and a reasonable rate of return on investment which is conducive to attracting capital necessary to increase supplies of such natural gas.

"(3) In establishing any base price for new natural gas, the Commission shall proceed in accordance with the provisions of section 553 of title 5, United States Code, and in addition shall afford interested persons an opportunity to present testimony in oral hearings and permit limited cross-examination by representative parties on any issue of fact which the Commission, in its discretion, determines is material and if such cross-examination is necessary and appropriate in light of the time constraint set forth in paragraph (1) of this subsection.

"(4) There shall be no review by any court of a decision of the Commission establishing the initial national base price which is within the range prescribed in paragraph (1) of this subsection.

"(g) CONTRACT SANCTITY.—The Commission shall not under a decrease in the price of new natural gas with respect to any sale of such new natural gas which is made pursuant to price ceilings established under section 203 or 204 of this Act which were in effect at the time such new natural gas was first delivered.

"(h) COST PASSTHROUGH.—The Commission shall permit the passthrough, on a dollar-for-dollar basis, of the cost of all new natural gas purchased by any person engaged in the transportation by pipeline of natural gas in interstate commerce unless such costs exceed the applicable price ceiling established pursuant to this Act in which case the Commission shall not permit such passthrough.

"(i) TREATMENT OF OTHER GAS.—(1) After the date of enactment of this title, all sales of natural gas in interstate commerce which are not of old natural gas must comply with the provisions of this Act concerning new natural gas. (2) After the date of enactment of this title, all sales of new natural gas in intrastate commerce must comply with the provisions of this Act concerning new natural gas.

"SMALL PRODUCER PRICING

"SEC. 204. Notwithstanding the provisions of sections 4 and 5 of this Act (15 U.S.C. 717c, 717d), a small producer may sell new natural gas in interstate or intrastate commerce at a price which exceeds the price authorized to be charged by a producer pursuant to section 203 of this title, so long as such price does not exceed the applicable authorized price by more than 50 per centum: provided, That a small producer may not sell new natural gas in interstate or intrastate commerce at a price which exceeds the price authorized to be charged by a producer pursuant to such section 203 if such new natural gas was discovered by a producer, as determined by the Commission in its discretion.

"OLD NATURAL GAS

"SEC. 205. The Commission, notwithstanding any other provision of law, shall not authorize an increase in the price charged by a producer or small producer of old natural gas unless such an increase is necessary—

"(1) to afford such producer or small producer a total price which is equal to a price which the Commission has authorized a similarly situated producer or small producer to charge for old natural gas; or

"(2) to cover the cost of production of such old natural gas and to provide a fair rate of return to such producer or small producer.

"RESIDENTIAL AND OTHER SMALL USERS

"SEC. 206. (a) GENERAL.—The Commission shall—

"(1) require all persons engaged in the transportation by pipeline of natural gas in interstate commerce (herein referred to as 'pipelines') to file separate tariffs with respect to (A) old natural gas and (B) new natural gas, in such form and manner as to reflect the price and volumes of each which enter each such pipeline;

"(2) require all pipelines to give first priority, for sales or transfers under the applicable tariff for old natural gas, to local distribution companies and to supply such gas to such companies in sufficient volume to meet the requirements of each such company's residential users and small users; and

"(3) promulgate rules to govern pipeline-to-pipeline sales or transfers or sales or transfers to local distributors served by multiple pipelines, to the extent necessary to achieve the purpose of this section.

"(b) ENFORCEMENT.—It shall be unlawful for local distribution companies to charge residential users and small users rates which do not reflect the lesser cost of natural gas for such uses pursuant to subsection (a) of this section.

"INCREASING NATURAL GAS SUPPLIES

"SEC. 207. (a) PROMPT CERTIFICATION.—All applications, except where 2 or more pipelines file competing, mutually exclusive applications made by a pipeline under section 7(c) of this Act (15 U.S.C. 717f(c)) for the construction of facilities to transport new natural gas shall be decided by the Commission in accordance with this section. The Commission shall grant (with or without conditions) or deny such applications within 120 days of the filing of an application or within 120 days after the date of enactment of this title, in the case of applications pending before the Commission on such date. The 120-day period shall commence with the date on which such applications contain all of the information required by the Commission. If the Commission fails to grant or deny any such application within such 120 days, the Commission shall be deemed to have approved such application as last submitted.

"(b) EXEMPTION.—Notwithstanding any other provision of law, sales of new natural gas by producers or by small producers may be made without any application for a certificate of public convenience and necessity under section 7(c) of this Act (15 U.S.C. 717f(c)) and such sale shall be—

"(1) made at a price pursuant to the provisions of section 203 of this title if the sale is by a producer or section 204 of this title if the sale is by a small producer; and

"(2) irrevocably dedicates all new gas production to the sale for at least 20 years.

"(b) In certifying facilities for transporting or gathering new natural gas on Federal lands, the Commission shall require such transportation and gathering facilities to be common carriers available for use by any natural gas company to transport natural gas upon payment of a reasonable transportation fee. The Commission shall require existing gathering and transportation systems to operate on such a common carrier basis to the extent that surplus capacity is available.

"(c) PRODUCTION REQUIREMENT.—(1) Notwithstanding any other provision of law, any agreement (including a renegotiation) pertaining to oil or gas development on Federal lands consummated on or after the date of enactment of this title shall require, as a condition to such agreement, that the person granted the right of development design and implement immediately an exploratory and development program designed to obtain maximum production from such lands as soon as practicable, subject to submission of such program to, and its approval by, the Secretary of the Interior. The person granted the right of development shall inform the Commission in writing immediately upon the discovery of natural gas on any such lands, including an estimate of volumes discovered and a timetable for commercial development. Such person shall within 90 days thereafter supply the Commission with a detailed timetable of the actions necessary to produce and begin selling such natural gas in interstate commerce within 2 years of the date of discovery unless the Commission finds, upon the petition of the person granted such rights, that the volumes of natural gas discovered or developed are not sufficient to be commercially viable or that other valid reasons (not including market demand prorationing) exist which justify delaying the production until a subsequent date certain. If such a petition is granted, the Commission shall require the person granted such rights to submit monthly reports of actions taken to begin production at the earliest possible time. The Commission shall also advise other interested Federal agencies and assure that all possible steps are taken to commence gas production at the earliest possible time.

"(2) Unless such natural gas is produced and sold within 2 years after the date of discovery of natural gas on such Federal lands, or unless such a petition is granted and in effect and its terms complied with, the rights that had been granted the person to develop natural gas or oil on the Federal lands covered by such agreement shall terminate and any sum paid for such rights shall be forfeited.

"(3) With respect to agreements pertaining to oil or gas development on lands owned by the Government of the United States (other than lands containing Naval Petroleum Reserves) consummated prior to the date of enactment of this title, the requirements of paragraphs (1) and (2) of this subsection shall be applicable to the fullest extent legally permissible, such agreements shall be terminated or renegotiated, by the earliest possible date so as to make such requirements applicable.

"(c) REPORT.—The Secretary of the Interior, to aid in enforcement of subsection (b) of this section, shall report to Congress and the Commission within ninety days after the date of enactment of this title, and annually thereafter, on the status of all Federal lands leased or planned to be leased in the subsequent year for oil and gas development. Each such report shall list all parcels planned to be leased in the subsequent year and parcels leased, the holder of such lease, the Interior Department's prelease evaluation of probable quantities and values of oil and gas underlying such lease, the number of exploratory and developmental wells drilled to date, whether oil and gas have been discovered at the time of the report, the date on which any oil or natural gas not being produced was discovered, estimated reserves of oil and gas, and annual production of oil and gas therefrom.

"(d) RESOURCE EVALUATION.—In estimating the value of natural gas on Federal lands for the purpose of determining the sufficiency of any bid, the Secretary of the Interior shall utilize the appropriate applicable price ceiling established by the Commission as adjusted pursuant to sections 203 or 204 of this title.

"(e) DEDICATION REQUIREMENT.—After January 1, 1975, all production of new natural gas from Federal lands shall be sold or transferred in interstate commerce.

"(f) RESERVE INFORMATION.—Each producer and small producer shall make available to the Commission on a current basis an up-to-date account of the natural gas reserves which it has discovered on a reservoir-by-reservoir basis. The Commission is authorized and directed to take such steps as are necessary to verify and, if necessary, correct such reserve information, and shall make such reserve information available to the Congress and the public in a meaningful and understandable form. Any producer or small producer who fails to comply with this requirement shall be barred from bidding on any lease or grant on any Federal lands, and the district courts of the United States shall have jurisdiction to enforce such requirement.

"NATURAL GAS CONSERVATION

"SEC. 208. (a) GENERAL.—The Commission by rule shall prohibit boiler fuel use of natural gas and propane in interstate and intrastate commerce not contracted for prior to the date of enactment of this title by users other than residential or small users unless, upon petition by a user, the Commission determines that—

"(1) such user has a plan to convert as soon as possible to alternative fuels produced in any State; or

"(2) it is not feasible to utilize such alternative fuels at the time of such Commission determination.

"(b) EXISTING CONTRACTS.—The Commission shall promulgate by rule a national plan to prohibit as soon as practicable boiler fuel use of natural gas and propane contracted for prior to January 1, 1975, by users other than residential or small users. In determining practicability, the Commission shall consider all relevant factors, including but not limited to, the availability of alternative energy supplies produced in any State, the ability to satisfy applicable pollution prevention standards when using such alternative fuels, and the need to avoid imposing unreasonable economic hardships. The Commission shall coordinate its activities with other Federal agencies to assure that boiler fuel use of natural gas by users ended to the maximum practicable extent 10 years after the date of enactment of this title. The Commission shall also encourage conservation and more efficient use of natural gas by all other users.

"(c) PROCEDURE.—In implementing the provisions of this section with respect to intrastate commerce, the Commission shall apply the provisions of section 17 of this Act (15 U.S.C. 717p).

"(d) EFFECT ON OTHER LAWS.—Nothing in this title shall impair any requirement in any State or Federal law pertaining to safety or enviromental protection, and the Commission in determining feasibility or practicability where required by this section shall not assume that there will be any dimunition in any safety or environmental requirement established pursuant to State or Federal law.

"NATURAL GAS CURTAILMENT

"Sec. 210. (a) Essential Agricultural Purpose.—(1) Notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect upon the date of enactment of this title, the Commission shall prohibit any interruption or curtailment of the transportation or sale of natural gas and take such other steps as are necessary to assure as soon as possible the availability in interstate commerce of sufficient quantities of natural gas for use as a raw material feedstock or process fuel (for which there is no substitute except propane) in the production of fertilizer and essential agricultural chemicals in existing plants (for present or expanded capacity) and in new plants. As used in this subsection, the term 'sufficient quantities' means the amounts of natural gas which the Secretary of Agriculture certifies to the Commission are necessary to provide sufficient fertilizer and essential agricultural chemicals (A) to meet domestic requirements; and (B) to meet the Nation's obligations to carry out humanitarian objectives, except to the extent that any such amounts are required to maintain natural gas service to existing residential and small users.

"(2) Notwithstanding any other provision of law, a rule implemented by the Commission pursuant to paragraph (1) of this subsection shall apply also with respect to the availability of natural gas sold in intrastate commerce in any State which has not, within 90 days after the date of enactment of this title, adopted a rule to implement the purposes of such paragraph.

"(3) The Commission shall formulate rules and regulations to implement this subsection.

"(b) Facility Interconnections.—Notwithstanding the provisions of section 7 of this Act (15 U.S.C. 717f), the Commission may, by order in accordance with this subsection, direct any natural-gas company to establish a physical interconnection between any specified facility of such company and any specified facility of any other such company, any producer, or any small producer. The Commission may issue such an order upon petition of any natural-gas company, producer, small producer, or user, or on its own motion, after (1) publishing a notice thereof in the Federal Register; (2) allowing interested persons an opportunity to submit written data, views, and arguments and providing an opportunity for a hearing; and (3) finding (and publishing such finding together with the reasons therefor) that the establishment of such interconnection is in the public interest for the purpose of natural gas in the event that a natural-gas supply emergency develops within the service area of any natural-gas company affected by such order.

"(c) Natural-Gas Supply Emergency.—The Commission may declare that a natural-gas supply emergency exists along the transmission routes or within the service area of a natural-gas company which is unable or may be unable to supply its users with the amounts of natural gas determined by the Commission to be necessary to preserve public health or safety or to avoid extreme economic hardship. Any such declaration shall state the nature and extent of such supply emergency, its likely duration, and the remedial steps proposed or ordered by the Commission to deal with such emergency. Whenever such an emergency is declared, the Commission may, by order, direct any natural-gas company or companies which it not itself experiencing such an emergency to make specified deliveries of natural gas, directly or indirectly, to the natural-gas company which is experiencing such emergency. The amount of natural gas specified to be delivered pursuant to such order may not exceed the amount which such company can deliver without creating a comparable emergency along its own transmission routes or within its own service area. A company delivering natural gas pursuant to such an order shall be compensated for such gas at a rate equal to the price of the highest-cost natural gas sold by such company plus any additional price which the Commission determines is necessary to provide such company with incentives to acquire new natural gas to replace the natural gas ordered to be delivered pursuant to such order.".

Sec. 4. Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended (1) by inserting in paragraph (7) thereof after "thereof," and before "but only insofar" the following: "or between a point upon Federal lands within a State and any other point,"; (2) by inserting in paragraph (5) thereof after "unmixed," and before "or any mixture" the following: "synthetic natural gas"; and (3) by inserting the following new paragraph:

"(10) 'synthetic natural gas' means gas produced from fossil fuel or any derivative thereof.".

Sec. 5. Any district court of the United States in which venue is appropriate under section 1391 of title 28, United States Code, shall have jurisdiction, without regard to the citizenship of the parties or the amount in controversy, with respect to any civil action involving any alleged violation of (1) this title, the Natural Gas Act (15 U.S.C. 717(a)), the Federal Power Act (16 U.S.C. 791a et seq.), or any other Federal law under which Congress directs the Commission to exercise any independent regulatory function; (2) any duly authorized rule or regulation issued under any such law; or (3) any condition of any certificate of public convenience and necessity issued by the Commission under any such law. The court shall have the power to grant such equitable relief as is necessary to prevent, restrain, or remedy the effect of such violation, including declaratory judgment, mandatory or prohibitive injunctive relief, and interim equitable relief, and the court shall further have the power to award (A) compensatory damages to any injured person or class of persons, (B) costs of litigation including reasonable attorney and expert witness fees, and (C) whenever and to the extent deemed necessary or appropriate to deter future violations, punitive damages. Any court of appeals of the United States in which venue is appropriate under section 1391 of title 28, United States Code, shall have jurisdiction, upon petition by the Commission, to grant appropriate mandatory or prohibitive injunctive relief, and, at any time, interim equitable relief.

Sec. 6. The Bureau of Economic Analysis shall continue to compile, and the Department of Commerce shall continue to publish, the implicit price deflator for gross national product, in accordance with procedures consistent with those in effect on January 1, 1975, in order to carry out the purposes of this Act.

DESCRIPTION OF NATURAL GAS PRODUCTION AND CONSERVATION ACT OF 1975

PURPOSE

The purpose of this proposal is to improve the natural gas supply situation while assuring consumers that inflation in natural gas prices will be kept under control. The bill establishes new gas ceiling prices with automatic cost adjustments for inflation. Such prices will provide new production incentives for producers and at the same time remove the uncertainty over future prices. The ceilings would apply to sales in both inter- and intrastate commerce, but producers would be otherwise freed from regulation. Consumers would be protected from unjustified price increases for flowing natural gas and residential and other small users would be assured relatively stable gas prices by receiving the benefit of the lowest cost gas which is available to their distributor. Producers on federal lands would be required to develop and produce natural gas as soon as practicable and Federal Power Commission procedures relating to certification of facilities would be streamlined. The proposal would prohibit natural gas from being squandered on large boiler fuel uses that could be feasibly satisfied by alternative fuels. Finally, natural gas would be made available for fertilizer production on a priority basis, and emergency procedures for supplying gas to pipelines in severe curtailment would be established.

SUMMARY

Statutory Formula for New Gas.—The proposal creates a method for establishing a base price for new natural gas to adequately reimburse natural gas producers for their costs and risks and provide an adequate rate of return. The FPC would be required to establish the initial national base price within 180 days after the date of enactment within a statutory range of 40 to 75¢ per Mcf. The ceiling price would apply to both interstate and intrastate sales by producers. There would be no judicial review of a Commission decision within the statutory range, but the initial national base price would be reviewed by the Commission at 5 year intervals.

The base price would be adjusted each year under an automatic statutory formula to reflect changes in the general level of inflation. The adjusted base price would apply to new natural gas deliveries commenced in that year. In addition, once a producer has dedicated natural gas to interstate or intrastate commerce, he would be allowed to provide by contract for up to a 2 percent annual price increase to compensate for higher operating and maintenance costs. Natural gas committed under the applicable statutory formula would not be subject to future Commission or Court reduction.

The proposal would also reduce the expectations of vastly different prices in the near future. With this kind of certainty, producers would not expect to increase their long-term profit levels by refraining from producing available natural gas supplies at the earliest possible time. The current natural gas situation can be greatly improved by providing such certainty under a simple but fair statutory pricing formula for new natural gas.

A special price based on the cost-of-service may be charged for gas produced in designated high-cost production areas or for liquefied or synthetic natural gas. In addition, the Commission's jurisdiction would be extended to synthetic natural gas plants in an effort to simplify financing and rationalize the construction and operation of such facilities.

All dedications of new natural gas must be for a period of at least 20 years.

Special Incentives for Small Producers of Natural Gas.—There are literally thousands of natural gas producers, only a few of which contribute large amounts of natural gas to commerce. The smaller producers bear a higher risk than the large; they do not drill enough wells to statistically anticipate a certain proportion of successes, and consequently their risks often vary substantially from that of the major companies. Yet they drill most of the onshore exploratory wells, explore the marginal areas, and unlike the major producers, they invest substantially all of their revenues in search for new supplies. Increasing their market share can significantly improve competition. For these reasons, the Natural Gas Production and Conservation Act provides that small companies can charge as much as 50 percent more than the rate for new gas determined under the statutory formula. But gas discovered by major producers could not be sold by small producers at prices higher than the applicable statutory ceiling.

Flowing Gas Price Stability.—The consumer is protected against unjustified price increases for natural gas presently flowing in interstate commerce. Price increases for old natural gas may be permitted by the FPC only if a producer demonstrates that an increase is necessary to cover higher production costs of such natural gas or is necessary to eliminate discrimination. Paying more for flowing gas provides the consumer with no assurance of receiving additional supplies. The proposed Act places the incentive for new production of gas in the price available for new production.

Protection of Residential and Other Small Users.—To protect small users to the maximum extent possible, the proposal requires that the benefits of lower prices for flowing natural gas would be made available first to residential and other small users.

Increasing Natural Gas Supplies.—The proposal has additional provisions to increase natural gas supplies. First, the Federal Power Commission is directed to decide within 120 days most applications by pipelines to construct facilities to bring new natural gas from wells to the pipeline system. This would prevent unnecessary bottlenecks developing in the Commission which could slow delivery of new natural gas supplies. To reduce inefficient resource allocation, new natural gas facilities are required to be common carriers. Producers may make sales without obtaining certification from the FPC.

Second, natural gas producers leasing federal lands are required to undertake and complete exploratory and developmental programs to obtain maximum production at the earliest feasible date following the leasing of these lands. The proposal seeks to end the withholding of natural gas by producers on federal lands. Should a producer on federal lands fail to commence deliveries of natural gas to pipelines within two years of the discovery of natural gas, he would forfeit his lease, unless the Commission found that volumes discovered or developed were not of commercially paying quantities or found other valid reasons for a delay in production. This section provides for continued monitoring of annual reporting by the Department of Interior of oil and gas development progress. It also requires all producers to make available to the Commission current estimates of their reserves on a reservoir by reservoir basis and requires the Commission to make independent evaluations of such reserve data. This information will enable the Congress and the public to know the extent of the nation's natural gas supply.

Third, the proposal would end the practice that has recently developed: offshore producers have "reserved" substantial quantities of gas for their own use. The proposed bill would require all production of new natural gas from federal lands to be dedicated to interstate commerce. The revision makes it clear that only future production from federal lands where natural gas is consumed within the producing state would be subject to FPC jurisdiction.

Natural Gas Conservation.—Since natural gas, which is in short supply, is a clean-burning, convenient, highly versatile fuel, and an important raw material for many industries, it should be used efficiently and only where alternative fuels are not feasible. A relatively inefficient use of large supplies of natural gas is as boiler fuel for steam or electric generation. Thus, the proposed Act would prohibit boiler fuel use of natural gas and propane in interstate and intrastate commerce for new industrial users where alternative fuel use is feasible. Current boiler fuel users of natural gas would be phased out as soon as practicable. Nothing in the Act would impair any federal or state safety or environmental protection law or regulation. The goal is simply to restrict the use of natural gas in existing and new boiler fuel installations which generate steam or electricity to free additional supplies of natural gas for high priority users.

Natural Gas Curtailment.—Natural gas is an essential ingredient in the production of fertilizer. Current natural gas shortages have not only threatened existing fertilizer production, but has made necessary expansion of fertilizer production difficult. The need to maintain and expand food production is so basic that the proposed Act would require the FPC to assure that adequate supplies of natural gas are available for fertilizer and essential agricultural chemical production in existing and new plants. Such users would have the highest priority except to the extent that natural gas service to existing residential and small users is to be maintained.

The Commission is further authorized to require interconnection among pipelines and producers to alleviate natural gas supply emergencies. This authority is analogous to the Commission's authority to require interconnections among electric utility systems under the Federal Power Act. The Commission is further authorized to order a producer or natural gas company to make deliveries of natural gas to pipelines experiencing a natural gas supply emergency threatening public health or safety or extreme economic hardship. It permits the FPC to allocate gas among the pipelines where necessary to avoid severe inequities.

Improvements in FPC Administration.—U.S. District Courts are given jurisdiction to enforce FPC rules and regulations. The definition of new natural gas includes synthetic gas to clarify regulatory treatment of such sources and to protect the consumer. Finally, the Department of Commerce is required to continue to publish the Implicit Price Deflator for Gross National Product in accordance with procedures consistent with those currently in use.

By Mr. WILLIAM L. SCOTT (for himself, Mr. CURTIS, Mr. EASTLAND, Mr. FANNIN, Mr. GOLDWATER, Mr. HELMS, and Mr. THURMOND):

S. 693. A bill to amend the Clean Air Act to establish a limitation on certain air quality standards established pursuant to such Act. Referred to the Committee on Public Works.

By Mr. WILLIAM L. SCOTT (for himself, Mr. EASTLAND, Mr. FANNIN, Mr. GOLDWATER, Mr. HELMS, and Mr. THURMOND):

S. 694. A bill to amend the Clean Air Act with respect to certain stationary source emission limitations. Referred to the Committee on Public Works.

By Mr. WILLIAM L. SCOTT (for himself, Mr. EASTLAND, Mr. FANNIN, Mr. HELMS, Mr. LAXALT, and Mr. THURMOND):

S. 695. A bill to amend the Clean Air Act with respect to certain motor vehicle emission standards. Referred to the Committee on Public Works.

Mr. WILLIAM L. SCOTT. Mr. President, as you know there has been considerable action in the field of pollution control in recent years. However, today's economic and energy situation points to a need for making changes in our environment laws so that this country can continue to grow, prosper and maintain its high standard of living. In my opinion, three measures being introduced today will be helpful in this regard. These amendments are directed toward making reasonable use of our natural resources while not unduly restricting the activities of the individual or private industry. Joining, as cosponsors of one or more of these bills are Senators CURTIS, EASTLAND, FANNIN, GOLDWATER, HELMS, THURMOND, and LAXALT.

The first amend relates to the nondegradation or significant deterioration issue. A key question in establishing national air pollution control policy is the extent to which regions with no present pollution problems should be protected from degradation. As you know, Mr. President, this matter originally grew out of a court decision, Sierra Club against Ruckelshaus, in which a Federal judge in the District of Columbia held that the Clean Air Act prohibits "significant deterioration" of air of higher quality than the national ambient air quality standards. The decision was upheld by an equally divided 4 to 4 ruling of the Supreme Court, resulting in new regulations by the Environmental Protection Agency to prevent nondegradation in those regions of the country—primarily rural areas—with air purer than the Nation as a whole. It is my understanding that court challenges are being made at this time on EPA's proposals, and it does appear there may be prolonged litigation unless Congress acts to clarify the intent of the law. To accomplish this, my proposal reaffirms the congressional policy to protect and enhance the quality of the Nation's air, and the right to set standards to protect the public health and welfare, but adds the phrase:

> nothing in this Act is intended to require or provide for the establishment of standards more stringent than primary and secondary ambient air quality standards . . .

All of us want air quality high enough to protect public health and well-being of the people but I doubt that Congress intended to enact a Federal law which required such a policy as made by the court decision. The present policy, if allowed to stand, could preclude development of industry and energy supply facilities in our more rural areas. However, this bill would permit industries to locate in those areas of the country that want it, consistent with the protection of public health, as determined by national standards.

The second measure is designed to help increase the availability of coal, our most plentiful form of energy. As you know, coal accounts for more than 90 percent of our fossil-fuel resources but provides less than a fifth of the Nation's current energy supply. The Library of Congress indicates that my own State of Virginia can contribute almost 5 billion tons of coal toward the goal of energy independence, but using vast new coal supplies may require changes in the clean air law to provide proper incentives to industry to search for and produce more coal. We are told it takes between 5 to 10 years to open a mine and to raise production to profitable levels, so coal-fired electric utilities may have some reservations about committing to long-term conversion to coal unless it is economically feasible. In my opinion, we can make much more coal usable in this country and still meet air standards to protect public health by modifying certain emission limitations now in effect.

This proposal would permit power

plants to continue burning coal or convert from oil and natural gas to coal on an interim basis through January 1, 1985. The companies would have a 10-year period from the present until 1985 to use so-called intermittent control systems as a means of controlling pollution, with the thought that their effectiveness and practicality can be adequately reviewed during this period while maintaining adequate protection of public health. At this point, Mr. President, I ask unanimous consent to insert in the Record a copy of an editorial on this subject which appeared in the Wall Street Journal on Monday, February 3.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

CUTTING THE LIGHT BILL

We've been hearing a lot lately about the problems of the electric utilities and some proposals about how government can come to their aid with guaranteed loans, or direct financing or maybe just by taking them over.

As it happens, there is a very simple way for government to aid the electric companies, one that would not plunge the nation further into the morass of capital allocation or state ownership. The industry could be saved vast sums in investment costs and even vaster sums (some $10 billion a year) in future operating costs, merely by some simple amendments to the Clean Air Act. At the same time, the nation would take a leap toward its oil conservation goals. And there would be no serious damage to the quality of the air or to efforts to clean up bad air where it exists.

The amendments are simple indeed. Under present air quality rules a uniform standard is applied to sulfur oxide emissions from the nation's power plants, regardless of where the plan is sited and the concentration of other pollution sources. But a good many power plants are not in high pollution areas. Such plants can easily meet federal quality standards for ambient air, or in other words the air anyone in the vicinity of the power plant actually *breathes*, with a higher rate of emissions than might be permissible in a dense area.

The Southern Company, the nation's third largest utility company after the TVA and American Electric Power, says the air quality in the vicinity of all its power plants already is well within state and federal limits even when the plants burn abundant and relatively inexpensive high sulfur coal. It achieves this result with precipitators which filter out particulate matter and high stacks which disperse the remaining, largely invisible emissions.

But if Southern Company is forced by law and the Environmental Protection Agency to meet the uniform emissions standards—measured at the stack rather than in the vicinity of the plant—its power generating costs will rise some 30% over the next five years. It will have to invest in either stack "scrubbers," which are both costly and unreliable with present technology, or buy low sulfur fuels either from abroad or from as yet undeveloped and also costly Western sources.

Much of the concern about whether utilities generally can meet financing needs stems from the investment needs posed by the emissions standards, sharp rises that already have occurred in fuel costs and sharp increases in financing costs. They badly need relief. It is loaded with an enormous cost that cannot even be justified on aesthetic grounds.

The answer to that question often has strong emotional overtones, e.g. the utilities are trying to "gut the Clean Air Act; they want to pollute areas that now are pollution free; they are only interested in profits (not that they are making any to speak of at the moment, anyway). But there is another reason why the utilities were handed a uniform standard and it has little to do with fears that ambient standards would not protect air quality.

Ambient standards would mean that power plants in industrialized and densely populated areas would need more emissions treatment than outlying plants. The cost differentials for power in various regions of the country might well widen. They already are very wide. A kilowatt hour in the Southern System costs two cents compared with nine cents in New York. A further widening could further alter manufacturing cost differentials. Congress felt that the cost of pollution control should be uniform for that reason.

But such a judgment was, in a word, wrong, however well meaning. It imposes an enormous unnecessary burden on certain regions, and on the nation as a whole in the interest of a fuzzy and impossible "equity" goal. As a national policy the exact reverse probably is desirable, to discourage further development of dense areas. Congress can correct this error with a simple amendment and it should do so at once so that utilities can restore some degree of orderly and rational planning to meet future power needs.

Mr. WILLIAM L. SCOTT. The third proposal relates to the postponement of the effective dates to achieve certain emission standards for motor vehicles. As you know, the major pollutants for motor vehicles are hydrocarbons, carbon monoxide, and oxides of nitrogen. This provision would extend the dates for compliance with the more stringent statutory standards by an additional 5 years. It is hoped that this postponement would permit automobile manufacturers adequate time to work toward cleaner motors and to improve fuel economy of all new cars. It does seem reasonable that Detroit should be given sufficient time to plan for new or modified motors and to hold the line on tougher emission standards in an effort to obtain fuel savings.

One manufacturer has testified that tighter standards scheduled for 1977 model-year cars alone would needlessly cost consumers more than $200 more per car and a 12-percent loss in fuel economy as compared to 1975 model cars. This measure would effectively freeze the Federal emission standards for all three pollutants, allowing them to remain in effect through 1981 model-year cars. There does appear to be support by most American auto companies to carry over the present Federal emission standards rather than going to the more stringent emission requirements for 1977 model cars and beyond. It is said such a 5-year postponement would result in no appreciable sacrifice in air quality, would be less costly and would result in additional fuel savings at a time when we need the energy.

By Mr. HUMPHREY:

S. 696. A bill for the relief of certain individuals formerly employed by the Nationwide Food Service in the U.S. Senate restaurant. Referred to the Committee on Post Office and Civil Service.

Mr. HUMPHREY. Mr. President, I introduce and send to the desk a bill relating to the determination of creditable service with respect to civil service retirement, on behalf of certain persons currently or previously employed in the U.S. Senate restaurant.

Over the past three decades, the management of the Senate restaurants has been passed from the Architect of the Capitol to the Nationwide Food Service and then back to the Architect of the Capitol. In this process, some of the employees of the Senate have been unfairly treated. I hope this bill will rectify the oversight.

By Mr. HUMPHREY (for himself, Mr. Huddleston, Mr. Mondale, and Mr. Symington):

S. 697. A bill to improve agricultural yields in the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China. Referred to the Committee on Foreign Relations.

UNITED STATES-SINO SOYBEAN RESEARCH INSTITUTE PROPOSED

Mr. HUMPHREY. Mr. President, I am today introducing legislation calling for a Soybean Research Institute to be jointly supported by the United States and the People's Republic of China.

I first introduced this legislation in the 93d Congress, and Representative Symington sponsored a corresponding bill on the House side. I am gratified that Senators Huddleston, Mondale, and Symington have joined in sponsoring the bill I am submitting today.

The need for and the usefulness of this legislation has not, in my view, diminished at all. In fact, the urgency of it has increased.

We hear increasing reports that the Chinese may be discouraged with the slow progress of détente to date. This effort, at a fairly technical level, could bring practical benefits to both countries and, at the same time, advance the cause of détente.

A great deal has been written in recent years about the need for research on increasing soybean production. We have begun to learn more about soybean production, but the secret of expanding production per acre has not yet been discovered.

At the same time, the researchers have been trying to adapt the soybean so that it can be grown farther north, and the growing line has been moved farther north in Minnesota.

The Chinese are the world's second largest producer of soybeans, and they could share some of their knowledge with us in terms of growing soybeans in northern climates.

The shortage of food supplies facing the world has now forced governments and agricultural experts to look for ways to increase production, not only through expanding acreage, but by increasing yield per acre. This goal has been achieved in some areas of the world as a result of new rice and wheat strains springing from green revolution research. But these new strains require applications of great amounts of fertilizer, the cost of which has skyrocketed due to increased demand and the outrageous cost of petroleum products.

Soybean research makes good sense in terms of the fertilizer and energy equation. The nitrogen fixation capability of the soybean—in effect, producing its own fertilizer—is well known, but how it happens is not yet understood. Unlocking this secret could provide a great production boost in other crops while at the same time serving to conserve large quantities of energy.

The world demand for soybeans has grown in recent years, but the productivity per acre has increased little in the last 25 years.

The world needs the increased food supplies that a research breakthrough would provide. With arable land in short supply, we now must look for increased production per acre. And increased soybean production per acre is one area which most experts agree on as a high and urgent priority.

In the fall of 1974 a group of American scientists visited the People's Republic of China. This initiative should now be built upon and extended to concrete subjects such as soybean research.

When I first introduced this bill, the administration indicated a reluctance to support the measure, claiming that it would restrict their room for diplomatic initiative.

On the contrary, the measure is written in very flexible terms and with a minimum of guidance. The Executive should welcome a helpful initiative of this nature, and I hope that the administration will support the measure this year.

Mr. President, I ask unanimous consent that the text of my bill—to increase the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China—be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 697

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall initiate immediate action to improve agricultural yields in the production of soybeans through the establishment of a Soybean Research Institute jointly supported by the United States and the People's Republic of China, and is authorized to bring together representatives from the two countries for the purpose of planning for establishing a Sino-American Soybean Research Institute (hereinafter referred to as the "Institute").

SECTION 1. The Institute should have as its major objective the following:

(a) to immediately devote its facilities and expertise to the specific need for increased soybean yields and soybean adaptability to new producing regions;

(b) to develop additional uses for soybeans and soybean products as sources of human and animal protein, including the development of new foods and food substitutes and extenders; and

(c) to serve as a basis for full cooperation and coordination between the People's Republic of China and the United States in the field of soybean research and technology.

SEC. 2. (a) The location or locations of the Institute and its form of administration shall be mutually agreed upon by the People's Republic of China and the United States. The United States and the People's Republic of China will equally share staffing and administrative expenses.

(b) For the immediate establishment and the initial operation of the Institute, the President is authorized to use an amount not to exceed $2,000,000 annually out of any funds available for the activities of the Agricultural Research Service of the United States Department of Agriculture, or from funds available to any other appropriate Federal Agency.

(c) The President shall also request the Consultative Group on International Agricultural Research of the World Bank to consider funding for the Institute after its establishment.

SEC. 3. In working toward the establishment of the Institute, the President should fully utilize the expertise and experience of organizations active in soybean research, particularly the Agency for International Development and the Food and Agriculture Organization of the United Nations.

By Mr. CANNON:

S. 698. A bill requiring the Secretary of Agriculture to convey certain lands to Mr. and Mrs. Pat Clark of Las Vegas, Nev. Referred to the Committee on Agriculture and Forestry.

Mr. CANNON. Mr. President, I am introducing legislation today to restore certain property in Lee Canyon, Nev., to Mrs. Bernice Clark, whose father purchased it some 30 years ago. At the time of Conveyance, Mrs. Clark's family was in the process of moving, and through an understandable inadvertance the deed was not recorded then. Shortly thereafter, the original owner died, and his widow sold the bulk of her property to the U.S. Government which included in what is now Toiyabe National Forest. The widow did not know of her late husband's conveyance to Mrs. Clark's family, and since the deed had not yet been recorded, she mistakenly reconveyed the 1⅛ acres in question to the Forest Service, which recorded their deed only a few weeks before the original deed was finally recorded.

Bernice Clark and her family have continued to use the land and the cabin they built on it to this day, and it was only recently that the title problem was discovered. The Forest Service advises me that they have no objection to returning this small parcel to Mrs. Clark, but that remedial legislation is required. This bill will do nothing more than return a small tract of land to its equitable owner, whose father gave value years ago and used it in good faith to this day.

Mr. President, I urge prompt and favorable consideration for this legislation to correct a minor mistake which occurred in settling this large estate three decades ago.

By Mr. DOLE (for himself, Mr. GARY HART, Mr. PACKWOOD, Mr. DOMENICI, Mr. ABOUREZK, Mr. BARTLETT, Mr. BELLMON, Mr. BENTSEN, Mr. BIDEN, Mr. BROCK, Mr. CRANSTON, Mr. CULVER, Mr. FANNIN, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GRAVEL, Mr. HARTKE, Mr. HASKELL, Mr. HUMPHREY, Mr. JAVITS, Mr. LAXALT, Mr. LEAHY, Mr. MONDALE, Mr. MORGAN, Mr. MOSS, Mr. PELL, Mr. STEVENSON, Mr. TOWER, and Mr. TUNNEY):

S. 699. A bill to permit Senators to use mobile offices in their home States. Referred to the Committee on Appropriations and the Committee on Government Operations, by unanimous consent.

Mr. DOLE. Mr. President, today I am introducing legislation which, if enacted, would authorize one or more mobile offices for each Senator in his home State. This bill is drafted in a manner that I hope will give each Senator the greatest degree of flexibility in keeping contact with his constituents. It is also designed to stay within the existing spending constraints in that each Senator, for all stationary and mobile home State offices, would be able to spend a maximum of roughly what he is presently authorized under existing law.

Twenty-nine Senators are presently cosponsoring this legislation. In my opinion, it would not be controversial and hopefully it would give every Senator a greater opportunity to establish better contact with his constituents, especially those Senators from rural and less densely populated States.

CONTACT WITH RURAL CONSTITUENTS

Seventeen States have a population density of less than 10 persons per square mile over much of the State. The western half of Kansas falls in this category. Many other States have population densities of less than 50 persons per square mile over a substantial portion of the State.

Because of the longer travel distances in these areas, it may often be difficult for constituents in these States to contact their Senators. I have found a need in the western half of Kansas to make more active contact with my constituents. This contact could be accomplished by means of a mobile office.

If this legislation is enacted, it would be my intent to rent a mobile van which could be used to visit rural communities in the State at regular intervals. Those visits would be announced in advance with a notice in the local newspapers. Knowing of the visit, each of my constituents would have a better opportunity to contact my representative personally and present their requests or problems for my action or consideration.

Some Federal agencies are already following a program of visiting small communities on a regular basis, where a permanent office is not kept open at all times. It is my understanding that these regular visits by agency representatives have been successful in better meeting the needs of the rural population.

COST

Since the Legislative Appropriation Act of 1974 set forth a very specific rate formula for home State offices, it is necessary to modify this formula in order to permit adequate funding for mobile offices. This legislation revises that formula in order to permit adequate funding while staying within the general bounds of the existing legislation.

The existing funding formula is based upon a square footage allotment for every State based on population. I ask unanimous consent that a list of office space authorizations for each State be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

	Total office space authorized (square feet)	Highest GSA rate (dollars per square foot per year)
Alabama	5,200	5.61
Alaska	4,800	13.53
Arizona	4,800	7.64
Arkansas	4,800	6.60
California	8,000	9.84
Colorado	5,000	7.84
Connecticut	5,200	6.82
Delaware	4,800	5.65
Florida	5,800	7.06
Georgia	5,400	5.65
Hawaii	4,800	8.98
Idaho	4,800	6.96
Illinois	6,800	9.95
Indiana	5,800	7.72
Iowa	5,000	5.12
Kansas	5,000	5.44
Kentucky	5,200	7.72
Louisiana	5,200	7.73
Maine	4,800	6.82
Maryland	5,200	8.49
Massachusetts	5,800	10.90
Michigan	6,200	8.52
Minnesota	5,200	8.20
Mississippi	5,000	6.60
Missouri	5,400	5.95
Montana	4,800	3.64
Nebraska	4,800	5.12
Nevada	4,800	6.54
New Hampshire	4,800	6.82
New Jersey	6,200	10.67
New Mexico	4,800	6.44
New York	8,000	10.67
North Carolina	5,800	5.65
North Dakota	4,800	3.64
Ohio	6,600	8.88
Oklahoma	5,000	5.54
Oregon	5,000	8.73
Pennsylvania	6,800	10.14
Rhode Island	4,800	6.82
South Carolina	5,000	5.61
South Dakota	4,800	3.64
Tennessee	5,200	6.60
Texas	6,800	7.22
Utah	4,800	5.40
Vermont	4,800	5.88
Virginia	5,400	6.94
Washington	5,200	8.73
West Virginia	4,800	5.65
Wisconsin	5,400	8.60
Wyoming	4,800	3.14

Mr. DOLE. The rate formula in this legislation would permit a Senator to use for a mobile office the sum derived by multiplying the highest GSA office rental rate in his State by the amount of office space authorized that is unused for his stationary offices. In this manner, each Senator would be able to use his office space authorization either for stationary offices of for mobile offices or for both, according to the particular needs of his State and constituents.

I believe this bill offers a substantial possibility for improving contact between constituents and their Senators. It is my hope that we can include this legislation in the next supplemental appropriation bill.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 699

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (a) of paragraph 3 under the heading "ADMINISTRATIVE PROVISIONS" in the appropriation for the Senate in the Legislative Branch Appropriations Act, 1975 (Public Law 93–371) is amended to read as follows:

"(a) The Sergeant at Arms of the Senate shall secure for each Senator office space suitable for the Senator's official use in places designated by the Senator in the State he represents, except that each Senator is authorized to have one or more mobile offices. That space (except for mobile offices) shall be secured in post offices or other Federal buildings at such places, and, in the event suitable office space is not available in post offices or other Federal buildings, the Sergeant at Arms shall secure other office space in those places. The Sergeant at Arms shall secure mobile offices, for each Senator who chooses one or more mobile offices, pursuant to arrangements therefor made by that Senator."

(b) Subsection (c) of such paragraph is amended—

(1) by striking out "office secured" and inserting in lieu thereof "office (other than a mobile office) secured"; and

(2) by adding at the end thereof the following: "The maximum annual rental that may be paid for all mobile offices secured for a Senator shall not at any time exceed an amount determined by multiplying (A) the highest applicable rate per square foot charged Federal agencies by the Administrator of General Services in the State which that Senator represents, based upon a 100 percent building quality rating, by (B) the maximum aggregate square feet of office space to which that Senator is entitled under subsection (b) reduced by the number of square feet contained in offices (other than mobile offices) secured for that Senator under subsection (a) and used by that Senator and his employees to perform their duties."

(c) Subsection (d)(2) of such paragraph is amended by inserting after "provisions of" the following: "the first sentence of".

Mr. ROBERT C. BYRD subsequently said:

Mr. President, I ask unanimous consent that a bill introduced earlier today by the distinguished Senator from Kansas (Mr. DOLE), for himself and others, be referred jointly to the Committee on Appropriations and the Committee on Government Operations.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. THURMOND:

S. 700. A bill to amend the Agricultural Adjustment Act of 1938, as amended. Referred to the Committee on Agriculture and Forestry.

Mr. THURMOND. Mr. President, I am today introducing legislation to amend the Agricultural Adjustment Act of 1938, as amended, to allow the leasing of type 13 tobacco allotments or quotas across county lines within the same State.

Recognizing that all of the tobacco belts may not favor leasing allotments across county lines, I have intentionally restricted this bill to Flue-cured type 13 tobacco, which is grown in South Carolina and southeastern North Carolina. A precedent for this type of limited change was estabilshed in 1971 with the enactment of Public Law 92–144. This amendment to the Agricultural Adjustment Act of 1938 allowed leasing of tobacco allotments across county lines in the case of Virginia Fire-cured type 21 tobacco and Virginia Sun-cured type 37 tobacco.

It now appears that South Carolina tobacco growers desire similar freedoms in tobacco leasing arrangements. Both the South Carolina Grange and the South Carolina Farm Bureau, two of our most prominent and respected farm organizations, are on record in favor of such a change.

Changes in the quota leasing provisions of the tobacco program have been discussed by persons in the tobacco industry on numerous occasions in the past. In 1973, the act was amended to allow the lease of allotments or quotas across county lines from certain counties in Georgia and South Carolina which had suffered at least a 30-percent loss in the number of acres planted to tobacco due to natural disaster. This modification in the tobacco program was done on a 1-year, emergency basis and applied only to eight counties in Georgia and four in South Carolina. In retrospect, most of those who were affected by this emergency change in the tobacco program agreed that it had worked well.

In the opinion of many knowledgeable persons associated with the tobacco industry, including tobacco farmers, it would well serve the industry to allow allotments or quotas to be leased across county lines within the same State whenever the farmers may desire. Restricting the present program to county lines throughout the tobacco belts is somewhat arbitrary and unfairly penalizes counties which are more naturally suited to tobacco production. For instance, it is my understanding that farmers in several of the key tobacco-growing counties in South Carolina have already leased all the available poundage quotas within their respective counties. At the same time, considerable poundage is available for lease in adjacent or nearby counties and will likely go unused under the restrictions of the present law.

The past several years have seen a considerable expansion in the foreign demand for American tobacco, a healthy trend for the industry and the National economy. In response to the increased demand for our tobacco, the Secretary of Agriculture announced a 10-percent increase in the national marketing quota for the 1973 crop, another 10 percent for the 1974 crop, and a 15-percent increase for the 1975 crop. Granted, there are those of us who have questioned the wisdom of the Secretary's actions in this respect. However, it seems abundantly clear that many of our progressive tobacco farmers are adapting to changing marketing conditions and desire to grow more of this commodity to satisfy expanding world demand. Unfortunately, many of these farmers are unfairly constrained by the present leasing requirements.

I am convinced that allowing the leasing of tobacco allotments or quotas across county lines would generally benefit tobacco farmers. Certainly it would aid the progressive farmers in good tobacco-growing areas who wish to expand production. Of great importance, it would also aid most small farmers and retired landowners who desire to rent out part or all of their tobacco allotments. If this change were enacted, most of these small farmers would benefit because the lease value of their allotments would increase. There would be a greater number of farmers bidding for their poundage quota, and, consequently, its market value would be greater. While this may not be the case for all farmers who desire to lease their allotment, on balance, the change would be generally beneficial.

Mr. President, I have always been a strong supporter of the tobacco program. I very much desire that the program be continued substantially in its present form, because it has benefited the tobacco industry and aided our tobacco farmers. However, we must continue to look for ways to improve the program in the face of changing market conditions and the modernization of agriculture. I feel that allowing the leasing of allotments or quotas across county lines is a much-needed step in the right direction.

Mr. President, at this point I ask unanimous consent that the bill be printed in the RECORD and referred to the appropriate committee for prompt consideration.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 700

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Adjustment Act of 1938, as amended, is further amended by striking the period at the end of subsection (a) of section 316 and adding in lieu thereof the following: "*Provided,* That in the case of type 13 tobacco, any such lease may be made to a farm in another county in the same State where the same type of tobacco is produced.".

By Mr. STEVENSON (for himself and Mr. MAGNUSON):

S. 701. A bill to regulate commerce and promote the general welfare by assuring increased supplies of natural gas, oil, and other energy sources at reasonable prices for the consumer, and for other purposes. Referred to the Committee on Commerce.

CONSUMER ENERGY ACT OF 1975

Mr. STEVENSON. Mr. President, I am introducing today the Consumer Energy Act of 1975. This act is aimed at bringing about reasonable prices for crude oil and natural gas, increased supplies of oil and natural gas, and more competition in the energy industry. Additionally, it would create a National Energy Supply Corporation to negotiate for the United States in the world energy market, develop public oil and gas resources in the United States, and maintain strategic reserves.

The cost of energy to the Nation's consumers was $30 billion in 1972, rose to $65 billion in 1974 and threatens to go beyond $80 billion this year. The rate of inflation climbed to 12 percent last year. In the last quarter of 1974, gross national product declined at an annual rate of more than 9 percent. These losses represent $150 billion less in the pockets of the Nation's consumers.

These devastating blows to the national economy did not occur simultaneously by coincidence. The primary cause of inflation, unemployment, and recession is the high cost of energy.

Energy prices ripple out through the economy to inflate the price of every product and service. In 1974, $35 billion in raw energy price increases rippled out to cost American consumers as much as $100 billion in lost purchasing power.

The Organization of Petroleum Exporting Countries posted increases in energy prices of 500 percent last year—increases that have driven the industrialized West to the brink of economic peril. To the extent that they are not controlled, the costs of domestic oil, gas, and coal rise to the OPEC levels. Reserves shift from consuming to producing nations; $250 to $350 billion will accumulate in the OPEC nations by 1980. Similar transfers take place internally between the consumers and producers of energy. Drained of liquidity, some countries are teetering on the edge of bankruptcy. So are many U.S. businesses. We are experiencing the most sudden shift of great wealth and power in history.

The Nixon administration ignored the warning signs in the fall of 1973. It deregulated the price of "new" oil and raised the price of old oil to $5.25 in December 1973. It told us that these price increases would have a minimal effect on the economy. And it predicted a 5- to 7-percent rate of inflation for 1974.

The administration was wrong. As energy price increases rippled out through the economy, consumers found themselves with less discretionary income; more and more income was required for such basic necessities as food, fuel, and shelter. Less was then available for other sectors. Inflation, largely triggered by energy price increases, thus caused recession.

The administration is still wrong. The President proposes to deregulate the prices of domestic natural gas and "old" oil, causing them to rise to OPEC levels, and then to levy a $3-per-barrel import tariff and a 37-cent excise tax per thousand cubic feet on natural gas. Taken together, these measures would result in further increases in basic energy costs of at least $50 billion a year—$10 to $15 billion more than the increase caused by the past year's price increases. Annual living costs for an average family could rise by over $800—far more than they would be reduced by the President's proposed tax reduction for individuals.

The purpose of the administration's proposals is to reduce energy consumption, but it is by no means clear that they will do so. Increases in the cost of gasoline of at least 30 cents a gallon would be required to bring about significant conservation. The President's proposals call for a 12-cent increase in gasoline prices. But the oil companies could pass the cost increases on to the fuels for which demand is most inelastic—fuel oil, for example—and keep the cost down where demand has some elasticity, as in the case of gasoline.

The President's proposals would plainly lead to more inflation and recession—and probably not achieve their purpose of decreasing energy consumption significantly. To the extent they did so, it would be at the expense of the poor.

A more certain short-run course would reimpose quotas on oil imports, phasing them up from an initial cut of 500,000 barrels a day. Such phased-in quotas would allow time to study their consequences. The burden of resulting shortages would be spread equitably through an allocation program. A standby program of rationing would be available if the shortages could not be handled adequately through allocations. Conservation would be mandated, as by requiring increased automobile efficiency and heating efficiency for buildings. Legislation which has already been introduced or is in preparation, and which I am cosponsoring, would do all of this. But we need to do more. That is why I am proposing the Consumer Energy Act.

Mr. President, I ask unanimous consent that a summary of the provisions of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE PROVISIONS OF THE CONSUMER ENERGY ACT OF 1975

I. ESTABLISHMENT OF A NATIONAL ENERGY SUPPLY CORPORATION

Title I would create a National Energy Supply Corporation. Its functions would include:

Negotiations with foreign governments for the purchase of crude oil at reasonable and stable prices:

The United States and other consuming nations are at the mercy of the Organization of Petroleum Exporting Countries (OPEC), which has increased the price of crude oil by 500 percent in the past year and may raise the price still further to offset the impact of the $3-per-barrel import tax ordered by President Ford.

Our economic power is equal to that of the OPEC nations, but it is not being used. The 1974 Amendments to the Export Administration Act gave the President the bargaining power he needs to counter foreign embargoes or unreasonable price increases on such vital commodities as oil.

Backed by the President's new bargaining power, the National Energy Supply Corporation would negotiate, in concert with other consuming nations, for the purchase of foreign oil and/or production facilities.

Exploration of oil and gas resources in the public domain:

The Corporation would explore and inventory oil and gas resources on public lands, offshore and onshore, to determine whether these resources are of sufficient value to justify the environmental risks that would be involved in their development, and to assure that the government receives a fair return on leases granted to private oil companies for the development of publicly owned resources. State and local governments could contract with the Corporation for geological and environmental studies to determine the feasibility and advisability of leasing.

Production of public resources for the benefit of the public:

The Corporation could produce crude oil and natural gas on public lands. In addition to assuring independent refiners and municipal gas distributors a source of supply, this activity by the Corporation would provide a yardstick for oil and gas production costs—a standard against which the performance of the major oil companies could be measured for the determination of reasonable wellhead prices.

By assuring the availability of supplies for independent refiners, the Corporation would prevent the major oil companies from eliminating the little competition that remains, and thus promote the restoration of competition in the oil industry.

Maintenance of strategic reserves:

The Corporation would maintain the strategic reserves required by the International Energy Agreement. In addition to assuring supplies in the event of a national emergency, the maintenance of adequate reserves would strengthen the nation's bargaining position in negotiations with foreign governments for the purchase of oil.

The Corporation could also operate the Naval Petroleum Reserves.

Development of synthetic resources:

The Corporation could help develop high risk synthetic processes for converting shale, tar sands and coal to oil and gas products, thus making unnecessary costly additional subsidies for the major oil companies.

Assurance of adequate refining capacity: In the absence of sufficient domestic refining capacity, the Corporation could operate its own refineries. In addition to refining crude oil produced from public lands, the Corporation would assure independent producers a market for their crude.

II. ROLLBACK IN OIL PRICES

Title II would establish domestic oil prices at levels well below OPEC prices.

President Ford has denounced the Arab nations for increasing the price of their crude. Yet his own proposals for decontrol and increased taxes would permit the price of domestic oil to rise to the OPEC level, and may lead to a further increase in OPEC prices.

About 85 percent of present U.S. energy requirements are met by domestic supplies of oil, gas and coal. In the absence of controls, domestic energy prices will rise to the international levels. For example, the President's proposal to decontrol the price of "old" oil, which constitutes 60 percent of all domestic oil production, together with his proposed $3-per-barrel import tax—would increase the cost of crude oil needed for domestic use by an estimated $30 billion.

Under the Consumer Energy Act of 1975, the price of "old" oil would be frozen at the current level of $5.25 per barrel and the price of "new" oil, which is not now controlled, would be rolled back to 70 percent of the world price as of January 1, 1975.

These rollbacks would reduce current oil costs in this country by $4 billion. The reduced costs of crude would result in the reduction of prices for refined products, thus providing direct consumer relief and reducing windfall profits for the major oil companies.

III. A NEW APPROACH TO NATURAL GAS PRICING

Natural gas provides one-third of the nation's energy. This winter's natural gas shortages may exceed the anticipated 14 percent shortfall.

The present average cost of natural gas sold in interstate commerce is about 29 cents per thousand cubic feet. Some increase in present price levels is necessary to encourage new exploration and production.

But price increases can go only so far toward guaranteeing increased supplies. President Ford's Project Independence Report maintains that an increase to about 60 cents per thousand cubic feet will stimulate greater supplies of natural gas, but acknowledges that increases beyond that level will produce no significant increase in supply. Yet deregulation of the wellhead price of natural gas, as proposed by the Administration, would cause the price to rise to about $2 per thousand cubic feet—seven times its present average price. Such an increase would not assure a significant increase in natural gas supplies; it would assure more inflation and a deeper recession.

The Consumer Energy Act of 1975 would create a new framework for the regulation of natural gas prices. It would establish procedures designed to balance the need for increased producer incentives against the need for consumer protection.

Current Federal Power Commission procedures for the pricing of natural gas require lengthy proceedings which, during a time of generally rising costs, tend to cause artificially lower prices and thus discourage new exploration. The lengthy proceedings also cause serious uncertainty for potential investors.

Short-term emergency procedures adopted by the FPC made a bad situation worse. They promise higher prices but provide no certainty about how long they will last. All these forces—time-consuming pricing procedures, the new short-term procedures and Administration-supported efforts to deregulate prices—have induced producers to withhold natural gas in anticipation of higher prices.

The Consumer Energy Act would provide one certain, timely price for all new natural gas discoveries. Within six months of the passage of the Act, and every five years thereafter, the Federal Power Commission would be authorized to establish and post national area rates based on both current and prospective costs plus a reasonable rate of return to investors. Between these five-year intervals, annual price increases would be keyed to the rate of inflation.

The first five-year rate to be set by the Commission would, by law, fall within a range of 40 to 60 cents.

The price of flowing natural gas as opposed to "new" gas would be frozen at current levels and the lower-cost gas would be allocated to residential and small commercial users.

Other provisions of Title III are aimed at assuring increased supplies of natural gas:

Each federal lessee would be required to develop maximum production levels within the shortest feasible time. Failure of any producers to begin delivering natural gas within two years from the time of discovery in accordance with a development plan would result in forfeiture of the lease.

In the unregulated intrastate market, natural gas is selling for as high as $2.40 per thousand cubic feet. This differential not only causes inflated prices, but intensifies shortages by diverting gas from interstate markets. The Act would extend the reformed FPC pricing jurisdiction to all natural gas production.

Since natural gas is a premium fuel, its wasteful use under boilers would be prohibited in all new industrial plants and phased out of existing ones over a reasonable period of time. Finally, the Act would provide a natural gas priority for manufacturers of fertilizer and other agricultural users and emergency allocations when public health and safety are endangered by shortages.

IV. PIPELINE REGULATION

Title IV of the Consumer Energy Act would guarantee fair access to petroleum pipelines by all members of the petroleum industry.

In theory, the nation's petroleum pipelines are common carriers, equally available to all users. In fact, they are the private preserve of the major oil companies. For the most part, the pipelines are owned by a few of the largest companies. The major oil companies' control over the pipelines has enabled them to divide up markets and raise prices. The integrated oil companies transfer oil through pipelines they control to refineries they control to their own marketers, who in turn sell to the consumer. There is in this chain no real competition; the major oil companies do business, for all practical purposes, with themselves—often stifling competition by excluding independent producers and refiners.

The Interstate Commerce Commission is not enforcing its mandate to treat petroleum pipelines as common carriers.

Title IV would transfer jurisdiction over pipelines from the Interstate Commerce Commission to the Federal Power Commission. It would make these pipelines common carriers in fact as well as in name by granting the Federal Power Commission explicit authority to compel pipeline hook-ups, approve the route of new pipelines, and require the construction of storage facilities for shippers who meet minimum tender requirements.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 130

At the request of Mr. STEVENS, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of the bill (S. 130) to authorize certain revenues from leases on the Outer Continental Shelf to be made available to coastal and other States.

S. 284

At the request of Mr. HUMPHREY, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of the bill (S. 284) to provide price support for milk at 90 percent of parity and for other purposes.

S. 445

At the request of Mr. HUGH SCOTT, the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Tennessee (Mr. BROCK), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of the bill (S. 445) to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such general increase, suffer a loss of or a reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs.

S. 474

At the request of Mr. HOLLINGS, the Senator from Maryland (Mr. BEALL), the Senator from Tennessee (Mr. BROCK), the Senator from North Dakota (Mr. BURDICK), the Senator from Mississippi (Mr. EASTLAND), the Senator from Colorado (Mr. GARY W. HART), the Senator from North Carolina (Mr. HELMS), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. McGOVERN), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from South Carolina (Mr. THURMOND), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of the bill (S. 474) relating to changes in status as a result of their service in services who are in a missing-in-action status as a result of their service in Indochina.

S. 566

At the request of Mr. HUMPHREY, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of the bill (S. 566) to provide authority for the District of Columbia to place two statues in Statuary Hall of the Capitol.

S. 672

At the request of Mr. HUMPHREY, the Senator from Tennessee (Mr. BROCK) and the Senator from Iowa (Mr. CLARK) were added as cosponsors of the bill (S. 672) to authorize any officer or employee of the United States to accept the voluntary services of certain students for the United States.

SENATE RESOLUTION 31

At the request of Mr. SCHWEIKER, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of the resolution (S. Res. 31) to establish January 22 as Ukranian Independence Day.

SENATE CONCURRENT RESOLUTION 5

At the request of Mr. DOLE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of the concurrent resolution (S. Con. Res. 5) to urge the President to establish a Council on the Missing in Action.

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. HUMPHREY, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of the concurrent resolution (S. Con. Res. 10) to provide for the selection of members of minority groups who have made significant contributions to the United States, and to obtain their likenesses for placement in the Capitol.

AMENDMENTS SUBMITTED FOR PRINTING

INCREASING IN LIMITATION ON NATIONAL DEBT—H.R. 2634

(Ordered to be printed and to lie on the table.)

Mr. HOLLINGS (for himself and Mr. STONE) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 2634) to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 9

Mr. JAVITS. Mr. President, I ask unanimous consent that the Senator from Maryland (Mr. MATHIAS) be added as a cosponsor of amendment No. 9, which I submitted on February 11, 1975, to the bill (H.R. 1767), to suspend the President's import tariffs on petroleum and petroleum products for 90 days. This amendment attempts to prevent the confrontation now developing between the President and the Congress by providing an interim alternative that I believe could be acceptable to all. It would allow the President to impose import fees on gasoline and crude oil refined into gasoline but prohibit the imposition of tariffs on any other petroleum imports for 60 days. I hope that others will give serious consideration to this compromise to provide an atmosphere of cooperation while the long-term solutions to these difficult energy problems are worked out.

NOTICE OF HEARINGS ON S. 200, CONSUMER PROTECTION LEGISLATION

Mr. RIBICOFF. Mr. President, the Committee on Government Operations will hold hearings on S. 200, the Consumer Protection Act of 1975. This legislation would establish an independent nonregulatory Agency for Consumer Advocacy to speak for the interests of consumers. The hearings will be held beginning at 10 a.m., Thursday, February 20, in room 3302, Dirksen Senate Office Building. They will continue again on Monday, February 24, at 10 a.m. in the same room.

NOTICE OF HEARINGS ON WAGE-PRICE STABILIZATION

Mr. PROXMIRE. Mr. President, the Committee on Banking, Housing and Urban Affairs will hold hearings on S. 409, a bill to amend legislation dealing with the Council on Wage Price Stability at 10 a.m., on March 6 and 7, in room 5302, Dirksen Senate Office Building.

All persons wishing to testify should contact Mr. Robert Weintraub, room 5300, Dirksen Senate Office Building; telephone 224-7391.

ANNOUNCEMENT OF GAO BRIEFINGS ON ENERGY, FOOD, AND MATERIAL SHORTAGES

Mr. RIBICOFF. Mr. President, I am pleased to announce that the staff of the General Accounting Office will be briefing members of the Government Operations Committee, their staff, and other interested persons on a review of the work that the GAO has done and what it will be doing in the areas of energy, food, and material shortages. The briefing on energy will be held at 10 a.m. in room 3302, Dirksen Senate Office Building, on Wednesday, February 19. The briefing on food and material shortages will be held at 10 a.m. in room 3302, Dirksen Senate Office Building, the following Wednesday, February 26. All interested persons are invited to attend.

ADDITIONAL STATEMENTS

THE WYMAN-DURKIN ELECTION

Mr. HUGH SCOTT. Mr. President, at the request of the Senator from Ohio (Mr. TAFT) I ask unanimous consent that his statement regarding our protracted debate on the Wyman-Durkin election be printed in the RECORD. Mr. TAFT's statement tells the story.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR TAFT

I am told there is an old West Virginia saying to the effect that—"Even honest men arouse suspicion when they stoop to tie their shoe laces in a melon patch." The Actions taken recently in this body rejecting the seating of Louis Wyman as a Senator from New Hampshire certainly confirm the wisdom of this saying. The Democratic Party majority could not resist the temptation of exercising their voting margin in a blind partisan manner. Not only was Senate precedent disregarded in that Mr. Wyman was refused to be seated even on an interim basis, but the majority of this Body voted that the Rules Committee, not the people of New Hampshire, can best determine who shall represent those people.

Article I, section 4 of the Constitution authorizing States to conduct elections and the mandate of the 17th amendment for citizens of the respective States to elect their Senators evidently are no longer applicable in the eyes of the majority. A new election procedure has been developed notwithstanding the Constitution. This new unwritten rule provides that any candidate, uncertified by the State, who loses a close election and is a member of the political party in control of this Body only need appeal. The Senate, through the Rules Committee, will permit the individual to select which votes he or she wishes to have examined and after such a review perhaps even by a "blue ribbon commission," the agony of defeat can be transformed into the ecstasy of victory.

A few well-placed editorials in "prominent" newspapers and media outlets to rationalize to the country that this procedure is sound can be included in the legislative history of this new procedure.

An important provision, undoubtedly in fine print, must be stressed at all times in implementing this new procedure, however, avoid a mandate of the electorate, never permit citizens an opportunity to vote because such an option would permit certain victory to be jeopardized by possible defeat. To quote an editorial on this question in the "Washington Post" recently, ". . . a new election at this point would be the worst possible step."

The logic of such reasoning is incredible. One would think that after the debacle of Watergate and the stench it left in the political climate of this country, the game of "politics as usual" would no longer be with us. Evidently that is not the case with regard to the Democratic party majority in the United States Senate.

Louis Wyman has been declared the winner by the election officials of the State of New Hampshire after two very thorough recounts, the last of which staff of the Senate Subcommittee on Privileges and Elections carefully observed. John Durkin, the Democratic Party candidate not only lost at the polls, he also lost in court as a special three-judge Federal district court unanimously rejected each one of his arguments regarding the constitutionality of New Hampshire State election appeal procedures.

Some of my colleagues on the other side of the aisle will undoubtedly argue that the old West Virginia saying I quoted is equally applicable to New Hampshire Republican officials and that the Article I, section 5 constitutional authority of the Senate should be exercised to also take away their temptations on this issue.

I agree that under the Constitution this body has technical authority to review the New Hampshire election, but I would hasten to add that I do not believe that this is an absolute right of the Senate unchecked by any other constitutional provision. Mr. Wyman's right to due process of law under the Fifth Amendment cannot be ignored. Even the rules and actions of the Senate can, if arbitrarily and capriciously invoked, overstep the protection of the separation of powers doctrine. As I have stated previously, the legislative branch has already suffered considerable legal setback in this area.

A case in point is *Powell* v. *McCormack*, 395 U.S. 486 (1969) in which the Supreme Court upheld former Congressman Adam Clayton Powell's action against the U.S. House of Representatives finding he was improperly excluded from being seated. Recently in *Consumer's Union of the United States* v. *Periodical Correspondents' Association*, 365 F. 2d 18 (1973), the power of the Congress to set rules under Article I, section 5, was abridged in a suit asserting the First Amendment rights of Consumers' Union to obtain accreditation to the press galleries of the Senate and House. I do not necessarily agree with every aspect of this latter decision, but only point it and *Powell* case out to stress the potential harmful legal precedent that can be established with regard to the Senate as an institution if Mr. Wyman is not rendered due process of law.

There has not been any proof of election fraud or misconduct on the part of New Hampshire officials to warrant the implementation of the Article I, section 5, authority of the Senate to the extent contemplated by the majoriy. If there is substantial doubt on the part of the Rules Committee and the Senate regarding the actual victor in last November's election, let the citizens of New Hampshire decide. Such a procedure for a special election is now available by statute in New Hampshire. Mr. Wyman to his credit is willing to decide this question that way. Certainly, Mr. Durkin, a candidate representing a political party that traditionally claims itself as the party of the people, should not lack the confidence to proceed in this manner.

Lest I be unfair, however, perhaps I should not identify Mr. Durkin and the Democratic Party as the party of the "people" since the new Democratic Party appears to be the party of the caucus and the quota—in this case a quota of Democratic Party members being imposed on the U.S. Senate. I look forward with great expectation as to how this type of platform is received not only by the people of New Hampshire beginning with the presidential primary in their State next year, but to the reaction of the country as a whole. I have a feeling that "democracy by special committee" will be rejected.

THE RIGHT OF THE PEOPLE TO ELECT THEIR PRESIDENT AND VICE PRESIDENT MUST BE AFFIRMED

Mr. HUMPHREY. Mr. President, I have joined my distinguished colleague, the Senator from Rhode Island (Mr. PASTORE) in sponsoring Senate Joint Resolution 26, a joint resolution proposing a modification of the 25th amendment to the U.S. Constitution.

I believe this legislation—to provide for a special election for the Office of President and Vice President when an individual who has been appointed Vice President under the 25th amendment succeeds to the Presidency—is a much needed and timely measure. It warrants bipartisan support. Enactment of this resolution will correct a serious constitutional flaw, to insure that the ultimate goal of our Nation's democratic process—representation of the people—will be met.

It could be said that the 25th amendment to the Constitution as it now stands is entirely adequate. People who will argue this, point to Mr. Ford and Mr. ROCKEFELLER and state that it works, that responsible men are brought into office upon confirmation by a majority vote of both Houses of Congress, under the 25th amendment. I do agree, good men are selected.

However, this reasoning does not address the basic requirement of democratic government. The foundation of American Government is representation of the people.

The 25th amendment calls for the President to appoint a Vice President, should that office become vacant, for confirmation by Congress. If the President cannot complete his term, the appointed Vice President becomes President. The result is that neither this President, nor the Vice President whom he subsequently appoints and Congress confirms, is in office as a result of a popular election.

Although this is a workable procedure as demonstrated by recent events, I believe that it can be improved. The people must be able to exercise their constitutional right to choose the President and the Vice President, if the incumbents of these high offices are unable to fulfill their elected term 12 months or more before the next general election.

Mr. President, this resolution allows the 25th amendment to continue to operate and fits within the present electoral system. I strongly believe this measure should be acted upon by Congress without delay. The effective exercise of the franchise by our citizens is of absolutely crucial importance in assuring the strength of American democracy. The trust and confidence of the people in their Government begins at the ballot box where they are given a direct voice in the choice of their national leadership. Government by proxy—where the electorate is dependent upon the judgment of its representatives in the selection of a President and Vice President—is a serious, weak point in our democratic system that must be corrected with all possible speed.

PROPOSED AMENDMENT OF RULE XXII

Mr. MONDALE. Mr. President, on Thursday, February 20, 1975, the Senate will resume consideration of Senate Resolution 4. Senate Resolution 4 seeks to amend rule XXII of the Standing Rules of the Senate to provide for limitation of debate upon the vote of three-fifths—rather than the current two-thirds—of those Senators present and voting.

This important resolution is cosponsored by 44 Members of this body. Many of these cosponsors, as well as Senators who support the resolution but have not cosponsored it, have risen on the floor of the Senate over the past several days to address the need for this change in Senate procedure and to warn of what might happen to the legislative capabilities of the U.S. Senate if the resolution is not adopted.

Many Senators, including myself, will have more to say about this matter when its consideration resumes in a few days. Today, Mr. President, I wish to add the thoughtful opinion of the Brainerd Daily Dispatch of Brainerd, Minn., to this discussion.

In an editorial on January 31, 1975, the Daily Dispatch asks the Senate to "replace a rule that is archaic and hinders the orderly flow of Government business." I sincerely hope that, when this matter comes to a vote, my colleagues will answer this call.

So that my colleagues may share with me the comments of the Daily Dispatch on this important matter, I ask unanimous consent that the editorial entitled "The Proof," from the Brainerd Daily Dispatch of Friday, January 31, 1975, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Brainerd (Minn.) Daily Dispatch, Jan. 13, 1975]

THE PROOF

A leading practitioner of the Senate filibuster is simultaneously threatening to talk to death a rule change that would weaken this legislative tactic, and at the same time is proving the need for change.

Senator James Allen is threatening a proposal advanced by Senators Walter Mondale, D-Minn., and James B. Pearson, R-Kan., which would allow a filibuster to be stopped by a three-fifths majority of those voting instead of the present two-thirds. The rule change is expected to come to the Senate floor soon and Allen is expected to launch a filibuster against it.

Pearson agrees with Allen that debate has halted "hasty or ill-conceived action which could have wrought much mischief."

But Pearson says the Senate could more fairly operate by "striking a better balance between the right to debate and the right to vote."

If the Pearson-Mondale proposal had been in effect last year, legislation to create a consumer protection agency probably would have come to a final Senate vote and been passed. Allen readily concedes that, but his filibuster killed the bill.

As a parliamentary tactic, the filibuster is supposed to be a nonstop talking session designed to keep the Senate from voting on a bill.

In the not too distant past, Senators would talk for hours, eating candy bars for nourishment and reciting books just to keep talking.

But now the Senate practices a less verbose version.

A member need not actually talk for hours on end. Instead, he merely threatens to, gives his colleagues a sample of what he means, and objects to a vote on the bill. The Senate then goes on to other business and the matter may be left hanging for weeks.

Some say the filibuster's longevity has been threatened since 1959 when the rules were changed to impose cloture through a two-thirds majority of those voting instead of all 100 Members. That step stripped the device of some of its airs of invulnerability.

Ninety-six attempts to choke off filibusters have been made since 1917. Twenty-one have succeeded, seven of them in 1974 alone.

Allen has been successful in his filbusters by drawing support against cloture from fellow Southern Democrats and conservative Republicans. He's counting on them to defeat the antifilibuster rule.

The Democrats have made some significant changes in the Congress this session by removing some old, entrenched committee chairmen and replacing them with what we hope will be more enlightened leadership.

We would hope that they would continue this effort and replace a rule that is archaic and hinders the orderly flow of government business.

FARM ESTATE TAX RELIEF

Mr. DOLE. Mr. President, last week I introduced legislation to modify the Federal estate tax procedures to grant some relief to those farm families and other land owners who wish to maintain their estates for farming, open space or preservation of historic places.

As our population increases, there is a rapidly expanding need to maintain our farm land base for production of food. Expansion of our urban areas makes serious inroads into this farm land base every year, and it is only because of our increasing efficiency and technology that we have been able to meet expanding agricultural needs with a diminishing base. We cannot continue this way indefinitely. We must take steps to slow, if not reverse, this process of urban development of farm land to be able to meet our future food production needs.

There is also another important reason to preserve our farm land base. It is the same reason we need to preserve and even create open space for scenic and outdoor recreational pursuits, and to preserve our national historic places. Again, there is an important link with the cities and urban areas. As the pressures of urbanization exert more and more influence on our daily lives, we need opportunities to retreat to the open spaces of farm and scenic areas to recreate and to commune with nature and reestablish or fortify our sense of values.

The unfortunate facts, however, are that it is becoming increasingly difficult to reach or even find open or natural spaces near our urban areas. Land values near these areas become prohibitively high based on their potential for development. When a farm or other "real property" estate in such an area passes by inheritance into new ownership, the Federal estate tax regulations require the estate tax to be imposed on the "market value" of the property.

In many instances, the new owners of these lands—usually the family of the decedent—who wish to continue to manage the land are instead forced to sell at least a portion of it to pay the estate tax. When the selling price has included development potential, the new owner must develop the land to realize his investment. Those forced sales then result in either development of the land, or at best a reduction of the size of the unit. Eventually such reductions result in uneconomic units which then must be sacrificed to development.

At a time when larger, more efficient farms are appropriate, these reductions in farm acreages are detrimental to our agricultural economy as well as in conflict with our need for open space and scenic and recreation lands.

The legislation I have introduced will provide relief for farm families and other owners of scenic and open space lands and national historic places who are willing to continue the existing use of their lands. It provides a modified system of valuation whereby the property value will be determined by its value for the existing use. It also provides an exemption of the first $200,000 in the value of the estate in the computation of the estate tax. This $200,000 exemption is an increase from the presently authorized $60,000 in recognition of the inflation which has occurred since passage of the original legislation in 1954 and earlier. This is an across-the-board exemption which will apply to all estates whether farm oriented or not and regardless of the type of property making up the estate. It seems only fair that all citizens should receive relief from the punitive impact of inflation operating through a fixed exemption in the estate tax law. While this is somewhat separate from our need and desire to maintain agricultural and open lands, the solution as far as the estate tax is concerned is the same.

There is, however, a problem of considerable magnitude involved in such an across-the-board change in the exemption. The Treasury Department has estimated that the cost of such legislation in terms of lost revenue could run as high as $2.1 billion per year. It can be argued that this is only a small percentage of our total tax revenue; however, I have serious misgivings about such a cost at this particular point in time when we are faced with a masisve budget deficit. Laudable as our objective is, and reasonable as it may be to "update" the standard exemption to keep pace with inflation, this is still a doubtful time to gain support for a measure which will further fuel the deficit inferno.

Therefore, I have also introduced a second bill, similar to the first, but which would grant the $200,000 exemption only for real property which qualifies for the alternate system of evaluation relating to existing use.

This will still meet our objective of keeping land in agriculture and open space. It will be a major benefit to qualifying farmers and other rural land owners who have owned their property for 5 years and are willing to continue their existing use for an additional 5 years. The cost in terms of lost revenue is estimated to be $300 million which would be less than 7 percent of the total estate taxes generated. Surely this is a small price to pay for continuance of the family farm on the American scene, and for maintenance of our farmland base, continued high agricultural production and protection of our open space, scenic, recreation and historic values.

An important feature of both of these bills is the inclusion of properties listed on the National Register of Historic Places to insure the continued maintenance of their historic values.

One of the safeguards in the bills which also serves as a rather powerful incentive is the requirement that, in order to qualify, property must have been devoted to the qualifying use for 5 years prior to the death of the owner, and continued to be committed to that use for 5 years following the granting of the special tax exemption. If this latter provision is violated, the forgiven taxes become effective.

This is eminently fair to both the owner, the general public and the local governmental jurisdictions charged with providing tax supported services and with long range land use planning and zoning. As can be readily seen, the 10 year period involved will act both to protect legitimate, serious farmers and land owners while discouraging speculators, hobbyists, and developers.

While my second bill does not benefit all estates, it does address the most pressing problem which is the case of the farmer or other rural property owner so burdened by the Federal estate tax as to be forced to dispose of property if some relief is not provided. The assets of these people are generally not liquid, and the imposition of a large estate tax simply cannot be met without liquidating assets or incurring unrealistic loans. If we must proceed in a two step fashion to completely resolve the inequities of the estate tax, it is appropriate that this group receive the first attention.

Our process to arrive at final, effective legislation quite properly involves revisions and amendments to original proposals on matters as important as this. Therefore, I have introduced both of these bills to provide some guidelines as we move through the complex relationships involved with this issue.

Mr. President, I ask unanimous consent that both bills be printed in the Record.

There being no objection, the bills were ordered to be printed in the Record, as follows:

S. 678

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2031 of the Internal Revenue Code of 1954 (relating to definition of gross estate) is amended by adding at the end thereof the following new subsection:

"(c) Alternate Valuation of Certain Real Property.—

"(1) In General.—If the executor of an estate so elects, the value of any qualified real property included in the estate shall be determined by its value for the use under which it qualifies, under paragraph (2), as qualified real property.

"(2) Definition of Qualified Real Property.—For the purposes of this subsection, the term 'qualified real property' means rural real property substantially all of which is, and, for the 60 months preceding the date of death of the decedent, has been, devoted to—

"(A) farming (including the production of agricultural commodities and the raising of livestock),

"(B) woodland (including land used for the commercial production of trees and land publicly used for undeveloped scenic or outdoor recreational purposes),

"(C) open pastoral space, or

"(D) maintenance of historic values and is listed in the National Register of Historic Places, either separately or as part of a district so listed.

Such real property shall include residential buildings and related improvements occupied on a regular basis by the owner or lessee of such property or by persons employed by such owner or lessee for the purpose of operating or maintaining the real property and improvements described in this paragraph (2), and roads, buildings, and other structures and improvements functionally related to the uses listed in this paragraph (2).

"(3) Election Requirements.—An election under this subsection shall be filed with the Secretary or his delegate at such time and in such form and manner as he may prescribe and shall contain, in addition to any other matter, the name, address, and taxpayer identification number of the person or persons to whom any interest in the property passes under the terms of the decedent's will or by operation of law.

"(4) Definition of Owner.—For purposes of this subsection, the term 'owner' means those persons identified in paragraph (3).

"(5) Revocation of Election Upon Conversion, Rezoning, or Removal From National Register.—The election made under this subsection shall be revoked upon the occurrence of any of the following events:

"(A) the conversion by the owner of the real property with respect to which the election provided in paragraph (1) was made, or any portion thereof, to a use other than one or more of the qualified uses described in paragraph (2); or

"(B) the rezoning of such property to permit a use other than one or more of the qualified uses described in paragraph (2), if such rezoning occurs at the request of the owner; or

"(C) if such property qualified for the election only pursuant to paragraph (2)(D), removal of such property from the National Register of Historic Places, or discontinuance of maintenance of the historic values.

"(6) Recapture of Exempted Taxes.—Upon revocation of election as provided in paragraph (5), or upon sale or transfer of the property if either event occurs within five years of the date on which the return for the tax imposed under this chapter was filed, the difference between the tax actually paid under this chapter on the transfer of the estate and the tax which would have been payable on that transfer had the property not been valued under paragraph (1) shall be a deficiency in the payment of the tax assessed under this chapter on that estate. Such deficiency shall be a tax imposed on the owner of the property together with interest on such amount at 6 percent running from the filing date prescribed in section 6075 with respect to the return from the decendent's estate (taking into account any extension of time granted pursuant to law for the filing of the return).

"(7) DUTY TO FILE RETURN.—Prior to or upon the occurrence of an event described in paragraph (5) or a sale described in paragraph (6), the owner subject to the tax imposed by paragraph (6) shall file a return with respect to such tax. Such return shall be made within 30 days after the end of the calendar quarter in which the sale or event causing revocation of election occurs.

"(8) LIEN TO SECURE TAX.—If the executor of an estate makes the election provided by paragraph (1), there shall be a lien on the real property with respect to which such election was made in the amount of the tax saving realized by the estate by virtue of such election. Such lien shall be extinguished upon payment of all taxes which become due pursuant to paragraph (6) or at such time at which the possibility that any such taxes shall become due terminates, whichever time is later."

(b) Section 1014(a) of such Code (relating to basis of property acquired from a decedent) is amended by inserting before the period at the end thereof a comma and the following: "or, in the case of an election under section 2031(c) (relating to alternate valuation of certain real property), the value thereof as determined under such section for the applicable valuation date, including any increased value on which a tax is paid as required by paragraph (6) of that subsection".

SEC. 2. INDIVIDUAL EXEMPTION.—

(a) Section 2052 of the Internal Revenue Code of 1954 (relating to exemption for purposes of the Federal estate tax) is amended by striking out "$60,000" and inserting in lieu thereof "$200,000".

(b) Sections 2106(a)(3)(A) and 2106(a)(3)(B) of the Internal Revenue Code of 1954 (relating to exemption for federal estate tax) are amended by striking out "$30,000" and inserting in lieu thereof "$100,000."

(c) Section 6018(a)(1) of the Internal Revenue Code of 1954 (relating to estate tax returns) is amended by striking out "$60,000" and inserting in lieu thereof "$200,000".

(d) Section 6108(a)(2) of the Internal Revenue Code of 1954 (relating to estate tax returns) is amended by striking out "$30,000" and inserting in lieu thereof "$100,000".

SEC. 3. APPLICABILITY OF AMENDMENTS.—The amendments made by this Act shall apply with respect to decedents and the estates of decedents dying after the date of enactment of this Act.

S. 679

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2031 of the Internal Revenue Code of 1954 (relating to definition of gross estate) is amended by adding at the end thereof the following new subsection:

"(c) ALTERNATE VALUATION OF CERTAIN REAL PROPERTY.—

"(1) IN GENERAL.—If the executor of an estate so elects, the value of any qualified real property included in the estate shall be determined by its value for the use under which it qualifies, under paragraph (2), as qualified real property.

"(2) DEFINITION OF QUALIFIED REAL PROPERTY.—For the purposes of this subsection, the term 'qualified real property' means rural real property substantially all of which is, and, for the 60 months preceding the date of death of the decedent, has been owned by the decedent and devoted to—

"(A) farming (including the production of agricultural commodities and the raising of livestock),

"(B) woodland (including land used for the commercial production of trees and land publicly used for undeveloped scenic or outdoor recreational purposes),

"(C) open pastoral space, or

"(D) maintenance of historic values and is listed in the National Register of Historic Places, either separately or as part of a district so listed.

Such real property shall include residential buildings and related improvements occupied on a regular basis by the owner or lessee of such property or by persons employed by such owner or lessee for the purpose of operating or maintaining the real property and improvements described in this paragraph (2), and roads, buildings, and other structures and improvements functionally related to the uses listed in this paragraph (2).

"(3) ELECTION REQUIREMENTS.—An election under this subsection shall be filed with the Secretary or his delegate at such time and in such form content and manner as he may prescribe.

"(4) DEFINITION OF OWNER.—For purposes of this subsection, the term 'owner' means those persons identified in paragraph (3).

"(5) REVOCATION OF ELECTION UPON CONVERSION, REZONING, OR REMOVAL FROM NATIONAL REGISTER.—The election made under this subsection shall be revoked upon the occurrence of any of the following events:

"(A) the conversion by the owner of the real property with respect to which the election provided in paragraph (1) was made, or any portion thereof, to a use other than one or more of the qualified uses described in paragraph (2); or

"(B) the rezoning of such property to permit a use other than one or more of the qualified uses described in paragraph (2), if such rezoning occurs at the request of the owner; or

"(C) if such property qualified for the election only pursuant to paragraph (2)(D), removal of such property from the National Register of Historic Places, or discontinuance of maintenance of the historic values.

"(6) RECAPTURE OF EXEMPTED TAXES.—Upon revocation of election as provided in paragraph (5), or upon sale or transfer of the property if either event occurs within seven years of the date on which the return for the tax imposed under this chapter was filed, the difference between the tax actually paid under this chapter on the transfer of the estate and the tax which would have been payable on that transfer had the property not been valued under paragraph (1) shall be a deficiency in the payment of the tax assessed under this chapter on that estate. Such deficiency shall be a tax imposed on the owner of the property together with interest on such amount at 6 percent running from the filing date prescribed in section 6075 with respect to the return from the decedent's estate (taking into account any extension of time granted pursuant to law for the filing of the return).

"(7) DUTY TO FILE RETURN.—Prior to or upon the occurrence of an event described in paragraph (5) or a sale described in paragraph (6), the owner subject to the tax imposed by paragraph (6) shall file a return with respect to such tax. Such return shall be made within 30 days after the end of the calendar quarter in which the sale or event causing revocation of election occurs.

"(8) LIEN TO SECURE TAX.—If the executor of an estate makes the election provided by paragraph (1), there shall be a lien on the real property with respect to which such election was made in the amount of the tax saving realized by the estate by virtue of such election. Such lien shall be extinguished upon payment of all taxes which become due pursuant to paragraph (6) or at such time at which the possibility that any such taxes shall become due terminates, whichever time is later.

(b) Section 1014(a) of such Code (relating to basis of property acquired from a decedent) is amended by inserting before the period at the end thereof a comma and the following: "or, in the case of an election under section 2031(c) (relating to alternate valuation of certain real property), the value thereof as determined under such section for the applicable valuation date, including any increased value on which a tax is paid as required by paragraph (6) of that subsection".

SEC. 2. INDIVIDUAL EXEMPTION.—

(a) Section 2052 of the Internal Revenue Code of 1954 (relating to exemption for purposes of the Federal estate tax) is amended by adding after $60,000", "or the value of property included in the election taken under section 2031(c) but not to exceed $200,000."

(b) Sections 2106(a)(3)(A) and 2106(a)(3)(B) of the Internal Revenue Code of 1954 (relating to exemption for federal estate tax) are amended by striking out "$30,000" and inserting in lieu thereof "$100,000."

(c) Section 6018(a)(1) of the Internal Revenue Code of 1954 (relating to estate tax returns) is amended by adding after "$60,000", "or $200,000 in the event of an election under section 2031(c)".

(d) Section 6108(a)(2) of the Internal Revenue Code of 1954 (relating to estate tax returns) is amended by striking out "$30,000" and inserting in lieu thereof "$100,000".

SEC. 3. APPLICABILITY OF AMENDMENTS.—

The amendments made by this Act shall apply with respect to decedents and the estates of decedents dying after the date of enactment of this Act.

FREE PRESS PRECIOUS IN SEOUL

Mr. PROXMIRE. Mr. President, NBC Nightly News on February 8 carried a filmed report from Seoul, Korea, that demonstrated that the blessings of a free press are readily recognized when the press is enslaved.

NBC's Don Oliver reported that readers are inserting advertisements of support in an effort to counter a government-sponsored advertising boycott of the newspaper, Dong A Ilbo. The boycott was organized after reporters struck in demand that their paper print stories critical of the government.

To me, this story points up the inestimable value of our own first amendment, which guarantees a free press in the United States.

As Justice Potter Stewart has pointed out, the press is the only private enterprise mentioned in the Constitution. It is there to act as a critical check on government. The job of a free press is to watch out for injustices and usurpations on the part of the legislative, executive, and judicial branches of Government. The first amendment forbids the Congress from passing any law that might diminish the rights to freely exercise any religion, to speak freely, to peaceably assemble, to petition Government for redress of grievances and to have a free press.

Unfortunately, Congress has passed a

law that does abridge a free press. The executive and the judicial branches have supported that law.

The law is the Communications Act, which has diminished the rights of a part of the free press.

Unfortunately, not everyone recognizes that broadcasting is a part of the press.

If the obvious were recognized, there would be little argument; for, in general, the necessity of maintaining the freedom of the printed press has not been attacked.

Other means of mass communication have been able to hold fast their rights of a free press—newspapers, magazines, pamphlets, books, and, yes, motion pictures.

But not broadcasting.

That would be a serious omission even if broadcasting were as insignificant in the scheme of communications as a single grade school's mimeographed newspaper. But broadcasting—radio and television—is the most popular of the media of communications.

If a broadcaster in the United States turned critical of the Government, refused to permit a Government spokesman to defend the Government, and the Federal Communications Commission threatened to shut down his transmitter, would the citizens of that community come to the defense of the broadcaster?

I do not know the answer.

That is a hypothetical question. I am virtually certain that no broadcaster feels such a situation could develop in this country.

Yet, there are broadcasters who have complained about the fairness doctrine's restraint on them—the chilling effect of knowing that their newsmen cannot do their jobs with the same freedom that their counterparts in the newspaper business can. Broadcasters know that their lawyers are as important to them as their newsmen.

Newspaper editors need to consult their lawyers before printing a story only when a possible libel is involved. And newspaper editors do not need to involve their lawyers before a governmental agency in defense of the way they handled a story.

Broadcasters do.

That is not freedom as envisioned by the writers of the Bill of Rights.

Now, if it were only the broadcasters that were inconvenienced by FCC controls, I can assure you I would not be bothered.

But, it is the listeners and viewers whose rights are injured by governmental control of broadcasting. They are citizens. They are entitled to hear and see all viewpoints expressed on controversial subjects just as they can read all viewpoints on controversial issues of public importance.

But is not that what the fairness doctrine requires of broadcasters?

Yes, that is what the law says.

"The law." Those are the controlling words.

"Congress shall make no law * * * abridging * * * the free press," says the first amendment.

And why did the writers of the first amendment mandate the absence of law on the subject of a free press? Because if a free press is to protect American citizens from the Government interfering with such basic rights as freedom of religion—to be secure in their houses—to enjoy a speedy and public trial—how can the free press do its job with the Government breathing down its neck with the passage of laws?

But, say those who endorse governmental control of broadcasters, broadcasting is different. Anyone can start a newspaper, they say, but there is room on the spectrum for a limited number of broadcasting channels.

On the surface, that argument has some appeal. But go beneath the surface, and it does not hold.

First of all, the allocation of the spectrum is not a fixed and immutable law of physics.

Without getting into the complexity of physics, suffice it to say that originally, 2,053 television channels were alloted to 1,291 U.S. communities. Later that was changed to 1,850 channels for 850 communities. At the end of 1974, a total 1,009 television stations were authorized and 921 were on the air, including 700 commercial stations and 221 educational stations.

On top of that, there were 8,064 authorized radio stations with 7,654 actually on the air, of which, 6,970 were commercial.

The number of daily newspapers totals somewhat more than 1,750.

A few suburban dailies have come into existence lately. But the number of competing, metropolitan dailies have been declining over the years. Just a few years ago, Washington, D.C., went from three to two competing papers, and it is no secret that one of those now is in financial difficulties. There are five commercial and two educational TV stations in Washington, D.C.

The point is this: Economics permits far more broadcasting stations than daily newspapers. And, technology would permit some 200 more television stations than existing daily newspapers.

Competition—economically and ideologically—is an absolute necessity if our free press is to work the way it was envisioned to work under our Constitution.

For American citizens to enjoy the benefits of that competition, they must have broadcasting stations with the same freedom as newspapers.

Under current law and current FCC regulations, our citizenry is being deprived of ideological competition among broadcasters.

But who would keep broadcasters in line?

Not the Government. That is not proper under our Constitution.

The listeners and viewers would.

The broadcaster who could not serve a large enough audience would lose his advertisers and go out of business. But given freedom, he could serve a particular audience. It might be relatively small, but he could make a go of it as do some magazines and journals serving particular publics.

Under current conditions, broadcasters must conform to Federal regulations that tend to force them into serving the same audience.

You do not believe that? Just ask the former owner of WXUR in Media, Pa. He is out of business now because of the fairness doctrine.

It is time that Americans reexamine governmental regulations of broadcasting in the context of the first amendment. That is why I introduced S. 2, the First Amendment Clarification Act of 1975.

A look at the situation in Seoul—while not exactly analogous—can show just how precious is a free press.

Mr. President, I ask unanimous consent to have printed in the Record the newsscript of Don Oliver's report from Seoul.

There being no objection, the newsscript was ordered to be printed in the Record, as follows:

Newspaper Boycott

It has been a long time since there was any real freedom of the press in South Korea. People have generally read what the government of President Park Chung Hee wants them to read. But a few months ago . . . in this newspaper office in Seoul . . . there was a revolt.

Young reporters and writers for Korea's largest newspaper—the Dong A Ilbo—organized a union and staged sitdown strikes. They demanded the paper print stories critical of the Park government.

The young reporters won . . . and the paper began giving front page play to anti-government stories. As the reporting got tougher . . . government threats and pressure mounted.

In late December the newspaper's biggest advertisers began to cancel their contracts. They gave no reasons.

It was obvious the government had put pressure on the big companies to cancel their advertising. The government controls business licenses and bank loans—things the big companies need to stay alive. Within two weeks, one hundred percent of the advertising was gone.

The newspaper refused to yield to the pressure and it began getting an outpouring of public support.

Students . . . priests . . . housewives filed into the advertising department daily to buy small and large advertisements—sympathy messages expressing support for the Dong A Ilbo's stand against the government.

Now, these sympathy messages are the only advertising in the paper. As many as 250 a day saying things like, "Stick to a Free Press" . . . "Be Brave" . . . "Viva to the reporters of the Dong A Ilbo. Every day police patrol outside the Newspaper offices . . . trying to intimidate citizens who want to place sympathy advertising. But the people still come and the paper has forbidden police to enter the building.

The advertising manager of the paper was held for two days by government agents because of a sympathy ad placed by an army officer. The manager refused to give them the soldier's name.

Since the advertisers boycott began, the circulation of the newspaper has gone from 700 to 800,000 a day . . . but advertising revenue is down 5 thousand dollars a day. It is a question now of how long the publisher can hold out before giving in to the government and firing the young reporters who are making a stand for freedom of the press at the Dong A Ilbo. Don Oliver, NBC News, Seoul, Korea.

OLDER AMERICANS AND THE ECONOMY

Mr. CLARK. Mr. President, shortly after President Ford announced his most recent economic plan to the Nation, many families tallied up the pluses and minuses to find out the impact of his proposals on their budgets. For most Americans, the proposals would have a mixed effect—gaining disposable income from some proposals like the tax cut and losing income from others like the oil tariff. It still is not clear what the net effect of the proposals will be on each segment of the American economy. But there is one group of Americans, however, that is being asked to bear much more than a fair share of the economic burden under the President's proposals—the elderly, particularly the low income elderly. For them, there would be very few pluses to help their meager budgets.

Right now, many elderly people are malnourished, inadequately housed, and in need of medical attention because they cannot afford decent food, health care, and housing. One out of every six elderly individuals has an income below the poverty level, and many more can be classified as "near-poor." They simply do not have the means or the ability to combat inflation and fight recession, nor should they need to have them. What they do need is the consideration and help of Government.

The President's economic program provides neither. For example, the administration has proposed increasing the cost of medicare for older Americans. The Department of Agriculture wanted to cut back the food stamp program, and the President has requested that the Congress place a 5-percent ceiling on the automatic cost-of-living benefit increase in social security and supplemental security income scheduled for this July. Moreover, the increased price of oil will mean that everyone will have to pay more for fuel, utilities, and transportation. Older Americans already are spending a disproportionate amount of their incomes on these items, and increased costs will create even greater economic problems for them.

I would like to take a few moments to look at some major aspects of the administration's economic program and their potential impact on older Americans.

SOCIAL SECURITY AND SUPPLEMENTAL SECURITY INCOME

Older Americans are often the hardest hit by inflation—they are the least able to cope with higher prices because they spend a larger portion of their income on the very items which have risen the most. From 1970 to the fall of 1974, the Consumer Price Index rose 31 percent. In that same period, however, food rose 44 percent, and the most widely used staples—flour and rice—almost doubled in price. Other items like fuel, utilities, and health care also have risen at rates well above the national level of inflation. As a result, the poor and elderly have been forced to do without many goods and services they need.

Because of the special hazards of inflation to those on fixed incomes, the 92d Congress approved an automatic cost-of-living benefit increase in social security. The automatic increases are designed to provide some financial insurance during periods of chronic inflation. A similar cost-of-living escalator was enacted by the 93d Congress for those on supplemental security income, SSI.

The first cost-of-living increase is due this July, and it is projected at 8.7 percent. However, in his state of the Union address the President asked the Congress to place a ceiling of 5 percent on the cost-of-living adjustment. This would put an extraordinary burden on this Nation's older citizens, and I do not believe the Congress will or should enact this legislation.

I have cosponsored a resolution introduced by Senators Church, Mondale, and Kennedy expressing the sense of the Senate that a 5-percent ceiling should not be placed on the social security cost-of-living escalator. A majority of the Senate has given its support to the resolution. Hopefully, this will ease the growing worry and concern of those dependent upon social security benefits.

FOOD STAMPS

Unfortunately, not all programs are as well protected from executive fiat as social security. The food stamp program is a good example. The administration arbitrarily decided to increase the cost of food stamps beginning this March.

This increase would have hit the elderly poor hardest, eliminating from the food stamp program about 1.5 million individuals with net monthly incomes between $154 and $194, even though $194 is below the poverty line. Individuals with net incomes of $146 a month, the Federal SSI base payment, would have had to pay $43.80 and $46 in food stamps each month, a substantial increase from the $30 they now must pay. The food stamp cutback would have increased malnutrition among those most vulnerable to ill health, inevitably increasing Federal expenditures for assistance in the years to come.

Fortunately, the Congress earlier this month nullified the President's action with overwhelming votes to continue the current food stamp program without cuts.

MEDICARE

The administration would increase the economic problems of the elderly through the medicare program as well. The budget proposal would mean new costs for most stays in the hospital as well as for doctor visits. These additions would affect almost every older person with any significant medical expenses. Fortunately, the Congress would have to enact legislation to increase the cost of medicare, and I do not believe that this kind of legislation will be approved.

Even without the President's proposals, the health expenditures of older Americans have increased significantly since the program began—because of increased costs in noncovered items such as out-of-hospital prescription drugs, increased deductibles, and a decrease in the proportion of claims for which doctors accept medicare reimbursement as full payment for their services.

As a result, I have introduced legislation with Senator Ribicoff to freeze the cost of medicare at 1974 levels and to enable the medicare program to provide virtually all of the elderly's health care costs. The burden of the Nation's economic woes should not be placed on the elderly—especially not in the area of health and health care.

ENERGY

The President has suggested that Congress enact legislation to deregulate domestically produced oil and natural gas, and he has begun to place an additional tax on foreign oil. These actions will not impose a burden exclusively on the elderly, but they certainly will not bypass the budgets of older Americans. Utility bills and fuel oil costs already have risen significantly—and the new proposals will increase them even more. Low-income senior citizens who often live in poorly insulated housing and who are subject to illnesses easily aggravated by lower temperatures will be required to make disproportionate sacrifices. And, many programs that directly serve the elderly will be forced to curtail their services because of the increased costs of energy.

Transportation is one of the most chronic problems for older Americans. For those who own cars, increased gasoline costs only will further isolate them from their friends, the doctor, and their communities. For those who depend upon others for transportation or public transportation, increased fuel costs will increase their transportation costs and decrease their income that can be used for other essential items.

Older Americans do not have the budget flexibility of many American families. Virtually every item in the older person's budget is a necessity. Increased costs for food, health care, transportation, and utilities have an especially harsh effect on the elderly because many do not have any luxury items which they can eliminate. Providing greater financial assistance would help them, but that is not what the President has proposed.

TAX REBATES

The proposed tax rebate plan included in the President's economic message would offset some of the increased costs faced by American families. But for most of the elderly, the President's rebate plan would provide little real help because about 60 percent of older Americans do not even have enough income to file income tax returns; another 20 percent would receive an average rebate benefit of less than $6 under the President's proposal, leaving only 20 percent that would benefit meaningfully under his tax rebate proposal. While the President did say that there would be an $80 rebate for those low-income individuals who do not pay taxes, this comes to about 23 cents a day, and that will not offset the increases in food, health, fuel, and utilities in the coming year.

Congress certainly agrees that we need a tax cut now, but we must insure that those people who need the additional spending power the most receive the bulk of the benefits. Older Americans certainly can use more disposable income, and they should receive a greater share of the benefits from a general tax rebate plan. I am confident Congress will provide just that kind of tax cut. The House Ways and Means Committee has made a good start with its rebate/tax cut plan.

Mr. President, older Americans have done a great deal for this country. They have helped build our prosperity and wealth. No other group in society needs or deserves more help, and this Congress and the administration should work together to give them a greater share of our abundance—to help them during these difficult times.

SELECTION OF JOHN DUNLOP TO BE SECRETARY OF LABOR

Mr. HUGH SCOTT. Mr. President, President Ford's selection of John Dunlop to be the new Secretary of Labor bodes well for the country as we attempt to combat growing unemployment. An excellent editorial in the Christian Science Monitor sums up Mr. Dunlop's qualifications. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Feb. 2, 1975]

A HEAVYWEIGHT FOR LABOR

President Ford made an excellent choice in picking John Dunlop to replace Peter Brennan as Secretary of Labor.

With unemployment at 8.2 percent at last count and still climbing, with 7.5 million persons out of work, Mr. Dunlop can have few illusions about the demands that lie ahead. The administration does not expect employment to improve much even by election day a year and half hence.

The rally of 8,000 auto workers last week in Washington generated fiery denunciations of administration policy. It might have been only a harbinger of what labor will do in its attempts to influence Washington. Labor wants a stronger unemployment package, expanded health care, as well as a faster economic recovery and aid for especially hard-hit industries such as automaking.

In this atmosphere, it would have been impossible for Mr. Ford to have recruited another man like Mr. Brennan from the ranks of labor itself. Mr. Brennan had been picked by President Nixon at a time when the Nixon White House was wooing the working-class vote. Brennan's building trades followers in New York had given the kind of pro-Vietnam, antistudent, hard-hat backing the administration liked.

Mr. Dunlop, a Harvard economist seasoned by years af labor mediation and high-level Washington experience, is definitely more a man for the present hour. He headed the Cost of Living Council during the third and fourth phases of the recent wage/price controls era. He emerged from the exercise with his objectivity intact. He is realist enough to know that controls may again one day be tried. If they are, he would favor an industry-by-industry approach, instead of applying blanket rules for an entire economy which could cause costly and unnecessary pressures on many industries.

Mr. Dunlop is a man of decided views. He can be expected to wade into White House skirmishes with such outspoken officials as Treasury Secretary Simon. Labor leaders expect that Mr. Dunlop will represent their case accurately.

Mr. Ford can expect very vocal opposition in the coming months from Democratic labor. But he has gained a point in choosing a heavyweight as labor chief, and not merely someone to hold labor's hand while joblessnes soars and inflation still hangs at a double-digit 11 percent rate.

TRIBUTE TO GEN. HENRY A. MILEY, JR.

Mr. STENNIS. Mr. President, I would like to pay tribute to one of our most distinguished and dedicated military leaders, the commanding general of the U.S. Army Materiel Command, AMC, Gen. Henry A. Miley, Jr. General Miley is scheduled to retire at the end of this month after 38 years of honorable and faithful service to our Nation's Armed Forces. He pointed the way for the Army logistics system in the years to come.

General Miley became commanding general of the Army Materiel Command in November 1970, after 17 months as deputy commander. During World War II, he spent 48 months in the Pacific with antiaircraft and ordnance units and upon his return to the United States in 1946, served for a year on the faculty of the Ordnance School. Later, General Miley served tours at Frankford Arsenal, Pa., and in U.S. Army, Europe, before 4 years in the office of the Chief of Ordnance. Returning to Europe in 1961 General Miley served in the G-4 division of the Communications Zone at Orleans, France, later heading the Advanced Weapons Support Command at Pirmasens, Germany, and then serving as Ordnance Officer of U.S. Army, Europe. In April 1966, he was named Director of Procurement and Production at AMC headquarters and in August 1966, Assistant Deputy Chief of Staff for Logistics—programs and budget—in the Pentagon.

The Army Materiel Command consists of a nationwide network of 69 military installations and 57 activities, responsible for the materiel functions formerly performed by the Army's technical services, including research and development, test and evaluation, procurement and production, storage and distribution, inventory management, maintenance and disposal. The command has management responsibility for an inventory of approximately $11 billion on hand in depots in the Continental United States; $4 billion on order from procurement; and $17 billion in ammunition and other major items in the hands of troops or oversea depots; and an annual expenditure of approximately $9 billion. It directly employs 11,200 military and 113,500 civilian personnel.

With headquarters in the Washington, D.C. area, AMC operates through seven major subcommands and directs the activities of depots, laboratories, arsenals, maintenance shops, proving grounds, test ranges, and procurement offices throughout the United States.

Under General Miley's outstanding leadership, the Army Materiel Command has been instrumental in the development, production, distribution, and support of the most modern, effective, and reliable equipment for our combat forces and their allies, in the history of our Nation. Our troops in Vietnam were equipped with the finest and most effective vehicles, tanks, helicopters and other weapons' systems known to man. Many of these developments were accomplished under crises conditions to meet the overriding needs of our forces in Vietnam. Through it all the Army Material Command supported our troops in the field in a manner which brought praise from our fighting men and our allies alike. The TOW Anti-tank system, the Dragon medium-tank missile, and the Lance surface-to-surface missile system, are just a few of the highly successful systems which have been developed by AMC in recent years. There have also been significant breakthroughs in the electronics and night vision areas.

Under General Miley's direction the Army Materiel Command has continued to provide for the effective support of the Army. During 1973 the Army Materiel Command went through the most drastic organizational realinement since its creation in 1962. This was followed by further and equally drastic action in 1974 to realine the Army Depot System in the interest of economy and efficiency. These improvements have been accomplished with concurrent refinements and improvements in the materiel acquisition process. Management has been significantly improved under General Miley's leadership through such actions as identification and disposition of excess operating equipment, valued in the hundreds of millions of dollars, and implementation of computer systems which have resulted in significant improvements in the Army's logistic support system.

I proudly salute General Miley personally for his splendid record of achievement and outstanding contributions to the Army of our country.

MINNESOTA WITNESSES TESTIFY AT SENATE DAIRY HEARINGS

Mr. HUMPHREY. Mr. President, on February 7 our Senate Committee on Agriculture and Forestry held hearings on the current dairy situation.

I was pleased to be able to welcome a distinguished bipartisan delegation of Minnesota witnesses, headed by State Senator Myrton Wegener and Commissioner of Agriculture Jon Wefald. Others in the delegation included State Senators John Bernhagen and Howard Olson and Representatives A. J. Eckstein, Marion Menning, and Gilbert Esau.

The group reported that the dairy industry is in terrible shape with farmers continuing to face a severe cost-price squeeze. Dairying is extremely important to Minnesota, and it is urgent that action be taken to raise the milk price support level.

I have introduced S. 284, which proposes that the support level for milk be set at 90 percent of parity. The Minnesota delegation strongly supported setting the support level at 90 percent of parity.

The Minnesota delegation also met with officials of the Department of Agriculture and attempted to make clear the plight facing our dairy farmers today.

Mr. President, this was a very well informed group, and I ask unanimous consent that their prepared statements—by State Senator Wegener, Commissioner Wefald, Representative Ekstein, and Representative Menning—be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Testimony of Minnesota State Senator Myrton Wegener

Mr. Chairman, members of the committee, my name is Senator Myrton Wegener, vice chairman of the Minnesota Senate Committee on Agriculture and Natural Resources.

This bi-partisan delegation is here to testify before this distinguished committee because the dairy situation in the midwest is out of hand, and we believe there is a critical need to express the problems facing midwest dairy farmers in hopes of establishing a policy to remedy them.

The delegation the forthcoming witnesses represent, is an official delegation of the States of Minnesota and Wisconsin. We have been dispatched by official sanction of our respective legislatures to articulate to this body the urgent needs of Minnesota dairy farmers.

The importance of such a meeting cannot be over-estimated. In Minnesota last year, over 3,000 dairy farmers went out of business and thousands more are on the verge of bankruptcy. Needless to say, Minnesota's dairy economy—which services 37 million consumers—will have a profound impact on the stability of America's dairy economy.

Unless a realistic and reasonable solution to the critical problems affecting Minnesota dairy farmers can be found, the long-term effects will be devastating and widespread.

In the past administration, President Nixon allowed foreign imports to glut the domestic market in an apparent attempt to temporarily drive dairy prices downward. The obvious effect of this near-sighted remedy was that dairy farmers were receiving less money for their product. To compound the problem, cost of production was at an all-time high, so with overhead going up and prices going down, dairy farmers were caught in the worst cost-price squeeze of this century. This condition prevails today and is not getting any better for dairy farmers. It could in fact get much worse, should farmers abandon dairy farming for the rising prices for meat products.

The Minnesota public is sensitive to these dairy problems and there is widespread belief among Minnesotans, that more equitable treatment for dairy farmers is both necessary and deserved.

Unless legislative relief is immediately provided, thousands more Minnesota dairy farms are likely to go bankrupt this year, and the consequences are sure to ripple through many more States than our own.

At this time, Mr. Chairman, I would like to yield to the Commissioner of Minnesota's Department of Agriculture, Mr. Jon Wefald.

A Position Paper on the American Dairy Situation Today

We are grateful to the Chairman and the members of the United States Senate Committee on Agriculture and Forestry for having granted our official delegation from Minnesota, the nation's leading state for production of manufactured dairy products, this opportunity to testify on a matter of importance and urgency.

The fact that our delegation from Minnesota is of bi-partisan composition, including both Republicans and Democrats in state government, is a strong indication of Minnesota's concern for the desperate plight of our dairy farmers and the need for positive and swift federal remedial action.

Nationally a great debate continues to determine the state of the nation.

Dairy farmers don't need to participate in these critical discussions as to whether the nation is in a state of recession or depression.

Dairy farmers know they are in a depression, both economically and mentally, and one of the worst their important industry has ever experienced.

For the first time, in Minnesota if not nation-wide, dairy farmers are applying for food stamps and welfare assistance, for their own families.

They deserve far better than the slave labor and bankruptcy situation in which dairy farmers have been thrust by the unprecedented whims of nature and the federal bureaucracy.

We ask no favored treatment for dairy farmers. All we plead for today is that dairy farmers be treated fairly and honestly by the federal government that does have some responsibility for this growing rural and economic tragedy.

Farmers deserve a comparable form of guaranteed minimum income that has already been guaranteed by the federal government many long years for the rest of the majority of our productive work force.

The bill before you today is a reasonable step in that direction, but by no means a total answer. Raising the federal milk price support to 90 per cent of parity is a fair compromise that will benefit both farmers and consumers in these times of national crisis. Dairy farmers deserve full parity, you and I all know.

Granted a federal guarantee of 90 per cent of parity, dairy farmers can continue to be a vital part of rural America and at the same time assure an adequate and continuing supply of high quality, reasonably priced and wholesome milk and dairy products to meet the nutritional needs of our growing national population.

Dairy farmers cannot long survive the present cost-price squeeze.

Minnesota is again losing dairy farming operations at an alarming rate, forced by the worst cost-price crush of the century excepting only—perhaps—the Great Depression of 45 years ago.

In the fiscal year ended June 30, 1974, Minnesota lost 3,188 dairy farms.

That was a loss of 8.5 per cent of the total number of dairy farms at the end of fiscal 1973.

Even more grim, and attesting to the prolonged depression the dairy industry has suffered and is suffering, is the fact that Minnesota in just the past decade has lost half of the total number of dairy farms that were operating in our state in 1965.

Minnesota is not a populous state, currently about 4-million citizens. To have lost nearly 34,000 families from dairy farming in only a decade is shocking, but true.

The question is not where the 34,000 families went, but why did they leave dairy farming? Why are they still leaving the dairy farm at an accelerated rate?

It isn't because theirs is the most demanding major occupation in our nation, although they do work at 12 to 15 hour day, 365 days a year on a dairy farm, by itself enough of a reason to look for a job that assures a legal minimum wage, a 40-hour week, overtime pay, fringe benefits and family security.

It isn't because the dairy farm family is apathetic to the world food crisis and the increased need for one of nature's most perfect health foods.

The truth is they are being forced out of business. No one can stay in business long selling any product at a loss. Dairy farmers are selling their milk production at a loss.

University of Minnesota Dairy Economists, Kenneth H. Thomas and Robert D. Appleman, advise that the recent declines in grain prices have not materially changed the loss situation Minnesota dairy experienced during most of 1974. They agree that Minnesota dairy farmers should receive about $9.90 per 100 pounds of milk to recover actual production costs and receive a reasonable return on their labor and massive investment.

Professor Thomas has calculated the January, 1975, out-of-pocket production costs of the better than average dairy farmers in cooperative farm management associations at $6.50 per 100 pounds of milk. That figure doesn't provide a penny for the family to buy food, clothing, heat the home, pay the plumber, electrician, or even the banker any interest on the farm mortgage.

Minnesota's mid-January farm price average for all milk was $6.97 per 100 pounds. That, using Professor Thomas' cost estimate, leaves the average dairy farm family 47 cents to apply to bills and pay themselves.

The fact is that dairy farmers are losing about $3 for every 100 pounds of milk they sell, on the average. Farmers selling milk for processing into manufactured products are losing up to $4 and more on each 100 pounds. Farmers selling Grade A milk for fluid packaging are doing much better, but only a few claim to be breaking better than even.

In Minnesota, the mid-January milk price average of $6.97 was $1.26 below the level of the first three months of 1974 when the price averaged the highest at the farm level in Minnesota history. . . . and the latest price average is still only 50 cents above the disastrous low of $6.47 in July, 1974. The mid-January price average also is more than 28 cents below the mid-month average for all of 1974.

Milk is the main product of Minnesota dairy farms, but beef is an important by-product. Calving is essential to milk production and providing the replacement cows that must be fed for three years before they produce the first drop of milk.

Dairy farmers have serious decisions to make to cut their losses. They are cutting back on feed, because of the high input prices, despite the fact that less feed for the cow means less milk production. They have sharply culled herds, keeping only the best milk producers. Calves, once a prized asset, now are a luxury few dairy farmers can afford to keep. No tears are lost when a calf is born dead today.

Dairy calves have been sent to market for veal, for further feeding, at an alarming rate. But there is little recovery there, either, because the entire livestock economy is in depression. Few farmers want to risk gambling one to three years of out-of-pocket expense against the remote hope of a decent profit that the combination of weather and Washington have shot out of the saddle these past two years.

Three recent communications of actual experiences of Minnesota dairy farmers graphically illustrate the growing economic malignancy that left unchecked threatens to destroy rural America. . . .

One enclosed a copy of a marketing bill and the check for a 200-pound Holstein dairy calf that even the South St. Paul commission agent identified as a fine animal. The calf sold for only 16 cents a pound or a total slightly over $22. The farmer's documented records showed that it had cost him 54 cents per pound, or a total of $108 to raise that calf to the sale weight. The fact is that he lost $86 out of pocket plus the family labor and pro-rated investment.

A second letter, from a farmer who marketed a 100-pound dairy calf in the St. Cloud auction market, would have had to pay out another $1.50 out of his own pocket, if the auctioneer had not generously donated the trucking fee normally assessed to the farmer. That farmer's total check for the handsome veal calf was 50 cents.

Even more grim was a recent report from a dairy farm in western Minnesota. In better times, dairy farmers used to celebrate the birth of twin calves as an income dividend. In this case, however, twin calves were immediately and humanely destroyed because they represented a liability the farmer said he could not afford.

The logic was simple, and the reason still exists. Dairy farmers are losing money on every calf they keep. If they sell or destroy the calf at birth the continuing loss has been minimized, and the mother cow can be back on the milk production line in three days if she is a high yielder the farmer is willing to risk keeping. Keeping the calf would keep the cow off the milk line for months.

Calves sacrificed today cannot provide either milk or meat for the future.

Dairy and beef calves being sold in desperation to reduce the drain against capital resources have gluttered nearly all markets, compounding the dilemma for farmers.

Look at the cold storage inventories. Look at the Commodity Credit Corporation purchases. Both sets of statistics are shocking indictments of what has been allowed to happen to our dairy and livestock economy.

Farmers accept weather disasters, even those of the staggering consequences of 1974 that destroyed an estimated $1.2-billion worth of Minnesota crop production.

But farmers should not have to compete against unrestricted dairy and meat imports heavily subsidized by foreign governments—imports that really were not warranted—imports that are draining millions of dollars and thousands of jobs from our own national economy.

Nor should farmers be forced by their own federal government to self-destruct because they are denied a decent price guarantee for the increased food production the same federal government has demanded of them.

It is unrealistic, under present federal agricultural policy, to ask an essential and family-operated business to continue to provide more milk, dairy and meat products at a loss. Yet, that is exactly the predicament of some 34,000 Minnesota dairy farming families, who are losing an average of nearly $600 of capital or credit reserves each and every month.

The present support is too low. Cold storage inventories are too high.

Cold storage inventories represent a continuing threat to American dairy and livestock farmers. The December 31, 1974 inventory of dairy products alone in cold storage was 32.5 per cent higher than at the end of 1973.

Cold storage inventories of both dairy and meat products skyrocketed during the federal experiment with unrestricted imports in an unsuccessful attempt to force down consumer food prices. Unrestricted imports continued until late November, 1974, despite the magnificent response of American farmers to the federal demand for maximum domestic food production.

Federal farm price supports do work. CCC purchases to raise the general market price ranges to the federal price support level are now only a few cents short of goal.

The problem is that Secretary Butz did not set the goal realistically. He set it too short, at the old legal minimum of 80 per cent of parity.

Federal economists and politicians have not yet really faced up to the fact that a federal price or wage "minimum" guarantee in reality becomes the open market ceiling price or wage.

This committee should carefully scrutinize the statistics on dairy imports in conjunction with CCC purchases. The comparison will be enlightening.

Dairy imports, according to federal statistics for 1973 and 1974 amounted to over 580 million pounds of butter, cheese and nonfat dry milk, or 42.3 per cent more than the volume of the same domestic products the CCC has purchased since farm milk prices fell below the support level last April, 1974.

In other words, federal policy has been subsidizing foreign dairy farmers to a far greater extent and to the detriment of our own domestic dairy industry.

Fortunately, although too late for thousands of bankrupted American dairy farmers, the administration restored the quota system for dairy and meat imports. The backlog is still with us, and will be for months to come.

The question is whether our surviving domestic dairy farmers will be able to hang on, milk cows, and stall the mortgage holders.

We don't think that they can, without immediate and positive action by the Congress to guarantee a fair and decent income to the forgotten worker, the dairy farmer.

Minnesota urges this committee to unanimously approve the bill before you that will guarantee farmers 90 per cent of parity support prices they deserve.

Your favorable action will not only save thousands of dairy farm families from a fate they and rural America do not deserve, but it will be the best insurance you can buy for the protection of American consumers of healthful dairy products.

TESTIMONY BY STATE REPRESENTATIVE A. J. ECKSTEIN

First, I want to mention a little bit about my personal background so that you may be able to better evaluate some of the points that I am going to make later in my testimony. I will try to be brief, as I know that your time is limited, and there are many people that wish to testify.

I am a Veterinarian, graduating with a DVM degree from Iowa State University in 1946. During the last 29 years, I have practiced at New Ulm, Minnesota except for approximately one year. I was born and raised on a 180 Acre Dairy Farm near New Ulm in Brown County.

A brother practices veterinary medicine at Sleepy Eye about 15 miles west of New Ulm, and a brother-in-law practices veterinary medicine also. Both are graduates of the University of Minnesota. Three of my brothers are family farmers in my district. All of them have sold their dairy cows. One of them lives on the home farm which has a double wall clay block barn 100 ft. long and 36 feet wide with 45 stanchions, barn cleaner, bulk tank, milk transfer system, long concrete outside slab, and two large silos with automatic unloaders. He had an excellent herd of Holstein dairy cows . . . many of them registered. The reason he sold the herd of about 50 cows along with the young heifers was because of the low price of milk. He claims that he would have had to get another job in order to make the farm payments and pay for the concentrate and other supplies for the cows. He feels that it was a good decision to sell the cows and has more income without the herd.

The county extension agent from Brown County gave me some interesting statistics about the number of dairy farmers, and dairy cows in Brown County. They are as follows:

	1960	1965	1970	1975
Dairy farmers	1,036	836	601	[1] 458
Dairy cows	15,600	15,500	14,200	12,750
Statewide:				
Dairy farmers		59,900	39,891	21,782
Dairy cows		1,236,983	1,215,696	874,261

[1] Estimated.

Note· This is a very large decrease of family dairy farms and dairy cows.

I attribute the decrease entirely to the low price of milk, and larger fluctations in the market, Dr. Philip Raup, University of Minnesota Agriculture Economist explained at the Minnesota Horizons Seminar about three weeks ago that over 50 percent of the family farmers in Minnesota receive over one-half of their income off the farm. This is really a sad situation when over one-half of the State's farmers need to have jobs off the farm in order to pay for the interest, feed, seed, fertilizers and fuel.

I have photocopies of the receipts which are attached with their checks from three milk producers in Brown County. These are attached as part of my testimony. One is a Grade "A" producer, one is a manufacturing milk producer with a bulk tank, and another manufacturing milk producer using milk cans. These are for the period from January 1, 1974 through December 31, 1974.

As you will note, the bulk manufacturing milk producer received $7.90 per hundredweight for January 10, 1974 . . . and $6.38 for December of 1974 with a high of $8.00, and a low of $7.35 for 3.5 percent butterfat milk. The can milk producer received $7.70 per hundredweight for January 1974 . . . and $6.21 for the month of December 1974 for Grade 1 milk. The grade "A" producer received $7.94 and $8.30 per hundredweight for January, and $7.76 and $7.12 in December. He is paid twice a month, and is entirely dependent upon his milk check for his income from his 160 acre farm.

During the January 11, 1974, snowstorm he had a tremendous loss. The loose housing system with the free stall filled with snow four to five feet deep. These sheds are usually partially open on one side, and the cows are milked in a parlor. This system has been recommended by the Universities to cut costs, and works quite well during good weather conditions.

During this snowstorm, however, many of the cows froze their tails, ears and udders. Some of them so bad that they died, others developed mastitis and gangrene . . . others had to be sent to market for slaughter. This particular producer is losing about 500 pounds of milk production per day . . . or, almost $1,000.00 per month. This man has payments to make to the bank of $1,000.00 plus per month for improvemets he made last year on his Grade "A" set-up. The low prices of milk and the snowstorm are a disaster for him and most of the other dairymen in Minnesota.

The costs of supplies and equipment have about doubled during the last year.

Grid 10, the cleaner and antiseptic used to clean the equipment has doubled in cost. Even manure spreaders have gone from about $1,000 to over $2000 . . . not to say anything about baling twine, wire, inflations, fencing, etc.

Another important factor oftentimes overlooked is that cull cows are only worth $10.00–$15.00 per cwt., and calves $4.00 to $20.00 each. Many times a farmer cannot sell his calves, and he can't afford to buy milk replacer so he just lets them die.

I have a client who thought that he would buy a few calves to increase the size of his herd. He ran an ad in the local newspaper offering to buy good healthy calves . . . one week old for $20.00 His phone rang almost constantly, and after one day he removed the ad. Day old calves are selling for $4.00 each—if the farmer can find a buyer. Surplus or cull cows are selling for $100.00 to $150.00 each. These are disastrously low prices, and many farmers depend on that income to help sustain the herd.

I do not know all of the factors that are responsible for this large drop in milk prices, but I believe that the tremendous increase in imports of dairy products had a lot to do with it.

We have a large cheese plant and a large butter plant located in New Ulm. Both plants were processing cheese and butter which was imported. These products are re-packaged with American labels.

Another factor is the high cost of milk to the conusumer. At the present time, Grade "A" 3.25% milk is selling for $1.23 in the supermarkets in the New Ulm area.

Testimony of State Representative Marion Menning

Mr. Chairman, and members of the Senate Agriculture Committee, I certainly appreciate the opportunity to testify before this committee the concerns of the farmers of the State of Minnesota. The following information is taken from one of the top DHIA herds of dairy cattle in the State of Minnesota.

The average amount of production per cow is 13,170 pounds of milk at $7 per hundred weight is equal to a total of $922.39 per year.

The following feed costs are also taken from DHIA records. The average feed costs per year per cow are as follows:

5,400 pounds of concentrate at $139 per ton	$351.00
5,500 pounds of hay at $70 per ton	192.50
5,500 pounds of silages at $30 per ton	82.50
Bedding for six months (per cow)	2.00
Total feed costs per cow	628.00

The profit over feed costs is $294 per cow per year. Other costs are as follows. We will base these costs on a 50 cow herd which is a full time job for one family.

Other costs:

Milk hauling	$1,975.00
Breeding and vet	750.00
Cleaning and supplies	500.00
Cost of cow replacement (difference between salvage and replacement)	2,500.00
Interest on 50 cows at $500 per cow at 8 percent	2,000.00
Depreciation on buildings and equipment	3,750.00
Interest on undepreciated value of equipment and buildings (based on $75,000 investment)	3,000.00
Total other expenses	14,475.00
Total gross profit	14,700.00
Total expenses	14,475.00
Total net profit	225.00

Mr. Chairman and members of the committee, after the farmer has paid his tax and insurance he finds himself in the red. He has worked 365 days in the year at least 12 hours per day. If these kinds of prices are maintained no dairyman in Minnesota will be left after two years and the food stamp line will only grow longer.

What we need in our country for the dairyman is cost of production plus a reasonable profit.

Senator Humphrey has introduced legislation asking for a dairy support price of 90% of parity. We are here today to support Senator Humphrey's bill.

Protection is needed for the American farmer against unreasonable amounts of farm products being imported into this country.

THE 57TH ANNIVERSARY OF THE REPUBLIC OF LITHUANIA

Mr. THURMOND. Mr. President, 57 years ago on February 16, 1918, the Republic of Lithuania was established as an independent nation. Coincidentally, February 16 is also the 724th anniversary of the Lithuanian State. The people of Lithuania have always been a forthright, honest, hard-working, and freedom-loving people. They continue in this tradition today, even though in 1940, when Lithuania had been an independent nation for only 22 years, the Soviet Union invaded and occupied the Baltic States of Lithuania, Latavia, and Estonia.

Mr. President, one must look at old maps of Europe to find Lithuania shown as a separate and independent nation. The newer maps portray this proud country as a part of the Soviet Union. Nevertheless, the Lithuanian people remain strong and steadfast in spirit, convinced that they one day will once again be a free and sovereign nation.

Mr. President, too often, we overlook the ongoing struggle for freedom which is taking place in Lithuania. I hope that we in the United States will remember the people of Lithuania, not only on February 16 of each year, but throughout the year, as they continue to grapple with the chains of oppression.

A BIPARTISAN FOREIGN POLICY

Mr. MONDALE. Mr. President, I submit for the RECORD a foreign policy speech given recently by the Senator from Texas, Mr. BENTSEN, at Georgetown University. I would like to draw attention, in particular, to the comments made concerning a bipartisan foreign policy. I believe it is vitally important that the Congress and the executive work together in order to have an effective foreign policy. But as Senator BENTSEN points out, that requires flexibility on the part of the executive and not just on the part of the Congress.

Mr. President, I ask unanimous consent that the speech by Senator BENTSEN be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Speech by Senator Bentsen

I want to visit with you tonight about our foreign policy . . . about its pluses and its minuses . . . about the direction of America's international leadership in the years ahead . . . and to share with you a few of my own concerns about the imbalance in our foreign policy.

The bomb that shook the State Department last week was a violent expression of deep discontent, presumably over our continuing support of South Vietnam.

It was the work of extremists, a despicable act, but it is not just the extremists who are discontent with our foreign policy.

Many thoughtful Americans—who express themselves in more civilized ways—are uneasy about our foreign policy . . . in Indochina and elsewhere.

I count myself one of them.

I am opposed to the request for an additional $300 million to prop up the crumbling Thieu Regime. It is not as though we have denied them all assistance. We will still be provding them $700 million. We have provided South Vietnam altogether $248 billion in military assistance alone in the last decade and we lost 50,000 American lives in that country. I think it is time to firmly and finally draw the line. Enough is enough.

But Vietnam is only one shall facet of the foreign policy picture, and only a reflection of the broader problems in our policy-making process.

That policy-making process has become dangerously constricted and convoluted, with an undemocratic emphasis on secret diplomacy, personal negotiations, and one-man authoritarianism.

Never before in our history have we seen such a concentration of foreign-policy decision-making in the hands of one person—one person who wears two official hats and unofficially wears a third: that of roving ambassador.

It's time for Secretary Kissinger to check two of those hats.

Running the State Department is a full-time job for any man—even a superman—and it can't be done from a jet plane circling over a Middle-East airport.

He is an able, brilliant man—but he has spread himself much too thin.

It's time for Secretary Kissinger to come in from the cold—and turn his attention to overhauling, modernizing, and reactivating the rusty machinery of our foreign-policy decision-making apparatus.

It should be clear to him that a one-man decision-making apparatus is incapable of coping with the complexities and demands of international politics today.

Events at one point last year, for example, demanded that his attention be divided among Cyprus, the Middle East, the Salt Negotiations, China, Japan, Russia, and Korea, as well as foreign aid and trade legislation on Capitol Hill.

And I might add that his performance was something short of stellar in many of those areas.

Last week, he made the decision to postpone his promised visit to Latin America because he was needed in the Middle East . . . and he's needed in Cyprus . . . and he's needed on Capitol Hill to work on trade and aid legislation.

These examples simply underscore the need to restructure and revitalize our foreign-policy making machinery.

I want to remind Secretary Kissinger that the Congress is part of that machinery. Secretary Kissinger says he wants a partnership with Congress. That's well and good but the question is—what kind of partnership? Congress will not be an absent partner, a silent partner, or a limited partner. It must be—and will be—a full partner.

The late Senator Arthur Vandenberg said it well, I believe. When it comes to foreign policy and participation by the Congress, Vandenberg said that he "wanted to be in on the take-offs as well as the landings." That's how I feel.

I believe there can be a truly bi-partisan foreign policy.

But bi-partisanship is *not:* a Secretary of State, operating in secrecy, making deals, and then coming to Congress and saying: "Accept this or take the blame for failure."

Bi-partisanship is *not:* A Secretary of Defense telling Congress that unless it approves, in toto, the Administration's biggest defense budget yet, that Congress endangers world peace and U.S. National security. There can be no rational debate in that framework.

Bi-partisanship is *not* the continuous and concerned effort of this Administration to try to shift the blame of its own foreign policy failures to a Congress which is reasserting its constitutional prerogatives.

The failures in Cyprus, in Indochina, in the Mid-East, in Latin America, in Canada, in Europe, the failure to recognize the interrelationship of the world's economy is *not* a Congressional failure. These are failures of a policy which was conceived and executived without adequate and proper consultation with the Congress.

This is *not* the time for partisanship nor for one-man policy-making. This Congress will be cooperative, if it is consulted, if it is brought in on the formulation of policy.

Our foreign policy is becoming increasingly obsolete.

The Kissinger approach to foreign policy is based on the outmoded concept of a "balance of powers" distributed among 3 so-called "great powers."

It ignores the realities of today's world. It overlooks emerging new power centers. And it neglects the growing importance of economics in the international order.

We cannot continue to disregard the profound changes in the contemporary world, the rapid shifts in the centers of economic and political power.

The communist nations, long isolated, are becoming increasingly involved in Western economic affairs.

Industrialization and 20th Century technology are spreading.

Emerging third-world nations are pushing for a bigger share of the world's goods. Many of them have discovered political power, as well as economic leverage, in the control of scarce raw materials.

And the fourth world appeals for assistance from not-always-affluent industrialized nations.

Beyond question, a new day is dawning in world affairs. And the question is, what part will the U.S. play in the new scheme of things?

Is the United States slipping into the twilight zone of "past great leaders"?

Are we to be only a passive onlooker, watching a new world order develop from uncoordinated, unilateral actions and shaky, shifting alliances of convenience, facing new challenges with an out-of-date foreign policy?

I don't think so.

Nor do our friends and allies.

While I was in Europe last November, I had discussions with Prime Minister Wilson in London, with Chancellor Schmidt in Bonn, with President Giscard d'Estaing in Paris, and with the economic leaders in all three countries.

I found general agreement among them on the need for strong leadership to avoid destructive economic welfare.

And I found support for strong leadership by the U.S.

The image we present to the world, however, is not reassuring.

Our European friends express some doubt that the United States can or will fill the leadership vacuum that now exists.

But we are still their "last best hope."

Whether we fulfill their hopes depends largely on us.

I am concerned that recession and fear of depression at home may prompt a dangerous drift into isolationism, toward a feeling that we should concentrate on our own problems for a change and let the rest of the world look out for itself.

Unfortunately, it is not that simple.

It will take strong leadership to counteract that impulse, to convince the American people that isolation is impossible and unwise.

The problems of war and peace, of population pressures and food supplies, of energy and industrial development, of trade and access to raw materials, of economic and social growth—all these are global problems, as is the problem of economic stability which preoccupies us now.

To attack these problems, we can and we must develop a more balanced foreign policy.

We can and must take the lead in formulating realistic programs to meet emerging needs and problems.

To accomplish this, and to correct other serious social and economic imbalances, we shall have to work in concert with the rest of the world.

A good place to start is in the Middle East. We rush to detente with the Soviet Union yet Secretary Kissinger excludes Russia from his peace-making efforts in this area. This is dangerous for there can be no lasting solution in the Middle East without the participation of the Soviet Union.

It is a serious error to think that we can meet the challenges of a new world on our own—or through a foreign policy dominated by a triangular relationship with China and the Soviet Union.

An easing of relations with these two former adversaries is well and good.

But the world is a sphere, not a triangle.

A policy based on the concept of three major powers leaves out too much.

And in the rush to detente, we have neglected too many other important facets of our foreign policy—for example, our traditional allies.

In spite of occasional differences, we can't ignore the mutuality of cultural, political, strategic, and economic interests that bind the Atlantic Nations together.

The European alliance remains the most basic element of our foreign policy—and the basis for our National security.

But the alliance *has* been weakened—by our concentration on bilateral relations with Russia and China to the neglect of our allies, and by unnecessary disagreements with our allies over trade, monetary, and energy issues.

National interest may not carry the United States and Europe in the same direction at all times—as we saw during the Middle East crisis. But this is all the more reason to strengthen a framework for consultation in order to avoid future problems.

Within our own hemisphere, we have neglected our closest neighbors, Canada and Latin America. Our failure to work with them on vital issues has produced a real crisis in our relations with them, just when we should be drawing closer together.

The big power diplomacy of Dr. Kissinger has overlooked the problems and potential of our hemisperic neighbors. In dealing with our energy problems, for example, Secretary Kissinger has focused on Arab oil and on cooperation with Europe, neglecting the critically important energy potential within this very hemisphere.

Canada has substantial reserves of energy—as do Mexico, Venezuela, and other Latin American countries. We need to cooperate with them in reaching solutions to shortages of energy and other raw materials.

So I call on President Ford and Secretary Kissinger to develop a "Hemisphere energy strategy"—a strategy based on a new, cooperative, enlightened relationship with Canada, Mexico, Venezuela, and our other Latin Allies.

We must work with our neighbors in a constructive, orderly fashion while the door is still open, while the will still exists among these Nations to cooperate with us. For the will *does* still exist.

We have a symbiotic relationship which should be encouraged and protected.

I have introduced legislation which recognizes that relationship.

As you may know, the 1974 Trade Act prohibits granting trade preferences to members of the organization of petroleum exporting countries.

It should be pointed out that Venezuela and Ecuador—as well as Iran, Nigeria, and Indonesia—although members of OPEC, did not participate in the oil embargo against the United States and the Netherlands. Venezula, in fact, increased its shipments to the United States as much as 25 percent during that critical time.

The bill I have offered would repeal the prohibition on preferential trade treatment to those countries which did not participate in the embargo.

These countries include 3 or our 4 major foreign oil suppliers.

This, I believe, is a major step toward strengthening U.S. National security by insuring continued supplies of energy to the United States in the event of another OPEC embargo. And it goes a long way towards repairing some hemisphere fences.

I am suggesting that our policy-makers take a broader approach to energy. A major problem with the Administration's one-million barrel reduction in imports in one year is that the costs to our economy far exceed the benefits. One estimate of such an abrupt reduction in imports would add almost 3% to the inflation rate. A $10 billion loss in economic output and a half million people on the unemployment rolls by next year. The question is not should we reduce imports—the question is how much, how fast, by what means and at what cost.

As an alternative to the President's plan, I will shortly be introducing a gasoline tax, phased in over four years and rebated in an equitable fashion. This should put us on the road towards long-range energy conservation while minimizing the inflationary impact and dislocation to our economy of a million barrel reduction in imports this year.

I spent last weekend attending a Conference in Ditchley, England on the International oil problem and the monetary situation. I came away from that meeting concerned that this Administration's decision to meet with the oil-producers this summer is a poor idea at this time. I'm concerned that it will result in a high profile confrontation with vitriolic speeches by each side that will result in a hardening of positions. The long-range repercussons of this weakness in our bargaining position are obvious . . . and grave.

What we need is a global and longer-range approach to energy; a global and longer-range approach to the economy; and we need a global approach to foreign policy.

Big power politics is not enough. Detente with Russia and China does not constitute a foreign policy.

There are many new actors on the world scene today whose roles are becoming major. We neglect them at our own risk.

Secretary Kissinger's neglect of our traditional allies is equalled by his neglect of potential allies among the developing Nations. He has shown a curious insensitivity to the third and fourth worlds.

And a curious insensitivity to the humanitarian values that have given this country a vital role in moral leadership throughout the world.

We need to reassert that leadershp.

We should be sufficiently mature politically to maintain open lines of communication with countries whose policies and systems of Government differ from our own.

But we should not be apologetic about our values. And we should not hold them in silence.

It is damaging to our National spirit to ignore the humanitarian principles on which our Nation was founded.

When we neglect our traditional ideals in the name of realism, we pay the price in cynicism and loss of self-respect.

This is a price we need not pay. Realism and idealism can co-exist; both are essential to a global foreign policy.

My criticism of our foreign policy tonight is not simply to oppose.

I do so because times have changed . . . and our foreign policy must be sufficiently flexible to meet the new challenges of a new world.

PROPOSALS TO STABILIZE OIL PRICES—S. 680

Mr. STONE. Mr. President, in seeking a solution to the energy crisis, we face one of the most serious challenges in the history of our Republic. Certainly not since the last World War have our economic independence and national security been so seriously threatened. The oil embargo of 1974 and the tremendous escalation of imported oil prices since 1973 have shocked our economy and continue to cast doubt over our future well-being as a people.

The economic and financial data now available clearly demonstrate the perilous situation we are in. In 1972 we paid

$4 billion for oil imported into the United States. Last year, the bill had risen to $24 billion. The price for this imported oil increased from $4 per barrel to over $12.50 per barrel during 1974. Economists estimate that this dramatic increase in oil prices accounted for one-third to one-half of our 12-percent inflation rate of 1974. We know that the exorbitant price we paid other countries for oil was directly responsible for the $3 billion balance of trade deficit in 1974. And, Mr. President, we know that our friends in Western Europe have suffered even more serious economic and financial distress than the United States as a consequence of these unconscionably high oil prices.

Mr. President, we cannot accept the ruinous inflation, the debilitating export of capital, nor the threat of reinvestment of petro-dollars in America which result from this artifically-imposed, exorbitant price of oil. I believe that our people not only understand the seriousness of our present situation, but are ready to support a sensible, fair, and effective program for solving our energy problems. As of yet, unfortunately, no such program has been developed and presented to the American public.

Indeed, Mr. President, some of the energy proposals presented to the American people thus far are so inadequate and inappropriate in responding to our present dilemma that many Americans are losing confidence in the capacity of the challenge before us. Although I believe President Ford to be sincere in making his energy proposals, I am convinced they harbor disaster for our already-weakened economy with doubtful promise of solving the energy crisis. It is impossible for me to understand the wisdom of raising even higher the price Americans must pay for heating oil, for electric utilities, and for other such essential energy uses in the midst of an already-rampaging inflation. This seems especially unjustifiable in view of the slim chance that the resulting reduction in domestic energy demand would bring about a reduction in the OPEC price of oil. The President's plan to reduce indiscriminately the domestic consumption of energy is unlikely to lower the OPEC price of oil but it most certainly will raise the price of essential goods and services and increase unemployment in America.

Mr. President, we must be certain as to our goals before we can be sensible about our solutions. Reducing, if not eliminating American dependence on foreign sources of energy and supply our country with energy at costs which permit continued, reasonable economic growth are the goals which I believe we must set.

Our national security, as well as our economic and financial well-being, require intensive development of and production from domestic sources of energy. The continued high standard of living which most Americans have come to enjoy and the hope for improving the economic status of less fortunate Americans depend greatly on the availability of energy at reasonable costs. While we must work hard to eliminate energy wastes, we cannot afford—especially during the present recessionary period—either high oil prices or drastic reductions in energy consumption.

These fundamental goals—reduced dependence on foreign energy sources and the development of reasonably-priced energy for our economy—should govern the consideration of proposals put forward to solve our energy problems. Necessarily, we must develop a program which will achieve these goals in the long run and which will also alleviate the immediate emergency caused by high oil prices imposed by the Organization of Petroleum and Exporting Countries.

Like many other Americans, I have been concerned about the energy crisis for some time. During my campaign for the U.S. Senate, I found that there was no more important issue on the minds of the people of Florida than the energy crisis. In the brief time I have served in the Senate, I have observed that nothing is causing more worry nor more discussion among Members of Congress than finding a solution to the energy crisis. The national dialogue continues with no clear solution in sight.

It is not with any sense of special vision or absolute certainty of success, but rather with a desire to contribute seriously to this national dialogue that I introduced on February 13, 1975, for the consideration of my colleagues in Congress and the American people a proposal for dealing with some of the more immediate problems America is facing in connection with this energy crisis.

It is my firm belief that we cannot afford to pay the exorbitant prices now imposed on us by the OPEC nations. My opinion is based upon an analysis of the precarious economic and financial situation which has resulted worldwide and in the United States as a result of these high prices. It is also based on the economic misery of millions of our citizens who are today either unemployed or facing economic disaster because of these high oil prices. I do not suggest that we deny to oil companies and to the oil producing countries reasonable return on investment and resources. But I do suggest that we cannot accept the imposition of artificially-set prices at a level which produces extravagant profits to oil companies and producing countries and results in runaway inflation and economic stagnation in America. Until we can reduce our dependence on foreign sources of oil, representing close to 40 percent of our present domestic consumption, we must adopt a program which places a ceiling on the price our country will pay for imported oil. If we do not, we will permit ourselves to be priced into further economic recession and financial chaos.

Based on official customs valuations of imports, the July, 1974, average price of U.S. oil imports was about $12 per barrel compared to about $2.73 per barrel in January, 1973—an approximate 400 percent increase in 18 months. The total cost to the United States during 1974 for imported oil was approximately $24 billion compared to approximately $4 billion in 1972. These price increases resulted from nothing more than a decision on the part of the OPEC nations to join together in setting exorbitant prices for the oil consuming countries.

The legislation I introduced on February 13, 1975, would establish a ceiling price and a floor price for crude oil, residual fuel, oil refined petroleum products, natural gas, and coal. The ceiling prices will be based on a $9.50 per barrel ceiling price for crude oil and the floor prices for crude oil per barrel will be set after we secure more cost and price data from legislative hearings. In my opinion this ceiling price—well above the $2.73 per barrel price we paid in January, 1973—allows oil producing countries and oil companies room for handsome profits without bankrupting our country. The basic idea of this bill is that we will purchase oil and petroleum products from any supplier willing to sell at less than the ceiling price to supply our energy needs in America. It does not single out any oil producing country for special treatment. Indeed, it does not discriminate against foreign oil suppliers at all inasmuch as the ceiling would apply to both domestic and foreign crude petroleum.

The floor price for crude oil would be established in order to encourage investment in alternative domestic sources of energy. This minimum price level is important in assuring relative oil price stability which is essential in the short term to encourage domestic research and development of these alternate energy sources. Uncertainty as to future oil prices causes retrenchment and retrenchment means recession. The critical importance of encouraging domestic production of oil and alternative energy resources is underlined by the fact that the domestic production of oil continues to decline despite increasing demand, rising prices, and government incentives to produce more oil. During the period January through September 1974, domestic production averaged 8,917,000 barrels per day which was a 3.2-percent decline from the 9,210,000 barrels per day produced during the corresponding period in 1973.

Within the floor and ceiling prices, prices for petroleum and petroleum products would be free to move according to the forces of the marketplace. The original minimum and maximum price levels shall govern for 12 months following the implementation of this legislation and shall thereafter be determined by the President after a review of the domestic economic situation, U.S. balance of payments, and the need to encourage and protect investments in energy research and development.

Mr. President, with respect to any foreign country willing to supply the United States with petroleum and petroleum products within the specified range of prices, this Nation shall continue its normal, friendly relationship. However, the bill provides that, upon a Presidential determination that a foreign country has taken action—the effect of which is to embargo or otherwise restrict oil exports to the United States—our economic and financial relationship with such country shall be altered to deny to such country most-favored-nation treatment, extensions of credit, credit guarantees or investment guarantees, foreign and military assistance, and any other assistance under the laws of the United States.

Criminal sanctions are established in this bill for persons who knowingly import or sell oil and oil products in excess of the maximum or below the minimum price established pursuant to this legislation.

Mr. President, I strongly and sincerely believe that the proposal to stabilize oil prices and to encourage investment in domestic sources of energy incorporated in this bill is not only necessary to alleviate our short-term energy emergency but also represents the correct beginning in attaining our long-term goals of energy self-sufficiency and reasonable energy costs for America. I want to emphasize that this proposal signals our willingness to trade with any producer of oil that is interested in supplying our Nation's energy needs in return for very good profits. It accepts, at least for 12 months subsequent to the implementation of this legislation, a substantial part of the oil price increase imposed on this country and the world by the OPEC nations. It merely asserts that, in view of the severe, continuing economic and financial distress caused in this country due to the enormously escalating oil prices, the United States cannot and will not be compelled to choose between bankruptcy or economic stagnation.

I fully recognize that this bill is a proposal addressed to our short-term, immediate emergency. It is designed to stabilize the costs of imported energy while we proceed to develop alternative sources of energy, eliminate energy wastes, and in other ways reduce our dependence on foreign sources of energy. I am strongly interested in tax incentives and other changes in law and regulatory policy which will encourage greater domestic production of the energy America needs. I intend to support reasonable conservation programs which will eliminate reckless waste of energy without discouraging the economic growth we must have to sustain our standard of living. As a member of the Senate and the Committee on Interior and Insular Affairs, I will be working with other Senators to develop a program which will accomplish these purposes.

In thinking about our energy problems and while listening to testimony presented during the current energy hearings of the Senate Interior Committee, I have become increasingly concerned about the availability and accuracy of basic economic and financial data which we need to develop a sensible and effective energy policy. I have this concern despite the fact that the Senate Interior Committee, the Federal Energy Administration, other governmental units, and private businesses and associations have been attempting to gather, analyze, and interpret this data for several years. It is my understanding, for example, that the actual cost to oil companies of acquiring oil has been difficult to establish and that such items as shipping costs are less than certain. Because of this continuing uncertainty about such basic information, I have written letters to Senator JACKSON, chairman of the Senate Interior Committee, and to the Government Accounting Office, and the Federal Energy Administration, requesting a renewed effort to secure more accurate data on the basis of which we can more confidently proceed in our developing of an energy policy. Mr. President, I ask unanimous consent to print the text of the bill I have introduced in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 680

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Emergency Petroleum Allocation Act of 1973 is amended by inserting immediately after section 4 thereof the following new section:

"SEC. 4A. (a) It is the purpose of this section—

"(1) to protect the domestic economy, by stabilizing the prices of crude oil, residual fuel oil, refined petroleum products, natural gas, and coal, and

"(2) to encourage and protect investments in research, exploration, development, and production of the energy resources of the United States, and to reduce the prices of energy sources and products.

"(b) The President of the United States or his delegate shall, by regulation, specify, for crude oil, residual fuel oil, refined petroleum products, natural gas, and coal, the maximum and minimum prices which may be paid by the importer of such oil, products, gas, or coal purchases and imported into the United States on or after the expiration of the thirty day period following the date of the enactment of this section, except that for the twelve month period next following such date of expiration, the maximum and minimum prices which may be paid by such importer for any such crude oil purchased during such twelve month period shall be $9.50 and $ per barrel, respectively. With respect to the minimum price during such a twelve month period the President shall lower such price if world prices permit.

"(c) Any person who knowingly imports any crude oil, residual fuel oil, refined petroleum product, natural gas, or coal into the United States which was purchased by him at a price in excess of the maximum price or below the minimum price established by or pursuant to subsection (b) of this section shall be fined not more than $100,000 or imprisoned not more than two years, or both.

"(d) If the price paid by the importer for any crude oil, residual fuel oil, refined petroleum product, natural gas, or coal includes amounts attributable to the cost of transportation to the United States (including insurance thereon), then, under regulations prescribed by the President or his delegate, for purposes of applying subsections (b) and (c), the price so paid shall be reduced by an amount equal to such cost.

"(e) The President of the United States or his delegate shall, by regulation, establish maximum and minimum prices for which the first sale or exchange, on and after the expiration of the thirty day period following the date of the enactment of this section, of domestic crude oil, residual fuel oil, refined petroleum products, natural gas, and coal may be made, except that for the twelve month period next following such date of expiration, the maximum and minimum prices which may be charged for the first sale or exchange of such domestic crude oil shall be $9.50 and $ per barrel, respectively.

"(f) (1) Any person who, with respect to the first sale or exchange thereof, knowingly sells or exchanges domestic crude oil, residual fuel oil, refined petroleum products, natural gas, or coal at a price in excess of the maximum price or below the minimum price established by or pursuant to subsection (e) of this section shall be fined not more than $100,000 or imprisoned not more than two years, or both.

"(2) In the case of any such exchange, the maximum and minimum prices shall apply to the total value of the goods and services asked, given, or received in exchange for such crude oil, residual fuel oil, refined petroleum product, gas, or coal.

"(g) In any case in which the President determines that any foreign country has willfully taken action the effect of which, directly or indirectly, is to place an embargo on, or otherwise curtail or restrict, exports to the United States of crude oil, residual fuel oil, refined petroleum products, natural gas, or coal, whether by means of pricing or otherwise, the President shall issue a proclamation to that effect. On and after the effective date of such proclamation and until the President determines that such embargo, curtailment, or restraint no longer exists—

"(1) the products of such country shall not be eligible to receive most-favored-nation treatment,

"(2) such country may not participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, and

"(3) such country shall not be eligible to receive foreign aid, military assistance, or any other assistance, financial or otherwise, under any law of the United States.

"(h) In establishing maximum prices for purposes of this section, the President shall take into consideration the state of the domestic economy and the United States balance of payments and, with respect to minimum prices, the President shall take into consideration the need to encourage and protect investments in research, development, and production in the field of energy.

"(i) Regulations of the President pursuant to this section shall provide that any reduction in the price of crude oil, residual fuel oil, refined petroleum product, natural gas, or coal resulting from the provisions of this section is passed through on a dollar-for-dollar basis to any subsequent purchaser, reseller, or final consumer in the United States. In the case of crude oil, such pass-through of price reductions shall, to the extent practicable and consistent with the objectives of this section, be allocated among products refined from crude oil on a proportional basis, taking into consideration historical price relations among such products.

"(j) As used in this section the term—

"(1) 'person' means any individual, or partnership, association, corporation, or other entity, or officer or director thereof;

"(2) 'domestic crude oil' means crude oil (including natural gas liquids) produced in the United States, or from the Outer Continental Shelf, as defined in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).".

IN SEARCH OF A COMPROMISE ON THE OIL IMPORT FEE QUESTION

Mr. DOLE. Mr. President, last week I introduced an amendment to H.R. 1767. The objective of this amendment is to reach a meaningful and acceptable compromise between the proponents of the administration's oil import fee program and the opponents of that program, who would suspend the President's authority to impose such duties for 90 days

It is my observation that unless some middle ground can be found which is suitable to both the administration and those in the Congress who advocate suspension of the President's authority, a "sum zero" situation will result. Either the President will be able to muster enough votes to sustain a veto of the import fee suspension bill or the Congress will override a veto. In either case, one party loses and one party wins—with the net effect that another 3 to 8 weeks will be wasted before we begin to work constructively toward a solution to our critical problem of overdependence on imported oil.

On the other hand, if we could reach a compromise on an interim energy program by adopting a portion of the President's import fee plan, but temporarily suspending his power to increase the duties in excess of $1 per barrel, then some of the main objectives of both sides could be realized.

My amendment attempts to accomplish that by freezing until April 30 the $1 import duty instituted by the President on February 1.

Perhaps even more important than the obvious delay which would result from H.R. 1767 is the effect on public opinion of the failure of the administration and the Congress to reach an accommodation in this vital matter. While both sides believe they have the most persuasive arguments in their favor, one does not have to be an exceptionally astute political observer to realize that the vast majority of our citizens are more interested in the executive and the Congress working together to come to grips with this urgent problem than they are in specific reasons why the President's program should be enacted or the import fees suspended.

COMPROMISE ENDORSED BY BOTH SIDES

Over the past couple of weeks, spokesmen from both the administration and the Congress have expressed a desire to work together to initiate a workable, equitable energy conservation program.

The President has invited Congress to examine his program and offer modifications or improvements which it deems advisable.

Both the majority and minority leaders of the Senate—Mr. MANSFIELD and Mr. SCOTT of Pennsylvania—have expressed the need for cooperation in seeking workable solutions.

The chairman of the Senate Finance Committee (Mr. LONG) has spoken of the desirability of a compromise plan.

Just last Friday, the Director of the Federal Energy Administration alluded to a possible accord between the Congress and the White House on energy policy.

The Senator from Minnesota (Mr. MONDALE) has expressed an interest in compromise on the foreign oil import fee.

The Secretary of the Treasury, during his appearance before the Finance Committee last week, was also amenable to a reasonable compromise.

Both of the distinguished Senators from New York (Mr. JAVITS and Mr. BUCKLEY) have stressed the importance of avoiding a confrontation on this key issue.

And the Senator from Massachusetts (Mr. KENNEDY)—a principal sponsor of the Senate resolution to suspend the President's import fee authority—has indicated a desire to work with the President to develop energy policy.

Mr. President, I believe the time for compromise and cooperation is now. The amendment I have proposed is designed to offer both Congress and the administration the opportunity to arrive at a workable interim compromise on the matter of oil import fees.

Considering the lack of initiatives to achieve this so far, the various statements suggesting a willingness to strike a balance amount to only so much rhetoric. If we really mean what we say, then we need to move forward by adopting my amendment and truly coming together on middle ground.

According to the President's spokesmen, the administration does not favor this amendment. Perhaps, then, it is time for those in the Congress who favor the President's oil import fee program to take the initiative for the administration and work with opponents of the oil import fees to reach a compromise. Similarly, the opponents of the President's program who have talked about the need for cooperation would hopefully cooperate in a meaningful effort to effect a compromise on the issue.

To reiterate, my amendment would simply permit the $1 per barrel crude oil import fee of February 1 to continue in effect. But it would suspend, until April 30, the President's power to impose any fee in excess of $1 per barrel—thus putting off at least temporarily the $2 and $3 per barrel import fees the President has proposed for March 1 and April 1.

OBJECTIVE OF CONGRESS

The concern of the majority in Congress who are supporting the 90-day tariff suspension, as I understand it, is that ample time is needed to consider any energy proposal before its economic impact is felt. This compromise provides that time without significantly affecting the economy.

The $1 per barrel fee would increase the cost of gasoline by only about a penny a gallon. By permitting the temporary imposition of a $1 per barrel fee, there is a little likelihood of serious economic dislocation pending congressional consideration of a more comprehensive energy conservation program.

Contrary to some speculation, the $1 per barrel fee will not cost billions of dollars. For example, the total revenue collected over a 90-day period from $1 per barrel fee is estimated to be only around $350 million.

Moreover, no one section of the country will be forced to bear an inordinate share of the burden.

The New England States, for example—which rely heavily on imported petroleum—import mainly crude products, not unrefined crude oil. And previously, the Federal Energy Administration's "crude equalization" or "entitlement" program gave them a 60-cent-per-barrel subsidy on imported refined products.

Under the first stage of the President's duty program, this subsidy on imported products was ended, having roughly the same effect as the $1-per-barrel fee on imported crude. Thus, the New England States may actually feel a lesser impact than other portions of the Nation.

Also, under the amendment I have offered, the President will be prohibited from imposing the 60-cent- and $1.20-per-barrel increase on imported crude products, as scheduled for March 1 and April 1. This would be true of the fee increases to $2 and $3 per barrel on crude as well.

PRESIDENT'S OBJECTIVE

The goal of the President with his import duty order, as I understand it, is to keep pressure on the Congress to expedite passage of a comprehensive solution.

The senior Senator from Louisiana (Mr. LONG) has expressed his support for this tactic in the Senate on February 11 when he said:

> One thing that appears to me about the President's action is that at least it puts the pressure on Congress to do something, and I am hopeful that, with the result of what the President has done, the debates occurring, and the matters being considered by both sides of the aisle, we will wind up making a constructive contribution towards solving the energy program.

I submit that this compromise will keep the collective feet of Congress to the fire nearly as much as the President's plan to increase import duties to $2 per barrel and then $3.

A $3-per-barrel tariff would raise the price of gasoline by about 3 cents per gallon. A 3-cent-per-gallon increase would not have much more conservation effect than 1 cent per gallon. Yet the compromise would permit the President to proceed with some energy conservation initiative and keep the obviously necessary pressure on us in Congress to act expeditiously and constructively on the matter.

My amendment gives Congress the initiative in making a meaningful compromise with the executive branch. And if the President is sincere about compromise—and I believe he is—he should be willing to sign the bill as amended by this proposal.

Mr. President, I believe that the compromise I have proposed is both equitable and workable. It serves the objectives of those opposed to the President's program by delaying imposition of higher import fees until April 30. At the same time, it serves one of the President's objectives—to expedite enactment of a comprehensive energy conservation program. And it asks no segment of the population or section of the country to bear an unfair burden while a long-range program is developed by the Congress.

Hopefully, this compromise amendment will signal to the citizens of this country the beginning of a joint, cooperative effort between the administration and the Congress to find effective and equitable solutions to this Nation's economic and energy problems.

Mr. President, I ask unanimous consent that the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 11

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) during the period beginning on February 1, 1975, and ending on April 30, 1975, the President may not take any action under section 232(b) of the Trade Expansion Act of 1962 (19 U.S.C. 1862(b)) or any other provision of law to adjust imports of petroleum or its derivatives in to the United States.

(b) Except as specifically provided in subsection (c), any action taken after January 22, 1975, and before the date of enactment of this Act by the President under such section 232(b), or any other provision of law, for the purpose of adjusting imports of petroleum and petroleum products into the United States, shall cease to have effect on the date of enactment of this Act.

(c) Any fees and supplemental fees for allocation and licenses imposed by action taken by the President for the purpose of adjusting imports of petroleum and petroleum products under such section 232, and in effect on the date of enactment of this Act, shall continue in effect to the extent that the sum of such fees and supplemental fees imposed per barrel does not exceed—

(1) $1.21, with respect to imports of crude oil and natural gas products, and

(2) $0.63, with respect to imports of motor gasoline, unfinished oils, and all other unfinished products (except ethane, propane, butanes, and asphalt).

SEC. 2. The first section of this Act ceases to apply if, during the ——— period referred to in the first section of this Act—

(1) the Congress declares war,

(2) United States Armed Forces are introduced into hostilities pursuant to specific statutory authorization,

(3) a national emergency is created by attack upon the United States, its territories or possessions, or its Armed Forces,

(4) United States Armed Forces are introduced into such hostilities, situations, or places, or are enlarged in any foreign nation, under circumstances which require a report by the President to the Congress pursuant to section 4(a) of the War Powers Resolution (50 U.S.C. 1453(a)), or

(5) there is a substantial change in the conditions of trade with respect to petroleum and petroleum products which has an adverse effect on the United States and is caused by—

(A) an increase in the average per barrel price in excess of 25 percent, determined over a one week period, of imports of petroleum and petroleum products into the United States, or

(B) a decrease in the average barrel volume in excess of 25 percent, determined on the basis of a one week period, of imports of petroleum and petroleum products into the United States.

ACTIVITIES AND ACCOMPLISHMENTS OF CONGRESS PLACED IN PROPER PERSPECTIVE

Mr. CANNON. Mr. President, the administration in recent weeks has been trying to convey the impression that the month-old 94th Congress is a "do nothing Congress" because it has not immediately rubberstamped administration proposals in the complex and crucial areas of the economy and energy.

This has been a misleading picture of congressional activities and in the process, obscures the legitimate role that the Congress plays as a separate and independent branch of the Government.

To place the activities and accomplishments of Congress in the proper perspective, I ask unanimous consent to have printed in the RECORD an article by Spencer Rich of the Washington Post, dated February 14, 1975.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS HAS LED IN MAJOR PROGRAMS

(By Spencer Rich)

Although it is fashionable to declare that Congress by its very nature lacks the capacity for leadership on national issues, the fact is that many of the most important national programs and policies of recent years have been initiated on Capitol Hill and forced on an unwilling President.

In recent days President Ford has accused Congress of obstruction, of delaying presidential initiatives without developing programs of its own. And, to be sure, Congress moves slowly, possesses an unbelievable capacity for quibbling and political showboating, argues an issue and chews it over 100 times before digesting it, compromises on everything, makes backroom deals and takes numerous undeserved vacations.

But despite all these failings, it is Congress and not the White House that has initiated and nurtured:

Medicare.

Social Security disability insurance.

Pension reform.

The 18-year-old vote.

Political campaign reform.

Clean air and auto-pollution controls.

The Indochina war cutoff.

Key laws against dangerous chemical additives in foods.

Consumer product safety and warranty laws.

Much of the landmark civil rights legislation that Lyndon B. Johnson pushed to passage when he become President.

Major Social Security benefit increases.

Still-to-be-passed proposals for no-fault auto insurance and for a federal agency to argue the consumer position before rulemaking agencies.

Mandatory auto safety standards.

Major investigations of gangsterism, labor racketeering, the drug industry and multinational corporations.

Recent improvements in food programs for the poor and in the minimum wage.

Congress leadership was demonstrated in the way the Senate Foreign Relations Committee, headed by then Sen. J. W. Fulbright (D-Ark.), publicly took up the antiwar cause as early as 1965, gave it publicity and respectability through hearings, uncovered covert military operations elsewhere in Indochina and exposed the inconsistencies in the White House's reports on the Gulf of Tonkin incident.

The committee's activities played a large role in crystallizing public opinion against the war.

This, in turn, helped press both Johnson and Richard M. Nixon to seek a negotiated end, and to brake escalation of the U.S. military effort. In 1973 Congress legislated a flat cutoff of all U.S. military combat activities in Indochina.

The evolution of Medicare—federal medical insurance under Social Security for persons over 65—is another illustration of congressional initiative.

In 1957 a Rhode Island congressman on the Ways and Means Committee, Aime J. Forand (D), sponsored a Medicare bill with the backing of the AFL–CIO and medical and welfare groups. The Forand bill won Senate sponsorship from John F. Kennedy (D-Mass.), but was opposed by the Eisenhower administration and by the 1960 GOP presidential nominee, Nixon. Congressional Democrats pressed it, however, and Kennedy made it an issue in his 1960 presidential campaign. It was enacted in 1965.

Pension reform is another good example. It was pioneered in Congress by Chairman Harrison A. Williams (D-N.J.) and senior Republican Jacob K. Javits (R-N.Y.) of the Senate Labor Commitee, faced strong opposition from the White House on many major safeguards, but finally was passed despite continued White House misgivings.

The 18-year-old vote had broad support, but the White House under President Nixon wanted it accomplished by a constitutional amendment, which would have taken years. Sen. Edward M. Kennedy (D-Mass.) had the idea of attaching it to a 1970 bill extending a major civil rights law. Majority Leader Mike Mansfield (D-Mont.) took up the thought and engineered a successful Senate vote, the House accepted it, and the President—after some hesitation filnally signed it.

Kennedy and Senate Minority Leader Hugh Scott (R-Pa.) were also the chief advocates of public financing for presidential elections, enacted by the last Congress despite White House opposition. And it was Kennedy who, a year ago, initiated the drive for tax cuts to stimulate the economy, which has now been endorsed by everyone, including the White House.

The consumer protection agency bill, drawn from an idea first espoused by the late Sen. Estes Kefauver (D-Tenn.), became a Rosenthal (D-N.Y.) and Sens. Abraham A. Ribicoff (D-Conn.) and Warren G. Magnuson (D-Wash.) put the idea in its present form and started a campaign for passage. White House opposition and business-backed filibusters have killed it so far, but enactment by this Congress appears likely.

In sum, Congress was designed by the Founding Fathers to operate slowly, with deliberation and with compromise, and it is not structured to rush controversial proposals through smoothly. But it gets a lot of input from the public, and its stumbling, brooding deliberations often result in important new ideas and initiatives unconceived by a President, despite all his direct power and advisers.

SENATOR McINTYRE'S REACTION TO GENERAL BROWN'S REMARKS

Mr. McGEE. Mr. President, the distinguished senior Senator from New Hampshire (Mr. McINTYRE) recently delivered what I consider to have been an exceptional speech before the Jewish Community Council in Boston, Mass.

In his remarks, Senator McINTYRE explained his reasons for aggressively pursuing the case of Gen. George S. Brown, Chairman of the Joint Chiefs of Staff, whose remarks at Duke University Law School forum last October 10 concerning the Jewish lobby in this country touched off considerable controversy.

As my colleagues are well aware, the distinguished Senator from New Hampshire was very deeply disturbed over the remarks made by General Brown. His speech in Boston, therefore, gives an insight into, and appreciation for, the reasons THOMAS McINTYRE took up the cudgels in the Brown case.

For example, my friend and colleague noted in his speech:

> The long established principle of civilian control over the military is at the very foundation of our system of democratic self-government, and whenever a spokesman of the military, and particularly a spokesman as high-ranked as General Brown, injects himself and his views into what must remain civilian domain, it assaults and weakens that crucial principle. And in this instance, the violation was as dangerous as it was improper.

As I am sure my colleagues will agree, contrary to his own remarks in his speech, THOMAS McINTYRE is not given to knee-jerk reactions to issues and controversy. Consideration and reflection go into the formulation of his responses and position.

He made several poignant observations during his speech, many of which I personally appreciated. Although not a native of New England, I, too, was raised in small-town America and benefited immensely from those values—an advantage which was further enhanced, I might add, when I arrived at the University of Wyoming in the late 1940's as a university professor.

In this connection, TOM noted:

> Indeed, because we are what we are, I believe we have an obligation to go beyond speaking out against bigotry, I believe we are obliged to encourage the preservation and strengthening of cultural, ethnic and religious identification in this country.
>
> I said I was from small-town America, and I'm keenly aware of the stereotyped image of small towns—narrow, provincial, clannish and spiteful.
>
> But if you've ever lived in a small community, you know it can be something else. It can be America in microcosm, a concentrate of where the unavoidable intimacy of people-to-people relationships can instill an abiding appreciation of the richnesses of difference.
>
> America's melting pot was never supposed to distill a bland and homogenized people. It was supposed to brew a strong broth of diverse cultures, nationalities and faiths, where every flavor retained its distinctiveness yet accented and complemented all the others.
>
> Some small towns brew that kind of broth. And I was lucky enough to sip from it.

I was struck very deeply by this observation. TOM's reflection was a restatement of some very basic and important values of this society—values which we often take for granted and in some instances forget. It is apparent that THOMAS McINTYRE has never lost sight of this. He knows where he has been and he never loses sight of where he is going.

With this background, one gains a greater appreciation for the focal point of his remarks when he said:

> I will never really know what it is to be Jewish, just as you will never really know what it is to be Irish and Catholic.
>
> But that doesn't stop me from appreciating what you have meant to this beloved country we share.
>
> In proportion to your numbers, no other group of Americans has given more of itself to the advance of science, literature, and the arts. Your contributions to medicine, psychiatry, music, poetry, novels, economics, education and entertainment are the enduring evidence of what my fellow Catholic Frank Getlein contends is the real Jewish "plot."
>
> "When you begin to put all these pieces together," Getlein wrote not long ago, "you begin to see the broad outlines of the Jewish plot. Those Jews are out to civilize the rest of us, to refine our taste, broaden our minds, raise our thoughts from getting and spending to humane values and enduring truths."

I want to commend the distinguished senior Senator from New Hampshire for a most eloquent, yet elemental lesson in history that he has given all of us. For, in essence, THOMAS McINTYRE was not only coming to the defense of the Jewish race, he was coming to the defense of us all. And that is what this Nation is all about.

I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE REAL JEWISH "PLOT"

(By U.S. Senator THOMAS J. McINTYRE)

President Schlossberg, Executive Director Brown, members of the Jewish Community Council, guests and friends:

I want you to know that I am flattered by the opportunity to speak to you today—that I know what prompted your invitation—and that I am still surprised at finding myself in the middle of the controversy that led to this occasion.

I say "surprised" because in many respects this was an unlikely role for Tom McIntyre. I am not, by nature, a wave maker. Neither am I a super-liberal, an anti-militarist, a professional champion of causes, nor an expert on Israel and the Middle East.

My politics are those of a "gut" moderate. My nationality is Irish. My religion is Catholic. And my origin is small town.

So I suppose this begs the question of why Tom McIntyre, of all people, went to the mat over General Brown, when traditional firebrands in Congress—including some with White House ambitions—seemed willing to let the issue die.

Well, my friends, I have asked myself that question, asked it a hundred times. I think I know why.

But before I try an answer, let's do a quick review of what has come to be known as "The General Brown Incident." Last October 10, General George S. Brown, Chairman of the Joint Chiefs of Staff, the highest ranking military officer in the country, delivered a prepared speech at the Duke University Law School Forum.

Following the speech, the General answered a number of questions from the audience, and the answer he gave to the last questioner—who asked if the United States was contemplating the use of force against the oil producing Nations—kicked off a public uproar when the press learned of it more than a month later. Recorded by a student and never denied or corrected, the General's answer was as follows:

"Now, in answer to the question of would we use force in the Middle East, I don't know." The General should have stopped right there. But he didn't. He went on to say:

"I hope not. We have no plans to. It is conceivable, I guess. It's kind of almost as bad as the 'Seven Days in May' thing. But you can conjure up a situation where there is another oil embargo and people in this country are not only inconvenienced and uncomfortable, but suffer and they get tough-minded enough to set down the Jewish influence in this country and break that lobby.

"It's so strong you wouldn't believe now," the General said of the lobby. "We have the Israelis coming to us for equipment. We say we can't possibly get the Congress to support a program like that. They say, 'Don't worry about the Congress. We'll take care of the Congress.'

"Now this is somebody from another country," Brown added, "but they can do it. They own, you know, the banks in this country, the newspapers, you just look at where the Jewish money is in this country."

So spoke General Brown.

His words were first published in the Washington Post on November 13, and once they appeared in print, President Ford summoned the General to the White House and told him he thought his remarks were "ill-advised and poorly handled."

Defense Secretary Schlesinger called the General's words "unfortunate and regrettable."

And the General himself? Well, the General said his remarks were, and I quote: "unfounded and all too casual" and, he said, "certainly do not represent my convictions."

Now this is the man whom Time magazine described as, quote: "A cool, articulate and politically savvy professional soldier"—unquote, and somehow I could not square that description with what he said at Duke Law School, nor could I accept whole cloth his excuse that his remarks did not represent his convictions.

Now I am not going to pretend to you that I immediately recognized the Big Lie about Jewish control of the Nation's banks and newspapers when I read the General's words. Frankly, I had no idea that Jews are the principal stockholders or owners of only three percent of the country's newspapers, or that less than one percent of the directors and top officers of U.S. commercial and savings banks are Jewish.

But there was something so familiar and chilling about the General's sweeping charge that it made me think through the full implications of everything he said in that infamous response.

So now let me try to tell you why Tom McIntyre decided to step out of character, jump into this issue and stir up some waves. Part of it was a reasoned response that was triggered by practical experience as a United States Senator and, more specifically, as an 11-year member of the Senate Armed Services Committee.

But part of it was gut-level, and that, my friends, came right out of my national, religious and geographic origin.

On the reasoned level, I concluded that the General's claim that the Jewish lobby's influence was not only pervasive, but indeed inexorable flatly impugned the integrity of the Congress of the United States.

Joseph Califano put it another way. He said, "Does the General believe that collective Congressional motivations are so simple-minded?" Anyone who has dealt with the Congress must recognize how demeaning General Brown's remarks are to Senate and House members."

Califano is right. But there's more to it than that. Of course, there is a pro-Israel lobby. And it's strong. But it's strong because it reflects not only the will of the majority of Jewish-Americans, it reflects the will of a strong majority of all Americans.

I am going to return to that point, but for now let me make one additional observation from the viewpoint of someone who appreciates the real irony in General Brown's alleged awe and fear of the Jewish lobby.

As a Senator who has long been involved in fighting the "politics of oil" I can tell you that the influence of Big Oil is far more insidious, and far more pervasive, than the influence of the Jewish lobby, for oil and influence seep across ideological as well as party lines without public approval or support.

And as a veteran member of the Armed Services Committee, I can also tell you that when it comes to clout with the Congress, the Jewish lobby isn't in the same league with General Brown's own lobby—the Pentagon and the Defense establishment. I make that flat assertion, my friends, without fear that anyone can stick Tom McIntyre with being anti-military or anti-strong national defense.

The power of the Pentagon lobby is simply, and unhappily, a demonstrable fact of life, colorfully—but accurately—described by Frank Getlein in the Washington Star of November 22.

"It was," Getlein wrote, "the sheer chutzpah—if he'll pardon the word—of the Chairman of the Joint Chiefs of Staff complaining about the influence of anyone at all in Congress. It was as if the National Education Association had warned against the lobbying of the AFL–CIO.

"In the history of the institution," Getlein went on, "no one has had such an influence upon Congress as have the Joint Chiefs in the last quarter-century. Regularly, they march up the Hill, terrify Congressmen with visions of what diabolical engines the Russians may very well be contemplating the creation of, and march back down the Hill, the key to the Treasury secure still, once more and forever in their old kit bag."

And beyond the irony expressed so well by Mr. Getlein lies still another irony. General Brown has been as silent about our supplying arms to Jordan, Lebanon, Iran, Saudi Arabia, Kuwait and Oman as he was noisy about our supplying arms and equipment to Israel.

Well, maybe I am too dense to understand the subtleties of our current Middle East policy, but I can't help but feel that the quickest way to get General Brown into the war he says he wants to avoid is to arm to the teeth every country in that part of the world!

Now please don't misunderstand. I think General Brown ought to keep his mouth shut in public about foreign policy, no matter what he thinks of it. So I think he is as right to keep silent on arms to Jordan, Lebanon, Iran, Saudi Arabia, Kuwait and Oman as he was wrong to spout off about Israel.

The long established principle of civilian control over the military is at the very foundation of our system of democratic self-government, and whenever a spokesman of the military, and particularly, a spokesman as high-ranked as General Brown, injects himself and his views into what must remain civilian domain, it assaults and weakens that crucial principle. And in this instance, the violation was as dangerous as it was improper.

Again, Joseph Califano examines its consequences:

"Thus," Califano wrote, "in the context of the most explosive situation in the world today—the one situation most likely to precipitate a major war involving not only the Israelis and the Arabs, but our country and the Soviet Union—the Chairman of the Joint Chiefs vented his spleen on the Israelis, the Arabs, the American Jews, the Congress, and informed the world that he didn't intended to go to war in the Middle East,"—end of quote.

Now it's important to remember here, as Califano and others have pointed out, that the General's remarks were heard by the American public, the Israelis, the Arabs, the Russians, the United Nations, the President and the Secretaries of State and Defense.

And what did this do for his credibility as the ranking officer of the country?

A few days after the Post printed his remarks, the Pentagon took issue with a report by Israel's Prime Minister that the Soviets were unloading arms from some 20 ships in a Syrian port. The Pentagon claimed the number of ships was normal and that, contrary to what the Israeli Prime Minister said, only a few of the ships were unloading arms.

Who are we to believe? General Brown? Or the Prime Minister?

Now I said earlier that my decision to plunge into this issue was part reasoned response and part gut reaction.

I've just detailed the factors behind the reasoned response: In sum, I felt that the General had insulted and impugned the Congress, had played fast and loose with facts, had violated the principle of civilian control over the military, had improperly and dangerously intruded in the delicate field of foreign policy, and had damaged his credibility beyond repair.

None of this directly applies to the other side of the coin in this appalling incident—the anti-Semitism, however much denied, that is implicit in what the General said.

And this is where gut reaction took over.

For the life of me, my friends, I cannot understand how any Irish Catholic could be insensitive to anti-Semitism, wherever it rears its ugly head.

Having felt the historical burden of oppression and discrimination ourselves—from Ulster to early-day Boston-back to Ulster and beyond—we Irish-Catholics betray our heritage every time we ignore, tolerate or encourage bigotry of any kind!

Indeed, because we are what we are, I believe we have an obligation to go beyond speaking out against bigotry. I believe we are obliged to encourage the preservation and the strengthening of cultural, ethnic and religious identification in this country.

I said I was from small-town America. And I'm keenly aware of the stereotyped image of small towns—narrow, provincial, clannish and spiteful.

But if you've ever lived in a small community, you know it can be something else. It can be America in microcosm, a concentrate where the unavoidable intimacy of people-to-people relationships can instill an abiding appreciation of the richness of difference.

America's melting pot was never supposed to distill a bland and homogenized people. It was supposed to brew a strong broth of diverse cultures, nationalities and faith, where every flavor *retained* its distinctiveness yet accented and complemented all the others.

Some small towns brew that kind of broth. And I was lucky enough to sip from it.

So for all of these reasons—some cerebral, some visceral—I decided that I had no choice but to call for General Brown's resignation.

On November 15, before the Armed Services Committee, I said:

"When the ranking military officer of the United States slanders one element in the spectrum of the American people by hauling up the long-discredited myth about Jewish control of the Nation's banks and press—when he deliberately uses that myth in a wholly improper attempt to influence foreign policy—when his remarks encourage those who would make the Jewish community the scapegoat for our energy predicament—when he thus reveals abysmal insensitivity and a woeful misunderstanding of what this country is all about—then he has forfeited claim to the public's trust, respect and support and has so weakened national security.

"For the good of the country he has sworn to serve as an officer and a gentleman, General Brown should tender his immediate resignation."

And then I added that "if that resignation is not forthcoming, then I, as a member of the Armed Services Committee, will recommend to the Chairman that the Committee conduct a full scale inquiry into General Brown's attitudes as they affect his fitness for the office he now holds."

Now let me refresh your memories a bit. At the time I issued that call for the General to resign, much of the American-Jewish community was up in outraged arms.

The Anti-Defamation League of B'nai B'rith called for the General's dismissal, the American Jewish Congress issued similar comments, a number of Congressmen issued heated condemnations of Brown's remarks, and I, along with many other Senators, was hearing from Jewish constituents as I had rarely heard before.

I specifically recall an anguished telephone message from my former press secretary, a man whose wife still carries a concentration camp tattoo. He said his wife's blood ran cold when she heard what the General had said.

But that was all on or around mid-November.

On November 19, the Washington Post reported that a group of American Jewish leaders met privately with Defense Secretary Schlesinger and—quote: "apparently decided not to press for the resignation of General George S. Brown as Chairman of the Joint Chiefs of Staff."—end of quote.

Suddenly I found myself all alone on the firing line, and in my naivete, I didn't understand why. But by the time the Armed Services Committee met on November 25, to consider my request for a full inquiry into the General Brown case, I was able to recognize what had happened . . . and say this in my statement to the Committee:

"Since I issued my call for General Brown's resignation, it has become evident to me that some members of an immediately outraged American Jewish community have developed second thoughts about the General's removal from office.

"I find this completely understandable. Were the General to tender his resignation, or be ordered to do so, some elements of the American public inevitably would interpret this as further evidence of the alleged inexorable power of the Jewish lobby."

But then I went on to say:

"The Jewish community's sensitivity to this potentiality must be acknowledged, but it should not be used as an excuse for this Committee to back away from the issue.

"Let me put it this way," I said. "Had General Brown maligned the American Catholic community by using discredited myths to describe its lobbying power, my reaction might well have been that of many of my Jewish friends—initial outrage, followed by second-thought reservations about an overkill backlash.

"But deep in my heart," I continued, "I think I would know that sweeping this sisue under a convenient rug would be neither in the best interests of the American Catholic community, nor in the best interests of national security."

I concluded this part of my statment by saying: "And I would hope—despite my fears of a public opinion backlash—that some member of this Committee who was not a member of the American Catholic community, say a Presbyterian like the distinguished Senator from Washington, or a Baptist, like the distinguished Senator from South Carolina, or an Episcopalian, like the distinguished Senator from Colorado, would press on for a resolution of this issue *because to do so was* right.:

Well, my friends, you know what happened. My call for a full-scale inquiry into General Brown's fitness to hold his office was voted down in Committee by a vote of 11 to 4, and as Meg Greenfield put it in the Washington Post, the issued seemed to come to an end— "in sudden, unnatural silence."

But *had* it come to an end?

Not as far as Tom McIntyre is concerned.

I've never had any doubts about the moral rightness of what I tried to do. And if I ever had any doubts about my practical judgment of General Brown's fitness for the job, they were dispelled earlier this month when the General embarrassed and reportedly angered Secretary of State Kissinger by *not informing Kissinger in advance* that a Navy carrier task force had been directed to sail toward Vietnam and then denying the ships were headed for Vietnamese waters.

I have no personal vendetta against the General. But I can promise you now that I'll be keeping a very close eye on what he does and what he says as long as he's Chairman of the Joint Chiefs of Staff.

And now, in closing, let me tread lightly into the most sensitive aspect of the General Brown case.

If by my persistence in pushing the issue to the Committee vote I put the American

Jewish community in a painful dilemma, I want you to know that was not my intention.

In the time that has elapsed since November, I have learned to appreciate the insight behind these words by Meg Greenfield: "The Jews," she wrote, "are too wary, too untrusting, too scarred and too certain of their ultimate aloneness to tell the General Browns of this world what is really on their mind."

I appreciate that insight. But I cannot surrender to what it implies.

For if I had one purpose in coming here today, it was to do what little I could to ease your wariness, encourage your trust, and let you know that you are *not* alone in America.

I will never really know what it is to be Jewish, just as you will nevery really know what it is to be Irish and Catholic.

But that doesn't stop me from appreciating what you have meant to this beloved country we share.

In proportion to your numbers, no other group of Americans has given more of itself to the advance of science, literature and the arts. Your contributions to medicine, psychiatry, music, poetry, novels, economics, education and entertainment are the enduring evidence of what my fellow Catholic Frank Getlein contends is the *real* Jewish "plot."

"When you begin to put all these pieces together," Getlein wrote not long ago, "you begin to see the broad outlines of the Jewish plot. Those Jews are out to *civilize* the rest of us, to *refine* our taste, *broaden* our minds, *raise* our thoughts from getting and spending to humane values and enduring truths."

Getlein is right. And every thinking American knows it.

So let me leave you with a question which I hope will not offend.

With such credentials, with such a valid cause, and in a time when America is listening more than ever before to the just claims of individuals and of ethnic, religious and cultural groups, is discretion on the part of the American Jewish community *really* the better part of valor? Is the *fear* of arousing anti-Semitism more dangerous in the long run than stronger self-assertion now?

I don't know. And perhaps the question itself is presumptous and irrelevant.

I raised it only because of my deep respect *for* you, my lasting appreciation *of* you, my abiding wish for your security, your happiness and well-being.

SCIENTIFIC AND TECHNICAL COOPERATION AGREEMENT BETWEEN GULF OIL CORP. AND SOVIET UNION

Mr. HUGH SCOTT. Mr. President, James E. Lee, president of Gulf Oil Corp., a Pittsburgh based firm, is presently meeting in Moscow with high Soviet officials to discuss scientific and technical cooperation in five petroleum-related areas. Discussions with Soviet ministers will cover geology, exploration, production, and transmission of petroleum, petroleum refining and petrochemicals, chemicals and synthetic fuels. I ask unanimous consent that a fact sheet outlining these meetings be printed in the RECORD.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

FACT SHEET

Subject: James E. Lee, president of Gulf Oil Corporation to visit Union of Soviet Socialists Republic.

Dates: February 16 through 20, 1975.

Purpose: Discuss scientific and technical cooperation in five areas.

Personnel: Hopefully, to meet with Leonid Brezhnev, secretary of the Soviet Communist Party, and Aleksei Kosygin, premier. Will meet: Vice Chairman, State Committee on Science and Technology Dzhermen Gvishiani to re-sign Russian and English versions of October 3, 1974 "Umbrella" Agreement.

Will meet and sign protocols with: Minister of Geology, Minister of Petroleum, Minister of Petroleum Refining and Petrochemical Industries, Minister of Chemical Industries, and Minister of Coal Industry.

Will also meet with: Minister of Foreign Trade and Minister of GOSPLAN (State Planning Commission).

Documents: Five protocols—Protocol on Scientific and Technical Cooperation in field of Geology, Protocol on Scientific and Technical Cooperation in the field of exploration, production and transmission, Protocol on Scientific and Technical Cooperation in the field of Petroleum Refining and Petrochemicals, Protocol on Scientific and Technical Cooperation in the field of Chemicals, and Protocol on Scientific and Technical Cooperation in the field of Synthetic Fuels.

Previous Documents: U.S.-U.S.S.R. economic agreements signed in May 1972. Scientific and technical cooperation agreement between Gulf Oil Corporation and Soviet Union signed October 3, 1974.

Areas of Discussion: Geology, Exploration, production and transmission, Petroleum refining and petrochemicals, Chemicals, and Synthetic fuels.

Importance: The step in negotiations toward economic detente would include a follow-up to the protocols through a letter from Mr. Dorsey to appropriate Soviet ministers which would state Gulf's proposed next step.

In the final agreements, Gulf would make minimal investments other than the provided technology and would benefit through possible technology from the Russians as well as payment for Gulf technology through Russian oil, gas, intermediate petrochemicals, etc. This arrangement should provide products for the Western World and assist in the balance of payments.

PRECEDENT FOR INTERNATIONAL COURT OF JUSTICE FURTHER SUBSTANTIATES NEED FOR GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, critics of the Genocide Convention have often argued that there is no precedent for the United States to submit its citizens to the International Court of Justice. Article IX of the convention states:

> Disputes between the Contracting Parties relating to the interpretation, application or fulfillment of the present Convention, including those relating to the responsibility of a State for genocide or for any of the other acts enumerated in article III, shall be submitted to the International Court of Justice at the request of any of the parties to the dispute.

The Congress of the United States has indeed set a precedent that would submit the parties in dispute to the International Court of Justice. On November 2, 1967, the Senate ratified the Supplementary Convention on the Abolition of Slavery. Article X of this convention states that disputes between the contracting parties are to be submitted to the International Court of Justice for adjudication. This is clear precedent for article IX of the Genocide Convention.

It is clear from this comparison that ratification of the Genocide Convention would not contradict basic American policy. Mr. President, I urge speedy Senate ratification of the Genocide Convention Accords.

RECENT DEVELOPMENTS IN THE AWACS PROGRAM

Mr. CANNON. Mr. President, there have been stories appearing recently in the press regarding the AWACS program, as well as other developments which I will comment on, which I believe require explanation in order to clarify the record as to the status of this program.

To review some background, last year the House-Senate authorization conferees approved funds for procurement of the first six AWAC radar warning and control airplanes for the Air Force. At the same time, the conferees retained a requirement in the law that the Secretary of Defense had to certify to Congress that AWACS was a cost-effective program and that it would meet the mission needs and requirements of the Department of Defense.

This requirement originally had been recommended by the Senate Armed Services Committee. It was made in light of contentions by the GAO that the AWACS radar could be jammed easily by an enemy and that, therefore, the AWACS effectiveness as a warning and command-control aircraft could be countered simply and at low cost.

The committee also had recommended that the Secretary of Defense establish an independent group of electronics countermeasure—ECM—experts to review the conflicting claims of the Air Force and to the GAO regarding AWACS ECM vulnerability.

During the ensuing months since the fiscal year 1975 authorization was completed last July, the ECM panel has completed its work and the results and findings have been evaluated within the Defense Department. Secretary Schlesinger testified before the Senate Armed Services Committee on February 5, 1975, that he expected to issue his certification on the AWACS program within the very near future. This certification was sent to the Congress last Friday, February 14, 1975.

Well before Secretary Schlesinger testified to the committee regarding AWACS, the committee had been contacted by Senator EAGLETON regarding his concern that the Department might issue the certification and then immediately proceed to sign the AWACS production contract before the Congress had any chance to review the certification and the reasons for it. Because I agreed with the distinguished Senator from Missouri (Mr. EAGLETON) that those in Congress interested in the AWACS program should have a chance to review the certification, I wrote to Secretary Schlesinger on January 31, 1975, and asked that time be allotted for congressional examination before that production contract was signed.

I might add that it is my intent to hold a hearing before the Tactical Air Power Subcommittee to review this program and that I will be calling representatives from the ECM panel, the GAO, the Defense Secretary's staff, and the Air Force, so that we can get the facts on the table and, hopefully, can resolve the claims and counterclaims which are being made regarding AWACS. I also have invited Senator EAGLETON to join the subcommittee when we hold that particular hearing, which is scheduled for March 6, 1975.

With this background on the recent events which have taken place, I was more than a little surprised to see an article appear in the New York Times of February 13, 1975, which alleges that I was planning on receiving a private briefing in the Pentagon and unilaterally approving a go-ahead on the production contract. That assertion in the New York Times article is totally false and without foundation, and I will add that I was not contacted by the author of the article about those allegations before—or after—they were printed. I think that my recent correspondence on AWACS, plus my comments today, should make it totally plain that there was no basis for the Times' statements.

Mr. President, I ask unanimous consent to print in the RECORD at the conclusion of my remarks, first, my letter to Secretary Schlesinger of January 31, 1975, requesting time for a congressional review of AWACS, and second, my letter of February 12, 1975, inviting Senator EAGLETON to participate in the Tactical Air Power Subcommittee hearing on AWACS.

As a final point, it should be pointed out that press reviews of the AWACS program are not always unfavorable. Therefore, I ask unanimous consent to have printed in the RECORD both the article from the Times of February 13, 1975, and also an article from the February 1975 issue of the magazine Government Executive, which takes an opposite viewpoint on the AWACS.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *January 31, 1975.*

Hon. JAMES R. SCHLESINGER,
Secretary of Defense,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: I am informed that your certification of AWACS mission effectiveness and cost effectiveness is imminent and may be sent to the Congress next week. I also am informed that an AWACS production contract (letter contract) also possibly could be signed at that time.

In view of the on-going controversies over this program, it is my belief that the Congress should have a short, but reasonable, time within which to review the report of the ECM panel and other issues which have been raised regarding this program.

Accordingly, I am requesting that the full production contract not be executed until the Tac Air Subcommittee has made its review. This would not prevent continued long lead funding of the AWACS production.

Sincerely,

HOWARD W. CANNON,
Chairman, Tactical Air Power Subcommittee.

FEBRUARY 12, 1975.

Hon. THOMAS F. EAGLETON,
U.S. Senate,
Washington, D.C.

DEAR TOM: I intend to hold a hearing on the AWACS program to review the ECM and vulnerability issues as soon as the Secretary of Defense issues his certification on the mission and cost-effectiveness. I intend to call Dr. Smith, who headed the ECM panel, plus representatives of the DDR&E, the Air Force, and the GAO.

In view of your interest and concern on AWACS, I am offering you the opportunity to participate in the Subcommittee's hearing on the program, either as a witness if you would like to present testimony, or as a guest member of the Subcommittee to allow you to question the people who will testify.

Please let me know your desires on this matter, and I will keep you advised as to the schedule for our review.

Sincerely,

HOWARD W. CANNON,
Chairman, Tactical Air Power Subcommittee.

[From the New York Times, Feb. 13, 1975]

PENTAGON TO URGE AIR RADAR SYSTEM—SCHLESINGER WANTS CONGRESS TO PROVIDE $4 BILLION FOR BOEING PLANES

(By John W. Finney)

WASHINGTON, February 12.—Sometime this week Defense Secretary James R. Schlesinger will send to Congress a letter seeking to justify the construction of a squadron of airborne radar command posts at a cost of about $4-billion.

If all goes according to plan, the letter will be followed by an urgent private briefing at the Pentagon for Senator Howard W. Cannon, Democrat of Nevada, the chairman of the Senate Armed Services Subcommittee on Tactical Air Power who is also a major general in the United States Air Force Reserve. If, under the plan, Senator Cannon consents, the Defense Department would quickly enter into a contract with the Boeing Company to build for the Air Force the first six of the planned 31 airborne warning and control system planes, known as AWACS.

The Pentagon, however, is likely to be thwarted in its contracting plans. Even if Mr. Cannon's subcommittee holds no hearings, Representative Melvin Price, Democrat of Illinois, the new chairman of the House Armed Services Committee, is suggesting that he might want to hold some hearings before the Pentagon commits itself to a costly and controversial contract.

COST-EFFECTIVENESS

Before proceeding with the program, Congress specified last year that the Secretary of Defense had to certify that the plane, which at an estimated cost of $111-million each would be the most expensive plane ever built by the Air Force, would be "cost effective"—that is, would it overcome the far cheaper electronic countermeasures of an opposing side. In his report yesterday on the military program, Mr. Schlesinger said that he was prepared to give such certification to the Congress.

In making the certification, however, the Defense Department has subtly changed the proposed mission of the plane, which is a Boeing-707 transport loaded with radar, computers and communications equipment.

Last year, in Air Force testimony and Senate floor debate, the plane's primary mission was described as providing control and direction of allied planes in strikes over "enemy-held" territory. This potentially "offensive mission" for the plane has now become secondary to a "defensive mission" of directing an air battle over the territory of United States allies.

CAN BE JAMMED

One reason for the Defense Department's change in emphasis is that a panel of technical experts, convened by the Pentagon at Congressional insistence, found that the present Soviet jamming equipment "could degrade AWACS performance in support of offensive operations." But in defensive operations, when the plane would be farther to the rear, the panel said, the present Soviet electronic countermeasure equipment "should not seriously degrade AWACS performance."

Calling NATO's strategy "primarily defensive," Mr. Schlesinger said that he had "determined that AWACS is cost-effective and meets the mission needs and requirements of the Department of Defense."

Senator Thomas F. Eagleton, Democrat of Missouri, who has been leading the Congressional opposition to the AWACS program, said in a statement that the Schlesinger determination "can in no way be sustained on the basis of available facts."

"UNAFFORDABLE MARVEL"

"The evidence is overwhelming that AWACS can be inexpensively defeated in performing its NATO mission," Senator Eagleton said. "AWACS remains a technical marvel in search of a mission, and it is a marvel we simply can no longer afford."

Within Pentagon circles there is a suspicion that Mr. Schlesinger will not be very upset if Congress kills the AWACS program.

Some Schlesinger associates suggest that the Defense Secretary decided to make the certification rather than pick a fight with the Air Force, but aware that he was presenting a likely target for those Congressional members who wanted to make some cuts in the Defense budget.

[From the Government Executive]

MILITARY—AWACS' FUTURE: MORE OPTIONS THAN OPPOSITION

HIGHLIGHTS

Past public criticism that AWACS (officially: E-3A Airborne Warning and Control System) is vulnerable in battle, ineffective, and too costly are being shot down by performance facts.

Toughest question for AWACS decision-makers today is not defending the program; rather it is how many will NATO or the United Kingdom or Iran or all three buy, if any; and how will that affect U.S. procurement plans?

Praising performance in recent flight tests of the F-15 Eagle air superiority fighter may seem like a strange way to defend the merits of the AWACS (for Airborne Warning and Control System). Yet, say enthusiasts, "The synergism (Pentagonese for teamwork) between AWACS and especially the F-15 may well revolutionize air combat tactics."

Their case-in-point: a mock air battle last Fall in which two AWACS-guided F-15s took on nine attacking aircraft—six F-4s (built like the F-15, by McDonnell-Douglas) and three Navy EA-6s. At supersonic speeds, the F-4s played the role of interceptors; the Navy aircraft a subsonic role as AWACS-radar jammers.

All were picked up early on AWACS radar, while they were still as much as 100 nautical miles away; and all were "shot down" before they had gotten closer than halfway to the AWACS target.

In effect, this is one of many tests during 1974 which were necessary both to get a DSARC (Defense Systems Acquisition Review Council) production go-ahead last December; and to "disprove and discount" a critical GAO (General Accounting Office) report published last March, claiming AWACS was essentially "helpless" against "relatively inexpensive" enemy jamming techniques.

All nine attacked at supersonic speeds; all were picked up early on AWACS radar—in some cases while they were still as much as 100 nautical miles away; and all were "shot down" by the two F-15s before they had gotten halfway to the AWACS target.

F-15 speed, range, weaponry and radar performance were doubly impressive to observers considering that the F-15 pilots "had maybe 60 hours flying time in the aircraft vs. F-4 guys with thousands of flying hours, including in combat." The whole exercise brought home to the Pentagon "for the first time," say F-15 advocates, what one general summed up as, "For the first time in a long time, maybe we really have what we bought."

One fallout of this and other tests, on both AWACS and the F-15: one "bad guy" amongst a bunch of "friendlies" can be picked out "right away." (One attacking F-4 pilot even tried to avoid detection by dropping down on the deck, moved along a highway hoping to get lost in ground clutter, got picked up anyway as a "speeding car.")

Point is, in an AWACS/F-15 marriage, the visual identification problem that pestered pilots in Southeast Asia seems to be solved. By implication, the probable crowded skys of, say, a European air war are manageable. That, in turn, potentially shores up an apparent weakness otherwise in the Air Combat (nee Lightweight) Fighter (AFC).

In effect, AWACS can give the ACF an "eyesight" its own presently planned avionics won't have; thus help protect it from an F-15-like attack outside its own radar's ability to detect.

Moreover, AWACS/F-15 enthusiasts claim, the aforementioned flight test also demonstrated another plus.

Through a complex set of interacting capabilities, the "team" shot down some attackers head-on, some on a beam shot, and what were left, from behind. "It demoralizes an attacker to get hit so far out," said one observer. "He drops his wing tanks which cuts his capability even more."

Under some fierce Congressional criticism (the most outspoken coming from Senator Thomas Eagleton, D-Mo.), AWACS program director, Brig. Gen. Larry Skantze, might be expected to celebrate some. Not he.

Says Skantze, "We don't intend to fall into an 'absolute AWACS' trap. We are about 10 steps ahead of the world right now; but we don't build absolutes. We evolve these things into improved capabilities. If we were always looking for absolutes, we'd never build anything."

Point is, though AWACS reportedly is the most powerful, jam-proof airborne radar known, it is still basically just a highly sensitive receiver at which an enemy can direct jamming electro-magnetic energy. Sums up one expert, "You can jam it—if you get some of the smartest radar guys around and spend a week giving them the details of the radar's architecture."

That same challenge, i.e., measuring AWACS against a realistic, relative "rather than an absolute" world, is what faced a special, independent ECM (electronic countermeasures) panel set up last Spring in the aftermath of the GAO report. Whether the scenario they devised was "real world" or "worst possible case," apparently AWACS passed—at least to the Pentagon's satisfaction.

After some 770 hours of Development and of Initial Operational testing, the critical question the DSARC spent most of its time on last December was "How many do we want to build and how fast?"

To date, Defense has looked at as many as eight different options on production, many reflecting a very Strong Congressional and top-Defense feeling that NATO should participate in the program.

Originally, Air Force planned to buy 64 AWACS aircraft systems (enough for all conceivable needs); later dropped that to 42 to be built over a two-year period; are now down on the record as planning 34 (31 new systems plus retrofitting the three current test aircraft into operational systems.)

At the 34 level, they originally planned to build one a month; are now stretched out to building one every other month, i.e., six total in Fiscal '75, '76, '77, '78 and the last seven in Fiscal '79. Options begin to get complicated when possible NATO buys are added to the equation.

For instance, one option is a NATO buy (in which the U.S. would contribute a share of purchase and operating cost) of 38. According to Pentagon speculation, allowing for the time-lag of NATO planning and budgeting machinery, that could mean a NATO purchase of three AWACS in Fiscal '77, nine more in each of the next three fiscal years. and eight in Fiscal '81.

At the same time, the U.S.-only buy at the present one-every-other-month production speed would end in Fiscal '77. That, in sum, would mean 59 AWACS in the U.S. and NATO inventories by 1981 (the 38 NATO plus the three U.S. test aircraft converted to operational plus 18 U.S.-only systems.)

Other options being studied in the Pentagon: (a.) earmarking three of the U.S.-only six in Fiscal '77 for NATO and five of the six U.S.-only planned production for Fiscal '78 as U.S. contribution to NATO; making AWACS an entirely NATO production by Fiscal '79; (b.) Inviting the United Kingdom to share in AWACS production costs, as a British NATO contribution, in either Fiscal '76 or '77 or buy four systems on its own for a national maritime mission in Fiscal '78; (c.) Having a joint U.S.-United Kingdom buy of six systems in Fiscal '79. And then there are the Canadians, Iranians and even Japanese who have all shown interest in buying what could total a dozen or more AWACS systems.

Biggest trouble is, as Joint Chiefs Chairman, General George Brown, and Defense Secretary James Schlesinger have both pointed out, "They (NATO) have budget problems just like we do." And in absolute terms, AWACS is expensive. (Though the price would come down per copy if more were bought quicker—current development and production costs for 34 aircraft is $3 billion, or $89.4 million per unit.)

On the other hand, compared to fixed ground radars and other ways to do the job, says Brown, AWACS "savings in people, operating cost, maintenance, etc., are huge." (One Southeast Asia study, for instance, contends five AWACS systems could have done at least as good if not a better surveillance/command/control job than actually was done with 27 aircraft, two large, ground-based radars and a ship anchored off Haiphong harbor.)

Moreover, adds Brown, "The beauty of AWACS is not only in the air tasks it will serve but the groundwork it will also do. By putting transponders in tanks, personnel carriers, even on the backs of doughboys if he wants, a ground commander now can know precisely where his forces are."

Estimated cost to stop, then re-start the production line, depending on how fast Defense wanted to re-start: anywhere from $340 million to $700 million in penalties.

In any event, pressure is mounting to attract NATO involvement. For one thing, the whole system has been designed specificially with a NATO-type "battlefield" in mind. For another, AWACS program costs are up $383 million over original estimates.

That cost jump likely will bring AWACS critics roaring back out into the open. But more thoughtful heads also see that the most likely way to keep a viable program going is to share the cost—and the asset—with U.S. overseas allies.

AWACS: CLAIM AND COUNTERCLAIM

Last year, AWACS came under strong public fire. Led by Senator Thomas Eagleton (D-Mo.), critics argued, basically, either (a) its radar could be "easily jammed," rendering it totally useless; and/or (b) it was a "sitting duck"—even 200 miles back from the front lines—for interceptors and surface-to-air missile attack.

An announced $383 million jump in AWACS estimated cost (see accompanying story) is likely to bring those same critics roaring back out to stage-center—even though AWACS advocates think the criticisms already have been answered, privately at least.

Herewith the key criticisms and a summary of the Air Force's answers:

Charge: In 1973, (Defense) Secretary (James) Schlesinger changed AWACS' primary mission from strategic air defense to tactical command and control in a European environment. It was like moving from night to day. Yet, not one program milestone changed to prepare for the more demanding task.

Answer: The Secretary's decision was not what that charge implies, a major redirection of the program. Both the Specific Operational Requirement (SOR 206) written in 1963 and the ADC/TAC (Air Defense Command/Tactical Air Command) Required Operational Capability (ROC 1-66) order of September, 1966, stated AWACS must be able to perform a worldwide tactical role as well as an air defense mission.

As a result of arms constraint agreements reached with the Soviets, all that changed was the emphasis, in the strategic area, to a smaller air defense force augmented by General Purpose Forces, including AWACS; and putting all aircraft under a single AWACS-force manager to gain greater force efficiencies.

Charge: The cost estimates and timetable for AWACS were fashioned long ago for a very different mission. They are no longer realistic.

Answer: Every Congressman interested is well aware that Congress is provided quarterly with SARs (Selected Acquisition Reports) of current cost and schedule information on all major weapon system programs including AWACS, updated estimates based on constant and continual study of program trends and requirement changes.

Charge: If AWACS is going to survive and operate effectively in this (European) environment, its configuration will have to be far more capable, complex and expensive than it is now.

Answer: (See accompanying story) The worst trap to fall into is to look for an "absolute AWACS." AWACS' "baseline" configuration was defined originally to give it capability in either a tactical or a CONUS (Continental U.S.) air defense role. But it is also structured so it can be expanded and improved—as the Defense Systems Acquisition Review Council (DSARC), for instance. recommended in September, 1973.

AWACS is designed to exploit evolution—in technology, in threat estimates, in concepts of AWACS employment. In the meantime, AWACS is fully capable, in its present configuration, of doing its job in spite of the heavy attacks and intense ECM (electronic countermeasures) that could be expected in a Central Europe of the 1990s.

Charge: The current design will handle only 15 simultaneous intercepts, for instance. If AWACS is to be capable of effective operation in an 8,000-track environment, significant state-of-the-art advances in tracking and data processing technology will be essential.

Answer: That is erroneous and misleading. Intercept capability, where needed, can be increased significantly by simply adding more displays and computer memory units and/or by devoting more of the present displays to that task.

As to the density of the air-vehicle traffic AWACS could expect to face, that is studied continually in considerable detail. At the moment, though 8,000 tracks are theoretically possible, the fact is such instant air-traffic densities are far beyond the capability of current and evidently developing Warsaw Pact forces.

Even under the extreme condition of neither attacking nor defending forces suffering any losses, the instantaneous load—the only germane challenge—on AWACS surveillance ability would be much less than 8,000.

Charge: But what causes concern is that AWACS is extremely susceptible to ground-based jammers costing only a fraction the cost of AWACS itself. Low-cost ECM devices can take aim at both its main beam and sidelobes and either blind its radar with strobe lines or virtually black it out from within 200 miles of Eastern Europe.

Answer: ECM resistance, a prime consideration of AWACS radar design since its inception, is upwards of 10 times greater for AWACS than for any other radar so far built—whether the jamming attempt is airborne or ground-based.

Any radar can be jammed if any enemy wants to pour enough of his limited resources into the effort. And what's happening to his war effort elsewhere in the meantime? Besides, not only can NATO forces attack and knock out those jammers, but, while the whole family of ECMs, including main beam and side-lobe jammers, have been checked out and while they are not all totally ineffective, none to date has shown—however it was used—that it could "black out" AWACS.

Charge: (Air Force) criticism that the March (1974) GAO (General Accounting Office) report (highly critical of AWACS) was biased and was written without consulting the appropriate Air Force officials ... is unfounded. (As proof of the report's merit), soon after it was released, the Air Force came up with a revised test schedule.

Answer: As a result of the report being prepared virtually in isolation from Defense and other informed persons, it contains factual errors—including its assessment of certain AWACS radar characteristics being wrong by a factor of one million.

As to the test schedule change, this was done under DSARC instructions in September, 1973—something GAO would have learned if it had consulted with Defense prior to issuing its report in March, 1974.

Charge: The Air Force's only answer to this criticism (that it can't survive in battle) is that AWACS will retreat to friendly skies beyond the reach of the enemy's jamming devices and threat aircraft. That's fine, but what about AWACS' primary mission, to command and control our fighters over enemy territory?

Answer: Jammers would nto be turned on until just prior to the start of attack, of itself a hostile act. Before and during that act, AWACS would be able to colect sufficient data to assess the size of the initial raid and alert defense forces.

Moreover, in the full range of possible attacks theorized, under certain postulated scenarios, enemy fighters and/or ECM devices and tactics would require AWACS defensive maneuvering to minimize their effects. But the effect on AWACS mission effectiveness would be brief and temporary. Either, as noted above, the attackers would be destroyed by NATO counterattacking forces; or if a heavy attack on AWACS were sustained longer, it would seriously if not decisively weaken an attacker's ability to perform other necessary missions.

We should point out, also, there is no evidence the Warsaw Pact Forces even have the state-of-the-art jamming equipment we have postulated in use against AWACS.

Charge: Congress can force good management by requiring the Air Force to fly before it buys.

Answer: Extensive test and competitive demonstration of the "look-down" radar, alone, is proof enough that prior to every major milestone decision—including the production program before the DSARC in December, 1974—"proof by test" or "fly before buy," if you prefer, has been a driving element in the entire program.

THE 57TH ANNIVERSARY OF THE REPUBLIC OF LITHUANIA

Mr. HRUSKA. Mr. President, each year it is the custom of the Senate to reflect upon and pay tribute to the people of the small Baltic State of Lithuania. Once again, it is my honor to join with my colleagues in recognizing the right of these courageous people to chart their own national destiny.

February 16 marked the 57th anniversary of the establishment of the Republic of Lithuania. In America, it is a day set aside by Lithuanian-Americans as a day of celebration. In Lithuania, however, it is a day which is marked by quiet resignation.

This year February 16 fell on a Sunday, a day which many of us in America set aside for reflection and to give thanks to God for the blessings which He so generously has bestowed upon us. It is especially fitting that, as we observe this anniversary, we thank God for the great gift of freedom which He has given to the American people and to ask that this precious gift soon be restored to the people of Lithuania. For indeed, whenever the freedom of one people is lost, all free people are less secure in their liberty.

As America approaches its own Bicentennial celebration there are some encouraging signs that progress may be achieved toward an eventual restoration of freedom in Lithuania. The great hope of these people lies within the policy of détente. If détente proves to be an effective and enduring policy, we will observe a relaxation of tensions between the United States and the Soviet Union. For those living in Eastern Europe, there are many benefits which can be obtained from this new positive relationship.

A Soviet Union at peace with its Western neighbors might not feel the need to rule its Eastern European empire with an iron hand. As a result, ideas might once again flow between East and West. Freedom to travel might be restored. Families, separated by the Cold War, could be reunited. Individual standards of living could rise dramatically. Most importantly, the people of Lithuania and other Eastern European countries might be able to achieve a degree of self-determination which could lead to an eventual restortation of their liberties. These are some of the great hopes of détente.

A word of caution, however, is necessary. For without the United States as a counterbalancing military, economic, political and moral force to that of the Soviet Union, there is no hope for the nations of Eastern Europe. It is essential that, in the long run, while pursuing a policy of détente with the hope of it leading to the eventual restoration of liberty to these oppressed people, we do not allow ourselves to become so lulled that we endanger our own freedom and that of our allies.

So it is with these thoughts in mind that I observe this anniversary. Hopefully the policy of détente initiated by President Nixon and pursued by President Ford will make the world, in the last part of the 20th century, a much happier and peaceful place for all mankind.

THE ASSAULT ON THE WESTERN COAL LANDS

Mr. METCALF. Mr. President, many fine articles have been written about the current assault on the Western coal lands by large coal companies, fuel-hungry industrial users, and the administration. None, however, has been able to capture an "overview" quite so well as that which appeared in the February 16 Washington Post.

This exceptional article was produced by Mrs. Helena Huntington Smith, a Montanan who has written extensively about Montana and the West.

Mr. President, I recommend the reading of this article to the Senate, to the public, and especially to my fellow Montanans, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 16, 1975]

THE WRINGING OF THE WEST

(By Helena Huntington Smith)

"Montana does not intend to become a boiler room for the nation," says Lt. Gov. Bill Christiansen. This is his answer to plans announced by Interior Secretary Rogers C. B. Morton which would turn the eastern part of the state into a giant industrial complex. A great many Montanans agree with Christiansen, and the battle is on.

The strip mine control bill which was passed by the last Congress and vetoed by President Ford took several steps in the right direction; but this degree of control—reclamation requirements, even protecting the rights of the surface owner—barely scratches the surface of the problem. It will not ease the threat to the water supply imposed by massive coal development on states that have very little water; it will not relieve the industrial pollution caused by generating plants pouring their poisonous fumes into the air, nor their equally dreaded population impact. It will not help towns like Colstrip.

Forty miles south of the Yellowstone at Forsyth, Colstrip in 1972 was still just a friendly little western town of 200 people. (It took the name from a small, old Northern Pacific stripping and conversion operation.) Today two 350-megawatt generating plants are nearly completed; the influx of workers has raised the population to 3,000; the parade of thundering trucks on the narrow two-lane blacktop shoulders local cars off the road, and long-time local ranchers feel like strangers.

But Colstrip hasn't seen anything yet. In September, 1973, several large utility companies unveiled a plan to build two additional generating plants of 700 megawatts each—twice the size of the present ones; plus two EHV (Extra High Voltage) transmission lines cutting a swath across the state and shedding their often dangerous leakage on the ground, to tie in with the Pacific Northwest electrical grid.

The announcement was made at a gala meeting, attended by state and federal officials, at the late Chet Huntley's Big Sky resort. J. H. Wright, director of the Westinghouse Environmental Systems Department, which has acted as consultant on the plans, picked up the tab and answered questions. A major concern of the people living in such threatened areas is the effect of the sudden population influx on water supply, roads and, above all, schools. What will happen, they ask, when a huge new financial burden is dumped on the fragile economy of these still-small towns?

The Westinghouse man told Colstrip it would need schools to accommodate 1,700 pupils by 1975. The questioner demurred that on that basis, the school district would be short some $800,000 because of its limited bonding capacity. The speaker replied suavely: "That's your problem, gentlemen."

And again: "That is beyond the scope of our study. We cannot plan the whole world."

Today, after 17 months of often bitter debate, the showdown on Colstrip Nos. 3 and 4 is almost here; between Gov. Thomas L. Judge and other Montana officials and a powerful sector of public opinion on one side; and on the other a consortium made up of four giant West Coast utilities and the Montana Power Company, backed by the federal government. The state's Board of Natural Resources, an independent body, must start hearings on the question in a matter of weeks. Its answer will help to decide the big issue: Whether the Western coal-bearing states can escape the boiler room fate.

HOW MUCH COAL?

Montana, Wyoming and North and South Dakota, the four states known as the Northern Plains, are, or used to be, happy states, blessed with a small population and fond of their way of life. But now they are frightened about what is going to happen to them. For the first three sit on top of the vast Fort Union formation of strippable coal, largest in the United States.

How much coal is there? The guesses vary so crazily as to prove that no one knows. A Montana official estimates 42 billion tons underlying his state, while a South Dakota source gives 100 billion for the whole region. But the House Interior Committee last spring accepted a modest estimate of 32 billion tons for all strippable coal underlying the Western states, plus another 25 billion underlying Indian lands.

The information gap has been narrowed in the past year by the publication of two major studies. One, by a panel of the National Academy of Sciences, is called "Rehabilitation Potential of Western Coal Lands. The second was written by James Cannon for the Council on Economic Priorities, a New York-based public interest foundation. Entitled "Leased and Lost," it is, among many other things, a highly critical study of the giveaway leasing policies practiced by the Interior Department.

Ousted energy chief John C. Sawhill is one of many who have called for putting the brakes on demand to ease the energy crisis, but in the Western coal regions government policy is geared to all-out exploitation with all possible speed. This is not from motives of pure patriotism as the public has been led to believe. It is also because the companies fear that the rise of Eastern competition may endanger their profits.

In May, 1971, a partner in the Norsworthy and Reger consortium, owner of Westmoreland Resources, told a state official: "We are concerned with . . . establishing Montana as a coal-mining state, and in a hurry. Research is going on daily on how to lower the sulphur content of . . . Eastern coals . . We feel that we have a limited number of years in which to develop the marketability of Montana coal." A year and a half later the president of Montana Power expressed the same thought: "If we don't act now the fellows who need the power in the East and Midwest won't wait. They'll be turning to other alternatives."

Until recently a 30-to-35-year period has been assumed to cover the boom-bust cycle of strip mining, which would bring the total depletion of the West to the year 2010. But there are signs this is being accelerated. The report of an Interior Department Coal Extraction Task Force, which surfaced last August, proposed a 15-fold speed-up in Western strip mining by 1985; and an alternate recommendation—not ruled out—called for a 23-fold increase by 1996, when it was anticipated that the coal reserves of the entire West would be exhausted. Lt. Gov. Christiansen, in a gloomy interview, feared that the plan could "break the back of Montana," and lead to "the massive destruction of the West."

"NOT ENOUGH WATER"

In the thick of all the power-boosting schemes is the regional arm of the Bureau of Reclamation—known as BuRec for short—and especially the regional planning engineer, Phil Q. Gibbs. In October, 1971, under the guiding hand of Gibbs, 35 public and private power suppliers in 14 states unveiled the North Central Power Study. This was two and a half years before "Project Independence" was heard of, so the justification of "national need" was lacking, and profit was the name of the game. The study called for 42 power plant complexes in five Western states, headed by Montana with 21; then 15 in Wyoming and four in North Dakota. They would produce a gargantuan 10,000 megawatts apiece, compared to the modest 700 apiece for Colstrip Nos. 3 and 4. They would be producing 50,000 megawatts annually by 1980 and 200,000 by the year 2000, and would be cooled by upwards of 2.6 million acre-feet of water from the Yellowstone and its tributaries.

But the planners had overplayed their hand, and the Power Study backfired. Nearly the whole state of Montana was boiling mad. The legislature was alerted and started passing tough laws, a habit which it has kept up; and citizens' groups sprang into action like Committees of Correspondence during the American Revolution. One of them was the Northern Plains Resource Council, an organization of angry ranchers and young environmentalists, who have shown marked efficiency at giving the power companies a hard time.

A year after its launching, the Power Study was piously interred by pronouncement of its co-author, Gibbs. Actually it was very much alive. While its authors were playing possum for policy's sake, they were going right ahead, and the study is quietly accepted as a goal of "Project Independence."

Although the power advocates don't seem to have waked up to it, they may yet stub their toe on the great, central, inescapable fact of life in the Western states, the scarcity of water. "Far West's Shortage of Water May Block Energy Schemes," the Wall Street Journal headlined on Dec. 16. And the battle lines are forming for a showdown between agriculture and the coal interests over the issue.

The Yellowstone River has a normal annual flow of 8 to 9 million acre-feet at Miles City. (An acre-foot is the amount of water it takes to cover one acre to a depth of one foot.) But every four years or so the flow goes down to 2.6 million acre-feet, or just enough for agricultural use, and one year in 10 it may go as low as 1.2 million. If the predicted 50,000-megawatt capacity is reached in the Northern Plains by 1985 it will create a demand for a million acre-feet to cool the plants; and a call for 2 million acre-feet is projected for coal development in the five-state Upper Missouri Basin by 1990. The total water supply in the area averages 3 million acre-feet. And meanwhile the population influx brought in by the zooming labor demand brings growing needs for water. It is somehow frightening. "Whom the gods would destroy, they first make mad . . ."

In the midst of it all the National Academy of Sciences has sounded a note of sanity: "Although we conclude that enough water is available for mining and rehabilitation at most sites, not enough water exists for large scale conversion of coal to other energy forms (e.g., gasification or steam electric power.)" And S. David Freeman, who directed the Ford Foundation's Energy Policy Project which commissioned the Academy report, was quoted as saying that it "raises a warning flag over industry's plan to transform the Rockies and the Great Plains into the nation's power house."

They were whistling down the wind.

The companies have their own answer to "not enough water." It is, very simply, to grab it all, and the devil take the hindmost, meaning the food producers. They have so far been successful.

The energy crisis has cast a retrospective glow of sanctity over the stampede for coal development in the West, now in its eighth year. But it was not until Oct. 18, 1973, that OPEC—the Organization of Petroleum Exporting Countries—declared its embargo of oil shipments to the United States in protest against this country's support of Israel.

The real story goes back to 1967, which was so long ago that Stewart Udall was Secretary of the Interior, and nobody had even thought of an energy shortage. It was so long ago that nobody but a few smart insiders had ever heard of coal in the West, while as for the West itself, every right-thinking Easterner knew that there was no such place—wasn't it all just a figment of John Wayne's imagination?

So the right-thinking East, including Congress and the press, was looking the other way when a coalition of energy companies and government forces put their heads together and engineered one of the neatest little ripoffs in modern memory. Known as the Industrial Water Marketing Program, it was set up under the Bureau of Reclamation to sell rights to the water in the Yellowstone River system and the water stored in the Boysen and Yellowtail reservoirs, by allowing the companies to purchase 10-year options for the water at the giveaway option price of 50 cents per acre-foot per year. It is said to have been a high-level decision. At any rate, its astounding import was that it enabled the energy companies, with the aid of the United States government, to corner the water supply.

Some of the water was contracted for irrigation, but this fact was ignored in the sale of options under the federal plan. It proceeded on the quiet, until local users woke up to find that their water rights were being sold out from under them. Meanwhile, all the water was not only committed but over-committed; i.e., all the rivers and reservoirs were sold dry; and this opened the way to another of BuRec's grand designs, the Montana-Wyoming Aqueduct Study, published in the spring of 1972.

Authored by the ubiquitous Phil Q. Gibbs, it called for a system of 48 dams and reservoirs connected by 300 miles of pipeline. One of the dams proposed was the Allenspur unit south of Livingston, Mont., which would drown the scenic valley of the upper Yellowstone as far as the edge of the national park.

Meanwhile, irrigation, already raided by the option buyers, was being subjected to a clampdown by federal agencies.

"Irrigation is the bottom of the totem pole," a Bureau of Reclamation spokesman in Washington admits. Conspicuous at the top is industrial (coal-related) use. Indeed, hardly anything else is left. The National Academy of Sciences report notes a turning point: "Until recently, it has been tacitly assumed that the unappropriated water in the coal region would be used for some combination of irrigation, wildlife management, and municipal and industrial purposes including perhaps, lumber mills, paper and pulp plants, mineral or other processing plants, and assembly plants.

"In 1972–73 the use of this water became, as far as government reports are concerned, more importantly directed toward energy conversion, cooling of steam plants . . . and other aspects of coal development.

"Such a sharp reversal in government policy," the report adds drily, "came about with little or no public awareness."

LOSING THE LAND

In September, 1973, the Water Work Group (headed by Gibbs) of the Northern Great Plains Resource Program—a multi-agency task force set up by the Interior Department to study all aspects of coal development in the area—blew the whistle on irrigation in the following terms: "The policy of the national administration is not encouraging with respect to federal funding for additional irrigation development. . . . The outlook at this tme for further irrigation development in the area is poor."

This was tantamount to giving the whole food-raising potential of the Northern Plains the kiss-off. It is still the official policy. The question is how far Congress and the public will acquiesce, once its implications are understood. For the history of collusion between the power interests and government forces raises questions that can scarcely be ignored.

There may be some recourse in the courts. The Sierra Club recently won a round in the U.S. Court of Appeals in Washington, opposing strip mine activity in the vicinity of Gillette, Wyo. And a group of ranchers and environmentalists has filed suit in the U.S. District Court in Billings, Mont., to outlaw the Industrial Water Marketing Program. They charge unlawful appropriation of water from the Boysen and Yellowtail reservoirs for the benefit of private industry, in violation of the Flood Control Act of 1944 and the Reclamation Act of 1902, and contrary to the purposes for which the reservoirs were authorized: irrigation, hydroelectric power, flood control and silt control. They also claim rights to irrigation water from the Yellowstone River system, in accordance with state and federal law. With this suit pending the book on Northern Plains water is not yet closed.

Meanwhile, Sen. James Abourezk of South Dakota, outstanding defender of his region's interests, has requested Chairman Henry M. Jackson to hold Senate Interior Committee hearings on the whole subject of water utilization in the Upper Missouri Basin, in view of the conflict between energy and food needs.

In order to justify their program and win public support, the energy interests have resorted to a time-honored tactic. "But the land isn't good for anything," the coal companies pretend. "Can't even run sheep on most of it. They ought to have given it back to the Indians." So run the remarks heard in the spruced-up hotel lobbies of once cow, now coal towns.

The House Interior Committee, in a report last may, found otherwise: ". . , much of the nation's prime grazing and farming land is located in the band of Western states where these immense coal deposits are located."

The short, sun-cured, protein-rich grass that covers the "barren" rolling plains is the best natural cattle feed in the world. It sustains modern herds as before them it sustained millions of buffalo. Wheat yields, under irrigation, are among the highest per acre of any part of the country. The Northern Plains states are "good for" a cattle population of 12.6 million with a market value of $2 billion even at currently reduced prices.

There are mountains of statistics showing how many millions and billions of tons of coal the West is going to produce by the years X, Y or Z; what is needed now is a figure showing how much food-raising potential the government plans to sacrifice to "energy" in the same period, in the face of a growing agricultural crisis which is slower and less spectacular than the energy crisis, but just as real.

With headlines erupting daily about the world food crisis and the national food shortage, this country is losing farm land, due to urban sprawl, strip mining and other causes, at such a rate that president Tony Dechant of the National Farmers Union has predicted: "If this trend continues we will lose an area the size of Kansas in 15 years."

"NATIONAL SACRIFICE AREA"

The panel that issued the cautious and scholarly National Academy of Sciences report unwittingly touched off a verbal bombshell. Certain sites, it said, must be given up as impossible to reclaim or even rehabilitate, and for these hopeless areas ("Abandon the Spoils"), it coined the term "National Sacrifice Area."

The words exploded in the Western press overnight. Seized upon by a people who felt themselves being served up as "national sacrifices," they became a watchword and a rallying cry and the impression they left was supported by an unfortunate official utterance. On April 19, 1973, an officer of Gulf Mineral Resources in Denver wrote a letter to a man in Helena, in which he said: "The disposition of these deposits [of coal] will be determined by the economic and social implications of some 150 million megalopolitans located to the east . . . Providing we still have a representative form of government, then the West's minimal population, with their opinions, hopes, desires about certain tracts of real estate, will be of little or more probably of no consequence to the voting majority."

That did it. The excerpt was transmitted by means unknown to the Minneapolis Tribune, where it surfaced that December. Here was the "national sacrifice" theme in a nutshell, and it was seized upon and passed along until it became one of the most quoted utterances of its kind since Marie-Antoinette is alleged to have said: "Let them eat cake."

Bits and pieces of corroboration turned up to support the allegations. There were signs that one thrust of strip-mining policy was to create a demand for Plains-generated electricity on the Pacific Coast, and at the same time build up a surplus for export. And on Aug. 9, 1974, 12,000 tons of Montana coal were shipped out for Yokohoma from a huge new port facility at Astoria, Ore. It was strip-mined coal from a Westmoreland mine on the Crow reservation, and was a sample designed for a "test burn." But there was every expectation that 100-car trains loaded with the coal would start rolling Japan-wards twice a week, for a total of 3.4 million tons a year, indefinitely. Then New York Times reporter Ben A. Franklin got wind of it—and on Sept. 29, Montanans read that their coal was being sent to Japan.

A delegation of angry ranchers waited on Gov. John Judge; the "sacrifice" of the state had been justified to them as a patriotic move to provide energy for their country. "But they are not going to tear up the landscape of Montana for coal to be sent to Japan," declared rancher leader Bob Tully. Surprised and upset by all the uproar, the embarrassed Japanese called off the deal.

"YOUR PROBLEM, GENTLEMEN"

Said a barber in Forsyth: "The coal has only raised taxes for most of us. The rich will get richer and the rest of us will get taxed."

A prediction attributed to the Bureau of Reclamation looks forward to a seven-fold population increase in the Northern Plains as a result of coal development; Montana, with a normal population of about 750,000, can expect an influx of 200,000 to 400,000 people in the eastern part of the state. The Northern Cheyennes may be outnumbered 10 to 1 by whites on their reservation.

Kaycee, Wyo., of Johnson County War fame, was until recently a wide place in the road surrounded by prosperous ranches; but Johnson County will grow 900 per cent in the next 15 years, according to telephone planning projections.

Huge, mobile-home ghettos will be parked outside the towns, which will have to provide schools, hospitals, sewage treatment facilities. And, of course, a water supply.

In the jam-packed schools at Col-strip last year classes were being held in shower rooms, and such subjects as physics and foreign languages had been dropped because of the shortage of teachers.

There will have to be miles and miles of roads, Stephen C. Kologi, Montana state highway engineer, predicts that before the boom-bust cycle spends itself he will be building a network of roads leading to future ghost towns. "Chances are," he has said, "that by the time an adequate road system is provided, about all there will be left to serve is the mass evacuation of the area."

An oil industry representative, surprisingly, made the suggestion before a House subcommittee not long ago that the federal government ought to make a "major" contribution toward the funding of hospitals, police protection and so forth, to ease the burdens of exploding communities. This offbeat proposal was promptly squelched by a Federal Energy Administration official. It was "just not in the cards."

It's still "Your problem, gentlemen."

In the face of the coming socio-environmental cataclysm in the West, the emphasis on reclamation, in Congress and elsewhere, seems almost frivolous (or in Rep. Ken Hechler's classic phrase, "like putting lipstick on a corpse.") But aside from all that, how feasible is it?

Restoring the land to its original contours and replacing the topsoil is a matter of elementary decency, like draping a sheet over the corpse. But full "restoration," in the sense of returning the land to its original state, is regarded as impossible.

The National Academy report on "Rehabilitation Potential" is in agreement with other authorities when it says: "There is no probability of complete restoration anywhere." The next choice is "reclamation"—i.e., revegetation. But the question is: With what?

In an effort to improve their public image some of the companies have been working hard to sell their revegetation programs—commendable as far as they go—but so far these have been largely confined to small experimental plots, like Western Energy's near Colstrip. The guide who shows visitors around says: "Having taken hundreds of people on a tour of Western Energy reclamation research plots, I found it difficult for anti-Colstrip people to argue against reclamation when they are standing waist-high in grass." To which a rancher replies: "Anyone with remote knowledge knows livestock don't do well on 'waist-high' vegetation."

WATER IS MINED

With every drop of surface water appropriated on paper, the power companies have turned to mining underground water. The move may have far-reaching consequences, since one state can disrupt another's underground water supply.

Geologists know that underground water and surface water are one indivisible system. In nature the underground waters are continually recharged by streams flowing on the surface. But when the recharging fails because of heavy withdrawals of surface water, the water table starts dropping and wells start going dry By the same token, heavy withdrawals of underground water reduce the stream flow as nature tries to compensate. It is a vicious circle which can lead to even deep wells drying up hundreds of miles away.

The coal beds lying close to the surface, favored targets for strip mining, often double as aquifers, or water-bearing strata, and the shallow wells that yield enough for domestic use and livestock get their water from coal seams at depths of less than 500 feet. The alluvial valley floors are indispensable to ranchers because they form the lush, subirrigated hay meadows where winter feed is produced. Protecting them should be a top priority of new legislation.

South Dakota sits on top of an immense aquifer known as the Madison formation, which underlies the Dakotas, Montana and parts of Wyoming and Nebraska. Early last year the Wyoming state legislature authorized Energy Transportation Systems Inc. to tap the underground formation and build a coal slurry pipeline to Arkansas, a distance of 1,000 miles. Slurry is a mixture of powdered coal and water, and the pipeline method is one of the heaviest water users known. If Wyoming goes through with it, the 10,000 gallons a minute pumped out of the Madison formation in that state will completely dry up Edgmont, S.D., and other communities which depend on deep wells tapping the Madison formation for their water supply. Negotiations now under way may lead to abandonment of the plan, but in the event that Wyoming does go through with it, South Dakota is prepared to take the case to the Supreme Court.

What is taking place here is a highly dangerous meddling with Unknowns, and South Dakota is only part of the story. Other corporations are planning to make large-scale withdrawals from the Madison formation, and the same thing is happening widely. West of Buffalo, Wyo., one company alone has applications on file to drill no less than 58 wells which would provide a quarter of a million acre-feet of underground water to cool its plants. It is obvious that underground water withdrawals on the scale contemplated could smash the ecosystem of the entire region. The companies are acting in a legal vacuum, since laws to meet the situation have yet to be passed. Which may in part account for the stampede.

"ENERGY PARKS"

In January, U.S. Energy Czar Morton, speaking through President Ford's State of the Union message as well as independently, disclosed a new and grandiose scheme for power development in the West. A warmed-over version of the 1971 North Central Power Study, it calls for 20 new generating plants by 1985. Coining the term "energy parks," Morton envisioned one of them in rhapsodical words: "A $450 million prototype of a total energy-system complex . . . 1,000 acres . . . crammed with machinery, gasifiers, converters and refineries. Every day it would combine coal with water to produce large supplies of pipeline gas, synthetic oil, butane or propane" and so forth.

Four West Coast utilities, with Montana Power, are the backers of Colstrip 3 and 4. The Pacific Coast is the heaviest user of electric power at the cheapest rates of any national region. And Gary J. Wicks, director of Montana's Department of Natural Resources, contends that these companies are seeking to promote use of energy, rather than conservation.

Montana insists that it is already making a significant contribution to the nation's energy needs by shipping trainloads of coal out of the state to points where the need exists. By 1980 the state expects production to rise to somewhere in the neighborhood of 50 million tons annually, of which 97 per cent will be shipped, thus "exporting" not the power but the pollution. Gov. Judge contends that this can be done at least as cheaply as burning the coal in Montana's clean air.

But Montana Power and its allies are vehemently opposed to this scheme, on the ground, the Billings Gazette has charged, that the heavier their investment in mine-mouth industrial complexes and transmission lines, the higher they can boost their rates.

If the plans are permitted to go through, Morton's "energy parks" may be only the beginning of the story. For Montana could be tied into not one but two electrical grids, since it lies between the Pacific Northwest and Mid-Central systems. The Interior Department even now is said to be studying the feasibility of running EHV transmission lines from Colstrip, not only to the West Coast but to the Middle West as well. This building of two, three or even more EHV lines across the state would make so much electricity available as to stimulate the heaviest kind of industrial development within its borders; Anaconda and Johns-Manville are reported as already interested in coming in.

The plans are raising some eyebrows as the basic facts are contemplated. For the development explosion now brewing, it must be remembered, is to exploit a resource so shallow it can be stripped off in a mere matter of 20 years.

Here again are the overtones of a dementia reminiscent of the stock market craze of the Twenties, a perilous divorce from reality.

What can be done? Far broader solutions are required than any pending strip-mine control act. Old laws need to be amended and new ones passed. Legislation is a generation gap behind. Of current importance is the federal Coal Leasing Amendments Act of 1975, sponsored by Sen. Jackson, which passed the Senate unanimously last July only to fall afoul of Commerce Committee Chairman Harley O. Staggers in the House. The bill would put a stop to speculating in coal leases by providing that leases not developed within a given time would automatically revert to the public domain. Another bill that has passed the Senate twice is the Land Use Policy and Planning Assistance Act, which would strengthen the hand of the states in enacting tough power plant siting laws.

There is one important fact that is sometimes overlooked. Much of the threatened industrial development, including water allocations, exists only on paper—so far. There is still time for the nation to reconsider the destruction of the West.

IN DEFENSE OF THE UNITED NATIONS

Mr. McGEE. Mr. President, the 29th General Assembly of the United Nations was one of the most controversial in the memory of the organization.

As a result, there will be accelerated and more aggressive attempts on the part of the opponents of that institution to hamper U.S. participation in the United Nations, if not end it altogether. Yet, I believe these to be shortsighted at best and ignorant of the lessons of history at worst. If such an effort should bear fruition, it certainly would be a sad commentary on the Congress as a perceptive and knowledgeable partner in the foreign policymaking processes of this Nation.

For this reason, I would urge my colleagues to give consideration to an article which appeared in the Sunday edition of Parade magazine. I am referring to an interview with United Nations Secretary-General Kurt Waldheim.

As the Secretary noted, one of his deepest frustrations is that many people—including many Americans—are too quick to see the U.N.'s failures, and too slow to see its successes.

Of course, the opponents of the United Nations would never admit to the successes, for it might force them to seek another cause celebre in which to devote their time and energies.

But as the Secretary-General was quick to explain:

> To some extent this is understandable, because when we avoid a war, nobody ever hears about it.

The Secretary-General further noted:

> We must always remember that a war of words is better than a war with guns. The world is divided, and here in the U.N., at least, there is a chance for all the factions to talk to—and yes, even shout at—each other. Without this organization, there is no other place, nothing. So, even though we now face criticism in your country and elsewhere, I am confident that people will be wise enough to not say "Let's give up the ship"; yes, I am confident that we will be able to ride out the storm.

I would warn my colleagues that the United Nations, at least the General Assembly, is a reflection of the real world in which we exist. If we are to avoid the dire consequences of ignoring reality and burying our heads in the sand, then it means strengthening those institutions which allow us to deal with reality more effectively. Americans cannot continue taking from the rest of the world. We have to put something back into it sometime. That means the development of more equitable relationships with all nations. And the United Nations gives us the institutional framework in which to accomplish these purposes.

In closing, I would just add that if the United Nations had accomplished nothing else in its 30 years' history, the presence of U.N. forces in the Middle East today is well worth its existence. For I would hasten to add that had it not been for the United States and the Soviet Union working together to defuse the Middle East situation, we might not be sitting in this chamber today, for this chamber might not exist.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Parade magazine, Feb. 9, 1975]

AN INTERVIEW WITH SECRETARY GENERAL KURT WALDHEIM: CAN THE U.N. SURVIVE?

(By George Michaelson)

UNITED NATIONS, NEW YORK.—The tall, gaunt U.N. Secretary General, Kurt Waldheim, stared silently out of his office window on the 38th floor of the U.N. building. We had just asked him: What would happen if the United Nations didn't survive?

"It would be a very serious . . . an extremely serious situation," he answered slowly. "Do you remember what happened when the big powers quit the League of Nations and it collapsed? Well, it was the beginning of World War II. And I think that if the United Nations died, we would have the same situation again. Yes, it would be a disaster, a terrible disaster for mankind."

Ominous words, to be sure. But coming at a time when the U.N. is under a growing barrage of criticism here in the United States, they are also meant as a reminder. For, as the Secretary General is well aware, never before in the 29-year history of the international organization have more Americans been disillusioned and disenchanted with the U.N. "We are going through a real crisis of confidence in the U.N.," says one U.S. diplomat. "The whole future of the organization is up in the air."

MONEY TALKS

The irony, of course, is that on Oct. 24, 1945, when the U.N. was set up, no country was more enthusiastic than the U.S. We are the ones who pushed for it, provided the bulk of the funds, and agreed to host the new international organization. And over the years, we have continued to be the U.N.'s main financial supporter (at present, we contribute 25 percent of its annual budget, or about $62 million for 1974–75.) Indeed, as the Secretary General candidly stated: "The contribution and cooperation of the United States has been, and continues to be, vital to the U.N.—I would even say *essential.*"

But "essential" as we may be, in recent years we have found it increasingly hard to get the U.N. to see things our way. As the organization has grown from the original 51 members to 138—with most of the present membership coming from the developing Third World—the U.S. frequently finds itself outvoted, outshouted and outraged by what the U.S. Ambassador to the U.N., John Scali, calls "the tyranny of the majority."

This was never more painfully obvious than during last year's U.N. General Assembly session when the Third World block managed to hammer through a series of radical decisions that the U.S. opposed.

Thus, for the first time a member state, South Africa, was suspended (a ruling of questionable legality); a guerrilla leader, Yasir Arafat of the Palestine Liberation Organization, was invited to address the Assembly and was accorded unprecedented head-of-state honors, while Israel's traditional right to speak was curtailed; and an economic charter was passed which in effect compels the richer countries to give over some of their wealth to the poorer ones.

"All of this has shaken up the American public," says one prominent member of the U.S. mission to the U.N.. "People have been writing us, or their Congressmen, or their local newspapers, asking: 'What the hell gives here?' Congress has just acted to block funds to one of the U.N.'s agencies [United Nations Educational, Social and Cultural Organization], and there are even some Congressmen calling for us to quit the U.N. altogether. At this point, nobody knows how far this reaction against the U.N. will go, but believe me, those of us involved with, and concerned about, the organization are pretty damned worried."

A VETERAN

Certainly, nobody is more worried than Kurt Waldheim, the 56-year-old Austrian diplomat who took over the Secretary Generalship three years ago. When we interviewed him recently, the dapper, mild-mannered veteran of U.N. politics (he was head of the first Austrian mission to the U.N., and has attended every session of the General Assembly since then), seemed visibly disturbed by the storm now brewing at the U.N. And he discussed—at times quite openly—some of his views, and some of his frustrations.

Regarding his role as the world's No. 1 peacemaker, in particular, he told Parade: "The first man who ever held the Secretary Generalship, Norway's Trygve Lie, once called it 'the most impossible' job in the world. And you want to know something—it's even more difficult than that! One is constantly having to balance the interests of all the factions, all the 138 countries, and one must do this work without any practical power. I am not, after all, a prime minister of a world government. My only power is a kind of moral power, and you can be sure I use it wherever and whenever I can. But, often this must be done quietly, behind the scenes, so to speak."

SUCCESSES FORGOTTEN

One of his deepest frustrations, the Secretary General indicated, is that many people—including many Americans—are too quick to see the U.N.'s failures, and too slow to see its successes.

"To some extent this is understandable," he added diplomatically, because when we avoid a war, nobody ever hears about it. For instance, last year the U.N. was able to prevent an out-and-out war between Iraq and Iran. I sent a representative from my office, he quietly arranged a compromise solution, and as a result the public never heard a thing about it. The only time they would have heard is if war did break out—then, of course, we would be blamed.

"Take, for example, what happened in Cyprus. We were heavily criticized in some quarters for not preventing the war there this past summer. What people overlook is that for 10 years our 2000 or so U.N. troops stationed there had successfully kept the peace between the Greek and Turkish Cypriot communities. Then we were suddenly confronted by a military operation of the Turks—40,000 regular soldiers sent from Turkey. Apart from being outnumbered, the U.N. forces had no authority to get into a war with Turkey, a member state.

"What we were allowed to do in the way of lessening the plight of war victims, we of course did. And as a matter of fact, it is possible that the war might have lasted even longer had the U.N. not intervened (I went there personally, you might remember), and managed to get the two sides to sit down and talk to each other.

BIG JOB TO DO

"And there are still other situations where the U.N. has proved important. Take the Middle East where U.N. forces are being employed to divide the two sides, in Sinai and the Golan Heights. Make no mistake about it, this role we serve is not simply useful—it is necessary. It gives the parties time to negotiate a solution, though here I tell you frankly, that unless further progress is made in negotiations, by April or May, there is the very real danger that we will have another war there.

"I think it is obvious that as Secretary General I cannot go in and solve the matter myself: the U.N. has no such mandate. But we can help, we can offer a forum for such a solution, as we are providing in Geneva, and we can only hope the parties involved will use it for making peace."

Speaking of peacemaking, what—we wondered—was the Secretary General's opinion of Dr. Kissinger? "I have the highest regard for him," answered Waldheim without hesitation. "I am in regular contact with him—either on the telephone or otherwise. He never fails to impress me with his personality, his clear mind, and his diplomatic skill. And, I tell you frankly, what he has accomplished so far in the Middle East and elsewhere, has been very important towards building world peace.

"But to build world peace," continued Waldheim, "involves more than the efforts of a few men, and more than preventing wars. We must get at the causes of unrest in the world—the misery and starvation that is the lot of two-thirds of the world's population. The pòorer countries are demanding that something be done, demanding that the wealthier countries listen to them. And more than anything else, perhaps, this is why we have had some of the recent confrontations in the U.N. General Assembly. I do not like these confrontations, but they do have real roots, and they do indicate that some changes must take place."

WORDS VS. GUNS

"And besides . . .," said the Secretary General, raising his finger like an exclamation point, "we must always remember that a war of words is better than a war with guns. The world *is* divided, and here in the U.N., at least, there is a chance for all the factions to talk to—and yes, even shout at—each other. Without this organization, there is no other place, nothing. So, even though we now face criticism, in your country and elsewhere, I am confident that people will be wise enough to not say 'Let's give up the ship; yes, I am confident that we will be able to ride out the storm."

ADMINISTRATION POSITION ON S. 66, THE NURSES TRAINING ACT

Mr. HUGH SCOTT. Mr. President, at the request of the Department of Health, Education, and Welfare, I ask unanimous consent that a letter from Secretary Weinberger stating the administration position on S. 66, the Nurses Training Act, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., February 10, 1974.

Hon. HUGH SCOTT,
Minority Leader,
U.S. Senate, Washington, D.C.

DEAR HUGH: This letter reports our views on S. 66, a bill to amend the Public Health Service Act to revise and extend programs of assistance for nurse training and health services delivery, reported by the Committee on January 28, 1975. It contains the provisions of two bills pocket vetoed by the President after adjournment of the 93rd Congress, H.R. 17085, Nurse Training, and H.R. 14214, Health Services. The Department opposed both of those bills, and were the Congress to pass them again, I would recommend to the President that he veto them.

NURSE TRAINING

The nurse training provisions are contained in Title I of S. 66. They are defective in five respects: (1) authorizations are excessive; (2) capitation and construction authorities are continued; (3) enrollment increases are required as a condition for receiving capitation funds; (4) geographic maldistribution is scarcely addressed; and (5) nursing is separated from other health manpower training authorities.

S. 66 proposes separate authorizations for nurse programs of $187 million for 1975 and $218 million for 1976. The President's budget request proposes an integration of special project activities for nursing with other health professions activities at a total of $128 million in 1975 and $155 million for 1976. The bill's authorizations exceed the amounts requested by the Administration.

In the 1960's, there was thought to be a shortage of general duty nurses. Current estimates, however, are that the number of active registered nurses will rise from 723,000 in 1970 to 1,099,000 in 1980 without growth stimulation. This would suggest that our incentives for expansion have been successful.

Moreover, all of our information suggests that continued investment in the current program would ultimately mean increased nurse unemployment and training problems. Recent growth is already reported to have created problems in the schools: service delivery sites for clinical training are becoming glutted, and a number of baccalaureate programs are finding that the universities in which their programs are located are beginning to resist further expansion. In the registered nurse employment market, a number of areas are beginning to report that some nurses are having difficulty in finding jobs. In January 1973 the American Nurses Association, concerned about unemployment, wrote a letter to the Department of Labor stating that the "shortage of staff nurses appears to be disappearing."

While the aggregate supply is no longer a pressing problem, serious geographic maldistribution problems persist, with particular acuteness in the rural areas in the Southeastern and South Central States. We find no reason to conclude that nurses will enter these underserved areas simply because there are pockets of surplus. We believe that vigorous specially targeted initiatives are called for and our proposals in the 1976 Budget will permit us to undertake the necessary level and types of activities.

Under our proposals special project funding will be used for targeted geographic and specialty initiatives. Student support programs will concentrate on assistance to the disadvantaged. Undergraduate nursing students can use the same Basic Opportunity Grant resources that are available to all undergraduate students.

By handling nurse training apart from the other health professions categories, this bill perpetuates the kind of fragmentation that results in inconsistency, gaps, and overlap, and sets policy precedents that may limit what we can subsequently do in other health professions areas. We strongly believe that consideration of new nursing legislation should occur simultaneously with consideration of other health professions legislation.

HEALTH SERVICES

Our comments with respect to Title II should be viewed in the context of our overall strategy in health. The Department favors a policy which will assure financial access to health care for all Americans on an equitable basis. Medicare and Medicaid are designed to accomplish these objectives and will spend over $22 billion in 1976. States will spend an additional $6.9 billion in Medicaid. Accordingly, we oppose in principle an expansion and mandating of health programs that, in effect, duplicate the services financed under Medicare and Medicaid and single out a few selected communities for special Federal subsidies. In his memorandum disapproving H.R. 14214, the President stated:

H.R. 14214 conflicts with my strong commitment to the American taxpayers to hold Federal spending to essential purposes. The bill authorizes appropriations of more than $1 billion over my recommendations and I cannot, in good conscience, approve it. These appropriation authorizations are almost double the funding levels I have recommended for Fiscal Year 1975 and almost triple the levels I believe would be appropriated for 1976."

The authorizations exceed the President's requested budget authority for 1975 by approximately $500 million and for 1976 by approximately $700 million.

Generally, the program authorizations in S. 66 are fundamentally inconsistent with the President's 1976 Budget which would eliminate the 314(d) State formula grant and would require migrant health, family planning, and neighborhood health center grantees to share an additional 20% of the costs.

For example, in 1976, the Department will fund $295 million of family planning activities of which over $100 million will be financed from Medicaid and other programs of the Social and Rehabilitation Service. S. 66 would also authorize $139 million for new CMHC starts. The 1976 Budget includes $199 million for continuation grants in 1975 and $166 million in 1976, presumably the same amount as would be required for that purpose under the bill.

The 1976 Budget continues the phaseout of the CMHC program. Existing subsidy commitments will be honored for the duration of the 8-year funding period, but no new awards will be made. HEW has funded 626 CMHCs that more than adequately demonstrate the concept of community-oriented mental health care delivery. Federal mandating of the CMHC delivery mechanism is inappropriate in the light of the need to integrate all health services. The Health Maintenance Organization Act, for example, requires qualified HMOs to offer mental health and other social services in addition to the traditional health services. Moreover, the medical and social services provided CHMCs are similar to services generally available to eligible individuals under the Department's Medicaid and social services programs. The Federal Government will spend $8.7 billion in these progams in 1976 in addition to State and local expenditures of $7.7 billion for these purposes.

Finally, the bill would authorize new programs and activities, e.g., studies on mental health and illness of the elderly, epilepsy, and Huntington's disease (for which no specific authorization is provided), rape prevention and control and hemophilia services as well as a new program of home health services in 1976. These new programs are inconsistent with the President's strong public commitment to veto new spending programs.

Sincerely,

Caspar W. Weinberger,
Secretary.

FORBES MAGAZINE RAPS THE RFC

Mr. PROXMIRE. Mr. President, I find increasingly that the ethic of free enterprise and bracing competition is largely honored in the breach by many of America's devoutly capitalist enterprises. It is a delight, therefore, when a publication that unabashedly describes itself as a "capitalist tool"—Forbes magazine—comes down firmly on the side of real free enterprise, which means letting the market punish failure as well as reward success. Without that market sanction, free enterprise quickly turns into a corporate welfare state.

And that would certainly result if the latest bailout gimmick, a revived Reconstruction Finance Corporation, were enacted into law in the form in which it has been proposed. The idea, apparently, is that the taxpayers should be made to invest in corporations whose mismanagement has been so flagrant that they can no longer attract private voluntary investment. In the February 15 issue of Forbes, Felix Rohatyn, a leading proponent of that idea, is interviewed by Forbes reporter Geoffrey Smith. Mr. Rohatyn's case is so weak that it plainly defeats itself, and I am happy to include it for the Record.

Judging by his line of questioning, the reporter is obviously the more authentic capitalist. As Mr. Smith aptly comments at the close of the interview, the apparent idea behind a new RFC is to "socialize the losses and keep the profits private."

I ask unanimous consent that the Rohatyn interview, which I urge my colleagues to read carefully, be printed in the Record.

There being no objection, the interview was ordered to be printed in the Record, as follows:

A Prominent Wall Streeter Defends His Proposal for a Revived Reconstruction Finance Corporation

Should the Federal Government buy common stock in troubled private corporations in order to save lending banks, and the economy, from a possible string of major bankruptcies?

That idea was recently proposed in *The New York Times* by Felix Rohatyn of Wall Street's Lazard Freres, and it has picked up considerable support in recent weeks among the financial establishment.

"It is essential that we move in this direction," commented William McChesney Martin, former head of the New York Stock Exchange, in a subsequent letter to the *Times*.

"I agree emphatically," wrote Gustave Levy, managing partner of Wall Street's Goldman, Sachs.

The idea deserves careful study, agreed Alfred Hayes, president of the Federal Reserve Bank of New York. A few days later, Chairman Roy Garrett of the Securities & Exchange Commission threw the SEC's weight behind Rohatyn's proposal.

What is going on here? Should scarce capital be allocated arbitrarily to the weakest links in the economy? Do we really want partial nationalization of major U.S. corporations? Should corporations be rescued from their own follies?

Forbes' Geoffrey Smith put these questions to Felix Rohatyn, merger maker for International Telephone & Telegraph and recently the architect of the proposed Lockheed/Textron association.

Apparently you fear there may be major bankruptcies on a large scale this year.

Rohatyn. Yes, that's true. I've felt so for some time. You have major airlines and some major manufacturing companies that are highly overleveraged and are in a situation that is structurally unhealthy. They have no way to raise equity because of the death of the equity market, and they're locked into tremendous debt structures and tremendous interest charges. Now the banking structure of this country is sufficiently fragile today that I think the banks are an area of genuine concern, when you consider the size of some of these overleveraged companies.

Now my proposal . . . I'm just looking for some tools to cushion this economic transition that might be much, much steeper and much, much harsher than we think. We have a world crisis today. The Arab oil money situation, which I find totally unworkable conceptually, is causing significant problems that are going to take some time to work out.

You feel there's a serious threat of a bank panic this year?

Rohatyn. I would think there is a risk, yes. Look, when you see a little bank like Security National and when the Chemical takes them over they write off over $140 million of their loan portfolio. . . . You look at the real estate investment trusts, you look at the pension funds, you look at city, state and federal indebtedness and the money that is going to be required just to keep those government bodies going, you have to inquire how you're going to make all this come out.

That's the Fed's problem, isn't it?

Rohatyn. The Fed can pump money into the Franklin National to make up for withdrawals. But the Fed can't do anything to the bank's capital structure that all of a sudden gets out of whack because there is an enormous default and it has to write down surplus, even though no cash is going out. If I recall correctly, the Reconstruction Finance Corporation bought bank preferred stock in the Thirties to shore up bank capital structures. There isn't anybody around today that can do that. I think that was Al Hayes' point the other day.

Why should the Federal Government buy common stock in companies on the verge of bankruptcy? Why not just have the Government guarantee their debt?

Rohatyn. Because if you just run to Congress and ask them to lend more money or guarantee more loans, you're just perpetuating the problem. What Lockheed needs is not another $100 million in credits on top of the credits it already has. That just increases the crushing amount of debt and interest charges.

In effect, you're asking the Federal Government to undertake out-of-court Chapter 11 bankruptcy refinancings.

Rohatyn. In a way that's correct. You see, what we discovered in the restructuring of the Lockheed Aircraft company is that a relatively small amount of equity, properly infused, can trigger significant conversion of debt to equity by the banks, and relieve the corporation of very significant amounts of interest charges. At Lockheed, we turned an investment of $100 million by Textron into a conversion by the banks of $275 million of debt to preferred stock, and that $275-million conversion, plus other reductions in interest charges, reduced the interest cost to Lockheed by $100 million for the first two years after restructuring. Plus that $100 million in equity releases $250 million of government-guaranteed debt. So you could argue that from the Government's point of view, that's $150 million plus.

But the free market saved Lockheed. You were able to persuade Miller to invest $100 million of Textron capital in the company. Why should the Government step in and do that?

Rohatyn. Well, $100 million is bumping up there, as far as Textron is concerned. Suppose the necessary amount had been $150 million, which is not inconceivable. Then what do I do? I mean I just don't believe it's feasible in this economy to be totally dogmatic and say the marketplace is what makes us work, and if huge companies go down the drain, the hell with it!

You know, in the summer of 1970 the question arose as to whether we should let Hayden, Stone go under. People in my industry argued with great conviction: "Let it go! Why should we put up these monies for these idiots? Nothing's going to happen. There won't be a ripple." The position we took was: "O.K. That might really be the case. But look at the *risk* of it not being the case." If they were wrong, there was no way to put that thing together again.

You're talking about confidence, really. Two or three major bankruptcies in this climate, leaving aside the banks, would not be a negligible factor in consumer confidence.

The world didn't grind to a halt when Penn Central went under. . . .

Rohatyn. No, but you might find that if you had had an instrument like the RFC at the time of the Penn Central it might have been possible to restructure it and really bring it back to its feet over a period of two, three years. I think we're going to be paying for the Penn Central, as taxpayers, for the next 50 years.

The management of a troubled company won't have to worry about solving the problem themselves. The RFC will take care of everything.

Rohatyn. No, because that management is not going to be around.

Theoretically, business failures are capitalism's occasionally harsh way of correcting maldistributions of capital, right?

Rohatyn. That would probably be true if you were talking about a free-market mechanism. But let's take Lockheed again. Partly it was their own fault, but partly it was outside factors. You had a C–5A settlement. The Rolls-Royce bankruptcy. A fall-off in airline buying because of fuel cost. I wouldn't say that was simply a case of free-market forces working their will.

It was investment bankers like you who told them they weren't leveraged enough, just a few years ago. . . .

Rohatyn. I don't say the financial community is blameless. The greed of the investors. The earnings-per-share game that went on in the Sixties, which drove companies berserk so that they were leveraging themselves to the hilt in order to improve their earnings per share because that's what the analysts wanted. And some of these companies should have learned their lesson in 1970. But here they were last year buying in their own stock because it looked cheap and it was going to mean earnings per share and the hell with the balance sheet.

And now the taxpayer, who has lost his shirt in the supermarket as well as in the stock market, should cough up some more cash to bail out these companies?

Rohatyn. I wasn't really suggesting that the Government *pay* for this. I was suggesting that the equity in the RFC, or whatever you want to call it, be subscribed to by the Treasury in the amount of $5 billion, but that that amount be repaid to the Treasury by a tax of 1% on the pretax profits of businesses earning over $1 million. I don't think it ought to be inflationary and just taking money away from the Treasury. I also recommended that the RFC have the authority to offer up to $10 billion in government-guaranteed bonds—the sort of thing you might get some of the Arab countries to invest their surplus oil funds in.

So you'd be taxing IBM, and perhaps peddling bonds to King Faisal, for the purpose of bailing out W. T. Grant? Lots of luck.

Rohatyn. From an industrial point of view. I'm not sure that the survival of W. T. Grant, certainly in its present form, is particularly vital. But on the other hand I don't know what impact its problems would have on the major banks in this country. I don't know the company well enough. The point is, I don't believe this RFC would be "bailing out" terminal cases. If there is no economic justification for the life of a particular company because its products are no damned good, or because they're priced wrong or because of other factors that make it obsolete, then you just wouldn't do it—unless they were such a large creditor of such a large bank that there would be some obvious reasons for trying to do something.

Who decides whether a company has an economic reason for being?

Rohatyn. Well, I suggested that the board of the RFC ought to include the Secretary of the Treasury, the chairman of the Economic Council, the chairman of the SEC and the chairman of the Federal Reserve Bank. Now I agree the thing you have to be most careful about is the potential for corruption and political influence-peddling. But I have to believe one can get some good people. And let's put a cutoff on it. Five years, say. Whatever happens, you liquidate it and turn its portfolio over to the Treasury, so people wouldn't make a career of this.

Suppose a small company like Lazard Frères was in "structural difficulty"? Should it be bailed out?

Rohatyn. I think it's irrelevant from the point of view of national interest whether Lazard Frères is in business three years from now. Or even whether Merrill Lynch is in business three years from now. But I do believe it makes a difference if a company employs 50,000 or 100,000 people, and if at the same time its pension fund is $300 million to $400 million under-funded because the stock market's gone to pieces, if—in the middle of an economic recession—we shut that company down, put those people out in the streets, and then find the pensions they were looking for are no longer there.

Wouldn't this create a great opportunity for speculators? Pan American Airlines paper would take off the very day an RFC was created.

Rohatyn. We may be seeing great economic opportunities in terms of equity investments, if properly made. That is, providing companies can be restructured. Remember that the RFC would own part of the equity and ultimately will make many billions of dollars on its investments. And that's taxpayers' money that we are talking about here!

So it's sort of a self-fulfilling prophecy! The troubling thing is that it amounts to nationalization of major U.S. corporations.

Rohatyn. Because they might own 25% of a company? O.K. Maybe. But don't you think that the Defense Department has effective control over defense contractors today? Or that the Government has semi-control over the airlines industry by its granting of routes and its setting of rates?

The performance of nationalized companies in, say, Britain is scarcely encouraging.

Rohatyn. Oh, it's a disaster! It's hardly conceivable to run something worse than the way the Government runs something! If the RFC works, it won't be a first step in that direction, however. Just the opposite. We're talking about *temporary* equity investments by the Government. Two, three years might be sufficient for a Lockheed or a major airline that may have a temporary problem.

Are you saying that if we don't get an RFC we're in for a full-scale economic collapse?

Rohatyn. I'm saying that the present situation is serious enough so that I would like to have an additional contingency instrument that can be used for certain types of cures—as insurance at least.

As a boardroom philosopher once remarked: Socialize the losses and keep the profits private!

THE NUCLEAR DEBATE

Mr. CANNON. Mr. President, as the 94th Congress moves forward with its deliberations on the complex problems of developing domestic energy sources, I would like to take this opportunity to acquaint my colleagues with an issue which has generated much controversy in my own State of Nevada.

Mr. President, as you know, nuclear energy has frequently been mentioned as a possible substitute for traditional fossil fuels in the campaign against energy dependence on foreign countries. The continuing dialog between pro-nuclear-power individuals and anti-nuclear-power individuals has increased the public awareness of the various aspects of the nuclear controversy and focused attention on the need for safe and efficient management of nuclear materials, particularly the storage of radioactive wastes.

Last September, the Atomic Energy Commission issued a draft environmental statement on the proposal to develop repositories for the storage of radioactive wastes, and the Nevada Test Site, located in southern Nevada, was mentioned as one of the three leading sites for the location of such a facility.

On September 24, 1974, the Governor of Nevada, Mike O'Callaghan, appointed an 18-member committee to investigate the AEC proposal, and on October 17, 1974, this committee recommended with certain reservations that Nevada remain on the AEC consideration list of possible dumping sites, which also includes the Idaho National Engineering Laboratory and the Hanford Reservation in Washington.

The AEC held public hearings on November 12, 1974 in Germantown, Md., and on December 12, 1974 in Salt Lake City, Utah. Upon the basis of these hearings and the individual letters being sent to the AEC on a daily basis, the AEC Board of Examiners will make recommendations to the Administrator of the newly established Energy Research and Development Administration—ERDA—

regarding any specific choice of a Federal site for storage of radioactive wastes.

The constituent mail that I have received on this issue encompasses a wide range of opinion. Many feel that the selection of the Nevada Test Site would greatly benefit the Nevada economy, especially during these austere times we are now experiencing, while others warn against the environmental and health hazards connected with the radioactive material.

However, regardless of one's position as to the benefits or dangers of nuclear power, there can be no doubt that public input is vital to the formulation of an integrated national energy policy. My own view is that we in this 94th Congress have a special obligation to enlist sufficient public dialog to insure an acceptable solution to the many-faceted problem of decreasing our dependence on foreign energy sources.

To those in Congress and throughout the country who take an interest in the nuclear debate, I ask unanimous consent that the following statements be printed in the Record: The first statement appeared in the North Las Vegas Valley Times on December 17, 1974, reporting the testimony of Bill Flangas in support of a nuclear waste disposal site in Nevada. The second statement was given by Maya Miller at the November 12, 1974 AEC hearings in Germantown, Md., and is in opposition to the selection of a Nevada site.

There being no objection, the material was ordered to be printed in the Record, as follows:

Nevada Engineer Supports A-Dump Site

The following is the testimony of Bill Flangas, a well known Nevada mining engineer, at a Salt Lake City hearing on the proposal to place a nuclear waste disposal site on the Nevada Test Site.

Flangas, who favors the site, is chairman of the Nevada State Public Works Board, whose duties include site selection for facilities built by our own state. He is also uniquely familiar with radioactive materials, as the mining engineer who supervised reentry into the tunnel of the first wholly-contained underground nuclear detonation at the Test Site in 1958–59. He is a native Nevadan and graduate of the famed Mackey School of Mines of the University of Nevada at Reno.

There are six key reasons why the Nevada Test Site should be selected as a national repository for these wastes. They are as follows:

1. Availability of professional and craft skills
2. Appropriate geography.
3. Possibilities for permanent geologic storage
4. Geological and hydrological suitability
5. Availability of facilities
6. Public acceptance.

The Nevada Test Site at Mercury has prominently served the nation as an outdoor laboratory for weapons testing and Plowshare tests dating back to 1951. During this period, a great number of nuclear events have been detonated, both in the atmosphere and underground, and we have a highly skilled cadre of professional, technical and craft personnel who are thoroughly schooled in the business and have the ability to cope with the inherent hazards. This capability also includes a highly sophisticated and extensive meteorological and radiological protection network, and personnel available both on and off site.

The Nevada Test Site has compiled an enviable safety record in all facets of testing activities. Heavy construction, drilling and underground mining operations are very dangerous occupations that entail considerable risks and account for many accidents in the country. Some of the best, if not the best safety records in the field have been compiled by the people working at the Nevada Test Site.

Nevada Test Site personnel are highly skilled in all aspects of safety, both onsite for employees and offsite for the public. This safety program involves such agencies as the U.S. Environment Protection Agency, the U.S. Air Resources Laboratory, the U.S. Geological Survey, the U.S. Bureau of Mines, and many others.

Over a period of years of testing at the Nevada Test Site, good communication has been established with the surrounding communities in relation to Test Site activities that enable the best possible effort to be made toward maintaining public safety.

The Nevada Test Site is located in a sparsely populated area some 65 miles northwest of Las Vegas, and amounts to some 1350 square miles located on three sides within the boundaries of the Nellis Air Force Range. Nevada Test Site is remote; it has a large area for testing purposes; it is already dedicated to nuclear purposes and has no population or agricultural encroachment.

No river systems, or fast moving underground aquifers, or public highways run through the area. Surrounded by mountain ranges, it has a built-in natural security that can be and has been easily maintained.

While NTS is well suited for retrievable surface storage, it also has strong possibilities for permanent geologic disposal. A mining engineer, I can tell you that we can tunnel into hard, dry, competent rock and store the wastes there, no matter what form the wastes are in, for geologic periods of time.

For those wastes to be disturbed would take a geologic upheaval so catastrophic that the escape of any of those wastes would be of little consequence by comparison to other damages.

We also have the capability, unique in the world, to drill large diameter holes (up to 120 inches in diameter) several thousands of feet deep into rock and geologic formations that would be acceptable for geologic storage.

There also has been proposed by the Lawrence Radiation Laboratory an in situ permanent disposal method that contemplates injecting liquid commercial power reactor wastes into deep underground cavities in silicate rock. The wastes are allowed to self-boil and the steam recycled in a closed system.

When no further wastes are added, the cavity is allowed to boil dry, the heat melts the surrounding rock, the rock cools and solidifies, trapping the radioactive materials in an essentially insoluble rock matrix deep underground. This is essentially what happens with underground nuclear detonations; the rock, melted by the detonation, resolidifies and traps the radioactivity deep underground. There already are at NTS more than 350 pockets of this rock—trapped radioactivity from underground nuclear tests.

What I am saying is this. NTS is aleady committed to the storage of radioactive wastes safely deep underground. If the retrievable storage facility were located at NTS, I'm certain further study would show NTS suitable for deep underground disposal, thus eliminating the need to move the stored wastes except within the boundaries of NTS.

Because of the numerous underground testing and drilling projects conducted at the Nevada Test Site over the years, its geological and hydrological suitability has been firmly established and there is no doubt the Nevada Test Site is one of the most highly studied and geologically mapped areas that exist any place in the world.

The unique surface and ground water conditions at NTS provide excellent protection against contamination of water acquifers, most of which flows into closed basins on site. Surface water must filter down through several hundred to thousands of feet of alluvial fill, then through an average of one thousand feet of volcanic tuff including zeolitized and clay zones, and finally into the underlying carbonate rocks before the water can migrate offsite.

Measurements of the flow rates in the tuff by USGS indicate that one hundred thousand to one million years are required for water to pass through the volcanic tuff, and any radioactive fission products in solution decay to harmless levels by then.

We don't believe that any spills would occur which would contaminate NTS ground water. If ground water were contaminated in the worst possible case, other safety factors besides radioactive decay during the long exit time from NTS would apply. To the best of my knowledge, no other area under consideration offers this. The zeolitized tuff is Mother Nature's water softener which removes fission products and fissionable metals from water by ion exchange.

Based on scientific evidence, not theory, we have seen no radioactivity from nuclear testing in the water of NTS wells, even though one of the wells in Yucca Flat is in very close proximity (within six thousand feet) of a nuclear test ground zero. We have sampled and analyzed water from all operating NTS wells (up to 15 of them) in a routine, continuous, monthly basis for the past 12 years.

A third safety factor is dilution of NTS water as it migrates offsite. Calculations of Yucca Flat's ground water recharge versus discharge of NTS and additional underflowing water at the Ash Meadows spring line, about forty miles to the southwest, indicates that Yucca Flat water is highly diluted as it slowly migrates offsite. These safety factors make Yucca Flat and surrounding areas ideal for near-surface storage of radioactive wastes.

At the north end of the Test Site are two granite stocks that are about 93 million years old and have withstood 20 million years of vulcanism and seven million years of earthquake and faulting. Fault locations have been controlled by the stocks and forced to go around or die out at the edges.

The stocks are between one and two miles in diameter at the surface, and increase in diameter with depth. They are known to be at least 15 thousand feet deep and probably extend several more miles in depth. The small amount of water in the stocks is virtually isolated from Yucca Flat.

In short, much of the Nevada Test Site is unique closed basins and massive geologic structures which geologically and hydrologically inhibit water migration from the Test Site.

We have a considerable capital investment in available buildings that can be modified for use at minimum cost. The Nuclear Rocket Development Station, now a part of NTS, presently has facilities available which could readily be modified to serve as receiving and handling facilities for encapsulated radioactive waste.

The principal facility that could readily be adapted is the E-MAD building at Jackass Flats. The E-MAD (which stands for Engine Maintenance, Assembly and Disassembly Building) is 80 feet high, enclosed in a fenced area of 36 acres, and contains 100 thousand square feet of floor space. It is heated, ventilated and cooled by eleven separate systems, comprising a total of 30 supply and exhaust air fans.

There are 600 kilowatts of interior and

exterior lighting, a 75 thousand-gallon water storage tank, 31 large power operated shielding doors, 40 lead glass shielded windows, a 12-channel closed circuit television system, and a 21-channel internal communication network that ties together all the working areas. Two 300 horsepower boilers and an 800-ton 2-stage centrifugal refrigeration system provide the facility with temperature and humidity control.

Included in the special remote handling facility are an overhead bridge crane of 40 tons capacity, with a 10-ton auxiliary hook, two unique sidewall manipulators capable of handling loads up to 600 pounds at the end of a 35-foot arm, a 35-foot diameter turntable of 80-ton turning capacity, three scanning and photographic periscopes and ten master-slave manipulators.

The E-MAD complex comprises 8 different functional areas, receiving and storage, cold assembly, hot disassembly, hot cells, shops, office, facility circuit systems, and the remote-controlled railroad system. Construction was completed and activation of systems started in 1965. The overall cost of the E-MAD complex including circuit facility, railroad systems and facility equipment, exceeded fifty million dollars.

We believe the E-MAD facility, since it was designed to handle highly radioactive materials remotely, would, with modification, be ideally suited as a receiving facility for handling commercial radioactive waste.

Thousands of NTS workers and their families live in Las Vegas and have developed a high degree of confidence in the AEC and the safety of Test Site activities. The outstanding job safety record at NTS and the safe conduct of nuclear testing have both contributed to this confidence. Both local population and tourists scarcely nodded when nuclear weapons were being detonated above the surface, not too many years ago.

On a coldly scientific and technical basis—NTS is the most logical of the three sites being proposed. However, in addition, the continued economic benefits to be realized from locating the RSSF in Southern Nevada are well recognized by hardheaded business and community leaders.

Nevertheless, these community leaders would not take risks with their families or their businesses for these economic benefits. They, too, are convinced that NTS can be used safely for radioactive waste storage.

Several prominent labor leaders in our community also have endorsed the location of this facility at NTS. They too, are cognizant of the many ramifications of the nuclear business and are very proud of their contributions toward our preeminence at NTS in this field.

Storage of high level contaminated radioactive waste at NTS is compatible with underground nuclear weapons testing which has already essentially stored radioactive wastes in some surface areas and numerous underground areas without hazard to the public. Radioactive waste storage and management is a natural follow-on to serve as a future mission for NTS.

I have reviewed the data concerning shipment of high level nuclear wastes and particularly noted the provisions made for shipping the high level nuclear wastes. I am completely satisfied that the hundreds of tests that have been conducted on the shielded shipping casks are going to provide us with highly reliable containers.

The design that includes such items as the ability to withstand a free fall from a height of 30 feet onto an unyielding surface, a free fall from a height of four feet on a six-inch diameter steel rod, heat input from exposure of 30 minutes to a fire having a temperature of at least 1475 degrees Fahrenheit, and total immersion in water for eight hours is reassuring.

Much has been said in recent years, on developing alternate sources of energy, such as solar power, harnessing the winds and tides, geothermal energy, etc. I approve of continuing our efforts to develop these. I also realistically recognize that breakthroughs here are many years away. Nuclear energy is a now proposition and in my opinion is our best approach to meeting our energy needs, for several decades.

An abundant and reliable source of energy reflects the strength and vitality of our nation. I get deeply concerned over the negativism that has surfaced again and again in recent years in relation to anything technical, particularly in regard to power generations. I have been intimately acquainted with nuclear weapons development for the past 16 years, I readily admit that I don't know everything there is to know about this business, but the one thing I know for certain, I don't ever want to be in second place.

I don't fear the future and I have great faith in our ability to meet the complications and hazards involved with developing alternate sources of energy to meet our needs. I do fear the hysteria and the inaction and the poor judgment that is constantly leveled in this field.

There is risk in all progress. Only those who are willing to move out after proper study and evaluation of risks are entitled to the fruits of progress. This is not a license for recklessness, but a call for action and decision, once our best technical evaluations have been made.

In southern Nevada, we have the skills, the desire, the area, the geology and the need for this project. We have a local population acclimated to nuclear activity. We are proud of our contribution to the Nation's security and are cognizant of the economic benefits to our community.

There is no doubt in my mind that our preeminence in nuclear activities has been the keystone of maintaining the world peace.

There is no doubt in my mind that the United States must remain preeminent in this business. Abundant and reliable energy is an essential ingredient.

Testimony by Maya Miller

I am Maya Miller of 1685 Franktown Road, Carson City. A Nevada resident of 30 years, I have worked on environmental and human issues as state president and national board member of the League of Women Voters, and on the boards of such citizen organizations as the League to Save Lake Tahoe, the American Friends Service Committee, the Children's Foundation. Most recently I have spent almost six months in southern Nevada as well as around the rest of our state campaigning—unsuccessfully—for the Democratic nomination for the United States Senate. In that effort I spent a good deal of time with the employees of Mercury as they started their morning 2-hour commute to the Test Site, and campaigning outside the Site itself at the well-guarded gate. I have a keen sense of its remoteness.

I have come to Maryland out of my deep concern for the potential damage which your plan for a nuclear waste dump at this Nevada site may do to our land and air and water—and ultimately to our people. I speak as a concerned citizen. I speak for myself, and for those others alerted and worried at this time who have asked us to speak for them, for those who have not had the chance or the information yet to be worried, and also, I would add, for those who will never worry, but perhaps should, for they too may be poisoned.

The first question I must ask is: "Why have I had to travel from Washoe Valley, Nevada to Germantown, Maryland at my own $500 expense in order to testify? Why are your hearings not nearer the three sites under consideration?"

We are aware of the Governor's committee hearings in Las Vegas and Reno, and before starting my complaints, I have a few kind words of appreciation. For the Governor for appointing such a review committee. For the Committee for serving, especially for those who took the time and care, like Dr. James Deacon, to spell out their reactions to the AEC Draft Environmental Statement in careful detail. And most of all, our appreciation for the Committee's delightful double negative in its final report to the Governor, in which it is said in essence, "We cannot recommend 'yes' and we cannot recommend 'no'. All we can recommend is 'not no." We like that, for it seems to lead to the focal point of all our citizen suggestions: We want time and open dialogue.

THE HEARING PROCESS

But having said that, I must register our serious misgivings about the manner and timing of the hearings thus far.

We understand that you have known for over a year that these sites were under consideration. The Governor's Committee had less than a month to form itself, do its homework, and make its recommendations. On such a subject, one month! The only materials furnished were those of the promoter, the AEC. None of the wealth of citizen information and scientific data opposed to the proliferation of nuclear waste was supplied. And to our knowledge, the Committee did not seek out any of those citizens nearby who brought protests to get more information from them and so balance its decision-making base.

The only hearing held in northern Nevada illustrates the deficiencies of the hearing process. The announcement was in the newspaper on October 10, page 26, in a small two-inch box, looking like an announcement of bankruptcy (which it may be), but sounding no public alert, and bearing word of a hearing to be held from 4 to 8 P.M. on a Friday afternoon a day and a half later. How are citizens, themselves busy and with their own plans, expected to appear in response to a call like that? At that hearing, understandably poorly attended by the public, and understandably not attended at all by the Governor's Committee (except for one member part time, Dr. Maxey) we citizens concerned about the issue enough to come from many miles distant, had to testify into a faceless, mindless court-reporting machine. No opportunity at all for dialogue. A piece out of Dr. Strangelove.

Other citizens, experienced with leaks at other atomic dumps, leafletted and spoke informally with signs and voices at Carson City.

In Las Vegas the hearing process was the same. Even so, the Las Vegas Review Journal carried the banner headline, Nevadans Veto AEC Plans.

But the Governor recommended you keep alive your consideration of Nevada, the Nuclear Waste Dumpsite for Commercial High-Level Radioactive materials, so we citizens must persist in getting our viewpoint heard. Somehow, you, and the Governor's office, and we the citizens of Nevada, and the citizens of all those states through which your radioactive materials would be transported, and the taxpayers nationwide who will be supporting this expensive energy source with their taxes, altogether we must work out a better means for public debate and wide-open discussion on this so potentially dangerous and so astronomically expensive, and hence so controversial, subject."

We agree with the thrust of the Western Interstate Nuclear Board's criticism of the Draft Environmental Statement, low-keyed and modest as its suggestions are:

"The AEC should consider preparation of a working series of documents suitably written for public understanding, and not necessarily as the specific environmental impact statement for interim storage. . . . And the governor's advisory committees must be given access to all data and information affecting their State. . . . Public meetings should be held at regular intervals and at various locations around the State. If questions raised by the people at these meetings cannot be answered, every effort should be made to obtain answers by the next meeting. Full disclosure may well be the key to acceptable waste management."

But how do you make this come to pass so that you, the promoters, the federal bureaucracies and your constituent private contractors, and we the citizens, who have no paid jobs nor official status nor vested interest, can talk together ourselves, and in turn be heard by the larger community? How do you make it possible for you, the powerful AEC, or ERDA, to hear the woman with the 3-year-old child whose world she worries about? And how can she hear you?

Have you genuinely assessed the obstacles to this dialogue? Your language is esoteric to us; ours is emotional to you. Your public relations people have healthy expense accounts and salaries, and planes to move around with, and secretaries to write and duplicate their messages. More often than not, ours speak at their own expense and out of an already too-tight family budget and crowded job-and-child care time limitation. This is part of the reason you must schedule plenty of time for dialogue. And you must start thinking about also scheduling money for the protestants if a dialogue is to be carried on.

TIME

When we recommend to you a moratorium, time is what we mean: time for real understanding of what we are getting into; a request that you cease spending our tax dollars on expensive preparations for something we are not sure we want. (We are well acquainted with the problem you create when so many dollars have gone into a project that the investment itself becomes an argument for continuation. But we have also seen with the SST what can happen in America when an informed and aroused public understands the social and money costs and says to its Congress like wise investors: Stop! cut our losses, and let us rethink our need!)

If the present near-catastrophic financial state this country is in should have taught us anything, it is that we must carefully measure our needs, and then demand accountability of the private and public sectors in supplying those needs.

We need time.

We need time to analyze your budget, as it fits into the larger national budget. Can we afford the costs you are proposing? Will we have the resources to pay? Or will our children? How do the costs for this source of power compare with others, geo-thermal, solar, wind? We want a flat-out cost estimate and cost comparison, complete with all the hidden costs of today and tomorrow. You all in the federal agencies get very familiar with millions and billions. For one casket for transport and burial of this radioactive waste, you estimate $500,000 to $1,000,000. But we are dealing daily with a home to pay for, food to eat, a school to learn in, and that million would buy a whole school, 40 or 50 homes, a year's food for 1,000 families. And before we make that investment of yours, for dead and poisonous waste, we need to understand what it is we are buying. And we need to evaluate the alternatives.

We need time to explore other sources of energy, less dangerous, less commanding sources. Our fear is that your commitment to this one source will lock us in, and as a nation we will be unable or unwilling therefore to explore diligently for other energy supplies.

We need time to understand what the effects will be on our land, our water, our air, and on our people. We are your land-owners, you see. Every American, no matter where he lives, is your landlord, for the land you contemplate using, all 1,350 square miles of it, belongs to the people of the United States. We have read your rationale for the containment of the poisons within that 1,350 square miles, but we note serious differences of opinion on the part of reputable scientists about the speed with which contaminants will move in the subterranean water flow, and the extent to which leaks into the air may cause a permanent poison there. In the hazards you are flirting with you deal not simply with the frills of our life, but with the absolute basic elements: water, air, soil. These are elements we know we need, but. . . .

. . . We need time to find out if we really need all this electricity which the power companies and you project. Just because you have estimated demand does not mean that a true need exists—especially if measured against human health. Before you start analyzing sites for waste, we want you to stop and ask yourself, is this waste necessary?

We need time to learn how we can conserve energy. We are still wastrels and fat with over-consuming. But that is a habit of living that need not continue. If we are truly faced with fewer light bulbs or more poisons, we may decide on some changes in our life style.

And we need time—before we build the nuclear plants—for a level of planning such as has never been known in all previous human history. We measure our lives by a few tens of years. Radioactive wastes we measure by thousands of years. Are we capable of making such long-term engineering systems infallible to human error or natural catastrophe?

We do need time.

As one of our citizen protestants said, Your agency has been around thirty years and you're still talking about imperfect, "temporary" storage. And you want the citizens of Nevada to decide in one month if we will host these wastes, and thereby make way for the burgeoning of nuclear electric power plants all over the country, from 40 or so today to 1,000 projected for 25 years hence. One month for us to decide, and 12 million months of radioactive wastes stored on our land!

BURY IT NOT ON THE LONE PRAIRIE

This waste belongs to all Americans. Its projected energy needs are mainly for communities on the eastern coast. Before you bury the body in our backyard, and get it thus out of sight, out of mind, we would like to have you entertain the notion of burying it nearer to the place where you produce it. That way when there are leaks, the producers will halt the production right away until a cure is found. To quote a Silver City citizen:

"Propose: to store the world's radioactive waste under the Pentagon.

"Justification: Ideally suited for maximum monitoring & maintenance. Any technical advances in waste disposal could be most readily implemented. Seismically, low activity. The hazards upon urban concentrations 'minimal' as the reasons for siting nuclear power plants close to such concentrations. Safety, according to the AEC, is maximum."

OPEN DIALOGUE

One of the chief concerns of citizens about the AEC mode of functioning has been your secrecy. Left over from your wartime birth and your development during the cold war, much of that secrecy seems outdated today. It severely blocks citizen understanding of the issues and values at stake.

Many of the people we speak for believe from their experience that the Atomic Energy Commission does not want to have maximum public dialogue. You do not seem to want to advertise views and fears which run counter to your plans. They believe that you would never of your own impetus bring to public light the work and apprehensions of scientists who oppose expansion of such projects as the one under discussion. They suspect that that is one reason you want to store this waste in our remote part of the world. They have noted the inability of the AEC to act upon the tons of lethal materials lying about the west in tailing piles, the 100-acre dump in Salt Lake City where some say a million and a half tons of radioactive tailings lie emitting radon gas 50 times the federally-established maximum levels. They wonder about the incapacity of the EPA and the AEC to neutralize this material. And they believe that secrecy hides a multitude of problems which the public is shielded from, and allows a dangerous lassitude on the part of the agency about solutions. Public alarm has to come from full disclosure. And public alarm, if it is warranted, should come early.

CONSUMER ADVOCATE

We think you need a Consumer Advocate, someone whose separate responsibility it is to speak *our* concerns, who would seek out and engage those technicians and scientists who share *our* anxieties, who would help us formulate our press relations with the same commitment of public money and energy which your one side now enjoys.

The Draft Environmental Statement, WASH-1539, is a case in point. We find it, like many such reports, an apologist's document, fat and slovenly. It leaves out much. Filled with information designed to prove the promoter's point, it leaves out critical information which would weigh against purchase of the product (analysis of seismic hazards in Nevada and other areas, the experience of the Hanford and other leaks, for example).

QUESTIONS

We find we are left at the present time with a mass of questions. For openers we include a couple of pages' worth.

Basically, what we are asking is a pause for clean-up and thinking.

You and I are like the Mad Hatter and Alice at the former's Tea Party. We drink tea, and as each cup becomes empty you call out, "More cups, more cups!" and we move down the table. That seemed totally reasonable to the Mad Hatter. And it seemed reasonable for our frontier-forging American forefathers. But it is not reasonable for us. It is mad. Today we cannot keep tossing our wastes away and forgetting them. And we cannot keep thoughtlessly creating waste for our own self-indulgence. We've got, in short, to get our heads around using what we need to use, living with what we see we have to live with, and cleaning up as we go. We cannot keep leaving dirty cups for mother to deal with or to be left about to poison generations down the line. Today's subject is the filthiest waste of all.

PLACING THE ROLE OF CONGRESS IN A BALANCED PERSPECTIVE

Mr. METCALF. Mr. President, critics of the Congress have been increasingly quick lately to charge that the legislative branch has been doing a poor job in meeting its responsibilities to the Nation. Foremost among these critics is President Ford, who has accused the Congress of obstructing his policies without developing its own alternative programs.

A careful reading of recent history will reveal, however, that most of the initiatives for change and for progress have originated in the Congress. I therefore recommend for the reading of my colleagues and the public an article by Spencer Rich in the Washington Post on February 14 which puts the role and the performance of Congress in a balanced perspective.

I ask unanimous consent that the article by Mr. Rich be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS HAS LED IN MAJOR PROGRAMS

(By Spencer Rich)

Although it is fashionable to declare that Congress by its very nature lacks the capacity for leadership on national issues, the fact is that many of the most important national programs and policies of recent years have been initiated on Capitol Hill and forced on an unwilling President.

In recent days President Ford has accused Congress of obstruction, of delaying presidential initiatives without developing programs of its own. And, to be sure, Congress moves slowly, possesses an unbelievable capacity for quibbling and political showboating, argues an issue and chews it over 100 times before digesting it, compromises on everything, makes backroom deals and takes numerous undeserved vacations.

But despite all these failings, it is Congress and not the White House that has initiated and nurtured:

Medicare.

Social Security disability insurance.

Pension reform.

The 18-year-old vote.

Political campaign reform.

Clean air and auto-pollution controls.

The Indochina war cutoff.

Key laws against dangerous chemical additives in foods.

Consumer product safety and warranty laws.

Much of the landmark civil rights legislation that Lyndon B. Johnson pushed to passage when he became President.

Major Social Security benefit increases.

Still-to-be-passed proposals for no-fault auto insurance and for a federal agency to argue the consumer position before rulemaking agencies.

Mandatory auto safety standards.

Major investigations of gangsterism, labor racketeering, the drug industry and multinational corporations.

Recent improvements in food programs for the poor and in the minimum wage.

Congress leadership was demonstrated in the way the Senate Foreign Relations Committee, headed by then Sen. J. W. Fulbright (D-Ark.), publicly took up the antiwar cause as early as 1965, gave it publicity and respectability through hearings, uncovered covert military operations elsewhere in Indochina and exposed the inconsistencies in the White House's reports on the Gulf of Tonkin incident.

The committee's activities played a large role in crystallizing public opinion against the war.

This, in turn, helped press both Johnson and Richard M. Nixon to seek a negotiated end, and to brake escalation of the U.S. military effort. In 1973 Congress legislated a flat cutoff of all U.S. military combat activities in Indochina.

The evolution of Medicare—federal medical insurance under Social Security for persons over 65—is another illustration of congressional initiative.

In 1957 a Rhode Island congressman on the Ways and Means Committee, Aime J. Forand (D), sponsored a Medicare bill with the backing of the AFL–CIO and medical and welfare groups. The Forand bill won Senate sponsorship from John F. Kennedy (D-Mass.), but was opposed by the Eisenhower administration and by the 1960 GOP presidential nominee, Nixon. Congressional Democrats pressed it, however, and Kennedy made it an issue in his 1960 presidential campaign. It was enacted in 1965.

Pension reform is another good example. It was pioneered in Congress by Chairman Harrison A. Williams (D-N.J.) and senior Republican Jacob K. Javits (R-N.Y.) of the Senate Labor Committee, faced strong opposition from the White House on many major safeguards, but finally was passed despite continued White House misgivings.

The 18-year-old vote had broad support, but the White House under President Nixon wanted it accomplished by a constitutional amendment, which would have taken years. Sen. Edward M. Kennedy (D-Mass.) had the idea of attaching it to a 1970 bill extending a major civil rights law. Majority Leader Mike Mansfield (D-Mont.) took up the thought and engineered a successful Senate vote, the House accepted it, and the President—after some hesitation finally signed it.

Kennedy and Senate Minority Leader Hugh Scott (R-Pa.) were also the chief advocates of public financing for presidential elections, enacted by the last Congress despite White House opposition. And it was Kennedy who, a year ago, initiated the drive for tax cuts to stimulate the economy, which has now been endorsed by everyone, including the White House.

The consumer protection agency bill, drawn from an idea first espoused by the late Sen. Estes Kefauver (D-Tenn.), became a serious proposal in 1969, when Rep. Ben Rosenthal (D-N.Y.) and Sens. Abraham A. Ribicoff (D-Conn.) and Warren G. Magnuson (D-Wash.) put the idea in its present form and started a campaign for passage. White House opposition and business-backed filibusters have killed it so far, but enactment by this Congress appears likely.

In sum, Congress was designed by the Founding Fathers to operate slowly, with deliberation and with compromise, and it is not structured to rush controversial proposals through smoothly. But it gets a lot of input from the public, and its stumbling, brooding deliberations often result in important new ideas and initiatives unconceived by a President, despite all his direct power and advisers.

PUBLICATION OF THE RULES OF PROCEDURE BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. CANNON. Mr. President, pursuant to the requirement in section 133B of the Legislative Reorganization Act of 1946, I submit for publication in the RECORD the Rules of Procedure adopted for its own governance by the Committee on Rules and Administration on January 22, 1975.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

COMMITTEE ON RULES AND ADMINISTRATION: RULES OF PROCEDURE

(Adopted February 4, 1971, pursuant to Section 133B of the Legislative Reorganization Act of 1946, as amended. Readopted without amendment, January 17, 1973, and January 22, 1975)

TITLE I—MEETINGS OF THE COMMITTEE

1. The regular meeting dates of the committee shall be the second and fourth Wednesdays of each month, at 10 a.m., in room 301, Russell Office Building. Additional meetings may be called by the chairman as he may deem necessary or pursuant to the provisions of sec. 133(a) of the Legislative Reorganization Act of 1946, as amended.

2. Meetings of the committee shall be open to the public except during executive sessions for marking up bills or for voting or when the committee by majority vote orders an executive session. (Sec. 133(b) of the Legislative Reorganization Act of 1946, as amended.)

3. Written notices of committee meetings will normally be sent by the committee's staff director to all members of the committee at least 3 days in advance. In addition, the committee staff will telephone reminders of committee meetings to all members of the committee or to the appropriate staff assistants in their offices.

4. A copy of the committee's intended agenda enumerating separate items of legislative business, committee business and referrals will normally be sent to all members of the committee by the staff director at least 1 day in advance of all meetings. This does not preclude any member of the committee from raising appropriate nonagenda topics.

TITLE II—QUORUMS

1. Pursuant to sec. 133(d) 5 members of the committee shall constitute a quorum for the reporting of legislative measures.

2. Pursuant to rule XXV, sec. 5(a) of the Standing Rules of the Senate 3 members shall constitute a quorum for the transaction of routine business.

3. Pursuant to rule XXV, sec. 5(b) 3 members of the committee shall constitute a quorum for the purpose of taking testimony under oath; provided, however, that once a quorum is established, any one member can continue to take such testimony.

4. Subject to the provisions of rule XXV, sec. 5(a) and sec. 5(b), the subcommittees of this committee are authorized to fix their own quorums for the transaction of business and the taking of sworn testimony.

5. Under no circumstances, may proxies be considered for the establishment of a quorum.

TITLE III—VOTING

1. Voting in the committee on any issue will normally be by voice vote.

2. If a third of the members present so demand, a record vote will be taken on any question by rollcall.

3. The results of rollcall votes taken in any meeting upon any measure, or any amendment thereto, shall be stated in the committee report on that measure unless previously announced by the committee, and such report or announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment by each member of the committee. (Secs. 133(b) and (d) of the Legislative Reorganization Act of 1946, as amended.)

4. Proxy voting shall be allowed on all measures and matters before the committee. However, the vote of the committee to report a measure or matter shall require the concurrence of a majority of the members of the committee who are physically present at the time of the vote. Proxies will be allowed in such cases solely for the purpose of recording a member's position on the question and then only in those instances when the absentee committee member has been informed of the question and has affirmatively requested that he be recorded. (Sec. 133(d) of the Legislative Reorganization Act of 1946, as amended.)

TITLE IV—DELEGATION OF AUTHORITY TO COMMITTEE CHAIRMAN

1. The chairman is authorized to sign himself or by delegation all necessary vouchers and routine papers for which the comtee's approval is required and to decide in the committee's behalf all routine business.

2. The chairman is authorized to engage commercial reporters for the preparation of transcripts of committee meetings and hearings.

3. The chairman is authorized to issue, in behalf of the committee, regulations normally promulgated by the committee at the beginning of each session, including the

senatorial long-distance telephone regulations and the senatorial telegram regulations.

TITLE V—HEARINGS

All hearings of the committee shall be conducted in conformity with the provisions of sec. 133A of the Legislative Reorganization Act of 1946, as amended. Since the committee is normally not engaged in typical investigatory proceedings involving significant factual controversies, additional implementory rules for hearing procedures are not presently promulgated.

TITLE VI—SUBCOMMITTEES

1. There shall be seven, three-member subcommittees of the committee as follows:

Standing Rules of the Senate
Privileges and Elections
Printing
Library
Smithsonian Institution
Restaurant
Computer Services

2. After consultation with the ranking minority member of the committee, the chairman will announce selections among the members of the committee to the various subcommittees (and to the Joint Committee on Printing and the Joint Committee on the Library) subject to committee confirmation.

3. Each subcommittee of the committee is authorized to establish meeting dates, fix quorums, and adopt rules not inconsistent with these rules.

4. Referrals of legislative measures and other items to subcommittees will be made by the chairman subject to approval by the committee members.

TESTIMONY ON BUSINESS CONDITIONS BEFORE THE JOINT ECONOMIC COMMITTEE

Mr. HUMPHREY. Mr. President, as part of the annual hearings on the President's economic message, the Joint Economic Committee received testimony on January 28 concerning problems experienced by business in coping with the present recession and inflation. Donald T. Regan, chairman of Merrill Lynch and Co., Inc., discussed the financial situation. Thomas Galligan, president of Boston Edison; Donald Crawford, president of Edison Electric Institute; and Stanley Ragone, senior vice president of Virginia Electric Power Co. described the dire state of electric utilities and offered ways to improve their situation. Milton Stewart, president of the National Small Business Association, evaluated the specific difficulties that affect small business.

Regan said that Federal deficits of about $80 billion could be handled by capital markets over the next 2 years without severe disruption. If the deficit rose to $90 billion or higher, though, lower quality borrowers and utilities would likely suffer. In order to keep the deficit from rising to a dangerously high level, Regan suggested that all increases in Federal spending be adjusted by offsetting budget cuts.

Relative to business finance, Regan explained that business growth has been financed through increases in debt-equity ratios, which could cause serious capital market pressures in the next few years. Companies shun equity financing to offset debt, however, because they believe the market price of their stocks makes their sale a give-away. Regan offered three major policies to relieve pressures in the capital market: First, a more liberal capital gains policy; second, no special withholding tax on foreign investors; third, a corporate tax deduction for dividend payments.

Messrs. Galligan, Crawford, and Ragone agreed both on the nature of the problems affecting utilities and on the policies needed to solve them. All vigorously opposed President Ford's energy tax and tariff policies on the grounds that they were highly discriminatory and inflationary. Galligan estimated that the President's program would cost New England consumers alone $800 million. In addition, the President's program pressures heating oil users, who Galligan feels are conserving as much as they can.

All called for regulatory reform, increases in the investment tax credit for utilities, expansion of nuclear capacity, and easing of environmental regulations. Crawford and Ragone modified Regan's suggestion that corporate dividends be tax exempt, by asking that it apply to both payor and payee.

Stewart blasted both big business and big government. He called the present recession the most serious of the post World War II period and the first of the "Dinosaur Economy Capers." He argued further that big business and government are inept, because they did not forecast, plan for, adjust to, or manage major change in the capital and energy areas. "The collapse of a Lockheed or Penn Central or the next King Kong Konglomerate to go, brings down thousands of jobs, thousands of stockholders, and many millions in asset value."

He elaborated on the dangers of the proliferation of large corporations and concentrated industries. "What is most distressing is the prospect that the relative shrinkage of the competitive section of the economy may be losing us the resilience and swift recovery ability that a diverse economy permits."

Stewart requested special tax relief for small business to ease its recovery. He called on the Federal Government to make the corporate tax rate more progressive, to raise the corporate surtax exemption, and to increase the investment tax credit to 20 percent for small business and also to have it apply to people as well as equipment.

I believe that this testimony, from a diverse cross section of the U.S. business community, offers us an honest and clear appraisal of serious problems that beset our economy. They surely bear directly on important and difficult decisions that Congress will be making constantly throughout this year.

Mr. President, I ask unanimous consent that the prepared statements that I have just reviewed be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY BY DONALD T. REGAN, CHAIRMAN, MERRILL LYNCH & CO., INC., BEFORE THE JOINT ECONOMIC COMMITTEE OF THE CONGRESS OF THE UNITED STATES ON TUESDAY, JANUARY 28, 1975

I appreciate your invitation to appear here today before this important Joint Committee of the Congress. While I recognize your responsibility and interests range across the entire economic spectrum, I shall concentrate on the capital markets—the impact on them of proposed anti-recession budget measures; the tasks they must perform; and, finally, some recommendations which would improve their ability to function, not only in helping a business turn-around but in promoting long-term growth of the economy.

Of course, the markets do not function in isolation but must be seen in the general economic setting. And we are all keenly aware of the unusual difficulties we face in trying to steer a proper economic course at this time. Probably never before was there so little maneuvering room between the twin shoals of recession and inflation, with the steep energy prices and uncertainties of future supplies compounding the problem.

Difficulties do not mean despair. We have tremendous strengths, in our physical wealth and in the stamina and resourcefulness of the American people. But we must be willing to face hard facts, even if that means deciding among some unpalatable choices.

In properly attempting now to combat recession and cushion unemployment, we must guard against rekindling virulent inflation. Pouring too much money into the economy could prove self-defeating if it leads to a still bigger inflationary rise during the next business expansion—and sows the seeds for a recession probably worse than this one.

Looking over the economic scene, we are already beginning to see some distinctly encouraging signs. The rate of inflation has slowed, and all indications are this trend will continue in the months ahead. The decline in money rates, which began last fall but stalled towards year's end, has resumed. And the consumer is apparently beginning to respond to price reductions on automobiles and in many retail stores. A similar reaction could come soon on the part of home buyers, as both the availability and the cost of money improve. Aiding this trend is the fact that home building costs have stabilized.

Meantime, our economists are trying to measure the impact of potential budget stimulants on the financial markets and their ability to handle resulting Treasury needs as well as those of local governments and private business. I am submitting a more detailed discussion of this subject, prepared by the economists at our subsidiaries, Lionel D. Edie & Company and Merrill Lynch Government Securities.

Let me just summarize some major points. While the official budget has not yet been submitted, our preliminary estimates, factoring in expenditures on the scale of the latest Administration proposals, project a deficit around $32 billion in the current fiscal year and a $45 billion deficit for fiscal 1976. Our Edie economists figure that such a federal deficit—about $80 billion for the two years—can be handled without severe disruptions in the money and capital markets. Among their reasons are some recession-caused slack in private credit demand, especially during the earlier part of the period, probable inflow of OPEC money, and an expected policy of more aggressive ease by the Federal Reserve than it has demonstrated in the last two quarters.

However, if the federal deficit goes much higher—heading towards as much as $60 billion for next year alone, atop the $30-plus billion for the year ending this June—then private financing needs would likely suffer from the excess government competition. This dislocation would become especially evident in early calendar '76, because by then a business upswing should stimulate private demand while the deficit-generating federal programs would be in full stride. Such a development could bring either new sky-high inflation or strangle the young recovery, especially in housing.

Thus, regardless of worthwhile projects, it would seem urgent to support the President's proposals for restrictions on expenditures and limits on the size of tax cuts—or else, to make equivalent adjustments elsewhere in the budget.

Our Merrill Lynch Investment Banking personnel also expects that, unless the deficit increases sharply over that based on the Administration proposals, they foresee no *overall* difficulty in meeting the capital raising needs of industry and local government.

But, and this is the disquieting aspect, that is the macro or over view. When they get down to the micro level, they conclude that, even with the two-year federal deficit kept to $80 billion, many lower-quality borrowers will be hurt.

Industrial companies with a Moody's rating of "Baa" or medium grade will have difficulty attracting needed funds and, in the case of utilities, even somewhat higher-rated companies may find the going rough. If these companies can get money at all, it will be at substantially higher cost. And getting long-term money, which is what most of these companies really need for a balanced debt structure, will be most difficult and costliest of all. Incidentally, the same emphasis on quality, with increasing difficulties and costs for lower credit risks, will undoubtedly apply to municipal financing.

This would mean a sharp escalation of a trend already in evidence. As *Business Week* recently commented: "In a period when demand for credit is high, the market begins to discriminate . . . Investors are placing tremendous emphasis on the 'quality' of investments they make . . . (Also) the supply of capital that investors are willing to commit long-term has slowed."

All this can hardly be considered surprising. When an investor has a choice, naturally he prefers top-quality, and the uncertainties experienced by many companies and industries recently certainly fortify that preference. Similarly, the investor tends to place a premium on bonds maturing within, say, seven-to-ten-years than over the more distant future. He feels there is less opportunity for something to go wrong; also he has learned that, if inflation drives current interest rates up, the market value of outstanding long-term bonds goes to a much deeper discount than those with shorter maturities.

The preference for quality, of course, has always been there, but the increased emphasis on it is truly dramatic. For instance, in 1973 the average medium-grade Baa industrial bond yielded about three-quarters of a percentage point more than a highest-quality Aaa bond. By last year this spread had nearly doubled. Even more startling is the change in the utility sector, where the spread between high and medium grade more than tripled from 1973 to 1974—and what is more, the differential is now substantially wider among utilities than in the industrial group. Obviously, with utilities hit by huge cost increases and with slowed-down growth, relative quality has suddenly assumed momentous importance. Actually, the situation is such that no Baa utility has come to the long-term public market in the last six months.

Despite the difficulties in attracting investors faced by some companies and the high cost of borrowing faced by all, corporate bond offerings jumped to an alltime high of $27 billion last year and are expected to run at around a solid $23 billion or so in 1975. But that's simply a reflection of the tremendous needs for funds, a need which will continue throughout the foreseeable future.

A big reason is the need for capital expenditures. American business is conservatively expected to have to spend around $2 trillion, plus inflation allowance, between now and 1985, to expand and modernize, to provide jobs for roughly 1.4 million new workers a year, to satisfy ecological and safety rules, and to make at least a stab at easing our energy vulnerbility. Other huge sums will be required for facilities by state and local governments and all types of public or quasi-public institutions.

The impact of the recession has sharply curtailed business expansion plans this year. With many cancellations, utilities will lag behind last year and other businesses may also fail to match the 1974 record in physical terms. But because of the steep rise in costs, total 1975 capital expenditures in dollars are still estimated a couple of percentage points above last year's $112 billion.

So this still leaves a hefty demand for business spending at close to $10 billion a month rate. Lower profits and cash flow may also boost the financing need. Add to this the widely recognized need to upgrade balance sheets and it's plain that there's a big call for action in corporate financing for this year as well as for many years ahead.

As we know, for some time corporations have been pushed into depending on an unusually large proportion of debt rather than new equity, and, what's worse, a disproportionate amount of the borrowing has been short-term.

One analyst has computed that 28% of the growth of manufacturing corporations between 1960 and 1972 was financed by "deterioration of the balance sheet", mostly through an increase in the debt-to-equity ratio plus some reduction in the working capital to sales ratio.

Another example of balance sheet deterioration: after increasing their relative equity position in the early Sixties, nonfinancial corporations endured a sharp reversal of this trend. Since 1966, their borrowings have been $100 billion greater than the amount they were able to add to equity through new offerings plus retained earnings. Over half of this tilt toward debt came in the last two years. And compared with the early Sixties, when short and long-term borrowings were almost evenly balanced, short-term debt now has a 3-to-2 edge.

As for equities, new common stock offerings have disappeared almost completely in recent months except for some utilities that had to sell well below book value and offer highly attractive yields. For industrial common stocks, the total 1974 offerings came to less than three percent of the corresponding bond value.

While speculative and untried companies would no doubt have a difficult time in marketing new issues, the dearth—indeed complete drought—of common offerings is not caused by just a lack of potential buyers. As we found out with several utility offerings, there is a lot of demand for equities of better companies with good dividend payments at today's bargain prices. But there is a "seller's strike" by many companies. Not that you can blame the reluctant companies. The very price which makes the stock a bargain for eager would-be buyers tends to make it a "give-away" in the eyes of the company and its present stockholders. Often the corporation finds the return it could earn on the new money would be lower than what's earned on existing operations.

This is hardly a surprise. The average stock on the New York Stock Exchange lost 75% of its value between 1968 and 1974, which would seem enough to discount any number of recessions.

We may be beginning to see a new look, or rather a reappraisal, of basic values. There is a growing willingness to look at the total return concept—the sum of dividends plus long-term capital growth which can be expected from soundly based, well-managed companies.

Naturally, moves toward a sounder economy and a brighter outlook ahead should encourage the stock market, and strengthen the bond market as well, and thus facilitate the financing of all classes of business. That's another reason a balanced program to fight recession without locking us into policies which promote long-term inflation should pay rich dividends in healthy growth for the nation.

But other important steps to promote raising the capital we so greatly need would consist of measures to directly encourage investors to put their money to work. Three helpful moves in that direction would be fairer capital gains treatment; encouragement of portfolio investments from abroad by eliminating the special withholding tax on foreigners; some steps toward deductibility of double-taxed dividends. I might add that another welcome improvement will be a more efficient marketplace; we have long believed in the advantages of a competitive market and we are glad to see that both houses of Congress will shortly consider legislation on making such a market more effective.

I am submitting separate memoranda outlining the desirability of relief in the capital gains and foreign withholding areas, so I will only summarize the highlights.

I feel capital gains improvement should be granted not only for the social benefits to be derived from extra investment flow, but also to give a fair shake to the investor. The capital gains tax system deters people from cashing in on their theoretical gains, thus preventing them from switching to what they might now consider a more desirable investment—and while they sit with their old investment, the Treasury doesn't get its revenues.

An important avenue for us to obtain additional capital without putting the money up ourselves is to tap some of the wealth being accumulated abroad. One way to attract such potential investors is to eliminate withholding taxes on interest and dividends paid to foreign portfolio investors.

Serious consideration should also be given to the suggestion recently made by Chairman Garrett of the Securities and Exchange Commission to permit corporations to deduct dividends from taxable income, just as they now deduct interest paid on bonds. Since one problem in corporate financial structures these days is the top-heavy debt, such a step would make it easier for a company to issue stock instead, and thus strengthen its financial position. By encouraging higher dividend payments, taxable to holders, the Treasury would likely recoup a sizable amount of revenues, in addition to the general economic benefits from stronger growth.

Another key area where positive action can promote greater overall strength is helping business generate fund internally. So companies can better expand their job-creating activities, it is important to increase the investment tax credit and to make it permanent. This should be particularly helpful to the hard-pressed utilities.

It is easy when deciding on priorities to look at benefits for the individual and to leave the corporation to fend for itself. But we also need a strong business organization to help provide the jobs which are the basic source of individual income. The huge boost in energy costs has cut sharply into the normal consumer expectations of a rising living standard, and the only way we can get these expectations back on the track is to bost our overall productivity. Part of this can be accomplished when individuals pitch in and determine to achieve more. But we know that the principal effort must be by business providing the tools for such greater achievement. It must be in position to do so, if we are to continue to realize a better life for all.

STATEMENT BY THOMAS J. GALLIGAN, JR., PRESIDENT, BOSTON EDISON CO., TO THE JOINT ECONOMIC COMMITTEE, JANUARY 28, 1975

Mr. Chairman: I am pleased to have the opportunity to speak to you today on subjects which affect everyone of us, young or old, rich or poor, black or white—the critical condition of the United States economy and, in particular, the energy crisis which has contributed significantly to our economic woes.

I appreciate the fact that over the years this Committee has faced many serious problems in striving to develop constructive policies for the economy of this Nation but, in my opinion, we have never faced issues which are so complex and interrelated on an international basis and which have such severe implications not only for the present but for the long range well-being of this Nation. As complex as these issues may be, they demand immediate and comprehensive response. As I observe the high quality of the membership of this Committee, I am sure that it will lead the way for Congress to act constructively and promptly with equal misery for all.

President Ford has rendered a service by bringing the energy subject to the point where decisions must be made. We have already lost valuable time. It is our belief that a coordinated National energy policy now is absolutely essential if we are to become energy independent and remain economically sound.

It is because of this belief in the necessity for a sound National energy policy that as both a citizen and President of New England's largest single operating electric utility, Boston Edison Company, I must take issue strongly with President Ford's tariff and tax positions and protest most vigorously their adoption on the grounds that they are discriminatory in application and inflationary.

While my remarks refer to New England and to Boston Edison Company, it should be clearly understood that these problems affect most of the Atlantic seaboard, Florida, Southern California, and to a lesser extent, a number of other areas of the United States. It is not a provincial or regional problem but where it does exist it is critical.

EQUITABLE PRICES FOR OIL ESSENTIAL

You may recall that Boston Edison, in January 1974, assumed a leadership role in appealing to the Federal Energy Administration to provide some form of financial credits or some other method of easing the fuel burden for the people of New England. Very frankly, the FEA has failed in its responsibility as charged by Congress in its mandate of "equitable distribution of crude oil, residual oil, and refined petroleum products at equitable prices among all regions and areas of the United States."

After I testified at hearings in September, FEA's response to our plea was in the timeworn mold of "too little, too late." A credit of 60 to 80 cents per barrel was eventually adopted which would have amounted to a savings of about $12 million for Edison customers starting this February—a disappointing and inadequate amount.

Now comes a proposal from the White House which by February 1 would eliminate that small savings just handed down and by April 1 would mean an additional cost of $18 million in fuel prices to Boston Edison customers alone.

We seriously question the authority of the President to impose such a tariff and others are carrying this fight to the courts. The thrust of Boston Edison arguments under which we have been studying taking legal action is the incorrect administration of the "Emergency Petroleum Allocation Act of 1973" by the Federal Energy Administration. We still retain our option to take further legal action in this area.

That we must have a National energy policy is, as I said, essential to our progress as a Nation. But such a policy, instead of penalizing one region unfairly, must be dedicated to benefiting the whole Nation and all its people equitably.

NEW TARIFFS UNFAIR TO NEW ENGLAND

While the President's proposed tax relief program will fall equitably throughout the Nation, surely his energy program will not. In response to past National policies, New England is more dependent per capita on oil products than the rest of the Nation.

A $1.80 per barrel increase in oil prices for New England will cost the region $800 million annually. This is the impact of losing 60 cents under the old oil entitlement program and two additional 60 cent per barrel increases planned in the import tariff in March and April.

This burden will fall heavy on those who rely on residual oil and home heating oil where conservation in New England is at a near maximum. We will pay the penalty even if we can't help the National objective of reduced oil imports.

I feel obligated to also comment on the proposal to decontrol the price of "old domestic oil." Not only will decontrol eliminate any possible economic relief to electric consumers in New England but its inflationary impact will be felt by all. I favor the imposition of a "windfall profit tax" on the oil companies but who is going to impose a "windfall profit tax" on the oil producing nations?

It is here where National policy must recognize the real villain in this drama—our National Government and its inability to deal effectively with OPEC.

In Boston, one can do little to provide consumers economic relief in the short term when we are paying over $13 a barrel for residual oil and foreign governments are are pocketing $9 and more of that cost. This Government has remained mute as it allows tens of millions of its citizens to suffer economic strangulation. We are faced with highway banditry of days gone by on an international scale.

The oil issue is such in New England that average fuel oil costs to Boston Edison rose from $4.61 a barrel to $12.91 a barrel in a little over 12 months. Fuel costs which amounted to approximately $25 million in 1970 rose to $164 million in 1974. At the same time, a consumer using 400 kilowatt hours of electricity a month pays $22.10 for the same amount of electricity which cost him $13.40 in 1970. And the increase was due almost totally to the rise in fuel prices. As a matter of interest, our prices today, including fuel, are at the same level they were in 1921.

Some of you at some time must have been confronted by irate consumers frustrated with their increasing electric bills. They cannot understand that the Government would do this to them and we bear the brunt of their wrath even though fuel costs are the cause.

ADVERSE ECONOMIC IMPACT

While some utilities in the Nation have been hit harder than Boston Edison in the economic crunch, the symptoms are similar. Inflation, reduced consumption, increased interest expense, regulatory lag and additional common stock outstanding, all attributed to a 9.7 percent decrease in earnings per share in 1974. Earnings per share in 1973 decreased 18.8 percent.

We have watched not only our earnings decline but the rating agencies lower our bond ratings from AA to A to BBB. We are faced with a capital program of $760 million in the next five years, which has been reduced $480 million to reflect conservation efforts by our customers. We are concerned with our ability to finance that construction at reasonable interest costs. The construction is essential to maintain reliable service for our customers in the years ahead. We believe the Congress should act promptly to insure that we can meet our service responsibility.

ENERGY CONSERVATION IMPACT

There has been a National need for Americans to respond to energy conservation during this period. We must continue to find ways to reduce our overall use of energy. But energy conservation of itself is not a cure-all. In New England we have been leaders in conservation efforts which is reflected in the fact that energy sales at Boston Edison were down last year 6.3 percent from 1973 levels. The Congress in developing further conservation programs should recognize the leadership already shown by oil dependent regions of the Nation.

It is our firm belief that the need for electric energy will continue to grow. This means it is also essential that we have the Government regulatory machinery to permit that growth to take place in an orderly manner consistent with the objectives of "Project Independence."

Conservation of energy on Boston Edison's system has already caused a reduction in our capital spending program. As we have cut back our construction programs we have reduced our work force by over 600 people. Total announced industry cutbacks now amount to $21 billion as energy conservation and the financial crisis create uncertainties. This does not include the tens of thousands of jobs that will not be required because of these cutbacks.

While continuing conservation efforts, we must also maintain the vitality of our building programs to meet the longer-term needs of our customers. The achievement of energy independence, with the restoration of economic stability in the capital marketplace for electric utilities is a major problem that faces the Congress today.

ENVIRONMENTAL PROTECTION—AT WHAT COST?

I would like to comment on another matter which is of particular importance to a capital-intensive industry such as ours, namely, the cost impact of environmental control regulations. Air and water pollution control equipment is costly to install, to maintain, and to operate. It is in my opinion highly unfortunate that the imposition of such costs is often not justified by the accrual of appropriately balancing benefits. Boston Edison is one of the leaders in the industry in responding to the need and desire for improvement of air and water quality. This is, therefore, and I want to emphasize, not an argument against necessary or reasonable environmental protection measures. It is rather a suggestion some of the measures imposed are unnecessary, cost ineffective or inefficient in benefit/cost terms. They also place a significant added burden on the need to raise capital by utilities.

Let us consider the matter of water quality, especially the regulations of the United States Environmental Protection Agency to control thermal discharges. The Environmental Protection Agency has taken the position that under its legislative mandate it cannot consider whether the installation of closed cycle cooling will have appropriate benefits, but they must impose stringent regulations within the limits of the practicality and availability of technology. This means, for instance, that unless a plant such as our Pilgrim Station Unit #2 can qualify for a strictly defined exemption, costs in excess of $60 million for cooling towers may have to be undertaken even though the Atomic Energy Commission has concluded in its Environmental Impact Statement on this plant a favorable benefit cost analysis of the proposed cooling water discharge system. These costs, I must point out, do not reflect the costs of delay, added interest costs, reduced plant capacity and recent inflationary trends. One has only to multiply the capital impact of this one plant by the number of similar plants in the country to obtain a glimmer of the serious financial implications arising from such regulations.

The regulatory interpretation under the Clean Air Act is also having serious financial consequences which can be avoided. I have in mind primarily the position of the Environmental Protection Agency that constant emission control is to be preferred to other measures such as intermittent or supplementary controls which meet air quality standards a far less costly way. The capital investment in scrubbers which may be necessary for constant emission control is substantial and ranges from $46 million to $80 million for power plants of 500 to 1,000 MW in size. The capital required for the alternate systems is relatively negligible since these systems depend on operational factors such as load reduction or fuel switching. The point I wish to emphasize is that these systems not only require less capital, but permit the use of other less costly fuels—both coal and oil—which cannot now be used. For example, fuel switching could save Boston Edison customers approximately $40 million annually without violating primary air standards.

My recommendation, Mr. Chairman, is that the Congress reexamine environmental legislation to see to it that goals and objectives are not only still desirable in view of the Nation's economic condition but that they bring suitable benefits in view of the costs imposed. The Nation cannot afford inefficiency or unnecessary costs in this time of National crisis.

REDUCE REGULATORY LAG IN RATE PROCEEDINGS

There are two areas in electric rate setting where the Congress could be helpful. The Federal Power Commission is already working on one, the inclusion of construction work in progress in the rate base. This regulatory change would help to overcome reguatory lag by improving cash flow and would also improve the quality of Company earnings. We believe that the time has come when this principle should be adopted not only at the Federal level but, more importantly, by state regulatory agencies as well.

Many utilities in the Nation, including Boston Edison, would not be in the financial posture they find themselves today if state regulatory agencies had acted promptly on requests for rate relief. Our recent area of concern, the period of regulatory lag, which is ten months in Massachusetts, must be reduced and we urge the Congress' support to bring state regulation within a reasonable five-month guideline. Of course, it is essential that decisions be made within this time frame. We have one rate case that has been before the Federal Power Commission for almost five years.

INCREASE THE INVESTMENT TAX CREDIT AND PROVIDE IMMEDIATE REFUNDS

Recommendations to increase the investment tax credit for utilities will be helpful. Certainly the existing discriminatory nature of only permitting a 4 percent investment tax credit rate for utilities and a 7 percent for industry in general should be corrected. The overall rate should be increased to the President's recommended 12 percent for all industry. The limitations permitting the use of the investment tax credit of up to only 50 percent of the tax liability should also be permanently eliminated. The period of time that the investment tax credit can be carried forward or carried back for tax purposes should also be increased. Alternatively, to be helpful to all in stimulating investment with the related increase in jobs, a refund provision could be adopted which, in effect, would pay the investment tax credit immediately in cash to those companies who are not in a position to take advantage of the tax credit as they are in a net operating loss position.

INCREASE PERIOD OF OPERATING LOSS CARRY-BACKS AND CARRY-FORWARDS FOR INCOME TAX PURPOSES

Many utilities in the United States have been sustaining net operating losses for tax purposes for many years. Certainly, one way to improve their cash position is to extend the period of carry-backs to a minimum of eight years and to extend the period of carry-forwards to a period of ten years. This is but another way tax legislation can be utilized to help hard-pressed utilities.

NUCLEAR POWER FOR NEW ENGLAND

The success of a sound National Energy Policy with "Project Independence" as the ultimate goal dictates the expansion of nuclear and coal as the primary energy sources for the generation of electricity. In 1974, nuclear energy accounted for 22.8 percent of the total electric energy supply in New England. As the mid-east threat and foreign oil prices stand as twin harbingers of gloom, nuclear energy stands out for this Nation as a citadel of hope.

The nuclear record in New England during 1974 gives credence to our conviction that clean safe nuclear power is the most practical source of energy for the consumers of New England. With natural gas supplies limited, hydroelectric sources utilized wherever practicable, coal burning limited by air pollution control regulations and imported oil prices continuing to skyrocket unbridled, nuclear power provides the least costly, most reliable source of power generation. With six operating nuclear power plants in New England and ten more planned, we are trying to move for fuel interdependence. When compared to current oil prices, it is anticipated that nuclear power could save for New England's base load consumers approximately $1 billion a year on their electric bills in the mid 1980's. But the attainment of these savings depends on our ability to finance and construct the necessary nuclear plants and we just cannot move ahead confidently in this direction if the lead time to license and construct the units remains at the present 10-year level.

In May of 1974, we testified before the Joint Committee on Atomic Energy concerning licensing difficulties we were experiencing at our Pilgrim Station in Plymouth, Massachusetts. I am sorry to report that although the Atomic Energy Commission (now the Nuclear Regulatory Commission) has made efforts to speed up the licensing process, no action has been taken on our recommendations. In fact, the situation has deteriorated markedly. If we are serious in our desire to achieve our energy goals, we must take positive action in the nuclear licensing area as well as provide an economic climate that will encourage the construction of nuclear plants. In their deliberations it is imperative that Congress fully understands the importance of nuclear power to our energy survival.

MORE RAPID DEVELOPMENT OF DOMESTIC NATURAL RESOURCES

I am sure we all agree that the ultimate attainment of fuel interdependence requires immediate and concerted attack on many fronts. To be sure, nuclear power plant expansion is a major step in that direction. But, by definition, energy interdependence dictates a more rapid development of our own natural resources. We should already be well on our way to developing these resources under National guidance. Offshore drilling must be explored, encouraged and brought to national reality; exploration and production of shale oil must be enhanced to bring domestic sources of petroleum to such a level as to neutralize reliance on imported oil. We have coal to be mined and new coal fields to be explored. But long-term contracts for coal as a product are required to fully realize the potential of this natural resource. The Clean Air Act may have to be amended so that those facilities able to burn coal may find it available and thus be encouraged to make use of it. We have no realized the potential of our own resources and now find ourselves dependent on others who technologically lag far behind this nation. Time has been lost already—we must not lose anymore.

CLOSE

Mr. Chairman, as Congress reconvenes, it finds the most capital-intense industry in the Nation—the electric utilities—hard hit by inflation, conservation, stampeding environmental costs, deep recession and international brinksmanship.

We need and will support a National energy policy which has as its basic premise economic equity for all citizens—a sharing of the National burden among all regions of the Nation. . . .

We need to accelerate the development of our domestic energy resources such as coal and off-shore oil. . . .

We need help in speeding up the regulatory process in licensing nuclear power plants and in rate proceedings before regulatory commissions. . . .

We need tax relief that can be utilized in order to raise lower-cost capital and also relieve the pressure of increasing electric rates on consumers.

. . . And to be effective we need these actions now.

I promise you the support of Boston Edison in achieving these objectives.

STATEMENT OF DONALD CRAWFORD, PRESIDENT, EDISON ELECTRIC INSTITUTE; ACCOMPANIED BY STANLEY RAGONE, SR., VICE PRESIDENT, VIRGINIA ELECTRIC AND POWER COMPANY

The electric utility business was formerly thought to be a rather prosaic affair. Some of us in it would not agree with that assessment. But certainly today it is a far different business than it used to be. Today we face broad array of serious, complex and interrelated problems that challenge our very ability to meet the nations needs for electricity.

In our country there has been a long term trend toward the greater use of electricity. In 1930, 10 percent of all the energy used in the country was used to generate electricity. At the present time 25 percent of all the energy goes into electricity; our studies indicate that by the end of the century 50 percent of all the energy produced will be toward electric.

There is very little question but that the nation is going to require additional amounts of energy, and increasingly it will be electric energy. We believe that the rate of increase of total energy use should and probably will abate. But this is not true in our view about the increased use of electric energy.

The question is, how can electric utilities best provide the requirements that the nation puts upon them.

I believe that there are four basic points to bear in mind: 1, electric utilities must be financially strong to attract the investment funds needed to build the needed facilities.

2. We must be able to build the facilities that are needed. We must receive approvals for building utility facilities expeditiously.

Third, we must have adequate supplies of fuel that we are permitted to turn.

And fourth, we must function with environmental regulations that also recognize the nation's needs for electric energy.

Let me amplify each of those four points briefly. As far as the financial viability of the electric untility industry is concerned, there are two basic ways to approach this, and both of them are quite essential. The first, and indispensable way to resolve this problem is that we must streamline and improve our tight regulatory procedures. And the President in his message included a number of points along this line which would be very helpful.

The second basic way to help restore the industry financial viability is through a number of tax related pressures. The one that your industry feels would be the most effective would be to make dividends on common and preferred stock of utility companies tax exempt to the recipients. The President, as you know, has proposed that the preferred stock dividends paid by utilities and others would be tax deductable to the payor, not to the payee. And that would be a useful provision to have. But we feel that even more useful would be a tax exemption to the recipient of these dividends.

We also favor strongly the increased investment tax credit. Utilities in the past have been discriminated against here. We have had 3 percent and then 4 percent while the rest of industry has had 7 percent. We would favor going to either the 10 percent or the 12 percent, but with some changes than those that have been previously discussed. It seems to us that it would be more useful to have a longer period than that outlined in the President's message for one year for every one, and then another two years for utilities under certain conditions. It would be much better if it were a more permanent provision.

Secondly, it would be helpful if the investment credit applied not to the plants put into operation in a particular year, but rather the construction expenditures during these years.

And thirdly, the idea that was previously enunciated by the administration, of after three years having tertiary payments back to individual companies if they had not been able to take advantage of the investment credit, seemed to us to have a considerable merit. And there are a number of utility companies that do not pay taxes because their incomes are inadequate in the light of their other requirements, so they would have no way to take advantage of investment credit. And the proposal that was made some months ago was that in most cases after three years there would be a provision whereby those companies would benefit from the tax credit.

With respect to our ability to build utility facilities, we must find a way to more expeditiously hear and grant approvals to proposed utility facilities. Whether the answers are yes or no, we need to have a more expeditious way of arriving at a conclusion. And this is particularly true in the case of nuclear plants where despite good efforts, I think, by the Atomic Energy Commission, it still requires on the order of 10 years from the date of decision to the date of operation for a nuclear plant. In Japan and France and other countries it takes much less time than this.

With respect to fuel, we believe that the fuels to meet our electric power requirements in the years and the decades ahead must be based primarily on coal and on nuclear energy.

We believe that it makes good sense to try to conserve our oil and gas resources for other uses for which they are uniquely qualified. But we must bear in mind that it is going to take some time for the change to be effective. The companies in the South and Southwest parts of our country, for example, who, consistent with national policy, built their electric power systems on the basis of burning natural gas, require extended periods of time to be able to convert those facilities over to burning other fuels.

With respect to oil also, and the President's proposal for increasing the tariff for imported oil and imposing an excise tax on domestic oil, while we can understand that as a means of achieving energy independently, or moving in that direction, and providing incentives to go to other fuels, it does seem to us that in the case of oil and gas that is used for electric utility purposes, that there should be exemptions from those tariffs and taxes.

In the case of the companies that burn oil, they have very little ability to alter their furnaces to burn other fuels. In the case of companies in the Northeast, for example, if they were to burn coal, if they could get it, they would not be able to comply with the air quality regulations. They only recently converted some of these plants from coal to oil. And they have a physical inability now to go back to coal in any short periods of time. And therefore they have no choice but simply to continue to burn the oil and to pay whatever tax is imposed upon it. And we think that would further exacerbate the financial problem of some of the utilities that rely heavily on oil.

Finally, with respect to environmental requirements, we feel that they must recognize that there is another side of this coin, and that is the nation's need for electric energy. One primary point here is the Clean Air Act. And we believe that it must be amended to allow greater reliance on the nation's coal resources. And we believe the way to do that is to permit industry, including utilities, to meet the so-called ambient or health standards in alternate ways and not to require the scrubbers to be installed, and not to require emission standards, but to concentrate instead on the ambient and health related standards.

One final point that is that Act should be amended to clarify the meaning of significant deterioration.

Mr. Chairman, that is a very brief summary of some of the principle points that I wanted to cover.

Excerpts From the Testimony of Milton D. Stewart, on Behalf of National Small Business Association, Before the Joint Economic Committee, Holding Hearings on the Administration's Economic Proposals, January 28, 1975

To many small businessmen the present worsening and unprecedented stag-flation looks more serious than any of the other post-World War II recessions. The structure of our economy seems to have changed as has its ability to recover quickly in cases of economic downturn. In terms of origin, this may turn out to be the first of the "Dinosaur Economy Capers"—the joint product of the ineptitude of bigness in business and in Government. The two precipitating shortages—capital and energy—are centered in industries which are supposed to be regulated in the public interest. Both are tied to foreign policy and world trade, the special preserve of the Federal Government and the playground of the multinationals. Both are managed by a combination of corporate managers and public officials who presumably know one another very well and talk frequently.

There is no time for it right now but at some point it would be instructive to see a coherent review of exactly how big Government and big business managed to blunder in their inability to anticipate the impact of both the energy and capital problems. Perhaps we need a major study by this Joint Economic Committee on the "Risks and Costs of Bigness in Business and Government." We need to really understand who did, or did not do, what to whom, when and how, to bring about the present situation. We need to really understand the significance of the spotty impact of this recession—the devastating situation in communities where a few big companies dominate the economy; the milder impact reported recently in the press from places like Richmond, Virginia, and Cedar Rapids and Muscatine, Iowa, where there is no excessive reliance on the "big business in town."

We need to see through and understand the meanings of a shutdown of a major national retailer of 125 stores after it lost $175 million in a single year. Would 125 single entrepreneurs, owning and managing those stores as separate businesses, all have gone broke at once? What is most distressing is the prospect that the relative shrinkage of the competitive section of the economy may be losing us the resilience and swift "recovery ability" that a diverse economy permits.

All of us are going to pay for those failures for a long, long time. Small business has been paying for them already—for the past 18 to 24 months.

It is clear that the machinery for managing the Federal side of the economy is not yet adequate to its mission. It is also clear that big business cannot make up for Federal management deficiencies and that its overseas financial and resource programs and activities are out of public policy control.

My reason for using the term "Dinosaur Economy Caper" is to emphasize three points about this downturn. First, our Government and big business seem not to have been able to forecast, plan for, adjust to, or manage change. Neither the capital crunch nor the energy crisis happened without warning. Although huge, dinosaurs were not very good at either contingency planning or anticipating crises.

Second, the "dinosaur" size of more and more units in our economy has introduced some new elements or made old ones more important, and we have not yet adjusted to the changes. "Structural inflation" is the other side of increasingly imperfect competition, market domination, conglomeration and size. There is no doubt about the ability of the Federal Reserve to choke credit and capital to small business very quickly and effectively. But it takes longer for results to show with multinational banks and multinational companies. But after a while the Fed's efforts directed at "dinosaurs" squeeze everybody else in the economic forest past the point of toleration.

And third, with corporate "dinosaurs" as in all of life—the bigger they are, the harder they fall. The collapse of a Lockheed or Penn Central or the next King Kong Konglomerate to go, brings down thousands of jobs, thousands of stockholders and many millions in asset value. At least when we fail in small business, and we fail plenty, the carnage of each failure is not so great.

The basic purpose of all of our recommendations is to help small business acquire the ability to survive two bad years in a row. It is that ability, rooted in greater stability of capital access and in tax policies that favor it unduly that give big business most of its real edge, as against its well-publicized self-glamorized edges. We want for small business those things that will help, not just small business owners and managers but their employees and the economy as a whole. In our judgment that takes a four-point immediate and permanent tax relief and stimulation package. We agree that prompt tax relief is needed; but to equitable and effective that relief must be related to the size of the business affected. We have learned in the hardest possible way that "flat-headed" tax policies—whose benefits or burdens are applied "flatly" with the same percentage to all business regardles of size—discriminate against small business. *We urge the Congress to shape a recovery program which will make this the first recession which did not leave small business still further behind the growth of Government and big business as a result of inadequate Federal policies.*

There are two reasons for relating size to recovery support. First, the same logic and commonsense applies to the taxation of business which led us to progressive income tax on individuals. Simple equity demands that the broadest taxpayer carries the biggest burden, and the smallest gets the most relief when it is needed. Second, the same percentage of income taxed from a large and small company leaves the small company with far less ability to use its remaining income for its other needs. It has been demonstrated again and again that the effective tax rate on big companies is far less than that on small companies (see the recent data released by Congressman Vanik of Ohio). "Flatheaded" tax policies simply pyramid the pro-bigness bias already in the tax laws.

Our four-part small business tax package is designed to provide help to every single small company in the country regardless of its industry, regardless of its current profitability, and regardless of its size within the small business community. We need the fairest, widest-ranging direct stimulus throughout the small business sector and no one tax measure will give it to us.

First, the corporate surtax exemption should be increased from $25,000 to $100,000 (this is long overdue because of inflation anyway, $100,000 is little more in adjusted dollars than the $25,000 established in 1938). At our request and that of other small business groups, SBA has furnished us with data showing the economic impact of such a reduction. Based on 1970 tax data this change would leave about $1.5 billion to stimulate the small business sector. It would help about 150,000 corporations which pay normal tax and surtax and have incomes of more than $25,000. More than 90% of the relief would go to companies with less than $1 million in pre-tax income. No company would receive more than $20,000 in relief. This part of the package would give most help to the growing small business which is still able to show a reasonable net income.

Second, to help the smallest taxpaying businesses, we would modify sharply and progressively the President's corporate tax rate adjustment. His proposal in the traditional "flatheaded" manner makes no size distinctions. It would keep the tax on the first $25,000 at 22% and reduce the rate above $25,000 from the present 26% to 20%. That would make the total burden for both small and big companies 42% as against the present 48%. As to the companies with income under $25,000 (generally the smallest ones), this appears to be a step backwards. They get *no* relief. Since there is no limit on the amount of relief given, the bulk of this reduction's benefit, estimated by Secretary of Treasury Simon to be $6 billion, would go to larger companies. We leave to Congress the question of what reduction, if any, should be made in corporate surtax rates above $25,000. As to most larger and professional small businesses, our first proposal may be adequate. Our greatest concern in the second proposal is to provide a reduction in the initial 22% rate on the first $25,000. *A reduction here to 10% would truly relieve the smallest profit-making, taxpaying businesses the most.* If it is administratively feasible we would be content to see the reduction limited to companies which meet the SBA size definition of small businesses.

Third, we would provide some direct help to those small companies which show losses as a result of this recession or when their earnings are fluctuating wildly. We recommend that small business—defined by SBA standards or in any reasonable way satisfactory to IRS—be given a 10-year loss carry-forward and carryback. To keep from encouraging piratical big business mergers and acquisitions for tax avoidance purposes, we would limit transferability of this special tax relief to *one* subsequent merger or acquisition and *only* with or by another company which also meets the small business definition.

Fourth, we would improve the investment credit proposal in two ways, one of which is easy and one more difficult. First, small companies defined by present SBA regulations should get a 20% credit, larger companies should be held to 10%. This compares with the President's "flatheaded" 12% for all companies. Second, small companies should be given the alternative of using part or all of the credit for buying "people power" as well as machinery. The credit should be useable for the one-time creation during the next taxable year of up to two new jobs by any one business. We know this is difficult of administration but it is important enough to try to learn how to make it work. Otherwise, the vast majority of businesses will not be able to use the tax credit at all in a meaningful way. In one recent year, slightly more than half the benefits went to a grand total of some 350 companies! The benefit of this credit, if it is to help the economy as a whole, must be more broadly and fairly available.

On the energy crisis we are really not ready with specific recommendations. A spot-check of a dozen small business leaders and operating managers in 12 States persuades me that while they are somewhat concerned about the economic impact of the energy crisis, they are far more worried about their Government's ability to understand and deal with it quickly, effectively, and fairly. Several expressed surprise that "it has taken them so long in Washington", others fear that "we may be in for some bloody Watergate battle between the President and Congress, this time about energy". They are less concerned about the precise steps to be taken than that their national leaders do not upset the country or take too long in agreeing on action. They know Democrats and Republicans will not agree about some measures. They know the President and Congress will not always see things the same way. But their strongest view may be summarized as a hope that there will be an early moratorium on elbowing for political advantage on energy.

"Wait till next year as they used to say in Brooklyn" as one small manager put it "there will be plenty of time to begin politicking then. We cannot afford a nasty and divisive rhubarb about energy between regions, we cannot have an ugly squabble about whose scheme for equality of inconvenience is better. Those people on the unemployment lines are out of patience and so are we. The President and Congress will get together; they might as well do it quickly."

We believe strongly that the Congress must be an equal partner with the President in making those choices. Perhaps one reason *we* believe that as strongly as we do is that under seven Presidents now, four of one party and three of the other, we have seen the Congress take the lead again and again on small business issues. Without exception every small business policy advance has originated in the Congress. We hope more will come soon. We have emphasized here our immediate need for tax changes as part of the recovery program. We will be making other recommendations on energy and other economic policy in the near future.

NOT A DIRTY WORD—PRODUCTIVITY

Mr. PROXMIRE. Mr. President, with the President's fiscal year 1976 record-setting budget before us and employment exceeding 8 percent, it is time for every Member of Congress to redouble his efforts to push our Federal agencies to accelerate their efforts to increase productivity.

In September of 1970, I initiated a joint Federal study, conducted by the General Accounting Office, Office of Management and Budget, and the Civil Service Commission, on "measuring and enhancing productivity in the Federal Government." In June of 1973, the joint task force produced a final report covering 45 agencies, some 187 organizational elements in those agencies, and involved 60 percent of the manpower in the Government for the period fiscal year 1967–72. The results were encouraging and, perhaps for the first time, it became evident that the Federal sector could and should measure productivity.

As chairman of the Senate Appropriations Subcommittee on HUD-Independent agencies, I have asked the agencies under my subcommittee jurisdiction to report what proportion of their activities are covered in their productivity data, what type of index they have developed for measuring productivity, and what steps they have taken to increase productivity through consideration of first, capital investment; second, reorganization of functions within the agency; and third, workload evaluation. Increased taxpayer demands for services makes it mandatory that the Congress take the initiative to secure this kind of information agency-wide, on a regular basis.

Mr. Ted Hutton, labor relations supervisor of the Allen-Bradley Co. in Milwaukee, Wis., was kind enough to send me a copy of an article he wrote on productivity entitled "Not a Dirty Word." Although much of what Mr. Hutton says pertains to the private sector, I feel that the article is timely and is easily applicable to Government as well.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NOT A DIRTY WORD

Economists, union leaders, businessmen and government leaders all talk about productivity. A few people may consider it a "dirty word," but nearly everyone agrees on the need to continually improve our national productivity. They may not always agree on how to accomplish this, but they do understand that our economic well being is heavily dependent on it.

Today our nation faces serious economic problems, including inflation and foreign competition. Each of us has a part to play in finding solutions to these problems—our jobs depend on it. Each of us also wants higher wages, better working conditions and more leisure time for ourselves and our families. In order to achieve our common objectives, we must improve our ability to produce products and services more competitively.

Productivity is not a dirty word—it's a very important part of our daily lives. The National Commission on Productivity has a slogan which says "America. It only works as well as we do." What we want to understand is: How does improved productivity benefit everyone—the customer, the employee, the company and the nation?

To understand productivity we have to answer four questions:

1. What is productivity?
2. Why is productivity important?
3. How do we improve productivity?
4. Who is involved in productivity?

First, "What is productivity?"

It's not easy to define, but the heart of the matter involves the amount of goods and services that we produce in a given period of time. Productivity is a measure of efficiency: we divide the total output of our goods and services by the number of hours we took to produce it.

Probably the best way to understand the definition is to see how it works in actual practice. The accompanying example (see figure 1) applies to all types of jobs, not only those in the factory. And it's basic to the understanding of our economic system.

Why is productivity important?

The answer is clear—if our productivity

increases at the same rate as our wages, we can avoid rising prices. If wages increase faster than productivity, then the cost per product rises and prices must be increased. The result is inflation, which hurts all of us.

As this example shows, if we do not offset our increased costs, prices have to rise. And when prices rise, consumers almost always suffer. The real objective is to increase productivity to justify higher wages and salaries without causing higher prices for the products to buy. Inflation must be controlled if we are to continue to compete in the world market and continue to have a high standard of living. Better working conditions and more leisure time are dependent upon our ability to produce more. And our company's ability to pay competitive wages and salaries is tied in directly to our level of productivity.

To be a successful business we must compete effectively with other U.S. companies. We are able to sell our products if our quality is acceptable, our customer service is dependable—and the price is right. Our jobs are protected if we can continue to sell our products instead of losing our customers to a competitor because his prices are lower. That loss could result if the companies we compete against increase their productivity more than we do.

Another area that concerns most companies is foreign competition. More and more we realize that we live in a world that is interdependent. We not only compete with foreign companies here in the United States, but we are also attempting to sell our products in other countries. It is a well-known fact that many foreign countries have lower labor costs than we do in the United States. The only thing that has enabled us to compete in the past has been our high level of productivity, which made it possible for us to produce more products at a lower cost. If we are to continue to compete successfully in the world marketplace, we must continue to depend upon a rising level of productivity.

The third question we must discuss is "How can we improve productivity?"

One way is through better management techniques. This means improving training, planning, scheduling, organization, plant layout and other programs tied to productivity. Management must be prepared to make better decisions on the use of our resources. This includes all areas of the company such as manufacturing, research, sales and administration. Each manager must do a better job in directing the people who work for him to get the work done in the most efficient and effective way possible.

The second way to improve productivity is through investment in machinery, tools and equipment. The United States has long been a leader in developing better ways to produce products and services. The past years have proven to us that, as a nation, our investment in machines has not resulted in fewer jobs for the American people, but in more jobs. Other countries are learning this lesson. They have invested heavily in new plants, machines and equipment, and they are becoming more productive.

The third way to improve productivity is through better individual and group effort. Each of us, regardless of the job we hold, can find better and more efficient methods to do that job. We must also find ways to be more effective as a team because by working together we can all be more productive. Each individual and each group of employees has ideas that would help increase our output. Every company, in order to compete, needs these ideas. Each manager should encourage his employees to develop their ideas for improved productivity.

The fourth question is "Who is involved in productivity?"

The first answer to this question is "You." Each person has a part to play because he or she has a job to do. If that job is performed better, our productivity as a company will increase.

The second answer to this question is "Everyone." Assemblers and machine operators who are responsible for putting our products together must find ways to work more efficiently. The employees who maintain our plant and equipment—people such as electricians, machine repairmen and tool and die makers—must find ways to keep the machinery operating at peak levels and avoid the downtime which lowers our company's productivity. Engineers and technicians are involved in the design and development of our products, and they have to be concerned about productivity, too. We must design our products not only to meet the needs of the customer, but also so that they can be manufactured as efficiently as possible. Secretaries and clerical employees are involved in finding better ways to handle the mass of paper work associated with our business. Managers are involved because they are responsible for directing the work of others and making decisions on work assignments, products and the use of machinery and facilities.

What does all of this mean? It means that every one of us is involved in the effort to improve productivity. We have to recognize the need for improved productivity and then, through teamwork and cooperation, work together to make it a reality. We have all seen examples of how good teamwork and cooperation have brought success to an organization. This is true of our nation, and it is true of our company.

Two questions remain for us as individuals to answer. They are "What can I do?" and "What will I do?" to contribute to improved productivity.

FIGURE 1

If you worked 2,000 hours last year at $3.50 an hour and produced 10,000 "widgets," your output per hour was five widgets—total output divided by total hours worked. The labor cost per widget would be 70¢.

Let's assume that wages are increased by 3% so that your wage rate per hour is now $3.61. If there were no increase in your productivity, the cost per widget would be 72¢.

But, if your productivity also increased by 3%, you will be able to produce 5.2 widgets per hour, instead of 5 widgets. With the increase in productivity, the labor cost per widget will still be 70¢.

CBS MORNING NEWS INTERVIEW

Mr. ROBERT C. BYRD. Mr. President, on Tuesday, February 11, I was interviewed on CBS' Morning News by correspondent Bruce Morton.

I ask unanimous consent that the transcript of the interview be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

TRANSCRIPT

BRUCE MORTON. Senator, the President has been stumping the country this past week or two, saying that he has a program and that Congress is a do-nothing bunch that is only interested in negative things, and in delaying his program. How about that?

Senator BYRD. I think it's a bit anomalous for a President who was not elected by the people, to go around the country criticising a Congress—which was elected by the people—for not being a rubber-stamp Congress. Congress has had the President's proposal less than a month. Congress has been in session now four weeks today. Congressional committees are actively considering the President's proposals—proposals which were delayed five months before reaching the Congress—delayed by virtue of indecision, inaction, and, to some extent certainly, insensitivity to the severity of the problems. The President didn't admit that there was a recession until mid-November.

MORTON. Is he just playing politics, then?

BYRD. Well, I would say he's scoring some propaganda points, but they're not really going to hold up, because Congress is working on his proposals. Where it can agree with him, it will support them; where it thinks there ought to be alternatives, it will come up with alternatives.

MORTON. Mr. Ford keeps saying he has a program, a thing that's whole, but, in Congress, somebody has an idea here, an amendment there, and snip it here and there. Can Congress get an organized act together?

BYRD. He does have a program, and we have to commend him for that. But it took him five months to send it to Congress. But he has at least presented a program and he has a right to defend it. But the Congress, which was elected by the people, not only has a right but also has a duty to examine that program, and where it can't agree with parts of it, come up with alternatives. And the Congress is coming up with alternatives. In the Senate, an ad hoc committee has been appointed to advance proposals dealing with the energy problem and with the recession, and it has been working with the staffs of the various legislative committees and it will be coming forth with proposals.

MORTON. That's this draft report that's in the Washington Post this morning—the gasoline tax proposal?

BYRD. Well, if we look at the President's proposal to slap an import tariff on oil imports—that is a sock-it-to-the-consumer approach, and it will amount to a hidden tax not only on gasoline, but also heating fuels; it will increase the price of coal; electricity; airline tickets; bus fares; freight rates; fertilizer. It will go across the board, and it will really mean a tax on everything that is based on petroleum—every product that is petroleum based—your synthetic textiles and petrochemicals products. But the proposal that we're working on—and we haven't come to a final conclusion on it— would be focused on the recession. and would trigger a phased-in gasoline tax based on unemployment and a more productive economy.

MORTON. How would it be based on unemployment?

BYRD. As we advance more and more toward a full production, full employment economy, the gas tax would be phased in—starting with a penny—and as each penny on a gallon of gasoline means a billion dollars in revenue, these revenues would go into an energy trust fund that would be administered by an Energy Production Board. And the idea of the trust fund would be to fund those programs that are calculated to conserve energy and to develop new sources of energy.

MORTON. So it would go into things like developing shale oil technology, and things like that?

BYRD. That and synthetic oil, synthetic gas from coal. And it would also help to pay the tax incentives that are intended to lead the insulation for homes. It would pay for the development of a program that would lead eventually to a more fuel-efficient automobile.

MORTON. What are the real chances of the Democrats in the Senate being able to get together on some program like this. I remember Russell Long coming out of the caucus in the last Congress saying there are as many viewpoints in their as there are Senators.

BYRD. That's true. There are 535 members of Congress. But I think the members of Congress realize there is a necessity for our coming up with a program. Now, if we're not going to adopt the President's program, we have a responsibility to come up with alternative proposals. And we will do that. We will support some of the President's proposals, for example, the investment tax credit—it may be modified a little bit. The tax cut—we may modify it somewhat. So we are going along with these proposals.

A mistake was made, I think, in the beginning, when the President didn't bring the Congress in on the take-off as well as on the landing. If he had brought the congressional leadership in before he presented this program—which was presented to the Congress in his State of the Union message, developed in secrecy, cloaked in mystery, and held as though it were highly classified material—if he had brought the congressional leadership in at the beginning, I think we would have raised objections to this oil import tariff, which is going to be highly inflationary and which is going to contribute to more unemployment, and perhaps we could have agreed on a program which we could all have supported together.

But instead of that, he presented the program right out of the blue, and now complains that the Congress—which has not yet had the program four weeks—has not already rubber-stamped it. I would say that, if the President would have called the leadership in at the beginning, we would have the kind of program we could work together on, there would be greater cooperation, and the American people would benefit thereby.

Morton. Senator, thank you very much.

QUORUM CALL

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THIRTY-MINUTE RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate, at 11:49 a.m., recessed until 12:19 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Bumpers).

ORDER OF BUSINESS

The PRESIDING OFFICER. Is there further morning business?

Mr. RANDOLPH. Mr. President, is there a time limitation on statements?

The PRESIDING OFFICER. There is a 10-minute limitation on statements.

UNANIMOUS-CONSENT AGREEMENT—H.R. 2634 AND H.R. 1767

The PRESIDING OFFICER. Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I have cleared the following unanimous-consent request with the leadership on the other side of the aisle, and with Mr. Jackson, Mr. Kennedy, Mr. McGovern, Mr. Long, and Mr. Ribicoff on this side of the aisle.

I ask unanimous consent that, beginning tomorrow at 12:30 p.m., the Senate proceed to debate the measure raising the debt limit ceiling; that there be a division of the time between Mr. Long and Mr. Curtis on that measure; that time on any amendment thereto be limited to 30 minutes, to be equally divided and controlled in accordance with the usual form; that no nongermane amendments be in order; that no rollcall votes occur prior to 4 p.m.; that if any votes are ordered on any amendment thereto, debatable motion or appeal, such rollcall votes occur prior to 4 p.m., and that at 4 p.m. the Senate proceed to vote on the measure itself if no votes on amendments have been ordered thereto, and, in thte alternative, that if rollcalls are ordered on amendments thereto, such votes occur back to back, beginning at 4 p.m.

Mr. HOLLINGS. Mr. President, I would hope not to object, but the distinguished assistant majority leader spoke about nongermane amendments. I discussed the matter of the Federal employee cut amendment, which we would bring up at this particular time. I do not mind about time limitations, but many Senators who are interested in that matter would like a vote on it at this time.

Mr. LONG. Mr. President, I would hope that the Senator would make his request, in effect, with regard to both this bill and the bill involving the limitation of the President's power with regard to oil import fees, so that the two could be considered together, because I think that there are Senators who would be perfectly content to agree to this measure provided they would have an opportunity for amendment votes, also.

Mr. ROBERT C. BYRD. Yes. If the Senator from South Carolina would withhold his reservation, I would like to proceed to expand upon the unanimous-consent request.

I ask, further, that immediately upon the disposition of the measure in relation to the debt limit tomorrow, there be not to exceed 2 hours tomorrow, to be equally divided and controlled for the purpose of debate on the measure in relation to the oil tariff which has been imposed by the President on imports, the time to be divided between Mr. Ribicoff and Mr. Curtis; that on Wednesday, at 11 a.m., the Senate resume its consideration of that measure, with the time for debate thereon divided and controlled as stated heretofore; that there be a time limitation on any amendment to that measure of 2 hours, to be equally divided and controlled in accordance with the usual form; that no nongermane amendments thereto be in order; and that a final vote on the tariff measure occur at 5 p.m. on Wednesday, with the understanding that rollcall votes on amendments thereto could happen at any time during the day.

Mr. HOLLINGS. Mr. President, I would still have to object. That does not take care of the amendment we are talking about on the limitation of Federal employees. I was trying to listen closely to the distinguished acting majority leader as to a provision for that matter.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Stone). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I add to my request that paragraph 3 of rule XII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Chair and I thank all the Senators. I thank especially the Senator from South Carolina and the Senator from Florida (Mr. Stone).

The texts of the unanimous-consent agreements are as follows:

Ordered, That at 12:30 p.m., Tuesday, February 18, 1975, the Senate proceed to the consideration of H.R. 2634, the debt limit bill, and that debate on any amendment shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: Provided, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee: Provided further, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That time for debate on the question of the final passage of the said bill shall be equally divided and controlled, respectively, by the Senator from Louisiana (Mr. Long) and the Senator from Nebraska (Mr. Curtis), or their designees: Provided, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

Ordered further, That no rollcall votes shall be in order on this bill until 4:00 p.m., February 18, 1975. At 4:00 p.m. the Senate shall proceed to vote on any rollcall votes that have been ordered, if ordered, and immediately thereafter shall proceed to vote on final passage of the bill.

Ordered, That immediately following the vote on the debt limit bill on Tuesday, February 18, 1975, the Senate shall proceed to the consideration of H.R. 1767, the oil tariff bill, with 2 hours on the bill to be equally divided and controlled by the Senator from Connecticut (Mr. Ribicoff) and the Senator from Nebraska (Mr. Curtis) or their designees.

Ordered further, That on Wednesday, February 19, 1975 at the hour of 11:00 a.m., the Senate resume consideration of H.R. 1767, with debate on any amendment to be limited to 2 hours, to be equally divided and controlled by the mover of such and the manager of the bill: Provided, That in the event the manager of the bill is in favor of any such amendment, the time in opposition thereto shall be controlled by the Minority Leader or his designee: Provided further, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That time for debate on the question of the final passage of the said bill shall be equally divided and controlled, respectively, by the Senator from Connecticut (Mr. Ribicoff) and the Senator from Nebraska (Mr. CURTIS), or their designees: Provided, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

Ordered further, That vote on final passage of this bill shall occur at 5:00 p.m., Wednesday, February 19, 1975.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PERCY AND DESIGNATING PERIOD FOR ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on tomorrow, Mr. PERCY be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business, not to extend beyond 12:30 p.m., with statements therein limited to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

A LITTLE HELPFUL CRITICISM

Mr. MATHIAS. Mr. President, I think one of the more unhappy developments in the recent weeks has been the exchange of criticism—not helpful criticism; I think destructive criticism—between Capitol Hill and the White House. Each branch of the Federal Government seems to have decided that it wants to criticize the other. I think this is not helpful in a time in which consensus is so desperately needed and serious problems confront this Nation.

There is a role for each branch of Government to play, and each branch of Government should play that role. I think it contributes very little to the national debate for either of us to point the finger of blame and criticism at the other. Differences of opinion are natural. Differences of opinion, I think, should be encouraged. One of the purposes of debate, one of the purposes of legislative debate, is to exchange views and to have a thoughtful, rational discussion about varying ideas and then to decide which one of those ideas is the best. That is perfectly proper, and I am not criticizing that kind of debate; but I think it ill behooves either Members of Congress or the President or members of the President's Cabinet simply to point the finger at the other body and say, "They are doing wrong." I think that is a great mistake.

This morning, the Senate had the benefit of hearing the Senator from Utah read the Farewell Address of our first President. I wish to take the very few moments that will be required to repeat one paragraph of that address which, it seems to me, addresses itself specifically to the question of the relationships between the branches of the Federal Government. That paragraph appears on page 17 of the printed copy which each Member of the Senate has received today. It reads as follows:

> It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes. To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for through this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield.

Mr. President, I think that is very pertinent, with the kind of dialog which has been taking place since this Congress began on the 14th of January. Each branch has been accusing the other of meddling in its affairs, when, in fact, I believe, an impartial observer would have to conclude that either branch may have made mistakes, but that both had a perfect right to exercise their constitutional powers in the manner in which they are set forth.

I hope that the reading of Washington's Farewell Address will be more than a patriotic formality; that people will remember that Washington was the President of the Constitutional Convention as well as the first President of this Republic; that when he spoke, he spoke from a personal knowledge of what the founders of the Republic intended, and that when he gives us his Farewell Address, he is giving us his ultimate advice on the conduct of the Government that he helped to construct. It is the greatest Government that has ever been constructed.

I believe we can take to heart the words of the craftsmen, the builders; and by taking them to heart we can perhaps make that Government which they built work better in our time, as he hoped that we might.

CHANGES IN ANNOUNCED RECESS SCHEDULE

Mr. WILLIAM L. SCOTT. Mr. President, in line with what our distinguished colleague, the Senator from Maryland, has said about attempting to eliminate unnecessary frictions between our branches of Government, I would like to thank the majority whip for not considering major legislation during the past week, after we had believed that we were going to have a recess.

I realize that a merchant marine bill was considered and passed on a voice vote. I understand this is a measure that Congress had previously passed and which was vetoed by the President. The objectionable feature was eliminated, and it was repassed.

I would like to venture the hope—and I see the distinguished majority whip in the Chamber—that we would know well in advance should there be any change in the future program as outlined by the leadership, so that this minimum of inconvenience that we had would not occur again.

I believe we have a schedule for the Easter recess and the Memorial Day recess. I want to go ahead and make plans for these two occasions on what to do, whom to visit.

I am sure that every Member of the Senate wants to make plans. If the leadership is aware in advance of any change in the program as they have announced it to us, I would hope they would let us know as soon as possible so that we will not be locked in with respect to making plans for the wise use of our time when the Senate is not in session and, perhaps, will not be inconvenienced even to he minimum extent that we were last week.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Virginia makes a reasonable request. On behalf of the distinguished majority leader and myself, I assure him that we will do everything within our power, so far as we are concerned, to bring the matter of the subsequent recesses to the attention of our colleagues, so that if there is a change—and there very well could be in the Easter recess, for example—Senators would be notified as early in advance thereof as possible so that they can accommodate their schedules thereto.

Mr. WILLIAM L. SCOTT. Mr. President, I thank the distinguished Senator. I think the leadership has performed a valuable service to each Senator in attempting to outline for us the program for the entire year. I commend the leadership for this. But if there is a change, if they could give us as much notice as possible, I, for one, would greatly appreciate it.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. President, may I say for the record that when the joint leadership laid out the schedule of recesses last December, we, of course, were not aware of the fact that Secretary of the Treasury Simon would appear before Congress on the 23d of January and state that the debt ceiling would be bumped at midnight tomorrow night, February 18. We were not aware of that. Nor were we aware at that time of the President's proposal with respect to the imposition of a tariff on oil imports. We did not foresee these things coming about.

In the wake of the introduction of these facts, which we could not foresee at the time of the December announcement, we felt that we ought to take this matter up before the Democratic policy committee. It was the unanimous view of that committee that the recess ought not to go forward.

The leadership in this instance, as in every instance, attempts to protect, as much as it can, all Senators by giving them adequate notice in advance of any rollcall votes which may occur. It was the intention of the joint leadership during last week that if a rollcall vote should develop on Tuesday, Senators would be given a 24-hour notice and there would be no rollcall votes on Tuesday; that any such rollcall votes, if ordered, would occur on Wednesday and Thursday.

I believe the Senate made progress by coming in last week. I do not believe that the agreements we have achieved here today, with respect to the time for a vote on the debt limit, and the time for the vote on the oil tariff, would have been achieved had we not been in session last week. By virtue of the Senate's being in session last week, committees were aided in their efforts to transact their business. While there was a little problem of getting a quorum on Tuesday, committees did get quorums on Wednesday. Even on Tuesday the Interior and Insular Affairs Committee met, the Armed Services Committee met, and the Foreign Relations Committee met.

As I say, on Wednesday, the Finance Committee had a quorum. The ad hoc committee on energy and the economy, of which I am a member and which is chaired by the distinguished senior Senator from Rhode Island (Mr. PASTORE) met a number of times throughout last week. Progress was made which, perhaps, would not otherwise have been made had the Senate not been meeting.

I would say that had the Senate not been in session last week, we would not be in a position today to tell our colleagues that there will definitely be a vote on the debt limit bill tomorrow, and a vote at a time certain on the tariff bill on Wednesday.

In connection with both of these bills, the Senate had to await the action by the other body. The Constitution requires that tax revenue measures originate in the House of Representatives. A tax revenue measure does not have to raise revenue in order to qualify under the Constitution. Both of these measures are revenue measures and had to begin in the House of Representatives. The Senate could not initiate them. For that reason, the Senate had to await the pleasure of the other body. The other body acted expeditiously, in my judgment. But even in acting expeditiously, the other body was able only to act in a way that would allow these measures to be reported in the Senate on Thursday, February 6, which was a week ago last Thursday. So the Senate only had Thursday and Friday of that week.

If we had been in recess, I think any objective observer could see where we would be today. The Senate did accomplish what it set out to do by coming in last week. It was available in the event that either or both or those measures had been reported and there had been no objection on either side to taking them up. The minority requested that they have until today to file a minority report on the tariff measure. They were certainly within their rights.

In all fairness to the Senate, it should be recognized that the leadership, while it did a painful thing, I believe came to the right conclusion. They were supported, as I say, by the policy committee on this side of the aisle, and the leadership on the other side of the aisle supported this viewpoint. I think we did the right thing.

There is no question that Senators are inconvenienced when so-called recesses are canceled. The leadership will, as we look to the days ahead, attempt to come to grips with these matters, and it will do so as early as possible, so that all Senators may be informed if there is a change in the recess schedule.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MORGAN). The clerk will call the roll.

The assistant legislature clerk proceeded to call the roll.

Mr. NELSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH OF REPRESENTATIVE JERRY L. PETTIS

Mr. CURTIS. Mr. President, it was very depressing to learn of the death of Representative PETTIS. He was a very outstanding individual, one who was rendering a unique service to the House of Representatives and to our entire Nation.

Not too many years ago Mr. PETTIS lived in Nebraska. He was an educator at Lincoln, Nebr., at Union College.

He made many friends there. He has been interested in that institution and other Nebraska institutions over the years.

His untimely death in an airplane accident late last week brought sorrow to many people in many States.

Representative PETTIS served on the Committee on Ways and Means of the House of Representatives. There he plied his usual scholarship. He was dedicated to a sound fiscal program. He was dedicated in his adherence to our private enterprise system, our constitutional government. In other words, in every cause that was really fundamental and genuine, one could find Representative PETTIS on the right side.

On behalf of his many Nebraskan friends, I wish to express our sorrow and our words of condolence to Mrs. Pettis and the other people whom he has left behind.

Mr. McCLURE. Mr. President, I think it might be fitting to add one other dimension to the discussion of the character of Representative JERRY PETTIS.

JERRY PETTIS entered the House of Representatives after the election of 1966, in January of 1967, at the same time I did, and I served with him in the House of Representatives for 6 years.

My wife and I became very close personal friends of JERRY and his wife Shirley. JERRY PETTIS was one of those unique people of tremendous capacity, vitality, and ability. His legislative record has been a matter of public record, and the public has noted it, but I suspect that fewer people know the private side of JERRY PETTIS—JERRY PETTIS, the husband and the father, JERRY PETTIS, the man who was very, very much concerned about the plight of human beings in this country and their well-being. Not very many people were aware of JERRY PETTIS the professor. In addition to being an educator, he had a distinguished and outstanding career in the aviation world.

Perhaps there is an anomaly that after 35 years of distinguished service in flying in this country, he met his death in an airplane accident.

JERRY PETTIS was one of the finest, most Christian gentlemen that ever graced the Halls of the Congress of the United States.

His ability and his service will be gravely missed by the people of this country. There was great promise in his future service and contributions in legislation with the sensitivity that this fine man possessed.

I am sure that the sympathy of the entire Congress will be extended and is extended to Shirley and the children. We will all miss him.

RESOLUTION RELATIVE TO THE DEATH OF REPRESENTATIVE JERRY L. PETTIS, OF CALIFORNIA

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House.

The PRESIDING OFFICER. The clerk will read the message from the House.

The assistant legislative clerk read as follows:

> *Resolved,* That the House has heard with profound sorrow of the death of the Honorable Jerry L. Pettis, a Representative from the State of California.
>
> *Resolved,* That a committee of 70 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.
>
> *Resolved,* That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.
>
> *Resolved,* That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.
>
> *Resolved,* That as a further mark of respect the House do now adjourn.

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a resolution on behalf of myself, Mr. CRANSTON, and Mr. TUNNEY, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution.

The assistant legislative clerk read as follows:

S. Res. 81

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Honorable Jerry L. Pettis, late a Representative from the State of California.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the Committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it adjourn as a further mark of respect to the memory of the deceased Representative.

The PRESIDING OFFICER. The Senate will proceed to its immediate consideration.

The question is on agreeing to the resolution.

The resolution was agreed to.

The PRESIDING OFFICER. The Chair, pursuant to Senate Resolution 81, appoints the Senators from California (Mr. Cranston and Mr. Tunney) to join the committee previously appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet tomorrow at the hour of 12 noon.

After the two leaders or their designees have been recognized under the standing order, Mr. Percy will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, not to extend beyond the hour of 12:30 p.m., with statements limited therein to 3 minutes each.

At the hour of 12:30 p.m., the Senate will proceed to debate H.R. 2634, the measure raising the debt limit ceiling. No rollcall votes will occur thereon, or in connection with amendments thereto, prior to the hour of 4 o'clock tomorrow.

At 4 p.m. tomorrow, the rollcall vote on that measure, and on any amendments that may have been called up thereto and on which rollcall votes may have been ordered, will occur.

After the debt limit measure has been disposed of, the Senate will proceed to debate H.R. 1767, the oil tariff measure, and that debate will go over into Wednesday.

I would not anticipate any rollcall votes on the tariff measure tomorrow; however, I would not rule out any such votes.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, in accordance with the previous order and in accordance with the provisions of Senate Resolution 81, I move now that the Senate, as a further mark of respect to the memory of the deceased Jerry L. Pettis, a Representative from the State of California, stand adjourned until the hour of 12 o'clock noon tomorrow.

The motion was unanimously agreed to; and at 1:45 p.m., the Senate adjourned until tomorrow, Tuesday, February 18, 1975, at 12 o'clock meridian.

EXTENSIONS OF REMARKS

FEA AND THE "PUBLIC"

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. OTTINGER. Mr. Speaker, an editorial in the Wednesday, February 5, 1975 edition of the Wall Street Journal points to the ultimate irony involved in establishing a Federal Energy Administration whose purpose is ostensibly to protect the American people but which all too often forgets its own mission.

The editorial points disparagingly to an FEA policy notice of November 26, 1974, issued in the San Francisco region. The notice instructs FEA inspectors to report the existence of any gasoline price wars between service stations in that region. It appears that FEA is intent on preventing any price competition which will drive down the price of gasoline to consumers. Such a notice smacks of total disregard and insensitivity for the already overburdened consumer who finds his gasoline bill mounting as the days pass.

But of even greater absurdity is the second half of the FEA notice. "Complaints from the public will be accepted by FEA", it reads. It is rather difficult to imagine any rash of consumers calling to complain about lower prices; thus, it must be that the "public" from which the FEA is seeking complaints consists of the oil companies the FEA is serving at the real public's expense.

I am inserting the Wall Street Journal editorial for the benefit of my colleagues and their constituents.

FEA Nonsense

We have long wondered precisely how long it takes from establishment of a federal agency whose mission is to hold down prices until it is actively engaged in trying to hold up prices. Empirical evidence now exists proving it takes exactly 10 months and 26 days.

On Feb. 1, 1974, the Federal Energy Administration was established. On Nov. 26, 1974, the following POLICY NOTICE was issued by William C. Arntz, FEA regional administrator in San Francisco:

"For several months, there has been an abundant supply of motor gasoline in most areas of Region IX, although some areas and sectors of the market continue to report shortages. There lately have been vague, unconfirmed reports that supply in some areas is so excessive as to precipitate gasoline price wars. . . . It is not the intention of FEA that larger allocations be used for engaging in gas wars. The regulations prohibit suppliers from increasing volumes to a station in order to support gas war activity."

There follows the official procedures for dealing with same:

"1A." All FEA employes are to report any "gas wars" they are aware of, giving names and addresses and "specific activity (such as gas war signs, low prices being charged, etc.)."

"1B." Complaints from the public will be accepted by FEA provided the details listed in 1A are given. Initial contact may be made by telephone to the local FEA office but should be followed up by a brief summary in writing.

To which we might add: Any citizen who complains of low gasoline prices to an FEA office, in telephone or in writing, and does not receive satisfaction, should send money order making up the difference to Energy Czar Frank Zarb, Washington, D.C.

REPUBLIC OF LITHUANIA

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. RICHMOND. Mr. Speaker, I would like to join my colleagues and extend my congratulations to the Americans of Lithuanian origin who commemorate today the 57th anniversary of the establishment of the Republic of Lithuania.

Although today the Republic of Lithuania lies within the borders of the Soviet Union, the determined spirit of the Lithuanian people lives on with great fortitude.

The history of the Republic of Lithuania is one of tragedy and misfortune. Her people have had to undergo the severest of hardships yet their faith remains strong.

The people of the United States understand what it means to be free. Free of the many aspects of government intervention which have eroded so many countries of the world. Our very heritage is based on the principles that freedom comes before all else and that no people shall be dictated by the rules and regulations of another.

It is therefore particularly fitting that the people of the United States join together and congratulate Lithuanians who for so long have held this principle close to their hearts.

THE ROLE OF THE SCIENCE AND TECHNOLOGY COMMITTEE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. FUQUA. Mr. Speaker, the Honorable Olin E. Teague, distinguished chairman of the Committee on Space Science and Applications, recently talked to the Chamber of Commerce of Mexica, Tex., discussing the role of the Committee on Science and Technology and the committee's commitment to meeting the Nation's needs through research and development and the applications of technology. Because of the significance of his remarks, I am including this in the RECORD for the benefit of my colleagues and the general public:

SCIENCE AND TECHNOLOGY COMMITTEE JURISDICTION—REMARKS BY CHAIRMAN TEAGUE

On October 8, 1974, the House of Representatives took another in a series of major steps in improving how it does its business. By adopting a reorganization of committee jurisdictions and making procedure changes, the 94th Congress will be more responsive and responsible in dealing with important policy problems—such as energy and environment R&D, foreign trade and transportation. Among the procedure changes, the speaker was given broader powers to refer legislation to more than one committee to insure that action will be taken and oversight was strengthened.

Perhaps a brief word to explain "oversight": while we in the Congress sometimes overlook things, oversight really means "overseeing"—not overlooking.

But how did this reorganization affect the Committee on Science and Astronautics? It did three things.

First, it changed our name from science and astronautics to science and technology to reflect changed conditions.

Second, it gave us a much broader jurisdiction and responsibility.

And third, it led us to a new subcommittee structure which corresponds to the broader jurisdiction.

When the committee was established on July 21, 1958, it was named the Committee on Science and Astronautics—because its primary purpose was to oversee NASA and the non-military national space program. Other jurisdictions were:

(1) The National Bureau of Standards—including standardization of weights and measures and the metric system.

(2) The National Science Foundation, including science scholarships and scientific research and development.

The early concentration on space matters reflected a national decision to respond to the challenge of Sputnik. In later years there was a growing diversity as the committee began to work on broad national science policy, aviation R&D, and technology transfer.

Throughout all of its years, the committee spent much of its time on oversight—the intensive review of agencies under its legislative jurisdiction to determine how well they are doing their job and how they are spending the taxpayers' dollars. Members and staff have spent long periods on comprehensive investigations which involved hearings in Washington, field hearings at government research centers and contractor plants, weekend visits while congress was in session, and a lot of plain, hard work and study. I know—I have done it for years. But this is how you get to know how well a program really is working, how effective management is, how the dollars are being spent. You know better how to evaluate budgets and recommend or direct corrective action.

As I mentioned earlier, one of the major provisions of the October reorganization is aimed at improving all congressional oversight. Legislation, once passed is, all too often, never reviewed.

A house oversight agenda coupled with more emphasis on oversight by each committee can result in a more effective Congress. Congress should do more than pass laws and approve budgets: it should see how those laws are carried out and what is done with the money it approves in the budgets.

In past years, we must have been going in the right direction and doing most things the right way. The committee on science and astronautics—re-designated the committee on science and technology—has been given broad new jurisdictions. These include all non-nuclear energy R&D, environmental R&D, weather R&D, and aviation R&D, and special oversight of all nonmilitary federal research and development.

The reorganization passed by the House consolidates jurisdiction over all energy R&D, except nuclear, in the committee on science and technology. This includes legislative jurisdiction over the recently created energy research and development administration (ERDA)—jurisdiction which will be shared with the Joint Committee on Atomic Energy with regard to nuclear energy R&D. The Federal non-nuclear energy research and development act, also just signed into law, requires annual authorization of the non-nuclear ERDA budget. This authorization responsibility will fall to our two subcommittees dealing with energy. One of these subcommittees will have the responsibility for fossil fuel R&D; the second will deal with the other energy technologies, and exercise the special oversight responsibilities the committee has over nuclear energy.

This action in taking the present energy R&D jurisdiction of five standing committees of the House and putting it all together in the committee on science and technology is, I believe, one of the more important results of the House reorganization effort. It will permit our committee to deal with the entire spectrum of energy R&D, except for the one area of nuclear technology. This means that we can put together comprehensive national programs for energy research, development, and demonstration that will evenhandedly approach the many technical options which we have today. We can help assure that this country will not only consider development of alternative sources of energy, but also plan on how those sources will be integrated into the economy as a whole; how they will be transported to the point of use; and how they will affect the quality of the environment.

The Energy Research and Development Administration—ERDA—is a new agency. It will need much help and support from those of us in the Congress as new programs are formulated and implemented. I think this committee has a unique advantage in dealing with such a new agency's growing pains, since we went through the same experience when NASA was formed. Similar experience has been acquired with changes in the National Science Foundation over the years—and with the establishment of the Office of Technology assessment within the Congress. We shall be in a good position to offer the legislative guidance and assistance to ERDA that can help make that agency one of the most important in the Federal establishment.

The Environmental Protection Agency is relatively new and has an expanding R&D program. A recent Senate Public Works Committee report strongly criticized the EPA's R&D efforts and its organization. A high priority of our new Subcommittee on Environmental R&D will be to use the results of the Senate report as a basis for the kind of intensive, searching oversight reviews we have been conducting with NASA and the National Science Foundation for 15 years.

Another important feature of the Environmental R&D jurisdiction is that various other agencies—besides the EPA—have components of their R&D program which can be considered as environment related. Indeed, one of our problems, as I see it, is to determine what constitutes our National Environmental R&D effort, what objectives are being pursued, and how these objectives relate to those in other areas such as energy, natural resources, transportation, water systems, waste disposal systems, urban and rural planning, health care, food, materials, and housing. These subjects call for a broad scope of activity for our committee beyond a mere examination of EPA's budget—and it is in this direction that we will be moving rapidly.

We have decided that the weather R&D jurisdiction should be under the same subcommittee that handles environmental R&D. During the debate on the House reorganization, it was established that our committee and the Merchant Marine and Fisheries Committee will share legislative and oversight responsibility for the Commerce Department's National Oceanic and Atmospheric Administration which performs both atmospheric and oceanic research.

This cooperative congressional approach to NOAA reflects a basic fact: For the past several decades the oceanic and atmospheric sciences have become increasingly integrated. Expanding the integration of space science, atmospheric science, and oceanic science is necessary for us to understand better what are apparently some very complex relationships between the sun and the earth in determining both short and long range weather.

It is sometimes easy to forget that the earth's weather has changed radically over the centuries and that as recently as 10,000 years ago—geologically speaking—we were in the grip of an ice age. For the benefit of those generations who will follow us we need to learn everything we can about the reasons why our climate changes so radically over time—and find out if it is possible and desirable to somehow control the mechanisms involved. This is another area in which the space program will make substantial contributions to the knowledge being gained by scientists in the atmospheric and oceanic research areas.

Since the mid-1960's the committee had increasingly devoted more attention to aeronautical R&D performed by NASA. It has been instrumental in reordering priorities within NASA to bring about more emphasis on major problems in aviation—ranging from noise to safety, to providing technology which will insure that the U.S. will remain preeminent in the international market place. About 75 percent of the civil aircraft flying in the world today outside of the Soviet Union were made in the U.S. The export of our aircraft has been one of the major plus components in our balance of trade.

The House reorganization assignment of civil aviation R&D could be considered as the underpinning for our entire civil air transportation system—including the air terminal, the air traffic control system, and the airplane. The change in jurisdiction brings the aviation R&D program of the Federal Aviation Administration under our committee. Additionally, by using our general oversight authority provided in the reorganization, we expect to make useful contributions by analyzing and comparing the R&D programs associated with all modes of transportation—air and surface.

I have talked about oversight throughout my remarks and emphasized its importance. While each of our subcommittees will carry out oversight of the programs under its jurisdiction, the House reorganization gave to the Committee on Science and Technology a responsibility not previously assigned to any committee of Congress—special oversight of all non-military R&D. This is an oversight function only and will not involve legislative authority for areas specifically assigned to other committees. It will, however, involve a systematic survey and analysis of all non-military R&D conducted and sponsored by the Federal Government with due regard to non-Federal R&D as well. Our objectives will be to make findings and recommendations concerning the best use of resources and the integration and coordination of major civil Federal R&D activities which will total about ten billion during fiscal year 1975. Another major purpose will be to insure comprehensiveness and to avoid major gaps, wasteful conflicts, and unnecessary duplication in national R&D.

While branching out and expanding into

our new jurisdictions, we will continue to place major emphasis upon the civilian national space program. Our constant objective is to insure that we will aquire the basic scientific knowledge for solving an increasingly wide variety of problems for the benefit of not just the U.S. but of all mankind—as Neil Armstrong put it so well when he first stepped on the moon.

As part of our current work we have been holding a series of hearings on "Federal Policy, Plans and Organization for Science and Technology." During coming months we expect to consider a bill to strengthen our national decision making process for using science and technology in major decisions. Also, we except to continue our work in devising an acceptable conversion program to the metric system.

In summary, the new Committee on Science and Technology, of which I have the great honor and privilege to be the chairman begins the 94th Congress with a significantly enlarged jurisdiction. We plan to organize ourselves into seven subcommittees to handle the major areas I have talked about today: space, energy, science and science policy, environment and weather R&D, civil aviation and transportation R&D, and special oversight and forward planning for all non-military Federal R&D. We expect to move carefully, but as quickly as possible, in meeting our new responsibilities.

In closing, I would like to respond to those who attack the Congress as being ineffective and parochial. When future historians look back to these particular years I think they will find them significant for the many ways that the Congress has been adapting itself to a rapidly changing world. We have been redefining the ever-changing relationship between the Presidency and the legislative branch of government to search out solutions to the complex problems of today's world. And the Committee on Science and Technology expects to make major contributions.

HOUSE SEARCHES IN VILNIUS AND MOSCOW

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. DERWINSKI. Mr. Speaker, I remind the Members that last week the House commemorated the 57th anniversary of Lithuanian independence with appropriate discussion.

In view of the special interest that the Members exhibited, I am directing to your attention a special article in the December 1974 edition of the Lithuania Information Service bulletin telling of the oppression in the Soviet-occupied nation:

HOUSE SEARCHES IN VILNIUS AND MOSCOW—LITHUANIAN UNDERGROUND CHRONICLE IS THE TARGET

The Soviet secret police searched the homes of dissidents in Moscow and Lithuania on December 23, according to Andrei D. Sakharov, Chairman of the Soviet Human Rights Committee. He said that the house searches were part of an investigation into the Lithuanian underground journal, the "Chronicle of the Lithuanian Catholic Church."

On October 17, 1974, Dr. Sakharov transmitted to world church bodies and to world public opinion an appeal written by five Lithuanian priests who protested arrests of Lithuanians charged with printing religious literature. The house searches and arrests are quite obviously part of Moscow's campaign to liquidate the underground presses in Lithuania. As the "Chronicle of the Lithuanian Catholic Church" had informed, the campaign is conducted under the heading of Case No. 345.

The "Chronicle of the Lithuanian Catholic Church" has been appearing regularly since November 1972.

The Russian dissidents in Moscow are collaborating with the Lithuanian resistants in translating the Chronicle into Russian and disseminating it to Western correspondents in Moscow.

IMPACT OF UNDERGROUND "CHRONICLE" ACKNOWLEDGED

The impact of the underground "Chronicle of the Lithuanian Catholic Church" on world public opinion has been acknowledged by the Communist press in Lithuania. The bi-weekly Laikas ir ivykiai (Time and Events, No. 18, Vilnius, 1974) writes:

"Anxious to exploit the religious feelings of the believers for anti-Communist politics, the Lithuanian clericals gave priority to slandering the Soviet government with the so-called 'persecution of religion and church,' and to depict the relations between the socialist state and the church in a distorted manner. The purpose of this is to exploit the religious superstitions of the believers for anti-Soviet purposes and to arouse among the religious working people a distrust in the socialist system of government. The bourgeois emigration is constantly accusing the Soviet government by using all kinds of fabrications about the so-called discrimination of the church. Efforts are made to spread the clerical lie in all the Lithuanian exile communities abroad, to reach the believers living in the Soviet Union, and to mislead the world public opinion."

LITHUANIAN INDEPENDENCE

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. SARASIN. Mr. Speaker, during the Middle Ages the Lithuanian people checked the German drive to the east, served as a bulwark for Europe against the Mongols and Tartars, and provided a calm of safety and freedom in the storm of authoritarian Russia. Drawn together to ward off these oppressive forces, Lithuanians encouraged education and toleration and allowed more individual freedom and expression than any of her neighbors. Yet, this peaceable country seemed doomed to subjugation; falling under Russian domination until 1915, suffering German occupation during World War I and, after a brief period of independence, being engulfed by the swelling forces of the Union of Soviet Socialist Republics.

Today, Lithuania constitutes a component republic of the U.S.S.R. and the Lithuania, people continue to ride the waves of oppression and maintain a fierce resistance to "alien" rule. The United States and the American people recognize their spirit and independence and we refuse to acknowledge Lithuanian incorporation into the Soviet Union. How can we ignore the fact that given the options of self-determination, the Lithuanian people adopted a permanent constitution which vested legislative power in a Seimas or Parliament and executive authority in a President and Cabinet of Ministers, so like our own? Furthermore, the League of Nations admitted the new country in 1921 and Lithuania joined the ranks of the international actors in an increasingly interdependent world. How can the United States and any free nation abandon a nation of people straining to be free and caught in a web of restriction that limits their right to create their own destiny?

Following devastation and Nazi occupation, the Soviets concentrated upon industrialization and collectivization of agriculture in Lithuania, and overtly changed the profile of a free people to Soviet subjects trained and guided at every turn. The Lithuanian people, however, have managed to preserve the strength and beauty of a rich culture and heritage that political bondage minimized.

The Lithuanian World Congress under the auspices of the American-Lithuanian community demands Lithuania's release from "Soviet slavery" and grants moral support for those in Lithuania. They continue to battle for the realization of Lithuanian goals in education, religion, freedom of speech, and the right to own property in their homeland. Our American ancestors waged a similar struggle for freedom, and what more apt time exists than the anniversary of Lithuanian independence, February 16, to once again state our continued hope for future freedom and the full Lithuanian integration into the international community? We will continue to remember the plight of the Lithuanian people and rejoice in the victories. I am pleased to say that this anniversary marks the return of freedom of one Lithuanian citizen, Simas Kudirka, who was finally granted the right to leave the land of his birth to pursue the kind of life that he desired. I hope that he will soon be able to join all Lithuanians in a true celebration of freedom and liberty.

CARLA HILLS—A SUPERB CHOICE FOR SECRETARY OF HOUSING AND URBAN DEVELOPMENT

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. OTTINGER. Mr. Speaker, President Ford is to be warmly congratulated on his superb choice of Assistant Attorney General Carla Anderson Hills as Secretary of the Department of Housing and Urban Development.

Ms. Hills has a record of brilliant accomplishment that is extraordinary for a woman just 41 years of age. An honors graduate of Stanford University and Yale Law School, she was a professor of law at UCLA Law School and has coauthored two legal books. Before becoming head of the Civil Division of the Justice Department, she was a partner in the prominent Los Angeles law firm of Munger, Tolles, Hills & Rickershauser.

There has been some unjust criticism of the President's nomination on asserted grounds that Ms. Hills has inadequate experience in the housing, banking, and construction specialties important to revival of our ailing housing industry.

The criticism can only derive from lack of adequate information. Ms. Hills' law firm represented the Federal Home Loan Bank Board which assures the sound funding of our savings institutions which are the lifeblood of the mortgage market essential to construction of private housing. As Director of the Civil Division at the Department of Justice, HUD has been one of her largest clients, with more than 3,000 cases subject to her supervision ranging from condominium conversions to subsidized housing project problems, the entanglements of discrimination in housing, construction financing, labor disputes—in short, the entire range of HUD activities.

The fields of housing, construction, finance, and related problems are thus a pronounced part of Ms. Hills' knowledge and experience. In addition, she has excellent experience as an administrator, supervising 451 employees and an $11,503,000 budget as head of the Civil Division.

But in my mind, the fact that she does not come directly from one of the industries related to housing is one of the principal virtues of the nomination.

In an era where we observe a government riddled with conflicts of interest—a Federal Energy Administration and Interior Department riddled with oilmen, a Federal Power Commission dominated by the energy czars, an Interstate Commerce Commission permeated with transportation industrialists—it is a delightful breath of fresh air to find the President nominating for one of the most sensitive posts in Government a person with no industry ties at all, able to deal with our national housing dabacle with a fresh and unbiased approach. Would that more of the President's appointments follow the same standards of highest caliber and meticulous lack of conflict.

Ms. Hills' background of brilliance and achievement makes it highly appropriate that she should become just the third woman Cabinet member in our Nation's history. I am sure she will follow in the distinguished tradition of her predecessors, Frances Perkins and Oveta Culp Hobby.

REPRESENTATIVE LONG RELEASES 1974 TAX DATA

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. LONG of Maryland. Mr. Speaker, in 1974, I paid $14,658.46 in taxes, amounting to 31 percent of my income of $46,997.15 from all sources, including U.S. Government, farm, interest, dividends, capital gains, rents, and annuities. Of this total, $9,661.19 was for Federal income tax, $2,865.26 was for State and local income taxes, and $2,132.01 was for excise and real estate taxes.

THE 57TH LITHUANIAN ANNIVERSARY

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. CONABLE. Mr. Speaker, on February 16, Americans of Lithuanian origin or descent now living in this country marked the 57th anniversary of the reestablishment of the Republic of Lithuania in 1918. This anniversary reminds us of the large contributions the more than 1 million Americans of Lithuanian descent have made to the development of the United States and to the preservation of our ideals of freedom and liberty. Members of the Rochester chapter of the Lithuanian American Council are representative of this strong people.

Lithuania and her Baltic neighbors experienced a short period of independence for 22 years; the Soviet Union invaded them in June 1940 and those people remain under Soviet rule today. Because the Baltic people have not willingly accepted the domination of the Soviet Union, they have been removed from their homeland in an effort to destroy their unity and identity. More than one-fourth of the population has been moved, with many not surviving the process. Baltic leaders have called this action by the Soviet Union the most oppressive in their long history. Nevertheless, the Lithuanian and other Baltic people continue to yearn for their own independence and freedom.

Congress first passed House Concurrent Resolution 416 in 1966. The resolution provides that the case of Lithuania and the other Baltic countries be brought before the United Nations for consideration. We still support this tactic so that in this way the first steps may be taken to redress the grievances of the people of Lithuania and its neighboring Baltic States and to permit them the self-determination we advocate for all people.

DEPARTMENT OF DEFENSE TRANSFER OF RETIRED PAY BUDGET

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. RICHMOND. Mr. Speaker, it has come to my attention that the Department of Defense proposes to transfer the retired pay budget from their own budget to the Veterans' Administration.

This is a proposal which at first glance appears to lower the already high Defense budget when in actuality it does nothing to decrease expenditures

Col. D. George Paston of the Ad Hoc Recomputation Committee has written a good analysis of this proposal and I would like to submit his remarks into the Record:

Ad Hoc Recomputation Committee,
Brooklyn, N.Y., February 3, 1975.
Defense Manpower Commission,
The Pentagon,
Washington, D.C.

Dear Sirs: I refer to a proposal to transfer the retired pay budget to the VA to simplify consideration and understanding of future defense budgets.

Many individuals and Congressmen point to increasing defense expenditures, for example, $78.3 billion in FY 1972 as against $45.9 billion in FY 1960. They say that defense budget should be cut-the money saved to be used for the welfare of our people. They overlook that in FY 1960, defense expenditures were 9.3% of our then $495.2 billion Gross National Product whereas the 1972 defense expenditures were only 7.1% of the $1,100.6 GNP.

If we remove the retired pay budget from the Defense budget, the latter budget will be decreased about $6 billion. Politically and psychologically, it may reduce the clamor against the reduced Defense budget.

Pragmatically and actually, Uncle Sam's expenditures would be the same whether military retired pay is part of Uncle Sam's defense budget or part of Uncle Sam's VA budget.

Comparatively, some unit commanders transfer incompetent individuals to another unit ignoring the fact that the other unit is part of the same army.

An organization will die at its roots unless it uses a proper method to clear its rolls of those who for any reason cannot meet its standards. A military career has its obvious hazards. For the most part, military duties have no civil counterpart which means that the bulk of officers are denied an opportunity to develop skills which may be utilized to advantage in civilian employment. Fair and equitable retirement laws are a cornerstone of essential governmental military personnel administration.

Because the problem of superannuation must be met, retirement must be made compulsory upon attaining a fixed statutory age. Time brings its physical and mental impairments and ways must be provided to remove from the active list those who cannot meet a reasonable bodily standard. Responsibilities must be discharged efficiently and those who will not or cannot meet the professional standards must be eliminated. The old the infirm, and the least qualified must be identified and separated in order that there may be a suitable and regular inflow of the young, physically sound, professionally promising individuals.

The military person, whether full-time or part-time, accepts the hazards of life inherent in war. Since military duties have few direct counterparts in civilian employment, the termination of a military career presents most individuals so affected with the necessity of re-training and re-starting in order to provide the necessities of life for himself and his family. A military career is no bed of roses and the laws governing separation must be equitable to balance the hazards and shortcomings with the protection afforded.

The amount of retired pay is inadequate in itself without sharp reduction in living standards. The officer without other resources will require employment or other means of developing income to meet his needs.

Many important benefits provided for active duty personnel are curtailed or eliminated after retirement.

Disability retirement for non-regulars is based on a permanent disability, service-incurred, not due to misconduct or neglect, which renders the individual not qualified for continued active service.

An officer retired retains his status as an officer with many of its rights and privileges. He may be returned to active duty under certain laws. He remains on the official rolls of the service—

"The Army does not forget its old soldiers after they retire. It remains interested in their welfare, and wants them to serve in their civilian communities as loyal, informed representatives of the Army." (Letter to senior officers, 15 Sept 1955, General Maxwell D. Taylor, Chief of Staff, United States Army.)

Remaining interested in the welfare of its retirees, the D/D would not seek to cast them aside. We believe the D/D will strenuously oppose transferring the care of D/D retirees to the VA or any other agency, particularly since such transfer would not save Uncle Sam a single penny.

Sincerely,

D. GEORGE PASTON.

THE SUGAR ACT

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. DE LA GARZA. Mr. Speaker, since the defeat last session of the bill to continue the Sugar Act we have seen sugar prices skyrocket. Undoubtedly the very knowledge that the program which had done so much to stabilize supply and prices for 40 years was to expire at the end of 1974—as it did, was a big factor in this price rise.

Some of those persons who opposed continuation of the program have now changed their minds and would like to see the sugar program restored, at least in some modified form.

Mr. Speaker, the vice chairman of the House Committee on Agriculture, Mr. POAGE of Texas, recently spoke on this subject at a gathering of beet sugar people in California. I think the members of this body will find his remarks very interesting and thought provoking. I insert the text of his address in the RECORD at this point:

SPEECH OF HON. W. R. POAGE

Mr. Chairman: You have honored me by asking me to participate in your discussions of the sugar situation. I am not an expert on sugar. There are many phases of the industry with which I am completely unacquainted. I expect every one of you here knows more about the operation of our sugar program than I do, but it makes me feel important to have you want me to drive 300 miles and fly 3,000 miles just to talk with you. I left Waco this morning and must be back there tonight so I won't have much opportunity to enjoy the beauties of California.

I do, however, hope that we may find it worthwhile to review our sugar situation together, so, I will try to do that without any levity or side issues.

For a great many years, the United States has operated under a system of controlled sugar imports, and rather minor domestic subsidies. Most other major nations have developed comparable sugar programs. I believe the first sugar program was inaugurated in France under Napoleon. Great Britain has a world wide program, quite comparable to the one we have so recently abandoned. The Soviet Union has its own supply program using Cuba as its base.

When the American program was first inaugurated, President Roosevelt warned against relying too heavily upon domestic production because he recognized that production costs in the United States were inevitably higher than comparable costs abroad because in the tropics nature allows the sun to put sucrose in the cane plant 365 days where many of your northern beets have no more than 150 growing days. He warned also that if we are to maintain the high standards for American sugar workers, which the program has always provided, that the costs of production must be higher than foreign costs. That has been the basic fact justifying any domestic subsidy.

For 40 years the Congress and the American people saw fit to maintain this arrangement which guaranteed sugar workers the most favorable conditions enjoyed by any agricultural workers in our country; which assured American producers a price support structure on which they could make a small margin of profit, and which guaranteed American consumers an adequate supply of sugar at reasonable and stable prices.

The program succeeded. To the outsider, it doubtless may have resembled a "Rube Goldberg" invention, and I recognize that very few people in or out of Congress ever understood it. But the real test is that it worked. It gave America sugar when other countries had shortages. It maintained a remarkable stability of price and gave the American housewife sugar at more favorable prices than those of any major staple, but it is the nature of man to never be satisfied with what he has, and this spring the administration and a majority of the House decided to try "something else", although I must confess that I don't know what that something else is and frankly I don't believe they know either.

For many years our committee has sought a concensus of consumers, growers, workers, users and processors before we would undertake to pass a new sugar bill. For many years we have been able to secure some kind of concensus. Of course, we never had everybody in absolute agreement, but the program has been so helpful to all groups that each group has been willing to make some concessions in order to get a bill. This year too many groups seemed to feel that they could hold the bill hostage until all of that group's demands were met.

The labor unions, whose members have had an especially favorable position since the beginning of the program, felt that they must make a show of having achieved some new advantage for sugar workers, and they sent up a list of about 10 or 12 demands. Our committee gave them 6 of the items for which they asked but felt we could not go any further. The union representatives felt that they could run a bluff and announced they would support no sugar bill, unless it contained *all* of their demands.

The industrial users, to whom stability of price means more than even price itself, demanded that the committee eliminate the so-called "corridor". The committee agreed to extensive modification but refused to go as far as these users demanded. They, too, evidently felt that they could control the situation and announced their unwillingness to support legislation that did not meet one hundred percent of their demands. Again, the agriculture committee felt it was more equitable to compromise the various positions than it was to give this group all that they wanted at the expense of other groups. Thereupon the so-called industrial users adopted the same position that had been taken by the labor unions—"give us everything we want or we will do nothing to save the program".

Naturally, certain of the foreign producers were unhappy with the allocations made to their countries, but these allocations were all based on historical performance, and they could do little except make suggestions to the press that the Congress was assigning quotas to countries we considered to be friends of the United States and punishing those we considered to be our enemies. Personally, I am for rewarding my country's friends, but if foreign allotments were ever made on this basis they went back a long time because the 1974 bill changed foreign quotas only to make adjustment for failures to deliver and to grant forgiveness for failures where it could be established that these failures were the result of acts of God. Most of the foreign allotment holders supported the bill to the best of their ability.

The domestic growers seemed to be in full accord with the bill until the representatives of the Hawaiian producers pointed out an equity in connection with the effective date of the abandonment of payments. There was some argument about this, but the committee felt that the Hawaiians made a valid case and made the correction requested.

The bill retained the basic division of the domestic market between beet and cane growers and split the cane production into segments. It appeared to be reasonably fair and satisfactory to the cane growers. It wiped out all of the tax on domestic and foreign sugar. It retained the tariff on imported sugar in order to continue the payment of a modest subsidy to domestic growers.

It should never be forgotten that over the life of the Sugar Act revenues have exceeded program payments by about 700 million dollars. Opponents of sugar legislation have tried to overlook this.

The refiners blew hot and cold. Like labor and like the industrial users they wanted to use this bill as an opportunity to assure themselves of more favorable treatment. In the final analysis, I think that at least half of the refiners supported the bill. The other half kept out of sight.

Personally, I have gone along with the philosophy that we should only bring raw sugar into the United States, and the American refiners and American workers should have the benefit of applying the refining process. The proposed legislation protected the refineries and their workers in this respect but I fear that in any new legislation there may well be a majority in the Congress who will want to wipe out this domestic advantage which they think may add to the final or consumer's cost of sugar.

Then came the professional consumer advocates. Of course, many of these people are sincere and well intended individuals, who think they are always helping the poor and unfortunate by immediately reducing the price of any commodity that the public has to buy. We all wish it were that simple, but in a private enterprise economy you are only going to get production to the extent that you offer the probability of rewards or profits.

Again, many of these self appointed spokesmen of the poor take the position that *all* profits are wicked and that it is the duty of the Government to see that nobody makes a profit.

I have never aspired to speak for the Governments of the Soviet Union or of the people's Republic of China. Possibly under their form of governmental economics all profits are wicked. However, since I have spent all of my life under a competitive profit system of private property, I must suggest that, in my judgment, profits are essential to assure adequate production in the United States of oil, church furniture, shoes, automobiles or sugar.

Be that as it may, the foes of the sugar bill spent two legislative days proposing changes and amendments, all or most of which were voted down by the members who had enough interest to stay on the floor. Unfortunately many who knew the least about the program did not bother to listen to the debate.

Finally, after completing all debate and all amendments, the House was called upon to vote on final passage. The voice vote was overwhelmingly in favor of the bill. Frankly, I felt we would have no further trouble. The speaker announced passage of the bill, but as was his right one of the members demanded a roll call vote, and since a quorum was not present, the vote was automatically granted.

For the first ten minutes, when most of those voting had been on the floor and heard the discussions, the vote remained overwhelmingly in favor of the bill, but during the last five minutes of the roll call when most of those voting had come in from their offices without having heard any of the discussion, the vote went heavily against the bill.

The vote was, as I see it, a testimonial to the effective work of several special interest groups; first, the labor lobbyists; second, the industrial user lobbyists; third, the so-called consumer advocates; and finally the inexplainable but effective negative attitude of the administration including the Department of Agriculture.

Just about the time the sugar act of 1974 was being formulated the experienced career service leadership of the sugar division of the Department of Agriculture was removed and a sugar speculator was brought in from the futures market, and put in charge of the division, taking the attitude that the sugar act should be allowed to expire. When you put all of these forces together there was little chance for a continuation of the sugar program.

You beet people made every reasonable effort to pass a bill. Congressman John Zwach and Congressman Bob Bergland of Minn. and Congressman Bernie Sisk of California all did a fine and constructive job. Mr. Zwach has retired from Congress and Mr. Sisk was required by the new rules to give up his seat on the agriculture committee. We shall miss them sorely, but we are glad to have Bob Bergland remain on the committee.

The cane people were helpful and we had no foreign interference that I know of. In spite of what some headline-hunters have said, I have observed only three or four cases of foreign interference in sugar legislation over the years. Your own beet representatives realized the importance of processing facilities and tried to point this out to the members who so often overlooked this need. Some of the leaders of the opposition seem to think that you can put sugar beets on our dining tables and stalks of sugar cane in our soft drink bottles.

I think that many of those who voted against the bill expected, up until the last night of the Congress, that our committee would bring in some kind of bill, and I confess that I had hoped that we might keep "Humpty Dumpty" from falling off the wall. I had stated as clearly as I knew how that we were not going to have any last night sugar legislation, and we did not. We are not going to have any in the future if I can avoid it. I am afraid that "Humpty Dumpty" may never be put together again, but if he is while I am still chairman of the Agriculture committee, it is going to be done in broad daylight when all of the parties will have a chance to present their views and offer their amendments. I observed too often what I feel were the unfair and groundless charges and insinuations which were made against my friend and former chairman because of his practice of working out compromises the last night of the session. Anyway, the sugar bill is dead—dead at the hands of those whom it had served so well, and I have not felt that we have had the support necessary to pass a bill at any time since its defeat.

Now what of the future? I stated on the floor of the House that if we did not pass the sugar bill, I would not be surprised to see sugar go six-bits per pound. As a matter of fact, during 1974 consumers have paid 4.1 billion dollars more than they paid for sugar during 1973. Most of this increase came after the defeat of the bill.

This does not make me a prophet but it does establish the fact that over the years our sugar program did do a great deal to stabilize sugar prices. The opponents of the sugar program point to the fact that the price of sugar is now coming down. How low it will go, I don't know. Possibly low enough to make the production of sugar beets unprofitable in the United States, although, I hope we will avoid such a situation. If we do not and if the price of beet sugar goes below 18 or 20 cents, and we are without any subsidy, beet growers are going to find themselves turning to more profitable crops like soybeans, corn and possibly in California to vegetables.

If sugar goes to these low prices, American cane producers are going to find that they cannot produce as cheaply as Mexicans across the Rio Grande or Brazilians along the Equator. What are we then to expect? I think it is clear that when the American sugar producers are destroyed, the American consumers are going to be at the complete mercy of foreign sugar cartels which will be just as ruthless as any group of foreign oil operators. Indeed the press has already reported that Mexico has called a meeting of the sugar producers in the Caribbean area to work out a united front. This, I fear, means to fix prices in the American market.

Of course, the sugar division of the department and other opponents of the sugar act hasten to assure any concerned consumer that with the present prices, American producers can make such profits that they will be scrambling to plant beets, and to the uninformed this all seems reasonable.

When the price of wheat went about $4.00, all wheat farmers responded by planting the largest crop we ever grew. The "consumer advocate" immediately points to this and asks why the beet farmers won't do the same thing.

Of course, I don't need to give you the answer but for the record, beets are not worth as much as hay if you don't have a mill to process them. I don't know what it will cost to build a mill today. I would guess 40, 50, 75 or 100 million dollars. In any event, it will cost far more money than anybody is going to invest with no assurance that the whole American sugar business will not be turned over to foreigners in the next two or three years. Much the same situation confronts those who would like to increase their cane acreage.

The sugar program which expired so recently gave the assurance of stability which is so essential to long term capital investments. That stability is gone. Hopefully those of you who can get your beets crushed this year still have a chance to make good returns. But as foreign sugar displaces American sugar, I can give you little encouragement unless you are strong enough to stay in the business and to keep your mills running until the day comes, as it will certainly come, when foreign producers decide it is time to make American consumers pay through the nose. Then you can join the foreigners in reaping exorbitant profits. But I fear there won't be many of you around.

Therefore, maybe the more reasonable, and surely the more helpful attitude would be to try to get all of the interested parties to agree on some program which they can live with. I believe that if we can get a consensus we can pass some kind of program. Without pretty general agreement we won't be able to pass anything and we will all sink together.

To pass no sugar program will bankrupt American producers. It will destroy the sugar refining industry. It will reduce the economic position of sugar workers and it will cost industrial and household consumers untold billions. At least they have paid over 4 billion dollars this year which they did not pay last year. Those of us who wanted to maintain stability in the sugar business told them what defeat of the bill was going to cost. If they want to demand change simply for the sake of change neither I nor anyone else can estimate how much it will cost the American people, but we can be very sure that it will cost and cost billions.

My friends, I wish that I could leave on a more cheerful note, but I have tried to give you the picture as I see it. I hope that you will go to work with other groups and that you will soon be able to present a more attractive picture to the Congress.

LITHUANIAN INDEPENDENCE DAY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, 57 years ago, the Lithuanian National Council declared the State of Lithuania a free republic. As both an American citizen and a Member of the U.S. Congress, I hold representative government to be the fairest, freest system yet devised, under which man may seek, unimpeded, those inalienable rights of life, liberty, and the pursuit of happiness.

From 1918 to 1940, the Lithuanian Republic enjoyed such a government, but in June of 1940, the Soviet Union invaded this plucky Baltic State in direct violation of Lithuanian sovereignty. The election in July 1940, reflected the intense pressures on the Lithuanian voters and the success of the Soviets' election rigging tactics, for the new constituent assembly, meeting at the end of the month, actually petitioned Moscow for Lithuania's inclusion in the Union of Soviet Socialist Republics. The Soviets manipulative usurpation of power, their illegal and unconscionable exercise of military strength and political clout, and their total disregard for the independence and sovereignty of this 22-year-old Republic, and 724-year-old state, deserve the strongest denunciation, reproach, and censure the world's free nations, and all mankind, can offer.

I take pride in the United States' consistent refusal to recognize the Soviet Union's outright annexation of the Republic of Lithuania. To the Lithuanian people, presently struggling against Russian domination of their homeland, I offer my fervant support, and hope the symbolic value of this U.S. refusal to even tacitly condone the Soviet's action might further encourage and inspire those valiant men and women.

February 16, is Lithuanian Independence Day. The people of that eastern European nation no longer possess the freedoms of speech, press, religion, and assembly, and the freedom from arbitrary search, seizure, and unjustified arrest they once enjoyed.

As a part of their continuing efforts to regain these freedoms, so forcibly denied them, a large group of Lithuanian citizens and priests has been publishing an underground newspaper since 1972, entitled the "Chronicle of the Lithuanian Catholic Church." The Chronicle regularly reports violations of Soviet law and Lithuanian civil rights by Soviet police and Soviet authorities. In one of the more recent incidents, numerous homes were broken into and arrests made, as part of an official investigation of the Chronicle and the Lithuanian citizens associated with it.

I want the Lithuanian people and all Americans of Lithuanian descent to know I stand behind their efforts to win back the rights lost in the Russian annexation of their country. I salute them as I salute their cause.

VOLUNTEER ARMY?

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. FRASER. Mr. Speaker, every cloud is supposed to have a silver lining. This may or may not be true. But I have discovered a trace of a silver lining in our grave economic situation.

Recruiting for the volunteer armed services has improved recently, and many attribute this to the recession we are now experiencing. As the New York Times pointed out in an editorial on the volunteer army February 5, "Recession and high unemployment rates, not any sudden turn for the better in long-term prospects * * * " are responsible for the recruitment improvements.

The silver lining I see is the additional time provided to us, if we will use it, to look closely at the volunteer army and volunteer literary concept. The Times editorial ends:

> An early study by Congress of the financial, security and racial dangers involved in a continuing attempt to maintain a mass Army by voluntary recruiting appears essential.

Our Armed Services Committee ought to pursue such a study.

The editorial follows:

VOLUNTEER ARMY

Recruiting for the volunteer Army, in difficulty a year ago, has improved in recent months. But this trend, two years after the effective end of the draft, conceals more than it reveals.

Recession and high unemployment rates, not any sudden turn for the better in long-term prospects, are primarily responsible for the Army recruiters achieving 105.3 per cent of their goal last October, as against 88.7 per cent a year earlier.

Quadrupling the pay of recruits, bringing their compensation to civilian levels or better, did not succeed in attracting enough enlistees before the recession—especially for the ground combat arms, where an extraordinary bonus was needed to avoid huge shortfalls. The cost to the country is indicated by the fact that the percentage of the defense budget going into pay and other manpower costs has risen from 42 per cent in 1964 to 55 per cent today, doubling that of the Soviet Union.

What will happen when the recession recedes and full employment returns is a question the Administration and both parties in Congress would prefer to ignore right now. But it can be regarded as certain that pressure to raise pay still further and to cut more deeply into force strength will increase.

Even less discussed is the rapid drift toward a heavily black Army officered predominantly by whites. In a population 11 per cent black, the proportion of blacks in the Army as a whole has risen by almost half since 1971 to a current level of 20 per cent, and even these figures understate the real problem.

Less publicized statistics, analyzed by two Chicago sociologists, indicate that among those enlisting in the Army for the first time the percentage of blacks reached 27 per cent last year. The re-enlistment rate among first-term Army men rose to 52 per cent for blacks compared with 35 per cent for whites. And one-third of those who signed up for the $2,500 bonus for enlistment in the ground combat arms—artillery, infantry and armor—were black. The end result can be a force so largely made up of blacks as to destroy the integration aim.

Meanwhile, the myth that Army service can help by training deprived blacks for civilian jobs is little borne out by the facts. Usable civilian skills are least likely to be acquired in the ground combat forces, where most blacks are, while they are under-represented in the technical and support services, a vastly better training ground.

An early study by Congress of the financial, security and racial dangers involved in a continuing attempt to maintain a mass Army by voluntary recruiting appears essential.

LITHUANIAN INDEPENDENCE

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. MADDEN. Mr. Speaker, the Lithuanian American Council of Lake County, Ind., on yesterday, February 16, observed its annual commemoration of Lithuanian independence at Gary, Ind.

The ceremony was attended by a great number of citizens of the Calumet region living in northwest Indiana. After the annual banquet, the program included a speaking program and patriotic songs and music of recalling the seven centuries of freedom enjoyed by this great nation until enslavement by the Communist Soviet tyranny in 1940. The following resolution was unanimously adopted:

RESOLUTION

Whereas, February 16, 1975, marks the 57th anniversary of the restoration of independence to the more than 700 year old Lithuanian State, which was won and protected by the blood sacrifice of the Lithuanian people during the wars of independence of 1919–1920, and recognized by the international community of States; and

Whereas, the Republic of Lithuania was forcibly occupied and illegally annexed by the Soviet Union in 1940, in violation of all the existing treaties and the principles of international law; and

Whereas, subjection of peoples to alien domination and exploitation constitutes a denial of the right to self-determination and the other fundamental human rights; is contrary to the Charter of the United Nations, and is an impediment to the promotion of world peace and co-operation; and

Whereas, so many countries under foreign colonial domination have been given the opportunity to establish their own independent states; while Lithuania having enjoyed the blessings of freedom for centuries is now subjugated to the most brutal Russian oppression and is nothing but a colony of the Soviet empire; and

Whereas, the Soviet Union, through programs of resettlement of peoples, intensified russification, suppression of religious freedom and political persecutions, continues in its efforts to change the ethnic character of the population of Lithuania, the Soviet invaders are unable to suppress the aspirations of the Lithuanian people for freedom and the exercise of their human rights.

Now, therefore, be it resolved, That we demand that the Soviet Union withdraw its military forces, administrative apparatus and the imported Rusian colonists from Lithuania and allow the Lithuanian people to govern themselves freely;

That we demand immediate release of all Lithuanians who are imprisoned for political and religious reasons and who for years are lingering in various Soviet jails and concentration camps;

That in expressing our gratitude to the United States Government for its firm position of non-recognition of the Soviet occupation and annexation of Lithuania, we request an activation of the non-recognition principle by stressing at every opportunity the denial of freedom and national independence to Lithuania and the other Baltic countries;

That the Soviet Union, in seeking a policy of detente with the United States, shall be requested to demonstrate its good faith and good will by restoring freedom and national independence to Lithuania and the other Baltic States;

That we are deeply grateful to the United States Government for obtaining the release of Simas Kudirka froma Soviet concentration camp and for securing his safe return to the United States;

That we are asking Senators and Members of Congress of the United States for their support of our requests;

That copies of this Resolution be forwarded to the President of the United States, to the Secretary of State, to the United States Senators and Congressmen from our State, and to the news media.

LITHUANIAN INDEPENDENCE DAY

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. BLANCHARD. Mr. Speaker, next year Americans will celebrate 200 years of independence—200 years of freedom. As we begin to prepare for our celebration of liberty, let us pause and remember a small nation that 57 years ago expressed a desire to be free. A nation that today still yearns for freedom.

Mr. Speaker, February 16, 1975, marked the 57th anniversary of the independence of Lithuania, a nation who enjoyed independence for only 22 years. Because in 1940 Lithuania was invaded by the Soviet Union and has ever since been forced to exist under Soviet rule.

Yet the spirit of the Lithuanian peoples lives on, nourished by a dream of liberty and fed with the undying determination of these brave people. Yes, the Lithuanians are prepared to sacrifice and take risks for a cause they truly believe in. Who can forget Simas Kudirka's aborted leap to freedom in 1970? Who can forget the self-immolation of Roman Kalanta that demonstrated a desire for freedom and an end to religious persecution? Who can forget the demonstrations of thousands of young Lithuanians for the same cause?

We believe that human rights should be respected. We believe the rights of the Lithuanian peoples have been violated and ignored. It is for this reason that the United States and other nations have still not recognized the forcible annexation of Lithuania by the Soviet Union.

It is my belief that the Lithuanians have clearly demonstrated their strong desire for freedom. As we prepare to celebrate our own 200th anniversary of independence, let us again reassure the Lithuanian peoples that they are not an "invisible nation." They are not a forgotten people.

THE PATHS TO LIBERTY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. DERWINSKI. Mr. Speaker, the United States has historically been known as a land that extends a welcome to people who flee from tyranny and oppression wherever it exists.

Despite the propaganda claims to the contrary, it is a fact that many individuals behind the Iron Curtain continue to suffer from the denial of their fundamental rights.

Therefore, it was with special interest that I noted an article in the February 10 edition of the Chicago Tribune, by Alice Siegert, discussing an episode typical of the problems besetting the citizens of East Germany. The article follows:

[From the Chicago Tribune, Feb. 10, 1975]

TRYING TO KEEP OPEN THE PATHS TO LIBERTY

(By Alice Siegert)

BONN.—Werner Fischer, 50 a choir singer, and his wife, Liese, 47, also a singer, quietly slipped out of their Tokyo hotel, stopped a taxi, and told the driver to take them to the West German Embassy.

That same night the couple, members of an East German orchestra-choir ensemble touring Japan, were on an air liner bound for Bonn after they had filed thru passport controls clutching brand new West German passports.

By necessity rather than choice, escape via third countries has become the most frequently used method of East German fugitives even if—as in the case of the Fischers—it involves traveling almost halfway around the world to reach a destination only a few hundred miles away.

But who wants to risk his life trying to cross the mined and heavily fortified East German frontier into West Germany?

Of the 5,324 East Germans who made it last year, 4,355 arrived here from countries other than East Germany, often after hazardous detours thru the East Bloc.

Yet if the East German government succeeds in its current campaign to have western governments recognize two different German nationalities, one of the last loopholes for would-be refugees may be closed. It would mean no more West German passports for East Germans who want to come to the West for political or other reasons.

The East Berlin government argues that Bonn's claim of consular representation of all persons of German nationality, whether they live in the Western or Eastern part, violates international law.

In pressing their case, the East Germans urge worldwide acknowledgment of separate East German citizenship and hope to achieve this thru a series of consular agreements with Western governments which already have recognized East Germany as a sovereign and independent state.

So far the three Western powers and other non-Communist countries have supported Bonn's view that there is only one German nationality although two German states in fact have emerged.

This claim is based on the West German constitution, which says that, "unless otherwise provided by law, a German within the meaning of this basic law is a person who possesses German citizenship, or who has been admitted to the territory of the German Reich within the frontiers of 31 December 1937. . . ."

Consequently, West German authorities have accorded German refugees from the East the same rights as other Germans. This includes issuance of passports to East Germans who report to West German consular offices in the West with the request that they be allowed to live and work in the Federal Republic.

In their treaty calling for a normalization of relations, the two Germanys left the problem unresolved, West Germany ignoring a 1967 East German law proclaming a separate East German citizenship.

But how long will the Western world resist the Communist demands? Austria and Finland, which because of their political status have to show special consideration for the Soviet Union, already have drafted consular agreements with East Berlin recognizing separate citizenship.

As Austria is a country where many East Germans arrive illicitly from neighboring East Bloc counties, turning to the West German embassy in Vienna for help, Bonn intervened.

The criticism provoked an angry retort from the Austrian government. But Chancellor Bruno Kreisky in an interview gave assurances that East German fugitives also in the future would not be turned back.

"If a German comes to us and says of his own accord that he is a German citizen and presents a West German passport we will treat him accordingly," Kreisky declared.

FIGHTING THE TIDE OF TORTURE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. FRASER. Mr. Speaker, Robert Karen's February 8 Washington Post article "Fighting the Tide of Torture" was adapted from an essay that originally was printed in the Nation. I am pleased that many people will have an opportunity to read Mr. Karen's piece about the work of Amnesty International.

Mr. Karen points out a basic but little known fact about Amnesty:

> Its basic organizational unit, the "group," is responsible for three prisoners of conscience—one from the Eastern bloc, one from the West, and one from a nonaligned nation. This careful policy of neutrality has been a key to Amnesty's success. . . .

Mr. Speaker, the story of Ginetta Sagan and the San Francisco office of Amnesty International is a story worth telling. Mr. Karen tells it well in the Post's version which follows:

[From the Washington Post, Feb. 8, 1975]

FIGHTING THE TIDE OF TORTURE

(By Robert Karen)

In the winter of 1945 in northern Italy, the Gestapo picked up a young Italian resistance worker and tortured her for 45 days. Convinced that giving them information of any kind would make her immediately dispensable, she never talked and in the end was made to type her own death sentence. However, on the day she was to be executed, two men in Gestapo uniforms took her away for some "final questioning." Inexplicably, they left her at a hospital and in two years she was fully recovered.

Today, almost 30 years later, Ginetta Sagan has become one of the major organizers for Amnesty International, the London-based group that "adopts" and fights for the release of political prisoners the world over. Founded in 1961 by a British lawyer, Peter Beneson, Amnesty has 38,000 members in 32 countries and claims responsibility for the release of more than 10,000 political prisoners.

Sagan became involved with Amnesty International 1967, when the Greek junta took power; it was the first time since the war that repression and torture again touched her life. "I had a lot of friends who were in jail because so many of them had studied in France when I was there. My former professor there had just met Christos Sartzetakis, who is the judge portrayed in the movie Z. They were sending me file after file of prisoners and horrible, horrible stories of torture. I remember one in particular, the dean of a university who was 80 years old and given the *falanga*—tying a person to a table and beating the soles of the feet until they are swollen. So painful, dreadfully painful."

In 1971 Sagan prevailed upon Melina Mercouri and Joan Baez to come to Berkeley for a concert to benefit the Greek relief fund. A crowd of 10,000 attended and Sagan has since proved that direct action to salvage individual lives can generate the kind of personal commitment that seemed to have faded with the anti-war movement. In the three years since that first Berkeley concert, Amnesty's West Coast membership (concentrated in California and Texas) has shot up from 52 to almost 52,000.

Today the San Francisco office at 3618 Sacramento Street has four full-time staff members, including Sagan and Kit Bricca, formerly with the Farm Workers. The region now accounts for about half of Amnesty's 100 U.S. groups, and the leadership understandably believes that similar organizing elsewhere in the country would produce comparable results. Recently Amnesty hired Joel Carlson, a South African civil rights lawyer who was forced to leave his country in 1971, to be full-time national coordinator, an investment which it hopes will lead to the creation of regional offices in Chicago, Denver, Atlanta and some place in Texas.

All this activity for human rights would be a cause for celebration were it not for the historical events which have helped to generate it. In the short time since Ginetta Sagan began organizing for Amnesty, there has been a marked increase in political repression and a severe upswing in the use of torture. In the last few months, Amnesty papers on Chile and North Korea and a worldwide survey called "Report on Torture" have revealed that not only is freedom of speech and association endangered by state action but torture, remarkably similar to the kind the Gestapo practiced in Italy and throughout occupied Europe, seems to be spreading in epidemic proportions across the continents.

"When talking with the victims of torture today, I have a sense of *deja vu*," says Sagan. "The same thing—interrogation, beating, fear, insult, degradation. They really want to destroy you as a human being, to reduce you to the level of a groveling animal."

The data Amnesty has gathered over the past 10 years on the detention policies of some 62 nations indicate that torture is a perennial form of political oppression.

It would be impossible to enumerate all the methods now in use. Old standbys from near drowning and suffocation to pulling out the fingernails are still prominent. But "Report on Torture" also enumerates modern developments. The omnipresent electric shock is probably the key contribution of advanced technology. Psychological and manipulative techniques, such as sensory deprivation, isolation, exhaustion, degradation and threats (of permanent injury, disease, economic retaliation, or harm to one's family) are more widely and sometimes more cleverly applied. Sagan relates that in Brazil and the Soviet Union the secret police have been known to torture people while showing slides of members of their families, creating an association of family with pain.

Perhaps the most important new weapons available to modern torture are the scores of drugs which terrify and melt the will of their victims. None of these drugs can force anyone to reveal what he has the courage to withhold; most, if the victim survives, will have no lasting physiological effects, though the emotional damage is frequently severe and permanent; and virtually all have some legitimate medical use. But the fears of the victim, the threatening atmosphere and the extremely unpleasant physical sensations make these medicines a potent form of terror.

While a sadist is the most likely candidate for a career in interrogation, recent clinical tests seem to demonstrate that many people, normally indisposed to cruelty, will nonetheless administer pain if told to do so by someone in authority. That is a crucial point when one considers the scores of doctors and nurses—some of whom are presumably not sadists—who, in the ultimate perversion of their professional roles, show up at secret police villas to act as consultants and practitioners of the black mechanics of interrogation. "Torture could not take place without the cooperation of physicians," says Sagan. "It is the doctor who examines the prisoner before interrogation, it is the doctor who says how far they can go, it is the doctor who treats the victim of torture and who remains silent."

It must be understood that torture is a very *inefficient* means of gathering information and for the most part is not used for that purpose. That fact is reflected in the black humor of South Vietnamese interrogators, who have been heard to say, "If they're not guilty, torture them until they are!" Torture is a weapon, widely perceived as a proper response to domestic or colonial insurrection, and sometimes openly advocated by counter-insurgency strategists. All told, according to the Amnesty report, at least 30 nations use torture as an administrative routine and have given free rein to men and women who achieve personal gratification from the destruction of other human beings. These torture states share information, educate torture trainees from less developed police states, and have even produced films on the subject (one found in the secret police headquarters in Portugal was made in part to instruct prison doctors).

Unfortunately, many victims of torture, including Sagan, have been unwilling to discuss their ordeals. Torture victims are often deeply ashamed of what has been done to them and what they have been made to do. Many have lasting and often disastrous emotional disorders.

"I wasn't able to talk about it for many years because of the humiliation and the degradation that they forced on me," says Sagan. "That is why I feel strongly that the Amnesty project of help to care for the victims of torture and to rehabilitate them psychologically is an urgent and crucial one. I wouldn't want anyone to go through years without being able to share, to talk, and to be assured that we are human beings still. It is hard for any person to think himself still human after they strap you to a table, after they insult you, and after they force on you these unspeakable, *unspeakable*, unspeakable, unspeakable actions."

Sex, degradation and power form a special weave in the torturer's mentality. An obsession with excrement and urine and forcing prisoners to smear themselves is common. So is rape and demeaning sexual positions.

What Amnesty offers the political prisoner and the victim of torture is the promise that his case will not be forgotten. Its basic organizational unit, the "group" is responsible for three prisoners of conscience—one from the Eastern bloc, one from the West, and one from a nonaligned nation. This careful policy of neutrality has been a key to Amnesty's success, and with political oppression so widespread, the meticulous nonpartisanship is unfortunately easy to maintain.

Letters on behalf of adopted prisoners are sent to the United Nations and other international bodies, to the press, and to the responsible government. Amnesty International sends observers to trials of those accused of political crimes and, when possible, visits prisons and interviews prisoners and ex-prisoners.

Its success is a testament to the power of public opinion. And yet, within and without the responsible state, public opinion is a difficult weapon to mobilize. "I can understand the fear," says Sagan. "Anything that threatens the status quo or the fragility of our day-to-day existence is better pushed back into the unconscious. It is much more comfortable to go on with our daily lives without worrying about the man in Czechoslovakia who has been picked up, who has lost his job, who is being held some place incommunicado. But the only way to break the power of the secret police is if enough people speak up."

Can it happen here? Amnesty does have 30 prisoners of conscience in the United States, most of them members of ethnic minorities who were caught in situations where racial and/or political prejudice was evident in the arrest, conviction or sentencing. It has also described numerous instances of police and prison brutality. But regarding torture, it has concluded: "It would be incorrect to suggest that there is an administrative practice of torture by the law-enforcement authorities of the United States within their own domestic jurisdiction."

Still, there is reason to be concerned about the U.S. position. As a major supplier of funds and hardware for foreign military and secret police, the country bears a responsibility for how these resources are used. Our government has never officially condemned the practice of torture in Brazil, although there is no disputing its prevalence, and there is a persistent suspicion, bluntly portrayed in the movie "State of Seige," that the United States provides the training for many of Latin America's novice interrogators. To bring the issue even closer to home there have been widespread reports, abundantly documented by the confessions of repentant GIs, of direct involvement of American troops in the torture of Vietnamese.

The very personal quality of caring which Amnesty offers is evident in the title of a new quarterly magazine, Matchbox, which is being published by the West Coast office. The name derives from an incident during Sagan's imprisonment by the Gestapo. A few nights after she had been forced to watch a comrade tortured to death, one of her jailers began cursing her and then kicked open the door to her cell and threw in a loaf of bread. "I was hungry, I wanted to eat, but at the same time the thought crossed my mind that perhaps it was poisoned. But when I picked it up and started eating, I chewed on something hard. It was a little matchbox. There were matches inside and a piece of paper saying: *'Coraggio. Lavoriamo per te.'* Take courage, we are working for you."

ONE MILLIONTH U.S. TRADEMARK

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. RICHMOND. Mr. Speaker, it is with great pleasure that I submit the following address by Mr. Benjamin Eisenstady, president of the Cumberland Packing Corp., for entry into the RECORD. This address was given upon the presentation by Hon. Frederick B. Dent, Secretary of Commerce, of the 1 millionth trademark issued by the Patent Office.

This is truly a memorable occasion since it marks the progress and protection of private property and industry in the United States. The importance of both human rights and property rights cannot be underestimated in this great country of ours.

Mr. Benjamin Eisenstadt is a constituent of mine and is a successful and highly respected businessman in the 14th Congressional District. He has done an outstanding job as president of the Cumberland Packing Corp. and is rendering superb service to our great State and country.

The statement follows:

ADDRESS BY MR. BENJAMIN EISENSTADT, PRESIDENT OF CUMBERLAND PACKING CORP., UPON THE PRESENTATION BY MR. FREDERICK B. DENT, SECRETARY OF COMMERCE, OF THE ONE MILLIONTH TRADEMARK ISSUED BY THE PATENT OFFICE

It is with extreme pleasure that we accept the one millionth Trademark issued by this department. It is not only figuratively but literally true that this is the "one chance in a million" so proverbial in song and story.

But we cannot truly take pride in a fortuitous circumstances that has given Sweet N Low this distinction. This is a happenstance that could have befallen any one of a thousand other applicants. It is far more fitting to take this occasion to pay homage to the system of government that makes patents, copyrights and trade-marks possible. Our real fortune is to live in a Country that recognizes not only the worth of each of its Citizens but also rewards the efforts, skills and industry of its business community.

We feel that this is far more than a proprietory right to a name or design. It is an affirmation of the American ideal of values. It is an implied pact between all the people of the United States and one or a group of its citizens that in exchange for the exclusive use of the granted trade-mark the recipient will so conduct the affairs of its business as to bring not only profit to the holder but will also benefit the entire community by its fair dealings.

In a large measure we believe that the greatness of this Country is based on the belief that in order to bring the greatest benefit to all Americans we must value with equal passion property rights as well as human rights. In a World racked by doubts and indecision and divided by contrasting ideologies the affirmation of this belief is paramount.

Like the well known song about love and marriage, a prosperous and stable world cannot have one without the other. Property rights and human rights are two sides of the same coin. Property rights without human rights is tyranny and injustice. Human rights without the recognition of property rights is anarchy and lawlessness, but both in equal measure spell liberty and freedom.

The rights and obligations under the laws relating to patents, copyrights and trademarks as administered by this department are a shining example of this blending of property and human rights. It is not by accident that such laws are practically unknown in those Countries practicing a different philosophy.

On one hand we have given to individuals and Corporations by these laws the right to reap the benefits of ability and knowledge. Each person is unique unto himself. He has a name which is exclusively his own. He has fingerprints unlike that of any other human being. Trade-marks are the fingerprints of American Industry. It makes it possible for any business enterprise to be unique and bring its uniqueness to the attention of the World. Of course, just as with any individual the value of this uniqueness depends not on his name or fingerprints but what talents he brings to bear in its use. So it is with a trade-mark. Its value can be measured only by those who are benefited or abused by its use. On the other hand the mark also protects the human rights of both the owner and the individual user of the product or service identified by the mark. Unlike in many other Countries he is free to value and choose among many and diverse brands of similar services and products. The American Public will decide which shall prosper and which shall fail. This is as it should be, and as long as industry has the right to make a product or render a service and label it with its mark and the Public has the right to make its unfettered judgement upon the value of that product or service then we have no need to fear for the strength and viability of the American economy.

As for us we shall unceasingly strive to make the product or products bearing the name Sweet & Low live up to these precepts so that at the presentation of the two millionth mark this great land of ours will still be living and prospering by these values.

NEED OF GENERAL TAX REFORM CITED

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. BURKE of Massachusetts. Mr. Speaker, I rise today to bring to your attention an article that appeared in the Boston Herald-American on February 11, 1975. Tom Wicker, the author of this piece, points out the need for both general tax reform and changes in the structure of the regressive social security system. I wholeheartedly agree with him. Mr. Speaker, as you know, I have, along with well over 100 of my colleagues, already introduced a bill which will reduce the social security payroll tax from 5.85 percent to 3.9 percent, enlarge the taxable wage base from $14,100 to $25,000, and make the cost of the social security program a three-way split—between the employer, the employee, and the Federal Government.

Mr. Speaker, many times I have risen to speak out on the need for tax and social security reform. And it is a pleasure to hear somebody else speaking out on the same topic. Therefore, at this time, I would like to insert Mr. Wicker's article into the RECORD so that you, and my colleagues, will have the benefits of his comments:

NEED OF GENERAL TAX REFORM CITED

(By Tom Wicker)

In the current zeal for tax-cutting to infuse buying power in a recessionary economy (George Meany says it's really a depression), it would be all too easy to forget two longer-standing needs—for general tax reform in favor of lower income persons, and for some adjustment of the regressive Social Security payroll tax.

The Congressional Joint Economic Committee has just published evidence of both needs, in a startling report that shows the biggest increases consumers had to pay in 1974 were in their income taxes and in the Social Security levy—26.5 percent for the former and 21.6 for the latter, against only 14.3 percent for transportation, 13.5 percent for housing, and 11.9 percent for food (all percentages based on a family of four with an income of $14,446).

The committee report was full of other evidence that under the American tax and economic system, the rich generally get rich and the poor get poorer, all soak-the-rich myths to the contrary.

Prices increased in 1947 at a greater rate for food items frequently consumed by low-income families than for foods favored by the affluent; plus-$50,000-a-year families added up to 12 percent to their incomes without going into a higher income tax bracket, while poorer families with similar percentage increases in income had to pay taxes at higher rates in 1974; federal, state and local income taxes rose an average of 31 percent from 1973 to 1974 for families of four earning $9,320, while in the same period these taxes increased only 26.5 percent for similar families earning $14,466 and $20,883. As the committee concluded:

"Not only are (the poor) less able to cope with inflation because of their limited discretionary income, but low-income families and individuals have also suffered price increases significantly greater than those experienced by upper-income consumers."

That is one good reason why many members of Congress, including the Democrats on the House Ways and Means Committee, want to revise President Ford's tax reduction proposals to provide greater benefits to low-income persons, despite the strain "big ticket" argument put forward by Ford and his economic advisers.

The administration wants a significant proportion of its proposed $12 billion rebate on 1974 personal income taxes paid in sums as high as $1,000 to families with incomes up to $40,000, on the theory that these higher-income families will more likely spend the rebate on "big-ticket" items such as refrigerators, washers, dryers, and autos.

Stimulating demand for such consumer durables will most quickly put more people back to work, the administration theorizes, while bigger rebates for lower-income families would mostly go for food, an expenditure which would have far less effect on unemployment.

But that argument for weighting the rebates to the higher brackets is hard to sustain against the evidence showing that low-income people are hit so much harder by inflation than the more affluent. Where buying power has most sharply declined is at the lower end of the scale; weighting tax rebates and reduction to that sector ought therefore to be highly stimulative, as well as providing justified relief to the hardest pressed.

For the long pull, however, the clear need for a general reform of the income tax structure, taking into account the impact—sharp in some cases—of state and local income taxation, and putting the burden more heavily on the upper-bracket taxpayer, ought next to engage the Ways and Means Committee. The new liberal majority of that panel, charged by the Constitution with originating tax measures, also would do well to turn soon to the burdensome Social Security payroll tax.

This year, workers earning from virtually nothing up to $14,100 a year pay a full 5.58 percent of their earnings in Social Security taxes—a total of $824.85 at the maximum. But people earning $20,000, $50,000, $100,000, while they pay the same total of $824.85 on their first $14,100 of income, obviously pay a declining percentage of their earnings as the latter rise. And even disregarding the extreme regressivity of the tax, the 5.58 percent rate is a heavy burden on the earnings of low-income persons.

The Social Security advisory council is reported to be considering a recommendation that the wage base on which Social Security taxes are levied be raised to $24,000. At present rates, that would mean that anyone earning that much would pay $1,404 against the maximum of $824.85 he or she will pay this year. This would go far toward eliminating regressivity and would greatly increase Social Security revenues without a further rise in the tax rate. As the system is presently designed, it would also mean substantially higher retirement benefits for the well-to-do—against the present maximum of $474.45 monthly for a husband and wife.

Such a rise in the wage base would not, however, ease the heavy burden of a 5.58 percent payroll tax on low-income workers, and it would be deflationary in this period of recession. Why not institute a graduated payroll tax now, providing more tax relief this year to low-income workers, and a higher wage base to take up the slack in revenues after the economy has turned upward?

COMMEMORATES 57TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 17, 1975

Mr. HEINZ. Mr. Speaker, February 16 commemorated the 57th anniversary of the short-lived independence of Lithuania, a country that has suffered much injustice in recent decades. As our own Nation prepares to celebrate its 200th anniversary, it is especially fitting that we pay tribute to this small Baltic country that was known to history hundreds of years before the discovery of America.

During little more than two short decades of independence, from 1918 until it was forceably annexed into the Soviet Union in 1940, Lithuania made great strides toward providing a better life for its citizens. Its constitution granted freedom of speech, assembly, religion and communication. Agriculture, the major occupation of Lithuania, enjoyed significant advancement. With a land reform program, Lithuania became a nation of small farmers.

Industrialization progressed as well, increasing the number of industrial establishments from 151 in 1913 to more than 16,000 in 1939.

Lithuanians also witnessed the introduction of the 8-hour day and such social legislation as a labor control law. Lithuanian literature, opera and other music also flourished.

Lithuania's era of progress ceased when the Soviet army occupied the country during World War II and declared it to be a constituent republic of the U.S.S.R. in August 1940. During this occupation Lithuania suffered the loss of an estimated 45,000 people who fled or were arrested or deported.

Less than a year later, Nazi forces overran Lithuania, making the country one of the first to experience the aggression of both Stalin and Hitler. As the war progressed and the tide turned against Germany Lithuania returned not to independence but to Soviet domination.

The United States has never recognized the Soviet incorporation of Lithuania and the other two Baltic States, Estonia and Latvia. Though stripped of their freedom, these brave people continue to strive to maintain their national identity and their dignity.

It is to our credit that we have not, and will not, abandon our support of the Lithuanian people's aspirations for a free and independent existence. I share with Lithuanians everywhere their pride and hopes as reflected in the words of their national anthem:

> Lithuania, land of heroes,
> Thou our Fatherland that art,
> From the glorious deeds of ages
> Shall Thy children take heart.
>
> May Thy children ever follow
> Their heroic fathers
> In devotion to their country
> And good will to others.
>
> May the sun of our loved shore
> Shine upon us evermore;
> May the right and the truth
> Keep our pathway lighted.
>
> May the love of our dear land
> Make us strong of heart and hand,
> May our land ever stand
> Peaceful and united.

HOUSE OF REPRESENTATIVES—*Tuesday, February 18, 1975*

The House met at 12 o'clock noon.

Rabbi Leib Pinter, B'Nai Torah, Brooklyn, N.Y., offered the following prayer:

Father in Heaven, whose sovereignty is everlasting, who grants dominion unto governments, we seek Your blessing and protection for this Nation, the United States of America. Grant wisdom to her leaders to guide her in the path of peace and prosperity.

כי לב מלאכים ביד השם

For the hearts and the thoughts of rulers are in the hands of the Almighty.

We do, therefore, pause to acknowledge Thy Lordship and ask Thy blessing upon those of us to whom are given the special responsibilities of this great country.

Direct us, O Lord, in all these, our doings, and grant us the gracious favor of Thy continued help that all our works, begun, continued, and concluded in Thee, may glorify Thy holy name.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed the following resolution:

S. Res 81

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Honorable Jerry L. Pettis, late a Representative from the State of California.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it adjourn as a further mark of respect to the memory of the deceased Representative.

The message also announced that the Vice President, pursuant to Public Law 91–452, appointed Mr. STAFFORD to the Commission on the Review of the National Policy Toward Gambling in lieu of Mr. BEALL, resigned.

RABBI LEIB PINTER

(Mr. SOLARZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLARZ. Mr. Speaker, this morning we had the pleasure of having the opening prayer delivered by one of my constituents and good friends, Rabbi Leib Pinter, of Brooklyn.

A graduate of the Mesivta Talmudical Seminary, Rabbi Pinter was ordained in 1964. He has also been awarded the B.S. degree by Brooklyn College and the M.S. degree by Long Island University. Since 1968 he has served as the spiritual leader of Congregation B'Nai Torah in Brooklyn.

In addition to his religious duties, Rabbi Pinter has also dedicated himself to furthering Jewish education. For 3 years he served as an instructor of Talmud at the Yeshiva of Eastern Parkway High School, for 3 years as principal of that institution and for 2 years as the registrar of Mesivta of Eastern Parkway Rabbinical Seminary. In 1972 he became the founder and president of the B'Nai Torah Institute in Brooklyn. He presently serves as the institute's dean.

B'Nai Torah Institute is comprised of three academic divisions—the high school, the Bais Hamedrash for high school graduates who concentrate exclusively on Hebrew studies, and the Kollel for intensive religious studies for post-high school students. The Kollel students are the young men who are destined to become the instructors and Roshei Yeshiva—deans—of future generations. The B'Nai Torah Institute operates a 12-month program and during the summer the young men pursue their studies at a camp in the Catskill Mountains of New York.

A truly unique and dedicated person, Rabbi Pinter has served as the president of the Conference of Associated Yeshivas, 1974; New York State Yeshiva High School Principal's Association, 1972; and the Council of Jewish Manpower Associations, 1973.

Married and the father of four children, Rabbi Pinter is one of the 13th Congressional District's most active and respected residents. His effective efforts in the areas of education and manpower programs are particularly noteworthy and I am delighted he could be here with us this morning.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Speaker, I wish to further commend Rabbi Pinter on the invocation he delivered to the House today.

Mr. Speaker, it has been our privilege this morning to have the invocation delivered by a distinguished leader in the American Jewish community, Rabbi Leib Pinter. I am sure that my colleagues in this august body were impressed and inspired by his moving words.

Rabbi Pinter is a noted scholar and educator who serves as dean of the outstanding B'nai Torah Institute in Brooklyn, N.Y. I am familiar with its work and wish to applaud its efforts publicly. On this occasion, I shall now enter some extended remarks in the CONGRESSIONAL RECORD.

B'NAI TORAH INSTITUTE

The "average man" is the blessing of modern democratic society and also its curse. Goals are set with the "average man" in mind, policies enunciated, laws promulgated, institutions established, schools erected—all to serve the needs of Mr. John Doe. Thus, neither the "elite" nor the "rabble" determine the public framework of our society; which is a blessing, because it meets the needs of the many and not merely the few.

But what of the few? What of the underprivileged and the disadvantaged? Must they fall by the wayside? How much valuable potential is lost because society cannot afford to pay individual attention to the needs of the poor, the uneducated, the unskilled?

And what of the gifted? Are their talents and intellectual abilities to be wasted because they must conform to the norm? Are they to be restrained from achieving the possible because our institutions are geared to reach the average attainable?

Fortunately, this is a free country and any individual can theoretically reach the heights of his ultimate capabilities. But, since government must limit its concern and assistance to the many and not the few, the striving and ambitious individual must reach his goals on his own, or with the help of other private individuals. The history of our country is replete with examples of men and women who have done just that—and America is the better for it.

EXCELLENCE IN EDUCATION

The problem is particularly acute in the field of education. All children are not created equal, at least in their intellectual capacities and talents. Ideally, therefore, the brighter child should be taught differently than the average child. Unfortunately, in a mass educational system with large classes, it is almost impossible to teach each child according to his own needs, at his own speed. And while, on the elementary level, there are in some instances sufficient pupils in a school to organize parallel classes based on slow, average, and advanced achievers, this is not the case on the higher levels of education. Only a separate school, devoted especially to the need of the gifted, intellectually superior student, could prove successful.

The Jewish people, from time immemorial, have been known as the People of the Book. Learning and study are among their highest values; their rabbis and scholars are venerated and respected beyond measure. Education for all, and especially for the gifted, is one of their prime concerns.

With this goal in mind, the B'nai Torah Institute was founded. Through careful screening of applicants, the institute was able to gather a select group of outstanding Jewish high school students who could benefit most from its unique program. The minimum standard is excellence: In intellectual capacity, in moral inclination, in a desire for influence and leadership. Once these standards are met, and openings are available, no other conditions are placed on entry, certainly not financial conditions: students pay whatever they can afford.

A 3-YEAR HIGH SCHOOL PROGRAM

One of the basic assumptions of the American educational system is that a student cannot tolerate, or function well for, more than a 10-month school year, with frequent minivacations even in that time span. For the average student this is possibly true, although this too is a controversial matter; in fact, the more demanded of a student, the more he can accomplish.

B'nai Torah Institute demands more. A B'nai Torah student devotes a minimum of 13 hours a day to his studies, beginning with prayer services at 7:30 a.m. and ending with an independent study/review session at 9 p.m. During the day he partakes of an intensive and accelerated program of both Hebrew and secular subjects. Classes are small and intimate, allowing for close one-to-one contact between student and teacher.

And this program continues, in one form or another, 12 months of the year! Ten months are spent on the school campus in Brooklyn, 1 month of full curriculum is mandatory on the school's campgrounds in the Catskills, and 1 month offers an option between continuing the full curriculum at camp or a program of assigned study projects wherever the student chooses to be.

As a result of this intense and accelerated program a student is able to complete his high school studies in only 3 years.

POST-HIGH SCHOOL STUDIES

Having graduated from high school a year earlier than most, the Institute's student rarely feels the pressure to enter a secular college, even if he has intentions of doing so, at this tender age. Thus he is able to devote a year or two, or more, exclusively to his Hebrew studies, which in any event is at the heart of his lifestyle. He enters the bais hamedrash—literally, house of study—and delves deep into the profundities of the Bible, the Talmud, and other rabbinic commentaries and ethical teachings. An exceptionally high caliber staff of instructors—a number of whom have authored and published learned articles and books—works with small groups of students in an academic style that blends a clear-cut analytical approach with a warm and positive attitude toward the subject matter.

Post-high-school students who show exceptional promise are encouraged to continue their studies even after marriage. The chosen and the willing, upon committing themselves to spend at least 3 years in this program called the Kollel, are offered a stipend which allows them to study undisturbed by the concerns of supporting their young families. While far from lavish, the B'nai Torah grant enables the Kollel men to provide for their dependents with dignity and peace of mind. These young men are destined to become the instructors and deans of future generations of young Jewish scholars.

DORMITORY AND DINING FACILITIES

While many of B'nai Torah's students reside in the immediate or adjacent neighborhoods, others come from far and wide to benefit from its unique program. To enable the latter to participate in every aspect of the schedule, dormitory facilities are provided in nearby apartments.

Three nutritious meals are served to each student every school day, and tea and coffee are available throughout the day.

A COMMUNITY-MINDED INSTITUTION

"No man is an island unto himself," the poet said, and B'nai Torah Institute subscribes to that wholeheartedly. As an institution steeped in the moral concepts of traditional Judaism, it cherished the ideal of loving one's neighbor as one's self. The administration of B'nai Torah Institute has chosen to inculcate this ideal in its students not merely by preaching it but by practicing it.

B'nai Torah Institute is actively engaged in managing and supervising several public assistance programs of direct benefit to the underprivileged in a number of Metropolitan New York's neighborhoods. Summer lunch programs, under the aegis of U.S. Department of Agriculture, provide a well-balanced nutritious meal to thousands of improverished children. Manpower training programs, under the auspices of the U.S. Department of Labor, offer training and new skills to members of the disadvantaged minorities who seek a better station in life.

By observing this example of concern for the poor and the needy, B'nai Torah students are imbued with the noble ideal of shouldering the burden with their fellow man.

B'NAI TORAH INSTITUTE LOOKS TO THE FUTURE

As long as there are human differences, there will be a need for special educational programs for the gifted. Indeed, as educational opportunities become more broad based, there will be a continually growing need to encourage the intellectually superior student to reach for, and achieve, his maximum potential.

B'nai Torah Institute can already see, by the increasingly large number of applicants they cannot accept only because their present facilities are inadequate, that it must expand its horizons. They consider it their sacred duty to their people and to our country, to make excellence in education available to all who seek it.

PRESIDENT'S POWER TO DECONTROL OLD OIL MUST BE CURBED

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, in accordance with his state of the Union speech and repeated statements since, President Gerald Ford has announced he will decontrol "old oil" on April 1. He tells us that it is a part of his energy policy to permit the price of old oil on that date to rise from its present level of $5.25 per barrel to $11 per barrel or the present world price.

According to the National Academy of Sciences, there are approximately 37 billion barrels of old oil reserves which have a present controlled price of $5.25 per barrel, or a total worth of $194.25 billion. It is the President's intention on April 1 to increase the value of these reserves—principally held by eight major oil companies—to $11 per barrel, or to a total worth of $407 billion.

Never before in the history of this Nation has a President possessed such tremendous economic power to make a few nearly a quarter of a trillion dollars richer—and all of the rest of the people of America that much poorer. The consumers will face a thunderous inflationary jolt as they begin to pay the new price for a resource which has already been developed through billions of dollars of past tax subsidy.

I am currently preparing legislation which will limit this horrendous power of the President's pen, and I hope that Members of this body will take immediate steps to limit or restrain this power before the April 1 deadline.

RECOMMITTAL OF H.R. 2302 TO COMMITTEE ON GOVERNMENT OPERATIONS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to recommit to the Committee on Government Operations the bill H.R. 2303 to revise certain provisions relating to per diem and mileage expenses of Government employees and disabled veterans and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON BILL MAKING FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on a bill making further urgent supplemental appropriations for the fiscal year ending June 30, 1975.

Mr. BAUMAN reserved all points of order.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT AS MEMBERS OF COMMITTEE ON HOUSE RECORDING STUDIO

The SPEAKER. Pursuant to the provisions of section 105(c), Public Law 624, 84th Congress, the Chair appoints as members of the Committee on the House Recording Studio the following Members on the part of the House: Mr. REES of California; Mr. ROSE of North Carolina, and Mr. CRANE of Illinois.

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 1975 FOR CERTAIN MARITIME PROGRAMS OF DEPARTMENT OF COMMERCE

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce.

The Clerk read as follows:

H.R. 3

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the Appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1975, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000;

(b) payment of obligations incurred for ship operating-differential subsidy, $242,800,000;

(c) expenses necessary for research and development activities, $27,900,000;

(d) reserve fleet expenses, $3,742,000;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $10,518,000; and

(f) financial assistance to State Marine Schools, $2,973,000.

SEC. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for fiscal year 1975 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. Section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), is amended (a) by inserting "(a)" immediately before "Contracts" in the first sentence thereof; and (b) by adding at the end thereof the following new subsection:

"(b) There shall be established and maintained within the Maritime Administration such regional offices as may be necessary, including, but not limited to, one such office for each of the four port ranges specified in subsection (a) of this section. The Secretary of Commerce shall appoint a qualified individual to be the Director of each such regional office and shall carry out appropriate functions, activities, and programs of the Maritime Administration through such regional offices.".

The SPEAKER. Is a second demanded.

Mr. MOSHER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to urge passage of H.R. 3, which is identical to H.R. 13296, vetoed by the President on January 4, 1975, with the exception of the nongermane amendment that had been added on by the Senate and to which the President directed his veto. H.R. 13296 originally passed the House on June 4, 1974.

Section 1 of the bill would authorize appropriations for fiscal year 1975 for certain maritime programs of the Department of Commerce, in the total amount of $562.9 million—to be apportioned as follows:

Construction subsidy, $275 million;

Operating subsidy, $242,800,000;

Research and development, $27,900,000;

National Defense Reserve Fleet, $3,742,000;

Federal Merchant Marine Academy, $10,518,000; and

State marine schools, $2,973,000.

Section 2 of the bill is a technical amendment to avoid having to amend the fiscal year 1975 authorization request if supplemental appropriations for fiscal year 1975 are required for the remuneration of Maritime Administration employees at the National Defense Reserve Fleet and the Federal Merchant Marine Academy. An identical provision was in the authorization act for fiscal year 1974.

When we enacted the Merchant Marine Act of 1970, the Congress gave specific recognition to the Great Lakes as the fourth major seacoast of the United States. While maintaining a regional office for the Atlantic, gulf, and Pacific coasts, the Maritime Administration has yet to establish such an office for the Great Lakes. Section 3 of the bill would require that this be done promptly.

Mr. Speaker, the proposed legislation set forth in H.R. 3 passed both the House of Representatives and the Senate in the last Congress as H.R. 13296, and would have been enacted but for an unacceptable Senate amendment. H.R. 3 is identical to H.R. 13296, 93d Congress, as it passed the House of Representatives, except that it does not contain the Senate amendment found objectionable by the administration.

The bill was reported unanimously by the Merchant Marine and Fisheries Committee after full and careful consideration of the entire record, and I am unaware of any opposition to it. I strongly urge the House to support this very important legislation so that the new maritime program provided by the Merchant Marine Act of 1970 can continue to be implemented as directed by the Congress.

Mr. MOSHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished chairman of the Merchant Marine Committee (Mrs. SULLIVAN) has carefully described the provisions of H.R. 3, authorizing appropriations for the Martime Administration for fiscal year 1975. I believe it is necessary to state only that this authorization bill reflects the continuing commitment of the administration and the Congress to the goals of the Merchant Marine Act of 1970.

The principal thrust of the 1970 act was toward the creation of a bulk carrier capability under the U.S.-flag. The legislation we are now considering provides the seed money, if you will, to insure the construction of vessels which will give the United States a minimal degree of independence in the carriage of our bulk imports and exports. At the subsidy rates prevailing in fiscal year 1975 of from 16½ to 37 percent, the construction funds authorized in this legislation will support almost a billion dollars worth of ship construction in U.S. yards, and many thousands of man-hours of employment not only in the shipyards themselves but in the steel industry and all related industries that contribute to the building of a ship.

The operating subsidies authorized in this legislation will provide a minimum of support for liner companies operating on essential trade routes and bulk carriers in various worldwide services. While great strides have been made with respect to the construction of technologically advanced liner vessels, such as container and barge-carrying ships. The liner companies of the U.S. merchant marine are beset by a number of competitive problems which have seriously undermined their financial stability. The technological revolution which swept the liner trades in the 1960's made this a capital-intensive industry. The liner industry is no longer in truth a shipping industry but has become an integrated land-sea transportation industry, where terminal facilities, containers, and trucks are as important elements in the business as the ships themselves. The purchase of modern container and LASH ships has seriously strained the resources of our liner companies. A number of them have become subsidiaries of major conglomerate organizations in order to secure the great amounts of money required to pay for the ships, containers and other facilities essential to a modern liner service.

While the technological revolution in shipping began in the United States, it quickly expanded to Europe and Japan and the major shipping nations of the world have now fully equalized whatever competitive edge the U.S. merchant marine may have enjoyed during the late 1960s'. Both the North Atlantic and the transpacific trades, our principal trade routes, are heavily overtonnaged and will remain so for years to come under current projections of trade growth. In this highly competitive international environment, the American carrier with a substantially higher cost structure is at a distinct disadvantage. Subsidy is a mixed blessing. It imposes rigidity, and in return for money to meet the higher U.S. costs, the carrier must forego the flexibility which its foreign competitor enjoys. At the same time, the U.S. system of shipping regulation imposes constraints upon U.S.-flag carriers of which the foreign competition is largely free.

This year under the auspices of the United Nations a so-called Code of Conduct for Liner Conferences has been promulgated and is open for ratification. During the negotiations over this Code in Geneva, the U.S. delegation sought international approval of our system of open steamship conferences and free competition for trade. These concepts, which we have adhered to in the U.S. foreign trade since enactment of the Shipping Act of 1916, were resoundingly defeated by the international community during the Code of Conference Practice deliberations. Apparently, what the rest of the world wants is free open competition in the U.S. foreign trade and closed cartels in all other trades. The effect of this is that the Japanese and European carriers, and now most recently the Russians, are able to come into the U.S. trades at will and skim off the most lucrative cargo while effectively denying to U.S. carriers any opportunity to engage in foreign-to-foreign trades.

Understandably, the Maritime Administration has concentrated attention on the tanker shipbuilding program during the past 4 years. It is time, however, to take a serious look at the problems that beset our liner industry. Responsibility for this is divided between the Federal Maritime Commission, which administers our regulatory statutes, the Maritime Administration, Justice Department, and the State Department. Unfortunately, none of these agencies has exercised any leadership in tackling the problems of our liner industry. The time is growing short, and I urge these agencies to undertake a thorough review of our promotional and regulatory policies with respect to liner shipping with a view toward developing a system of shipping subsidy that will not place our carriers in a straitjacket, and a system of regulation which will recognize the realities of international trade in this decade. Undoubtedly, such a review, to be meaningful, must involve fundamental statutory changes. I know that the Committee on Merchant Marine and Fisheries is prepared to consider seriously the highly discriminatory climate in which the U.S. liner fleet must operate today. We are, however, a legislative body, and the administrative agencies which have the basic expertise in this field must come forward and present at least the broad outlines of a program which will permit the U.S. liner fleet to compete effectively with those of other nations with whom we trade.

In addition to providing the routine authorization of funds for the maritime programs for the Commerce Department, this legislation directs the Secretary of Commerce to establish and maintain regional offices of the Maritime Administration to serve each of our four seacoasts. For many years, the Maritime Administration has maintained large regional offices in New York, New Orleans, and San Francisco to facilitate contact between the shipping industry and the Government. These offices are staffed with personnel who are familiar with the varying problems of shipowners and our exporters utilizing the ports on these ocean seacoasts.

The Merchant Marine Act of 1970 established the Great Lakes as our fourth seacoast and directed that the programs of the Maritime Administration be administered so as to promote the interests of all our seacoasts, including the Great Lakes. Unfortunately, a statutory declaration of equality has not proven sufficient and for the 5-year period since enactment of the Merchant Marine Act of 1970, we have had to struggle against bureaucratic indifference, if not outright opposition, to our efforts to improve shipping services in the Great Lakes.

In response to considerable interest expressed by many of us in the Congress, the Maritime Administration late last year did announce that it would establish a Great Lakes regional office. In view, however, of the great reluctance exhibited in the past to come to grips with Great Lakes shipping problems, we felt that we could not afford to leave this matter to the discretion of the Secretary. Therefore, this legislation mandates the establishment of a Great Lakes regional office under a qualified director, and the various functions of the Maritime Administration that bear upon Great Lakes problems will be handled through this office.

It is noteworthy that within the past few weeks an application for subsidy to establish a U.S.-flag Great Lakes liner service has been received by the Maritime Administration. We will be watching the progress of this application filed by Prairie Shipping, Inc., of Chicago, with great interest. Great Lakes ports, labor and management interests, have expressed a strong support for direct U.S.-flag service from lake ports. It is hoped that through the enactment of H.R. 3, the Maritime Administration will come to realize how serious the Congress feels about our fourth seacoast.

Mr. DOWNING. Mr. Speaker, I rise to urge passage of H.R. 3. Sections 1 and 2 of the bill would authorize appropriations for fiscal year 1975 for certain maritime programs of the Department of Commerce, and I would like to comment briefly on them.

The first element of the authorization request is for construction subsidy. As you know, construction subsidy is based on the difference between United States and foreign shipbuilding costs, and paid to U.S. shipyards so that our vessels can compete in international trade. The construction subsidy request of $275 million will permit the Maritime Administration to contract for nine ships in fiscal year 1975, as part of the new maritime program provided by the Merchant Marine Act of 1970. These contracts will come within the declining construction subsidy rates provided by that act. The Merchant Marine Act of 1970 generally provides for the reduction of subsidy from 45 percent in 1971, until 35 percent is reached in 1976. In 1975, the construction subsidy rate will decline from 39 to 37 percent.

The next element in the authorization request is for operating subsidy that is generally based on the difference between United States and comparable foreign operating costs, and paid so that U.S.-flag operators can provide essential shipping services. The authorization request of $242,800,000 for this activity in fiscal year 1975 would be used for the operation of U.S.-flag passenger, cargo, and bulk vessels in our foreign commerce.

I am pleased to be able to inform the House that not all U.S.-flag vessels require operating subsidy. A number of capital intensive vessels, such as container ships, are operated without subsidy in our foreign trade by operators such as Sea-Land. More significantly, 19 vessels that were formerly operated under subsidy by United States Lines and American Export Lines, now compete in our foreign trade without such Government assistance.

The research and development authorization request of $27,900,000 would be used by the Maritime Administration to increase the productivity of the American shipping and shipbuilding industries in order to improve the competitive position of the U.S.-flag merchant marine. Priority will be given projects with near-term benefits. Industry participation and cost sharing will be expended. With the skyrocketing cost of fuel oil, I am pleased to note that the largest single element of the research and development program concerns the development of competitive nuclear ships.

The authorization request of $3,742,000 for the National Defense Reserve Fleet would be used by the Maritime Administration to continue to maintain ships under preservation to supplement the active fleet in time of war or national emergency. Two hundred and ninety-four merchant ships would be retained for national defense purposes.

The last two authorization requests concern maritime training. Section 1(e) of the bill would authorize $10,518,000 for the continued operation of the Merchant Marine Academy at Kings Point, N.Y. Section 1(f) would authorize $2,973,000 for Government aid to the State marine schools. In this regard, an Ad Hoc Committee on Maritime Education and Training, of the Merchant Marine and Fisheries Committee, is putting the finishing touches on a comprehensive evaluation of all of our Nation's maritime schools.

Section 2 of H.R. 13296 is basically a technical amendment to avoid having to amend the fiscal year 1975 authorization request if supplemental appropriations for fiscal year 1975 are required for the remuneration of Maritime Administration employees at the National Defense Reserve Fleet and the Federal Merchant Academy. An identical provision was in the authorization act for fiscal year 1974.

The annual authorization request of the Maritime Administration is one of the most important pieces of legislation to come before the Merchant Marine and Fisheries Committee each year. Every item has been carefully reviewed. After full and careful consideration of the entire record, H.R. 3 was reported unanimously, and I am unaware of any opposition to it.

Mr. Speaker, as the distinguished chairman of the committee pointed out, the proposed legislation set forth in H.R. 3, passed the House of Representatives in the 93d Congress, and subsequently was vetoed because of a nongermane Senate amendment. H.R. 3 does not contain this objectionable amendment, and should be passed.

This authorizing legislation should have been enacted in the last Congress. As it was not, the Maritime Administration, of the Department of Commerce, is currently operating under a continuing resolution that will expire on February 28, 1975. I strongly urge the House to quickly pass this very vital legislation.

Mr. ASHLEY. Mr. Speaker, I rise to join the other members of the Merchant Marine and Fisheries Committee to urge the passage of H.R. 3.

Our distinguished chairman and other members of the committee have spoken on the maritime authorization aspect of H.R. 3. Permit me to comment briefly on section 3 of the bill.

Mr. Speaker, section 3 would amend section 809 of the Merchant Marine Act, 1936, in order to accomplish what we thought we had accomplished with the Merchant Marine Act of 1970 (Public Law 91–469). That act amended section 809 to officially designate the Great Lakes as the fourth major seacoast of the United States.

In the 4 years since the enactment of the Merchant Marine Act of 1970, the Maritime Administration has done very little with respect to our unique situation on the Great Lakes, and it is clear that a regional office is required. Section 3 would amend section 809 of the Merchant Marine Act, 1936, to generally provide that the Maritime Administration establish and maintain regional offices on the Atlantic, gulf, Pacific, and Great Lakes coasts of the United States. As that Agency now maintains regional offices on the Atlantic, gulf, and Pacific coasts, the practical effect of this amendment is to require a regional office on the Great Lakes.

The Great Lakes is a vital national asset that requires the services of a regional office. The Great Lakes serve a hinterland area of 14 States that contain: First, over 35 percent of our population; second, over 42 percent of our industrial activity; third, over 50 percent of our agricultural output; and fourth, over 25 percent of our mineral production.

The hinterland of the Great Lakes develops a high percentage of our foreign trade. With respect to exports, it generates about 40 percent of manufactured goods, 50 percent of agricultural products, and over 20 percent of mineral exports. With respect to imports, the figures are about 35 percent for general cargo, over 40 percent for capital imports to be used in manufacturing, and almost 50 percent of agricultural imports.

For a variety of reasons, most of this cargo is not moving through Great Lakes ports. For example, during the past 4 years, there has been a drastic decline in shipments of general cargo in the ocean trades of the Great Lakes. Trade to Continental Europe has decreased 21 percent. During that same period, U.S. commerce from the Great Lakes area has increased 18 percent. U.S. trade to the Mediterranean through Great Lakes ports has decreased 61 percent. During the same period, U.S. commerce from that area has increased 10 percent. Additionally, six liner services have been lost in the continental European and Mediterranean trade routes, and no U.S.-flag ships have served the Great Lakes in the overseas trade.

The Great Lakes have unique problems. We can possibly overcome some of these problems with a little help. The regional office of the Maritime Administration to be provided by the bill would insure that our situation is not ignored, and that our problems may be considered.

In conclusion, Mr. Speaker, I wish to emphasize that H.R. 3 is a sound piece of legislation that passed the House of Representatives in the 93d Congress. I strongly urge the House to vote for it today.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN), that the House suspend the rules and pass the bill, H.R. 3.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table an identical Senate bill (S. 332) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the Appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1975, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000;

(b) payment of obligations incurred for ship operating-differential subsidy, $242,800,000;

(c) expenses necessary for research and development activities, $27,900,000;

(d) reserve fleet expenses, $3,742,000;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $10,518,000; and

(f) financial assistance to State marine schools, $2,973,000.

SEC. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for fiscal year 1975 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. Section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), is amended (a) by inserting "(a)" immediately before "Contracts" in the first sentence thereof; and (b) by adding at the end thereof the following new subsection:

"(b) There shall be established and maintained within the Maritime Administration such regional offices as may be necessary, including, but not limited to, one such office for each of the four post ranges specified in subsection (a) of this section. The Secretary of Commerce shall appoint a qualified individual to be the Director of each such regional office and shall carry out appropriate functions, activities, and programs of the Maritime Administration through such regional offices.".

AMENDMENT OFFERED BY MRS. SULLIVAN

Mrs. SULLIVAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SULLIVAN: Page 3, line 4, strike the word "post" and insert in lieu thereof the word "port".

The amendment was agreed to.

The Senate bill, as amended, was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 3) was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

PEACEFUL RELATIONS STRESSED AT BELGRADE CONFERENCE

(Mr. JARMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JARMAN. Mr. Speaker, last week, over 200 parliamentarians from 27 countries gathered in Belgrade, Yugoslavia, to reaffirm their support for realistic progress toward a more secure peace in Europe and a freer exchange of its people and ideas. I was pleased to participate in this Interparliamentary Union Conference on European Security and Cooperation in collaboration with seven distinguished colleagues in the House and Senate.

During our trip, we met formally and informally with leaders of four countries playing key roles in Europe and the Mediterranean.

In Yugoslavia, we visited top governmental and parliamentary leaders, including Mr. Djemal Bijedic, Prime Minister, and Koro Gligorov, President of the National Assembly. In these meetings, we exchanged views on measures each of our countries could take to achieve stable economic growth, both within our countries and internationally. While noting no major problems in our bilateral relations, we discussed how those relations might be further strengthened, particularly by increased American business participation in Yugoslavia's economy.

Following the conclusion of the Belgrade Conference, and at the invitation of the Egyptian Parliamentary Group, our delegation spent several days in Egypt. Just prior to Secretary Kissinger's visit, we met several prominent Egyptian leaders, notably the remarkable leader of that country, President Anwar al Sadat. President Sadat impressed us with his deep commitment to peace and his conviction that progress toward this goal is an urgent necessity.

Later, in Algeria, we met with President Houari Boumedienne, a dynamic leader who assured us of his country's interest in improved relations with the United States. On the Arab-Israel conflict, he carefully explained his view that Israeli withdrawal from occupied territories and an early resolution of the Palestinian problem were prerequisites for peace in that area and for Israel's own security.

Finally, in Morocco, we met with the articulate Prime Minister, Ahmed Osman and his close associates. We noted the close United States-Moroccan ties dating from the time of George Washington. The Moroccan leaders stressed their view that strict conservation of raw materials by producing countries and adequate and stable world prices for such commodities are necessary to assure both the economic development of these countries as well as the longer term availability of such raw materials to the industrialized nations.

Since cooperation in Europe was the main focus of our journey, I would like to outline several important recommendations contained in the Belgrade Conference declaration.

Above all, the Conference adopted clear and practical suggestions for establishing greater human contacts, a freer flow of information, and more numerous exchanges in the fields of education and culture. Significantly, these recommendations were supported by the delegates from Eastern Europe. They included the following:

To permit greater emigration by promoting freer movement of nationals of one state to other states, by facilitating the reunification of families, and their free choice of domicile;

To encourage students and teachers to work and study in other countries;

To increase contacts in the cultural sphere, including wider distribution of books, and coproduction and exchange of films, radio and TV programs;

To improve working conditions for journalists and improve the dissemination of information through all available media; and

To insure greater respect for human rights.

I believe the House will welcome these results in view of its own deep concern for the observance of human rights, particularly in the countries of Eastern Europe. Credit for much of this accomplishment must go to our distinguished colleagues from Illinois, Mr. ROBERT McCLORY, and from Florida, Mr. CLAUDE PEPPER. The Conference also accepted Mr. McCLORY's proposal to endorse International Women's Year—1977—and promote through the parliamentary process the legal and constitutional rights to which the women of all nations are entitled.

The Conference centered its economic discussions on the widely shared belief that obstacles to greater trade and economic cooperation between East and West should be removed. Senators BIRCH BAYH and LEE METCALF very ably represented our delegation on this committee. Largely because of our Member's persistence, the Conference also emphasized the need for a stable international monetary system, cooperation to resolve energy problems, and concrete measures to preserve the human environment.

In the crucial sphere of political and security affairs, our group was represented by the distinguished Senator from Vermont, our former colleague, ROBERT STAFFORD and by the very energetic gentleman from Illinois, Representative EDWARD DERWINSKI. Senator VANCE HARTKE of Indiana also made a real contribution to the work of the delegation.

The Conference reaffirmed the principles which should guide nations in the conduct of their mutual relations in Europe, and determined that all such principles must be applied equally. Perhaps significantly, the Soviet delegates accepted this major point of doctrine, even though Soviet representatives in other forums had hitherto found it unacceptable.

With the aim of creating a climate of greater confidence in Europe, the Conference also endorsed measures to reduce the burden of armaments borne by the countries of Europe and North America. It called for the acceleration of agreement on mutual reduction of conventional forces in Europe, and for an early and successful conclusion of other important arms control negotiations, such as the SALT talks. Further action contemplated by the Inter-Parliamentary Declaration in these areas will help to reduce the unilateral costs of maintaining such forces while at the same time assuring that the conventional and nuclear balance of forces in Europe is adequately maintained.

Mr. Speaker, this is but a brief summary of the accomplishments of our trip. The U.S. delegation will be submitting a full report in due course. But I wanted to draw this body's attention to the progress we believe was made at the Belgrade IPU Conference in two key areas: First, furthering common understanding among concerned parliamentarians; and second, achieving results favorable to our country's own efforts to establish durable and peaceful relations among the countries and the peoples of Europe and North America.

SAN BENITO SENIOR IS HEART POSTER GIRL

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DE LA GARZA. Mr. Speaker, a 16-year-old high school senior in my area, the 15th Congressional District of Texas, sets an example which all of us might observe and follow with great benefit to ourselves.

Geraldine Gonzales is happy just to be alive. Born with congenital heart defects, this fine young woman has been named as the American Heart Association poster personality for my south Texas area. She has undergone a series of major operations, the first of which occurred when she was only 6 months old.

"I just want to be normal," says Gerrie Gonzales, "not a celebrity."

To me and to her many other friends in south Texas, she is more than a celebrity. She is an inspiration because of her courage and her happiness in living. I know that her parents, Mr. and Mrs. Claudio Gonzales of San Benito, are very proud of her. They have a right to be.

The story of Gerrie Gonzales was published recently in the Valley Morning Star, and for the inspiration of my colleagues I append this article as part of my remarks:

SAN BENITO SENIOR IS HEART POSTER GIRL

SAN BENITO.—Geraldine Gonzales, a senior at San Benito High School, is a happy person—happy just to be living.

Gerrie, as she prefers to be called, has been selected as the American Heart Association poster personality for South Texas. She was born with five congenital heart defects and underwent her first operation at the age of six months. And now she is 16, having gone through major operations in that period.

In 1970, at the age of 12, an artificial pacemaker was implanted in Gerrie's abdomen to take over the job of the heart's natural function. A pacemaker is an electronic device which sends an impulse to specialized muscle tissue, making the heart pump at a steady pace. For Gerrie, the operation insures receiving the balanced amount of oxygen and nourishment to the body cells.

Today, Gerrie lives quite a normal life, "just like any other teenager" as she puts it. In May, she will be graduating from San Benito High School, and like most other high school seniors, her future is her main concern. In college, she hopes to major in pharmacy.

"I know that I want to go to college," she said, "but where exactly I'm not sure. I've always had an interest in pharmacy, and later I hope this comes through for me."

Gerrie is the daughter of Mr. and Mrs. Claudio Gonzales of San Benito. Her parents also view Gerrie as just another person.

"On December 19, 1974," Mrs. Gonzales said, "Gerrie had surgery again to check her pacemaker. Her previous pacemaker lasted two years and four months. With this new pacemaker, she can plan for at least four years of college."

Much of Gerrie's daily activity is centered around the band in which she plays the flute. "I guess I liked the flute because it's about my size. I love the band trips the most, especially doing some of the crazy things that students aren't supposed to do."

On weekends, Gerrie works as a cashier at a large grocery store. She loves to read, "though riding around with kids" also keeps her busy. Her dark searching eyes and gentle smile make her attractive to many.

The American Heart Association's annual raising drive will be held in February and Gerrie will be attending several meetings to promote the volunteer activities. Gerrie's greatest concern over being named Heart Fund poster personality was the attention she might receive. "I've never been too much for dresses," she said. "I just want to be normal—not a celebrity."

Taking everything into consideration, one can be certain that Gerrie, without a doubt, is truly normal.

The South Texas Heart Association office is located in Harlingen, and anyone interested in working with the campaign or needing heart information may call 425-3924.

THE EMERGENCY UNEMPLOYMENT HEALTH BENEFITS ACT OF 1975

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. HASTINGS) is recognized for 5 minutes.

Mr. HASTINGS. Mr. Speaker, as of January the unemployment rate in the Nation had risen to 8.2 percent with the grim forecasts of even greater increases. More than 5.61 million persons are currently out of work. For these jobless and their families, a total of about 25 million persons altogether, the prospects are bleak.

Unemployment insurance, which for the average person is about $68 a week, is barely sufficient to keep a family fed and pay the utility bills. While the Government has moved to meet these problems through the recently enacted emergency public employment legislation and extension of unemployment benefits, there is still a major area of concern that needs immediate attention.

That is the area of health care.

When a person loses his job he also loses his medical care insurance coverage. The anxieties that this can cause for the unemployed worker and his family are enormous, especially when you consider the high cost of health care today. During the past 10 years hospital costs have more than tripled and today the daily average rate exceeds $100.

The result is that families living on meager unemployment compensation, are going to postpone medical care even at the risk of serious illness. Losing one's job is tragic enough without adding the grim specter of sickness and catastrophic medical bills.

That is why today I am introducing the Emergency Unemployment Health Benefits Act, an emergency measure to continue premium payments of unemployed workers who are not covered by a spouse's or parent's health insurance policy.

The bill follows:

H.R. 3165

A bill to amend the Public Health Service Act to establish an emergency health benefits program for the unemployed

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Unemployment Health Benefits Act of 1975".

SEC. 2. The Public Health Service Act is amended by adding at the end thereof the following new title:

"TITLE XVII—EMERGENCY HEALTH BENEFITS PROGRAM

"ELIGIBILITY FOR HEALTH INSURANCE BENEFITS

"SEC. 1701. (a) It is the purpose of this title to provide—

"(1) to each individual who—

"(A) is unemployed and is entitled to receive weekly compensation under a State or Federal unemployment compensation law (including the special unemployment assistance program established by title II of the Emergency Jobs and Unemployment Assistance Act of 1974), and

"(B) would, if his employment by his previous employer had not been discontinued, be covered under an employer sponsored health insurance plan, and

"(2) to each dependent spouse (as defined in regulations of the Secretary) and to each dependent child (as defined in such regulations) of an individual described in clause (1),

health insurance benefits of the type and scope which would have been provided to such individual (or to such dependent spouse or dependent child) under the health insurance plan referred to in clause (1)(B), if the individual described in clause (1) were still employed by his previous employer.

"(b) For purposes of subsection (a), an individual is unemployed for any week if, for such week, such individual is entitled (or would, except for illness or disease, be entitled) to receive compensation under a State or Federal unemployment compensation law. The Secretary may, in order to facilitate the administration of this title, provide by regulation that an individual will, for purposes of subsection (a), be deemed to be unemployed for all of the weeks in any period of weeks (not in excess of 6 weeks) if such individual is for one or more of the weeks in such period unemployed within the meaning of the preceding sentence.

"(c) No health insurance benefits shall be provided under this title to any person—

"(1) during any period for which he is covered (without regard to the provisions of this title), or has the opportunity to obtain (by reason of action on his part or on the part of any member of his family) coverage, under any employer sponsored health insurance plan, or

"(2) who would have received benefits under an employer sponsored health insurance plan which provided health benefits to formerly employed persons which plan was in effect on February 7, 1975.

"ARRANGEMENTS WITH CARRIERS AND STATE AGENCIES

"SEC. 1702. In carrying out the purpose of this title, the Secretary shall (whenever he is able to do so)—

"(1) enter into arrangements with the carriers (and in appropriate cases with employers or employee welfare benefit plans (as defined in section 3(1) of the Employee Retirement Income Security Act of 1974)) whereby individuals covered for benefits under this title will be provided such benefits under the particular health insurance plan by which such individuals were covered while employed by their previous employer and there will be paid to such carriers (or, in appropriate cases, to such employer or employee welfare benefit plan) amounts equal to the premiums or other charges prescribed for such benefits plus any additional administrative expenses reasonable incurred by the carrier (or by the employer or health and welfare trust) in securing such benefits under the arrangement, and

"(2) enter into agreements with the State agency of each State under which such agency will be utilized by him for the purpose of making determinations, in the case of individuals in the State, of eligibility of such individuals for the health insurance benefits provided by this title, and for the purpose of making payments to carriers (and employers or employee welfare benefits plans) through whom such benefits are secured for individuals in such State; and any such agreement shall provide that the Secretary will pay to each State agency which is a party thereto amounts equal to the administrative and other expenses reasonable incurred by such State agency which is a party thereto amounts equal to the administrative and other expenses reasonably incurred by such State agency in performing the functions specified in the agreement.

"DEFINITIONS

"SEC. 1703. As used in this title—

"(1) the term 'Secretary' means the Secretary of Health, Education, and Welfare;

"(2) the term 'employer sponsored health insurance plan' means a health insurance plan which covers some or all of the employees of an employer and the premiums for which are paid or collected wholly or in part by the employer;

"(3) the term 'health insurance plan' means an insurance policy, contract, or other arrangement under which a carrier undertakes in consideration of premiums or other periodic payments, to provide, pay for, or reimburse the costs of, health services received by individuals covered by the plan;

"(4) the term 'carrier' means a voluntary association, corporation, partnership, or other nongovernmental organization which is engaged in providing, paying for, or reimbursing the cost of, health services under group insurance policies or contracts, medical or hospital service agreements, membership or subscription contracts, medical or hospital service agreements, membership or subscription contracts, or similar group arrangements, in consideration of premiums or other periodic charges payable to the carrier;

"(5) the term 'employer' shall have the meaning given such term in the applicable State or Federal unemployment compensation law described in section 1701(a)(1)(A); and

"(6) the term 'State agency' means the agency of a State which administers the unemployment compensation law of that State, approved by the Secretary of Labor under section 3304 of the Internal Revenue Code of 1954.

"TERMINATION DATE

"SEC. 1704. Notwithstanding any other provisions of this title, no health insurance benefits may be provided under this title with respect to any week ending after June 30, 1976."

AMERICAN CONSERVATIVES SEEK ALTERNATIVES

The SPEAKER. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 15 minutes.

Mr. BAUMAN. Mr. Speaker, last week the 1975 Conservative Political Action Conference met for 4 days in Washington, D.C., sponsored by the American Conservative Union and Young Americans for Freedom, in cooperation with

Human Events and National Review magazines. More than 500 leading conservatives from both parties were present including a number of State legislators, Republican Party officials, as well as rank and file Democrats, Republicans, and Independents.

I had the honor to give the keynote address at this imperative gathering, and a number of my congressional colleagues spoke before various panels and meetings including the Senator from New York, Mr. **BUCKLEY**, the Senator from North Carolina, Mr. **HELMS**, and the Senator from South Carolina, Mr. **THURMOND**, as well as the gentleman from New York, Mr. **KEMP**, the gentleman from Illinois, Mr. **CRANE**, the gentleman from Ohio, Mr. **ASHBROOK**, the gentleman from California, Mr. **ROUSSELOT**, and also the Governor of New Hampshire, Meldrin Thompson.

While this conference is an annual event which has been held for several years, it obviously took on a new meaning this year as evidenced by the press and media coverage. Many conservatives in both parties have grown increasingly dissatisfied with the leftist radicalization of the Democratic Party and the apparent drift away from conservative principles in the Republican Party.

Naturally, the news media placed a great deal of emphasis on the possibility that this conference would produce a third national political party.

My own thought was, and is, as I expressed in the conference keynote:

> I am of the opinion that this country does not need a third party; but by any objective analysis it badly needs a second party.

I think it is obvious that many Americans are greatly concerned with the deficit financing and inflation philosophy that have caused our economic problems. They fear the elevation to high office of men they cannot support. They fail to agree with amnesty for those who would not fight for their country and they oppose a foreign policy which seeks a constant accommodation with communism. They are just as repelled by the so-called reforms within the Congress that are, in truth, an ultimatum to conservatives in the Democratic Party that their time of influence is gone.

Although the conference most definitely did not endorse the creation of a third party, it did create a "Committee on Conservative Alternatives" which has been commissioned with the task of reporting back to the delegates periodically with specific recommendations for the future course of conservatives. I include at this point in my remarks a resolution adopted by the conference dealing with the creation of this committee:

COMMITTEE ON CONSERVATIVE ALTERNATIVES

Whereas, the severe problems facing America constitute both a challenge and an opportunity for conservatives; and,

Whereas, conservatives have been forced into a political position which leaves us without a serious leadership role in either major party; and,

Whereas, the question of our allegiance to these political parties is a matter of increasing doubt to conservatives; and,

Whereas, the present national leadership of the Republican party has not effectively articulated or represented the conservative sentiment of the vast majority of Republicans; and,

Whereas, millions of Democrats are alienated by the increasingly radical orientation of the Democratic Party; and,

Whereas, a growing number of independent voters reject both major parties;

Therefore be it resolved,

That the Committee on Conservative Alternatives be formed to provide a formal mechanism to review and assess the current political situation and to develop future opportunities;

That the Committee initially be composed of the following members:

Representative John Ashbrook of Ohio.

Representative Robert Bauman of Maryland.

Ronald F. Docksai, National Chairman, Young Americans for Freedom.

M. Stanton Evans, National Chairman, American Conservative Union.

Senator Jesse Helms of North Carolina.

Eli Howell, political consultant and former assistant to the Governor of the State of Alabama.

State Senator Cyril Joly, Republican National Committeeman from the State of Maine.

James Lyon, Harris County (Texas) Republican Finance Committee Chairman.

J. Daniel Mahoney, Chairman, New York Conservative Party.

William Rusher, Publisher, National Review, New York City.

Phyllis Schlafly, author and commentator, Alton, Illinois.

Robert Walker, former political aide to Governor Reagan of California.

Thomas Winter, Editor, Human Events, Washington, D.C.

That the Committee membership may be increased by a majority voting of the members named herein;

And that the Committee on Conservative Alternatives periodically report back to the attendees at this conference and other interested conservatives and call another national meeting, if deemed necessary, to chart more explicitly the future course of conservatism.

Mr. Speaker, I need not review here the great dissatisfaction on the part of Americans with their Government and with the Congress. The fact that nearly 62 percent of the people failed or refused to vote in the last election is proof enough. The conservative mandates expressed in the elections of 1968 and 1972 remain as yet unfulfilled. There is a tremendous potential in this country for a conservative national party, which is what I have always understood my own party, the Republican Party, was to be.

In the coming months, the future of both parties, and far more important, the future direction of our Nation will be decided. I do not think that the dissatisfaction of the many millions if conservative Americans should be overlooked, and the Conservative Political Action Conference has made that fact abundantly clear.

NEED TO REASSESS VALUE OF UNITED NATIONS

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. **SIKES**) is recognized for 10 minutes.

Mr. SIKES. Mr. Speaker, in recent months the United Nations has met with much criticism from the American public as well as from congressional and other leaders in this country. Even staunch supporters of the United Nations are disturbed by some of the resolutions which passed during the 1974 session of the General Assembly. There has developed in the last several years a block vote composed of Third World nations and some Communist countries. The vote of this majority has literally swept through the General Assembly many resolutions which have had little regard for the interests of the United States and other Western countries. This was particularly evident in 1974.

John Scali, U.S. Ambassador to the United Nations, in a speech before the members of the Assembly suggested that such resolutions cannot be implemented without the support of the Western countries who supply the major portion of U.N. funds. Therefore, he warned, such resolutions are meaningless, and if they continue to be passed without consideration of the interests of all the members the United Nations can be expected to lose its credibility and therefore its support among Americans. What are some of the resolutions which have met with such disapproval not only in the United States but in European countries as well?

First, there was the barring of South Africa from participation in the 1974 General Assembly. This was accomplished through a General Assembly resolution which was passed in spite of a decision of the Security Council not to expel South Africa from the U.N. organization. According to U.S. diplomats, this Assembly action was clearly an illegal one, contrary to the U.N. Charter, which specifies that members of the organization can be expelled or suspended only on the recommendation of the Security Council.

It has also been suggested by some that many of the member countries which voted for the resolution are no more innocent in the realm of human rights than is South Africa's much criticized aparetheid policy on which the U.N. action was based. Examples are Uganda's forcibly expelling 26,000 Asians and expropriating their possessions, the Soviet Union's treatment of its Jewish minority as well as its citizens who dissent from the government's current political position, and the massacring of 75,000 members of Burundi's Hutu majority.

Second, there was the Assembly's invitation to the Palestinian Liberation Organization—PLO—to participate in the debate on Palestine and the treatment of Arafat, who was accorded honors normally reserved for heads of state. Such action significantly reduced the United Nations' credibility as a peacekeeping organization because it clearly indicated that a great many U.N. members support terrorist methods. However, this was not all. In addition to allowing the voice of the PLO to be heard, the General Assembly restricted Israel's right to reply during the debate to 10 minutes. How can an organization expect to remain useful to all its members when it refuses to allow equal time for rebuttal to a member whose vital concerns are involved in a debate issue of such widescale importance? Not only was

Israel refused equal time but the General Assembly also passed two resolutions very unfavorable to that country. One resolution declares that the Palestinian people have the right to independence and sovereignty, that the Palestinians have the "right to return to their homes and property from which they have been displaced and uprooted," and that they are a "principal party in the establishment of a just and durable peace in the Middle East." A second resolution grants the PLO "permanent observer status in the General Assembly and gives the movement the right to participate in international conferences under United Nations auspices."

Third a resolution adopting the Charter of Economic Rights and Duties of States. This charter:

Would sanction expropriation of foreign-owned property without guarantee of equitable compensation which is contrary to international law accepted by Western countries.

Would demand "full compensation for the exploitation and depletion of, and damages to, the natural and all other resources of those countries, territories and peoples" which are victims of colonialism, racial discrimination, neocolonialism, and occupation and domination.

The declaration has been criticized by the American Bar Association for its disregard for international law and by important sectors of American business, who state that the proposed declaration "would seriously deter if not fully shackle foreign private investment."

Fourth, a special fund was created during the sixth special session held during the spring of 1974. The fund would provide emergency relief and development aid to nations hardest hit by the quadrupled price of oil and the rise in cost of other commodities. The United States has refused to contribute to the fund or to sit on the board of governors because the feeling is that the special fund merely duplicates already existing organizations.

Fifth, the General Assembly passed a resolution increasing by 6 percent the salaries of the professional and higher level staff of the United Nations and its agencies. The resolution was passed over protests by the United States that the U.N. Secretariat is already the highest paid civil servant in the world, with takehome pay 24 to 36 percent higher than comparable American Civil Service salaries.

These are the resolutions referred to by John Scali as the product of a "tyranny of the majority."

Also, during 1974, UNESCO cut its aid to Israel for allegedly altering the historic sites in Jerusalem and refused her membership in its European regional group. We Americans believe that a humanitarian and cultural organization such as UNESCO should not be used for politcial purposes. As a result public support has been further reduced for an important agency of the U.N. system. In fact, the Congress has felt strongly enough on this matter that approximately $16 million in funds already appropriated for the U.S. contribution to UNESCO are being withheld "until the President certifies to the Congress that such organization: First, has adopted policies which are fully consistent with its educational, scientific, and cultural objectives, and second, has taken concrete steps to correct its recent actions of a primarily political character.

How shall the United States react to a United Nations so removed from its original purposes? One suggestion has been to reduce our contributions to the Organization. In 1973 the United States contributed $409,118,000, or 31.40 percent of the expenditures of the entire U.N. system. This includes contributions to the regular budgets of the U.N. and its agencies and voluntary contributions to specific programs. U.S. contributions for 1946–1972 come to a total of over $4 billion—$4,693,451,000. There was an amendment to the Foreign Assistance Act for 1974, offered by Senator BYRD of Virginia, to maintain the 1974 level contribution rather than increase it by a proposed 24 percent. However, this was rejected.

It has been recommended by former Senator Dominick of Colorado that the United States withdraw from active partipication in the General Assembly while remaining in the Security Council in order to protect our interests and work with the U.N. specialized agencies. He further suggested that we should pursue peace through bilaterial negotiations, as Secretary Kissinger has done in the Middle East, and through international forums such as the Law of the Sea Conference.

Others have suggested that because of these recent occurrences in the United Nations the United States should reassess its role in the organization and seriously consider reducing its financial contributions.

Mr. Speaker, I must concur with the viewpoint that we need to reassess the value of the United Nations as we begin during the 94th Congress to consider U.S. contributions to the Organization and its various programs as appropriated through the Department of State and the Agency for International Development. The recent actions of the General Assembly will weigh heavily against the Organization in our considerations.

It has been apparent almost from the beginning that the United States has paid a disproportionate share of the costs of the U.N. Other nations, including Russia and France, which do not have financial problems and national debts comparable to ours withhold their payments to the U.N. at will, yet continue to exercise all the privileges of membership. The realistic course if the United States is to continue to be a member of the U.N. is that we pay a proportionate share of its costs based on population. This would reduce the cost to the United States to less than half of the amounts presently paid. There should also be a limit to the loans and grants which have been made year in and year out by the United States mainly because other nations failed to respect their commitments for dues.

Regardless of the amount of money which may be paid by the United States to the U.N., the time is fast approaching when there must be a reassessment of our attitude toward the United Nations. It is obvious that membership in the United Nations today is becoming more and more meaningless. Its once great objectives have long since lapsed into oblivion.

A CITY BETRAYED—VI

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, it was San Antonio's great misfortune to enter into a contract that Oscar Wyatt and the Coastal States Co. stood behind. Coastal's name was not on the contract, but it seems clear enough now that Coastal controlled the company that did sign the contract. Both that company's founder and Oscar Wyatt knew that the gas to support that contract did not exist. But Wyatt, gambling on the future, evidently felt that he could cover his bet sometime in the future.

It would have worked, if gas prices had never gone up. Unfortunately for Wyatt, prices of gas did start going up, and he could not buy what he needed to meet his contract obligations. He was caught with the necessity of living up to contracts at a time when he was short of gas and having to buy new supplies for more than he was obliged to sell. But Wyatt, like a common embezzler, did not admit the truth. He simply tried to brazen his way out of trouble. Unfortunately for him, that did not work, either.

Wyatt today tries to say that he did the right thing, but the truth is that he is a plain, old-fashioned liar. The respected business magazine, Forbes, summed it up this way on January 1, 1974:

> It seems that Coastal States prospered by selling more gas than it could deliver.
>
> You could say Wyatt is just a victim of the energy crisis, and that would be partly true. It would also be debatable. Wyatt got caught kiting gas. It might have worked, indeed it did work, when Coastal States was a small company; but those days are over.
>
> Wyatt built a business by betting he could obtain reserves that he did not own . . .

In effect, Wyatt is like an embezzler. He started his fortune with a lie, and today he stands exposed. But like the chronic liar he is, Wyatt simply cannot bring himself to utter the truth. It seems beyond him.

For instance, a few days ago, a San Antonio newspaper quoted Wyatt as saying that he had literally begged San Antonio to switch its utility plants to coal some 4 years ago:

> I went to McAllister (the then mayor of San Antonio) and begged him on bended knee to go to coal, but he turned me down.

What really happened four years ago was that Wyatt was trying to find his way out of the economic squeeze he was in: having a firm contract with San Antonio, at a price too low to cover the expense of acquiring the natural gas he was obliged to supply.

Four years ago, Wyatt was trying to break his contract and hike the price of gas to San Antonio. He tried it by getting a bill introduced into the Texas Legislature on March 9, 1971, that would allow any gas supply contract to be broken.

Far from telling Mayor McAllister that San Antonio should switch to gas, Wyatt wrote him a letter claiming that Coastal had plenty of gas to cover its contract. He was only worried about the long-range future. Here is what Wyatt really said 4 years ago:

> When we entered West Texas, we bought gas at 10 cents to 20 cents in substantial quantities, and this puts Coastal in an adequate position to supply San Antonio for the remainder of its contract. (Letter of Oscar Wyatt to Walter W. McAllister, Sr., April 6, 1971)

This was no letter saying that San Antonio should go to coal. It was a letter saying that everything would be all right until 1982. Wyatt was not claiming that he had a problem then; he was not insisting that coal should be used in the stead of natural gas. Not even the friends and supporters of Wyatt's drive to break his contracts believed that this was so. Wyatt supporter Morris Jaffe, in a September 9, 1971, letter to McAllister, simply said that if San Antonio gave in to Wyatt's demands, "Oscar Wyatt would give San Antonio a contract for 25 years * * *" Jaffe did not say anything about coal; neither had Wyatt.

Wyatt also says that he contributes little money to political campaigns. In the next breath he admits having given $60,000 to the Nixon reelection campaign chest. He said in an interview on February 9 that he rarely contributes to local campaigns, and that he had contributed nothing to the campaign of Charles Becker, now mayor of San Antonio—though he would have if asked.

I find this exceedingly interesting. The truth is that Wyatt is very interested in local politics. He has to be, because he does business with political entities.

Far from being disinterested in politics or political contributions, Wyatt's executive committee meeting on March 18, 1971, according to the handwritten notes of Norman Davis, included this agenda item: "political expends—see SA Suit."

At that time, San Antonio was about to sue Coastal to find out just how much gas they had. Wyatt evidently was interested in heading this off. He was actively trying to break his contract with San Antonio. This cause of course involved politics. It clearly involved Coastal in political expenditures in San Antonio. Just what these were, perhaps no one but Wyatt knows. What is certain is that Wyatt is clearly lying when he claims to have only a rare interest in local politics.

Who were these expenditures for? It is hard to tell, because in recent years, the heaviest contributor to San Antonio city council campaigns has been listed as "anonymous" again and again, even on the reports of Charles Becker. Who is "anonymous?" Wyatt claims that he is not the person; but he has lied about other things, and there is no reason to believe that he is telling the truth now—especially when his own company records show a discussion of political expenditures in behalf of Coastal in San Antonio—at the very time the city council campaigns were under way.

It certainly would have been of interest to Coastal to get a friendly representative on the city council in 1971. That would have eased the way for it to renegotiate its contract. And that was the highest single priority the company had. Disinterested in local politics? Not Oscar Wyatt.

So San Antonio had the misfortune of entering into a contract with a company that deceived its customer from the very beginning. It had the further misfortune of being caught up in a national energy crisis—a crisis made far worse by the fact that it was dealing with a chronic liar, Oscar Wyatt—a man, who the records plainly show, still cannot and will not tell the truth. He must have gotten out of the habit.

HEALTH RESEARCHERS REACT TO IMPOUNDMENT OF NIH FUNDS

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 10 minutes.

Mr. DRINAN. Mr. Speaker, since the Ford administration began its illegal impoundment of funds appropriated to the National Institutes of Health in early January of this year, I have received numerous letters from health researchers and administrators in my congressional district and throughout the Greater Boston area expressing their concern over the effects which the cutback in spending of more than $350 million in fiscal 1975 proposed by the President will have upon their work and upon the national effort to conquer serious disease. I believe that these dedicated health professionals can express, far better than I, the serious impact of this impoundment of appropriated funds. I reproduce below a few of the many letters which I have received on this subject. At the same time, I urge my colleagues to oppose the rescission of NIH funds when a rescission bill reaches the floor of the House.

Since I have not sought the permission of the authors to reprint these letters, I have omitted any personal identification:

JANUARY 22, 1975.

Representative ROBERT F. DRINAN,
Cannon House Office Building,
Washington, District of Columbia.

DEAR REPRESENTATIVE DRINAN: Please do all you can to turn aside any effort by the administration to exercise deferral-recession authority over the $43,000,000 General Research Support grant program.

These funds are extremely important because they permit research institutions to: (1) tie various research activities together into an effective overall program (2) provide funds for central research facilities which are extremely difficult to cover by piecemeal assignment of costs to many small sources of research support (3) enable research institutions to retain key staff between periods of loss of research support thus preserving continuity of excellent.

GRS is largely spent on salaries. Loss of these funds at this facility will mean the firing of several individuals and this outcome will be true at most institutions. It makes no sense to appropriate billions to create makeshift jobs on one hand while driving others out of useful health related research work by killing GRS on the other.

I am aware that the official position of DHEW and NIH is that GRS has a lower priority than research project funds. I am also aware that such a policy arises from little understanding by DHEW of the importance of GRS to the stability of the biomedical research base of the nation. The administration's demand that NIH set a priority on GRS is like asking a man which he wants most—gas or oil for his car? You don't go anywhere without gas but you also don't go very far without oil. With a gun to one's head, of course, the choice is gas in the hope of escaping to better days.

GRS is very much analogous to the oil which keeps the biomedical research machinery of the nation operating smoothly. Please keep it available so that we won't have to watch decades of painful development go up in the smoke of burnt out bearings.

Respectfully yours,

——— ———.

JANUARY 29, 1975.

Congressman FATHER DRINAN,
House of Representatives,
Washington, D.C.

DEAR FATHER DRINAN: The President's Office of Management and Budget has ordered the National Institutes of Health to operate until further notice below the fiscal 1975 level of congressional appropriations. Significant cuts have been ordered in each NIH branch, affecting most severely the very essential research endeavors.

I am writing to you both from the general interest raised by these cuts which will certainly affect the long-range progress of medicine as well as from my own personal experience. I have presently a research grant application with the Heart and Lung Institute; this project was found meritorious enough to be approved, however no funds were allocated. I am sure you realize the unfortunate situation of not funding such research projects. My own deals with further research in coagulation problems, which, if successfully completed, may lead to better treatment of certain types of hemophilia.

I would like to urge you, in case the President asks permission to make "rescissions", not to approve such rescissions or if alternatively the President asks the Congress for permission to make "deferrals", please take action not to allow it. I hope the Congress will order the President to spend appropriations fully. Every penny spent today will save a life a few years hence.

With best regards,

——— ———.

JANUARY 31, 1975.

Representative ROBERT F. DRINAN,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE DRINAN: I have just learned that the Presidents' Office of Management and Budget has cut the congressional appropriation for fiscal 1975 for the National Institutes for Health from 2,042 to 1,685 million dollars. The National Institute of Child Health, which supports my research was cut from $142 to $118 million.

This cut will have a very bad impact not only on biomedical research but also on the economy. I would like to develop this latter point here.

For example, I have been waiting since September 1974 to hear whether or not my competing renewal research grant HD 00143-16 will be funded for the fiscal year 1975, using emergency funds to support the personnel employed. I wonder if the President understands how much of this money goes to pay salaries? My annual budget consists of $55,000 in salaries, $8,000 in supplies and $7,000 miscellaneous expenses (to maintain equipment, etc.). That is to say, over 75% of my direct budget goes to support research assistants, research associates, part time secretarial help and various technicians. In addition, indirect costs of $30,000 would have been awarded to Harvard by the grant.

You must realize how many medical research centers exist in the Boston area and it should come as no surprise to hear that many of the investigators doing top-notch work are in my same predicament. The unemployment in the Boston area that will be created by these fiscal 1975 cuts to N.I.H. is enormous. My grant alone directly supports (full or partly) 10 nonacademic employees and indirectly many others.

Should the President put these trained technicians doing valuable biomedical work for the nation out of jobs and then rehire them on some contrived welfare project?

Sincerely yours,

——— ———.

FEBRUARY 4, 1975.

Hon. ROBERT DRINAN,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DRINAN: I wish to inform you of my concern about the current problems facing biomedical research in this country. This reflects my being a biomedical researcher as well as a taxpayer and citizen of this country. I doubt if any resident has been unaffected by the economic problems with which we are beset. I follow with anxiety the apparent inverse relationship between the unemployment roles and both gross national product as well as other business indicators. Up until recently, I felt that we in biomedical research are not sacred cows and should be expected to shoulder our fair share of this problem of combined inflation and recession. After recently speaking to my colleagues locally, nationally, and at the National Institutes of Health, I find it necessary for me to express my views.

At the present time, based upon my best information, biomedical research in this country is in a state of limbo. This is largely due to the uncertainties of monies which will be appropriated for the National Institute of Health budget. In principle this results from President Ford's request for significant budgeting reductions. I can best illustrate the consequences of this from personal experience. However, as I indicated this is happening to *many* researchers around the country. Due to these uncertainties the Institutes have taken a very cautious and understandably conservative stance on budgetary commitments for grants. No new grant applications will be funded, in some institutes, even though approved, and recommended for funding. In the case of ongoing competitive renewals approved for funding, apparently only 20% have received any indication of financial commitment. These are only in the case where a Jan. 1, 1975 obligation was necessary. In many cases, although recommendations for up to five years were approved, applicants have been informed that this was reduced to one year. Funds were only provided until April 1975. Others who require June starting dates have been told that they must wait until April for final disposition. As a result of these events it becomes impossible for many to know if they will be able to continue their research activities.

There was an acute feeling of indignation and frustration with the impoundment of funds by the previous administration. Only as a result of court action by several academic institutions were these funds subsequently released. This has left bitter memories with many researchers. I am afraid that the current situation will only add to this frustration and aggravation. Presumably active, well established groups may be able to survive at some reduced level of productivity. However, it will become increasingly difficult for the younger, developing scientist to survive and produce significant research. This could result in an erosion of interest of bright and talented young people. Ultimately, a situation might develop at some future time, where there is an inadequate supply of biomedical teachers and researchers. Thus a depletion of the requisite number of clinicians, technologists and biomedical researchers could eventually become a serious national problem.

The event that finally prompted my writing to you is the reported recent attempt by the administration to provide another $500,000,000 for Southeast Asia. I believe our country has sacrificed itself sufficiently for this unpopular cause. These monies could adequately be spent more wisely. Needless to say these funds could provide a vital infusion of stability and confidence among biomedical researchers in their future professional endeavors and also in their government.

I hope that you and your colleagues will decide not to reduce the National Institutes of Health budget request and not to support additional funding for Southeast Asia.

I thank you for taking the time from your busy schedule to read this letter.

Sincerely,

——— ———.

FEBRUARY 10, 1975.

Congressman ROBERT DRINAN,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DRINAN: As one of your constituents (as well as one of your admirers and supporters) and as one who has previously testified before you (in Newton City Hall) on problems relating to the NIH I wish to applaud you for the support which you have taken which was evident in the material which was published in the Congressional Record of January 23, 1975.

All of us actively concerned in the biomedical area and concerned about patients and their welfare have been distressed by the shortsighted actions of the Administration in recommending recissions of the NIH budget which had been authorized and appropriated by the Congress. The President's recission proposal amounts to a cutback of about 17.5% and would have devastating effects on the already limited funds for biomedical research. As we try to deal with our country's economic problems and endeavor to infuse money into the economy it seems completely unreasonable and inappropriate to cutback in the health area which is so vital to the welfare of our citizens.

The purpose of this letter however is to commend you for your actions and to indicate our support of your efforts. I know that many of our medical colleagues will be only too pleased to do whatever may be advisable to further your efforts in this regard. We appreciate your leadership.

Sincerely yours,

——— ———.

DR. MARTIN LUTHER KING, JR.

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I am pleased to join today with the gentleman from Michigan (Mr. CONYERS) and several of my colleagues in both the House and Senate in introducing a bill to designate the birthday of Dr. Martin Luther King, Jr., January 15, as a legal public holiday.

Martin Luther King was a man among men. Those of us who lived in his generation can be proud that he appeared on the scene in our lifetime. To the black citizens of this country, he can be likened to Moses who saw the Promised Land, but could not pass over the River Jordan. To white America, he is a shining example of what is best in our Nation. He stood, as Gandhi stood before him, as the leading proponent of nonviolence in our age. A nation like ours, made up of every color and religion, should take note of those spectacular men who rise up in a time of trouble to lead us and bring us together.

Our need for and commitment to reconciliation of the races remains as strong today as when Martin Luther King inspired us in the march on Washington 11 years ago. To set aside his birthday as a public holiday, to recall his courage and his commitment, would be a unifying force for white and black. By so doing, we shall draw from his legacy the resolve we shall need to complete the task he helped begin

PRIVACY SURVEY SENT TO PRIVATE ORGANIZATIONS AND STATE AND LOCAL GOVERNMENTS BY REPRESENTATIVES KOCH AND GOLDWATER

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extranous matter.)

Mr. KOCH. Mr. Speaker, Congressman BARRY GOLDWATER, Jr. and I have again joined forces in a bipartisan effort to extend privacy safeguards to State and local governments and the private sector. Our bill, H.R. 1984, the Koch-Goldwater Comprehensive Right to Privacy Act, is designed to accomplish that goal.

In order to ascertain the impact such legislation will have, we have sent a questionnaire on the issue of privacy to the 50 State Governors, mayors of 200 cities, the 500 largest industrial corporations in the country, insurance companies, banks, unions, trade associations, and universities.

We want to know how private organizations are handling their information systems and if they can implement privacy safeguards. We need their comments in order to write a tighter, more workable bill. We solicited comments from over 100 organizations last year, and I think the reactions were invaluable in helping us write the Privacy Act of 1974.

I am pleased to enclose a copy of the questionnaire and the covering letter:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 3, 1975.

DEAR FRIEND: The Privacy Act of 1974, P.L. 93–579 has recently been signed into law by President Ford. This Act permits an individual to have access to information held on him by federal agencies; permits him to correct erroneous material in his file; and to supplement the information; and also places controls on agency dissemination of individual information. This Act will most likely be looked at by private organizations as model legislation on which a code of fair information practices for private organizations will be enacted.

We have introduced legislation known as the Koch-Goldwater Comprehensive Right to Privacy Act, H.R. 1984, which applies privacy provisions similar to those found in P.L. 493–579 to state and local governments and to organizations in the private sector. The purpose of this letter is to get an early statement on the issues from you before the Congress begins its work on privacy legislation. No doubt the 94th Congress will discuss the principles of privacy legislation as well as extending similar provisions of the Fair Credit Reporting Act to the private sector.

We have prepared the enclosed questionnaire for you to help us in responding to questions we have on several important subjects and would like to have the information for general legislative purposes. So, we want to know more about how such requirements would affect you and would like your recommendations on the impact of privacy legislation.

If your organization has established any privacy guidelines, we would be interested in seeing them. If there are any state or local statutes which preclude your implementing any principles of privacy, we would like to be advised. If you maintain personally identifiable data abroad on American citizens, we would like to know if those files are treated differently than those held in the United States.

Hearings will probably be held by the House Judiciary Committee on privacy legislation. We have spoken with Subcommittee Chairman Edwards who will be chairing these hearings advising him that we will make available to him and his staff information we receive as a result of the questionnaire returns.

We are sending this questionnaire to State Governors and Mayors of many cities, to county executives, to the 500 largest industrial corporations in the country, to banks and insurance companies, universities, trade associations and unions in order to ascertain the reactions to implementing privacy safeguards.

We would appreciate receiving your reply by March 15, 1975. If you have any questions, please write to us in Room 1134 Longworth House Office Building, Washington, D.C. 20515, or call Joe Overton (Office of Rep. Barry Goldwater, Jr., 202-225-4461) or Barbara Bayly (Office of Rep. Edward I. Koch, 202-225-2436).

We respect the prerogatives of your organization if you decide not to reply to this questionnaire. However, we would appreciate your advising us if you are unable to respond.

Sincerely,

BARRY GOLDWATER, Jr.,
EDWARD I. KOCH.

KOCH-GOLDWATER PRIVACY SURVEY OF SELECTED PRIVATE ORGANIZATIONS AND STATE/LOCAL GOVERNMENTS 1975

Organization:
Address:
Organization contact:
Name:
Title:
Telephone Number:

1. Describe your organization, specify type, function, and major objectives.

2. Indicate the approximate number of employees:

3. Indicate if your organization uses, collects, handles, or disseminates records which contain individually identifiable personal information (manual/automated). If computers are used to handle these records indicate percentage of their use as well as mode of operation.

(NOTE.—Each of the below contain the following headings: Type of Records, Number of Records, Computer Batch, Operation On-line, ADP In-house, Supported by Service Bureau.

(a) employee records (includes payroll, health, etc.)

(b) client/student records

(c) other records: specify (i.e., investigative, sales, credit, mailing list, statistical)

4. If the enclosed Public Law 93-579 were to apply to your organization's operations, what problems do you foresee. (If needed, use additional sheets for your comments.)

5. Listed below are the ten principles of privacy. For each check:

Column A—If your organization or firm presently practices the principle.

Column B—If you believe that your organization could easily implement the principle.

Column C—If you believe that your organization could not implement the principle because of cost, time, or operational considerations.

Column D—If there are technical, administrative or legal problems and limitations.

(NOTE.—Each of the below contains four check boxes A, B, C, and D.)

PRINCIPLES OF PRIVACY.

1. Permit any person to inspect his own file and have copies made at reasonable cost to him.

2. Permit any person to supplement the information in his file.

3. Permit the removal of erroneous or irrelevant information and provide that agencies [organizations] and persons to whom material had been previously transferred, be notified of its removal.

4. Prohibit the disclosure of information in the file to individuals in the agencies [organizations] other than those who need to examine the file in connection with the performance of their duties.

5. Require the maintenance of a record of all persons inspecting such files, and their identity and their purpose.

6. Insure that the information be maintained completely and competently with adequate security safeguards.

7. Require that when information is collected, the individual must be told if the request is mandatory or voluntary and what penalty or loss of benefit will result from noncompliance.

8. Require that the person involved in handling personal information act under a code of fair information practices, know the security procedures, and be subject to penalties for any breaches.

9. Permit anyone wishing to stop receiving mail because his name is on a mailing list to have that right.

10. Prohibit agencies or organizations from requiring individuals to give their social security number for any purpose not related to their social security account, or not mandated by federal statute.

Recognizing that your organization may handle differently employee, client, or other records, you may wish to make additional copies of this page.

Specify type of record.

LITHUANIAN INDEPENDENCE DAY

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, it is a pleasure for me to join Lithuanian-Americans throughout the country in recognizing, on Sunday, February 16, the 57th anniversary of the establishment of the Republic of Lithuania.

The history of the Lithuanian people is one of constant struggle against overwhelming oppression. Their experience yields not only the symbolic vision of liberty, but the real, continuing struggle to regain the freedom that was lost.

During the Middle Ages, Lithuania was a powerful and independent state, halting for centuries the German drive to the East. Their leader, Vytautas the Great, was influential in establishing and strengthening Lithuanian ties, both culturally and philosophically, to Western Europe. They established and stressed individual freedoms and as one scholar noted:

> They blessed their subjects with more human freedoms than in neighboring countries. They encouraged education and toleration, and they played their part in the general development of European civilization.

Although Lithuania was an establishd state in 1795, they were not strong enough to resist Russian occupation. The Tsarist government began an intensive and deliberate campaign to eradicate the Lithuanian language and culture, which lasted until 1905. It is a tribute to the Lithuanian spirit that after almost a century and half of trying, this campaign was abandoned as hopeless.

The advent of World War I brought both tragedy and triumph to the Lithuanian people. While Lithuania was badly trampled upon, first by retreating Russian armies and then by advancing German legions, the time was ripe for independence and on February 16, 1918, a council of delegates proclaimed an independent Lithuania, based on democratic principles. In September of 1921 Lithuania was admitted into the League of Nations. Independence, however, was short-lived. As World War II progressed, Lithuania was eventually engulfed by Russian forces and then, repeating the history of the First World War, German—Nazi—troops. Lithuania shared the world's anguish and grief over the overwhelming loss of life that World War II brought.

It is estimated that Lithuania suffered the loss of at least 45,000 people, either by Russian arrest or Nazi execution. Almost all Lithuanian Jews were executed by the Nazis. After the war, Russia once again dominated Lithuania, beginning a policy of deportation and russification. The Soviet control of Lithuania represents a gross contravention of international law. But the issue is not simply one of political sovereignty. It has become a question of the right of a people to an ethnic and cultural identity. For 50 years the Soviet Union has made a concerted effort to destroy the Lithuanian Nation by the diffusion of its population.

It has been estimated that from 1944 to 1950 350,000 Lithuanians were deported. Since then, the Soviet Government has conducted a massive settlement of Russians in Lithuania and a corresponding dispersal of Lithuanians over the hinterlands of the U.S.S.R. Stalinistic terror tactics have been replaced by the application of administrative and economic pressure, but the policy remains methodically effective. Once again it is a great tribute to the Lithuanian spirit that, both in Lithuania and abroad, Lithuanians continue to fight for their deserved freedom and the right to preserve their cultural identity.

In many ways, Alexandr Solzhenitsyn has given voice to the Lithuanian cause. Whether directed toward an individual or an ethnic group, Soviet policy ultimately contains one message—that freedom of diversity, whether in the intellectual or cultural realm, will not be tolerated. The continued destruction of freedom-loving groups like the Lithuanians can only enhance the strength of that policy.

Mr. Speaker, I submit that we are faced with a basic moral imperative to lend our moral support to the cause of intellectual and national freedom in the Soviet Union. It is appropriate that tribute be paid to the oppressed of the U.S.S.R. But, in this case, our words are given meaning by our actions. Our accolades will be empty if we are willing to forget the plight of the minorities living amongst the Russians in our quest for détente with the Soviet Government. To honor the Lithuanian people by taking special note of the Independence Day is to act as a nation according to the message of Alexandr Solzhenitsyn:

> The salvation of mankind lies only in making everything the concern of all.

A MATTER OF PRIORITIES

Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, American Forests in their February 1975 issue spelled out in editorial form the need for the continuation of the forestry incentives program. President Ford has proposed that the entire $25 million appropriated for this new program for fiscal year 1975 be eliminated. Forestry incentives plan, now in its second year, has been hailed as one of the most important programs yet devised for reforestation or stand improvement of small ownership forestry tracts. It is now in operation throughout the Nation. To summarily drop the program would be a blow from which it would take years for the program to recover.

The forest incentives program should be continued by the Congress. I submit the editorial in its entirety for reprinting in the CONGRESSIONAL RECORD:

A MATTER OF PRIORITIES

In a telegram to President Ford in December, AFA protested vigorously the Administration's proposal to wipe out the Forestry Incentives Program as just one of several forestry recisions and deferrals.

The entire $25 million for this relatively new forest incentives project would be eliminated if President Ford's recommendations are approved. So would $3.5 million for Rural Fire Protection, the first appropriation under this newly authorized program. Cooperative fire control funds to the states would be reduced $4.9 million. Ten million would come off the appropriation for tree planting and timber stand improvement on the National Forests.

And, forestry is not alone. Almost the entire Agricultural Conservation Program (all except existing long-term contracts) would be eliminated. The Water Bank would be wiped out. Finally, Land and Water Conservation funds would be reduced drastically, just to mention a few of the conservation setbacks.

But, let's focus on the vital forestry incentives program which AFA was so instrumental in promoting through its Trees For People Task Force. It is only just beginning to make real headway. It has taken time to inform landowners, to increase nursery stock production, and to develop suppliers and contractors with the ability to service tree planting needs. It is the type of effort that cannot be turned off and on, and still be effective. The Spring of 1975 could be, with adequate funding, the proving ground for forestry incentives. If deferred, will it ever get going again? At least two years of momentum would be lost.

At the same time that budget recisions and deferrals are being proposed by the White House, the Administration and the Congress both are working feverishly to provide funds and jobs for a growing army of unemployed. AFA already has exerted leadership to assure that conservation and public lands are included in a new public works program. A modern-day Civilian Conservation Corps would provide an ideal combination of natural resource benefits coupled with employment opportunities. The Senate Committee on Public Works has concurred in our recommendation that a public lands conservation component would benefit a proposed Emergency Public Works Employment Act. One of the great concerns of those working to alleviate the nation's unemployment is how to provide jobs in rural areas. What better way than conservation work—projects that rehabilitate both people and land. The CCC of the 1930s left more lasting benefits than any other depression years program. Why not a modern-day civilian conservation program for the nation's unemployed?

As pointed out by AFA to President Ford in protesting his recommendation to eliminate forestry incentives, this move would be counterproductive if the Administration is seriously concerned about rural unemployment. Forestry incentives represents conservation jobs on rural lands. Coupled with a public lands component in any new emergency employment act it would assure jobs where they are needed. Also, with increasing demands being made upon our nation's forests for wood products and other values such lands can provide, what better investment could be made in the future than conservation-oriented public works projects?

Conservation, one fears, has not yet come of age in the minds of many government administrators and legislators. Conservation gets token support if the wheel squeaks loudly enough. But natural resource projects are the first to get the axe when the reduced spending bite is called for. In our opinion, these are penny wise and pound foolish tactics for two reasons: 1) People and land must be the paramount concern for the long haul; 2) The public, increasingly, is aware of this. How else does one explain the new political look in Colorado and elsewhere where enlightened conservationists swept major political offices in the last election? The handwriting is on the wall.

No one can argue against the merits of reduced spending to curb inflation. Somehow we must stabilize the buying power of the dollar, at home and abroad. But as unemployment increases it only makes sense to strengthen those programs that can help unemployment now and strengthen the resource and economic bulwark for the future.

It comes down to a matter of priorities and whether we plan to go into reverse or accelerate ahead. AFA, once again, calls for a new look at priorities in our federal budget in terms of what is really important. And in doing so, let our administrators look to the people and the land. Those are the things that are important for the long haul.

A PRESIDENT IN THE MAKING

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, Erwin D. Canham, who is a very able writer, is the author of a column in the February 10 issue of the Christian Science Monitor, which should receive careful thought in Congress. He discusses the emerging strength of the President as Mr. Ford gains experience in the multiple challenges and the great undertakings which are before him. It is an encouraging statement—one that I think deserves reprinting in the CONGRESSIONAL RECORD.

A PRESIDENT IN THE MAKING

(By Erwin D. Canham)

As everyone says, Gerald Ford has begun to look like a president.

Most say it's a good thing, and a few say it's bad. The criticism is largely based on doubts about the President's energy program. There's fear that the speed with which the import tax is being applied may force the nation into ill-considered and harmful actions.

The objections are minimal. Congress has still an open opportunity to construct whatever energy program it considers best, modifying what the President has set in train. Nothing really irrevocable is under way.

And the emergence of a decisive President is an immense gain. President Ford knows, of course, that the new Congress is unpredictable and in many ways adverse to his own longest-held convictions. Perhaps he could have made an alliance with the former baronial leaders of the congressional committees. The new chairmen, pressed by the newly elected contingents in the House, are going to think for themselves.

A PLEASING CHOICE

The President's major need is to base his new decisiveness upon advisers and programs which have impressive substance. For this he still requires the recruitment of more capable people. Possibly the most encouraging single step he has taken—apart from his general display of energy and decisiveness—was the appointment of Edward Levi as Attorney General. Seldom has such an appointment pleased such a wide range of lawyers and jurists.

In no office is genuine independence and firmness of character more needed. If the new Attorney General is actually able to maintain careful supervision over the Federal Bureau of Investigation—as should have been done down through the years—one major reform will be on the way to achievement. It would not be necessary to experiment with difficult and constitutionally uncertain devices for separating the Department of Justice from partisan political control. The job can be done by an attorney general of sufficient integrity.

ADVANTAGES HELD

As time goes on, President Ford should learn how to use the wide-ranging capability of the executive branch. He has immense advantages over Congress, whose committees have inadequate staffs for constructive policymaking, and constant divisions and rivalries within and between the branches.

President Ford also has great handicaps. The adverse majorities of Congress, the manifest present flow of public opinion, the inherited burden of such policies as Indo-China: all these and other elements make his leadership of a decimated minority party dubious.

Frankly, I believe Mr. Ford will continue to show strengths, will grow in office. He relishes his job. He is no mere caretaker. He feels the possibilities of power as the engines of government throb under his hand. He has not shrunk from decisions. Far from it, he has plunged into decisions (like the Nixon pardon) with virtually no consultation and at impulsive speed. He has been burned once or twice, and must know it. It is inconceivable that he does not regret the economic attitudes of last fall, especially the ludicrous WIN buttons.

WISE ADVICE NEEDED

Meantime, the openness and decency of President Ford continue to be great assets. As an experienced legislator, he is used to defeats. He had more of them than he had of victories in his quarter century in the

House. Thus he can live with what Congress does to him in the coming months.

He will be strong and effective to the degree that he does actually listen to careful, wise advice. Perhaps he will learn a big lesson in the struggle over the energy program. And in the confrontation over aid to South Vietnam, or Cambodia. His worst heritage, which comes not only from the Nixon years, is Indo-China. Already the mistake of going heavily into Vietnam grieviously wounded two presidents. It should not destroy a third.

Learning the hard way, Gerald Ford may well turn into an impressive President.

A DIRECT LENDING PROGRAM WOULD ALLOW US TO HAVE HOME MORTGAGES AS LOW AS 5 PERCENT

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, there is an overwhelming need for an immediate—and substantial—drop in mortgage interest rates. The recent drops in interest rates have had only a minimal impact on long-term mortgages and today millions of American families are still priced out of the market.

Mr. Speaker, George Meany, president of the AFL–CIO has made a number of statements in recent days about the need for a return to mortgage rates which existed in the early 1960's—rates between 5 and 6 percent. Mr. Meany is correct and I hope Members of Congress will take a good look at his statements on this subject.

On many occasions, I have recommended that we return to some form of direct lending for home mortgages—for people in the low- and moderate-income brackets who simply cannot afford and who cannot obtain mortgages bearing interest rates of 8, 9, and 10 percent. Our colleague, Mrs. Leonor Sullivan of Missouri, has done a great deal of work on this subject and she has proposed in previous Congresses the establishment of a Home Owners Loan Corporation to provide direct lending.

A program of direct loans—limited to those persons priced out of the mortgage market—would enable us to provide long-term mortgages as low as 5 percent and, more importantly, put millions of hard-working, deserving Americans in decent sanitary homes. We can reach the goals in this area—the kind of goals which George Meany has been discussing—and the Congress should act.

At the present time, most of our Federal homeownership programs are all designed for financial tollgates—for guaranteed loans. These guarantees—carrying the full faith and credit of the U.S. Government—have been attached to some of the most expensive mortgage paper in the history of this Nation. We are doing nothing for the great majority of American people when we pass out Government guarantees for mortgages which more than half the population cannot afford.

Mr. Speaker, I want to place in the Record a copy of a transcript of Face the Nation on which George Meany, president of the AFL–CIO was the guest.

The transcript follows:

Face the Nation

Origination: Washington, D.C., Sunday, February 9, 1975.

Guest: George Meany, President, AFL-CIO.

Reporters: George Herman, CBS News; Philip Shabecoff, the New York Times; Barry Serafin, CBS News.

Producer: Mary O. Yates.

Associate Producer: Joan Spiegel.

Herman. Mr. Meany, you've said very clearly that you don't like the President's economic program. You've said with equal clarity, I think, that you don't like what's been proposed in the Congress. Where does labor now go to get what it wants established and done as policy in this nation?

Mr. Meany. Oh, I still think we've got to concentrate on the Congress. I think that what's happening over in Congress is disappointing, but I think we've still got to concentrate there. I don't see any hope in the philosophy of—the President laid out the other day, or the philosophy of Arthur Burns, who still seems to be running the show. We've got to look to the Congress.

Herman. Do you see some hope that you can get what you want from the Democratic Congress?

Mr. Meany. Well, it would take quite a long time to go into, and maybe we'll go into it a little later; but the answer is that at the present moment it looks very bad, but we're going to keep plugging.

Announcer. From CBS News, Washington, a spontaneous and unrehearsed news interview on FACE THE NATION, with George Meany, President of the AFL-CIO. Mr. Meany will be questioned by CBS News Correspondent Barry Serafin, Philip Shabecoff of the New York Times, and CBS News Correspondent George Herman.

Herman. Well, Mr. Meany, you said it would take a long time, but I guess I have to try anyhow. Maybe you can give us an abbreviated version of how you think the labor movement can get the help it needs in Congress when you've already said you don't like the programs—the economic programs—of so many people—Senator Humphrey, Senator Mansfield and so forth.

Mr. Meany. Well, the immediate bill in Congress, of course, is the one that the Ways and Means Committee worked on the other night—

Herman. The tax cut.

Mr. Meany. Now that's—that's the tax incentive bill, and that's tremendously important, and we were hopeful that we could get quick action on that. In fact, I talked to Mr. Ullman the second or third day he was Chairman, some weeks ago, and he was for quick action. Now I would say that the bill that they've come up with is much heavier weighted on the low income side than the President's proposal. It adds up to twenty point billion—twenty—

Herman. Twenty point two.

Mr. Meany.—Twenty point two billion dollars, and it's a much better proposal than the President's. But we're in an emergency, and I don't think the members of Congress realize the dimensions of the problem we have; because what's going to happen with this bill—they're going to load on the oil tax business, you know, the depletion allowance. They're going to try to cut that out in the House, and they'll most likely succeed. And then the bill will go to the Senate, and will be the subject of a filibuster over there, and it'll be months before we get this relief that we need. And this worries me very much.

Now I certainly want to see the oil depletion allowance taken away from these oil companies. I think it's completely unfair. But by loading it on this particular measure, it's going to mean months of delay. So as I say, I don't think Congress realizes the dimensions of the problem. I think the problem is much worse now than when Congress met six weeks ago, and it's getting worse all the time.

Shabecoff. Mr. Meany, Leonard Woodcock, the head of the United Auto Workers, has proposed a massive worker march on Washington to demonstrate the seriousness of the situation and to demand that the government take decisive action to provide jobs. What do you think of this idea?

Mr. Meany. If that's his judgment, let him go ahead with it.

Shabecoff. But do you support it?

Mr. Meany. No.

Serafin. Mr. Meany, one of the things that Leonard Woodcock has been pushing for, and you too, is public service employment by the government. Now Democrats and Republicans in the Senate are proposing legislation for one million public service jobs. That's a lot more than we have now, but it's only one out of seven.

Mr. Meany. It's a lot more than we have now, but I think in this situation the government has got to do everything—not just the public service jobs; sure, we should have one million public service jobs. There should be two billion dollars appropriated for what we call accelerated public works, which means grants to localities, to municipalities, to counties, and so forth, that would enable them to put people to work immediately on plans that they have that are beyond the blueprint stage—they're ready to go—all sorts of work at the local level that are ready to go and are just held up because of the lack of finances. Now we had an accelerated public works program back in 1962, and it worked quite well. We think this year that we should go ahead with that. We think that something should be done to reactivate the federal housing program; let the government come up with the money that's already authorized. Let President Ford release 19 billion dollars of impounded funds, funds that are there. Let him release these funds.

All of these things've got to be done. Let's revive the housing industry; let's get six per cent mortgage money, and the housing industry will revive itself. All of these things have got to be done to meet this problem, but I don't think the White House nor the Congress realizes the dimensions of the problem. The problem is getting worse every day, and the projections—the projections of Alan Greenspan and people like that—you've got to always realize that they're on the low side. There's a political angle in every one of these. For instance, Greenspan said six weeks ago that he expected to see unemployment peak at eight per cent next July. Well, unemployment is now at 8.2 per cent, and it's just February. I think unemployment may go to 10 per cent by next July. So the question is, can this country—can we live with this sort of a situation?

Now, Arthur Burns can live with it. Alan Greenspan can live with it, and maybe a few other people. But the millions of American workers can't live with it. Now when you realize that the President has projected unemployment from—his projections were seven points—or eight per cent this year, down to 7.9 by '76, and down to 7.5 by '77, and down to 5.5 by 1980. Well, by 1980, 5.5 will mean millions of people unemployed, because the work force will be so much larger by 1980. We've got to have two million new jobs a year just to break even.

Herman. Mr. Meany——

Mr. Meany. And what bothers me about this thing is—is the philsophical approach, well, this is the way it is and we've got to suffer it. The American people, I don't think, are going to take it.

Mr. Herman. Mr. Meany, what is that 10 per cent figure? You say you think unemployment may hit it—10 per cent—by next July. Is that just a round number that you picked out of the air, or have your people come up with a computation on it?

Mr. MEANY. Well, we—our projections go along the line of the economists for the federal government, except that they start higher; because—in other words, ours are much more realistic than theirs. We don't put a political angle—a political figure in them. We don't depress them because of political considerations. We're much more realistic.

HERMAN. Well, I'm not sure I understand you. Are you saying, for example, that the figure of 8.2 per cent, which is published for January, is a political figure and not realistic?

Mr. MEANY. No, no, no, no, I don't——

HERMAN. Or were you talking about the projection——

Mr. MEANY. —I don't say that. I say that Alan Greenspan's figure of six weeks ago was a political figure, and he said that we would peak at 8 per cent in July. Well, we're already at 8.2 per cent. So I'm just taking his projections with an add-on, and I say by July we'll most likely have 10 per cent.

SHABECOFF. Mr. Meany——

Mr. MEANY. Now of course, this does not reflect—it does not reflect the full unemployment. We don't count the under-employed; we don't count those who have become discouraged and are no longer looking for jobs. When you stop looking for a job and you stop registering for a job, you are considered employed. If you work two days a week, you're considered employed. Now—so the figures do not reflect the extent of the unemployment.

SHABECOFF. Mr. Meany, in view of the seriousness of the unemployment situation, do you and the AFL–CIO favor a new WPA—that is, the kind of thing they had during the depression, when the federal government created massive projects——

Mr. MEANY. No, no, no, we don't favor that. We haven't even considered that. But I just listed a number of things that must be done—reactivate the housing programs, get the building industry back, do something to create public service jobs for the millions of workers. Now—

SHABECOFF. Well, why are you against a new WPA?

Mr. MEANY. Well, I don't think it answers the problem at all. We want to turn the economy around. We don't want a welfare economy. In other words, if you're talking about a dole, we're not talking about a dole. If you could revive the construction industry—and I think the thing that would revive it would be six per cent mortgage money; that alone—if Uncle Sam could say there's going to be six per cent mortgage money——

HERMAN. Would you favor a subsidy?

Mr. MEANY. Why the FHA—why don't we have FHA six per cent money, or VA six per cent money—because of the policies of the Nixon administration, the policies of the people who are still running this show, and who are the architects of our ruin. Arthur Burns is a national disaster.

HERMAN. Would you favor——

Mr. MEANY. This—what we've been through here in the last five years in Arthur Burns' plan. It's his blueprint. He's the architect, and he is still running the show. His attitude, I would say, is inhuman. He doesn't understand people. All he understand is his economic theories, and they are completely out of date. And we've got to turn this around.

Now for instance—I get back to the housing industry—24 per cent of that industry is unemployed; 24 per cent of the automobile industry is unemployed. Now if we could revive the housing industry—and the way to do it is to provide six per cent money—now——

HERMAN. Where are you going to get it?

Mr. MEANY. —it's the policy—it's the policy of this administration to give——

HERMAN. But where are you going to get six per cent money?

Mr. MEANY. Uncle Sam.

HERMAN. You want to subsidize the mortgages——

Mr. MEANY. No, we——

HERMAN. —or do you want to roll them back?

Mr. MEANY. Yes—yes, to the extent that we're subsidizing Soviet Russia. Soviet Russia gets six per cent money, and not from Chase National Bank, but from you, George, and me—from the American taxpayer, because the Ex-Im Bank in our bank, and they get six per cent money, and Henry Kissinger wants to give them unlimited six per cent money to build anything they want. Well, let the American homeowner get six per cent money.

HERMAN. From federal banks?

Mr. MEANY. And if you say where do you get six per cent money?—you pass a law. Suppose we passed a law that limited interest rates in this country, would there be something wrong about that, or would that be socialistic? Well, let me tell you, if that's socialistic, there are a lot of other socialistic things that we ought to think about. Twenty-four per cent, eighteen per cent—you buy some furniture you pay 18 per cent. Is that the American way of life?

HERMAN. Without getting into the question of the American way of life or socialistic, if you had money to put in a bank and it had to be by law loaned at six percent when inflation was going up ten or 11 percent, would you leave your money in that bank to be loaned at five——

Mr. MEANY. If by law I had to leave it there or the bank had to loan by law, I would obey the law.

HERMAN. Yes, but you as an individual wouldn't want a law that says you have to leave your money——

Mr. MEANY. How do you know I wouldn't—what makes you think I wouldn't want that kind of a law? As far as I'm personally concerned, if that was the limit and that's all you could get, that would be fine for me—if that was the law—if four percent was the law, it would be all right for me. Now, what we've got is a situation where this country is going into a depression. We're past the recession stage, we're going into a depression, and I say we've got to take some measures, like you take when you are fighting a war; when you are fighting a war and everybody is all up tight, you do a lot of things that you wouldn't do otherwise. We are now fighting a war to preserve our way of life, as far as I'm concerned, and we have people in Congress and in the White House who seem to be insensitive to the problems of the people of America. What are we going to do with these two million kids that go into the labor market every June? What are we going to do with them for the next five years?

SERAFIN. Mr. Meany, President Ford has to some degree tied the question of whether or not he'll run in '76 to how the economy and unemployment are doing. What are his chances?

Mr. MEANY. Well, I don't know. I'm not a political expert. I would say that he says—I understand Ron Nessen says that he's going to run no matter how bad the depression is and no matter how bad the economy is. I would say that if the economy is as bad then as it is now, his chances would be pretty slim.

SERAFIN. Senator Jackson has now announced as a Democratic candidate and is considered probably the front-runner. What do you think of him?

Mr. MEANY. I'm not going to comment on the lineup, because the lineup is not full yet; we've got about five, and generally you have a baseball team, you have about nine, and I think we'll have nine Democrats in the field before——

SERAFIN. Are you as enthusiastic about Senator Jackson as you were a couple of years ago?

Mr. MEANY. No, by no means.

SERAFIN. Why?

Mr. MEANY. Because of his action on the trade bill, because of his phonying around with Henry Kissinger, deceiving the American people in regard to the so-called Jackson amendment. No, I think he was less than forthright in that situation. He didn't tell the American people what was going on, he was a party to the deception, and I just don't like deception, even from a fellow who claims to be a friend.

SHABECOFF. Nelson Rockefeller was close to the unions in New York, particularly the construction trades? Do you have much contact with the Vice President these days?

Mr. MEANY. Oh, I see him once in a while.

SHABECOFF. What do you see him about, Mr. Meany?

Mr. MEANY. Well, I saw him and had lunch with him the other day, and I enjoyed having it. That's the first time I've talked to him—I talked to him on the phone a couple of times—I had lunch with him the other day. We talked about the very things we're talking about here today.

SHABECOFF. Do you see any circumstances under which the AFL–CIO could support Nelson Rockefeller for President of the United States?

Mr. MEANY. I don't want to preclude anything.

HERMAN. You said something very interesting in an interview with Dick Cavett. You said if you'd known then what you now know about Viet Nam, you would not have backed President Johnson's policies in Viet Nam. What was it that you didn't know then?

Mr. MEANY. Deception—we were deceived—we were deceived——

HERMAN. On what?

Mr. MEANY. —all the way down the line. We were deceived on what was going on in Viet Nam. Now as far as the general overall purpose, I haven't changed one bit on that, to help the South Vietnamese people achieve a society under which they would govern themselvs, to prvent them going down the drain, as far as that was concerned. But I certainly, looking back at it, would not have gone blindly along and accepted the idea of the Commander-in-Chief, and this was the philosophy that the Commander-in-Chief had all the information and so forth. I think we were deceived, I think we were deceived by Kissinger, I think we were deceived by Nixon. The secret bombing of Cambodia, the bombing of civilian population in North Viet Nam—we didn't buy that and I wouldn't buy it now. Now, as far as the South Vietnamese people are concerned, I think we should discharge our obligations there that——

HERMAN. Continue the aid?

Mr. MEANY. The financial aid that we are committed to give them, I think we should give it.

SERAFIN. What about the supplemental request?

Mr. MEANY. I think the idea that if we leave them alone, that the fighting will stop—the fighting may stop, but the killing won't stop. If they go down the drain, several million people will be murdered, just as soon as the North Vietnamese can get to them.

SERAFIN. Do you endorse this supplemental request for aid?

Mr. MEANY. Yes, I think we're committed to give that aid, and I think that if we don't give it, I think we are put in the position of walking out on someone that we've considered an ally and someone that we're committed to help. I think we become a paper tiger, in the parlance of the Far East, if we walk away from them.

HERMAN. You must be aware, Mr. Meany, of a rash of books and articles in the last few years, saying that you and the AFL and the AFL–CIO were principal conduits for CIA and other government money to anti-Communist groups in Europe and in Asia, and in South America.

Mr. Meany. That is absolutely untrue, and they can say all they like—my records are open and they can get any records they want. We were not a conduit and had nothing to do with it.

Herman. Did you receive any federal money?

Mr. Meany. Not a penny. You see, what they do, these people, they buy the communist propaganda. We've had contracts with the AID for years. We build houses in Mexico City, we build houses in Rio de Janeiro, we set up a bank in Lima, we built a labor center in Addis Ababa in Ethiopia, we operate all over the world—in Saigon, in Indonesia, and all over.

We've got three institutes, we've got the ALC, which is the African Labor Institute; we've got the AFLD, which is the Latin American Labor Institute; and we've got what we call AFLI, which was the Asian Labor Institute. And we run them, and we have contracts with the government, with AID, to do that. Now every place we go, the communists say, well, that's the CIA so these people buy this——

Serafin. But some people within the CIA have said that. Philip Agee in his new book says that.

Mr. Meany. I don't care what Philip Agee says, and if he says that the AFL–CIO is a conduit, he is lying; that is not true, not true, not for one penny, no, in no circumstances.

Herman. You did receive some federal money, though; it was from AID?

Mr. Meany. Millions and millions of dollars of AID money—we don't receive it—oh, no, no, no, no.

Herman. You are the channel for it.

Mr. Meany. Yes, we're the channel for it, some Mexican unions, to unions in Lima, to unions all over the world, for buildings, for libraries, for labor centers. In Jamaica, we've got a community center.

Herman. For no other purpose? Not to help anti-communist union?

Mr. Meany. No, sir. No, sir. No other purpose.

Serafin. Mr. Meany, could I go back to politics for just a moment? In Kansas City, at the Democrats' mini-convention in December, a lot of people close to you were very upset about what was going on out there, about what they saw as a return to quotas within the party.

Mr. Meany. A lot of people close to me were quite happy about it, so it didn't affect me much one way or the other.

Serafin. Well, there was a lot of talk about——

Mr. Meany. There were people on both sides, you see.

Serafin. There was a lot of talk about some AFL–CIO people pulling out of internal affairs in the party, pulling out of the committees.

Mr. Meany. That's up to them, I didn't put them in there. The AFL–CIO didn't put them in there. They went in as Democrats, Democrats from Louisiana, Democrats from Pennsylvania, Democrats from Ohio. They happen to hold union cards, but they went in as Democrats. We didn't put them in there, and we won't pull them out.

Shabecoff. Mr. Meany, it looks like John Dunlop of Harvard University is going to be our next Secretary of Labor. Do you think you're going to get along better with him than you did with Pete Brennan?

Mr. Meany. Well, I most likely—I haven't talked to Pete Brennan, I haven't been inside the Labor Department—I haven't been inside the Department of Labor since Pete Brennan was Secretary of Labor. We got along very well with Dick Schubert, who was the Under-Secretary of Labor, and who ran the Department actually, to be practical about it, he's running the Department. And of course, I know John Dunlop very well, I've known him for a quarter of a century, and I've never had any problem getting along with him, and I assume I'll get along with him as Secretary of Labor.

Shabecoff. But isn't he part of the same old Nixon crowd that did such disastrous things to the economy?

Mr. Meany. No, no, no, no. He came in for the Cost of Living Council, he came in on the CISL, which was really a continuation of what he'd been doing for a quarter of a century, working as a moderator in the building trades industry. No, John is not political, as far as I'm concerned. I think he's a registered Democrat, but I'm not even sure about that. His total world has been the academic world, principally.

Herman. Mr. Meany, a lot of unions have clauses in their contracts which say that the last persons hired shall be the first persons fired in the kind of recession crunch that we're having now, and in many industries the last persons hired were those who were previously disadvantaged, women, minorities, and they're now complaining.

Mr. Meany. The union contracts—you're talking about seniority clauses in the union contracts, and I say the seniority clauses should be lived up to.

Herman. You don't think that any provision should be made for those who were disadvantaged and only hired recently and will now, of course, be the first fired?

Mr. Meany. In other words, if one worker is working there for 20 years, and another fellow is working there—from a minority group is working there for two years, the assumption is that this fellow who is now 22 years of age would have been hired when he was two years of age?

Herman. Well, I'm not making any assumptions. I'm just asking where you stand.

Mr. Meany. I stand by the contracts, and I'm sure that's part of our American set-up, to stand by your contracts.

Shabecoff. Mr. Meany, at the recent general board meeting that you held here, you called very strongly for a total boycott, embargo, against the Arab countries that are practising oil blackmail against us. Wouldn't this only exacerbate our economic situation, if this went through, and wouldn't this mean a lot more Americans would be without jobs?

Mr. Meany. I don't follow that. You tell me how it is going to exacerbate our situation and tell me how it's going to mean a lot more Americans without jobs. If we say we should boycott these countries, in other words, I don't think we should give our economic enemies presents. I don't think we should give $250 million to Sadat for a nuclear power plant; I don't think we should give $25 million to Syria, which Henry is about to do; I don't think we should go around giving money away to people who are our economic enemies. And as far as building up an air force for Saudi Arabia, I can't buy that at all, with American taxpayers' money—I just don't believe in that.

Herman. Do you have any worries about Arab investment in American business, or is it the same as American investment in European business?

Mr. Meany. Well, I think what we should do is what the Arabs and the other countries do—let them invest everything, and when they've got it all in there, let's nationalize everything that they've invested in.

Herman. Thank you very much, Mr. Meany, for being with us today on Face the Nation.

Announcer. Today on Face the Nation, the President of the AFL–CIO, George Meany, was interviewed by CBS News Correspondent Barry Serafin, Philip Shabecoff of The New York Times, and CBS News Correspondent George Herman. Next week, another prominent figure in the news will Face the Nation.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Sikes, for 10 minutes, today.

(The following Members (at the request of Mr. Gradison) to revise and extend his remarks and include extraneous material:)

Mr. Kemp, for 30 minutes, today.

Mr. Steelman, for 5 minutes, today.

(The following Members (at the request of Mr. Hall), to revise and extend their remarks, and to include extraneous matter:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Drinan, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Gradison) and to include extraneous matter:)

Mr. Findley in five instances.

Mr. du Pont.

Mr. Heinz.

Mr. Anderson of Illinois in two instances.

Mr. Gilman.

Mr. Broomfield.

Mr. Derwinski in three instances.

(The following Members (at the request of Mr. Hall), and to include extraneous matter:)

Mr. Sarbanes in five instances.

Mr. Drinan in five instances.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Annunzio in six instances.

Mr. Ottinger in two instances.

Mr. Blanchard in two instances.

Mr. Fraser in three instances.

Mr. Richmond in four instances.

Mr. Stokes.

Mr. Bolling.

Mr. Solarz in three instances.

Mr. Mazzoli.

Mr. Natcher.

Mr. Dodd.

Mr. Nowak in three instances.

Mr. Evins of Tennessee in three instances.

Mr. Danielson.

Mr. Jones of North Carolina.

Mr. Holland in two instances.

Mr. Addabbo.

Mr. Ryan.

Mr. Badillo in two instances.

ADJOURNMENT

Mr. HALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 16 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 19, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

357. A letter from the Secretary of Defense, transmitting a report on the relative status of the Air National Guard and the Air Force Reserve, pursuant to section 810(b) of Public Law 93–155; to the Committee on Armed Services.

358. A letter from the Adjutant General, Veterans of Foreign Wars of the United States, transmitting the proceedings of the 75th National Convention of the Veterans of Foreign Wars of the United States, pursuant to Public Law 88–224 (H. Doc. No. 94–52); to the Committee on Armed Services and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG of Louisiana: Committee on Rules. House Resolution 173. Resolution providing for the consideration of H.R. 2051. A bill to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes (Rept. No. 94–11). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 138. Resolution establishing a Select Committee on Intelligence; with amendment (Rept. No. 94–12). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 174. Resolution providing for the consideration of House Resolution 138. Resolution establishing a Select Committee on Intelligence (Rept. No. 94–13). Referred to the House Calendar.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 94–14). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois (for himself, Mr. Archer, Mr. Bafalis, Mr. Bauman, Mr. Beard of Tennessee, Mr. Buchanan, Mr. Butler, Mr. Byron, Mr. Cederberg, Mr. Chappell, Mr. Cleveland, Mr. Collins of Texas, Mr. Coughlin, Mr. Devine, Mr. Duncan of Tennessee, Mr. Eshleman, Mr. Forsythe, Mr. Frenzel, Mr. Hinshaw, Mrs. Holt, Mr. Ketchum, Mr. Mathis, Mr. McClory, Mr. Michel, Mr. O'Brien):

H.R. 3156. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. ANDERSON of Illinois (for himself, Mr. Rhodes, Mr. Rees, Mr. Robinson, Mr. Rose, Mr. Sebelius, Mr. Steiger of Arizona, Mr. Vander Jagt, Mr. Whitehurst, Mr. Winn and Mr. Young of Florida):

H.R. 3157. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. de la GARZA:

H.R. 3158. A bill to regulate commerce among the several States, with the territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; and for other purposes; to the Committee on Agriculture.

By Mr. GIBBONS:

H.R. 3159. A bill to amend the National Trails System Act to authorize a feasibility study for the establishment of certain bicycle trails; to the Committee on Interior and Insular Affairs.

By Mr. PATMAN (for himself, Mr. Reuss, Mr. Minish, Mr. Ford of Tennessee, Mr. Hannaford, Mr. Neal, Mr. Blanchard, and Mr. Barrett):

H.R. 3160. A bill to lower interest rates; to the Committee on Banking, Currency and Housing.

By Mr. PATMAN (for himself, Mr. Reuss, Mr. Neal, Mr. Blanchard, Mr. Minish, Mr. Ford of Tennessee, Mr. Hannaford, and Mr. Barrett):

H.R. 3161. A bill to bring about an improved allocation of credit; to the Committee on Banking, Currency and Housing.

By Mr. COCHRAN:

H.R. 3162. A bill appropriating funds for construction of the Natchez Trace Parkway; to the Committee on Appropriations.

H.R. 3163. A bill to amend title 39, United States Code, to provide that proposed changes in postal rates and classes shall not be effective unless approved by Congress, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3164. A bill to amend the Internal Revenue Code to allow an additional exemption for taxpayer who is deaf, and for other purposes; to the Committee on Ways and Means.

By Mr. HASTINGS:

H.R. 3165. A bill to amend the Public Health Service Act to establish an emergency health benefits program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. HEINZ:

H.R. 3166. A bill to amend the Public Health Service Act to establish an emergency health protection program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. HOLLAND:

H.R. 3167. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. HORTON:

H.R. 3168. A bill to amend the act of August 24, 1966, for purposes of prohibiting the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering, or entertainment; to the Committee on Agriculture.

H.R. 3169. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3170. A bill to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such general increase, suffer a loss of or reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 3171. A bill to extend to unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. LOTT:

H.R. 3172. A bill to amend the Internal Revenue Code of 1954 to extend the period during which expenditures to rehabilitate low-income rental housing may qualify for 5-year amortization; to the Committee on Ways and Means.

By Mr. MATHIS:

H.R. 3173. A bill to prohibit, except in cases of extreme emergency, assistance under the Agricultural Trade Development and Assistance Act of 1954 to any country which does not make reasonable and productive efforts, especially with regard to family planning, designed to alleviate the causes of the need for assistance provided under such act; to the Committee on Foreign Affairs.

H.R. 3174. A bill to require manufacturers of farm tractors for sale in interstate commerce to mark the engine blocks of such tractors with permanent identification numbers; to the Committee on Interstate and Foreign Commerce.

H.R. 3175. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

H.R. 3176. A bill to amend title XVI of the Social Security Act to provide for the payment of certain emergency assistance grants and special allowances to recipients of supplementary security income benefits, to authorize cost-of-living increases in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third party payee) in certain cases, and to restore to recipients of such benefits their right to participate in the food stamp and surplus commodities programs; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 3177. A bill to amend title 39, United States Code, to permit the certification of certain labor organizations as representatives of Postal Service security guards; to the Committee on Post Office and Civil Service.

By Mr. OBEY (for himself, Mr. Cleveland, Mr. Ford of Tennessee, Mr. Hechler of West Virginia, and Mr. Nolan):

H.R. 3178. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for sanitation and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation, and for other purposes; to the Committee on Agriculture.

By Mr. ROBERTS:

H.R. 3179. A bill to amend title 5, United States Code, to provide additional preference to veterans with service-connected disabilities for purposes of retention in reductions in force; to the Committee on Post Office and Civil Service.

H.R. 3180. A bill to amend title 38, United States Code, to extend the period of time during which seriously disabled veterans may be afforded vocational rehabilitation training; to the Committee on Veterans' Affairs.

H.R. 3181. A bill to amend chapter 19, title 38, United States Code, so as to provide a statutory total disability for insurance purposes to any veteran who has undergone kidney or heart transplant or anatomical loss or loss of use of both kidneys; to the Committee on Veterans' Affairs.

H.R. 3182. A bill to amend title 38, United States Code, to aid certain veterans who, due to complications of a service-connected disability, are required to terminate their programs of education during a school term; to the Committee on Veterans' Affairs.

By Mr. UDALL:

H.R. 3183. A bill to revise the boundary of Saguaro National Monument in the State of Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3184. A bill to designate the Blue Range Wilderness and Apache National Forests in the States of Arizona and New Mexico; to the Committee on Interior and Insular Affairs.

H.R. 3185. A bill to designate certain lands in the Saguaro National Monument in the State of Arizona as wilderness, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3186. A bill to designate as wilderness certain lands within the Chiricahua National Monument in the State of Arizona; to the Committee on Interior and Insular Affairs.

By Mr WHITTEN:

H.R. 3187. A bill to fix the loan rate and thereby facilitate more orderly marketing of the 1974 and 1975 crops of feed grains, wheat, cotton, and soybeans, and for other purposes; to the Committee on Agriculture.

By Mr. MAHON:

H.J. Res. 210. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

By Mr. DERWINSKI:

H. Con. Res. 121. Concurrent resolution expressing the sense of the Congress with respect to the financial consequences of removing professional baseball from the Robert F. Kennedy Memorial Stadium; to the Committee on the Judiciary.

By Mr. HORTON:

H. Con. Res. 122. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. OBEY:

H. Con. Res. 123. Concurrent resolution expressing the sense of the Congress with respect to increases in costs of operating a national school lunch and school breakfast program; to the Committee on Education and Labor.

By Mr. LONG of Maryland (for himself and Mr. Gilman):

H. Res. 172. Resolution to amend rule X of the Rules of the House of Representatives to establish a permanent Select Committee on Energy; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

29. The SPEAKER presented a memorial of the Legislature of the State of Hawaii, relative to food stamp prices; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GIBBONS introduced a bill (H.R. 3188) to transfer the right of the United States to phosphates in certain real property owned by Charles N. Bardin, Jr., James H. Hickman, Leroy Miller, and Oscar T. Hubbert of Tampa, Fla., which was referred to the Committee on Interior and Insular Affairs.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the Congressional Record of February 3, page 2152, and February 10, 1975, page 2884.

H.R. 501. January 14, 1975. Interstate and Foreign Commerce. Revises various programs of assistance under the Community Mental Health Centers Act and extends the Act to June 30, 1976. Requires the Secretary of Health, Education, and Welfare to establish the National Center for the Prevention and Control of Rape.

H.R. 502. January 14, 1975. Science and Technology. Authorizes the Director of the National Science Foundation to designate five universities at which coal research laboratories will be established and operated. Authorizes the Director to make grants to assist in the establishment of such laboratories.

Establishes a graduate fellowship program for study and research related to the production, conservation, and utilization of fuels and energy.

H.R. 503. January 14, 1975. Education and Labor. Establishes a program of benefits on account of asbestos workers suffering death or disability resulting from certain occupational diseases. Authorizes the Secretary of Health, Education, and Welfare and the Secretary of Labor to establish appropriate criteria for the payment of benfits to workers or their survivors.

H.R. 504. January 14, 1975. Post Office and Civil Service. Revises regulations relating to the mandatory retirement age of Federal employees.

H.R. 505. January 14, 1975. Post Office and Civil Service. Establishes time limitations in applying civil service retirement benefits.

H.R. 506. January 14, 1975. Post Office and Civil Service. Authorizes additional positions in grades GS–16, GS–17, and GS–18 in the Civil Service, Congressional Research Service, Library of Congress, General Accounting Office, Federal Bureau of Investigation. Administrative Office of the United States Courts, and the Office of the Architect of the Capitol.

H.R. 507. January 14, 1975. Post Office and Civil Service. Directs that grade benefits be retained for certain Federal employees whose positions are reduced in grade.

H.R. 508. January 14, 1975. Post Office and Civil Service. Authorizes civilians employed by the Department of Defense to administer oaths while conducting official investigations.

H.R. 509. January 14, 1975. Post Office and Civil Service. Permits certain Federal employees serving under overseas limited appointments to acquire career status in the Civil Service.

H.R. 510. January 14, 1975. Judiciary. Amends the Federal Criminal Code to increase the penalties for the use of a firearm in the commission of a felony. Revises the age requirements for the purchase of a firearm. Eliminates certain recordkeeping requirements with respect to the sale of ammunition.

H.R. 511. January 14, 1975. Post Office and Civil Service. Redesignate Veterans' Day as November 11.

H.R. 512. January 14, 1975. Post Office and Civil Service. Directs the Postal Service to establish certain mail delivery standards. Requires that certain public service costs be paid from the general fund of the Treasury.

H.R. 513. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 514. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old Age, Survivors and Disability Insurance benefits under the Social Security Act. Revises the age at which the limitation upon outside earning is removed.

H.R. 515. January 14, 1975. Armed Services. Authorizes recomputation of retired pay for member and former members of the Armed Forces who are sixty years of age or older or who are retired because of a physical disability.

H.R. 516. January 14, 1975. Armed Services. Authorizes annuities for widows of former Armed Forces members who died before the Survivor Benefit Plan was established.

H.R. 517. January 14, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by (1) redefining certain terms; (2) permitting employers to maintain safety councils; and (3) enumerating affirmative defenses for employers to proceedings brought under the Act.

Directs the Secretary of Labor to assist certain employers in complying with the Act.

H.R. 518. January 14, 1975. House Administration. Prohibits Members of Congress who have been defeated, or have resigned or retired, from traveling outside the United States at Government expense.

H.R. 519. January 14, 1975. Interior and Insular Affairs. Amends the National Trails System Act to authorize a joint feasibility study by the Secretaries of Interior, Agriculture, and Transportation, for the establishment of certain bicycle trails.

H.R. 520. January 14, 1975. Interstate and Foreign Commerce. Prohibits discrimination solely on the basis of sex by the insurance business with respect to the availability and scope of insurance coverage.

H.R. 521. January 14, 1975. Judiciary. Delays the effectiveness of Federal court orders with respect to school busing until all appeals from such orders have been taken or if no appeals are taken until the time for such appeals has expired.

H.R. 522. January 14, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 523. January 14, 1975. Judiciary. Limits the jurisdiction of the Supreme Court and the district courts to review any case arising out of any State statute, ordinance, rule or regulation which relates to voluntary prayers in public schools and public buildings.

H.R. 524. January 14, 1975. Judiciary. Increases the penalties for use of a firearm in the commission of a felony.

H.R. 525. January 14, 1975. Post Office and Civil Service. Directs that grade benefits be retained for certain Federal employees whose positions are reduced in grade.

H.R. 526. January 14, 1975. Post Office and Civil Service. Reduces the age after which the remarriage of a surviving spouse will not cause the loss of such spouse's civil service survivors annuity. Sets forth conditions under which such annuity may be restored.

H.R. 527. January 14, 1975. Post Office and Civil Service. Designates February 15, the birthday of Susan B. Anthony, as a legal public holiday.

H.R. 528. January 14, 1975. Public Works and Transportation. Requires the Secretary of the Army and the Chief of Engineers to act on license and permit aplications under any provision of law within ninety days or explain to the applicant the failure to do so.

H.R. 529. January 14, 1975. Veterans' Affairs. Entitles veterans of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 530. January 14, 1975, Veterans' Affairs. Requires that certain increases in monthly social security or railroad retirement benefits be disregarded by the Administrator of Veterans' Affairs when determining a person's annual income for the purpose of determining the veterans' pension payable to certain persons.

H.R. 531. January 14, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to make grants to States to enable them to establish and maintain veterans' cemeteries.

H.R. 532. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 533. January 14, 1975. Ways and Means. Declares all income tax returns to be confidential, and prohibits the disclosure on inspection of such returns unless specifically authorized by this Act.

H.R. 534. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income pensions or annuities received by policemen or firemen or their dependents or survivors, for services performed in the employ of a Federal, State or local government.

H.R. 535. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 536. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

H.R. 537. January 14, 1975. Ways and Means. Establishes a health insurance benefit program under the Social Security Act by providing for direct Federal payment of health insuance premiums and indirect subsidization by allowing income tax credits for health insuracne premiums paid by an individual.

Establishes a Health Insurance Advisory Board to develop guidelines for administering this program.

Direct the States to pay deductibles and coinsurance fees for persons receiving cash assistance under certain Social Security Act programs.

H.R. 538. January 14, 1975. Judiciary. Amends the Civil Rights Act of 1964 to prohibit sex discrimination in programs and activities receiving Federal financial assistance.

H.R. 539. January 14, 1975. Judiciary. Prohibits any civilian or military officer from utilizing the Armed Forces or a State militia to investigate civilians.

H.R. 540. January 14, 1975. Judiciary. Creates a Special Counsel to represent the United States in all litigation pertaining to the Presidential materials of Richard Nixon.

H.R. 541. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction from gross income for dependent care expenses for married part-time employees and married students.

H.R. 542. January 14, 1975. Banking, Currency and Housing. Amends the Credit Control Act of 1969 to fix maximum interest charges in connection with credit transactions.

H.R. 543. January 14, 1975. Interior and Insular Affairs. Includes under the coverage of the Rehabilitation and Betterment Act expenditures of funds on any project constructed with funds provided by the Small Reclamation Projects Act, or on any irrigation or drainage system authorized by a State-authorized public agency.

H.R. 544. January 14, 1975. Veterans' Affair. Authorizes the Administrator of Veterans' Affairs to contract with private facilities near the homes of veterans for the medical care and treatment of veterans.

H.R. 545. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to revise the procedure for consideration of applications for renewal of broadcast licenses. Extends the maximum term of license for the operation of broadcasting stations from three to five years.

H.R. 546. January 14, 1975. Judiciary. Amends the Clayton Act to prohibit persons with nonfarming business assets in excess of $3,000,000 from engaging in the production of agricultural products. Directs the Secretary of Agriculture to acquire, under certain circumstances, any property or interest of which a person must divest himself by virtue of this prohibition.

H.R. 547. January 14, 1975. Agriculture. Allows the Commodity Credit Corporation, under the Agricultural Act of 1956, to donate certain surplus commodities to State and local penal institutions.

H.R. 548. January 14, 1975. Armed Services. Establishes three types of military discharge (1) honorable discharge; (2) general discharge; and (3) discharge by court martial. Entitles persons receiving a general discharge to an administrative review of that discharge. Directs the Secretary of Defense to prescribe regulations governing such administrative reviews.

H.R. 549. January 14, 1975. Armed Services. Establishes Vietnam Era Discharge Review Boards to review and revise the military record of individuals who were separated from the Armed Forces with other than honorable discharges.

H.R. 550. January 14, 1975. Banking, Currency and Housing. Prescribes procedures and standards governing the disclosure of customer records by fiduciary institutions to Federal agencies.

H.R. 551. January 14, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants to assist in the improvement and operation of museums.

H.R. 552. January 14, 1975. Education and Labor. Authorizes the Secretary of the Interior to establish a program of direct Federal employment to improve environmental quality and natural resources management. Creates a National Environmental Services Corps to provide jobs for unemployed and underemployed persons.

H.R. 553. January 14, 1975. Education and Labor. Directs the Commissioner of Education to allot funds appropriated by this Act to local educational agencies to assist in reducing crime against the children, employees and facilities of their elementary and secondary schools.

H.R. 554. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make loans to certain cities and counties for the establishment of nonprofit clinics for the spaying and neutering of dogs and cats.

Requires the use of professional and paraprofessional personnel by the clinics. Authorizes the Secretary of Health, Education, and Welfare to make grants for the purpose of training paraprofessionals.

H.R. 555. January 14, 1975. Interstate and Foreign Commerce. Prohibits discrimination solely on the basis of sex by the insurance business with respect to the availability and scope of insurance coverage.

H.R. 556. January 14, 1975. Interstate and Foreign Commerce. Establishes, under the Public Health Services Act, a National Center for Clinical Pharmacology within the Department of Health, Education, and Welfare for the purpose of supporting the study of clinical pharmacology.

Amends the Federal Food, Drug, and Cosmetic Act with respect to regulation of the manufacture, distribution, and sale of drugs.

H.R. 557. January 14, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants to public and private entities for projects of research and training in fertility and sterility in humans and the human reproductive process. Authorizes the Secretary of Health, Education, and Welfare to establish in the National Institutes of Health specialized treatment centers to provide infertility diagnosis and treatment and to study the human reproduction process.

H.R. 558. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare, under the Public Health Services Act, to prescribe and enforce performance standards with respect to the various classes of X-ray systems.

H.R. 559. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to establish criteria and minimum standards for the training and licensing of radiologic technologists.

H.R. 560. January 14, 1975. Interstate and Foreign Commerce. Establishes the National Dysautonomia Institute in the Public Health Service to conduct research and control programs relating to the cause, prevention, and treatment of dysautonomia.

H.R. 561. January 14, 1975. Interstate and Foreign Commerce. Amends the Controlled Substances Act to allow possession of marihuana for private use. Allows the distribution, transfer or sale of marihuana, lawfully possessed, to any person for private use if such distribution, transfer or sale is not for profit.

H.R. 562. January 14, 1975. Judiciary. Prohibits Congress, Federal courts, or Federal administrative bodies from requiring persons connected with the news media to disclose confidential sources.

H.R. 563. January 14, 1975. Judiciary. Requires the Director of the Federal Bureau of Investigation to permit any Member of Congress to examine any file maintained by that agency or that Member. Requires the Director to destroy such file after examination, with certain exceptions.

H.R. 564. January 14, 1975. Judiciary. Prohibits the required use of polygraph tests in certain employment situations. Prohibits employment-related reprisals based on an individual's refusal to take a polygraph test.

H.R. 565. January 14, 1975. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to authorize the Law Enforcement Assistance Administration to make direct grants to local governments for the improvement of street lighting in urban areas.

H.R. 566. January 14, 1975. Judiciary. Makes bribery of State and local officials a Federal crime.

H.R. 567. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act with respect to illegal entry and voluntary departure of certain aliens in the United States.

H.R. 568. January 14, 1975. Judiciary. Amends the Immigration and Nationality Act to grant alien children adopted by unmarried United States citizens the same immigrant status as alien children adopted by married United States citizens.

H.R. 569. January 14, 1975. Merchant Marine and Fisheries. Prescribes standards with respect to the construction, alteration, and repair of oil tankers in order to prevent pollution of the marine environment. Requires the use of best available pollution prevention technology by oil tankers. Authorizes the Secretary of the department in which the Coast Guard is operating to establish marine environment protection standards for United States flag vessels engaged in the coastwise trade which are more strict than those applicable to vessels engaged in foreign trade.

H.R. 570. January 14, 1975. Post Office and Civil Service. Requires Federal agencies to make available to employees a certain percentage of positions on a flexible hours basis. Directs the Secretary of Labor to develop procedures and regulations to carry out this Act.

H.R. 571. January 14, 1975. Public Works and Transportation. Authorizes the Administrator of the General Services Administration to transfer airspace over public buildings of the United States to developers for the construction of low and moderate-income housing.

H.R. 572. January 14, 1975. Public Works and Transportation. Empowers the Executive Protective Service to provide police protection to foreign diplomatic missions located in the United States, its territories, and possessions.

Authorizes the Secretary of the Treasury to set the number of members for the Executive Protective Service.

H.R. 573. January 14, 1975. Veterans' Affairs. Revises the procedure for determining eligibility for veterans' benefits, including requiring the Administrator of veterans' Affairs to produce a list of such documentary information or other evidence as is likely to support a claimant's case, and by creating a presumption of entitlement to the claim.

H.R. 574. January 14, 1975. Veterans' Affairs. Entitles conscientious objectors who performed civilian work under the Military Selective Service Act to veterans' educational assistance and home loan benefits.

H.R. 575. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old Age, Survivors and Disability Insurance benefits.

H.R. 576. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a credit or refund for all Social Security taxes paid after the month of the individual's sixty-fifth birthday. Reduces the self-employment tax on individuals who have attained the age of sixty-five.

H.R. 577. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to redefine the term "tenant-stockholders" in the case of a cooperative housing corporation as "a person" rather than as "an individual".

H.R. 578. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a tax deduction to tenants for their proportionate share of the taxes and interest paid by their landlords.

H.R. 579. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit the taxpayer to satisfy the support test for claiming a dependency exemption where the dependent is sixty-two or more years of age and where a stipulated amount has been contributed to the dependent's support.

H.R. 580. January 14, 1975. Ways and Means. Amends the Social Security Act to prohibit termination of widow's, widower's or parent's insurance benefits if the recipient remarries.

H.R. 581. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 582. January 14, 1975. Ways and Means. Permits a taxpayer who has donated his own blood to specified organizations to deduct under the Internal Revenue Code, as a charitable contribution, an amount specified for each pint donated.

H.R. 583. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption and the amount of a withholding exemption for a taxpayer. Increases the gross income level requirement for filing a return and the gross income level which allows a later joint return to be deemed filed as of the date of the separate return or returns filed for the same tax year.

H.R. 584. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the excise tax on cigarettes, and to establish in the Treasury of the United States the National Cancer Research Fund to be partially funded by the increased revenues generated by this Act.

H.R. 585. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a charitable contribution of any literary, musical, or artistic composition or similar property to be deducted at its fair market value.

H.R. 586. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from the excise tax on net investment income, private foundations organized and operated exclusively as a library or museum for the public.

H.R. 587. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants to develop and carry out comprehensive education programs for severely and profoundly mentally retarded children.

H.R. 588. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to direct each federally related health care facility to conduct a medical testing program for infants born in the facility or brought to it for health care.

H.R. 589. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to relieve the Santa Ynez River Water Conservation District of payments on a specific reclamation project loan.

H.R. 590. January 14, 1975. Veterans' Affairs. Authorizes and directs the Administrator of Veterans' Affairs to establish a national cemetery at Vandenberg Air Force Base, California.

H.R. 591. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance Benefits under the Social Security Act.

H.R. 592. January 14, 1975. Banking, Currency and Housing. Amends the National Housing Act to prohibit Federal Housing Administration insurance of blanket mortgages on condominium projects, and Federal National Mortgages, where the developer retains a leasehold interest in the common areas and facilities of the project involved.

H.R. 593. January 14, 1975. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 by prohibiting discrimination on the basis of age within the Federal Government. Redefines the term "employer" under the Act to include States and political subdivisions of the States.

H.R. 594. January 14, 1975. Government Operations. Directs the Administrator of the General Services Administration to prescribe regulations regarding the amount of recycled paper to be used by the Federal Government or the District of Columbia.

H.R. 595. January 14, 1975. House Administration. Requires the use of recycled paper in the printing of the Congressional Record.

H.R. 596. January 14, 1975. Interstate and Foreign Commerce. Revises the warning statement required by the Federal Cigarette Labeling and Advertising Act to be placed on cigarette packages to include various smoking-related diseases.

H.R. 597. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Power Act to prohibit public utilties from increasing rates for electric energy which reflect increased fuel cost by means of a fuel adjustment clause in a wholesale rate schedule.

H.R. 598. January 14, 1975. Judiciary. Authorizes the compensation of persons injured by certain violent criminal acts. Establishes within the Department of Justice the Violent Crimes Compensation Commission to carry out the purposes of this Act.

H.R. 599. January 14, 1975. Post Office and Civil Service. Requires Federal agencies to make available to employees a certain percentage of positions on a flexible hours basis. Directs the Secretary of Labor to develop procedures and regulations to carry out this Act.

H.R. 600. January 14, 1975. Veterans' Affairs. Directs the Administrator of the Veterans' Affairs to establish a national cemetery in Broward County or Dade County, Florida

H.R. 601. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a declaration of estimated income tax and for withholding income tax from wages.

H.R. 602. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer to deduct from income as a child care expense amounts paid to individuals related to the taxpayer.

H.R. 603. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-five to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 604. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 605. January 14, 1975. Merchant Marine and Fisheries. Authorizes the appropriation of all fines collected from unauthorized vessels and masters of vessels for fishing in United States territorial waters to the fund maintained by the Secretary of the Interior for the development and preservation of United States fisheries.

H.R. 606. January 14, 1975. Merchant Marine and Fisheries. Increases, from 30 percent to 70 percent of the gross receipts from duties collected under the customs laws on fishery products, the amount the Secretary of Agriculture may transfer to the Secretary of the Interior for research programs pertaining to the United States fisheries.

H.R. 607. January 14, 1975. Merchant Marine and Fisheries. Amends the Fishermen's Protection Act of 1967 by authorizing the President to direct the Secretary of the Treasury to prohibit the importation into the United States of any products which are the growth, produce, or manufacture of any country engaging in harmful fishing operations, as defined by the Act.

H.R. 608. January 14, 1975. Education and Labor. Amends the Higher Education Act of 1965 to require that institutions of higher education and vocational schools, in order to be eligible for purposes of federally assisted student loans, establish a policy of tuition refunds for students who withdraw.

H.R. 609. January 14, 1975. Education and Labor. Amends the Occupational and Health Act of 1970 by authorizing the Administrator of the Small Business Administration to render onsite consultation and advice to certain small business employers to assist such employers in complying with the health and safety standards of the Act.

H.R. 610. January 14, 1975. Foreign Affairs. Prohibits assistance under the Agricultural Trade Development and Assistance Act to any country which the President determines is not making reasonable and productive self-help efforts to stabilize population growth, and thereby reducing the need for assistance under the Act.

H.R. 611. January 14, 1975. House Administration. Amends the Legislative Reorganization Act of 1970 by directing officers of the House of Representatives to prepare and conduct seminars for freshmen Members of Congress.

Authorizes freshmen Members to employ our interim staff during the period beginning on the day such freshman is declared elected and the first day of the regular session of Congress.

H.R. 612. January 14, 1975. Interstate and Foreign Commerce. Prohibits distributors and refiners of petroleum products from cancelling franchises without cause and without prior notice.

H.R. 613. January 14, 1975. Interstate and Foreign Commerce. Prohibits the use of United States fuel to train pilots who are foreign nationals of any country which places an embargo on shipment of petroleum products to the United States.

Directs the Federal Energy Administrator to determine when any foreign nation imposes such an embargo and to make appropriate notification.

H.R. 614. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 by requiring the Civil Aeronautics Board to disapprove certain pooling and other agreements between air carriers unless the Board finds that no party to any such agreement, continue to earn a profit during any period of labor dispute between such party and its employees.

H.R. 615. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to require the Secretary of the Treasury to report to the Joint Committee on Internal Revenue Taxation the specific criteria and procedures used to audit returns and to report certain information regarding audits completed in the previous twelve months.

H.R. 616. January 14, 1975. Ways and Means Declares all income tax returns to be confidential, and prohibits the disclosure or inspection of such returns unless specifically authorized by this Act.

H.R. 617. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to impose an excise tax on every passenger automobile sold by the manufacturer whose fuel consumption falls below a stipulated fuel economy standard.

Directs the Secretary of Transportation to establish test procedures for determining the fuel consumption rate for each new automobile subject to this tax.

H.R. 618. January 14, 1975. Public Works and Transportation. Increases the appropriation authorization ceiling for bridges on Federal dams. Authorizes funds for reconstruction of a bridge across the Chickamauga Dam in Tennessee.

H.R. 619. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to eliminate as an income tax credit, any income, war profits, or excess profits tax paid to any foreign country for income from petroleum production.

H.R. 620. January 14, 1975. Judiciary. States that it shall not be unlawful to intercept communications where all parties to the communication have given their consent unless the communication is intercepted for the purpose of committing any criminal or tortious act.

H.R. 621. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income interest earned on any deposit or withdrawable account in a savings institution.

H.R. 622. January 14, 1975. Atomic Energy. Prohibits the transfer of atomic or nuclear energy technology or materials to foreign nations without the express approval of Congress.

H.R. 623. January 14, 1975. Education and Labor. Sets forth guidelines to be followed by educational institutions in the preservation, review, and release of the records of teachers and other employees. Prohibits educational funding to any educational agency or facility that does not comply with the guidelines stated in this Act.

H.R. 624. January 14, 1975. Interior and Insular Affairs. Releases all interest of the United States to certain real property in Sandoval County, New Mexico.

H.R. 625. January 14, 1975. Post Office and Civil Service. Allows credit under the civil service retirement program for military service performed by a United States citizen in the armed forces of an allied nation during a period of war.

H.R. 626. January 14, 1975. Judiciary. Requires the registration of handguns.

H.R. 627. January 14, 1975. Science and Technology. Establishes under the Secretary of Commerce the United States Metric Conversion Coordinating Committee to implement the recommendations of the United States metric study.

Directs Federal agencies to convert to the international metric system as soon as possible.

Declares the international metric system to be the sole official system of weights and measures in the United States for trade and commerce as of 1986.

H.R. 628. January 14, 1975. Armed Services. Prohibits the Central Intelligence Agency from engaging in the incitement, organization, supervision, assistance, or conduct of any military, paramilitary, or political activity.

H.R. 629. January 14, 1975. Agriculture. Provides that under the Agricultural Act of 1949 the price of milk shall be supported at not less than 85 percent of the parity price therefor. Declares it the sense of Congress that the President shall limit meat imports and refrain from increasing import quotas on butter, butter oil, cheddar cheese, and nonfat dry milk above the levels prevailing as of June 1, 1971.

H.R. 630. January 14, 1975. Armed Services. Directs the Secretary of the Navy to conduct programs of exploration for oil and gas in Alaska.

H.R. 631. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems.

H.R. 632. January 14, 1975. Education and Labor. Authorizes the Secretary of Labor to grant, under certain circumstances, a limited waiver of the child labor provisions of the Fair Labor Standards Act of 1938 to employers desiring to hire children for the purpose of harvesting crops.

H.R. 633. January 14, 1975. Foreign Affairs. Directs the President to halt all exports of gasoline, distillate fuel oil, and propane gas until Congress determines that no shortage of such fuels exists in the United States.

H.R 634. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to make grants to States to assist in land use planning activities. Establishes requirements for statewide land use planning processes and programs.

Creates an Office of Land Use Policy and Planning Administration in the Department of the Interior and a National Land Use and Planning Board to coordinate Federal land use policy.

Establishes a public land policy and requires development of land use plans for all public lands.

H.R. 635. January 14, 1975. Interstate and Foreign Commerce. Revises the Mineral Lands Leasing Act to establish a public corporation to explore and develop oil shale energy resources on Federal lands. Authorizes the issuance of bonds to finance oil shale exploration and development.

Establishes an environmental advisory committee and requires that adverse environmental impacts be avoided. Prohibits the public corporation from use of surface mining techniques.

H.R. 636. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish, develop, improve and maintain regional centers for the performing arts.

H.R. 637. January 14, 1975. Banking, Currency and Housing. Establishes in the Department of Housing and Urban Development a low-interest loan program to assist low and middle-income homeowners in the maintenance and improvement of their homes. Directs that an annual audit be made by the General Accounting Office of the housing and related programs administered by the Department of Housing and Urban Development.

H.R. 638. January 14, 1975. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt, possession or transportation of handguns except as authorized by the Secretary of the Treasury or by members of the Armed Forces and law enforcement officials.

H.R. 639. January 14, 1975. Education and Labor. Amends the Fair Labor Standards Act of 1938 by exempting certain individuals employed at sporting or recreational events from the child labor provisions of the Act.

H.R. 640. January 14, 1975. Interstate and Foreign Commerce. Exempts all production of natural gas from wells commencing production in 1973 or later, and all new dedications to the interstate market, from regulation by the Federal Power Commission.

H.R. 641. January 14, 1975. Ways and Means. Increases the amount of outside earnings allowed before any reduction in Old-Age, Survivors, and Disability Insurance benefits, under the Social Security Act, may be made.

H.R. 642. January 14, 1975. Banking, Currency and Housing. Establishes the National Development Bank for the purpose of making long-term, low-interest loans to individuals, State and local governments, and corporations in order to increase employment opportunities, and foster public works and low and moderate-income housing projects.

H.R. 643. January 14, 1975. Agriculture. Directs the Secretary of Agriculture to conduct research and development related to new methods of protein production, fertilizer production, and processing vegetable protein.

H.R. 644. January 14, 1975. Armed Services. Entitles former members of the armed forces and their dependents to medical and dental care and post exchange and commissary privileges for sixty days following separation.

H.R. 645. January 14, 1975. Armed Services. Amends the Military Selective Service Act to give former employees of States and their political subdivisions who are discharged from the Armed Forces the same reemployment guarantees as former employees of private employers who are discharged from the Armed Forces.

H.R. 646. January 14, 1975. Armed Services. Revises the method of computing military retired pay and civilian service retirement annuities for members and former members of the Armed Forces who were in a missing status while serving in the Vietnam conflict.

Directs the Secretary of Defense to provide special health benefits to former members of the Armed Forces who were in a missing status while serving in the Vietnam conflict and their dependents.

H.R. 647. January 14, 1975. Armed Services. Authorizes disability discharges for members of the Armed Forces who have a drug dependency. Directs the Secretary of each military department to petition the appropriate United States attorney for the civil commitment of a drug dependent member of the Armed Forces to a Public Health Service facility. Directs the Secretary of each military department to review dishonorable discharges which were granted on the grounds of drug possession or drug dependency.

Revises the Uniform Code to Military Justice by specifying the maximum penalties for offenses involving certain drugs.

H.R. 648. January 14, 1975. Armed Services. Prohibits the Navy from making contracts to have its vessels constructed outside the United States.

H.R. 649. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Labor to make loans to industry and business in certain areas to aid in the financing of pollution control facilities.

H.R. 650. January 14, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants to States for the establishment of vision screening programs for public school students.

H.R. 651. January 14, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants for the education and training of professional and paraprofessional personnel in the field of early childhood development.

H.R. 652. January 14, 1975. Education and Labor. Authorizes the Secretary of Labor to develop and implement programs to provide year-round recreational opportunities for underprivileged youth. Authorizes grants to localities for urban recreational facilities and program planning.

H.R. 653. January 14, 1975. Education and Labor. Authorizes the President to call and conduct a White House Conference on Education in 1976.

H.R. 654. January 14, 1975. Education and Labor. Directs that local educational agencies shall not receive Federal financial assistance from the Commissioner of Education unless they provide educational services to all handicapped children at levels of expenditure at least equal to expenditures for other children.

H.R. 655. January 14, 1975. Education and Labor. Directs the Secretary of Health, Education, and Welfare to develop and implement youth camp safety standards.

H.R. 656. January 14, 1975. Foreign Affairs. Amends the Foreign Assistance Act of 1961 by directing a twelve-month suspension of assistance to any country which fails to take reasonable action to prevent damage by mob violence to any property of the United States.

H.R. 657. January 14, 1975. Government Operations. Amends the Federal Property and Administrative Services Act of 1949 by authorizing the Administrator of General Services to assign surplus real property to the head of any executive agency, to be disposed of in certain qualified areas.

H.R. 658. January 14, 1975. Government Operations. Directs the Administrator of General Services to assist Federal agencies with respect to records creation, maintenance, use, and disposition. Directs the Administrator to make inspection and formulate rules regarding Federal records.

Establishes a Records Review Board to review orders issued by the Administrator.

Grants the Administrator custody and control over the National Archives Building and its contents.

H.R. 659. January 14, 1975. Government Operations. Establishes a Department of Social, Economic, and Natural Resources Planning to study and report to various Federal entities on the status and goals of natural resources and social programs. Transfers to the Department from other Federal agencies all functions and duties relating to long-range planning for natural resources.

H.R. 660. January 14, 1975. Government Operations. Establishes the Department of Health in the executive branch to be headed by the Secretary of Health who shall have transferred to him the health functions of the Secretary of Health, Education, and Welfare.

Establishes the National Advisory Commission on Health Planning to determine what health functions carried on by the segments of the Government should be transferred to the Department of Health.

H.R. 661. January 14, 1975. Government Operations. Requires the President to include in the budget transmitted to Congress additional information showing the regional impact by State and Congressional districts of budget proposals. Requires the Director of the Office of Management and Budget to file with the Congress certain information relatting to Federal expenditures within the States and Congressional districts.

H.R. 662. January 14, 1975. Government Operations. Limits the sale or distribution of mailing lists by Federal agencies.

H.R. 663. January 14, 1975. Government Operations. Requires that each Member of Congress be notified by the Administrator of General Services of the intended disposition of federally owned real property in the district he represents.

H.R. 664. January 14, 1975. Government Operations. Requires the Secretary of State to pay to each State or political subdivision an amount equal to the amount of property tax revenue that would be derived from tax exempt United Nations property if such property were taxed.

H.R. 665. January 14, 1975. House Administration. Amends the Legislative Reorganization Act of 1970 by directing the Librarian of Congress to prepare and conduct seminars for freshmen Members of Congress.

Authorizes freshmen Members to employ an interim staff during the period beginning on the day such freshman is declared elected and the first day of the regular session of Congress.

H.R. 666. January 14, 1975. House Administration. Authorizes the Secretary of the Interior to permit the construction of the General Draza Mihailovich Monument in Washington, D.C.

H.R. 667. January 14, 1975. Interstate and Foreign Commerce. Amends the National Mental Health Act by establishing within the National Institute of Mental Health a National Center for the Control and Prevention of Rape to conduct a continuing study and investigation of rape.

H.R. 668. January 14, 1975. Interstate and Foreign Commerce. Requires the Director of the National Institute of Child Health and Human Development to plan and develop a coordinated autism research program. Authorizes the Secretary of Health, Education, and Welfare to make grants, loans and loan guarantees, to public or private nonprofit residential or nonresidential centers with education programs for autistic children.

H.R. 669. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcastng stations from three to four years. Revises the conditions for approval of applications for licensing or license renewal.

H.R. 670. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act to require that certain television broadcasting stations include foreign language subtitles in programs of local origin.

H.R. 671. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Federal Communications Commission to establish regulations for networks to prevent or prohibit policies and practices which may have the effect of substantially lessening competition or adversely affecting the duty of broadcast licensees to operate their stations in the public interest.

H.R. 672. January 14, 1975. Interstate and Foreign Commerce. Makes it a violation of the Federal Trade Commission Act for any retailer to increase the price of a consumer commodity after the retailer has marked the price on that item.

Authorizes the Federal Trade Commission to issue a cease and desist order and to order the restitution of moneys received by a retailer in violation of this Act.

H.R. 673. January 14, 1975. Interstate and Foreign Commerce. Makes unlawful acts in defraud of consumers. Defines such acts as those unfair or deceptive practices which are unlawful under the Federal Trade Commission Act or under State law. Authorizes consumer class actions under the Federal Trade Commission Act.

H.R. 674. January 14, 1975. Interstate and Foreign Commerce. Amends the Flammable Fabrics Act by extending its provisions to construction materials used in the interiors of homes, offices, and other places of assembly or accommodation. Authorizes the Secretary of Commerce to establish toxicity standards.

H.R. 675. January 14, 1975. Interstate and Foreign Commerce. Requires persons rating municipal bonds to register with the Securities and Exchange Commission.

Directs the Commission to prescribe regulations governing the rating of municipal bonds.

H.R. 676. January 14, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to prohibit harassing telephone calls made to collect alleged debts. Requires all telephone companies to notify each telephone subscriber by means of a notice on the front of the local telephone directory of his right to be free from such harassing calls.

H.R. 677. January 14, 1975. Interstate and Foreign Commerce. Establishes the Health Action Corps to provide opportunities for young Americans to participate in programs which provide training and practical work experience in the allied health field including career counseling, exposure to various health-related occupations, and training and work experience in clinical settings.

Authorizes the Administrator of the Health Action Corps to select volunteers, to provide allowances and incentive bonuses to volunteers, and to enter into agreements with any public or nonprofit private entity whereby the Administrator will make grants to assist such entity in providing training and practical work experience to volunteers.

H.R. 678. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to appoint a National Commission to develop a national plan for the control of epilepsy and its consequences.

H.R. 679. January 14, 1975. Interstate and Foreign Commerce. Establishes, under the Public Health Services Act, a National Center for Clinical Pharmacology within the Department of Health, Education, and Welfare for the purpose of supporting the study of clinical pharmacology.

Amends the Federal Food, Drug, and Cosmetic Act with respect to regulation of the manufacture, distribution, and sale of drugs.

H.R. 680. January 14, 1975. Interstate and Foreign Commerce. Prohibits the introduction, or manufacture for introduction, of switchblade knives into interstate commerce.

H.R. 681. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Power Act with respect to the jurisdiction of the Federal Power Commission over navigable portions of water which lie within a single State.

H.R. 682. January 14, 1975. Interstate and Foreign Commerce. Establishes a National Cancer Research Administration to plan, direct, and conduct the cancer research activities of the United States and to acquire, construct, improve, repair, operate, and maintain laboratories, research and testing sites, and other facilities for the performance of its duties under this Act. Imposes a two percent income tax surcharge to cover the cost of this Act.

H.R. 683. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to exempt from the antitrust laws certain market allocation agreements made as part of a licensing contract for the manufacture, distribution or sale of trademarked foods.

H.R. 684. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare to establish and maintain a blood donor registration system whereby a prospective donor may be certified by an examining physician to be free of previous diseases or personal habits which might predispose him to be a carrier of the hepatitis agent. Directs the establishment and maintenance of a research program in the National Institutes of Health to discover a medical test which can detect serum hepatitis.

H.R. 685. January 14, 1975. Interstate and Foreign Commerce. Empowers the Attorney General, the Secretary of State, and the Secretary of Health, Education, and Welfare to execute the obligations of the United States under the international treaty entitled the "Convention on Psychotropic Substances" which is designed to establish suitable controls over manufacture, distribution, transfer and use of certain psychotropic substances. Stipulates that the Comprehensive Drug Abuse Prevention and Control Act of 1970 is the appropriate framework for control of psychotropic substances.

H.R. 686. January 14, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to entitle any individual suffering from hemophilia to file a claim with the Secretary of Health, Education, and Welfare for benefits equalling one hundred percent of his actual treatment costs. Directs the Secretary to provide for the establishment of no less than fifteen new centers for the diagnosis and treatment of hemophilia and to establish a program utilizing facilities of the Public Health Service for the diagnosis and treatment of hemophilia. Establishes a National Hemophilia Advisory Board within the National Institutes of Health to establish guidelines for the diagnosis and treatment of hemophilia.

H.R. 687. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants to assist the States in bringing publicly operated or publicly assisted facilities for the mentally retarded into conformity with standards which will assure humane care, treatment, habilitation, and protection of the mentally retarded in residential facilities. Establishes a National Advisory Council on Standards for Residential Facilities for the Mentally Retarded in implementing and reviewing the standards established by this Act.

H.R. 688. January 14, 1975. Interstate and Foreign Commerce. Prohibits distributors and refiners of petroleum products from canceling franchises without cause and without prior notice.

H.R. 689. January 14, 1975. Interstate and Foreign Commerce. Establishes the Bureau of Travel Agents Registration in the Department of Transportation for the purpose of regulating standards of performance and conduct in the travel agency industry.

H.R. 690. January 14, 1975. Interstate and Foreign Commerce. Requires each State to have a motor vehicle mechanic licensing program approved by the Secretary of Labor. Sets forth criteria for such approval. Authorizes the Secretary to pay not in excess of 80 percent of the cost of such licensing programs.

H.R. 691. January 14, 1975. Interstate and Foreign Commerce. Stipulates active service of commissioned officers of the Public Health Service to be active military service in the Armed Forces of the United States for the purposes of all rights, privileges, immunities, and benefits provided under the Soldiers' and Sailors' Civil Relief Act of 1940.

H.R. 692. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants and enter into contracts for projects to provide Huntington's disease screening, and in the diagnosis, treatment, and prevention of Huntington's disease. Directs the Secretary to disseminate information on Huntington's disease and to provide voluntary screening, counseling, and treatment therefor within the Public Health Service.

H.R. 693. January 14, 1975. Judiciary. Prohibits the transportation or use in interstate or foreign commerce of counterfeit, fictitious, altered, lost or stolen airline tickets.

H.R. 694. January 14, 1975. Judiciary. Makes unenforceable certain provisions of professional athlete's contracts which require performance for an unreasonable period of time or limits the right of the individual to contract with any other person after the expiration of such contract.

H.R. 695. January 14, 1975. Judiciary. Permits the Attorney General to apply for a court order for registrars and Federal election officials to facilitate registration and voting in a State or political subdivision where a certain percentage of persons whose primary language is not English, have not registered to vote or voted.

H.R. 696. January 14, 1975. Judiciary. Prohibits possession of a firearm by certain classes of individuals.

Repeals those provisions of the Omnibus Crime Control and Safe Streets Act which regulate unlawful possession or receipt of firearms.

H.R. 697. January 14, 1975. Judiciary. Makes additional immigrant visas available for immigrants from certain foreign countries.

H.R. 698. January 14, 1975. Judiciary. Makes the bribery of State and local law enforcement officers or other appointed or elected officials a Federal crime.

H.R. 699. January 14, 1975. Judiciary. Allows the redistribution of quota visa numbers not used during fiscal year 1975.

H.R. 700. January 14, 1975. Judiciary. Establishes an Office of the United States Correctional Ombudsman to investigate either upon complaint or upon its initiative certain administrative acts of the Bureau of Prisons or of the Board of Parole.

H.R. 701. January 14, 1975. Judiciary. Prohibits the transportation of contraband cigarettes in interstate commerce.

H.R. 702. January 14, 1975. Judiciary. Establishes under the Immigration and Nationality Act a Board of Visa Appeals as a separate agency within the Bureau of Security and Consular Affairs to review decisions of a consular officer refusing or revoking an immigration visa. Revises the Act with respect to the numerical limitations on lawful admissions, revocation of naturalization, and limitations on deportation.

Establishes a Select Commission on Nationality and Naturalization to study the Nationality and Naturalization provisions of the Immigration and Nationality Act.

H.R. 703. January 14, 1975. Judiciary. Authorizes the Attorney General to make grants to the States for the construction and modernization of correctional institutions.

H.R. 704. January 14, 1975. Judiciary. Specifies that fingerprints submitted to the Federal Bureau of Investigation from registered national security exchanges and brokers and dealers registered with the Securities and Exchange Commission shall be treated in the same manner and subject to the same terms and conditions as those from insurance companies and national banks.

H.R. 705. January 14, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 706. January 14, 1975. Judiciary. Amends the Gun Control Act of 1968 to make it unlawful to sell any firearm, other than a rifle or shotgun, which the Secretary of the Treasury determines to be unsuitable for lawful sporting purposes.

H.R. 707. January 14, 1975. Judiciary. Requires the establishment of a system for the redress of law enforcement officers' grievances and acceptance of a law enforcement officers' bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 708. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act to extend eligibility for appointment to the United States Merchant Marine Academy to the daughters, as well as the sons, of personnel of the United States Government and the Panama Canal Company residing in the Republic of Panama.

H.R. 709. January 14, 1975. Merchant Marine and Fisheries. Authorizes subsistence allowances for individuals enrolled in the Coast Guard officer candidate program.

H.R. 710. January 14, 1975. Merchant Marine and Fisheries. Establishes a contiguous fishery zone beyond the territorial sea of the United States. Extends United States jurisdiction to anadromous fish wherever they may range in the oceans except in the territorial waters or fishery zone of another country.

H.R. 711. January 14, 1975. Merchant Marine and Fisheries. Authorizes commercial fishermen to apply to the Secretary of the Interior for grants to cover losses of earnings due to Federal or State restrictions on fishing imposed because of a deterioration of the aquatic environment.

H.R. 712. January 14, 1975. Merchant Marine and Fisheries. Requires advance notice to the United States Fish and Wildlife Service and certain State agencies before initiation of any Federal program involving the use of pesticides or other chemicals for animals or plant pest control.

Establishes administrative procedures to evaluate potential adverse impacts of pest control agents on fish and wildlife resources.

H.R. 713. January 14, 1975. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936, to extend the services of the United States Merchant Marine Academy to persons in the maritime industries other than merchant marine officers, to expand the scope of the educational program at the Academy, and to change the name of the Academy to the "United States Maritime Academy."

H.R. 714. January 14, 1975. Merchant Marine and Fisheries. Amends the Fishermen's Protective Act of 1967 to require the return to the United States of United States vessels loaned or leased to foreign countries which have seized any United States fishing vessels in water recognized by the United States as international waters.

H.R. 715. January 14, 1975. Merchant Marine and Fisheries. Requires that a minimum percentage of United States oil imports be carried on privately-owned United States flag commercial vessels.

H.R. 716. January 14, 1975. Post Office and Civil Service. Requires the posting in post offices of information regarding voter registration, voting, and communicating with the President, Vice-President, and Members of Congress.

H.R. 717. January 14, 1975. Post Office and Civil Service. Designates the birthday of Susan B. Anthony a legal public holiday.

H.R. 718, January 14, 1975. Post Office and Civil Service. Designates the birthday of Martin Luther King, Junior, as a legal public holiday.

H.R. 719. January 14, 1975. Post Office and Civil Service. Permits Government officials and employees to participate in political management and in political campaigns. Prohibits the use of official authority or influence for the purpose of affecting the result of an election.

H.R. 720. January 14, 1975. Post Office and Civil Service. Makes it unlawful for officers of Federal agencies, the armed forces, or the Civil Service Commission to require that Federal civilian employees and applicants disclose certan personal information.

Creates a Board of Employees Rights to enforce this Act.

H.R. 721. January 14, 1975. Post Office and Civil Service. Prohibits government agencies from furnishing mailing lists to the public.

H.R. 722. January 14, 1975. Post Office and Civil Service. Amends the Postal Reorganization Act of 1970 with respect to the applicability of certain civil service laws and regulations to the Postal Service.

Repeals that section of the Act which regulates labor disputes, Makes employee-management relations in the Postal Service subject to certain provisions of the Labor-Management Relations Act of 1947.

H.R. 723. January 14, 1975. Post Office and Civil Service. Reduces the mandatory retirement age for non-United States citizen employees of the Panama Canal Company or the Canal Zone Government employed on the Isthmus of Panama.

H.R. 724. January 14, 1975. Public Works and Transportation. Modifies the existing flood control project at East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, New York, to authorize work on the beach erosion aspect of the project independently of the hurricane-flood protection aspect.

H.R. 725. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to require the National Transportation Safety Board to consider in their duties foreign laws which discriminate against American citizens traveling as visitors on the basis of race, color, or religion.

Requires the Board to hold hearings on cases of alleged discrimination, and to suspend air carrier service to such countries where discrimination exists.

H.R. 726. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to include "young people" in the class of those eligible for reduced rate air transportation on a space-available basis.

H.R. 727. January 14, 1975. Public Works and Transportation.

Directs the Secretary of Transportation to carry on a national educational campaign designed to educate drivers and pedestrians with respect to the dangers of driving and improved methods of safety.

H.R. 728. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to authorize reduced air fares on a space-available basis for persons who are sixty-five years old or older.

H.R. 729. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to require the Secretary of Transportation to prescribe regulations governing the humane treatment of animals transported in air commerce.

H.R. 730. January 14, 1975. Public Works and Transportation. Authorizes free or reduced rate transportation under the Federal Aviation Act of 1958 to handicapped persons and persons who are sixty-five years of age or older. Amends the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are sixty-five years of age or older.

Authorizes the Secretary of Health, Education, and Welfare to make grants to public and private entities to plan, research, and develop special transportation systems for the handicapped and the elderly.

H.R. 731. January 14, 1975. Public Works and Transportation. Relieves airline ticket agents of liability for the usage of airline tickets stolen from them without their complicity.

H.R. 732. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act to prohibit air carriers from abandoning any route or discontinuing any service for which the Civil Aeronautics Board has issued a certificate without a finding by the Board that such abandonment or discontinuance is in the public interest.

H.R. 733. January 14, 1975. Public Works and Transportation. Extends the duties of the Executive Protective Service to include the protection of United Nations buildings, and buildings used by the missions of United Nations member states in New York City. Increases the number of officers authorized to be employed in the Executive Protective Service.

H.R. 734. January 14, 1975. Science and Technology. Creates a National Academy of Fire Prevention and Control to provide for training in firefighting techniques and procedures.

H.R. 735. January 14, 1975. Science and Technology. Directs the Secretary of Commerce to make grants to local fire departments for the purchase of advanced firefighting equipment.

H.R. 736. January 14, 1975. Science and Technology. Directs the Secretary of Commerce to establish and maintain a National Fire Data and Information Clearinghouse within the National Bureau of Standards.

H.R. 737. January 14, 1975. Science and Technology. Establishes a national program to further the research and development of geothermal energy resources.

Authorizes the Director of the National Science Foundation to fund basic and applied research activities relating to geothermal energy development. Directs the National Aeronautics and Space Administration to develop a program of demonstrations in commercial utilization of geothermal energy technologies.

H.R. 738. January 14, 1975. Science and Technology. Directs the National Aeronautics and Space Administration to develop ground propulsion systems designed to reduce current levels of energy consumption.

H.R. 739. January 14, 1975. Science and Technology. Creates a United States Fire Administration and a National Fire Academy in the Department of Housing and Urban Development. Includes provisions for Federal assistance to State and local governments and to facilitate education and training of fire prevention personnel.

H.R. 740. January 14, 1975. Science and Technology. Directs the Secretary of Commerce to provide Federal assistance to local fire departments in the purchase of certain firefighting equipment.

H.R. 741. January 14, 1975. Science and Technology. Authorizes the Secretary of Commerce to make grants to States and localities to assist in the financing of training programs for firemen.

H.R. 742. January 14, 1975. Veterans' Affairs. Increases the maximum income level at which certain veterans remain eligible for pensions.

H.R. 743. January 14, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to provide financial assistance in the form of grants to States to enable them to establish and maintain veterans' cemeteries.

H.R. 744. January 14, 1975. Veterans' Affairs. Increases the percent guaranteed by the Federal Government for certain business loan programs for veterans. Increases the maximum allowable interest rates for such loans. Extends the eligibility for these loan programs to include veterans who served after January 31, 1955.

H.R. 745. January 14, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to pay for any emergency hospital care and medical services provided to any veteran by a private hospital if the Administrator finds that such care was related to an adjudicated service-connected disability, that no government facilities were reasonably available, and that delay in receiving such care would have endangered the veteran's health and life.

H.R. 746. January 14, 1975. Veterans' Affairs. Authorizes and directs the Administrator of Veterans' Affairs to insure that during the twenty-four month period after the discharge of a veteran, such veteran will have available to him employment, the salary for which is not less than the lower of his highest rate of pay in the Armed Forces, his highest civilian pay, or the prevailing rate of pay for equivalent employment.

H.R. 747. January 14, 1975. Veterans' Affairs. Increases the monthly rates of disability and death pension for veterans and their survivors.

H.R. 748. January 14, 1975. Veterans' Affairs. Extends the entitlement of veterans to educational assistance from thirty-six months to forty-five months.

H.R. 749. January 14, 1975. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay pension benefits to each veteran who served in the active military, naval, or air service at any time during World War I and who is otherwise not eligible for pension or to the widow and children of such veteran.

H.R. 750. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 751. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a deduction from gross income for expenses paid during the taxable year for the education of a dependent attending any primary or secondary educational institution.

H.R. 752. January 14, 1975. Ways and Means. Amends the Social Security Act to exclude general and cost-of-living increases in Old Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for supplemental security income benefits.

H.R. 753. January 14, 1975. Ways and Means. Amends the Social Security Act by (1) revising the method of computing the primary insurance amount; (2) authorizing a 50 percent increase in Old-Age, Survivors and Disability Insurance benefits; and (3) increasing the amount of outside income allowed before any reduction will be made in Old-Age, Survivors and Disability Insurance benefits.

H.R. 754. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an income tax credit to employers who hire unemployed Vietnam veterans if the position for which the veteran is hired either reflects his prior civilian, military, or education experience or it provides training which leads to self-improvement or job advancement, as certified by the Secretary of Labor.

H.R. 755. January 14, 1975. Ways and Means. Increases the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act.

H.R. 756. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an income tax credit to employers who hire unemployed Vietnam veterans.

H.R. 757. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an income tax credit to employers who hire a physically handicapped Vietnam veteran.

H.R. 758. January 14, 1975. Ways and Means. Entitles any veteran who was a prisoner of war or missing in action during the Vietnam conflict to import into the United States free of duty any personal and household effects in connection with the arrival of such person into the United States.

H.R. 759. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an additional personal and withholding tax exemption for a taxpayer, his spouse, or a dependent who is disabled.

H.R. 760. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals filing jointly.

H.R. 761. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income the cost of acquiring recycled solid waste materials for manufacture by the taxpayer into useful raw materials or salable products. Permits an optional amortization deduction of any solid waste recycling facility acquired by the taxpayer.

H.R. 762. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income limited amounts received as dividends or interest on deposits in a savings institution.

H.R. 763. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for amounts paid as tuition or fees during the taxable year to an educational institution for the education of the taxpayer, his spouse, or dependents.

H.R. 764. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit individuals to deduct contributions to a qualified fund, where the beneficiary is a dependent of the taxpayer, and where the distributions from the fund are to be made only to defray the cost of room, board, and tuition at an institution of higher education.

H.R. 765. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual a credit against the tax imposed for amounts paid by him during the taxable year as tuition for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 766. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer to deduct as an expense during the taxable year expenditures for the purpose of making any facility owned or leased by the taxpayer for use in connection with his trade or business more usable by handicapped and elderly individuals.

H.R. 767. January 14, 1975. Ways and Means. Permits a taxpayer who has donated his own blood to specified organizations to deduct under the Internal Revenue Code as a charitable contribution an amount specified for each pint.

H.R. 768. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income limited amounts received as compensation for service as a full-time law enforcement officer in the employ of the United States, or a State or local political entity.

H.R. 769. January 14, 1975. Ways and Means. Directs the Secretary of Transportation to carry on a national education campaign designed to educate drivers and pedestrians as to the danger of the improper use of motor vehicles on the highways.

Imposes an additional tax on gasoline and other motor fuels to pay for the costs of such campaign.

H.R. 770. January 14, 1975. Ways and Means. Makes it the duty of doctors, teachers, social workers and welfare workers to report all suspected child abuse. Requires the Secretary of Health, Education, and Welfare to provide for the issuance of a social security acocunt number for every child born in the United States in order to establish an effective national child-identification system.

H.R. 771. January 14, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act: (1) authorizes emergency and temporary grants; (2) eliminating the third-party payee requirement for certain recipients; (3) revising the method of determining income for the purposes of the program; (4) revising certain eligibility requirements; (5) authorizing cost-of-living increases in benefits; and (6) entitling recipients to food stamps on a permanent basis.

H.R. 772. January 14, 1975. Ways and Means. Revises the Internal Revenue Code to allow an income tax credit to employers who hire unemployed Vietnam veterans.

H.R. 773. January 14, 1975. Ways and Means. Allows income tax credits under the Internal Revenue Code to employers who hire unemployed Vietnam veterans who have been either listed as missing in action or prisoner of war.

H.R. 774. January 14, 1975. Ways and Means. Revises the eligibility requirements for Disability Insurance benefits for blind persons under the Social Security Act. Revises the method of computing the primary insurance amount for blind persons under the Social Security Act.

H.R. 775. January 1, 1975. Ways and Means. Amends the Social Security Act to authorize payment to married couples of Old-Age, Survivors, and Disability Insurance benefits which have been computed on the basis of their combined earnings record.

H.R. 776. January 14, 1975. Ways and Means. Amends the Social Security Act to permit officers and employees of the Federal Government to elect coverage under Old-Age, Survivors, and Disability Insurance. Sets forth the procedures by which Federal employees may elect such coverage.

H.R. 777. January 14, 1975. Ways and Means. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program. Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government.

H.R. 778. January 14, 1975. Judiciary Standards of Official Conduct. Creates a Federal Lobbying Disclosure Commission.

Requires lobbyists to (1) register with the Commission; (2) make and retain certain records; and (3) file report with the Commission regarding their activities.

Repeals the Federal Regulation of Lobbying Act.

H.R. 779. January 14, 1975. Merchant Marine and Fisheries. Judiciary. Amends the National Environmental Policy Act of 1969 to permit class action suits in United States District Courts against persons responsible for creation of air, water, and noise pollution.

H.R. 780. January 14, 1975. Interior and Insular Affairs. Designates a segment of the New River in North Carolina and Virginia as a potential component of the National Wild and Scenic Rivers System.

H.R. 781. January 14, 1975. Interior and Insular Affairs. Amends the Wild and Scenic Rivers Act to prohibit construction of any dam, reservoir, or similar facility on the New River in Virginia until the Secretary of the Interior has completed study of the river for potential designation as a component of the National Wild and Scenic Rivers System.

H.R. 782. January 14, 1975. Interior and Insular Affairs. Amends the Wild and Scenic Rivers Act to prevent construction of any dam, reservoir, or similar facility which would directly affect a certain segment of the New River in Virginia, unless such a project is specifically authorized by the Congress.

H.R. 783. January 14, 1975. Interstate and Foreign Commerce. Prevents the construction of any dam, reservoir, or similar facility which would directly affect a certain segment of the New River in Virginia, unless such a project is specifically authorized by the Congress.

H.R. 784. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax unmarried individuals at the same rate as married individuals filing jointly, and to apply the same requirements for requiring a deduction of estimated income tax and for withholding income tax from wages.

H.R. 785. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a deduction by a taxpayer for depreciation of his principal residence property.

H.R. 786. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 787. January 14, 1975. Interstate and Foreign Commerce. Requires the Federal Trade Commission to establish regulations to require the labeling of all packaged foreign dairy products to indicate that such foreign dairy product will be readily identifiable as being imported.

H.R. 788. January 14, 1975. Public Works and Transportation. Authorizes the Secretary of the Army to study and undertake remedial measures to provide relief from shore damage attributable to high water levels in the Great Lakes.

H.R. 789. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to acquire additional lands for the Indiana Dunes National Lakeshore.

H.R. 790. January 14, 1975. Merchant Marine and Fisheries. Directs the Secretary of the Interior to regulate the trapping and capture of mammals and birds on Federal lands. Establishes an advisory commission to recommend to the Secretary acceptable methods for trapping and capture of mammals and birds.

Prohibits use of unacceptable traps in interstate or foreign commerce. Prescribes regulations to prohibit the interstate shipment of hide, skin, feathers, or resulting products of the use of unacceptable traps.

H.R. 791. January 14, 1975. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay pension benefits to each veteran who served in the active military, naval, or air service at any time during World War I and who is otherwise not eligible for pension or to the widow and children of such veteran.

H.R. 792. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow the deduction from gross income of adoption fees as a medical expense.

H.R. 793. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a deduction from income for the purchase and installation of qualified insulation or heating equipment in the taxpayer's residence.

H.R. 794. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer who has attained the age of sixty-five to take a credit against his income tax for real property taxes paid by him, or for the amount of his rent constituting such taxes.

H.R. 795. January 14, 1975. Ways and Means. Amends the Internal Revenue Code by increasing the exemption for purposes of the Federal estate tax.

H.R. 796. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit an individual, at his election, to take a limited credit against the income tax for charitable contributions in lieu of a deduction as otherwise provided by the Code.

H.R. 797. January 14, 1975. Agriculture. Provides that the support price of milk shall be not less than 90 percent of the parity price therefor. Declares it the sense of Congress that the President shall take appropriate action to limit the quantity of meat imports. Declares it the sense of Congress that the President, with the concurrence of the Secretary of Agriculture, issue a proclamation not to increase the import quotas on butter, butter oil, cheddar cheese, and nonfat dry milk.

H.R. 798. January 14, 1975. Agriculture. Authorizes and directs the Secretary of Agriculture, through the Commodity Credit Corporation, to purchase animals and animal food products for use in foreign and domestic food relief programs.

H.R. 799. January 14, 1975. Interstate and Foreign Commerce. Defines the term "food supplement" as it appears in the Federal Food, Drug, and Cosmetic Act. Disallows the requirement of warning labels for and the limiting of ingredients in "food supplements" by the Secretary of Health, Education, and Welfare unless such article is intrinsically injurious to health in the recommended dosage.

H.R. 800. January 14, 1975. Post Office and Civil Service. Abolishes the United States Postal Service. Repeals the Postal Reorganization Act. Re-establishes the Post Office Department as an executive department of the Federal Government.

H.R. 801. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 802. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 803. January 14, 1975. Banking, Currency and Housing. Establishes the Reconstruction Finance Corporation to make loans and loan guarantees to business concerns which would otherwise be unable to obtain needed financing.

Authorizes the Corporation to issue notes, debentures, bonds, and other such obligations which will be fully guaranteed by the United States.

H.R. 804. January 14, 1975. Banking, Currency and Housing. Directs the Secretary of Housing and Urban Development to carry out to the fullest extent possible those programs of the National Housing Act designed to assist low-income families who own their homes or live in rental or cooperative housing.

H.R. 805. January 14, 1975. Education and Labor. Amends the Age Discrimination in Employment Act by extending the coverage of the Act to individuals sixty years of age or over.

H.R. 806. January 14, 1975. Education and Labor. Amends the Federal Coal Mine Health and Safety Act of 1969 by eliminating the support requirements for divorced wives and surviving divorced wives.

H.R. 807. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

Revises the method of computing income for the purpose of determining eligibility for supplemental security income benefits under the Social Security Act.

H.R. 808. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to provide Federal financial assistance to those State teacher retirement systems which allow retirement credit to teachers for out-of-State teaching service.

H.R. 809. January 14, 1975. Interstate and Foreign Commerce. Authorizes the Federal Energy Administration to establish a program of mandatory allocation of scarce supplies of natural gas. Directs that mandatory allocation regulations give high priority to those industries which use natural gas an an essential element in their production processes.

H.R. 810. January 14, 1975. Science and Technology. Amends the National Science Foundation Act of 1950 to authorize the Director of the National Science Foundation to establish a program of research and development in the production of synthetic liquid fuels.

H.R. 811. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increases the pension rate for these veterans and their survivors.

H.R. 812. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a person to elect to take a deduction for the amorization of a qualified oil shale or coal conversion facility in lieu of the depreciation deduction authorized by the Code.

H.R. 813. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to utilize in calculating the retirement income credit the maximum amount of old-age insurance benefits which could be paid, and the maximum amount of earnings which may be received in a calendar year as determined by the Secretary of Health, Education, and Welfare under the Social Security Act.

H.R. 814. January 14, 1975. Ways and Means. Revises the tax rates for Old-Age, Survivors and Disability Insurance and hospital insurance under the Internal Revenue Code of 1954. Raises the ceiling on income taxable for Old-Age, Survivors and Disability Insurance under the Social Security Act and Internal Revenue Code of 1954. Provides that one-third of the cost of the Old-Age, Survivors and Disability Insurance program be borne by the Federal Government.

H.R. 815. January 14, 1975. Ways and Means. Amends the Social Security Act by eliminating the waiting period for medicare coverage in the case of certain disabled individuals under age 65 who are applying for reentitlement to such coverage.

H.R. 816. January 14, 1975. Ways and Means. Amends the Social Security Act by (1) prohibiting the payment of Survivors Insurance benefits to individuals entitled to a survivors annuity under the Railroad Retirement Act; and (2) prohibiting the payment of a Survivors Insurance lump-sum death payment to individuals entitled to a lump-sum death payment under the Railroad Retirement Act.

H.R. 817. January 14, 1975. Ways and Means. Amends the Social Security Act to eliminate the reduction in disability benefits received by individuals who also receive workmen's compensation benefits.

H.R. 818. January 14, 1975. Ways and Means. Amends the Social Security Act by lowering the age at which a woman becomes entitled to widow's insurance benefits.

H.R. 819. January 14, 1975. Banking, Currency and Housing. Directs the Secretary of the Treasury to issue $2 Federal reserve notes commemorating the Bicentennial of the American Revolution.

H.R. 820. January 14, 1975. Interior and Insular Affairs. Establishes the National Conservation Area of the California Desert. Directs the Secretary of the Interior to develop and implement a comprehensive plan for the management, use, and protection of the natural resource lands within the conservation area.

H.R. 821. January 14, 1975. Interior and Insular Affairs. Prescribes penalties and establishes arrest authority with respect to violators of certain laws and regulations relating to the protection or use of public lands administered by the Secretary of the Interior or the Secretary of Agriculture.

H.R. 822. January 14, 1975. Agriculture. Decreases the amount of funds allocated under the Emergency Livestock Credit Act of 1974 from $2,000,000,000 to $1,000,000,000.

H.R. 823. January 14, 1975. Banking, Currency and Housing. Amends the National Housing Act to authorize the Secretary of Housing and Urban Development to insure loans to finance improvements to long-term care facilities required to correct deficiencies identified in State surveys and Federal certification procedures.

H.R. 824. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Housing and Urban Development to establish a program of grants to assist municipalities in strengthening and expanding existing programs of housing code enforcement in order to prevent the loss of structurally sound buildings through neglect.

H.R. 825. January 14, 1975. Banking, Currency and Housing. Prohibits the granting of Federal financial assistance to any State development agency unless such agency provides satisfactory assurances that it will take no action inconsistent with local zoning laws.

H.R. 826. January 14, 1975. Education and Labor. Establishes, under the Elementary and Secondary Education Act of 1965, a Director of Consumers Education whose duty shall be the making of grants, and contracts with educational and governmental entities to design projects to provide consumer education to the public.

H.R. 827. January 14, 1975. Education and Labor. Revises the provisions of the Higher Education Act of 1965 relating to the interest on educational loans which a student is entitled to have paid by the Federal Government.

H.R. 828. January 14, 1975. Education and Labor. Directs the Secretary of Health, Education, and Welfare, under the Older Americans Act of 1965, to approve a State plan to establish and maintain an ombudsman office which will receive and investigate complaints from residents and patients, and their relatives, in long-term care facilities.

H.R. 829. January 14, 1975. Education and Labor. Directs the Secretary of Labor to establish a volunteer employment program for retired persons.

H.R. 830. January 14, 1975. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to authorize the the Commissioner of Education to make grants to local education agencies for the stimulation and support of interscholastic athletic programs at secondary schools associated with certain community development programs.

H.R. 831. January 14, 1975. Education and Labor. Establishes a Federal Scholastic and Amateur Sports Commission within the Department of Health, Education, and Welfare for the purpose of protecting and promoting the interests of collegiate and other amateur athletes in the United States engaging in international competition.

H.R. 832. January 14, 1975. Foreign Affairs. Directs the President to suspend economic and military assistance under the Foreign Assistance Act of 1961 and sales under the Foreign Military Sales Act or the Agricultural Trade Development and Assistance Act of 1954, to any country whose government has failed to take appropriate steps to prevent narcotic drugs produced in such country from entering the United States unlawfully.

H.R. 833. January 14, 1975. Ways and Means. Requires the Secretary of Agriculture under the Export Administration Act to determine the amount of any agricultural commodity that will be available for export. Requires the Secretary of Commerce to publicly announce the determination. Prohibits the exporting of any agricultural commodity unless the person exporting such commodity has been issued an export license.

H.R. 834. January 14, 1975. Government Operations. Grants child care centers status as educational institutions for purposes of receiving surplus Federal property under the Fedreal Property and Administrative Services Act.

H.R. 835. January 14, 1975. House Administration. Requires the use of recycled paper in the printing of the Congressional Record.

H.R. 836. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require the Secretary of Health, Education, and Welfare, after consultation with the Secretary of Agriculture, to establish standards for grading system by which retail purchasers may determine the relative nutritional value of different foods for human consumption.

H.R. 837. January 14, 1975. Interstate and Foreign Commerce. Authorizes and directs the Chairman of the Federal Trade Commission to appoint a task force to study the extent that supermarkets engage in the practice of repricing food items after the item has been initially priced and offered for sale, the financial impact this has on consumers, and the additional cost to supermarket food chains to discontinue their repricing practices.

H.R. 838. January 14, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants to assist the States in bringing publicly operated or publicly assisted facilities for the mentally retarded into conformity with standards which will assure humane care, treatment, habilitation, and protection of the mentally retarded in residential facilities. Establishes a National Advisory Council on Standards for Residential Facilities for the Mentally Retarded to assist the Secretary of Health, Education, and Welfare in implementing and reviewing the standards established by this Act.

H.R. 839. January 14, 1975. Interstate and Foreign Commerce. Increases the scope of the Flammable Fabrics Act to include construction material used in the interiors of inhabitable structures, and to regulate standards of toxicity of substances which produce toxic by-products when burned.

H.R. 840. January 14, 1975. Interstate and Foreign Commerce. Amends the Railroad Retirement Act of 1937 by eliminating certain current outside employment as a bar to eligibility for annuities under the Act.

H.R. 841. January 14, 1975. Interstate and Foreign Commerce. Prohibits the importation or the sale of any products, or part of a product or the advertising of any product, produced outside the United States unless the product bears the name of the country of origin.

Requires the Federal Trade Commission to effectuate and enforce the Act.

H.R. 842. January 14, 1975. Interstate and Foreign Commerce. Prohibits interstate or foreign transaction in hypodermic needles and syringes by anyone who is not a manufacturer, wholesaler, dealer, or importer registered with the Attorney General of the United States or a licensed pharmacist or medical practitioner.

H.R. 843. January 14, 1975. Judiciary. Requires the establishment of a system for the redress of law enforcement officers' grievances and acceptance of a law enforcement officers' bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 844. January 14, 1975. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his official duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 845. January 14, 1975. Judiciary. Exempts certain volunteer firemen from Federal jury duty.

H.R. 846. January 14, 1975. Post Office and Civil Service. Makes Election Day a legal public holiday.

H.R. 847. January 14, 1975. Post Office and Civil Service. Authorizes the issuance of a special postage stamp commemorating the life and work of Doctor Enrico Fermi.

H.R. 848. January 14, 1975. Public Works and Transportation. Amends the Federal Aviation Act of 1958 by authorizing the President to suspend the right of air carriers operating under the authority of the Civil Aeronautics Board to operate aircraft to and from any nation which does not adhere to the Convention for the Suppression of Unlawful Seizure of Aircraft.

Directs that all passengers boarding aircraft in the United States be subjected to search for weapons or explosive devices.

H.R. 849. January 14, 1975. Public Works and Transportation. Extends the duties of the Executive Protective Service to include the protection of United Nations buildings, and buildings used by missions of United Nations member States in New York City. Increases the number of officers authorized to be employed in the Executive Protective Service.

H.R. 850. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 851. January 14, 1975. Public Works and Transportation. Amends the Uniform Relocation Assistance and Real Property Acquisition Policies Act to require that relocation payments be considered income for the purpose of determining eligibility for Federal-State public assistance programs, supplemental security income benefits and medicaid under the Social Security Act.

H.R. 852. January 14, 1975. Banking, Currency and Housing. Authorizes the Secretary of Transportation, under the Urban Mass Transportation Act of 1964, to give preference to applicants for grants and loans whose projects are designed to increase or improve public transportation for handicapped or elderly persons, and to prescribe standards for the accommodation of elderly persons in mass transportation buildings constructed with public financial assistance.

Directs common carriers in interstate commerce to provide reduced fare service to elderly persons during nonpeak periods and authorizes them to apply for compensation of losses due to such reduced fares.

Authorizes the Secretary, under the Older Americans Act of 1965, to make grants supporting studies of improved public transportation facilities for the elderly.

H.R. 853. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Permits an owner of rental property as an option to amortize expenditures for the restoration of rental housing.

H.R. 854. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow an individual a limited credit against the tax imposed for amounts paid by him during the taxable year as tuition for the education in a private nonprofit elementary or secondary school of any dependent for whom he may claim a personal exemption.

H.R. 855. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction from gross income for certain social security taxes, railroad retirement taxes, and civil service retirement contributions.

H.R. 856. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to allow a tax deduction to tenants for their proportionate share of the taxes and interest paid by their landlords.

H.R. 857. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a specified credit against the income tax to the purchaser of tires, tubes, and tread rubber, subject to the Federal excise tax, where such items were first used on a vehicle engaged in scheduled common carrier public land transportation.

H.R. 858. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to increase the amount of refund payable with respect to fuels used by local transit systems for commuter service.

H.R. 859. January 14, 1975. Ways and Means. Amends the Internal Revenue Code to permit a taxpayer to deduct as an expense during the taxable year expenditures for the purpose of making any facility owned or leased by the taxpayer for use in connection with his trade or business more usable by handicapped and elderly individuals.

H.R. 860. January 14, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act (1) authorizing emergency and temporary grants; (2) eliminating the third-party payee requirement for certain recipients; (3) revising the method of determining income for the purposes of the program; (4) revising certain eligibility requirements; (5) authorizing cost-of-living increases in benefits; and (6) entitling recipients to food stamps on a permanent basis.

H.R. 861. January 14, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for Federal-State public assistance programs, supplemental security income, or dependency and indemnity compensation for parents of deceased veterans.

H.R. 862. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount payable by the Federal Government to States as grants for social services under Federal-State public assistance programs.

H.R. 863. January 14, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which an individual may earn without a reduction in Old Age, Survivors, and Disability Insurance benefits.

H.R. 864. January 14, 1975. Government Operations. Requires the Secretary of State to pay to each State or political subdivision an amount of property tax revenue that would be derived from tax exempt United Nations property if such property were taxed.

H.R. 865. January 14, 1975. Interstate and Foreign Commerce. Prohibits the registration of any practitioner, under the Controlled Substance Act, to dispense or otherwise utilize heroin in any drug maintenance program.

H.R. 866. January 14, 1975. Armed Services. Amends the Uniform Code of Military Justice by establishing a Military Trial Command under the authority of the Judge Advocate General of each of the Armed Forces. Directs the Military Trial Command to designate the military judge, defense counsel and administrative personnel for each court-martial.

H.R. 867. January 14, 1975. Armed Services. Forbids characterization of separation from the armed forces on any discharge certificate. Describes conditions under which any other than honorable discharge my be issued. Sets forth procedures for issuing any other than honorable discharge and for reviewing such discharges.

H.R. 868. January 14, 1975. Education and Labor. Authorizes the Commissioner of Education to make grants to local educational agencies to share in the construction cost of projects to replace deficient elementary and secondary schools.

H.R. 869. January 14, 1975. Government Operations. Prohibits Federal agencies from furnishing mailing lists to the public, with certain exceptions. Prohibits the use of mailing lists furnished in violation of this Act for commercial solicitations.

H.R. 870. January 14, 1975. Government Operations. Directs the Secretary of Health, Education, and Welfare to make grants to States and units of local government to assist in the execution of consumer protection plans.

H.R. 871. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to enlarge the Jefferson National Expansion Memorial National Historical Site in Illinois.

H.R. 872. January 14, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize and direct the Secretary of Health, Education, and

Welfare to make grants to medical schools to assist in meeting the costs of special projects to plan, develop, or establish new programs or modifications of existing programs of education in the field of family medicine.

H.R. 873. January 14, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to appoint a National Advisory Council on Kidney and Kidney-Related Diseases and, after consultation with the Council, to make grants to public or nonprofit private universities, medical schools, research institutions, and other public or nonprofit private agencies and institutions to assist them in planning the development of cooperative programs to combat kidney disease.

H.R. 874. January 14, 1975. Interstate and Foreign Affairs. Prohibits, under the Fair Packaging and Labeling Act, any manufacturer, or retail distributor from distributing or selling a perishable or semiperishable food unless the food package shows the pull date for such food and the optimum temperature and humidity conditions for its storage.

Prohibits the selling of any food whose pull date has expired unless such food is fit for human consumption and it is segregated from other food.

H.R. 875. January 14, 1975. Interstate and Foreign Commerce. Requires that any packaged consumer food product shall be labeled with an analysis of its nutritional content if it is a processed food, with its net weight and drained weight if it is a canned or frozen product, and with its major ingredients by percentage if it is a combination food item.

H.R. 876. January 14, 1975. Interstate and Foreign Commerce. Requires manufacturers to display on a conspicuous label on each item of durable goods sold to consumers the performance life of each product. Declares the National Bureau of Standards to have final authority over the designations required by this Act, and requires the Federal Trade Commission to enforce the provisions of this Act.

H.R. 877. January 14, 1975. Interstate and Foreign Commerce. Requires manufacturers to label products as to month and year of manufacture for those goods whose design and performance features change at such a frequency as to make its date of manufacture part of its relevant description.

Empowers the Federal Trade Commission to enforce this Act.

H.R. 878. January 14, 1975. Interstate and Foreign Commerce. Requires, under the Fair Packaging and Labeling Act, certain persons engaged in the sale of consumer commodities to display the total selling price and the retail unit price of the commodity.

H.R. 879. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require that labels of certain packaged goods contain a disclosure of the manufacturer, packer, and distributor of each such good.

H.R. 880. January 14, 1975. Interstate and Foreign Commerce. Makes it unlawful under the Federal Trade Commission Act for any retailer to reprice any consumer commodity with a higher price once a price is affixed to such commodity.

H.R. 881. January 14, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act, that the labels on all foods disclose each ingredient in order of its predominance and an accurate statement of the percentage amount of such ingredient.

H.R. 882. January 14, 1975. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require the use of the established name along with the proprietary name for a drug every time the name appears. Allows licensed pharmacists to fill or refill prescriptions with a substitute drug if a practitioner, licensed to administer the drug, identifies it by its proprietary name, provided the substitute drug costs the patient less than any other substitute drug. Defines "subsitute drug" as a drug having the same established name as the drug identified by its proprietary name or a drug that the Secretary of Health, Education, and Welfare has determined to have the same qualitative composition as the drug so identified.

H.R. 883. January 14, 1975. Interstate and Foreign Commerce. Requires that any drug whose effectiveness or potency becomes diminished after storage shall be prominently labeled, under regulations promulgated by the Food and Drug Administration, as to the date beyond which the product shall not be used.

H.R. 884. January 14, 1975. Interstate and Foreign Commerce. Requires under the Federal Food, Drug, and Cosmetic Act, the posting of prices for prescription drugs by drug retailers. Directs the Federal Trade Commission to cooperate with the Secretary of Health, Education, and Welfare to implement, at the vendors' discretion, the advertising of prescription drug prices.

H.R. 885. January 14, 1975. Judiciary. Empowers the Federal Trade Commission, after a patent on a drug is more than one year old, to review complaints made to it by a qualified applicant for a license under a drug patent, and, upon a finding that the price of the patented drug charged to druggists by the patentee may be more than 500 percent of the cost of production, to order such patentee to grant an unrestricted patent license to any qualified applicant to make, use, and sell such drug.

H. R. 886. January 14, 1975. Judiciary. Establishes a Federal death benefit to be paid to the survivors of Federal, State, or local law enforcement, corrections and firefighting personnel.

H. R. 887. January 14, 1975. Judiciary. Directs the Secretary of Labor to pay compensation to any law enforcement officer or fireman not employed by the United States who is killed or injured in the line of duty.

H. R. 888. January 14, 1975. Post Office and Civil Service. Directs the Postmaster General to issue a postage stamp in commemoration of the life and work of Harriet Tubman.

H. R. 889. January 14, 1975. Public Works and Transportation. Authorizes the Secretary of the Army to proceed with construction of the locks and a dam for replacement and modification purposes on the Mississippi River at Alton, Illinois and Missouri.

H. R. 890. January 14, 1975. Public Works and Transportation. Authorizes the appropriation of funds to assist the States involved in the construction of the Great River Road, a highway through the Mississippi Valley from Canada to the Gulf of Mexico.

H. R. 891. January 14, 1975. Science and Technology. Directs the National Aeronautics and Space Administration to develop ground propulsion systems designed to reduce current levels of energy consumption.

H. R. 892. January 14, 1975. Science and Technology. Directs the Secretary of Commerce to provide Federal assistance to local fire departments in the purchase of certain firefighting equipment.

H. R. 893. January 14, 1975. Science and Technology. Directs the Secretary of Commerce to make grants to local fire departments for the purchase of certain firefighting equipment.

H. R. 894. January 14, 1975. Small Business. Amends the Small Business Act to empower the Small Business Administration to make loans to small businesses seriously affected by a shortage of energy producing materials.

H.R. 895. January 14, 1975. Veterans' Affairs. Establishes a veterans' outreach services program to be run by the Administrator of Veterans' Affairs for the purpose of insuring that all veterans, especially those who are recently separated, receive personalized educational, vocational, social services, and job placement assistance with respect to their entitlement for those benefits and services.

H.R. 896. January 14, 1975. Veterans' Affairs. Entitles veterans of the Mexican border period or of World War I and their widows and children to pensions on the same basis as veterans of the Spanish-American War and their widows and children. Increase the pension rate for those veterans and their survivors.

H.R. 897. January 14, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 898. January 14, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 899. January 14, 1975. Ways and Means. Revises the tax rates for Old-Age, Survivors and Disability Insurance and hospital insurance under the Internal Revenue Code of 1954. Raises the ceiling on income taxable for Old-Age, Survivors and Disability Insurance under the Social Security Act and Internal Revenue Code of 1954. Provides that one-third of the cost of the Old-Age, Survivors and Disability Insurance program be borne by the Federal Government.

H.R. 900. January 14, 1975. Ways and Means. Amends the Social Security Act by (1) lowering the age at which an individual becomes eligible for Old-Age, Survivors and Disability Insurance benefits; and (2) revising the method of computing pre-retirement age reductions in such benefits.

H.J. Res. 51. January 14, 1975. Post Office and Civil Service. Designates November 11 as "Veterans' Day."

H.J. Res. 52. January 14, 1975. Post Office and Civil Service. Authorizes the President to proclaim January 17 of each year as "National Volunteer Firemen Day".

H.J. Res. 53. January 14, 1975. Post Office and Civil Service. Authorizes the President to declare February 20 of each year as "Postal Employees Day".

H.J. Res. 54. January 14, 1975. Post Office and Civil Service. Authorizes the President to designate May of each year as "National Arthritis Month".

H.J. Res. 55. January 14, 1975. Judiciary. Proposes an amendment to the Constitution reserving to each State the sole and exclusive jurisdiction of all school systems within the State with respect to (1) organization and administration, and (2) the rights, privileges, and immunities of its citizens with respect to its school systems.

H.J. Res. 56. January 14, 1975. Judiciary. Proposes an amendment to the Constitution to permit voluntary participation in prayer in public schools and public buildings.

H.J. Res. 57. January 14, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 58. January 14, 1975. Judiciary. Proposes an amendment to the Constitution permitting voluntary prayer in public places. Allows reference to a Supreme Being in public or governmental activities.

H.J. Res. 59. January 14, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 60. January 14, 1975. Judiciary. Grants the consent of Congress to Maryland, Delaware, Virginia, and other States, to enter into a compact for more efficient use of the Chesapeake Bay.

H.J. Res. 61. January 14, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to regulate or forbid the voluntary termination of human pregnancy.

H.J. Res. 62. January 14, 1975. Judiciary. Proposes an amendment to the Constitution providing for the direct popular election of the President and Vice President of the United States.

H.J. Res. 63. January 14, 1975. Judiciary. Proposes an amendment to the Constitution limiting appropriations to the amount of revenues, except during a national emergency. Imposes a plan for the repayment of the national debt.

H.J. Res. 64. January 14, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 65. January 14, 1975. Post Office and Civil Service. Designates November 11 as "Veterans Day".

H.J. Res. 66. January 14, 1975. Judiciary. Proposes an amendment to the Constitution providing for the direct popular election of the President and Vice President of the United States.

H.J. Res. 67. January 14. 1975. Judiciary. Proposes an amendment to the Constitution giving students the right to attend the public school nearest their residence.

H.J. Res. 68. January 14, 1975. Education and Labor. Authorizes and requests the President to call a White House Conference on the Handicapped.

H.J. Res. 69. January 14, 1975. Interstate and Foreign Commerce. Directs the Federal Communications Commission to conduct a study of the effects on viewers of the display of violence in television programs.

H.J. Res. 70. January 14, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 71. January 14, 1975. Merchant Marine and Fisheries. Directs the President, under the Fisherman's Protective Act of 1967, to use the Coast Guard and United States Navy to insure the safety of any United States fishing vessel in international waters.

H.J. Res. 72. January 14, 1975. Post Office and Civil Service. Requests the President to declare the week which includes Thanksgiving Day as "National Family Week".

H.J. Res. 73. January 14, 1975. Post Office and Civil Service. Requests the President to designate the 4th Sunday in November of each year as "National Grandparents' Day."

H.J. Res. 74. January 14, 1975. Post Office and Civil Service. Authorizes the President to declare February 20 of each year as "Postal Employees Day".

H.J. Res. 75. January 14, 1975. Judiciary. Proposes an amendment to the Constitution: (1) to allow voluntary participation in the Pledge of Allegiance to the flag of the United States, and (2) to grant Congress the power to legislate with respect to the display and handling of the flag of the United States.

H.J. Res. 76. January 14, 1975. Post Office and Civil Service. Authorizes the President to designate the 1st Sunday in June of each year as "American Youth Day".

H.J. Res. 77. January 14, 1975. Judiciary. Proposes an amendment to the Constitution allowing prayer in public buildings.

H.J. Res. 78. January 14, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit a public school student from being assigned to, or required to attend, a particular school.

H.J. Res. 79. January 14, 1975. Interstate and Foreign Commerce. Authorizes a study by the Secretary of Transportation of the feasibility of Government acquisition, operation, and maintenance of railway fixed facilities. Directs the Secretary of Transportation to study the feasibility of a comprehensive program of Federal assistance to all forms of transportation to develop a national transportation system.

H.J. Res. 80. January 14, 1975. Interstate and Foreign Commerce. Prohibits the Interstate Commerce Commission from authorizing the abandonment of any railroad line under the Interstate Commerce Act.

H.J. Res. 81. January 14, 1975. Judiciary. Proposes an amendment to the Constitution lowering the age requirements for Congressional membership.

H.J. Res. 82. January 14, 1975. Judiciary. Proposes an amendment to the Constitution to require that: (1) no public school student be assigned or required to attend a particular school because of race, creed, or color, and (2) no public school teacher or other Government employee be assigned or required to work at any particular job or location because of race, creed, or color.

H.J. Res. 83. January 14, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to cooperate with certain private groups in the establishing of the Lyndon Baines Johnson Memorial Grove on the Potomac.

H.J. Res. 84. January 14, 1975. Judiciary. Proposes an amendment to the Constitution requiring a concurrence of not less than two-thirds of the Supreme Court in order to find an Act of Congress or of a State legislature unconstitutional.

H.J. Res. 85. January 14, 1975. Judiciary. Proposes an amendment to the Constitution: (1) to modify the terms of office of the Federal judiciary, and (2) to require that each judge be approved by the voters.

H.J. Res. 86. January 14, 1975. Judiciary. Proposes an amendment to the Constitution which specifies the qualifications and tenure of Federal judges.

H.J. Res. 87. January 14, 1975. Judiciary. Proposes an amendment to the Constitution which requires reconfirmation of Federal judges by popular vote.

H.J. Res. 88. January 14, 1975. Judiciary. Proposes an amendment to the Constitution which requires reconfirmation of Federal judges by popular vote.

H.J. Res. 89. January 14, 1975. Foreign Affairs. Directs the President to seek an agreement with Canada calling for a moratorium on the killing of eastern timber wolves.

H.J. Res. 90. January 14, 1975. Foreign Affairs. Requires the Secretary of State to inform Congressional committees of the status of any negotiations with foreign governments regarding any debt owed to the United States Government.

Declares that no such debt shall be canceled, renegotiated, rescheduled, or settled in a manner inconsistent with the original legislative authorization as amended.

H.J. Res. 91. January 14, 1975. Judiciary. Proposes an amendment to the Constitution with respect to attendance of Senators and Representatives at congressional sessions.

H.J. Res. 92. January 14, 1975. Post Office and Civil Service. Requires the Bureau of Census, the Department of Labor, the Department of Agriculture, and the Office of Management and Budget to collect and publish economic and social statistics for Americans of Spanish origin or descent.

H.J. Res. 93. January 15, 1975. Post Office and Civil Service. Designates February 9 to 15, 1975, as "National Vocational Education Week."

H.J. Res. 94. January 15, 1975. House Administration. Requests the President to designate the American rose as the national floral emblem of the United States.

H.J. Res. 95. January 15, 1975. Judiciary. Proposes an amendment to the Constitution granting parents and local school boards the right to determine which public school children in the district will attend.

H.J. Res. 96. January 15, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 97. January 16, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 98. January 16, 1975. Merchant Marine and Fisheries. Directs the President, under the Fisherman's Protective Act of 1967, to use the Coast Guard and United States Navy to insure the safety of any United States fishing vessel in international waters.

H.J. Res. 99. January 16, 1975. Judiciary. Amends the Constitution: (1) to extend the rights of due process and equal protection to persons from the moment of conception, and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 100. January 16, 1975. Post Office and Civil Service. Designates February of each year as "American History Month."

H.J. Res. 101. January 16, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H.J. Res. 102. January 17, 1975. Judiciary. Proposes an amendment to the Constitution permitting voluntary prayer in public places. Allows reference to a Supreme Being in public or governmental activities.

H.J. Res. 103. January 17, 1975. Judiciary. Proposes an amendment to the Constitution to require that: (1) no public school student be assigned or required to attend a particular school because of race, creed, or color, and (2) no public school teacher or other government employee be assigned or required to work at any particular job or location because of race, creed, or color.

H.J. Res. 104. January 17, 1975. Judiciary. Proposes an amendment to the Constitution to permit Congress or the States to impose the death penalty in certain cases.

H.J. Res. 105. January 17, 1975. Judiciary. Proposes an amendment to the Constitution with respect to the force and effect of treaties.

H.J. Res. 106. January 17, 1975. Post Office and Civil Service. Designates the last Wednesday in August of each year as "Senior Citizen Recognition Day."

H.J. Res. 107. January 17, 1975 Judiciary. Proposes an amendment to the Constitution lowering the age requirements for Congressional membership.

H.J. Res. 108. January 17, 1975. Post Office and Civil Service. Designates February 9 to 15, 1975, as "National Vocational Education and National Vocational Industrial Clubs of America Week."

H.J. Res. 109. January 17, 1975. Post Office and Civil Service. Designates January 28 to February 3, 1975, as "Chattanooga Area Manufacturers Week."

H.J. Res. 110. January 17, 1975. Ways and Means. Prohibits tariffs, fees, or quotas on petroleum imports unless authorized by law.

H.J. Res. 111. January 17, 1975. Post Office and Civil Service. Designates February of each year as "American History Month."

H.J. Res. 112. January 20, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 113. January 20, 1975. Judiciary. Proposes an amendment to the Constitution permitting voluntary prayer in public places. Allows reference to a Supreme Being in public or governmental activities.

H.J. Res. 114. January 20, 1975. Judiciary. Designates the square dance as the national folk dance of the United States.

H.J. Res. 115. January 20, 1975. Judiciary, Post Office and Civil Service. Requests the President to designate June 29 to July 5 of each year as "Why I Love America Week."

H.J. Res. 116. January 20, 1975. Government Operations. Authorizes and requests the President to take the steps necessary to reduce the paperwork of the executive branch of the Federal Government.

H.J. Res. 117. January 20, 1975. Armed Services. Authorizes increased production of petroleum from the Elk Hills Naval Petroleum Reserve for sale to oil refineries.

H.J. Res. 118. January 20, 1975. Post Office and Civil Service. Requests the President to designate May 13 of each year as "American Business Day."

H.J. Res. 119. January 23, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish national petroleum reserves on certain public lands of the United States.

H.J. Res. 120. January 23, 1975. Judiciary. Proposes an amendment to the Constitution to require popular approval of a Vice President in cases of vacancy in the office.

PETITIONS, ETC.

Under clause 1, of rule XXII,

25. The SPEAKER presented a petition of the city council, Los Angeles, Calif., relative to public works projects; to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H. RES. 138

By Mr. ANDERSON of Illinois:

(1) On page 1, strike lines 6 through 11 and insert in lieu thereof the following:

"(b) The select committee shall be composed of ten Members of the House of Representatives to be appointed by the Speaker as follows: (a) five from the majority party, after consultation with the chairmen of those standing committees having current jurisdiction over intelligence matters; and (b) five from the minority party after consultation with the minority leader of the House. The speaker shall designate one of the Members as chairman."

(2) On page 4, strike lines 17 through 20 and insert in lieu thereof the following:

"SEC. 6. (a) The select committee shall institute and carry out such rules and procedures as it may deem necessary to prevent (1) the disclosure, outside the select committee, of any information relating to the activities of the Central Intelligence Agency or any other department or agency of the Federal Government engaged in intelligence activities, obtained by the select committee during the course of its study and investigation, not authorized by the select committee to be disclosed; and (2) the disclosure, outside the select committee, of any information which would adversely affect the intelligence activities of the Central Intelligence Agency in foreign countries or the intelligence activities in foreign countries of any other department or agency of the Federal Government;

"(b) No employee of the select committee or any person engaged by contract or otherwise to perform services for the select committee shall be given access to any classified information by the select committee unless such employee or person has received an appropriate security clearance as determined by the select committee. The type of security clearance to be required in the case of any such employee or person shall, within the determination of the select committee, be commensurate with the sensitivity of the classified information to which such employee or person will be given access by the select committee.

"(c) As a condition for employment as described in section 5 of this resolution, each person shall agree not to accept any honorarium, royalty, or other payment for a speaking engagement, magazine article, book, or other endeavor connected with the investigation and study undertaken by this committee."

(3) On page 5, at line 1, insert the following new section and redesignate sections 7 and 8 as sections 8 and 9, respectively:

"SEC. 7. The expenses of the select committee under this resolution shall not exceed $750,000 of which amount not to exceed $100,000 shall be available for the procurement of the services of individual consultants or organizations thereof. Such expenses shall be paid from the contingent fund of the House upon vouchers signed by the chairman of the select committee and approved by the Speaker."

(4) On page 5, strike all of line 4 and insert in lieu thereof the following: "September 1. 1975."

SENATE—*Tuesday, February 18, 1975*

The Senate met at 12 o'clock meridian and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, the Strength of all that is good, the Light of all that is true, we thank Thee that Thou hast put within us some spark of the eternal flame, some desire for goodness, some craving for whatsoever things are lovely. May the penitential season upon which we have entered be to us a time of cleansing and renewal. As Thy searching spirit reviews and reveals what we really are, with the imperfections and sins which we share with our common humanity, bring us to a new awareness of Thy forgiveness and grace. And if we see ourselves in need of Thee, come quickly, O Lord, to be with us, banishing our doubts, assuring us of Thy infinite love, lighting our pathway before us. When the Lenten days at length bring us face to face with the cross, may we yield to its redemptive love and be ready for the dawn of the resurrection morning.

We pray in His name who came to seek and to save. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, February 17, 1975, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

A MODEST PROPOSAL

Mr. HUGH SCOTT. Mr. President, I should like to make a modest proposal. I would comment first by saying that it would have saved considerable confusion had the various Presidential candidates been able to agree among themselves to make their announcements in alphabetical order. Since that has not been done, confusion will be compounded.

I propose, therefore, that hereafter Presidential candidates be assigned numbers which they wear prominently, so that to facilitate reference, we may point out that candidate No. 17 has moved sharply to the left to receive a forward pass; that candidate No. 21 has faded back to the right; that for candidate No. 23 a substitution has been offered on behalf of candidate No. 27. The various candidates, being so simply designated, would be more readily identified by the public.

Since many of them are not too well known by name, I think it would be easier to remember them by number. We could, therefore, have a Presidential contest by the numbers, and thereby alleviate some of the public's confusion.

I hope that my suggestion will be given careful consideration. If they do not like numbers, perhaps we can go through the alphabet and arbitrarily assign them every letter from A to Z, except X. Since X indicates franchise and a voter's choice, no candidate will be entitled to X until after the two conventions and the election. But reserving X and moving, if necessary, into the AA category, and so on, might aid the public's view of the candidates.

I would suggest that some of the candidates really should be labeled Y, because one wonders why, indeed, they have bestowed upon us the inestimable privilege of viewing them as sufficiently talented to qualify for this high office.

However, like most things proposed in the Senate, including energy legislation, nothing will come of it.

ORDER OF BUSINESS

The VICE PRESIDENT. Under the previous order, the Senator from Illinois is recognized for not to exceed 15 minutes.

COMMEMORATION OF LITHUANIAN INDEPENDENCE DAY

Mr. PERCY. Mr. President, as today we commemorate the 57th anniversary of Lithuanian independence in the U.S. Senate, we are keeping faith with the people of Lithuania whose freedom and independence were taken from them in 1940. We want the people of Lithuania to know that they are in our hearts and that we have not forgotten them.

For me, this anniversary is a special one. It is special because we in Congress have had two successes on behalf of the Lithuanian people within recent months.

First, our goal of having Radio Liberty initiate broadcasts in the Lithuanian language has been achieved; broadcasts in Lithuanian began early last month. Second, our determination to obtain the release of the Lithuanian sailor Simas Kudirka from a Soviet prison camp resulted in his release last August and in his emigration to the United States last October.

Those of you who worked with me on these two matters know how difficult it was to obtain the desired results. But we pursued these goals with persistence, and we won.

It is only right to mention in this connection the immense help we received in the Kudirka case from the Department of State, and particularly from Deputy Assistant Secretary of State John Armitage, and William Dyess and Richard Combs of the Soviet desk. They performed admirably, in the best tradition of the Foreign Service.

On the issue of broadcasts in the Lithuanian language, we must give credit to David Abshire, chairman of the board for International Broadcasting, and to Tom Barthelmy, the board's outstanding executive director; they cooperated in every possible way. The same was true of the executives of Radio Liberty in New York, and I would like to cite specifically the dedication of Grechen Brainerd, Radio Liberty's acting information director, who performed an important liaison role between my staff and Howland Sargeant, president of the Radio Liberty Committee.

These victories, of course, would never have been won without the great initiative and effort of organized Lithuanian-American groups throughout the country. The Lithuanian American Council, headquartered in Chicago under the impressive leadership of my friend, Dr. Kazys Bobelis, was in touch with me constantly throughout the critical months. The Lithuanian American Community, headquartered in Philadelphia under the leadership of Vytautas Volertas and Ausra Zerr, gave us tremendous support. Gordon and Grazina Paegle of Locust, N.J., deserve great credit for their unique role in bringing Simas Kudirka and his family to our country. And Representative ROBERT HANRAHAN, my friend and colleague from Illinois, did so much to keep the Kudirka case before the House of Representatives.

Mr. President, I think that all those who met with Simas Kudirka and his wonderful family at the reception we gave them in the Capitol, and at other receptions for them, found him to be an exceedingly intelligent and dedicated man. This case symbolized the necessity of having persistence and not letting someone languish in prison, forgotten. We received cooperation all the way around in that case.

There are many whose work should be mentioned, whose support was so generously offered. Dr. John Genys of Seabrook, Md., president of the Joint Baltic-American Committee, was always at our side in those battles. Mrs. Daiva Kezys of Middle Village, N.Y., and Regina Zymantas, president of the Baltic Women's Council in New York City, came frequently to Washington to help me build support for our cause. I also received continuing advice from my longtime friends in Chicago, Valdas Adamkus and Casimir Oksas.

The Knights of Lithuania were always involved. And the great Lithuanian newspapers, Naujienos, Draugas, and Sandara, effectively publicized the developments.

I was especially pleased by the enthusiastic participation of the American Latvian Association and the Estonian National Council whose support of the Lithuanian community in these matters was most admirable and much appreciated.

In fact, there was a national movement behind our efforts. Members of chapters of Lithuanian organizations throughout the country wrote letters and made phone calls to Members of Congress on these issues. And editors of many ethnic-oriented newspapers supported us; in this regard, I would like to mention Louis Adam of Amerikai Magyar Elet, the Hungarian weekly, who gave the Kudirka case magnificent coverage in his newspaper.

This great outpouring of support for the people of Lithuania attests to the concern we have for them and to the respect we have for Americans of Lithuanian birth or ancestry.

As we celebrate the anniversary of Lithuanian independence, as we send our greetings to the people of Lithuania, let us thank God for the freedom we enjoy in our country and pray that our blessing of freedom may one day be shared with them and with all the peoples of the earth.

THE MIDDLE EAST

Mr. PERCY. Mr. President, I wish to indicate my intention in the very near future to ask time of the Senate to discuss our problems in the Middle East. Having recently returned from a trip to the region on behalf of the Committee on Foreign Relations, I have come to certain observations and conclusions and am now preparing a report of that trip for the committee. I think it is in the best interests of our country, in the best interests of the valiant state of Israel, and certainly of the Arab nations, that we shed as much light as possible on this matter. Certainly, there is wide coverage now being given to the extraordinarily important mission of the Secretary of State, in the Middle East, trying to resolve differences, to dampen down emotions, to bring rationality to bear on an extraordinarily difficult set of problems. Secretary Kissinger is a particularly gifted individual who has earned the confidence of both sides in this issue. He is not free of controversy, of course, but it is the firm hope of the Senator from Illinois that the Congress of the United States will stand together with the executive branch in seeking peace in the Middle East.

Over a period of years, the world has witnessed great divisions between the Senate and the executive branch of the Government on Southeast Asia. We have seen great divisions of points of view over Cyprus on the Turkey-Greece issue. We have seen a division of opinion and a failure on a way of strengthening our trade relationships with the Soviet Union. Here today, when the peace of the world depends upon our finding a solution to the problem in the Middle East, it is my firm hope that the Senate of the United States shall stand together with the executive branch of government; work out a common program and a common approach so that the Secretary of State can speak in behalf of the United States, working in behalf of the interests of world peace in that particular area without the feeling that his efforts in any way would be undercut or detracted from by the Senate in any subsequent action.

GOVERNOR MILLIKEN, A POPULAR GOVERNOR

Mr. PERCY. Mr. President, I noticed last evening an article in the Washington Star commending the efforts of Governor Milliken of Michigan. Too frequently, our Governors are maligned because of the relatively impossible job that they face in administering the affairs of our great States. I wish to commend Mr. Charles Bartlett, who wrote an article about Governor Milliken, pointing out the positive aspects of the work that he has done, the initiative that he has taken, the remarkably creative programs that he has initiated in the State of Michigan; programs that I notice have the commendation not only of our Vice President, the Presiding Officer of the Senate, but also of the distinguished assistant minority leader of the Senate (Mr. GRIFFIN). Certainly the State of Michigan is beset with a tremendous number of economic problems today and I think the people of Michigan are fortunate, indeed, to have a Governor, a chief executive officer, of the competence, the skill, the ability, the unassuming dedication that Governor Milliken has.

I ask unanimous consent that the article which appeared in the Washington Star of last evening by Charles Bartlett, a syndicated column, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"NICE GUY" MILLIKEN

(By Charles Bartlett)

LANSING, MICH.—If there is one Republican who does not plan to be caught responding sluggishly to the miseries of recession, it is William Milliken, the remarkable governor of Michigan.

Milliken is remarkable simply because he's in office. He survived the angry, frustrated mood of an economically stricken state and the vulnerability of the Nixon stigma by coming across as a better guy than the ordinary run of politicians. "It is extraordinary," explains one partisan Democrat. "No one blames Milliken for anything."

His astonishing popularity after six years in the governor's office is not a mere product of good looks and an easy way with people. He has been consistent in behaving like a Mr. Jones who emerged from upstate obscurity to try to do the right thing. He is a supremely skillful politician because he rarely looks or talks like one.

In the present crisis of confidence, he perceived his potential to contribute to the process of building back the people's belief in the system and the future. It is crucial for the governor not to appear to be waiting for the federal government to furnish the answers. As he aptly put it in January, "We must put an end to despair and defeatism before they put an end to us."

So he is doing what he can in this pinched condition of the state's resources. He has proposed Michigan's first $3 billion budget with an $800 million bonding initiative for public works, increased contributions to the cities and a summer employment program. He is reaching out for citizen confidence with measures that reflect his responsiveness to their varied concerns. On many proposals, he will be closer to the legislature's Democratic majority than to his own Republicans.

But Michigan is in a real crunch. Faced with 549,000 unemployed workers, the most in the state's history, and with the prospect that many will soon see their benefit cushions expire, the governor will need prompt and urgent help from Washington. Michigan's unemployed are not the sort of people who will gracefully subside into welfare cases, so the great task is to make sure this does not become their sole alternative.

Therefore, Milliken is petitioning Congress to extend quickly the coverage of unemployment compensation for at least 13 weeks past the present one-year cutoff. He needs rapid action on the federal tax cut to give some substance to auto-industry predictions of an imminent recovery. He is grateful for Ford's release of highway funds, which can be quickly transformed into jobs. But he needs prompt delivery of other federal pledges for mass transportation, pollution control and social services.

Clearly Milliken does not believe a political leader can assist in the recovery of confidence by clinging to conservative behavior or by piling promise upon promise in the liberal style. His approach is to steer clear of posturing and partisanship and to avoid any move that may give him the aspect of a politician hankering for higher office. Some say he lacks a "power drive," but he seems merely intent on preserving the purity of his image as the man who came to Lansing to do good.

Milliken's rapid rise from a rather boyish, insecure lieutenant governor to one of Michigan's great leaders cannot fail to reassure Gerald Ford, another practitioner of "nice guy" leadership. There are substantial parallels between what Ford is trying to do in Washington and what Milliken has managed to do in Michigan.

If the President pulls it off as neatly as the governor has, there will be reason to hope that the nation can gain back its faith in the political system.

QUORUM CALL

Mr. PERCY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. STONE). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. STONE). Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 12:30 p.m., with statements therein to be limited to 3 minutes.

PRIVILEGE OF THE FLOOR—H.R. 2634

Mr. LONG. Mr. President, I ask unanimous consent that during the consideration of the debt limit bill, Mr. Laurence Woodworth and Mr. Al Buckberg of the Joint Committee on Internal Revenue be permitted privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Also, I ask unanimous consent that Mr. Mike Stern and Mr. Robert Willan be permitted privileges of the floor during this period.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE VALUE OF EXTENDED DEBATE

Mr. ALLEN. Mr. President, on Thursday, an effort will be made, from all indications, based on the unanimous-consent agreement that has been entered into here in the Senate, to amend rule XXII so as to enable three-fifths of the Senators to impose a gag rule on debate in the Senate.

I hope that effort will not succeed.

The charge has been made that extended debate, or filibuster, if you please, is a time killer, that it unduly delays or hampers the consideration of legislation and final action by the Senate.

The whip notice on Senators' desks this morning is of considerable interest in that regard. I ask unanimous consent, Mr. President, that the whip notice be printed in the RECORD.

There being no objection, the whip notice was ordered to be printed in the RECORD, as follows:

WHIP NOTICE

February 17, 1975.

TUESDAY, FEBRUARY 18

DEAR COLLEAGUE:

Senate convenes at 12:00 Noon.

Senator Percy will speak for 15 minutes, after which there will be routine morning business until 12:30 p.m., with statements limited therein to 3 minutes.

At 12:30 p.m., the Senate will debate H.R. 2634 (Debt Limit) with any nongermane amendments *not* in order. No rollcall votes before 4:00 p.m.

At 4:00 p.m., rollcall votes will occur on the passage of the Debt Limit Bill and on any amendments thereto on which rollcalls have previously been ordered.

Upon the disposition of the Debt Limit Bill, debate will begin on H.R. 1767 (Oil Import Tariff).

WEDNESDAY, FEBRUARY 19

At 11:00 a.m., Senate will resume consideration of H.R. 1767 (Oil Import Tariff) under a time limitation. Nongermane amendments will *not* be in order. *The rollcall vote on final passage of H.R. 1767 will occur at 5:00 p.m.*

REMINDER: (1) Rollcall votes will occur on Tuesday at 4:00 p.m.

(2) There will be rollcall votes on Wednesday with a vote on final passage of H.R. 1767 at 5:00 p.m.

ROBERT C. BYRD.

Mr. ALLEN. The whip notice calls attention to the fact that there is unanimous consent in the Senate that on consideration of the debt limit bill (H.R. 2634) no nongermane amendments will be in order, and the same unanimous consent agreement applies with respect to the oil import tariff (H.R. 1767).

Mr. President, in days gone by the debt limit bill, which is a bill that must be passed from time to time by Congress, authorizing a temporary funded indebtedness by the National Government, and a necessary piece of legislation, has been used as a vehicle to add measures by amendments that could not stand on their own and be considered separately.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. ROBERT C. BYRD. Mr. President, will the Chair recognize me?

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. I yield my time to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 3 additional minutes.

Mr. ALLEN. So thereby nongermane amendments have been added, and extended debate has been used in the Senate to prevent the adding of nongermane amendments to this necessary bill.

So this is an illustration of how extended debate would have been employed this time had this unanimous-consent agreement not been entered into, that no nongermane amendments would be allowed.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. ALLEN. I will yield to the Senator in a moment.

The threatened use of extended debate apparently has been instrumental in the agreement that there be no nongermane amendments. As a result, the use of extended debate, far from serving as a delaying tactic, has opened the way for early passage of the debt ceiling bill and early action on the oil import measure.

So this is an illustration of how extended debate can cut down on the time for consideration of measures, rather than prolong the deliberations with respect to a piece of legislation.

I yield now to the distinguished Senator from Louisiana.

Mr. LONG. Mr. President, if I had known, as I suspect the Senator of saying, that he had intended to engage in extended debate, if need be, to prevent nongermane amendments from being offered to the debt limit bill, I would certainly have seized upon that in the negotiations to try to persuade Senators not to offer nongermane amendments on this measure. As it was, I thought I might be compelled to engage in dilatory tactics myself in order to prevent nongermane amendments on the debt limit bill, because, as the Senator knows, we may be bumping against the debt ceiling by midnight tonight.

Mr. ALLEN. Yes.

Mr. LONG. And if that were the case, anyone offering extraneous amendments on the bill could prevent it from being enacted in time, which could cause some considerable financial and fiscal embarrassment to this Government, because people have their pet proposals, not in any respect germane, to the debt limit bill, which they would like to offer, and it is essential that that measure become law immediately.

Mr. ALLEN. I certainly agree with the Senator, and apparently we are of the same opinion with regard to the adding of nongermane amendments to this necessary piece of legislation.

The point that the Senator from Alabama was making is that in the past the use of extended debate has defeated these efforts to add nongermane amendments, and apparently now no effort is being made to add nongermane amendments, which the Senator from Alabama is glad to see, but he is using that as an illustration to show that the use of extended debate, far from adding to the length of time it takes to consider a piece of legislation before it comes to a vote, has in some cases in the past—and I have called attention to two present cases as shown by the whip notice—caused the time to be cut down rather than added to.

Mr. President, I yield the floor.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. STONE). The Chair, on behalf of the Vice President, pursuant to Public Law 86-417, appoints the Senator from Alabama (Mr. ALLEN) to the James Madison Memorial Commission.

The Chair, on behalf of the Vice President, pursuant to Public Law 86-380, appoints the following Senators to the Advisory Commission on Intergovernmental Relations: the Senator from Maine (Mr. MUSKIE), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Delaware (Mr. ROTH).

The Chair, on behalf of the Vice President, in accordance with title 14, section 194(a) of the United States Code, appoints the Senator from North Carolina (Mr. MORGAN) to the Board of Visitors to the U.S. Coast Guard Academy, and the Chair announces on behalf of the chairman of the Committee on Commerce his appointments of the Senator from Rhode Island (Mr. PASTORE) and the Senator from Connecticut (Mr. WEICKER) as members of the same Board of Visitors.

The Chair, on behalf of the Vice President, pursuant to Public Law 93-556, appoints the Senator from New Hampshire (Mr. McINTYRE) and the Senator from Tennessee (Mr. BROCK) to the Commission on Federal Paperwork.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of New York, to the Committee on Commerce:

Joint Resolution No. 13 of the Legislature of the State of New York memorializing the President and Congress of the United States to enact legislation for emergency financial assistance for certain Northeastern railroad systems

Whereas, The present economic recession has disastrously affected the financial stability of the two important Northeastern railroad systems now in reorganization; namely, the Penn Central and Erie-Lackawanna systems so as to force an early determination as to whether or not these lines can be sustained much longer on a viable basis; and

Whereas, The Interstate and Foreign Commerce Committee of the House of Representatives has approved for floor action HR 2051 appropriating $322 million and $25 million respectively in emergency assistance for those two railroads representing the sums indicated as being necessary for maintenance of services on those two lines pending evolution of the new CONRAIL plan; and

Whereas, The Trustees of the Penn Central system have publicly stated that they will find it necessary to begin to embargo receipt of all further freight shipments commencing about February 19, 1975 and will be required to terminate all rail operations about February 25, 1975 and the Trustees of the Erie-Lackawanna Lines have petitioned their Reorganization Court for permission to terminate all operations except their New York and New Jersey commuter service by February 28, 1975 unless in each case the appropriate emergency federal assistance provided in HR 2051 is promptly forthcoming; and

Whereas, The cumulative effect of these emergency conditions may well have an adverse impact on those solvent railroad lines still existing within New York State and which are now essential to be preserved for the economic well-being of the State of New York; now, therefore, be it

Resolved, That it is in the best interests of the people of New York and the Northeastern states to preserve and maintain in a strong and financially viable operational basis the existing Penn Central and Erie-Lackawanna rail route structures pending the development and final approval of the CONRAIL system plan, which together with assistance being provided by New York State for the solvent systems within this State will enable the latter to survive as healthy enterprises and thereby make available competitive routes within the framework of the free enterprise system for the benefit of shippers and our basic economic well-being; and be it further

Resolved, That the President and the Congress of the United States be and they are hereby memorialized to take all such steps as may be desirable and necessary to enact HR 2051 at the earliest possible moment and at such an early date as to prevent any interruption of rail services on the Penn Central and Erie-Lackawanna systems; and be it further

Resolved, That copies of this resolution be transmitted to the President and Vice-President of the United States, the Secretary of Transportation, the Secretary of the Senate, the Speaker and the Clerk of the House of Representatives and to each member of the Congress of the United States from the State of New York.

By order of the Senate,

ALBERT J. ABRAMS, *Secretary*.

By order of the Assembly,

CATHERINE A. CAREY, *Clerk*.

Adopted in the Assembly on February 12, 1975.

Mr. THURMOND. Mr. President, on February 12, 1975, the General Assembly of the State of South Carolina adopted a concurrent resolution memorializing Congress to terminate daylight saving time each year at midnight on the Sunday following Labor Day.

The resolution notes that the change would enhance the safety of children attending school and would also benefit and make more effective the operation of industries and farms throughout the State of South Carolina.

Congress recognized the need to alter daylight savings time when it recently passed a bill, which was subsequently signed by the President, that returned the Nation to standard time from the last Sunday in October through the last Sunday in February. I feel this was a wise move. Year-round daylight saving time was dangerous for children who walked to school; and, because of this, many parents who would not ordinarily have done so, drove their children to school. The extra gasoline expended during the trip to and from school, in all probability, negated any other energy savings caused by the lessened use of lighting and fuel.

Mr. President, in light of the problems that have been experienced, perhaps Congress should consider further the benefits and drawbacks of daylight saving time. On behalf of myself and the junior Senator from South Carolina (Mr. HOLLINGS), I ask unanimous consent that the concurrent resolution adopted by the general assembly of the State of South Carolina be printed in the RECORD at this point and referred to the appropriate committee for proper consideration.

The VICE PRESIDENT. Without objection, it is so ordered.

The resolution, which was referred to the Committee on Commerce, is as follows:

CALENDAR NO. S. 32

A concurrent resolution to memorialize the Congress of the United States to terminate daylight saving time each year at midnight on the Sunday following Labor Day

Whereas, for the safety of children attending school and for the convenience, benefit and more effective operation of certain industries and the farmers of this State the General Assembly of South Carolina has concluded that an earlier termination of daylight saving time is appropriate. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the General Assembly by this resolution respectfully requests the Congress of the United States to take necessary action to annually terminate daylight saving time at midnight on the Sunday following Labor Day.

Be it further resolved that copies of this Resolution be forwarded to the Speaker of the United States House of Representatives, the Vice-President and each member of the South Carolina Congressional Delegation in Washington, D.C.

COST OF FOOD STAMPS

Mr. HOLLINGS. Mr. President, on behalf of myself and my distinguished colleague, Senator Thurmond, I ask unanimous consent to have printed in the Record a concurrent resolution of the South Carolina State Legislature memorializing Congress to take such action as may be required to prevent an increase in the cost of food stamps.

I also wish to commend the Congress for the action it has already taken on this matter and reaffirm my opposition to any cost increases in the food stamp program.

There being no objection, the concurrent resolution was ordered to be printed in the Record, as follows:

A concurrent resolution memorializing Congress to take such action as may be required to prevent an increase in the cost of food stamps

Whereas, unbridled and uncontrolled inflation has eroded the purchasing power of the poor and less fortunate as well as those of our citizens on fixed incomes; and

Whereas, at this time to increase the cost of food stamps to this sector of society would subvert the original concept of the food stamp program, diminish the purchasing power of the public thereby adversely affecting the farmers' ability to cope with rising costs and, in addition, would have a devastating effect on the morale and confidence of those people helpless in the face of the economic vicissitudes confronting the decade of the seventies. Now, therefore, be it

Resolved, by the House of Representatives, the Senate concurring:

That the Congress of the United States is hereby memorialized to take such action as may be required to prevent an increase in the cost of food stamps. Be it further

Resolved That a copy of this Resolution be forwarded to each member of the United States Congress from South Carolina.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S.J. Res. 18. A joint resolution to designate March 13, 1975, as "Music in Our Schools Day." (Rept. No. 94–14).

By Mr. HRUSKA, from the Committee on the Judiciary, with amendments:

S.J. Res. 8. A joint resolution to authorize the President to issue annually a proclamation designating March of each year as "Youth Art Month." (Rept. No. 94–15).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Charles W. Robinson, of California, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development; U.S. Alternate Governor of the Inter-American Development Bank; and U.S. Alternate Governor of the Asian Development Bank.

Robert J. McCloskey, of Maryland, to be an Assistant Secretary of State.

Statement of Political Contributions of Robert J. McCloskey

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Robert J. McCloskey.

Post: Assistant Secretary Congressional Relations, nominated January 28, 1975.

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse, none.
3. Children and spouses names, none.
4. Parents names, none.
5. Grandparents names, none.
6. Brothers and spouses names, none.
7. Sisters and spouses names, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Robert J. McCloskey.

Subscribed and sworn (or affirmed) before me this 3rd day of February A.D. 1975, at Washington, District of Columbia.

[SEAL] ——— ———,
Notary Public.

My Commission Expires April 30, 1976.

Peter H. Dominick, of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

Statement of Political Contributions of Peter H. Dominick

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Peter H. Dominick.

Post: Ambassador, Switzerland, nominated February 3, 1975.

Contributions, amount, date, donee.

1. Self 1971: Nevius For Congress $50. Allott For Senate $300. 1972: Brotzman For Congress $200. McKevit For Congress $250. Johnson For Congress $250. 1974: Brotzman for Congress $250. Colorado Dominick Committee $16,000. (of which $4,000 represents cost of flying my own plane.)

Spouses.

Nancy P. Dominick, 1974: Colorado Dominick Committee $3,000.

4. Parents names, none
5. Grandparents name, none.
6. Brothers and spouses Names: Bayard Dominick: 1970 Etherington for Senate fund, $200. Dinner committee for Meyer $100. 1974: Colorado Dominick committee, $1,000.
7. Sisters and spouses names, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Peter H. Dominick.

Subscribed and sworn (or affirmed) before me this 30 day of Jan. A.D. 1975, at New York, New York.

[SEAL] Eileen M. Walsh,
Notary Public.

Commission expires March 30, 1975.

Elliott L. Richardson, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain.

Statement of Political Contributions of Elliott L. Richardson

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Elliott L. Richardson.

Post: Ambassador to Great Britain, nominated February 6, 1975.

Contributions, amount, date donee.

1. Self, see attached.
2. Spouse, none.
3. Children and spouses names: Henry S. Richardson (unmarried), none; Anne Hazard Richardson (unmarried), none; Michael E. Richardson (unmarried), none.
4. Parents names, deceased.
5. Grandparents names, deceased.
6. Brothers and spouses names, see attached.
7. Sister and spouses names, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Elliott Richardson.

Subscribed and sworn (or affirmed) before me this 17th day of January A.D. 1975, at Washington, D.C.

[SEAL] Mildred M. Thompson,
Notary Public.

Commission expires November 14, 1975.

CONTRIBUTIONS, AMOUNT, DATE, DONEE

1. Self: $500, March 21, 1971, Kick-Off '72 Republican Dinner.

$25, December 28, 1971, Republican National Finance Committee Sustaining Membership.

$300, March 27, 1972, Linsky Campaign Committee.

$500, May 15, 1972, Brooke Committee.

$100, August 11, 1972, Republican National Finance Committee.

$100, September 19, 1972, The Weeks Committee.

$300, September 27, 1972, Linsky Campaign Committee.

$2,000, October 10, 1972, Victory '72 Dinner Committee (CRP).

$1,000, October 24, 1972, Linsky Campaign Committee.

$25, December 4, 1972, Linsky for Congress Committee.

$25, February 8, 1973, Republican National Finance Committee.

$200, March 5, 1973, The Marty Linsky Non-Dinner Committee.

$100, January 1, 1974, Republican National Committee.

$100, June 5, 1974, Republican National Committee Sustaining Membership.

6. Brothers and spouses: Dr. & Mrs. George S. Richardson (Rebekah). $500, May 1972, Linsky Campaign Committee. $100, June 4, 1972, McGovern for President Committee. $50, March 1, 1973, Leonel Castillo (may not be federal office candidate). $50, February 22, 1973. Hubie Jones for Congress. $100, March 3, 1973. Marty Linsky Non-Dinner. $500, June 1974, Linsky Campaign Committee.

Dr. Edward R. Richardson, Jr.: $100, August 1, 1974, Linsky Campaign Committee.

Margaret E. Richardson: $25, October 1974, National Committee for an Effective Congress; $50, August 18, 1972, Finance Committee to Reelect the President.

Arthur W. Hummel, Jr., of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

STATEMENT OF POLITICAL CONTRIBUTIONS OF ARTHUR W. HUMMEL, JR.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Arthur W. Hummel, Jr.

Post: Ambassador to Ethiopia, nominated January 16, 1975.

Contributions, amount, date, donee.

1. Self, none.
2. Spouse, $10, August 1972, Dollars for Democrats.
3. Children and spouses names, none.
4. Parents names, none.
5. Grandparents names, none.
6. Brothers and spouses names, Sharman B. Hummel, $10, August 1972, the American Party.
7. Sisters and spouses names, none.

I have listed about the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

ARTHUR W. HUMMEL, Jr.

Subscribed and sworn (or affirmed) before me this 22nd day of November A.D. 1974, at Washington, District of Columbia.

[SEAL] MARY E. M———,

Commission expires April 30.

Notary Public.

Mark "Evans" Austad, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

STATEMENT OF POLITICAL CONTRIBUTIONS OF MARK "EVANS" AUSTAD

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Mark Evans Austad.

Post: Ambassador to Finland, nominated, January 16, 1975.

Contributions, amount, date, donee.

1. Self, $500, September 1972, Committee for Reelection of the President.
2. Spouse, none.
3. Children and spouses, names: Lola (wife) Austad, Nancy (Austad) and David Roth, Penny (Austad) and James Davis, Wendy (Austad) and John Durfee, none.
4. Parents' names, deceased.
5. Grandparents' names, deceased.
6. Brothers and spouses names, Mr. Lou Austad, none.
7. Sisters and spouses names, Mrs. Douglas Spencer, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Subscribed and sworn (or affirmed) before me this 27th day of November A.D. 1974, at District of Columbia, city of Washington.

[SEAL] EVELYN M. NEWTON,

Notary Public.

Commission expires February 14, 1978.

Holsey G. Handyside, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Mauritania.

STATEMENT OF POLITICAL CONTRIBUTIONS OF HOLSEY G. HANDYSIDE

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Holsey Gates Handyside.

Post: Ambassador to Mauritania, nominated January 16, 1975.

Contributions, amount, date, donee.

1. Self, none.
2. Spouse, no spouse.
3. Children and spouses, names, no children.
4. Parents names, deceased.
5. Grandparents names, deceased.
6. Brothers and Spouses names, none.
7. Sisters and spouses names, Mrs. W. L. Reichle, $15, fall 1972, a group of some twenty environ-minded Congressmen and challengers.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

HOLSEY G. HANDYSIDE.

Subscribed and sworn (or affirmed) before me this 20th day of Nov. A.D. 1974, at District of Columbia.

[SEAL] STELLA MAKNRA,

Notary Public.

Commission expires July 31, 1977.

Wells Stabler, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

STATEMENT OF POLITICAL CONTRIBUTIONS OF WELLS STABLER

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Wells Stabler.

Post: Madrid.

Nominated, January 16, 1975.

Contributions, amount, date, donee.

1. Self, none.
2. Spouse, none.
3. Children and spouses, names, none.
4. Parents names, deceased.
5. Grandparents names, deceased.
6. Brothers and spouses names, none.
7. Sisters and spouses names, not applicable.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

WELLS STABLER.

Subscribed and sworn (or affirmed) before me this 13th day of January A.D. 1975, at Washington, District of Columbia.

MARY E. MISSAKJAN.

Commission expires April 30, 1976.

Notary Public.

Commission expires April 30, 1976.

(The foregoing nominations from the Committee on Foreign Relations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. INOUYE:

S. 702. A bill to amend the Internal Revenue Code of 1954 to increase the estate tax exemption from $60,000 to $100,000. Referred to the Committee on Finance.

S. 703. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for household and dependent care services necessary for education. Referred to the Committee on Finance.

By Mr. STEVENSON (for himself, Mr. PERCY, and Mr. HUMPHREY):

S. 704. A bill to designate the Paul H. Douglas Federal Building. Referred to the Committee on Public Works.

By Mr. INOUYE:

S. 705. A bill for the relief of Mr. and Mrs. Lemuel D. Navarrete. Referred to the Committee on the Judiciary.

By Mr. EASTLAND (for himself, Mr. STENNIS, Mr. ALLEN, Mr. ABOUREZK, Mr. BURDICK, Mr. MCGOVERN, Mr. MONTOYA, Mr. YOUNG, and Mr. DOLE):

S. 706. A bill to amend Public Law 92-181 (85 Stat. 583) relating to credit eligibility for public utility cooperatives serving producers of food, fiber, and other agricultural products. Referred to the Committee on Agriculture and Forestry.

By Mr. SCHWEIKER:

S. 707. A bill for the relief of Nelson Montenegro. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT (for himself, Mr. BARTLETT, Mr. BROOKE, Mr. CANNON, Mr. DOLE, Mr. DOMENICI, Mr. HUMPHREY, Mr. JOHNSTON, Mr. METCALF, Mr. STEVENSON, Mr. TUNNEY, Mr. WILLIAMS, and Mr. YOUNG):

S. 708. A bill to provide for displaying for public viewing at the Arlington National Cemetery the names of certain deceased veterans. Referred to the Committee on Veterans' Affairs.

By Mr. HUMPHREY:

S. 709. A bill to provide for a comprehensive, long-range, and coordinated national program in marine science, to establish a National Council on Marine Science, Engineering and Resource Development, and an Advisory Panel on Marine Science, Engineering and Resource Development. Referred to the Committee on Commerce.

By Mr. STEVENSON:

S. 710. A bill to incorporate Recovery, Incorporated. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 711. A bill for the relief of James H. Davidson, Vincent W. S. Hee, and Kay M. Mochizuki. Referred to the Committee on the Judiciary.

By Mr. BELLMON:

S. 712. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. METCALF (for himself, Mr. BARTLETT, Mr. FANNIN, Mr. HANSEN, Mr. JACKSON, Mr. JOHNSTON, and Mr. MOSS):

S. 713. A bill to provide the Secretary of the Interior with authority to promote the conservation and orderly development of the hard mineral resources of the deep seabed, pending adoption of an international regime therefor. Referred, by unanimous consent, to the Committee on Interior and Insular Affairs; and, if and when reported, to be jointly referred to the Committees on Armed Services, Commerce, and Foreign Relations for 30 days.

By Mr. BROOKE:

S. 714. A bill to provide that, in determining the eligibility of any household for a couple allotment under the Food Stamp Act of 1964, there shall be disregarded so much of the income of any member of such household as is attributable to any cost-of-living increase in social security benefits which takes effect in 1975. Referred to the Committee on Agriculture and Forestry.

S. 715. A bill to require that, for purposes of determining medicaid eligibility, there be disregarded so much of an individual's social security income as is attributable to any cost-of-living increase in social security benefits which takes effect in 1975. Referred to the Committee on Finance.

S. 716. A bill to amend title XVI of the Social Security Act to increase the amount of benefits payable to individuals under the supplemental security income program. Referred to the Committee on Finance.

S. 717. A bill to amend title XVI of the Social Security Act so as to expedite the establishment of eligibility for benefits thereunder, to afford relief to individuals whose benefit check is lost, stolen, or undelivered, and to provide for cash advances to applicants while their application for benefits is pending. Referred to the Committee on Finance.

By Mr. HOLLINGS:

S. 718. A bill to improve the operation and efficiency of the United States Postal Service. Referred to the Committee on Post Office and Civil Service.

By Mr. McCLELLAN:

S. 719. A bill granting a renewal of patent numbered 92,187 relating to the badge of the Sons of the American Legion. Referred to the Committee on the Judiciary.

S. 720. A bill granting a renewal of patent numbered 54,296 relating to the badge of the American Legion. Referred to the Committee on the Judiciary.

S. 721. A bill granting a renewal of patent numbered 55,398 relating to the badge of the American Legion Auxiliary. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 722. A bill for the relief of Wing Nuen Lo, Yin-May Wong Lo, Mei Yee Lo, and Chi Tat Lo. Referred to the Committee on the Judiciary.

By Mr. CHILES:

S. 723. A bill to amend title 28, United States Code, to provide that Madison County, Fla., shall be included in the northern judicial district of Florida. Referred to the Committee on the Judiciary.

By Mr. RIBICOFF:

S. 724. A bill to amend subchapter II of chapter 73 of title 10, United States Code, to redefine the terms "widow" and "widower", and for other purposes. Referred to the Committee on Armed Services.

By Mr. CRANSTON:

S. 725. A bill for the relief of Antonio Zamora-Mendoza, his wife, Josefina Padilla Zamora, and their sons, Alberto Antonio Zamora-Padilla, Victor Zamora, Leopoldo Zamora, Jaime Zamora, and Jose Zamora. Referred to the Committee on the Judiciary.

By Mr. CHURCH:

S. 726. A bill to direct the Secretary of the Interior to convey, for fair market value, certain lands to Valley County, Idaho. Referred to the Committee on Interior and Insular Affairs.

By Mr. BELLMON:

S. 727. A bill to return Congress, through the implementation of procedural reforms, the ability to insure that rules and regulations promulgated through the administrative process shall reflect the intent of Congress. Referred to the Committee on Government Operations.

By Mr. DOMENICI:

S. 728. A bill to authorize the Administrator of the National Aeronautics and Space Administration to name a space vehicle to be launched in 1976 the "Dr. Robert Hutchings Goddard Rocket." Referred to the Committee on Aeronautical and Space Sciences.

By Mr. BURDICK (for himself, Mr. HRUSKA, Mr. McCLELLAN, and Mr. FONG):

S. 729. A bill to improve judicial machinery by reorganizing the fifth and ninth judicial circuits, by creating additional judgeships in those circuits, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 730. A bill to exempt small independent oil producers from the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOMENICI:

S. 731. A bill to designate certain lands in the Bandelier National Monument, New Mexico, as wilderness. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOLE:

S. 732. A bill to grant a preference in employment in the competitive Civil Service to individuals who have served an enlistment in a National Guard or Reserve unit. Referred to the Committee on Post Office and Civil Service.

By Mr. BURDICK:

S. 733. A bill for the relief of Fernando de la Rama and Carmen de la Rama. Referred to the Committee on the Judiciary.

S. 734. A bill to authorize the mortgaging of tribal lands on the Fort Berthold Reservation for certain purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS:

S. 735. A bill for the relief of Glen Donald Murphy. Referred to the Committee on the Judiciary.

By Mr. PROXMIRE:

S. 736. A bill for the relief of Soerjanti Soetarto. Referred to the Committee on the Judiciary.

S. 737. A bill for the relief of Muriel S. Wilton. Referred to the Committee on the Judiciary.

By Mr. GRAVEL:

S. 738. A bill to authorize Robert L. Rausch to accept an office or position in a university maintained by the Government of Canada. Referred to the Committee on Labor and Public Welfare.

By Mr. McINTYRE:

S. 739. A bill to promote competition in the marketing of petroleum products by providing for a moratorium on further control or acquisition of marketing outlets by petroleum producers and refiners, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. STEVENSON, Mr. BAYH, and Mr. LEAHY):

S. 740. A bill to promote the general welfare by establishing a National Energy Production Board to assure early development of energy resources on the public domain and on other Federal lands and on the Outer Continental Shelf in order to overcome the dependence of the United States on foreign nations for energy supplies which are essential to national security, commerce, and a full-employment economy. Referred to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE (for himself and Mr. TOWER):

S.J. Res. 33. A joint resolution to extend the Federal Riot Reinsurance and Crime Insurance Programs. Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INOUYE:

S. 702. A bill to amend the Internal Revenue Code of 1954 to increase the estate tax exemption from $60.000 to $100,000. Referred to the Committee on Finance.

Mr. INOUYE. Mr. President, in 1954 when the Members of Congress formulated the present Internal Revenue Code, as exemption of $60,000 was allowed in the determination of estate taxes.

At that time, this was a generous sum which did much to enable the widow or widower to live comfortably for some time. However, our economy has grown and inflated since that time. From 1954 to 1974, inflation has amounted to 83.5 percent. This inflation has severely undercut the insurance value of this exemption by cutting the buying power of the $60,000 nearly in half.

I am, therefore, introducing this bill to amend the Internal Revenue Code of 1954 to increase the exemption for estate taxes from $60,000 to $100,000. This will raise the real value of the exemption to nearly the level which the Congress originally intended. I hope my colleagues will support this amendment.

By Mr. INOUYE:

S. 703. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for household and dependent care services necessary for education. Referred to the Committee on Finance.

Mr. INOUYE: Mr. President, the Internal Revenue Code provides a tax deduction for certain taxpayers to cover the expenses of household and dependent care services which are necessary to enable the taxpayer to be gainfully employed. This provision of the law applies to those married couples who file a joint return and who are both gainfully employed on a full-time basis, or one spouse is physically or mentally unable to care for himself.

This provision of the law was primarily a relief provision for the benefit of those families where the income of both parents is essential for the maintenance of minimum living standards.

Many married students are presently struggling to maintain minimum standards of living for themselves and their families. In addition to the rising costs of living which are faced by all people, these students must meet the rising cost of tuition. Most of these students are able to work only on a part-time basis without their employment becoming a serious detriment to their education. As a result, their income is usually quite low, yet their expenses are considerably higher than those of an average citizen.

The Federal Government should assist these struggling students in their efforts to meet the financial demands of raising a family. It is time to extend the tax deduction for expenses relating to household and dependent care services which are necessary for gainful employment to include a deduction for those expenses which are necessary for the pursuit of learning. I am, therefore, introducing a bill to amend section 214 of the Internal Revenue Code to include this deduction.

By Mr. STEVENSON (for himself, Mr. PERCY and Mr. HUMPHREY):

S. 704. A bill to designate the Paul H. Douglas Federal Building. Referred to the Committee on Public Works.

Mr. STEVENSON. Mr. President, Senator Paul Douglas has set the highest standards of political leadership for all Members of this body, indeed, for the

Nation. It is time we honor him. A bill I am introducing today would do so in a most appropriate way by naming the new Federal office building in Chicago after him.

I introduced this same bill last year as S. 4006. It was promptly and favorably reported out of the Public Works Committee on December 10, and it passed the Senate 2 days later. I am grateful for the swift action of the Public Works Committee and the approval of the Senate. Unfortunately, the heavy schedule of business during the last days of the 93d Congress prevented its consideration in the House. So I am introducing an identical bill today in the hope that this time we will secure the approval of both Houses of the Congress.

Senator Douglas joined intellect, wisdom, practicality, humility, conviction, and humor. He brought the vision and understanding of an academician to the practical work of government with unflagging vigor and purpose.

His foresight is well known. Many of our concerns and accomplishments—in medicare, economic development, civil rights, ethics in government, pollution control, urban renewal, and preservation of open space—were Senator Douglas' issues years ago, when he often stood alone.

It would be right for the Congress to honor Paul Douglas by giving this bill his name. But this bill would do more.

It would cause people to remember the man and that it is possible to merge politics and principle in Government service. It is a lesson well worth learning again.

Mr. President, I ask unanimous consent to insert in the Record at the conclusion of these remarks a brief biography of Senator Douglas.

There being no objection, the biography was ordered to be printed in the Record, as follows:

BRIEF BIOGRAPHY

Douglas, Paul Howard (husband of Emily Taft Douglas), a Senator from Illinois; born in Salem, Essex County, Mass., March 26, 1892; attended the public schools of Newport, Maine; graduated from Bowdoin College in 1913, Columbia University in 1915; studied at Harvard University in 1915 and 1916; instructor in economics; University of Illinois, in 1916 and 1917; instructor and assistant professor of economics, Reed College, Portland, Oreg., in 1917 and 1918; industrial relations work with Emergency Fleet Corporation in 1918 and 1919; associate professor of economics, University of Washington in 1919 and 1920; assistant professor, industrial relations, University of Chicago, 1920–1923; associate professor 1923–1925, and professor of economics 1925–1949; visiting professor, Amherst College, 1924–1927; secretary of Pennsylvania Commission on Unemployment and adviser New York Commission on Unemployment in 1930; member of Illinois Housing Commission 1931–1933; member of Consumers' Advisory Board, NRA, 1933–1935; member of Advisory Committee to United States Senate and Social Security Board on Federal social security system in 1938 and 1939 alderman, Chicago City Council, 1939–1942; author of numerous books; during World War II enlisted as a private in the United States Marine Corps in May 1942; served overseas from 1943 to June 1945, mainly with the First Marine Division, advancing through the ranks to lieutenant colonel; wounded at Pelelieu and Okinawa; awarded the Bronze Star for heroic achievement in action; delegate to the Democratic National Conventions in 1948, 1952, and 1956; elected as a Democrat to the United States Senate in 1948; reelected in 1954 and again in 1960, serving from January 3, 1949, to January 3, 1967; unsuccessful candidate for reelection in 1966; chairman of the President's Committee on Urban Affairs, 1967–1968; chairman, Committee on Tax Reform, 1969; author; is a resident of Chicago, Ill.

By Mr. EASTLAND (for himself, Mr. Stennis, Mr. Allen, Mr. Abourezk, Mr. Burdick, Mr. McGovern, Mr. Montoya, Mr. Young, and Mr. Dole):

S. 706. A bill to amend Public Law 92–181 (85 Stat. 583) relating to credit eligibility for public utility cooperatives serving producers of food, fiber, and other agricultural products. Referred to the Committee on Agriculture and Forestry.

Mr. MONTOYA. Mr. President, I am pleased to join with Senator Eastland in cosponsoring a measure which would ease credit for rural public utilities cooperatives.

Mr. President, it is beneficial to the national interest of our country to have a sufficient amount of capital for those cooperatives which are of service to farmers. In these days in which the consumer has reason to be concerned with the functioning of his agricultural plant, power for food and fiber production is a vitally important item.

The bill which I am cosponsoring will fulfill this interest for the following reasons:

First. The bill would reduce the percentage of members of rural electric cooperatives that are required to be agricultural producers in order to be eligible to borrow money from the Farm Credit Association. Under the Bank for Cooperatives present requirement 80 percent of the co-op members must be farmers. This bill would reduce the percentage to 60 percent.

Second. The bill would increase the number of rural electric cooperatives that would be eligible for loans from the bank for cooperatives.

Third. It would become easier for rural electric cooperatives to move into the private money market. The only way that the co-ops will become less dependent on the Federal Government is if they can have access to private funds, so that they can develop nongovernmental capital sources.

Finally, since the Bank for Cooperatives is currently financed privately, this would be no cost to the Federal Government.

Mr. President, I hope that the committee and the Senate will act expeditiously and favorably on this matter.

By Mr. HUGH SCOTT (for himself, Mr. Bartlett, Mr. Brooke, Mr. Cannon, Mr. Dole, Mr. Domenici, Mr. Humphrey, Mr. Johnston, Mr. Metcalf, Mr. Stevenson, Mr. Tunney, Mr. Williams, and Mr. Young):

S. 708. A bill to provide for displaying for public viewing at the Arlington National Cemetery the names of certain deceased veterans. Referred to the Committee on Veterans' Affairs.

Mr. HUGH SCOTT. Mr. President, I believe it is vitally important to remember the tremendous sacrifices our veterans have made to maintain the integrity of our Nation. For this reason I am delighted to suggest a proposal today to recognize those men and women who have honorably served in our Armed Forces. They must not be forgotten by this or future generations.

On February 17, 1967, the Arlington National Cemetery changed its requirements for burial eligibility. The regulations for admission are now limited to the following persons: First, persons dying on active duty; second, recipients of the Medal of Honor; third, certain specified veterans who have held high elective or appointive Government office; fourth, retired members of the armed services who are qualified to receive compensation and are carried on official service retired lists; and fifth, spouses and dependents of first to fourth above.

Many veterans have a strong desire to be buried at Arlington National Cemetery. Unfortunately, present space limitations severely limit those who may qualify. This means that many veterans of the Vietnam war and veterans of earlier service will never meet the present requirements. I feel very sincerely that all veterans of the armed services who have served honorably should be allowed the opportunity to be permanently memorialized in our principal National Cemetery at Arlington.

To alleviate this situation, the bill I propose today would provide for public display at the Arlington National Cemetery of the names of certain deceased veterans. The legislation outlines that upon request of the spouse or next-of-kin of the deceased veteran, his or her name would be appropriately displayed at the cemetery. The only qualifications would be: The veteran must have died on active duty, or the veteran must have served on active duty at least 90 days and was discharged or released under honorable conditions, or the veteran was discharged or released from active duty for a service-connected disability, and his or her death must have occurred on or after February 17, 1967.

This recognition should be available to those veterans who would not otherwise meet the burial requirements for Arlington National Cemetery.

I would like to call on all my colleagues to join with me in supporting this important bill.

By Mr. HUMPHREY:

S. 709. A bill to provide for a comprehensive, long-range, and coordinated national program in marine science, to establish a National Council on Marine Science, Engineering, and Resource Development, and an Advisory Panel on Marine Science, Engineering, and Resource Development. Referred to the Committee on Commerce.

MARINE SCIENCE, ENGINEERING, AND RESOURCE DEVELOPMENT ACT OF 1975

Mr. HUMPHREY. Mr. President, during the past several decades our Nation has experienced a dramatic increase in its utilization of the ocean's resources. The United States has become much more dependent upon the sea in recent years for its food, fuel, and other material requirements. Of course, the recreational value of our oceans has also increased dramatically over the last several years.

The Marine Science, Engineering, and Resource Development Act of 1975, which I am introducing today, can be a major step toward insuring that these critically important resources and values will continue to be available for future generations of Americans.

The essential feature of this legislation is the creation of a National Council on Marine Science, Engineering, and Resource Development. This body would advise and assist the President in the development and coordination of a short-term program of private and public actions that impact on the Nation's oceans, and with regard to the long-term plans and policies that are essential to insure balanced development of these invaluable resources.

Under this legislation, the President, in consultation with the Council, must transmit to the Congress an annual report which defines the current, long-range, national oceans program and describes and evaluates the marine activities that make up the program.

The concern over our Nation's use and development of the oceans is not new. The Congress has attempted to deal with this important issue for a number of years and in a variety of ways.

The most serious effort of this type culminated in the passage of the Marine Resources and Engineering Development Act of 1966. This law established a national policy to develop and maintain a coordinated, comprehensive, and long-range national program in marine science. The major result of this legislation was the issuance of a report in 1969 by the Commission on Marine Science, Engineering, and Resources, created by this law. The central theme of this report was the need to create a single and independent agency of the Federal Government to handle all matters relating to the oceans.

In 1970, Congress passed legislation to establish the National Oceanic and Atmospheric Agency—NOAA—to implement the recommendations of the Commission. The new agency was located within the Department of Commerce and brought together nine existing programs in five departments and agencies of the Government.

While NOAA was a significant step forward in the development of a marine science program and a comprehensive policy, the existing agency has not realized all of the aspirations that the Commission had for it. A survey of Federal expenditures on marine science for the years 1972, 1973, and 1974, for example, shows that only an average of 25 percent of this spending was controlled by the Department of Commerce and NOAA. It is questionable, at best, whether NOAA is able to conduct its mission, as the Commission intended, while it controls merely one-quarter of the Federal Government's ocean program funding.

It has become apparent that today, 6 years after the Commission's report, there is still no Federal agency responsible for developing and coordinating all Federal marine policy.

I believe that we can frame the kind of national oceans policy that is required, if we enact the Marine Science, Engineering, and Resource Development Act of 1975. This legislation will establish a definite focal point for a national oceans policy and program within the Office of the President of the United States. The National Council on Marine Science, Engineering, and Resource Development created in this legislation will provide the broad expertise and technical personnel necessary to assist the President in meeting this ongoing responsibility.

Moreover, the annual report of the President, required by this proposal, will provide Congress with an opportunity to engage in a dialog with the administration regarding long-range ocean programs and their short- and long-term implementation. Such a dialog, which has been lacking in the past, will provide the basis for organizational and substantive decisions which can make the goal of balanced development and use of the ocean resources reachable.

Mr. President, the potential role of the seas in meeting the needs of our people for years to come is immense. It requires the development of the most thoughtful and vigorous program that we are capable of mounting. The contribution that can be made, and the dangers inherent in the careless or unplanned use of the resources of the seas, are so great that a comprehensive, balanced, and effective public policy is essential. I believe that the proposal that I have made today represents a wise course of action for the Nation at this time.

Mr. President, I ask unanimous consent that the text of the Marine Science, Engineering, and Resource Development Act of 1975 be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 709

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Bill may be cited as the "Marine Science, Engineering, and Resource Development Act of 1975."

Section 2. (a) It is hereby declared to be the policy of the United States to develop, encourage, and maintain a coordinated, comprehensive, and long-range national program in marine science, engineering, and resource development for the benefit of mankind, to assist in protection of health and property, enhancement of commerce, transportation, national security, and rehabilitation of our commercial fisheries, and to increase the responsible utilization of these and other resources.

(b) The marine science activities of the United States should be conducted so as to contribute to the following objectives:

(1) Coordinated development of the resources of the marine environment.

(2) The expansion of human knowledge and information of the marine environment.

(3) The encouragement of private investment enterprise in exploration, technological development, marine commerce, and economic utilization of the resources of the marine environment.

(4) The maintenance and expansion of the role of the United States as a leader in marine science and resource development.

(5) The advancement of education and training in marine science.

(6) The development and improvement of the capabilities, performance, use, and efficiency of vehicles, equipment, and instruments for use in exploration, research, surveys, the recovery of resources, and the transmission of energy in the marine environment.

(7) The effective utilization and development of the scientific and engineering resources of the Nation, with close cooperation among all interested agencies, public and private, in order to avoid unnecessary duplication of effort, facilities, and equipment, or waste.

(8) The cooperation by the United States with other nations and groups of nations and international organizations in marine science activities when such cooperation is in the national interest.

(9) The cooperation among Federal and State Governments on the rate and mode of development.

(10) The protection of life and property associated with the marine environment by adequate safety standards and/or inspection, and as to weather and sea prediction and dissemination.

(11) The protection of the marine environment by conscientious development to insure its use by future generations.

THE NATIONAL COUNCIL ON MARINE SCIENCE, ENGINEERING AND RESOURCE DEVELOPMENT

Sec. 3. (a) There is hereby established, in the Executive Office of the President, the National Council on Marine Science, Engineering, and Resource Development (hereinafter called the "Council") which shall be composed of the following voting members—

(1) The Vice President, who shall be Chairman of the Council.

(2) The Secretary of State.

(3) The Secretary of the Navy.

(4) The Secretary of the Interior.

(5) The Secretary of Commerce.

(6) The Secretary of Transportation.

(7) The Director of the National Oceanic and Atmospheric Administration.

(8) The Director of the National Science Foundation.

(9) The Administrator of the Energy Research and Development Administration.

(10) The Director of the Environmental Protection Agency.

And the following nonvoting members:

(11) The Secretary of Health, Education, and Welfare.

(12) The Secretary of the Treasury.

(13) The Secretary of Agriculture.

(14) The Attorney General of the United States.

(15) The Director of Office of Management and Budget.

(16) The Chairman of Council of Economic Advisors.

(b) The President may name to the Council such other officers and officials as he deems advisable.

(c) The President shall from time to time designate one of the members of the Council to preside over meetings of the Council during the absence, disability, or unavailability of the Chairman.

(d) Each member of the Council, except those designated pursuant to subsection (b), may designate any officer of his department or agency appointed with the advice and consent of the Senate to serve on the Council as his alternate in his unavoidable absence.

(e) The Council may employ a staff to be headed by a civilian executive secretary who shall be appointed by the President with confirmation by the Senate and shall receive compensation at a rate established by the President at not to exceed that of level II of the Federal Executive Salary Schedule. The executive secretary, subject to the direction of the Council is authorized to appoint and fix the compensation of such personnel, including not more than ten professional staff members who may be appointed without regard to civil service laws or the Classification Act of 1949 and compensated at not to exceed the highest rate of grade 18, of the General Schedule of the Classification Act of 1949, as amended, as may be necessary to perform such duties as may be prescribed by the President.

RESPONSIBILITIES

SEC. 4. (a) In conformity with the provisions of section 2 of this Act, it shall be the duty of the President with the advice and assistance of the Council to—

(1) survey all significant marine science activities, including the policies, plans, programs, and accomplishments of all departments and agencies of the United States engaged in such activities.

(2) develop a comprehensive long-range program of marine activities, including but not limited to exploration, description and prediction of the marine environment, development and conservation of the resources conducted by departments and agencies of mission of energy and communications, to be of the marine environment, marine engineering, studies of air-sea interaction, transmission of energy and communications, to be conducted by departments and agencies of the United States, independently or in cooperation with such non-Federal organizations as States, institutions and industry;

(3) evaluate and fix responsibility for the conduct of foregoing marine science activities by departments and agencies of the United States;

(4) insure cooperation and resolve differences arising among departments and agencies of the United States with respect to marine science activities under this Act, including differences as to whether a particular project is a marine science activity;

(5) undertake a comprehensive study, by contract or otherwise, of new legal problems arising out of the management, use, development, recovery, and control of the resources of the marine environment;

(6) undertake studies of the impacts on United States economy, security, health, and welfare to be gained from marine resources, engineering, and science, and the costs involved in obtaining such benefits;

(7) review annually all marine science activities conducted by departments and agencies of the United States in light of the policies, plans, programs, and priorities developed pursuant to this Act; and

(8) encourage national participation in the comprehensive long-range program of marine activities, established by the President, by distributing research funds to organizations, individuals, or governmental agencies in promotion of the above program.

(b) In the planning and conduct of a cordinated Federal program the President and the Council shall utilize such staff, interagency, and non-government advisory arrangements as they may find necessary and appropriate and shall consult with departments and agencies concerned with marine science activities and solicit the views of non-Federal organizations and individuals with capabilities in marine sciences.

THE ADVISORY PANEL ON MARINE SCIENCE, ENGINEERING, AND RESOURCE DEVELOPMENT

SEC. 5. (a) The Council shall establish an Advisory Panel on Marine Science, Engineering and Resource Development (hereinafter referred to as the "Panel"). The Panel shall be composed as follows:

(1) members of the National Advisory Committee on Oceans and the Atmosphere.

(2) members from each house of Congress appointed by the Speaker of the House and the Majority Leader of the Senate.

(b) The Panel shall—

(1) Review and make recommendations to the Council on activities undertaken by the Council;

(2) Review and make recommendations to the Council on the findings of any study made by or for the Council;

(3) Undertake such additional related tasks as the Council may direct.

(c) The Panel, by majority vote, shall elect from its members appointed under subsection (a) (1) (2) of this section a Chairman and a Vice Chairman, who shall serve for such time and under such conditions as the Panel may prescribe. In the absence of the Chairman, or in the event of his incapacity, the Vice Chairman shall act as Chairman.

(d) The term of office of each member of the Panel appointed under subsection (a) (1) (2) shall be four years except that any such member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. No person shall be appointed a member of the Panel under subsection (a) (1) (2) more than twice. Terms of the members appointed under subsection (a) (1) (2) shall be staggered so as to establish a rotating membership according to such method as the Council may devise.

(e) (1) The members of the Panel other than those appointed under subsection (a) (1) (2) shall receive no pay for their services as members of the Council, but shall be allowed necessary travel expenses (or, in the alternative, mileage for use of privately owned vehicles and a per diem in lieu of subsistence at not to exceed the rate prescribed in sections 5702 and 5704 of title 5, United States Code), and other necessary expenses incurred by them in the performance of duties vested in the Panel, without regard to the provisions of subchapter 1 of chapter 57 and section 5731 of title 5, United States Code, and regulations promulgated thereunder.

(2) The members of the Panel appointed under subsection (a) (1) shall receive compensation for each day engaged in the actual performance of duties vested in the Panel at rates of pay not in excess of the daily equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence, and other necessary expenses in the manner provided for other members of the Panel under paragraph (1) of this subsection.

SEC. 6. (a) The President with consultation by the Council and Panel shall transmit to the Congress in March of each year a report, which shall include—

(1) a comprehensive description of the national long-range program of marine activities and delineating those changes occurring in this program during the previous year;

(2) a comprehensive description of the activities and the accomplishments of all agencies and departments of the United States in the field of marine science, engineering and resource development during the preceding year; and

(3) an evaluation of such activities and accomplishments in terms of the objectives set forth pursuant to this Act.

(b) Reports made under this section shall contain such recommendations for legislation as the President may consider necessary or desirable for the attainment of the objectives of this Act, and shall contain an estimate of funding requirements of each agency and department of the United States for marine science activities during the succeeding fiscal year.

AUTHORIZATION

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. STEVENSON:

S. 710. A bill to incorporate Recovery, Inc. Referred to the Committee on the Judiciary.

Mr. STEVENSON. Mr. President, I am today introducing a bill to grant a Federal charter to Recovery, Inc.

It is now some 33 years since Recovery, Inc., was granted its original charter in Illinois, and Recovery, although it has long been in the process of expanding its unique method nationwide, still has its national headquarters in Chicago.

Stated simply, the Recovery program is the exclusive psychiatrically developed method of self-help aftercare for nervous and former mental patients. Recovery provides techniques that prevent relapse in former mental patients and enduring disorders in nervous patients. Such prevention saves thousands of dollars in personal and public funds, not to mention untold human suffering of patients and their families. Perhaps most important of all, the Recovery method provides a proven way of returning productive human beings to their communities in order that they may support their families and actively participate in and contribute to civic and other programs.

Recovery, although starting out as a local program in Illinois, has been in the process of expanding nationwide. Presently the organization is chartered in 50 States plus the District of Columbia, and there are slightly over 1,000 Recovery groups in those States. Demands for more groups are received daily from psychiatrists, hospitals, mental health associations, social workers, clergy, and the general public.

Mr. President, the work of Recovery is hampered by having to qualify for a charter in the 50 States and the District of Columbia, and indeed in every State of the Union. Recovery relies mainly on a volunteer force which has already devoted many thousands of hours of volunteer service to the organization. There is also a small employed staff of eight men and women at the national headquarters. Too much of the valuable time of this small central staff is spent in preparing the papers for filing in the States, such as yearly reports. There is also the economic burden—for such a small nonprofit organization—of the filing fees in the States.

Recovery, therefore, is presently qualified to "do business" in all States, including many of the larger States where it has large numbers of groups, but it has had neither the funds, the time nor the manpower to develop its program fully in those States where it is operating.

One remedy to this dilemma is the granting of a Federal charter. I believe Recovery does meet the standards for the granting of Federal charters. Recovery is an established, nonpartisan, nonprofit organization of a truly unique character. It provides a valuable service to the community and to the Nation as a whole, and its activities are national in scope and responsive to a national need, a "need which cannot be met except upon the issuance of a Federal charter."

Mr. President, I hope that a Federal charter can be granted to Recovery, so that it may continue and even expand its beneficial service to our Nation.

I ask unanimous consent that an article from the National Observer be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THEY FIND REDUCING ANXIETY IS—A MATTER OF MIND OVER MIND

(By Tim Coder)

When other psychiatrists 40 years ago were trying to cure mental illnesses by looking for *causes* in experiences such as childhood toilet training, Abraham Low in Chicago was trying something else: treating mental patients' *symptoms*.

Convinced that about 95 per cent of life's irritations are manageable trivialities, Low established an unusual self-help mental-health organization in 1937. It's Recovery, Inc., an association mainly of former mental patients who, in weekly group meetings, help one another side-step common annoyances and cope with stresses.

Participants seemed to like Low's program, but psychiatrists paid little attention to it. In 1954, when Low died, Recovery, Inc., was almost as obscure as it was when he founded it. But in recent years mental-health authorities have taken another look at Low's methods and their results, and Recovery, Inc., is springing up all over the nation. It currently has 12,000 members in groups throughout the United States and in other countries.

"I think the self-help movement is one of the most revolutionary innovations on the Hanus J. Crosz at a recent seminar here at the Nebraska Psychiatric Institute. "It has been shown to have an enormous impact on people. I see this as the way things will go in the future." He added that Recovery could "save industry millions of dollars" by keeping people out of the hospital and on the job.

Since 1970 Crosz, a research psychiatrist at the Indiana University School of Medicine, has surveyed Recovery's effects on its members—from just-released mental-hospital patients to housewives and businessmen who have a hard time coping. The organization's methods are much like those of Alcoholics Anonymous.

Recovery, Inc., which is nonsectarian and nonprofit, asks $7.50 in annual membership dues from those who can afford it. The organization is headquartered in Chicago and is run by and for former mental patients and others who are simply nervous. Recovery, Inc., does not provide diagnoses or treatment, and it is not a substitute for professional mental-illness treatment.

"As a scientist I wanted to know what the facts and figures were," says Grosz referring to his independent Recovery survey. "I was surprised by how much help people were getting." He says his survey, paid for with his own research funds, included 9,000 Recovery members in groups throughout the United States and Canada. About 99 per cent of those queried returned completed questionnaires.

One of the most significant findings, says Crosz, is that "Recovery prevented or reduced the need for rehospitalization" among people who had been in the hospital five or more times. Of those in that group who had been in Recovery for at least one year (including some who had been members for 10 years or longer), 50 per cent reported they had not been rehospitalized. About 22 per cent went back to the hospital one time after Recovery training. And about 85 per cent continued to receive some psychiatric care.

Grosz also found that 73 per cent of the members were women, 94 per cent of those who reported having employment problems said Recovery helped them adjust, and 37 per cent of Recovery members were referred to the organization by professionals, more than half of them by psychiatrists.

COOL RECEPTION AT FIRST

Grosz says he finds psychiatrists acceptance particularly interesting in light of the cool reception that Recovery received from the Illinois psychiatric community in the early days.

Recovery, Inc., flourished from the outset, according to *My Dear Ones*, a recently published biography of Low by Neil and Margaret Rav. But scorn from psychiatrists was heaped on almost in proportion to Recovery's success. Low, who was associate director of the University of Illinois Medical School's Psychiatric Institute when he founded Recovery, was barred from practice in all but a few of Chicago's psychiatric hospitals, and at one point he briefly disbanded the organization.

The turnaround for Recovery occurred five years ago, says Robert Farwell. He is the organization's executive director in the Chicago national headquarters, and he is one of the few Recovery officials who did not come up through the patient ranks. In 1969 Recovery was invited to set up a literature booth and present a demonstration panel at the American Psychiatric Association convention in Miami Beach. And the organization was invited for the first time to send representatives to the American Medical Association convention in Chicago in June 1974.

The American Psychiatric Association hasn't issued any formal statement about the effectiveness of Recovery, Inc., but a spokesman says: "We have heard little but praise about Recovery, Inc. We are in favor of any organization that can provide this kind of support."

HIGHLY STRUCTURED MEETINGS

The Recovery philosophy is simple. The psychoneurotic who constantly experiences sensations such as dizziness, throbbing headaches, stomach-aches, sleepless nights, a palpitating heart, and feelings of inadequacy must first be convinced that all these can be controlled. The troubled person may have a hard time believing that most everyday burdens—the stifling subway, the dirty look, the frustrating day at the office—have little effect on life over-all.

Weekly group meetings follow a highly structured outline established by Low. The principal guiding materials are a series of tapes in which he issues instructions in his European accent, and his book *Mental Health Through Will-Training*. All of Low's Nietzschean notions on will power are packed in his 393-page book, an anecdotal collection of case histories of his early patients. The $6 book is in its 17th printing and has sold an estimated 200,000 copies.

Every Recovery session begins with some thoughts from Low, as did the session I observed here one recent afternoon in the parlor of the First United Methodist Church of Omaha. A middle-aged woman read from Low's book on "the symptomatic idiom": "If the patients are to help and teach one another, they must be instructed in a language which is not confusing. . . . By dint of its defeatist insinuations, language frequently engenders tenseness which reinforces and perpetuates symptoms. . . . There are many languages."

TRIUMPHS OVER TRIVIALITIES

Recovery meetings are spiced with pithy one-line "Lowgrams." The founder is often quoted saying such things as: Mental health is a business, not a game; comfort is a want and not a need; it's average to make a mistake; muscles will re-educate the brain; there's no right or wrong in a domestic situation; it's good to be group-minded; symptoms are distressing but not dangerous; we should excuse and not accuse; we can control only our inner environment.

Members then cite examples of how they've recently put their training into practice. It's a mutual-reinforcement session called "endorsement." It contains four major parts: a description of some everyday triviality, including who was present and what was said; the person's description of his symptoms and discomfort; the person's recognizing his temper and his mounting irritation; and how the member probably would have reacted prior to Recovery training.

Bonnie, the attractive wife of an executive, recounts how she handled an experience when her daughter unexpectedly brought a severely handicapped friend home for the week end.

"I was on medication myself and was having a hard time keeping my balance," continues Bonnie, who has been hospitalized from time to time for mental disorders during the past 20 years. "When I saw her the palpitations began. I had racing thoughts and fearful—not anger—temper. I was disgusted because of my own handicap. I thought I couldn't measure up."

Group leader Marge Limprecht then encourages Bonnie, a Recovery member for six months, to explain how she spotted and overcame her symptoms. Bonnie says: "Then I realized it wasn't uncommon to feel this way. I worked it down to an average situation and was able to cope with it. Before Recovery I would have passed out. I would have had blurred vision. I wouldn't have been able to walk."

Then there follows some peer endorsement:

"I don't think she indicted herself for the way she felt," says Jean, the first to comment.

Libby: "She was group-minded. She didn't feel sorry for herself."

Marguerite: "She didn't accuse her daughter for bringing her handicapped friend home with her."

Ruth: "She dropped some of her perfection. She realized things didn't have to be absolutely perfect for the guest."

HELP BY TELEPHONE

Had Bonnie not been able to spot and cope with her problem, she could have resorted to a five-minute mutual-aid phone call to a fellow. Recovery member on duty. Low established the time limit to prevent long-winded complaining. The idea is to give a bare-bones report and receive necessary encouragement.

Bonnie may never chase away the psychological ghosts that have haunted her over the years, but the Recovery philosophy says she can hold them at bay. She is transforming herself from a nervous patient into simply a nervous person.

This is the Recovery theme that is spelled out in about 1,000 explanatory panels around the land yearly, says national executive director Farwell. In the past nine years, Omaha area leader Mrs. Limprecht figures, the chapter has given 160 demonstrations. And as a time-saving measure, she notes, interested persons and groups may attend any of the city's five weekly meetings. For example, all but one of Omaha's nursing schools regularly send their students to sessions as observers.

PREVENTIVE PSYCHIATRY

Business, too, like the health-care profession, is beginning to notice Recovery, Inc. Gate City Steel Corp. recently donated $1,000 to the Omaha chapter in recognition to help recently given to an executive's wife. Mutual of Omaha sends Recovery information to all of the insurance company's claims representatives in the United States, Puerto Rico, and Canada, stressing, however, that "under no circumstances should we refer our policy owners directly to this group as an independent action on our part."

Recovery, Inc., officials add that anyone interested in learning more about the organization can write to the organization at 116 South Michigan Ave., Chicago, Ill. 60603.

"The trend is moving to preventive psychiatry," says Marge Limprecht, who has had a history of nervous problems herself. "Our big problem is trying to reach people like clergymen and counselors. What Recovery gives is the common-sense tools to cope."

By Mr. BELLMON:

S. 712. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. BELLMON. Mr. President, today I am introducing legislation which would remedy several of the administrative abuses which have been caused by the improper implementation of the Occupational Safety and Health Act. Oversight hearings were conducted last year by the Senate Labor Subcommittee. The evidence presented during these hearings presented a clear and convincing case for the need to significantly modify this act.

My proposal would make several significant changes in the act:

First, authority to access penalties for first instance nonserious violations would be removed. The present mandatory accessment of penalties for first instance violations would be made discretionary. In determining whether there should be a citation, an inspector would be required to examine three relevant factors: the gravity of the violation; the good faith of the employer; and the history of previous violations.

Second, this bill would permit onsite consultation by the Department of Labor for employers with 100 or fewer employees. Personnel of the Department of Labor would be available to suggest various alternatives to remedy violations disclosed during the visits. Violations discovered during onsite consultation would not subject an employer to penalty unless eminent and serious danger to the employees affected were indicated.

Mr. President, the urgent need for legislation of this nature is apparent when one examines the often burdensome and unwarranted interference caused by the past administration of the Occupational Safety and Health Act. Let me detail the problem more fully.

The first problem is that OSHA regulations are far too complex and numerous for the average small businessman to know, comprehend or obey. It is totally unrealistic to expect the small businessman without professional assistance to comply with the same standards and guidelines that apply to large corporations employing attorneys, safety officers, industrial engineers, and other specialists. Only large firms which can afford employees who have the full time responsibility to interpret and determine the best manner to conform with the thousands of regulations which have been promulgated can meet present regulations. The small businessman acting in good faith simply does not have the expertise to digest and fully implement a mass of OSHA regulations.

There is an urgent need for legislation requiring the Occupational Safety and Health Administration to provide onsite consultative services. The law does not allow onsite consultation and inspection in the vast majority of States where the responsibility for enforcement lies with the Federal Government.

The enactment of this proposal would remedy what is the single biggest problem with the Occupational Safety and Health Act—the inability of the small businessman or farmer to learn what is expected of him. Under present law, the small businessman is faced with a dilemma. Ofttimes a small businessman or farmer who lacks the technical resources to assist in interpreting Federal regulations spends thousands of dollars in a good faith attempt to conform to OSHA regulations only to be faced with citation and fines, because he misinterprets those regulations.

Fortunately the Congress recognized this problem when it earmarked for fiscal year 1975 approximately $5 million of the appropriation for the Occupational Safety and Health Administration to be used on a matching basis as grants to the States to provide consulting services for the small businessman. Although this action represents a first step, it does not go far enough. Five million dollars for the 25 States where the act is enforced by Federal officials will not solve the problem. In addition, the problem will only be compounded in those States which accept grants for consulting services, because a Federal authority will be interpreting and enforcing the regulations while the State is providing the onsite consultation. It would be much simpler, and eliminate confusion, if only OSHA inspectors would be required to provide this much needed service.

In my judgment it is only reasonable to provide consulting services when requested by an employer for the purposes of discussing the interpretation or application of standards and the various alternatives for compliance with the act.

Mr. President, under my proposal, the authority to assess penalties for first instance nonserious violations of the act would be modified. The mandatory assessment of penalties for first instance violations would be made discretionary on three factors: the gravity of the violation, the good faith of the employer, and the history of previous violations. In the existing law, the Secretary must issue a citation with a proposed penalty whenever he finds a violation. This mandatory penalty provision should be changed.

These amendments to the Occupational Safety and Health Act would greatly improve the act without doing harm to its basic objective. It would help assure safe working conditions which serve the best interests of both employer and employee.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 712

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Occupational Safety and Health Amendments of 1975."

SEC. 2. (a) Section 17(b) of the Occupational Safety and Health Act of 1970 is amended (1) by striking the word "shall", and inserting in lieu thereof the word "may"; and (2) by inserting at the end thereof the following new sentence: "In determining whether a penalty shall be assessed under this subsection, due consideration shall be given to the gravity of the violation, the good faith of the employer, and the history of previous violations."

(b) (1) Section 17 of such Act is amended by striking out subsection (c).

(2) Section 17 of such Act is further amended by redesignating subsections (d), (e), (f), (g), (h), (i), (j), (k), and (l), and all references thereto, as subsections (c), (d), (e), (f), (g), (h), (i), (j), and (k), respectively.

SEC. 3. (a) The heading of section 21 of the Occupational Safety and Health Act of 1970 is amended to read as follows:

"Training, Education, and Technical Assistance"

(b) Section 21 of such Act is amended by inserting at the end thereof the following new subsection:

"(d) (1) In order to further carry out his responsibilities under this section, the Secretary shall visit the workplaces of employers having one hundred or fewer employees for the purpose of affording consultation and advice to such employers. Such visits (A) may be conducted only upon a valid request by an employer for consultation and advice at the workplace on the interpretation or applicability of standards or on possible alternative ways of complying with applicable standards, and (B) shall be limited to the matters specified in the request affecting conditions, structures, machines, apparatuses, devices, equipment, or materials in the workplace. Where, after evaluating a request by an employer pursuant to this subsection, the Secretary determines that an alternative means of affording consultation and advice is more appropriate and equally effective, he may provide for such alternative means rather than onsite consultation.

"(2) The Secretary shall make recommendations regarding the elimination of any hazards disclosed within the scope of the onsite consultation. No visit authorized by this subsection shall be regarded as an inspection or investigation under section 8 of this Act and no notices or citations shall be issued nor shall any civil penalties be proposed by the Secretary upon such visit, except that nothing in this subsection shall affect in any manner any provision of this Act the purpose of which is to eliminate imminent dangers.

"(3) Nothing in this subsection shall be deemed to require the Secretary to conduct an inspection under section 8 of the Act of any workplace which has been visited for consultative purposes. The failure of the Secretary to give consultation and advice regarding any specific matter during a consultation visit shall not preclude the issuance of appropriate citations and proposed penalties with respect to that matter.

"(4) In prescribing rules and regulations pursuant to this subsection, the Secretary shall provide for the appropriate separation of functions between officers, employees, or agents who conduct visits pursuant to this subsection and officers, employees or agents who conduct inspections or investigations under this Act."

SEC. 4. This Act shall take effect sixty days after the date of enactment of this Act.

By Mr. METCALF (for himself, Mr. BARTLETT, Mr. FANNIN, Mr. HANSEN, Mr. JACKSON, Mr. JOHNSTON, and Mr. MOSS):

S. 713. A bill to provide the Secretary of the Interior with authority to promote the conservation and orderly development of the hard mineral resources of the deep seabed, pending adoption of an international regime therefor. Referred, by unanimous consent, to the Committee on Interior and Insular Affairs; and, if and when reported, to be jointly referred to the Committees on Armed Services, Commerce, and Foreign Relations for 30 days.

DEEP SEABED HARD MINERALS ACT

Mr. METCALF. Mr. President, the New York Times of January 5, 1975, included an article which began this way:

> Someone in Jamaica or Guyana or Surinam or Australia or almost anywhere outside the United States can now decide what prices are going to be paid for most metals except raw steel.
>
> Perhaps Chiao Kuan-hua, chairman of the Chinese delegation, summed it up in an address to the United Nations Oct. 2 when he said: "Inspired by the victorious struggle which the Arab countries and people waged with oil as a weapon, the third-world countries have started an immense tide of struggle to defend their state sovereignty, control their natural resources. The profound significance of the oil battle lies in the fact that the developing countries have united themselves and independently exercised control over their national resources."

Five days later, in his issue of January 10, 1975, Editor John R. Botzum of Ocean Science News headlined his newsletter with the questions: "Can Geneva Produce a Law of the Sea Treaty? What Are the Alternatives?"

In these two articles we see additional evidence of our increasing dependency on third-world nations for the minerals basic to our economy and the difficulty—if not impossibility—of achieving international agreement in the United Nations dominated by world have-nots whose sole interest in the seabed demonstrated to date is the intent to rip off what they can from the handful of developed nations with the wherewithal to develop seabed minerals.

Meanwhile, we have a source of some minerals in our own backyard, the seabed of the Continental Shelf, recognized as appertaining to the United States under the 1958 Geneva Convention on the Continental Shelf.

An even more plentiful and intriguing source for others is the bottom of the deep ocean itself. Beyond the coastal zones, beyond the farthest limit of national continental shelves, beyond the continental margins, lying on the ocean bottom thousands of feet deep is an untapped collection of manganese nodules containing usable quantities of manganese, nickel, copper, and cobalt—all of which are absolutely vital to our industrial needs.

These nodules, lying in "no man's land," beyond the territorial claims of the most presumptuous nation, are available to pioneers, from any nation, who are willing and able to reduce them to possession.

Hopefully, the utilization of these minerals can be shared by all as a bright new promise in the field of international resource needs. Until international arrangements are made, however, there seems really no valid reason why recovery work cannot be begun immediately. U.S. companies, for several years, have asserted their ability to seek out and recover these minerals. They have the demonstrated technology, the assembled capital, and the fundamental will to move now. They seek only some assurance of security—some guarantee that, after they invest their money and their efforts, they will not be sacrificed by their own Government on the altar of expediency, in a desire to reach international agreement on the overall politics of the sea.

While I agree that it would be preferable to develop ocean resources under international agreement, I do not believe we can wait forever. Pending international agreement, sought vainly in the United Nations for 6 years under a mandate which expires with this year, I believe the United States should encourage our people to develop the resources we need—at least to exercise some measure of control over their operations.

Next month, representatives of up to 150 countries will meet again in Geneva for the second session of The Third United Nations Conference on the Law of the Sea. Presumably this will be the last session of that body. Spokesmen for the United Nations have repeatedly testified before the Subcommittee on Minerals, Materials, and Fuels of the Senate Committee on Interior and Insular Affairs that domestic legislation will be necessary whether or not there is international agreement. Under date of March 1, 1973, almost 2 years ago, Mr. Charles N. Brower, then Acting Legal Adviser to the State Department and Acting Chairman of the Interagency Task Force on the Law of the Sea, wrote Chairman JACKSON of the Interior Committee: "Prudence dictates that we also begin at once to formulate a legislative approach." I hope that one of these years, the administration will be able to turn its attention to this complex matter.

Meanwhile, I am today introducing another Deep Seabed Hard Minerals Act. Joining on this legislation are the junior Senator from Oklahoma (Mr. BARTLETT), the junior Senator from Arizona (Mr. FANNIN), the junior Senator from Wyoming (Mr. HANSEN), the junior Senator from Washington (Mr. JACKSON), the junior Senator from Louisiana (Mr. JOHNSTON), and the senior Senator from Utah (Mr. MOSS).

Predecessor legislation, H. 2801 of the 92d Congress, S. 1134 and S. 2878 of the 93d, was the subject of extensive hearings, which go back to 1969, when Chairman JACKSON of the Committee on Interior and Insular Affairs, ahead of his time as usual, created the Special Subcommittee on the Outer Continental Shelf.

I ask unanimous consent that excerpts from the unanimous report of the Senate Committee on Interior and Insular Affairs, Senate Report 93–1116, on S. 1134 of the 93d Congress, be printed at this point in the RECORD, along with the article referred to in Ocean Science News.

There being no objection, the excerpts and article were ordered to be printed in the RECORD, as follows:

[Calendar No. 1066]

DEEP SEABED HARD MINERALS ACT

Mr. METCALF, from the Committee on Interior and Insular Affairs, submitted the following report [To accompany S. 1134].

The Committee on Interior and Insular Affairs, to which was referred the bill (S. 1134) to provide the Secretary of the Interior with authority to promote the conservation and orderly development of the hard mineral resources of the deep seabed, pending adoption of an international regime therefor, having considered the same, reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

I. PURPOSE

The Deep Seabed Hard Minerals Act is designed to promote the conservation and orderly development of the manganese nodule resources of the deep seabed by persons subject to the jurisdiction of the United States. It is interim legislation which expressly provides that it will be superseded by the terms of any international agreement binding on the United States. Negotiations looking toward such an agreement are currently underway at the Third United Nations Conference on the Law of the Sea.

The bill has three basic provisions.

First, U.S. nationals would have to obtain a license from the Secretary of the Interior before they could engage in exploration for or commercial recovery of manganese nodules on the deep seabed. Licenses would limit the area to be mined by any one company and would contain provisions to protect the marine environment. There is no other existing basis for such licensing, under either international law or federal statute.

Second, S. 1134 recognizes the need for an international legal system for all the uses of the oceans, including ocean mining. No licenses would be issued under the bill once a new treaty became binding on the United States. This bill provides an orderly transition from the present situation of no regulation of ocean mining, to United States' regulation of its nationals who conduct ocean mining and then to a new international system which could result if a law of the sea treaty is agreed upon, ratified and enters into force.

Third, S. 1134 would stabilize the presently uncertain investment climate in the ocean mining industry caused by the fact that the United States has indicated its willingness to agree to change the present international law which permits unrestricted seabed mineral development. Prospective ocean miners are faced with the possibility that new internationally agreed upon terms and conditions may be imposed on them in the near future which could deny access by private industry to manganese nodule deposits entirely. Delay in investment could result in loss of American industry's current technological advantage and increased dependence on foreign sources of minerals.

S. 1134 provides a guarantee against loss of investment due to imposition of a new international regime. This guarantee does not include loss of profit. It would be offset by any profits realized prior to loss of investment.

II. BACKGROUND AND NEED

Legislative background

The origins of this legislation are deeply rooted in basic policy questions of our nation regarding the supply of minerals both now and in a future of vanishing resources; the employment of pioneering technology in the ocean for the economic and social benefit of our people; and our fundamental heritage of freedom of access to the uses and resources of the ocean and the seabed—such access modified only by international accommodations recognizing the similar rights of other sovereign states.

These basic policy questions were the subject of hearings before the Special Subcommittee on the Outer Continental Shelf in 1969 and 1970. The attention of the Subcommittee was drawn to the question of deep seabed mineral resources. It became aware of the accelerating pace of technological progress toward the economic development of these resources. The Administration's Statement on U.S. Oceans Policy of May 23, 1970, coupled with a United States Working Paper on a Draft United Nations Convention on the International Seabed Area dated August 3, 1970, which was proposed by the Administration before the United Nations Committee on the Peaceful Uses of the Seabed and the Ocean Floor Beyond the Limits of National Jurisdiction helped to focus the policy issues of the resources of the deep seabed.

The inquiry of the Special Subcommittee into the soundness of the draft U.S. convention from the standpoint of U.S. resource interests and into the adequacy of arrangements regarding the interim period certain to prevail for a substantial period before such a convention might come into force clearly demonstrated that domestic mineral policy and economic issues were inadequately reflected in the draft convention and that no interim arrangements had been made nor in fact had been seriously contemplated.

The policy questions dealt with in S. 1134 have been illuminated by extensive hearings and other important contributions to the record beginning with the first focus on deep seabed mineral resource policy by the Special Subcommittee on the Outer Continental Shelf in its hearings on September 22 and 23, 1970. The first hearing on ocean mining legislation was that of June 2, 1972, on S. 2801 before the Subcommittee on Minerals, Materials, and Fuels. This hearing served chiefly to outline and explain the basic provisions of the bill and to hear witnesses on the legislation. During 1972 the Administration was asked to comment on the bill but in the final analysis declined to do so on the grounds, stated in a letter of May 19, 1972, from the Chairman of the Inter-Agency Law of the Sea Task Force to Senator Jackson, that "* * * the Executive Branch was not prepared at that time to state a position on S. 2801 . . ." and would report on their views in the light of developments at the summer session of the Seabed Committee and the 27th United Nations General Assembly. This was the beginning of a pattern of delay by the Executive Branch in meeting the natural resource issues of the deep seabed on the grounds of waiting for action in the United Nations which has continued until this day.

After the introduction of S. 1134 on March 8, 1973, witnesses, in a hearing on May 17, 1973, before the Subcommittee on Minerals, Materials, and Fuels, emphasized the need for the minerals and metals obtainable from the deep seabed and the importance of these raw materials in the national economy, the rapid progress of undersea mining technology, and the conviction that achievement of a new universal Law of the Sea convention sought under United Nations framework would not occur for many years and that passage of this legislation would not be inimical to striving for such a universal treaty.

On June 14 and 15, 1973, Executive Branch spokesmen appeared before the Subcommittee and affirmed the basic need of our nation to tap the mineral resources of the deep seabed and the need of industry for more secure legal arrangements. At the same time they continued to counsel delay because of their stated belief that passage of the bill would make their negotiations toward a universal Law of the Sea treaty more difficult and perhaps impossible. Nevertheless, they recognized that legislation would be required, even in their view, if negotiations should drag out past 1975 or if a satisfactory treaty for U.S. interests should prove unattainable.

Additional hearings on June 18 and 19 were helpful in developing peripheral information to the earlier arguments and in examining environmental policy questions.

Amendment 946 to S. 1134, an extensive staff rewrite of the legislation to meet the major objections of responsible spokesmen at previous hearings, was introduced on January 28, 1974. Hearings were held to consider the details of the legislation. At hearings on March 5, 1974, the politics of raw materials—in the light of the events of the energy crisis—was discussed by Dr. Kilmarx of the Center for Strategic and International Studies, Georgetown University. Dr. Kilmarx pointed out some of the reasons why many of the present source countries for minerals that could come from the nodules to be recovered from ocean mining will not be dependable sources of supply in the future. The Executive Branch again testified that enactment of the bill would have an adverse impact on negotiations of a Law of the Sea convention scheduled for the Third United Nations Conference on the Law of the Sea now going on in Caracas. Administration witnesses again urged delay and expressed optimism about results of the Caracas negotiations.

In testimony on March 6, 1974, some witnesses primarily confined themselves to detailed analysis of the technical provisions of the bill. They disputed the optimism of the Executive Branch on the timely and successful outcome of the Law of the Sea Conference scheduled for Caracas.

Additional testimony was heard on March 6 and March 11 from public interest groups on environmental policy, which provided additional perspective on the main issues.

Background of manganese nodule mining

The area lying seaward of the continental margin, generally referred to as the deep seabed, is known to be rich in mineral resources. For the moment very little is known about the *subsurface* potential of the deep seabed. With respect to the surface of the seabed, however, we know that extensive deposits of manganese nodules containing over 20 metallic elements are abundant. Potentially minable nodules will contain at least 25 percent manganese, 1.25 percent nickel, 1 percent copper and 0.22 percent cobalt.

There are three types of mining systems presently being considered for manganese nodule mining:

(*a*) Continuous path dredging involves a suspended conduit that connects a dredge head and the ship, which transverses the mine site, collecting ore over a certain sweep width.

(*b*) Fixed area dredging is conducted by a collecting device whose central portion remains stationary on the ocean bottom until ore lying within the radius of the sweeping device has been collected. During the process, the surface ship or platform remains stationary above.

(*c*) Continuous line bucket dredging involves a long continuous rope to which are attached dredge buckets. As the ship moves sideways, the loop of dredge buckets is dragged across the ocean bottom, scooping up ore.

Pilot tests of the continuous path dredging system and the continuous line bucket system have been conducted, but few of the results have been publicly released. The technological sophistication of all these mining devices will make them both expensive and design-sensitive to particular types of nodule deposits and surrounding topography.

Several metallurgical processes have been experimentally tried in the winning of metals from manganese nodules, however, only hydrometallurgical techniques are presently being considered for commercial processing. The metallurgical process is specifically sensitive to such factors as the physical characteristics of the nodules, their iron content, trace metal content, assay or grade and detrital materials. This is a critical aspect of nodule mining—the degree to which both equipment development and type of metallurgical process are dependent upon definite knowledge of the mine site to be developed.

Need for seabed minerals

The seabed minerals are important. The major products will be copper, nickel, manganese, cobalt, and molybdenum. It is well known that all of these metals are essential to a modern industrial economy. Manganese is vital in the production of all steel and imparts properties of toughness to certain steels. Nickel is the essential ingredient in stainless steels and in high temperature-high performance alloys. Cobalt is of great utility in making magnets and is essential in the making of "space age" alloys. Molybdenum is an essential ingredient in special steels. The uses of copper for electrical apparatus of all kinds and in piping and hardware are well known.

What is not well known about these materials is that we are either not self sufficient or entirely lack domestic supplies. In the case of nickel, we have only one small nickel mine and must import about 90% of our nickel. We have no domestic cobalt or manganese production and are 100% dependent on new primary supply from imports. Although we are the largest copper producer in the world, we are not self sufficient, and our copper imports have been predicted to increase. Today we import 10 to 15% of our copper.

The effect of these imports on our balance of payments is substantial. In 1971, imports amounted to about $800,000,000. In future years this is expected to rise rapidly.

The technology of seabed resource development is at hand and production is certain to occur between now and 1980 if secure legal arrangements are achieved by the passage of this legislation. Several companies have dredged nodules from the deep ocean in substantial quantity, and one company is currently conducting experiments with a full-scale ocean miner. At least two successful processes for extracting metals from the deep seabed ores (manganese nodules) have been tested in pilot plants. The pace of technology is further illustrated by the recent formation of two separate international consortia to undertake engineering development of means of nodule recovery.

These considerations alone may not demonstrate a need for urgency with respect to the development of the deep seabeds; however, other factors do create a degree of urgency. These involve our lead in prospecting, technology, and marketing, as well as the need to maintain industry initiative and momentum and the need to encourage pioneering industrial activity which may give rise eventually to even greater mineral resources benefits in the oceans.

Need for investment guarantee

It is in the nature of our society and our economic system that the market place and potential for profit making stimulate technological initiative. The Government does not decide that a particular mineral resource is worth developing for our future needs and then develop the resource itself. Neither does government give direct subsidies to our mining industry so as to encourage them to enter a business which they have not deemed profitable. On the contrary, when industry finds that a market either exists or can be developed for a new product and that the market is sufficiently large to justify major investments with reasonable anticipation of profit, new technology is found and new resources are then developed. The public is clearly the beneficiary of this process. To keep this process going, however, Government must assure that it does not take actions which hamper this kind of industrial initiative with the attendant risk that the technology will never be developed or may be developed too late to be economically competitive.

Ocean mining is a very good example of this process. Existence of manganese nodules on the deep ocean bottoms has been known for over 100 years. No nation, including others who like ourselves depend substantially on nickel and copper, has developed this resource. Neither capital nor technology was put into this resource until about 10 years ago when as result of industry initiative the opportunity to develop and market the resource profitably was seized upon. Only then did the period of research, technology development and preliminary prospecting begin. Public reports of the amounts expended by three American companies so far indicate that approximately $100 million have already been invested to bring this new industry into being. In short, the initiative has been taken and the technology is being developed.

The technology which is currently being developed for nodule mining is extremely sophisticated and expensive. The oceanographic ship and its equipment used in the prospecting phase alone can cost $1,500–$4,000 per day, while the costs jump to $2,500–$5,000 per day when more intensive exploration work begins. Shipboard equipment must include highly complex devices for acoustical, optical and magnetic observation, together with grab samplers, prospecting dredges, and box and piston corers for sampling.

From what we know, our technology, both in the systems which must be used to mine in approximately 15,000 feet of water where these nodules are found and in the metallurgical processes which must be used to win the metals, is advanced beyond the other countries, Japan, Germany, France, Great Britain, and the Soviet Union who have also shown an immediate interest in deep sea mining. Nevertheless, our technological lead is fragile. If others develop manganese nodules before we do and obtain an important marketing advantage, the resource will be developed but, at least for some time to come, we will still be importing it. Moreover, we may see our companies flee the United States to engage in joint ventures under the flags of other countries. This would decrease the possibility that manganese nodule mining would become a new United States industry.

It is, therefore, encumbent upon the Congress to assure that corporate initiative and technological achievement are not stifled by the United States' own actions. Indeed, it is important that corporate initiative be encouraged. If it is, we may begin to see production from ocean nodules as early as 1976 and substantial commercial production underway not later than 1980.

For this reason, the Committee believes that the investment guarantee provisions of S. 1134 are needed and are in the national interest.

The technology is available. Under existing law the freedom of the seas rule permits American companies to mine nodules today. It is to a large extent the uncertain future of the legal situation which is inhibiting exploitation. Large sums of money are required to carry out final engineering work and to erect complex mining equipment and metallurgical plants. Industry must have the assurance of being able to mine a particular ore from a particular site long enough to achieve a return on its investment. Industry needs the assurance that any future Law of the Sea treaty will not in effect expropriate their investment and put them out of economic operation. This legislation provides the assurances that are necessary for industry to move ahead and at the same time provides the regulation—non-existent now—which will ensure that development of the deep seabed will be carried out in conformance with public policy and sound environmental practices.

It should be noted that the United States has indicated that any Law of the Sea treaty must guarantee access to seabed minerals under reasonable conditions. If, in fact, this is the kind of treaty ratified by the United States there would be little, if any, payment to industry under this bill, S. 1134 does not provide insurance against the normal risks of a pioneer business. It is solely directed toward changes in existing international law agreed to by the United States.

Relationship to law of the sea negotiations

The Administration has continually taken the position that enactment of S. 1134 would "adversely affect progress on the deep seabeds as well as other aspects of the Law of the Sea negotiation."

The Committee completely supports the concept of a Law of the Sea treaty. We have repeatedly indicated our support of the United States' position in the current negotiations.

The Committee recognizes that the Government must protect a variety of important interests in the development of ocean law including our mineral resource interests. We agree that only through a successful Law of the Sea Conference will the world achieve harmony and stability in the many new and varied uses of ocean space, including deep sea mining, which are developing right now. Haphazard development of international law in this area may not adequately protect our own or any other country's interests in navigation, pollution control, freedom of scientific research and the rational development of both living and mineral resources of the ocean and seabeds.

This continuing concern of the Committee was reflected in a letter to the Secretary of State dated June 7, 1974 and signed by a majority of its members. The letter follows:

U.S. SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
Washington, D.C., June 7, 1974.

Hon. HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: As you know, a conference will convene in Caracas on June 20th to attempt to negotiate a treaty or treaties resolving international problems affecting the law of the sea.

The Senate Committee on Interior and Insular Affairs has been following these negotiations closely since the inception of the United Nations Seabed Committee in 1967. Since that time, on a continuing bipartisan basis, members have participated in a special subcommittee chaired by Senator Metcalf. They have sent representatives to nearly every session of the United Nations Seabed Committee. Additionally, the Committee has held several hearings related both to proposed ocean mining legislation and to developments which have taken place at the various preparatory sessions conducted by the Seabed Committee. We have also met with the United States delegation to the Seabed Committee, usually prior to departure and subsequent to its return from these sessions.

Although several issues will be considered at the Caracas conference, this Committee has confined its attention principally to matters affecting the development of mineral and fuel resources. Our principal concern has been directed to the following two issues:

The limits of coastal state jurisdiction over resources of the seabed adjacent to and beyond the territorial sea and the nature and the limitations of coastal state jurisdiction and authority in such areas.

The rights of individual countries and their nationals to explore and develop the natural resources of the seabed beyond the limits of national jurisdiction, the rules and conditions and institutions which might govern such exploration and development, and the distribution of benefits resulting therefrom.

Members of the Committee have frequently made known their views about the policies the United States should adopt regarding each of these issues. With regard to the former, members of the special subcommittee, in their report of December 21, 1970, expressed the following conclusion:

* * * we adopt the view of the American Branch of the International Law Association regarding the seaward limits of the Continental Shelf. That position is not only consistent with the wisest of policy preferences, but more importantly soundly interprets the present law. It holds that "rights under the 1958 Geneva Convention on the Continental Shelf extend to the limit of exploitability existing at any given time within an ultimate limit of adjacency which would encompass the entire continental margin."

We interpret the meaning of the term "continental margin" to include the continental shelf, slope and rise. We understand that a growing number of countries support the principle that coastal state jurisdiction over natural resources of the seabed adjacent to its coast should be limited to that area contained within that part of the seabed which is bounded by a line parallel to and 200 miles distance from the base line from which the territorial sea is measured. We understand that within some executive branch agencies there is support for such a position. We would like to state our strong preference for the view which would allocate to coastal states areas of the seabed adjacent to their coasts which extend seaward 200 miles and, in addition, all portions of the continental margin which extend beyond 200 miles. We have present rights under international law to this area.

As you know, there are several areas of the United States continental margin which extend beyond 200 miles. Because of the nation's critical energy problems, including our increasing dependence on imported oil, the United States should not forfeit any portion of the continental margin which could be utilized for mineral production, and more particularly, for production of oil and gas. The United States has rights to all natural resources of our continental margin, no matter how far seawardly it extends. We should not jeopardize these rights at Caracas.

Regarding the issue of the regime for the deep seabed, various options have been considered in preparing for the Law of the Sea Conference. Many developing nations have expressed a preference for the establishment of an international seabed mining organization, frequently referred to as "The Enterprise." It would have exclusive authority to explore and develop the resources of the seabed beyond the limits of exclusive coastal state jurisdiction. Through control of "The Enterprise," the developing countries could deny effective commercial access by the technologically advanced states to the natural resources of the seabed lying beyond the limits of exclusive coastal state jurisdiction.

Many developed nations, including the United States, have favored preserving as best they can the existing high seas freedom including, but not limited to, the freedom to conduct scientific research on the high seas and to mine the minerals of the ocean floor beyond the limits of exclusive coastal state jurisdiction. These nations have not opposed the creation of an international organization to administer the exploration and development of seabed resources lying beyond the limits of exclusive coastal state jurisdiction, but they have indicated the preference that such an international organization neither conduct such exploration and development of the mineral resources of the deep ocean floor, nor control production thereof. They have tended to take the view that we should neither restrict opportunities for exploration and development of the deep ocean floor by developing countries, nor object to paying a portion of the value of the mineral production on the ocean floor to an international organization, for the use and benefit of developing countries. Also, they have continually expressed a preference for some sort of equitable licensing system which an international organization would have the authority to administer on a ministerial, rather than discretionary, basis. In other words, once an applicant state met the relevant standards, it would automatically be eligible to receive a license from the international authority.

The principal commodity to be mined on the deep ocean floor would be manganese nodules which are rich in copper, nickel, cobalt and manganese. There is a growing reluctance of mineral exporting countries to make these minerals available to the United States on a secure and continuing basis. Our heavy dependence on imports of such minerals places us in a vulnerable position. Specifically, the United States dependency on imports of such minerals is as follows: manganese, 97%; nickel, 74%; cobalt, 98%; and copper, 18%.

In light of this dependency, we feel that it is vital to the national interest that the United States companies retain their current right of access to mine nodules lying on the deep seabed under terms and conditions conducive to making the investments necessary for their development. We believe this objective should be vigorously pursued at Caracas.

The Committee will follow the proceedings at Caracas with great interest, and will look forward to meeting with the members of the delegation upon their return.

Sincerely yours,
Henry M. Jackson, Alan Bible, James Abourezk, Floyd K. Haskell, Paul Fannin, Clifford P. Hansen, James L. Buckley, James A. McClure, Dewey F. Bartlett.

While the Committee remains concerned about the direction and pace in which the Caracas negotiations have proceeded, it is unable to comprehend how anyone could regard U.S. enactment of legislation to regulate seabed mining by U.S. nationals as a unilateral act contrary to the spirit of the Law of the Sea negotiations.

A unilateral act constitutes action by a sovereign state which is contrary to international law and deprives other sovereign states of existing rights which they enjoy. S. 1134 is neither contrary to international law nor does it deprive other states of any of their existing rights. In fact S. 1134 is grounded on three international law doctrines: (1) the freedom of the seas, (2) the extraterritorial authority of a sovereign state to regulate the conduct of its nationals; and (3) comity.

Article 2 of the 1958 Geneva Convention on the High Seas specifically recognizes and adopts the freedom of the seas doctrine. It states that the high seas freedoms "shall be exercised by all States with reasonable regard to the interests of other States in their exercise of the freedom of the high seas." S. 1134 epitomizes this concept. It provides a statutory means for U.S. nationals to exercize the freedom of the seas they enjoy by virtue of their status as being subject to the jurisdiction of the United States, while deliberately mandating that such exercize "will not unreasonably interfere with other reasonable uses of the high seas, as defined by any treaty or convention to which the United States is signatory, or by customary international laws."

Second, S. 1134 expressly limits its scope to the extraterritorial high seas regulation of U.S. nationals. It does not purport in any manner to impose regulation by the United States of any kind upon the activities of foreign nationals on the High Seas.

Finally, the bill incorporates the international law doctrine of comity by providing for recognition of the rights of reciprocating states which establish an interim policy and practice comparable to that established by this legislation. In the event that an international agreement binding upon the United States enters into force establishing a regime for the development of mineral resources of the deep seabed no licenses shall be issued under this Act inconsistent with the regime.

Thus, far from constituting a unilateral act inconsistent with the spirit of ongoing international negotiations, this legislation incorporates careful and complete recognition of existing international law while anticipating a new international agreement and specifically providing that such agreement will supersede this act.

The Committee agrees with the State Department that a "timely" treaty is essential. The Administration indicated that it would support domestic legislation if no agreement was reached on a Law of the Sea Treaty in 1975. For this reason, S. 1134 provides that no commercial recovery of manganese nodules can take place until 1976.

The basic issue is whether we wait until after 1975 or later for a treaty and risk a loss of American industrial initiatives. The Administration spokesmen have stated that a timely and satisfactory Law of the Sea treaty is obtainable. The facts do not bear this out. The United Nations Seabed Committee spent many sessions in preparatory work but failed to make significant progress toward agreement. The Law of the Sea Conference, now in session in Caracas, Venezuela, consists of some 150 nations of widely disparate views. The issues are not confined to the question of the deep seabed but include navigation rights of several kinds, fisheries, Continental Shelf resources, and a multiplicity of subissues. As one might expect, there is no sign of imminent agreement.

To the contrary, reports reaching this Committee from staff members monitoring the Law of the Sea Conference are that there is little or no progress toward international agreement halfway through the 10-week conference.

We have one report that the fifth week of the conference "was characterized by a sense of drift and inability to bridge the gap between general outlines of agreement and hard negotiations on specifics." On July 29, in the sixth week of the conference, its president, Mr. Hamilton Shirley Amerasinghe of Sri Lanka, said that "considering the number of issues and divergencies of opinion and positions it is too much to expect a treaty or convention this session."

A report on one of the three committees dated July 23 is that the "entire committee was not yet ready to seriously negotiate." Another committee chairman said late in July that "with only eight working days remaining for each subject and based upon the work that had been accomplished to date, I believe the final outcome of the Committee's work will be unsatisfactory."

Halfway through this year's Law of the Sea Conference plans were being made for at least one more session next year and there were rumors of another in 1976.

From the outset, it was clear that there would be little if any agreement at Caracas this year. When he arrived for the opening on June 20, United Nations Secretary General Kurt Waldheim said that "Caracas is only the first part of the conference * * * We cannot expect immediate solutions (because) the problems are too complicated * * * There definitely will be another conference to continue discussion of the law of the sea next year."

With respect to the question of the deep seabed, there has been no real movement in the positions of nations. The underdeveloped nations continue to demand an international regime which would control seabed resources just as if the international organization were a sovereign state which owned the resources of the seabed. This system would provide little room for the legitimate interests of the United States.

At every sign of even the smallest accommodation by the United States, demands seem to enlarge geometrically. There remains also the temptation of compromising mineral resources of the deep seabed in favor of other issues more clearly understood by the negotiators and backed by strong intro-governmental proponents.

It is of interest that the chief topic of discussion in the deep seabed regime is "Who will exploit the sea"? This question has been under discussion for years, and yet no progress has been made in its resolution. This is the mark of not only no progress but intransignence by many countries against agreeing to conditions which will make the resources of the seabed accessible to all.

The Committee has concluded that we can no longer delay in our own national efforts to create conditions conducive to the recovery of the resources of the deep seabed. We cannot accept the same old story from the treaty negotiators that progress is greater than it appears and that success is just around the corner. The Committee firmly believes that S. 1134 *is consistent* with our national interest in developing new sources of minerals and *is not inconsistent* with our long-term national goal of a broad international agreement on a new system of Law of the Sea.

III. COMMITTEE RECOMMENDATION

The Committee on Interior and Insular Affairs in open mark-up session on July 15, unanimously recommended that S. 1134, as amended, be approved by the Senate.

IV. LEGISLATIVE HISTORY

S. 1134 has a long legislative history.

The first bill for deep seabed hard mineral development was S. 2801, 92d Congress. S. 2801 stemmed from hearings held in 1969 and 1970 by the Special Subcommittee on the Outer Continental Shelf chaired by Senator Metcalf. Hearings were held on that bill but no further action was taken.

In the 93d Congress hearings were held on S. 1134, as originally introduced, on May 17, June 14, 15, 18, and 19, 1973. On September 19, 1973, hearings were held on the status of the preliminary negotiations in preparation for the Third United Nations' Law of the Sea Conference.

As a result of these hearings a complete revision of S. 1134 was introduced as Amendment No. 946. Hearings were held on Amendment No. 946 on March 5, 6, and 11, 1974. (See Hearings: Mineral Resources of the Deep Seabed, Parts 1 and 2, 93d Congress; Status Report on Law of the Sea Negotiations, 93d Congress.)

V. SECTION-BY-SECTION ANALYSIS

Section 1. Short title

This section designates the official citation of the Act as the "Deep Seabed Hard Minerals Act".

Section 2. Development of purpose

The section lists a series of findings as to anticipated expansion of national mineral resource requirements, national dependence upon foreign sources of supply, national interest in insuring mineral availability independent of foreign export policies, the availability of manganese nodules on the deep seabed as an alternate ability of manganese nodules on the deep seabed as an alternate supply of certain minerals, the availability of deep seabed nodules to all nations, the technological capability of United States mining companies, and the national interest in utilizing existing United States technology and capability to insure national access to available deep seabed hard minerals. The section declares the purposes of the Act are the promotion of orderly development of certain deep seabed mineral resources, pending the establishment of an international regime for that purpose, and the protection of the marine environment to the extent that it may be affected by deep seabed development.

Section 3. Definitions

Terms defined include the designation of the Secretary of the Interior as the responsible administering official; the area covered (the deep seabed to a depth of 10 meters, lying outside the Continental Shelf of any nation); the graduation of activities to be regulated (exploration and commercial recovery); the hard minerals involved (the nodules or accretions of the deep seabed containing a mixture of minerals such as iron, manganese, nickel, cobalt, and copper); eligible applicant (United States citizens and United States companies); the size of licensed blocks (not more than 40,000 square kilometers); and reciprocating States (those foreign States with regimes similar to this Act, and which undertake to recognize licenses issued under the Act).

Section 4. Activities prohibited

The development, including exploration and commercial recovery, of deep seabed minerals is prohibited for United States citizens and entities, except as it may be authorized under this Act, under a reciprocating State license, or under an international agreement binding upon the United States. Specific language is included to make clear that the section does not prohibit engineering equipment development, prospecting, or scientific research; nor does it prevent United States citizens or companies from furnishing contractual services (not amounting to actual exploration or commercial recovery), or supplying materials to developers, provided only that the development involved is not an infringement upon licenses granted under the Act, or by a reciprocating State. The Section also provides for priorities of right for eligible applicants engaged in exploration on the effective date of the Act.

Section 5. License to develop

Subsection 5(a) directs the Secretary to issue development licenses to the first eligible applicant making written application therefor, accompanied by the tender of a required license fee of $50,000, provided the applicant can meet specific tests of financial responsibility and the ability to comply with applicable laws, regulations and conditions, and provided that operations under the license are compatible with other high seas uses, will not conflict with any international obligations of the United States, and will not impose an unreasonable threat to the environment.

Subsection 5(b) provides that subject to the provisions of the Act related to a future international regime, a license issued pursuant to the Act, will be exclusive as to all persons subject to the jurisdiction of the United States or a reciprocating State. Commercial recovery under a license may not be authorized prior to January 1, 1976, and no license under the Act may be issued subsequent to the ratification by the United States of an international agreement establishing an international regime. Applications shall have priority as of the date of receipt by the Secretary. An interim priority is established during the period between the effective date of the Act and the promulgation of appropriate regulations. Licenses shall remain in force for 15 years and if commercial recovery begins during that period, will remain in force for as long as commercial recovery continues.

Subsection 5(c) provides that licenses may be surrendered, or in appropriate circumstances, may be transferred to another eligible applicant. Provisions are made for revocation of the license upon failure of the licensee to comply with applicable laws and regulations. Judicial review of any revocation is provided for. Subsection 5(d) authorizes the Secretary to include reasonable conditions prescribed on the basis of appropriate rules and regulations, in any license issued under the Act.

Section 6. Licensing procedures

The Secretary may establish procedures governing application and issuance of licenses, insuring full consultation with other departments and full consideration of the views of the general public. The license application must contain certain information required by the regulations, and must be made available to the public, upon request. Certain proprietary information will not be generally available and certain other information will be available only after the license has been issued. Upon receipt of an application, the Secretary is required to give notice to the general public and consider the public's views. His decision to grant or deny the license must be in writing and made within a specified period. Judicial review of the Secretary's decision is provided for and the maintenance of general information concerning licensing procedures shall be maintained for public inspection. At such time as reciprocating States are involved, notification to an international registry clearing house is also required.

Section 7. Environmental criteria

After necessary consultation with other departments, this section directs the Secretary to establish certain environmental standards to which license operations must adhere. These standards may, from time-to-time, be revised as scientific data may warrant.

Section 8. Minimum annual expenditures

Minimum annual expenditures are established during the exploration period, primarily to insure that the licensee is actively pursuing his exploration and not merely holding the license for other purposes. Records as to such minimum expenditures must be kept and the Secretary and Comptroller General must have access to those records for the purpose of audit.

Section 9. Authorization to begin commercial recovery

After completion of exploration activities at the licensed block, and subject to the limitations involving an international regime, the licensee, after January 1, 1976, is entitled to receive from the Secretary, upon the licensee's request, an authorization to begin commercial recovery. This authorization shall be granted if the licensee is in compliance with all his license conditions and has furnished the Secretary with necessary data related to the licensed block.

Section 10. Areas withdrawn from licensing; density limitations

No license may be issued under the Act for an area previously relinquished by the applicant within the prior three years, or for an area which is subject to either a prior application or existing license under the Act, or from a reciprocating State, or for an area which, if licensed, would permit the licensee to hold more than 30% of an area of the deep seabed within a prescribed diameter.

Section 11. Relinquishment of licensed areas

Within 15 years of the license date, and not later than the date of authorization for commercial recovery, the licensee must relinquish to the Secretary, 75% of the block for which the license was obtained. This reduces the size of any block for commercial recovery to no more than 10,000 square kilometers.

Section 12. International regime

Upon the establishment of an international regime, binding upon the United States, no additional licenses may be issued under the Act, and previous licenses must conform to the international agreement. To the extent possible under the agreement, the United States is required to sponsor the licensee for continuation of his license under the international regime.

Section 13. Investment guaranty

To the extent that the international regime may adversely affect the investment of a licensee under this Act, the United States shall provide the license compensation to the extent the investment is impaired. Until after commercial recovery authorization has been granted, any compensation is limited to equipment and facilities utilized for exploration at a licensed block. After commercial recovery has begun, the value of the investment will be determined by reducing the original value by subtracting any gross profits that may be realized prior to the time of the claimed impairment. All liability terminates 10 years after commercial recovery begins.

Section 14. Investment insurance

Based upon premiums paid by the licensee, the United States may insure any licensee for any damages suffered by the licensee through the action of any other person against whom a legal remedy does not exist or is unavailable in any forum to which the licensee has access. Application for insurance under the section is voluntary on the part of the licensee, and insurance coverage will be available only after the Secretary of Commerce determines that comparable coverage is not available elsewhere.

Section 15. Investment guaranty and insurance fund

A separate fund is established in the Treasury, divided into a Guaranty Reserve and an Insurance Reserve, to be available to discharge liabilities under sections 13 and 14. The premiums paid under section 14 shall be allocated to the Insurance Reserve, and funds appropriate, pursuant to section 21, shall be allocated to the two Reserves in accordance with the appropriations. The Insurance Reserve will be limited to funds collected as premiums.

Section 16. Nondiscriminatory treatment

For the purposes of export controls, the Jones Act (covering the transportation of cargo by vessels), customs laws, and tax laws, hard minerals recovered under a license issued pursuant to this Act, shall be treated as if they had been recovered within the United States and on an equal nondiscriminatory basis with hard minerals otherwise recovered within the United States.

Section 17. Consortia

In the case of corsortium arrangements resulting from an agreement between United States and foreign entities, the investment guaranty, investment insurance, and nondiscriminatory treatment provisions of the Act, shall be limited to the proportion of interest owned by the United States entity or entities in any such combination of interests receiving a license under the Act. In a similar combination receiving a license from a reciprocating State, the provisions relating to investment insurance and investment guaranty will not be applicable. However, provisions relating to export controls, customs laws, and tax laws (but not the Jones Act), shall be applied as if the proportion of interest owned by United States entity or entities were licensed pursuant to this Act.

Section 18. Regulatory authority

The Secretary of Interior is authorized to issue rules and regulations to carry out his responsibilities under the Act. An outline of the required subject matter of the rules is listed. The Secretary of Commerce is authorized to issue implementing regulations for sections 13, 14, and 15.

Section 19. Jurisdiction of U.S. district courts

Cases and controversies arising out of activities conducted under the authority of this Act are within the original jurisdiction of the United States district courts, and proceedings may be instituted in the district where any defendant resides or may be found, or in the district nearest the place where the cause of action arises.

Section 20. Penalties

A civil penalty of $10,000 per day is provided for a violation, by any person subject to the jurisdiction of the United States, of any provision of the Act or applicable regulations. Penalty procedures, review, and collection are provided. In the case of a willful and knowing violation, a criminal penalty of $25,000 per day is provided, in addition to the civil penalty. Vessels, with certain exceptions, shall be liable *in rem* for any civil penalty or criminal fine resulting from a violation in which the vessel was used.

Section 21. Annual report

Both the Secretary of the Interior and the Secretary of Commerce are required to make annual reports as to their activities under the Act, on or before June 30, with the first reports due on or before June 30, 1975.

Section 22. Authorization for appropriations

Necessary sums are authorized for the administration of the Act for the current year and for each of the two succeeding fiscal years. Additional sums as necessary are authorized to be appropriated to the Secretary of Commerce for the replenishment of the Insurance and Guaranty Fund or for the investment guaranty or investment insurance liabilities.

Section 23. Effective date; separability

The Act shall take effect on the date of enactment, and if any individual provision is held invalid, the remainder of the Act shall not be affected by that invalidity.

VI. TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to Section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes of the Committee during consideration of S. 1134.

S. 1134 was ordered favorably reported to the Senate with an amendment by unanimous voice vote taken in open public session.

VII. COST ESTIMATES

In accordance with Section 252(a) of the Legislative Reorganization Act of 1970 the Committee provides the following estimates of costs:

Enactment of S. 1134 will entail some increase in Federal costs for administration of the licensing systems. These costs should be substantially if not totally offset by the application fee of $50,000.

VIII. EXECUTIVE COMMUNICATIONS

The Administration did not submit a written report on Amendment No. 946 to S. 1134. The Administration's statement at the hearings follows:

STATEMENT OF PROF. JOHN NORTON MOORE, CHAIRMAN, NATIONAL SECURITY COUNCIL'S INTERAGENCY TASK FORCE ON LAW OF THE SEA, AND DEPUTY SPECIAL REPRESENTATIVE OF THE PRESIDENT TO LAW OF THE SEA CONFERENCE

Mr. MOORE. Thank you very much, Mr. Chairman. It is a pleasure to be here and we have greatly appreciated your continuing interest in the Law of the Sea negotiations these past few years.

Mr. Chairman, I welcome the opportunity to testify on the amendments to S. 1134, the Deep Seabed Hard Minerals Act, and to discuss with this subcommittee measures to encourage timely and efficient development of the mineral resources of the deep seabed. My testimony this morning has, in accordance with past practice, been coordinated through the National Security Council Interagency Task Force on the Law of the Sea and reflects the views of the executive branch.

The technology is now developing which will shortly permit commercial exploitation of manganese nodules on the deep ocean floor. This development will benefit not only those nations directly involved in mining or processing but also all nations as consumers of these minerals. Moreover, the generation of income for international community purposes as part of the common heritage can only be fulfilled if meaningful development occurs.

The United States has participated for the past several years in the preparatory work for the Third United Nations Conference on the Law of the Sea. It has done so in the belief that early development of deep seabed resources under an internationally agreed regime would benefit the United States and all other nations. The substantive work of the Conference is now scheduled to begin on June 20 of this year in Caracas, Venezuela. We believe that timely international agreement on an effective regime for the development of deep seabed reasources is the best way to assure the stable investment climate needed to encourage development, to insure adequate protection of the marine environment, and to accommodate the interests of all nations. We are mindful, however, that for this approach to be successful in achieving our objectives the international community must conclude a timely agreement and one which will genuinely promote efficient development.

The General Assembly resolution convening the Third United Nations Conference on the Law of the Sea provides for completion of the work of the Conference in 1974 or 1975 at the latest. As we have previously testified in commenting on a predecessor bill, we would not view agreement as timely unless it were reached in accordance with this General Assembly schedule. Any delay after 1975 would deter the expected sequence of development. Accordingly, we agree with the underlying premise of the bill that by January 1, 1976, there must be an adequate legal regime for deep seabed mining under an internationally agreed regime in force on a provisional basis or, if this is not possible, then under appropriate legislation. In either event, we will support appropriate legislation regarding the conduct of U.S. nationals and the role of Federal agencies. We are mindful in this regard that U.S. firms are making substantial investments in deep seabed mining and are rapidly approaching the point where they must make even greater investment decisions.

Similarly, for an international approach to be successful, the agreement must genuinely promote efficient development. We believe that such development will best be served by a legal regime which permits access to the resources of the deep seabed under reasonable conditions that will facilitate investment. For that reason, any machinery established could not have discretion to deny access to those resources or to alter the conditions upon which security of investment depends.

In previous testimony on this subject we have underscored the importance that the U.S. attaches to protecting access to the mineral resources of the deep seabed. World events in recent months have heightened our awareness of the potential value to the United States and all nations of this source of important minerals. Within the context of the energy crisis the international community has begun to understand how a shortage of critical supplies can jeopardize the economic growth and stability of all nations. Such shortages, through both their primary and secondary effects, impact harshly not only on industrialized countries but in particular on developing nations with scarce supplies of foreign exchange. Although the primary interest in the deep seabeds is in hard minerals rather than hydrocarbons, these recent events have reinforced the importance of a legal regime for deep seabed mining which would encourage sound development without introducing restrictions on access, price, or production levels. We hope that in the light of recent events many countries will approach the international negotiations on the deep seabeds with a new circumspection.

It is against this background of the effort to obtain timely international agreement on a legal regime for efficient development of deep seabed mineral resources that we must access the amendments to S. 1134. This bill authorizes the Secretary of the Interior to issue licenses to persons subject to the jurisdiction of the United States for the exploration and commercial recovery of hard mineral resources of the surface of the deep seabed. Such licenses would authorize commercial recovery of hard mineral resources after January 1, 1976. However, after the act took effect, exploration would be permitted immediately upon issuance of a license. Licenses issued pursuant to the act would become subject to the provisions of an international agreement concerning the development of deep seabed minerals which becomes binding on the United States.

The proposed legislation also details certain terms and conditions to be included in licenses issued for deep seabed mineral development and authorizes the Secretary of the Interior, in consultation with other interested Federal agencies, to promulgate such additional rules and regulations as may be necessary to insure the orderly development of these resources under conditions which do not unduly damage the marine environment. Under the provisions of the bill, the U.S. Government would be required to compensate the holders of licenses issued in accordance with the terms of the bill for certain losses or impairment of their investment resulting from new obligations placed upon them by any international convention to which the United States becomes a party.

On several occasions during 1973, the executive branch provided its views on S. 1134 before this subcommittee. Executive branch opposition to the enactment of interim legislation for deep seabed minerals development at that time was our ability to achieve a timely and successful international agreement which would encourage development of deep seabed resources as well as accommodate a variety of other important ocean uses. We have carefully reviewed this new version of the deep seabed interim legislation and take note of the constructive efforts that have been made to accommodate our previous difficulties with the interim approach. Among the improvements in the bill is that while it would establish a legal regime for granting exclusive rights to ocean miners, these rights would not apply to commercial recovery of deep seabed minerals prior to January 1, 1976. In addition, such licenses would be subject to the provisions of any international agreement accepted by the United States.

Nevertheless, we cannot support enactment of this bill for the following principal reasons.

We believe that enactment of this bill prior to the Caracas session of the Law of the Sea Conference would adversely affect progress on the deep seabeds as well as other aspects of the Law of the Sea negotiation. We will be in a better position to assess progress toward an international agreement after the Caracas session.

Our remaining reasons deal with the substance of the bill. First, we believe that issuance of any licenses prior to 1976 is unnecessary and undesirable in the absence of a determination that a timely and successful Conference is not possible. Second, the bill does not give the Secretary of the Interior sufficient flexibility to deal with the important contingency of provisional application of an internationally agreed regime applicable to all mineral resources of the deep seabeds. Third, we do not believe the U.S. Government should assume liability to private investors for the exercise of its normal treatymaking powers, and we cannot support the insurance provisions of the bill. Finally, we do not agree with all of the resource management provisions of the bill.

Let me elaborate on each of these points in turn.

With respect to the impact on the negotiations of enactment of the bill at this time, passage of legislation prior to Caracas would permit the opponents of a timely and successful Conference to focus the attention of the Conference on this legislation rather than on constructive efforts to reach international agreement.

Turning to the first substantive objection to the bill, that of licensing before 1976, I wish to reiterate that the United States remains firmly committed to the creation of an international legal order for the exploration and exploitation of the deep seabeds. While most of the provisions of the bill would not become effective prior to the scheduled conclusion of the Law of the Sea Conference, some nations might regard our enactment of a detailed resource management system as an attempt to preempt the international negotiation. In this respect, the feature of the bill which permits exclusive exploration rights even before 1976 is susceptible to the charge that it preempts the negotiation and might be particularly misunderstood.

It is our understanding that two of the major objectives for proceeding with legislation before January 1, 1976, would be, first, to establish some domestic priority as among U.S. nationals after that date with respect to action by the U.S. Government under either an internationally agreed regime or appropriate legislation, and, second, to insure that the appropriate Federal agency is empowered to take necessary steps. The bill, however, goes far beyond those objectives.

The second substantive point relates to the flexibility to deal with the important contingency of provisional application. As you are aware, we have proposed that the internationally agreed regime and machinery for the deep seabed should go into force provisionally very soon after the conclusion of the Conference. Provisional application is rooted in solid experience internationally, and does not in any way prejudge the international negotiation. We have been pleased with the favorable reaction to the proposal and are concerned that support for legislation which does not take into account the provisional application concept could serve to undercut this international support.

The third substantive point relates to the guarantee and insurance provisions of the bill.

Section 13 would require the U.S. Government to act as guarantor for the security of investments under the terms of this bill with certain exceptions, to the extent that such investments were taken or impaired by differing requirements of any new international agreement. Such an obligation would unjustifiably shift the cost of the relevant uncertainties from the industry to the general taxpayer. Moreover, to provide for compensation for financial loss resulting from the normal exercise of lawmaking functions, whether by treaty or legislation, is to establish an enormously broad precedent. Our rights and those of other nations with respect to the deep seabeds derive from high seas principles which permit exploration and exploitation subject to reasonable regard for the interests of other states in their exercise of high seas freedoms. Inherent in those principles is the authority of states to reach agreement regarding activities in the area on such matters as controlling pollution from ships or insuring conservation of fisheries.

Similarly, we cannot support the Government insurance system provided by this bill. It would place the Federal Government in the role of a direct or primary insurance underwriter in a situation in which it would be inappropriate. We see no overriding policy reason for the Federal Government to assume this function which belongs to the private sector.

Finally, we have concluded that there are serious problems with the resource management and other aspects of the bill. We are studying ways to construct a more adequate resource management system. For example, we would note the absence of any provisions regarding royalties or other revenues, flags of convenience, safety of life at sea, and marking and lighting of offshore mining facilities. We would wish to give careful study to the environmental aspects of the bill. The executive branch will comment further on these and other matters as soon as we have concluded our consideration of these problems.

In conclusion, Mr. Chairman, may I assure you that we are deeply conscious of the importance of a stable legal order that will permit timely and efficient development of the mineral resources of the deep seabed. All nations have a substantial stake in bringing about such a regime. As the Law of the Sea Conference resumes in Caracas, we hope that all nations will recognize and support this common interest. At the same time, we will work with interested Members of Congress to insure that we, as a government, have acted with sufficient foresight to permit us to deal with the full range of contingencies that may arise. In this regard, we would welcome the opportunity to review with this subcommittee the situation as we see it following the Caracas session of the Conference.

Thank you, Mr. Chairman.

Department of State,
Washington, D.C., April 9, 1974.

Hon. Lee Metcalf,
U.S. Senate,
Washington, D.C.

Dear Senator Metcalf: In response to your letter of March 6, 1974, I am enclosing answers to the questions which you posed. I am also enclosing a copy of the March 5, 1974 transcript of proceedings before the Subcommittee on Minerals, Materials and Fuels of the Senate Committee on Interior and Insular Affairs.

With respect to the answer to Question 23, we intend to furnish more detailed comments regarding resource management. This issue is still being studied by the Executive Branch.

I want to thank you again for the opportunity to appear before your Subcommittee and to restate my intention to review the situation with your Subcommittee following the Caracas session of the Law of the Sea Conference.

Sincerely,

John Norton Moore,
Chairman, the NSC Interagency Task Force on the Law of the Sea and Deputy Special Representative of the President for the Law of the Sea Conference.

Questions for Professor Moore

1. I'm going to repeat a question I asked you when you appeared before this Subcommittee on June 15th of last year. In March of 1973—let's say a year ago—Mr. Charles N. Brower, as Acting Legal Advisor to the State Department and Acting Chairman of the Inter-Agency Task Force on the Law of the Sea wrote Senator Fulbright that—in Mr. Brower's words: "Prudence dictates that we also begin at once to formulate a legislative approach."

How is the Administration doing on formulating this legislative approach keeping in mind what you called the "remote contingency" that there will not be a timely and successful conference on the law of the sea?

2. Your statement includes the words:

"We agree with the underlying premise of the bill that by January 1, 1976 there must be an adequate legal regime for deep seabed mining under an internationally agreed regime in force on a provisional basis or, if this is not possible, then under appropriate legislation. In either event, we will support appropriate legislation regarding the conduct of United States nationals and the role of Federal agencies."

That is your quotation. You are going to support appropriate legislation regarding the conduct of American nationals and the role of Federal agencies whether international agreement is reached or not?

When would you anticipate doing so?

3. I'm not impressed with your criticism of this legislation because of what it doesn't do. I'm more interested in your views on what it does do.

The task force has testified earlier that at this time there is neither law nor treaty to which the United States is a party that prohibits our nationals from heading out onto the seabed for minerals. Is it not true that this legislation is an attempt to limit the activities of American nationals? And if our government can't limit the activities of our people, who can?

4. Among deficiencies of the bill, you mention the absence of provisions regarding "flags of convenience, safety of life at sea, and marking and lighting of offshore mining facilities." Aren't such things already a matter of law?

5. You also noted—in your words—"the absence of any provisions regarding royalties."

My dictionary defines a royalty as "a compensation or portion of the proceeds paid to the OWNER of a right, as a patent or oil or mineral right, for the use of it." As you use the word "royalty," are you joining in the claim that the United States owns the seabed? Or are you saying that the world as a whole presently holds title to the seabed?

6. As you know from previous hearings, I have doubts about the constitutionality of provisional application. But if this is cleared up, and such agreement as may be reached goes into effect immediately, how long do you think it will take to form an international organization, find a headquarters, staff and equip it—and prepare regulations? Two years? Five?

I can remember a little amendment to the Hill-Burton Hospital Construction Act of some years ago. It was enacted in September—and it wasn't until the following August that regulations and application forms were available. So it took eleven months to take care of certain administrative details by an agency which was in existence, had a headquarters and staff.

7. Does the U.S.S.R. proposal for an international regime encourage central control over production rates and prices of marine-derived products? Is this a popular view at the Law of the Sea conference?

8. When the United States voted against the United Nations moratorium resolution in 1969 and 1970, did the U.S. give private assurances to the Seabeds Committee leadership that no active encouragement would be given by the U.S. government to nationals who wish to continue development of the deep seabeds before a treaty is concluded?

8(a). Were such assurances given in 1972 to fend off the even more restrictive moratorium resolution introduced by Kuwait?

8(b). Is there any significant correlation between the sponsors of these two moratorium resolutions and the states, which I will not ask you to name, which are trying to delay progress in, or destroy, the Law of the Sea Conference?

9. Is there any indication that, as a negotiating tactic, it is better for the U.S. to enter Caracas in a weak position on its strongest bargaining chip, the deep seabed and ocean mining, rather than with a strong ongoing program having some positive government support? By government support, I do not mean fiscal support, but rather a clear policy of political and legal protection of its commercial interests, with a history of industrial reliance on that policy to give it strength and credibility.

10. When you appeared last week before the House Oceanography Subcommittee on companion legislation you said the Task Force would wish "to give careful study to the . . . antitrust aspects of the bill." I did not note any reference to antitrust in your testimony today. Is the omission significant? Did your statement that our government must do further antitrust study indicate that existing legislation may be under question or did it mean that the Justice Department has been late in making recommendations to your office?

11. The U.N. Seabed Committee, after three years of general debate and three years of attempts at preparation, was unable to make recommendations to the General Assembly in accordance with General Assembly Resolution 3029A XXVII, regarding the adequacy of its own preparation or the timeliness of the conference scheduled for 1973. Does this indicate a significant opinion within the ranks of participants that the conference was not timely?

11(a). Can you, without naming the states, categorize generally the primary objectives of those states which seek to delay or destroy the Conference?

12. You have (stated?) implied "significant support" for our provisional regime proposal. Was there, in fact, any recommendation from the Seabeds Committee concerning the desirability of application of this concept to the results of a future Law of the Sea treaty?

12(a). Was there even significant discussion of that application in the meetings of the Seabeds Committee? In the meetings of the General Assembly or the conference of last December in New York?

12(b). Has there been any public record of approval of the application of this concept to the Law of the Sea Treaty by any States? Which ones? By this I do not mean approval for the United Nations Secretariat to make the study, nor do I mean approval of the quality of that study—I mean *acceptance* of the concept itself for use in achieving early implementation of a law of the sea treaty.

13. Administration witnesses have, in the past, consistently asserted that mining of the deep seabed is not now prohibited by international law and is, in fact, a high seas freedom under existing international law. That position has been enunciated several times in the United Nations and by various witnesses before this Committee.

13(a). Do you continue to agree with that position?

13(b). In your opinion, what is the legal effect of the so-called "Moratorium Resolution" (General Assembly Resolution 2574D of December 21, 1969), as it relates to this right?

13(c). In the same regard, what is the effect of the so-called "Declaration of Principles" (General Assembly Resolution 2749 of December 17, 1970)?

14. Assuming that deep sea miners are presently entitled to explore and to exploit the manganese nodule of the deep seabed, assuming further that in the absence of national legislation some United States miners would proceed to exercise their rights, and assuming finally that an international regime is agreed upon at some future date, is ratified by the United States, and is implemented as necessary by domestic legislation, what impact would that regime have on those miners in view of the provision of the Fifth Amendment of the Constitution which provides that ". . . nor shall private property be taken for public use without just compensation."?

15. The President, in his "Ocean Policy Statement" of May 1970, stated that he did not believe it either necessary or desirable to try to halt exploration and exploitation of the deep seabeds during the negotiating process. He further stated that the regime should accordingly include due protection for the integrity of investments made in the interim period.

15(a). Do you consider that section 13, which is contained in the amendatory language which we are considering today, is inconsistent with that statement of Presidential Policy?

15(b). Are there any changes to the language of section 13 which you would recommend?

16. During your testimony before this Subcommittee last June, you referred to a proposal in the Seabed Committee relating to a provisional entry into force of the seabed's portion of the treaty to be agreed upon. You stated that you were encouraged at that time because no delegation opposed the concept during the spring meeting of the Seabed Committee, and that 17 delegations expressed interest in learning more about the approach.

16(a). Would you state whether any delegations voiced support of that approach during the most recent session of the Seabed Committee, and

16(b). Further explain the exact mechanics through which that provisional entry might be accomplished under our Constitutional system?

17. Also, during hearings last year several Administration witneses alluded to the necessity for preparing legislation which could become effective immediately if there is not a timely and successful Conference. Will you please advise the Subcommittee as to what progress you have made in developing such legislation?

18. You state that passage of legislation prior to Caracas would permit the opponents of a timely and successful conference to focus the attention of the Conference on this legislation rather than on constructive efforts to reach international agreement. Who are the opponents of a timely and successful Conference?

18(a). Why don't they want a timely and successful Conference?

18(b). Why would they suddenly focus attention of the Conference on this legislation in view of the fact they have actually paid little attention to this legislation before?

18(c). Isn't it true that, although you define timely as 1975, many nations are now talking about 1976?

18(d). Which nations have the same understanding of successful as the United States?

18(e). What is the understanding of the majority of other nations as to what constitutes a successful Conference?

18(f). What factors will cause the opponents of the United States' viewpoint to suddenly accept this viewpoint?

18(g). On what basis do you predict achieving a timely and successful Conference result in 1975? What is historical evidence?

19. You state that the feature of the bill which permits exclusive exploration rights even before 1976 is susceptible to tbe charge it preempts the negotiation and might be particularly misunderstood. How could this provision of the bill be misunderstood? In what way?

19(a). Art you contributing to misunderstanding by failing to make clear that these rights are only exclusive vis-a-vis U.S. persons?

19(b). In what way does this preempt the negotiation? Doesn't the U.S. position include exclusive exploration rights? Isn't this an essential ingredient to achieve a satisfactory treaty? Have we not made it clear that this point will not be negotiated?

19(c). What provisions do you find in this bill which are at variance with the U.S. position in the Law of the Sea negotiations? Would you point out each instance where a basic provision of this bill is not included in the present U.S. position? Are you suggesting that the U.S. may negotiate a treaty markedly different from the present license system proposal and then suggest that it is satisfactory?

20. You state that the United States has proposed that the internationally agreed regime and machinery for the deep seabed should go into force provisionally very soon after the conclusion of the Conference and that this proposal was favorably received. We understand that the actual proposal was to have the United Nations Secretariat prepare a study of provisional regime precedent. Aside from this study and the U.S. proposal, has any nation taken any positive steps in support of provisional regime? If so, what are these?

20(a). Was the provisional regime considered in any detail at the seabed meeting in Geneva last summer? What was done to advance the concept? Was the provisional regime concept discussed at the General Assembly debates on the resolution calling for the Conference? In organizing the Conference, was provision made for handling the provisional regime question?

20(b). Will the provisional regime be considered at Caracas? What will the U.S. do at Caracas about the provisional regime? Will concrete proposals be made?

20(c). At the time of the last discussion of provisional regime before this Committee it was stated by the executive branch that it would prepare legislation on a provisional regime. Where is this legislation? What steps have actually been taken to prepare for a provisional regime?

20(d). You state this legislation, has insufficient flexibility to handle the provisional regime. Isn't it true that the provisional regime cannot in fact be specified at this time and that new legislation would have to be obtained in any event?

20(e). Assuming you meet your time schedule of achieving a satisfactory treaty in 1975 (1975 since clearly you do not expect it in 1974), would you please give us a schedule of events and dates for the promulgation of the provisional regime and its coming into force in a way useful to the encouragement of ocean mining (i.e., granting of licenses conveying security of tenure over a mine site under reasonable conditions). Would you explain to us how the provisional regime will work—who will administer it and how?

21. You state that the obligation of acting as guarantor for the security of investment under the bill shifts the cost of the relevant uncertainties from the industry to the general taxpayer. You also state that such a guarantee would establish an enormously broad precedent. We are confused. It would appear that these "relevant uncertainties" are controllable by your own negotiating process and that therefore—for the government the uncertainties are small and perhaps infinitesimal. If they are not small, then it must mean you contemplate agreeing to a treaty far different from that which we believe would serve United States interests. Would you please discuss and explain this point.

In the finding for the bill and in fact in your own statement, the case is made for the development of seabed minerals. Both the bill and you state this to be in the national interest. In view of this would you explain how the taxpayer is burdened by the developing of alternative raw material sources which would not be subject to international blackmail. Isn't looking after the strengthening of our sources of raw materials a precedent that we are long overdue in establishing? Is this to be one more case where the administration delays, delays, and delays until a crisis is upon us? Please discuss these points for us so that we can better understand the national interest through your eyes.

22. Would you please explain in detail why you believe the backing of the government insurance system to be inappropriate? Do you not yet understand that the basic policy issue is availability of raw materials—that that is the issue? You state that this insurance function belongs in the private sector. Would you explain why and how? How can insurance be obtained at reasonable costs whose risks are purely determined by arbitrary acts of government and particularly our own as evidenced today by ambiguity toward the future? Are there in fact not many precedents for such insurance?

23. You state that there are serious problems with the resource management and other aspects of the bill. We are confused by your statement of wishing to construct a more adequate resource management system. If this is to be a constructive input to the bill rather than a shopping list of objections to support your basic objection in relation to an international treaty, then we would have hoped you would propose concrete language.

Do you have such language?

We are confused about your use of the terms royalties or other revenues. We also note your emphasis on the term resource management. Are you proposing that these deep seabed resources are ours to manage and that we have some kind of sovereign claim on them? Otherwise, how can we presume to manage them? You certainly would not propose to manage them by extensive regulation of the few blocks out of the whole ocean utilized by U.S. companies. Just how can you manage these resources—even if it were desirable—in such a bill? Clearly the problem of resource management is beyond domestic legislation.

Is this desire for something called resource management also finding its way into treaty negotiations? Resource management, as often desired by bureaucrats, in a law of the sea treaty would be an excellent tool to control production, prices, accessibility of the resources, etc. Certainly in the U.S. case of the outer continental shelf there has not been freedom to exploit and this has clearly limited production and also has resulted in limiting the number of companies able to compete in offshore mineral development. Are you suggesting that this brand of resource management (OCS, that is) be made part of an international regime? Please discuss and explain.

For Department of the Interior:

1. I'd like to pose a question to the spokesman for the Department of the Interior. Can you tell us now—or will you supply for the record—to what depth we now are issuing oil leases and oil exploration permits, and summarize the regulations concerning the size of block, duration and terms of the leases, including payment of any kind, including but not limited to, rents, royalties, bonuses?

2. The Canadian Minister of Energy, Mines and Resources spoke to the House of Commons Committee on External Affairs and National Defense on 12 December 1973 and indicated that it was in the national interest of Canada, which he characterized as the world's largest producer and exporter of nickel, to promote an international resource management system for the seabeds which would protect Canada from adverse effects of a substantial increase in seabed mineral production. Is this not, in fact, evidence of an increasing trend in the United Nations to destroy the common heritage concept in order to protect existing resource production in a few producing nations? Will not this trend conflict with U.S. interests? Is this trend in the interest of developing countries which wish to, or must, increase their consumption patterns to satisfy internal expectations?

3. Has the Interior Department information on how many months, at current rates of domestic production, would our national stockpile, at current tonnages, satisfy domestic industrial requirements for manganese, nickel, cobalt and copper—that is assuming there were civilian access to the stockpile?

For Department of Defense:

If the United States were cut off from all foreign mineral sources, is it rational to assume that the Defense Department could or would allow release of manganese, nickel, cobalt and copper from the stockpile in significant amounts for civilian production?

For Department of Commerce:

1. To what are your comments on safety of life at sea and on marking and lighting of offshore mining facilities directed? Should we submit this question to the Coast Guard?

1(a). Are there not in existing international agreements, standards and mechanisms which fully cover these circumstances? Is this another area to be captured by the new bureaucracy you are designing? Is it wise at this late stage to signal these issues as important new issues to be considered by a United Nations conference that cannot even agree on the issues it has been debating for six years?

2. Will you provide this Subcommittee at an early date with a summary of the positive assurances, guaranties, or financial incentives that are available or being made available by the governments of Japan, Canada, and the United Kingdom to the foreign components of the recently announced Kennecott consortium?

3. Is the Commerce Department doing anything to correct the reported lack of economic study on the potential value of efficient seabed hard mineral development to the national economy? Can you enlighten us with the results of that study relating to balance of payments impact?

ANSWERS FROM PROFESSOR MOORE

1. In my testimony on June 15 of last year, I distinguished between two sets of issues, and the same two issues continue to be relevant. First, we have made some progress in our examination of the kinds of legislation, if any, which may be necessary to achieve effective domestic implementation of the concept of provisional application of the regime. Some preliminary work has been completed and a working group is now intensively examining not only the kind of legislation that would be needed, but also any constitutional issues that may be involved. Secondly, as our comments on the technical aspects of this bill indicate, we have made significant progress in determining the nature of legislation that would be desirable in the unfortunate event that a timely and successful conference is not possible. For example, we have completed a draft environmental impact statement on deep seabed mining which, when finalized, will give us data needed to draft an environmentally sound regime. Moreover, we have maintained close contact with the mining industry to determine what procedures are necessary to construct an effective regime.

2. That is correct. Deep seabed mining should have a legal regime that provides the stability necessary for effective development. We believe both that an international regime would achieve this objective better than unilateral action, and that it would be consistent with our general approach to law of the sea issues. As I have stated, we will be in a better position to determine more specifically what kind of legislation is appropriate after the Caracas session, and we will welcome the opportunity to review the situation with you at that time.

3. We believe that the United States Government should regulate the deep seabed mining activities of American nationals. We continue to believe, however, that the best way to do this is through U.S. participation in a widely accepted and satisfactory international agreement that provides a stable investment climate for such activities.

4. The reference in my testimony to "flags of convenience" refers to the suggestion that the Committee might want to consider the desirability of requiring that ships used in connection with U.S. mining activities be of United States registry. There could be several beneficial results: in the case of ships, pertinent U.S. vessel inspection statutes would apply; criminal jurisdiction would be provided; these activities would receive the protection of our flag; and operation under what I termed "flags of convenience" would be discouraged. It is possible that this latter point might be an additional means of insuring continuing U.S. access to minerals extracted. The Executive Branch has this issue under study but has made no decision on this matter.

I feel that the question of providing adequate marking and lighting and the question of providing for the safety of life and property on and in the vicinity of these facilities are matters particularly within the competence of the Coast Guard, and that regulatory authority over such matters should be given to the Department in which the Coast Guard is operating. We cannot be confident that these matters are already a matter of law. That would be true only if the exploitation facility were a "vessel." It is distinctly possible, however, that the facilities employed in these activities might be of such unique construction and operation that existing law in this regard would not clearly apply. The Coast Guard has such regulatory authority over both vessels and mineral exploitation facilities on the outer continental shelf, and it would be consistent to give it such authority over offshore mining facilities, whether or not the facility can properly be categorized as a "vessel" for purposes of the vessel inspection statutes.

5. While we support the U.N. General Assembly's unanimous declaration that the seabed beyond the limits of national jurisdiction is the common heritage of mankind, we believe neither that title to the deep seabed or its resources is held by the world community, nor that title to any area of the deep seabed or its resources belongs to any state. Instead, we consider that the meaning of the principle of common heritage, as indicated by the principles which follow it in the resolution, will be elaborated in the international regime to be established. When we use the word "royalty," we do not intend to imply that any state or the world community as a whole "owns" the deep seabed.

6. I would not want to speculate upon how long it would take to set up administrative machinery for a legal regime. However, if such a regime adopted the central features of the U.S. proposal, it would not take long, certainly not several years, for those mechanisms which are essential for deep seabed exploration and exploitation to be set up on a provisional basis.

7. The U.S.S.R. has not indicated support for price or production controls over marine-derived products. The Soviet draft articles on the regime and machinery for the deep seabed, introduced in 1971, do not include provisions on this subject and the Soviets have not endorsed such controls in Subcom-

mittee I of the Seabed Committee. Several countries engaged in land based mining of minerals contained in manganese nodules have proposed that the international seabed authority have the power to control prices and production of minerals mined from the seabed. The U.S. is opposed to such authority.

8. The United States opposition to the moratorium resolution adopted by the 24th General Assembly (1969) was not accompanied by an undertaking to the leadership of the Seabed Committee regarding the development of the deep seabeds by U.S. nationals. In explaining the U.S. position on the resolution, the U.S. Representative made it clear that exploration and exploitation of the seabeds could take place prior to the establishment of an international regime for the deep seabed. He asserted that such an exploration and exploitation would not prejudice the solution of seabed issues and that a freeze on these activities would have the effect of discouraging the exploitation and use of the seabed beyond national jurisdiction, the encouragement of which was the expressed objective of the General Assembly resolution passed in the preceding year. Subsequent opposition by the Executive Branch to interim legislation did not reflect a change in this position, but an assessment that assertion of a unilateral regime by the U.S. could prejudice the negotiations for satisfactory international arrangements.

8A. No. At the 1972 summer session of the U.N. Seabed Committee, Kuwait, with a number of cosponsors, tabled a "draft decision" incorporating an even more restrictive moratorium on seabed exploitation than that included in the 1969 U.N.G.A. resolution. The "draft decision" was the subject of some debate at the Seabed Committee session during which the U.S. asserted firm opposition to it. Kuwait, however, did not formally table the resolution at the subsequent General Assembly session.

8B. Among the nations which cosponsored either the 1969 moratorium resolution or the "draft decision" in 1972, there are several that seemed on certain occasions to seek to delay the progress of the preparatory negotiations. Like all nations in the negotiation, each member of this group displays different and varying perceptions of whether a Law of the Sea Conference can accommodate its interests. Such divergences in perception naturally lead to fluctuations in negotiating tactics, but we see no significant correlation between support of moratorium proposals and any effort to obstruct the Law of the Sea Conference.

9. We do not believe that the United States is entering the Caracas session in a weak position. It is recognized that the United States and certain other countries possess the technology and financial capability to exploit commercially the resources of the deep seabed. Moreover, the ongoing activities of United States firms are known to the international community. In addition, this Government has indicated a policy of unwavering support for its interests in the deep seabed.

10. The omission of any reference to the antitrust implications of the proposed legislation in my testimony of March 5, 1974 was not intended to have any significance. As you suggest in your question, my earlier statement to the House Oceanography Subcommittee referring to antitrust considerations, among many others, meant only that because of the importance and scope of the proposed legislation the Government wished to study carefully all aspects of the proposed legislation.

11. After three years of preparatory work for the LOS Conference, there was within the Seabed Committee significant disagreement over the adequacy of that preparatory work. The Seabed Committee's three Subcommittees had progressed at varying rates in preparation of draft articles. However, there was a general feeling within the Committee that the time had arrived to move from the informal preparatory negotiations to the formal Conference stage. In our view the desire for a timely Conference was the major motivation behind the sentiment for proceeding to the formal Conference stage.

11A. I do not believe that even a general categorization of the motives behind the behavior of some states would reduce the potential for misunderstanding.

12. We have on several occasions stated the view before the Congress that the U.S. proposal for provisional application of key portions of the Law of the Sea Treaty received "significant support" from the U.N. Seabed Committee at the time that it was introduced. While this view was indeed founded on the approval by the Seabed Committee of a request to the Secretary-General for a study on past precedents of provisional application, the optimism which we have derived from that approval must be explained within the framework of our past experience in the law of the sea negotiations.

The history of the U.N. Seabed Committee has been that it is often the procedural decisions which have been of greatest importance. This phenomenon is probably explained by the fact that the preparatory sessions for the Law of the Sea Conference have not required that major decisions be taken on substantive issues, since the primary function of these sessions has been to identify the points of agreement and disagreement among various views. On procedural questions, however, there has been the obvious requirement for some final decision to be taken and, consequently, it has often been procedural questions which consumed large portions of the Committee's time.

As you are aware, the U.N. Seabed Committee was composed of over ninety participating states and operated at all times on the basis of the consensus principle. Agreement by the Committee did not by any means indicate that there was unanimous support for the provisional application study, but rather that there was no strong opposition to the proposal. We cannot interpret from this occurrence the extent to which nations would be willing to support provisional application of the deep seabed portion of the permanent Law of the Sea Treaty, although we have been pleased to note that no delegation has publicly expressed any major difficulties with the concept.

It is not unreasonable, then, that we should give so much weight to the decision by the Seabed Committee in March, 1973 to request the Secretary-General to prepare a study of the applicability to the law of the sea of past precedents for the provisional entry into force of conventions. Moreover, our more recent experience during the July-August 1973 session has not influenced us to in any way change our position.

It is true that the U.S. proposal for provisional application of the deep seabed portion of the permanent convention was not thoroughly discussed at either the Geneva session or the New York organizational meeting. Since no substantive issues were debated in New York, the fact that provisional application was not raised at that meeting is of no significance. There were many opportunities during the meeting of Subcommittee I during the 1973 summer session, however, for discussion of the Secretariat study on past precedents which had been submitted to the Seabed Committee. Any delegation which was opposed to provisional application could easily have utilized the opportunity to comment on the study as a mechanism for making known its views. There was no evidence of such opposition. Furthermore, the Representative of Chile, one of the recognized leaders in the Seabed Committee, expressed the view to Subcommittee I that the rapid pace of seabed technology meant that there was an urgent need for the political negotiations to begin and that the Committee should devote serious study to the possibility of provisional application.

During the summer session, the United States proposed that the fisheries sections of the final law of the sea treaty be provisionally applied in addition to the deep seabed sections. Moreover, we expressed our willingness to consider suggestions by other delegations for provisional application of additional portions of the convention. This proposal was made late in the summer session, and we do not believe that delegations were allowed sufficient time to obtain official positions on the speech, although several delegations indicated to us privately their support for provisional application on the fisheries issue. We can anticipate that states will arrive at the Law of the Sea Conference in Caracas fully prepared to inform us of their official views on the provisional application proposal.

13. The Executive Branch continues to hold the view that deep seabed mineral exploitation constitutes a reasonable use of the high seas and is presently permitted under international law. We have made this position clear to other nations on many occasions. In this connection, the United States has repeatedly expressed its position that the so-called moratorium resolution is without binding legal effect.

Some states have suggested that it is possible to interpret the "Declaration of Principles" (General Assembly Resolution 2749 of December 17, 1970) as legally prohibiting the exploitation of the deep seabed until the new international regime and machinery for that exploitation comes into effect. These states derive this interpretation from their understanding of the common heritage of mankind concept. The United States, however, has consistently maintained that its interpretation of the "Declaration of Principles" does not permit the derivation of a "moratorium effect" from this resolution.

14. The U.S. is seeking in the law of the sea negotiations to promote a legal regime which will provide security of tenure and investment stability for deep seabed mining. Rather than seeking to take property, the U.S. is endeavoring in the negotiations to protect the interests of deep seabed mining firms.

15. As the Administration stated in its testimony before the Committee on March 5, 1974, we believe that Section 13 of S. 2728 would require the United States Government to act as guarantor for the security of investments made under the provisions of the bill, to the extent that such investments were taken or impaired by differing requirements of any new international agreement.

While we do not view the provisions of Section 13 of the bill as necessarily inconsistent with the portions of the President's Oceans Policy Statement of May 23, 1970, which address the protection of the integrity of investments made during the interim period, we have several other difficulties with the concept which were elaborated in our testimony of March 5. The President's Oceans Policy Statement described the position of the United States in the deep seabed negotiation, and the U.S. delegation has both consistently maintained that position during the preparatory sessions for the Conference and intends to continue to promote that position in Caracas.

Section 13 of the bill, however, would require the United States Government to provide compensation for financial losses which result from the exercise of its lawmaking functions—in this case, by treaty—and we would regard this precedent as undesirable and a shift from standard practice. Hence, we do not envision that any changes in the language of Section 13 would make it an acceptable provision.

16A: There was no further detailed discussion of the U.S. proposed provisional application of the Law of the Sea Treaty during the 1973 summer session of the U.N. Seabed Committee.

16B: The exact mechanics of provisional application are currently being studied within the Executive Branch. We expect to develop a detailed position on this question in the near future after full consultation with the concerned Congressional committees.

17. In my testimony on June 15 of last year, I distinguished between two sets of issues, and the same two issues continue to be relevant. First, we have made some progress in our examination of the kinds of legislation, if any, which may be necessary to achieve effective domestic implementation of the concept of provisional application of the regime. Some preliminary work has been completed and a working group is now intensively examining not only the kind of legislation that would be needed, but also any constitutional issues that may be involved. Secondly, as our comments on the technical aspects of this bill indicate, we have made significant progress in determining the nature of legislation that would be desirable in the unfortunate event that a timely and successful conference is not possible. For example, we have completed a draft environmental impact statement on deep seabed mining which, when finalized, will give us data needed to draft an environmentally sound regime. Moreover, we have maintained close contact with the mining industry to determine what procedures are necessary to construct an effective regime.

18. It is inappropriate to name the opponents of a timely and successful Conference.

18A. Several countries involved in the negotiations on law of the sea have concluded that they may not achieve their objectives at the Conference. Some of them appear to have decided that their interests would be better served with no Conference at all.

18B. Those countries which want to prevent a successful Conference might seize on unilateral U.S. legislation and argue that the U.S. was attempting to wreck the Conference or was not negotiating in good faith. If widely believed, this would have a very negative impact on the Conference.

18C. It is true that a few countries are talking in terms of a Third Session of the Conference possibly in 1976. However, we believe that the great majority of countries involved in these negotiations consider that a final agreement is not only possible but essential in 1975. Many of these countries strongly opposed efforts last fall to postpone further the substantive session of the Conference. Many believe that reaching agreement will become more difficult as time goes by.

18D. Most countries share the U.S. view that a treaty to be successful must have widespread support and reflect the interests of different groups in the international community. These countries would probably agree that to be successful the treaty must guarantee the rights of the coastal states, the maritime states, and the international community as a whole.

18E. The countries in these negotiations have a wide variety of goals. Although their objectives vary, the majority of countries would probably support broad coastal state control over ocean resources and an accommodation which will permit wide acceptance of the final Law of the Sea Treaty.

18F. On some issues opposition to U.S. views is based on a simple misunderstanding of the U.S. position. In these cases we hope that through an educational effort we can convince many countries to support our objectives. In other cases opposition to our policies has been tactical in nature and, as negotiations progress and differences narrow, this opposition will to some degree disappear.

18G. Our belief in the possibility of a timely and successful Conference is based on our analysis of the negotiating situation and the attitudes of the majority of countries which will attend the Conference. Historical evidence is not very helpful as there is no true precedent to this Conference.

19. If the U.S. were to enact legislation authorizing the granting of exclusive exploration rights prior to 1976, some countries would view such action as unilateral action inconsistent with the U.S. basic posture that rights beyond a three-mile territorial sea must be agreed upon internationally. Even though it is clear that the bill provides such exclusive rights only as regards U.S. nationals and that such rights are issued pending the establishment of an international regime, such an approach is inconsistent with a number of proposals that have been tabled in the negotiations. While a central feature of the U.S. proposal is exclusive exploration rights, the United States would be seen as acting as if its own proposal were already agreed upon if legislation were enacted.

There are similarities between the proposed legislation and positions the U.S. has taken in the negotiations. There are also some important differences. Testimony submitted by the Executive Branch over the past several years has spelled out the U.S. position as well as the similarities and differences between the bill and the U.S. position.

20. Several countries were in favor of the U.S. proposal for a provisional application of the LOS Treaty when it was first proposed. We have since then received a number of private indications of interest in this suggestion.

20A. The provisional regime proposal was not considered in detail at the Geneva session of the U.N. Seabed Committee. We have taken steps to promote this idea and have recently made a major effort through our embassies to gain support for provisional application.

20B. The United States will make every effort to see that the provisional application proposal is seriously considered at the Caracas session. We hope that by that time all countries will have had an opportunity to examine the proposal and be prepared to discuss provisional application in detail. The United States plans to make specific proposals on provisional application at the Caracas session.

20C. The Executive Branch is currently studying the question of provisional application. We are in the process of preparing specific proposals for use in Caracas. We are also preparing legislation on the provisional regime.

20D. It is correct that new legislation would probably have to be sought even if provisional application were adopted at the Conference.

20E. The Executive Branch is studying these questions in detail. Based on past experience with provisional application, we would assume that the provisional regime could go into force within several months of signing the Convention. In addition, I want to reiterate that the U.S. is going to Caracas prepared to negotiate a satisfactory treaty in 1974.

21. One of the major objectives in the LOS negotiations is the strengthening of our raw material sources through a clarification of the legal regime under which seabed development will take place, so that the industry can move ahead with confidence. It is true that, to some extent, uncertainties as to the outcome of the LOS negotiations may be controllable by our own actions in those negotiations. On the other hand, we have no way of insuring that each and every provision of a very detailed piece of domestic legislation can be reproduced entirely in an international agreement and that there will not be at least some differences in detail.

We, of course, have no intention of negotiating a legal order for deep seabeds which in any important way increases the uncertainties facing the ocean miner or which creates financial or other hardships. Indeed, one of our main reasons for seeking a new legal order has been to minimize uncertainties and facilitate seabed development through worldwide agreement. To those ends we have been consulting for several years with industry representatives and others to determine the requirements of an order which will provide our nation and the world with timely and efficient development of ocean minerals. We believe that as a result of these consultations we understand the type of agreed order necessary to promote deep seabed development by our firms, and that this is fairly reflected in our negotiating approach. We do not expect to agree to any treaty which does not serve fundamental United States interests. We therefore see no need for a guarantee provision in domestic legislation, and we believe that to insert such a provision would be to create an undesirable precedent for similar guarantees in every area of every area of every future negotiation. For these reasons, we are opposed to section 13 of the bill, and we do not believe that raw materials development would be jeopardized by its deletion.

22. Once the legal order for deep seabed operations has been determined, firms will have a better view of their overall risk picture and whether some special insurance program is needed or desirable. We hope that the picture will be substantially clearer after the Caracas session, and that the risks then facing the firms will be risks which the private sector can be expected to absorb. There are, of course, precedents for U.S. government insurance against certain actions of other governments which injure U.S. firms. In this regard, it is not entirely clear what risks are contemplated in section 14 of the bill, but at the present time our interpretation of these risks would not place them within the limited range of government insurance operations.

23. We have consistently opposed any international agreement which has called for price and production controls. We are seeking an international regime which ensures both timely and efficient development of deep seabed minerals and free access to those minerals to U.S. and foreign companies.

ANSWERS FROM THE DEPARTMENT OF INTERIOR

1. We are now issuing oil leases out to the 200 meter depth contour. On March 28, the Department of the Interior held a lease sale in which tracts beyond 200 meters were offered and bid on. The deepest offered was approximately 360 meters deep.

Oil exploration permits for seismic activity (nonexplosive shock wave) are now being issued in waters up to 6,000 feet (roughly 2,000 meters) in depth. At present, no slope coring programs are permitted.

The Outer Continental Shelf Lands Act requires that oil and gas leases issued by the Secretary shall (1) cover a compact area not exceeding 5,760 acres; (2) be for a period of five years and as long thereafter as oil or gas may be produced from the area in paying quantities, or drilling, or well reworking operations approved by the Secretary are conducted on the tracts; (3) require the payment of the royalty not less than 12½% in the amount or value of the production saved, removed or sold from the lease; and (4) contain such rental provisions and other terms and provisions as the Secretary may prescribe at the time of offering the area for lease. At present, blocks of 5,760 acres are offered for lease. A royalty of ⅙ of production or its value is required. The amount of rent charged per acre varies between three and ten dollars. The amount of bonus generated depends on assessment of the value of the tracts involved. The highest bonus bid on a single tract to date is $210,000,000.

A copy of the oil and gas lease of submerged lands under the Outer Continental Shelf Lands Act now being used is attached.

OIL AND GAS LEASE OF SUBMERGED LANDS UNDER THE OUTER CONTINENTAL SHELF LANDS ACT

This lease is made and effective as of ——— (hereinafter called the Effective Date) by and between the United States of America (hereinafter called the Lessor), by the ———, Bureau of Land Management, its authorized officer, and ——— (hereinafter called the Lessee). In consideration of the cash payment heretofore made by the Lessee to the Lessor and in consideration of the promises, terms, conditions and covenants contained herein, the parties hereto agree as Sec. 1. Statutes and Regulations. This lease is made pursuant to the Outer Continental Shelf Lands Act of August 7, 1953 (67 Stat. 462; 43 U.S.C. Secs. 1331, *et seq.*) (hereinafter called the Act). This lease is subject to all the provisions of the Act and to all the terms, conditions and requirements of the valid regulations promulgated by the Secretary of the Interior (hereinafter called the Secretary) thereunder in existence upon the effective date of this lease, all of which are incorporated herein and, by reference, made a part hereof. This lease shall also be subject to regulations hereafter issued by the Secretary pursuant to his authority under section 5(a) (1) of the Act to prescribe and amend at any time such rules and regulations as he may determine to be necessary and proper in order to provide for the prevention of waste and for the conservation of the natural resources of the Outer Continental Shelf, and for the protection of correlative rights therein, which regulations shall be deemed incorporated herein and, by reference, made a part hereof when promulgated.

Sec. 2. Rights of Lessee. The Lessor hereby grants and leases to the Lessee the exclusive right and privilege to drill for, mine, extract, remove and dispose of oil and gas deposits, except helium gas, in or under the following-described area of the Outer Continental Shelf of the United States:

——— containing approximately ——— acres (hereinafter referred to as the leased area), together with:

(a) the nonexclusive right to conduct within the leased area geological and geophysical explorations in accordance with applicable regulations;

(b) the nonexclusive right to drill water wells within the leased area and to use water produced therefrom for operations pursuant to the Act free of cost, provided that such drilling is conducted in accordance with procedures approved by the Regional Oil and Gas Supervisor of the Geological Survey (hereinafter called the "Supervisor"); and

(c) the right to construct or erect and to maintain within the leased area all artificial islands, platforms, fixed or floating structures, sea walls, docks, dredged channels and spaces, buildings, plants, telegraph or telephone lines and cables, pipelines, reservoirs, tanks, pumping stations, and other works and structures necessary to the full enjoyment of the rights granted by this lease, subject to compliance with applicable laws and regulations.

Sec. 3. Obligations of Lessee. The Lessee agrees:

(a) *Rentals and royalties* (1) To pay rentals and royalties as follows:

Rentals. With respect to each lease year commencing prior to a discovery of oil or gas on the leased area, to pay the Lessor on or before the first day of each such year, a rental of ——— per acre or fraction thereof.

Minimum royalty. To pay the Lessor at the expiration of each lease year commencing after discovery a minimum royalty of   per acre or fraction thereof or, if there is production, the difference between the actual royalty required to be paid with respect to such lease year and the prescribed minimum royalty, if the actual royalty paid is less than the minimum royalty.

Royalty on production. To pay the Lessor a royalty of   percent in amount of value of production saved, removed, or sold from the leased area. Gas of all kinds (except helium and gas used for purposes of production from and operations upon the leased area or unavoidably lost) is subject to royalty.

(2) It is expressly agreed that the Secretary may establish minimum values for purposes of computing royalty on products obtained from this lease, due consideration being given to the highest price paid for a part or for a majority of production of like quality in the same field, or area, to the price received by the Lessee, to posted prices, and to other relevant matters. Each such determination shall be made only after due notice to the Lessee and a reasonable opportunity has been afforded the Lessee to be heard.

(3) When paid in value, royalties on production shall be due and payable monthly on the last day of the month next following the month in which the production is obtained. When paid in production, such royalties shall be delivered at pipeline connections or in tanks provided by the Lessee. Such deliveries shall be made at reasonable times and intervals and, at the Lessor's option, shall be effected either (i) on or immediately adjacent to the leased area, without cost to the Lessor, or (ii) at a more convenient point closer to shore or on shore, in which event the Lessee shall be entitled to reimbursement for the reasonable cost of transporting the royalty substance to such delivery point. The Lessee shall not be required to provide storage for royalty taken in kind in excess of tankage required when royalty is paid in value. When payments are made in production the Lessee shall not be held liable for the loss or destruction of royalty oil or other liquid products in storage from causes over which the Lessee has no control.

(b) *Bonds*. To maintain at all times the bond required prior to the issuance of this lease and to furnish such additional security as may be required by the Lessor if, after operations or production have begun, the Lessor deems such additional security to be necessary.

(c) *Wells*. (1) To diligently drill and produce such wells as are necessary to protect the Lessor from loss by reason of production on other properties or, in lieu thereof, with the consent of the Supervisor, to pay a sum determined by the Supervisor as adequate to compensate the Lessor for failure to drill and produce any such well. In the event that this lease is not being maintained in force by other production of oil or gas in paying quantities or by other approved drilling or reworking operations, such payments shall be considered as the equivalent of production in paying quantities for all purposes of this lease.

(2) After due notice in writing, to diligently drill and produce such other wells as the Secretary may reasonably require in order that the leased area or any part thereof may be properly and timely developed and produced in accordance with good operating practice.

(3) At the election of the Lessee, to drill and produce other wells in conformity with any system of well spacing or production allotments affecting the area, field, or pool in which the leased area or any part thereof is situated, which is authorized or sanctioned by applicable law or by the Secretary.

(d) *Payments*. To make all payments to the Lessor by check, bank draft or money order payable as indicated herein unless otherwise provided by regulations or by direction of the Secretary. Rental, royalties, and other payments shall be made payable to the United States Geological Survey and tendered to the Supervisor, *except* that filing charges, bonuses, and first year's rental shall be made payable to the Bureau of Land Management and remitted to the Manager of the appropriate field office of that Bureau.

(e) *Inspection*. To keep open at all reasonable times for the inspection of any duly authorized representative of the Lessor, the leased area and all wells, improvements, machinery and fixtures thereon and all books, accounts, and records relative to operations and surveys or investigations on or with regard to the leased area or under the lease.

(f) *Conduct of operations*. To conduct all operations under this lease in accordance with applicable law and regulations.

(g) *Indemnification*. To indemnify and save the Lessor harmless against and from any and all claims of any nature whatever, including without limitation claims for loss or damage to property or injury to persons, caused by, or resulting from, any operation on the leased area conducted by or on behalf of the Lessee; provided that the Lessee shall not be held responsible to the Lessor under this subsection for any loss, damage, or injury caused by, or resulting from: (1) any negligent action of the Lessor other than the exercise or performance of (or the failure to exercise or perform) a discretionary function or duty on the part of a Federal agency or an employee of such an agency, whether or not the discretion involved is abused; or (2) the Lessee's compliance with an order or directive of the Lessor against which an appeal by the Lessee under 30 CFR 250.81 is filed before the cause of action for such a claim arises and is pursued diligently thereafter.

(h) *Equal Opportunity Clause*. The Lessee agrees that, during the performance of this lease:

(1) The Lessee will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Lessee will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Lessor setting forth the provisions of this Equal Opportunity clause.

(2) The Lessee will, in all solicitations or advertisements for employees placed by or on behalf of the Lessee, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

(3) The Lessee will send to each labor union or representative of workers with which Lessee has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Lessor, advising the labor union or workers' representative of the Lessee's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Lessee will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Lessee will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Secretary of the Interior

and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the Lessee's noncompliance with the Equal Opportunity clause of this lease or with any of said rules, regulations, or orders, this lease may be canceled, terminated or suspended in whole or in part and the Lessee may be declared ineligible for further Federal government contracts or leases in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Lessee will include the provisions of Paragraphs (1) through (7) of this subsection 3(h) in every contract, subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each contractor, subcontractor or vendor. The Lessee will take such action with respect to any contract, subcontract or purchase order as the Secretary may direct as a means of enforcing such provisions including sanctions for noncompliance; *provided, however*, that in the event the Lessee becomes involved in, or is threatened with, litigation with a contractor, subcontractor or vendor as a result of such direction by the Secretary, the Lessee may request the Lessor to enter into such litigation to protect the interests of the Lessor.

(i) *Certification of nonsegregated facilities.* By entering into this lease, the Lessee certifies that Lessee does not and will not maintain or provide for Lessee's employees any segregated facilities at any of Lessee's establishments, and that Lessee does not and will not permit Lessee's employees to perform their services at any location, under Lessee's control, where segregated facilities are maintained. The Lessee agrees that a breach of this certification is a violation of the Equal Opportunity clause in this lease. As used in this certification, the term "segregated facilities" means, but is not limited to, any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. Lessee further agrees that (except where Lessee has obtained identical certifications from proposed contractors and subcontractors for specific time periods) Lessee will obtain identical certifications from proposed contractors and subcontractors prior to the award of contracts or subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause; that Lessee will retain such certifications in Lessee's files; and that Lessee will forward the following notice to such proposed contractors and subcontractors (except where the proposed contractor or subcontractor has submitted identical certifications for specific time periods): Notice to prospective contractors and subcontractors of requirement for certification of nonsegregated facilities. A Certification of Nonsegregated Facilities, as required by the May 9, 1967, order (32 F.R. 7439, May 19, 1967) on Elimination of Segregated Facilities, by the Secretary of Labor, must be submitted prior to the award of a contract or subcontract exceeding $10,000 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each contract and subcontract or for all contracts and subcontracts during a period (i.e., quarterly, semiannually, or annually).

(j) *Assignment of lease.* To file for approval with the appropriate office of the Bureau of Land Management any instrument of transfer of this lease, or any interest therein, required to be filed under applicable regulations, within the time and in the manner prescribed by the applicable regulations.

Sec. 4. Term. This lease shall continue for a period of 5 years from the effective date of this lease and so long thereafter as oil or gas may be produced from the leased area in paying quantities, or drilling or well reworking operations, as approved by the Secretary, are conducted thereon.

Sec. 5. Cooperative or Unit Plan. Lessee agrees that, within 30 days after demand by Lessor, Lessee will subscribe to and operate under such cooperative or unit plan for the development and operation of the area, field, or pool, or part thereof, embracing lands subject to this lease as the Secretary may determine to be practicable and necessary or advisable in the interest of conservation. Where any provision of a cooperative or unit plan of development which has been approved by the Secretary, and which by its terms affects the leased area or any part thereof, is inconsistent with a provision of this lease, the provision of such cooperative or unit plan shall govern.

Sec. 6. Reservations to Lessor. All rights in the leased area not expressly granted to the Lessee by the Act, the regulations, or this lease are hereby reserved to the Lessor. Without limiting the generality of the foregoing, such reserved rights include:

(a) *Geological and geophysical exploration; rights-of-way.* The right to authorize the conduct of geological and geophysical exploration in the leased area which does not interfere with or endanger actual operations under this lease, and the right to grant such easements or rights-of-way upon, through, or in the leased area as may be necessary or appropriate to the working of other lands or to the treatment and shipment of products thereof by or under authority of the United States, its Lessees or Permittees.

(b) *Leases of sulfur and other minerals.* The right to grant leases of any mineral other than oil and gas within the leased area or any part thereof. No lease of other mineral shall authorize or permit the Lessee thereunder unreasonably to interfere with or endanger operations under this lease.

(c) *Purchase of production.* In time of war, or when the President of the United States shall so prescribe, the right of first refusal to purchase at the market price all or any portion of the oil or gas produced from the leased area, as provided in Section 12(b) of the Act.

(d) *Taking of royalties.* The right to determine whether royalty will be taken in the amount or the value of production.

(e) *Helium.* Pursuant to Section 12(f) of the Act, the ownership of and the right to extract helium from all gas produced under this lease.

(f) *Suspension of operations during war or national emergency.* Upon recommendation of the Secretary of Defense, during a state of war or national emergency declared by the Congress or President of the United States after August 7, 1953, the authority of the Secreary to suspend any or all operations under this lease, as provided in Section 12(c) of the Act: *Provided*, That just compensation shall be paid by the Lessor to the Lessee.

(g) *Restriction of exploration and operations.* The right, as provided in Section 12(d) of the Act, to restrict from exploration and operations the leased area or any part thereof which may be designated by and through the Secretary of Defense, with the approval of the President, as, or as part of, an area of the Outer Continental Shelf needed for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on the surface of the leased area or the part thereof included within the designation except with the concurrence of the Secretary of Defense; and if operations or production under this lease within any such restricted area shall be suspended, any payments of rentals and royalty prescribed by this lease likewise shall be suspended during such period of suspension of operations and production, and the term of this lease shall be extended by adding thereto any such suspension period, and the Lessor shall be liable to the Lessee for such compensation as is required to be paid under the Constitution of the United States.

Sec. 7. Direction Drilling. A directional well drilled under the leased area from a surface location on nearby land not covered by this lease shall be deemed to have the same effect for all purposes of this lease as a well drilled from a surface location on the leased area. In such circumstances, drilling shall be considered to have been commenced on the leased area when drilling is commenced on the nearby land for the purpose of directionally drilling under the leased area, and production of oil or gas from the leased area through any directional well surfaced on nearby land or drilling or reworking of any such directional well shall be considered production or drilling or reworking operations (as the case may be) on the leased area for all purposes of this lease. Nothing contained in this paragraph is intended or shall be construed as granting to the Lessee any leasehold interests, licenses, easements, or other rights in or with respect to any such nearby land in addition to any such leasehold interests, licenses, easements, or other rights which the Lessee may have lawfully acquired under the Act or from the Lessor or others.

Sec. 8. Surrender of Lease. The Lessee may surrender this entire lease or any officially designated subdivision of the leased area by filing with the appropriate office of the Bureau of Land Management a written relinquishment, in *triplicate*, which shall be effective as of the date of filing. No surrender of this lease or of any portion of the leased area shall relieve the Lessee or his surety of the obligation to make payment of all accrued rentals and royalties or to abandon all wells on the area to be surrendered in a manner satisfactory to the Supervisor.

Sec. 9. Removal of property on termination of lease. Upon the termination of this lease in whole or in part, or the surrender of the lease in whole or in part, as herein provided, the Lessee shall within a period of 1 year thereafter remove from the premises no longer subject to the lease all structures, machinery, equipment, tools, and materials in accordance with applicable regulations and orders of the Supervisor; *provided, however*, That the Lessee may continue to maintain any such property on the leased area for whatever longer period it may be needed, as determined by the Supervisor, for producing wells or for drilling or producing on other leases.

Sec. 10. Remedies in case of default. (a) Whenever the Lessee fails to comply with any of the provisions of the Act, or of this lease, or of the regulations issued under the Act and in force and effect on the effective date of this lease, the lease shall be subject to cancellation in accordance with the provisions of Section 5(b) of the Act, *provided, however*, that the 30-day notice provision applicable to non-producing leases under Section 5(b)(1) of the Act shall also apply as a prerequisite to the institution of any legal action by the Lessor to cancel this lease while it is in a producing status. Nothing in this subsection shall be construed to apply to, or require any notice with respect to, any legal action instituted by the Lessor other than an action to cancel the lease pursuant to Section 5(b) of the Act.

(b) Whenever the Lessee fails to comply with any of the provisions of the Act, or of this lease, or of any regulations promulgated by the Secretary under the Act, tne Lessor may exercise any legal or equitable remedy or remedies which the Lessor may have, including appropriate action under the penalty provisions of Section 5(a)(2) of the Act; *however*, the remedy of cancellation of the lease may be exercised only under the provisions of Section 5(b) and Section 8(i) of the Act.

(c) A waiver of any particular violation of the provisions of the Act, or of this lease, or of any regulations promulgated by the Secretary under the Act, shall not prevent the cancellation of this lease or the exercise of any other remedy or remedies under paragraphs (a) and (b) of this section by reason of any other such violation or for the same violation occurring at any other time.

Sec. 11. Heirs and successors in interest. Each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns, of the respective parties hereto.

Sec. 12. Unlawful interest. No member of, or Delegate to, Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified, and during his continuance in office, and no officer, agent, or employee of the Department of the Interior, except as provided in 43 CFR 7.4(a)(1), shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom; and the provisions of Section 3741 of the Revised Statutes (41 U.S.C. Sec. 22), as amended, and Sections 431, 432, and 433 of Title 18 of the United States Code, relating to contracts made or entered into, or accepted by or on behalf of the United States, from a part of this lease so far as the same may be applicable.

2. The United States has repeatedly made clear in the preparatory meetings leading to the Law of the Sea Conference that basic resource interests and international production controls were incompatible. Some producing countries have asserted that production from the deep seabed of basic minerals should be limited. We do not believe it is in the interest of consuming countries, including most developing countries, to accept production controls. Production controls on deep seabed mining could affect prices of the metals involved; however, our preliminary studies show that prices, for all but one mineral, will only be insignificantly affected by the volume of metals produced from the deep seabed.

3. According to the Department of the Interior's information, domestic industrial requirements could be satisfied for the metals involved as shown below:

Manganese Ore,* 27 months.
Ferro-manganese,* 8 months.
Cobalt, 38 months.
Copper, 7 months.
Nickel, no stockpile.

ANSWERS FROM THE DEPARTMENT OF DEFENSE

The stockpile of strategic and critical materials is designed to protect the United States against costly and dangerous dependence upon foreign sources of supply in a period of national emergency. In this context, the term "national emergency" refers to actual or incipient military conflict. It does not refer to a situation created by an embargo by most or all foreign producers of a particular material for economic or political ends imposed during peace time. Thus, in establishing stockpile objectives certain assumptions are made. Among those most specifically relevant to your question are the following:

(1) It is assumed that during a national emergency as above defined, restrictions on consumption of strategic and critical materials would be imposed on the private sector.

(2) It is assumed that foreign sources of supply with the exception of those located in hostile countries would continue to be available to the United States. In this context, the National Security Council determines which countries should be considered potentially hostile in conjunction with overall contingency plans.

Thus, for example, while the annual defense requirement for nickel is established at slightly less than 37,000 short tons, it is assumed that Canada would continue to furnish a militarily secure source of supply during any potential conflict. Hence, the stockpile objective and current inventory for this material are both zero.

A similar situation exists with respect to copper. While summer 1973 inventory was slightly more than 250,000 short tons, the established annual Defense requirement of approximately 400,000 short tons is slightly less than 1/6 of annual US production; hence, the stockpile objective has been established at zero, and over the near term inventory will be reduced to that figure. Thus, there will shortly be no physical inventories of either copper or nickel.

With respect to manganese and cobalt, the situation is somewhat different. Current inventories are approximately 500% of established stockpile objectives which in turn exceed annual defense requirements by a prudent margin. It is projected that inventories will be brought into line with objectives, and thus that substantial quantities of these materials will be released to the private sector.

Accordingly, the rationality of assumptions with respect to what the Defense Department could or would "allow" does not appear to be involved. The role of the Defense Department consists in establishing the defense requirement for a given material, and coordinating in the establishment of a stockpile objective of appropriate size to ensure that the nation could meet its defense needs in the event of hostilities. The stockpile system is simply not designed to function as a safeguard against a situation comparable to the recent Arab oil embargo. If the United States were cut off from *all* foreign sources of the materials cited (whether such an hypothesis is reasonable is, of course, a totally separate question), civilian production requiring such materials could not long be maintained at current levels without regard to what the Defense Department could or would "allow."

Should such an eventuality occur with respect to a material for which a physical inventory exists, the decision of how the inventory would be allocated between the needs of current civilian production and the need to retain sufficient material in the inventory to meet Defense requirements in the event of hostilities is obviously contingent on the specifics of the postulated situation and in any event the decision is not within the purview of the Department of Defense.

ANSWERS FROM THE DEPARTMENT OF COMMERCE

1. Please refer to the answer to Question No. 4 above. This response was prepared in consultation with the Coast Guard/Department of Transportation representative on the Task Force.

1A. As discussed in my answer to Question No. 4, there may or may not, in the long run, be existing standards and mechanisms which fully cover these circumstances. It can be stated with confidence that that is true only when the facility is a "vessel." In that case, there are existing IMCO conventions dealing with marking and lighting and safety of life at sea with respect to vessels. As noted earlier, however, it is entirely possible that such facilities might be of such unique design and operation that these IMCO conventions would not apply. In such cases, and there have been instances in the past such as oceanographic buoys, IMCO addresses these unique activities by way of recommendations to governments for their marking and lighting, It is important that these activities be uniformly marked throughout the oceans, and international standards, from whatever source, should apply to unique activities which are not otherwise covered by international agreements or recommendations and that appropriate authority must be exercised by national governments to implement the standards.

2. As was pointed out in Senator Metcalf's statement of March 5, 1974, the U.K. Secretary of State for Trade and Industry was quoted by Hansard Reports to the effect that he has offered Rio Tinto Zinc and Consolidated Gold Fields, Ltd. up to 830,000 pounds sterling toward their participation in an international consortium to examine manganese nodule deposits on the floor of the Pacific Ocean. The assistance will be repaid if the project leads to commercial production and, in addition, the companies have agreed that United Kingdom consumers will have the first option to purchase a proportion of any metals produced by the consortium. We are endeavoring to obtain further information concerning this problem.

3. A number of studies have been made of the potential commercial results of the seabed, which consist basically of manganese nodules. The nodules are believe to range in content from 25 to 30 percent manganese, 1 to 1.5 percent nickel, 0.5 to 1 percent copper, and 0.25 percent cobalt, with traces of numerous other metals.

Not all processes for recovering metal from nodules contemplated recovery of the manganese. However, assuming that the manganese is recovered, and taking the average metal content, each million short tons of nodules treated would result in the recovery of:

Manganese, 275,000 tons.
Nickel, 12,500 tons.
Copper, 7,500 tons.
Cobalt, 2,500 tons.

As of February 1, 1974, the market value of these materials would be:

Manganese metal @37¼¢ per lb., total, 206,250,000.

Ferromanganese @$194.50 per short ton*, 40,000,000.

Nickel metal** @$1.62 per lb., 40,500,000.
Copper metal** @68¢ per lb., 10,200,000.
Cobalt metal @$3.10 per lb., 15,500,000.

Some of these prices will no doubt be quite different by the early 1980's, when nodule production from the sea is expected to commence, but no prediction is made here.

Not all the companies involved intend to recover the manganese. (In this connection, it should be noted that the U.K. Secretary of State for Trade and Industry, in listing the metals which would be made available to British consumers in return for government financial assistance, did not include manganese.) Also it is not fully determined whether any manganese recovered would be in the form of pure metal or ferromanganese, an alloy of manganese and iron used in quantity in the steel industry. In the following computations, the manganese is therefore priced as ferromanganese.

If one assumes that as many as three operations might be in operation by 1980, yielding a total of four million tons of

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*Stockpiled separately.

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* U.S. Standard/74–76%.

** Producer price, cathodes.

nodules, the total value of refined metals would therefore be in the neighborhood of $425,000,000.

U.S. requirements of the four metals in 1981 are expected to exceed production from domestic mines by substantially more than the above-described quantities. The contribution of a seabed hard minerals industry to the U.S. balance of payments would be equivalent to the dollar value of the reduction in imports, less certain dollar costs such as the use of foreign flag vessels or foreign refineries in the production process, and therefore could, under the assumption of price, quantity, and usage described above, be in the neighborhood of $425,000,000 per year by 1980.

OCEAN SCIENCE NEWS

Can Geneva produce a law of the sea treaty? What are the alternatives? Four days of discussion of those questions, and a dozen related ones, by 200 participants at the 9th Annual Conference of the Law of the Sea Institute in Miami (6–9 Jan) produced something close to a consensus, or at the least a majority opinion: Few attending the conference (27 nations were represented) have much confidence individually that a treaty will result from the upcoming Geneva 17 Mar–10 May) session of the Third United Nations Conference on the Law of the Sea. (All attendees carefully noted their remarks, whether issued from the podium, from the floor, or in private conversation, were their own individual views and not to be identified as those of the countries they represent. The caveat is to protect the ability of the Institute to bring together people willing to discuss their views openly. More realistic, of course, is the view of one panelist: "What I say may coincide with my nation's official position!")

The question of the failure or success of Geneva dominated the Miami meeting, even though most of the public discussion of the U.N. Law of the Sea Conference confined itself to evaluating the success or failure of last summer's 10-week session at Caracas. No one argued with Thomas Clingan's (U. S. Deputy Asst. Secretary of State) opening day remark that the question of success or failure at Caracas was "irrelevant," even "dangerous"; but as Donald McKernan (U. of Washington and former top U. S. negotiator on fisheries) noted on the last day of the meeting: "In my own country and in talking with others in the world community, I know the public is anxious and frustrated by the lack of progress. . ." If success or failure at Caracas or Geneva are questions which could be avoided by the professionals, however, the question of timing becomes relevant.

Two views emerged in Miami: (1) The possibility of an open-ended Law of the Sea Conference; and/or (2) Forgetting about meeting the official goal laid down for LOSC by the U.N. General Assembly—namely a treaty. In a paper which impressed almost everyone at Miami, Douglas Johnston (Dalhousie U.) noted that the official U.N. view of the LOSC must be that anything short of a comprehensive treaty which would be agreed to universally is a failure. Believing that only one more session after Geneva (in 1976) is a realistic possibility, Johnston suggests various alternative, more-or-less realistic possibilities for modifying the official objectives. (Basically, Johnston would prefer an open-ended conference, it seems, but he views that as unrealistic.) Simply put, Johnston's orthodox alternatives involve a treaty which only a majority would sign because it lacked comprehensiveness; or a treaty which everyone would sign because it was just a series of generalities; or a series of treaties, some of which some would sign, and none of which all would sign, with variations in between.

An "unorthodox approach" (Johnston's words) or alternative would be a "parent" convention of general principles, a sort of umbrella, including any new institutions required for a treaty (i.e. a Seabed Authority) plus machinery for settlement of disputes. This convention would be defined in the plenary of the LOSC and then specific treaties on most of the substantive issues would be negotiated later. Another version of the "unorthodox" (and less desirable to Johnston) would be a declaration all could identify with, or a report indicating the areas of consensus, which would be forwarded to the U.N. where it would assume the form of a General Assembly resolution.

Another approach to the timing question by Jorge Vargas (Mexican Natl. Ctr. for Science & Technology) is based on the concept that the LOSC plenary can invoke "any number" of additional sessions. Vargas decries the "artificial deadlines" set for LOSC and the premature demise of the old Seabed Committee of the U.N. which could have stayed in business long enough to produce draft articles for LOSC to act upon. A "bridge" between "the old law of the sea" and the new, "innovative" LOS could be a declaration of basic principles at Geneva, accompanied by a general moratorium on any changes of the status quo in such areas as the outer limits of the continental shelf, transit of straits, freedom of the high seas, and the positions of the land-locked and geographically disadvantaged nations, and the archipelagic states. "A protocol of adherence" could be added to such an interim regime, said Vargas, to give it some legal standing. Vargas' point: The formulation of the law of the sea is a process in itself—which cannot be artificially halted.

Whatever happens at Geneva, the world won't return to "the good old days," suggested Francis Njenga (Kenya Mission to the U.N.), while the ultimate success or failure of LOSC will not be in terms of a convention in itself but whether or not that convention makes "necessary changes" in the law of the sea "for the benefit of mankind as a whole." Indicating perhaps the unwillingness of the developing nations to prolong the LOSC, Njenga rejected the idea of "hiding" behind a convention so vague as to be meaningless, and added that so long as more sessions are scheduled, nations will continue to refuse to show their hand and get down to serious negotiating. Of course, Caracas started with high enthusiasm, so today's pessimism may represent just a swing of the pendulum to the opposite extreme. Joseph Warioba (Tanzania Director for Legal Research), who is recognized as one of the key leaders at LOSC, suggested that the pessimists should understand Caracas represented an opportunity for many nations to get their positions "on the record" for the first time, while the business of developing those positions often took extra time because the sectorial interests within the country were represented on the LOSC delegation.

Add to that the size of the Caracas conference (up to 150 nations or international groupings of one sort or another), the number and complexity of issues which were to be taken up, and the complexity of the rules of procedure, and it's no wonder the conference can be called a failure, said Edward Miles (U. of Washington). Warioba went so far as to recommend that the rules of procedure be paid little attention at Geneva, because they would prevent substantial agreement. Paul LaPointe (Canadian Dept. of External Affairs) agreed that Rule 37 could be as much hindrance as assistance to progress. (That's the compromise rule governing voting procedures on matters of substance which was designed to protect minority interests.)

The basic division at LOSC became most apparent in Miami when seabed mining was discussed. Confrontations between speaker and listener during the question & answer sessions following formal presentations were occasionally profane and sometimes ad hominem. The position of the developing nations on the issue was exhibited most vocally by Alvaro DeSoto (Peruvian Mission to the U.N.): "We are wedded to the principle of common heritage." He challenged Deepsea Ventures' (Gloucester Point VA) claim in the Pacific Ocean, and its right to mine under the high seas convention, and reminded the Miami conference of U.N. resolutions calling on states not to let their nationals mine the seabed until a legal regime is promulgated.

One of the more interesting questions raised by DeSoto to John Flipse (Deepsea's president): "Are you aware of potential conflicts your action could lead to, and has this weighed in your planning?" DeSoto didn't spell out what "conflicts" he had in mind, but the conference generally took him to mean political—maybe even armed. Flipse responded to the question by reporting his company had "weighed" the political/economic risks, and in terms of the bottom line" had decided to go ahead. He charged that the strategy of the developing nations was to make the risk factor appear "very high" in order to obtain a moratorium. Flipse doesn't feel he is breaking any law; he recalled that the U.S. has never agreed to a moratorium on seabed mining, while the U.S. State Dept. has said the high seas principle covers mining activities.

Flipse wants a treaty but doesn't indicate much confidence in the U.N. "The recent irresponsibility of the U.N. (the reception of the P.L.O. leader, etc.) has shaken a lot of us severely." He also used the international oil crisis as an argument for going ahead with seabed mining: "Our friends the Arabs have taught us a lesson in resource availability."

The linkage of the freedom of scientific research to the seabed mining issue has become one of the larger problems of the LOSC and that linkage had a direct impact on Deepsea's decision to go ahead with its claim. The developing countries insist on linking the issues, while the developed countries insist on separating them. One of the few prepared statements from the floor at the Miami conference was made by A. L. Kolodkin of the U.S.S.R. Scientific & Research Institute of Marine Transport on the principle of the freedom of scientific research. He said the Seabed Authority must not be allowed to "license" research. Following that statement Richard Greenwald (Deepsea's general counsel) revealed that the linkage of the two issues was interpreted at Deepsea as meaning nothing would come out of LOSC on seabed mining—so why not go ahead? "God helps those who help themselves," he said. (More LOSI next week.)

Mr. METCALF. The Senate Committees on Armed Services, Commerce, and Foreign Relations also have an interest in this legislation. S. 1134 of the 93d Congress was rereferred to the Committee on Foreign Relations on September 4, 1974. S. 2878 was referred to the Committee on Commerce on January 23, 1974.

I ask unanimous consent that the bill be referred first to the Committee on Interior and Insular Affairs, and that, if and when it is reported by that committee, it be jointly rereferred to the Committee on Armed Services, the Committee on Commerce, and the Committee on Foreign Relations for not to exceed 30 days, during which time they will consider matters in the bill which may be within their respective jurisdictions, and that at the expiration of that period the bill be returned to the Senate Calendar.

The PRESIDING OFFICER (Mr. GARN). Is there objection?

Mr. CURTIS. Mr. President, reserving the right to object, what measure is the Senator referring to?

Mr. METCALF. The Deep Sea Bed Minerals and Mining Act, a bill that has been before Congress for several years. This is the subject of the Second Session of the Third United Nations Conference on the Law of the Sea, and would provide for the leasing and mining of deep sea bed minerals.

Mr. CURTIS. Has the distinguished Senator cleared this matter with the minority leader (Mr. HUGH SCOTT) and his assistant (Mr. GRIFFIN)?

Mr. METCALF. That is correct; and I also have included in my prepared statement a history of the reference of the bill in previous Congresses to the Committee on Interior and Insular Affairs, and the consideration that the Committees on Foreign Relations, Commerce, and Armed Services have given it.

In the last Congress, this bill or a similar bill was reported by the Committee on Interior and Insular Affairs and was, in accordance with the ruling of the Parliamentarian, thereupon sent to these other committees.

Mr. CURTIS. As I understand, what the Senator is asking now is a procedural matter?

Mr. METCALF. That is right.

Mr. CURTIS. And the Senator has cleared it with the minority leadership and the ranking minority members of all of these committees?

Mr. METCALF. That is correct.

Mr. LONG. And it has been cleared with the chairman of those committees as well?

Mr. METCALF. That is correct. It has been cleared with the chairmen of the respective committees, and they will have an opportunity to pass on the matters within their jurisdiction.

Mr. LONG. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. BROOKE:

S. 714. A bill to provide that, in determining the eligibility of any household for a couple allotment under the Food Stamp Act of 1964, there shall be disregarded so much of the income of any member of such household as is attributable to any cost-of-living increase in social security benefits which takes effect in 1975. Referred to the Committee on Agriculture and Forestry.

TO PREVENT THE LOSS OF FOOD STAMP BENEFITS FOR THE ELDERLY

Mr. BROOKE. Mr. President, a great deal of publicity has recently been given to the administration's attempt to increase the purchase price of food stamps. This proposal, it has been rightly noted, would hit hardest at the elderly recipients of food stamps. And, I fully support congressional efforts to block such an action.

However, I am just as concerned about another, equally onerous burden on the elderly poor who receive food stamps—the reduction and loss of food stamp benefits that occurs every time social security payments go up in response to inflation.

The bill I am introducing today would help correct this flaw in our system of aiding the elderly poor. It would mandate that increases in social security benefits in 1975 based on the rising cost of living not be counted when determining eligibility and benefits under the food stamp program.

Right now, each time the system which the Congress instituted to maintain the buying power of social security checks results in a cost-of-living increase, more than 1 million elderly persons receiving food stamps and social security face either a complete loss of food stamp benefits—up to $10 per person per month—or a significant reduction in their benefits—on the order of $2 to $4 per household per month. Though this might not sound like much, it can represent a substantial loss to the elderly poor living on semi-fixed incomes, budgeted down to the penny. In fact, some of the elderly poor on food stamps are faced with a situation where more than one-third of a social security cost-of-living increase can be taken away due to lost food stamp benefits.

Mr. President, those who receive social security have already been taxed once as their contribution toward their retirement income. We do not tax them again by charging income tax on their social security checks. And, we should not impose a "food stamp tax" on social security increases by making these cost-of-living adjustments the cause of higher food stamp purchase price and loss of food stamp eligibility for the elderly poor.

By Mr. BROOKE:

S. 715. A bill to require that, for purposes of determining medicaid eligibility, there be disregarded so much of an individual's social security income as is attributable to any cost-of-living increase in social security benefits which takes effect in 1975. Referred to the Committee on Finance.

TO MAINTAIN MEDICAID BENEFITS

Mr. BROOKE. Mr. President, I am today introducing a bill to assure that the elderly poor will not lose their eligibility for medicaid simply because their social security checks are increased a little to make up for lost buying power due to general inflation. My bill would require that, when States determine income eligibility for medicaid, they disregard the extra dollars received as social security cost-of-living increases in 1975.

When the Congress mandated cost-of-living adjustments in social security payments, we intended that the larger checks that would result from these automatic adjustments would merely maintain the real value of social security benefits in the face of continuing rapid inflation. Cost-of-living rises in social security were not viewed as benefit increases that would make recipients any less needy; they were simply meant to keep the buying power of social security checks from being eroded by higher prices.

However, without a change in the law such as that proposed in my bill, social security increases will be treated as increases in real income for medicaid eligibility purposes—not as adjustments that merely keep social security checks in step with inflation. This is because medicaid eligibility standards are set by the States and are not adjusted for inflation.

As a result, when social security payments rise in response to higher prices—simply to maintain the value of the benefits, not increase it—many of the elderly poor lose their medicaid eligibility, without seeing any increase in the buying power of their social security checks.

Mr. President, this bill would help remedy this inequitable situation by requiring that any 1975 increase in social security checks meant to keep them "inflation-proof" would not be counted for medicaid eligibility. In proposing this disregard, I am following the precedent we established when the Congress passed a 20-percent social security increase. In Public Law 93-66, we included a saving clause that continued medicaid eligibility for social security recipients who would otherwise lose their eligibility because of the 20 percent social security increase. My bill would simply extend that practice to any 1975 cost-of-living increase in social security payments.

If the Congress does not act to institute this disregard, many of the 3 to 4 million elderly poor who now are eligible for medicaid asistance will find that their next social security increase means a substantial loss of medical assistance. Right now, the average value of medicaid over the course of a year is more than $700. And, if any 1975 social security rise is not disregarded under medicaid, a $5 or $10 per month jump in social security checks will, for some, bring about a much larger loss of medicaid benefits—thereby actually reducing the ability of the elderly poor to pay their bills.

The situation is all the more acute because of the fact that medical costs have been rising at a rate that is substantially higher than the general rate of inflation. Moreover, aid in meeting medical costs is patricularly important to the elderly, and, relatively small social security incomes will not be able to absorb the tremendous new burden that a loss of medicaid benefits would impose on them.

I cannot stand by and watch the good intentions with which we enacted automatic cost-of-living adjustments in social security payments thwarted by rules that require that some social security recipients lose their medicaid eligibility as a consequence. And, until such time as the Congress works out a permanent solution to this recurring problem, I believe that the least we can do is make sure that the next cost-of-living increase in social security does not force some of the elderly poor off the medicaid program.

By Mr. BROOKE:

S. 716. A bill to amend title XVI of the Social Security Act to increase the amount of benefits payable to individuals under the supplemental security income program. Referred to the Committee on Finance.

IN SUPPORT OF AN INCREASE IN FEDERAL SSI BENEFIT LEVELS

Mr. BROOKE. Mr. President, enactment of the supplemental security income—SSI—program marked the beginning of a program of guaranteed annual income for the aged, blind, and disabled. Unfortunately, since the Federal benefit levels are below the poverty level, the program has provided too little security.

Because we cannot in good conscience allow this deplorable situation to continue, I am introducing legislation today which will increase the Federal SSI benefit levels. If enacted, this measure will lift approximately 4½ million people above the poverty level.

The Bureau of Labor Statistics—BLS—moderate retirement budget for a single person over the age of 65 is $2,370. The annual SSI standard of need—currently set at $1,752 annually for an individual, provides only 74 percent of that level of income. The Federal SSI benefit level also falls short of the BLS lower budget level of $1,840. For a couple, aged 65 and over, the low-income budget is $3,360 and the moderate budget is $4,980. The maximum annual Federal SSI payment is $2,628 for a couple or only 78 percent of the low-income budget and 53 percent of the moderate-income budget.

I find it incredible that we have accepted an SSI standard of need lower than the poverty level. To millions of aged, blind, and disabled persons throughout the Nation, SSI now represents continued dismal, unrelieved poverty. It is small wonder that we read distressing newspaper reports of the elderly buying cat and dog food to eat.

I am pleased that last year we enacted an automatic cost-of-living escalator clause for SSI recipients. However, such legislation is meaningful only if the basic rate is adequate. It clearly is not.

My bill would increase the Federal income standards under SSI from $146 per month for an individual to $200 per month and from $219 per month for a couple to $300 per month—both amounts still barely above the minimum level of income. If we truly wish to keep our elderly, blind, and disabled citizens—the people most adversely affected by inflation—out of poverty, we must act immediately to increase the SSI standard of need.

By Mr. BROOKE:

S. 717. A bill to amend title XVI of the Social Security Act so as to expedite the establishment of eligibility for benefits thereunder, to afford relief to individuals whose benefit check is lost, stolen, or undelivered, and to provide for cash advances to applicants while their application for benefits is pending. Referred to the Committee on Finance.

IN SUPPORT OF CHANGES IN SSI LAW RELATING TO EMERGENCY ASSISTANCE AND PROCESSING TIMES

Mr. BROOKE. Mr. President, every month there are thousands of SSI recipients who wait for a benefit check which never arrives. Despite continued pleas to their SSI office, too often the checks still do not arrive and these aged and disabled persons are left with no means of support. We thus ask those least able to fend for themselves to do so. They bear the total burden of checks lost, stolen, or missing through bureaucratic error, too often continued bureaucratic error.

These errors are not endemic to Massachusetts alone. I ask unanimous consent to have printed in the RECORD an article by Sylvia Porter which appeared in the Boston Herald-American on January 5, 1975, which details the malfunctioning of the SSI program.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Is SSI PROGRAM "TOTAL FAILURE"?

This past fall, Social Security computers spewed out letters promising an increase to more than 3000 elderly in a Northeastern state in their next benefit checks, reflecting a boost on their Supplemental Security Income—a welfare reform program designed to guarantee an income floor to our elderly, blind and disabled. The hikes showed up in the checks and generally were spent at once.

Social Security then sent out telegrams informing the recipients that the raises were a mistake and requested that the amounts—ranging from a few dollars to $125—be returned. Many sent back not only their SSI checks but also their Social Security checks and even cash from the meager savings accounts they are allowed to have under the SSI program, because they were "afraid of getting in trouble with the government," or losing their benefits.

Then to top it, when the time came for the next month's (October's) benefit checks to be sent out, the "honest" people who had returned their checks (leaving themselves virtually penniless for a full 30 days) were informed there would be no SSO checks at all during that month.

Matters became so desperate that local antipoverty groups and state aging agencies were forced to set up emergency services to provide the elderly with enough money to buy food until the snafu could be straightened out. The state's Legal Aid got an injunction against Social Security, forbidding SS from accepting any more money being returned—and Legal Aid is now preparing a class action suit to recover money that had been returned.

This is just one horror story uncovered by my associate, Lyndia Ratcliff, which has come out of the year-old federal Supplemental Security Income program originally heralded as being "as important to older Americans as the passage of Medicare." So inadequate has the SSI program been that critics have dubbed it the "Supplemental Insecurity" program.

There were 3,900,000 in the program, at latest count, receiving a maximum of $146 a month in federal benefits per person (or $219 per couple)—plus state supplements in many states. Total SSI benefits now being paid are about $500 million a month.

But . . . The number enrolled is only about half the total estimated to be eligible—7,200,000 according to the Social Security Administration, and 8 to 9 million according to the Bureau of Social Science Research in Washington.

As many as 5 million of our elderly, blind and disabled remain in ever-more desperate financial circumstances while the program itself continues to be riddled with unexplained delays and benefit cutoffs.

Applicants frequently are unable to travel to the district office or they are discouraged by all-day waits in the SS office. An estimated 361,000 SSI applications are now pending, and the waiting period before an application is decided upon can stretch to 10 months. Even the clearly eligible may be forced to wait months before they actually receive benefits.

Yet, as Adele Blong, a lawyer for the Center on Social Welfare Policy and Law in New York, says "even a few days delay can be a personal disaster if you're trying to live on less than $1600 a year."

In fact, the gap between the SSI income floor and the poverty line is even greater than it was when the law was enacted in October 1972.

Contributing to his scandalous SSI situation are two major factors:

Although SS had a full 14 months to launch the program (it didn't become effective until Jan. 1, 1974), the program began before many key rules and regulations were even issued. Thus, the SS staff has been ill-equipped to make key decisions.

New regulations still are being issued almost every week—leaving both potential beneficiaries and administrating officials baffled. SS offices have been seriously understaffed and employes supposed to be implementing the SSI program have been poorly trained. SS requests for more staff have been rejected at the White House level.

In brutal summary: the SSI program to date has been among the biggest broken promises ever made by a Congress and an administration. Instead of a giant step toward reform of our unworkable welfare system, it is as of now a disgrace.

Mr. BROOKE. Under current SSI law, the Secretary of the Department of Health, Education, and Welfare is not authorized to make emergency payments to other than initial claimants. Thus, if a person on the SSI rolls, through absolutely no fault of his own, fails to receive his monthly SSI check, he must wait for the Treasury Department to reissue the check.

Although the Treasury Department has been extremely cooperative in reissuing checks, there are instances in which persons need immediate emergency assistance and the Treasury Department is unable to reissue the check as promptly as necessary. My bill would allow emergency payments to be made within 24 hours of application to SSI recipients whose checks were lost, stolen, or undelivered. In addition, my bill would allow emergency assistance to be provided to replace lost or stolen cash which is determined by the Secretary to have constituted the proceeds of one or more SSI checks.

If legislation such as this is not enacted, SSI recipients will be forced to continue to bear the burden of postal service delays, computer errors, and thefts. While they wait, they frequently must go without proper food and may even be faced with the threat of eviction. I feel that it is important for the Government to bear the burden of these delays, rather than to force it on that segment of the population least able to deal with such situations.

Another significant problem with the SSI program as it is currently operating relates to the extremely long processing times involved. Persons who apply for SSI benefits are generally in dire need of assistance, yet it is not unusual for the processing of their claims to take several months. Indeed, it has been reported that as many as one-half of aged applicants and three-fourths of disabled applicants wait more than 2 months for their claims to be adjudicated. I have personally received correspondence from numerous persons who have waited 6 months and have still not received a determination.

I cannot accept a program which allows aged, blind, and disabled persons to suffer because of bureaucratic delays. My bill would require that an SSI application be acted upon within 45 days after it is filed, or 60 days after filing in the case of disability claims, and in such cases, a decision on presumptive disability must be made within 20 days. My bill would further permit a cash advance of $100 per month to be made to presumptively eligible applicants while their claims are being processed.

I still believe that the supplemental security income program can offer dignity and comfort to millions of aged, blind, and disabled Americans. But if improvements in the program are not made, I fear that SSI may be just another empty promise. I urge enactment of this legislation as one step toward fulfilling the promise of SSI.

By Mr. HOLLINGS:

S. 718. A bill to improve the operation and efficiency of the U.S. Postal Service. Referred to the Committee on Post Office and Civil Service.

U.S. POSTAL SERVICE AMENDMENTS OF 1975

Mr. HOLLINGS. Mr. President, as we all know, most American are dissatisfied with the U.S. Postal Service. We receive literally thousands of letters expressing this dissatisfaction from our constituents. Daily, we read news stories and editorials which express concern about the erosion of service and question management of the Postal Service. We are not only seeing the erosion but we are experiencing a crisis in confidence in an institution which touches and affects the lives of almost every American daily.

In 1970, we in the Congress, with the support of the President, past Postmasters General, and most mail users transformed the old Post Office Department into a publicly controlled corporation named the U.S. Postal Service. For more than 4 years, we have watched the Postal Service hoping that it would be able not only to survive, but to provide more efficient service. Unfortunately, we have been disappointed. Not only has service eroded, but the poorer service is costing us more every day. The prices for mail users are rising and we are being asked to raise the level of the Federal appropriation.

It is high time that we in the Congress provide guidance to the U.S. Postal Service. It is time for us to take a critical look at this necessary institution and make changes which will help the Postal Service get on the track toward achieving the original goals of postal reorganization. These goals are improved service to all Americans and responsible management with the development of financial stability.

I have taken my critical look. And today, Mr. President, I am offering a series of amendments to the Postal Reorganization Act of 1970. The purpose of these measures is to insure better service, financial stability, and more accountability to the public.

ABOLISH THE BOARD OF GOVERNORS OF THE U.S. POSTAL SERVICE

The creation of the Board of Governors was an effort to create a corporate structure, modeled after those in the business world, for the newly established Postal Service. Each of the Governors was supposed to bring to his or her appointment an understanding of the workings of the service including business matters and the public service function of postal operations. It was intended that the Board of Governors would direct and oversee the Postmaster General who serves at its will.

With but a few exceptions, the Board of Governors has displayed little expertise in the field. There has been a rampant turnover of Governors in the last 4 years, and there have been vacancies on the Board for extended periods of time. To sum up, the Board of Governors has done little more than act as a rubber stamp for the Postmaster General.

Each governor is paid $10,000 per year in addition to $300 per day plus expenses. This seems to me to be an unnecessary drain on the public treasury.

APPOINTMENT OF THE POSTMASTER GENERAL BY THE PRESIDENT OF THE UNITED STATES WITH CONFIRMATION BY THE SENATE

Abolition of the Board of Governors who appoint the Postmaster General necessitates a new appointment procedure. Appointment by the President, which I am proposing, will have a number of positive effects. It will give the Chief Executive power over an institution for which he is held accountable by the public. It will insure the Postmaster General guidance and support from the President, and it will insure that the Postmaster General is held accountable for the U.S. Postal Service.

By no means do I wish to change chapter 10 of the Postal Reorganization Act which prohibits congressional appointments and recommendations for positions with the Postal Service.

Restoration of the appointment power to the President is necessary to restore responsible, responsive management to the Postal Service and to reinstill the support of Americans.

CHANGES IN THE POSTAL RATE COMMISSION

As all parties who must deal with the Postal Rate Commission will agree, there are many problems with the Commission, its composition and its procedures. In many cases the Commissioners have little expertise in ratemaking or postal affairs. The procedures are too long and cumbersome. There has been massive turnover of both Commissioners and staff. And the Commission is too closely tied to the Postal Service which it regulates.

To remedy these problems, I propose that the Postal Rate Commission become independent of the Postal Service. I suggest that Senate confirmation become part of the appointment procedure. This will provide an opportunity for us to review qualifications to insure that the Commissioners are experienced in administrative procedures and possess other qualities necessary for getting the job done.

The Postal Rate Commission should now be empowered to issue final rate decisions instead of reporting recommendations to the Board of Governors of the Postal Service who presently make the final decision. The Commission goes through the hearing procedures and studies the evidence presented, thus making them better qualified to make a final determination.

In the past, Mr. President, the Postal Rate Commission has been financially supported by the Postal Service. It is my feeling that this creates an undesirable dependency relationship. Since postal reorganization was enacted, the Commission staff has mushroomed to approximately 98, with an annual budget of $3 million. Under my proposal, the budget of the Postal Rate Commission would be reported directly to the Congress and the President simultaneously under the new budgeting system.

These measures would provide the Postal Rate Commission with the expertise and independence necessary to serve the best interests of the American people as well as the U.S. Postal Service.

TEMPORARY RATES

First. Extend implementation of temporary rates—

According to the Postal Reorganization Act, the Postal Service is permitted to implement its proposed rate changes if the Postal Rate Commission has not transmitted its recommendations on the proposed rate change within 90 days. This is not fair to the mail users who need more warning to prepare for adjusting to rate changes. For this reason, I am recommending that we extend the period to 120 days.

Second. Rate ceiling—

According to the Postal Reorganization Act, temporary rates can be put into effect at a maximum of one-third the rate presently used. I propose that the one-third ceiling be adjusted so that temporary increases cannot exceed 10 percent of the rate presently in effect.

Mr. President, this measure will protect the mail users from excessive rate hikes, while at the same time it will provide the Postal Service with adequate criteria for planning and budgeting.

APPROPRIATIONS

Under the Postal Reorganization Act, the U.S. Postal Service is reimbursed for public service costs incurred by its providing a maximum degree of effective and regular postal services in communities where post offices may not be deemed self-sustaining. Since postal reorganization, the Postal Service has received the following amounts for these costs: fiscal year 1971—$2.086 billion; fiscal year 1972—$1.424 billion; fiscal year 1973—$1.486 billion; and fiscal year 1974—$1.75 billion.

In spite of these appropriations, the Postal Service has accumulated a $438 million loss for their total operations in fiscal year 1974 with the expectation of 3 times that amount in fiscal year 1975. It is thus quite obvious that the Postal Service is not achieving the break-even concept as was incorporated in the Postal Reorganization Act.

We were led to believe that by 1984 the Postal Service would become financially self-sufficient. We developed a plan for phasing-out Government assistance, but it is not working.

It is time that we quit kidding ourselves about the break-even goal. We must look at reality and reexamine the administration of this policy. In addition, we must establish some measures to insure that our appropriations are not abused. I am today submitting two measures which are intended to reassert congressional authority to help the Postal Service become more fiscally responsible while providing the highest possible degree of service.

First. While we will continue to operate under the proposed break-even concept, we will allow the Postal Service to come back to us for additional funds necessary for providing an efficiency oriented service. However, instead of providing a block grant as others suggest, I propose that the Postmaster General should have to come back before this body to justify additional funding.

Second. I am also proposing that the Postal Service submit its budget to the Congress which is empowered to make reductions similar to our authority in relation to the procedures used for other agencies. It is our responsibility to assist the Postal Service. Without information we will remain in the dark and we will continue to have the public's finger pointed at us while we are able to do little on behalf of our constituents.

ELIMINATE ABILITY OF THE U.S. POSTAL SERVICE TO BORROW FUNDS FOR OPERATING EXPENSES

When we were considering postal reorganization, we thought that the U.S. Postal Service, like other corporations, should be permitted to borrow money for capital expenditures and operating expenses. It is clear to me that we made a grave mistake.

In fiscal year 1974, the Postal Service took out a 1-year promisory note borrowing $500 million from the Federal Financing Bank to cover operating expenses. Today the Postal Service is not able to adequately explain their means for paying the debt. They have indicated that they will rewrite the note to extend payment to $100 million a year for 5 years. But this plan assumes that the Postal Service will turn a profit which is necessary to pay a debt.

Based on their increasing debt, I seriously question the ability of the Postal Service to repay these funds. It is for this reason that I propose to eliminate this borrowing authority for operating expenses. If the Postal Service needs additional funding for these costs, they should come to the Congress and justify their needs.

MISCELLANEOUS PROVISIONS

Additional provisions included in my package of amendments to the Postal Reorganization Act include:

First. Placing the Postal Service under the provisions of the Administrative Procedure Act.

Second. Deletion of the word "important" when mandating the modes of transportation of letter mail. This is no longer necessary due to changes in transportation.

Mr. President, we in the Congress of the United States have neglected the interests of the people who send us to Washington by allowing the postal situation to deteriorate as it has. It is time that we pull ourselves together and work on rebuilding public confidence in this crucial institution. In summary, I propose that we work to make the Postal Service more accountable to the people and more financially responsible. This is the purpose of these amendments which I am proposing.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 718

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United States Postal Service Amendments of 1975".

ORGANIZATION OF POSTAL SERVICE

SEC. 2. (a) Section 102 of title 39, United States Code, is amended to read as follows:

"§ 102. Definitions

"As used in this title 'Postal Service' means the United States Postal Service established by section 201 of this title.".

(b) Section 201 of such title is amended by striking out ", as an independent establishment of" and inserting in lieu thereof "within".

(c) Section 202 of such title is repealed and the item relating to such section in the table of sections for chapter 2 of such title is amended to read as follows:

"202. Repealed.".

(d) (1) Sections 203 through 205 of such title are amended to read as follows:

"§ 203. Postmaster General

"The head of the Postal Service is the Postmaster General. The Postmaster General shall be appointed by the President by and with the advice and consent of the Senate. The Postmaster General shall receive compensation at the rate provided for level I of the Executive Schedule under section 5312 of title 5.

"§ 204. Deputy Postmaster General

"The Deputy Postmaster General of the Postal Service shall be appointed by the President by and with the advice and consent of the Senate. The Deputy Postmaster General shall perform such duties as the Postmaster General may require.

"The Deputy Postmaster General shall receive compensation at the rate provided for level II of the Executive Schedule under section 5313 of title 5.

"§ 205. Senior Assistant Postmasters General; Assistant Postmasters General; General Counsel; Judicial Officer

"There shall be within the Postal Service three Senior Assistant Postmasters General, eight Assistant Postmasters General, a General Counsel, and a Judicial Officer. The Senior Assistant Postmasters General, the Assistant Postmasters General, the General Counsel, and the Judicial Officer shall be appointed by, and shall serve at the pleasure of, the Postmaster General. The Judicial Officer shall perform such quasi-judicial duties, not inconsistent with chapter 36 of this title, as the Postmaster General may designate. The Judicial Officer shall be the agency for the purposes of the requirements of chapter 5 of title 5, to the extent that functions are delegated to him by the Postmaster General. The Senior Assistant Postmasters General shall receive compensation at the rate provided for level III of the Executive Schedule under section 5313 of title 5. The Assistant Postmasters General, the General Counsel, and the Judicial Officer shall receive compensation at the rate provided for level IV of the Executive Schedule under section 5314 of title 5.".

(2) The items relating to sections 203 through 205 of such title are amended to read as follows:

"203. Postmaster General.
"204. Deputy Postmaster General.
"205. Senior Assistant Postmaster General; Assistant Postmasters General; General Counsel; Judicial Officer.".

(e) Section 402 of such title is amended to read as follows:

"§ 402. Delegation of Authority.

"The Postmaster General may delegate to any officer or employee of the Postal Service the responsibility for the performance of such functions as may be vested by law in him or in any other officer or employee of the Postal Service.".

(f) (1) Section 410(a) of such title is amended by striking out ", including the provisions of chapters 5 and 7 of title 5,".

(2) Section 410(b) of such title is amended:

(A) by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon and "and"; and

(B) by adding immediately below such paragraph the following:

"(7) chapter 5 (administrative procedure) and chapter 7 (judicial review) of title 5.".

(g) Section 1005(d) of such title is amended by striking out "(other than the Governors)".

POSTAL RATE COMMISSION

SEC. 3. (a) (1) The first sentence of section 3601 of this title is amended by inserting immediately after "5 Commissioners appointed by the President" the following: ", by and with the advice and consent of the Senate".

(2) The last sentence of section 3601 of such title is amended to read as follows: "The Commissioners may be removed from office by the President for inefficiency, neglect of duty, or malfeasance in office. The Commissioners of the Postal Service shall be appointed with due regard to fitness and qualifications. No individual shall be eligible for appointment as a Commissioner who is not knowledgeable and experienced in the area of administrative procedures under the laws of the United States.".

(3) The amendments made by paragraph (1) and (2) of this subsection shall be effective with respect to any individual appointed to fill a vacancy or appointed for a term of office on the Postal Rate Commission on and after the date of enactment of the United States Postal Service Amendments of 1975.

(b) (1) Section 3603 of such title is amended to read as follows:

"§ 3603. Duties and Powers

"(a) The Commission shall have the duty to make final decisions for changes in postal rates and fees and in mail classification matters and to render advisory opinions on postal services and complaints in accordance with the policies and procedures of this title.

"(b) The Postal Rate Commission shall promulgate rules and regulations and establish procedures, subject to chapters 5 and 7 of title 5, and take any other action they deem necessary and proper to carry out their functions and obligations to the Government of the United States and the people as prescribed under this chapter. Such rules, regulations, procedures, and actions shall not be subject to any change or supervision by the Postal Service.".

(2) The item relating to such section in the table of sections for chapter 36 of such title is amended to read as follows:

"3603. Duties and Powers.".

(c) (1) Section 3604(c) of such title is amended to read as follows:

"(c) (1) The Commisison shall prepare and submit to the President and Congress, simultaneously, a budget of the Commission's projected expenses.

"(2) There are authorized to be appropriated such sums as may be necessary to pay the expenses of the Commission.

"(2) Section 2003(e) of such title is amended by striking out "and, subject to the provisions of section 3604 of this title, all of the expenses of the Postal Rate Commission".

(d)(1) The first sentence of section 3621 of such title is amended by striking out "Governors" and inserting in lieu thereof "the Postal Rate Commission".

(2) Section 3622(a) of such title is amended—

(A) by striking out "to submit a recommended decision on changes" and inserting in lieu thereof "to decide on changes"; and

(B) by striking out "may submit such suggestions for rate adjustments as it deems suitable" and inserting in lieu thereof "may make such rate adjustments as it deems suitable".

(3) Section 3622(b) of such title is amended by striking out "the Commission shall make a recommended decision" and inserting in lieu thereof "the Commission shall make a decision".

(4) Section 3623(b) of such title is amended by striking out "recommended".

(5) Section 3623(c) is amended by striking out "recommended".

(6) Section 3624 of such title is amended—

(A) By striking out subsection (a) and inserting in lieu thereof the following:

"(a) The Postal Rate Commission shall promptly consider any request made by the Postal Service under section 3622 or 3623 of this title. In the course of such consideration, the Commission shall hold hearings and give reasonable public notice thereof, and shall afford reasonable opportunity for the Postal Service, users of the mails, and an officer of the Commission who shall be required to represent the interests of the general public, to be present, to present evidence, and to be heard at any such hearing.". and

(B) by striking out "Governors" and inserting in lieu thereof "Postal Service" and by striking out in subsection (c) "recommended" in both places where it appears.

(7) Section 3625 of such title is repealed and the item relating to such section in the table of sections for chapter 36 of such title is amended to read as follows:

"3625. Repealed.".

(8) Section 3628 of such title is amended—

(A) by striking out "decision of the Governors to approve, allow under protest, or modify the recommended";

(B) by striking out "and the Governors"; and

(C) by striking out "or Governors".

(9)(A) The caption of section 3624 of such title and the item relating to such section in the analysis of chapter 36 of such title are each amended by striking out "Recommended decisions" and inserting in lieu thereof "Decisions".

(e)(1) The first sentence of section 3641 (a) of such title is amended to read as follows: "If the Postal Rate Commission does not transmit to the Postal Service within 120 days after it has submitted to the Commission a request for a decision on a change in rates of postage or in fees for postal services, or on a change in the mail classifications schedule (after such schedule is established under section 3632 of this title), the Postal Service, upon 10 days' notice in the Federal Register, may place into effect temporary changes in rates of postage, and fees for postal service, or in the mail classification schedule it considers appropriate to carry out the provisions of this title.".

(2) The second sentence of such section is amended by striking out "its recommended decision to the Governors" and inserting in lieu thereof "its decision to the Postal Service".

(f) Section 3641(c) of such title is amended by striking out "one-third" and inserting in lieu thereof "10 percent".

(g) The third sentence of section 3662 of such title is amended by striking out "recommended".

POSTAL SERVICE PERSONNEL

SEC. 4. (a)(1) Section 1001(b) of such title is amended by striking out "202, 204, and 1001(c)" and inserting in lieu thereof "203, 204, and 205".

(2) Sections 1001 (c) and (d) of such title are repealed.

(b) Section 1002(a) is amended by striking out "a Governor or" and inserting in lieu thereof "a".

(c) Section 1005(a)(3) of such title is amended by striking out "202, 204, and 1001 (c)" and inserting in lieu thereof "203, 204, and 205".

EXPENSES OF POSTAL SERVICE

SEC. 5. (a) Section 2005(a) of such title is amended—

(1) by striking out "as it determines necessary to carry out the purposes of this title" and inserting in lieu thereof "for capital improvements only"; and

(2) by striking out in the last sentence of such subsection", and the net increase in the amount of obligations outstanding issued for the purpose of defraying operating expenses of the Postal Service shall not exceed $500,000,000".

(b) Section 2009 of such title is amended by adding at the end thereof the following new sentence: "Whenever the Postal Service submits any budget program, estimate, or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that program, estimate, or request to the Congress.".

(c) Paragraph (2) of section 2401(b) of such title is amended to read as follows:

"(2) In addition to the sums authorized under paragraph (1) of this subsection, there are authorized to be appropriated to the Postal Service such additional sums as may be determined to be necessary for an efficient service oriented postal service. An appropriation for any fiscal year under this paragraph shall not be made to the Postal Service unless, for such year, an authorization for an appropriation is enacted by Congress.

TECHNICAL AMENDMENTS

SEC. 6. (a) Section 101(c) of title 39, United States Code, is amended by striking out "in the private sector of the economy of the United States" and inserting in lieu thereof "within the Federal Government".

(b) Section 101(e) of such title is amended by striking out "important".

(c) Section 101(f) of such title is amended by striking out in the second sentence thereof "important".

(d) Section 3682(b) of such title is amended by striking out "size on mail" and inserting in lieu thereof "size of mail".

By Mr. CHURCH:

S. 726. A bill to direct the Secretary of the Interior to convey, for fair market value, certain lands to Valley County, Idaho. Referred to the Committee on Interior and Insular Affairs.

Mr. CHURCH. Mr. President, I introduce, for appropriate reference, legislation which directs the Secretary of the Interior to convey to Valley County, Idaho, a 40-acre tract of national resource land. This land is to be conveyed upon payment by the county of the fair market value of such land.

The Valley County Commissioners have sought private lands for purposes of a sanitary landfill for more than 1 year, but to no avail. They inform me that private lands are not readily available to the county for these purposes.

Once title to this land has been conveyed, the county contemplates an exchange of land for other privately owned lands which are said to be ideally suited for sanitary landfill purposes. At present, the county is unable to purchase these private lands outright because the owner, Boise Cascade Corp., is only willing to make a land exchange rather than sell a piece of their holdings outright.

Passage of this bill will assure the county of land with which to make the necessary exchange for the sanitary landfill site.

I urge the Senate to act quickly on this measure.

By Mr. BELLMON:

S. 727. A bill to return Congress, through the implementation of procedural reforms, the ability to insure that rules and regulations promulgated through the administrative process shall reflect the intent of Congress. Referred to the Committee on Government Operations.

Mr. BELLMON. Mr. President, today I am introducing legislation which would significantly reform the administrative process by insuring that regulations promulgated by the executive branch conform to congressional intent.

During the 93d Congress, we witnessed a reassertion of congressional authority in several historical confrontations with the executive branch. For example, the Budget Reform Act was approved in order that Congress may have better control over the budgetary process. The Director of OMB is now subject to Senate confirmation. The War Powers bill was passed and other legislative measures enacted—all with the stated objective of reasserting Congress' authority in the decisionmaking process and restoring a balance of power with the executive branch.

My proposal would further extend congressional authority over governmental process by requiring that agencies and departments which promulgate regulations pursuant to enabling legislation conform to the congressional intent of that legislation. This proposal requires that when a governmental agency promulgates regulations in order to implement Federal legislation the congressional committee of origin has 60 days to disapprove the proposed regulations.

The need for legislation of this nature is clear. The Senate is aware of the frustration of American citizens who believe that the Federal officials are callous and arbitrary. A system of checks and balances over the Federal bureaucracy is needed to insure that the will of Congress' is followed in the regulatory process.

The problems we now face in controlling the agencies and bureaus have evolved over time. When the first regulatory agency, the ICC, was formed in the late 1800's there was no way to predict the eventual expansion of regulatory agencies. Congress has shared its responsibility with the executive branch by giving agencies and departments the power to issue regulations, licenses, and permits if the agency deems it to be "in the public interest."

For example, implementation of regulations concerning the Occupational Safety and Health Act are left to those administrators who for the most part have never worked in private enterprise and do not understand the practicalities and expenses involved in many of the regulations which they require. These regulations apply equally to the giants of industry as well as the smallest, least sophisticated business in the country.

All sections of society, corporations, as well as the workingman and the poor, are affected by these broad generalized grants of authority to administrative agencies. Millions of citizens are in a poor position to defend themselves against arbitrary agency actions. Congress needs to make certain that regulators do not become dictators. Any member who has attempted to influance a Federal agency in the promulgation of regulations will understand the feeling of futility which is held by citizens across this land.

Many agencies, most notably those which have been granted the authority to disburse money for various Federal programs to individuals, organizations, and to the States, have almost the absolute power to turn on and off the flow of money.

The promulgation of regulations which are extremely complex and confusing to even the well educated are the source of agency power. These rules and regulations are the conduit through which the agency imposes its views upon the general public, and the practical opportunities for protest are limited. Arguably, the opportunities for protest are present because of the Administrative Procedure Act. However, it is difficult and costly for citizens to hire Washington lawyers to represent them before the agencies. It represents the classic David against Goliath situation.

The effect of this legislation would be to provide a check on those agencies. The check would be imposed by the Congress from which the agency's power is initially derived. The values at stake are of constitutional impact and importance. Clearly the public can no longer stand helplessly by while Federal agencies make decisions which affect their very livelihood. Congress can no longer allow the laws to be misconstrued by the agencies and bureaus which Congress created.

The agencies have promulgated regulations so extensive and so complex that the public is endangered by the Government its taxes support. The effect has been to reduce the respect which the American people have for their Government. When Government is unresponsive to their needs, a sense of frustration and anger oberwhelms them. As Winston Churchill remarked:

> If you have 10,000 regulations, you destroy all respect for the law.

The purpose of this bill is to restore this lost respect for the law, by providing a check on the regulatory process.

I ask unanimous consent that the text of this bill be printed in full in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 727

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "Regulatory Control Act of 1974".

SEC. 2. That section 301 of title 5, United States Code, is hereby amended to read as follows:

"(a) The head of an executive department or military department may prescribe regulations for the government of his department, the conduct of its employees, the distribution and performance of its business, and the custody, use, and preservation of its records, papers, and property. This section does not authorize withholding information from the public or limiting the availability of records to the public.

"(b) That upon the promulgation of proposed rules and regulations implementing public laws, the committee of origin, whether in the Senate or in the House of Representatives, shall give approval or disapproval of said rules and regulations within sixty days from the date of submission of said rules and regulations.

"(c) In the event the said committee fails to disapprove the proposed rules and regulations within sixty days, such abstention shall be deemed to be approval of said rules and regulations."

By Mr. DOMENICI:

S. 728. A bill to authorize the Administrator of the National Aeronautics and Space Administration to name a space vehicle to be launched in 1976 the "Doctor Robert Hutchings Goddard Rocket." Referred to the Committee on Aeronautical and Space Sciences.

Mr. DOMENICI. Mr. President, today I rise to pay respect to one of this countries greatest pioneers. I refer to Dr. Robert Hutchings Goddard, America's pacemaking rocket scientist.

When we celebrate our Bicentennial in 1976, it will mark the 50th anniversary of the launching of the world's first liquid-fuel rocket. Dr. Goddard was the developer of this rocket that was launched in 1926 at Auburn, Mass. In 1929, Dr. Goddard flew a larger and more sophisticated rocket but when it crashed the fire marshal of Massachusetts prohibited further rocket tests.

It was then with the encouragement of Col. Charles A. Lindbergh and his close friend Harry Guggenheim that a fund of $50,000 was established for Dr. Goddard to transfer his work to Roswell, N. Mex. During his stays in Roswell, Dr. Goddard clearly became the leader in liquid-fuel rockets. In 1932 Goddard first developed a gyro control apparatus for rocket flight along with the first successful testing of vanes in the rocket motor blast for guidance. His most memorable achievement was in 1935 when his liquid-fuel rocket sled broke the sound barrier.

Mr. President, it is not necessary for me to list all of Dr. Goddard's accomplishments because his personal reputation has long been a national tradition. I do, however, wish to pay a small tribute to this memorable man by introducing legislation that would authorize the Administrator of the National Aeronautics and Space Administration to designate one of the vehicles scheduled to be launched in 1976 as the "Doctor Robert Hutchings Goddard Rocket" and cause the legend of Dr. Robert Hutchings Goddard: "The Spirit of Roswell" to be prominently affixed to such vehicle.

Mr. President I urge my colleagues to join with me in sponsoring this legislation and thus I would ask unanimous consent that the entire text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 728

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in recognition of the enormous contribution of Doctor Robert Hutchings Goddard, the father of modern rocketry, to the achievements of the United States in astronautics and related sciences, the Administrator of the National Aeronautics and Space Administration is authorized to cause any integrated launch or lift vehicle scheduled to be launched in 1976 to be named the "Doctor Robert Hutchings Goddard Rocket", and to cause the legend "Doctor Robert Hutchings Goddard: The Spirit of Roswell" to be prominently affixed to such vehicle.

By Mr. BURDICK (for himself, Mr. HRUSKA, Mr. MCCLELLAN, and Mr. FONG):

S. 729. A bill to improve judicial machinery by reorganizing the fifth and ninth judicial circuits, by creating additional judgeships in those circuits, and for other purposes. Referred to the Committee on the Judiciary.

Mr. BURDICK. Mr. President, S. 729, which I am introducing today on behalf of Senator ROMAN L. HRUSKA, Senator JOHN L. MCCLELLAN, Senator HIRAM L. FONG, and myself, is a revised version of a bill (S. 2990) which was introduced by request in the last Congress. This bill would reorganize the fifth and ninth judicial circuits as the solution to the ever-rising caseload which has virtually overwhelmed these two circuits in recent years.

In the 92d Congress, the Commission on Revision of the Federal Court Appellate System was created (P.L. 92-489) to study this problem and to report to the President, the Chief Justice and the Congress on its recommendations for a solution to the acute problems in the fifth and ninth judicial circuits. On December 18, 1973, this Commission, which was chaired by the senior Senator from Nebraska and upon which the senior Senator from Arkansas and Senator from Hawaii, and I were privileged to serve, filed its report recommending that the 5th circuit be divided so as to create a new 11th circuit and that the 9th circuit be divided so as to create a new 12th circuit. Thereafter, on September 24, 25, and 26; October 1, 2, and 3, 1974, the Subcommittee on Improvements in Judicial Machinery, which I am privileged to chair, held extensive hearings in which we received the views of distinguished members of the bench and bar representing various bar associations and groups interested in finding a means of improving the efficiency of these courts. The subcommittee received many suggestions and also received testimony in opposition to the proposals to create new and separate circuits.

Most of the opposition was centered on the proposal of the Commission which would have placed part of the State of California in a new 12th circuit and would have placed the other part of California in a revised 9th circuit. Testimony received both by the commission and by the Subcommittee on Improvements in Judicial Machinery established that the 9th circuit had a large backlog of cases, particularly civil cases, where as much as 3 years was required before the appeal was decided. In an effort to overcome this problem, the court of appeals in the 9th circuit made extensive use of district court judges assigned as a third member of a three-judge panel to hear appeals. The subcommittee received evidence indicating that this practice not only was objected to by some members of the bar but also was productive of more intracircuit conflicts than would ordinarily be the case if only circuit judges sat on panels of the court. There was further testimony to the effect that when these intracircuit conflicts occurred they were not resolved by an en banc hearing as is contemplated by statute. Testimony was received that it was difficult to schedule en banc hearings because of the geographical scattering of circuit judges in nine States ranging from Alaska to the Mexican border and as far west as Hawaii.

Under the recommendation of the Commission on Revision of the Federal Court Appellate System, if the 9th and 12th circuits arrived at differing and conflicting decisions on the same issue involving the application of Federal law to activities within the boundaries of the State of California, the only recourse would be for the litigants to petition the Supreme Court of the United States for a writ of certiorari as a means of resolving the conflict. Because the Supreme Court itself has experienced a great increase in its own caseload, witnesses before the subcommittee expressed their doubt that the Supreme Court had the time to review a case involving a conflict for California litigants. Thus, witnesses from the State of California recognized the necessity that any proposal to divide judicial business in the State of California should provide a conflict resolving judicial mechanism located on the west coast rather than on the east coast.

A cursory examination of the problems, which appellate courts have had in the face of a mounting caseload, might lead one to conclude that the simple answer is to create additional judgeships for such an appellate court. However, experience has demonstrated that more judgeships alone is not the answer. As a matter of fact when a court of nine judges in the fifth circuit was overwhelmed, the Congress provided for a total of 13 judgeships in that circuit and, in a few years, when the 13 judges in turn became overwhelmed by the caseload, a 14th and a 15th judgeship was provided. During the hearings held in the 92d Congress in connection with Senate Joint Resolution 122, testimony was received indicating that by use of assigned judges from other courts as well as its own senior judges, the fifth circuit had at times operated with a practical complement of as many as 20 judges and was yet unable to keep current with the mounting caseload. In this connection, testimony received in our hearings during the last Congress from witnesses familiar with the procedure in the fifth circuit indicated that a court composed of as many as 15 judges was presented with certain logistical and administrative problems which not only resulted in administrative and judicial inefficiency but also wasted the valuable time of circuit judges. For example, testimony was received indicating that, in a large court of that size, judges must spend a considerable amount of time keeping abreast of opinions written by judges serving on any of the many three-judge panels which can be composed from a group of 15 judges.

As a result of the hearings held in September and October of 1974, the sponsors of this bill, while recognizing that more judges are needed in both the fifth and ninth circuits, arrived at the opinion that judicial and administrative efficiency in these two circuits could be greatly enhanced if these circuits were reorganized into two separate divisions in each circuit. The bill which we are introducing would carry out this reorganization and provides that each of the divisions would have its own chief judge, judicial council and circuit executive as a means of promoting judicial efficiency. With respect to the problem involving a possible conflict of opinion between the northern and southern division of the ninth circuit with reference to the application of Federal law to activities within the State of California, this bill provides that any such conflict would be resolved by a joint en banc panel consisting of the four most senior judges from each division and the most senior chief judge of the two divisions as the ninth member. This then would provide a local or west coast conflict resolving mechanism for California litigants.

In proposing this division concept for reorganization of overburdened courts of appeals in the fifth and ninth circuits, this bill simply follows the same solution which has frequently been invoked at the trial or district court level in the Federal judicial system; this is, when the caseload of a district court within one State becomes too large for a single court to handle, the Congress has provided for the creation of one or more additional district courts in such State. Moreover, the division concept for Federal courts of appeals which is proposed in this bill is similar to the structure which the State of California has implemented in its own State court system. When the California Supreme Court became overburdened, an intermediate court of appeals was created. Today that intermediate court consists of five separate courts and, in the event a conflict exists between any of those five courts, it may be resolved by the California Supreme Court.

It has been suggested that neither the fifth circuit nor the ninth circuit should be reorganized into divisions, but that the number of judges in those existing circuits be substantially increased to the 23 and 20 judges, respectively, as provided in this bill, with the further proviso that only 9 judges comprise the en banc panel of the court. Under such a proposal there would be 14 judges and 11 judges, respectively, who would have no voice in an en banc decision but yet would be bound by the decision under principles of stare decisis. Moreover, an en banc decision could be made by as few as 5 judges of a 23- or 20-judge court. The sponsors of this bill do not believe that limiting the en banc function in all cases to but nine judges in these two circuits is conducive to harmony on an appellate court. There should not be "first- and second-class" circuit judges.

Mr. President, there are those who say that this proposed legislation would "split" the State of California. It is not intended to do so and we submit that, in fact, it will not do so. What it will do is to provide for the citizens of California as well as for citizens of all other States in either the fifth or the ninth circuit an effective court structure and an adequate judicial complement to the end that the appellate review in those circuits can be accorded to litigants in a timely fashion and without the necessity of employing various expedients which have the effect of eliminating oral argument and reducing deliberate and mature consideration of issues on appeal in a large number of cases. The sponsors of this legislation believe that enactment of this bill will further the ends of justice.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 729

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 41 of title 28 of the United States Code is amended to read in part as follows:

"The eleven judicial circuits of the United States are constituted as follows:

"Circuits and Composition:

* * * * *

"Fifth:

Eastern Division: Alabama, Florida, Georgia, Mississippi, Canal Zone.

* * * * *

"Fifth:

Western Division: Louisiana, Texas.

* * * * *

"Ninth:

Northern Division: Alaska, Eastern and Northern Judicial Districts of California, Hawaii, Idaho, Montana, Oregon, Washington, Guam.

* * * * *

"Ninth:

Southern Division: Arizona, Central and Southern Judicial Districts of California, Nevada.".

SEC. 2. A circuit judge in active service of either the fifth or ninth circuit as constituted the day prior to the effective date of this Act is assigned as a circuit judge of that division of either the fifth or the ninth circuit within which is located the State or judicial district within which he resided at the time of his original appointment to be a circuit judge of either the fifth or the ninth circuit and his seniority in service shall run from the date of his original appointment to to be a judge of such circuit.

"SEC. 3. A circuit judge in senior status of either the fifth or ninth circuit on the day of the effective date of this Act may elect to be assigned to either division of his particular circuit and he shall notify the Director of the Administrative Office of the United States Courts of the election made by him.

SEC. 4. Where on the day prior to the effective date of this Act any appeal or other proceeding has been filed with the circuit court of appeals for either the fifth or the ninth circuit as constituted before the effective date of this Act—

(1) If any hearing before said court has been held in the case, or if the case has been submitted for decision, then further proceedings in respect of the case shall be had in the same manner and with the same effect as if this Act had not been enacted.

(2) If no hearing before said court has been held in the case, and the case has not been submitted for decision, then the appeal, or other proceeding, together with the original papers, printed records, and record entries duly certified, shall, by appropriate orders duly entered of record, be transferred to the division of the circuit court of appeals to which it would have gone had this Act been in full force and effect at the time such appeal was taken or other proceeding commenced, and further proceedings in respect of the case shall be had in the same manner and with the same effect as if the appeal or other proceeding had been filed in said court.

SEC. 5. The President shall appoint by and with the advice and consent of the Senate, three additional judges for the Eastern Division of the Fifth Circuit, five additional judges for the Western Division of the Fifth Circuit, two additional judges for the Northern Division of the Ninth Circuit and five additional judges for the Southern Division of the Ninth Circuit: *Provided*, That the appointments made under this section shall become effective on the date specified in section 26 of this Act: *And provided further*, That at the earliest practicable date after the date of enactment of this Act the President shall submit to the Senate of the United States his nominations for the additional judges authorized in this section and that after such submission the Senate shall proceed to consider such nominations at the earliest practicable date prior to the date specified in section 26 of this Act.

SEC. 6. Section 48 of title 28 of the United States Code is amended to read in part as follows:

"§ 48. Terms of court

"Terms or sessions of courts of appeals shall be held annually at the places listed below, and at such other places within the respective circuits as may be designated by rule of court. Each court of appeals may hold special terms at any place within its circuit.

"Circuits and Places:

* * * * *

"Fifth:
Eastern Division: Atlanta, Jacksonville, Miami and Montgomery.

* * * * *

"Fifth:
Western Division: New Orleans and Houston.

* * * * *

"Ninth:
Northern Division: San Francisco, Portland and Seattle.

* * * * *

"Ninth:
Southern Division: Los Angeles.

Provided, however, That the courts of appeals of the Fifth Circuit-Eastern Division is authorized to hold terms or sessions of court at New Orleans until such time as adequate facilities for the court are provided at Atlanta."

SEC. 7. Section 42 of title 28, United States Code, is amended to read as follows:

"The Chief Justice of the United States and the Associate Justices of the Supreme Court shall from time to time be allotted as circuit justices among the circuits or divisions thereof by order of the Supreme Court. The Chief Justice may make such allotments in vacation.

"A justice may be assigned to more than one circuit or division thereof, and two or more justices may be assigned to the same circuit or division thereof."

SEC. 8. Section 43 of title 28, United States Code, is amended to read as follows:

"§ 43. Creation and composition of courts

"(a) There shall be in each circuit, or division thereof, a court of appeals, which shall be a court of record, known as the United States Court of Appeals for the circuit or division.

"(b) Each court of appeals shall consist of the circuit judges of the circuit or of the division in regular active service. The circuit justice and justices or judges designated shall be competent to sit as judges of the court."

SEC. 9. Section 44(a) of title 28, United States Code, is amended to read in part as follows:

"(a) The President shall appoint, by and with the advice and consent of the Senate, circuit judges for the several circuits as follows:

"Circuits and Number of Judges:

* * * * *

"Fifth:	
Eastern Division	12
Western Division	11
* * * * *	
"Ninth:	
Northern Division	9
Southern Division	11".

* * * * *

SEC. 10. Section 45 of title 28, United States Code, is amended in part as follows:

(a) At the end of the first sentence of subsection (a) delete the period and insert the words "or division."

(b) At the end of subsection (b) delete the period and insert the words "or division."

(c) In subsection (d) after the words "present in the circuit" insert the words "or division."

SEC. 11. Section 46 of title 28, United States Code, is amended to read as follows:

"§ 46. Assignment of judges; panels; hearings; quorum

"(a) Circuit judges shall sit on the court and its panels in such order and at such times as the court directs.

"(b) In each circuit or division the court may authorize the hearing and determination of cases and controversies by separate panels, each consisting of three judges. Such panels shall sit at the times and places and hear the cases and controversies assigned as the court directs.

"(c) Cases and controversies shall be heard and determined by a court or panel of not more than three judges, unless a hearing or rehearing before the court en banc is ordered by a majority of the circuit judges of the circuit or division who are in regular active service. A court en banc shall consist of all circuit judges of the circuit or division in regular active service. A circuit judge of the circuit or division who has retired from regular active service shall also be competent to sit as a judge of the court en banc in the rehearing of a case or controversy if he sat in the court or panel at the original hearing thereof.

"(d)(1) In any circuit consisting of two divisions, each of which has jurisdiction over cases arising from a United States District Court sitting in a single State, the senior chief judge of the two divisions, upon certification or petition as hereinafter specified, shall convene a joint en banc panel consisting of the four most senior judges in regular active service in each division, excepting therefrom the senior chief judge who shall sit and preside ex officio on the joint en banc panel.

"(2) The joint en banc panel shall have only the jurisdiction specified in section 1291 (b) of this title. Such jurisdiction shall be invoked (1) upon certification by one of the divisions of that circuit that a conflict of opinion, as specified in section 1291(b) of this title, exists between the divisions of that circuit or (2) upon a petition of a party, served upon all adverse parties within the time provided herein, suggesting the existence of a conflict of opinion as specified in section 1291(b) of this title. The certification or the petition shall be filed with the designated clerk of the joint en banc panel within ten days after service of the notice of the entry of judgment by the division. The record before the joint en banc panel shall consist of the record and appendix to the briefs as submitted to the division together with such concise statement of the case and issue presented for review as may be contained in the petition or in the supplemental briefs of the parties as may be authorized in special rules promulgated by the joint en banc panel governing the procedure for joint en banc review of cases specified in section 1291(b) of this title. A majority of the judges serving on the joint en banc panel may order that the matter be heard and decided by the joint en banc panel, with or without oral argument. The designated clerk of the joint en banc panel shall perform all duties prescribed by law or rules of court as the same may be applicable to matters considered by the joint en banc panel.

"(e) A majority of the number of judges authorized to constitute a court or panel thereof, as provided in paragraph (c), shall constitute a quorum."

SEC. 12. Section 291 of title 28, United States Code, is amended to read in part as follows:

"(a) The Chief Justice of the United States may designate and assign temporarily any circuit judge to act as circuit judge in another circuit or division upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit or division where the need arises: *Provided, however*, That within a circuit consisting of two or more divisions the chief judge of the division who is senior in service may designate and assign temporarily any circuit judge from one division to act as a circuit judge in the other division upon presentation of a certificate of availability by the chief judge of the division from which the circuit judge is assigned.

* * * * *

"(c) The chief judge of a circuit or division or the circuit justice may, in the public interest, designate and assign temporarily any circuit judge within the circuit or division, including a judge designated and assigned to temporary duty therein, to hold a district court in any district within the circuit or division."

SEC. 13. Section 292 of title 28, United States Code, is amended to read in part as follows:

"(a) The chief judge of a circuit or division may designate and assign one or more district judges within the circuit or division to sit upon the court of appeals or a panel thereof whenever the business of that court so requires. Such designations or assignments shall be in conformity with the rules or orders of the court of appeals of the circuit or division.

"(b) The chief judge of a circuit or division may, in the public interest, designate and assign temporarily any district judge of the circuit or division to hold a district court in any district within the circuit or division: Provided, however, That within a circuit consisting of two or more divisions the chief judge of a division who is senior in service may designate and assign temporarily a district judge from one division to hold a district court in another division of the same circuit, upon presentation of a certificate of availability by the chief judge of the division from which the district judge is assigned."

* * * * *

Sec. 14. Section 293 of title 78, United States Code, is amended to read in part as follows:

"(a) The Chief Justice of the United States may designate and assign temporarily any judge of the Court of Claims or the Court of Customs and Patent Appeals to serve, respectively, as a judge of the Court of Customs and Patent Appeals or the Court of Claims upon presentation of a certificate of necessity by the chief judge of the court wherein the need arises, or to perform judicial duties in any circuit or division, either in a court of appeals or district court, upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit or division wherein the need arises.

"(b) The Chief Justice of the United States may designate and assign temporarily any judge of the Customs Court to perform judicial duties in a district court in any circuit or division upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit or division wherein the need arises."

* * * * *

Sec. 15. Section 294 of title 28, United States Code, is amended to read in part as follows:

"(a) Any retired Chief Justice of the United States or Associate Justice of the Supreme Court may be designated and assigned by the Chief Justice of the United States to perform such judicial duties in any circuit or division including those of a circuit justice, as he is willing to undertake.

* * * * *

"(c) Any retired circuit or district judge may be designated and assigned by the chief judge or judicial council of his circuit to perform such judicial duties within the circuit or division as he is willing and able to undertake. Any other retired judge of the United States may be designated and assigned by the chief judge of his court to perform such judicial duties in such court as he is willing and able to undertake.

"(d) The Chief Justice of the United States shall maintain a roster of retired judges of the United States who are willing and able to undertake special judicial duties from time to time outside their own circuit or division, in the case of a retired circuit or district judge, or in a court other than their own, in the case of other retired judges, which roster shall be known as the roster of senior judges. Any such retired judge of the United States may be designated and assigned by the Chief Justice to perform such judicial duties as he is willing and able to undertake in a court outside his own circuit or division, in the case of a retired circuit or district judge, or in a court other than his own, in the case of any other retired judge of the United States. Such designation and assignment to a court of appeals or district court shall be made upon the presentation of a certificate of necessity by the chief judge or circuit justice of the circuit or division wherein the need arises and to any other court of the United States upon the presentation of a certificate of necessity by the chief judge of such court. No such designation or assignment shall be made to the Supreme Court."

* * * * *

Sec. 16. Section 295 of title 28, United States Code, is amended to read in part as follows:

"No designation and assignment of a circuit or district judge in active service shall be made without the consent of the chief judge or judicial council of the circuit or division from which the judge is to be designated and assigned. No designation and assignment of a judge of any other court of the United States in active service shall be made without the consent of the chief judge of such court."

* * * * *

Sec. 17. Section 296 of title 28, United States Code, is amended to read as follows:

"A justice or judge shall discharge, during the period of his designation and assignment, all judicial duties for which he is designated and assigned. He may be required to perform any duty which might be required of a judge of the court or district, circuit, or division to which he is designated and assigned.

"Such justice or judge shall have all the powers of a judge of the court, circuit, district, or division to which he is designated and assigned except the power to appoint any person to a statutory position or to designate permanently a depository of funds or a newspaper for publication of legal notices.

"A justice or judge who has sat by designation and assignment in another district, circuit, or division may, notwithstanding his absence from such district, circuit, or division or the expiration of the period of his designation and assignment, decide or join in the decision and final disposition of all matters submitted to him during such period and in the consideration and dispositon of applications for rehearing or further proceedings in such matters."

Sec. 18. Section 331 of title 28, United States Code, is amended to read in part as follows:

"The Chief Justice of the United States shall summon annually the chief judge of each judicial circuit, or division, the chief judge of the Court of Claims, the chief judge of the Court of Customs and Patent Appeals, and a district judge from each judicial circuit or division to a conference at such time and place in the United States as he may designate. He shall preside at such conference which shall be known as the Judicial Conference of the United States. Special sessions of the conference may be called by the Chief Justice at such times and places as he may designate.

"The district judge to be summoned from each judicial circuit or division shall be chosen by the circuit and district judges of the circuit or division at the annual judicial conference of the circuit held pursuant to section 333 of this title and shall serve as a member of the conference for three successive years: *Provided, however,* That upon the effective date of this Act the district judge serving on the Judicial Conference from the fifth or ninth circuits shall continue to represent that division of his circuit wherein he resides until the next judicial conference of his circuit or division at which time each division of the circuit shall choose a district judge to serve on the Judicial Conference of the United States.

"If the chief judge of any circuit or division or the district judge chosen by the judges of the circuit or division is unable to attend, the Chief Justice may summon any other circuit or district judge from such circuit or division. If the chief judge of the Court of Claims and Patent Appeals is unable to attend, the Chief Justice may summon an associate judge of such court. Every judge summoned shall attend and, unless excused by the Chief Justice, shall remain throughout the sessions of the conference and advise as to the needs of his circuit or division or court and as to any matters in respect of which the administration of justice in the courts of the courts of the United States may be improved.

"The conference shall make a comprehensive survey of the condition of business in the courts of the United States and prepare plans for assignment of judges to or from circuits or divisions or districts where necessary, and shall submit suggestions to the various courts, in the interest of uniformity and expedition of business."

* * * * *

Sec. 19. Section 332 of title 28, United States Code, is amended to read in part as follows:

"(a) The chief judge of each circuit or division shall call, at least twice in each year and at such places as he may designate, a council of the circuit judges for the circuit or division, in regular active service, at which he shall preside. Each circuit judge, unless excused by the chief judge, shall attend all sessions of the council.

"(b) The council shall be known as the judicial council of the circuit or division.

* * * * *

"(d) Each judicial council shall make all necessary orders for the effective and expeditious administration of the business of the courts within its circuit or division. The district judges shall promptly carry into effect all orders of the judicial council. In any circuit consisting of two or more divisions each of which has jurisdiction over cases arising from a United States District Court sitting in a single State, the senior chief judge, with the concurrence of the chief judge of the other division, shall select and appoint a joint committee on rules of procedure from among circuit and district judges of the divisions, together with representatives from among attorneys practicing in each division, for the purpose of achieving relative uniformity in the local rules of procedure adopted in each division: Provided, however, That the rulemaking authority shall be exercised by the judicial council of each division.

"(e) The judicial council of each circuit or division may appoint a circuit executive from among persons who shall be certified by the Board of Certification. The circuit executive shall exercise such administrative powers and perform such duties as may be delegated to him by the circuit council. The duties delegated to the circuit executive of each circuit or division may include but need not be limited to:

"(1) Exercising administrative control of all nonjudicial activities of the court of appeals of the circuit or division in which he is appointed.

"(2) Administering the personnel system of the court of appeals of the circuit or division.

"(3) Administering the budget of the court of appeals of the circuit or division.

* * * * *

"(6) Conducting studies relating to the business and administration of the courts within the circuit or division and preparing appropriate recommendations and reports to the chief judge, the circuit council, and the Judicial Conference.

* * * * *

"(8) Representing the circuit or division as its liaison to the courts of the various States in which the circuit is located, the marshall's office, State and local bar associations, civic groups, news media, and other private and public groups having a reasonable interest in the administration of the circuit or division.

"(9) Arranging and attending meetings of the judges of the circuit or division and of the circuit council, including preparing the agenda and serving as secretary in all such meetings.

"(10) Preparing an annual report to the circuit or division and to the Administrative Office of the United States Courts for the preceding calendar year, including recommendations for more expeditious disposition of the business of the circuit or division.

"All dutes delegated to the circuit executive shall be subject to the general supervision of the chief judge of the circuit or division.

"(f) * * *

"The circuit executive shall serve at the pleasure of the judicial council of the circuit or division."

* * * * *

SEC. 20. Section 333 of title 28, United States Code, is amended to read as follows:

"§ 333. Judicial conferences of circuits

"The chief judge of each circuit or division shall summon annually the circuit and district judges of the circuit or division, in active service to a conference at a time and place that he designates, for the purpose of considering the business of the courts and advising means of improving the administration of justice within such circuit or division. He shall preside at such conference, which shall be known as the Judicial Conference of the circuit or division. The judges of the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virginn Islands shall also be summoned annually to the conferences of their respective circuits or divisions.

"Every judge summoned shall attend, and unless excused by the chief judge, shall remain throughout the conference.

"The court of appeals for each circuit or division shall provide by its rules for representation and active participation at such conference by members of the bar of such circuit or division.

"In circuits having two or more divisions an annual judicial conference may be held jointly by the divisions in which event it shall be summoned and presided over jointly by the chief judges of the several divisions."

SEC. 21. Section 334 of title 28, United States Code, is amended by inserting the words "or division" after the words "the chief judge of each circuit" in the second sentence of subsection (a) and in subsection (b).

SEC. 22. Section 451 of title 28, United States Code, is amended by inserting the following new paragraph at the end of the section:

"The terms 'judicial circuit,' 'circuit court,' 'judicial council of the circuit,' and 'court of appeals of the appropriate circuit' as used in this title or other titles also mean and relate to a division of a circuit which has two or more divisions created pursuant to this Act unless the context in which said term is used necessarily excludes such meaning."

SEC. 23. Section 1297 of title 28, United States Code, is amended to read as follows:

"§ 1294. Circuits in which decisions reviewable

"Appeals from reviewable decisions of the district and territorial courts shall be taken to the courts of appeals as follows:

"(1) From a district court of the United States to the court of appeals from the circuit or division, embracing the district;

"(2) From the United States District Courts for the District of the Canal Zone, to the Court of Appeals for the Fifth Circuit, Eastern Division;

"(3) From the District Court of the Virgin Islands, to the Court of Appeals for the Third Circuit;

"(4) From the District Court of Guam, to the Court of Appeals for the Ninth Circuit, Northern Division."

SEC. 24. Section 1254 of title 28, United States Code, is amended in part by changing the first sentence of the section to read as follows:

"Cases in the courts of appeals, including cases before a joint en banc panel specified in section 46 of this title, may be reviewed by the Supreme Court by the following methods:".

* * * * *

SEC. 25. Section 1291 of title 28, United States Code, is amended to read as follows:

"§ 1291. Final decisions of district courts and of divisions of some circuit courts

"(a) The courts of appeals shall have jurisdiction of appeals from all final decisions of the district courts of the United States, the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands, except where a direct review may be had in the Supreme Court.

"(b) In any circuit consisting of two divisions each of which has jurisdiction over cases arising from a district court of the United States sitting in a single State, a joint en banc panel convened as provided in section 46 of this title, shall have jurisdiction over any decision by a division of that circuit which is in conflict with a decision by the other division of that circuit affecting the validity, construction, or application of any statute or administrative order, rule, or regulation, State or Federal, which affects personal or property rights in the same State."

SEC. 26. The creation of courts of appeals for the eastern and western divisions of the fifth circuit and for the northern and southern divisions of the ninth circuit including the exercise of jurisdiction conferred by this Act upon those courts shall become effective on January 1, 1976.

By Mr. SPARKMAN:

S. 730. A bill to exempt small independent oil producers from the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

Mr. SPARKMAN. Mr. President, last fall, I introduced S. 4001. This legislation was designed to provide a clear and concise distinction between the truly independent oil producers of this country and the major oil companies. S. 4001 died with the adjournment sine die of the last Congress.

I am reintroducing this legislation today because it seems to me to be rather urgent from the standpoint of small independent producers of this country, that with all of the proposed tax legislation applicable to the industry, they be carefully identified and then separated from the giant integrated, multinational major oil companies.

The last time Congress failed to distinguish between the independents and the majors, the Tax Reform Act of 1969 became law. The majors passed their additional tax loss on to the consuming public and the nonintegrated producers who have traditionally found 80 percent of the domestic reserves of oil and natural gas in this country were penalized.

In discussing the merits of this bill in this chamber during the last Congress, I analogized the capital structures of the major oil companies as opposed to the economic posture of the independent producers as reminiscent of David and Goliath. I characterized our previous attempts to limit the size of the Goliaths as having only succeeded in taking away pebbles from the Davids of the oil industry.

My overriding reason for preserving and protecting the small independent oil sector of the oil industry is because they are and have been the traditional sources of new domestic exploration and drilling.

It is my fervent hope, Mr. President, that this legislation will be a building block upon which we can move closer to true energy independence. We must take a long view in preserving and encouraging the sector of the oil industry that has consistently stood at the frontier of energy exploration and development. The problem is squarely before us. The time to answer is now.

By Mr. DOMENICI:

S. 731. A bill to designate certain lands in the Bandelier National Monument, New Mexico, as wilderness. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, I rise to introduce legislation to create the Bandelier Wilderness area in the State of New Mexico. This is a proposal which was submitted to me by Mr. Carl B. Bowman, a senior at New Mexico State University who is majoring in both biology and anthropology.

Mr. Bowman has made a number of changes in the proposal submitted to the Congress by the President. I have reviewed these changes and find that they merit consideration by the committee. The changes reflect Mr. Bowman's knowledge and recognition of the rich cultural and historical resource in the form of prehistoric ruins. In his report he states:

> The important consideration is that no portion of the legislation establishing the Bandelier Wilderness should eliminate the option to excavate these ruins in the future and in a manner that will not seriously damage the environment over an extended period of time.

He goes on to say:

> The preservation of wilderness in Bandelier National Monument is not only something of aesthetic value, but as demand for solitude grows, it becomes a necessity. The history of ancient man in his environment is likewise not only of aesthetic value, but may have some bearing on the strivings of our culture to live in our environment. Both are equally important values in Bandelier. Neither should be sacrificed for the other.

Mr. President, I ask unanimous consent that a report which gives the overview of the changes be included in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

PROPOSED CHANGES TO THE RECOMMENDED WILDERNESS FOR BANDELIER NATIONAL MONUMENT

INTRODUCTION

Although the primary purpose in the establishment of Bandelier National Monument was the preservation of prehistoric Indian ruins and artifacts, by lucky coincidence, a wide range of plants and animal communities were also preserved in the Monument. In the Wilderness Recommendation prepared by the National Park Service most of those communities have been set aside in wilderness. However, two of these communities, the pine-spruce forest on the flanks of the Jemez Mountains and the semi-desert grassland, riparian areas of the White Rock Canyon of the Rio Grande have been excluded. The Changes I have proposed in this report would include these areas in the wilderness.

In the White Rock Canyon, Cochiti Lake will flood the bottomland of the Rio Grande in Bandelier. Because of this, the wilderness for this area has been divided into two sections. The first (White Rock Wilderness Addition) will not be inundated by Cochiti Lake. The second (Rio Grande Wilderness Addition) cannot be established unless the filling of Cochiti Lake is limited to the Maximum Conservation Pool. Taken together, these two wilderness additions will include the continuum from lightly forested plateau to the riverside parks of the Rio Grande.

Two deletions from the Recommended Wilderness are also proposed. The first, containing the large San Miguel Ruins, will facilitate mechanized excavation of those ruins. The second (Capulin) will remove land from the Recommended Wilderness that will be flooded by Cochiti Lake.

This report is not a counterproposal to the Recommended Wilderness prepared by the National Park Service. Rather, it is a list of proposed changes I feel should be made to that recommendation. In addition to this short copy, a longer report has been provided to deal with the proposed changes in more detail.

Proposed change A: Jemez Wilderness addition

This wilderness addition of 637 acres in northwestern Bandelier would contain the dense pine-spruce forest on the flanks of the Jemez Mountains. A very small area of this forest type is contained in the Recommended Wilderness, but to insure a more balanced ecosystem, a larger area must be included. The dense nature of this forest means that any formalized development beyond trail building would require extensive clearing. A non-wilderness corridor north of this addition does provide space for clearing and development, and a buffer for the wilderness area.

No difficulties are apparent regarding the designation of the Jemez Addition as wilderness. Designation as such would preclude future use of the area for major recreational developments, but due to the dense nature of the forest and its distance from other developments, it is unsuited for major developments, especially compared to other Monument lands further to the east. It seems unlikely that major ruins exist in the proposed addition.

Proposed change B: White Rock Wilderness addition

The White Rock Canyon of the Rio Grande is one of the most scenic portions of Bandelier. At present, the canyon is almost totally free of modern developments. The 504 acres of the White Rock Wilderness Addition will not be affected directly by the filling of Cochiti Lake. The addition lies above the 20-year Flood Pool of the lake and a buffer zone above the highest lake level. It will preserve the striking pink and buff cliffs which terminate the Pajarito Plateau above the Rio Grande.

Aside from grazing, no problems exist to designation as wilderness. Grazing this high on the canyon walls is infrequent, and by fencing the Monument boundary and the filling of Cochiti Lake, grazing can hopefully be eliminated. In addition to the buffer zone protecting this wilderness addition from the Flood Pool of Cochiti Lake, much of its length will be north of the Maximum Conservation Pool, keeping it isolated from the reservoir.

Proposed change C: Rio Grande Wilderness addition

Unlike the White Rock Wilderness Addition, the designation of the Rio Grande Wilderness Addition is tied intimately with the filling of Cochiti Lake past the Maximum Conservation Pool. If designated, the area would, along with the White Rock Wilderness, round out the preservation of communities within the Bandelier Wilderness by preserving the continuum from lightly forested plateau to the banks of the Rio Grande. Along the river, the relatively lush parks and old river benches would be included. About half of the Rio Grande Wilderness Addition lies along the Rio Grande.

Much of the 523 acres of the Rio Grande Wilderness Addition will be flooded by Cochiti Lake if it is allowed to rise above the Maximum Conservation Pool. Therefore, before the Rio Grande Wilderness can be added to the Bandelier Wilderness, the filling of Cochiti Lake must be limited to the maximum Conservation Pool.

Proposed change D: Stone Lions Enclave Wilderness addition

The retention of an enclave for the Stone Lions, Yapashi Pueblo, and the Backcountry Patrol Cabin is certainly necessary. However, the Park Service Recommendation excludes an unnecessarily large area from the wilderness. As an intrusion in the wilderness, the enclave should be kept as small as possible. The addition of 369 acres to the wilderness will still provide the non-wilderness enclave for excavation of Yapashi Pueblo and the surrounding cliff dwellings, protection of the Stone Lions Shrine, the Patrol Cabin, and a connecting corridor between the cabin and archaeological sites. The outstanding escarpment above the Stone Lions, as well as more of Capulin Canyon and the surrounding mesas, would be added to the wilderness.

Aside from removing a few traces of the old Capulin Canyon Road, no difficulties exist in the inclusion of this area in the wilderness. The wilderness enclave boundary will be lengthened, but due to the limited extent of development in the enclave in both time and space, no future problems are expected to occur.

Proposal E: San Miguel Wilderness exclusion

San Miguel Pueblo ruin is the second largest ruin in the Bandelier backcountry (following Yapashi Pueblo). Because of the large size of this ruin, and the amount of fallen wall material, an enclave of 56 acres is proposed to surround the San Miguel ruin. The removal of this area from the wilderness will facilitate mechanical excavation of the ruin and surrounding archaeological sites. The enclave is dominated by pinon-juniper woodland, typical of the southern portion of the Monument. No unique natural features of the Monument will be excluded from the Wilderness.

Proposal F: Capulin Wilderness exclusion

Should Cochiti Lake be allowed to fill above the Maximum Conservation Pool (see Proposal C: Rio Grande Wilderness Addition), abount 8.5 acres in lower Capulin and Hondo Canyons will be submerged. Since this land lies within the Recommended Wilderness, and since the flooding is incompatible with wilderness objectives, this area is proposed for exclusion from the wilderness. The boundary of the wilderness area would then lie on the shore of Cochiti Lake at its maximum depth.

By Mr. DOLE:

S. 732. A bill to grant a preference in employment in the competitive Civil Service to individuals who have served an enlistment in a National Guard or Reserve unit. Referred to the Committee on Post Office and Civil Service.

Mr. DOLE. Mr. President, I am today introducing a measure which would extend preference eligibility in Federal employment to those men and women who have served satisfactorily in a National Guard or Reserve unit over a period of time. Under the provisions of my bill, qualified persons would receive a 3-point preference eligibility for competitive civil service jobs.

Federal hiring preference for veterans of military service has been an accepted policy of this Government since the time of the Civil War and was duly codified when the Veterans Preference Act received congressional approval in 1944. At that time, there was general agreement that a uniform method should be established by which special consideration would be given to qualified veterans seeking Federal employment. Five-point preference was given to honorably discharged veterans who served on active duty, while disabled veterans, their wives, widows, and in some cases their mothers were granted a 10-point edge in the competitive examination for Federal employment. The Veterans Preference Act was completely justified then, and it is justified today in that it gives appropriate recognition and deference to those who have given of themselves to serve this Nation.

INEQUITY FOR RESERVES

There is, however, an inequity in the application of those benefits, which I seek to rectify today. Since the act was implemented, veterans of National Guard and Reserve units have been specifically excluded from its provisions. Despite the fact that these men and women—all volunteers—have spent an initial period of several months in active duty training, and despite the fact that many remain "on call" for their country for an additional 6 to 8 years.

These individuals receive no Federal employment benefits whatsoever. In particular, members of the Selected Reserve of the Ready Reserve—the Active segment—spend one weekend per month with their units, and an additional 2 weeks of active duty for training each year, as long as they remain in that status. Many of them experience difficulties with their jobs and their families in the process of staying prepared for national emergencies. Yet they receive absolutely no credit equivalent to that of their active-duty counterparts in the armed services—draftees and volunteers alike—many of whom complete their normal military obligation within 2 years.

Now, I do not intend in any way to disparge the current employment preference which the Government extends to active-duty veterans. I said before that this is both appropriate and entirely justified. But I do think it is only fair that some measure of equivalent recognition be extended to those who have dedicated a not insignificant portion of their lives to prepare themselves and stand ready for the national defense.

Accordingly, this measure will provide a just and equitable degree of civil service hiring preference—3 points—to those men and women who have satisfactorily participated in the Selected Reserve of the Ready Reserve for a period of at least 12 consecutive months. This should include by far the largest bulk of those who enter and complete the initial period of reserve drill training and preparation for national emergency.

RESERVIST AND NATION BENEFIT

Who will benefit?

The reservists will benefit. He will be given an equitable degree of recognition and employment preference by the Government of the Nation he stands ready to defend in its time of need.

The Nation will benefit. By providing an additional benefit to members and former members of the National Guard and Reserve units of the Army, Navy, Air Force, Marine Corps, and Coast Guard, this bill will serve to strengthen these essential units of our national security. It may well help to bolster the sagging Reserve enlistment trend which has developed in the past 2 years since suspension of the draft.

Mr. President, there are currently more than 2.3 million competitive Federal jobs in our civil service system. In my own State of Kansas, there are more than 13,000 current members of the Selected Reserve and several thousand former members who would potentially benefit from the provisions of this measure.

The measure should not create any adverse effect upon the civil service, which annually hires some 250,000 employees. We know that not every reservist will want to take advantage of these provisions. We also know that a three-point preference is not going to put anyone else at a serious disadvantage.

But the Government employment preference—however large or small it may seem in the individual case—will be greatly appreciated and richly deserved by America's selected reservists. The times are suitable for extension of veterans' preference benefits. And I believe this is the time for us to act in giving equitable recognition to those who stand by to protect us from both internal and external threat.

Mr. President, I ask unanimous consent that the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 732

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2108(1) of Title 5, United States Code, is amended—

(1) by striking out "or" at the end of subparagraph (A);

(2) by striking out in subparagraph (B) the comma after "January 31, 1955" and all that follows and inserting in lieu thereof a semicolon and "or"; and

(3) by inserting immediately below subparagraph (B) the following new subparagraph:

"(C) served satisfactorily as a member of the Selected Reserve of the Ready Reserve as defined by section 268(b) of title 10 for a period of at least 12 consecutive months;":

(b) Section 2108(3) of such title is amended—

(1) by striking out "and" at the end of subparagraph (F)(iii);

(2) by striking out the period at the end of subparagraph (G)(iii) and inserting in lieu thereof a semicolon and "or"; and

(3) by adding at the end thereof the following new subparagraph:

"(H) a veteran as defined by paragraph (1)(C) of this section.".

Sec. 2. Section 3309 of such title is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new paragraph:

"(3) a preference eligible under section 2108(3)(H) of this title—3 points.".

Sec. 3. The amendments made by this Act shall apply on and after the date of enactment.

By Mr. McINTYRE:

S. 739. A bill to promote competition in the marketing of petroleum products by providing for a moratoriu mon further control or acquisition of marketing outlets by petroleum producers and refiners, and for other purposes. Referred to the Committee on the Judiciary.

THE PETROLEUM MARKETING MORATORIUM ACT OF 1975

Mr. McINTYRE. Mr. President, I send to the desk for appropriate reference legislation to provide for a moratorium on further acquisition of petroleum marketing outlets by large integrated petroleum producers or refiners.

The Petroleum Marketing Moratorium Act of 1975 is almost identical to legislation I introduced in 1973. It would make it unlawful for any person or corporation directly or indirectly engaged in the production, refining, or transportation of petroleum products whose annual gross sales total over $1 billion to acquire, either directly or indirectly, any retail gasoline outlet for the marketing of petroleum products which was not acquired by such person as of May 1, 1975.

Violations of the act will be punishable by fines not to exceed $100,000 or by imprisonment not to exceed 10 years.

In addition to this enforcement provision, the Attorney General is authorized to commence appropriate civil action to enjoin any violation of this act.

The act also directs the Federal Trade Commission within 1 year of passage to prepare a plan for divestiture of the retail marketing of gasoline from all other branches of the petroleum industry, namely, production, refining, and transportation.

There is no doubt that we need this legislation as part of an overall package of legislation to help us through this difficult period in our Nation's history.

We are seeing a drive toward concentration in the Nation's energy industry. Major oil companies propose to buy other companies, independent nonbranded dealers are being driven out of business, and the Nation's oil giants continue to move forward to take over the last remaining area of competition in the oil industry—the marketing sector.

I should like to point out that the Exxon Corp. decided last week to turn 1,000 of its stations that have been run by independent franchisors over to salaried employees. Texaco appears to want to do the same.

A moratorium to stop this type of activity is clearly in the interests of the Nation's small business independent gasoline marketers and the consuming public. We need total divestiture of retail outlets from the oil giants, but until such a bill is before us, we must have a moratorium designed to hold the oligopoly at bay. This legislation will accomplish this end.

Mr. President, I ask unanimous consent that the Petroleum Marketing Moratorium Act of 1975 be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 739

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Petroleum Marketing Moratorium Act of 1975".

Sec. 2. It is hereby declared to be the policy of Congress to assist in reducing inflation, and protecting the purchase power of the dollar by making more competitive the marketing of petroleum products.

Sec. 3. As used in this Act—

(a) The term "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, joint-stock companies, trustees and receivers in bankruptcy and reorganization, common-law trusts, or any organized group, whether or not incorporated.

(b) The term "production" means the development of oil lands within the United States and the production of crude petroleum and natural gas thereon, the storage of crude petroleum and natural gas thereon.

(c) The term "transportation" means the transportation of petroleum products by means of pipelines, railroads, or tankers.

(d) The term "refining" means the refining, processing or converting of crude petroleum, fuel oil, or natural gas into finished or semifinished products. It shall include the initial sale with transfer of ownership of refined petroleum products to customers at the refinery.

(e) The term "marketing" means the sale and distribution of refined petroleum products, other than the initial sale with transfer of ownership to customers at the refinery.

(f) The term "control" means actual or legal power or influence over another person, whether direct or indirect, arising through direct or indirect ownership of capital stock, interlocking directorates or officers, contractual relations, agency agreements, or leasing arrangements where the result is used to affect or influence persons engaged in the marketing of petroleum products.

(g) The term "outlet" means real property used primarily as a place for the wholesale and retail sales of petroleum products.

(h) The term "operate" means engaging in the business of selling at wholesale and retail petroleum products, or motor vehicle parts, equipment, accessories, or supplies either directly, or indirectly through any agent who receives any commission, compensation, or payment because of the sale of any product of such producer or refiner.

Sec. 4. It shall be unlawful for any person directly or indirectly engaged in the production, refining, or transportation of petroleum products whose aggregate gross sales exceeded $1,000,000,000 during last year or any preceding year to acquire, operate, or control either directly or indirectly any wholesale or retail outlet for the marketing of petroleum products which were not acquired, operated, or controlled by such person as of May 1, 1975.

Sec. 5. Any person knowingly violating the provisions of this Act shall upon conviction be punished by a fine of not to exceed $100,000 or by imprisonment not exceeding ten years, or both, in the discretion of the court. A violation by a corporation shall be deemed to be also a violation by the individual directors, officers, receivers, trustees, or agents of such corporation who shall have authorized, ordered, or done any of the acts constituting the violation in whole or in part.

Sec. 6. It shall be the duty of the Attorney General to commence a civil action for appropriate relief, including a permanent or temporary injunction, whenever any person violates section 4. Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business, and such court shall have jurisdiction to restrain such violation and to require compliance.

Sec. 7. Any person or association injured as a result of the violation of section 4 may bring a suit or action to enforce compliance with or enjoin any violation of section 4 and for any damages suffered as a result of the violation thereof. Any such action shall be brought in the United States district court in any district wherein the defendant is found or is an inhabitant or transacts business. Process in any such cases may be served in any other district.

SEC. 8. The Federal Trade Commission is hereby directed to prepare a plan for the divestiture of "persons" engaged in the production or refining of petroleum products from the marketing of petroleum products and file such plan with the Congress of the United States within a year of the effective date hereof.

SEC. 9. This Act does not affect the rights and duties that matured, penalties that were incurred, and proceedings that were begun, before its effective date.

SEC. 10. If a part of this Act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this Act is invalid in one or more applications, the part remains in effect in all valid applications that are severable from the invalid applications.

By Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. STEVENSON, Mr. BAYH, and Mr. LEAHY):

S. 740. A bill to promote the general welfare by establishing a National Energy Production Board to assure early development of energy resources on the public domain and on other Federal lands and on the Outer Continental Shelf in order to overcome the dependence of the United States on foreign nations for energy supplies which are essential to national security, commerce, and a full-employment economy. Referred to the Committee on Interior and Insular Affairs.

NATIONAL ENERGY PRODUCTION BOARD ACT OF 1975

Mr. JACKSON. Mr. President, I am introducing today the National Energy Production Board Act of 1975. This act will create a National Energy Production Board to mobilize on an urgent basis the materials, manpower and financial resources necessary to accelerate exploration and development of our domestic energy resources, particularly the vast oil and gas reserves on our public lands on the Outer Continental Shelf and in Alaska.

Mr. President, a concerted national energy production program must accompany energy conservation if we are to achieve energy self-sufficiency, insure the independence of our foreign policy and the stability of our economy. The Nation's job, and the job of the National Energy Production Board, is to identify, explore and develop domestic energy resources in the shortest possible time, consistent with environmental concerns and the legitimate interests of State and local governments.

The Board will spearhead a national effort utilizing public and private skills and know-how. State governments will have a role in planning and consultation. Federal agencies with unutilized or underutilized resources and expertise—the Interior Department, the Army Corps of Engineers, the Defense Department, NASA, and others—will have operational responsibilities in implementing programs developed by the Board.

While there is debate on the full extent of recoverable oil and gas reserves in the United States, there is agreement on the enormous potential for oil and gas exploration and development on public lands, on the Outer Continental Shelf, and the Naval Petroleum Reserves in California and Alaska. An estimated 10 to 33 billion barrels of oil, and 80 trillion cubic feet of natural gas, await full exploration in Naval Petroleum Reserve No. 4 in Alaska. These estimates do not even include the yet to be explored Outer Continental Shelf or the already proven petroleum reserves in Alaska's Prudhoe Bay region where a minimum of 10 billion barrels—and perhaps many times that figure—await exploration and development. Whatever the ultimate potential of these areas, it is time to stop estimating and to start exploring.

Mr. President, the Board will develop Federal programs and implement Federal initiatives to supplement, not supplant, private sector activities. Cooperation between public and private sectors, and between State and Federal Government, will expedite this necessary energy exploration and development. The great history of achievement of the War Production Board demonstrates what such coooperative action can achieve in a period of national crisis. Our country can repeat this achievement in peacetime, if we again summon the will, resources and managerial talents available to us.

Business as usual will not suffice. From 1972 to 1974, for example, the number of mobile drilling rigs in U.S. waters rose by a mere 2—from 70 to 72. During the same period, foreign drilling activity increased by over 70 percent. This is the kind of alarming and counterproductive trend the Board can reverse. The authorities I propose for this Board can produce the kind of public direction and private incentives necessary for the construction of new drilling rigs, which are in potentially short supply, and for bringing back into U.S. waters some of the estimated 250 rigs which will be operating abroad in 1976.

The massive exploration and development of national energy resources demands an action-forcing agency: to eliminate material and procedural bottlenecks, to overcome manpower and equipment shortages, to end jurisdictional rivalries, and to create a sense of national purpose and urgency.

Mr. President, there is widespread support for the creation of an action-forcing agency, which I believe the National Energy Production Board will be. Last week the prestigious Atlantic Council recommended, inter alia, creation of an Energy Supply Authority and an Energy Supply Fund "to provide for the United States to meet its future energy demands and to function as a major factor in assisting others."

Given the agreed-upon objective of increasing domestic energy resources as rapidly as possible, and the emerging consensus on the means for achieving this objective, I believe legislation creating a National Energy Production Board will receive broad support, and I hope, early enactment in this Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the legislation as I have introduced it today. I intend to hold hearings on the bill creating the Board in the near future. As introduced, the bill marks out the path to be followed. Constructive comments and suggestions for its improvement will, of course, be welcomed.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

NATIONAL ENERGY PRODUCTION BOARD ACT OF 1975

DESCRIPTION OF PROVISIONS

Findings and purpose

Under this Act the Congress finds that in order to overcome the dependence of the United States on foreign sources of energy the Federal government is obligated to supplement efforts of the private sector to develop domestic, Federally-owned energy resources through innovative programs developed by a new Federal entity patterned after the War Production Board of World War II, which will recommend and propose specific action programs to the Congress to increase domestic energy supplies and, subject to authorization, direct the carrying out of such programs.

The purposes of the Act are to mobilize on an urgent basis all of the resources and expertise of the Federal government, to stimulate the economy, to create jobs, and to enhance competition in the energy industry through vigorous programs of direct and indirect Federal involvement in the accelerated development of domestic energy resources.

Title I—National Energy Production Board

The National Energy Production Board will consist of a Chairman and four members appointed by the President with the advice and consent of the Senate. The Chairman of the Board has cabinet rank (Level I of the Executive Schedule) and the members of subcabinet rank (Level II). The Board is established for a five-year term subject to extension by the Congress. No member may hold another position in the Executive branch, nor may a member, after service on the Board, represent any party other than the United States in a matter involving the Board. The Board will have power to make full use of competent personnel and enter intocontract s to carry out its work.

Title II—Duties and responsibilities

The Board is empowered to monitor all activities of the Federal government and the private sector within the United States or in other parts of the world which have a bearing on the development of domestic energy resources or the availability of material, equipment or manpower for such development.

The Board is directed to prepare and carry out a Federal oil and gas exploration program designed to determine the extent, location and value of oil and gas reserves on Federal lands, including the Outer Continental Shelf. This program shall involve prompt, comprehensive, and environmentally responsible activities, including exploratory drillings, in consultation with affected State and local governments.

Title III—Programs for congressional review with right of disapproval

The Board is directed to prepare, within ninety days, programs for the development of Naval Petroleum Reserves (NPR) Numbered 1, 2, and 3, in California and Wyoming and the exploration of Naval Petroleum Reserve Numbered 4 in Alaska. The plan for development of NPR 1, 2 and 3 shall provide for the prompt development of these reserves to a state of ready availability for use to meet requirements for strategic oil storage and critical civilian requirements. Either of these programs may be disapproved by action of either

House of Congress within sixty days after their submission. If no disapproval is made the programs may go forward contingent on the availability of funds from the Energy Production Trust Fund created by Title VI.

The Board is also directed to submit within ninety days, a Federal Facilities Energy Program providing for the use of existing Federal facilities and resources to assist in the accelerated exploration, development and production of energy resources. The same procedure of Congressional review and right of disapproval applies to the Federal Facilities Energy Program.

To expedite Federal agency action on essential energy development projects the Board is also authorized to identify Federal procedures and requirements that significantly delay decision-making and action on specific essential energy projects and to propose expediting procedures to the interested department or agency consistent with existing law.

Upon a determination by the Board that a specific activity or project is of high national priority and unusual urgency, the Board is authorized to recommend to the Congress an Expedited Energy Project Procedure designed to overcome delays and institutional impediments. Such expedited procedure would become effective unless disapproved by action of either House within sixty days after its submission to the Congress.

Title IV—Programs requiring express legislative authorization

The Board is directed to prepare, within nine months, Federal action programs to accelerate coal production from public lands of the United States, improvement and augmentation of the energy transportation system, including rebuilding railroad systems, coal slurry pipelines, oil and natural gas pipelines, and a Federal oil and gas production program. The Federal oil and gas production program shall include provisions for development and production of oil and gas reserves under Federal management, joint ventures and cost sharing with private industry and preferences for entry into the oil and gas production industry by independent producers. None of the programs authorized under this title may proceed without express legal authorization of the Congress.

Title V—Guidelines and administration

In developing programs to increase the production of domestic energy resources the Board shall consider and evaluate the impact of the programs on energy self-sufficiency, the quality of the environment, Federal revenues, employment and regional economic impact, and competition in the energy industry. Federal assistance under the programs may involve direct utilization of existing Federal facilities or other skills and expertise, the designation of a Federal lead agency for the project, or a cooperative role involving private enterprise.

The Energy Resources Council, the Governor of any affected State and the governing bodies of political subdivisions of affected local areas shall review proposals of the Board. In addition, right of review and comment shall be provided to private industry, labor, and environmental and consumer groups.

Title VI—National Energy Production Trust Fund

The National Energy Production Trust Fund established by the Act will receive $1 billion in fiscal year 1976 and $2 billion annually thereafter through fiscal year 1984 to be taken from revenue payable to the U.S. Treasury under the Outer Continental Shelf Lands Act. Appropriations from the Fund require an act of Congress.

Title VII—Advisory committees and interagency coordination

The Board is authorized to appoint special energy advisory committees for each project proposed. These committees shall represent the views of State and local government, the affected industries, labor, and environmental and consumer organizations. The Energy Resources Council shall assist the Board at the Board's request in the coordination of Federal agency activities under the Act.

Mr. JACKSON. Mr. President, I ask unanimous consent that if and when this measure is reported that it be referred to the Committee on Commerce and the Committee on Armed Services for not to exceed 40 days.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, reserving the right to object, I do not know what the bill is. But I will say I do not particularly like the time limit on the reference to the other committees.

Mr. JACKSON. Well, Mr. President, this is a bill to authorize the setting up of the National Energy Production Board. It does involve certain limited areas in which the Armed Services Committee would have a special interest. I am referring specifically to the Naval Petroleum Reserves, and I am referring to that area in which the Committee on Commerce has an interest as it pertains to the Outer Continental Shelf.

The Interior Committee has complete jurisdiction of the Outer Continental Shelf, and it was worked out with the respective committees.

Mr. GRIFFIN. When the Senator says it was worked out with the respective committees—in other words, have the ranking member of the Armed Services Committee and the ranking member of the Commerce Committee given their approval to this arrangement?

Mr. JACKSON. Well, I must say that I cannot personally vouch for that. But I do not think there is any question. If the Senator wishes to object it will just go to the Interior Committee, and I will have to check it out later.

Mr. GRIFFIN. Mr. President, I object temporarily and for the time being.

The PRESIDING OFFICER. Objection is heard.

By Mr. PROXMIRE (for himself and Mr. TOWER):

S.J. Res. 33. A joint resolution to extend the Federal riot reinsurance and crime insurance programs. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, I am introducing along with Senator TOWER a joint resolution to extend the Federal riot reinsurance and crime insurance programs for 3 years. These programs are to expire on April 30, 1975. I ask unanimous consent that the text of the joint resolution be inserted in the RECORD, along with a letter from the Under Secretary of HUD concerning this proposal as well as a justification for same prepared by HUD.

There being no objection, the joint resolution and letter were ordered to be printed in the RECORD, as follows:

S.J. RES. 33

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1201 of the National Housing act is amended—

(1) by striking, in subsection (b)(1), "April 30, 1975" and inserting in lieu therof "April 30, 1978";

(2) by striking, in subsection (b)(1)(A), "April 30, 1978" and inserting in lieu thereof "April 30, 1981"; and

(3) by striking, in subsection (b)(2), "April 30, 1978" and inserting in lieu thereof "April 30, 1981".

THE UNDER SECRETARY OF HOUSING
AND URBAN DEVELOPMENT,
Washington, D.C., February 12, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am enclosing proposed legislation to extend the Federal riot reinsurance and crime insurance programs for three years. Under existing law, the authority of the Secretary of Housing and Urban Development to provide new riot reinsurance and crime insurance coverages will terminate on April 30, 1975. Also enclosed for your convenience is an explanation of the proposal.

Since its inception in 1968, the riot reinsurance program, including FAIR Plans, has enabled millions of home owners, tenants, and businessmen to obtain fire and other essential property insurance at reasonable rates while substantially relieving insurers of the risk of loss from riot or civil disorders. In our view, the program has been and continues to be both viable and of significant value. Its continuation for three years is desirable.

We believe the Federal crime insurance program also should be extended for three years. Although policy levels have been somewhat lower than had been expected initially, the program serves a constructive purpose by providing otherwise unavailable crime insurance coverages at affordable rates while encouraging insureds to install and maintain reasonable protective devices to guard their property against loss. We believe continuation of this program is merited, particularly because policy sales are now increasing rapidly.

The Office of Management and Budget has advised us that enactment of this draft legislation would be consistent with the Administration's objectives.

Sincerely yours,

JAMES L. MITCHELL.

EXPLANATION AND JUSTIFICATION OF PROPOSED EXTENSION OF THE RIOT REINSURANCE AND CRIME INSURANCE PROGRAMS

Title XII of the National Housing Act, as added by the Urban Property Protection and Reinsurance Act of 1968, title XI of the Housing and Urban Development Act of 1968, authorizes the Secretary of Housing and Urban Development to reinsure property insurers against losses from riots or civil disorders in States having adequate plans to assure fair access to insurance requirements (FAIR Plans).

Under present law, the Secretary's authority to provide such reinsurance will expire on April 30 of this year. After that date, no new reinsurance coverage may be provided, although existing policies already reinsured by that date may continue, for up to three years (until April 30, 1978), to be reinsured until they expire or are renewed. The proposal would extend the Secretary's authority to provide new reinsurance coverage for three years, until April 30, 1978, and his authority to continue existing reinsurance coverage for three years thereafter (until April 30, 1981).

The basic reasons for continuing the riot reinsurance program are the program's amply demonstrated worth and viability and the continuing need for its existence. When the Congress authorized the program in 1968, it found, among other things, that: the vitality of many American cities is being threatened by the deterioration of their inner-city areas; responsible owners of well-maintained residential business and other properties in many of these areas are unable to obtain adequate property insurance coverage against fire, crime and other perils; the lack of such insurance coverage accelerates the deterioration of these areas by discouraging private investment and restricting the availability of credit to repair and improve property therein and this deterioration poses a serious threat to the national economy.

The Congress further found that "the capacity of the private property insurance industry to provide adequate insurance is threatened, and the continuity of such property insurance protection is essential to the extension of credit in these areas." And finally, the Congress found that "the national interest demands urgent action by the Congress to assure that essential lines of property insurance including lines providing protection against riot and civil commotion damage will be available to property owners at reasonable cost."

Since its inception, the riot reinsurance program has achieved a notable measure of success in alleviating those problems. It has stimulated the adoption of FAIR Plans which have enabled millions of home owners, tenants, and businessmen in 27 States (including the District of Columbia) to obtain essential fire and extended coverage insurance (including protection against riot, vandalism and malicious mischief). Also, while the amount of property losses from riots has declined on an overall basis since the late 1960's, there is no doubt that the risk of such losses remains real. Moreover, both the number of insureds and the dollar volume of coverage written through FAIR Plans have increased until, at present, FAIR Plan business represents a significant percentage of all property insurance written in many metropolitan areas. While recent data indicate that the Plans are experiencing a decrease in use, there are strong indications that current adverse conditions in the insurance industry will result in a resurgence in the near future.

In view of the demonstrated continuing need for FAIR Plans, continuation of the riot reinsurance program would appear essential. Enabling statutes in 12 States actually condition the existence of a FAIR Plan in the State on the availability of Federal riot reinsurance, and the future of the FAIR Plans, and the invaluable insurance protection they offer, could be in doubt in many other States if riot reinsurance were no longer available.

Elimination of FAIR Plans, particularly under current strained insurance market capacity conditions, could have extremely unfortunate consequences. Indeed, collapse of the FAIR Plans at the present time could well bring about a return to the situation of the middle 1960's when deliberate programs of market constriction led to severe unavailability problems, particularly but not exclusively in inner-city areas. Also, Federal riot reinsurance provides the property insurance industry with valuable protection which private reinsurance facilities may be unable or unwilling to provide under present economic conditions.

A three year extension of the riot reinsurance program is desirable under these circumstances because of the stabilizing effect likely to result from a multi-year continuation. Prompt consideration and passage of such an extension would enable the Secretary to offer a new reinsurance contract in sufficient time prior to the expiration of the current reinsurance contract year on April 30 to enable reinsured insurers to continue their coverage without lapse or difficulty.

The proposal also would extend the Federal Crime Insurance Program authorized by a 1970 amendment to the 1968 legislation authorizing the riot reinsurance program. The 1970 amendment authorizes the Secretary to provide crime insurance coverages in States having critical problems of crime insurance availability or affordability.

The proposal would extend the authority of the Secretary to write new crime insurance policies for three years (from April 30, 1975 to April 30, 1978) and it would authorize the Secretary to continue existing crime insurance coverage for up to three years thereafter (until April 30, 1981). Since August 1971, the crime insurance program has enabled home owners, tenants, and businessmen in 14 States and the District of Columbia to purchase burglary and robbery policies at affordable rates without fear of cancellation because of losses while encouraging insureds, through its protective device requirements, to make their premises less vulnerable to burglaries.

While the number of persons and businesses covered under the program is small in relation to the number of insureds under the FAIR Plans, the over 20,000 Federal crime insureds include many who have previously experienced the greatest difficulty in obtaining or maintaining crime coverage, and as the program has become better known the number of insureds has continued to grow. For many of these insureds, especially small businessmen, the program can mean the difference between solvency and insolvency in the face of crime losses, as well as the difference between staying in an urban location or abandoning it.

As with the proposed riot reinsurance program extension, prompt Congressional action on a three year extension of the crime insurance program will guarantee that all those who depend on the program can continue to be protected without interruption.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S 104

At the request of Mr. INOUYE, the Senator from New York (Mr. JAVITS) was added as a cosponsor of the bill (S. 104) to amend the Social Security Act to provide for inclusion of the services of licensed registered nurses under medicare and medicaid.

S. 106

At the request of Mr. INOUYE, the Senator from Tennessee (Mr. BROCK) and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of the bill (S. 106) to provide credit against income tax for an employer who employs older persons in his trade or business.

S. 107

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of the bill (S. 107) to allow an additional income exemption for taxpayer or spouse who is deaf or deaf-blind.

S. 108

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of the bill (S. 108) to allow deduction from gross income for social agency, legal, and related expenses incurred in connection with adoption of a child by the taxpayer.

S. 109

At the request of Mr. INOUYE, the Senator from Alaska (Mr. GRAVEL) and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of the bill (S. 109) to require the Armed Forces to continue to provide certain special educational services to handicapped dependents.

S. 110

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Wyoming (Mr. MCGEE) were added as cosponsors of the bill (S. 110) to amend chapter 13 of title 38, United States Code, to make eligible for dependency and indemnity compensation widows of veterans who die of non-service-connected causes, but who were at the time of death totally disabled as a result of one or more service-connected disabilities.

S. 111

At the request of Mr. INOUYE, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Wyoming (Mr. MCGEE) were added as cosponsors of the bill (S. 111) to authorize the widows of certain former members of the Armed Forces of the United States to use the services and facilities of post exchanges and commissaries.

S. 114

At the request of Mr. INOUYE, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of the bill (S. 114) to amend the Social Security Act to provide that certain persons, who have innocently entered into a legally defective marriage to an insured individual and have lived with such individual as his husband or wife for at least 5 years, shall be treated, for benefit purposes, as if such marriage had been legally valid.

S. 117

At the request of Mr. INOUYE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of the bill (S. 117) to amend chapter 67 of title 10, United States Code, to grant eligibility for retired pay to certain reservists who did not perform active duty before August 16, 1945, and for other purposes.

S. 118

At the request of Mr. INOUYE, the Senator from Indiana (Mr. BAYH), the Senator from Massachusetts (Mr. BROOKE), the Senator from Hawaii (Mr. FONG), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from New York (Mr. JAVITS) were added as cosponsors of the bill (S. 118) to incorporate the Pearl Harbor Survivors Association.

S. 120

At the request of Mr. INOUYE, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of the bill (S. 120) to authorize reduced postage rates for certain mail matter sent to Members of Congress.

S. 123

At the request of Mr. INOUYE, the Senator from Connecticut (Mr. RIBICOFF), the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from New York (Mr. JAVITS) were added as cosponsors of the bill (S. 123) to amend title XVIII of the Social Security Act to provide for the coverage of certain clinical psychologists' services under the supplementary medical insurance benefits program established by part B of such title.

S. 192

At the request of Mr. Weicker, the Senator from South Dakota (Mr. McGovern), the Senator from Alabama (Mr. Allen), the Senator from New Jersey (Mr. Case), and the Senator from South Dakota (Mr. Abourezk) were added as cosponsors of the bill (S. 192) to require the disclosure of the net worth of public officials.

S. 215

At the request of Mr. Inouye, the Senator from Rhode Island (Mr. Pell) was added as a cosponsor of the bill (S. 215) the National Medical Injury Compensation of 1975.

S. 216

At the request of Mr. Domenici, the Senator from South Carolina (Mr. Thurmond), the Senator from Maryland (Mr. Beall), and the Senator from Tennessee (Mr. Brock) were added as cosponsors of the bill (S. 216) to amend the Gun Control Act of 1963.

S. 288

At the request of Mr. Burdick, the Senator from Ohio (Mr. Taft) was added as a cosponsor of the bill (S. 288) to amend the Land and Water Conservation Fund Act of 1965 so as to authorize the development of indoor recreation facilities in certain areas.

S. 308

At the request of Mr. Domenici, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of the bill (S. 308) to provide one free physical exam per year for medicare recipients.

S. 328

At the request of Mr. Weicker, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of the bill (S. 328) to direct the President of the United States to establish and carry out a program for rationing gasoline.

S. 410

At the request of Mr. Goldwater, the Senator from New Mexico (Mr. Domenici), the Senator from Massachusetts (Mr. Brooke), the Senator from Maryland (Mr. Beall), the Senator from Kansas (Mr. Dole), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Javits), the Senator from Rhode Island (Mr. Pell), the Senator from Nevada (Mr. Laxalt), the Senator from South Carolina (Mr. Hollings), the Senators from Utah (Mr. Moss and Mr. Garn), the Senators from Connecticut (Mr. Ribicoff and Mr. Weicker), the Senator from North Carolina (Mr. Morgan), the Senators from South Dakota (Mr. McGovern and Mr. Abourezk), the Senator from Minnesota (Mr. Humphrey), the Senator from Vermont (Mr. Stafford), the Senator from North Dakota (Mr. Young), the Senator from Hawaii (Mr. Inouye), and the Senator from Wyoming (Mr. McGee) were added as cosponsors of the bill (S. 410) to repeal the earnings limitation of the Social Security Act for all workers age 65 and over.

S. 454

At the request of Mr. Chiles, the Senator from South Carolina (Mr. Hollings), the Senator from Wyoming (Mr. Hansen), the Senator from Mississippi (Mr. Eastland), the Senator from South Carolina (Mr. Thurmond), and the Senator from Arizona (Mr. Goldwater) were added as cosponsors of the bill (S. 454) to amend the Occupational Safety and Health Act of 1970.

S. 525

At the request of Mr. Ribicoff, the Senator from New York (Mr. Javits) was added as a cosponsor of the bill (S. 525) to amend the Social Security Act to freeze medicare deductibles.

S. 531

At the request of Mr. Inouye, the Senator from Minnesota (Mr. Humphrey), the Senator from Massachusetts (Mr. Kennedy), the Senator from South Dakota (Mr. McGovern), the Senator from Rhode Island (Mr. Pell), and the Senator from New Jersey (Mr. Williams) were added as cosponsors of the bill (S. 531) to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish outpatient dental services and treatment for a non-service-connected disability to any war veteran who has a service-connected disabilty of 80 percent or more.

S. 546

At the request of Mr. Hathaway, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of the bill (S. 546) to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs.

S. 547

At the request of Mr. Proxmire, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of the bill (S. 547) to provide for the payment of interest on public funds.

S. 551

At the request of Mr. Domenici, the Senator from New Jersey (Mr. Case), the Senator from Maine (Mr. Hathaway), the Senator from Minnesota (Mr. Humphrey), the Senator from New York (Mr. Javits), the Senator from Oregon (Mr. Packwood), the Senator from Rhode Island (Mr. Pell), and the Senator from Texas (Mr. Tower) were added as cosponsors of the bill (S. 551) to provide for the recycling of used oil, and for other purposes.

S. 552

At the request of Mr. Domenici, the Senator from Wyoming (Mr. Hansen) was added as a cosponsor of the bill (S. 552) to amend the Mining and Minerals Policy Act of 1970.

S. 583

At the request of Mr. Burdick, the Senator from Indiana (Mr. Hartke) was added as a cosponsor of the bill (S. 583) to provide that the price of wheat, corn, and milk be supported at not less than 90 per centum of the parity price therefor, and for other purposes.

S. 585

At the request of Mr. Chiles, the Senator from Minnesota (Mr. Humphrey), the Senator from South Dakota (Mr. McGovern), and the Senator from Iowa (Mr. Clark) were added as cosponsors of the bill (S. 585) to prohibit travel at Government expense outside the United States by Members of Congress who are not reelected to the succeeding Congress.

S. 615

At the request of Mr. Proxmire, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of the bill (S. 615) to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes.

SENATE JOINT RESOLUTION 4

At the request of Mr. Inouye, the Senator from Tennessee (Mr. Brock), the Senator from North Dakota (Mr. Burdick), the Senator from Arizona (Mr. Fannin), the Senator from Indiana (Mr. Hartke), the Senator from Nevada (Mr. Laxalt), the Senator from Utah (Mr. Moss), the Senator from Rhode Island (Mr. Pell), the Senator from Texas (Mr. Tower), the Senator from New Jersey (Mr. Williams), the Senator from Idaho (Mr. Church), the Senator from South Carolina (Mr. Thurmond), the Senator from Colorado (Mr. Gary W. Hart), the Senator from Maryland (Mr. Beall), and the Senator from California (Mr. Tunney) were added as cosponsors of the joint resolution (S.J. Res. 4) to authorize and request the President of the United States to issue a proclamation designating September 17 as "Constitution Day."

SENATE RESOLULTION 33

At the request of Mr. Bentsen, the Senator from Alabama (Mr. Sparkman) was added as a cosponsor of the resolution (S. Res. 33) to urge a meeting of hemispheric finance ministers.

AMENDMENTS SUBMITTED FOR PRINTING

PROHIBITION OF THE IMPOSITION OF TARIFFS ON OIL—H.R. 1767

AMENDMENT NO. 13

(Ordered to be printed and to lie on the table.)

Mr. STEVENS submitted an amendment intended to be proposed by him to the bill (H.R. 1767) to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period, and for other purposes.

AMENDMENT NO. 14

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted an amendment intended to be proposed by him to the bill (H.R. 1767), supra.

RESUMPTION OF HEARINGS ON SMALL BUSINESS TAX NEEDS

Mr. NELSON. Mr. President, notice is hereby given that the Senate Small Business Committee will resume public hearings on Thursday, February 20, at 9:30 a.m., in room 1114, Dirksen Senate Office Building, on the subject of the tax needs of small business under current economic conditions of recession and inflation.

A preliminary report on the prior hearings of February 4 and 5 has been submitted to the Senate—CONGRESSIONAL RECORD, February 12, 1975, pages 3036–3038.

It reflects the testimony that economic adversity during the past year has been more severe for small business firms than for the economy generally. Unfortunately, however, the administration's tax proposals for dealing with this situation appears to concentrate their benefits on larger businesses.

The hearings on February 20 will offer an opportunity for the Department of the Treasury and other witnesses to respond to these contentions.

A list of the witnesses expected to appear is as follows:

First. Frederic W. Hickman, Assistant Secretary for Tax Policy, Office of the Secretary, Department of the Treasury.

Second. Edward H. Richard, president, Council of Smaller Enterprises of Cleveland, accompanied by John C. Ellsworth, president, Ellsworth Cabinet Shop, Inc., and Mike Benz, executive director, COSE.

Third. Roland Crump, executive director, American Association of Minority Small Business Investment Companies.

ADDITIONAL STATEMENTS

OUR NURSING HOME PROBLEMS

Mr. MOSS. Mr. President, the Subcommittee on Long-Term Care of the U.S. Senate Special Committee on Aging has been investigating nursing home problems for the past 12 years. Early hearings in 1963, 1964, and 1965 contributed to the enactment of medicare and medicaid in 1965 and then to the enactment in 1967 of a comprehensive series of uniform Federal minimum standards for long-term care facilities.

Our latest series of hearings, "Trends in Long-Term Care" began in July 1969. To date 24 hearings have been held and more than 3,000 pages of testimony have been taken. We are currently in the process of issuing a 12-volume report entitled "Nursing Home Care in the United States: Failure in Public Policy." One report is released each month.

Our most recent hearings have been held in New York City on January 21 and February 4, 1975. The subcommittee was encouraged to conduct these hearings in the wake of wide publicity generated by a New York Times series on this problem. For example, Mr. William R. Hutton, Executive Director of the National Council of Senior Citizens attended our January 21 hearing expressing his support for the subcommittee's efforts and entering in the RECORD a letter signed by Nelson Cruikshank, President of the Council. The Cruikshank letter urged Secretary Caspar Weinberger of the Department of Health, Education, and Welfare, to conduct a full-scale investigation into ownership patterns and finances of the Nation's proprietary nursing homes participating in the medicaid program.

Esther Peterson, president of the National Consumer League wrote to the subcommittee and to President Ford asking that a thorough investigation of the industry be conducted utilizing the full resources of the Government. She said in part:

> We will have no one to blame but ourselves if we let . . . national health insurance become a rip-off for predatory proprietors.

She recalled that as early as 1965 before passage of medicare and medicaid, American Public Health Association spokesmen urged Congress to consider restructuring new nursing homes into a nonprofit system rather than the present proprietary homes.

The two hearings which we conducted in New York City were carried live by the Public Broadcasting System and I must say I have been gratified by the response that these hearings have received. For example, the American Association of Retired Persons and National Retired Teachers Association representing 6 million older Americans wrote:

> DEAR SENATOR MOSS: On behalf of the American Association of Retired Persons and the National Retired Teachers Association, I wish to commend the Senate Subcommittee on Long-Term Care for its diligent follow-through on the abuses in long-term care reported by the State of New York Temporary Commission on Living Costs.
>
> Our Associations urge your committee to pursue the investigation beyond the limited scope of abuses in the Medicare-Medicaid reimbursement system to the broader perspectives of the quality of care provided to the institutionalized elderly. Although appalled by the documented abuse of the reimbursement system which allows car payments and alimony as fraudulently covered items for reimbursement, we are more shocked by the seemingly apathetic attitude toward human abuse perpetrated by greedy, institutional owners and operators and untrained staff. Doctoring the books is a crime punishable by law; neglect is a sin punishable only by public outrage.
>
> A number of specific issues have been raised in these most recent hearings that merit immediate attention by the Senate of the United Sates. The testimony of Ms. Hopper, former chief city inspector of nursing homes for the City of New York, suggests that present law provides insufficient sanctions to prevent abuse, and that the enforcement mechanism, while attempting to optimize federal, state and local resources, has failed. On an even broader plane, the testimony of Ms. Hopper and other witnesses before your committee and the state commission paints a bleak picture of government preoccupation with institutionalization as the solution to the needs of the chronically ill with limited attention to alternatives.
>
> Senator Moss, we do not have to educate you, but we must use your panel as the forum to educate this nation, that older persons are not mindless wards of the state that should be cast aside and left to die. They want to be part of the mainstream of the community; they want opportunities to participate.
>
> The third part of your Supporting Paper Number 1 on Nursing Home Care in the United States stated the specific problem which you are uncovering in New York:
>
> . . . the roots of the nursing home controversy stem in large part from human attitudes toward aging and the aged. Attention must be given to developing a national policy with respect to the infirm elderly. Included in this national policy must be a massive effort to change the image and substance of aging from uselessness to purpose, from degradation to dignity from dependence to independence.
>
> Our Associations reaffirm our pledge to you and your staff that we shall cooperate in all endeavors to achieve a better quality of life for older Americans.
>
> Again, our expressed thanks for your outstanding leadership in pursuing the issues inherent in the failure of public policy to meet the needs of the chronically ill aged.

In addition, I have received hundreds of letters from concerned individuals such as Mr. E. R. Gaubert of Levittown, Long Island who writes:

> I watched the nursing home hearings on T.V. last night. It was a pleasure to see them and it renews one's faith in his country. It gives one pleasure to see that we have men like you and the committee working on our behalf. Please keep up the good work for all America.

Dr. Stanely M. Warner, a rabbi and former national executive vice president of the Religious Zionists of America, writes:

> I would like to take this opportunity to commend you for the manner in which you are handling your subcommittee investigations on Nursing Home Standards. Although I am 2,000 miles away from Washington, D.C., I have received word that your hearings are being conducted in accordance with the highest standards of our American tradition of fair play. Unfortunately, we live in an age in which people are being condemned, indicted, and convicted by the American Press.
>
> I have a special interest in your proceedings, not only because I am a concerned citizen, but because of the recent allegations hurled at Dr. Bernard Bergman. I had the pleasure of working with Dr. Bergman between 1970–1972, when I served as National Executive Vice President of the Religious Zionist's of America, an organization with which he has been closely indentified for many decades. During those two years he demonstrated over and over again, his integrity as a responsible Jew and a responsible American citizen.
>
> I am confident that all of the allegations against Dr. Bergman will prove false. I am particularly heartened by the strength of your resistance to try a man using "McCarthy-like" tactics. In my estimation the truth will vindicate Dr. Bergman.

I am gratified that we have received so many positive letters. Indeed the only criticism I have received is for being "over-generous" in allowing Dr. Bernard Bergman and his attorneys "too much lattitude." Mr. J. C. Carroll of Great Neck, N.Y. wrote:

> Who is Bernard Bergman to dictate to the U.S. Senate.

Evelyn Tubet of Woodside, N.Y. states:

> To treat with respect and deference nursing home operators who have cheated the defenseless, is to make a mockery of fair play.

In the face of this and other very favorable reaction to our hearings, I was greatly distressed to receive a criticism from the American Civil Liberties Union, an organization I have long respected. In essence, their letter protests Dr. Bergman's treatment by the subcommittee labeling our hearings "accusatory." I strongly disagree with this characterization and I would be happy to share the transcript of our hearings with anyone wishing to test my claim that our hearings were entirely fair and far from accusatory.

In order to inform my colleagues on this matter I ask unanimous consent to have printed in the RECORD the letter from ACLU to which I refer, along with my response, as well as columns by James A. Wechsler appearing in the New York Post on February 6 and February 10.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN CIVIL LIBERTIES UNION,
Washington, D.C., February 4, 1975.

Hon. FRANK MOSS,
Chairman, Senate Special Committee on the Aging, Subcommittee for Long-Term Care, New Senate Office Building, Washington, D.C.

DEAR SENATOR MOSS: We write to protest your Subcommittee's treatment of Bernard Bergman.

As you know, Mr. Bergman faces the possibility of criminal prosecution for the practices of the nursing homes with which he is associated. It is unfair and, we believe, unconstitutional to compel Mr. Bergman to appear before your Committee and to require him to answer questions which might tend to incriminate him while he is undergoing criminal investigation by a grand jury. And, if Mr. Bergman should choose to avail himself of his Fifth Amendment privilege to refuse him to engage in the ritual invocation of that privilege in public hearings and, thereby, prejudice potential jurors in a criminal trial.

As we understand, counsel for Mr. Bergman has asked that he be allowed to call witnesses and present evidence on behalf of Mr. Bergman and that he be permitted to cross-examine witnesses hostile to Mr. Bergman. Even if these rights were granted, they would not overcome the basic unfairness in whipsawing a witness between a legislative investigation and a possible criminal prosecution. But the denial of these rights exacerbates the abuse of Mr. Bergman and is itself a violation of due process in an accusatory hearing.

We do not question the value which could be served by your Committee's hearings. Certainly, the aged have been greatly abused and legislative attention to their problems is welcome. But we are disturbed by newspaper accounts which attribute to you the view that the major purpose of the hearing is to put on record Bernard Bergman. We hope such reports are in error and that your real purpose is to facilitate legislative action on behalf of the aged. Unhappily, the purpose attributed to you in the press appears inquisitorial as does your treatment of Mr. Bergman. It is improper for a legislative hearing to be used as a device for prosecutorial discovery.

We hold no brief for Mr. Bergman and, in fact, we condemn his efforts in court to restrict the press from publishing critical information about him. But, like everyone else, he is entitled to fair treatment and we hope your Committee will provide it.

Sincerely,

ARYEH NEIER,
IRA GLASSER,
Executive Directors, New York City Civil Liberties Union.

FEBRUARY 6, 1975.

Mr. ARYEH NEIER
Executive Director,
American Civil Liberties Union,
Washington, D.C.

DEAR MR. NEIER: Thank you for your startling letter which protests *newspaper accounts* of Dr. Bergman's treatment before my Subcommittee. I must say that I am distressed to have our hearings characterized as "inquisitorial" or "prosecutorial". These are serious charges and are not to be taken lightly even if they are inaccurate. I have long supported the objectives of ALCU and indeed I am a recipient of a citation from a local chapter for my efforts to protect civil liberties. Consequently the tone of your letter disturbs me.

In any event, I am pleased to inform you that the Subcommittee's hearings in New York City have been intended to facilitate legislative action. Any reasonable review of the hearing record will support this view. For example, the issues being examined include: the profitability of the nursing home industry particularly as it relates to nursing home chains; the adequacy of existing ownership disclosure requirements for nursing home operators and the wisdom of requiring cost-related reimbursement for nursing homes under the Medicaid program.

With respect to the first issue, I introduced a bill S. 1960 in 1973 to require operators to file CPA audited financial statements and to provide penalties for fraud or misrepresentation. Secondly, I am the author of the ownership disclosure requirement enacted in 1967 and as amended in 1972; despite such enactments it is still impossible to tell who owns nursing homes in most states. Thirdly, the Congress enacted section 249 of Public Law 92–603 requiring all states to adopt "cost-related" reimbursement formulas for nursing homes under the Medicaid program by January 1977. Our experience in New York, which has had such a formula since 1971, indicates that we may be moving 180 degrees in the wrong direction.

Knowing of your particular concern for the plight of the aged and infirm, I should like to point out that the Subcommittee—and Senator Percy in particular—was instrumental in insuring that a patient's bill of rights was included in Medicare-Medicaid Nursing Home regulations last year.

These are but a few of the developments which grow out of the Subcommittee's more than 37 hearings and 5,000 pages of testimony taken since 1963. A 12-volume report, now being released on a one-a-month basis, has been prepared—drawing largely on those hearings—and it has been described by the U.S. Department of Justice as the "most comprehensive study of the nursing home industry ever undertaken."

In none of these hearings, nor indeed in all of the thousands of hearings that I have conducted nor in my 10 years as Municipal Court Judge, has anyone ever questioned the fairness of the proceedings or suggested that I violated anyone's constitutional rights. I am proud of this record.

Speaking generally, I am sure you are aware of the doctrine of separation of powers which sets forth that the Senate and House as the Legislative branch have a co-equal right, indeed an obligation to investigate matters within their scope and jurisdiction. I am sure you do not question the right of the Subcommittee on Long-Term Care of the Senate Committee on Aging to investigate nursing homes. Nor can you have much objection to our investigation of specific nursing home operators or nursing home chains.

It is in this context that we have called for testimony by Dr. Bernard Bergman. We have had reason to follow his activities at least since 1964. His association until last month, as the Chairman of the Board of Medic-Home Enterprises, along with his personal holdings in nursing home real estate, certainly make him one of the most prominent nursing home owners in the country. The consistent allegation of poor care that we have received from various State Health departments as well as individuals and the allegations of fraud and abuse currently in the press certainly deserve investigation.

It is true that Dr. Bergman is under investigation for possible criminal violations being conducted in the State of New York. He has not, however, presented testimony before any Grand Jury, and of course there is no absolute certainty that current investigations will lead to indictments. In any event, possible criminal violations are not the primary focus of our investigation. Our primary concern is poor care. We look for generic examples of what may be sytomatic of the industry in general. In this connection, there is no other agency with the resources or willingness to follow issues across state lines. At present we have investigations underway in Illinois, Minnesota and Florida. I emphasize that Dr. Bergman is not the only operator under investigation. Nor is Medic-Home the only chain operation under surveillance. If you would care to check our hearings and reports you will note our deep and continuing concern with issues and industry practices.

Your suggestion that Dr. Bergman may appear before our Subcommittee and be forced to plead his rights under the Fifth amendment is startling. Dr. Bergman has testified under oath that he is innocent of all charges, including the criticism that his nursing home provides poor care. Dr. Bergman, in fact, promised me that he would reappear and answer any questions growing from our analysis of his books and records. I presume his innocence. I do assert, however, that the Subcommittee has a legitimate legislative and oversight function which is being served by our current hearings.

Even if we were examining possible evidence of criminal wrong-doing (which we are not) the Courts have consistently sustained the right of Congressional Committee to proceed with their lawfully constituted inquiries. For example in *Delaney v. United States*, 199 F. 2d 107 (1st. cir. 1952) the Court sustained the right of a legislative Committee to conduct a hearing involving a witness who had been indicted because of the "overriding consideration of public interest."

The Court then commented that in a situation where no indictment had yet been brought the circumstances might be significantly altered, and went on to state:

"In such a situation the investigative function of Congress has its greatest utility; Congress is informing itself so that it may take appropriate legislative action; it is informing the Executive so that existing laws may be enforced; and it is informing the public so that democratic processes may be brought to bear to disclose any disclosed executive laxity."

I would also like to commend to your attention the opinion of Justice Harlan for the Court in *Hutcheson v. United States*, 369 U.S. 599 (1962), where it was stated:

"But surely a Congressional committee which is engaged in a legitimate legislative investigation need not grind to a halt whenever responses to its inquiries might potentially be harmful to a witness in some distinct proceeding, *Sinclair v. United States*, 279 U.S. 263 (1929) at 295, or when crime or wrongdoing is disclosed, *McGrain v. Daugherty*, 273 U.S. 135 (1927), 179–180."

Justice Harlan then goes on to say:

"Moreover, it does not lie with this Court to say when a Congressional committee should be deemed to have acquired sufficient information for its legislative purposes . . . The Committee's interrogation was within the express terms of its authorizing resolution. If the Committee was to be at all effective in bringing to Congress' attention certain practices . . . which should be subject to federal prohibitions, it necessarily had to ask some witnesses questions which, if truthfully answered, might place them in jeopardy of state prosecution. Unless interrogation is met with a valid constitutional objection 'the scope of the power of 'congressional) inquiry . . . is as penetrating and as far-reaching as the potential power to enact and appropriate under the Constitution.' *Barenblatt v. United States*, 360 U.S. 109, 111. And it is not until the question is asked that the interrogator can know whether it will be answered or will be met with some constitutional objection. To deny the Committee the right to ask the question would be to turn 'option of refusal' into a 'prohibition of inquiry,' Wigmore, Evidence (3rd ed.) sec. 2268, and to limit congressional inquiry to those areas in which there is not the slightest possibility of state prosecution for information that may be divulged. Such a restriction upon congressional investigatory powers should not be countenanced."

On the matter of Mr. Lewin's request for cross-examination and calling of witnesses, you should know that I invited all parties to supply notorized statements which will be entered in full. My staff has interviewed witnesses with views favorable to Dr. Bergman and will call some at future hearings. I have agreed to contact employees who have worked for Dr. Bergman if and when I am given a list of their names and addresses. To date no list has been presented to the Committee and no statement has been received.

Once again, I am grateful for your expression of concern. I am happy to tell you that your fears are without foundation. I might add that I will welcome your support when I introduce a wide series of nursing home reforms sometime later this year.

With best wishes,

Sincerely,

FRANK E. MOSS,

Chairman, Subcommittee on Long-Term Care.

[From the New York Post, Feb. 6, 1975]

THE BERGMAN CASE

(By James A. Wechsler)

Fourteen days earlier, Bernard Bergman had appeared before the Senate subcommittee headed by Sen. Frank Moss (D-Utah) and stolen the show. He had portrayed himself as a benign figure whose modest operations in the nursing home business had been maliciously defamed.

He was subjected to only meager, soft questioning. At the end he ingratiatingly assured Moss of his readiness for a return engagement under the TV lights.

There was a brief discussion about whether the date Moss proposed would conflict with other commitments of Bergman's attorney, Nathan Lewin. When the hearings resumed on Tuesday Lewin was present, having resolved his calendar problems. The missing man was Bergman.

This background sequence is set forth because it has direct relevance to the issues raised by Lewin, with the support of spokesmen for both the American and New York Civil Liberties Unions.

If Bergman and his lawyer had initially chosen to resist an appearance before the committee on the ground that he was a man in trouble with the law whose testimony might prejudice his courtroom posture, a respectable—though not overwhelming—case might have been made.

They might have asked that he be permitted to plead the Fifth Amendment with a single response (as his accountant did) to minimize adverse speculation about the substance of questions he was declining to answer.

But that is significantly not what happened.

After initially eluding press inquiry for many weeks following the first disclosures about his empire, Bergman apparently decided that his carefully nurtured image of respectability could not be reconciled with his fugitive role.

He went before the committee and staged a production that, to many of the uninformed, might have seemed worthy of glowing notices. He alternately affirmed his innocence, his virtue, and his character references. He presented himself as a victim of a campaign of vilification that had "no parallel since the days of Senator Joseph McCarthy."

There were a few awkward moments, such as his inability to remember whether, at his daughter's wedding, he had taken time out to implore Assembly Speaker Stanley Steingut to arrange a meeting with Gov. Rockefeller.

But he generally dominated the proceedings, freely castigating Assemblyman Andrew Stein and various newspapermen as ruthless promoters of "the big lie."

Having utilized the committee stage for a self-serving TV performance, did Bergman believe he could ring down the curtain and resume his place as a pillar of society?

In the letter to Sen. Moss protesting "your subcommittee's treatment of Bernard Bergman," the Civil Liberties Union spokesmen took no cognizance of Bergman's theatrical uses of the January 21 hearings. Instead they charged a "basic unfairness in whipsawing a witness between a legislative investigation and a possible criminal prosecution," adding:

"It is improper for a legislative hearing to be used as a device for prosecutorial discovery."

At the same time, however, they conceded that "the aged have been greatly abused and legislative attention to their problem is welcome."

How can a serious legislative inquiry in this realm be conducted without examining a major mogul against whom charges of private profiteering and human negligence have been so widely aimed? Perhaps anticipating that question, the ACLU–CLU letter ascribed to Moss an "inquisitional" resolve to "put on record Bernard Bergman."

To which it can only be said that Bergman put himself "on record"—at length and with unctuous delight—at his first hearing. And anyone who watched him do so with Moss' gentle attentiveness would find it hard to equate reality with the cry of persecution.

The letter also contends the committee refused to grant Bergman the right to call favorable witnesses and cross-examine accusers. But the hearings clearly never reached a point at which those procedural points might have been validly raised.

As matters now stand, Bergman faces a contempt citation. That is not a power to be lightly revoked. But no real alternative exists if Bergman refuses to answer questions or to invoke the Fifth Amendment.

He may understandably prefer to avoid either course and let the public record end—unless and until he is indicted—with his January 21 testimonials to himself. But once he had performed those histrionics, he had morally and, I suspect, legally blocked any serene escape from further confrontation with the Senate. He rendered academic the lamentations of the civil liberties advocates, who should also be reminded that the Senate investigation of nursing home scandals did not begin with Bernard Bergman. The more intriguing question for another day may be why he was spared critical interrogation for so long.

In some remarks on the Bernard Bergman case, published here last week, I took issue with the joint statement of the American Civil Liberties Union and its New York affiliate protesting the Moss committee's alleged mistreatment of Bergman.

Those comments have evoked a response from ACLU and NYCLU spokesmen Aryeh Neier and Ira Glasser; the salient passages are herewith quoted.

"The ACLU-NYCLU statement attacked by James Wechsler argued:

"1) A legislative committee should not require Bergman to answer questions which might tend to incriminate him while he is also undergoing criminal investigation.

"2) Bergman should not be placed in a position which would require him to engage in ritual invocation of his Fifth Amendment privilege in public hearings, thereby prejudicing potential jurors in a criminal trial.

"3) Bergman's counsel should be able to call witnesses and present evidence in behalf of Bergman and cross-examine witnesses hostile to Bergman.

"The Civil Liberties Union has long advocated rules of this sort to govern legislative injuries. We said the same things about the red-hunting Congressional inquiries, about the Senate Watergate Committee, about the Knapp Commission, the state legislative hearings on drug use on college campuses and on many other occasions. We can recall no previous instance that Mr. Wechsler has criticized our endorsement of such principles. But now, says Wechsler, he disagrees because 'Bergman put himself on record—at length and with unctuous delight—at his first hearing. And anyone who watched him do so with Moss' gentle attentiveness would find it hard to equate reality with the cry of persecution.'

"Wechsler's reasoning is not persuasive. It is likely saying that criticism of Senator Joseph McCarthy's hearings was not warranted when the late Dorothy Kenyon testified and criticism of the House UnAmerican Activities Committee hearings was not warranted when Lillian Hellman testified because these witnesses got the better of their inquisitors. Bergman, too, may have gotten the better of his inquisitors at the hearing at which he testified. But that should not diminish his right to have his civil liberties protected.

"What apparently makes his case different to Wechsler is that he thinks Bergman a wretch. Wechsler seems to have forgotten what we thought he knew very well: that the civil liberties he would deny Bergman today may have to be invoked tomorrow on behalf of someone Wechsler finds more attractive . . . ."

I have long respected the Civil Liberties Union leaders for their efforts to maintain a single standard in defense of individual rights. But I remain unconvinced that Bernard Bergman is deserving of their solicitude.

Bergman is not a lonely dissenter being harasesd for the utterance of unpopular or unconventional ideas. He is a dominant figure in an industry in which large-scale evidence of profiteering and inhumanity has been unfolded.

Unlike the political inquisitions to which Messrs. Neier and Glasser refer, the Senate investigation of nursing home horrors has a clearly legitimate legislative purpose. Large amounts of public funds are involved; surely Congress has both the right and obligation to explore cold-blooded abuses in the use of those funds—at the expense of the defenseless aged and draft new regulations for these hell-holes.

To equate those who have visibly prospered through the exploitation of the elderly with the targets of vindictive, repressive political inquiry is a rhetorical ritualism.

I do not deprecate the question of procedural safeguards in *any* Congressional investigation. But the record in the Bergman case, I must repeat, was fatally clouded by the disingenous tactics of his initial public appearance.

He did not present himself as a prospective defendant in a criminal proceeding whose trial might be prejudiced by his testimony before an open session of the committee. Instead he offered the portrait of a maligned civic benefactor of modest means. He did not ask for the opportunity to invoke the Fifth Amendment in a closed hearing. He proclaimed himself eager to volunteer the whole virtuous truth about himself and face detailed interrogation at a future date.

A final contradiction in the Neier-Glasser position is inescapable. On the one hand they insist Bergman be spared the potentially prejudicial effort of public invocation of the Fifth Amendment. On the other they ask that his attorney be permitted to call witnesses and cross-examine adversaries. But how can there be serious discussion about the conduct of the hearings if Bergman continues to evade them?

Each day of each year the Civil Liberties Union Leaders confront hard decisions about priorities in selecting the cases that will engage their energies. It remains hard to fathom why the fate of Bernard Bergman has so deeply stirred their emotions.

DO-GOODERS BLAMED FOR RECESSION

Mr. BARTLETT. Mr. President, an analytical report entitled "Do-Gooders Blamed for Recession" written by Mr. Gilbert Hill appeared in the Sunday Oklahoman on February 16. It is a well-written and interesting analysis about some of the causes of our current recessionary and inflationary problems. There is great need for a proper balance between our environmental objectives and our economic needs. I believe other Senators should find Mr. Hill's thoughts both entertaining and enlightening.

I ask unanimous consent that the Sunday Oklahoman analysis be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Do-Gooders Blamed for Recession

(By Gilbert Hill)

People in Gary, Ind., presumably, are now breathing clean air after closing down its open hearth steel making furnaces—but, some 4,000 workers are also, now, looking for jobs so they can pay for food, shelter, and clothing—and continue breathing.

This is a typical, widely publicized, and far from isolated instance of another victory for a militant, and oh, so well-meaning minority of crusading dunderheads—both in and out of government—who have finally brought this country to the brink of the widest, deepest, and most long-lasting business panic in 40 years, the worst since the Great Depression of the 1930's.

While frightened politicians orate, angry labor leaders roar, and concerned businessmen issue soothing statements and optimistic forecasts, thousands more lose their jobs every day, profits fade, industries grind to a halt, and even the federal government faces bankruptcy from falling tax revenues.

Only by diagnosing any disease, of course, can a cure be prescribed.

But there seems to be almost a conspiracy of silence—no one seems to want to point the accusing finger at the most obvious infection of all, to some two decades of frustration in human progress created by self-appointed dictators over virtually every facet of the American way of life.

Yet the evidence is obvious, widely reported, and becomes ever more clear that the business panic of 1974–75, and possibly 1976, must be tagged the "Do-Gooders' Recession."

Whether by simple ignorant good intentions, or deliberate design, those who would provide what is good for us, whether we need, want, or can pay for it—or whether it works or not—have succeeded in thoroughly sabotaging the system.

The Gary, Ind., situation is only the latest in a long series of frontal assaults on the automobile industry, agriculture, energy development, home building, lumbering—literally every facet of normal existence.

The automobile industry is, perhaps, the most spectacular victim of self-proclaimed "environmentalists," and safety crusaders with its thousands of unemployed, darkened manufacturing plants, acres of unsold new cars, and empty show rooms.

This is the industry which developed shatterproof glass, hydraulic four-wheel brakes, and paid for the basic research which concentrated attention on seatbelts to reduce deaths and serious injury in traffic accidents.

It is the industry which promoted, and watched, a steady decline in the percentage of accidents for millions of miles driven, over a number of years—and an increase in deaths, damage, and injury simply because ever better cars at competitive prices were creating automobiles faster than roads could be built to handle them.

There was a growing outcry about "smog"—a mixture of fog and noxious combustion fumes—largely from the West Coast. And the best brains of the industry were at work in research, design and production, and had come up with several ideas for inexpensive and practical control of fumes.

Then came the government, spurred by the do-gooders, to issue more than 50 "safety standards" for automobile manufacture, all costing more money, and many of doubtful value, in the eight-year period since 1966, when the Department of Transportation was given the authority to dictate.

Much of the "stuff"—the shoulder straps, buzzers, blinkers and automatic interlocks which prevent a driver from ever starting the engine on a cold morning without "buckling up"—was promptly dismantled with razor blade, screw driver and wrench—even though the car buyer had to pay for it whether he liked it or not, on top of soaring inflation.

The gasoline shortage, as much as anything else, concentrated sharp attention, finally, on how much the clean air gadgets were reducing engine efficiency in starting, in power, and in wasteful use of expensive fuel.

The public's verdict was returned resoundingly with introduction of new models in 1975 requiring use of premium-cost unleaded gasoline—enough is enough!

Many buyers, of course, have simply been priced out of the market. But there are others who decided to buy older models which could be "modified" fairly easily—or repair, remodel and even buy rebuilt engines.

Prices of new cars are being slashed right and left, through rebates, not direct cuts, so a price level may be maintained if a capricious government does resort to wage and price controls. But the prices of used cars are going up daily. Clean air, buzzers and blinkers are far less important than the price of gasoline, especially if it is to be wasted by gadgets, the market place has ruled.

If politicians and labor leaders really want to solve the unemployment problem in the automobile industry they'll get the do-gooders and their catspaw bureaucrats off the backs of the automobile designers and makers.

Hysterical discussion of clean air, either by highly paid professional propagandists, or their well-intentioned and misinformed dupes, would indicate that pollution of the air by automobiles is the first time in history such a problem has been encountered—and, therefore, only the self-anointed know how to eliminate it.

But Chicago residents, before the turn of the century, learned about air pollution—in the stench and unbelievable sanitary conditions which developed in the beginnings of the great packing house industry.

Attempts to dispose of waste and offal by burying it in huge ditches resulted in at least part of the daily production being left uncovered long enough to produce vile odors, flies and every conceivable health problem.

Public pressure for "something better" brought an industrial answer—not a government solution—with research giving birth to new sporting goods and pharmaceutical industries, and a whole new supply of cheaper "lunch meat" foods—until packers could claim they were "saving everything but the squeal."

Development of the cotton gin generated mountains of cotton seed around gins that decayed and sent foul smelling odors over the countryside. Then came an industrial answer with so many uses for cotton seed that in some years it is difficult to find enough seed to plant a new crop.

Residents of Oklahoma and other midwestern states, who learned to sleep while breathing through dampened handkerchiefs during the Dust Bowl era and to drive carefully in an atmosphere with visibility reduced to a half-block, know something about real air pollution.

That was a drouth era, made worse by lack of knowledge about how to manage High Plains soils, which brought dire predictions and sensational books on development of a great new desert because of man's abuses. In 1975, crops and livestock are being produced that will feed much of the world, because man learned, the hard way, how to use—not abandon—dry lands without violating natural laws.

It apparently has made little or no impression on dedicated environmentalists—or government bureaucrats—that much of our nation's metropolitan air pollution has been traced to a rapidly growing, smoke-producing industry of almost every description, which Pittsburgh, among others, has proved can be brought under control.

No, the automobile must have 100 per cent emission purity, no matter what it costs, no matter what it is worth, and no matter how many more thousands are left unemployed.

The energy industry, perhaps less spectacularly than automobiles except during an Arabian oil embargo, has been carrying the do-gooder monkey on its back, in a great variety of models, for years now. There is one classic example in the Alaskan petroleum pipeline strangulation.

This country is now depending upon foreign sources for about 40 per cent of its petroleum needs. About 25 per cent of the nation's needs can be met by production from Prudhoe Bay—with an estimated 26 trillion cubic feet of natural gas available there, too. If the environmentalists had not blocked construction of the Alaskan pipeline for some six years, Alaskan oil could now be reducing America's dependence on foreign oil to perhaps 15 per cent, or less.

Opponents of the pipeline fought for the right of caribou and polar bears to an undisturbed existence, while even the people of Alaska, sitting on top of untold riches in both oil and coal, suffer from lack of fuel for heating, and pay the exorbitant costs of an artificial, and do-gooder-created shortage.

Only a little less ridiculous—funny if it wasn't so tragic—is a recent court order, obtained by environmentalists, delaying construction of a 100-mile railroad line in Wyoming to reach a vast untapped deposit of high quality coal. Opponents of development of an energy supply, needed to keep human beings warm and to produce food and clothing, contend the railroad might disturb the breeding habits of antelope.

But the energy shortage in this country actually started some two decades ago when misguided do-gooders and self-centered users of fuel teamed up to create price control on the oil industry in a supposedly "free economy."

The do-gooders, dedicated to insuring clean air by burning cheap and convenient petroleum products, and homeowners and industrialists tired of paying coal bills and shoveling ashes, calmly and cynically dismissed all warnings from the oil industry of what price control could do to supply, as "self serving."

But oil wells do not last forever. Actually they "dry up" faster when prices are so low it doesn't pay to make the final efforts to save a dying well. Eastern self-proclaimed instant-experts seem completely unaware that 50 to 70 per cent of oil deposits are left behind in normal operations as "unrecoverable," and this "waste" must increase when prices won't justify expensive secondary recovery and stripping procedures.

So, thousands of wells went "dry" and were plugged. Few more wells were being drilled simply because it didn't pay, even if small amounts of oil and gas were discovered. Drilling activity, tools, equipment, men and know-how, were "exported" to places like Arabia and other far flung areas of the world where oil production was important, very welcome—and much more profitable.

Meanwhile, use of petroleum in this country was still climbing sharply as environmentalists insisted that coal be abandoned and that "clean" oil be burned by industries and utilities instead of that "dirty" smoke-producing fuel that has served the world's needs ever since the industrial revolution.

So, it was the evangelistic do-gooders, and the obviously "self serving" price-conscious users of heating and industrial oil, that set up the conditions for international blackmail of this country by the Arabian embargo—and are now paying through their treasured purses to foreigners.

Still not satisfied, the same loud voices are being raised either in complete ignorance, or deliberate demagoguery of stupid leadership, against every effort to give a free economy a chance to repair the wreckage for which they are responsible.

These are the people who do not know, and won't listen to anyone who does, that less than one out of every four test wells drilled in this country, even with the best geological studies available, produces petroleum products—which means that every producer costs considerably more than $1 million.

One of the best years in history in Oklahoma, where there is, or has been oil production in 72 of the state's counties—and where the risk ought to be less—was in 1973 when 36 per cent of wells were producers. In 1974 it was 28 per cent success. And, in 1972 it was 21 per cent.

Uninformed critics probably will not believe either that most of the oil in this country is discovered by independent operators who represent a vast proportion of the industry—and not the big companies, the favorite targets of political harangues, who are usually, the developers of fields originally pinpointed by others.

No one knows whether or not there is another Seminole, East Texas, or Oklahoma City oil field yet to be discovered in this country—and the best information seems to indicate that there is just no possibility of a producing field big enough to wreck the price structure and bring about oil at 30 cents a barrel again—as it was when all three of the great fields came in almost simultaneously.

But it is a cinch that if such a field exists it will not be found by government, or do-gooder roadblocks to drilling through tax and price regulations, or environmentalists' control of where experts shall seek petroleum.

And it is a cinch, too, that a major strike—if it comes—is most likely to be made where some independent decided there was a situation "worth a try" even though others passed it up. But it is far more likely that this country's oil supply of the future will come from many small, widely scattered, and relatively expensive pools where geology is now favorable when oil prices are also a bit brighter.

One of the most contradictory positions of the do-gooders is their insistence on a supply of "clean fuel" and their hysterical abhorrence of the possibility of production in their own backyards where it might be more plentiful—and cheaper.

Offshore drilling has been blocked at every turn, largely by fear of "oil spills" like the one which received the nationwide, inflated and emotional television coverage of a national disaster when a producing oil well broke loose on the West Coast.

A beach was severely damaged—not ruined! Thousands of waterfowl were caught. It was tragic. And it was an expensive lesson for the oil industry—which hysterical do-gooder environmentalists have done their best to make fatal to all offshore drilling in the United States in the future.

The truth, of course, is that this one bad accident undoubtedly increases, manifold, the possibility that it will not happen again—multiplies the safety of future offshore drilling because there has been a demonstration of what, and how, such a thing can happen.

An oil "spill" is now, probably, far more likely to happen in Boston harbor in an accident involving a tanker delivering foreign oil than from that proposed—and bitterly fought—development of a potentially great field in the Georges Banks area off Cape Cod—as recent events, not quite so well covered, in Singapore and the Virgin Islands demonstrate.

This is not just theory. Virtually every improvement in "bringing in" a powerful producer with a minimum of damage to the countryside was developed in Oklahoma City, the first field ever drilled in the midst of a concentrated population—which had plenty of experience with "spills" before TV.

Always before, an oil well was expected to "clean out" all mud and non-oil ingredients by "blowing" over the top of the derrick in a spectacular gusher. Office workers in multistory downtown office buildings had a grandstand view as well after well "came in" during the early 1930's.

But it wasn't much fun to go out at the end of the day and find an automobile speckled with oil, into which dust had settled, until the windshield was completely opaque. Home owners took a dim view of repainting. Office buildings had to be cleaned. Oil producers had to learn—and did—how to control their operations.

But the experience was not used to slaughter an industry producing fuel—even though it was in surplus then—plus thousands of jobs in the midst of a great business panic.

It was in Oklahoma City, too, that the conservation drive was born which stopped the "flaring" of natural gas—wasteful burning of what is now one of the world's most valuable fuels, simply because it was too plentiful, and a nuisance in getting at the much more valuable petroleum. There was a time when great oil fields were well-lighted at night by flare burning the gas which otherwise would have created a definitely dangerous "environment" which could have blown up the entire countryside.

All such experience is ignored, however, by those who are far too busy expressing opinions based upon unfounded "facts," and figuring out new methods to block every development, to be anything but destructive—and obstructive—to a nation's progress.

Atomic power is probably the cleanest potential source of energy now on the horizon—and coal may be the nation's greatest, most widely distributed, and virtually undeveloped natural energy resource. Both face all of the normal hurdles of development but also the obstructions of do-gooders' fears and ignorance, which give rise to a flood of falsehoods, again either simply misguided or deliberate.

More than two decades ago Oklahoma geologists reported there is enough coal in the southwest corner of this state alone to provide the fuel for the entire nation for more than 300 years at the rate it was then being used—which was considerable, since it was pre-environmentalism.

There are two great areas for future research and experience in coal. It cannot be mined, of course, without disturbing the world in which we live but even the strip pits, and mine tipples left without restoration are eventually reclaimed by nature. And, with a little thought and effort there is considerable evidence that disturbed areas can be even more valuable, more beautiful, and more useful than in their natural state.

The trick will be for national policy to tell mine developers "what" needs to be done, and not attempt to define "how."

The other problem involves the use of the coal itself, which, so far has been used only by producing considerable by-products both in smoke, or flu gases, and the residue of cinders.

There are scientists who have well founded reasons to believe that both of these "wastes" are simply unrecognized resources. Coal—like petroleum and natural gas—is already a major source of some of our oldest and most widely used chemicals.

Again, those who ridicule the idea that coal may someday provide a great new source of gasoline to keep automobiles running, seem to forget—or never knew—that the "gaslight era" was based upon a coal "gas plant" producing artificial, clean, and then well—accepted artificial gas—not natural gas from petroleum.

The combustion of coal can be improved with profit by industry—and has been without question in such areas as Pittsburgh, which launched a clean air program before the present crop of propagandists ever heard of the problem. Flu gases can be captured for chemical use.

Of course, power from burning of coal can be, and has been for years, delivered to homes and factories over utility power lines.

But there are engineers who envision huge coal burning plants on the sites of coal mines, to reduce transportation costs—or in the mines themselves—producing that power, plus gasoline, plus a whole series of chemical and physical by-products from gases and cinder residue.

(The gasoline could move out by pipeline and truck as it does now, the electricity by power lines, and might reduce the need for railroads that could possibly disturb the breeding of antelopes.)

These same energy engineers are quick to point out that atomic fuels, in several forms, have now been handled for nearly a quarter of a century in this country without creating any kind of public hazard. Accidents can happen of course. But it was deliberate design—not accident—that produced and delivered the atomic bomb.

Neither our coal resources nor atomic power will be developed and there will be little or no expansion of exploration for oil, or search for any other form of energy, obviously, as long as the voices of do-gooders alone control the direction of effort and the future of the nation.

Agriculture has not escaped the meddling fingers of those who know best about everyone else's business.

Scare publicity, based upon fragmentary and suspect research, and government regulations based upon the same kind of uncertain "facts" have added untold misery for American families attempting to make ends meet at the supermarket.

Typical of what has happened, producing logical skepticism of all emotional bureaucratic orders and press releases, is the cyclamate debacle. The American public was told in glaring detail and loud statements that artificial cyclamate sweeteners could produce all kinds of ills—particularly cancer, of course, the bugaboo of this age.

Then, almost in secrecy, with as little fanfare as possible, the industries which had been virtually wrecked, and the public which didn't miss the tiny stories, were told that it was "all a mistake," and that cyclamates were not harmful after all.

Little wonder that many thinking people with a few facts of their own have doubts about regulations which affect the quality, supply and cost or production of beef; the price and quality and supply of many fruits and vegetables, not to mention possible lowering supplies of such things as bread grains and feed for livestock.

No insecticide in human history ever produced so many benefits, in so short a time, and with fewer side effects than DDT—now banned because a fearful bureaucracy found evidence that DDT might be accumulating in the bodies of some people. There was no claim made then, or since, that such accumulations, even though true, were producing any human adverse effects.

DDT literally burst upon the scene during the war. Many of our soldiers virtually bathed in the stuff to eliminate body lice and other vermin which have been a curse of many human activities for ages. Civilians couldn't buy the stuff, for a time, but when they did they virtually eliminated flies, ants, mosquitoes and other disease bearing and contamination sources around such things as the nation's milk supply—while increasing milk production by killing the flies on the cattle themselves, so more feed could go into milk and beef and less into fighting the pests.

DDT took the place of such known poisons as arsenate of lead and nicotine, and there were never any reports of amateur gardeners keeling over critically ill while spraying the garden or fruit trees, or of crop dusters collapsing with mysterious maladies, like there have been in recent years by people using "acceptable substitutes."

There were emotional charges in some quarters that DDT was killing birds in fruit growing areas, without even checking the possibility that birds were starving to death because DDT was destroying their food supply. Bird feeders could have solved the problem.

No one knows, either, how much the cost of food production has been increased by banning of 2, 4–D, the weed killer which had been used, also, for some two decades before the do-gooders came up with the idea that it must be bad because it worked.

But the weed killer had destroyed thousands of acres of worthless brush and rank—growing weeds over the range and pasture lands of the country, so that grass needed by cattle could grow. It and DDT had been used on virtually every crop to decrease the amount taken by insects and weeds and provide more for humanity.

Those looking for causes of the "recession" in agriculture can find many different explanations, but seemingly different reasons far too often have a common source in rigid rules and policies based upon isolated "scientific" reports and issued by over-cautious bureaucrats with little or no idea of the net effect of their actions—because they have no conception of the ramifications, and interlocking reactions of the American economic system.

The home building industry has endured the burden of false ecology in basic costs for decades, which, finally, came to a head in shortages and soaring prices for lumber, a generally overlooked factor, just as important as high interest rates, in finally pricing the bulk of American families out of the market.

Home building collapsed first in the current do-gooders' recession. And the ramifications slowed the economic machine of the nation long before automobiles, energy, and agriculture caught the big wave of buyer inability to meet needs—and maintain markets.

It isn't just the unemployment of carpenters, bricklayers, electricians and others who help to make up a huge consumer market—or the drop in the building supply and lumber business. Home building and sales normally support sales of new appliances, furniture and rugs, lawn mowers, and even another automobile for the family moving to a suburb.

Anyone looking for the reason for high pressure "sales" and advertising in the furniture business, for instance, need only check on the current status of new home construction.

Ecology makes sense. It is a science. The very word means maintaining a balance in nature—and human beings learning how to live with natural laws. It doesn't even include conservation. But the difficulty with "ecology" in relation to "environment" is that ecology faces up to facts as they are in this world and doesn't concern itself with the ideal world of the dreamer.

A balanced world—working ecology—recognizes that coyotes kill rabbits for food and, if they didn't, rabbits would multiply so rapidly they'd run out of food and starve to death. It recognizes that trees can grow old, ripen, and need to be harvested for use. Otherwise, they will be destroyed by nature—through lightning-set forest fires, or knocked over by a stiff breeze to "open up" the soil to sun and air, and to decay, or become food for insects.

It recognizes that species, of both plants and animals, have disappeared—and that great beasts that once roamed the world are gone without having been destroyed by man. There is brutality as well as beauty in ecology. There must be open spaces in the wilderness so plant life can grow that supports deer, the animal that provided food, clothing, and shelter to the first Americans—and are meat for wolves and wildcats yet.

Somewhere, somehow, the majority must seize back the power over personal decisions and an established way of life from meddling, self-appointed individuals with a mission—both private and government—the minority of do-gooders who have proved they can wreck a practical, working system in an effort to create their own perfect world.

Of course, do-gooders would be appalled to believe that anyone would even hint that they might be responsible for the most severe recession in years.

JOHN DUNLOP'S NO-NONSENSE ATTITUDE

Mr. HUMPHREY. Mr. President, I am very pleased that President Ford has seen fit to nominate Dr. John Dunlop for the position of Secretary of Labor. I compliment the President on his choice. Dr. Dunlop is well known by Members of Congress as a result of his service as Executive Director of the Cost of Living Council.

Dr. Dunlop will bring to this important Cabinet post strength, vitality, and an incredible background of experience in the field of labor-management relations. I believe him to be one of the finest men to have served in Government. His relationships with the Congress have been open, candid, and helpful. He will be a distinct asset to the administration. He will offer thoughtful and constructive leadership at a time when our economy needs men of experience, wisdom, and vision.

I ask unanimous consent that an article by Mr. John Herling concerning Dr. Dunlop be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOHN DUNLOP'S NO-NONSENSE ATTITUDE

If the Senate concurs, John Thomas Dunlop will soon become Secretary of Labor. He will be the second full-time professor—George Shultz being the first—to hold this Cabinet post. On the Harvard faculty since 1938, Dunlop emerged a few years ago as a strong possibility for the presidency of Harvard. He was outpointed for the job by his friend and colleague, Derek C. Bok, Harvard law dean. As Dunlop once told his colleagues, "Derek and I were the last two apples on the tree, and I was betting they would pick Derek." The reason presumably was that Bok, younger and usually more diplomatic, was considered a better choice to head the university in a period of student unrest.

At Harvard, Dunlop had come under the wing of Professor Sumner H. Slichter, the prestigious labor economist, who had groomed several generations of men and women in the labor relations field. More quickly than most, Dunlop seems to have responded to the challenges and the complexities of the building and construction trades industry.

With the passage of the Taft-Hartley law in 1947, it became necessary for the building trade unions and the contractors to establish a board to settle jurisdictional disputes, a corrosive characteristic of this much-fragmented and decentralized industry. Through vast diligence and weekly trips between Boston and Washington, Dunlop developed into the ombudsman and father confessor of the industry. After two decades, he came to be regarded as the "prime minister" of the construction industry.

In achieving this eminence, Dunlop had to overcome the suspicions of many in unions and management who regarded him as an outsider butting in on the "voluntarism" of the construction trades. But it became clear that the alternative to such a settlement board was the invocation of the Taft-Hartley provisions which empowered the government to enjoin jurisdictional strikes. Through necessity, therefore, the contesting parties agreed to accept Dunlop's pragmatic decisions.

Although Dunlop might pooh-pooh the idea, he seems driven by a missionary spirit attained, at least in part, by inheritance. His father served in a mission in the Philippines at Cebu, where young Dunlop lived for years before entering the University of California as an undergraduate.

His energy and the even-handed justice he administered as chairman of the jurisdictional board won the respect of the labor community. Even George Meany, as secretary-treasurer and later president of the American Federation of Labor, stopped resenting his presence in the AF of L building. Dunlop was good for the building trades and that was good enough for Meany.

Dunlop's friends marveled that he could fly to Washington Wednesday night, drink and talk with the boys until late, hold meetings the next day and fly back to Cambridge Thursday, ready to meet his disputatious students on Friday. As time went on and even more calls for help went out to Dunlop, he became the doctor in the house of the construction industry, reducing the fever of the disputants where he could not achieve an outright cure for labor-management disagreements. His lack of professorial bearing brought him close to men who were not usually enchanted by intellectuals.

Dunlop's no-nonsense attitude and his tone of flat-footed authority have in the recent past led to tense relations with the press. This was not always so. But his impatience with the media exploded visibly when he was appointed by President Nixon in 1971 to head up the Construction Industry Stabilization Commission. This group became the forerunner of the more inclusive Cost of Living Council of which he was made executive director.

John Dunlop does not think that economic problems can be resolved in a hurry, or can be simplified to fit journalistic cliches, either to make a deadline or conform to the needs of a November election. This view sometimes turns into a "father knows best" attitude, which fails to inspire filial regard. But it does ensure an adversary relationship between Dunlop and those in the press who want to know more than he might be prepared to tell them.

AMERICAN FREE ENTERPRISE

Mr. BARTLETT. Mr. President, many Americans are becoming alarmed over a trend of recent years which I find equally disturbing. For too long now, the American free enterprise system has been the scapegoat for our social ills, both real and imagined. During this period of economic uncertainty, the temptation again grows to blame American business for problems in which big government is, to a large extent, the real culprit.

American free enterprise has created the highest standard of living the world has ever seen. I ask unanimous consent to have printed in the RECORD two recent articles which put our present problems in the perspective of the challenges and successes of American business.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Sunday Tulsa World, Jan. 12, 1972]

BAD RAP FOR BUSINESS

When our country and the rest of the world pull out of the current economic slide, perhaps we will all have relearned one basic lesson: How much we depend on the vitality of privately operated business.

We are all aware, of course, that we live by the free enterprise system. We learned that in school and we have recited its virtues enough that we take them for granted.

But in fact we have paid too little attention to this foundation of our Good Life. We have not defended it enough and we have allowed it to be maligned, chipped away and downgraded.

New generations come along believing that business is greedy, distasteful and a kind of grubby necessity to be endured but hardly respected. "Profit" has become a sneer to many young people and some not so young; one must labor for Government or Good Works; otherwise one might be sullied by the crass desire to make money.

Too many fashionable professors in our colleges and universities have fostered this notion, picturing business as bad business. It must be regulated, controlled, kept in bounds by antitrust policemen and above all, it must not become big business or it will be extra-contaminated.

To these theorists and their followers, only the benevolent hand of Government keeps us from being exploited down to our bare skin.

Now we see our commerce hurting. People are being thrown out of work, plants are closed, communities suffering. We are beginning to sense, perhaps, what the free enterprise system really runs on. It runs on business . . . privately financed business, mostly in competition with other business. And it must make profits to keep going, to meet payrolls, to improve facilities, to create more jobs.

And what should we do to rescue the economy in this darkening day of recession? Can we rely on those who smirk at businessmen? Can we all live off the Government? Shall we look for some better system . . . and if so, where will we find it?

No, it is clear we must do everything we possibly can to help business . . . to revive and rekindle that dynamic, dust-kicking, smoke-producing, profit-seeking, sometimes even greedy institution we call private enterprise.

It is not a perfect system. It is marred by excesses and weaknesses and it does not always function benevolently. Sometimes it must be policed and corrected. But it has built for us the greatest economical well-being ever known in history; made us the most envied if not the most loved nation in the world.

And remember this: Our competitive drive, our will to work, our yearning for success—and yes, our desire for profits—these are the very things that are most likely to restore confidence and head us back to recovery.

So let's not stand around knocking business. Let's hope and pray for business.

[From the Wall Street Journal, Jan. 3, 1975]

COMMONSENSE FOR UNCOMMON TIMES—THINKING THINGS OVER

(By Vermont Royster)

There was a lot of jeering back in 1953 when Charles E. Wilson, Eisenhower's nominee for Secretary of Defense, remarked that what was good for the country was good for General Motors, and vice versa.

The jeering was made worse because his remark itself got turned vice versa. He was widely quoted as having only said what was good for General Motors was good for the country, which sounded quite different. Altogether, the poor chap got pilloried as the very caricature of the Wicked Big Businessman who would put corporate welfare ahead of the national welfare.

Well, I suspect that hardly anyone today would scoff at Engine Charlie. Anyway, we are all learning that what's bad for the country is bad for General Motors—and even vice versa.

Right now hardly anyone can fail to see that the bad things that have been happening to the country—inflation and the oil shortage, for example—have been disastrous for Detroit. And just about everybody is beginning to notice that the bad things that are happening to Detroit—the sagging sales, the cut-back production—are in turn having very unhappy effects on the rest of the country.

The reason is that the auto industry interlocks with so much of our whole economy. Not only is the direct manufacture of automobiles itself a major enterprise in terms of capital and jobs, the industry also supports the thousands of dealers and gas stations scattered all over the country. It provides a market for hundreds of suppliers, from batteries to spark plugs, and is a major customer of many other large industries, notably steel, rubber and glass. It's been estimated that one out of every five industrial jobs in the country is related in some way to the auto industry.

That's why President Ford the other day had all those auto industry people at the White House. They came with tears in their eyes from the auto companies and the unions and the ranks of the politicians, including the governor of Michigan.

Everybody was there because they recognized that the welfare of the country and the industry were intertwined. Clearly it was a belated acknowledgement that Engine Charlie had a point. What isn't so clear is that everybody really understands the point.

For of course the real point of Mr. Wilson's remark was that there is a direct relationship between the welfare of the nation's business enterprises, of which the auto industry is one among many, and the welfare of the country. That, in fact, the two are inseparable.

What Mr. Wilson was suggesting was that if the government encouraged economic policies that were good for the country they would benefit business in general, and his own in particular, and that if the government pursued policies good for business in general they would inevitably benefit the whole country.

And that is a proposition as likely to bring jeers now as it did then. For well over a generation the attitude of our governors has been that business was something apart from the national welfare. It might have to be tolerated but never encouraged. On the contrary, it must be held down, restrained, restricted, even punished, because the interests of business are antithetical to the interests of the people.

Thus our habit of dividing the economy into a public sector and a private sector. The private sector is bad because it is greedy profit-grubbing. The public sector is good because it provides for the welfare of the people.

Right now even the most obtuse polititian can see how the plight of the auto business translates into long lines of the unemployed. But a Senator Jackson can still talk about the "obscene profits" of oil companies at a time when the real welfare of the people calls for untold billions of capital investment to find and deliver new oil resources. Just so at a time when the nation cries for new gas supplies the regulators choke them off because that would just help greedy business.

It never seems to occur to the railers against business that if new oil supplies aren't found, that if new natural gas supplies aren't piped to industry, the lines of the unemployed will grow even longer.

It ought to be clear to anybody that there is no such thing as a job in any industry unless there is first the capital to build the plant and provide the tools for the laborer to do his job. Yet for years our taxing policy has been designed to discourage capital formation. The basic corporate rate, state and federal, is close to 60% even before the providers of the capital are taxed again on any return they get for providing the capital.

Worse, by recognizing interest payments, as an expense but not dividends, our tax laws encourage the piling up of debt while discouraging entrepreneurial capital investment. And to add to that problem the government is the biggest borrower of all, borrowing billions for non-productive purposes and so driving up all interest rates.

The examples could be endlessly multiplied. Everywhere you turn our national policies are imbued with the idea that somehow what is restrictive on business is good for the country.

Now, of course, with business in sad estate, with company after company in financial distress, with unemployment lines lengthening everywhere, business is threatened with more controls while the government, understandably enough, talks of enlarging the public sector to provide relief for those thrown out of work by the maltreatment of the private sector. And who, pray is to pay for it?

It's been a long time since any President dared say that the business of America is business. But maybe we'd better also stop jeering at Cal Coolidge.

DEPARTMENT OF DEFENSE VIEWS ON FOREIGN INVESTMENT IN U.S. DEFENSE CONTRACTORS

Mr. INOUYE. Mr. President, on December 9, 1974, I had printed in the RECORD a list of questions that I had sent to Secretary of Defense James Schlesinger concerning the rumored Arab investment in Lockheed and the Defense Department policy with respect to other foreign investment in American defense contractors. I promised then to share the information that I received, and pursuant to that promise I ask unanimous consent today to have printed in the Record the Department's reply.

There being no objection, the material was ordered to be printed in the Record, as follows:

QUESTIONS AND RESPONSES

Question. "Is the Department of Defense able to confirm the report that an offer for a controlling interest in Lockheed was in fact made by Arab investors?"

Response. The Department of Defense has no information other than what has appeared in the news media.

Question. "Is the Department able to confirm the claim that Lockheed rejected the offer in the manner described in the POST article?"

Response. The Department of Defense is not familiar with the action taken by Lockheed or the relationship described in the POST article.

Question. "If such an offer was made, was the Department advised of it? At what point in the negotiations was the Department told of the offer and rejection?"

Response. The Department of Defense has received no information of the reported offer and rejection.

Question. "Does the Department of Defense know of any other bids for control (as defined above) of any such firms described above?"

Response. Under the Defense Industrial Security Program preliminary reports have been received from field components that Magnavox and Occidental Petroleum have experienced acquisitions of their stock by foreign investors. Both cases are now under review.

Question. "If such offers for control are made, does the Department require this information to be forwarded to the Department? If not, why not? If yes, at what point during the negotiation would this information have to be provided to the Department?"

Response. Under the Defense Industrial Security Program cleared Defense contractors are required to report when such offers become accepted and as a result a change in ownership occurred to an extent that control of a corporation was affected. Furthermore, should foreign interests own or become owners of 6% or more of the corporation's voting stock, we are furnished a report of such changed conditions in accordance with paragraph 6a(4) of the Industrial Security Manual for Safeguarding Classified Information (DoD 5220.22-M), together with a revised Certificate Pertaining to Foreign Affiliation (DD Form 441s).

Question. "Please list existing reporting requirements—laws, rules, regulations or other procedures—maintained by the Department as to the identity, location, and nationality of the foreign investors and the nature of the investment in companies engaged in significant defense work. In replying to this question, please cite the precise legal basis for the requirement."

Response. The only reporting requirements are established under the Defense Industrial Security Program. These reporting requirements are contained in the DD Form 441s (Certificate Pertaining to Foreign Affiliation), which the contractor is required to execute pursuant to paragraph 21a of the Industrial Security Manual for Safeguarding Classified Information (DoD 5220-22-M). ASPR 7-104.12 (Military Security Requirements) requires the contractor to comply with the terms of the Security Agreement (DD Form 441) including the Industrial Security Manual which is attached to it and made a part, thereof, thus affording a contractual basis for the reporting requirement.

Question. "Please list all enforcement powers which exist to ensure compliance with the Department's data collection."

Response. Under the Defense Industrial Security Program a contractor's failure to furnish information pertaining to foreign ownership of stock may result in the denial or revocation of a facility security clearance. Misrepresentation of the extent of foreign ownership may result in a fine or imprisonment or both (18 USC 1001).

Question. "To your knowledge, have the disclosure and reporting requirements been effective or ineffective? Have the enforcement powers to require disclosure ever been to secure the necessary disclosure?"

Response. The disclosure and reporting requirements contained in the Defense Industrial Security Program have been accepted by participating contractors and are considered effective. No defense contractor's security clearance has been terminated for failure to report percent of foreign ownership, however, failure to report percent of foreign ownership or change thereto, could result in termination of a Defense contractor's facility clearance.

Question. "To what extent has the information collected been made available to the public and to the Congress?"

Response. We have no knowledge of such information being made available to the public or to the Congress.

Question. "Are there any gaps in the scope or coverage of reporting and disclosure? If so, in your opinion, what are they?"

Response. No gaps have been identified in the scope or coverage of reporting under the Defense Industrial Security Program.

Question. "Are there any factors such as foreign laws, use of foreign or domestic nominees, etc., which make it difficult or impossible to obtain information as to the identity, location, and nationality of the investors and the nature of the investment?"

Response. We are not aware of any foreign laws that restrict disclosure of stock ownership as recorded on the books of United States corporations. However, corporate stock may be held by a domestic nominee under a private agreement with a non-U.S. citizen which may make it extremely difficult to ascertain whether the voting stock is, in fact, owned or controlled by non-U.S. citizens. Further, since stock can be held in any name and the records of the stock transfer agent need only show residence, not citizenship, a non-U.S. citizen can be a resident and his citizenship unknown. In most cases, U.S. firms are able to determine when foreign interests have a significant amount of their stock because they would be aware of any holding that could affect control over their firm by election of a director to their Board.

Question. "In your view, is any additional legislative authority needed to improve the data collection and disclosure program administered by the Department of Defense? If the answer is yes, please list your suggestion."

Response. The present method of obtaining information on percent of foreign ownership of Defense contractors' participation in the Defense Industrial Security Program is considered adequate. As you know, the recently enacted legislation which was sponsored by you and Congressman Culver (PL 93-479) requires the Commerce and Treasury Departments, as part of their overall review, to study the adequacy of information, disclosure and reporting requirements, and to recommend means whereby information on foreign investment can be kept current. Moreover, the Office of Management and Budget (OMB) and the Council on International Economic Policy (CIEP) are conducting an Interagency review of reporting requirements. This study will be supplied to the Congress by mid-February. Upon completion of the foregoing, we will be in a better position to determine if any further legislative recommendations are necessary.

Question. "Can any changes or improvements be made administratively without further legislation? If so, please list your suggestions."

Response. Yes, even though present procedures are considered adequate it may be desirable to require prior notification of acquisition by a foreign investor of an interest in a US defense manufacturer. For example, companies with classified contracts might be required to notify DoD whenever negotiating for the purchase of company owned stock with a significant (e.g. 6% or more ownership) foreign investor commence. This matter will be further assessed in light of the findings of the studies mentioned in response to Question 13, above.

Question. "Please list any laws which restrict or otherwise limit foreign investment in businesses engaged in defense work or in defense-related industries."

Response. We are not aware of any legislative basis which restricts foreign investments in defense industries. Although the industrial security regulations discussed above do not directly prohibit foreign investment in the defense sector, they do act as an indirect prohibition on foreign acquisition of any firm that does classified work with the government in that such acquisition could cause the firm to lose its classified government business. In addition, the President has certain emergency powers which can be used to prevent abuse by any investor of his control of a defense related firm—e.g. power to require priority performance of defense contracts in certain circumstances and broad powers under the Trading with the Enemy Act if a national emergency exists. In order to give the President added flexibility to protect national security in situations falling short of a declared emergency or war, you might want to consider broadening the case by case authority. For example, the President might be given authority to make a determination (based on national security grounds) to require that a specific firm should have ownership and control (e.g. voting rights) separated from management of the firm (e.g. through establishment of a trust device). Alternatively, the President's power to act under the Trading with the Enemy Act might be made independent of the existence of a legal "state of emergency" and dependent only on his ad hoc determination that regulation of a particular foreign investment was required in the interest of our national security.

DEFENSE INDUSTRIAL SECURITY PROGRAM

FOREIGN OWNERSHIP, CONTROL AND INFLUENCE POLICY

As part of the Defense Industrial Security Program, the Department of Defense has established policies concerning foreign ownership, control, and influence in U.S. Industry. The policy relates only to those U.S. companies who perform on classified contracts. A classified contract is defined as one the negotiation or performance of which will necessitate the contractor or his employees to have access to classified information. As a condition precedent to the award of a classified contract the contractor must be issued a facility security clearance. This is done as part of the Defense Industrial Security Program. Currently, there are approximately 11,500 cleared contractors or facilities participating in the program, and they employ approximately 1.2 million people who have been issued personnel security clearances. The DoD Industrial Security Program is administered by the Deputy Director, Contract Administration Services, Defense Supply

Agency. Within the Defense Supply Agency there are eleven Regional Offices which have been delegated the responsibility for the security supervision and inspection of these 11,500 contractors. Overall, responsibility for policy development is vested in the Assistant Secretary of Defense (Comptroller) through the Deputy Assistant Secretary of Defense (Security Policy).

It should be pointed out that the Department of Defense pursuant to authority enunciated in Executive Order 10865 administers the Industrial Security Program, not only as it pertains to all Department of Defense classified contracts, but also on behalf of 14 other Departments and Agencies of Government. They are listed in Enclosure 1. Mention is made of these User Agencies because the foreign ownership, control, and influence policies and decisions affect not only DoD contractors, but also the contractors of these other Departments and Agencies of Government.

Since the inception of the Industrial Security Program within the Department of Defense in 1950, there has been a recognition of the need to insure those contractors who are entrusted with U.S. classified information are not subject to foreign ownership, control, or influence. This policy, which has been essentially unchanged since 1950, provides that facility clearances may be granted only to contractors organized and existing under the laws of any of the States or Puerto Rico, and that facilities which are determined to be under foreign ownership, control or influence are not eligible for a facility clearance. This policy is expressed in Section II, Part 2, Industrial Security Regulation (DoD 5220.22R).

The standard which is applied for determining the existence of foreign ownership is:

"A facility will be considered to be under foreign ownership, control or influence when the degree of ownership, control or influence from a foreign source is such that a reasonable basis exists for concluding that compromise of classified information may result."

There is an exception to this general rule. Pursuant to bilateral agreements, facilities which are under United Kingdom or Canadian ownership, control or influence may be cleared. These clearances are based on a security assurance on the foreign parent or owner from the government of Canada or the United Kingdom, as appropriate. These facility clearances are limited to the extent that classified information not releasable to the United Kingdom or Canada is likewise not releasable to facilities with United Kingdom or Canadian reciprocal facility clearances.

The reason for this foreign ownership policy is quite simple. The Industrial Security Program is based on an agreement between the Department of Defense and the top management of the company to safeguard classified information in accordance with the Industrial Security Manual for Safeguarding Classified Information (DoD 5220.22M). If the top management of the company consists of a foreign entity or is under the influence or control of a foreign entity, it would not be reasonable to entrust them with classified information which is not releasable to their foreign principal or owner. As a minimum, it would establish an untenable conflict of interest. As a maximum, it would be entrusting classified information with those who national policy has dictated should not have it—for example, the foreign government, itself.

The inquiry to establish whether or not there are elements of foreign ownership, control or influence begins as part of the initial survey which is conducted as the first step in processing a company for a facility security clearance. The policy is explained and the company is asked to furnish information relating to foreign ownership, control or influence. To facilitate this factfinding, a form entitled "Certificate Pertaining to Foreign Affiliation" DD Form 441s was developed in 1959. This form, a copy of which is attached as Enclosure 2, asks the contractor to answer relevant questions with respect to foreign ownership, control and influence. Wherever the contractor indicates an affirmative answer, he is required to provide an explanation. Subsequent to the filing of this form with the DoD Cognizant Security Officer, the contractor is required to report any significant change in the information or answers previously provided. This requirement is set forth in paragraphs 6a (4)(f) and 21 of the Industrial Security Manual for Safeguarding Classified Information (DoD 5220.22M). From this it can be seen that primary source of foreign ownership, control and influence information is from the contractor itself.

The more common foreign ownership, control or influence elements are outlined in Enclosure 3. Income from foreign sources is far and away the largest single factor. Income from foreign sources is expressed and analyzed in terms of a percentage of gross income. With respect to ownership, 6% is the general threshold. Where less than 6% of the stock is foreign held, it generally will not be significant in terms of foreign influence. When the percentage exceeds 6%, then it may be a factor in influence and control. For example, in a very widely held corporation, a foreign owner controlling 6% of the voting stock may be in a position to exercise significant control. On the other hand, in a closely held corporation an amount considerably in excess of 6% may not be significant in terms of control of the corporation.

Interlocking directors standing alone will generally not be indicative of a problem. On the other hand, interlocking directors coupled with ownership by a foreign principal who appoints such directors may well be significant in terms of corporate control.

Licensing, patent, or trade secret agreements must be carefully reviewed to insure that they would not form a basis for intentional or inadvertent unauthorized disclosure of classified information.

Finally, with respect to foreign indebtedness, the debt must be reviewed in terms of its percentage of corporate assets and also in terms of collateral that might be pledged.

Because of the complexity and significance of foreign ownership to control or influence decisions the authority to make these decisions has always been held to a high level within the Department of Defense. Prior to 1965, the decision had to be made at the Secretarial level of the Military Departments. Since 1965, when Industrial Security was consolidated in DSA, the authority was specifically delegated to the Deputy Director of DSA for Contract Administration Services (DD/CAS). There are certain further delegations to region commanders which are set forth in Enclosure 4. These are strictly interpreted and whenever there is a doubt, the case is forwarded to DDCAS for decision.

Whenever there is significant evidence of foreign ownership, control or influence, the case is discussed in detail with the contractor and its counsel. If it appears that an adverse decision is indicated, the contractor is informed and advice and guidance is provided as to actions that the contractor might take to isolate or nullify this foreign ownership. Where there is a significant degree of foreign ownership, a voting trust agreement is generally suggested as a means of isolating this foreign owner. The voting trust which normally will consist of three disinterested individuals can be used to transfer legal title from a foreign owner to trustees who are U.S. citizens. The foreign owner becomes then simply a beneficiary. In order for such an arrangement to be approved, the foreign owner must agree to relinquish all the normal prerogatives of management. The trust must be de facto as well as de jure. In other words, the U.S. trustees must assume responsibility for management and control of the corporation, thereby isolating the foreign owner from the cleared U.S. facility. If there are interlocking directors, the interlocking directors must resign, because otherwise they would circumvent the trust agreement. When a contractor establishes such a trust, it is generally possible for DSA to issue or continue the facility security clearance.

In making the clearance determination in foreign ownership, control or influence cases, DSA will generally analyze three primary channels for corporate control. They are ownership, management and technical commonality of interest. Ownership is obvious. When a foreign entity owns a significant portion of a company, he has the ability to influence or control. Generally speaking, this ownership will be manifest by the appointment of directors or officers. This constitutes the second, or management avenue, of control. If directors or officers are appointed by a foreign owner, then, of course, control and influence must be presumed. The third channel for potential control and influence relates to technical commonality of interest. If a foreign parent and U.S. subsidiary are engaged in the same general types of pursuit, or technical areas, there will be exchange and possibly dependence or interdependence in technical areas, and this situation may result in influence or control. It also establishes the possibility for a conflict of interest. On the other hand, when the foreign owner is strictly a financial institution and the U.S. subsidiary is involved in electronics, for example, there is no technical commonality of interest so this avenue would not be a potential source of difficulty in such a case.

To conclude, it should be pointed out that in the vast majority of cases foreign ownership is not a significant problem. Between 1968 and November 1974 there were a total of 682 foreign ownership, control or influence cases resolved at Headquarters, DSA. In most of these cases the ultimate decision is made to issue the facility clearance. In a small percentage it is necessary for the contractor to establish a trust before a favorable decision can be made. Some companies, albeit few in number, elect to not enter the classified procurement field, because their foreign owners choose not to relinquish the prerogatives of management. There have been very few adverse decisions.

Mention should also be made of the "utilization of facilities" policy set forth in paragraph 2-204, Industrial Security Regulation (DoD 5220.22R). Under this policy, a classified contract can be awarded even though the company is not cleared under the DoD Industrial Security Program. The advantage of this procedure is that it enables the Government to take advantage of the company's expertise, while, at the same time, not permitting the company to compete for other classified work which could be performed equally well by other U.S. contractors.

DEPARTMENTS AND AGENCIES WHICH UTILIZE THE INDUSTRIAL SECURITY PROGRAM AS AUTHORIZED BY EXECUTIVE ORDER 10865

Departments of State, Treasury, Interior, Agriculture, Commerce, Labor, Health, Education, and Welfare, and Transportation.

Agencies: Federal Energy Administration, General Services Administration, National Aeronautics and Space Administration, Environmental Protection Agency, National Science Foundation, and Small Business Administration.

MORE COMMON FOCI ELEMENTS

Foreign Income.
Foreign Ownership.
Interlocking Directors.
Licensing Agreements.
Foreign Indebtedness.

DELEGATION TO REGION COMMANDERS

Less than 6% ownership.
Interlocking directors.
Licensing agreements.
Foreign income less than 10% of gross income.

Mr. INOUYE. Mr. President, of particular interest, I should note that the Department says that it has no knowledge of the purported bid for Lockheed other than the stories which appeared in the mass media. Under the Defense Department's industrial security program, cleared Defense contractors are required to report when such offers become accepted. In view of the fact that the Department claims it was unaware of whether an offer was made, I believe that a further inquiry into this matter is warranted. It is not clear whether the bid was serious and deserved attention or whether it was simply prompted by the public concern of last year.

I would also like to point out that the Department considers its program effective and adequate, according to its reply. It further has declined to endorse new legislation while it awaits the result of a CIEP–OMB study which is now underway. I have also received a list of companies in which foreign investors have more than a 6 percent equity interest. However, the Department of Defense has advised me that it considers this information privileged under section 552(b)(4) of title 5. I am checking further into this matter to see if this information can be released.

As I noted in my initial statement on this subject, I am concerned about the possibility of foreign interference in the operation of defense-related firms. However, there is little or no evidence that this in fact has occurred. Moreover, I believe that it would be dangerous to overreact to a possibility that has no chance of being translated into reality.

I shall shortly be introducing a bill which will establish a monitoring and disclosure system for foreign investors in the United States. It will be similar in its objectives, though not in all its provisions, to a bill that former Senator Howard Metzenbaum and I introduced in the last Congress and which had 31 cosponsors. During hearings on this bill, I intend to review fully this question of foreign investment in defense-related industries.

I know that the information contained in this insertion will be of interest to my colleagues. At such time as I receive additional data on this subject, I shall share it in the same manner as I have in the past in order to provide the public with the most current information available.

TRANSCRIPT OF INTERVIEW OF SENATOR ROBERT C. BYRD ON "FACE THE NATION"

Mr. ROBERT C. BYRD. Mr. President, on Sunday, February 16, I was interviewed on the CBS program "Face the Nation." The panel consisted of CBS News correspondents Marya McLaughlin, George Herman, and Newsweek magazine's John Lindsay.

I ask unanimous consent that the transcript of the interview be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

FACE THE NATION

HERMAN. Senator Byrd, the President and his men have been taking a lot of pot shots at this Congress for doing, as the President said, essentially nothing. Does all of this come under the heading of fair comment and criticism, or is it the kind of thing which might end the so-called honeymoon between the President and the Democratic Congress?

Senator BYRD. I think it could hurt the honeymoon—the honeymoon—if there be such; but what it does, it adds up to confrontation politics, and I don't believe this is good for the country or that it serves the best interest of the people.

HERMAN. Is it all on the President's side?

Senator BYRD. Not altogether, but the manner in which the President has initiated this confrontation, I think, does not bode well. After all, he doesn't have a national constituency, and his is an inherited presidency, and it's unique in this regard. It doesn't have the national support that it should have. His main strength is his alliance with his old friends in Congress, and it imperils that alliance.

ANNOUNCER. From CBS News, Washington, a spontaneous and unrehearsed news interview on FACE THE NATION, with the Senate Majority Whip, Senator Robert Byrd, Democrat of West Virginia. Senator Byrd will be questioned by CBS News Correspondent Marya McLaughlin, John Lindsay of Newsweek Magazine, and CBS News Correspondent George Herman.

HERMAN. Senator Byrd, I'm a little bemused at your saying that the President's taking the kind of line which might break up the honeymoon, when as I recall, one of these times when we had you on the program, you said Mr. Ford was a nice man but had no ability to lead. Who started this attack?

Senator BYRD. The President has hit the Congress on energy, he has hit the Congress on the trade bill, he has hit the Congress on the economy, he has hit the Congress on Viet Nam. I think that he probably started it when he failed to take the leadership into consideration in bringing in his program. In other words, it took the President five months in which to develop a program, and he sprung that on the Congress in that he did not take the leadership into consideration. We were not consulted—

HERMAN. The leadership of Congress.

Senator BYRD. The leadership of Congress. We were not consulted. He required five months to develop that program. He sprung it out of the blue, one might say, one month ago yesterday, on January 15, and then immediately lays it on the Congress' back, goes around the country and says that Congress is dragging its feet, that we're not passing his programs. Actually, his budget proposals, which enlarge the original State of the Union message and flesh in some of the details, was not—was presented to the Congress only two weeks ago tomorrow; so the Congress hasn't had the time to assimilate this material and to act on it. Congress is going to act on it. It will come up with some alternatives. It will support some of the President's proposals. But I don't think that this kind of confrontation politics is good. It sounds like politics as usual to the American people, and that's what they don't want.

LINDSAY. Well, Senator, before this year is over the Congress will have to respond at some level to the President's proposals. What—you're a member of the Senate leadership. Now the House decided to take a vacation right at the critical moment when we're all being asked to make sacrifices. The Senate didn't take the formal recess, but they traditionally, up there, operate on their own calendars—neither Justinian nor Gregorian. It just doesn't recognize Mondays and Fridays like the rest of us. Now what are you, as a leader, going to do to impress upon the United States Senate that form and perception of how they're arriving at their decision is important in how they are going to be perceived as acting by the American people?

Senator BYRD. In the first place, every senator knows what his responsibility is and what his duty is, and it's not up to me as a member of the leadership to impress upon any senator what his responsibility is. Number two, we in the Senate don't operate as you have indicated, working only on Tuesday, Wednesdays and Thursdays, with Mondays and Fridays set aside.

LINDSAY. Well, it gets a little soft at the beginning of the week and toward the end.

Senator BYRD. Well, the Senate doesn't have to be in session for Congress to be doing its work. Committees are meeting, committees are conducting hearings in the field, committees are conducting hearings in Washington, members of the Senate are attending to the business of their constituents, they're meeting with agencies. The work is going on, even if the Senate isn't in session.

MCLAUGHLIN. Senator, I want to ask you something that really annoys me, and I would think maybe annoys a lot of American people—is this idea. I would assume that you voted for the Twenty-Fifth Amendment, and I would assume that you voted for Jerry Ford.

Senator BYRD. Yes.

MCLAUGHLIN. And yet, every time that you start off a criticism, which you did on this program, we start off the idea that he didn't really—

Senator BYRD. Well, I didn't start out with criticism. I was asked a question.

MCLAUGHLIN. That's correct, but—

Senator BYRD. The criticism that has been coming from the Congress is in answer to the criticism that has been coming from the executive.

MCLAUGHLIN. But— you could criticise him on his program, but criticizing that he's not really kind of the President of the United States because he hasn't been elected seems to me to be a cheap shot.

Senator BYRD. Well, it isn't intended to be a cheap shot! What I'm pointing out is that he has no natural base.

MCLAUGHLIN. It's not his fault.

Senator BYRD. And his—no, it isn't his fault, but his presidency is unique in this regard, that he inherited the presidency. Now for him to go out and tell the American people—

MCLAUGHLIN. He has a right—

Senator BYRD. —that the Congress—he has a right—he has a right to defend his program, yes. We have a right to examine it and to criticise it and to support part of it and to come up with alternatives. But for him to go out and tell the American people that the Congress, which was elected by the American people, is not rubber stamping his program, I think, smacks of politics as usual. And I say this with all respect to the President. I like him and revere him just as—as you do.

HERMAN: How would you label—politics as usual or not—the Democratic Whip saying—it's a long time before the President started criticizing Congress—that the President was a nice man but had no ability to lead. Is that politics as usual?

Senator Byrd. It was a long time before he demonstrated an ability to lead.

Herman. I was just pointing out, it was before he attacked—that the first attacks, in some ways, came from your side.

Senator Byrd. Well, I don't recall where the attacks came from, and that isn't so important. I think the important thing is that both should cooperate and work together in the interests of the American people. The President needs the Congress, the Congress needs the President, and the American people need both. But the President made an error, in my judgment, in not bringing the leadership in on the takeoff as well as on the landing. When he conceived this program, it required five months for him to do so, and in the period of those five months, there was a wavering—a constant wavering as to policy. And the administration has consistently failed to predict the severity of the recession. And in failing to bring in the leadership, I think that the President avoided an opportunity—not intentionally—but certainly let an opportunity go by in which the leadership of the Congress and the President could perhaps have agreed and gone down the road together.

McLaughlin. Senator, again, you know, I think the American people are just so terribly upset about the conditions in the country, and the idea that the President didn't bring in the leadership is probably the last thing they're going to think about. I mean, are we going to suffer because, you know, the President failed to bring in the leadership? I mean, it seems to me the partisan politics should be out of this and that you all should be doing something. And the idea of saying, you know, well, he didn't talk to us and so we're—

Senator Byrd. Well, I was merely responding to your questions about the criticism of the Congress, how he was criticizing Congress for doing nothing. No, there must be cooperation, and there will be cooperation. The Congress will come up with its own programs where it can't agree with the President's proposals, and it will support—in the main, I should think—a good many of the President's proposals.

McLaughlin. How soon?

Senator Byrd. Well, soon, and it has already come up with some alternatives—for example, the food stamp proposal. The Congress failed to go along with the President's proposal to increase the price of food stamps; so that's pretty soon, I should think. The President—the Congress created the Commission on Wage and Price Stability within ten days after the President had requested it last year, and the Congress is already acting in regard to the extension of the—or the expansion of the debt limit, rather, and the President's oil tariff. So the Congress is working, but we've only been in session a month.

Lindsay. But Senator, keeping a lid on the price of food stamps is not exactly a courageous stand by members of Congress who were elected by people. How—when you get to the——

Senator Byrd. Well, courage has nothing to do with it, particularly. I don't see anything in that, as to whether it was courageous or not. It was an action that was necessary, I think, on behalf of the people who need those—the assistance that the food stamps give.

Lindsay. What I'm saying is that there's no—that it required no great sacrifice on the part of the United States Senate or the House to move on this very, very quickly. It was a simple political matter. Now——

Senator Byrd. Well, it wasn't a simple political matter, and whether it's courageous or not, I think, is beside the point.

Lindsay. Well, what I'm getting at is that down the line you're going to have to come to grips with the so-called sacrifice—

Senator Byrd. And we will.

Lindsay. —question of energy and so forth—

Senator Byrd. And we're in the process of doing that right now, and it requires some courage, I think, to reject the President's oil import tariff.

Lindsay. Well—

Senator Byrd. And we're in the process of attempting to do that.

Lindsay. Again, the question of courage here aside, do you—at the moment, philosophically—do you agree with the President that there should be a conservation of energy, with the ultimate point being the United States' independence of energy sources?

Senator Byrd. Yes.

Lindsay. How do you propose to do that?

Senator Byrd. Senator Pastore has been meeting with his ad hoc committee several times during the so-called informal recess. And that ad hoc committee is presenting an alternative program to the President's program, and that ad hoc committee's program will be geared, in its proposals, to restoring the health of the economy and to conserving energy and to encouraging new sources of energy. So that committee will soon present its recommendations to the full policy committee, and then it will go to the—all of the chairmen of the Senate, and then to the Senate Caucus, and, hopefully, then there will be a meeting between the Senate ad hoc committee and the House task force.

McLaughlin. Senator, do you feel that there has been too much emphasis on lack of oil and lack of energy potential in this country? In other words, do you think that the administration has over-exaggerated the program—the problem, and that maybe there are great oil reserves building up and we don't have to act as fast as we might have had to?

Senator Byrd. I don't think that the energy—that the administration has intentionally exaggerated the problem. As to the logic in support of reducing immediately—or this year—the imports by one million barrels per day, I cannot find that logic. I don't know where that figure came from. I don't think anyone else knows. But I don't think that the problem should be over-emphasized, and I think the administration is correct in calling attention to the severity of this problem. And—but I must say that I think it's wrong in its approach.

McLaughlin. Well, just let me ask you then, do you think it is necessary to reduce it by the figure that the administration has said or do you think that will have a bad effect on the economy?

Senator Byrd. I don't think it's necessary—not only is it not necessary to reduce it by a million barrels a day this year, I think it would result in severe adversities throughout the economy. It would exacerbate the recession, and it would increase unemployment, and at the same time it would have a very serious effect on inflation. And I don't think that the program would translate; really, there is no guarantee that the program would translate, in the final analysis, into a conservation of energy or the production of new energy in the degree desired.

Herman. Considering the studies that have now been done, showing that the United States apparently does not have as great oil and energy reserves as was thought at one time, other studies which have been done which show that dollars are not flowing to the oil countries as strongly as was once subject to considerable worry, should we strive for independence?

Senator Byrd. We should strive for independence, but over a longer period. I don't think that we should go in for a crash program this year of reducing imports by a million barrels of oil daily, because I think that this would, as I have indicated, increase the inflationary pressures, it would increase unemployment, and the recession.

Lindsay. Senator, if we talk about presidential politics, Senator Jackson is already in the race, Senator Bentsen will be in it, Mr. Udall, and former Senator Fred Harris are all quite active in the campaign. It's assumed that Governor Wallace of Alabama will be. I understand that the theme for the Robert Byrd dinner in West Virginia will be Byrd for President. I assume that you are not uninterested, that's what you said some time ago. What philosophy will you bring to the ticket? Let's talk about your civil rights record——

Senator Byrd. Let's start by your premise that I'm going to bring something to the ticket, a philosophy to the ticket. That's a rather faulty premise at this point—I'm still not uninterested.

Lindsay. You're not uninterested? Well, I'm talking about the possibility that the time will come when you are actively interested. This is true, is it not, that the theme for your dinner in West Virginia is Robert Byrd for President?

Senator Byrd. There is no dinner scheduled.

Lindsay. Well, my understanding was that there was a dinner in West Virginia——

Senator Byrd. There is no dinner scheduled. There may be at some future point, but it will be for the purpose of raising funds for my anticipated reelection campaign to the United States Senate.

Lindsay. Well, the state chairman down there has told us that——

Senator Byrd. Well, that's all right, I'm flattered by his compliment.

Herman. You would not reject the idea?

Senator Byrd. I would not reject the idea.

Lindsay. You've been criticized for an inconsistency in your civil rights voting record. For instance, in 1964, in the massive Civil Rights Bill, you engaged in a prolonged conversation on the floor of the Senate—I think it was some 15 hours——

Senator Byrd. Sixteen hours.

Lindsay.—against cloture. Subsequent to that, you have introduced bills—for instance, in 1969, when there was a peak of black activist activity on campus, and also the beginning of the real anti-war demonstrations on campus, to make it a federal offense for any person or student to disrupt a school that was getting federal funds. Now, in 1974 you had a situation in West Virginia where schools were disrupted, not necessarily by students, but because there was an objection to some of the content of the textbooks, and your comments at that time didn't carry the harshness of your comments directed toward the black activists and anti-war demonstrators of 1969. Why?

Senator Byrd. You have a number of questions there. First, as to the textbooks, I have taken the position that the federal government had no voice whatsoever in the selection of those textbooks, and that it has no authority to intervene. This was a decision by the local school board, and I'm sure that you would recognize that if the federal government has the authority to tell what books—to tell any local school board what books it cannot use, it also would have the authority to say what books must be used, and I think that would get us away from local control, which would be bad. In the second place, I have frowned upon violence, whether it is in Kanawha County, West Virginia, or elsewhere, and so I have taken the same stand as to violence in one situation as I have taken in another. As to my civil rights voting record, I voted for the 1957 Civil Rights Act, for the 1960 Civil Rights Act, for the 1962 Civil Rights Act, and for the 1968 Civil Rights Act. I voted against the 1964 Civil Rights Act. I voted against the 1965 Voting Rights Act. I have indicated that I intend to vote for an extension of the Voting Rights Act—the Supreme Court has upheld that act. Now, I think if one takes the whole record, one would have to say that my civil rights record is not all bad, and—

Lindsay. I'm not suggesting that it is, Senator—

Senator Byrd.—it is in the main a good record.

Lindsay. The '64 and '65 Civil Rights Acts were the monumental landmark Civil Rights Acts, and you voted against both of them.

Senator Byrd. I voted against them on constitutional reasons. For example, the Voting Rights Act, I took the position that Article I, Section 2, of the Constitution; Article II, Section 1, of the Constitution; and the Seventeenth Amendment of the Constitution, all gave the prerogative of determining the qualification of voters to the states, and so I voted against the act on a constitutional basis; and I did so with regard to the 1964 Civil Rights Act. There were many provisions in the '64 Civil Rights Act that I could have supported, but there were some provisions that I could not have, at the time.

McLaughlin. Senator, I am so stunned that you have taken this moment on Face The Nation, I think, to announce that your candidacy for the presidency—(laughter)—and I think also to say that your civil rights record is not all bad, but I'm not even going to pursue that conflict.

Senator Byrd. I didn't say it was all good, but—

McLaughlin. No, but I think it's interesting that you would even say it's not all bad.

Senator Byrd. Well, why not—

McLaughlin. (Unclear)—think it's all bad.

Senator Byrd. I didn't bring up the question, I was merely trying to lay all the facts on the record.

McLaughlin. Well, I think since you now are a presidential candidate, it's fair to ask you. What about the aid to Viet Nam, that's a fair question for—are we going to get that out of the Senate, or is that going to be voted down?

Senator Byrd. It's going to be an uphill fight for the President. The Congress appropriated $700 million for Viet Nam in the 1975 budget.

McLaughlin. Too much?

Senator Byrd. Too much? No, I'm not saying it is too much, but I am saying it is going to be difficult for the President to get an additional $300 million. But many people may have the impression that is the alpha and the omega, the beginning and the end. After all, in the FY 1976 budget, there's money for Viet Nam, and I would assume the Congress would appropriate money in the FY 1976 buget.

McLaughlin. Well, would you be in favor of giving that money?

Senator Byrd. No, not the addtional $300 million, no.

Herman. How about the money for Cambodia?

Senator Byrd. Well, I have some problems with Cambodia. I'm not sure as to whether I will support that or not. I would rather have my doubts at the moment, because I have voted against all foreign aid appropriations for several years.

Herman. Before we let go of the candidacy which was announced by Marya (laughter), can a candidate for the President of the United States succeed with the skeleton in his closet that he was once a member of the Ku Klux Klan?

Senator Byrd. Hugo Black succeeded—

Herman. But he didn't run for that.

Senator Byrd. But let's wait a moment, though. He was nominated and he was appointed and he served with distinction as a member of the United States Supreme Court, and so let's don't say that another man cannot succeed. I haven't announced my candidacy, but that joining of the Ku Klux Klan was three decades ago, and I suppose that many young people in this day and age have joined organizations which they will regret in later years. I've many times said it was a mistake, and I can't say any more than that.

Herman. You think those passions on all counts for all organizations in the past are dying down now and are not an important electoral consideration? Youngsters who were members of the Communist Party, the Socialist Party, the Klan, various other organizations?

Senator Byrd. Well, I don't know that that would be true in all cases, but I would imagine that if a former member of the Black Panthers, for example, were to run for office, I'm not so sure that—certainly after 30 years had passed—people would hold that against him. They are going to look at his record in the meantime.

Lindsay. Well, that's the point, Senator. The record you speak of is 30 years old, but the record of your votes in the Senate, you know, during the past ten years—you voted for Mr. Haynesworth and Mr. Carswell for the United States Supreme Court.

Senator Byrd. And a good many senators regret today that they voted against Mr. Haynesworth, and if they had to do it over they would vote for him.

Lindsay. And you voted against the only black that was appointed to the court.

Senator Byrd. I didn't vote against him—

Lindsay. Yes—

Senator Byrd. Now, let's take that—you're talking about Mr. Justice Marshall. I didn't vote against him when he was appointed to the judgeship of the Circuit Court in New York; I voted against him to be appointed to the Supreme Court of the United States because I felt that at the time the Supreme Court was top heavy in membership carrying a liberal philosophy, and that's why I voted against him. I didn't vote against Mr. Weaver who was the first Secretary of HUD. He was black.

McLaughlin. Senator, we only have a few seconds, and I'll just change the subject quickly on you—the economy—tax reform, tax cut, quickly, you know, what do we do?

Senator Byrd. On the economy?

McLaughlin. Yes.

Herman. All that in 30 seconds?

McLaughlin. Can you say in 30 seconds?

Senator Byrd. Well, I think we'll probably have some difficulty; but we'll go along with the tax cut and the tax rebate; we will not go along with the President's request to defer and rescind programs that will help to stimulate construction; we will stimulate the housing industry; we will stimulate consumer spending; and we will reject the President's energy proposal which would increase inflation, recession, and unemployment.

Herman. That's a pretty good 30-second program. Thank you very much for being with us on Face the Nation, Senator Byrd.

Announcer. Today on Face the Nation, the Senate Majority Whip, Senator Robert Byrd, Democrat of West Virginia, was interviewed by CBS News Correspondent Marya McLaughlin, John Lindsay of Newsweek Magazine, and CBS News Correspondent George Herman. Next week another prominent figure in the news will Face the Nation.

NEEDED: AN INCREASE IN DRILLING ACTIVITY

Mr. BARTLETT. Mr. President, our domestic oil industry has made remarkable and excellent progress during the last several years toward the goal of energy sufficiency for this country. From the standpoint of crude oil production, the first step in this effort must be an increase in drilling activity. Reversal of the strong natural trend for production to decline and a subsequent production rate increase necessarily follow this by several years.

Current drilling rig activity is 21 percent greater than the average in 1974, 49 percent greater than the average in 1973, and 84 percent greater than the all-time low in 1971. The domestic industry is now experiencing the greatest boom since the mid-1950's. This significant increase in activity is almost totally related to the $11-per-barrel free market price for "new" crude oil production.

The independent oil and gas producer is a major factor in this effort. During 1974 independents drilled 88 percent of all exploratory wells drilled in this country, and over 80 percent of all wells. The potential contributions of the independents cannot be overstated.

The administration's windfall tax proposal, even when coupled with decontrol of all crude oil, could very seriously stifle this tremendous upsurge in drilling and thus jeopardize our goal of energy sufficiency.

I have recently received a letter from one of my constituents in Oklahoma, Mr. Horace K. Calvert, who is president of a small independent oil firm. His letter explains very well the disastrous impact any windfall tax proposal, and in particular the President's proposal, will have on the independent oil man and on this country's domestic supply of crude oil.

I ask unanimous consent to have his letter printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Calvert Drilling Co.,
Oklahoma City, Okla., January 24, 1975.

Hon. Dewey Bartlett,
New Senate Office Building,
Washington, D.C.

Dear Dewey: I was in Washington, D.C Tuesday, where I attended a briefing by Federal Energy Administration officials on the President's proposed economic and tax program. After reading the data provided me at the meeting and listening to an explanation of the President's proposals concerning energy conservation, taxes and fees, I was astounded. I was astounded not only by the fact that if his proposal were enacted, it would virtually destroy the small oil producer as well as stifle oil exploration but also how it would fiscally affect the State of Oklahoma and other oil producing states, which are the few remaining pockets of prosperity in the country.

The President's proposals presented in the White House fact sheet stated his program would encourage domestic production as well as inferring that such a program would contribute towards overall energy independence by 1985. As far as I can determine, his proposals would have just the opposite effect insofar as oil and gas are concerned. The President's proposal is to decontrol "old" oil and thereby permit it to float in a free marketplace along with present exempted oil. That is fine and as it should be. But after that, he proposes that Congress enact a windfall profits tax that would recapture the profits from the price increase, and in the aggregate, the tax would be sufficient to absorb all the profit that would otherwise flow from decontrolling oil plus an additional 3 billion dollars.

Let us assume that after oil was decontrolled and after a $2.00 per barrel domestic tax that the price leveled at $11.00 per barrel, which exempted oil is bringing at the present time. The Windfall Profits Tax would then reduce $11.00 oil down to $6.52 per barrel before the 7% Oklahoma production tax. If the Oklahoma gross production tax of 7% is taken out first, i.e., on the $11.00 price, then one would have a net after tax of $5.82 per barrel. If the Oklahoma tax is deducted after the excise tax, the net is $6.07 per barrel.

According to the U.S. Bureau of Mines statistics, a mix of all domestic oil, the "old" and exempted, was selling in October, 1974, for an average of $6.96 per barrel and after the Oklahoma 7% gross production tax, the net is $6.48 per barrel. As you know, much of Oklahoma's, as well as the nation's, oil is "stripper" oil and is commanding $11.00 per barrel. Reducing this oil $4.52 per barrel to a price of $6.48 would not only eliminate much of the stripper reserves but would represent an inequitable tax on the exempted oil now selling for $11.00 per barrel. How a reduction of $4.52 per barrel on new and exempted oil and some 50 cents per barrel on the overall oil mix is going to encourage domestic production is beyond me.

It certainly will not encourage the independent who drills approximately 80% of all onshore domestic wells in the United States. I have not been able to develop the percentage of old oil to exempt oil currently being produced by the major oil companies. It stands to reason however that their ownership of old oil (approximately $5.20 per barrel) is far greater than that of the independent. So ironically decontrolling old oil and reducing new and exempt oil from $11.00 to $6.52 could actually result in a greater overall increase of price to some of the large producers as well as reduce the cost of third party oil they purchase for their refineries, which would mean greater profits.

It has been estimated by the Oklahoma Energy Council that each $1.00 decrease in the per barrel price of crude oil would reduce the total recovery in Oklahoma by 100 million barrels of presently recoverable oil not counting additional recovery if some laboratory and pilot plant studies are successful. I think you will agree with me that statistically the discovery of new major oil reserves (100 million barrel fields) in the future will be few and far between in the State of Oklahoma. However if economic incentives are available, i.e., free market price oil, the independent will continue to explore and spend his money in Oklahoma, but if the President's proposals are enacted in toto, the independent will have to either cease and desist, look to other areas, or direct his energies to gas, and preferably intrastate gas. With few exceptions, the search for $6.00 oil in Oklahoma is over, unless corresponding costs come way down.

And, mind you, $6.00 is a gross price, before leasehold costs, royalties, overriding royalties, operating costs, income tax and any risk factor is involved.

When the President's program is analyzed it is essentially a revenue-raising program to fund his tax reduction program, rather than an energy incentive program which our country so desperately needs. This is substantiated by the fact that the Treasury Department prepared the energy part of the bill with little or no input by the FEA.

Basically what the President's proposals call for is a rollback of the price of crude oil through a facade that calls for decontrol of "old" oil and deregulation of "new" gas. He proposes to give the producer an increase in price by decontrol of old oil on one hand and then through a Windfall Profits Tax, reduce all oil back to a level that is approximately 50 cents lower than it is today. By such an ingenious scheme as above, revenue is provided for his 30 billion dollar program by extracting it from either the oil and gas industry or its consumers. In such a program the President achieves the same result insofar as the oil producer is concerned as Senator Jackson would in his previous proposed rollback of oil prices. However in that proposal there is nothing to tax—it is merely a rollback, consequently that program provides no tax monies to rebate to the public or fund a tax reduction program. The consumer would benefit more under the Jackson plan. However Congress, under the Jackson plan, could not generate the needed revenue for the tax reduction as proposed by Ford. On either program, the oil and gas producer would bear the brunt of the tax burden and long term goals of increased exploration would be stifled.

The Windfall Profits Tax that the President has proposed to the Congress does not include a plowback provision nor does it contain exemption for classes of production (stripper, secondary, tertiary, etc.) or producers, i.e., big or little. The bill does contain a provision whereby the proposed tax on "high cost" producers could not be taxed more than 75% of net income from a barrel of crude oil. However most of the wells in this category are problem wells making not more than a few hundred dollars per month net profit and if that profit were taxed up to 75%, I am sure that most operators would plug the wells out and recover their salvage value instead of worrying with them.

Also, "net income" is not defined in the provision, i.e., before taxes, overhead, etc.

Under the rationale presented in this bill, all oil and gas producers last year reaped excessive (obscene) profits as a result of the rise in international oil prices. This simply is not true. Consider a domestic producer who, let us say, drilled nine dry holes and one oil well last year; maybe from that one oil well, he recovers either part of his cost, or all of his cost, or even makes a 2 to 1 profit; such profit is neither excessive nor obscene. From the independent's standpoint, the great injustice of this bill is that the independent is being tarred with the same brush as companies that made large profits.

The independent has one profit center and that is in the sale of his production; and that is the only place he can pass on his added costs. Conversely, the international or integrated company is a vertical combination; they have profit centers in domestic production, foreign operations, pipelines, refining, at the pump, manufacturing, transportation, chemical plants, fertilizers and many others, and can pass on added costs in any of these areas. However the President in his proposed Windfall Profits Tax is looking only to one profit center from where to impose the tax . . . and that is on the price of a barrel of crude oil. That is why his proposal is so unjust to the independent producer who has just one profit center—his crude oil.

A recent Senate Finance Committee report stated that their investigation showed the principal source of the increase in oil company profits 1973 was the increase from their foreign operations. I do not propose to be an expert as to where to apply taxes but if the industry has to be taxed, why not impose it upon that segment that produced the excess profits, i.e., foreign operations? If this is not done, then the tax should be spread over all company profits and not just crude oil production.

I am writing this letter to each member of the Oklahoma Congressional delegation. In so doing, I certainly hope that you and our other members, along with Congressional representatives from other energy producing states take immediate steps to:

(1) Kill the Windfall Profits Tax in its entirety, or

(2) If this cannot be achieved, then provide an exemption for the small producers and royalty owners, or

(3) If neither of the above can be achieved, then impose a more equitable tax where it should be—on excessive profits and not just on a barrel of crude oil, and finally

(4) In any instance, the plowback provision should be in any tax bill, otherwise the entire industry will lose its momentum and irreparable damage will be done to our energy efforts. Here again, the small producer should not have the same criteria in any plowback as the large producer. This is for obvious reasons, the large producer can plow back in a myriad of areas whereas the small producer can utilize the plowback provision only through drilling and leasehold costs. Incidentally, a group of independents are currently drafting a provisional plowback provision which will be sent to you for your consideration.

The industry has numerous representatives to devote time and money to this effort and will be guided by your thought and the thoughts of our delegation.

Yours very truly,

HORACE K. CALVERT,
President.

RESCISSION AND DEFERRAL OF LIBRARY FUNDS

Mr. EAGLETON. Mr. President, the rescission and deferral message which President Ford transmitted to Congress on January 30, imposes a great threat to library programs across the Nation.

President Ford has proposed that Congress rescind almost $50 million in funds previously appropriated for public, school, and college libraries, undergraduate instructional equipment, and training and demonstration grants.

With regard to public libraries, the President justifies the proposed rescission of $24 million on the ground that new legislation, the Library Partnership Act, has been proposed and the cutback would avoid expansion of the existing program while new legislation is being considered. I would point out that the Library Partnership Act was proposed last August, and there was little or no support demonstrated for it. Second, were the proposed rescission to be approved by Congress, only $27.8 million would be made available for these library programs. Yet, the fiscal year 1974 operating level for public libraries was $46.7 million. This rescission would not then avoid expansion—it would substantially reduce funding and undoubtedly force a reduction in services.

Mr. President, I have been concerned with the manner in which the administration has handled the deferral and rescission of library funds for the entire fiscal year.

As Senators know, according to the provisions of the Congressional Budget and Impoundment Control Act, a proposed deferral or rescission of funds such as those proposed for library programs must be submitted to the House and the Senate in a special message by the President. That message must specify the period of time during which the budget authority is proposed to be deferred; it must be printed in the first issue of the Federal Register published after transmittal; and it must relate to proposed deferrals in future quarters of a fiscal year.

A special message sent to Congress on December 27 relating to library deferrals violated these provisions of the act.

It showed that for the first two quarters of the fiscal year the States had received less than half of the money they should have received under the Library Services and Construction Act—LSCA. At the beginning of this fiscal year, the Labor-HEW appropriations bill had not been enacted. Thus, a continuing resolution was passed which provided that if only one Chamber had passed an appropriations bill as of July 1, as was the case with Labor-HEW appropriations, programs covered by that bill would be funded at the rate set in the appropriations bill or at the fiscal year 1974 rate, whichever was lower. The 1974 operating level and the House passed bill were the same—$46.7 million for public libraries.

Under the continuing resolution, the States should have received half of this amount, $23.35 million, in the first two quarters of the fiscal year, from July 1 to December 31, 1974. Yet the States only received $12.5 million. The administration "deferred" the remaining $10.8 million which would normally have been allocated. Thus, the special message merely announced the past deferral or impoundment, not a new proposed deferral.

Second, although the law requires that each deferral specify "the period of time during which the budget authority is proposed to be deferred," no such period of time was specified in the library deferral. For all we know, library funds will be released on the last day of the fiscal year, too late for the States to make effective use of the money.

Further, I noted that the budget deferral message was submitted to Congress on December 27, and yet it did not appear in the Federal Register until January 8, 1975. This delay is an additional violation of the Budget and Impoundment Act which requires such publication in the first issue of the Register published after transmittal to Congress. That would have been December 30, 1974.

I believe that the library deferral message should have been transmitted to Congress at least by October 31, 1974, the date that second quarter funds were released by the Office of Education at the reduced level. Deferral messages were submitted on October 31, November 13, November 26, and a cumulative report on December 9. Yet it was not until the last days of the second quarter, on December 27, that Congress was informed of this deferral which had occurred in the first month of the quarter.

After this period of unlawful deferral, we now have before us a message of January 30, 1975, proposing a rescission of $49.4 million in fiscal year 1975 library appropriations. In addition, the January 30 message proposes a deferral of $2.8 million from public library funds to be placed in reserve to meet increase pay costs in other HEW accounts.

Mr. President, I do not believe that it was the intent of the Congressional Budget and Impoundment Control Act to allow the President to shuffle funds appropriated by Congress for a particular program into an entirely different category. I would hope that either the House or the Senate will take action immediately to pass an impoundment resolution disapproving this proposed deferral.

Finally, Mr. President, I should point out that neither the rescission nor the deferral proposals of January 30 indicates a revision of a previous submission. Are we then to assume that the January 30 proposed rescission and deferral of $52 million is to be added on top of the $10.8 million impoundment from the first two quarters of the fiscal year? Are we then being asked to reduce the funding of public library programs from the previous year by $47.7 million and to eliminate other smaller library resource programs?

Mr. President, I have asked the Comptroller General to respond to my concerns with respect to these library funds. I hope that my colleagues will join with me to make every effort to see that libraries are not the object of wholesale cuts. I fully agree that we must economize in many areas, but I cannot accept the President's view that all economies must come in proven domestic programs.

RABBI KORN PROMOTED TO RANK OF ADMIRAL

Mr. HUGH SCOTT. Mr. President, Rabbi Bertram W. Korn, a distinguished historian and a good friend, will soon be promoted to rear admiral, becoming the first Jewish chaplain to achieve this rank. I ask unanimous consent that an article in last Friday's Philadelphia Jewish Exponent detailing Rabbi Korn's career be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Jewish Exponent, Feb. 14, 1975]

RABBI KORN PROMOTED TO RANK OF ADMIRAL

Rabbi Bertram W. Korn, senior rabbi of Reform Congregation Keneseth Israel, will be promoted to the rank of Rear Admiral by the U.S. Navy on July 1. Rabbi Korn will become the first Jewish chaplain to achieve flag rank.

A noted historian, who coincidentally has done a great deal of research on the appointment of the first Jewish army chaplains during the Civil War, Rabbi Korn is currently national chaplain of the Jewish War Veterans and is a former president of the Association of Jewish Chaplains of the Armed Forces of the U.S.

Rabbi Korn first entered the Navy as a lieutenant (junior grade) in April, 1944, and served at Navy and Marine Corps bases in California before assignment to the China Theater with the 1st and 6th Marine Divisions. He left active duty in September, 1946, but continued in the Naval Reserve.

In 1948, he organized the Reserve Chaplain Company in Cincinnati; he joined the Chaplain Company at the Philadelphia Navy Base in 1949. Among various duties which he has performed for the Navy was the compilation of two editions of a guide for Navy reserve chaplains.

He says that his most difficult assignment was to make condolence and sick calls on the dozens of Jewish families affected when a Navy plane crashed into the site of a Jewish sponsored picnic near the Willow Grove Naval Air Station in 1963.

Commenting on his promotion, Rabbi Korn said that he was tremendously excited because "it is good for the Jews. It is almost an answer to Gen. Brown. I was selected by a board composed of Christian chaplains and I feel they are conveying a message to the Jewish community."

Shoulder boards for a Jewish admiral in the chaplaincy service have never before existed. Rabbi Korn humorously mentioned the discussions between his secretary and the firm that manufactures the shoulder boards over the form they should take.

SUGAR AND HAWAII'S FUTURE

Mr. INOUYE. Mr. President, the House of Representatives last year killed renewal of the Sugar Act, legislation that since 1934 had assured the United States a plentiful supply of sugar at reasonable, stable prices. In part due to that action, the prices Americans paid for sugar nearly tripled last year. Foreign producers, no longer encouraged to meet U.S. quotas, sold their product to new markets at higher world prices.

It seems likely the price of sugar will decline this year. Experts tell us it was driven unnaturally high by speculation and market pressures will bring it down. But there are no guarantees last year's price spiral will not be repeated in future years. And there are no guarantees the United States will always be able to fill its sugar needs, since sugar traditionally is a tightly regulated commodity throughout the world. We are a sugar importer who has no way to assure sufficient imports will be available.

The increased prices proved beneficial to the sugar industry in my State of Hawaii. The industry's gross revenue reached $740 million last year, three times its 1973 level. But Hawaii's sugar producers realize the support the Sugar Act gave their industry. They believe its defeat clouds an otherwise bright future.

The Sugar Act was designed to both stabilize prices and guarantee supply. It did both quite well. Accordingly, I hope this Congress will enact a new Sugar Act.

The Honolulu Advertiser recently published an editorial on the state of the Hawaiian sugar industry and the need for a new Sugar Act. It pointed out:

> As the world short-supply situation moderates there should be more support for a new sugar act to meet the twin needs of stable prices for American consumers and orderly investment in and improvement of the U.S. industry.

The sugar issue will be before us in this Congress. I wish to call its importance to the attention of my colleagues and, therefore, to share with them this editorial from my home State. Mr. President, I ask unanimous consent to have the article entitled "Sugar and Hawaii's Future," from the January 29, 1975 edition of the Honolulu Advertiser, printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Honolulu Advertiser, Jan. 29, 1975]

SUGAR AND HAWAII'S FUTURE

No matter how you figure it, the outlook for Hawaii's sugar industry is bright compared to a few years ago. But the same factors that have gone into rocketing sugar prices also help make the case for Congress to pass a new or renewed U.S. Sugar Act.

Much of the good news was spelled out yesterday in a year-end review by industry leaders in the Hawaiian Sugar Planters Association. Some items:

Sugar industry gross revenue last year was a record $740 million, three times the figure for 1973.

This year probably won't be as spectacular, but revenue again should be well above 1973. The fundamental world problem of a shortage of sugar is not expected to be corrected this year.

With 140 years of experience and continuing research, Hawaii has the highest yield per acre of any sugar industry in the world. By developing new varieties, drip irrigation and other innovations, experts suggest Hawaii's yield might yet be increased another 50 per cent.

All of which makes sugar again look like something of a growth industry and certainly a continuing bulwark in Hawaii's economy, and especially so for the Neighbor Islands.

It also indicates a need for stability as the currently high prices drift down without the cushion of quotas for domestic and foreign growing areas. Those were provided by the 40-year-old Sugar Act which expired at the end of 1974.

Industry officials here argue congressional failure to extend the act contributed to higher prices in U.S. stores. Foreign producers that had shipped sugar to the U.S. to meet quotas went to new markets at higher world prices.

A new U.S. Sugar Act would not by itself lower prices in today's market of short world supply. The Hawaii industry argument is that in the long run, when supplies catch up, the quotas and guarantees of a new sugar act would protect U.S. consumers (and the industry here) from the roller coaster of steeply rising and falling prices on the world market.

The point was made that sugar in the world is traditionally a highly regulated industry, that the so-called "world market" is only 15 per cent of the total supply.

In that context, the U.S. is said to be the only major country now without some assurance of a continuing supply of sugar. Domestic producers provide half of U.S. sugar needs. (Hawaii in 1973 provided one-tenth of national needs.)

Wisely, it seems, Hawaii's industry is pressing for a new sugar act without either the compliance payments, which many saw as a subsidy rather than a bonus for filling certain requirements, or the refinery tax which supported such payments. (For 1974, last year of the old act, Hawaii producers will receive some $9 million in compliance payments while paying $10.4 million in the refinery taxes.)

So, if there is a cloud over the bright picture facing the industry this year, it is the small one of uncertainty in a world where sugar is now in short supply but where growing much more of it (not to mention finding substitutes) is in style.

Hawaii leaders make the point the U.S. industry is not a monolith, that some sugar growing areas in the South wanted to cash in as much as possible on soaring prices last year and so joined big industrial sugar users in opposing extension of the Sugar Act.

But as the world short-supply situation moderates there should be more support for a new sugar act to meet the twin needs of stable prices for American consumers and orderly investment in and improvement of the U.S. industry.

That seems a prudent goal as we enjoy the windfall of the high profits.

GROWING SUPPORT FOR REPEALING THE MEANS TEST OF THE SOCIAL SECURITY ACT

Mr. GOLDWATER. Mr. President, it is my privilege today to announce that 21 Senators have now joined with me as sponsors of S. 410, a bill to repeal the means test of the Social Security Act. To my knowledge, this is the first time such a large number of Senators have taken a united stand in favor of abolishing the earnings penalty outright. I know we are supported in this effort by others of our colleagues who have mounted similar campaigns for a repeal of the test.

This growing support for correcting an injustice to elderly citizens encourages me to hope that we may at long last be successful this year in removing the penalty from the law.

More and more economists, as well as legislators, are looking critically at this penalty of the social security program; and I intend, with the help of my colleagues, to build a record based upon these new economic studies which is so convincing that there can be no question about the need for repealing the means test during this Congress.

Mr. President, I ask unanimous consent that the names of all Senators who are sponsoring my bill (S. 410) be printed in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

Mr. Goldwater, Mr. Domenici, Mr. Brooke, Mr. Beall, Mr. Dole, Mr. Brock, Mr. Javits, Mr. Pell, Mr. Laxalt, Mr. Hollings, Mr. Moss.

Mr. Garn, Mr. Ribicoff, Mr. Weicker, Mr. Morgan, Mr. McGovern, Mr. Abourezk, Mr. Humphrey, Mr. Stafford, Mr. Young, Mr. Inouye, and Mr. McGee.

Mr. GOLDWATER. Mr. President, I also ask unanimous consent that a paper entitled, "A Proposal to Eliminate the Social Security Retirement Test," by Profs. Robert S. Kaplan and Arnold Weber of Carnegie-Mellon University be printed in the Record. The authors of this paper share our interest in repealing the means test and their analysis was used as a basis for discussion by the current Advisory Council on Social Security.

Profs. Kaplan and Weber conclude that the means test "is illogical, discriminatory, counter-productive, and subject to evasion," and I believe their paper makes a valuable contribution to public consideration of the issue.

There being no objection, the paper was ordered to be printed in the Record, as follows:

A PROPOSAL TO ELIMINATE THE SOCIAL SECURITY RETIREMENT TEST

(By Robert S. Kaplan and Arnold Weber)

CARNEGIE-MELLON UNIVERSITY,
September 1974.

The Social Security system has always had a retirement test which reduces the benefits of individuals who continue to work after they have reached the eligible retirement age. Despite a continuing series of liberalizations of the terms of the retirement test, this test still imposes a high tax on the aged who function in a productive capacity in our labor force. The retirement test was introduced into the system during the depression to encourage aged workers to retire, thereby opening jobs for younger workers. With the increasing use of federal fiscal and monetary policies to determine employment levels, and projected demographic changes in the labor force, the retirement test remains as an anachronism from the 1930's. It is now justified by inertia and arguments that we believe to be incorrect and inconsistent.

THE RETIREMENT TEST: GOALS AND MEANS

A frequently mentioned goal of Social Security is to partially replace the income that is lost when an individual retires. A retirement test is consistent with this goal since if the individual has not ceased working, he presumably has not suffered any loss in income. But if the goal is to partially replace income that is lost due to retirement, it is anomalous that no effort has been made to determine the magnitude of the loss of income in individual cases. In fact, many workers retire with substantial income producing assets and become eligible for pensions from their employer so that there may be little real loss associated with the retirement decision. It is arbitrary and discriminatory to measure the loss of one form of income without considering alternative forms of income.

A policy to measure the loss in total income due to retirement would involve a means test to determine when retirement has caused the aged individual to be in a much lower income category. A means test, however, seems to be anathema to most advocates of the Social Security system. Implicit in the opposition to a means test is the idea that the worker has earned the right to Social Security benefits through his and his employer's contributions during his working years. This argument places Social Security in quite a different light than that of insuring against loss of income due to retirement. In addition, the insurance argument, by itself, cannot justify the retirement test.

Insurance is a means for reducing the uncertainty of economic losses associated with a random event (death, fire, illness). The uncertainty is transferred from the victim of the random event to an insurer who pools the risks of many people so that the economic consequences of the random events are more predictable. The important aspect of insurance for our purposes is that it should be associated with an event that is random and is not under the control of insured. Otherwise, the insured may take actions that increase the probability of a loss to the insurer. A contributing cause to the recent increase in costs of disability insurance is likely the ability of the insured to define when the presumably "random" event of disability has occurred.

Insuring events that are essentially under the control of the insured individual is very expensive insurance. While not every person has the ability to work indefinitely on his regular job, certainly the decision to retire from the labor force is a choice made individually by many persons and is not a random event that should be insured against.

The closest analogy to Social Security is probably whole life insurance which has both an insurance aspect—receiving benefits if a random event (death) occurs before the policy is paid up—and a savings aspect, with the person receiving income or an annuity from the policy once it is fully paid. When vewed in this context, one can see the objection of people to a means test for Social Security benefits. Under the whole life policy principle, once the policy is paid for, the individual is entitled to the benefits from the policy regardless of any other circumstances affecting that individual.

Thus as we see it, there are two defendable alternatives for Social Security payments to retired individuals. First, the system can provide financial aid to retired persons so that the aged who are unable or uninterested in working any longer will not have to live in poverty or be burdens on their families. Such a program could be designed to partially or totally replace the level of income earned by the individual during his working years. Such a program, however, should only go to the needy, those who have truly suffered from the retirement decision.

Second, one could view Social Security payments as the return on the taxes paid by individuals during their working lifetimes; something to which they are entitled as a matter of right and which should be unaffected by the current financial or employment status of an aged individual.

If the first interpretation is appropriate, then a retirement test is defendable but it should be applied to all income, not just earned income. In its present form, the retirement test subsidizes those who are relatively well to do; i.e., those who are more likely to hold income producing assets and be receiving pensions from long years of steady employment. It penalizes poorer individuals who are less likely to have sources of non-wage income and must rely solely on further employment if they wish to supplement their benefits. Certainly a government policy which distributes from the lower end of the income distribution to the upper end is not easily defendable.

If one supports the second interpretation, that Social Security benefits are a return on previous contributions, then the retirement test is clearly inappropriate and represents a confiscation of income to which the aged individual is entitled. While, in principle, one could support either interpretation, the second one appears to be more widely held.

Eliminating the current retirement test would have the additional benefit of removing a powerful disincentive to labor force participation, thereby increasing the output of the economy. A further consideration against the retirement test on earned income is the incentive this provision creates for cheating by not reporting wages to the Social Security Administration.

Thus, the current retirement test on earned income is illogical, discriminatory, counter-productive, and subject to evasion. We recommend that the council agree that the long range policy of the system should be to eliminate the retirement test for persons over the age of 65.

The only creditable argument against eliminating the retirement test is one based on cost. SSA actuaries estimate that eliminating the retirement test entirely for beneficiaries aged 65 and over, would cost about $2 billion, initially. This figure, however, must be viewed as an upper bound to the total cost of eliminating the retirement test. It fails to include the increased output of goods and services available from individuals who would remain in the labor force were the retirement test eliminated and, at a minimum, does not include the payroll and income taxes that would be paid by these individuals. While most of these offsetting benefits could not be directly captured by the Social Security trust funds, it should be possible to devise some side payments from the Treasury Department to the funds to help defray the cost of eliminating the retirement test. In addition, the benefits of increased output would, of course, accrue to society in general.

Literature from SSA states that eliminating the retirement test would be costly and would not be worth the cost since only a small minority of workers would benefit—those who are currently working part time and who might expand their employment hours if the retirement test were eliminated. Without discussing (for obvious reasons) the merits of an argument which would deny individuals their right to benefits merely because they constitute a minority, we believe that the number of people who would benefit from eliminating the retirement is considerably underestimated by the above procedure. It completely ignores the people who do not have a choice as to the extent of their employment participation, i.e., they can either work full time or not at all. With current regulations, the extra income from full time employment is so heavily taxed by the subsequent reduction in tax free social security benefits, that full time employment does not represent an economically desirable alternative. Were the retirement test eliminated or relaxed, such individuals could reap the benefits of full time employment without suffering the economic losses of reduction in Social Security benefits. It is important to note that these individuals, currently retired but who could work were the retirement test relaxed, do not constitute an added cost to the system. These individuals are currently receiving their benefits by not working and if the retirement test were eliminated they would continue to receive them. The only additional cost to the system would be payments to those individuals who are currently working but receiving reduced or no benefits due to the retirement test.

ALTERNATIVE APPROACHES

Despite these offsetting factors, council members may still be reluctant to recommend any expansion of Social Security benefits at a time when the future costs of the system are a matter of primary concern. Therefore, the council might want to consider expressing their support for completely eliminating the retirement test eventually but adopting a more modest program in the short run to ameliorate some of the present inequities. Options provided by SSA staff include:

1. Raising the exempt amount;
2. Lowering the tax rate on earnings above the exempt amount, and
3. Lowering the age at which the retirement test no longer applies.

Considering Option 3 first, the present elimination of the retirement test at age 72 is such an anomalous feature of the present law that this concept should not be supported by using it as a basis for policy. Short of eliminating this age test entirely (by reducing it to 65 or by raising it to 110), there seems little rationale for choosing and justifying any other age.

Option 1 would provide some limited relief but would still impose a heavy tax rate (50%) for earnings above the exempt amount. Individuals would normally need to have income in excess of $40,000 before encountering such high marginal tax rates. It is insupportable that we impose such heavy taxes on what is probably a lower income segment of the population. Raising the exempt amount also maintains the undesirable notch feature, so typical of government programs where government benefits are supplied for income below a certain level, and are sharply reduced as income expands beyond this level.

1. Therefore we advocate Option 2 which would lower the tax rate on earnings above the exempt amount. While the staff paper has suggested a possible reduction from 50% to 40%, we feel that this percentage is still too high. We would prefer to see a reduction to 25% which is still high but at least is comparable to the marginal tax faced by middle income individuals. Should this reduction prove too expensive, it might be possible to lower the exempt amount so that most individuals would not be worse off by this proposal. For example, someone now earning $250 per month ($3,000 per year) would have Social Security benefits reduced by $25 per month (50% of ($250–200)). If the exempt amount were lowered to $170 per month (about $2,000 per year) and the tax rate on additional earnings lowered to 25%, such an individual would now lose only $20 per month.

2. Another complementary approach to offset the cost of relaxing the retirement test would be to eliminate the current subsidy to part time workers who work intensively for a few months per year. Current regulations permit individuals to earn substantial amounts in a few months each year and still collect full retirement benefits in months during which no work occurs. This is a direct subsidy to individuals who can provide personal services—doctors, lawyers, judges, accountants, entertainers, educators—on an off and on basis each year while penalizing those whose only choices again are either year round permanent employment or none. Surely, even advocates of maintaining the retirement test in its current form must be appalled by the fact that some individuals are able to earn in excess of $2,000 per month for six months while still collecting full Social Security benefits in the remaining six months. In contrast, the aged worker, employed on a year-around basis and earning $1,000 per month, would lose all Social Security benefits.

We believe that if the retirement test is to be applied at all, it must be applied to earnings on an annual basis and not one month at a time. We recognize that the monthly earnings test may have been introduced to allow individuals to collect Social Security benefits immediately upon retirement. But we should be able to devise a scheme that satisfies this objective without retaining the perverse subsidy now operating for seasonal employment. We therefore recommend that the monthly retirement test be eliminated and whatever savings are realized be applied to relaxing the retirement test on an annual income basis.

3. One final issue that must be considered is whether the Social Security payroll tax should be levied on employees aged 65 and over and their employers. At present, not only do the working aged lose their benefits by application of the retirement test but they must also continue to pay taxes into the system. These losses are offset by two factors: first, a limited ad hoc upward adjustment of benefits (1% per year) upon retirement or at age 72; second, an increase in the average monthly wage by substituting currently high (nominal) wages for lower wages earned many years ago. At present, we are uncertain as to whether these two factors are sufficient to compensate individuals for the taxes they and their employers are paying subsequent to reaching the retirement age.

SUMMARY AND RECOMMENDATIONS

The retirement test in its present form is illogical, discriminatory, counter-productive and subject to evasion. The retirement test should either be based on all income or eliminated entirely. Since there appears to be strong opposition to having Social Security benefits be dependent on a means test, we recommend:

1. The Council should endorse a resolution opposing the retirement test in principle and its eventual elimination in any form.

Because the immediate elimination of the retirement test would raise the costs of the system at a time when forecasts of future costs indicate sharp increases in tax rates, an intermediate proposal is that:

2. The tax rate on income earned above the minimum be reduced from its present level of 50% to 25%, a rate more consistent with the marginal tax rate of medium income individuals.

> The increase in direct costs to the OASI system associated with this reduction in the penalty on earned income can be partially offset by administering the retirement test on an annual basis instead of its present monthly basis:
>
> 3. The retirement test, if it is to be maintained at all, should be a function of annual earned income not monthly income.
>
> At the very least, should none of the above proposals be adopted, it seems only fair that workers aged 65 and over be spared the burden of making further contributions via the payroll tax on this earned income. We conclude by recommending that:
>
> 4. Payroll taxes on workers aged 65 and over be eliminated. Workers may still be allowed to use past 65 earnings years to replace years of lower (nominal) wages.

ENERGY POLICY

Mr. EAGLETON. Mr. President, there is no question that energy conservation and the development of new energy resources are matters of highest national priority. But it is essential to recognize the limits on what we can accomplish over the next few years and to avoid a panic reaction which would do enormous harm to the economy.

The first question Congress should be asking is not how to go about saving a million barrels of oil a day, but rather, should we at this particular time be trying to save a million barrels at all? Would the benefits of such an ambitious conservation goal be worth the cost? Would it advance us in any major way to the ultimate objective of energy independence?

I think the answer to these questions is a clear no.

The administration's program of using higher prices to discourage demand for oil products would cost American consumers from $30 to $50 billion in the first year alone. By the administration's own calculations, it would add 2 percentage points to a cost of living index, which is already in double digits, and I think most economists would put the figure closer to 3 or 4 percentage points. That would make the difference between an increase and a decline in the inflation rate—the difference between continuing double digit inflation and progress toward price stability.

At the same time, it is estimated that the Ford energy package could cost as many as 500,000 jobs as a result of denying the economy the energy it needs for growth and recovery. That is the difference between 8.2 percent unemployment and 8.8 percent unemployment—the difference between a growing and a shrinking economy in 1975.

The administration's energy program would be ruinous to our efforts to turn the economy around. The $3.5 to $4 billion savings in our balance of trade from the administration's conservation program would be insignificant compared to the costs to our economy if inflation and recession continue.

Mr. President, even at these staggering economic costs, the administration's energy conservation program might be worthwhile if it would advance us significantly toward the goal of energy independence or even lessen our vulnerability to another oil embargo.

The hard fact is, however, that even a million-barrel-a-day reduction would do little to alter our basic energy situaton.

Experts tell us that it will be fully 8 to 10 years before we can develop sufficient nuclear capacity, coal production and other energy sources to replace the oil we now receive from cartel producers. In the meantime, this country will have little choice but to continue buying oil on the world market under the best terms it can negotiate.

Last year, this country imported oil at a rate of about 6 million barrels a day. Reducing that amount by one, two or even three million would still leave us vitally dependent on foreign producers. A new embargo would hurt almost as much as if we did nothing.

The argument that we can somehow pressure OPEC nations into reducing prices by reducing our demand for their product is tenuous, at best. To begin with, the million barrels a day which the administration has set as a target represents barely 3 percent of daily OPEC production. Even if other consuming nations joined us in a vigorous conservation program—and I question how some of these countries can do much more than they are doing now—OPEC producers would have at least two other alternatives to lowering prices. The first, of course, is simply to increase the price so that even with reduced sales, their overall revenue would not decline. A second option would be to bank the oil in the ground, and a number of OPEC countries already have expressed their intention to hold their reserves as oil rather than as dollars.

Mr. President, I agree with President Ford that Congress should not reject his energy proposals piecemeal. They should be rejected in total.

Energy conservation is important, but it is not an end in itself. Our goals should be realistic and consistent with efforts to restore economic health. This is not the time for masochistic sacrifices which serve no purpose.

Mr. President, no less an advocate of energy conservation than John Sawhill, former Federal Energy Administrator, has taken issue with the President's energy conservation goals. In the February 9, 1975, edition of the New York Times, Mr. Sawhill wrote:

> I am convinced that the basic thrust of the President's plan is correct; that we must reduce oil imports and curtail consumption at home.
>
> "There is, however, no justification for a conservation goal of one million barrels per day by the end of this year, or twice that amount by the end of 1976. An economy with 8.2 per cent of its work force unemployed simply cannot afford it. In short, we must get our priorities right.
>
> We must set some lower target for this year, but make sure that we meet that target—and successively higher ones for the next several years. Only through a more gradual approach can we hope to return our economy to health.

I share that view. I do not believe we can afford to impose on an already weakened economy the additional burden of higher energy prices or a system of coupon rationing, nor do I believe either would help us out of our energy problems. What is needed is a long-range program and a series of conservation incentives and standards designed to achieve over time, our ultimate goal of energy independence.

For example, Congress should enact legislation this year mandating better mileage for future cars. It should provide tax credits or loans for home insulation, and incentives for improved building codes. And we should greatly increase funds available for rail and bus transit systems.

In tandem with conservation, we need new programs to accelerate energy production and development. This again will involve major legislation by this Congress and I am hopeful that at least the outline of that comprehensive legislative package will begin to take shape in the next week or two.

Having said this, I want to make clear that I am not proposing to abandon efforts to force down the price of OPEC oil. I favor the approach recommended by economists M. A. Adelman and Arthur Okun, among others, of limiting the amount of oil this country buys on the world market and purchasing that oil through sealed, competitive bids.

I think that approach would have a far greater chance of reducing oil prices than some demonstration of our willingness to do without the product no matter what the cost.

The sealed bid approach has the great advantage of bringing pressure on individual OPEC producers rather than dealing with them as an unbreakable bloc, as the Ford plan tends to do. It also would obtain maximum leverage from the fact that some of these producers have a pressing need for revenues and have shown a much greater capacity to spend it than had been previously estimated. In an oil market that over the next few years will be marked by increasing production and stabilizing demand, prospects may be good for forcing a break in the OPEC price line.

I think we also must be prepared to respond to another oil embargo or a new round of OPEC price increases. Any program must provide for these contingencies and I believe Congress should enact the necessary standby emergency measures.

In the meantime, however, I do not believe we should force upon the American people a draconian program of higher energy prices or gasoline rationing. With a realistic conservation goal and a phased program of increasing conservation and accelerated energy development, I believe we can meet the energy challenge without the sacrifice of our economic strength and well being.

JOURNEY TO FREE CHINA

Mr. GOLDWATER. Mr. President, one of the most pressing issues of international life these days is the relationship of the United States with the two governments of China. Shall the United States continue its formal recognition of the Republic of China, now located on the island and Chinese province of Taiwan, as the sole legitimate government of the Chinese people? Or shall the United States end its official diplomatic relations with the Republic of China and dramatically embrace the Mao-Communist rulers of the mainland as the legal Government of China?

Related to this fundamental issue is the question of whether or not a change in the status of U.S. diplomatic relations with the Republic of China would mean a simultaneous or ultimate termination of the U.S. defense umbrella now covering Taiwan. Also involved, in the eyes of those who advocate the cutting of diplomatic and defensive ties with the Republic of China, is the question of whether or not the United States should totally amputate all contacts with the government of Taiwan and let its territory and people be absorbed into the Mao-Communist domain. According to this view, even the provision of regular U.S. credit transactions for purchases of military equipment by the Republic of China or U.S. Export-Import Bank support for loans made for major development projects within Taiwan are barriers to the "normalization" of U.S. relations with the government of the Communist-occupied mainland.

The recent move to open up improved relations between the United States and the Mao-Communist regime of the mainland is the immediate stimulus for examining the above questions. This pursuit of a deeper understanding among the two sides has been accompanied by the scattered visits of congressional delegations to the mainland, hosted by an arm of the Chinese Communist Foreign Ministry and out of which have come some interesting reports of a land of achievements and plenty. The Communist precepts of Mao-Tse-tung are said to have worked such wonders as the eradication of the common house fly, the furnishing of 7 to 9 years of universal education in accordance with Maoist concepts, and the elimination of floods, pestilence, famine, crime, begging, drug addiction, alcoholism, and delinquency.

Conspicuously absent from this rundown of remarkable advances, however, is any mention of freedom. In all these reports by persons returning from the mainland of China, I cannot find one sentence announcing the existence of basic human rights and civil liberties among the Chinese people.

Where, I wonder, do the writers of these glowing plaudits for the Communist political system place the importance of freedom in their scheme of things? I would ask what good does it do to have all the answers on unemployment, inflation, social problems, food, clothing, and medicine, if the people are not free? To me, it does not mean a thing.

Mr. President, in this connection my legal assistant, Mr. J. Terry Emerson, has recently returned from a journey to the Republic of China, where he not only investigated the usual characteristics of progress such as economic developments and social services, but he also probed deeply into issues of human freedom. I am not surprised at his conclusions of great economic advances being made by the Governments of the Republic of China and the province of Taiwan, about which much has been written in the media, but I am impressed with his verification of the presence of a wide range of freedoms in Taiwan which has accompanied this progress.

For example, Mr. Emerson confirmed the existence of: Free elections, free opportunity to seek political office, freedom from aggression, free choice of employment, freedom of religion, freedom of press, freedom of expression, freedom of choice in education, freedom of travel, free emigration, freedom of private ownership, and free judiciary.

Mr. President, these are among the fundamental human rights granted and secured by the Government of the Republic of China which are immediately visible to any visitor to that country, but they are nowhere on the list of qualities found by the various delegations which have toured the Communist mainland. The conditions of the Chinese people on the mainland may seem improved over appearances made a quarter of a century ago in the immediate aftermath of a major foreign and then civil war, but when set in direct contrast with the far greater achievements which the Chinese people have made under a system of freedom on Taiwan, it is evident that the political system of freedom on Taiwan is vastly superior as an answer to human problems than the system of centralized government and slavery operated under the Communist theories of Chairman Mao.

Mr. President, I find it impossible to perceive how the United States, with its 200 years of history as the representative of democracy and freedom, can consider delivering over 16 million peaceful people on Taiwan to the tyrants who govern the mainland, which is the alternative we must confront if the wishes of those who would abandon diplomatic and military ties with the Republic of China are satisfied. How we could sacrifice our many years of successful aid to a developing nation which has lived up to our expectations in every respect and supported the United States on all international issues of major importance is also beyond me.

What we must remember is that cancellation of our defensive and diplomatic obligations to a loyal ally would cast grave doubt upon the credibility of U.S. commitments to the free alliance anywhere else in the world where we have a vital interest. We must also remember that what is at stake is world peace.

For a precipitous withdrawal of our diplomatic recognition of the Republic of China, whether coupled or not with an ending of our defensive treaty with her, could alone encourage the Communist and military rulers of the mainland to believe that they could use armed force with impunity against the Chinese on Taiwan. In other words, the callous severing of official relations between the United States and the Republic of China could cause the Chinese Communists to take risks which they will not take now and which could lead to a chain event of conflagrations touching off a world war III.

Mr. President, I believe it is in the interest both of the United States' national security and of the long-range quest of the peoples of the world for peace that the United States should maintain its official diplomatic recognition of the Republic of China as the legal government of China. I also believe that this policy should be accompanied by a continued adherence on our part to the terms of the mutual defense treaty between the United States and the Republic of China.

Mr. President, in order that a wide public may read and examine the findings of my staff member in regard to the Republic of China, I ask unanimous consent that the report which Mr. Emerson prepared for me on this subject be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

JOURNEY TO FREE CHINA

(By J. Terry Emerson)

CONCLUSIONS

Free China is a healthy and dynamic country based upon an extensive system of representative government and human liberties. The example of Free China on Taiwan offers the proven alternative by which the people of China on both sides of the Taiwan Strait will someday choose to govern their affairs.

These are the conclusions reached after a visit to the Republic of China from January 4 to January 11, 1975. The host for my visit was the Pacific Cultural Foundation, a privately endowed foundation established to promote educational and cultural exchanges among countries in the Pacific area.

During my visit, in the company of other U.S. congressional staffers, I had the privilege of meeting with the Premier, several cabinet ministers, Members of the Supreme Court, the Governor of Taiwan Province, the Speaker of the Taiwan Provencial Assembly, and the Mayor of Taipei among other national and local officials across Free China. In addition, I talked with numerous people in many groups of society, including farmers, journalists, factory workers, painters, educators, retail sales employees and military personnel.

My travels within Free China encompassed inspection trips to government ministries in Taipei and a nearby excursion to the Shih-Men Dam. I also flew to Quemoy, or Kinman, where the military defenses are not only impressive, but a thriving civilian community of 62,000 is living a mere mile and a half from Communist-occupied land.

From Quemoy, I went to Tainan for inspection of an enormous shipyard project capable of holding super-tankers and, a day later visited Taichung Harbor, a giant, man-made harbor project. At Taichung, I also visited with officials of the Taiwan Provincial Government and Assembly, Taichung being the capital of Taiwan Province.

STATISTICS OF PROGRESS

I was completely surprised at the economic advances made by the Free Chinese. The Chinese living on Taiwan, which is still a developing Asian nation, are truly affluent with an abundance of quality consumer goods and foods. But the most impressive aspect of life in the Republic of China is that these achievements have been accomplished in an atmosphere of freedom.

To cite only a few statistics:

The per capita income is almost five hundred dollars, which is four times that of Communist China and higher than any other nation in Asia than Japan.

From 1964 to 1974, the gross national product of the Republic of China has increased on the average, at current prices, about 10 to 11% annually.

Trade has increased immensely rising by almost 90% in the last year alone. The Republic of China is among the world's top twenty trading nations.

Free China is among the top dozen trading partners of the United States, having a two-way trade of over 2.6 billion dollars with America.

From an island that was primarily agricultural, Taiwan has become a major industrial country. Agriculture represented 36% of the gross national product in 1952, but has now declined to 15%. Over the same span of years, industry is up from 11% of the GNP to 38%.

The Free Chinese are affluent in the context of Asia. Ten of every dozen homes in Taipai have television sets. Ten of every fourteen homes own refrigerators. One-third have motor vehicles.

The Free Chinese are standing on their own feet. All direct bilateral U.S. economic aid to Taiwan was cut off in 1965. Even the Food for Peace program was ended in 1971 for the Republic of China. Direct U.S. military grant assistance ended in 1973. Only foreign military sales credits continue, which, however, will be repaid in no more than ten years at the cost of our government of the money involved.

PROGRESS WITH FREEDOM

But the most striking feature of Free China is the vitality of the people, the spirit of free-thinking persons asserting their unique personalities and developing their natural potentials to the fullest. In other words, the Republic of China is not a robot-state which compels mobilization of its citizens according to the dictates and precepts of the central government.

The distinctiveness of individual people is reflected in small, but significant, everyday impressions such as seeing people walking the sidewalks, or working in factories or even in the fields, who are wearing a great variety of styles and colors of clothes. There is not a monotonous and drab uniformity. Each person is free to and does express his or her own personal taste by wearing what pleases them.

An immediate rejoinder to any thought that local citizens are fearful of a police state is to observe the indifference with which motorists treat a police car which tries to weave through the constant stream of activity on the highways and city streets. If the populace is concerned that they will be punished or harassed for showing a disrespect to government law enforcement officers, they certainly do not show it. If the government expects docile obedience from its citizenry, it does not show it either.

The quality of freedom being the predominate distinguishing characteristic of the modern Republic of China, I shall discuss at greater length the major civil liberties which I observed in operation during my visit. Because so much is made of the reputed progress of the Communist political system on the Mainland in handling the problems of the Chinese people, I will contrast the provision of freedoms by the Republic of China with the denial or repression of those same freedoms under the system run by the doctrines of Mao.

While the advances of the Mainland government are invariably described in the context of the situation which existed in 1949, any fair observer would recognize that this presents a distorted picture. To compare circumstances today with those existing in the period immediately following two major wars on the Mainland, one against the Japanese invaders and the other against the Communist insurrection, is to knowingly put developments in Mainland China on an artificial scale heavily skewed on the Communist side. A more balanced and honest comparison of the results of Communist rule can be reached by squarely placing side-by-side the standards of development by which the two political systems competing for the Chinese people have managed their respective progress.

The discussion which follows is based on first-hand impressions and subsequent follow-up conversations with informed American students of the country in the case of the Republic of China. The portion of the discussion which concerns Chinese Communism is based on studies by China specialists and by accounts published in the China Mainland press, as reported in official United States publications and the private American press.

The human rights which I found to be healthy and alive in the Republic of China, but which are without any question denied or surpressed by the Communist regime on the Mainland, include:

1. The right of free travel and movement inside the country and abroad.
2. The right of seeking job opportunities according to one's own talents, not at the direction of the central government.
3. The right of free exercise of religious and ethical devotion.
4. The right to vote in truly free elections and to run for elective office.
5. The right of independent newspapers and magazines to exist.
6. The right of free expression.
7. The right to enjoy a free and wide ranging education designed to create independently thinking and knowledgeable citizens.
8. The freedom to respect and preserve the Chinese cultural heritage, without ridicule or punishment.
9. The right of free emigration.
10. The right of private ownership and investment of property.
11. A free judiciary.
12. Freedom from aggression.

COMPARISON OF HUMAN RIGHTS—MAINLAND AND R.O.C.

1. The right of free travel and movement inside the country and abroad.

Chinese Mainland—The Communists accord no rights of domestic travel. Passes are nominally required for traveling outside one's district. Even where this is not the case, ration cards limit travel; they are good only at the place of issuance. Travelers must procure special cards.

Travel regulations vary from one part of the mainland to another. In general, the elite of the Communist Party and other favored persons may travel. Others may not. Travel for personal purpose and for vacations is frowned upon. International travel is possible only in the service of the regime. Those who go do so in groups, as show troupes or athletes, and are always accompanied by security personnel who often outnumber the principals.

R.O.C.—Citizens of the Republic of China are free to travel anywhere in Taiwan or the Pescadores without permits and without requesting permission of any kind. Identification is required in booking airline space but not in buying train and bus tickets. The citizen is also free to travel as he wishes by private car or motorcycle. Only those who are changing their domicile go through a new process of registering.

Citizens may not travel abroad merely for tourism. This regulation was put into effect when foreign exchange was scarce. Its relaxation has been under study for a long time and is now held up principally because of the world economic situation.

Travel abroad is allowed for purposes of health, family visits, education, attendance at meetings and conferences, business, emigration and, of course, governmental purposes. The Foreign Ministry assures me it issues a passport in not more than 24 hours.

Emigration which will benefit the citizen and members of his family is usually approved. Only students who go abroad on government scholarships are legally required to return. Many who obtain higher degrees subsequently take up residence abroad, which is their right.

2. The right of seeking job opportunities according to one's own talents, not at the direction of the central government.

Chinese Mainland—The Communists accord no such right. Even in education, intelligence is less important than classification by the regime of an individual as a potential farmer, worker or cadre. People are told the work they are to do and to change jobs is almost impossible.

Forced or slave labor has been an essential part of the Mao political and economic system from the start. Testimony to the existence of forced labor on the Mainland is found in a December, 1955 report of the United Nations and in repeated disclosures by refugees from Communist China.

Foreign guests of the Mao Government may choose not to probe into the question of slave and draft labor, but escapees continue to relate about the presence of a system of the dictated mobilization of persons into forced labor brigades and of terror used to enforce that system.

Western visitors who are offered the hospitality of the Red Regime apparently accept without reservation the government propaganda about "volunteer" services on the part of hundreds of thousands of persons compelled to toil on social projects, such as constructing the Ming Tombs Reservoir. It also seems to be taken for granted that the many millions of students sent into the countryside for service literally as "serfs of the land" enjoy and voluntarily would have enlisted for such rural activity.

R.O.C.—Except for military service, individuals are completely free to work where and when they please. Higher education from senior high school and above is by competitive examination, not according to the central plan of any government. Thus, anyone may qualify for work according to his own unique talents.

Also, anyone may quit his job or enter a new occupation at his own decision. He need not register with the government.

In most cases, workers are not required to join a labor union. The only role assumed by government is that of encouraging, but not dictating, education for occupations which need more workers. The individual even has the right *not* to work, if someone else is willing to support him.

3. The right of free religious and ethical devotion.

Chinese Mainland—The constitution of the Chinese Communists promises freedom of religion *or atheism*. In practice, only the latter is honored.

In 1949 and the years just afterward, the Communists closed the churches and proscribed religion. Today they allow a few showplace churches and temples to function, but only where foreigners may see them.

Anyone attempting to practice religion is ostracized or sent to a labor reform camp. Confucianism, an ethical and humanistic way of life if not a religion, has been under attack off and on for the last 25 years, but most violently during the last year. The ethical teachings of Confucius are diametrically opposed to everything for which Communism stands. But Confucianism is the very heart of Chinese culture.

R.O.C.—The Constitution of the Republic of China pledges freedom of religion and the promise has been kept.

There are over 5,000 operating churches, temples and mosques on Taiwan. Of a total population of about 16 million, some 6 million Free Chinese classify themselves as Buddhists. There are more than 600,000 Christians, divided about equally between Catholics and Protestants.

The rest of the population on Taiwan includes Taoists, Muslims, members of small sects, agnostics and atheists.

As a personal matter, religion is entirely free. As an institution, it is free to build churches and temples, operate schools and hospitals, broadcast over radio and television, and seek converts—respecting only the division between church and state.

For example, there are 775 Christian kindergartens and primary and secondary schools in the Republic of China and seven Christian colleges and universities.

There are scores of Christian missionaries on the island. Jehovah's Witnesses, a Protestant sect which advocates resistance to selective service on grounds of conscientious objection, has churches and is allowed to proselytize in Taiwan. The government does not recognize the right of conscientious objection to military service, but has respected the Constitution and made no move to suppress Jehovah's Witnesses.

Buddhists also oppose the taking of life and are at liberty to preach this advocacy, although the government has no intention of renouncing its right to defend itself.

Confucianism is practiced daily in one way or another by every Chinese. A Chinese Cultural Renaissance Movement is promoting the study of Confucian ethics. Many books have been written and published. This is, however, entirely voluntary.

Buddhists and Moslems also have some concepts which differ from Confucianism. They are at liberty to develop and promote these. Thus, Confucianism is not a *state* religion or an enforced way of life.

The Confucian virtues and goals include righteousness, integrity, loyality, altruism and, above all, love—which means respect and affection for one's fellow man. Confucianism inculcates both the Golden Rule and the belief that everyone is his brother's keeper.

4. The right to vote in truly free elections and to run for elective office.

Chinese Mainland—The Chinese Communists held some rubber stamp elections in the years after their usurpation of the mainland, but now even this pretense has been abandoned. Delegates to the fourth "National People's Congress" were handpicked, not elected. Nor do the Communists have local elections. All political power flows from top to bottom.

R.O.C.—The Constitution sets forth a complete system of elections from the level of the National Assembly and President down to the county and municipality. Although the separation from the mainland made true national-level elections impossible, they have been held, in as nearly representative a form as possible, for National Assembly, Legislative Yuan and Control Yuan members.

The offices of President and Vice President have been regularly elected by the National Assembly.

Elections are held every four years for the Taiwan Provincial Assembly and Taipei City Council (Taipei is a Special municipality with power equivalent to that of a Province), and for executives and councils at the county, city township and village level.

Elections are by secret ballot. The franchise is extended to all at age 20, except for those who have been deprived of their civil rights upon conviction of a felony. Except as otherwise provided by law, the minimum age for election to public office is 23.

The Republic of China has three political parties, but their nomination is not essential to a prospective candidate. Anyone can run for elective office, subject only to the requirement that he pay his own campaign expenses if he fails to poll 10 per cent of the vote.

In practice, the Kuomintang (Nationalist Party) holds a majority in more important elective bodies. But there are also elected members of the Young China Party and the Democratic Socialist Party, plus a sizable number of independents. Party affiliation seems less important at the grass roots level, where I am advised many representatives are independents.

Women are assured of 10 per cent of the representation in elective bodies. Aborigines are guaranteed seats in proportion to their members.

Campaign periods are ordinarily limited to about two weeks. The government pays the cost (with the exception already noted). Election commissions supervise the proceedings; appeals can be taken to the courts. A recent trend has been to require that candidates have a high school education. This is an enactment of statute law.

In local elections especially, those who seek office and tend to be elected are the most respected known members of each community. Their political affiliations are less important than their reputation for intelligence and integrity.

The local election system now works smoothly, although most of the people involved had no electoral experience when Taiwan was returned to China by the Japanese in 1945.

5. The right of independent newspapers and magazines to exist.

Chinese Mainland—Only papers published by the regime, the armed forces or the Communist Party are allowed on the mainland. The only differences of opinion expressed are those concerned with Communist Party policy. Everything else is centrally dictated. Papers in the most remote province must echo Peiping's view as distributed by the "New China News Agency."

Tourists will not find Free World newspapers waiting for them in their guest rooms or lobbies or anywhere else in Communist China. The absence of varied and independent news reporting in a Communist society is stifling and can only be fully comprehended by making a personal tour of a Communist land, as this author has done.

R.O.C.—There are 32 daily newspapers in the Republic of China. All are independent of the government. Only two are owned by the Kuomintang, the majority party.

Because of the shortage of newsprint in the early 1950's, the number of newspapers was limited by not issuing additional licenses. This is not a matter of control, but of newsprint and economics. I am told the intention is to permit the establishment of additional papers when conditions permit.

The 32 papers have a combined circulation of about 1.5 million, or approximately one copy for every ten persons.

Newspaper are free to criticize the government and do. The only important limitation on press freedom is an emergency regulation against advocating Communism or the overthrow of the government by force and violence. In the 25 years since the Central Government was moved to Taiwan, *no* daily newspaper has lost its license.

In addition to the dailies, over 1,600 weeklies, monthlies, bimonthlies, and quarterly newspapers are published. Some 52 publications from the outside world are also present at newsstands in Taiwan, including such general and independent news magazines as Time and Newsweek.

6. Free expression.

Chinese Mainland—To say what one thinks of the regime and of government policies on the Chinese Mainland is a one-way ticket to a labor camp, or worse.

For example, the Baltimore Sun reported from Hong Kong on September 19, 1970, that a wave of public executions and show trials of educated Chinese was then in progress on the Mainland, as a method of intimidating the majority.

R.O.C.—The Republic of China may not give permits for a speaker to stand on a soapbox and deliver a pro-Communist harangue, but in general, people can and do speak freely in public or private without fear of harassment or arrest.

No subject was "taboo" among any Chinese citizens I talked with during my recent visit to Taiwan. There were many Chinese outside the government and not only in it, who spoke English fluently, and I do not feel my contacts were limited solely to government "spokesmen."

7. The right to enjoy a truly free and wide ranging education designed to create independently thinking and knowledgeable citizens.

Chinese Mainland—From 1966 through 1969, education virtually ceased on the mainland. Only primary schools remained open and those on a spasmodic basis. Teachers were defamed during the "Great Proletarian Cultural Revolution" and feared to appear before even an elementary school class.

Ma Sitson, China's leading violinist, reported in 1967 how a department head of a school and his friends and neighbors were beaten in full view of public crowds. The violinist also was beaten and cut with a belt buckle on one occasion, on the pretext of not bending low enough. Students at one high school beat to death everyone of their teachers.

Such actions seem to be ignored or complacently understood by Western visitors as being "levelling" experiences necessary to remove intellectual "elitism."

As education resumed in the 1970's, it was heavily propagandistic. High schools and colleges are open only to children of farmers, workers and party-regime cadres. Only a few colleges and universities have been reopened and the enrollment is less than 400,000 for 800 million people. Study time has been reduced to two or three years and consists mostly of courses related to the thought of Mao. The new Constitution of the People's Republic itself openly decrees that education must "serve proletarian politics."

R.O.C.—There are 4,000 schools on Taiwan. In fact, nearly 28 percent of the population is in school. Education is free and compulsory for six years and free for another three years. Over 98 per cent of Free Chinese primary age children are in school and young people are receiving at least nine years of education. The percentage is rising fast.

Beginning with senior high school, admission is competitive. This is because there are not yet enough schools and teachers to satisfy all who want additional education. High school enrollment is growing rapidly, with a huge increase in junior high graduates.

The Republic of China has 100 institutions of higher learning, with nearly 300,000 students. More than half of these are two-year colleges with a vocational orientation. Universities are granting BA, MA and PhD degrees in fields ranging from the usual arts and sciences subjects to nuclear science and business administration.

Except for requirements of the Three Principles of the People of Dr. Sun Yat-sen (Nationalism, Democracy, and the Welfare of the People), ROTC for men, and nursing for women, the colleges and universities make their own rules and conduct their own examinations. A large number of ranking faculty members are Western-educated. Students are free to choose their own fields of specialization. Students are also free to go abroad for advanced study after the baccalaureate degree.

8. The freedom to respect and preserve the Chinese cultural heritage, without ridicule or violent punishment.

Chinese Mainland—

In his documented study, "The Human Cost of Communism in China," Professor of International Relations, Richard L. Walker, a long-time student of China, writes: "Under the Communist rule, systematic destruction has frequently been practiced against traditional Chinese culture. Libraries have been burned, shrines destroyed, and art works defaced. During the Cultural Revolution, the regime pushed the destruction of the 'four olds'—culture, ideas, customs, habits—and these included religious practices, weddings, and even in some places ancestral shrines which have meant so much to the Chinese."

In 1966 the New China News Agency reported approvingly from Peking that "revolutionary fire was ignited in the Central Institute of Arts to destroy the sculptures of emperors, kings, generals, ministers, scholars, and beauties, images of Buddha and the niches for the Buddha sculptures. The revolutionary students and teachers said: 'What we have destroyed and crushed are not only a few sculptures, but the whole old world.' "

The recurrent campaigns against Confucianism on the Mainland are also significant evidence of the attack by the Communist regime on China's past.

It is true some artifacts and historic treasures are preserved or restored on the Mainland, with a display of such items now on exhibition in the United States.

But any political system which bans the traditional Chinese Opera, which has not produced a single major creative work of art or literature (the Soviet Union has at least produced a Solzhenitsyn), and which has no pride in Confucianism, a humanistic system of high standards that has strongly influenced the Chinese people for 2,500 years, cannot be described as emphasizing the preservation of traditional Chinese culture.

R.O.C.—The free Chinese of the Republic of China revere and are carefully preserving the excellence of old culture and traditions.

Writers are free to write in the old style or to experiment. Artists may paint in the classical Chinese way or venture into abstraction.

The art form of the ancient Chinese opera is being preserved. The National Palace Museum near Taipei houses the finest collection of Chinese art objects in the world. In this museum, when one sees the caption "1776," it means "B.C." not "A.D."!

As mentioned above, a Chinese Cultural Renaissance Movement is promoting the study of Confucian ethics.

In short, classical art and traditional culture are thriving in Free China.

9. The right of free emigration.

Chinese Mainland—Except for overseas Chinese, the people on the Mainland may not go abroad to settle.

But at least two million refugees have fled from Communism to Hong Kong, suffering harsh ordeals for the opportunity. The hazardous manner of escape of most migrants is unequivocal proof of the lack of any general right of emigration through normal channels.

The Manchester Guardian of December 7, 1974, in an article headed, "And still they come," reports of the escapees:

"Most of them have planned and schemed for at least a year before making their breakout, saving money for the long journey from their communes to the Hong Kong border or to some point on the Chinese coast from which they can swim or take a boat, secretly copying maps and making their own compasses out of buttons and steel pins. On the journey itself, traveling at night, they have to avoid the patrols and dogs of the People's Liberation Army.

"Once within range of Hong Kong, some few succeed in climbing over the wire fence between the colony and China. Others come by boat—last month saw the arrival of 55 in a single boat, which is a record—but the majority swim, spending as much as 14 hours in the water. Some are carried out to sea and drown, nobody knows how many. Some unlucky ones are killed, or crippled by sharks: one girl earlier this year lost a leg to a shark in Mirs Bay, but still managed to get herself ashore."

So much for any misapprehension that a right of emigration exists to any substantial degree in Maoland.

R.O.C.—The Republic of China permits emigration anywhere in the free world.

10. The right of private ownership and investment of property.

Chinese Mainland—Under the Communist political system, the central government owns all buildings and all land. Individuals may not invest in or own private businesses. Private ownership in general is prohibited.

In some instances, the government may permit families to pass on a "right of rental" of the same land, but the family does not "own" the housing or land.

Chinese farmers also have an opportunity to use a small plot of land adjacent to their housing for growing non-essential vegetables or raising animals, which can be sold by them at market. The size of this area is literally on the scale of what we would know as a "small backyard."

R.O.C.—The citizens of the Republic of China may own land, buildings, stocks, businesses, and, in general, enjoy the prequisities of private ownership equivalent to the private enterprise system of the United States.

In contrast to the results of the bloody Agrarian Reform of 1949–1952 by the Communists, which left a legacy of the execution of several millions of landlords, but has provided only a small "backyard plot" for farmers, the land reform of Free China was accomplished peaceably, with compensation, and has left 876,565 farm households with an average of 2.5 acres of privately owned land.

11. A free and independent judiciary.

Mainland—There is no judicial branch of the government as known to Western Republics. There is no enduring institution of courts as such, nor is there any other body which tries and judges cases or controversies independent of the central, authoritarian regime.

"People's courts" and local revolutionary committees hear and decide ordinary disputes among persons. Mediation committees and public security organs also dispose of cases, including minor crimes. Mass assemblages conduct "events"—certainly not trials under law—before large public gatherings at which "political crimes" or "elitism" are allegedly exposed.

Article 25 of the new "Constitution" adopted at the fourth "National People's Congress" in January of 1975 continues this practice by declaring that judicial authority shall be exercised by "People's Courts at various levels" and by "special People's Courts."

The Constitution expressly imposes party control over the legal process, proclaiming that all People's Courts are "responsible and accountable to the People's Congresses," the local organs of state political power.

The new Constitution also subjects the legal organs to political control by providing that the "President's of the People's Courts are appointed and subject to removal by the permanent organs of the People's Congresses at the corresponding levels." This provision, on its face, repudiates the notion of independence in the courts.

Moreover, the new Constitution explicitly requires that the party line be followed in court: "The mass line must be applied in procuratorial work and in trying cases."

It is clear that the legal system will continue to be governed under the new Constitution essentially as it has during the past two decades, by Maoist thought. As described in a carefully researched study of legal developments in Communist China published by the Library of Congress Far Eastern Law Division in August of 1974, the Maoist approach is one "in which the law and legal institutions are focused primarily upon protecting and advancing the ever-changing interests of the socialist state/society as these interests are defined by the leadership. . . ."

Elsewhere the same report concludes that "the Maoist approach to justice is rooted in the concept that the chief task of the legal organs is to serve as instruments of the state/Party in its suppression of classes, groups or persons who are inimical to and hence hinder China's advance toward communism."

According to the Library of Congress one of the salient features which "justice" in Communist China has assumed is:

"Rejection of the concept of protecting the rights of the individual vis-a-vis the state in the legal process. This rejection is expressed in such phenomena as a presumption of guilt so strong that the possibility of the person's being innocent often seems not to have been seriously considered after a certain stage in the legal process, the fact that the overwhelming majority of trials has always been closed to the public, the eventual abandonment of half-hearted experimentation with the use of defense counsel, the lack of protection against arbitrary arrest and prolonged pre-trial detention; compulsory confession; various pressures, some subtle, discouraging use of the appellate procedure; etc."

R.O.C.—There is a proud, independent and extensive judicial system in the Republic of China, with jurisdiction over both civil and criminal cases.

Rule under law and according to law is the practice.

There is a broad system of appeals which assures all parties a fair and full consideration of their arguments.

During my visit to the Republic of China, I made an unexpected request to discuss the legal system with professional members of the law. I was delighted and honored to be granted an interview with three Members of the National Supreme Court, Chief Justice Kuo-Cheng Tsien, Justice Tsai-Chi Lee, and Justice Wong.

From this lengthy and open discussion which had no limits on subject matter or number of questions, and from other observations made during my study tour, I am convinced a strong and free judiciary is operating in the Republic of China. I believe it is an institution which is still growing in influence and reputation in Chinese society. Not only will its importance increase in resolving normal human affairs by orderly and rational rules, but I predict the judiciary will soon acquire a role, similar to that of the judicial branch in the United States, as a major component in a political system of balanced powers.

12. Freedom from aggression.

Mainland—Whatever its words, Communist China is not a responsible participant in the world order system. The very nature of its despotic form of government makes its actions unreliable and sometimes irrational. A government founded on force and terror, manipulation and censorship, indoctrination and regimentation, cannot be expected to act toward other peoples with any greater decency than it does in the case of its own citizens.

Are our memories so short that we forget the Chinese Communist aggression in support of the North Korean invasion of South Korea? Or the brutal suppression of nationalism in Tibet? Or the armed conflicts with India?

Are there any signs of aggressive tactics today on the part of the Mainland Government? One clear indication is the massive infusion of military and economic aid the Communists are providing to the war machinery of North Vietnam.

In 1973 Communist China supplied $115 million in military equipment and $225 million of economic commodities to North Vietnam. In 1974 the Mainland Government furnished an equal amount of military aid and lifted its economic help to above $600 million, triple the last year's assistance.

That this major support promotes the North Vietnamese in carrying on a brutal war of aggression against the people of South Vietnam is ignored by those same liberals in the West who condemn anything that would prolong the war, so long as it can be said to sustain the capacity of the South for self-defense.

R.O.C.—The Grand Union of Chinese States, planned by Confucius in man's earliest history, suggests the concept of a league of independent states in the interest of order and peace. The Republic of China today strives to implement the spirit of this code by living peaceably among the community of nations, respecting the perfect equality of all states.

PETRODOLLAR INVESTMENTS IN THE UNITED STATES

Mr. INOUYE. Mr. President, on Thursday, February 13, the New York Times published two stories that should be of great interest to those Members who are concerned about foreign investment in the United States. The first article is an analysis of the petrodollar accumulation. According to recent projections and analyses, the growth of petrodollar reserves by members of the Organization of Petroleum Exporting Countries—OPEC—will not be as great as had once been feared. Although they will accumulate substantial amounts of reserves, it does not appear that the sudden shift in capital movements will have the economic impact formerly predicted. Agreement now appears to be developing that the growth of surpluses will moderate in the late 1970's and that monetary reserves may even decline in the 1980's. Projections are always speculative, however, and such assessments may understate the destabilizing effects which the oil price increases will actually have.

The second story concerns the belief by many private economists, businessmen, and bankers that OPEC investments in the United States may be much larger than the Federal Government estimates. However, the story also notes that in most cases Arab investors have tended to be conservative and cautious, with very little interest in controlling large manufacturing corporations. Investments have also been diversified. Furthermore, the majority of petrodollar funds, which includes non-Arab money as well, were placed in short-term notes and Treasury securities.

In short, these two reports should help to focus our attention on the real issue raised by foreign investment in the United States and to exorcise the phantom of illusory statistics. The real issue is not whether foreigners invest in the United States. It is whether their investments conform to our national economic policy and are managed soundly in the interests of the United States and the investor. Although there have been some cases in which the impact of foreign investment may be highly negative, particularly in the case of real estate development and speculation, on the whole there is relatively little evidence to support the fears of those who would close our borders to foreign capital. I do not wish to imply that foreign investment will always remain benign, but I do believe that the Congress can develop a policy that can be both constructive and prudent.

I intend in the near future to introduce a bill which would establish a monitoring and reporting system for significant foreign investors in the United States. A similar though not identical bill was introduced in the last Congress by former Senator Howard Metzenbaum and me and 31 cosponsors. I believe the bill will constitute a rational response to this phenomenon without either discouraging or encouraging foreign investment in our economy.

I ask unanimous consent that the two articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Outlook: Economists, With New Data, Revise Predictions of Surplus Oil Revenues

(By Michael C. Jensen)

Surplus oil revenues moving out of the Middle East were viewed with alarm as recently as six months ago but are now being greeted more benignly by Government officials and private economists alike.

Although the oil-exporting nations took in an estimated $90-billion last year from the sale of crude oil and used a small part for selective investment in blue-chip industrial names like Krupp and Daimler-Benz, they have not attempted to buy control of such corporate giants as General Motors or International Business Machines, nor have they taken possession of vast tracts of Manhattan real estate.

Instead, the oil-exporting nations have behaved much like conservative investors anywhere, pumping much of the $60-billion or so in surplus cash that they could not spend on imports into Government securities and interest-paying bank accounts all over the world.

While some economists were saying six months ago that accumulated surplus cash from the oil-producing countries could exceed $1-trillion by 1985, today there is widespread belief that the surplus will probably be no more than $300-billion at its height.

Many economists assert that the worst of the problem may be over by the late nineteen-seventies or early nineteen-eighties because by then members of the Organization of Petroleum Exporting Countries will be spending so much money at home that their capacity for investment abroad will be severely curtailed.

The question arises why the predictions have turned around so quickly. What has happened to transform a potentially cataclysmic situation into what now appears to be a more comfortable, easily manageable scenario?

The answer, although complex, appears to revolve around several facts. First, there is an important statistical difference in the way the earliest and the more recent predictions were formulated. When reconciled, it erases much of the discrepancy.

SURPRISING SPEED

Next, the OPEC nations appear to have surprised almost everyone with the speed of their national development programs and the consequent sopping up of new oil money by accelerated domestic spending for imports.

However, the current (and more optimistic) projections may also be off the mark because nobody knows in detail what is happening to the new oil money, how rapidly the OPEC nations will spend their new riches on projects at home or what the trends of oil production and consumption will be.

Economic projections are risky at best, and when they are based on incomplete statistics they become even more conjectural.

One of the first of the widely discussed forecasts on OPEC surpluses appeared last July in the form of a World Bank study that was circulated internally but was quickly obtained by the press and widely publicized.

DIRE PREDICTIONS

That study indicated that the surpluses of the oil-producing nations could exceed $650-billion by 1980 and would probably continue to grow in succeeding years Such numbers gave rise to doomsday predictions that the oil producers, chiefly the Arab states and Iran, would be able to buy up an enormous portion of the rest of the world unless something were done to stop them.

But in the January, 1975, issue of Foreign Affairs, Hollis B. Chenery of the World Bank said he believed that the OPEC surplus would amount to only $300-million by 1980 and that by 1990 capital might begin to flow in the opposite direction.

On Jan. 30 Treasury Secretary William E. Simon told a Senate Finance subcommittee that there was a growing consensus among economic forecasters that the financial accumulations of the oil producers would reach only $200-billion to $300-billion by 1985 and that by the late nineteen-seventies or early nineteen-eighties of the oil exporters collectively could even be attracting capital rather than sending their extra cash elsewhere.

OPTIMISTIC ANALYSIS

Even more optimistic was an analysis last month by the Morgan Guaranty Trust Company of New York, which estimated that OPEC surplus funds available for investment in any single year had already peaked at $63-billion in 1974 and that the total cumulative surplus would crest in 1978 at $248-billion.

Meanwhile, the International Bank for Reconstruction and Development, as the World Bank is formally known, has again altered its view. Wouter Tims, director of the bank's economic analysis and projections department, said last week he now foresaw an accumulated surplus by OPEC countries of only about $250-billion by 1980.

Why the sudden turnaround? Economists point out that some of the earlier predictions were made in "current" dollars, whereas the later predictions were made in "constant" dollars.

The distinction is important. The earlier projections took into account a rate of inflation that would substantially increase the dollar figures by 1980 or 1985. The later projections, on the other hand, simply projected the build-up in terms of 1974 dollars.

This difference in statistical treatment accounted for much of the variation between the earlier and more recent predictions. While both types of treatment are routinely used by economists, comparing them is like equating apples and oranges.

If the World Bank estimate of a $63-billion petrodollar surplus by 1980 had been expressed in constant dollars, it would have totaled only $411-billion. That figure is not too far from the upper end of the Government's current estimated range of a $200-billion to $300–billion surplus.

Another major factor in the difference between the projections lies in the anticipated volume of imports by the oil producing states. The more they spend for domestic consumption, the smaller their surpluses available to invest elsewhere.

IMPORTS ESTIMATED

The Morgan Guaranty analysis estimated that imports by the oil producers last year totaled $50-billion and were likely to increase rapidly until they reached $227-billion by 1980. Morgan Guaranty also estimated that oil revenues, the money available to pay for the imports, would not increase nearly as fast. Oil revenues would rise from an estimated $105-billion in 1974 to $143-billion in 1980. The result, the bank said, was that

OPEC surpluses would disappear (in aggregate) by 1979.

One problem, economists and analysts concede, is that such projections are highly conjectural. Some, for example, have questioned how much of the Arab nations' recent imports consisted of armaments and whether the Middle East arms build-up would continue at its present rate for the rest of the decade.

If the arms build-up (said by some to account for about 10 per cent of imports) declined, how much would some projections have to be altered?

UNCERTAIN OUTLOOK

Another problem lies in estimating OPEC oil revenues when the growth in oil consumption has slowed and the outlook for prices is uncertain.

Pervading the subject of OPEC surpluses has been a widespread uneasiness that estimates based on the flimsiest sort of source data, although subjected to searching analysis, were being frozen into projections which had an aura of certainty and which were then used as the basis of Government policy.

"One of the most uncertain parts of all these estimates is how much the OPEC contries are spending for goods and services," said F. Lisle Widman, director of the Office of International Monetary Affairs at the Treasury.

"Their official statistics are a couple of years late," Mr. Widman said. "Libya, for example, just published its January, 1974, import figures. And no one else has even done that."

As a result, he said, imports of OPEC contries were being estimated by using incomplete export statistics from countries like Japan and the United States.

A further problem, Mr. Widman pointed out, was caused by uncertainty about the "absorptive capacity" of oil-exporting states—that is, the rate at which they could spend their oil riches for their own development, as opposed to investing them elsewhere.

Also uncertain, he said, was the rate at which the rest of the world could develop alternate energy sources. Such a development could dramatically affect oil prices and would reduce OPEC income if oil exports declined as a result of growing self-sufficiency by other nations.

Analysts at the Federal Reserve Board and at commercial banks also said that estimates of the amount of surplus funds being spent by OPEC countries on behalf of developing nations were extremely "fuzzy."

They further said it was not always clear how much some of the oil-exporting nations were spending on themselves. One official, for example, said Saudi Arabia had spent only half what she hoped last year for projects within her own borders.

INVESTMENT TRAIL

"We know what's coming into United States money markets and into sterling markets in Britain," said one senior analyst. "We know what's going into Eurocurrency markets in London and into World Bank bonds.

'We dont' know how much is going into into Eurocurrency deposits in banks that are not in Britain—in places like Switzerland, France, Belgium and the Bahamas.

"We don't know how much is going into national currencies like Swiss francs or West German marks or into investment trusts in places like Switzerland or London.

"And we don't know the full extent of government-to-government loans or of direct investments like the ones in Daimler-Benz or Krupp."

Oil Nations' Cash Surging Into U.S.—Analysts Now Less Fearful—Corporate Control Not Expected To Be a Goal

The flow of surplus oil revenues into the United States from Arab nations and other oil-producing states was substantially larger last year than official Government figures indicate, and the inflow is almost certain to increase sharply in 1975, according to a number of commercial bankers, brokerage officials and economists.

The heavier inflow of these so-called petrodollars is generally favored by Government analysts and economists, partly because such funds are not expected to be invested directly in controlling large American corporations.

This inflow provides capital for use by the Government and American businesses, relieves pressures (particularly in the market for Treasury securities) and helps the nation's balance of payments. Foreign demand for American debt and equity securities also helps buoy the markets in which they are traded.

Treasury Secretary William E. Simon recently estimated that about $11 billion in oil money was invested directly in the United States in 1974.

However, a number of executives in the financial community indicated in interviews that they believed the actual flow of money from members of the Organization of Petroleum Exporting countries might have been as much as 50 per cent higher.

They also said investments of petrodollars here could reach $20-billion to $30-billion this year. Petrodollars are generally defined as surplus funds available to oil-exporting nations for investment purposes.

One New York banker who has maintained close contact with Arab officials said he believed the oil-exporting states had invested about $17-billion in the United States last year—some of it funneled secretly through third countries—and that their total investments here could leap to $30-billion this year.

Gerald L. Parsky, an Assistant Secretary of the Treasury, acknowledged that the Government's current statistics were incomplete, but he said he thought an estimate of $17-billion in petrodollar investments during 1974 was "rather high."

ACCUMULATING DATA

He said he was unable to provide a reliable estimate of his own that would include both direct and unreported investments, but he said the Treasury was compiling additional information on such investments.

Another banker estimated that the oil-exporting nations might invest as much as $4-billion in stocks of United States companies this year, up more than fourfold from their estimated 1974 purchases.

Another financial executive, Eugene J. Sherman, a vice president of Merrill Lynch Government Securities, Inc., said he expected the oil-exporting nations to buy at least $10-billion worth of United States Treasury securities this year, up from last year's estimated $6-billion.

He and other executives said commercial banks around the world were saturated with short-term petrodollars—that is dollars deposited for short periods which could be withdrawn at almost anytime—and he cited this situation as encouraging investment in longer-term Government securities.

EURODOLLAR ACTIVITY

"The banks are up to here with short-term money, and the Eurodollar markets are pretty well filled up," Mr. Sherman said. (The Eurodollar, or Eurocurrency, markets comprise activity in currencies on deposit outside their country of origin. The principal currency traded in this market is the United States dollar.)

One problem, of course, could be the slowing of foreign investment generally in the United States as a result of a drop in interest rates here.

Rimmer deVries, a vice president of the Morgan Guaranty Trust Company, said he expected at least $15-billion to $20-billion in investments by the oil-exporting nations in the United States this year. He said the flow was currently running at an annual rate of about $14-billion.

Mr. deVries said he agreed that large amounts of unreported oil money had flowed into the United States last year, but he said that much of it had flowed right back out.

"In the middle of 1974," he said, "in the wake of the Herstatt bank collapse in Germany, and due to attractive United States interest rates, there was a heavy flow of oil money here from European banks. But a lot of that money went right back out when interest rates in this country declined and when fears in the Euromarkets eased."

A Congressional aide said a Government intelligence service had estimated that the total flow of oil money into the United States last year was 20 per cent higher than official Government estimates of direct investments. Mr. Parsky confirmed that such an intelligence report had been received earlier in the year by the Administration but said that it was not believed to be accurate.

Some high-ranking officials representing the nation's largest and most powerful commercial banks said they would discuss petrodollars only if they could remain anonymous because their Arab clients were wary of publicity about their investment activities.

"You can be sure when you read in the newspapers about someone who says he is doing business with the Arabs that he isn't doing much," said one of the bankers.

PUBLICITY FOR DEALS

The bankers said that a few outright purchases by Arabs of American real estate and equity positions in United States companies and financial institutions had attracted widespread attention but that they constituted only a small percentage of the petrodollar investments in this country.

According to Mr. Simon, an estimated $6-billion of the OPEC money that flowed into the United States last year was used to buy Government securities. He said $4-billion more went into bank deposits, certificates of deposit and other types of money-market paper. Less than $1-billion, Mr. Simon said, went for real estate and equity investments.

Most such investments are reported in official Government statistics, but other types of investments are difficult to identify. It is believed, for example, that some petrodollars are being funneled into the United States from countries like Switzerland and West Germany. In addition, some investments by Middle East individuals are believed to have gone unreported.

LACK OF AWARENESS

"It's conceivable that some funds might be placed with individuals who aren't aware that they should report them," said F. Lisle Widman, director of the Office of International Monetary Affairs at the Treasury. "Some purchases are made that are not identified as foreign purchases."

Economists pointed out that the problem was not unique to petrodollars. Similar investments originating elsewhere in the world also go unreported.

While the accelerating flow of petrodollars into the United States is being closely watched by economists and financiers, they pointed out that most of the oil-exporting nations seem to have made policy decisions to seek widely scattered long-term investments in this country rather than aiming at direct control of American companies.

There have been some notable exceptions, like the recent commitment by Ghaith Pharaon, a private Saudi Arabian businessman, to purchase a controlling interest in the Bank of the Commonwealth in Detroit. Iranian financial interests have participated in loan financing for the Grumman Aircraft Corporation, which is selling Iran its F–14 fighter planes.

Attempts by Arabs to buy control of other, smaller banks in San Jose, Calif. and Pontiac, Mich. failed. The Kuwaitis, however, have bought a small island off South Carolina for development as a resort, and Iran is involved in intricate negotiations with Pan American World Airways which would result in an Iranian rescue of the financially troubled airline.

THE INCREASING RELIANCE ON THE COMPETITIVE MARKET IN AIR TRAVEL

Mr. THURMOND. Mr. President, the Administrative Practice and Procedure Subcommittee of the Judiciary Committee has begun a series of hearings into the Civil Aeronautics Board's success at insuring the consumer adequate air service at reasonable prices.

The central thought to emerge from the testimony presented is that greater reliance on competitive market forces will improve the economic performance of the industry and result in lower rates, will reduce excess capacity, and will provide the consumer with a wider and more attractive range of service and price options. Many consumers now pay an artificially inflated price for air transportation because of CAB policies which shelter carriers from competition. Present policies result in protection of the least efficient airlines, rates substantially above efficient costs, and a distortion of competitive forces.

Texas and California give us examples of unregulated, intrastate carriers charging 25 to 50 percent below fixed rates without loss in safety or reliability.

A reduction in Government regulation is necessary. In times of inflation, recession, and energy difficulties, the public cannot afford the extravagances created by the present regulatory system.

Passengers now find airlines competing for their patronage through fancy cuisine, attractive stewardesses, multihued planes, piano bars, and free liquor. I think my constituents, and yours, would much prefer to have the right to choose to forgo these frills in preference to lower prices.

INFLATION HURTS POOR

Mr. MUSKIE. Mr. President, I invite the attention of Senators to an article entitled "Inflation's Grip Tightens on Poor," by James T. Wooten in the New York Times of February 13, 1975. The article is a very vivid and touching description of today's plight of the poor.

It is one thing to read the statistics of deprivation. It is another to experience deprivation. This article brings the reader close to that experience. It also is a stark reminder of this Nation's unfulfilled promises and the plight of those who must endure the results.

I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

INFLATION'S GRIP TIGHTENS ON POOR

(By James T. Wooten)

ST. PETERSBURG, FLA.—When Mrs. Elsie DeFratus could no longer afford the cost of living, she died.

She was nearly 80 years old, and she had survived somehow for a long, long time on her meager widow's pension, frugally measuring it against the rising prices, scrimping and scraping and skipping meals, making do with less and less each day until finally, on a recent morning at an ancient hotel in this city, she crumpled quietly to the floor of her dark and tiny apartment.

She weighed 76 pounds. An autopsy found no trace of food in her shrunken stomach.

"Malnutrition," the coroner concluded.

"Surrender," sighed an elderly friend. "She just stopped believing tomorrow would be better."

Both may have been right, but in any case the small, emaciated woman had become the ultimate victim of inflation. Her extremity had gone as far as it could go.

For millions of other Americans, inflation's effect has been not as extreme, but it is hurting deeply nonetheless.

From one end of the country to the other, in rural hollows and small-town slums, in prairie reservations and mountain enclaves and city ghettos, it attacks the poor, the elderly, those on fixed incomes. Sometimes, it leaves them, like Mrs. DeFratus, both hungry and hopeless.

President Ford, in his first few months in office, concentrated his economic policy on reducing inflation. And even though prices rose by 12.2 per cent last year—the most in 28 years—some progress was being made.

Last month, however, Mr. Ford decided that the time had come to shift the power of government from primarily fighting inflation to fighting a deepening recession, which has pushed the jobless rolls to 7.5 million, or 8.2 per cent of the work force.

The Administration itself foresees no immediate drop in living costs. Its forecast, submitted earlier this month with the President's new budget, listed an average inflation rate of 11.3 per cent this year, as against 11 per cent last year.

Should inflation stay high, it seems certain to provide new dimensions to the nation's longtime poverty problems. And there are already some signs that economic difficulties are putting fresh edge on traditional class, ethnic and racial antipathies.

At the airport in El Paso, a middle-aged aircraft executive who declines to give his name, tells a fellow traveler his views on the poor.

"They just suck at the Great American Teat," he says, "That is their sole function, to milk the country."

One of the poor, Robert Davis, sat at his kitchen table in the tiny dinette of his housing-project apartment in Little Rock recently, talking with his wife and some visitors about the way he believes other people see him.

"I don't think they think much of me," he said, staring at his mud-caked, high-top shoes. "I mean, they don't think I've amounted to much as a man. Used to be, I don't much care what they thought, but nowadays—well, I don't know. Maybe they're right."

Mr. Davis is a 40-year-old black man who works more than 40 hours almost every week on a construction crew and earns slightly more than $2 an hour. Occasionally he takes odd jobs on Saturdays to supplement his weekly earnings.

"It wasn't hardly ever enough," he said. "Not with nine kids at home. But there was a time there not too far back when we were sort of looking up. Now, I don't see nothing but down."

SOUP AND CRACKERS

As he talked, his wife quietly prepared dinner for the family, a meal consisting of chicken soup, some crackers, milk for the younger children and coffee for the older ones. She is 38 years old.

She cannot remember a single moment in all of her life, she said, when she was not lacking something she really needed.

Her husband said: "I know people look at us and laugh and say how come we got so many kids, and I say it's because we always wanted a bunch of them and because I never did know we was going to be poor."

Mrs. Davis laughed—a slight chuckle barely heard above the sounds of her puttering at the stove.

Mr. Davis went on: "I always thought that the way I could work—I'm a right strong man—that we'd make it some way. Now, tell the truth, I don't think we can."

In the last few months, their utility bills have gone from $8 to $21 each month, the result of a rate increase by the local power company. The cost of their groceries has risen from about $60 a week to more than $100, even when Mrs. Davis buys less than she believes they need.

A few weeks ago, with several auto loan installments long overdue, they chose to pay for their food and their water and their lights and their shelter, and the finance company repossessed their second-hand car.

They pay $33 each month for their cramped, dark quarters, and, should Mrs. Davis take a job, the rent would increase proportionately and make the added income almost inconsequential.

"You know them beans I used to buy, Robert?" she said softly. "You know, those dried beans—Lord, I guess I've cooked a ton of them—and they used to be four pounds for 59 cents. You know how much they are now, Robert?"

Mr. Davis shook his head.

"Just guess, Robert," she said.

He declined silently.

"Well, they're $2 for four pounds, that's what they are, and we just can't buy them any more," she said.

Still her husband said nothing.

"You know what, Robert?" Mrs. Davis said, turning away from the stove for a moment. "I think you're right."

"What's that?" he asked.

"I don't think we're going to make it either."

High atop a new St. Petersburg hotel, only blocks from the old one where Mrs. DeFratus died, a bartender talks about the problems of poverty.

"There are no such things," he says. "There are only those who will not work, and I say to hell with them. I work hard. Everybody I know works hard. Why can't they work hard?"

In Seattle there is an old, beige, Victorian house at the corner of East Olive Street and 14th Avenue where every Tuesday morning hundreds of men and women—young and old, black and white—form a long line that snakes down the block toward the towering Space Needle.

ABSOLUTELY FREE

It is a "food bank," a pick-up point for absolutely free, no-strings-attached groceries distributed by Neighbors in Need, a nonprofit group funded partly by the Federal Government and partly by public support.

It was formed after massive layoffs by the Boeing Company, Seattle's largest industry, in 1971. Thousands of formerly middle-class workers were abruptly unemployed.

"We tried to fill that space between the Government benefits and the needs of the people," Milton Kemp, a 28-year-old employee of the group, said. "But we're not really doing it any more. Inflation is killing us. All we're doing is just throwing a few groceries into the gap."

The group's purchasing power in the last few months has plummeted to a point at which pork and beans was listed recently as a "meat" item.

"And there wasn't any pork in those beans, either," Mr. Kemp said.

Each week, thousands of Seattle residents shuffle through one of the group's several "banks," and each week the number of its clients increases

"People who were once using us as a supplement—our original function—are now solely dependent on us," Mr. Kemp said.

The people who pick up the food are a varied collection. On one Tuesday morning not long ago, a young black man and a middle-aged white woman stood next to each other in the line outside the house.

LESS THAN $100 A WEEK

He was unemployed, and his wife's job brought the couple less than $100 each week. They have two children.

"Can't make it without these—these, well, these gifts," he said, slightly embarrassed.

"Why, if you weren't black your face would turn red," the matronly woman chided. "Shame on you. When you need help, you need help. When your babies need food, they need food, and there's nothing about that to be embarrassed about."

The young black man stared at the sidewalk. "Yes, ma'am," he said. "There is."

Reggie, a black Vietnam veteran in his late 20's, leans against the wall of an abandoned store-front in Columbus, Ohio, and offers his views on inflation.

"It means just one thing to me," he says. 'America, the white middle class sort of rearranges its life-style, you know, sort of moans a little about how much hamburger is costing these days, but the black people—you know, man, the poor people—they got no life-styles to rearrange. They're just getting destroyed, you know. I mean, getting killed. And that's America to me. I never knew it to be any other way."

In Seattle Peggy Maze, director of Neighbors in Needs, was embarrassed about the food donations, too.

"Not for me," she said in her office at an old warehouse near the Puget Sound waterfront. "I'm embarrassed for Seattle."

In 1971, public donations were over $250,000. This year, they will be less than $100,000. The Office of Economic Opportunity gave the program $750,000 in 1972, $650,000 in 1973 and $500,000 this year.

"When we need more, we get less," she said.

"SUCH GREAT SENSE"

'You see the grand logic here," Mrs. Maze went on. "As the number of poor increases because of inflation, the need for services such as our group's grows. Correspondingly, the interest and the funding of the public and the Government decreases. It makes such great sense."

As the line lengthened throughout the morning at the food bank, the wind from Puget Sound increased sharply and several of the people on the line pulled their old coats close around them, embracing themselves with crossed arms and patting their own shoulders to keep warm.

"A few months ago," Mrs. Maze said as the brown paper bags crammed with groceries were doled out, "many of these people wouldn't have been here. They wouldn't even have thought of being here. Now, they come. They can't buy what they need any more, and they've got to eat somehow."

A young white man and a young black man—both Southern immigrants to Detroit stand outside a food wagon at a small plant and talk about charity.

"Not me, brother," the black man says. "No giveaways for me. I'd steal to feed my family before that, wouldn't you?"

The white man hesitates for a moment and then nods an affirmative response.

"I know a hell of a lot of people that are going to steal before they'll stand in line for food," the black man says.

In New York, Detroit, Miami and Chicago, there have been arrests of elderly citizens—some of them extremely feeble—for stealing groceries in order to eat.

"But Elsie never would have done that," said Steven Haddock, manager of the hotel where Mrs. DeFratus lived here on the Sunshine Coast of Florida. "She just wouldn't have stolen anything."

Instead, she chose to attempt to manage on her Social Security checks of less than $100 a month, and with the cost of her room, $15 a week, and her transportation to and from the Post Office to pick up her check, her food allowance was down to less than 65 cents a day.

Frequently, when her funds were nearly depleted toward the end of the month, she would settle for a single ice-cream cone each morning, and somehow it had always been enough.

But on Oct. 3, after carefully arranging her clothes on her bed, she collapsed to the floor and died. Her Social Security check arrived the same day.

MILITARY AID TO SOUTH VIETNAM

Mr. THURMOND. Mr. President, in the February 10, 1975, issue, the New York Times published an article by William Safire entitled, "Sticking With It,' in support of military aid to South Vietnam.

It is particularly encouraging to note this well-written article and others in the New York Times which present convincing reasons why America must honor its commitment to provide limited military aid to South Vietnam to help stop flagrant aggression and contemptuous violation of the Paris Peace Accords by the Communists.

Mr. President, I ask unanimous consent for the New York Times article to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STICKING WITH IT

WASHINGTON.—A Communist rocket, fired with the intent of killing civilians in the capital of Cambodia, exploded in a school and slaughtered a score of children.

Shocking pictures of the bodies of the children appeared on nightly television news and on front pages, bringing all the horror of war once again into the American living room.

Had the rocket been supplied by United States aid, or fired by recipients of United States aid, the anguished uproar would have been heard in the halls of Congress and in every cranny of the land to "stop the killing" and deny the murdering attackers one more round of ammunition.

But it was a Communist rocket, financed in Peking or Moscow and launched by the Khmer Rouge, who are trying to overthrow a non-Communist government. Therefore, after a humanitarian wince of pain, the reaction here is muted. We shudder and turn away.

That is because we are bored with Southeast Asia's endless warfare, frustrated by our inability to end it once and for all; a large Congressional group now seriously proposes to let it end by cutting off supplies to our allies so that they will lose and be quiet.

They tell us that our allies are at fault for the killing that comes with their continued resistance to overthrow; that our word is our bondage, and the United States is somehow to blame for the continuance of warfare, since we are unwilling to dictate a surrender; that our allies are more evil than the enemy they are fighting.

That final assertion—that President Thieu is a "corrupt dictator" unworthy of our aid—is made by longtime doves with a vested interest in his downfall, because they predicted his collapse the moment we pulled our troops out of Vietnam. But there he stands, two years later, an obstacle to takeover by North Vietnam and—worse yet—a reproof to those who were so certain he had no indigenous support.

One basic fact stares us in the face: There are no South Vietnamese troops killing anybody in North Vietnam; there are over 100,000 North Vietnamese troops fighting today in South Vietnam. It is still the South that is defending itself from sustained attack from the North.

Forget about that, says a weary majority; America did its bit. If the South Vietnamese cannot defend themselves by themselves now, we cannot be expected to support them forever. That goes for the Cambodians as well.

Foolishly, responsible officials in the United States repeat the light-at-the-end-of-the-tunnel argument; just another year's aid, just a billion or so more, and we'll win. That's misleading, as is President Ford's desperate promise to end all aid in three years, no matter what.

We should know by now that Communist aggressors, financed and supplied from outside, are prepared to fight on for decades until they win. The non-Communist majority in those countries seems prepared to fight on just as grimly for just as long, provided we match the supplies from outside. Our allies may be weary, but they are not bored; shall we now tell them we are no longer willing to match the Soviet contribution to their enemies, and they should plan for defeat?

Moreover, there is the possibility that we will be embarrassed by the severity of the local consequences of Communist victory. This is that hoary chestnut, the "bloodbath argument": When Nelson Rockefeller raised it recently, he was roundly denounced by people who are absolutely certain that no wholesale executions will follow Communist victory. Such certainty must be comforting, since it runs contrary to much experience.

The reason why the United States should continue aid to people fighting Communist take-over is because we are on the side of human freedom. Not because we lost 50,000 men in Vietnam; or because the Congress authorized current aid; or even primarily because our support tells the world that our word to our allies is at least as good as the Soviet's.

Why are we so afraid to assert that what we are doing to help others defend themselves against Communist-sponsored aggression is the right thing to do? Costly, painful, nerve-cracking, and when Mr. Thieu jails journalists, infuriating—but essentially moral.

The measure of our success is not in making peace, since the Communists want victory and not peace, but in helping our allies to continue to resist as long as the pressure is on.

As Senator Jackson begins to waffle on Vietnam, just as Senator Percy finds it expedient to waver in support of Israel, we ought to ask ourselves what kind of a people we are becoming. Do we stand ready to help allies help themselves, or do we let them go hang after a certain length of time?

Much more is at stake here than the fate of one regime, or the expenditure of several hundred millions, or the justification of past positions. Either America will remain a strong force against worldwide totalitarian coercion or she will turn inward and head downward.

WARNINGS FOR THE DEAF

Mr. INOUYE. Mr. President, the media systems in the United States have assumed an awesome burden in their efforts to warn citizens of impending disasters. Radio and television stations have been very effective in bringing immediate and essential information concerning measures to be taken to protect lives and property.

Unfortunately, a major segment of the population is oblivious to these warnings. These are the deaf and hearing-impaired.

Despite a public notice issued by the Federal Communications Commission in 1970, less than 38 percent of television stations presently caption emergency bulletins. Can you imagine the fear and frustration felt by a deaf individual who sees the words "Emergency Bulletin" flash across his screen, but who is unable to know the nature of the impending disaster?

Four concerned citizen groups have filed a petition with the Federal Communications Commission to require the transmission of visual, as well as aural, emergency announcements. These organizations are Deafwatch, the National Association of the Deaf, Deafpride, Inc., and the Alexander Graham Bell Association for the Deaf. As an expression of my support for this petition, I ask unanimous consent to have printed in the Record a letter I have addressed to Richard E. Wiley, Chairman of the Federal Communications Commission.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Washington, D.C.,
February 6, 1975.

Hon. Richard E. Wiley,
Chairman, Federal Communications Commission, Washington, D.C.

Dear Mr. Chairman: I wish to express my support for a petition filed with the Federal Communications Commission which would require all television stations to present visual as well as aural emergency bulletins.

This petition was filed by D.E.A.F. W.A.T.C.H., The National Association of the Deaf, DEAF-PRIDE, Inc. and the Alexander Graham Bell Association for the Deaf, because most means of emergency notification are not available to the deaf and the hearing-impaired. Civil Defense sirens, and radio and television announcements cannot be heard by those who cannot hear. Therefore, approximately 13.4 million hearing-impaired Americans are threatened unnecessarily by their inability to hear emergency warnings and their lack of knowledge of the necessary precautions which must be taken for their safety.

The medium of television is uniquely suited to warn of impending emergencies. The immediacy of its telecasts and the combination of aural and visual means of communication make its potential audience a much larger segment of the population than that portion which can be reached by radio alone, by Civil Defense warnings or by the newspapers.

The Federal Communications Commission has previously recognized the value of visual telecasts of all emergency notifications. On December 17, 1970, the F.C.C. issued a public notice entitled "The Use of Telecasts to Inform and Alert Viewers with Impaired Hearings." In this announcement, the Commission Suggested to "TV broadcasters that they make use of visual announcements along with oral announcements when presenting bulletins of an emergency nature, such as approaching tornadoes, accidents, health hazards and other community dangers." Unfortunately, this was only a suggestion. Less than 38% of all television stations claim to have adopted a policy of visual broadcast of emergency notifications. It is time that this suggestion be incorporated into regulation in order that notfications which are necessary for the protection of life and property be broadcast in such a way as to be available to the widest portion of the population possible.

Hearing impairment afflicts one out of every fifteen persons in the United States. Some of these cannot hear at all, others are unable to hear well enough to fully understand aural communications. The presentation of visual emergency communications would improve the ability of these citizens to protect themselves and their property from natural disasters. I believe we owe this small, but vital, service to this large portion of our population.

Aloha,

Daniel K. Inouye,
U.S. Senator.

CORN GERM FLOUR

Mr. PERCY. Mr. President, it was inevitable that the good protein in our Nation's largest crop, corn, would be used as human food. It is fitting that an Illinois firm should be the first to apply the work of USDA's Agricultural Research Service in making corn germ flour available to people in the United States and the world. Lauhoff Grain Co. of Danville, Ill., will start producing the flour developed at the Northern Regional Research Laboratory, Peoria, Ill., sometime this year.

Corn germ, which has been handled as a byproduct in corn dry milling and used in livestock feed, has a food protein value in the range of milk casein and protein from soybeans. It can be used as a major ingredient in foods like bread, muffins, and cookies and as an extender with meats.

This new corn product and the Government-industry teamwork are reported in a news story by Dan Olmstead of the Commercial-News, Danville, Ill., which I ask unanimous consent to have printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Lauhoff Product May Become Key Weapon in Hunger Fight

(By Dan Olmsted)

A new and potentially gigantic food source made from field corn is being test-produced at Lauhoff Grain Co., with full production to begin this year.

Called corn germ flour and developed by a U.S. Agriculture Department research team in Peoria, it may someday join soybeans and wheat as a major protein source for a famished world.

Protein is a basic nutrient made up of amino acids and is essential to growth and tissue building. The germ is the center of the kernel where the new plant begins to grow.

"We don't know exactly what all the uses are going to be but it looks like first it would be used as a supplement to other materials," said Charles Blessin, a chemist who led the research team at the Northern Regional Research Laboratory, Agricultural Research Service.

"Coming from a crop as big as the corn crop there won't be any question concerning the supply," said a laboratory spokesman.

"When Lauhoff goes into production it will be the first time corn germ flour will be commercially available," he said.

The flour is made from the germ at the heart of the kernel. Up to now, only corn oil and starch products have been taken from the kernel and the remaining one-third was processed by the animal feed industry for use in feed mixes.

The amount left for feed will decrease, depending on the demand for the flour, but Blessin said that the corn germ is "too good a protein" to be feeding livestock. They can live just as well on grasses and lower-protein feed, he said.

"We're taking material that has been going into livestock feed and using it more efficiently by putting it into human food," the laboratory spokesman said.

"With the need for food that there is today we have to use it just as efficiently as we can," he said.

The product itself cannot take on the world hunger problem, he said, but he called it "another major source of protein."

"It's good quality protein, the best protein in corn," Blessin said.

Blessin said turning the germ into high-protein flour took five years of research. The laboratory then asked Lauhoff to begin production because its plant here is the only one in the country that extracts corn oil by a process known as "solvent extraction."

There are two types of germ processing for oil, Blessin said.

"One is the expeller, where you press the oil out by brute force. That's not suitable."

The other, he said, is solvent extraction, which removes the corn oil with the use of a dissolving liquid—and leaves the germ unharmed.

Blessin said the germ can be used for the flour without reducing the amount of corn oil that can be extracted from the kernel. In fact, he said, the new method might even increase the amount of oil that would come from each kernel.

Don Smith, vice president for production at Lauhoff, said the flour should be in full production within the next few months, hopefully by mid-year." Test production has been going on for two months, he said.

Smith said he didn't know how big a portion of sales the flour might become for Lauhoff, nor what eventual impact it might have on the world food market.

But he said that it should be "a good domestic item" for use in the baking industry and as a "meat extender."

The test-production unit for flour was not prohibitively expensive to install, Smith said, but he declined to give a figure.

In general, the unit removes the germ meal and, in several steps, refines it into the high-protein flour.

The laboratory spokesman said that the protein content of the flour "compares quite favorably" to the content in eggs—the standard set up by a United Nations food council.

Protein quality is determined by amino acids—"the building blocks of protein"—and their balance in the flour. The spokesman said that some aminos are higher and some lower than in eggs—but the balance is excellent.

A taste panel conducted by the laboratory reported no objectionable color, odor or taste in beef patties to which 10 per cent corn germ flour had been added. Muffins containing 25 per cent corn germ flour replacement were found to be acceptable in color, odor and taste.

Cookies containing 25 per cent corn germ flour replacement were slightly darker than normal cookies and had a perceptible corn flavor; however, neither the color nor flavor were considered objectionable.

All equipment for full-scale production at Lauhoff has been ordered, but long delivery lead times will mean a several-month delay before operation.

FOOD AID HEARINGS

Mr. HUMPHREY. Mr. President, I wanted to call to the attention of this body the hearing being held today by the Senate Committee on Agriculture and Forestry on food aid and the world food situation.

This is an important undertaking in terms of today's food scarcities and the competing demands for our supplies. It is certainly urgent that a public dialog take place on this subject. The American people have grown increasingly concerned over the use of our food aid and the world food needs. We need to focus on what our goals and priorities should be under our food aid program.

It is clear to me that our people do want to help, but they also are concerned that the food reaches the most needy. They also want to use our food aid to encourage development in the most needy countries.

It is clear that our food aid program has met a variety of purposes during the past years. And food aid recipients have become important customers for U.S. food commodities under regular commercial sales.

Two of the primary purposes of the act, as originally established, were to dispose of U.S. surplus food and develop export markets. Today the situation has changed markedly as availabilities have declined and the competition for our own commodities on the commercial market increased.

While we face the prospect of food scarcities throughout the world, our farmers are rightly concerned over the prospect of bumper crops and what will happen to prices for their produce. They want to help feed the hungry but, understandably, they feel entitled to a fair return for their crops.

The Subcommittee on Foreign Agricultural Policy of which I am chairman, will be holding subsequent hearings to follow up on the work of the full committee here today.

It is urgent that we develop a clear set of priorities in terms of how this program should be operated under today's changed food situation.

I also intend to examine what progress has been made since Novmber in implementing the resolutions of the World Food Conference. We must examine what progress has been made and what our Government is proposing regarding the establishment of a world food reserve.

We also will be examining the food aid delivery issue and whether all or most shipments under the $1.6 billion program can be made this fiscal year. We will be looking carefully at the food aid shipments to see that the most seriously affected countries are not the first victims of any delivery shortfalls.

This is an area requiring priority attention. The issue of food has appropriately come to the forefront of the world's attention. We have a valuable resource which should be utilized most effectively in addressing this urgent need.

Mr. President, I ask unanimous consent that my statement at the opening of these hearings and my questions for the witnesses be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTIONS FOR ADMINISTRATION

1. Have we established food aid levels by country? By titles I and II? Would you provide that for the record?

2. Have the Voluntary Agencies been advised of their program levels for this fiscal year?

3. Can food shipments be made after June 30, 1975 and still be charged to the FY 1975 budget?

4. Is the Administration prepared to provide a breakdown of its PL 480 levels by country, commodity and dollar amounts for FY 1976?

5. How and when are the Voluntary Agencies advised of their food aid levels for a particular fiscal year?

6. What have been the title II commodity levels from 1972 through the present?

7. Does the Administration expect to ship its $1.6 billion budget for FY 1975?

8. Will you assure this Committee that M.S.A. countries will receive priority consideration in the shipment of our food commodities?

I can assure you that I and other Senators are most concerned that shipping targets may be met for political commitments but not for M.S.A. countries.

9. What is the Administration's policy regarding political versus humanitarian food aid?

STATEMENT BY SENATOR HUBERT H. HUMPHREY, HEARING ON FOOD AID AND WORLD HUNGER, SENATE COMMITTEE ON AGRICULTURE AND FORESTRY, FEBRUARY 18, 1975

We are today looking at the Food for Peace program and considering its future direction.

Begun largely as a vehicle for the disposal of surplus commodities and market development, the program has provided over $25 billion in food aid throughout the world.

This assistance has helped fight disasters and famine. Clearly, it has helped develop markets for our agricultural commodities.

There has been a great deal of controversy over this program in recent years as the world food needs have grown and availabilities declined.

We will need to look toward ways of utilizing our food aid to encourage expanded food development. While there was some debate at the World Food Conference over food aid, there was little question over the need to expand agricultural production.

Therefore, our food aid programs are today at a critical point. It was easy to be generous in the past when there was a food abundance and at low prices.

One of the key issues today is how generous will we be in the face of scarcity? What priority will we give to aid the countries most seriously in need?

It is clear to me where this Administration has placed its priorities in terms of our food aid. The programing has been heavily weighted toward Southeast Asia and other political-security claims.

I would hardly deny that food can be a useful diplomatic tool. And I hope that where it is so utilized it is not abused. Providing food aid as a way of advancing the cause of peace is not, in my book, the same as helping to maintain a tottering military regime.

We need to develop a clear understanding of what our priorities should be with regard to our food aid program. And I suggest that the humanitarian food considerations should be given first claim on our resources.

It is evident that the effort which some of us have made to awaken the heart and the conscience of the Administration has finally brought an increase in the food aid program.

Unfortunately, some of our friends in the media do not seem to realize how difficult it is to change our food aid policies. And it does not just happen because of good intentions.

Beginning well before the World Food Conference, a variety of devices were utilized to highlight the world food problem and the need for an intelligent and coordinated response on the part of the donors.

I must take my hat off, as I have before, to the non-governmental organizations and Mr. Herbert Waters, who was a major driving force in bringing this issue to the attention of the American people.

For many of these people, it was their first taste of action in the political arena. And, for many, the results of the struggle were not entirely satisfying.

But out of this struggle, a new concern has been forged. This effort will need to be continued and sustained.

While it is unfortunate that we have only one day to examine the food aid and world food area, it is entirely appropriate that we examine this area within the total agricultural spectrum.

It is clear to me that we need to relate a whole series of pieces in order to form a national food and agricultural policy. Our food aid must be set within the context of a sensible national policy.

Too often, unfortunately, our discussions have focused on questions such as target and loan prices, a food reserve, export controls or food aid.

These issues are related to one another, and our consumers and farmers need to understand what are the national objectives.

Our farmers need a sound agricultural program to keep them in business, and our consumers want plentiful supplies of food at reasonable prices.

Many of our farmers are being driven from business today because of boom and bust farm prices. In place of this unrealistic doctrine, the government should share in the risks when calling on farmers to go all out to increase production.

We must assure our farmers a reasonable return if the weather is good and we have bumper crops.

Our government has not yet had the courage to face up to the need for a food reserve. This mechanism can very usefully buy surplus production in order to stabilize prices for our farmers and assure adequate supplies for consumers.

A reserve also will enable us to meet our commercial contract obligations as well as international food aid needs.

Our government has been meeting with other countries over setting up an international food reserve. It seems strange that we can talk about an international reserve without facing the same issue for our own country.

We should be prepared to look at the issue of stable world food prices and their relationship to an international reserve. On the domestic level, we hear a great deal of misleading talk about how reserves and greater market stability are undesirable.

From the experience of our beef, dairy, poultry and hog producers of the last two years, it should be evident that increased stability of prices and supplies would be beneficial to everyone. And now our grain producers are beginning to understand the folly of roller coaster prices.

I am hoping that this hearing, with its expert witnesses, also will focus on the ways of improving the food aid program. Can we draw any conclusions on the benefits derived from title II as opposed to title I?

I am concerned over the rate of shipment of food under the recently announced $1.6 billion level for this year. This level will provide around 5.5 million tons of food, but there is serious question as to whether this quantity can be shipped during the balance of the fiscal year.

I recall that the Administration refused to raise the food aid level from 3.3 million tons to 4.3 million tons at the World Food Conference on the grounds that this would have been inflationary. Now the Administration has belatedly announced a 5.5 million ton food aid level, but it will be difficult to ship this volume.

We will be looking very carefully to determine how these shipping targets are met. I can assure the Administration that we will be most unhappy if the most needy countries are neglected while food aid shipments for political purposes are made on schedule.

I am appending several tables to provide additional information on our food aid program and the world hunger situation.

TABLE A.—PUBLIC LAW 480 COMMODITY SHIPMENTS[1] AND FREIGHT

[In millions of dollars]

	Fiscal year—					
	1970 actual	1971 actual	1972 actual	1973 actual	1974 preliminary	1975 proposed
Title I	906	869	789	769	797	1,125.0
Commodities[2]	833	817	716	706	747	1,075.0
Freight	73	52	73	63	50	50.0
Title II	353	393	522	394	370	475.0
Commodities[3]	266	302	404	290	282	395.0
Freight	87	91	118	104	88	80.0
Total	1,259	1,262	1,311	1,163	1,167	1.6
Volume (millions of metric tons)			9.3	7.5	3.3	5.45

[1] At CCC cost.
[2] Gross cost (including initial payments).
[3] Excludes purchase of foreign currencies for use in self-help activities (sec. 204).

TABLE B.—PUBLIC LAW 480—ALLOCATION FOR FISCAL YEAR 1975

	Amount (millions)
Title I	
A. Most severely affected nations (MSA)[1]	$655
B. Other Countries (30 percent of A and B)	280
C. Nonfood commodities (all to non-MSA's)	84
D. Carry-in	56
Total title I	1,075
Title II	[2] 396
Total Public Law 480 (commodities only)	1,471

[1] $364 non-MSA's.
[2] Includes $42,500,000 contingency rice reserve for South Vietnam.

TABLE C.—UNCOVERED FOOD REQUIREMENTS OF "MOST SEVERELY AFFECTED" COUNTRIES 1974–75 MARKETING YEAR, AS OF JAN. 24, 1975

[Thousands of metric tons]

	Total import requirement	Covered by commercial purchase	Covered by food aid	Total deficit covered	Uncovered deficit	Cost of uncovered (million)
India	8,500	5,789	938	6,727	1,773	$404
Bangladesh	2,500	800	984	1,712	788	227
Pakistan	1,550	1,087	222	1,309	241	52
Sri Lanka	1,365	713	135	848	517	153
Total "MSA"	17,048	9,073	3,140	12,214	4,835	1,234

SOME FASCINATING QUESTIONS ABOUT COMPUTERS AND PUBLIC POLICY

Mr. PERCY. Mr. President, the Congress is so often pressed by crisis, foreign and domestic, that time for pause and reflection on the future is scarce. This has been the case with the need to assure rights to information privacy. The landmark Privacy Act of 1974 seeks to redress the imbalance between individual rights over their personal files, and the collection and use of these records in the Federal Establishment. The Privacy Protection Study Commission to be established under the act hopefully will make important advances in information practices in the private sector and in State and local governments. But, considering the vast implications of computer technology for social policy in the next decade, too little attention is being given these questions.

A report by the committee on computers and public policy of the Association for Computing Machinery entitled "A Problem List of Issues Concerning Computers and Public Policy," recently came to my attention. This paper succinctly describes many important computer-related social issues for policymakers. It presents a panorama of questions which must be faced, debated, and decided. Not to do so will permit technological development to move forward unmonitored and unguided—and perhaps to play havoc with our traditional social values.

The "Problem List" covers a range of fascinating and important problems. For example, it has been suggested that soon the only persons who will "exist" in practical economic and political terms will be those whose identifications are verifiable through computers. In other words, only those with a computer-verifiable identity will be able to have rights to credit and social services. This is not farfetched when one considers that today it is increasingly difficult to cash a personal check without having what is known as a "major credit card."

It is possible to have instant national referendums, in which people would be presented with questions of importance via television, to which they could immediately respond by pushing appropriate buttons, and by so doing, enter their answers into a computer for tabulation. This can be done, but is it desirable?

Is it desirable to create "information utilities"? For example, would supermarkets begin to disappear only to be replaced by telephone shopping to a computerized warehouse? In a day when the automobile is becoming increasingly less efficient in both social and economic terms, telecommunications can replace many of the personal interactions once entailed in driving or walking to a shopping center to do business.

In regard to the issue of computers and elections, it is suggested that if one party has access to a data bank of potential contributors, simply because that party has more money with which to lease the computer, is democracy being well served? Does the use of the computer make it easier or harder for a candidate to say one thing in one district and something else in a district with different ethnic and economic characteristics? Should there be some equivalent of the equal time law whereby each candidate is somehow guaranteed some minimum amount of "computer power"?

It has become accepted theory that there is an "inevitability" about technological growth. The fact that technology exists tends to assure that it will be used. People ask, "Will the new system work?" rather than asking, "Should we use it at all?" There are many fascinating questions of human development implicit in the use of the computer. For example, we have assumed that the elimination of routine jobs is a very desirable development. Others suggest that society may be dependent upon routine, repetitive tasks for its own sanity. The question is whether we can sustain continuous creative thought or must it be interspersed with routine tasks—tasks that are rapidly being automated? In other words, even a genius may need a hobby to divert his mind and to rest it.

And then there is the question of computer "literacy." In brief, most people believe that the computer makes mistakes that routinely foul up their credit card bills. On the other hand, many people will also quickly believe the most outrageous ideas if it is emphasized that the work was done on a computer. Somehow, the computer creates its own legitimacy in people's minds that imparts a certain literacy to findings supported by computer analysis.

These are just a few of the issues raised in the attached document, which I commend to the attention of my colleagues, and ask unanimous consent to have printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

A PROBLEM LIST OF ISSUES CONCERNING COMPUTERS AND PUBLIC POLICY

(A Report of the ACM Committee on Computers and Public Policy)

This paper is a listing of some of the present and potential problems which arise at the intersection of computing and public policy in its various aspects. There is no attempt to break new ground, which would be difficult when, already, the topics covered are the subjects of a small library of books. The intention, rather, is to serve the needs of people in both parts of the intersection. It is hoped, for instance, that this report will be useful to lawyers and law students who desire guidance in this rather new area. It is hoped, likewise, that it will be useful to computer scientists and computer science students, e.g. in seminars on the social implications of computing. As another example, it might be useful background reading for staff members in Congressional offices.

In other words, the paper is intended to be a summary of some of the issues that impinge upon both computer science and the general public (and its representatives). It will not tell a lawyer anything about the law that he does not already know, but it might give him some new insights into the legal implications of computer technology. It will not tell the computer scientist anything new about computer science, but it might expand his understanding of the social aspects of his work.

The term "public policy" is intended to be taken not only in the usual sense of denoting the concerns of legislative and regulatory bodies, but also in the broader sense of what is good or bad for the social fabric as a whole whether expressed in the form of laws or not.

The document is not intended to be in any way polemic. If some of the questions seem to contain implied answers, or if any of the presentations are one-sided, it is not intentional. In most cases the questions that follow the statement of an issue present various contradictory viewpoints, which fact is simply indicative of the present state of discussion of the issues.

And, to repeat, the paper does not in any way represent a statement of position on any of the issues by the Association for Computing Machinery.

1. INFORMATION SERVICES FOR HOME USE

Background. The advent of widespread two-way cable communications, such as for television, has opened up numerous opportunities for information process services. The channel width is adequate for carrying a great many data and/or voice channels in addition to regular TV programming. Some have predicted that this development will completely revolutionize everything from libraries to politics; others have looked at economic and other factors and predicted a much more limited use.

Questions

1. Here is a list of some of the uses that have been suggested—which ones are really likely to come to pass? Vote casting, the instant national referendum, home-study courses, other instructional uses, advertising, news, stock quotes, weather, bank transaction accounting, shopping for groceries or department store items in conjunction with "electronic money" concepts, reference look-ups replacing some uses of libraries, private-mail service, alarm monitoring, automatic reading of utility meters, calculation services, poison control center services, personal data storage and retrieval, checkbook reconciliation, game playing and instruction for the bedridden, and municipal services information. The list can readily be extended.

2. Should an information utility be public, private, or private but regulated? The not entirely happy history of telephone and television suggests that none of the three is perfect.

3. If some such developments are essentially inevitable (we do not mean to suggest that they are), would it be wise to hasten a merger of the fields of computers and communications so that we will not later be burdened for decades with "black boxes" needed to marry the two? If so, who should be in charge? So far the major telephone company and the major computer company have been deterred from encroaching on each other's fields by antitrust action or the fear of it. Without arguing whether that has been beneficial up to now, is it the best way for the future?

4. Cost aside for the moment, are all of these good ideas from a broad public policy viewpoint? Would they tend in the direction of creating an even greater isolation of people from each other? Is the trip to the library or store a good thing in secondary ways? Are there desirable features in attending an adult education course in the company of other people, rather than learning the same material via TV all by oneself? In other words, is there a danger that we are so fragmented that a trend toward further fragmentation is undesirable?

5. In view of some of the trends in the use of computers, it has been suggested that soon the only persons who will "exist," in practical economic and political terms, will be those whose identifications are accessible through computers. All others will be totally powerless except within a possible underworld populated by others like them.

Is this an exaggeration? If true, is it bad? Do the benefits justify requiring a person to have a computer-accessible identification in order to participate in the functions of society? Or are these threats to society as a whole, or to some individuals, sufficient to make us hesitate before we pursue such a future with abandon?

6. What, in fact, are the economics of specific proposals? Is it common for people to run through a list of ten things that are technically possible, then indulge in some armwaving to the effect that, with so many possibilities, the economics will work out somehow. Is this true? Is there any chance that the economics are extremely unfavorable and that people might not really be interested in any one of the possibilities at the level of a monthly cost roughly equivalent to that of a payment on an automobile? In other words, how much chance is there that the whole thing is only a fad that will die out when faced with the harsh economic facts?

7. How much impact would an information utility have on our mobility habits? By way of analogy, the automobile made the suburbs possible, with walking for any purpose other than exercising the dog becoming regarded as strange behavior. (A man in Los Angeles was once stopped by the police because he was walking down a street in a residential neighborhood. Very strange!) If the idea of an information utility were to catch on in a big way, it would significantly reduce the number of occasions for people to leave their homes. Already shopping centers are being built around automotive needs as the center, with such things as grocery stores being essentially satellites of the gas station. Could something like that, translated to computer terms, happen with the information utility? What form might it take? How would the good and bad aspects balance? For example, would supermarkets begin to disappear, to be replaced by telephone shopping to a computerized warehouse? Serious and wide-range thinking about these effects is very much in order right now. What will our daily lives be like a generation from now if all the things that some enthusiasts have predicted for the information utility should actually occur?

8. Can security and privacy be protected effectively in such a system? Systems which are much less extensive and ones with elaborate security provisions have been broken by clever college students.

9. Could and should the owner/operator of the information utility be enabled to use the information flowing through his system, such as analyzing buying patterns for the benefit of stores, or for selling as mailing lists?

10. It has been proposed that the marriage of computers and communications makes possible what has been called the instant national referendum, in which people would be presented with a question of importance via TV, to which they would respond by pushing appropriate buttons that would enter their answers into a computer for tabulation. There doesn't seem to be too much doubt that it could be done; the question is whether it is desirable. Could the issues be presented adequately in this way? Would such ease of voting overrepresent the casual opinions of people who didn't really understand the issues? One of the advantages of the relatively clumsy procedural requirements of legislatures is that they reduce the incidence of bad laws which might be passed in response to momentary issues of passion. Would the legislative process as we know it survive the use of computers and communications facilities to produce fast response on current issues?

11. A service of the type under discussion might not be terribly expensive, but it could hardly be really cheap either. Would this not spread the gap between the haves and the have-nots? Should public policy dictate some form of subsidy so that the new service could be available on some minimum basis to everyone? Would minority groups suffer loss of power?

12. How much danger is there that the whole system, which would naturally be a vast undertaking, would come to be looked upon as Big Brother? How much effort would there be to sabotage the system, and how well could it be protected against sabotage?

13. Might a good information utility bring back the "town meeting" in a new form, to be sure, but with direct citizen participation in local government? Would such a system permit filibustering? Would it speed up or slow down the pace of government?

14. How much danger is there that the contents of the data banks available to the public would come to be, in effect, a definition of the truth on those subjects? It is instructive to recall that the Department of Defenes was able to mislead the entire United States public and almost everyone in the United States government about the bombing in Cambodia simply by producing computer printouts falsely describing the targets that had been hit. Naturally, the power to control information flow is always subject to abuse and must sometimes be held answerable to public regulation—computers or no. But new technology often reveals new facets of old problems. Is this such a case?

2. COMPUTERS AND MONEY

Background. Rapid changes are taking place in banking and related fields, such as credit cards and department store record keeping. Credit card transactions, even for relatively small amounts in some cases, are routinely checked against computer-based files before the credit is granted. Banks increasingly have on-line teller terminals and unattended banking facilities. Point-of-sale recorders for retail establishments are currently an exploding market.

Questions

1. Is a new definition of money needed? The checkless and/or cashless society will not take over 100 percent of money transactions soon, if ever, but something in the range of 50 percent is easy to imagine within a decade or so. Under such conditions, whole new sections of law would have to be rewritten. (The current Uniform Commercial Code, which governs most such matters, does not contain the word "computer.")

2. Is the trend toward stock "certificates" that exist only in computer form a good thing? Are new laws needed to control this?

3. Are these really policy questions, or is it more a matter of public acceptance of computerized records? What *is* the present public attitude?

4. What are the privacy implications of the Electronic Funds Transfer System being urged by the Federal Reserve Board? With all information that is now written on a check being in electronic form, it would be a simple matter to collect information on, say, the contributors to political groups considered to be nonconformist. If this information is acquired through a federal agency armed with a subpoena, it might be perfectly legal—but is it desirable? Would fear of such surveillance strongly inhibit many people from supporting nonconventional groups? If such a system were tied in with point-of-sale recorders in stores, it would be a simple matter to tell where a person is at the time of any transaction, and thus, also, develop a record of an individual's travels over a period

of time. This is much more difficult (and therefore less likely to be done) under present methods. Are the banking and economic factors strong enough to outweigh such considerations? In other words, is the system really needed, as seen by the individual consumer/citizen?

3. COMPUTERS AND ELECTIONS

Background. Computers have an impact on several aspects of the voting process. As everyone knows, they are used to predict the outcome of elections on the basis of early and fragmentary returns from districts that have proved in past elections to be good predictors. A computer is used to tally votes in the House of Representatives. Computers play a role in opinion surveys that often seem to be self-fulfilling prophecies. And a modern campaign for a major elective office cannot be run without a computer to generate mailing lists and otherwise keep records. There has been much talk of a national individual voting system through terminals in the home, presumably connected through TV facilities.

Questions

1. Is it good or bad that members of the House of Representatives must be physically present on the floor in order for their identification cards to be placed in the voting machine? It would obviously be possible to place vote-recording devices in each Representative's office, but would the presumed benefit of faster voting and less time wasted walking through corridors more than offset the drawbacks of uninformed voting, for instance, that might result?

2. The Presidential elections can be "called" by the sophisticated prediction programs that analyze returns from just a few key districts. The prediction of the outcome, in fact, can often be made long before the polls close in the western states. The effect is indirectly to disenfranchise the western voters, since they can see no point in voting in an election that has already been won. But what if the election was really close, so that all the people in California and Hawaii who decided not to bother going out to vote might have swung it the other way? Is that democracy? Or how about the local elections that are slighted because the voters no longer have a Presidential race to draw them out to the polls? Should ACM go on record as urging that no national predictions be made until all polls are closed everywhere in the nation?

It has been pointed out that to enforce such a ban could be interpreted as a violation of the First Amendment rights of the press; is this a valid objection? If it is granted that there is a problem here, are there better solutions than a ban on predictions?

3. A computer is a very powerful tool, and as Francis Bacon said, knowledge is power. If one side has access to a data bank of potential contributors, simply because it has more money, is democracy being well served? Does the use of the computer make it easier or harder for a candidate to say one thing in one district and something else in a district with different ethnic and economic characteristics? Should there be some equivalent of the equal-time law, whereby each candidate is somehow guaranteed some minimum amount of computer power?

4. Are there ways that computers might assist in the legislative process, at any level, other than by computerized voting? One thinks of the imbalance at the federal level between legislative and executive access to computers for research, information retrieval, and computer modeling, for instance.

5. Most national elections are participated in by only 50 to 60 percent of the eligible voters. Could computerized voting raise this to 90 percent? Could the registration process, residency requirements, and other procedures that are designed to prevent a person from voting more than once all be eliminated by a single vote to a computer? Would such changes have any impact on the efforts of those who would like to reform the Electoral College?

4. COMPUTERS AND EDUCATION

Background. At one period in the nineteen sixties it was widely believed that the use of computers would revolutionize education. Students were pictured sitting at typewriters connected to computers, the computer interacting with the students to provide at least as good instruction in some areas as a human teacher, at less cost. Such systems have turned out to be much more expensive than expected, and it has developed that writing the computer programs required is a very difficult task and that there are not very many people who can do it well. There have been some successful experiments, but the idea has not gone far enough to establish whether or not it would be educationally sound and economically feasible if carried out on a large scale.

Questions

1. Is the promise still great enough that the effort should be continued, with attempts to get adequate support from governments and foundations?

2. If any such system did catch on, how would the function of the teacher change? Most investigators in this area see no reduction of staff, but if teachers are dragging their feet, is it because of fear of unemployment or because of resistance to change?

3. Might dispersion of the educational process be one outcome of a success in this area where students spend more time at home and less in school? If so, would that be good or bad public policy?

4. There is some question whether handheld calculators are to be defined as computers, but there is no doubt that they will have a concrete impact on education at the college and high school levels. (Instructors already have to rule on whether calculators are permitted on exams.) Is this trend to be deplored or encouraged? Are calculators simply supplementing not-too-important arithmetic skills, leaving the students free to concentrate on more important ideas? Will their use lead to a nation of people who can't add or multiply without mechanical assistance, and if so, is that good or bad?

5. THE COMPUTER AS A METAPHOR FOR HUMAN SELF-UNDERSTANDING

Background. Joseph Weizenbaum, in an article in *Science,* 12 May 1972, developed the idea that computers give us a new way of thinking about ourselves, much as the microscope changed the view of disease or as the synthesis of urea in the 19th century proved there is no essential chemical difference between organic and inorganic processes. The first example weakened the notion that disease is a punishment for sin, and the second struck a major blow for evolution—both have greatly altered the way people look at themselves.

Weizenbaum, drawing on the work of Berger, Luckman, Mannheim, and others, in what is called the sociology of knowledge, suggested that the computer may provide us with a new way of seeing ourselves that will be of greater impact than anything that has ever happened before. Here again the strange paradox of compartmentalized thinking shows itself: people think less highly of themselves as they see computers playing passable chess or predicting the weather, yet they are willing to believe almost any excuse that involves some such statement as, "It was a computer error."

Weizenbaum also discussed the phenomenon of the inevitability of technological growth described by Jacques Ellul in *The Technological Society*. People ask, Will it work? when they ought first to be asking, Should it be done at all?

Questions

1. If the notion of computer as one metaphor for human self-understanding is correct, this factor could easily be more important in the long run than anything else discussed here. But is it a primary effect, or is it a lesser side effect? Is it a public policy question? Is there anything a lawyer or a legislator could do about it? Might ACM try to provide a document on the issue for the use of writers (editorial writers, novelists, essayists, etc.), and then attempt to get it widely distributed? Or is the best procedure simply to do our job right so that there will be as few *false* "facts" as possible for writers to draw upon?

2. Is the point true? Is the analogy between the microscope and the computer valid? Are there factors working against a sense of identity between people and computers?

3. One of the central features of the theory of the sociology of knowledge is that institutions, which are after all human creations, come to be objectified and then impact people as though they had an objective existence independent of their creators. For example, government is only people—what else could it be? But that isn't how it *feels* at income tax time. Is there a computer analogy? Does the often-heard phrase "the computers says" signal the beginning of an era when computers will be the most independent of all human creations? Is that good or bad? If bad, can it be stopped?

4. Might computers some day "outthink" human beings, perhaps by formulating a natural law that fits the facts but which cannot be proven or disproven by human thought processes? If this were to happen, what would be the impact on human self-understanding?

5. One of the side effects of the requirements of computer programming has been an enforced logical review of processes in organizations, since programs so far can usually deal only with ordered and quantified processes. This is a proliferating side effect. Is it widely recognized? Is it good or bad, on balance? Does it lead to an identification of the real with the quantifiable? Should it be exploited or guarded against?

6. Is society dependent upon repetitive processes for its own sanity? If all "mundane" acts, such as washing cars, threading nuts on bolts, etc., were left to the control of computerized systems and only creative tasks were left to human beings, could society survive? More concisely, the question is: Can we sustain continuous creative thought, or must it be interspersed with routine tasks—tasks that are rapidly being automated?

7. There is a concept of the "tyranny of small decisions" that seems to indicate that a number of small, relatively trivial decisions early in a process reduce the options and alternatives available later at a policy level. Bureaucratic structures exhibit this process. If computer systems come to handle a larger and larger share of small decisions, would they, in this fashion, constrain policy options in a way that would impact on human self-understanding?

6. COMPUTERS AND PRIVACY

Background. One of the most widely discussed issues relating to computers is that of data banks and the individual's right to privacy. As this is written, half a dozen bills on the subject are before Congress, TV documentaries are being devoted to it, and articles appear weekly in both trade journals and the general press.

As with most questions of public policy, the problem is not whether a particular right is legitimate but that it comes into conflict with other rights. Although the absence of precise definitions poses a difficulty in itself, most people would agree that an individual has some right to keep information about himself from inspection by the general public, assuming the purpose of doing so is not in the service of criminal acts. The conflicting right is that of society as a whole to have certain kinds of information that contribute to the general good. For example, most people would agree that a person should not have information about criminal acts in his distant past held against him forever—yet statistical (non-individualized) information about crime trends is usually thought to be valuable. Since maintaining the data needed to provide statistical trends holds the possibility of abuse of data about individuals, the two rights are in conflict. Finding a proper balance between these goals is one of the most difficult aspects of this issue, and yet it must be attempted.

Questions

1. Some of the questions that have most commonly arisen in the discussions of data banks include the following. What right should the individual have to ascertain whether the information about him is correct and to force correction of errors? What penalties, if any, should be imposed on administrators of data banks for disseminating false information about an individual? What right does the individual have to know what collections of data about him are in existence? What kind of time limit should be placed on the holding of damaging information about an individual, such as his past criminal record? Who has a legitimate right of access to information about an individual? Does an individual have a right to know who is given access to data about him? What safeguards need to be placed on the interchange of information by various agencies holding data about an individual? Should this interchange be deliberately curtailed by prohibiting the use of a universal identifier such as the Social Security number? Does Congress have a clear Constitutional right to regulate the interchange of data between state agencies? (In what way does data fall under the Interstate Commerce clause, for example?) Does Congress have the power to regulate the use of personal information by individuals? By corporations? What are the First Amendment limits?

2. Do we have an adequate definition of "privacy"? I have no objection if my bank branch manager looks at a computer printout for information about me before approving my loan, but I object strenuously if he shows that printout to anyone else, including bank employees who have no "need to know." And I object if a large number of government agencies claim a "need to know" when I am unable to understand the basis of the "need." On the other hand, the right is surely not absolute; if someone wants to record my habits in walking my dog on a public street, I may be annoyed, but I can't really stop him so long as he doesn't actually harass me. Where does one draw the line? Exactly what is the "right" to privacy?

3. Some kinds of statistical surveys seem so obviously beneficial for the greater good that a small loss of privacy is clearly negligible. The Public Health Service needs to know about an epidemic as soon as the possibility shows up. But what if the epidemic in question is VD; does society have a right to force people to disclose sexual partners? And even then, are permanent data banks necessary?

4. The conflict between privacy and legitimate public knowledge has existed for ages, going back at least to the Hebrew prophets who shouted from the housetops secrets that kings would have preferred to keep to themselves. Has the advance of the computer changed this situation materially, or is this, too, just a case of providing a better tool for something that has been going on for ages? If it is the latter, are there any really significant public policy issues? Recent studies have certainly suggested that there is a problem, but in those studies was the right of society to know given a fair defense in its opposition to the right of privacy? Or, granted that both goals are good, does the coming of the computer nevertheless demand new rules and a better understanding for working out satisfactory compromises?

5. Implicit in many discussions of data banks and privacy is an assumption that the information in question does need to exist—that the only *issues* are things like accuracy, longevity, and rights of access. But should it not be asked in each case whether the data needs to be gathered in the first instance? Should not the very existence of the collection of information have to be defended in terms of the benefits to society?

7. COMPUTERS AND EMPLOYMENT

Background. The impact of computers on employment has been a major concern of many people, especially labor leaders, since the earliest days of the computer era. Although computer work has created hundreds of thousands of new jobs, it has eliminated or modified a great many others. Even if computing has created more jobs than its has eliminated—and the statistics do not make this completely clear—some of the individuals displaced have found it difficult or impossible to retrain for new work.

Questions

1. The introduction of new technology always creates some displacement of workers, as old skills become less important and new ones become necessary. Are there differences in this case the require explicit public policy responses?

2. What in fact has been the net impact of computers on employment? Why are the statistics so hard to assemble? Is it a question of definitions? Are there too many cases where a diversity of factors is at work, making it hard to separate causes? How serious is the ambiguity caused by lumping "computers" with "automation," recognizing that, although most automation does involve computers, the two are not identical?

3. What does the pace of technological change in computing do to the job security and the retaining needs of workers within computing? How rapidly does a skilled and capable computer person become obsolete if he does not constantly engage in continuing professional education?

4. How much impact has the introduction of computers had on job conditions and job satisfactions? Do a great many workers feel that they are merely cogs in a machine? Do many feel that the opportunity to exercise individual initiative and creativity has been decreased to the point of overwhelming boredom in their work?

8. COMPUTER LITERACY

Background. The general public seems to hold two diametrically opposed views. (The ability to compartmentalize one's thinking in this way is well known from psychological studies.) On the one hand, most people will accept at face value statements that their credit card bill, their bank statement, their airline reservation—whatever—got fouled up "because of the computer." (Whether it is true occasionally is not the point here.) On the other hand, most people will quickly believe the most outrageous ideas if it is emphasized that the work was done with a computer. No matter that the results are false or trivially obvious; no matter that the same false or trivially obvious results could have been obtained with pencil and paper—the computer said it, and the computer never lies. The notion that a computer can only follow an algorithm that defines the procedure in total detail and that a computer can do nothing that a person, given enough time, could not do, simply has not penetrated the public consciousness. As a result, some very strange assertions have come to be common "knowledge." (For one random example, many people seem to believe that it would be simple to get a computer to beat Bobby Fischer at chess: "You just have to program it.")

Questions

1. Who is at fault here? Did we do too good a job in the fifties and sixties with "gee whiz" speeches? Is the public so gullible that it will believe anything whatever as long as it is intoned by a man in a white lab coat who has computer printouts in his hand? Is it somehow in somebody's interest to perpetuate this kind of misconception?

2. Who could best do something about it? Should we in the profession go to work, speaking at schools and Rotary Club meetings, and meetings of other professional societies? Should we be encouraging the writing of good solid books for the layman? Should we send a delegation to visit the major publishers of secondary school books? Should there be a drive to make a "computer appreciation course" required for every college graduate? Could such a course be developed, so that, taught by thousands of instructors (some of whom are not themselves very well informed), it would still accomplish the purposes? Exactly what should be in a text for such a course? Is some direct computer experience an essential part of such a course, as many believe?

3. What can be done in the short term to help enlighten key people in important decision-making positions? As one example, judges who, without specific background in the subjects, have to rule in antitrust cases involving computer companies, decide the admissibility of computer printouts as evidence, evaluate computer software for taxation purposes, and the like.

4. One manifestation of the problem of computer literacy is the willingness of some people to accept fantastic claims for such things as computer-manufactured horoscopes and computer dating. We recognize that many people believe in astrology and that computer dating sometimes works out just fine, but we deplore the use of computers to defraud people who become convinced that computers can do things for them that if not impossible are, in any case, worth much less than is being charged.

What should the role of the professional organizations be in such abuses? What is the proper role of government? (Some states are already acting, either through the passage of laws or through intervention by their Attorneys General.) Can the problem be effectively attacked by attempting to educate the public directly? On the other side of the coin, is there a question here of the First Amendment rights of companies engaging in such activities? That is, is there a sense in which the exercise of computer power is an exercise of free speech?

9. COMPUTER SCIENCE AND DATA PROCESSING EDUCATION

Background. From a point a mere 20 years ago when there were no formal courses in the design or use of computers, we now have dozens of schools offering Ph.D. programs, hundreds offering full programs if not actual degrees at the bachelor's level, and many hundreds of schools at the two-year level offering training in programming or computer operations, plus some hundreds of commercial concerns offering training in programing or computer operations.

Questions

1. Are we training the right number of the right kind of people? Are there too many or too few Ph.D.s in computer science? Are they trained in areas where they are most needed? Is the average computer science graduate too heavily oriented toward theory that will be out of date in a few years? Is his training too theoretical, or is a highly theoretical training the only way to avoid the rapid obsolescence that would follow upon a too-practical sort of education?

2. How much responsibility do the schools have to lead the way in theoretical advances such as better languages, compilers, sorting methods, etc.? Are the schools closely enough attuned to the real needs of the field to judge wisely what to concentrate research upon?

3. Are the schools at the two-year level, as well as the commercial data processing schools, turning out students who are employable? Are they attracting minimally qualified students with the lure of high pay, only to produce graduates who cannot really perform? If so, is that altogether bad? (Such students may still be benefited in other work they turn to.)

4. How much governmental regulation of data processing schools is desirable, and what kind? Should there be restrictions on the kind of advertising permitted? Should there be enforced standards on who can enter, to prevent the schools from taking money from people who are grossly underqualified? Should course content and amount of computer time be regulated? How does one balance the need to regulate unscrupulous operators of the worst schools against the legitimate right of freedom to carry on a business? Should the professional associations take a position on certification of schools?

5. Various groups from time to time propose curricula for various types of training. These are beneficial when used intelligently, and harmful when followed slavishly. They have a very strong influence on book publishers. Without suggesting that there have been serious flaws in the past, is there any way the job can be done better?

6. Should professional organizations in the computer field become involved in the accreditation of academic programs and departments, as is done in some other technical fields?

10. LIABILITY QUESTIONS

Background. The computer is at the heart of many businesses. A few businesses have already gone bankrupt because of irremediable computer foul-ups, and if rumors are to be believed, a lot more have come close. Since a computer does so much in a short time, and since so much data is concentrated in one place, the computing function becomes crucial, and the people in it have a great responsibility as well as a great opportunity for mischief, malicious or not.

Questions

1. Who is responsible when computer programs fail? The system designer who may not have adequately defined the job? The programmer who made a mistake which he failed to catch because of inadequate program testing? The manager who did not allow enough time for proper testing? The computer operator who, although it was not his prime responsibility, did notice what he thought might be a problem—but said nothing? Regardless how these questions are resolved, are there public policy issues here? By analogy, a worker who shuts down an automobile line for a couple of hours because of some kind of carelessness may be reprimanded and/or fired, but he does not come into legal problems unless the act was deliberate and malicious. If a system designer or programmer makes a big blunder, how can anyone determine objectively whether or not it was deliberate?

2. Who should be held responsible if a poorly-secured time-sharing system is "burglarized" by an employee of a rival time-sharing concern who had made proper arrangements to be a paying customer? Is it a public policy question that some users occasionally find ways to defeat the accounting system so as to get free time from a time-shared computer? If a time-sharing customer finds a way to defeat data protection features and gains access to data other than his own, has he broken any law? If no present law covers such a situation and a new law were to be drawn, whose interests are primary—the management of the time-sharing concern or the customer whose data was copied? Is the law supposed to try to determine what the intentions of parties were, if those intentions were not spelled out contractually?

3. Should those who provide computing services be held responsible to consumers? Should the store that ignores your notification of an error in your bill, caused by programming error, be penalized? Where does liability lie if a lawn-mower produced by a computer-controlled factory explodes? Could a firm ever be held liable because it did *not* use a computer when such use would have prevented injury to a consumer?

4. The Uniform Commercial Code imposes an implied warranty of fitness of goods. Is this applicable to computer programs, or should it be?

5. Would the licensing of programmers and other computing personnel be a useful approach to some of these problems?

11. MONOPOLY CONSIDERATIONS

Background. Questions of the size of computer firms have been a part of the field since its origins, a government suit against Remington Rand and IBM having been filed in 1943. Domination of major product areas by three or four firms is true of most American industry; why the computer field should have been dominated by one firm is unclear.

Questions

1. Is there something about the computing field that inherently pushes it toward bigness? Is the investment for entrance required so high that only firms with huge capital resources can succeed? The experience of RCA and General Electric would seem to argue in that direction, but the success of Control Data Corporation and Digital Equipment Corporation argues the opposite.

2. How bad is bigness? There are clear advantages in terms of support of research and development, and clear social disadvantages in terms of withholding new developments until investments on earlier projects have been recovered. Thinking only of technical and financial factors as seen by the customer and therefore by society, is bigness good or bad. on balance?

3. If a computer company is to be "broken up," on what basis should it be done? If done along hardware size lines, rapid changes within the field may turn the newly organized group of companies into merely a different form of monopoly. If done on the basis of the split between hardware and software, the effect would be to create a new monopoly in the software area, since hardware will continue to become less and less important in relation to software.

4. How should the data processing field be defined? (The impact on antitrust enforcement is significant.) Does IBM supply computers or problem-solving power? Do disk storage devices constitute a separate market from computers in general? If antitrust legislation is to be applied to a variety of submarkets, what are they and how—from a public policy standpoint—should they be defined? (For example, if disks and tapes are considered to be separate markets of the same size, then a firm that sells 80 percent of all disks but no tapes would have most of the disk market and perhaps be monopolizing it, but if disks and tapes are considered together, the firm would be selling only 40 percent of the total.)

5. If we face an extended period of litigation on this issue, how should the costs be allocated? Defending an antitrust suit can cost tens of millions of dollars—is it in the public interest that a company should have to bear all this cost? On the other hand, is the Justice Department adequately staffed and budgeted for the task?

12. COMPUTERS AND PATENTS/COPYRIGHTS TRADE SECRETS

Background. Much work is being done on the question of protection of the rights to intellectual property. Patent and copyright laws are both overdue for the major changes that will be enacted in the next few years, quite apart from the special problem of the protection of programs and data. On these latter topics it has to be said that there is confusion about what a patent or a copyright protects, and about how the content of the intellectual inventions is to be expressed.

Questions

1. Not everyone agrees that computer programs (software) should be protected, by any method. What are the countervailing arguments? Would extensive patenting of programs inhibit growth? Could licensing fees be held low enough that the root meaning of patent ("open") could come into play?

2. Generally speaking, the real content of what a developer would want to patent or copyright is the algorithm that expresses it. (An Algorithm is a precisely defined sequence of processing operations that leads to the solution of a problem.) An algorithm can be expressed in English, in the graphical form of a flowchart, or in any of the dozens of computer languages—and still be the same algorithm. How can a judge and a jury be expected to understand this and thus make an intelligent decision, faced with, say a Fortran program, a flowchart, and an English description—all representing the same algorithm? In short, how *should* algorithms be represented so as to bring about the most fair administration of justice? Would it be useful to experiment with "technological courts," or with special masters appointed by a judge to take specialized evidence?

3. The concept of data and ideas as intellectual property is well established in law. Stealing a trade secret by photocopying a blueprint, for instance, is clearly illegal, and it is no defense to say that nothing was stolen since the owner still has the use of the original. In at least one case, in California, a court held that theft of a program from a computer by telephone was a criminal violation of the trade secret laws.

Yet there seems to be some uncertainty how these concepts apply to new technology. It is perhaps not yet fully understood that data is an abstract concept having almost nothing to do with the form of its representation. Whether a firm's confidential data exists as marks on paper, holes in cards, magnetized spots on disk or tape, charges on capacitors—or in somebody's head—is largely immaterial. This and related notions will come to be well understood in time; is there anything that might be done to speed the process?

4. Have we in the computing profession done our part of the job providing clear and concise definitions of important terms such as data, program, and algorithm?

13. COMPUTERS AND ELECTRONIC TRANSMISSION

Background. The demand for good facilities to connect terminals to computers and computers to each other is now becoming acute, as the volume increases exponentially. It has been estimated that 5 to 10 percent of all telephone use is now for data, and that the figure will be closer to 50 percent within the decade.

Questions

1. Are present rate structures appropriate for a world where half of all telephone use will be for data communications? Should rate structures encourage or discourage increased use of computer-to-computer communications, with their very high data rates? Should charges be made on the basis of time or of the amount of information transmitted? Should heavy users over relatively inexpensive routes be required to subsidize users in remote locations that cost more to service?

(That is essentially the present situation, whether for voice or data communication.)

2. Should the communications companies have a greater responsibility than they do now, to provide service with as few errors as possible? Or is it enough that they publish error characteristics of the various types of service and leave the user to make the choice that is most appropriate for him? If the communications companies are ever to be held responsible for errors in transmission, how could the blame be established and apportioned?

3. Would it be good or bad public policy if the computer manufacturers went in for communications gear and the communications people went in for computing services (such as selling unused computer capacity at off-peak hours)?

14. COMPUTERS AND NATIONAL DEVELOPMENT

Background. Most of the developing nations, often described as the Third World, are seeking actively to achieve levels of industrialization closer to those of Europe, Japan, and North America. We may hope that they will be able to imitate only our successes and not repeat our mistakes, but in any event it is clear that rapid development is their goal. With annual per-capita incomes of under $200 in many places, and with relatively trivial amounts of support coming from the so-called developed nations, development will be difficult since under these conditions it is hard to accumulate the capital needed for industrialization.

Questions

1. Is there some way that computers can help to accelerate the development process, substituting somehow for a part of the missing capital?

2. How should the developing nations seek to acquire the expertise needed to run successful computer operations? Through sending people to classes in the developed nations, and hoping they come back? By encouraging business arrangements that bring into the country experts who then spend much of their effort on training? By trying to use packaged programs to lessen the need for trained and experienced programers?

3. Is it ever advantageous for a developing nation to try to build its own hardware? (Some people in the subject countries apparently would like to do so, somewhat on the model that says every new nation must have its own airline.)

4. What applications should be attempted first? Those that are the easiest and therefore most likely to be successful, or those that are most needed? (Only by good luck will these be the same.)

5. Is it wise for a developing nation to attempt macro-economic planning by computer, much as it may be needed, considering how difficult it is to do right?

6. To what extent will the rapid introduction of computers accelerate a trend toward homogenization of cultures, destroying local customs and traditions? (It is not always clear whether the nations in question want to avoid this process.)

7. Computer applications of greatest benefit to a nation with an anual per capita income of a few hundred dollars will probably not closely resemble those of a nation with an income of ten times that amount. Does this pose problems for the developing nations in deciding what computer application to attempt, or in getting the assistance they seek? Does it create difficulties for those in the developed nations who might wish to help the developing nations? Might it be possible to set up a kind of Computer Peace Corps?

15. COMPUTERS AND SOCIAL POWER

Background. It has commonly been asserted that computers contribute to the concentration of economic, social, and political power. On (oversimplified) example of the concentration of economic power might be that the biggest institutions are best able to afford computing services, which then help them get bigger in a "them that has, gets" syndrome. (This is not an argument against bigness per se but an argument against unfair competition that bigness sometimes generates.) An example of concentration of social power might be the credit organizations' data banks, which apparently have great impact on people's lives. These existed before the computer, to be sure, but their present capabilities would be impossible without computers. An example of political power might be the disparity between the use of computers by the Executive and Legislative branches in the United States government, and the use of a computer by a well-financed candidate to generate mailing lists and "personalized" letters or to analyze neighborhoods to establish what each subgroup wants to hear.

Questions

1. Are the assertions above even true? There have always been imbalances of power and always will be. Has the advent of the computer really changed any of that, or has it just added another tool to techniques that were in use long before the computer age?

2. If they are true, even in part, what should be done about it? Should each candidate for national office be guaranteed by law to have access to a certain amount of computer power? It is hard to imagine how it might be done, but should small companies be granted a right to some of the power available to the big company? Or consider a regional planning association that is using computer modeling to guide its planning. Should it be public policy to require that countervailing groups be given access to the computing facilities, including the necessary programs, to test their assumptions?

3. If the concentration of power argument is accepted, what agency of society should police the efforts to equalize the imbalance? Trade associations? Major political parties? Congress? Professional organizations in computing?

4. If some equalization process should be decided upon, how would the security aspects best be handled? If the same computer firm is preparing voter mailing lists for both Smith and Jones, how are loyalties to be defined and policed?

5. In many important instances a computer in itself is of little value; what is important is the access to a large "data base" of information that could not be effectively processed without a computer. In other words, the computer and the data base, in these applications, would be useless without each other.

Many of the other problems considered in this report are of a like nature: in one sense the computer isn't really the issue, and yet the issue would never arise without a computer to make the application possible. How do we properly address such an issue in the context of "computers and public policy"? In one sense perhaps computer people have no "jurisdiction" since the computer is only an adjunct to the real issue, and yet if everyone defines his field of competence so narrowly the whole problem will fall into the cracks.

Perhaps this is just another way to approach the age-old puzzle about the degree of responsibility that the maker of a tool should have for its use.

16. GOVERNMENT SUPPORT OF COMPUTER RESEARCH

Background. Government support has been heavily influential in the development of computers. For instance, punched card data processing equipment was developed for the 1890 United States Census, and one of the earliest electronic computers was dubbed The Defense Computer because its production was spurred by the needs of the Korean War. Many pioneering ventures over the years were either developed directly for military purposes, or financial at academic institutions with military or National Science Foundation support.

Questions

1. How much governmental support of computer research and development is desirable? Does financial support come with too many strings attached? Does governmental support carry the risk of distorting research priorities?

2. Without governmental support over the years, the computer field would be far less advanced than it is now. Most people in the computer field would probably find government support to be a good thing, on balance. Should support at such levels be continued in order to spur further growth? If so, through what agency or agencies should it be channeled? How can effective pressure be brought to bear to obtain the needed support? On the other hand, some projects in the past have been much more productive than others. Can the evaluation of promising projects be strengthened?

3. Would government support of computing be more effective if it were decentralized, with less control being exercised by a few agencies?

EPILOGUE

These are some of the more pressing issues involving computers and public policy. It is not an exhaustive list, and it will change with time. Some of the issues will be dealt with in legislation that will be passed within coming months, and in that way they will be solved at least for the time being; others are not the sort of things that can be handled by law in any event, and will be of concern for many years. A similar list drawn up five years from now will no doubt contain a different set of issues, as some problems are resolved and new ones develop. This is to be expected in a new and dynamic field whose ramifications extend into almost all parts of society.

The hope in writing this paper is that, by clarifying some of the issues for a readership with a variety of backgrounds, faster progress will be made toward finding solutions that will benefit the most people.

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COSMETIC SAFETY

Mr. EAGLETON. Mr. President, for the past 2 years, a Food and Drug Administration Advisory Review Panel has been studying and evaluating the safety and effectiveness of over-the-counter antimicrobial drug products for repeated daily use. In the course of its deliberations, the panel has concluded that certain antimicrobial ingredients are not generally recognized as safe, and therefore should not be used until evidence to substantiate their safety is developed. Hexachlorophene is one such ingredient.

Several of the ingredients the safety of which the panel has questioned have been included in cosmetics as well as over-the-counter drugs. The most obvious example is the deodorant soap, legally classified as a cosmetic. While the Panel's jurisdiction does not extent to cosmetics, the advisory group has expressed its concern that unless some regulatory action is taken, there is nothing to prevent the use of these dubious ingredients in cosmetics.

As I have stated earlier, I plan to reintroduce the Cosmetic Safety amendments in the near future. This legislation would deal with the problem raised by the advisory panel. It would give the Food and Drug Administration express authority to make certain that antimicrobial ingredients of questional safety will not be marketed in cosmetics.

Consumers of cosmetics, no less than consumers of over-the counter drugs, deserve protection from the risks posed by products containing these ingredients. The panel's warnings underscores the need for legislation in this area.

Mr. President, I ask unanimous consent that the panel's recommendations as contained in Food Drug Cosmetic Law Reports be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Because of the information called to the Panel's attention they have been concerned that routine use of antimicrobial soaps may have a long-term harmful effect by reducing the protective effect of the normal skin flora. It is possible that contrary to what might be expected from an antibacterial product that certain bacterial infections due to gram-negative and streptococcal organisms might be increased, rather than decreased. If this is proven to be true, the deodorant benefit would probably be considered outweighed by the potential hazard. In addition, because these chemicals are absorbed into the bloodstream, the Panel is concerned about the prudence of exposing the entire body surface to these chemicals when alternative methods of odor control are available.

The Panel has been particularly concerned that some soap and detergent bars containing antimicrobial ingredients for which only deodorant claims are made are classified legally as cosmetics rather than drugs. These products are formulated with ingredients which have been placed in Category III by the Panel but which will be moved to Category I or II at the end of the period allowed for submission of data to prove safety and effectiveness. These products are now in Category III but might be moved into Category II in the future, if the Food and Drug Administration concludes from the data before it that they are not generally recognized as safe and effective. However, the data might not support a finding that they are adulterated cosmetics, thus there is a risk that these products may continue to be marketed as cosmetics without adequate substantiation of safety.

Regardless of the legal classification of these products, it is important from a public health standpoint that they be subject to the same strict requirements for safety and effectiveness as the drug products which the Panel has reviewed in this Report.

As long as the antimicrobial ingredients of these products are effectively regulated, the Panel is not concerned whether they be classified as cosmetics or as drugs. If, for example, a regulation can be promulgated imposing the kind of testing requirements recommended in this Report upon all cosmetics containing antimicrobial agents at levels higher than those necessary for preservative use, the Panel's concerns will be met. If it is not possible adequately to control products classified as cosmetics in this way, then the Panel would strongly recommend that the Food and Drug Administration institute whatever action is necessary to reclassify cosmetic products containing antimicrobial agents as drugs.

In the view of the Panel, the Food and Drug Administration should take this regulatory action in the near future. If it turns out that the Food and Drug Administration has no legal basis to require that cosmetic products containing antimicrobial ingredients be adequately tested for safety, the Panel would urge Congress to furnish the necessary authority.

MICHIGAN'S ECONOMIC FUTURE

Mr. GRIFFIN. Mr. President, recently Dr. Paul W. McCracken, former Chairman of the Council of Economic Advisers, appeared before the Detroit Economic Club.

Dr. McCracken, now the Edmund Ezra professor of business administration at the University of Michigan, spoke on the subject of "A Strategy for Michigan's Economic Future." I ask unanimous consent that a copy of his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A STRATEGY FOR MICHIGAN'S ECONOMIC FUTURE

(By Paul W. McCracken)

In other appearances before this Club I have addressed myself to national economic problems, and my initial inclination was to follow along the same track this time around. In spite of speakers having laid out here repeatedly and even confidently the answers to our economic difficulties, enough problems remain for another 30 minutes of attention. Moreover, we also know that Michigan's economic destiny depends heavily on the vitality of the national employment and income picture. For Michigan, as used to be said for Europe, when Uncle Sam sneezes we get pneumonia. Thus another try here at getting national policy on course would be quite germane to the problems of employment and production here at home.

This time, however, a look at our own situation seemed to me to be in order. While good advice to Washington always helps to clear the Michigan economic atmosphere, Washington has a way of remaining remarkably unmoved by advice delivered from even this podium, and there is no reason to think that another edition would meet with a better fate. That underscores another lesson often forgotten—namely, that things are more apt to happen when people start to do something themselves to make things happen. Thus my remarks will have to do largely with whether a strategy can be devised for our own economic future.

I

A few quick comments on national economic policy may, however, be in order. (No one who has ever participated in the management of economic policy can ever fully suppress the urge to give Washington advice, often advice it failed to take when he was there.) Besides Michigan is not going to regain prosperity until the national economy resumes a strong and sustained expansion. And these expansions do not just happen through some sort of internal dynamics. The basic path for the economy tends to be the trail blazed somewhat earlier by our economic policies—by the fiscal operations of government and by the monetary policies of the Federal Reserve System. With a projected increase in Federal outlays of $36 billion (which will probably be $45–50 billion when the books are finally closed on FY 1976) and a probable tax reduction that will add $15–20 billion more to after-tax incomes, the fiscal operations of government will be at the outer edge of what it is prudent for the budget to be called upon to do for economic expansion.

That leaves monetary or Federal Reserve policy. During the last quarter these policies have resulted in a 1 percent per year rate of expansion in the money stock. And since mid-1974 the money supply (M_1) has been rising at less than a 2 percent per year rate. This poses two major dangers for the economy. For one thing the probability that we can get a strong recovery going in the latter half of 1975 with this restrictive pace of monetary expansion is low and declining. Moreover, the further weakening of the economy from these restrictive policies will also tend to produce pressures for a hemorrhage of new spending proposals in the Congress to stimulate the economy. Overly restrictive monetary policies make for bad budgets. Both the current economic situation and the need to restrain pressures for larger Federal spending make it essential that the rate of monetary expansion, as measured by M_1, be stepped up to the 8 percent zone promptly. That is above the appropriate rate for the longer run, but we have allowed ourselves to stray far below the basic path that the money supply ought to be following.

Some, probably including some of you here, would be fearful that a more expansive monetary policy would simply unleash inflation again. Both the logic of the problem and experience suggest that this is not a major danger. Even if monetary policy were to produce an 8 percent rate of expansion in the money supply, the visible effects would not start to show up in the economy until after mid-year. And even with a vigorous recovery, the zone of reasonably full employment will not be regained until the latter half of 1977. For at least 2½ years, in short, buyers are going to be in the drivers' seats of most markets. Moreover, after an interlude of disinflation a resumption of rising output is needed to give us the gains in output per man hour that help to relieve the pressures of costs per unit of output underneath the price level.

This, in fact, is what historically has happened. The rate of inflation usually continues high through the recedence phase of the recession, with the greater stability of the price level emerging as business activity resumes expansion. We can now put in place policies to promote economic expansion without fearing that the price level will explode in our face. That is the clear lesson of experience.

ANNUAL RATE OF CHANGE IN CONSUMER PRICE INDEX DURING AND FOLLOWING RECESSIONS

[In percent]

Recessions	12 months before peak	Peak to trough	12 months after trough	2d 12 months after trough
1953–54	0.5	0.2	−0.5	0.8
1957–58	3.3	3.0	.2	1.1
1960–61	1.8	1.2	.9	1.1
1969–70	5.8	5.6	3.5	3.5

Source: Basic data from the Bureau of Labor Statistics.

II

Now to the subject for the day. Pessimism about Michigan's economic future is easy to come by in these murky days. Nationally, let's face it, adding the word "Detroit" to a corporate name does not seem to be a very effective way of raising a price-earnings ratio. "You have in Detroit," sighed a friend of mine at lunch recently in the New York financial district, "some of the best managed banks in the United States, but it is their misfortune to be in Detroit." Instincts for home-town pride immediately come to the surface with such comments, and are all well and good, but the fact is that a lot of people would consider this statement to be so self-evidently true as to be axiomatic. And while Detroit is not the whole of Michigan, the Detroit metropolitan area would still account for somewhat over half of the state's 1974 gross national product of $65 billion or so. (This means, incidentally, that if Michigan were a separate nation, it would rank about seventh in terms of its GNP—well ahead of such countries as Sweden, or Spain or Mexico.)

Moreover, we do need to recognize that the state's growth rate has again been lagging. The word "again" is relevant because the state's growth did lag behind the national pace during the latter part of the last century. In 1880, for example, the state accounted for 3.3 percent of the national population. By 1910 our share had fallen to 3.0 percent. And during this earlier period when Michigan's share of the national population was falling, incomes here were also almost certainly lagging the national pace. Then followed a period of sustained growth that brought our share of the national population to 4.2 percent by 1950, and that is about what it is today. And Michigan's per capita income has moved ahead, by the early 1970's being about 10 percent above the national average.

Today the Michigan economy is floundering. When sales of domestic cars descend into the 5–5½ million range, as they did by early January, the Michigan economy is inevitably in deep trouble. That is a drop of almost 50 percent from the rate that seemed to be holding solidly in 1973 before the oil embargo. And this has carried our unemployment rates to levels far higher than for the nation generally, and we probably have yet to see the peak. All of this is a familiar story, painfully familiar to many of you, and it requires no belaboring here.

This then is the track that Michigan is now on. Our unemployment rate is at the top of the heap. "Detroit" seems to evoke a response nationally suggesting that it is deemed to be on the wrong side of the economic tracks—instead of being that symbol of industrial vitality for which it once stood.

This, of course, is not the track we want to stay on. On that we would presumably all agree. Can we devise a strategy to make the change? This question *can*, I believe, be answered in the affirmative. Whether it *will* be given an affirmative answer is up to us.

The first step in any strategy for the state's economic future is to recognize that Michigan is an industrial state. This is perhaps an obvious point, but we do well to remind ourselves about it occasionally. If we are to have a strong economic future, it will be because the state's industry regains its historic strength. For Michigan about 44 percent of its personal income is generated in manufacturing. This compares with 27 percent for the whole country. Indeed, manufacturing is the source of a larger proportion of personal income for Michigan than for any other state in the nation.

Michigan is, therefore, the nation's industrial workshop. Diversification is a worthy objective, but an economic base changes slowly. If the Michigan economy is to regain its historic vitality, it will be because our factories are set to humming again. And if the additional job opportunities needed for a growing work force are to be there, they will be there because new plants are built in this state and those already here are further enlarged.

Share of Income Originating in Manufacturing, 1973

Area:	*Percent*
U.S.	26.5
Michigan	44.7
Indiana	41.3
Ohio	40.2
Pennsylvania	34.7
Illinois	31.4
New York	23.3

Source: "State and Regional Personal Income," Survey of Current Business, August, 1974, pp. 28–43.

III

Many things will, of course, affect the state's economic destiny. If Michigan becomes known as a state that welcomes economic development, if costs of doing business here are reasonably in line with competitive locations, if we exercise reasonable care in the division of revenue requirements between taxes on business and taxes on individuals—all of these will affect the rapidity with which needed new job opportunities are created in the years ahead. And, to repeat, it is the people needing jobs and who cannot readily move elsewhere who have the greatest stake in our pursuing wise public policies generally.

We are, however, at a juncture in history now where the economic future of our state depends to an almost uniquely critical extent on two great issues of public policy. One is energy. The other is the role that the automobile is to play in our future national life. Suppose that we explore briefly each of these in turn.

First, some quick comments on national energy policy. It is clear that up to the oil embargo we were headed toward dangerously heavy reliance on insecure sources of energy supplies, and through some combination of more sparing use and the development of alternative supplies we needed to reduce this exposure. The oil embargo did not so much create this problem as reveal it. Now, in attempting to achieve these objectives we face a fundamental choice between placing basic reliance on market forces and the pricing system on the one hand, and the heavy-handed approach of direct controls such as rationing and allocation on the other. And the latter always turns out to be attractive and beguiling in prospect and bitterly disappointing in its actual results. Finally, the most fundamental requirement of our national energy policy is that it be consistent with orderly, vigorous, and sustained economic growth. It is a strong economy that can make the adjustments and provide the needed capital to develop alternative supplies, not one with major industries in disarray from dislocations that direct-control strategies inevitably produce. For this reason we should not commit ourselves to achieving a specific import target by the end of 1975—to be realized, if necessary, by self-imposed shortages through some prohibition on further imports. It would weaken the economy's capacity for sustained recovery and expansion, and therefore weaken the economy's capability to generate the large amounts of capital that greater energy independence will require. Michigan has a particularly large stake in our not going down the road of rationing, allocations, and other direct controls. Few things have a more lethal effect on decisions to buy a new car than a motorist's uncertainty about whether there will even be gasoline available at all when he heads toward the filling station.

While energy is a national problem, and has produced particularly serious dislocations for us here, it also provides Michigan with an opportunity if we can seize it. The states that turn in a good record of expanding employment and output in the 1970's will be the states that can provide the needed additional energy, and particularly electric energy. The problems are, of course, formidable. Since electric utilities simply convert coal, oil and other primary energy into the more usable energy form of electricity, their rates must rise as prices of these primary energy sources rise, and higher electric bills are never popular. Moreover, the inevitably cumbersome and lengthy regulatory process is inherently unsuitable for dealing with the cost explosions of recent years. Members of our regulatory commissions must, therefore, be leading candidates for the honor of making a living in the most unpopular war.

It is not using language loosely to say that the nation now faces a crisis in electric power. Over $20 billion of construction has been cut back. Postponed nuclear plants alone would have produced enough energy to displace 2½ million barrels per day of oil (about 40 percent of our imports). These cancellations and delay reflect problems ranging from environmental requirements to eroded earnings and the resulting inability to borrow.

Now a problem is also an opportunity. It is not in the American temperament to let this electric energy crisis come at us and do nothing. And it is also increasingly clear that the electric utilities' expansion programs will not be reactivated with the speed that is needed unless there is Federal financing or Federal government guarantees of needed new financing. Much as many of us would like to think otherwise, the facts can no longer be evaded.

It is reasonable to expect, therefore, that there will be a national financing program to get the capital outlays of these companies going again, and one that will enable the companies to re-build their capital structures so that they can finally start to raise funds directly in the capital markets. In that way productive jobs needed now would be provided. And we would also be building the added generating capacity that must be getting into place if we are to avoid an economy unable to regain full employment in the 1970's because it is short of electric power.

The clear implication of this for Michigan is that the state should get in motion immediately with a program to do what it can about this emergent shortage of power—a shortage that could strangle the creation of job opportunities in the years ahead. This might begin with the formation of a State Energy Council, with broad-spectrum representation of consumer, labor, business, and other groups, to formulate a Michigan program to get work going again on the construction of generating capacity here, and to assure that the Federal program (when it comes along) can be put to work promptly in Michigan.

At this juncture in our history nothing would do more to improve prospects for Michigan's economic future than for the state itself to take vigorous action to improve prospects for adequate electric power, in the years ahead. In the remainder of this decade the state that has the generating capacity will get the industry and the new job opportunities. Here is something in which all groups in our state have a large common interest.

IV

Suppose we turn now to the other question. What is to be the role of the automobile in our national life? This question is of obvious importance to our own state, but it is also important for national policy that society make up its mind. In what might be called the fashionable cocktail circuit, the automobile has clearly fallen from grace (though the crowded parking lot outside clearly indicates how people preferred to come to the party). To some extent this all can be shrugged off as the great care some of ue exercise to show by our conversation that we take a Lofty View of Things which ordinary people naturally could not be expected to understand.

With the changing energy facts of life, however, society must face squarely this question about the role that automobile is to play in our future national life. And it is obviously important for Michigan that the nation make up its mind on this matter. The magnitude of economic resources being wasted on sudden equipment requirements that citizens do not want (and even have removed) or whose cost-benefit calculus is found too late not to check out is enormous. The state's most important industry has been kept off balance and in a state of suspended animation too long already.

While this Great Debate has yet to run its course, and that slow and mysterious process by which public opinion jells on an issue has yet to produce its verdict, there are some things that can be said on the matter. For one thing there will clearly be an expansion of public transportation facilities, both mass transit and intercity. (Personally I favor this in order to thin down street traffic so I can zip along more rapidly in my own car.)

Moreover, the automobile also must adjust itself to the new realities of higher oil prices and a continuing concern by government about keeping at reasonable levels energy imports from insecure sources (which means any foreign source, including Canada). This inevitably will mean pressures toward cars with markedly reduced fuel consumption. These incentives may be not only through the inevitable influence of higher fuel prices, but we may also see further tax and license fee penalties against weight and fuel consumption. It is, therefore, probable that the automobile appropriate to this era will be different in significant respects from those appropriate for an era of cheap and abundant domestic oil (the era in which our industry here developed).

The age of the automobile, however, is not over, much as this may cause dismay for those with the Fashionable View. Walter Ruther put it with his perceptive eloquence when he said that the automobile gave the common man his fifth freedom—the freedom of command over his own time and schedule. And a strategy for national energy policy which assumes that automobiles must be abolished, because the cost of transporting a ton of human flesh is cheaper when containerized in a bus or train, will fail. It would fail because it would fail to perceive the extent to which his automobile is for the common man not only the symbol but an important source of his freedom. We may be willing to shift to a smaller car (from a Caprice to a Nova or Vega, from an LTD to a Maverick or Pinto, from a Chrysler to a Valiant or Colt, from a Matador to a Gremlin). But a national strategy that would call for giving up this fifth freedom would get the vote of no confidence that such nonsense would deserve. Our foreign policy exists to serve our vital domestic interests, not the other way around. To suggest that we must have deep further cutbacks in oil imports, which would cause far more severe economic dislocations at home than many realize, because such cutbacks would strengthen our hand in foreign policy is to get our means and our ends confused.

Michigan would, therefore, have much to gain if there could be a more definitive Great Debate out of which public sentiment would begin to congeal on the role of the automobile in our national life. What the industry has to fear most is that these decisions will get made without giving the citizenry a chance to congeal and focus their own views.

V

Is there, then, a strategy for Michigan's future prosperity? There is such a strategy. The first requirement is the first requirement for prosperity in any region—namely, the deployment of national policies to turn the economy around and get the recovery process going. The most urgent need is a Federal Reserve policy giving us rates of monetary expansion that will set the course for this expansion.

The economic future of Michigan also depends, however, on what we do here at home. And the very energy crisis that contributed to throwing our economy off-stride also provides us with an opportunity. If we can develop a coordinated program to assure sustained growth in energy availability, industrial expansion will be almost sure to follow. If we can help along an intelligent Great Debate on the role of the automobile in our future national life, a new era of prosperity and high employment for our industry could begin. And we could then have a transportation system in tune with citizen preferences, and a sense of market direction within which the re-automobiling of the nation, with cars reflecting the new energy facts of life, gets under way. Whatever our Michigan family arguments with each other about lesser issues, we should all be able to join together on these issues in a great social compact to make progress for our state.

THE FISCAL YEAR 1976 FOOD AND AGRICULTURE BUDGET FAILS TO MEET URGENT NATIONAL NEEDS

Mr. HUMPHREY. Mr. President, a great deal has been written and spoken about the President's budget regarding energy and taxes. But little has been said about the budget in the area of food and agriculture.

The administration presented its budget as a people's budget, but, after even the briefest analysis, it becomes clear that a whole host of important programs in agriculture, forestry and nutrition have been pared past the bone.

Sharp program cuts will be forced on many activities because of rising costs without corresponding budget increases.

But other programs have no funding whatsoever. The budget does not provide any funds for fire protection grants under the rural development program in fiscal 1976, and the administration wants to rescind the $3.5 million authorized for the current fiscal year.

The Older Americans Act, which provided funds for the farmers union green thumb program and other employment programs for older people, expires June 30, 1975. The administration proposes to rescind $12 million from 1975 funds. There is no indication in the new budget that the administration intends to continue the "mainstream" programs for older Americans through national contracts.

No new funding is included for the 2 percent rural electrification direct loan program in the fiscal year 1976 budget. And the administration is recommending that the $455 million still in the program be turned back to the Treasury.

The budget requests no new funds for the agriculture conservation program. At a time when conservation requirements are increasing, the administration continues to try to strangle this worthwhile program. The administration also is attempting to withold spending of $156 million from the funds already authorized for ACP in the current fiscal year.

Funding for the Commodity Credit Corporation is to be reduced from $4 billion to $2.9 billion.

FOREST SERVICE

The budget for the Forest Service is a distinct disappointment. It was to be hoped that with enactment of Public Law 93-387, the Forest and Range Renewable Resources Planning Act of 1974, the administration would set its sights on reaching a better balance in managing this 187,000 acre storehouse of natural resources. But this is a sit-back, standpat budget.

The budget is seriously misleading in indicating that a greater level of accomplishment in reforestation and timber stand improvement is planned in 1976 than in 1975. This is not true, since $10 million in the fiscal year 1975 budget is currently impounded, and the 1975 projected accomplishments are set in terms of this rescission being allowed to stand. Thus the 1976 efforts is made to look bigger than the achievements in 1975. In fact the fiscal 1976 budget request is for $5 million less than Congress provided in fiscal 1975, and the rate of progress thus will be below what the Congress intended for 1975.

Funding for forest roads is another bleak aspect. Construction with appropriated funds will decline by $21 million, which will provide less than 150 miles of roads. In fiscal year 1975 timber purchasers received reductions in the price of timber sold sufficient to secure the construction of 8,400 miles of road. In fiscal year 1976, road construction by timber purchasers will increase by 1,200 miles and reach 9,600 miles. Instead of adopting a program of advance road construction with appropriated funds which seeks to get the maximum area of highly productive land accessible for good harvesting and management, the budget projects a continuation of the policy of cutting off the face of easily accessible timbered areas.

The reality of the situation is that we are in a recession and two of the industries hardest hit are lumber and housing construction. Assuming that other efforts free up funds and the housing industry begins to recover from its abysmal low of 900,000 starts a year, this budget does not take one step forward in Forest Service timber management which will permit a response with increased timber sales when the need develops.

The forest research program is virtually frozen at the fiscal year 1975 level, as is cooperation with States and private forest owners. In fact, with the proposal not to provide any funding for the forest incentives program—amounting to a $25 million phaseout—cooperation is reduced by 50 percent below the 1975 level. Yet, at the same time every measure of use activity—whether it be for extracting renewable resources or noncommodity purposes—continues to show an increase in interest and demand.

CHILD NUTRITION PROGRAMS

The fiscal year 1976 budget proposes replacing the school lunch, school breakfast, special milk, equipment assistance, day care, summer feeding, supplemental feeding, and women, infants, and children—WIC—programs.

In place of these programs, the administration will seek to provide block grants to the States. The block grants would furnish $600 to $700 million less in fiscal year 1976 funding than the current programs.

Pregnant and nursing women who now receive food supplements under the WIC and supplemental food programs would be cut off entirely. Block grant funds would be available for the provision of meals only to children.

The proposal would knock out about $650 million a year in Federal support currently provided to schools to help defray the costs of breakfasts, lunches, and milk served to children from families whose income is above 125 percent of the poverty line. It is estimated that the prices charged for school lunches would rise about 22 cents if the block grant concept goes into effect as proposed.

The budget also proposes to terminate all commodity deliveries to orphanages, children's homes, homes for the aged, and other institutions. These institutions are receiving $22.3 million in commodities during fiscal year 1975.

In addition to dismantling the child nutrition programs, the administration is asking for new legislation to limit cost-of-food adjustments in all Federal food programs to 5 percent over the next year even though food costs may rise by 15 percent during this period.

Food stamp households would be especially hard hit by this proposal. USDA officials say that the food stamp allotment for a family of four, currently set at $154 a month, would be allowed to rise only to $158 a month on July 1, 1975 and would not be permitted to increase at all on January 1, 1976, if the 5 percent limit is enacted.

According to the Government's own figures, the basic economy diet—estimated to cost $159.90 per month in December 1974 for a family of two adults and two schoolchildren—was not even being met by the food stamp allotment which was set at $150 at that time.

The administration estimates that $3.86 billion will be required for food stamps in fiscal year 1976. But this assumes that its proposed new regulations will go into effect, and both Houses of Congress have voted overwhelmingly in opposition.

The administration's food stamp budget also assumes little increase in the level of enrollment. While there was little change in the recipient level from 1971 to the fall of 1974, about 2 million additional recipients have been added in the last 4 months.

With the rate of unemployment expected to remain at present levels for some time, the food stamp budget clearly will need to be revised upward.

While it is very unlikely that Congress will accept the administration's block grant proposal, the development of congressional alternatives will require some time, with the status of programs such as WIC and summer feeding remaining unclear in the meantime.

Valuable time will be lost fighting just to maintain the existence of worthwhile programs, and this effort could better be used to make improvements and refinements.

It would appear that the administration has learned nothing in the debate over increasing the cost of food stamps. While claiming to be interested in making savings and improving the program, it has appeared to be insensitive to those most in need.

In fact, the administration would appear to be either incapable of serious long range planning or, even worse, determined to play a cruel political game of bureaucratic delay in order to avoid changes which might involve any additional expenditures.

This is an unbelievably shortsighted approach. Whether the program involves soil and water, forests or child nutrition, it should be looked on as an investment in the future. But many of the budget requests reflect warmed over figures from last year with only minor adjustments.

There is no evidence of a search for new initiatives or a setting of priorities. The great concern of the budget is to cut costs wherever possible without much consideration of the long range consequences.

We will need to give special attention to the budget requests for the food and agricultural programs this year. And I regret that programs such as WIC will be faced with some doubts over their continuation for at least the immediate future.

But, Mr. President, let the record be clear that it was Congress which fought the good fight to keep these worthwhile programs going in the face of an indifferent administration.

CAMPAIGN REFORMS

Mr. BUCKLEY. Mr. President, as I indicated some time ago when I asked that the original complaint filed by me and a number of other citizens challenging the constitutionality of certain aspects of the campaign "reforms" we enacted into law last year, I will from time to time try to provide an update on the status of the case. I am doing this because I have received a number of inquiries from Senate colleagues as well as from the general public on the status of the lawsuit as well as requests for some of the materials filed in connection with it.

As you may have read in the newspapers, Common Cause and the League of Women Voters as well as the Center for Public Financing have petitioned the court to be allowed to intervene as parties defendant in the suit. Although the court has not yet responded to this petition, it is my understanding from talking to our attorneys that the Government does not appear inclined to oppose it. If the Government does not oppose it, we do not intend to either as our primary interest is in a quick and comprehensive resolution of the constitutional questions raised by this legislation.

Last week, we filed an amended complaint in the case which I ask unanimous consent to have printed in the RECORD following these remarks. In our amended complaint we included two additional plaintiffs, the Libertarian Party, a national minor party, and the Mississippi Republican Party, both of which are most interested in the outcome of the lawsuit. Mr. President, I shall report again as the case develops.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Civil Action No. 75-1061—First amended complaint for declaratory and injunctive relief]

IN THE U.S. COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

James L. Buckley, U.S. Senator from the State of New York, 5020 Glenbrook Road, N.W., Washington, D.C. 20016; Eugene J. McCarthy, 3053 "Q" Street, N.W., Washington, D.C. 20007; William A. Steiger, Member of the U.S. House of Representatives from the Sixth Congressional District of the State of Wisconsin, 323 Constitution Avenue, N.E., Washington, D.C. 20002; Stewart Rawlings Mott, 800 Park Avenue, New York, N.Y. 10021; Committee for a Constitutional Presidency—McCarthy '76, 1223 Connecticut Avenue, N.W., Washington, D.C. 20036; Conservative Party of the State of New York, 468 Park Avenue South, New York, N.Y. 10016; Mississippi Republican Party, 518 East Capitol Street, Suite 400, Jackson, Miss. 39205; Libertarian Party, 550 Kearny Street, San Francisco, Calif. 94108; New York Civil Liberties Union, Inc., 84 Fifth Avenue, New York, N.Y. 10011; American Conservative Union, 422 First Street, S.E., Washington, D.C. 20003; Conservative Victory Fund, 422 First Street, S.E., Washington, D.C. 20003; Human Events, Inc., 422 First Street, S.E., Washington, D.C. 20003; Plaintiffs against Hon. Francis R. Valeo, Secretary, U.S. Senate, Office of the Secretary, The Capitol, Washington, D.C. 20510; Hon. W. Pat Jennings, Clerk of the U.S. House of Representatives, The Capitol, Washington, D.C. 20510; Hon. Elmer B. Staats, Comptroller-General of the United States, General Accounting Office, 441 G Street, N.W., Washington, D.C. 20548; Hon. Edward H. Levi, Attorney General of the United States, Department of Justice, Constitution Avenue and 10th Street, N.W., Washington, D.C. 20530; Federal Election Commission, c/o Hon. Francis R. Valeo, Ex Officio Member, The Capitol, Washington, D.C. 20510; and c/o Hon. W. Pat Jennings, Ex Officio Member, The Capitol, Washington, D.C. 20510, Defendants.

JURISDICTION

1. This action seeks declaratory and injunctive relief against certain provisions of the Federal Election Campaign Act of 1971, Public Law 92–225, 86 Stat. 3, 2 U.S.C. Sections 431 *et seq.* (hereinafter referred to as the FECA), the Federal Election Campaign Act Amendments of 1974, Public Law 93–443, 88 Stat. 1263 (hereinafter referred to as the FECA Amendments), and Subtitle H of the Internal Revenue Code of 1954, Public Law 92–178, 85 Stat. 562, as amended by Public Law 93–53, 87 Stat. 138, 26 U.S.C. Sections 9001 *et seq.* (hereinafter referred to as Subtitle H), and against their enforcement by the defendants, on the grounds that the FECA, the FECA Amendments, and Subtitle H deprive the plaintiffs of freedom of speech and association, of the right to petition for redress of grievances, of the right of privacy, and of due process of law and discriminate invidiously against them, all in violation of the First, Fourth, Fifth, Sixth, and Ninth Amendments to the Constitution and the further grounds that the mode of appointment and confirmation of members of the Federal Election Commission and its purported power to administer, interpret, make rules and enforce said laws is in violation of constitutional separation of powers.

2. The jurisdiction of this Court rests upon 28 U.S.C. Sections 1331, 2201, and 2202, and Section 315(a) of the FECA, 88 Stat. 1285, 2 U.S.C. Section 437h. The amount in controversy, exclusive of interest and costs, exceeds $10,000.

3. Convocation of a three-judge district court is moved pursuant to 28 U.S.C. Sections 2282 and 2284, and certification to the Court of Appeals is requested under Section 315(a) of the FECA, 88 Stat. 1285, 2 U.S.C. Section 437h.

PARTIES

4. Plaintiff James L. Buckley is a United States Senator from the State of New York. He is a citizen of the State of New York and of the United States and is eligible to vote in elections for the office of President of the United States. He is a registered voter in the State of New York in the Republican Party. He is a federal taxpayer. Plaintiff Buckley desires to contribute to the campaigns of particular candidates for federal office amounts greater than $1,000 as a means of expressing his views on public issues. He may seek to be a delegate to the 1976 Republican Party National Convention. Plaintiff Buckley's present intention is to seek re-election in 1976 as United States Senator from the State of New York. Said candidacy

will be aided by volunteers whose incidental expenses will exceed $1,500 and thus constitute a contribution or expenditure within the FECA and the FECA Amendments. The expenditure of funds is essential to his success in conveying his ideas and positions on public issues to voters and potential voters. To that end, plaintiff desires to solicit and receive contributions larger than $1,000, employ personal funds or the funds of his immediate family as available and necessary, and to spend whatever amounts are available and necessary to convey his views to voters and potential voters in a meaningful way.

5. Plaintiff Eugene J. McCarthy is a former United States Senator from the State of Minnesota. He is a citizen of the State of Minnesota and of the United States and is eligible to vote in elections for the office of President of the United States. He is a federal taxpayer. Plaintiff McCarthy on January 12, 1975, announced his candidacy for President of the United States; he will run as an independent, supported by the Committee for a Constitutional Presidency-McCarthy '76. The expenditure of funds is essential to his success in conveying his ideas and positions on public issues to voters and potential voters. To that end, plaintiff desires to solicit and receive contributions larger than $1,000, and to spend whatever is available and necessary to convey his views to voters and potential voters in a meaningful way. Said candidacy will be aided by volunteers whose incidental expenses will exceed $1,500 and thus constitute an expenditure under the FECA and the FECA Amendments.

6. Plaintiff William A. Steiger is a Member of the United States House of Representatives from the Sixth Congressional District of Wisconsin. He is a citizen of the State of Wisconsin and of the United States, and is eligible to vote in elections for the office of President of the United States. He is a registered voter in the State of Wisconsin. He is a federal taxpayer. He may seek to be a delegate to the 1976 Republican Party National Convention. Plaintiff Steiger is considering a candidacy for federal office in 1976. The expenditure of funds is essential to his success in conveying his ideas and positions on public isues to voters and potential voters. To that end, plaintiff desires to spend whatever amounts are available and necessary to convey his views to voters and potential voters in a meaningful way.

7. Plaintiff Stewart Rawlings Mott is a citizen of the State of New York and of the United States, and is eligible to vote in elections for the office of President of the United States. He is a registered voter in the State of New York. He is a federal taxpayer. He has contributed in the past and will contribute in the future amounts in excess of $1,000 to individual candidates for federal office and in excess of $25,000 in the aggregate to such candidates. Plaintiff has also made expenditures on behalf of clearly identified candidates but independent of such candidates in excess of $1,000 and intends to do so in the future. Plaintiff Mott has made and intends to make expenditures against clearly identified candidates in excess of $1,000. Plaintiff has incurred and intends to incur certain incidental expenses on behalf of candidates as a volunteer in excess of $500. Such contributions are for the purpose of furthering plaintiff's ideas and positions on issues of public policy.

8. Plaintiff Committee for a Constitutional Presidency—McCarthy '76 is a principal campaign committee within the meaning of the FECA, the FECA Amendments, and Subtitle H and a not-for-profit corporation under the laws of the State of Illinois. Plaintiff is independent of the major parties and of any other political party. It is sponsoring a candidate for the office of President of the United States in 1976 and desires to solicit and receive on behalf of such candidate contributions in excess of $1,000, to contribute to said candidate an amount in excess of $5,000 and to make expenditures on behalf of said candidate in excess of two cents multiplied by the voting age population of the United States. Plaintiff will not hold a national nominating convention in 1976 to select its candidate, as such a convention is defined by the FECA Amendments. If plaintiff's candidate is to wage an effective campaign as an independent, he must make expenditures in excess of $20,000,000. Plaintiff's candidate will not be selected by primaries and will become eligible for state ballots through petition, and expects to incur expenses in that petition effort. Said activities are for the purpose of furthering plaintiff's ideas and positions on issues of public policy and are essential to its ability to participate meaningfully in the political process.

9. Plaintiff Conservative Party of the State of New York (hereinafter Conservative Party) is a political party in the State of New York and a political committee within the meaning of the FECA, the FECA Amendments, and Subtitle H. It has nominated in the past and intends to nominate in 1976 candidates for the offices of President of the United States, United States Senator from the State of New York, and members of the United States House of Representatives from all or nearly all of the Congressional Districts of the State of New York. Plaintiff will seek to place its candidate for President only on the ballot in New York. Plaintiff is what is commonly called a third party. It intends to solicit and receive contributions in excess of $1,000 for many such candidates, to contribute to many such candidates amounts in excess of $5,000, and to expend on behalf of said candidate for President of the United States an amount in excess of $5,000, to expend an amount in excess of two cents multiplied by the voting age population of the State of New York in the case of its candidate for United States Senator, and to expend an amount in excess of $10,000 in the case of many candidates for the House of Representatives. In some cases, plaintiff may choose a candidate who it hopes will expend personal funds in excess of $35,000 in the case of candidate for United States Senator and $25,000 in the case of a candidate for the House. Said activities are for the purpose of furthering plaintiff Conservative Party's ideas and positions on issues of public policy and are essential to its ability to participate meaningfully in the political process.

(10)a. Plaintiff Mississippi Republican Party is a political party in the State of Mississippi, and is part of the National Republican Party. It has nominated in the past and intends to nominate in 1976 candidates for the offices of President of the United States, United States Senator from the State of Mississippi, and members of the United States House of Representatives from all or nearly all of the Congressional Districts of the State of Mississippi. The State Central Committee of plaintiff Mississippi Republican Party voted in 1972 not to solicit, receive, or expend money on behalf of its candidates for the above mentioned offices because it opposed in principle the requirements imposed on political committees which engaged in such activities by the FECA. Plaintiff will continue this policy under the FECA Amendments. The plaintiff would prefer to contribute directly to its candidates, and may reconsider its 1972 decision in light of the political situation in 1976 and the resolution of this suit. The plaintiff, its officers, and records have been subject to careful and exacting scrutiny by agents of the supervisory officers under the FECA, even despite its decision not to solicit, receive, and expend money on behalf of its candidates.

(b). Although plaintiff Mississippi Republican Party will not itself contribute financially to its candidates, it intends to allow persons supporting its candidates to contribute in excess of $1,000 to such candidates. It further intends that its candidates solicit and receive contributions in excess of $1,000, and that they be allowed to expend on behalf of their candidacies whatever amounts are available and necessary. The plaintiff also intends that some volunteers in the campaigns of its candidates expend in excess of $500 for the incidental expenses such volunteers may incur.

(c). Representatives of plaintiff attend Republican National Conventions. Said representatives vote on the Republican Party's nominations for the offices of President and Vice President of the United States, and on all other matters that in the normal course of events come before such conventions. Plaintiff's representatives also serve, as the Republican Party rules prescribe, on committees of the National Convention, such as the Credentials Committee, and the Platform Committee. Plaintiff desires that the Republican National Committee, on which plaintiff is represented by its National Committeeman and Committeewoman, and State Chairman, spend whatever amounts are available and necessary to finance the 1976 Republican National Convention. Plaintiff is opposed in principle to accepting any payments from the United States Government to finance the Republican National Convention in 1976.

(d). The experience of the plaintiff Mississippi Republican Party has been and is that affiliation with the plaintiff is a controversial matter in many parts of the State. Persons who identified with the plaintiff's activities may be subjected to harassment or reprisals. Plaintiff does not, therefore, disclose the names of its members or contributors, and offers assurances that their names will remain confidential.

(e). All of plaintiff Mississippi Republican Party's activities are for the purpose of furthering plaintiff's ideas and positions on issues of public policy and are essential to its ability to participate meaningfully in the political process.

11. Plaintiff Libertarian Party is a national political party with affiliated organizations in 38 states, a not-for-profit corporation under the laws of the State of Colorado, and a political committee within the meaning of the FECA, the FECA Amendments, and Subtitle H. The Party was formed in 1971 and its candidates for President and Vice President of the United States received one vote in the Electoral College in 1972. Plaintiff has nominated in the past and intends in the future to nominate candidates for the offices of President of the United States, United States Senator, and members of the United States House of Representatives. Plaintiff intends to solicit and receive contributions in amounts in excess of $1,000 and to expend for its national nominating convention and on behalf of its Presidential and Vice Presidential candidates such amounts as are available and necessary. In addition, Plaintiff may nominate for the office of President of the United States a candidate who will expend in excess of $50,000 of personal funds for said candidacy. Activities of the Plaintiff Libertarian Party are intended to disseminate its ideas and philosophy to the American public and the solicitation of contributions in amounts exceeding $1,000 are an integral part of those activities.

Plaintiff further regards the acceptance of any subsidy from the United States Government for itself or its candidates to be contrary to its basic philosophy.

12(a). Plaintiff New York Civil Liberties Union, Inc. (hereinafter NYCLU) is a not-for-profit corporation, organized under the laws of the State of New York. It is a nonpartisan organization, dedicated to defending the rights guaranteed to persons under the Constitution and having as a principal function the dissemination of information concerning such rights within the State of New York. Plaintiff NYCLU, the New York

State affiliate of the American Civil Liberties Union, is and has been since its inception barred by the American Civil Liberties Union constitution, by-laws, and policies from endorsing or opposing any candidate for public office.

(b). Plaintiff NYCLU has in excess of 40,000 members in New York State. Such members reside in all parts of the State. Membership dues for the NYCLU are $15 per year. Many members contribute more than $15 per year. Some contribute more than $100 per year, and the prime source of funds for NYCLU is contributions by members. The experience of the plaintiff NYCLU has been and is that membership is a controversial matter in many parts of the State. NYCLU does not disclose the names of its members and contributors. NYCLU regularly receives a substantial amount of "hate mail," most of which attacks NYCLU, its leadership and members, for allegedly subverting law and order or supporting "radical" groups. Numerous persons who have been identified with NYCLU activities have from time to time been threatened with physical violence or subjected to harassment or reprisals. As a consequence, many members request assurances that their names will remain confidential, and many contributors expressly request that they not be listed on the membership rolls.

(c). As part of its program of public education on controversial civil liberties issues, such as school busing, prisoners rights, and police misconduct, plaintiff NYCLU often sponsors newspaper advertisements or otherwise expends funds in excess of $1,000 in order to communicate its views to the public, and intends to do so in the future. The sole purpose of such activity is to set forth and publicize plaintiff's views and positions on important public issues involving civil liberties. Although plaintiff NYCLU does not endorse or oppose the election of candidates for public office, its advertisements and statements of views on public issues frequently and necessarily refer to, praise or criticize the conduct or actions of clearly identified public officials who may also happen to be candidates for federal office.

(d). In addition, the plaintiff NYCLU regularly publicizes, in its membership newsletter and through other publications, the civil liberties voting records, positions and actions of elected public officials, who are also frequently candidates for federal office. The NYCLU also solicits and then publicizes the views of candidates for office on civil liberties issues. NYCLU's purpose in communicating such information is to inform its members and the public generally about the views and actions of public officials and candidates with respect to civil liberties issues. The expenses of disseminating such information are normally paid for out of the plaintiff's general funds supplied by membership dues and contributions. Disclosure by the plaintiff of the names of its members and contributors would cause and tend to cause persons who are presently members to resign and would deter other persons from joining, paying dues and making contributions to the NYCLU.

13(a). Plaintiff American Conservative Union (hereinafter ACU) is a political committee within the meaning of the FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954. Plaintiff is independent of the two major political parties or of any other political party. Plaintiff ACU has made in the past, and intends to continue in the future to make contributions to political candidates whose ideas and positions on issues of public policy are similar to its own. These contributions will exceed $5,000 in the case of individual candidates. Said contributions are for the purpose of furthering ACU's positions on public issues.

(b). In addition, the Plaintiff ACU regularly publicizes, both in communications to its members and to the general public, the voting records, positions, and actions of elected officials, who are also frequently candidates for federal office. ACU, among other things, annually publishes a percentage rating of the voting record of incumbent members of both Houses of Congress, showing whether such incumbents supported or opposed issues of interest to ACU and its members.

14. Plaintiff Conservative Victory Fund (hereinafter CVF) is a political committee within the meaning of the FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954. Plaintiff is independent of the two major political parties or of any other political party. Plaintiff CVF has made in the past, and intends to continue to make in the future, contributions to political candidates whose ideas and positions on issues of public policy are similar to its own. These contributions have exceeded and will exceed $5,000 in the case of individual candidates. Said contributions are for the purpose of furthering CVF's positions on public issues.

15. Plaintiff Human Events, Inc., is a corporation organized under the laws of the State of Delaware. It publishes a weekly newspaper devoted primarily to the reporting of events of political importance and interest, to the discussion of public issues, and to the discussion of public officials, political leaders and candidates. Human Events also distributes books, tapes, pamphlets, reprints of articles, and employs other forms of communication to further its corporate and editorial purposes. It endorses explicitly or by implication or refrains from endorsing candidates for federal offices where it deems it necessary and appropriate. It regularly takes editorial positions on matters of public controversy. It has in the past and intends in the future to recommend to those of its readers who share its views that such readers communicate their views to public officials, political candidates, and other political leaders. Plaintiff is wholly owned by its three top executive employees and is not controlled directly or indirectly by any political party or political committee.

16. Defendant Francis R. Valeo is the duly appointed Secretary of the United States Senate. This defendant is a designated "supervisory officer" within the meaning of the FECA and the FECA Amendments and will enforce Titles I and III of the FECA until the appointments and qualification of all the members and general counsel of the Federal Election Commission, Section 208, FECA Amendments, 88 Stat. 1286. He is sued in his official capacity.

17. Defendant W. Pat Jennings is the duly appointed and presently acting Clerk of the United States House of Representatives. This defendant is designated a "supervisory officer" within the meaning of the FECA and FECA Amendments and will continue to enforce Titles I and III of the FECA until the appointments and qualification of all the members and general counsel of the Federal Election Commission, Section 208, FECA Amendments, 88 Stat. 1286. He is sued in his official capacity.

18. Defendant Elmer B. Staats is the duly appointed Comptroller-General of the United States. This defendant is designated a "supervisory officer" within the meaning of the FECA and FECA Amendments and will continue to enforce Titles I and III of the FECA until the appointments and qualification of all the members and general counsel of the Federal Election Commission, Section 208, FECA Amendments, 88 Stat. 1286. He is sued in his official capacity.

19. Defendants Valeo, Jennings, and Staats, in their respective capacities as "supervisory officers" under the FECA, are charged with enforcement of the FECA and the Regulations promulgated thereunder. Defendants Valeo and Jennings are also *ex officio* Members of the Federal Election Commission.

20. Defendant Edward H. Levi is the Attorney General of the United States. As such, he is charged with the enforcement of criminal sanctions against violations of Title 18 of the United States Code. He is also empowered to receive from the supervisory officers and/or the Federal Election Commission notfications of apparent violations of the FECA and the FECA Amendments, and at the request of the supervisory officers and/or Federal Election Commission, to institute civil actions for relief or any other appropriate order. In any case in which the Federal Election Commission refers an apparent violation to the Defendant, he must respond by report to the Commission with respect to any action taken by him regarding the apparent violation.

21. Defendant Federal Election Commission is established by Section 208(a) of the FECA Amendments, 88 Stat. 1280, as amended by the FECA, 2 U.S.C. Section 437c. The six members of the Federal Election Commission have not been confirmed as of the date of the filing of this complaint. When said members are confirmed and in office, they will be named in their official capacities as defendants in this action.

THE FEDERAL ELECTION CAMPAIGN ACT OF 1971 AND THE AMENDMENTS OF 1974

22. The FECA Amendments substantially revise the FECA, and incorporate within their statutory framework Subtitle H of the Internal Revenue Code of 1954.

Limits on contributions to candidates

23. Section 101(a) of the FECA Amendments, 88 Stat. 1263, amends 18 U.S.C. Section 608 to provide *inter alia* that—

(a) no person (as defined by 18 U.S.C. Section 591(g) to mean an "individual, partnership, committee, association, corporation or any other organization or group of persons") shall contribute to any candidate with respect to any election for any federal office more than $1,000;

(b) no individual shall make contributions aggregating more than $25,000 in any calendar year (contributions in a calendar year being defined to mean any contribution made with respect to a given election whether or not made during the actual year of such election); and

(c) no political committee as defined by 18 U.S.C. Section 608(b) as amended by the FECA Amendments to mean an organization registered as such under Section 303 of the FECA for a period of not less than 6 months which has received contributions from more than 50 persons and (except for State party organizations) has contributed to 5 or more candidates for federal office (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for federal office in excess of $5,000.

24. Section 101(b) of the FECA Amendments, 88 Stat. 1266, amends 18 U.S.C. Section 608(a)(1) to provide that no candidate shall make expenditures from his personal funds or those of his immediate family in connection with his campaigns for nomination for election, or for election to federal office in excess of the following aggregate amounts:

(a) $50,000, in the case of a candidate for the office of President or Vice President of the United States;

(b) $35,000, in the case of a candidate for the office of Senator or for the office of Representative from a State which is entitled to only one Representative; and

(c) $25,000, in the case of a candidate for the office of Representative in any other State.

25. Section 120(c) of the FECA Amendments, 88 Stat. 1269, amends 18 U.S.C. Section 591(e) to provide that certain incidental expenses incurred by volunteers in

excess of $500 are a "contribution" within the meaning of Section 101(a).

26. The limitations specified in paragraphs 23, 24 and 25 of this complaint are not to be adjusted according to changes in the Consumer Price Index.

Limits on candidate expenditures

27. Section 101(a) of the FECA Amendments, 88 Stat. 1264, amends 18 U.S.C. Section 608 to provide that:

(a) no candidate shall make expenditures in excess of $10,000,000 in the case of a candidate for nomination to the office of President of the United States, except that the aggregate of expenditures in any one State shall not exceed twice the expenditure limitation applicable in such State to a candidate for nomination for election to the Office of Senator, and except that the Federal Election Commission is empowered to prescribe rules under which expenditures in two or more States shall be allocated for purposes of the expenditure limitation, based on the voting age population in each State which can reasonably be expected to be influenced by such expenditure;

(b) no candidate shall make expenditures in excess of $20,000,000 in the case of a candidate for election to the office of President of the United States;

(c) no candidate shall make expenditures in excess of the greater of 8 cents multiplied by the voting age population of the State or $100,000, whichever is greater, in the case of a campaign for nomination for election by a candidate for the office of United States Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative;

(d) no candidate shall make expenditures in excess of the greater of 12 cents multiplied by the voting age population of the State or $150,000, whichever is greater, in the case of any campaign for election by a candidate for the office of Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative;

(e) no candidate shall make expenditures in excess of $70,000 in the case of any campaign for nomination for election, or for election by a candidate for the office of Representative in any State entitled to more than one Representative;

(f) Section 102(d) of the FECA Amendments, 88 Stat. 1270–1271, amends 18 U.S.C. Section 591(f), relating to expenditures to exclude, *inter alia,* a candidate's fund-raising costs up to 20 percent of the applicable spending limit; and

(g) the limitations enumerated in paragraph 27 subparagraphs (a) through (e) of this complaint shall be adjusted with reference to the Consumer Price Index, by a formula provided in Section 101(a) of the FECA Amendments, 88 Stat. 1265.

28. Section 101(a) of the FECA Amendments, 88 Stat. 1264, amends 18 U.S.C. Section 608 to define an expenditure "made on behalf of a candidate" as one made by

(a) an authorized committee or any other agent of the candidate for the purposes of making any expenditure; or

(b) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure.

Independent expenditure limitations

29. Section 101(a) of the FECA Amendments, 88 Stat. 1265, amends 18 U.S.C. Section 608, to prohibit expenditures by any "person" as defined by 18 U.S.C. Section 591 (g) to mean an "individual, partnership, committee, association, corporation or any other organization or group of persons," independent of and not by or on behalf of a candidate but "relative to a clearly identified candidate" in excess of $1,000. "Clearly identified" is defined to mean (i) the candidate's name appears, (ii) a photograph or drawing of the candidate appears, or (iii) the identity of the candidate is apparent by unambiguous reference.

Expenses of volunteers

30. Section 102(d) of the FECA Amendments, 88 Stat. 1270, amends 18 U.S.C. Section 591 to provide that "expenditure" includes certain incidental expenses incurred by volunters in excess of $500.

Penalties

31. Section 101(a) of the FEC Amendments, 88 Stat. 1266, amends Section 608 of the FECA to provide that any person who violates any provision of that Section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

Presidential nominating conventions

32. Section 406(a) of the FECA Amendments, 88 Stat. 1295, amends Section 9008 of the Internal Revenue Code of 1954 to limit the expenditures of the national committee of a party with respect to a presidential nominating convention to $2,000,000 (adjusted to the Consumer Price Index).

33. Section 406(a) of the FECA Amendments, 88 Stat. 1296, amends Section 9008 of the Internal Revenue Code of 1954 to provide that the Federal Election Commission may authorize the national committee of a party to make expenditures which exceed the limitation enumerated in paragraph 32 of this complaint. Such authorization is to be based on the Commission's determination that "due to extraordinary and unforeseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee."

34. Section 406(b)(3) of the FECA Amendments, 88 Stat. 1296, amends Section 9012 of the Internal Revenue Code of 1954, to provide that any officer or member of a national committee who consents to a violation of the requirements specified in paragraph 32 of this complaint shall be fined not more than $5,000 or imprisoned not more than one year, or both.

Amounts contributed in excess of expenditures

35. Section 210 of the FECA Amendments, 88 Stat. 1289, provides that amounts received by a candidate as contributions which exceed his or her expenditures may be used to defray any ordinary and necessary expenses incurred in connection with his or her duties as holder of a federal office.

Expenditures of political party national committees

36. Section 101(a) of the FECA Amendments, 88 Stat. 1265, amends 18 U.S.C. Section 608 to provide that the national committee of a political party and state committees of a political party may make expenditures in connection with campaigns for federal office subject to certain spending limits. In the case of a national committee, it may spend no more than an amount equal to two cents multiplied by the voting age population of the United States in connection with a general election for President. A national or state committee or a party may spend: (1) up to two cents multiplied by the voting age population of the State or $20,000, whichever is greater, in connection with an election to the office of Senator or of Representative from a State which is entitled to only one Representative; (2) up to $10,000 in connection with an election to the office of Representative in any other State.

Subsidy for Presidential elections

37. Sections 403–409 of the FECA Amendments, 88 Stat. 1291, amend Subtitle H of the Internal Revenue Code of 1954 to provide public financing for elections for the office of President of the United States. Under Section 9002 a candidate with respect to any presidential election is defined as an individual who has been nominated for election to that office by a major party or has qualified to have his name on the election ballot (or to have the names of electors pledged to him on the election ballot) in ten or more States. A major party is defined as one whose candidate in the preceding presidential election received, as the candidate for such party, twenty-five percent or more of the total number of popular votes received by all candidates for such office. A minor party is defined as one whose candidate in the preceding presidential election received, as the candidate of such party, five percent or more but less than twenty-five percent of the total number of popular votes received by all candidates for such office. A new party is defined as one which is neither a major party nor a minor party.

38. Section 9006 of the Internal Revenue Code of 1954, as amended by the FECA Amendments, establishes a "Presidential Election Campaign Fund" composed of amounts designated to the fund by individuals under Section 6096. Section 6096 permits individual and joint taxpayers to designate one or two dollars, as the case may be, of the taxes they owe to the Presidential Election Campaign Fund. If, at the time of a certification from the Federal Election Commission for payment to eligible candidates, such amounts are not or may not be sufficient to satisfy the full entitlements of the eligible candidates of all political parties, a pro rata distribution is called for, in accord with a priority for different kinds of expenses as established by the FECA.

39. Under Section 9004 of the Internal Revenue Code of 1954, as amended by Section 404(a) of the FECA Amendments, 88 Stat. 1291, candidates for major parties are entitled to equal payments, up to the statutory expenditure limit of $20,000,000, as adjusted by reference to the Consumer Price Index. Candidates of minor parties are entitled to payments equal to an amount which bears the same ratio to the amount allowed major party candidates as the number of popular votes received by the minor party's presidential candidate in preceding presidential election election bears to the average number of popular votes received by major party candidates for President in the preceding presidential election. A candidate who in the previous presidential election received between five and twenty-five percent of the popular vote is to receive an amount computed in the same manner as that of a minor party (less whatever his or her party receives). After the election, a candidate of a minor party who receives more than five percent of the popular vote is entitled to an amount similarly computed if that exceeds the amount computed on the basis of the previous election. A candidate of a new party who receives more than five percent of the popular vote is entitled after the election to an amount computed on the basis of the same ratio.

40. Under Section 9008 of the Internal Revenue Code of 1954, as amended by Section 406(a) of the FECA Amendments, 88 Stat, 1294, major parties are entitled to payments up to $2,000,000 to defray expenses of nominating conventions (to be paid before any of the payments specified in paragraph 39 of this complaint. Minor parties are entitled to an amount to support their nominating conventions computed on the ratio described in paragraph 39 of this complaint upon a determination by the Commission that "due to extraordinary and unforeseen circumstances, such expenditures are necessary to assure the effective operation" of the convention.

41. Under Sections 9033 and 9034, as amended by Section 408(c) of the FECA Amendments, 88 Stat. 1297, a candidate for nomination for election to the office of President of the United States may reecive from the Presidential Election Campaign Fund

funds to pay expenses incurred in connection with his or her campaign for nomination if he or she has received contributions in excess of $5,000 from residents of at least twenty States (the excess over $250 from any one individual not to be counted), the funds provided to be in an amount matching such contributions (the excess over $250 from any one individual not to be matched). Such payments are to be made only if sufficient funds are available for the payments specified in paragraphs 39 and 40 of this complaint.

Federal election commission

42. Section 208(a) of the FECA Amendments, 88 Stat. 1280, amends the FECA, 2 U.S.C. Section 437c, by providing for the establishment of a Federal Election Commission. Said Commission is to be composed of six members, two appointed by the President pro tempore of the Senate on the recommendations of the majority and minority leaders of the Senate, two by the Speaker of the House of Representatives on the recommendations of the majority and minority leaders of the House, and two by the President. All must be confirmed by a majority of both Houses.

43. The Commission has broad powers, Section 208(a) of the FECA Amendments, 88 Stat. 1282, 2 U.S.C. Section 437d. It may, *inter alia:* (a) investigate with the aid of compulsory process; (b) exercise primary jurisdiction with respect to civil enforcement of the FECA, as amended, by bringing actions (including proceedings for injunction) in federal district courts; (c) refer violations to the Attorney General; (d) formulate general policy with respect to the administration of the FECA, the FECA Amendments, and certain provisions of Title 18 of the United States Code; (e) render advisory opinions; and (f) make rules necessary to carrying out the FECA and the FECA Amendments.

44. Section 209(b)(1) of the FECA Amendments, 88 Stat. 1287, amends Section 316(a) of the FECA to empower the Commission to make rules and regulations under the provisions of the FECA and FECA Amendments relating to reporting and disclosure. Any proposed rule or regulation dealing with required reports or statements by a candidate for the office of Senator and by political committees supporting such candidate shall be transmitted to the Senate. If the Senate does not disapprove such a proposed rule or regulation within 30 legislative days, the Commission may prescribe it. Any proposed rule or regulation dealing with required reports or statements by a candidate for the office of Representative and by political committees supporting such candidate shall be transmitted to the House. If the House does not disapprove such proposed rule or regulation within 30 legislative days, the Commission may prescribe it. If a proposed rule relates to required reports or statements by a candidate for the office of President of the United States, and by political committees supporting such candidate, it shall be transmitted to both the House and the Senate. Both the Senate and the House may disapprove any such proposed rule or regulation within 30 legislative days.

45. Section 302 of the FECA Amendments, 88 Stat. 1290, amends the FECA, 2 U.S.C. Section 456, to provide that if the Commission finds that a candidate for a federal office failed to file a report required by the FECA or the FECA Amendments, such person shall be disqualified from becoming a candidate in any future election for federal office until one year after the expiration of the term for which such person was a candidate.

Miscellaneous Definitions

46. The FECA and FECA Amendments define in Section 301(d) a political committee as "any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000."

47. Section 301(e) of the FECA and Section 591(e) of Title 18 U.S.C., as amended, define a contribution as a gift, subscription, loan, advance, or deposit of money or anything of value made for the purpose of influencing the nomination for election of any person to federal office or for influencing the results of a primary to select delegates to a national nominating convention or influencing the result of an election held for the expression of a preference for the nomination of persons for election to the office of the President of the United States. News stories, commentaries and editorials are not excepted from these definitions.

48. Section 301(f) of the FECA and Section 591(f) of Title 18 U.S.C. define expenditures to mean a purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing the nomination for election of any person to federal office or for influencing the results of a primary to select delegates to a national nominating convention or influencing the results of an election held for the expression of a preference for the nomination of persons for election to the office of the President of the United States. News stories, commentaries and editorials are excepted from these definitions.

Reporting and disclosure

49. Under Section 302(b) of the FECA, as amended by Section 202(a) of the FECA Amendments, 88 Stat. 1275, committees must keep detailed records identifying any person who contributes $10 or more. Under Section 304(a) of the FECA, as amended by Section 204(a) of the FECA Amendments, 88 Stat. 1277, political committees receiving contributions or making expenditures on behalf of a candidate must file reports with said candidate's principal campaign committee which comply in all respects with the reports required to be filed with the Federal Election Commission by the principal campaign committee. A principal campaign committee must, under Section 304(b) of the FECA, report the full name, mailing address, and occupation of each person who has made one or more contributions to or for said committee in an aggregate amount in excess of $100, together with the amount and date of said contributions.

50. Section 204(c) of the FECA Amendments, 88 Stat. 1277, amends Section 304 of the FECA to provide that a member of Congress need not report as contributions received or expenditures made the value of services furnished by the Senate or House recording studios, or by an individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives, and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Congressional Committees. The section does not apply to recording services furnished during the calendar year before the year in which the member's term expires.

51. Section 204(c) of the FECA Amendments, 88 Stat. 1278, provides that every person who makes contributions or expenditures other than by contributions to a political committee or candidate in an aggregate amount in excess of $100 shall file with the Commission a report containing the information described in paragraph 49 of this complaint.

52. Section 208(a) of the FECA Amendments, 88 Stat. 1279, amends the FECA as follows:

"Sec. 308. Any person (other than an individual who expends any funds or commits any act directed to the public for the purpose of influencing the outcome of an election, or who publishes or broadcasts to the public any material referring to a candidate (by name, description, or other reference)) advocating the election or defeat of such candidate, setting forth the candidate's position on any public issue, his voting record, or other official acts (in the case of a candidate who holds or has held Federal office), or otherwise designed to influence individuals to cast their votes for or against such candidate or to withhold their votes from such candidate shall file reports with the Commission as if such person were a political committee. The reports filed by such person shall set forth the source of the funds used in carrying out any activity described in the preceding sentence in the same detail as if the funds were contributions within the meaning of section 301(e), and payments of such funds in the same detail as if they were expenditures within the meaning of section 301(f)."

53. Section 208 of the FECA Amendments, 88 Stat. 1284, amends the FECA to provide that the Federal Election Commission may institute civil actions for relief, including injunctions, if there is reason to believe that a person has engaged, or may engage, in acts or practices which violate the Act. The Commission may also request the Attorney General to bring civil actions for relief, including injunctions, against violations of the Act.

Penalties

54. Title 2 U.S.C. Section 441 provides that any person who violates the registration, reporting and disclosure provisions specified in paragraphs 49, 50, 51, or 52 of this complaint shall be fined not more than $1,000 or imprisoned not more than one year, or both.

CAUSES OF ACTION

55. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they restrict and inhibit political activity by limiting the solicitation, receipt or making of contributions on behalf of political candidates, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

56. The FECA and the FECA Amendments violate the rights of one or more of the plaintiffs in that they restrict and inhibit political activity by presenting candidates or their immediate family from expending personal funds where available and necessary, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

57. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they restrict and inhibit political activity by limiting the incidental expenses which volunteers working on behalf of political candidates may incur, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

58. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they limit expenditures by a candidate for federal office, and thereby restrict and inhibit the candidate's ability to communicate his ideas and positions, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

59. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they are designed to have, and have, the effect of favoring most incumbent officeholders and thereby disadvantaging most challengers, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution. Incumbents have, at the gov-

ernment's expense, permanent offices, the frank, expense allowances, an established staff, access to Congressional television recording services, and a variety of office supplies and expenses, none of which constitute expenditures within the FECA and the FECA Amendments when used by them for all but blatantly political purposes. Challengers can employ such valuable resources only by making expenditures which the Act limits to an amount far below the value of what is available to incumbents by virtue of their office alone. This disparity is in addition to the political advantages which naturally inhere in incumbency, such as ability to make news and wider name recognition.

60. The FECA Amendments deprive one or more plaintiffs of their constitutional rights in that they allow incumbent officeholders and successful candidates to employ surplus campaign funds to defray the expenses of their offices, thus discriminating invidiously against candidates challenging incumbents and against unsuccessful candidates for federal office, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

61. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they discriminate against third parties, minor parties, and independent candidates which rely heavily on large contributions, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

62. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they discriminate against third parties, minor parties, and independent candidacies which have not previously demonstrated their ability to capture a large percentage of the popular vote or which run candidates on a "balance of power" or "spoiler" strategy hoping to influence the policies of the major parties, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

63. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they limit the expenditures of national committees of a political party in the case of campaigns for federal office in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

64. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they discriminate against political parties lacking a national committee, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

65. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they discriminate against political parties sponsoring a candidate for President in only one State, in violation of their rights of freedom of speech and association guaranteed by the First Amendment to the Constitution and the Due Process Clause of the Fifth Amendment to the Constitution.

66. The FECA Amendments deprive one or more of the plaintiffs of their rights in that the method of appointment of the Federal Election Commission violates the constitutional separation of powers and discriminates invidiously against them in violation of the Due Process Clauses of the Fifth Amendment to the Constitution.

67. The FECA Amendments deprive one or more of the plaintiffs of their right to a hearing before an impartial tribunal by entrusting administration and enforcement of the FECA, as amended, to the Federal Election Commission, in violation of the constitutional separation of powers, Article III, and the Due Process Clause of the Fifth Amendment to the Constitution.

68. The FECA Amendments deprive one or more of the plaintiffs of their rights in that the Federal Election Commission is empowered to make rules under the FECA in violation of the constitutional separation of powers and the Due Process Clause of the Fifth Amendment to the Constitution.

69. The FECA Amendments deprive one or more of the plaintiffs of their rights in that the Federal Election Commission has power to disqualify a person from becoming a candidate for election to federal office in violation of the First, Fifth, and Sixth Amendments to the Constitution.

70. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they provide, through auditing procedures, for the Federal Election Commission to inspect lists and records required to be kept by political committees of individuals who contribute more than $10, in violation of their rights of freedom of speech and association and privacy guaranteed by the First, Fourth, and Ninth Amendments to the Constitution and of their right to due process of the Fifth Amendment to the Constitution.

71. The FECA Amendments and the FECA violate the rights of one or more of the plaintiffs in that they require political committees to register and disclose the names of those of their contributors who contribute in excess of $100, in violation of their rights of freedom of speech, association and privacy guaranteed by the First, Fourth, and Ninth Amendments to the Constitution and of their right to due process of the Fifth Amendment to the Constitution.

72. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they discriminate invidiously against them by not requiring the same disclosure from incumbent officeholders of all resources available to such incumbents, such as the value of services furnished by the Senate or House recording studios or the services of certain individuals on their staffs, in violation of the right to due process of the Fifth Amendment to the Constitution.

73. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they provide that every person contributing or expending more than $100 other than by contribution to a political committee or candidate (including volunteers with incidental expenses in excess of $600) must make disclosure to the Federal Election Commission, in violation of the rights of freedom of speech, association and privacy of the First, Fourth, and Ninth Amendments to the Constitution and of their right to due process of the Fifth Amendment to the Constitution.

74. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they require any person who expends funds or commits any act for the purpose of influencing the outcome of an election or who publishes or broadcasts to the public any material advocating the election or defeat of a candidate, setting forth a candidate's position on any public issue, his voting record or any official acts to file reports with the Commission as if such person were a political committee, in violation of the rights of freedom of speech, association and privacy of the First, Fourth, and Ninth Amendments to the Constitution.

75. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they provide criminal penalties for violation of the disclosure provisions of the statutes, in violation of the rights of freedom of speech, association and privacy of the First, Fourth, and Ninth Amendments to the Constitution.

76. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they restrain and inhibit individual political activity by limiting to $1,000 the independent (not on behalf of a candidate) expenditures of any person relative to an identified candidate, in violation of the rights of freedom of speech and association of the First Amendment to the Constitution.

77. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they exclude from the definition of "political committee" committees registered for less than the period of time prescribed in the statute, thus invidiously discriminating against such committees by prohibiting them from partcipating in the political process for a six-month period, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

78. The FECA and the FECA Amendments provide that the government may bring criminal prosecutions against anyone who violates or is about to violate Section 608 of the FECA and Section 9008 of the Internal Revenue Code of 1954. The risk of criminal prosecution deters and restrains one or more of the plaintiffs and in certain instances constitutes a prior restraint of their exercise of their rights of freedom of speech and of association in violation of the First Amendment to the Constitution and deprives one or more of the plaintiffs of due process of law in violation of the Due Process Clause of the Fifth Amendment to the Constitution.

79. The FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954 deprive one or more of the plaintiffs of their constitutional rights in that federal tax money is thereby used to support political movements and organizations, in violation of the restrictions imposed on the federal taxing and spending power by the First Amendment to the Constitution.

80. The FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954 deprive one or more of the plantiffs of their constitutional rights in that federal tax money is thereby used to support only certain political parties in violation of the restrictions imposed on the federal taxing and spending power by the First Amendment to the Constitution.

81. The FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954 deprive one or more of the plantiffs of their constitutional rights in that federal taxpayers are permitted to designate neither their preference for parties nor for candidates, in violation of the rights of freedom of speech and association guaranteed by the First Amendment to the Constitution.

82. The FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954 violate the constitutional rights of one or more of the plantiffs in that they establish officially supported political parties and discriminate against third parties, minor parties and independent candidates, against parties sponsoring a candidate for President in less than ten States, against candidates with substantial support in less than twenty States, against parties who have neither nominating conventions nor primaries, and against independent candidates not nominated by conventions or primaries. These provisions violate the rights of freedom of speech and association of the First Amendment to the Constitution and the right to due process of law of the Fifth Amendment to the Constitution.

83. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they empower the Federal Election Commission and the Attorney General to bring civil actions, including proceedings for injunctions against any person who has engaged or who may engage in acts or practices which violate the Act. The risk of being subject to civil injunction proceedings deters and restrains one or more of the plaintiffs and in certain instances constitutes a prior restraint of the exercise of their rights of freedom of speech and association of the First and Fifth Amendments to the Constitution.

84. The FECA and the FECA Amendments violate the constitutional rights of one or more of the plaintiffs in that they limit the freedom of the press by exempting news stories, commentaries, and editorials from the statutory definitions of "expenditure" but not from the statutory definitions of "contribution," thus subjecting those press functions to regulation, in violation of the rights of a free press guaranteed by the First Amendment to the Constitution.

85. Titles I, II, III, and IV of the FECA Amendments deprive one or more of the plaintiffs of the rights of freedom of speech and association and of due process of law under the First and Fifth Amendments to the Constitution because they are excessively vague and overbroad.

86. Titles I, II, III, and IV deprive one or more of the plaintiffs of their retained rights under the Ninth Amendment to the Constitution.

87. The FECA, the FECA Amendments, and Subtitles H deprive one or more of the plaintiffs of their rights in that these statutes will diminish the financial and other political support received by them from adherents and supporters, all in violations of the constitutional provision enumerated in paragraphs 55–86 of this complaint.

88. Unless application of the FECA, the FECA Amendments, and Subtitle H of the Internal Revenue Code of 1954 against the plaintiffs is enjoined by this Court, plaintiffs will suffer irreparable injury and will be unable to exercise their constitutional rights to participate effectively in the political process, to communicate their views on issues of public policy, to support candidates for federal office, and to compete without discrimination in the electoral process.

PRAYER FOR RELIEF

Wherefore, plaintiffs pray that the Court make application for the convening of a three-judge district court and that said three-judge court hear this action, and upon such hearing to:

1. Order, adjudge, decree and declare that the FECA, the FECA Amendments, and Subtitle H are repugnant to the Constitution of the United States, and that said statutes violate plaintiffs' rights under the Constitution of the United States; and further

2. Permanently enjoin and restrain defendants, their agents and assistants from the use, operations, enforcement, execution and application of the FECA, the FECA Amendments, and Subtitle H in any and all respects in which the same may be found to be repugnant to the Constitution of the United States; and further

3. Grant such order and further relief as to the Court may seem just and proper, together with the costs and disbursements of this action.

Plaintiffs further pray, pursuant to Section 315(a) of the FECA, 88 Stat. 1285, 2 U.S.C. Section 437h, that this Court immediately certify, to the United States Court of Appeals for the District of Columbia Circuit all questions of constitutionality raised herein.

Dated: February 7, 1975.

Brice McAdoo Clagett,
John R. Bolton,
Ralph K. Winter, Jr.,
Attorneys for the Plaintiffs.

CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of February, 1975, copies of the foregoing First Amended Complaint for Declaratory and Injunctive Relief were served by hand delivery to defendants' counsel in this action at the addresses listed below:

Carla A. Hills, Assistant Attorney General.

David J. Anderson, Dennis G. Linder, Attorneys, Department of Justice, 10th and Constitution Avenue, N.W., Washington, D.C. 20530.

Earl J. Silbert, United States Attorney, United States Court House, Constitution Avenue and John Marshall Place, N.W., Washington, D.C. 20001.

Brice McAdoo Clagett,
Attorney for Plaintiffs.

IN COMMEMORATION OF LITHUANIAN INDEPENDENCE DAY

Mr. WILLIAMS. Mr. President, as the American people prepare to celebrate the bicentennial anniversary of America's Declaration of Independence, we should bear in mind that the blessings of freedom are not precious to us alone. For 57 years ago, the brave people of Lithuania realized a dream they had long held. After 123 years of Soviet and German occupation, a free and independent Lithuania was declared on February 16, 1918, and Lithuania began to enjoy a rebirth of achievement and liberty, only to see it dissolve a brief 20 years later.

We join today with Americans of Lithuanian descent and their kinsmen throughout the world in commemorating Lithuanian Independence Day and in reaffirming our faith that Lithuania will be free once again.

The Lithuanians have a long and remarkable history. They have experienced the joys of democracy, the pain of war, and the bitterness of foreign domination. In 1253, Mindaugus was crowned king of a united Lithuania, which had existed since 1009 as a country of independent principalities. For over 700 years Lithuania developed and grew. Her people prospered. As one scholar has written.

> They blessed their subjects with more human freedoms than in neighboring countries. They encouraged education and toleration, and they played their part in the general development of European civilization.

But in 1795, Lithuania's long period of freedom came to an end as Imperial Russia took control. The Lithuanians refused to accept their condition peaceably. Within 40 years the Lithuanians had revolted three times in an attempt to regain their freedom. They failed. The Czarist Government then tried to stamp out the culture and even the language of Lithuania. Following another revolt in 1863, the policy of repression intensified. But an idea cannot be destroyed by the destruction of those who hold it, and the Lithuanians persisted until forced attempts to eliminate their culture were abandoned as an active social policy in 1905.

Lithuania became a battleground in World War I as Russian and German armies advanced and retreated over the little country. With Germany's defeat and Russia's revolution, hopes for independence brightened. In 1917, the Germans, who had occupied Lithuania since 1915, authorized a Congress of over 200 delegates. In their gathering, the delegates proposed a free and independent Lithuania, and elected a 20-member council. It was this council that on February 16, 1918, proclaimed a free Lithuanian state.

But freedom did not come with its simple declaration. The entrance of the Red Army on the heels of the German evacuation in 1919 led to the formation of a short-lived Communist government. A Polish Army then drove out the Russians, and on July 20, 1920, Russia recognized an independent Lithuania. The Russians pledged to renounce, "All sovereign rights possessed by Russia over the Lithuanian people and territory." The declaration of independence had become a reality.

Throughout the 1920's and 1930's the Lithuanian people enjoyed the freedom they had long awaited. Their constitution guaranteed freedom of speech, assembly, religion, and communication. Lithuania had a representative government, and became a respected member of the League of Nations. Literature flourished and education proceeded at a fast pace.

With the aggressions of Hitler and Stalin, long foreign occupation began again. On August 3, 1940, Lithuania became a constituent republic of the U.S.S.R. The Soviets deported to Siberia 30,000 members of the Lithuanian intelligentsia on the night of June 14, 1941. As Nazi armies marched east against Stalin, the Soviets executed 5,000 political prisoners in their hasty retreat.

The German occupation of the little country brought another attempt to destroy the culture of the Lithuanians as the Germans pursued a policy of colonization and resettlement. The entire Jewish population, save a few, was annihilated as part of Hitler's final solution.

In 1945, while Western Europe emerged from the grip of Nazi rule, Lithuania and its Baltic neighbors merely exchanged one cruel master for another. The Iron Curtain fell across Eastern Europe as the Soviet Union created puppet governments in its satellite states. The Baltic States of Latvia, Estonia, and Lithuania were incorporated into the Soviet Union, to make their domination complete. Since that time, the precious freedoms that were such a strong part of the national tradition disappeared from Lithuania. Through armed and passive resistance they have shown the world that they still value liberty, that they will not submit any more now than they did in 1795.

The American people have not remained aloof. We have reaffirmed again and again our commitment to the right to self-determination of the Lithuanians and all captive people. We have never recognized Soviet rule over the Lithuanians. In 1940, in our denunciation of the Soviet takeover, we put forth what has become known as the "Freedom Charter of the Baltic States." In 1959, and 1966, and again in 1967, we formally restated our pledge to stand by the Lithuanian people.

So on this 57th anniversary of Lithuanian independence, it is my great honor to join the 1 million Americans of Lithuanian descent, as well as Lithuanians all over the world, in commemorating Lithuanian Independence Day.

COMMEMORATING THE INDEPENDENCE OF LITHUANIA AND ESTONIA

Mr. ROTH. Mr. President, this month Americans of Lithuanian and Estonian descent are commemorating the 57th anniversary of the declarations of independence of Lithuania and Estonia. The third Baltic nation—Latvia—commemorates its independence in November.

It is tragic that these anniversaries cannot be openly remembered in the Baltic countries for they have lost their independence and are now a part of the Union of Soviet Socialist Republics.

The brave people of Estonia, Lithuania, and Latvia, however, maintain their strong desire for freedom. I have seen no more eloquent testimony to this than a passage I ran across in Aleksandr Solzhenitsyn's book, the "Gulag Archipelago." During his first imprisonment, Solzhenitsyn met an Estonian patriot named Susi. He writes of Susi's love for his country and his dedication to the principles of democracy and the Estonian constitution.

I ask unanimous consent that this passage be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> And now fate brought me together with Susi. He breathed a completely different sort of air. And he would tell me passionately about his own interests, and these were Estonia and democracy. And although I had never expected to become interested in Estonia, much less bourgeois democracy, I nevertheless kept listening and listening to his loving stories of twenty free years in that modest, work-loving, small nation of big men whose ways were slow and set. I listened to the principles of the Estonian constitution, which had been borrowed from the best of European experience, and to how their hundred-member, one-house parliament had worked. And, though the *why* of it wasn't clear, I began to like it all and store it all away in my experience. I listened willingly to their fatal history: the tiny Estonian anvil had, from way, way back, been caught between two hammers, the Teutons and the Slavs. Blows showered on it from East and West in turn; there was no end to it, and there still isn't. And there was the well-known (totally unknown) story of how we Russians wanted to take them over in one fell swoop in 1918, but they refused to yield. And how, later on, Yudenich spoke contemptuously of their Finnish heritage, and we ourselves christened them "White Guard Bandits." Then the Estonian gymnasium students enrolled as volunteers. We struck at Estonia again in 1940, and again in 1941, and again in 1944.

LITHUANIAN INDEPENDENCE DAY, 1975

Mr. PASTORE. Mr. President, I would like to take a moment to pay tribute to Lithuania and her brave people. February 16 marked the 57th anniversary of the independence of Lithuania. On February 16, 1918, the courageous and proud people of Lithuania, oppressed for centuries by foreign invaders, established a republic based on the principles of democracy and respect for the individual.

It is important, Mr. President, to keep in mind just how far back the roots of this love of freedom, this spirit of independence, this national pride extend. Indeed, it has been the depth of those roots, the length of these great traditions, which have made the Lithuanian democratic spirit, her love of freedom, so indestructible.

The first independent Lithuanian state was established more than six centuries ago and her peace-loving, energetic, and hard-working people built a flourishing kingdom on the Baltic Sea.

But because Lithuania occupied so crucial a geographic position between eastern and western Europe, she was invaded and devastated frequently by the greedy powers that surrounded her. Eventually she fell victim in the brutal game of international power politics being played by the great powers of Europe in the 18th century and she was forcibly annexed by Russia.

Despite this disaster, the flames of Lithuanian independence were never dimmed, not even by the most brutal attempts of the czars to eradicate every last vestige of Lithuanian national life, culture, and customs.

The great people of Lithuania, throughout their travail, survived their oppressors and when Czarist Russia collapsed during the First World War, they once again proclaimed their independence.

Independence, freedom, democracy, and liberty are sacred concepts to the Lithuanians and they quickly demonstrated what the free and independent Republic of Lithuania was capable of. The little Baltic Republic made astounding progress in every way. She became a model republic. The Lithuanian economy flourished and her future looked bright.

Then she was crushed between the massive military machines of Nazi Germany and the Soviet Union during World War II. The spirit of her courageous people has not been crushed however. The independence of nations can be destroyed but not a cultural heritage or the legacy of ideas that are a part of it. We draw inspiration and hope from the unquenchable courage of the people of Lithuania. We pay homage, not only to those people who suffer Soviet oppression in Lithuania, but also to those Americans of Lithuanian heritage who have sacrificed so much for the cause of liberty in their native land.

In full sincerity and homage, I express to all Lithuanians and Lithuanian Americans my hopes and prayers that Lithuania will once again become a free and independent republic.

LITHUANIAN INDEPENDENCE

Mr. BEALL. Mr. President, on Sunday, February 16, Americans of Lithuanian descent celebrated the 57th anniversary of the Declaration of Independence of Lithuania and the 724th anniversary of the Lithuania State.

Unfortunately, Lithuania enjoyed her short-lived independence for only 22 years. In 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States into the Soviet Union.

As we move toward an atmosphere of détente with the Soviet Union, I believe it is important that we not forget the freedom-loving peoples of Lithuania and other captive nations. Although they are repressed by the iron hand of a foreign power, their hopes for liberty remain undaunted. Their example is one which should be studied and remembered by all who value freedom.

AN FCC DEATH SENTENCE

Mr. PROXMIRE. Mr. President, columnist James J. Kilpatrick, writing in the Washington Star-News on Monday, analyzed succinctly and accurately the power of the Federal Communications Commission as viewed against the background of the first amendment.

Kilpatrick wrote about the recent action of the FCC in denying renewal of licenses for five radio stations, all owned by Star Stations, Inc. Star Stations, operating broadcasting stations in Indiana, Nebraska, and the State of Washington, has no connection with the Washington Star-News.

Mr. President, I ask unanimous consent that Mr. Kilpatrick's column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN FCC DEATH SENTENCE

(By James J. Kilpatrick)

The Federal Communications Commission entered an order a couple of weeks ago denying license renewals to five radio stations under the common ownership of Star Stations, Inc. Whether just or unjust, the order dramatically revives old questions of the status of broadcasting under the First Amendment.

The FCC's decree is aimed directly at Don Burden, board chairman and president of the parent corporation that has operated WIFE and WIFE-FM in Indianapolis, KOIL and KOIL–FM in Omaha, and KISN–AM in Vancouver. Last month's order wipes him out.

Commissioner Robert E. Lee, dissenting, called it a "death sentence." To deny Burden his license renewals struck Lee as "an unprecedented example of an overdose of justice." In Lee's view, "We are effectively bankrupting the licensee and probably denying him a livelihood in his field of expertise."

A majority of the commission, disagreeing with Lee, found a pattern of "serious misconduct" in the operation of the Star stations, and held that Burden "was intimately involved in and had knowledge of the misconduct."

The charges of greatest concern, in terms of the First Amendment issue, had to do with Burden's activities in support of the political campaigns of Vance Hartke in Indiana in 1964 and Mark Hatfield in Oregon in 1966.

The commission found, as to Indiana, that Burden was "privy to a scheme by which WIFE furnished favorable publicity and free advertising for the Hartke campaign. As part of the scheme, the station's news staff was directed to provide favorable news coverage for the candidate during regular news broadcasts." Following the campaign, said the FCC majority, Burden made false representations to the commission about his knowledge of these allegations.

The Commission further found, as to Oregon, that in 1966 Burden instructed KISN's staff "to use regular newscasts to favor Mark Hatfield over his opponent."

The publicity that Burden's station gave Hatfield was broadcast "not as an exercise of news judgment, but as a deception of the public and to further his private interests." This was an attempt "to use broadcast facilities to subvert the political process," and such misconduct could not be ignored or condoned.

One effect of the FCC's order is to emphasize the night-and-day difference between the print media and the broadcast media in terms of "freedom of the press."

In theory, the broadcasters have the same First Amendment freedom enjoyed by the press, in fact, the broadcasters' freedom is as nebulous as the air on which they rely.

Suppose a newspaper publisher had done what Burden was charged with doing. Suppose a publisher had directed his editors deliberately to favor one candidate over another in the news columns.

Sad to say, it has been known to happen. Such corruption of the news is a terrible disservice to the press as a whole. It is wrong, unethical, contemptible—pick your adjective. But it is not unlawful. No federal commission can shut down a newspaper. No publisher has to make representations under oath to any agency of government. If it ever were seriously proposed to license newspapers, the proposal would be shouted down as intolerable.

Yet we tolerate the judgments of the FCC. Radio frequencies and TV channels must be allocated by some agency, it is reasonably argued, or we would have chaos on the air, Congress has charged the FCC, by law, with making these allocations.

The Constitution says that Congress shall make no law abridging freedom of the press. This takes us back to square one. Broadcasters may believe that as part of the press, they have First Amendment rights. What the Burden case says is simply this: They have them not.

Mr. PROXMIRE. Mr. President, the columnist's basic point—that broadcasters may believe they have first amendment rights, but actually do not—is true.

I have made many speeches on this floor on that point. Now I would like to go beyond what Kilpatrick wrote.

If, after appeals, Star Stations does lose its licenses, what does that mean for the stockholders?

It means that Star Stations is left in a position of seeing its physical assets being reduced to a small fraction of their value as operating stations.

This case is unsettled. It is not proper for me to comment further on it directly. But it has value as a real-world example of the power of the FCC when it comes to first amendment rights.

Therefore, I shall confine my remarks to the general situation, avoiding particulars.

Broadcast licenses are not a commodity. Wisely, it is forbidden to traffic in licenses. Licenses are granted to be used. They are not to be obtained for the purpose of obtaining broadcast properties for resale. Speculation is out.

That being true, a broadcaster losing his license is reduced to selling his transmitter and other broadcasting equipment for salvage. His real estate may or may not be worth much, depending on its size, location and other factors. Many times, his studios are specially designed and are not readily adapted to other uses. And often, the site of his tower or towers may be in rural areas. For radio towers, especially, the ground for the towers was selected because of technical aspects. High, dry ground is needed for some types of transmissions; wet ground for others.

In short, the license—even though it may not be sold and may be transferred only with FCC approval—is not a salable item. Yet, if a broadcaster wishes to sell, finds a qualified buyer for his physical assets, and the FCC approves the transfer of his license to the buyer of those assets, a good radio station in a good market will be worth a considerable sum.

When a license renewal is denied by the FCC, there is nothing in the FCC order dealing with the physical assets of the broadcaster put out of business.

The former broadcaster has technical equipment he may not use. It can sell it, if it can find a buyer, but the buyer may not use it intact.

It is like selling an automobile to a baby in his crib: He may own a car, but there is no way he can use it.

Another licensed broadcaster buying the equipment, might be able to use it as parts. But that is about all.

Say a newspaper publisher goes out of business. Say his plant is obsolete. Say it is nearly worthless. Yet, he may be able to sell his circulation list and the name of the paper for quite a bit of money—probably many times more than his plant is worth. Good will, an intangible, may be valuable, too. There is, of course, no license involved.

The broadcaster, deprived of a license, is in no anologous situation.

He has no audience to sell. His call letters are not his to sell. He has no good will in the business sense of that term.

In most instances, when a would-be broadcaster applies for an existing license, he has no intention of buying the existing physical assets of the broadcaster he wishes to displace. He has already hired a consultant and engineer to design a new station; he has lined up financing; he probably has an option of real estate for studios and tower. He is after a license—the cost of which is legal fees.

I am told that a broadcaster with five radio stations in the same markets as Star might be paid $10 million to $15 million for his assets in a deal involving the transfer of licenses.

Without successful transfer of the licenses, his physical assets might be worth $500,000.

That is a practical measure of the control government, through the FCC, has over the first amendment freedoms of broadcasters.

The Government's sword hangs over the heads of all broadcasters.

Because it falls from time to time, all broadcasters—not just those who taste the sword—are intimidated.

We could not condone that for newspaper publishers because of our oaths to uphold the Constitution. Yet—somehow—we condone that for broadcasters.

The question is then: Is broadcasting protected by the first amendment?

If it is, then we in the Congress cannot permit the current situation to continue. The Communications Act of 1934 must be amended.

I maintain that over the years, Congress and the other branches of Government have permitted the first amendment to the Constitution to be changed without formal action.

George Washington in his Farewell Address read Monday in both the Senate and the House warned of changing our Constitution by any method other than amendment. He said:

> . . . let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Certainly, wanting all viewpoints heard on controversial issues is a good. And that is what the fairness doctrine contemplates. Yet, when the Government attempts to enforce a good with the threat of depriving a natural news disseminator of the rights of a free press, can that be anything in the long run but an evil?

Speaking of the need for a free government, Washington said in his Farewell Address:

> Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?
>
> Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

Of course Washington knew nothing of radio and television. But he did know of the necessity of knowledge in forming public opinion.

It is enlightenment for Government to recognize that broadcasting should be a part of the free press. It is not now a part.

Broadcasting cannot do the job of imparting knowledge of public affairs, needed by all citizens, unless its bonds are cut by the Government that tied them.

I have introduced legislation, S. 2, the First Amendment Clarification Act of 1975, to do just that.

Next September 17 will be the 180th anniversary of Washington's Farewell Address. Next July 4 will be the 200th anniversary of the signing of the Declaration of Independence.

It is not too soon to reexamine the first amendment and its guarantee of a free press.

Technology aside, there is no basic difference between type and radio waves. They both serve the same purpose—imparting information for citizens to sift and judge as a necessary preliminary to exercising their franchise.

If a broadcaster does a bad job of imparting knowledge he will go out of business, just as a newspaper that does a bad job will go out of business. Free competition in the marketplace of ideas will supply controls.

But if a broadcaster can be forced out of business by Government, the freedom of the marketplace of ideas is in jeopardy.

A COMMENDATION FOR THE SERGEANT AT ARMS

Mr. PELL. Mr. President, I rise to bring to the attention of my Senate colleagues and to commend the exemplary conduct of our Sergeant at Arms, William H. Wannall, in carrying out his responsibilities regarding the securing and the transportation to the Senate of the New Hampshire ballots.

Mr. Wannall left here on Sunday morning, February 9, at 7:30 a.m. and arrived in New Hampshire at 7 p.m. that evening in a blinding snowstorm. The next morning at 5 a.m. he and James Duffy, majority counsel, and Judge James Schoener, minority counsel of the Subcommittee on Privileges and Elections, proceeded to the New Hampshire Armory and in 26 degree below zero weather, they, along with two Capitol Police sergeants, personally helped load the van hired by GSA to transport the ballots.

Then, Mr. Wannal, accompanied by Sgts. Michael Hupp and Jack Daniels of the Capitol Police, escorted the truck back to Washington, where, I can personally vouch, they completed the unloading of the truck at 3:30 the following morning.

All told, our Sergeant at Arms comported himself in accordance with all the fine traditions of our body, and should be congratulated and thanked by us all.

INCREASE SHOWN IN SUPPORT FOR ISRAEL AMONG AMERICAN PEOPLE

Mr. McGEE. Mr. President, I call the attention of my colleagues to the Harris poll of Monday, February 10, which demonstrated a significant increase in support for Israel among the American people despite the use of oil by Arab nations as a political tool in the Middle East.

The poll refutes the theory that when the chips are down and our citizens face the economic crunch caused by skyrocketing petroleum prices, support for Israel would evaporate overnight. In fact, the poll demonstrates the direct opposite has occurred. The action of the Arab oil producers in using petroleum as political leverage in our policy toward Israel has backfired among the American people. It has served as a catalyst in strengthening the support and determination in this country for the traditional U.S. policy of guaranteeing the security and independence of Israel.

As the Harris survey noted:

> The tactics of the Arab oil-producing nations have been costly in terms of American sympathies in the Middle East dispute. By default, Israel could benefit from the resentment that has grown against Arab petroprofiteers.

Mr. President, I believe the Harris survey only confirms what many of us have already known. The support for Israel in this country is much deeper than the surface support which has been claimed in the past. It also should lay to rest claims on the part of some in this country that the so-called Jewish lobby exercises an influence inordinate to its numbers. Actually, the Jewish lobby represents the views of the vast majority of the American people, as is confirmed by the survey.

I ask unanimous consent that the survey report be printed in the RECORD.

There being no objection, the survey report was ordered to be printed in the RECORD, as follows:

HARRIS SURVEY—PETROPOWERS BLAMED FOR U.S. RECESSION

(By Louis Harris)

Resentment against the oil-producing countries, particularly the Arab nations, has grown to a point where three out of every four Americans blame the petropowers for inflation and the recession. People now view the energy crisis as a problem that is serious enough to cause unemployment and destroy the economy.

The number of Americans who now view the energy crisis as "serious" has risen from 67 to 84 percent since July. Those who believe the shortage is "very serious" have increased from 26 to 44 percent during the same period.

Sympathy for Israel in the Middle East dispute has risen from 39 to 52 percent whose sympathies lie with the Arabs.

The number of people who believe that the U.S. does not have to try to trade an alliance for Arab oil or buckle under to Arab demands has risen significantly since last June. A substantial 68 to 20 percent majority of the American public does not agree that "we need Arab oil for our gasoline here at home, so we had better find ways to get along with the Arabs, even if that means supporting Israel less."

An even larger majority, 76 to 13 percent, agrees that "if we yield to Arab restrictions over oil now, we will soon find the Arabs dictating much of U.S. foreign policy, and that is wrong."

"Those Arabs are trying to put a gun at our heads with their oil," said a businessman in Dubuque, Ia. "We'll never take blackmail like that. It's not the American way."

Still, a better than 2-to-1 majority, 58 to 25 percent, opposes a take-over and internationalization of the Arab oil fields by the oil-consuming nations.

A cross-section of 1,543 households was asked last month:

"Do you feel that [read list] is a major cause of inflation, a minor cause, or hardly a cause of inflation at all?"

	January 1975	September 1974	April 1973
Foreign, oil-producing countries raising prices on crude oil	76	(1)	(1)
Business raising prices	67	74	64
Shortages of gasoline and fuel oil	64	58	(1)
Middlemen price increases	63	65	60
Business profits	61	65	56
Federal spending	60	76	68
High interest rates on borrowing	59	62	(1)
Union wage demands	50	51	57
Defense spending	37	58	49
Welfare and relief payments	39	43	(1)
Spending by the public	31	39	35
Farm prices	22	37	25

[1] Not asked.

In all cases, the number who blame the present economic situation on traditional causes of inflation, such as federal or defense spending, has decreased since last fall, while the number who blame inflation on energy shortages and price hikes by the oil-producing nations has risen.

A similar pattern emerged when the public was asked who is to blame for the present recession. People were asked:

"If you had to say, how much would you blame [read list] for the country being in a recession today—very much, only some, or hardly at all?"

[In percent]

	Very much	Only some	Hardly at all	Not sure
Foreign, oil-producing countries	64	22	8	6
Arab oil producers	63	24	8	5
Lack of leadership in country	58	28	8	6
High interest rates on loans and mortgages	58	29	7	6
Bad economic conditions worldwide	56	31	7	6
Major companies	50	36	8	6
Congress	48	37	8	7
Middlemen in business	40	39	14	7
Labor unions	39	38	16	7
American people	25	41	29	6
Big farmers	22	39	32	7
Ford administration	20	37	34	8

Americans believe that the second greatest reason for the recession besides the foreign oil producers, particularly the Arabs, is the "lack of leadership in the country," altho people blamed Congress more than the Ford administration.

The tactics of the Arab, oil-producing nations have been costly in terms of American sympathies in the Middle East dispute. By default, Israel could benefit from the resentment that has grown against Arab petroprofiteers. People were asked:

"In the dispute between Israel and the Arabs, which side do you sympathize with more—Israel or the Arabs?"

	January Percent '75	*November Percent* '73
Israel	52	39
The Arabs	7	4
Neither *	24	30
Both *	6	16
Not sure	11	11

* Volunteered answer.

JOHN T. DUNLOP—A PRACTICAL, EXPERIENCED EXPERT AT THE DEPARTMENT OF LABOR

Mr. PROXMIRE. Mr. President, the appointment of John T. Dunlop as Secretary of Labor is one of the most welcome events with respect to Cabinet appointments in the last 5 years. This is true for a variety of reasons.

Dr. Dunlop combines an academic knowledge of labor, collective bargaining, and the institutions of free trade unions with practical experience in negotiating and bargaining that is unprecedented in the United States today. What a welcome and refreshing event it is to have a man appointed to a position who really knows his job.

In addition, Dr. Dunlop's appointment brings to the Cabinet and the administration a very knowledgeable economic expert. He is well-trained, pragmatic, and knows what he is talking about. In fact, if I were to state the single most important advice President Ford needs these days, I would say, "Good economic advice." And good economic advice is precisely what he has not been getting with very dire results for both unemployment and inflation.

Hobart Rowen writing in the Washington Post for Sunday, February 16, details many of these points and a great deal of information about Dr. Dunlop's background. Mr. Rowan especially welcomes an expert in a particular field of economics as opposed to the macro, big picture economist who knows something about everything, but very little about anything in particular.

I commend Mr. Rowan's article to the Senate and the public. I welcome this extremely fine appointment, and I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Dunlop's Sense of Pragmatism

(By Hobart Rowen)

By persuading Harvard professor John T. Dunlop to return to Washington as Secretary of Labor and member of the top Economic Policy Board, President Ford has acquired not only a man for whom the unions have a unique respect, but also one of the few economists who foresaw early that there would be a price explosion throughout 1974.

In 25 years of government service on various panels, boards and commissions—most recently as the chairman of the now defunct Cost of Living Council—Dunlop has proved to be one of the few live bureaucrats who know how to wheel and deal with labor leaders in their own language.

The square-jawed, blunt-talking Dunlop played a major role recently in persuading the Labor-Management Committee to back a $20 billion tax cut, including a boost in the investment credit—an aid for business that heretofore has been anathema to union leaders.

He is known to feel that the big problem facing the country today is to get people back to work without touching off a new round of inflation in 1976.

Especially, Dunlop worries about construction, where unemployment rates have soared. He is sure to press President Ford for some emergency action to stimulate better flows of money for the depressed housing industry. That could brush him up against Arthur Burns' well-advertised aversion to allocating credit.

Dunlop can show a better scorecard on wage stabilization than price stabilization results. For example, his cozy brand of secret, behind-the-scenes jockeying with labor and management in the construction industry whittled wage inflation in the building trades about in half from 1971 to 1972.

As director of the Cost of Living Council from January 1973 through April 1974, however, Dunlop had less success in keeping prices under control. But he had a lot of things working against him, notably an administration that wanted to get rid of the whole system.

What Dunlop will bring to the Ford administration at this critical time when recession is gathering force is a sense of pragmatism. In a formal speech to the Society of American Business Writers in San Francisco last May, Dunlop enunciated his broad philosophy this way:

"The government is deeply involved in private decision-making, like it or not, and the government has many counters to play, apart from any mandatory wage and price controls, and our interest groups are ordinarily sufficiently willing to participate to warrant a major effort to develop less inflationary policies for all."

Dunlop believes there is a need for a "central focus" somewhere in the federal government to ride herd on a whole series of so-called "structural" changes in the way that business, government and labor conduct their affairs.

To take one example of a dozen he cited in his San Francisco speech, he thinks ways must be found to bring teen-agers into contact with the labor market. High unemployment in this age group, he said, is a failure of both the labor market and the educational system.

Essentially, Dunlop's approach is that of the micro-economist—one who concentrates on a part or parts of the "big picture" that constitutes macro-economics—and he wants to see more micro-economists in government. These would be experts in oil, coal, fertilizer, medical care, food and so on.

"Since the 1930s," he said in San Francisco, "the preoccupation of the core of economics has been with macro-economic issues and models of the total economy. This area has attracted the best of the younger generation and is the center of attention in the journals and the scholarly writings. . . .

"But this attention to macro-economics has not helped the making of economic policy very much, in my view, or assisted in the concerns over individual sectors (of the economy) . . .

"The result is that, despite a greatly enlarged economics profession, there do not exist many first-rate specialists in micro-economic analysis equal to the challenge before us."

A concentration on macro-economics, Dunlop charges, helps explain why government economists have persistently underestimated the severity of inflation. Thus, last year, he challenged the optimistic assumptions made by former Economic Council chairman Herbert Stein, suggesting that the government had not taken into account how business and labor would respond "to various economic and political pressures or opportunities."

Dunlop says that he and his staff at the old COLC developed a better way of forecasting GNP trends by building "from the bottom up."

Needless to say, Dunlop hasn't made himself too popular with "establishment" economists, mostly "macro" men. They don't ignore micro issues, but are contemptuous of his supposed ability to settle knotty issues in an all-night bull session with the labor boys. "He thinks this country is made up of four or five unions whose presidents he's chummy with," a Brookings Institution economist once snapped.

Dunlop also has been accused of playing footsie with union leaders to underestimate or overestimate the cost of a wage settlement, depending on circumstances, knowing there is no real way for outsiders to check the data. Now that he has new and important responsibility, his penchant for secrecy becomes an even more important public question.

Liberal economists also have insisted that he has an ideological hangup against the use of wage and price controls, but in recent years he has appeared to be neither for nor against, but willing to use them in particular circumstances.

All in all at a time when President Ford needs all the economic brainpower he can get, Dunlop is a good addition to the Cabinet. He'll liven things up.

DESPERATION IN DAIRYLAND

Mr. TALMADGE. Mr. President, our Nation's dairy farmers are in desperate straits. Their costs have gone up sharply; over the past year, the prices they receive have not kept pace.

On Friday, February 7, a number of hard-working dairy producers told the Committee on Agriculture and Forestry some compelling stories about the need for minimum price and income assurances which will allow them to continue producing milk and dairy products for this Nation's consumers.

One of those witnesses was Mr. W. J. Smith, Jr., a splendid dairy farmer from Warner Robins, Ga. I ask unanimous consent that his statement to the committee be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of W. J. Smith, Jr.

Mr. Chairman and members of the Committee, I am W. J. Smith, Jr., of Route 1, Warner Robins, Georgia. I, with my brother-in-law, Kyle Arnold, operate a 630 acre, 180 milking cows dairy farm in partnership, located approximately 20 miles south of Macon, Georgia.

My testimony today shall be limited to some data with respect to production costs on my farm, which I think are typical especially of the Southeast. Based on my experiences, I shall express my views as to future milk production in my state and area. In addition to my own personal experiences and our estimate of the production situation in my area, I shall also express my views as to what to expect in milk production nationwide.

First, let me relate to you some of my production cost increases which will illustrate my situation and the situations of thousands of dairy farmers. In 1974, a 16 percent dairy feed rose in price from $80 per ton in 1973 to $156 per ton. Fertilizer costs have risen from $80 in 1973 to $112 per ton in 1974. We have been promised another increase in fertilizer costs for the 1975 crop year, if available to all. Electric costs and dairy supply costs have risen in equal amounts. In short, every production item is up from 33⅓ to 100 percent. The 1973 costs of producing an acre of corn was approximately $50 as compared to 1974 costs of $100, which doubled silage costs. Corn silage is the principal ingredient of our dairy ration.

Machinery costs have advanced in price at least ⅓ in the last 12 months. Also, let me remind you that dairy farmers also have family living expenses, and that these costs are up 12 to 14 percent within the last year.

Because of the increases in cost of production, which have not been fully offset by price increases, the profit on our farm, as indicated by preliminary figures, will be about half of what it was in 1973.

Let me point out that our farm is above the Georgia average in production levels, and that our herd size is nearly double the average and our production per cow of approximately 13,500 pounds is above the average. I have the opportunity to work with and to talk with many dairy farmers throughout the country many times during the year. Most dairymen tell me that they are not making any money in their dairy business. Many farmers state that they are waiting for a little higher beef price to sell cull cows or to completely get out of the dairy business. In fact, two of my immediate neighbors have sold their herds and quit dairying in the last couple of months.

In summary, production costs have continued to increase and it appears that costs will continue to go up. The energy crisis, coupled with inflation, will certainly be most influential factors on our costs. Unless action is taken on price, dairy farmers will, of necessity, quit producing or reduce cows numbers and feed less feed. Total milk production will surely drop.

Within the past few days, we have seen some slight changes in grain prices, evidently because some international trade agreements have been cancelled or amended. As a result, some people have said that production costs will be substantially reduced. I don't see it this way for two reasons. First, production costs other than feed have increased and will more than offset any slight reduction in feed costs. Second, at this point, we certainly do not know how much feed will be produced in the crop year 1975, nor do we know what the world situation will be.

The midwestern farmers which I have contacted, indicated to me that there will not be significant increased acreage of feed grains for the 1975 crop year because of the uncertainty as to availability of fertilizer, especially nitrogen, and insecticides, herbicides and fuel. The increased production costs and lack of profit will result in lower milk production in the Southeast. Likewise, let me call to your attention that in December, the U.S. production, according to USDA figures, was down slightly from a year ago and four percent below the production figures of December 1972. We believe that production will continue downward until some real relief is found either in reduced production costs or increased prices for milk.

It is my understanding that several different bills have been introduced dealing with the support price of milk. I urge you to act favorably and help enact into law legislation to support the price of milk at 85 percent of parity. I further urge that the support price be reviewed and calculated each calendar quarter. Our need for a quarterly adjustment has been apparent for a number of year. Just last year, the support level that was made effective April 1, 1974, was at the 80 percent level, but as you know, by December 31, 1974, the support level of $6.57 was approximately 73 percent of parity. Therefore, we urge you to take favorable action on the support level and the time and manner of computing the price.

AN ENERGY GROWTH PROGRAM

Mr. HARTKE. Mr. President, on February 11, I spoke to the Evansville Credit Grantors Association in Evansville, Ind. In my speech I responded to the economic and energy proposals included in the President's state of the Union message.

I support the basic thrust, but disagree with the specifics of the President's economic proposals. We need a tax rebate, but the tax cut should be aimed more toward the middle- and lower-income taxpayers than the President's proposal. Also, a general tax cut should be supplemented with measures aimed more specifically at our present economic problems. This is why I have introduced S. 452 and S. 453, bills which would give tax credits to individuals who purchase new cars and houses. This is also why I have joined with Senators SPARKMAN and TOWER in sponsoring S. 655, a bill to prevent people from losing their homes due to mortgage foreclosure during periods of economic dislocation. I also favor increasing the investment tax credit to stimulate new investment and create new jobs, but the increase should be permanent, rather than for 1 year as the President proposes.

While I agree with the basic thrust of the President's economic proposals, I strongly disagree with the thrust of the President's energy proposals. I must say that I also disagree with proposals for rationing. It seems to me that many misunderstand the nature of our energy problem. The fact is there is no shortage of oil. We can have all the oil we want if we are willing to pay for it. There are, however, political and financial problems associated with relying heavily on imported oil. These problems, while not insignificant, are nonetheless manageable in the short run. I advocate tolerating these problems in the short run, rather than further depressing and inflating our economy as the President's energy proposals would do. I also advocate a major new national program to develop alternative energy sources for the future. Such a program would require a massive national commitment, on the order of the space program of the 1960's, but it would offer a positive long-term solution to the energy problem. The program would create jobs and stimulate the economy, and ultimately would offer the most certain solution to the political and financial problems of the current energy crisis.

Mr. President, I ask unanimous consent that my remarks to the Credit Grantors Association be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR VANCE HARTKE BEFORE THE EVANSVILLE CREDIT GRANTORS ASSOCIATION

AN ENERGY GROWTH PROGRAM

The two major economic problems facing the Nation today are recession and energy. The President's proposals for dealing with these problems are now clear, and they are now clearly wrong. The President's proposals not only fail to solve our problems, they make them worse. In the face of double-digit inflation which now is beginning to subside, the President proposes energy policies which will increase inflation by three to four percent. In the absence of the President's energy package most economists are predicting inflation in the range of seven to eight percent next year—historically very high, but a welcome relief after the last two years. But the President would reverse this welcome trend with energy policies which will push the inflation rate next year back up into the eleven and twelve percent range.

What are we purchasing with this historically high inflation? Is this the price we must pay to buy our way out of recession? Hardly! The President has managed to develop a program which many economists would have thought impossible only a few years ago—one which will cause both increasing inflation and increasing unemployment. It can only be characterized as planned stagflation. The administration's own projections show the average unemployment rate for 1975 at eight-point-one (8.1) percent (that is the average for the whole year, mind you) and do not anticipate the unemployment rate dropping below seven-point-five (7.5) percent before 1978. It is already clear that even these frightening estimates will prove to be dangerously conservative. The national unemployment rate in January was eight-point-two (8.2) percent, the highest rate since the great depression. Unemployment increased one percent in only one month. The unemployment rate in Indiana is eight-point-seven (8.7) percent. If we continue along this course, we will soon stop debating whether we are going to have a depression, and we will start debating when the depression began.

These policies are completely unacceptable. Americans will not accept double digit inflation and seven plus percent unemployment for three more years.

Americans will not accept the idea that we cannot avoid such economic tragedy. And Americans will not accept leaders who would lead them further into the depths of economic despair and frustration.

The President's proposal can be divided into two portions: The tax proopsals and the energy proposals. While I have some disagreements with the tax proposals, I agree with the overall philosophy of the program. And well I should. The President's tax measures sound very much like what I have been advocating for the last two years. I agree that we need a tax cut; but I think the tax cut should be aimed more toward the middle and lower income taxpayer than the President's proposal. Under the President's program, a family of four with a five-thousand-dollar annual income would get a tax rebate of merely twelve dollars, only one dollar per month. However, a family with an income eight times higher, at forty-thousand-dollars, would get a rebate nearly eighty times greater, at nine-hundred-fifty five dollars. Similar comparisons are possible at nearly all income levels; the President's proposed tax rebate increases dramatically as a percent of income as income rises, all the way up to nearly fifty-thousand-dollars.

I am all for a tax rebate, but giving a forty-thousand-dollar taxpayer a rebate eighty times bigger than the rebate given to a five-thousand dollar taxpayer, does not exactly fit my concept of tax equity. The kind of proposal recently adopted by a bi-partisan vote of the House Ways and Means Committee is more acceptable than the President's program. But I would like to see a somewhat larger tax cut and one which includes measures aimed more specifically at our present economic problems. For example, I have a bill before the Senate which would allow investment tax credits for individuals. The bill would give tax rebates to individuals who buy a new car of ten percent of the purchase price up to a maximum of five-hundred dollars; and tax rebates to purchasers of new houses of five percent of the price up to a maximum of one-thousand-two-hundred-fifty dollars. These tax rebates should stimulate demand in the auto and housing industries, which are the two most depressed industries. These two industries are "leading" economic sectors, they led us into the recession and they can lead us out of the recession. In fact, the recession will not be truly over until these two industries are again healthy.

I also favor increasing the investment tax credit for business. I opposed suspending the credit in 1969. I proposed reinstituting the credit in 1971, and my bill would have re-established it at the ten percent level. I have advocated increasing the credit for three years, but I favor making the increase permanent, rather than for one year as the President proposes.

These are my primary disagreements with the President's tax proposals and the alternative directions I would prefer. But my most vehement disagreements are with the President's energy proposals. The President's proposals represent a negative, defeatist approach to the energy problem.

Energy is the most basic and fundamental raw material of an industrial economy. In the short run, you cannot cut back on energy use without cutting back on the economy. And you cannot increase the price of energy and petroleum, which is also a raw material for many products from synthetic fibers to paints, without causing a dramatic increase in all prices. But the President wants to do just that; he has chosen an energy policy which causes both further cut-backs in an economy which is already in the depths of a historically long and severe recession, and further inflation in an economy which is just beginning to recover from the worst inflationary period in its history.

I think it is time we correctly assess the energy problem and design positive new programs to solve it. The fact is that there is no energy crisis and there is no shortage of oil. We can have all the energy and all the oil we want if we are just willing to pay for it. This is a fact which everyone seems to have forgotten in the scramble to design new and unique programs to strangle the American economy by drastically cutting our present use of energy.

The present problem is not, in the strictest sense, an energy problem at all; it is a financial problem and a political problem. We can get all the oil we need, but it is expensive and hurts our balance of payments, and the oil is owned by foreign powers not completely in harmony with our own political ideology. The political element of the problem takes its most visible form as a vulnerability to foreign-imposed embargo of oil imports. But you do not solve financial problems by paralyzing your own economy. And you do not avoid the dire consequences of a foreign-imposed oil embargo by adopting policies which amount to a self-imposed oil embargo.

The administration claims that we need an immediate and dramatic reduction in oil imports to decrease the outflow of dollars, and also to put pressure on "OPEC" to reduce oil prices. But, the first justification is unnecessary and the second will be unsuccessful. The outflow of dollars to "OPEC" is not nearly as sizeable as it first appeared. Initial projections first indicated that at present oil price levels, "OPEC" might accumulate as much as six-hundred-fifty billion dollars by 1980. Under more realistic analysis the figures appear to be closer to two-hundred to two-hundred-fifty billion dollars in accumulation by 1985. Furthermore, most observers believe OPEC reserve accumulation will last only a few more years with their current account balance of payments turning into a deficit later in this decade or early in the 1980's. This represents a financial problem but it is not one we cannot handle. The international monetary fund recently concluded "There is no need for the oil consuming nations to tighten their belts. The important thing is that they accept a share of the capital inflow."

This does not mean there is no financial problem associated with large capital outflows to purchase oil. There is a problem, but it is much less serious and more manageable than many have thought. The OPEC countries are not withholding hordes of money and capriciously bouncing it in and out of foreign capital markets. And their accumulation will not go on forever. This situation calls for vigorous measures to develop the means to pay for OPEC oil; it calls for monitoring the disposition of OPEC funds to guard against unexpected financial developments, and it calls for the development of strong supplementary international monetary facilities to meet major financing problems, should they develop. But it does not call for a deliberate attempt to stagnate the American economy by constricting oil imports.

Nor will reducing oil imports force a reduction of OPEC prices. Indeed, the President's policies convey the message to the Arabs that he thinks the price of imported oil ought to be three dollars higher than it already is! Even if our Nation succeeds in reducing oil imports by one million barrels a day this year, that will cause a reduction in OPEC sales of less than four percent. In the last two years OPEC's receipts have quadrupled; a reduction of four percent now is hardly going to convince them to reverse their policy and reduce prices.

Thus, the President has proposed energy policies which are unworkable, unnecessary, and economically destructive. The proposals are also, for the most part, extremely short run. The proposals are designed to constrict the economy, and thus reduce oil imports, this month, this year, and next year, but there is no major new strategy for developing alternative energy sources for five or ten years into the future. There is only a loose collection of small production programs for military oil reserves, storage programs, new research and development, and some small endeavors in the areas of nuclear energy and synthetic fuels.

The President's proposals are unacceptable. They call for too much in the short run and not enough in the long run. They offer near-term stagflation and long term stagnation. And for all this, They do not even solve the problems they are aimed at.

It is time we ask for new answers, search for new solutions, and move the Nation in new directions. We need to accept the challenges that face us and seize them as opportunities for new levels of national achievement and new directions for national purpose, rather than as uncontrollable forces to which we must concede defeat. I say to you, the only way we will be defeated is if we defeat ourselves.

I propose that the United States undertake a major new national program to develop alternative energy sources for the future. I propose a massive commitment of resources, of talent and ingenuity, of manpower, and of national purpose, to a program as large, as well funded, and as high in nation priorities as the space program of the 1960's. The purpose of the program would be to develop energy independence by 1985, not by negative measures designed to scrimp on energy by stagnating the economy, but by positive measures designed to stimulate the economy by creating new energy sources.

The space program is a good model for such an energy independence program. Like the space program, energy independence will require a major national commitment. It must captivate our interest and draw from us the best of our talent and our efforts. If we can devote a decade to putting a man on the Moon, surely we can devote a decade to putting energy in our economy here on Earth.

Like the space program, energy independence will be expensive. It will require many billions of dollars over the next ten years; billions of dollars for research and development, billions of dollars for construction, and billions of dollars for environmental considerations.

Like the space program, energy independence will create jobs, thousands of jobs. Jobs will be created not only in the research, construction, and production directly associated with energy, but also in spin-off industries created by new technological innovation and new economic activity.

But there is one important difference from the space program; energy independence does not require the development of an entirely new technology. To put a man on the Moon required the development of virtually an entirely new science, really several new sciences. Man had to advance from limited knowledge of military rockets to understanding of space flight and navigation, human survival in outer space, and the technological development of entirely new rocket and missile systems.

The program of development of energy independence through synthetic fuels does not start from such a primitive beginning. While further research is necessary to develop fully operational, economical, and ecologically feasible processes, the basic scientific knowledge required is already known. Shale oil is already being produced. Coal gasification and liquefaction is already occurring. In fact, Germany fought much of World War Two using petroleum which was not pumped out of oil wells but was liquified from coal. These things are possible; what's more, they are possible at or below the price we now pay for oil. While the alchemist's dream of changing lead to gold is now possible but produces gold which costs several thousand dollars an ounce, the alchemy of changing shale and coal into petroleum is possible at prices the Arabs have made seem feasible.

I will soon introduce legislation in Congress to begin this national energy program. It will involve a major financial commitment by the Federal Government. The program will require opening up shale oil fields. It will require dramatic increases in coal production. And it will require the construction of industrial capability to produce the synthetic fuels. Under present technology the most efficient size for a coal liquefaction plant is one to produce fifty-thousand barrels of oil per day. Thus, with present technology, twenty new conversion plants would be required to produce one million barrels of oil per day. And one million barrels of oil per day is not enough.

We need the capability to produce two to two and a half million barrels of synthetic oil per day by 1985. This is a difficult goal. It is a goal that requires the best of our efforts and our energies. But it is a goal which is attainable.

It is also a program which can achieve everything the President wants to achieve, and even more. The President's energy program calls for a reduction in oil imports of two-point-one (2.1) million barrels of oil per day by 1985 due to oil taxes and tariffs. A national synthetic fuels program can provide two to two and a half million barrels per day by that time by stimulating the economy rather than stagnating it. The program will require petroleum price supports to guarantee that investment of billions of dollars in synthetic fuel production will bring a reasonable rate of return, and the economics of the operation will not be undermined by oil producer nation price strategy. It will require Government participation in balancing the need for developing vast new energy sources with the need for environmental preservation.

The program also requires the continuation of the elements of our national energy program already in place. It is not a substitute for the development of nuclear energy to its fullest potential. It is not a substitute for continued exploration and development of domestic oil deposits. It is not a substitute for strong national efforts to conserve energy by improving the efficiency of our automobiles and insulating our homes and offices. But it is a substitute for the notion that seems to have captured the country that the only way to conserve energy is to constrict the economy.

I do not believe that. I believe we can solve the energy problem by developing new energy sources for the future. I believe we can solve the energy problem in a positive way rather than a negative way. A major new national program to develop synthetic fuels gives Americans something to be for, rather than something to be against; a new national purpose when we are in search of something to believe in. This is an approach which will stimulate the economy and create jobs and income. It is an approach which uses our most abundant national energy sources: Coal and shale oil, rather than hastening the depletion of our domestic oil reserves.

And, ultimately, it is a program which offers a more assured solution to high prices and embargo threats from the oil producing countries. Surely the best way to defeat such policies is not self-imposed economic stagnation, but rather proving to the world that we have the foresight, the capability, and the dedication to truly develop energy independence in a positive manner that contributes to our economic well-being.

PRESIDENT FORD'S REMARKS CONCERNING NONPARTISANSHIP IN FOREIGN POLICY

Mr. SPARKMAN. Mr. President, I wish to comment briefly on the remarks of President Ford last week concerning nonpartisanship in foreign policy.

There was an implication in this speech—which I hope was not intended—that whenever the Congress agrees with the President, it is being statesmanlike in the tradition of Senator Vandenberg and that whenever it disagrees, it is dragging foreign policy into the arena of partisan politics.

The President said:

> I do appeal for an open-minded spirit of enlightened national concern to transcend any partisan or internal party politics that now threaten to bring our successful foreign policy to a standstill.

And—

> I refuse to believe that we have passed the point of no return in discarding our tradition of non-partisanship in foreign policy.

I endorse both of those statements. But what the President overlooks is that what is missing from American foreign policy is not the nonpartisanship of Senator Vandenberg, but the broad consensus which Senator Vandenberg represented. Even in Senator Vandenberg's time, there was lively and prolonged debate over the issue of sending additional troops to Europe. If there are now those in the Senate who believe the time has come, after more than 20 years, to bring some of those troops home, that scarcely makes them political partisans.

Both parties are themselves divided over the issues of foreign policy which divide the American people. Probably the low point in executive-congressional relations in this field was reached at a time when there was a Democratic President and a Democratic Congress. What could be more nonpartisan?

Hopefully, as the Vietnam war recedes into history, we can forge again something resembling the great national consensus of which Senator Vandenberg was a part in the late 1940's and early 1950's.

I shall certainly cooperate in this endeavor to the best of my ability, but it will be always on the basis of supporting the President when I think he is right and opposing him when I think he is wrong. That is the kind of independence which the Constitution meant for the Senate to have. And partisan politics has nothing to do with it.

IS THE NATIONAL RESEARCH AND DEVELOPMENT BUDGET OUT OF BALANCE?

Mr. PROXMIRE. Mr. President, the total national research and development budget for fiscal year 1976 is $21.6 billion, up 15 percent over last year.

Of this $21.6 billion, however, about 50 percent or $10.6 billion goes for defense. This $10.6 billion is an increase of 20 percent over last year. Therefore, the defense department research and development budget has a significant impact on that more general figure of 15 percent growth in the Federal R. & D. budget.

It is striking to note that the only other major program with a growth rate comparable to the defense department is that of the energy research and development administration—ERDA. ERDA has a 20.5-percent increase which shows the dramatic effort the United States is making in the energy field.

This raises an interesting question that American scientists may want to consider. If we are increasing the ERDA budget by a little over 20 percent in recognition of the crash program underway there, what justifies the 20-percent increase in the defense research and development budget?

The Environmental Protection Agency R. & D. budget is only up 4.5 percent. The National Aeronautics and Space Administration is up 6 percent. Transportation, Agriculture, and Health, Education, and Welfare are up 9 percent. And defense is up 20 percent. That says something about national priorities.

I am sure that there are many areas of the defense R. & D. budget that require full funding. But I am just as certain that the 20-percent increase in unnecessary if it approaches the crash budget the Congress and the executive department authorizes for energy research. There is room for pruning in that defense R. & D. budget.

Mr. President, I ask unanimous consent that a table representing departmental research and development budgets proposed for fiscal year 1976 and the change from the current fiscal year be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEPARTMENTAL RESEARCH AND DEVELOPMENT BUDGETS PROPOSED FOR FISCAL 1976

(Beginning July 1)

	Amount (millions)	Change from current fiscal year (percent)
Defense	10, 608	+20.0
National Aeronautics and Space Administration	3, 526	+6.0
Energy Research and Development Administration [1]	2, 346	+20.5
Health, Education, and Welfare	2, 285	+9.0
National Science Foundation	680	+10.0
Agriculture	468	+9.0
Transportation	402	+9.0
Interior	315	+11.5
Environmental Protection Agency	300	+4.5
Commerce	230	+10.0
Veterans Administration	102	0
Nuclear Regulatory Commission [1]	96	+63.0
Housing and Urban Development	65	+12.0
Justice	45	−33.0
All other	134	−.5
Total	21, 602	+15.0
Total conduct of research	8, 256	+9.4
Total conduct of development	13, 346	+19.0

[1] Created during fiscal 1975.

LITHUANIAN ANNIVERSARY

Mr. HARTKE. Mr. President, Lithuanian American citizens thoughout the United States are celebrating the 57th anniversary of the Declaration of Independence of Lithuania as well as the 724th anniversary of Lithuanian nationhood.

These people have every right to be proud of their heritage. One remembers at this time the struggle of Lithuanians all over the world against alien domination and exploitation. They have contributed a great deal to mankinds struggle for freedom.

Mr. President, I ask unanimous consent that the text of a statement from the American Lithuanian Club of Beverly Shores, Ind., in honor of Lithuanians everywhere be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AN INVISIBLE NATION—A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian orgin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of nonrecognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Détente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

SENATE COMMITTEE SYSTEM

Mr. MOSS. Mr. President, the current series of articles in the Washington Post alleges that Senate committees are barely accountable to their parent body, let alone to the American public. To determine how much committees spend and where and how they spend it required months of investigation and sophisticated computer analysis. The results are bound to further undermine public confidence in the Congress.

Expenditures and hiring are only two of many aspects of the Senate committee system requiring thorough examination and reform. In a letter of January 24, 1975, to the majority leader, I cited the proliferation of subcommittees with overlapping jurisdiction, great disparities in legislative workload among committees, and gaps in oversight of executive agencies. These conditions have frustrated the ability of the Senate to develop sound national policies in energy and other fields.

Mr. President, I urge the Senate to support the resolution, shortly to be introduced by Senator Stevenson and Senator Brock, in which I have joined, to create a select committee on committees to investigate and report during this Congress.

Without objection, I ask unanimous consent that my letter to the majority leader be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Washington, *D.C., January 24, 1975.*

Hon. Mike Mansfield,
Russell Senate Office Building,
Washington, D.C.

Dear Mike: Last fall the House of Representatives reorganized its committee structure and revised their procedures to strengthen its ability to deal with the nation's problems. This process, difficult as it was, was an important step in restoring public confidence in the Congress. Yet it has been nearly thirty years since the Senate accomplished a similar reform. The nation is increasingly conscious of our neglect.

Since World War II we have experienced an enormous expansion of Federal activity in education, health, environmental and consumer protection, housing and urban problems, and other areas. In a sense the Senate has more than grown with the times. Each new issue has been an excuse to create new jurisdictions and fragment responsibility. An obvious example is the energy field. As a member of the ad hoc committee on coordinating energy legislation, Senator Inouye last year pointed out that fifteen of the eighteen standing Senate committees have jurisdiction over various aspects of the energy problem. Twenty-six subcommittees held hearings or mark-up sessions on energy legislation in the first session of the 93rd Congress alone. This dispersal of responsibility prevented the Senate from developing a national energy policy and encouraged competition for authority over the new energy agencies.

One suggestion, in the Senate as in the House, was to create a new standing committee on energy or energy and environment, but Senator Inouye emphasized that such alternatives could only be addressed in the context of overall Senate committee reorganization. He said, "The concerns of the House—overlapping jurisdictions, lack of proper liaison and exchange of information, and the need for intercommittee coordination—go beyond the area of energy policy to Senate organization in general."

The controversy over the intelligence activities of the F.B.I. and the C.I.A. has prompted and revived proposals for new subcommittees, select committees, and joint committees. The issue here is not how we proceed to investigate the immediate allegations but how we meet the need for Congressional oversight of these and other agencies in the long run.

Many of our colleagues have cited several other problems of committee organization and procedure. While some committees are overburdened with legislation, others are underworked and atrophy. We should reduce the number of hearings and scheduling should be coordinated. Difficulties concerning the referral of legislation should be reviewed. The possibility of rotating members among committees should be examined.

The study of the Senate committee system and reporting of recommendations should have adequate staff. We need a cross-section of Senate opinion on reorganization, and there should be representation of several committees. I urge you to recommend that a select committee on committees be established to investigate and report during this Congress. Its purpose would not be to stifle the diversity of views and initiatives that now exists nor should it cast the institution in stone for another generation. We should not try to create a system capable of meeting *all* contingencies. But a select committee could define our problems and recommend solutions to them.

Sincerely,

Frank E. Moss,
U.S. Senator.

KENNEDY CENTER AFRICAN ROOM

Mr. HARTKE. Mr. President, the Kennedy Center is a national monument to President John F. Kennedy. Within it are testimonials from many parts of the world—chandeliers, sculptures, tapestries, paintings—donations from the people of foreign countries who held our former President in highest esteem. Most of these gifts are from Western Europe, but President Kennedy had a very deep interest in Africa and the Trustees of the Center felt it important that examples of the fine culture of the countries of Africa should also have a prominent place there. They have, therefore, set aside a large room on the box tier of the opera house, to be constructed and decorated with African textiles and other works of African art. The Ambassadors from the countries of Africa have insisted that this room be built with funds donated not by Americans but by the African countries themselves—a direct personal tribute to the memory of President Kennedy from the people of Africa.

Through the donations already received from a few of these countries, the work of constructing this African room has commenced. Many countries have not yet contributed but the Trustees of the Center have confidence that the remaining countries will join those who have made it possible to begin the work, and thus enable it to be completed so that the 3,500,000 people throughout the United States who every year pass through the Center may have the possibility of seeing a room devoted to the culture of Africa, as today they see the Israeli room, the Irish Waterford room, and all the many gifts from the countries of the West.

Mr. President, as these countries of Africa, some of which have become rich from their sources of oil, minerals, and natural resources, others poor, suffering from drought and struggling in the early stages of development, as these countries all join together in this spontaneous outpouring of affection and admiration for our former great President, let us here in Congress salute them and the African room of the Kennedy Center which they are building, and let us look forward to the day when this great room can be completed with the help of all African countries, dedicated in a fitting ceremony, and stand as a permanent cultural symbol of the great African Continent whose people we are at last beginning to appreciate played such an important part in the building of our own country.

ROSTOW'S REFLECTIONS ON OUR NUCLEAR STAKES IN SOUTHEAST ASIA

Mr. McGEE. Mr. President, in last Sunday's edition of the Washington Star-News, there appeared a column written by former national security adviser to President Johnson, Walt W. Rostow.

As the Congress proceeds to consider the President's supplemental request of $522 million for South Vietnam and Cambodia, I think Mr. Rostow's reflections are quite appropriate coming as they do at this time.

In essence, the points raised in the Rostow piece demonstrate that contrary to many in the Congress, support for Indochina, or a lack of it, should not be considered in rather simplistic terms. Indochina remains a complicated combination of complex factors—all of which must be weighed if we are to consider this request intelligently.

I would urge my colleagues to consider what Mr. Rostow has to say. Indochina is not as simple a proposition as many would lead us to believe.

I ask unanimous consent the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Nuclear Stakes in Southeast Asia

(By Walt W. Rostow)

From all accounts, a majority in the Congress appears seized of the idea that we should limit our military assistance to Cambodia and South Vietnam in the face of the military offensives they confront, despite the judgment of the executive branch that this may well lead to Communist victory in the area.

Those supporting this limitation are in the position of arguing that it would be better for the people of Southeast Asia to have peace than war, even if peace brings Communist control. They also say that the American people have had enough of Southeast Asia, and a majority of our citizens supports a cut-off of aid to the area.

It is understandable after all that has transpired over the last 30 years that the American political process should generate moods like these; but, as George Kennan wrote in another context: "History does not forgive us our national mistakes because they are explicable in terms of our domestic politics." What if the destruction of independent non-Communist states in Southeast Asia should irreversibly lead no to "peace" but to greater instability and conflict in the world than we already know?

Specifically, members of Congress ought to consider these four points before casting their votes.

Whatever moral judgments or domestic political imperatives may move individual members of Congress, the United States will appear to the rest of the world to have knifed in the back an embattled ally. And we will have done so after that ally had successfully held his own over the more than five years since American troop withdrawals began, accepting increased casualties, despite an American-negotiated truce settlement that has not been honored by Hanoi and on whose enforcement Washington has not insisted once our prisoners were home.

A part of that settlement was the understanding that we would supply the South Vietnamese with arms to match those mounted against them. There is no North Vietnamese weapon that does not come from its allies in Moscow and Peking. It is inevitable that an American cut-off of military supplies to Southeast Asia shakes our alliance in every part of the world. Our allies may differ in the weight they attach to events in Southeast Asia; but they are all vitally affected by the record of American reliability in honoring its treaty commitments and other promises

A loss of confidence in American reliability could lead to further nuclear proliferation. A good many countries have moved close to the threshhold of nuclear weapons production. One barrier that has thus far prevented their taking this fateful step is the greater advantage of explicit or implicit security ties with the United States than the development of independent nuclear capabilities can provide. An American foreign policy dominated by moods of a Congress prepared to alter unilaterally treaty relations as well as agreements made by the executive branch, is not likely to commend itself as the foundation for national security to a number of important nations in a world they perceive as still potentially dangerous. By several routes, nuclear proliferation increases the chances of nuclear war.

In Southeast Asia itself, the action of Congress may well lead to a larger war rather than to peace. That action will signal to other powers a definitive American abandonment of interest in Southeast Asia and set off a scramble for power to fill the vacuum.

The situation in the region differs in a number of ways from that in 1965. Thailand and Indonesia, for example, are stronger now and perhaps some of the other states as well. On the other hand, the long line of the Mekong still renders Thailand vulnerable to a Communist conquest of Indochina; and the fate of Burma runs with that of Thailand, as both parties have long recognized. Since independence, the Indian foreign policy has systematically regarded the independence of Burma (and Malayasia, too) as a direct vital interest. Thus, a congressional cut-off of military aid could set in motion a confrontation between India and China, as well as a Chinese-Russian confrontation. Both confrontations now carry the potentiality of nuclear war.

Finally, the resources of Southeast Asia, until recently a factor of negligible interest, have increased in importance to Japan and Western Europe as well as to the United States; that is, the oil of Indonesia and the potential deposits of the South China Sea. In a world enmeshed in a long-term energy crisis, the sea routes which Indochina dominates assume increased importance.

This is not the first time in our history that the Congress has exercised intimate control over foreign policy. The first time it happened, in the 1780s, it yielded such dangers to the republic that the nation reluctantly accepted the Constitution under which we have lived successfully for almost 190 years. The last time it happened, between 1918 and 1940, the policy of the United States contributed substantially to the coming of the Second World War.

The voices now dominant in the Congress, echoing their isolationist predecessors, are once again seeking to impose their vision of how the world ought to be as opposed to the way the world really is. Those who know better are mainly silent; cowed by the media, tired from a long enervating struggle, unwilling to say what they believe after the bruising battles of the past generation. But history is without pity—even for the United States. To quote Kennan again: "A nation which excuses its own failures by the sacred untouchableness of its own habits can excuse itself into complete disaster."

And this time the disaster could be nuclear war.

LITHUANIAN INDEPENDENCE DAY

Mr. RIBICOFF. Mr. President, February 16 marked the 57th anniversary of Lithuanian Independence Day. This day holds a special place in the hearts of all people who cherish human freedom because it reminds us of the struggle for freedom that has dominated Lithuanian history in our lifetimes.

The U.S. Government has maintained a policy of nonrecognition of the forcible incorporation of Lithuania and its neighboring Baltic States into the Soviet Union. This policy demonstrates our strong support for the Lithuanian people's just aspirations for freedom and independence. For despite having their sovereignty denied them, the Lithuanian people remain courageous and remind the world that they still long for the liberty that all people deserve.

It has taken gallant individuals like Alexander Solzhenitsyn to call our attention to the repressive nature of the Soviet society under which the Lithuanians are made to live. The Senate has responded to these dismaying accounts with legislation aimed at granting new freedoms to persons subjected to these conditions. It is my hope that the Senate will continue to support such measures which express the overwhelming sentiment of the American people toward these people. It is through such actions that the finest tradition of American humanitarian concern and love for individual freedom can be conveyed.

Perhaps as we approach our Bicentennial and recall the experience of gaining our own freedom and independence, we can sympathize with the plight of these people. They are a people deprived of the right of self-government in a free and open society—the very cornerstone upon which our own Nation was founded.

The Lithuanian people enjoyed an all-too-brief period of national self-determination as the Republic of Lithuania. This was cut short by the Soviet aggression. Let us hope that as we celebrate the 200th anniversary of our independence, the Lithuanians can gain their freedom again and continue to celebrate it without interruption.

STRIP MINING—THE WRINGING OF THE WEST

Mr. McGEE. Mr. President, I read with interest an article in yesterday's Washington Post by Helena Huntington Smith, a journalist well acquainted with Wyoming's coal-laden Powder River Basin. The story conveys the ever-mounting feelings and opinions regarding a matter well known to this Senate—strip mining.

As we once again begin the arduous task of developing a Federal strip mine bill, let us not forget that strip mining cannot be put on an island unto itself. Without controls, its effects on people and communities are frightening.

In addition to the information presented in the article—entitled "The Wringing of the West"—I submit we must look beyond the actual mining of coal in the Dakotas, Montana, and my State of Wyoming.

The President's proposals for strip mine legislation are not only near-sighted with regard to environmental dangers, but are also void of consideration for people. Outside the strip mine proposals, the administration is proposing recisions in appropriations for housing and hospitals, just to name a few. Thus, in more than one way, the President has failed to envision the societal impact of mining in launching a reckless course toward rapid coal development.

In effect, society would be stripped.

The people would be stripped of their say, stripped of the additional services they should be provided in these strip mine areas, and not to mention, stripped of their land.

The article I asked be placed in the Record reports on Colstrip, Mont., and other areas including many in my State.

I urge that we can act in a quick manner as to prevent the renaming of the Dakotas, Montana, and Wyoming: North and South Strip, Monstrip and Wyostrip.

"The Wringing of the West" points to industrial attitudes which say impact is the people's problem. I say strip mining control and preventive medicine against the illnesses caused by impact are the Government's problems.

I hope the article will leave a wringing in the ears of all concerned.

I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

THE WRINGING OF THE WEST

(By Helena Huntington Smith)

"Montana does not intend to become a boiler room for the nation," says Lt. Gov. Bill Christiansen. This is his answer to plans announced by Interior Secretary Rogers C. B. Morton which would turn the eastern part of the state into a giant industrial complex. A great many Montanans agree with Christiansen, and the battle is on.

The strip mine control bill which was passed by the last Congress and vetoed by President Ford took several steps in the right direction; but this degree of control—reclamation requirements, even protecting the rights of the surface owner—barely scratches the surface of the problem. It will not ease the threat to the water supply imposed by massive coal development on states that have very little water; it will not relieve the industrial pollution caused by generating plants pouring their poisonous fumes into the air, nor their equally dreaded population impact. It will not help towns like Colstrip.

Forty miles south of the Yellowstone at Forsyth, Colstrip in 1972 was still just a friendly little western town of 200 people. (It took the name from a small, old Northern Pacific stripping and conversion operation.) Today two 350-megawatt generating plants are nearly completed; the influx of workers has raised the population to 3,000; the parade of thundering trucks on the narrow two-lane blacktop shoulders local cars off the road, and long-time local ranchers feel like strangers.

But Colstrip hasn't seen anything yet. In September, 1973, several large utility companies unveiled a plan to build two additional generating plants of 700 megawatts each—twice the size of the present ones; plus two EHV (Extra High Voltage) transmisson lines cutting a swath across the state and shedding their often dangerous leakage on the ground to tie in with the Pacific Northwest electrical grid.

The announcement was made at a gala meeting, attended by state and federal officials, at the late Chet Huntley's Big Sky resort. J. H. Wright, director of the Westinghouse Environmental Systems Department, which had acted as consultant on the plans, picked up the tab and answered questions. A major concern of the people living in such threatened areas is the effect of the sudden population influx on water supply, roads and, above all, schools. What will happen, they ask, when a huge new financial burden is dumped on the fragile economy of these still-small towns?

The Westinghouse man told Colstrip it would need schools to accommodate 1,700 pupils by 1975. The questioner demurred that on that basis, the school district would be short some $800,000 because of its limited bonding capacity. The speaker replied suavely: "That's your problem, gentlemen." And again: "That is beyond the scope of our study. We cannot plan the whole world."

Today, after 17 months of the bitter debate, the showdown on Colstrip Nos. 3 and 4 is almost here; between Gov. Thomas L. Judge and other Montana officials and a powerful sector of public opinion on one side; and on the other a consortium made up of four giant West Coast utilities and the Montana Power Company, backed by the federal government. The state's Board of Natural Resources, an independent body, must start hearings on the question in a matter of weeks. Its answer will help to decide the big issue: Whether the Western coal-bearing states can escape the boiler room fate.

HOW MUCH COAL?

Montana, Wyoming and North and South Dakota, the four states known as the Northern Plains, are, or used to be, happy states, blessed with a small population and fond of their way of life. But now they are frightened about what is going to happen to them. For the first three sit on top of the vast Fort Union formation of strippable coal, largest in the United States.

How much coal is there? The guesses vary so crazily as to prove that no one knows. A Montana official estimates 42 billion tons underlying his state, while a South Dakota source gives 100 billion for the whole region. But the House Interior Committee last spring accepted a modest estimate of 32 billion tons for all strippable coal underlying the Western states, plus another 25 billion underlying Indian lands.

The information gap has been narrowed in the past year by the publication of two major studies. One, by a panel of the National Academy of Sciences, is called "Rehabilitation Potential of Western Coal Lands." The second was written by James Cannon for the Council on Economic Priorities, a New York-based public interest foundation. Entitled "Leased and Lost," it is, among many other things, a highly critical study of the giveaway leasing policies practiced by the Interior Department.

Ousted energy chief John C. Sawhill is one of many who have called for putting the brakes on demand to ease the energy crisis, but in the Western coal regions government policy is geared to all-out exploitation with all possible speed. This is not from motives of pure patriotism as the public has been led to believe. It is also because the companies fear that the rise of Eastern competition may endanger their profits.

In May, 1971, a partner in the Norsworthy and Reger consortium, owner of Westmoreland Resources, told a state official: "We are concerned with . . . establishing Montana as a coal-mining state, and in a hurry. Research is going on daily on how to lower the sulphur content of . . . Eastern coals . . . We feel that we have a limited number of years in which to develop the marketability of Montana coal." A year and a half later the president of Montana Power expressed the same thought: "If we don't act now the fellows who need the power in the East and Midwest won't wait. They'll be turning to other alternatives."

Until recently a 30-to-35-year period has been assumed to cover the boom-bust cycle of strip mining, which would bring the total depletion of the West to the year 2010. But there are signs this is being accelerated. The report of an Interior Department Coal Extraction Task Force, which surfaced last August, proposed a 15-foot speed-up in Western strip mining by 1985; and an alternate recommendation—not ruled out—called for a 23-fold increase by 1996, when it was anticipated that the coal reserves of the entire West would be exhausted. Lt. Gov. Christiansen, in a gloomy interview, feared that the plan could "break the back of Montana," and lead to "the massive destruction of the West."

NOT ENOUGH WATER

In the thick of all the power-boosting schemes is the regional arm of the Bureau of Reclamation—known as BuRec for short—and especially the regional planning engineer, Phil Q. Gibbs. In October, 1971, under the guiding hand of Gibbs, 35 public and private power suppliers in 14 states unveiled the North Central Power Study. This was two and a half years before "Project Independence" was heard of, so the justification of "national need" was lacking, and profit was the name of the game. The study called for 42 power plant complexes in five Western estates, headed by Montana with 21; then 15 in Wyoming and four in North Dakota. They would produce a gargantuan 10,000 megawatts apiece, compared to the modest 700 apiece for Colstrip Nos. 3 and 4. They would be producing 50,000 megawatts annually by 1980 and 200,000 by the year 2000, and would be cooled by upwards of 2.6 million acre-feet of water from the Yellowstone and its tributaries.

But the planners had overplayed their hand, and the Power Study backfired. Nearly the whole state of Montana was boiling mad. The legislature was alerted and started passing tough laws, a habit which it has kept up: and citizens' groups sprang into action like Committees of Correspondence during the American Revolution. One of them was the Northern Plains Resource Council, an organization of angry ranchers and young environmentalists, who have shown marked efficiency at giving the power companies a hard time.

A year after its launching, the Power Study was piously interred by pronouncement of its co-author, Gibbs. Actually it was very much alive. While its authors were playing possum for policy's sake, they were going right ahead, and the study is quietly accepted as a goal of "Project Independence."

Although the power advocates don't seem to have waked up to it, they may yet stub their toe on the great, central, inescapable fact of life in the Western states, the scarcity of water. "Far West's Shortage of Water May Block Energy Schemes," the Wall Street Journal headlined on Dec. 16. And the battle lines are forming for a showdown between agriculture and the coal interests over the issue.

The Yellowstone River has a normal annual flow of 8 to 9 million acre-feet at Miles City. (An acre-foot is the amount of water it takes to cover one acre to a depth of one foot.) But every four years or so the flow goes down to 2.6 million acre-feet, or just enough for agricultural use, and one year in 10 it may go as low as 1.2 million. If the predicted 50,000-megawatt capacity is reached in the Northern Plains by 1985 it will create a demand for a million acre-feet to cool the plants; and a call for 2 million acre-feet is projected for coal development in the five-state Upper Missouri Basin by 1990. The total water supply in the area averages 3 million acre-feet. And meanwhile the population influx brought in by the zooming labor demands brings growing needs for water. It is somehow frightening. "Whom the gods would destroy, they first make mad. . . ."

In the midst of it all the National Academy of Sciences has sounded a note of sanity: "Although we conclude that enough water is available for mining and rehabilitation at most sites, not enough water exists for large scale conversion of coal to other energy forms (e.g., gasification or steam electric power.)" And S. David Freeman, who directed the Ford Foundation's Energy Policy Project which commissioned the Academy report, was quoted as saying that it "raises a warning flag over industry's plan to transform the Rockies and the Great Plains into the nation's power house."

They were whistling down the wind.

The companies have their own answer to "not enough water." It is, very simply, to grab it all, and the devil take the hindmost, meaning the food producers. They have so far been successful.

The energy crisis has cast a retrospective glow of sanctity over the stampede for coal development in the West, now in its eighth year. But it was not until Oct. 18, 1973, that OPEC—the Organization of Petroleum Exporting Countries—declared its embargo of oil shipments to the United States in protest against this country's support of Israel.

The real story goes back to 1967, which was so long ago that Stewart Udall was Secretary of the Interior, and nobody had even thought of an energy shortage. It was so long ago that nobody but a few smart insiders had ever heard of coal in the West, while as for the West itself, every right-thinking Easterner knew that there was no such place—wasn't it all just a figment of John Wayne's imagination?

So the right-thinking East, including Congress and the press, was looking the other way when a coalition of energy companies and government forces put their heads together and engineered one of the neatest little ripoffs in modern memory. Known as the Industrial Water Marketing Program, it was set up under the Bureau of Reclamation to sell rights to the water in the Yellowstone River system and the water stored in the Boysen and Yellowtail reservoirs, by allowing the companies to purchase 10-year options for the water at the giveaway option price of 50 cents per acre-foot per year. It is said to have been a high-level decision. At any rate, its astounding import was that it enabled the energy companies, with the aid of the United States government, to corner the water supply.

Some of the water was contracted for irrigation, but this fact was ignored in the sale of options under the federal plan. It proceeded on the quiet, until local users woke up to find that their water rights were being sold out from under them. Meanwhile, all the water was not only committed but overcommitted; i.e., all the rivers and reservoirs were sold dry; and this opened the way to another of BuRec's grand designs, the Montana-Wyoming Aqueduct Study, published in the spring of 1972.

Authored by the ubiquitous Phil Q. Gibbs, it called for a system of 48 dams and reservoirs connected by 300 miles of pipeline. One of the dams proposed was the Allenspur unit south of Livingston, Mont., which would drown the scenic valley of the upper Yellowstone as far as the edge of the national park.

Meanwhile, irrigation, already raided by the option buyers, was being subjected to a clampdown by federal agencies.

"Irrigation is the bottom of the totem pole," a Bureau of Reclamation spokesman in Washington admits. Conspicuous at the top is industrial (coal-related) use. Indeed, hardly anything else is left. The National

Academy of Sciences report notes a turning point: "Until recently, it has been tacitly assumed that the unappropriated water in the coal region would be used for some combination of irrigation, wildlife management, and municipal and industrial purposes including perhaps, lumber mills, paper and pulp plants, mineral or other processing plants, and assembly plants.

"In 1972–73 the use of this water became, as far as government reports are concerned, more importantly directed toward energy conversion, cooling of steam plants . . . and other aspects of coal development.

"Such a sharp reversal in government policy," the report adds drily, "came about with little or no public awareness."

LOSING THE LAND

In September, 1973, the Water Work Group (headed by Gibbs) of the Northern Great Plains Resource Program—a multi-agency task force set up by the Interior Department to study all aspects of coal development in the area—blew the whistle on irrigation in the following terms: "The policy of the national administration is not encouraging with respect to federal funding for additional irrigation development. . . . The outlook at this time for further irrigation development in the area is poor."

This was tantamount to giving the whole food-raising potential of the Northern Plains the kiss-off. It is still the official policy. The question is how far Congress and the public will acquiesce, once its implications are understood. For the history of collusion between the power interests and government forces raises questions that can scarcely be ignored.

There may be some recourse in the courts. The Sierra Club recently won a round in the U.S. Court of Appeals in Washington, opposing strip mine activity in the vicinity of Gilette, Wyo. And a group of ranchers and environmentalists has filed suit in the U.S. District Court in Billings, Mont., to outlaw the Industrial Water Marketing Program. They charge unlawful appropriation of water from the Boysen and Yellowtail reservoirs for the benefit of private industry, in violation of the Flood Control Act of 1944 and the Reclamation Act of 1902, and contrary to the purposes for which the reservoirs were authorized: irrigation, hydroelectric power, flood control and silt control. They also claim rights to irrigation water from the Yellowstone River system, in accordance with state and federal law. With this suit pending the book on Northern Plains water is not yet closed.

Meanwhile, Sen. James Abourezk of South Dakota, outstanding defender of his region's interests, has requested Chairman Henry M. Jackson to hold Senate Interior Committee hearings on the whole subject of water utilization in the Upper Missouri Basin, in view of the conflict between energy and food needs.

In order to justify their program and win public support, the energy interests have resorted to a time-honored tactic. "But the land isn't good for anything," the coal companies pretend. "Can't even run sheep on most of it." "They ought to've given it back to the Indians." So run the remarks heard in the spruced-up hotel lobbies of once cow, now coal towns.

The House Interior Committee, in a report last May, found otherwise: ". . . much of the nation's prime grazing and farming land is located in the band of Western states where these immense coal deposits are located."

The short, sun-cured, protein-rich grass that covers the "barren" rolling plains is the best natural cattle feed in the world. It sustains modern herds as before them it sustained millions of buffalo. Wheat yields, under irrigation, are among the highest per acre of any part of the country. The Northern Plains states are "good for" a cattle population of 12.6 million with a market value of $2 billion even at currently reduced prices.

There are mountains of statistics showing how many millions and billions of tons of coal the West is going to produce by the years X, Y or Z; what is needed now is a figure showing how much food-raising potential the government plans to sacrifice to "energy" in the same period, in the face of a growing agricultural crisis which is slower and less spectacular than the energy crisis, but just as real.

With headlines erupting daily about the world food crisis and the national food shortage, this country is losing farm land, due to urban sprawl, strip mining and other causes, at such a rate that president Tony Dechant of the National Farmers Union has predicted: "If this trend continues we will lose an area the size of Kansas in 15 years."

NATIONAL SACRIFICE AREA

The panel that issued the cautious and scholarly National Academy of Sciences report unwittingly touched off a verbal bombshell. Certain sites, it said, must be given up as impossible to reclaim or even rehabilitate, and for these hopeless areas ("Abandon the Spoils"), it coined the term "National Sacrifice Area."

The words exploded in the Western press overnight. Seized upon by a people who felt themselves being served up as "national sacrifices," they became a watchword and a rallying cry and the impression they left was supported by an unfortunate official utterance. On April 19, 1973, an officer of Gulf Mineral Resources in Denver wrote a letter to a man in Helena, in which he said: "The disposition of these deposits [of coal] will be determined by the economic and social implications of some 150 million megalopolitans located to the east . . . Providing we still have a representative form of government, then the West's minimal population, with their opinions, hopes, desires about certain tracts of real estate, will be of little or more probably of no consequence to the voting majority."

That did it. The excerpt was transmitted by means unknown to the Minneapolis Tribune, where it surfaced that December. Here was the "national sacrifice" theme in a nutshell, and it was seized upon and passed along until it became one of the most quoted utterances of its kind since Marie-Antoinette is alleged to have said: "Let them eat cake."

Bits and pieces of corroboration turned up to support the allegations. There were signs that one thrust of strip-mining policy was to *create* a demand for Plains-generated electricity on the Pacific Coast, and at the same time build up a surplus for export. And on Aug. 9, 1974, 12,000 tons of Montana coal were shipped out for Yokohama from a huge new port facility at Astoria, Ore. It was strip-mined coal from a Westmoreland mine on the Crow reservation, and was a sample designed for a "test burn." But there was every expectation that 100-car trains loaded with the coal would start rolling Japanwards twice a week, for a total of 3–4 million tons a year, indefinitely. Then New York Times reporter Ben A. Franklin got wind of it—and on Sept. 29, Montanans read that their coal was being sent to Japan.

A delegation of angry ranchers waited on Gov. Judge; the "sacrifice" of the state had been justified to them as a patriotic move to provide energy for their country. "But they are not going to tear up the landscape of Montana for coal to be sent to Japan," declared rancher leader Bob Tully. Surprised and upset by all the uproar, the embarrassed Japanese called off the deal.

YOUR PROBLEM, GENTLEMEN

Said a barber in Forsyth: "The coal has only raised taxes for most of us. The rich will get richer and the rest of us will get taxed."

A prediction attributed to the Bureau of Reclamation looks forward to a seven-fold population increase in the Northern Plains as a result of coal development; Montana, with a normal population of about 750,000, can expect an influx of 200,000 to 400,000 people in the eastern part of the state. The Northern Cheyennes may be outnumbered 10 to 1 by whites on their reservation.

Kaycee, Wyo., of Johnson County War fame, was until recently a wide place in the road surrounded by prosperous ranches; but Johnson County will grow 900 per cent in the next 15 years, according to telephone company planning projections.

Huge, mobile-home ghettos will be parked outside the towns, which will have to provide schools, hospitals, sewage treatment facilities. And, of course, a water supply.

In the jam-packed schools at Colstrip last year classes were being held in shower rooms, and such subjects as physics and foreign languages had been dropped because of the shortage of teachers.

There will have to be miles and miles of roads. Stephen C. Kologi, Montana state highway engineer, predicts that before the boom-bust cycle spends itself he will be building a network of roads leading to future ghost towns. "Chances are," he has said, "that by the time an adequate road system is provided, about all there will be left to serve is the mass evacuation of the area."

An oil industry representative, surprisingly, made the suggestion before a House subcommittee not long ago that the federal government ought to make a "major" contribution toward the funding of hospitals, police protection and so forth, to ease the burdens of exploding communities. This offbeat proposal was promptly squelched by a Federal Energy Administration official. It was "just not in the cards."

It's still "Your problem, gentlemen."

In the face of the coming socio-environmental cataclysm in the West, the emphasis on reclamation, in Congress and elsewhere, seems almost frivolous (or in Rep. Ken Hechler's classic phrase, 'like putting lipstick on a corpse.") But aside from all that, how feasible is it?

Restoring the land to its original contours and replacing the topsoil is a matter of elementary decency, like draping a sheet over the corpse. But full "restoration," in the sense of returning the land to its original state, is regarded as impossible.

The National Academy report on "Rehabilitation Potential" is in agreement with other authorities when it says: "There is no probability of complete restoration anywhere." The next choice is "reclamation"—i.e., revegetation. But the question is: With what?

In an effort to improve their public image some of the companies have been working hard to sell their revegetation programs—commendable as far as they go—but so far these have been largely confined to small experimental plots, like Western Energy's near Colstrip. The guide who shows visitors around says: "Having taken hundreds of people on a tour of Western Energy reclamation research plots, I found it difficult for anti-Colstrip people to argue against reclamation when they are standing waist-high in grass." To which a rancher replies: "Anyone with remote knowledge knows livestock don't do well on 'waist-high' vegetation."

WATER IS MINED

With every drop of surface water appropriated on paper, the power companies have turned to mining underground water. The move may have far-reaching consequences, since one state can disrupt another's underground water supply.

Geologists know that underground water and surface water are one indivisible system. In nature the underground waters are continually recharged by streams flowing on the surface. But when the recharging fails because of heavy withdrawals of surface water, the water table starts dropping and wells start going dry. By the same token, heavy withdrawals of underground water reduce the stream flow as nature tries to compensate. It is a vicious circle which can lead to even deep wells drying up hundreds of miles away.

The coal beds lying close to the surface, favored targets for strip mining, often double as aquifers, or water-bearing strata, and the shallow wells that yield enough for domestic use and livestock get their water from coal seams at depths of less than 500 feet. The alluvial valley floors are indispensable to ranchers because they form the lush, sub-irrigated hay meadows where winter feed is produced. Protecting them should be a top priority of new legislation.

South Dakota sits on top of an immense aquifer known as the Madison formation, which underlies the Dakotas, Montana and parts of Wyoming and Nebraska. Early last year the Wyoming state legislature authorized Energy Transportation Systems Inc. to tap the underground formation and build a coal slurry pipeline to Arkansas, a distance of 1,000 miles. Slurry is a mixture of powdered coal and water, and the pipeline method is one of the heaviest water users known. If Wyoming goes through with it, the 10,000 gallons a minute pumped out of the Madison formation in that state will completely dry up Edgmont, S.D., and other communities which depend on deep wells tapping the Madison formation for their water supply. Negotiations now under way may lead to abandonment of the plan, but in the event that Wyoming does go through with it, South Dakota is prepared to take the case to the Supreme Court.

What is taking place here is a highly dangerous meddling with Unknowns, and South Dakota is only part of the story. Other corporations are planning to make large-scale withdrawals from the Madison formation, and the same thing is happening widely. West of Buffalo, Wyo., one company alone has applications on file to drill no less than 58 wells which would provide a quarter of a million acre-feet of underground water to cool its plants. It is obvious that underground water withdrawals on the scale contemplated could smash the ecosystem of the entire region. The companies are acting in a legal vacuum, since laws to meet the situation have yet to be passed. Which may in part account for the stampede.

ENERGY PARKS

In January, U.S. Energy Czar Morton, speaking through President Ford's State of the Union message as well as independently, disclosed a new and grandiose scheme for power development in the West. A warmed-over version of the 1971 North Central Power Study, it calls for 20 new generating plants by 1985. Coining the term "energy parks," Morton envisioned one of them in rhapsodical words: "A $450 million prototype of a total energy-system complex . . . 1,000 acres . . . crammed with machinery, gasifiers, converters and refineries. Every day it would combine coal with water to produce large supplies of pipeline gas, synthetic oil, butane or propane" and so forth.

Four West Coast utilities, with Montana Power, are the backers of Colstrip 3 and 4. The Pacific Coast is the heaviest user of electric power at the cheapest rates of any national region. And Gary J. Wicks, director of Montana's Department of Natural Resources, contends that these companies are seeking to promote use of energy rather than conservation.

Montana insists that it is already making a significant contribution to the nation's energy needs by shipping trainloads of coal out of the state to points where the need exists. By 1980 the State expects production to rise to somewhere in the neighborhood of 50 million tons annually, of which 97 per cent will be shipped, thus "exporting" not the power but the pollution. Gov. Judge contends that this can be done at least as cheaply as burning the coal in Montana's clean air.

But Montana Power and its allies are vehemently opposed to this scheme, on the ground, the Billings Gazette has charged, that the heavier their investment in mine-mouth industrial complexes and transmission lines, the higher they can boost their rates.

If the plans are permitted to go through, Morton's "energy parks" may be only the beginning of the story. For Montana could be tied into not one but two electrical grids, since it lies between the Pacific Northwest and Mid-Central systems. The Interior Department even now is said to be studying the feasibility of running EHV transmission lines from Colstrip, not only to the West Coast but to the Middle West as well. This building of two, three or even more EHV lines across the state would make so much electricity available as to stimulate the heaviest kind of industrial development within its borders: Anaconda and Johns-Manville are reported as already interested in coming in.

The plans are raising some eyebrows as the basic facts are contemplated. For the development explosion now brewing, it must be remembered, is to exploit a resource so shallow it can be stripped off in a mere matter of 20 years.

Here again are the overtones of a dementia reminiscent of the stock market craze of the Twenties, a perilous divorce from reality.

What can be done? Far broader solutions are required than any pending strip-mine control act. Old laws need to be amended and new ones passed. Legislation is a generation gap behind. Of current importance is the federal Coal Leasing Amendments Act of 1975, sponsored by Sen. Jackson, which passed the Senate unanimously last July only to fall afoul of Commerce Committee Chairman Harley O. Staggers in the House. The bill would put a stop to speculating in coal leases by providing that leases not developed within a given time would automatically revert to the public domain. Another bill that has passed the Senate twice is the Land Use Policy and Planning Assistance Act, which would strengthen the hand of the states in enacting tough power plant siting laws.

There is one important fact that is sometimes overlooked. Much of the threatened industrial development, including water allocations, exists only on paper—so far. There is still time for the nation to reconsider the destruction of the West

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A SAFEGUARD AGAINST OVERPAYMENT OF INCOME TAXES BY THE ELDERLY

Mr. CHILES. Mr. President, the Senate Special Committee on Aging is concerned with the whole range of problems faced by older Americans: Income security, health care, housing, transportation, and energy needs just to mention several of the more pressing.

A significant problem in which the committee is interested, that is especially pertinent at this time of year, is the impact of taxation upon the elderly. As a member of the Committee on Aging, I see this as an important area of concern. While low income during retirement is perhaps the most serious difficulty confronting the elderly, a substantial number of older persons still have a sufficient amount of income to file a Federal income tax return. Unfortunately, many of these individuals may overpay their taxes, primarily because they are not aware of tax relief measures which can result in savings for them. In a hearing conducted by the committee some witnesses estimated that perhaps one-half of elderly taxpayers may be paying more income taxes than required by law.

The Internal Revenue Service has repeatedly emphasized that it wants no taxpayer to pay more taxes than are legally due. Since many senior citizens are overpaying their taxes, I think there is a definite need for some counseling assistance in the preparation of tax returns and I hope the Congress will act on legislation which I cosponsored in the past Congress and again in this Congress to provide a program of income tax counseling for elderly individuals. This program would provide training and technical support for volunteers to counsel other elderly taxpayers concerning sections in the tax law; assist when necessary in making a computation and advise regarding common deductions, credits, and exemptions which may be overlooked.

As part of its effort to protect the elderly from needless overpayment of their taxes, the Special Committee on Aging has for the past few years performed a most valuable service by putting together a checklist of possible deductions for individuals who itemize their expenditures—such as medical expenses, interest, charitable contributions, taxes, and others—on schedule A. This summary can prove very valuable to the individual taxpayer as many Floridians have told me from direct experience in using the checklist. Also the checklist can serve as a useful guide for determining whether it would be better to itemize, claim the standard deduction or the low-income allowance. I am delighted that the committee has continued to monitor changes and update the checklist of itemized deductions each year and as in the past this year's summary will prove a most helpful reference for the taxpayer.

LITHUANIAN INDEPENDENCE DAY

Mr. MCINTYRE. Mr. President, it is indeed an honor to join my colleagues in commemorating the 57th anniversary of Lithuanian independence. It was on February 16, 1918, that these proud people were granted their independence following the chaos of the First World War. But tragically, Lithuanian independence was to last less than two decades, as the small but prospering nation fell victim to the realities of political geography. For in June 1940, following the agreement between Hitler and Stalin, the Russian Army marched through Lithuania and annexed the nation to the Soviet Union.

In 18 years of independence, Lithuania proved herself a bright spot in Europe, with a flourishing culture and growing industry. The Lithuanian constitution of 1922, reflecting her people's love of liberty, recognized the freedoms of speech, assembly, religion, and communication. It is one of the great tragedies of the Second World War that this nation was not allowed to survive. It is fitting that the United States has never recognized the legality of the Soviet occupation of Lithuania.

The indomitable love of freedom and liberty was not killed by the war or by the Soviet occupation. The desire for freedom burns today as it did 57 years ago. Today, young Lithuanians are risking their lives in defiance of Soviet rule, seeking religious and political freedom for their homeland. We are reminded of the case of Simas Kudirka, the Lithuanian sailor who jumped a Soviet ship off the New England coast 4 years ago. Returned to the U.S.S.R., Kudirka pleaded for independence for his homeland, Lithuania. Sentenced to 10 years in a Soviet labor camp, Kudirk was finally released after he was declared to be an American citizen, as his mother had been born in Brooklyn. Just this past year, Kudirka was allowed to come to the United States, and freedom.

We are reminded of the self-immolation of 20-year-old Romas Kalanta in 1972. We are reminded of the petition of 17,000 Lithuanian Roman Catholics to the United States. Each case is especially touching for me for I represent a State whose motto is "Live Free or Die."

Mr. President, the spirit of liberty and the desire for self-determination lives on. Let us pause today to remember the plight of the people of Lithuania and to praise those who have kept alive the spirit of independence.

We must not forget the words of President John F. Kennedy:

> The vital spark of freedom has not been extinguished among Lithuanians. Their cause remains our cause, and their hopes more than ever remain our responsibility.

CUBA

Mr. PELL. Mr. President, in our report, "The United States and Cuba: A Propitious Moment," which the senior Senator from New York (Senator JAVITS) and I submitted following our return from Cuba in September, we made a number of suggestions for beginning the process of normalizing United States-Cuban relations. One was that there be a relaxation of travel restrictions on Cuban representatives to the United Nations confining them to a 25-mile radius of the center of Manhattan. Another was that consideration should be given to relaxing restrictions concerning "third countries" affected by our embargo against Cuba. A third suggestion was that the United States signal its interest in progressing toward normalization by action at the OAS.

The United States has now taken three steps which encourage me to believe that at long last the administration also believes a propitious moment has arrived to embark upon a new policy direction for Cuba. I was very pleased, therefore, to receive confirmation from the Department of State of press reports that Cuban diplomats at the United Nations will now be permitted to travel within a 250-mile radius out of New York City, which gives them considerably more lebensraum than previously enjoyed; and that the Canadian subsidiary of Litton Industries has received a waiver which will permit them to make a large sale of office furniture to Cuba. In December, too, the United States agreed to a recommendation of a Special Committee of the OAS that questions such as the lifting of the Cuban sanctions be subject to a majority rather than a two-thirds vote. This recomendation, however, remains to be approved by the OAS as a whole.

The press has gone on to arrive at speculative conclusions as to what these actions signify. The State Department still insists that there has been no change of policy despite these developments. Perhaps all that can be said at this point is that something is blowing in the wind.

I would hope so, since it would confirm the conclusion I reached sometime ago that the United States can contribute to a reduction of world tensions and advance its own national interest by applying to its relations with Cuba what has already been done with respect to the Soviet Union and the People's Republic of China; namely, substituting negotiations for cold war confrontation.

QUORUM CALL

The PRESIDING OFFICER. Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

TEMPORARY INCREASE OF DEBT LIMITATION

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will now proceed to the consideration of H.R. 2634, which the clerk will state by title.

The legislative clerk read as follows:

> A bill (H.R. 2634) to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The time for debate on this bill will be equally divided and controlled by the Senator from Louisiana (Mr. LONG) and the Senator from Nebraska (Mr. CURTIS) with a 30-minute time limitation on any amendment, debatable motions, or appeals.

At 4 p.m. the Senate will proceed to rollcall votes on amendments, if ordered; and immediately thereafter shall proceed to vote on final passage of the bill.

Mr. LONG. Mr. President, I ask unanimous consent that during the consideration of the pending measure, in addition to those who have already been granted consent to be on the Senate floor that the names of William Morris, Robert Best, Michael Rowny, Richard Rivers, George Pritts of the Finance Committee staff, and Messrs. Howard Silverstone, Arthur Fefferman, and Bernard Shapiro of the Joint Tax Committee staff be permitted the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, the increase in the debt limit before the Senate today is from $495 billion to $531 billion. This is an increase of $36 billion over the present limit. The bill also extends the period of time for which this temporary increase is available from March 31, 1975, to June 30, 1975. At that time, the debt limit, if not further changed, would revert to its permanent level of $400 billion.

The need for so large an increase in the debt limit reflects the effects of the recession. This recession is the most serious since the 1930's. The rate of unemployment of the labor force was 7.1 percent in December and rose to 8.2 percent in January. Forecasts now suggest that it will go well over 9 percent later this year.

The gross national product, in constant prices, fell throughout 1974 by an average of 2.2 percent, but the decline in the fourth quarter was at an annual rate of 9.1 percent. On the other hand, inflation increased. The GNP price index rose 10.2 percent in 1974, but also rose at an annual rate of 13.7 percent in the fourth quarter. The administration now expects the recession to continue past the middle of this year before there is even a leveling off or the start of a recovery.

Receipts and outlays in the Federal budget quickly reveal the effects of a recession. Falling receipts reduce corporation income taxes, as the corporations revise their quarterly estimated tax liabilities to reflect their most recent economic situations. Layoffs and shorter workweeks cut withholding of individual income taxes, and a falling stock market generates capital losses rather than capital gains. On the outlay side of the budget, recessions produce higher unemployment benefit payments and increase the number of retirees receiving benefits under the social security system.

The latest budget estimates demonstrate the impact of the economic decline. The latest estimates show a deficit of $35 billion for fiscal year 1975, as compared with an estimated $9 billion deficit just 2 months ago. The receipts estimates have been cut in this 2-month period by $14 billion, $9 billion of which reflects the economic decline. Outlay estimates have gone up by $11 billion in the same period, primarily reflecting increased expenditures for unemployment compensation and other programs to offset the effects of recession on individuals.

In addition, the President's programs for economic stimulation and energy conservation have an adverse effect on the estimates for the fiscal year 1975 budget.

The President proposes emergency and temporary tax cuts—a rebate to individuals based on 1974 tax liability and a temporary increase in the investment credit—that would reduce receipts by $6 billion.

To see the effect of the budget upon the requirements for public debt limitation, it is important to look at the deficit in Federal funds rather than the deficit in the unified budget. The estimated Federal funds deficit in fiscal year 1975 presently is $43 billion. This deficit reflects both the $35 billion deficit in the unified budget and an $8 billion surplus in the trust funds which must be invested in Federal obligations.

The administration requested an increase in the debt limit through June 30, 1976, of $604 billion. In hearings before the Ways and Means Committee, the administration pointed out that a $531 billion debt limit would be adequate for the remainder of fiscal 1975—that is, through June 30, 1975.

The $531 billion limit represents a net increase of $55 billion through fiscal year 1975. The Federal funds deficit of $43 billion accounts for all but $12 billion of this increase. The remaining debt increase represents the net amount of financing for the credit activities of various Federal agencies through the Federal Financing Bank. The administration decided to use the Federal Financing Bank as the means of acquiring funds for these credit activities, rather than permitting the agencies to issue their own obligations directly in the market, because it is able to reduce the rate of interest on these issues by one-half percentage point and save about $70 million in interest costs.

Although the administration asked for a debt limit increase that would meet its estimated requirements for a 17-month period through June 30, 1976, the committee decided that there were too many uncertainties to be resolved in the fiscal year 1976. As a result, the committee provided an increase that would be sufficient through the remainder of this fiscal year.

This means the administration will have to return to Congress again about the beginning of June for an increase in the debt limit to cover fiscal year 1976. We believe that there is a better chance at that time of having a reasonable estimate of fiscal year 1976 requirements.

While I, no more than any other Senator, like to see us increase our debt, it is essential that we keep our perspective in this matter. There are worse things than an increase in our debt. A substantial increase in unemployment is a much graver matter. Also more important is the lost production because of the present recession. In 1975, for example, it looks as if we will lose over $200 billion in production because the economy is operating so far below full employment levels.

It is also important to recognize that our debt—large as it is—really has not grown any faster than the economy. I have a series of tables which demonstrate this and related points. I ask unanimous consent to have the tables printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—ESTIMATED GROSS GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

[Dollar amounts in billions]

Dec. 31	Private			State and local	Federal			Total	Percent Federal of total
	Individual	Corporate [1]	Total		Public	Agency	Total		
1929	$72.9	$107.0	$179.9	$17.8	$16.3	$1.2	$17.5	$215.2	8
1930	71.8	107.4	179.2	18.9	16.0	1.3	17.3	215.4	8
1931	64.9	100.3	165.2	19.5	17.8	1.3	19.1	203.8	9
1932	57.1	96.1	153.2	19.7	20.8	1.2	22.0	194.9	11
1933	51.0	92.4	143.4	19.5	23.8	1.5	25.3	188.2	13
1934	49.8	90.6	140.4	19.2	28.5	4.8	33.3	192.9	17
1935	49.7	89.8	139.5	19.6	30.6	5.6	36.2	195.3	19
1936	50.6	90.9	141.5	19.6	34.4	5.9	40.3	201.4	20
1937	51.1	90.2	141.3	19.6	37.3	5.8	43.1	204.0	21
1938	50.0	86.8	136.8	19.8	39.4	6.2	45.6	202.2	22
1939	50.8	86.8	137.6	20.1	41.9	6.9	48.8	206.5	24
1940	53.0	89.0	142.0	20.2	45.0	7.2	52.2	214.4	24
1941	55.6	97.5	153.1	20.0	57.9	7.7	65.6	238.7	27
1942	49.9	106.3	156.2	19.2	108.2	5.5	113.7	289.1	39
1943	48.8	110.3	159.1	18.1	165.9	5.1	171.0	348.2	49
1944	50.7	109.0	159.7	17.1	230.6	3.0	233.6	410.4	57
1945	54.7	99.5	154.2	16.0	278.1	1.5	279.6	449.8	62
1946	59.9	109.3	169.2	16.1	259.1	1.6	260.7	446.0	58
1947	59.4	128.9	198.3	17.5	256.9	.7	257.6	473.4	54
1948	80.6	139.4	220.0	19.6	252.8	1.0	253.8	493.4	51
1949	90.4	140.3	230.7	22.2	257.1	.8	257.9	510.8	50
1950	104.3	167.7	272.0	25.3	256.7	1.1	257.8	555.1	46
1951	114.3	191.9	306.2	28.0	259.4	.8	260.2	594.4	44
1952	129.4	202.9	332.3	31.0	267.4	.9	268.3	631.6	42
1953	143.2	212.9	356.1	35.0	275.2	.8	276.0	667.1	41
1954	157.2	217.6	374.8	40.2	278.8	.7	279.5	694.5	40
1955	180.1	253.9	434.9	46.3	280.8	1.4	282.2	763.4	37
1956	195.5	277.3	472.8	50.1	276.6	1.7	278.3	801.2	35
1957	207.6	295.8	503.4	54.7	274.9	3.2	278.1	836.2	33
1958	222.9	312.0	534.9	60.4	282.9	2.4	285.3	380.6	32
1959	245.0	341.4	586.4	66.6	290.8	5.7	296.5	949.5	31
1960	263.3	365.1	628.4	72.0	290.2	6.4	296.6	997.0	30
1961	284.8	391.5	676.3	77.6	296.2	6.8	303.0	1,056.9	29
1962	311.9	421.5	733.4	83.4	303.5	7.8	311.3	1,128.1	28
1963	345.8	457.1	802.2	89.5	309.3	8.1	317.4	1,209.1	26
1964	380.1	497.3	877.4	95.5	317.9	9.1	327.0	1,299.9	25
1965	415.7	551.9	967.6	103.1	320.9	9.8	330.7	1,401.4	24
1966	444.2	617.4	1,061.6	109.4	329.3	14.0	343.3	1,514.4	23
1967	476.2	672.9	1,149.1	117.9	344.7	20.1	364.9	1,631.8	22
1968	513.9	779.0	1,292.9	128.4	358.0	15.1	373.1	1,794.4	21
1969	548.7	912.7	1,461.4	137.9	368.2	13.8	382.0	1,981.3	19
1970	586.3	997.8	1,584.1	149.3	389.2	12.5	401.6	2,135.0	19
1971	648.3	1,084.9	1,733.2	166.3	424.1	11.0	435.2	2,334.6	19
1972	734.4	1,217.5	1,951.9	178.6	449.3	11.8	461.1	2,591.5	18
1973	821.3	1,395.4	2,216.7	187.4	469.9	11.6	481.5	2,885.6	17
1974	(2)	(2)	(2)	(3)	492.7	11.4	504.0	(2)	(2)

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[1] Includes the debt of certain federally sponsored agencies in which there is no longer any Federal proprietary interest. The debt of the following agencies are included beginning these years: FLB's in 1947; FHLB's in 1951; FNMA-Secondary Market Operations, FICB's and BCOOP's in 1968. The total debt for these agencies amount to $700,000,000 on December 31, 1947, $3,500,000,000 on December 31, 1960, $38,800,000,000 on December 31, 1970 and $59,800,000,000 on December 31, 1973.

[2] Not available.

Source: Commerce and Treasury Departments.

TABLE 2.—GROSS GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

End of calendar year	Gross national product[4] (billions)	Ratios of debt to gross national product (percent)				
		Federal	State and local	Corporate	Individual and noncorporate	Total
1929	$96.7	18.1	18.4	110.7	75.4	222.5
1930	83.1	20.8	22.7	129.2	86.4	259.2
1931	66.9	28.6	29.1	149.9	97.0	304.6
1932	56.8	38.7	34.7	169.2	100.5	343.1
1933	60.3	42.0	32.3	153.2	84.6	312.1
1934	68.6	48.1	28.0	132.1	72.6	280.8
1935	77.4	46.8	25.3	116.0	64.2	252.3
1936	86.5	46.6	22.7	105.1	58.5	232.8
1937	87.6	49.2	22.4	103.0	58.3	232.9
1938	87.6	52.1	22.6	99.1	57.1	230.8
1939	94.8	51.5	21.2	91.6	53.6	217.8
1940	107.6	48.5	18.8	82.7	49.3	199.3
1941	138.8	47.3	14.4	70.2	40.1	172.0
1942	179.0	63.5	10.7	59.4	27.9	161.5
1943	202.4	84.5	8.9	54.5	24.1	172.0
1944	217.4	107.5	7.9	50.1	23.3	188.8
1945	196.0	142.6	8.2	50.8	27.9	229.5
1946	221.4	117.8	7.3	49.4	27.1	201.4
1947	245.0	105.1	7.1	52.6	28.3	193.2
1948	261.2	97.2	7.5	53.4	30.9	188.9
1949	260.5	99.0	8.5	53.9	34.7	196.1
1950	311.2	82.8	8.1	53.9	33.5	178.4
1951	338.2	76.9	8.3	56.7	33.8	175.8
1952	$361.0	74.3	8.6	56.2	35.8	175.0
1953	360.8	76.5	9.7	59.0	39.7	184.9
1954	379.8	73.6	10.6	57.3	41.4	182.9
1955	409.7	68.9	11.3	62.0	44.0	185.9
1956	433.2	64.2	11.6	64.0	45.1	184.9
1957	438.1	63.5	12.5	67.5	47.4	190.8
1958	469.2	60.8	12.9	66.5	47.5	187.6
1959	496.8	59.7	13.4	68.7	49.3	190.8
1960	503.4	58.9	14.3	72.5	52.3	197.7
1961	542.8	55.8	14.3	72.1	52.5	194.7
1962	574.7	54.2	14.5	73.3	54.3	196.6
1963	611.8	51.9	14.6	74.7	56.5	197.9
1964	654.0	50.0	14.6	76.0	58.1	199.1
1965	719.2	46.0	14.3	76.7	57.8	194.9
1966	772.6	44.4	14.2	79.9	57.5	196.0
1967	825.0	44.2	14.3	81.5	57.7	197.8
1968	898.6	41.5	14.3	86.7	57.2	199.7
1969	953.7	40.1	14.4	95.7	57.5	207.7
1970	1,009.8	39.8	14.8	98.6	57.2	210.6
1971	1,099.1	39.5	15.3	98.1	57.7	210.9
1972	1,226.8	37.5	14.8	97.2	58.6	208.4
1973	1,351.4	35.6	14.5	108.2	63.7	223.7
1974	1,440.0	35.0	(1)	(1)	(1)	(1)

[1] Not available.

TABLE 3.—FEDERAL DEBT AND PRICES, 1929 TO PRESENT

End of year	Federal debt (billions)			Per capita Federal debt[4]			Real per capita Federal debt		
	Gross[1]	Net[2]	Privately held net[3]	Gross[1]	Net[3]	Privately held net[5]	Gross[1]	Net[2]	Privately held net[3]
1929	$17.5	$16.5	$16.0	$143	$135	$131	$431	$407	$395
1930	17.3	16.5	15.8	140	133	128	449	427	411
1931	19.1	18.5	17.7	153	149	142	543	528	504
1932	22.0	21.3	19.4	176	170	155	696	672	613
1933	25.3	24.3	21.9	201	193	174	791	759	685
1934	33.3	30.4	28.0	260	240	221	794	925	852
1935	36.2	34.4	32.0	283	269	250	1,060	1,007	936
1936	40.3	37.7	35.3	313	293	275	1,158	1,084	1,017
1937	43.1	39.2	36.6	333	303	283	1,195	1,027	1,015
1938	45.6	40.5	37.9	349	310	290	1,288	1,144	1,070
1939	48.8	42.6	40.1	371	324	305	1,376	1,201	1,131
1940	52.2	44.8	42.6	393	337	321	1,443	1,238	1,179
1941	55.6	56.3	54.0	489	420	402	1,637	1,406	1,346
1942	113.7	101.7	95.5	837	749	703	2,564	2,294	2,153
1943	171.0	154.4	142.9	1,242	1,122	1,038	3,688	3,326	3,082
1944	233.6	211.9	193.1	1,678	1,522	1,387	4,880	4,426	4,033
1945	279.6	252.5	228.2	1,987	1,795	1,622	5,651	5,105	4,613
1946	260.7	229.5	206.1	1,825	1,607	1,433	4,379	3,855	3,438
1947	257.6	221.7	199.1	1,771	1,524	1,369	3,910	3,365	3,023
1948	253.8	215.3	192.0	1,715	1,455	1,297	3,692	3,132	2,792
1949	257.9	217.6	197.7	1,713	1,445	1,313	3,756	3,168	2,879
1950	257.8	217.4	196.6	1,685	1,421	1,285	3,490	3,943	2,662
1951	260.2	216.9	193.1	1,671	1,393	1,240	3,267	2,723	2,424
1952	268.3	221.5	196.8	1,691	1,399	1,243	3,283	2,711	2,409
1953	276.0	226.8	200.9	1,714	1,408	1,247	3,300	2,711	2,401
1954	279.5	229.1	204.2	1,705	1,397	1,246	3,297	2,702	2,410
1955	282.2	229.6	204.8	1,691	1,376	1,227	3,258	2,651	2,364
1956	278.3	224.3	199.4	1,638	1,320	1,174	3,067	2,472	2,198
1957	278.1	223.0	198.8	1,609	1,290	1,150	2,925	2,345	2,090
1958	285.3	231.0	204.7	1,624	1,315	1,165	2,901	2,349	2,083
1959	296.5	241.4	214.8	1,653	1,346	1,197	2,910	2,369	2,107
1960	296.6	239.8	212.4	1,627	1,315	1,165	2,823	2,281	2,021
1961	303.0	246.7	217.8	1,635	1,331	1,175	2,819	2,294	2,026
1962	311.3	253.6	222.8	1,654	1,348	1,184	2,817	2,296	2,017
1963	317.4	257.5	223.9	1,663	1,349	1,173	2,787	2,260	1,966
1964	327.0	264.0	227.0	1,690	1,364	1,173	2,799	2,259	1,942
1965	330.7	266.4	225.6	1,688	1,360	1,152	2,742	2,209	1,872
1966	343.3	271.8	227.5	1,736	1,375	1,151	2,729	2,162	1,810
1967	364.9	286.4	237.3	1,827	1,435	1,188	2,788	2,189	1,813
1968	373.1	291.9	238.9	1,850	1,447	1,182	2,695	2,108	1,722
1969	382.0	289.3	232.1	1,874	1,420	1,140	2,573	1,949	1,565
1970	401.6	301.1	239.0	1,960	1,469	1,166	2,551	1,912	1,517
1971	435.2	325.9	255.1	2,101	1,574	1,232	2,645	1,982	1,551
1972	461.1	341.2	269.9	2,207	1,634	1,292	2,688	1,990	1,573
1973	481.5	349.1	268.6	2,289	1,659	1,277	2,562	1,857	1,429
1974	504.0	360.8	230.1	2,378	1,703	1,322	2,378	1,703	1,322

Total Federal securities outstanding, Unified Budget concept.

Borrowing from the public, Unified Budget concept. Gross Federal debt less securities held by Government accounts.

Borrowing from the public less Federal Reserve holdings.

Debt divided by population of the coterminous U.S., and including Armed Forces overseas.

TABLE 4—CHANGES IN PER CAPITA REAL GROSS NATIONAL PRODUCT 1929 TO PRESENT

Calendar Year	Gross national product (billions of 1958 dollars)	GNP per capita (constant 1958 dollars)[1]	GNP per capita, change from year ago	
			Constant 1958 dollars	Percent
1929	$203.6	$1,672		
1930	183.5	1,490	−$182	−10.9
1931	169.3	1,364	−126	−8.5
1932	144.2	1,154	−210	−15.4
1933	141.5	1,126	−28	−2.5
1934	154.3	1,220	+94	8.4
1935	169.5	1,331	+111	9.1
1936	193.0	1,506	+175	13.1
1937	203.2	1,576	+70	4.6
1938	192.9	1,484	−91	−5.8
1939	209.4	1,598	+114	7.7
1940	227.2	1,714	+115	7.2
1941	263.7	1,969	+256	14.9
1942	297.8	2,200	+231	11.7
1943	337.1	2,456	+256	11.6
1944	361.3	2,601	+148	5.9
1945	355.2	2,529	+72	2.8
1946	312.6	2,202	−326	−12.9
1947	309.9	2,142	−61	−2.8
1948	323.7	2,199	+57	2.7
1949	324.1	2,164	−35	−1.6
1950	355.3	2,333	+170	7.8
1951	383.4	2,476	+142	6.1
1952	$395.1	$2,508	+$32	1.3
1953	412.8	2,577	+69	2.8
1954	407.0	2,497	−81	−3.1
1955	438.0	2,640	+143	5.7
1956	446.1	2,641	+2	*
1957	452.5	2,631	−10	−.4
1958	447.3	2,558	−73	−2.8
1959	474.9	2,676	+118	4.6
1960	487.7	2,699	+23	.9
1961	497.2	2,707	+7	.3
1962	529.8	2,840	+133	4.9
1963	551.0	2,912	+71	2.5
1964	581.1	3,028	+117	4.0
1965	617.8	3,180	+151	5.0
1966	658.1	3,348	+169	5.3
1967	675.2	3,398	+50	1.5
1968	706.6	3,521	+123	3.6
1969	725.6	3,580	+60	1.7
1970	722.5	3,527	−54	−1.5
1971	746.3	3,605	+77	2.2
1972	792.5	3,795	+190	5.3
1973	839.2	3,989	+194	5.1
1974	821.1	3,875	−114	−2.8

[1] Real Gross National Product divided by Population of the United States for July 1 of each year. Population figure includes Armed Forces overseas beginning 1940 and Alaska and Hawaii beginning 1940.

Mr. LONG. The first table shows that gross Federal debt as a percentage of total private and Government debt reached its highest level of 62 percent in 1945, and it has fallen steadily to 17 percent of the total at the end of 1973. In other words, Mr. President, the Federal debt has not increased nearly as fast as private debt.

Table 2 shows that Federal debt was 142.6 percent of gross national product in 1945, but only 35 percent of the gross national product in 1974. This is the point I was making earlier. The Federal debt for many years now has been growing slower than the economy. Of course, if we do not get out of this recession soon, this may not be the case much longer. But we hope by fiscal measures and other measures adopted this year to reverse the downward trend of the economy.

Similarly, one can see in table 3 that gross Federal debt per capita, expressed in constant prices, also has fallen from $5,651 in 1945 to $2,378 in 1974. In other words, on a per capita basis, and thinking in terms of constant dollars, which is the only fair way to think of it, the Federal debt per capita is far below half of what it was in 1945.

GNP per capita in constant prices, however, has continued to increase throughout the same period, except for recession years; as table 4 shows. A comparison of the tables reveals that real, per capita, GNP has been higher than real, per capita, gross Federal debt since 1962.

That, Mr. President, is a favorable sign.

Mr. President, I asked for and obtained a table showing a matter which, to me, is every bit as important as the precise amount of the Federal debt. In fact, in my judgment at this time and at any point in the foreseeable future, it is far more important to the decision we should be making here. I am referring to how well this Nation is doing in terms of providing goods and services for the American people, because if we are doing a good job every year we ought to have more income for the American people—more income for every citizen in this Nation than we had the year before. If we are doing a poor job, and I do not care whether it is the administration, the Federal Reserve Bank—which I agree with Senator HUMPHREY is the largest single culprit in all the mischief occurring in this Nation—or the President, if the gross national product on a per capita basis is declining, then that is bad for the country. The only fair way to look at that matter is to take into account both the population and the change in the purchasing power of the money.

Mr. President, the table I have been referring to is shown on page 16 of the committee report. It is table 11, and I ask unanimous consent that the table be printed in the RECORD in connection with my statement.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 11—CHANGES IN PER CAPITA REAL GROSS NATIONAL PRODUCT, 1929 TO PRESENT

Calendar year	Gross national product (billions of 1958 dollars)	GNP per capita (constant 1958 dollars)[1]	GNP per capita, change from year ago—	
			Constant 1958 dollars	Percent
1929	$203.6	$1,672		
1930	183.5	1,490	−$182	−10.9
1931	169.3	1,364	−126	−8.5
1932	144.2	1,154	−210	−15.4
1933	141.5	1,126	−28	−2.5
1934	154.3	1,220	+94	8.4
1935	169.5	1,331	+111	9.1
1936	193.0	1,506	+175	13.1
1937	203.2	1,576	+70	4.6
1938	192.9	1,484	−91	−5.8
1939	209.4	1,598	+114	7.7
1940	227.2	1,714	+115	7.2
1941	263.7	1,969	+256	14.9
1942	297.8	2,200	+231	11.7
1943	337.1	2,456	+256	11.6
1944	361.3	2,601	+148	5.9
1945	355.2	2,529	+72	2.8
1946	312.6	2,202	−326	−12.9
1947	309.9	2,142	−61	−2.8
1948	323.7	2,199	+57	2.7
1949	324.1	2,164	−35	−1.6
1950	355.3	2,333	+170	7.8
1951	383.4	2,476	+142	6.1
1952	$395.1	$2,508	+$32	1.3
1953	412.8	2,577	+69	2.8
1954	407.0	2,497	−81	−3.1
1955	438.0	2,640	+143	5
1956	446.1	2,641	+2	*
1957	452.5	2,631	−10	−.4
1958	447.3	2,558	−73	−2.8
1959	474.9	2,676	+118	4.6
1960	487.7	2,699	+23	.9
1961	497.2	2,707	+7	.3
1962	529.8	2,840	+133	4.9
1963	551.0	2,912	+71	2.5
1964	581.1	3,028	+117	4.0
1965	617.8	3,180	+151	5.0
1966	658.1	3,348	+169	5.3
1967	675.2	3,398	+50	1.5
1968	706.6	3,521	+123	3.6
1969	725.6	3,580	+60	1.7
1970	722.5	3,527	−54	−1.5
1971	746.3	3,605	+77	2.2
1972	792.5	3,795	−190	5.3
1973	839.2	3,989	+194	5.1
1974	821.1	3,875	+114	−2.8

[1] Real gross national product divided by population of the United States for July 1, of each year. Population figure includes Armed Forces overseas beginning 1940 and Alaska and Hawaii beginning 1940

Note: Office of the Secretary of the Treasury, Office of Debt Analysis.

Mr. LONG. The table shows since 1929—and I regret that the Treasury, apparently, did not have all of the figures for that one year—what had been happening to our gross national product on a per capita basis and adjusted to be in constant dollars. There have been only a few years since World War II when there has been a decline in per capita GNP in constant dollars.

I hope I may be pardoned for saying that where there has been a decline this almost invariably occurred in years the White House was occupied by members of the Republican Party, not by those who have found their way to this side of the aisle.

An exception to this was the bad year in 1945, immediately after the termination of the war, when there was changeover from war production, and of course, that is explainable.

But even so, after that adjustment occurred, if one looks at what happened during the tenure of President Truman, by the time the period was out this Nation achieved an increase in per capita GNP. In fact we were doing rather well indeed, at a much higher level of production than we had at any time before World War II.

There was a recession during the Eisenhower years, but on the other hand I am inclined to think that one could look upon the period, starting the day President Kennedy took office and ending with the day President Johnson went out of office, as a period during which we had good economic advice from those trying to administer the affairs of this country. This is indicated by the fact that from 1960 through 1968 we had 8 years during which the economy moved steadily ahead, notwithstanding the burden of a war in Vietnam. This Nation, during that period, enjoyed unparalleled prosperity and an increase in per capita income.

Since that date, we have had a couple of bad years, one was 1970 and the other was 1974. In addition we will have a very bad year this year, I fear.

In considering this increase in the debt limit, I ask that the Senate consider this matter in perspective, realizing that what is most important is whether we are able to put our economy in such shape that it will generate more goods and services and full employment opportunities for our people. When that is done this Nation will be in surplus again, and again we will be able to reduce the debt of this great Nation.

When we have full production and employment of our resources, full opportunity for all to work, this Nation can provide very well for its citizens and it can reduce the obligations and debts it owes to all persons at the same time.

If no one else desires to speak at this moment, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M.

Mr. LONG. Mr. President, I have discussed this request with the leadership on the other side of the aisle. I ask unanimous consent that the Senate stand in recess from now until the hour of 2 p.m. and that the time be charged equally against both sides.

There being no objection, the Senate, at 12:50 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GARN).

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Louisiana yield me 30 seconds?

Mr. LONG. I yield.

ORDER FOR ADJOURNMENT TO 10:15 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10:15 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HATFIELD AND FOR ROUTINE MORNING BUSINESS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. HATFIELD be recognized for not to exceed 15 minutes; that there then be a period for the transaction of routine morning business, not to extend beyond 11 a.m., with statements therein limited to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Nebraska yield me 30 seconds?

Mr. CURTIS. I yield the Senator as much time as he wishes.

Mr. ROBERT C. BYRD. I thank the Senator.

ORDER FOR ADJOURNMENT FROM TOMORROW TO 10:30 A.M. ON THURSDAY, FEBRUARY 20, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in adjournment until 10:30 a.m. on Thursday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF MR. NELSON ON THURSDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday next, after the two leaders or their designees have been recognized under the standing order, Mr. NELSON be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASE OF TEMPORARY LIMIT ON PUBLIC DEBT

The Senate continued with the consideration of the bill (H.R. 2634) to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

Mr. CURTIS. Mr. President, the measure before the Senate deals with the so-called debt ceiling. I say "so-called" because in reality it is a misnomer. If we could have a real ceiling on expenditures, the junior Senator from Nebraska would be very much attracted to it. The majority of the people back home would like to see a ceiling on Government expenditures.

We refer to this measure as a debt ceiling. Actually, it does not hold down either the expenditures or the debts. Debts are created when we spend more money than we take in. So the debt is created when we here, day after day, vote for spending. When we have pay raises, we add to the expenditures. When we pass bills, whether for benefits to States or localities or individuals, we add to the spending. When new programs come along for health or education or any other subject and are implemented, that adds to the spending. It is those votes, week in and week out, that determine how much money we will spend. If not enough money comes in to pay all those bills, the debt goes up.

It would be a relief if we could have a two-page bill that would really stop the debt from going up. But there just is not any such bill. Well, what is this, then? This, in reality, is authority for the Treasury Department to borrow enough money to pay the bills already incurred.

We create spending by voting for good bills. Everybody believes in highways. But if we vote for more highways than we have tax coming coming in, we add to the debt. So it is with every program imaginable. Debts are created because we authorize too much spending.

If we were to refuse to pass this bill, what would be the effect? The effect would be that because we do not have enough money coming in in taxes to pay the bills, we would limit the Executive's have tax money coming in, we add to the bills. It would be a rather dangerous step to stop the Government, to stop the Treasury from writing checks to pay for labor performed, to pay for contracts to carry out commitments made to States, to countries, and to cities, to have the money stopped to carry out our national defense and veterans' programs.

We are in the unhappy situation of having authorized so much spending that to pay for it exceeds the amount of taxes coming in. We would still owe those debts, whether or not we borrowed the money and issued bonds to pay for them.

Let us take the hypothetical case of a contractor who has built a Government building and has finished his work. It is about to be inspected, and he is expecting his last check. If we were to refuse to pass the bill authorizing the Treasury to borrow enough money to pay him, we would not lessen our debts. We would just be owing it to somebody else.

Mr. President, I do not say that it is a good thing to raise the so-called debt ceiling. I think it is very bad. Certainly, it is not a happy thing to have to do. It is something that is necessary because of past spending.

As for myself, I am in favor of a pay-as-you-go basis for this Government. I had pending in the last Congress—and I will introduce it again in a few days—a constitutional amendment that would require the budget to be balanced. That cannot be done by just saying that the Government cannot spend more than it takes in. It is not that easy; because if the money they take in is spent and there are a couple of more months of the year to run, are you going to stop everything, or are you going to try to write a list of priorities—we will pay this list but not that list?

We have worked out a self-enforcing method to compel a balanced budget, and this is how it would work: If this proposal were passed by a two-thirds vote of both Houses of Congress and ratified by three-fourths of the States, it would become part of the Constitution. This proposal provides that the President, in submitting his budget, shall submit a balanced budget. If he calls for more spending than anticipated revenue, he has to figure out how much surtax it would take to put it in balance. A surtax is a percentage tax on the regular tax. So if the President of the United States, in his budget message, called for more spending than expected revenue, he would have to calculate how big a surtax would be required to put it in balance—if it were 3 percent or 5 percent or 7 percent or 12 percent—and so declare it.

If Congress did nothing other than just pass his budget as he proposed and did not raise any other revenue, under this proposal the surtax would go into effect automatically.

However, Congress rightly has control over the purse strings and control over taxes and spending. Congress could reduce the President's budget.

Congress could find some other revenue. In either case, there would be no need for the surtax. Congress might, as it often does, authorize more spending than there is in the President's budget. In that case, they would either have to find some other revenue or an automatic surtax would go in.

This proposal provides that at a couple of times during the year, the Speaker of the House of Representatives would estimate the amount of revenue coming in, would estimate the amount of spending that Congress has authorized, and if the spending is more than the revenue, he would determine how much of a surtax it would take to put it in balance, so declare it, and if Congress did not do anything about it, either by reducing expenditures or some other kind of tax, the surtax would go in.

Mr. President, people have often asked why would a conservative like CARL CURTIS from Nebraska advocate more taxes? There is a twofold answer. If we are going to have high spending, we have to have high taxes. But the other part is this: If the politicians have to face the music and either cut spending or levy taxes, they will cut spending. Why, if the President advocates an unbalanced budget—and every budget that has been presented to this Congress since Eisenhower days has been an unbalanced budget—and the people are informed that this will put a surtax on of 5 percent or 7 percent or whatever it is, they will know it all across the land and they will get out their pencils and write their Congressman or Senator and say, cut that budget.

Or if Congress goes its merry way of spending and not collecting and the Speaker has to determine how much the surtax is, and if they do nothing about it and it goes in automatically, the people will know it. They will know what the facts are. They will become aroused and they will see to it that expenditures are cut.

I believe that the President and Congress have to face the issue—cut spending or there will be a tax increase—they will cut spending. But if I am wrong on that guess, the people will know about it and at the next election, they can turn the rascals out. And they should.

Now, the way it is, there is no accounting. A budget can be submitted and unbalanced. On one hand, we go ahead and vote for spending. On the other hand, we collect some taxes, but never quite enough. The debts go on. Inflation follows. And there is no direct accountability. Then it is possible for someone to vote for every increase, to vote for every raise, to vote for every new program under our present system, and then pick out some small matter where they voted on the economy side. They go back home and go up and down their State or district and talk about that time they voted to cut expenditures. People in the audience may say, "Well, Joe is not a bad fellow after all; he is really a conservative at heart." And they reelect him. Then he goes back to Washington and he votes for more spending and more programs.

This would provide a system that would fix responsibility. If those who hold office spend more than they had authorized in taxes, and a surtax would automatically go into effect, believe me, that will cause Congressmen and Senators to read the budget, to examine the hearings, to hesitate to vote for every new program that comes along, to hesitate to vote for increases of benefits across the board, because they cannot conceal it with oratory any more. We would go home and we would be guilty, collectively, of having people's taxes increased.

Mr. President, of course, the proposed constitutional amendment is not before us at this time. We have the very painful and unhappy task of considering the so-called debt ceiling, which, as I said a moment ago, is a misnomer. To refuse to pass it would create chaos, but it would not lessen our debts. If we spend the money, we have to pay, and if we have not collected enough in taxes, we have to authorize the Treasury to borrow the money.

It might be likened to a situation where a family bought everything they could think of on charge accounts and credit cards, and then, after they had ordered the merchandise and the services, they said, We are going to have a debt ceiling, so we are not going to pay these charge accounts or credit card accounts. The Congress of the United States has repeatedly spent more money than it has taken in and the debts are there. Either we are going to owe them in unpaid bills or we are going to have to borrow enough money to pay them. I wish it were otherwise.

Mr. President, I am not critical of anyone who votes against this measure. It is a protest against spending; it is a protest against increasing debt; it is a protest against deficit financing. If this is true, then if we all chose to protest, or a majority chose to protest, there would be chaos. We could not write any checks. The expenditures have been made; we have to borrow enough money to pay the bill.

Mr. LONG. Will the Senator yield on that point?

Mr. CURTIS. I am happy to yield.

Mr. LONG. I shall wait with interest to see how many Senators will vote against the debt limit to permit the Government to pay its legal outstanding obligations for expenditures made under appropriations of Congress and then, having voted against permitting the Government to pay its debts, proceed to vote for tax cuts when that quickie tax cut bill is on the floor of the Senate.

I do not see how one can defend a vote and say first that he is against the Government going into debt and then that he is in favor of a tax cut. Everybody knows that we are going to have a deficit this year whether we vote for the tax cut or against the tax cut. We will still have a deficit.

Mr. CURTIS. I thank my distinguished chairman for his contribution. That will apply to other things.

We will have before us a proposal to raise social security and attention will be called very eloquently to individuals in retirement who need the money very badly, who really need a raise. But at the same time, they will be voting for an across-the-board increase and give people who are well to do and wealthy, but who just happen to be over 65, a great increase.

That is something to think about. Ten years ago, the maximum social security tax to be imposed on one employee was $72. Today it is $842 or thereabouts, because we have passed a lot of bills here.

We used to have one every 2 years, just before election. Now we have one or two every year. And as I say, they are not based upon what the reserves say we could pay. They are based upon the plea made in behalf of people of low-income who need a raise, and perhaps we should find a way to deal with that particular group. They are entitled to our compassion and our generosity.

But instead of that, the various candidates for President have an option. When somebody suggests 5 percent across the board, someone else bids 10. Last time a gentleman on the other side of the Capitol raised his own bid to 20 percent. Do you know what that did for some people? A social security benefit is tax free, and a percentage increase of a small benefit is still a small amount, and gives a low benefit to the poor people who did not have a very high wage rate. Whether it is 5 percent, 10 percent, or 15 percent of a low benefit, it is still a small amount. But if we give a 20-percent increase to someone who gets a sizable benefit, and it is tax free, we have given him twice as much, and that is the way we have been voting on some of these things.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. CURTIS. I am happy to yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I am in general agreement with everything the distinguished Senator from Nebraska has said. I was interested in the statement by the distinguished chairman of the committee about some voting against this measure and at the same time voting for a tax cut. I think he might have gone farther and said that some of those who have voted for these large programs will also vote against raising the debt ceiling.

I have always voted against raising the debt ceiling. I never have voted for raising it, and do not intend to vote for it today. But I think there is a degree of consistency, even though recognizing it as a protest vote, as the Senator from Nebraska has said. I think if one does not vote for a large number of these programs, and they are still adopted, perhaps this is a way of protesting further spending; and as I look ahead and look at the proposed budget deficit the President has indicated, a deficit of $80 billion over a 2-year period, I am not going to support anything like that. It seems to me that when we feel the Government is spending beyond its means, and when we support a constitutional amendment such as the Senator from Nebraska has proposed—and I believe I am a cosponsor of that measure—a protest vote in a case of this kind is very much in order, and even though I recognize the futility of it, and that we would be in an economic crisis if the nays prevailed, perhaps a few days of that might be a good thing.

I thank the Senator for yielding.

Mr. CURTIS. I thank the Senator. I want it clearly understood that I am not at all critical of anyone's vote on this measure or any other. There will be many Senators who have a consistent record of voting for economy, who will want to follow through and vote against this so-called debt ceiling. I respect them in that. The opportunity, of course, exists for Senators to vote for every spending bill and then vote against the debt ceiling. But that is not for me to judge. Certainly in this body nothing is gained, we have no right to do so, and it could only lead to trouble if we ever attempted to judge the motives of others.

I assume that everyone who casts a vote here has a good and valid reason for doing so, and I shall not question their motives. I respect my distinguished friend from Virginia and his consistent record of voting for economy in Government. I am sure that if we had enough votes along those lines, we would not have to face this unpleasant task of considering a bill dealing with the debt limit.

There no doubt will be an amendment offered this afternoon proposing that we do away with this debt limit that we will have to vote on in 2 hours. I have mixed feelings about that. The debt ceiling certainly does not hold down the debt; something causes it to rise, and rise ever higher. On the other hand, no doubt there is much to be said for periodically considering it, so that the public may know where the debt is leading us, and who are the individuals who may have to take the responsibility.

I think it is important that everyone realize that debts are caused, not by voting for or against two pages of words on paper, but by excessive spending; and on that score Congress collectively is guilty.

Mr. President, I yield the floor.

Mr. LONG. Mr. President, I believe it would be well for the Record to contain a series of tables prepared by the Treasury Department at the suggestion of the Senator from Louisiana. If any of these tables are already in the Record, they need not be repeated here, but I believe any that are not already in the Record should be printed.

I have in mind that portion of the committee report starting on page 7, item III, "Relationship of Government and Private Debt and Economic Activity."

I would like to ask that the language explaining the tables as well as the tables themselves appear in the Record.

There being no objection, the explanation and tables were ordered to be printed in the Record, as follows:

III. Relationship of Government and Private Debt and Economic Activity

Tables 9–16 show that the relative burden of the Federal Government debt has changed through the years but generally has been falling since the end of World War II, despite some years of large budget deficits.

Table 9 shows that gross Federal debt (outstanding Federal securities) relative to total gross government and private debt has fallen from its high at 62 percent in 1945 to 17 percent at the end of 1973. It has not been that low proportionately since 1934. The same type of information using data on net Federal debt (outstanding debt in the hands of the public) is shown in table 12. The peak ratio was 62 percent in 1945, and the ratio has fallen to 14 percent since then, the lowest since 1933 when it also was 14 percent.

In table 10, it can be seen that per capita gross Federal debt has increased from $1,825 in 1946 to $2,378 in 1974, about 30 percent. Over the 1946 to 1973 interval, private debt per capita has increased from $419 to $3,911, more than nine times. State and local government debt per capita has increased from $113 to $892, an increase of just less than 8 times. Total government and private debt per capita has risen from $3,123 to $13,741, that is, it increased 4.4 times.

Per capita net debt is shown in table 13. The overall proportions of the increases are much the same as shown in table 10, but the per capita, net Federal debt increased by only 6.0 percent, far below the proportionate increases in the other sectors (more than 9 times) or in the total (more than 4 times).

Tables 11 and 14 show that the level of total debt (both gross and net) relative to gross national product has not changed substantially from 1929 to 1945 to 1973. Federal debt relative to GNP has increased and decreased in that period, and although higher than in 1929 when it was 18 percent (gross) and 17 percent (net), the 1974 ratio of 35 percent (gross) is the lowest since 1931 and the net debt ratio of 25 percent is the lowest since 1930.

Real (December 1973 prices) per capita Federal debt is shown in the last 3 columns of table 15, where 3 measures of debt are shown—gross outstanding Federal debt, net outstanding Federal debt (outside of government accounts) and net privately held Federal debt (outside of government and Federal Reserve accounts). Lowest levels for each concept in the period shown were in 1929. In each of these series, the highest levels were reached in 1945 and have declined since then to their current lowest levels, as of the end of 1974. $2,378 for gross debt, $1,703 for net debt and $1,322 for net privately held debt.

In table 17, the data show that per capita real GNP (expressed in 1958 prices) fell from $1,672 in 1929 to $1,126 in 1933 and has risen to $3,875 in 1974. The rise has been sustained generally throughout the 41-year period since 1933, but the level fell in recession years and immediately after World War II: 1938, 1945–47, 1949, 1954, 1957–58, 1970 and 1974.

TABLE 9.—ESTIMATED GROSS GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

[Dollar amounts in billions]

Dec. 31	Private				Federal				
	Individual	Corporate [1]	Total	State and local	Public	Agency	Total	Total	Federal as a percent of total
1929	$72.9	$107.0	$179.9	$17.8	$16.3	$1.2	$17.5	$215.2	8
1932	57.1	96.1	153.2	19.7	20.8	1.2	22.0	194.9	11
1933	51.0	92.4	143.4	19.5	23.8	1.5	25.3	188.2	13
1934	49.8	90.6	140.4	19.2	28.5	4.8	33.3	192.9	17
1939	50.8	86.8	137.6	20.1	41.9	6.9	48.8	206.5	24
1940	53.0	89.0	142.0	20.2	45.0	7.2	52.2	214.4	24

Footnotes at end of table.

TABLE 9.—ESTIMATED GROSS GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES—Continued

[Dollar amounts in billions]

Dec. 31	Private			State and local	Federal			Total	Federal as a percent of total
	Individual	Corporate [1]	Total		Public	Agency	Total		
1941	$55.6	$97.5	$153.1	$20.0	$57.9	$7.7	$65.6	$238.7	27
1945	54.7	99.5	154.2	16.0	278.1	1.5	279.6	449.8	62
1946	59.9	109.3	169.2	16.1	259.1	1.6	260.7	446.0	58
1947	69.4	128.9	198.3	17.5	256.9	.7	257.6	473.4	54
1948	80.6	139.4	220.9	19.6	252.8	1.0	253.8	493.4	51
1949	90.4	140.3	230.7	22.2	257.1	.8	257.9	510.8	50
1950	104.3	167.7	272.0	25.3	256.7	1.1	257.8	555.1	46
1951	114.3	191.9	306.2	28.0	259.4	.8	260.2	594.4	44
1952	129.4	202.9	332.3	31.0	267.4	.9	268.3	631.6	4
1953	143.2	212.9	356.1	35.0	275.2	.8	276.0	667.1	41
1954	157.2	217.6	374.8	40.2	278.8	.7	279.5	694.5	40
1955	180.1	253.9	434.9	46.3	280.8	1.4	282.2	763.4	37
1956	195.5	277.3	472.8	50.1	276.6	1.7	278.3	801.2	35
1957	207.6	295.8	503.4	54.7	274.9	3.2	278.1	836.2	33
1958	222.9	312.0	534.9	60.4	282.9	2.4	285.3	380.6	32
1959	245.0	341.4	586.4	66.6	290.8	5.7	296.5	949.5	31
1960	263.3	365.1	628.4	72.0	290.2	6.4	296.6	997.0	30
1961	284.8	391.5	676.3	77.6	296.2	6.8	303.0	1,056.9	29
1962	311.9	421.5	733.4	83.4	303.5	7.8	311.3	1,128.1	28
1963	345.8	457.1	802.2	89.5	309.3	8.1	317.4	1,209.1	26
1964	380.1	497.3	877.4	95.5	317.9	9.1	327.0	1,299.0	25
1965	415.7	551.9	967.6	103.1	320.9	9.8	330.7	1,401.4	24
1966	444.2	617.4	1,061.6	109.4	329.3	14.0	343.3	1,514.3	23
1967	476.2	672.9	1,149.1	117.9	344.7	20.1	364.9	1,631.9	22
1968	513.9	779.0	1,292.9	128.4	358.0	15.1	373.1	1,794.4	21
1969	548.7	912.7	1,461.4	137.9	368.2	13.8	382.0	1,981.3	19
1970	586.3	997.8	1,584.1	149.3	389.2	12.5	401.6	2,135.0	19
1971	648.3	1,084.9	1,733.2	166.3	424.1	11.0	435.2	2,334.6	19
1972	734.4	1,217.5	1,951.9	178.6	449.3	11.8	461.1	2,591.5	18
1973	821.3	1,395.4	2,216.7	187.4	469.9	11.6	481.5	2,885.6	17
1974	(2)	(2)	(2)	(2)	492.7	11.4	504.0	(2)	(2)

[1] Includes debt of federally sponsored agencies excluded from the Budget which amounted to $700,000,000 on Dec. 31, 1947; $30,600,000,000 on Dec. 31, 1969; $38,800,000,000 on Dec. 31, 1970; $39,900,000,000 on Dec. 31, 1971; $41,400,000,000 on Dec. 31, 1972; and $59,800,000,000 on Dec. 31, 1973.

[2] Not available.

Source: Commerce and Treasury Departments.

TABLE 10.—ESTIMATED GROSS GOVERNMENT AND PRIVATE DEBT 1929 TO PRESENT

End of calendar year	Government debt						Private debt				Total Government and private debt	
	Amounts outstanding (billions)			Per capita [1]			Amounts outstanding (billions)		Per capita [1]			
	Federal [2]	State and local	Total	Federal	State and local	Total	Corporate business [3]	Individual and noncorporate business	Corporate business	Individual and noncorporate business	Amount outstanding (billions)	Per capita
1929	$17.5	$17.8	$35.3	$143	$145	$288	$107.0	$72.9	$874	$595	$215.2	$1,755
1932	22.0	19.7	41.7	176	157	333	96.1	57.1	767	456	194.9	1,553
1933	25.3	19.5	44.8	201	155	355	92.4	51.0	733	404	188.2	1,490
1934	33.0	19.2	52.2	260	151	411	90.6	49.8	714	392	192.9	1,529
1939	48.8	20.1	68.9	371	153	524	86.8	50.8	660	386	206.5	1,565
1940	52.2	20.2	72.4	393	152	545	89.0	53.0	670	399	214.4	1,619
1941	65.6	20.0	85.6	489	149	638	97.5	55.6	727	414	238.7	1,777
1945	279.6	16.0	295.6	1,987	114	2,101	99.5	54.7	707	389	449.8	3,193
1946	260.7	16.1	276.8	1,825	113	1,938	109.3	59.9	765	419	446.0	3,124
1947	257.6	17.5	275.1	1,771	120	1,891	128.9	69.4	886	477	473.4	3,254
1948	253.8	19.6	273.4	1,715	132	1,847	139.4	80.6	942	545	493.4	3,333
1949	257.9	22.2	280.1	1,713	147	1,860	140.3	90.4	932	600	510.8	3,397
1950	257.8	25.3	283.1	1,685	165	1,850	167.7	104.3	1,096	682	555.1	3,627
1951	260.2	28.0	288.2	1,671	180	1,851	191.9	114.3	1,232	734	594.4	3,818
1952	268.3	31.0	299.3	1,694	196	1,890	202.9	129.4	1,281	817	631.6	3,982
1953	276.0	35.0	311.0	1,714	217	1,931	212.9	143.2	1,322	889	667.1	4,146
1954	279.5	40.2	319.7	1,705	245	1,950	217.6	157.2	1,327	959	694.5	4,232
1955	282.2	46.3	328.5	1,691	276	1,961	253.9	180.1	1,522	1,079	762.5	4,550
1956	278.3	50.1	328.4	1,638	294	1,925	277.3	195.4	1,632	1,151	801.2	4,696
1957	278.1	54.7	332.8	1,609	315	1,918	295.8	207.6	1,712	1,201	836.2	4,820
1958	285.3	60.4	345.7	1,624	342	1,960	312.0	222.9	1,776	1,269	880.6	4,992
1959	296.5	66.6	363.1	1,653	371	2,024	341.4	245.0	1,903	1,366	949.5	5,293
1960	296.6	72.0	368.6	1,627	395	2,022	365.1	263.3	2,002	1,444	997.0	5,469
1961	303.0	77.6	380.6	1,635	419	2,054	391.5	284.8	2,112	1,537	1,056.9	5,704
1962	311.3	83.4	394.7	1,654	443	2,097	421.5	311.9	2,240	1,658	1,128.1	5,994
1963	317.4	89.5	406.9	1,663	469	2,131	457.1	345.8	2,395	1,812	1,209.8	6,337
1964	327.0	95.5	422.5	1,690	494	2,183	497.3	380.1	2,570	1,965	1,299.9	6,718
1965	330.7	103.1	433.8	1,688	526	2,214	551.9	415.7	2,818	2,124	1,401.8	7,156
1966	343.3	109.4	452.7	1,736	553	2,290	617.4	444.2	3,123	2,247	1,514.3	7,660
1967	364.9	117.9	482.8	1,827	590	2,417	672.9	476.2	3,370	2,385	1,631.9	8,172
1968	373.1	128.4	501.5	1,850	637	2,487	757.6	513.9	3,862	2,548	1,794.4	8,896
1969	382.0	137.9	519.9	1,875	673	2,547	882.1	548.7	4,478	2,691	1,981.3	9,716
1970	401.6	149.3	550.9	1,960	724	2,673	959.0	586.3	4,820	2,796	2,135.0	10,289
1971	435.2	166.3	601.5	2,101	804	2,895	1,045.0	648.3	5,155	3,032	2,334.6	11,083
1972	461.1	178.6	639.7	2,207	862	3,062	1,176.1	734.4	5,663	3,410	2,591.5	12,135
1973	481.5	187.4	668.9	2,289	892	3,185	1,335.6	821.3	6,360	3,911	2,885.6	13,741
1974	504.0	(4)	(4)	2,378	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)

[1] Debt divided by the population of the conterminous United States and including, Armed Forces overseas. Alaska is included beginning 1959 and Hawaii beginning in 1960.

[2] Total Federal securities, including public debt and Budget Agency securities.

[3] Includes debt of federally sponsored agencies excluded from the budget.

[4] Not available.

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

Note: Details may not add to totals because of rounding.

TABLE 11.—GROSS GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

End of calendar year	Gross national product[1] (billions)	Ratios of debt to gross national product (percent)				
		Federal	State and local	Corporate	Individual and noncorporate	Total
1929	$96.7	18.1	18.4	110.7	75.4	222.5
1932	56.8	38.7	34.7	169.2	100.5	343.1
1933	60.3	42.0	32.3	153.2	84.6	312.1
1934	68.6	48.1	28.0	132.1	72.6	280.8
1939	94.8	51.5	21.2	91.6	53.6	217.8
1940	107.6	48.5	18.8	82.7	49.3	199.3
1941	138.8	47.3	14.4	70.2	40.1	172.0
1945	196.0	142.6	8.2	50.8	27.9	229.5
1946	221.4	117.8	7.3	49.4	27.1	201.4
1947	245.0	105.1	7.1	52.6	28.3	193.2
1948	261.2	97.2	7.5	53.4	30.9	188.9
1949	260.5	99.0	8.5	53.9	34.7	196.1
1950	311.2	82.8	8.1	53.9	33.5	178.4
1951	338.2	76.9	8.3	56.7	33.8	175.8
1952	361.0	74.3	8.6	56.2	35.8	175.0
1953	360.8	76.5	9.7	59.0	39.7	184.9
1954	379.8	73.6	10.6	57.3	41.4	182.9
1955	409.7	68.9	11.3	62.0	44.0	185.9
1956	433.2	64.2	11.6	64.0	45.1	184.9
1957	$438.1	63.5	12.5	67.5	47.4	190.8
1958	469.2	60.8	12.9	66.5	47.5	187.6
1959	496.8	59.7	13.4	68.7	49.3	190.8
1960	503.4	58.9	14.3	72.5	52.3	197.7
1961	542.8	55.8	14.3	72.1	52.5	194.7
1962	574.7	54.2	14.5	73.3	54.3	196.6
1963	611.8	51.9	14.6	74.7	56.5	197.9
1964	654.0	50.0	14.6	76.0	58.1	199.1
1965	719.2	46.0	14.3	76.7	57.8	194.9
1966	772.6	44.4	14.2	79.9	57.5	196.0
1967	825.0	44.2	14.3	81.5	57.7	197.8
1968	898.6	41.5	14.3	86.7	57.2	199.7
1969	953.7	40.1	14.4	95.7	57.5	207.7
1970	1,009.8	39.8	14.8	98.6	57.2	210.6
1971	1,099.1	39.5	15.3	98.1	57.7	210.9
1972	1,226.8	37.5	14.8	97.2	58.6	208.4
1973	1,351.4	35.6	14.5	108.2	63.7	223.7
1974	1,440.0	35.0	(2)	(2)	(2)	(2)

[1] Implied level end of year, calculated as the average of the 4th and 1st calendar quarters at seasonally adjusted annual rates for the years 1939 through present. Prior to 1939, averages of 2 calendar year figures are used as the best approximation of Dec. 31 levels.

[2] Not available.

Note: Details may not add to totals because of rounding.

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

TABLE 12.—ESTIMATED NET GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

[Dollar amounts in billions]

Dec. 31	Private			State and local	Federal	Total	Federal as a percent of total
	Individual	Corporate[1]	Total				
1916	$36.3	$40.2	$76.5	$4.5	$1.2	$82.2	1
1919	43.9	53.3	97.2	5.5	25.6	128.3	20
1929	72.9	88.9	161.8	13.6	16.5	191.9	9
1932	57.1	80.0	137.1	16.6	21.3	175.0	12
1933	51.0	76.9	127.9	16.3	24.3	168.5	14
1934	49.8	75.5	125.3	15.9	30.4	171.6	18
1939	50.8	73.5	124.3	16.4	42.6	183.3	23
1940	53.0	75.6	128.6	16.4	44.8	189.8	24
1941	55.6	83.4	139.0	16.1	56.3	211.4	27
1945	54.7	85.3	140.0	13.4	252.5	405.9	62
1946	59.9	93.5	153.4	13.7	229.5	396.6	58
1947	69.4	109.6	179.0	15.0	221.7	415.7	53
1948	80.6	118.4	199.0	17.0	215.3	431.3	50
1949	90.4	118.7	209.1	19.1	217.6	445.8	49
1950	104.3	142.8	247.1	21.7	217.4	486.2	45
1951	114.3	163.8	278.1	24.2	216.9	519.2	42
1952	129.4	172.3	310.7	27.0	221.5	550.2	40
1953	143.2	180.9	324.1	30.7	226.8	581.6	39
1954	157.2	184.1	341.3	35.5	292.1	605.9	38
1955	180.1	215.0	395.1	41.1	229.6	665.8	35
1956	$195.5	$234.1	$429.6	$44.5	$224.3	$698.4	32
1957	207.6	249.1	456.7	48.6	223.0	728.3	31
1958	222.9	262.0	484.9	53.7	231.0	769.6	30
1959	245.0	287.0	532.0	59.6	241.4	833.0	29
1960	263.3	306.3	569.6	64.9	239.8	874.2	27
1961	284.8	328.3	613.1	70.5	246.7	930.3	27
1962	311.9	353.5	665.4	77.0	253.6	996.0	25
1963	345.8	383.6	729.5	83.9	257.5	1,070.9	24
1964	380.1	417.1	797.2	90.4	264.0	1,151.6	23
1965	415.7	463.2	878.9	98.3	266.4	1,243.6	21
1966	444.2	517.8	962.0	104.8	271.8	1,338.6	20
1967	476.2	562.7	1,038.9	113.4	286.5	1,438.8	20
1968	513.9	652.9	1,166.8	123.9	291.9	1,582.5	18
1969	548.7	764.8	1,313.5	133.3	289.3	1,736.0	17
1970	586.3	836.5	1,422.8	145.0	301.1	1,868.9	16
1971	648.3	909.2	1,557.5	162.4	325.9	2,045.8	16
1972	734.4	1,019.7	1,759.1	175.0	341.2	2,270.2	15
1973	821.3	1,170.9	1,992.2	184.5	349.1	2,525.8	14
1974	(2)	(2)	(2)	(2)	360.8	(2)	(2)

[1] Includes debt of privately owned, federally sponsored agencies excluded from the Budget which amounted to $700,000,000 on Dec. 31, 1947; $30,600,000,000 on Dec. 31, 1969; $38,800,000,000 on Dec. 31, 1970; $39,900,000,000 on Dec. 31, 1971; $41,400,000,000 on Dec. 31, 1972; and $59,800,000,000 on Dec. 31, 1973.

[2] Not available.

Source: Commerce and Treasury Departments.

TABLE 13.—ESTIMATED NET GOVERNMENT AND PRIVATE DEBT, 1916 TO PRESENT

End of calendar year	Government debt						Private debt				Total Government and private debt	
	Amounts outstanding (billions)			Per capita[2]			Amounts outstanding (billions)		Per capita[2]			
	Federal[1]	State and local	Total	Federal	State and local	Total	Corporate business[3]	Individual and noncorporate business	Corporate business	Individual and noncorporate business	Amount outstanding (billions)	Per capita
1916	$1.2	$4.5	$5.7	$12	$44	$56	$40.2	$36.3	$391	$353	$82.2	$80
1929	16.5	13.6	30.1	135	111	246	88.9	72.9	726	595	191.9	1,567
1932	21.3	16.6	37.9	170	132	302	80.0	57.1	638	456	175.0	1,396
1933	24.3	16.3	40.6	193	129	322	76.9	51.0	610	404	168.5	1,336
1934	30.4	15.9	46.3	240	125	365	75.5	49.8	595	392	171.6	1,352
1939	42.6	16.4	59.0	324	125	448	73.5	50.8	559	386	183.3	1,393
1940	44.8	16.4	61.2	337	123	461	75.6	53.0	569	399	189.8	1,429
1941	56.3	16.1	72.4	420	120	540	83.4	55.6	622	414	211.4	1,576
1945	252.5	13.4	265.9	1,795	95	1,890	85.3	54.7	606	389	405.9	2,885
1946	229.5	13.7	243.2	1,607	96	1,703	93.5	59.9	655	419	396.6	2,777
1947	221.7	15.0	236.7	1,524	103	1,627	109.6	69.4	753	477	415.7	2,858
1948	215.3	17.0	232.3	1,455	115	1,570	118.4	80.6	800	545	431.3	2,914
1949	217.6	19.1	236.7	1,445	127	1,572	118.7	90.4	788	600	445.8	2,961
1950	217.4	21.7	239.1	1,421	142	1,562	142.8	104.3	933	682	486.2	3,177
1951	216.9	24.2	241.1	1,393	155	1,548	163.8	114.3	1,052	734	519.2	3,334
1952	221.5	27.0	248.5	1,399	170	1,569	172.3	129.4	1,088	817	550.2	3,474

Footnotes at end of table.

TABLE 13.—ESTIMATED NET GOVERNMENT AND PRIVATE DEBT, 1916 TO PRESENT—Continued

End of calendar year	Government debt						Private debt					
	Amounts outstanding (billions)			Per capita [2]			Amounts outstanding (billions)		Per capita [2]		Total Government and private debt	
	Federal [1]	State and local	Total	Federal	State and local	Total	Corporate business [3]	Individual and noncorporate business	Corporate business	Individual and noncorporate business	Amount outstanding (billions)	Per capita
1953	$226.8	$30.7	$257.5	$1,408	$191	$1,599	$180.9	$143.2	$1,123	$889	$581.6	$3,611
1954	229.1	35.5	264.6	1,397	217	1,604	184.1	157.2	1,123	959	605.9	3,696
1955	229.6	41.1	270.7	1,376	245	1,616	215.0	180.1	1,289	1,079	665.8	2,975
1956	224.3	44.5	268.8	1,320	261	1,576	234.1	195.5	1,378	1,151	698.4	4,094
1957	223.0	48.6	271.6	1,290	280	1,565	249.1	207.6	1,441	1,201	728.3	4,198
1958	231.0	53.7	284.7	1,315	304	1,614	262.0	222.9	1,491	1,269	769.6	4,363
1959	241.4	59.6	301.0	1,346	332	1,678	287.0	245.0	1,600	1,366	833.0	4,643
1960	239.8	64.9	304.7	1,315	356	1,671	306.3	263.3	1,680	1,444	874.2	4,795
1961	246.7	70.5	317.2	1,331	380	1,712	328.3	284.8	1,771	1,537	930.3	5,021
1962	253.6	77.0	330.6	1,348	409	1,757	353.5	311.9	1,879	1,658	996.0	5,292
1963	257.5	83.9	341.4	1,349	439	1,788	383.6	345.8	2,010	1,812	1,070.9	5,610
1964	264.0	90.4	354.4	1,364	467	1,832	417.1	380.1	2,156	1,965	1,151.6	5,951
1965	266.4	98.3	364.7	1,360	502	1,862	463.2	415.7	2,365	2,123	1,243.6	6,350
1966	271.8	104.8	376.6	1,375	530	1,905	517.8	444.2	2,619	2,246	1,338.6	6,771
1967	286.5	113.4	399.9	1,434	568	2,001	562.7	476.2	2,818	2,383	1,438.8	7,205
1968	291.9	123.9	415.8	1,447	614	2,061	652.9	513.9	3,202	2,547	1,582.5	7,846
1969	289.3	133.3	422.6	1,419	654	2,073	764.8	548.7	3,791	2,692	1,736.0	8,514
1970	301.1	145.0	446.1	1,469	704	2,165	836.5	586.3	4,104	2,845	1,868.9	9,001
1971	325.9	162.4	488.3	1,579	780	2,347	909.2	648.3	4,369	3,116	2,045.8	9,703
1972	341.2	175.0	516.2	1,634	835	2,461	1,019.7	734.4	4,862	3,502	2,270.2	10,631
1973	349.1	184.5	533.6	1,659	879	2,526	1,170.9	821.3	5,544	3,911	2,525.8	11,958
1974	360.8	(4)	(4)	1,703	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)

[1] Debt divided by the population of the conterminous United States and including Armed Forces overseas. Alaska is included beginning 1959 and Hawaii beginning in 1960.

[2] Borrowing from the public.

[3] Includes debt of federally sponsored agencies excluded from the budget.

[4] Not available.

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

TABLE 14—NET GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

End of calendar year	Gross national product [1] (in billions)	Ratios of debt to gross national product (percent)				
		Federal	State and local	Corporate	Individual and noncorporate	Total
1929	$96.7	17.1	14.1	91.9	75.4	198.4
1932	56.8	37.5	29.2	140.8	100.5	308.1
1933	60.3	40.3	27.0	127.5	84.6	279.4
1934	68.6	44.3	23.2	110.1	72.6	250.1
1939	94.8	44.9	17.3	77.5	53.6	193.4
1940	107.6	41.6	15.2	70.3	49.3	176.4
1941	138.8	40.6	11.6	60.1	40.1	152.3
1945	196.0	128.8	6.8	43.5	27.9	207.1
1946	221.4	103.7	6.2	42.2	27.1	179.1
1947	245.0	90.5	6.1	44.7	28.3	169.7
1948	261.2	82.4	6.5	45.2	30.9	165.1
1949	260.5	83.5	7.3	45.6	34.7	171.1
1950	311.2	69.9	7.0	45.9	33.5	156.2
1951	338.2	64.1	7.2	48.4	33.8	153.5
1952	361.0	61.4	7.5	47.7	35.8	152.4
1953	360.8	62.9	8.5	50.1	39.7	161.2
1954	379.8	60.3	9.3	48.5	41.4	159.5
1955	409.7	56.0	10.0	52.5	44.0	162.4
1956	433.2	51.8	10.3	54.0	45.1	161.1
1957	$438.1	50.9	11.1	56.9	47.4	166.0
1958	469.2	49.2	11.4	55.8	47.5	163.8
1959	496.8	48.6	12.0	57.8	49.3	167.5
1960	503.4	47.6	12.9	60.8	52.3	173.6
1961	542.8	45.4	13.0	60.5	52.5	171.3
1962	574.7	44.1	13.4	61.5	54.3	173.3
1963	611.8	42.1	13.7	62.7	56.5	175.0
1964	654.0	40.4	13.8	63.8	58.1	176.1
1965	719.2	37.0	13.7	64.4	57.8	172.9
1966	772.6	35.2	13.6	67.0	57.5	173.3
1967	825.0	35.7	13.7	68.2	57.7	174.8
1968	898.6	32.5	13.8	72.7	57.2	176.1
1969	953.7	30.3	13.9	80.2	57.5	182.0
1970	1,009.8	29.9	14.4	82.7	57.2	184.2
1971	1,099.1	29.8	14.9	82.2	57.7	184.6
1972	1,226.8	28.0	14.5	81.6	58.5	182.5
1973	1,351.4	27.1	14.3	90.8	63.6	195.8
1974	1,440.0	25.0	(*)	(*)	(*)	(*)

[1] Implied level end of year, calculated, as the average of the 4th and 1st calendar quarters at sesonally adjusted annual rates for the years 1939 through present. Prior to 1939, averages of 2 calendar year figures are used as the best approximation of Dec. 31 levels.

*Not available.

Note: Detail may not add to total because of rounding

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

TABLE 15.—ESTIMATED FEDERAL DEBT RELATED TO POPULATION AND PRICES, 1929–73

Dec. 31	Federal debt (billions)			Per capita Federal debt [4]			Real per capita Federal debt [5]		
	Gross [1]	Net [2]	Privately held net [3]	Gross [1]	Net [2]	Privately held net [3]	Gross [1]	Net [2]	Privately held net
1929	$17.5	$16.5	$16.0	$143	$135	$131	$431	$407	$395
1932	22.0	21.3	19.4	176	170	155	696	672	613
1933	25.3	24.3	21.9	201	193	174	791	759	685
1934	33.3	30.4	28.0	260	240	221	794	925	852
1939	48.8	42.6	40.1	371	324	305	1,376	1,201	1,131
1940	52.2	44.8	42.6	393	337	321	1,443	1,283	1,179
1941	65.6	56.3	54.0	489	420	402	1,637	1,406	1,346
1945	279.6	252.5	228.2	1,987	1,795	1,622	5,651	5,105	4,613
1946	260.7	229.5	206.1	1,825	1,607	1,433	4,379	3,855	3,438
1947	257.6	221.7	199.1	1,771	1,524	1,369	3,910	3,356	3,023
1948	253.8	215.3	192.0	1,715	1,455	1,297	3,692	3,132	2,792
1949	257.9	217.6	197.7	1,713	1,445	1,313	3,756	3,168	2,879
1950	257.8	217.4	196.6	1,685	1,421	1,285	3,490	2,943	2,662
1951	260.2	216.9	193.1	1,671	1,393	1,240	3,267	2,723	2,424
1952	268.3	221.5	196.8	1,694	1,399	1,243	3,283	2,711	2,409
1953	276.0	226.8	200.9	1,714	1,408	1,274	3,300	2,711	2,401
1954	279.5	229.1	204.2	1,705	1,397	1,246	3,297	2,702	2,410
1955	282.2	229.6	204.8	1,691	1,376	1,227	3,258	2,651	2,364
1956	278.3	224.3	199.4	1,638	1,320	1,174	3,067	2,472	2,198
1957	278.1	223.0	198.8	1,609	1,290	1,150	2,925	2,345	2,090
1958	285.3	231.0	204.7	1,624	1,315	1,165	2,901	2,349	2,081

Dec. 31	Federal debt (billions)			Per capita Federal debt [4]			Real per capita Federal debt [5]		
	Gross [1]	Net [2]	Privately held net [3]	Gross [1]	Net [2]	Privately held net [3]	Gross [1]	Net [2]	Privately held net [3]
1959	$296.5	$241.4	$214.8	$1,653	$1,346	$1,197	$2,910	$2,369	$2,107
1960	296.6	239.8	212.4	1,627	1,315	1,165	2,823	2,281	2,021
1961	303.0	246.7	217.8	1,635	1,331	1,175	2,819	2,294	2,026
1962	311.3	253.6	222.8	1,654	1,348	1,184	2,817	2,296	2,017
1963	317.4	257.5	223.9	1,663	1,349	1,173	2,787	2,260	1,966
1964	327.0	264.0	227.0	1,690	1,364	1,173	2,799	2,259	1,942
1965	330.7	266.4	225.6	1,688	1,360	1,152	2,742	2,209	1,872
1966	343.3	271.8	227.5	1,736	1,375	1,151	2,729	2,162	1,810
1967	364.9	286.4	237.3	1,827	1,435	1,188	2,788	2,189	1,813
1968	373.1	291.9	238.9	1,850	1,447	1,182	2,695	2,108	1,722
1969	382.0	289.3	232.1	1,874	1,420	1,140	2,573	1,949	1,565
1970	401.6	301.1	239.0	1,960	1,469	1,166	2,551	1,912	1,517
1971	435.2	325.9	255.1	2,101	1,574	1,232	2,645	1,982	1,551
1972	461.1	341.2	269.9	2,207	1,634	1,292	2,688	1,990	1,573
1973	481.5	349.1	268.6	2,289	1,659	1,277	2,562	1,857	1,429
1974	504.0	360.8	280.1	2,378	1,703	1,322	2,378	1,703	1,322

[1] Total Federal securities outstanding, unified budget concept.

[2] Borrowing from the public, unified budget concept. Gross debt Federal less securities held by Government accounts.

[3] Borrowing from the public less Federal Reserve holdings.

[4] Debt divided by population of the coterminous United States, and including Armed Forces overseas.

[5] Per capita debt expressed in December 1973 prices (consumer price index for all items.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

TABLE 16.—PRIVATELY HELD FEDERAL DEBT RELATED TO GNP

[Dollar amounts in billions]

Dec. 31	Gross national product [1]	Privately held debt [2]	Ratio of debt to GNP (percent)	Year-to-year price changes (percent) [3]
1929	$96.7	$16.0	16.5	0.2
1932	56.8	19.4	34.2	−10.3
1933	60.3	21.9	36.3	.5
1934	68.6	28.0	40.8	2.0
1939	94.8	40.1	42.3	−.5
1940	107.6	42.6	39.6	1.0
1941	138.8	54.0	38.9	9.7
1945	196.0	228.2	116.4	2.3
1946	221.4	206.1	93.1	18.2
1947	245.0	199.1	81.3	9.0
1948	261.2	192.0	73.5	2.7
1949	260.5	197.7	75.9	−1.8
1950	311.2	196.6	63.2	5.8
1951	338.2	193.1	57.1	5.9
1952	361.0	196.8	54.5	.9
1953	360.8	200.9	55.7	.6
1954	379.8	204.2	53.8	−.5
1955	409.7	204.8	50.0	.4
1956	433.2	199.4	46.0	2.9
1957	$438.1	198.8	45.4	3.3
1958	469.2	204.7	43.6	1.8
1959	496.8	214.8	43.2	1.5
1960	503.4	212.4	42.2	1.5
1961	542.8	217.8	40.1	.7
1962	574.7	222.8	38.8	1.2
1963	611.8	223.9	36.6	1.6
1964	654.0	227.0	34.7	1.2
1965	719.2	225.6	31.4	1.9
1966	772.6	227.5	29.4	3.4
1967	825.0	237.3	28.8	3.0
1968	898.6	238.9	26.6	4.7
1969	953.7	232.1	24.3	6.1
1970	1,009.8	239.0	23.7	5.5
1971	1,099.1	255.1	23.2	3.4
1972	1,226.8	269.9	22.0	3.4
1973	1,351.4	268.6	19.9	8.8
1974	1,440.0	280.1	19.0	12.2

[1] Implied level of gross national product, Dec. 31.

[2] Borrowing from the public less Federal Reserve holdings, unified budget concept.

[3] Measured by the all-item Consumer Price Index, December-to-December basis.

Source: Office of the Secretary of the Treasury, Office of Debt Analysis.

TABLE 17.—CHANGES IN PER CAPITA REAL GROSS NATIONAL PRODUCT, 1929 TO PRESENT

Calendar year	Gross national product (billions of 1958 dollars)	GNP per capita (constant 1958 dollars) [1]	GNP per capita, change from year ago—	
			Constant 1958 dollars	Percent
1929	$203.6	$1,672		
1930	183.5	1,490	−$182	−10.9
1931	169.3	1,364	−126	−8.5
1932	144.2	1,154	−210	−15.4
1933	141.5	1,126	−28	−2.5
1934	154.3	1,220	+94	8.4
1935	169.5	1,331	+111	9.1
1936	139.0	1,506	+175	13.1
1937	203.2	1,576	+70	4.6
1938	192.9	1,484	−91	−5.8
1939	209.4	1,598	+114	7.7
1940	227.2	1,714	+115	7.2
1941	263.7	1,969	+256	14.9
1942	297.8	2,200	+231	11.7
1943	337.1	2,456	+256	11.6
1944	361.3	2,601	+148	5.9
1945	355.2	2,529	+72	2.8
1946	312.6	2,202	−326	−12.9
1947	309.9	2,142	−61	−2.8
1948	323.7	2,199	+57	2.7
1949	324.1	2,164	−35	−1.6
1950	355.3	2,333	+170	7.8
1951	383.4	2,476	+142	6.1
1952	$395.1	$2,508	+$32	1.3
1953	412.8	2,577	+69	2.8
1954	407.0	2,497	−81	−3.1
1955	438.0	2,640	+143	5.7
1956	446.1	2,641	+2	*
1957	452.5	2,631	−10	−.4
1958	447.3	2,558	−73	−2.8
1959	474.9	2,676	+118	4.6
1960	487.7	2,699	+23	.9
1961	497.2	2,707	+7	.3
1962	529.8	2,840	+133	4.9
1963	551.0	2,912	+71	2.5
1964	581.1	3,028	+117	4.0
1965	617.8	3,180	+151	5.0
1966	658.1	3,348	+169	5.3
1967	675.2	3,398	+50	1.5
1968	706.6	3,521	+123	3.6
1969	725.6	3,580	+60	1.7
1970	722.5	3,527	−54	−1.5
1971	746.3	3,605	+77	2.2
1972	792.5	3,795	+190	5.3
1973	839.2	3,989	+194	5.1
1974	821.1	3,875	−114	−2.8

[1] Real gross national product divided by population of the United States for July 1, of each year. Population figure includes Armed Forces overseas beginning 1940 and Alaska and Hawaii beginning 1940.

Note: Office of the Secretary of the Treasury, Office of Debt Analysis.

Mr. LONG. For example, Mr. President, table 9 helps one to understand the relationship of various types of debts to each other. It shows what the amount of private, public, corporate debt as well as State and Federal debt is and has been down through the years.

It is interesting to note, for example, that this table demonstrates that Federal debt in 1973, the latest figure, represented 17 percent of total outstanding debt, even though in 1 year shown on this table it had been as high as 62 percent of outstanding debt.

It is worth noting that individual and corporate debt have increased, as have State and local debt, much more than Federal debt during the last 20 years.

Furthermore, Mr. President, it is interesting to note from table 11 that while in 1945 the debt of the Federal Government was 142 percent of our gross national product, in 1974, last year, it was only 35 percent.

So, speaking in relative terms, our debt today is only about one-quarter the burden on our economy that it was in the year 1945, not that we have reduced the number of dollars so much as the fact that our gross national product has increased and, of course, dollars today do not buy what they did back at that time. It is well that one be in position to view these things in perspective.

In addition, Mr. President, it is interesting to note on table 12 that, taking 2 years by contrast, if one goes back to about 1945 he would see that corporate debt was then about $85 billion, and the Federal debt was about $252 billion.

Now, today, one finds it the other way around. The latest figure given on corporate debt was $1.17 trillion in 1973 compared to a Federal debt of $349 billion.

Notice how the two have changed. In 1945, the corporate debt was about one-third of Federal debt, whereas today corporate debt is about three ane one-half times what the Federal debt is.

Looking at these things in perspective, one can find considerable cause for comfort in the fact that the debt of the Federal Government is not the real problem about which we should be worried nowadays, even though we should, of course, keep very much in mind what our debt is, and we should manage it carefully.

It is interesting to note from table 15, for example, that in 1945 the per capita privately held net debt—and that is how much is privately held and is owed by individuals—the net debt on a per capita basis at that time was $4,613 for the Federal Government; today that figure would be $1,322.

Note, Mr. President, that the $4,613 debt back at that time was in dollars that were worth about $3 today. So if one made the calculation to put that in terms of constant dollars, the net debt today would be about one-tenth of what it was in terms of purchasing power back at the last year of World War II.

When one looks at the debt the Federal Government owes, and looks at what the net debt is after subtracting the amount the Federal Government owes to the Federal Government, and also taking into account the amount of that debt that is being held by the Federal Reserve, which is an instrumentality of the Federal Government, keeping in mind the trend in purchasing power, one finds that the Federal debt is not as much to be worried about as it was in an earlier period in our history. In fact, it is not nearly so much a cause for concern as it would have been 30 years ago.

So, Mr. President, taking these things into account, I think one would find that the debt owed by the Federal Government is not the great cause for alarm that some might think it to be were they not aware of the other relative factors.

Mr. STENNIS. Mr. President, naturally I wish the national debt were a much lesser amount. Nevertheless, the money has been spent. Revenues received by the Treasury were considerably less than anticipated due to the slowdown of our economy. Excises were increased.

Since the money is owed and must be financed, or at least refinanced, we must raise our debt ceiling in order to meet the promises and obligations of the Federal Government. For this reason only I shall cast a vote in favor of raising the debt limit. We would have been far closer to a balanced budget during many fiscal years should my vote have been the controlling one as to total expenditures. At the same time, as individuals and as a group we must try harder to hold down the expenditures of the Federal Government in the months and years ahead. Our continual deficit financing is the cause of a great part, but not all, of our inflation which is robbing our people of their inheritance, their savings, and their earnings.

Too, I wish to express pride in the fact that from the time our Government was founded until this very moment, our Government never has been in default of payment of any of its obligations when properly presented for payment.

We can only maintain this record in the years ahead by a more prudent handling of our funds and our obligations. I hope we can recognize this writing on the wall and mend our ways.

Mr. CRANSTON. Mr. President, we are faced with a very serious situation. The Secretary of the Treasury has informed the Congress that unless it increases the amount of debt the Government can accrue, we will be unable to borrow enough money to pay our bills in the near future. It seems to me that we have no choice but to vote for such a measure. To do otherwise would only throw the operations of the Government—and ultimately our entire economy—into an extremely painful and unnecessary turmoil.

I do not take such action lightly, however. The combined temporary and permanent debt stands at $495 billion. H.R. 2634 proposes to increase the temporary debt limit from $95 billion to $131 billion, thereby raising the total debt limit from $495 billion to $531 billion—approximately 7.4 percent. These figures stagger the imagination of every American who tries to maintain some balance between income and expenditures in his own household.

Why is so large an increase in the debt ceiling necessary at this time? Without question, we are paying the price for the fiscal frivolities of both former administrations and former Congresses. More importantly, however, I believe we are seeing the dramatic effects of the recession on the Federal budget. Very simply, Federal revenues are down substantially—some $15.2 billion less than originally projected. Corporate income is lower. Stock sales have produced capital losses rather than capital gains. And revenues from personal income have declined dramatically as unemployment has increased. At the same time, outlays have increased sharply. Unemployment compensation for the current fiscal year is now anticipated to cost about $14.7 billion instead of the $7.1 billion projected originally. And these figures do not include moneys for food stamps or medical assistance which should also be available for those out of work.

The gross national product declined at an annual rate of 9.2 percent in the fourth quarter of 1974. Industrial production fell at an annual rate of 12.7 percent during the same period. Consumer spending is in the worst decline since World War II. Disposable, after-tax income fell by $26.7 billion last year. Business investment was flat. Housing starts were 1.4 million, down from 2 million in 1973 and 2.36 million in 1972. At the same time, we have witnessed the unprecedented situation in which consumer prices rose 12 percent while real output declined by 2 percent.

President Ford has—albeit belatedly—recognized the magnitude of the problem and supports stimulating the economy through tax cuts and temporary deficit spending. While I disagree with some aspects of the President's proposals, I am encouraged that he is tackling the problem with some vigor. We must obviously do everything in our power to revitalize the economy and to put the millions of unemployed back to work. Only then will we have a chance to balance our books and end once and for all the need for bills such as H.R. 2634.

In the coming years, our efforts to control the national debt will be assisted by the Congressional Budget Act, enacted last July and under which we are working—to a limited extent—for the first time this year. On April 15, the Senate Budget Committee will present to the Senate for its consent a First Concurrent Resolution outlining for fiscal year 1976 the appropriate levels and amounts of budget outlays, budget authority, total deficit and tax revenues. And—of particular interest to us today—it will also suggest the appropriate level of public debt. Ultimately, the new budgetary process should assist the Congress in bringing Federal expenditures under control, in managing our limited resources in accord with a better sense of national priorities, and in planning wisely for a fiscally sound future.

In conclusion, Mr. President, I plan to vote "yes" today on H.R. 2634. I do so with reluctance but with the unhappy knowledge that it is necessary. I also do so with the hope and optimism that the day will come when the public debt will not only be controlled, but diminish.

Mr. ROTH. Mr. President, we are today considering a bill to increase the national debt from $495 billion to $531 billion through June 30, 1975. This legislation will give the Federal Government the authority to borrow another $36 billion during the next 4 months to cover our debt needs for fiscal year 1975.

Although the announced Federal budget deficit for the fiscal year ending this June is $35 billion, the borrowing to finance current operations by the Federal Government during the entire fiscal year will amount to almost $55 billion. This is because the Government must borrow billions of dollars for agencies and activities not included in the unified budget. In addition, the Government must enter the private markets to refinance portions of the outstanding debt.

While these figures are deeply disturbing, they do not take into account the borrowing necessary to finance the announced $52 billion budget deficit for fiscal 1976. The Treasury Department has estimated that it will have to borrow another $75 billion to cover the current Government debt needs in fiscal 1976. This means that the national debt will have to be increased to more than $600 billion before June 30 of this year.

These figures are shocking, and they underscore the need for Congress to eliminate waste, reduce less urgent programs and postpone all new spending programs.

These figures, and their impact on our economy, also underscores the need for those advocates of increased Federal spending to reassess their thinking.

When the Federal Government spends more money than it takes in, the Treasury Department must go to the private markets and borrow funds to cover the deficits.

During fiscal 1976, the Treasury estimates that total Federal borrowing will account for 68 percent of the capital markets, and when State and local governments are included, total government borrowing will account for 80 percent of the capital markets.

This means that only 20 percent will be left for private industry.

The effects of this Government domination of the capital markets are obvious.

Interest rates are forced up to record levels as private industry bids for what little money is available.

The housing industry suffers as interest rates rise and the availability of mortgage money declines.

Small businesses and larger firms experiencing financial difficulties suffer as their ability to obtain reasonably priced loans declines.

But most importantly, our economy's ability to create jobs is severely eroded. Over the past 10 years, the increased Government spending and borrowing has eroded corporations' ability to attract or borrow funds for the capital investment necessary to create jobs.

During the 1960's and early 1970's the United States has had the lowest level of capital investment and the lowest level of productivity of any of the major industrialized nations.

Our deficit spending policies have deprived private industry of the capital required to meet our energy needs, to control pollution, and to build new plants and factories.

And instead of allowing industry to expand our economy, we have demanded that the Government get more and more involved in all of our daily decisions, and we have come to expect the Government to solve the very problems that the Government has created.

Although I believe that some degree of deficit spending is in order during times of recession and economic slowdown, there is no excuse to ignore the inflationary aspects of the expected massive budget deficits.

We can no longer afford indiscriminate spending on every conceivable program, and the Congress must take special care to examine the budget carefully and eliminate duplication and waste.

We are all going to have to make some tough decisions this year, and we must learn to say no to more and more Federal spending.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I call up an unprinted amendment that is at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 1, strike all lines after line 2, and insert the following: "That section 21 of the Second Liberty Bond Act is repealed.".

Mr. BUCKLEY. Mr. President, today I am calling up my amendment on the debt ceiling bill. Hopefully it will be an amendment to end all debt ceiling bills.

My reasons for urging its elimination are fourfold:

One, the adoption of the Congressional Budget and Impoundment Control Act of 1974 provides machinery for a careful congressional review of Federal income and expenditures, and the impact of the latter on the economy. We, therefore, do not need the theoretical "discipline" of a debt ceiling.

I said "theoretical," Mr. President, because in point of fact, we have moved into a situation where we routinely adjust the ceiling to match the debt, rather than, as may once have been intended, create for ourselves a discipline that requires us to reconsider expenditures so as not to exceed the ceiling.

Two, whatever utility these ceilings may once have had, in recent years they have not in fact caused the Congress or the Executive to consider the need for either reduced expenditures or higher taxes.

We have, in effect, created for ourselves an attractive nuisance. Happily, and I think this is the first time in the 4 years since I have joined this body, this particular measure that seems to come up every 6 years has not been converted into a Christmas tree in order to adapt measures to a so-called veto proof piece of legislation.

In the past, as the distinguished chairman of the Committee on Finance knows better than others, we have had to fight off attempts to use the fiscal integrity of the United States as a means of trying to force a President to accept legislation that he would otherwise veto, and the veto of which would be sustained.

So that if we eliminate the periodic recourse to the fiction of imposing a new ceiling, we will also eliminate what in years past has become an important source of wasted congressional time and an important vehicle for circumventing the clear intent of the Constitution that provides a mechanism for a Presidential veto.

Third. The only real purpose now served by ceilings that must periodically be raised is to provide "veto-proof" vehicles on to which to attach measures that the President has announced he will disapprove. As such, they have become instruments for circumventing the plain intent of the Constitution in providing the President with the right of veto.

Fourth. The exercise has become a biannual legislative circus that wastes an appalling amount of time.

My amendment simply reflects the current reality of the de facto absence of a debt ceiling. The Congress in fact has routinely extended the debt ceiling on any occasion where the rise in the public debt threatened to pierce the threshold established by the existing debt ceiling is not a restraint to an increase in the volume of the public debt or to the magnitude of Federal deficits or to the level of Federal spending.

In fact, the debt ceiling is little more than a vehicle for the transmission of non-germane legislation to the President of whatever party to provide him with the uncomfortable choice of being forced to accept legislation. Making law in this manner will almost certainly lead to hastily contrived and ill-considered additions to our statute books.

By proposing this amendment, I do not in any way intend to abandon efforts to inhibit the practice of deficit spending and to decrease the overall size of the Federal budget. Abolishing the debt ceiling would serve to rid the statute books of a totally fictitious "restraint" on Federal expenditures and thereby placing the burden squarely on the shoulders of the Congress and the executive branch to arrive at responsible decisions affecting Federal fiscal policy and debt management to eliminate or reduce the otherwise adverse effects of the growing magnitude of the Federal debt.

Moreover, abolishing the debt ceiling would inject a greater degree of orderliness into congressional procedures. This would make it necessary for the Congress to employ established procedures for the proposal and review of legislative initiatives eliminating from the statute books the ever-tempting target of a veto-proof piece of legislation as a vehicle for new legislative initiatives.

It is time the Congress abolished the attractive nuisance of the debt ceiling and got on with more pressing substantive legislative issues.

I would like to add the following Senators as additional cosponsors of my amendment: Senator HATFIELD, Senator GARY W. HART, Senator PERCY, Senator FANNIN, and Senator HELMS.

I think really, Mr. President, that there is nothing more that need be said on this issue. Every Member of this body has gone through the ring enough times to understand that we are doing nothing substantive, but merely obeying a kind of tribal ritual.

As I say, with the adoption last year of the congressional budget machinery, we now have an alternative vehicle that, hopefully, will impose some sort of fiscal responsibility on this body and we might as well do away with the fiction.

Mr. President, I ask for the yeas and nays.

Mr. LONG. Mr. President, I will be glad to second the motion. If there are not enough Senators here to second it now, I suggest to the Senator that we wait until we are ready to vote on the bill itself. At that point I will be glad to join with the Senator in asking for the yeas and nays.

Mr. BUCKLEY. Very well.

Mr. LONG. I am glad to ask for the yeas and nays. but I do not see any point in bringing a quorum in at this time. We will have a quorum when we vote on the bill itself, and I will associate with the Senator's request then. I will be glad to help obtain the yeas and nays at that time.

Mr. BUCKLEY. That arrangement is perfectly satisfactory to me, and then I shall not proceed with any further debate of the matter.

Does the distinguished chairman care to comment on the proposal?

Mr. LONG. Mr. President, I do not favor the amendment. I believe it would be a mistake, and I wish to respond to what the Senator has said.

The Senator relies upon the recently passed Congressional Budget Act as a restraint on fiscal irresponsibility for the future.

Now, Mr. President, that act may work as he hopes, and then again it may not.

May I predict what may well happen? I predict our Budget Committee will come in and recommend a bigger deficit than the President himself recommended. So that far from that committee recommending a balanced budget. I believe that for reasons they think are right and completely consistent with their deep convictions, the majority of that committee will say that we ought to have a much bigger tax cut and a much bigger deficit than the administration is suggesting at this point.

Mr. BUCKLEY. Mr. President, if the chairman will yield, I am glad he said that the majority might come up with the recommendation.

Mr. LONG. That is what I said.

Mr. BUCKLEY. I am sure it will not be unanimous.

Mr. LONG. I understand. But when the Senator is referring to a committee, he is referring to what a majority of the committee recommends by majority vote. It is just like a bill that does not pass the Senate by unanimous vote. That does not prevent the bill from becoming a law.

There is no doubt in my mind, Mr. President, that the new budget process is in an experimental stage, and in some years that budget committee will recommend an even greater deficit than the President himself is proposing. They might be wrong, and then again, they might be right. All I am saying about the procedures set up by that new law is that no one can tell at this point whether that is going to result in bigger deficits or smaller deficits, more borrowing or less borrowing. Only time will tell.

That gets us to having a debt limit law. Mr. President, the history of this law goes back to the old, Liberty loan law where, when the Government wanted to borrow money because it did not have enough to pay for the current operations of the Government, it would issue bonds. The Treasury would request to issue these bonds, they would explain the need to the Congress, and the Congress, if in its wisdom it agreed, would authorize them. The Government would borrow the money for whatever purpose, be it to fight a war or depression, whatever purpose appealed to the Congress at that particular time.

Of course, since that time, we have proceeded on the basis that the Government would issue obligations as the circumstances required, and we would have a debt limit. Periodically, the Treasury would come before us, particularly if they found it necessary to go more deeply into debt, and they would then explain what their spending plans were, what their budgetary plans were, and why they felt it would be necessary to go more deeply into debt than the Government already was at that moment. They would seek the authorization of Congress.

This, Mr. President, does not appear to be a particularly useful device during a Republican administration for a very simple reason: Generally speaking, Democrats tend to be bigger spenders than Republicans. Democrats tend to subscribe to deficit financing even more frequently than Republicans, on the average.

I am not saying there are not exceptions, because there are. When a Republican administration finds that it is necessary in its judgment to go more deeply into debt, as we have in the case now, the Democrats not only are willing to agree to that, but they usually say, "You ought to be going more deeply into debt than you are because at this moment, for example, you are in a recession." They think deficit financing is very much justified at a time like this, and we ought to be having even more of it.

Mr. President, you do not find the same need for this type of restraint because you do not have the Democrats trying to prevent the Republican administration from spending money, the way you would find if the shoe was on the other foot. When you have a Democratic administration proposing a lot of new programs, as was the case with the so-called Great Society when President Johnson was pressing for a great number of new programs to be implemented by a large amount of additional Federal spending, there was considerable opposition on the other side of the aisle, and even on this side of the aisle, to some of those proposals. That will happen again.

It is only a matter of time before a Democrat occupies the White House with a major, ambitious program which will involve a lot of spending. That may be an annual income for not working—it could be a lot of things. Generally speaking, those kinds of programs which involve large amounts of new authorizations and new spendings, be they public works, welfare, health—you name it—it could be almost anything the mind of man can conceive—those who oppose vast additional spending programs are hard pressed to prevent those programs from being passed. Each of them has its own constituency, and spending programs generally tend to be popular, particularly among those who expect to get the benefit from them.

Those who oppose that sort of thing at that point find it very useful to resist an increase in the debt limit, which is one place that they can cast a vote that is a popular vote, against going any more deeply in debt when the administration is proposing to go into more and more spending programs, and to fund those spending programs.

They can insist that there either be a tax increase or there be a cutback in spending.

The Senator has mentioned a case when we have added amendments to a debt limit bill that have been totally irrelevant to the debt limit. That is right. Some of those have been good amendments. For example, maybe he did not agree with it, but I recall the proposal to expand the $1 tax checkoff to help elect a President in a way where he would be equally obligated toward all citizens and especially obligated toward none. It was a very good proposal. That found its way on to a debt limit bill.

There have been some provisions equally controversial in the past which have been added and have become law.

I would suggest one check, though. I think an analysis would indicate that most matters that have become law as amendments to the debt limit bill have been relatively good proposals.

I would point out that the Senate cannot initiate a revenue bill. It can only amend a revenue bill.

A good example of a Senate amendment to a House bill occurred a few years ago, and it concerned controlling Federal expenditures. The greatest forward stride that has been made in many, many years in controlling Federal expenditures was some years ago when the Senator from Delaware, Mr. Williams, joined forces with the Senator from Florida, Mr. Smathers. They put a provision into a House-passed bill both to increase taxes and to cut spending, all at the same time. That measure became law.

The result was that Federal expenditures were drastically cut and taxes were increased. That probably did more to stabilize this Nation's budgetary position than had occurred for many years prior to that time, or more than has occurred since that time, to put this Nation on a stable basis.

Frankly, the Senator may need a debt limit bill to serve as the horse to carry just the right kind of a rider again because the House does not like to initiate big tax increases. They love to initiate tax cuts. Everybody likes to do that. The Senator would be surprised how many times major tax increases have had to come from Senate amendments to measures that did not appear to be big tax increase bills when they left the House, debt limit bills, or minor revenue measures of no particular consequence. They were amended in the Senate, where Senators serving on longer terms could muster the statesmanship to insist that this Nation move toward fiscal solvency. They proceeded to add a major tax measure or a measure making a cut in Federal spending, as an amendment to some measure, a debt limit bill being one of the best examples.

For example, the Senator mentioned the potential and the hoped-for result of this law to establish congressional control over the budget. The provision setting up the Budget Study Committee which led to the new budget processes was itself an amendment to a debt limit bill.

So when we are really trying to get the Government's house in order, there is no better horse to carry a rider for fiscal responsibility than a debt limit bill, and we ought to have those kinds of bills.

It is both a restraint on the extent to which an administration can take us into debt, and an opportunity to move toward fiscal solvency and fiscal responsibility, if the Senate wants to do that.

It is also a measure on which the House will be forced to join us in legislating on those occasions when there is the will in the Senate, which may be sadly lacking in the House, to put this Nation's fiscal house in order.

So, Mr. President, I really think that it would very much defeat the Senator's purpose to have no statutory limit on the extent to which this Nation could go into debt. Admittedly, there would not be quite as much opportunity for someone to offer a rider which the President might be coerced to sign as on other measures. But even that problem has been brought under control.

The last two times we passed a debt limit bill, we passed the measure with no legislative rider whatever to it. It has been passed just as the House sent it to us, a pure debt limit bill.

I point out that if one cannot offer his tax amendments or his revenue amendments on a debt limit bill, he can always offer them on some other measure.

All things considered, unless and until experience under the budget procedure adopted in the previous Congress has been established and has proved itself, there is no case at this point to eliminate the restraints that are on the Government going more deeply into debt. I do not think Congress would want to permit this Nation willy-nilly to go overwhelmingly into debt without from time to time taking a good look at the direction in which it is headed. That is what we would be asking for if that were not the case.

Mr. BUCKLEY. Mr. President, I have very great respect for the Senator from Louisiana. However, first of all, I say that, in point of fact, at least in my limited observation of 4 years in this body, the existence of a debt ceiling has not created one iota of restraint. The Executive cannot spend money any faster than he has been authorized by Congress to do so.

Time and again we come to a point where there is a magical clock going around, and at midnight at such and such a date, the full faith and credit of the United States goes down the drain unless we adopt yet another temporary ceiling or raise the permanent ceiling. So I believe that we are dealing in fictions.

With respect to the argument that revenue measures must originate in the House and that, therefore, the debt limit has become a convenient vehicle for various major tax proposals in the Senate, all I can say is that we will continue, year in and year out, to have a stream of appropriate vehicles.

The one reason why this particular vehicle has been selected time after time is that the sheer necessity of being able to issue the next bond to pay for yesterday's bills has created unusual constraints on a President to sign a bill despite the fact that attached to it is highly distasteful legislation. I submit that the use of so-called veto-proof vehicles in this manner is an attempt to circumvent the restraints and restrictions of the Constitution of the United States when the veto power was bestowed upon a President.

So, while I respectfully understand the arguments advanced by the distinguished chairman of the Committee on Finance, I do urge my colleagues to vote for the adoption of my amendment.

Mr. President, I ask unanimous consent that it be in order at any time to order the yeas and nays on my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the names of Mr. HATFIELD, Mr. PHILIP A. HART, Mr. PERCY, Mr. FANNIN, and Mr. HELMS be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I yield myself 2 additional minutes.

The more I think about it, the more I am convinced that the Senator has a bad amendment and that it should not be agreed to.

Just to give a further example of what the Senator from Louisiana has been thinking about this subject, there may be times when an administration, if it is to be responsible at all, should be asking for a tax increase. If the Senator's amendment were law and there were no debt limit, an administration could simply take this country on with a deficit as long as it wanted to; and so far as it found itself in a deficit position, it could avoid asking for a tax cut.

The debt limit proposal causes an administration to make this choice: A President must either come before Congress or send his Secretary of the Treasury and Budget Director before us, asking for a tax increase, or he must be asking for a debt limit, or he must be asking for a cut in Federal spending. If he is urging that this Nation go more deeply into debt and he cannot get an increase in the debt limit, he is forced to do one of two things—either limit Federal spending, which he can do by impoundment or by not spending money, or by seeking to raise taxes.

It seems to me that with the law as it is at this moment, we have a better method of achieving fiscal responsibility, if the will is there, than we would have without the present law.

Furthermore, Mr. President, I point out that most of the fights that have achieved a constructive gain—and I am talking about controversial battles—toward fiscal responsibility in this Government have occurred in the management of debt limit bills. Sometimes they have been tax measures, sometimes expenditure limitations, sometimes a combination of the two.

On one occasion, the Budget Study Committee which led to the new budget process was actually created under an amendment to the debt limit bill.

So a limitation on the debt that any administration or any Congress can take us into, without further extension of that debt authorized by Congress, is a good restraining influence and a very strong weapon for fiscal responsibility, when there are those in Congress who want to use it.

I say, therefore, that it would be a bad mistake, in my judgment, to dispense with the debt limit as one of the requirements of law, if any administration or any Congress wants to take us more deeply into debt.

Furthermore, Mr. President, I should like to point out what some of the so-called Christmas tree amendments are that the Senator talks about on the debt limit bill. One was a measure to make this Government the government of the people, rather than the government of the big, wealthy campaign contributors. That found its way into law at least on one occasion. One measure which brought that about was an amendment to a debt limit bill. Some may not like it. It was strenuously opposed. I do not know of anything that is going to do more to correct what has been so severely criticized—the undue influence of large campaign contributions in this Government. I do not think that anyone, in point of history, is going to want to complain about the fact that a debt limit bill was once a vehicle that made it possible to make that stride toward more proper and correct campaign financing.

Some increases in social security benefits—much of them long overdue, for the most part, I may say—found their way into law on debt limit bills. A needed increase in the supplemental social security income for the aged, blind, and disabled was approved by the Senate as an amendment to the debt limit bill. Who wants to stand here and say that we made a mistake when we gave that needed increase to the aged, blind, and disabled as an amendment to a debt limit bill?

Unemployment compensation in States with especially high unemployment found its way into law as an amendment to a debt limit bill. Are we really against that? If one cannot find any other measure to move a proposal of that sort, when unemployment is rampant throughout this land, are we to complain that a debt limit bill offered us the opportunity to move a matter of that sort to the President's desk, in view of the fact that the Senate cannot initiate revenue bills? I hardly think so, Mr. President.

As a matter of fact, when the Senate and the House have agreed that a measure should go to the President for his signature on a debt limit bill, it has been the feeling of the conferees on both sides that that is a measure that is of such vital importance that we should be willing to face a confrontation of a serious nature with a President on that sort of measure. The President is not without weapons if he wants to veto a debt limit bill and face that kind of confrontation in which the Government might not be able to pay its bills. While Congress is blaming the President and the President is blaming Congress for the untoward results, each of them has its right: one in insisting on its legislative proposal and the other in insisting on vetoing it and striking it down. Why should not that type of confrontation occur on occasion in a great democratic country where, from time to time, the public should be called upon itself to pass judgment upon the issue?

In other words, should there not be occasions when Congress and the President have a right to take their point of view, at odds on that issue, to the people of the country and ask the people to express themselves on it? Usually, in situations like that, if there is to be a confrontation, the people will express themselves and decide, and if one viewpoint does not get public support, it will be compelled to yield.

Mr. President, I see nothing to be gained by the amendment. I see much to be lost. I, therefore, hope that the Senate will not be disposed to uphold the amendment.

Mr. BUCKLEY. Mr. President, I say to the Senator that we have outlined our respective arguments. He knows that I disagree with his; I know that he disagrees with mine. I do feel that this body can make up its mind on it, and I will relinquish my right to the floor on the understanding that at an appropriate time, the chairman will join with me in asking for the yeas and nays.

Mr. LONG. I certainly will.

RECESS UNTIL 3:55 P.M.

Mr. LONG. Mr. President, all Senators were told, I am informed, that there would be a vote at 4 o'clock. I do not think it would be fair to Senators, who were relying upon that assurance given them, to vote prior to that time. Therefore, Mr. President, unless there is obother, I ask unanimous consent that the Senate stand in recess until 3:55 p.m. so that we can meet and suggest the absence of a quorum and start voting at 4 p.m., after the yeas and nays have been ordered.

There being no objection, the Senate, at 3:14 p.m., recessed until 3:55 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GARN).

Mr. HUDDLESTON. Mr. President, I suggest the absence of a quorum.

Mr. HARRY F. BYRD, JR. Will the Senator withhold that, Mr. President?

Mr. HUDDLESTON. I withhold.

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself 2½ minutes.

Mr. President, may we have order?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. HARRY F. BYRD, JR. Mr. President, the pending legislation, which will increase the ceiling on the public debt by $36 billion, is just the first installment of the administration's proposal to increase the ceiling by $109 billion during the next 16 months.

The public debt now stands at $495 billion. The Treasury Department estimates that it will approximate $604 billion by June 30, 1976.

Thus, the administration proposes to spend during the next 16 months $100 billion more than it will receive in revenues. Undoubtedly, a free-spending Congress will add to this deficit.

I say such deficit spending is totally irresponsible.

The Federal funds budget has not once been in balance during the past 17 years.

The accumulated Federal funds deficit for the fiscal year 1971–76 will total $200 billion.

This means that in the short space of 6 years we will have incurred one-third of the entire national debt accumulated throughout our 200-year history.

The massive deficits proposed for this year and next will lead to more inflation—and higher interest rates.

They will cut the purchasing power and erode the value of every American worker's paycheck, and every housewife's grocery dollar.

I shall vote against the debt ceiling increase as a protest against what I regard as irresponsible handling of the public's business.

I ask unanimous consent to have printed at this point in the RECORD three tables: First, deficits in Federal funds and interest on the national debt 1957–76, inclusive; second, analysis of Federal receipts and expenditures; and, third, U.S. gold holdings, total reserve assets and liquid assets and liabilities to foreigners.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT 1957–76 INCLUSIVE

Prepared by Senator Harry F. Byrd, Jr., of Virginia

[Billions of dollars]

Year	Receipts	Outlays	Surplus (+) or deficit (−)	Debt interest
1957	68.8	67.1	+1.7	7.3
1958	66.6	69.7	−3.1	7.8
1959	65.8	77.0	−11.2	7.8
1960	75.7	74.9	+0.8	9.5
1961	75.2	79.3	−4.1	9.3
1962	79.7	86.6	−6.9	9.5
1963	83.6	90.1	−6.5	10.3
1964	87.2	95.8	−8.6	11.0
1965	90.9	94.8	−3.9	11.8
1966	101.4	106.5	−5.1	12.6
1967	111.8	126.8	−15.0	14.2
1968	114.7	143.1	−28.4	15.6
1969	143.3	148.8	−5.5	17.7
1970	143.2	156.3	−13.1	20.0
1971	133.7	163.7	−30.0	21.6
1972	148.8	178.0	−29.2	22.5
1973	161.4	186.4	−25.0	24.2
1974	181.2	198.7	−17.5	29.3
1975[1]	186.0	229.0	−43.0	32.9
1976[1]	199.3	254.2	−54.9	36.0
20-year total	2,318.3	2,626.8	−308.5	330.9

[1] Treasury Department estimates.

Source: Office of Management and Budget, and Department of the Treasury. February 1975.

ANALYSIS OF FEDERAL RECEIPTS AND EXPENDITURES, FISCAL YEARS 1968–76[1]

[In billions of dollars]

	1968	1969	1970	1971	1972	1973	1974	1975[2]	1976[2]
Receipts:									
Individual income taxes	69	87	90	86	95	103	119	118	106
Corporate income taxes	29	37	33	27	32	36	39	39	48
Subtotal income taxes	98	124	123	113	126	136	158	157	154
Excise taxes (excluding highway)	10	11	11	10	11	10	10	12	25
Estate and gift	3	3	4	4	5	5	5	5	5
Customs	2	2	2	3	3	3	3	4	4
Miscellaneous	3	3	3	4	4	4	5	8	11
Total Federal fund receipts	116	143	143	134	149	161	181	186	199
Trust funds (social security and highway, less interfund transactions)	38	44	51	54	60	71	84	93	98
Total	154	188	194	188	209	232	265	279	297

	1968	1969	1970	1971	1972	1973	1974	1975[2]	1976
Expenditures:									
Federal funds	143	149	156	164	178	186	199	229	254
Trust funds (less interfund transactions)	36	36	40	48	54	61	70	84	95
Total	179	185	196	212	232	247	269	313	349
Unified budget surplus (+) or deficit (−)	−25	+3	−2	−24	−23	−15	−4	−34	−52
Federal funds deficit	−27	−6	−13	−30	−29	−25	−18	−43	−55

[1] Prepared by Senator Harry F. Byrd, Jr., of Virginia, February 1975.

[2] Treasury Department estimate.

U.S. GOLD HOLDINGS, TOTAL RESERVE ASSETS AND LIQUID LIABILITIES TO FOREIGNERS

[Selected periods in billions of dollars]

	Gold holdings	Total assets	Liquid liabilities
End of World War II	20.1	20.1	6.9
Dec. 31, 1959	22.8	24.8	15.8
Dec. 31, 1970	10.7	14.5	47.0
Dec. 31, 1973	11.7	14.4	92.6
Sept. 30, 1974	11.7	15.9	110.4

Note: Prepared by U.S. Senator Harry F. Byrd, Jr., of Virginia.

Source: U.S. Treasury Department, November 1974.

Mr. LONG. Mr. President, I ask for the yeas and nays on the Buckley amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There are 2 minutes remaining. Who yields time?

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The hour of 4 o'clock having arrived, the Senate will now proceed to vote on the amendment of the Senator from New York. On this question the yeas and nays have been ordered.

Mr. ROBERT C. BYRD. Mr. President, what is the question?

The PRESIDING OFFICER. The amendment of the Senator from New York.

Mr. ROBERT C. BYRD. What is the question on which the Senate is about to vote?

The PRESIDING OFFICER. On the amendment of the Senator from New York to do away with the debt ceiling limit.

Mr. ROBERT C. BYRD. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. Abourezk), the Senator from Indiana (Mr. Bayh), the Senator from South Dakota (Mr. McGovern), and the Senator from Illinois (Mr. Stevenson) are necessarily absent.

I also announce that the Senator from California (Mr. Tunney) is absent on official business.

I further announce that, if present and voting, the Senator from Indiana (Mr. Bayh) and the Senator from Illinois (Mr. Stevenson) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker) and the Senator from Hawaii (Mr. Fong) are necessarily absent.

I further announce that the Senator from Arizona (Mr. Fannin) and the Senator from Ohio (Mr. Taft) are absent due to illness.

I further announce that, if present and voting, the Senator from Hawaii (Mr. Fong) and the Senator from Ohio (Mr. Taft) would each vote "nay."

The result was announced—yeas 20, nays 70, as follows:

[Rollcall Vote No. 9 Leg.]

YEAS—20

Bartlett
Bellmon
Brock
Buckley
Cranston
Domenici
Garn
Griffin
Hart, Philip A.
Hatfield
Helms
Kennedy
Laxalt
McClure
Metcalf
Packwood
Percy
Thurmond
Tower
Weicker

NAYS—70

Allen
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Culver
Curtis
Dole
Eagleton
Eastland
Ford
Glenn
Goldwater
Gravel
Hansen
Hart, Gary W.
Hartke
Haskell
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McIntyre
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stone
Symington
Talmadge
Williams
Young

NOT VOTING—9

Abourezk
Baker
Bayh
Fannin
Fong
McGovern
Stevenson
Taft
Tunney

So Mr. Buckley's amendment was rejected.

Mr. LONG. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There being no further amendment to be proposed, the question is on the third reading of the bill.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. Abourezk), the Senator from Indiana (Mr. Bayh), the Senator from South Dakota (Mr. McGovern), and the Senator from Illinois (Mr. Stevenson) are necessarily absent.

I also announce that the Senator from California (Mr. Tunney) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. Stevenson) and the Senator from California (Mr. Tunney) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker) and the Senator from Hawaii (Mr. Fong) are necessarily absent.

I further announce that the Senator from Arizona (Mr. Fannin) and the Senator from Ohio (Mr. Taft) are absent due to illness.

I further announce that, if present and voting, the Senator from Tennessee (Mr. Baker), the Senator from Hawaii (Mr. Fong), and the Senator from Ohio (Mr. Taft) would each vote "yea."

The result was announced—yeas 70, nays 20, as follows:

[Rollcall Vote No. 10 Leg.]

YEAS—70

Beall
Bentsen
Biden
Brooke
Buckley
Bumpers
Burdick
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Glenn
Gravel
Griffin
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mathias
McClellan
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stone
Symington
Tower
Weicker
Williams
Young

NAYS—20

Allen
Bartlett
Bellmon
Brock
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Ford
Garn
Goldwater
Hatfield
Helms
Mansfield
McClure
Morgan
Nunn
Proxmire
Scott, William L.
Talmadge
Thurmond

NOT VOTING—9

Abourezk
Baker
Bayh
Fannin
Fong
McGovern
Stevenson
Taft
Tunney

So the bill (H.R. 2634) was passed.

Mr. LONG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HANSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TEMPORARY SUSPENSION OF PRESIDENTIAL AUTHORITY TO IMPOSE FEES ON, OR OTHERWISE ADJUST PETROLEUM IMPORTS

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 1767, which the clerk will state by title.

The legislative clerk read as follows:

A bill (H.R. 1767) to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962, and so forth, and for other purposes.

The Senate proceeded to consider the bill.

Mr. JAVITS. Mr. President, I yield to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that two members of my staff, John Bennison and Robert Jerome, may have the privileges of the floor during the pendency of the entire matter on the oil issue and in relation to any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I raise this question preliminarily because it does not relate to the merits of the bill. Of course, the chairman would have had the first word on that, but I raise it for this reason: the unanimous consent calls for a vote tomorrow at 5 o'clock. A number of us, including myself, who have what we considered to be very important amendments were asked to give our consent to an arrangement for terminating debate.

I did, saying that I wanted 2 hours on my amendment. But, as the thing worked out, I did not consent to voting at 5 o'clock. I am not going to contest that, but simply am going to leave the problem with the chairman, who is an old friend and, I know, will work it out.

But Members could be shut out and given no time if somebody imposed and put in a lot of amendments and happened to be around to jump up on his feet and get the floor, and so forth. I would suggest, respectfully, that the leadership on both sides work this out so that Members are not shut out by the sheer lapse of time because the time element is——

Mr. RIBICOFF. There would be no objection to that. The distinguished Senator will find me most cooperative, but I think it should be discussed tomorrow with the distinguished assistant minority leader and Senator ROBERT C. BYRD, and I am sure there will be no problem.

Mr. JAVITS. I leave it to the leadership.

Mr. RIBICOFF. My understanding is there are not too many amendments. We discussed it with all parties concerned yesterday, and if we have to go to 6 o'clock or 7 o'clock or 8 o'clock tomorrow night, I have no objection whatsoever.

Mr. JAVITS. All right, that is fine.

Mr. RIBICOFF. I am sure I speak for the distinguished Senator from Wyoming as well.

Mr. HANSEN. Yes.

Mr. GRIFFIN. Mr. President, will the Senator yield?

I might add to that, while we were not sure whether the distinguished Senator from New York might want the full 2 hours, we did get indications from some other sponsors that although they wanted 2 hours reserved, they did not expect to use anywhere near that amount of time.

Mr. RIBICOFF. That is correct. I believe we talked about coming in tomorrow morning at a time that would assure that all the Senators wishing to propose an amendment would have their 2 hours. But I do not know what the plans are between Senator BYRD and Senator GRIFFIN.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. RIBICOFF. Senator JAVITS has the floor.

Mr. JAVITS. As a practical matter, that is what disturbs me, coming in at 10:30, not getting to this business until 11 or later, and with a 5 o'clock vote, it is possible—I know it will not happen—but arrangements then can be just that Members could be shut out, and not accommodate their amendments.

But I leave it to the leadership and the managers on both sides.

Does the Senator from Virginia wish me to yield?

Mr. WILLIAM L. SCOTT. No, I was merely going to say that during the absence of the Senator from New York, there was a unanimous-consent agreement as to the time to come in and apparently he is aware of that.

Mr. JAVITS. Yes.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Mr. President, will the Senator yield to me?

Mr. RIBICOFF. I am happy to yield to the Senator.

AMENDMENT NO. 13

Mr. STEVENS. Mr. President, I have an amendment at the desk to H.R. 1767, the effect of which would be to negate the tariffs put into effect by the President if the Congress enacts a law which involves a comprehensive energy program within 90 days.

I ask unanimous consent it be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 2, line 10, strike out "(1)".

On page 2, beginning in line 15, strike out "on the date of the enactment of this Act, and the entry or withdrawal of petroleum and any product derived therefrom on or after such date of enactment shall be duty free." and insert in lieu thereof the following: "on the date occurring 90 days after the date of enactment of this Act if—

"(1) the Congress by law provides an alternative plan of action the date of enactment of which occurs before such 90th day, and

"(2) the statute setting forth such alternative plan states explicitly that it is enacted in satisfaction of the condition set forth in subparagraph (A).".

On page 2, beginning with line 19, strike out through line 4 on page 3.

On page 3, line 5, strike out "(1)".

On page 3, beginning in line 13, strike out "on the date of enactment of this Act; and the tax or fee imposed on importation of petroleum or any product derived therefrom after such date of enactment shall be the tax or fee in effect on January 15, 1975." and insert in lieu thereof the following: "on the date occurring 90 days after the date of enactment of this Act if—

"(A) the Congress by law provides an alternative plan of action the date of enactment of which occurs before such 90th day, and

"(B) the statute setting forth such alternative plan states explicitly that it is enacted in satisfaction of the condition set forth in subparagraph (A).".

On page 3, beginning with line 17, strike out through line 2 on page 4.

Mr. RIBICOFF. Mr. President, I yield myself as much time as I may require.

Mr. President, I ask unanimous consent that Paul Hoff of the Government Operations Committee staff, Larry Woodworth and Al Buckberg of the Joint Taxation Committee staff, and Mark Sandstrom of the Finance Committee staff, be given the privilege of the floor during the consideration of H.R. 1767.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, H.R. 1767 is designed to achieve just one purpose. It gives Congress 90 days to consider the President's efforts to impose on his own authority new import fees of up to $3 a barrel on oil imports.

The bill makes no permanent change in the tariff laws. It makes no judgment whether the President acted legally when he acted on his own to impose the license fees. It simply suspends the President's authority to restrict imports under section 232 of the Trade Expansion Act for 90 days.

The bill thus says that imposition of the license fee is too important a step to be taken without Congress first reviewing all its implications.

The proposed rise in import fees is equivalent to the President imposing on his own authority a $5.4-billion-a-year direct tax on the American people. The Interior Committee further estimates that the license fees will cause the price of uncontrolled domestic oil and natural gas, and the price of coal, to also rise. The total direct cost to the consumer of the license fees could be as much as $14.5 billion a year, or $207 for every family of four in the country.

Under any circumstances the public and Congress should have an opportunity to assess such a major tax proposal in legislative committee rooms and on the floor before, not after, it goes into effect.

But in this case the license fees represent the first step in a complex series of measures the President has proposed to reduce our dependency on foreign oil. The Interior Committee has estimated that the President's entire energy package, if enacted in full, could directly cost the American public as much as $43.2 billion in higher fuel costs the first year. The Library of Congress concludes that because of the indirect, inflationary effect of these cost increases on the economy, the overall cost of the program would be 1½ to 2 times its initial impact. Thus, the $43.2 billion cost will really cost the public a minimum of $64.8 billion.

Almost all of these price increases will fall upon consumers. The $16.5 billion permanent reduction in personal income taxes that the President has proposed clearly is not adequate to offset these new costs.

I do not believe that either the import fees, or much of the President's entire energy program, would be either fair, effective, or good for the nation's economy.

The new license fees are inequitable because they impose an especially heavy burden on those sectors of the economy and those parts of the country which rely most on oil.

Hardest hit of all will be New England and Connecticut where oil accounts for 85 percent of the region's energy sources compared with 46 percent nationally. Per capita consumption of oil is 36.8 barrels a year in New England compared with 23.8 barrels a year in the rest of the country.

At the moment New England is paying 30 percent more for its energy than the rest of the country. The proposed oil tariff would drive up the cost of home heating oil and residual oil used in generating electricity, whose use is virtually fixed by 10.5 percent. At the proposed $1.80 per barrel increase, it is estimated that New England will pay an additional $800 million for fuel—or $66 per person.

Even before the increase, energy costs have gone up 139 percent in New England in the last year. The increase nationwide has been only 40 percent.

In Connecticut the proposed tariff will add $188.8 million to fuel bills; and an average family of four will pay an additional $240 a year—40 percent more than the national average.

The poor, the elderly, and the unemployed would be forced to pay the same high prices as the wealthiest. The Ford Foundation has estimated that the poor already spend 15 percent of their income on energy, while the well-to-do spends 4 percent. The President's proposals would make the unfair burden on the poor even worse.

The President's proposal is ineffective because the program may not even significantly reduce oil imports. The New England Economic Research Office estimates imposition of the license fees will increase the cost of heating oil by about 4 cents a gallon throughout the country. But people must still buy fuel oil to stay warm no matter how much it costs.

Simple reliance on across-the-board price hikes is, in short, a very inexact and inequitable way to reduce consumption.

The President's proposal is unwise because of the great strain it places on the economy.

The country is now suffering from perhaps its most serious economic difficulties since the end of World War II. The Federal Reserve Board has indicated that industrial output dropped 3.6 percent in January. This is the most widespread, and the steepest, 1-month slide since 1937. The unemployment rate in January was 8.2 percent. It may rise above 9 percent before the year is over.

By the Federal Energy Administration's own estimate, imposition of the license fees would cause the greatest reduction in the use of residual oil. This is the oil on which utilities and industries rely. The fees could thus hit the hardest industrial productivity, and the jobs and income which depend on such productivity. They would drive up further the utility rates which have already risen so sharply in the last year.

Implementation of the President's proposals could well mean even higher inflation and even higher unemployment.

This Nation must take a leading role in resolving the problems brought on by the quadrupling in the prices of foreign oil. For the next few years, conservation must be a key to reducing our oil imports. Congress can not play a negative role. It must enact effective and fair energy programs.

But this does not mean President Ford's proposals are the answer. Former Federal Energy Administrator, Mr. John Sawhill, has long advocated adopting more vigorous conservation measures.

Yet he has spoken out strongly against the President's economic-energy program.

In fact, the administration is almost alone in calling for an energy proposal in the form the President has proposed. About 3 weeks ago the Ways and Means Committee invited economists from industry, banking, private research, and universities to participate in panels discussing the administration's program. Almost the only favorable statement made about the energy program was that it was desirable to have a comprehensive program placed before the country. Not one of these economists, whose policy approaches range from liberal to conservative, would deny that this program imposed too heavy a tax burden on the economy at this time. Distinguished economists who testified before the Joint Economic Committee expressed similar doubts about the President's energy proposals.

Quite recently Dr. Arthur Burns, in appearances before congressional committees urging the Congress to proceed rapidly with consideration of the President's antirecession program, referred to the President's energy program as a very complex program. He said it was one on which Congress would be well advised to wait a while and consider carefully.

What this country needs are long-range solutions to our long-range problems. What this country does not need is a crash program to immediately reduce our consumption by some arbitrary amount, such as 1 million barrels a day, without any consideration of the danger such a crash program puts on the economy.

Others may support the President's energy plan. But we should all agree that it makes no sense to impose a tariff on imports until Congress decides whether higher prices or some other methods or combination of methods, should be used to reduce the Nation's consumption of oil. At this time I do not think anyone can say with certainty what approach would be the best. But until some of these basic questions are resolved, it makes no sense to impose a new tax just on oil imports.

I, therefore, urge the Senate to pass this bill by an overwhelming vote.

Mr. President, I ask unanimous consent that there be inserted at this point a brief description of H.R. 1767.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF H.R. 1767

The purpose of this bill is to suspend for 90 days the President's authority to impose new fees or to make other adjustments in the imports of petroleum or petroleum products. Section 1 suspends for 90 days, beginning on the date of the enactment, any authority that the President might otherwise have under Section 232 of the Trade Expansion Act of 1962 to adjust imports of petroleum and petroleum products through the use of duties, taxes, fees, quotas, or the like.

Section 2 negates any Presidential action to adjust petroleum imports through the imposition of any rate of duty, any tax, or any fee, where such action was taken after January 15, 1975, and before the date of enactment. The section also provides for a rebate of duties, taxes, or fees levied and collected under any Presidential action taken between January 15, 1975 and the date of the enactment of the bill.

Section 3 provides that the suspension of Presidential authority to adjust imports will cease if at any time during the 90-day period war is declared, a national emergency occurs, or certain situations involving the commitment of U.S. Armed Forces arise.

Section 4 provides that the act should not affect the import license fee system on petroleum and petroleum products which was in effect on January 15, 1975.

Mr. RIBICOFF. Mr. President, I reserve the remainder of my time.

IMPACT OF PRESIDENT'S OIL IMPORT TARIFF PROGRAM

Mr. JACKSON. Mr. President, the issue which is presented to the Congress by H.R. 1767 is the well-being of the economy.

If we fail to pass this bill, the way will be clear for the administration to implement, with no congressional participation or input, a set of energy price and tariff proposals which will directly drain over $30 billion on an annual basis from the pockets of individual American consumers.

The tariffs on imported oil will have an $8.7 billion impact on oil costs and will stimulate increases in the price of coal and unregulated natural gas.

The decontrol of all domestic crude oil production proposed by the President for April will add an enormous $19 billion to the annual cost of domestic oil.

Mr. President, the shock of this price increase is equal in magnitude to the shock administered by the OPEC cartel in 1974. The economy was scarcely in a position to absorb the shock then and it is certainly in no position to absorb it now.

In recent weeks, a number of distinguished economists have testified before congressional committees on the impact of the President's program on the prospects for economic recovery.

Mr. President, I ask unanimous consent to have printed in the RECORD excerpts of their testimony.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OVERALL ASSESSMENTS

Arthur Burns, Chairman of the Federal Reserve Board (testimony before the Joint Committee, February 7, 1974)—

"I find the President's (energy) program extremely complicated. There are some parts of it I think are hazardous at a time like this . . . I, for one, would want to phase in that kind of a program, and not concentrate it in the manner that the President has suggested."

In response to a query from Representative Brown, Dr. Burns said of the energy program: "It is so complicated, so intricate, and so inherently controversial a measure, I think the Congress should take its time about that program. I think you should hold very extensive hearings."

Arthur Okun, former Chairman of the Council of Economic Advisors (testimony before the House Ways and Means Committee, January 28, 1975)—

". . . one aspect of energy policy looms as a dire and imminent threat to our economy. If the President levies the indicated tariff on imported oil and all oil prices are decontrolled before any offsets to these measures are enacted, the President would be draining real income away from the American consumer at the enormous annual rate of nearly $30 billion. I cannot believe that the President intends to risk a depression in order to hasten Congressional action on his energy proposals. Yet his own recent words point in that direction. The Congress must ensure against any such ruinous action—if possible, by appealing to the President's good judgment; but, if necessary, by restricting his statutory powers over tariffs and mandating the extension of price ceilings."

Charles L. Schultze, the Brookings Institution and former Director of the Bureau of the Budget (testimony before the House Ways and Means Committee, January 27, 1975)—

"To expect the Congress to consider and to enact an energy program by April 1, while at the same time, developing and enacting the urgently needed economic recovery measures is, I think, unreasonable. But beyond this, for the President to put a gun to the head of Congress by unilaterally raising import fees on oil can only be described as unconscionable. It is playing with dynamite. In particular, it seriously threatens to nullify much of the effects of the stimulus which would be provided by the President's own tax rebate proposal and thereby promises to keep the nation in the throes of the most serious recession since the 1930s . . . By imposing an import fee on crude oil and refined imports, rising to $3 in April, the President will also bring about a similar increase in the price of that portion of the nation's domestic oil supply which is already decontrolled, so-called 'new' oil. Together these measures, by April, will be draining income out of consumers' pockets at the rate of $800 million per month. Between now and September 1, these measures would siphon $4.5 billion from the economy, almost equal to the $6 billion which the President's tax rebate plan would have put into the economy by that date.

"It seems to me not only reasonable, but extremely critical for the health of the economy, that the President's unilateral actions on oil be postponed for at least 3 months, to give the Congress a chance both to enact recovery measures and to debate and consider a balanced energy program."

Charles Owens, former Deputy Assistant Administrator for Policy, Planning and Regulation of the Federal Energy Administration (testimony before the Senate Interior Committee, February 6, 1975)—

"Fundamentally, we believe the President's program is based on several highly dubious assumptions. These include the assumption:

"That a viable recession recovery program can be financed by regressive oil and natural gas taxes.

"That demand elasticity for energy is significantly negative despite the contrary evidence over the entire post-World War II period. Even the past eighteen months, while admittedly exceptional, indicate almost zero elasticity.

"That U.S. domestic oil production can be quickly turned around, even though under the two-tier price system U.S. output still declined by 10 percent or 900 thousand barrels per day from December 1973 to December 1974.

"That exploration incentives would still be positive with the recommended excise taxes on oil, plus the excess profits tax."

John Sawhill, former Administrator of the Federal Energy Administration (testimony before the Senate Interior Committee, February 12, 1975)—

"Because of the critical condition of the economy, I am convinced that—important as our energy problems are—at this time our economic difficulties must come first. A balanced energy budget is an important national goal, but not if it is accompanied by economic dislocations that would largely obliterate its benefits. And this, I fear, might well be the case if the President's energy program were to be implemented exactly as presented.

"The impact of the proposed tariffs, excise taxes and price decontrols, as it would be felt in all sectors of our economy, has been estimated at $50 billion, and we simply cannot afford to drain $50 billion of consumer purchasing power out of the economy at a time when we must restore confidence, create more jobs, and get the economy turned around. . . ."

Eric Herr, Data Resources Incorporated (testimony before the Senate Interior Committee, February 12, 1975)—

"It is true that the goal of energy independence will impose macroeconomic costs on the U.S. economy whenever it is applied. However, the energy tax and price package is simply too big a bite for the economy to swallow in a year of deep recession and high inflation. Given our other inflationary problems, the enactment of the President's energy program would likely make 1975 another year of double-digit inflation. We have already seen that the economy cannot prosper under that condition, that consumer confidence is destroyed, and that ultimately, business suffers acutely. The Federal Reserve is not likely to accommodate double-digit inflation, and consequently, will not provide the financial conditions that make recovery possible. In other words, the extra inflation that a quick implementation of the President's energy package would imply, could well deepen the recession and keep the economy on the road to depression."

Walter W. Heller, former Chairman of the Council of Economic Advisors—(testimony before the House Ways and Means Committee, January 28, 1975)—

"President Ford's 30-30 energy program would deal a fourth blow to the economy—another double whammy that would boost inflation and worsen recession. Without the Ford program, the inflation rate is heading toward a manageable though still high rate of 5% by a year from now. But the President's taxes on oil and natural gas would boost the inflation rate, as measured by the rise in the Consumer Price Index, by over 50%—to a rate of 8% in the first half of 1976."

RIPPLE EFFECTS

Otto Eckstein, President of Data Resources, Inc., and former member of the Council of Economic Advisors—(testimony before the Subcommittee on Administrative Practice and Procedures of the Senate Judiciary Committee, February 3, 1975)—

"Senator KENNEDY. What is your estimate on the rippling effect of the President's $30 billion program?

"Dr. ECKSTEIN. We estimate the total rippling effect to be on the order of $25 to $30 billion additional, so the total is not two percent (increase on the cost of living index) but near four.

"Senator KENNEDY. That is the way we reach the $50 to $60 billion in total cost.

"Dr. ECKSTEIN. Right."

John Lichtblau, Director of the Petroleum Industry Research Foundation (testimony before the Senate Interior Committee, February 12, 1975)—

"That is precisely my point. I have not done the calculations, so I will accept Data Resources'. But obviously the $31 billion is a direct effect only, and there must be a ripple effect; the idea that there is no ripple effect is illogical. So whatever the ripple effect is, it must be in addition to the $31 billion. You can't have a program of this magnitude, of this nature, that does not have a ripple effect."

INFLATIONARY IMPACT

George L. Berry, Senior Fellow at the Brookings Institution (testimony before the Joint Economic Committee, January 29, 1975)—

". . . a substantial rise in the price of oil will add a huge new burden depressing the economy and will undo most of the expected improvement in the inflation rate. It is doubtful that policies could be implemented to offset either the depressing effect or the inflationary effect of the price increases that would come from the Administration's energy proposals."

Paul A. Volcker, Senior Fellow at Princeton University's Woodrow Wilson School of Public and International Affairs (testimony before the House Ways & Means Committee, January 27, 1975)—

"The President's energy program could be another drag on business activity. . . ." He added, "Much clearer is the upward impact on the price indices, which I suspect the official 2% estimate understates significantly in seemingly accounting only for the direct price effects on oil and from the new taxes."

EFFECT ON UNEMPLOYMENT

Eric Herr, Data Resources, Inc. (testimony before the Senate Interior Committee, February 12, 1975)—

"Assuming that the Federal Reserve does not fully accommodate the President's program, but rather increases the money supply at only a 6% to 8% annual rate, the damage to the economy would be substantial. Short-term interest rates would rise later this year, though not to historic peaks. Housing starts would be cut by 280,000 units in 1976. Other categories of consumer spending would also be hurt by financial conditions. And the increased cost of capital would drive business fixed investment down by $2 billion in 1976. As a result, real GNP would be lower by $8.8 billion in 1975, and by $20.5 billion by the end of 1976. The unemployment rate would be raised by 0.3 percentage points by the end of this year and by 0.7 percentage points in 1976, increasing unemployment in the year by 660,000 persons. Even the possible price benefits of weaker demands are partially offset by productivity losses associated with lower real output that generate significantly higher unit labor costs than if monetary policy were fully accommodating."

Mr. JACKSON. The administration would present the contest over H.R. 1767 as a contest over the measures to decrease dependence on Arab oil imports or over the shape of a long-term energy program. It is neither. The issue is economic recovery, and the remarkable consensus of testimony before Congress to this fact only underlines the urgent need to create a responsible approach to energy policy which is consistent with as rapid an economic recovery as can be managed.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. RIBICOFF. I will at first yield to the Senator from Wyoming, and then to the Senator from Massachusetts.

Mr. HANSEN. I would be happy to hear from the Senator from Massachusetts first.

Mr. KENNEDY. I will be glad to wait. I think the ranking members of the committee should have the opportunity to speak and then I will be heard. I am in no hurry.

Mr. HANSEN. Mr. President, these minority views, made on behalf of Senators CURTIS, FANNIN, DOLE, PACKWOOD, BROCK, and myself, are limited to a discussion of the oil import fee imposed by the President which would be nullified by the enactment of H.R. 1767. The other proposals of the President relating to our energy problems can only be initiated by affirmative action of the Congress. Hence, any opinions about the President's other proposals relating to petroleum, their impact on our economy, their merits or demerits, and their costs to the consumers are not relevant to the issue raised by H.R. 1767.

In our opinion, H.R. 1767 is bad legislation which deals in a negative fashion with a major crisis facing our Nation.

H.R. 1767 would block the President's legal authority to impose import fees on crude oil for a period of 90 days. This is an authority which originated in the Senate Finance Committee as an amendment to the 1955 Trade Agreements Extension Act. During the intervening 20 years the Congress has reviewed this authority on a number of occasions and has consistently reaffirmed the President's mandate to take appropriate action against the importation of an article which threatens national security.

Despite this history, H.R. 1767 would negate the President's positive action without offering any alternative. We believe this is a cavalier and irresponsible way to deal with a legitimate crisis of national security which is daily growing worse, not better. Consider the following facts:

First. Petroleum is a unique commodity, entering into almost every facet of our economy, either as the fuel for transportation of goods and people or as the raw material for a myriad of products like fertilizer and petrochemicals. It is hardly an exaggeration to say that petroleum has become the lifeblood of our economy.

Second. Because our demands for energy have been outstripping the growth in domestic production, we have become increasingly reliant upon foreign sources of oil. We are now importing about 40 percent of our total petroleum consumption; by 1985, if present trends continue, we would be dependent on foreign nations for more than half of the oil we consume.

Third. Only a small portion of these imports can be deemed to be secure from interruption in the event of a political or military crisis, and recent history strongly indicates that such a crisis is by no means a remote possibility in an area where two-thirds of the world's known petroleum reserves are located.

Fourth. Most of the countries which export the oil that we import are organized into a cartel which has managed to raise international oil prices to a level four times above that which prevailed prior to the 1973–74 embargo.

Fifth. The outflow of U.S. funds to those oil-rich countries greatly enhances their economic and political power and weakens our own and that of our allies. In 1970 our total bill for foreign oil was $2.7 billion. In 1974, that figure shot up to approximately $24 billion. Unless we act to restrict imports, the bill will rise quickly to more than $30 billion a year.

Sixth. At the present time, we cannot safely stop the import of all petroleum to this country. We can, however, reduce our imports by about 350,000 barrels a day without significantly damaging our economy by use of the proposed tariff.

In the face of these facts and of our rapidly deteriorating international economic position, neither the executive branch nor the Congress, over the last year, has taken any action of more than marginal effect. Meanwhile, the problem is steadily growing more acute. The "fuse" of payments outflow, continued reliance upon insecure oil, and subjection to political blackmail is burning, and, unless extinguished, will result in an explosive crisis at some time. The only question is when.

The President has determined that we have waited long enough and must start to extinguish the fuse. No program designed to cut down use of a vital commodity will satisfy everyone. At a minimum, however, hopefully everyone can agree that the burden of increased costs for petroleum products would be geographically equalized. We believe that the basic program is well designed to achieve this equalization.[1]

We certainly do not believe that Congress should now tell the President: "We are not sure that the action taken is the best possible, so we would rather do nothing while an admittedly untenable situation is aggravated in order to see whether we can do any better." Nor should Congress delude itself or the Nation into believing that, by postponing a decision, the problem will go away.

We have here a situation where there is a congressional mandate that requires the President, after a finding of threatened national security resulting from an imported article, to take such action "as he deems necessary to adjust the imports of such article * * *" The President has taken such action. Now the majority of the committee, without seriously questioning the fact that our national security is threatened, want to tell the President that they do not like his taking independent action. Had the President taken less action than he was obligated to take, they could have criticized his failure to recognize the magnitude of the problem.

We would suggest that Congress, instead of playing politics while the fuse continues to burn, address itself to the remainder of the proposed energy program. If, in the course of doing so, a better solution appears, we will be the first to embrace it by supporting positive legislation, rather than the do-nothing approach which the majority now recommends. In the meantime, by supporting the present program, we have demonstrated to our allies the strength of our commitment and our capability to take necessary action to conserve petroleum and to free ourselves from dependency on petroleum imports.

We urge the defeat of H.R. 1767.

Mr. President, before yielding the floor, I would like to ask unanimous consent that my staffmen, Nolan McKean and David Stang, may be permitted the privilege of the floor during the debate on this bill and during the voting.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. I yield 10 minutes to the Senator from Massachusetts.

Mr. KENNEDY. I ask unanimous consent that Mark Schneider be permitted the privilege of the floor during the discussion and vote on this particular measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I first of all want to express my very warm sense of appreciation to the chairman of the Finance Committee, Mr. LONG, to the members of the Finance Committee, and to Senator RIBICOFF for expediting the hearings on this particular resolution, H.R. 1767. I then also want to express my appreciation to the leadership for working out a consent agreement that will permit the Members of the Senate, like the Members of the House, the opportunity to express their will on a matter of, I believe, monumental importance and consequence to the people of this country. I think the expeditious action which took place in the Finance Committee, and the willingness to vote on this measure, reflects the leadership on committee and its chairman on this matter. And I am pleased that there was a 14-to-3 vote in favor of reporting this measure.

This resolution, H.R. 1767, is extremely close to the resolution which was introduced by myself and Senator JACKSON of Washington, which has some 52 cosponsors, Members of both sides of the aisle. The only difference is, H.R. 1767 does not include a restriction on the decontrol of old oil.

I wish that the House had included both provisions in H.R. 1767. The distinguished majority leader, Representative O'NEILL, introduced a companion bill to Senate Joint Resolution 12 which would have achieved both goals. However, the heart of the resolution we introduced is included in H.R. 1767, and that is the 90-day delay on oil import fees.

Mr. President, I plan to speak on this

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[1] Assuming that the increased cost of the fees is passed through on a proportional basis the following retail pricing effects are anticipated, after equalization becomes effective:

Gasoline per gallon, distillate per gallon, and residual per barrel

	Cents
February	0
March	1.4
April	2.8
May	4.3

measure tomorrow, but I should like to mention very briefly the principal reasons for my objection to the President's action. First of all, there are Members of the Senate as well as Members of the House who are prepared to work with the President in fashioning an energy program that does not jeopardize our economy. Good will exists in the House and in the Senate and it has been expressed in the general support of the President's program to provide a tax rebate to millions of Americans, to provide an increase in the business investment tax credit, and to restore the economic health of this Nation. While we may believe he has not provided a sufficiently stimulative proposal, the effort has been pursued in a cooperative manner.

There is broad support in Congress, as well, to work with the President on a variety of conservation matters. Many of the matters he has talked about actually were passed in the Senate last year, in the Omnibus Energy Act. A number of those measures appear to be lifted directly from the legislation which was vetoed by President Nixon, and included in the President's state of the Union message.

There is very substantial support in that area. I would think that any measure that would come from the White House and that would indicate gasoline conservation and an attempt to insure that there was greater gas mileage for the American automobile would receive substantial support and would be very much welcomed as would other efforts for moving this Nation closer to energy independence, such as the development of alternative sources of energy, various credits to both individuals and industries to do more in the area of insulation, the development of a strategic reserve, and the development of offshore drilling, even off my own State of Massachusetts, under very close environmental restrictions, after Federal exploration to insure we know what is available, and after full investigation with Coastal Zone Management Systems.

However, Mr. President, we are considering a different measure this afternoon. We are considering a measure which will continue to fuel the fires of recession, which is having a devastating impact not only in the Northeast part of this country but also, increasingly so, in other parts of this Nation—on the Eastern seaboard, in the northern Midwestern States, and in the Western States.

The greatest problems we are facing in this country at this time are the problems of recession. I think every American is sensitive to the fact that we have to develop an energy program, but not the kind of meat-ax approach that has been developed by the administration, which will threaten the economy.

In my own region of New England, we have 6 percent of the population. We consume three times more home heating oil, and four times more residual oil than the national average. I ask those who are going to rise in opposition to this program, how do you possibly justify, under the title "national security," a tax on fuel oil, home heating oil, which is essential to the life and well-being and welfare of the people of my State and other vast areas of this country? It is as vital as the food on their table, morning, noon, and evening; as vital as the clothes they wear on their backs or the shelter which guards them against the winter blast.

Important as gasoline is for the 80 percent of workers who drive to work, it is not the difference between life and death, as we have seen it in recent weeks in my own State of Massachusetts. Last week, I was in Fall River, Mass. Five homes there have had their home heating oil cut off completely. They happen to be homes of elderly people. These are the first homes in my State which have terminated the heating purely on the basis of price. They have not even yet begun to feel the impact of the President's program. They have not begun to even feel the impact of the increased cost of home heating oil.

So, Mr. President, first of all, I feel that the program of the President is a meat-ax approach, in the fact that instead of targetting just on gasoline, it affects home heating oil and it affects residual oil. These are fuels which cannot be reduced any further without devastating economic effects. Thus, the result of increased fees on imported oil which we rely on for 70 percent of our oil, will be to drive prices up without achieving any significant reduction in consumption.

New England is 85 percent dependent on oil and gas for its energy resources. The rest of the country is dependent only to the extent of 45 percent.

The PRESIDING OFFICER (Mr. FORD). The Senator's time has expired.

Mr. RIBICOFF. Mr. President, I yield the Senator 5 additional minutes.

Mr. KENNEDY. Mr President, this program singles out residual oil for the largest anticipated reduction in consumption. It is going to work an additional disadvantage not only on all those public institutions—hospitals and educational institutions—but also in terms of the industries of our section of the country. Again, we are talking about not only New England but also the eastern seaboard, and the Northern Midwestern States. Industries in these regions are going to have the competitive disadvantage of the increased cost of fuel. The result will be further unemployment and further economic distress.

However, Mr. President, beyond those particular questions there is a second, very fundamental and basic reason why this program does not make sense.

We have seen that testified to before the Joint Committee on Economics, before the Committee on Finance, before the Committee on the Interior. Some of the most distinguished economists, those who have served as counselors to Democratic and Republican Presidents alike, those who have served on the Council of Economic Advisers and in the Bureau of the Budget—they all view the President's energy program as a severe threat to the Nation's economy. There is one word to describe it and that is "devastation"—devastation to our economy, devastation to the workers who are trying to find jobs and finding it increasingly difficult, devastation even to those workers who have jobs today and are hopeful of being able to retain them by some upswing of the economy. This program makes no sense from an economic point of view. It is both deflationary in its effect on purchasing power and inflationary in its effect on prices.

Even using the administration's original $30-billion estimate and then assuming even a modest ripple effect, it is clear that this program will wreak havoc on the desire of our people for economic recovery.

Third, Mr. President, there are important procedural questions which have been raised by the Governors of a number of the States who are contesting this particular measure before the courts of law. I think they have a sound case. Basically, the case that they make, Mr. President, is to question the particular justification for the President's action under the 1962 Trade Expansion Act as amended last year in the 1974 Trade Reform Act.

Certainly the spirit of that law has been violated by the President in imposing this massive tariff program on one stroke of the pen—without any kind of hearing, without any kind of consultation with Congress or the Senate of the United States.

Mr. President, whatever happened to the National Environmental Policy Act? That measure was supposed to consider significant actions that were taken by the Government that have an impact on our environment. The implementation of the new system of fees by the Federal Energy Administration clearly falls within the range of NEPA. Yet we have absolutely no study that has been made available to the Members of Congress or the Senate that would indicate the other environmental concerns or implications of moving from oil or gasoline into coal or other alternative sources of energy. Nor are any alternatives for the reduction of imports discussed as NEPA clearly would require.

Mr. President, I think that this oil import tax falls from a procedural point of view and there is a most substantial case that indicates that it violates the spirit and the letter of the law.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed to Senators on February 18, 1975, a summary of testimony before congressional committees on the economic impact of President Ford's energy price proposal, and a factsheet showing the costs of the program. I shall not make further comments this evening, but I shall look forward to making a more complete presentation tomorrow with my colleague, the distinguished Senator from Washington (Mr. JACKSON).

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
February 18, 1975.

DEAR COLLEAGUE: In recent weeks, a cross section of respected economists who have served past Republican and Democratic Presidents, the current Chairman of the Federal Reserve Board, and former members of the Ford Administration who have been directly involved in energy decisionmaking have testified before Committees of both the House and Senate on the economic impact of President Ford's energy tariff, tax and pricing proposals. The overwhelming consensus of this testimony is that the program the President proposes will substantially limit the chances for a recovery from the current recession, will insure growing levels of unemployment and, at the same time, will increase the rate of inflation.

The key to the implementation of these proposals is the President's decision to increase fees for imported oil over the months of February, March and April and to decontrol all domestic crude oil prices on April 1. With these actions, the President will present the Congress with a *fait accompli* by implementing through Executive order those portions of his program which produce the heaviest economic impact.

The President's tariff actions alone will increase the nation's energy costs by $14.5 billion if they are allowed to remain in effect for a full year, not counting further increases above direct energy costs due to "ripple" effects. If one examines the President's total energy program—which the Administration estimates at $30 billion in direct costs—and then adds the anticipated ripple effect of tens of billions of dollars, the total impact on the economy is awesome.

The magnitude of the impact would equal the increase in the cost of energy stimulated by the Arab oil embargo of 1973–74. A broad spectrum of the economic profession has warned that the President's energy program substantially threatens economic recovery.

In addition to national economic concerns, there are at least four obvious reasons to oppose the President's decision to impose oil import tariffs:

First, the program provides no assurance that it will have the desired effect in reducing consumption as it raises the prices of all fuels.

Second, the program has been put into place without public input in the decisionmaking process and without Congress being given an opportunity to consider the national consequences.

Third, the program impacts with greatest force on the poor and on individuals with fixed incomes who simply cannot absorb the increased fuel costs.

Finally, the economic consequences of the program for certain regions are more severe than for others.

H.R. 1767 would roll back the $1 per barrel tariff imposed on February 1, 1975 and delay for 90 days the imposition of new fees by Executive order. In the interim, we are convinced that an alternative energy policy can be developed in cooperation with the Administration which will meet the goal of reducing reliance on foreign oil imports without slowing progress toward what should be our foremost national goal: economic recovery.

We urge your support for approval of H.R. 1767 without amendment to insure its immediate enactment. A summary of key testimony on these proposals over the past weeks before several Congressional Committees is attached, along with a fact sheet detailing the economic impact of the President's energy proposals.

Sincerely,

EDWARD M. KENNEDY,
HENRY M. JACKSON,
U.S. Senators.

SUMMARY OF TESTIMONY BEFORE CONGRESSIONAL COMMITTEES ON THE ECONOMIC IMPACT OF PRESIDENT FORD'S ENERGY PRICE PROPOSALS

I. OVERALL ASSESSMENTS

Arthur Burns, Chairman of the Federal Reserve Board (testimony before the Joint Economic Committee, February 7, 1975).

Senator JAVITS. "Dr. Burns, I think that it is critically important, what you have said. Do I interpret it correctly to mean that the first priority must be given, therefore, in the Congress to whatever will put tax money back into the pockets of the consumer, and, of course, parallel with it, the relief of the problems of the unemployed through unemployment compensation and public service jobs, and the programs dealing with the energy problems must now follow that rather than proceed it or be joined with it?"

Dr. BURNS. "I agree entirely."

Dr. Burns also testified: ". . . I find the President's (energy) program extremely complicated. There are some parts of it I think are hazardous at a time like this . . . I, for one, would want to phase in that kind of a program, and not concentrate it in the manner that the President has suggested."

In response to a query from Representative Brown, Dr. Burns said of the energy program: "It is so complicated, so intricate, and so inherently controversial a measure, I think the Congress should take its time about that program. I think you should hold very extensive hearings."

Arthur Okun, Former Chairman of the Council of Economic Advisors (testimony before the House Ways and Means Committee, January 28, 1975).

". . . one aspect of energy policy looms as a dire and imminent threat to our economy. If the President levies the indicated tariff on imported oil and all oil prices are decontrolled before any offsets to these measures are enacted, the President would be draining real income away from the American consumer at the enormous annual rate of nearly $30 billion. I cannot believe that the President intends to risk a depression in order to hasten Congressional action on his energy proposals. Yet his own recent words point in that direction. The Congress must ensure against any such ruinous action—if possible, by appealing to the President's good judgment; but, if necessary, by restricting his statutory powers over tariffs and mandating the extension of price ceilings."

Charles L. Schultze, The Brookings Institution and former Director of the Bureau of the Budget (testimony before the House Ways and Means Committee, January 27, 1975).

"Reasonable men can and will differ about the President's legislative program to raise oil and gas prices to the tune of more than $30 billion through taxes and decontrol. But everyone recognizes that it is an exceedingly complicated proposal, with wide-ranging effects on national output and inflation, and that it has major consequences for the distribution of income among various economic groups and geographic regions. To expect the Congress to consider and to enact an energy program by April 1, while at the same time, developing and enacting the urgently needed economic recovery measures is, I think, unreasonable. But beyond this, for the President to put a gun to the head of Congress by unilaterally raising import fees on oil can only be described as unconscionable. It is playing with dynamite. In particular, it seriously threatens to nullify much of the effects of the stimulus which would be provided by the President's own tax rebate proposal and thereby promises to keep the nation in the throes of the most serious recession since the 1930s . . . By imposing an import fee on crude oil and refined imports, rising to $3 in April, the President will also bring about a similar increase in the price of that portion of the nation's domestic oil supply which is already decontrolled, so-called 'new' oil. Together these measures, by April, will be draining income out of consumers' pockets at the rate of $800 million per month. Between now and September 1, these measures would siphon $4.5 billion from the economy, almost equal to the $6 billion which the President's tax rebate plan would have put into the economy by that date.

"It seems to me not only reasonable, but extremely critical for the health of the economy, that the President's unilateral actions on oil be postponed for at least 3 months to give the Congress a chance both to enact recovery measures and to debate and consider a balanced energy program."

Charles Owens, former Deputy Assistant Administrator for Policy, Planning and Regulation of the Federal Energy Administration (testimony before the Senate Interior Committee, February 6, 1975).

"Fundamentally, we believe the President's program is based on several highly dubious assumptions. These include the assumption:

"That a viable recession recovery program can be financed by regressive oil and natural gas taxes.

"That demand elasticity for energy is significantly negative despite the contrary evidence over the entire post-World War II period. Even the past eighteen months, while admittedly exceptional, indicate almost zero elasticity.

"That U.S. domestic oil production can be quickly turned around, even through under the two-tier price system U.S. output still declined by 10 percent or 900 thousand barrels per day from December 1973 to December 1974.

"That exploration incentives would still be positive with the recommended excise taxes on oil, plus the excess profits tax.

"That the cake is really worth the candle. A makeshift tax package—both on the input side and on the rebate side—has been constructed to show OPEC that we mean business, to put economic pressure on foreign oil producers, despite the fact that the amounts involved are only a minor fraction of producing capacity, and to prove to our European and Japanese allies that we are willing to make sacrifices. We strongly suggest that the potential strategic benefits of these "bargaining chips" ought to be balanced against a rigorous assessment of their costs."

John Sawhill, former Administrator of the Federal Energy Administration (testimony before the Senate Interior Committee, February 12, 1975).

"Because of the critical condition of the economy, I am convinced that—important as our energy problems are—at this time our economic difficulties must come first. A balanced energy budget is an important national goal, but not if it is accompanied by economic dislocations that would largely obliterate its benefits. And this, I fear, might well be the case if the President's energy program were to be implemented exactly as presented.

"The impact of the proposed tariffs, excise taxes and price decontrols, as it would be felt in all sectors of our economy, has been estimated at $50 billion, and we simply cannot afford to drain $50 billion of consumer purchasing power out of the economy at a time when we must restore confidence, create more jobs, and get the economy turned around . . ."

"In conclusion, then, let me summarize my position. There are some who have argued that we should accept the President's proposals because the Congress has yet to come up with an acceptable alternative. The argument is that, if we fail to do so, Congress will lapse into inaction and the country will remain without a coherent, effective national energy policy. I reject this argument. The choice is not between the President's program and no program, but between the President's program and an energy policy more consistent with economic recovery."

Eric Herr, Data Resources Incorporated (testimony before the Senate Interior Committee, February 12, 1975).

"It is true that the goal of energy independence will impose macroeconomic costs on the U.S. economy whenever it is applied. However, the energy tax and price package is simply too big a bite for the economy to swallow in a year of deep recession and high inflation. Given our other inflationary problems, the enactment of the President's energy program would likely make 1975 another year of double-digit inflation. We have already seen that the economy cannot prosper under that condition, that consumer confidence is destroyed, and that ultimately, business suffers acutely. The Federal Reserve is not likely to accommodate double-digit inflation, and consequently, will not provide the financial conditions that make recovery possible. In other words, the extra inflation that a quick implementation of the President's energy package would imply, could well deepen the recession and keep the economy on the road to depression."

Walter W. Heller, Former Chairman of the Council of Economic Advisors (testimony before the House Ways and Means Committee, January 28, 1975).

"President Ford's 30–30 energy program would deal a fourth blow to the economy—another double whammy that would boost inflation and worsen recession. Without the Ford program, the inflation rate is heading toward a manageable though still high rate of 5% by a year from now. But the President's taxes on oil and natural gas would boost the inflation rate, as measured by the rise in the Consumer Price Index, by over 50%—to a rate of 8% in the first half of 1976.

"The further recessionary blow would arise from the $30 billion add-on to crude oil and natural gas costs, to which markups would undoubtedly add several billions more by the time the consumer pays the bill. The offsetting action under the President's program would bolster consumer buying power by perhaps $10 billion less than the increased bill for oil and gas. This would subdue rather than stimulate the economy."

II. RIPPLE EFFECTS

Otto Eckstein, President of Data Resources, Inc. and former member of the Council of Economic Advisors (testimony before the Subcommittee on Administrative Practice and Procedures of the Senate Judiciary Committee, February 3, 1975).

Senator Kennedy. "What is your estimate on the rippling effect of the President's $30 billion program . . . ?"

Dr. Eckstein. "We estimate the total rippling effect to be on the order of $25 to $30 billion additional, so the total is not two percent (increase on the cost of living index) but near four."

Senator Kennedy. "That is the way we reach the $50 to $60 billion in total cost."

Dr. Eckstein. "Right."

John Lichtblau, Director of the Petroleum Industry Research Foundation (testimony before the Senate Interior Committee, February 12, 1975).

The Chairman (Senator Jackson). "I want the records to show they all agree that there are ripple effects. Let the record so show—not stipulating the amount, but that there are rippling effects."

Dr. Lichtblau. "That is precisely my point. I have not done the calculations, so I will accept Data Resources'. But obviously the $31 billion is a direct effect only, and there must be a ripple effect; the idea that there is no ripple effect is illogical. So whatever the ripple effect is, it must be in addition to the $31 billion. You can't have a program of this magnitude, of this nature, that does not have a ripple effect.

The number that has been issued, it would have an effect of $250 per family is only the direct impact on gasoline, heating oil and natural gas expenditures.

The real effect, even without the rippling effect, the $31 billion alone, distribute this per family and you come up with $500 per family before you even get to the $250. So the $250 is really a gross understatement of the impact of this program."

III. INFLATIONARY IMPACT

George L. Perry, Senator Fellow at the Brookings Institution (testimony before the Joint Economic Committee, January 29, 1975).

". . . a substantial rise in the price of oil will add a huge new burden depressing the economy and will undo most of the expected improvement in the inflation rate. It is doubtful that policies could be implemented to offset either the depressing effect or the inflationary effect of the price increases that would come from the Administration's energy proposals."

Paul A. Volcker, Senator Fellow at Princeton University's Woodrow Wilson School of Public and International Affairs (testimony before the House Ways & Means Committee, January 27, 1975).

(the President's energy program) "could be another drag on business activity . . ." He added, "Much clearer is the upward impact on the price indices, which I suspect the official 2% estimate understates significantly in seemingly accounting only for the direct price effects on oil and from the new taxes."

Joseph A. Peckman, Director of Economic Studies, the Brookings Institution (testimony before the House Ways and Means Committee, January 27, 1975).

"The proposed taxes on petroleum are, unfortunately, an ill-advised approach to the energy problem. These taxes will be counter-productive in two respects: first, they will raise prices substantially—certainly more than the direct 2% effect to be felt initially—as the effect of the petroleum tax increase is pyramided through the economy; second, on balance, they will depress demand, because $6.5 billion of the $30 billion tax increase will be used to reduce the corporate tax rate, reduction that will have little effect on corporate spending at least in the short run. Thus, the energy program will be inflationary and deflationary at the same time."

Eric Herr, Data Resources, Inc. (testimony before the Senate Interior Committee, February 12, 1975).

"The impact of the President's energy program on the economy is considerable. The principal question, and the question that has stirred the greatest debate, is the size of the total inflationary effect of the energy cost increases. It is virtually definitional and agreed by all parties that $30 billion of increased energy costs in a $1.5 trillion economy will directly raise the price level by 2% above what it would have been in the absence of an energy program. Data Resources has developed refined price impact information for the Rees Committee by introducing the energy cost increases implied by the President's program into a stage of processing model. The results describe, in detail, both the timing and distribution of the expected direct 2% price level adjustment. The technique, however, does not attempt to capture the full ripple effects and hence, the total price effects of the President's energy program. But to assume that the $30 billion energy package will generate only a 2% price level increase is to assume away the fundamental interdependencies of our economy. The higher prices of petroleum products will shift the demand for other sources of energy, such as coal, upward. Data Resources estimates that coal costs would rise by $2 to $3 billion were the President's energy package enacted. In addition, at least a portion of the extra price increases would drive wages upward through the mechanical translation of escalator clauses and the behavorial translation of wage negotiations. To an extent, the reductions in personal income taxes may temper the normal relation between consumer prices and wage claims. But the econometric evidence is very weak in support of this position, and one has to presume that much of the price increase will find its way into wages, into unit-labor costs, and back into prices through the wage-price spiral."

IV. EFFECT ON UNEMPLOYMENT

Eric Herr, Data Resources, Inc. (testimony before the Senate Interior Committee, February 12, 1975).

"A fully accommodating monetary policy, however, would require the Federal Reserve to raise the money supply by nearly 13% over the next year: the inflation without the energy package is likely to exceed 6%; economic recovery would require a rate of real growth in excess of 4% and the energy package would add an extra 3% to inflation, implying that nominal GNP would have to advance at a 13% rate or more. If such an advance in total demand is to be accomplished without a renewed burst of high interest rates, the money supply would have to fully accommodate these demands. It takes little imagination, however, to foresee that the Federal Reserve would lack enthusiasm for such rapid expansion of the money stock.

Assuming that the Federal Reserve does not fully accommodate the President's program, but rather increases the money supply at only a 6% to 8% annual rate, the damage to the economy would be substantial. Short-term interest rates would rise later this year, though not to historic peaks. Housing starts would be cut by 280,000 units in 1976. Other categories of consumer spending would also be hurt by financial conditions. And the increased cost of capital would drive business fixed investment down by $2 billion in 1976. As a result, real GNP would be lower by $8.8 billion in 1975, and by $20.5 billion by the end of 1976. The unemployment rate would be raised by 0.3 percentage points by the end of this year and by 0.7 percentage points in 1976, increasing unemployment in the year by 660,000 persons. Even the possible price benefits of weaker demands are partially offset by productivity losses associated with lower real output that generate significantly higher unit labor costs than if monetary policy were fully accommodating."

Fact Sheet—Costs of Presidential Energy Price Proposals

I. PROGRAM TO BE IMPLEMENTED BY EXECUTIVE ACTION

A. H.R. 1767 and administration tariff program

This legislation would suspend the President's authority to increase tariffs on imported petroleum. The provisions the President claims he may now implement under this authority would cost U.S. consumers additional amounts as follows:

1. $844 million over the months of February, March, and April for imported oil as the program is phased in. (This estimate is based on imports of 3.9 million b/d of crude oil and 2.6 million b/d of refined products. The rebate on refined products over this period amounts to $326 million and has been subtracted).

2. If the tariff system is left in place after April, the added annual costs would be:

$8.7 billion in increased imported and uncontrolled domestic oil costs (composed of $7.1 billion for imported petroleum less $1.7 billion in rebates for refined products. The price of the 3.0 million b/d of domestic crude oil production would increase in price by $3/b adding $3.3 billion annually to energy costs).

$2.9 billion in increased coal costs and $2.9 billion in increased costs for unregulated natural gas.

3. Thus, the total additional direct cost of the tariff on an annual basis would be, $14.5 billion. If this direct energy cost is inflated by 50% to 100% by action of "ripple" effects as it spreads through the economy, the impact on consumers could be greater: $22 to $29 billion.

B. *Decontrol of domestic crude oil production*

The Kennedy-Jackson resolution, S.J. Res. 12, would prohibit the decontrol of all domestic crude oil prices planned by the Administration for April, in addition to halting the imposition of tariffs on imported oil. Since decontrolled oil would rise in price from $5.25/bbl to the sum of the current uncontrolled oil price of over $11/b and the $3/b tariff, and approximately 65% of domestic crude oil production is now under controls, the impact of decontrol would be substantial:

$19.0 billion annually assuming decontrol is implemented in April and the $3 tariff on imported crude oil is retained.

Magnified by ripple effects, $19 billion in direct energy costs becomes $29 to $38 billion.

C. *Total: Program not requiring congressional action*

The sum of the cost of the tariff and decontrol provisions which do not require further congressional authority is

$33.5 billion annually in direct costs assuming these provisions are left in place after April.

Ripple effects would expand the cost to consumers to $50 to $67 billion.

No Administration critique of this cost analysis has been published. The Administration prefers the enactment by Congress of a program which differs in many respects from the one analyzed above. The cost of this program is analyzed below.

II. ADMINISTRATION PROPOSAL FOR CONGRESSIONAL ACTION

A. *Administration estimates of cost*

The program which the Administration has proposed for Congressional action includes decontrol of domestic crude oil and new natural gas and excise taxes or tariffs equivalent to $2/bbl. on imported oil and domestic oil, natural gas and natural gas liquids. The FEA has estimated the cost of this program as follows:

Increased annual energy costs

[Source: FEA (Technical Report 75–3)]

	Billion
Oil and natural gas liquids	$24.2
Natural gas	7.8
Coal	0.0
Total	32.0

The Administration assumes (1) that this cost will not be inflated by ripple effects; (2) that Federal, State and local governments will absorb a significant portion of the costs and (3) that industrial and commercial consumers of energy will reduce markups and not pass increased energy costs on to individual consumers.

The structure of the payments to be made to cover higher energy costs as estimated by the FEA is as follows:

Increased payments for energy absorbed by consumers

[Source: FEA (Technical Report 75–3)]

	Billion
Government	$5.0
Industry	7.8
Consumers	19.2
Total	32.0

B. *Congressional estimates of cost*

Administration cost estimates assume no substantial increase in uncontrolled natural gas prices, no increases in coal prices, and leave out proposed increases in electric utility rates which are a part of the President's program for Congressional action. Adding these costs, the result comes to over $43 billion.

Increased annual energy costs

[Source: Senate Interior Committee]

	Billion
Oil and natural gas liquids	$24.8
Natural gas [1]	13.1
Coal [2]	2.3
Electricity rates [3]	3.0
Total	43.2

[1] Includes effects of deregulation of "new" gas, increases in the price of unregulated intrastate natural gas and a $0.37/thousand cubic foot excise tax on all domestic marketed production.

[2] Assumes increase of approximately $8.50/ton on half of 540 million tons per year (the 1974 consumption rate for coal in the U.S.).

[3] Effect of including interest and other costs of construction work in progress in the electric utility rate base.

This analysis assumes that these increased costs will be passed through to and paid by consumers—either as consumers of fuels, of other goods and services, or as taxpayers.

C. *Differences in cost estimates*

1. Both analyses agree substantially on the increases in oil costs expected.

2. The disagreement on natural gas costs involves:

(a) lower Administration estimate of amount of new natural gas to be deregulated and lower Administration price ($1.11/mcf as compared to $2.00/mcf) for natural gas freed from controls; and

(b) Administration assertion that unregulated natural gas will not increase in price beyond the $.37 excise tax to be captured by the Government.

3. The Administration assumes coal prices will be unaffected by increases in oil and natural gas prices.

4. In technical paper 75–4, FEA states that $3.4 billion in electricity rate increases could be added under the President's program but declines to consider this a part of the cost of the President's short-term program.

D. *Ripple effects*

None of the analyses presented accounts for the "ripple" effects—additional dislocation costs and increased margins caused by markups based on a percentage of costs rather than dollar-for-dollar passthrough. These effects could transform $1.00 in basic energy costs into $1.50 to $2.00 in costs to consumers.

If the ripple effect operates, these estimates must all be increased:

For the program to be implemented by executive action: from $33.5 billion to $50 billion to $67 billion.

For the program proposed to Congress by the President: from $30 billion to $45 billion to $60 billion based on the Administration estimate and from $43 billion to $65 billion to $85 billion based on the Interior Committee estimate.

The Administration denies that any ripple effects will be observed in 1975.

III. COMPARISON WITH 1973–74 PRICE INCREASES

According to the Bureau of Mines, the cost at the import dock, mine or wellhead of fuels used in the U.S. increased during 1974 by $33 billion.

Increase in U.S. fuel costs:

[Source: Bureau of Mines]

	Billion
Imported oil	$17
Domestic oil and natural gas liquids	11
Natural gas	1
Coal	4
Total	33

None of these figures include any ripple effects.

Mr. KENNEDY. I wish again to thank the Senator from Connecticut for managing this measure and thank him for his leadership on a matter of great importance to us all.

Mr. PACKWOOD. Will the Senator from Massachusetts yield for a question?

Mr. KENNEDY. I am delighted to. I have yielded the floor, but I shall be glad to answer a question.

Mr. PACKWOOD. I plan to debate this to some extent tomorrow, but I have found that as we go through these debates regarding the Committee on Finance hearings, the figures we get keep differing and changing. I want to make sure before we get into the debate tomorrow that I understand the assumptions that the Senator from Massachusetts is using in getting to his conclusions.

It is curious to note that, on page 1, paragraph 3, of the statement that he and the Senator from Washington (Mr. JACKSON) have handed in today, they are presuming a direct increase in energy costs this year from the tariff alone of $14.5 billion. I should like to know how he got to that conclusion.

Mr. KENNEDY. The factsheet on the desk of the Senator——

The PRESIDING OFFICER. Does the Senator from Wyoming yield time?

Mr. HANSEN. Mr. President, I yield such time as the Senator from Oregon may require.

The PRESIDING OFFICER. The Senator may proceed.

Mr. KENNEDY. In the factsheet, on item 2, there is the following statement:

> 2—If the tariff system is left in place after April, the added annual costs would be:
>
> $8.7 billion in increased imported and uncontrolled domestic oil costs (composed of $7.1 billion for imported petroleum less $1.7 billion in rebates for refined products. The price of the $3.0 million b/d of domestic crude oil production would increase in price by $3/b adding $3.3 billion annually to energy costs).
>
> $2.9 billion in increased coal costs and $2.9 billion in increased costs for unregulated natural gas.

Mr. PACKWOOD. At the moment, though, we are only talking about the tariff, are we not?

Mr. KENNEDY. Yes.

Mr. PACKWOOD. The Senator's statement here is that the President's tariff actions alone will increase the cost by $14.5 billion. I am curious as to where that figure comes from for the increased cost due to the tariff alone.

Mr. KENNEDY. The Senator will understand that not only do we talk about tariff policy, but we naturally draw reasonable inferences from the action that would be taken. Once we increase the price on imported crude oil by $3 per barrel, we are going to have an increase in the price of uncontrolled domestic crude oil. And the administration acknowledges that.

The $14.5 billion to which the Senator refers is composed of $5.4 billion in increased costs for imported oil due to the tariff and rebate proposed by the President, $3.3 billion in increased costs for "new" domestic crude oil which is currently free of price controls, $2.9 billion in increased costs of coal and $2.9 billion in increased costs of unregulated intrastate natural gas.

The price of uncontrolled domestic crude oil will increase by $3 per barrel in response to the Presidentially imposed tariff on imported crude oil. Coal and intrastate natural gas are assumed to increase in price, to the extent existing contracts permit this, by amounts equivalent to the increase in the price of imported oil on a Btu basis.

Mr. PACKWOOD. That is all right, but I ask the Senator to repeat the figures to me. I do not understand the $14.5 billion. I look at the fact sheet that he and Senator JACKSON handed in to the Committee on Finance—and on the tariff alone, they are estimating about $7.2 billion. They are not counting the ripple effect here.

I just want to know how the Senator got to it, so that tomorrow, when we are debating this, I shall be able to understand.

Mr. KENNEDY. When we go over the numbers I will be glad to go over them in greater detail. When we go over the numbers, we will find that they add up to exactly $14.5 billion without assuming any ripple effects. We are using the figures, quite frankly, that have been supplied to us by the Treasury Department and the FEA and we are drawing the implications of those particular figures based upon the testimony of economists and energy experts.

The figures, I say quite frankly, are varied as far as the administration has provided them. We met 10 days ago with Secretary Morton and he told us that the total cost per family for New England would be $250 for a family of four. Then the next morning, in the Washington Post, the White House upgraded that to $345 for a family of four. That was last week.

On January 23, 1975, Secretary Simon testified that the administration's total program cost was $30 billion, now the FEA estimates its cost at $32 billion.

The administration prepared these figures and has been upgrading them and our fact sheet uses these figures and is based upon various testimony that we have had in the other committees.

Mr. RIBICOFF. If the Senator will yield, this particular staff analysis was prepared at the request of Senator JACKSON. Page 2 breaks down these figures. To help the Senator from Oregon tomorrow in his debate with the Senator from Washington, I would be more than pleased to let the Senator have a copy of this report.

Mr. PACKWOOD. Well, I think I am looking at it. Is that the one that was prepared by the Interior Committee?

Mr. RIBICOFF. Yes; it is entitled "Economic Analysis of President Ford's Energy Program."

Mr. PACKWOOD. Is that the one that presumes 6.5 million barrels a day imports, times 365 days, times $3, coming out to $7.2 billion?

Mr. RIBICOFF. Yes, but if you look at table 2 at the bottom of page 2, and look at the particular costs that will arise if the license fee is imposed, it comes to $14.5 billion.

Mr. KENNEDY. Mr. President, let me ask, what is the Senator—I do not understand. Does he question that the tariff is $8.7 billion, considering the import program as well as the increases in the price of uncontrolled domestic crude, or does he question the $2.9 billion on coal, or the $2.9 billion in unregulated natural gas? If he questions our figures, we will be glad to go over it.

Mr. PACKWOOD. No; all I want is consistent figures. We are not debating deregulation of natural gas or decontrol of old oil.

Mr. KENNEDY. Will the Senator tell us where, in the present program, he even talks about what will happen to coal costs? We put a figure on it, then the Senator questions our particular figures without supplying figures himself. He cannot have it both ways.

Mr. PACKWOOD. We are not even talking about the increases in coal costs.

Mr. KENNEDY. Well, then do not question what we consider to be a very reasonable estimate in terms of these particular costs. The administration assumes that regardless of a $3-per-barrel hike in the price of oil—which competes directly with coal—there will not be even a 1-cent increase in the price of coal. That is thought to be far more unreasonable by most observers including John Sawhill, who headed the FEA only a short time ago.

Mr. RIBICOFF. Mr. President, if I may supplement the statement of my distinguished colleague from Massachusetts, this table includes the cost of decontrol of old oil, which was $19 billion. Senator JACKSON and Senator KENNEDY omitted this figure in figuring what the license fee itself would cost. If you subtract this $19 billion figure from the total you get $14.5 billion. These figures are here, and I will be more than pleased to show them to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I can see what is going to happen tomorrow—we are going to get mixed up in debate as to the total energy package as suggested by the President and the oil tariff as proposed by the President, and we are going to stumble back and forth between the increased cost of coal, the deregulation of natural gas, and the deregulation of old oil, none of which is relevant to the debate tomorrow.

If the Senator from Connecticut will yield further, I want to make sure I understand the facts. On page 2, the second paragraph, he was referring to a proposed $1.80 per barrel increase, and if he is talking about residual oil and home heating oil, where does the $1.80 per barrel increase come from?

Mr. RIBICOFF. The license fee will be $3 a barrel by April 1. But when you average out the price of imported oil, the old oil, and the new oil you arrive at an average figure of $1.80 for all oil in the country, taking into account the fact that 60 percent of the oil in the country is uncontrolled oil; 60 percent of $3 is $1.80. The entitlement system should actually equalize the costs around the country so that all the oil companies will actually spend about $1.80 a barrel for their oil.

Mr. PACKWOOD. Let me ask the Senator from Connecticut one more question: Is he presuming, with the $3 a barrel tariff increase, any reduction in imports?

Mr. RIBICOFF. No.

Mr. PACKWOOD. None?

Mr. RIBICOFF. None at all.

Mr. PACKWOOD. So the figure that the FEA proposes of a 300,000- to 350,000-barrel reduction is a figure that is not accepted, at least for the purposes of his debate?

Mr. RIBICOFF. Well, there is no way of determining what will actually happen. I hope that whether the President's proposal is accepted or rejected, this country will be able to decrease substantially the amount of imported oil. There is no way of telling at the present moment whether this will happen. It is your guess, my guess, Mr. Zarb's guess, and President Ford's guess. There is no way of knowing at the present time.

Mr. PACKWOOD. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

ORDER FOR RECOGNITION OF SENATOR NELSON ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. HATFIELD is recognized on tomorrow, under the order previously entered, the distinguished Senator from Wisconsin (Mr. NELSON), be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 10:15 a.m.

After the two leaders or their designees have been recognized under the standing order, Mr. HATFIELD will be recognized for not to exceed 15 minutes, after which Mr. NELSON will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, not to extend beyond 11 a.m., with statements therein limited to 3 minutes each.

At 11 a.m., the Senate will resume consideration of H.R. 1767, temporary suspension of Presidential authority to impose fees on, or otherwise adjust, petroleum imports, under a time agreement. Nongermane amendments will not be in order, there is a time limitation on any amendment of 2 hours, and the rollcall vote on final passage is scheduled for 5 p.m.

ADJOURNMENT UNTIL 10:15 A.M.

Mr. RIBICOFF. Mr. President, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:15 a.m. tomorrow.

The motion was agreed to; and at 5:28 p.m. the Senate adjourned until tomorrow, Wednesday, February 19, 1975, at 10:15 a.m.

NOMINATIONS

Executive nominations received by the Senate February 18, 1975:

DEPARTMENT OF LABOR

John T. Dunlop, of Massachusetts, to be Secretary of Labor, vice Peter J. Brennan, resigned.

DEPARTMENT OF DEFENSE

Victor V. Veysey, of California, to be an Assistant Secretary of the Army. (New position.)

DEPARTMENT OF COMMERCE

Wilmer D. Mizell, Sr., of North Carolina, to be an Assistant Secretary of Commerce, vice William W. Blunt, Jr., resigned.

DEPARTMENT OF STATE

Arthur Z. Gardiner, Jr., of the District of Columbia, to be an Assistant Administrator of the Agency for International Development, vice Donald G. MacDonald, resigned.

DEPARTMENT OF STATE

The following-named person for appointment as a Foreign Service officer of class 3, a consular officer, and a secretary in the diplomatic service of the United States of America:

David Llodric Crandall, of Arizona.

For appointment as a Foreign Service officer of class 4, a consular officer, and a secretary in the diplomatic service of the United States of America:

Michael H. Goldman, of Maryland.

For appointment as a Foreign Service information officer of class 4, a consular officer, and a secretary in the diplomatic service of the United States of America:

William T. Hines, of the District of Columbia.

For appointment as a Foreign Service officer of class 5, a consular officer, and a secretary in the diplomatic service of the United States of America:

Samuel Kenneth Brinson, of Florida.

For promotion from Foreign Service officer of class 6 to class 5:

Victor D. Comras, of Florida.
Melinda L. Kimble, of Arizona.

For reappointment in the Foreign Service as Foreign Service officers of class 6, consular officers, and secretaries in the diplomatic service of the United States of America:

Sandra Nelson Humphrey, of New Jersey.
Constance McCready Rush, of Rhode Island.

For reappointment in the Foreign Service as Foreign Service officers of class 7, consular officers, and secretaries in the diplomatic service of the United States of America:

Helen Brady Lane, of Texas.
Phyllis Elliott Oakley, of Louisiana.
Eleanore McGroarty Raven, of California.
Mary C. Shoemaker, of Virginia.

For appointment as Foreign Service officers of class 7, consular officers, and secretaries in the diplomatic service of the United States of America:

Frederick A. Becker, of Wisconsin.
Robert A. Benzinger, of Arizona.
Bruce G. Burton, of New York.
Edwina S. Campbell, of Massachusetts.
David Bryan Dlouhy, of Texas.
Thomas G. Dunn, of Texas.
Timberlake Foster, of California.
Ralph Frank, of Washington.
Donald E. Grabenstetter, of Ohio.
Roger L. Hart, of Tennessee.
Morton Joshua Holbrook III, of Kentucky.
Mary Virginia Kennedy, of Idaho.
Richard E. Kramer, of Massachusetts.
Eli N. Lauderdale, Jr., of Mississippi.
John C. Lefgren, of Utah.
Marisa R. Lino, of Oregon.
Dennis M. Linskey, of New York.
Edward McKeon, of the District of Columbia.
Margaret K. McMillion, of Pennsylvania.
Edmund F. McWilliams, Jr., of Rhode Island.
Clifford W. Mecklenburg, of Ohio.
Charles D. Mierzejewski, of New York.
Barbara R. Miller, of the District of Columbia.
John A. Millin III, of Texas.
Charles H. Morris, Jr., of California.
Stephen H. Muller, of the District of Columbia.
Jay Mark Neely, of Texas.
Andrea J. Nelson, of New York.
John M. O'Keeke, of Maryland.
Donald Edward Parker, of Wisconsin.
Frank S. Parker, of Colorado.
John Anthony Parker, of California.
John J. Pavoni, Jr., Connecticut.
Rudolf Vilem Perina, of New York.
Mary Ann Peters, of the District of Columbia.
William Pinckney Pope, of Virginia.
Gary V. Price, of Hawaii.
Michael E. Ranneberger, of Maryland.
Max Newton Robinson, of Washington.
Anita M. Shashy, of Florida.
John C. Spiegel, of Illinois.
Nicholas A. Stigliani, of Connecticut.
Hendrick F. van den Berg, of New York.
Leon Weintraub, of New York.
James H. Williamson, of Connecticut.

For appointment as Foreign Service information officers of class 7, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

Adrien D. Alstad, of Minnesota.
Francis K. Gilliland, of Virginia.
Albert J. Griffin, Jr., of Connecticut.
M. Lynne Martin, of Wisconsin.
Paula M. Neely, of New York.
Richard J. Nicholson, of Virginia.
James F. O'Callaghan, of Washington.
Arthur L. Skop, of Maine.

For appointment as Foreign Service officers of class 8, consular officers, and secretaries in the Diplomatic Service of the United States of America:

H. Jonathan Bemis, of Utah.
Deborah Anne Bolton, of Pennsylvania.
Alan W. Eastham, Jr., of Arkansas.
Thomas C. Ferguson, of Michigan.
James K. Gordon, of California.
Richard T. Heffern, of California.
Richard Charles Hermann, of Iowa.
Susan S. Jacobs, of Michigan.
Ann Kelly Korky, of New Jersey.
James Michael Lynch, of Ohio.
Sandra L. Mendyk, of California.
Alberto José Mora, of Florida.
John L. Moran, of New York.
John D. Morris, of Georgia.
Michael C. Mozur, of Virginia.
David Alan Nall, of Georgia.
Marc E. Nicholson, of California.
Dewey R. Pendergrass, of California.
Douglas K. Rasmussen, of California.
K. Dunlop Scott, of Pennsylvania.
Denise A. Silber, of New York.
Charles L. Skipper III, of Texas.
Curtis M. Stewart, of Colorado.
Carman C. Williams, of California.

For appointment as Foreign Service information officers of class 8, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Rose Susan Berstein, of Rhode Island.
Morgan Liddick, of Washington.

Foreign Service reserve officers to be consular Officers of the United States of America:

Elmer C. Lineberry, Jr., of Florida.
David L. Smock, of Florida.

Foreign Service reserve officres to be consular officers and secretaries in the Diplomatic Service of the United States of America:

Elias S. Barsoum, of Massachusetts.
Charles E. Behrens, of West Virginia.
Ruth L. Brooks, of Michigan.
Thomas E. Cairns, of Louisiana.
Robert Joseph Carlson, of Maryland.
John G. Cook, of Illinois.
Michael G. Cutter, of Arizona.
Alan F. Dahl, of the District of Columbia.
Patsy Lee Donegan, of California.
James E. Flynn, of California.
Robert H. Goeckermann, of Virginia.
Richard L. Griffin, of Virginia.
Eric J. Isenstead, of Maryland.
James H. Kirk, of California.
Ralph V. Korp, of Illinois.
Arnold Kramish, of Maryland.
Lisa R. Layne, of New Jersey.
Egon E. Loebner, of California.
John J. McCavitt, of Massachusetts.
Joseph B. Nowell, of Michigan.
Atherton Noyes III, of Virginia.
John G. O'Connell, of Virginia.
James R. Roach, of Texas.
Michael A. Scenna, of Maryland.
Warren S. West, Jr., of Virginia.

Foreign Service staff officers to be secretaries in the diplomatic service of the United States of America:

Mary E. McMullin, of Pennsylvania.
James E. Williams, of Washington.

Foreign Service staff officers to be consular officers of the United States of America:

John W. Ott, of Hawaii.
John E. Sorensen, of Pennsylvania.

DEPARTMENT OF STATE

The following-named Foreign Service officers for promotion in the Foreign Service to the classes indicated:

Foreign Service officers of class 1:

Nicholas G. Andrews, of Maryland.
Terrell E. Arnold, of California.
Robert E. Barbour, of Tennessee.
Maurice D. Bean, of Indiana.
Earl W. Bellinger, of Florida.
David A. Betts, of Maine.
Joel W. Biller, of Florida.
John Q. Blodgett, of Rhode Island.
C. Arthur Borg, of New York.
Edward T. Brennan, of Massachusetts.
Thompson R. Buchanan, of Maryland.
Michael Calingaert, of New York.
Edward R. Cheney, of New Hampshire.
Joan M. Clark, of New York.
John J. Crowley, Jr., of West Virginia.
John R. Davis, Jr., of Maryland.
Lois M. Day, of Ohio.
David Dean, of Florida.
Willard A. De Pree, of Michigan.
Francois M. Dickman, of Wyoming.
William B. Dozier, of South Carolina.
Morris Draper, of California.
John T. Dreyfuss, of California.
Arva C. Floyd, Jr., of Georgia.
Robert L. Funseth, of New York.
James E. Goodby, of New Hampshire.
Betty C. Gough, of Maryland.
Lindsey Grant, of Georgia.
Brandon H. Grove, Jr., of the District of Columbia.
William A. Hayne, of California.
Theodore J. C. Heavner, of Ohio.
Robert T. Hennemeyer, of Illinois.
Henry A. Holmes, of Kansas.
Paul H. Kreisberg, of Pennsylvania.
Nicholas S. Lakas, of Connecticut.
Lyle F. Lane, of Washington.
W. J. Lehmann, of Missouri.
Donald C. Leidel, of Wisconsin.
Ralph E. Lindstrom, of New Jersey.
Stephen Low, of Ohio.
William H. Luers, of Illinois.
Philip W. Manhard, of Florida.
Robert J. Martens, of Maryland.
Robert Marden Miller, of California.
James B. Moran, of Washington.
Herbert S. Okun, of New York.
Harry H. Pollak, of New Mexico.
Roger A. Provencher, of Colorado.
James F. Relph, Jr., of California.
Albert L. Seligmann, of Virginia.
Robert P. Smith, of Texas.

Michael Sterner, of New York.
William N. Stokes, of North Carolina.
Jack A. Sulser, of Illinois.
David R. Thomson, of California.
Nicholas G. W. Thorne, of Connecticut.
Arthur T. Tienken, of Virginia.
Nicholas A. Veliotes, of California.
Robert E. White, of New Hampshire.

Foreign Service Officers of Class 2:

Dwight R. Ambach, of Rhode Island.
Helene A. Batjer, of Nevada.
Harry E. Bergold, Jr., of Florida.
J. Donald Blevins, of Florida.
Marvin E Brenner, of Pennsylvania.
Peter S. Bridges, of Louisiana.
Frederick Z. Brown, of Pennsylvania.
Robert A. Brown, of Illinois.
Pratt Byrd, of Kentucky.
Joseph D. Capri, of Florida.
John S. Connolly, Jr., of Virginia.
Maurine Crane, of Virginia.
Marion Gordon Daniels, of Texas.
Harland H. Eastman, of Maine.
Rudy V. Fimbres, of Arizona.
Richard D. Forster, of Colorado.
Gerald A. Friedman, of Florida.
Jack Friedman, of the District of Columbia.
Ronald A. Gaiduk, of Florida.
Wever Gim, of Utah.
Robert L. Gingles, of Florida.
Dirk Gleysteen, of Pennsylvania.
Arthur E. Goodwin, Jr., of Florida.
Roderick N. Grant, of Texas.
William B. Grant, of New Hampshire.
Allen S. Greenberg, of the District of Columbia.
Kenneth O. Harris, of West Virginia.
Roy T. Haverkamp, of Missouri.
Lucian Heichler, of Virginia.
Harold E. Horan, of Texas.
Lewis D. Junior, of Maryland.
Thomas F. Killoran, of New Hampshire.
Richard N. Kirby, of Ohio.
William E. Knepper, of Kansas.
P. Wesley Kriebel, of Maryland.
Henry A. Lagasse, of New Hampshire.
Clint A. Lauderdale, of California.
S. Douglas Martin, of Texas.
Francis Terry McNamara, of Vermont.
Francis J. McNeil III, of Florida.
Henry R. Mills, of Kansas.
John C. Monjo, of Maryland.
Beauveau B. Nalle, of Virginia.
Richard D. Nethercut, of Florida.
Daniel A. O'Donohue, of Maryland.
Grover W. Penberthy, of Maryland.
Donald K. Petterson, of California.
Lawrence Pezzullo, of New York.
Owen W. Roberts, of New Jersey.
Edward M. Rowell, of California.
Robert J. Ryan, Jr., of Massachusetts.
Paul Sadler, of Tennessee.
Roger C. Schrader, of Missouri.
Kenneth N. Skoug, Jr., of Virginia.
Richard W. Smith, of New York.
Paul K. Stahnke, of Illinois.
Edward O. Stellmacher, of Wisconsin.
William W. Thomas, Jr., of Michigan.
Frank G. Trinka, of New Jersey.
Frances A. Usenik, of the District of Columbia.
Julius W. Walker, Jr., of Texas.
Peter C. Walker, of the District of Columbia.
Melissa F. Wells, of New York.
Carlos M. Yordan, of the Commonwealth of Puerto Rico.

Foreign Service officers of class 2 and consular officers of the United States of America:

Thomas W. Ainsworth, of Maryland.
John C. Amott, of New Jersey.
Robert F. Andrew, of the District of Columbia.
Alf E. Bergesen, of New York.
Robert W. Caldwell, of Georgia.
Walker A. Diamanti, of Utah.
Walter H. Drew, of Florida.
Raymond E. González, of California.
William A. Helseth, of Florida.
John A. Linehan, Jr., of Virginia.
Doyle V. Martin, of Oklahoma.
Walter M. McClelland, of Oklahoma.
Grant E. Mouser III, of Oregon.
Richard A. Poole, of Virginia.
Clifford J. Quinlan, of Minnesota.
Ralph W. Richardson, of California.
Arthur H. Rosen, of Maryland.
Robert A. Stein, of New Jersey.
William D. Wolle, of Iowa.

Foreign Service Officers of Class 3:

Richard W. Aherne, of Pennsylvania.
Donald M. Anderson, of the District of Columbia.
Charles E. Angevine, of Florida.
Merle E. Arp, of Iowa.
Bryan H. Baas, of Texas.
Brady G. Barr, of Texas.
William G. Barraclough, of Pennsylvania.
John D. Blacken, of Washington.
Felix S. Bloch, of North Carolina.
William Bodde, Jr., of the District of Columbia.
Donald W. Born, of Massachusetts.
Alfred P. Brainard, of Washington.
Hugh K. Campbell, of Virginia.
John A. Cantwell, of New York.
Donald D. Casteel, of Wyoming.
Glenn Richard Cella, of New York.
James Richard Cheek, of Arkansas.
Geryld B. Christianson, of Minnesota.
Carl John Clement, of Minnesota.
John Albert Collins, of New York.
Robert D. Collins, of Virginia.
John Condayan, of Virginia.
Edwin G. Corr, of Oklahoma.
Francis B. Corry, of Virginia.
Robert G. Deason, of California.
Peter Jon de Vos, of New Mexico.
Lawrence Dolgoff, of California.
Charles R. Doscher, of California.
Thomas P. H. Dunlop, of Washington.
Charles Edward Emmons, of California.
Paul L. Engle, of California.
Robert E. Ezelle, of California.
Marjory J. Fiebig, of Michigan.
Patrick E. FitzGerald, of Montana.
Robert A. Flaten, of Minnesota.
Alta F. Fowler, of Virginia.
Myles R. René Frechette, of Washington.
Norman H. Frisbie, of Massachusetts.
Stephen R. Gibson, of California.
Harry J. Gilmore, of Pennsylvania.
Ralph H. Graner, of New York.
Robert T. Grey, Jr., of Connecticut.
Kathryn J. Groot, of Maryland.
Samuel J. Hamrick, Jr., of Kentucky.
Paul J. Hare, of the District of Columbia.
Stephen J. Hayden, of Oregon.
Peter T. Higgins, of California.
Robert G. Houdek, of Illinois.
Marvin W. Humphreys, of the District of Columbia.
Kenneth C. Keller, of the District of Columbia.
George E. Knight, of Pennsylvania.
Thomas Robert Kresse, of Ohio.
David F. Lambertson, of Kansas.
Joe Lill, of Virginia.
Alan Logan, of California.
Arthur L. Lowrie, of Virginia.
Charles T. Magee, of Michigan.
Edward A. Mainland, of California.
Edward Marks, of California.
Robert A. Martin, of Pennsylvania.
Henry Ellis Mattox, of Mississippi.
James Richard Matz, of Texas.
Richard L. McCormack, of Florida.
William H. Mills, of California.
James M. Montgomery, of New Jersey.
Robert J. Montgomery, of Texas.
Edward G. Murphy, of Virginia.
David G. Newton, of Michigan.
E. Parks Olmon, of Texas.
John D. Perkins, of Indiana.
Chester F. Polley, Jr., of Illinois.
Jane M. Potter, of Maryland.
Dale M. Povenmire, of Ohio.
Datus C. Proper, of Pennsylvania.
William T. Pryce, of Pennsylvania.
Frank M. Ravndal, of Maryland.
Leo J. Reddy, of Massachusetts.
J. Brayton Redecker, of Connecticut.
Kenneth N. Rogers, of Florida.
Charles B. Salmon, Jr., of New York.
M. Virginia Schafer, of Washington.
Donald R. Schoeb, of Maryland.
Leonard J. Scioli, of Pennsylvania.
Leslie Andrew Scott, of Virginia.
Raymond W. Seefeldt, of Illinois.
Robert E. Service, of California.
Arthur P. Shankle, Jr., of Texas.
Robert Lee Shuler, of Nebraska.
William L. Simmons, of Florida.
Thomas W. Simons, Jr., of the District of Columbia.
Dudley G. Sipprelle, of California.
Clint E. Smith, of California.
Joseph L. Smith, of Indiana.
Wayne S. Smith, of California.
Joel S. Spiro, of Pennsylvania.
Walter E. Stadtler, of Maryland.
Franklyn E. Stevens, of California.
Roscoe S. Suddarth, of Tennessee.
Daniel P. Sullivan, of Virginia.
William L. Swing, of North Carolina.
Rush W. Taylor, Jr., of Texas.
T. Elkin Taylor, of Georgia.
Alan R. Thompson, of Alaska.
John B. Thompson, of Pennsylvania.
George F. Twohie, of Florida.
George Peter Varros, of Connecticut.
Paul V. Ward, of Florida.
Irene R. Welsh, of South Dakota.
Donald A. Wetherbee, of New York.
Alfred J. White, of New York.
William B. Whitman, Jr., of Florida.
Richard L. Williams, of Pennsylvania.
Thomas F. Wilson, of California.
Frank G. Wisner II, of the District of Columbia.
Rose P. Wong, of Hawaii.
David E. Zweifel, of Colorado.

Foreign Service Officers of Class three and Consular Officers of the United States of America:

Harold E. Grover, Jr., of Florida.
James A. Howell, of Texas.
Robert A. Jackson, of Florida.

Foreign Service Officers of Class 4:

John H. Adams, of California.
Charles A. Anderson, of California.
John K. Atchley, of Virginia.
Edwin L. Barber III, of Virginia.
Paul E. Barbian, of Wisconsin.
Nicholas S. Baskey, Jr., of Ohio.
Lee S. Bigelow, of Texas.
Dorothy Jean Black, of California.
David E. Brown, of Maryland.
David G. Brown, of Pennsylvania.
Stephen W. Buck, of New York.
Albert Peter Burleigh, of California.
William S. Butcher, of Ohio.
Michael Carpenter, of Florida.
Robert K. Carr, of California.
Richard Cecil Castrodale, of Pennsylvania.
Leo F. Cecchini, Jr., of California.
Bruce W. Clark, of California.
Herbert A. Cochran, of North Carolina.
James K. Connell, of Connecticut.
Elinor G. Constable, of New York.
James F. Creagan, of Ohio.
Dena-Kay W. Cunningham, of Virginia.
John H. Curry, of Michigan.
John R. Davis, of New York.
John S. Davison, of Michigan.
Timothy E. Deal, of California.
T. McAdams Deford, of Maryland.
Gerald de Santillana, of California.
Pasquale L. DiTanna, of New Jersey.
Felix Dorough, of Texas.
Conrad M. Drescher, of New York.
Robert S. Driscoll IV, of New York.
Herbert D. Dunhaver, of California.
William F. Eaton, of Maryland.
Marino S. Endrizzi, of Wisconsin.
Richard C. Faulk, of New Jersey.

Alan H. Flanigan, of Tennessee.

John David Forbes, of Pennsylvania.

Thomas Austin Forbord, of California.

Thomas P. Gallagher, of New Jersey.

William L. Gallagher, of Maryland.

Thomas Howard Gewecke, of Illinois.

Lewis Girdler, of Connecticut.

Michael J. Habib, of Virginia.

Scott S. Hallford, of Tennessee.

Hugh G. Hamilton, Jr., of Missouri.

Thomas P. Hamilton, of Hawaii.

F. Allen Harris, of Texas.

Ralph B. Hartwell, of New Hampshire.

Francis P. G. Hearne, of New Jersey.

Eleanor Hicks, of Ohio.

Irvin Hicks, of Maryland.

David L. Hobbs, of California.

Brooke C. Holmes, of California.

Michael M. Hornblow, of New York.

Arthur A. Houghton III, of the District of Columbia.

Thomas R. Hutson, of Nebraska.

Robert F. Illing, of California.

Alden H. Irons, of Virginia.

Darryl N. Johnson, of Washington.

Dolly Ann Johnson, of Missouri.

John M. Joyce, of Colorado.

Arma Jane Karaer, of Virginia.

Edmund H. Kelly, of Ohio.

Lewis A. Kert, of California.

Philip A. King, of Florida.

Brian S. Kirkpatrick, of Oklahoma.

Arthur L. Kobler, of New Jersey.

Robert Allan Kohn, of New York.

John C. Kornblum, of Michigan.

H. Alan Krause, of Illinois.

Charles E. Lahiguera, of Rhode Island.

Edward Gibson Lanpher, of Virginia.

Joseph E. Lee, of Utah.

Philip Thomas Lincoln, Jr., of Michigan.

Duane T. Linville, of Indiana.

Stuart H. Lippe, of California.

Walter B. Lockwood, Jr., of Connecticut.

David W. Loving, of Virginia.

Peter J. Lydon, of Massachusetts.

James F. Mack, of New York.

James H. Madden, of California.

Dorothy L. Magee, of Florida.

John F. Maisto, of Pennsylvania.

Gene B. Marshall, of New Hampshire.

John Linden Martin, of Oregon.

Thomas G. Martin, of Alabama.

Richard E. Masters, of Texas.

Alfred J. McGinness, of Ohio.

Howard L. McGowan, of Ohio.

James W. McGunnigle, of New York.

Richard Keller McKee, of Illinois.

Marilyn Ann Meyers, of Minnesota.

Robert Wesley Miller, of California.

William C. Mithoefer, Jr., of Ohio.

John P. Modderno, of Maryland.

Donald E. Mudd, of Florida.

James P. Murphy, of Oklahoma.

Sarah Louise Nathness, of Ohio.

Francis J. Nelson, of New York.

Jerome C. Ogden, of New York.

Shirley E. Panizza, of Virginia.

F. Coleman Parrott, of Alabama.

Donald K. Parsons, of California.

Robert Stephen Pastorino, of California.

Robert M. Perito, of Massachusetts.

Linda Margaret Pfeifle, of Maryland.

Paul P. Pilkauskas, of New York.

William B. Pogue, of California.

Joseph A. Presel, of Rhode Island.

Mark S. Ramee, of New York.

David M. Ransom, of the District of Columbia.

Arnold L. Raphel, of New Jersey.

Charles P. Reilly, of Washington.

Charles W. Reynolds, of California.

Erik S. Ronhovde, of Montana.

Cameron H. Sanders, Jr., of New York.

Eugene L. Scassa, of Pennsylvania.

Thomas A. Schlenker, of California.

C. Michael Schneider, of Ohio.

Raymond G. H. Seitz, of Texas.

Harrison B. Sherwood, of Minnesota.

James W. Shinn, of Maryland.

Lois I. Shipp, of Florida.

Robert S. Simpson, of California.

Alexander K. Sleght, of Connecticut.

Richard J. Slott, of Indiana.

Keith C. Smith, of California.

Peter G. Smith, of Michigan.

Richard B. Sorg, of Ohio.

Seton Stapleton, of New Jersey.

John D. Stempel, of Indiana.

Elizabeth A. Swift, of the District of Columbia.

Patrick N. Theros, of the District of Columbia.

W. Kenneth Thompson, of the District of Columbia.

Kenneth H. Torp, of Connecticut.

Timothy L. Towell, of Ohio.

Edmund van Gilder, of Pennsylvania.

Sandra Louise Vogelgesang, of Ohio.

Edward S. Walker, Jr., of Pennsylvania.

Anthony H. Wallace, of New York.

Stephen E. Ward, of New Jersey.

Donald B. Westmore, of Washington.

Peter D. Whitney, of New York.

Howard F. Williams, of Georgia.

James Alan Williams, of Virginia.

Richard LaVerne Williamson, Jr., of California.

Warren E. Wills, of Massachusetts.

Ralph Winstanley II, of Indiana.

Bernard J. Woerz, of New Jersey.

Wayne W. S. Wong, of Nevada.

Raymond Alexander Yuhasz, of New Jersey.

Forign Service officer of class 4 and a consular officer of the United States of America:

Bernard A. Femminella, of Minnesota.

Foreign Service officers of class 5:

Robert S. Ayling, of Virginia.

Marc Allen Baas, of Michigan.

Michael T. Barry, of Texas.

R. Rand Beers, of the District of Columbia.

James P. Bell, Jr., of Alabama.

Randolph M. Bell, of Arkansas.

John E. Bennett, of Massachusetts.

Charles Henry Blum, of Texas.

Joseph J. Borich, of South Dakota.

Edward Brynn, of California.

Larry G. Butcher, of Oklahoma.

Suzanne S. Butcher, of Pennsylvania.

Marshall L. Casse III, of Georgia.

Geoffrey W. Chapman, of New Jersey.

Gene Burl Christy, of Texas.

Harry E. Cole, Jr., of Pennsylvania.

Haley D. Collums, of Tennessee.

James P. Covey, of New York.

Ann E. Darbyshire, of Hawaii.

John R. Dobrin, of Tennessee.

Gilbert J. Donahue, of Maryland.

Shaun Edward Donnelly, of Indiana.

Wesley W. Egan, Jr., of North Carolina.

Richard W. Erdman, of New Jersey.

John M. Evans, of Virginia.

George P. Fourier, of Oregon.

Edward F. Fugit, of New Jersey.

Richard M. Gibson, of California.

James Hogan Glenn, of Nebraska.

George A. Gowen III, of North Carolina.

Ann E. Griffin, of California.

Lawrence Marshall Grossman, of Nebraska.

James L. Halmo, of Washington.

Mark G. Hambley, of Idaho.

Alan Shaw Hegburg, of Florida.

Carolee Heileman, of Nebraska.

Judith M. Heimann, of Connecticut.

Dale Roy Herspring, of California.

Donald K. Holm, of Minnesota.

Joseph S. Hulings III, of South Carolina

Paul Andrew Inskeep, of Virginia.

Robert Leonard Jacobs, of Illinois.

Sandor A. Johnson, of California.

A. Elizabeth Jones, of Maryland.

George A. Kachmar, of New Jersey.

David H. Kaeuper, of Michigan.

Donald Willis Keyser, of Virginia.

Douglas S. Kinney, of Florida.

Jacques Paul Klein, of Illinois.

C. Michael Konner, of New York.

Nicholas R. Lang, of New York.

Douglas Langan, of New Jersey.

Gary E. Lee, of Ohio.

Wayne Stephen Leininger, of Florida.

Richard P. Livingston, of Tennessee.

Ronald Dean Lorton, of Virginia.

Michael M. Mahoney, of Massachusetts.

Ronald L. Main, of Oklahoma.

David Jordan Mangan, Jr., of Wisconsin.

Thomas H. Martin, of Illinois.

J. Richard Mason, of Colorado.

Drew Stephen May, of New Jersey.

Martin McLean, of New Jersey.

Phillip J. Metzler, of Kansas.

Michael A. Nayor, of New York.

John U. Nix, of Alabama.

Thomas Tondee Orum, of Michigan.

Terrell R. Otis, of Maryland.

Kenneth N. Peltier, of Texas.

Lauralee M. Peters, of Virginia.

Marilyn Ross Povenmire, of Virginia.

John A. Purnell, of Arkansas.

Ronald Benjamin Rabens, of Illinois.

Haywood Rankin, of North Carolina.

David P. Rawson, of Ohio.

Peter Robert Reams, of Nevada.

Donald A. Roberts, of Minnesota.

H. Clarke Rodgers, Jr., of Georgia.

Joseph B. Schreiber, of Michigan.

Joseph Monroe Segars, of Pennsylvania.

Louis D. Sell, of Kentucky.

Hugh V. Simon, Jr., of Tennessee.

LeRoy C. Simpkins, of California.

Joyce A. Smith, of Tennessee.

Charles R. Sten, of Washington.

Eric E. Svendsen, of Connecticut.

Philip Bates Taylor III, of Texas.

Alma Lucille Thomas, of North Carolina.

Marian L. Tipton, of Idaho.

John J. Tkacik, Jr., of Virginia.

David T. Toyryla, of Texas.

Xenia Vunovic, of New York.

James Donald Walsh, of Pennsylvania.

Eric R. Weaver, of the District of Columbia.

Lyn F. Wheeler, of New York.

Sharon P. Wilkinson, of New York.

John Hurd Willett, of New York.

Ruth Willow Winstanley, of Indiana.

Ira Wolf, of New York.

John Stern Wolf, of Pennsylvania.

Eugene C. Zajac, of Illinois.

Foreign Service officers of class 6:

Michael G. Anderson, of Illinois.

JoAnne Arzt, of New York.

Manuel Barrera, of Massachusetts.

Jane Ellen Becker, of Wisconsin.

Paul E. Behnke, of Illinois.

Lawrence Neal Benedict, of California.

Eric J. Boswell, of California.

Roger E. Burgess, Jr., of Massachusetts.

Robert C. Campbell, of Oregon.

Geraldeen G. Chester, of California.

Richard A. Christenson, of Wisconsin.

Steven P. Coffman, of Texas.

Robert L. Craven, of California.

Ryan Clark Crocker, of Washington.

Thomas P. Crowley, of Virginia.

Edwin P. Cubbison, of Florida.

Brian Dean Curran, of the District of Columbia.

Charles Gilman Currier, of New York.

Karl Imants Danga, of New York.

George Timothy Dempsey, of California.

Daria dePierre, of California.

Gary D. DeVight, of Hawaii.

H. Roy Eidem, of Virginia.

Theodore Minton Ford, of Massachusetts.

Susan Carey Fouts, of Texas.

James Michael Gagnon, of Virginia.

Michael F. Gallagher, of Pennsylvania.

Stephen Michael Geis III, of Missouri.

Michael Gelner, of Missouri.

Robert E. Gribbin III, of Alabama.

Michael J. Guignard, of Maine.

Jon Gundersen, of New York.

Paul Hacker, of New York.

Ruth E. Hansen, of Illinois.

Thomas R. Hanson, of Virginia.

Eileen M. Heaphy, of the District of Columbia.

Michael J. Heilman, of Wisconsin.
James L. Hogan, of New Jersey.
J. Aubrey Hooks, of South Carolina.
John E. Hope, of California.
Marie T. Huhtala, of California.
Douglas Randall Hunter, of Illinois.
Daniel A. Johnson, of Florida.
Teresa Chin Jones, of Virginia.
Judith R. Kaufmann, of New Mexico.
Stephen H. Klemp, of Kansas.
Mary J. Kosheleff, of Ohio.
James A. Larocco, of Illinois.
Paul B. Larsen, of Hawaii.
Leonard Bruce Levine, of Maryland.
John W. Limbert, of Massachusetts.
John P. Londono, of Colorado.
Karen R. Longeteig, of Idaho.
John D. Maiers, of Iowa.
Judyt Landstein Mandel, of New York.
Dana M. Marshall, of New York.
Kenneth R. McKune, of North Carolina.
Douglas B. McNeal, of Hawaii.
Peter B. Morrissey, of Hawaii.
Gay William Mount, of Washington.
Ronald J. Neitzke, of Minnesota.
Jon Lane Noyes, of Wyoming.
Mark Robert Parris, of Virginia.
David Pfotenhauer, of Iowa.
David Catlin Pierce, of California.
John A. Polansky, Jr., of Texas.
Steven R. Pruett, of Hawaii.
Thomas L. Randall, Jr., of California.
Elizabeth Raspolic, of Arizona.
William R. Rosner, of Ohio.
Richard Allan Roth, of Michigan.
Eugene David Schmiel, of Pennsylvania.
John F. Scott, of Iowa.
Joseph T. Sikes, of Alabama.
Stephen R. Snow, of Tennessee.
Kent R. Steinkamp, of Illinois.
Bruce D. Strathearn, of Wisconsin.
Gregory Michael Suchan, of Ohio.
Gregory M. Talcott, of Hawaii.
John F. Tefft, of Wisconsin.
David K. Thompson, of the District of Columbia.
Richard J. Tierney, of Virginia.
Thomas C. Tighe, of Florida.
Eric D. Tunis, of California.
Gary S. Usrey, of Maryland.
Susan J. Walters, of Connecticut.
Helen Weinland, of the District of Columbia.
Carol E. Wheeler, of New York.
George MacDonald White, of Indiana.
James D. Whitten, of California.
Donald E. Willett, of Illinois.
David W. Williams, of California.

Foreign Service Officers of Class 7:

Marsha E. Barnes, of Kentucky.
Mary Ann Casey, of Colorado.
Gary W. Christian, of Missouri.
Laura A. Clerici, of South Carolina.
Georgia J. DeBell, of California.
George Anthony Dies III, of New York.
James R. Doyle, of Massachusetts.
Peter D. Eicher, of Connecticut.
Douglas V. Ellice, Jr., of Connecticut.
Mary Lee K. Garrison, of New Jersey.
Wayne G. Griffith, of New Jersey.
Donald S. Hays, of Virginia.
Margaret Teresa Kromhout, of the District of Columbia.
John R. Kunkel, of Missouri.
Christopher J. LaFleur, of New York.
MaryAnn Love, of Connecticut.
David L. Lyon, of Maryland.
Linda M. Mathews, of California.
Simeon L. Moats, of Pennsylvania.
Robert Allen Mosher, of Missouri.
James F. Schumaker, of California.
H. Richard Sindelar III, of Texas.
Paul H. Tyson, of New Jersey.
Richard H. Wallen, of Colorado.
Wayne Edward White, of Pennsylvania.
Anne Brevard Woods, of Arkansas.
Thomas Kenneth Wukitsch, of Illinois.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Howard Harrison Cooksey, 227-14-4706, U.S. Army.

IN THE NAVY

The following-named captains of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

Samuel H. Packer II
William L. Hinkle
Cabell S. Davis, Jr.
Bruce Keener III
Thomas W. McNamara
Robert M. Collins
James B. Morin
Henry D. Arnold
John V. Josephson
William M. Callaghan, Jr.
James H. Scott
Lee Baggett, Jr.
Paul C. Gibbons, Jr.
Mark P. Frudden
Stanley J. Anderson
Gordon J. Schuller
James A. Sagerholm
William H. Rowden
Ross N. Williams
Wayne E. Meyer
William Nivison
Francis F. Manganaro
Edward F. Welch, Jr.
Charles J. Youngblade
John C. Barrow
Thomas J. Kilcline
Paul H. Engel
Edward S. Briggs
Robert L. Walters
Allen E. Hill
William A. Gureck
William B. Warwick
Thomas H. Replogle
William R. Smedberg IV
Robert E. Morris
Ernest R. Seymour
Thomas L. Malone, Jr.

Capt. Maxine Conder, Nurse Corps, U.S. Navy, for appointment to the grade of rear admiral pursuant to title 10, United States Code, section 5767(c) while serving as Director of the Nurse Corps.

IN THE ARMY

The following-named scholarship students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2107, 3283, 3284, 3286, 3287, 3288, and 3290:

Alberts, Roger E., [redacted].
Allison, Ralph E., Jr., [redacted].
Almas, William F., [redacted].
Anderholm, James E., [redacted].
Anderson, Bradley, [redacted].
Anderson, Douglas C., [redacted].
Anderson, George W., [redacted].
Anderson, Oscar R., [redacted].
Anslow, David D., [redacted].
Antis, Robert M., [redacted].
Asher, Riley L., [redacted].
Atkins, Frank G., [redacted].
Ault, Mark W., [redacted].
Ausura, John F., [redacted].
Avants, Stewart E., [redacted].
Baker, Kenton L., [redacted].
Barba, Thomas, [redacted].
Barlow, David N., [redacted].
Barnes, Bernard A., [redacted].
Barnes, Todd C., [redacted].
Bartkiewicz, Byron, [redacted].
Bass, Richard A., [redacted].
Bayer, Russell J., [redacted].
Bearden, Michael R., [redacted].
Beck, Robert D., Jr., [redacted].
Becker, Patrick J., [redacted].
Beckwith, Peter J., [redacted].
Beegle, Scott K., [redacted].
Bell, David E., [redacted].
Bell, Robert E., III, [redacted].
Belton, Robert, Jr., [redacted].
Bemis, Michael R., [redacted].
Bergeson, Kim B., [redacted].
Berquist, Marcel R., [redacted].
Berndt, Michael D., [redacted]
Berny, James J., [redacted].
Berry, Garland J., [redacted].
Berry, John H., [redacted].
Bertholf, Philip G., [redacted].
Bertrand, Robert J., Jr., [redacted].
Betancourt, Daniel, [redacted].
Billingsley, William M., [redacted].
Birdsall, Gregory L., [redacted].
Bissell, David R., [redacted].
Bissell, James B., [redacted].
Black, Douglas K., [redacted].
Blair, John S., Jr., [redacted].
Bloodworth, Donald, [redacted].
Boedecker, David L., [redacted].
Boice, Gregory W., [redacted].
Boltz, Steven J., [redacted].
Bonfiglio, Jon M., [redacted].
Boudreau, David E., [redacted].
Bourgeois, Steven A., [redacted].
Bower, Ricki F., [redacted].
Bowie, Cephas, Jr., [redacted].
Bowling, Ronald D., [redacted].
Boyd, Kenneth D., [redacted].
Bozeman, Michael R., [redacted].
Bracey, Earnest N., [redacted].
Braden, Timothy J., [redacted].
Bright, Allan H., [redacted].
Briley, Ralph A., [redacted].
Brittain, Thomas C., [redacted].
Brooks, Matthew C., [redacted].
Brooks, Randolph E., [redacted].
Brostrom, David P., [redacted].
Browers, Billy D., [redacted].
Brown, Anthony L., [redacted].
Brown, Calvin E., [redacted].
Brown, Ronald E., [redacted].
Brown, William F., [redacted].
Buck, Joel A., [redacted].
Buck, Lon L., [redacted].
Buffington, Roger J., [redacted].
Bugg, David B., [redacted].
Bulla, John E., [redacted].
Bush, Paul D., [redacted].
Busse, Charles W., [redacted].
Butler, John L., [redacted].
Butler, Randall J., [redacted].
Butler, Terry D., [redacted].
Byrne, Patrick E., [redacted].
Calcagni, Dean E., [redacted].
Calkins, Jack L., [redacted].
Callaway, William L., [redacted].
Camper, William C., [redacted].
Candee, Roland L., [redacted].
Cannon, Douglas F., [redacted].
Caravella, Frank J., [redacted].
Carlson, Charles R., [redacted].
Carlson, John A., [redacted].
Carmichael, Dale E., [redacted].
Caronia, David F., [redacted].
Carroll, James E., [redacted].
Carter, Charles E., [redacted].
Cartwright, Charles, [redacted].
Cason, Randall W., [redacted].
Chambers, David L., [redacted].
Chambers, Gregory M., [redacted].
Champion, Herbert W., [redacted].
Chapman, Donald L., [redacted].
Chenoweth, Mark K., [redacted].
Cherry, Donald B., [redacted].
Christal, Gary W., [redacted].
Clapper, Patrick W., [redacted].
Clark, David N., [redacted].
Clark, Robert A., [redacted].
Clark, Robert L., [redacted].
Clawson, Ben F., [redacted].
Cleland, Bruce P., [redacted].
Cleve, Richard A., [redacted].
Cockrum, Carl A., [redacted].
Coester, William H., [redacted].
Coffenberry, Victor, [redacted].
Coffua, Colin C., [redacted].
Colaw, Lee M., [redacted].
Colcord, Kevin T., [redacted].
Coleman, Malcolm D., [redacted].
Collier, Richard L., [redacted].
Collins, Allen L., [redacted].
Colon, Angel R., [redacted].

Comer, Nicholas C., [redacted].
Comerford, Richard W., [redacted].
Comfort, Calvin M., [redacted].
Conitz, Cass C., [redacted].
Connelly, Michael H., [redacted].
Connor, Walter C., [redacted].
Conti, Michael S., [redacted].
Cook, Dennis B., [redacted].
Cook, Stephen E., [redacted].
Cooney, John J., [redacted].
Corpac, Peter S., [redacted].
Cox, Peder C., [redacted].
Crear, Robert, [redacted].
Croghan, Jerry R., [redacted].
Crouch, Alan M., [redacted].
Crouch, Orin W., Jr., [redacted].
Crow, Stanley E., [redacted].
Crowell, Donald L., [redacted].
Cummings, Walter C., [redacted].
Cunningham, Allen D., [redacted].
Curley, Mark, [redacted].
Curtis, Clyde W., [redacted].
Czvornyek, Gary, [redacted].
Dacey, Gary Gerald, [redacted].
Daigle, Robert A., [redacted].
Darkes, Dean D., [redacted].
David, Leo, J., [redacted].
David Dwight J., [redacted].
Davis, John W., [redacted].
Davis, Paul N., [redacted].
Davis, Thomas J., [redacted].
Debruce, Wilfred R., [redacted].
Deeter, David P., [redacted].
Dempsey, Thomas A., [redacted].
Denton, Robert E., Jr., [redacted].
Derickson, Gary W., [redacted].
Dettman, James W., [redacted].
Dhane, John M., [redacted].
Diaz, Juan A., Jr., [redacted].
Dibrell, Jack C., [redacted].
Dickey, John D., [redacted].
Dicostanzo, Luigi, [redacted].
Ditton, Michael H., [redacted].
Dodd, Johnny L., [redacted].
Donaldson, James M., [redacted].
Donnelly, William P., [redacted].
Dooley, David P., [redacted].
Dootson, Jeffery, [redacted].
Doster, Michael L., [redacted].
Douglas, Joseph S., [redacted].
Doyle, John T., [redacted].
Driver, Richard B., [redacted].
Dunham, Jeffrey M., [redacted].
Dunn, Bernard J., [redacted].
Dunn, James F., Jr., [redacted].
Durham, Dwight J., [redacted].
Dussel, Wayne C., [redacted].
Dwyer, James C., [redacted].
Earley, Mark M., [redacted].
Edgerton, Daniel R., [redacted].
Edwards, Gregory B., [redacted].
Edwards, Robert F., [redacted].
Edwards, Thomas D., [redacted].
Eldridge, William C., [redacted].
Eliasson, Arn H., [redacted].
Elizondo, Frank D., [redacted].
Emmons, Robert L., [redacted].
Eppler, Dwight O., [redacted].
Erb, Donald G., [redacted].
Erhardt, James B., [redacted].
Ernzen, James J., [redacted].
Eum, Timothy T. S., [redacted].
Everett, Norris R., [redacted].
Fast, William R., [redacted].
Faucheux, Thomas J., [redacted].
Fischer, Joseph R., [redacted].
Fobes, John W., [redacted].
Ford, Terry P., [redacted].
Fowler, Charles J., [redacted].
Fox, Bernard A., [redacted].
Frazier, Willie L., [redacted].
Frechette, Charle M., [redacted].
Freeman, Michael L., [redacted].
Frusha, Robert J., [redacted].
Fuller, Carl C., [redacted].
Fuschino, Larry J., [redacted].
Gabel, Dale D., [redacted].
Gahagan, Larry D., [redacted].
Gaither, Billy W., [redacted].
Gant, Elvin J., Jr., [redacted].
Gardner, Henry S., [redacted].
Garrison, Willie C., [redacted].
Gast, Allen R., [redacted].
Gates, William J., [redacted].
Gausvik, Thomas E., [redacted].
Gerstenlauer, James, [redacted].
Gess, John P., [redacted].
Geyser, John E., II, [redacted].
Glover, Stuart A., [redacted].
Gohmert, Louis B., Jr., [redacted].
Gonzalez, Miguel A., [redacted].
Grant, Gary B., [redacted].
Gray, John C., [redacted].
Green, Timothy A., [redacted].
Gregorie, Erik M., [redacted].
Gregory, William A., [redacted].
Grendell, Timothy J., [redacted].
Griffiths, Robert A., [redacted].
Grimmer, Gregory M., [redacted].
Grobmeier, John R., [redacted].
Ground, Larry W., [redacted].
Guillie, Gregory P., [redacted].
Hall, John W., [redacted].
Hall, Russell B., [redacted].
Hamilton, Steven C., [redacted].
Hamm, Charles W., [redacted].
Hammes, Craig S., [redacted].
Hampton, Edward E., [redacted].
Hancock, George L., Jr., [redacted].
Hancock, Robert W., [redacted].
Haner, William E., Jr., [redacted].
Hanna, Arthur D., [redacted].
Hansen, Niels E., [redacted].
Hargraves, John F., [redacted].
Harmon, Joseph M., [redacted].
Harper, David A., [redacted].
Harrell, Michael L., [redacted].
Harris, Frank C., Jr., [redacted].
Harris, Robert P., [redacted].
Harris, William N., [redacted].
Harrop, David J., [redacted].
Harvin, Moses L., [redacted].
Hasey, Richard A., [redacted].
Haskell, Edwin C., III, [redacted].
Hatcher, Steven W., [redacted].
Havrilla, John F., [redacted].
Heekin, William M., [redacted].
Heimburger, Thomas, [redacted].
Heinzmann, William T., [redacted].
Hembree, Doyle M., Jr., [redacted].
Henchal, Eric A., [redacted].
Hernandez, David N., [redacted].
Hetzner, Marc A., [redacted].
Hicks, Stephen A., [redacted].
Hixenbaugh, John D., [redacted].
Hoffmeyer, Eric, [redacted].
Hofmeister, David H., [redacted].
Holberton, David P., [redacted].
Hollis, William A., [redacted].
Holloway, Lloyd W., [redacted].
Holton, Walter L., [redacted].
Hood, Jay W., [redacted].
Hooker, Robert W., Jr., [redacted].
Hordov, Emil, [redacted].
Horney, Jay A., [redacted].
Horton, William D., Jr., [redacted].
Hotard, James R., [redacted].
House, John M., [redacted].
Howard, Richard C., [redacted].
Hoyt, Micheal A., [redacted].
Hubner, Roger D., [redacted].
Huffman, Rex L., [redacted].
Huggler, Ronald R., [redacted].
Hughes, Lawrence D., [redacted].
Hughes, Paul D., [redacted].
Hughes, William L., [redacted].
Humberd, Quentin A., [redacted].
Humphrey, Patrick, [redacted].
Hunter, Robert D., [redacted].
Huntley, David F., [redacted].
Ingram, Robert B., [redacted].
Inman, Michael T., [redacted].
Iwanski, David C., [redacted].
Jacobs, George, [redacted].
Jacobs, Kim A., [redacted].
Janosko, Theodore J., [redacted].
Jaska, Michael E., [redacted].
Jefferson, Keith T., [redacted].
Jenkins, Ronald W., [redacted].
Jennings, David C., [redacted].
Johns, Joseph P., [redacted].
Johnson, George K., Jr., [redacted].
Johnson, Joseph E., [redacted].
Johnson, Lawrence M., [redacted].
Johnson, Michael G., [redacted].
Johnson, Milan C., [redacted].
Jones, Owen L., [redacted].
Jones, Ralph D., [redacted].
Joseph, Keith M., [redacted].
Kalita, David B., [redacted].
Kautz, John J., [redacted].
Keeling, Donald W., [redacted].
Kehoe, Kevin J., [redacted].
Kelly, Michael R., [redacted].
Kem, Dale A., [redacted].
Kendig, Stuart B., [redacted].
Keyner, Hugo, [redacted].
Kiezer, Allen J., [redacted].
Kimble, Thomas R., [redacted].
King, Charles M., [redacted].
Kiskowski, William, [redacted].
Kohut, Joseph R., [redacted].
Kovar, Joseph M., [redacted].
Kowalczyk, Reed C., [redacted].
Krebs, William K., [redacted].
Kriesel, Carl J., [redacted].
Lacouture, Terry D., [redacted].
Lacy, Bruce A., [redacted].
Ladeira, Bruce K., [redacted].
Lambert, James H., [redacted].
Lanio, Daniel R., [redacted].
Lansing, Michael, [redacted].
Larsen, William B., [redacted].
Laski, Peter A., [redacted].
Latsch, Kenneth J., [redacted].
Lattimore, Herber E., [redacted].
Lawson, Charles L., [redacted].
Lawson, Robert A., [redacted].
Lee, Rodney H., [redacted].
Lee, Steven E., [redacted].
Leifield, Nicholas C., [redacted].
Leist, Elmin G., [redacted].
Liivak, Heldur, [redacted].
Lindschmidt, Robert E., [redacted].
Lindsey, Gray D., [redacted].
Lineback, Barry S., [redacted].
Lineback, Larry S., [redacted].
Lockaby, Robert L., Jr., [redacted].
Long, Stewart W., [redacted].
Love, Kenneth, [redacted].
Ludwig, David W., [redacted].
Maguffee, Michael J., [redacted].
Makulec, Jeffrey M., [redacted].
Mallicoat, Robert D., [redacted].
Mansfield, Kim D., [redacted].
Marashian, Charles D., [redacted].
Marley, Anthony D., [redacted].
Marriott, John A., [redacted].
Martin, Frederick B., [redacted].
Martin, Michael D., [redacted].
Martin, Wayne M., [redacted].
Martinez, Michael E., [redacted].
Marvin, William H., [redacted].
Mason, Holden F., [redacted].
Matthews, George W., [redacted].
Mauro, Michael J., [redacted].
McAlister, Charles E., [redacted].
McAughan, Timothy J., [redacted].
McBrayer, John T., [redacted].
McCann, Henry C., [redacted].
McCarty, Gary J., [redacted].
McCormick, Edward C., [redacted].
McCoy, Glenn D., [redacted].
McCrary, Guy R., [redacted].
McFarland, Richard D., [redacted].
McFarland, Steven, [redacted].
McKeever, Christopher, [redacted].
McKindra, Alex B., [redacted].
McMillion, Michael R., [redacted].
McNeal, William D., [redacted].

McVan, Brian P., xxx-xx-xxxx.
Melsheimer, Henry D., xxx-xx-xxxx.
Mercer, Robert E., xxx-xx-xxxx.
Merkel, Douglas A., xxx-xx-xxxx.
Miller, Daniel W., xxx-xx-xxxx.
Mims, Jason A., xxx-xx-xxxx.
Minckler, Duff S., xxx-xx-xxxx.
Miner, Paul D., xxx-xx-xxxx.
Mixon, Andre F., xxx-xx-xxxx.
Moate, Randy M., xxx-xx-xxxx.
Molosso, Michael R., xxx-xx-xxxx.
Moore, Stephen B., xxx-xx-xxxx.
Moores, Steven C., xxx-xx-xxxx.
Morey, Maurice J., xxx-xx-xxxx.
Morgan, Charles R., xxx-xx-xxxx.
Morgan, John A., Jr., xxx-xx-xxxx.
Morningstar, Michael, xxx-xx-xxxx.
Morse, David M., xxx-xx-xxxx.
Mosher, Douglas G., xxx-xx-xxxx.
Muhl, James H., Jr., xxx-xx-xxxx.
Mundt, Leo A., Jr., xxx-xx-xxxx.
Myers, Graves T. IV, xxx-xx-xxxx.
Myers, Peter C., xxx-xx-xxxx.
Mynatt, Bruce A., xxx-xx-xxxx.
Nabarrete, Kent S., xxx-xx-xxxx.
Napier, Barry R., xxx-xx-xxxx.
Napoliello, Michael F., xxx-xx-xxxx.
Nedrow, Mark W., xxx-xx-xxxx.
Nelms, Russell F., xxx-xx-xxxx.
Nelsen, Lenn F., xxx-xx-xxxx.
Newton, Charles B., Jr., xxx-xx-xxxx.
Nowak, John M., xxx-xx-xxxx.
Nowell, Lawrence E., xxx-xx-xxxx.
Obermeier, Michael R., xxx-xx-xxxx.
O'Boyle, Bryan R., xxx-xx-xxxx.
O'Brien, John F., xxx-xx-xxxx.
O'Donnell, Patrick E., xxx-xx-xxxx.
Offenbacker, Raymond E., xxx-xx-xxxx.
Oldham, Michael J., xxx-xx-xxxx.
O'Neal, Randal, xxx-xx-xxxx.
Oravis, John W., xxx-xx-xxxx.
Osborne, David R., xxx-xx-xxxx.
Owens, Ralph E., Jr., xxx-xx-xxxx.
Ozimek, Thaddeus P., xxx-xx-xxxx.
Pabis, Mitchell A., xxx-xx-xxxx.
Page, Kenneth L., xxx-xx-xxxx.
Palm, Owen A., xxx-xx-xxxx.
Parent, Paul T., xxx-xx-xxxx.
Parker, Christopher, xxx-xx-xxxx.
Parsons, Joel A., II, xxx-xx-xxxx.
Parsons, Steven A., xxx-xx-xxxx.
Pasche, Louis, IV, xxx-xx-xxxx.
Pass, Daniel A., xxx-xx-xxxx.
Patterson, Dan B., xxx-xx-xxxx.
Patton, Timothy L., xxx-xx-xxxx.
Paulger, Thomas M., xxx-xx-xxxx.
Peacock, Billy D., xxx-xx-xxxx.
Pelissero, John P., xxx-xx-xxxx.
Penry, Robert E., xxx-xx-xxxx.
Peppers, Samuel R., xxx-xx-xxxx.
Perkins, William T., xxx-xx-xxxx.
Perry, Timothy P., xxx-xx-xxxx.
Petersen, Michael A., xxx-xx-xxxx.
Peterson, Kevin C., xxx-xx-xxxx.
Peterson, Vance W., xxx-xx-xxxx.
Pett, Barrett S., xxx-xx-xxxx.
Phillip, Douglas F., xxx-xx-xxxx.
Phillips, George A., xxx-xx-xxxx.
Pierce, Richard L., xxx-xx-xxxx.
Pierson, Kenneth A., xxx-xx-xxxx.
Piwonka, Norman L., xxx-xx-xxxx.
Pizzi, Lawrence Z., xxx-xx-xxxx.
Pointer, David L., xxx-xx-xxxx.
Pompetzki, George, xxx-xx-xxxx.
Porter, Billy R., xxx-xx-xxxx.
Pote, Robert C., xxx-xx-xxxx.
Potter, John C., III, xxx-xx-xxxx.
Powell, Richard L., xxx-xx-xxxx.
Prasek, F. Joseph, xxx-xx-xxxx.
Pratico, Robert, xxx-xx-xxxx.
Pratt, Michael W., xxx-xx-xxxx.
Preble, Reginald K., xxx-xx-xxxx.
Prentice, Gerald A., xxx-xx-xxxx.
Preyer, George L., xxx-xx-xxxx.
Prichard, Robert A., Jr., xxx-xx-xxxx.
Proffitt, Paul C., xxx-xx-xxxx.
Proietto, Raymond A., xxx-xx-xxxx.
Prose, Gerald W., xxx-xx-xxxx.
Prosser, Terry W., xxx-xx-xxxx.
Prosuch, Charles S., xxx-xx-xxxx.
Prouty, Richard W., Jr., xxx-xx-xxxx.
Przybelski, Robert, xxx-xx-xxxx.
Pylate, Florian L., xxx-xx-xxxx.
Railsback, Donald E., xxx-xx-xxxx.
Ramatici, Gary J., xxx-xx-xxxx.
Randolph, Wayne, xxx-xx-xxxx.
Rast, John C., xxx-xx-xxxx.
Rastall, Richard L., xxx-xx-xxxx.
Rayburn, Stephen A., xxx-xx-xxxx.
Reeder, Thomas S., xxx-xx-xxxx.
Reese, Andrew J., xxx-xx-xxxx.
Reeves, Douglas B., xxx-xx-xxxx.
Reid, Milton S., Jr., xxx-xx-xxxx.
Reinig, Frank W., xxx-xx-xxxx.
Reppert, Ronald G., xxx-xx-xxxx.
Rhoda, Donald R., xxx-xx-xxxx.
Richardson, Hyrum C., xxx-xx-xxxx.
Riggle, Daniel E., xxx-xx-xxxx.
Rivera, Orlando L., xxx-xx-xxxx.
Roberts, Mark A., xxx-xx-xxxx.
Robertson, Andrew W., xxx-xx-xxxx.
Rochlin, Mark N., xxx-xx-xxxx.
Roemmer, James, xxx-xx-xxxx.
Rogers, Michael J., xxx-xx-xxxx.
Roll, Darrell L., xxx-xx-xxxx.
Romano, William R., xxx-xx-xxxx.
Rommel, Park H., xxx-xx-xxxx.
Rooks, Larry C., xxx-xx-xxxx.
Rose, David L., Jr., xxx-xx-xxxx.
Rose, Kenneth S., xxx-xx-xxxx.
Rose, Philip H., xxx-xx-xxxx.
Ross, Glenn C., II, xxx-xx-xxxx.
Ross, Mark C., xxx-xx-xxxx.
Roundtree, William, xxx-xx-xxxx.
Russell, Bruce S., xxx-xx-xxxx.
Safren, Jonathan, xxx-xx-xxxx.
Sain, Todd G., xxx-xx-xxxx.
Sanders, David B., xxx-xx-xxxx.
Saunders, Olin E., Jr., xxx-xx-xxxx.
Schaeffer, James P., xxx-xx-xxxx.
Schilling, Charles, xxx-xx-xxxx.
Schmidt, Allen C., xxx-xx-xxxx.
Schmidt, Harold S., xxx-xx-xxxx.
Schoel, Randy J., xxx-xx-xxxx.
Schottelkorb, William R., xxx-xx-xxxx.
Schuckenbrock, Melvin M., xxx-xx-xxxx.
Schultz, Michael L., xxx-xx-xxxx.
Sears, Wayne R., xxx-xx-xxxx.
Selph, Barney E., xxx-xx-xxxx.
Sepp, Kalev I., xxx-xx-xxxx.
Sever, Darrell R., xxx-xx-xxxx.
Sexton, Laurence R., xxx-xx-xxxx.
Shafer, Jeffrey L., xxx-xx-xxxx.
Sherman, Norman A., xxx-xx-xxxx.
Sherwood, Richard J., xxx-xx-xxxx.
Shields, Larry W., xxx-xx-xxxx.
Shojinaga, Wayne M., xxx-xx-xxxx.
Shoquist, David A., xxx-xx-xxxx.
Shortsleeve, Dane W., xxx-xx-xxxx.
Shull, Patrick W., xxx-xx-xxxx.
Simpson, Bruce E., xxx-xx-xxxx.
Sinnott, Timothy J., xxx-xx-xxxx.
Siomacco, Edward M., xxx-xx-xxxx.
Slagel, Gerald A., xxx-xx-xxxx.
Slone, Has, Jr., xxx-xx-xxxx.
Smart, David A., xxx-xx-xxxx.
Smith, David R., xxx-xx-xxxx.
Smith, James M., xxx-xx-xxxx.
Smith, John B., xxx-xx-xxxx.
Smith, John T., II, xxx-xx-xxxx.
Smith, Ted R., xxx-xx-xxxx.
Smith, Walter R., xxx-xx-xxxx.
Snead, David J., xxx-xx-xxxx.
Snitker, James E., xxx-xx-xxxx.
Snyder, Richard H., xxx-xx-xxxx.
Soliz, Alfonso, Jr., xxx-xx-xxxx.
Sosnowski, Alan P., xxx-xx-xxxx.
Sowards, John A., xxx-xx-xxxx.
Sparks, Paul J., xxx-xx-xxxx.
Speshock, Vernon M., xxx-xx-xxxx.
Spires, Timothy D., xxx-xx-xxxx.
Stanley, Wayne G., xxx-xx-xxxx.
Stegner, James E., Jr., xxx-xx-xxxx.
Steiner, Lawrence, xxx-xx-xxxx.
Stephens, Jimmy D., xxx-xx-xxxx.
Stewart, Gene B., Jr., xxx-xx-xxxx.
Stewart, John S., xxx-xx-xxxx.
Straub, Robert J., xxx-xx-xxxx.
Street, Joseph G., xxx-xx-xxxx.
Stuck, Donald T., xxx-xx-xxxx.
Summers, Louie E., Jr., xxx-xx-xxxx.
Sutter, Robert L., Jr., xxx-xx-xxxx.
Swanson, Johnny, III, xxx-xx-xxxx.
Swanson, Steven G., xxx-xx-xxxx.
Sweeney, Dennis J., xxx-xx-xxxx.
Sydnor, Bruce A., xxx-xx-xxxx.
Sykes, Jerry L., xxx-xx-xxxx.
Tate, Stephen T., xxx-xx-xxxx.
Tate, Vaughn L., xxx-xx-xxxx.
Tatum, John S., xxx-xx-xxxx.
Terrell, Larry E., Jr., xxx-xx-xxxx.
Thigpen, Harry G., III, xxx-xx-xxxx.
Thomas, Daniel R., xxx-xx-xxxx.
Thomas, James H., xxx-xx-xxxx.
Thompson, David W., xxx-xx-xxxx.
Thompson, Michael L., xxx-xx-xxxx.
Thomson, Mark C., xxx-xx-xxxx.
Thomson, Robert L., xxx-xx-xxxx.
Thunker, Robert R., xxx-xx-xxxx.
Thurman, James D., xxx-xx-xxxx.
Tidwell, Michael A., xxx-xx-xxxx.
Townes, James E., III, xxx-xx-xxxx.
Traverzo, Luis A., xxx-xx-xxxx.
Treadway, Steven G., xxx-xx-xxxx.
Tremper, Edward G., xxx-xx-xxxx.
Treuting, David F., xxx-xx-xxxx.
Trice, James E., xxx-xx-xxxx.
Tucker, Eddie L., xxx-xx-xxxx.
Tucker, Edward D., xxx-xx-xxxx.
Tuggle, Roger D., xxx-xx-xxxx.
Turknett, Steven R., xxx-xx-xxxx.
Turner, James T., xxx-xx-xxxx.
Turner, Stanley D., xxx-xx-xxxx.
Van Dyke, John M., xxx-xx-xxxx.
Vanderlike, Robert, xxx-xx-xxxx.
Vanderneck, Richard, xxx-xx-xxxx.
Vasquez, Jose A., Jr., xxx-xx-xxxx.
Vaughn, Steve C., xxx-xx-xxxx.
Veach, William R., xxx-xx-xxxx.
Veldhouse, Lonnie, xxx-xx-xxxx.
Velez, Thomas W., xxx-xx-xxxx.
Verde, Leslie H., xxx-xx-xxxx.
Vertrees, Hugh W., xxx-xx-xxxx.
Vick, James E., xxx-xx-xxxx.
Villone, Earl S., xxx-xx-xxxx.
Vitale, Dale T., xxx-xx-xxxx.
Walker, Dana A., xxx-xx-xxxx.
Walker, William O., xxx-xx-xxxx.
Walley, James R., xxx-xx-xxxx.
Warburton, Robert P., xxx-xx-xxxx.
Waters, Calvin S., xxx-xx-xxxx.
Weaver, John M., xxx-xx-xxxx.
Weaverling, Ronald, xxx-xx-xxxx.
Webb, William H., xxx-xx-xxxx.
Weikle, Randel W., xxx-xx-xxxx.
Werner, Richard M., xxx-xx-xxxx.
Whitehead, Michael, xxx-xx-xxxx.
Wilbanks, James C., xxx-xx-xxxx.
Wiles, Bryan L., xxx-xx-xxxx.
Williams, Duke K., xxx-xx-xxxx.
Williams, Gary R., xxx-xx-xxxx.
Wiliamson, Timothy D., xxx-xx-xxxx.
Williford, John K. J., xxx-xx-xxxx.
Wilson, Henry L., Jr., xxx-xx-xxxx.
Wilson, Michael P., xxx-xx-xxxx.
Winfield, William M., xxx-xx-xxxx.
Wolkowitz, Felix H., xxx-xx-xxxx.
Womack, Dennis R., xxx-xx-xxxx.
Wong, Steven P. K., xxx-xx-xxxx.
Wright, James E., xxx-xx-xxxx.
Wright, Kevin V., xxx-xx-xxxx.
Wynarsky, Andrew E., xxx-xx-xxxx.
Wynn, John M., xxx-xx-xxxx.
Yakes, Wayne F., xxx-xx-xxxx.
Yakubik, John E., xxx-xx-xxxx.
Yamashita, John G., xxx-xx-xxxx.
Yates, Norman C., xxx-xx-xxxx.
Yeager, Jackie B., xxx-xx-xxxx.
Young, Dale C., xxx-xx-xxxx.
Young, Jeffrey M., xxx-xx-xxxx.
Young, Robert L., xxx-xx-xxxx.
Younger, Kenneth M., xxx-xx-xxxx.
Ziercher, Mark C., xxx-xx-xxxx.
Zimmer, Gregory G., xxx-xx-xxxx.

EXTENSIONS OF REMARKS

LITHUANIAN INDEPENDENCE DAY

HON. JOHN GLENN

OF OHIO

IN THE SENATE OF THE UNITED STATES

Tuesday, February 18, 1975

Mr. GLENN. Mr. President, on February 16, Americans of Lithuanian ancestry and freedom-loving people throughout the world noted Lithuanian Independence Day, honoring the 57th anniversary of that brave state's freedom after more than a century of Czarist domination. The Lithuanian state established in 1918 was independent and based on democratic principles. Land reform flourished and by 1939 there were more than 335,000 farming units. Industrialization gradually grew, also, until more than 30,000 Lithuanians held factory jobs by World War II.

The Lithuanian respect for education became abundantly apparent during this period of independence. The number of grammar schools doubled between 1930 and 1939; a university was established at Vytautas with 3,000 students.

This bright period of Lithuania's history was to be snuffed out—along with the independence of many other Eastern European lands—by the twin assaults of Hitler's Germany and Stalin's Russia. After a vain attempt at neutrality, Lithuania's strategic location made it a target for conquest. Soviet troops occupied the land and established a puppet regime, which continues to govern today.

Many thousands fled their homeland, particularly when the Russian troops vied with German invaders. Hitler occupied Lithuania in 1941, and nearly 5,000 Lithuanians lost their lives to the Nazi forces. By 1944 Russia retook this peace-loving country and exiled 60,000 natives to Siberia and East Germany. Another 200,000 were exiled after the war, as Stalin attempted to wreck Baltic national pride.

Our Government recognized Lithuania's independence in 1922 and has never acknowledged the Soviet incorporation of these democratic people. We continue to maintain diplomatic relations with the former independent government's representatives in Washington.

Ohio, which became the American home for millions of first and second generation Europeans, is proud of the contributions made by Lithuanians. They are characterized by strong family and religious ties. Their parishes in Cleveland and elsewhere reflect the respect for God and man that has characterized Lithuanians throughout their history, dating back to the 11th century.

Lithuanian Independence Day affords us the opportunity to mark these contributions and the history of a nationality that values freedom both in this land and overseas.

DR. JOSEPH MANCH TO RETIRE FROM BUFFALO SCHOOL SYSTEM

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. NOWAK. Mr. Speaker, Dr. Joseph Manch, superintendent of the Buffalo public school system for the last 18 years, has announced his retirement effective June 30. As an educator for more than 35 years, Dr. Manch has established a reputation as an industrious, personable and able administrator. One would exhaust complimentary adjectives in describing his talents and accomplishments as a pulbic servant and community leader. The dimensions of his achievements are such that he has become almost an institution within an institution.

As he guided the school system through nearly two decades, Dr. Manch exerted unflagging effort to make educational opportunity and quality education realities. Inscribed on the facade of an elementary school in Buffalo is the phrase: "The foundation of every State is the education of its youth." Thousands upon thousands of our citizens in the western New York area, who progressed through the Buffalo schools, can be thankful that Dr. Manch helped lay such a solid educational foundation for their futures.

Dr. Manch will be sorely missed but his example will serve as a continuing inspiration to our community. Following is an article from the February 12, 1975 Buffalo Evening News which details some of Dr. Manch's accomplishments:

SUPERINTENDENT REVEALS IN LETTER HE WILL RETIRE

Schools Supt. Joseph Manch announced today he will retire June 30.

The announcement was made in a letter which Dr. Manch gave to Joseph A. Murphy, president of the Board of Education, at a luncheon in the Montefiore Club.

Dr. Manch has discussed with friends his desire to retire but has been reluctant to do so as long as the school busing and desegregation matters are pending.

Friends have known that the Manch family has felt Dr. Manch should step down from the arduous job as superintendent which he has held since 1957.

The Board of Education will have the job of selecting a new superintendent and must have a certificate from the State Education Department attesting to his qualifications, based on training and experience, to assume the post. Common Council approval is not needed.

He need not be a present employee of the school district.

In his letter to Mr. Murphy, Dr. Manch said the period before his retirement "should give the Board of Education ample time to select a new superintendent so that there may be as smooth a transition as possible."

The letter continued:

"I have had the privilege and honor of serving the public schools of our city for many years as teacher and administrator and I am deeply grateful to you and many other board members during these years, to my close associates and other fellow administrators, to thousands of our teachers, nonprofessional employees, students, parents and other members of the community, to our excellent news media—to all of these for the help, encouragement and friendship you and they have given me."

Dr. Manch said he was retiring in June "in order to devote more of my time and energies to other interests."

He said he looks forward to his retirement "as the beginning of a new period of activity, in which, with the help of God, I shall continue to find life full of meaning and purpose."

Mr. Murphy's first knowledge of the retirement was when Dr. Manch presented him the letter at lunch today.

But Mr. Murphy did tell the Buffalo Evening News that he had been dissuading Dr. Manch from retirement "for the last six to eight months."

Mr. Murphy said he would distribute copies of the letter to the Board of Education tonight. It is possible the board will begin discussing procedures for naming a successor at that time.

Dr. Manch saw the Buffalo public schools through numerous controversies and periods of transition

Beginning in the early 1960s, racial integration was an increasingly important concern. A voluntary transfer plan, a middle-school program and the use of portable classrooms were steps taken under Dr. Manch's guidance in this field.

Numerous new schools were built during his tenure, including Woodlawn Junior High School, Genesee-Humboldt Junior High School, Southside Junior High School, West Hertel Middle School and McKinley High School.

Dr. Manch was the first Buffalo superintendent working with an elected Board of Education. After years of an appointed board, Buffalo switched to an elected panel last July 1.

Dr. Manch enjoyed showcasing the best of the Buffalo schools. He always took pride in the annual publication of students' work called "Our Best" and made sure the community was aware of outstanding programs.

A man of many talents, Dr. Manch wanted to be a teacher ever since his high school days at Hutchinson-Central High School.

He first got his foot in the door as a substitute teacher and then attained a permanent job in 1939, teaching English at Seneca Vocational.

Except for one year at a private boarding school in New York, his entire career has been in Buffalo schools.

He also taught public speaking at South Park, was guidance counselor at Kensington and then director of guidance for all the public schools.

After being associate superintendent under Supt. Parmer L. Ewing and assistant superintendent under Supt. Benjamin C. Willis, he became head of the school system in 1957.

Dr. Manch was a pioneer in the battle for recognition of the unique educational and financial problems of large-city school systems.

He was a frequent and eloquent visitor to Albany and Washington when the question of state funds for education were being discussed.

A strong believer in the importance of reading, Dr. Manch early in his career as superintendent secured a Ford Foundation grant for Buffalo schools to develop a more effective program for teaching reading to children from underprivileged neighborhoods.

Buffalo schools also gained national acclaim for a student better-dress program he inaugurated at a time when sloppy attire was sweeping the country.

During his tenure as Buffalo's sixth superintendent of schools, the longest of any of his predecessors, he organized the citywide Inter High Student Council, firmly believing that students could and should govern themselves.

Dr. Manch also had a fine grasp of the needs and desires of teachers.

An active member of the Buffalo Teachers Federation for years, he was vice president of the BTF during the teacher's strike in 1947 and for years was a delegate to the House of Delegates of the New York State Teachers Association.

Among his hobbies were photography and poetry.

He was a prolific writer of verse, much of which had been published.

The walls of his office and home are covered with his framed photographs, many of which are treasured as gifts by his friends.

Dr. Manch, who is 65, was born in Poland and came to the United States with his parents at the age of six months.

He is a graduate of School 32, Hutchinson Central and the University of Buffalo.

He was class poet at UB at the same time he was making a reputation as a champion wrestler, boxer, as well as a track man and football player. He graduated with honors in 1932, took a master's degree in 1940 and his doctorate in 1955.

Dr. Manch received The Buffalo Evening News Citizen of the Year award 18 months after becoming superintendent.

The award was based on his "sound grasp of educational fundamentals, a thorough knowledge of the Buffalo school system and its many difficult problems and a thoroughly dedicated devotion to the welfare of both pupils and teachers . . . He has made teachers feel they are understood and appreciated."

THE 57TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Tuesday, February 18, 1975

Mr. GRIFFIN. Mr. President, February 16 was an important date in the history of mankind's struggle for freedom. It was on that day, 57 years ago, that the people of Lithuania proclaimed their independence.

For two decades, Lithuania remained a fully independent and sovereign nation. But in 1940, this freedom-loving country was invaded and occupied by a foreign power under whose rule its people remain today.

Yet the spirit which generated this all-too-brief experiment in freedom lives on in the hearts and minds of the people of Lithuania—a spirit which was made evident to Americans and the world recently by a courageous Lithuanian seaman, Simas Kudirka.

In 1970, Mr. Kudirka attracted world attention when he attempted to escape from a Soviet trawler onto an American Coast Guard vessel. Four long years later, he finally received an exit visa from the Soviet Government, which enabled him to realize his dream of living under freedom. His struggle has demonstrated anew the dedication and persistence which sparks the desire for freedom in so many hearts.

I met Mr. Kudirka when he came to Washington in December of last year to thank certain Members of the Congress for helping him to obtain his freedom. But I feel we owe him a debt of gratitude.

Simas Kudirka and many others of various nationalities who have come to America to find freedom have reminded us that America is, and must remain, a beacon of hope for those who still do not enjoy the blessings of liberty.

LITHUANIA—AN INVISIBLE NATION

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. DODD. Mr. Speaker, on February 16, the Republic of Lithuania celebrated the 57th anniversary of its founding. Or should I say that Lithuania would have celebrated such an anniversary if it were a free and independent country, for in 1940 the Soviet Union occupied Lithuania and stripped that nation of its independence and its freedoms.

Instead, Lithuanians around the world took the occasion to reaffirm their conviction to once again see their nation free of foreign domination.

I hope the United States will continue to withhold recognition of the forced annexation of Lithuania by the Soviet Union and I look forward to that day when Lithuania rejoins the free world.

I would like to introduce into the Record the following statement from the Lithuania-American Community of the U.S.A.

An Invisible Nation—A Forgotten People

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Detente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

B'NAI TORAH INSTITUTE BUILDS FOR THE FUTURE

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. BADILLO. Mr. Speaker, I would like to thank Rabbi Pinter for his inspiring prayer in the House of Representatives this morning.

I would like, too, to take this opportunity to publicly commend the rabbi, a long-time friend, on the fine work to which he is so dedicated. Rabbi Pinter, as dean of the B'Nai Torah Institute, has consecrated his life to one of the most valuable tasks which any teacher or religious leader can undertake—the education of youth.

The B'Nai Torah Institute, whose theme for the current year is "Building for the Future," is dedicated to excellence in Jewish education. Not only is the institute involved in building the student's knowledge and academic skills, but in fostering his moral character and building leadership qualities. Through an intensive program of secular and Hebrew studies, B'Nai Torah not only gives the student a unique educational experience, it attempts to create the kind of individual who will insure the survival of the Jewish faith.

I congratulate Rabbi Pinter and the institute on their fine program and praiseworthy goals. May the excellence sought by B'Nai Torah always be a part of "Building for the Future."

WILLIAM H. MARRIOTT—A CREDIT TO THE FOURTH ESTATE

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. NATCHER. Mr. Speaker, William H. Marriott was for many years editor-publisher of the Elizabethtown News. Mr. Marriott is a newspaperman in every best sense of the word and a gentleman of the highest caliber. To him his newspaper was far more than a profession, more than a trade, more than a business. It was a way of life and his way of living his life.

Shortly after Hardin County became a part of the Second Congressional District of Kentucky Mr. Marriott and I talked at length one afternoon about our country, our State, and our district. He was exceptionally well versed on every matter we discussed and I was impressed by his keen grasp of affairs. I was more impressed, however, by the way he saw himself and his newspaper in relation to the community. Mr. Marriott believed that a newspaper's primary function is to serve the public's interest and general welfare and he recognized that, to effectively serve, a newspaper must have confidence in and the confidence of the public.

Mr. Marriott sought and won the trust of his readers. In his articles, whether on the local or distant scene, he wrote with truth and objectivity. He gave his reading audience factual and accurate information as fully as he could develop it, so that they might perceive the meaning of the news and understand the public questions. He understood the influence that was his as editor-publisher and committed himself to serve, sustain, and promote the home community. Following the proven newspaper rule that the biggest news is the nearest news, Mr. Marriott developed his local reporting into a fine art. He was skilled in describing the ordinary, the familiar, in everyday life in a manner that enabled the people to better know themselves and their town.

He confined his own opinions, however, to the editorial page. Aggressive at times, moderate at others, his editorials were pure William H. Marriott, journalist and citizen. Fair-minded and decisive, as quick to commend and to criticize, he praised and he deplored.

The Elizabethtown News was a composite of news, opinion, humor, and human interest. It was a front page story with headlines and a society note of a wedding or tea. It was an item about a new business in town and a forecast of weather and crop conditions. It was a thought-provoking editorial and Mr. Marriott's column. The story of heroism and yes, of cowardice, of triumph and tragedy, the News was a mirror of Elizabethtown and Hardin County—a reflection of those who made the news and those who read it.

Mr. Marriott recently returned to Elizabethtown, the town he has known and loved all his life. It is here he was born, it is here he was educated. It is here he began and retired his long illustrious newspaper career.

Mr. Speaker, an article appeared in the News-Enquirer of Elizabethtown, Ky., entitled "William H. Marriott Returns Home To Be With Old Friends." At this time I would like to insert this article in the RECORD.

The article is as follows:

WILLIAM H. MARRIOTT RETURNS HOME TO BE WITH OLD FRIENDS

This is to be the most personal newspaper column I have ever written. My greatest regret as I begin is that I will be unable to do it justice.

William H. Marriott is now in Elizabethtown. He is in Room 48, National Health Enterprises, 1117 Woodland Dr. He entered there Monday and is being cared for by his devoted friend of the past several years, Leon Bland of Leitchfield.

You may ask why do I make this so personal? Well, William H. Marriott is one of the dearest friends I have had in my life. Had I ever been in any trouble he would have been one of the first upon whom I would have called. And he would have come to my rescue. There is no question in my mind about that. Mr. Marriott is not in trouble, but I feel it my duty to express the high regards I have for him.

William H. Marriott is the most brilliant man I have ever known. He had the sharpest mind, the quickest choice of words, the greatest knowledge of newspaper work, of what was news, and how to put that news in the fewest words that could be well understood.

How do I know? Early in 1938, which was a long, long time ago, a paper company salesman, James Pepper, called on me, then with The Crittenden Press in Marion, Ky., and asked if I would leave Marion. He told me Mr. Sommers, who had built The Elizabethtown News to one of the leading newspapers in the state, had just died and had left his paper to his nephew, William H. Marriott who had actually operated the newspaper for the past several years and that Mr. Marriott had asked him (Mr. Pepper) to find someone to come to Elizabethtown with The News. Mr. Pepper said that if I was interested I could come here with him and talk to Mr. Marriott. I came and Mr. Marriott and I had a conversation just about as long as I have been writing up to this sentence. We agreed on everything that was brought up, and to this date have never disagreed on anything.

I began work with The Elizabethtown News March 8, 1938. Mrs. Franklin and I soon moved here. We left one time for a few months but could not wait to return.

But, this was to be about William H. Marriott. He was born March 19, 1891 in the residence on West Dixie Avenue, where he lived until December 1967. He was the oldest son of William H. and Mrs. Mary Virginia (Sommers) Marriott. He graduated in 1906 at the age of 15, from Elizabethtown High School, and attended Hardin Community Institute in Elizabethtown the following year. He began work with The Elizabethtown News Sept. 30, 1907, under his uncle, who was the owner and editor.

One of the great times of Mr. Marriott's life was when he was secretary in Washington, D.C. to Senator J.C.W. Beckham for fourteen months in 1919–20. He frequently mentioned an experience of those days. He resigned voluntarily to return to his duties with The News and became editor upon the death of Mr. Sommers Dec. 14, 1937.

Mr. Marriott was "The Elizabethtown News" to practically everyone I met here, from the day I began work until he sold the paper to Leonard T. Bean, June 13, 1963. To the natives of Hardin County The News was "Mr. Marriott's paper." They read all his brief, well-worded news stories; his timely columns of editorials written twice each week; his one-column of latest News, selected each paper-day from daily newspapers; his full-column of humorous, pithy editorial comments that graced the left hand column of Page One. That was no doubt the first column in the edition that was read by most subscribers. Those who read The Elizabethtown News were either subscribers or bought the paper from a newsstand. He went over his mailing list every few days and was against sending copies to "deadbeats". His paragraphs were widely quoted by other newspapers, a few in national magazines.

One of his paragraphs said, "The sweet young thing thought bad language was used in a cursory examination." In line with that thought, no word was ever published in The Elizabethtown News that was off-color.

He said "If it is not incumbent upon us to publish an item that may hurt an individual, we do not publish it. Sometimes the temptation is great—and sometimes it is necessary to print things that will hurt someone."

He is a great man, and, during his active life was faithful every day, to his work, to his town, his state, his nation, his church and the Democratic Party.

I consider it a privilege to have been associated with such a gentleman.

And again why am I writing this? As I said at the beginning, Mr. Marriott returned Monday to National Health Enterprises in Elizabethtown. He returned from Medi-Center in Louisville where he had been for four years and eight months under the care of Dr. Frank Strickler. Dr. Strickler died recently. So Mr. Marriott has returned home where his many friends can visit him every few days for just a few minutes.

LITHUANIAN INDEPENDENCE DAY—57th ANNIVERSARY

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. ADDABBO. Mr. Speaker, I am pleased to join with my colleagues in the House of Representatives in recognizing the 57th anniversary of the establishment of the Republic of Lithuania. The date of February 16, also marks the 724th anniversary of the founding of the Lithuanian State.

Each year people of Lithuanian origin and descent throughout America commemorate this event while Members of Congress take time to comment on the history and tragic denial of freedom to the Lithuanian people since the illegal occupation of that State. There are many troubled areas in the world but the basic international crime of oppression is one which must not go unprotested.

The Lithuanian experience is important today as we debate the issues of détente and as we use our best efforts to protect the right of self-determination so basic to freedom anywhere in the world. The Lithuanian people have not lost hope for a better society and we in the United States share their desire for freedom and the right to determine their own destiny.

A TRIBUTE TO J. R. PARTEN

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. BOLLING. Mr. Speaker, some of my colleagues will know of J. R. Parten, oilman and rancher from Madisonville, Tex., and friend of two well-known fellow Texans, the late Speaker Sam Rayburn and the late President Lyndon B. Johnson.

But few may know of Mr. Parten's lifetime dedication to public service and his devotion to defending and upholding the Bill of Rights. I had the privilege of working with Mr. Parten in the early 1950's when he was an organizer and leader in the Fund for the Republic in a mutual effort to halt the insidious spread of McCarthyism throughout our national life.

John Henry Faulk, writing in the Texas Observer's recent 20th anniversary issue, tells of this side of J. R. Parten in a richly deserved tribute which follows:

TRIBUTE TO J. R. PARTEN

(By John Henry Faulk)

MADISONVILLE.—When the Texas Observer set up shop back in 1954, J. R. Parten of Madisonville straight away pitched in and gave the Observer his enthusiastic support.

It was natural that he would. Natural for him, that is. Giving moral and financial support to worthy causes and institutions in Texas and elsewhere, has been a natural instinct with J. R. Parten for more than a half century now.

His name is not exactly a household word in Texas, but it ought to be. Mr. Parten is the kind of citizen that people should know about. It would be comforting and reassuring, in times like the present, for people to know that our society can produce the kind of personal integrity, civilized thinking, and informed, responsible citizenship that Mr. Parten epitomizes. It is not possible, of course, to do anything near a definitive portrait of him in this short piece. But I want to try to give you at least a notion of why I regard him as such an admirable and unique citizen.

Jubel Richard Parten was born in Madisonville, Tex., some 77 years ago. He got the habit rather early of making a success of whatever he undertook. Like when he was 15 years old and offered a bonus to any of the dozens of cotton pickers in his uncle's cotton patch who would pick as much cotton a day as he could. For the several weeks it took to get the crop in, Mr. Parten picked over 400 pounds a day. He never had to pay the bonus. Then just to top things off, he was valedictorian of his high school graduating class the following spring. Which might be a *non sequitur*, but it illustrates my point about his success habit.

After attending the University of Texas and studying law, then serving in World War I as a field artillery officer, he went into the oil business in 1919. He is still as active as ever in it, recognized as one of the most knowledgeable, successful independent oil producers in the United States.

In the 1950's he branched out into ranching. He bought several thousand acres of wooded Madison Country land, cleared and improved it, and concentrated on cattle breeding. Before long he was one of the top men in that line, a recognized authority on the Brahma breed. He has one of the finest herds in country. For the past few years, cattle breeders from all over the country and from places like South Africa and Australia have come beating a path to his ranches to inspect his herds and buy his bulls. Incidentally, as any of his foremen and cowboys, most of whom have spent their lives handling cattle, will readily tell you, J. R. Parten knows as much about the everyday care and handling of cattle as the most experienced man in his employ does.

During the years that he has been giving all this time and energy to making a success in the oil and cattle business, Mr. Parten has managed to give almost as much time to public service. He served as a member and later as chairman of the board of regents of the University of Texas. J. Frank Dobie and Walter Webb agreed that he was the best regents' chairman in its history. He has been called to Washington, off and on for the past 30 years, to serve the government in various directorial and advisory capacities, usually related to finance or the petroleum industry.

Although his successes in his professional career and in his public service career are impressive, his most distinguished achievement lies in yet another endeavor. This is his active, abiding concern with defending and upholding the basic principles of freedom and justice upon which this republic was founded.

He says that early in life, his parents, who were intelligent, egalitarian folk, imbued him with a profound sense of responsibility for the integrity of the Constitution, and particularly for the Bill of Rights and the guarantees of individual freedoms imbedded therein. He has also done a great deal of reading and thinking on the subject. He early perceived that the Bill of Rights was the *sine qua non* of our democratic republic. The First Amendment is not only first numerically, it is first in importance to J. R. Parten. This, of course, explains why it is a natural tendency with him to give freely of his time, thought, and resources to any cultural, political, or academic cause that promises to strengthen the force of the Bill of Rights. It also explains the alacrity and dedication with which he takes up his cudgel against forces in our society that would vitiate and erode our bahic freedoms.

J. R. Parten's approach to civil liberties is direct and uncomplicated. He understands with great clarity that the intent of our Constitution is to protect, not only those ideas we cherish, but those we despise. He believes quite devoutly that basic to all our liberties is the freedom of each citizen to speak, to write, and to publish his thoughts not merely without restraint, but without the possibility of restraint. He is in complete accord with James Madison, that "when we advert to the nature of republican government, we shall find that the censorial power is in the people over the government, and not in the government over the people."

Mr. Parten not only holds these opinions, he acts on them. One of the most effective blows he has struck for freedom has come through his helping organize and direct the Fund for the Republic back in Cold War days when McCarthyism was at flood stage. The Fund, composed of a group of distinguished and thoughtful citizens like Robert Hutchins, Elmo Roper, Dean Griswold of Harvard, and J. R. Parten, was organized and dedicated to preserving the democratic dialogue and the Bill of Rights, both then taking a terrible battering from the forces of fear and repression that dominated that awful period. The studies the Fund sponsored and the positions it took earned it the enmity of every repressive force in and out of the government in the country. But the Fund never backed down before any of them. Today, its successor, the Center for the Study of Democratic Institutions, continues its good works with J. R. Parten one of its guiding lights.

J. Frank Dobie observed, when explaining to me why he considered Mr. Parten such an outstanding chairman of the Board of Regents, "Major Parten had the best informed, most spacious intellect of any man who ever served as a regent. He comprehended the real purpose of a university in a democratic society. He was a liberated mind."

NASHVILLE TENNESSEAN SAYS BUDGET, DEFICIT ADD UP TO DISMAL NEWS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the Nashville Tennessean in a recent editorial takes sharp issue with the thrust of the President's budget, which the editorial defines as a shift from "people-oriented programs" to more emphasis on defense spending which would be increased by $9 billion under the President's budget.

The Tennessean questions these priorities and concludes that the response of the Congress will be critical for the country.

Because of the interest of my colleagues and the American people in this most important matter, I place the editorial from the Tennessean in the RECORD herewith.

The editorial follows:

BUDGET, DEFICIT BOTH ADD UP TO DISMAL NEWS

President Ford's $349.4 billion budget, with its anticipated $51.9 billion deficit is exceeded in shock value only by the gloomy assumptions on which the budget was based.

These are that unemployment will average 8.1% in 1975, that prices will rise by almost 12% and that the nation's gross national product will drop by 3.3%. When it is considered that this is expected to happen after Mr. Ford's tax cuts and other economic stimuli would be in effect, the whole thing seems to attest to the inadequacy of the administration program.

The short-run aim of the budget is to try to stem the tide of recession. The administration proposes to spend $12 billion to aid the unemployed. At the same time the tax cut proposals are supposed to pump more money into the consumer economy.

It seems quite likely that Mr. Ford's energy proposals will contribute so much to living costs that the "pump priming" by means of a tax cut may be counter-productive

Over the long range, Mr. Ford seems to be mounting an attack against what some conservatives see as a trend toward the "welfare state." The President communicates his concern over the growth of government payments to individuals for retirement or income security.

So he is asking the Congress to cut some $17 bililon from the budget, much of it in areas of Social Security, Medicare and retirement programs. He would forego the idea of national health insurance, along with any other major spending programs.

In the meantime, defense spending is to be hiked by almost $9 billion, which the administration says is almost minimal in terms of security needs, what with the additional expense for manpower and retirement needs in the military.

It is evident Mr. Ford wants to turn the nation around in terms of people-oriented programs, and the administration's main pitch these days is that pressure must be put

on Congress not to approve anything in the way of big, new programs.

Congress, of course, has a responsibility to be prudent. But it also has a duty to examine carefully Mr. Ford's "new direction" which is more backward-looking than forward-thinking.

The Congress also has a responsibility to look over the budget and the various projections very carefully. For the first time, the Congress now has its own budgetary machinery and it should be able, not only to set ceilings on spending, but to examine in close detail the proposed spending of the administration.

Whether the budget projections of the administration are close to the mark, or far off it, is something that will have to be determined. The projections for the economy are dismal enough to call into question the whole program that Mr. Ford has trundled out, and obviously the Congress has a greater burden than it has had before. How it responds will be critical for the country.

THE SEARCH FOR ENERGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. TEAGUE. Mr. Speaker, I wish to insert the following article concerning Dr. Edward Teller, sometimes called "the father of the H-bomb," which appeared in the January 24 issue of Women's Wear Daily:

DR. EDWARD TELLER: CONVERTING COAL INTO GAS

BERKELEY, CALIF.—"This is my chair, if you don't mind," Dr. Edward Teller begins, arching his wildly abundant eyebrows at the unfortunate photographer who had just dumped his paraphernalia in the wrong place.

Recognized as one of the nation's finest scientific minds, Teller is also still feared and bitterly opposed by some as the "father of the H-bomb." A black electronic gate surrounds the grounds of his two-story, wood-beamed home nestled in the hills overlooking this city. Push the intercom and he eventually answers with a slow, polite growl: "Who is it? Ah, yes. OK, I am opening the gate."

At the end of a long, winding, uphill path, Teller, who opens the front door himself, somehow suggests a bemused butler admitting unknowing guests to a long-since-deserted house. As if conscious of an ominous reputation, Teller jokes with exaggerated graciousness.

"Why are there no women on this assignment? What has happened to women's lib on your paper?" He insists his photos be taken with his mammoth pet dog. "Here, Shah, here Shah, come now.... He's a cross between a bear and a dog. Actually, he's a pure German shepherd—the only member of our family who has a pedigree."

Coffee and cookies on a sterling-silver tray are elegantly served at the living-room table as Teller politely inquires about cream and sugar. But when his guest begins to ask questions, he finally folds his arms across his ample midsection. "Now, look, what is this about? What do you want here?"

The interest is in his current work on the energy crisis, both as a professor of physics at the University of California and a member of the Commission on Critical Choices that was formed by Nelson Rockefeller, his old friend. Scientists at the Lawrence Radiation Laboratories in Livermore, near here are experimenting with a method to convert coal into gas, which Teller believes could significantly ease the country's difficulties.

Last May, Teller submitted this plan, among others, to the commission, where it is now under consideration. He also discussed his views with President Ford in a meeting in December.

"I did talk to the President, I cannot tell you if he was interested or just polite, but he seemed interested," Teller acknowledges. Agreeing to outline his proposals for W, he launches into a precise monolog, with the phrase "now—look" used regularly to punctuate transitions and key points.

"Conversion into gas and oil is usually very expensive, and requires water, which the West does not have. The solution is to convert the coal underground, at least 500 feet below the surface. Instead of bringing the coal up from the mine, you put normal explosives into the mine and turn the coal into rubble.

"Then you pump oxygen into the mine and put water over it. When you ignite this, the fire converts the coal into good gas. You need at least 500 feet of water for pressure, but you're not using up the water. It just sits there and can be used again, except for the bottom part, which is involved in the actual conversion process.

"What you get is good gas—really it's city gas, that type which fueled the old gas lights, except then it was done on the surface. On the surface, you need big steel vats, and these have to be cooled with enormous amounts of water. Underground, you don't use water for cooling."

A similar process, Teller believes, can be used to convert oil shale into an oil-like substance without using any water at all.

"You just explode the shale, pump in air and ignite. As it burns, what actually burns is the nonvolatile residue. The volatile part escapes and collects at the cooler bottom and condenses into oil."

The coal conversion is being tested at Livermore and the University of Texas, Teller says. The oil-shale conversion is being used by Occidental Petroleum, but "more people should be doing it. It cannot be done cheaply, but it still would be quite a bit less than $11 a barrel . . . maybe $5 to $7 a barrel."

Current proposals for transporting coal, by grinding it up with water and transporting the resulting slurry by pipeline, have been hampered by water shortages. But there would be no similar problem, Teller points out, in transporting gas via pipelines.

Why hasn't this process been used before? "Now—look. It has been tried. Underground coal gasification is not new. It's been tried for decades in Russia and the United States, but it didn't work.

"Why not? First of all, until the current oil crisis and rising prices, it simply was not economically feasible to use the underground gasification process. Natural gas was too cheap, at about 18 cents per 1,000 cubic feet, and you just couldn't compete with that.

"Secondly, it was being tried incorrectly. They weren't doing it deeply enough. It must be at least 500 feet deep to get enough pressure.

"And thirdly, you cannot do it without thick coal formations of at least 50 feet. People would try it with thinner formations, but the fire wouldn't burn all the coal at the top before proceeding downward. It would eat out channels, leaving most of the coal behind. But there are plenty of places in Wyoming and Montana and elsewhere with good thick formations."

Believing this process is only a partial solution, Teller also advocates other plans, including increased strip mining and use of nuclear reactors. He dismisses the expected objections with a shrug.

"Sure, these two are the most controversial because when you talk about nuclear energy, people think of Hiroshima. In strip mining, wrong practices have occurred and people resent this—but it can be rectified.

"We need more surface coal mining, because it's less dangerous to miners and because there are very thick surface deposits in Wyoming and Montana, almost completely free of sulphur. If you do it on fairly flat land, with thick deposits, you can get $100,000 or more of coal per acre. For a small fraction of that—maybe $5,000—you can return the land to its original state or leave it in better condition than before. That should, and must, be done.

"As for nuclear reactors, I am advocating building reactors 200 feet underground. I think they're safe now, but I want to make them even safer."

But he acknowledges no economic feasibility study for such massive underground construction has yet been made: "This is a scandal. It should be studied."

Teller pauses to ask that a copy of the interview be sent to him at a hotel in Honolulu where he will be staying. A vacation?

"No, no. Now—look. I'll tell you a story. You know what I'm doing there? Energy—wind energy."

"Energy from wind is too expensive except in one place—the island of Oahu. It's a unique place. The effectiveness of a windmill increases rapidly with the wind velocity—when the velocity doubles, the power is multiplied by eight. But winds usually are not reliable, and then you must store the energy, which is expensive.

"In Oahu, though, you have very reliable trade winds of about 15 m.p.h. And on the windward side, Oahu has a rampart of hills. As the wind goes over the hills and through the valley, it becomes strong, just as if something were going through a constriction in a pipe. At a famous place called the Pali, the wind is notorious for its strength—up to 30 miles an hour. This could be converted into electrical energy and wouldn't have to be stored, because the customers are right there—Honolulu represents one-half of 1 percent of the United States population.

"If you can solve the energy crisis for that percentage of the American people in this way, it shows the two things I am trying to tell you: first, solutions can be found. Second, we shouldn't think any one solution will work for everyone. There are lots of little solutions and future solutions, but there is no one solution.

"Certainly, we should look to the future, to nuclear fusion and solar energy, but they should not be over-emphasized now. Things like fusion are very far in the future—we would all be dead by then.

"This energy crisis, which is exceedingly grave, is solvable, but not in a short time. The only immediate results can be obtained through conservation efforts.

"My hope is that we all drive small cars and more diesel cars. We should better insulate homes—40 percent of all new individual homes are mobile units with very little insulation. We should buy from those manufacturers who make things which last longer. These are major tools of energy conservation and are the ones most promptly effective. Of the various things I've told you, conservation is crucial."

Teller's underground gasification proposal and other plans are "being considered in all kinds of places. I should emphasize that I am working on the Commission for Critical Choices, but not speaking for the commission. My views are being debated and considered there."

How does vice-president Rockefeller view Teller's proposals?

"Now—look," Teller offers one final time, politely escorting his guest to the door, "Rockefeller knows of my ideas, yes. But it is not my business to tell you his opinions or thoughts."—BARRY SIEGEL.

WOMEN IN THE MILITARY SERVICES

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. DU PONT. Mr. Speaker, in the last decade or so, this Nation has made great strides in equalizing opportunities for all its citizens. Still, much more needs to be done.

One of the most glaring injustices which the Congress can and should eliminate immediately, is the continued prohibition against admitting women to the military service academies.

I have been advised by the Secretaries of the Navy, Air Force, and Army, that no matter how well qualified a female service academy applicant from my State or any other State may be, she will not be admitted to the service academies.

Discrimination based on sex is clearly wrong and particularly so when it affects one's opportunities for employment.

I believe that the basic elements of fairness as well as the U.S. Constitution guarantee women the right to be admitted to the service academies should they otherwise qualify.

I am introducing legislation today to change those sections of the United States Code which the military services have used as legal justification for their refusal to admit women.

If it takes amending the United States Code to open the academies to women, then let us change the laws. If it is really tradition that is stopping the admission of women, then I think we need to move the service academies into the 20th century.

Women, both officers and enlisted personnel, already play a vital role in the Armed Forces, and that role is expanding rapidly as the military moves toward its goal of all-volunteer services. All three branches of the military intend to substantially increase the number of women in the Armed Forces. By June of 1978, their total objective is to have some 45,000 enlisted women and officers.

The purpose of the service academies supposedly is to train highly skilled and motivated officers for the Armed Forces who will rise to top leadership positions in the services. Sex is irrelevant in meeting that goal.

Competition for service academy appointments would only be enhanced by expanding the eligibility requirements to allow women.

The modern military needs administrators, economists, computer specialists, communications experts, linguists, and many other specialists for careers which do not involve actual hand-to-hand combat.

Women's role in the Armed Forces is increasing, not only in terms of sheer numbers, but also in terms of occupational and career opportunities available to them.

The first eight women have recently begun service in the National Guard. In the Army, where four women have attained the rank of general, almost all occupational specialities, except those directly involving combat are open now to women.

The Air Force has announced that all but five combat associated job specialities have been opened up to women. Last August, the Air Force appointed Col. Norma Brown as the first woman commander of a major U.S. men's military unit.

The Navy plans to open all enlisted ratings to women and ROTC to female midshipmen. They plan to allow women officers to attend the National War College, the Armed Forces Staff College, and Industrial College of the Armed Forces. They are revising naval regulations to permit women officers to assume command of naval shore stations and permit women line officers to compete with men for promotion, including the rank of admiral.

In view of the changing facts on the role of women in the Armed Forces, it is rediculous, wasteful, and anachronistic to maintain that the best officer training our Nation has to offer should be limited to men only.

The Armed Forces would benefit just as much as women by making these opportunities available to the most qualified candidates of both sexes.

DARNELL M. WHITT

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. JONES of North Carolina. Mr. Speaker, in recent years we have become extremely conscious of the important matter of conservation of our natural resources. Yet, through the years there have been individuals who have devoted their entire career to conservation, but receive little or no notice or credit for their dedication.

Such a person is Darnell M. Whitt, who until December 31, 1974, had served with the Soil Conservation Service since August 1935, finally retiring as Deputy Administrator for Field Services. During his career he was a graduate from North Carolina State University, also has a Ph. D. from the University of Missouri and served nobly and well in World War II and is a retired Army lieutenant colonel.

He has had a most varied career—among other things, Mr. Whitt was one of the participants from the United States in the First Pan American Soil Conservation Congress held in Brazil in 1966, the XI International Grasslands Congress in Australia in 1970, and the Symposium on the Conservation of Nature in New Caledonia in 1971.

Mr. Whitt has served as a consultant to the Republic of Nauru and to the South Pacific Commission in New Caledonia on reclaiming surface-mined lands.

Mr. Whitt is listed in Dictionary of International Biography, American Men of Science, Who's Who in Ecology, Who's Who in the South and Southwest, and Who's Who in Government.

Mr. Speaker, I merely take this opportunity to pay tribute to one man who has contributed much to the conservation of natural resources of this Nation, and, of course, this applies to his counterparts both in and out of Government.

SUBJUGATED NATION

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. NOWAK. Mr. Speaker, as we observe the awakening of self-determination by many nations and minorities, we are reminded by the 57th anniversary of the establishment of the Republic of Lithuania, that the yoke of repression still binds many peoples of the world.

This nation, caught in the vacuum created by the pre-World War II atmosphere, still finds itself enslaved. In 1966, the Congress passed House Concurrent Resolution 416 calling for freedom for this subjugated nation. This expression of support has demonstrated to the people of Lithuania that others maintain their ardent hopes for freedom and liberty.

People of the free world however, must not forget the undying spirit seeking Lithuanian independence. We join Lithuanians living in the United States in urging continuance of the fight against forceful territorial incorporation, and hereby submit statements from Joseph Gaila, president of the Lithuanian Club of Buffalo, and of Dr. Denis G. Mazeika, the immediate past president of that organization:

PRESENTS FACTS ABOUT LITHUANIA

(By Denis G. Mazeika, M.D.)

How much do the people of the United States know about the country of Lithuania?

Do they know that: 80 per cent of the world's amber is mined in Lithuania? The Lithuanian language is the oldest living Indo-European tongue and is directly related to Sanskrit. During the Fifteenth Century, Lithuania extended from the Baltic to the Black Sea.

In 1812, Napoleon marched into Vilnius, Lithuania, and established an independent Lithuanian government. Unfortunately, this was short-lived, since Imperial Russian troops re-occupied Lithuania after Napoleon's defeat.

The "Russian" authors Dostoevski and Tolstoi were of Lithuanian descent. By the efforts of its freedom fighters, Vilnius, the capital of Lithuania, was the only European capital saved from destruction during World War II.

There are many more interesting cultural and historical facts buried in history about Lithuania. Yet few people in the U.S. even know or care if she exists!

February 16th marks the 57th anniversary of her independence from occupation by Czarist Russia. Yet we can only commemorate this day in the Free World, since she was invaded by the Soviet Union in 1940.

We of Lithuanian descent can only hope that the small amount of interest and publicity kindled in the United States on this occasion will give the present population of Lithuania the courage to withstand the attempts at Russification and genocide they are enduring at the present time, and that we will discover that this is only one chapter in her continuing history.

LITHUANIAN-AMERICAN COMMUNITY OF THE U.S.A., INC.,
Philadelphia, Pa., January 31, 1975.
Hon. HENRY J. NOWAK,
House Office Building,
Washington, D.C.

DEAR MR. NOWAK: We invite you to join with Americans of Lithuanian origin and descent, throughout the nation, who, on February 16, 1975, will commemorate the 57th anniversary of the establishment of the Republic of Lithuania.

I and the National Executive Committee hope that you will manifest your own just concern for the oppressed people of Lithuania by taking an active part in the commemoration of Lithuanian Independence Day in the House of Representatives, and that you will insert and forward to us your remarks in the Congressional Record.

Sincerely,

JOSEPH GAILA,
President.

AN INVISIBLE NATION: A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronicle of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Détente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of détente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurrent Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

PRESIDENT FORD PROPOSES BIGGEST BUDGET IN HISTORY

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. EVINS of Tennessee. Mr. Speaker, as you know, President Ford recently proposed a new $349 billion budget for the next fiscal year, the highest budget in our history with the highest built-in peacetime deficit in history.

Careful examination of the budget request raises critical questions of priority and I know that the appropriate committees of the Congress, including the Appropriations Committee, the Budget Committee, and others, will carefully examine the phases of the budget within their jurisdiction and make their own judgments and independent recommendations.

Because of the interest of my colleagues and the American people in this budget, I place my recent newsletter in the RECORD herewith.

The newsletter follows:

PRESIDENT FORD PROPOSES BIGGEST BUDGET IN HISTORY

Congress this week received President Ford's new $349 billion budget for the next fiscal year—the highest budget in the Nation's history. The proposal also calls for a $51.9 billion deficit for the next fiscal year—the highest peacetime deficit on record.

The budget is designed in part to stimulate the sluggish economy by greater infusions of Federal funds into the economy.

With reference to priorities it is interesting to note that while the Administration budget proposes to cut back on programs for our people at home, the President proposed substantial increases in foreign aid and for the Department of Defense.

The proposed budget would cut back by more than $1 billion health programs such as aid to schools of medicine, dentistry and nursing, community health centers, research on cancer, heart disease and a host of other dreaded diseases, and a number of other health programs.

The budget would cut back by $1 billion on education programs such as aid for Federally impacted areas, student aid, assistance to higher education, public libraries, education for the handicapped, vocational education and elementary and secondary education.

No new construction starts are recommended for public works projects for jobs and capital investments.

While the budget proposes cutting back funding in these domestic areas, the budget recommends substantial increases in foreign aid and overseas expenditures. Under the summary heading "International Aids", the budget recommends $9 billion 643 million. This is $2 billion 676 million over the level of spending for the current year. This overall figure of more than $9 billion includes outlays related to foreign assistance and the conduct of foreign affairs.

The major item—labeled "International assistance"—is for $6 billion 81 million. In addition to that item, a total of $975 million is earmarked for further military assistance to South Vietnam.

Although the Vietnam War has been over for several years, the military budget and expenditures have consistently increased to higher levels. Outlays of $90 billion 776 million are recommended in the President's budget for the Department of Defense for next fiscal year—an increase of more than $7 billion over the current year. The Department of Defense is noted for its excessive cost overruns and expenditures.

The Appropriations Committee will give careful consideration to the President's many excessive budget proposals. The Congress will make its own independent judgments, make some cuts and reductions and set its own priorities on items considered of the highest national importance in the public interest.

ECONOMIC CRISIS ON THE ELDERLY

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. RYAN. Mr. Speaker, the following is a letter I received from a constituent of mine in Pacifica, Calif. Although Pacifica is warmer than other cities in the United Sttes, I feel this is a perfect illustration of the impact of this whole economic crisis on the elderly in this country. At a time when this new Congress is restructuring our tax laws and assessing our economic difficulties, it is essential that we take in account those who were either forced to retire due to their age or are no longer in a capacity to work. What good is a tax rebate to them? It is with this in mind that I submit this letter in the RECORD with the hope that this new Congress will not ignore our obligation to our senior citizens.

MILLBRAE, CALIF.,
January 28, 1975.

DEAR CONGRESSMAN RYAN: Enclosed you will find a copy of my Pacific Gas and Electric Company bill. This is for one month.

Now my problem is that the amount of this bill is outrageous. I have told the Pacific Gas and Electric Company about it. I also complained about the November bill which was $42.17. When I made the check for November I wrote across the face of the bill that I thought this bill was too high. Especially when the Winter hadn't even started.

The girl at the office called me and she said she was very sorry but there wasn't anything she could do for me. Then when I received the December bill when I sent the check in I put a note in it and told them I was going to send a copy of the bill to the Governor and also to my Congressman.

Well when they received my check a man from the Pacific Gas and Electric Company came out to my house with two ledgers for 1972 and 1973 and he told me I was using less units now than I was in 1972 and 1973. Now I know they have had a lot of raises and of course the people are the ones that have to pay for them.

Now I have been turning the heat down every time I can and we have also been useing the fireplace. I really don't know just what to do about it. The man that was out here said he was really very sorry that he couldn't help me.

Now my husband and I are retired and

really this hurts. It seems like it is the older people that has to suffer.

I am not sure what you or the Governor can do but I did have to tell it to somebody. Maybe if more people would complain you could do something.

I want to thank you very much for reading this.

Yours truly,
Mrs. Dorothy E. McLaughlin.

HEW INTENTIONS RUN AMUCK

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. BAUMAN. Mr. Speaker, in recent weeks it has come to my attention repeatedly that various Federal agencies including the Department of Health, Education, and Welfare are attempting to enforce government regulations on private nursing homes in a highly unreasonable manner.

In its bureaucratic zeal to solve every conceivable problem, HEW is defeating its own goal by imposing requirements on such nursing homes that go far beyond what is beneficial to the patients involved.

Recently, one of the leading nursing homes in my district, a thoroughly new and well equipped facility, Magnolia Hall in Chestertown, Md., declined to participate further in the medicaid program because of the inane multiple reporting requirements insisted upon by the Federal bureaucracy.

Now comes an example of two very elderly patients being driven out of a nursing home in Sudlersville, Md., because the home did not have a communal dining area. The truth of the matter is that many of the patients prefer eating by themselves because of their physical infirmities, but the Government said "no," and the patients had to leave in the absence of such a facility.

I include an editorial from the Queen Anne's Record Observer which sums up the problem which I am sure is repeated in many parts of the country. Certainly those of us in the Congress should act to prevent this. The article follows:

Intentions Run Amuck

Small, private nursing homes have been under fire for several years now—first because they didn't meet federal safety regulations and now because they cannot provide the degree of care mandated by health programs like Medicaid.

The intent of these regulations is indeed commendable—everyone should be allowed to live out his declining years in a quality environment, regardless of financial worth, when the day comes that he or she must be institutionalized.

But even the best intentions, when too tightly structured, occasionally run amuck. News that two elderly men who have resided in recent years at Kitty's Nursing Home in Sudlersville, must be transferred to a distant part of the state because Kitty's does not meet the Intermediate A Medicaid requirements, is a bit disgusting.

The men, one 98-years-old and the other 96-years-old, will probably be transferred to Hagerstown, which is too far for the family of at least one of the men to travel. That he will have to spend whatever time he has left among strangers is indeed sad.

The government says the families may take these men back, but it's unlikely the families will be able to provide the kind of care they received at the Sudlersville nursing home and such a move is probably inadvisable.

The government has, in effect, regulated nursing homes according to the physical needs of their patients, but has paid little attention to their social and emotional needs.

People should not be treated like cattle. Perhaps the lawmakers will consider the problems faced by small communities, where large, multi-faceted facilities are not feasible, and tailor the regulations to accommodate our needs.

TRIBUTE TO MORRIS BERNSTEIN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. ANDERSON of California. Mr. Speaker, the San Francisco campus of the University of California has established a medal to honor those individuals who through their wisdom, vision, and dedication have contributed significantly to the university's mission in education, research, and public service.

I am extremely pleased and proud that one of the first recipients of this honor is a personal friend of mine, Mr. Morris Bernstein, a great individual who has selflessly dedicated his life to the betterment of his fellow man.

His commitment to those who are economically or educationally disadvantaged is illustrated through his efforts in the community as president of the San Francisco Board of Fire Commissioners; president of the Maimonides Hospital; chairman of the Maimonides Rehabilitation Institute, Mt. Zion; and board member of the Bayview-Hunter's Point Foundation for Community Improvement.

With the San Francisco Fire Department, Mo has worked diligently and persistently for the advancement of minorities. Specifically, he sought and gained educational assistance in order to help minorities qualify for positions, and for advancement.

As a member of the board of the Bayview-Hunter's Point Foundation for Community Improvement, Mo Bernstein was active in organizing youth groups in the area in order to give our young people direction, inspiration, and guidance.

In addition to his membership and leadership in these organizations, Mo Bernstein was board member and finance chairman of the Mexican-American Legal Defense and Educational Fund, and of the Spanish Speaking Foundation; president of the Hebrew Nursing Home; director of the Mt. Zion Hospital and Medical Center, the Jewish Welfare Federation, and the Beth Israel Congregation; board member and finance chairman of the Jewish Home for the Aged; and member of the Manpower Commission.

His efforts on behalf of the community and the people have also been recognized by the San Francisco Board of Supervisors who awarded him the Certificate of Merit; the Sun Reporter, which selected Mo "Citizen of the Year"; and the University of California School of Dentistry, which awarded him its Certificate of Merit.

A successful businessman, Mo is presently owner of the Smarty Party Shops and vice president of Modlin, Inc. He was formerly president and founder of GET of San Francisco; vice president of Kindel and Graham; vice president of Sloat Drug Co., Inc.; and president of San Francisco Knitting Mills. In addition, Mo has shared his knowledge of merchandising as a guest lecturer at San Francisco State College, San Jose State College, the University of California, KQED, Stanford University, and Santa Clara University.

Even with this long and impressive list of business and community activities, Mo Bernstein has found time to take an active leadership role in the Democratic Party. He served as an alternate in the California Democratic Delegation at the 1964 National Convention; as vice chairman of the California Democratic Delegation at the 1968 National Convention; and as the Northern California Treasurer of Senator Robert F. Kennedy's Presidential Campaign.

And working by his side and supporting his efforts through these years has been his lovely and talented wife, Rea.

Mr. Speaker, all too often we take people like Mo Bernstein for granted—we come to expect the long hours of hard work they give to their community. I am pleased, therefore, to have this opportunity to join with the University of California at San Francisco to honor my good friend, Morris Bernstein.

LITHUANIAN INDEPENDENCE DAY

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. BADILLO. Mr. Speaker, on February 16, 1975, Americans of Lithuanian descent commemorated the 57th anniversary of the establishment of the Republic of Lithuania. In remembrance of that event and also of the time, 724 years ago, when the Lithuanian State was founded, it is fitting that we renew our commitment to the oppressed people of Lithuania, which has been under the rule of the Soviet Union since June 15, 1940. On that day, a Soviet occupation army of 140,000 men was sent into Lithuania, and through the devices of staged elections, formally annexed that country.

But although the Soviets had taken over the nation of Lithuania, they could not control the free and patriotic hearts of these courageous people. Because of their nationalism and hostility to tyranny, Lithuanians have sacrificed many lives in the cause of freedom. On June

22, 1941, they revolted against their subjugation and proclaimed Lithuania to be a newly independent state. Almost 12,000 lives were lost in this valiant effort, but the newly established provisional government fell under the occupation of German forces en route to the Soviet Union.

In the current atmosphere of détente, it is important that we not forget these freedom-loving people. The United States must continue the policy of nonrecognition of the annexation by the Soviet Union of the Baltic States. I urge the Members of Congress to support House Concurrent Resolution 2, which states in part that—

> The President should take such steps as may be appropriate, through the United States delegation to the United Nations, to raise in the United Nations the questions of the forced incorporation of Latvia, Lithuania and Estonia into the Union of Soviet Socialist Republics.

TRIBUTE TO VIRGIL D. WATERS "DISTINGUISHED CITIZEN OF INDUSTRY"

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. DANIELSON. Mr. Speaker, I would like to share with my colleagues the truly outstanding work that my good friend and constituent, Virgil D. Waters, has accomplished in the San Gabriel Valley area—much of which is in my congressional district. On February 19, 1975, the community will be honoring Mr. Waters as "Distinguished Citizen of Industry" for his outstanding service to youth and to the community.

Virg is not a stranger to the limelight. He was named "Man of the Year" in Purchasing in 1955; "Man of the Year" in Industry in 1967; and was awarded an Honorary Doctor of Laws Degree in 1967 from Van Norman University. His work not only excels in his occupation, but also in his work in the community. During his 43 years of continuous service with the Utility Trailer Manufacturing Co., he served as director of purchases for 35 years, and was a member of the board of directors and corporate secretary of the company until his retirement in 1970.

Although his work kept him busy, Virg always found time to be active in community affairs. He appeared before many civic, professional and business groups, as well as before college and university students, spreading his enthusiasm.

The broad spectrum of his interest is shown in the various organizations he has served. He is serving as a member of the board of directors of the following organizations: Quarter Century Metals Club; American Cancer Society, Pasadena/San Gabriel; American Red Cross, San Gabriel Valley; Junior Achievement; Men's Club, Queen of the Valley Hospital; Men's Club, Inter-Community Hospital; United Crusade; San Gabriel Valley Boy Scout Council; After-Stroke Resocialization, Inc.; YMCA of Covina.

Additionally, Virg was honored to serve as president of the following: Quarter Century Metals Club, Football Hall of Fame, Pasadena/San Gabriel Valley Chapter; Industry Chamber of Commerce; La Puente Chamber of Commerce; Purchasing Agents Association of Los Angeles. He has served as vice president of the board of directors of La Puente United Way; vice chairman of the San Gabriel Valley/Pomona Valley Regional Lung Association; past chairman of the La Puente YMCA; and on the board of directors of East San Gabriel United Crusade. He is a past Noble Grand of the El Monte Odd Fellows Lodge.

He also serves as a member of the advisory board of Mount San Antonio College; La Puente Kiwanis Club; La Puente Historical Society; Town Hall; American Heritage Society; Junior Achievement Council, Northeast District; board of trustees, Southern California Transportation Action Committee; Statewide Economic Development Committee of the California Chamber of Commerce.

It is a pleasure for me to take this opportunity to recount the endless civic activities that have been undertaken by this man who is truly an outstanding American. I am proud to honor Virgil D. Waters, whose incredible energies have benefited so many people.

AMENDING THE SOCIAL SECURITY ACT

HON. KENNETH L. HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. HOLLAND. Mr. Speaker, today, I am introducing legislation to amend title II of the Social Security Act, raising the limitation on the amount of outside income a person can earn while receiving social security benefits from $2,500 to $3,600. I feel that this amount, which would give the average social security recipient an additional $90 a month, is both humanly and fiscally responsible.

One hundred and thirty-one bills to amend title II of the Social Security Act have been introduced since the beginning of the 94th Congress. Those bills, which would raise the amount of outside income a social security recipient may earn and still receive benefits, range in magnitude from $4,200 to $8,000. Other bills would attach the amount of allowed outside earnings to automatic adjustment provisions so that benefits would rise annually with the cost of living.

Traveling throughout my district in recent weeks, I have become increasingly aware of the difficulties the present low-level earning limitation causes for the thousands of Americans who depend on social security payments to survive. However, I am also aware of the need for determined efforts to hold down the level of Federal spending.

Raising the outside income limitation for an individual to $3,600, from the present $2,520, would cost approximately $0.3 billion in the first year. The cost of raising the outside income limitation to $5,000 would be about $1 billion annually and the cost of eliminating the limitation entirely would be $4 to $4.5 billion annually requiring an increase in the already burdensome social security tax. The price the Government would pay to raise the earning limitation would rise dramatically with each increase above the present level. This is because of the increase in the number of persons who now receive partial benefits or no benefits at all who would then be eligible for full benefits. The cost of the increase would be borne by either a subsidy out of general revenues or another increase in social security taxes.

The American people are depending on Congress to provide responsible economic leadership. Present income limitations force many of our older citizens to live on poverty level incomes. We must insure that those persons who live on fixed incomes are allowed to earn an adequate living, and at the same time we must show the American people that this Congress recognizes the need to hold down Federal spending. I feel that this bill will demonstrate that the Congress is acting to balance the needs of all segments of our population.

I hope you will agree with me that a moderate increase in the outside income limitation is the most responsible method of assisting our older and disabled citizens and holding the Federal budget in check.

I respectfully urge early enactment of this legislation.

SUNY AT BUFFALO SURVEY ON PERSONAL IMPACT OF UNEMPLOYMENT FIGURES

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. NOWAK. Mr. Speaker, I would like to call the attention of my colleagues to an article in the New York Times Magazine of February 9, 1975, entitled "Down and Out in America." Written by the members of the American Studies Program, State University of New York at Buffalo, it clearly describes the impact of the drastic unemployment facing the city of Buffalo, N.Y. With the national unemployment rate presently at 8.2 percent, this highly industrialized urban area has an unemployment rate exceeding 10.3 percent.

As stated in the article:

> The people of Buffalo are themselves a leading human indicator of the national situation.

Buffalo's heavy systemic unemployment partly results from a high concentration of industrial manufacturing, which has experienced a series of plant closing and layoffs.

Through the use of interviews, this magazine article traces the human dimensions of this problem. I hope that this article will provide useful background information and be a dramatic reminder of the urgent need to accelerate efforts here in Congress and in the White House to improve our Nation's economic health.

Following is an article from the State University of Buffalo newspaper which details the methodology of this study which resulted in the New York Times article.

UNIVERSITY DEPARTMENT STUDY TO BE IN TIMES

(By Fredda Cohen)

Buffalo now has the third highest unemployment rate on the East Coast.

How this has affected the lives of its citizens will be cover story of the Sunday *New York Times Magazine* on February 9. The article—known as the Hard Times Project—was researched and written by thirty students and faculty from the American Studies Department at this University.

The study was commissioned by Sunday *Times* editor Harvey Shapiro as an in-depth analysis of the unemployment situation. It was researched in the tradition of Studs Terkel, who is known to interview people in an easy-going, expressive manner, without questionnaires or statistics. The commission was, in fact, first offered to Mr. Terkel, who after declining it, referred the *Times* to the American Studies Department.

The article is based on "edited interviews that explore the nature of the unemployment situation in Buffalo, its human dimensions, and its implications for understanding the American economic growth," explained Michael Frisch, assistant professor of History.

The work was done both individually and collectively. When the group began the project in October 1974, it met weekly to discuss themes, economic statistics and methodology.

SAMPLED INTERVIEWS

There were a total of 80 interviews, done either randomly or with people familiar to the project members. Many members of the working class were questioned, including people on unemployment lines, middle-age people in fear of losing jobs, students with degrees who can't find jobs, old people, women, unemployed wives, social workers and unemployment officials.

An editing committee, consisting of two faculty members, three undergraduates and one graduate student, was then selected to determine how these interviews would be structured together in the article.

The committee learned that "some of the most oppressed people have strikingly clear and analytic understanding of current circumstances," Dr. Frisch explained.

"We discovered that it would be important to not only get across their pain," he went on, "but their perceptions and ideas as well. We think it's important that middle class readers will not only feel sorry for them, but understand what they have to face."

The people interviewed were described as angry and helpless. They were surprisingly articulate and directed their anger at labor unions, corporations and "major built-in injustices," Dr. Frisch said. He feels that "this points to major fundamental problems in the American system. Corporations can protect themselves by moving or laying people off."

"The working people are the tail end of the whole process, and Buffalo as a city can do very little to protect its jobs," he continued.

When asked if the people offered any solutions, Dr. Frisch responded, "Some people thought of changing unions, others threatened violence, but most just used their energies for survival. It's a day-to-day struggle to live. It's hard for people to think beyond that."

DECEPTIVE STATISTICS

Dr. Frisch also mentioned the deception of the statistics. Buffalo is slated at 10 percent unemployment, but this figure includes Erie and Niagara counties, which have many suburban areas and farms.

The unemployment rate in these areas are much lower and the 10 percent rate is actually an average of the entire area. "It's easily 25 percent in Buffalo, in black areas more," he said.

Many of the unemployed do not receive unemployment insurance the study found. This includes people whose unemployment benefits have run out, people who have never worked, senior citizens, the self-employed, certain civil service workers and people who are working but cannot live on their means.

The project members are awaiting the reception in Buffalo with curiosity. "Some people might think this is highlighting the local problems, but we feel it's a constructive piece. We found that there are few people who are down on Buffalo," said Dr. Firsch. "Most feel that this is their home, although many acknowledge a lack of leaders," he noted.

ONE LEVEL SURVEYED

Mayor Stanley Makowski and other high city officials were not interviewed. The article was geared at people whom unemployment directly affects. "We don't pretend it's a survey of all social levels," Dr. Frisch said. "It's been exciting for people to do, it's been an education, and it's an important community service," he added.

Commenting on the high rate of unemployment, one official said, "Things aren't so bad. If 10 percent of the people are unemployed, that means that 90 percent are employed, so somebody's flourishing. Besides, people are always dying."

The American Studies program is considering the possibility of expanding some of the materials into longer form and distributing it in Buffalo.

"We're concerned with returning this sort of work of the people who gave it to us, so that they can speak to each other as well as the readers of the Sunday *Times*," Dr. Feasch observed.

CHARLES J. HITCH, PRESIDENT OF THE UNIVERSITY OF CALIFORNIA, ANNOUNCES HIS RETIREMENT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. ANDERSON of California. Mr. Speaker, nearly a century ago Herbert Spencer wrote that education has for its object the formation of character. I am confident, therefore, that he would be pleased to see the actualization of these lofty words personified in the life of one of California's foremost educators, Charles J. Hitch, president of the University of California.

Much of the worldwide reputation which California has earned for her outstanding educational system belongs to people like Charles Hitch who contribute their time and talents to help their fellow man.

I had the good fortune to have worked with this dedicated individual nearly a decade ago when I served as a Regent to the University of California while he was vice president. Since 1968, he has served as president of one of our Nation's largest universities, having an enrollment of over 116,000 distributed throughout its nine campuses in the State of California.

In addition to his valuable contributions in the field of education, Charles Hitch has also earned a reputation as an outstanding author, having written several books on economics and military matters; as a researcher, having worked as the chairman of the Research Council for the RAND Corp., one of the Nation's best nonprofit research corporations; and as a professor, having taught at the Universities of San Paulo, Brazil, Yale, and the University of California at Los Angeles. Currently he holds an appointment as professor of economics at the Berkeley Campus.

During World War II, he actively involved himself in our war efforts in numerous assignments, including his participation on Averell Harriman's first lend-lease mission in London. Later, in 1961, President Kennedy appointed him to serve as Assistant Secretary of Defense as a Comptroller.

For his valuable contributions, Charles Hitch has won numerous honors and recognitions, among these include his receiving an honorary doctor of law degree from the Universities of Arizona, Missouri, and Pittsburgh; a doctor of science in commerce from Drexel University; a doctor of humane letters from the University of Judaism; and an honorary Fellow for Queen's College and Worcester College, Oxford.

Mr. Speaker, after many years of dedication to the improvement of the University of California, President Charles Hitch has announced his retirement effective July 1, 1975, in order to assume a new position as president of Resources for the Future, Inc. This is a nonprofit corporation dedicated to research and education for the development, conservation, and use of natural resources. At a time when we are becoming more aware of the need to conserve our valuable resources, we can be grateful that we will have a man of Charles Hitch's vast experience, knowledge, and dedication to work in our behalf.

My wife, Lee, joins me in wishing him, his lovely wife, Nancy, and their daughter, Caroline Winslow, our very best in their future endeavors.

SENATE—*Wednesday, February 19, 1975*

The Senate met at 10:15 a.m. and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord, Thou hast been our dwelling place in all generations. We thank Thee for sturdy warriors of the past who have gone ahead and for the singing youth who follow in the ranks of the future. We thank Thee for life and for our place in the life of today. Help us to live wisely and well in our day never scorning the past or fearing the future. So send us to our tasks this morning renewed and strengthened by Thy grace. Bring us to the evening with peace and joy in our hearts, and in the knowledge that in Thy strength we have advanced Thy kingdom on Earth.

We pray in the name of Him who walked this earthly way before us making known the fullness of Thy kingdom. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 19, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, February 18, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

DEPARTMENT OF STATE

The legislative clerk proceeded to read sundry nominations in the Department of State.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

INTERNATIONAL BANK POSTS

The second assistant legislative clerk read the nomination of Charles W. Robinson, of California, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination and the previous nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 18 and 19.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MUSIC IN OUR SCHOOLS DAY

The joint resolution (S.J. Res. 18) to designate March 13, 1975, as "Music in Our Schools Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

Whereas the enjoyment of music and the opportunity to participate in musical activities are basic needs of every child, and

Whereas such enjoyment and participation offer immeasurable potential for enriched adult living, and

Whereas the musical experience enhances understanding of our Nation and its culture, and

Whereas the lifelong benefits resulting from music education in the schools are recognized by audience and performers alike in the art, and our country's school music education program is recognized throughout the world for its involvement of millions of young people, and

Whereas the Music Educators National Conference, in cooperation with twenty-five national organizations, will sponsor a national "Music in Our Schools Day" on March 13, 1975, and urge all citizens to participate in this observance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 13, 1975, shall be designated "Music in Our Schools Day".

Mr. METCALF. Mr. President, I am pleased the Senate has passed Senate Joint Resolution 18 to designate March 13, 1975, as "Music in Our Schools Day." I ask unanimous consent that the following names of Members be added as cosponsors: the Senator from Kentucky (Mr. FORD), the Senator from Illinois (Mr. PERCY), the Senators from Indiana (Messrs. HARTKE and BAYH), the Senators from New Jersey (Messrs. CASE and WILLIAMS), the Senator from Georgia (Mr. NUNN), and the Senator from New York (Mr. JAVITS).

The PRESIDING OFFICER. Without objection, it is so ordered.

YOUTH ART MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 8) to authorize the President to issue annually a proclamation designating March of each year as "Youth Art Month," which had been reported from the Committee on the Judiciary with amendments.

On page 2, line 4, strike out the word "annually".

On page 2, line 5, strike out "of each year" and insert in lieu thereof "1975".

The amendments were agreed to.

The joint resolution, as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

Whereas children are our most priceless asset; and

Whereas childhood is the time to develop interests, skills, and aptitudes that will last a lifetime; and

Whereas, through meaningful school art activities, children develop initiative, self-expression, creative ability, self-evaluation, discipline, and a heightened appreciation of beauty; and

Whereas the importance of art in education is recognized as being necessary for the full development of all children; and

Whereas participation in school art programs develops perceptive qualities and sensitivity, thus producing a more enlightened citizenry; and

Whereas Youth Art Month has been observed nationally since 1961 and has gained wide acceptance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of March 1975 as "Youth Art Month", and calling upon the people of the United States and interested groups and organizations to become involved in and give their support to quality school art programs for children and youth.

The title was amended so as to read:

> Joint resolution to authorize the President to issue a proclamation designating March 1975 as "Youth Art Month".

AN ALTERNATIVE ENERGY SOURCE

Mr. MANSFIELD. Mr. President, the rapidly increasing demands for clean fossil fuels in the United States have outstripped our domestic production and have seriously affected our balance of payments and international monetary posture. In order to achieve a goal of energy self-sufficiency within the decade of the 1980's, there is a clear necessity for major research and development programs oriented toward achieving that goal, including more efficient production and utilization of sulfur-bearing fossil fuels, particularly coal. Since the use of these fuels in existing systems is objectionable from an environmental emissions standpoint, new technologies are required to convert these sources to energy in an environmentally acceptable manner.

One approach to the problem is the generation of electrical power by means of magnetohydrodynamic—MHD—conversion systems. MHD electric power generation, which was first developed in the United States, promises operating efficiency 50 percent better than the most advanced steel turbine plants and twice that of nuclear plants. It will burn coal, our most abundant domestic fuel resource, but will result in the use of less coal than present less efficient processes.

MHD power generation plants will operate with greatly reduced stack emissions, well within the specified limits for pollution control. And it will require much less, or no, cooling water, thus greatly decreasing or eliminating thermal pollution. Experiments at Stanford University and the AVCO Everett Research Laboratory have shown that nitric-oxide concentrations, a serious air pollutant, can be reduced well below EPA standards. Similarly, the Bureau of Mines work has shown that sulfur dioxide removal can be readily accomplished in an MHD plant. In summary, MHD development over the last 2 years has yielded a greatly increased tempo of progress toward achieving a more reliable and efficient coal-burning powerplant having the lowest possible impact on the environment.

MHD is currently under development in other countries, particularly the Soviet Union which has built and operates an experimental 25 megawatt MHD powerplant. The United States is falling behind, and an aggressive national MHD program is needed.

With this in mind, I am concerned to note that the interim organizational chart of the Energy Research and Development Administration includes specific divisions for geothermal and solar research but does not so much as mention MHD. This is not a new field.

Since 1968, Senator METCALF and I have been urging a national program to develop MHD power generation. We have been the principal proponents for funding MHD in the Interior Department's Office of Coal Research's budget every year, including fiscal year 1970 when the first funds were provided.

On August 9, 1968, Mr. Cordell Moore, Assistant Secretary of the Interior, wrote me:

> We are convinced that a direct energy conversion system, such as MHD, holds considerable promise for the development of the vast energy resources of the Northern Great Plains.

On August 22, 1968, I wrote to the President urging him to include $10 million in the fiscal 1970 budget request to be utilized during a 4-year period for construction of a pilot plant to be in operation by 1975. I also asked that he consider Montana for such a plant.

On September 20, 1968, Senator METCALF and I wrote to the Secretary of the Interior, Stewart Udall, urging him to give serious consideration to the construction of an MHD pilot project near the vast coal fields in Montana. Secretary Udall responded and stated:

> I am personally sold on the MHD research project and I agree with you that it would make sense to have such a project based in Montana. Further, the several hours I have spent inquiring into this subject have convinced me that our country must undertake a major MHD research project within the next few years.

Note, this was September 1968.

On May 8, 1969, James R. Smith, Assistant Secretary of the Interior informed me that fiscal constraints under the fiscal year 1970 budget were not conducive to the undertaking of a new MHD pilot plant.

On May 23, 1969, I called the attention of the Senate to an article by Mr. Gene Smith entitled "The United States Trails Soviet in Exotic Power." I pointed out that it was a sad commentary on the attention this Nation is giving to advanced power generator techniques especially since it was an American scientist who developed the Nation's first MHD generator 10 years before. Senator METCALF and I again urged an immediate initiation of plans for a pilot plant in Montana to bring low-cost power to our growing population and to industry without the side effects of air and water pollution.

On November 6, 1969, Senator METCALF and I wrote to Secretary of the Interior Hickel again asking that funds be requested to get underway with an MHD research program. Secretary Hickel replied on December 18, 1969, stating:

> We are as enthusiastic as you are about this program and we, too, are aware of its great promise for eliminating thermal pollution.

But he also pointed out that no decision had been reached concerning MHD and the Office of Coal Research budget.

On April 1, 1970, I appeared before the Subcommittee on Interior Appropriations again asking for funds for this important project. Only $400,000 was included in the budget that year for MHD and the committee increased that amount by $200,000 for a total of $600,000 in fiscal year 1971. This was the first significant step in providing impetus to this important research.

On July 22, 1970, I asked on the Senate floor whether it was the intent of the committee that the Department should initiate research in the immediate future on MHD even in advance of a final report on an electric research council task force. I was assured that was the intent.

Nothing significant was achieved by the Office of Coal Research in this area, and, again, on May 9, 1973, after the onset of the worldwide energy crisis, I appeared before the Interior Appropriations Committee asking that the request of the administration for $3 million for MHD research be increased to $8 million. I pointed out that MHD technology had not gone along as far as I had hoped due to the inadequate interest and support of the administration.

Again, in 1974, I requested consideration for an appropriation in fiscal year 1975 to further develop MHD techniques and applications within the State of Montana. This resulted in the following language being adopted in the report supporting Public Law 93–322, the Energy Research and Development Appropriation bill:

> The net decrease below the amount proposed by the House includes an addition of $5,000,000 for MHD (magnetohydrodynamics) to initiate design and planning work on an engineering test facility and to provide for additional research on MHD technology techniques and applications at the Montana College of Mineral Science and Technology and other units of the Montana University System.

The Office of Coal Research has reluctantly spent any of the moneys appropriated and has consistently ignored the intent of the Congress that MHD development should be accelerated.

In past years, the MHD appropriations amendments which Senator METCALF and I authored were general in nature. Given the urgency of the current energy crisis and the past attitude of OCR, I believe it is now incumbent upon the Congress to strengthen MHD research and development activities. I have no doubt that the new Administrator of the Energy Research and Development Administration, Dr. Robert Seamans, who seems to be a very reasonable, understanding and eminently well qualified man, will give this matter his most serious consideration and will understand the intent of the Congress that an accelerated program will be initiated so as to make MHD commercially available in the 1985–90 period.

With this in mind, Senator METCALF and I are today introducing legislation which will provide ERDA with the direction and funds necessary to expand MHD research and development and to proceed immediately with the engineering test facility presently required by Public Law 93–404.

This legislation directs ERDA to establish a Division of MHD Research under the Assistant Administrator for Conservation. In addition, the bill provides ERDA with both the direction and the funds necessary to expand MHD research and development.

Unless this bill is passed soon by the Congress, it is obvious that MHD will not receive the attention it deserves and that existing law demands.

Mr. President, I ask unanimous consent, on behalf of my distinguished colleague, Senator Metcalf, and myself, that the bill be printed at this point in the Record, and that it be appropriately referred.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 744

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "MHD (Magnetohydrodynamics) Research, Development, and Demonstration Act of 1975."

Sec. 2. (a) The Congress hereby finds that—

(1) the needs of a viable society depend on an ample supply of energy, with the minimum impact on the environment;

(2) the current imbalance between domestic supply and demand for fuels and energy is likely to persist for some time;

(3) MHD will utilize coal (or fuels derived therefrom), our most abundant domestic fuel resources, and thus the use of MHD (magnetohydrodynamics) will help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense;

(4) MHD is estimated to be 50% more efficient than present generation methods and thus will result in the use of less coal and therefore less surface mining of coal as well as less depletion of underground deposits;

(5) MHD electricity generation produces far less air pollution and far less thermal pollution than present generation methods;

(6) to date, the national effort in research, development, and demonstration activities relating to the utilization of MHD (magnetohydrodynamics) has been extremely limited; and

(7) the urgency of the Nation's critical energy shortages and the need to make clean energy alternatives commercially viable require that the Nation undertake an intensive research, development, and demonstration program with respect to MHD (magnetohydrodynamics).

(b) The Congress declares that it is the policy of the Federal Government to—

(1) pursue a vigorous and viable program of research and development of MHD (magnetohydrodynamics) as a major source of energy for our national needs; and

(2) provide for the development and demonstration of practicable means to employ MHD (magnetohydrodynamics) on a commercial scale.

Sec. 3. The Administrator of the Energy Research and Development Administration (hereinafter referred to as the "Administrator") shall have overall responsibility for the provision of effective management and coordination with respect to a national MHD (magnetohydrodynamics) energy research, development, and demonstration program, including—

(1) research and development of MHD energy technologies; and

(2) the demonstration of appropriate MHD energy technologies.

Sec. 4. (a) The Administrator shall initiate and carry out a research, development and demonstration program for the purpose of achieving commercial utilization of MHD energy in the United States by the mid-1980's.

(b) In connection with or as a part of such program, the Administration shall—

(1) Provide for the design, construction and operation of an appropriate MHD engineering test facility large enough so as to provide a legitimate engineering basis for a commercial scale MHD plant (500 MWe or above) for operation in the mid-1980's. Such engineering test facility shall be located in accordance with section 107 of the Act entitled "An Act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes", approved August 31, 1974.

(2) Initiate and carry out a program to design, construct, and operate a commercial size MHD (magnetohydrodynamics) demonstration plant (500 MWe or above) and to have such plant operational by the mid-1980's to demonstrate the technical and economic feasibility of utilizing MHD energy.

Sec. 5. There is hereby created in the Energy Research and Development Administration a Division of MHD Electric Power Generation under the Assistant Administrator for Conservation, and the Administration shall carry out all the research, development and demonstration activities regarding MHD through this Division, including the development and improvement of MHD power generators and all other equipment unique to MHD as would be required in an electric power generating station.

Sec. 6. The Administrator is authorized to enter into such contracts and grants as are necessary and appropriate to carry out the provisions of this Act. The Administrator shall, in providing for the research, development and demonstration programs under this Act, utilize to the maximum extent the resources of the private sector.

Sec. 7. (a) (1) In carrying out his functions under this Act, the Administrator, utilizing the capabilities of appropriate Federal agencies to the maximum extent possible, shall establish and operate an MHD Energy Information Data Bank (hereinafter in this subsection referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating information and data on MHD energy technologies.

(2) Information and data compiled in the bank shall include—

(A) technical information (including reports, journal articles, dissertations, monographs, and project descriptions) on MHD energy research, development, and applications;

(B) similar technical information on the design, construction, and maintenance of equipment utilizing MHD energy;

(C) physical and chemical properties of materials required for MHD energy activities and equipment; and

(D) engineering performance data on equipment and devices utilizing MHD energy.

(3) In accordance with regulations prescribed under section 10, the Administrator shall provide retrieval and dissemination services with respect to the information described under paragraph (2) for—

(A) Federal, State and local government organizations that are active in the area of energy resources (and their contractors);

(B) universities and colleges in their related research and consulting activities; and

(C) the private sector.

(4) In carrying out its functions under this subsection, the Administrator shall utilize, when feasible, the existing data base of scientific and technical information in Federal agencies, adding to such data base any information described in paragraph (2) which does not already reside in such base. The Administrator, acting through the appropriate division, shall coordinate or merge such data bank with other Federal energy information data banks as necessary to assure efficient and effective operation.

(b) In carrying out its functions under this Act the Administrator shall perform or cause to be performed studies and research or incentives to promote broader utilization and consumer acceptance of MHD energy technologies.

(c) The Administrator shall enter into such arrangements and take such other steps as may be necessary or appropriate to provide for the effective coordination of MHD energy technology utilization with all other technology utilization programs within the Federal Government.

Sec. 8. The Administrator, acting through the National Science Foundation, is authorized and directed to support programs of education in the sciences and engineering to provide the necessary trained personnel to perform the MHD energy research, development, and demonstration activities required under this Act. Such support may include fellowships, traineeships, technical training programs, technologist training programs, and summer institute programs.

Sec. 9. (a) The Administrator, in furtherance of the objectives of this Act, is authorized to cooperate and participate jointly with other nations, especially those with agreements for scientific cooperation with the United States, in the following activities:

(1) interinstitutional, bilateral, or multilateral research projects in the field of MHD energy; and

(2) agreements and programs which will facilitate the exchange of information and data relating to MHD energy and MHD energy technologies.

(b) The National Science Foundation is authorized to encourage, to the maximum extent practicable and consistent with the other objectives of this Act, international participation and cooperation in the development and maimntenance of programs of education to carry out the policy set forth in section 7.

Sec. 10. The Administrator, in consultation with the heads of the Federal agencies having functions under this Act and with other appropriate officers and agencies, shall prescribe such regulations as may be necessary or appropriate to carry out this Act promptly and efficiently. Each such officer or agency, in consultation with the Administrator, may prescribe such regulations as may be necessary or appropriate to carry out his or its particular function under this Act promptly and efficiently.

Sec. 11. The Administrator shall report, on an annual basis, to the President and the Congress all actions taken under the provisions of this Act, all action planned for the ensuing year, and, to the extent practical, a projection of activities and funding requirements, for the ensuing five years. The Administrator also shall recommend, as he deems appropriate, any legislation which might further the purposes of this Act.

Sec. 12. Notwithstanding any other provision of law, the Administrator shall keep the appropriate committees of the House of Representatives and the Senate fully and currently informed with respect to all activities under this Act.

Sec. 13. Upon the request of the Administrator, the head of any Federal department or agency is authorized to detail to temporary duty with the Division of MHD Electric Power Generation on a reimbursable or non-reimbursable basis such personnel as the Division may require for carrying out its functions pursuant to this Act, each such detail to be without loss of seniority, pay or other employee status.

Sec. 14. (a) For the fiscal year ending June 30, 1976, there is authorized to be appropriated such sum, not to exceed $50,000,000, as may be necessary to carry out the provisions of this Act.

(b) For each of the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980, there is authorized to be appropriated such sum, not to exceed $100,000,000, as may be necessary to carry out the provisions of this Act.

(c) Sums appropriated pursuant to this

section shall remain available until expended.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

NOMINATIONS IN THE DEPARTMENT OF STATE

Mr. HUGH SCOTT. Mr. President, we have just confirmed the nominations of a number of ambassadors this morning, four of whom are from the regular Foreign Service, all with distinguished backgrounds and highly creditable career service.

We have, in addition, confirmed the nomination as ambassador to Finland of Mr. Mark "Evans" Austad, of the District of Columbia, known to all of us as Mark Evans, a most distinguished commentator and communicator in the field of television and radio, whose own origins are Scandinavian.

We have also confirmed the nomination of the distinguished former Attorney General, Elliot L. Richardson, to be our Ambassador to the Court of St. James in Great Britain, an extremely lustrous appointment of a man whose courage and capacity have been proven, and in whom the public has demonstrated great confidence and for whom they evince great affection. He will be well received, I am certain, in Great Britain, and will represent us with dignity and with a certain flair for the interrelationships of people, which will be fortunate for us.

We have also confirmed the nomination of our former colleague, the Honorable Peter H. Dominick, of Colorado, to be our ambassador to Switzerland, and I am certain that he will bring to that office the same capacity for judgment and careful examination of the nature of his responsibilities as he exhibited so well in the Senate.

These are all very good nominations, and they show the wisdom of an intermix between the professional service and those who have contributed through public service and by reason of the acquisition of considerable experience in similar affairs and in matters not directly related to government.

I think we have done a good job in confirming the nominations of these very able persons to represent the United States and its interests abroad.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGH SCOTT. I am glad to yield to the majority leader.

Mr. MANSFIELD. I wish to join the distinguished Republican leader in the remarks he has just made, and especially to express my appreciation for the responsibilities now being undertaken by the Honorable Elliot L. Richardson, of Massachusetts, a man of integrity, courage, understanding, and wide knowledge, a man who has proved himself, I believe, as the head of three Cabinet departments in the Government, and a man of whom we can all be proud.

I would also like to say a kind word about Mr. Robert J. McCloskey, who will be the liaison man for the Department of State with Congress. He, too, is a man of wide knowledge, deep understanding, and great integrity, and I look forward to working with him and the others in that particular area, because it is important that a very close and intimate, so to speak, liaison, be in effect between the State Department and the Congress as a whole. It is especially important in this difficult era in which we live. I think that the administration is to be commended for forwarding the name of Ambassador McCloskey, and I am delighted that he will assume this new position.

Mr. HUGH SCOTT. I thank the distinguished majority leader. There is no question that Ambassador McCloskey, one of the most experienced members of the Foreign Service, brings tremendous qualifications to the office. I know of no one better able to relate the problems of the Department of State to the Members of Congress. I am sure that we will work with him most effectively, and we welcome his advent to this new position.

Mr. MANSFIELD. Mr. President, may I be recognized under the time of the Senator from Oregon?

Mr. HUGH SCOTT. Mr. President, I am glad to yield whatever time I have remaining to the majority leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 13, 14, and 15.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INCREASE IN THE AMOUNT OF ENRICHED URANIUM WHICH MAY BE DISTRIBUTED TO THE INTERNATIONAL ATOMIC ENERGY AGENCY—IAEA

The concurrent resolution (S. Con. Res. 13) expressing the approval of the Congress of the distribution of amounts of special material to the International Atomic Energy Agency, proposed by the Atomic Energy Commission on January 8, 1975, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed additional amounts of special nuclear material which may be distributed to the International Atomic Energy Agency pursuant to the provisions of section 54a of the Atomic Energy Act of 1954, as amended, submitted in the January 8, 1975, letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

INCREASE IN THE AMOUNT OF ENRICHED URANIUM WHICH MAY BE DISTRIBUTED TO THE EUROPEAN ATOMIC ENERGY COMMUNITY—EURATOM

The concurrent resolution (S. Con. Res. 14) expressing the approval of the Congress of the distribution of amounts of special material to the European Atomic Energy Community, proposed by the Atomic Energy Commission on January 8, 1975, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed additional amounts of special nuclear material which may be distributed to the European Atomic Energy Community pursuant to the provisions of section 54a of the Atomic Energy Act of 1954, as amended, submitted in the January 8, 1975, letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

EXTENSION OF EXISTING RESEARCH AGREEMENT FOR COOPERATION BETWEEN THE UNITED STATES AND ISRAEL CONCERNING CIVIL USES OF ATOMIC ENERGY

The concurrent resolution (S. Con. Res. 15) expressing the approval of the Congress of the amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" proposed by the Atomic Energy Commission on January 14, 1975, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its approval of the proposed amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" submitted in the January 14, 1975, letters from the United States Atomic Energy Commission to the Speaker of the House and the President of the Senate.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, on the time of the distinguished Senator from Oregon (Mr. HATFIELD).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER VACATING TIME OF SENATOR HATFIELD

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time allotted to the distinguished Senator from Oregon (Mr. HATFIELD) be vacated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Wisconsin (Mr. Nelson) is recognized for not to exceed 15 minutes.

NATIONAL SECURITY SURVEILLANCE ACT OF 1975

Mr. NELSON. Mr. President, I send to the desk a bill in my own behalf and in behalf of the Senator from Massachusetts (Mr. Kennedy), a bill to establish administrative practices, procedures, and standards under which court authorization must be obtained for any electronic surveillance conducted for national security reasons, and for other purposes, and I ask unanimous consent that the text of the bill be printed in the Record at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NELSON. Mr. President, approximately 30 years ago Supreme Court Justice Felix Frankfurter observed that:

> The history of liberty has largely been the history of observance of procedural safeguards.

That observation is of obvious relevance in understanding the dangers which national security wiretaps pose to individual liberty. For there are virtually no procedural safeguards to govern the use of wiretaps conducted by the Government in the name of "national security." Such wiretaps do not have the prior approval of a judicial warrant.

Nor are these wiretaps subject to congressional oversight—either before or after their implementation. Instead the Government alone decides whom to tap and for how long. The Government alone decides whether the exercise of its powers conforms with constitutional limitations.

Not surprisingly, these so-called "national security" wiretaps have resulted in flagrant violations of constitutionally-protected freedoms. The most recent example is the CIA's concession that it used "national security" wiretaps in the 1960's against American citizens whose principal "crime" was to criticize Government policies.

These warrantless wiretaps and other uncontrolled Government snooping pose a dangerous threat to our constitutional system. Our society cannot be free and tolerate a government which can invade an individual's privacy at will.

Senator Kennedy and I are therefore introducing today legislation which would prohibit the use of warrantless wiretaps for so-called "national security' reasons or for any other purpose. Under this proposal, the Government would have to obtain a court warrant meeting strict standards before it could wiretap for national security reasons or any other purpose. After the wiretap is terminated, moreover, the Government would have to inform citizens of the interception. This would enable each citizen to learn about the interception and provide him the opportunity to seek court relief for any violation of constitutional rights.

I first introduced this legislation in 1973. Both the House Judiciary Committee and the Senate Judiciary Committee held hearings on the bill last year, and Senator McClellan, as chairman of the Senate Judiciary Committee's Subcommittee on Criminal Laws and Procedures, has assured me that those hearings would be resumed early this year.

In examining the Government's use of national security wiretaps, Congress should first consider very carefully whether the use of any wiretaps can be squared with the fourth amendment. That amendment provides that:

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

There is serious doubt whether wiretapping of any kind violates the "particularity" requirement of the amendment. In numerous cases, the Supreme Court has made clear that that requirement is to be interpreted literally and that the Government cannot obtain a warrant to seize something which is not specifically described in the warrant. As the Court stated in *Marron* v. *United States*, 275 U.S. 192, 196 (1927):

> The requirement that warrants shall particularly describe the things to be seized makes general searches under them impossible and prevents the seizure of one thing under a warrant describing another. As to what is to be taken, nothing is left to the discretion of the officer executing the warrant.

The problems raised by wiretapping are obvious. The Government, of course, can describe to a court the conversations it wishes to intercept, but there is virtually no way for the Government or a court to guarantee that no other conversations will be intercepted. A wiretap—even under the most restrictive safeguards—is a broad dragnet. It almost inevitably "seizes" conversations which are entirely irrelevant to the Government purpose justifying the installation of the wiretap in the first place.

The Supreme Court itself has recognized this problem. In *Berger* v. *New* York, 388 U.S. 41, (1967), the Court ruled that a New York wiretap statute was unconstitutional. In the course of its opinion, the Court stated that:

> The need for particularity and evidence of reliability in the showing required when judicial authorization of a search is sought is especially great in the case of eavesdropping. By its very nature, eavesdropping involves an intrusion on privacy that is broad in scope. As was said in *Osborn* v. *United States*, 385 U.S. 323 (1966), the "indiscriminate use of such devices in law enforcement raises grave constitutional questions under the Fourth and Fifth Amendment,' and imposes 'a heavier responsibility on this Court in its supervision of the fairness of procedures . . .' At 329, n. 7. (388 U.S. 41, 56, 59) [1967].)

The Court's concern here is well placed. Recent litigation has exposed numerous cases in which the use of wiretaps for otherwise legitimate purposes has resulted in the interception of vast numbers of irrelevant conversations. (See, for example, *United States* v. *La Gorga*, 336 F. Supp. 190, 195–97, (W.D. Pa. 1971); *United States* v. *Scott*, 331 F. Supp. 223 (D.D.C. 1971); *United States* v. *Sklaroff*, 323 F. Supp. 296 (C.D. Fla. 1971).) This means that an individual's most private conversations—with his spouse, his children, his friends, his business associates—often become a matter of record for anonymous Government investigators.

The interception of irrelevant conversation is especially great in cases involving so-called "national security" wiretaps. This is so because the danger of abuse is always present. To appreciate this fundamental danger, one need only consider some well publicized abuses of national security wiretaps:

The wiretap placed on the home telephone of newspaper columnist Joseph Kraft in 1969 because his columns apparently discussed some aspect of national security;

The wiretaps placed between 1969 and 1971 on the telephones of 17 newspapermen and government officials who were suspected of being involved in the "leak" and publication of purportedly sensitive information, despite the fact that some of the individuals did not even have access to such information;

The wiretaps placed on the telephones of four individuals in December 1972 who were thought to be friends of a Navy yeoman who in turn was suspected of passing sensitive information—not to a foreign power but to the Joint Chiefs of Staff; and

The wiretaps placed on the telephones of Martin Luther King, Jr., because he was wrongly suspected of being an unwitting Communist dupe.

These and other incidents demonstrate the flagrant abuses associated with so-called national security wiretaps. In none of these cases was there any involvement of a foreign power. In none of these cases was there a violation of the law by the individual tapped. And in none of these cases was there any review procedure to insure that the telephone conversations intercepted were confined to those relevant to the specific inquiry. In fact, in one case—that of former national security staff member Morton Halperin—the wiretap remained in place 17 months after he had left Government service and had joined the Presidential campaign staff of Senator Muskie.

These examples, as well as the whole series of Watergate scandals, make a mockery of the "particularity" requirement of the fourth amendment. And they strongly suggest that the danger of abuse—whether intentional or not—is so great that all wiretapping should be banned.

I realize, of course, that the courts have held on numerous occasions that wiretapping can be constitutional under properly controlled circumstances. These decisions, however, do not preclude a congressional study of the issue. Nor do these decisions preclude congressional action. Congress always possesses the power to restrict wiretapping or ban it completely. This power exists even if the President has constitutional power to authorize warrantless wiretaps—although I do not believe that he does. In the Keith case, for example, the Government itself conceded that Congress has power to severely restrict whatever constitutional powers the President has to wiretap. See concurring opinion of Justice White.

If it should be decided that wiretapping would not be an inevitable violation of the particularity requirement, then I would urge the favorable consideration of the legislation we are introducing today to prohibit the use of warrantless wiretaps in so-called "national security" cases. The bill proposes four basic changes in the law.

First, before the Government could wiretap American citizens in national security cases, it would have to obtain a judicial warrant based on probable cause that a specific crime has been or is about to be committed.

This change would merely conform national security wiretaps to the fourth fourth amendment's command that all Government searches have the prior approval of a judicial warrant based on probable cause.

Second, before the Government could wiretap a foreign power or its agents, it would have to obtain a judicial warrant based on the belief that the tap is necessary to protect national security interests. The warrant standards for foreign powers and their agents would thus be less rigorous than those required for American citizens. This warrant requirement will not in any way undermine the Government's ability to protect against foreign attack or subversion; the Government will be able to wiretap foreign powers and their agents any time there is a need for such surveillance.

The justification for this warrant procedure is plain. The Government's desire to wiretap should be reviewed by a court. There should be no exceptions. Otherwise, the exceptions may be stretched to sanction an unreasonable invasion of a citizen's privacy—a situation which would violate the rights and liberties guaranteed to every individual under our Constitution.

Third, every American citizen wiretapped would be informed of the surveillance within 30 days after the last authorized interception. This change would assure every wiretapped American citizen the opportunity to protect against violations of his constitutional rights. The disclosure of the wiretap could be postponed, however, if the Government satisfies the court that the person wiretapped is engaged in a continuing criminal enterprise or that disclosure would endanger national security interests.

Fourth, the Justice Department would be required to report to Congress at least four times each year on the number and nature of national security wiretaps. These reports would be filed with the Senate Foreign Relations and Judiciary Committees and with the House Foreign Affairs and Judiciary Committees. Those committees, moreover, could obtain further information concerning the wiretap program whenever the committees thought it necessary. These reports to Congress will help insure a periodic review to determine whether the Government is complying fully with the law and whether the courts are exercising their review powers diligently.

In order to understand the importance of this legislation, it is necessary to keep in mind the purposes which the fourth amendment is designed to serve. The amendment protects each citizen's privacy from unreasonable invasion by the Government.

In his dissent in the 1928 Olmstead case Supreme Court Justice Louis Brandeis articulated the importance of the Fourth Amendment in our scheme of government:

> The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a part of the pain, pleasure and satisfactions of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions, and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men. To protect that right, every unjustifiable intrusion by the Government upon the privacy of the individual, *whatever the means employed,* must be deemed a violation of the Fourth Amendment. (Emphasis added).

A right so vital to an individual's peace and happiness cannot and should not be entrusted to the guardianship of a government which can act in secret. This, in a word, is the message of the fourth amendment.

It is quite clear, moreover, that the fourth amendment's protections are not to be suspended in cases of national security. Certainly the language of the amendment does not allow for exceptions in "national security" cases or any other kind of case. The history of the adoption of the amendment demonstrates, moreover, that the absence of exceptions was intended. When the fourth amendment was adopted, our Nation was only 11 years old.

Foreign threats to the Nation's newly won independence remained ever present. Yet the fourth amendment provides for no exception to its application. The compelling conclusion is that the amendment should be applicable to all situations, including cases involving national security crimes. This conclusion is supported by innumerable constitutional scholars, including Justice William O. Douglas, who has stated:

> There is, so far as I understand constitutional history, no distinction under the Fourth Amendment between types of crimes. *Katz* v. *United States,* 389 U.S. 347, 360 (1967) (concurring opinion).

Our Founding Fathers, of course, did not contemplate the advent of telecommunications. Consequently, the amendment does not expressly include wiretaps of telephones within the ambit of its protection. But there is no question that the constitutional right to privacy is no less important in cases where the Government listens to a telephone conversation than when it physically enters an individual's home.

In the 1967 cases of Berger against New York and Katz against New York, the Supreme Court held that the fourth amendment's protections apply to wiretaps since they are searches which invade an individual's privacy. The Court reaffirmed here the basic proposition that Government wiretaps—like other Government searches—must have the prior approval of a judicial warrant based on probable cause.

The soundness of the Berger and Katz decisions has been reaffirmed repeatedly by the Supreme Court.

Most recently, in *United States* v. *United States District Court* (407 U.S. 297 [1972]), commonly referred to as the Keith case, the Court held that the Government could not wiretap American citizens without a judicial warrant—even when the citizens' activities threatened the domestic security of the Nation. Again, the Court made clear that wiretaps must adhere to the safeguards delineated by the fourth amendment:

> Though physical entry of the home is the chief evil against which the wording of the Fourth Amendment is directed, its broader spirit now shields private speech from unreasonable surveillance. 407 U.S. at 313.

The Supreme Court has not yet decided whether the fourth amendment's protections apply to cases involving foreign powers and their agents. I am confident, however, that the same considerations underlying the Keith decision will compel the Court to hold that even in those situations involving foreign agents there must be a judicial warrant based on probable cause before the Government can wiretap. Otherwise, there would be a gaping hole in the fourth amendment's protections. There would be no way for the Congress or the public to know whether the power to conduct warrantless wiretaps was being abused. In a word, warrantless wiretaps will probably not be sanctioned since they clearly violate a fundamental constitutional principle: the notion that all governmental powers are "fenced about."

Even the Justice Department recognizes that the Supreme Court will probably hold that warrantless wiretaps for foreign intelligence purposes are unconstitutional. One year after the Keith case was decided, Assistant Attorney General Robert Dixon wrote a memorandum for then Attorney General Richardson. After reviewing the Keith case and other judicial decisions, Mr. Dixon acknowledged that warrantless wiretaps for foreign intelligence purposes are probably unconstitutional. Because this memorandum clearly explains why they are unconstitutional, it merits quotation.

The memorandum begins with a discussion of the Government's case for warrantless wiretaps. It then states that:

> . . . the reasoning in the *Keith* case itself suggests that the Court may not be readily persuaded of the Government's case. Although it is true that the Court specifically reserved the foreign intelligence issue, at no point did it volunteer any reasons as to why, as a matter of constitutional law it might be willing to make this distinction when presented with a proper case. To the contrary, the reasoning in *Keith* seems to anticipate and reject arguments the Department is making at this time in the 'foreign intelligence' cases in the lower courts.

Because the Keith case is so important here, I would like to quote key portions of the Courts opinion. Most of these passages are also quoted in the Justice Department's memorandum to demonstrate that each of the Government's arguments was rejected by the Supreme Court:

As to secrecy:

> The investigation of criminal activity has long involved imparting sensitive information to judicial officers who have respected the confidentialities involved. Judges may be counted upon to be especially conscious of security requirements in national security cases. [The 1968 electronic surveillance statute] already has imposed this responsibility on the judiciary in connection with such crimes as espionage, sabotage, and treason . . . each of which may involve domestic as well as foreign security threats. Moreover, a warrant application involves no public or adversary proceedings: it is an *ex parte* request . . . Whatever security dangers clerical and secretarial personnel may pose can be minimized by proper administrative procedures, possibly to the point of allowing the Government itself to provide the necessary clerical assistance. 407 U.S. at 320–21.

As to complexity and the need for sophistication:

> We cannot accept the Government's argument that internal security matters are too subtle and complex for judicial evaluation. Courts regularly deal with the most difficult issues of our society. There is no reason to believe that federal judges will be insensitive to or uncomprehending of the issues involved in domestic security cases . . . . If the threat is too subtle or complex for our senior law enforcement officers to convey its significance to a court, one may question whether there is probable cause for surveillance. 407 U.S. at 320.

As to the need to trust the Government:

> . . . Fourth Amendment freedoms cannot properly be guaranteed if domestic security surveillances may be conducted solely within the discretion of the executive branch. The Fourth Amendment does not contemplate the executive officers of Government as neutral and disinterested magistrates. Their duty and responsibility is to enforce the laws, to investigate and to prosecute. But those charged with this investigative and prosecutorial duty should not be the sole judges as to when to utilize constitutionally sensitive means in pursuing their tasks. The historical judgment, which the Fourth Amendment accepts, is that unreviewed executive discretion may yield too readily to pressures to obtain incriminating evidence and overlook potential invasions of privacy and protected speech. 407 U.S. at 307.

Despite the clear implications that warrantless wiretaps are unconstitutional, the Justice Department memorandum suggests that such wiretaps be continued until the Supreme Court issues its final decision:

> As we noted earlier, we believe that the Department is justified in continuing to rely on the clear weight of the case law until the Supreme Court rules otherwise. However, close analysis of *Katz* and *Keith* suggests that the ultimate decision of the Court may be against the position the Department is now arguing.

Apparently, the Department accepted the memorandum's recommendation to continue the use of warrantless wiretaps. A representative of the Department testified at a recent congressional hearing that at any point in time approximately 100 warrantless wiretaps are operative. The representative stated that these wiretaps often include surveillances of American citizens. He testified moreover, that these wiretaps are needed to obtain foreign intelligence information and that that information could not be obtained if the Government had to first secure a judicial warrant based on a probable cause standard.

There are three essential answers to that argument.

First, there is still a serious question as to whether wiretaps are really valuable in obtaining foreign intelligence information. There is virtually no evidence available to the public to demonstrate the need for wiretaps. The only information available is the conclusory claims of selected Government officials. These claims, however, are amply refuted by the assertions of other knowledgeable sources.

For instance, on February 28, 1973, President Nixon discussed the national security wiretap program with John Dean. Some of the wiretaps installed under this program were operative for extensive periods of time—one for 21 months. President Nixon's evaluation of these wiretaps was this:

> They never helped us. Just gobs and gobs of material; gossip and [B. S.].

Attorney General Saxbe has likewise cast doubt on the utility of wiretaps for foreign intelligence purposes. In congressional testimony last May, he stated that if Congress banned all wiretapping it would put the Government at some disadvantage, but that the Government could live with the ban.

It is not difficult to understand why national security wiretaps are of limited value. As George Kennan, a seasoned diplomat, points out in his memoirs, most foreign agents and embassy officials automatically assume their telephones are tapped or their rooms bugged; accordingly, they are very careful about where and with whom they discuss sensitive matters.

Even assuming there is a need for national security wiretaps, there is a second reason why there should be no opposition to a prior court warrant based on probable cause: the Government officially already maintains a standard of criminality in deciding whether to authorize a national security wiretap. After the 1972 Keith case, a representative of the Justice Department testified before a subcommittee of the Senate Judiciary Committee. In that testimony, the representative stated that a national security wiretap would not be authorized,

> Without the presence of such factors as substantial financing, control by or active collaboration with a foreign government and agencies thereof in unlawful activities directed against the Government of the United States.

In his congressional testimony last May, Attorney General Saxbe confirmed that this official standard is still operative. This official standard, of course, makes eminent sense. For virtually every activity which threatens the Nation's security is a statutory crime, such as espionage, treason or sabotage. Therefore, if there is in fact a real need to wiretap for foreign intelligence purposes, the Government would be able to secure the court warrant.

There is, however, a final reason why the Government's wiretap needs—whatever they may be—cannot justify an exception to the constitutional requirement of a prior judicial warrant based on probable cause: our Constitution rejects the notion that the Government's needs alone define the limits of its powers. The reasoning here is epitomized by a debate which occurred in the English House of Commons in 1763. This debate concerned a proposal to give the King's agents the power to search people's private homes on the basis of general warrants. It was claimed that this broad power was necessary if the King were to protect the security of the nation. In opposing the proposal, William Pitt made an eloquent appeal based on history and the rights of citizens. Pitt stated.

> Necessity is the plea for every infringement of human freedom. It is the argument of tyrants; it is the creed of slaves.

Pitt's statement underlies the fundamental principles of our Constitution. Those constitutional principles make clear that the powers of government are limited—not to promote efficiency, but, as the Preamble of our Constitution declares, to "secure the Blessings of Liberty to ourselves and our Posterity." This course of action was not without risks. Our Founding Fathers understood that a government of limited powers might not be able to do all that it thought necessary to promote the Nation's welfare and defend the Nation's security. But our Founding Fathers believed that the benefits of a free society far outweighed that risk; they believed that a government which could violate an individual's liberty at will—whether for good purposes or evil purposes—was a government not worth having.

Time surely has confirmed the wisdom of the Founding Fathers' decision. The Watergate scandals and other recent events demonstrate the dangers of a society where Government officials can violate an individual's liberties at will.

We should not fail to heed the warning signs. Constitutional provisions empowering the Government to protect the Nation's security were never thought to justify the subversion of individual freedoms afforded by other constitutional provisions. As Judge Ferguson declared in United States against Smith, a case concerning the use of warrantless wiretaps for national security purposes:

> To guarantee political freedom, our forefathers agreed to take certain risks which are inherent in a free democracy. It is unthinkable that we should now be required to sacrifice these freedoms in order to defend them. 321 F.Supp. 424, 430 (C.D. Calif. 1971).

Congress cannot and should not tolerate governmental violations of the individual's constitutional rights to privacy by wiretaps or any other means. That right to privacy, as well as other constitutional liberties, are the cornerstone of our democratic system. If those rights and liberties are eroded, the very fabric of our constitutional system is endangered. Congress should, therefore, act now to protect

our cherished rights and liberties from abusive national security wiretaps.

EXHIBIT 1

S. 743

A bill to establish administrative practices, procedures, and standards under which court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Security Surveillance Act of 1975".

SEC. 2. The Congress hereby finds and declares that:

(a) The conduct of electronic surveillance on grounds of national security has resulted in serious abuses and is subject to further abuse by persons acting under color of law.

(b) There are no adequate administrative, legislative, or judicial controls to govern the conduct of electronic surveillance on grounds of national security.

(c) Electronic surveillance conducted on grounds of national security and undertaken without court authorization violates the constitutional rights guaranteed to American citizens and foreigners in this country under the first, fourth, fifth, sixth, and ninth amendments to the Constitution of the United States.

(d) Electronic surveillance conducted on grounds of national security and undertaken without court authorization constitutes an unreasonable search and seizure and in any event should not take place.

(e) The ability of the President to fulfill any constitutional duties to protect the United States against foreign attack or other hostile acts of foreign powers or to conduct the foreign relations of the United States would not be hampered by a requirement of prior court authorization for any electronic surveillance undertaken on grounds of national security.

(f) It is the purpose of this Act to establish administrative practices, procedures, and standards under which prior court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground.

SEC. 3. (a) Section 2510(10) of title 18, United States Code, is amended by deleting after "Code;" the following: "and".

(b) Section 2510(11) of title 18, United States Code, is amended by deleting after "directed" the period (".") and adding the following: ";".

(c) Section 2510 of title 18, United States Code is amended by adding after subsection (11) thereof the following new subsections:

"(12) 'foreign agent' means any person who is not an American citizen or an alien lawfully admitted for permanent residence within the United States, and whose activities are intended to serve the interest of a foreign power and to undermine the military security or national defense of the United States;

"(13) 'foreign power' means a foreign principal as defined by subsection (b)(1) of the first section of the Foreign Agents Registration Act of 1938; and

"(14) 'target' means the individual or party whose wire or oral communications are sought to be or have been intercepted.".

SEC. 4. (a) Section 2511(2)(a)(ii) of title 18, United States Code, is amended by deleting the period at the end thereof and inserting the following:

": *Provided,* That except as provided for in section 2518(7) and section 2518A(10), a communication common carrier shall not install or assist in the installation of any device or mechanism to intercept a wire or oral communication, or otherwise allow its employees, facilities or resources to be used to assist in the interception of a wire or oral communication, unless the government officer requesting such installation or assistance provides a true and accurate copy of a court order authorizing the interception requested. Nor shall any communication common carrier assist in or allow the use of its employees, facilities or resources for the interception of wire or oral communications beyond the date authorized in the court order unless it receives from an appropriate government officer a true and accurate copy of a court order extending the time period during which such interception is authorized. In cases involving application of section 2518(7) and 2518A(10), the common carrier shall not assist in or allow the use of its employees, facilities, or resources for the interception of any wire or oral communication unless it receives from an appropriate government officer a true and accurate copy of the President's written authorization for such interception, and such interception shall not be continued for more than forty-eight hours unless the carrier receives a true and accurate copy of a court order authorizing the continuation of such interception: *Provided further,* That every communication common carrier shall maintain complete and accurate records of all interceptions of wire or oral communications in which the carrier or any one or more of its employees, officers or agents assists or is requested to assist in any way. Such records shall include—

"(i) the name of the government officer requesting the assistance of the common carrier or the use of its employees, facilities or resources,

"(ii) the name of the judge and the location of the court authorizing the interception,

"(iii) the dates for which the interception was authorized, and

"(iv) the dates during which the interception occurred.".

(b) Section 2511(2)(a) is amended by adding after paragraph (ii) thereof the following new paragraphs:

"(iii) Any willful violation of this section by a communication common carrier or one of its employees shall render the carrier liable for the civil damages provided for in section 2520(2) of this chapter.

"(iv) Upon learning of any violation of this section, the communication common carrier shall notify those individuals whose wire or oral communications have been wrongfully intercepted and the Attorney General of the United States of the facts known to it concerning the violation.".

SEC. 5. Section 2511(3) of title 18, United States Code, is repealed.

SEC. 6. Subsection (a) of section 2516 of title 18, United States Code, is repealed.

SEC. 7. Chapter 119 of title 18, United States Code, is amended by adding immediately after section 2516 thereof the following new section:

"§ 2516A. Authorization for interception of wire or oral communications relating to military security or national defense.

"(1) The Attorney General, or any Assistant Attorney General specially designated by the Attorney General, may authorize an application to a Federal judge of competent jurisdiction for, and such judge may grant, in conformity with section 2518A of this chapter, an order authorizing or approving the interception of wire or oral communications by the Federal Bureau of Investigation, or any Federal department, agency, or other unit having lawful responsibility for the investigation of the offense as to which application is made, when—

"(a) there is probable cause to believe that the target has committed or is about to commit an offense punishable by death or by imprisonment for more than one year under—

"(i) sections 2274 through 2277 of title 42 of the United States Code (relating to enforcement of the Atomic Energy Act of 1954), or

"(ii) one of the following chapters of this title: Chapter 37 (relating to espionage), Chapter 105 (relating to sabotage), and Chapter 115 (relating to treason); and

"(b) such interception will probably provide or has provided evidence concerning the commission of that offense.

"(2) Notwithstanding section (1) above, the President may, in advance and in writing, authorize the Attorney General to make an application to a judge of the United States District Court for the District of Columbia designated pursuant to section 2518A(1)(b) of this chapter for, and such judge may grant in conformity with section 2518A of this chapter, an order authorizing or approving the interception of wire or oral communications by the Federal Bureau of Investigation when such interception will not be inconsistent with the international obligations of the United States and when—

"(a) there is probable cause to believe that the target is a foreign agent or a foreign power; and

"(b) there is probable cause to believe that such interception is necessary—

"(i) to obtain information which is necessary to protect the Nation against an actual or potential attack or other hostile act of a foreign power,

"(ii) to obtain foreign intelligence information that is essential to the military security or national defense of the United States, or

"(iii) to obtain information which is necessary to prevent the disclosure of information that is essential to the military security or national defense of the United States to a foreign agent or a foreign power.

Authorization of each application to a judge provided for in this section shall be made by the President personally and shall not be delegated.".

SEC. 8. Chapter 119 of title 18, United States Code, is amended by inserting immediately after section 2518 thereof the following new section:

"§ 2518A. Procedure for interception of wire or oral communications relating to military security or national defense

"(1)(a) Each application for an order authorizing or approving the interception of a wire or oral communication made pursuant to section 2516A of this chapter shall be made in writing upon oath or affirmation and shall state the applicant's authority to make such application. In cases involving section 2516A(1), the application shall be made to a federal judge of competent jurisdiction. In cases involving section 2516A(2), the application shall be made to a judge of the United States District Court for the District of Columbia who shall be selected according to the procedures required by subsection (1)(b) of this section.

"(b) The United States District Court for the District of Columbia shall designate three judges of that court, each of whom shall be authorized to hear applications for an order authorizing or approving the interception of wire or oral communications made pursuant to section 2516A(2) of this chapter. The United States District Court for the District of Columbia shall establish procedures according to which each such application shall be heard by one of the three designated judges, chosen on a random basis and without advance notice to the applicant. Such procedures shall include provision for selecting an alternate judge at random from among the three designated judges if the judge originally selected according to the procedures is unavailable.

"(2) Each application made pursuant to subsection (1)(a) of this section shall include the following information:

"(a) the identity of the investigative or law enforcement officer making the application, and the officer authorizing the application;

"(b) a full and complete statement of the facts and circumstances relied upon by the applicant supporting his belief that an order should be issued, including—

"(i) a particular description of the nature and location of the facilities from which or the place where the communication is to be intercepted,

"(ii) a description, with as much particularity as is possible and practicable, of the communications sought to be intercepted, and

"(iii) the identity of the target, if known;

"(c) in cases involving section 2516A(1) of this chapter, details as to the particular offense that has been, is being, or is about to be committed;

"(d) in cases involving section 2516A(2)—

"(i) a full and complete description of the facts and circumstances supporting the applicant's belief that the target is a foreign agent or a foreign power,

"(ii) a full and complete description of the particular activity that has been conducted, is being conducted, or will be conducted by the target which necessitates the interception of wire or oral communications, and

"(iii) a true and accurate copy of the written authorization of the President of the United States;

"(e) a full and complete description, with as much particularity as possible, of the communications likely to be intercepted which are not of the type sought to be intercepted, and a full and complete statement of the procedures that will be taken to ensure that such communications will be intercepted, disclosed, and disseminated only to the minimum degree possible and practicable;

"(f) a full and complete statement as to whether or not other investigative procedures have been tried and failed or why they appear to be unlikely to succeed if tried or to be too dangerous;

"(g) a statement of the period of time for which the interception is required to be maintained. If the nature of the investigation is such that the authorization for interception should not automatically terminate when the described communications have been first obtained, a particular description of facts establishing probable cause to believe that additional communications of the type sought will occur thereafter;

"(h) a full and complete statement of the facts concerning all previous applications known to the individuals authorizing and making the application, made to any judge for authorization to intercept, or for approval of interceptions of, wire or oral communications involving any of the same persons, facilities, or places specified in the application, and the action taken by the judge on each such application;

"(i) a full and complete statement of the reasons supporting the applicant's belief that an order authorizing or approving the interception of wire or oral communications will not be inconsistent with the international obligations of the United States; and

"(j) where the application is for the extension of an order, a full and complete statement setting forth—

"(i) the information and results thus far obtained from the interception;

"(ii) the practices and procedures taken to minimize the interception and the disclosure or dissemination of communications not of the type authorized or approved to be intercepted;

"(iii) the communications not of the type authorized or approved to be intercepted that were intercepted and the persons and parties to whom such communications were disclosed or disseminated;

"(iv) the specific facts and circumstances relied upon by the applicant supporting his belief that a continuation of the interception for an additional period of time will yield information of the type sought to be obtained in the original application; and

"(v) if the interception has not yielded significant information of the type authorized or approved, the particular reasons why it has not yielded such information.

"(3) The judge may require the applicant to furnish additional testimony or documentary evidence in support of the application. But in no event may authorization or approval of any wire or oral communication be granted under this section unless the applicant furnishes evidence, independent of his and others' conclusory opinion, that such interception will serve one of the purposes set forth in section 2516A of this chapter.

"(4) Upon such application the judge may enter an *ex parte* order, as requested or as modified, authorizing or approving interception of wire or oral communications within the territorial jurisdiction of the court in which the judge is sitting, or, in cases involving section 2516A(2) when application has been made to a judge of the United States District Court for the District of Columbia under the procedures specified in subsection (1)(b) of this section, anywhere within the territorial jurisdiction of the United States, if the judge determines on the basis of the facts submitted by the applicant that—

"(a) there is probable cause for belief that such interception is necessary to obtain information serving one of the purposes set forth in section 2516A of this chapter;

"(b) there is probable cause for belief that particular communications yielding information serving one of the purposes set forth in section 2516A of this chapter will be obtained through such interception;

"(c) normal investigative procedures have been tried and have failed or appear to be unlikely to succeed if tried or to be too dangerous;

"(d) there is probable cause for belief that the facilities from which, or the place where, the wire or oral communications are to be intercepted are being used or are about to be used by the target;

"(e) specified procedures will be followed, and, in cases involving application for an extension of an order, have been followed, to ensure that wire or oral communications which are not of the type authorized or approved to be intercepted will be intercepted, disclosed, and disseminated only to the minimum degree possible and practicable;

"(f) such interception will not be inconsistent with the international obligations of the United States; and

"(g) in cases involving section 2516A(2)—

"(i) the President has provided written authorization for the interception, and

"(ii) the target is a foreign agent or a foreign power.

"(5) Each order authorizing or approving the interception of any wire or oral communication shall specify—

"(a) the identity of the target, if known;

"(b) the nature and location of the communications facilities as to which, or the place where, authority to intercept is granted;

"(c) a description, with as much particularity as is possible and practicable, of the type of communication authorized or approved to be intercepted;

"(d) the identity of the person authorizing the application;

"(e) the period of time during which such interception is authorized, including a statement as to whether or not the interception shall automatically terminate when the described communication has been first obtained; and

"(f) a particular description of the procedures to be followed to insure that the interception of communications not of the type authorized or approved to be intercepted, and the disclosure or dissemination of such communications, will be minimized as much as is possible and practicable.

"(6) No order entered under this section may authorize or approve the interception of any wire or oral communication for any period longer than is necessary to achieve the objective of the authorization, nor in any event longer than fifteen days. Extensions of an order may be granted, but only upon application for an extension made in accordance with subsection (2) of this section and upon the court's making anew the findings required by subsection (4) of this section. In making this new finding under subsection (4), the judge shall, in cases involving section 2516A(1) of this chapter, require the applicant to furnish additional evidence independent of that relied upon in granting the initial order and which, standing alone, would satisfy the requirements of subsection (4). The period of extension shall be no longer than the authorizing judge deems necessary to achieve the purposes for which it was granted and in no event for longer than fifteen days. Every order and extension thereof shall contain a provision that the authorization to intercept shall be executed as soon as practicable, shall be conducted in such a way as to minimize the interception of communications not otherwise subject to interception under this chapter, and must terminate upon attainment of the authorized objective, or in any event within fifteen days.

"(7) If the court has previously denied an application made pursuant to section 2516A of this chapter for an order or an extension of an order authorizing or approving the interception of wire or oral communications, the court may not enter an order directed against the same traget in response to a subsequent application made pursuant to section 2516A of this chapter unless, in addition to the other requirements of this section, the court makes a specific finding that significant new information in support of the application, which was unknown or unavailable to the applicant at the time the previous application was made, is contained in the application.

"(8) Whenever an order authorizing interception is entered pursuant to this chapter, the order may require reports to be made to the judge who issued the order showing what progress has been made toward achievement of the authorized objective and the need for continued interception. Such reports shall be made at such intervals as the judge may require.

"(9) The contents of any wire or oral communication intercepted by any means authorized by section 2518A shall be subject to the requirements of paragraphs (a) and (c) of section 2518(8) of this chapter. Applications made under section 2516A of this chapter and orders granted under this section shall be sealed by the judge, and custody of them shall be wherever the judge directs. They shall not be destroyed except on order of the issuing or denying judge, and in any event shall be kept for twenty years.

"(10) Notwithstanding any other provision of this chapter, if the President determines that—

"(a) an emergency situation exists—

"(i) with respect to activities of a foreign power or a foreign agent which pose a substantial threat to the military security or national defense of the United States, or

"(ii) with respect to criminal activities involving one of the offenses specified in section 2516A(1)(a) which pose a substantial threat to the military security or national defense of the United States,

"(b) such activities require a wire or oral communication to be intercepted before an order authorizing such interception can with due diligence be obtained, and

"(c) there is good reason to believe that an order could reasonably be entered under sections 2516A and 2518A of this chapter to authorize such interception,

the President may in advance and in writing authorize the interception of such wire or oral communication by the Federal Bureau of Investigation if an application for an order approving the interception is made in accordance with this section and section 2516A of this chapter as soon as possible and in any event within forty-eight hours after the President authorizes the interception. Any such authorization to intercept shall be made by the President personally and shall not be delegated. In the absence of an order, such interception shall immediately terminate when the communication sought is obtained or when the application for the order is denied, whichever is earlier. In the event such application for approval is denied, or in any other case where the interception is terminated without an order having been issued, the contents of any wire or oral communication intercepted shall be treated as having been obtained in violation of this chapter, and an inventory shall be served as provided for in subsection (11) of this section on the target and on all identifiable persons and parties whose communications were intercepted.

"(11) Notwithstanding any other provision of this chapter, within a reasonable time but not later than thirty days after the filing of an application for an order of approval under section 2518A(10) of this chapter which is denied or the termination of the period of an order entered under this section or provisions thereof, the issuing or denying judge shall cause to be served, on the target and on all identifiable persons and parties whose communications were intercepted, an inventory which shall include notice of—

"(a) the fact of the entry of the order or the application;

"(b) the date of the entry and the period of authorized, approved or disapproved interception, or the denial of the application; and

"(c) the fact that during the period wire or oral communications of such person were or were not intercepted.

The judge, upon the filing of a motion, shall make available to such person or his counsel for inspection a copy of each court order, extension, and application under which such interception was authorized or approved, and a complete and accurate transcript or other record of the intercepted communications of such person and other parties to such communications: *Provided*, That upon application of the Attorney General, the judge who authorized or approved the interception may postpone the filing of an inventory and the disclosure of such interception for thirty days if the judge makes specific findings based upon specific facts—

"(a) that the target is engaged in a continuing criminal enterprise and there is probable cause to believe that disclosure of the interception—

"(i) would enable the suspected individual to escape prosecution for that particular crime,

"(ii) would result in the destruction or unavailability of evidence relating to the commission of that particular crime, or,

"(iii) would result in bodily harm to an individual, or

"(b) that disclosure of the interception will endanger the military security or national defense of the United States.

The judge may grant thirty-day extensions of the delay of disclosure of the interception if, after the initial thirty days, the judge makes new findings that one of the aforementioned conditions justifying delay still exists. Any interception disclosed pursuant to this subsection and which involves application of section 2516A(2) need not disclose any foreign power whose wire or oral communications were intended to be or were intercepted, nor those facilities at which the interception was intended to or did take place: *Provided further*, That, notwithstanding any other provision of this chapter, such filing of an inventory and disclosure of the interception must be made if an application for an order of approval for an interception conducted under section 2518A(10) of this chapter has been denied.

"(12)(a) The contents of any intercepted wire or oral communication or evidence derived therefrom shall not be received in evidence or otherwise disclosed in any trial, hearing or other proceeding in a Federal or State court unless each party, not less than ten days before the trial, hearing or proceeding, has been furnished with a copy of the court order, and accompanying application, under which the interception was authorized and approved.

"(b) Notwithstanding any other provision of this chapter or any other law, no part of the contents of any wire or oral communication intercepted pursuant to an order under this section granting an application made under section 2516A(2) of this chapter, and no evidence derived therefrom, may be received in evidence or otherwise disclosed in any trial, hearing or other proceeding in or before any court, grand jury, department, officer, agency, regulatory body, legislative committee or other legislative unit, or other authority of the United States, a State, or a political subdivision thereof, except in civil proceedings against a foreign agent or a foreign power or in proceedings pursuant to section 2520 of this chapter or pursuant to a request made under section 2519(5) of this chapter.

"(13)(a) Notwithstanding any other provision of this chapter, any aggrieved person in any trial, hearing, or proceeding in or before any court, grand jury, department, officer, agency, regulatory body, legislative committee or other legislative unit, or other authority of the United States, a State, or a political subdivision thereof, may move to suppress the contents of any intercepted wire or oral communication, or evidence derived therefrom, on the grounds that—

"(i) the communication was unlawfully intercepted;

"(ii) the order of authorization or approval under which it was intercepted is insufficient on its face;

"(iii) the interception was not made in conformity with the order of authorization or approval; or

"(iv) section 2518A(12)(b) requires such suppression.

Such motion shall be made before the trial, hearing, or proceeding unless there was no opportunity to make such motion or the person was not aware of the grounds of the motion. If the motion is granted, the contents of the intercepted wire or oral communication, or evidence derived therefrom shall be treated as having been obtained in violation of this chapter.

"(b) In addition to any other right to appeal, the United States shall have the right to appeal from an order granting a motion to suppress made under paragraph (a) of this subsection, or the denial of an application for an order of approval, if the United States attorney shall certify to the judge or other official granting such motion or denying such application that the appeal is not taken for purposes of delay. Such appeal shall be taken within thirty days after the date the order was entered and shall be prosecuted diligently.".

Sec. 9. (a) Section 2519 of title 18, United States Code, is amended by inserting immediately after "section 2518," the following: "or section 2518A when application has been made under section 2516A(1) of this chapter,".

(b) Section 2519 of title 18, United States Code is amended by inserting at the end thereof the following new subsections:

"(4) In January, April, July, and October of each year, the Attorney General shall report to the Committees on the Judiciary and on Foreign Relations of the Senate and the Committees on the Judiciary and on Foreign Affairs of the House of Representatives the following information with respect to interceptions of wire or oral communications made during the preceding three months pursuant to applications made under section 2516A and orders and extensions granted or denied under section 2518A of this chapter:

"(a) the number of such orders and such extensions applied for during the preceding three months;

"(b) the number of such orders and extensions granted;

"(c) the number of such orders and extensions denied;

"(d) the maximum and minimum numbers of such interceptions in place at any time during the preceding three months;

"(e) the number of such interceptions terminated during the preceding three months;

"(f) the duration of all such interceptions in place on the day of the report;

"(g) the duration of all such interceptions terminated during the preceding three months;

"(h) the status of all interceptions made under the provisions of section 2518A(10) of this chapter during the preceding three months; and

"(i) the monetary costs of all such interceptions during the preceding three months.

"(5) The President, the Attorney General, and all departments, agencies and other units of the Government shall supply to any of the committees named in subsection (4) of this section or any subcommittee thereof, upon request of such committee or subcommittee, any information regarding any interception of wire or oral communications made or applied for pursuant to section 2516A or section 2518A of this chapter, within thirty days of the receipt of such request: *Provided*, That such information shall not include either

"(a) the identity of the target or any other person whose wire or oral communications have been intercepted, or

"(b) the transcript of any wire or oral communication intercepted, except where such committee or subcommittee concludes that the information described in paragraphs (a) or (b) of this subsection is necessary in order for such committee or subcommittee to evaluate the justification for any interception or for any application for a court order authorizing or approving an interception, or to determine whether any interception has yielded information serving one of the purposes set forth in section 2516A of this chapter.".

Sec. 10. Chapter 119 of title 18, United States Code, is amended by inserting immediately after section 2520 thereof the following new section:

§ 2521. Standards for recordkeeping and dissemination

"Notwithstanding any other provision of law, within ninety days after the effective date of this section, the Attorney General shall issue and cause to be published in the Federal Register proposed regulations concerning:

"(1) the maintaining of records, files, and indexes regarding wire or oral communications intercepted pursuant to sections 2516A and 2518A of this chapter; and

"(2) the disclosure, distribution, or dissemination of information derived from wire or oral communications intercepted pursuant to sections 2516A and 2518A of this chapter among employees of departments and agencies of the Government, including—

"(a) to whom, by whom, and under what procedures such information may be disclosed, distributed, or disseminated;

"(b) what type of such information may be disclosed, distributed, or disseminated; and

"(c) what use may be made of such information.

Following public hearings, and within one hundred and eighty days after the effective date of this section, the Attorney General shall issue and cause to be published in the Federal Register regulations concerning the subjects described in subsections (1) and (2) of this section.".

SEC. 11. (a) The analysis of chapter 119 of title 18, United States Code, is amended by inserting immediately after the item "2516. Authorization for interception of wire or oral communications.", the following new item: "2516A. Authorization for interception of wire or oral communications relating to military security or national defense.".

(b) Such analysis is further amended by inserting immediately after the item "2518. Procedure for interception of wire and oral communications.", the following new item: "2518A. Procedure for interception of wire or oral communications relating to military security or national defense.".

(c) Such analysis is further amended by inserting immediately after the item "2520. Recovery of civil damages authorized.", the following new item: "2521. Standards for recordkeeping and dissemination.".

Mr. KENNEDY. Mr. President, I am pleased to join my colleague, the distinguished Senator from Wisconsin, in introducing the National Security Surveillance Act of 1975. This bill would require a court order to be obtained before any wiretapping or other electronic surveillance could be conducted on grounds of national security or any other ground.

In the last session of Congress, I introduced the Freedom from Surveillance Act of 1974, S. 4062. The bill we introduce today is a further development and refinement of that bill and of the Surveillance Practices and Procedures Act of 1973, S. 2820, introduced by Senator NELSON during the last Congress.

Mr. President, we are all aware of the serious abuses that have occurred through the use of warrantless electronic surveillance under the rubric of "national security." The 17 Government officials and newsmen wiretapped between May 1969 and February 1971 provide a case in point. One subject was tapped for 17 months after leaving Government service. Two had no access to classified information. Some were physically surveilled, in addition to being subjected to wiretapping. Normal procedures within the Justice Department and the FBI were not followed. At least one tap continued for 21 months without being reauthorized by the Attorney General, despite a Justice Department regulation requiring that every warrantless wiretap be reviewed and reauthorized every 90 days. Extraordinary secrecy was maintained, and an attempt was made to hide and deny the existence of the taps. The President himself was even overheard talking on the telephone to one of the persons tapped.

These abuses are not unique. Syndicated columnist Joseph Kraft had a wiretap placed in his home, and a "bug" placed in his hotel room abroad, at the instigation of the White House. American civilians in Germany were reportedly tapped by the Department of Defense. Even the President's brother, F. Donald Nixon, was wiretapped. Most recently, the CIA has revealed that it secretly wiretapped American citizens during the 1960's. And the testimony of former Attorneys General Elliot Richardson and William Saxbe before the Subcommittee on Administrative Practice and Procedure, which I chair, indicated that at least one Congressman and members of congressional staffs have been wiretapped.

These instances illustrate the potential for abuse that inevitably arises when one branch of Government claims the exclusive power to decide which persons will be subjected to electronic surveillance. As long as the executive branch alone asserts the power to decide who will be wiretapped, no American can be free of the fear of unrestrained Government surveillance. In order to remedy the abuses inherent in warrantless wiretapping, a court order must be required before any wiretapping or bugging—even in the so-called national security area—can be permitted. Effective congressional oversight is likewise required to insure that statutory and regulatory procedures are followed.

The bill which Senator NELSON and I introduce today attempts to prevent such abuses and to assure that the constitutional rights of every individual are protected. Under our bill, a court order would be required for all electronic surveillances, including those undertaken for national security purposes. American citizens could be wiretapped only if there were probable cause of a crime. National security electronic surveillances could not be authorized unless they were directed against foreign agents and unless they met strict criteria relating to military security or national defense. Moreover, such surveillances could only be performed by the FBI, with criminal penalties for others engaging in them.

Under our bill, the President could authorize a wiretap in case of a serious emergency threat to the military security or national defense, but would have to apply for a court order within 48 hours. The Attorney General would be required to report to the Committees on the Judiciary and on Foreign Relations of the Senate and the Committees on the Judiciary and on Foreign Affairs of the House of Representatives every 3 months as to the scope and nature of national security surveillances, and would also be directed to devise regulations to safeguard the right to privacy of persons overheard. With certain exceptions, the Government would be required to inform wiretapped individuals that their conversations have been overheard. In addition, the bill would establish new procedures to further regulate the activities of telephone companies and their employees in this area.

It is my belief that these safeguards are needed to reaffirm the rights guaranteed to every individual by the fourth amendment to the Constitution. That amendment provides that the Government cannot conduct a search unless it first obtains a judicial warrant based on probable cause. Ever since *Katz* v. *United States*, 389 U.S. 347 (1967), it has been recognized that wiretapping and bugging constitute searches and seizures within the meaning of the fourth amendment.

Electronic surveillance is a particularly intrusive type of search. The subject of the surveillance does not know that a search has taken place, as well he might if his house had been burglarized or his office broken into. The person conducting the search—the wiretapper or bugger—cannot readily restrict the search to certain conversations. He will inevitably listen to many innocent conversations that have nothing to do with the information or evidence sought. In addition, the wiretap or bug may intercept the conversations of innocent third parties who have no connection with the activity that is the subject of the surveillance.

Because of the particularly intrusive, secret, and indiscriminate nature of the invasion of privacy entailed, even more stringent safeguards should be placed upon the conduct of electronic surveillance than upon other searches and seizures. Among other provisions of our bill, we have included a requirement that all possible and practicable steps be taken to insure that any interception of communications not of the type authorized by the court to be overheard is minimized.

Mr. President, the Subcommittee on Administrative Practice and Procedure, which I chair, has closely examined warrantless wiretapping practices during extensive hearings in 1974 and 1972, continuing an active role begun in the 1960's with hearings into wiretapping and governmental invasions of privacy. Earlier this week, the subcommittee issued a report on warrantless wiretapping and electronic surveillance with the Foreign Relations Subcommittee on Surveillance, which was chaired by the distinguished Senator from Maine (Mr. MUSKIE). This report was based on 6 days of joint hearings held last year together with the Subcommittee on Constitutional Rights.

The report made several concrete recommendations for legislative and administrative changes in this area. It recommended that Congress enact legislation "to establish statutory guidelines for all electronic surveillance activities carried out in the United States for military security, national defense, or foreign intelligence gathering purposes." The report also suggested that congressional oversight in this area be strengthened, that the Attorney General develop written public regulations, that national security wiretapping be restricted to the FBI, and that new legislation be considered to further regulate the activities of telephone companies in this area. The bill which Senator NELSON and I introduce would implement these recommendations and others. I will ask that the complete findings and recommendations of this report be printed in the RECORD following my remarks.

In the Keith decision, *United States* v. *United States District Court*, 407 U.S. 297 (1972), Justice Powell, writing for a unanimous Court, declared:

> The price of lawful public dissent must not be a dread of subjection to an unchecked surveillance power. Nor must the fear of unauthorized official eavesdropping deter vigorous citizen dissent and discussion of Government action in private conversation. For private dissent, no less than open public discourse, is essential to our free society.

The great danger of secret Government wiretapping is not only the infringement of the constitutional rights of our citizens. It is not only the "chilling effect" upon the exercise of the first amendment rights of free speech, free assembly, and free dissent. It is not only the abridgement of the fourth amendment "right of the people to be secure against unreasonable searches and seizures." It is also the fear and suspicion instilled in our citizens. The knowledge that a few citizens are secretly wiretapped or bugged makes every person wonder whether his phone is tapped, or whether his room or his friend's or neighbor's is bugged.

Unchecked warrantless wiretapping has contributed to a crisis of confidence in our governmental institutions that is without parallel in recent times. A recent survey showed that three out of every four Americans feel that "wiretapping and spying under the excuse of national security is a serious threat to people's privacy." The time to respond to this concern is now.

I join the Senator from Wisconsin in calling upon my colleagues to speedily enact legislation to remedy the serious violations of constitutional rights that have taken place. I commend the distinguished Senator from Arkansas (Mr. McCLELLAN), chairman of the Subcommittee on Criminal Laws and Procedures, for holding legislative hearings on this subject last October jointly with the Subcommittee on Constitutional Rights, and for agreeing to expedite the consideration of legislation in this area this year. As chairman of the Subcommittee on Administrative Practice and Procedure and as a member of the Subcommittee on Criminal Laws and Procedures and on Constitutional Rights, I will work for the speedy enactment of this legislation.

Mr. President, I ask unanimous consent that the findings and recommendations of the report of the Subcommittees on Administrative Practice and Procedure and on Surveillance be printed in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

WARRANTLESS WIRETAPPING AND ELECTRONIC SURVEILLANCE

(Report by the Subcommittee on Surveillance of the Committee on Foreign Relations and the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary, February 1975)

FINDINGS

1. Congress has failed to exercise effective oversight of warrantless wiretapping and bugging.

2. There are not adequate written standards or criteria within the Executive Branch to govern the warrantless electronic surveillance of either Americans or foreigners. There is a gap in the statutes, the case law, and in administrative regulation on the use of warrantless wiretaps or bugs by Executive Branch agencies for alleged "national security" purposes.

The guidelines set forth in former Attorney General Elliot Richardson's letter of September 12, 1973, to the Committee on Foreign Relations are no more than a recitation of the items cited in Section 2511(3) of the 1968 Safe Streets Act, a negative statement neither conferring nor taking away Presidential power. As guidelines they are overly vague and general, and they are meaningless both as a standard for official action and as a safeguard for protecting the Fourth Amendment rights of the individual.

Former Attorney General Richardson and Deputy Attorney General Ruckelshaus initiated a study of warrantless wiretapping within the Justice Department and the FBI, with particular emphasis on developing internal guidelines and on devising warrant procedures appropriate to national security cases. However, these studies have been discontinued by Attorney General Saxbe.

3. The position of the Department of Justice in pending litigation concerning the extent of its authority to conduct wiretaps without a warrant under a national security rationale conflicts with recent testimony before the three Subcommittees by Attorney General Saxbe. The variance between the position taken by the Justice Department in pending litigation and Attorney General Saxbe's testimony before the Subcommittees underscores the need for written internal guidelines within the Justice Department and for improved legislative safeguards in this area.

4. Presidents have not given adequate supervision to wiretapping operations of Executive Branch departments and agencies, failing even to require compliance with the minimal requirement that the Attorney General approve in advance all warrantless wiretapping by Federal agencies.

Testimony before the Subcommittees indicated that while the FBI is supposed to be the only agency conducting warrantless wiretapping or bugging, several other agencies have done so. Moreover, much of this wiretapping has been done without the advance approval of the Attorney General, as required by President Johnson's 1965 memorandum, and there have been no effective measures to ensure compliance with that Presidential directive.

These wiretapping activities have been shrouded in secrecy by the government. For example, the Justice Department moved to dismiss the prosecution of Detroit Weathermen in *United States* v. *Ayres* rather than reveal which federal agency had conducted warrantless electronic surveillance.

However, the Attorney General has assured the joint Subcommittees that, insofar as he can determine, no U.S. government agencies other than the FBI are carrying out warrantless wiretapping or other electronic surveillances in the United States and that steps are being taken to make the FBI responsible for any electronic surveillance of Americans abroad. The Justice Department sent a questionnaire to other agencies on this subject.

5. The Justice Department promised to supply certain information regarding the nature and extent of warrantless electronic surveillance conducted by federal agencies, but has not done so. For this reason, the Subcommittees have been unable to make a detailed evaluation of the level and nature of recent wiretapping practices compared with those of the past.

6. No government-wide evaluation has been made of the value of the information gained from warrantless wiretapping weighed against the foreign policy and other risks involved and the costs incurred.

The need for such a detailed evaluation was highlighted by the testimony of several witnesses at the Subcommittee hearings. For example, Attorney General Saxbe testified that "you can just do away with all electronic surveillance and it would put us at some disadvantage but we would live with it." And former Secretary of State Dean Rusk testified that "at least 90 percent" of our intelligence comes from public sources.

7. The Subcommittee's study revealed new facts about the wiretapping of 17 government officials and newsmen that illustrate the dangers to constitutional rights than can take place under the rubric of "national security" in the absence of strict legislative and administrative measures to prevent abuses. Among the facts developed at the Subcommittee hearings are the following:

a. There was physical surveillance of some of the 17 subjects, as well as wiretapping.

b. Two subjects were tapped after they left government service. Two were tapped for 21 months, and two were tapped even though they had no access to classified information. In addition, taps on some subjects were taken off and then reinstituted.

c. The President himself was overheard talking on the telephone to one of the persons tapped.

d. Normal procedures were not followed within the Justice Department and the FBI. For example, at least one tap continued for 21 months without reauthorization by the Attorney General, despite a Justice Department requirement that taps be reviewed and reauthorized every 90 days.

e. Extraordinary secrecy was maintained, and an attempt was made to hide and deny the existence of the taps. Records of the taps were not entered in normal FBI indexes, including the Elsur index, and the records were secretly removed from the FBI and sent to the White House.

f. The major role played by the White House in initiating and maintaining these taps were without parallel.

g. According to Former Deputy Attorney General Ruckelshaus, there were "about four" additional taps of stem leaks after the 17 taps were discontinued. These facts illustrate the continued potential for infringement of rights that can occur under the guise of "national security" in the absence of firm legislative guidelines.

8. Congressmen and members of Congressional staffs have been wiretapped, according to Attorney General Saxbe and former Attorney General Richardson. Attorney General Saxbe was unable to identify the Congressman tapped or to ascertain how many there were.

9. While Title III of the 1968 Safe Streets Act authorized court-ordered wiretaps in cases of espionage, sabotage, treason and certain other security offenses, the government has generally conducted wiretaps in such cases without a court order, rather than under the warrant provisions of Title III.

10. The Department of State plays only a minor role in the initiation of warrantless wiretappings carried out ostensiby for foreign intelligence purposes. Apparently, at no point in the processing of requests for initiation of such wiretaps, or in the collection and evaluation of information gained from these wiretaps, is the judgment of senior foreign policy officials brought to bear.

RECOMMENDATIONS

1. Congress should enact legislation to establish statutory guidelines for all electronic surveillance activities carried out in the United States for military security, national defense or foreign intelligence gathering purposes.[1]

2. The President should initiate a thorough study of electronic surveillances for military security, national defense and foreign intelligence purposes to assess the benefits and costs of such operations, particularly with respect to the invasion of privacy, the effect on constitutional liberties, and the foreign policy risks involved.

3. Congressional oversight in this area should be strengthened. The Senate Committees on the Judiciary and on Foreign Relations and the House Committees on the Judiciary and on Foreign Affairs should be kept fully and currently informed concerning electronic surveillance operations carried out for foreign policy or foreign intelligence purposes.

4. The Attorney General should develop written public regulations establishing

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[1] Legislation to establish such statutory guidelines has been introduced by Senators Kennedy, Nelson, and Mathias (S. 4062, S. 2820, and S. 3440, respectively). Senators Muskie and Case are original cosponsors of S. 4062, 93d Cong., 2d Sess.

standards, guidelines, and procedures governing recordkeeping, filing and indexing of information derived from electronic surveillances and the disclosure or dissemination of such information within the government.

5. New legislation should be considered to further regulate the activities of telephone companies and their employees in the area of electronic surveillance.

6. Wiretapping for purposes of military security or national defense should be explicitly restricted to the FBI, with criminal penalties for other government employees or agents engaging in such activities.

7. The Department of State should evaluate the foreign policy implications of and make appropriate recommendations to the President on all requests for electronic surveillances involving foreign policy considerations.

8. The approval of the American Ambassador should be obtained prior to the initiation by any U.S. agency of any kind of surveillance of Americans abroad.

QUORUM CALL

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NELSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ECOLOGY AND ECONOMY

Mr. NELSON. Mr. President, during this period of economic turmoil everyone seems to be looking for someone else to blame for our present problems. Some have wrongly pointed the finger at environmentalists, claiming their efforts during the late 1960's and early 1970's to maintain a clean and healthful environment have been nonproductive and inflationary. In a recent speech, Administrator of the U.S. Environmental Protection Agency, Russell E. Train, set the record straight. Mr. Train correctly emphasizes the economic feasibility as well as the environmental necessity of continuing these programs as a vital component in our total economic program. I ask unanimous consent that the Administrator's speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Ecology and Economy: Two Household Words

(An Address by Russell E. Train, Administrator, U.S. Environmental Protection Agency)

It was, if I am not mistaken, George Bernard Shaw who originally made the remark—so often repeated in recent weeks—that if all economists were laid end to end they still wouldn't reach a conclusion.

I think that Mr. Shaw was being both unkind and unfair.

The economic conferences of the past few weeks have demonstrated beyond any doubt that economists do not have the slightest difficulty in reaching a conclusion—they just never reach the same one.

And something would be seriously wrong if they ever did. For the really critical economic questions must inevitably and equally be political and social questions as well; and efforts to resolve those questions must, for that reason, reflect the wide divergence of views and values within our society, the different—even disparate—interests and aims of its various sectors.

The conferences culminating in the White House summit did not result in easy or overnight answers to our economic problems. They sought, instead—and they succeeded—in making the Nation more fully aware of the fact that the economic problems before us are in some fundamental ways unprecedented; that these problems cannot be appeased or alleviated, but only aggravated, by throwing scapegoats and simplistic solutions at them; and that it will take nothing less than a strong and sustained effort on the part of all of us to gradually bring them down to size.

The economic conferences represent, in my judgment, the highly welcome opening up of reasoned, responsible and democratic discussion and decision-making at the highest levels of our national government.

It is in that same spirit that I would like to explore some of the economic impacts and implications of the environmental effort—and in particular to address the view of some in the business and financial community that pollution control expenditures are inherently inflationary and nonproductive and that, in a time when inflation is high and capital hard to come by, those expenditures should be stretched out. I assure you of my personal concern over these economic problems and my determination that EPA contribute responsibly to their solutions.

Let me underscore, at the outset, some of the main points that I think must be made:

Environmental expenditures are not a significant factor in the present inflation and are not to any signficant degree responsible for the capital squeeze. Their impact in these areas will remain small for the foreseeable future;

Environmental expenditures are no more inherently inflationary or nonproductive than expenditures for national defense, or law enforcement, or health, or education. Their purpose is to protect the public health and welfare against some very serious hazards;

Like any other expenditures—public or private—environmental expenditures cannot be justified simply on the grounds that their goals are important, even essential. It must be demonstrated both that we get what we pay for with these expenditures, and that what we get is worth it.

All the available evidence is that the benefits of our pollution control expenditures far exceed their costs.

EPA must, and does, in the very process of putting together its regulations, analyze and assess the potential economic impacts of those regulations and do everything it reasonably and responsibly can to ease or avert any adverse impacts. We must constantly strive to improve this process.

The fundamental economic aim of the environmental effort is to improve the quality of growth in this country by encouraging the reduction or recovery of the enormous waste of energy and other resources within our economy—wastes that, in large measure, represent economic as well as environmental costs. To the degree that clean air and water, and indeed land itself, have become increasingly scarce and costly goods—and that energy and other materials, whose extraction production and consumption generate the pollution we are trying to clean up, have themselves become increasingly scare and costly—it makes both environmental and economic sense to make the conservation of energy and the reduction of recovery of waste a matter of the highest priority.

Our environmental, energy and economic interests converge to put a premium upon greater and greater efficiency in the industrial process—a new efficiency which can, at one and the same time, cut costs, conserve energy and curb pollution—a new efficiency which I am convinced can help attack our inflation problem.

By encouraging us to live within our energy and environmental means, environmental expenditures can help us achieve the kind of economic growth that will give us *real* gains both in our standard of living and in our quality of life.

Let me take up these points in more detail, if not necessarily in the same order.

To begin with, environmental expenditures are no more responsible for the inflation and capital squeeze that affect not only our economy, but the economies of the entire industrialized world, than they were for the Arab oil embargo or for the drought that has diminished our agricultural yield this year. The oil cartel, the world-wide adverse climate and resulting food shortages, the end of the two-price system in copper and a rise in U.S. copper prices, the U.S. devaluation and resulting rise in import prices—these are the factors mainly responsible for what some economists have called "the first commodity inflation in over two decades."

A study by Chase Econometrics Associates forecasts that pollution programs will case an average annual inflation rate of about 0.3 percent for the period 1973 through 1978, and an average annual rate of 0.2 percent for 1973 through 1982. These forecasts are consistent with the report of the Council on Environmental Quality that the environmental program was responsible for less than 0.5 percent of the 17 percent increase in the wholesale price index for the year ending in March 1974.

It can hardly be said, with price effects of this magnitude, that the environmental expenditures are a significant part of our inflationary problems. Even if we delayed or eliminated all pollution control expenditures, we would not make a dent in our inflation problem. We would, on the other hand, not only allow the buildup of pollutants that would do increasingly greater damage to public health and welfare, but insure that when the Nation once more took up the task of reducing or removing these pollutants, it would be far more costly.

It should be understood, as well, that price increases which reflect the true cost of pollution control should not really be treated as price increases at all. The increase in the monthly electric bill as a result of pollution controls is, to begin with, a cost that we would otherwise have to pay in the form of health hazards. That price increase, moreover, represents an increase in value in the product itself: we are getting cleaner electricity. Cleaner electricity costs more than dirty electricity just as high-quality chopped meat costs more than low-quality chopped meat. When a price rise thus reflects a rise in the value of a product or a service, it can hardly be regarded as inflationary. Of course, we cannot be insensitive to any price rise, particularly in an area such as electricity where the burden may fall disproportionately on the poor and others least able to assume that burden. At the same time, however, it has to be pointed out that pollution itself, when unabated, imposes severe costs on society and that the adverse health effects tend to fall with special severity on the poor and others who live in crowded urban centers.

The relative rise in prices as a result of pollution controls is, as you know, simply a means of putting the market mechanism to work to protect the public health and welfare. By allowing some industries to use our environmental resources for free, we have encouraged them to expand at the expense of those resources. An increase in relative prices, which both discourages the purchase of environmentally intensive goods and encourages the development of less polluting industrial processes, must be a central part of an efficient environmental protection program.

If it could be demonstrated that the costs of pollution control exceeded its benefits, then it could legitimately be argued that pollution control expenditures should be delayed or diminished. But what we are really talking about, in such an instance, is not an inherent inflationary effect of pollution control expenditures, but rather a bad investment in pollution control. And we should not as a country support investments in pollution control, or any other public or private good, which do not give us what we pay for.

Like the consumer price index, our system of national accounts is thoroughly biased. It tells us what we spend when we clean up. But it does not tell us what we get for it, or what we spend when we fail to clean up. Indeed, a number of noted economists, including Paul Samuelson of MIT and James Tobin of Yale, contend that conventional measures of Gross National Product and inflation are inadequate because they do not account for improvements in the quality of life which are not priced by the market system. It is increasingly obvious that mere quantitative measures of production, whether of goods or services, provide very imperfect measures of the overall well-being of our society. Thus, the adverse health effects of sulfur emissions will increase the demand for medical services which in turn will go to increase GNP. Were GNP and the various inflation indices to adequately measure the beneficial outputs of pollution control, we would not have to deal with erroneous assertions that the costs of this control are non-productive or that they are inherently inflationary.

It is, as you know, far from a simple matter to work out the costs and benefits of an environmental program. The costs can be calculated with some precision; the benefits seldom can. A longer life span, the easing of pain from illness, the conservation of the beauty of our land, air and water—we can only use our best judgment in assigning dollar values to these things. We can, on the other hand, measure with far greater adequacy such benefits as decreased medical costs, decreased absenteeism and increased property values.

Simply on the basis of their quantifiable costs and benefits our environmental expenditures have been shown to be well worth the cost. The National Academy of Sciences (NAS), for example, has just completed a year-long study of our automotive emission standards which was widely expected to provide a basis for easing those standards. The NAS found, however, after weighing the quantifiable costs and benefits, that "the benefits in monetary terms that could reasonably be expected to accrue from implementing the Federal statutory emission control standards for automobiles are commensurate with the expected cost." The NAS did tentatively support an easing of automotive standards for nitrogen oxide emissions, a recommendation I made to Congress last year. In addition, EPA research has shown that measurable damages of $11.2 billion annually accrue from sulfur oxide and particulate pollution, compared with annual costs of less than half that amount to control it.

Environmental expenditures, like other expenditures, create jobs, markets and profit opportunities. These are positive opportunities which more and more companies should be taking advantage of, as Carl Gerstacher of Dow Chemical declared at one of the recent presummit economic meetings. Obviously environmental expenditures represent a demand for goods, which can bid up the price of scarce resources. But they are no more inflationary in this respect than spending to make our streets safe or our country secure, to build highways or hospitals or high rises. So far as demand-pull inflation is concerned, all expenditures are created equal.

It is not the nature of the expenditure that is critical in determining its inflationary impact, but rather the state of the economy at the time it is made. So-called "non-productive" defense expenditures have on some occasions helped lift the economy out of recessions just as they have helped fuel inflation at other times. It is interesting to note that when the construction industry was booming several years ago, some concern was expressed that EPA funding of municipal wastewater treatment plant construction would aggravate inflation in construction prices, now that the construction industry is having a rough time of it, some have suggested that EPA could help breathe some life into it by accelerating the funding of treatment plant construction. In short, it is the state of the economy and of the financial markets that determines whether environmental or any other expenditures are inflationary.

What we are talking about, then, is simply competing demands for goods. And the real question is: which should take precedence at a time when the control of inflation may require some easing of these demands? Do we cut expenditures on airplanes, or on school buildings, or on TV sets, or on pollution control? Pollution control may seem to be the easiest to cut, because—in relation to these others—it is a new kind of expenditure. But to put environmental needs last in line for this reason is like refusing to admit a critcially ill man to an overcrowded hospital without first comparing his needs with those of the patients already in the hospital. And to single out environmental demands as inflationary for this reason is like blaming the last patient admitted for the fact that the hospital is overcrowded.

Moreover, we really do not have the option of not paying environmental costs at all. The question is really who shall bear the burden of these costs. If electric power is generated with inadequate controls over sulfur and particulate emissions, then the cost is borne by the general public through statistically demonstrable increases in mortality and morbidity. If those same emissions are effectively controlled, then the cost of that control is (or should be) passed on to the consumers of the electricity through the rates. It is, thus, a matter of equity and of cost-effectiveness.

There is, therefore, no inherent reason to cut environmental spending first, just as there is no justification for unquestioningly placing it first above all other priorities without considering the tradeoffs. As long as resources are scarce, we cannot avoid the necessity of choosing among many desirable ends, not all of which we will fully achieve. The reasonable man will ask: what will I get for what I'm giving up? And that is what we must ask when considering whether to cut environmental or other expenditures.

The evidence, as I have already indicated, is that the inflationary impact of environmental expenditures is negligible and that the benefits they bring substantially exceed their costs. The economic case *for* environmental expenditures is thus very strong.

Once we have said all this concerning the impact of environmental expenditures upon the overall economy, we need to address the argument that the capital requirements of environmental protection efforts place an undue burden upon our capital markets and upon particular industries—that environmental requirements siphon off scarce capital that, at a time when capacity is desperately needed and unemployment is high, could be put to far more productive use.

We should recognize, to begin with, that the slowdown in the growth of U.S. industrial capacity over recent years would have occurred *whether or not* there had been pollution control requirements. As a recent Economic Letter of the First National City Bank put it: "the question of pollution control seems somewhat academic. Most of the basic industries could not justify new investment—with or without pollution controls—with profits at the 1970–71 levels."

Capital requirements for environmental protection are, and will remain, very small in relation to the total flow of capital within our economy. Indeed, the amount required is, and will remain, well within the normal year-to-year fluctuations in the rate of capital formation. Over the next decade, pollution-related investment by industry is projected to equal only 2–3 percent of gross private domestic investment, and about 6 percent of private investment in plant and equipment—although those percentages will be considerably higher for certain industries. It is worth emphasizing, in this regard, the recent survey by the Bureau of Economic Analysis in the Department of Commerce, in which only 2 percent of the firms surveyed reported that pollution control investment had caused a reduction in expenditures for new plant and equipment made in 1973 or planned for 1974.

There is simply no evidence that environmental requirements have had or will have any marked adverse impact upon jobs or productive capacity, especially since—as I have said—investments in environmental protection create new markets, new jobs and new profit opportunities. Since January 1971, EPA has learned of only 69 plant closings, involving 12,000 jobs, for which pollution control was alleged to be a significant factor. Of these, only 14 plant closings involved Federal enforcement action; and in 5 of those 14 closings State action was involved as well. I am concerned about the impacts these closings have on the employees, their families and communities, and I am working to ensure that these people get the full benefit of the various assistance programs available to them. While the local impacts of these closings may be quite serious, it simply cannot be said that they have significantly affected the Nation's productive capacity or its employment problem. Reviews of the plants that have closed reveal that they have, for the most part, been small, old marginal plants whose demise may have been hastened slightly by pollution standards, but which probably would have been closed soon anyway for economic reasons.

I expect that, in the future, the impacts of our program on productive capacity will be noticeable, but not alarming. The Chase Econometrics Associates study I mentioned earlier forecasts that pollution control costs would result in a negligible average increase in the rate of unemployment between 1973 and 1982—the largest increase would be 0.2 percent in 1978. The study also projects a negligible reduction in the annual growth rate of GNP, *as currently measured*, over the same period. In 1982, GNP would be only 0.2 percent lower because of pollution controls. These impacts are far smaller than those of a number of other controllable and uncontrollable factors, and cannot legitimately be regarded as cause for concern.

One reason that I expect only moderate impacts on existing capacity and employment is that EPA specifically looks at these in the process of setting standards. We now perform or sponsor studies of costs and economic impacts as part of the regular process of developing each standard. Furthermore, each proposed standard is subjected to the critical review of the public and other federal agencies before final promulgation. I am particularly concerned that we be highly sensitive to job impacts of our regulatory activities.

I should point out two limitations to EPA's ability to incorporate economic impact concerns into its standard-setting process. One is the uncertainty involved in forecasting future impacts under changing economic conditions and with advancing technologies. In addition, EPA's governing legislation in some instances does not grant the Agency the authority to take economic impacts into account. An extreme example of this is the auto emissions standards, which are set by law in the Clean Air Act.

Let me cite just a few examples in which a balancing of environmental and economic concerns has influenced EPA's actions:

A number of effluent guideline limitations on industrial water pollution have been modified on the basis of EPA studies and public comments;

The steel industry effluent guidelines are currently under review to determine if industry projections of major impacts on the Mahoning Valley region of Ohio are valid. If they are, a separate set of guidelines may be issued for that region;

The thermal effluent guidelines for the electric utility industry have undergone a very thorough review of the practicability of alternative levels of control for the utility industry and its customers, with the final guidelines reflecting substantially lower costs commensurate with effective environmental protection;

A Clean Air Act amendment has been sought to ease the statutory nitrogen oxide standard now scheduled for imposition in 1978. The major factor in this decision was the likelihood that the required technology would not be available in time;

EPA has sought to persuade States whose sulfur oxides emissions standards are more stringent than required to meet health-related standards to eliminate the "overkill," thus allowing the continued use of available fuels until acceptable control is feasible;

Nondegradation regulations have, been structured to mesh with State economic development planning without posing unreasonable constraints on necessary development and at the same time fully protecting the integrity of Federal air quality standards; and

The low-lead gasoline regulations contain a delay in imposition upon small refiners who need more time to finance and arrange the installation of octane-boosting equipment.

These are just some examples of our effort to insure that impacts of environmental regulations on existing and new plants are warranted by the environmental improvement involved. In the current economic situation, we must also take a long, hard look at another potential impact—at the possibility that in capacity-short industries environmental requirements prevent firms from investing available capital in expansion of capacity which is sorely needed to eliminate demand-pull inflation. The evidence on this impact is exceedingly mixed. EPA is currently assessing the combined impact of its regulations upon key industries as well as examining the effects of its regulations upon capital markets and the costs of capital for specific industries.

One industry especially hard hit by the current capital squeeze is the utility industry. Over the past few years, its costs have drastically increased—primarily for reasons that have little or nothing to do with the environment. Its fuel, finance and construction costs have all gone up—mainly for non-environmental reasons. Delays have also raised costs, but these have, for the most part, been the result of labor or engineering problems or AEC actions related to safety. In addition, utilities could until recently count on an increase in thermal efficiency from new plants to provide them with a cost savings to compensate for other cost increases. The switch to nuclear capacity and slow down in the rate of improvement in thermal efficiency has deprived the utilities of this compensatory cushion. Since State public utility commissions have been slow to raise rates in the face of these cost increases, utility earnings have fallen, and so has their ability to attract capital.

It seems clear both that the utilities are sorely squeezed for capital and that they will continue to be squeezed until they are allowed to earn adequate rates of return. I have made emphatically clear my view that the costs of pollution control should be fully related in the prices utilities charge for electricity. As long ago as last April, I wrote the State utility commissions urging that they permit utilities to "pass through" the full costs of environmental control. I would urge, further, that the State commissions grant the utilities the higher rates of return they must have to finance orderly and essential expansion. I would also suggest that there are steps which utilities themselves can and should take to ease their capital problems. By establishing appropriate peakload prices, for example, for large industrial and commercial customers, they could move to measurably reduce the growth of peak demand, and thus reduce their capital needs as well as the amount of pollution they create and are required to control. They could, at one and the same time, save energy and cut capital needs and pollution costs.

It is more than an historical curiosity and coincidence that the words "ecology" and "economy" come from the same etymological root—from the Greek word meaning "household management."

In no small measure, our energy, environmental and economic problems reflect the fact that we are living beyond our means.

Pollution is waste, and to the extent that we can prevent that waste and put it to productive use we are serving both economic and environmental ends. In other words, as I said earlier, our energy, environmental and economic interests combine to put a very high premium on greater efficiency in the industrial process.

One expert has estimated that about 25 percent of the total U.S. energy use could be saved through efficiency. Another has observed that our production of waste energy is growing twice as fast as our production of useable energy and that if we could halt the growth of waste energy we could save enough energy to close the entire fuel gap by 1985. That wasted energy represents an economic as well as an environmental cost. And we can cut both of these costs to the degree that we can conserve energy through greater efficiency.

This is the point President Ford tried to hammer home in his address to the economic summit on Saturday, as again and again he urged Americans "to become Inflation Fighters and Energy Savers."

If, in 1972, the average efficiency of gasoline consumption in our automobiles had been 20 miles per gallon—instead of 13.5 miles per gallon—we could have saved more than 23 billion gallons and more than $14 billion worth of gas.

If, in 1972, the aggregate efficiency of electric power production had been 40 percent, instead of 29.5 percent, we could have saved the equivalent of 330 million barrels or $3.3 billion worth of oil.

It is easy enough to multiply these examples.

They all make the same point: environmental pollution is, in a very real sense, simply a sign of economic inefficiency and waste.

By making the conservation of energy and materials and the prevention of pollution an ordinary and integral part of our production process, we will become increasingly able to enjoy the benefits of economic growth and an improved quality of life.

The American free enterprise system has brought a higher degree of material well-being to a larger proportion of a society than ever before in history. We have led the world in producing a revolution which has made abundant goods and services available to the many at reasonable cost. It is a revolution which has spread around the globe, although obviously not equally everywhere.

It has been a revolution—indeed, often a seeming miracle—based upon abundant and relatively cheap energy and other natural resources together with an energetic and resourceful people. Thank God, we still have the latter. And we still have abundant—if not always cheap—resources. Our challenge today and in the years immediately ahead is to demonstrate our ability to sustain and strengthen the economic well-being of our people while at the same time improving and not degrading the quality of their lives. This is a challenge which the United States has a special responsibility to address. It is a challenge which cries aloud for the leadership of this country. No other nation can provide it. And the business community of the United States must and can help provide that leadership.

We must as a nation unite in a War on Waste.

We must make a national commitment to conserve resources, to save energy.

We must change course from a throwaway society to a reuse and recycling society. We should develop tax and other incentive systems to encourage recycling and the conversion of wastes to energy.

We should re-examine and revise those existing incentives in the tax system, freight rate structure, or otherwise, which encourage and subsidize use of virgin materials rather than recycling.

We must insist on far more energy-efficient automobiles. We must increasingly shift our national priorities toward mass transit.

We need, as a nation, to develop positive land use policies—not I assure you to permit more Federal intrusion into this area but to provide more effective operation of State and local planning and control—with enormous potential savings of energy and other resources.

We must make massive investments in research and development, especially in the area of clean energy.

Above all, we must develop new values which match the new needs of our times, values which recognize that growth simply for the sake of growth is no longer enough—that we must find ways to nourish our physical needs while promoting the quality of our lives.

These are objectives to which the economics profession should increasingly be directing its energies.

The need for aggressively pursuing environmental protection policies is a high priority need of our time, one which is essential to any sustained economic growth and development. The fact that we must pursue this objective at a time when inflation and other economic problems beset us only makes the task more complex and demanding.

On my part, I assure you that the Environmental Protection Agency will carry out its job with patience and with sensitivity to the problems which confront the businessmen and working people of the Nation. I ask your help and cooperation in a task which is difficult, but which is vital to our future. We will doubtless have many disagreements but let us not have misunderstandings. My door is always open to you. Let us work together.

FREE ENTERPRISE IN PETROLEUM ACT OF 1975

Mr. NELSON. Mr. President, I am joined today by Senators ABOUREZK, McINTYRE, CLARK, HATHAWAY, PACKWOOD, and LEAHY, in introducing the Free Enterprise in Petroleum Act of 1975. Senator ABOUREZK and I sponsored similar legislation last year.

Massive amounts of evidence accumulated over the past quarter century indicate that those major oil companies, engaged in the whole process of oil management and control from drilling to retailing, are in fact monopolistic, anticompetitive, and destructive of free enterprise in the oil industry. This legislation is designed to eliminate this kind of monopolistic control by requiring divestiture of vertically integrated oil companies.

The legislation contains three prohibitions. First, it forbids pipeline companies engaged in interstate commerce from transporting petroleum products which it produces or manufactures. Second, it prohibits oil refiners from engaging in development or production of petroleum products; and, third, it forbids refiners from marketing finished petroleum products. These prohibitions do not apply to "independent" refiners defined as those who buy three-fourths of their crude oil and sell most of their products at the refinery.

The problem of monopolistic practices in the oil industry is not new nor are the proposals to cure it. In July of 1937, Congressman Biermann introduced similar legislation and in every decade since Members of both Houses have proposed legislation aimed at the same problem. These proposals have borne the names of distinguished Members of both Houses such as Borah, Gillette, Nye, Harrington, and Roosevelt.

Mr. President, there can no longer be any doubt that a law of this kind is needed. There can be no doubt of the abuses caused by a petroleum industry which is vertically integrated and monopolistic. According to figures in a Government Operations Committee print entitled "Investigation of the Petroleum Industry," that industry has become even more concentrated and top-heavy in 1969 than it was in 1960. In 1969, the top 8 oil companies together accounted for 50 percent of the domestic net crude oil production while the top 20 companies had 70 percent. In 1960, those figures were 43 and 63 percent, respectively. All by themselves, four companies—Standard of New Jersey, Texaco, Gulf, and Shell—accounted for 31 percent in 1969 while in 1960 they shared 26 percent. In 1970, the top 20 companies accounted for 94 percent of proved domestic crude reserves, the top 8 had 64 percent and the top 4 had 37 percent. In 1970, the company shares of domestic crude oil and gasoline refining capacity were as follows: The top 4 had 33 percent, the top 8 had 57 percent, and the top 20 shared 86 percent.

In hearings before Congressman Roosevelt's committee in the mid-1950's, before Senator HART's Antitrust Subcommittee, and in a length study by my own staff, the same facts have been consistently brought out: The abuses include short leases for retailers, unwarranted cancellations, artificially induced price variances, forced trinket "giveaways" which are beneficial only to the oil companies, and on and on. Last year in a front page article in the Milwaukee Sentinel it was stated that 3,600 independent retail gasoline dealers had begun concerted efforts to effect State legislation of this sort. The retailers list additional abuses including being forced to purchase such things as batteries and accessories from the majors at prices dictated by the majors.

The oil industry monopoly has had a truly devastating effect on retail gasoline dealers. In testifying before the Senate Antitrust and Monopoly Subcommittee of the Judiciary Committee, Mr. H. C. Thompson, president of the National Congress of Petroleum Retailers, has described the retail dealers' position as "largely that of an economic serf rather than that of an independent businessman." In his July 14–15–16, 1970, testimony, Mr. Thompson estimated that the turnover in gasoline station operators is 25 to 35 percent each year, or about 50,000 to 70,000 dealers.

The legislature has not been the only branch to attempt to bring about competition in the oil industry. In his fine speech on this subject on July 12, 1973, the distinguished Senator from South Dakota (Mr. ABOUREZK) traced the history of Federal court cases in this area since the landmark case of *Standard Oil Company of New Jersey* v. *United States*, 221 U.S. 1, in 1911.

An exhaustive examination of this whole problem has been completed by the Federal Trade Commission. It is a 141-page document entitled "Complaint Counsel's Prediscovery Statement," dated February 22, 1974, and is in support of the Commission's complaint in, In the Matter of Exxon Corporation et al. This document is discussed in two recent newspaper articles.

The first is an article by Morton Mintz in the Washington Post, February 24, 1974, and the second is from the Wall Street Journal, February 25. Among the remedies it proposes, the FTC suggests refinery and pipeline divestiture.

Unfortunately, proceedings of this sort take a long time. Mr. Mintz suggests a final resolution is 8 to 10 years away. Given the present state of our petroleum supply and the state of the oil industry, I suggest that we cannot wait that long.

We can no longer put off legislation of this sort as being premature or ill-considered. Nor can we hide from the fact that there continues to be a petroleum crisis, even though its most immediate effects were eased when the oil embargo was lifted.

Mr. President, I ask unanimous consent that the bill and its summary be printed in the RECORD along with an excerpt of my remarks on this subject in 1971 and the three newspaper articles that I have just referred to.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 745

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the Free Enterprise in Petroleum Act of 1975.

FINDINGS

SEC. 2. (a) The Congress finds: (1) that Paragraph (8) of section (1) of the Interstate Commerce Act (49 U.S.C. 1 (8)) which divorces the business of transporting by railroad commodities in interstate commerce from their manufacture, thereby avoiding the tendency to discrimination, should be amended to apply to "pipeline companies", as that term is defined herein; (2) that the industrial organization of the petroluem industry in its present form does not serve the public interest; (3) that industry is characterized by aggregations of capital of tremendous size; (4) that these large companies are engaged in petroleum refining, but are interlocked at various levels of industry operation the the degree that the national policy of competitive free enterprise is frustrated; and (5) that by virtue of intercompany arrangements and vertical integration of refiners into the production of crude oil, the transportation of crude oil and finished products and the marketing of finished products, these large refiners have acquired and hold substantial monopoly power over interstate and foreign commerce in petroleum, adversely affecting the ability of the United States to establish a rational energy policy or conduct its foreign relations properly in important areas.

(b) The Congress further finds that an ample supply of energy at reasonable cost is essential to the national interest, and that petroleum hydrocarbons are a very significant portion of our energy supply. Current and projected levels of hydrocarbon imports from foreign sources entail serious consequences to the national defense and foreign policy of the United States, to the stability and health of the domestic economy, to the competitive position of this Nation in world trade, to the purchasing power of United States currency, and to the welfare of its citizens.

(c) It is therefore esential that action be taken on an emergency basis to reorganize the structure of the petroleum industry, to restore the free enterprise system in energy development, to assure an adequate flow of capital into exploration and development of secure and environmentally safeguarded sources, and to accord investors, consumers and taxpayers adequate protection in relation to energy development and the divestitures required hereunder.

DEFINITIONS

SEC. 3. (a) "Refinery" means a plant constructed or operated for the purpose of separating or converting liquid hydrocarbons to finished products or unfinished oils for further refining;

(b) "Finished products" means liquid hydrocarbon products used or useful without further processing other than mechanical blending for the production of energy for heating or as a source of mechanical power.

(c) "Crude oil" means a mixture of liquid or gaseous hydrocarbons that are produced from natural underground reservoirs, and which are liquid at atmospheric pressures after production.

(d) "Liquid hydrocarbons" means any liquid composed of hydrogen and carbon molecules, and includes such hydrocarbons derived from tar sands, oil shale or liquefaction of coal.

(e) "Company" means any business enterprise of any nature whatsoever, and shall include but not be limited to corporations, trusts, unincorporated associations, partnerships, and sole proprietorships.

(f) "Affiliate" means any company owned or controlled by another company, or which owns or controls another company, or is under common ownership or control with another company; where the terms "own" or "ownership" refer to ownership of a substantial interest, and the term "control" refers to control by stock interest, representation on the board of directors or similar governing body of the controlled company, or control by contract, agreement, or trust relationship with other stockholders, or otherwise.

(g) "Independent refiner" means a company operating a refinery of which not more than 25 per centum of the total input is derived from the crude oil produced by or on behalf of such company or any affiliate of such company; and which sells at least half of the total of finished products produced in its refinery or refineries to companies not affiliated with it for resale at wholesale or retail under brands not owned or controlled by such refinery company.

(h) "Pipeline Company" means a company engaged in any way in the transportation of oil by pipeline or partly by pipeline.

DIVESTITURE OF PIPELINE FACILITIES

SEC. 4. Paragraph (8) of section 1 of the Interstate Commerce Act (49 U.S.C. 1(8)) is amended—

(1) by adding "(a)" immediately after (8) in such paragraph; and

(2) by adding at the end of such paragraph the following subparagraph to read as follows:

"(b) (1) It shall be unlawful for any pipeline company subject to this chapter to transport to, from, or within any State, territory, or the District of Columbia any crude oil or other liquid hydrocarbon, or any finished product, which is produced or manufactured by such pipeline company or any company which is an affiliate of such pipeline company."

DIVESTITURE OF PRODUCING FACILITIES

SEC. 5. After the date of enactment of this Act, except as specifically provided herein, no company operating a refinery, other than an independent refiner, shall at the same time own or control any interest of any nature whatsoever, directly or through any affiliate, in any company engaged in the exploration for, development of, or production of crude oil or other liquid hydrocarbons.

DIVESTITURE OF MARKETING FACILITIES

SEC. 6. After the date of enactment of this Act, except as specifically provided herein, no company operating a refinery, other than an independent refiner, shall at the same time own or control any interest of any nature whatsoever, directly or through any affiliate, in any company engaged in the marketing of finished products: *Provided, however,* That any such company may maintain and operate facilities for the sale and delivery of such finished products directly from a refinery.

DIVESTMENT PLANS AND FINANCIAL ACCOUNTING

SEC. 7. (a) The Securities and Exchange Commission, in accordance with such rules, regulations, or orders as it may deem necessary to promulgate to carry out the purposes of this Act, shall require companies holding ownership interests in facilities which are prohibited by this Act, to submit, within one year from the date of enactment of this Act, plans for the divestment of such ownership interests, whether represented by securities, or otherwise. If, after notice and opportunity for hearing, the Commission shall find such plan, as submitted or as modified by Commission order, necessary to effectuate the provisions of this Act and fair and equitable to the persons affected by it, the Commission by order shall approve such plan and shall thereafter take such action, by application to a court for appointment of a trustee, or receiver, or for such other order as may be necessary, to enforce such plan: *Provided, however,* That the Commission shall not approve any plan which will not substantially accomplish the necessary divestment on or before January 1, 1978.

(b) The Commission shall immediately prescribe rules and regulations governing the financial accounting of companies subject to this Act, to insure careful segregation of operations of such companies in each level of industry operation, separately calculating and reporting capital and operating costs, and profits, for operations relating to crude oil production, operation of each refinery, operation of pipelines, and operation of marketing facilities.

OPERATIONS PENDING DIVESTMENT

SEC. 8. Any company required by the terms of this Act to divest property or interests may continue to operate such property or interests under this Act for a period not to exceed one year from the date of enactment of this Act without submission of a plan or plans for divestment, and thereafter during the period required for consideration and approval by the Commission of a plan submitted, as herein provided. Such company shall, however, in no event continue to operate or control such property and interests after January 1, 1978.

VIOLATIONS

SEC. 9. If any company shall violate any of the provisions of this Act or any rule, regulation, or order issued hereunder, upon application of any Federal court by the United States, or any customer or competitor of such company or any person affected by such violation, such court shall order the forfeiture to the United States of the sum of $5,000 for each day such violation shall be found to have continued, and for payment of the costs and expenses of suit, including, if a private enforcement action, an informer's fee to be calculated in like manner to those provided by law relating to the collection of import duties or other taxes.

EXCERPTS FROM SENATOR NELSON'S REMARKS ON EDUCATIONAL TELEVISION, OCTOBER 14, 1971, WHA TELEVISION, WISCONSIN

Prior to government placing new restrictions on the activities of any segment of our society, there must be overwhelming evidence supporting the need for such action. In my opinion, years of congressional study have constructed a case for drastic steps to be taken in the area of retail distribution of gasoline and related products.

When this industry was in its infancy, the Congress discerned the obvious detrimental public consequences of the one man control which then existed. In 1911, the Supreme court decided the Standard Oil case, which broke up the Standard Oil Trust. Since that time little has been done to insure that the benefits this action offered both to business and the public would remain effective.

Today the industry is one of the economic giants operating in this country. Some 225,000 retail outlets with annual sales in excess of $25 billion supply consumers with over 90 billion gallons of gasoline and other products. These figures represent staggering multiples of growth since 1911.

Through the years, as the demand for product increased, there has been a constant movement to a re-concentration of power within the industry. Today a mere handful of men representing 11 oil companies, control the industry from the wellheads to the consumer. The court decision of 1911 has been effectively nullified. I think it is time the interests of the public and the retailer were again considered and new legislation enacted to restore competitive balance within the industry.

The Roosevelt Committee of the mid-50's; the Hart Committee, plus, a study by my staff spanning 4 years have produced a sorry picture of this industry, which enjoys a captive market for its product. It exhibits little regard for the well-being of its retailers. . . .

Time will not permit a full statement of the abuses uncovered within this industry, such as, short leases for retailers, unwarranted cancellations, artificially induced price variances, forced trinket "give aways", which are only beneficial to the oil companies; and on and on.

I think there is an answer to this problem. I have prepared a Bill for introduction in the Senate which will prohibit producers of gasolines from owning and operating retail outlets. The public will benefit from a system which will then provide for the free operation of the retail gasoline market, and 225,000 retailers will become true independent businessmen, with the opportunity to decide their own destinies.

The oil companies will doubtlessly issue a unanimous cry that such legislation is a blow to the free enterprise system. To them I say—it is designed to make that system work, not for the privileged few, but for the many independent businessmen who are now victims of a powerful oligarchy.

[From the Milwaukee Sentinel, Feb. 19, 1974]

SEEK LAW ON GAS STATION OWNERSHIP

MADISON, WIS.—A newly formed coalition of Wisconsin's 3,600 independent retail gasoline dealers has hired lobbyists to push legislation that would outlaw station ownership by major oil companies.

The coalition hired three Milwaukee attorneys who registered Monday as lobbyists for the Wisconsin Gasoline Dealers Co-ordinating Committee.

They immediately sought bipartisan support for their draft bill that would make it illegal for a major oil firm to own a retail outlet.

The attorneys, and several independent dealers, spent Monday in Madison meeting with aides to Gov. Lucey, and with state energy advisor Stanley York. They were hoping to meet soon with Atty. Gen. Robert W. Warren.

York and Lucey's legal counsel, David Hase, agreed in principle with the coalition that preservation of the independent retailer is the goal of state government.

The coalition is seeking amendments to the state's antitrust laws to prohibit station ownership, and it wants new contract laws to protect independent dealers from what the coalition members call harassment by the major firms.

Atty. Raymond Krueger told Hase that independents are being squeezed out of business by major oil firms that "arbitrarily terminate contracts" with the dealer.

"If this continues much longer, the oil companies will have achieved their goal—running the independents out of business," said Atty. William E. Glassner, Jr., another representative of the coalition.

The coalition is comprised of the Wisco Retail Gasoline Dealers Association, the Clark Oil Dealers Association and unorganized independent dealers.

The dealers want more contractual protection through state laws. They maintain that present law permits major firms to force them to purchase batteries, tires and accessories from the major firms at the prices the majors demand.

If they don't abide by the major company's demands they don't get gasoline, or they are harassed by other company threats, the dealers told Hase.

Hase said Lucey supports the preservation of the independent oil retailers, but he said he is not certain whether forcing the major firms out of the retail market is the answer.

The independent dealers said that major firms have closed 20% to 52% of the retail outlets selling their brands and that none of those closed was a company owned station.

Arthur Johnson, vice president of the retail dealers group, said one major firm closed 9 of 13 outlets in Madison recently, all independent owner operated.

[From the Washington Post, Feb. 24, 1974]

REFINERY DIVESTITURE URGED

(By Morton Mintz)

Putting some of the blame for high fuel prices and inadequate refinery capacity on a lack of competition among the nation's eight largest oil companies, the Federal Trade Commission staff is seeking to force them to sell 40 to 60 percent of their refinery capacity.

Ten to 13 new firms would be formed to buy the divested refineries, under a tentative proposal by the FTC's Bureau of Competition.

If the industry had been organized "to depend upon free markets, it is doubtful that the present shortage of refinery capacity would have arisen," the staff said.

In addition to the refinery divestiture, the bureau said, the newly formed firms also should acquire pipelines owned by the oil companies, as well as the joint-venture pipelines.

The proposal is the first specific disclosure of the relief sought by the bureau to satisfy the antitrust complaint it filed July 17 against the companies—Exxon, Texaco, Gulf, Mobil, Standard of California, Standard of Indiana, Shell and Atlantic Richfield.

All of the companies have said they are innocent of the FTC staff's charge that they have joined at least since 1950 to monopolize refining and to maintain a noncompetitive structure of refining in "the relevant market"—the East and Gulf coasts, and parts of the mid-continent.

The proposed remedies would bring consumers "significant benefits" by imposing competition "where it has been present only rarely," the staff contended.

Its recommendations are in a 141-page "pre-discovery statement" filed Friday with Administrative Law Judge Donald R. Moore, who will hold a hearing and make a recommendation to the commission.

The proceeding is certain to go into the courts. A final decision by the Supreme Court is believed to be eight to 10 years off.

The proposed divestitures would make the new refinery firms "viable and independent," because they would have the assured access to major pipelines needed in a competitive market, the staff statement said.

Moreover, the statement said, divestiture would encourage efficient independent marketers to expand because their sources of supply would be safe.

"If consumers choose to have more low-priced gasoline without amenities, their demand will encourage independents to buy more from a genuine market," the bureau said.

It also asked for a ban on future refinery acquisitions by the eight companies, in addition to a limit on their joint ventures and on their exchanges of crude oil and petroleum products.

Through "common courses of action," the defendants opposed the refinery that Occidental Petroleum wanted to build for New England in Machiasport, Maine, in 1960, the statement said.

The statement, signed by staff counsel Robert E. Liedquist, said the eight companies—each integrated from the wellhead to the gas pump—are so interdependent that "in virtually every facet of their operation, they have common rather than competitive interests."

For example, the staff said, all but ARCO and Standard of Indiana are partners in the Iranian Oil Consortium and in addition, are members of other joint international ventures in the Middle East. Thus, each is the others' "confidant" and has "a solid community of interest . . . which foster cooperation rather than competition," the statement said.

Moreover, the staff said, the eight firms are "to some extent . . . commonly rather than independently owned." The statement cited a "suggestive" example: "Chase Manhattan Bank, through various nominees, is both the largest shareholder in Atlantic Richfield and the second largest shareholder of Mobil. Clearly it is not in Chase Manhattan's interest to promote vigorous competition between them."

Ties between the banks and the eight companies are so strong that they "enjoy an identity of interest," the staff said. Competitors find it difficult to get financing for refineries because the major New York City banks do not want to "jeopardize" their own investments, the staff said. A refinery with a daily capacity of 250,000 barrels costs up to $600 million.

"Investment decisions are made together by firms in joint ventures," the staff continued. "Loans are sought from financial institutions on whose boards . . . there are representatives of other petroleum companies. Even in their political and public relations activities the major firms act in unison.

"In short," the staff concluded, "at no point in their operation do respondents engage in genuinely independent behavior. Rather, an intense awareness of a community of interest characterizes all of their activities and multiplies the impact of their concentration into monopoly power."

[From the Wall Street Journal, Feb. 25, 1974]

FTC Staff Urges Big Oil Firm's Divestiture of 40 to 60 Percent of Refineries, All Pipelines

(By Mitchell C. Lynch)

WASHINGTON.—A special staff report by the Federal Trade Commission recommends that eight of the nation's largest oil companies be forced to divest themselves of 40% to 60% of their refining operations.

The report was filed by the FTC staff to buttress its complaint against the companies that they have monopoly control of the nation's oil industry. This stranglehold, the report says, is directly linked to the current fuel shortage and is causing higher prices for nearly all types of fuel, including gasoline.

Named in the original complaint issued last summer were Exxon Corp., New York; Texaco Inc., New York; Gulf Oil Corp., Pittsburgh; Mobil Oil Corp., New York; Standard Oil Co. of California, San Francisco; Standard Oil Co. (Indiana), Chicago; Shell Oil Co., Houston, and Atlantic Richfield Co., New York. All companies previously have denied the charges.

The 14-page report further recommends that these companies be forced to give up control of all their pipelines. The refining operations and pipeline facilities would be divested to 10 to 13 "new" companies that would be spun off from the oil companies, the report recommends. It adds that provision should be established to make sure the oil companies wouldn't have any control of the new pipeline companies.

INEFFICIENT, COSTLY OPERATIONS CITED

The report, for the first time, lists specifically what the FTC staff wants done to end what it say is a monopoly setup that for years has maintained strong barriers against any competition. Shielding themselves from outside interference, these companies have been able to operate both inefficiently and at unwarranted expense to consumers, the report charges.

The report was turned over to an FTC administrative law judge as part of legal proceedings that are expected to take years to complete. If the FTC judge agrees with the complaint, he would make a recommendation for action with the Federal Trade Commissioners. If the commissioners follow the administrative judge's ruling, the oil companies could take their appeals to the courts.

Not only do the companies work at close ranks with each other, the staff report continued, but they bring major financial institutions into their bailiwick to help their cause.

For example, the report says Chase Manhattan Bank "is both the largest shareholder in Atlantic Richfield and the second largest shareholder in Mobil." The upshot: "Clearly it isn't in Chase Manhattan's interest to promote vigorous competition between them," the report says. (Large banks have steadfastly denied they influence company policies through their trust-fund holdings.)

The chief way the companies block competition is to keep crude-oil prices "artificially high," the report says. To these companies, which control exploration, pumping, piping, refining and sales, high crude prices are "merely bookkeeping transfers" that are passed on to the consumer in the form of higher fuel prices.

However, to any independent company, higher crude prices mean "out of pocket costs," the report claims. "Consequently, refining has been rendered less attractive" to smaller companies thinking of getting into the oil-processing business.

ENERGY CRISIS AS AN EXAMPLE

The current fuel squeeze "dramatically illustrates" the "ills" of the oil-company setup, the report asserts. Forcing the companies to make the divestitures "will work to prevent the recurrence of the present shortage of refinery capacity," the report says.

What's more, the report says, "The consumer pays twice" because of the companies' market power, "both directly in the form of higher prices and indirectly in that society's resources aren't allocated in the most efficient manner."

The companies have full say on prices because they control production, pipelines and "international crude oil." This power is bolstered by "their exploitation of state and federal legislation, particularly state prorationing laws and the oil import quota." This enables companies to prevent any increase in supply from upsetting their posted prices.

An example of the companies' muscle, the report says, was their successful move to block construction of a refinery to be built by Occidental Petroleum Corp. in Machiasport, Maine, in 1960. That refinery was designed to provide petroleum products for the New England area, which currently is being hard hit by the fuel shortage.

SUMMARY OF FREE ENTERPRISE IN PETROLEUM ACT OF 1974

Section 1 contains the short title of the measure.

Section 2 recites detailed findings by the Congress concerning: the applicability of a section of the Interstate Commerce Act—which divorces the business of transporting by railroad, commodities in interstate commerce from their manufacture—to the petroleum industry; the present highly concentrated organization of the industry, its effect frustrating the national policy in several areas; the policy of competitive free enterprise capitalism generally; energy policy provisions for an ample supply of petroleum products at reasonable costs in interstate and foreign commerce; in carrying out foreign policy in important areas; and in maintaining the stability and purchasing power of the United States currency. This Section also finds that it is therefore essential to reorganize the petroleum industry in such a manner as to make possible effective policy decisions in these areas while at the same time protecting the interests of investors.

Section 2 defines the critical terms used in the legislation. Particularly, it defines the term "affiliate" of a company as including parents, subsidiaries or companies under common control with such companies, whether such relationship is established by ownership, direct or indirect interlocking directorates, by contract or by any other means. It also specifically defines an "independent refiner," a company excepted from the divestment provisions of other sections of the Act, as a company operating a refinery of which not more than 25% of the total input is derived from crude oil produced by or for such refiner or any affiliate, and which sells at least half of its total finished products through other than owned or controlled marketing facilities.

Section 4 prohibits integration into pipeline transportation. This is accomplished by an amendment to the Interstate Commerce Act to prohibit any common carrier pipeline from transporting crude oil, other liquid hydrocarbons, or finished products, if the commodity transported is owned by the pipeline or any affiliate. This provision is similar to the "commodities clause" provision of the Interstate Commerce Acts imposing limitations on railroads, and is in form an amendment to that provision.

Section 5 prohibits any company operating a refinery, other than an independent refiner, from owning or controlling any interest in exploration for, development of or production of crude oil or other liquid hydrocarbons, including synthetics.

Section 6 is a similar prohibition relating to marketing facilities, forbidding any company operating a refinery, other than an independent refiner, from owning, controlling or operating facilities for the sale of finished products, other than those facilities necessary for sale of product directly from the refinery.

Section 7 makes provision for procedures to accomplish the divestment of properties which would otherwise be held in violation of the provisions of the Act. As with public utility holding companies, the Securities and Exchange Commission is given authority to receive and consider divestment plans filed by integrated companies. If the Commission finds such plan as submitted, or as modified by the Commission, to be fair and equitable in its protection of investor interests, and to be in accord with the purposes of the Act, it is authorized to approve the plan and direct its implementation. Pending approval of any plan, however, the Commission is directed to prescribe rules and regulations for petroleum company accounting which will effectively segregate the costs, both capital and operating, and the profits, which are appropriately allocable to each level of company operation.

Section 8 makes necessary allowance for operations during the period before divestiture can be accomplished. It permits companies otherwise subject to the prohibitions of Section 5 and 6 of the Act to continue operations for one year prior to the filing of an appropriate divestment plan with the Securities and Exchange Commission, and thereafter during the period required for the consideration, approval and effectuation of such a plan by the Commission.

Section 9 imposes penalties for the violation of the Act, to consist of a forfeiture of $5,000 for each day a company is in violation. It also provides that this forfeiture can be declared by application to a United States District Court at the request of the United States or any customer or competitor of the company, or of any other person affected by the violation. In the event suit is brought by private interests, an appropriate informer's fee is to be paid, calculated as are those fees allowable in customs or tax matters. Costs and expenses of suit are also to be allowed a successful private party.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m., with statements therein limited to 3 minutes each.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HANSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—H.R. 1767

Mr. HANSEN. Mr. President, I ask unanimous consent that Tom Cantrell, a member of Senator Helms' staff, shall be accorded the privilege of the floor during this debate and all votes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

At 11 a.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (S. 332) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce with an amendment in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the enrolled bill (H.R. 2634) to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

The enrolled bill was subsequently signed by the President pro tempore.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on Agriculture and Forestry, with an amendment:

S. 441. A bill to amend the Forest Pest Control Act of June 25, 1974 (Rept. No. 94-16).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUGH SCOTT (for himself and Mr. Schweiker):

S. 741. A bill to establish a program of Federal insurance against catastrophic disasters, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HUGH SCOTT:

S. 742. A bill for the relief of Edward N. Deutschmann. Referred to the Committee on the Judiciary.

By Mr. NELSON (for himself and Mr. Kennedy):

S. 743. A bill to establish administrative practices, procedures, and standards, under which court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself and Mr. Metcalf):

S. 744. A bill to authorize a vigorous Federal program of research, development, and demonstration to assure the utilization of MHD (magnetohydrodynamics) to assist in meeting our national energy needs, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. NELSON (for himself, Mr. Abourezk, Mr. McIntyre, Mr. Clark, Mr. Hathaway, Mr. Packwood, and Mr. Leahy):

S. 745. A bill to amend the Interstate Commerce Act and to provide for regulation of certain anticompetitive developments in the petroleum industry. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 746. A bill for the relief of Lovina C. Gibbs. Referred to the Committee on the Judiciary.

By Mr. BIDEN:

S. 747. A bill to eliminate the disability waiting period for individuals with terminal illnesses. Referred to the Committee on Finance.

By Mr. SPARKMAN (by request):

S. 748. A bill to alleviate massive unemployment in the housing and related industries, to provide homeownership opportunities not otherwise available because of excessive interest rates, and to assist in restoring the nation's economic health. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HUDDLESTON (for himself and Mr. Ford):

S. 749. A bill to increase the number of judges for the United States District Court for the Eastern District of Kentucky. Referred to the Committee on the Judiciary.

By Mr. PHILIP A. HART:

S. 750. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, antique collectors, and pistol clubs. Referred to the Committee on the Judiciary.

By Mr. TOWER for Mr. Taft (for himself, Mr. Tower, Mr. Javits, Mr. Beall, Mr. Hatfield, and Mr. Tunney):

S. 751. A bill to amend section 313 of the National Housing Act, as added by the Emergency Home Purchase Assistance Act of 1974, to authorize the Government National Mortgage Association, under the emergency program authorized by that section, to purchase certain mortgages covering multifamily rental, cooperative, or condominium housing. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. STAFFORD:

S. 752. A bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes. Referred to the Committee on Public Works.

S. 753. A bill to amend the Internal Revenue Code of 1954 and the Highway Revenue Act of 1956, and for other purposes. Referred to the Committee on Finance.

By Mr. HUMPHREY:

S. 754. A bill to establish a Department of Education. Referred to the Committee on Government Operations.

By Mr. BURDICK:

S. 755. A bill to establish an arbitration board to settle disputes between supervisory organizations and the United States Postal Service. Referred to the Committee on Post Office and Civil Service.

By Mr. ABOUREZK (for himself, Mr. Nelson, Mr. McGovern, and Mr. Hathaway):

S. 756. A bill to amend the Clayton Act to provide for additional regulation of certain anticompetitive developments in the petroleum industry. Referred to the Committee on the Judiciary.

By Mr. THURMOND:

S. 757. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans. Referred to the Committee on Veterans' Affairs.

By Mr. HATFIELD:

S. 758. A bill to authorize and request the President to issue a proclamation designating August 22–28, 1975, as "National Deaf Awareness Week." Referred to the Committee on the Judiciary.

By Mr. TUNNEY (for himself and Mr. Cranston):

S. 759. A bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban National Park in the State of California. Referred to the Committee on Interior and Insular Affairs.

By Mr. THURMOND (for himself, Mr. Hartke, and Mr. Hansen):

S. 760. A bill to provide for a separate agency within the Department of Labor to be known as the Veterans' Employment Service, to authorize the appointment of an Assistant Secretary of Labor for Veterans' Employment, and for other purposes. Referred to the Committee on Veterans' Affairs.

By Mr. BELLMON:

S. 761. A bill to amend the National Environmental Policy Act of 1969 in order to encourage the establishment of, and to assist State and regional environmental centers. Referred to the Committee on Interior and Insular Affairs.

By Mr. MATHIAS:

S. 762. A bill for the relief of Paul Gustin. Referred to the Committee on the Judiciary.

By Mr. RANDOLPH:

S. 763. A bill for the relief of Marietta Dizon Pamintuan. Refered to the Committee on the Judiciary.

By Mr. HUGH SCOTT (for himself and Mr. Schweiker):

S. 764. A bill to provide for the reclamation of abandoned coal mine lands and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. PERCY (for himself, Mr. Ribicoff, Mr. Nunn, Mr. Javits, Mr. Proxmire, Mr. Tower, Mr. Johnston, Mr. Mathias, Mr. Domenici, Mr. Beall, Mr. Philip A. Hart, and Mr. Roth):

S. 765. A bill to reorganize the executive branch to establish a National Center for Productivity and Quality of Working Life; to provide for a review of the activities of all Federal agencies including implementation of all Federal laws, regulations, and policies which impede the productive performance and efficiency of the American economy; to encourage joint labor, industry, and Government efforts to improve national productivity and quality of working life; to establish a Federal policy with respect to continued productivity growth and improved utilization of human resources in the United States; and for other purposes. Referred to the Committee on Government Operations.

By Mr. McINTYRE:

S.J. Res. 34. A joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day." Referred to the Committee on the Judiciary.

By Mr. RANDOLPH:

S.J. Res. 35. A joint resolution to provide for the designation of the second full calendar week in March 1975 as "National Employ the Older Worker Week." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUGH SCOTT (for himself and Mr. Schweiker):

S. 741. A bill to establish a program of Federal insurance against catastrophic disasters, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

NATIONAL CATASTROPHIC DISASTER INSURANCE ACT OF 1975

Mr. HUGH SCOTT. Mr. President, I introduce for appropriate reference legislation to establish a national catastrophic disaster insurance program. I am pleased to be joined in this effort by my distinguished colleague, the junior Senator from Pennsylvania (Mr. Schweiker).

Mr. President, the concept on which my bill is based grows from one of the hard lessons learned from Hurricane Agnes, the June 1972 tropical storm that became the worst natural disaster in the history of this country to date. Over a half million people suffered losses costing $3 billion as a result of severe flooding that covered more than 5,000 square acres of land, much of it in Pennsylvania. Although Federal flood insurance was available, only two persons in the Wilkes-Barre area, one of the hardest hit, had purchased it. In the State capital of Harrisburg, another hard-hit area, not one single person had flood insurance.

What was learned from this experience is that most people simply do not carry separate disaster insurance policies in their insurance portfolios, apparently for a number of reasons: for some kinds of disasters, insurance is not obtainable or the coverage offered is inadequate; for others, it is too costly; or perhaps, most Americans regard the likelihood of becoming a victim of natural disaster so remote as to not justify the purchase of this type of protection.

Recognizing these factors, my bill proposes a unique approach which would take advantage of the network of existing private insurance pools and the millions of standard property loss and liability insurance policies already in effect nationwide. Through a small premium surcharge, each of these policies—whether currently in force or purchased hereafter—would automatically be endorsed by the Federal Government to provide additional protection against catastrophic natural disasters of all kinds.

This is how the proposed program would work. First, my bill would create an Office of Federal Disaster Insurance within the Federal Insurance Administrator's Office in the Department of Housing and Urban Development. This Office would be headed by an Assistant Administrator for Disaster Insurance who, in coordination with the Secretary of HUD, would have the responsibility for implementing the provisions of this act.

Next, a National Disaster Insurance Fund would be created from the following: an initial $1 billion from the U.S. Treasury; a transfer to the fund by the Small Business Administration and the Farmers Home Administration of 1 percent of all moneys received by them as repayments on outstanding disaster recovery loans; and finally, the automatic premium surcharge already mentioned. The surcharge level would be set only after public hearings, and would be based on a sliding scale reflecting regional and geographical variations in elements of risk. In no event, however, would it exceed 5 percent of the basic premium on any given policy being endorsed. While the catastrophic coverage endorsement would become effective immediately, the first premium surcharge would not be payable until the next regular premium date. Thus, in order to guarantee adequate reserves for the fund at all times, the Secretary would also be authorized to issue notes or other obligations, as needed.

Once established, the National Disaster Insurance Fund would serve as the source from which the Secretary through his appointed Assistant Administrator could settle claims arising from catastrophic natural disasters. Again, public hearings would be held with participation by appropriate representatives of State insurance authorities and private insurance companies, this time to set guidelines for disbursements from the fund. Special emphasis would be placed on those kinds of natural disasters which are typically uninsured or uninsurable and which are of such a nature as to generate losses that are likely to result in a Federal disaster declaration.

The term "catastrophic disaster," as used in my bill, would mean any flood, high water, windstorm, hurricane, tornado, tidal wave, drought, snowstorm, blizzard, earthquake, or other catastrophe as defined by the Secretary of Housing and Urban Development. Should any such incident reach such magnitude that it was declared by the President, the Small Business Administration or the Department of Agriculture to be catastrophic, the new insurance program would become operational.

Moreover, and of extreme importance to Pennsylvania, a retroactive feature of this bill would allow damage claims to be filed for losses resulting from natural disasters dating back to June 1, 1972. The victims of Hurricane Agnes, in other words, would be covered.

Mr. President, a compilation furnished me by HUD's Federal Disaster Assistance Administration—formerly the Office of Emergency Preparedness—lists more than 100 occurrences since June of 1972 that have been officially declared by the Federal Government to be major disasters. Unfortunately, the existing framework of grants and loans to victims of natural disasters is entirely inadequate. What is needed is a swift response capability made possible through a program of Federal disaster insurance which covers all risks and is available to everyone.

This is the purpose of the National Catastrophic Disaster Insurance Act of 1975, which I introduce today. I commend my able colleague in the House of Representatives, Congressman Daniel J. Flood, for his work in developing this bill and introducing it as H.R. 1677. I urge that this approach to protection against natural disaster be carefully considered by Congress and the administration.

Mr. President, I ask unanimous consent that the full text of the National Catastrophic Disaster Insurance Act of 1975 be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 741

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Catastrophic Disaster Insurance Act of 1975".

PURPOSE

Sec. 2. It is the purpose of this Act to establish a program of Federal insurance against catastrophic natural disasters and other catastrophic disasters, utilizing the private insurance industry (particularly risk-sharing pools of insurance companies) and preserving State regulation, with the central objective of minimizing postdisaster governmental expense and maximizing the protection of those exposed to losses from catastrophe.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "catastrophic disaster" means any flood, high waters, windstorm, hurricane, tornado, tidal wave, drought, snowstorm, blizzard, earthquake, or other catastrophe as defined by the Secretary under this Act which constitutes—

(A) a major disaster (within the meaning of that term as determined by the President pursuant to the Act entitled "An Act to authorize Federal assistance to State and local governments in major disasters, and for other purposes", as amended (42 U.S.C. 1855–1855g)),

(B) a natural disaster, as determined by the Secretary of Agriculture pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), or

(C) a disaster with respect to which loans may be made under section 7(b) of the Small Business Act (15 U.S.C. 636(b)),

and which is declared by the President, the Secretary of Agriculture, or the Small Business Administration, as the case may be, to be a catastrophic disaster for purposes of this Act;

(2) the term "catastrophic disaster insurance" means insurance against losses and damage resulting from catastrophic disaster as provided in or specified under this Act;

(3) the term "property insurance" means all insurance issued by insurance companies in force in any State on any real property or personal property located in any State, other than insurance on motor vehicles;

(4) the term "insurance company" means any insurance company or group of companies under common ownership which is authorized to engage in the insurance business under the laws of any State, and also includes any pool or association of insurance companies formed, associated, or otherwise created for the purpose of sharing risks;

(5) the term "premium surcharge" means a percentage of property and liability insurance premiums, as specified by the Secretary under this Act, on all types of property and liability insurance except workmen's compensation, bonds, and health insurance;

(6) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Canal Zone;

(7) the term "jurisdiction" means the smallest unit of government in any State or political subdivision which the Secretary finds has the legal authority to adopt and effectively enforce local land use and control measures to reduce the potential for covered catastrophic disasters; and

(8) the term "Secretary" means the Secretary of Housing and Urban Development (acting through the Federal Disaster Insurance Administrator as provided in section 4).

FEDERAL DISASTER INSURANCE ADMINISTRATOR

SEC. 4. (a) There is hereby established within the office of the Federal Insurance Administrator, in the Department of Housing and Urban Development, the position of Assistant Insurance Administrator for Disaster Insurance. The Assistant Insurance Administrator for Disaster Insurance shall head an Office of Federal Disaster Insurance and shall be known as the Federal Disaster Insurance Administrator (hereinafter in this section referred to as the "Administrator").

(b) The Secretary shall carry out all of his functions and duties under this Act through the Administrator.

(c) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(132) Assistant Insurance Administrator for Disaster Insurance, Department of Housing and Urban Development."

ESTABLISHMENT OF FEDERAL CATASTROPHIC INSURANCE PROGRAM; FUNCTIONS AND POWERS OF THE SECRETARY

SEC. 5. (a) The Secretary shall establish and carry out a program of Federal catastrophic disaster insurance in accordance with the purpose and provisions of this Act.

(b) In carrying out the program under this Act, the Secretary shall—

(1) impose and collect a premium surcharge as provided in section 6, and take such other actions as may be necessary or appropriate to assure the provision of the funds required to fulfill the purpose of this Act;

(2) determine and prescribe the terms, conditions, and limitations of the catastrophic disaster insurance provided under this Act, and the extent of the coverage thereunder, as provided in section 7;

(3) purchase reinsurance to the extent deemed appropriate and available:

(4) make such disbursements (from the fund established by section 9) as may be necessary to reimburse insurance companies in full for claims paid by them on account of covered losses under the program and for other operating expenses incurred by such companies in the performance of functions under the program; and

(5) make such other disbursements, and take such other actions, as may be necessary or appropriate to carry out the purpose of this Act.

(c) In the performance of his functions under this Act, the Secretary shall have authority (1) to make and enforce such rules and regulations as may be necessary or appropriate to carry out the purpose or provisions of this Act; (2) to make and perform contracts, agreements, and commitments; (3) to prescribe and impose fees and charges for services by the Secretary; (4) to settle, adjust, and compromise, and with or without consideration or benefit to the Secretary to release or waive in whole or in part, in advance or otherwise, any claim, demand, or right of, by, or against the Secretary; (5) to sue and be sued, complain and defend, in any State, Federal, or other court; (6) to acquire, take, hold, and own, and to deal with and dispose of any property; and (7) to take any and all other actions necessary for the performance of such functions.

(d) The Secretary may appoint such special staff and technical experts, permanent or temporary, as he may consider necessary for the performance of his functions under this Act.

(e) The Secretary shall submit annually to the President for transmission to the Congress a full and complete report of his activities under this Act, together with any recommendations he may have for necessary additional legislation related to the purpose of this Act.

PREMIUM SURCHARGE

SEC. 6. (a) The Secretary shall from time to time, after a public hearing thereon, and after consideration of actuarial data and the financial requirements of the program under this Act, determine and specify the premium surcharge. The surcharge may not exceed 5 per centum, and may vary on a statewide basis, a regional basis, a countrywide basis, or any combination thereof in order partially to reflect variation in risk and control measures.

(b) Each insurance premium shall be surcharged, and the amount of the surcharge shall not be subject to agents' or brokers' commission or company expense but shall be paid in its entirety by the insurance companies to the Secretary (for deposit in the fund established by section 9) at such times as he shall specify.

TERMS, LIMITATIONS, AND COVERAGE OF INSURANCE

SEC. 7. (a) The Secretary shall from time to time, after consultation with appropriate representatives of the insurance authorities of the States and after reasonable notice and opportunity for hearing to all interested persons, specify—

(1) the particular kinds of catastrophic disasters (with emphasis upon those which are typically uninsured or uninsurable and of such a nature as to generate losses that are likely to result in a Federal disaster declaration) which are to be covered by insurance under this Act;

(2) the nature and limits of loss or damage in any areas (or subdivisions thereof) which may be covered by such insurance;

(3) the classification, limitation, and rejection of any risks which may be necessary;

(4) the extent to which such insurance shall be subject to deductibles or coinsurance provisions, or to other terms and conditions in order to achieve the purpose of this Act and the soundness of the financing arrangements; and

(5) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the purpose or provisions of this Act.

(b) The amount of catastrophic disaster insurance may be limited to a percentage of the property insurance in force for each owner. Such percent shall be established by the Secretary after consultation with representatives of State and local insurance authorities and representative of local consumer interests, and may later be increased or decreased as the Secretary deems appropriate.

MANDATORY COVERAGE

SEC. 8. Each property insurance policy now in effect or hereafter issued, other than a motor vehicle property insurance policy, shall be endorsed to extend coverage to catastrophic disasters as specified by the Secretary.

FINANCING

SEC. 9. (a) There is established in the Treasury of the United States a fund to be used by the Secretary for his operating and capital expenses under this Act.

(b) The fund established by subsection (a) shall be credited with—

(1) all premium surcharges imposed and collected under section 6;

(2) all amounts appropriated to the fund pursuant to subsection (c) of this section;

(3) all amounts transferred to the fund under subsection (d) of this section; and

(4) all amounts made available to the fund from the proceeds of obligations issued under subsection (e) of this section.

(c) There are authorized to be appropriated to the fund established by subsection (a), out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000,000 to provide the fund with initial capital, and such additional sums thereafter as may be necessary.

(d) There shall be transferred each fiscal year to the fund established by subsection (a), as authorized by appropriation Acts, an amount not exceeding 1 per centum of the aggregate of (1) the amounts received by the Secretary of Agriculture during such fiscal year as repayments of disaster loans made under the Consolidated Farmers Home Administration Act of 1961 and (2) the amounts received by the Small Business Administration during such year as repayments of disaster loans made under section 7(b) of the Small Business Act.

(e) To maintain the fund established under subsection (a) when the total of the amounts received by the fund under the preceding provisions of this section is insufficient, the Secretary may issue to the Secretary of the Treasury, to the extent authorized by appropriation Acts, notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized to purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act; and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations which shall be treated as public debt transactions of the United States.

PROPERTIES IN VIOLATION OF STATE AND LOCAL LAW; ELIGIBILITY FOR COVERAGE

SEC. 10. No new catastrophic disaster insurance coverage shall be provided under this Act for any property which the Secretary finds has been declared by a duly constituted State or local zoning authority, or other authorized public body, to be in violation of State or local laws, regulations, or ordinances which are intended to discourage or otherwise restrict land development or occupancy in disaster-prone areas.

(b) No catastrophic disaster insurance coverage shall be provided under this Act in any area which is determined by the Secretary to be an area of special catastrophic disaster risk unless the Secretary finds that reasonable efforts are being made by the appropriate public bodies in such area to improve local land use management so as to preclude excessive disaster losses at the time of catastrophe.

PROHIBITION AGAINST CERTAIN DUPLICATIONS OF BENEFITS

SEC. 11. (a) Notwithstanding the provisions of any other law, no Federal disaster assistance (as defined in subsection (b)) shall be made available to any person for the physical loss, destruction, or damage of real or personal property, to the extent that such loss, destruction, or damage is covered by a valid claim which may be adjusted and paid under catastrophic disaster insurance made available under the authority of this Act.

(b) For purposes of this section, the term "Federal disaster assistance" includes any Federal financial assistance which may be made available to any person as a result of a disaster referred to in clause (A), (B), or (C) of section 3(1).

EFFECTIVE DATE OF COVERAGE; RETROACTIVE PAYMENTS: TERMINATION OF PROGRAM UPON AVAILABILITY OF PRIVATE COVERAGE

SEC. 12. (a) Subject to subsections (b) and (c) of this section (and except as otherwise specifically provided in the preceding provisions of this Act), the program of catastrophic disaster insurance established by this Act shall apply with respect to claims for payment of losses and damage (from catastrophic disasters) incurred on and after the date of the enactment of this Act.

(b) The Secretary shall provide under the program established by this Act for payment of any losses (from a catastrophic disaster) which were incurred after June 1, 1972, and which led to a declaration of a major disaster area by the President. Such loss payments shall be made to all insured (and, to the greatest extent possible all noninsured) owners of real property and owners of household contents in accordance with loss settlement procedures normally employed by property insurance companies—to the extent of the owners' insurance coverage. The Secretary may request the insurance industry, government agencies, and any other public or private agencies or organizations to assist him in adjusting such claims. All such loss payments shall be reduced by any State or Federal disaster assistance grants paid or payable to such owners.

(c) If the Secretary finds and certifies to the President and the Congress no later than June 30, 1977, that catastrophic disaster insurance with coverage equal to or more extensive than the coverage provided under the program established by this Act is being made available on reasonable terms by private insurance companies throughout substantially all of the United States, he shall cease carrying out the program established by this Act; and this Act shall thereafter have no force or effect.

By Mr. NELSON (for himself and Mr. Kennedy):

S. 743. A bill to establish administrative practices, procedures, and standards under which court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground, and for other purposes. Referred to the Committee on the Judiciary.

(The remarks of Mr. Nelson and Mr. Kennedy on the introduction of the National Security Surveillance Act of 1975 are printed earlier in today's Record.)

By Mr. MANSFIELD (for himself and Mr. Metcalf):

S. 744. A bill to authorize a vigorous Federal program of research, development, and demonstration to assure the utilization of MHD—magnetohydrodynamics—to assist in meeting our national energy needs, and other purposes. Referred to the Committee on Interior and Insular Affairs.

(The remarks of Mr. Mansfield on the introduction of the above bill are printed earlier in today's Record.)

By Mr. NELSON (for himself, Mr. Abourezk, Mr. McIntyre, Mr. Clark, Mr. Hathaway, Mr. Packwood, and Mr. Leahy):

S. 745. A bill to amend the Interstate Commerce Act and to provide for regulation of certain anticompetitive developments in the petroleum industry. Referred to the Committee on the Judiciary.

(The remarks of Mr. Nelson on the introduction of the above bill are printed earlier in today's Record.)

By Mr. BIDEN:

S. 747. A bill to eliminate the disability waiting period for individuals with terminal illnesses. Referred to the Committee on Finance.

Mr. BIDEN. Mr. President, I am today introducing legislation which would eliminate the disability waiting period for individuals with terminal illnesses.

The present disability provisions under title II of the Social Security Act are stringent for everyone, and there have been many attempts to liberalize them. However, I am especially concerned about one group of individuals in particular—those with disabilities that can be expected to result in death within 1 year.

Under present law, there exists a 5-month waiting period which must be fulfilled before an individual may receive disability benefits. And even when those benefits do start, there is no guarantee that they will begin on the first month after the waiting period has elapsed. Backlogs in the Social Security Administration have caused disability determinations to take months beyond the initial waiting period.

Although such a waiting period may be justified in cases of individuals whose disabilities are of a long-term nature, the individual suffering from a terminal illness surely does not have the time or resources to fulfill this requirement. Mr. President, clearly this individual is one who will not have the benefit of the protection he has paid for—not because he is not sick enough, but because he is too sick.

It is unconscionable to ask one, who has 12 months to live, to wait out 5 months before he or she can collect disability benefits.

The legislation I am proposing is twofold. First, it would waive the 5-month waiting period for individuals with disabilities which are expected to result in death within 1 year. Second, it would place a priority on the determination of these disabilities and the payment of benefits. In this regard, within 1 month after an individual with a terminal illness files an application for disability benefits, the Secretary of Health, Education, and Welfare shall make a determination of disability, and within 1 month following the determination, disability benefits shall be paid retroactively from the date of application.

The mechanism for determining disability is already in effect, The provision states, in part, that mental or physical impairments must be "demonstrable by medically acceptable clinical and laboratory diagnostic techniques." In this regard, regulations already in force also require a medical judgment furnished by one or more physicians designated by the Secretary.

Mr. President, this legislation will not ease the emotional strain on a terminal patient or his family, but it will offer some financial relief. To do less would be cruel. To perpetuate the present law and do nothing would be ruthless.

I ask unanimous consent that the text of the legislation I am introducing be printed in the Record at this point in my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 747

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Section 223(c) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(3) The provisions of paragraph (2) shall not apply in the case of an individual with a disability which is anticipated to result in his death within twelve months. In the case of an individual to whom this paragraph ap-

plies, the Secretary shall make a determination of disability within thirty days of the date on which such individual's application is filed, and monthly payments shall begin thirty days following the date of such determination."

By Mr. HUDDLESTON (for himself and Mr. FORD):

S. 749. A bill to increase the number of judges for the U.S. District Court for the Eastern District of Kentucky. Referred to the Committee on the Judiciary.

Mr. HUDDLESTON. Mr. President, I am today introducing for myself and the junior Senator from Kentucky (Mr. FORD) a bill to increase from two to four the number of Federal district judges in the eastern district of Kentucky. The need for two additional judges in this district is pressing and is certain to grow significantly in the near future.

The results of this shortage of district judges can be seen in the massive judicial backlog of civil and criminal cases. In 1974, more than 70 civil cases had been on the docket for over 3 years. To continue to delay the speedy processing of these cases will surely cause a serious loss of faith in our judicial system.

Furthermore, since 1970, there has been a 51-percent increase in case filings in the eastern district. The number of judges has, however, remained constant. Our concern is even more urgent, because from all indications there will be substantial increases in the caseload due to Federal legislation which particularly affects the Appalachia region.

Eastern Kentucky is in the very heart of this Nation's coalfields, and the Coal Mine Health and Safety Act of 1969 is generating new cases at an expansive rate. The act provides for both civil and criminal penalties for violation of the mine safety standards. Naturally, as coal production increases to meet our expanding energy needs, new cases will arise. The problem will be further exacerbated by the increase in black lung claims which are subject to judicial review. We are rapidly approaching the stage where an avalanche of black lung cases will be processed through administrative denial and the claimants will turn to the courts for relief. On December 31, 1974, there were 244 black lung cases pending in the eastern district. This compares dramatically with the 92 pending on May 31.

These are special problems which face the eastern district. But, other cases, such as social security claims, are also substantially increasing.

Obviously, increases in case filings are not the only criteria to be considered in determining if additional judgeships are required. The actual performance of the judges must be taken into consideration. The current delay and backlog cannot be attributed in any respect to the judges of the eastern district. To the contrary, their record of working overtime to facilitate the movement of cases is evident to all who are familiar with their efforts. There were 530 filings per judge in 1974, which ranks them first in the circuit and 10th in the U.S. district court system. At the same time, their terminations were 546 per judge which places them fifth in the Nation. It is clear from this that the judges in the eastern district are putting forth a tremendous effort to meet the expectations of prompt judicial action.

Judge Frankfurter once said:

> Mere speed is not a test of justice. Deliberate speed is. Deliberate speed takes time. But it is time well spent.

Unless there is a sufficient number of judges to allow deliberate speed, the judicial system and those who look to it for assistance will undoubtedly suffer.

The right to prompt judicial action without unnecessary and unreasonable delay is a basic principle of our democratic system of government. To fail to provide adequate judgeships is surely such a delay and must be remedied as soon as possible. The creation of two additional judgeships in the eastern district would provide immediate relief and assure adequate judicial review in the immediate future.

By Mr. PHILIP A. HART:

S. 750. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns, except for or by members of the Armed Forces, law enforcement, officials and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, antique collectors, and pistol clubs. Referred to the Committee on the Judiciary.

HANDGUN CONTROL ACT OF 1975

Mr. PHILIP A. HART. Mr. President, I introduce today a bill which would limit handgun ownership to law enforcement officers and security guards.

Other handguns, with a few exceptions, would be bought at fair value by the Government and destroyed. Fair value can be generally interpreted to mean the price that a handgun would bring in the open market on the day before the bill is enacted. The measure would not affect rifles and shotguns.

The bill reflects my conclusion—and the conclusion of the 1969 National Commission on the Causes and Prevention of Violence—the Eisenhower Commission—of which I was a member, that the Nation has little chance of curbing violent crime until handguns are no longer readily available to all comers.

Handgun control is difficult to institute here simply because we are one of the few nations in the world with a great many handguns in circulation among people accustomed to having them.

One hundred years ago, handgun control would have been relatively easy. Few people owned them, even—despite what the cowboy movies tell us—in the wild West.

Sixty years ago, it would have been relatively easy to ban cigarettes. Few people smoked them. But now too many in the Nation are hooked. And, in the same sense, we are hooked on handguns.

There are now an estimated 40 to 50 million handguns in the country and that figure is nearly twice as great as the 25 million cited when this bill was first introduced in 1971.

Further, the number of people who were murdered by handguns each year continues to increase. The National Council for Control of Handguns says that in 1972 handguns were used in 9,750 murders. In 1973 that figure increased to 10,340.

There are two premises for my handgun bill.

First. We must eventually dry up the vast reservoir of handguns easily accessible to criminals through thefts, burglary, and cheap secondhand commercial traffic.

Second. Even to the extent that criminals would still have weapons, the hard facts indicate, contrary to common belief, that the rest of us are safer if we do not have handguns. The bulk of homicides committed each year—not to mention serious woundings or fatal accidents—do not involve criminals attacking strangers, but rather involve altercations between acquaintances.

DO THEY OFFER SOUND PROTECTION?

Most citizens owning handguns imagine these weapons to be sound home protection devices. But no serious study of handgun use—and there have been many—has concurred in this notion.

Only in a very, very tiny percentage of cases are they ever successfully used against burglars or home robbers—simply because burglars seldom enter an occupied house and bandits can easily get the drop on any householder who does not walk around the house with a gun in his hand.

If you open a door to a bandit's knock, then he will have you covered when he enters. If he sneaks in through an open door or window, the householder still has no chance to go for his weapon.

Conceivably, a householder might have time to arm himself if bandits take minutes to force their way in. But even in that unlikely circumstance, would not the householder be as well off with a shotgun in his hands as a pistol?

Studies in Detroit and Los Angeles show that only 2 percent of home robberies and 1 percent of home burglaries result in the intruder being shot by the householder. These studies are detailed in "Firearms and Violence in American Life," volume 7 of the staff reports to the National Commission on the Causes and Prevention of Violence.

For this minimal protection against intruders, Americans are paying a high price in the killing and wounding—both accidental and deliberate—of family members, friends, and acquaintances.

Most American homicides do occur in the home and the handgun is the usual instrument, because it is handy and is most often kept loaded.

Another study described in the Violence Commission staff report demonstrated that 71 percent of all killings in Chicago involved relatives, friends, and neighbors. Almost always, the attacks were generated by spontaneous rage and the attacker was not necessarily determined to kill.

We have all seen a headline about the homeowner or shopkeeper who shoots a robber. But, in fact, handguns are rarely used successfully by law-abiding citizens. They are far more likely to be used in a quarrel among friends or relatives—with tragic results.

Almost every handgun ever used in a criminal act was at one time owned by an honest citizen.

Inescapably, we learn that those millions of "honest" handguns provide the reservoir that keeps the criminal arsenals full. The reason handguns are so easily available to criminals is simply because handguns are everywhere.

Handguns in honest hands get into the streets through burglaries, thefts, pawns, loans, and, sometimes, sales.

Contrary to popular belief, it is not the usual practice for a criminal to contemplate a crime and then go looking for a gun.

Far more often, offenders commit crimes only after they find themselves with the capacity to intimidate a victim. In other words, there is solid evidence that firearms generate violent crime.

The great pool of "honest" handguns is constantly leaking into the hands of those who have criminal tendencies, but lack the weapons to intimidate.

The last catch basin for these guns is the police, who are constantly confiscating and destroying criminal weapons but never fast enough to catch up with the new supply. Meanwhile, the new supply is inspiring new violence.

WHY JUST HANDGUNS?

Handguns represent the major threat to our society's safety.

The handgun is the favorite criminal weapon for the most obvious of reasons. It is light, cheap, readily concealable and can be easily whipped out of a coat pocket.

Long guns, on the other hand, meet none of these tests. True, they can represent a threat to safety but they have a great many wholesome purposes. And they are certainly not designed primarily for the killing and wounding of humans.

Since most long gun killings and woundings are accidental, probably the most effective way of making them more harmless would be State-sponsored safety training programs for young hunters similar to safety training programs we have for young drivers.

HOW LONG WOULD IT TAKE TO DRY UP HANDGUNS?

Even if the bill were to pass tomorrow, it would doubtless take many years to achieve the desired results.

Let us face it—success will depend heavily on citizen appreciation of the fact that handguns are an unacceptable element in our society.

The bill provides a moratorium period of 180 days for citizens to sell handguns to the Government. After that, any unauthorized person with a handgun in his possession would be subject to a jail term of 5 years and/or a maximum fine of $5,000.

But how quickly handguns can be collected will certainly depend heavily on whether citizens study all the facts and willingly reach the same conclusions that I have.

WHO WOULD GET EXEMPTIONS?

Handguns would be allowed to police and licensed security guards. Target shooting clubs would be allowed to own handguns if they were stored in a secure place or at a police station.

Antique guns—those manufactured before 1890—would be exempted along with some more modern weapons judged to be collectors' items.

Certainly the banning of handguns is not an issue without a vocal opposition.

From time to time, this bill is challenged as unconstitutional with someone, usually in a letter, citing the second amendment to the Constitution, which reads:

> A well-regulated militia being necessary to the security of a free state, the right of the people to keep and bear arms shall not be infringed.

The right of the people to keep and bear arms has always been closely tied to the right of each State to maintain and arm a militia, now called the National Guard.

When the second amendment was drafted, the militia was made up of all our ablebodied men. When called for service, they were expected to provide their own weapons, something no longer required.

The Founding Fathers remembered that the British had stopped the colonial militias from arming themselves and wanted to make sure the Federal Government would not do the same thing.

The Supreme Court has held that firearms regulation is not unconstitutional unless it impairs the effectiveness of the militia.

In 1939, the Court found that the amendment was enacted with the "obvious purpose to assure the continuation and render possible the effectiveness of the militia. It must be interpreted and applied with that end in mind."

Now that is a strict interpretation of the Constitution. A "loose" interpretation of the second amendment, on the other hand, would prevent Congress from regulating even weapons such as machine-guns, bazookas, and grenades.

And if the "right to bear arms" were construed as an absolute individual right, then Congress would be unable to protect society by disarming insane persons and convicted mobsters.

So we might argue about how much "infringement" there should be, but I do not believe it is valid to claim that any infringement is unconstitutional.

WOULD AN EFFECTIVE HANDGUN BAN STOP KILLINGS?

Some of these who write in make the point that guns are harmless in themselves, that they are only harmless pieces of machinery until picked up by the hostile hand.

Very often, I see the phrase: "Guns do not kill people, people kill people."

This is occasionally followed by the statement:

> If a man wants to kill someone, he will find a way to do it whether he has a gun or not. So why bother to take away guns?

It is true that people kill people but, I would have to add that handguns make the job a great deal easier—and possibly more tempting. And does not Government have some responsibility to make it as difficult as possible for people to kill each other?

Indeed, the fact remains that a handgun makes it easy to approach a victim without immediately alarming him and they allow deadly attacks to be made by persons who are unable physically or psychologically to overpower their victims through violent physical contact.

It is certainly not surprising that handguns are presently the favorite weapons for attacks on police.

The policeman himself is capable of defending against many forms of attack. He is trained and equipped to ward off attacks with blunt instruments, knives, or fists. And if surprised at close range, his firearm is usually enough to overcome an attacker.

Therefore, clearly it is the handgun's capacity to deal instant death from a distance that threatens police lives. And a handgun provides the attacker with the additional element of surprise.

From the beginning in 1971, we have said that the success of this handgun bill, or any other, would depend on citizen willingness to acknowledge that handguns are a totally unacceptable element in our society.

At an annual rate of about 10,000 a year, some 30,000 people have been murdered by handguns since this bill was first introduced in 1971.

Although those statistics are the obvious reason for continuing concern, we can point to a few small gains in public awareness and the focus of public attention on handguns.

In a press conference this morning two men who were the highest ranking police officials from two major U.S. cities repeated their concerns about handguns.

Patrick Murphy, former police commissioner of New York City and Detroit, and Jerry V. Wilson, former chief of police for the District of Columbia, explained their support of a national ban on handguns.

In that same press conference, the Honorable Abraham D. Beame, mayor of New York City, urged passage of Federal legislation. He noted that in spite of the toughest gun laws in the Nation, gun traffic in New York City could not be restricted as long as gun laws in other States made the weapons easily available.

Mayor Beame also reiterated the U.S. Conference of Mayors support of a Federal handgun control law.

There are others who believe private citizens should not own handguns. In 1972 the Chicago City Council and Mayor Daley endorsed this bill.

The list also includes Police Commissioner De Grazia of Boston, and Sheriff Peter J. Pitches of Los Angeles, who has served as an FBI firearms instructor and was Vice Chairman of the last Federal Crime Commission.

That Federal Commission, most often called the Peterson Commission, in its report said:

> The private possession of handguns should be prohibited for all persons other than law enforcement and military personnel . . . Existing handguns should be acquired by government agencies . . .

This Commission established by the Justice Department included nationally recognized law enforcement and criminal justice experts.

Although the Commission did not recommend an immediate national ban on handguns, it did recommend that by

1984 that should be the goal on a State by State basis.

Their case was well stated in this remark:

> **All of the argument against prohibiting the private possession of handguns become, by comparison, subordinate to the death, tragedy and violence that abound in the absence of such legislation.**

As public discussion of handguns continues, we can hope that beyond the statistics, more people will understand that a family's safety is, in fact, diminished by the presence of a gun in the household.

We can hope that more will come to understand that with a handgun in a household it is most likely to be used in a quarrel among friends, neighbors, or relatives with tragic consequences for normally law-abiding citizens—and that handguns are rarely successfully used by citizens as protection against criminals.

And finally we can hope for an understanding that safety is a relative thing and we will never be relatively safe as long as there are 40 to 50 million handguns out there waiting.

Mr. President, I ask unanimous consent that A Tale of Two Cities by Prof. Franklin E. Zimring be printed at the conclusion of my remarks as well as the statements of the Honorable Abraham D. Beame, Patrick B. Murphy, Jerry V. Wilson, and Edward O. Wells, executive director of the National Council to Control Handguns, made at this morning's press conference. Also, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 750

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Handgun Control Act of 1975."

SECTION 1. The Congress hereby finds and declares—

(a) that annual sales of handguns in the United States have risen sharply in the last decade, bringing the total number of handguns in private hands to approximately twenty-four million by the end of 1968; and

(b) that handguns play a major role, and a role disproportionate to their number in comparison with long guns, in the commission of homicide, aggravated assault, and armed robbery, and that the percentage of violent crimes in which handguns are used is increasing; and

(c) that most homicides are committed in altercations between relatives, neighbors, or other acquaintances, rather than in a confrontation between strangers; and

(d) that handguns in the home are of less value than is commonly thought in defending against intruders, and are more likely to increase the danger of a firearm fatality to the inhabitants than to enhance their personal safety; and

(e) that with few exceptions, handguns are not used for sporting or recreational purposes and that such purposes do not require keeping handguns in private homes; and

(f) that more than one-half of all handguns are acquired secondhand and that licensing and restrictions on sale of new handguns will not significantly reduce handgun crime and handgun violence; and

(g) that violent crimes perpetrated with handguns constitute a burden upon and interfere with interstate and foreign commerce and threaten the internal security and domestic tranquillity of the Nation; and

(h) that fear of firearms crimes discourages citizens from traveling between the States to conduct business or to visit the Nation's Capital; and

(i) that crimes committed with guns have disrupted our national political processes, and threaten the republican form of government within the States as guaranteed by article IV of the Constitution; and

(j) that a national firearms policy which restricts the availability of handguns for non-law-enforcement and non-military purposes will significantly reduce violent crime, reduce deaths from handguns, and reduce other handgun violence in the United States.

SEC. 2. Title 18, United States Code, is amended by inserting immediately after chapter 50 thereof the following new chapter:

"Chapter 50A—HANDGUNS

"Sec.
"1091. Unlawful acts.
"1092. Licensing.
"1093. Penalties.
"1094. Exceptions.
"1095. Voluntary delivery to law enforcement agency; reimbursement.
"1096. Rules and regulations.
"1097. Effect on State law.
"1098. Separability clause.
"1099. Appropriations.
"1100. Definitions.

"§ 1091. Unlawful acts

"(a) Except as provided in section 1094 of this chapter and in subsection (c) of this section, it shall be unlawful for any person to import, manufacture, sell, buy, transfer, receive, or transport any handgun and handgun ammunition.

"(b) Except as provided in section 1094 of this chapter and in subsection (c) of this section, it shall be unlawful after one hundred and eighty days from the effective date of this chapter, for any person to own or possess any handgun or handgun ammunition.

"(c) The Secretary may, consistent with public safety and necessity, exempt from the operation of subsection (a) and subsection (b) of this section such importation, manufacture, sale, purchase, transfer, receipt, possession, ownership, or transportation of handguns and handgun ammunition by importers, manufacturers, or dealers, licensed under chapter 44 of this title, and by pistol clubs licensed under this chapter, as may in his judgment be required for the operation of such pistol clubs or for purposes in section 1094 of this chapter.

"(d) It shall be unlawful for any licensed importer, manufacturer, or dealer to sell or otherwise transfer any handgun or handgun ammunition to any person, except another licensed importer, manufacturer, or dealer, without presentation by the purchaser or recipient of written verification that the receipt or purchase is being made by or on behalf of a person or government agency eligible to obtain and possess handguns under section 1094 of this chapter or a pistol club licensed under this chapter.

"(e) Every manufacturer, importer, and dealer who sells or otherwise transfers handguns or handgun ammunition shall maintain records of sale or transfer of handguns and handgun ammunition in such form as the Secretary may by regulations provide and shall permit the Secretary to enter the premises at reasonable times for the purpose of inspecting such records.

"§ 1092. Licensing

"(a) A pistol club desiring to be licensed under this chapter shall file an application for such license with the Secretary. The application shall be in such form and contain such information as the Secretary shall by regulation prescribe. The fee for such license shall be $25 per year.

"(b) Any importer, manufacturer, or dealer desiring to be licensed under this chapter shall apply as provided in chapter 44 of this title.

"(c) Any application submitted under subsection (a) shall be approved if—

"(1) no member of the pistol club is a person whose membership and participation in the club is in violation of any applicable State laws;

"(2) no member of the pistol club is prohibited from transporting, shipping, or receiving firearms or ammunition in interstate or foreign commerce under section 922 (g) or (h) of this title;

"(3) no member of the pistol club has willfully violated any of the provisions of this chapter or of chapter 44 of this title or any regulations issued thereunder;

"(4) the pistol club has not willfully failed to disclose any material information required, or has not made any false statement as to any material fact in connection with its application;

"(5) the club has been founded and operated for bona fide target or sport shooting and other legitimate recreational purposes; and

"(6) the pistol club has premises from which it operates and—

"(A) maintains possession and control of the handguns used by its members, and

"(B) (i) has procedures and facilities for keeping such handguns in a secure place, under the control of the club's chief officer, at all times when they are not being used for target shooting or other sporting or recreational purposes, or

"(ii) has effected arrangements for the storage of the members' handguns in a facility of the local police department or other nearby law enforcement agency.

"(d) (1) The Secretary must approve or deny an application for a license within the sixty-day period beginning on the date it is received. If the Secretary fails to act within such period, the applicant may file an action under section 1361 of title 28 to compel the Secretary to act. If the Secretary approves an applicant's application, such applicant shall be issued a license upon payment of the prescribed fee.

"(2) The Secretary may, after notice and opportunity for hearing, revoke any license issued under this section if the holder of such license has violated any provision of this chapter or of chapter 44 of this title or any rule or regulations prescribed by the Secretary under such chapters. The Secretary's action under this paragraph may be reviewed only as provided in subsection (e) of this section.

"(e) (1) Any person whose application for a license is denied and any holder of a license which is revoked shall receive a written notice from the Secretary stating specifically the grounds upon which the application was denied or upon which the license was revoked. Any notice of revocation of a license shall be given to the holder of such license before the effective date of the revocation.

"(2) If the Secretary denies an application for, or revokes, a license, he shall, upon request by the aggrieved party, promptly hold a hearing to review his denial or revocation. In the case of a revocation of a license, the Secretary shall upon the request of the holder of the license stay the effective date of the revocation A hearing held under this paragraph shall be held at a location convenient to the aggrieved party.

"(3) If after a hearing held under paragraph (2) the Secretary decides not to reverse his decision to deny an application or revoke a license, the Secretary shall give notice of his decision to the aggrieved party. The aggrieved party may at any time within sixty days after the date notice was given under this paragraph file a petition with the United States district court for the district in which he resides or has his principal place of business for a judicial review of such denial or revocation. In a proceeding conducted under this subsection, the court may consider any evidence submitted by the parties to the proceeding. If the court decides that the Secretary was not authorized to deny the application or to revoke the license, the court shall order the Secretary to take such action as may be necessary to comply with the judgment of the court.

"(f) Each licensed pistol club shall maintain such records of receipt, sale, or other disposition, of handguns at such place, for such period, and in such form as the Secretary may by regulations prescribe. Such pistol clubs shall make such records available for inspection at all reasonable times, and shall submit to the Secretary such reports and information with respect to such records and the contents thereof as he shall by regulations prescribe. The Secretary may enter at reasonable times the premises (including places of storage) of any pistol club for the purpose of inspecting or examining (1) any records of documents required to be kept by such pistol club under the provisions of this chapter or chapter 44 of this title and regulations issued under such chapters, and (2) any handguns or ammunition kept or stored by such pistol club at such premises.

"(g) Licenses issued under the provisions of subsection (c) of this section shall be kept posted and kept available for inspection on the premises covered by the license.

"(h) The loss or theft of any firearms shall be reported by the person from whose possession it was lost or stolen, within thirty days after such loss or theft is discovered, to the Secretary. Such report shall include such information as the Secretary by regulation shall prescribe, including, without limitation, the date and place of theft or loss.

"§ 1093. Penalties

"(a) Whoever violates any provision of section 1091 of this chapter shall be fined not more than $5,000, or imprisoned not more than five years, or both, and shall become eligible for parole as the Board of Parole shall determine.

"(b) Whoever knowingly makes any false statement or representation with respect to the information required by the provisions of this chapter to be kept in the records of an importer, manufacturer, dealer, or pistol club, licensed under this chapter, or in applying for a pistol club license under the provisions of this chapter, shall be fined not more than $5,000, or imprisoned not more than five years, or both, and shall become eligible for parole as the Board of Parole shall determine.

"(c) Any handgun or handgun ammunition involved or used in, or intended to be used in, any violation of the provisions of this chapter or chapter 44 of this title or any rule or regulation promulgated thereunder, or any violation of any other criminal law of the United States, shall be subject to seizure and forfeiture and all provisions of the Internal Revenue Code of 1954 relating to the seizure, forfeiture, and disposition of firearms shall, so far as applicable, extend to seizures and forfeitures under the provisions of this chapter.

"(d) Except as provided in subsection (b), no information or evidence obtained from an application or certificate of registration required to be submitted or retained by a natural person in order to comply with any provision of this chapter or regulations issued by the Secretary shall be used, directly or indirectly, as evidence against that person in a criminal proceeding with respect to a violation of law occurring prior to or concurrently with the filing of the application for registration containing the information or evidence.

"§ 1094. Exceptions

"(a) The provisions of this chapter shall not apply with respect to the importation, manufacture, sale, purchase, transfer, receipt, or transportation of any handgun or handgun ammunition which the Secretary determines is being imported or manufactured for, sold, or transferred to, purchased, received, owned, possessed, or transported by, or issued for the use of—

"(1) a professional security guard service which is licensed by the State in which the handgun is to be used, and which is authorized to provide armed security guards for hire; or

"(2) the United States or any department or agency thereof or any State or any department, agency, or political subdivision thereof.

"(b) Every security guard service purchasing, receiving, owning, possessing, or transporting handguns under subsection (a) shall maintain records of receipt, sale, ownership, and possession of handguns in such form as the Secretary may provide and permit the Secretary to enter the premises at reasonable times for the purpose of inspecting such records.

"(c) The provisions of this chapter shall not apply with respect to the importation, sale, purchase, transfer, receipt, or transportation of a handgun manufactured before 1890, or any other handgun which the Secretary determines is unserviceable, not restorable to firing condition, and intended for use as a curio, museum piece, or collectors item.

"§ 1095. Voluntary delivery to law enforcement agency; reimbursement

"(a) A person may at any time deliver to any Federal, State, or local law enforcement agency designated by the Secretary a handgun owned or possessed by such person. The Secretary shall arrange with each agency designated to receive handguns for the transfer, destruction, or other disposition of all handguns delivered under this section.

"(b) Upon proof of lawful acquisition and ownership by a person delivering a handgun to a law enforcement agency under this section, within one hundred and eighty days of the effective date of this chapter, the owner of the handgun shall be entitled to receive from the United States a payment equal to the fair market value of the handgun or $25, whichever is more. The Secretary shall provide for the payment, directly or indirectly, through Federal State, and local law enforcement agencies, of the amounts to which owners of handguns delivered under this section are entitled.

"(c) The amounts authorized in subsection (b) of this section shall be paid out of the fees collected under section 1092(a) of this chapter to the extent that such fees are sufficient for this purpose. The remainder of amounts authorized in subsection (b) of this section shall be paid out of general revenues.

"§ 1096. Rules and regulations

"(a) The Secretary may prescribe such rules and regulations as he deems necessary to carry out the provisions of this chapter.

"§ 1097. Effect on State law

"No provision of this chapter shall be construed as indicating an intent on the part of the Congress to occupy the field in which such provision operates to the exclusion of the law of any State on the same subject, unless there is a direct and positive conflict between such provision and the law of the State so that the two cannot be reconciled or consistently stand together.

"§ 1098. Separability

"If any provision of this chapter or the application thereof to any person or circumstance is held invalid, the remainder of the chapter and the application of such provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

"§ 1099. Assistance to the Secretary

"When requested by the Secretary, Federal departments and agencies shall assist the Secretary in the administration of this title.

"§ 1100. Appropriations

"There are authorized to be appropriated such sums as are necessary to carry out the purposes of this chapter.

"§ 1101. Definitions

"As used in this chapter—

"(1) The term 'person' and the term 'whoever' include any individual, corporation, company, association, firm partnership, club, society, or joint-stock company.

"(2) The term 'importer' means any person engaged in the business of importing or bringing handguns into the United States for purposes of sale or distribution; and the term 'licensed importer' means any such person licensed under the provisions of chapter 44 of this title.

"(3) The term 'manufacturer' means any person engaged in the manufacture or assembly of handguns for the purposes of sale or distribution; and the term 'licensed manufacturer' means any such person licensed under the provisions of chapter 44 of this title.

"(4) The term 'dealer' means (A) any person engaged in the business of selling handguns at wholesale or retail, (B) any person engaged in the business of repairing handguns or of making or fitting special barrels, or trigger mechanisms to handguns, or (C) any person who is a pawnbroker. The term 'licensed dealer' means any dealer who is licensed under the provisions of chapter 44 of this title.

"(5) The term 'fair market value' means the prevailing price on the open market for such weapons immediately prior to enactment or at the time of voluntary transfer under section 1095 of this chapter, whichever is higher, the method of establishing such prices to be prescribed by the Secretary in accordance with his authority under section 1096.

"(6) The term 'Secretary' or 'Secretary of the Treasury' means the Secretary of the Treasury or his delegate.

"(7) The term 'handgun' means any weapon—

"(A) designed or redesigned, or made or remade, and intended to be fired while held in one hand;

"(B) having a barrel less than ten inches in length; and

"(C) designed or redesigned, or made or remade, to use the energy of an explosive to expel a projectile or projectiles through a smooth or rifled bore.

"(8) The term 'handgun ammunition' means ammunition or cartridge cases, or bullets designed for use primarily in handguns.

"(9) The term 'pistol club' means a club organized for target shooting with handguns or to use handguns for sporting or other recreational purposes.

"(10) The term 'licensed pistol club' means a pistol club which is licensed under this chapter."

Sec. 3. The enforcement and administration of the amendment made by this Act shall be vested in the Secretary of the Treasury.

Sec. 4. Nothing in this Act or the amendment made thereby shall be construed as modifying or affecting any provision of—

(a) the National Firearms Act (chapter 53 of the Internal Revenue Code of 1954);

(b) section 414 of the Mutual Security Act of 1954 (22 U.S.C. 1934), as amended, relating to munitions control; or

(c) section 1715 of title 18, United States Code, relating to nonmailable firearms.

Sec. 5. The provisions of this Act shall take effect one hundred and eighty days following the date of enactment.

[From the Wall Street Journal, Dec. 20, 1974]

A TALE OF TWO CITIES

(By Franklin E. Zimring)

If you have a Detroit friend seeking a relatively safe vacation in a setting of near-civil war, the place for him to go is Belfast, Northern Ireland.

Not that it's dull in Northern Ireland. Since 1969 the rate of deaths from violence has increased more than twentyfold. In the peak year of 1972 a total of 476 persons were slain; 70% of the casualties were civilians. Since January 1969 more than 1,000 people were bombed or shot to death in that small country—a reign of terror sufficient to draw world attention to "bloody Ulster," and to require British military occupation and preventive detention.

But as the latest FBI reports show, your Detroit friend will be relatively safe in Northern Ireland, about four times as safe as at home. It happens that the city of Detroit (1,513,000) has almost exactly the same population as the whole of Northern Ireland (1,536,000). Yet in 1973 alone, Detroit police reported 751 deaths from criminal homicide, 24 more than the total number of civilians killed in Ulster during the five and a half years from the beginning of the "troubles" in 1969 through the end of this past June. In 1973 the rate of civilian deaths in Northern Ireland was about one quarter of that in Detroit. Northern Ireland's troubles continue; however, so far this year the death rate is lower there, but up in Detroit.

Of course, there are safer places to live than Northern Ireland but surprisingly few of them are major American cities. During the past decade, violent killing in American cities has more than doubled. In 1973 each of the 10 largest American cities had a homicide rate higher than that of Northern Ireland. We too have our "troubles."

AN INSTRUCTIVE CASE STUDY

This comparison is intended neither to belittle the sorry situation in Ulster nor to argue for the military occupation of Detroit. Is is instructive, however, as a case study in the comparative psychology of social problems. When do people perceive violence as a major social problem, and why? What kinds of antiviolence programs will they tolerate? How much do they care?

Detroit has more violence, but Belfast, judged by all measures of expressed social and governmental concern, has the more serious violence problem. There are three reasons why Ulster suffers more than Detroit: Detroit is used to high homicide rates; most of those killed in Detroit are ghetto dwellers; and killings in Detroit are not a direct threat to public political order as it is in Ulster, where soldiers and police are primary targets.

The first reason why Detroit (and her sister cities) can absorb so much violence without alarm is that Americans have had ample time to get used to high homicide rates. As Winston Churchill said: "Eels get used to skinning."

In 1967, when Northern Ireland experienced eight homicides, Detroit had 211; and the average urban homicide rate in the United States was 10 times as high as any European city experiencing what it would call a crime wave. The recent epidemic levels of violence in our city streets are thus borne with equanimity if not apathy; they are less of a surprise than the relatively benign carnage that has produced desperation in Ulster.

But how is it possible to adjust to such rates of violence? In an important sense it's easy. Because most of the urban body count in the United States involves the faceless young black male "non-citizens" who live and die without conspicuous outpourings of social concern. It is, in fact, misleading to talk of a single homicide rate in American cities, because ghetto-dwelling blacks kill and are killed at rates 10 times as high as big-city whites. Urban violence does, of course, affect a broader spectrum of society—small shopkeepers, street robbery victims, and men, women and children who just happen to be at the wrong place at the wrong time. But the great majority of victims are the black poor.

Finally, Detroit's brand of violence represents no direct threat to public political order. In Northern Ireland, for example, three hundred policemen and soldiers have been killed since 1969—30% of all fatalities. In the United States, while killings of police have increased substantially, they are still about one half of 1% of total homicide. To confirm the importance of this element, imagine the distress that would have ensued if 60 policemen had been killed in Detroit last year—and that would be less than 10% of the city's homicide!

So perhaps the moral of this story is that statistics are misleading, that Detroiters really shouldn't worry about their 750 killings a year. After all, the nation's homicide toll is only about 40% of our annual highway deaths, and highway safety is such a nonproblem that it takes a gas shortage to bring this country to a life-saving 55-mile-an-hour speed limit. And most of us are pretty safe, after all: protected by skin color, security precautions, and a largely unthreatened police. Perhaps it is better to contain our homicide epidemic by evacuating our cities at the cost of increasing social division than to experiment with all that soft-headed junk that came out of the National Commissions on Crime, Social Disorder and Violence? Perhaps it is better to hide behind handguns, tear gas pens, and German Shepherds than to take the first difficult steps toward handgun control? Perhaps we can protect ourselves and accept violence as an occupational hazard of urban life for the poor?

It seems that we are on the way to such an adjustment. In my local newspaper I find, on the same page, the story of a girl shot to death while waiting for a traffic light to turn green by the occupants of a second car and an account of a five-minute "shoot-out at the OK Corral" in a local gas station. The page, incidentally, was 57, the obituary page.

JOHN DONNE'S SUMMING-UP

Yet there are moral and practical problems with learning to live with violence, both summed up in poet John Donne's phrase "No man is an island."

The moral problems lie at the heart of the American dream: our national greatness is defined in large measure by what we can provide for the least-advantaged among us. The practical problem is that violence is difficult to contain. If we want to protect the small grocer or the local cop from random gunfire, we must also protect the rest of those who so casually become the statistics of our urban violence. The same desperate young who kill one another are also frightening the rest of us off the streets. As long as violence is an urban disease, no city dweller is immune from its contagion. And the steps we take to provide real security for ourselves must necessarily help our fellowmen.

Yet the prospects for constructive action are dim. So far, our political leaders have either ignored the real problems of urban violence or have concentrated on the quick, easy and cheap prescriptions that are worse than no remedy at all. This is not the place to detail the steps we could take to reduce violence in American urban life. But the reader can be assured that they will be slow, difficult and expensive. The political cant that passes for dialog on violence in this country is simply another symptom of failure to face up to our profoundly serious problems.

Even with the best of intentions, our urban body count will be hard to diminish. If we continue to adjust to bloodletting, and to view violence as a nonproblem, there is every chilling prospect we will get what we deserve.

STATEMENT BY MAYOR ABRAHAM D. BEAME AT A PRESS CONFERENCE WITH REPRESENTATIVE JONATHAN BINGHAM AND SENATOR PHILIP A. HART, SPONSORS OF NEW GUN CONTROL LEGISLATION, DIRKSEN SENATE OFFICE BUILDING, WASHINGTON, D.C.

New York City has a big stake in the enactment of long-overdue federal legislation to effectively control the deadly traffic in handguns.

Our City's experience is the best evidence I know of the need for national action. State legislation and local regulations provide the toughest gun laws on the books anywhere. Nevertheless, there are about one million illegal handguns in New York City. Obviously, our local restrictions haven't solved the problem.

Why not?

Part of the answer to that question can be found in a recent study of the weapons involved in gun cases for a six-month period. Fully 69% of those weapons—over 1,300 handguns—were traced to their original purchase in four Southern states—states where it is relatively easy to purchase handguns.

So the traffic in illegal guns is not just a New York City problem, nor even just an urban problem. It is a national tragedy, and the federal government most act to restrict the easy availability of handguns.

Some say that we must do more on the state and local levels. That's true. In New York City, I have just announced new restrictions which will reduce the number of municipal employees—not including peace officers—who can carry guns for work-related purposes. We have also stiffened local Police procedures in processing permit applications and renewals.

In addition, I have submitted a package of bills in the state capital to require mandatory prison sentences for those persons convicted of committing armed assault or armed robbery with a gun. Persons charged with these offenses would not be permitted to plea-bargain for a lesser crime. Other bills would stiffen the penalties for illegal possession of guns, ban the manufacture or distribution of so-called "Saturday Night Specials", tighten criteria for the issuance of any handgun permit in New York City, and achieve other reforms.

But the point I want to make here is that we have gone about as far as we can go in New York City and in New York State. We need help from the Congress.

I am encouraged by a definite shift in public attitudes. There can be no doubt that the American people overwhelmingly favor effective handgun control.

No one person has all the answers to this problem, but this legislation represents an important step forward in spurring the Congress to action.

The U.S. Conference of Mayors—which represents the nation's great cities of all regions—has asked me to reiterate today their wholehearted support for a federal handgun control law. The Conference has approved such a resolution three times since 1968. In fact, at its 43rd Midwinter Meeting held here in Washington just two weeks ago, the mayors began to develop their own strategy to urge that such a measure be adopted during this session of Congress.

We need agreement from the Congress that the wanton use of handguns in the commission of crimes is a nationwide problem that requires federal legislation. We need effective national handgun controls this year.

Statement of Patrick V. Murphy, News Conference on Handgun Legislation, February 19, 1975

The nation faces the urgent task of halting a growing toll of handgun carnage that is threatening to turn our streets and homes into instant OK Corrals.

The ever increasing availability of handguns is making shootouts among citizens a daily occurrence.

A particular victim is the police officer. In 1961, 37 officers were killed in the line of duty. By last year that figure had jumped to 132. Many of these officers were killed with handguns.

In one year, as police commissioner in New York City, I helped to bury 11 brave and dedicated officers. All were felled by handguns.

We are frequently told to support our local police. As citizens, we could take no greater step in this direction than by working to eliminate the proliferation of handguns and their indiscriminate possession by persons who clearly have no need for them.

Very few persons need these weapons. Handguns should be considered dangerous substances which abet crimes of passion and property and cause thousands of accidents yearly.

To end the carnage, we must have gun control at the federal level to protect citizens from the misuse of handguns.

BIOGRAPHICAL SKETCH: PATRICK V. MURPHY

Patrick V. Murphy, President of the Police Foundation, has served as the top law enforcement official in New York City, Detroit, Washington, D.C. and Syracuse, New York, and was appointed by President Johnson as the first Administrator of the Law Enforcement Assistance Administration.

A career policeman, Murphy joined the New York City Police Department as a patrol officer in 1945 and moved quickly up through the ranks. A Deputy Inspector in 1963, he took a leave of absence to become Chief of Police in Syracuse, returning to New York City as Commanding Officer of the Police Academy in June 1964.

Murphy came to Washington, D.C. in 1965 where he served for two years as Assistant Director of the Office of Law Enforcement Assistance. In December 1967, he was appointed as the District of Columbia's Public Safety Director. A year later he was appointed as the first Administrator of the LEAA, and in 1970 he was named Commissioner of the Detroit Police Department. He left that position in late 1970 to become Commissioner of the New York City Police Department.

Murphy was named President of the Police Foundation in mid-1973. The Foundation is an independent institution dedicated to fostering improvement and innovation in policing.

[From the Washington Post, Jan. 17, 1975]

Controlling Hands—and Violence

(By Jerry V. Wilson)

("The lingering suspicion is that advocacy of handgun control is more likely to lose than to gain votes. This hazard deters many political leaders from pressing for effective legislation.")

A succession of public opinion polls since 1938 has shown that a majority of Americans favor gun control. A 1972 poll showed 71 per cent of all persons and 61 per cent of gun owners in favor of some form of gun control. But their sentiments go unshown in either the ballot boxes or in mail response to the issue. A variety of political figures have lost elections after campaigning for handgun control. The lingering suspicion is that advocacy of handgun control is more likely to lose than to gain votes. This hazard deters many political leaders from pressing for effective legislation.

And constituent mail has a lot to do with how politicians act on hot subjects. Lobbyists against gun control reportedly can generate one-half million letters to the Congress.

After I wrote a column last month calling for stringent handgun control, the few letters I received were all opposed to the notion. I think it worthwhile to share some of them with you:

From Nevada: "Jerry V. Wilson . . . made me nauseous. To this imbecile . . . murder lies in the gun and not the man . . . ."

From Wisconsin: "(Gun manufacturers) could sell 10 times the number of handguns than they do . . . if they were the money hungry capitalists that you suggest. . . . What about the trapper who needs a pistol to make his living? What about the rancher out mending fence in snake country? . . . (What) about the competitive target shooter like myself? . . . (Register) the *owner* and not the weapon . . ."

From Idaho: "Do you realize how many (criminals) have been stopped because they are afraid of getting shot? . . ."

From Maryland, "I have been a hunter and collector of fine handguns since 1946 . . . and have a fine collection . . . valued at $50,000 . . . (their) value and authenticity would be destroyed if . . . made inoperable . . . (less) than ½ of 1 per cent of handgun owners are ever involved in any form of crime or of violence involving the use of a gun . . ."

Several of the issues mentioned above deserve response.

First, my own observation of handgun advertisements and displays indicates no holding back on production by manufacturers. Second, firearms obviously are needed in some instances, particularly in rural areas, for self defense against criminals, for protection against wild animals or snakes, and by hunters and trappers. But self protection and hunting needs can adequately be filled by rifles and shotguns, which are seldom used either in murders arising out of domestic or other quarrels or as weapons in other crimes.

The pleasures of handgun collectors and target shooters are another matter. Their need for handguns is harder to justify. But the National Council to Control Handguns does propose some accommodation of their desires with licensing ownership of handguns to be kept in secure places reasonably inaccessible during moments of passion or by burglars and thieves.

"Control the owner, not the weapon" arguments derive from the notion that the deaths are caused by people, not guns. Unfortunately, that is only half true. Each year in America about 9,000 people are murdered and about 10,000 people commit suicide by use of handguns. True, in each case some person pulled a trigger and in many cases an alternative weapon might have been used if no handgun were available. But experience demonstrates that other weapons are less likely to inflict fatal wounds. Indeed, the *handguns* did not kill those people, but the *availability of handguns* did. Limiting handguns availability to "respectable" people is not going to save those lives, unless the limitations are extraordinarily stringent.

As one correspondent noted, the approximately one-quarter million murders, robberies, assaults, and suicides involving handguns each year involve less than one per cent of the 30,000,000 handguns in America. But what do all those handguns contribute to our society to justify the deaths and crimes of which they are instruments? For example, by sharply reducing the availability of handguns, America can almost certainly match the life saving of the 55 mph speed limit.

Nothing is likely to happen, however, so long as handgun lovers write to their legislators, while handgun control advocates answer pollster's inquiries and otherwise are silent.

(Jerry Wilson is former police chief of Washington, D.C., and now a syndicated columnist. He joined the Washington Metropolitan Police Department in 1949, rose through the ranks to deputy chief in 1966 and was chief from 1969 to 1974. Mr. Wilson lectures at the Southern Police Institute, University of Louisville; and at the Southwestern Police Institute, Southern Methodist University. He serves on the Board of Directors of the Washington Urban Coalition, and on the Board of Directors of the D.C. area branch of the National Conference of Christians and Jews. He is a member of the International Association of Chiefs of Police, the American Society for Public Administration, and the D.C. Government Municipal Officers Club, of which he was President in 1968.)

The National Council To Control Handguns

(By Edward O. Welles)

My name is Edward Welles. I am Executive Director of the National Council to Control Handguns, a newly formed national membership organization exclusively concerned with the handgun issue. We deeply appreciate the opportunity to participate in this press conference. We are established to support the passage of effective federal handgun control legislation and to strengthen enforcement of existing state and federal firearms laws.

The threat of the handgun to our society is well known. The losses we have suffered, are suffering and will suffer by the handgun are so well known established comment would have little if any purpose. The same applies if I were to recite the awesome set of well known statistics which clearly indicate that the handgun is a menace to our daily existence. The more handguns are around, the more they will be the instruments of death and destruction. Statistics indicate that and record personal tragedy but we must always remember that statistics don't bleed.

It is encouraging, however, that there is an awakened national concern on this issue and a growing determination to band together to achieve our goals in the near future. Distinguished individuals such as Dr. Milton Eisenhower, Patrick Murphy and Jerry Wilson know the problem and have long spoken in deadly earnest. But the new ingredient is a genuine well organized grass roots movement of aroused citizens, led in many cases by women, in cities such as Boston, Chicago, Cleveland, Detroit, Providence and Los Angeles. In these cities, and in others such as Dayton and Madison, in towns and suburbs citizens and their elected officials are no longer just wishing the problem would go away. Local groups exclusively concerned with the handgun problem are springing up and maturing. Soon they will be joined by broad membership organizations interested in many issues and this will increase our momentum. Simply put, action on the handgun issue is here to stay until strict federal controls are established to stop the senseless slaughter in this country.

I leave to your experience and judgment to imagine what a telling effect such a unified voice will have in the halls of a responsive new Congress and in our State Capitols. It will be a voice speaking to elected representatives who are being sent a serious message for legislative action. To delay would be to prolong our national tragedy.

By Mr. TOWER for Mr. TAFT (for himself, Mr. TOWER, Mr. JAVITS, Mr. BEALL, Mr. HATFIELD, and Mr. TUNNEY):

S. 751. A bill to amend section 313 of the National Housing Act, as added by the Emergency Home Purchase Assistance Act of 1974, to authorize the Government National Mortgage Association, under the emergency program authorized by that section, to purchase certain mortgages covering multifamily rental, cooperative, or condominium housing. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. TOWER. Mr. President, on behalf of the Senator from Ohio (Mr. TAFT), I introduce a bill and I ask unanimous consent that a statement prepared by him in connection with the bill, the text of the bill, and an editorial from the Dayton Journal Herald be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Taft

Mr. President, today I am reintroducing legislation which would bring apartments, cooperatives, and condominiums not insured by FHA or VA into the emergency Government mortgage purchase program which Congress authorized in October.

This bill is similar to an amendment I offered when the emergency housing legislation was before the Senate. I withdrew the amendment at the request of the bill's managers at that time, in view of the necessity for prompt passage of the legislation and the lack of time for review of the ramifications of my amendment. Since that time, however, President Ford has requested Congress several times to pass legislation such as the bill I am introducing. I see no reason for failing to give the proposal our concentrated, immediate attention, in view of the importance of prompt action.

Congress and the public are all too familiar with the magnitude of the housing depression. The estimated number of housing starts for 1974 and 1975 combined is far more than 2 million starts lower than the estimated number ncessary to fulfill housing needs. This situation has already led to unemployment more than twice the national average in the housing construction industry, which in turn has had unemployment effects upon related industries.

To a large extent, this situation developed as a result of the tight money policy used by the Government to fight inflation. It is incumbent upon the Government to take all reasonable action, within the bounds of fiscal prudence, to alleviate the situation.

Although the 200,000 units the emergency program is expected to supply obviously do not constitute the total answer to the housing depression, passage by Congress of that program was certainly a step in the right direction. Three billion dollars worth of credit had been funneled into mortgages through the program by the first week of January, and I am pleased at H.U.D.'s announcement that $3 billion more will be made available.

However, the exclusion of conventionally financed apartments and condominium units from the program diminishes its possible effectiveness considerably.

In terms of sheer numbers, 37 percent of the housing units started in 1973 were apartments, while the percentage of condominium units is expected to reach 16 percent of housing starts in 1975. Since only a small portion of these units were or will be insured by FHA or VA, the emergency program presently excludes entirely a major portion of the housing sector. This is even more true, with respect to condominiums, for Ohio than for the nation as a whole; 28.7 percent of all 1973 housing completions in Ohio were condominium units.

The exclusion of conventionally financed rental projects is particularly damaging, because activity in the multi-family sector has declined much more drastically than building of single family housing. While single family starts are estimated to have dropped 26 percent in 1974, multi-family starts were estimated to have dropped 42.5 percent. The proportion of rental units in the mix of housing started in 1975 is expected to decline to 26 percent. This percentage is the lowest apartment share of new housing starts in 14 years. It constitutes the lowest number of apartment units started in any year since 1961.

The weakness in the apartment portion of the housing sector is particularly acute in the north-central region of the country, which had only 30 percent of total starts in multi-family units in the first half of 1974 compared to 39 percent in 1973. Ohio's experience certainly reflected this. Thomas Phillips of the Ohio homebuilders' association was reported in a "Cleveland Plain Dealer" article of October 31, 1974, to have presented figures to a committee of the Ohio legislature which indicated that Cincinnati's total apartment housing starts were virtually zero. Cleveland, at that time, had reported no starts on apartment dwellings since August. Recent informal reports I have had from Ohio do not indicate any basic change in this situation.

Quite apart from the argument that inclusion of apartments and condominium units would allow the program to provide a greater overall number of housing units, I believe that there are extremely important reasons why these specific types of housing should be included. Recent studies have verified that multi-family structures are more economical in several ways than single family housing. They seem particularly suited to the present situation of land scarcity in many cities, energy shortages and rampant inflation. Condominium units often constitute a realtively cheap form of homeownership. They also provide a disproportionately large amount of housing for our elderly citizens.

There is no question that because of the higher individual mortgage amounts involved and the much greater number of variables which contribute to their financial soundness or lack thereof, multi-family projects involve a greater financing risk for the government than single-family housing. To help reduce that risk, this bill limits the maximum mortgage loan to appraised value ceiling for mortgages covering conventionally financed projects to 75 percent, rather than 80 percent as the program allows for FHA-insured projects. In addition to this step, HUD personnel have commented informally that the government might use the authority contained in my bill to purchase senior participations in project mortgages. In other words, rather than assuming the entire mortgage loan, the government might share the financing risk with the private sector by covering only a part of the mortgage loan amount needed.

This legislation recognizes that a significant increase in multi-family and condominium unit starts is not likely to be accomplished through the emergency program if developers must go through FHA as a condition for the emergency assistance. Whether FHA processing should be required is a more important question with respect to entire projects than to individual condominium units. In the case of the projects, the issue directly involves important concerns such as the necessity for a Federal environmental impact statement. However, in view of the emergency need for increased rental and condominium unit starts, the presence of local regulatory requirements in any event and the temporary nature of the emergency program, it is my judgment that the FHA insurance requirements must not remain a condition for project assistance under this program.

This legislation would bring apartments and condominium units into the program under the program rules basically used for similar types of housing now, with some minor exceptions. As I have explained, the maximum mortgage loan to appraised value ratio would be lower for conventional projects than for FHA-insured projects. In addition, HUD specifically would be given the authority to impose any further requirements needed to protect consumers or to protect the Government's financial interest. Conversion of existing apartments into condominiums would continue to be excluded from the emergency program.

S. 751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 313 of the National Housing Act is amended by adding at the end thereof a new subsection (h) as follows:

"(h) Notwithstanding the provisions of subsection (b), the Association may make commitments to purchase, and may service, sell (with or without resourse), or otherwise deal in, a mortgage which covers more than four-family residences (including residences in a cooperative or condominium), or a single-family unit in a condominium, and which is not insured under the National Housing Act or guaranteed under chapter 37 of title 38 of the United States Code if—

"(1) in the case of a project mortgage, the principal obligation of the mortgage does not exceed, for that part of the property attributable to dwelling use, the lesser of (i) the per unit amount specified in subsection (b)(B) or (ii) the per unit limitations specified in section 207 of this Act in the case of a mortgage covering a rental project, section 213 in the case of a cooperative project, or section 234 in the case of a condominium project;

"(2) in the case of a mortgage covering a housing project, the outstanding principal balance of the mortgage does not exceed 75 per centum of the value of the property securing such mortgage (or 80 per centum if such mortgage is insured by a qualified private insurer as determined by the Association);

"(3) in the case of a mortgage covering an individual condominium unit, the mortgage is insured by a qualified private insurer as determined by the Association or has an outstanding principal balance which does not exceed 80 per centum of the value of the property securing the mortgage;

"(4) the mortgage is not being used to finance the conversion of existing rental housing into a condominium or individual unit therein; and

"(5) the mortgage meets the requirements of subsection (b) except as modified by this subsection and any additional requirements the Secretary may prescribe to protect the interests of the United States or to protect consumers.".

[From the Dayton (Ohio) Journal-Herald, Oct. 10, 1974]

Urban Sprawl—Federal Contradictions on Growth

Urban sprawl is not only bad aesthetics, a new federal study shows, it is bad economics. The report, which was done for the Dept. of Housing and Urban Development, the Council on Environmental Quality and the Environmental Protection Agency, says that planned growth can save up to 50 percent in land and construction costs, energy consumption and pollution.

Indeed, the single-family home on its own lot is so much more expensive to build and maintain that one wonders why new subdivisions continue to spring up like mushrooms.

One answer is that the government continues to subsidize the construction of new homes in new suburbs. Indeed, President

Ford just signed into a law a bill providing $3 billion for the purchase by the federal government of conventional home mortgages—it already buys FHA and VA mortgages. Government officials expect the funds will encourage the construction of about 100,000 new homes.

We should not want to curb free choice in the matter of lifestyle, including the kind of homes people buy. We do believe, however, that the government should not subsidize, and therefore make more attractive, the kind of wasteful growth characterized by subdivisions of single-family dwellings. And it is a little absurd to see the federal government doing this with one hand while the other hand is pointing the finger in rebuke.

By Mr. STAFFORD:

S. 752. A bill to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes. Referred to the Committee on Public Works.

S. 753. A bill to amend the Internal Revenue Code of 1954 and the Highway Revenue Act of 1956, and for other purposes. Referred to the Committee on Finance.

FEDERAL-AID HIGHWAY ACT OF 1975

Mr. STAFFORD. Mr. President, I am sending to the desk a bill entitled the "Federal-Aid Highway Act of 1975" and a bill entitled the "Highway Trust Fund Extension Act of 1975." These bills are intended to serve as vehicles to lay before the Senate, the Committee on Public Works, and the Senate Committee on Finance, which has jurisdiction over the trust fund, one possible approach to Federal highway assistance over the next 3 years.

Substantial changes in the highway program have been proposed by the President. By the end of this calendar year Congress will have to answer some perplexing questions on what directions the program should take.

At this early stage, it is unlikely that any one proposal could fairly resolve all issues. Extensive hearings and other investigations are needed to provide a basis for setting an overall funding level and establishing an equitable means of distributing Interstate funds, for determining the funding source or sources for the highway program, and for deciding how much flexibility the States should have in administering their programs.

The proposals I make today are suggestions or starting points, not final solutions.

First. I propose to increase authorization for the Interstate System for fiscal years 1977, 1978, and 1979, from the present level of $3,250,000,000 per year to $4 billion in 1977, 1978, and 1979.

Inflation has so affected highway construction costs that under some analyses, at current expenditure levels, the Interstate will never be completed. While not basing his proposal solely on this conclusion, it is this Senator's belief that more rapid progress in filling in the gaps on the system is desirable.

In this connection, I am also proposing that the apportionment formula for Interstate Funds be changed to channel a larger portion of the money into high priority projects, that is, those with particularly high safety and traffic relief benefits.

The Secretary would be required to identify high priority Interstate projects and make annual apportionments, one-half on the basis of the cost to complete those segments and one-half on the usual formula of a States' share of the cost of completing the entire system.

Also the bill would continue the present one-half of 1-percent minimum apportionment of Interstate funds. States which complete the initial construction of their portion of the system during could use the one-half of 1-percent funds to reconstruct substandard or deteriorated segments of the Interstate, to maintain the system, or they could transfer funds to other Federal-aid systems which may have been neglected in the push to complete the Interstate.

This provision is only an interim answer to questions about the so-called post-Interstate era. I believe it is one which recognizes the Federal interest in assuring that the Interstate remain the efficient, functioning backbone of our national highway network.

Under my proposal, authorizations for non-Interstate roads would amount to $1.2 billion for Federal-aid systems in rural areas and $1.2 billion for urban areas, for each fiscal year 1977, 1978, and 1979. These funds could be spent by a State for any project eligible for Federal assistance in rural or urban areas, respectively. In this way, the number of highway categories the States must contend with, and thus the Federal redtape would be reduced.

Up to 5 percent of the funds apportioned to a State for construction of the Interstate System would be available for maintenance. While recognizing the need to hasten completion of the Interstate, one must also acknowledge that the existence of completed Interstate routes has greatly increased the States' maintenance burden. To insure that the goal of safe, efficient travel is continuously met, it is important to give a State the flexibility to use some Federal funds to cope with maintenance demands.

In order to provide for pressing needs not on Federal-aid routes, my highway bill authorizes $200 million annually to correct safety hazards on any public road, and provides $100 million per year to reconstruct and replace bridges, both on and off the Federal-aid system.

Because provision is made to correct some of the worst deficiencies on non-Federal-aid routes, the need for a separate category of "off-system roads" is greatly diminished. My bill, therefore, would repeal the off-system program created in 1974 legislation.

The approach to safety construction in this bill is to apportion funds to States on a formula basis and permit the States to spend money on whatever projects will have the highest safety benefits. Legislation passed in 1973 provided funds for safety construction but distributed the money in categories. These categories limited the States' ability to correct the worst hazards first. By giving States greater flexibility, I believe we will get a better return in terms of actual safety benefits.

Section 155 of the Federal-Aid Highway Act of 1973—Public Law 93-87—required that the Secretary of Transportation prepare a study on the magnitude of highway litter and possible methods to lessen this problem. The report to Congress, issued last year, came to this conclusion:

> Roadside litter is a national eyesore and its collection on the 3.75 million miles of roads and streets in the United States represent $500 million expended by all levels of government."

We must find ways to reduce that cost. I am convinced, as the highway litter study shows, that opportunities exist through a concerted effort by States and the Department of Transportation. The Department can conduct research and demonstrations into more effective ways to prevent and clean up litter. For example, the study shows, opportunities exist to develop more effective machines to collect litter mechanically.

The language in the highway bill would provide for a modest but important new program to encourage a cooperative Federal-State antilitter effort.

Finally, the Federal-Aid Highway Act of 1975 provides that apportionments for the Interstate System will be made from funds in the Highway Trust Fund, while the Highway Trust Fund Extension Act of 1975 extends the Trust Fund, with revenues at the current levels, through 1980. Under current estimates, receipts in the trust fund at the end of 1980 should be sufficient to finance completion of the interstate, although, of course, actual construction will not be completed for several years after that.

It is my belief that there is a compelling national interest in insuring that the Interstate System becomes and remains an adequate, safe network to serve interstate commerce and defense needs of the country. It is not inconceivable to this Senator that we may retain some form of the Highway Trust Fund even after initial completion of designated interstate routes, in order to provide for necessary reconstruction of deteriorated segments and to maintain and upgrade routes where required.

With respect to other highways, however, a good case can be made that these serve purposes more local or intrastate in character and are of importance to the Nation in the same way as any program which contributes to social and economic well-being. Thus, funding levels for these roads should be weighed against needs for other Federal-support programs. The better way to conduct this balancing would be to finance all the programs from the same source, that is, the General Treasury, rather than segregate sources for highway funding in a separate trust fund.

Thus, my bill provides that beginning in 1977, all non-Interstate Federal-aid highway programs be financed from the General Treasury.

This Senator anticipates much hard work and consideration of alternative ideas by the Transportation Subcommittee and the full Committee on Public Works during 1975. He hopes that his Federal-Aid Highway Act of 1975 will contribute to the development of a balanced, forward-looking program.

And he is certain that under the able guidance of the Subcommittee chairman, the Senator from Texas (Mr. Bentsen), the experienced and always constructive leadership of the chairman of the full committee (Mr. Randolph), and the creative participation of the ranking Republican (Mr. Baker) and other committee members, the committee will present the Senate with just such legislation.

By Mr. HUMPHREY:

S. 754. A bill to establish a Department of Education. Referred to the Committee on Government Operations.

A DEPARTMENT OF EDUCATION

Mr. HUMPHREY. Mr. President, I am introducing today a bill to create a Cabinet-level Department of Education, to establish a Federal Interagency Committee on Education, and to set up a National Advisory Commission on Education. By organizing the Federal education effort in this way, we can more effectively establish national education priorities and better administer our wide-ranging education programs.

This action is long overdue. Similar bills have been introduced in recent years—only to die. But now, in 1975, we cannot afford to delay any longer. Ineffective management of education programs could spell disaster for colleges and universities that depend on Federal resources for stability. Lack of coordination could deprive local and State education agencies of the level of support required to maintain the high standards of quality in education that we demand for our children. Restructuring and consolidation must be the bywords to strengthen the Federal education effort and to meet the needs of the future.

We are the only major nation in the world that lacks a Cabinet-level post in education. The present Department of Health, Education, and Welfare has outlived its usefulness in supervising education programs. Its mountainous bureaucracy serves only to impede rather than to expedite administration.

The need for a Department of Education has never been more pressing.

A full-time Secretary of Education would oversee all education efforts and speak with Cabinet level authority to the President, the Congress, the Office of Management and Budget, and the American people. He would provide expert insight into existing programs, proposed programs, and program changes. He could more effectively make the case for deserving but struggling programs. He would be the Nation's chief policy planner for education.

A Department of Education would consolidate existing Federal programs. The responsibility for education is now spread throughout the Federal Department structure. HUD looks after college housing. The Defense Department oversees its own school system. The Agriculture Department operates a graduate school. Even HEW conducts some education programs outside of its own Education Division.

Federal outlays for education are estimated at $7.4 billion for fiscal 1976. That is equal to the combined budgets of the Departments of Commerce, Interior, Justice, and State. But without a Department of Education there is no overall coordination or direction. There is no effective check on duplicated effort or wasted money. There is no way to properly fix responsibility.

Congress itself would benefit from the creation of a Department of Education. We could begin to deal with educational problem systematically, instead of piecemeal and haphazardly. Better information on education legislation would be available. We could more accurately determine whether a given program required strengthening, modification, or abolition. In short, we could expect a more responsible and more responsive execution of education policy.

Mr. President, the United States must reaffirm and strengthen its commitment to the quality education of our young people. We cannot simply pay lip service to the importance of preparing our children to live in a rapidly changing world: We must provide the institutional means to set and implement our goals.

The establishment of a Department of Education would represent a giant step toward these ends. We must take that step—and take it now.

Mr. President, I ask unanimous consent that a summary of my bill to establish a Department of Education, and the text of this legislation, be included in the Record.

There being no objection, the bill and summary were ordered to be printed in the Record, as follows:

S. 754

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Education Reorganization Act of 1975".

DEPARTMENT ESTABLISHED

Sec. 2. There is established an executive department which shall be known as the Department of Education (hereinafter referred to as the "Department"). There shall be at the head of the Department a Secretary of Education (hereinafter referred to as the "Secretary"), who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for level I of the Federal Executive Salary Schedule established under section 5312 of title 5, United States Code. The Department shall be administered under the supervision and direction of the Secretary.

FUNCTION AND PURPOSE

Sec. 3. The function and purpose of the Department shall be to promote the cause and advancement of education throughout the Nation. To that end the Secretary shall, among his responsibilities, (1) advise the President with respect to the progress of education; (2) develop and recommend to the President appropriate policies and programs to foster the orderly growth and development of the Nation's educational facilities and resources; (3) exercise leadership at the direction of the President in coordinating Federal activities affecting education; (4) conduct continuing comprehensive surveys, collect data, and make available findings, on the progress of education; (5) provide information and such other assistance as may be authorized by the Congress to aid in the maintenance of efficient school systems; and (6) encourage comprehensive planning by the State and local governments with a view to coordinating Federal, State, and community activities at the local level.

UNDER SECRETARY AND OTHER OFFICERS

Sec. 4. There shall be in the Department an Under Secretary, four Assistant Secretaries, and a General Counsel each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and shall perform such functions and duties as the Secretary may prescribe. The Under Secretary shall receive compensation at the rate prescribed for level III of the Federal Executive Salary Schedule established under section 5314 of title 5, United States Code, and the Assistant Secretaries and General Counsel shall receive compensation at the rate prescribed for level IV under section 5315 of such title. The Under Secretary (or during the absence or disability of the office of Under Secretary, an Assistant Secretary determined according to such order as the Secretary shall prescribe (shall act as Secretary during the absence or disability of the Secretary or in the event of a vacancy in the office of Secretary.

PROVISIONS OF LAW APPLICABLE TO THE DEPARTMENT

Sec. 5. Except to the extent inconsistent with this Act, all provisions of law applicable to the executive department generally shall apply to the Department.

SEAL

Sec. 6. The Secretary shall cause a seal of office to be made for the Department, of such design as the President shall approve, and judicial notice shall be taken thereof.

DELEGATION OF AUTHORITY

Sec. 7. The Secretary may, without being relieved of his responsibility therefor, and unless prohibited by some specific provision of law, perform any function vested in him through or with the aid of such officials or organizational entities of the Department as he may designate.

TRANSFERS TO DEPARTMENT

Sec. 8. (a) The Education Division of the Department of Health, Education, and Welfare, consisting of the Office of Education and the National Institute of Education, together with all of its functions, personnel, property, records, obligations, commitments, and unexpended balances of appropriations, allocations, and other funds is transferred to the Department, and all functions of the Secretary of Health, Education, and Welfare being administered through such division, and all functions of the Secretary of Health, Education, and Welfare, and all functions of the Assistant Secretary of Health, Education, and Welfare for Education, and all functions of the Commissioner of Education with respect to such Division, Office, and Institute, are transferred to the Secretary.

(b) The following additional functions of the Secretary of Health, Education, and Welfare are transferred to the Secretary:

(1) With respect to and being administered by the Secretary of Health, Education, and Welfare through the Office of Child Development;

(2) With respect to all laws dealing with the relationship between Gallaudet College, Howard University, and American Printing House for the Blind, and the Department of Health, Education, and Welfare;

(3) Under section 394 of the Communications Act of 1934, relating to Federal grants for the construction of television broadcasting facilities to be used for educational purposes; and

(4) Under the Drug Abuse Education Act of 1970.

(c) There are transferred to the Secretary all functions of the Secretary of Defense with respect to the operation of schools for dependents of members of the Armed Forces.

(d) There are transferred to the Secretary all functions of the Secretary of Agriculture with respect to the operation of the Graduate School, United States Department of Agriculture.

(e) There are transferred to the Secretary all functions of the Secretary of Housing and Urban Development under title IV of the Housing Act of 1950 relating to college housing.

(f) There are transferred to the Secretary all functions of the National Science Foundation which the Director of the Office of Management and Budget determines relate to instructional personnel development programs, instructional program development, and programs in computer innovations designed for use in education.

(g) All personnel, property, leases, obligations, and commitments and unexpended balances of appropriations, allocations, and other funds which the Director of the Office of Management and Budget determines are to be used with respect to any office, agency, bureau, foundation, or function transferred under the provisions of this section, are transferred to the Department of Education.

ADDITIONAL TRANSFERS

SEC. 9. The President is authorized to transfer to the Department of Education, any other agency or instrumentality of the Federal Government which he determines has functions relating to education and should be transferred to the Department of Education to promote efficiency in Government and to carry out the purposes of this Act. Such transfers shall be completed within one hundred and eighty days after the date of enactment of this Act, and a report describing such transfers shall be submitted to the Congress not later than thirty days thereafter.

FEDERAL INTERAGENCY COMMITTEE ON EDUCATION

SEC. 10. (a) There is hereby established a Federal Interagency Committee on Education (hereafter referred to as the "Committee").

(b) The Committee shall study and recommend, such actions as may be necessary to assure effective coordination of Federal programs affecting education, including—

(1) development of Federal programs in accordance with the educational goals and policies of the Nation;

(2) consistent administration of policies and practices among Federal agencies in the conduct of similar programs;

(3) full and effective communication among Federal agencies to avoid unnecessary duplication of activities;

(4) adequate procedures for the availability of information on educational matters requested by the Secretary; and

(5) full and effective cooperation with the Secretary on such studies and analyses as are necessary to carry out the purposes of this Act.

(c) The Committee shall, within ninety days of the enactment of this Act, advise the President with respect to his responsibilities under section 9.

(d) The Committee shall be composed of the Secretary, who shall be the Chairman, and one appropriate representative of each of the following: The Department of State, the Department of Defense, the Department of Agriculture, the Department of Labor, the Department of Health and Welfare, the Department of Housing and Urban Development, the National Science Foundation, the Energy Research and Development Administration, the National Aeronautics and Space Administration, the National Endowments for the Arts, and Humanities, and the Community Services Administration. Other members may be added by Executive order of the President as he determines may be necessary.

(e) The Chairman may invite Federal agencies in addition to agencies represented on the Committee under the provisions of subsection (d) of this section to designate representatives to participate in meetings of the Committee on matters of substantial interest to such agencies which are to be considered by the Committee.

(f) The Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and the Executive Director of the Domestic Council may each designate a member of his staff to attend meetings of the Committee as observers.

(g) Each Federal agency which is represented on the Committee under the provisions of subsection (d) of this section, shall furnish necessary assistance to the Committee in accordance with section 214 of the Act of May 3, 1945 (31 U.S.C. 691).

NATIONAL ADVISORY COMMISSION ON EDUCATION

SEC. 11. (a) There is hereby established a National Advisory Commission on Education (hereafter referred to as the "National Commission") composed of fifteen members appointed by the President, by and with the advice and consent of the Senate from among individuals—

(1) who are familiar with the educational needs and goals of the United States,

(2) who have competence in assessing the progress of educational agencies, institutions, and organizations in meeting those needs and achieving those goals,

(3) who are familiar with the administration of State and local educational agencies and of institutions of higher education, and

(4) who are representative of the mass media, industry and the general public.

Members shall be appointed for terms of three years, except that (1) in the case of initial members, one-third of the members shall be appointed for terms of one-year each and one-third of the members shall be appointed for terms of two-years each, and (2) appointments to fill the unexpired portion of any terms shall be for such portion only.

(b) The National Commission shall—

(1) review the administration of, general regulations for, and operation of Federal education programs;

(2) advise the Secretary and other Federal officials with respect to the educational needs and goals of the Nation and assess the progress of appropriate agencies, institutions, organizations of the Nation in order to meet those needs and achieve those goals;

(3) conduct objective evaluations of specific education programs and projects in order to ascertain the effectiveness of such programs and projects in achieving the purpose for which they are intended;

(4) make recommendations (including recommendations for changes in legislation) for the improvement of the administration and operation of Federal education programs;

(5) consult with Federal, State, and local and other educating agencies, institutions, and organizations with respect to assessing education in the United States and the improvement of the quality of education, including—

(A) areas of unmet needs in education and national goals and the means by which those areas of need may be met and those national goals may be achieved;

(B) determination of priorities among unmet needs and national goals; and

(C) specific means of improving the quality and effectiveness of teaching, curricula, and educational media and of raising standards of scholarship and levels of achievement;

(6) conduct national conferences on the assessment, improvement, and renewal of education, in which national and regional education associations and organizations, State and local education officers and administrators, and other education related organizations, institutions, and persons (including parents of children participating in Federal education programs) may exchange and disseminate information on the improvement of education;

(7) conduct, and report on, comparative studies and evaluations of education systems in foreign countries; and

(8) advise and assist in the coordination of all the advisory bodies to Federal education programs.

(c) The National Commission shall make an annual report and such other reports as it deems appropriate, concerning its findings, recommendations, and activities to the President for submission to the Congress once each year.

(d) In carrying out its responsibilities under this section, the National Commission shall take, together with the Secretary, whatever action is necessary to carry out section 448 of the General Education Provisions Act, to devise a manageable and effective advisory structure for the Department. The National Commission shall advise the Secretary on the number of advisory bodies that are necessary and the manner in which such bodies relate to one another. The National Commission shall consult with the National Advisory Council on the Education of Disadvantaged Children, the National Advisory Council on Supplementary Centers and Services, the National Advisory Council on Education Professions Development, the National Advisory Council on Educational Research and Development, and such other advisory councils and committees as may be appropriate to carry out its functions under this subsection. All Federal agencies are directed to cooperate with the National Commission in carrying out its functions under this subsection.

(e) The National Commission is authorized to engage such technical assistance as may be required to carry out its functions and the Secretary shall, in addition, make available to the National Commission such secretarial, clerical, and other assistance and such pertinent data prepared by the Department as the National Commission may require to carry out its functions.

(f) Members of the National Commission who are not in the regular full-time employ of the United States shall, while attending meetings of conferences of the National Commission or while otherwise engaged in the business of the National Commission, be entitled to receive compensation at a rate by the Secretary, but not exceeding the rate specified at the time of such service of grade GS–18 under section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the National Commission away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(g) The President shall appoint the National Commission not later than thirty days after the date of enactment of this Act.

TRANSFER MATTERS

SEC. 112. All laws relating to any agency or function transferred under this Act shall, insofar as such laws are not inapplicable, remain in full force and effect. Any transfer of personnel pursuant to this Act shall be without change classification or compensation, except that this requirement shall not operate to prevent the adjustment of classification or compensation to conform to the duties to which such transferred personnel may be assigned. All orders, rules, regulations, permits, or other privileges made, issued, or granted by any agency or in connection with any functions transferred by this Act, and in effect at the time of the transfer, shall continue in effect to the same extent as if such transfer had not occurred, until modified, superseded, or repealed. No suit, action, or other proceeding lawfully commenced by or against any agency or any officer of the United States acting in his official capacity shall abate by reason of any transfer made pursuant to this Act, but the court, on motion or supplemental petition filed at any time within twelve months after such transfer takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the appropriate agency or officer of the United States.

ANNUAL REPORT

SEC. 13. The Secretary shall, as soon as practicable after the end of each calendar year, make a report to the President for the submission to the Congress on the activities of the Department during the preceding calendar year. Such report shall also contain objective data on enrollments, expenditures, numbers of teachers, administrative, supervisory, and auxiliary personnel, numbers of professionals who lack full qualifications, needs for classroom and other construction, special needs of critical areas such as urban and rural areas, and similar data.

CONFORMING AMENDMENTS

SEC. 14. (a) Section 19(d)(1) of title 3, United States Code, is amended by striking out "Secretary of Health, Education, and Welfare" at the end thereof and inserting the following: "Secretary of Health and Welfare, Secretary of Education."

(b) Section 1 of title 5, United States Code, is amended by adding at the end thereof: "Eleventh. The Department of Education." and by striking out "Health, Education, and Welfare" and inserting "Health and Welfare."

(c) Any reference to the Office of Education or the Commissioner of Education, in any other law, rule, regulation, certificate, directive, instruction, license, or other official paper in force on the effective date of this Act shall be deemed to refer and apply to the Department of Education or the Secretary of Education, as may be appropriate.

(d) Any reference to the Department of Health, Education, and Welfare or the Secretary of Health, Education, and Welfare in any other law, rule, regulation, certificate, directive, instruction, license, or other official paper in force on the effective date of this Act shall be deemed to refer and apply to the Department of Health and Welfare and the Secretary of Health and Welfare, respectively.

EXPENDITURES AUTHORIZED

SEC. 15. The Secretary is authorized to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, for lawbooks, books of reference and periodicals, and for printing and binding) as may be necessary to carry out the provisions of this Act, and as may be provided for by the Congress from time to time.

APPROPRIATIONS AUTHORIZED

SEC. 16. There are authorized to be appropriated such sums as may be necessary to enable the Department to carry out the provisions of this Act and to perform any other duties which may be imposed upon it by law.

EFFECTIVE DATE

SEC. 17. The provisions of this Act shall be effective on its date of enactment, except that section 8 shall be effective within ninety days following such date.

SUMMARY OF THE EDUCATION REORGANIZATION ACT OF 1975

Establishes a Department of Education headed by a Secretary at cabinet level, to promote the cause and advancement of education throughout the Nation. Provides for certain functions to be performed by the Secretary of Education and Assistance Secretaries in the fulfillment of this purpose. Transfers to the Department the Education Division of the Department of Health, Education, and Welfare, as well as specified functions in the area of education, of the Secretary of Health, Education, and Welfare, of the Secretary of Defense, of the Secretary of Agriculture, of the Secretary of Housing and Urban Development, and of the National Science Foundation. The President is authorized to transfer other Federal agency functions to the Department as he determines necessary to carry out the purposes of this act. Specified transfers and the establishment of the Department are made effective within 90 days of the date of enactment of this title. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

Provides for the creation of a Federal Interagency Committee on Education, to be composed of designated Federal agency officials, whose basic purpose shall be to assure effective coordination of all Federal programs affecting education.

Creates a National Advisory Commission on Education, composed of fifteen members appointed by the President, by and with the advice and consent of the Senate, from among those who have recognized expertise and direct involvement in the field of education, as well as representatives from the general public, industry, and the mass media. The Commission shall review the administration and operation of Federal education programs, conduct evaluations, and make recommendations for necessary improvements and new directions to be undertaken, including legislative recommendations—basically directed toward the determination and implementation of priorities among unmet needs and national goals in education. The Commission shall make annual reports to the President and to Congress. The Commission shall also recommend to the Secretary of Education necessary changes to achieve a manageable and effective advisory structure for the Department.

Provides for a comprehensive report on education to be made annually by the Secretary to the President for submission to the Congress.

By Mr. **ABOUREZK** (for himself, Mr. NELSON, Mr. MCGOVERN, and Mr. HATHAWAY):

S. 756. A bill to amend the Clayton Act to provide for additional regulation of certain anticompetitive developments in the petroleum industry. Referred to the Committee on the Judiciary.

PETROLEUM INDUSTRY ANTITRUST ACT OF 1975

Mr. **ABOUREZK**. Mr. President, I introduce the Petroleum Industry Antitrust Act of 1975.

This legislation, Mr. President, will divest all vertically integrated oil companies limiting any single company to one of the four phases of the industry: Production, refining, transportation by pipeline, or marketing.

This legislation proposes restructuring of the oil industry to accomplish two major objectives:

First, to establish competition in the industry so that prices are determined by the free interplay of market forces of supply and demand—rather than by Executive decision, whether Government or private as is now the case.

Second, to reallocate the economic and political power of this industry so that this power will be dispersed among a great many small units instead of being concentrated in a few super giants who can and do use it to bend the Government to their collective will.

Translated into the simplest of terms, the effect of the proposed legislation will be to bring about fair market prices and make the oil industry governable in the public interest.

The legislation proposed is intended only to reorganize the petroleum industry into a form which would restore its competitive vigor, permitting businessmen in that industry to compete freely without restraint in the essential job of providing energy to our economy. Its purpose is to eliminate any heavy burden of regulation that would inhibit industry efficiency and to end any thought of further regulation or the threat of nationalization by restoring active markets that once existed in this industry—those particularly between crude oil production and refining, and between refining and product marketing. With this, all companies within each segment—production, transportation, refining, marketing—would be able to compete freely and openly in the marketplace, without the heavy restraints which integration now places on such markets.

Nor is this job to be accomplished without due care for those investors who have placed their savings into the securities issued by these companies. Ample time is allowed within which each of the integrated companies can formulate plans for careful and deliberate divestiture, and submit them for consideration by the Securities and Exchange Commission, and its approval when the interests of investors are equitably cared for.

The bill proposes that petroleum refining companies, other than independent refiners—those who buy nearly all of their crude oil and sell at the refinery most of their products—be prohibited from owning interests in crude oil production or marketing facilities. Pipelines, now a means of controlling markets in crude oil and refined products, would be compelled to be independent transportation facilities, prohibited from transporting commodities in which their affiliates had any ownership interest.

These prohibitions would, of course, require the larger integrated companies to divest themselves of substantial properties. Were this divestiture to occur immediately, obviously the investors in those companies would suffer grievous loss. Drawing on the historical precedent of the Public Utility Holding Company Act of the 1930's, however, this proposal would only require that they formulate and file plans with the Securities and Exchange Commission, as the utilities did. After consideration and hearing, when the Commission is satisfied that investor interests are properly protected, the plan would be implemented by actual divestiture. But, to prevent misuse of integration powers during the period that a plan is under consideration, the Commission is required to specify appropriate accounting rules segregating petroleum company costs and profits at each level of industry operation.

Enactment of this proposal, then, would reestablish the viability of competition at each level. No more would there be the immense leverage of crude oil profits to integrated companies which could be used to crush independent refiners, nor could the integrated companies use the power inherent in their interlocked control of crude oil pipeline transportation and the immense output of their refineries to control product markets and thus destroy their independent competitors. It would in summary, provide a basis not only for ending the present contrived energy crisis, but would eliminate the incentive to create new crises.

A CONTINUING CHALLENGE

The organization of the oil industry into competing units of manageable size has been a continuing challenge to the Federal Government ever since 1890 when the Sherman Act was passed. Early on, the Standard Oil trust was broken up into a number of units, many of which now far outstrip in size and financial strength the original trust itself. This was accomplished by a Government antitrust prosecution which was ultimately sustained by the Supreme Court in *Standard Oil Company of New Jersey* v. *United States*, 221 U.S. 1 (1911). These units today survive as Exxon, Standard of California, Atlantic Richfield, Standard Oil of Indiana, and Mobil—to name but a few.

Drastic though this divestiture appeared to be, it provided no long-range solution to the problem of keeping the power of the oil industry within Government limits, and maintaining effective competition within that industry. During the depression years under the National Recovery Administration and thereafter, the oil industry became more and more monopolistic in character, with control of production, refining, transportation and marketing being combined into giant integrated companies, international in scope and waxing ever more powerful. The NRA Codes shaped by these companies tended to suppress competition among them and to foster coordinated group action by them in the conduct of their ostensibly competing businesses. Following the termination of NRA, the oil companies persisted in their pattern of cooperation and combination to maintain prices. On the basis of such conduct, the government successfully brought a criminal antitrust prosecution against the major oil companies operating in the Midwest.

Based on price-fixing charges which involved a group-buying program to stabilize the mid continent gasoline market, the oil companies' conviction was sustained by the Supreme Court in *United States* v. *Socony Vacuum Oil Company*, 310 U.S. 150 (1940).

In the late 1930's the Temporary National Economic Committee gave its attention to the monopolistic power and market structure which characterized the oil industry. In the light of TNEC's work, and with the benefit of its own litigating experience in the Socony Vacuum price-fixing case, the antitrust division in 1940 undertook a major divestiture suit to reorganize the entire oil industry along nonintegrated lines so that competitive forces could freely operate within it. This case, United States against American Petroleum Institute, et al., named as parties-defendant virtually all of the domestic oil companies and their subsidiaries. Indeed, the defendants were so numerous that it became known as the "Mother Hubbard case."

While the U.S. Department of Justice was proceeding with its efforts to have the courts reorganize the oil industry along competitive lines, the legislative branch of the Government entertained a series of bills filed by Senator Gillette of Iowa which sought to accomplish the same end. Due to the preemptive demands of the war effort, neither the Mother Hubbard case nor Senator Gillette's legislative proposals were pressed.

At the conclusion of World War II, the Mother Hubbard case was dismissed by the Antitrust Division with the promise that the relief it sought in that case would be claimed by a series of smaller regional cases. Thereafter only one such case was filed—the so-called west coast oil case, United States against Standard Oil Company of California, et al. Limited to the principal oil companies operating in the far Western States, this case, like the Mother Hubbard case before it, sought to restructure the oil industry along competitive lines so as to secure divorcement of oil production from oil refining, from oil transportation, and from oil marketing. Ultimately this case was settled by consent decrees for relief falling far short of the industry organization which the case originally sought to achieve.

At about the time the west coast oil case was drawing to an unsuccessful and ineffectual close, a runaway Federal grand jury indicted the principal oil companies on price-fixing charges arising out of simultaneous and identical price increases they made to profiteer out of the Suez oil crisis. The indictment, originally returned in Alexandria, Va., was transferred at the behest of the oil company defendants to Tulsa, Okla. There, under sinister circumstances, it was ultimately dismissed by a Federal judge who shortly thereafter entered the employ of one of the defendants as its general counsel.

While all this was going on, the U.S. Department of Justice was attempting to press a cartel case against the major oil companies based upon their domination and control of international trade in petroleum and petroleum products. Again, this case was never brought to trial, but instead was settled by a consent decree along lines which did not disturb the defendants' monopoly power nor achieve the relief which the United States was claiming in the public interest. Simultaneously, the oil companies were defeating the Government's claim to recover overcharges for oil furnished the U.S. Navy which cost 25 to 40 cents to produce and for which the Navy paid $1.05 and up per barrel because of the price-manipulating ability of the international oil cartel. See, *United States* v. *Standard Oil Company of California*, 155 F. Supp. 121 (S.D. N.Y. 1957), affirmed 270 F. 2d 50 (2d Cir. 1959).

The failure of the Department of Justice effectively to prosecute the oil industry under the antitrust laws in the pattern of the Mother Hubbard case is strong testimony to the political power of the oil companies. The Mother Hubbard case was never brought to trial. No proper follow-up prosecutions have been effectively pressed. Even the indictment process has been subverted. It is in these circumstances that I propose a legislative solution to the problem of competition in the oil industry by this proposed legislation.

This legislation seeks the comprehensive change in the oil industry's structure as did the Mother Hubbard case proposed by the Department of Justice in 1940. Moreover, the industrial reorganization which this legislation seeks would be achieved by time-tested measures devised by the Congress in 1935 to deal with anticompetitive structures in the utilities industries, whereby the Securities and Exchange Commission supervises and controls the industrial reorganization in question.

Nor, Mr. President, is divestiture new to our economy. Legal precedents, other than the dissolution of Standard Oil previously mentioned, do exist for the use of the divestiture/divorcement remedy in industries where market power is gained by means of vertical integration and its abuse or its potential for abuse is shown.

The following are examples of such incidents:

The Hepburn Act of 1906 compelled railroads to divest themselves of their control over the coal companies which shipped coal over their lines, 49 U.S.C. 1(8) (1954).

In *United States* v. *Reading Co.*, 253 U.S. 26 (1920), the Court held that the combining of the largest single coal company in a field and the only railway over which its coal could find its way to market was illegal (The Court's holding was independent of the Hepburn Act).

The decree in *United States* v. *Swift & Co.*, 286 U.S. 106 (1932) compelled meatpackers to divest themselves of control over retail outlets.

The Banking Act of 1935 divorces the functions of banking from investment banking.

The Pullman Co. was required to separate its pullman service function from the manufacturing function [*U.S.* v. *Pullman Co.*, 53 F. Supp 908 (E.D. Pa. 1946); *U.S.* v. *Pullman Co.*, 50 F. Supp. 123 (W.D. Pa. 1943).]

The decree in *United States* v. *Paramount* 334 U.S. 131 (1968) required certain motion picture producers to divest themselves of their theater facilities. [Mandate interpreted and applied in *U.S.* v. *Paramount Pictures*, 85 F. Supp. 881 (S.D.N.Y. 1948).]

Mr. President, every 4 or 5 years or so over the past 50 years the Nation has had some oil and gas crisis that could only be solved, the industry told us, by higher prices.

The legislation I introduce today provides the alternative solution in the public interest and in the consumer interest by establishing competition in the industry and preserving the independent sector of the industry.

I ask unanimous consent that the Petroleum Industry Company Act of 1975 be printed in the RECORD following these remarks and that it be followed by a section-by-section analysis of the bill:

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. This Act may be cited as the Petroleum Industry Antitrust Act of 1975.

FINDINGS

SEC. 2. (a) The Congress finds: (1) that the industrial organization of the petroleum industry in its present form does not serve the public interest; (2) that industry is characterized by aggregations of capital of tremendous size; (3) that these large companies are engaged in petroleum refining, but are interlocked at various levels of industry operation to the degree that the national policy of competitive free enterprise is frustrated; and (4) that by virtue of intercompany arrangements and vertical integration of refiners into the production of crude oil, the transportation of crude oil and finished products and the marketing of finished products, these large refiners have acquired and hold substantial monopoly power over interstate and foreign commerce in petroleum, adversely affecting the ability of the United States to establish a rational energy policy or conduct its foreign relations properly in important areas.

(b) The Congress further finds: That an ample supply of energy at reasonable cost is essential to the national interest, and that petroleum hydrocarbons are a very significant portion of our energy supply. Current and projected levels of hydrocarbon imports from foreign sources entail serious consequences to the national defense and foreign policy of the United States, to the stability and health of the domestic economy, to the competitive position of this Nation in world trade, to the purchasing power of United States currency, and to the welfare of its citizens.

(c) It is therefore essential that action be taken on an emergency basis to reorganize the structure of the petroleum industry, to restore the free enterprise system in energy development, to assure an adequate flow of capital into exploration and development of secure and environmentally safeguarded sources, and to accord investors, consumers and taxpayers adequate protection in relation to energy development and the divestitures required hereunder.

DEFINITIONS

SEC. 3. (a) "Refinery" means a plant constructed or operated for the purpose of separating or converting liquid hydrocarbons to finished products or unfinished oils for further refining;

(b) "Finished Products" means liquid hydrocarbon products used or useful without further processing other than mechanical blending for the production of energy for heating or as a source of mechanical power.

(c) "Crude Oil" means a mixture of liquid or gaseous hydrocarbons that are produced from natural underground reservoirs, and which are liquid at atmospheric pressures after production.

(d) "Liquid hydrocarbons" means any liquid composed of hydrogen and carbon molecules, and includes such hydrocarbons derived from tar sands, oil shale or liquefaction of coal.

(e) "Company" means any business enterprise of any nature whatsoever, and shall include but not be limited to, corporations, trusts, unincorporated associations, partnerships, and sole proprietorships.

(f) "Affiliate" means any company owned or controlled by another company; or which owns a substantial interest in or controls another company by stock interest, representation on such company's board of directors or similar governing body, by contract or agreement or trust relationship with other stockholders, or otherwise; or any company which is under common ownership or control with such company.

(g) "Independent refiner" means a company operating a refinery of which not more than 25 percent of the total input is derived from crude oil produced by or on behalf of such company or any affiliate of such company; and which sells at least half of the total of finished products produced in its refinery or refineries to companies not affiliated with it for resale at wholesale or retail under brands not owned or controlled by such refinery company.

DIVESTITURE OF PRODUCING FACILITIES

SEC. 4. After the date of enactment of this Act, except as specifically provided herein, no company operating a refinery, other than an independent refiner, shall at the same time own or control any interest of any nature whatsoever, directly or through any affiliate, in any company engaged in the exploration for, development of, or production of, crude oil or other liquid hydrocarbons.

DIVESTITURE OF MARKETING FACILITIES

SEC. 5. After the date of enactment of this Act, except as specifically provided herein, no company operating a refinery, other than an independent refiner, shall at the same time own or control any interest of any nature whatsoever, directly or through any affiliate, in any company engaged in the marketing of finished products: *Provided, however,* any such company may maintain and operate facilities for the sale and delivery of such finished products directly from a refinery.

DIVESTITURE OF PIPELINE FACILITIES

SEC. 6. Paragraph (8) of section 1 of the Interstate Commerce Act (49 U.S.C. 1(8)) is amended—

(1) by adding "(a)" immediately after (8) in such paragraph; and

(2) by adding at the end of such paragraph the following subparagraph to read as follows:

(b)(1) It shall be unlawful for any pipeline company subject to this chapter to transport to, from, or within any State, Territory or the District of Columbia, any crude oil or other liquid hydrocarbon, or any finished product, which is produced or manufactured by such pipeline company or any company which is an affiliate of such pipeline company.

DIVESTMENT PLANS AND FINANCIAL ACCOUNTING

SEC. 7. (a) The Securities and Exchange Commission, in accordance with such rules, regulations or orders as it may deem necessary to carry out the purposes of this Act, shall require companies holding ownership interests in facilities which are prohibited by this Act, to submit within one year from the date of enactment of this Act, plans for the divestment of such ownership interests, whether represented by securities or otherwise. If, after notice and opportunity for hearing, the Commission shall find such plan, as submitted or as modified by Commission order, necessary to effectuate the provisions of this Act and fair and equitable to the persons affected by it, the Commission by order shall approve such plan and shall thereafter take such action, by application to a court for appointment of a trustee, or receiver, or for such other order as may be necessary, to enforce such plan: *Provided, however,* The Commission shall not approve any plan which will not substantially accomplish the necessary divestment on or before January 1, 1976.

(b) The Commission shall immediately prescribe rules and regulations governing the financial accounting of companies subject to this Act, to insure careful segregation of operations of such companies in each level of industry operation, separately calculating and reporting capital and operating costs and profits, for operations relating to crude oil production, operation of each refinery, operation of pipelines, and operation of marketing facilities.

OPERATIONS PENDING DIVESTMENT

SEC. 8. Any company required by the terms of this Act to divest property or interests may continue to operate such property or interests under this Act for a period not to exceed one year from the date of enactment of this Act without submission of a plan or plans for divestment, and thereafter during the period required for consideration and approval by the Commission of a plan submitted as herein provided. Such company shall, however, in no event continue to operate or control such property and interests after January 1, 1976.

VIOLATIONS

SEC. 9. If any company shall violate any of the provisions of this Act or any rule, regulation, or order issued hereunder, upon application of any Federal court by the United States, or any customer or competitor of such company or any person affected by such violation, such court shall order the forfeiture to the United States of the sum of $5,000 for each day such violation shall be found to have continued, and for payment of the costs and expenses of suit, including, if a private enforcement action, an informer's fee to be calculated in like manner to those provided by law relating to the collection of import duties or other taxes.

SUMMARY OF PETROLEUM INDUSTRY ANTITRUST ACT OF 1973

Section 1 contains the short title of the measure.

Section 2 recites detailed findings by the Congress concerning the present highly concentrated organization of the industry, its effects frustrating the national policy in several areas; the policy of competitive free enterprise capitalism generally; energy policy provisions for an ample supply of petroleum products at reasonable costs in interstate and foreign commerce; in carrying out foreign policy in important areas; and in maintaining the stability and purchasing power of the United States currency. This Section also finds that it is therefore essential to reorganize the petroleum industry in such a manner as to make possible effective policy decisions in these areas while at the same time protecting the interests of investors.

Section 3 defines the critical terms used in the legislation. Particularly, it defines the term "affiliate" of a company as including parents, subsidiaries or companies under common control with such companies, whether such relationship is established by ownership, direct or indirect interlocking directorates, by contract or by any other means. It also specifically defines an "independent refiner", a company excepted from the divestment provisions of other sections of the Act, as a company operating a refinery of which not more than 25% of the total input is derived from crude oil produced by or for such refiner or any affiliate, and which sells at least half of its total finished products through other than owned or controlled marketing facilities.

Section 4 prohibits any company operating a refinery, other than an independent refiner, from owning or controlling any interest in exploration for, development of or production of crude oil or other liquid hydrocarbons, including synthetics.

Section 5 is a similar prohibition relating to marketing facilities, forbidding any company operating a refinery, other than an independent refiner, from owning, controlling or operating facilities for the sale of finished products, other than those facilities necessary for sale of produce directly from the refinery.

Section 6 prohibits integration into pipeline transportation. This is accomplished by an amendment to the Interstate Commerce Act to prohibit any common carrier pipeline from transporting crude oil, other liquid hydrocarbons, or finished products, if the commodity transported is owned by the pipeline or any affiliate. This provision is similar to the "commodities clause" provision of the Interstate Commerce Act imposing limitations on railroads, and is in form an amendment to that provision.

Section 7 makes provision for procedures to accomplish the divestment of properties which would otherwise be held in violation of the provisions of the Act. As with public utility holding companies, the Securities and Exchange Commission is given authority to receive and consider divestment plans filed by integrated companies. If the Commission finds such plan as submitted, or as modified by the Commission, to be fair and equitable in its protection of investor interests, and to be in accord with the purposes of the Act, it is authorized to approve the plan and direct its implementation. Pending approval of any plan, however, the Commission is directed to prescribe rules and regulations for petroleum company accounting which will effectively segregate the costs, both capital and operating, and the profits, which are appropriately allocable to each level of company operation.

Section 8 makes necessary allowance for operations during the period before divestiture can be accomplished. It permits companies otherwise subject to the prohibitions of Section 4 and 5 of the Act to continue operations for one year prior to the filing of an appropriate divestment plan with the Securities and Exchange Commission, and thereafter during the period required for the consideration, approval and effectuation of such a plan by the Commission.

Section 9 imposes penalties for the violation of the Act, to consist of a forfeiture of $5,000 for each day a company is in violation. It also provides that this forfeiture can be declared by application to a United States District Court at the request of the United States or any customer or competitor of the company, or of any other person affected by the violation. In the event suit is brought by private interests, an appropriate informer's fee is to be paid, calculated as are those fees allowable in customs or tax matters. Costs and expenses of suit are also to be allowed a successful private party.

By Mr. THURMOND:

S. 757. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans. Referred to the Committee on Veterans' Affairs.

Mr. THURMOND. Mr. President, I am pleased to introduce today legislation to require congressional consideration of any change in the disability rating schedule used by the Veterans' Administration to award compensation to disabled veterans.

Rating schedules are used to determine the amount of benefits the veteran is entitled to receive as a result of being physically or mentally incapacitated in line of duty.

The rating schedule is figured according to the impairment to the earning capacity the veteran has sustained as a result of his service-connected disability.

This particular legislation would require the Administrator of Veterans' Affairs to submit changes in the rating schedule to Congress for 90 days. If either body of Congress passed a resolution which disapproved the proposed changes during that time, the changes could not take effect.

Mr. President, this legislation is similar to legislation which was introduced in the 93d Congress, and coauthored by the members of the Senate Veterans' Affairs Committee. I am hopeful the committee will give most careful consideration to this bill during the 94th Congress.

Mr. President, I ask unanimous consent that resolution 272 of the Disabled American Veterans, entitled "To impose a freeze on the VA rating schedule," be included in the RECORD at the conclusion of my remarks.

Mr. President, I send the bill to the desk for appropriate reference, and ask unanimous consent that the text appear in the RECORD at the end of my remarks.

There being no objection, the resolution and bill were ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 272: TO IMPOSE A "FREEZE" ON THE VA RATING SCHEDULE

Whereas, the disabled veterans of the United States of America have for 25 years received fair and just compensation for service-incurred injuries and diseases in accordance with the provisions of the 1945 Schedule for Rating Disabilities; and

Whereas, the 1945 Schedule for Rating Disabilities was implemented through the authority of the Congress of the United States; and

Whereas, the 1945 Schedule for Rating Disabilities has met with the approval of disabled veterans, veterans' organizations, and the general public; and

Whereas, the Veterans Administration has previously proposed a revision of the 1945 Schedule for Rating Disabilities, which was subsequently recalled for further study, and which could only be detrimental to the vast majority of disabled veterans; NOW

Therefore, be it resolved, by the Disabled American Veterans in National Convention assembled at New Orleans, Louisiana, August 5–9, 1974, that legislation be enacted by the Congress of the United States to maintain the percentage rates as are now outlined by the 1945 Schedule for Rating Disabilities; and

Be it further resolved, that no changes be made at any time without the approval of the Congress.

S. 757

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 355 of title 38, United States Code, is amended by inserting before the period a comma and the following: "but no change or readjustment in this schedule of ratings may be made by the Administrator after December 31, 1972, unless (1) such proposed change or readjustment is first submitted to the Congress, and (2) neither House of Congress, prior to the expiration of ninety calendar days of continuous session of Congress following the date of submission of the proposed change or readjustment, has adopted a resolution stating in substance that that House does not favor the proposed change or readjustment. For the purpose of this section—

"(1) continuity of session is broken only by an adjournment of Congress sine die; and

"(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of ninety-day period."

By Mr. HATFIELD:

S. 758. A bill to authorize and request the President to issue a proclamation designating August 22–28, 1975, as "National Deaf Awareness Week." Referred to the Committee on the Judiciary.

NATIONAL DEAF AWARENESS WEEK

Mr. HATFIELD. Mr. President, during the 93d Congress, I introduced legislation authorizing and requesting the President to proclaim "National Deaf Awareness Week." In my remarks before the Senate, I stressed that such a proclamation would serve to better educate the public about deafness and would broaden the opportunities and vistas open to deaf Americans.

The societal prejudices against deafness are largely the consequence of public ignorance and the gross discrimination which they foster can leave an indelible impact on the lives of deaf persons. The deaf are made to feel different from childhood, often by members of their own family. In school, they are taught in a language that they cannot know well, by teachers who seldom understand the difficult conditions under which these children labor. When they finally leave school, they have, on the average, fifth grade level reading skills. They often speak in a manner that is difficult, if not impossible, for the person on the street to comprehend. Despite the fact that they possess normal physical strength, intelligence, and physical mobility, they will probably be placed in semiskilled or unskilled employment—if they are so fortunate as to find a job at all.

Mr. President, almost 236,000 Americans are totally deaf and some 1 in 10 Americans have experienced some degree of hearing loss. The proclamation which I propose would not only serve to honor them; it would be a vehicle by which the vast potential of deaf persons and the need for their social integration could be brought home to the nondeaf.

Mr. President, I am proud to send to the desk and commend to the attention of my colleagues a bill authorizing and requesting the President to proclaim August 22–28 as "National Deaf Awareness Week." I ask unanimous consent that the text of this legislation be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 758

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating August 22–28, 1975, as "National Deaf Awareness Week," and calling upon the people of the United States and interested groups and organizations to observe such week with appropriate ceremonies and activities.

By Mr. TUNNEY (for himself and Mr. CRANSTON):

S. 759. A bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban National Park in the State of California. Referred to the Committee on Interior and Insular Affairs.

Mr. TUNNEY. Mr. President, today I am reintroducing legislation to establish a Santa Monica Mountain and Seashore Urban National Park. The bill, cosponsored by Senator CRANSTON, would create a major national urban park along the beaches of Santa Monica Bay and within the mountains and valleys of the Santa Monica Mountains in Los Angeles and Ventura Counties in California. A similar bill is being introduced today in the House by Congressman ALPHONZO BELL and cosponsored by Congressmen THOMAS REES and JAMES CORMAN.

Last year Senator J. BENNETT JOHNSTON, now chairman of the Senate Subcommittee on Parks and Recreation held 2 days of hearings on an earlier bill and it is my hope that this critical park area can be established this year.

The need to protect this region, by creation of a national park, is urgent. Never before in America has such a large, concentrated population suffered from such a scarcity of recreational resources. Although 10 million people live in metropolitan Los Angeles, they have less open space for public recreational and cultural uses than any other major city in the United States, including New York. This imbalance is intensified by the great yearly influx of visitors to the area—over 8 million annually in southern California. The strain on existing recreational resources is near the breaking point. Beaches are overcrowded. Camping for hundreds of miles around requires reservations long in advance, tens of thousands are turned away on many weekends. A county park in the Santa Monica Mountains is a case in point: Its facilities were consistently so overused that officials were forced to close the area to overnight campers.

The Santa Monica chain offers the only major open space in the entire area and it should be protected against encroaching urban sprawl.

The resource at stake in the area is unique. It is the only example of a Mediterranean climate in North America—with all the plant and animal life indigenous to that particular climate. Sage, sumac, and yucca cover the hillsides.

There are deer, coyote, bobcat, raccoon, rabbit, fox, grey squirrel, and quail. Marsh and water birds frequent the coastal area.

Also the mountains and coastlands are an archeological wonder: 600 sites have been identified, and one expert estimates that this is only one-tenth the number that await discovery in the mountain chain.

All residents, whether they hike in the mountains or simply enjoy their beauty, have a personal stake in their preservation as open space. Residents of the inner city stand to lose the most from overdevelopment of the mountains: Disappearance of the only major recreational area within their reach, increased overcrowding of the downtown city center, and an increased smog problem, as the Los Angeles basin loses its only large nonpolluting buffer between the ocean and the city.

Actually, the mountains and coastside are a precious national resource. Five percent of the Nation's population visits southern California every year.

A verbal commitment by the Federal Government to protect the region's resources already has been made: In 1970, the Secretary of the Interior, in announcing the urban recreation study program, said:

> The Santa Monica Mountain range, together with adjoining beaches form the greatest untapped natural resource in the second largest metropolitan area in the nation. Considering the size, location and variety of the resources, the importance of this area in meeting the recreational needs of Los Angeles residents cannot be overemphasized.

The President supported this position in a mandate for open space planning and land acquisition, set forth in a February 1970 message to Congress on the environment:

> Plain commonsense argues that we give greater priority to acquiring now the lands that will be so greatly needed in a few years.

Finally, the Department of the Interior's August 1972, study of the Santa Monica Mountains made the following findings:

First. The Santa Monica Mountains and adjacent coastline constitute the most significant large unprotected open space in the Los Angeles area.

Second, The mountains help dilute Los Angeles' seriously polluted airshed.

Third. Current urban expansion, particularly those of large-scale residential development, has severe impact on the remaining natural environments within the mountains. If it continues, the environmental values of the area will be forfeited.

Fourth. In view of the threat which continued urban expansion poses in the Santa Monica Mountains and along the adjacent coastline, measures need be taken to expand the existing parklands and regulate and control land uses to protect the significant portions of remaining natural environments in the public interest.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 759

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the Santa Monica Mountains and adjacent seashore areas of California include the most significant expanse of unurbanized and undeveloped open land adjacent to the Los Angeles supermetropolis; and that the Santa Monica Mountains are of great scenic, recreational, educational, scientific, natural, and public health value, as is the adjacent coastline.

Accordingly, in order to preserve and protect for public use and enjoyment, the natural, scenic, historic, archeological, and other values of the lands and waters of the Santa Monica Mountains and adjacent seashore areas, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall establish the Santa Monica Mountains and Seashore Urban National Park (hereinafter referred to as the "park") in the State of California. The park shall include the lands, waters, and interests therein within the area generally described as that area bounded on the west by a line from Mugu Lagoon generally northward to the Ventura Freeway, on the north by the Ventura Freeway, on the east by the San Diego Freeway, and on the south by Sunset Boulevard and a line parallel to and one mile offshore from the shoreline of the Pacific Ocean, all within Los Angeles and Ventura Counties, California. The Secretary shall, as soon as practicable, but not later than 18 months after the date of enactment of this Act, publish a map and a detailed description of the boundaries of the park in the Federal Register. Such map and description shall depict the particular areas within the boundaries that the Secretary determines ought to be acquired and held in public ownership for the critical purposes set forth in section 2(a).

The total area included within such acquisition shall not exceed eighty thousand acres and shall, at the time of establishment of the park by the Secretary, as provided herein, be not less than forty thousand acres, exclusive of units of the State park system. The Secretary may revise the boundaries of the park from time to time by publication in the Federal Register: *Provided*, That such revision does not reduce or expand the total acreage beyond the minimum and maximum limits specified in this section.

In the management of the park, the Secretary shall utilize the park area resources in a manner which will preserve its scenic, natural, and historic setting while providing for the recreational and educational needs of the visiting public.

SEC. 2. (a) In connection with his description of the boundaries of the park pursuant to the first section of this Act, the Secretary shall identify the areas within such boundaries which must be acquired and held in public ownership for the following critical purposes: Preservation of beaches and coastal uplands; protection of undeveloped inland stream drainage basins; protection of existing park roads and scenic corridors; and connecting existing State and local Government parks and other publicly owned lands to enhance their potential for public recreational use. The Secretary may from time to time revise his identification of such areas, which revisions shall become effective in the same manner as herein provided for revisions in the boundaries of the park.

(b) It is the express intent of the Congress that the Secretary shall substantially complete the acquisition of the lands, improvements, waters, or interests therein identified for the critical purposes referred to in subsection (c) within five years after the date of enactment of this Act, and during such five-year period funds appropriated for the acquisition of property within the park may be used only for acquisition of the lands, improvements, waters, and interests therein so identified.

SEC. 3. (a) The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, transfer from any other Federal agency, or exchange: lands, improvements, waters, or interests therein which are located within the boundaries of the parks: *Provided,* That any lands or waters or improvements or interests therein owned by the State of California or any political subdivision thereof may be acquired only by donation. Notwithstanding any other provisions of law, any Federally owned lands within the park shall, with the concurrence of the head of the administering agency, be transferred to the administrative jurisdiction of the Secretary for the purposes of this Act, without a transfer of funds.

(b) With respect to improved properties, as defined in this section, the Secretary may acquire scenic easements or such other interests as, in his judgment, are necessary for the purposes of the park. Fee title to such improved properties shall not be acquired unless the Secretary finds that such lands are being used, or are threatened with uses, which are detrimental to the purposes of the park or unless such acquisition is necessary to fulfill the purposes of this Act.

(c) When any tract of land is only partly within the boundaries of the park, the Secretary may acquire all or any portion of the land outside of such boundaries in order to minimize the payment of severence costs. Land so acquired outside of the boundaries may be exchanged by the Secretary for non-Federal lands within the boundaries; any portion of the land acquired outside the boundaries and not utilized for exchange shall be reported to the General Services Administration for disposal under the Federal Property and Administrative Services Act of 1949, as amended: *Provided,* That no disposal shall be for less than the fair market value of the lands involved.

(d) For the purposes of this Act, the term "improved property" means: (i) a detached single family dwelling, the construction of which was begun before January 1, 1975 (hereafter referred to as "dwelling"), together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures necessary to the dwelling which are situated on the land so designated, or (ii) property developed for agricultural uses, together with any structures accessory thereto which were so used on or before January 1, 1975. In determining when and to what extent a property is to be considered an "improved property", the Secretary shall take into consideration the manner of use of such buildings and lands prior to January 1, 1975, and shall designate such lands as are reasonably necessary for the continued enjoyment of the property in the same manner and to the same extent as existed prior to such date.

(e) The owner of an improved property, as defined in this Act, on the date of its acquisition, as a condition of such acquisition, may retain for himself, his heirs and assigns, a right of use and occupancy of the improved property for noncommercial residential or agricultural purposes, as the case may be, for a definite term of not more than twenty-five years, or, in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. The owner shall elect the term to be reserved. Unless the property is wholly or partially donated, the Secretary shall pay to the owner the fair market value of the property on the date of its acquisition, less the fair market value of that right of use and occupancy on that date retained by the owner. A right retained by the owner pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, and it shall terminate by operation of law upon notification by the Secretary to the holder of the right of such determination and tendering to him the amount equal to the fair market value of that portion which remains unexpired.

(f) In exercising his authority to acquire property under this Act, the Secretary shall give prompt and careful consideration to any offer made by an individual owning property within the park to sell such property, if such individual notifies the Secretary that the continued ownership of such property is causing, or would result in undue hardship.

Section 4. (a) As soon as practicable, but not later than one year after the enactment of this Act, the Secretary, after notice published at least fifteen days prior to the date thereof in at least one newspaper of general circulation in Los Angeles and one in the City of Ventura, shall hold a public hearing on the proposed park boundaries and shall, at least fifteen days prior to the hearing, publish in the Federal Register a map and other description of the proposed park.

(b) Commencing thirty days before the hearing referred to in subsection (a) the map and description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, Washington, District of Columbia, and in the offices of the General Services Administration in the Federal Office Building in West Los Angeles, California and in an appropriate building in the City of Ventura.

No alterations or amendments to park boundaries shall take effect until after a corresponding notice and public hearing and publication of such alteration or amendment in the Federal Register.

(c) Within 18 months after the date of the enactment of this Act, the Secretary shall submit, in writing, to the Committees on Interior and Insular Affairs and to the Committees on Appropriations of the United States Congress a detailed program which shall indicate:

(1) the lands and areas which he deems essential to the protection and public enjoyment of the park,

(2) the lands which he has previously acquired by purchase, donation, exchange, or transfer for the purpose of the park, and

(3) the annual acquisition program (including the level of funding) which he recommends for the ensuing five fiscal years.

(b) It is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated by this Act within five years after the date of its enactment.

Sec. 5. (a) The Secretary shall establish the park by publication of a notice to that effect in the Federal Register at such time as he determines that lands, improvements, waters, and interests therein have been acquired in an amount sufficient to constitute an efficiently administerable unit for the purposes of this Act. Pending such establishment and thereafter, the Secretary shall administer property acquired for the purposes of this Act in accordance with the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and he may use such other statutory authorities available to him for the conservation and management of wildlife and natural resources as he deems appropriate to carry out the purposes of this Act.

(b) The authority of the Secretary of the Army to undertake or contribute to water resource development, including erosion control and flood control, on lands or waters within the park shall be exercised in accordance with plans which are mutually acceptable to the Secretary and the Secretary of the Army and which are consistent with both the purposes of this Act and the purposes of existing statutes dealing with water and related land resource development.

(c) Notwithstanding any other provision of law, the Secretary is authorized to accept donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of fund acquisition and providing services and facilities within the park.

(d) The Secretary may, on his own initiative, or at the request of any local government having jurisdiction over land located within or adjacent to the recreation area, assist and consult with the appropriate officers and employees of such local government in establishing zoning laws or ordinances which will assist in achieving the purposes of this Act. In providing assistance pursuant to this subsection, the Secretary shall endeavor to obtain provisions in such zoning laws or ordinances which—

(1) have the effect of limiting the noncompatible commercial and industrial use of all real property adjacent to the park;

(2) aid in preserving the character of the park by appropriate restrictions on the use of real property in the vicinity including, but not limited to, restrictions upon: building and construction of all types; signs and billboards; the burning of cover; significant modifications of natural habitat types; grading and removal of topsoil, sand, or gravel; dumping, storage, or piling of refuse; or any other use which would detract from the aesthetic character of the park; and

(3) have the effect of providing that the Secretary shall receive notice of any hearing for the purpose of granting a variance and any variance granted under, and of any exception made to, the application of such law or ordinance.

Sec. 6. (a) There is hereby established the Santa Monica Mountains and Seashores National Urban Park Advisory Commission (hereinafter referred to as the "Commission"). The Commission shall terminate ten years after the date of establishment of the park.

(b) The Commission shall be composed of fifteen members appointed by the Secretary for terms of three years each.

(c) Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) Members of the Commission shall serve without compensation, as such, but the Secretary may pay, upon vouchers signed by the Chairman, the expenses reasonably incurred by the Commission and its members in carrying out their responsibilities under this Act.

(e) The Secretary, or his designee, shall, from time to time, but at least annually, meet and consult with the Commission on general policies and specific matters related to planning, administration and development affecting the park.

(f) The Commission shall act and advise by affirmative vote of a majority of the members thereof.

Section 7(a). The Secretary, in cooperation with the State of California and affected political subdivisions thereof, local and regional transportation agencies, relevant advisory groups, and the Secretary of Transportation, shall make a study for a coordinated public and private transportation system to and within the park and other units of the national park system in Los Angeles and Ventura Counties.

(b) The Secretary shall inventory and evaluate all sites and structures in the park having present and potential archeological, historical, cultural, or scientific significance and shall provide for appropriate programs for the preservation, restoration, interpretation, and utilization of them.

Sec. 8. (a) Subject to the provisions of subsection (b) of this section, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

(b) For the development of essential public facilities there are authorized to be appropriated not more than $500,000. Within one year from the date of establishment of the park pursuant to this Act, the Secretary shall, after consulting with the Governor of the State of California, develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a final master plan for the development of the park consistent with the objectives of this Act, indicating:

(1) the facilities needed to accommodate the health, safety, and recreation needs of the visiting public;

(2) the location and estimated cost of all facilities; and

(3) the projected need for any additional facilities within the area.

By Mr. THURMOND (for himself, Mr. HARTKE, and Mr. HANSEN):

S. 760. A bill to provide for a separate agency within the Department of Labor to be known as the Veterans Employment Service, to authorize the appointment of an Assistant Secretary of Labor for Veterans Employment, and for other purposes. Referred to the Committee on Veterans' Affairs.

Mr. THURMOND. Mr. President, on behalf of the chairman of the Senate Veterans' Affairs Committee, Senator HARTKE, the ranking minority Member, Senator HANSEN, and myself, I am today introducing a bill to create the position of Assistant Secretary of Labor for Veterans Employment.

The magnitude of the current unemployment situation has hit the young and disabled veterans particularly hard. Priority in employment is one of the special benefits which the law provides for our veterans.

Unfortunately, the current rate of unemployment for veterans between the ages of 20–24 has reached 19.7 percent. I am deeply disturbed that the employment needs of veterans, particularly disabled and younger Vietnam veterans, have not been met.

The Veterans Employment Service is charged by law with the responsibility of implementing and administering an effective national program for job counseling, placement, and training of veterans. Substantial authority and staffing are required to continue to meet our obligations to these young men. Additional responsibilities for the Veterans Employment Service were contained in the recently enacted "GI bill" education amendments.

Mr. President, it is of great concern to me that the Director of Veterans Employment in the Manpower Administration is located at such a low level in the Department of Labor at the present time that it is impossible to carry out effectively the congressional mandates. I would hope that the institutional rank of this position would be commensurate with the great responsibility with which the office is charged. An Assistant Secretary of Labor for Veterans Employment would have a stronger, more effective hand in dealing with employment problems in governmental and private sectors.

Effective administrative implementation of the employment laws is one of the keys to a resolution of the employment problems. A stronger institutional role in Government policymaking for the Veterans Employment Service would help solve some of the employment problems which have beset our economy.

Mr. President, the economic security of America's 29 million living veterans is essential for our total economy to prosper. Together with their dependent survivors, they represent almost half of our population. The well-being of the veteran is interwoven with the economic prosperity for all.

This matter has been of great concern to the major veterans organizations for many years.

Mr. President, I ask unanimous consent that copies of the pertinent resolutions adopted at the national conventions of the American Legion, Veterans of Foreign Wars, and Disabled American Veterans be included in the RECORD at the end of my remarks. I strongly concur in these recommendations, and urge my colleagues to give most careful consideration to a course of action to create the position of Assistant Secretary of Labor for Veterans Employment.

Mr. President, I send the bill to the desk for appropriate reference, and ask unanimous consent that the text appear in the RECORD at the conclusion of my remarks.

There being no objection, the bill and material was ordered to be printed in the RECORD, as follows:

S. 760

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of April 17, 1946 as amended (29 U.S.C. 553), is amended by—

(1) striking out "five" in the first sentence of such section and inserting in lieu thereof "six"; and

(2) adding at the end thereof a new sentence as follows: "One of such Assistant Secretaries shall be an Assistant Secretary of Labor for Veterans' Employment."

SEC. 2. There is hereby created within the Department of Labor a separate agency to be known as the Veterans' Employment Service which shall be headed by the Assistant Secretary of Labor for Veterans' Employment. Such Service shall be responsible for carrying out the policies and purposes of chapter 41 of title 38, United States Code, and such other functions as may be required by law.

SEC. 3. Paragraph (20) of section 5315 of title 5, United States Code, is amended by striking out "(5)" and inserting in lieu thereof "(6)".

[EXHIBIT 1.]

NATIONAL EXECUTIVE COMMITTEE MEETING OF THE AMERICAN LEGION HELD OCTOBER 9–10, 1974

RESOLUTION NO. 13

Commission: Economic.

Subject: Seek legislation to the effect that the Director of the Veterans Employment Service be an Assistant Secretary of Labor for Veterans Employment

Whereas, Approximately one-half million Vietnam era veterans are being discharged annually; and

Whereas, The rate of unemployment among Vietnam era veterans is higher than the rate of unemployment of non-veterans of the same age and educational level; and

Whereas, The American Legion is mandated by its constitution and by-laws to assist all veterans in their efforts to obtain gainful employment; and

Whereas, Over the years much legislation has been passed by the Congress expressing a belief in the importance and urgency of special efforts to assist veterans in job placement and training opportunities, setting up for this purpose a Veterans Employment Service in the Department of Labor; and

Whereas, The recent enactment by Congress of PL 92–540 has greatly increased the responsbilities and duties of the Veterans Employment Service; and

Whereas, Under the present organization of the Department of Labor, the director of the veterans employment program must direct and expend much energy in going through Department of Labor channels, as well as in directing and evaluating a nationwide Veterans Employment Service; now, therefore be it

Resolved, By the National Executive Committee of The American Legion, in regular meeting assembled in Indianapolis, Indiana on October 9–10, 1974, that The American Legion seek Federal legislation to the effect that:

(1) the position of Director of Veterans Employment Service be elevated to Assistant Secretary of Labor for Veterans Employment;

(2) the Veterans Employment Service shall be a separate organizational entity in the Department of Labor and shall be funded separately;

(3) the local Veterans Employment Representatives shall remain under the direct functional supervision of the State Veterans Employment Representative and shall not be delegated any duties other than those directly related to serving veterans;

(4) the Assistant Secretary of Labor for Veterans Employment shall encourage the states to prescribe the job qualifications and descriptions for the local Veterans Employment Representatives (who are state employees) in conformity with PL 92–540;

(5) it shall be the duty of the state Veterans Employment Representative to exercise all possible means necessary to promote the employment of veterans; and

(6) nothing contained in this Act shall in any way adversely affect any officer or employee of the Veterans Employment Service nationally or in the field.

[EXHIBIT 2]

RESOLUTION NO. 721

RECOMMEND APPOINTMENT OF DIRECTOR OF VETERANS EMPLOYMENT SERVICE AS ASSISTANT SECRETARY OF LABOR

Whereas, eleven million or more Vietnam veterans have been discharged; and

Whereas, the rate of unemployment among Vietnam veterans is greater than and significantly higher than the rate of unemployment of the same age and educational level of non-Vietnam veterans; and

Whereas, the Veterans of Foreign Wars are mandated by their Constitution and By-Laws to assist all veterans in their efforts to obtain gainful employment; and

Whereas, the Veterans Employment Service is charged by law with the responsibility of aiding veterans seeking and maintaining gainful employment; and

Whereas, the Veterans Employment Service should be staffed so that they adequately perform their statutory obligation; now, therefore be it

Resolved, by the 75th National Convention of the Veterans of Foreign Wars of the United States, that we seek Federal legislation and implementation of existing legislation to the effect that:

(1) the Director of Veterans Employment Service be assigned as an Assistant Secretary of Labor;

(2) the Veterans Employment Service shall be an autonomous division in the Department of Labor, and shall be separately funded;

(3) the local Veterans Employment Representatives shall be delegated no duties other than those directly related to serving veterans so far as is possible;

(4) the Assistant Secretary of Labor for Veterans' Services shall prescribe the job qualifications and descriptions for the local Veterans Employment Representatives;

(5) it shall be the duty of the Federal Veterans Employment Representatives to exercise all possible means necessary to promote the employment of veterans;

(6) nothing contained in this resolution shall in any way adversely affect any officer

or employee of the Veterans Employment Service nationally or locally, and they shall have priority of employment in the new Department established.

[Exhibit 3]

Resolution 010

Whereas, seven million or more Vietnam veterans have been discharged, and

Whereas, the rate of unemployment among Vietnam veterans is greater than, and significantly higher than the rate of unemployment of the same age and educational level of non-Vietnam veteran, and

Whereas, the Disabled American Veterans are mandated by their Constitution and By-Laws to assist all veterans, especially disabled veteran, in their efforts to obtain gainful employment, and

Whereas, the Veterans Employment Service is charged by law with the responsibility of aiding Veterans seeking and maintaining gainful employment, and

Whereas, the Veterans Employment Service Headquarters and field operations should be staffed so that they can adequately perform their statutory obligation, now therefore, be it

Resolved, That we seek Federal legislation and implementation of existing legislation to the effect that:

(1) the Director of Veterans Employment Service be assigned as an Assistant Secretary of Labor,

(2) the Veterans Employment Service shall be an autonomous division in the Department of Labor, and shall be funded separately,

(3) the local Veterans Employment Representatives shall not be delegated duties other than those directly related to serving veterans so far as possible,

(4) the Assistant Secretary of Labor for Veterans' Services shall prescribe the job qualifications for the local Veterans Employment Representatives,

(5) it shall be the duty of the Federal Veterans Employment Representative to exercise all possible means necessary to promote the employment of veterans and to assist in the implementation of Mandatory Job Listing provisions for all federal contractors,

(6) nothing contained in this resolution shall in any way adversely affect any officer or employee of the Veterans Employment Service nationally or locally, and they shall have priority of employment in the new department established.

By Mr. BELLMON:

S. 761. A bill to amend the National Environmental Policy Act of 1969 in order to encourage the establishment of, and to assist State and regional environmental centers. Referred to the Committee on Interior and Insular Affairs.

ENVIRONMENTAL CENTERS ACT OF 1975

Mr. BELLMON. Mr. President, today I am introducing the Environmental Centers Act of 1975 to create a network of environmental centers to conduct research on and monitoring of environmental problems at the State or regional level. This bill was passed by the Senate on June 12, 1974. It was passed by the 92d Congress as part of a bill containing other legislative features, and it suffered a pocket veto.

Mr. President, Congress has been generous with the Federal Establishment in providing funds to conduct national research on the environment. Certainly Congress needs the best knowledge and data it can get on the standards which it is setting nationwide to clean up the air and water. State and local governments, faced with the need to make similar decisions, need the same facts relating to their States or communities. The Environmental Centers Act of 1975 will provide a way to get such information.

Too often, Federal authorities are requiring State and local governments as well as private groups to meet certain standards, but no effort has been made to provide the information as to how these requirements can be met. Also too often, States and localities have environmental problems that the Federal Establishment dismisses as of purely local concern. The sum of these local problems is of national significance.

Therefore, I believe it is essential that these jurisdictions be equipped, modestly, to address these problems in an informed manner on the basis of local concern.

Let us talk a little about what this measure will and will not do.

It will not provide a lot of money to build new buildings and research establishments. It will provide some money for the Governor of each State, or possibly several States together, to designate an existing educational institution or institutions to carry out research, train professionals and coordinate existing private and public research efforts in fields that are of prime environmental concern to the State or region. This bill in its emphasis on decisionmaking at the State and local level actually translates new federalism concepts into the research and development area.

Mr. President, I am most hopeful that this is a bill whose time has finally come. It is meritorious. We need it now. The States and localities need it now. The public deserves it now.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 761

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be ctied as the "Environmental Centers Act of 1975."

DEFINITIONS

Sec. 2. As used in this Act—

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

(3) The term "educational institution" means a public or private institution of higher education, or a consortium of public or private institutions of higher education.

(4) The term "State environmnental center" means an organization which, on a statewide basis, carries out and coordinates research, training, and information dissemination; assists State and local governments; and performs other functions described in section 6 of this Act related to the protection and improvement of the environment.

(5) The term "regional environmental center" means an organization which, on an interstate basis, undertakes and coordinates research, training, and information dissemination; assists State and local governments; and performs other functions described in section 6 of this Act related to the protection and improvement of the environment.

(6) The term "environmental center" means a State environmental center established pursuant to this Act.

(7) The term "other research facilities" means the research facilities of (A) any educational institution in which a State environmental center is not located and which does not directly participate in a regional environmental center, (B) public or private foundations and other institutions, or (C) private industry.

POLICY AND PURPOSES

Sec. 3. (a) It is the policy of the Congress to support basic and applied research, planning, management, education, and other activities necessary to maintain and improve the quality of the environment through the establishment of interdisciplinary environmental centers, in cooperation with and among the States, and thereby to achieve a more adequate program of environmental protection and improvement within the States, regions, and Nation. It is hereby recognized that research, planning, management, and education in environmental subjects are necessary to establish an environmental balance in local, State, and regional areas to assure the Nation of a quality environment.

(b) The purposes of this Act are to stimulate, sponsor, provide for, and supplement existing programs for the conduct of basic and applied research, investigations, and experiments relating to the environment; to provide for comprehensive study of environmental problems of particular importance to the several States; to provide for the widest dissemination of environmental information; to assist in the training of professionals in fields related to the protection and improvement of the Nation's environment; to provide for coordination of the above activities; and to authorize and direct the Administrator to cooperate with the several States for the purpose of encouraging and assisting them in carrying out the activities described above having due regard to the varying conditions and needs of the respective States.

DESIGNATION AND APPROVAL OF ENVIRONMENTAL CENTERS

Sec. 4. (a) The Administrator may provide financial assistance under this Act for the purpose of enabling any State, if such State does not participate in a regional environmental center receiving funds under this Act, to establish and operate one State environmental center if—

(1) such State environmental center is, or will be—

(A) located at any educational institution within the State; and

(B) administered by such educational institution;

(2) such educational institution is designated by the Governor of the State; and

(3) the Administrator determines that such State environmental center—

(A) meets, or will meet, the requirements set forth in section 5 of this Act; and

(B) has, or will have, the capability to carry out the functions set forth in section 6 of this Act.

(b) The Administrator may provide financial assistance under this Act for the purpose of enabling two or more States, if none of such States has a State environmental center assisted under this Act, to establish and operate a regional environmental center if—

(1) such regional environmental center is, or will be—

(A) located at an educational institution within one of such States, or in educational institutions within two or more of such States if such institutions agree to operate jointly as the regional environmental center; and

(B) administered by such educational institution or institutions;

(2) such educational institution in each State is designated by the Governor of the State to participate in the regional environmental center; and

(3) the Administrator determines that such regional environmental center—

(A) meets, or will meet, the requirements set forth in section 5 of this Act; and

(B) has, or will have, the capability to carry out the functions set forth in section 6 of this Act.

(c) Each Governor, in designating an educational institution to be a State environmental center or to participate in a regional environmental center, shall take into account those institutions of higher education in the State which, at that time, are carrying out environmentally related research and education programs; and shall, insofar as possible, avoid duplication of such programs.

ELIGIBILITY REQUIREMENTS FOR ENVIRONMENTAL CENTERS

SEC. 5. Each environmental center shall—

(1) be organized and operated so as to coordinate, support, augment, and implement programs contributing to the protection and improvement of the local, State, regional, and national environment;

(2) have (A) a chief administrative officer, hereinafter referred to as the "Director: and (B) a treasurer who shall carry out the duties specified in section 11 of this Act, each of whom shall be appointed by the chief executive officers of the educational institutions concerned, in the case of a regional environmental center.

(3) have a nucleus of administrative, professional, scientific, technical, and other personnel capable of planning, coordinating, and directing interdisciplinary programs related to the protection and improvement of the local, State, regional, and national environment;

(4) be authorized to employ personnel to carry out appropriate research, planning, management, and education programs;

(5) be authorized to make contracts and other financial arrangements necessary to implement subsection (b) of section 6 of this Act; and

(6) make available to the public all data, publications, studies, reports, and other information which result from its programs and activities, except information related to matters described in section 552(b)(4) of title 5, United States Code.

FUNCTIONS OF ENVIRONMENTAL CENTERS

SEC. 6. (a) Each environmental center shall be responsible for the following functions—

(1) the planning and implementing of research, investigations, and experiments relating to the study and resolution of environmental pollution, natural resource management, environmental health, and other local, State, and regional environmental problems and opportunities;

(2) the training of environmental professionals through such research, investigations, and experiments, which training may include, but is not limited to, biological, ecological, geographic, geological, engineering, economic, legal, energy resource, natural resource, and land use planning, social, recreational, and other aspects of environmental problems;

(3) the establishment, operation, and maintenance of a comprehensive environmental education program directed at the widest possible segment of the population, which program may include, but is not limited to, public school curricula development, undergraduate degree programs, graduate programs, nondegree college level course work, professional training, short courses, workshops, and other educational activities directed toward professional training and general education;

(4) the widest possible dissemination of useful and practical information on subjects relating to the protection and enhancement of the Nation's environment and the establishment and maintenance of a reference service to facilitate the rapid identification, acquisition, retrieval, dissemination, and use of such information;

(5) the coordination of efforts in the several areas required to achieve the purposes and objectives of this Act; and

(6) the submission, on or before September 1 of each year, of a comprehensive report of its program and activities during the immediately preceding fiscal year to the relevant Governor or Governors, the Administrator, and the Environmental Centers Research Coordination Board established under section 9 of this Act.

(b)(1) Each environmental center is encouraged to contract with other environmental centers and with other research facilities to undertake any function listed in subsection (a) of this section in order to achieve the most efficient and effective use of institutional, financial, and human resources.

(2) Each environmental center is encouraged to make grants, contracts, and cooperative agreements through fund matching or other arrangements with—

(A) other environmental centers, research facilities, and individuals the training, experience, and qualifications of which or whom are, in the judgment of the Director, adequate for the conduct of specific projects to further the purposes of this Act; and

(B) local, State, and Federal agencies to undertake research, investigations, and experiments concerning any aspects of environmental problems related to the mission of the environmental center and the purposes of this Act.

(c) In the carrying out of the functions described in clauses (a) (3) and (4) of this section, the services of private enterprise firms active in the fields of information, technical services, publishing multimedia or educational materials, and broadcasting are to be utilized whenever feasible so as to avoid creating Government competition with private enterprise and to achieve the most efficient use of public funds in fulfilling the purposes of this Act.

AUTHORIZATION OF APPROPRIATIONS FOR GRANTS

SEC. 7. (a) There is authorized to be appropriated for grants to environmental centers for the purposes of this Act $7,000,000 the first full fiscal year following the enactment of this Act; $10,000,000 for the second full fiscal year following the enactment of this Act; $15,000,000 for the third full fiscal year following the enactment of this Act; and $20,000,000 for each of the next two fiscal years. The sums authorized for appropriation pursuant to this subsection shall be dispersed in equal shares to the environmental centers by the Administrator, except that each regional environmental center shall receive the number of shares equal to the number of States participating in such regional environmental center: *Provided*, That sums allocated under this subsection in each fiscal year after the third full fiscal year following the enactment of this Act shall be made available only to those environmental centers for which the participating States provide $1 for each $2 provided under this subsection.

(b) In addition to the sums authorized by subsection (a) of this section, there is further authorized to be appropriated $10,000,000 for each of the three full fiscal years following the enactment of this Act; and $15,000,000 for each of the two succeeding fiscal years, which shall be allocated by the Administrator, after consultation with the Environmental Centers Research Coordination Board, to the environmental centers on the following basis; one-fourth based on population using the most current decennial census, one-fourth based on the amount of each State's total land area, and one-half based on the assessment of the Administrator with respect to (1) the nature and relative severity of the environmental problems among the areas served by the several environmental centers, and (2) the ability and willingness of each center to address itself to such problems within its respective area; except that sums allocated under this subsection shall be made available only to those environmental centers for which the States concerned provide $1 for each $2 provided under this subsection.

(c) In addition to the sums authorized to be appropriated under subsections (a) and (b) of this section, there is authorized to be appropriated for each of the five full fiscal years following the enactment of this Act, such sums as may be necessary to provide to each regional environmental center during each of such fiscal years an amount of money to 10 per centum of the funds which will be disbursed and allocated to such center during that fiscal year by the Administrator under such subsections (a) and (b).

(d) Not less than 10 per centum of any sums allocated to an environmental center shall be expended only in support of work planned and conducted on interstate or regional programs.

AUTHORIZATION OF APPROPRIATIONS FOR ADMINISTRATION

SEC. 8. There is authorized to be appropriated $1,000,000 for each of the five full fiscal years after the enactment of this Act, to be used by the Administrator solely for the administration of this Act and to carry out the purposes of section 9 of this Act.

ENVIRONMENTAL CENTERS RESEARCH COORDINATION BOARD

SEC. 9. (a) There is established the Environmental Centers Research Coordination Board (hereinafter referred to in this section as the "Board"), for the purposes of assisting the Administrator with program development and operation, consisting of the following sixteen members—

(1) a Chairman, who shall be the Administrator;

(2) one representative each from (A) the Council on Environmental Quality; (B) the National Science Foundation; (C) the Department of the Interior; (D) the Department of Agriculture; and (E) the National Institute of Health;

(3) five members, appointed by the Administrator, each of whom shall be the Director of a State or regional environmental center authorized in this Act, and who shall be selected to represent the widest possible geographic cross section of the Nation; and

(4) five members, appointed by the Administrator, who shall be appointed on the basis of their abilities to represent the views of (A) State government; (B) private industry; (C) the public academic community; (D) the private academic community; and (E) not-for-profit organizations the primary objective of which is the improvement of environmental quality.

(b) Selection of Board members pursuant to clause (a) (2) of this section shall be made by heads of the respective entities after consultation with the Administrator.

(c) The Chairman of the Board may designate one of the members of the Board as Acting Chairman to act during his absence.

(d) The Board shall undertake a continuing review of the programs and activities of all environmental centers assisted under this Act and make such recommendations as it deems appropriate to the Administrator and the relevant Governors with respect to the improvement of the programs and activities of the several centers. The Board shall, in conducting its review, give particular attention to finding any unnecessary duplication of programs and activities among the several environmental centers and shall include in its recommendations suggestions for minimizing such duplications. The Board shall also coordinate its activities under this section with all appropriate Federal agencies and may coordinate such activities with such State and local agencies and private individuals, institutions, and firms as it deems appropriate.

(e) The Board shall meet at least four times each year. The members of the Board who are not regular full-time officers or employees of the United States shall, while carrying out their duties as members, be entitled to receive compensation at a rate fixed by the Administrator, but not exceeding $100 per diem, including traveltime, and, while away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence as authorized by law for persons intermittently employed in Government service.

ENVIRONMENTAL CENTER ADVISORY BOARDS

SEC. 10. (a) The Governor of each State having a State environmental center assisted under this Act, and the Governors of States participating in each regional environmental center assisted under this Act, shall appoint, after consultation with the Director of the environmental center concerned, an advisory board which shall—

(1) advise such environmental center with respect to the activities and programs conducted by the center and the coordination of such activities and programs with the environmental protection and enhancement activities and programs of Federal, State, and local governments, of other educational institutions (whether or not directly participating in an environmental center assisted under this Act), and of private industry; and

(2) make such recommendations as it deems appropriate regarding—

(A) the implementation and improvement of the research, investigations, experiments, training, environmental education, information dissemination, and other activities and programs undertaken by the environmental center; and

(B) new activities and programs which the environmental center should undertake or support.

(b) All recommendations made by an advisory board pursuant to clause (a) (2) of this section shall be promptly transmitted to the Governor or Governors concerned, the Director of the environmental center, the chief executive officer of each educational institution in which the environmental center is located, and the Administrator.

(c) Any recommendations made by an advisory board pursuant to clause (a) (2) of this section shall be responded to, in writing, by the Director of the environmental center within one hundred and twenty days after such recommendations are received. In any case in which any such recommendation is not followed or adopted by the Director, he, in his response, shall state, in detail, the reason why the recommendation was not, or will be, followed or adopted.

(d) All recommendations made by an advisory board pursuant to clause (a) (2) of this section, and all responses by the Director thereto, shall be matters of public record and shall be available to the public at all reasonable times.

(e) (1) Each advisory board appointed pursuant to this section shall have not to exceed fifteen members consisting of representatives of—

(A) the agencies of the relevant State or States which administer laws and programs relating to environmental protection or enhancement;

(B) the educational institution or institutions in which the environmental center is located;

(C) the business and industrial community; and

(D) not-for-profit organizations, the primary objective of which is the improvement of environmental quality, and other public interest groups.

The Director of the environmental center shall be an ex officio member of the advisory board. Each advisory board shall elect a chairman from among its appointed members.

(2) The term of office of each member appointed to any advisory board shall be for three years; except that of the members initially appointed to any advisory, the term of office of one-third of the membership shall be for one year, the term of office of one-third of the membership shall be for two years, and the term of office of the remaining members shall be for three years.

(f) Each advisory board appointed pursuant to this section shall meet not less than once each year.

(g) Funds provided under section 7 of this Act may be used to pay the travel and such other related costs as shall be authorized by the Director of the environmental center which are incurred by the members of each advisory board incident to their attendance at meetings of the advisory board or its official committees; except that the amount of travel and related costs paid under this subsection to any member of an advisory board with respect to his attendance at any meeting of the Advisory Board may not exceed the amount which would be payable to such member if the law relating to travel expenses for persons intermittently employed in Government service applied to such member.

MISCELLANEOUS

SEC. 11. (a) Sums made available for allotment to the environmental centers under this Act shall be paid in quarterly installments during each fiscal year. Each treasurer appointed pursuant to clause (2) of section 5 of this Act shall receive an account for all funds paid to the environmental center under the provisions of the Act and shall transmit, with the approval of the Director, to the Administrator on or before the first day of September of each year, a detailed statement of the amount received under provisions of this Act during the preceding fiscal year and its disbursement, on schedules prescribed by the Administrator. If any of the moneys received by the authorized receiving officer of the environmental center under the provisions of this Act shall be found by the Administrator to have been improperly diminished, lost, or misapplied, they shall be replaced by the environmental center concerned and until so replaced no subsequent appropriations shall be allotted or paid pursuant to this Act to that environmental center.

(b) Moneys appropriated under this Act, in addition to being available for expenses incurred in research, investigations, experiments, education, and training conducted under authority of this Act, shall also be available for printing and publishing of the results thereof.

(c) Any environmental center which received assistance under this Act shall make available to the Administrator and the Comptroller General of the United States, or any of their authorized representatives, for purposes of audit and examination, any books, documents, papers, and records which are pertinent to the assistance received by such environmental center under this Act.

DUTIES OF ADMINISTRATOR

SEC. 12. The Administrator shall—

(1) prescribe such rules and regulations as may be necessary to carry out the provisions and purposes of this Act;

(2) indicate to the environmental centers from time to time such areas of research and investigation as to him seem most important, and encourage and assist in the establishment and maintenance of cooperation among the several environmental centers;

(3) report on or before January 1 of each year to the President and to Congress regarding the receipts and expenditures and work of all the environmental centers assisted under the provisions of this Act and also whether any portion of the appropriations available for allotment to any environmental center has been withheld, and, if so, the reason therefor; and

(4) undertake a continuing survey, and report thereon to Congress on or before January 1 of each year, with respect to—

(A) the interrelationship between the types of programs conducted by environmental centers pursuant to this Act; and

(B) ways in which the activities provided for in this Act for improving the Nation's environment may be integrated with other environmentally related Federal programs. The Administrator shall include in any report required under this paragraph any recommendations he deems appropriate to achieve the purposes of this Act.

By Mr. HUGH SCOTT (for himself and Mr. SCHWEIKER):

S. 764. A bill to provide for the reclamation of abandoned coal mine lands and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. HUGH SCOTT. Mr. President, there is a blight on our land today as a result of early strip mining practices. Over 2.5 million acres nationwide are nonproductive and useless because of past inattention to the need for reclamation. The Commonwealth of Pennsylvania has 478,000 acres of land which need to be rehabilitated.

I am delighted that Pennsylvania took the lead a number of years ago in State regulation. We now have the strongest surface mining laws in the Nation, and it is heartening that other States have used the Pennsylvania law as a model.

For these reasons, I have enthusiastically backed efforts to produce national strip mine legislation. I was sorry to see this bill vetoed at the end of the last Congress.

The House and Senate are now in the process of reviewing new legislation in this area. I strongly disagree with the portion of the legislation that would place a tax on each ton of coal to finance reclamation of old strip mined land.

There are three basic reasons why the proposed tax would be a mistake at this time. First, at a time of rising energy costs, it would place an additional burden on those who use coal. Clearly, the individual homeowner will have to pay more for the electricity produced by coal and higher prices on manufactured goods. Second, today's consumer of coal should not have to pay out of his pocket for the past 50 years of improper mining practices. And third, since coal as an energy source benefits all Americans, the cost of reclamation should be borne by everyone.

I am proposing a bill today to establish an abandoned coal mine reclamation fund. The trust fund, administered by the Secretary of the Interior, would receive money from the Treasury resulting from the sale and lease of Government land on the Outer Continental

Shelf—OCR. The bill would appropriate $200 million each year for reclamation, and the fund would be similar to the existing land-water conservation fund. I believe this level of funding will be satisfactory to begin the job of reclaiming the 2.5 million acres that now lie unproductive.

I want to emphasize the idea was accepted as part of the House version of the strip mine legislation in the 93d Congress. It should, therefore, receive strong support this year. Congressman JOE MCDADE has already put the bill forward as H.R. 2827.

The coal tax in current proposals under study is not reasonable. It forces the small, individual consumer of coal to bear the burden of past mistakes. The Congress has an obligation to enact legislation that does not place undue hardships on individuals or groups.

I hope the Senate will accept my proposal as a viable alternative to the coal tax now under study.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 764

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ABANDONED COAL MINE RECLAMATION FUND

SECTION 1. (a) There is created on the books of the Treasury of the United States a trust fund to be known as the Abandoned Coal Mine Reclamation Fund (hereinafter referred to as the "fund") which shall be administered by the Secretary of the Interior.

(b) The fund shall consist of amounts deposited in the fund, from time to time, derived from—

(1) the sale, lease, or rental of land reclaimed pursuant to this Act;

(2) any user charge imposed on or for land reclaimed pursuant to this Act, after expenditures for maintenance have been deducted; and

(3) appropriations made to the fund, or amounts credited to the fund, under subsection (d).

(c) Amounts covered into the fund shall be available for the acquisition and reclamation of land under section 6, administration of the fund, acquisition, and filling of voids and sealing of tunnels, shafts, and entryways under section 7, and for use under section 5, by the Secretary of Agriculture, of up to one-fifth of the money deposited in the fund annually and transferred by the Secretary of the Interior to the Department of Agriculture for such purposes. Such amounts shall be available for such purposes only when appropriated therefor; and such appropriations may be made without fiscal year limitation.

(d) (1) In addition to the amounts deposited in the fund as specified in paragraphs (1) and (2) of subsection (b) there are authorized to be appropriated annually to the fund out of any money in the Treasury not otherwise appropriated, such amounts as are necessary to make the income of the fund not less than $200,000,000 for the fiscal year ending June 30, 1975, and for each fiscal year thereafter.

(2) To the extent that any such sums so appropriated are not sufficient to make the total annual income of the fund amount to $200,000,000 for each of such fiscal years, as provided in paragraph (1), an amount sufficient to cover the remainder thereof shall be credited to the fund from revenues due and payable to the United States for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act. Moneys covered into the fund under this paragraph shall remain in the fund until appropriated by the Congress to carry out the purposes of this Act.

OBJECTIVES OF FUND

SEC. 2. Objectives for the obligation of funds for the reclamation of previously mined areas shall reflect the following priorities in the order stated:

(a) the protection of health or safety of the public;

(b) protection of the environment from continued degradation and the conservation of land and water resources;

(c) the protection, construction, or enhancement of public facilities such as utilities, roads, recreation, and conservation facilities and their use;

(d) the improvement of lands and waters to a suitable condition useful in the economic and social development of the area affected; and

(e) research and demonstration projects relating to the development of surface mining reclamation and water quality control program methods and techniques in all areas of the United States.

ELIGIBLE LANDS

SEC. 3. The only land eligible for reclamation expenditures under this title are those which are mined for coal or which were affected by such mining, wastebanks, coal processing, or other mining processes, and abandoned or left in an inadequate reclamation status prior to the date of enactment of this Act, and for which there is no continuing reclamation responsibility under State or other Federal laws.

RECLAMATION RESPONSIBILITY

SEC. 4. (a) Mining operators shall eliminate continuing polluting discharges, mine or refuse bank fires, and conditions that present an imminent hazard to the environment or to the health or safety of the public, or mined lands where the mining operator has in the past conducted mining operations on or beneath the surface of the land, did adequately reclaim such land and, on or after the effective date of this Act, held the mineral or other rights to such land.

(b) After July 1, 1977, mining operators not in compliance with this section shall be subject to the procedures and penalties provided in title II of this Act.

RECLAMATION OF RURAL LANDS

SEC. 5. (a) In order to provide for the control and prevention of erosion and sediment damages from unreclaimed mined lands, and to promote the conservation and development of soil and water resources of unreclaimed mined lands and lands affected by mining, the Secretary of Agriculture is authorized to enter into agreements, of not more than ten years with landowners (including owners of water rights) residents and tenants, and individually or collectively, determined by him to have control for the period of the agreement of lands in question therein providing for land stabilization, erosion, and sediment control, and reclamation through conservation treatment, including measures for the conservation and development of soil, water (excluding stream channelization), woodland, wildlife, and recreation resources, of such lands. Such agreements shall be made by the Secretary with the owners, including owners of water rights, residents, or tenants (collectively or individually) of the lands in question.

(b) The landowners, including the owners of water rights, resident, or tenant shall furnish to the Secretary of Agriculture a conservation and development plan setting forth the proposed lands uses and conservation treatment which shall be mutually agreed by the Secretary of Agriculture and the landowner, including owner of water rights, resident, or tenant to be needed on the lands for which the plan was prepared. In those instances where it is determined that the water rights or water supply of a tenant, landowner, including owner of water rights, residents, or tenant have been adversely affected by a surface or underground coal mine operation which has removed or disturbed a stratum so as to significantly affect the hydrologic balance, such plan may include proposed measures to enhance water quality or quantity by means of joint action with other affected landowners, including owner of water rights, residents, or tenants in consultation with appropriate State and Federal agencies.

(c) Such plan shall be incorporated in an agreement under which the landowner, including owner of water rights, resident, or tenant shall agree with the Secretary of Agriculture to effect the land uses and conservation treatment provided for in such plan on the lands described in the agreement in accordance with the terms and conditions thereof.

(d) In return for such agreement by the landowner, including owner of water rights, resident, or tenant the Secretary of Agriculture is authorized to furnish financial and other assistance to such landowner, including owner of water rights, resident, or tenant in such amounts and subject to such conditions as the Secretary of Agriculture determines are appropriate and in the public interest for carrying out the land uses and conservation treatment set forth in the agreement. Grants made under this section shall not exceed 80 per centum of the cost of carrying out such land uses and conservation treatment on not more than thirty acres of land occupied by such owner including water rights owners, resident, or tenant, or on not more than thirty acres of land which has been purchased jointly by such land owners including water rights owners, residents, or tenant under an agreement for the enhancement of water quality or quantity or on land which has been acquired by an appropriate State or local agency for the purpose of implementing such agreement.

(e) The Secretary of Agriculture may terminate any agreement with a landowner including water rights owners, operator, or occupier by mutual agreement if the Secretary of Agriculture determines that such termination would be in the public interest, and may agree to such modification of agreements previously entered into hereunder as he deems desirable to carry out the purposes of this section or to facilitate the practical administration of the program authorized herein.

(f) Notwithstanding any other provision of law, the Secretary of Agriculture, to the extent he deems it desirable to carry out the purposes of this section, may provide in any agreement hereunder for (1) preservation for a period not to exceed the period covered by the agreement and an equal period thereafter of the cropland, crop acreage, and allotment history applicable to land covered by the agreement for the purpose of any Federal program under which such history is used as a basis for an allotment or other limitation on the production of such crop; or (2) surrender of any such history and allotments.

(g) The Secretary of Agriculture shall be authorized to issue such rules and regulations as he determines are necessary to carry out the provisions of this section.

(h) In carrying out the provisions of this section, the Secretary of Agriculture shall utilize the services of the Soil Conservation Service, and the State and local committees provided for in section 8(b) of the Soil Conservation and Domestic Allotment Act, and is authorized to utilize the facilities, services, and authorities of the Commodity Credit Corporation.

(i) Funds shall be made available to the Secretary of Agriculture for the purposes of this section, as provided in section 1(c).

ACQUISITION AND RECLAMATION OF ABANDONED AND UNRECLAIMED MINED LANDS

SEC. 6. (a) (1) The Congress hereby declares that the acquisition of any interest in land or mineral rights in order to eliminate hazards to the environment or to the health or safety of the public from mined lands, or to construct, operate, or manage reclamation facilities and projects constitutes acquisition for a public use or purpose, notwithstanding that the Secretary plans to hold the interest in land or mineral rights so acquired as an open space or for recreation, or to resell the land following completion of the reclamation facility or project.

(2) The Secretary may acquire by purchase, donation, or otherwise, land or any interest therein which has been affected by surface mining and has not been reclaimed to its approximate original condition. Prior to making any acquisition of land under this section, the Secretary shall make a thorough study with respect to those tracts of land which are available for acquisition under this section and based upon those findings he shall select lands for purchase according to the priorities established in section 2. Title to all lands or interests therein acquired shall be taken in the name of the United States. The price paid for land under this section shall take into account the unrestored condition of the land. Prior to any individual acquisition under this section, the Secretary shall specifically determine the cost of such acquisition and reclamation and the benefits to the public to be gained therefrom.

(3) For the purposes of this section, when the Secretary seeks to acquire an interest in land or mineral rights, and cannot negotiate an agreement with the owner of such interest or right he shall request the Attorney General to file a condemnation suit and take interest or right, following a tender or just compensation as awarded by a jury to such person. When the Secretary determines that time is of the essence because of the likelihood of continuing or increasingly harmful effects upon the environment which would substantially increase the cost or magnitude of reclamation or of continuing or increasingly serious threats to life, safety, or health, or to property, the Secretary may take such interest or rights immediately upon payment by the United States either to such person or into a court of competent jurisdiction of such amount as the Secretary shall estimate to be the fair market value of such interest or rights; except that the Secretary shall also pay to such person any further amount that may be subsequently awarded by a jury, with interest from the date of the taking.

(4) For the purposes of this section, when the Secretary takes action to acquire an interest in land and cannot determine which person or persons hold title to such interest or rights, the Secretary shall request the Attorney General to file a condemnation suit, and give notice, and may take such interest or rights immediately upon payment into court of such amount as the Secretary shall estimate to be the fair market value of such interest or rights. If a person or persons establishes title to such interest or rights within six years from the time of their taking, the court shall transfer the payment to such person or persons and the Secretary shall pay any further amount that may be agreed to pursuant to negotiations or awarded by a jury subsequent to the time of taking. If no person or persons establish title to the interest or rights within six years from the time of such taking, the payment shall revert to the Secretary and be deposited in the fund.

(5) States are encouraged to acquire abandoned and unreclaimed mined lands within their boundaries and to transfer such lands to the Secretary to be reclaimed under appropriate Federal regulations. The Secretary is authorized to make grants on a matching basis to States in such amounts as he deems appropriate for the purpose of carrying out the provisions of this title but in no event shall any grant exceed 90 per centum of the cost of acquisition of the lands for which the grant is made. When a State has made any such land available to the Federal Government under this title, such State shall have a preference right to purchase such lands after reclamation at fair market value less the State portion of the original acquisition price. Notwithstanding the provisions of paragraph (1) of this subsection, reclaimed land may be sold to the State or local government in which it is located at a price less than fair market value, which in no case shall be less than the cost to the United States of the purchase and reclamation of the land, as negotiated by the Secretary, to be used for a valid public purpose. If any land sold to a State or local government under this paragraph is not used for a valid public purpose as specified by the Secretary in the terms of the sales agreement then all right, title, and interest in such land shall revert to the United States. Money received from such sale shall be deposited in the fund.

(6) The Secretary shall prepare specifications for the reclamation of lands acquired under this section. In preparing these specifications, the Secretary shall utilize the specialized knowledge or experience of any Federal department or agency which can assist him in the development or implementation of the reclamation program required under this title and following the standards for reclamation set forth in this Act. The Secretary may, with the approval of the Administrator of the department or agency involved, call to his assistance temporarily any engineer or other personnel of any Federal department or agency. The engineers and employees shall not receive any additional compensation other than that which they receive from the department or agency by which they are employed, but they shall be reimbursed for their actual and necessary expenses incurred while working under the direction of the Secretary. The Secretary shall follow the consultation and notification procedures specified prior to the final approval of a reclamation plan.

(7) Any proposed reclamation contract shall be approved by the Secretary. Except as otherwise required by paragraph (8), the Secretary shall award each contract to the lowest qualified bidder after sealed bids are received, opened, and published at the time and place fixed by the Secretary and notice of the time and place at which the bids will be received, opened, and published, has been advertised at least once at least ten days before the opening of the bids, in a newspaper of general circulation in each county in which the area of land to be reclaimed under such contract is located. If no bids for the advertised contract are received at the time and place fixed for receiving them, the Secretary may advertise again, but he may, if he deems the public interest will be best served thereby, enter into a contract without further advertisement for bids. The Secretary may reject any or all bids received and may fix and publish again notice of the time and place at which new bids for the contract will be received, opened, and published.

(8) In selecting lands to be acquired pursuant to this section and in formulating regulations for the making of grants to the States to acquire lands pursuant to this title, the Secretary shall give priority to lands in this unreclaimed state which will meet the objectives as stated in section 402 above when reclaimed. For those lands which are reclaimed for public recreational use, the revenue derived from such lands shall be used first to assure proper maintenance of such funds and facilities thereon and any remaining moneys shall be deposited in the fund.

(9) Where land reclaimed pursuant to this section is deemed to be suitable for industrial, commercial, residential, or private recreational development, the Secretary may sell such land by public sale under a system of competitive bidding, at not less than fair market value and under other such regulations as he may promulgate to insure that such lands are put to a proper use, as determined by the Secretary. If any such land sold is not put to the use specified by the Secretary in the terms of the sales agreement, then all right, title, and interest in such land shall revert to the United States. Money received from such sale shall be deposited in the fund.

(10) The Secretary shall hold a public hearing, with the appropriate notice, in the county or counties or the appropriate subdivisions of the State in which lands acquired to be reclaimed pursuant to this title are located. The hearing shall be held at a time which shall afford local citizens and governments the maximum opportunity to participate in the decision concerning the use of the lands once reclaimed.

(b) (1) The Secretary is authorized to use money in the fund to acquire, reclaim, develop, and transfer land to any State, or any department, agency, or instrumentality of a State or of a political subdivision thereof, or to any person, firm, association, or corporation if he determines that such is an integral and necessary element of an economically feasible plan for a project to construct or rehabilitate housing for persons employed in mines or work incidental thereto, persons disabled as the result of such employment, persons displaced by governmental action, or persons, dislocated as the result of natural disasters or catastrophic failure from any cause. Such activities shall be accomplished under such terms and conditions as the Secretary shall require, which may include transfers of land with or without monetary consideration: *Provided*, That, to the extent that the consideration is below the fair market value of the land transferred, no portion of the difference between the fair market value and the consideration shall accrue as a profit to such person, firm, association, or corporation. Land development may include the construction of public facilities or other improvements including reasonable site work and offsite improvements such as sewer and water extensions which the Secretary determines necessary or appropriate to the economic feasibility of a project. No part of the funds provided under this title may be used to pay the actual construction costs of housing.

(2) The Secretary may carry out the purposes of this subsection directly or he may make grants and commitments for grants, and may advance money under such terms and conditions as he may require to any State, or any department, agency, or instrumentality of a State, or any public body or nonprofit organization designated by a State.

(3) The Secretary may provide, or contract with public and private organizations to provide information, advice, and technical assistance, including demonstrations, in furtherance of this subsection.

(4) The Secretary may make expenditures to carry out the purposes of this subsection, without regard to the provisions of section 403, in any area experiencing a rapid development of its coal resources which the Secretary has determined does not have adequate housing facilities.

FILLING VOIDS AND SEALING TUNNELS

SEC. 7. (a) The Congress declares that voids and open and abandoned tunnels, shafts, and entryways resulting from mining constitute a hazard to the public health or safety. The Secretary, at the request of the Governor of any State, is authorized to fill such voids and seal such abandoned tunnels, shafts, and entryways which the Secretary determines could endanger life and property or constitute a hazard to the public health or safety.

(b) In those instances where mine waste piles are being reworked for coal conservation purposes, the incremental costs of disposing of the wastes from such operations by filling voids and sealing tunnels may be eligible for funding providing that the disposal of these wastes meets the purposes of this section.

(c) The Secretary may acquire by purchase, donation, or otherwise such interest in land as he determines necessary to carry out the provisions of this section.

FUND REPORT

Sec. 8. Not later than January 1, 1976, and annually thereafter, the Secretary shall report to the Congress on operations under the fund together with his recommendations as to future uses of the fund.

By Mr. PERCY (for himself, Mr. Ribicoff, Mr. Nunn, Mr. Javits, Mr. Proxmire, Mr. Tower, Mr. Johnston, Mr. Mathias, Mr. Domenici, Mr. Beall, Mr. Philip A. Hart, and Mr. Roth):

S. 765. A bill to reorganize the executive branch to establish a National Center for Productivity and Quality of Working Life; to provide for a review of the activities of all Federal agencies including implementation of all Federal laws, regulations, and policies which impede the productive performance and efficiency of the American economy; to encourage joint labor, industry, and Government efforts to improve national productivity and quality of working life; to establish a Federal policy with respect to continued productivity growth and improved utilization of human resources in the United States; and for other purposes. Referred to the Committee on Government Operations.

NATIONAL CENTER FOR PRODUCTIVITY AND QUALITY OF WORKING LIFE ACT

Mr. PERCY. Mr. President, the American economy is beset by distortions. Unemployment continues to rise. Inflation, while marginally declining, continues to sap our economic vitality, and tragically cut away at the incomes and well-being of all Americans.

One of the most disquieting economic trends I have observed, however, is the declining rate of America's productivity growth. Increasing output per man-hour is by definition the key to noninflationary real growth and a rising standard of living for all Americans. Yet, I must report that productivity statistics for the U.S. economy indicate a sharp drop in productivity during the past several quarters.

Since 1947 the average rate of productivity growth in the total private economy has been 3.2 percent. However, in the past 20 years, and for the past 10 and 5 years, the figures are 2.8 percent and 2.4 percent, respectively. In the past year—third quarter 1973 to third quarter 1974—the Nation's productivity has actually fallen by 2.5 percent.

Mr. President, these statistics send out a resoundingly clear message. American productivity is unacceptably low. As a result, the United States ranks ninth among all the industrialized nations in terms of its productivity gains. We must act now to improve our performance.

I have been encouraged by President Ford's pledge to revitalize the National Commission on Productivity and Work Quality in his major economic address to the Nation on October 8, particularly because I was an author of the legislation that gave the Productivity Commission its initial authorization in 1971, and again when the Commission was reauthorized in the 93d Congress.

The emphasis on productivity continues to be an important element of the national economic agenda. As Secretary William Simon testified on January 22 to the Ways and Means Committee:

> A most important tool in beating inflation is increased productivity. We need to encourage and facilitate conduct that will increase the supply of goods and services, so that the increased money supply that will surely flow from these deficits will be chasing an amount of goods and services that has also increased. Just getting back to pre-recession levels of goods and services is obviously not enough.

For these reasons I and other Members of the Senate have given a great deal of thought to ways in which to improve America's productivity performance as well as the quality of working life of the Nation's 87 million working men and women.

Even though I was an author of the legislation authorizing the existing National Commission on Productivity and Work Quality, legislation in which Senator Javits played a major role, I have come to the conclusion that the Commission is sadly lacking in statutory authority, and in funding. Operating on its current basis—only $2 million for this fiscal year—it has simply been unable to operate effectively to make inroads against the massive problem of boosting American productivity. It has almost of necessity been relegated to the role of funding studies, though it has done notable work in some key areas.

In December, the entire Republican Conference of the Senate recognized the importance of the Commission and its functions, and recommended that it be strengthened in the following terms:

> Increasing the productivity of American industry and labor is critical in order to raise output, combat inflation, and provide additional real purchasing power for the nation's workers. The National Commission on Productivity, which is now charged with promoting our productivity performance, must be revamped. It is at present inadequately funded to undertake the enormous task of reviewing the country's entire potential productivity capacity and removing the obstacles to improving it. Its funding should be increased to $10 million for fiscal year 1975. At the same time, the Commission should concentrate on creating joint labor/management committees in production and service facilities, and in state and local governments throughout the country, and seek such additional funds as are necessary to implement fully this objective. To achieve this, the Productivity Commission should establish a strong substructure of field offices in each Federal regional center.

For these reasons, I am today reintroducing, with important modifications, a bill to create a National Center for Productivity and Quality of Working Life. This Center would supersede the existing National Commission on Productivity and Work Quality, which is in the Executive Office of the President. This bill is therefore a successor to S. 4212, which I introduced in the last Congress with the cosponsorship of Senator Nunn, Senator Ribicoff, Senator Javits, Senator Mathias, Senator Domenici, and Senator Johnston.

This new bill, however, takes into account testimony received by the Committee on Government Operations on December 17 and 18, 1974. At that time, a number of witnesses representing business, labor, the Federal Government, State and local government, and universities and foundations gave strong testimony supporting the creation of the Center.

Deputy Secretary of the Treasury Gardner said that:

> The proposal for establishing a national productivity center, for setting up a program of capital grants and technical assistance delivered through existing educational and research institutions, and for identifying a positive national policy for stimulating productivity can all contribute to the national economic goals.

Comptroller General Staats pointed out that since 1970 the General Accounting Office has been a partner with the Office of Management and Budget, the Civil Service Commission, the Bureau of Labor Statistics, and more recently, the General Services Administration in fostering efforts to measure and enhance productivity in Federal activities. The present National Commission on Productivity and Work Quality has been very supportive, according to Mr. Staats, but a still stronger national organization would be of value in advancing these efforts.

The history of the National Commission on Productivity and Work Quality "has been one of constant struggle to maintain its identity and even minimal financial support for its efforts." Mr. Staats pointed out that the authorization of $2.5 million to the Commission by Congress "signifies a very minimal effort that can be pursued by this Commission."

The National Productivity Center should be an independent agency replacing the existing Productivity Commission and with direct and authoritative access to the Director of the Office of Management and Budget, the Council of Economic Advisers, "and to the heads of principal departments and agencies concerned."

"We—GAO—favor a small, but fully empowered Board of Directors, appointed by the President, confirmed by the Senate. Its membership as envisioned in S. 4212 should be representative of private sector management, public sector management, and labor."

The charter of mission of the Center should be broadly stated. The Comptroller General said that:

> We are particularly impressed with the definitions and mission goals presented in S. 4212 which stress the importance of equal emphasis on programs and projects designed to improve the utilization of technology on the one hand and those designed to achieve improvements in the utilization of human resources and work quality on the other hand.

With regard to our emphasis on quality of working life, Dwight Ink, Deputy Administrator of the General Services Administration, said:

> The work quality which is recognized by S. 4212 is exceedingly important. It is not just a useful relationship. It is essential. We believe the Committee is moving generally in the right direction, particularly with respect to S. 4212. We believe it is desirable to establish an independent agency, similar to that envisioned in S. 4212, either by revamping the existing Commission or a totally new organization.

At the committee's hearings, Mr. Peter Dicicco, vice president of the International Union of Electrical, Radio and Machine Workers, pointed out with eloquence and conviction that the goal of quality of work life should not be made subservient to the goal of productivity improvement. Mr. Dicicco suggested that:

> The benefits of quality of work life programs should not be solely contingent upon improved productivity. There is a great deal that shoud be done for the distinct purpose of improving the quality of work life simply because there is a need for that in itself.

We have modified the new bill to reflect Mr. Dicicco's important observations.

Another point must emphatically be made, in response to comments at the hearings by Mr. Bruce Thrasher to the effect that the new Federal productivity policy should be implemented by the now-existing National Commission on Productivity and Work Quality, and that creation of a new agency would only delay efforts "to come to grips with this vexing problem." We cannot too firmly assure that the Center this bill creates is only an effort to build upon the existing Commission. We are not extinguishing the Commission; we are transferring its activities and personnel to a new, stronger institution, with more adequate funding and a better organizational base with which to do the important work Mr. Thrasher described.

The bill does not, therefore, create still another new agency. It takes an existing agency and creates it in a new form, as an independent agency in the Executive Branch. The new Center would be administered by a board of 12 directors. The board members would include the Vice President, the Secretary of Commerce, the Secretary of Labor, the Secretary of the Treasury, three private members from industry, three private members representing labor, a representative of State and local government, and the Director of the Federal Mediation and Conciliation Service.

The function of the center would be to develop a national policy and to coordinate all efforts for the Federal Government that aim to increase productivity growth and improve the quality of working life in America. In line with President Ford's program to control inflation, the National Productivity and Work Quality Center is charged to study, examine, and identify all existing statutory and regulatory impairments to increased productivity growth and to recommend to Congress legislation which would remove such obstacles.

To carry out its functions, the center would have the authorization to make grants to private and public academic institutions, private industry, and labor unions to implement technological research programs, and to encourage programs for increased human resource utilization. Its fiscal year 1976 funding would be $5 million, increasing to $10 million in fiscal year 1977, $15 million in fiscal year 1978, and $20 million in fiscal years 1979 and 1080.

Thus, the new center would have several key missions. It would bend every effort toward creating labor/management cooperative efforts and increased quality of work in every plant across the country. It would promote productivity within Federal, State, and local governments, an area full of potential efficiency gains for the American people. It would identify structural obstacles to economic competition, thus carrying out one of the main elements of President Ford's economic summit message: that is, that we must begin a concerted, massive attack on the structural barriers to economic efficiency and competition that abound throughout the American economy.

Mr. President, I am delighted to be joined in this effort by the distinguished junior Senator from Georgia (Mr. NUNN), who also introduced a creative and important bill in the 93d Congress to improve the organization of the Nation's productivity effort, and by Senators RIBICOFF, MATHIAS, BEALL, JOHNSTON, TOWER, DOMENICI, HART of Michigan and JAVITS. Senator JAVITS has of course contributed with particular distinction in this field. I do not know of a stronger advocate for increased productivity through joint labor-management cooperation.

Mr. JAVITS. Mr. President, I am pleased to join today with the Senator from Illinois in cosponsoring this legislation. I believe that the establishment of an independent National Center on Productivity and Quality of Work Life is a most important endeavor.

Unlike other economic indicators in the United States which have only recently started to show a sharp downturn, the productivity of the American work force has been declining for the past 10 years. The United States ranks at the bottom of all the world's industrialized nations in our productivity performance since 1965. The decline in productivity is at least as responsible as continuing unchecked inflation for the erosion in the standard of living of the American worker.

The establishment of the center is a good step in the attempt to rejuvenate the vitality of the Government's efforts to increase productivity and to improve the work environment of American industry. With respect to the existing Commission, it is intended that the National Center for Productivity and Work Quality would have far greater statutory power to administer the Federal Government's effort to shore up the critical lag in American productivity growth. The center will be totally independent of all other governmental activities, but will have close links with the appropriate executive agencies by means of the membership on the Board of Directors of the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce.

The Center will seek to maximize the activity and equal participation of American labor, industry and Federal, State and local governments, in an effort to develop a national policy for increased productivity growth and improved work quality. It would be my hope that the Center would serve as a national resource center, assisting in the establishment of a broad range of public and private initiatives to increase productivity and improve the quality of work life.

I laud the initiative taken here today by the Senator from Illinois, and it is my hope that the establishment of this Center will serve as but a first step in a continuing series of Federal activities to improve productivity and work quality. I am currently studying a variety of proposals which would establish specific Federal programs in such areas as profit sharing and employee stock ownership plans, skills development programs and continuing education programs which will serve to give the worker a tangible stake in his own output, and a rekindled interest in the environment of the workplace.

I am hopeful that the concept of local and regional productivity councils, in which labor and management engage in cooperative efforts to increase productivity to their mutual advantage will be incorporated into the basic framework of responsibility of the Center. I have introduced legislation calling for the establishment of 5,000 such councils. Two such joint ventures in my own State have proved most successful during the past 2 years. One project, in Jamestown, N.Y., is an areawide effort to coordinate activities aimed at improvement of the labor relations climate between private industries and local labor organizations. Several of the major local employers, and all of the unions representing employees in the area have been involved in the project. They have already made significant progress at upgrading the skill level of Jamestown workers, and in several cases have noted marked productivity increases through job redesign and scrap elimination programs.

In contrast to the private sector effort in Jamestown, government officials of Nassau County, N.Y., have established a multimunicipal productivity project involving the various local governmental units, and their employees in attempts at increasing worker efficiency. It is my great hope that successful projects such as these can and should be institutionalized on a broad basis.

The establishment of this national center is designed to coordinate such activities and to provide a resource center for participants in various projects to look to for technical assistance in implementing their work.

The fact of the matter is that this Nation's productivity performance is miserable. As I stated above, we rank at the bottom of the world's industrialized countries in productivity performance. Further, if you compare productivity increases in this country with our long term record, the blunt fact is that as we approach the present, our performance has been getting worse and worse. The establishment of this National Center for Productivity and Quality of Work Life is one step leading to improvement of our distressing performance.

By Mr. McINTYRE:

S.J. Res. 34. A joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day." Referred to the Committee on the Judiciary.

NATIONAL HUNTING AND FISHING DAY—1975

Mr. McINTYRE. Mr. President, I introduce for appropriate reference a joint resolution asking the President of the United States to declare the fourth Saturday of September—September 27, 1975—"National Hunting and Fishing Day."

I introduced the first National Hunting and Fishing Day resolution in 1972, the Congress passed it then and the President signed the legislation. The same occurred in 1973 and 1974.

The purpose of the proposal is simple, yet important. National Hunting and Fishing Day gives recognition to the responsible outdoorsmen in our Nation who help protect our natural resources, conserve our outdoors, promote proper respect for private as well as public property, practice courtesy in the field and forest and waterway, and preserve life and limb through boat and firearm safety.

Starting as just an idea in 1972, I am happy to report that National Hunting and Fishing Day has grown to significant proportions.

In 1974 an estimated 20,000,000 people either took part in or observed some NHF day program. Among the observances were some 3,000 activities across the Nation where sportsmen's clubs and conservation groups sponsored a multitude of demonstrations in everything from flytying and decoy carving to techniques of soil and water analysis; displays of wildlife art, the latest in sporting equipment to miniclinics in such outdoor sports as shooting, casting, backpacking, and archery.

From the Staten Island Mall in Staten Island, N.Y., to the Cerritos Shopping Center in Cerritos, Calif., and at some 450 centers in between, millions of Saturday shoppers became automatic visitors to NHF Day activities as well.

NHF Day was proclaimed by many of the Nation's mayors and by all 50 of our State Governors as they issued official proclamations and climbed into official helicopters on the morning of September 28 and devoted the entire day to visiting NHF Day programs.

At most programs, news photographers could be seen recording the day's activities on film for publication in the Sunday paper. At the larger programs, television and radio coverage was common, spreading the NHF Day message not only to the thousands who took part but to millions of people in their homes as well.

Mr. President, realizing that the Nation's 55 million outdoor sportsmen are seldom recognized as practicing conservationists, NHF Day will give them just the opportunity to be recognized as such.

There is a need for a broadening of understanding between the public at large and the country's sportsmen. Last year the interest was shown by both parties in many small towns and major cities throughout the Nation. Protection, preservation, and enhancement of our precious natural resources and irreplaceable wildlife is of major concern to all of us. I ask that once again NHF Day be proclaimed in an effort to reaffirm our determination to work harmoniously to achieve these goals.

By Mr. RANDOLPH:

S.J. Res. 35. A joint resolution to provide for the designation of the second full calendar week in March 1975 as "National Employ the Older Worker Week." Referred to the Committee on the Judiciary.

NATIONAL EMPLOY THE OLDER WORKER WEEK

Mr. RANDOLPH. Mr. President, it is a privilege to introduce a resolution to designate the second full week in March as "National Employ the Older Worker Week."

This resolution takes on added importance now with our unemployment rate at 8.2 percent, the highest level since 1941.

All age groups, to be sure, have been adversely affected by the massive wave of layoffs throughout our country.

But the problems of older workers have frequently been overlooked or minimized because many Americans believe that the elderly have pensions to provide a "cushion."

The harsh reality, though, is that earlier retirement means actuarially reduced social security benefits. And, social security benefits are still very low in many cases: the average monthly benefit for a retired worker amounts to $183, which is below the poverty threshold.

Moreover, the vast majority of these individuals do not have private pensions to supplement their social security.

Over the years the American Legion has actively promoted programs to develop job opportunities for older workers.

In fact, since 1959 the American Legion has designated a particular week during each year as "Employ the Older Worker Week."

These commemorative weeks have helped to call national attention to the advantages of hiring middle-aged and older workers. Additionally, awards are presented to employers who demonstrate outstanding leadership in employing aged and aging Americans.

These efforts, I strongly believe, have proved to be effective in combatting many of the false stereotypes about the desirability of hiring mature workers. The American Legion deserves special commendation for its leadership in this area.

For these reasons, I have sponsored legislation in the past to designate a particular week in a year as "National Employ the Older Worker Week." These measures have received enthusiastic bipartisan support. And, on most occasions, these resolutions have been enacted into law.

The resolution that I introduce today is designed to implement this objective again in 1975. Specifically, my proposal would authorize the President to designate the second full week in March as "National Employ the Older Worker Week." This action would serve as a catalyst to encourage the private sector to observe this week with appropriate activities and programs designed to encourage employment opportunities for older workers.

Today many false stereotypes hinder the employment of middle-aged and older persons, despite some positive developments in recent years.

These attitudes, unfortunately, are leading to a greater and potentially dangerous dependency ratio of nonworkers to workers.

Educational efforts, though, can help to inform the public about the true capabilities of persons in their forties, fifties, and above.

As a group, mature workers have numerous characteristics to be excellent employees:

Their attendance is likely to be better than that of younger individuals;

They are less likely to change jobs;

Their productivity compares very favorably with younger Americans; and

They are less likely to be absent from work for trivial reasons.

With nearly 1.5 million unemployed persons in the 45-plus age category, this resolution becomes all the more crucial. Moreover, this joblessness level for middle aged and older persons has risen by an astonishing 75 percent since July 1974.

But these figures—depressing as they are—really represent only the tip of the iceberg because there is a substantial amount of hidden unemployment among this group.

Consequently, it seems to me that our Nation has much more to be gained by developing sound national policies to maximize job opportunities for all workers, the old as well as the young.

It is senseless to my way of thinking to play one age group against the other because the young and old alike need help urgently.

And my resolution can be helpful to create a more favorable climate for the employment of middle aged and older workers—as a means to complement our Nation's meritorious efforts to develop new job opportunities for younger workers.

Mr. President, I ask unanimous consent that the text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES 35

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the second full calendar week in March of 1975 as "National Employ the Older Worker Week", and calling upon employer and employee organizations, other organizations officially concerned with employment, and upon all the people of the United States to observe such week with appropriate ceremonies, activities, and programs designed to decrease employment discrimination because of age.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 2

At the request of Mr. PROXMIRE, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of S. 2, a bill to amend the Communications Act of 1934 in order to recognize and confirm the applicability of and to strengthen and further the objectives of the first amendment to radio and television broadcasting stations.

S. 13

At the request of Mr. MCGOVERN, the Senator from Nevada (Mr. CANNON) and the Senator from Kentucky (Mr. FORD) were added as cosponsors of S. 13, a bill to amend the Food Stamp Act of 1964.

S. 410

At the request of Mr. GOLDWATER, the Senator from Georgia (Mr. NUNN) and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 410, a bill to repeal the earnings limitation of the Social Security Act for all workers age 65 and over.

S. 421

At the request of Mr. CANNON, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 421, a bill to regulate commerce and assure the availability of air transportation at the lowest reasonable cost to consumers by defining inclusive tour charter trip and advance-booking charter trip; by authorizing reduced rate transportation for the handicapped, the elderly, and the young; and for other purposes

S. 483

At the request of Mr. BROCK, the Senator from South Carolina (Mr. THURMOND), the Senator from California (Mr. CRANSTON), the Senator from Washington (Mr. MAGNUSON), the Senator from Arizona (Mr. FANNIN), the Senator from Alaska (Mr. GRAVEL), the Senator from Idaho (Mr. CHURCH), and the Senator from Colorado (Mr. GARY W. HART) were added as cosponsors of S. 483, a bill to amend the Consumer Credit Protection Act to prohibit discrimination on the basis of age in the granting of credit.

S. 490

At the request of Mr. ABOUREZK, the Senator from Minnesota (Mr. MONDALE) and the Senator from New Jersey (Mr. CASE) were added as cosponsors of S. 490, a bill to amend section 111 of title 38, United States Code, relating to the payment of travel expenses for persons traveling to and from Veterans' Administration facilities.

S. 522

At the request of Mr. JACKSON, the Senator from Kansas (Mr. DOLE) was added as a cosponsor of S. 522, the Indian Health Care Improvement Act.

S. 544

At the request of Mr. CLARK, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of the bill (S. 544) to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems.

S. 545

At the request of Mr. MCGOVERN, the Senator from North Dakota (Mr. YOUNG) was added as a cosponsor of S. 545, the proposed amendment to the Small Business Act to provide compensation to innocent victims of the Wounded Knee occupation of 1973.

S. 548

At the request of Mr. PROXMIRE, the Senator from New Mexico (Mr. MONTOYA), was added as a cosponsor of S. 548, a bill to prevent the Food and Drug Administration from regulating safe vitamins as dangerous drugs.

S. 561

At the request of Mr. KENNEDY, the Senator from Michigan (Mr. PHILIP A. HART) was added as a cosponsor of the bill (S. 561) to provide for the adjustment of status of certain aliens under the Immigration and Nationality Act, and for other purposes.

S. 565

At the request of Mr. TUNNEY, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of S. 565, a bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in all district courts of the United States.

S. 566

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of the bill (S. 566) to provide authority for the District of Columbia to place two statues in Statuary Hall of the Capitol.

S. 584

At the request of Mr. BURDICK, the Senator from Georgia (Mr. TALMADGE) was added as a cosponsor of S. 584, the National Guard technicians bill.

S. 667

At the request of Mr. BEALL, the Senator from New Hampshire (Mr. MCINTYRE) and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 667, a bill to amend the Internal Revenue Code of 1954 to encourage the preservation and rehabilitation of historic buildings and structures and the rehabilitation of other property, and for other purposes.

S. 668

At the request of Mr. BIDEN, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 668, a bill to provide a special payment to certain elderly and disabled social security recipients.

SENATE JOINT RESOLUTION 4

At the request of Mr. INOUYE, the Senator from Kentucky (Mr. FORD) was added as a cosponsor of Senate Joint Resolution 4, the Constitution Day legislation.

SENATE JOINT RESOLUTION 18

At the request of Mr. METCALF, the Senator from Kentucky (Mr. FORD), the Senators from Indiana (Mr. HARTKE and Mr. BAYH), the Senator from Illinois (Mr. PERCY), the Senator from New Jersey (Mr. CASE and Mr. WILLIAMS), the Senator from New York (Mr. JAVITS), and the Senator from Georgia (Mr. NUNN) were added as cosponsors of Senate Joint Resolution 18, a joint resolution to designate March 13, 1975, as Music in Our Schools Day.

SENATE JOINT RESOLUTION 28

At the request of Mr. MCGOVERN, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of Senate Joint Resolution 28, a joint resolution concerning an emergency survival feeding operation.

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. MCGOVERN) and the Senator from Illinois (Mr. STEVENSON) were added as cosponsors of the resolution (S. Con. Res. 10) to provide for the selection of members of minority groups who have made significant contributions to the United States, and to obtain their likenesses for placement in the Capitol.

SENATE CONCURRENT RESOLUTION 12

At the request of Mr. BROCK, the Senator from New York (Mr. BUCKLEY) and the Senator from Alaska (Mr. GRAVEL) were added as cosponsors of Senate Concurrent Resolution 12, providing for a joint session of Congress to receive a State of the State message from the chairman of the National Governors' Conference.

SENATE RESOLUTION 82—SUBMISSION OF A RESOLUTION DISAPPROVING PROPOSED DEFERRAL OF BUDGET AUTHORITY OF AUTHORIZED RECLAMATION PROJECTS

(Referred to the Committee on Appropriations and the Committee on the Budget, under the order of January 30, 1975.)

Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. CHURCH, and Mr. HATFIELD) submitted the following resolution:

S. RES. 82

Resolved, That the Senate disapproves the proposed deferral of budget authority (Deferral No. D75-83) for the construction and rehabilitation of authorized reclamation projects or parts thereof, set forth in the special message transmitted by the President to the Congress on October 31, 1974, under section 1013 of the Impoundment Control Act of 1974.

Mr. JACKSON. Mr. President, today I am introducing for myself and the senior Senator from Washington (Mr. MAGNUSON), the senior Senator from Idaho (Mr. CHURCH), and the senior Senator from Oregon (Mr. HATFIELD), a resolution disapproving the proposed deferral by the administration of $17,955,000 appropriated by the Congress for the Department of the Interior's Bureau of Reclamation program for fiscal year 1975.

I am gravely concerned regarding the effect that this proposed budget deferral may have on the development of the hydroelectric generation resources of the

Pacific Northwest. Two Bureau of Reclamation projects, the Third Powerhouse at Grand Coulee Dam in the State of Washington, and the Teton Basin project in Idaho are included in the proposed deferral. The amount of funding directly related to these two projects is $4,250,000 of which $3,250,000 would be cut from funds for the Third Powerhouse and $1,000,000 would be cut from the Teton Basin project.

Both of these projects are important steps in the orderly development of additional hydroelectric generating capacity in the Pacific Northwest. In the case of the Third Powerhouse, there has already been a delay of 3 years.

Originally, the first two generating units, amounting to 1,200 megawatts of generating capacity, were scheduled for on-line service in 1972. This target date has been set back to fiscal year 1976. It is essential that this latest target date be met as these additional 1,200 megawatts will go a long way toward meeting projected electric shortages in the Pacific Northwest. However, without the funds which the administration proposes to defer, there is serious question whether these dates can be realized.

In the case of the Teton project, the deferral of $1,000,000 may be a serious setback to the availability of 20,000 kilowatts of electrical generating capacity which is crucial to the local area which interconnects with the regionwide transmission system.

While our concern relates primarily to the $4.25 million appropriated for these two Pacific Northwest projects, the Impoundment Control Act of 1974 requires that any related impoundment resolution treats the entire amount included in the budget deferral message. We would strongly hope and urge that the administration would—as it is entirely free to do—immediately make the $4.25 million available for expenditure. That action would resolve the serious problem posed for the Pacific Northwest by the budget deferral and would, at the same time, make it unnecessary in our minds for the Congress to proceed further with this resolution.

With both projects, we face the possibility of unnecessary delays because of false economies. Frankly, I do not understand why, at this time when energy development is crucial, these two projects should be singled out by the administration for cuts in funding. Hydroelectric power generation is the most economical and environmentally sound method for the production of energy that we have available. It would be foolish to jeopardize the completion dates of these projects when we are so close to realizing their energy benefits.

Mr. President, I ask unanimous consent that the relevant portion of the President's budget deferral message of October 31, 1974 be inserted in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[Deferral No.: D75-83]

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Sec. 1013 of Public Law 93-344

Department of the Interior

Reclamation

CONSTRUCTION AND REHABILITATION	14X5061
New budget authority (Public Law 93-393)	$244,123,000
Other budgetary resources	9,799,985
Total budgetary resources	253,922,985
Amount to be deferred part of year	------------
Amount to be deferred for entire year	17,955,000

JUSTIFICATION

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by $80 million and added:

After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessivly to inflationary government spending.

Though this deferral does not, by itself, constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budgetary resources for this account in 1975 is $253,922,985 including $31,789,000 in excess of the budget. Of this amount $17,955,000 has been withheld from obligations to meet the anti-inflation goals of the Federal government. An additional $1,055,000 has been deferred under a separate deferral report (D75-14). Presently $234,937,985 is available for obligation in this account.

This account was apportioned on September 27, 1974, to defer $23,670,000. Subsequently, the account was reapportioned to revise the amount deferred to $17,955,000.

ESTIMATED EFFECTS

The $17,955,000 to be deferred will result in a reduction in the amount of outlays in fiscal year 1975 of $11,930,000.

The deferral will delay some project completions and delay the realization of benefits. In addition to change in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

The full amount of funds appropriated for planning projects has been made available.

Projects for which the budgeted amount or less was cited in the report of the appropriation conference committee—the full amount is available for obligation in FY 1975.

Projects for which more than the budgeted amount was cited in the conference report, including new construction starts—all but one-half of the increase is available for obligation in FY 1975.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

BUREAU OF RECLAMATION PROJECTS AFFECTED BY DEFERRALS

CONSTRUCTION AND REHABILITATION

Brantley, New Mexico.

Central Valley Project, California; Sacramento River Division; San Luis Unit; Auburn South Unit; Miscellaneous Central Valley Programs.

Central Valley Project, California San Felipe Division.

Chief Joseph Dam, Foster Creek Division, Washington.

Columbia Basin Irrigation Facilities, Washington.

Columbia Basin, Bacon Siphon & Tunnel number 2, Washington.

Columbia Basin, Grand Coulee Dam, third Powerplant, Washington.

Fryingpan Arkansas, Colorado.

Pick Sloan Missouri Basin; Garrison Diversion Unit, North Dakota; Oahe Project, South Dakota; Narrows Unit Colorado.

Teton Basin—Lower Teton Division, Idaho.

Tualatin Project, Oregon.

Tumulo Irrigation District, Oregon.

SENATE RESOLUTION 83—SUBMISSION OF A RESOLUTION TO REFER A BILL TO THE COURT OF CLAIMS

(Referred to the Committee on the Judiciary.)

Mr. MATHIAS submitted the following resolution:

S. RES. 83

Resolved, That the bill (S. 762) entitled "A bill for the relief of Paul Gustin, now pending in the Senate, together with all the accompanying papers, is hereby referred to the chief commissioner of the United States Court of Claims; and the chief commissioner shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions theron as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due from the United States to the claimant, taking into account the amount paid by the Secretary of the Treasury under Private Law 85-372.

AMENDMENTS SUBMITTED FOR PRINTING

AUTOMOBILE FUEL ECONOMY ACT OF 1975—S. 633

AMENDMENT NO. 15

(Ordered to be printed and referred to the Committee on Commerce.)

Mr. HOLLINGS. Mr. President, with energy conservation assuming a major role in U.S. energy planning, and automobiles constituting the single largest end user of petroleum, it is essential that Americans drive the most fuel efficient cars possible. The amendment I am introducing today will further the fuel economy improvement goals of S. 633 by providing for Government rebates to purchasers of fuel efficient automobiles, and would impose penalties on purchasers of fuel inefficient vehicles. This program would provide a needed incentive to increase the turnover rate of the existing U.S. auto fleet, would direct new buyer attention to those vehicles which are most energy efficient, and would aid the financial position of the automobile industry.

The rebate portion of the program would apply to all qualifying vehicles purchased after February 19, 1975, and would continue through model year 1980. Dealer certification would be required before payment to the purchaser by the Secretary of the Treasury, which must occur within 15 days of such certification. Up to $1,000,000,000 in rebates would be provided over the life of the program.

The penalty portion of the program would go into effect in model year 1977 and continue through model year 1980, with derived revenues designed to offset rebates in these 4 model years.

The Senate Commerce Committee has been considering fuel economy legislation for more than a year. On this particular issue. In light of my serious doubt that the automakers will voluntarily give the American consumer the kind of fuel efficient automobile that they are capable of producing, I offer this amendment with the hope that our necessary transition to a less energy wasteful society can thus be speeded up.

I ask unanimous consent that the amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 15

At the end thereof:

"Section 3. (a) General.—(1) Any person who purchases a new automobile after February 19, 1975 is eligible for and entitled to, a cash rebate in accordance with Schedule I contained in subsection (b) of this section, if the fuel eccnomy of the automobile as set forth in Schedule I indicates that a rebate is due. The rebate shall be paid by the Treasurer of the United States for each automobile purchased by such person.

"(2) Any person who purchases a new automobile after the date of enactment of this Act shall be liable for a penalty in accordance with Schedule II contained in subsection (b) of this section, if the fuel economy of the automobile as set forth in Schedule II indicates that a cash penalty is due. Such person shall make the cash payment in the amount of the penalty to the Treasurer of the United States for each automobile purchased by such person.

"(b) SCHEDULES.—The cash rebates and penalties referred to in subsection (a) shall be set in accordance with the following schedules:

Fuel economy (miles per gallon)	Model year					
	1975	1976	1977	1978	1979	1980
Schedule I—Cash rebates:						
Less than 10	0	0	0	0	0	0
10 to 11.9	0	0	0	0	0	0
12 to 13.9	0	0	0	0	0	0
14 to 15.9	0	0	0	0	0	0
16 to 17.9	$200	0	0	0	0	0
18 to 19.9	200	$200	$150	0	0	0
20 to 21.9	200	200	150	$150	0	0
22 to 23.9	250	200	200	200	$200	$150
24 to 25.9	250	250	200	200	200	200
26 or greater	250	250	250	250	250	200

Fuel economy (miles per gallon)	Model year					
	1975	1976	1977	1978	1979	1980
Schedule II—Cash penalties:						
Less than 10	0	0	$1,000	$1,000	$1,000	$1,000
10 to 11.9	0	0	600	700	800	1,000
12 to 13.9	0	0	400	500	600	800
14 to 15.9	0	0	200	300	400	600
16 to 17.9	0	0	0	100	200	300
18 to 19.9	0	0	0	0	0	100
20 to 21.9	0	0	0	0	0	0
22 to 23.9	0	0	0	0	0	0
24 to 25.9	0	0	0	0	0	0
26 or greater	0	0	0	0	0	0

"(c) DEALER.—(1) Whenever a person concludes a transaction for the purchase of a new automobile for which such person is entitled to a cash payment in accordance with subsection (a)(1) of this section, the dealer from whom such automobile is purchased shall certify and notify the Secretary in writing of such purchase in accordance with procedures to be established by the Secretary.

"(2) Whenever a person concludes a transaction for the purchase of a new automobile for which a cash penalty is required in accordance with subsection (a)(2) of this section, the dealer from whom such automobile is purchased shall collect an appropriate penalty, certify as to its validity, and transmit such penalty to the Secretary of the Treasury and give notice to the Secretary of such transmittal.

"(d) PROCEDURES.—(1) The Secretary shall establish in accordance with the provisions of section 553 of ttile V, United States Code, procedures for certifications by dealers required by subsection (c) of this section and for verification of such certifications by the Secretary. Such procedures shall be designed—(A) to ensure prompt payment to eligible persons, including payments for eligible purchases made between February 18, 1975 and the time such procedures are issued, and (B) to prevent fraud. Such procedures shall utilize to the maximum extent practicable, existing procedures established and maintained by the Secretary under the National Traffic and Motor Vehicle Safety Act of 1966 or under any other law, in order to avoid duplication and to provide for the expeditious payment of entitlements. Cash penalty payments made to the Secretary of the Treasury in accordance with subsection (a)(2) of this section shall to the maximum extent practicable utilize existing procedures for the collection of taxes or other payments against the purchase of new automobiles.

"(e) AUTHORIZATION.—Whenever the Secretary determines that a person is entitled to a cash payment, as authorized in subsection (a)(1) of this section, he and she shall, as soon as practicable, but in any event no later than five days following receipt of such certification, authorize the Secretary of the Treasury to pay such person the amount of such entitlement.

"(f) PAYMENT.—On receipt of an authorization under subsection (e) of this section, the Secretary of the Treasury shall, as soon as practicable, but in any event no later than ten days following receipt of such authorization, cause to be made a cash payment in the amount authorized to such person in accordance with procedures which the Secretary is authorized to promulgate.

"(g) PENALTIES.—(a) Whoever knowingly or with intent to defraud, (1) misrepresents their eligibility or that of any other person with respect to an entitlement and authorization under this section or with respect to a cash penalty payment required under this section or, (2) if a dealer, fails to collect such cash penalty payment, shall be liable, upon conviction, to a fine not to exceed $2,500 or imprisonment not to exceed six months, for each such act, or both.

"(2) The Secretary is authorized to assess any manufacturer a civil penalty equal to any price increase instituted on any new automobile for which cash payments are authorized in accordance with this section if the Secretary determines that the manufacturer has failed to show that such increase was related to cost increases.

"(h) REPORTS.—The Secretary shall, at the end of each 120 days period after the effective date of this section, prepare and submit to the Congress and the President a report on the extent to which the fuel economy purchase rebates and penalties program has been effective in stimulating the purchase of energy efficient automobiles. Such reports shall include, but not be limited to, the impact, if any, of such program in reducing the nation's oil requirements; the relationship between any such savings and the cost of such program; and recommendations for any additional administrative and legislative action.

"(i) AUTHORIZATION FOR APPROPRIATION.—There is authorized to be appropriated for the purpose of carrying out the provisions of this section:

"(1) to the Secretary, such sums as are necessary, not to exceed $50,000 for the fiscal year ending on June 30, 1975, $100,000 for the fiscal year ending on June 30, 1976, $25,000 for the transitional fiscal quarter ending September 30, 1976, and $100,000 for the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, and September 30, 1980.

"(2) to the Secretary of the Treasury, such sums as are necessary, not to exceed $300,000,000 for the fiscal year ending June 30, 1975, $600,000,000 for the fiscal year ending June 30, 1976, and $100,000,000 for the transitional fiscal quarter ending September 30, 1976.

"(j) DEFINITIONS.—The terms contained in this section shall be defined in the same manner as those contained in section 503 of the Motor Vehicle Information and Cost Savings Act, as amended by section 2 of this Act.

SECURITIES ACTS AMENDMENTS OF 1975—S. 249

AMENDMENT NO. 16

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

AMENDMENT CONCERNING FIDUCIARY PRINCIPLES

Mr. WILLIAMS. Mr. President, I am submitting today an amendment I intend to propose to S. 249, the Securities Acts Amendments of 1975. Today the Subcommittee on Securities of the Committee on Banking, Housing and Urban Affairs will begin consideration of S. 249. The purpose of my amendment to that omnibus bill is to clarify the fiduciary principles applicable to the use of brokerage commissions to pay for investment research.

For several years, institutional money managers have expressed concern over their ability to continue under competitive rates to obtain research for brokerage commissions, that is, "soft dollars." After careful study by the subcommittee in the last session, I introduced and the Senate passed S. 470, which would have permitted investment advisers and investment company managers to pay research firms commissions higher than those charged by other brokers. As introduced, S. 249 contains identical provisions. My amendment would expand the scope of these provisions to all investment managers while clarifying their application.

I believe there is now widespread recognition by investment managers, research firms, and the SEC of the need for legislation to authorize fiduciaries, under carefully defined circumstances, to use commissions from the accounts of their beneficiaries to obtain valuable brokerage and research services of benefit to these beneficiaries. This is the precise purpose of my amendment.

As I said at the outset, 3 full days of hearings on S. 249 are scheduled this week. Representatives of institutional money managers will appear at these hearings to comment on the problems I have outlined and the need for congressional action. By introducing this amendment today, I hope to insure a productive and frank dialog.

Mr. President, I request that the amendment be printed and referred to the appropriate committee. I also ask unanimous consent that the amendment appear at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 16

On page 15, after line 7, insert the following: ", (E) When used with respect to a person exercising investment discretion with respect to an account:

"(i) the Comptroller of the Currency, in the case of a national bank or a bank opening under the Code of Law for the District of Columbia;

"(ii) the Board of Governors of the Federal Reserve System in the case of any other member bank of the Federal Reserve System;

"(iii) the Federal Deposit Insurance Corporation, in the case of any other bank the deposits of which are insured in accordance with the Federal Deposit Insurance Act; and

"(iv) the Commission in the case of all other such persons.".

SEC. 2. On page 4, strike all of lines 11 and 12 and insert in lieu thereof the following:

"(c) Paragraphs (17), (18), and (19) of subsection (a) thereof are amended to read as follows:

"(17) The term 'interstate commerce' means trade, commerce, transportation, or communication among the several States, or between any foreign country and any State, or between any State and any place or ship outside thereof. The term includes intrastate use of (A) a facility of a national securities exchange or of an interstate telephone or other interstate means of electronic communication, or (B) any other interstate instrumentality.".

SEC. 3. On Page 156, line 24, strike out everything commencing with the words "Sec. 24." through and including the word "securities.'." on page 159, line 7, and insert in lieu thereof the following:

"SEC. 24. Section 28 of the Securities Exchange Act of 1934 (15 U.S.C. 78t) is further amended by adding at the end thereof the following new subsection:

"'(d) (1) No person using the mails, or any means or instrumentality of interstate commerce, in the exercise of investment discretion with respect to an account shall be deemed to have acted unlawfully or to have breached a fiduciary duty under State or Federal law in effect on or enacted prior to the date of enactment of the Securities Acts Amendments of 1975 solely by reason of his having caused the account to pay a broker or dealer an amount of commission for effecting a securities transaction in excess of the amount of commission another broker or dealer would have charged for effecting that transaction, if such person determined in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or his overall responsibilities with respect to the accounts as to which he exercises investment discretion. This subsection is exclusive and plenary insofar as conduct is covered by the foregoing, unless otherwise expressly provided by contract; *Provided, however*, That nothing in this subsection shall be construed to impair or limit the power of the Commission under any other provision of this title.

"'(2) A person exercising investment discretion with respect to an account shall make such disclosure of his policies and practices with respect to commissions that will be paid for effecting securities transactions, at such times and in such manner, as the appropriate regulatory agency, by rule, may prescribe as necessary or appropriate in the public interest or for the protection of investors.

"'(3) For purposes of this subsection a person provides brokerage and research services insofar as he—

"'(A) furnishes advice, either directly or through publications or writings, as to the value of securities, the advisability of investing in, purchasing, or selling securities, and the availability of securities or purchasers or sellers of securities;

"'(B) furnishes analyses and reports concerning securities, economic factors and trends, and the performance of accounts; or

"'(C) effects securities transactions and performs functions incidental thereto (such as clearance, settlement, and custody) or required in connection therewith by rules of the Commission or a self-regulatory organization of which such person is a member or person associated with a member or in which such person is a participant.'".

HEARINGS ON CHILD AND FAMILY SERVICES ACT

Mr. MONDALE. Mr. President, I would like to bring to the attention of my colleagues and the public the upcoming hearings on the Child and Family Services Act. The joint hearings held by my Subcommittee on Children and Youth, the House Select Subcommittee on Education, and the Senate Subcommittee on Employment, Poverty, and Migratory Labor, will take place Thursday, February 20, in Room 4232 of the New Senate Office Building beginning at 9:30 a.m. and again Friday, February 21, in Room 2175 of the Rayburn House Office Building at 9:30 a.m. Unfortunately the hearing originally scheduled for Monday, February 24, in Chicago has been postponed.

The witnesses for Thursday's hearing will be:

Mrs. Wright Edelman, Washington Research Project Action Council.

Hon. Jerry Apodaca, Governor of New Mexico, chairman of the Early Childhood Task Force, Education Commission of the States.

Ms. Carmen Maymi, Director, Women's Bureau, U.S. Department of Labor.

Dr. Rowland L. Mindlin, American Academy of Pediatrics, chairman of the Commission on Infant and preschool Child.

Mrs. Dorothy Lasday, member of the national board of the National Council of Jewish Women, vice chairwoman of the National Affairs Committee, National Council of Jewish Women.

The witnesses for Friday's hearing include:

Mr. Joseph Reid, executive director, Child Welfare League, New York, N.Y.

Mrs. Jeanne H. Ellis, executive director, Child Care Center, Stamford, Conn.

Ms. Judith S. Helms, executive director, National Council of Organizations for Children and Youth.

Mr. President, I ask unanimous consent that a section-by-section analysis of the Child and Family Services Act be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

S. 626—CHILD AND FAMILY SERVICES ACT OF 1975

SECTION-BY-SECTION ANALYSIS

Section 1

Title.—Child and Family Services Act of 1975.

Section 2

Statement of Findings and Purpose.—Finds that the family is the primary and most fundamental influence on children; that child and family services must build upon and strengthen the role of the family; that such services must be provided on a voluntary basis to children whose parents request them with priority for preschool children with the greatest economic and human need; that there is a lack of adequate child and family services; and that there is a necessity for planning and operation of programs as partnership of parents, community, state and local governments, with appropriate federal supportive assistance.

Purpose is to establish and expand child and family service programs, build upon the experience of Headstart, give special emphasis to preschool children and families with the greatest needs, provide decision making with direct parent participation through a partnership of parents, State, local and Federal government.

Section 3

Authorization of Appropriations.—Authorizes $150 million for fiscal 1976 and $200 million for FY 1977 for training, planning, and technical assistance and $500 million in FY 1977 and $1 billion in FY 1978 for program operation. Headstart would be funded under separate authority, and its funding protected by a requirement that no operational funds could be appropriated for this new program unless and until Headstart is funded at the level it received in FY 1975 or FY 1976, whichever is higher.

Forward funding is authorized.

TITLE I—CHILD AND FAMILY SERVICES PROGRAMS

Section 101

Establishes Office of Child and Family Services in HEW to assume the responsibilities of the Office of Child Development and serve as principal agency for administration of this Act; and Child and Family Services Coordinating Council with representatives from various federal agencies to assure coordination of federal programs in the field.

Section 102

Financial Assistance.—Defines purposes for which federal funds can be used: (1) planning and developing programs, including pilot programs; (2) establishing, maintaining, and operating programs, including part-day or full-day child care in the home. In group homes, or in other child care facilities; other specially designed programs such as after-school programs; family services, including in-home and in-school services; information and referral services to aid families in selecting child and family services; prenatal care; programs to meet special needs of minorities, Indians, migrants and bilingual children; food and nutrition services, diagnosis of handicaps or barriers to full participation in child and family services programs; special activities for handicapped children within regular programs; programs to extend child and family service gains, including parent participation, into the elementary schools; (3) rental, renovation, acquisition, or construction of facilities, including mobile facilities; (4) preservice and inservice training; (5) staff and administrative expenses of councils and committees required by the Act; and (6) dissemination of information to families.

Section 103

Allocation of Funds.—Reserves funds proportionately for migrant and Indian children, not less than 10% for services to handicapped children, and not less than 5% for monitoring and enforcement of standards.

Allocates the remainder among the states and within the states, 50% according to relative number of economically disadvantaged children, 25% according to relative number of children through age five, and 25% according to relative number of children of working mothers and single parents.

Allows use of up to 5% of a state's allocation for special state programs under Section 108.

Section 104

Prime Sponsors.—States, localities, combinations of localities or public and nonprofit organizations are eligible to serve as prime sponsors.

The bills current provisions establish performance criteria for prime sponsor; demonstrated interest in and capability of running comprehensive programs, including coordination of all services for children within the prime sponsorship area; assurances of nonfederal share; establishment of a Child and Family Services Council (CFSC) to administer and coordinate programs.

Public or private nonprofit organizations can serve as prime sponsors with priority on governmental units. Any locality or combination of localities which submits an application meeting the performance criteria may be designated prime sponsor if the Secretary determines it has the capacity to carry out comprehensive and effective programs. The state may be designated prime sponsor for all areas where local prime sponsors do not apply or cannot meet the performance criteria, provided that the state meets the performance criteria and divides its area of jurisdiction into local service areas with local child and family services councils, which approve the relevant portions of the state's plan and contracts for operation of programs within the local service areas.

The Secretary may fund directly an Indian tribe to carry out programs on a reservation. He may also fund public or private nonprofit agencies to operate migrant programs, model programs, or programs where no prime sponsor has been designated or where a designated prime sponsor is not meeting certain needs.

Directs the Secretary to designate an alternative to any prime sponsor discriminating against minority group children or economically disadvantaged children.

Provides opportunity for Governor to comment on prime sponsorship applications and provides appeal procedure for applicants who are disapproved.

The sponsors want to particularly emphasize that as the bill is considered they intend to invite the testimony of representatives of Federal, State, and local government, as well as other experts, with respect to the best allocation of responsibility among various levels of government which will insure parental involvement, local diversity to meet local needs and appropriate State involvement to assure coordination and maximum utilization of available resources.

Section 105

Child and Family Service Councils.—Sets forth composition, method of selection, and functions of councils. Half of members must be parents, selected by parents of children served by programs under the Act. The remaining members appointed by the prime sponsor in consultation with parent members, to be broadly representative of the general public, including representatives of private agencies in the prime sponsorship area operating programs of child and family services and at least one specialist in child and family services. At least one-third of the total council to be economically disadvantaged. The council selects its own chairperson.

A state prime sponsor must establish councils at the state level and for each local service area. Parent members of the state council to be selected by parent members of local councils.

Council approves goals, policies, action and procedures of prime sponsors, including planning, personnel, budgeting funding of projects, and monitoring and evaluation.

Section 106

Child and Family Service Plans.—Requires that prime sponsor submit plan before receiving funds. Plan must: provide services only for children whose families request them; identify needs and purposes for which funds will be used; give priority to children who have not reached six years of age; reserve 65% of the funds for economically disadvantaged children, and priority thereafter to children of single parents and working mothers; provide free services for children of families below the Bureau of Labor Statistics lower living standards budget and establish a sliding fee schedule based on ability to pay for families above that income level; include to the extent feasible, children from a range of socioeconomic backgrounds; meet the special needs of minority group, migrant, and bilingual children; provide for direct parent participation in programs, including employment of parents and others from the community with opportunity for career advancement; establish procedures for approval of project applications with priority considerations for ongoing programs and applications submitted by public and private non-profit organizations; provide for coordination with other prime sponsors and with other child care and related programs in the area; provide for monitoring and evaluation to assure programs meet federal standards; where possible, supplement funds provided by this Act with assistance from other sources.

Requires that the Governor, all local education agencies, Headstart and community action agencies have the opportunity to comment on the plan.

Establishes appeal procedures if plans are disapproved.

Section 107

Project Applications.—Provides for grants from prime sponsor to public or private organizations to carry out programs under the prime sponsor plan pursuant to a project application approved by the CFSC.

The project applicant must establish a parent policy committee (PPC), composed of at least 10 members with 50% parents of children served by the project, at least one child care specialist, and other representatives of the community approved by the parent members. The PPC must participate in the development of project applications and must approve basic goals, policies, action and procedures of the applicant, including personnel, budgeting, location of center, and evaluation of projects.

The application must: provide for training and administrative expenses of the PPC; guarantee free services for economically disadvantaged children with fees according to the fee schedule for other children; assure direct participation of parents and other family members, including employment opportunities; provide for dissemination of information on the project to parents and the community; and provide opportunities for the participation of children, regardless of participation in nonpublic school programs.

Section 108

Special Grants to States.—Authorizes special grants to the states, on approval of Secretary, to establish a child and family services information program to assess goals and needs in state; to coordinate all state child care and related services; to develop and enforce state licensing codes for child care facilities; and to assist public and private agencies in acquiring or improving such facilities. A state must establish a Child and Family Services Council to receive a special grant.

Section 109

Additional Conditions for Programs Including Construction or Acquisition.—Allows federal funding for construction or acquisition only where no alternatives are practicable, and provides federal funding for alteration, remodeling, and renovation. Provides that no more than 15% of a prime sponsor's funds may be used for construction; that no more than half of that may be in the form of grants rather than loans, limited to public and private non-profit agencies, organizations, and institutions.

Section 110

Use of Public Facilities for Child and Family Service Programs.—Requires that federal government and prime sponsors make available for child and family service programs facilities they own or lease, when they are not fully utilized for their usual purposes.

Section 111

Payments.—Provides 100% federal share for planning in FY 1976, 90% federal share for fiscal 1977 and 1978, 80% for subsequent fiscal years. Provides 100% federal share for programs for migrants and Indians, and allows waiver of part of all of non-federal share where necessary to meet needs of economically disadvantaged children.

Non-federal share may be in cash or in kind. Revenues generated by fees may not be used as non-federal share but must be used by prime sponsor to expand programs.

TITLE II—STANDARDS, ENFORCEMENT, AND EVALUATION

Section 201

Federal Standards for Child Care.—Authorizes a national committee on federal standards, with one-half parent participation, to establish standards for all child care services programs funded by this or any other federal act. The 1968 Interagency Day Care Requirements would continue to apply until such standards are promulgated, and any new standards must be consistent with the 1968 Requirements.

The Secretary must submit the proposed standards for approval to the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor. No prime sponsor or project applicant is allowed to reduce services below these standards.

Section 202

Development of Uniform Code for Facilities.—Requires a committee to develop a uniform minimum code dealing with health and safety of children and applicable to all facilities funded by this Act.

Section 203

Program Monitoring and Enforcement.—Requires the Secretary through The Office of

Child and Family Services, to establish an adequately trained staff to periodically monitor programs to assure compliance with the child care standards and other requirements of the Act.

Section 204

Withholding of Grants.—Provides procedure for withholding of funds to programs which have failed to comply with standards or requirements of the Act.

Section 205

Criteria With Respect to Fee Schedule.—Requires Secretary to establish criteria for adoption of the schedule based on family size and ability to pay with considerations for regional differences of the cost of living. The criteria must be submitted for approval by the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor.

Section 206

Evaluation.—Requires the Secretary to make annual evaluations and report to Congress on federal child family services activities.

TITLE III—RESEARCH AND DEMONSTRATIONS

Section 301

Research and Demonstration.—Authorizes child and family services research and requires that the Office of Child and Family Services coordinate research by federal agencies.

TITLE IV—TRAINING OF PERSONNEL FOR CHILD AND FAMILY SERVICES

Section 401

Preservice and Inservice Training.—Provides for training of personnel, including volunteers, employed in programs assisted under this Act.

Section 402

Technical Assistance and Planning.—Provides technical assistance to child and family services programs.

TITLE V—GENERAL PROVISIONS

Section 501

Definitions.—Defines terms used in the Act.

Section 502

Nutrition Services.—Requires that procedures be established to assure adequate nutrition services in programs under the Act, including use of Section 13 (special food service programs) of the School Lunch Act and the Child Nutrition Act.

Section 503

Special Provisions.—Anti-discrimination provisions, including separate provisions on sex discrimination. Requires that programs meet the minimum wage. Prohibits use of funds for constructing, operating, or maintaining facilities for sectarian instruction or religious workshop.

Section 504

Special Prohibitions and Protections.—Provides that no child may be the subject of research or experimentation without parental approval, and that no child may be forced to undergo examination or treatment if parents object. Protects legal rights and responsibilities of parents with respect to the development of their children.

Section 505

Public Information.—Requires that all applications, plans, and written material pertaining thereto be made available to the public without charge.

Section 506

Repeal or Amendment of Existing Authority and Coordination.

Section 507

Acceptance of Funds.

HEARINGS SCHEDULED ON LEGISLATION TO ESTABLISH STRATEGIC RESERVES

Mr. JACKSON. Mr. President, on February 21 at 10 a.m., in room 3110 of the Dirksen Senate Office Building, the Senate Interior and Insular Affairs Committee will hold hearings on the administration's proposals to establish strategic energy reserves and S. 677, the Strategic Energy Reserves Act of 1975.

Testimony will be received from administration witnesses.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

John E. Clark, of Texas, to be U.S. attorney for the western district of Texas for the term of 4 years, vice William S. Sessions, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Wednesday, February 26, 1975, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

THE A-10 PROGRAM

Mr. BEALL. Mr. President, more than 4 years ago, the U.S. Air Force started development of a new close air support aircraft to support and save the lives of our soldiers on the ground. New procurement concepts called design-to-price and fly-before-buy were introduced to control program costs and to prevent premature production decisions. More recently, following one of the most extensive competitive evaluations of a new weapons system ever conducted and the successful completion of development milestones, the Department of Defense authorized initial production of that aircraft—the A-10. The contractor is Fairchild Republic Co., a division of Fairchild Industries whose headquarters are located at Germantown, Md.

Fairchild's major effort at this time is to effect a smooth transition between the development/test phase and full production. The first of six A-10 development, test, and evaluation models of the A-10 successfully completed its first flight at Edwards AFB, Calif., only a few days ago. The Secretary of the Air Force has expressed confidence in the ability of Fairchild to produce the aircraft.

The A-10 program already is providing urgently needed employment stimulus at Fairchild Republic Co. facilities at Farmingdale, N.Y., and Hagerstown, Md. At Farmingdale, employment has increased over the past 2 years from 1,750 to approximately 3,500 and is projected to increase to 6,000 within the next 3 years. At Hagerstown, employment has increased from 800 to 1,200 and as many as 1,000 of the Hagerstown plant's total work force will be working on the A-10 at the peak of the program in 1978. ,

Aviation Week and Space Technology recently examined the actions taken by the Air Force and Fairchild Industries to assure the proper management of A-10 production. Mr. President, I ask unanimous consent that the article entitled "A-10 Program Approach Reshaped" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MANAGEMENT—A-10 PROGRAM APPROACH RESHAPED; USAF REPORT SPURS FAIRCHILD MANAGEMENT, ORGANIZATIONAL CHANGES, AS WELL AS REPLACEMENT OF OUTDATED EQUIPMENT

(By Warren C. Wetmore)

FARMINGDALE, L.I.—Fairchild Republic Co. of Fairchild Industries is making sweeping changes in management, organization and equipment in the wake of an Air Force investigation into the division's ability to produce in quantity the A-10A close-support aircraft.

Fairchild Republic Co. division president Charles Collis said that many modifications were in progress before a report by the Air Force Plant Representative Office (AFPRO) touched off a full-scale inquiry by a committee headed by Lt. Gen. Robert E. Hails. The AFPRO document criticized the division among other things for its lack of depth in experienced production management, the high average production workforce age, an organization in need of streamlining, and antiquated or insufficient plant machinery.

USAF has refused to release even the executive summary of the Hails committee report that was sent to the Congress, citing "proprietary" and "personal" information contained in the report as the reason. Notwithstanding, the thrust of the report's findings and recommendations can be determined from the changes under way.

A top Air Force officer in the A-10 program noted that Fairchild Republic has been "very responsive" to Air Force recommendations, adding that the company "has made certain organizational changes and certain personnel changes. The Air Force wants and expects more."

Fairchild Industries, the parent company, formed a corporate task force on its own initiative to identify and solve A-10 problems on an on-going basis. The A-10 is the corporation's biggest program.

The root of the problems now being cured, according to the Air Force officer, is in converting Fairchild Republic back to a prime contractor and weapon system integrator. A decade has passed since the last F-105 rolled off the line, and that was Republic's last major prime contract. The company has survived in the interim on subcontracts, and is still making McDonnell Douglas F-4 empennages and the movable surfaces for the wings of the Boeing 747 transport; it also is subcontractor to Rockwell International for the National Aeronautics and Space Administration space shuttle's verticle fin. The division was "not really optimally organized to manage and control a sophisticated production program," he said.

Collis, who also is executive vice president of the parent company, noted that being the prime contractor and integrator gave rise to more complex start-up problems, but that the major subcontractors also had their difficulties. "We needed more in-depth experience with weapons systems," he said.

The economic climate of the past few years, with its high inflation rate, also has caused cost-control problems.

The organizational reshaping began at the top: an "office of the president" was established, comprising Collis, who is charged with overseeing the business side of the division, and Norman Grossman, who was promoted to the executive vice president from director of engineering. Grossman is responsible for all technical and production aspects of the A–10 and other programs. The two men have adjoining offices.

Because about 25% of the production work on the A–10 is planned to be done at the plant in Hagerstown, Md., the separate geographically oriented "facility" boxes on the organizational chart for that and the plant in Farmingdale were dissolved and the various functions under them were regrouped into principal functions reporting to the office of the president. "We centralized rather than decentralized," Collis said.

Essentially, for the A–10 the two plants were integrated. The key functional heads in Farmingdale will have jurisdiction over their opposite numbers in Hagerstown.

The Maryland plant has only manufacturing, while the Long Island plant has that and engineering.

This results in a fair amount of travel between the plants, and the corporate Swearingen Merlin 4 is used on a scheduled basis, "almost like an airline," according to Collis.

The line functions were horizontally realigned and their executives upgraded. Quality assurance was moved from under Manufacturing and made a separate group under a director reporting to the president's office. The USAF A–10 program officer noted that this would insure the independence of quality control and preclude any conflicts of interest. "That is very important," he said. The director is L. I. Medlock, formerly of General Dynamics.

Procurement, also formerly part of Manufacturing, was raised to report directly. The motive behind this was "basically a question of controlling so many dollars that we had to bring it up to the level of Manufacturing. There are good potential savings if procurement is done well, and of cost growth if it is done poorly," Collis said.

A new director has been selected. He will concentrate on improving all divisional procurement and will take over handling the A–10 vendors as soon as their contracts are signed. He also will negotiate any changes and cost increases from the subcontractors.

Integrated Logistics Support was divorced from Engineering and made a director-level function. This group will handle almost everything relative to operating the A–10—spares provisioning, ground support equipment, manuals, training, and so forth. The director is Donald J. Strait.

The director of Manufacturing is Ralph Bonafede, who was F–105 factory manager. His assistant, John Healey, was hired from Rockwell International and has "extensive experience," Collis said. He was recently elected a corporate vice president.

The Air Force officer also was pleased with Fairchild Republic's move to take on Healey, calling him "an old pro at production planning and control."

There is a separate A–10 program group reporting to the president's office; it is directed by Vincent Tizio. The assistant director, J. B. Shedlock, was moved in from elsewhere in the organization. Collis said Shedlock is "one of the best contracts men we've got." He will deal both with the customer and the major suppliers; for the latter, he is charged with organizing the subcontractors and drawing up their contracts.

Another new group, Programs, will be responsible for the major subcontracting efforts from McDonnell Douglas and Boeing.

Space shuttle is yet another new separate group; both report directly to the office of the president.

"These changes in organization are aimed at strengthening our major functional areas such as Procurement and Manufacturing," Collis said, "and to improve our capability of detecting and correcting the root causes of possible deficiencies in our operation."

The Air Force, for its part, has made changes in its own organization. Col. Jay R. Brill n November was appointed head of the Aeronautical Systems Div. A–10 SPO (system program office) at Wright-Patterson AFB, Ohio (AW&ST Nov. 18, 1974, p. 20).

Additionally, the manpower was raised in the production section of the SPO. The Air Force also sent "the best AFPRO we have" to Fairchild Republic, and boosted its staff from 34 to 114, the Air Force officer said. The AFPRO is headed by Col. Merton Baker.

Parallel to the reorganization and upgrading of management personnel in preparation for production is the facilities improvement program.

At the recommendation of the Air Force, Fairchild Republic is raising its make/buy ratio for major machined parts for the A–10 from 23:77 to about 55:45, the latter figure based on the maximum anticipated production rate of 20 aircraft per month (AW&ST Jan. 20, p. 9).

This, the Air Force officer said, will "reduce risk" and allow more of the critical machined parts to be made in-house under direct supervision and with better schedule and quality control than is possible with an independent job shop.

Collis said that it also is somewhat cheaper to do the machinings in-house, because the project will not be charged with duplicate general and administrative overhead or with the vendor's profit. And, with escalating prices, "It's not as easy any more to do machinings on the outside."

When the anticipated maximum production rate of 14–20 aircraft is achieved in 1977–78, Fairchild Republic will be doing as much of its own machining as any aerospace company does on a major contract, Collis maintains.

Increasing the machining capacity to this level will require about $20 million in new space and machine tools beyond the division's current $20-million, five-year capital budget. Some of the A–10 equipment will come through the Defense Industrial Plant Equpment Center (DIPEC) pool; Fairchild Republic will purchase the remainder with company funds. Collis pointed out that there would be no depreciation on the government-owned equipment chargeable to the contract, whereas with company-purchased equipment there would be.

Fairchild Republic plans to refurbish a 90,000-sq. ft. structure presently serving as a warehouse and convert it to a machine shop for the new equipment. Cost of the modernization program is $10 million, plus the cost of equipment.

The new equipment to be acquired includes:

Fifteen advanced numerically controlled (N/C) milling machines. These will include three-axis, three-spindle and five-axis, three-spindle mills, though the breakdown between the two types has not yet been established. The cost difference is significant—$800,000 for the three-axis units as compared with $1.2 million—so certain components of the A–10 are being redesigned for manufacture on the three-axis machines in order to reduce the number of five-axis machines that have to be bought. Collis doubted that DIPEC had any unused five-axis units in its inventory.

Four-five conventional mills, to back up the N/C machines.

Two to three tape-controlled drilling machines.

Three-four "machining centers," which do a variety of operations on the same piece automatically—drill, bore, machine and automatically changing the tool head as required.

Several single-operation machines, which the company might design itself in cooperation with a machine tool maker to do specialized cuttings. Such machines, Collis said, can be used on future projects beyond the A–10.

As things stood, the Air Force officer said, Fairchild Republic's capital equipment was at least 10 years outdated. Another officer noted that some of the equipment on the shop floor was used to produce the Republic P–47 Thunderbolt 30 years ago.

Fairchild Republic probably will sell all of its obsolescent numerically controlled machines using vacuum-tube electronics and dating from the 1950s, Collis said.

All of the new machine tools are for the Farmingdale plant.

The six development, test and engineering aircraft are being built, for the most part, on production tooling; this was about $30 million of the DT&E contract. Rate tooling will be made later and at a much lower cost, Collis said.

The workers to operate the old and new machines and to perform other production functions have been hired rapidly in the last year or so, when the Farmingdale roster rose from 1,750 to about 4,000, with 6,000 projected within three years. Employment at Hagerstown increased from 800 to 1,200; at the peak of the program about 1,000 people will be working on the A–10 alone.

WORKFORCE AGE

Air Force concern about the high average age of the workforce—presumably on the notion that they could not stand the high-pressure, full-scale production program—apparently has been assuaged. From a previous figure of 54, the average age has dropped substantially to somewhat above 45, which Collis said is not far from the industry average.

The drop is due in part to union rules, which specify layoffs are to be made on a last-in/first-out basis. Fairchild Republic has now called back all its available lower-seniority laid-off workers; the last 20% of the hires were "off the street."

Air Force was concerned about the higher age of middle management, but this, too, has been ameliorated by recruiting younger persons for slots created by the A–10 program. The division has not forced any retirements on the older middle managers, Collis said.

The sizable aerospace talent pool on Long Island made recruitment a relatively low-cost process.

The division has now reached an employment level that will be stable until mid-1976, and in fact may decline slightly during this year as contract employes are phased out.

Air Force has not yet asked Fairchild Republic to implement the new Defense Dept. philosophy of a constant workforce production rate (AW&ST Dec. 2, 1974, p. 13). The Pentagon believes this will provide an orderly production program by avoiding the early employment peaks and later massive layoffs that are almost traditional in the aerospace industry. Rather than piling on workers to achieve a desired production rate, the new approach would hold workers at a predetermined level and let the production rate rise as they moved up the learning curve. It would tend to stretch programs.

Fairchild Republic also is in the process of determining the minimum-cost production split between Farmingdale and Hagerstown when producing the A–10 at rate. Part of the DT&E aircraft is being made in Maryland, and it is probable that much of the production sheet-metal work will be done there.

Major subassemblies will be produced and checked out at Farmingdale and shipped to Hagerstown for final assembly and flight acceptance testing. The company said that lower overhead and taxes at Hagerstown will result in an $8-million saving. It also said Hagerstown is better suited to flight testing the aircraft.

On the corporate level, the A–10 task group was asked to look at longer-range questions, the Air Force officer said, although "they did have some immediate tires to patch" with the program.

TASK FORCE ACCOMPLISHMENTS

The task group, Collis said, is accomplishing the following:

Tracking the increase in production machinery.

Following the changes in the management control system, involving among other things the heavier use of computers, and efforts to make program areas more visible.

Setting up subcontract management procedures and also reviewing contract management vis-a-vis USAF.

Watching the cash requirements of the program.

Collis foresees no working capital problems. The company's long-term debt is in the form of bonds, not bank term loans. There is a revolving credit agreement with a consortium of banks led by Banker's Trust Co. of New York City, but there have been no takedowns recently.

Fairchild Industries has been in a cash surplus position since early last year, he said. Five years ago it had about $75 million in bank borrowings, but generated enough profits and liquidated commercial inventories to pay this off.

INTENSIFIED TESTS OF A–10S NEAR

Wright-Patterson AFB, Ohio.—Total of 1,800 flight hours are planned for the fleet of six development, test and evaluation (DT&E) versions of the USAF/Fairchild A–10A close-support aircraft.

First DT&E aircraft was delivered to Edwards AFB, Calif., from Fairchild Republic's Farmingdale, L.I., facility in late January. It was airlifted in a USAF/Lockheed C–5A transport after the A–10's empennage and wings were removed, and is scheduled to fly around Feb. 15. The remaining five aircraft will fly to Edwards unassisted, according to present plans.

The two A–10 prototypes now flying will be used in the test program at least through March. They will be taken off active flight status, but stored in usable, airworthy condition until an adequate DT&E test fleet is flying. The prototypes together have amassed about 1,000 flight hours (AW&ST Feb. 3, p. 9).

Missions of the six DT&E aircraft include:

No. 1 aircraft—Highly instrumented for performance tests, handling tests, aerodynamic qualities, flutter and airloads demonstration. Aircraft will not have a General Electric GAU–8/A rotary-barrel 30-mm. gun.

No. 2 aircraft—Gun and ordnance stores testing and certification.

No. 3 aircraft—Systems evaluation and weapons delivery accuracy tests.

No. 4 aircraft—Bulk of the performance testing. As with No. 1, it will not have a gun.

No. 5 aircraft—Principal initial operational test and evaluation (IOT&E) vehicle, although other IOT&E will be done with some of the other aircraft.

No. 6 aircraft—Climatic test article. Plans call for it to go to Alaska for cold-weather testing, and to Panama for tropical conditions. Desert testing will be done at Edwards El Centro. It also will go through the climatic hangar at Edwards, which has a temperature range of −65 deg. to +135 deg. This, the last DT&E aircraft, is scheduled to fly in August.

Present complement of test pilots at Edwards includes three from Fairchild, four from Air Force Flight Test Center, and four from Air Force Test and Evaluation Center (AFTEC), Kirkland AFB. For the DT&E program, the contingent from AFTEC will be increased to five, while the strengths of the others will remain the same, though all of the same pilots will not necessarily be involved.

Planned completion date of DT&E in June, 1976. The first production aircraft for Tactical Air Command will be delivered for operational test and evaluation two months earlier. The A–10 initial operational capability is scheduled for January, 1978, with a squadron based at Davis Monthan AFB, Ariz.

In addition to the flight DT&E articles, there is one fatigue test airframe that will have undergone one equivalent lifetime—6,000 hr.—by October, and a static test airframe that will be completely tested by September.

"The program is in good technical shape," an Air Force officer in the A–10 SPO said. The most critical problem, that of secondary ignition of gas from the GAU–8/A gun forming a fireball in front of the aircraft, has been solved by the use of a potassium nitrate additive to the propellant (AW&ST Jan. 20, p. 9)—a technique that the Navy is said to have used for some time to suppress the huge tongues of flame from its large naval rifles. Essentially, the additional oxidizer permits a more stoichiometric combustion of the gun gases while they are still in the gun barrel, so that the gas is less propellant-rich as it exits the muzzle. Projectile velocity is increased slightly.

The armor-piercing incendiary rounds for the GAU–8/A will have depleted uranium penetrator rods designed to pierce the armor of the Soviet T–55 tank, though the officer would not specify whether this was the turret, deck or side armor.

The immediate main thrust of the SPO's efforts with the contractor were outlined by the officer:

Bedrock the schedule in the DT&E program, especially the delivery of the six aircraft.

Establish a total integrated schedule leading into production.

Monitor closely program and unit costs.

Execute total production planning for the first batch of 52 aircraft. The first production aircraft is expected off the line late this year.

KENTUCKY'S AGRICULTURAL PRODUCTION IN 1974

Mr. HUDDLESTON. Mr. President, my State of Kentucky is a great agricultural State. We have over 125,000 farms and some 16 million acres in farmland. We grow a variety of crops—tobacco, soybeans, feed grains, some wheat and a little cotton. We also have significant livestock operations—cattle and calves, hogs, dairy, poultry and eggs.

Last year, our State was particularly productive in corn and soybeans. The Kentucky corn yield was 85 bushels per acre, compared to a national average yield of 71.3 bushels; soybean yield was 25 bushels per acre, compared with a U.S. average of 23.5 bushels.

I am proud of this record, Mr. President, and I ask unanimous consent that an article from the January 17, Louisville Courier-Journal, outlining Kentucky agricultural production in 1974, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Louisville (Ky.) Courier-Journal, January 17, 1975]

Kentucky Corn, Soybeans Top U.S. Average Yield

(By James R. Russell)

Kentucky grain farmers won the bout with weather last year, harvesting corn and soybean crops that yielded above the national average and beating even the traditional corn- and soybean-growing states.

According to figures released yesterday by the Kentucky Crop and Livestock Reporting Service, Kentucky's 1974 corn crop averaged 85 bushels per acre. The national average is estimated to be 71.3 bushels.

Kentucky's soybean yield is estimated to be 25 bushels per acre, 1½ bushels above the national average.

A late, wet spring, followed by a midsummer drought and record-early freezes, drastically cut yields in the Corn Belt states.

The Kentucky crops were subjected to the same adverse weather, but the state's longer growing season eased some of the ill effects, farm experts said.

The burley crop also suffered from the poor growng season. Yesterday's crop estimate for the eight-state Burley Belt, however, put the burley production at 583.8 million pounds, an increase of some 12 million pounds above the mid-December estimate.

With the state's 85-bushel-per-acre average—the same as 1973—from 1,120,000 acres, the corn harvest is expected to total 95,200,000 bushels, according to the report. The 1973 crop totaled 85,800,000 bushels from 1,010,000 acres.

Indiana's corn crop is estimated to be 387,660,000 bushels from 5,460,000 acres. This is well below the 1973 crop of 534,480,000 bushels from 5,240,000 acres—a smaller acreage than was planted last year.

Indiana's corn yield per acre nose-dived from 104 bushels per acre in 1972 and 102 bushels per acre in 1973 to 71 bushels per acre last year.

At West Lafayette, Ind., Earl Parr, agricultural statistician of Purdue University, said the latest figures updated previous estimates made in November, at which time Hoosier corn production for 1974 was forecast at 412.5 million bushels.

"Since November it was shown to be our poorer corn still in the field," Park said. "It was later maturing, of low test weight and high moisture content—all of these combined to pull the yield down."

Park also said the new estimates are a result of "just more accurate measuring. At that time (in November) a sizable portion of the crop had not been harvested due to late planting, slow development and the frost.

"In November we still had a third of the corn unharvested, although soybeans were 85 percent complete."

Park said yesterday's estimates were the final for the 1974 season.

Total U.S. corn production, which started out to be a record crop, is estimated to be 18 percent below the 1973 harvest.

Thus, an effort that government officials hoped would stem rising feed costs and ease the financial stress on livestock, dairy and poultry producers, was defeated by the weather, farm experts say.

Other major corn-producing states suffered the same fate as did Indiana. Iowa is expected to harvest an average of 80 bushels per acre from the 1974 crop. The figure was 108 bushels in 1973 and 116 bushels in 1972, Koepper said.

The 1974 corn crop in Illinois will yield 83 bushels per acre, compared with 103 in 1973 and 110 bushels per acre in 1972, Koepper said.

Kentucky's 1974 soybean crop is a record 29,250,000 bushels, according to the report. The state's 25-bushels-per-acre average yield is equal to Indiana's. However, the 1973 Indiana crop averaged 31.5 bushels per acre, according to government figures. Kentucky's average yield in 1973 was only half a bushel better than last year's.

Indiana farmers are expected to harvest 97,750,000 bushels of soybeans from 3,910,000 acres. In 1973, the crop amounted to 135,135,000 bushels from 4,290,000 acres.

The U.S. soybean crop is forecast at 1,233 million bushels, compared with 1,567 million bushels last year.

Kentucky's burley crop is placed at 402.2 million pounds, up 35 percent from the short 1973 crop. Yield per acre is expected to average 2,325 pounds.

Indiana's burley yield is a little heavier than Kentucky's, at 2,400 pounds per acre. Indiana farmers are expected to market 16,800,000 pounds.

Nearly 90 per cent of the crop in the eight-state Burley Belt has already been sold.

In addition to Kentucky and Indiana, Ohio, West Virginia, Virginia, North Carolina, Tennessee and Missouri are in the Burley Belt.

Production of dark fired-cured tobacco, type 22, is estimated to be 7,990,000 pounds in Kentucky. Total U.S. production is placed at 23,290,000 pounds, according to the government estimate.

Production of dark fired-cured tobacco, type 23, is estimated at 4,306,000 pounds in Kentucky and 4,981,000 pounds for all U.S. production.

Production of dark air-cured, type 35 or one sucker, tobacco in Kentucky is predicted to be 6,205,000 pounds. The U.S. One Sucker crop is estimated to be 8,185,000 pounds, the report said.

Production of Green River tobacco, type 36, is estimated at 3,870,000 pounds. The dark air-cured tobacco is grown only in Kentucky.

THE ECONOMISTS ARE CONFUSED, TOO

Mr. HATHAWAY. Mr. President, we in Congress are now trying to deal with one of the most difficult social problems there is—a sluggish and deteriorating economy. In pursuance of this task, we know that we must act quickly, because every day of inactivity means increasing hardship for many of our citizens. Yet, we also know that we must be cautious, for to make a misstep could spell disaster.

There are many, both inside and outside the Government, who feel that the Congress is not acting in good faith as it undertakes this task. They feel the Congress is dragging its feet intentionally in order to play our plight for political advantage.

I would like to remind those skeptics that economics is at best an imperfect art, that trying to chart a course based on that art is likely to produce different opinions as to what is the best direction to take, and that these good-faith differences cannot be easily reconciled. That this is true even for a group of energetic, committed leaders can perhaps be best understood by realizing that the economists themselves are not in agreement. One expression of this was an article in a recent issue of the New York Times about an economic conference. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ECONOMISTS ARE CONFUSED, TOO—A CONFERENCE HERE REVEALS SCHOLARS ARE AS UNSURE AS POLITICIANS ABOUT SLUMP

(By Lee Dembart)

A bevy of economists and social thinkers got together here yesterday at a conference on full employment, and one of the few things that emerged was that there is no more agreement in academe on what ought to be done than there is in government.

"I don't know why anybody listens to economists anymore," Prof. Robert Lekachman, an economist at Lehman College, cautioned his audience at the outset. That may have been the only thing that anyone was convinced of during the day-long affair.

Throughout the conference, the 150 high-minded scholars and students who gathered at the Hunter College School of Social Work on East 79th Street were confronted by eminent and reputable people examining the same data and drawing different, if not opposite, conclusions. For all the facts that were amassed by one side of an argument, an equally impressive side was used by the other.

DEFINITION AWAITED

In one workshop, Professor Lekachman said he thought that the National Bureau of Economic Research "may soon be constrained to invent a statistical definition of depression."

But a fellow panelist, Prof. Raymond J. Saulnier of Columbia University, who was chairman of the Council of Economic Advisers during the Eisenhower Administration, predicted that after three or four more bad months a recovery would begin that would peak by the end of 1976.

"We need a very big public-jobs program," said Professor Lekachman, arguing that at least two million jobs were necessary and three million would be better. He said it would take $50-billion—$25-billion in tax cuts and $25-billion in government spending—to put things right.

But Professor Saulnier had a different view. "A tax reduction at this time is likely to be absorbed in its effect on the economy," he said. "We ought to be depending more on monetary policy than on planned deficits in the Federal budget."

"The economy is currently in the process of correcting excesses and imbalances," he said.

ADMITS TO CONFUSION

Yet another panelist, Leon H. Keyserling, who was chairman of the Council of Economic Advisers in the Truman administration, argued at length against the conventional wisdom that low unemployment would bring high inflation. This seemed all right to Professors Lekachman and Saulnier, but yet a fourth expert, Prof. Lawrence S. Ritter of New York University, said he could never understand what Mr. Keyserling was talking about.

In Professor Ritter's view, full employment was a fine goal but inflation, income distribution, equal opportunity for minorities, assistance to democratic governments in underdeveloped countries and holding down defense spending were all more important.

"We may get full employment, and so what?" Professor Ritter asked. "We may be no better off than we are now."

To Professor Saulnier, price controls were a failure. But Mr. Keyserling said they had worked during World War II and the Korean conflict and had failed in the Nixon years only because the Government wanted them to.

At the start of the day's events, Mayor Beame welcomed everyone to the festivities. He urged them to go about their business forthrightly because: "We are being squeezed by a national recession whose cause was largely a Federal failure to act in time, whose repercussions are beyond our local control and whose solutions must come from Washington."

EMPLOYMENT BILL DISCUSSED

Then Representative Augustus F. Hawkins, a California Democrat, discussed "The Equal Opportunity and Full Employment Bill" that he has introduced in Congress. The bill would guarantee a job to everyone who wanted one.

After lunch, Michael Harrington, the Socialist, and Lieut. Gov. Mary Ann Krupsak delivered speeches on what's wrong with what's happening.

But it was in the workshops that the experts addressed themselves to one another as much as to the issues.

"And now you have heard the indisputable truth," Professor Lekachman said when he finished his presentation.

"I always wish that there were less disagreement," said Mr. Keyserling. "It comes from the remoteness of economists from the real world. They are inheritors of a tradition of economic teaching and study that is outmoded."

"That's economics," said Bill Bleyer, a graduate student in economics at Queens College. "The more you study the more you realize that no two people agree."

NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS RESOLUTION FOR 1974–75

Mr. SPARKMAN. Mr. President, as we look toward the 1975 legislative year, I think it appropriate that we begin now to consider what needs to be done to assure continued progress in housing and community development.

The National Association of Housing and Redevelopment Officials has, for a number of years, provided leadership nationally and locally in developing programs to improve our urban and nonmetropolitan living environment. The new Housing and Community Development Act of 1974 reflects a good deal of NAHRO thinking over the past several years. Accordingly, I read with considerable interest NAHRO's program policy resolution for 1974–75 adopted by the membership at their 35th national conference, and I ask unanimous consent that one part of this resolution be printed in the RECORD for the information of other Members of the Senate.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

NAHRO RESOLUTION

Evaluating 1975 housing and community development efforts in the light of the changing circumstances and requirements in order to formulate new, comprehensive policies for future action.

As concentrated attention is focused on expanding housing and community development action in 1975, in the framework of the new 1974 act, a fresh evaluation must be made as to how these efforts can be related to changing circumstances and requirements. NAHRO sees these evolving conditions as requiring special attention in the next year.

1—A Shifting Population and Economy: The conditions under which housing and community development programs have operated over the last 20 years have been characterized by widespread population movement of low-income families from rural areas to the cities, particularly from the rural south to the urban north, as well as out-migration of middle-income families from large central cities to outlying suburban areas. This movement has been complemented by large-scale industrial and commercial development in outlying metropolitan settings.

In 1974, there appears to be a shift in this pattern. Recent research indicates that the migration of low-income blacks from the south is reversing: there may be as many blacks moving south as there are moving north. Further, there appears to be at least a trickle of middle-income families, as well as office building and commercial development, back to the central city, spurred by a growing environmental protection movement in suburban areas, as well as by energy constraints. The press of population to the west cost is declining.

Shifts of this type have deep implications for housing and community development programs, for center-city redevelopment, for total metropolitan and regional development strategies, for a national growth policy.

2—New and Evolving Institutions: The 1974 act provides important evidence of new and evolving institutions in the housing and community development field. The role of general local and state government is being enhanced, with the greatest transformation manifesting itself in state involvement through the increasing number and capacity of *state housing finance agencies* directly initiating and carrying out housing activity and in the growing number of *state departments of community affairs* carrying out technical assistance and training activity. *General purpose local government* is assuming a new policy and managerial role over all housing and community development activity within its boundaries. In addition, a growing number of *local communities* are committing their own resources, including general revenue sharing funds, to housing and community development activities. *Metropolitan and regionwide entities* are also being created; they require encouragement and new attention. There should be additional emphasis on housing and community development agencies joining with metropolitan area planning agencies to initiate areawide housing assistance plans. Emerging as a major issue is the relationship between an expanded *rural* housing and community development program, including federal assistance for communities of up to 25,000 population, and an accelerated *urban* development activity that may overlap these same geographic areas. Also undergoing a continuing evolution is the relationship between public and private activity, the latest innovation being the creation of the *public-private development corporation*—general purpose as well as special purpose, statewide, regional, local, and neighborhood. Every effort should be exerted to encourage and aid the various states in the creation and implementation of public development corporations in order to expand both techniques and capacity for comprehensive community development.

The traditional institutions in the housing and community development field—the local housing authority, the local urban renewal agency, the local housing codes and conservation agency—are adjusting in many ways to encompass larger areas and expanded functions. But they are also operating in a new arena, with many new institutions.

3—Alternative Approaches and Program Interactions: There is more than one way to approach solutions to housing and community development problems. Nowhere is this more apparent than in the current dialogue surrounding alternative solutions to low-income housing needs: housing allowances vs. housing production. Most current judgment favors a balanced program of income support *and* housing production subsidies; but there should be a full and fair evaluation of housing allowances. There is no question that a broad federal assistance program of minimum income support is integrally related to housing needs. Further, at this time, income support and expanded educational and job opportunities may be more strategic levers for improving certain types of community areas than physical development activity, while, in other areas, physical development activity may be the first priority.

The balancing of alternative solutions to community improvement and the staging of priority action are likely to demand a far more intricate programming effort than in the past.

4—Evolving Housing and Community Development Practice: Over the past 40 years, a great deal has been learned about the function and procedures of housing production and management, community development and redevelopment, housing conservation and rehabilitation. For the most part, this knowledge pertains to well-defined, specific activities related to limited objectives, i.e., a single housing development or a small-scale renewal or conservation project. As the field has evolved, there are increasing insights into the diverse needs that must be served, as well as the array of skills and techniques required to cope with large-scale efforts and various stages of the urbanization cycle of growth, maturity, decline, and decay.

In 1975, the following specific areas require special attention:

(a) *The communitywide community development program:* The 1974 shift to block grant federal assistance in community development means that communities will be selecting the programs best directed to their over-all needs and then orchestrating the diverse elements of what will be a large, complex community improvement effort. In this new effort, a full utilization should be made of the experience and expertise of existing housing and redevelopment agencies. The initiation and refinement of this communitywide program will be a high priority function for the next three years, particularly in most medium-size and in *all* large-size communities. The skills and knowledge that have been developed by local housing and renewal agencies in past years to deal with housing development and the categorical renewal programs should not be lost. They will become the building blocks for community development.

(b) *The local housing assistance plan:* Where, in the past, assisted housing for low- and moderate-income families in a locality has been largely on a project-by-project basis (and may still be for many smaller-size communities), a new concept of programming housing activity closely related to community development activity is now required under the 1974 act for most communities and metropolitan areas. This new concept is the local housing assistance plan, which has flexibility to encompass concepts of "good housing" and "good environment" that extend beyond narrow definitions that focus on absence of dilapidation and presence of plumbing facilities, to encompass such concerns as ability to pay for housing, availability of services and facilities, and environmentally-pleasing surroundings. At the same time, the diversity of the housing needs among different household types—single persons, large families, handicapped, elderly—long noted by NAHRO, is increasingly being recognized. The provision in 1974 federal legislation that provides for construction demonstrations to meet "special housing needs" is only one indication of this trend. The needs of the handicapped, in particular, require increased attention, not only in basic housing requirements but in appropriate support services, elimination of physical barriers in public spaces and living areas, and selection of housing sites that provide maximum access to community facilities. The local housing assistance plan can become the device to achieve a new local housing function, incorporating all of these concerns, but it will require a comprehensive, ongoing process and skilled staff resources at the local level. Ultimately, local housing assistance plans can also be used as mechanisms to develop new, realistic national housing goals.

(c) *Management of assisted housing:* Housing management is rapidly evolving as a specialized and organized function, calling upon an increasingly skilled and well-trained body of housing managers for low-and moderate-income housing developments. NAHRO's certification program for on-site public housing managers is only one indication of this fact. A further indication is the requirement for a "management plan" for all new federally-assisted housing. Still another indication is the growing, successful experience of lower-income housing cooperatives; such cooperative ownership should be encouraged as a viable alternative to large corporate ownership and management in many rebuilt urban areas. For 1975, efforts should be made to evaluate and transfer experience and knowledge in housing management in the following public housing areas: the modernization program, the management improvement program (MIP), the target projects program (TPP). In addition, it appears likely that, in 1975, HUD will propose and seek to implement a final version of a formula for the allocation of operating subsidies in public housing; this formula has broad implications for the future and should be evaluated with great care. It is clear that the prototype operating formula will not yield adequate funding to meet social service needs; supplementary funds must be provided. Local communities have an opportunity through the local housing assistance plan to develop a system to monitor long-term management of assisted housing in order to assure ongoing health of these developments.

(*d*) *New housing assistance methods:* In 1975, the Administration will place major emphasis on the new Section 8 housing assistance payments (HAP) program as the major vehicle for federal housing assistance. The implementation of the Section 8 program should be evaluated with great care, on a continuing basis, to assure its workability and that it is responding to national housing goals. Also, the demonstrations on housing allowances (HUD designated "direct cash assistance") should be closely evaluated as the experience is released.

(e) *Preservation and management of the existing housing supply:* The fastest-evolving community development activity in local areas is that of housing and neighborhood conservation. The concept of over-all "neighborhood management" by a single responsible agency—public, private, or a combination of both—long advocated by NAHRO, appears to be taking hold. Local governments are beginning to define a comprehensive housing preservation function. It is to be noted that the 1974 act has added a new provision to national housing goals, emphasizing the importance of preservation of the existing housing stock. The 1974 act requirements for a local housing assistance plan provide new opportunities to strengthen local housing codes and conservation agencies to develop an adequate data base on the existing housing inventory, including the total environment—historical, architectural, and cultural qualities. Federal, state, and local communities must continue to search for alternatives or additions to existing methods for preserving the existing stock, including the possibility of federal insurance for state and local rehabilitation financing, as well as the use of limited local tax abatement to encourage rehabilitation. In supporting urban homesteading programs, however, caution should be exercised against any reliance on these efforts as a panacea in combatting housing and neighborhood abandonment, encouraging them only as part of a total neighborhood preservation strategy, backed by federal financial and technical assistance. An expansion of HUD-sponsored research, particularly in the area of costs and incentives for private investment in existing housing, should be undertaken. In this connection, the HUD and Federal Home Loan Bank Board project providing financial support of the neighborhood housing services concept is an important contribution to new approaches; these demonstrations should be undertaken with a minimum of program guidelines and there should be no implementation as a national program unless there can be assurance of substantial federal financing assistance.

(f) *Evolving social policy and practice:* The 1974 act further strengthens the requirements already in current federal law to involve local citizens in the preparation and implementation of community development programs; to provide housing opportunities for all citizens on the basis of equal opportunity without discrimination; and to discourage the concentration of low-income and minority families in housing or neighborhoods by themselves. The act reaffirms, particularly in the community development program, the development of employment opportunities for lower-income persons. The 1974 act also provides new recognition of the importance of supporting "human services" programs through its provisions for "supporting services" in the community development program; in the requirement for family counseling in the lower-income homeownership program; and in the restatement of the provisions for counseling and services, particularly for elderly, disabled, and handicapped, in all of the multi-family rental assistance programs. Community advisory councils should be considered for a major role in implementing the social objectives in the 1974 act. Local practices to implement statutory requirements have been steadily evolving and there is important evidence in both housing assistance and community development programs that progress is being made in developing the approaches and techniques to make these local practices fully effective. For 1975, the urgent need is to extend individual examples of progress to a full-scale, nationwide practice.

SECTION 223(f) OF THE HOUSING PROGRAM

Mr. TOWER. Mr. President, on behalf of the Senator from Ohio (Mr. TAFT), I ask unanimous consent that a statement by him on section 223(f) of the National Housing Act be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR TAFT

As a coauthor with the Senator from California (Mr. CRANSTON) of section 223(f) of the National Housing Act, I was naturally pleased to hear the announcement this week that HUD is interested in using this authority extensively. This new provision of law allows the Federal Housing Administration to insure mortgages executed in connection with the purchase or refinancing of existing multifamily projects.

Section 223(f) was not highly publicized when the Housing and Community Development Act of 1974 was passed. Nevertheless, it could conceivably turn out to be the "sleeper" provision, involving billions of dollars' worth of FHA financing. Because of this situation and HUD's decision to utilize the new authority for significantly broader purposes than its authors contemplated, I feel that prompt congressional attention should be focused on several aspects of the proposed program.

In essence, HUD has announced the intention to implement two separate programs under section 223(f). The first, described as a one-shot program, would allow the FHA to insure financing for housing projects which were started before last June 30th and will be completed this year. Of course, those projects were not subject to the usual FHA insurance requirements during the construction process. The second, or "permanent" program, would allow FHA to guarantee mortgages on apartments at least three years old. It is proposed that this authority be used both for mortgages on apartments newly purchased and for situations in which an existing apartment owner wants to lengthen or otherwise recast his present mortgage, to reduce his monthly housing expenses or to obtain money for a moderate amount of housing rehabilitation.

The new "one-shot" program in particular unquestionably goes beyond the authors' perception of probable uses for section 223(f). The legislative history is clear that this section was advanced primarily as a valuable tool for preserving existing housing, rather than selling new apartments. However, I cannot condemn the use of this authority for assistance in the sale of new projects simply because it is an imaginative use of the statute. In today's housing market situation of extremely difficult project financing and considerable money tied up in completed projects as a result, this proposed use of FHA authority may be very beneficial. It will certainly help release construction funds, so that more money is available for relending and new projects.

On the other hand, the likely private benefits of the proposed large-scale bail-out should not be overestimated. Neither FHA nor Congress should overlook the fact that in the case of many of these newly constructed apartments, permanent financing has not been available because the project developed serious problems. For example, greater than anticipated increases in construction and interest costs have put the economic viability of many of these projects in jeopardy.

The FHA will have to consider each project carefully. It faces a difficult task in administering insurance standards leniently enough to be of any help in alleviating the present situation, yet toughly enough so that taxpayers' dollars are protected adequately. In many cases, prudent FHA involvement should be possible only after the developers have been required to swallow a sizeable financial loss.

It is also important that the use of section 223(f) authority in this manner remain emphatically a one-time occurrence. To help ensure that the Government's social and financial interests will be fulfilled, Congress generally has insisted upon FHA involvement from the preconstruction stage in projects which will receive Government insurance. Regular availability of FHA financing for projects just completed, without such an involvement obviously would undermine this important policy consideration.

The "permanent program", involving apartments at least three years old, also deserves careful monitoring. While Congress eventually decided to grant the administration the general authority it requested to guarantee financing for the purchase of existing apartments, there are important reasons why the congressional debate stressed the merits of guaranteed refinancing rather than of financing apartment sales. In property transfer situations, HUD does not have those safeguards that are built into refinancing transactions by the presence of an established record of owning the property. Property transfer situations also involve a greater possibility of damaging over-appraisals. Furthermore, the risk factor must be of particular concern for these projects, because the Government would be putting its money on the line solely to foster a transfer of ownership and not directly to promote an increase in the housing supply.

There is also no question that FHA insurance involvement in either refinancing or financing a purchase of property in declining areas is generally risky. Of course, that is where the new authority could accomplish the most in terms of promoting housing preservation. FHA will have to exercise appropriate caution.

Despite these operational risks, however, the "permanent program" certainly coincides much more closely to the sections primary legislative intent of preserving existing housing than the one-short program. Facilitation of refinancing in particular can be a major tool for "moderate" housing rehabilitation and repair, because it will allow landlords and homeowners to obtain needed housing repair money without being forced to increase their monthly housing expenses. This can be done by stretching out an existing mortgage, so that the mortgagor pays the same amount or less per month but pays it over a longer time period. FHA insurance for refinancing can also provide a means of financing "balloon" payments, or lump sum payments due at the end of a mortgage term, particularly in areas where conventional financing has become difficult because of neighborhood decline. While the use of the new authority generally in the case of apartment sales was not foreseen, this use could foster housing preservation in some instances by facilitating the transfer of deteriorating housing to more "concerned" or more "competent" owners. I am pleased that HUD appears to recognize these possibilities and that the door has been left open for them.

However, leaving the door open is not the same as taking positive action. The administrators at HUD should clearly keep in mind that the primary legislative intent of this section was to boost the preservation of existing housing. While the problems and risks I have outlined are difficult, even as the one-shot program proceeds, the FHA should be doing its best to come to grips with them and to move the program on the housing preservation front.

To help accomplish this goal, FHA offices around the country should do what they can to spread the news of this new housing preservation tool to those who can use it beneficially. In particular, the tool can be valuable in resolving tenant-landlord disputes and allowing courts to require needed housing repairs, by providing a means for the landlord to repair his property while holding down his expenses and rents. It is a unique tool in this respect. Those who write the regulations should also help by considering changes to facilitate housing preservation actions. For example, a more liberal loan-to-value ratio determining the maximum mortgage principal might be provided in cases where the property is sold from a profit-making entity to an approved tenant cooperative. Other such adjustments in the regulations may have to be made.

The refinancing tool also should be promoted as a housing preservation mechanism for single-family housing. Section 223(f) only covers multifamily projects solely because other provisions of law permit FHA to guarantee a refinanced single-family mortgage. When section 223(f) was passed, the sponsors indicated that this should be a signal to HUD to promote and explore the possibilities for refinancing of single-family housing, as well as multifamily projects.

If the program is administered wisely, HUD's announced uses for section 223(f) should lead to progress in meeting our national housing goals. But if the program is directed to embrace the emphasis I am suggesting, it will make an even more significant contribution to alleviating the difficult problems of our older and declining urban areas.

CLEAN COAL THROUGH TECHNOLOGY

Mr. HUDDLESTON. Mr. President, there is no doubt in my mind that this country cannot meet its enregy needs in the years ahead without a strong commitment to coal utilization. It is a great tragedy that this country has waited so long to make that kind of commitment—and then only after we were in dire straits.

We will have to greatly increase our coal production—to perhaps two billion tons annually by 1985—if we are to meet our energy needs. And if we are to do that it will require a major effort in coal research to develop the best uses of coal that will not harm the environment.

Paul R. Jordan, a native Kentuckian who is chief of public information for the Office of Coal Research in the Energy Research and Development Administration, has written a very perceptive article for the Science Teacher entitled "Clean Coal Through Technology."

As Mr. Jordan points out,

> Coal technology holds exciting promise for self-sufficiency in a nation accustomed to a high standard of living based on massive consumption of energy.

Mr. President, I ask unanimous consent that Mr. Jordan's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

CLEAN COAL THROUGH TECHNOLOGY

(By Paul R. Jordan)

Overshadowed after World War II by oil and gas as a major energy source, coal is making a comeback as a technological answer to energy shortages in the United States.

The basic reason for this reversal in form is the fact that while the premium fuels now exist in limited domestic supply, coal remains the nation's most abundant fossil fuel. Meanwhile, the demand for energy continues its upward climb.

With 6 percent of the world's population, the United States consumes about 33 percent of its commercial energy supply—an average of about 10 to 1 when compared on a global per capita basis. Most of the nation's consumption involves the use of oil and natural gas—about 78 percent—while coal represents only 18 percent of the total.

To reverse this trend and maintain high environmental standards, the U.S. government has launched an accelerated program to convert coal into clean-burning energy forms. In so doing, the nation will in time reach a goal more nearly approaching energy self-sufficiency—the capacity to meet demands with native resources.

The big problems with coal are that it burns dirty, is expensive to mine and transport, and—largely because of strip mining—is considered anathema to strict environmentalists. Federal regulations limit emissions of sulfur dioxide to 1.2 pounds per million Btu of fuel burned. For bituminous coal, this is less than 1 percent sulfur and for lignite less than one-half percent.

The pros and cons of coal vs. the environment and other energy forms have been aired via former President Nixon's energy messages and by the continuing debates in congressional, governmental, industrial, and ecological circles. Mr. Nixon said, for example,

"Present and potential users who are able to choose among energy sources should consider the national interest as they make their choice. Each decision against coal increases petroleum or gas consumption, compromising our national self-sufficiency and raising the cost of meeting our energy needs."

Emphasizing the need for "Project Independence," Mr. Nixon set a goal of U.S. energy self-sufficiency by 1980 and established funding levels for a $10 billion program. Up to half that amount would be available for the Interior Department through fiscal year 1979. For the Office of Coal Research (OCR) alone, funding escalated from $123 million in fiscal year 1974 to more than double that amount in FY1975. From a staff of 40 plus, prior to the energy emergency, OCR is now almost five times larger after undergoing a major reorganization under the supervision of acting OCR director S. William Gouse. Personnel total is approximately 200 and further expansion is expected.

Coal's enlarged role will require greatly increased production—perhaps as much as two billion tons annually by 1985—or more than three times the approximately 600 million tons produced in 1973.

To help ease the emerging energy crisis, the OCR, working in concert with private industry, is developing new technology to ensure the full utilization of coal without polluting the environment.

There has been significant progress in the past 13 years, but the economic feasibility of coal conversion processes still must be achieved through the long hard, and expensive route of trial and error.

Apart from the political implications arising from the Arab oil embargo in 1973 and early 1974, coal's renaissance is tied inextricably to the knowledge that some 3 trillion tons of coal exist in 30 of the 50 states. At the 1973 rate of consumption, Interior scientists believe, proven coal reserves would not be exhausted for at least 600 years.

This coal, in turn, can be converted to a synthetic oil with a yield of two barrels or more per ton. Thus, we have more than 4 trillion barrels of oil in the form of coal—about 7 times the world's proven reserves. Similarly, the recovered coal may be converted to pipeline quality gas and yield about 32,000 trillion cubic feet, compared with potential recoverable national reserves of 2,390 trillion cubic feet of natural gas.

The demand for fossil fuel energy is expected to at least double by the year 2000, even with the use of nuclear power increasing enormously. While the domestic supply of crude oil and natural gas cannot keep pace with the energy demand, coal and its products can play a decisive role in filling such a gap and thus reduce the quantity of imported supplies of oil and gas between now and the year 2000.

SYNTHETIC GAS FROM COAL

Coal can be converted to sulfur-free synthetic gas. The gas can either be of pipeline quality (known as SNG) or industrial gas quality (low-Btu gas). The basic differences between the pipeline quality gas and the low-Btu gas are that the SNG must have a heating value of about 1,000 Btu per cubic foot and be essentially all methane; the low-Btu gas must be able to support combustion with a heating value generally between 150 and 350 Btu per cubic foot of gas.

Lurgi is the only gasification process commercially available today, but it is limited to noncaking coals (properties predominant in western coals) and cannot accept the coal fines. Tests are underway to determine whether the caking type coals could be gasified in a more efficient Lurgi process; presently this technique is relatively inefficient and expensive.

In order to improve the overall economics of coal gasification, in 1971 the OCR and the American Gas Association (AGA) signed an agreement for an accelerated pilot plant program which will cost an estimated $120 million over a 4-year period. OCR's share totals $80 million; AGA's, $40 million.

Currently, the pilot plants consist of the Institute of Gas Technology's HYGAS process at Chicago, Illinois, and the Consolidation Coal Co.'s CO_2 Acceptor process at Rapid City, South Dakota; a third plant, Bituminous Coal Research's BIGAS process, is under construction at Homer City, Pennsylvania, and scheduled to be completed in mid-1975.

For the first time, in 1973, the HYGAS plant demonstrated the large-scale conversion of coal to substitute natural gas. All essential parts of the plant were integrated during more than 100 hours of continuous operations, beginning with raw lignite and ending with purified gas with a heat content of 900 to 1,000 Btus. The process requires substantial amounts of hydrogen.

The CO_2 Acceptor process was designed to gasify lignite only, with the limitation due to temperatures associated within the system. The process utilizes air rather than oxygen as a source of heat, thereby resulting in a savings in investment and operating cost.

In addition to these high-Btu pilot plants, the Bureau of Mines is developing a synthane process with emphasis on producing more methane (the principal ingredient in natural gas) directly in the gasifier, thus reducing the load in the methanation step. A pilot plant is being built at Bruceton, Pennsylvania, with completion scheduled soon.

The Department of the Interior's pilot plant program is expected to yield the necessary information for design of a demonstration plant with confidence, perhaps by 1977. This larger plant, in turn, would supply operating data necessary for the design of a commercial-sized plant, probably by 1980.

The Office of Coal Research is also responsible for the development of processes to convert coal into low-Btu gas; low-sulfur liquid and solid fuels; and basic processes that produce electricity more efficiently; as well as to burn high-sulfur coal directly with minimum air pollution.

LOW-BTU GAS

A number of processes are being developed by private industries and governmental agencies. Basically all the processes being developed for pipeline-quality gas can be adapted to produce low-Btu gas. There are some which are specifically being developed for low-Btu gas and some in conjunction with the combined cycle approach utilizing gas turbines as an intermediate power recovery step.

Under OCR's sponsorship, a Westinghouse-led industry team is working toward the development of a low-Btu gas system. A 1200-pound-per-hour project development unit (smaller than a pilot plant) was completed earlier this year at Waltz Mill, Pennsylvania.

The Pittsburg and Midway Coal Mining Company is working on a conceptual design of a 1,200-ton-per-day demonstration plant for producing low-Btu gas. The firm expects to utilize data from other coal gasification projects.

The BCR pilot plant at Homer City will have built-in design capabilities to produce low-Btu gas, accomplished by injecting air in lieu of oxygen and eliminating carbon dioxide removal and methanation steps. This not only saves on the investment, but also improves thermal efficiency and thus reduces the gas cost by about 20 percent compared with the high-Btu processes.

The low-Btu gas has varying applications including:

1. It can be used as a fuel to utility boilers, thus eliminating the need for stack gas scrubbing systems on those boilers using high-sulfur coal.
2. It can be used locally as clean fuel for industrial uses and thus replace natural gas that can be used for other purposes.
3. It may be blended with natural gas in the transmission system, to a limited degree, to provide gas of intermediate heating value for industrial use.

SYNTHETIC LIQUIDS

Liquefaction technology, meanwhile, is moving from the pilot plant stage to the demonstration plant level—thereby laying the foundation for a brand new industry producing synthetic clean fuels from coal. Secretary of the Interior Rogers C. B. Morton called the project an encouraging milestone in the advancement of coal technology, as OCR sought competitive bids for bringing it to a successful conclusion over an eight-year period.

In a comprehensive request for proposal

(RFP) to industrial firms and others, OCR asked for specific details for a plan to analyze, design, construct, and operate a demonstration plant for converting high-sulfur coal into a clean liquid boiler fuel. The liquid fuel could be used in the generation of electric power, thereby releasing precious supplies of petroleum for more specialized purposes.

Generally, demonstration plants are considered as being one-third as large as commercial complexes envisioned in the 1980s. Commercial plants would process thousands of tons of coal daily and produce two or three barrels of synthetic oil per ton. Costs for a demonstration plant have been projected in the range of approximately $100 to $400 million, depending on size, with at least 50 percent funding required from nonfederal participants.

The COED (Char-Oil-Energy-Development) process is the most advanced coal-to-clean liquid fuel conversion technique at this time. The process converts coal to a highgrade synthetic crude oil, pipeline-quality gas, and char. Originally conceived by the FMC Corporation and funded by OCR since 1962, COED has been proven out in a pilot plant operation at Princeton, New Jersey for three years.

COED involves the pyrolysis of high-volatile bituminous coal (caking or noncaking) in a multistage fluidized-bed reactor—that is, breaking coal down into various products through the use of heat. The gas can be used either as an intermediate Btu fuel or further processed to become pipeline gas. When the coal-derived oil is hydro-treated in the presence of a catalyst, the oil becomes a valuable premium grade synthetic crude suitable for petroleum refinery feedstock.

The char product can be used as a direct boiler fuel for power generation, or as a feedstock for further gasification and additional processing into hydrogen or pipeline gas.

Under contractual agreement with Consolidation Coal Co., OCR sponsored "Project Gasoline" from 1962 through three years of pilot plant operations at Cresap, West Virginia. The project was terminated in 1970 because of process problems and recurring mechanical deficiencies.

Now, because of the critical need for utility fuels in the eastern United States, the Cresap facility is being reactivated and restructured for further testing of processes to produce low-sulfur fuel oil from eastern high-sulfur coals.

A promising concept now at the pilot plant stage is a process called Solvent Refined Coal, or SRC, developed by the Pittsburgh and Midway Coal Mining Co.

In this process, coal is first dissolved in a heavy aromatic solvent under moderate hydrogen pressure and temperature. The solution is filtered to remove ash and a small amount of insoluble organic material, leaving an end product (SRC) with a melting point of about 350°F and containing about 0.1 percent ash and less than 1 percent sulfur.

The SRC pilot plant was built in Tacoma (Fort Lewis), Washington. Completed at a cost of $17 million, the plant will process 50 tons of coal per day.

The SRC process was originally conceived as a method to produce a clean solid fuel. But now, further engineering studies have shown that with additional hydrogenation, the SRC process can produce clean liquids ranging from light to very heavy in whatever percentage is desired for market demands.

From these first-generation plants, OCR expects to evolve concepts for future plants that will operate efficiently and economically in the production of huge amounts of synthetic energy from coal.

POWER-GENERATION SYSTEMS

Despite present problems of utilizing high-sulfur coal in its conventional form, there will be incentives for large users to burn coal directly—provided a low-cost and pollution-free combustion technique becomes available on a commercial scale. OCR has taken the initial steps toward that end by awarding a $5.8 million contract for the design, construction, and operation of a 30-megawatt coal-fired, fluidized-bed boiler. The 4-year contract went to the engineering firm of Pope, Evans, and Robbins, whose earlier work for OCR developed the combustion and pollution control concepts to be tested in the 30-megawatt pilot unit.

The first high capacity, coal-fired, multicell fluidized-bed boiler is being built at the Rivesville, West Virginia, plant of the Monongahela Power Company. It is expected to demonstrate ability to burn high-sulfur coal well within the legal limits for pollution control.

At presently designed, the boiler will be an atmospheric pressure unit operating at gas flow rates from 10 to 15 feet per second and at bed temperatures of 1500° to 1600° F. Heat release rates of 300,000 to 400,000° Btu per hour per cubic foot of combustion space are expected; that is more than 10 times the rate in conventional pulverized coal boilers. Direct contact heat transfer rates are expected to be five times greater than those of conventional boilers.

Another method of producing power by burning coal directly with inherent pollution control is a fluidized-bed combustor-gas turbine system.

The OCR is operating a pilot plant for the combustion of high-sulfur coal—at 2,000 pounds per hour—in a pressurized fluidized bed by using limestone as an acid gas adsorber. These 1800° F pressurized gases operate a 1-megawatt gas turbine.

A full-sized plant would use a heat recovery system in a combined cycle and approach efficiencies of 50 percent—as opposed to the conventional boiler cycle of 36 percent.

A more advanced technological development, called magnetohydrodynamics (MHD), involves generation of electricity without rotating parts. Coal is fired at relatively high pressure, and the resulting gases are forced through a duct at high velocity. The gases move through a magnetic field surrounding the duct, resulting in generation of an electric current, Electrodes on the wall of the duct convey the current that is generated.

In MHD generation, the chemical energy in the coal is converted to heat in the gas, and the expanding gas provides mechanical energy. This, in turn, is converted to electrical energy as the gas flows through the duct To be electrically conductive, the gases must attain very high temperatures—upward to 4,000°F. Conductivity of the gas it improved by the injection of "seed" materials such as potassium.

The OCR is cooperating with representatives of the U.S.S.R. for joint research on the MHD method of generating electricity.

While MHD is still in the systems stage of experimentation in the United States, the Soviet Union has a 25-megawatt pilot plant in Moscow that operates minimally. Both countries agreed that an exchange of scientific data would be mutually beneficial to achieve the primary objective of MHD commercialization—perhaps in 10 to 15 years.

MINING AND RECLAMATION

Contract have been awarded to study and seek solutions to environmental problems involved in the siting of coal-based industrial complexes. OCR will attempt to evaluate the best end uses of land, water, and other resources to achieve balanced industrial, economic, social, and environmental development at potential locations in Appalachia, Indiana, Illinois, and Western Kentucky, the Great Plains, and coal areas in the western United States.

Information will be developed for a number of refinery locations to define the relationship of geological, topographical, soil, meteorological, hydrological, and other characteristics with possible environmental effects. An evaluation will then be made of the approaches and techniques that can be used to lessen adverse environmental impacts during the construction and operation of the facilities.

All in all, coal technology holds exciting promise for self-sufficiency in a nation accustomed to a high standard of living based on massive consumption of energy.

HIGHWAY FINANCE EMERGENCY ACT OF 1975

Mr. MOSS. Mr. President, on February 13, 1975, I introduced S. 681, a bill which would amend the Highway Trust Fund Act to allow the use of previously impounded funds to be obligated to the States from the fund without requiring matching State or local contributions. This step is necessary to alleviate a long-standing problem and to eliminate the crucial catch in President Ford's release of $2 billion in previously impounded Federal highway funds.

Several States have been unable to use the trust fund moneys apportioned to them for lack of the matching funds. Their predicament, which was an outgrowth of gasoline shortages resulting in reduced gas tax revenues, is now compounded by the recession. In a period when State revenues are falling, deficits expanding, and layoffs and expenditure cutbacks increasing, it is likely that a growing number of States will simply not have the matching funds. Officials in some States have announced that it will be difficult, if not impossible, to transfer budget resources or raise taxes. Such States would lose the benefits of a share of the $2 billion, whose release is intended to boost the ailing economy.

Because the administration impounded highway trust funds over a long period when the States were better able to match them, it is now only equitable that the Federal Government make such moneys available without the matching requirement.

This amendment will not provide a windfall to the States. The bill specifies that the 100-percent Federal funding provision automatically expires in a State when the amount spent as a consequence of this provision equals the sum heretofore impounded or withheld from that State by the Federal Government.

TRUCK FRONT AXLE WEIGHT LIMITATION

Mr. STAFFORD. Mr. President, in the last Congress, during Senate consideration of S. 3934, the Federal-Aid Highway Amendments of 1974, the senior Senator from Michigan (Mr. Philip A. Hart) proposed an amendment to limit the weight permitted on the steering axles of truck tractors using the interstate system. The Senate accepted the 10,000-pound limitation after being presented with information which indicated the great safety benefits to be gained.

The steering axle weight limitation was dropped in the conference on S. 3934, During Senate debate on the conference report, it was suggested that the Department of Transportation already had authority to impose such a limitation.

The distinguished Senator from Michigan and the Senator from Vermont wrote to Secretary Brinegar to inquire whether the Department did possess such authority and if it did, to urge the Secretary to impose the 10,000-pound limit.

The Secretary has replied that, in his opinion, he lacks authority to take the recommended action. While he can—and is—acting on another front to reduce safety hazards from front tire failures, he cannot deal directly with the problem of overloaded front axles.

Mr. President, the Secretary's response points up the fact that if the Congress is serious about wanting to improve the safety of big trucks on our highways in this case, it must enact the necessary legislation and not attempt to shift the burden to the executive branch.

I ask unanimous consent that the letter sent to Secretary Brinegar by Senator PHILIP A. HART and myself, and the Secretary's reply, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DECEMBER 20, 1974.

Hon. CLAUDE A. BRINEGAR,
Secretary of Transportation,
Washington, D.C.

DEAR MR. SECRETARY: During debate on adoption of the conference report on the Federal-Aid Highway Amendments of 1974, the Chairman of the Public Works Committee, Senator Randolph, suggested that you have the authority to impose weight limitations on the steering axles of truck tractors. Discretion to impose such a limit, it was stated, is derived from your authority to issue regulations dealing with all safety aspects of interstate truck operations.

We would appreciate it if you could affirm that such a regulation is within your discretion.

The version of the highway bill which passed the Senate included an amendment which limited the weight on truck tractor steering axles to 10,000 pounds for vehicles using the Interstate System. That restriction was deleted in conference.

We have had conversations with representatives of those who drive big, over-the-road trucks and have received information which convinces us that front axle loads in excess of 10,000 pounds constitute an undue safety hazard.

If it is within your authority, we urge you to impose steering axle load limitations not in excess of 10,000 pounds. We believe such a regulation would promote highway safety without significant adverse effects on transportation economy.

Sincerely,

PHILIP A. HART,
U.S. Senate.
ROBERT T. STAFFORD,
U.S. Senate.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., January 21, 1975.
Hon. ROBERT T. STAFFORD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STAFFORD: This responds to your letter of December 20, 1974, signed by you and Senator Philip A. Hart, in which you ask for an expression of the views of the U.S. Department of Transportation on the Department's legal authority to impose weight limitations on the steering axles of tractors used on the Nation's highways. Receipt of your letter was acknowledged by the Acting Executive Secretary of the Department on December 24.

The authority of the U.S. Department of Transportation to regulate commercial motor vehicle operations is derived from Part II of the Interstate Commerce Act, 49 U.S.C. 301 *et seq.* The provisions of Part II of the Interstate Commerce Act relating to qualifications and maximum hours of service of employees and safety of operation and equipment of motor carriers operating in interstate or foreign commerce (found in section 204 of the Interstate Commerce Act, 49 U.S.C. 304) were transferred to the U.S. Department of Transportation in section 6(e)(6) of the Department of Transportation Act, 49 U.S.C. 1655 (e)(6). In the same section of the Department of Transportation Act, Congress also transferred to the Department the Interstate Commerce Commission's power, under section 225 of the Interstate Commerce Act, 49 U.S.C. 325, to investigate and report to Congress on the need for Federal regulation of sizes and weights of commercial motor vehicles. The Department's authority under both section 204 and section 225 of the Interstate Commerce Act is now vested in the Federal Highway Administration.

In 1940, the Supreme Court construed both sections 204 and 225 together in the case of *Maurer* v. *Hamilton,* 309 U.S. 598, and held that the enactment of section 225 by implication ousted the Interstate Commerce Commission from exercising its authority to issue safety regulations for the motor carrier industry in a manner that would establish maximum motor vehicle sizes or weights. "It is evident," said the Court, "that the purport of § 225 is to reserve 'sizes and weight' from the regulatory power of the Commission, quite as much when related to safety as when related to highway construction, pending investigation and report by the Commission of the need for such regulation, and further consideration of the matter by Congress" (309 U.S. at 609).

Since the jurisdiction of the U.S. Department of Transportation is derivative, we have no greater power than the Interstate Commerce Commission had under the above-mentioned statutes. In view of the Supreme Court's construction of the statutes in *Maurer* v. *Hamilton,* the institution of a regulation imposing a flat 10,000 pound limitation upon the weight carried on the steering axle of a tractor appears to be in excess of our statutory authority.

Our statutory authority does, however, authorize the Department to make substantial inroads into the safety hazards that may stem from overloaded steering axles, and we are on the verge of doing just that. As we read *Maurer* v. *Hamilton,* the court proscribed use of the authority to regulate safety of motor carrier equipment as the basis for absolute limitations on sizes and weights (whether axle weights or gross weights were involved), but the decision does not forbid the Department from requiring motor carriers to operate equipment having components that are designed to withstand the stresses imposed by the weights they carry.

Our studies have shown that the most critical component from this standpoint is tires. If a motor carrier overloads the steering axle of a tractor, one or more front tires is likely to fail before other components do. For this reason, the Federal Highway Administration's Bureau of Motor Carriers Safety has instituted a rulemaking proceeding looking towards the issuance of a regulation that will prohibit the operation of a commercial motor vehicle on tires that are overloaded or underinflated. A Notice of Proposed Rule Making were issued in April 1974 (39 FR 13785), and final action should be taken shortly.

Regulations governing tire overloading and underinflation, issued by the U.S. Department of Transportation, would not cover all commercial motor vehicles on the highway. This is the case again because of limitations on the Department's statutory authority under the Interstate Commerce Act: the statute authorizes the issuance of safety regulations applicable only to motor vehicles operated by commercial motor carriers in interstate or foreign commerce. There are, of course, a substantial number of commercial motor vehicles operated wholly in interstate commerce. Regulation of the safety of those motor vehicles is a function that Congress has left to the States.

We trust that the foregoing is responsive to your inquiry, and that you will feel free to call upon the Department for any further assistance you may need.

We are writing Senator Hart an identical letter.

Sincerely,

CLAUDE S. BRINEGAR.

SCIENCE CENTER: AN IDEA WORKS

Mr. HUGH SCOTT. Mr. President, Philadelphia's University City Science Center deserves special recognition as it enters its 11th year of service to Pennsylvania. The science center is living proof that diverse interests can be united behind a common goal, can respond affirmatively to a need and can accomplish a great deal. An editorial in the Philadelphia Inquirer sums it all up. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Inquirer, Feb. 4, 1975]

SCIENCE CENTER: AN IDEA WORKS

The University City Science Center is celebrating its 10th anniversary at a dinner tonight with an impressive record of past achievement that is likely to be not only equaled but surpassed in the future.

There were skeptics in 1965 who couldn't grasp the unique Science Center concept of broad-based cooperation in non-profit research to improve the quality of life and to serve the needs of industry and government and participating institutions. Today, with a staff of 3,000 persons occupying six buildings on Market Street in West Philadelphia, the Science Center is flourishing proof that partnership pays off in scientific endeavors for the public good.

Jointly owned by 29 institutions—hospitals, medical schools, colleges and universities—the Science Center has a pool of talent capable of applying scientific knowledge to solution of problems of virtually any complexity or magnitude.

The range of research at the Science Center covers health, environment, energy and scores of other fields dealing not only with man and nature but in human relationships. Science is applied in its fullest meaning.

As an economic asset to Philadelphia, the Science Center is of enormous value in attracting to this area industries in need of its services. And it provides a wealth of scientific capability to area institutions that none could hope to match on its own.

The University City Science Center rates heartiest congratulations on completion of its first decade and the beginning of its second. As gratifying as the early years have been, the best should lie ahead.

THE POLICY PLANNERS

Mr. RIBICOFF. Mr. President, Secretary Kissinger has been surrounded by controversy almost from the day he arrived at the State Department. A man of great talent and great goals cannot escape critics who assail him as a one-man State Department, beholden to no one and dependent on no one.

Behind Mr. Kissinger and his diplomacy, however, is an organization which deserves both mention and praise. Obscure to most outside the State Department, his policy planning staff has flourished as a highly intelligent sounding board and advisory aid to Mr. Kissinger. Its director, Winston Lord, 37 years old, is a man of thorough experience and ability. To their credit, Mr. Kissinger and Mr. Lord at long last are inspiring and making critical use of a new generation at the State Department.

James Reston has written an enlightening column on Policy Planning and the new men being asked to define the problems and concepts of the future. I ask unanimous consent to have his column printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Policy Planners

(By James Reston)

Washington, February 18.—There are three popular theories about how Henry Kissinger runs the State Department. The first is that he does it all by himself, having fired anybody intellectually inferior to himself, which means almost everybody. The second is that he still has a few staff members around but devours them, one by one, usually at breakfast time. And the third is that he doesn't run the State Department at all, but leaves the whole thing to his principal administrative assistant, a patient and driven man named Larry Eagleburger.

There is some truth in all this, but as in most of the Kissinger myths, not much. Actually, the more he is away, concentrating on one problem at a time, the more work the State Department has to do on all the other problems that pile up in his absence. State is not a one-man flying band, but probably the youngest and most talented foreign office in the world.

Mr. Kissinger has been so much in the limelight that he has obscured the achievements he has made in the dark. He is often an outrageous man but he has brought exceptional talent into the department. He has set a personal example of hard work and severe intellectual standards in the analysis of policy that have not been seen in Foggy Bottom since the days of Dean Acheson. He has not been kind or even considerate, but he has restored the pride of the department and the Foreign Service, and has even intimidated some members into writing plain and understandable English sentences, an astonishing achievement!

The Kissinger Policy Planning Staff illustrates the point. Maybe it distorts the point, for this is where he has cut across the State Department Establishment, brought in the young, given them the task of defining the problems and concepts of the future, and—a new role for Policy Planning—making the first drafts of his speeches.

The Director of Policy Planning now is Winston Lord, who was Kissinger's special assistant at the National Security Council in the White House, '69–73. Age 37, Yale, policy planning at Defense, '67–69, Foreign Service officer, senior adviser on China, adviser on Kissinger's public statements, married to a lovely intelligent iron butterfly, who was born in China.

Senior Deputy Director on Policy Planning is Samuel W. Lewis, 44, also Yale, also Foreign Service officer and former assistant to Kissinger on the NSC staff at the White House. Special responsibilities: South Asia, Latin America, Middle East and Africa.

Deputy Director: Reginald Batholomew, age 38, Dartmouth, former lecturer at Wesleyan University and University of Chicago, former director policy plans and NSC affairs Department of Defense. Special responsibilities: Europe, East Asia, political and military affairs.

Staff Director, NSC Under Secretaries Committee: Wreatham, E. Gathright, 49, Vanderbilt University, Special Assistant to Kissinger for Atomic Energy and Outer Space Affairs, science and technology in general, including technological relations abroad.

Also, Peter B. Swiers, age 36, Fordham University, Foreign Service officer, former Chief Consular Section Moscow embassy, former staff assistant to Averell Harriman. Also, staff assistant to Winston Lord, Daniel T. Hickey, age 34, St. Joseph's, Foreign Service officer, former economic officer in U.S. Embassy in Venezuela and Mexico.

There are, in addition to these, 24 other members of the Policy Planning Staff, ranging in age from Lawrence M. Mead, 28, from Amherst, who helps write Kissinger's speeches, poor man (they often go through more than twenty drafts before Kissinger rewrites the whole thing) to Richard B. Finn, age 57, an expert on East Asia, out of Harvard.

This is quite different Policy Planning Staff from the days of George Kennan. Like everything else now, it is much bigger—around thirty members as compared with Kennan's eight or ten—and dealing with many more things.

It has experts on air power (Lt. Col. B. Conn Anderson Jr., West Point, age 41, professor at the Air Force Academy and the National War College); advisors on science (Harry C. Blaney, age 36, Allegheny College, London School of Economics, former assistant to Pat Moynihan in the White House); information officers (Douglas Pike, age 50, California, former P. R. officer in Vietnam).

You name it and Policy Planning now has it, and it's so large that Mr. Kissinger, who hates big meetings, seldom meets with it. But he has changed in the last few months. He now has breakfast at the State Department at 7:30 in the morning, and has a staff meeting once or twice a week, when he's around, with his Under Secretaries and Assistant Secretaries, and Winston Lord, his Policy Planning Director.

The talent has been here at State for more than a generation, unused and uninspired. Mr. Kissinger has been very tough on it, but he has nourished it and brought it alive again, and in the end, this may be one of his most important achievements.

A PROPOSAL TO ASSIST THE HOUSING INDUSTRY—STATEMENT ON S. 587

Mr. HOLLINGS. Mr. President, although there are some indications that long-term interest rates may be leveling off and there is some hope that they may be falling in the near future, there is still a vital need to be concerned about the dampening effect of interest rates on the housing industry. Interest rates on conventional home mortgage loans in November 1974 were 9.27 percent on new homes and 9.58 percent on existing homes.

A brief look at the housing industry reflects the impact of a depressed economy—which is in the worst recession since World War II. The overall unemployment rate in January reached a high of 8.2 percent with more than 7½ million persons out of work in a labor force of 92 million. In the construction industry the recession has been even more pronounced: 15 percent of the workers in contract construction were unemployed in January 1975 with 634,000 construction workers unable to find jobs. Homebuilding, a major segment of the construction industry, was operating at less than half of capacity at the start of 1975.

Housing starts in December 1974 fell 12 percent to 868,000 from November's 990,000 unit seasonally adjusted annual rate, an 8-year low. Building permits plummeted sharply to 802,000 in December, possibly foreshadowing a still lower starts figure in the near future. Sales of new homes were at a 429,000 unit annual rate in November 1974 with approximately 405,000 units of unsold homes at the end of this period. This means that while housing starts are down, there is still a large backlog of homes needing permanent financing.

One reason for the large inventory of unsold homes and decrease in housing starts in addition to high interest rates is the high cost of new homes. Prices have skyrocketed in the last few years; the median price of a new home sold in 1974 was $36,000 compared with the median price of $27,000 for a home in 1972. Mortgages in the $30,000 range were beyond the means of four out of five families.

And finally, the withdrawal of Federal support from subsidized new construction has caused a further abatement in the housing industry. In calendar year 1974 fewer than 150,000 subsidized units for low- and moderate-income households were started compared with annual levels of more than 400,000 in 1970 and 1971.

Under these circumstances, S. 587, a bill to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources, was introduced by me on February 5, 1975. The bill would provide a Government subsidy for FHA and VA mortgages for a limited period of time to middle-income families who purchase homes. The subsidy would bring mortgage interest rates down to 7 percent from the going market rate for the first 3 years during which a family occupies a dwelling unit and up to one-half of such subsidy amount during the fourth and final year.

Eligible borrowers include families whose incomes do not exceed 120 percent of the median income for their areas or approximately $15,600 to $21,600 income with adjustments for smaller or larger families. At least 80 percent of the assistance would have to be for newly constructed or substantially rehabilitated units, the remainder for existing houses. One-family units in condominiums and units in cooperatives as well as single-family houses are eligible but the purchase price cannot be higher than $38,000. Preference for financial assistance is to be given to units possessing certain land and energy conservation characteristics. The bill also authorizes payments up to $650 million a year for 2 years subject to actual amounts approved in appropriation acts. The program would be administered by the Department of Housing and Urban Development.

In 1975 there are indications that mortgage interest rates are likely to range somewhere between 8½ and 9 percent. Under S. 587 the mortgage interest rates are subsidized down to 7 percent for the home buyer. It can be estimated that if one assumed a $33,000 mortgage with a repayment period of 30 years the monthly mortgage payment at an interest rate of 9 percent would be $265; at 8½ percent it would be $254. However, at the subsidized rate of 7 percent, the mortgage payment is reduced to $220 a month.

The interest subsidy would also have an impact by reducing the necessary income to purchase a home. If a family were to be paying 20 percent of its income for housing, under this program it would need an annual income of only $21,000 as compared to $23,700 at a 9-percent interest rate. With 25 percent of the family's income spent on housing it would need an income of $16,800 as compared to $18,960 at 9 percent. The subsidy reduces the required income by approximately $2,200 to $2,700 a year, since all other housing expenses would remain the same—see table 1. Thus, this program would enable millions of additional families to become income eligible to purchase homes.

Mr. President, I ask unanimous consent to have a table printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—REQUIRED MONTHLY PAYMENTS AND INCOMES AT VARIOUS RATES OF INTEREST

[Price: $36,000; mortgage amount: $33,000; repayment period: 30 yrs]

Required payments (per month)	7 percent	8½ percent	9 percent
Principal and interest	$220	$254	$265
Hazard insurance	10	10	10
Heat and utilities	50	50	50
Property taxes	50	50	50
Maintenance and repairs	20	20	20
Total	350	384	395
Required income at housing expense/income ratio of—			
20 percent	21, 000	23, 040	23, 700
25 percent	16, 800	18, 432	18, 960

Mr. HOLLINGS. Mr. President, the bill would also provide additional housing units. Assuming a 9-percent market rate, the required subsidy per year would be $540 per family. Under the proposed funding level for the bill—$650 million per year—1,204,000 families could be assisted. If the market rate were 8½ percent some 1,593,000 families could be assisted. The cost of subsidizing each family would be $408.

The bill would make homeownership possible for many people who now cannot qualify for market rate mortgages. In addition, it would move a large part of the unsold housing inventory that is priced at $38,000 or less and meets the land and energy conservation objectives of the proposed bill. Finally, it is predicted that the program will create thousands of jobs in homebuilding, building supply manufacturing, home furnishing, and consumer durable goods.

There are some who argue that this program will help people with above average incomes rather than lower income families. In the first place, one of the major purposes of this bill is to provide additional assistance to help homebuilders and home buyers over a critical period of deepening recession and the threat of more inflation.

In the second place, this argument would have validity if there were no other programs of assistance for lower income families. One possibility that has been suggested is to reinstate the sections 235 and 236 programs which are directed to families with incomes between $5,000 and $10,000. H.R. 804, introduced by Congressman CLAUDE PEPPER, is a bill designed to reinstate these programs. Finally, the new section 8 leasing program authorized by the Housing and Community Development Act of 1974 is expected to be a major vehicle for additional subsidized housing for the next several years.

FORD IS ON THE RIGHT ROAD

Mr. HUGH SCOTT. Mr. President, an editorial from "Torch," the Standard Oil Co. bimonthly magazine, credits President Ford with taking the right steps in dealing with the energy crunch. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FORD IS ON THE RIGHT ROAD

President Ford's comprehensive energy package gives evidence that the nation at last has a plan that promises real progress toward the often-stated goal of energy self-sufficiency.

The President's proposed plan has its drawbacks, but considering the options available, it is the one that makes the most sense.

The key elements of Ford's plan are these:

Impose a three-step tariff on imported oil that will reach $3 per barrel by 1975;

Allow price-controlled domestic "old" oil to seek parity with "new" domestic and imported oil; and

Impose a tax on "windfall profits" that would accrue to oil companies as a result of higher prices.

What we like most about Ford's plan is that it courageously faces up to the fact that there are no easy, four-lane highways leading to self-sufficiency. All the roads leading there are bumpy ones. But we believe that the one chosen by the President is the most direct route, with the fewest bumps.

For example, if you accept the fact that we must reduce reliance on foreign oil, there are really only two routes that policy makers can choose from. The first is the one we've been following, and it has led us nowhere. It is a meandering course which ignores simple laws of supply and demand in an effort to attain the politically popular goal of keeping prices down through a plethora of controls, pricing mechanisms, entitlements, and other horrors. But economic reality suggests that if you keep prices down you also curb domestic production and sustain high demand—which means that road will never lead us to energy self-sufficiency.

The other road, the one that Ford has chosen, is also bumpy. It relies on the market mechanism to set the price of oil—which means that the price of oil will rise. But by letting the price rise, demand will shrink enough to hold imports down, while at the same time, incentives can be provided to produce more oil domestically. Eventually, that road will lead us to self-sufficiency.

But along the way there will be some painful chuckholes and dangerous curves. Rising prices will work a hardship on lower-income people, for one thing. Then, too, there is the matter of the so-called "windfall profits."

WINDFALL PROFITS AND TAX RELIEF

President Ford has correctly recognized that decontrol will result in a situation where some producers of "old" oil will have a potential of receiving close to $7 more per barrel. In view of the fact that the role of profits in a free-market economy seems little understood by the public, Ford is astute enough to know that such increases would result in the politically explosive charge that oil companies are realizing "windfall profits." Thus the President's program includes a proposal to impose a tax on these profits.

But in imposing this tax, the President and the Congress should also consider the need to improve incentives to increase domestic supplies. As now proposed, the tax also would apply to "new and released" domestic crude oil, now selling in the free marketplace at prices of $11 to $12 a barrel. The oil producer's tax bill on this fraction of his production would actually increase by close to $3 per barrel under the Administration plan, and his receipts would shrink by a corresponding amount.

So a "typical" oil producer with 40 per cent of his production now selling as "new and released" oil could find that his net revenues—after paying all his federal taxes—have dropped by some 60 cents to 70 cents a barrel. In effect it would penalize the oil producer who has been the most ambitious and successful in his efforts to expand domestic production. Which means, of course, that it would defeat a major objective of the President's bill—to increase domestic supplies.

There is a way around this, however. By including a "plowback" provision as part of the windfall profits tax, the necessary incentives could be provided to oil producers while, at the same time, true excess profits would be channeled back to the public treasury. This provision would give credits against the tax for expenditures made to expand exploration, production, refining, transportation, and other activities related to increasing domestic supplies. Credit would not be given for investments not directly intended to expand domestic supplies, nor would the credits add to a company's ability to pay higher dividends or divert cash to other activities.

In effect, the plowback provision would permit the petroleum industry to invest up to the maximum in the manpower, materials, and equipment needed to increase domestic supplies. All additional profits not committed to this end would be retained by the U.S. Treasury, which could, in turn, channel them into programs of tax relief for lower-income people hardest hit by rising energy prices.

TARIFF VS. INCREASED EXCISE TAXES

Among the alternate proposals to President Ford's plan to impose a three-step tariff on oil imports—and an excess profits tax on domestic crude—is one to sharply increase the excise tax on motor gasoline. The problem we have with this proposal is that the burden of the tax would be borne mostly by passenger vehicles. Motor gasoline accounts for less than 40 per cent of the total U.S. petroleum demand, and passenger cars account for 70 per cent of this demand. We estimate that to achieve a million-barrel-a-day reduction in demand would require an additional tax on these motorists on the order of 50 cents a gallon.

Proponents of the gasoline tax seem to assume that most driving done in this country is purely for fun, and it is the higher-income people who do it. On the contrary, 80 per cent of current gasoline demand comes from motorists who must use their cars to reach places of employment, schools, hospitals, and similar destinations. Moreover, studies have shown that in many sections of the nation, lower-income people are more dependent on motor-vehicle transportation than are the wealthy. It's clear to us that increases in the excise tax on gasoline would weigh most heavily on those least able to afford it.

The President's proposed tax on crude oil would spread the burden over all users of petroleum products, including those using industrial fuels and the petrochemicals industry. Industrial fuels account for about 16 per cent of current petroleum usage. And unlike motorists, factories and other users of industrial fuels—in many instances—have the capability of switching to alternate fuels—such as coal—when given the incentive to do so.

We recognize that a tax on fuel oil could work a hardship on those whose homes are heated by oil. About a fourth of American homes use this fuel, accounting for roughly 9 per cent of total demand. But the President has already indicated the possibility of giving special allowances to those sections of the country (notably New England) that are particularly dependent upon this fuel.

The probability also exists that the broad-based crude-oil tax would have less of an adverse effect on the already depressed automobile industry than would a gasoline tax. And the goal of stimulating small-car (vs. large-car) sales could be accomplished more readily through the imposition of a "vehicle efficiency tax" that takes into account vehicle weight and engine displacement.

In short, the President's proposed three-step tariff on imported oil would be more equitable than a gasoline tax, it would be more easily administered and, perhaps most important, it would work almost immediately to cut demand.

WHAT ABOUT GASOLINE RATIONING?

Adopting gasoline rationing as an alternative to President Ford's program would be another journey down that road of government controls that leads to nowhere. Proponents of rationing contend that this measure will conserve energy by curbing discretionary driving and, at the same time, it will be an "equitable" solution to the energy shortage because it will keep gasoline prices low and thus will not impose an unfair burden on low-income people.

Restraining prices is, of course, a politically popular position. But it ignores the reality that prohibiting domestic prices from seeking world parity discourages domestic exploration and production efforts. This is hardly the route to follow if the nation is really serious about attaining energy self-sufficiency.

But laying the matter of self-sufficiency aside, there are serious flaws in the reasoning that gasoline rationing would be "equitable." Take the matter of discretionary driving, for example. Gasoline-rationing proponents—like those who propose a gasoline tax—are assuming that most of the driving done in this country is done by rich people in gasoline-eating monsters on their way to and from leisure-time activities.

As we've said before, this is simply not the case. Most of the driving in this country is to and from work or schools in areas where public transportation is not available. And a large percentage of the people who must drive to and from work are low-income people, who, by the way, are much more likely to be driving those gasoline-eating monsters.

But let's suppose that a system of rationing is imposed. This presumably can be done only in one of two ways: by issuing rationing coupons or tickets that are non-transferable—that is, each person receiving them would be stuck with his or her allotment (nine gallons a week has been proposed); or, the tickets can be transferable—that is, those who need extra tickets can buy them from those who don't need them. If the tickets were made non-transferable, millions of people who rely on their cars to get to work couldn't get there. If they were made transferable, these same people would be forced to dig into their pockets to buy additional tickets, which might well bring the total cost of rationed gasoline to a level equal to or exceeding unrationed gasoline.

One way around this problem, say the gasoline-rationing proponents, is to make the tickets non-transferable, but to parcel them out on the basis of need. This is a variation of the old World War II rationing system, where A stamps were issued to those who drove only for "fun," B stamps were issued to those who could prove more of a need, and so on down the line.

But how do you determine need? By setting up rationing boards all over the country. This, of course, is distressingly similar to the World War II setup which, even in a time of patriotic fervor, was conspicuous by its failure. Aside from the wholesale cheating, hoarding, and blackmarketing this program caused, the enormous federal bureaucracy that was created to administer the program and staff the rationing boards imposed a heavy tax burden on the citizenry.

And therein lies the final irony of gasoline rationing. Instead of shifting the burden of energy conservation from lower-income to higher-income people, the real income transfer would be, as the *Wall Street Journal* put it, "from the motorists to a new army of bureaucrats."

WHERE DO WE GO FROM HERE?

As these words are being written, President Ford's energy package has already run into heavy flak from Congress. By the time you read these words, much of the President's program may have been shot down or substantially altered. And there may indeed be other proposals that can do the job more efficiently and at lower cost.

But if there are better programs, we have not seen them. Most of the alternative proposals are rehashes of programs that take us down that meandering road of added government controls that lead to nowhere.

President Ford has offered us no painless solutions to the energy shortage because there are none. But he has proposed a total program which deals with the twin problems of energy conservation and increased supplies—a program in which individual components are logically and coherently meshed.

And if we ever attain the goal of self-sufficiency, it will be because we have traveled the bumpy, sometimes painful, but nonetheless certain road that a program such as President Ford's has put us on.

THE ROLE OF CONGRESS

Mr. BIDEN. Mr. President, it has been clear for some time now that the Congress is in the midst of a reassessing—and reaffirming—the proper role the legislative branch is meant to play in American Government.

The signs of this reaffirmation are all about us. To cite but a few examples:

The War Powers Act, now law, places limitations upon the President's authority to commit American forces abroad without the consent of Congress.

The Senate has passed, and will undoubtedly pass again this year, legislation imposing the first comprehensive limitations upon the President's use of statutory emergency powers in the wake of declarations of "national emergency."

To better cope with Federal spending priorities, Congress has now established its own Budget Committees, and a congressional budget office to provide those of us in the legislative branch with the same kind of expertise enjoyed by the Executive.

These are only a few examples of concrete efforts Congress has taken to better equip itself to deal with problems faced by this Nation.

Sad to say, however, much more needs to be done. I have long been a critic of congressional inaction, and I must confess that we in the legislative branch have had only ourselves to blame for the overwhelming growth of the Presidency. Despite the hopeful signs I listed above, Congress still has much to do before it can truly be said the legislative branch is a co-equal of the Presidency.

One of the things that I think needs to be done, as part of this long-range effort, is to educate the American public to what the Constitutional role of Congress really is under our Government. We have become so used to Presidential decisionmaking—with splashy headlines and the ever-present aura of immediacy—that we often forget that Congress is here to legislate, and good legislation involves deliberation, compromise and careful weighing and sifting of facts. Rarely is good legislation produced in a hurry.

Mr. President, I was pleased to read an article in the February 14 edition of the Washington Post by Spencer Rich which, in some detail, lists the many accomplishments of Congress. I think this is a pertinent analysis of the situation, and I ask unanimous consent, Mr. President, that Mr. Rich's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Congress Has Led in Major Programs

(By Spencer Rich)

Although it is fashionable to declare that Congress by its very nature lacks the capacity for leadership on national issues, the fact is that many of the most important national programs and policies of recent years have been initiated on Capitol Hill and forced on an unwilling President.

In recent days President Ford has accused Congress of obstruction, of delaying presidential initiatives without developing programs of its own. And, to be sure, Congress moves slowly, possesses an unbelievable capacity for quibbling and political showboating, argues an issue and chews it over 100 times before digesting it, compromises on everything, makes backroom deals and takes numerous undeserved vacations.

But despite all these failings, it is Congress and not the White House that has initiated and nurtured:

Medicare.

Social Security disability insurance.

Pension reform.

The 18-year-old vote.

Political campaign reform.

Clean air and auto-pollution controls.

The Indochina war cutoff.

Key laws against dangerous chemical additives in foods.

Consumer product safety and warranty laws.

Much of the landmark civil rights legislation that Lyndon B. Johnson pushed to passage when he became President.

Major Social Security benefit increases.

Still-to-be-passed proposals for no-fault auto insurance and for a federal agency to argue the consumer position before rulemaking agencies.

Mandatory auto safety standards.

Major investigations of gangsterism, labor racketeering, the drug industry and multinational corporations.

Recent improvements in food programs for the poor and in the minimum wage.

Congress leadership was demonstrated in the way the Senate Foreign Relations Committee, headed by then-Sen. J. W. Fulbright (D-Ark.), publicly took up the antiwar cause as early as 1965, gave it publicity and respectability through hearings, uncovered covert military operations elsewhere in Indochina and exposed the inconsistencies in the White House's reports on the Gulf of Tonkin incident.

The committee's activities played a large role in crystallizing public opinion against the war.

This, in turn, helped press both Johnson and Richard M. Nixon to seek a negotiated end, and to brake escalation of the U.S. military effort. In 1973 Congress legislated a flat cutoff of all U.S. military combat activities in Indochina.

The evolution of Medicare—federal medical insurance under Social Security for persons over 65—is another illustration of congressional initiative.

In 1957 a Rhode Island congressman on the Ways and Means Committee, Aime J. Forand (D), sponsored a Medicare bill with the backing of the AFL–CIO and medical and welfare groups. The Forand bill won Senate sponsorship from John F. Kennedy (D-Mass.), but was opposed by the Eisenhower administration and by the 1960 GOP presidential nominee, Nixon. Congressional Democrats pressed it, however, and Kennedy made it an issue in his 1960 presidential campaign. It was enacted in 1965.

Pension reform is another good example. It was pioneered in Congress by Chairman Harrison A. Williams (D-N.J.) and senior Republican Jacob K. Javits (R-N.Y.) of the Senate Labor Committee, faced strong opposition from the White House on many major safeguards, but finally was passed despite continued White House misgivings.

The 18-year-old vote had broad support, but the White House under President Nixon wanted it accomplished by a constitutional amendment, which would have taken years. Sen. Edward M. Kennedy (D-Mass.) had the idea of attaching it to a 1970 bill extending a major civil rights law. Majority Leader Mike Mansfield (D-Mont.) took up the thought and engineered a successful Senate vote, the House accepted it, and the President—after some hesitation finally signed it.

Kennedy and Senate Minority Leader Hugh Scott (R-Pa.) were also the chief advocates of public financing for presidential elections, enacted by the last Congress despite White House opposition. And it was Kennedy who, a year ago, initiated the drive for tax cuts to stimulate the economy, which has now been endorsed by everyone, including the White House.

The consumer protection agency bill, drawn from an idea first espoused by the late Sen. Estes Kefauver (D-Tenn.), became a serious proposal in 1969, when Rep. Ben Rosenthal (D-N.Y.) and Sens. Abraham A. Ribicoff (D-Conn.) and Warren G. Magnuson (D-Wash.) put the idea in its present form and started a campaign for passage. White House opposition and business-backed filbusters have killed it so far, but enactment by this Congress appears likely.

In sum, Congress was designed by the Founding Fathers to operate slowly, with deliberation and with compromise, and it is not structured to rush controversial proposals through smoothly. But it gets a lot of input from the public, and its stumbling, brooding deliberations often result in important new ideas and initiatives unconceived by a President, despite all his direct power and advisers.

PROPOSED PRISONER EXCHANGE WITH CUBA

Mr. HASKELL. Mr. President, as my colleagues may be aware, there have been several recent reports indicating that Cuba has offered to exchange Larry Lunt, who has been incarcerated in a Cuban prison since 1965, for Lucinda Lebron, a Puerto Rican nationalist who has been in jail in this country since 1954.

Dr. John Lunt, his brother, is a neighbor of mine in Colorado. Because of my personal friendship with the Lunt family and my high regard for them, I have been actively involved in attempts to convince the State Department to accept the terms of the prisoner exchange.

On January 23, I wrote Secretary of State Kissinger requesting his intervention in this matter. The Secretary has this matter under consideration at the present time. It is my sincere hope that my colleagues will join me in this humanitarian effort to effectuate the release of Mr. Lunt.

THE PROPOSED CHANGE IN RULE XXII

Mr. GOLDWATER. Mr. President, the Republicans have recently returned from their Lincoln Day recess across this country and I first would like to thank the leadership for having arranged this—although we cannot be very thankful to them for having rescinded it, when we were about to embark on long scheduled meetings. I can well understand the concern of the leadership about criticism coming from across this country relative to Congress not seeming to be working at the problems of the country. I really believe if we explained to the people how Congress works, especially a new Congress, they would better understand the reasons that we have periods of rest, like Lincoln Day, Easter, Fourth of July, and so forth.

While I am not certain, I believe that I speak for a good number of my colleagues who, in view of the recent cancellation of the announced Lincoln Day recess, are wondering just what will be done about the coming periods of nonlegislation. Are we to have an Easter recess, a Memorial Day recess, a Fourth of July recess and are we going to have the month off this summer that has been promised us? I do not think any of us are particularly demanding of these periods of rest, although they come as very welcomed gestures, because if there is work to be done we must stay here and do it. But I think in all fairness to the entire Senate that the leadership should immediately tell us what their new plans are for any possible recess changes.

Knowing that within a few days there will probably be filed a cloture petition to bring rule XXII to a vote, I have asked that a study be undertaken on this matter by the Republican policy committee. It is completed up to the Lincoln Day recess. All one has to do to get the up-to-date accurate figure is to add those few hours that we were in session during that period. As I mentioned on the floor last year, I recognize the legality of filing a petition for cloture at anytime, but I do think it would be in better keeping with the spirit of the Constitution and rules of the Senate if we at least had some debate before the cloture petition was filed. If there has been a filibuster on this rule XXII matter, there is a new meaning of the word, in as much as I have not noticed anything taking place that would fit the description of "filibuster" used in other Congresses that I have served in.

Mr. President, I ask unanimous consent that this study be printed in the Record.

There being no objection, the study was ordered to be printed in the Record, as follows:

U.S. Senate,
Republican Policy Committee,
Washington, D.C., February 19, 1975.

To: The Honorable Barry Goldwater, 427 Russell Senate Office Building.

The following facts pertaining to Rule XXII are provided in question and answer form.

1. Q. When did the present proposed change to Rule XXII come up?

A. (1) Resolutions have been introduced in each of the past seven Congresses (87th–93rd) to reduce the number of Senators required for Cloture from two-thirds to three-fifths. Various other efforts to reduce the required two-thirds majority have also been made.

(2) The change to Rule XXII presently being considered was introduced on the first day of session of the 94th Congress Tuesday, January 14, 1975 (Temp. Record Page No. S–10).

2. Q. How many days and hours have we been in session since?

A. Twelve days, for a total of 51 hours and 4 minutes (January 14 through February 5).

3. Q. How many days and hours could we have been in session (assuming a norm of 5 hours)?

A. Excluding Saturdays, 17 days: 85 hours.

4. Q. How many days and hours have we spent on Rule XXII?

A. The subject has come up on the following days:

Day and approximate time spent:
January 14, 3 minutes.
January 16, 2 minutes.
January 17, 4 hours.
January 21, 4 hours.
January 23, 3 hours.
January 30, 5 minutes.
February 3, 15 minutes.
Total, 11 hours and 25 minutes.

Very respectfully,
Edward L. Beach,
Staff Director.

EQUAL TIME REQUIREMENTS OF BROADCASTERS

Mr. HUDDLESTON. Mr. President, I am pleased to cosponsor with the distinguished Senator from Rhode Island (Mr. PASTORE) S. 608 which he introduced on Friday, February 7. As my colleague indicated, this legislation, if enacted into law, would relieve broadcasters of the equal time requirements of section 315 of the 1934 Federal Communications Act as these requirements apply to candidates for the offices of President and Vice President.

With the 1976 election year rapidly approaching, the need for this measure becomes more and more apparent.

If the public is to become aware of the views and positions of the candidates it is to choose from, it must have easy access to information on these candidates.

An enlightened electorate exercising its balloting rights and responsibilities lies at the heart of a democratic system. And, the failure to exercise those rights or to exercise them in an uninformed manner represent the greatest threats to that system. Thus, it would seem incumbent upon us to use the best means at hand to disseminate information and encourage a dialog over the pending issues, as the pending bill would do.

Another factor which must be taken into account is the likelihood that a number of splinter party candidates will participate in the upcoming Presidential race. If broadcasters are forced to comply with section 315 and grant all candidates equal time, they may simply not grant any time. As a result, majority candidates—those most likely to win—could be deprived of substantial amounts of air time in which they would be allowed to state and defend their positions on the issues of the day.

Finally, we cannot fail to consider the very happy prospect of reduced campaign expenditures for the candidates should S. 608 become law.

When a similar piece of legislation, Public Law 86–677 was enacted to suspend section 315 for the 1960 election, many contended that there would be risks to the Nation because of this law. Mr. Frank Stanton, the then president of the Columbia Broadcasting System, made the following statement regarding these contentions in oversight hearings held by the Senate Commerce Committee on the implementation of Public Law 86–677:

> The answer is, it seems to me, that the whole democratic idea—is shot through with risks. But democracy is not just a political system—it is an act of faith, a commitment to the proposition that, given enough interest and information, the people are better equipped to govern themselves than anyone is to rule over them.

An educated electorate is no less necessary now than in the past. In fact, with the wide-ranging questions we now face, it is more necessary.

As of late, we have heard much talk of an "open" government. Enactment of this legislation would certainly be another step toward that goal.

I urge the Senate to move expeditiously on this measure.

A NATIONAL FOOD AND AGRICULTURAL POLICY

Mr. HUMPHREY. Mr. President, in the last few weeks a number of significant articles have appeared in the press which together point out the need for the development of a sensible and coordinated food and agricultural policy.

"The New Politics of Food Aid," Washington Post; "London Conference To Discuss System of Grain Reserves," New York Times, February 9; "Agencies Critical of U.S. Food Aid," New York Times, February 16; and "Farmers 1975 Crop Decisions Anxiously Awaited," New York Times, February 11, discuss grain reserves, likely food supplies and food aid.

It is clear to me that these subjects should not be considered in isolation. However, to date this administration has refused to face up to the need for coherent planning. Decisions have been made on an ad hoc basis.

It is most unfortunate that the administration has not been willing to come to grips with the issue of domestic food reserves. And yet our representatives met in London to discuss an international reserve program.

Our food aid program was debated for over half of the fiscal year, and now it is unlikely that the target level can be met because of the large volume which must be moved in a short period of time.

Now the administration is beginning its annual game of guessing what farmer planting acreages will be, and, of course, the weather is another major unknown.

At the same time, we are told by Secretary Butz that target and loan prices should not be raised, so that if we have a bumper harvest prices will plummet and farmers will be ruined.

This is hardly a way to handle a national asset.

Mr. President, I ask unanimous consent that these informative articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From The Washington Post, Feb. 13, 1975]

THE NEW POLITICS OF FOOD AID

The Ford administration, often belabored as hard-hearted and stingy in the matter of food aid to foreign friends, is actually—almost despite itself—producing a record worthy of considerable praise. As recently as last November, a lot of people in and out of Congress were publicly excoriating the President for his reluctance to raise food aid this year from three million tons to four million tons. The difference was substantial when set against a world food deficit estimated at that time at 7.5 million tons. The figure of an extra million tons had also taken on an undeniable political and symbolic significance, as round numbers sometimes do. A million tons of food can provide 10 million people a subsistence diet if the local harvest has failed. In any event, Mr. Ford was saying no.

Now, however, a decision has been announced in the fine print of the new budget—to ship upwards of five million tons of food in fiscal 1975 under P.L. 480, commonly known as Food for Peace. By dollar value, the figure is to be $1.6 billion, as against $962 million in 1974. For 1976, the projected total is $1.3 billion.

The most interesting part of the increase from a Washington point of view is the last $178 million. It emerged from an executive-congressional grinding operation which has become the distinctive feature of the new politics of food. Only in the last year or two has Congress as a whole taken enough interest in issues of food to try to share policy control with what might be called the political-agricultural complex—the coalition of bureaucrats and producers who have determined the disposition of America's farm "surpluses" over the past generation.

Late in 1974 Congress decided that the administration was sending too much Food for Peace to political clients such as South Vietnam and Egypt and not enough to hungry people in such places as the African Sahel and South Asia. So it said, in legislation, that political favorites could receive no more than 30 percent of supplies distributed under that part of Food for Peace which was *sold* on easy terms. (The other and smaller part is *given* in dire emergencies.) That left the administration with not enough food, in its judgment, to meet political objectives. To make the 30 per cent political slice stretch farther, the administration agreed to increase the amount of the food available in the program as a whole.

This is obviously not a solution which can be emulated year after year. It probably only worked this year because the administration had other reasons—in particular, a desire to help prop up falling American farm prices—to buy additional food from American farmers to distribute cheap or free abroad. There is a large and so far unfilled need for the kind of improved government-wide planning and coordination that would give foreign consumers a better idea of what level of supplies they may expect. Still, it was a pretty neat political deal. The administration on one side and Sens. Hatfield and Humphrey on the other deserve credit for working it out.

The future of food aid, then, is far from assured. For one thing, Earl Butz remains Mr. Ford's Secretary of Agriculture, and he continues to fear that Food for Peace supplies, though they may feed hungry people, tend to depress local agricultural production and to distract governments from concentrating more sharply on growing more food of their own. Nor is the administration certain that hard-pressed American consumers will agree that the humanitarian and political values of food aid are sufficient to offset the inflationary impact of taking Food for Peace supplies off the American market to be sent abroad. Here, to be sure an administration also concerned with bolstering falling farm prices bumps into itself coming around the other way. This is only to say that food aid, while it may sound simple and "humanitarian," is a thoroughly political issue, indeed.

[From the New York Times, Feb. 16, 1975]

AGENCIES CRITICAL OF U.S. FOOD AID—RELIEF OFFICIALS SAY DELAY IN ADMINISTRATION'S PLAN JEOPARDIZES DELIVERIES

(By Kathleen Teltsch)

UNITED NATIONS, N.Y., February 15.—Spokesmen for private relief agencies say the Ford Administration took so long to decide on increased food aid to needy countries that delivery of a substantial share of the supplies is in jeopardy.

The bulk of the $1.6-billion food program announced in Washington on Feb. 4 is to be sold on reduced and easy payments to needy countries under Public Law 480, better known as the Food for Peace program.

However, a smaller but still substantial share, reported to be about $395-million, is to be donated to United Nations aid agencies and private voluntary organizations such as CARE and Catholic Relief Services.

SHIPPING AT ISSUE

Spokesmen for those private relief agencies say they now doubt they will be able to provide the shipping facilities needed to move the donated supplies before June 30, when the program budgeted for the fiscal year lapses. They also see problems in gearing up distribution networks abroad for the increased food offered, only to face uncertainty four or five months later about how they will keep up programs such as food for schools or food for work.

"We have been pounding on tables and shouting for months and even now we have not been advised how much and when we will be distributing supplies in the next few months," Leon Marion, executive director of the American Council for Voluntary Agencies, said in an interview.

CARE and Catholic Relief, two of the council members, usually handle 93 per cent of the supplies given for private distribution. In 1972, a peak year of distribution for the agencies, they handled most of the 1.7 million metric tons provided free by the United States Government, but with food supplies tighter in recent years they have scaled back to half their former levels and phased out a number of operations.

OFFICIALS SUPPORT COMPLAINTS

The complaints from the private agencies are supported by some officials in Washington and by Senator Hubert H. Humphrey, Democrat of Minnesota, and others who had criticized the Administration for not announcing its intentions at the time of the World Food Conference in Rome in November.

"Aso one of the authors of the Food for Peace legislation, I am concerned at the impact of the administration's late decision on food aid levels for this year," Senator Humphrey said. He also objected that the private agencies were being asked to make expanded efforts now without any certainty about commodity levels after June 30.

But Daniel E. Shaughnessy, associate coordinator of the Food for Peace program, termed the complaints of the private agencies somewhat exaggerated. He said that "anything programmed in the next 60 days will be moved easily by June 30." He estimated $195-million in food help would be distributed by the private groups.

LESS OPTIMISM ON SALES

No such optimistic forecasts were made, however, about the prospects of delivering wheat, rice and other commodities offered on concessional terms to Governments.

Under this part of the program the Administration had sought between $449-million and $516-million for a group of favored countries: South Korea, South Vietnam, Egypt, Syria, Jordan among them. In December Congress restricted such commitments so that 70 per cent of all food aid would go to countries on the United Nations' list of the 33 countries most seriously affected by economic crises.

Criticisms of the Administration's present policies on food aid will be heard Tuesday at hearings of the Senate Committee on Agriculture and Forestry, when administrators of the private agencies are due to testify. A number of them intend to argue for longer range programing, which will permit them to plan ahead for several years—a recommendation also made at the Rome conference.

[From the New York Times, Feb. 11, 1975]

Farmers' 1975 Crop Decisions Anxiously Awaited

(By H. J. Maidenberg)

These winter days may be a relatively easy time on the nation's farms, but it is also a time of critical choices for farmers, most of them smarting from rising operating costs and weakening commodity prices.

One choice farmers have made, according to a Government survey, is that they will again plant from fence to fence this year. There will be no payments for idle land as in the past.

Washington and the commodity trade still want to know what crops framers will sow this spring and how much they will spend on fertiilizers, herbicides and insecticides.

The answers will directly affect consumer food costs even before spring plowing because planting intentions will raise or lower prices for existing supplies of farm products.

VEXATIOUS CHOICES

The choices confronting farmers are particularly vexing today because the first decision of the crop year—made by growers of the vital winter wheat crop—promises to be an economically disappointing one.

Last fall hard red winter wheat sold for $5.50 a 60-pound bushel, and growers invested heavily to expand output by 15 percent to a record 1.6 billion bushels by next July 4, the traditional end of the winter wheat season. By comparison, spring-sown wheat should yield 400 million bushels next fall, according to Government forecasts.

But last Friday the Chicago price for wheat deliverable next July was $3.85 a bushel. Unless domestic or foreign demand quickens or the weather damages the winter wheat crop this spring, the record volume of the bread grain may further reduce prices when the harvest starts in May in Texas and moves toward the Canadian border by late June.

As it is, prices received by farmers in the month ended Jan. 15 fell 1.7 percent from those of the preceding four weeks and 12 percent from the year-earlier levels, the Agriculture Department noted the other day.

At the same time, farmers paid 2 percentage points more for goods and services in January, which was 14 per cent more than in the 1974 month.

Given this situation, all those involved in food production are carefully monitoring farmers' planting intentions for the two major spring crops—corn and soybeans.

The latest Agriculture Department survey of planting intentions showed that many farmers planned to switch from corn to soybeans. Moreover, the survey also showed that many cotton planters also intended to switch to soybeans.

With 90 per cent of corn production fed to livestock and with exports of corn still strong, any drop in output could force up prices for beef, pork, poultry and scores of other foods that result from corn.

DEMAND ABROAD

An example of the export demand came to light when the Soviet Union canceled some relatively small orders for American wheat recently. At that time the Soviet Union stressed it was still interested in buying quantities of new-crop corn, which would be available next autumn, for 1975–76 feeding of its livestock.

The Agriculture Department's report on planting intentions also noted that farmers would give over more acreage to sorghums, which would also be at the expense of corn.

As for soybeans, which are processed into meal for supplemental animal feed and into oil for a multitude of edible and industrial uses, the Government said output this year would be about 8 per cent above the 1974 level.

However, commodity specialists appear dubious about the Government's report on planting intentions. For instance, Cargill Investor Services, Inc., a brokerage company whose parent is the huge grain trading organization of that name, said the other day:

"We conclude that corn is still king in the Corn Belt. We are therefore suspicious of the January acreage intention report, which reflected a decline in corn acreage and an increase in soybean acreage."

Cargill Investor Services pointed out that the average cost of producing a 56-pound bushel of corn was $2.20 and that of a 60-pound bushel of soybeans, $5.86.

The costs are calculated on the investment needed to plant, nourish and protect, and harvest the respective crops—not solely on the yields. For example, the harvest cost of a harvested acre of corn is $30 and that of soybeans, $17, based on 1974 experience.

Another example is fertilizer. An acre of corn requires $43 of nitrogen, phosphorus, potassium and lime. Soybean growers spent $19 an acre for such items last year.

Last Friday the September delivery of corn was quoted at $2.97 a bushel and soybeans at $6.01. Thus a corn farmer could sell his crop for future delivery today at a gross profit of 77 cents a bushel, while a soybean grower would only gain 15 cents if he did the same.

PROFIT DIVERSITY

There are vast differences in costs and potential profits between the two major spring crops.

Basically, an acre of wheat yields 31 bushels; corn, 90 bushels, and soybeans, 30 bushels. One advantage of soybean growers is that they need not use as much fertilizer as corn and wheat planters because soybeans tend to enrich the soil in which they grow. Soybeans may be grown on poorer land, too.

But the price of soybeans reflects both the meal and oil demand. And this demand often shows great variations.

If there is one point on which both Washington and the commodity trade agree in discussing planting intentions, it is that cotton growers in great numbers will switch to soybeans this spring.

This belief may seem strange in the light of superficial calculations on the market return from cotton and soybeans. But it is another example of the reckoning that farmers must make in the next few weeks.

An acre of cotton in the South will yield 480 pounds of lint now selling at 44 cents a pound, or a $211 return on an acre. Soybeans, at a return of roughly $180 on an acre, would appear to be less remunerative.

But new-crop cotton, for delivery next fall, is now quoted at 5 cents a pound below the cost of production, while Southern soybean growers can expect a gross profit of $1 a bushel ($30 an acre) at present prices.

Another factor that is dominating farmers' thinking at this time is the value of money. According to commodity experts, few competent farmers are worried about their ability to borrow for their needs.

"What does bother them," a Chicago banker observed the other day, "is that they are getting less value for their crops because of inflation and, at the same time, more flack from consumers paying higher prices at the supermarket.

"Farmers aren't stupid. They know that more than inflation is inflating prices between their farms and the consumer. After all, they are consumers themselves."

While farmers are working on their spring planting plans, Washington officials are also trying to reckon the consequences of their actions. The Administration must encourage farmers to invest money and effort to produce more to help fight inflation and at the same time struggle to keep the output from depressing export earnings.

Last year, for example, farm exports, at $22-billion, helped pay for agricultural imports of $11 billion—sugar, coffee and cocoa, among other things—as well as half the $18-billion increase in foreign oil imports.

With all this planning by farmers and Government officials, the weatherman may have the last word. A repetition of last year's uncommonly wet spring, dry summer and early frost would nullify the best laid plans of both farmer and bureaucrat.

[From the New York Times, Feb. 9, 1975]

London Conference To Discuss System of Grain Reserves

WASHINGTON, February 8.—Thomas O. Enders, Assistant Secretary of State for Economic and Business Affairs, will head the

United States delegation to a meeting of major grain-producing and trading nations in London Monday and Tuesday to discuss the creation of a "effective worldwide system of grain reserves," the State Department announced today.

The State Department said that "the United States attaches particular importance to these discussions," since it will be the first time this group has met since last November's World Food Conference in Rome. That conference adopted a resolution calling for the convening of such a group.

Besides the United States, other nations to send delegations are Argentina, Australia, Brazil, Canada, Egypt, India, Japan, the Soviet Union, Thailand and the member of the European economic community.

The State Department said that the United States had taken the "initiative in proposing this ad hoc meeting" not only as a result of the World Food Conference resolution but also as a follow up to President Ford's statement at the United Nations General Assembly last fall. At the time, Mr. Ford committed the United States to negotiate an international system of food reserves.

The United States "will be seeking agreement with other major trading nations to attempt to negotiate such a system in future meetings," the State Department said. The United States also will "determine the major elements and problem areas which such negotiations are likely to involve, and to define the relationship of reserves negotiations to other ongoing international discussions, such as multilateral trade negotiations."

THE IMPOUNDMENT DECISION

Mr. BIDEN. Mr. President, for several years now, those of us in Congress and in the Nation have been concerned about the President's power to impound funds appropriated by Congress. Yesterday, we were given at least a partial answer to the question when the Supreme Court ruled unanimously that President Nixon had illegally impounded certain water pollution funds.

I commend the Court for its decision. The Court recognized the doctrine of separation of powers and the fact that Congress clearly intended that those funds be spent.

In a recent article in the Northwestern University Law Review, Congressman ABNOR J. MIKVA of Illinois and Michael F. Hertz analyze the problem of impoundment and its constitutionality. They also discuss the events leading up to yesterday's decision, both legal and political. They conclude, as the Court did yesterday, that there is little constitutional authority for impoundment, especially when done on the massive scale attempted by the Nixon administration.

Although the Supreme Court has ruled on one impoundment case, it would be unrealistic for us to assume that the issue will not come up again. The decision may, unfortunately, not stand as a bar to future impoundments. I think my colleagues and the President of the United States would do well to read the article.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered printed in the RECORD, as follows:

[From the Northwestern University Law Review, July–August 1974]

IMPOUNDMENT OF FUNDS—THE COURTS, THE CONGRESS, AND THE PRESIDENT: A CONSTITUTIONAL TRIANGLE

(By Abner J. Mikva* and Michael F. Hertz**)

If Congress is going to remain a viable institution it must not become a stepchild of the Executive, nor can it allow the President to assume the powers of a divine monarch.[1] No less was at stake than the future of Congress when former President Nixon asserted as "absolutely clear" his right to impound congressionally appropriated funds.[2]

IMPOUNDMENT: ITS NATURE AND ITS DANGERS

The practice of impoundment has affected the lives of millions of Americans.[3] Although impoundment has its roots in the earliest days of the Republic,[4] adverse reaction to the practice is of a more recent vintage. Not until 1971 did the enormity of the impoundment problem become apparent. Then efforts were begun to challenge the action.[5]

The fact that only minor objections were voiced previously is attributable to a number of factors. First, until recently the "impoundment power" has been rarely exercised. In the past few years, however, the Nixon Administration not only exercised the power with increasing frequency, but withheld far more funds than any previous administration.[6] Second, the types of federal programs and projects from which funds were recently withheld are of a different nature than those curtailed by earlier administrations. The vast majority of prior impoundments occurred in the areas of domestic programs, when the threat of war was imminent, and defense projects. It is fairly clear that in the areas related to foreign affairs the President has somewhat greater control than he has over peacetime domestic programs.[7] Furthermore, in regard to military projects, those affected by the cancellation of a project were members of the armed forces, and, as such, were subordinate to the orders of the President. Simply put, those affected by past presidential impoundments were not likely to register objections, whereas those affected by recent impoundments—in most cases beneficiaries of congressional domestic programs—have no obligation to refrain from protesting these actions. Finally, increased opposition to the practice has been aided by recent changes in the judicial attitudes toward the doctrines of justiciability, standing and sovereign immunity.[8] Previously, in those few cases where an individual plaintiff or a local public service agency was aggrieved by a presidential impoundment, there was little that could be done by way of legal action. This has changed dramatically.

Impoundment in its broadest sense includes any type of Executive action which effectively precludes the obligation or expenditure of any part of budget authority.[9] It does not include presidential action which is in strict compliance with discretion vested in the executive branch by the Congress.

Impoundment in any form holds substantial ramifications for our entire system of Government. The Founding Fathers recognized that occupants of public office were prone to abuse power.[10] They separated governmental powers so that each branch would preserve its integrity and resist the encroachment of other branches. This system of checks and balances has been threatened by the unbridled power now centered in the Executive.[11] Impoundment is a raw assertion of this power contravening not only the Constitution but our whole philosophy of government.[12]

In addition to general separation of power considerations, strong policy reasons argue for not allowing the President to impound funds. Despite the admonition that the President best represents the "general interests" of the nation in preventing inflation and keeping taxes down,[13] the appropriation and expenditure of funds must be left where the Constitution places it, namely, in the hands of Congress. Congress represents the people. Citizens aggrieved by the termination of federal programs will find their elected representatives prove more responsive to their protests than appointed officials from the executive branch.[14]

It is unfortunately true that Congress, to a large measure, has acted both irresponsibly and inefficiently as regards national fiscal policy.[15] Indeed, this irresponsibility was used by members of the Nixon Administration to emphasize the need for Executive control over budgetary expenditures.[16] A justification based on this ground is not persuasive either as to law or policy. It fails to consider the role the President's own programs play in the growth of federal expenditures.[17] Further, impoundment of funds does not provide the solution to congressional inefficiency. Good intentions to correct alleged inefficiencies by one branch of the government gives no excuse for extra-constitutional measures by another branch. As Mr. Justice Brandeis once wrote:[18]

"The doctrine of separation of powers was adopted by the Convention of 1787, not to promote efficiency but to preclude the exercise of arbitrary power. The purpose was, not to avoid friction, but, by means of the inevitable friction incident to the distribution of the governmental powers among three departments, to save the people from autocracy."

Recently, Congress has taken steps to modernize and to make more efficient its handling of budgetary matters.[19] Legislation of this nature houses the solution to increased budgetary efficiency. Not only will this legislation help prevent often wasteful impoundments,[20] but it will also shift planning responsibility back to Congress. The efficacy of long range congressional programs is seriously undermined if local agencies, relying on future funds, must question whether the funds will be forthcoming. It is clear that impoundment places intolerable burdens on the role Congress plays in budgetary planning.[21]

Not only do arguments attempting to justify impoundment lack credibility, but they are not the sole reason for such actions. Impoundment is merely a procedure whereby the President can give effect to social goals of his own choice.[22] There is a strong tendency for the President to impound funds appropriated by the Congress for objects that are not given high priority in his budget.[23] These policy impoundments[24] threaten the foundations of our system of government.

This article will examine impoundment from four perspectives. First, the precedent set by earlier impoundments will be reviewed. Second, the problems faced in an action to free impounded funds will be examined with special attention given to the issues now pending before the Supreme Court. Third, the constitutional provisions which question the validity of impoundment will be reviewed. Finally, recent congressional action with regard to impoundment will be noted.

IMPOUNDMENT PAST AND PRESENT

President Richard Nixon responded to criticism that his impoundment actions were illegal by citing numerous historical precedents.[25] Such precedents extend throughout our history. None, however, provide any justification for the recent high level of impoundments.

The practice of impoundment was first em-

Footnotes at end of article.

ployed during Thomas Jefferson's presidency. President Jefferson impounded $50,000 which Congress had appropriated for the construction of a frigate. In 1803, he reported to the Congress that the war ship had not been built because the banks of the Mississippi had become peaceful.[26]

Although other examples of impoundment occurred prior to President Franklin Roosevelt's term,[27] President Roosevelt was the first to employ the practice extensively.[28] President Roosevelt's actions were designed to eliminate expenditures for public works and other non-essential New Deal projects,[29] to keep funds available for projects essential to the war effort and the nation's security.[30]

Every president since Franklin Roosevelt has impounded certain funds to varying degrees. In a highly celebrated incident, President Truman clashed with a Congress when it appropriated funds for a larger Air Force than the President had requested. President Truman did not veto the bill despite his disapproval of this particular provision. Instead he announced: [31]

"I am therefore directing the Secretary of Defense to place in reserve the amounts provided by the Congress . . . for increasing the structure of the Air Force."

Likewise, Presidents Eisenhower, Kennedy, and Johnson impounded funds during their terms. President Eisenhower withheld funds for the construction of superfort bombers,[32] and the ill-advised Nike-Zeus antimissile system.[33] President Kennedy's most notable example of impoundment concerned the RS–70 weapons system (the B–70 bomber). Although Congress authorized 491 million dollars for research, the Kennedy administration built only two prototypes.[34] Although President Johnson, while a senator, denounced presidential impoundment,[35] his administration also withheld appropriated funds.[36] During his tenure there were reductions of $1.1 billion in obligations under the Highway Trust Fund Act, $750 million from housing and urban development, along with cutbacks in agriculture and education.[37]

Whatever the extent of impoundment during previous administrations, however, the amount of funds withheld by the Nixon Administration reached unprecedented dimensions. On February 4, 1974, it claimed to have impounded or delayed expenditure of funds totaling over 11.8 billion dollars.[38] This figure include approximately 1.1 billion dollars for agriculture, 2.5 billion dollars for defense, 3.8 billion dollars for transportation, and 823 million dollars for housing and urban development.[39] The 11.8 billion dollar figure is deceptively low, since the Office of Management and Budget [40] did not include within this figure 6 billion dollars mandated to be allotted in the Federal Water Pollution Control Act Amendments of 1972.[41] With this amount included, the funds withheld total close to 18 billion dollars.[42]

The Nixon Administration argued that this series of precedents created a custom which legitimized the practice of impoundment.[43] This argument cannot stand any sharp scrutiny. All the "historical precedents" before the Nixon Administration's impoundments were of a substantially different nature than the Nixon Administration's actions. Further, as past practices they merely restate the question rather than provide a rationale for its answer:[44]

"Past practices themselves illegal, or of uncertain legality, cannot be presently used to justify the continuation of those very practices."

Statements of the Supreme Court provide little support for the position that questionable past actions legitimize present actions. Justice Frankfurter wrote in his concurring opinion in *Youngstown Sheet and Tube Co.* v. *Sawyer* that:[45]

"[A] systematic, unbroken, executive practice, long pursued to the knowledge of the Congress and *never before questioned*, engaged in by Presidents who have also sworn to uphold the Constitution, making as it were such exercise of power part of the structure of our government, may be treated as a gloss on "executive Power" vested in the President by § 1 of Art. II."

Assuming the validity of the statement, it can hardly be said that the practice of impoundment meets its criteria. Congress has not acquiesced to recent impoundments. Not only has there been much congressional activity directed at restricting the President's authority to impound,[46] but also, in at least one case before the courts, a number of congressmen filed an amicus brief in opposition to the claims of the Nixon Administration.[47] In addition, only recently has the nature of the types of programs from which funds have been withheld changed.[48] There has been no longstanding practice of deferring funds from domestic programs absent specific congressional authority to do so. Furthermore, from the tenor of Justice Frankfurter's statement, it seems apparent that any augmentation of Executive authority would only be recognized in the absence of congressional action on the particular matter.[49] This cannot arise in an impoundment controversy because impoundment by its very nature must violate a congressional action. Congress will have always expressed itself by passing the act from which funds are withheld. Thus, the prerequisites of Justice Frankfurter's statement are not met.

By the same reasoning, similar statements in *United States* v. *Midwest Oil Co.*, [50] and the *Pocket Veto Case*,[51] cannot be read as condoning impoundment. The assumption underlying such statements appears to be that, where there is ambiguity, long continued past actions may be used in resolving that ambiguity. Nowhere do such statements hold that past illegal actions, because of acquiescence or custom, reach the level of legality. Such a position would be extremely dangerous.[52]

Court Cases Involving Impoundment

Introduction

No matter how Congress provides a long range solution to the impoundment problem, the Judiciary presently faces a number of cases involving executive withholding of funds. Although the Supreme Court has not decided any impoundment cases yet, there are indications that a definitive ruling may not be far off. To date the majority of cases decided by the lower federal courts favor the opponents of impoundment.[53]

Through a discussion of two recent cases it will be possible to focus on the issues involved in a court action concerning impoundment. On August 14, 1970, a suit was filed in the United States District Court for the Western District of Missouri by the Missouri State Highway Department against the Secretary of Transportation and the Director of the Office of Management and Budget.[54] The state alleged that the Nixon Administration's refusal to allow the full amount of contract authority authorized by the Congress [55] violated the statute because Congress had intended that a national highway system be completed as soon as possible [56] and had required that no funds be withheld from obligation.[57] The district court [58] and the Court of Appeals for the Eighth Circuit [59] agreed with the state. Both courts found that the statute did not permit the Executive to withhold authorized funds for "reasons allegedly related to the status of the economy and the need to control inflationary pressure." [60]

On December 12, 1972, the City of New York filed suit against the then director of the Environmental Protection Agency, William Ruckelshaus.[61] The suit alleged that Ruckelshaus' action allotting only 5 billion dollars through fiscal year 1974 for sewage treatment plants violated the command of the Federal Water Pollution Control Act Amendments of 1972.[62] The Amendments were passed over President Nixon's anti-inflationary veto.[63] They required the Administrator to allot among the states, by 1974, 11 billion dollars.[64] By regulation made effective on December 8, 1972,[65] the Environmental Protection Agency allotted only 5 billion dollars.[66] In 1973, a federal district court held these actions improper.[67] On January 23, 1974, the United States Court of Appeals for the District of Columbia Circuit affirmed the district court,[68] holding that ". . . the Act requires the Administrator to allot the sums authorized to be appropriated . . ." [69] The court made clear that it was not deciding any constitutional question [70] nor the question of the extent to which the Administrator could withhold funds at any stage subsequent to the allotment stage.[71] The United States Supreme Court has granted certiorari,[72] and the case will be heard during the October Term along with a similar case, *Campaign Clean Water, Inc.* v *Train*.[73]

Preliminary issues faced in impoundment suits

The Government in defending impoundment suits generally seeks to avoid a decision on the merits by arguing various preliminary issues. Although plaintiffs appear to have no trouble finding a basis for federal jurisdiction,[74] they face greater hurdles surmounting standing, political question, and sovereign immunity barriers.

Standing

At one time concern was expressed that plaintiffs would have difficulty establishing standing if the appropriations law in question did not mandate spending.[75] Now such fears are unwarranted. In *Missouri Highway*, the district court specifically found that a state agency had standing to seek contract obligational authority.[76] The Eighth Circuit did not question this result. Similarly, in numerous other impoundment cases plaintiff hurdled the standing issue.[77] Even in *Housing Authority of the City and County of San Francisco v. Department of Housing and Urban Development*,[78] although the court ruled against the city, it did not rest its decision upon a lack of standing.[79]

In recent years the requirements of standing have been vastly liberalized. In *Association of Data Processing Service Organizations, Inc. v. Camp*,[80] the Supreme Court laid down two requirements for standing in a suit brought to rectify alleged statutory violations in the administration of an act. First, the plaintiff must fall "arguably within the zone of interests to be protected . . . by the statute. . . ." [81] Second, the plaintiff must allege injury in fact resulting from the challenged action.[82] New York City and the Missouri Highway Department in their respective controversies meet both these requirements.

The first requirement is clearly met. Both plaintiffs are would-be beneficiaries of the acts. Both fall within the scope of their respective acts' interests. As such, they arguably fall within the acts' protection.

The second requirement proves less obvious. The Government has claimed in suits of this nature that the states have no "vested" interest in funds until contracts have been approved by the appropriate agency.[83] This contention misses the point. In *Missouri Highway*, for example, the injury in fact was the inevitable consequence of impoundments, i.e., loss of funds. Although no

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budget authority had been lost as of the hearing,[84] if authority were withheld from obligation at the same rate per year as withheld previously the states would suffer permanent loss of funds.[85] In *City of New York*, the Administrator's action in reducing allotments caused injury in fact.[86] Even if the city's proposals met statutory specifications, some of them could not have been approved solely because of the reduction in funds allotted.[87] Furthermore, when Congress passed the Water Pollution Control Bill, it took into acount the amount of funds which would be necessary to help local areas meet the emission standards set by the Act. Without sufficient funds, cities like New York would be unable to construct enough sewage treatment plants to bring their waterways into compliance with the standards set by the Act. As a result the city runs a higher risk of violating the new pollution standards.[88]

It may be technically true that potential plaintiffs have no "vested interest" in funds at the time they bring suit, but this is not the test of standing. Both New York City and the Missouri Highway Department have shown that their interests were to be protected by the particular act, and that they had been injured in fact by improper agency action. This being so, they have met the requisite tests for standing.

Political Question

Against the basic standard of *Baker v. Carr*,[89] the issues involved in impoundment cases are generally appropriate for judicial determination.[90] The Government in both *City of New York* and *Missouri Highway* asserted that the power to control the expenditure of funds is an executive function, and therefore political in nature.[91] The assertion is incorrect. The courts were not being asked to decide executive policy questions, but rather to decide only whether specific congressional acts grant discretion to the Executive. Such determinations of abuse of discretion are peculiarly within the judiciary's competence.[92] Numerous courts have so held,[93] including the Eighth Circuit in *Missouri Highway*.[94]

Indeed, the "political question" argument totally misconstrues the doctrine of separation of powers. While the Court should properly refuse to umpire disputes between the branches of government, it cannot refuse to support the rights of individuals or political entities where *either* the Executive or the legislative branch exceed or abuse their authority. Just as the Court could not continue to ignore apportionment problems as it first tried to do in *Colegrove v. Green*,[95] or the civil liberties questions created by the abuses of the House Un-American Activities Committee,[96] so it cannot evade its responsibility to decide whether the Executive is exceeding his authority under the laws passed by Congress.

Mississippi v. Johnson [97] offers little support for the Government in impoundment cases. The Supreme Court in that case held only that the judiciary cannot restrain the President from carrying out duties that are purely executive and political.[98] *Missouri Highway* and other recent cases clearly indicate that a suit brought to compel spending of authorized funds is neither purely an executive nor a political function.[99] One of the rationales behind the decision in *Mississippi v. Johnson* was that, if the Court did in fact restrain the President, it would force him to violate the will of Congress.[100] Suits seeking orders that the President spend congressionally authorized funds do not run such a risk. Rather, they seek to bring the Executive's actions into line with congressional desires.[101]

The political question doctrine was devised by the Judiciary out of respect for the coordinate branches of government. It is inappropriate for the executive branch to rely on this doctrine to justify its actions which cavalierly disregard the will of Congress.[102] The Administration forgets that: [103]

"In our overall pattern of government the judicial branch has the function of requiring the executive (or administrative) branch to stay within the limits prescribed by the legislative branch."

Sovereign Immunity

While the purpose of this article is not to explore in detail the sovereign immunity doctrine, the issue has recently assumed great importance. The Supreme Court has granted certiorari in two cases [104] which present the question, inter alia, of whether an action to compel allotment of funds pursuant to the Federal Water Pollution Control Act Amendments of 1972 is barred by the doctrine of sovereign immunity.[105] Not only might these cases clear up the confusion that surrounds the doctrine, but also in defining the scope of the doctrine they may give clues as to how the Court will ultimately resolve the constitutionality of impoundment.

Exceptions to sovereign immunity

A suit is against the sovereign and cannot be maintained if: [106] "the judgment sought would expend itself on the public treasury or domain, or interfere with the public administration," . . . or if the effect of the judgment would be "to restrain the Government from acting, or to compel it to act."

There are three well recognized exceptions to this principle. First, the sovereign may waive the privilege and allow such suits. This will be discussed later. Second, suits against a governmental official concerning actions in excess of his authority are not barred. Finally, suits concerning actions performed in an unconstitutional manner or taken pursuant to an unconstitutional power are not barred.[107]

The basic determination that must be made in any impoundment case is resolving whether the statute in question has authorized the particular administrator to perform the challenged action.[108] This is essentially the same question that must be resolved to determine whether an exception to the sovereign immunity doctrine applies. Thus, to decide the preliminary issue of sovereign immunity, the merits of an impoundment controversy must be decided as well. Examined in this light, sovereign immunity should pose little hindrance to impoundment suits.

Not only must the statutory construction issue inherent in every impoundment case be decided to resolve the question of sovereign immunity, but also the constitutional questions must be resolved. If the court decides that no statutory discretion exists to perform the act complained of, it must further decide that the Executive does not inherently possess such discretion under the Constitution.[109] Although this issue may not be raised in *City of New York*, it is hard to imagine that a decision for the city would not imply the absence of such inherent discretion, and hence answer the question of the constitutionality of impoundment.

In cases challenging reduction of funds under the Water Pollution Control Act, the courts have almost consistently found that the doctrine does not bar suit. In *City of New York*, the district court found that the [110] "plaintiff's action falls squarely within the exception covering suits challenging actions by federal officers which go beyond the scope of their statutory powers."

In *Campaign Clean Water, Inc. v. Ruckelshaus*, the court said: [111]

"The complaint alleges that the defendant has exceeded his statutory authority in impounding funds. If sustained on the merits, plaintiff will come within the . . . exception to the [sovereign immunity] doctrine."

Despite the exceptions to the sovereign immunity doctrine, there is some language in *Larson v. Domestic & Foreign Commerce Corp.* indicating that the exceptions might not apply "if the relief requested . . . will require affirmative action by the sovereign or the disposition of unquestionably sovereign property." [112] A number of the Water Pollution Control Act Amendment cases have avoided this problem by pointing out that the plaintiff's action does not require any expenditure of funds but merely requests an order that the Administrator allot funds pursuant to the statute. Thus, in *City of New York* it was said: [113]

"[T]he relief sought by plaintiff in this action does not require the *expenditure* of unappropriated public funds (or indeed of any public funds at all), nor will it interfere with the lawful exercise of defendant's discretionary powers under the Act."

Although the dicta in *Larson* does not prevent suits seeking to force an administrator to allot funds,[114] it may serve to preclude plaintiffs in the Water Pollution Control Act cases from suing for obligational authority. It is conceivable that after the Administrator has allotted funds he could preclude the states from entering into contracts solely to reduce spending. Pursuant to the funding mechanism of the Water Pollution Control Act, Congress will not appropriate funds until after the contracts have been entered into.[115] Thus, a suit to compel the Administrator to allow obligational authority is one that may eventually require the disposition of unappropriated funds.

To the extent the funding mechanism of the Water Pollution Control Act Amendments is of a new type, the dicta in *Larson* may be inappropriate. In cases dealing with funds *already appropriated*, the *Larson* dicta has not precluded courts from requiring the government to expend the funds.[116] Under traditional methods of congressional funding, although a program would be created in an authorization act, the authority for an administrator to make contracts and commit funds to carry into effect the program would be provided in the appropriations act. In many modern programs, such as the Water Pollution Control Act Amendments, Congress provides for contractual authority in the authorizing act itself and performs the ministerial duty of appropriating the actual funds only after the contracts for the project have been completed.[117] Clearly, Congress intends that the amounts authorized for sewage treatment plants will be available to the states and, in due course, appropriated and spent. With regard to a similar funding mechanism, the court in *Missouri Highway* held that the "dicta" in *Larson* did not preclude relief. After quoting *Larson*, the court wrote: [118]

"Notwithstanding, we do not consider the court's decree in the instant case as being affirmative in nature. It requires only that the defendant officers cease unauthorized action . . . . The resultant release of funds is only to the extent that Congress has already authorized them to be appropriated and expended."

Similary, in *Minnesota v. Environmental Protection Agency*,[119] the court recognized that to bar suits until funds were actually appropriated would make little sense under this new type of funding mechanism. The court wrote: [120]

"[T]he relief sought in this matter will not result in the unauthorized expenditure of sovereign funds since the funds in question have been duly *authorized* by Congress."

Waiver of sovereign immunity

Another way for plaintiffs in impoundment actions to hurdle the sovereign immunity bar

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is to find a congressional act which waives the sovereign immunity doctrine.[121] Normally, plaintiffs will assert that section 10 of the Administrative Procedure Act [122] waives sovereign immunity.[123] In *City of New York*, the plaintiffs pressed this position with fruitful results in both the district court and the court of appeals.[124]

The holding that the Administrative Procedure Act waives sovereign immunity has been advocated most strenuously by the court that decided *City of New York*, the Court of Appeals for the District of Columbia. In *Scanwell Laboratories, Inc. v. Shaffer*, that court wrote: [125]

"It seems axiomatic to us that one must imply, from a statement by the Congress that judicial review of agency action will be granted, an intention on the part of Congress to waive the right to sovereign immunity; any other construction would make the review provisions illusory."

The *Scanwell* doctrine has been followed by three other circuits.[126] On the other hand, five circuits have expressly rejected the position.[127]

The courts which have held that the Administrative Procedure Act waives sovereign immunity have done so only after a determination that the judicial review sections of the Act applied to the particular case. The Act does not allow review if the statute in question "preclude[s] judicial review" or if "agency action is committed to agency discretion by law." [128] As the court said in *Littell v. Morton*: [129]

"[W]here sovereign immunity would normally seem appropriate, the "statutes preclude judicial review" and "committed to agency discretion by law" exceptions would prevent or limit judicial review under the APA."

Thus, the Administrative Procedure Act provides the same safeguards sovereign immunity provides. It protects the Government against suits which would greatly impair its ability to function effectively.

Finally, the doctrine of sovereign immunity should not be applied to impoundment suits since, in reality, such suits are against the executive branch and not the sovereign. The doctrine is one of sovereign immunity and not one of executive branch immunity. As the Supreme Court pointed out in *Dugan v. Rank*, when a law is called into question, the sovereign will of the United States is the congressional mandate behind the law.[130] When the executive branch withholds funds, it defies a congressional mandate. It seems inappropriate to extend immunity to such a violation of the sovereign will. As one court has said: [131]

"[T]he defendants here represent only the executive portion of the government. Only where executive officials act *pursuant to* valid congressional dictates—*i.e.* only where the Executive and the Legislative Branches act jointly—is the doctrine of sovereign immunity available as a defense."

Clearly, sovereign immunity should not protect executive actions unsupported by either a congressional act or the Constitution.[132]

Authorizing and appropriating statutes

In General

The central issue in an impoundment action is whether the Executive has discretion under the authorizing or appropriating statute in question to withhold funds. The Constitution makes it clear that an appropriations bill, passed by both houses and signed by the President, is a law.[133] The Nixon Administration argued that, in general, an appropriations bill was merely an authorization to spend, setting an upper, but not a lower, limit on spending.[134] Such an assertion is off point. It has no more logical force than its converse, that absent specific authority to withhold funds, all funds appropriated must be spent. The critical question lies in the intent of Congress when passing the statute involved. Did Congress intend to vest the Executive with discretion to withhold funds? If so, under what circumstances, and to what extent, should the discretion be allowed?

Often the intent behind congressional acts is not "crystal clear." To find such intent the overall language and legislative history of the particular act must be examined.[135] This provides a more viable means to determine whether an appropriation or an authorization bill contains broad discretionary powers than the fixed rules which the Nixon Administration urged.

It seems clear that, when Congress uses mandatory language such as "shall," there is no basis for Executive refusal to spend funds, and numerous recent cases have so held.[136] Even assuming that a general appropriations act does not use such mandatory language,[137] "this does not *a fortiori* endow [an administrator] with the authority to use the unfettered discretion as to when and how the monies may be used. The Act circumscribes that discretion and only an analysis of the statute itself can dictate the latitude of the questioned discretion."

An appropriations or an authorization act which is not specifically discretionary should be interpreted to prevent the termination of the program it supports.[138] At the very least, the act indicates a clear congressional intent that the program remain in existence.[139] Similarly, executive cutbacks which drastically diminish a program should not be allowed.

Obviously, Congress intended that the program exist in a viable form.[140] In cases where a lesser amount is impounded, the validity of the Executive action should be judged against the underlying policy of the act as a whole. For instance, in *Pennsylvania v. Lynn*,[141] a case in which the state brought suit because the Administrator had stopped processing applications for federal housing assistance, the court looked to the general purpose of the Housing and Urban Development Act to determine whether the Administrator had such discretion. The goals of the Act were to provide decent housing as rapidly as feasible. This made it apparent that *any* withholding of funds from the program would be inconsistent with congressional policy.[142]

Often times an act provides the administrator with large discretion in a particular area. For instance, in the Rural Electric Loan Program, as in many other programs, Congress gave the Administrator power to consider the feasibility or appropriateness of projects for which funds were sought.[143] When Congress gives this type of discretion and no other it should be construed as the exclusive discretion given to the administrator, and thus preclude a finding that discretion exists to withhold funds for general economic reasons. As the court in *Sioux Valley Electric Association v. Butz* wrote when considering the discretion granted under the Rural Electric Loan Program: [144]

"Congress has conferred a great deal of power upon the President . . . . But . . . Congress has not yet gone so far . . . to confer upon the President the power to reassess and reorder Congressional priorities in an attempt to effect Executive economic policies."

In many modern programs, such as water pollution control and highway development, Congress provides authority for the development of projects and the obligation of federal funds in the authorizing act and appropriates funds only later, as a matter of course, after contracts for the projects have been made.[145] In these situations, the language of the authorizing act rather than the appropriations act must be construed with regard to the considerations in the above paragraphs. One other factor must also be taken into account in relation to authorization acts. Under this type of funding, Congress can design and approve a long range project in total. The project can then be implemented to fulfill the congressional design and funded later, when necessary, through subsequent appropriations. This avoids the year-to-year interruptions and inefficiencies incident to planning programs each time an appropriation is made.[146] Given this procedure, it should be obvious that Congress, where it does not specifically provide broad discretion, does not intend to grant such discretion. Any implied discretion allowing impoundment would vitiate long range planning attempts and would frustrate the very purpose of such funding mechanisms.[147]

The Effect of Other Congressional Enactments

When the intent of Congress is not clear from the statute, other congressional mandates should be examined. Through the years, Congress has recognized that in certain respects its procedures for controlling federal funds are inflexible. As a result, Congress has provided legislation giving the Executive discretion in certain narrowly defined situations to avoid deficiencies and waste.

Congress first passed the Anti-Deficiency Acts in 1906.[148] These were promulgated to prevent various departments from using all their funds before the end of the period for which such funds were appropriated.[149] The Acts were amended by the General Appropriations Act of 1950 [150] to allow for the creation of "reserve accounts" under special circumstances.[151] The 1950 amendments were designed to provide a "statutory incentive to set aside surpluses as they develop;" [152] they were not added to give the Executive power to impound funds as was recently made even clearer by the Congressional Budget and Impoundment Control Act of 1974.[153]

Under the 1950 amendments, reserve accounts can be established to provide for contingencies which might arise. These contingencies, however, must be related to the project in question, and given the original intention of the Act, the creation of reserves must be done with an eye to avoiding deficiencies or waste. According to the statute, reserves may also be established when the requirements of a project have changed, or when a project can be accomplished in a more efficient and less expensive way, or when developments related to a project change *subsequent* to the enactment of the bill involved.[154]

The amended Anti-Deficiency Act does not allow the Executive to establish reserves based on factors which were in existence at the time the Congress passed the particular appropriation. Congress obviously considered the weight to be given such factors.[155] The legislative history of the Act makes it [156] abundantly clear that the Congress did not intend that [the] other development [provision] be used to hold up the project or cancel a project or lower a program level or cancel a program that had been approved.

Withholding funds for "anti-inflationary" reasons does not conform with the Act. Inflation is neither a contingency related to any particular project nor is it generally a factual development which arises subsequent to the passage of the law. Although the Congress may act unwisely at times, it can hardly be contended that it is not aware of, or does not consider, the inflationary impact of its programs.

If Congress does not make clear whether

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an act gives discretion to withhold funds, the court should limit such discretion to those circumstances which are spelled out in the Anti-Deficiency Act. This would give the Act a meaning otherwise lost if the Executive were free to impound funds. It would also provide a firm standard for Congress to use in considering the appropriateness of language used in a particular act.

Besides the Anti-Deficiency Act, only a few other congressional acts have been relied upon to justify impoundment.[157] The most notable of these are the debt and spending ceilings. Congressionally imposed ceilings on the public debt or on annual spending do not allow the President to ignore congressional appropriations or authorizations.[158] A ceiling is nothing more than a congressional enactment. It has no more weight than any other duly passed law. It would indeed be anomalous if the President could justify an impoundment practice, which by its very nature is carried out despite the wishes of the Congress, on the authority of another congressional law. The President should enforce all the laws; to the extent possible he should reconcile conflicting acts. The Congress, when it directs spending for a particular project, is aware of debt and spending ceilings. Congress intended *both* the ceiling and the appropriation to coexist, and the President must faithfully execute both acts.

The Chief Executive can deal with inconsistencies in a number of ways. The courts have developed rules to reconcile inconsistent statutes. These rules are applied to not only promote uniformity and predictability, but also to give effect to the intent of the legislature. Such rules should be considered by the President when faced with inconsistent congressional mandates.

In addition, the Constitution authorizes the President to recommend legislation to the Congress,[159] and in extraordinary situations to convene either or both houses of Congress.[160] Given this opportunity, it would seem appropriate for the President to request legislation resolving any conflicts. For example, he could ask the Congress to authorize proportional budget cuts.[161] This would be a far better way of giving effect to *all* the laws.[162]

Perhaps the most appropriate way for the Chief Executive to fulfill his obligations under the various ceilings is to use what discretion the Congress has given him. Rather than withhold funds from programs where Congress requires spending, he should exercise the discretion given him in other acts and withhold funds from those programs. As then Assistant Attorney General Rehnquist said: [163]

> "[I]f the President may comply with the statutory budget limitation by controlling expenditures which Congress has permitted but not required, he would, in our view, probably be bound to do so, even though he regarded such expenditures as more necessary to the national interest than those he was compelled to make."

In sum, when construing an appropriations or authorizations bill, the legislative intent should be kept foremost in mind. Acts should be construed to mean what they say, that Congress intends the programs it creates to exist in viable forms. Discretion should never be implied and should be allowed only to the extent specifically granted. Debt or spending ceilings should not provide the discretion to impound which Congress has never specifically granted. Congressional acts allowing withholding of funds for *project* economy should not be confused to give congressional approval to impoundment for the sake of the *general* economy. Finally, long range funding mechanisms should not be frustrated by short range answers to inflation.

Interpretation of Specific Statutes

An analysis of the authorization bill construed in *City of New York* indicates that the Nixon Administration has no discretion to refuse allotment of any authorized funds.[164] Section 207 of the Water Pollution Control Bill states that "there is authorized to be appropriated" an amount "not to exceed" 11 billion dollars.[165] Section 205(a) of the Bill states, however, that "sums authorized to be appropriated pursuant to section [207] . . . *shall* be allotted by the Administrator. . . ." [166] The phrase "not to exceed" in section 207 does not imply that the Administrator has discretion to adjust the amount of funds allotted when viewed in light of section 205.[167] The phrase implies only that 11 billion dollars is the maximum amount which the states in *their* discretion can request. Thus, the allotment of funds is mandatory, while the obligation of funds is required only to the extent necessary to fund acceptable state proposals.[168]

These two sections were amended while being considered to give the Administrator some discretionary power to control the rate of spending.[169] The amendments were made to provide flexibility [170] and not, as some have suggested, to allow the Administrator to reduce total allotments.[171] If any doubt remained in this regard it was put to rest by the fact that Congress, by a substantial margin, overrode a presidential veto exercised specifically to reduce federal spending.[172] This expression of congressional will should not be disregarded by the courts.[173]

In a similar fashion, the Federal Aid Highway Act [174] gives the Executive no discretion to withhold funds. Neither the Act on its face nor the legislative history give any support to the Government's position in *Missouri Highway*. Section 101(c) of the 1968 amendments to the Act indicates the congressional understanding that impoundment of highway funds for any reason other than a narrow exception would be improper.[175] The section starts with the phrase: "It is the sense of Congress that . . . ." [176] The Nixon Administration argued that this phrase made what would otherwise be a mandatory spending requirement discretionary.[177]

The phrase is redundant, but without such an introductory expression the section would sound like a judicial pronouncement, not a legislative enactment.[178] Even with the phrase, the provision should be respected as a substantive enactment. However, if the phrase is interpreted to indicate that the section is only a congressional policy statement, it still does not vitiate its import. Such a pronouncement contributes significantly to the meaning of a statute.[179] If Congress had intended to give the Executive discretion to withhold funds it certainly would have chosen a less backhanded way to do so.[180]

Congress, however, did not let the matter rest there. It made the legislative history of the Act reflect its understanding: [181]

> The withholding of highway trust funds as an anti-inflationary measure is a clear violation of the intent of the Congress as expressed in section 15 of the Federal Aid Highway Act of 1968. We again wish to emphasize the clear legislative intent that funds apportioned shall not be impounded or withheld from obligation.

Both the fact of the Highway Act and its legislative history make impoundment improper.

THE CONSTITUTION AND IMPOUNDMENT

Although the Constitution does not expressly condemn impoundment, it contains no support for the practice and many provisions cast serious doubt on the legality of the practice.

Examination of specific provisions

Article I, section 1 provides that "[a]ll legislative Powers herein granted shall be vested in a Congress . . . ." [182] The power to repeal or nullify a law is a legislative power. Since impoundment in effect repeals a law, the President violates this provision when he withholds funds. This is one of the few constitutional provisions that uses the word "all." It should be construed strictly against any attempts by the Executive to encroach on the legislative domain.[183]

The Necessary and Proper Clause [184] of the Constitution places on Congress the duty to pass all laws "necessary and proper" for carrying out its various powers, as well as powers vested in officers of the United States, of which group the President is clearly a member.[185] In addition, the Congress has the duty to make all laws necessary and proper for the general welfare of the United States.[186] To the extent that the President can negate congressional legislation by impounding funds he is able to deny the Congress power to fulfill its constitutional responsibilities. The President's duty to recommend legislation [187] and to veto measures [188] are the only express powers he has in the legislative process. This fact, coupled with the above provisions of article I, section 1, compels the conclusion that the express powers are the President's exclusive powers in regard to the legislative process. Any other conclusion would vitiate the role of Congress under the Constitution.

The Constitution provides that "[n]o Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law . . . ." [189] This provision was designed to limit the President's powers over the federal monies. It is clear that the President cannot make expenditures without congressional approval.[190] The purpose of the section is to give control of the purse strings to Congress. Consistent with this purpose, the provision should be interpreted to require spending when congressionally mandated.[191] Any interpretation that because the Executive has the power to withdraw appropriated funds from the Treasury he has the power not to withdraw such funds must be summarily rejected.[192]

The Constitution provides that the President "shall take Care that the Laws be faithfully executed." [193] An appropriations act constitutes a law [194] which the President must faithfully execute.[195] No argument can be made that this provision allows impoundment. In *Kendall v. United States ex rel. Stokes* the Supreme Court wrote: [196]

> "To contend that the obligation imposed on the President to see the laws faithfully executed, implies a power to forbid their execution, is a novel construction of the constitution and entirely inadmissible."

Concerning this, Justice Rehnquist wrote, while serving as an Assistant Attorney General: [197]

> "[T]he mere fact that a duty may be described as discretionary does not . . . make the principle of the *Kendall* case inapplicable, if the action of the federal officer is beyond the bounds of discretion permitted him by the law."

The Constitution does not require the President to be a mere clerk, and his power to execute the laws must necessarily involve some discretion.[198] However, to imply from this discretion a power as great as impoundment is to have the exception swallow the rule and to ignore the basic tenor of the Constitution.[199]

It is undoubted that "[t]he executive Power shall be vested in a President. . . ." [200] Despite recent assertions to the contrary,[201] this provision does not give the President the inherent power to withhold appropriated funds.[202] These assertions were definitively rejected in the Rehnquist memorandum: [203]

Footnotes at end of article.

> "With respect to the suggestion that the President has a constitutional power to decline to spend appropriated funds, we must conclude that existence of such a broad power is supported by neither reason nor precedent."

One of the precedents supporting Mr. Rehnquist's conclusion is *Youngstown Sheet & Tube Co. v. Sawyer*.[204] The case repudiates the concept of inherent Executive powers.[205] Although some of the opinions in the *Youngstown* case suggest that the President has inherent powers to cope with an emergency,[206] it seems clear that an inflationary economy does not meet the requisite standard of crisis. Indeed, not only is excessive inflation not as great a peril as the war time conditions that the Court found insufficient in *Youngstown,* but also the power sought to be exercised through the mechanism of impoundment is "more all-encompassing than the power sought to be exercised in the *Steel Seizure* [*Youngstown*] case." [207]

Whatever the validity of "inherent powers" in other areas, the concept is not appropriate for impoundment cases.[208] When the Congress has considered an expenditure and approved it, any withholding of funds will conflict with the congressional consideration.[209] Furthermore, Congress has legislated to deal with inflation and governmental inefficiency in alternate ways.[210] Thus, in justifying impoundment, as Professor Philip Kurland has noted, reliance on inherent powers is misplaced: [211]

> The Supreme Court of the United States in the *Youngstown* case, it seems to me, made it quite clear that the implied powers of the President are indeed minimal when they come in direct conflict with the expressed will of the national legislature.

Article I, section 7 of the Constitution provides that: [212]

> "Every Bill . . . shall, before it becomes a Law, be presented to the President of the United States; If he approve he shall sign it, but if not he shall return it."

The President may either approve a bill or return it with his objections. He has no power to sever any parts he seeks to exclude. Impoundment, however, achieves this result indirectly. Funds for a congressionally approved project are in effect severed from the rest of the bill.[213] If the President does not have the power to sever a provision before he signs the bill into law, then it can hardly be contended that such a power accrues to him after the bill has become law.

An impoundment order represents a veto which Congress cannot override.[214] The Framers gave Congress the final word in the legislative process. They feared excessive Executive power and, as a result, did not give the President an absolute veto.[215] Article I, section 7 provides the exclusive method for the President to defeat the will of Congress.[216] Impoundment, to the extent it represents an absolute veto, is the epitome of what the Framers of the Constitution sought to avoid.

The implications of older impoundment cases

Although the Supreme Court has never decided a policy impoundment case, some general concepts concerning the constitutionality of impoundment can be gleaned from a few older cases. The Court has dealt with impoundment type questions only twice. Both times it affirmed the Executive's duty to spend funds when mandated by Congress. In *United States* v. *Price*,[217] an act required the Secretary of the Treasury to pay out funds to several named persons. The Court held that, if Congress required payment, the Secretary of the Treasury had no discretion to refuse to pay.[218] Similarly, in *Kendall* v. *United States ex rel. Stokes*,[219] a bill required the Postmaster General to credit certain individuals with specified sums. He refused. The Supreme Court explicitly rejected the contention that a congressional mandate need not be followed.[220]

More recently, two different administrations cited lower court cases to justify their impoundments. Neither case provides support for impoundment. The Nixon Administration cited *McKay v. Central Electric Power Cooperative* [221] for the proposition that an appropriation was merely permissive. In *McKay,* the Court of Appeals provided that funds "[n]ot to exceed $1,200,000 shall be available during the current fiscal year . . . ." [222] The plaintiff sued on a contract which expressly provided that it was to become binding only when Congress appropriated money for the project. Not only did the act fail to mention the contract upon which the plaintiff sued, but the history of the act appeared to show that no appropriation for the contract in question had been included.[223] Contrary to the assertion, the *McKay* case does not stand for the principle that an appropriation is merely permissive. If it stands for any principle, it stands for the principle that a general appropriations act not specifying a project does not compel spending for that project. As such it sheds no light on either *Missouri Highway* or *City of New York* for in those cases the authorization bills dealt specifically with the projects concerned.

Similarly, Attorney General Ramsey Clark relied upon *Hukill* v. *United States* [224] to support his contention that appropriations are of a "permissive nature and do not in themselves impose upon the Executive branch an affirmative duty to expend . . . funds." [225] In *Hukill* the plaintiff failed to recover because he did not show that he met the statutory prerequisites for recovery.[226] Contrary to the Attorney General's assertion, the case does not suggest that appropriations are permissive. Indeed, language in the opinion would support the opposite conclusion—that an appropriation is a "recognition by Congress [of a legitimate claim] and is equivalent to an express mandate to the Treasury officers to pay it." [227] Thus, neither case can be used to justify impoundment.

Perhaps the strongest statement against impoundment appears in *Spaulding v. Douglas Aircraft Co.*,[228] where the plaintiff was suing to recover funds withheld pursuant to the order of the Secretary of Defense. The court wrote: [229]

> "The purpose of the appropriations, the terms and conditions under which said appropriations were made, is a matter solely in the hands of Congress and it is the plain and explicit duty of the executive branch of the government to comply with the same."

None of these cases provide any constitutional support for recent Executive impoundments. Some suggest that when an appropriations act is not explicit, or when a plaintiff fails to meet the act's requirements for recovery, then withholding of funds is permissible. None suggest that withholding is allowable when a statute explicitly provides for expenditure.

In the court cases recently litigated, the Government has not pressed any constitutional claims. It has relied mostly on interpretations of the particular statutes involved. We are confident that when the constitutional justifications for impoundment are raised the courts will find them unpersuasive.

RECENT CONGRESSIONAL ACTION AND IMPOUNDMENT

Although the courts have cast serious doubts on the practice of policy impoundments, they have not, to date, declared it unconstitutional. Until this is done, cases will have to be decided on the basis of an interpretation of the particular statute involved. Congress, however, can take affirmative action to limit the practice. It has done so in many ways.

Congress has used traditional political pressures to dissuade the President from continuing impoundment policies. For instance, the Congress threatened to cut off funds for favored presidential programs [230] and to obstruct swift approval of presidential appointees in the Senate [231] if funds were not released. Although it is regrettable that Congress should be driven to sacrifice meritorious legislation or nominees in an effort to ensure the survival of its programs, such pressures have proven effective.[232]

At times, more direct congressional action has also been taken. After an impoundment order for a particular project, Congress passed special legislation requiring the funds be released.[233] Though such an act would not be lightly disregarded, the President could veto it and, in effect have his impoundment actions upheld by one-third of either house.[234] Alternatively, Congress can include language in an appropriations act which directs the President to spend the funds "notwithstanding any other law." Such a mandate would dictate the result of any court action.

The most effective solution to the impoundment problem is general legislation which would specifically prohibit impoundment except in strictly controlled situations. On July 12, 1974, such a plan became law.

The Congressional Budget and Impoundment Control Act of 1974 [235] begins with a disclaimer, making it clear that Congress is not conceding the constitutionality of impoundment, nor ratifying any impoundment that has occurred previously.[236] Thus, no claims or defenses in any litigation are affected. The Act also provides that it does not supersede any statutes which specifically forbid impoundment.[237] This leaves in force any extant, mandatory spending language.

The first substantive provision of the Impoundment Control Act amends the Anti-Deficiency Acts of 1905–06 to reduce the number of situations in which the Executive can create reserves. The amendment came in response to the Nixon Administration assertion that the phrase "or other developments" [238] justified policy impoundments.[239] The amendment eliminates the phrase.[240] The Anti-Deficiency Acts now permit reserves solely to provide for contingencies, or to effect savings made possible by changed requirements or more efficient operations.[241]

The Impoundment Control Act provides a mechanism for congressional control of impoundment. The Act draws a distinction between executive attempts to rescind budget authority and attempts to defer it. Rescission includes presidential determinations that all or part of any budget authority is not required to carry out the full objectives of a program. Also included within this purview are presidential determinations that budget authority should be rescinded for fiscal policy or other reasons (including the necessity of terminating authorized projects) and instances in which budget authority provided for only one fiscal year is to be reserved from obligation for such year.[242] In other words, rescission includes all decisions to withhold from expenditure funds necessary to fulfill objectives of a program. For any rescission, the President must send a special message to Congress stating his reasons for requesting the rescission.[243] Unless the proposed rescission is affirmatively approved by Congress within forty-five days, the rescission may not take effect.[244]

Deferral is treated differently. Whenever the President or any other executive department official proposes to defer use of any budget authority,[245] the President must send Congress a special message similar to the one

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required for rescission.[246] However, if *either* house of Congress passes a resolution disapproving the deferral, then the budget authority must be immediately used.[247] The provisions for deferral apply only if those for rescission do not.[248] No funds may be deferred past the end of a fiscal year.[249] Budget authority that would lapse if it were deferred may only be rescinded.[250] Multi-year authorizations may be deferred to the end of a fiscal year, but must be available for use the following year unless a new deferral message is sent.[251]

The new law takes large steps toward controlling the impoundment problem. The Act allows deferral on a limited basis, while precluding rescission unless Congress approves. As a result, if the President seeks a general reduction in the level of federal spending, he must request such of Congress. This leaves the final decision over budgetary priorities where it belongs—in the hands of Congress.[252]

CONCLUSION

Executive control over the budget has grown because of congressional inefficiency. Impoundment, however, is not the appropriate answer to such inefficiency. The proper response is increased congressional awareness and action. The fundamental change in the types of programs from which funds are being withheld has produced such action.

Even without congressional action, the Constitution of the United States does not permit absolute presidential control over the federal monies. The Constitution gives control of the purse strings to the Congress, and Congress has never relinquished that control.

It has become apparent that the lower federal courts, cognizant of their responsibility in keeping each branch within its proper bounds, have rejected the doctrine of impoundment. They have refused, for the most part, to be distracted by the preliminary hurdles inherent in justiciability and standing. They have not placed strained constructions on general authorization and appropriation acts. In all there have followed a commendable course consistent with the Constitution and the congressional will.

Impoundment is a dangerous proposition for it gives the Executive not only immense power to set national priorities, but also potential power to control the other branches of government. Only recently have the dangers of the practice become apparent. Clearly there is no justification for allowing them to grow. The practice is, and always has been, unconstitutional. The Supreme Court should exercise its authority to reestablish the balance between the Executive and the Congress. It should reject the doctrine of impoundment as it has rejected other usurpations of power in the past.

FOOTNOTES

*J.D., University of Chicago, 1951; member of the Illinois Bar; member, United States House of Representatives, Tenth District of Illinois; former member Illinois House of Representatives; former chairman, Illinois House Judiciary Committee; former chairman, Illinois Board of Ethics.

** B.S., Rensselaer Polytechnic Institute, 1971. J.D., Northwestern University, 1974; member of the Illinois Bar; law clerk to Judge Robert A. Sprecher, United States Court of Appeals for the Seventh Circuit.

[1] *See* Remarks of Senator Sam Ervin, in 119 Cong. Rec. S. 636 (daily ed. Jan. 16, 1973). This assertion was recognized as well by President Herbert Hoover in 1934:

"The weakening of the legislative arm [leads] to encroachment by the Executive upon the legislative and judicial function and inevitably that encroachment is upon individual liberty. If we examine the fate of wrecked republics over the world we shall find first a weakening of the legislative arm."

Statement of President Herbert Hoover, quoted in *Joint Hearings on Impoundment of Appropriated Funds by the President Before the Ad Hoc Subcomm. on Impoundment of Funds of the Senate Comm. on Government Operations and the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary*, 93d Cong., 1st Sess. 151 (1973) [hereinafter cited as *1973 Hearings*].

[2] President Nixon, at a news conference on Jan. 31, 1973, stated:

"The constitutional right for the President of the United States to impound funds and that is not to spend money, when the spending of money would mean either increasing prices or increasing taxes for all the people, that right is absolutely clear."

New York Times, Feb. 1, 1973, at 20, col. 6.

[3] For some of the many programs from which funds have been withheld see note 38 and accompany text *infra*.

[4] *See* notes 25–27 and accompanying text *infra*.

[5] In the present Congress now fewer than 67 bills have been introduced to control the practice of impoundment. 1 CCH Cong. Index at 162, 232 (1974). For action recently taken by Congress see notes 230–52 and accompanying text *infra*.

[6] *See* notes 38–42 and accompanying text *infra*.

[7] *See generally* Note, *The Likely Law of Executive Impoundment*, 59 Iowa L. Rev. 50, 82–84 (1973) [hereinafter cited as Iowa Note]; United States v. Curtiss-Wright Export Corp., 299 U.S. 304 (1936).

[8] *See* notes 75–132 and accompanying text *infra*.

[9] The Nixon Administration's definition of impounded funds was much narrower. It did not include funds or budget authority that have been merely delayed in expenditure or released in a smaller proportion than would be expected when compared with the amount available over the whole appropriations period. Such funds were considered to be in "reserve accounts." *See* Statement of OMB Deputy Director Casper Weinberger, in *Hearings on Executive Impoundment of Appropriated Funds Before the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary*, 92d Cong., 1st Sess. 94–96 (1971) [hereinafter cited as *1971 Hearings*]. It should be noted that "reserve accounts" may evaporate if the funds are not released from these accounts within the time specified in the original appropriation bill. These so-called "reserve accounts" are not sufficiently different from impoundments as to be legal. Recent congressional action includes "reserve accounts" as part of prohibited impoundments if unauthorized. Congressional Budget and Impoundment Control Act of 1974, Pub. L. No. 93–344, § 1011(1)(A), 88 Stat. 297 (1974). [hereinafter cited as Impoundment Control Act of 1974]. For a more extended discussion of definitions of impoundment see Iowa Note, *supra* note 7, at 53–56.

[10] "[T]here are two passions which have a powerful influence on the affairs of men. These are ambition and avarice; the love of power, and the love of money. Separately each of these has great force in prompting men to action; but when united in view of the same object, they have in many minds the most violent effects."

Remarks of Benjamin Franklin, in 1 The Records of the Federal Convention of 1787 82 (M. Farrand ed. 1911) [hereinafter cited as Farrand].

[11] There is a feeling that Congress must not allow to happen in the field of fiscal planning what happened in the field of foreign policy. *See* Statement of Senator Charles Mathias, in *1971 Hearings, supra* note 9, at 91–92. Senator Mathias said:

"The power of the purse—the power of Congress to determine the expenditure of public money, the money of America's taxpayers—must be preserved if we are to preserve the fundamental balance between the legislative and executive branches."

Id. at 92.

[12] Not only does this usurpation of power by the Executive do violence to the Constitution, it is inconsistent with the fundamental principles of democracy:

"If liberty and equality . . . are to be founded in democracy, they will be best attained when all [institutions] share in government to the utmost."

Aristotle, Politics, Book IV, Chapter 4.

"When the legislature and executive powers are united in the same person, or in the same body of magistrates, there can be no liberty; because apprehensions may arise, lest the same monarch . . . should enact tyrannical laws, to execute them in a tyrannical manner."

Montesquieu, *The Spirit of the Laws on the Constitution of England,* quoted in 1973 *Hearings, supra* note 1, at 139.

"The accumulation of all powers, legislative, executive, and judiciary, in the same hands, whether of one, a few, or many, and whether hereditary, self-appointed, or elective, may justly be pronounced the very definition of tyranny."

The Federalist No. 47, at 245–46 (M. Beloff ed. 1948) (J. Madison).

[13] Presidential news conference of Jan. 31, 1973, in N.Y. Times, Feb. 1, 1973, at 20, col. 6. A Harris poll of February, 1973, refuted the idea that the public believed President Nixon best represented its interests concerning impounded funds. *See* Chicago Tribune, Mar. 1, 1973, at 14, col. 6.

[14] Although not technically applicable, the policy behind the right to petition for redress of grievances provides support for this position. U.S. Const., amend. I:

"Congress shall make no law . . . abridging . . . the right of the people . . . to petition the Government for a redress of grievances."

[15] Interestingly, Alexander Hamilton thought that Congress would be quite effective in this regard:

"This power over the purse may in fact be regarded as the most complete and effectual weapon, with which any constitution can arm the immediate representatives of the people . . ." The Federalist No. 58, at 300 (M. Beloff ed. 1948) (A. Hamilton).

[16] President Nixon called this Congress "not responsible on money." Presidential news conference of Jan. 31, 1973, in N.Y. Times, Feb. 1, 1973, at 20, col. 6. President Nixon was supported by other administration officials. Caspar Weinberger, then deputy director of the Office of Management and Budget (hereinafter referred to as OMB), indicated that one reason for this congressional inefficiency was the supposed inability of Congress to take an overall look at the effect of its actions. *See 1971 Hearings, supra* note 9, at 135. Similarly, OMB Director Roy Ash echoed the same criticism. *See 1973 Hearings, supra* note 1, at 269.

[17] If the Congress has acted irresponsibly, this irresponsibility must be shared by the President. The six budgets submitted to the Congress by President Nixon were deficit budgets. The presidential fiction that three of those budgets were based on a premise of full employment hardly masked the bald reality that full employment did not exist and could not exist under the economic policies being promoted by the Administration. In short, no comfort can be given to an administration that seeks to impound funds because the Congress has chosen different priorities for which to go in the red than has the President. If a balanced budget is the desired end, both the Congress and the President must seek to achieve that end or accept the responsibility for the deficit.

[18] Myers v. United States, 272 U.S. 52, 293 (1926) (Brandeis, J., dissenting). *See also* Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686 (D.S.D. 1973), where the court said:

"It may be true, as contended by the Government, that Congress, as presently organized, is incapable of achieving sound fiscal planning—that necessity demands that the President fill the void. Necessity might be the mother of invention, but it does not give birth to constitutional power." *Id.* at 698.

[19] Budget and Impoundment Act of 1974, Pub. L. No. 93–344, 88 Stat. 297 (1974). For a discussion of the provisions dealing specifically with impoundment, see notes 235–52 and accompanying text *infra*.

[20] Impoundments often prove wasteful. For example, the termination of a program mid-year not only disrupts the particular program, but also creates unexpected termination costs. Such costs were incurred when the Department of Health, Education and Welfare encouraged state officials to hire more teachers under a federal program designed to aid disadvantaged students. After the state of North Carolina had hired the teachers, the Nixon Administration suddenly impounded the funds. *See 1973 Hearings, supra* note 1, at 277.

[21] *See* notes 146–47 and accompanying text *infra*.

[22] Impoundment is not being used to avoid deficiencies, or to effect savings, or even to fight inflation but rather to shift the scale of priorities . . . .

S. Rep. No. 121, 93d Cong., 1st Sess. 10 (1973) [hereinafter cited as 1973 Comm. Rep.]

[23] *E.g.*, Rural Environmental Assistance, Rural Electrification Programs, Water Pollution Control and Federal Highway Program.

[24] "Under policy impoundment, funds are withheld not to effect savings, not as directed by Congress, not as Commander-in-Chief, but because the President has unilaterally decided to impound money for programs that are not his priorities. It is a method of substituting Executive will for congressional purpose."

Remarks of Senator Hubert Humphrey, in 119 CONG. REC. 2873 (daily ed. Feb. 20, 1973). One example of withholding of funds that clearly fell into the category of policy impoundments was Local 2677, Am. Fed'n Gov't Employees v. Phillips, 358 F. Supp. 60 (D.D.C. 1973), where President Nixon ordered the dismantling of OEO prior to the end of the fiscal year because it was his intention not to recommend the continuation of the office in his new budget.

[25] Presidential news conference of Jan. 31, 1973, in N.Y. Times, Feb. 1, 1973, at 20, col. 6. For a more detailed discussion of historical examples of Executive withholding of funds see generally Stanton, *History and Practice of Executive Impoundment of Appropriated Funds*, 53 Neb. L. Rev. 1 (1974) [hereinafter cited as Stanton]; Stanton, *The Presidency and the Purse: Impoundment 1803–1973*, 45 U. Colo. L. Rev. 25 (1973).

[26] The sum of fifty thousand dollars appropriated by Congress for providing gun boats remains unexpended. The favorable and peaceable turn of affairs on the Mississippi rendered an immediate execution of that law unnecessary . . . Statement of President Thomas Jefferson, in 8 Annals of Cong. 14 (1803).

A curious sidelight to the Jefferson gun ship incident is that apparently a few years later the funds were used to build gunboats. 1973 Comm. Rep., *supra* note 22, at 12.

[27] In 1876, President Grant signed into law a bill appropriating funds for river and harbor improvements. 19 Stat. 132 (1876). His announced intention not to spend the full amount was based on policy considerations and a desire to maintain the nation's fiscal integrity. *See 1973 Hearings, supra* note 1, at 835–36. *See also* Stanton, *supra* note 25, at 6–9.

During President Warren G. Harding's administration, Congress passed an appropriation for rivers and harbors which was greater than the one recommended by the Bureau of the Budget. President Harding ordered the Administrator to expend only the amount originally fixed by the Bureau of the Budget. *See* Kranz, *A 20th Century Emancipation Proclamation: Presidential Power Permits Withholding of Federal Funds From Segregated Institutions*, 11 Am. U.L. Rev. 48, 65 n.122 (1962).

While Calvin Coolidge was President, Congress made an appropriation to the old Shipping Board to subsidize soft coal exports in response to pressures from Appalachian coal interests. Apparently, however, the Coolidge Administration was not as sympathetic, and refused to spend some of the appropriated money. *See 1971 Hearings, supra* note 9, at 170.

[28] Apparently President Roosevelt used the power of impoundment not solely as a device to achieve economic measures, but also as a "full-fledged policy tool." Church, *Impoundment of Appropriated Funds: The Decline of Congressional Control Over Executive Discretion*, 22 Stan. L. Rev. 1240, 1242 (1970) [hereinafter cited as Church].

[29] Late in 1941 the Roosevelt Administration impounded substantial portions of funds appropriated for various agencies including the Civilian Conservation Corps and the National Youth Administration. *See* 88 Cong. Rec. 38 (1942).

[30] In his budget message for fiscal year 1942, while the United States was preparing for a possible entry into World War II, President Roosevelt said: "I have requested that further contracts for the construction of public buildings . . . be held in abeyance for the present." Statement of President Franklin D. Roosevelt, in 87 Cong. Rec. 68 (1941). Similarly, the following year President Roosevelt refused to spend money which had been appropriated by Congress. He said in his budget message:

"Federal Aid for highways will be expended only for construction essential for strategic purposes. Other highway projects will be deferred until the post-war period. For all other Federal construction I am restricting expenditures to those active projects which cannot be discontinued without endangering the structural work now in progress."

Statement of President Franklin D. Roosevelt, in 88 CONG. REC. 38 (1942). For a detailed account of the extent of withholding of funds during the Roosevelt years, see Williams, *The Impounding of Funds by the Bureau of the Budget*, Inter-University Case Program No. 28 (1955), reproduced in *1971 Hearings, supra* note 9, at 378–94.

[31] Statement of President Truman, Oct. 29, 1949, quoted in *1971 Hearings, supra* note 9, at 525. President Truman, in a letter to the Secretary of Defense, justified his action in part as commander-in-chief. Letter from Harry S. Truman to Louis A. Johnson, Nov. 8, 1949, reproduced in *id.* President Truman withheld by his actions funds in excess of $615,000,000. *Id.*

In two less well known incidents, President Truman also withheld funds from other defense projects. In the first of these, after the keel laying ceremony, he cancelled the building of the aircraft carrier U.S.S. United States whose estimated costs ranged from 190 to 500 million dollars. Fisher, *The Politics of Impounded Funds*, found in *1971 Hearings, supra* note 9, at 109 [hereinafter cited as Fisher]. Similarly, in 1950 the aircraft carrier U.S.S. Forrestal was cancelled by the President after funds had been appropriated. Church, *supra* note 28, at 1243 n. 22.

[32] Miller, *Presidential Power to Impound Appropriated Funds: An Exercise in Constitutional Decision-Making*, 43 N.C.L. Rev. 502, 513 (1965). *See also 1971 Hearings, supra* note 9, at 526.

[33] Fisher, *supra* note 31, at 110. It was estimated that this cancellation amounted to a saving of 13–14 billion dollars of appropriated funds. *Id.* at 111.

[34] At one point Representative Carl Vinson, chairman of the House Armed Services Committee, intended to use the words "These funds are *directed* to be appropriated. . . ." (emphasis supplied). At the urging of President Kennedy the word "authorized" was substituted for "directed" in the bill. *See* Pub. L. No. 87–436, 76 Stat. 55 (1962). For a detailed discussion of the manned bomber controversy see Stassen, *Separation of Powers and the Uncommon Defense: The Case Against Impounding of Weapons System Appropriations*, 57 Geo. L. Rev. 1159, 1164–68 (1969) [hereinafter cited as Stassen].

For the most part, attempts to exercise the impoundment power during the Eisenhower and Kennedy Administrations were limited to military projects. There were, however, a few attempts to reduce domestic spending, despite the advice of special counsel. Stanton, *supra* note 25, at 13–14, nn. 77–80.

[35] "I had thought that we [Congress] had a responsibility to appropriate funds. I had the thought that once the Congress passed the appropriation bill the President approved it and signed and said to the country that "This has my approval" that the money would be used instead of sacked up and put down in the basement somewhere."

Statement of Senator Lyndon B. Johnson, in *Hearings on Major Defense Matters on Preparedness Investigation of the Senate Armed Services Committee*, 86th Cong., 1st Sess. 147–48 (1959).

[36] At one time the Johnson Administration appeared headed for its own RS–70 confrontation over a nuclear power frigate. Congress, however, softened the language in the bill, in effect giving President Johnson full discretion to build the ship or not. For this reason it does not appear that, in this instance, impoundment occurred. For a more detailed description of this controversy see Stassen, *supra* note 34, at 1166–76.

[37] Fisher, *supra* note 31, at 113. For a more complete list of funds permanently reserved by the Johnson Administration see *1971 Hearings, supra* note 9, at 402–04.

[38] 39 Fed. Reg. 7714 (1974). This was an increase of over 3 billion dollars from the amount claimed by the Administration to be in reserve as of Jan. 29, 1973. N.Y. Times, Feb. 6, 1973, at 7, col. 1.

[39] 39 Fed. Reg. 7714 (1974). These figures are from the OMB report of February, 1974, compiled pursuant to the provisions of the Federal Impoundment and Information Act, 31 U.S.C. § 581(c)-1 (Supp. II, 1973).

Other areas from which substantial amounts were withheld include: Funds Appropriated to the President, 2.5 billion; Department of Health, Education and Welfare, 381 million; Department of the Interior, 219 million; Environmental Protection Agency, 95 million.

[40] Hereinafter referred to as OMB.

[41] 33 U.S.C. § 1287 (Supp. II, 1973). In its February, 1974, report, OMB explains the exclusion by saying:

"[The Water Pollution Control Act] vests discretion in the Administrator of the Environmental Protection Agency to allot less than the maximum amounts authorized by the Act. Under the provisions of the Act, authority to make contracts does not exist until the allotment is made. Consequently, fund availability (budget authority) exists only when allotments are made and only allotments move through the apportionment process."

39 Fed Reg. 7708 (1974).

[42] It should be noted that many of the reserve accounts are claimed to be created pursuant to the Anti-Deficiency Acts of 1906–07, ch. 1484, § 4, 33 Stat. 1257 (1905); ch. 510, § 3, 34 Stat. 48 (1906), *as amended*, 31 U.S.C. § 665(c)(2) (1971), discussed in notes 148–56 and accompanying text *infra*.

With regard to fiscal year 1975, as of the February, 1974 report 6.3 billion dollars of funds already authorized for that year were in budgetary reserve accounts. 39 Fed. Reg. 7715 (1974). To this would have to added another 3 billion dollars to reflect the fact that the Nixon Administration allotted only 4 billion dollars out of the 7 billion dollars authorized to be apropriated for fiscal year 1975 pursuant to the Federal Water Pollution Control Act of 1972. *Id.* at 7708.

[43] Deputy Attorney General Joseph Sneed said:

> Such a long continued Executive practice, [impoundment] in which Congress has generally acquiesced, carries with it a strong presumption of legality. *1973 Hearings, supra* note 1, at 365.

[44] 1973 Comm. Rep., *supra* note 22, at 13.

[45] 343 U.S. 579, 610–11 (1952) (Frankfurter, J., concurring) (emphasis supplied).

[46] *See* note 5 *supra*.

[47] State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099 (8th Cir. 1973) [hereinafter cited in text as *Missouri Highway*].

[48] *See* text accompanying note 7 *supra*.

[49] The statement quoted in the text should be considered as the opinion of one Justice who believed only that *without specific congressional action* on a particular matter dealing with the President's power, the courts should defer to the President's judgment; thus the reference to "gloss" in the *Youngstown* statement.

[50] 236 U.S. 459 (1915).

> But they [certain decisions] do clearly indicate that the long-continued practice, known to and acquiesced in by Congress, would raise a presumption that the withdrawals had been made in pursuance of its consent or of a recognized administrative power of the Executive . . . .

Id. at 474.

[51] 279 U.S. 655 (1929).

> [A] practice of at least twenty years duration "on the part of the executive department, acquiesced in by the legislative department, while not absolutely binding on the judicial department, is entitled to great regard in determining the true construction of a constitutional provision the phraseology of which is in any respect of doubtful meaning."

Id. at 690.

[52] One need only consider the effect of such an argument to realize its dangers. The acquiescence argument, had it been made and accepted, would have prevented the Supreme Court from rendering many of its landmark decisions. *See* 1973 Comm. Rep., *supra* note 22, at 13.

[53] Campaign Clean Water, Inc. v. Ruckelshaus, 361 F. Supp. 689 (E.D. Va.), *remanded sum nom.*, Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973), *cert. granted,* 94 S. Ct. 1991 (1974) (district court found refusal to make full allotments violative of the Water Pollution Control Act Amendments of 1972); City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973), *aff'd sub nom.*, City of New York v. Train, 494 F.2d 1033 (D.C. Cir.), *cert. granted*, 94 S. Ct. 1991 (1974) [hereinafter cited in text as *City of New York*] (no discretion to refuse to make full allotment of funds pursuant to the Water Pollution Control Act Amendments of 1972); National Treasury Employees Union v. Nixon, 492 F.2d 587 (D.C. Cir. 1974) (executive required to grant pay raise to federal workers authorized by the Congress); Maine v. Fri, 486 F.2d 713 (1st Cir. 1973) (plaintiff made a sufficient showing to obtain a preliminary injunction requiring allotment of funds pursuant to the Water Pollution Control Act Amendments of 1972); State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099 (8th Cir. 1973) (funds may not be withheld from programs pursuant to the Federal Highway Act); Illinois *ex rel.* Bakalis v. Weinberger, 368 F. Supp. 721 (N.D. Ill. 1973) (action to prevent withholding of funds appropriated for education); Pennsylvania v. Weinberger, 367 F. Supp. 1378 (D. D.C. 1973) (impoundment of funds appropriated for state educational programs found improper); Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686 (D.S.D. 1973) (action challenging termination of low interest rural electric loan program); Community Action Prog. Exec. Dir. Ass'n of N.J., Inc. v. Ash, 365 F. Supp. 1355 (D.N.J. 1973) (action to release 270 million dollars appropriated in 1973 for the Neighborhood Youth Corps); Pennsylvania v. Lynn, 362 F. Supp. 1363 (D. D.C. 1973) (action to compel the Secretary of HUD to fund federal housing and rent supplement programs); Pealo v. Farmers Home Adm'n, 361 F. Supp. 1320 (D.D.C. 1973) (action to require implementation of the Farmers Home Administration's interest credit loan program); National Council of Community Mental Health Centers, Inc. v. Weinberger, 361 F. Supp. 897 (D.D.C. 1973) (action to require funding for community mental health centers and for children's mental health treatment centers); Oklahoma v. Weinberger, 360 F. Supp. 724 (W.D. Okla. 1973) (impoundment of funds under Library Services and Construction Act improper); Local 2677, Am. Fed'n Gov't Employees v. Phillips, 358 F. Supp. 60 (D.D.C. 1973) (action to prevent premature closing of Office of Economic Opportunity); Berends v. Butz, 357 F. Supp. 143 (D. Minn. 1973) (action to prevent termination of Farmers Home Administration Emergency Loan Program); Martin-Trigona v. Ruckelshaus, 5 E.R.C. 1665 (N.D. Ill. 1973) (no discretion to refuse to make full allotment of funds pursuant to the Water Pollution Control Act Amendments of 1972); Minnesota v. EPA, 5 E.R.C. 1586 (D. Minn. 1973) (no discretion to refuse to make full allotment of funds pursuant to the Water Pollution Control Act Amendments of 1972).

The Government has prevailed in many fewer cases. Campaign Clean Water, Inc. v. Train, 489 F.2d (4th Cir. 1973) (refusal to make full allotment of funds pursuant to Water Pollution Control Act Amendments of 1972 not necessarily arbitrary); Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D. Cal. 1973) (plaintiffs had no standing due to failure to show injury; in dicta, the court concluded that discretion exists so that full allotment pursuant to Water Pollution Control Act Amendments of 1972 is not required); Housing Auth. of the City and County of San Francisco v. HUD, 340 F. Supp. 654 (N.D. Cal. 1972) (discretion exists so as not to require full funding of Housing programs). This does not purport to be a complete list of cases in which the Government has prevailed.

[54] State Highway Comm'n of Missouri v. Volpe, 347 F. Supp. 950 (W.D. Mo. 1972), *aff'd*, 479 F.2d 1099 (8th Cir. 1973).

[55] The funding mechanism of the bill is slightly different from the traditional appropriations process. Usually, a program is authorized by an authorization bill and funds appropriated in an appropriation bill before the program takes effect. Here the program is set in motion before any appropriations are made. First, Congress passed an authorization bill which provides the program administrator with authority to pursue the next steps and authorize the funds to be appropriated. Second, the funds authorized for a given fiscal year are apportioned by the Secretary (the program administrator) among the states in accordance with the statute. *See* 23 U.S.C. § 104(b) (1971). The allotted funds then become available for expenditure. Third, the states submit project plans to the Secretary for approval. *See* 23 U.S.C. §§ 105, 106(a) (1971). The Secretary is to base his approval on standards set in 23 U.S.C. § 109. *See* 23 U.S.C. § 106(a) (1971). Fourth, the states let construction contracts and begin construction. Fifth, the Congress appropriates the actual funds to pay the federal share of the construction costs. *See* Brief for Amicus Curiae, State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099, at 5–6 (8th Cir. 1973) [hereinafter cited as Amicus Brief].

[56] 23 U.S.C. § 101(b) (1971).

[57] *Id.* § 101(c).

[58] 347 F. Supp. 950 (W.D. Mo. 1972).

[59] 479 F.2d 1099 (8th Cir. 1973).

[60] *Id.* at 1118. Similarly, the district court said:

"The reasons advanced by the Secretary for the current and past withholding of obligational authority are foreign to the standards and purposes of the Act and the Fund. The reasons relied on are related to the prevention of inflation of wages and prices in the national economy. These reasons are impermissible reasons for action which frustrate the purposes and standards of the Act." 347 F. Supp. at 954.

[61] City of New York v. Ruckelshaus 358 F. Supp. 669 (D.D.C. 1973), *aff'd sub nom.*, City of New York v. Train, 494 F.2d 1033 (D.C. Cir.), *cert. granted*, 94 S. Ct. 1991 (1974). The City of Detroit was added as a plaintiff intervenor. *See also* other Water Pollution Control Act Amendments of 1972 cases listed in note 53 *supra*.

[62] 33 U.S.C. §§ 1285, 1287 (Supp. II, 1973). *See* Complaint, City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973) at ¶¶ 14–16.

[63] *See* notes 172–73 *infra*.

[64] 33 U.S.C. §§ 1285, 1287 (Supp. II, 1973).

[65] The regulation, 37 Fed. Reg. 26,282, § 35, 910–1(a) (1972), was made pursuant to the order of President Nixon. In a letter from President Nixon to William D. Ruckelshaus of November 22, 1972, the President said:

"I direct that you not allot among the states the maximum amounts provided by Section 207 of the Federal Water Pollution Control Act Amendments of 1972. No more than $2 billion of the amount authorized for the fiscal year 1973, and no more than $3 billion of the amount authorized for the fiscal year 1974 should be allotted." Statement of President Richard Nixon, quoted in Complaint, City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973), at ¶ 14.

[66] The funding mechanism under this act is quite similar to that under the highway bill. (*See* note 55 *supra*.) It involves basically six steps. First, a congressional authorization to appropriate funds; second, an allotment of authorized sums among the states; third, submission by the states of particular projects for approval pursuant to standards within the act; fourth, permission to let contracts (obligation state); fifth, a ministerial appropriation of funds to liquidate obligations; and sixth, disbursement of the funds. *See* Affidavit in Support of Motion for Summary Judgment, City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973), at 6 [hereinafter cited as Plaintiff's Memo].

[67] City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973).

[68] City of New York v. Train, 494 F.2d 1033 (D.C. Cir. 1974).

[69] *Id.* at 1050.

[70] *Id.* at 1050, n.39.

[71] *Id.* at 1049, n.36. For a description of the various phases of the funding mechanism see note 66 *supra*.

[72] 94 S. Ct. 1991 (1974).

[73] Campaign Clean Water, Inc. v. Ruckelshaus, 361 F. Supp. 689 (E.D. Va.), *remanded*

sub nom., Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973), *cert. granted,* 94 S. Ct. 1991 (1974).

The district court found that the action of the Administrator in allotting only 45% of the funds authorized to be appropriated was a "violation of the spirit, intent and letter of the Act and a flagrant abuse of executive discretion." 361 F. Supp. at 700. The court of appeals ordered a remand finding that the Administrator had some discretion under the Act and that the allotment of only 45% was not necessarily arbitrary. The question on remand was whether, considering all the evidence in the case, the Administrator's decision was arbitrary. 489 F.2d at 498–99.

[74] The various grounds asserted have been 28 U.S.C. § 1361 (1971) (to compel an officer or employees of the United States to perform a duty owed to the plaintiff), 28 U.S.C. § 1331(a) (1971) (the district courts shall have original jurisdiction of civil actions where the matter in controversy exceeds $10,000 and arises under the laws of the United States), 28 U.S.C. §§ 2201–02 (1971) (Declaratory Judgment Act), and 5 U.S.C. §§ 701–06 (1971) (Administrative Procedure Act's provisions for judicial review of administrative decisions).

[75] *See* Statement of Professor Alexander M. Bickel, in *1971 Hearings, supra* note 9, at 28; Statement of Assistant Attorney General William H. Rehnquist:

I think 20 years ago, one would have said there simply is not that right in any beneficiaries, but with the expansion of the doctrine of standing, I think you cannot be quite so confident of it now.

Id. at 239.

[76] 347 F. Supp. 950, 952 (W.D. Mo. 1972).

[77] 479 F.2d 1099, 1106 (8th Cir. 1973); *see* note 53 *supra.*

[78] 340 F. Supp. 654 (N.D. Cal. 1972) [hereinafter cited in text as *San Francisco Housing*].

[79] The Government argued lack of standing as one of its bases for its position that the court lacked subject matter jurisdiction. *Id.* at 655. The court sustained the Government on the sovereign immunity claim and the political question claim making no comment on the standing defense.

[80] 397 U.S. 150 (1970).

[81] *Id.* at 153.

[82] *Id.* at 152.

[83] 479 F.2d at 1108–09; Affidavit of Defendant in Opposition to Plaintiff's Motion for Summary Judgment, City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973), at 9 [hereinafter cited as Defendant's Memo].

[84] Appellant's Brief, State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099 (8th Cir. 1973), at 44 [hereinafter cited as Appellant's Brief].

[85] *See* Statement of Federal Highway Administrator F. C. Turner, in *1971 Hearings, supra* note 9, at 82. Pursuant to the provisions of the Federal Highway Act, authorized funds remain available for greater than a one-year period, and this has prevented any lapse of funds to date.

It is interesting to note that on June 15, 1972, four days after the district court hearing in *Missouri Highway,* the state of Missouri was informed it would be allowed to obligate the full amount originally apportioned for fiscal year 1973. 479 F.2d 1099, 1104 n.5. On appeal, therefore, the action was moot as far as Missouri's request for mandamus was concerned but plaintiff's declaratory judgment action was properly maintained. *Id.* at 1104.

[86] The Government, in opposing New York City's motion for summary judgment in the district court, argued that the City had not been injured because,

"[U]ntil plaintiff makes application for grants which are rejected by the Administrator for the reasons complained of in this suit, the Complaint raises only hypothetical questions of legality of defendant's actions should they ever affect plaintiff."

Defendant's Memo, *supra* note 83, at 9.

[87] Plaintiff's Memo, *supra* note 66, at 11. Since the amount "allotted" to New York is less than it would have been if the full amount had been allotted, this reduces the total pool of funds from which New York may draw.

The city was further injured because it lost an option given in the Act. Section 205 (6)(1) provides that once funds have been allotted in the proper manner they shall be available for one year beyond the fiscal year for which they were authorized. 33 U.S.C. § 1285 (Supp. II, 1973). Thus, if New York City should not use its full allotted amount during the present year, they could, but for the Administrator's action, go beyond the amount allotted to them in the following year. The loss of this option to cities like New York is an injury. Because of this option in the following year, it might not be necessary to show actual existing plans for water sewage treatment plants to show an injury in fact. *But see* text in this note *infra.*

For other cases brought seeking to compel the Administrator to allot the full amount authorized to be appropriated, where proper standing of the plaintiff was found to exist, see note 53 *supra.*

The only Water Pollution Control Act case that has found that the plaintiff lacked standing was Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D. Cal. 1973). Neither the City of Los Angeles, nor Representative Brown, the two plaintiffs, filed any affidavits indicating that there existed proposed plans which would be frustrated by the Administrator's actions. The court pointed out that this differed from the other Water Pollution Control Act cases, where filed affidavits showed that plans for sewage treatment plants either existed or were being formulated, and that if the Administrator's reduced allotment were allowed to stand, these plans would be rejected for lack of funds. *Id.* at 263. The decision in *Brown,* therefore, finding a lack of standing, rests on an evidentiary rather than some constitutional principle related to the type of action brought.

[88] Complaint, City of New York v. Ruckelshaus, 358 F. Supp. 669 (D.D.C. 1973), at ¶ 20.

[89] 369 U.S. 186 (1962), where the Court said:

"Prominent on the surface of any case held to involve a political question is found a textually demonstrable constitutional commitment of the issue of a coordinate political department; or a lack of judicially discoverable and manageable standards for resolving it; or the impossibility of deciding without an initial policy determination of a kind clearly for nonjudicial discretion; or the impossibility of a court's undertaking independent resolution without expressing lack of the respect due coordinate branches of government; or an unusual need for unquestioning adherence to a political decision already made; or the potentiality of embarrassment from multifarious pronouncements by various departments on one question." *Id.* at 217.

[90] *But see* Statement of Deputy Attorney General Joseph T. Sneed:

"Decisions to impound inevitably involve policy judgments concerning changing national needs and highly technical predictions about their effect upon the economy. Significant impounding actions can rarely be taken to alleviate one problem, without aggravating another. These 'trade-offs' involve delicate adjustments peculiarly within the competence and constitutional authority of the Executive branch." *1973 Hearings, supra* note 1, at 365.

[91] In *Missouri Highway,* the Government asserted that:

"Because the relief sought by the Commission would require the courts to interfere in the relationship between the coordinate political branches, the case clearly involves a political question.

"The basic issue of the Executive's power to control the rate of expenditure of funds is a question which is "essentially political in nature". . . . There can be little doubt that the court is without any "judicially manageable" standards for determining whether apportioned highway funds shall be expended."

Appellant's Brief, *supra* note 84, at 49–50. Similarly, in *City of New York,* the Government argued:

"[w]hile spending controls are not "textually committed" by the Constitution to any of the three departments, it is clearly not a matter for the judiciary. Moreover, the grant of "executive power" in Article II comes very close to a "textually demonstrable" commitment of this responsibility to the President." Defendant's Memo, *supra* note 83, at 6.

The district court rejected the Government's assertion and its ruling on this point was not appealed. City of New York v. Train, 494 F.2d 1033, 1038 (D.C. Cir. 1974).

[92] In *City of New York,* the plaintiffs argued:

"This case raises an issue of statutory interpretation and it is to the Judicial branch, not the Executive branch, that the Constitution has committed the role of interpreter." Plaintiff's Memo, *supra* note 66, at 58. Similarly, the amicus brief field in *Missouri Highway* stated:

"This Court is not . . . being asked to decide the policy question "of whether these funds should be expended." This Court is being asked to decide whether Congress in the Federal Aid Highway Act of 1956, denied Defendants the discretion to withhold from plaintiff for anti-inflationary reasons the obligational authority provided for by Congress."

Amicus Brief, *supra* note 55, at 12.

[93] In Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973), *cert. granted,* 94 S. Ct. 1991 (1974), the court of appeals said:

"When the executive exercises its responsibility under appropriation legislation in such a manner as to frustrate the Congressional purpose, either by absolute refusal to spend or by a withholding of so substantial an amount of the appropriation as to make impossible the attainment of the legislative goals, the executive trespasses beyond the range of its legal discretion and presents an issue of constitutional dimensions which is obviously open to judicial review."

Id. at 498. Even in Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D. Cal. 1973), which held for the Government, the court said:

"Our task here is exactly what the judiciary is supposed to do: interpret the law. There is no issue involving "executive power"; nor is the Court being asked to supervise the operations of the EPA, which concededly would muddle any judicially discoverable and manageable standards for resolving the issue."

Id. at 262. *See also* National Treasury Employees Union v. Nixon, 492 F.2d 587, 604 (D.C. Cir. 1974); Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686, (D.S.D. 1973); National Council of Community Mental Health Centers, Inc. v. Weinberger, 361 F. Supp. 897, 900 (D.D.C. 1973). *See generally* Comment, *Presidential Impounding of Funds: The Judicial Response,* 40 U. CHI. L. REV. 328, 344–46 (1973).

[94] 479 F.2d 1099, 1106 (8th Cir. 1973).

[95] 328 U.S. 549 (1946).

[96] Barenblatt v. United States, 360 U.S. 109 (1959); Watkins v. United States, 354 U.S. 178 (1957).

The court in *Watkins* focused on the limits of a congressional committee's powers in conducting an investigation. Watkins was prosecuted for contempt of Congress for refusing to make certain disclosures to the House Un-American Activities Committee (HUAC). He asserted that these disclosures were beyond the power of the committee to demand. Chief Justice Warren, in the majority opinion, wrote that "there is no congressional power to expose for the sake of exposure." 354 U.S. at 200. The Court found that neither the resolution establishing HUAC nor the explanatory statement by the presiding officer at the hearing provided an adequate explanation of the legislative purpose behind the inquiry. Under these circumstances, the Court refused to sustain Watkins' conviction. *Id.* at 209, 214–15.

In *Barenblatt*, a later case involving HUAC, the Court once again faced the question of whether a particular investigation had a valid legislative purpose. Speaking for the Court, Justice Harlan concluded that, unlike *Watkins*, the objective of the inquiry had been clearly indicated by the committee (this being an investigation of Communist infiltration into the field of education). As had Chief Justice Warren in *Watkins*, Mr Justice Harlan found inquiry into legislative motive beyond the scope of judicial inquiry. 360 U.S. at 132.

[97] 71 U.S. (4 Wall.) 475 (1866) (Mississippi attempted to restrain President Andrew Johnson from enforcing the Reconstruction Acts).

[98] *Id.* at 499.

[99] *See* notes 93–94 *supra*.

[100] 71 U.S. (4 Wall.) at 501.

[101] In this regard, the decision in Housing Auth. of the City and County of San Francisco v. HUD, 340 F. Supp. 654 (N.D. Cal. 1972), cannot be controlling insofar as it indicates that the issues involved are political questions. In that case the court interpreted the particular statute involved as giving the Administrator discretion to withhold spending. The court held that only Congress could determine whether such discretion had been abused. 340 F. Supp. at 656. Although the court indicated its decision rested upon the political question doctrine, basically the decision that nothing in the statute compelled spending was a decision on the merits. The court had not in truth restrained itself in accord with the political question doctrine.

[102] As a number of congressmen said in their amicus curiae brief filed before the Eighth Circuit in *Missouri Highway:*

> [C]entral to the effective operation of the doctrine of separation of powers is the tradition that one branch acts as a check and balance to counteract the tendency of a coordinate branch to overstep its bounds."

Amicus Brief, *supra* note 55, at 15.

[103] National Automatic Laundry & Cleaning Council v. Schultz, 443 F.2d 689, 695 (D.C. Cir. 1971).

[104] 94 S. Ct. 1991 (1974).

[105] *See* 42 U.S.L.W. 3606–07 (U.S. April 30, 1974).

[106] Dugan v. Rank, 372 U.S. 609, 620 (1963), *citing* Larson v. Domestic & Foreign Commerce Corp., 337 U.S. 682, 704 (1949), Land v. Dollar, 330 U.S. 731, 738 (1947); and *ex parte* New York, 256 U.S. 490, 502 (1921).

[107] Larson v. Domestic & Foreign Commerce Corp., 337 U.S. 682, 689–90 (1949). *See also* Malone v. Bowdoin, 369 U.S. 643, 647 (1962).

[108] The Supreme Court has suggested that an allegation that an officer has acted improperly "does not establish that the officer . . . is not exercising the powers delegated to him. . . ." 337 U.S. at 693. In other words, the Court suggested that an official can act erroneously and still remain within the bounds of his discretion. This, however, should not preclude a close examination of the statute involved. The relevant question is whether Congress intended to give the official such broad discretion. In this regard, see Cramton, *Nonstatutory Review of Federal Administrative Action: The Need for Statutory Reform of Sovereign Immunity, Subject Matter Jurisdiction, and Parties Defendant,* 68 Mich. L. Rev. 387, 406–07 (1970) [hereinafter cited as Cramton]. *See also* Byse, *Proposed Reforms in Federal "Nonstatutory" Judicial Review: Sovereign Immunity, Indispensible Parties, Mandamus*, 75 Harv. L. Rev. 1479 (1962):

> "It is perfectly possible for a court to hold that an official has authority to make erroneous as well as correct determinations. Such a holding, of course, should rest on a reasoned determination that Congress intended to confer so broad a discretion. But under *Larson, Doehla, et al.,* the courts seem to interpret the statutes cursorily to authorize the defendant official to act in the "general" area in question; so long as the official remains within the "general" area, his erroneous acts are unreviewable whether or not the statute properly construed was intended to confer such an unreviewable discretion. This . . . is an abdication of judicial responsibility."

Id. at 1491.

[109] It is, of course, possible that, in any given impoundment case, the Government will not assert constitutional arguments in support of its position.

[110] 358 F. Supp. at 673. The court of appeals affirmed relying on the district court's reasoning in regard to sovereign immunity. 494 F. 2d at 1038–39 (D.C Cir. 1974). The issue of sovereign immunity was not heavily litigated at the court of appeals level because of the D.C. Circuit's position on the issue. *See* text accompanying notes 125–26 *infra*. Counsel for the Government, however, did raise the issue, so as to preserve it for review in the Supreme Court. *Id.* at 12, n. 12.

[111] 361 F. Supp. at 695. The court of appeals accepted the reasoning of the district court on the sovereign immunity issue. 489 F.2d at 495. For other cases dealing with the Water Pollution Control Act Amendments of 1972 which also reject the sovereign immunity defense see Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D Cal. 1973); Martin-Trigona v. Ruckelshaus, 5 E.R.C. 1665 (N.D. Ill. 1973); Minnesota v. EPA, 5 E.R.C. 1586 (D. Minn. 1973); *see also* Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686 (D. S.D. 1973).

[112] 337 U.S. at 691 n.11.

[113] 358 F. Supp. at 673.

[114] Cramton calls the dicta troublesome. Cramton, *supra* note 108, at 414, 416–17.

[115] For a description of the funding mechanism under the Water Pollution Control Act Amendments of 1972, see note 55 *supra*.

[116] It is unclear how far the dicta in *Larson* extends, but in one recent impoundment case the court said that any order of the court:

> "would go no further than to require the spending of *funds already appropriated* by Congress to achieve the declared purposes of the Act. Accordingly, there can be no effective assertion of sovereign immunity and the defendant's actions are reviewable by the courts."

National Council of Community Mental Health Centers, Inc. v. Weinberger, 361 F. Supp 897, 900 (D.D.C. 1973) (emphasis supplied). *Cf.* Kingsbrook Jewish Medical Center v. Richardson, 486 F.2d 663 (2d Cir. 1973). *See also* Washington v. Udall, 417 F.2d 1310, 1317–18 (9th Cir. 1969), in which the court similarly put a narrow interpretation on the *Larson* dicta.

[117] For a description of the funding mechanism under the Water Pollution Control Act Amendments of 1972 see note 55 *supra*.

[118] 479 F.2d at 1123.

[119] 5 E.R.C. 1586 (D. Minn. 1973).

[120] *Id.* at 1588 (emphasis supplied). This language is similar to that used in older cases except the word "authorized" is substituted for the word appropriated. *See, e.g.,* Pennsylvania v. Lynn, 362 F. Supp. 1363, 1368 (D.D.C. 1973) (impliedly recognizing the effect to be given to the type of funding mechanism provided for by the Water Pollution Control Act Amendments of 1972).

[121] Jurisdictional statutory provisions other than the Administrative Procedure Act that might be alleged to waive sovereign immunity in an impoundment case are 28 U.S.C. §§ 1331 (jurisdiction of district court in civil action arising under Constitution with claim exceeding $10,000), 1361 (jurisdiction of district court to issue writ of mandamus to compel federal official to perform duty) (1971).

With regard to 28 U.S.C. § 1361, the Government maintains that mandamus under this statute is only available when the duty amounts to a specific unequivocal command plainly prescribed so as to be free from doubt. ICC v. New York, N.H. & H. R.R., 287 U.S. 178, 204 (1932). Plaintiffs generally rely on Peoples v. Department of Agri., 427 F.2d 561, 565 (D.C. Cir. 1970) for the proposition that section 1361 was to allow the issuance of corrective orders against federal officials who are not acting within the area of their discretion.

The Eighth Circuit's opinion in *Missouri Highway* does not specifically hold that mandamus is appropriate but seems to distinguish between the case in which a statute gives no discretion, in which case mandamus would be proper, and the case in which limited discretion is alleged to be abused. State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099, 1104–05 n.6 (8th Cir. 1973). *See also* Udall v. Wisconsin, 306 F.2d 790, 793 (D.C. Cir. 1962), *cert. denied,* 371 U.S. 969 (1963).

On the other hand, some courts have found that 28 U.S.C. § 1361 does not provide an independent ground of jurisdiction and does not constitute a waiver of sovereign immunity. Housing Auth. of the City and County of San Francisco v. HUD, 340 F. Supp. 654 (N.D. Cal. 1972), *relying on,* White v. GSA, 343 F.2d 444 (9th Cir. 1965). *See also* M.G. Davis & Co. v. SEC, 252 F. Supp. 402 (S.D. N.Y. 1966); Scholder v. United States, 428 F.2d 1123 (9th Cir. 1970). On this topic, see generally, Byse & Fiocca, *Section 1361 of the Mandamus and Venue Act of 1962 and "Nonstatutory" Judicial Review of Federal Administrative Action,* 81 Harv. L. Rev. 308, 336–42 (1967).

Similarly, the Government argues that 28 U.S.C. § 1331(a) does not constitute a waiver of sovereign immunity. *See* Anderson v. United States, 229 F.2d 675 (5th Cir. 1956); Housing Auth. of the City and County of San Francisco v. HUD, 340 F. Supp. 654 (N.D. Cal. 1972). Despite this claim the court in *Missouri Highway* found that § 1331(a) was sufficient to confer jurisdiction. State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099, 110 (8th Cir. 1973).

[122] 5 U.S.C. §§ 701–06 (1971), in pertinent parts, provides:

> A person suffering legal wrong because of agency action . . . within the meaning of a relevant statute, is entitled to judicial review thereof. *Id.* § 702.

[123] *See* Community Action Prog. Exec. Dir. Ass'n v. Ash, 365 F. Supp. 1355, 1361 (D.N.J. 1973), where the mere appropriation of funds for a particular program was held to constitute a waiver of the sovereign immunity doctrine. In addition, the court cited the doctrine of Scanwell Laboratories, Inc. v. Shaffer, 424 F.2d 859 (D.C. Cir. 1970), as the appropriate rule of law. *Id.* at 1362 n. 10.

[124] 358 F. Supp. at 673, *aff'd sub nom.,* City of New York v. Train, 494 F.2d 1033, 1038–39 (D.C. Cir. 1974). *See also* Campaign Clean Water, Inc. v. Ruckelshaus, 361 F. Supp. 689 (E.D. Va. 1973), *remanded sub nom.,* Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973).

[125] 424 F.2d 859, 874 (D.C. Cir. 1970).

[126] Kletschka v. Driver, 411 F.2d 436, 445 (2d Cir. 1969); Estrada v. Ahrens, 296 F.2d

690, 698 (5th Cir. 1961). A decision in the Fourth Circuit has suggested that two subsequent cases in the Fifth Circuit repudiated the *Estrada* rule. *See* Littell v. Morton, 445 F.2d 1207, 1212 (4th Cir. 1971). The cases cited by the Fourth Circuit, however, do not explicitly override the holding in *Estrada*. The Ninth Circuit concurs in the rule. *See* Adams v. Witmer, 271 F.2d 29, 34–35 (9th Cir. 1959). This case, however, appears to be somewhat limited by the later holding of Washington v. Udall, 417 F.2d 1310 (9th Cir. 1969), in which the Ninth Circuit held that, if the immunity doctrine is so transcendent as to require dismissal of the case, the Administrative Procedure Act will not provide a basis for review. *Id.* at 1320.

[127] Sierra Club v. Hickel, 467 F.2d 1048, 1054 (6th Cir. 1972); Littell v. Morton, 445 F.2d 1207, 1212 (4th Cir. 1971); Twin Cities Chippewa Tribal Council v. Minnesota Chippewa Tribe, 370 F.2d 529, 532 (8th Cir. 1967); Chournos v. United States, 335 F.2d 918, 919 (10th Cir. 1964); Cyrus v. United States, 226 F.2d 416, 417 (1st Cir. 1955).

The Fourth Circuit in *Littell* acknowledged the appeal of the waiver doctrine but felt constrained by prior Supreme Court holdings which failed to speak specifically to the issue, but which upheld claims of sovereign immunity in cases dealing with attempts to review administrative discretion. 445 F.2d at 1212. Similarly, the First Circuit in *Cyrus* felt constrained by the Supreme Court's holding in Blackmar v. Guerre, 342 U.S. 512, 516 (1952), although the case was not dispositive of the issue. 226 F.2d at 417. Finally, the Eighth Circuit, while acknowledging its holding in *Chippewa*, referred to recent trends in the Supreme Court which tended to look favorably upon construing "Section 10 as an affirmative grant of jurisdiction." State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099, 1105 n.7 (8th Cir. 1973).

[128] 5 U.S.C. § 701(a) (1971).

[129] 445 F.2d 1207, 1212 (4th Cir. 1971).

[130] [T]he decree would require the United States—contrary to the mandate of the Congress—to dispose of valuable irrigation water and deprive it of the full use and control of its reclamation facilities. It is therefore readily apparent that the relief granted operates against the United States. 372 U.S. 609, 621 (1963).

[131] Community Action Prog. Exec. Dir. Ass'n v. Ash, 365 F. Supp. 1355, 1362 (D.N.J. 1973).

[132] Although it is conceivable that the Supreme Court will find a waiver of sovereign immunity in the present actions to allot funds pursuant to the Water Pollution Control Act Amendments of 1972, the question remains will the doctrine be considered waived, if at a later point the plaintiffs are forced to bring suit in order to receive contract authority. The Fifth Circuit decision of Warner v. Cox, 487 F.2d 1301 (5th Cir. 1974), may indicate that the waiver in the Administrative Procedure Act does not extend to seeking actual funds. *Id.* at 1305. This, however, is undercut by a number of other cases. In Kingsbrook Jewish Medical Center v. Richardson, 486 F.2d 663 (2d Cir. 1973), an action by a hospital for reimbursement under the Medicare Act, the Second Circuit found immunity waived by the Administrative Procedure Act despite the fact that monetary relief was sought. *Id.* at 668. Similarly, two other cases found a waiver of sovereign immunity despite the fact that both actions sought the release of funds. Community Action Prog. Exec. Dir. Ass'n v. Ash, 365 F. Supp. 1355, 1361 (D.N.J. 1973); Pennsylvania v. Lynn, 362 F. Supp. 1363, 1368–69 (D.D.C. 1973).

[133] U.S. Const., art. I, § 9.

[134] *See, e.g.*, Appellant's Brief, *supra* note 84, at 27.

This view is based in part on the Government's reading of certain statutes, which it interprets as implicit authority for the proposition that appropriations bills are flexible in nature. These statutes include: Anti-Deficiency Acts, 31 U.S.C. § 665(c) (1971) (authorizing the executive branch to effectuate savings of appropriated funds); 31 U.S.C. § 701(a)(2) (1971) (unexpended funds shall revert to the treasury); Revenue and Expenditure Control Act of 1968, Pub. L. No. 90–364, tit. II, §§ 202, 203, 82 Stat. 251, 271–72 (1968) (directing the President to reduce expenditures without specifying the particular appropriation to be reduced); Supplemental Appropriations Act of 1970, Pub. L. No. 91–305, tits. IV, V, 84 Stat. 376, 405–07 (1970) (reducing expenditures for fiscal 1970–71). None of these statutes give the Executive such general authority.

The Government's assertion is clearly correct if Congress has given the Executive specific authority to impound funds. For examples when this has occurred see Comment, *The Limits of Executive Power: Impoundment of Funds*, 23 CATHOLIC U.L. REV. 359, 371 n.86 (1973); Note, *Jurisdictional and Constitutional Questions Concerning Judicial Relief From Impoundment: Eighth Circuit Holds Substantive Content of Appropriation Laws is the Dispositive Factor*, 27 Rutgers L. Rev. 201, 203 n.22 (1973).

To bolster its argument, the Government relies on numerous statements by various leaders, the most famous of which is:

> "Economy neither begins nor ends in the Halls of Congress. The Congress ... decides the maximum amounts which must be appropriated for ... various activities, and the annual appropriation bill provides the sums so determined by the Congress.
>
> "Appropriation of a given amount for a particular activity constitutes only a ceiling upon the amount which should be expended for that activity ... [it is the responsibility of every government official] to so control and administer the activities under his jurisdiction as *to expend as little as possible* out of the funds appropriated."

Statement of Representative Clarence Cannon, H. REP. No. 1797, 81st Cong., 2d Sess. 9 (1950) (emphasis supplied). The following statements employed by the Government are to the same effect:

> "[T]he weight of experience and practice bears out the general proposition that an appropriation does not constitute a mandate to spend every dollar appropriated. That is a generally accepted concept. It squares with the rule of common sense.
>
> "I believe it is fundamentally desirable that the Executive have limited powers of impoundment in the interests of good management and constructive economy in public expenditures."

Remarks of Representative Mahon, Chairman of the House Appropriations Committee, in Appellant's Brief, *supra* note 84, at 26.

> "[T]he mere fact that Congress, by the appropriation process, has made available specified sums for the various programs and functions of the Government is not a mandate that such funds be fully expended. Such a premise would take from the Chief Executive every incentive of good management and the practice of common-sense economy."

Statement of President Franklin Roosevelt, in *Hearings on H.R. 3598 Before the Subcomm. of the Senate Comm. on Appropriations*, 78th Cong., 1st Sess. 739 (1944).

> "When the Congress appropriates funds it gives the executive branch an authority to incur obligations. Certainly none of us hold that we give a mandate to expend the funds appropriated. We expect the funds to be used only where needed, and not in excess of the amount appropriated to carry out some phase of law."

Statement of Senator Harry S. Truman, in 89 CONG. REC. 10,362 (1943).

The statements provide no support for the Government's conclusions. The references to "economy" and "expend as little as possible" makes it clear that the statements do not support the view that the President may reduce spending for independent policy reasons. Only where a project may be completed at a cost lower than the amount appropriated may the President reduce spending. An appropriation is a mandate to accomplish a specific project at the best price. *See 1973 Hearings, supra* note 1, at 475.

[135] Statement of Assistant Attorney General William H. Rehnquist, in *1971 Hearings, supra* note 9, at 234. It should be noted that Mr. Rehnquist believed that an apparently neutral authorizing or appropriating statute, without some basis for interpreting the statute otherwise, would not require spending and only set a ceiling as to the amount to be expended. *Id.* Mr. Rehnquist relied on Representative Cannon's statement and his conclusions are subject to the same criticisms already discussed. *See* note 134 *supra*.

[136] *See, e.g.*, Illinois *ex rel.* Bakalis v. Weinberger, 368 F. Supp. 721, 726 (N.D. Ill. 1973); Pennsylvania v. Weinberger, 367 F. Supp. 1378, 1381 (D.D.C. 1973); Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686 693–94 (D.S.D. 1973); National Council of Community Mental Health Centers, Inc. v. Weinberger, 361 F. Supp. 897, 902 (D.D.C. 1973).

[137] State Highway Comm'n of Missouri v. Volpe, 479 F.2d 1099, 1109 (8th Cir. 1973).

[138] For examples where the Administration had terminated whole programs, see Local 2677, Am. Fed'n Gov't Employees v. Phillips, 358 F. Supp. 60 (D.D.C. 1973); Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686 (D.S.D. 1973); Berends v. Butz, 357 F. Supp. 143 (D. Minn. 1973).

[139] Note, *Protecting the Fisc: Executive Impoundment and Congressional Power*, 82 Yale L.J. 1636, 1651 (1973).

[140] As the district court said in *Campaign Clean Water:*

> [T]he Court is well-satisfied that the challenged impoundment policy, by which 55% of the allocated funds will be withheld is a violation of the spirit, intent and letter of the Act and a flagrant abuse of executive discretion.

361 F. Supp. 689, 700 (E.D. Va.), *remanded sub nom.*, Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973) *cert. granted*, 94 S. Ct. 1991 (1974).

[141] 362 F. Supp. 1363 (D.D.C. 1973).

[142] *Id.* at 1365, 1371–72.

[143] 7 U.S.C. § 903(d) (1971); *see* Sioux Valley Empire Elec. Ass'n v. Butz, 367 F. Supp. 686, 694–95 (D.S.D. 1973).

[144] 367 F. Supp. 686, 697 (D.S.D. 1973).

[145] For a description of such a funding mechanism see note 55 *supra*.

[146] Referring to the statute involved in *Missouri Highway:*

> "[W]hen Congress established the Federal-Aid Highway program, it sought to eliminate this kind of year-by-year planning. It purposefully set specific authorizations for the life of the program in the 1956 Act so that intelligent long-range planning could be undertaken."

Amicus Brief, *supra* note 55, at 19. Similarly, with regard to the Federal Water Pollution Control Act Amendments of 1972:

> "[A] fixed amount was intended as an assurance and guarantee to the States and municipalities of the continued availability of federal funding assistance for waste treatment plant construction. This assurance and guarantee was further strengthened by the provision for contract authority, which ensures that the amounts authorized to be appropriated will not be subject to the vicissitudes and vagaries of the year-to-year appropriation process."

Plaintiff's Memo, *supra* note 66, at 39.

The courts have agreed with these statements. The district court in *City of New York* wrote:

"[T]he reduction in allotments has resulted in serious planning delays that will necessarily retard the development of sewage treatment facilities. . . . The seriousness of the planning problem was understood by Congress. It was one of the reasons for utilizing the device of allotment, thereby making funds available for obligation, in lieu of the ordinary appropriations procedure."

358 F. Supp. at 674.

In affirming that decision, the court of appeals said, "The Act was passed to insure that ultimate grantees could rely in advance on the amounts available." 494 F.2d at 1036–37 (D.C. Cir. 1974). Similarly, in Minnesota v. EPA the court said:

"The amount of funds allotted to the State of Minnesota drastically affects the expectations of the applicants and has a significant effect at the planning stage of these projects."

5 E.R.C. at 1588.

[147] The court in Local 2677, Am. Fed'n Gov't Employees v. Phillips, 358 F. Supp. 60 (D.D.C. 1973) made the same point along similar lines when it said:

"The clear Congressional intent of the multiple year authorization was that the program continue." . . .

Id. at 75.

[148] 33 Stat. 1257; 34 Stat. 48–49. The acts of 1905–06 were in fact based on the Act of July 12, 1870, ch. 251, § 7, 16 Stat. 251, the main purpose of which was: "to prevent executive officers from involving the government in expenditures or liabilities beyond those contemplated and authorized by the law-making power."

Public Work Contracts, 21 Op. Att'y Gen. 244, 248 (1895).

[149] 1973 Comm. Rep., *supra note* 22, at 5.

[150] Act of Sept. 6, 1950, ch. 896, 64 Stat. 595. Most recently the Act was amended again as part of the Congressional Budget and Impoundment Control Act of 1974, Pub. L. No. 93–344, 88 Stat. 297 (1974). *See* notes 238–41 and accompanying text *infra*.

[151] 31 U.S.C. § 665(c)(2) until recently stated:

"In apportioning any appropriation, reserves may be established to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations, *or other developments* subsequent to the date on which such appropriation was made available."

Id. (emphasis supplied).

[152] 1973 Comm. Rep., *supra* note 22, at 6.

[153] Impoundment Control Act of 1974 § 1002. *See* notes 238–41 and accompanying text *infra*. The 1950 amendments were added shortly after President Truman had refused to spend all the funds appropriated by Congress for increasing the size of the Air Force. *See* note 31 and accompanying text *supra*.

As the committee report accompanying these 1950 amendments said:

"It is perfectly justifiable and proper for all possible economies to be effected and savings to be made, but there is no warrant or justification for the thwarting of a major policy of Congress by the impounding of funds."

H.R. Rep. No. 1797, 81st Cong., 2d Sess. 311 (1950).

[154] The Nixon Administration construed the phrase "other developments" as used in the statute, see note 151 *supra*, in a broad manner not requiring those "other developments" to be related to the project in question. The Office of Management and Budget in giving its interpretation of the Anti-Deficiency Acts said:

"Thus 'other developments' would encompass any circumstances which arise after an appropriation becomes available for use, which would reasonably justify the establishment of a reserve."

1973 Hearings, supra note 1, at 529. Because of this overly broad interpretation given to the phrase "other developments," many of the reserve accounts established by the OMB allegedly under the authority of the Anti-Deficiency Act are of questionable validity. *See* 39 Fed. Reg. 7713 (1974).

[155] Comptroller General Elmer B. Staats has said:

"These provisions do not confer any authority to take actions on the basis of circumstances existing at the time appropriations were made and which were, therefore, within the purview of congressional consideration. In other words, no authority is provided to reconsider, modify, or negate congressional determinations."

1973 Hearings, supra note 1, at 110. Similarly, an exchange between Comptroller General Staats and Senator Jacob Javits supports this proposition:

"Senator Javits. In short, you say the words 'other developments' means substantive good faith *post-appropriation* developments?

"Mr. Staats. That is correct."

Id. at 120 (emphasis supplied).

[156] Statement of Comptroller General Elmer B. Staats, *Id.*

Clearly, the impoundment orders in *Missouri Highway* and *City of New York* cannot be justified by th Anti-Deficiency Acts. There has been no sudden reduction in the pollution of our waterways, which was the purpose of the Federal Water Pollution Control Act Amendments of 1972, or a completion of the interstate highway system, which was the purpose of the Federal Highway Act. Concerning the Anti-Deficiency Acts, Judge Lay of the Eighth Circuit wrote:

[T]he Act goes on to point out that the reserves may only be established when the funds *"will not be required to carry out the purposes of the appropriation concerned. . ."* (Emphasis ours). The legislative history is emphatic in noting that this power to withhold funds cannot be used if it would jeopardize the policy of the statute."

479 F.2d at 1118.

[157] In addition to the Anti-Deficiency Acts and congressionally imposed ceilings discussed in this section there are a number of other acts the Nixon Administration cited as authorizing the impoundment practice. First is the Employment Act of 1946, the relevant provision of which states:

"The Congress declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations of national policy . . . to promote maximum employment, production, and purchasing power."

15 U.S.C. § 1021 (1971). A number of Nixon Administration spokesmen cited this act to justify the practice of impoundment. *See* Statement of Deputy Attorney General Joseph T. Sneed, in *1973 Hearings, supra* note 1, at 366; Statement of OMB Deputy Director Caspar W. Weinberger, *1973 Hearings, supra* note 9, at 96, 156. The argument was made that

"[t]he reference to purchasing power permits the Administration to assert that it is only giving effect through impoundment to a congressionally declared policy of fighting inflation."

Note, *Protecting the Fisc: Executive Impoundment and Congressional Power*, 82 Yale L.J. 1636, 1655 (1973).

The Employment Act of 1946 does not justify impoundments for a number of reasons. First, the quoted portion is only part of a preamble to an act that sets up a specific mechanism to control inflation, a mechanism that does not include the practice of impoundment. Second, not only does the Act not grant a discretionary spending power to the President, but also the provision of the original bill which did grant such a discretion was deleted. 1973 Comm. Rep., *supra* note 22, at 8. Third, the goal of achieving maximum employment and full production is the responsibility of the Federal government, not just the President. Allowing impoundment would not give effect to the responsibilities imposed by the Act on the other branches of government. *Id.* Finally, the Act was a move against possible post-war depression to achieve maximum purchasing power and employment. Impoundment does the opposite, cutting both employment and production. *Id.*

The second act sometimes relied on by the Nixon Administration was the Economic Stabilization Act of 1970, Pub. L. No. 91–379, tit. II, 84 Stat. 799, *as amended*, Pub. L. No. 92–210, 85 Stat. 743 (1971) (codified in note to 12 U.S.C. § 1904 (Supp. II, 1973)). The Act gives power to the President to fight inflation by "issu[ing] such orders . . . as he deems appropriate . . . [to] stabilize prices, rents, wages and salaries. . . ." *Id.* § 203(a). These provisions were cited by the Nixon Administration to justify impoundments. *See* Statement of Deputy Attorney General Joseph T. Sneed, in *1973 Hearings, supra* note 1, at 366.

The Act does appear to give broad powers to the President to help control inflation, but nowhere is there a specific provision that allows the President to impound funds. In addition, on April 30, 1973, Congress amended the Act to make clear that none of the provisions of the Act were to be taken to authorize impoundment of funds. Economic Stabilization Act Amendments of 1973, Pub. L. No. 93–28, § 4, 87 Stat. 27. For a more extended discussion of this Act as it relates to impoundment see Note, *Protecting the Fisc: Executive and Congressional Power*, 82 Yale L.J. 1636, 1655–56 (1973).

[158] It should be noted at the outset that any public debt limitation has no application to the facts of the *Missouri Highway* case. Money for the construction of interstate highways does not have to be borrowed for it has already been collected and placed in a special trust fund. *See 1973 Hearings, supra* note 1, at 502.

[159] U.S. Const., art. II, § 3.

[160] *Id.*

[161] *1973 Hearings, supra* note 1, at 278.

The whole argument that seeks to justify impoundment on the basis of a public debt ceiling may be more theoretical than real, Congress has in the past always raised the debt level when there was any danger that spending might cause the limit to be passed. Given this fact, it hardly seems appropriate for the OMB to justify creating reserve accounts early in the year on the President's duty to comply with the existing debt limit (see 39 Fed. Reg. 7713(6b) (1974)) when past experience indicates there is a strong likelihood the limit will be raised before it is reached. For a more extended discussion of this point see Note, *Impoundment of Funds*, 86 Harv. L. Rev. 1505, 1519–23 (1973).

[162] 1973 Comm. Rep., *supra* note 22, at 16.

[163] *1973 Hearings*; *supra* note 1, at 395.

[164] *See* 494 F.2d 1033 (D.C. Cir. 1974), *cert. granted*, 94 S. Ct. 1991 (1974). A number of other courts construing the same provisions have reached the same conclusion. Maine v. Fri, 486 F.2d 713 (1st Cir. 1973) (preliminary injunction granted in favor of the plaintiff); Martin-Trigona v. Ruckelshaus, 5 E.R.C. 1665 (N.D. Ill. 1973); Minnesota v. EPA, 5 E.R.C. 1586 (D. Minn. 1973).

At least one court has expressly found that the Water Pollution Control Act Amendments of 1972 did not require the full allotment of funds. Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D. Cal. 1973) (dicta). *See also* Campaign Clean Water, Inc. v. Train, 489 F.2d 492 (4th Cir. 1973), *cert. granted*, 94 S. Ct. 1991 (1974).

[165] Section 207 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. § 1287 (Supp. II, 1973):

"There is authorized to be appropriated . . . [for fiscal 1973] *not to exceed* $5,000,000,000 [for fiscal 1974] *not to exceed* $6,000,000,000 . . ."

Id. (emphasis supplied).

[166] Federal Water Pollution Control Act Amendments of 1972, § 205, 33 U.S.C. § 1285 (Supp. II, 1973) states in relevant part:

"Sums authorized to be appropriated pursuant to section 1287 [207] . . . *shall* be allotted by the Administrator."

Id. (emphasis supplied).

[167] As the court of appeals said in *City of New York:*

"We [confront the Administrator's arguable discretion] in the belief that the legislative history . . . manifests an intent to create a procedure which would insure that the total authorized funds would be made available to the states. It is this goal which must guide us in interpreting the funding mechanism, for if discretion in allotment would make the achievement of this goal more difficult, it must be assumed that Congress intended no such authorization."

494 F.2d at 1042 (D.C. Cir. 1974).

[168] A number of the courts that have considered the question have relied heavily on the purported distinction between the allotment phase of funding and the obligational phase. Thus, in *City of New York,* while reserving the question of discretion to withhold obligational authority for a later time, the court said:

"We find that discretion in obligation is distinctly different than discretion in allotment, and that it was only the former which this legislation was intended to confer."

Id. at 1048–49 (D.C. Cir. 1974). *See also* Martin-Trigona v. Ruckelshaus, 5 E.R.C. 1665 (N.D. Ill. 1973); Minnesota v. EPA, 5 E.R.C. 1586 (D. Minn. 1973).

The distinction made by these courts may be a fairly arbitrary one. The Water Pollution Control Act Amendments of 1972 contain definite standards to be used by the administrator in evaluating proposed plans for water sewage treatment plants. 33 U.S.C. § 1284 (Supp. II, 1973). Nowhere among these detailed standards is a provision allowing the administrator to consider general fiscal policy in making his determination. Thus, when the funds are allotted and when the proposals submitted comply with section 1248, it is difficult to see how the administrator can refuse to grant obligational authority. President Nixon seemed to recognize that there would be little opportunity to prevent expenditures after the funds were actually allotted. Pt. 28, p. 36859. (daily ed. Oct. 17, 1972).

Similarly, the court in Brown v. Ruckelshaus, 364 F. Supp. 258 (C.D. Cal. 1973), referred to the opinion of Mr. Ruckelshaus that:

[O]nce funds are allotted among the states, [the administrator] has no power to control expenditures by curtailing or deferring specific project approvals.

Id. at 266–67. It is undoubtedly because of this view held by the Nixon Administration that they defended so vigorously their right to reduce allotments.

The only remaining question is the meaning that should be ascribed to the phrase "not to exceed" in section 207. 33 U.S.C. § 1287 (Supp. II, 1973). As stated in the text above, the phrase should be construed only as a limit on how much the states may ask for in their discretion. This may not be precisely consistent with the views of Representative Harsha, see note 170 *infra.* It is, however, the only interpretation that gives effect to all parts of the act, while at the same time not violating the provisions of 33 U.S.C. § 1284 which purports to describe those factors to be considered by the administrator in deciding whether to approve a proposal.

[169] Senator Muskie, one of the sponsors of the bill, said:

"'[A]ll' sums authorized to be obligated need not be committed, *though they must be allocated.* These two provisions were suggested to give the administration some flexibility concerning the obligation of construction grant funds. The conferees do not expect these provisions to be used as an excuse in not making the commitments necessary to achieve the goals set forth in the act. At the same time, there may be instances in which the obligation of funds to a particular project in a particular State may be contrary to other public policies, such as the National Environmental Policy Act. In these cases the Congress would, of course, expect the administration to refuse to enter into contracts for construction."

118 Cong. Rec. S16871 (daily ed. Oct. 4, 1972). Senator Muskie's reference to flexibility in making obligations is consistent with the view that it may not be done for general economic policy reasons. *See also* Statement of Senator Muskie, in *1973 Hearings, supra* note 1, at 408. For other statements supporting the position that there must be a full allotment see City of New York v. Train, 494 F.2d 1033, 1039–50 (D.C. Cir. 1974).

It is interesting to note, as did the district court in *Campaign Clean Water,* that:

"[T]he Senate had originally chosen not to pass an administration bill (S. 1013) which would have authorized sums close to those slated for spending under the challenged impoundment policy."

361 F. Supp. at 699 n.4.

[170] Even the remarks of Congressman Harsha indicated that any flexibility that does exist was only at the obligation stage:

"Furthermore, I want to point out that the elimination of the word "all" before the word "sums" in section 205(c) and the insertion of the phrase "not to exceed" in section 207 was intended by the managers of the bill to emphasize the President's flexibility to control the rate of spending."

118 Cong. Rec., pt. 25, p. 33755.

[171] Senator Muskie, in referring to the "not to exceed" language of section 207, said:

"[I]t would take up to 9 years to actually spend the money that was authorized in the 4 years covered by the authorization. Obviously the *Congress cannot predict the pace at which the administrative process of designing, applying for, and funding these projects can take place.* Obviously, we are not going to mandate the spending of money for contracts that have not been negotiated, and *it is for that reason that the "not to exceed" language appears in section 207."* . . .

1973 Hearings, supra note 1, at 375 (emphasis supplied).

[172] In the Senate the vote was 52 to 12 to override, 118 Cong. Rec., pt. 28, p. 36879; in the House the vote was 247 to 23, 118 Cong. Rec., pt. 28, p. 37060.

The President, in vetoing the Act, had said:

"I am compelled to withhold my approval from S. 2770, the Federal Water Pollution Control Act Amendments of 1972—a bill whose laudable intent is outweighed by its unconscionable $24 billion price tag."

118 Cong. Rec., pt. 28, p. 36859.

[173] Executive construction of the phrase "not to exceed" also indicates that such phrase does not imply the discretion to withhold funds. In his message to Congress vetoing the Federal Water Pollution Control Act Amendments of 1972, President Nixon indicated he believed that any "spending discretion and flexibility" given to the Administration was limited and that "funds approaching the maximum authorized amount could ultimately be claimed and paid out. . . ." 118 Cong. Rec. pt. 28, p. 36899.) This is consistent with the view expressed by then Assistant Attorney General Rehnquist in interpreting similar language in the Vocational Education Act. 20 U.S.C. §§ 1241–1391 (1971) (discussed in *1971 Hearings, supra* note 9, at 285–91).

[175] 23 U.S.C. § 101(c) (1971) provides:

"It is the sense of Congress that under existing law no part of any sums authorized to be appropriated for expenditure upon any Federal-aid system which has been apportioned pursuant to the provisions of this title shall be impounded or withheld from obligation, for purposes and projects as provided in this title, by any officer . . . in the executive branch . . . except such specific sums as may be . . . necessary to be withheld from obligation for specific periods of time to assure that sufficient amounts will be available in the Highway Trust Fund to defray the expenditures which will be required to be made from such fund."

[176] *Id.*

[177] Appellant's Brief, *supra* note 84, at 29–34.

[178] Amicus Brief, *supra* note 55, at 23.

[179] *See* Connecticut Light & Power Co. v. FPC, 324 U.S. 515, 527 (1945); 2 Sutherland, Statutory Construction § 4820 (3d ed. 1943).

[180] The Eighth Circuit refused to accept the Administration's interpretation of the "sense of Congress" language. 479 F.2d at 1111.

[181] H. Rep. No. 91-1554, 91st Cong., 2d Sess. (1970); *see also* H. Rep. No. 1799, 90th Cong., 2d Sess. (1968).

[182] U.S. Const. art. I, § 1.

[183] The contention that the President was to have limited powers in the legislative process is supported by a discussion at the Constitutional Convention in 1787:

"Mr. Wilson . . . did not consider the prerogatives of the British monarch as a proper guide in defining the executive powers. Some of these prerogatives were of a legislative nature . . . . The only powers he considered strictly executive were those of executing the laws . . ."

J. Madison, Journal of Constitutional Convention 86 (E.H. Scott ed. 1894).

"[Mr. Madison felt] "that a national Executive ought to be instituted" . . . "with power to carry into effect the national laws . . . and to execute such other powers 'not legislative nor judiciary in their nature,' as may from time to time be delegated by the national legislature." The words "not legislative nor judiciary in their nature," were added to the proposed amendment in consequence of a suggestion, by General Pickney, that improper powers might otherwise be delegated."

Id. at 87.

The words "not legislative nor judiciary in their nature" were struck out as unnecessary as they were subsumed in the words "power to carry into effect the national laws." *Id.*

[184] The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

U.S. Const. art. I, § 8.

[185] *See 1973 Hearings, supra* note 1, at 371.

[186] U.S. Const. art. 1, § 8.

[187] U. S. Const. art. II, § 3.

"He shall . . . recommend to their [Congress'] Consideration and Measures as he shall judge necessary and expedient. . . ."

[188] U.S. Const. art. I, § 7. *See* notes 212–16 and accompanying text *infra.*

[189] U.S. Const. art. I, § 9, cl. 7.

[190] Cincinnati Soap Co. v. United States, 301 U.S. 308, 321 (1937); Reeside v. Walker, 52 U.S. (11 How.) 272, 291 (1850).

[191] *See* Hart. v. United States, 16 Ct. Cl. 459 (1880), *aff'd,* 118 U.S. 62 (1882). The *Hart* court said:

"The *absolute* control of the moneys of the United States is in Congress, and Congress is responsible for its exercise of this great power only to the people."
16 Ct. Cl. at 484 (emphasis supplied).

[192] After quoting U.S. Const, art I, § 9, Mr. Weinberger said:

"It does not follow from this, however, that the expenditure of government funds involves an exclusively legislative function; in fact, the provision I have just quoted seems to assume that the expenditure of funds—as distinguished from the granting of authority to withdraw them from the Treasury—is an executive function. In any event, it has always been so regarded."
1971 Hearings, supra note 9, at 94. *See also 1973 Hearings, supra* note 1, at 839.

Indeed, one opinion appears to refute Mr. Weinberger's reasoning:

"The purpose of the appropriations, the terms and conditions under which said appropriations were made, is a matter solely in the hands of Congress and it is the plain and explicit duty of the executive branch of the government to comply with the same."
Spaulding v. Douglas Aircraft Co., 60 F. Supp. 985, 988 (S.D. Cal. 1945), *aff'd,* 154 F.2d 419 (9th Cir. 1946).

[193] U.C. Const. art. II, § 3, cl. 3.

[194] *See* text accompanying note 189 *supra.*

[195] The word "execute" has several meanings. It is with some gratification that Senator Ervin remarked that the Nixon Administration had forgone a construction which would interpret the phrase to mean the President would "kill" various legislative acts. *See 1973 Hearings, supra* note 1, at 372.

[196] 37 U.S. (12 Pet.) 524, 613 (1838). For an extended discussion of the *Kendall* case see Iowa note, *supra* note 7, at 74–75.

[197] *1971 Hearings, supra* note 9, at 283.

[198] *See* Moyer v. Brownell, 137 F. Supp. 594 (E.D. Pa. 1956).

[199] *See* Goostree, *The Power of the President to Impound Funds: With Special Reference to Grants-In-Aid to Segregated Activities,* 11 Am. U.L. Rev. 32, 37–38 (1962).

[200] U.S. Const. art. II, § 1, cl. 1.

[201] OMB deputy director Casper Weinberger stated:

"[A]uthority for the President to establish reserves is derived basically from the constitutional provisions which vest the executive power in the President.

"Returning now to the provisions of Article II, we believe the power to withhold appropriated funds is implicit in them."
1971 Hearings, supra note 9, at 95.

A more recent recent director of the OMB indicated that he believed that, despite a lack of explicit impoundment authority, President Nixon's refusal to spend appropriated funds is consistent with his constitutional duties. N.Y. Times, Feb. 6, 1973, at 16, col. 3.

Similarly, then Attorney General Richard Kleindienst argued that congressional attempts to reverse impoundments were unconstitutional because they "conflict with the allocation of executive power to the President made by Article II of the Constitution." N.Y. Times, Apr. 6, 1973, at 16, col. 3.

[202] The OMB has used as a basis for justifying some of the deferral of funds the general concept of inherent Executive powers. Thus funds were withheld from numerous projects, *see* 39 Fed. Reg. 7716–48 (1974), because of the "President's responsibility to help maintain economic stability without undue price and cost increases." *Id.* at 7713 (6)c.

[203] *1971 Hearings, supra* note 9, at 282. Professor Alexander Bickel was in substantial accord with this position when he said:

"[F]ew will now argue . . . that the President has some inherent power, even when ordered to spend the money, not to spend it . . ."
Id at 28.

The Nixon Administration found it necessary to substantially repudiate the statements of Mr. Rehnquist to maintain its position that Executive impoundments are constitutional. *See* Statement of Deputy Attorney General Joseph T. Sneed, in *1973 Hearings, supra* note 1, at 380–81.

[204] 343 U.S. 579 (1952).

[205] It should be noted that even funds withheld for reasons solely connected with the particular legislative act in question are done so pursuant to congressional authorization via the Anti-Deficiency Act, rather than through some inherent Executive power.

[206] *See e.g.,* Opinion of Justice Burton concurring:

"Does the President, in such a situation, have inherent constitutional power to seize private property which makes congressional action in relation thereto unnecessary? We find no such power available to him under the present circumstances . . . . We do not face the issue of what might be the President's constitutional power to meet such catastrophic situations [imminent invasion]."
343 U.S. at 659. *See also* Opinion of Justice Clark concurring:

"[T]he Constitution does grant to the President extensive authority in times of grave and imperative national emergency.

"[B]ut that in the absence of such action by Congress, the President's independent power to act depends upon the gravity of the situation."
Id. at 662.

[207] Sioux Valley Empire Elec. Assn. v. Butz, 367 F. Supp. 686, 698 (D.S.D. 1973) where the court went on to say:

"Indeed, it is by far the most dangerous abdication of legislative power in an age of Congressional acquiescence, for it vests in the executive the very essence of legislative power . . . . Should the power [to impound funds] be conceded to the President, the very nucleus of Congressional power would pass to the Executive sphere. The system of checks and balances would be emasculated."

[208] *See* Pennsylvania v. Lynn, 362 F. Supp. 1363 (D.D.C. 1973), where the court said:

"It is not true that the Executive has the authority to terminate or suspend indefinitely a statutory program . . . . Congress has mandated that the programs continue. It is not within the discretion of the Executive to refuse to execute laws passed by Congress but with which the Executive presently disagrees."
Id. at 1372. *See also* Community Action Programs Exec. Dir. Assn v. Ash, 365 F. Supp. 1355 (D.N.J. 1973), where the court said:

"The Executive Branch has no authority, even for motives such as the control of inflation, to decide for itself whether to obey a law after the President has signed a bill into law, or after Congress has overridden a Presidential veto."
Id. at 1360. The court continued:

"I conclude, therefore, that once Congress has appropriate funds for a specific program, the Executive Branch has a duty to spend them. It has no authority under the Constitution to refuse to spend these funds, and performs only a ministerial function."
Id. at 1361.

[209] This was one of the reasons for the rejection of the inherent powers argument in *Youngstown* As Justice Frankfurter said concurring:

"It is quite impossible, however, when Congress did specifically address itself to a problem, as Congress did to that of seizure, to find secreted in the interstices of legislation the very grant of power which Congress consciously withheld."
343 U.S. at 609. The Nixon Administration relied on the case of *In re* Neagle, 135 U.S. 1 (1889), for the proposition that the President may act without authority specifically given to him. In that case the President assigned a guard to a Supreme Court Justice traveling on circuit, despite the fact that no congressional law authorized such action. The case is distinguishable because there Congress never considered the question of assigning guards to a Justice who was endangered whereas, in every impoundment case, Congress has considered the specific amount authorized or appropriated. In this regard impoundment cases are much more parallel to the situation in *Youngstown* where the inherent power argument was rejected.

[210] Anti-Deficiency Acts, 31 U.S.C. § 665 (1971); Economic Stabilization Acts, Pub. L. No. 91–379, tit. II, 84 Stat. 799, *as amended,* Pub. L. No. 92–210, 85 Stat. 743 (1971). *See* Comment, *Presidential Impounding of Funds: The Judicial Response,* 40 U. Chi. L. Rev. 328, 332–33, n.26 (1973); Note, *Protecting the Fisc: Executive Impoundment and Congressional Power,* 82 Yale L.J. 1636, 1641 (1973).

[211] *1973 Hearings, supra* note 1, at 401.

[212] U.S. Const. art. I § 7.

[213] Where less than the total funds are impounded there is, in effect, a rewriting of a congressional law rather than a mere removal of a provision. This, of course, is equally impermissible.

[214] U.S. Const. art I, § 7.

[215] *1973 Hearings, supra* note 1, at 328.

Benjamin Franklin was concerned that giving the President an absolute negative would put him in too strong a position to extract personal favors from the legislature. J. Madison, Journal of Constitutional Convention 102 (E.H. Scott ed. 1894). Similarly, another delegate expressed his reservation in granting an absolute veto to the President by saying "No one man could be found so far above all the rest in wisdom." *Id.* at 103. Even on the question of whether it should take three-fourths or only two-thirds of each house to override a veto it was said:

"that the states should not like to see [so] small a minority and the President prevailing over the general voice. In making laws regard should be had to the sense of the people who are to be bound by them, and it was more probable that a single man should mistake or betray this sense than the legislature."
2 Farrand, *supra* note 10, at 585.

[216] Statement of Professor Philip Kurland, in *1973 Hearings, supra* note 1, at 400.

[217] 116 U.S. 43 (1885).

[218] *See also* United States v. Louisville, 169 U.S. 249 (1898); United States v. Jordon, 113 U.S. 418 (1885).

Two attorney general opinions also lend support to the argument that, in the face of mandatory spending language, the President is required to spend:

"The appropriation of specific funds 'to be immediately available' ordinarily imposes the duty of expending them for the purposes named in the act."
Statutory Construction, 21 Op. Att'y Gen. 420, 421 (1895). *See also* Appropriations, 22 Op. Att'y Gen. 295 (1899).

[219] 37 U.S. (12 Pet.) 524 (1838).

[220] *Id.* at 612–13.

[221] 223 F.2d 623 (D.C. Cir. 1955).

[222] Pub. L. No. 83–172, 67 Stat. 261, 262 (1954).

[223] See Statement of Representative Bennett, in *1973 Hearings, supra* note 1, at 141.

[224] 16 Ct. Cl. 562 (1880).

[225] Op. of Att'y Gen., Feb. 25, 1967, at 4.

[226] The law involved in *Hukill's Case* was to pay postal employees for services rendered in the South during the Civil War. The burden, however, was on the claimant to show that he had not been previously paid by the Confederacy. Hukill failed to do this.

[227] 16 Ct. Cl. at 565. *See also* Campagna v. United States, 26 Ct. Cl. 316 (1891) where the court said:

An appropriation is per se nothing more than the legislative authorization prescribed by the Constitution that money may be paid out at the Treasury.
Id. at 317. This case is subject to the same limitations as *Hukill's Case. See also* Lovett v. United States, 104 Ct. Cl. 557 (1945).

[228] 60 F. Supp. 985 (S.D. Cal. 1945), *aff'd*, 154 F.2d 419 (9th Cir. 1946).

[229] *Id.* at 988.

[230] Senator Fulbright once threatened such action on foreign aid programs unless the President agreed to release funds appropriated for domestic programs. *See* N.Y. Times, Feb. 2, 1973, at 12, col. 5. Similarly, Senator McGee announced, at one point, that his appropriations subcommittee would not begin hearings on the Department of Agriculture budget unless previously impounded funds for agricultural programs were released. *See 1973 Hearings, supra* note 1, at 35.

[231] *See* N.Y. Times, Feb. 9, 1973, at 12, col 6.

[232] *See* Fisher, *Presidential Spending Discretion and Congressional Controls*, printed in *1973 Hearings, supra* note 1, at 683, where examples of other types of political pressure are discussed. *Id.* at 711.

[233] For example, in February, 1973 the House voted to require the Department of Agriculture to spend 210 million dollars which the Administration had refused to release for the Rural Environmental Assistance Program. *See* N.Y. Times, Feb. 8, 1973, at 1, col. 5.

[234] *See* N.Y. Times, Apr. 6, 1973, at 1, col. 1.

[235] Pub. L. 93–344, tit. 10, 88 Stat. 297 (1974) [formerly H.R. 7130]. H.R. 7130 originally passed the House on December 5, 1973, by a vote of 386–23. 119 CONG. REC., pt. 30, p. 39739. S. 4319, the Senate version of the bill, initially passed the Senate on March 22, 1974, by a vote of 80–0. 120 CONG. REC., pt. 6, p. 7913.

This Act represents the culmination of years of effort to control impoundment. On April 4, 1973, the Senate passed S. 929, 93d Cong., 1st Sess., which required the President to notify the Congress whenever any deferral of funds was made. Under its provisions, unless Congress specifically approved the deferral within sixty days, the deferral would have had to cease.

H.R. 8480, 93d Cong., 1st Sess. was the House counterpart of S. 929 and it passed the House on July 25, 1973. Its provisions were substantially similar, except that any impoundment ordered by the President did not have to cease, unless either house of Congress affirmatively disapproved the action. The difference in the two bills is reflected in the approach of the Act as approved. *See* text accompanying notes 241–51 *infra*.

Similarly, both bills contained a ceiling on the allowable national debt and authorized the President to comply with this ceiling only by making proportional cuts from each budget subfunctional category. This provision does not appear in the final version of the Act.

[236] Impoundment Control Act of 1974 § 1001. § 1001.

[237] *Id.*

[238] *See* note 151 *supra*.

[239] *See* note 154 *supra*.

[240] Impoundment Control Act of 1974 § 1002. The amendment also requires that any rescissions in accord with the provisions of the Anti-Deficiency Act must be approved by Congress as provided by the Impoundment Control Act. *Id.*

[241] S. Rep. No. 93–924, 93d Cong., 2d Sess. 76 (1974).

[242] Impoundment Control Act of 1974 § 1012(a).

[243] *Id.* The special message is required to include (1) the amount of budget authority proposed to be rescinded; (2) the specific projects, departments, and accounts from which funds are to be withheld; (3) the reasons why the budget authority is to be reserved; (4) the estimated fiscal, economic and budgetary effect of the proposed rescission; and (5) the estimated effect of the proposed rescission upon the programs for which the budget authority was provided. *Id.*

[244] *Id.* § 1012(b). A bill approving a rescission is called a rescission bill.

[245] It should be noted that "deferral of budget authority" is defined broadly so as to include "Executive action or inaction which effectively precludes the obligation or expenditure of budget authority, including authority to obligate by contract in advance of appropriations as specifically authorized by law." *Id.* § 1011(1)(B).

The last line of the above provision would make clear that the action of the Administrator in *City of New York*, in refusing to make allotments which had the effect of precluding obligational authority would be subject to congressional disapproval.

[246] *Id.* § 1013(a). For the requirements of the special message see note 243 *supra*. In addition, the message must specify any legal authority upon which the President relies to justify the proposed deferral and the length of time during which the deferral is proposed to last. *Id.* § 1013(a).

[247] A resolution disapproving a deferral is called an impoundment resolution. *Id.* § 1013(b). Essentially, the act provides for a legislative veto of executive action. Some have contended that a congressional resolution of this type, without submitting the resolution to the President for his approval, would be unconstitutional. *See e.g.*, Statement of Representative Eckhardt, 119 CONG. REC., pt. 30, p. 39725. A similar plan was provided in connection with the Executive Reorganization Act. 5 U.S.C. § 906 (1971). The Court of Appeals for the District of Columbia Circuit has referred to this type of legislative veto, without giving any hint that such a plan might be unconstitutional. Young v. United States, 212 F.2d 236, 239 n.12 (D.C. Cir. 1954), *cert. denied*, 347 U.S. 1015 (1954).

[248] Impoundment Control Act of 1974 § 1013(c).

[249] *Id.* § 1013(a).

[250] *See* Statement of Senator Ervin, 120 Cong. Rec. p. 20473 (daily ed. June 21, 1974). This holds true for deferrals of funds to the end of a fiscal year which would lapse that year. *Id.* at p. 20472. The same holds true for proposed deferrals in the last year of a multiyear appropriation.

[251] *See id.*

[252] There are a number of other provisions of the Congressional Budget and Impoundment Control Act of 1974 that aid in the implementation of the procedure to make available federal funds. The President is required to submit a cumulative report each month listing all budget authority for the fiscal year that has been the subject of either a rescission or deferral special message. Impoundment Control Act of 1974 § 1014(e). Also, if the President fails to send a special message to the Congress the Comptroller General is authorized to prepare a report containing the information which should have been transmitted. This report will be treated as the special message in all respects. *Id.* § 1015. Thus, in the case of deferred funds, either House can act to disapprove the deferral and thereby require that the particular funds or authority be obligated.

If under section 1012(b) or 1013(b) budget authority is required to be made available and it is not, the Comptroller General is authorized to bring suit in the District Court for the District of Columbia. *Id.* § 1016. Finally, extensive provisions are made for the handling of rescission bills and impoundment resolutions. Both are referred to committees, but provisions are made for discharge from the committees after 25 days. *Id.* § 1017(b)(1). In addition, the procedure for handling these bills and resolutions on the floor of the House and the Senate is provided. *Id.* §§ 1017(c), (d).

ANNIVERSARY OF REPUBLIC OF LITHUANIA

Mr. HASKELL. Mr. President, on Sunday, February 16, 1975, we celebrated the 57th anniversary of the establishment of the Republic of Lithuania.

Since the year 1251, the founding of the Lithuanian State, these people have struggled for religious freedom and basic human rights. Undaunted by the little notice and even less support from the free world, Lithuanians still fight for their onetime independence from the Soviet Union.

It is time to give these people our visible support. Their continued battle for their beliefs should be an inspiration to us all. The February 16 anniversary was an important one. Not only because of the making of the Republic of Lithuania; but because of the making of the steadfast determined people who make up this Republic.

I join all fellow Americans in paying tribute.

THE FISCAL PROBLEMS OF LOCAL GOVERNMENTS

Mr. HUMPHREY. Mr. President, on January 31, as part of its annual hearings on the state of the economy, the Joint Economic Committee received testimony about the financial problems of State and local governments. A panel of distinguished local government officials presented statements about the fiscal problems of their governments and the effect of the administration's energy and economic proposals on the economies of their jurisdictions.

Included on the panel were the Honorable Joseph Alioto, mayor of San Francisco and chairman of the U.S. Conference of Mayors; the Honorable Nicholas Panuzio, mayor of Bridgeport, Conn.; Mr. James M. Scott, supervisor of Fairfax County, Va.; and Mr. Samuel Turner, commissioner of Wayne County, Mich. The testimony presented to the Joint Economic Committee by this distinguished panel was so enlightening and so important to a balanced economic recovery, that I would like to summarize it for my colleagues.

The picture painted by the witnesses was one of severe hardship, both for the residents of their communities and for the governments themselves. The mayors and county officials presented data and testimony that clearly confirmed news accounts that have been appearing around the country exposing the severe financial problems of local governments. The witnesses clearly demonstrated that the national economy, particularly the deepening recession, is the prime cause of their current fiscal crisis.

Both State and local governments have been major victims of the ever-worsening economic situation. The witnesses pointed out that inflation has swelled expenditures by State and local governments for goods and services at a much faster rate than revenues have increased. Mr. Scott's statement pointed out that in the year and a half ending December 1974, the cost of petroleum products to his county had risen 81 percent; food products and food service supplies, 50 percent; paper products, 32 percent; maintenance and construction, 54 percent; and chemicals, 101 percent.

At the same time, the rate of increase

in tax receipts has fallen well below the rate of inflation, particularly revenues received from taxes that are levied by volume—gasoline, cigarette, and liquor—and from fees and licenses.

However, the witnesses were far more concerned about recession, for unemployment has an even more sinister effect on State and local government finance. They pointed out that the present recession has eroded receipts from all major sources of revenue. Income and sales tax receipts are most significantly affected, because receipts from these taxes are directly tied to the level of economic activity, specifically income and retail sales. However, the property tax is also affected, most severely by the decline in construction activity. The Joint Economic Committee staff has estimated that State and local governments would receive at least $20 billion in additional revenues, assuming constant tax rates, if the economy were operating at anywhere near full employment. That $20 billion alone would turn dangerous deficits into significant surpluses. Furthermore, recession increases the demand for certain services, particularly expenditures for public assistance and unemployment compensation.

Mayor Panuzio presented in his testimoney the results of a survey conducted by the National League of Cities. The survey showed that one-third of the cities surveyed had been forced to cut back the level of service they were providing; one-third had found it necessary to cut payrolls by laying off employees or through the combination of a hiring freeze and attrition; over one-half had postponed essential capital expenditures; two-thirds found that their revenues had fallen short of anticipated levels; and almost half expected to enact some form of tax increase in 1975. The severity and widespread incidence of this problem caused Mayor Alioto to remark:

> Cities' *fiscal problems* have now risen to crisis proportions. Inflation and recession are cutting deeply into public budgets. Cities face a variety of steadily rising costs—inflated payrolls, more costly supplies and equipment, and capital improvements' financing at high interest rates. Revenues provided mainly through taxes fall short in times of recession and thus are inadequate to meet costs. . . . As a result, cities are faced with a variety of "belt-tightening" strategies, layoffs, hiring freezes, cut-backs in services, raising of local taxes and more.

Commissioner Turner of Wayne County, who possibly is confronted with the Nation's most serious economic crisis, spoke even stronger words:

> Our basic position is that a crisis is already upon us. Unless there is immediate and sufficient help, the government of the County of Wayne will be required to cut back services already severely curtailed because of continuing restrictions.

This problem has been exacerbated by the unwillingness of the Federal Government to respond to the growing needs of State and local governments. In fact, the staff of the Joint Economic Committee has calculated that the real value of Federal assistance to State and local governments has actually declined in the last year by a full 2 percent. Mayor Alioto noted this point in his testimony.

> Federal assistance to local governments has not kept pace with the inflationary spiral. In FY 75 we estimate that Federal assistance to state and local governments was, in real dollar terms, $600 million below the FY 74 level of assistance.

Perhaps the most enlightening point made by the witnesses concerned the perverse effect on the economy of the actions that State and local governments must take to keep their budgets in balance, a position required by State constitutions. Just at a time when the Federal Government is desperately trying to stimulate consumption, return purchasing power to consumers through tax cuts, and spur the economy toward recovery, State and local governments are required to take actions that could very well cancel the effect of Federal efforts to initiate a recovery.

At a time when the Federal Government is seeking to cut personal income taxes, focusing on low and moderate-income persons, the State and local governments are forced to raise their taxes, particularly the most regressive of all taxes, the property tax. Mayor Panuzio pointed out the severity of this problem in his statement:

> Given the hard data we have uncovered through our survey of cities, it is our contention that local governments (and perhaps state governments) are being forced to take budgetary actions which are at cross-purposes with national economic recovery objectives. For example:
>
> Local governments are being forced to increase taxes, while the federal government is attempting to stimulate the private sector through tax reduction.
>
> Local governments are being forced to reduce essential public services, while the federal government is attempting to extend governmental services and individual relief programs.
>
> Local governments are being forced to lay off their regular public employees, while the federal government is attempting to reduce private-sector unemployment through public service jobs.
>
> Local governments are being forced to increase regressive property taxes, while the federal government is attempting to equitably distribute the economic burdens. Reductions in the federal income tax and increases in local property taxes will not achieve this federal objective.

This problem was also examined in a recent New York Times article by Lee Dembart. Dembart said:

> As the Federal government prepared to put more money in their (the taxpayers) pockets by cutting taxes in an effort to prime the economy, state and local governments are planning to take it away in an effort to balance their budgets.

The mayors and county officials unanimously agreed that the most helpful policy that the Federal Government could undertake to assist State and local governments would be to get the economy moving toward full employment. In addition, the mayors and county officials offered several suggestions that would contribute to the swiftness and surety of economic recovery, and avoid the fiscal perversity of State and local government actions. Among the recommendations offered by the local government officials were:

First. Emergency financial assistance: A one-time counter-cyclical grant to State and local governments designed to cushion the adverse impact of the current recession on these governments. This grant would be designed to remove the necessity for State and local government actions that would have a perverse effect on the Federal Government's effort to stimulate an economic recovery. The grant could be targeted at those areas in the country that are experiencing the greatest hardship and could be designed to be phased out as the economy returns to full employment.

Second. Federally financed property tax circuit breaker: This program, which has already been enacted by several States, would provide property tax relief to individuals who spend an excessive percentage of their income on property tax payments. The Federal Government would agree to pay all property taxes in excess of a determined percentage of income for low-, moderate- and fixed-income individuals and families. The payment would be made in the form of reduced Federal tax obligations. In this manner, property tax relief could be afforded those most in need without seriously jeopardizing the revenue base of the local government.

Third. Expanded public service employment program: All of the witnesses agreed that a minimum of 500,000 additional jobs should be enacted immediately and that the program should be expanded as the recession deepens. The witnesses pointed out that there were presently 10 applicants for every public service job and that there are many important projects which offer opportunities for productive employment at the State and local government level.

Fourth. Community facility rehabilitation program: A 2-year program focusing on the rehabilitation and restoration of existing infrastructure. These projects would be required to be labor intensive—perhaps 75 percent of expenditures going for wages and salaries—and would make a significant contribution to upgrading the condition of existing infrastructure.

Fifth. Accelerated public works program: This program would appropriate the $500 million that has already been authorized for projects that are labor intensive, that make a positive contribution to economic development in high unemployment areas, and that can readily be accelerated to provide immediate stimulus to the economy.

Sixth. Expanded summer employment program: This program would employ over 1 million youths during the summer months. It should be designed to make an important contribution to reducing the unemployment rate among teenagers—presently hovering close to 20 percent—and also to provide much needed stimulus to the depressed economy.

Seventh. Direct financial assistance to the housing industry: The statements pointed out that the Nation's housing industry is currently in a depression, which is having an adverse impact on local government revenues and on the economy as a whole. Among the actions that were suggested were, first, a reduction in interest rates to make mortgage payments more affordable; second, increasing the supply of mortgage money available to housing; and third, stimulating the production of multifamily housing, particularly for low- and moderate-income families.

Eighth. Expanded economic development assistance: This program would provide loans and grants to depressed local economies for the purpose of attracting and developing new employment opportunities.

Mr. President, I would like to take this opportunity to commend the witnesses for their innovative policy proposals and suggest to my colleagues that all elements of this program merit prompt legislative consideration.

ALBERT SCHWEITZER CENTENNIAL WEEK

Mr. BROOKE. Mr. President, as the press of crisis upon crisis seems to push us toward a downward spiral of decay and cynicism, it is difficult for many to maintain the optimism necessary for worthwhile achievement. Yet, through the haze of despair, quiet voices of reason and hope continue to penetrate and strike a responsive chord. Such a voice was that of Albert Schweitzer, the great humanitarian whose memory has recently been honored during the centennial week celebration of his birthday.

Albert Schweitzer's contribution to the world and his message of hope is not as widely known in the United States as it should be. Therefore, I was pleased to receive notification that Washington University in St. Louis, Mo., has recently held a centennial celebration of Albert Schweitzer's 100th birthday.

The purpose of the celebration was as follows:

> We do not want to put him on a pedestal. But we believe that today's mankind can ill afford to waste the moral capital of Schweitzer's humanitarianism . . .

In the belief that "moral capital" will be of benefit to us all, I ask unanimous consent that several short documents provided by Washington University be printed in the Record. They provide an impressive capsule summary of the primary import of Albert Schweitzer's message—a reverence for life.

There being no objection, the material was ordered to be printed in the Record, as follows:

Excerpts From Albert Schweitzer's "My Message for Mankind"

I summon mankind to the ethics of reverence for life. . . . The most immediate fact in the consciousness of man is this: "I am life that wants to live, in the midst of life that wants to live." This universal affirmation of life is an act of the spirit in which man ceases to live blindly but rather begins to dedicate himself to his own life with reverence in order to give it its true worth. The man who has become thoughtful in this manner experiences at the same time the necessity of offering every will to live the same reverence for life that he offers to his own. Good, then, for him means to preserve and promote life, raise life capable of developing to its highest worth. Evil, for him, means harming or destroying life capable of developing in its development. This is the absolute fundamental principle necessary for ethical thinking. Through the ethics of reverence for life we enter into a spiritual relation with this world.

Every ordinary power in this world produces a limit for itself, for it creates an opposite power that sooner or later becomes equal or superior to it. Kindness, on the other hand, acts simply and persistently. It creates no tensions through which it neutralizes itself, but relaxes existing tensions, removes suspicion and misunderstandings. By awakening kindness, it gains new strength. For this reason it is the most practical and most effective force. Whatever by way of kindness a man sends out into the world affects people's hearts and thoughts. It is our stupid fault that we do not dare to make an earnest attempt at kindness. We always want the great load to move without making use of the lever that can multiply our strength a hundredfold. There is an immeasurably deep truth in the saying of Jesus: "Blessed are the meek, for they shall inherit the earth".

Reverence for life tells us to bring aid to the nations all over the world which are in need. Almost everywhere the fight against the diseases by which these nations are beset has started too late. When all is said and done, whatever good we do for the people of the former colonies is not charity, it is our atonement for the suffering which white people have inflicted on them from the very day when our ships first found the way to their shores. We must reach the point when white and coloured will meet in the ethical spirit. . . . Whoever has been saved from dire distress of disease must himself lend a hand, so that those who are in distress today may obtain a helper as he did. This is the brotherhood of those marked by pain. They are responsible for the human and medical humanitarian work in all nations.

Today we have the choice between two risks. The one consists in continuing the senseless armament race in atomic weapons, and in the implied danger of an atomic war; the other in renouncing atomic weapons, and in the hope that America, the Soviet Union and the nations connected with them will manage to live side by side in compatibility and peace. . . . The theory that peace can be preserved through deterring the opponent by atomic armament is impracticable in our time with its intensified danger of war. . . . I profess the conviction that we shall solve the problem of peace only when we reject war on ethical grounds, because it makes us guilty of inhumanity. I am certain that in our time the mind has the power to create an ethical spirit. . . . May those who hold in their hands the fortunes of the nations . . . endeavor to preserve peace with one another so that time may be given to the spirit of humanity and of reverence for all life to grow in strength and effectiveness.

Schweitzer prepared this text for a German phonograph record in September, 1964, one year before his death. It may therefore be considered his spiritual testament.

BRIEF CHRONICLE OF SCHWEITZER'S LIFE

January 14, 1875: Birth at Kayserberg, Alsace; childhood and youth in Gunsbach.

1893: Organ study with Charles Widor in Paris.

1893–1899: Studies of philosophy and theology at the Universities of Strassburg and Berlin.

1896: Resolution to give direct service to humanity after age 30.

1899: Doctorate in philosophy with book on Kant's Philosophy of Religion.

1900–1912: Licentiate degree, then Lecturer in theology at the University of Strassburg and vicar at St. Nikolaus Church.

1905–1912: Study of medicine; decision to go to Africa announced.

1912: Marriage with Helene Bresslau; birth of daughter Rhena 1919.

1913–1917: First sojourn in Lambarene.

1915: Conception of the principile of "Reverence for Life" on the Ogowe River.

1917–1918: Internment in France and return to Strassburg; again vicar at St. Nikolaus; first sermons on "reverence for life."

1920–1924: Lectures and organ recitals in Sweden, Switzerland and England to raise funds for the return to Lambarene.

1924–1927: Second sojourn in Lambarene; building of new hospital.

1929–1965: Twelve additional sojourns in Lambarene (1929–32, 1933–34, 1935, 1937–39, 1939–48, 1949–51, 1951, 1952, 1954, 1955, 1957, 1959–65); total, approximately 35 years.

During intervals, lectures on Goethe in Germany (Goethe prize) (1928 & 1932), England (Hibbert Lectures), Scotland (Gifford Lectures), U.S.A. (1949 Goethe Bicentennial speech in Aspen, Col. with stopover in Chicago for honorary degree (University of Chicago).

1952: Nobel Peace Award.

1954–1958: Appeals against nuclear testing and for banning of atomic weapons.

1965, September 5: Death in Lambarene.

Main Books

1905: Johann Sebastian Bach (French edition).

1908: The Quest of the Historical Jesus.

1912: First of six volumes of the Critical Edition of Bach's Preludes and Fugues for Organ.

1921: At the Edge of the Primeval Forest.

1923: Philosophy of Civilization, volumes I and II.

1923: Memoirs for Childhood and Youth.

1924: Christianity and the Religions of the World.

1930: The Mysticism of Paul the Apostle.

1931: Out of My Life and Thought.

1935: Indian Thought.

1958: Peace or Atomic War.

Posthumous Publications:

1965: The Teaching of the Reverence for Life.

1966: Strassburg Sermons on Reverence for Life.

1967: The Kingdom of God and Primitive Christianity. Five volumes of posthumous writings will be published by Lambert Schneider, Heidelberg, beginning in 1975.

Erich Fromm, who could not accept our invitation to speak at this conference, kindly wrote for us the following statement, expanding his reference to Albert Schweitzer in his latest book, The Anatomy of Destructiveness:

ALBERT SCHWEITZER

Albert Schweitzer was one of this century's great, and perhaps the last "universalist"; a theologian, a specialist on the history of religion, one of the greatest organists and experts on Bach music, a physician and a man who gave up pursuing these activities, his comfort and a great career to devote his life to helping sick Africans. Indeed, reason enough to celebrate the memory of a great, extraordinary man.

But beyond this lies another, more urgent, more profound reason: Schweitzer spoke the word, the keyword for man's survival; the word life. He could have spoken of love, of truth, of justice, values which formed the basis of his existence. By speaking of the "reverence for life" as the principle which ought to govern all human action, as the cornerstone of ethics, he challenged, criticized, denounced a society which has ceased to respect life, and for which things rank higher than life. When he made his call for reverence for life Schweitzer did not even know that this disrespect for life would soon manifest itself in the creation of nuclear weapons, a threat to all life on earth. But he did know the danger inherent in a life-hostile dominance of unbridled technique. Today many more people have recognized that not only physical life is threatened; man is transformed into an appendage to a machine; he himself becomes a thing; a consumption—and a "love machine." He is alive physically--but dead humanly. He does not care any more about living, but has become absorbed in techniques of producing things. He is unhappy, bored and hates life because it eludes him.

Schweitzer's call hits the very core of our predicament. It was a simple call and naive ones will think it a commonplace. They say: "Don't we all have respect for, and even love life?" They are naive because they don't see that this is not so, that most of our acts are hostile to life and tend to strangle it. Schweitzer was simple but he was not naive. He recognized that his principle was not commonplace but the most urgently needed message.

To celebrate Schweitzer's memory at this historical moment means to renew his call for the reverence for life; whether or not his principle will enter the hearts of men will determine the fate of the human race.

CONTINENTAL SHELF REGULATIONS

Mr. PELL. Mr. President, grave problems created by the presence of large foreign fishing fleets in New England coastal waters continue to confront the fishing industry of Rhode Island and the Northeast.

Particularly hurting have been the New England lobstermen. One problem has been lobster fishing by foreign fleets which reduced the stocks available to U.S. lobstermen. This problem has been eased to a degree by international agreement making lobsters creatures of the Continental Shelf and out of bounds for all but fishermen of the littoral country.

In December of 1974, the United States put into effect regulations for the more effective enforcement of the law prohibiting foreign taking of Continental Shelf fishery resources. Under the new procedures, the U.S. Coast Guard has the responsibility for enforcement of the regulations, with the right to board foreign vessels suspected of violations. Certainly this action has been helpful, although with such large areas to cover, the Coast Guard, even with the best of intentions, is handicapped in preventing illegal foreign operations.

But beneficial results of the new regulations are not lacking as evidenced by the recent seizure by the Coast Guard of the Italian trawler, *Totini Pesca,* for illegal lobster fishing on our Continental Shelf. A forfeiture of $25,000 has been assessed against the vessel pending prosecution of the case. Since then, another Italian trawler, the *Antoinetta Madre,* has been apprehended with an illegal lobster catch and is in New York for an adjudication of the case. These actions by the Coast Guard should serve as a warning to other foreign fishermen that the United States means business in its determination to protect the interests of our lobstermen.

An even more serious problem has been damage to and loss of our lobstermen's gear as the result of trawling by foreign fishermen where their fixed gear is located. Recently, for instance, what appears quite certain to have been Soviet trawlers caused upward to $250,000 damage to the gear of lobstermen fishing out of Newport, R.I.

What may seem to be small losses to the countries of the foreign fishing fleets are the difference for our fishermen between bankruptcy and the continued ability to earn an honorable, independent but difficult living. With their houses mortgaged and their gear destroyed, their future is bleak unless we can help them toward quick recompense for their losses.

Our lobstermen have my fullest sympathy and support, which I am expressing by cosponsoring and urging the passage of legislation recently introduced by the senior Senator from Massachusetts (Mr. KENNEDY) for prompt U.S. reimbursement of lobstermen who have legitimate claims for losses caused by foreign fleets, with the U.S. Government then seeking payment. In addition, I continue to support an interim extension of U.S. fisheries jurisdiction to a 200-mile limit, as called for by the Senate passage of S. 1988 in the 93d Congress.

Actually, there would have been no reimbursement problem in this latest incident had not President Ford vetoed the Maritime Commission authorization bill, because it contained a provision for helping our lobstermen out of financial plights due in no way to their fault.

In the absence of this vetoed legislation, the alternative is to expedite consideration by the United States-Soviet Claims Commission of these newest compensation claims. Prompt submission of reasonable proof of damage will hasten reimbursement for the claimants.

To offer an immediate measure of relief, I am delighted that the Economic Development Administration, spurred on by my senior colleague (Mr. PASTORE) is giving Newport a grant to permit the affected lobstermen to receive loans on easy terms for covering their losses and keeping them in business at a time when Rhode Island is suffering from one of the highest unemployment rates in the country.

These problems also offer a challenge to the new Bureau of Oceans and International Environmental and Scientific Affairs in the State Department to help in their solution by insisting that foreign fishing fleets take all possible measures to prevent damage in the first instance but to pay promptly for any losses they do cause. Having sponsored the establishment of the Bureau as a means of assuring the more effective handling of the key areas of its responsibility, I have a special interest in observing whether my hopes will be realized.

Mr. President, I ask unanimous consent that a Coast Guard announcement of its activities in enforcement of Continental Shelf regulations be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

F/V "TONTINI PESCA QUARTO" (IT)—CSFR VIOLATION—ATLANTIC

On Wednesday afternoon a forfeiture of $25,000.00 was assessed against this Italian fishing vessel for violation of the Continental Shelf Fishery Resources law, and, her master was provisionally released and prosecution deferred during a term of good behavior and satisfactory compliance with the terms of the probationary agreement for a period of one year. Upon payment of the $25,000 the warrant of attachment was removed from the *Tontini Pesca Quarto* and her master returned aboard. After fueling and provisioning this morning she is expected to depart for the offshore fishing grounds later this afternoon. Case pends.

NEWS RELEASE

On December 5, the Coast Guard began its strict enforcement of federal laws designed to protect certain "creatures" inhabiting the Continental Shelf region, according to Rear Admiral J. P. Stewart, Commander of the New England Coast Guard.

Title 16 USC (1081–1085) in part states that the taking of any fishery resource from the Continental Shelf, over which the United States claims jurisdiction, by any foreign vessel is prohibited. The Secretary of Commerce, in consultation with the Secretary of State, is authorized to publish a list of those living species coming under the protection of this law. Protected species off the New England coast include Lobster, Deep Sea Red Crab, Surf Clam and the Ocean Quahog.

Although the "Creatures of the Shelf" generally are inherent to that region, the law enables the Coast Guard to extend its protection to any area where they may be found. The now protected species are caught up to 200 miles off the coast.

The Creature of the Shelf law was enacted last January. State Department officials have used the interim period to inform concerned foreign governments that on December 5 the Coast Guard would effect strict law enforcement measures.

Penalties to foreign violators could total up to $100,000 and/or imprisonment for not more than one year. A vessel caught in violation is subject to seizure and forfeiture of the vessel or its monetary value. Any person, other than a federal law enforcement official, is entitled to a $5,000 reward for submitting information leading to any penalty or forfeiture incurred for violation of these laws.

$3 BILLION MORE IN "TAX EXPENDITURES" DISCLOSED

Mr. MONDALE. Mr. President, the Treasury has just provided me with estimates of the cost of three "tax expenditures" that were omitted from the tax expenditure budget which appeared in special analysis F in the fiscal year 1976 budget.

The three new tax expenditures will provide a total of $3 billion in tax relief to large corporations and wealthy individuals in 1976 by allowing them to depreciate business property at a faster than normal rate under the ADR system, $1.6 billion; escape U.S. taxes on their foreign earnings under the deferral provision, $620 million; and avoid paying capital gains on assets held at death, $1.8 billion.

Tax expenditures are defined by the new Congressional Budget Act as the revenue losses attributable to Federal tax provisions "which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability." (31 U.S.C. 1302)

The Senate Budget Committee, on which I serve, which is required by the new law "to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies and programs with direct budget outlays, and to report the results of such studies to the Senate on a recurring basis."

It is time to begin examining these tax expenditures with the same critical eye that must be turned upon all Federal expenditures. The $95 billion in fiscal year 1976 tax expenditures totals more than the Pentagon budget, yet these provisions often receive less attention than the budget of the American Battle Monuments Commission.

The new tax expenditure budget makes it clear that the Federal Government spends money in more ways than we normally think of. Every time special forms of tax relief are granted to some taxpayers, it costs money that must be made up by higher taxes on others.

These special tax provisions are supposed to reward or encourage specific activities—oil drilling, exports, business investment, homebuilding or whatever—but too often we have not the faintest idea whether these incentives are working or not, and we almost never consider whether the same purpose could be served more efficiently and at less cost by direct Federal grants, loans, guarantees, or some other device. And once one of these special "tax expenditures" finds its way into the tax code, it is almost never removed, even after whatever justification it once had has long disappeared.

The three tax expenditures that the fiscal year 1976 budget omitted are a good starting point for critical analysis.

The asset depreciation range—ADR—system, which allows businesses to depreciate property 20 percent faster than it is actually wearing out, was instituted in 1971, and is now costing the Treasury $1.6 billion a year in lost revenue. The administration argues that it is not a tax expenditure because it is only a way of arriving at a "reasonable" allowance for depreciation. Yet the administration had no trouble classifying rapid depreciation for buildings and rental housing as a tax expenditure, and ADR has been on all earlier tax expenditure listings.

The provision which allows U.S. corporations to defer paying U.S. taxes on the earnings of controlled foreign corporations until they are returned to the United States as dividends has also been included in earlier compilations of tax expenditures, and its omission is difficult to defend.

Deferral of taxes too often turns into permanent avoidance, and this is especially true when the income can be kept in foreign countries and continually reinvested. The administration argues that failure to tax these earnings is not a tax expenditure because "the general principle is that dividends are taxed only when received." That is fine as long as the United States is taxing the earnings of the corporation anyway, and as long as there is a chance that the dividends will eventually be paid. But that normally does not happen in the case of controlled foreign corporations, and deferral becomes an engine of tax avoidance, providing in effect a $620 million a year incentive for corporations to set up operations abroad and transfer U.S. jobs overseas.

Finally, there is the provision that allows those who own property that has increased in value to pass it on to their heirs at death completely free of any capital gains tax on the increase in value. Normally, someone who buys property worth $100 and sells it 20 years later for $1,000 must pay a capital gains tax on the $900 increase in value. But if the property is held until death, no one—not the original owner and not the heirs—ever pays a penny in capital gains tax on that $900.

The administration says that the failure to tax this gain at death is not a tax expenditure because "no exchange or sale takes place." But there is no tax on the gain even if the heir later sells or exchanges it, and this omission at least ought to be considered a tax expenditure. Depending on the form of taxation of these gains that is assumed, the amount of the tax expenditure ranges from $2.3 billion down to a negligible amount. I have used the figure of $1.8 billion as a middle-range estimate.

GEORGE MEANY IS RIGHT—WE NEED A $30 BILLION TAX CUT—NOW

Mr. HUMPHREY. Mr. President, on Monday, George Meany, president of the AFL–CIO, called on the Congress to enact a $30 billion tax cut. Mr. Meany observed that the jumps in unemployment toward 10 percent and the precipitous slide toward depression warrant a substantially larger tax reduction than that proposed by the President or considered by the House Ways and Means Committee.

I believe that Mr. Meany's diagnosis of the seriousness of our economic decline, and his prescription to cure it, are, as usual, right on the mark.

Once again, Mr. Meany is providing the kind of imaginative and forthright leadership that America's workers have benefited from in the past.

Mr. Meany is not alone in his call for a stronger dose of economic medicine. In fact, virtually all nonadministration witnesses who testified before the Joint Economic Committee in the last month—economists, business leaders, local government officials, and others—have agreed that the tax cuts being proposed are too small.

Based on this testimony, and my own analysis of today's economic problems, I have been calling for a $30 billion tax cut for some time.

In the next few days, I will introduce legislation to provide the $30 billion tax reduction that is needed.

This legislation will include a $10 billion rebate on income earned in 1974. This rebate will be designed to assure that most of the money will go to families with incomes of $20,000 or less.

My proposal will also include approximately $2 billion in tax relief to businesses, through an increase in the investment tax credit from 7 to 10 percent.

The remaining $18 billion will be provided through a series of permanent tax reductions. These tax cuts will be reflected in reduced withholding from workers' paychecks. They will result in increased take-home pay each week. As with my tax rebate proposal, the benefits of the permanent tax cut will largely be provided to those who need this relief the most—our low- and middle-income taxpayers.

Last Friday, in testimony before the Joint Economic Committee, two of the Nation's most respected economic forecasting organizations—Chase Econometrics, Inc., and Wharton Economic Forecasting Associates—compared the impact of the Joint Economic Committee's $30 billion tax cut proposal with the President's program.

These forecasters found that the JEC proposal would result in an unemployment rate in 1976 that would be 1 percentage point lower than would be the case if the President's program were enacted.

They also concluded that our proposal would result in a rate of inflation that would be from 1.3 to 3.0 percentage points lower than would be true under the President's program.

At the same time, my proposal would provide us with a real GNP growth rate of from 1.3 to 2.2 percentage points higher than under the President's program, according to these experts.

Mr. President, George Meany is right. We need a substantially larger tax cut than those being proposed by the administration and the House Ways and Means Committee.

Failure to enact the needed economic remedy will cost our people millions of jobs, needless billions of lost income through inflation, and hundreds of billions in reduced production, in the next few years. We cannot afford to be timid at this time—the well-being of our citizens is at stake, and we dare not respond to this emergncy inadequately. We must have an adequate tax cut—$30 billion tax reduction.

Mr. President, I ask unanimous consent that a table comparing the impact of the JEC program and the Ford program, as presented by two leading economic forecasters, be printed in the RECORD.

I also ask unanimous consent that an article from the Washington Post of February 18, and one from the New York Times of the same date, both reporting Mr. Meany's call for a $30 billion tax cut, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE I.—JEC ECONOMIC PROPOSAL VERSUS FORD ECONOMIC PROPOSAL

[In percent]

	Chase	Wharton
Unemployment rate at the end of 1976:		
Ford program	8.4	7.5
JEC alternative	7.5	6.7
Inflation during 1976:		
Ford program	9.5	7.5
JEC alternative	6.6	6.2
Real economic growth during 1976:		
Ford program	3.5	2.7
JEC alternative	5.7	4.0

MEANY ASKS HILL TO BOOST TAX CUT

(By Peter Milius)

BAL HARBOUR, FLA.—AFL–CIO President George Meany called on Congress today to increase the size of the anti-recession tax cut it is contemplating to $30 billion—$10 billion more than the House Ways and Means Committee has approved and nearly twice the amount President Ford has proposed.

Sticking by his prediction that unemployment will rise to 10 per cent this year, Meany said he thought as recently as a month ago that a $20 billion tax cut would be enough to revive the economy, but "not now."

President Ford proposed a $16 billion, one-year-only tax cut. He has since indicated he would not seriously object to the somewhat larger $20 billion Ways and Means bill.

How he might feel about $30 billion is unclear. Before unemployment jumped last month, he was warning Congress not to go so far in fighting recession that it would rekindle inflation.

Meany made his prediction of 10 per cent unemployment after the unemployment rate jumped a full percentage point last month, from 7.2 to 8.2 per cent of the work force, the highest it has been since the Depression. The administration still says that the rate will peak at about 8.5 per cent this year.

The Ways and Means Committee will meet to give final approval to the tax cut bill this week. Barring procedural holdups, the bill will come up on the House floor next week, then go on to the Senate, where several leading Democrats have already proposed increasing its size.

Meany spoke at a news conference on the first day of the AFL–CIO executive council's regular quarterly meeting here.

While the labor federation wants a cut in income taxes now, it also wants a selective increase in Social Security taxes in the future.

The 35-member policy-setting executive council adopted a resolution calling on Congress to increase "gradually" the Social Security wage base—the part of a worker's income on which he and his employer both now pay the 5.85 per cent Social Security tax each year—from the current $14,100 to $28,000.

About 85 per cent of all workers now make $14,100 a year or less, and so already pay the Social Security tax on all their earnings.

The council set no timetable for the wage-base increase. The increase is one of several steps the council proposed to make sure that the Social Security system's income stays equal to its projected outlays 25 and 30 years from now, when population experts say there are likely to be relatively fewer taxpaying wage earners to support a rising number of elderly and retired workers.

A Social Security advisory council recently considered but rejected the idea of immediately raising the wage base to $24,000. The council will make alternative recommendations to Congress some time in the next several months. Congress, however, is unlikely to do much tinkering with Social Security for at least another year.

MEANY, CITING WORSENING UNEMPLOYMENT, CALLS FOR $30-BILLION TAX REDUCTION

(By Damon Stetson)

BAL HARBOUR, FLA.—George Meany, citing worsening unemployment, said today that he now thought a tax cut of $30-billion—$10-billion more than the A.F.L.–C.I.O. proposed last month—was necessary to stimulate the economy through increased purchasing power.

Mr. Meany, who is president of the American Federation of Labor and Congress of Industrial Organizations, was pessimistic, however, about the prospects of Congressional action soon enough to prevent the rate of unemployment from rising by summer from its present level of 8.2 per cent to 10 per cent.

As a result of the continuing high rate of joblessness in recent months, Mr. Meany said "Unemployment is now feeding on unemployment." Measures enacted since the Depression of the Ninteen-thirties to keep jobless consumers in the market place are becoming ineffective, he said, with some of the unemployed exhausting their benefits and also the supplementary benefits that their unions had negotiated in contracts. He expressed the view that unemployment benefits were needed for more than 52 weeks.

Mr. Meany made his comments during a news conference here, where the Executive Council of the A.F.L.–C.I.O. is holding its winter meetings this week.

ADVISES JOBLESS STUDY

Mr. Meany said that he would like to see Congressmen, who return to their home states during vacations or recesses, spend a lot of time in unemployment offices and find out what it means to be out of work. He said that he would also like to see President Ford get closer to the problems of America but that he hesitated to suggest that he expose himself to the risks involved.

Once Congress knows how serious the present unemployment situation is, he said, "I think we'll get action." But he made it clear that he did not think this action would come soon enough to avoid a further serious rise in unemployment in the months immediately ahead.

The labor organization has been pushing for a substantial cut in individual taxes, weighted on behalf of low-income and middle-income families, and also for a reduction in corporate taxes to creat jobs through an increase in the investment credit from the present 7 per cent to 12 per cent on business investment in equipment and machinery in the United States.

Asked what he thought the prospects would be for President Ford's reelection for another four years in 1976, Mr. Meany thought that his chances would be "very poor" if unemployment became as bad as projected or was worse next year.

The labor leader said that no prospective candidates for the Presidency had been invited to meet with the Executive Council. The federation does not encourage such visits, Mr. Meany said, but acknowledged that in the past some candidates had come anyway.

Asked whether he favored anyone as a Presidential prospect, he replied "no."

As he has before, Mr. Meany emphasized that the A.F.L.–C.I.O. was independent of both major parties, although he said it was politically active in supporting its friends But he said, "I do not have a preference between parties."

He reiterated that federation was opposed to any reimposition of wage and price controls. He said that the experience of 32 months under controls, while Richard M. Nixon was President, had shown that they were successful in controlling wages but not prices. He called that "grossly inequitable."

The Executive Council, which met for two hours today, adopted a series of statements outlining proposals for improving and extending unemployment insurance benefits, providing and extending unemployment insurance benefits, providing health insurance for the unemployed, and steps to alleviate long-run deficits in Social Security.

COVERAGE FOR ALL

Unemployment compensation protection, the council said, should be extended on a permanent basis to all wage and workers, domestic workers and all public employes. A weekly benefit standard, it said, should be established entitling a job-salary workers, including farm less worker to at least 66⅔ per cent of his or her former weekly earnings up to a maximum weekly benefit of at least 75 per cent of the average weekly wage for his or her state.

On Social Security, the council proposed that the taxable wage base should be gradually increased until the same proportion of workers have their full wages covered as when the law was enacted. The full wages of about 85 per cent of workers are now covered compared with 97 per cent when the program began, the statement said. This would require raising the base from the current $14,100 to $28,000, it said.

PRESIDENT FORD'S EDUCATION BUDGET

Mr. MONDALE. Mr. President, I wish to bring to the attention of my colleagues and the American public a Library of Congress study prepared at my request which I released on February 16. This study compares the administration's fiscal 1976 education budget request with the fiscal 1975 appropriations and the fiscal 1975 appropriations taking into account the impact of the 11 percent calendar year 1974 rise in the Consumer Price Index.

The analysis reveals that President Ford's fiscal 1976 budget request for education division programs is almost $400 million below the fiscal 1975 appropriations for such programs, and $1.1 billion below the 1975 appropriations in terms of real purchasing power when double digit inflation is considered.

Furthermore, in the elementary and secondary education programs alone—including education of the handicapped, emergency school aid, and school assistance in federally affected areas—the fiscal 1976 budget request is almost $600 million below the 1975 appropriations for the programs, and $959 million below the 1975 appropriations when the impact of inflation is counted.

Mr. President, the Library of Congress study indicates that the President's budget for education generally, and elementary and secondary education particularly, is simply intolerable. At a time when the need for increased Federal assistance to education is growing, this budget proposes decreases. As one Senator, I want to announce at this point that I will be doing all I can to turn this budget proposal around.

I believe it is important that the American public understand the real impact of this budget on education, and I am therefore asking unanimous consent that a copy of the study be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIBRARY OF CONGRESS ANALYSIS OF FISCAL YEAR 1976 EDUCATION BUDGET

The attached tables were prepared at the request of, and according to the instructions of, the Senate Subcommittee on Children and Youth. As illustrated by these tables, the FY 1976 Administration budget request for Education Division programs is $390,254,000 below the FY 1975 appropriations for such programs, and $1,254,000 below the FY 1975 appropriations for such programs, and $1,120,937,000 below the FY 1975 appropriations multiplied by the calendar year 1974 rise in the Consumer Price Index of 11.0%. For elementary and secondary education programs of the Education Division (including education of the handicapped, emergency school aid, and school assistance in Federally affected areas), the FY 1976 budget request is $591,304,000 below the FY 1975 appropriations for these programs, and $959,204,000 below the FY 1975 appropriations multipled by the calendar year 1974 rise in the consumer price index (11.0%).

SELECTED STATISTICS REGARDING BUDGET PROPOSALS AND APPROPRIATIONS FOR EDUCATION DIVISION PROGRAMS, FISCAL YEARS 1975 AND 1976

[In thousands of dollars; all amounts represent new budget authority]

	1975 budget [1] (1)	Col. 1 times CPI [2] (2)	1975 appropriation [3] (3)	Col 3 times CPI [2] (4)	1976 budget [4] (5)	Col. 5 minus col 7 (6)	Col. 5 minus col. 4 (7)
Elementary and secondary education:							
Educationally deprived children	$1,885,000	$2,092,350	$1,876,000	$2,082,360	$1,900,000	−$192,350	−$182,360
Supplementary services	146,393	162,496	120,000	133,200	0	−162,496	−133,200
Strengthening State departments of education	39,425	43,762	39,425	43,761	0	−43,762	−43,761
Bilingual education	70,000	77,700	85,000	94,350	70,000	−7,700	−24,350
Right-to-read	12,000	13,320	12,000	13,320	12,000	−1,320	−1,320
Educational broadcasting projects [5]	14,000	15,540	19,000	21,090	14,000	−1,540	−7,090
Civil rights advisory services	26,700	29,637	26,700	29,637	27,000	−2,637	−2,637
Follow Through	35,000	38,850	53,000	58,830	42,000	3,150	−16,830
Equipment and minor remodelling	28,500	31,635	21,750	24,142	0	−31,635	−24,142
Drug abuse education	0	0	0	0	0	0	0
Environmental education	1,900	2,109	1,900	2,109	0	−2,109	−2,109
Nutrition and health	1,900	2,109	900	999	0	−2,109	−999
Support and innovation					173,000	173,000	173,000
Subtotal	2,260,818	2,509,508	2,255,675	2,503,799	2,238,000	−271,508	−265,798
School assistance in federally affected areas	340,300	377,733	656,016	728,177	266,000	−111,733	−462,177
Emergency school aid	75,000	83,250	[6] 234,004	259,744	75,000	−8,250	−184,744
Education of the handicapped	147,109	163,291	199,609	221,565	175,000	11,700	−46,565
Subtotal (of all above)	2,823,227	3,133,782	3,345,304	3,713,284	2,754,000	−379,782	−959,284
Occupational, vocational, and adult education (includes vocational, adult and career education, education personnel development; ethnic heritage studies)	659,595	732,150	681,676	756,660	644,000	−88,150	−112,660
Higher education (includes student aid, institutional aid, special programs for disadvantaged students)	2,110,023	2,342,126	2,131,271	2,365,710	2,213,000	−129,126	−152,710
Library resources (includes public, school and college library resources)	115,250	127,928	167,474	185,896	167,000	39,072	−18,896
Educational activities overseas (special foreign currency program)	2,000	2,220	1,000	1,110	2,000	−220	890
Salaries and expenses (includes administration, dissemination, but does not include the National Center for Education Statistics)	115,684	128,409	105,340	116,927	113,000	−15,409	−3,927
Student loan insurance fund	115,000	127,650	115,000	127,650	201,787	74,137	74,137
Higher education facilities loan and insurance fund	2,701	2,998	2,701	2,998	2,192	−806	−806
National Institute of Education	130,000	144,300	70,000	77,700	80,000	−64,300	2,300
Assistant Secretary for Education (includes the fund for the improvement of postsecondary education)	18,671	20,725	13,807	15,325	26,700	5,975	11,375
National Center for Education Statistics	11,600	12,876	9,060	10,056	16,700	3,824	6,644
Innovative and experimental programs [7]					32,000	32,000	32,000
Total Education Division	[8] 6,103,751	6,775,164	6,642,633	7,373,316	6,252,379	−522,785	−1,120,937

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[1] These estimates are those proposed by the Administration in conjunction with congressional consideration of the 1975-Labor-HEW Appropriations (H.R. 15580, Public Law 93-517) and 1975 supplemental appropriations (H.R. 16900, Public Law 93-554) Bills; not the revised 1975 budget estimates which accompany the 1976 administration budget proposals.

[2] CPI: Consumer Price Index, calendar year 1974 (Source: Office of Management and Budget, "The Budget of the United States Government Fiscal Year 1976," p. 41) of 11 percent.

[3] Appropriations sources: 1975 Labor-HEW Appropriations (H.R. 15580, Public Law 93-517); 1975 supplemental appropriations (H.R. 16900, Public Law 93-554); and 1975 continuing appropriations (H.J. Res. 1062, Public Law 93-324, as amended).

[4] Source for 1976 Budget estimates: Department of HEW, Office of the Secretary, "The Fiscal Year 1976 Budget" (press release); with the exception of the estimates for the Student Loan Insurance Fund and the Higher Education Facilities Loan and Insurance Fund, both of which are from Office of Management and Budget, "The Budget of the United States Government Fiscal Year 1976," p. 242.

[5] Includes educational programing as well as facilities for both years.

[6] Under provisions of Public Law 93-324, as amended (1975 continuing appropriations).

[7] Educational programing request of $7,000,000 transferred to educational broadcasting projects under elementary and secondary education.

[8] Deflator: Implicit GNP Deflator (Source: same as for number [2] above) of 10.2 percent, calendar year 1974.

S. 490—TO INCREASE PAYMENTS TO CERTAIN VETERANS

Mr. HASKELL. Mr. President, I am pleased to be a cosponsor of S. 490, a bill introduced by my distinguished colleague from South Dakota (Mr. ABOUREZK). The purpose of this legislation is to increase payments to service-connected veterans traveling to and from Veterans' Administration facilities for medical purposes.

I feel these veterans deserve the added financial support, especially in light of the severe inflationary conditions plaguing our country today.

The current rate of reimbursement of 6 cents per mile or $12 per day is totally insufficient to cover actual costs resulting from increased gasoline and maintenance costs. The insufficiency of these low rates has been substantiated by Department of Transportation and American Automobile Association studies which indicate that the cost of operating a vehicle is 20 cents per mile—a figure far in excess of the present compensation rate.

We have a responsibility to insure that veterans are capable of obtaining qualified medical assistance. The reimbursement was designed to aid in meeting this responsibility and is no longer meeting that need.

I understand that discussions have been taking place with Veterans' Administration officials concerning the need for the legislation in an attempt to secure the administration's support of the bill. I am hopeful that support will be forthcoming and that favorable action will be taken on the bill in the very near future.

GENERAL ACCOUNTING OFFICE REPORTS

Mr. METCALF. Mr. President, the January 1975 issue of the Monthly List of GAO Reports contains a listing of information gathered in the course of investigations by GAO staff. Of current interest is a report on the Department of Labor's plan to publish in the Federal Register a list of applicants, businesses, and industries pending certification as required by the Consolidated Farm and Rural Development Act. The Department will seek comments from all interested parties within 2 weeks after publication in the Register. This and other reports may be obtained from the GAO office. In view of the interest in these reports, I ask unanimous consent that the full listing be printed in the RECORD.

There being no objection, the listing was ordered to be printed in the RECORD, as follows:

MONTHLY LIST OF GAO REPORTS

AGRICULTURE AND RURAL DEVELOPMENT

Observations on Evaluation of the Special Supplemental Food Program.

Food and Nutrition Service, Department of Agriculture. December 18. RED-75-310.

This is GAO's second report on the Child Nutrition Act of 1966, which authorizes a special program for women, infants, and children through fiscal year 1975.

Attempts to determine and evaluate medical benefits or nutritional assistance to humans are limited by certain inherent problems.

Although steps have been taken to deal with these problems, they cannot practicably be overcome and must be recognized as precluding a conclusive determination of the program's benefits.

Department of Labor's Practice of Obtaining Labor Union Comments in Making Certifications Required by the Consolidated Farm and Rural Development Act.

Department of Agriculture, Department of Labor. December 16, released December 20 by Senator Clifford P. Hansen. RED-75-292.

The Department suspended its practice of soliciting AFL-CIO comments in August 1974. Instead, it plans to publish in the Federal Register a list of applicants, businesses, and industries pending certification, asking for comments from all interested parties within 2 weeks.

Business and industrial loan and grant programs and the requirement for Labor's certifications were added to the Consolidated Act by the Rural Development Act of 1972.

COMMERCE AND TRANSPORTATION

Costly Requirements for Certain Control Towers, Navigation Aids, and Airport Lights.

Federal Aviation Administration, Department of Transportation. December 10, released December 11 by Representative H. R. Gross. RED–75–289.

GAO reviewed Federal Aviation Administration requirements and costs for equipment and facilities to determine whether the requirements were too stringent and caused associated costs to be unnecessarily high.

GAO found that:

Federal Aviation Administration air traffic control towers for low-activity airports are more costly than those constructed by local governments.

Although differences exist, both apparently perform the same basic functions satisfactorily.

Design and maintenance of Federal Aviation Administration omnirange facilities result in more than 99 percent availability. Although such high availability may be justified by safety considerations, in some cases, the associated cost is significant.

Generally, Federal Aviation Administration lighting requirements result in substantially more costly lighting systems than small airport sponsors can obtain without Federal financing.

EDUCATION AND MANPOWER

Federal Programs for Education of the Handicapped: Issues and Problems.

Department of Health, Education, and Welfare. December 5. MWD–74–162.

HEW estimates that more than 2 million handicapped individuals have been afforded education and rehabilitation opportunities in the last 5 years. Despite this growth, approximately 60 percent of the estimated 7 million handicapped children in the United States do not receive appropriate educational services enabling them to have equality of opportunity.

Although about 90 percent of the cost is funded with State and local money, Federal funds increased from a negligible amount in fiscal year 1966 to several hundred million dollars in fiscal year 1973. These programs are administered by at least 14 separate organizational units in HEW.

Federal Library Support Programs: Progress and Problems.

Office of Education, Department of Health, Education, and Welfare. December 30, MWD–75–4.

Library support programs have helped to improve library materials and services in school and public libraries nationwide.

Many States, however, have retained large portions of Library Services and Construction Act funds at the State level for administration, services, and statewide programs. This reduced funds available to provide new or improved library services to cities and towns where such services were lacking or inadequate.

GAO said the Congress should consider amending present legislation to specify a dollar amount or a percentage limit that the States may retain for administration, services, and statewide programs.

What is the Role of Federal Assistance Vocational Education?

Office of Education; Department of Health, Education, and Welfare. December 31. MWD–75–31.

Use of Federal funds has not been evaluated adequately at Federal, State, or local levels. The Office of Education has not provided adequate guidance to help achieve purposes envisioned by Congress.

Federal funds often have been used to provide basic support for traditional local programs rather than vocational education.

GAO found that:

Large amounts of Federal funds have been retained at the State level for administrative purposes;

In some States the ratio of State and local support to Federal support has declined;

Persons with special needs for vocational opportunities have not been given a high priority; and

Increased funding has not necessarily resulted in proportionately increased enrollment.

GENERAL GOVERNMENT

Personnel Security Investigations: Inconsistent Standards and Practices.

Civil Service Commission. (To the Chairman, CSC.) December 2, FPCD–75–113.

There is a need to consider centralizing Federal agencies' civilian personnel investigating to insure uniformity of scope of investigations and a more economical and efficient investigative program.

Currently, the Civil Service Commission and four agencies conduct personnel security investigations. Employing agencies differ greatly as to who will be investigated, the scope of the investigation, and how results will be used.

Public Involvement in Planning Public Works Projects Should Be Increased.

Corps of Engineers, Federal Aviation Administration, Federal Highway Administration. December 6. RED–75–282.

This report discloses weaknesses in three of the major public works agencies in carrying out their public involvement activities.

It also points out the need for overall Federal guidance to assist all agencies in involving the public in their decisionmaking process and calls on the Office of Management and Budget to provide such guidance.

Problems Affecting Operations at the St. Louis Postal Data Center.

United States Postal Service. (To the Postmaster General.) December 10. GGD–75–33.

New automatic data processing systems costing $10 million plus are being installed at four Postal Data Centers.

The Postal Service tentatively plans to spend $70 million more within 5 years for similar equipment.

Generally, the centers maintain accounting ledgers and provide other data processing services.

Unnecessary costs were incurred in procuring equipment for the St. Louis Postal Data Center. The equipment

Had been installed before the necessary preparations had been made to use it effectively, and

Could not handle an unexpectedly enlarged workload.

Long-Term Impact of Law Enforcement Assistance Grants Can be Improved.

Law Enforcement Assistance Administration, Department of Justice. December 23, GGD–75–1.

As a result of inadequate Federal guidelines, States' policies regarding continuation of Law Enforcement Assistance Administration projects varied significantly. States' success rates on continuing worthwhile projects also varied.

This report gives detailed review of the continuation policies and practices in Alabama, California, Michigan, Ohio, Oregon, and Washington and is based on responses to a GAO questionnaire by 39 States and the District of Columbia.

Neither the Federal agency nor the six States emphasized sufficiently the problems of how to continue worthwhile projects, a matter that Congress may want to follow up.

Efforts to Stop Narcotics and Dangerous Drugs Coming From and Through Mexico and Central America.

Drug Enforcement Administration, Department of Justice; Department of State. December 31. GGD–75–44.

The flow of narcotics and dangerous drugs from and through Mexico to the United States is increasing and the U.S. is trying to stop the flow by:

Forcibly preventing shipment of drugs to the United States (called interdiction.)

Eliminating illicit production in Mexico.

Assisting the Mexican Government's anti-drug efforts.

This report reviews efforts needed, and being taken, to reduce this flow of drugs into the U.S. from Mexico and Central America to assist those Congressional committees having oversight responsibilities in this area.

Management of Federal Supply Service Procurement Programs Can Be Improved.

General Services Administration. December 31. PSAD–75–32.

The General Services Administration is responsible for providing procurement leadership to Federal executive agencies. In fulfilling its leadership responsibilities, the agency could be more effective in providing the management necessary to carry out its responsibility for operating an effective and economical supply system.

To accomplish this, the General Services Administration must increase its ability to—

Identify its customers;

Determine their needs and requirements, as well as problems; and

Monitor the buying habits of its customers.

Information on Unresolved Audit Exceptions with Federal Employees Health Benefit Carriers.

Civil Service Commission. November 7, released December 17 by the Chairman, Subcomittee on Retirement and Employee Benefits, House Committee on Post Office and Civil Service. MWD–75–37.

This report provides information on unresolved audit exceptions resulting from audits conducted by the U.S. Civil Service Commission of the health insurance carriers for the Federal Employees Health Benefits Program.

The amount of unresolved audit exceptions as of August 31, 1974, totaling $10.8 million,

An indication of how long these exceptions as of August 31, 1974, totaling $10.8 million,

An indication of how long these exceptions have been unresolved, ranging from 1971 to 1974, and

The applicability of the Federal Procurement Regulations to the contract between the National Blue Cross and Blue Shield Associations and the Commission.

Administration of the Criminal Justice Act by U.S. Courts and the D.C. Superior Court.

Judicial Branch. November 21, released December 3 by the Chairman, Subcommittee on Judicial Rights, Senate Committee on the Judiciary. GGD–75–32.

The Criminal Justice Act requires that each U.S. district court operate a plan to furnish legal representation to defendants who cannot afford an adequate defense.

GAO reviewed how this program was working in the D.C. Superior Court and 10 Federal district courts in Arizona, California, Maryland, Michigan, Missouri, Pennsylvania, Puerto Rico, and the Virgin Islands. In fiscal year 1973 these courts accounted for more than 53 percent of the 56,000 persons represented under the Act.

Agency Printing and Duplication Operations Need Management Improvements.

November 1, released December 9 by the Chairman, Joint Committee on Printing. LCD–74–438.

This report discusses opportunities for improved use of Government printing resources, and the need to improve compliance with Joint Committee on Printing regulations.

Out-of-City Travel.

Department of Human Resources, Public School System, District of Columbia. December 4, released December 11 by Representative H. R. Gross. GGD–75–30.

Controls for out-of-city travel by the Department of Human Resources and public schools need strengthening so that

Travel vouchers are submitted promptly,

Employees' travel advances are recovered when need no longer exists.

Individuals authorized to attend the same meeting or convention are limited to those considered essential, and

Travel claims are approved by an official who has knowledge of the trip before reimbursing employees for claimed expenses.

NATIONAL DEFENSE

Independent Research and Development Allocations Should Not Absorb Costs of Commercial Development Work.

Department of Defense, December 10. PSAD–75–5.

GAO questions DOD's acceptance of up to $87 million of JT9D development costs as IR&D from 1968 through 1973, because the development was sponsored by, or required in the performance of, contracts with commercial customers and therefore did not meet the Armed Services Procurement Regulation (ASPR) definition of IR&D.

Pratt & Whitney refused GAO access to its commercial agreements for JT9D engines; therefore, GAO could not verify how much of the JT9D development was sponsored by, or required in the performance of, these agreements.

Nevertheless, GAO thinks much of this development cost should not have been allowed as IR&D because the engines had not been developed when Pratt & Whitney contracted to deliver them to Boeing and McDonnell Douglas.

Stronger Controls Needed over Major Types of U.S. Equipment Provided to the Republic of Vietnam Armed Forces.

Department of Defense. (Unclassified digest of a classified report.) December 18, LCD-74-221.

GAO and the Defense Audit Agency found major items of equipment stored at Vietnamese Army depots while the Attache's Office was requesting the same items from U.S. supply sources. Many items were not recorded in the accountability records, showing that an accountability system is needed quickly.

GAO recommended that until accurate inventory accounting is established, the Defense Attache's Office should approve requests for equipment only on the basis of probable need and in quantities the Vietnamese Armed Forces actually require.

Life Cycle Cost Estimating—Its Status and Potential Use in Major Weapon System Acquisitions.

Department of Defense. December 30. PSAD–75–23.

Life cycle cost includes the cost to operate and maintain—as well as to purchase—a weapon over its useful life.

Decisions to proceed with a weapon system's development generally have been based on its acquisition cost, less attention having been focused on a system's estimated expense) of operation and maintenance, although these ultimately could amount to several times the cost of acquisition.

While life cycle cost estimates have been prepared by the military services, they have had limited application in decisions affecting acquisition of weapon systems. GAO suggested that the Secretary of Defense inform congressional committees periodically on improvements being made in estimating life cycle costs and provide estimates.

Review of the Operations of the Advisory Group on Electron Devices Sponsored by the Department of Defense.

December 9. (To the Secretary of Defense.) PSAD–75–35.

The Advisory Group on Electron Devices reviews research and development projects in the field of electron devices and lasers proposed by military departments, to determine that the programs are sound economically, feasible technically, and are not duplicative.

The Advisory Group is valuable in determining the technical need and feasibility of projects. However, its effectiveness has been impaired because other Government agencies did not participate and because in-house research projects were not reviewed. If 1969 GAO recommendations had been implemented, better participation would have been achieved.

NATURAL RESOURCES AND ENVIRONMENT

Isolating High-Level Radioactive Wastes from the Environment: Achievements, Programs, and Uncertainties.

Atomic Energy Commission. December 18. RED–75–309.

AEC has made considerable progress in insuring safe storage of its high-level waste. However, problems have been encountered in containing liquid waste in underground tanks.

Since the early 1940's, AEC has experienced a total of 26 leaks in underground tanks. Eighteen of these occurred at Richland, releasing about 430,000 gallons of high-level waste to surrounding soil. AEC has reported that none of this material migrated far enough from the leaks to be of any danger and has taken steps to improve its leak detection capability at Richland.

The commercial nuclear power industry has generated less than 600,000 gallons, but it is estimated that the industry will create 60 million gallons by the turn of the century and 238 million gallons by the year 2020.

Federal Environmental Data Systems.

November 22, released December 12 by the Chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment, House Committee on Merchant Marine and Fisheries. RED–75–281.

Although the Federal Government has no central focal point for exchanging or collecting environmental data, many systems are sharing data with other Federal agencies. Of 320 systems, 167 were providing environmental data and information to other agencies and 94 were receiving data from systems in other agencies.

It was noted that a basic problem of data exchange was lack of awareness of what data had been collected and by whom. The problem still exists, because managers expressed need for an overall directory of environmental data systems.

Congress Needs More Information on Plans for Constructing the Garrison Diversion Unit in North Dakota.

Bureau of Reclamation, Department of the Interior. November 25, released December 15 by the Chairman, Conservation and Natural Resources Subcommittee, House Committee on Government Operations. RED–75–277.

GAO was asked to review the Bureau of Reclamation's planning and construction of this multipurpose water resources development project.

The Bureau's total estimated project cost, $362.8 million, probably was understated by $72.6 million. It exceeds the latest estimate of the adjusted authorized cost ceiling—$393.2 million—by about $41.2 million.

The Bureau needs to fully inform the appropriate congressional oversight and appropriation committees of the increases in total estimated cost which would cause the Garrison project to exceed its authorized cost ceiling.

Problems in the Federal Energy Administration's Compliance and Enforcement Effort.

December 6, released December 7 by the Chairman, Subcommittee on Reorganization, Research, and International Organizations, Senate Committee on Government Operations. OSP–75–7.

Information on audits completed by the Federal Energy Administration at all levels of the oil industry revealed significant problems in compliance with price controls by crude oil producers, refiners of petroleum products, wholesalers, and retailers.

There was almost no direct audit of operations by crude oil producers;

FEA audits at the retail level showed numerous violations and there was evidence of large violations at the wholesale level;

Audits of refiner operations were not completed;

Substantive issues relating to the adequacy of regulations remain unsolved; and

Organizational disputes within FEA hindered its refinery audit work.

Federal Energy Administration officials estimated that the magnitude of refineries' potential violations could be between $1 and $2 billion.

FEA will have to strengthen its compliance and enforcement program at all levels if there is to be adequate assurance that firms are complying substantially with price regulations.

LETTER REPORTS

To the Speaker of the House and the President pro tempore of the Senate, commenting on proposed budget deferrals in the President's fifth special message, submitted November 13. December 11. ACG–75–4.

To the Speaker of the House and President pro tempore of the Senate, reclassifying the President's proposed deferral of Housing and Urban Development budget authority as a rescission, requiring approval or disapproval by the Congress. December 23. ACG–75–6.

To the Speaker of the House and President pro tempore of the Senate, commenting on rescission and deferrals actions proposed by the President in his sixth special message to the Congress, transmitted November 26, 1974. December 23. ACG–75–7.

To the Speaker of the House and President pro tempore of the Senate, commenting on the legal authority of each proposed budget deferral transmitted by the President's first four special messages to the Congress. December 31. ACG–75–8.

To Representative Roy A. Taylor, on costs and effects of consolidating the aerial photography laboratories of the Agricultural Stabilization and Conservation Service. December 2, released December 4. RED–75–297.

To Representative Charles B. Rangel, on legitimate sources of opium and research to develop synthetic alternatives. November 21, released December 2. GGD–75–46.

To Representative Patricia Schroeder, on procurement practices of the Air Force Academy. November 15, released December 2. FPCD–74–108.

To Representative John E. Moss, on costs to print "The Chiefs of Naval Operations." November 14, released December 4. LCD–75–412.

To the Chairman, House Committee on Appropriations, discussing DOD and industry objections to awarding a single contract at each major military installation for transporting household goods within the U.S. October 9, released December 2. LCD–75–202.

To Representative George E. Danielson, on the large backlog of employment discrimination cases in the San Francisco regional office of the Equal Employment Opportunity

Commission. July 26, released December 16. MWD-75-5.

To Senator Robert Taft, Jr., commenting on problems in the Medicaid Management Information System. October 25, released December 12. MWD-75-6.

To Representative Mark Andrews, comparing Air Force and contractor costs for painting airfield pavement stripings. December 13, released December 20. LCD-74-331.

To the Administrator, General Services Administration, recommending expanding GSA's reconditioning program to include surplus vehicles it sells for other Government agencies. December 10. LCD-75-214.

To the Secretary of Housing and Urban Development, pointing out problems in accounting records of insurance operations of the Federal Housing Administration. December 11. RED-75-313.

To the Director, ACTION, pointing out problems in ACTION's accounting system December 13. FGMSD-75-13.

To the Postmaster General, on improvements in the Postal Service's Working Conditions Improvement Program. December 16. GGD-75-48.

To the Secretary of the Navy, recommending expanding the use of computers in preparing material and job orders for ship overhauls. December 17. LCD-75-414.

To the Secretary of the Interior, on the examination of financial statements for the Federal Columbia River Power System, fiscal year 1974. December 17. RED-75-312.

To the Secretary of Defense, pointing out possible savings by using ocean freight instead of airlifting personal fourth-class parcels mailed at Armed Forces post offices in the Far East. December 18. ID-75-21.

To the Secretary of Defense and the Chairman, Atomic Energy Commission, recommending steps to improve the safety of stockpiled nuclear weapons and the management procedures for developing future nuclear weapons. December 19. PSAD-75-46.

To the Administrator, National Aeronautics and Space Administration, pointing out advantages of using Air Force C-5A aircraft instead of purchasing a Boeing 747 for the space shuttle ferry and air launch missions. December 31. PSAD-75-50.

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LEGAL DECISIONS AND OPINIONS

In addition to the reports listed in this publication, the Comptroller General issues some 5,000 formal decisions and advisory opinions annually to the Congress, executive branch agencies, and, in some cases, the public, dealing with the legality of public fund expenditures by the Federal Government. The formal decisions are reported and published separately.

Besides an annual bound volume of the Decisions of the Comptroller General, available through the Government Printing Office, GAO issues monthly pamphlets of the published decisions and quarterly digests of "unpublished" decisions in the areas of Procurement Law, Personnel Law (both Civilian and Military), General Government Matters Law and Transportation Law. Manuals covering annotations of decisions in these areas are available. In addition, all published decisions of the Comptroller General, together with the digests of all "unpublished" ones, are available on the U.S. Air Force's computer research program, Project LITE.

For further information regarding decisions of the Comptroller General, call (202) 386-3056 or write to the General Counsel, U.S. General Accounting Office, Washington D.C. 20548.

INTERIOR COMMITTEE RESOLUTION ON LOAN FOR THE OCHOCO IRRIGATION DISTRICT IN OREGON

Mr. JACKSON. Mr. President, the Committee on Interior and Insular Affairs, today during open business meeting, unanimously approved a committee resolution waiving the 60-day waiting period for implementation of a loan under the terms of the Rehabilitation and Betterment Act of October 7, 1949, for the Ochoco Irrigation District in Oregon.

I ask unanimous consent that the text of the committee resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

COMMITTEE RESOLUTION

Whereas, Section 1 of the Rehabilitation and Betterment Act of 1949 (63 Stat. 724) as amended by the Act of March 3, 1950 (64 Stat. 11) provides that no determination of the Secretary of the Interior concerning return of rehabilitation and betterment costs of Federal reclamation projects shall become effective until the expiration of sixty days after submittal of said determination to the Committees on Interior and Insular Affairs of the Senate and House;

Whereas, said Section 1 further provides that any such determination may become effective prior to the expiration of such sixty days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval;

Whereas, the Ochoco Irrigation District, operating entity for the Crooked River Project, Oregon, has proposed a rehabilitation and betterment program for the improvement of the lateral and drainage systems of the Crooked River Project;

Whereas, such detrmination regarding the Ochoco Irrigation District, Crooked River Project, Oregon, was transmitted to the Committee on January 15, 1975; and

Whereas, waiver of the waiting period would enable the Ochoco Irrigation District to initiate rehabilitation and betterment efforts in a more timely manner;

Now, therefore, be it resolved by this committee that: Pursuant to such Section 1 the waiting period required by such section, upon approval of a similar resolution by the House of Representatives Committee on Interior and Insular Affairs, is waived for the determination described above.

Copies of the Resolution shall be transmitted to the Secretary of the Interior and the Chairmen of the House of Representatives Committee on Interior and Insular Affairs and be printed in the Congressional Record.

Adopted by the Committee on Interior and Insular Affairs of the United States Senate in meeting assembled this 19th day of February, 1975.

HENRY M. JACKSON,
Chairman.

Mr. HATFIELD. Mr. President, the Ochoco Irrigation District, associated with the Bureau of Reclamation's Crooked River project in Oregon, is about to embark upon a $600,000 program to rehabilitate certain features of the project. A Federal loan, under authority of the Rehabilitation and Betterment Act of 1949, will cover construction at this project, and $80,000 of this loan has already been appropriated by the Congress for release to the district in the present fiscal year. Today the Senate Interior Committee approved an early release of this money so that the district can accomplish replacement of several major features of the existing irrigation system before the next irrigation season begins this summer. I am grateful to my colleagues on the committee, and especially to the distinguished chairman of the Water Resources Subcommittee (Mr. CHURCH) and the distinguished chairman of the full committee (Mr. JACKSON), for their support in this matter. It means a great deal to the farmers of the Prineville area who are participants in the Ochoco irrigation project.

MOBILE OFFICES FOR SENATORS IN HOME STATES—S. 699

Mr. GARY W. HART. Mr. President, I have not asked for time to speak about one of the major issues of the day—yet the question which the Senator from Kansas and I have joined in bringing before the Senate is a part of our great task: To rebuild the confidence of the American people in their Government. Senator DOLE and I propose in S. 699 introduced on February 17, 1975, that each Senator be allowed to draw from the allotted funds for State offices for the payment of mobile offices if the total moneys spent do not exceed the existing allotment.

The use of such van would, in my State and elsewhere, represent a considerable reduction in the number of currently necessary regional offices. The proposal would save, in my judgment, as much time as money—and would involve the great added benefit of bringing full congressional services to all people we represent.

I trust that I do not give my wife offense when I tell you that she is tired of removing my handwritten notes from my suits when I return from my many visits to the outlying areas of Colorado. She would—as would I, and my constituents as well—greatly prefer my having a mobile office to a folder filled with hastily scribbled notes.

And in these distressed times there will be more problems, hence more notes. Even greater, then, is the need for an office in which to travel among the people I represent. Coloradans want their government back, at all levels. This proposal, by means of which the Senate can come to the smallest place reachable by road, is the most effective way I know to bring the Senate to the people when we are in recess, and, through our staffs, reaching the people even when we are in Washington.

I would add that, for those of you who have not had the pleasure of visiting Colorado, or visiting it recently, the popular picture of Colorado as a place where one is somehow propelled from one ski resort to the next is quite false.

Colorado is the eighth largest State in the Union. Its varied topography, like its diversified economy, has in the past spared the people I represent from the worst ravages of economic cycles—but Colorado is surely not free from the economic perils which threaten each and every American. That very diversity, in topography and economic base, coupled with the immensity of Colorado, make it necessary that an elected official, having Statewide responsibilities, have some means to keep in touch with the people of the State, its regions, its problems.

A mobile office would permit me to cover the 248 miles between Denver and Grand Junction with the facilities of an office. I could travel the 247 miles from Fort Collins to Alamosa—the front range of the Rocky Mountains where most of the people of my State live, giving what services a Senator may with greater efficiency, fewer referrals, and far less delay.

In a mobile van I could travel the 200 miles from Denver to the Piceance Creek Basin, where the Department of Interior has let two oil shale leases, both to check upon the progress of the technology—a technology of great interest to us all—and to help, as best I can, in resolving the problems of sudden growth that will surely attend the proposed oil shale boom.

So I join the Senator from Kansas in asking not for additional money, but for a heightened efficiency, for a new mode of bringing the services which we and our staffs can provide a troubled people. In the long run, mobile offices will be more efficient, and more helpful to the people, than the systems we have developed to this point.

And surely it is our responsibility, particularly at this time of high expectations of, yet low confidence in, Government, that we do all we can for the people who have sent each of us here, hoping that we would work together toward a common good.

It is for these reasons that Senator DOLE and I join in believing that Senators will regard this issue as a people's issue, an issue beyond partisanship.

PUBLICATION OF RULES OF PROCEDURE OF SELECT COMMITTEE ON STANDARDS AND CONDUCT

Mr. CANNON. Mr. President, as required by the Legislative Reorganization Act of 1970, I ask unanimous consent to have printed in the RECORD the Rules of Procedure adopted by the Select Committee on Standards and Conduct.

There being no objection, the Rules of Procedure were ordered to be printed in the RECORD, as follows:

Resolved, That the Select Committee on Standards and Conduct, United States Senate, adopt the following rules governing the procedure for the Committee:

1. Meeting time.—The meetings of the Committee shall be on the first Monday of each month at 10:30 a.m. or upon call of the Chairman.

2. Quorum.—A majority of the Members of the Committee shall constitute a quorum for the transaction of business, except that two Members shall constitute a quorum for the purpose of taking sworn testimony.

3. Proxies.—A Member may vote by special proxy on any issue which comes before the Committee for decision except as otherwise designated in these rules.

4. Jurisdiction.—The jurisdiction of the Committee is derived from the following sources of authority:

(a) Senate Resolution 338, 88th Congress, relating to improper conduct of Senators, or officers or employees of the Senate.

(b) Report of Special Committee of the Senate to Study Questions Related to Secret and Confidential Government Documents, 93d Congress, concerning disclosure of classified documents by Senators.

(c) Public Law 93-191 relating to the use of the mail franking privilege by Senators, officers of the Senate, and surviving spouses of Senators.

5. Complaints.—Any person may file a complaint with the Committee that any Senator, or officer or employee of the Senate, has violated proper conduct or any rule, regulation, or law within the jurisdiction of the Committee. The complaint must be in writing and should state essential facts constituting the violation.

6. Public hearings.—All hearings conducted by this Committee shall be open to the public, except executive sessions for voting or where the Chairman orders an executive session. The Committee, by a majority vote, may order a public session at any time. In making such determination, the Committee will take into account evidence which may tend to defame or otherwise adversely affect the reputation of any person.

7. Subpenas.—Subpenas may be issued by the Committee Chairman or any other Member designated by him, and may be served by any person designated by the Chairman or Member.

8. Swearing of witnesses.—All witnesses at public or executive hearings who testify to matters of fact shall be sworn unless the Chairman, for good cause, decides that a witness does not have to be sworn. The Chairman or any Member may administer oaths to witnesses.

9. Counsel for witnesses.—Any witness summoned to a public or executive hearing may be accompanied by counsel of his own choosing who shall be permitted while the witness is testifying to advise him of his legal rights.

10. Interrogation of witnesses.—Interrogation of witnesses at Committee hearings shall be conducted on behalf of the Committee by Members and authorized Committee staff members only.

11. Right to cross-examine and call witnesses.—Any person who is the subject of an investigation in public hearings, personally and through counsel, may cross-examine witnesses called by the Committee and call witnesses in his own behalf.

12. Written witness statements.—Any witness desiring to read a prepared or written statement in executive or public hearings shall file a copy of such statement with the counsel or Chairman of the Committee 24 hours in advance of the hearings at which the statement is to be presented. The Committee shall determine whether such statement may be read or placed in the record of the hearing.

13. Right to testify.—Any person whose name is mentioned or who is specifically identified, and who believes that a public hearing, or comment made by a Committee Member or counsel, tends to defame him or otherwise adversely affect his reputation, may (a) request to appear personally before the Committee to testify in his own behalf, or, in the alternative, (b) file a sworn statement of facts relevant to the testimony or other evidence or comment complained of. Such request and such statement shall be submitted to the Committee for its consideration and action.

14. Prohibition of photographing or broadcasting hearings.—The taking of still, motion picture or television photographs in the hearing room during a hearing or radio broadcasting of the hearing shall not be permitted except by majority vote of the Committee.

15. Stenographic record of testimony.—An accurate stenographic record shall be kept of the testimony of all witnesses in executive or public hearings. The record, whether in public or executive session, shall be made available for inspection by a witness of his counsel under Committee supervision; a copy of any testimony given in public session, or that part of the testimony given by the witness in executive session and subsequently quoted or made part of the record in a public session, shall be made available to any witness at his expense if he so requests.

16. Secrecy of executive testimony.—All testimony taken in executive session shall be kept secret and will not be released for public information without the approval of a majority of the Committee.

17. Record of Committee action.—The Chief Counsel of the Committee shall keep a complete record of all Committee action. Such record shall include the votes on any question on which a record vote is demanded.

18. Release of reports to public.—No Committee report, document, or information shall be released to the public in whole or in part without the approval of a majority of the Committee. In case the Committee is unable to reach a unanimous decison, separate views or reports may be presented and printed by any Member or Members of the Committee.

19. Advisory Opinions.—Upon specific request from a Senator, or an officer of the Senate, the Committee may give an advisory opinion on any matter within its jurisdiction. An advisory opinion may be formal or informal, or written or oral, as the request warrants. All such opinions shall be advisory and declaratory only.

20. Changing rules.—These rules may be modified, amended, or repealed by a decision of the Committee, provided that a notice in writing of the proposed change has been given to each Member.

AID FOR VIETNAM

Mr. DOLE. Mr. President, an editorial appeared in the Washington Star-News to which I would invite the attention of those in the Senate who oppose the President's request for additional assistance for South Vietnam.

I have looked at this short article very carefully for two reasons. First, it was written by one more closely associated with those on the other side of the aisle, the author having been National Security Adviser to President Johnson.

Second, the American people some years hence might question the denial of additional aid that some in Congress are determined to force. The warnings made in this article should, in my opinion, be considered by all Senators before voting on the request for additional aid, just as I am considering them carefully.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NUCLEAR STAKES IN SOUTHEAST ASIA

(By Walt W. Rostow)

From all accounts, a majority in the Congress appears seized of the idea that we should limit our military assistance to Cambodia and South Vietnam in the face of the military offensives they confront, despite the judgment of the executive branch that this may well lead to Communist victory in the area.

Those supporting this limtation are in the position of arguing that it would be better for the people of Southeast Asia to have peace than war, even if peace brings Communist control. They also say that the American people have had enough of Southeast Asia, and a majority of our citizens supports a cut-off of aid to the area.

It is understandable after all that has transpired over the last 30 years that the American political process should generate moods like these; but, as George Kennan wrote in another context: "History does not forgive us our national mistakes because they are explicable in terms of our domestic politics." What if the destruction of independent non-Communist states in Southeast Asia should irreversibly lead not to "peace" but to greater instability and conflict in the world than we already know?

Specifically, members of Congress ought to consider these four points before casting their votes.

Whatever moral judgments or domestic political imperatives may move individual members of Congress, the United States will appear to the rest of the world to have knifed in the back an embattled ally. And we will have done so after that ally had successfully held his own over the more than five years since American troop withdrawals began, accepting increased casualties, despite an American-negotiated truce settlement that has not been honored by Hanoi and on whose enforcement Washington has not insisted once our prisoners were home.

A part of that settlement was the understanding that we would supply the South Vietnamese with arms to match those mounted against them. There is no North Vietnamese weapon that does not come from its allies in Moscow and Peking. It is inevitable that an American cut-off of military supplies to Southeast Asia shakes our alliances in every part of the world. Our allies may differ in the weight they attach to events in Southeast Asia; but they are all vitally affected by the record of American reliability in honoring its treaty commitments and other promises.

A loss of confidence in American reliability could lead to further nuclear proliferation. A good many countries have moved close to the threshold of nuclear weapons production. One barrier that has thus far prevented their taking this fateful step is the greater advantage of explicit or implicit security ties with the United States than the development of independent nuclear capabilities can provide. An American foreign policy dominated by moods of a Congress prepared to alter unilaterally treaty relations as well as agreements made by the executive branch, is not likely to commend itself as the foundation for national security to a number of important nations in a world they perceive as still potentially dangerous. By several routes, nuclear proliferation increases the chances of nuclear war.

In Southeast Asia itself, the action of Congress may well lead to a larger war rather than to peace. That action will signal to other powers a definitive American abandonment of interest in Southeast Asia and set off a scramble for power to fill the vacuum.

The situation in the region differs in a number of ways from that in 1965. Thailand and Indochina, for example are stronger now, and perhaps some of the other states as well. On the other hand, the long line of the Mekong still renders Thailand vulnerable to a Communist conquest of Indochina; and the fate of Burma runs with that of Thailand, as both parties have long recognized. Since independence, the Indian foreign policy has systematically regarded the independence of Burma (and Malayasia, too) as a direct vital interest. Thus, a congressional cut-off of military aid could set in motion a confrontation between India and China, as well as a Chinese-Russian confrontation. Both confrontations now carry the potentiality of nuclear war.

Finally, the resources of Southeast Asia, until recently a factor of negligible interest, have increased in importance to Japan and Western Europe as well as to the United States; that is, the oil of Indonesia and the potential deposits of the South China Sea. In a world enmeshed in a long-term energy crisis, the sea routes which Indochina dominates assume increased importance.

This is not the first time in our history that the Congress has exercised intimate control over foreign policy. The first time it happened, in the 1780s, it yielded such dangers to the republic that the nation reluctantly accepted the Constitution under which we have lived successfully for almost 190 years. The last time it happened, between 1918 and 1940, the policy of the United States contributed substantially to the coming of the Second World War.

The voices now dominant in the Congress, echoing their isolationist predecessors, are once again seeking to impose their vision of how the world ought to be, as opposed to the way the world really is. Those who know better are mainly silent; cowed by the media, tired from a long enervating struggle, unwilling to say what they believe after the bruising battles of the past generation. But history is without pity—even for the United States. To quote Kennan again: "A nation which excuses its own failures by the sacred untouchableness of its own habits can excuse itself into complete disaster."

And this time the disaster could be nuclear war.

ARE WE TAXING TOO MUCH AND SPENDING TOO LITTLE?

Mr. HUMPHREY. Mr. President, the magnitude of the present economic downturn has taken almost everyone by surprise. Just prior to the submission of the budget, the administration found it necessary to revise its economic forecast and raise the estimate of the average unemployment rate this year to a startling 8.1 percent.

Now we find that even that gloomy estimate is probably too optimistic. Unemployment hit 8.2 percent in January and every indication is that the rise in unemployment will continue during most of this year. Expert witnesses testifying before the Joint Economic Committee last Friday agreed that if the President's program is adopted, unemployment will rise above 9 percent before the end of this year. The report last week that industrial production fell 3.6 percent in January, the sharpest 1-month drop since 1937, provides further evidence of the gravity of the economic situation.

Why is the recession proving so prolonged and so severe? What is it in the present situation which is postponing the beginning of an economic recovery, making this the longest and deepest recession of the entire postwar period?

An article by Robert Hartman in last Sunday's New York Times provides an important part of the answer. The Federal Government, says Dr. Hartman, is taxing too much and spending too little. The Federal budget is exerting a drag on the economy. If we accept the President's budget proposals for fiscal 1976 this drag will grow worse.

According to Mr. Hartman's analysis, the fiscal 1976 budget falls $25 to $30 billion short of the degree of economic support provided by the 1974 budget, a year in which fiscal policy was already tight. That is, $25 to $30 billion of tax cuts and spending increases beyond what the President has proposed are required just to keep the budget from being more restrictive in 1976 than it was in 1974.

A staff study prepared by the Joint Economic Committee and released a few days ago supports Dr. Hartman's conclusion that the budget has been growing more restrictive. Inflation has pushed taxpayers into higher and higher tax brackets. This is the only postwar recession in which average effective tax rates have increased. Is it really any wonder that consumer spending is falling and the recession is continuing? The rising tax bite is leaving the consumer with less and less real after-tax income to spend.

I know the proposed budget deficit is $52 billion. That is a large number, although as a percent of gross national product it is about the same size as the $13 billion deficit which occurred in 1959. The deficit, big as it is, is attributable entirely to the weakness of the economy. If we were anywhere close to full employment, the budget would be in surplus. The way to get rid of big deficits is not to cut back on necessary spending, but to restore full employment.

In the last few days President Ford has apparently begun to realize the correctness of Dr. Hartman's conclusion that we are spending too little. The President has released $2 billion in impounded highway funds.

I only hope the President will soon realize that spending on human resource programs can also help support the economy. It makes no sense to cut taxes with one hand and cut back on social security with the other. Both the tax and the spending side of the budget must be directed toward the urgent need to halt the recession and reduce unemployment.

Dr. Hartman is a distinguished economist and a senior fellow at the Brookings Institution. Every word of his article deserves careful study by every Member of Congress. Mr. President, I ask unanimous consent that the article "Federal Spending—Too Little?" by Robert Hartman, which appeared in the New York Times of February 9, 1975, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FEDERAL SPENDING—TOO LITTLE?

(By Robert W. Hartman)

The dizzying heights reached by President Ford's budget proposal to the Congress last week threaten to blind us to the fact that it is not a very ambitious plan for economic stimulus. Even the official economic forecast acknowledges this.

We are promised an average unemployment rate for the calendar year 1975 of 8.1 per cent falling only to 7.9 per cent in the next year. Real output for the economy in 1976 is forecast at below the 1973 level, making the current slump the worst—by far—of the postwar era.

How is it that such a large budget with so much red ink produces such a mouse of a recovery—and are there any alternatives?

There are three reasons why Federal spending must grow each year (unless taxes are cut) just to maintain demand for goods and services and the availability of jobs.

The first is that the labor force grows and becomes more productive every year, by about 4 per cent. Unless real Federal spending rises proportionately, Uncle Sam is not doing his share to provide jobs for the growing labor power pool.

Secondly, when the price level rises, as it has recently by about 10 per cent a year, Federal spending must rise to meet the higher price tags or more labor will become idle.

Finally, it is growing more important than ever to recognize the need to offset "tax drag"—the tendency of the Federal income tax to take a larger bite of incomes as people move into higher average tax brackets. In the good old days, when inflation was 5 per cent, this effect could be ignored; with double-digit inflation, it cannot.

These three factors together imply that Federal outlays over the two years from the fiscal year 1974 to 1976 ought to grow by about 17 per cent a year, in the absence of a significant tax cut, just to keep up with growth, inflation and the tax drag.

The President's spending plans fall short of this standard and his tax-energy proposals provide, at best, a weak and temporary shot in the arm to the economy.

Federal spending for fiscal year 1976 is targeted at $349.4-billion, meaning the average annual increase from 1974 levels would be about 14 per cent. The 1975–76 increase is only 11 per cent, but since the President's program involves so many changes for both this year and next, a clearer idea of the plan is gained by taking the annual average over the two-years.

Two special factors, however, bloat proposed expenditures and must be removed to get an idea of what is actually happening in terms of permanent expenditures.

First, unemployment assistance payments—mostly unemployment compensation, plus a little public service employment—will have tripled between 1974 and 1976 to more than $18-billion. While these payments do cushing the recession, they will fade quickly when and if the economy expands, and cannot be counted as part of the long-term structure of Federal spending.

Second, the budget includes $7-billion for "energy-tax equalization payments" designed to compensate low-income people, state and local governments and Federal agencies for the higher cost of oil and oil products occasioned by the Administration's energy proposals. They should, thus, be counted as an offset to the energy-tax package.

After adjustment for these two factors, permanent outlays under the Administration's plan are shown to be growing at only an 11 per cent annual rate, about 6 per cent a year short of what is needed to undo the drag on the economy imposed by inflation, productivity growth and automatic tax hikes.

In large measure, with some help from the soaring price of oil and other commodities plus the tight credit stance of the Federal Reserve, this explains why we are headed downhill today.

Taken alone, without consideration of taxes, the President's proposed 1976 spending, far from being excessively large falls short by $25- to $30-billion of restoring fiscal policy even to its 1974 level, which was tight already.

In principle, this shortfall can be made up by a permanent tax cut of like amount. But although there is a large permanent tax cut in the President's plan, its effects are largely offset by massive new energy taxes.

Under the proposal, oil product and natural gas consumers would pay $19-billion more in excise taxes in 1976 while companies would pay $16-billion in a windfall profits tax on oil.

These almost entirely offset the Administration's plan for a $25-billion permanent income tax cut for individuals, a $7-billion cut in tax rates on corporate profits and the $7-billion in energy tax payments mentioned previously.

The combined tax program will probably be little more than self-canceling. More than likely, the corporate profits tax reduction will end up in hands that save, not spend, while a possible spread of oil and gas price increases to such items as coal could further cut into consumer demand, increasing the need for economic stimulus.

The only clear, net tax cuts proposed by the Administration are a $12-billion, one-shot income tax rebate, paid in dollars in May and September, and a temporary boost in the investment tax credit, saving companies about $4-billion.

This pump-priming, coupled with an optimistic view of the effects of the energy proposals and a prayer directed toward the Federal Reserve, constitute the economic stimulus package that is intended to get the economy to stop falling and begin a very gradual recovery.

The unemployment rate hardly falls at all in 1976, according to the estimates.

Even this grim outlook for the economy is by no means assured by the administration's proposals. One round of pump-priming, nearly all of it concentrated in the second half of this year, may not be able to raise the economy out of the deep well it is now in. In any event, by next year, as the effect of the tax rebate ebbs, we will go back to growing fiscal restraint.

If there is any economic stimulus in the President's plan, it is all on the tax side. Since his energy-tax package seems unlikely to be approved by Congress, alternative means of boostering the economy will have to be considered

President Ford has also proposed $17-billion in spending cuts to reach his spending goal. Some of the $25–$30-billion in gap-filling will undoubtedly come from Congress denying many of the requested cuts. In addition, Congress has already moved to reverse an earlier administration to raise the price of food stamps.

High on the list of restorations should be the $6-billion in savings resulting from a 5 per cent limitation on "automatic" cost-of-living increases for Social Security recipients, food stamp beneficiaries, the elderly poor and Federal workers and retirees.

Since we are going to be living with some inflation for a long time, even under the Administration's program, the first step in ameliorating its effects is to protect those unable to benefit from earnings gains and higher price markups. That is what cost-of-living escalators are supposed to do.

Ironically, the budget calls for more than $2-billion in new spending authority "for cost growth and escalation requirements on . . . shipbuilding programs" of the Navy, at the same time that it calls for the elderly to set a $2.5-billion example of restraint by limiting their Social Security checks.

Other real program cuts will be attacked by Congress in the course of time and it seems probable that spending will rise beyond the President's proposal.

At the same time, it is unlikely that all of the stimulus needed can be provided quickly enough on the spending side, so the time has come for a combination of permanent and temporary tax cuts, which, combined with the spending increases, would add up to at least $30-billion.

Why has the Administration put forth, in unprecedented candor, such a cautious proposal for economic expansion? The answer is fear of fanning inflation and a bigger budget deficit.

In the current state of the economy, the immediate threat of a worsening inflation is small.

Low capacity utilization, huge inventories and a growing pool of idle labor power, imply that added stimulus from Federal spending or a substantial tax cut would generate increased sales volume and, eventually, jobs—not higher prices.

That is not to say that inflation is no longer a threat, but rather that it is now of the price-wage-push variety, with both business and labor trying to make up for past losses. There is no convincing evidence that these pressures would be significantly worse if the economy really got moving again.

Part of the Administration's rationale for its budget cuts is to bring Federal spending under greater control in the future, thus inhibiting future inflation.

The budget proposes to accomplish this by reining in Social Security and other income transfer programs—the "uncontrollables"—and issuing dire warnings that if recent trends in these programs are not reversed, "government spending would grow to more than half our national output."

Much of the past growth in these programs has come from the Federalizing of state programs—aid to the blind, for example—from improvements in inefficient programs—as in the case of food stamps—and from filling out the rolls in Social Security so that most of the elderly are now covered.

Even if Congress wanted to, it is unlikely that these sources of growth could be matched in the future.

Finally, won't all the spending Congress is sure to add and the tax cuts it is sure to pass deepen the $52-billion deficit proposed by President Ford? Yes.

The $52-billion deficit is entirely attributable to the weakness of the economy which has reduced tax revenues and raised unemployment assistance. It is a passive deficit—a reaction to the economy—and it is large only because of the extent of the recession in a $1.5-trillion economy. Added spending and new tax cuts are active measures designed to turn the economy around. They would raise the recorded deficit initially, but as the results—higher incomes and more jobs—are realized, the passive deficit would be cut.

The budget proposed by President Ford is an integrated, consistent plan for the economy. As Congress tests out its new budget machinery under the Budget Reform Act of 1974, it is important that it keep its eyes on the right target.

That target is not to reduce the Federal deficit. It is to reverse the prospect that the recession will extend into its third full year.

Such a reversal will require an equally consistent and integrated Congressional plan. It won't just happen.

OREGON STUDENTS CONCERNED ABOUT WASTE AND HUNGER

Mr. HATFIELD. Mr. President, the issue of hunger—both here and abroad—continues to grow in the minds of the people as one of the greatest problems mankind faces. Recently an editorial entitled "Waste in the School" appeared in the Statesman, the newspaper of Wilson High School in Portland, Oreg. It was later reprinted in the Oregon Journal of February 12, 1975.

I am proud of this expression of concern by the students of Wilson High School and trust that they will be able to extend their concern through action in their school and community. I commend this article to my colleagues for it expresses a grass roots concern for the hungry and our own wasteful patterns of life.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASTE IN THE SCHOOL

America has often been referred to as "the land of plenty," but in light of recent discoveries, perhaps a more fitting description would be "the land that wastes plenty."

A group of researchers from the University of Arizona recently estimated that, on the whole, America discards approximately $4 billion worth of food each year, enough to feed a country such as Vietnam or Ethiopia for that amount of time. Often, they disclosed, the families they were investigating would either not use the food in time, before it spoiled, or they would fix too much and throw out the rest.

Many other commodities are also wasted. Paper, in the minds of many, is an endless resource. The "use it once and throw it away" concept is all too prevalent. America uses two-thirds of the world's total supply of energy, often needlessly.

The list could go on and on, but it seems more important to ask "why?" Perhaps it is because the United States has been overabundantly blessed with the quantities of natural resources needed for the country. As a result, many are spoiled, and now take luxuries for granted; things that are unheard of throughout the rest of the world.

Unfortunately, the students at Wilson seem to reflect the patterns currently in practice throughout the country. By simply looking at the cafeteria and halls, one cannot help but notice the gross amount of food that is wasted. Milk cartons splattered on the floor, leftover food thrown in the garbage and unfinished plate lunches lying on tables.

Granted, many at Wilson try to conserve food as well as other goods, and it is not the purpose of this editorial to tell students to clean up their plates, but if the shoe fits, wear it—don't discard it.—Statesman, Wilson High School, Jan 31.

HAROLD HUGHES

Mr. PERCY. Mr. President, at the end of the 93d Congress, the Senate said goodby to a giant of a man. By the example he has set in both his public and private life, Harold Hughes has touched all of us to a degree we are not likely to experience again.

He left the Senate by his own choice to answer a call higher and more demanding than any issued by an earthly political constituency. We admire and respect him for this decision, we wish him well, but we shall be diminished by his absence.

Mr. President, Harold Hughes is still a young man. There is still so much he is capable of giving to this country and our people; there is still so much that we need from him—the strength of his conscience, the depth of his thoughts, the compassion of his spirit, and the boundless generosity of his heart. I know that we can count on him for all of this, for his prayers, and for his advice and counsel.

Last year, as the Senate debated the difficult issue of capital punishment, the Senator from Iowa was a source of strength to me. I was moved by his eloquent statements against the restoration of the death penalty which made my own decision to oppose capital punishment a little bit easier. I am grateful to him for this and for all that he has given of himself to me and to the entire Senate.

In conclusion, I would like to leave with my colleagues some words said by Senator Hughes himself:

> I have long believed that government will change for the better only when people change for the better in their hearts.

I myself, Mr. President, believe that many hearts will be changed because of the work the Senator from Iowa is setting out to do.

AIRCRAFT RETROFIT RULE NEEDED NOW TO COMBAT NOISE POLLUTION

Mr. TUNNEY. Mr. President, I have received hundreds of letters from citizens whose homes or offices are impacted by aircraft noise. Additionally, I have heard from numerous groups around the country, including the Sierra Club and Airport Operators Council International. All want to know what can be done to alleviate the din that, regrettably, has become a common part of their lives.

The noise of our jet fleet stood as one of my primary targets when I wrote the Noise Control Act of 1972. Now, over 2 years after the bill was signed into law, the noise is still with us, and, apparently, little or nothing has, in fact, been done. In the past I have questioned the Office of Noise Abatement about this delay. However, insofar as retrofit is concerned, some of the blame must be shouldered by the Federal Aviation Administration, notable for its inattentive posture toward aircraft noise pollution and abatement.

The FAA now has two proposed regulations before it to curb jet fleet noise by retrofitting the engine nacelles of JT–3D and JT–8D aircraft with sound absorbing material—SAM. The first proposal was drafted by the FAA almost a year ago, was subject to public hearings and two oversight hearings by Congress, and yet has not been promulgated in final form. The second proposal, in keeping with the Noise Control Act and forwarded by the Environmental Protection Agency to the FAA just 2 weeks ago, is substantially similar to the FAA regulation and, if anything, reinforces the urgency of this program.

Delay in the past has come as a result of industry pressure. Industry favors an alternative NASA refan program—costing five times that of retrofit and not technologically feasible until later this decade. Moreover, the NASA program cannot quiet the JT–3D aircraft—the 707's and DC–8's which comprise the noisiest one-fourth of our jet fleet. There is no need for the FAA to delay SAMming these aircraft since there is no present or future method availaible to quiet them. Either they are silenced with SAM, or we continue to bear the burden of their noise until they are retired from the jet fleet half a dozen years from now.

Last August, five of my colleagues and I sent a letter to Administrator Butterfield pointing our four major reasons why the SAM program merits promulgation. These same merits are true now:

SAM will provide meaningful relief to our citizens by bringing the noise levels of older jets down to those of the new wide-bodied aircraft.

The potential benefits from NASA's refan program do not justify waiting until the technology is available and a cost of five times that of the SAM program: SAM-ming is more fuel efficient and available to aircraft which cannot be refanned.

The cost of SAM retrofit now must be weighed against the environmental and health "costs" to airport neighbors, local communities, and airport operators which would accrue between now and when the refan technology becomes readily available.

Promulgation of either the FAA or EPA version of the retrofit rule would not prevent or inhibit the use of refan technology when available.

In my view, not only is currently available technology being sacrificed if the retrofit regulation is not promulgated with dispatch, but noise control of all jet aircraft now and in the future may well be on the line.

I believe that if the FAA is to prove responsible in the area of aircraft noise abatement, it cannot succumb to industry pressure against retrofit. It cannot stall promulgation of a retrofit regulation any longer. The data are in from Congress, from industry, from concerned environmental groups, and from the Environmental Protection Agency. Retrofit offers relief for 74 percent of those now impacted by aircraft noise. We should offer this relief now.

I urge the FAA to promulgate this regulation in final form at the first available opportunity.

COUNCIL OF LOCAL GOVERNMENTS CONCERNED WITH THE FEDERAL PROPOSAL FOR ACCELERATED OCS OIL AND GAS DEVELOPMENT

Mr. TUNNEY. Mr. President, I ask unanimous consent to have printed in the RECORD the testimony of Los Angeles Mayor Tom Bradley and City Attorney Burt Pines in behalf of the Southern California Council of Governments before the Interior Department hearing board in California on a proposed OCS leasing program. The testimony reflects many of my concerns over the program, particularly the fact that the Interior Department is prepared to give away public resources at a very low cost without any assurances that the petroleum would be developed and sold to the public at a reasonable price.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY BY MAYOR TOM BRADLEY, CITY OF LOS ANGELES

Mr. Chairman and members of the panel: I welcome you to southern California. We are pleased to have this opportunity to comment on the draft environmental impact statement covering the proposed nationwide increase in acreage to be offered for oil and gas leasing on the Outer Continental Shelf.

I should immediately point out that I am welcoming you not only on behalf of the City of Los Angeles, but, also on behalf of a remarkable consortium of southern California cities and counties. This group, which we have named the council of local officials concerned with Federal proposals for oil development on the Outer Continental Shelf, represents an unusual experiment in "adhocracy."

It formed spontaneously, in response to a visit to southern California last July, by Mr. Jared Carter, then Deputy Undersecretary of the Department of the Interior. Mr. Carter had come to Los Angeles to brief us on Federal plans to open large portions of the Outer Continental Shelf to lease bidding for oil development rights. That meeting represented the first contact between policy-level Federal officials and elected representatives at the local level. Various bits and pieces of information concerning Federal intentions had been coming to us, mainly through the press, for some time

Mr. Carter's visit confirmed, in our minds, our concern that the Department of the Interior had already decided on maximal exploitation of Southern California O.C.S. oil deposits, in a minimal period of time. We were startled by the schedule we were shown for preparation and review of materials properly required under the National Environmental Policy Act, prior to a leasing date then set for May 1975.

At that hearing, I offered my offices and facilities as a base for the many clearly alarmed officials present, to come together and examine the implications which the Federal proposals held for our communities and citizens. Since that time, the council has met regularly, probing these implications and hammering out an articulate response on behalf of local government. Forty-one cities and counties have participated—a list too long to read here. Meetings are conducted informally, questions are resolved by exhaustive discussion, and common positions are derived by democratic consensus.

At its first meeting, the group designated a working task force, and delegated to it the responsibility to draft a resolution for submission to the council. Ably chaired by Mayor Joe Barnett of Palos Verdes Estates, the task force developed a three-point resolution which, since adopted, has become the most widely endorsed position on the matter throughout the state, and has generated considerable interest in other parts of the nation. In brief, expressing deep concern for the precipitous nature of the proposed Federal program, and for its apparent disregard for state and local considerations, the resolution calls for opposition to the Federal proposal, until:

1. A comprehensive national, as well as regional, energy policy has been promulgated;

2. The Department of the Interior has submitted its proposed oil development program to appropriate, affected State, regional and local agencies for review—particularly the California Costal Zone Conservation Commission; and,

3. Congress has enacted new legislation strengthening existing laws relating to oil development on the Outer Continental Shelf.

Adopted by the Council of Local Officials, this resolution has subsequently been endorsed by the Southern California Association of Governments and the State League of California Cities.

I want to be very clear that we do not necessarily oppose the concept of development and use of the oil on the Outer Continental Shelf. We do oppose the haste with which it is being undertaken, particularly with regard to the lack of understanding of the true value of this resource—a value which can only be determined within the context of a comprehensive national energy policy.

Our concern for the manner of determining the ultimate value and use of this resource is only heightened by our acute sense of the gravity of the present international monetary imbalance.

The Council of Local Officials has mounted two additional efforts which we feel will help safeguard the interests of all Americans, not only those who live in our southern California communities:

First, in response to a request by Mr. Carter that we send local experts to work with the local office of the Bureau of Land Management in development of the forthcoming regional, site-specific environmental impact statement, we were disturbed to realize that we in local government had no such experts in matters concerning either the Outer Continental Shelf or oil exploration and development. We set to develop a mutual fund to commission an objective unimpeachable critique of the regional document within the context of the 10,000,000 acre programmatic environmental impact statement before us today, and also, because of the apparent need for comprehensive national energy policy, in the context of project independence blueprint. In this respect, the fund continues to grow, and we have contacted the National Academy of Sciences, as well as other distinguished authorities, to discuss requirements for such a critique of the Federal documents.

Just at that time, however, the Department of the Interior released the programmatic document, announcing a brief three-week period for review of the highly technological 1300-page draft, prior to public hearings scheduled for mid-November.

In response, our Los Angeles city attorney quickly brought together a group of city and county legal officers, comparable to our ad-hoc council of local elected officials. On behalf of this group, Mr. Pines succeeded in gaining a 60-day delay in the proposed hearing date, after discussing the matter with Secretary Morton, and Senators Cranston and Tunney.

Even this 60-day extension left us little time to spare in the great task we faced. The council of local officials quickly turned to scientists from southern California for assistance in performing expert analyses of the programmatic environmental impact statement. Working with the staffs of the Los Angeles and San Diego city attorneys, professors from several of our most prestigious universities have prepared the materials which will be presented to you today.

These materials weigh the programmatic environmental impact statement, in terms of its adequacy, in the light of:

Requirements of the National Environmental Policy Act;

Consideration of the proposed action in relation to a national energy policy;

Demonstration of need for the proposed action;

Consideration of conservation as a full or partial alternative;

Treatment of research and development;

Time constraints to perform the proposed action;

Consideration of relative environmental impacts;

Consideration of other oil sources, including existing shut-in wells, secondary and tertiary recovery;

Consideration of alternative use of existing onshore military reserves, such as Elk Hills;

Consideration of mitigation measures;

Sufficiency of data for environmental analysis;

Consideration of degradation of air quality;

Consideration of onshore land use impacts; and

Consideration of diminution of property values.

A presentation of the specific contents will follow. Suffice it to say that I consider the total effort, conceived and carried out in a very limited period of time, a new standard for local governmental contributions to the great national debate we are now entering.

I would now like to address a few major questions:

Foremost in my mind is the need for a comprehensive national energy policy, as a basis for judging all proposals such as the program environmental impact statement. Only development of such a policy can satisfy the basic thrust of the National Environmental Policy Act, bringing short- and long-term implications, and consideration of alternatives to bear on the judgement.

How adequate can Project Independence Blueprint be, for this purpose, if it only poses options, and does not supply answers? It is neither a policy nor a plan. The unanswered or unconsidered questions in the impact statement can often be traced to this fundamental lack of a plan.

What are our priorities, for instance, for alternative energy source development? Our analysis indicates that there has been no careful consideration of a balanced mix of new sources for exploitation which will benefit us most, at least cost to our people and our quality of life.

Have existing oil reserves, public and private, been adequately considered as full or partial alternatives? Again our experts say no. There is no consideration of developing Elk Hills Naval Petroleum reserves. Also, the House Subcommittee on Regulatory Agencies and a study by the Brookings Institution indicate that many shut-in wells could be producing profitably today. One specialist from our scientific advisory committee points to the potential for enhanced recovery from known reservoirs.

What are our priorities for exploitation of the Outer Continental Shelf, itself, nationwide? Our experts found that no analysis of the relative environmental impacts of drilling the various areas had been performed, as was done in the partial assessment performed by the council on environmental quality last year.

What are our priorities for sale or leases within any of the regions? Again, we found none, since these priorities are currently set by private industries' selection of areas of their choice, within the large areas nominated. Is this in the best public interest?

How adequate, and how available is the data—the information we should have before making this decision?

Several members of our scientific advisory committee participated in a recent conference here in southern California, conducted by the Department of the Interior, which raised enormous areas of need concerning the environmental propriety of proceeding with production.

What information do we have concerning the extent and value of the oil reserves on the O.C.S.? The present bidding system makes that information the proprietary right of the industry. What prudent businessman would sell his property without first getting his own appraisal of the value? Shouldn't the American people—the present owners—enjoy information of equal quality and adequacy, as that available to private industry? If our present bidding system does not permit this, let us change it accordingly.

Our advisors question whether adequate consideration has been given to alternative leasing plans. I am disturbed that once the leases are signed, the Nation would have little or no say as to where the oil is to go, and when. With this capability we could build public stockpiles for emergency allocation, and avoid panic circumstances such as we experienced during the Arab embargo.

This raises the question, "What is the adequacy of present Federal legislation covering O.C.S. exploration and development?"

Our local government task force specified updating of the Outer Continental Shelf Lands Act of 1953 as a cornerstone of its resolution on the Federal development proposal. That law was written at a time when oil was widely regarded as cheap and virtually unlimited. Enormous administrative power was centered in one man—The Secretary of the Interior—to maximize efficiency of resource development. We have learned much since those days—much about our resource limitations, much about shortage crises, much about what happens to prices at such times, and much about the concentration of administrative power. Revision of the outdated act is essential, and the proposal before us today must be subject to our new understanding. Legislation recently introduced by Senator Hollings represents a good beginning in this direction. Some form of partnership must be developed, so that we will retain enough control over allocation of the oil to insure its use in the public interest. This will be essential in building and implementing a national energy policy.

Our advisors raise serious questions concerning the availability of materials necessary to build drilling rigs and pipelines to handle production. Also, what is our capability to meet the massive new requirements for transportation, storage, and refining which would result, provided that full and timely production occurs?

What of the onshore impacts of these activities? Four of our scientific advisory committee members have found this aspect of the environmental impact statement severely inadequate. The implications for the State and local governments are enormous. How can we help feeling that the Department of the Interior has little concern?

What in this document demonstrates an understanding of our true conservation capability? Here in Los Angeles, as in a handful of other major urban areas, startling savings were realized during the Arab embargo, and were achieved without significant social or economic disruption. To our surprise, we managed an 18% reduction below the previous year's use of electrical power, even while we were consuming 25% less gasoline. Does the environmental impact statement consider energy conservation as an alternative on this scale? Or, even half this scale?

Finally, why all the rush? Our first contact with Federal officials came as a briefing in mid-July. The briefing strongly indicated that the decision to lease had been firmly taken. Then the document we are considering today was released on October 25th, with the announcement that hearings would be held in mid-November, three weeks later! This date was then changed to early December. Only after our city attorney went to Washington to petition Secretary Morton, were we allotted an additional 60 days. Now we are told that the regional draft statement will be released before this document is finalized. And yet, the Secretary, himself has said that actual production from the offshore areas cannot begin for several years. Surely this removes all credibility from the argument that granting leases this year is essential in order to meet the Arab challenge. As many have mentioned at these hearings, a program of Federal exploration could be conducted prior to leasing, and without loss of time should it prove necessary to proceed.

How can we conclude that the purposes of the national environmental policy act have been served—either in the letter, or in the spirit of the law—when such questions can be raised?

I have mentioned that we have approached the national academy of sciences with the intention to commission an objective study of the Federal work being performed as a basis for the proposed lease sales. Our member local governments have begun a substantial fund in this effort. The need for such a study is clear. Surely the Department of the Interior should assume, or at least share, in this finnacial burden.

To return to the most fundamental question, however, the answers will only find adequacy as they are derived in the context of a comprehensive national energy policy. It would be irresponsible to sell America's publicly owned oil resources without such a policy.

Thank you.

ANALYSIS OF DRAFT ENVIRONMENTAL IMPACT STATEMENT REGARDING "PROPOSED INCREASE IN ACREAGE TO BE OFFERED FOR OIL AND GAS LEASING ON THE OUTER CONTINENTAL SHELF"

(Presented on Behalf of the Southern California Council of Local Governments Concerned With the Federal Proposal for Accelerated OCS Oil and Gas Development)

The Southern California Council of Local Governments Concerned with the Federal Proposal for Accelerated OCS Oil and Gas Development was formed by a group of Mayors, Councilpersons and other governmental officials. The purpose of this Council was to discuss the proposals of the Department of the Interior in regard to expanded OCS development.

The members of the Council, each of which intend to testify as part of the testimony presented by the Council at the hearings, include:

City of Los Angeles, City of San Diego, County of San Diego, City of Beverly Hills, City of Santa Monica, City of Santa Barbara, County of Santa Barbara, City of Riverside.

City of Newport Beach, City of Torrance, City of Palos Verdes Estates, City of Rancho Palos Verdes, City of Laguna Beach, County of Orange, City of Huntington Beach, Southern California Association of Governments.

Due to the press of time, this Analysis could not be fully circulated to all members of the Council to receive formal ratification. As of the date of printing, however, the following jurisdictions have formally authorized submission of this Analysis on behalf of their jurisdictions:

City of Los Angeles, City of San Diego, City of Santa Monica, City of Riverside, City of Torrance, City of Palos Verdes Estates, City of Laguna Beach, County of San Diego.

The following is a summary of the detailed Analysis of the Draft Programmatic E.I.S. on expanded Outer Continental Shelf (O.C.S.) Drilling prepared by the Bureau of Land Management (B.L.M.). This Analysis has been prepared by and on behalf of the Council of Local Governments Concerned with O.C.S. Development, for presentation to B.L.M. as a portion of the comment and input to be given by the participating jurisdictions during the public hearing and review process.

The Analysis is based upon a comprehensive review of the E.I.S., the *Project Independence Blueprint*, and over sixty major documents dealing with energy and O.C.S. development. Included in the Analysis is a critique of the E.I.S. prepared by the Scientific Advisory Committee. That Committee was formed, at the request of the Council, to advise the participating jurisdictions as to the accuracy of the data included in the E.I.S., the additional data which should be provided, the additional scientific studies which should be undertaken, and related matters.

I. REQUIREMENTS FOR LEGALLY ADEQUATE E.I.S.

The specific requirements regulating the nature and content of the Draft E.I.S. are set forth and established by the National Environmental Policy Act (N.E.P.A.), the Guidelines for Implementation of N.E.P.A. promulgated by the President's Council on Environmental Quality (C.E.Q.), and by the case law interpreting these foregoing provisions. Having carefully reviewed the draft E.I.S. in light of these legal requirements, we have concluded that the draft E.I.S. is seriously inadequate and fails to fulfill the legal mandate that it set forth a "detailed statement of the environmental impact of a project and the project's alternatives."

Specifically, the E.I.S. fails to:

(1) Adequately discuss the relationship between the proposed O.C.S. development and the establishment of a comprehensive national energy policy, with proper reference to the *Project Independence Blueprint*, as required by law;

(2) Adequately discuss our principal energy alternatives, including most importantly the alternative of energy conservation;

(3) Develop the data on marine resources necessary to an intelligent analysis of the impact of O.C.S. development upon those resources;

(4) Provide a detailed analysis of the primary, secondary, and cumulative effects of O.C.S. development, supported by empirical data or scientific authorities; and

(5) Address the numerous major issues discussed in this Analysis.

II. INADEQUACIES OF THE E.I.S.

A. *O.C.S. Development as an Integral Part of a National Energy Policy:*

Any decision made in regard to O.C.S. development clearly must be made in the context of a comprehensive national energy policy. In that regard, the adequacy of the E.I.S. is severely impaired due to the fact that its completion preceded release of the *Project Independence Blueprint*. The failure of the E.I.S. to fully consider and weigh the alternatives suggested in the *Project Independence Blueprint*, and the failure of the E.I.S. to clearly measure the proposed O.C.S. development program in the context of a national energy program, is violative of both the spirit and express requirements of the law.

B. *The Need for O.C.S. Development Has Not Been Adequately Demonstrated:*

The E.I.S. only refers to the demand projections of the National Petroleum Council, the Ford Foundation Energy Report, and Department of the Interior's own demand projections. There is no reference to the *Project Independence Blueprint* demand projections. Further, the Department of the Interior's own projections of a 2% to 3% increase in energy growth over the next 25 years is little more than a rough guess of what future energy demands might be. It does not provide a valid basis for a decision regarding greatly expanded O.C.S. development.

We submit that the most useful demand projections are those in the Ford Foundation Energy Report. This Report projects three different scenarios: (1) a historical growth scenario, (2) a technical fix scenario, and (3) a zero energy growth scenario. Even under the historical growth scenario of a 3.4% energy growth rate, the greatly accelerated O.C.S. program now being contemplated by the Interior would not be necessary. Additionally, under either the technical fix scenario or the zero energy growth scenario, O.C.S. development would not be necessary in the time frame now being considered.

The *Project Independence Blueprint,* which the draft E.I.S. fails to consider, assumes that there will be no significant O.C.S. development in the Pacific, Atlantic or Gulf of Alaska areas. Moreover, a report from the House Committee on Interior and Insular Affairs, entitled *The Trans-Alaska Pipeline and West Coast Petroleum Supply,* 1977–1982, indicates that there will be a surplus of petroleum supplies during the period 1977–1982 in the Pacific region. These factors must be considered by the Department of Interior in making any decision to lease in the Pacific, Atlantic, or Gulf of Alaska.

C. *The Alternative of Energy Conservation:*

A mandatory energy conservation program offers a viable alternative to accelerated O.C.S. development. This alternative was not adequately evaluated by the E.I.S.

Accelerated development of all our energy sources will still not meet unrestrained demand. Economic as well as environmental factors mandate that we adopt a strong energy conservation plan. We suggest that serious consideration must be given in the E.I.S. to the following energy conservation alternatives discussed at much greater length in the Analysis:

1. Transportation

The *Project Independent Blueprint* suggests a number of means to greatly increase use of public transit, thereby reducing our national dependence upon the automobile. Additionally, it has been suggested that tax incentives should be developed to encourage automakers to produce more energy efficient cars which are lighter, and have better aerodynamic designs. A tax might be levied on cars not meeting improved fuel economy standards.

2. Building and urban design proposals

Space conditioning presently accounts for more than 60% of residential energy use. This use can be substantially reduced by requiring better insulation and by modifying building design. The nation's building codes must be updated. The Federal Housing Authority should revise their standards for issuing loans by requiring a life-cycle cost for building designs. Subsidies and guaranteed loans should be provided so that lower income families can increase the energy efficiency of their homes. Over the life-cycle of a house, the cost of improving the energy efficiency of the structure is far outweighed by savings on fuel costs. There are numerous tax incentive programs which can be suggested to improve construction practices.

3. Industry

Industry consumption accounts for 33% of the total U.S. energy demand. Energy efficiency can be increased in almost all industries by implementing a program designed to promote: (a) better maintenance of existing equipment; (b) recovery of process heat losses; (c) modifying product specification to minimize consumption patterns; (d) shifting from use of raw materials which require high energy consumption; (e) using natural fertilizers as substitutes for petroleum and natural gas intensive fertilizers; and (f) using recycled materials.

4. Natural gas

Continuous use of gas pilot-lights is responsible for consumption of an estimated 223-billion cubic feet of gas annually in the United States. A long-range cost/benefit analysis to the consumer indicates that substituting electric starters for gas pilots is economically justified and would result in substantial energy savings.

5. Lighting

Lighting accounts for 25% of U.S. electricity consumption. Much of that is used wastefully in decorative or advertising lighting or as a result of over-illumination and should be more stringently regulated.

6. Heating, cooling, and ventilating systems

Approximately 18% of the total national energy consumption is for heating buildings. Much of the energy used in adjusting internal temperatures would not be necessary if buildings were properly insulated and designed. Energy consumption in buildings may be reduced by: (a) use of solar or solar-assisted heating and cooling; (b) heat pumps; (c) rockbed regenerators; and (d) by adopting building codes requiring energy-conserving techniques.

7. Research and development

Our nation has failed to make a reasonable allocation of research and development funds between our various energy alternatives, including conservation. Substantial funds should be allotted for development of: (a) heat transfer technology; (b) low temperature heat applications; (c) energy savings in space conditioning; (d) industrial steam production technology; (e) integrated power generation; (f) improvements in efficiency of power generation; and (g) new manufacturing processes.

In summary, the Analysis points out that the E.I.S. completely fails to consider one of the principal alternatives to O.C.S. development—a mandatory national energy conservation program. The experience of the City of Los Angeles during last Fall's energy crisis proves the value of mandatory energy conservation programs. During the winter of 1973–74, the City of Los Angeles implemented a plan which resulted in a 17% reduction in energy use during the first two months the program was in effect. A study of the results of that plan by Rand Corporation indicates that: (1) lighting changes accounted for most of the reduced use; (2) most business establishments regarded 20% as a reasonable amount to cut without adverse consequences to business; and (3) most businesses are continuing to maintain the reductions they made during that period. The Analysis concludes that with economically and technologically feasible energy conservation practices, our energy growth rate can easily be reduced to 2% annually, and even zero energy growth is possible. Unfortunately, the E.I.S. fails to give this alternative the serious attention it warrants.

D. *Other Energy Alternatives:*

The E.I.S. discusses several suggested energy alternatives to O.C.S. drilling. However, the treatment of those discussed is clearly inadequate, while other significant alternatives are simply not discussed.

Among the alternatives cursorily examined in the E.I.S. and which are treated at much greater length in this Analysis are solar, geothermal, nuclear, oil shale, hydroelectric and oil importation. The alternatives not discussed in the E.I.S., but considered in this Analysis include bio-energy, wind, and secondary and tertiary recovery from existing wells. Bio-energy we especially feel is advantageous because it supplies energy while solving solid waste management problems. Secondary and tertiary recovery are also sound resource management tools which deserve greater attention. In summary, the treatment of other energy alternatives in the E.I.S. is seriously deficient.

E. *Production of Shut-In Wells and Secondary and Tertiary Recovery as Alternatives to Expand O.C.S. Development:*

No mention in the E.I.S. is made of the alternatives to O.C.S. development of production of wells now apparently "shut-in" in the Gulf of Mexico, nor is there an adequate consideration of the alternative of secondary and tertiary recovery from existing wells. The House Sub-Committee on Regulatory Agencies has found that a substantial number of tracts capable of production in the Gulf of Mexico have been classified as shut-ins by the U.S. Geological Survey upon the request of oil and gas companies. The Federal Power Commission has made similar findings regarding the production capacity of oil and gas fields. The question is whether or not classification of a tract as shut-in is appropriate. Substantial evidence seems to indicate that in many cases it is not.

The House Sub-Committee has found that the Department of the Interior has not demonstrated its capacity to efficiently administer the present leasing system. If this is true, what is the justification for greatly accelerated O.C.S. development under the same regulatory system? Whether shut-ins are the result of inadequate manpower and materials, or a desire of the oil companies to develop the areas in the future when prices are higher, the fact remains that the nation appears to have presently leased areas capable of production which are not now producing.

The same concern is applicable to the failure of the E.I.S. adequately to discuss the production capacity which would result in secondary and tertiary recovery. Such recovery is not being undertaken at this time because the oil companies apparently do not find it to be economically attractive. Nonetheless, these national resources which have already been tapped should not be left partially developed if they can be fully developed in an environmentally and economically sound manner.

F. *The Elk Hills Example of Present Onshore Potential:*

The E.I.S. entirely ignores one of the most feasible alternatives to accelerated O.C.S. development, that is the tapping of existing onshore petroleum reserves held by the military. One particular example not even mentioned in the E.I.S. is the Elk Hills Naval Petroleum Reserve. Within 18 months, 230,000 barrels-a-day could be produced from Elk Hills, with maximum production of 350,000 barrels-a-day being reached within 3 years—well ahead of what can reasonably be anticipated from newly leased O.C.S. areas.

The cost of developing Elk Hills, as opposed to O.C.S. development cost, is dramatic. While offshore wells cost approximately $2 million each to drill, with offshore platforms costing $200 million each, onshore wells drilled at Elk Hills would cost approximately $250,000 each.

Substantial evidence indicates that the Elk Hills Naval Reserve is not necessary for national defense. The President has now indicated that he supports opening this Naval Reserve for domestic consumption. Clearly, it is an example of a meaningful onshore alternative which should have been discussed in the E.I.S.

G. *Substantial Evidence Indicates that O.C.S. Development Cannot be Undertaken Within the Time-Frame Proposed:*

The E.I.S. only superficially discusses the serious problem of the ability of the oil industry to keep production abreast with the proposed increase in leasing due to the major shortages of drilling rigs, equipment and skilled manpower. The findings of two major federal Congressional reports, and the *Blueprint for Project Independence,* convincingly demonstrates that the leases now proposed for development could not be developed within the proposed time-frame. Further, both the report of the Ad Hoc Committee on the Domestic and International Monetary Effect of Energy and Other National Resources Pricing of the House Banking and Currency Committee, and the report from the National Oceans Policy Study on Outer Continental Shelf Oil and Gas Development in the Coastal Zones, raise serious questions about the viability of accelerated O.C.S. leasing in light of current shortages of equipment, construction materials, and trained personnel. The *Project Independence Blueprint* indicates that shortages in drilling rigs, tubular goods, and walking draglines cannot by overcome in the short-run period. Even a technical paper released by the Department of the Interior indicates a severe shortage of these necessary materials. In summary, the E.I.S. fails to deal with this significant issue, that is whether accelerated O.C.S. development is in fact a meaningful solution or viable alternative.

H. *Mitigation Measures Not Adequately Considered:*

The E.I.S. fails to consider measures which would mitigate the potential adverse environmental effects of O.C.S. development. The E.I.S. should at the very least consider the following possible mitigation measures:

1. Immediate exploration of the potential lease areas so we would know what is in fact available;
2. Establishing a priority system so that lease sales would first take place in the areas farthest offshore with the least potential environmental impacts;
3. Camouflaging rigs to preserve aesthetic values;
4. Requiring subsea completion of wells to preserve aesthetic values, and reduce navigational obstructions;
5. Establish more stringent drilling and production regulations.

I. *Failure to Consider Relative Environmental Impacts*:

The relative environmental impacts of drilling throughout the O.C.S. must be evaluated prior to any further lease sales. This evaluation was not provided for by the E.I.S.

A report entitled *O.C.S. Oil and Gas—An Environmental Assessment*, prepared by the President's Council on Environmental Quality, demonstrates that such an analysis is possible. Although limited to the Atlantic coast and the Gulf of Alaska, the C.E.Q. report resulted in a rating of various possible development areas according to environmental sensitivity and resource potential. Southern California has certain unique resources, as do other areas, and efforts must be made to evaluate the impact of O.C.S. development on those resources. In summary, in order for the E.I.S. to be legally adequate, it is submitted that the relative environmental impacts of drilling in various areas throughout the O.C.S. must be developed and discussed.

J. *Insufficient Data for Environmental Analysis:*

The E.I.S. is replete with admissions that sufficient data is not available regarding marine and coastal resources or the impact of O.C.S. development on those resources. The E.I.S. includes nineteen such major admissions of lack of data. Even though the drafters of this Analysis had extremely limited time and personnel, in all but five of the specific areas involved, we found literature sources providing the necessary analysis. In those areas where data is not now available, the Department of the Interior has an affirmative obligation to develop the necessary data.

One example of the need for additional data is provided by the report of the Southern California Academy of Sciences. This group is presently under contract with the Bureau of Land Management to provide baseline data on the Southern California marine resources. Although the Department of the Interior contends that this baseline data is only needed for monitoring of O.C.S. development, rather than for making the determination as to whether there should be such development in the first instance, it is important to note those specific areas where the scientific community believes additional data is necessary. Thus, the Southern California Academy of Sciences concluded:

1. Geological oceanography, especially in regard to seismic activities off Southern California, is inadequate. Recommendations for numerous studies were made.
2. Additional studies of vertebrate and invertebrate populations, habitats and sensitivity to oil pollution need to be studied.
3. A better understanding of physical oceanography, including oceanographic and surface meteorology, is needed.
4. A better understanding of chemical oceanography is needed.

K. *Degradation of Air Quality:*

The E.I.S. only provides a discussion of possible degradation of air quality in terms of the result of evaporation from oil spills. N.E.P.A., however, requires a discussion of both the primary and the secondary impact of a project. Obviously, the onshore activity which is the consequence of O.C.S. development will have a subtantial adverse effect on air quality.

Increased refinery capacity and operation will clearly result in substantial increases in sulfur dioxide, particulate matter, nitrogen dioxide, carbon monoxide and hydrocarbons. The air quality in Southern California is far from reaching primary ambient air quality standards set pursuant to the Federal Clean Air Act. Further degradation in air quality will result from increased refinery capacity. This issue should be fully addressed by the E.I.S.

L. *The Onshore Land Use Impacts of O.C.S. Development:*

The discussion of onshore impacts within the E.I.S. is wholly inadequate. Among the more notable onshore activities having significant primary land-use impacts are the following: (1) harbor and dock facilities; (2) equipment storing areas; (3) pipeline terminals and corridors; (4) tank farms and transportation facilities; and (5) refinery, petrochemical complexes, and supporting construction industries. The potential of these facilities for conflicting with other land-use values, and the resulting environmental impacts, must be fully discussed and considered by the E.I.S.

M. *The Santa Barbara Oil Spill—An Impact Never Discussed:*

The E.I.S. never discusses the Santa Barbara oil spill, despite the fact that it is an incident that exemplifies many of the economic and environmental consequences of O.C.S. development. The 1969 blowout from a major channel platform was the result of poor operating procedures and government regulations. Over 3,250,000 gallons of oil spilled into the ocean, resulting in a slick of over a thousand square miles. Over 80 miles of coastline were contaminated. Containment and recovery efforts were woefully inadequate.

Although long-term effects of the Santa Barbara spill on the marine and coastal environment are difficult to estimate, they clearly are substantial. As to short term damages, the cost of replacing dead organisms has been estimated to be over $10 million. Over $10 million was spent by the oil companies for control and cleanup, and approximately $640,000 by governmental agencies post spill operations. Indirect costs of the spill include diminution of property values and loss of tax revenues. Short term loss to the commercial fishing industry was over $800,000. Loss in recreational value has been estimated to be over $3 million.

The E.I.S. makes no attempt to estimate these very real costs which may result from O.C.S. development, nor is the entire subject of potential impacts from spills or accidents meaningfully developed.

N. *Diminution of Property Values:*

The E.I.S. fails to discuss the diminution of property values that will result from O.C.S. development. The potential adverse impact upon land values of the aesthetic blight of platforms and potential for oil spills is well demonstrated by the Santa Barbara case. Total diminution of property values resulting from the Santa Barbara oil spill ranged from a total of $6,885,000 to a high of $8,934,000. Potential adverse impacts of these magnitudes must be discussed by the E.I.S.

O. *Economic and Resource Losses to State and Local Governments Resulting From O.C.S. Development:*

The E.I.S. does not discuss possible adverse economic consequences to local governments resulting from O.C.S. development, nor does the E.I.S. discuss the loss to the public of visual amenities, beach and marine resources and recreational values. Studies from both Louisiana and Texas indicate that local government, in providing services to O.C.S.-related developments, bear substantial economic burdens. The public at the same time suffers a substantial loss of its beach and marine resources.

III. ECONOMIC ANALYSIS OF THE FEDERAL LEASING SYSTEM

The E.I.S. entirely fails to consider the relative economic merits of alternative leasing systems. This is contrary to the mandate of N.E.P.A. that environmental as well as economic and technical cost benefits analyses must be prepared. With the exception of one trial royalty-fixed cash bonus system, the federal government is now operating under a cash bonus-fixed royalty system which combines an initial substantial cash payment with a fixed royalty established by the Secretary of the Interior based upon the estimated value of leased lands.

The problems resulting from the current system include:

(1) A serious dampening effect on competition; and

(2) Huge vertically-integrated petroleum companies dominate the bidding.

Additionally, under the current system, it appears that the Department of the Interior's regulation of leasing schedules is inadequate. As a result, areas may be developed either too quickly or too slowly.

There are at least ten alternative leasing systems (4 royalty systems, 4 rental systems, and 2 profit sharing systems) which deserve serious examination and consideration, including:

1. Fixed royalty/bonus bidding;
2. Fixed bonus/royalty bidding;
3. Royalty schedule decreasing overtime;
4. Two-parameters royalty schedule;
5. Rental payments/bonus bidding;
6. Fixed bonus/rental bidding;
7. Oil pledge/bonus bidding;
8. Fixed bonus/oil pledge bidding;
9. Fixed profit share/bonus bidding;
10. Fixed bonus/profit share bidding.

In brief, the O.C.S. oil reserves belong to the American people. Before they are leased, it is essential that all principal leasing systems are fully evaluated and considered to ensure that the federal government provides for the most responsible and economically sound protection of our interests.

IV. PROCEDURES FOR EVALUATION

The procedures followed by the Department of the Interior for evaluation of lease sales does not ensure a systematic, reasoned decisionmaking process. The procedures for public participation in the hearing process hampers full public participation. The Department of Defense excludes areas from consideration for lease sales, on the basis of national security, in a manner that prevents review of the decisionmaking process. As a result of those exclusions, other areas may be selected for leasing which may be more environmentally sensitive.

V. SUBSTANTIAL EVIDENCE EXISTS TO INDICATE THAT A DETERMINATION TO DRILL HAS ALREADY BEEN MADE

Statements from high ranking officials in the Department of the Interior indicate a commitment to O.C.S. development. The refusal of the Department of the Interior to await establishment of a national energy policy, and the refusal to postpone designations until after an adequate final program E.I.S. is considered in the decision making process, indicates that the E.I.S. is only a post hoc rationalization for a decision which has already been made.

VI. THE FEDERAL COASTAL ZONE MANAGEMENT ACT

The Department of the Interior's plans to proceed with O.C.S. leasing prior to the completion of coastal zone management plans by impacted states circumvents the purposes of the 1972 Coastal Zone Management Act. O.C.S. leasing should be postponed until such time as the states have had an opportunity to adopt coastal zone management plans and have such plans approved by the U.S. Secretary of Commerce, as provided for in the Coastal Zone Management Act. Once such approval is obtained, any federal agency conducting or supporting an activity directly affecting the coastal zone shall, to the maximum extent practicable, conduct such activities consistent with approved management programs.

The Energy Element of California's Coastal Plan adopted by the Coastal Commission on January 23, 1975, proposes for California the policy that new offshore oil and gas development shall be permitted only after: (1) the need for petroleum has been clearly established in light of anticipated flows to California from the Alaska north slope and other production sources, and consideration is given to California's capacity to refine and store anticipated inflows; or (2) development of the O.C.S. off California has been clearly identified as an integral and priority part of a comprehensive balanced national energy conservation and development program. Other policies in the energy element adopted by the Coastal Commission include: (1) allowing offshore drilling only where safe; (2) encouraging consolidation of drilling production and processing sites; (3) requiring the use of submerged completion and production systems where feasible and environmentally safe; (4) minimizing the impact of onshore facilities; (5) establishing an oil spill liability fund; and (6) protecting against any adverse impact of O.C.S. development by seeking an agreement with the Department of the Interior that no federal leases be approved until the Department of the Interior makes a commitment to undertake a comprehensive environmental protection plan in regard to O.C.S. development. The policy recommendations of the California Coastal Zone Conservation Commission have evolved out of a long planning process. The Department of the Interior should not be allowed to circumvent the purposes of the Federal Coastal Zone Management Act by ignoring the position of the California Coastal Zone Conservation Commission in regard to O.C.S. development.

FOREIGN INVESTMENTS IN THE UNITED STATES

Mr. HUDDLESTON. Mr. President, over a year ago, when the Federal Energy Administration Act was being considered, the Senate adopted an amendment I offered directing the new FEA to conduct a preliminary study of foreign investment in U.S. energy sources and supplies and to monitor any new investments. Then, we were in the midst of the Arab oil embargo and painfully aware of the unreliability of foreign-controlled energy.

Now the embargo has been lifted, but our problems remain. They simply have taken a different slant. Last year, the Arab oil producers amassed a $60 billion capital surplus. That surplus is expected to escalate to $70 billion this year, $650 billion by 1985, and a staggering $1.2 trillion by 1995—enough to pay for all the goods and services produced here in the United States last year. This is money above and beyond what the World Bank estimates the Arab nations can rechannel into their own economies. So, this money is going to have to go abroad.

Consequently, the information contained in the "Report to Congress on Foreign Ownership Control and Influence on Domestic Energy Sources and Supply," just published by the Federal Energy Administration, is even more vital and relevant than when the study was mandated.

Two things stand out in the FEA report—first, existing data collection procedures are sorely inadequate. They fail to identify completely, much less allow any monitoring of those companies over which foreign interests exert influence. While data relating to foreign investment is collected by countless agencies and departments throughout the Government, there are no data collection activities oriented specifically toward foreign investment for its own sake. Even in compiling its report, FEA had to rely primarily on private publications as their principal source of information and to include the caveat that "there is no assurance that this report, or any other report for that matter, can present a comprehensive list of foreign ownership activities in the U.S. unless substantial efforts are made to improve data collection."

The Foreign Investment Study Act, enacted last year, directing the Secretary of the Treasury and the Secretary of Commerce to conduct a comprehensive, overall study of foreign direct and portfolio investments in the United States—the first such benchmark study in over 15 years—is a step in the right direction. But, we need a permanent monitoring mechanism, and I plan to work toward that goal.

Second, the FEA report points out that although foreign participation in our domestic energy industries is relatively small, it is growing, and at a faster rate than foreign investment in the rest of the economy. The report cites Department of Commerce figures indicating that the book value of foreign direct investment in U.S. energy is increasing at an annual rate of 14.3 percent, compared with a 10.2 percent annual growth for total FDI in the United States and, with the Arabs looking for investment opportunities for their excess capital, and Europe and Japan under pressure to reduce their dependence on OPEC, the United States could look more and more like a good landing spot.

Already, according to the report, 27 foreign companies control a little more than 10 percent of our oil and gas lease acreage, refinery capacity and refinery sales, branded service stations and gasoline sales. Nearly 9 percent of our petroleum production and over 4 percent of our natural gas production is controlled by foreign companies. Nineteen coal companies and mines, which accounted for 4.4 percent of our total coal production in 1973, are wholly owned or partly financed by foreign companies. Two producers of uranium are foreign controlled. And, I think that we can safely assume that even greater foreign investments in energy are masked by the data deficiencies described above.

I am not attempting here to build a case for or against foreign investment in the energy or any other sector of our economy. Undoubtedly, there is much to be gained from such investment—capital, of particular importance to the energy industries in view of their massive projected needs; new technology; and more jobs. But, foreign ownership or control of our natural energy resources could have very serious consequences in the not too distant future by leaving essential energy supplies in the hands of those whose foremost interests are not necessarily our own. It is imperative that the monitoring of foreign investment in energy be consolidated and intensified, and that the implications of such investment receive very careful attention and study in both the Congress and the Executive.

I ask unanimous consent that the executive summary of the FEA report be printed in the RECORD.

There being no objection the executive summary was ordered to be printed in the RECORD, as follows:

EXECUTIVE SUMMARY

In response to Section 26 of Public Law 93–275, the "Federal Energy Administration Act of 1974," this report is a "review of foreign ownership of, the influence on, and control of domestic energy sources and supplies," and makes recommendations that will permit the monitoring of such foreign ownership. The current foreign interest in domestic energy activities, expressed in relative and absolute terms, is highlighted in the Executive Summary.

I. FOREIGN COMPANIES AND INTEREST

A foreign company is understood to mean any company in which a foreign person(s), either as individuals or as affiliates, holds a controlling interest. The Bureau of Economic Analysts (BEA), Department of Commerce, requires foreign direct investments (FDI) to be reported by every company which is controlled 25 percent or more by a foreign interest.

This study has attempted to identify companies that meet not only the BEA criteria, but those which have lesser foreign interests as well. Specifically, such lesser interests include investments in US coal and uranium ventures. A number of foreign interests reported herein merely involve loans or advance payments.

II. PARAMETERS OF ENERGY CONTROL AND INFLUENCE

Specific energy production, sales, and financial data for the year 1973 were used to measure the control and influence of foreign involvement in US energy markets. Such quantifiable parameters were selected on the basis of availability and relevancy.

It is apparent that these parameters alone do not permit a precise measurement of foreign influence within the US energy market. The problem of measuring influence is one of identifying the flow of capital investment in new US companies and in existing companies; also in determining the extent to which leverage may be gained through external national energy policies.

On the basis of selected parameters, the foreign ownership control of most phases of US energy activities represents less than

12 percent of total US energy interests. The foreign participation in the US energy markets appears to be dominated by four foreign petroleum companies; the Shell Oil Company, the British Petroleum Company (including the Standard Oil Company of Ohio), American Petrofina, and the Signal Oil and Gas Company. These companies account for over 90 percent of the foreign ownership control.

Foreign Control of Petroleum and Natural Gas:

This study identifies 27 foreign companies, or subsidiaries of such companies, which control some segment of US petroleum and natural gas supply. In addition to these, there are a few companies with minor interests mainly in the form of joint ventures with US firms; the status of these interests are too numerous to detail, and not significant in the aggregate.

The BEA indicates that the book value of FDI in US energy in 1973, amounted to $4.4 billion. This value has increased at an average annual rate of 10.3 percent from 1960 through 1973, and more recently 14.3 percent from 1970 through 1973. In absolute terms, during the last three years, FDI increased $1.44 billion. On the other hand, US corporations' direct investment (DI) in foreign petroleum is approximately 7 times greater than FDI in US petroleum. In the most recent years, 1970 to 1973, US DI increased at an average annual rate of 7.3 percent; an absolute increase of $7.9 billion.

The leading source of FDI in the US are subsidiaries of companies incorporated in Western European nations; accounting for approximately 77 percent of the total FDI in petroleum in 1973.

Table I shows the parameters by which foreign control of domestic petroleum and natural gas for 1973 is measured as well as the relative importance of those energy values and volumes.

Based on public data sources, it is estimated herein that the 27 foreign petroleum companies control in a general sense slightly over 10 percent of US oil and gas lease-acreage, refinery capacity and refinery sales, branded service stations, and gasoline sales. Foreign ownership seems to be greater in downstream energy operations.

Nearly 9 percent of US petroleum production and over 4 percent of natural gas production is controlled by foreign companies, and such companies have a net interest in less than 3 percent of the nation's producible wells. The reserves of petroleum and natural gas reported for at least the leading foreign companies represent 11 and 5 percent of US total proved reserves as of year-end 1973, respectively. But the reserves stated by companies in Annual Reports may not be the same values as those reported by the American Petroleum Institute and the American Gas Association. The respective reserve classification criteria are different and therefore render such data unsuitable for comparative analysis.

TABLE 1.—PARAMETERS OF FOREIGN CONTROL OF DOMESTIC PETROLEUM AND NATURAL GAS ACTIVITY [1]

	Top 4 foreign companies [2]	All foreign companies [3]	Percent of United States
Total assets (billions)	$8	$8.2–$8.4	[4] $7
Gross sales (billions)	$7	$7.3	[4] $7
Net income (millions)	$482	$500	[4] $6
Leaseholds [1] (million acres)	20	40	11
Net producible wells (thousands)	14.5	15	2.4
Production:			
Petroleum (million bbls)	276	289	8.6
Natural gas (billion CFT)	932	945	4.3
Refineries operating: [5]			
Number	13	[5] 20	8
Capacity (millions of barrels per day)	1.49	1.6	11
Sales (million of barrels)	582	607	10
Imports:			
Crude oil (thousands of barrels per day)	332.1	347.0	10
Products (thousands of barrels per day) [6]	48.2	55.4	6
Residual fuel (thousands of barrels per day)	95.3	103.8	5.7
Marketing:			
Service stations (thousands) [7]	24	25.5	11.7
Gasoline sales (billion gallons)	10.57	11.16	11.1

[1] See app. C for Occidental Petroleum Corp. interests in United States. The chairman reportedly indicated that a "Saudi Arabian businessman had acquired a large block—of stock." Reference: Los Angeles Times, Dec. 3, 1974.

[2] Shell Oil Co., BP—State of Ohio, American Petrofina, and Signal

[3] See app. B, pt. I.

[4] "Index Petroleum Companies"—The leading 20 U.S. petroleum companies excluding those identified as foreign-owned. Shown in app. D.

[5] Includes one reportedly shut-in with crude distillation capacity of 13,000 barrels per day.

[6] Including unfinished oils.

[7] Branded.

The total assets of the foreign petroleum companies are estimated to range from $8.2 to $8.4 billion, which is equivalent to 7 percent of the total assets of the "Index Petroleum Companies" which comprise the 20 leading companies in gross sales; they are used herein for relative comparison. The gross sales of the foreign companies amounted to approximately $7.3 billion and their net income was $0.5 billion; equivalent to 7 percent and 6 percent, respectively, of the "Index Petroleum Companies."

Control based on Census Petroleum and Natural Gas Data:

The Bureau of Census' aggregated 1972 data for these foreign companies tends to corroborate or show a greater value than the information collected from various public sources. A summary of the significant census parameters are shown in Table 2.

For purposes of monitoring foreign ownership, corroboration from this source is essential, although the data lags the availability of public data by one year. Even though the public and Census data universes are not identical, the elements are sufficiently similar to be useful for comparative purposes.

TABLE 2.—1972 BUREAU OF CENSUS, AGGREGATED FOREIGN OWNERSHIP DATA [1]

Item	Foreign companies [2]	Total United States [3]	Percent foreign
SIC–1311 [4] crude petroleum:			
Value of shipments (billion)	$1.15	$10.74	$10.7
Volume of shipments (billions of barrels)	.34	3.19	10.8
Natural gas:			
Value of shipments (billion)	$.23	$4.07	$4.8
Volume of shipments (trillion cubic feet)	1.11	20.63	4.2
Capital expenditures (billion)	$.29	$3.02	$9.7
SIC–2911 refining:			
Value of shipments (billion)	$3.12	$25,88	$12.0
Capital expenditures (billion)	$.09	$1.07	$7.6
Gross value of fixed assets (billion)	1.75	[5] 16.8	10.4
Product shipments (billion)	3.01	25.37	11.9
Gasoline (billion barrels)	.30	2.39	12.6
Jet fuel (billion barrels)	[6] 0.05–.10	.31	16–32.0
Distillate (billion barrels)	.11	1.04	10.4
Residual (billion barrels)	0.02–.05	.34	6–15.0
Gasoline service stations:			
Total sales (billion)	[7] $.28	$33.66	$8.3
Number of service stations (thousands)	1.78	226.47	7.9

[1] Task No. CG0375–025–0–4.

[2] See app. B pt. I.

[3] As published in respective 1972 Bureau of Census Series.

[4] Bureau of Census Standard Industrial Classification of Industries.

[5] Estimated, not Census data.

[6] Range used to avoid disclosure.

[7] Includes sales of fuel oil and LP gas retailers.

Foreign Control of Coal and Uranium:

There are 19 coal companies and mines which are partly financed or wholly-owned by 15 foreign companies. The coal properties' foreign capitalization is estimated at $400 million. The nature of the investments include equity acquisitions, joint venture agreements, and loans offered as advance payments. The foreign coal properties produced approximately 26 million tons of coal in 1973, **or 4.4 percent of total US coal production.**

The single largest foreign coal producer is the Old Ben Coal Company, owned by the Standard Oil Company of Ohio (itself partially owned by British Petroleum Company). In 1973, Old Ben produced 11.5 million tons, nearly 2 percent of the US total production and 45 percent of total foreign owned production. The Company's reserves are estimated to be 825 million tons, less than 0.5 percent of the US' estimated recoverable coal reserves of 197 billion tons.

There are two foreign controlled producers of uranium in the US; both Canadian. The Rio Algam mine in Utah provides 5 percent of total US production, or 675 short tons of uranium oxide. The capital investment in this operation is estimated to be $25 to $35 million. Canadian Hydrocarbons, Ltd. operates two uranium mines near Uravan, Colorado, with a production level approximating 511 thousand tons per year, of high grade uranium-vanadium ore. The company has 40% equity in the mines.

In addition, French and German companies are involved in uranium exploration. It has been reported that the German effort is funded by approximately $8 million.

III. ANALYSIS OF FOREIGN OWNERSHIP INFLUENCE

The analysis of foreign ownership of US energy activity indicates that direct foreign influence over US energy ranges from 2.4 to 12 percent. The greatest influence seems to be in petroleum downstream operations. Foreign interests in US refineries is equivalent to approximately 11 to 12 percent of such total activities. It is likely that foreign influence in domestic energy activities will increase. The thus far unsuccessful attempt by Olympia Oil Company to build a refinery along the New England coast is an example of this effort.

Recent price and supply actions by the OPEC countries have encouraged other major energy-consuming nations to seek to diversify their sources of energy supply. Having inadequate indigenous energy-resource bases of their own, by which to reduce their dependency upon the OPEC cartel, they will likely seek to participate in US attempts at expanded production. This is evident in the case of European and Japanese efforts to increase their nuclear power capacity.

Since sources of uranium, especially enriched uranium, are limited, the US will probably receive increased attention as a supplier of nuclear fuel. The Administration is supporting the position that additional enrichment capacity arising after 1984 should be supplied by private industry to meet US and foreign needs. Foreign interests will be encouraged to participate in the building of additional US capacity.

Along these lines, Royal Dutch/Shell has acquired 50 percent of General Atomic Corporation which produces nuclear power-generating systems. General Atomic supplies High Temperature Gas Reactors and reactor components to both foreign and domestic customers. Foreign sales, as of July 1974, have been limited to three reactors sold to South Korea.

The prospect of increased growth of foreign interest in US petroleum and natural gas may occur as the result of the downturn in drilling activity in Canada. Some Canadian companies view the Canadian government's tax and royalty levies on petroleum to be unreasonable, and consider its energy export policies too restrictive. The more favorable US economic and energy marketing climate thus will likely attract new capital from the North. A number of Canadian firms have already actively participated in the Federal Government's October 1974 OCS lease sale—particularly in the royalty bidding portion of the sale.

Beyond the likelihood of expanded European, Japanese and Canadian involvement in broader US energy market operations, there exists the possibility that large sums of OPEC petrodollars will find their way into the US energy market.

If the US deems itself to be threatened by foreign energy-related FDI, precedents exist for the restriction or outright prohibition of such investment. Notable examples of such exclusions involve the field of communications, transportation, defense, banking, insurance, and power. Of these examples, power generated by hydro or nuclear sources comes closest to an example of foreign ownership prohibition in US energy activities. Foreign owned corporations may develop hydroelectric facilities if chartered under US law, but are restricted from navigable rivers. Similarly, foreign-operated facilities for the production of nuclear fuels are expressly forbidden unless conducted as a joint venture with a US corporation.

In yet another area, it is forbidden for Federally-owned lands to be acquired or exploited by aliens. However, foreign-controlled corporations, as shown in the present study, may do so if the country of the parent company grants reciprocal rights to U.S. citizens.

Whether these and similar (state and local) restrictions should be extended to include a broader range of energy-related U.S. activities is judgmental and a very complex issue. In the past, most U.S. DI studies have analyzed the international investment flows of privately-owned companies whose transfers of wealth were predicated upon anticipated foreign market conditions. OPEC investment flows are largely under direct control of producer governments.

Under its industrial security regulations, the Department of Defense reviews the security clearances of facilities which are determined to have come under foreign "ownership, control, or influence." If the Department finds in the course of its review that a reasonable basis exists for concluding that compromise of classified information may result, the facility's security clearance may be revoked, thus making it impossible for the firm to continue its classified defense work.

It should be mentioned, however, the DISP approach toward assessing foreign influence is not fool-proof. One significant deficiency results from the procedural practice of disguising true ownership holdings through a street-name nominee to the company's Board of Directors. However, the DISP examiners maintain that so long as foreign influence through a "beneficiary owner" remains latent, U.S. security is not jeopardized.

IV. MONITORING OF FOREIGN INTERESTS IN U.S. ENERGY

The parameters used to identify apparent foreign ownership control may lack detailed accuracy. However, the magnitude of error is not likely to result in a substantially different conclusion.

It is possible that the largest error in estimating foreign control and influence over U.S. energy industries and activities may occur because of the inherent difficulties in identifying those companies over which foreign interests exert influence. The data collected by the Federal Government for the purpose of maintaining balance of payments accounts and for collecting corporate tax statements, and for the registration of corporation security acquisitions undoubtedly well serve their intended needs. Nevertheless, such data systems are not completely useful in their present form for monitoring foreign capital influence in U.S. energy activities.

V. MONITORING RECOMMENDATIONS

This report illustrates the extent to which the monitoring of foreign control and influence can be accomplished. The control parameters may be reasonably accurate; however, the identification of foreign companies lacks verification.

Improved reliability in monitoring foreign control and influence will require:

(1) Systematic identification of foreign-interest investments in specific sectors of US energy activities, including the amounts of such investments and the sources of capital; and

(2) Coordinated effort between all government data systems which collect and collate pertinent energy data, corporation equity interests, and foreign investments.

These objectives can be accomplished through the current programs of the IRS, the SEC, the BEA, and DOD, together with such other energy data sources as the Bureau of Land Management, the US Geological Survey, the US Bureau of Mines, the Federal Power Commission, and the Atomic Energy Commission. These respective data sources could develop a reasonable profile of foreign investments in US energy activities. However, despite such efforts, foreign investors may mask stock ownership through the use of US and/or foreign nominees.

Additional recommendations regarding monitoring of foreign investment should be forthcoming from the study being conducted by the Departments of Commerce and Treasury pursuant to Public Law 93–479 due to be completed in 1976. The law authorizes and directs those Departments to conduct a comprehensive overall study of foreign direct and portfolio investments in the United States. This is to be a benchmark study funded by $3 million; this is not a continuing effort. The provisions of the Public Law 93–479 do not call for the specific participation of the FEA.

PLIGHT OF THE CATTLEMAN AND BOON OF THE OILMAN

Mr. ABOUREZK. Mr. President, a humorous, but all-too-true, letter to the editor recently appeared in the Aberdeen American News, one of the daily newspapers in my home State.

So that my colleagues can share Andy Barondeau's view of the plight of the cattleman and the boon of the oilman, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LETTER TO THE EDITOR,
Aberdeen (S. Dak.) American News,
February 18, 1975.

TO THE EDITOR: We have been hearing, for some time now, that due to the present cattle price disaster we will have a shortage of meat in the next two years.

After much careful study and close attention to the ideas of President Ford and Secretary of the Treasury William Simon, I have come up with an idea that will save the cattle industry and make the United States self-sufficient in the meat market.

My plan is simple. First, to combat the drain of dollars to foreign nations, we slap a $3 a barrel tax on all imported meat. Then we give the cattlemen the power to raise the price of domestic meat up to a point to discourage consumption, so that there will be enough meat to go around. Then we should give the consumer a rebate on his income tax so he can afford to buy meat.

Of course, it will take some time to get this plan into gear, so in order to expedite the matter, we should send troops into Argentina and Australia to see that our foreign supplies are not imperiled.

To those people who want more information on how this plan would work, I suggest they write the Esso Corporation in care if Vice President Rockefeller, and they can supply all the information you need.

A. J. BARONDEAU,
Onaka, S. Dak.

FEDERAL NO-FAULT LEGISLATION

Mr. BUCKLEY. Mr. President, I have recently been advised that if the "no-fault" insurance legislation that the Senate adopted last year had been enacted into law, automobile insurance rates in New York would have been increased 15 percent, thereby wiping out the savings that New Yorkers have enjoyed ever since our State adopted its own legislation. I also understand that if the Senate version is adopted, a number of small but reliable auto insurance companies may be put out of business.

It is for these reasons that I have written the distinguished chairman of the Commerce Committee, Mr. MAGNUSON, urging that new hearings be scheduled on the bill before it is again reported out. I ask unanimous consent that a copy of my letter be printed in the RECORD at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUCKLEY. Mr. President, I have mentioned these matters today in the hope that Senators from other States will inform themselves of the probable cost to their constituents of the bill we adopted last year. They, too, may find that it is not in the interests of their constituents.

EXHIBIT 1

Hon. WARREN G. MAGNUSON,
Chairman, Commerce Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: Your announcement that no hearings will be held on federal no-fault auto insurance legislation in this Congress is unsettling. I am concerned that views on this important subject are merely to be forwarded by February 10 to a committee staff member, even though the legislation is substantially different from that which was before the committee in 1973 and the economic circumstances are also changed.

I hope that we are in agreement that any action taken by the full Commerce committee or the Subcommittee on Consumer, on which I am privileged to serve as Ranking Minority Member, will be: (1) helpful to the economy, (2) non-inflationary, (3) respectful of the serious problems facing small carriers, and (4) counter to the ever-increasing size and cost of the federal bureaucracy. I cannot urge strongly enough the need, particularly during these critical times, to exercise an extra degree of responsibility and caution.

While it is true that a bill similar to S. 354 was passed by the Senate last year, this measure is not the same as the one reported by the Commerce committee and considered by the Judiciary committee in the last Congress.

The Abourezk amendment removing the $2,500 deductible from any tort recovery is likely to increase the cost of insurance. A second Abourezk amendment reducing the tort threshold from 6 months to 90 days could run counter to one of the purposes of the bill by failing to produce any lessening of the congestion in the courts. These are matters which should be subject to analysis in public hearings.

The Mondale amendment making health insurance the primary source for medical benefits could result in duplication of efforts in accident investigation, or, in this period of high unemployment and continued layoffs, the loss of benefits to a worker who finds himself without a job. This is another question on which hearings could effectively assess the implications.

The Biden amendment in effect gives a 4-year moratorium on meeting federal no-fault standards to states which have existing no-fault laws while forcing the other states to accept much stronger laws.

The Percy amendment, requiring an annual report from the Secretary of Transportation on just about every aspect of the operation of the states' no-fault laws, amounts potentially to a total federal regulation of the insurance industry and should be studied carefully before it is implemented. The Secretary of Transportation certainly should be asked to testify on this amendment.

The Moss amendment, providing grants to the states to cover the cost of implementing no-fault laws and authorizing the appropriation of $10 million for this purpose, raises serious questions about the funding of a federal no-fault standards law and completely destroys the cost-savings argument.

In view of these and other changes made in S. 354 since it was last considered by the Commerce committee, I would urge that the committee hold full hearings on no-fault legislation.

The no-fault concept is as intriguing as it is controversial. My own state of New York, in keeping with its role as a great insurance state, has enacted a no-fault law. But as I understand the provisions of your bill, New York's no-fault law would not meet the federal standards established by S. 354. I believe we must be very careful in making proposals which would change existing state laws, especially laws so recently enacted. I am not at all convinced a standard dictated from Washington is better than one enacted at Albany, or any other state capital.

I note the Senator from Michigan, Mr. Hart, is a co-sponsor of your bill, S. 354, and that he took great pains to praise the Michigan no-fault law. I think this praise is most appropriate, and I am pleased that Michigan has experienced such great success with its no-fault law. So has New York. And yet the New York law is not the Michigan law. Both states have shown imagination and initiative in meeting the problem of automobile insurance reform, and both are to be commended. But does this mean that New York and Michigan should have identical laws? I do not think so. What is important is the fact that both states saw a need and faced it on their own ground with laws attempting to meet the needs of their own citizens.

Some 23 states representing 52 percent of the nation's population have no-fault automobile insurance laws. Other states are already working on additional laws, such as Virginia where one passed the Senate. I think it is important that this process of state experimentation be encouraged. To cut off this debate could be very harmful to the consumer. We should be looking at results in the states, not imposing a cure for a disease which the patient may not even have.

There seems to be a great deal of controversy about the cost of federal no-fault legislation. It is vital that we clear up any questions concerning the cost of this new program to the consumer. I have seen figures on both sides—some claiming a decrease in premium costs and others an increase.

According to information disclosed during the debate on S. 345 last year, premiums in New York state would probably not change too much from what they were under the old tort system. But the New York no-fault law directed a 15 percent reduction in premium rates; so, in effect, S. 354 could mean a 15 percent increase in rates in New York drivers since they are presently 15 percent below the old tort rate. I am advised that these estimates of increased costs to New Yorkers have since been confirmed. This alone suggests the desirability of hearings to determine the real cost of the bill, now that the industry has had the chance to calculate rates on a state-by-state basis. New cost studies should be run on S. 354 in view of the changes made in committee and by amendments on the Senate floor.

There is still a serious question as to the constitutionality of S. 354. In his often quoted speech before the Life Insurance Marketing and Research Association last November, then Attorney-General Saxbe said, "The Administration is concerned that as now written the Senate bill may be unconstitutional."

The Justice Department has never presented testimony on the constitutionality of S. 354 before the Commerce committee. Last year the department did submit a statement to the Judiciary committee after its hearings were completed in which the bill was viewed as unconstitutional.

The Justice Department should be asked to present testimony before the Commerce committee on this most critical question of constitutionality.

These times have been particularly difficult for small business, and it is important that we do all we can to help small business. We must be absolutely certain a federal no-fault insurance bill is not anti-small business. I have heard from presidents of small insurance companies that the standards proposed by S. 354 could force them out of business.

In the current economic situation, it would be tragic to take precipitous action resulting in the demise of some insurance companies with a resultant increase in unemployment, a lessening of competition, a disruption of the marketplace, fewer and more costly choices for the auto insurance consumer, and an inevitable federal bureaucracy to oversee this, leading to yet another case for regulatory reform.

I realize you and I may be viewing automobile accident reparation reform from different philosophical viewpoints, but I think we both share a concern for the consumer In view of the many unanswered questions concerning national no-fault legislation, and the need, dictated by present economic conditions, for a full and careful study of this matter, I reiterate my belief that full hearings are essential before any measure can be reported.

Sincerely,

JAMES L. BUCKLEY.

SAYING NO TO "ONE MORE TIME"

Mr. McGOVERN. Mr. President, one of the best informed and most thoughtful editors writing in America today is Mr. James Wall of the Christian Century. I always read his editorials with interest and profit.

The February 5–12 issue of the Christian Century carries an editorial entitled "Saying No to 'One More Time'." It is a fervent appeal for America to halt its military shipments to Southeast Asia.

I ask unanimous consent that this worthy editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SAYING NO TO "ONE MORE TIME"

The Speaker is Robert McNamara, computer genius from the automobile industry who became the master builder of the war in southeast Asia: "Every quantitative measure we have shows we're winning the war." The time was 1962—almost a decade and a half ago. Since then, military and political leaders have continued to speak of Vietnam in this same language of victory. Only a little more, and we can win it. Now, with a new Congress looking critically at his military budget, President Ford says it again: "If adequate dollars which are translated into arms and economic aid [were] made available . . ., within two or three years the South Vietnamese would be over the hump . . ."

Have we learned absolutely nothing from the agony of getting over humps, turning the tide of battle, or "defeating" a communist enemy in an unwinnable war? Thirteen years after Robert McNamara put the costs and results through the Pentagon computer and concluded that we were winning, President Ford is saying that still more dollars are needed to kill our way to the ultimate triumph. Soon, as the campaign to increase aid to President Thieu is stepped up, we will be hearing new versions of this 1967 claim by Walt Rostow: "It looks very good. The other side is near collapse. In my opinion, victory is very near. . . . I'll show you the charts. The charts are very good." These and similar statements, compiled by William

G. Effros in Quotations Vietnam, have the virtue of consistency. The officials quoted by Effros assessed the situation and drew the wrong conclusions—but the inadequacy of their logic was not recognized until other lives had been lost, other resources wasted.

The long history of failure in southeast Asia is filled with short-term predictions of success based on shaky premises. These prognostications are somewhat akin to those made by stockholders who have a ready answer to explain why the market has bottomed out, or why a particular stock is still worth holding onto even after it plunges 75 per cent within three months' time. The truth is that the broker doesn't really know when the bottom is reached, and he can't really say why one stock plummets and another soars. He is gambling—predicting that because something has reacted one way in the past, it will react the same way in the future.

The various premises used to justify U.S. involvement in the Vietnam war have long been discredited, but still they are trotted out to suggest that we try it one more time. Perhaps it has been said best in the cartoonist's line: "In order for us to see the light at the end of the tunnel, we'll have to get back in the tunnel." The specific request to "re-enter the tunnel" comes in the form of a $300 million supplemental sum for military aid in South Vietnam and $222 million for Cambodia. Both of these requests are in addition to the already heavy commitment we have in southeast Asia. Opposition to the additional monies has been expressed by the usual antiwar congresspeople, but even Senator Henry Jackson (D., Wash.) has said he thinks enough is enough.

The Assembly to Save the Peace Agreement, held in Washington January 26, attracted little attention (in contrast to the major headlines reporting an unrelated bombing in the State Department), but the religious and secular participants at the assembly have helped remind us of the folly of addressing the Vietnam problem with additional military force. This assembly followed by one week the death of one of this country's major peace leaders—Harold Bosley, former pastor of Christ Church (United Methodist), New York City, and a member of the Christian Century Foundation board of trustees (see page 104). An article believed to be the last piece Dr. Bosley wrote—and which will appear in the March issue of Christian Ministry magazine—provides us with a premise that is not shaky, one that will stand firm as a guiding word to all who are tempted to believe that one more military victory will solve our problems. Discussing his ministery, Dr. Bosley recalled:

> My "conversion" to pacifism and other forms of radical peace action came in my student days as a direct result of trying to make sense of Whitehead's insistence on the place of "eternal objects" in "process and reality." If love . . . is an alternate name for all these [objects], then it obviously must be a factor in life, thought, and resolution. . . . I could find no way whatsoever of relating the notion of love to the process of value in this universe without saying "no" to both the things that make for war and to war itself.

This country must insist that the war in southeast Asia be halted now and that the peace agreement be implemented. The armaments the United States supplied President Thieu just before the signing of the agreement two years ago have been in constant use and are now in need of replacement. But there is no point in continuing this charade of "just one more time." It is not a war that can be won, because it is a war we have already lost. Harold Bosley's final word to us must be heeded. We must say " 'no' to both the things that make for war and to war itself."

REFORM OF RULE XXII

Mr. CLARK. Mr. President, shortly the Senate will resume consideration of Senate Resolution 4, which would amend rule XXII of the Standing Rules of the Senate regarding the limitation of debate. The resolution would require a vote of three-fifths—rather than the current two-thirds—of those present and voting to limit debate.

This proposal, of course, already has been extensively debated on the floor of the Senate. But three of Iowa's leading newspapers have recently commented on the need to reform rule XXII, and I would like to share their comments with my colleagues. Perhaps no other reform that could be made in this Congress would have greater impact and importance than changing the filibuster rule.

I ask unanimous consent that editorials from the Cedar Rapids Gazette, the Sioux City Journal, and the Des Moines Register be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Cedar Rapids Gazette, Jan. 26, 1975]

DEVALUING HOT AIR

Whether used for good ends or bad (depending on who does the judging) the filibuster is a sneaky means: a parliamentary device for preventing action by long talk. Once again, reformers in the U.S. Senate are trying to remove a little of the wallop from this legislative club. The way would be a change in Rule 22 to chop off filibusters by a three-fifths vote instead of by the two-thirds bulges now required.

Even though this would not fully beat the filibuster dodge on principle, it would remove at least a little of its weight. That is worth accomplishing for starters.

The Senate's central function is the same as any legislative body's: to pass or turn down changes in the public law after full consideration and debate. Good or bad, wise or stupid, any seriously-taken measure should be settled on its merits in an open vote: yes or no. The filibuster—endless oral repetition till the time for doing anything runs out—prevents fair settlement by rating subterfuge above decision.

Ideologically, the filibuster now is no one's special or exclusive guard against evil. Civil rights foes used it often in the past to fend off race-relations change. The liberal camp has used it more recently to fight such items as the SST, the draft, Vietnam war-funding and assorted weapons programs. Either way, the weapon gives small, stubborn factions veto-power over legitimate proposals which deserve to be disposed of one way or the other in a straightforward vote.

The common argument for keeping this device alive is that it blocks "dictatorship of the majority," protects minority rights, prevents majorities from ruling too casually and crimps too-hasty action. But other built-in checks and balances do that job better: Both houses have to render separate judgments on each bill. The President can veto any rammed-through follies, Vetoes can be overcome by two-thirds votes. Court tests and appeals can invalidate bad laws. Other votes on other days in congress always can undo what others did before.

In short, the filibuster generates a legislature's inability to legislate and thus a breakdown of the Constitution. It wastes great blocks of time that can be better spent. It interferes with other kinds of business needing work. And it is hypocritical in essence, vesting hot air with the garb of solid, forthright votes.

Shrinking down the windbag by a few percentage points may not cure all of what is wrong with filibusters, but it certainly can help.

[From the Sioux City Journal, Feb. 14, 1975]

FILIBUSTERS: GOOD OR BAD?

The U.S. Senate, where the filibuster has been used for generations to block bills by talking them to death, slowly is making strides toward reducing, or eliminating, the maneuver.

Proponents of the art, many of them from the deep south, continue to oppose any more tinkering with the filibuster, but they may well be waging a losing battle. The Senate now is looking at a proposal by Sens. Walter F. Mondale, D-Minn., and James B. Pearson, R-Kan., which would allow a filibuster to be stopped by a three-fifths majority of those voting instead of the present two-thirds. A southern senator, James B. Allen, D-Ala., promises to talk that rule change idea to death—under the filibuster system.

Allen's point is that debate has halted "hasty or ill-conceived action which could have wrought much mischief." Pearson agrees, but says the Senate could more fairly operate by striking a better balance between the right to debate and the right to vote.

Not too long ago, senators would talk for hours, eating candy bars for nourishment and reciting from books just to keep the filibuster going, generally performing to a virtually empty chamber. But now a member need not talk for hours on end. Instead, he merely threatens to, gives his colleagues a sample of what he means, and objects to a vote on the bill. The Senate then goes on to other business and the matter may be left hanging for weeks.

Filibustering suffered a body blow in 1959 when the rules were changed to impose cloture through a two-thirds majority of those voting instead of all 100 members. That step alone stripped the device of some of its invulnerability.

Now the Mondale-Pearson move would curtail the "talk-it-to-death" practice even further. The Senate would be wise to adopt the provision.

[From the Des Moines Register, Feb. 9 1975]

OIL FILIBUSTER

The U.S. House has voted by nearly a 3–1 margin to delay for 90 days the imposition of tariffs on imported oil proposed by President Ford. The delay is intended to give Congress time to work out its own energy-conservation program. If the Senate follows the House's lead, the $1-a-barrel tariff that went into effect Feb. 1 will be canceled.

The House was able to work its will on the oil issue simply by bringing it to a vote. The Senate may never have that opportunity. Backers of the President's oil policy are threatening to kill the House-passed bill by talking it to death. Critics of the President on the oil issue would have to amass a two-thirds vote—67 votes if all senators are present and voting—merely to have their votes recorded on the merits of a 90-day delay.

The filibuster threat ought to strengthen resolve in the Senate to reform the filibuster rule. Pending in the Senate is a resolution to modify the rule by making it possible to terminate debate by a three-fifths vote—60 votes if all senators are present and voting.

The 90-day delay proposal is responsible legislation. Congress ought to have at least the opportunity to develop an alternative to the President's widely-criticized program. Congress would be irresponsible if it sat idly by and permitted a program to go into effect which most experts believe would be inflationary, wasteful of U.S. resources and ineffective.

The Senate will mark itself a paper tiger if it growls about the President's program and then permits itself to be paralyzed by a determined minority. The Senate needs to break any filibuster mounted against the House bill, and to pass the bill. It ought then to prevent similar threats to worthwhile legislation by reforming the filibuster rule.

MEDICAL MALPRACTICE INSURANCE

Mr. INOUYE. Mr. President, with each passing day it becomes more apparent this Congress will have to act on the worsening crisis in medical malpractice insurance. An increasing number of journalists are turning their attention to an issue that only a year ago was largely confined to relatively obscure medical journals. Doctors in a growing number of States are facing loss of coverage this year. Those not on the verge of losing coverage are facing massive increases in their malpractice insurance premiums. The end result of this crisis will be higher medical bills for this Nation's already overburdened consumers.

Senator KENNEDY and I have introduced two bills to alleviate the malpractice crisis, and our colleague from Wisconsin (Mr. NELSON) has also offered legislation in this area. Senator KENNEDY's Health Subcommittee has scheduled hearings on malpractice to begin April 8. I hope these hearings will explore the problem and its possible solutions and will result in legislation that will solve this growing problem before it seriously damages our health care system.

Mr. President, I wish to call several recent newspaper and magazine articles, plus a letter of mine which appeared in the Washington Post, to the attention of my colleagues. I ask unanimous consent that the articles entitled "The Malpractice Insurance Emergency," from the February 1 edition of the Washington Post; "Malpractice—Scarcity of Insurance Could Lead to Scarcity of Doctors," from the February 15 issue of the National Observer; "The Doctors' New Dilemma," from the February 10 issue of Newsweek and my letter, "The Crisis in Malpractice Insurance," from the February 11 edition of the Washington Post, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From The Washington Post, Feb. 1, 1975]

THE MALPRACTICE INSURANCE EMERGENCY

(Clayton Fritchey)

President Ford may have effectively killed a new national health bill this year, but there are other badly needed improvements on the medical front that the 94th Congress can turn to, especially the pressing need to relieve the malpractice insurance crisis that is driving doctors out of business and also sharply driving up the cost of health care.

The Health, Education and Welfare Department has been discussing various plans to deal with the emergency, but meanwhile, fortunately, Sen. Gaylord Nelson (D-Wis.) is readying legislation that would establish a federally administered Medical Malpractice Reinsurance Fund, patterned after federal riot and flood reinsurance programs, to protect primary insurance companies against catastrophic claim losses.

Under the Nelson bill, companies selling malpractice protection could voluntarily pay into the reinsurance pool, which initially would pay liability claims above $25,000. (There have been jury awards exceeding $4 million recently.) The base figure would be readjusted in line with actual experience. No federal money would be used in the fund.

Faced with an increasing number of malpractice suits, as well as skyrocketing court awards, key insurance companies have been threatening to stop selling protection unless they are allowed to double or even triple their premiums.

As a result, Nelson says, physicians have increased their patients' fees, and many are now practicing "defensive medicine"—ordering unnecessary and costly procedures to protect themselves against the possibility of malpractice suits. Moreover, he adds, older physicians are being driven into premature retirement because of the high cost of practicing.

Pointing out that "this is counter to our efforts to expand medical care, particularly to under-served areas," the senator says, "clearly something must be done." His proposed reinsurance agency would be required to explore alternative methods of settling malpractice claims, such as no-fault insurances (like workmen's compensation), pre-litigation arbitration and mediation.

As matters stand now, there is chaos for the insurance companies operating under different state laws. In his own state of Wisconsin, Nelson reports, the base rates for five categories of medical protection increased as much as 821 per cent between 1968 and 1974.

In New York, the company which insures 80 per cent of that state's doctors doubled its rates last July and then in December announced that the premium costs would be tripled this month. The premium for some specialists would rise to as much as $60,000 a year, all of which, of course, would be passed on to patients.

The company finally agreed to maintain existing rates until July 1, at which time it indicates it will withdraw from the market, leaving 27,000 physicians without protection unless some new arrangement can be worked out.

In California several weeks ago, physicians were stunned when two insurance companies suddenly decided to withdraw from the malpractice field. During the past seven months, California juries have given awards exceeding $1 million at the rate of one a month. In Maryland the company that insures three out of four of that state's doctors declares it won't sell any more policies after April 30. And so it goes.

Suits against physicians are increasing at the rate of 10 per cent a year. One doctor in three can now expect to be sued during his career. Contingency fees paid to attorneys are a major factor in the high cost of malpractice litigation and premiums.

Nationwide, total premium volume for medical liability insurance from practitioners and hospitals jumped from $61 million in 1960 to $370 million in 1970, and then soared to $500 million in 1973, with much higher costs in prospect for 1975.

Dr. Roger Egeberg, special assistant to the Secretary of HEW, says that fewer than a dozen companies now write at least 90 percent of malpractice insurance. "As the number of those willing to take the risk decreases," he says, "it scares the hell out of those that remain."

He notes that juries are "often carried away by the emotional appeals of trial lawyers." He shares Sen. Nelson's view that perhaps juries should be replaced with a system of arbitration and mediation or possibly some variation of no-fault insurance.

[From the National Observer, Feb. 15, 1975]

MALPRACTICE . . . SCARCITY OF INSURANCE COULD LEAD TO SCARCITY OF DOCTORS

(By John Peterson)

Last month Alaska's major medical center began flying all but emergency-surgery patients to the "South 48" for treatment. The reason is that five of the center's seven anesthesiologists no longer practice medicine because they—and 70 other Alaskan doctors—have lost their malpractice-liability insurance.

"If some means are not taken to protect physicians in Alaska in the next month and a half, the medical community here will be destroyed," says Dr. Arndt von Hippel, the Anchorage hospital's chief of surgery.

This loss of liability insurance threatens doctors across the country. For years physicians have talked of the crisis in health care created by malpractice-insurance rates, which cost some of them as much as $35,000 a year, but now insurance companies are concluding that even those huge premiums are not sufficient to cover the doctors' liability.

Indeed, the number of malpractice suits and the amounts of money that juries award injured patients or their heirs are skyrocketing. In California a jury awarded a 13-year-old boy $4,025,000 in 1973, and jury awards of over $1 million occur on the average of once a month in this state alone.

NOT MONEY MAKERS

By midsummer, physicians in Michigan, Maryland, New York, California, North Carolina, Alaska, and other states may be able to get malpractice coverage only if state legislative action requires insurers to offer policies as the price of doing any business at all in the state. Though malpractice-insurance premiums have been increasing by about 100 per cent annually for several years, nearly all insurance writers are deserting the business. The reason, says California's insurance commissioner, is that no insurance company has made money on medical-malpractice policies in the past 20 years.

This malpractice-insurance crisis is occurring basically because of the number of people suing doctors following treatment. A California assembly select committee on medical malpractice reported last year that the lawsuits reflect five major factors: the changing doctor-patient relationship, the legal-rights explosion, the impact of the media, the increased proficiency of trial lawyers, and changing legal doctrines.

And all proposed solutions revolve around those factors. Though the battle lines are still hazy, each of the proposed remedies reflect the interests of its sponsors. It is an intense debate because it involves all of the crucial health-care decisions that first surfaced with the Medicare issue in the 1960s. The next round is expected in April, when Sen. Edward Kennedy of Massachusetts is to conduct hearings on the malpractice issue before his Subcommittee on Health.

Proposed solutions came from many sources: Ralph Nader's health-research group, the American Medical Association, trial lawyers, officials such as California's insurance commissioner, the Ford Administration, and congressional Democrats, specifically Senator Kennedy and Sen. Daniel Inouye of Hawaii.

The Kennedy-Inouye proposal for a "national medical-injury compensation-insurance program" would create a no-fault injury-compensation mechanism that would be purchased by doctors from the Federal Government. Patients could use either a jury procedure or a faster administrative process for compensation from a benefits schedule.

Lawyers would be compensated on a fee-schedule basis rather than a contingency-fee basis, which now allows them up to 50 per cent of a jury award.

Dr. Philip Caper, a member of Kennedy's health-subcommittee staff, explains that doctors would have to fulfil three requirements to qualify for the program. Their work would have to be reviewed by a professional standards review organization (PSRO), they would have to live in a state requiring licensing and periodic relicensing of doctors, and they would have to accept Medicare and Medicaid patients on an assignment basis.

THE AMA PLAN

The American Medical Association (AMA) and state medical societies endorse programs that would establish administrative tribunals to dispense awards based on fee schedules comparable to those in many state workmen's-compensation systems. The question of negligence by doctors—most often the key question in malpractice trials—would be replaced by a determination of whether a "medical accident" occurred.

Bernard Hirsh, the AMA's counsel, says the financing could come from Government licensing fees, perhaps an addition of 1 per cent to all medical bills, or even some system like flight insurance.

The Department of Health, Education, and Welfare contends that the malpractice issue should be resolved at the state level. HEW Secretary Caspar Weinberger recommends a Federal reinsurance fund to supplement state programs. The fund would operate much like the banking industry's Federal Deposit Insurance Corp. to support consortiums of insurance companies that provide malpractice policies.

A former California insurance commissioner, Gleeson Payne, suggests a system that would have a set schedule of payments for specific injuries, with payments to come from a malpractice pool formed by several insurance companies. He says a 50 per cent increase in the doctors' insurance premiums to an average of about $6,000 a year here would be necessary, and he says the system would work because it would eliminate the need to pay fees to lawyers and courts.

ARE LAWYERS THE SCAPEGOAT?

Dr. Sidney Wolfe, director of Nader's health-research group, likes none of the proposals. "They treat the symptoms, not the disease that creates the malpractice lawsuits," he says. "People sue because they are disenchanted with their lousy health care." He says basic reforms of the health-care-delivery system are necessary, reforms that would do such things as require the periodic relicensing of doctors, oversee the prescribing of drugs, and finally reduce malpractice lawsuits because people would be cared for in a reasonably humane health-care system.

Trial lawyers contend that they are being made the scapegoat. Nearly all of the proposals would eliminate the contingency-fee structure in malpractice suits, whereby plaintiffs' lawyers collect only if they win the case. Here, plaintiffs' lawyers normally receive 40 per cent of the payment if the case is settled before trial and 50 per cent if it comes from a jury award.

The lawyers' contingency fee provokes the ire of doctors, who contend it is partly responsible for the huge amounts of many jury awards. They cite an HEW finding that it's one of the principal reasons that only 16 or 17 cents of every malpractice-insurance-premium dollar paid by a doctor gets to injured patients.

"Lawyers do not establish the size of awards, juries do," says lawyer Robert Harlem. "People file lawsuits because they received poor medical treatment and because they now understand they're entitled to compensation for malpractice. The logic here should be that the doctors would realize the level of their health care is not sufficient, that it needs to be improved to reduce the number of malpractice claims."

Harlem says the current adversary system in the courts hurts the injured patient with a claim for only a few thousand dollars—or less.

"Those cases are as difficult to win," he says. "A lawyer's expenses can be awfully large. One case I tried cost me $25,000 out-of-pocket before the jury returned a verdict. Fortunately, we won that with a $125,000 settlement. But remember, of all the malpractice cases that go to a jury, the doctors win about 80 per cent. That means lawyers like myself receive no compensation for our efforts."

The HEW commission on malpractice determined that plaintiffs' lawyers received an average of about $63 an hour, and lawyers representing the doctors and their insurance companies usually work for $50 an hour.

Dr. Stanley Moore, president of the California Medical Association, says: "It's no longer just a problem for physicians. There's a growing realization among the public that many malpractice awards are really given to injured patients for less-than-perfect medical results. Many malpractice decisions now turn on such things as whether the doctor received the patient's informed consent before the medical procedure, rather than on whether the doctor was negligent in administering to him."

The association contends that the 37,000 doctors in the state can hardly compensate all patients who receive less-than-perfect treatment.

"You have a situation where only the sick or injured foot society's bill, society's decision that is made in the courtroom that the injured person deserves financial support, regardless of whether the physician was negligent," says an association spokesman. "The physician passes his malpractice-insurance premium on to his patients. It would make more sense to have all the state's 22 million people foot the bill rather than the already-hard-pressed percentage who are ill."

One California Medical Association proposal calls for the "medical error or accident" compensation to be added to the premium of all health-insurance plans. There appears to be growing agreement that some schedule of benefits for specific injuries must be initiated.

GOVERNMENT INTERVENTION

The greatest controversy is likely to revolve around whether doctors will continue to pay premiums or licensing fees to finance either a "medical accident" or "no fault" concept, and whether physicians will have to accept more stringent Government intervention in their practice, such as periodic relicensing.

Physicians generally contend the practice of medicine "is an inappropriate area for Government intervention," as the California Medical Association's Moore puts it. But physicians now must seek Government intervention to ensure that they will be able to continue their practice while protected by a form of liability insurance.

"One of the great criticisms of no-fault medical compensation," says Caper, "is that there then would be no one to watch over the doctor or to demand that he avoid negligent procedures." He adds that the PSRO role of checking the quality of physicians' treatment and the requirement that states periodically relicense physicians should at least work to maintain the current level of health care.

A COMPANY DROPS OUT

The malpractice crisis is most likely to spur these debates. But the immediate problem is to find ways for doctors to get liability coverage when most of the insurance companies want out.

There's been a flurry of meetings throughout the country. HEW Secretary Weinberger has been talking with state insurance commissioners, and the AMA's trustees have been meeting with insurance-company executives. And last week some doctors received encouraging if dismal news: The Argonaut Insurance Co. of Menlo Park, Calif., which underwrites some 4,000 northern California physicians and had announced it was discontinuing malpractice coverage, said it would continue to offer most doctors coverage but would boost premiums an average of 384 per cent.

Many state legislatures are being forced to act swiftly to force insurance companies to continue writing malpractice policies. But such legislative actions are necessarily interim, stop-gap moves. They do nothing to halt the spiraling cost of the insurance to doctors and hospitals. And these expenses are passed on to the patient. One Long Beach, Calif., hospital paid $14,000 for malpractice-liability coverage in 1965; its premium for 1975 is $820,000. Dr. Malcolm Todd, president of the American Medical Association, says this means the patient was paying 10 cents a day to cover the professional-liability premium in 1965. "This year each patient will pay $3.65 each day to cover those costs," he says.

Todd concluded his testimony before the New York State Select Committee on Insurance last month: "Unless a long-term solution is found relatively soon, the situation very likely will continue to deteriorate to the point of chaos. And while it is true that we physicians would suffer, it is the public that would suffer the most."

[From Newsweek magazine, Feb. 10, 1975]

THE DOCTORS' NEW DILEMMA

(By Matt Clark and Marina Gosnell)

Besides running the Children's Foot Clinic at New York's Columbia-Presbyterian Medical Center, Dr. Rosamond Kane has maintained a small orthopedic practice in suburban Rye, N.Y. But last month, she regretfully informed her private patients that she could no longer treat them. The reason, she said, is that her malpractice-insurance premiums are now so high that she would have to add $54 to each of her bills to cover them.

Over the past decade, the malpractice problem has become medicine's most serious crisis. The number of negligence suits against doctors has increased steadily and the size of malpractice awards has soared into the stratosphere. Since 1965, the average amount granted by a jury in a malpractice case has risen from $62,151 to nearly $350,000. In New York alone, the annual total paid in both jury awards and out-of-court settlements in malpractice cases rose from $1.4 million in 1963 to $17 million in 1973. Until six months ago, there had never been a judgment against a Chicago doctor that exceeded $250,000, but since then two have been made at $1 million or more, and one reached $2.5 million.

Because of the rising damage awards, the cost of malpractice insurance for physicians has increased sevenfold. In New York City, the average yearly premium for orthopedists—one of the specialties with the highest risk of malpractice action—rose from $5,000 in 1970 to nearly $15,000 last year. The premiums are considerably lower in other parts of the country, but they have doubled and trebled nonetheless. Chicago GP's with the lowest risk typically now pay $288 for protection, as compared with $120 four years ago.

OUT OF BUSINESS

As a result, many older doctors gradually phasing out of practice and young men just entering the profession find that they simply can't afford to stay in business. Dr. Frederick vom Saal, a prominent Yonkers, N.Y., orthopedist faced with a $29,000 premium this year, abruptly announced last month that he would take no more surgical patients.

To make matters worse, many large malpractice-insurance companies are threatening to stop issuing policies altogether because of heavy losses. Early last month, Pacific Indemnity Co. of Los Angeles and Star Insurance Co. of Milwaukee dropped coverage for 2,000 Los Angeles physicians, most of whom were able to obtain coverage from their county medical society. The Argonaut Insurance Co. of California, which writes four-fifths of the malpractice policies for New York doctors, has declared it will pull out of the state in July. Doctors in Maryland, North Carolina, Florida, Michigan and Indiana face similar loss of malpractice coverage—or drastically increased premium rates.

The malpractice crisis has placed doctors, lawyers and the insurance industry at loggerheads, each profession blaming the other for contributing to the problem. Lawyers blame physicians for their increasingly impersonal way of handling patients, thus inviting suite when treatment results don't meet the patient's expectations. Doctors argue that trial lawyers have turned to malpractice litigation to make up for business lost to the trend toward no-fault automobile insurance in the U.S. They also criticize the "contingency fee" system often used in malpractice cases, wherein the lawyer takes up to half the award if he wins, but no fee if he loses: "Easily nine out of ten cases are frivolous," says vom Saal. "They're just bids to make money."

SUIT

The insurers blame their plight on the extraordinary time they are liable—the "tail" in industry parlance—under laws relating to malpractice. In most states, a suit can be brought within three years of the alleged wrongdoing. But in the case of a foreign object left in the body, the statute of limitations begins at the time the problem is discovered—possibly years after the operation. Because of the long tail period, therefore, insurance companies find it actuarially impossible to estimate what their future liability will be when setting a premium for a given year.

In the long run, of course, the malpractice muddle hurts the patient. Higher malpractice premiums mean higher doctor bills, as do the extra diagnostic tests physicians order up to cover themselves in case they are sued. Some doctors have stopped performing high-risk procedures. One New York specialist with a large practice treating the injuries of professional athletes refuses to do surgery on people with disk problems.

NEGLIGENCE

Alarmed by the magnitude of the problem, doctors and lawyers, along with the insurance industry, are looking for better ways to deal with malpractice. As a stopgap, the New York Legislature is considering a bill that would require every liability insurer in the state to pool its resources to continue malpractice insurance after July 1. U.S. Senators Edward M. Kennedy and Daniel K. Inouye have filed legislation that would set up a workmen's compensation-style malpractice program. Patients would be compensated for treatment-induced injuries—without having to prove negligence—according to a schedule of payments for medical expenses, physical suffering and loss of income. Many medical societies, including the American Medical Association, are urging the wider adoption of mediation committees of lawyers, doctors and judges to weigh cases before they go to court in the hope that such a procedure might discourage "frivolous" litigation and also cut costs.

[From the Washington Post, Feb. 11, 1975]

THE CRISIS IN MALPRACTICE INSURANCE

In a Post Column (Feb. 1), Clayton Fritchey did an excellent job describing the crisis in malpractice insurance this country's health care system now faces. As the number and size of malpractice claims rise rapidly, insurance companies are either dropping coverage or raising premiums drastically. In my State of Hawaii, premiums paid by hospitals will rise 300 per cent this year. In some states, doctors are threatened with loss of coverage. The added costs of insurance and the defensive medicine doctors practice to avoid negligence charges are, as Mr. Fritchey pointed out, only passed on to consumers.

Mr. Fritchey also noted that my good friend and colleague, Sen. Gaylord Nelson of Wisconsin, has introduced legislation to guarantee malpractice coverage will be available to competent doctors.

Sen. Edward Kennedy and I share Sen. Nelson's concern in this area, and we have introduced two bills we feel offer equally viable alternatives to the malpractice crisis. One of them, S. 215, would establish a federal, no-fault medical injury insurance program that would guarantee compensation to persons injured as a result of medical treatment. The other, S. 432, would provide federal insurance in states that establish an arbitration system for settling malpractice disputes. Sen. Kennedy and I recognize these are fundamentally different proposals, but we want all possible alternatives discussed when Sen. Kennedy's Health Subcommittee opens hearings on malpractice April 8.

Under our no-fault proposal, an injured party would be compensated automatically in a fashion similar to the Workmen's Compensation Program. Awards would cover costs of medical treatment, rehabilitation services, lost wages and non-economic losses such as pain, suffering and physical impairment. A person could collect without having to prove negligence by his physician. The program would be financed by premiums from doctors and would be designed to expel incompetent practitioners.

The average malpractice claim now takes nearly five years to settle. Sen. Kennedy and I believe it more important to care for the victim of medical injury than to spend five years haggling about blame. Under our plan, a person could elect to sue his doctor, but would forfeit the award he would otherwise receive through the no-fault system. Our bill would abolish the contingency fee system that encourages lawyers to seek huge settlements.

Adversaries in a malpractice dispute would submit to non-binding arbitration under our alternate plan. A dissatisfied claimant could initiate court action in which the arbiters' report would be admissiable as evidence. We would hope few people would find it necessary to initiate lawsuits.

The present malpractice system is unfair to everyone. The present malpractice crisis threatens to damage our nation's health care system and already is adding to the high cost of health care. This crisis must be dealt with at the national level, and it must be dealt with soon. Any of the plans now under discussion would be an improvement.

DANIEL K. INOUYE,
U.S. Senator (D–Hawaii).

DEAN WOLFMAN ON MORALITY, POLITICS, AND LAW

Mr. McGOVERN. Mr. President, the distinguished dean of the Law School of the University of Pennsylvania, Bernard Wolfman, delivered a most perceptive and thoughtful address to the Young Lawyers Section of the Philadelphia Bar Association on December 20, 1974.

I have found Dean Wolfman's address to be both inspirational and informative. He is obviously a man who thinks deeply about the moral, political, and legal principles on which our society rests.

Believing that his address will be of interest to Members of Congress, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TALK DELIVERED BY DEAN BERNARD WOLFMAN

Mr. Belsky, distinguished guests, members of the Young Lawyers Section of the Philadelphia Bar Association:

I am delighted to have this opportunity to be with you and I feel highly complimented that you have invited me to share some of my thoughts on current questions with you. It pains me to think of the number of years that have gone by since I was an active member of the Young Lawyers Section and of the fact that by your discriminatory methods of measuring youth I am no longer eligible for membership. But I delight in seeing so many of my former students among you and I remember warmly my pleasant associations in the Young Lawyers Section and the importance of its work, not the least of which is to provide an opportunity for capable young lawyers to demonstrate their leadership before the traditions of seniority in the Bar Association would otherwise permit. Thanks to the Young Lawyers Section, all of the Bar and those it serves have the benefit of the imagination and wisdom of young lawyers, to consider and to blend with those who are older, and we are all the richer for it.

Watergate and its aftermath have made all of us and all of thinking America look inward and reflect. I would like us today to be a bit reflective, and although my theme will not be one I am voicing for the first time today, I think it is worthy because it does not point to scapegoats nor to easy answers, and because all of you have to help find the hard answers.

Very often when we speak with each other about society and its structures we talk about "the system", its viability and its endurance. We do so as though there were a single, unitary system, and that that single system either fails or succeeds. In my view, the conception of a single system over-simplifies both our problems and our possibilities, and it understates the greatness and the potential which we call America. We do not have but a single system. We are rather dependent upon a complex of at least three major systems which are independent of each other while each sometimes feeds upon, sometimes nourishes, sometimes attacks the others. The extraordinary strength of our society shows in its resilience, in its ability to endure and recover from tragedy when one of the three major systems lets us down and, indeed, when even a second system fails to perform at optimal level, as long as the third system remains functional, dependable and credible.

We have a system of morality. It is the one which speaks to our fundamental values, to our concept of equality and to the rights of our fellows, the system which speaks to human decency and universal brotherhood.

The political system is the one which we rely upon for implementation of our day-to-day objectives, the system we depend upon to implement the ideals expressed in our moral system, and to provide us with a hospitable environment in which each person can seek fulfillment and peace.

The legal system is corollary to both the moral and political systems and without which neither of the others would have substantial continuity, stability and opportunity for development. The legal system assures us, or should assure us, that the reasonable expectations that grow out of our moral system and are given societal sanction in the political system, will be fulfilled. It guarantees that a remedy exists for the breach of the duties imposed on people by the politically selected government, one which should be seeking to achieve the ideals of the moral system. It guarantees that the law will prevail.

It was very easy after the early post-Watergate exposures, the impeachment hearing, and more recently during the trial of the Big Watergate Five for many people to lay the blame on the law and lawyers and the legal system. Indeed, many people found it easy and self-satisfying to accept the notion that but for the defalcations of the lawyers whom they always knew were not to be trusted, everything would be right and rosy.

I do not for a moment contend that the ethical level of every member of our profession is examplary. It is not. The ethical standards of many of those lawyers who held high political office in Washington is deplorable. But is it the legal system that failed, that produced the malaise, the lack of confidence in government, the pangs of conscience, and the growing worry which we all feel for America as we knew it and, more important, as we want it to be? I think not. Indeed, I think that the failure of our political system has been so great and the impairment of our moral system so severe that it is only because of the success of our legal system, its independence, its dependability and its credibility, that our society endures today, and that without revolution, without major upheaval, we may see our way through to the rebuilding of our political system and to the redevelopment and articulation, and perhaps even to the implementation of the values of our moral tradition.

Needless to say, I do not wish to appear partisan or narrowly political. But I think it is only partisan and political to ignore the fact that the failures in Washington, the loss of confidence in our leadership, the corruption, are all a product of the failure of our political system.

We had come to expect our elected President and Congress to act lawfully, to create a government that would set about to satisfy the yearnings of the nation. But we the people, lawyers and non-lawyers, seem to have made a mistake, a political mistake, in providing ourselves with an Executive Branch that placed itself above the law.

When the country first observed that the Executive Branch had let us down, where did it turn? Congress, a branch of our political system, was unable by its nature to take decisive action, even if it had been clear as to what that action should be. But a Senate committee, composed of lawyers, demanded that the officials of government be made to account to the law for their behavior, and the independent special prosecutor came to office almost entirely because of the Committee's insistent demand that the legal system perform, a system that had not been handmaiden to the Watergate perpetrators and concealors because a lawyer, John Sirica, serving as judge, would not sit by and allow the court to be used as a legal cover-up of illegal action, of political and moral betrayals. And so, while many were unwilling to accept their own responsibility for the political and moral failures of our Executive Branch, they were excoriating lawyers in general because of the Deans, the Mitchells, the Agnews, the Ehrlichmans, the Strachans, the Kalmbachs, and the others. Yet at the same time the nation was putting all of its faith, all of its hope for stability and for an opportunity at self-correction, in the legal system and in lawyers, in Sirica, in Gesell, in Ervin, in Dash, in Richardson, in Ruckelshaus, in Ruth, in Cox in Jaworski, and in the lawyers of the House Judiciary Committee. And today we have time to reassess, we have time for dialogue, we have time for hope and for rebuilding because one of our three fundamental systems has not failed, because the legal system, peopled by lawyers with the respect and confidence of the nation, is doing its job. This is possible only because the legal system has maintained an independence and a sense of purpose, because most people want it to work, and because most lawyers are honest and determined to have it work.

And so where do we go from here? Do I suggest that we just sit back and say, "The lawyers are great; America is fine, there are no worries for the future"? Quite the opposite is true; quite the opposite is my message. The legal system is a stabilizing force. Occasionally it provides forward movement and leadership. Occasionally, it is a drag. In the early 1930's it was the political system that saved our nation after the moral decay of the 20's and the economic collapse. The legal system, however, and the Supreme Court in particular, was doing everything it could to impede the effective implementation of the objectives which the people were seeking to express in a vital political process that was led by a group of idealistic and pragmatic leaders. But the political system was effective enough, clean enough, determined enough to win out.

Today the legal system cannot sustain the nation for long, by itself. That is not its role, and it cannot bear that burden. Our political and moral systems require regeneration. Hopefully, the legal system will give us the time to do the work which must be done. And it is only the people who can decide whether the time will be used effectively.

The country began coming apart at the seams in the 60's when the political leadership in both major parties determined to engage us in a war which lacked a moral base and popular support. The internal divisions widened when our extremes of wealth and income began to look to many as intolerable as they were and when the promises of racial equality were abandoned.

And yet, when we Americans saw that inequality, frustration, hopelessness, segregation, ghettos, and starvation produced violence at worst and unease and guilt at best, our reactions were not to do what we could, faster and more effectively than before, to achieve the ideals of our Constitution, but rather to use the political system to elect leaders who would dignify repression and maintain the status quo, who would assure privilege for some and deprivation for many.

We will have fewer Watergates, in my judgment, when we seek political leaders who will not salve our consciences but will prick them, who will come up with hairbrained ideas perhaps, but whose objectives will be humanity and decency. We will ourselves be more comfortable in dealing with our own failures in Watergate, when we recognize that too many of our most prestigious business and community leaders are themselves like those who were in and around the White House, people who like to see themselves and be seen as holders of special privilege and power, above the law, able to skirt the various restraints with which we must all contend in our daily activities. It is a pervasive moral failure in important people, non-lawyers and lawyers, who want to use pull, exercise influence, avoid the rules, receive preferential treatment, and then boast about it. They are not the people likely to see the danger in candidates for office whose principal claim to election are business-like efficiency, repression and the status quo.

I suggest that we need to reaffirm the moral principles of the United States Constitution, the principles of brotherhood, the principles of equality, the principles that eschew caste and privilege. I suggest that we need political leaders who, at the risk of being called mushy-headed, will speak to our ideals and will not use veiled disguises and slogans like "law and order" as their stepladder to success. And I also suggest that we recognize and give thanks that America has maintained against great odds a legal system and a cadre of lawyers, at the bar, on the bench, and in the law schools of America, whom we have been able to rely upon as no other country could have in times of unique stress, to give us the confidence that there is law, that the law will prevail, and that we will have yet another day to work out our political and moral destinies in light of the ideals of a society in which each man should be his brother's keeper.

Now in all of this, might there be a particular message for lawyers? I think so. But I do not think it lies alone in their urging that the law schools require courses in legal ethics, as important as such courses may be. It is doubtful that a course in ethics was necessary to tell Mr. Morgan that back-dating legal documents was wrong, or to tell Mr. Kleindienst that lying under oath is wrong, or to tell John Dean and Spiro Agnew the difference between right and wrong, or to tell Richard Nixon anything. And Ruckelshaus, Cox and Ruth are not what they are because of any course they had or did not have. Character is formed long before law school. And it is character, direction, and the needs of society that lawyers are able to discern, if they wish to, and it is to them that society so often looks for guidance. The condemnation of lawyers as a group, if it is justified at all, is justified by the massive failure of lawyers to speak out, to be courageous and bold, to be the conscience that their positions of leadership and trust call for. And this means a conscience in political and moral issues, in business and community issues. It means that we must set a tone; we must set goals; we must point out inequalities and the way to correct them; we must expose privilege and deprivations, and vindicate liberty; we must represent clients with fidelity, but we must not identify with the narrow interests of client groups in derogation of the broader interests of society. Failing this, we fail our calling. Failing this, we will not maintain the unique positions of leadership which have been the lawyers'. But we need not fail if we take the time and the trouble to speak out, if we show courage, if we support those who need help, and if we again come to symbolize, and be seen as the symbols of, the principles of liberty and equality that the Declaration of Independence and our Constitution embody.

SENATOR HATFIELD AND U.S. FOOD AID

Mr. CLARK. Mr. President, as a delegate to the World Food Conference in Rome last November, I took part in the discussions regarding U.S. involvement in food aid to the countries most seriously affected by the world food crisis. The request by the U.S. delegation to President Ford for additional aid from the United States was rejected, and by the end of December it looked as if the administration would not commit additional aid to the nations in question. But, through the efforts of several in the Senate, late in January the President announced an increase in food aid under the food for peace program.

Despite that welcome decision, many of us still are deeply concerned about the food situation which the world faces today. One of those most committed to finding answers to the problem has been the distinguished Senator from Oregon (Mr. HATFIELD). An article describing his involvement in this effort, and particularly his work to insure adherence to the law limiting the political uses of food aid, appeared in the Eugene, Oreg., Register-Guard recently.

I ask unanimous consent that this article by A. Robert Smith be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Eugene (Oreg.) Register-Guard, Feb. 12, 1975]

HATFIELD WINS A 13 MILLION PERSON VICTORY

(By A. Robert Smith)

Washington.—Behind the Ford administration's decision substantially increasing grain shipments to foreign countries for both humanitarian and political objectives an intensive struggle went on for weeks, climaxed by Secretary of State Henry Kissinger and Sen. Mark Hatfield, R-Oreg., talking about world hunger over a spartan breakfast of oatmeal.

Kissinger and Hatfield were the chief adversaries in this struggle, each maneuvering within his own respective political realm to counter the moves of the other. Each was trying to control for quite different purposes the manner in which the food for peace program is operated this year.

Food for peace is the euphemistic label attached to a program started in 1954 for delivering surplus American farm commodities to foreign countries. Some food is given away, under the CARE program or through other private relief agencies, and some is sold, either for cash or credit, usually in long-term loans with easy repayment terms. Annual value of U.S. shipments is over $1 billion.

There had been little controversy over the program for years until 1974 drought conditions in Africa and Asia created severe food shortages and widespread famine. The UN held a food conference at Rome in November at which Kissinger said: "The American people have a deep and enduring commitment to help feed the starving and the hungry. We will do everything humanly possible to assure that our future contribution will be responsive to the growing needs."

Hatfield, as one of the delegates, joined in cabling President Ford to request that the American government increase immediate shipments of food to countries suffering famine by one million tons over the 3.3 million tons programmed. The President declined.

Returning to Washington, Hatfield held a starvation luncheon—millet cakes, raw onion and cold tea—and called on all citizens to give to private campaigns to help feed the hungry. But he also went to work trying to persuade the administration and Congress to increase the government's contribution.

With the assistance of sympathetic administration sources, Hatfield met President Ford on Dec. 10 armed with all the figures Ford had been given by the State Department and the Office of Management and Budget as to his options.

Kissinger had suggested to Ford a program costing $1.3 billion. OMB's option would cost $1.2 billion—but there was a substantial difference in where the food would go.

As a dedicated practitioner of global power politics, Kissinger wanted to use up to 40 per cent of the food program for political purposes, giving it to those countries the State Department identified as most important for strategic reasons: South Vietnam, Cambodia, the Middle East, South Korea, Chile, Indonesia and Pakistan. The balance could go to those most seriously affected by famine. OMB tilted the program more toward the humanitarian side.

Hatfield tried to persuade Ford to choose the OMB option and noted that he and others in Congress were opposed to what the State Department had done in 1973, when it used nearly 70 per cent of food shipments for political objectives in Vietnam and Cambodia. He pointed out that the Senate on Nov. 24 had attached a rider to the agricultural appropriation bill calling on the administration to give priority to humanitarian considerations in food shipments, and the Senate had set a $350 million ceiling on political use of food in 1975.

The President listened but didn't commit himself to either alternative.

Lobbyists for the State Department meanwhile went to work on the House to eliminate the dollar ceiling from the foreign aid bill. They succeeded. But when the bill went to conference, Hatfield had given memos to members of the conference committee proposing a percentage limitation on political use of food.

This idea won approval: No more than 30 per cent of food aid should go to nations not listed by the UN as most seriously needy.

The State Department immediately interpreted that limit to apply to the whole food aid program. If the program were funded at $1.3 billion, State could use $390 million for political purposes.

Hatfield got wind of this before the conference report came up for Senate approval and deliberately raised it with Sen. Hubert Humphrey, D-Minn., floor manager of the foreign aid bill, so that they could make a record of congressional intent to counteract the State Department's interpretation. The 30 per cent limit, Humphrey and Hatfield said, applied only to Title I food sales of about $1 billion—hence, the ceiling on political usage was about $300 million. Rep. James Symington, D-Mo., did the same thing in the House.

Kissinger let it be known that he had already made verbal commitments to certain countries to give $500 million in political food aid and the State Department began a campaign to persuade Congress to relent. He also wanted aid to South Vietnam considered humanitarian, not political. A report in the New York Times Jan. 28 indicated that Humphrey might be wavering.

Hatfield got Sen. George McGovern, D-S.D., a member of the Foreign Relations Committee, to seek committee affirmation of the 30 per cent ceiling. The result was a letter from the committee to Kissinger directing State to stay within that limit, and a letter from Hatfield to Kissinger saying South Vietnam aid was strictly political because that country wasn't on the UN's most needy list.

On Wednesday, Jan. 29, Kissinger's assistant secretary for economic affairs, Tom Enders, called on Hatfield to ask him to relent on the 30 per cent ceiling if State urged Ford to increase the whole food program. That way there would be more for humanitarian as well as more for political aid, Enders argued.

He also claimed that the ceiling on political aid would hurt the humanitarian aspect of the program in this way: State had to move a million tons of rice which was surplus to U.S. needs; if rice couldn't go to South Vietnam, it would go to Bangladesh and India, which would prefer wheat because it is less than half the cost of rice.

Since there was no surplus wheat, Enders argued, the needy countries would get less grain per dollar because the U.S. would send them rice.

Whatever the logic of that argument, Hatfield countered by telling Enders he had just heard that noon that the Soviet Union had canceled an order for 100,000 tons of wheat and might cancel an additional 100,000-ton order. So, he pointed out, there would be surplus wheat after all. The senator rejected the deal offered by Kissinger's agent.

The next morning at the National Prayer Breakfast, an annual event attended by the President and 3,000 dignitaries at the Washington Hilton Hotel, the secretary and the senator found themselves seated next to one another without prior arrangement by either one.

Former Congressman John Dellenback of Oregon, one of the chief planners of the breakfast, had been instrumental in having Kissinger and Hatfield (and wives) assigned to the same table, along with a cabinet minister from Egypt. Dellenback also directed the hotel management not to serve a typical Hilton breakfast of bacon, eggs and sweet rolls but to make it simple—orange juice, hard roll, oatmeal, coffee or tea.

"Porridge!" exclaimed the secretary unenthusiastically. He preferred eggs, he admitted, but his pleasure at table was being hampered these days by his wife's insistence on his dieting.

Henry, explained Nancy Kissinger, likes his eggs fried in an inch of butter.

Hatfield didn't let the opportunity pass without expressing his zeal for dealing with world hunger conditions but the two men didn't come to terms on their different objectives in disbursing food.

Returning to his office, Hatfield dictated a letter to Ford and had it hand-delivered to the White House prior to a Friday meeting the President had scheduled to make his food budget decision. Hatfield outlined two options, one for $1.4 billion and the other for $1.3 billion.

"Each responds in adequate measure to the needs of those people faced with potential starvation, and each gives flexibility for using a reasonable portion of food aid for political purposes, as the administration wishes to do," Hatfield told the President.

Hatfield's options would have given either $285 million or $315 million for political purposes—but evidently neither sum was considered reasonable by Kissinger or Ford.

The President decided on an even higher option, $1.47 billion, presumably to accommodate Kissinger's demand for more political aid than the 30 per cent limit would otherwise allow.

But Kissinger had not been completely out-maneuvered by Congress. State announced that when applying the ceiling, it would exclude non-food commodities such as cotton and tobacco. The effect of this interpretation means that State will be able to distribute about $364 million instead of $315 million in "food for peace" commodities to South Vietnam and other allies.

The balance, over $1 billion, will have to be distributed for humanitarian purposes, under the law Hatfield engineered through Congress since November.

Philosophically, Hatfield feels that when there are acute food shortages and mass starvation in a number of countries all food should be dedicated to humanitarian purposes. But he recognizes that there would be no chance of eliminating all political use of food shipments.

What Hatfield accomplished was a stunning reversal of the Kissinger priorities. Compared to nearly 70 per cent of food aid going for political aid last year, this year nearly 70 per cent will go for humanitarian aid. Moreover, the formula adopted by Congress forced the administration to boost the quantity of grain it plans to ship from 3.3 million metric tons last year to 5.5 million tons this year.

If the senator's figures are accurate, that increment of 2.2 million tons will keep 13 million persons alive for another year.

EMERGENCY PUBLIC SERVICE EMPLOYMENT EXTENSION ACT OF 1975

Mr. JAVITS. Mr. President, on February 7, 1975, Senator Williams, the chairman of the Committee on Labor and Public Welfare, and I, joined by Senator Nelson, the chairman of the Subcommittee on Employment, Poverty, and Migratory Labor, and 12 other Senators, introduced S. 609, the Emergency Public Service Employment Extension Act of 1975; cosponsors included Senators Brooke, Case, Hathaway, Humphrey, Mathias, Mondale, Moss, Pell, Percy, Randolph, Hugh Scott, and Schweiker.

This measure extends the authorization of appropriations for the emergency jobs program under title VI of the Comprehensive Employment and Training Act of 1973—CETA—for 1 year beyond its expiration this June 30, 1975.

This bill would authorize "such sums as may be necessary" for fiscal year 1976 for public service employment programs conducted nationwide by State and local governmental prime sponsors; title VI, which provides for a nationwide program, was added to CETA under the Emergency Jobs and Unemployment Assistance Act of 1974—Public Law 93–567—signed into law by the President on December 31, 1974.

We stated as our objective an authorization for appropriations to maintain during fiscal year 1976 an aggregate of 1 million public service jobs, taking into account both title VI—the nationwide program—and title II of CETA— which is confined to areas of "substantial unemployment," that is areas with 6.5 percent unemployment or more for 3 consecutive months.

To provide 1 million jobs—at $7,800 per year per job—during fiscal year 1976 would call for Federal appropriations to State and local sponsors of an aggregate of $7.8 billion. This includes the $1.3 billion which the administration anticipates will be used in fiscal year 1976 from its request of $400 million for title II for fiscal year 1976 and fiscal year 1975 title VI funds. The administration seeks no authorization for appropriation for public service employment under title VI for fiscal year 1976 and makes no budgetary request for title VI for the remainder of fiscal year 1975 beyond the $1 billion already requested—out of a total authorization of $2.5 billion—of which $878 million has been appropriated.

Mr. President, just as we were introducing this measure on February 7, the Department of Labor's Bureau of Labor Statistics announced that the national unemployment rate for January was at 8.2 percent, with 7.5 million persons unemployed, compared with a rate of unemployment—unadjusted—for December of 7.1 percent, with 6.5 million Americans unemployed.

These figures—the highest rates and absolute numbers recorded in the postwar period—are shattering in economic terms, truly heartbreaking in individual terms, and seriously threatening in the sense of social stability.

The rate already surpasses the 8.1 percent average unemployment rate for this calendar year which President Ford projected in his budget and economic messages.

To see where we are headed one need only look at the very serious situation in my home State of New York.

The latest official figures for December show an unemployment rate of 7.6 percent for the State with 570,100 unemployed, and 8.5 percent for New York City with 269,700 unemployed.

But the latest prognosis, coming from the very highly respected New York State Industrial Commissioner Louis L. Levine—and reported in the New York Times of February 12—is that the State rate may soon reach 10 percent and the city rate reach 12 percent in the next 2 to 3 months. Figures for January will not be tabulated until the end of this month.

Commissioner Levine urges action both in respect to public service jobs and Federal extended unemployment insurance benefits.

Already in Buffalo, the December rate of unemployment was 10.3 percent with 56,500 persons unemployed.

How this affects individuals in the most human terms is brought home in an article entitled "Down and Out in America," by members of the American Studies Program, SUNY at Buffalo, which article consists basically of interviews with Americans from diverse backgrounds who are unemployed in Buffalo.

The introduction to the interviews states that even the 10.3 percent "fails to suggest the full measure of unemployment," noting that the official figure does not include many who are not counted, and that the rate, which is for the entire Buffalo Standard Metropolitan Statistical Area, does not reflect the much higher rates among minorities in the central city. Additionally, the article notes that the 10.3 percent rate does not include the underemployed.

The article concludes, on the basis of these factors, that actual unemployment and underemployment may total "well over 60 percent of the labor force, broadly defined."

The introduction to the interviews concludes:

> Buffalo's working people are thus caught in a complex bind, exceptional only in that it illustrates in a concentrated way some fundamental problems in America's economic structure—problems once again assuming the form of heavy, systemic unemployment. In this sense, the people of Buffalo are themselves a leading human indicator of the national situation.

Mr. President, as I noted, in December last 56,500 persons were officially unemployed in Buffalo. To date Buffalo has received approximately $9.1 million in title II and title VI funds. At a cost of $7,800 per job, this will provide 1,160 jobs reaching only 2.1 percent of the unemployed. Clearly, much more should be done in Buffalo and for the unemployed in other areas.

Mr. President, I ask unanimous consent that the article entitled "Down and Out in America," which appeared in the New York Times Magazine on February 9, and a copy of an article by Linda Greenhouse, entitled "City Jobless Rate of 12 percent is Termed Conceivable," which appeared in the New York Times on February 12, be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, Feb. 12, 1975]

City Jobless Rate of 12 Percent Is Termed Conceivable

(By Linda Greenhouse)

Albany, February 11.—The unemployment rate in New York City could "conceivably" reach 12 per cent in the next two to three months, the head of the State Labor Department told the fiscal committees of the Legislature here today.

For the state as a whole, the jobless rate will probably soon exceed 10 per cent, Louis L. Levine, the State Industrial Commissioner, told the committees, "unless Congress acts expeditiously with money for housing construction and more public-service jobs."

Mr. Levine said he had received the New York City projection from Lucille Rose, the city's Commissioner of Employment. Reached by telephone, Commissioner Rose said she based the figure on "the lines we see daily" in unemployment offices and on "the large waiting lists" for jobs under the Comprehensive Employment and Training Act.

A SHARP RISE

The 12 per cent figure for New York City would be an increase of 3.5 percentage points over the December unemployment rate, the latest available figure. It would mean that an additional 110,000 New York City residents would lose their jobs, for a total of 380,700 people out of work.

Commissioner Levine told the Assembly Ways and Means Committee and the Senate Finance Committee that his department estimated that the statewide unemployment rate, 7.6 per cent in December, had climbed to over 9 per cent in January. Precise figures will not be available until the end of this month.

This month, he said, 680,000 people in the state have filed unemployment insurance claims, more than double the number who filed a year ago.

The Commissioner said that the "frightening prospect" of rapidly accelerating unemployment was compounded by the fact that on April 1 about 68,000 people in the state were expected to exhaust their 52 weeks of unemployment benefits, including the 13 weeks of supplemental benefits that the Federal Government put into effect in December.

Unless Congress further extends the benefits, Mr. Levine told the committees, people who have been out of work for a year will have no alternative to depleting their personal resources and going on welfare.

NO RECOURSE SEEN

"There is no recourse for these workers," Mr. Levine said.

He asked that the figure was significant because until recently most people collected unemployment insurance for no more than 13 to 15 weeks before they found new jobs.

But now, he said, the unemployed include "middle-aged workers, managers, production workers whose industries have closed down" and whose prospects of finding new jobs are very poor.

Mr. Levine recommended that the Legislative raise the maximum weekly unemployment benefit from $95 to $125, which would increase the benefit from one-half to two-thirds of the average weekly wage of workers in covered jobs.

The two-thirds figure is the Federal standard, he said, adding that the higher payment could be absorbed by the state's "healthy unemployment insurance fund" without a rise in the payroll tax.

Mr. Levine said the Govenor's office had authorized him to say that Governor Carey was "seriously" increase. For his own part, Mr. Levine said, "there is no question in my mind that we have to increase the maximum."

The Federal Government pays three-quarters of the final 26 weeks of unemployment benefits, he noted, so increasing the benefit would be "one way of getting more Federal dollars into our economy" without additional state expenditures.

Raymond T. Schuler, the Commissioner of Transportation, also testified today as the two fiscal committees continued their two-week series of departmental hearings on the budget.

Mr. Schuler said his department was "stretched dangerously thin" by the state's austerity drive. Governor Carey has recommended cutting $3.85-million from this year's transportation budget of $232.29-million." Mr. Schuler did not ask the Legislature for specific new financing.

Tomorrow the committees hold the first of two public hearings on the budget. Mayor Beame of New York City will be the first to testify.

[From The New York Times Magazine, Feb. 9, 1975]

Down And Out In America

(By members of the American Studies Program, SUNY at Buffalo)

"I didn't realize it was this bad. . . ." "Poor people were people that you didn't know. . . ." "The Government don't give a damn. . . ." "Just a vicious circle of nothing. . . ." "I had seven different jobs . . . every plant closed . . . that's it. . . ." "And this country thinks it's so damn great!"

The voices are those of the unemployed in Buffalo, N.Y. With the national unemployment rate at 7.1 percent, this city on Lake Erie epitomizes the special problems of the country's industrial urban areas. Buffalo's official unemployment in December was 10.3 per cent, third highest in the East.

Even 10.3 per cent fails to suggest the full measure of unemployment. The official figure does not include many who, for bureaucratic reasons, are not counted in the eligible work force. Nor does it include the great number of underemployed who work full time but need another job to rise above the poverty level.

Further, the official figure is for the entire Standard Metropolitan Statistical Area—in Buffalo's case, a huge two-county tract that includes suburban, exurban and even rural areas. The over-all figure thus hides the true rate of the heavily populated central city, with its many working-class neighborhoods, including those of blacks, whose unemployment rate is double that of whites.

When these dimensions are added, one begins to see the extent of the problem. According to some Government statistics, in the urban areas most heavily affected, actual unemployment and underemployment may total well over 60 per cent of the labor force, broadly defined. Such a figure is probably closer to Buffalo's reality than the official 10.3 per cent.

Buffalo's past prosperity stemmed from transportation advantages—the lake, the Erie Canal, the railroads—and the heavy industry they generated, especially grain milling, steel and automobiles. In recent years, however, these locational advantages have more or less evaporated, and many companies have moved. Buffalo's business leaders have sought to shift the city's base away from factories, but the decline of manufacturing has left a large pool of industrial workers whose skills are unsuited to what new jobs can be generated.

In addition, Buffalo is vulnerable as a major supplier of small components for durable consumer goods such as automobiles, refrigerators and airconditioners. The market for such goods is notoriously sensitive to recessionary pressures. Local subcontractors find themselves whiplashed by rapid fluctuations in orders from primary producers.

Buffalo's working people are thus caught in a complex bind, exceptional only in that it illustrates in a concentrated way some fundamental problems in America's economic structure—problems once again assuming the form of heavy, systemic unemployment. In this sense, the people of Buffalo are themselves a "leading human indicator" of the national situation. In the following interviews, they speak of their own lives (some names have been omitted by request), their city's condition and their sense of the meaning of the current circumstances.

ROSIE WASHINGTON

(Unemployed and on welfare, 27; in the small apartment she shares with her daughter, 6, and another woman, from which they are about to be evicted.)

You look in the paper, see all these jobs in Cheektowaga, Williamsville; no way to get to them, bus don't even go that way. You go up and go looking for a job; the jobs they send you to, 50 percent of the time there's not a job anyway. "Well, we're not hiring now, but we'll take your application." Then they send you out to jobs that they know you're either overqualified for or underqualified for. I was an administrative assistant at a community center; I've been an employment coach on a Federal program, then a counselor. I've done all this, and I really like it. But my biggest problem is that I don't have that piece of paper that says I'm qualified, so now, well, I went to the restaurants, hotels, plants. I've said I never wanted to work in any plant. I wish I could get a plant job now—I have applications in at Bethlehem, Chevy, Ford. You can't get any answers, you can't get any services, just sit around and wait, just to be told to come back and go through it again. Honest to God.

And the welfare system. Isn't that a design, a design to fail? They just give you enough money so you don't starve to death, so you're always hungry. They don't give you enough to live, just to exist. You know, I think these clerks, they look at me as an imposition on their paychecks. They're paying for me: "If it wasn't for her, I might have a nickel or a dime more." But you know, they want us here. They always got to have somebody on the bottom, so they know they're closer to the top. A crummy welfare recipient chewing up their tax dollar, you dig it? With me here, I can make you feel better. . . .

I'm tired. I really am. I have a child, and she's part of me. She sees me doing nothing, never going out to work, depressed, worried, sometimes crying. I mean, I try. I try to play with her. When I have some money, we even go out together. We can't afford the movies, but I take her to Henry's and buy her a hamburger. I do love her. I do care, but with all the pressure, sometimes I can't even talk to her—you know. She comes home: "Hi, Mommy." "Hi, how was school today?" "Fine." She wants to play, but I can't. I think it's going to affect her emotionally. I went to school with her and the teacher said, "She's a good, bright child, but she's so sad. Why?" I said, "Because that's all we got in our home. Sadness. No hope, No future."

And this country thinks it's so damn great. It's not. It's hard to believe, but I really feel we're going to have a revolution, because this Government ain't doing it, not to say any other kind is better. What I'd like to know, really, is what am I supposed to do with my life? I had my goals, but no means to make them. I'm just at the breaking point. And when I break, what am I going to do? You're just never right for anything. At first you're too young; then you don't have experience; by the time you're 35 or 40 years, you're too old. So all through your life you were never right for anything. You know, it's everything—job and experience, no experience, no job. To get a job you gotta have money; you gotta have a job to get money. So it's just a vicious circle of nothing. And you're all locked up in this thing, crossed in it all your life. One circle that leads nowhere. That makes you pretty angry. Angry isn't even the word for it. I don't even know how to describe that feeling.

ADAM N. DOMANSKI

(A former bank vice president, currently Erie County program director of the 1971 Emergency Employment Act. The program—and his own job—expires March 31.)

Look, go to Toronto. It's amazing. There's so much employment possibility. But we are backward. Not because we're Polish; not because we're black; not because there are too many Jews; we're backward because we fall back on this parochial, oldtime thing that, you know, my grandfather did it; my father's doing it, so I'm doing it. But is this good for you? You're living today. But look at this little clipping, just unbelievable! Unemployment hits all-time high in Toronto—4 per cent! Isn't that an insult to American know-how and everything? Four per cent and it's an all-time high! With us, it's average. We're up to 12 per cent now, the legitimately registered ones. And really, it's well over 20 per cent. It's extremely high! And yet, it's predicted to get worse.

FLORIAN (PETE) HORVATH

(Wire cutter, 55, unemployed since 1972 when GTE Sylvania closed its Buffalo plant; he had been with Sylvania for 31 years.)

Whenever they had visitors they always took them right in our department. They were so proud of that. Big wheels would come in, and people from different parts of the country. Even foreigners. They would take them in and show them that machinery. Even the school kids: They had a tour like that, too, for the kids. I used to get a kick out of that. They'd all mill around you, and then you explain to them what's going on. The guy that brought them in there, he'd shut up, because to him it's a machine; he didn't know a thing about it, so he let me talk . . .

I was laid off just before they closed the plant. I had a feeling, anyway, like one guy said, "This place is going down." They had been threatening us for years that they would move, especially after they moved TV production out of Buffalo in 1952, to the plant in Batavia. That's on the way to Rochester. Now just before they finally closed down here, they were also threatening the people there. . . . They talked the people into taking a pay cut in Batavia. But when they were taking the cut, we were getting our raise. Just before we got the news of our pay raise, we had an idea they were moving out 'cause they were getting rid of a lot of odds and ends, like desks and cabinets and all sorts of things.

I think another reason why they closed up—all these people, including myself, were getting up in our years. It seemed like just about every week there was someone who was retiring, and as far as the company was concerned, that was running into a little bit of money. This group that was retiring about the same time they closed up were all the ones that started in the thirties, from way back in Colonial Radio days, even ahead of me . . . I feel as though we got the short end of the stick, let's put it that way.

WIDOW

(A grandmother, 52, unemployed after 13 years at Spaulding Fibre, a Buffalo plant that relocated in Rochester.)

"Couldn't the union do anything about the plant being closed?"

Well, let me answer you this way: There was a chief steward that was a real gogetter. I mean, he fought tooth and nail for everything. After they decided they were going to relocate, all of a sudden he became the personnel manager, and the personnel manager, who had been there about 22 years, was out. Now, if that answers your question. They did that with a lot of what you call troublemakers who stood behind the union: They'd take them out and make them management, make them foremen. And this guy was fighting them all the way. I'll tell you, he put in a grievance for me I didn't even know about, that's how good this guy was. . . . Now that he's a personnel manager, I expect he knew what he was doing, as far as his job was concerned.

RON AND BARBARA BLASZAK

(Barbara, 24, is a graduate student in history; Ron is 27.)

Ron: I was born in Buffalo, went to the State University at Buffalo in aerospace engineering, class of '72. Then I got my M.S. I applied to about 50 engineering firms, and I was interviewed by only two. Since that time, I've been delivering furniture for a living.

Barbara: If you look at it, overtime is really our grocery money. Without it, we'd still eat, but saving? That's nonexistent. They're saying people are sitting on their money, not spending anything now. It's not because it's in the bank; it's because they haven't got it. Christmas was usually the boom time because people are buying furniture; I can remember Ron coming home at 7 or 8 at night. . . . Not this year. Ron says the sales people aren't selling. The only person who came into the store all one week to buy anything was O. J. Simpson!

Ron: I'm not too happy about the possibilities of belonging to the lower socioeconomic group, being poor. But something's got to come up: I'm not terribly worried. And Buffalo's a pretty good place to be. I've heard a lot of things said about Buffalo—armpit, etc.—but it's pretty good. It's comfortable, in general, and you've got the neighborhoods still intact, unassimilated, still having very individual flavors."

Ron was laid off from the furniture job soon after the interview.

CASEWORKER

(Erie County Welfare Department; 25.)

Certification, the intake division, is now handling 1,000 clients a month. That is a lot. I think it has gotten worse, a speed-up for me, a speed-up for certification workers. Your interviews become faster; I just ask them for what I need. I really don't want to hear how they can't survive. I heard it enough and I can't do anything. They tell me they're paying this much for food and this much for clothing and they can't survive on what they're getting. And I say, "Yeah, that's welfare." Almost in order to survive, you've got to harden yourself and not listen to the clients where it hurts them. I can't just sit with somebody face to face and they're telling me they can't buy food because that's the condition of being on welfare, and that's what their lives have been reduced to. I'm in the middle. There I am, the welfare examiner, the person who's giving them their money and checking up on them. But then, it's also, well, do they understand my empathy for them? I'm not there to—them up?

When you work here, the contradictions in society are very clear because you see who's poor and why, and you see who gets the money and why. You see how landlords are paid off. You see how clients are forced to wait because of red tape. It surprises me how people my age who work at the Welfare Department can so strongly take the side of the agency.

"Why do you think that is?"

It comes from being foils of the capitalists. [Laughs.] But it does, you know. They hate these poor blacks; they hate these poor whites a lot. They see them as parasites, that's the thing—they identify with the agency because it's their money that's paying the welfare clients. And they think,—them; they got $10 more of my money when they shouldn't have, and the state said it was O.K. That's their attitude, and there's no way I can counter that.

CHARLES (BILL) PHILLIPS

(Bethlehem Steel worker: 58:)

Well, I marvel, I have to marvel at the Establishment, because they can make a person believe they are at fault for not working. Now I don't know whether it is the mentality of the general population, or what it is. Me, I'm nothing, a mere cipher, that's what I call myself. But I don't buy the Establishment package. This is it—you have your one pull at the brass ring, and you can't do it without money in this society, you can't do it without a job. The young person who goes out, they're the hardest hit. For one thing, they've swallowed everything they've been taught. Then they go out and can't get the jobs. And yet they blame themselves. Just as everybody in my day blamed themselves, except me. I say, "You don't blame me, buddy, it's the system—the jobs aren't there." That's the part that makes me angry, because anyone with a little bit of common sense can see that there aren't the jobs, and there never were enough jobs.

JEAN MEGNA

(Married, four children; experience: nurse's aide, switchboard operator.)

All I know is, I have a very hard time finding a job up here. I went to all the hospitals and put an application in all the big hospitals. I went to the telephone company; they have an application. I went to New York State Employment; nothing there. Then I was looking in the paper, and I couldn't find anything but barmaid jobs. I checked those out and couldn't get any work there. I think it was prejudice. Couple of times, I told them over the phone I was black, and one guy said, "Well, it doesn't make any difference," but I could tell by the way he said it that it did. And he told me he'd wait; this was about 2 in the afternoon. He told me he would wait until 6; I got out there at 5:30 and he was gone. I filled in an application anyway, but never heard from him.

I worked for the veterans' hospital, and I worked for the Americana switchboard in New York City for six years. I was looking for part-time work, switchboard, evenings. The "X" Hotel ran an ad in The Buffalo News: "Weekends, part-time, evenings." I went down there. The thing about it was, I just stopped working for the Americana last year, so I went to the "X"—filled out an application. They said they would get in touch with me. I didn't hear anything. A week later, the same ad was back in the paper again. "Y" Hospital, they had an ad: "Switchboard operator, part-time." I went there, filled out an application, told them about the Americana, my six years there. They said they would call; they never did. Two weeks later, that same ad was in the paper again. I called them and told them about it, and she said, "Well, the operator that we had, she recommended someone else." I said, "But I was there two weeks ago." And she didn't say anything. So it was "Y" hospital, they were discriminating, like the "X" Hotel.

I just don't know where to look anymore for work. I really don't. I've been checking the papers, trying to see if there's anything I could do. . . . And I could get a job in New York just like that. But here, God, this place! This place is terrible, I can't get anything here.

FRED KOESTER

(President, United Rubber Workers of America, Local 188 (more than 500 members of this local were laid off when Hewitt Robbins, a Litton Industries subsidiary, was closed last May in the midst of a strike; Litton held the union responsible; many observers felt this was a pretext for Litton's liquidating what it took to be an unfavorable position).)

I tried to run this union just like a family. And with the company, everybody's happy, picnics and the whole bit. There was a time when I knew everybody in the plant. But when Litton came in, in 1965, they loaded the plant with salaried workers; these out-of-towners would be walking around there and we couldn't even find out what their jobs were. . . .

Most people know that Litton is a holding company. They get in; they make a buck; they get out.

CHESTER MIDDER

(Baker, 48; in line at the state unemployment office.)

I worked at Loblaw's Supermarkets four and a half years. I'm a baker—bread, rolls, pies, cakes, according to what the desk calls for. I'm a mixer, too. I worked upstairs in the mixing part, Local 16 for the National Bakers Union. Can't do nothing else. I never did no construction work; even the construction workers are out.

"What are you going to do now?"

Get me a brick. Any time I see a meat market, break it in and get me some food. By the rock, sweetie; I don't have the money to buy nothing with. [Laughs.] Nah, I wouldn't do that. I don't work in that department, no, 'cause I'm healthy. I'm used to working; I worked all my life.

Now I could work a lot of places, at some small bakery, but they won't pay me my due. They want to give me $1.95. See, I'm a mixer and a baker; I was making $4.95 an hour, and I'm not going to make all that bread and stuff for those people and they're gonna give me $1.95. Up at Loblaw's, the lowest man would get $3.95, and he was only pushing a broom on the floor.

Why did they close the place where you worked?

Big business, you know, big business, big business. You know, chains. Loblaw's chain was in Canada. They open this one, they close that one. Man been there 30 years, they gave us a bonus pay, you know; you take the superintendents, they go with the company, but the workers out the door. And they didn't give us a party. You'd think about all them meats and that kind of stuff. They didn't give us a turkey, or a chicken, or nothing. . . .

STEELWORKER

(Recently laid off at Bethlehem Steel, where he had worked for two years, still active at the plant in a rank-and-file caucus that is trying to organize workers to oppose what is seen as a company-dominated union; 25.)

What's happened recently with the lay-offs where I work is that there is a stipulation in the new contract of last August saying that if the plants have to cut down and people are laid off due to a shortage of raw materials, like coal, then it alleviates the company's contract obligation to pay SUB pay. [SUB pay is the money paid by the company as a supplement to unemployment benefits, to bring the laid-off worker's pay up to about 95 percent of normal. The duration of SUB pay depends on seniority.] At this point it's pretty obvious the economy's down, that construction's down, that auto's down, so what they've done is to create the facade that the plant had to cut back because of the lack of coal, and the coal strike.

Theoretically, if a union was a union, and really worked as a fighting body representing the working people, it would fight back against this. But the United Steelworkers of America, in most cases the only response we've drawn from them is that you've got to look at the company's side of things. And with the no-strike clause we have right now, it's an illegal wildcat if we try to pull people off from inside ourselves. The union has sold us out so badly that there is nowhere to go.

BRUCE NOWAK

(Autoworker at Ford; 22.)

Well, I guess I'm a laborer. I don't know what you call it, automation-tender. I'm working a welding gun. I go all over, but mostly I've been working on the pan line, lately, for the Grenada, the new car. I feel like a robot.

"What will happen if you're laid off?"

I'll stay laid off. Well, like if it's starting to get close, then I'll start looking. Last time, I was at the bottom of the list, and you know I was one of the last to be called back, but now there are 500 guys under me. So I'll get laid off, but I don't think it would be too long. To me it doesn't matter. I'll work in my house and everything. I'm remodeling my cellar right now, and paneling.

Nowak was laid off soon after the interview.

LEWIS HAWKINS

(Concrete finisher, 28; in the unemployment line.)

There's going to be a lot of stealing, a lot of mugging and everything. . . . People are going to get tired, tired of coming down here and standing in line. . . . And when they finally get unemployment, a person who, say, only gets $45 or $50 a week might have three or four children; before a man's going to see his children and his family go hungry, it seems he's going to go out there and do something.

JOB COUNSELOR

(New York State Employment Service.)

I'm a Pollyanna, there's no getting around it. I gravitate to what looks like hope, and I do believe there is hope. The thing I want to stress is this: Even though there are 10 per cent unemployment, there are 90 per cent that are employed, so somebody is flourishing. And even if a plant is holding firm, someone is resigning, somebody is dying . . . Openings are there. No matter what the employment rate, there are some businesses that are flourishing. And identifying those is part of the job. And that's why I say to the job seeker, "Beat all the bushes. Go to the private agencies; read the want ads; talk to your neighbor, for Pete's sake—lookit, nothing drops in your lap anymore. The idea is to pursue and pursue."

DENISE GREEN

(Recent high-school graduate, 20.)

I'm going to a center where they evaluate you, you know, for different types of jobs you might qualify for. But that's all I'm doing. I'm not working because there's no places available as of yet, no places available. I don't know why there's not enough jobs here in Buffalo; maybe there's not enough funds, or it's not run right. There used to be a lot of training facilities that were open and now they're closed, you know, like Model Cities, I think, is one of them. They offered kids, students, a lot of jobs, and now they're closed down and those kids are doing the same thing I'm doing.

I'd like to go to college, you know, maybe in a few years. I really want to be a doctor, or a nurse; you'd meet all different kinds of people. I'd really want to work, like, with the public.

BUSINESSMAN

(Runs a third-generation family business; late 30's.)

I look at the Chamber of Commerce, and I say, the chamber cannot stimulate and elicit business when over the last generation it has been run by people in highly regulated businesses, bank presidents, heads of utilities—people who are not in a competitive situation. I don't think they understand what business is all about. They're not risk-oriented. Also, it's a very political thing. It's just crummy people in public office who are playing cozy and not taking chances.

I think what we have to do is develop a marriage. In Pittsburgh, a long time ago, the Committee of 100—Richard Mellon had vested interests in Pittsburgh. But here, the guys from Bethlehem, the guys from Chevrolet, the guys from Union Carbide do not have vested interests in Buffalo. Everybody around here spends time and energy; the giants of Buffalo industry have spent time, year after year, raising money for the Philharmonic. Which is fine, an admirable thing. But our priorities have been switched around for some reason—the generals do all the work. The president of XYZ Manufacturing Company who has some economic and political clout shouldn't be strong-arming his friends at the Saturn Club or the Buffalo Club or the Country Club for money for the Philharmonic; he should be strong-arming the Mayor, the County Executive; for something that would help him, help the community. Let the generals do what the Mellons and people like that did in Pittsburgh. I don't know if it's going to be clean the air, clean the water, hire more people, get tax abatements for new buildings. But now, for God's sake, they're fuddy-duddying around with Richard Wagner. And I've got to say, they're all my friends. I'm damning a lot of my friends, but I damn them to their faces. They know how I stand on this.

DELLA LOVE

(Does part-time house cleaning to supplement her pension; 65.)

"What's the problem with Buffalo? What do you think could help the city?"

It's something about the people. They got the wrong type of people for the wrong type jobs to make Buffalo come up. Buffalo could be Number 1; it could be done. If they put the right type people in, they'd see how Buffalo would bloom. You have to spend to make, that's all there is to it. In Buffalo, it seems like they don't want to put out money, they just want to hold money, and they're just killing it. If we could put our money in something good, why we could get something out of it. But we got to put it in first. . . . It looks like people, we pull against each other so much now. We're not like we used to be: more together. We're divided, and it looks like all we care for is: If I live I don't care what becomes of you. . . . But I feel like if we had the right leadership, and all, we could come on out. But we ain't got it, no kind of way.

GENE FAHEY

(Legislative aide to a Buffalo City Councilman; 23.)

I'm frustrated with the whole direction of our job policy. It wouldn't bother me, spending so much time on these manpower training programs, and manpower development, if I thought they were getting to the people that are the hard-core unemployed, filling their needs. That's not what we're doing; we're just filling slots. That's not the way to do it. These programs should be coupled with economic development, so that when these funds run out we'll have jobs to offer people. The way we do it now, if we cut unemployment down to 8 percent, when the funds expire it will be back up to 15 percent, because we really haven't done anything. . . . But at City Hall, what they want to do is spend the money, fill the jobs and pile up as many favors as they can.

ANNE E. CASEY

(Waitress 50, in the unemployment line.)

As I've said, I've always had a job, so I didn't realize it was this bad. I'm surprised, because usually in waitressing work you can go from one job to another, but it hasn't happened that way. Nowadays I don't think experience means much. I tell them I've been a waitress for 30 years and it doesn't make an impression. They're just not hiring. I've gone up and down Main Street. I've been to the Plaza Suite and Tiffany House; I've been to A.M.&A.'s, Hens and Kelly, and just any place that has a luncheonette or anything. There's just no hope. That's why I came down here. I figure it doesn't look like I'm going to get anything. I want to work; I like working; it's just a way of life for me. When I'm 90, maybe I'll stay home. [Laughs.] Until then, as long as I'm healthy, I'll work. Right now, I'd take anything, just to have a job, you know?

STEVEN KALLOW

(Vietnam veteran, worked in a toy factory, currently unemployed.)

The problem in Buffalo is not that the companies are leaving the city, and that there's no work or that the work is meaningless, but the critical factor is that the Government don't give a damn about its people. Like in Vietnam, I got out, that was it. Good-by. Nothing.

EILEEN STEFANIAK

(B.A., Rosary Hill College, currently holding three part-time jobs; 25. ("I would probably be described as a housewife but I'd rather be identified as a working person."))

When I was a kid, we had a nice house, and a nice backyard, and I always thought of myself as being maybe a little special. Poor people were people that you didn't know, and if you knew them, you didn't talk to them. It's the same attitude my father had towards my husband: If you're poor, it's your own fault because you're not trying. That's not true, that's not true! My father had a lot of criticism all along because my husband was unable to find a job, and to him, this was my husband's fault because he was not trying. But then suddenly, my father was in that situation at age 47, and he found that it does not depend on your past record, or how hard you work, or how hard you look for a job. There just aren't any jobs.

Before, I would never have believed I'd be in this situation. Especially now that I have my college degree. I thought that was going to be a magic thing, you know? I think my husband did too. It is terribly discouraging to him personally, after going to college for five years, to be loading trucks and things like that.

STANLEY LEWANDOWSKI

(Retired steelworker and former president of United Steelworkers Local 2603.)

To start off at the starting point, you have to come back to Dr. Townsend. [Francis Everett Townsend, 1867–1960, author, in the nineteen-thirties, of the Townsend pension plan.] He's an oldtimer. He originated a kind of social security. Hey, they called him a nut. I was amazed; I used to think he was the greatest man out, I really did. Laugh all you want, they said that Social Security would never work. So look, I think we ought to look at his proposal again. You give everybody $200 a month in money that becomes worthless at the end of the month, so you got to spend it. Things will be moving again; you can't be a miser. But the thing is, when you're on a guaranteed national income or something, you can't have Rockefeller, and Hughes and Del Webb. Because they'll have the money eventually, they'll take it away from you. To keep it, you'll have to distribute it evenly, and break it off every month. You want to save? You're a miser? You just lost some. Dr. Townsend? I don't know maybe you need somebody that's a so-called nut like that to come up with some solutions.

FRANK AND SALLY MARTINEZ

(Frank works at Chevrolet's Tonawanda complex, in the metal-casting plant; Sally teaches at a nursery school. They have four children, ages 7 to 14.)

FRANK: Myself, I'm practically in a state of financial bankruptcy. As of two years ago, when wage and price controls went into effect, since that time, Sally and I have withdrawn a sizable amount from our savings, and see no conceivable way we're going to put it back. . . .

Last week we had a layoff, they laid off a number of men; there were 22 in our department, the maintenance department, and three men from our shop, two sheetmetal workers and one apprentice-trainee. What the foreman said is, he had no idea there was a layoff at all, and he controls a lot of men. He thought if anyone should know about a layoff it would be him, but he wasn't expecting it. In fact, in our department, which is shorthanded, he thought they'd be hiring, and instead they laid off. They just sent the word out, with a list of names to lay off these people. Corporations have their way of operating. I have heard this is a big corporation and conglomerate scheme; in other words, they have made their profit, they can afford to give the workingman the business: Let him take a vacation, they could care less.

It looks hopeless, unless somebody really takes hold of the whole situation, reverses the trend, or at least stabilizes it. This is something I've recently read into, and it seemed to be the general thinking when Nixon got into office that we were going to have a lot of unemployment, because the philosophy is to take the money out of the working people and put in back in the hands of the rich and the corporations. Of course, this is a sure-fire way to do it. If a man is unemployed, and he doesn't have any money to live on, he's going to draw on any savings he has until it's finally gone. You do this to 100,000 Americans, multiply by $1,000 apiece, and you are talking about a lot of money. The experts say that unemployment is necessary. . . . Some of the people I work with, we discuss these things, we really don't know what it's all about because we're not intellectuals. Most fellas just throw up their arms in the air, curse, and walk away, saying, "I've heard enough; I don't want to talk about it anymore." It seems as though they feel hopeless; there's nothing they can do. They're just a cog in the wheel; the wheel's going to turn; the cog's going to go to the other side, and that's the way working fellas that I work with feel.

THE HOLY MAN OF HARLINGEN

Mr. McGOVERN. Mr. President, I recently came across an article in Grit describing the daily routine of Frank Ferree, the owner of perhaps the largest heart, smile, and unselfish spirit in America.

Mr. Ferree lives in a shack in Harlingen, a town on the Texas-Mexico border. His only income is a $90 a month pension. But without a thought to his own needs, Mr. Ferree combs the neighborhood every day, begging for food and medicine, every bit of which he delivers and distributes to poverty-stricken families on both sides of the border. Unaware of any personal sacrifices he may be making, Mr. Ferree sees to it that everyone he meets has enough food, warmth, shelter, and medical treatment. Only when he is sure of that will he tend to his own needs. Because of Mr. Ferree's generosity and total selflessness, life is brighter and better for many needy families in the Rio Grande Valley.

Mr. President, I ask unanimous consent that the article "Holy Man of Harlingen," from the January 26 issue of Grit, be printed in the RECORD, and I hope that everyone will take the time to read about Frank Ferree, a magnanimous human being.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOLY MAN OF HARLINGEN—THOUGH POOR HIMSELF, HE GIVES TO NEEDY

(By Bill Starr)

A person doesn't have to be rich to play Santa Claus, Frank Ferree, 77, of Harlingen, Tex., for 3 years has been helping those submerged in abject poverty along the Texas-Mexico border.

Yet Ferree has almost nothing himself. He lives in a shack that is barely adequate for shelter. The two trucks he uses to deliver foodstuffs to the poor barely pass safety standards and look as if they were found in a junkyard.

Yet he not only provides food, clothing, and shelter for hundreds of persons each month, but also has located and obtained medical attention for hundreds of children suffering from harelips, partial blindness, and facial defects.

This is how he does it: Each day he makes the rounds through back alleys of Harlingen, begging wilted fruit, day-old bread, and miscellaneous medicines from merchants.

Then he loads his two old vehicles with the merchandise—along with assorted cardboard boxes, end rolls from newsprint, and pieces of discarded lumber. He heads for Reynosa and Matamoros, Mexico, and half a dozen villages on the Texas side of the border. There, people who have lived in deep poverty all of their lives await his arrival six days a week.

Day after day, without ever taking a vacation, Ferree delivers to the poor, keeping them alive, furnishing them with scraps of lumber with which to build some sort of shelter.

During the last Christmas season, he delivered two tons of candy to poor children.

Each month, he begs and receives tons of bread, candy, and medicine from several grocery and medical chains in the United States. The managers of these firms have become convinced of the value of his work.

Whenever he finds persons who need operations, Ferree takes them to three or four wealthy benefactors whom he has located along the border and obtains funds for them.

During 1974, five children who were totally blind received their sight, and another dozen who were partially blind were enabled to see.

More than 100 hair-lipped children have received corrective operations, and dozens more with horrible facial defects have had plastic surgery which left them able to face the world.

Ferree keeps nothing for himself.

"All I need is three light meals a day and a place to sleep," he said. "I am a bachelor—I have no great needs."

He lives in a hovel, yet he shares even this with those who are less fortunate. Two children have been born in his house, with him acting as midwife. Any bum on the street on the coldest night has a place to sleep in Ferree's hovel, which is never locked.

A 50-gallon oil drum serves as a combination heater and cookstove. A hole cut in the floor serves as a drain when he bathes out of a bucket of water.

Valley businessmen call him the "Albert Schweitzer of the Rio Grande Valley." Ferree came to the valley 35 years ago, bought a 20-acre tract on the north side of town, then saw some Mexicans picking up banana peelings from the street and eating them.

"I thought something ought to be done about that," he said. "So I did something. One thing led to another, and now I'm into it over my head. It's a big job, but I just do what I can and try not to worry about the tremendous needs which I can't get to."

Ferree sold his 20-acre tract and gave the money away to help the poor. Once he was seen downtown on a cold winter day in an old army overcoat. Hours later he was seen wearing only a thin shirt and pants. When questioned, he explained simply that he had found a man who needed the overcoat, so he gave it to him.

"I don't try to be a big deal or anything like that," he said simply. "I know the teachings of the Bible and apply the teachings of Jesus. It's that simple."

Everything that he receives in the way of food, medicine, or money—including his $90-a-month First World War pension—he passes on to those who need it.

"The man is the nearest thing to a holy man that we've seen in these parts for a long time," commented a Harlingen businessman.

BIRMINGHAM CHAMBER OF COMMERCE ON INFLATION-RECESSION

Mr. SPARKMAN. Mr. President, the Birmingham Area Chamber of Commerce unanimously adopted, through its board of directors, on January 22, 1975, its policy statement on inflation-recession.

I read this statement with a great deal of interest and concern and I have commended the chamber on the study and thought that has gone into its statement. In order that other Members of Congress may have the benefits of the Birmingham chamber's views, I ask unanimous consent that the statement be printed in the RECORD. Furthermore, in view of the fact that we in the Congress need all the help and information we can get as we tackle the twin evils of inflation and recession, I urge my colleagues to read carefully the views of the Birmingham Area Chamber of Commerce.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

POLICY STATEMENT ON INFLATION-RECESSION BY THE BIRMINGHAM AREA CHAMBER OF COMMERCE

The United States economy is dominated by inflation, the most serious threat facing the nation today. Running at a rate which is intolerable to our economy and our society, inflation goes far beyond endangering our economic life. It is not moderate substantially in the immediate future, there is no way the nation can prevent the present economic decline from becoming a major recession. If these trends (inflation-recession) continue, it will be impossible to maintain our position of international leadership.

While Birmingham's economy does not yet seriously reflect all of the negative aspects of inflation, it will ultimately reflect national trends. Recognizing that the Birmingham Area, because of its heavy concentration of industry and minority population, could conceivably suffer more from prolonged inflation than other parts of the nation, it is necessary that an immediate effort be made to convince Congress that it must put politics aside and act in the best interest of the national economy.

While the Chamber favors self-restraint by business in its pricing policy and by labor in its wage demands, it continues to strongly oppose mandatory wage and price controls as well as specific federal wage and price guidelines. In keeping with its policy of direct political action in behalf of its membership in protecting the Free Enterprise System, and its belief that the competitive market system must be continued as the best method of allocating and directing goods and services—rather than reinstitution of wage and price controls—the Birmingham Area Chamber of Commerce adopts the following as its statement of policy on inflation-recession and its recommendations for congressional action.

The Birmingham Area Chamber of Commerce calls upon the Congress to create an anti-inflationary policy and to set the example for the rest of the nation by:

(1) Reducing federal spending by at least $10-12 billion below the $305 billion budget figure, during fiscal year 1975.

More than $1,792,800,000 (Federal employee raises—$700 million; Railroad Retirement Act—$285 million; and Veterans' Benefits—$807.8 million) of the taxpayers' money could have been saved in the past few months alone if the Congress had not approved inflationary programs that could have been delayed until the economy has improved.

(2) Recognizing that not only must the federal budget be balanced, but that it must show a surplus for fiscal year 1976 in order to effect a reduction of the national debt.

(3) Recognizing that no federal agency or department should be exempt from mandatory budget cuts and that there must be a moratorium on new spending programs.

(4) Assuring that greatest budget-cutting attention is given to those programs which have increased at the fastest rate during recent years.

(5) Making every effort to implement the letter and the intent of the Congressional Budget Act of 1974, recognizing that it will not be enough to establish reduced budgetary ceilings, but that spending outside these ceilings must not be permitted.

(6) Making certain that savings from budget cuts, along with revenues produced by any additional taxes that might be levied, are used specifically for the reduction of the national debt rather than as funds available for expenditure.

(7) Assuring a continuing effort to improve the administration of the welfare system with a view toward getting people off the welfare rolls and into permanent employment.

(8) Encouraging the creation of more jobs within the private sector, rather than public employment programs, as the means of avoiding excessive unemployment. Specifically, this should be done by:

(a) Urging the nationwide adoption of career education and counseling in at least grades 7 through 12.

(b) Supporting the full implementation of existing work-study and cooperative education programs.

(c) Supporting the full implementation of the Comprehensive Employment and Training Act.

(d) Revising minimum wage legislation to insure that jobs for the young and unskilled are not curtailed by high wage rates that cannot be related to productivity.

(9) Considering programs providing for public employment only after the private sector has been given a full opportunity to function as the "creator of jobs", and then only within geographic areas known to be suffering from an unemployment rate of not less than 6.5% for at least three consecutive months, and where the individuals involved have been unemployed for a minimum of 26 weeks.

(10) Provide tax incentives as a means to escalating capital investment and increasing the supply of capital goods by:

(a) Retaining depletion allowances.

(b) Liberalizing allowable depreciation methods.

(c) Liberalizing the investment tax credit.

(d) Modifying the capital gains tax structure to encourage the movement of capital from stagnated investments to those with greater growth potential.

(11) Continuing support of the Federal Reserve Monetary Policy of moderate tightness as long as inflation and credit restraints are necessary.

(12) Extending the application of antitrust laws to labor unions when their monopolistic powers tend to impede competition and raise consumer prices.

(13) Repealing the Davis-Bacon Act, in order to save taxpayers millions of dollars each year, where government-financed construction is concerned. This will insure that the labor cost involved will be in line with that for local construction projects, rather than based on a higher union scale rate applicable in another area.

(14) Encouraging individuals to save more by providing a tax exemption of up to $500 per individual on incomes derived from personal savings.

(15) Correcting balance of trade and balance of payment deficiencies by developing a selective foreign aid program that considers, first, our own national interest as opposed to the pouring of hundreds of millions of dollars into countries that perpetually delight in turning their backs when the United States needs their support.

(16) Providing a means of substantially lowering the interest rate the U.S. Government must pay on bonds by creating a government security convertible into gold.

(17) Revising the "Clean Air Act", "Water Pollution Control Act", and the "Occupational Safety and Health Act" to reduce the cost of implementation and achieve a better balance between environmental-safety objectives and job creation needed for continuing economic growth.

In adopting this statement, the Birmingham Area Chamber of Commerce expresses its continuing belief that *recession is a direct result of inflation*. While the actions necessary to effectively control inflation are politically unpopular, those in government service are fully capable of developing and implementing an effective control program when their constituents have made them aware that there is a voter mandate demanding immediate congressional action.

The first and most critical step toward stopping inflation is the balancing of the federal budget and reduction of the national debt, and the prime responsibility for correcting the nation's economic woes lies with the Congress.

The Board of Directors of the Birmingham Area Chamber of Commerce hereby directs that this policy statement be transmitted to:

Each member of the Alabama Congressional Delegation.

Selected Chambers of Commerce throughout the nation and to request that these Chambers encourage their memberships to demand action on the part of their Congressional Delegations.

And also that it be publicized locally and nationally, emphasizing our belief that irresponsible deficit spending on the part of the federal government is the major cause of inflation.

SENATOR ABOUREZK LEADS ON INDIAN ISSUES

Mr. McGOVERN. Mr. President, my colleague from South Dakota, Senator Jim Abourezk, has devoted a great deal of time and energy to resolving the thorny problem of legal jurisdiction on and around Indian reservations.

The Rapid City Journal recently published an article which discusses Jim Abourezk's work in this area and legislation which he has proposed. I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Jurisdictional Problem Bill Planned by Abourezk

(By Lyn Gladstone)

Sen. James Abourezk, D., S.D., told the Rapid City Journal Tuesday he plans to introduce measures to settle jurisdictional and law enforcement problems on Indian reservations.

These, he said, will "essentially define jurisdiction" and "vastly improve tribal law enforcement on reservations as well as tribal judiciary machinery."

The first bill, Sen. Abourezk said, would provide that "within the boundaries of a reservation on private (patented) land, tribal courts do not have jurisdiction over non-Indians and tribes will not have the power to tax non-Indians."

Should a non-Indian commit an offense on such land, Abourezk explained, tribal law enforcement authorities would turn the offender over to state authorities. The exception would be with felonies which, on reservations, are subject to federal jurisdiction.

"Non-Indian businesses operated on Indian trust or tribal lands," the Senator said, "will be handled differently because they are subject to tribal law and regulations. A person is aware of that when he establishes a business on or leases such land for other enterprises such as farming or grazing."

Sen. Abourezk said that tribal police "are understaffed and undertrained. Tribal courts do not have law-trained judges in most cases, and there is no appeal procedure. The legislation I am working on will attempt to remedy these problems."

The bill would provide for law-trained judges, he said, and appeals might be to a tribal circuit court. Details on both measures are yet to be worked out.

Sen. Abourezk said he had written Gov. Richard Kneip of his intentions because he was aware "that issues which concern our State's Indian population will be discussed during the current legislative session."

He said he was thus inviting the Governor's comments and "also seeking reaction from every member of the state legislature."

He said that, "As a result of several meetings held throughout the State during the last year or so, I have found that two major problem areas exist—a standard definition of which court should have legal jurisdiction on reservations, and the quality of reservation law enforcement and the judicial machinery."

He added, "It is important to remember, as this legislation works its way through the process, that when South Dakota became a State in 1889, the people disclaimed jurisdiction over Indian reservations. Since the 1968 Civil Rights Act, states cannot take jurisdiction over Indian reservations without the consent of a majority of the adult Indian population on each such reservation.

"Ever since tribal governments were formally organized in 1934, it has been important to the Indian people to retain some kind of control over their own reservations. I believe, if jurisdiction is defined along the lines I have indicated, then the concerns of the Indians regarding their own reservations, and of non-Indians regarding their rights, can be reconciled."

MESSAGE OF VIETNAM

Mr. McGOVERN. Mr. President, the Lawyers Committee on American Policy Towards Vietnam has just recently supplied Members of Congress with an extremely helpful analysis of the issues involved in the request for more than $500 million in supplemental aid to Vietnam and Cambodia.

The assessment of this committee is particularly timely now in light of administration claims that aid can be phased out over several years. In fact, as this analysis points out, even Ambassador Martin has predicted that we will be providing large sums to Vietnam 5 years hence. The World Bank has made dismal projections about the reliance of Vietnam on outside help well into the 1990's—a dependence that I regard as an inevitable consequence of the Thieu regime's refusal to accept the Paris Peace Agreement.

Mr. President, I ask unanimous consent that the message I have described be printed in the Record.

There being no objection, the message was ordered to be printed in the Record, as follows:

Message From the Lawyers Committee on American Policy Towards Vietnam to the Members of the 94th Congress

The 94th Congress, convening on the eve of the 25th Anniversary * of our initial involvement in Vietnam and the 2nd Anniversary of the Paris Agreement of January 27, 1973, faces a critical issue: shall the Congress yield to President Ford's request for $500 million in supplemental military assistance to Saigon and Cambodia at a time when millions of Americans are unemployed, ill-housed, ill-clad and ill-fed, and when the Administration is reducing food stamp aid to Americans and cutting social security adjustments for our senior citizens—or shall it terminate once and for all American intervention in Indochina? Will the Congress continue to underwrite a policy which means endless war in Vietnam and Cambodia or will it call a halt to presidential efforts to impose an American political solution upon Indochina and let the indigenous forces arrive at theirs? Will the 94h Congress, after 359,899 American casualties and the expenditure of $140 billion, and literally millions of Vietnamese, Cambodian and Laotian casualties, accept the Administration's argument that more American weapons and more war will bring peace to Indochina? Or will the Congress, in light of our tragic experience covering 25 years of America's involvement in Indochina, put an end to the nightmarish obsession with Vietnam, terminating forthwith all assistance to the corrupt Saigon regime, and reaffirm in unequivocal terms existing legislation enacted in 1973 prohibiting any American combat role in, over or adjacent to Indochina?

Will the Congress resist the false appeal of the Administration that America's honor and prestige require the fueling of a brutal and destructive war whose purpose cannot be discerned, a war that has uprooted the society of South Vietnam and Cambodia, blasted its cities and countryside, slaughtered and made homeless its bewildered people by the hundreds of thousands, all in the name of saving Saigon's "way of life", as President Ford argued in his televised interview by NBC's John Chancellor and Tom Brokaw on January 23rd.

President Ford, in the interview, would have the American people and the Congress believe that we will see the "light at the end of the tunnel", if we give the Saigon regime an additional $300 million of military weapons. But Ambassador Martin, in his testimony before the Subcommittee on Asian and Pacific Affairs of the House in July 1974, prophesied that, if aid is continued at the requested levels, within five years we would see a South Vietnam to which we will be contributing no more than 50% of all aid coming in—that is to say, not only will the Saigon regime be unable, after five years, to stand on its own, but it will require twice whatever support we will then be providing. (It is not indicated who will contribute the rest.)

Vietnam is a bottomless pit and the Administration's appeal for $300 million additional military assistance to Saigon and $200 million supplemental military assistance to Cambodia is a devious stratagem to shift responsibility for the bankruptcy of the Administration's policy in Indochina to Congress. The American people have been promised "light at the end of the tunnel" for 25 years—but there is no light. In his NBC interview President Ford likens military assistance to Saigon to the money made available for the rehabilitation of Europe after World War II, and the aid given to Israel. But how can the humanitarian and economic aid made available to democratic governments for the rehabilitation of Europe after World War II be likened to the delivery of munitions and weapons of death to the Thieu regime which is the most repressive dictatorial and corrupt regime in the world today? The tiger cages, the total suppression of civil liberties, the unprecedented corruption have stamped the mark of Cain upon the Thieu regime. There is no parallel between the shipment of munitions of death to the Thieu regime and the aid made available for the rehabilitation of Europe after World War II or the aid made available to Israel.

Congress must reject the oft-repeated and totally discredited fiction that just one more dose of American aid will enable Saigon to stand on its own feet. Aid to Saigon has totaled $8.17 billion since the 1973 "cease-fire"—over $11 million a day, aid that has only prolonged the war.

In its attempt to justify its request for more aid to the Saigon regime, the Administration makes repeated charges of violations by the other side of the "Paris Agreement to End the War and Restore Peace to Vietnam". On January 14, 1975 a diplomatic note was sent by our government to the eight nations which were guarantors of the "cease-fire" and the Secretary General of the United Nations asking them to call upon the Hanoi government to halt its military offensive and join the Saigon government in seeking a political solution. In listing the violations by the other side, the note impliedly denies any violations by the United States or the Saigon government and assumes that the Saigon government would accept a political solution which is belied by its actions since the cease-fire.

The evidence is rather the other way on initial responsibility for the breakdown of the cease-fire. In the current issue of *Foreign Affairs*, Maynard Parker, Managing Editor of *Newsweek International*, writes:

"Apportioning blame for the breakdown of the truce is also difficult; two highly respected staff members of the U.S. Senate Foreign Relations Committee found it nearly impossible. In retrospect, I am inclined to conclude that the South Vietnamese were the more guilty party since their actions appear to demonstrate that they never really intended to implement the truce. * * *

"Almost from the moment the Agreement was signed, President Thieu took to the offensive in an attempt to eradicate the Communist ink spots and to confine the Communists to their sanctuaries. * * *

"The second phase, which began on January 4, 1974, with a speech by Thieu ordering the Army 'to hit them in their base areas' and ended in May, 1974, resulted in a marked increase in large-scale offensive operation. * * *"

Maynard Parker's observations on the facts cannot be dismissed as those of one biased in favor of the Hanoi government. His article supports more aid to Saigon because to deny it would mean the collapse of the Saigon government, "condemning the South Vietnamese people to a fate they obviously do not want." The desires of the South Vietnamese people may be subject to differing interpretations, depending on which South Vietnamese one is speaking of, but after all our experience in Vietnam that is hardly a basis upon which to base sound American policy.

It is important to recall that the United States, as a signatory to the Paris Agreement, covenanted that it would "not continue its military involvement or intervene in the internal affairs of South Vietnam" (Article 4), and that it would "not impose any political tendency or personality on the South Vietnamese people" (Article 9).

In presenting the Paris Agreement of 1973 on January 23, Henry Kissinger acknowledged that the arrangement left "open to negotiation, among the parties, the political evolution of South Vietnam and therefore, the definition of what ultimately will be considered by all South Vietnamese the legitimate ruler". Indeed, as Kissinger pointed out on the same ocassion, the identity of the legitimate ruler "is what the civil war has been all about".

It seems clear that the essence of the bargain negotiated at Paris was that the civil war would stop, to be replaced by negotiations between the Provisional Revolutionary Government of South Vietnam (PRG) and the government of the Republic of Vietnam (RVN), i.e., the administration of General Thieu. In this regard, the provisions of the Agreement are definite in their insistence that conditions be created to permit the subsitution of political struggle for military struggle. Article 4 prohibits U.S. intervention in South Vietnamese internal affairs. Articles 5 and 6 call for the "total withdrawal" of American advisers and paramilitary personnel and the "dismantlement" of U.S. military bases. Article 8(c) calls for negotiation looking toward the release of political prisoners within ninety days, which Protocol C declares shall not be denied or delayed for any reason. Article 11 establishes the necessary civil liberties for political competition, including freedom of speech, press, movement and assembly. Article 12 calls for the formation of a three-part National Council of National Reconciliation and Concord, and assigns it the responsibility to organize national elections deisgned to select a South Vietnamese Government that commands allegiance from the entire population. That should satisfy Kissinger's goal of finding out—by political, rather than military means—who is the legitimate ruler of South Vietnam.

These expectations embodied in the Paris Agreement have not been satisfied. The cease-fire has been persistently violated. According to reliable estimates, close to 10,000 U.S. personnel are helping Saigon stay in power. Political prisoners, estimated by the cautious Amnesty International to number 100,000 and placed by other qualified observes at 200,000 or more, have not been released. The Thieu regime has clamped down harder than ever on civil liberties of the sort guaranteed in Article 11. No National Council of National Reconciliation has been formed (blocked by Thieu) and general elections under impartial auspices are not in the offing. Thieu has never made any secret of his refusal to abide by the terms of the Paris Agreement; Saigon's violations have been flagrant, numerous and pervasive.

Nor can it be overemphasized that the Paris Agreement brought about the release of American prisoners of war. In addition to the obligations assumed by the United States under the Paris Agreement previously mentioned, the United States covenanted that it "will contribute to healing the wounds of war and to postwar reconstruction of the Democratic Republic of Vietnam . . ." (Article 21).

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* In 1950 the State Department, panicked by Senator Joseph McCarthy's invention that it was staffed by Communists, initiated our involvement which ultimately led to underwriting 80% of the French war effort in Indochina.

Thus we see that obligations solemnly undertaken under the Paris Agreement have been dishonored by our government. We continue to intervene in the internal affairs of South Vietnam and our dollars, if not our soldiers, continue to be militarily involved. Our commitment to postwar reconstruction of North Vietnam and throughout Indochina has been wholly ignored although that obligation, solemnly undertaken, was the central provision of the Paris Agreement through which we obtained the release of our prisoners.

In recent weeks we have heard the Secretary of Defense warn Hanoi that the American people and the Congress "might well authorize the use of American force", and we have admitted the violation of North Vietnamese air space by reconnaisance flights. Remarks about "aggression" emanating from the Defense bureaucracy echo the war cries of ten years ago when our military intervention began to escalate. The Pentagon Papers have established how false that claim was then. The State Department has issued its diplomatic note about alleged truce violations and has erroneously cited the Vienna Convention on the Law or Treaties to bolster its argument; it has even objected to United Nations cooperation with the Provisional Revolutionary Government in South Vietnam, a party to the Paris Agreement, in attempting to aid children and refugees in the South.

Such orchestration has the obvious purpose of building a climate of opinion in the Congress and among the American people favorable to further military adventurism such as marked the breakdown of the Geneva Accords of 1954.

Yet the fundamental fallacy is the notion that more American intervention can bring peace. The tragic experience of twenty-five years should teach us that our involvement can only prolong the conflict. To escalate the American role now is to pursue the old delusion that we can impose our settlement on the Vietnamese.

The 94th Congress must confront the issue of whether we repeat the major blunders of the past twenty-five years, whether we continue on a course of lawlessness and disorder in the community of nations, whether we condemn the Vietnamese to another generation of bloodletting, bombing and barbarism, and, indeed, another generation of Americans to civil strife and protest—or do we end this obsession here and now.

EXTENSION OF THE NATIONAL FUELS AND ENERGY POLICY STUDY—PROPOSED AMENDMENT TO SENATE RESOLUTION 66

Mr. INOUYE. Mr. President, the ad hoc committee on coordinating energy legislation of the Democratic conference, which I have the honor to chair, has proposed amendment No. 10 to Senate Resolution 66. This amendment, which my friend and colleague, Senator Randolph, submitted on our behalf would extend the life of the National Fuels and Energy Policy Study for an additional year, adding membership from the Committee on Aeronautical and Space Sciences.

The study group has been fortunate to have as its chairman, Senator Henry M. Jackson. Representation of the study panel from the Interior, Public Works, Commerce, Joint Atomic Energy, Finance, Foreign Relations, Government Operations, and Labor and Public Welfare Committees has assured inclusion in the study of the perspective of those committees which handle the bulk of energy legislation.

The addition of the Senate Committee on Aeronautical and Space Sciences to the study group makes eminent sense given the important role that solar energy can play in providing a new and economical source of nondepletable energy.

The need for prompt and effective congressional action in the energy field is disputed by no one. The Democratic conference task force on energy and the economy under the able leadership of Senator Pastore is now developing a comprehensive energy program, which, unlike that proposed by President Ford, will be aimed at easing our dependence on foreign oil without doing irreparable damage to our teetering economy. The work that has been done in the past by the study group will ease the task of the Pastore panel. In addition, the study group upon completion of proposals by Senator Pastore's task force will provide a forum for limiting potential jurisdictional disputes that are inevitable in forging any comprehensive energy legislation and can assist in the day-to-day coordination of Senate consideration of energy bills.

The ad hoc committee recognizes the need to continue its deliberations regarding potential reorganization of the Senate committee structure and reform of Senate rules as they relate to the consideration of energy legislation. Accordingly, we shall continue in existence keeping open the prerogative of future recommendations in this area.

NICOTINE: PROFILE OF PERIL

Mr. MOSS. Mr. President, hopefully, sometime this year the Senate and the House will be given an opportunity to vote on elimination of subsidy payments for the growing of tobacco and the elimination of other advantages given to the tobacco industry in order to encourage more production, and consequently, more consumption of tobacco products. It seems incredible that the Federal Government continues to spend money to encourage the growing of a product which it has branded as a cause of disease and death among our people and for which large amounts of money are spent each year to teach the dangerous effects of cigarette smoking and to warn against the practice.

Because many continue to argue that there is "no proof" of the deleterious and even lethal effects of smoking tobacco, I ask unanimous consent to have printed in the Record following my remarks a copy of an article which appeared in the Reader's Digest of September 1973 entitled "Nicotine: Profile of Peril," by S. S. Field. I hope that this is the year when we can at least stop subsidizing tobacco and seriously undertake to educate our people not to smoke tobacco. Our national health demands this.

There being no objection, the article was ordered to be printed in the Record, as follows:

Nicotine: Profile of Peril

(By S. S. Field)

At a glance, the mother of the two attractive teen-age girls might have been mistaken for either of them. That was yesterday. A glance today reveals a nightmare—a naked body on an autopsy table, its torso blood-smeared, its face a mask of horror. The scalp has been peeled back like the skin of a grapefruit, and there is only a cavity where a brain once functioned. Death, says the medical report, resulted from a cerebral tumor.

The man was a prominent lawyer in a large southern city. Now he is propped upright in a hospital bed, staring vacantly into space. Into eternity, in fact, for he is dead. "Heart-muscle failure," says the medical certificate.

The wife of the dean of a midwestern community college comes home from shopping, opens the door to her husband's study—and screams. The dean lies in a muck of blood, his once vital brain making a floral pattern across walls and ceiling. "Self-inflicted gunshot wound," says the coroner's report.

Three deaths, three certifications: cerebral tumor, heart attack, suicide. Yet behind these three seemingly unlike verdicts lies a frightening truth: each of the deaths, in greater or lesser degree, was caused by the same socially acceptable, legally sanctioned drug—a drug that is sold over the counter in 565 *billion* doses a year. The drug is called nicotine, and it comes in the cigarettes that so many of us consume so slavishly. *Had it not been for nicotine, these three deaths might not have occurred.*

In the case of the cerebral tumor, examination of the young mother's brain tissue identified the cancer as a cell type commonly originating in the bronchi of heavy cigarette smokers. From there it spreads easily into the bloodstream, from the lungs through the myriad capillaries of the body, to invade other organs—and the brain is a favorite killing ground. The mother, it should be noted, was a heavy smoker and, as expected, the primary lesion was found in her lung.

In the case of the heart-muscle failure, an autopsy revealed the lawyer's heart to be normal; there was no evidence of thrombosis (clotting). But the man had been ordered not to smoke, because he was under observation for a painful heart condition called angina pectoris. The order was meant to be absolute, for nicotine's "kick" is actually a chemical shock acting on the ganglia of the involuntary nervous system, including the nerves of the heart and arteries. But the lawyer couldn't resist, and had lighted up a forbidden cigarette. Because the man had been heavily addicted to cigarettes, his heart muscles had been sensitized by the nicotine. In this stage of hypersensitivity, an associated spasm of the coronary arteries, caused by nicotine, was sufficient to decrease the blood supply to the sensitized heart muscle and to cause a change from the heart's normal rhythmic beating to a twitching action (ventricular fibrillation). Death followed.

The suicide was an open-and-shut coroner's case. "Death was sudden . . . in ill health for some time," read the tactful obituary. But the dean's family and friends knew that his life had been destroyed by his pathological addiction to nicotine—that his habit had become a form of suicide, and that he had blown off the top of his head when the agony of smoker's emphysema had become too much to bear.

Clearly, nicotine is a dangerous substance. At a siminar on addiction, habituation and the pharmacology of tobacco, held during the 34-nation First World Conference on Smoking and Health in September 1967, there was general concurrence that the presumed action of nicotine "would link smoking dependence with other major forms of dependence, *such as heroin and alcohol.*"

Although most smokers of the 1½ billion cigarettes lighted each day in this country don't realize it, the stimulus they inhale is a volatile, poisonous alkaloid chemically known as $C_{10}H_{14}N_2$ and pharmacologically categorized as an organic nerve drug so powerful that a one-drop injection would cause instant death. In fact, it is believed that *the drug action of nicotine is a primary cause of more deaths each year than are caused by the most frightening of the hard drugs, heroin.*

The possible explanation for nicotine's deadliness is that it may chemically interact in such a way as to open the door to a whole battery of cancer-producing agents, poisons and lung-pollutants in cigarette smoke. On the basis of progressive increases in mortality from cigarette smoking, these substances are now the primary contributory causes of 360,000 *known* deaths a year—an average of 1,000 a day.

Among the potentially deadly emissions of cigarette tobacco are at least 7 known and a large number of suspected carcinogenic (cancer-producing) polycyclic hydrocarbons—listed as such by the National Cancer Institute. There are also 15 to 20 volatile substances which are either irritants or poisons, with parts-per-million (ppm) concentrations that are eye-popping. Hydrogen cyanide, for example—one of the deadliest poisons—is present in cigarette smoke in concentrations of 1,600 ppm (compared to a "safe" industrial level of 10 ppm). And carbon monoxide has a concentration in cigarette smoke that is at least *1,000 times greater* than the allowable environmental level.

Today the mortality from cigarette smoking is nearly seven times our annual death toll from highway accidents—a fatality rate that surpasses, in two months, our total loss of American lives during 12 years of the Vietnam war.

So much for the *known* deaths caused by cigarette smoking. What of the *unknown* deaths? Cardiovascular disease, for example, is responsible for more than a million fatalities a year in this country—better than half the total from all causes. According to Dr. Alton Ochsner, head of the famed Ochsner Clinic in New Orleans and one of the world's foremost lung-cancer surgeons, the number of cardiovascular deaths actually caused or provoked by cigarettes—but unrecorded as such—is shockingly high. Dr. Ochsner cites three medical conditions which contribute to this:

OXYGEN STARVATION

The bronchopulmonary diseases—in particular emphysema, which is almost exclusively a smoker's disease—place severe strains on the heart as a result of oxygen deficiency caused by the destruction or congestion of the lung's alveoli, those infinitesimal air sacs in which the carbon-dioxide wastes carried by the blood are replaced with oxygen. At one medical center, pathology reports showed that *30 percent* of the patients diagnosed for congestive heart failure also had emphysema.

RACING HEART

Nicotine stimulates an increase in heart rate of as many as 20 beats a minute. This increase may last for as long as 20 minutes after smoking—which for most smokers means as many as *10,000* extra beats a day. That's a punishing amount of extra work for a heart.

CIRCULATORY PROBLEMS

Nicotine's final blow to the heart is its vaso-constrictive effect. This potent drug causes a convulsive arterial occlusion—actual constriction of the blood vessels—which can produce drops in temperature of fingers and toes of as much as 10° F. with the inhalation of one cigarette.

How serious is the epidemic of death and disablement caused by cigarettes? In 1971, a report from Britain's Royal College of Physicians said: *"Cigarette smoking is now as important a cause of death as were the great epidemic diseases such as typhoid and cholera and tuberculosis that affected previous generations in this country."* Indeed:

All the epidemics of typhoid throughout Western Europe since the beginning of the 16th century have caused fewer estimated deaths than the total known to be caused by cigarettes in one year in the United States alone.

Cigarettes have accounted for more fatalities than were caused by TB epidemics in Europe throughout the 19th century.

The current annual cigarette mortality in this country surpasses the estimated total for all of the known epidemics of yellow fever in history.

What can be done?

First, the time has come to expose a legal absurdity. In 1905, in an alleged political trade involving support of the tobacco-state Congressmen for the Food and Drug Act of 1906, tobacco was removed from the U.S. Pharmacopoeia (listing of drugs), which in effect rendered it immune to control under the Act. Since then, however, several poisonous substances—which *are* controllable—have been found to exist in tobacco smoke in violation of environmental and consumer protection laws. Clearly, the "immunity" enjoyed by tobacco is illusory.

The facts are, as mentioned earlier, that at least 7 *known* cancer-producing agents and 15 to 20 *known* toxicants are going into the mouths of 56 million people at an average rate of 27 times a day and, 90 percent of the time, directly into their lungs. Tobacco's immunity should be withdrawn.

Second, we need a "completely safe" cigarette law similar to the hazardous-substance laws that ban unsafe ingredients from food, drugs, cosmetics, clothing, children's toys and other household products. In fact, a less hazardous, even perhaps safe cigarette is now entirely feasible. The use of tobacco strains containing little or no nicotine, combined with selective filtration technology, would almost entirely eliminate the dangers of smoking. But it would also eliminate the possible addiction factor which has made cigarette manufacturing so lucrative. The process therefore meets with stiff resistance from the powerful tobacco lobby.

The third action is a matter of individual conscience. The Talmud says that "He who saves one life, it is as though he has saved the entire world." Fifty-six million Americans have the opportunity to do just that—by putting out their last cigarette.

WOOD FOR THE FUTURE: OUR FORESTRY INCENTIVES PROGRAM

Mr. McGOVERN. Mr. President, just as this society must give greater attention to planning ahead for future sources of nonrenewable resources such as energy and mineral, so too must we give increased thought to our supplies of renewable resources such as food and timber.

Two initiatives of the Congress during the 93d Congress do just that in our forestry sector—the renewable resources management and planning program which the Forest Service is beginning to implement, and the forestry incentives program of the 1973 farm bill which the administration is seeking to kill.

An instructive and understandable article by Thomas McCarthy in the February issue of Mainliner magazine makes the point that fully 60 percent of America's commercial forest land is owned by individuals, primarily in blocks of 70 or fewer acres.

It is this great majority of our timberland that the forestry incentives program is designed to reach with its 50–50 cost-sharing programs. The program is so essential to the American future that it deserves better than the ax of the Office of Management and Budget.

My hope is that the Congress will not accede to unwise budget cutting any more than it should accede to excessive cutting of our timber stands. Mr. President, I ask unanimous consent that the article which I have described, entitled "Seeing Our Forests for the Trees," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SEEING OUR FORESTS FOR THE TREES

(By Thomas McCarthy)

Brace yourself for some good news, America. Through a combination of advanced forestry practices and innovative manufacturing technology, we can have as much wood as we need to meet future demand.

And now the bad news. We aren't doing what we already know how to do and if we don't act soon there's a good chance we'll run short of wood before the turn of the century—25 years from now.

Part of the reason for the inaction is that a good many Americans seem to know things about the forest resource that aren't true. Simple things, such as where the forest grows, how big it is, who owns it and what difference that makes in this age of concrete and steel, glass and plastic.

According to the wood products industry, opinion surveys suggest there just isn't a solid fund of common knowledge about forests and the state of the resource among a broad cross section of the population. And what the public doesn't know in this case can really hurt.

Take forest location for openers. If those surveys are correct, most people think the American forest is out West somewhere, perhaps beyond Laramie. Not so. Without counting Hawaii and Alaska, more than 60 perecnt of the American forest is east of the Mississippi. New York state, for example, is 57 percent forest land, with about 17.4 million acres of trees. Georgia has more forestland than Colorado—about three million acres more.

Even New Jersey, one of the most densely populated states in the U.S., is more than half forest land.

If you missed the first question, chances are you'll miss this next one, too: How big is the American forest? About one-third of the total U.S. land area, approximately 754 million acres. Most people guess a far smaller figure. They also find it surprising that we still have about 70 percent as much forest as was here the day Columbus discovered the New World.

About two-thirds of today's forest is classed as "commercial forest land," a formal descriptive forestry term that means those acres are available for, and capable of, growing trees as a renewable crop. The remaining third is noncommercial in terms of timber use and includes the nation's parks, wilderness areas, primitive regions and other special-use areas not managed for timber production.

Almost nobody gets the next question right: Who owns the American forest? Most assume that industry owns the lion's share. But that's a bad guess.

Individuals own about 60 percent of the commercial forest land in America, mostly in blocks of 70 acres or less. Many of these small landowners are farmers, but an increasing number are absentee landlords who have purchased rural property for investment, recreation or retirement.

The next largest forest landlord is government: state, federal and local governments control about 28 percent of the commercial forest. The federal government is the biggest factor, by far, with 22 of the 28 percent. Industry comes in a somewhat distant last, owning 13 percent of the commercial forest land.

The list of misconceptions goes on and on. One of the most exasperating to industrial foresters is that most people think the term "wilderness" means about the same as park or even wooded area. Far from it. The legal definition is far more stringent, excluding roads, vehicles, permanent structures and more. The law tries to preserve the land in its wild state without evidence of the hand of man. Only two percent of the U.S. population has ever visited a wilderness area.

Then there's the redwood area, home of a dozen major misconceptions. A lot of people think the redwoods are gone, or going fast. But the Society of American Foresters' Northern California Section claims there are more redwoods growing today than a century ago—and in about the same growing range. The average annual yield and the average annual growth are in balance, with the yield at about 900 million board feet.

Then there's the assumption that because some redwoods live a long time they grow slowly. The fact is, the redwood is one of the fastest growing conifers, the only one that readily reproduces itself either by dropping seeds or sprouting from the established root system.

Then there's the old saw about substitute materials replacing wood products. That would be impossible. More wood is used annually (by weight) than all minerals combined according to the American Forest Institute. So there simply isn't enough of anything to replace wood.

Still, a lot of people imagine wood to be slightly old-fashioned, probably because wood is used in so many forms that don't look like wood.

The wood building materials in stores, offices, schools and churches are obvious enough—and since 80 percent of America's homes are built with wood, that's obvious too. But wood fiber, wood cellulose and wood chemicals are in a bewildering array of other products that don't look in the least like trees—including photographic film, perfumes, ice cream, pills, artificial blood plasma—hundreds of items that people want or use every day.

There's always paper. Most people quickly make the connection between wood pulp and newspapers, books, magazines and grocery sacks. But few remember there's paper in a thousand other places such as auto engine oil filters, electric cable, plasterboard walls—even in satellite communications equipment.

The hard and unavoidable fact is that wood is a primary building block of civilization. That's why wood products industry observers are increasingly concerned about the forest resource information gap. They see a wood shortage in the next 25 years if we don't act now to prevent it. Forecasts indicate that we're going to need twice as much wood in 1998 as we needed in 1974, and right now we're not growing wood fast enough to meet that rate of growth in demand.

Since individual landowners and government combined control something like 87 percent of the commercial forest, it follows that broad public awareness is essential to any solution. Fortunately, there is a solution. We can grow more wood and faster in the future than we have in the past.

Industrial forestry has proved that intensive management can greatly increase wood growth compared with what unaided nature produces in a wild forest. Intensive management is part of the reason that industrial forest land today produces 62 percent more wood per acre than government lands and 42 percent more than individual landowners.

The practices used by industry would be familiar to any farmer in theory: rapid regeneration of the forest to keep the land in production; use of the best available seed stock; careful spacing of the growing crop to assure optimum sunlight, moisture and soil nutrients; fertilization to encourage rapid growth.

Professional foresters say that America's forests, if managed intensively, can meet the challenge of the future—that we can produce enough wood to meet a doubling in the demand. The stakes are high. America already has experienced temporary shortages of wood products—and corresponding increases in price.

Problems have ranged from merely uncomfortable—such as the toilet paper shortages that occurred in a few Eastern urban centers last year after panic buying diminished normal inventories—to some profound influences on the way people live in America—the increasing costs of land, money and building materials threaten to make this the last generation of homeowners.

According to the American Forest Institute, there are at least three steps that can be taken now to ensure an adequate wood supply in the future.

The first is to fund United States Forest Service programs intended to increase the level of commercial forest land management generally and to restock idle public lands that could be brought back to productive forests.

The second is to provide incentives for the millions of small landowners to institute some of the growth-enhancing practices perfected by industry.

Finally, the third is to protect the commercial forest from unnecessary or extravagant withdrawals of land for uses that exclude management of the forest for renewable crops of timber. The task is to balance the need for certain kinds of special use areas—such as wilderness and parks—with the need for wood products.

Three big, and important steps. But all three quite possible, at least from a technical standpoint. The technology exists to get on with the work right now. The professional skills are available. So is the source of funding—with the forest resource, wise investment now means higher return later. All that's left is to close the information gap.

CAMBODIA: A NATION OF HUNGER, WAR, AND DESPAIR

Mr. KENNEDY. Mr. President, last month, the Subcommittee on Refugees, of which I am chairman, released a preliminary subcommittee report on humanitarian conditions in Indochina on the second anniversary of the cease-fire agreement for Vietnam.

In that report, the subcommittee estimated that:

> Well over 50 percent of Cambodia's 6,000,000 population are refugees—and there were 60,000 new refugees generated by the war since January 1, 1974.

By official count alone, civilian war casualties in Cambodia during 1974 averaged 7,000 per month for a total of 84,000.

And today in Cambodia, the high level of violence continues unabated. Each day of war brings another day of human suffering.

While the lingering war in Cambodia continues to rage on, we should not lose sight of those who have nothing to gain, but most to lose from the war—the civilian war victims and refugees of that nation.

Ammunition, rather than food, is reaching Phnom Penh today. The hungry and wounded of the city go unfed and uncared for as the siege tightens. Children are dying from malnutrition and disease, and medical assistance is in short supply. More than ever before, as life in Cambodia becomes more precarious, the administration is proving its commitment to armies—rather than to people.

What Cambodia needs today is not more ammunition—but rather our diplomacy to help end the war and bring relief to a desperate nation.

Mr. President, I ask unanimous consent that two articles which speak of the humanitarian problems of the Cambodian people be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, Feb. 15, 1975]

HUNGER STALKS PHNOM PENH—UNDERNOURISHED CHILDREN DIE IN SQUALID CAMPS

(By H. D. S. Greenway)

Phnom Penh, Feb. 14.—Although this capital has enough rice on hand to feed the population for several weeks in the event of a prolonged blockade, instances of severe malnutrition are already rising here, and children are dying of starvation.

The situation in the isolated garrison towns, such as Neak Luong on the Mekong River, is even worse.

The food may be here but prices are so inflated that the very poor cannot buy enough to feed their families adequately, and the new wave of refugees since the current dry season offensive began has swamped the meager relief system.

"Before the upsurge in fighting began in January we thought we were gaining on the malnutrition problem," the chief physician of the Catholic Relief Services mission here, Dr. Gay Alekander, said in a recent interview. "But now the refugee population is slipping downhill fast."

Cambodia has become a country of refugees. One sees them choking the dusty roads in ox carts and on foot, fleeing every time the war sweeps near their villages. The government estimates that 2.2 million people have been dislocated since the war began five years ago. The total population of the country is only seven million, but no one here knows the situation behind the rebel lines where at least one-third of the people live.

Unlike Bangladesh or India there is no great pressure of population on available resources here. Before the war, driving through what is now devastated and depopulated countryside, one used to be impressed with the abundance that even the poor enjoyed. Malnutrition and starvation here are the result of seemingly endless war.

Phnom Penh's population has grown from about 600,000 since the war began to more than 2 million. Efforts are made to keep refugees out of the city now, and in January barricades were put up outside of town. Many refugees are now settled in straw huts on the roads leading into the capital where they have very little clothing. Many gather around complaining that they have not enough to eat.

Most of the refugees melt into the local population and live with relatives and friends—getting on as best they can off the local economy. But about 70,000 are still in grim camps.

The unfinished Cambodiana Hotel, on the banks of the Mekong, was once Prince Sihanouk's dream for a modern first-class hotel.

Today the Cambodiana is a nightmare, with refugees living in squalor among the unfinished hallways and rooms designed for tourists and cooking fires in the cave-like lobby where steel rods stick through the gray cement.

World Vision, another relief agency here, operates a clinic in the Cambodiana where their medical team leader, Dr. Penelope Key, sees on an average 250 children a day. About 75 per cent of them nowadays are suffering from malnutrition, she said.

Forty of the children she examined today were suffering from malnutrition severe enough to warrant hospitalization, "but we had beds enough for only three," she said. One child died of malnutrition in the clinic this morning, she added, and three more died last night in the child nutrition center which World Vision runs.

The government has a program to give new refugees, who usually arrive with nothing but the clothes on their backs, 300 grams of rice a day about two small bowls. Refugees who have been in the camps longer get 150 grams a day.

The Americans in Vietnam once calculated that a Vietcong living in the forest needed a minimum of 700 grams of rice a day to keep fighting.

The relief rice is paid for mostly by the American aid program—14 million last year—and distributed by volunteer agencies such as CARE, World Vision, Catholic Relief Service and the Red Cross. The volunteer agencies try to supplement the rice diet with fish and vegetables, and they try to feed refugees soup here and in the provinces still under government control. The current increase in refugees has been too much for them to cope with, however.

The majority of the poor receive no aid at all and inflation has made it very difficult for families to get enough food.

For example, the price of rice has increased from 240 Cambodian riels per kilo (2.2 pounds) in December to about 340 riels today. A year ago rice cost 80 riels per kilo, and in 1970 a kilo of rice cost about 8 riels. The riel has been devalued several times since 1970 and now is set at 1650 to the dollar.

Cambodians used to supplement their diets with fruit and fish, but many people now "cannot afford even one banana for a child," Dr. Key said. "Even fisherman must sell their fish to buy rice and cannot give fish to their families and we are now beginning to see vitamin B deficiency among children as well as vitamin A, which leads to blindness."

Often the worst off, as far as malnutrition is concerned, are the wives and children of soldiers. Many of them travel with the troops. They are shifted about rapidly from one front to another and the pay is poor and irregular. The fighting men take priority as far as food is concerned and often there is not enough for the families.

I have seen soldiers refuse to be transferred to another front unless they could take their rice with them, but often there is not room in the helicopters.

Phnom Penh's Olympic Stadium, once the site of the Asian Games, now looks like a Calcutta refugee camp with the families of soldiers living in misery in makeshift lean-tos and tents cooking over small fires in the stands.

[From the Christian Science Monitor, Feb. 19, 1975]

Cambodia Suffering Mounts—Malnutrition Spreads Among the Poor

(By Daniel Southerland)

Phnom, Penh, Cambodia. Growing signs of malnutrition among the poorer inhabitants of Phnom Penh have relief workers much more worried than the sporadic rocket fire which threatens this beleaguered Cambodian city.

The problem is one which ought to be worrying Phnom Penh military officers as well, because the indications are that the families of poorly paid government soldiers are being hit harder by food shortages than any other group.

The preliminary results of a survey supervised by CARE, the American relief organization, show that while malnutrition was already a problem among poor families a year ago it has now become a "severe" problem which is likely to get worse before it gets better.

The survey results will come as no surprise to the physicians and relief workers who have already have engaged for some time in a fight to combat malnutrition in the Cambodian capital.

FUND DRIVE LAUNCHED

The Catholic Relief Service, CARE; and World Vision, a Protestant organization, have been involved in a major American-funded refugee relief effort for more than a year now—with an emphasis on feeding children.

They have discovered that some of the people living in refugee camps are now a good deal better off than many of those livnig outside the camps. Along with the hard-hit families of government soldiers, refugees living outside organized camps are among the main victims of malnutrition—and they far outnumber those who live in the camps.

One does not see a degree of malnutrition here as widespread as that which is in evidence in Bangladesh or some parts of India. But the contrast between the current situation in Cambodia and that of the pre-war days is striking.

Before the war, food was plentiful. Cambodia had a surplus of rice to export. Now, after nearly five years of war, this is a country which depends to a great extent on American-financed imports of rice.

INFLATION RATE STAGGERING

The war has also helped bring on a staggering rate of inflation. Prices rose, on the average, at least 250 percent over the past year. Last September, official rice prices tripled.

A United Nations expert has calculated that it would now take an income of about $38 a month to feed properly a family of five in Phnom Penh. But the average income of a teacher is around a third that amount, and some Cambodian workers barely make one sixth that amount.

This economic squeeze, and the growing malnutrition which has accompanied it, are not problems which just suddenly arose after the latest insurgent offensive began on New Years day. They have been building up over a period of years.

FOR THE ELDERLY: "HOMES" OR HOME CARE?

Mr. WILLIAMS. Mr. President, the Special Committee on Aging, on which I now serve as ranking member after having served as chairman, has given considerable attention to the need for greater use of home health services in the United States.

We who serve on the committee recognize that good institutions—hospitals, nursing homes, and so-called domiciliary facilities—are essential for those who need the services that are best provided in such settings.

But we also feel that quite often persons who could remain in their own homes—given help with housekeeping or certain forms of care—sometimes find themselves in institutions because more appropriate care is not available.

In short, the committee wants good institutions when institutional care is needed and it wants sound alternatives when those alternatives are better. It is not a matter of either/or.

For these reasons, I was impressed by an article which appeared in the January 15 issue of Justice a publication of the International Ladies Garment Workers Union. That article quite properly pays tribute to an excellent series of reports being issued by the Subcommittee on Long-Term Care of the Committee on Aging.

That subcommittee, so well led by Chairman Frank Moss of Utah, has called for better nursing home care while recognizing the need for adequate home health programs. Excerpts from the subcommittee's continuing report on "Nursing Home Care in the United States: Failure in Public Policy," are provided and they help make the case for a much better-balanced health care system than is now the case in this Nation. Furthermore, the article gives helpful information on home health care in Britain, Sweden, Denmark, and Norway.

Mr. President, I believe that the Justice article is worthy of widespread attention, and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Home Care or "Homes" for the Elderly?

Within the lifetime of a 75-year-old American, medical science has made the biblical promise of three score and ten a reality for most Americans. The average life expectancy at birth is 70 years and those who reach their 65th birthday can, on the average, expect to live another 15 years. The over-75's are the fastest growing age group in the population.

But with a longer life come many problems: no longer able to work, the elderly must rely on social security and modest pensions (if any) to meet rising living costs; the need for medical attention increases as relentlessly as the cost of that attention; and eventually the ability to care for oneself diminishes and such care must be provided by others.

During the past decade, care of the elderly increasingly has been provided by nursing homes. This is due in part to the introduction of medicare and medicaid, which made this expensive solution accessible to all, and in part due to changing social and economic patterns which made care by relatives burdensome.

But nursing homes, whose total beds now outnumber those in general hospitals, have become the shame of the country, providing services which are at best cold and impersonal and at worst cruel and inhumane. A recent report by a congressional committee investigating the subject concluded: "To the average older American, nursing homes have become almost synonomous with death and protracted suffering before death."

Other countries, which also have large elderly populations, are facing the problem in another way. Great Britain, Sweden, Denmark and Norway, for example, have geared their public policy to providing as much supportive home care as necessary to enable elderly persons to remain in their own homes or specially constructed apartment and dormitory complexes.

In this country many have argued in favor of home care as an alternative to impersonal institutions. Congressman Edward Koch (D-N.Y.) points out that it will not only lead to more humane treatment of the elderly, but will result in substantial savings to the taxpayer.

In a recent letter to The New York Times, Koch estimates that, depending on the level and intensity of care, many elderly persons could be maintained in their own homes for between $3,000 and $9,000 a year compared to nursing home costs in New York City of

$12,000 to $13,000 on the average. "Most important," Koch says, home care "allows the elderly to maintain the dignity and independence which is so often snatched from them in the impersonal and bleak halls of the nursing home."

A major document concerning nursing home conditions is the report issued in December by the Subcommittee on Long-Term Care of the Senate Special Committee on Aging, which will be followed up by supporting papers issued on a monthly basis. The committee is chaired by Senator Frank Church (D-Idaho) and the subcommittee chairman is Senator Frank E. Moss (D-Utah).

That report, while recognizing the need for a certain amount of intensive nursing home care, also is clearly in favor of reducing such care to a minimum and instead promoting home help programs which will allow many elderly people to remain in their own homes. An appendix in the committee's report details how such a home-help program in Minneapolis saved taxpayers' dollars.

The committee report noted that medicare payments for home health benefits (now strictly limited) have actually dropped in recent years to less than 1 percent of total expenditures. Some recommendations for reversing this situation are: elimination of the requirement of "skilled help" to allow reimbursement for homemaker services (housework, grocery shopping, cooking) as well as basic medical attention; federal grants to assist in the formation of home health agencies; and an experimental program to subsidize families to take care of their own elderly.

For the taxpayer, the cost of nursing home care has become huge. Medicaid pays about 60 percent of the total $7.5 billion nursing home bill and medicare kicks in another 7 percent. Thus, two out of every three dollars going to nursing home operators are contributed by taxpayers.

But the cost in human terms is even greater. At the very beginning of its report, the Senate subcommittee concludes:

". . . the subcommittee must reluctantly subscribe to the major finding of this survey: a coherent, constructive and progressive national policy has not yet been developed to meet the long-term care needs of the elderly.

"As a result, millions of older Americans who have already received care in nursing homes have not yet received maximum help. In many cases they have not even received humane treatment. And in an alarming number of known cases, they have actually encountered abuse and physical danger, including unsanitary conditions, fire hazards, poor or unwholesome food, infections, adverse drug reactions, overtranqualization and frequent medication errors. In addition, they have been exposed to negligence on the part of nursing home personnel. The net impact is that far too many patients have needlessly sustained injury and, in some cases, death."

The inadequate control of drugs was called by the committee "one of the most critical and far-reaching problems confronting the nursing home industry." Untrained personnel have administered the wrong medication or wrong dosage to unsuspecting patients. But the extensive use of sedatives to keep patients "out of the way" is by far the most prevalent and harmful practice.

(In fact, Peter H. Franklin, special assistant to the U.S. Secretary of Health, Education and Welfare, at a news conference last week cited a recent HEW study of more than 300 nursing homes across the country and observed that "one thing that did come to light was over-drugging of patients. The improper handling, overuse and misuse of drugs came out very clear.")

The committee was surprised by the breadth of the nursing home problem, sadly concluding that abuses are not limited to isolated cases or a few shady operators. "The appropriate question," the committee wrote, "is how many nursing homes have serious and life-threatening violations? Applying this analysis and on the weight of the evidence, the subcommittee concludes that over 50 percent of the nursing homes in the United States are substandard."

The number of people affected is also substantial: while only 5 percent of Americans over 65 are in nursing homes at any one time, the committee estimated that one in every five elderly persons will enter a nursing home sometime before they die.

Most old people and their families view the prospect of a nursing home with "despair and desperation," the committee concluded. And well they might, given the catalogue of horrors reported by the committee and other investigators.

It is significant that in its list of a dozen nursing home abuses, the committee provides one category for "Deliberate Physical Injury." Testimony was provided on case histories where a patient who was taking too long to die was suffocated by a nursing home operator so she could go shopping, where a 93-year-old patient was punched in the face for dropping a cup, and where patients were tied, gagged, beaten and choked.

Such deliberate acts are rare, but more common ones generated by carelessness or improper procedures are often just as fatal and cruel. Disabled patients are left in one place all day with no one taking them to the bathroom; senile patients with a tendency to wander are restrained by straitjackets or drugged; injuries are ignored; urine and feces are left uncleaned.

For the profit-minded operator, fixed government payments provide little incentive to improve facilities. So to boost profits, many nursing home operators "cut costs" by serving small portions or unwholesome food, hire a skeleton staff at the minimum wage and refuse to buy needed items of clothing for patients. The untrained, often hostile employee can be the worst danger, inflicting injuries through carelessness or intention, stealing money and possessions from patients, or just creating a cold, institutional environment.

Psychological damage can be done by cruel jokes such as laughing at patients who stumble or are incontinent. One case was reported where an orderly, who wanted to finish her rounds early, got an elderly woman to go to bed at 6 P.M. by telling her that her son was coming the next day to take her home.

The subcommittee, without reducing the culpability of nursing homes and their operators, concluded that the roots of the problem stem in large part from the public's attitude towards aging and the aged. Because we find old age and death repulsive, we want to keep those that remind us out of sight. Thus, as the committee said:

"In the final analysis, nursing homes are, and will be, what the American public insists they become."

IN BRITAIN

While all countries strive to be humane in their treatment of the elderly, Great Britain goes a step further and offers the human touch. In bungalows and "grouped flatlets" for the elderly, where medical and other services are available, officials always try to include personal gardens for the residents to grow their own flowers and plants. Even nursing homes allow the patients to have their own pets.

But the British realize that even the finest facilities are not as good as one's own home and their current policy is expressed in a booklet from their information office: "A number of personal social services are provided by statutory and voluntary bodies to help elderly people to live in their own homes as long as possible." Included in these social services are domestic help for cleaning, shopping and cooking, home adaptations and aids for the handicapped, "meals on wheels" delivered to the home or meals served in day centers and senior citizen clubs, and visiting volunteers who do almost anything from household work to just taking a walk with the old person.

A major advantage for the elderly in Britain is that like all citizens they have virtually free medical care through the National Health Service. In addition, those of pensionable age are entitled to free prescriptions and hearing aids; eyeglasses are provided at low cost. When necessary, nurses come to the home on a regular basis to provide injections and "health visitors" are trained to perform other medical tasks that don't require a doctor or nurse, but are beyond the competence of the elderly patient.

Despite the poor shape of the economy, Britain has not only maintained all services to the elderly, but has also increased pensions to help them meet inflation costs.

IN SWEDEN

Of the Scandinavian countries, Sweden has the longest commitment to a vigorous social welfare program. Back in 1957, the government tied its pension (similar to our social security) to the cost of living. Now based on 60 percent of a worker's average salary over the best 15 years, this payment alone to the elderly takes up 17 percent of the Swedish budget.

Although development of new types of housing for the elderly continues, the Swedes, too, have found that many old people prefer to stay in their own apartments and houses. For this reason, home nursing and home care services (cleaning, cooking, personal hygiene) are being more widely provided on an ability to pay basis (largely free for those living on just the basic old age pension). There are also special low-cost loans for improvement of pensioners' homes or apartments. Authorities in one Swedish home-help program estimate that it is cheaper to provide as much as 20 hours of help each week than to place a person in an old age home.

In Sweden there is a sharp dichotomy between so-called old age homes and nursing homes: nursing homes are limited and designed for those too sick to take care of themselves; old age homes are residences providing needed services. Such homes are designed for group and private living with residents allowed to bring their own furniture. Privacy is important to the Swedes and they provide for this in all their facilities for the elderly.

As the quality of old-age facilities improves, officials have found that the once fearful attitude towards such homes is changing. An example of the more advanced concept in residences being pursued is a new facility at Lotsjogarden which features:

A section for those with less mobility, comprised of apartments with bath, but no kitchen. Residents may take their meals downstairs or have them sent to their rooms.

A section for a pensioners hotel, containing apartments with kitchens. Residents may cook their own meals or eat downstairs.

A seniors' center on the ground floor open to both categories of residents as well as other elderly people living in their own housing in the district. Provided are the cafeteria, medical care, baths, massage, chiropody, hairdressing, physical education, craft shops, a theater and a library.

IN DENMARK

Officials in Denmark have long recognized the need to help the elderly remain in their own homes. Since 1968 all local authorities have provided extensive home help services and the larger cities have had such services for years.

In addition to medical care, these home services include cleaning, laundry, shopping, cooking, mending and personal hygiene. The elderly recipient continues to receive such help until he or she recovers or the need for institutionalization becomes insurmountable.

As in Sweden, the elderly in Denmark may bring their own furniture to old age homes which feature a form of self government by an elected committee of residents. Newer facilities are called "service flats" which have communal eating and social rooms but private apartment-style rooms. A section for nursing home care is often incorporated into the new facilities so there is a gradual transition from one's own home to a communal living arrangement and finally to the intensive care section.

Danes also enjoy government pensions adjusted frequently for the cost of living and essentially free medical care. Only the most affluent one-fifth of the populace in Denmark pay for medical care, and they get a 75 percent refund from the government; all others—including most pensioners—get free treatment. The government refunds half the cost of medications.

The government also gives rent subsidies to enable the elderly to remain in their apartments. These are based on need, as is access to special pensioners' flats. Elderly Danes also enjoy low-cost travel privileges and educational benefits.

IN NORWAY

The Norwegians have come to the conclusion that "the best solution for the majority of elderly persons is that they are allowed to remain in their own homes as long as possible." Backing up these words is some positive action by the government.

Home assistance—housekeeping, cooking, shopping etc.—has been introduced in almost all municipalities. About 35 percent of the expenditure on these services by the local authorities is now reimbursed by the federal government or National Insurance.

National Insurance payments for home nursing services have also been expanded so that now 75 percent of municipal expenditures in this area are covered. Administratively, home nursing has been separated from the less skilled home help services, indicating a realization that the need for help with daily chores is quite different than the need for medical care.

Norwegians also have strict standards for care in old age homes. All homes for the elderly must be officially approved and there is a maximum fee that they can charge. Greater training for the staffs of old age homes is now a government priority.

The national pension scheme is tied to the cost-of-living, providing some protection from inflation for the elderly.

IN MINNEAPOLIS: HOME CARE CUTS COSTS

In investigating alternatives to nursing homes, the Subcommittee on Long-Term Care of the Senate Special Committee on Aging received evidence of the dramatic savings to taxpayers from one home help program in Minneapolis. Below is one case from the files of the Minneapolis Age & Opportunity Center (M.A.O.) as presented to the senate committee.

Clients: Frank and Elizabeth P.
Ages: Frank (83); Elizabeth (72).
Income: $320/month from pension alone.

FRANK'S PROBLEM

Partial paralysis, urine incontinence, speech impairment. Nursing home placement versus home care.

Client's wife (Elizabeth) health appears good. She has miletus diabetes and this is under control through use of orenaese. She seems to be strong and fit. Her emotional state is static due to fears that her husband will be taken from her and placed in a nursing home.

When Frank was ready to leave the hospital to be transferred to a nursing home on recommendation of his doctor, Mrs. P. requested Social Service to help her find some way to take Frank home so that she could care for him.

A counselor from M.A.O. met with Mrs. P. to determine a "patient plan." It was decided that until the plan could be implemented, the counselor would come three times a week to assist Mrs. P. with her husband's personal care, and that a homemaker would also help her. Then the plan was implemented as follows:

1. M.A.O. handyman built a ramp and fixed the steps on their home to accommodate a wheelchair for Mr. P.
2. M.A.O. counselor assisted clients in obtaining medical assistance.
3. The M.A.O. counselor arranged for a patient lift from Courage Center to assist the client in and out of bed. This made it possible for Mrs. P. to handle and care for her husband without assistance and the M.A.O. counselor was no longer needed for this purpose.
4. Mrs. P. would handle the feeding, bathing, and cleaning of client.
5. An M.A.O. homemaker gave three services to the clients during the time of implementing the patient plan to help Mrs. P. "catch up" with the work left undone due to this emergency. When caught up, Mrs. P. managed.
6. After the above plan was implemented, Mrs. P. was independent of M.A.O. and able to take care of her husband for three months until he returned to the hospital where he died.

The total cost of care at home for Mr. P. during the three-month period, through the M.A.O. services, came to $279.35. Had he been confined in a nursing home for the same three months, the cost for its facilities would have come to $1,350. Assuming that Mr. P.'s pension of $118 a month would have gone toward the cost of his care in the nursing home, this would have left $996 to be paid by medicaid. But with the M.A.O.-provided home services totaling only $279.35, this resulted in a saving to taxpayers of $716.65—and an incalculable amount of greater comfort and happiness to Mr. P. and his wife for the last days of his life.

THE CIA

Mr. McGOVERN. Mr. President, we should doubtless await the findings of the Senate investigation before passing judgment on the future role of the CIA. One possibility that the Senate should consider, however, is that proposal by the respected journalist, I. F. Stone. Mr. Stone has suggested that the best solution is to abolish the CIA.

I ask unanimous consent that Mr. Stone's article, "A New Solution for the CIA" appearing in the February 20, 1975, New York Review, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A NEW SOLUTION FOR THE CIA

(By I. F. Stone)

Stalin did establish one useful precedent. He made it a practice to bump off whoever served as head of his secret police. He never let anybody stay in the job too long. As a successful dictator, Stalin seems to have felt that anybody who had collected so many secrets would be a No. 1 menace to security if he ever went sour. Stalin thought it safer not to wait.

I think we ought to take Stalin's example one step further. I think we ought to get rid of the CIA altogether, lock, stock, and burglar's kit.

We know from recent revelations how J. Edgar Hoover in his lifetime tenure as FBI chief collected dossiers on the sexual and drinking habits of congressmen and high officials. The mere rumor that such secrets were in his files made Hoover the most feared man in the capital, the untouchable of U.S. politics. A similar character could build up a similar empire of fear in and through CIA.

Those who think it enough to establish new oversight committees should remember that there have been CIA committees in Congress since the agency's formation and they have invariably overlooked the abuses they were supposed to oversee. As for forbidding the agency to engage in "dirty tricks," how enforce such a restriction against an agency so secretive, so far-flung, and so habituated to doing-in political leaders of whom it disapproves? It is hard enough to keep a tight rein on public agencies right here in Washington. How to control, sometimes 10,000 miles away, the kind of adventurers, screwballs, and intriguers an agency like the CIA naturally attracts?

The US government is inundated daily by tidal waves of intelligence. We have a mysterious electronic NSA which taps and tapes all the communications systems of the world; its huge "ears" in Pakistan and Turkey record the slightest Kremlin sneeze. Even in remotest Siberia, no babushka can milk her cow without being caught on candid camera from US satellites on eternal patrol.

In the Pentagon are separate intelligence branches of the army, air force, and navy, each with its own military attachés abroad, and over all of them is a defense intelligence agency, a DIA. The State Department has its own intelligence and research division; the Foreign Service is its eyes and ears abroad. The Departments of Commerce, Labor, and Agriculture have attachés of their own in many US embassies. Businessmen and Washington correspondents who use their publicly available studies on countries and commodities know how much more reliable they are than the spooks.

The Treasury has its narcotics and other agents. Internal Revenue, Customs, and the Post Office have their own gumshoe men. There is the FBI and there is the Secret Service. Nobody seems to know how much all this costs or how many are employed. Congress does know that CIA expenditures hidden in certain crevices of the budget add up to several billions of dollars. The exact amount is unknown.

Originally we were told when the CIA was established by Truman in 1947 that it was necessary—as its name implied—to "centralize" all these intelligence activities and summarize for the White House the information flowing in from them. We were not told, and perhaps Truman never intended, that the CIA would soon be engaged in James Bond melodrama around the world, making and unmaking governments not to our liking, and in the process sentencing other nations' leaders like Mossaddeq of Iran and Allende of Chile to death. Watergate has already shown us that to practice such crime-as-politics abroad is to invite its application sooner or later to politics at home.

As an intelligence service the CIA has been a bust. The Bay of Pigs and the Vietnam war are only the most dramatic demonstrations that public officials would have been better informed—and adopted wiser policies—if they had simply read the newspapers and put all that "classified" information in the wastebasket. The CIA has made the U.S. look like the world's biggest Mafia while helping to trap it into one serious mistake after another. Never have so many billions been squandered on so much misinformation. In its twenty-seven years of existence—even at $2 billion a year—this giddy operation must have cost upward of $50 billion.

Why not get rid of it before it can do more damage?

Even when, occasionally, the CIA analyses were accurate they have gone into the bureaucratic wastebaskets because they conflicted with what officials higher up wanted to hear. One example is the sour reports about the Vietnam war which turned up in the Pentagon Papers. Another example (see the exclusive in The Christian Science Monitor, January 23, 1975) was the studies showing there was "no evidence to suggest" that the anti-Vietnam war movement was instigated from abroad. The Nixon White House nonetheless ordered the agency to go ahead and compile a list of 10,000—no less—peaceniks suspected of being foreign agents.

A government, like an individual, hates to hear what it doesn't want to believe. This is why no intelligence agency in any society ever really understands—or can afford to let itself understand—what is going on. The bigger the intelligence agency the more powerfully its sheer inertial weight reinforces the misconceptions of the ruling class it serves. Hence the paradox: the more "intelligence" a government buys the less intelligently it operates. The CIA will go down in the books as a vain attempt to change history by institutionalizing assassination. It deserves a dose of its own favorite medicine.

SHOULD THE UNITED STATES GIVE MORE HELP TO SAIGON?

Mr. MATHIAS. Mr. President, the recent request by the Ford administration for an additional $522 million in U.S. military aid to the Governments of South Vietnam and Cambodia means that Congress will again be called upon to carefully weigh the wisdom of our further military involvement in Indochina. The senior Senator from Oregon (Mr. HATFIELD) has recently written an article for the Los Angeles Times which emphasizes the dangers surrounding any decision by Congress to agree to this request, and his hope that a peaceful solution to that tragic conflict can be achieved. I believe Senator HATFIELD's view deserves the thoughtful attention of my colleagues, and I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHOULD THE UNITED STATES GIVE MORE HELP TO SAIGON?—AID ONLY PERPETUATES A BANKRUPT POLICY

(By MARK O. HATFIELD)

The request by the Ford Administration for an additional $300 million in military aid to the government of South Vietnam and $222 million for Cambodia is the latest attempt to perpetuate an Indochina policy that is morally and politically bankrupt.

It is a policy grounded in the myth that we can intervene in any nation we choose, and that we are totally free to shape the world in our own image. For those who had rightly hoped that this myth had ended with Vietnam, the renewed request for funds comes as both sad and dangerous news.

Again we are asked to view fiction as fact. Again we are asked to commit ourselves materially in the name of creating a peaceful solution to the conflict. Again, as when the French were fighting in 1950, we are told that we are sending in military supplies to defeat "Communist aggression." Again, as in 1955, we are told that it is the Communist side alone which is responsible for the breakdown of the international agreement reached regarding Indochina. Again we are told that an increase in American military arms is necessary to insure the survival and freedom of South Vietnam.

The truth is that the Vietnamese people do well simply to survive Thieu's leadership; they are not being freed by it. Their land has been shattered by 25 years of war.

In the years 1965 to 1973 alone, over 3 million Vietnamese were killed or wounded. Over 11 million Vietnamese lost their original homes. Today, 20% of Vietnamese children are orphans.

South Vietnam is a country ruled by a political regime which continually practices the most basic denial of human rights. The Thieu government continues to use tactics of arrest and torture, it continues to hold thousands of political prisoners, and it refuses to allow countless refugees to return to their homes.

Last week, in predawn raids, some of Saigon's most influential journalists, publishers and editors were arrested in their homes and jailed. The press runs of nine daily newspapers were confiscated, and five more were shut down completely.

Yet, we are told by the Administration that we cannot abandon our "moral commitment" to the Vietnamese people. We are told, after 55,000 American lives have been lost, after 300,000 Americans have been claimed as casualties, after nearly $200 billion in U.S. treasure has been spent, that an additional $300 million will insure the ongoing business of the Thieu government. We are told that if the money is not forthcoming, then Congress, not the Administration, will be responsible for the collapse of the current Saigon regime.

We are told these things, but little else. The Administration spokesmen do not explain, for example, why our "moral commitment" is directed toward Thieu and his generals, rather than to the structure of international law and the achievement of a political settlement to the conflict.

We have no international legal obligation to support Thieu's continuing quest for power. In fact, it is the clear intent of Congress, by reducing the Administration's request, to disengage ourselves from a blanket underwriting of Thieu's power and encourage a negotiated end to this war.

Administration spokesmen do not emphasize the obvious: that any additional funds granted by Congress in addition to what has already been appropriated will set the most dangerous of precedents. If Congress agrees to any portion of the supplemental request, it will have committed itself to aiding the Thieu government beyond that which we have already deemed necessary this year.

This is far from the end. The new budget just presented to the Congress requests another $1.7 billion in military aid to Indochina, ($1.3 billion for South Vietnam, and $400 million for Cambodia) plus another billion for other purposes there.

And what progress has our military assistance brought toward establishing a final peace in Vietnam? Again, we are told little.

We are not reminded that since the Paris peace accords were signed barely two years ago, the United States has spent over $7 billion in Indochina. We are not reminded that 149,000 Vietnamese have lost their lives in those two years. It is not emphasized that last year the Administration vetoed a $550 million bill to aid the American veterans of Vietnam while simultaneously asking for $1 billion in additional military asisstance to the Thieu regime. We are not reminded that the $7 billion spent since the Paris accords were signed could have provided $5,000 each to 1.5 million unemployed workers.

We are told that the Thieu government is the victim of Communist aggression, that Thieu has acted defensively since the Paris peace accords to maintain his military position. But this fails to conform to the total truth.

The facts, documented by both independent observers and analysts in Saigon, show clearly that almost from the moment the Paris agreement was signed, President Thieu, with U.S. military assistance, launched a military offensive aimed at eliminating enemy sanctuaries. As a result of this drive the enemy lost 15% of the territory it controlled in January, 1973, while Saigon gained dominant control of an additional 6.2% of the population, which included about 770 hamlets.

We are told by the Department of State that the North Vietnamese and the Provisional Revolutionary Government have "built up the North Vietnamese main force army in the South through the illegal infiltration of over 160,000 troops; tripled the strength of their armor in the South by sending in over 400 new vehicles."

We are not told that, along with this infiltration of troops, the North has reportedly exfiltrated nearly 115,000 back to North Vietnam, and that the resulting increase in men accounts roughly for casualties and troop replacements. The image of a massive new troop buildup by the North is, then, largely myth.

Despite the fact that the Thieu government has received well over twice the military assistance that the North Vietnamese have received from China and the Soviet Union since the Paris accords, despite the fact that it has fired 10 times the ammunition as the opposing side, and despite the effective imposition of martial law in South Vietnam, Thieu's political power has eroded to the point of collapse.

The Administration's request at this time seems to be the waning attempt to save a Vietnam policy that should have been abandoned long before the first American soldiers set foot on Vietnamese soil. It also seems to be an effort to lay the ultimate blame of that policy on Congress, which might no longer choose to further the myth that has cost us so dearly in lives and honor.

Our intervention in Indochina has been a moral and diplomatic disaster from the beginning. It was wrong when we paid for 78% of the French military intervention in Indochina 20 years ago. It was wrong when we installed leaders of our own choosing and tried to create a sovereign state out of half of Vietnam. It then was a moral outrage when we used half a million Americans, and millions of tons of bombs, to try to achieve these same ends.

Now, it is no more moral, and no more diplomatically wise, to pursue these same ends through financing a war by proxy in that country. The fact that now it is simply our dollars and bullets, rather than U.S. soldiers, which carry out our policies in no way corrects the fundamental, tragic error we have made over the past two decades in Indochina. It is not the means or the strategy of our intervention in Vietnam which has been wrong, it has been the intervention itself.

The Administration's request is not made in order to bring the final chapter of a long effort to a close. Rather, it is being made to perpetuate a policy that has from the outset been strategically mistaken and morally disastrous.

Our best hope for ending this tragic intervention lies in refusing to sign Thieu's blank checks, and thereby creating the environment where the military conflict can be shifted to a political one, as intended by the Paris agreements signed two years ago.

By restraining our aid to the present government of South Vietnam, we will make it clear that this prolonged war must be brought to an end through a political accommodation. Either Thieu will realize this reality or he will be replaced by a coalition

of South Vietnamese who are prepared to compete politically with their adversaries.

THE BLOODBATH ISSUE

Mr. McGOVERN. Mr. President, in its pleas for more funds for Vietnam, the administration has begun to raise once again the specter of mass reprisals against those who fought on the Saigon government side during the war, or who were civil servants for the government.

I suggest that this is the same kind of propaganda tactic which was used throughout the latter half of the war to stave off U.S. military withdrawal. The Nixon administration was notorious for fabricating historical "bloodbaths" in North Vietnam to justify the continuing slaughter of innocents throughout Vietnam. Mr. Nixon spoke three different times on the subject between 1969 and 1972, and each time the number he claimed were killed in North Vietnam's land reform increased from 50,000 to 500,000 to 1 million.

Later, however, it was revealed that the main source of information on the land reform was a Vietnamese who had worked as a psychological warfare expert for Diem and later joined the U.S. Information Agency, and that he had fabricated quotations and otherwise falsified documentation to support his version of the land reform.

The Nixon administration also launched a major campaign to make the so-called Hue massacre the main atrocity of the Vietnam war. In conjunction with the Saigon government, U.S. propagandists put out the story that as many as 4,000 civilians were murdered in cold blood in Hue.

Now this story has been punctured as well. What was not told is that no reporter was ever allowed to verify the number of bodies or the cause of death; that a Canadian doctor who was in Hue at the time of the Tet offensive viewed the gravesites discovered in the city and said that Saigon had exaggerated the number of bodies by a factor of seven, and that most of the bodies which he saw were apparent victims of fighting in the area rather than of execution; that Saigon's Minister of Health, after visiting the burial sites found in April 1969, expressed the opinion that the bodies may have been those of NLF soldiers killed in battle; that even U.S. officers in Hue admitted that the women and children found among the bodies were probably killed in the fighting; that there was heavy American bombing not only of the city of Hue but of surrounding villages where mass graves were later uncovered; and that the original estimate of nearly 4,000 civilians in Hue killed in the battle for Hue—primarily from U.S. bombing—was later revised downward to less than 1,000 in order to attribute the remainder to Communist execution.

While the Nixon administration was trying to falsify these historical episodes to serve its own purposes, no one has bothered to look at the actual policy fol- ment after its war against the French lowed by the North Vietnamese Govern- ended in complete victory in North Vietnam. Were the civil servants and soldiers who remained in the North rounded up and shot? Were these mass reprisals?

Fortunately, the record is not obscure. We know that former enemies of the Communists were not killed or put in prison. On the contrary, those who worked for the French or the Bao Dai government in the cities were even permitted to keep their old jobs when the Communists took control of the cities. We do not have to rely on the word of the Communists to verify this. Anti-Communist publications from South Vietnam confirm the fact that civil servants stayed on the job. The book, "The Seventeenth Parallel," by Duong Dhau, published in Saigon in 1958, tells the following story of how the Communists persuaded civil servants, especially technical personnel, to stay on their jobs:

> The Vietnamese Communists spread propaganda on the generous policy of President Ho, of the Party and the Government. Many people stayed on, either because they did not want to leave their belongings, or for family reasons and also because they had trusted the Vietnamese Communists. When the Party had assigned enough cadres to fill the important positions, the civil servants were not given anything to do. They still received their previous salaries. For example, a 3,000 piaster salary was paid with 90,000 Vietnamese Communist piastres. When the Communists collected taxes on markets and shops and the people started to complain, they explained that the Party and the Government needed a lot of money to pay the salary of the inefficient civil servants who had stayed behind. Few people saw through the wicked schemes of the Reds and started to criticize the civil servants. Facing such a situation, these civil servants had to ask that their salary be reduced to the same level as that of cadres, i.e., 40 kilos of rice.

Mr. President, since the bloodbath issue has been raised once again, I hope each Member of Congress will make the effort to look behind these hysterical misinterpretations of history, and to project the possibilities for the future on more rational grounds. Toward that end, I ask unanimous consent to have printed in the RECORD a comprehensive study of the so-called Hue Massacre by D. Gareth Porter of the Indochina Resources Center.

There being no objection, the article was ordered to be printed in the RECORD as follows:

THE 1968 "HUE MASSACRE"

(By D. Gareth Porter)

Six years after the stunning communist Tet Offensive of 1968, one of the enduring myths of the Second Indochina War remains essentially unchallenged: the communist "massacre" at Hue. The official version of what happened in Hue has been that the National Liberation Front (NLF) and the North Vietnamese deliberately and systematically murdered not only responsible officials but religious figures, the educated elite and ordinary people, and that burial sites later found yielded some 3,000 bodies, the largest portion of the total of more than 4,700 victims of communist execution.

Although there is still much that is not known about what happened in Hue, there is sufficient evidence to conclude that the story conveyed to the American public by South Vietnamese and American propaganda agencies bore little resemblance to the truth, but was, on the contrary, the result of a political warfare campaign by the Saigon government, embellished by the U.S. government and accepted uncritically by the U.S. press. A careful study of the official story of the Hue "massacre" on the one hand, and of the evidence from independent or anti-communist sources on the other, provides a revealing glimpse into efforts by the U.S. press to keep alive for fears of a massive "bloodbath." [1] It is a myth which has served U.S. administration interests well in the past, and continues to influence public attitudes deeply today.

THE TENTH POLITICAL WARFARE BATTALION'S ROLE

To unravel the official story of Hue, one must go back to the source of the original information which was conveyed to the American public about the episode.

The agency of the Saigon government given overall responsibility for compiling data on the alleged "massacre" and publicizing the information was neither the Ministry of Social Welfare and Refugees nor the Ministry of Health, as one might have expected, but the Tenth Political Warfare Battalion of the Army of the Republic of Vietnam (ARVN). It is on the word of this body, whose specific mission is to discredit the National Liberation Front without regard to the truth, that the story of the "massacre" reported by the U.S. press in 1968 and 1969 was based. Neither the number of bodies found nor the causes of death were ever confirmed by independent sources. On the contrary, as we shall see, evidence from independent sources challenges the Tenth Political Warfare Battalion's version of the facts.

The official Saigon account of the alleged massacre surfaced on April 23, 1968 when the Political Warfare Battalion released a report that over one thousand people were executed by the communists in and around Hue. The battalion's report was repeated in detail by the United States Information Service but the U.S. media ignored it.[2] One week later the U.S. Mission released a report of its own which was essentially a restatement of the ARVN report. The U.S. Mission report was said to have been the result of an investigation "by the United States and South Vietnamese authorities." [3] But the role of the U.S. advisers in the report appears to have been secondary; according to the Saigon government news agency, Vietnam Press, the report was based on data supplied by the National Police in Hue, U.S. advisers, interviews with South Vietnamese Information and Refugee officials and "records of the Tenth Political Warfare Battalion," which supplied the basic statistics on alleged executions.[4] Vietnam Press further reported that "an officer of the Tenth Political Warfare Battalion involved in investigating the executions estimated that almost half of the victims were found buried alive."

During the months of March and April, when the alleged victims of communist execution were being uncovered, the Saigon government did not allow any journalists to view the grave sites or bodies, despite the fact that many foreign journalists were in Hue at the time. Province chief Col. Pham Van Khoa announced at the end of February that 300 civilian government workers had been executed by the communists and had been found in common graves southeast of the city.[5] But no journalist was ever taken to see the alleged graves. In fact, French photographer Marc Riboud, who demanded several times to see the graves, was repeatedly refused permission. When he was finally taken in a helicopter to travel to the alleged site the pilot refused to land, claiming that the area was "insecure." [6] Riboud never saw the site, and when the official chronology of the grave discoveries and map coordinates of the grave sites were finally released, there was no site resembling the one described by Col Khoa.[7]

Footnotes at end of article.

Stewart Harris of the London Times was in Hue to do a story on the alleged mass executions in late March, just at the time when, according to the official chronology, some 400 bodies were being uncovered in the area of the imperial tombs south of Hue. But instead of taking him to that site, the American political warfare officer took Harris to a village where there were no mass graves, while the Vietnamese political warfare officer took him to a grave site in Gia Hoi district, where the bodies had long since been reburied.[8] So he had to depend on the word of the Vietnamese and American officials concerning what was to be found at the grave sites.

Moreover, ARVN's Political Warfare Department issued contradictory reports on how many bodies were actually uncovered. At the Gia Hoi High School sites, for example, the official American report, based on information furnished by the Tenth Political Warfare Battalion, gave a total of 22 mass graves and 200 bodies, for an average of nine bodies per grave.[9] But when Stewart Harris was taken to the site, he was told by his Vietnamese escort officer that each of the 22 graves held from three to seven bodies, which would have put the total somewhere between 66 and 150.[10] At about the same time, the Tenth Political Warfare Battalion published a pamphlet for Vietnamese consumption which said there were 14 graves at the high school instead of 22, which would have reduced the total still further.[11]

A DOCTOR'S CONTRADICTORY FINDINGS

The elusiveness of Saigon's figures is significant in view of the testimony of Alje Vennema, a doctor working for a Canadian medical team at Quang Ngai Hospital, who happened to be in the Hue province hospital during the Tet Offensive and who made his own investigation of the grave sites.[12] Vennema agreed that there were 14 graves at Gia Hoi High School but said there was a total of only 20 bodies in those graves. Vennema also stated that the other two sites in Gia Hoi district of Hue held only 19 bodies rather than the 77 claimed by the government, and that those in the area of the imperial tombs southwest of Hue contained only 29 bodies rather than 201 as claimed in the official report.

According to Vennema, therefore, the total number of bodies at the four major sites discovered immediately after Tet was 68, instead of the officially claimed total of 477. Then, too, while he did not claim that none of these bodies was the victim of NLF execution, he said that the evidence indicated most of them were victims of fighting in the area, rather than of political killing. In the case of the sites in the imperial tombs area, he stated that most of the bodies were clothed in the threads of uniforms. He reported having talked with nearby villagers who said that from February 21 to 26 there had been heavy bombing, shelling and strafing in the immediate area. And, in contrast to government claims that many victims had been buried alive there, Vennema said all the bodies showed wounds.

The circumstances of the official version—its political warfare origins, the refusal to allow confirmation by the press from first-hand observation, the questionable statistics—and the conflicting testimony of a medical doctor who was present at the time all point to misrepresentation of the truth by the Saigon government in its April 1968 report. In fact, the evidence suggests that the Political Warfare Battalion may have inflated the number of actual executions by the NLF by a factor of ten or more.

THE 1969 EXHUMATIONS

During 1969, as more bodies were uncovered in the villages surrounding Hue, another phase of the Saigon government campaign was launched by ARVN's political warfare officers. The first bodies were found southeast of Hue, where digging was carried out under the supervision of a "Committee for Search and Burial of Communist Victims" headed by the district chief, Major Trung. Again newsmen were not invited to watch the work while it was going on, but were later summoned by Major Trung and told that the Committee had found 135 bodies in Vinh Luu hamlet of Phu Da village and 230 bodies in seven graves at Phu Xuan village.[13]

What the district chief did not tell the reporters was that the entire area in which the grave sites were found southeast of Hue had been a battleground for many weeks early in 1968. The NLF continued to hold many of the hamlets even after being driven out of the city, and some hamlets remained in their hands for months, as American fighter-bombers carried out heavy strikes against them.

One of the four sites discovered in late March 1969, which allegedly contained 22 bodies, was between Phu My and Tuy Van villages.[14] Phu My village, only three miles east of Hue, was one of the villages occupied by communist troops during the offensive, when many young men of military age were drafted into the Liberation Army. According to a later interview with one of its inhabitants, American planes bombed the village repeatedly, destroying hundreds of homes and killing civilians.

The three other burial sites uncovered in late March and early April, containing 357 bodies according to the Pentagon's chronology of discoveries, were located in Phu Xuan village and a short distance down the road in Phu Da village.[15] Again, Phu Xuan, 13 miles east of Hue, had been the scene of fierce fighting, including the heavy use of American air power, in the weeks after the offensive. In one all-day battle in which American air strikes were called in, some 250 communist soldiers were killed, according to an interview with the Phu Xuan village chief published in the Political Warfare Department's own newspaper, Tien Tuyen.[16]

The Saigon assertion that the bodies found were victims of communist execution were not convincing even to officials of the Saigon government. The Minister of Health, Tran Luu Y, after visiting the burial sites in April 1969, frankly informed the Thua Thien deputy province chief of his opinion that the bodies could be those of NLF soldiers killed in battle.[17] The Political Warfare Department's newspaper promptly denounced the minister for this skepticism.[18]

What little information was made available about the bodies discovered certainly supported the suspicion that very few were actually victims of communist execution. For one thing, Major Trung's own report on the bodies found in his district claimed only nine civil servants and 14 soldiers of the Saigon army out of a total of 365.[19] It was well known that a considerable number of the bodies were those of women and children. An American officer in Hue admitted to a Washington Post reporter at a mass funeral for the dead, "Some may have just gotten caught up [in the fighting]." [20] It would be surprising indeed if the NLF had not buried many women and children killed by air strikes or artillery fire in the hamlets which they controlled near Hue.

Another major discovery of bodies at Da Mai Creek, a heavily wooded area ten miles south of Hue, in September 1969 remains shrouded in vagueness and contradictions. Even the number of bodies found remains something of a mystery. The official Pentagon account of the discovery shows that the number was approximately 250.[21] But when Douglas Pike, the U.S. Information Agency's Vietnam specialist, reported the find a few months later, the figure had grown to 428.[22]

Moreover, the one "defector" produced by Saigon to testify on this alleged communist massacre told two very different and contradictory stories about the episode. In an interview arranged by the Saigon government for the Baltimore Sun late in 1969, the "defector" testified that a communist district chief who had been his friend had told him that nearly 600 people from Phu Cam and Tu Dam were turned over to pro-Communist hill tribesmen to be murdered. The reason, he explained to the Sun, was that they had been "traitors to the revolution." [23] But this same man, in an interview with the correspondent of Tien Tuyen a few days later said he had been told by the same district chief that 500 "tyrants" were being taken to the mountains, not to be killed but to be "reformed." [24]

Again, there is a major and direct conflict between Pike and the official Pentagon version on who the victims were and where they came from. Pike's version is that they were a group captured in a church in the Catholic district of Phu Cam in Hue on February 5, 1968 and marched five miles south, where 20 of them were executed by a people's court and then turned over to a local communist unit, which took them three and a half more miles away from Hue before being murdered.[25] But the Defense Department account shows that the group of civilians taken from the church in Phu Cam numbered only 80 to 100 people, not 400 as Pike suggests.[26] Moreover, an account originally published in the semi-official *Viet-Nam Magazine* and reprinted by the Saigon Embassy in Washington, asserts that all except the 20 people executed by the people's court were allowed to return to Hue with the warning that the NLF would some day return to Hue, and that the people should behave accordingly.[27]

These contradictions are important, given Pike's effort to argue that the skeletons at Da Mai had to be the victims of communist murder because they were a group which had been taken from Hue as prisoners. In fact, there is evidence that most of the people who left Phu Cam with the communists were not prisoners at all, but were pressed into service as stretcher-bearers, ammunition carriers, or even as soldiers of the NLF.[28] As Agence France Presse reported from Hue during the battle for the city, a number of young men, especially from the Phu Cam area, received guns or were used as stretcher-bearers to transport wounded soldiers toward the mountain camps.[29]

Again, circumstantial evidence strongly suggests that the 250 skeletons found at Da Mai Creek (not 400 as claimed by Pike) were also killed in battle or by American B–52 strikes. The *Viet-Nam Magazine* article notes in passing that the site was "in the vicinity where the communists fought their last big unit battle with the allies (April 30 to May 2, 1968)" [30]—a fact of which readers of the American press were never informed. The People's Liberation Armed Forces have always made a point of carrying as many of their war dead as possible from the battlefield to be buried, in order to deny their enemy tactical intelligence on casualties.

In short, the inconsistencies and other weaknesses of the various official documents, the lack of confirming evidence, and the evidence contradicting the official explanation all suggest that the overwhelming majority of the bodies discovered in 1969 were in fact the victims of American air power and of the ground fighting that raged in the hamlets,

DOUGLAS PIKE: MEDIA MANIPULATOR PAR EXCELLENCE

It was in large part due to the work of one man that the Hue "massacre" received significant press coverage and wide comment in 1969 and 1970. That man was the U.S. Information Agency's Douglas Pike. It was Pike who visited South Vietnam in November 1969, apparently at the suggestion of Ambassador Ellsworth Bunker, to prepare a report on Hue.[31]

Footnotes at end of article.

During the last two weeks of November, Pike inspired, either directly or indirectly, several different newspaper articles on both Hue and the "bloodbath" theme in general. Pike himself briefed several reporters on his version of the communist occupation of Hue and at the same time circulated a translation of a captured communist document which he had found in the files and which he argued was an open admission of the mass murder of innocent civilians during the occupation of Hue.

The document was the subject of several stories in the American press. The *Washington Post*, for example, carried the Associated Press article on the document with the headline, "Reds Killed 2,900 in Hue during Tet, according to Seized Enemy Document." [32] The *Christian Science Monitor* correspondent's article, under the headline, "Communists Admit Murder," began, "The Communist massacre in Hue in early 1968 represented the culmination of careful planning." [33] Both articles quoted as proof of the "admission" the following sentence from the translation: "We eliminated 1,892 administrative personnel, 39 policemen, 790 tyrants, 6 captains, 2 first lieutenants, 20 second lieutenants and many non-commissioned officers."

No reporter questioned the authenticity of the document or the accuracy of the translation they were given. Yet the original Vietnamese document, a copy of which I obtained from the U.S. Command in Vietnam in September 1972, shows that the anonymous author did not say what the press and public were led to believe he said.[34] In the original Vietnamese, the sentence quoted above does not support the official U.S. line that the communists admitted murdering more than 2,600 civilians in Hue. To begin with, the context in which this sentence was written was not a discussion of punishing those who were considered criminals or "enemies," but an overall account of the offensive in destroying the army and administration in Thua Thien. Two paragraphs earlier, the document refers to the establishment of a "political force whose mission was to propagandize and appeal for enemy soldiers to surrender with their weapons." It recalls that self-defense forces were so frightened when the Front's forces attacked that they tried to cross the river, with the result that 21 of them drowned. The section dealing with Phu Vang district notes the strength of the opposing forces and the locus of the attack, claiming the seizure of 12 trucks to transport food and 60 rolls of cloth for flags.

It is the next sentence which says, "We eliminated 1,892 administrative personnel" in the official translation. But the word *diet*, translated as "eliminate" here, must be understood to mean "destroy" or "neutralize" in a military sense, rather than to "kill" or "liquidate," as Pike and the press reports claimed. As used in communist military communiques, the term had previously been used to include killed, wounded or captured among enemy forces. For example, the Third Special Communique of the People's Liberation Armed Forces, issued at the end of the Tet Offensive, said, "We have destroyed [*diet*] a large part of the enemy's force; according to initial statistics, we have killed, wounded and captured more than 90,000 enemy. . . ." [35] It should be noted that *diet* does not mean to "kill" in any ordinary Vietnamese usage, and that the official translation is highly irregular.

Moreover, the word *te*, translated as "administrative personnel" in the version circulated to newsmen, actually has the broader meaning, according to a standard North Vietnamese dictionary, of "puppet personnel," including both civilian *and* military.[36] When the document does refer specifically to the Saigon government's administration, in fact, it uses a different term, nguy quyen. Both the context and the normal usage of the words in question, therefore, belie the meaning which Pike successfully urged on the press.

Pike's "Enemies of the People" Document

If the misrepresentation of the document may be explained by a combination of bad translation and Pike's own zeal to find evidence to support the official argument, Pike himself must take sole responsibility for a second such case which occurred about the same time. Pike gave to selected reporters a list of 15 categories of what he called—and were called in the press—"enemies of the people," which were said to be targeted by the communists for liquidation. The list included two categories which suggested that the communists were out to kill Catholic leaders and landlords or capitalists in particular: "leading and key members of religious organizations still deeply superstitious" and "members of the exploiting class." The document was given prominence in articles in the *Los Angeles Times* and *Washington Daily News* on alleged communist plans for a "bloodbath," and was again mentioned in stories dealing with Pike's own pamphlet.[37]

But again, although the document may have been authentic, the construction put on it was clearly deceptive. First of all, the document itself said nothing about "enemies of the people" [38]—a phrase introduced by Pike himself and repeated by the press as though it were in the original. And second, it did not say or imply that these 15 categories of people were to be punished, much less liquidated, as Pike suggested to reporters and later wrote in his own booklet on Hue.[39]

In fact, the document, which bore the title "Fifteen Criteria for Investigation," was simply one local cadre's notion of the kinds of people who should be carefully watched.[40] The categories of people who were marked for repression by the NLF were quite different from the ones on the list circulated by Pike, and included neither the "leading and key members of religious organizations" nor "members of the exploiting class." And Pike should have been well aware of this, since a separate document containing the categories of people to be punished was published by the U.S. Mission in October 1967.[41]

Yet another element of the press offensive inspired by Pike's presence in Saigon was the testimony of a "rallier," or defector, from the NLF on the bloodbath issue. The technique of displaying such defectors before press conferences had been used on many occasions by Saigon's Political Warfare Department in order to make a political point which could not otherwise be convincingly documented. Although the most experienced reporters in Saigon were always skeptical of statements made by defectors put on display by Saigon, there were always journalists who were fascinated by the idea of interviewing genuine ex-communists. Thus, it was arranged for Le Xuan Chuyen, who claimed to have been a lieutenant colonel in the Vietnam People's Army before defecting in August 1966, to be interviewed by Washington Daily News and Los Angeles Times correspondents in order to publicize his views on communist plans for a postwar bloodbath. Chuyen estimated that a communist "blood debt" list included some five million South Vietnamese, of whom some 500,000 would be killed.[42]

A brief note on Chuyen's background helps to put this testimony in proper perspective. Even in his initial interrogation, this self-proclaimed "lieutenant colonel" (a rank his interrogators were inclined to question) exhibited a notable sense of political opportunism.[43] He lost no time in praising Thieu and Ky as leaders who were "daring, patriotic and have a strong sense of nationalism," and he volunteered his desire to work for the Americans or the Saigon government even before he was asked.[44] Within a few months, Chuyen was nominated to be director of the government's Chieu Hoi Center for Saigon—a position which was never mentioned in news accounts of his statement on alleged communist policies.[45]

A second alleged high-ranking communist defector, Col. Tran Van Dac, was actually Planning Adviser to the General Directorate of Political Warfare of ARVN at the time and thus hardly a disinterested witness.[46] His 1969 statement that there were three million Vietnamese on the "blood debt" list continues to be relied on by U.S. administrative apologists, including Sir Robert Thompson and Pike himself.[47]

FEED THEM A NUMBER . . .

The major accomplishment of Pike's work was to launch the official "estimate" of 4,756 as the number of civilians killed by the NLF in and around Hue. This was no small feat because, in arriving at that figure, Pike had to statistically conjure away thousands of civilian victims of American air power in Hue. The undeniable fact was that American rockets and bombs, not communist assassination, caused the greatest carnage in Hue. The bloodshed and ruin shook even longtime supporters of the anti-communist effort. Robert Shaplen wrote at the time, "Nothing I saw during the Korean War, or in the Vietnam War so far has been as terrible, in terms of destruction and despair, as what I saw in Hue." [48] After the communist occupation had ended, Don Tate of Scripps-Howard Newspapers described bomb craters 40 feet wide and 20 feet deep staggered in the streets near the walls of the citadel and "bodies stacked into graves by fives—one on top of another." [49] Nine thousand seven hundred and seventy-six of Hue's 17,134 houses were completely destroyed and 3,169 more officially classified as "seriously damaged." (In the rest of Thua Thien province another 8,000 homes were more than half destroyed.[50]) The initial South Vietnamese estimate of the number of civilians killed in the fighting of the bloody reconquest was 3,776.[51]

When ARVN's political warfare specialists went to work, however, this initial estimate, given in a March 1968 report of the office of the provincial chief of Social Services and Refugees, was somehow replaced by a new estimate of 944, published in the Tenth Political Warfare Battalion's booklets.[52] And this was all Douglas Pike needed to transform those thousands of civilian dead into victims of a "communist massacre."

In a chart which he calls a "recapitulation" of the dead and missing, Pike begins not by establishing the number of casualties from various causes, but with a total of 7,600, which he says is the Saigon government's "total estimated civilian casualties resulting from the Battle of Hue." [53] The original government estimate of civilian casualties, however, again supplied by the provincial Social Services Office, was just over 6,700—not 7,600—and it was based on the estimate of 3,776 civilians killed in the battle of Hue.[54] Instead of using the Social Services Office's figure, Pike employs the Political Warfare Battalion's 944 figure. Subtracting that number and another 1,900 hospitalized with war wounds, Pike gets the figure of 4,756, which he suggests is the total number of victims of communist massacre, including the 1,945 "unaccounted for" in this strange method of accounting. In short, the whole statistical exercise had the sole purpose of arriving at a fraudulent figure of 4,756 victims of a "massacre."

PIKE REWRITES POLICY FOR NLF

The substance of Pike's own analysis is what he calls a "hypothesis" concerning the policy of the NLF leadership in Hue during the occupation of the city. The gist of the "hypothesis" is as follows: NLF policy went through three distinct phases, corresponding to different phases of the occupation: in

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the first few days, the NLF expected to be in control only temporarily and its mission was not to establish its own government but to destroy the Saigon administrative structure. During this period, NLF cadres with blacklists executed not only civil servants and military officers but religious and social leaders as well. Then, after the third or fourth day, the communist leadership decided they could hold the city permanently, whereupon they launched a "period of social reconstruction," in Pike's words, and sought to kill all who were not proletarian in ideology and class background, in particular Buddhist, Catholic and intellectual leaders. Finally, as they prepared to leave the city late in February, they killed anyone who would be able to identify their cadres in the city.[55]

While Pike refers vaguely to various pieces of evidence which he claims support this hypothesis, he offers none of it in his published work. In any case, all the evidence available at present contradicts Pike's hypothesis from beginning to end. To begin with, captured NLF documents indicate that the Front had the mission not only of destroying the Saigon administration but of establishing a revolutionary government in Hue and planned to hold the city for as long as possible. In fact, the very document which Pike used to establish the communist admission of responsibility for mass murder of civilians specified that the Liberation Forces had the "mission of occupying Hue as long as possible so that a revolutionary administration could be established."[56]

As for the "blacklists" for execution, Pike's claim that the list was extensive and included lower-ranking officials and non-governmental figures is contradicted by none other than Hue's chief of secret police, Le Ngan, whose own name was on the list. In 1968, soon after the reoccupation of the city, Le Ngan told former International Voluntary Services worker Len Ackland, who had worked in Hue before the offensive, that the only names on the blacklist for Gia Hoi district were those of the officers of the secret police apparatus for the district.[57]

Other lists were of those selected not for summary execution but for capture on the one hand and for reeducation in place on the other. Those who were to be captured—although not necessarily executed, according to a document called "Plan for an Offensive and General Uprising of Mui A" given to me by the Joint U.S. Public Affairs Office in June 1971—were limited to a relatively small number of Vietnamese and American officials.[58] The document says, "With regard to the province chief, deputy province chief, officers from the rank of major up, American intelligence officers and chiefs of services, if things go to our advantage, at 12 o'clock on the day some of them are arrested, they must quickly persuade others not to hide and compel them to surrender . . . and then we must take them out of the city." The captives were to remain in prison outside the city, according to the plan, until their dossiers could be studied and a determination made on their individual cases. It emphasized that none of these higher U.S. or Vietnamese officials in Hue was to be killed unless the fighting in the first hours was unsuccessful and there was no way to conduct them out of the city—a circumstance which obviously did not arise.

The document further exempted lower-ranking officials from capture or retribution: "With regard to those ordinary civil servants working for the enemy because of their livelihood and who do not oppose the revolution, educate them and quickly give them responsibility to continue working to serve the revolution."

There was a third category of individual, those who were neither high-ranking officials nor ordinary civil servants but officials who had at one time or another been involved actively in the government's paramilitary apparatus. While these individuals were not to be given jobs, the evidence indicates that they were to be "reeducated" rather than executed as long as the NLF was assured of control of the city. They were ordered in the first days of the occupation to report to their local committees but were then allowed to return home.[59]

This does not mean that there were no executions in Hue during the initial period of the occupation. Len Ackland and Washington Post correspondent Don Oberdorfer have documented cases of individuals who were executed when they tried to hide from the Front or resisted the new government in some other way.[60] But these harsh measures, which may in many cases have reflected individual actions by soldiers or cadres rather than a policy decision by the Front (as when a person was shot resisting arrest), were distinct from the mass retribution for official position or political attitude claimed by Douglas Pike. And the number of executions was relatively small, according to Hue residents interviewed by Ackland.

CLERGY AND INTELLECTUALS EXECUTING THEMSELVES

Pike's argument that there was a period of "social reconstruction" marked by a purge of religious figures and intellectuals is contradicted not only by the logic of NLF political strategy in Hue but by the documentary evidence as well. As Pike himself pointed out in his book "*War, Peace and the Viet Cong,*" published in 1969, the revolutionary government in Hue during the occupation comprised a number of leaders of the 1966 Struggle Movement against the Ky government—precisely the Buddhist and intellectual leaders he later claimed the NLF wished to systematically eliminate in 1968.[61] These were not proletarian revolutionaries eager to take vengeance on the Buddhist hierarchy and the educated elite, as Pike intimates, but representatives of those groups in Hue who had actively opposed the Thieu-Ky government and the American military occupation. It was on these strata that the NLF had based its political strategy of the broadest possible united front in Hue.

Thus, the chairman of the Revolutionary Committee in Hue was Le Van Hao, the well-known Hue University ethnologist who had earlier edited the Struggle Movement's publication Vietnam, Vietnam. A deputy chairman was the senior Buddhist monk in Central Vietnam, Thich Don Hau. Other 1966 Struggle Movement leaders who returned as members of the Revolutionary Committee included Hoang Phu Ngoc Tuong, formerly a teacher at Quoc Hoc High School, who became secretary general of the new committee; Nguyen Dac Xuan, who had been dispatched by the Struggle Movement in Hue to organize "student commandos" in Danang in 1966; and Ton That Duong Ky, a Hue University professor.

These veterans of the Buddhist protest of 1966 were joined in the revolutionary regime by other well-known figures from educational institutions in Hue, such as Mrs. Nguyen Dinh Chi, former principal of the respectable Dong Khanh Girls' School, who was a deputy chairwoman of the "Alliance" group formed later in 1968. Ton That Duong Thien, a teacher at Nguyen Du High School, directed operations in Gia Hoi district, and many others from the Hue educated elite accepted positions of responsibility in the revolutionary administration.[62]

The "Plan for an Offensive" also confirms that the political strategy of the Front was to rely on Buddhist clergy and laity for support in Hue. In a section dealing specifically with religious groups, the document says, "We must seek by every means to struggle to unite with and win over the Buddhist masses and monks and nuns."

As for the Catholics of Hue, the evidence from both communist documents and eyewitness testimony shows that the NLF's policy was not directed against the Catholic Church. The captured "Plan for an Offensive" does refer to "isolating reactionaries who exploit Catholicism in Phu Cam." In Vietnamese communist terminology, however, "isolation" means to act to cut off the influence of the individual in question in community affairs. It does not mean execution or even imprisonment necessarily, contrary to what the American political warfare specialists may argue.

The document specifies that only those priests who were found to "hide the enemy" were subject to any form of punishment, and the specific treatment was to depend on the degree to which the individual had opposed the revolution in the past.

In Gia Hoi district, which the NLF controlled for 26 days, one Catholic priest told Len Ackland that not one of his parishioners was harmed by the Front.[63] The only two Catholic figures identified by the Saigon regime as having been killed by the NLF are two French Benedictine priests, Father Guy and Father Urbain. It was reported by sources from the Thien An Monastery, however, that NLF forces occupied the monastery for several days when Father Guy and Father Urbain were still present and that neither they nor any other priests were harmed. The two were reported by Agence France Presse to have fled from heavy American bombing of the monastery on February 25—two days after the NLF forces had withdrawn.[64] The spot where their bodies were found was in the area in which Dr. Vennema says villagers reported heavy American bombing at the time the two priests are said to have been killed.[65]

Moreover, the official Saigon government account is again marred by a major contradiction. The Political Warfare Battalion pamphlet claims that both Father Urbain and Father Guy were arrested and forced to remove their tunics before being taken to the area of the Dong Khanh tombs, where they were killed and buried. But the priest who recovered the body of Father Urbain is quoted in the same pamphlet as saying that he recognized it from the laundry number on his tunic!

Douglas Pike's notion of an NLF plan to purge Vietnamese society through mass executions is so bizarre and unrelated to the reality of NLF policy that it tells us more about Pike's own mind than it does about the movement he claims to be describing. Likewise, his suggesion that the Front tried to eliminate anyone who knew the identity of previously underground cadres in Hue appears to be based more on Pike's conception of how the Mafia operates than on an understanding of how the NLF operates. Obviously, cadres whose identities were well-known could not have remained in the city when the NLF evacuated it. Others, who did not reveal themselves even after the NLF takeover of Hue, no doubt remained behind.[66]

Pike apparently made no effort to inquire into what in fact did happen in the later period of the communist occupation. Saigon officials in Hue told Len Ackland in 1968 that those who were killed by the NLF when it prepared to leave the city in the face of Saigon and U.S. military pressure were officials and anti-communist political party leaders who had earlier been on the list for reeducation.[67] At that point, the NLF was faced with the choice of leaving those individuals to carry on their war against it, or eliminating them while the NLF was still in control of the city, or taking them out of the city for reeducation. There is no doubt that some of those previously marked for reeducation were executed during the latter part of the occupation, although the number appears to have been many times less than the Saigon gov-

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ernment and Douglas Pike claim. Others who had been marked for reeducation were taken out of the city toward the mountains for that purpose. The charge that these prisoners were systematically killed is supported neither by evidence nor by logic.

Pike's "hypothesis," therefore, must be judged unworthy of serious consideration. It represents ill-informed speculation undisciplined by attention to the available documentary evidence, much less to the revolutionary strategy and tactics about which Pike claims to be an expert. Yet Pike's pamphlet must be considered a political warfare success, for his interpretation of events in Hue remains the dominant one for journalists and public figures.

CONCLUSION

The issue which historians must weigh in the NLF occupation of Hue is not whether executions took place but whether they were indiscriminate or the result of a prearranged "purge" of whole strata of society, as charged by political warfare specialists of the Saigon and U.S. governments. Equally important is the question of whether it was the NLF or U.S. bombing and artillery which caused the deaths of several thousand Hue civilians during the battle for the city.

The available evidence—not from NLF sources but from official U.S. and Saigon documents and from independent observers—indicates that the official story of an indiscriminate slaughter of those who were considered to be unsympathetic to the NLF is a complete fabrication. Not only is the number of bodies uncovered in and around Hue open to question, but more important, the cause of death appears to have been shifted from the fighting itself to NLF execution. And the most detailed and "authoritative" account of the alleged executions put together by either government does not stand up under examination.

Understanding the techniques of distortion and misrepresentation practiced by Saigon and U.S. propagandists in making a political warfare campaign out of the tragedy of Hue is as important today as it was when U.S. troops were still at war in Vietnam. It goes to the heart of the problem of facing the truth about the Vietnamese revolution and the American effort to repress it by force. The screen of falsehood which has been erected around the Tet Offensive in Hue was and is but another defense mechanism for the U.S. government and much of the American public as well to avoid dealing honestly with the real character of the struggle there.

(NOTE.—D. Gareth Porter is a fellow the International Relations of East Asia Project, Cornell University, and is concurrently a staff member of the Indochina Resource Center in Washington, D.C.)

FOOTNOTES

[1] For a study of the earlier underpinnings of this strategy, see D. Gareth Porter, "Bloodbath: Myth or Reality?" Indochina Chronicle No. 19, September 15, 1973.

[2] Joseph Dees, "Survivors Relate Communist Mass Murders of 1,000 in Hue," IPS (USIS) dispatch, April 23, 1968.

[3] New York Times, May 1, 1968; Washington Post, May 1, 1968.

[4] Vietnam Press. May 1, 1968. The UPI story on the report indicated that it was based solely on information supplied by the police, failing to mention the role of the Political Warfare Battalion. Washington Post, May 1, 1968. The New York Times did not mention the source of the information. It is safe to say, therefore, that no American newspaper reader learned that the ARVN Tenth Political Warfare Battalion played the key role in compiling the report.

[5] New York Times, February 29, 1968.

[6] Le Monde, April 13, 1968.

[7] "Chronology of Graves Discovered, Vicinity of Hue (Civilian Deaths in Tet 1968)," obtained from the Office of the Assistant Secretary of Defense for Public Affairs, February 1970.

[8] New York Times, March 28, 1968.

[9] "Chronology of Graves Discovered."

[10] New York Times, March 28, 1968.

[11] Vu Cong Sat cua Viet Cong tai Co Do Hue (Communist Murder in Hue). Tenth Political Warfare Battalion of ARVN, 1968, p. 13.

[12] Alje Vennema, "The Tragedy of Hue," unpublished manuscript, 1968, pp. 19–23.

[13] "Chronology of Graves Discovered," site 22.

[14] "Villagers Returning to Hue," UPI, in San Francisco Chronicle, December 8, 1968; "South Vietnamese Farmer Stoically Works Fields," Washington Post, January 4, 1970.

[15] "Chronology of Graves Discovered," sites 21, 13 and 14.

[16] Tien Tuyen, January 27, 1969.

[17] Tien Tuyen, May 3, 1969.

[18] Ibid.

[19] Vietnam Press, April 12, 1969.

[20] Washington Post, May 5, 1969.

[21] "Chronology of Graves Discovered," site 25.

[22] Douglas Pike, The Viet-Cong Strategy of Terror (Saigòn: U.S. Mission, Vietnam, 1970), p. 29.

[23] Baltimore Sun, October 12, 1969.

[24] Tien Tuyen, October 17, 1969.

[25] Pike, op. cit., pp. 28–29.

[26] "Chronology of Graves Discovered."

[27] Embassy of Viet-Nam, Washington, D.C., Vietnam Bulletin, Viet-Nam Information Series, No. 2[illegible], April, 1970, p. 6.

[28] Agence France-Presse dispatch, February 15, 1968, in L'Heure Décisive (Paris: Dossiers AFP-Laffont, 1968), p. 153.

[29] Ibid.

[30] Vietnam Bulletin, loc. cit.

[31] This is what Pike told Benedict Stavis of Cornell University in an interview on September 10, 1973. Letter from Stavis to the author, September 10, 1973.

[32] Washington Post, November 25, 1969.

[33] Christian Science Monitor, December 1, 1969.

[34] "Tien Chien Thang Hue tu Ngay 31.1, 23.3" (Information on the Victory in Hue from January 31 to March 23), xerox copy obtained from the Combined Documents Exploitation Center, Saigon. The document, it should be noted, is far from being a high-level report or analysis of the Tet Offensive in Hue. It is handwritten, sketchy, and clearly done at the local level for local consumption.

[35] Nhan Dan, February 28, 1968.

[36] Tu Dien Tieng Viet (Vietnamese Language Dictionary) (Hanoi: Nha Xuat Ban Khoa Hoc, 1967), p. 927.

[37] Los Angeles Times, November 20, 1969; Washington Daily News, November 25, 1969.

[38] Pike, op. cit., p. 16; news articles cited above.

[39] The paragraph immediately preceding Pike's mention of the document refers to a whole class of villagers being "wiped out," op. cit.

[40] "15 Tieu Chuan Cuu Tap" (Fifteen Criteria for Investigation), xerox copy obtained from U.S. Embassy, Saigon. This document is reproduced in Viet-Nam Documents and Research Notes, Document No. 97, August 1971, Part II.

[41] "Repressing Counterrevolutionaries: The Viet Cong System of Punishment," Viet-Nam Documents and Research Notes, Document No. 5, October 1967.

[42] Washington Daily News, November 25, 1969. Chuyen gave the figure of three million in the Los Angeles Times, November 20, 1969.

[43] In the report on the interrogation of Chuyen, the interrogator pointedly put question marks after the rank and past assignments in the VPA claimed by Chuyen. U.S. State Department, Captured Documents and Interrogation Reports (1968), item no 55, "Interrogation of Le Xuan Chuyen."

[44] Ibid.

[45] Speech by Tran Van Do, Troi Nam, No. 3, 1967, p. 13.

[46] Vo Van Chan, The Policy of Greater Unity of the People (Saigon: Minister of Chieu Hoi, Republic of Vietnam, 1971), p. 19.

[47] See Pike, op. cit., p. 18; Sir Robert Thompson, "Communist Atrocities in Vietnam," New York Times, June 15, 1972.

[48] "Letter from Vietnam," The New Yorker, March 23, 1968.

[49] Washington Daily News, March 1, 1968.

[50] "Status of Refugees," official report by Office of Refugees, U.S. Agency for International Development, May 2, 1968.

[51] Saigon Post, March 17, 1968.

[52] VC Carnage in Hue, Tenth Political Warfare Battalion, 1968, p. 8.

[53] Pike, op. cit., pp. 30–31.

[54] Saigon Post, Mar. 17, 1968.

[55] Pike, op. cit., pp. 33–39.

[56] "Information on the Victory in Hue."

[57] Len Ackland and D. Gareth Porter, "The Bloodbath Argument," Christian Century, Nov. 5, 1969. Reprinted in Paul Menzel, ed., Moral Argument and the War in Vietnam (Nashville: Aurora Publishers, 1971), pp. 141–46.

[58] "Ban Ke Hoach Con Kich va Khoi Nghia cua Mui A" (Plan for an Offensive and General Uprising of Mui A), xerox copy obtained from Office of Special Projects, JUSPAO, Saigon, June 1971.

[59] Len Ackland, "Resist and They Die, unpublished manuscript, 1968, pp. 5–6.

[60] Ibid., pp. 15–19; Washington Post, Dec. 7, 1969; and Don Oberdorfer, Tet (New York: Avon Books, 1971), pp. 216–53.

[61] Pike, War, Peace and the Viet Cong (Cambridge: MT Press, 1969).

[62] Ackland, op. cit., p. 8; Christian Science Monitor, May 8, 1968; Vennema, op. cit., p. 10; notes from interviews in Hue by Francois Sully of Newsweek, March, 1968.

[63] Ackland and Porter, op. cit., p. 145.

[64] Agence France-Press dispatch, March 3, 1968, in Vietnam Press Special Reports, March 5, 1968.

[65] Vennema, op. cit., p. 26.

[66] Vu Cuong Sat cua Viet Cong tai Co Do Hue, pp. 2, 18–21.

[67] The Chinese communists faced a similar situation in 1947, when they occupied a county seat and their shadow government and officials surfaced for the first time. David Galula tells of asking the political commissar what would happen when the Red Army had to leave the town. "They will leave, too, and resume their clandestine work," he replied. "Are you not afraid that they will lose their value now that they have revealed themselves?" Galula asked. The commissar said, "We have secret agents in this town who did not come out when we took it. We don't even know who they are. They will still be here when we go." Galula, Counterinsurgency Warfare: Theory and Practice (New York: Praeger, 1964), pp. 56–57.

FORD TARIFF ON OIL: HIGH VOLTAGE SHOCK TO CONSUMERS' ELECTRIC BILLS

Mr. HUMPHREY. Mr. President, last month a story was printed in the Annapolis Evening Capital that points up the utter disaster which increased fuel prices over the last year have wreaked upon American families. The article entitled "Electric Bills Shock Tenants" highlights the danger in allowing President Ford to add further to these fuel prices with his proposed $3 per barrel tax on imported oil.

The story tells of a group of families of moderate income joined in cooperative ownership of homes built with Federal housing assistance. Each family paid $500 as a down payment on these all electric homes. Now the rising cost of electricity has made it impossible for them to remain in their homes. Either they pay their mortgage or they pay their electricity bills. Either they have shelter or they have heat and light.

They cannot, at these prices, have both. One family received a monthly electric bill of $201.67. Even the more affluent families in this country cannot afford such bills.

These families are suffering terribly. But the Federal Government, which is responsible for much of their plight by insisting on all electric utilities refuses to assist them. In fact, the administration's proposal threatens to make the situation worse.

In the first place, the Department of Housing and Urban Development should never have allowed the construction of all-electric homes. This decision was one of saving pennies at the cost of dollars and anguish for the cooperative homeowner. Well, the administration ought to face up to this mistake. The Congress has provided, in the 1974 housing law, a way for assistance to be given to these families, but the administration refuses to implement the program. We passed legislation last summer which would allow loans for operating deficits. The Department of Housing and Urban Development has refused to set up the program, saying they are still "studying" matters. The time for study is over. These families need help now.

In considering the Housing Act last summer, we also indicated here in the Senate, that a way should be found to provide improvement loans to projects at the same subsidized rates of interest that the original mortgage enjoys. At this project in Annapolis, a program like that could finance the conversion from electric furnaces to gas or oil. It could provide for installation of other energy saving devices and improvements. Unfortunately, we get no action from the Department of Housing and Urban Development or from the President.

What is most clear from this news story is that the administration should not act to drive these families from their homes. The Congress must make sure that the imposition of an additional tax on imported oil does not add further to the costs of daily living in these federally assisted projects.

Mr. President, I ask unanimous consent that the article from the Evening Capital, written by Gregg Forte, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ELECTRIC BILLS SHOCK TENANTS

(By Gregg Forte)

Low and moderate-income families who invested almost $500 to live in the Bywater Mutual Homes townhouse development in Annapolis are now fleeing the all-electric project because of high electric bills.

Mrs. Barbara Riley, a divorced mother of six, says she moved out of Bywater in October because of the electric bills. "It got to where I couldn't buy food," she told the Evening Capital.

Her electric bills reached "$140 to $150" during the summer and the last bill she received before moving out was for "over $100."

Mrs. Riley commuted a total of 45 miles a day to her job with the Prince Georges County Health Department, spending "$25 to $30 a week" on gas. She also was paying $112.50 per month on her loan on her 1972 station wagon. Her salary then was $6,058 per year, she says.

She says her only other income during most of the time she lived in Bywater was a $57 monthly check from the county social services department.

Mrs. Riley found a buyer for her townhouse when she decided to move out. But the buyer moved into another unit in Bywater while waiting for Mrs. Riley to move, and stayed there. Mrs. Riley therefore does not get credit for the buyer's $495 "down payment," which all people who buy into the project must pay.

Mrs. Geraldine Stevens, who says her husband brings home $158 every two weeks from the Naval Research Laboratory, has had electric bills of $147, $136 and $201 for the last three months.

She says she and her husband avoided an eviction last month when they caught up on three months' back rent, but now her electric bills is three months behind.

The rent on the Stevens' three-bedroom townhouse went from $158 to $183 in November. "I can count at least nine families that have moved out of here because of the electric bills," says Mrs. Stevens. "We can't make these payments," she says, "but we've got nowhere to go." The Stevenses have five children, aged 5 to 13.

All the units at Bywater were provided with individual meters during construction. However, while those who moved into the first 76 units completed in 1971, had to pay their own electricity, the co-op tried to carry the electric charges on the 232 units that were completed in 1972.

The decision to have everyone pay for his own electricity was made because the "expense was getting out of hand," says Julius E. Washington, property manager for the co-op.

"We thought that individuals would exercise more judgment in using electricity if they had to pay for it themselves."

Washington concedes, however, that the bills are driving tenants out, forcing increased costs for those who remain.

And because of the declining occupancy, the federally subsidized co-op project has been forced to raise the mortgage payments its residents must pay and to appeal for help to the federal government.

There are about 60 renters in the 308-townhouse project off Forest Drive. Another 208 of the present residents there bought a share 'of the co-op by giving the project a $495 down payment when they moved in. Some 40 units are vacant.

Under the co-op plan, the $495 share was designed to grow in value after 1976. Because of the co-op's decision last spring to have homeowners pay their own electric bills in the all-electric project, however, many buyers have had to move out.

Since last April, when the individual electric billing began, 42 owners have moved out while only 16 have moved in. There was a net gain of 14 renters, but overall, there are 12 fewer families in the four-year-old project.

In November, "rent" at the project rose an average of $21 per month on the two-bedroom to four-bedroom units, putting the monthly charge at $165 to $213. A buyer's "rent" includes principal and interest payments on the project's mortgage.

The only residents who can sell their $495 share back to the co-op when they move are military families moving on orders. Other departing owners must sell their townhouses to other buyers before they can recover their $495 down payment.

Washington could not provide figures on how many of the departed owners were military, or had sold their share to another buyer.

The co-op has requested a one-year moratorium on the project's mortgage payments and a reduction in its interest rate. The request must go through the Federal National Mortgage Association, which holds Bywater's mortgage, and the Department of Housing and Urban Development (HUD).

Eugene Henderson, director of HUD's area housing maintenance office in Baltimore, told the Evening Capital this week that there will probably be a reduction of about $10,000 in the project's $28,000 monthly payment for "six months to a year." The total mortgage on the 308 units is $6.6 million.

"We'll have to make some arrangements for them to catch up once the grace period is over," Henderson said. However, the interest rate is not being reduced, he added.

Bywater Mutual Homes, Inc., is run by a four-member board of directors now made up of three tenants and one former tenant. The board is elected by the tenants.

The income limits for residents of Bywater now range from $6,210 per year for one person to $9,990 for a family of 10.

THE TORNADO AND THE TAXPAYER

Mr. HARTKE. Mr. President, on April 3, 1974, one of the greatest natural disasters in the history of this Nation struck many parts of the Midwest. A series of tornadoes swept across the region. In my home State of Indiana, some 60 tornadoes killed and injured over 800 Hoosiers and destroyed some 4,000 buildings causing property damage in excess of $100 million.

Within hours, emergency relief reached these victims from all branches of government—Federal, State, and local—and from many private sources. I or a member of my staff personally went to every one of the 39 counties in Indiana hit by these tornadoes offering the services of my office.

In the past 10 months, there has been much rebuilding of homes and lives in the communities that suffered from this tragedy. I still am impressed when I return to the State with the optimism and determined spirit that exists in the areas that felt the brunt of the tornado.

There are many ways for those affected by this tragedy to reduce the amount of their Federal and State income taxes for 1974. The Louisville Courier-Journal and Times recently published a most informative article stating some of the tax deductions that can be utilized by those hit by the April tornadoes to ease their losses.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TORNADO AND THE TAXPAYER

(By Ken Loomis)

If you were among the unfortunate thousands in Kentucky and Indiana who sustained property losses in the April 3, 1974, tornadoes, you may be able to turn the tables on the tax collector this year.

Depending on the size of your unreimbursed loss from the storms, you may qualify for a federal income tax refund, or at least a reduced tax bill.

And, if Congress adopts President Ford's proposal for a 12 per cent 1974 federal income tax rebate or a similar rebate plan, you could probably take best advantage of it by filing an amended 1973 return to reflect your disaster loss, rather than including it in your return for 1974.

In addition, Kentuckians who qualify for reduced federal income tax on the basis of casualty losses almost certainly will get a similar reduction in their state income tax.

But not residents of Indiana.

Finally, taxpayers on both sides of the Ohio River whose property is worth less now than it was before the tornadoes struck would be wise to make sure their local assessor (in Indiana) or property valuation administrator (in Kentucky) knows it. Otherwise, they are likely to be overbilled for 1975 property taxes.

Those are some of the ways in which property losses from the April 3 storms—estimated at about $290 million in 70 counties in Kentucky and Indiana—will affect taxpayers.

Here are details:

FEDERAL INCOME TAXES

If your property loss was sustained as a result of the wave of tornadoes that struck the Midwest on April 3, 1974, you have the option, under the U.S. Disaster Relief Act, of either declaring it as part of your 1974 income tax return or amending your 1973 return. And you have until April 15, 1975 to make your choice.

Since Congress might adopt the Ford proposal to rebate a flat 12 per cent of 1974 taxes, or a similar plan, most taxpayers may find it to their advantage to amend their 1973 returns. Otherwise, the casualty loss deduction will only reduce the amount that would be rebated on 1974 taxes.

For example, someone who owes $2,000 in federal income tax for 1974 before deducting for example, $200 as a result of casualty loss could choose to file an amended 1973 return and receive a $200 refund check. In addition, if the President's tax rebate proposal becomes law, the taxpayer would later in the year receive a rebate for 12 per cent of his $2,000 tax, or $240. However, if he chooses instead to apply the casualty loss to his 1974 return, it would reduce his 1974 tax to $1,800, entitling him to a rebate of only $216. This advantage in filing an amended 1973 return might disappear if the individual's tax obligation for 1974 is $8,333 or greater because the Ford proposal sets a limit of $1,000 on the rebate. The necessary forms for filing an amended 1973 return are 1040X and 4684 (Casualties and Thefts), which are available from the Internal Revenue Service (IRS).

In any case, you must itemize deductions to take advantage of your casualty losses on your tax form. If you do not normally itemize, and if your loss is small, you might be better off taking the standard deduction.

But if you are in doubt, take the time to work it out both ways to be sure which is most advantageous to you.

If you decide to itemize your casualty losses, you will need the long form, 1040; the Schedule A included with it, on which to list the deduction; and Form 4684 mentioned above, on which you make the detailed calculations that determine what your loss it.

In addition, one other aid will prove valuable if your losses included any kind of property other than real estate (which can be handled on Form 4684 (alone). That is IRS Publication 584, entitled "Workbook for Determining Your Disaster Loss." It provides meticulous listings, room by room, for an inventory of household goods and other personal property damaged.

And the instructions are a model of simplicity.

More complicated cases (including the reporting of business casualty losses, which will not be covered here) are explained in Publication 547, "Tax Information on Disasters, Casualty Losses and Thefts," and by the standard IRS instruction book, Publication 17, which is also available at no cost.

With this formidable armful of paper, you are ready to tackle what seems to be—but is not—a simple job.

The chief problem in determining a casualty loss is that IRS will only allow the loss in "fair market value" of the damaged or destroyed property.

Even if the property is destroyed, the loss is almost never what it cost. The fair market value of real estate is often more than it cost, while the value of personal property like clothing or furniture is nearly always less than its cost.

For this reason, IRS officials strongly advise anyone with a substantial casualty loss to obtain an appraisal.

Without one, an IRS agent in the Louisville district's auditing department indicated, the deduction is not likely to be allowed if the return is questioned.

And the appraisal must be more than a mere eyeball estimate, added agent Charles Bauer. "If someone is going to do something like this, he better have a basis to back it up. If it is only a letter, the property owner should go back to him and ask for more.

One local official of the Society of Real Estate Appraisers said that appraisals of real estate damage performed by his firm after the April 3 tornado normally ran from 24 to 48 typewritten pages, at a cost of $200 to $250.

(The cost of appraisals or photographs to establish a casualty loss is a legitimate deduction, entered on line 33 of Schedule A of your return.)

It not only is not too late to get a real estate appraisal of homes rebuilt after the disaster, said the appraiser, but the job might even be easier than immediately after the storm.

"There may be more data available now," he said. "And now we're in a position to see what people did and wanted to do."

There are many factors that make it difficult for an untrained person to make an accurate appraisal of damage on a fair market basis, said Bauer. Among them is the general decline in a neighborhood's desirability as a result of overall damage—which is not an allowable loss—and difficulty in determining how much a property's value slipped as a result of landscaping damage.

What cost to repair a damaged building, or what it would cost to replace destroyed trees, does not determine fair market value, said Bauer, although the information might help.

"Reasonableness" is a key factor for the IRS in deciding whether to accept a casualty loss claim, said Bauer.

For instance, he said a loss of $5,000 for a huge tree would probably be disallowed, but a lesser claim, based on what it cost to remove the debris and plant a sapling in its place, would be reasonable.

It would not be reasonable to claim the cost of replacing such a tree, he said, since the fair market value of the whole property would not have decreased by that amount.

Similarly IRS does not allow claims based on so-called "sentimental" value.

Determining the loss of value of personal property is also difficult, said Bauer, but not if it was covered by insurance. Insurance appraisals in settlement of household goods losses "are close to being right" as far as the IRS is concerned, he said.

For persons who had no insurance and lost all of their property, the tax agency has to rely once again on the "reasonableness" concept.

Such a person "knows better than anyone else what the condition of his property was."

The property owner can only try to figure out what the fair market value of his goods was just before the storm hit, said Bauer. "If he makes reasonable judgments, and they would appear so to a disinterested party, they would probably be reasonable to us, too."

Figuring the fair market value of an automobile lost or damaged by the storm is the simplest of all, said Bauer. "You can always go to the Blue Book. And, if it wasn't covered by insurance, you could probably figure the cost of restoral as a fair guess at loss in fair market value."

The Blue Book is the guide to average retail prices for used automobiles, published by the National Automobile Dealers Association. Some credit unions, banks and local tax officials use it to determine a car's value and would probably make it available.

Once an accurate determination is made of fair market value immediately before the storm and of fair market value immediately after the storm, the rest is simple arithmetic.

The difference between the two figures is the loss in fair market value.

You must then subtract from that number any insurance proceeds you received to cover your loss and also any outright federal disaster grant you received.

Finally, you must subtract $100, since IRS requires you to absorb the first $100 of any casualty loss.

What is left is your allowable casualty loss deduction. It is entered on line 29 of Schedule A and is eventually used to reduce the amount of income on which your tax is based.

That is the basic formula used in figuring casualty loss, but there are a few other items that will need to be considered:

In no case can your loss in fair market value be greater than the cost of your property. This situation only occurs when property—such as real estate or antiques—appreciates in value over a period of time. For example, a man who lost a home that cost him $12,000 but was valued at $18,000 would be limited to a $12,000 loss—reduced by insurance and the $100 exclusion.

If you received food, food stamps, medical supplies or other emergency aid after the tornado, you don't have to declare them anywhere on your tax form.

If your insurance company reimbursed you for living expenses—food, hotel, transportation—while you were without your home, usually these only covered your actual excess expenses, and they need not be declared. If you got more than you needed, it is declarable income.

The $100 exclusion is applied only once to total losses of all kinds from a single disaster, and only once for husband and wife's joint return.

If you were one of the truly unfortunate few who had a greater casualty loss than the entire income for the year, you will qualify for additional tax refunds dating back to 1971. See page 12 of Publication 547 for instructions.

INDIANA INCOME TAXES

Unfortunately for the unfortunate, Indiana's income tax system makes no provision for declaring a casualty loss. After taking exemptions for his dependents, an Indiana resident pays a flat 2 per cent tax on his gross income.

The only glimmer in this otherwise gloomy situation, according to Douglas Wilcher, administrator of the State Revenue Department's income tax division, is that insurance payments Hoosier tornado victims received to offset their losses need not be declared as income—unless, of course, they were greater than the loss.

REAL ESTATE TAXES

Assessors in Indiana and property valuation administrators in Kentucky do the same job—they set a value on real estate on which taxes are based.

Unfortunately, that value is set as of Jan. 1 each year, not April 4. This means that even if your house was demolished by the tornado and has not been rebuilt, you were liable last year for taxes based on its value as of Jan. 1, 1974.

But if your rebuilt or repaired home is not worth as much as it was before the storm hit, check with your local assessing official to make sure he knows this.

He probably does, but you can save yourself trouble or even money by making sure now.

Field workers from the office of Jefferson County Property Evaluation Administrator Robert J. Butler, Jr., have spent a lot of time checking property in the areas hit by the storm, said Butler, and are still at work.

If they decide an assessment should be raised, the property owner will be notified by mail, beginning about March 1.

"We try to notify them when their assessment is lowered, too," said Butler, but that is not always done. And there is no notification if the assessment is unchanged.

You can check your property assessment, however, either by stopping at the office in the Fiscal Court Building or by calling 581–6380.

If you think the assessed valuation on your property is too high, it will be checked by a field worker, said Butler, even if it has already been checked since the storm.

Assessments are revised on the basis of building permits, said Butler, and someone who had a permit before Jan. 1 but has delayed the work should call the office to check the assessment.

If you are not satisfied with your assessment, you can appeal it, but that will require two trips to the courthouse. The appeal must be filed with the county clerk's office, then heard by the Board of Assessment Appeals, which convenes June 9.

Butler suggests that documents substantiating your claim, such as insurance estimates at the time of the damage and repair bills, might help your case.

And if the general property values in the neighborhood have declined as a result of storm damage to a row of trees along the street or similar loss, you might find a more sympathetic ear at the courthouse than at the Federal Building.

IRS Forms and Phone Numbers

Useful Internal Revenue Service (IRS) forms and publications referred to in the accompanying article include:

Publication 17, Your Federal Income Tax, the 192-page guide with complete general information on most tax problems.

Publication 547, special instructions for reporting disaster and theft losses.

Publication 584, a workbook for determining your casualty loss which is also useful in making an inventory of your property in case of future losses.

Form 1040, the basic individual income tax form, including Schedule A on which deductions are itemized.

Form 1040X, for filing on amended return for a previous year.

Form 4684, to report casualty losses in detail.

The forms and publications are available free, including the first copy of Publication 17. (Additional copies of it cost 75 cents each.)

They are available from IRS district offices, or they will be mailed if you request them from these tax information telephone numbers:

Louisville, 584–1361.
Lexington, 255–2333.
Northern Kentucky, 621–6281.
Elsewhere in Kentucky, 800–292–6570.
Evansville, 424–6481.
Elsewhere in Indiana, 800–382–9740.

Kentucky mail requests should be directed to: District Director, Internal Revenue Service, Box 1735, Louisville, 40201.

In Indiana, write: District Director, Internal Revenue Service, Box 44026, Indianapolis, 46244.

CDC'S—BATTLING POVERTY

Mr. KENNEDY. Mr. President, community development corporations have been working to rebuild the poverty areas of the Nation through self-help and community economic development programs for the past several years.

Originally funded by the OEO special impact program which was authorized by Senator Robert Kennedy and Senator Jacob Javits, this program has become one of the exemplary developments of the Federal poverty program.

Legislation I introduced with Senator Javits became title VII of the Economic Opportunity Act of 1972 and expanded the opportunities for assistance to community economic development programs. We have expanded the program even further in the recently enacted Community Services Administration. Unfortunately, the Administration has starved this program, denying it any increase in funds for the past 2 years.

In a recent public service advertisement sponsored by Mobil Oil Co., the benefits of CDC's are explained and its progress discussed.

I want to commend the Mobil Oil Co. for its action in urging support for CDC's around the country. I understand that the response from individuals, foundations and businesses has been very encouraging.

Mr. President, I ask unanimous consent that the Mobil advertisement published in the New York Times be printed in the Record.

There being no objection the advertisement was ordered to be printed in the Record, as follows:

"Anticipate Charity by Preventing Poverty"—Maimonides (1135–1204)

The American system of welfare has never really worked. But there is one solution to poverty that offers real hope. It is built on a partnership of business enterprise and the efforts of men and women who learn they can help themselves. It's called the Community Development Corporation. Thirty-six CDCs are now operating in large cities and in forgotten pockets of poorer rural areas.

The CDCs are not merely another antipoverty project. They're a form of American capitalism. Residents of impoverished communities—black, Hispanic, Indian, white, urban or rural—form a corporation, usually nonprofit. The corporation shops for venture capital and seed funds from banks, businesses, and the federal government. Local businesses, big and small, are also tapped for technical assistance.

The pay-out? The community-formed corporations finance subsidiaries that often do make a profit—in dollars and cents and in benefits to the community. By providing training, ownership, employment opportunities for fellow residents. By bringing income into the community.

Only a seven-year-old concept, CDCs are now active in 30 states. They provide mortgage money for black homeowners and homebuyers in Brooklyn; health-care and job-training facilities for Mexican-Americans in East Los Angeles. One is manufacturing kitchen cabinets in the mountains of southwest Virginia. Another, run by Lummi Indians, "plants" salmon and oysters in the coastal and inland lake waters of remote Marietta, Wash., for harvest and sale to industrial markets.

Their product lines are as limitless as the economy itself. They manufacture toys, blue jeans, and electronic equipment. They develop shopping centers and farming cooperatives. They run motel franchises, industrial parks, pipe-bending plants, and restaurants. And many of the workers have never even held jobs before.

The granddaddy of the CDCs is the Bedford-Stuyvesant Restoration Corporation in Brooklyn. It serves the largest black community in New York City and is one of the most ambitious self-help programs in the United States. Since its birth in 1967, the corporation has invested more than $30 million in "Bed-Study." It is neither typical of the other 35 CDCs, nor a model for them. But it does prove what poverty-bred capitalism can achieve.

If you think you can help a CDC—with your expertise or with a market for good products—write the National Congress for Community Economic Development, 1126 16th Street, N.W., Washington, D.C. 20036. Its motto is the advice Maimonides handed down in the 12th Century: "Anticipate charity by preventing poverty; assist the reduced fellowman . . . by putting him in the way of business, so that he may earn an honest livelihood, and not be forced to the dreadful alternative of holding out his hand for charity." We believe that's still good advice.

CORPORATE TAXATION

Mr. HARTKE. Mr. President, the New Times magazine recently published an article on corporate taxes entitled the "Corporate Coverup." The theme of the article is that corporations can report virtually any level of profits and, therefore, taxable income, they chose by the use of deceptive accounting techniques. It is a very important lesson for us to remember as we approach the difficult issue of tax reform, that we must also be concerned with the accounting methods used by taxpayers to comply, or avoid compliance, with the tax laws. If we tighten up tax loopholes but allow accounting loopholes to persist, what have we accomplished?

I am not one who believes corporate taxes should be primative. I have in the recent past sponsored legislation to reduce the corporate tax rate, and I have long advocated increasing the investment tax credit. But I strongly oppose the reduction of tax liability by accounting chicanery, and I oppose tax laws which allow such practices. I hope that we will be able to investigate this issue when tax reform is studied by the Finance Committee later this year.

Mr. President, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Corporate Cover-Up

(By Ann Crittenden)

In 17th-century France, according to the great historian Lavisse, when the king's tax collectors rode through the countryside, the natives were ready for them. Animals were driven into the forest, silver plate pitched into the basement, and furniture stashed in the harm. Raiment was out and rags were in. Overnight, Ptomkin villages in reverse sprang up to reveal a nation impoverished, with nothing to spare for the voracious monarch of Versailles.

As everyone knows, the old French peasant's dodge has become the national sport of the American rich, with Rockefeller's "office expenses" and "charitable donations" providing the Super Bowl performance of the year. But far less appreciated is the fast and fancy footwork of the nation's leading corporations, for theirs is an incredibly more complicated game—devoid of stars or glamour but full of tricky ground rules.

The most illiterate denizen of the body politic is aware by now that the innumerable tax breaks, benefits and loopholes bestowed on corporations by a compassionate Congress enable many top firms to get away with miniscule U.S. tax payments. But how many people, including congressmen sitting on Capitol Hill's foremost economic committees, can be bothered with the stupifying details of corporate accounting, or with grasping a fact that is Kindergarten I in financial circles: that the very profits on which those tax rates are levied are to a large extent fictions—rough bookkeeping estimates revealing more or less the income that a company wants to reveal in a given year. When you or I make $20,000, we know what it means, the government knows what it means, and the IRS claims its share. But when a company reports a $200 million income, it increasingly means that the company wants the world to *think* it earned that amount—and any resemblance to actual cash flow may be purely coincidental.

It doesn't take a mathematical genius to figure out what the implications are. If corporations are using accounting devices to understate their receipts, and therefore their tax obligations, by billions of dollars, the impact on the Treasury could be far greater than most of the loopholes and tax subsidies put together. And someone else will have to pay the price—either the beneficiaries of sorely needed social programs or the tax-paying public at large, in higher taxes to make up the difference.

Profit figures are so manipulable that Alan Greenspan, chairman of the President's Council of Economic Advisers, admitted recently that "... profits are only a product of the accountants ... you never really know what they are." What they seem to be right now is stratospheric, a state of affairs considered desirable until recently by companies eager to boost their image and their stock prices. But in the last few months, as industry after industry has reported record earnings, many executives have begun to worry that if things look *too* good, people may get strange ideas about who is profiting from inflation and who should perhaps submit to higher taxes or to controls. As a result, a number of leading companies are now scrambling to gear those earnings reports down, and to hide their record profits in a murky sea of ink that the most diligent revenue agent could not penetrate.

There is no doubt that the historic profits of recent days have been surprising—and embarrassing. Typically in a recession profits drop about 25 percent, and even in the mild dip of 1970, pre-tax profits fell by 13 percent. So far, the 1973–74 recession has been twice as severe as the 1969–70 slowdown, but profits have climbed off the charts. In 1973 the income of the Fortune 500 soared 39 percent. Median return in the oil industry was up 53.3 percent; in the paper industry, 49.4 percent; textiles, 45.4 percent and motor vehicles, 33.4 percent, to list just a few who are enjoying, as one accountant puts it, "fecundity beyond their wildest dreams of avarice."

Almost to a man, economists warned that 1974 would bring the crunch, and that business would be suffering by midyear, a prophecy that certainly came true for the auto industry and that had long been true for utilities and the bombed-out housing and brokerage businesses. But for industry as a whole, the good times continued to roll. Profits before taxes jumped at an annual rate of 45 percent in the first half of '74, and estimates are that they shot up another 14 percent in the third quarter. Basic materials industries in particular—oil, steel, mining, fertilizers, chemicals, paper—sailed through the year awash in historic sales and profits, with the oil and sugar industries—surprise, surprise—leading the breathtaking pace. Some of the smaller oil firms have increased their income by as much as 292.4 percent over 1973, and even mammoths like Texaco almost doubled their profits in the first half of 1974. This at a time when the GNP has been actually falling for a year, when unemployment is climbing over 6 percent, and the real take-home pay of the average worker is down by $5 a week in the last year alone. Indeed, the only thing going up, besides prices, has been profits.

It is all very awkward, and the response of many companies, aside from stepping up their image advertising, has been to switch to what maverick accountant Abe Briloff calls "Twiggy" accounting: to reduce published earnings to as lean and low a profile as possible. The traditional incentive for stressing high profits—to push up a company's stock—is no longer valid in a market as flaccid as last summer's beach ball, so companies have little to lose and much to gain by their new conservatism. Just how much was indicated by economist Walter Heller earlier this year when, after estimating that oil price increases would raise the industry's gross income by $20 billion, he noted that "petroleum accounting will very likely be inventive enough to keep a considerable part of this windfall from showing on the bottom line."

The accounting techniques for squirreling away the big nuts are almost limitless. In a good year, companies often take precipitous write-offs on such costs as oil drilling, plant remodeling or relocation, or payment of interest on borrowed money, instead of spreading the expense over a period of years. Another favorite device is to set aside reserves against expropriation, possible bad debts, losses on future contracts or other contingencies. These sums are simply subtracted from taxable earnings in a bookkeeping maneuver that only occasionally appears on the balance sheet. It is as if an individual could estimate his chances of being mugged, or of never being paid back that $500 he lent to Uncle Joe, and then deduct the amount from the income reported to the IRS.

The SEC's chief accountant, Sandy Burton, says he sees "no evidence that arbitrary reserves are being set up by the oil companies," although he admits that this conclusion is based on assertions of the companies themselves, and not an audit of their books. "I'm sure there's some of this going on," Burton adds, "but the magnitudes are hard to perceive." Maybe, but they aren't hard to guess if it is true, as reported, that Exxon salted away $400 million in a contingency reserve in 1974, and Texaco buried $42 million in the first quarter alone. And at least one executive vice-president of a $150-million-a-year firm freely admits that his outfit is booking greater reserves. "Even divisions and subsidiaries within our company are not reporting more than 60 percent of their earnings to the parent," he explains. "We want to show a nice 25–30 percent increase in profits for 1974, and if we booked it all we'd show 100 percent."

In their *embarras d'riches,* companies are also spending like an archduke on the eve of revolution, for the more they spend the less they have to report as taxable profits. This is the year of the "soft-dollar" expenditures—on advertising, sales promotion, consultants and new carpets. "The oil industry is a big mover," comments one Harvard Business School professor who knows. "They're spending on anything, to keep income from working its way down to the bottom line. It seems like all of my friends are consultants to the oil industry these days."

Accelerated depreciation—quickly deducting from pre-tax income the cost of buildings and equipment—is another favorite tax dodge that is on the increase. Total corporate depreciation almost doubled from 1965 to 1973, while after-tax profits rose only 51 percent. Yet the cry is going around now that even fast write-offs aren't enough, that depreciation should be based on *replacement* costs in order to reflect inflationary changes in the value of corporate assets. What is left unsaid is that such a shift would not only confer another special privilege on corporations (no one has suggested that individuals should be able to base their home deductions on current cost) but would also have the taxes in times of inflation, just when tax destabilizing effect of reducing corporate increases are most needed.

The swelling of corporate profits by inflation has stimulated companies to take advantage of what, in effect, is the most significant tax-avoidance opportunity of all—a perfectly legal accounting device that dwarfs in its impact all of the more familar tax loopholes like the oil depletion allowance. Here is the way this works: most companies base their inventory costs on the actual purchase price of existing inventory, working through inventory as it was acquired. This method is called FIFO—first in, first out—and in a time of rising prices, it will show low costs and high profits. It will reflect the actual jump in profits that a company will enjoy until old, cheaper inventory has to be replaced with new, more expensive stock. As much as 14 percent of last year's record profits, and fully 25 percent of this year's bonanza, are this type of inflationary inventory profits.

But the trick is that companies are perfectly free to figure their inventory profits differently, on the basis of current costs, or the last price paid for an addition to inventory. This is called LIFO—last in, first out. The LIFO approach, which is allowed in almost no other country in the world, obviously shows higher costs, less income and—eureka!—lower taxes. Not surprisingly, at the moment U.S. companies are falling all over themselves to make the switch to LIFO. Some 250 major corporations, including du Pont, Eastman Kodak, Coca-Cola, Firestone and Standard Oil (Ohio), and at least one sugar company, have already converted, and indications are that many more will shift at the end of this fiscal year.

The savings to companies, and losses to the U.S. Treasury, will be immense. Du Pont figures that LIFO will reduce its 1974 pre-tax earnings by some $300 million, and its taxes by almost $150 million. Kodak could pocket some $20 million in tax savings. Overall, estimates economist Henry Wallich, U.S. corporations would have paid some $8 billion less in federal income taxes last year if they had all been using LIFO, and $12 billion less if they had combined LIFO with inflation-adjusted depreciation. Corporations defend non-payment of taxes on this savings with the rationale that the money is needed to replace inventories. Moreover, as the economy grows weaker, and customers begin to defer their payments, the extra cash provides a nest egg that, as one corporate accountant puts it, "is better left in our pockets for a while than in the government's pocket."

This plea would be more valid if companies were indeed vulnerable to declining prices and to a dangerous price/cost squeeze in some rough-and-ready, laissez-faire future. But in today's tightly controlled markets, many companies can steadily raise prices to cover increasing inventory expenses, even, as in the case of the auto industry, in the face of falling demand. For such industries, the non-payment of taxes on inventory profits amounts to a permanent tax deferral.

Worse, many corporations in these oligopolistic industries are going further, and under the guise of higher costs are hiking prices up a few extra notches for the road—a solution to the strange mystery of why so many industries are recording gargantuan profit margins in the midst of the worst economic slowdown in three decades.

Few would argue that they shouldn't do well, or that high profits per se are not a good thing. Above all, they have been essential for investment in industries plagued until recently with shortages in productive facilities.

But the current efforts to minimize taxable income pose another special danger. By pushing the already fuzzy picture of who earns what even further out of focus, the trend could obscure the fact that a real redistribution of income is taking place in the U.S. away from wage earners and certain sectors of the economy like housing, toward the wealthy and the oil industry, for example. At least when Texaco reports earnings are up 97.5 percent, the warning flags can go up. (There is no doubt that the redistribution is happening: between 1969 and 1972 almost $10 billion was taken from the bottom three-fifths of American families and transferred to the richest one-fifth, largely because inflation hits the poor hardest. Since 1972 that trend has accelerated.)

It would be nice to know that alarmed public officials are fighting this latest corporate tax dodge, but the fact is that Congress is too confused about the overall health of the economy to give questions of profit reporting a thought. And officials at the SEC, who have responsibility for all aspects of corporate financial disclosure, are more worried about the distorting effects of inflation on financial statements than the understatement of profits.

There is virtually no pressure, for example, for such a basic reform as a requirement that all companies use FIFO, even though that change alone would save the Treasury billions of dollars in lost revenues. Even tax reformers themselves don't fully realize yet that instead of worrying about excess profits, or the tax subsidies that produce them, they also have to be concerned about how those profit figures are calculated. For in the now-you-see-it, now-you-don't world of corporate accounting, one rule change can transform today's windfall gains into tomorrow's respectable increase in income, leaving all of the rest of us wondering, as prices and taxes keep rising, what on earth is going on.

WE PAY THEIR FAIR SHARE

Even on the income that they do report, major companies are as successful as the super rich in avoiding U.S. taxation. The statutory corporate income tax rate is 48 percent, but last year the actual rate paid was 35.6 percent, thanks to an armed guard of investment credits, depletion allowances, kickbacks for export sales and other special deductions standing between company coffers and the revenue agents.

Most impregnable are the vaults of the nation's 12 leading commercial banks, which last year paid an average of 3.6 percent of their income to the U.S. government. This wrist-tapping tithe results from the fact that banks can take advantage both of tax exempt municipal bond interest and the foreign tax credit, which permits U.S. firms to subtract income tax paid overseas directly from their U.S. tax bill, instead of treating it as a deductible business expense.

The foreign tax provision also comes in handy to the American oil companies, which years ago had their foreign royalties redefined as "taxes." Last year the top six companies paid a crushing 6.3 percent of their worldwide income in U.S. taxes. No one knows what percentage of their U.S. income is paid to the U.S. Treasury because exactly where they earn their money is one of the tightest-held secrets or all multinational firms.

Obviously, the multinationals pay lower U.S. taxes than American corporations in general, but according to Harvard economist Otto Eckstein, an increasing array of congressionally approved tax shelters is making it easier for all U.S. companies to dodge the IRS. His calculations show that back in 1961 corporations were paying an effective tax rate of 43.3 percent, versus the 35.6 percent in 1973. This year, largely because so many companies understated profits, the percentage of corporate income paid out in taxes probably fell to the lowest level in at least 20 years.

The result of all this is that you and I are being asked to bear a rapidly growing share of the burden. Work of the Washington-based Tax Reform Research Group, for example, shows that corporate taxes, as a percentage of federal receipts, fell from 33 percent to 14 percent between 1944 and 1974, although before-tax profits, as a percentage of gross corporate product, remained fairly constant. During the same period, individual income and payroll taxes rose from 48 percent to 73 percent of total federal tax receipts. In 1973, while industry struggled under such tax rates as 11.5 percent (oil companies excluding the top six), 17.3 percent (metals and mining), 22.1 percent (drug companies) and 28.4 percent (food processors), a family of four in the $20,000 bracket was paying 15 percent of its income in federal taxes. At the $30,000 level, the rate rose to 20 percent (for 1971, the last year for which figures are available).

Below is a list of the top 15 corporations in the country, as ranked by Fortune and their tax loads for 1973:

	Chrysler	Ford	GE	GM	IBM	ITT	United States Steel	Western Electric	Westinghouse	Exxon	Gulf	Mobil	Standard Oil of California	Standard Oil of Indiana	Texaco
U.S. tax rate on worldwide income	3.1	16.8	32.3	40.2	22.5	2.8	28.9	39.5	12.2	3.7	1.6	3.2	8.7	19.8	.9
Share to foreign government	16.0	15.9	7.1	6.2	24.0	32.5	11.7	----------	10.4	53.8	61.4	55.2	37.4	11.2	31.5
Worldwide rate on worldwide income	19.1	32.7	39.4	46.4	46.5	35.3	40.6	39.5	22.6	57.5	63.0	58.4	46.1	31.0	32.4

[1] All figures are percentages of 1973 pretax financial income.

Source: Tax Analysts and Advocates, based on material filed with the SEC.

THE FUTURE HOMEMAKERS OF AMERICA

Mr. HRUSKA. Mr. President, I have recently received a letter from Miss Laura Umberger, of Elwood, Nebr., treasurer of the Nebraska Association of the Future Homemakers of America.

Supporters and members of this fine organization are involved in an all-out campaign to explain the goals of the FHA and its role in today's world. I certainly want to add my support and good wishes to this endeavor.

Miss Umberger's letter has revealed to me that FHA is much more than the stereotyped image of "cooking, sewing, and other domestic activities." As Miss Umberger most aptly expresses it:

> The whole idea behind FHA is to help prepare the individual for all aspects of home living and homemaking.

No one can better express the ideas and goals of FHA better than the author of this letter. I defer to her, and ask unanimous consent that Miss Umberger's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 7, 1975.

HON. ROMAN HRUSKA,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HRUSKA: I am Treasurer of the Nebraska Association of Future Homemakers of America; I live in the small town of Elwood. We have approximately 80 kids in high school and our FHA chapter has an active membership of thirty.

Let me ask you, what comes into your mind when you hear "FHA"; cookie-makers, baby sitters, housecleaners? I would like to take this chance to tell you a little about FHA. By telling you some of the projects we are involved with in my own chapter, I can give you an idea of the ideals and goals of our whole organization.

In November, we had Ms. Gail Whitaker, from the University faculty, speak to us on self-defense. Her talk and demonstration were part of a project of awareness for our chapter. Here in Elwood, the chances of ever needing to use self-defense are very small, but the majority of us will, at some time, enter an environment where this knowledge could prove essential.

Later on that month, the Freshmen girls took a poll on if and what students and teachers ate for breakfast. The results were surprising in a negative sense. They started putting up displays around school telling how essential breakfast is. They showed films to the classes and climaxed their project by serving a breakfast of juice, pancakes, and sausage to each class, 7th–12th, and faculty members. Various local merchants and farmers donated the flour and meat. Besides being served a delicious and nutritious meal, each of us was made to realize the importance of a good breakfast and, hopefully, what we learned was applied in day-to-day living.

In Elwood, we have a child development center for preschool children who are mentally or physically handicapped to some degree. Four girls from our chapter, including myself, do volunteer work one hour a day there. Conflict with class schedule prevents many others from doing this. Out of all the projects I've worked on, this one is the one I've gained the most from. We are performing a helpful service and get a feeling of accomplishment by doing so, but more than that, the personal rewards are fantastic! I have gained more patience, understanding, and compassion towards people, especially the handicapped. It has also helped me to decide what career I would like to go into.

Like many other organizations, FHA is stereotyped. We sometimes suffer from lack of communication with the public. Cooking, sewing, and other domestic activities are definitely a part of homemaking. But making a house into a home and creating the right atmosphere for pleasant family living are things that can only be accomplished if, yourself, are prepared to meet responsibility. The whole idea behind FHA is to help prepare the individual for all aspects of home living and homemaking. This is why our organization is open to males, also.

I hope I have given you some useful information and I would like to offer you a challenge. If you feel as though you have learned something about FHA, please share it. As a public official, you have more of a chance to share ideas and knowledge. Next week, February 9–15, is National FHA Week. Public relations are always important to us, but during this week they are especially stressed. Anything you can pass on to others about FHA, during speeches, interviews, newsletters etc., will be greatly appreciated. Thank you for your time.

Very truly yours,

Laura Umberger,
Treasurer, Nebraska Association, Future Homemakers of America.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

TEMPORARY SUSPENSION OF PRESIDENTIAL AUTHORITY TO IMPOSE FEES ON, OR OTHERWISE ADJUST, PETROLEUM IMPORTS

The ACTING PRESIDENT pro tempore. Under the previous unanimous-consent agreement, the hour of 11 a.m. having arrived, the Senate will now resume consideration of H.R. 1767, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1767) to suspend for a ninety-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such ninety-day period; and for other purposes.

The ACTING PRESIDENT pro tempore. The time for debate on this bill will be equally divided between and controlled by the distinguished Senator from Connecticut (Mr. Ribicoff) and the distinguished Senator from Nebraska (Mr. Curtis), with 2 hours on any amendment, and with the vote thereon to occur at 5 p.m.

Mr. CURTIS. Mr. President, I ask unanimous consent that Mr. George Prince, a staff member of the Committee on Finance, be permitted the privilege of the floor during the deliberation of this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I suggest the absence of a quorum, with the time to be equally divided between the time of the Senator from Nebraska and myself.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Stone). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield me 2 minutes?

Mr. RIBICOFF. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Javits amendment be laid before the Senate and made the pending business, as previously agreed to.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 9

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. Javits) proposes an amendment, numbered 9, in the nature of a substitute.

The amendment is as follows:

Strike all after enacting clause and insert the following:

That, during the period beginning on the date of the enactment of this Act and ending at the close of the sixtieth day thereafter, nothing in section 232(b) of the Trade Expansion Act of 1962 (U.S.C. 1862(b)) or in any other provision of law shall be deemed to grant to the President any authority to adjust fees, tariffs, or other charges on imports of petroleum or any product derived therefrom except in accordance with the provisions of this Act.

Sec. 2. (a)(1) Any action which is taken after January 15, 1975, and before the date of the enactment of this Act by the President under section 232(b) of the Trade Expansion Act of 1962 or any other provision of law which results in the imposition of a rate of duty on petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline shall cease to have effect on the date of the enactment of this Act.

(2) Upon appropriate request therefor filed with the customs officer concerned on or before the sixtieth day after the date of the enactment of this Act, the entry or withdrawal of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline to which a rate of duty imposed by the President (pursuant to any action by him after January 15, 1975, and before the date of the enactment of this Act under such section 232(b) or any other provision of law) applies shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as if no duty applied to such entry or withdrawal.

(b)(1) Any action which is taken after January 15, 1975, and before the date of the enactment of this Act by the President under section 232(b) of the Trade Expansion Act of 1962 or any other provision of law which results in the imposition of a tax or fee on the importation of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline which is higher than the tax or fee imposed on the importation of petroleum or any such product on January 15, 1975, shall cease to have effect on the date of the enactment of this Act; and the tax or fee imposed on the importation of petroleum or any such product derived therefrom after such date of enactment shall be the tax or fee in effect on January 15, 1975.

(2) Upon request therefor filed with the appropriate Federal agency on or before the sixtieth day after the date of the enactment of this Act, the amount of any tax or fee imposed by the President (pursuant to any action by him after January 15, 1975, and before the date of the enactment of this Act under such section 232(b) or any other provision of law) and paid by any person on the importation of petroleum or any product derived therefrom other than motor gasoline or petroleum imported for refining into motor gasoline which exceeds the tax or fee that was imposed with respect to the importation of petroleum or such products derived therefrom on January 15, 1975, shall be rebated to such person.

Sec. 3. If during the sixty-day period referred to in the first section of this Act—

(1) the Congress declares war,

(2) United States Armed Forces are introduced into hostilities pursuant to specific statutory authorization,

(3) a national emergency is created by attack upon the United States, its territories or possessions, or its Armed Forces.

(4) United States Armed Forces are introduced into such hostilities, situations, or places, or are enlarged in any foreign nation, under circumstances which require a report by the President to the Congress pursuant to section 4(a) of the War Powers Resolution (50 U.S.C. 1453(a)).

Sec. 4. Nothing in the first section and sections 2 and 3 of this Act shall be deemed to affect the validity of any proclamation or executive order issued before January 16, 1975, by the President under section 232(b) of the Trade Expansion Act of 1962.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a vote on the Javits amendment, if it does occur, take place at 3:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. To be followed by a vote on the Dole amendment, if such a vote is requested, as I anticipate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be charged against both sides equally.

Mr. CURTIS. Mr. President, reserving the right to object does that make provision for or does it in any way interfere with an amendment that may be offered by Mr. Buckley?

Mr. MANSFIELD. Not at all.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question is the amendment of the Senator from New York.

Mr. CURTIS. Is that on controlled time, and if so, by whom?

The PRESIDING OFFICER. There are 2 hours of debate on the amendment by the proponent of the amendment and the manager of the bill unless the manager is in favor of the amendment, in which case, the Senator from Nebraska has the control.

Mr. CURTIS. It is not my amendment.

Mr. President, I hope that the issues here can be developed clearly before we vote at 5 o'clock on the passage of this measure.

Mr. President, I am delighted that the distinguished Senator from New York is here to proceed with his amendment and I yield the floor.

Mr. JAVITS. Mr. President, are we on limited time?

The PRESIDING OFFICER. There are 2 hours on the amendment, 1 hour for the Senator from New York.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I understand that the unanimous consent request I am about to make is agreeable on both sides and it has been cleared on both sides with the leadership.

Mr. President, I ask unanimous consent that when whatever time is taken on my amendment is completed as far as those who wish to debate it this morning—and I shall start right now—the matter may then be laid aside until 3:10 this afternoon; that at 3:10, the amendment shall again be called before us; that at that time, I shall have 10 minutes in which to debate the amendment and the opponents shall have 10 minutes under the control of the Senator from Connecticut (Mr. RIBICOFF); and that at 3:30, there shall be a vote on my amendment as amended, if there be any amendment to it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I also ask unanimous consent that if there be any amendments to my amendment proposed before the hour of 3:30 which I do not incorporate in my amendment, and there should be a rollcall, that the rollcall vote also be held at 3:30.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Will the Senator yield?

Mr. JAVITS. I yield.

Mr. RIBICOFF. I ask unanimous consent that Michael Bird and James Wetzler of the Joint Committee on Internal Revenue Taxation have the privilege of the floor during the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, do I understand correctly that my amendment has been called up and stated by the clerk?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. I thank the President.

Mr. President, the amendment which I have proposed is designed to deal immediately with the situation which we face. It has no relationship or effect upon the long term program of the President or the program of the Democratic majority relating to energy or the economy, but only seeks to resolve our dilemma.

It only seeks to resolve our dilemma, at least the dilemma of some of us, in respect to the immediate situation.

The amendment proposes to shorten the 90-day period which has been specified in the resolution which is reported for suspending any action on the President's order regarding an import duty on crude oil and its products, and makes the period 60 days instead of 90, because we omit the need for the 90-day period, in that we are going to do something instead of not doing anything, so that the period can be shortened.

So we shorten the period, Mr. President, to 60 days, and within that 60 days we allow the President to go ahead with his $3 impost, but provided that it applies only to either imported gasoline or imported crude oil which is ultimately refined into gasoline, rather than allowing it to apply across the board to all petroleum products.

The reason for this amendment is that we believe—I and others who I hope will support me—that the fundamental objective of the President is to curtail the use of gasoline, which is a fuel with some immediate elasticity of demand, unlike home heating oil, residual fuel oil, and similar products like diesel oil, where because of existing conservation, there is no significant elasticity of demand that is remotely capable of bringing about the contraction of consumption which is possible as to gasoline. We all understand how wasteful we are of gasoline as a people.

Therefore, as the President's objectives are only two, first to get us off the ground with some program, and second to begin to make a measureable dent in the use of gasoline, toward the objective of cutting 1 million barrels a day of imports of oil, this is a targeted amendment, designed to do only—in view of this period of confrontation and difference as to what is to be done, which we hope will be resolved by agreement—that which will tide us over this time and enable something to be done which all can agree upon: to wit, the concentration of the tariff on a fuel as to which there is elasticity of demand, without committing anyone to a specific permanent program.

It seems to me that this is the ideal way to get out of the existing danger of a deadlock. Therefore, I have presented it for these reasons.

There may be an amendment or two offered to this substitute. I understand that one of our Members is desirous of being sure that it does not relate, for example, to gasoline being used by farmers, so-called off-the-road gasoline, which would be entirely agreeable to me. Another Senator wishes to be sure about the exclusiveness of the definition. Those proposals will come along in due course. But the fundamental point, as I see it, I have just made.

The estimate I have made, for which I am indebted to the Senator from Oregon (Mr. PACKWOOD)—and he will confirm whether I am right or wrong in my figures—is that if we do enact this amendment, we have a good chance to save about 300,000 to 350,000 barrels a day of imported fuel in terms of conservation, that that is its impact.

The impact on price which will result was estimated variously, between 4 cents per gallon as a minimum by way of increase to discourage use, and 10 cents per gallon, depending upon the following:

If we apply the President's tax figure—and, remember, the President may now make a new order, if my amendment is passed, which will adjust this $3, so we must take cognizance of that possibility—that if we apply the $3 solely to each barrel of gasoline or crude oil that will be refined into gasoline, it results in a price increase of around 4 cents a gallon at the pump, ultimately, if it is passed through, as it would require.

If, on the other hand, the President decides he has got to raise more than $6 billion for fiscal reasons—and that is a mighty good point, incidentally, because we are in such deep trouble about our deficits, and the side effect of this action is a good one in terms of governmental finance—if the President decides he wants to raise the greater revenues and lay the whole amount on gasoline, which in round figures represents about 45 percent of what we refine from our imports in the way of crude, then the price increase could, of course, be greater. There is no statutory dollar maximum on the President's authority to impose this tariff.

That is still in the hands of the President, but those are the parameters within which he may act.

But whether it is 4 cents or up to 10 cents, the important point is that the rise is not so inordinate as to have any drastic effect upon the standard of living of our people for the short term, until they get a tax rebate or in some other way accommodate their need for dealing with price in terms of gasoline. Thus it would not cause any social or economic dislocations.

At the same time, it is considered to be, and I think appropriately, a restraint on the amount of use and, therefore, would be the first measure of conservation in a direct way by law which our country will have adopted toward a long-term energy program.

Many of us, including myself, have deep feelings about another method, to wit, an allocation or quota method, which probably is a limiting factor to any idea of rationing as being a preferred way in which to conserve. I also have a deep belief in the voluntary method, which we used so very successfully when we had the oil embargo in 1974, and which very materially cut our imports in terms of demand by sheer restraint on the part of individual Americans, through appealing to their patriotism. But that is for future debate and consideration.

Right now we face a situation, not a theory or an optimum opportunity. We face a straight confrontation between a majority on the Democratic side who say, "Give us 90 days, and we will work out a program; in the meantime, even if we have to do nothing, it is better than what the President wants," and the strong feeling on the part of the President and many of his supporters on this side of the aisle that we have to do something, that even if it is not the right thing or the best thing we have to do something.

My amendment endeavors to draw a line between the two, to avoid confrontation and bring about some action at this time, and not action of a kind which would either imperil the cost of living or prejudice or jeopardize what might be the program for the future.

One thing which has impressed me very materially in this whole debate, and it even extends within the Presidential circle itself, is the idea that somehow or other we are debating the whole energy program today. The tendency is to assume that what we do upon this particular measure will determine what we do about the $2 excise tax, lifting the ceiling on old oil or taking it off altogether, deregulating natural gas, et cetera.

Nothing could be farther from the fact. No one knows—the President, we, or the country—what other measures will ensue. We do not know what the size of a tax cut or a tax rebate will be, whom it will go to, or how it will be divided.

We do not know whether Congress will act to allow the President to deregulate old oil or natural gas, or how Congress will feel about putting a $2 excise tax on domestic oil and a $2 import fee on imported oil. We know none of those things. All we know is what we face today.

It seems to me, therefore—and I have worried over this for a number of weeks now—that we ought to try to find our way by compromise out of this momentary impasse, in order to keep secure the concept for the country that whatever we do about an energy program will be nonpartisan.

It seems to me that by offering this compromise—and that is what it is—very frankly I am trying to serve that objective: to wit, not to prejudice anybody's position, to do pretty much what everybody could agree upon anyhow, which is that the fastest and quickest way to try to begin conservation is by some price effect and, in view of the financial situation of the country and the enormous deficit we face, that it certainly does no harm and considerable good to try to add some money to the Treasury in terms of the income which could come from this import fee or duty.

For all of these reasons, Mr. President, and especially, as I say, to do something instead of nothing, and to avoid, if we could, a confrontation with the President, I think it is important to act along these lines, and also to unravel our situation from confusion and complexity over the mistaken notion that we are legislating on a whole energy program, and rather confine our view to the fact that we are acting only upon this narrow specific situation.

Now, Mr. President, I feel that it deserves consideration by the Senate in connection with the resolution, and that, at the very least, it serves the very useful purpose of trying in our minds and in the mind of the country to separate a commitment to the whole energy program of the President, to which I am not committed—and I am not at this time for the deregulation of natural gas, and I am not at this time for precipitately taking the ceiling off old oil, and many other things. I have my views, and other Members have their views, and I think we ought to do our utmost to resolve them.

Toward this goal, the Joint Economic Committee, of which I am the ranking member, led by Senator HUMPHREY, by a majority of its members, has proposed to the President in writing that the President join with us—not just with our committee but with the whole Congress—in the development of a task force to consist of representatives of the House and Senate chosen by the respective majority leaderships, and representatives of the White House, to see if they can agree upon an energy program. This follows a practice which I and others have followed in resolving bills with the White House. Last year, for example, we resolved the public service employment bill with the White House in exactly that way. We also resolved the Legal Services Corporation bill in exactly the same way with the White House; and, under Senator KENNEDY's leadership, the older Americans bill of last year, which turned out to be a landmark piece of legislation, was similarly resolved between the White House and the Congress. There is no reason why that should not be done in the case of energy, and I hope very much that it will, and that the wisdom of that counsel will prevail.

In the meantime, in view of the fact that we are voting today, and we stand right at the threshold of decision, my amendment is offered in exactly that spirit, in the belief that confrontation is the least desirable from the point of view of all Americans, and that the amendment which I have proposed deals with conservation in a fair way, raises additional revenue for the Government, gets us out of this impasse at the moment between the majority in Congress and the President, and enables us then with that kind of a curtain raiser to proceed along the same lines of reasonableness in an effort to work out solutions as between the Congress and the President.

For those reasons, Mr. President, I believe the amendment should commend itself very highly to the Senate, looked at objectively and not in partisan terms, and I hope the Senate will consider it worthy of approval.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, will the Senator from New York yield 3 minutes?

Mr. JAVITS. I yield 3 minutes to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, it is my intention to support the amendment of the Senator from New York. It is my understanding also that the Senator from Illinois (Mr. PERCY) will be offering an amendment to this amendment, and I intend to support that proposal.

I think those from the New England States and from the Mid-Atlantic States have made a very compelling case that if we take this $3 a barrel tariff and simply pass it along equally at roughly a 4- to 4½-cent increase on heating oil, 4- to 4½-cent increase on heavy oil which the utilities buy, and which they simply pass along to their consumers, we are going to be hitting most hard those who are on fixed incomes, those who cannot lower their thermostats any more; and that, in fairness and equity, the place where this country can conserve or the place in the West where the country can conserve, and where the New England States can conserve, is in gasoline. We can achieve what we want to achieve, which is to start on a reduction of imports, start on a reduction of the outflow of dollars, because of the tremendous quantity of imports that we bring in by skewing this imported $3 a barrel tariff more heavily toward gasoline and less heavily toward home heating oil. I think the Senator from New York has taken the right step. The Senator is pointing us in the right direction and, as he has indicated, in a bipartisan spirit, I hope the Senate will accept his amendment this afternoon when we vote.

The PRESIDING OFFICER. Who yields time?

Mr. RIBICOFF. Mr. President, I yield myself 5 minutes.

It seems to me that the amendment offered by the distinguished Senator from New York represents a partial answer to a complex problem.

Just as the President should have consulted with Congress before acting, Congress should not adopt a different kind of licensing scheme without first working with the Executive and giving the divergent interests of different sections of the country a chance to comment.

Now, the amendment of the Senator from New York, as I read it, would reserve the President's ability to adjust imports of motor gasoline and of crude oil imported into this country for refining it into motor gasoline. I am somewhat puzzled administratively as to how do we determine when petroleum is imported for refining into gasoline when it goes to a refinery, and how do we make a determination when it comes into port as to whether that particular petroleum is going to be used as gasoline.

The President's authority to impose quotas on imports of any crude or petroleum products would be preserved in the Javits amendment, and it would suspend for 60 days the President's authority to impose tariffs or fees on imports of petroleum products other than gasoline, and on imports of crude oil which are not used to make gasoline.

I am sympathetic to what the Senator is trying to achieve. It seems to me a constructive amendment, and it significantly reduces the adverse economic consequences of the President's plan.

But it replaces a program that unfairly burdens some parts of the country, such as my own, with one that unfairly burdens other parts of the country and other interests. Under this approach the price of gasoline would still increase 4.3 cents a gallon by May 1, in accordance with the figures in the minority views in the report on H.R. 1767 from the Committee on Finance. The added cost of gasoline would fall especially hard on those States in the Middle West and the Southwest which use proportionately higher amounts of gasoline, and it also would hit especially hard people who must commute long distances to their work and salesmen who drive extensively as part of their jobs.

But just raising the price of gasoline 4 cents a gallon would not save much oil by itself. I read in the paper just the other day that Mr. Zarb, who is one of the major spokesmen for the administration, believes that a plan only restricting the use of gasoline would be less equitable than the President's plan. Mr. Zarb is quoted in this article from the February 18, Washington Post, concerning a reduction of 1 million barrels a day, as follows:

> To reduce consumption by that amount by levying additional taxes only on gasoline would have increased the price of gasoline about 40 cents a gallon.

I cannot imagine there is anyone in Congress or in the country who would be advocating today that we increase the price of gasoline 40 cents a gallon, but that is what we would have to do, in accordance with Mr. Zarb's statement, if we were to cut down the consumption by 1 million barrels a day between now and the end of this year.

So, Mr. President, the Javits amendment gives the Senate only 60 days to act in those areas that the amendment protects from the President's import license fee. That is not long to go. What I think we are trying to achieve with this bill is to give Congress an opportunity for 90 days to come up with an alternative plan

The President is correct when he says, "I have a plan, what do you have?"

The suspension gives us a chance for 90 days to come up with a plan and it also gives us an opportunity for the Congress and the Executive during this period to compromise our differences, to come up with a program that is for the best interests of the country as a whole and that we can all agree with.

There is no question in my mind that the Congress and the President, for the good of the Nation, will have to come up with such a program. I do not believe it can be achieved in 60 days.

I do not want a partial solution and my understanding is that the President is not for a partial solution either. The Congress and the President are going to have to get together sometime during the 90 days to work out some reasonable, alternative proposals.

The suspension gives the various committees of Congress an opportunity to have full and complete hearings, listen to the country as a whole, get the different points of view, and come up with a well-balanced program.

Consequently, I would oppose the Javits amendment and all other amendments. The House having acted, the Senate should pass the House bill, and then avoid the delay of a conference. Speedy passage of the bill will force the President and the Congress to come together with a program that we can jointly agree upon for the benefit of the entire Nation.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. I yield myself——

Mr. RIBICOFF. How much time would the Senator like? I would be pleased to yield him time.

Mr. CURTIS. Five minutes.

Mr. RIBICOFF. I yield the Senator from Nebraska 5 minutes.

The PRESIDING OFFICER. The Senator from Connecticut has yielded the Senator from Nebraska 5 minutes.

Mr. CURTIS. Mr. President, I take the floor for the purpose of asking the distinguished Senator from New York a question or two about his amendment, if I might.

I understand the part of the distinguished Senator's amendment that reduces the time to 60 days, but I would like to ask this: What end products or end uses would the Senator exempt from the import fees application; and under the Senator's amendment, were it to become law, upon what end uses of petroleum and its derivatives would the tax fall?

Mr. JAVITS. It would fall upon gasoline or upon crude which is refined into gasoline ultimately, and the way in which to answer Senator Ribicoff's question on how that could be ascertained is that it depends on the breakdown. In other words, the refiner's report, how much they use for gasoline and other products, and that part used for gasoline would be subject to the import duty.

In a sense, they would have the crude in bond, which is not an unusual practice in tariffs and trade, until they determined its end use, so that we could monitor that particular situation.

Now, what would be excluded would be home heating oil, residual fuel oil, diesel fuel, and probably fuel for aviation as, generally speaking, it is not gasoline, it is kerosene or some other derivative.

Now, I am told that there are two amendments, one by Senator Bellmon which would exclude gasoline used by the farm, or off the road as it is called—apparently, that is a word of art which obtains in many Western States—and we have the Percy amendment now.

As a matter of fact, Senator Percy wants to be sure that the higher figure, 10 cents, is imposed upon gasoline through piling all of the import duty, to have $3 per barrel on gasoline, whereas under my amendment it would only be roughly 4½ cents, or it would be just its proportion of what is the total amount.

Mr. CURTIS. Is the Percy amendment offered as an amendment to the Senator's amendment?

Mr. JAVITS. Yes, it will be offered as an amendment to my amendment, and so will the Bellmon amendment.

Mr. CURTIS. Do I understand, then, that the purpose of the Senator's amendment is to confine the tax to gasoline?

Mr. JAVITS. To gasoline for road use, essentially.

Mr. CURTIS. Yes.

Well, now, would the Senator's proposal change the situation with respect to product used by a factory, by powerplants in generating electricity?

Mr. JAVITS. Yes, because that kind of oil would not be subject to the $3. Whereas, the President's order makes them subject to it.

Mr. CURTIS. Yes, but is it not correct that the only area that the Senator would exclude is the home heating oil?

Mr. JAVITS. No, no; it is all industrial uses of fuel which are not gasoline.

Mr. CURTIS. Does that create any problems of administration approaching it this way rather than a direct substitute to impose gasoline tax?

Mr. JAVITS. No, I do not think it creates any problems in view of the fact that the passthrough is now provided for by law and the Director of Price of the Allocation Policy of the FEA informs us there is no administrating difficulty in allocating the tariff to gasoline only or in insuring refiners pass on the tariff to our gasoline production only.

We have checked on that and that is their answer.

Mr. CURTIS. What is the general practice in the business? Certain crude oil is imported solely for the purpose of making gasoline or as the principal purpose. Is the crude oil imported for other purposes?

Mr. JAVITS. My understanding is that crude is crude and that how they refine it depends on its end use, so that we can end use it for gasoline or another purpose.

However, I understand also that residual fuel and home heating oil are generally imported in that form.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Who yields time?

Mr. CURTIS. I thank my distinguished colleague.

Mr. JAVITS. Mr. President, again I ask unanimous consent that I may suggest the absence of a quorum without its being charged to either side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment is not in order at this time except by unanimous consent.

Mr. CURTIS. Mr. President, will the Senator yield?

I believe it is necessary that we clarify the procedure.

It is true the Javits amendment is pending, but it is also true that a vote at a specific time has been agreed to for all the amendments, that they come after 3:30, and in the case of the Javits amendment there was an additional unanimous-consent request that the last 20 minutes prior to 3:30 be reserved to conclude debate on the Javits amendment.

The PRESIDING OFFICER. At this time, the amendment would not be in order until the time has been used or yielded back on the Javits amendment, except by unanimous consent.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Is the amendment offered by the distinguished Senator from New York (Mr. BUCKLEY) an amendment to the Javits amendment?

Mr. BUCKLEY. No, it is not, Mr. President.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. CURTIS. Yes.

Mr. RIBICOFF. To expedite the business before us, could we, by unanimous consent, agree to temporarily put aside the Javits amendment so that we could entertain the Buckley amendment?

This would give other Senators an opportunity to present their amendments before 3:30 and then all the votes could occur after that.

The PRESIDING OFFICER. That can be done.

Mr. JAVITS. Mr. President, if the Senator will yield to me, I think that is exactly what I had in mind to do, except that I wish to protect the rights of the two Senators who wish to amend my amendment.

Therefore, if it is agreeable to all sides, I would make the following unanimous-consent request: That my amendment be laid aside until 2:45; that at that time my time on the amendment be deemed terminated, except that I may have 10 additional minutes to debate the amendment and 10 in opposition, saving 20 minutes; that the rest of the time from 2:45 to 3:30 may be devoted to debate on amendments to my amendment, and in that way preserving everybody's rights who wish to amend mine, and giving Senator BUCKLEY the opportunity to go ahead with his. Is that agreeable?

Mr. CURTIS. Reserving the right to object, and I shall not object, but I wish to clarify it, this would make it possible to consider other amendments, Senator BUCKLEY's as well as others, with the same understanding that if there is a rollcall on the amendment, on all amendments, it would be after 3:30.

Mr. JAVITS. Exactly. And if a contingency should arise when Senator BUCKLEY or some other Senator, wishes a few minutes to conclude his debate, I will work out something with whomever is concerned. It reserves 25 minutes to the 2 Senators who wish to amend my amendment.

Mr. CURTIS. I withdraw my reservation.

The PRESIDING OFFICER. The Chair understands that this unanimous-consent amendment, if effectuated, would vitiate the prior unanimous-consent amendment to return to the Senator's amendment at 3:10.

Mr. JAVITS. If effectuated.

Mr. DOLE. Do I understand the Senator from Nebraska correctly that there will be no votes on any amendments prior to 3:30?

Mr. RIBICOFF. It does not necessarily have to be the case.

Mr. DOLE. I thought that was the purport.

Mr. RIBICOFF. Was that the understanding between Senator GRIFFIN and Senator MANSFIELD? If that is the case, we should know that.

Mr. JAVITS. the attaché has informed me that this is Senator MANSFIELD's intention.

Mr. RIBICOFF. That debate could occur on all amendments and we could go seriatim and vote on all amendments if a rollcall is requested.

Mr. DOLE. Further, this would not prejudice the rights of the Senator from Kansas or others who have amendments to offer theirs at a suitable time.

Mr. CURTIS. And after 3:30.

Mr. JAVITS. And after 3:30.

The PRESIDING OFFICER. Is it the intent of the Senator from New York to resume debate on the Senator's amendment at 2:45 or 3:10?

Mr. JAVITS. At 2:45.

The PRESIDING OFFICER. And reserving 20 minutes for debate thereon?

Mr. JAVITS. And leaving the rest of the time for any Senators who wish to amend my amendment.

The PRESIDING OFFICER. When would the 20 minutes commence?

Mr. JAVITS. The 20 minutes can commence at 3:10.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I yield the floor to my colleague from New York.

Mr. BUCKLEY. Mr. President, I thank my senior colleague. It had been my understanding that the parliamentary situation was that discussion of his amendment would be interrupted, as it were, to allow other amendments to be presented. I have sent an amendment to the desk. It is, in many respects, similar to that introduced by my senior colleague.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> Wherever they appear in the Act, as indicated below, substitute the words, "any product derived from petroleum" from the words "petroleum and any product derived therefrom," "petroleum or any product derived therefrom;" "petroleum or any such product;" or "petroleum or products derived therefrom."

Mr. JAVITS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. BUCKLEY. Yes.

Mr. JAVITS. I ask unanimous consent that Geary Klein may have access to the floor during consideration of this bill and the votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. I believe, Mr. President, I can explain the reason, purpose, and effect of this amendment in very short order. Of course, many of the arguments that I will advance have already been advanced and answered, or at least attempted to be answered, in the case of the Javits amendment.

First of all, it is a fact that the Northeastern part of the United States has been particularly hard hit by the fourfold increase in the price of imported crude oil and imported petroleum products derived therefrom. This is true because this part of the country is uniquely dependent on petroleum for the generation of electricity and for the heating of homes.

Therefore, as I say, as a historic fact, there has been an extraordinary impact by the action taken by the OPEC states on this particular region of the country.

Secondly, there is great reason to believe, based on statistics of usage that have been compiled by electric utility companies and the distributors of heating oil, that, as a result of succeeding increases in prices to consumers, we have already taken most of the stretch out of the elasticity between price and demand. In other words, there is evidence to suggest that to increase the price still further will not result in comparable savings in the use of electricity or heating oil. Therefore, there is reason to believe that the price of energy that goes into these uses will not achieve the conservation which, of course, justifies the President's program in the first instance.

The effect of my amendment would be to leave intact the President's program insofar as it applies to the importation of crude oil, but to exempt the tax on products. It happens that the Eastern United States accounts for 80 percent of the total importation of petroleum products into the United States.

Furthermore, 80 percent of what these States import goes directly into heating or into the generation of electricity. In other words, suspending for 60 days that portion of the President's program that would put tariffs on imported products will have a highly targeted effect to cushion the impact of the increase in the price of energy on this particular group of States which has already been hard hit.

Generally speaking, the level of cost of crude oil would go up, and it would have that diffused impact across the economy in areas where I think there is good reason to believe that an increase in price will result in a decrease in consumption. But by suspending for 60 days the tariffs on products, we will give the administration the opportunity to refute the statistical evidence that I have seen that suggests that it will not, in fact, cut back on the use of these products because they so overwhelmingly go into a region where the elasticity has already been worked out of the equation.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. BUCKLEY. I yield.

Mr. CURTIS. I want to make sure I understand the amendment. Would the distinguished Senator's amendment postpone for 60 days the total impact of the President's import fee?

Mr. BUCKLEY. Only on petroleum products. Petroleum products represent about 45 percent of the total importation from abroad of petroleum or its derivatives. It would leave intact 55 percent of the President's program. Of course, the crude oil importation is what is going up as our domestic production of crude oil goes down.

Mr. CURTIS. Based upon the end use, what end uses would be subject to the tax and what would be exempt from the tax, were your amendment to be adopted?

Mr. BUCKLEY. My amendment, unlike the amendment of my senior colleague, does not trace through the refinery particular types of petroleum products. The impact of my proposal would be to suspend for 60 days an increase, the major portion of the increase, for residual fuels, distillate fuels, for heating fuels, in the Eastern United States, an area that has already had the brunt of the cost impact of a rise in international fuel.

Mr. CURTIS. With respect to distillate fuels, is the Senator referring to the ones used primarily by industry, including the electricity generating industry?

Mr. BUCKLEY. That is right.

Mr. CURTIS. So the effect of the Senator's amendment would be to relieve for 60 days the effect of the import fee on home heating oil and commercial uses?

Mr. BUCKLEY. That is right.

Mr. CURTIS. I thank the Senator.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield.

Mr. HANSEN. Mr. President, it is my understanding that at the present time we are importing—these are round figures—about 4 million barrels of crude a day and about 3 million barrels of product a day. It is my further understanding that the President's proposal has put an import fee of $1 per barrel on crude, to become effective February 1. If nothing is done by Congress, another dollar would be added on March 1, and a third dollar on April 1.

It is my futher understanding that, insofar as petroleum products are concerned, most of the products that are imported—or a major share of them, at least—go to the Northeastern part of the United States. Is that opinion shared by the Senator from New York?

Mr. BUCKLEY. Yes; the Senator from New York is advised that more than 80 percent of the imports go to that area.

Mr. HANSEN. It is my further understanding that the President's order specifically prohibited the passing on to customers of this first dollar tax or first dollar import fee that would be put on for 1 month. In other words, there will be no rise, there will be no ripple effect or add-on to anyone's costs during the month of February. That will have to be absorbed by the oil companies in reduced margins of profit, or whatever way they want to handle it. But they cannot pass that on to any consumer. Is that opinion shared by the Senator?

Mr. BUCKLEY. The Senator from New York is not aware as to that technical effect. Of course, if that is the effect, then it fails in its objective of decreasing consumption, because it is a price increase ultimately to the consumer.

It is my understanding that there would be no effect in the first month, because the fee would not be paid until the end of the month. In other words, the cost would not be incurred until the end of the month.

Mr. HANSEN. The information I have is that the statement I made is accurate.

It is my further understanding that no import fee will be imposed on products for the month of February. It is a balance out. The credits and the import fee balance out, so that there is no import fee on these products; that the first time the import fee on products applies will be March 1. Is that opinion shared by the Senator from New York?

Mr. BUCKLEY. That is correct.

Mr. HANSEN. And the next rise in import fee on product would occur April 1, when it would become $1.20 a barrel, having risen to that amount from the 60 cents which would become effective March 1.

Mr. BUCKLEY. That is correct.

Mr. HANSEN. We are all aware that the Northeastern part of the United States is dependent upon fuel oil and the middle distillates to a far greater extent than are other sections of the country, but the concern that the Senator has in trying to reduce the impact of that import fee at this time of year really is an expression of concern that, in effect, will not be reflected by the facts. What I am saying is that by the time the ultimate consumer gets around to paying that fee, we are going to be pretty well toward summertime. That is the information I have.

I ask the Senator from New York whether he has information contrary to what I have said.

Mr. BUCKLEY. I believe that what the Senator says is totally correct, but I think it is irrelevant, frankly, to the determination as to whether Congress is going to accept the total proposal or the total action of the President.

Personally, I feel that the administration's energy package is comprehensive; I believe it tries to hit every portion of the equation—conservation, production, and the rest. But I also believe that it is the duty of this body to question and concern itself about these things piece by piece, unless we have an alternative package to present.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield.

Mr. RIBICOFF. Mr. President, I will oppose the amendment of the Senator from New York. The Senator from Wyoming is correct in stating that in March, the first 60 cents fee on products will be passed on to buyers; in April, the next 60 cents will be passed on. In February, there is a loss of entitlement for products worth another 60 cents, to make the total $1.80.

The Northeast—New England, New York and the other States—depends to a great extent on imported residual oil for the production of electricity. The extra costs of the President's plan will burden the users of electric power throughout the Northeast, even though there may be a delay before electricity users feel the extra charges.

I just wanted to make that point clear. I know the point that is being made by the Senator from Wyoming, and I know the point being made by the Senator from New York.

My point in arguing against the Javits proposal and the Buckley proposal is that we need the 90 days to come together with the Executive on a definitive program. Unless we provide this 90-day period by suspending the tariffs, we are not going to be able to resolve the differences between the President and Congress. What I am pleading for is to suspend the tariff fees for 90 days, to put the responsibility on Congress—if they disagree with the President—to come up with an alternative program.

As I read the ticker this morning, at the breakfast held between some 11 Democratic Senators and the President, there was an indication of an understanding between the President and the sentiment of the Senate that there should be a compromise agreement worked out between the President and Congress. I believe this compromise will take place once this measure is disposed of, such a compromise will be for the best interests of the Nation as a whole.

Mr. BUCKLEY. Mr. President, I thank the Senator from Connecticut for this clarification of the exact impact of what the President proposes and for his concern that we end up with a compromise. One way or another, Congress will end up with such a compromise.

In terms of my own view of the matter, first of all, we need to cut back on the net importation of oil into this country, for self-evident security reasons, for self-evident questions of not allowing another group of countries to dictate our policy.

Second, I believe that among the options that are available, the price mechanism, far and away, is the most equitable in which to achieve this, especially if through other means one recycles into the economy and into the pockets of consumers the amount that is tacked on artificially to the price of oil.

Having gone that far, whereas I believe that there is a preponderance of evidence in support of the general proposition that increasing the price of crude oil will reflect itself in a cutting down of consumption of the products made, generally speaking, from crude oil, I believe that there is not that presumption in the case of petroleum products, because figures that I have seen suggest that there has been a leveling off in the decrease of demand in response to the increase in the cost of electricity and heating oil, which are the prime uses of imported products. It is for that reason that this Senator wishes to make this distinction and then to allow time within which to analyze the facts and to arrive at the kind of compromise or understanding that the Senator from Connecticut speaks of.

Where I disagree with the Senator from Connecticut is as to his degree of confidence that a delay in taking any action for 90 days will result in action being taken at the end of those 90 days. If I am somewhat pessimistic about that, it is a result of my having served for 2 years on the Committee on the Interior, and also as a member of the Senate National Fuels and Energy Policy Study, when we had masses of information brought in and as yet we have taken no really hard action to address the principal problems of the energy crisis, namely, conservation, and supply.

I believe that it is psychologically important, both internally and with relationship to the U.S. posture abroad, that we do something now. I believe, given the presumptions that the President's action with respect to crude oil will result in near-term savings, we should go forward with that part of his program. But I do not believe that I am in any way inconsistent in suggesting that the other part of his program, in terms of the imposition of import duties on petroleum products, requires further examination.

Mr. HANSEN. Mr. President, if the distinguished Senator from New York will yield further, I wish to make the point that it is not difficult at all to trace the origin of crude that comes into this country. What is more difficult and yet is of equal importance in the long run is trying to trace the product that comes into this country. That is true because the OPEC nations sell crude to other nations and that crude is refined and made into all sorts of products—gasoline, residual fuel oil, middle distillates, diesel fuel—everything. When that happens, it is more difficult to know where the oil came from.

I think we need to remind ourselves—I certainly do not mean to say to the distinguished Senator from New York or the Senator from Connecticut—that what this Nation needs to understand is that our concern stems from the fact that our reliance and our dependence upon foreign sources of supply are placing this country in a very vulnerable position—not only insofar as national security goes, which has to be of major concern to everybody, but as well in respect to what can happen to our economy.

We are an energy-intensive nation. With about 6 percent of the world's people, we consume between 30 and 35 percent of the world's energy, and roughly three-fourths of that, maybe slightly more than 75 percent of it, that we use in this country comes from oil and gas. Coal is about 18 percent, as I recall, and hydropower about 4 percent and nuclear about 1.

There is a growing concern that has been expressed in past administrations, by Democratic as well as Republican Presidents, that we are on a collision course. We know from the experience we have had in the Middle East that as our dependence upon foreign sources has grown, so, too, has grown the need to try to do something about lessening that dependence in order to give us the latitude and the flexibility we should have in staking out the kind of foreign policy that will serve the best interests of the United States first and almost exclusively.

Certainly, the Arab nations of the OPEC countries have demonstrated their desire and their ability to use this tool in trying to help shape or help focus on foreign policy as it develops in the United States.

Above that is the concern that stems from what can happen to our domestic economy. I know the distinguished senior Senator from New York is not on the floor, but there is a price-demand elasticity relationship that has been noted.

Mr. RIBICOFF. Will the Senator yield just on that point?

Mr. HANSEN. I am happy to yield.

Mr. RIBICOFF. Just this week, Federal Energy Administrator Frank Zarb, testifying before the House Committee on Commerce, trying to talk about how we save a million barrels per day—which seems to be the objective of the Senator from New York, the Senator from Wyoming, and myself—pointed out that if we try to do it by merely adding the tariff on gasoline, we would have to raise the price of gasoline 40 cents a gallon. I cannot imagine that there is any Senator in this Chamber, no matter how he feels on any part of this program, who today would be advocating an increase in the cost of gasoline at retail by 40 cents a gallon.

We are in a very complicated problem. I do not think anyone has the temerity to state that he has all the answers to the energy problem. I know of no one in the country, including the President, who thinks that way. That is why we are trying to work out, and we are going to have to work out, a compromise approach that meets our national goals.

The problem facing Senator BUCKLEY's amendment would be presenting the alternative to the people of this country that, if we want to save a million barrels a day of imported oil, we are going to have to raise the price by 40 cents a gallon; that is one of the significant difficulties with the Senator's amendment.

Mr. BUCKLEY. Mr. President, I do not think that there is any disagreement among us as to the need to cut back on imports. I agree with everything that the Senator from Wyoming said. But I get back to square one in my motivation in introducing this amendment. That is that I do not see how increasing still further the cost of the electricity and the heating oil that this country at the present time is supplied primarily by imported petroleum products, will result in any additional meaningful saving in consumption. There has already been a tremendous saving in consumption.

Mr. President, I believe that the arguments have been stated on both sides. My understanding is that we are proceeding on the basis that there will not be voting on amendments until later on in the afternoon. If this is in fact the procedure, I am ready to relinquish the floor.

Mr. HANSEN. Just before the distinguished Senator does that, will he yield to me for a couple or 3 more minutes? I did have a point to make.

Mr. BUCKLEY. I am happy to yield.

Mr. HANSEN. I was happy to have the observation made by the distinguished floor manager of the bill. The point I was trying to make is that it is hard to trace product. Yet what I am saying is that our dependence upon the OPEC countries and upon certain of those OPEC nations may be even greater than we suspect at this time, because while we can trace crude through from there, we cannot trace product through from there. I am saying that roughly, in round numbers, we are importing about 4 million barrels of crude a day and we know where that comes from; but we are also importing 3 million barrels of product. That is the point I want to make, and I hope it will be understood by everyone, that if we are able to accomplish the goals that the President has assigned for accomplishment this year, we have to help everywhere we can. That is exactly the reason that, while there will not be any phenomenal savings made—I grant that—it will all help. As we encourage power companies to get on more quickly with the job of converting to coal from residual fuel oil or the middle distillates, whatever they may happen to be burning, by that same amount, we have moved toward the President's objective.

I think that, on balance, it would be wrong to assume that we can relieve the impact that the Senator's amendment would have upon a particular section of the country and say that we shall hold that in abeyance for a while and put it on gasoline or something else.

Because if we are going to get to where we want to go, I think we have got to work all up and down the line, and I just say that the trouble with trying to find a painless way of getting from where we are now, where we are dependent upon foreign production to the point where our national security may indeed be threatened, to where we want to go, will require an all-out effort by everyone.

And to my good friend from New York I would have to say that it will be painful to the West. I represent a State which, together with Nevada, is the highest per capita consumer of gasoline. Wyoming and Nevada have a greater consumption per capita than any of the other 48 States, and the only way we can get from our homes to our jobs, to where we have to work, to do the things we have to do, is by automobile.

It will take an effort all up and down the line to get to where we have to go.

Mr. BUCKLEY. Mr. President, I agree with my friend from Wyoming that there is no painless way. I am not proposing a painless way. I am suggesting that the pain in our area is already so intense, because of the disproportionate burden already imposed, that all of the incentives to conservation are already in place, that all of the incentives to conversion are already there, and we see the utilities, the industrial users, and others in the Northeast moving as fast as is possible. We do not need that extra amount of pain.

Mr. President, I believe, as I say, that we have explored the arguments for and against my proposal. I also understand that we will be voting later on all amendments offered to this measure and, I therefore ask unanimous consent that I may reserve the right to call for the yeas and nays at a later time if I now relinquish the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. Does the Senator from New York ask that his amendment be temporarily laid aside?

Mr. BUCKLEY. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I ask unanimous consent, if we are under controlled time on either the Buckley amendment or the Javits amendment, that what I have to say not be charged to their time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, after listening to the debate yesterday and the comments this morning, I would like to put some facts into the RECORD, and I believe they are objective, as to where we have been in the past 5 years, where we are today, and what will happen in the next 5 to 10 years if we do take action and if we do not take that action now.

I think the turning point came about 1970. There are some who would disagree a year or 2 one way or the other, but up until 1970, the imports of oil to the United States, while amounting to a fair quantity of oil, were not significant in terms of our balance of payments or total costs. Most importantly they were not significant because the United States had extensive oil capacity in this country. Although we were importing oil, we had sufficient capacity in emergencies to take care of our own needs and, we had sufficient capacity to take care of world needs, especially those of Europe.

The existence of that situation meant that we in this country controlled crude oil prices throughout the world, because if the rest of the producing countries in the world were to increase their prices too greatly, we stood in a position to act as a reserve for the world.

That situation changed, as I say, in about 1970. We no longer produced enough oil in this country to take care of our own needs. We became increasingly dependent upon imports and unfortunately we were no longer in a position to take care of any of the world's needs.

At that stage, the control of the world crude oil price moved from the Texas Gulf to the Persian Gulf. The Persian Gulf states, principally, the OPEC nations, began to realize that they were in a position to increase prices, increase prices, and increase prices again, and there was nothing that the world could do about it. We had literally become hooked on the narcotic of oil, and could not get off of it.

So, in 1970 the United States paid about $2.7 billion for imported oil. In 1974, that amount had risen to $25 billion for imported oil.

If we do nothing, the estimates are that in 1977 our total consumption of oil in this country will be around 18 million barrels of oil a day, of which 8 million barrels will be imported, at a cost of about $32 billion a year—$32 billion flowing out, adversely affecting our balance of payments, an increase in years from 1970 to 1977 of over $21 billion.

It is estimated that if we do nothing by 1985 to change this dependence, our total consumption in 1985 will be around 24 million barrels a day, of which 12.7 million barrels a day will be imported, at a cost of roughly $51 billion a year to this country, and that assumes that the OPEC countries do not increase their price from the present $11 a barrel. I think that presumption is very unlikely; I think they will increase the price.

We all say, "That is a deplorable situation, and something must be done." We all want to do something. The Senator from Connecticut (Mr. RIBICOFF), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. JACKSON), the Senator from New York (Mr. BUCKLEY)—all of us want to do something. We want to reduce our imports. We want to reduce our dependence, so that we are not in a situation where, if another embargo, occurs, we can literally be brought to our knees because we have no way to absorb the reduction.

But how do we go about doing it? I would like to read very briefly, from the Finance Committee hearings, a series of questions and answers between John Sawhill, the former Federal Energy Administrator, and myself. I quoted Senator JACKSON as saying:

> The Interior Committee will soon begin working on legislation I (Jackson) shall introduce to reduce our Federal oil consumption and dependence on Middle Eastern oil without huge price increases.

That is what Senator JACKSON said the Interior Committee report would do. I asked Mr. Sawhill:

> Can that be achieved without price increases or rationing or allocation?
>
> Mr. SAWHILL. I do not think so.
>
> Senator PACKWOOD. Do we agree that we need to reduce our consumption?
>
> Mr. SAWHILL. I think that is the presumption that we ought to start with, frankly.
>
> Senator PACKWOOD. There is no way that we will achieve that without price increases or allocation or rationing, or something of that nature, is that not right?
>
> Mr. SAWHILL. Correct.

In a nutshell, we cannot do anything, and there is no palatable answer. Nobody likes rationing. We tried allocation a year ago during the embargo, and we all found that distasteful. And, of course, everyone is opposed to price increases; but there are no other alternatives. So which way are we going to go to achieve a reduction in imports, a reduction in foreign dependency?

Let us start first with the President's own energy program. I am only going to talk briefly about it here, because what we are going to vote on this afternoon is the oil tariff, which is a relatively small part of his total energy program. But if his total energy program was enacted, what is it he hopes to achieve?

Well, he hopes that by 1977 instead of importing the 8 million barrels a day that I estimated to be imported if we do nothing, we will cut our imports to 5.8 million barrels a day—a reduction of roughly 2.2 million barrels a day of imported oil, at a saving of approximately $11 billion a year.

That is if we cut 2.2 million barrels a day from imports.

The President's full energy program has been analyzed and, unfortunately, mistakenly.

I ask unanimous consent to insert the FEA's analysis of the Interior Committee's study of the President's program, and the FEA's analysis of the Library of Congress study of the President's program. Unfortunately both the Library of Congress and the Interior Committee's analyses are partially erroneous.

To give you an example of the kind of errors that are made in the Interior Committee's study of the President's program, rather than presuming his figures of 5.3 million barrels a day of imports in 1975, they presume 6.5 million barrels a day.

I am not here going to quarrel with whether their assessment of what we will import is correct or the President's. The report is allegedly an analysis of the President's program.

I ask unanimous consent that these two reports be printed in the RECORD so that at least the errors in the assessments of the President's program can be in the RECORD.

There being no objection, the analyses were ordered to be printed in the RECORD, as follows:

COMPARISON OF FEA FIGURES WITH INTERIOR COMMITTEE STAFF ANALYSIS OF THE PRESIDENT'S ENERGY PROGRAM

BACKGROUND

On Friday, January 17, an Interior Committee staff study prepared for Senator Henry M. Jackson was issued as a critique of President Ford's energy program. This critique estimated that the minimum direct cost to consumers of the President's program was over $43 billion and that producer profits would be at least $14 billion. The study's assumptions and analysis have been carefully reviewed and it appears that there is a substantial over estimate of the cost figures and that there are little or no increases in producer profits. This paper attempts to show where assumptions and conclusions differ from those of FEA analysis.

COMPARISON OF RESULTS

The staff study indicates that the tax revenues from the President's program will be $29 billion, substantially the same as the Administration estimate of approximately $30 billion. However, costs of the programs, as estimated by the Committee staff are $43 billion. Table 1 compares the total costs of the program as estimated by the Administration with the Interior Committee staff estimates. The portion of these additional costs that will be paid by the consumer is $19.2 billion. A detailed discussion of the underlying assumptions and support for these figures is presented below.

TABLE 1.—COMPARISON OF ALTERNATIVE COST ESTIMATES[1]

[In billions of dollars]

Action	Interior Committee staff study	FEA cost analysis
Oil:		
Petroleum import fee	4.8	3.97
Excise tax on domestic crude oil	6.4	7.22
Decontrol of old oil	12.6	13.01
Total	23.8	24.20

Action	Interior Committee staff study	FEA cost analysis
Natural gas:		
New interstate gas	4.5	1.09
Old interstate gas	3.8	4.38
Intrastate gas	8.9	2.33
Total	17.2	7.80
Coal: Price increase	2.3	0

[1] Calculations for both studies are contrasted in the section discussing the assumptions of the analyses.

The Treasury Department estimates that $5 billion of this cost increase applies to state and local governments. The FEA analysis of the macroeconomic effects indicates that approximately $7.8 billion will flow into capital goods investment or will be absorbed by reduced markups under forecasted market conditions. Therefore, the net first year costs at an annual rate are $19.2 billion for consumers.

Finally, the staff study's higher estimates of consumer costs were compounded when converted to average costs per household. The study assumes 53 million families of four when, in fact, there are about 70 million households in this country. Therefore, estimates per family are too high and ignore the important fact that the costs will vary substantially by income class and be as low as $85 per year for the lowest income group (0–$2,000 class). Table 2 illustrates this range of costs and contrasts these increased costs with estimates of expected tax relief.

TABLE 2.—ILLUSTRATIONS OF PERMANENT TAX RELIEF AND INCREASED ENERGY COSTS AT VARIOUS LEVELS OF HOUSEHOLD INCOME

Household income	Total increased energy costs	Permanent tax relief plus $80 special payments for adjusted gross incomes equal to household incomes shown	
		Single person	Family of 4 persons
$2,000	$85	−$80	−$160
$3,000	110	−120	−160
$5,000	150	−250	−178
$8,000	188	−297	−337
$10,000	228	−254	−349
$12,000	253	−190	−316
$15,000	296	−190	−221
$18,000	318	−190	−210
$25,000	393	−190	−192
$30,000	420	−148	−151

Source: Office of the Secretary of the Treasury, Office of Tax Analysis, Jan. 30, 1975.

DIFFERING ASSUMPTIONS

There are major differences in some of the assumptions used in each analysis. These are highlighted in this section along with the detailed cost calculations.

Oil

The mix between imported oil and domestic oil is different because FEA estimates assume that demand reductions and import savings occur. In addition, FEA's inclusion of Natural Gas Liquids is identified separately from aggregate crude oil. However, the total figures are quite similar.

The figures of the Committee Staff Study are repeated as:

Consumer cost

[In billion dollar/year]

1. Imported oil	
Tariff: 6.5 MMBD×365×$2	$4.8
2. Presently controlled oil	
a. Decontrol: 5.7 MMBD×365×$8.15	12.6
b. Excise tax: 5.7 MMBD×365×$2	4.2
3. Presently uncontrolled oil	
Excise tax: 3.0 MMBD×365×$2	2.2
Total oil	23.8

The FEA Analysis is contrasted as:

Consumer cost

[In billion dollar/year]

1. Import fee	
Uses estimate of 5.433 MMBD imports after implementation of President's program: $2×5.433 MMBD×365	$3.966
2. Excise tax on domestic oil	
Production of 8.7 MMBD: $2×8.7 MMBD×365	6.35
Equivalent tax of $1.43 per barrel of natural gas liquids (NGL) with 1.66 MMBD: $1.43×1.66 MMBD×365	0.866
3. Decontrol of old oil	
Assumes 60% old oil exclusive of Elk Hills (0.1 MMBD annual average), hence 5.16 MMBD of old oil rising from controlled price of $5.25 to uncontrolled price of $11: $5.75×5.16 MMBD×365	10.83
Assumes NGL price rises equivalent amount of crude oil. Crude increase $4.56 less $1.43 due to NGL tax: $3.13×1.66 MMBD×365	1.896
Adjustment of +$0.29 billion to account for rounding and refinery gain and to balance calculated increase of product prices of $4.10 and average consumption of 16.17 MMBD: ($4.10×16.17 MMBD×365=$24.2 billion)	0.29
	24.198

Natural gas

The staff study assumes that there will be large windfall profits to natural gas producers (almost $10 billion). In fact, this argument overstates the natural gas impacts for the following reasons:

Approximately one trillion cubic feet of contracts for interstate gas would expire and be available for new contracts in 1975, even with decontrol. This is less than half of the staff study estimates. Without deregulation very little new gas is going to interstate sales.

The Committee staff estimates that intrastate natural gas prices will rise to $2.21 per MCF and that 60% of all intrastate gas contracts could be renegotiated to that price. This is inconsistent with current market conditions. Current spot prices for intrastate natural gas are about $1.50 per MCF, which is less than the BTU equivalent of oil at $11.40 (Interior staff figure) which would be $1.97. With a $.37 excise tax, the new intrastate price would be estimated at $1.87 or more, but not at $2.21. Present intrastate prices average about $.50 per MCF although new sales are at $1.50 per MCF. This indicates that only the equivalent of 20% of intrastate average prices reflect the current price of $1.50.

Deregulation would presumably bring up to .8 tcf of additional gas into the interstate market in 1975. If this occurs it would tend to replace an equivalent amount of imported oil which would have cost consumers as much or more as the new gas prices. The President's program would tend to shift this amount from oil imports to gas, but would only increase consumer costs by the amount of the excise tax.

The figures of the Committee Staff Study are:

Consumer cost

[In billion dollar/year]

1. New interstate gas	
Decontrol: 2.3 tcf×($2.21–$0.45)×1.11	$4.5
2. Old interstate gas	
Excise tax: 9.2 tcf×$0.37×1.11	3.8
3. Intrastate gas	
Price increase: 0.6×11.0×($2.21–$1.00)×1.11	8.9
Total natural gas	17.2

The FEA Analysis is contrasted as:

1. New interstate gas	
Estimated at 0.91 tcf with equilibrium price of $1.11 compared to average of $0.28 on old gas. Excise tax of $0.37: $1.20×0.91 tcf	1.092
2. Old interstate gas	
Interstate estimated as two-thirds of total gas consumption of 19.1 tcf: $0.37 (19.1×0.66−0.91)	4.376
3. Intrastate gas	
Excise tax on one-third of total consumption: $0.37×(19.1×0.33)	2.332
Total natural gas	7.800

Coal

The Interior Committee analysis assumes that half of the total coal produced will rise in price by an equivalent of $2 per barrel. We estimate that 80% of all coal is under long-term contracts, where prices tend to reflect longrun coal production costs, which do not tend to rise in real terms. Further, our current estimate indicates that coal prices are limited by the inability of gas and oil consumers to convert to coal. As a result even the remaining 20% of coal sold in spot markets is likely to sell only at prices necessary to cover overtime pay and other costs of getting out the 1975 rate of production (about 35 MT more than 1974 because of production lost during the strike). Higher prices for oil would add very little to the amount of conversion to coal. Conversions to coal are estimated at 23 million tons in 1975 and 47 in 1976.

The figures of the Committee Staff Study are:

Consumer cost

[In billion dollar/year]

Price increase: 0.5×540 mmt X 4:27×$2	$2.3

The FEA analysis is contrasted as

FEA assumes no direct increase in coal due to the President's program	0.0

COMPARISON OF FEA FIGURES WITH THE LIBRARY OF CONGRESS CONGRESSIONAL RESEARCH SERVICE ANALYSIS OF THE PRESIDENT'S ENERGY PROGRAM

BACKGROUND

On January 23, 1975, the Congressional Research Service (CRS) of the Library of Congress, issued a critique of President Ford's energy program. This critique estimated that the direct costs to consumers of the President's program were in the range of $40–$50 billion and that the inflationary impact would be a 2.7 to 3.3 percentage point increase in the inflation rate. This study's assumptions and anaylsis have been carefully reviewed, and it appears that there is a substantial overestimate of the cost figures and that the change in the Consumer Price Index (CPI) will be less than that stated in the CRS analysis. This paper documents where the Congressional Research Service's assumptions and conclusions differ from those of the FEA analysis.

COMPARISON OF RESULTS

Total costs

The Congressional Research Service estimates that the cost of the President's program could be as high as $50.3 billion in 1975. Table 1 presents the total cost of the program according to the Administration and to the Congressional Research Service. The portion of the total cost that will be paid by consumers is $19.2 billion. A detailed discussion of the underlying assumptions and support for these figures is presented below.

The Treasury Department estimates that $5 billion of this cost increase applies to

State and local governments. The FEA analysis of the macroeconomic effects demonstrates that approximately $7.8 billion will flow into capital goods investments or will be absorbed by reduced markups under forecasted market conditions. Therefore, the net first year costs at an annual rate are $19.2 billion for consumers.

TABLE 1.—COMPARISON OF ALTERNATIVE COST ESTIMATES[1]—Continued

[In billions]

Action	Congressional Research Service study	FEA cost analysis
Oil:		
Petroleum fees and excise taxes	$12.6	$11.19
Decontrol of old oil	11.0	13.01
Total	23.6	24.20
Natural gas:		
Excise tax	8.36	7.1
Deregulation of new gas	5.40	.7
Total	13.76	7.8
Coal: Price increase	5.2	0
Changes in utility accounting:		
Inclusion of construction work in progress (CWIP) in rate base	6.8	0
Inclusion of pollution control equipment in rate base	1.0	0
Total	7.8	0

[1] Calculations for both studies are contrasted in the section idscussing the assumptions of the analyses.

Impact on the consumer price index

The Congressional Research Service study further states that given a cost of $50.3 billion in 1975 and given an anticipated 1975 GNP of $1500 billion, the President's program could raise prices by 3 percentage points. A stage-of-processing model was used by FEA to forecast the effect that energy price changes have upon the Consumer Price Index and components of the CPI. The model requires two inputs: (1) forecasts of wholesale energy prices and (2) forecasts of the general wholesale and retail price indices prior to energy price changes. Price information is combined with historical information on the relationship between the stages-of-processing to forecast the effects that energy price changes will have on the prices of crude wholesale goods, intermediate wholesale goods, finished wholesale products, and finally, retail consumer goods and services.

Using this methodology, it is estimated that the CPI will increase 2 percentage points during the first full year of the program. Given the normal, unencumbered economy, the CPI would rise by approximately 2.5 percentage points during the first full year of the program in addition to the normally expected rise. These estimated increases tend to overestimate the effect of the program for two reasons:

(1) The energy price increases that were used as inputs to the model assume a full pass-through of the taxes and import fees. It is unlikely that this will occur because of the tax rebates to industry and because the economy is generally weak. Thus, excess supply would result if industry attempts to pass-through all of the costs.

(2) The stage-of-processing model is based upon historical markup relationships and these may not hold because of the currently poor market demand conditions. That is, demand is currently at such a low level that companies may not be willing to pass on increased costs for fear of further reducing their markets.

TABLE 2.—ILLUSTRATIONS OF PERMANENT TAX RELIEF AND INCREASED ENERGY COSTS AT VARIOUS LEVELS OF HOUSEHOLD INCOME

Household income	Total increased energy costs	Permanent tax relief plus $80 special payments for adjusted gross incomes equal to household incomes shown	
		Single person	Family of 4 persons
$2,000	$85	−$80	−$160
$3,000	110	−120	−160
$5,000	150	−250	−178
$8,000	188	−297	−337
$10,000	228	−254	−349
$12,000	253	−190	−316
$15,000	296	−190	−221
$18,000	318	−190	−210
$25,000	393	−190	−192
$30,000	420	−148	−151

Source: Office of the Secretary of the Treasury, Office of Tax Analysis, Jan. 30, 1975.

Consumer cost impacts

The consumer costs that will actually be incurred by households has been estimated by the Administration to be $19.2 billion for the first year at an annual rate. Table 2 illustrates the range of costs by income class and contrasts these increased costs with estimates of expected tax relief. No total estimate of the impact on consumers is presented on the CRS study.

DIFFERING ASSUMPTIONS BETWEEN ADMINISTRATION ANALYSES AND CRS STUDY

There are major differences in some of the assumptions used in each analysis. These are highlighted in this section along with the detail.

Oil

The mix between imported oil and domestic oil is different because our estimates assume that demand reductions and import savings occur. In addition, FEA's inclusion of Natural Gas Liquids is identified separately from aggregate crude oil. However, the total figures are quite similar.

The figures of the Congressional Research Service are repeated as:

Cost

[In billion dollar/year]

1. Excise tax

17.3 MMBD×365×$2	$12.6

2. Presently controlled oil

Decontrol: 5.22 MMBD×365×$5.75	11.0
Total oil	23.6

The FEA analysis is contrasted as:

Cost

[In billion dollars/year]

1. Import fee

Uses estimate of 5.433 MMBD imports after implementation of President's program: $2×5.433 MMDB×365	$3.966

2. Excise tax on domestic oil

Production of 8.7 MMBD: $2×8.7 MMBD×365	6.35
Equivalent tax of $1.43 per barrel of natural gas liquids (NGL) with 1.66 MMBD: $1.43×1.66 MMBD×365	0.866

3. Decontrol of old oil

Assumes 60% old oil exclusive of Elk Hills (0.1 MMBD annual average), hence 5.16 MMBD of old oil rising from controlled price of $5.25 to uncontrolled price of $11: $5.75×5.16 MMBD×365	10.83
Assumes NGL price rises equivalent amount of crude oil; crude increase $4.56 less $1.43 due to NGL tax: $3.13×1.66 MMBD×365	1.896
Adjustment of +$.29 billion to account for rounding and refinery gain and to balance calculated increase of product prices of $4.10 and average consumption of 16.17 MMBD: ($4.10×16.17 MMBD×365=$24.2 billion)	0.29
Total	24.198

Natural gas

The Congressional Research Service study assumes that 1975 natural gas production is 22.5 trillion cubic feet (tcf) and that the amount of new gas subject to deregulation in 1975 will be equivalent to a $5.4 billion initial cost for the first year. In fact, this argument overstates the natural gas impacts for the following reasons:

Approximately 1 trillion cubic feet of contracts for interstate gas would expire and be available for new contracts in 1975, even with decontrol. This is substantially less than that reflected by the CRS study in its $5.4 billion cost for the first year. Without deregulation, very little new gas is going to interstate sales.

The excise tax will be levied on net marketed production and not on total gas production. Hence, only 19.1 tcf will be affected by the excise tax of 37c. This will result in a much lower total cost attributed to the excise tax.

Deregulation could presumably bring up to .8 tcf of additional gas into the interstate market in 1975. If this occurs, it would tend to replace an equivalent amount of imported oil which would have cost as much, or more, as the new gas prices. The President's program would tend to shift this amount from imports to gas, but would only increase consumer costs by the amount of the excise tax.

The figures of the Congressional Research Service are:

Cost

[In billion dollars/year]

1. Excise tax: 22.5 tcf × 0.37	$8.3
2. Deregulation of new gas	5.4
	13.7

The FEA analysis is contrasted as:

1. New interstate gas

Estimated at 0.91 tcf with equilibrium price of $1.11 compared to average of $0.28 on old gas. Excise tax of $0.37: $1.20 × 0.91 tcf	1.092

2. Old interstate gas

Interstate estimated as two-thirds of total gas consumption of 19.1 tcf: $0.37 (19.1 × 0.667 − 0.91)	4.376

3. Intrastate gas

Excise tax on one-third of total consumption: $0.37 × (19.1 × 0.33)	2.322
Total natural gas	7.800

Coal

The Congressional Research Service analysis assumes that coal produced in 1975 will rise in price by an equivalent of $2 per barrel or approximately $8/ton. We estimate that 80 percent of all coal is under long-term contracts, where prices tend to reflect long-run coal production costs, which do not tend to rise in real terms. Further, our current estimate indicates that coal prices are limited by the inability of gas and oil consumers to convert to coal. As a result even the remaining 20 percent of coal sold in spot markets is likely to sell only at prices necessary to cover overtime pay and other costs of getting out the 1975 rate of production (about 35 mmt more than 1974 because of production lost during the strike). Higher prices for oil would add very little to the amount of conversion to coal. Conversions to coal are estimated at 23 million tons in 1975 and 47 in 1976.

The figures of the Congressional Research Service study are:

Cost

[In billion dollars/year]

Price increase: $8×650 mmt	$5.2
The FEA analysis is contrasted as:	
FEA assumes no direct increase in coal due to the President's program (see discussion of assumptions)	0.0

Changes in utility accounting

The above costs of the President's program as estimated by FEA consisted of the cost of imposing taxes and fees on petroleum and natural gas and the cost of decontrolling the price of old oil. The costs associated with changes in utility accounting procedures were not included for several reasons:

(1) The need for additional funds to finance electric utility expansion will require some form of rate change. This need for a rate change is independent of the President's energy program. Hence, the costs of any proposals, such as changes in the accounting procedures, should not be included in the costs of a program designed to achieve energy independence.

(2) The changes in accounting procedures presented by CRS allow for the addition of one billion dollars worth of pollution control equipment in addition to the expansion of plant and equipment. This clearly is not part of the cost of achieving energy independence and may not even be the appropriate amount of pollution control from a cost-effectiveness standpoint.

(3) The accounting changes are part of the long-term energy program and will have no effect on short-run energy supplies.

In addition to inappropriately including the utility accounting changes, the CRS has incorrectly estimated the impact of these changes. The Congressional Research Service estimates that the additional 1975 costs will be $6.8 billion by including construction work in progress in the rate base. This is based on an FPC/Office of Economic study, *An Analysis of the Electric Utility Industry's Financial Requirements, 1975–79*. This cost is incorrect in that the costs of including construction work in progress in the rate base as estimated using the FPC study are $3.4 billion.

Mr. PACKWOOD. Now let us get down to the tariff itself because that is all we are voting on today. That is all that the President has the power to impose. He does not have the power to impose windfall profits taxes. If he tries to decontrol the price of oil, either House of Congress has the right to veto it. All we are talking about today is the tariff.

Our imports right now are running between 6.8 million and 6.9 million barrels of crude and product a day. Let me define "product."

It is a simple definition: Product is anything refined from oil. Crude oil is unrefined oil.

If we impose the $3 tariff that the President seeks to impose as of the 1st of April of this year, our total imports will be reduced from the present 6.8 million or 6.9 million barrels a day to approximately 6.5 million barrels a day, and of that about 3.2 million will be product and about 3.3 million will be crude.

With a tariff of $3 a barrel, it will produce additional revenue to the Treasury of about $4,800,000,000, to $5 billion a year.

Now, that presents a problem. The President does not want to keep the money in the Treasury; his full energy program would rebate it, and would rebate it heavily, to low-income families. But the President does not have the legal power to rebate the money received from the tariff. He literally has the power given to him by Congress to impose the tariff but not to rebate the money. Therefore, roughly $5 billion is going to come into the Treasury which, if it is going to be rebated, will have to be rebated by act of Congress.

As far as imports are concerned, there will be a reduction in imports of approximately 350,000 barrels a day, partially crude, partially product, and that will result in a saving to the United States of about $1,400,000,000 a year in money that we would otherwise pay for imported oil.

There will be those who will say that $1.4 billion is not a significant amount. I find it a significant amount. But, most importantly, it is a start toward the goal of reducing our dependency on foreign oil.

What is the effect of the tariff going to be on the Consumer Price Index? Less than half a percent, less than half a percent increase in the cost to the Consumer Price Index if the entire $3 is passed along to the consumers. There is serious question with present market conditions whether the entire cost would indeed be passed along.

What is the effect on unemployment? None. It does not cause any increase in unemployment.

I emphasize again it is just going to be a start, and the President is very clear when he says it is just a start, of what ought to be a long-term commitment of this Congress and this country toward reducing our overall dependence.

If the $3 tariff is imposed, the average increase in gasoline, in heating oil, in what we call heavy oil—that is a heavyweight oil that utilities use to burn to generate electricity—the average increase is about 4½ cents a gallon.

Again there is some slight disagreement. Some people would say 4.3 cents, but rounded off it is 4.5 cents a gallon. That is on everything, on the average, if the $3 tariff is passed along evenly on all kinds of products.

The President, under the existing law, has the power to change the incidence of that tariff. He has the power to tell the oil companies, as they pay the $3 tariff, "You are to pass along instead of 4.5 cents on all products, 6 cents, 7 cents, 8 cents, on gasoline per gallon, and only 1 cent or 2 cents on heating oil."

There are many in the Northeastern United States who are saying, "We should place a heavier incidence of this tariff on gasoline, less of an incidence on heating oil." The President has the power to do that without any change in the law.

What worries me is what Congress may do or, worse, what I think in all likelihood will not do, if the power of the President to impose this tariff is rescinded. I think it is very doubtful that Congress will do anything this year or next year.

I have been reading with interest the statements of Senator PASTORE from Rhode Island about the conclusions that at least his study group has come up with as to what should be done.

In summarizing them the thrust is that we should worry right now about the recession, right now about unemployment. We should not do anything in the energy field that might jeopardize reducing our unemployment to 6 percent, 5 percent, 4 percent; we should not take any steps which would increase the Consumer Price Index when we already have bad inflation. In short, do not do anything now until we have solved the problem of the recession.

Well, Mr. President, we cannot afford to wait. We cannot afford to wait until November or December of this year or March or April or May of next year to see if we want to decide on a program of reducing our imports. In 1977 this country will be in serious peril if there is another embargo.

Even with our dependence on imports, the Democrats are saying, "We are not sure it is worth the price to reduce our dependency. We are not sure it is worth it to increase the price of gasoline. We do not want to undertake rationing. We do not want to undertake allocation. We will run the risk of what might happen but pray that nothing will happen. We hope that somehow we find a genie in a bottle that will produce more energy from something, somehow, someplace."

You are running the same risk that you would if you make a conscious decision not to place fire insurance on your house. You may never need it, you may go your whole life and never pay a premium and never have a fire, but you are running a significant risk. You are accepting the possibility of a catastrophe, of being wiped out, but you made a conscious decision that you would run that risk.

I cannot in good conscience ask this country to run that risk as far as our dependence on oil is concerned.

I have been in this Congress a bit over 6 years. If there is any single tendency in this Congress, and it is continuing, it is to not do it today, do not face the problem today, put it off until tomorrow, put it off until next month. Do not do anything or say anything controversial, do not make any votes that might upset your constituents. If one is quiet and bland and does not rock the boat, one can probably be reelected.

But I will say once more in concluding, Congress must take some action to change our dependence on foreign imported oil. There is no action we can take, I will say again, there is no action we can take that will be popular. We will be criticized if we impose rationing, we will be criticized if we impose allocation, we will be criticized if we impose an increase in prices. I fear the natural tendency of this Congress will be to do nothing, to pass none of those alternatives, unless the President's tariff power is upheld and unless our feet are held to the fire to do something. The only pressure at the moment is on this Congress to do anything is the tariff the President has imposed.

I yield the floor.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the following members of the professional staff of the Committee on Interior and Insular Affairs be accorded the privilege of the floor during the consideration of H.R. 1767;

Bill Van Ness, Ben Cooper, Tom Platt, and Arlon Tussing.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. HANSEN. Mr. President, I yield myself, on the bill, such time as may be required.

I would like to thank the distinguished Senator from Oregon for his very appropriate remarks, in that in this morning's Washington Post, in case he has not seen it, there is a very interesting and enlightening report by Arthur Okun on his appearance before the Subcommittee on Multinational Corporations, chaired by Senator CHURCH of Idaho.

He underscores some of the points that are made by my good friend from Oregon. He states:

> I would like to try to clear up two fallacies that seem to be quite popular in different quarters these days. There is a recognition which is an accurate recognition, that the rise in oil prices was a major cause of the severe recession that we are having. And it is then inferred, inaccurately inferred, that some major change in world energy markets is necessary for us to have an economic recovery.
>
> The second fallacy goes the other way, that, since we must stop the recession, and that requires an urgent effort of public policy, we can't afford to be diverted into an energy effort.
>
> Neither of these is right.
>
> The costs of the oil price rise seem at the present time to be largely behind us and it is true that the United States could end this recession in the present oil environment.
>
> On the other hand, I would emphasize that the fact that we have to stop a recession does not keep us from engaging in an initiative to curb our oil imports. We can have an energy program and economic recovery, and I offer that as a fully considered and confident professional judgment.
>
> So I agree fundamentally with the President's judgment—energy must be taken seriously in '75 and the reason is that monopolized oil, the world oil market, has unacceptable long-term consequences for the United States.

I will not read more of the article in this morning's Washington Post.

I would observe that for those who may fail to recall, Arthur Okun is a senior fellow at the Brookings Institution now and Chairman of the Council of Economic Advisers of the Johnson administration. He is a very distinguished economist.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. HANSEN. I am happy to yield to the Senator.

Mr. RIBICOFF. I agree completely with the quotation from this morning's article, and much that the Senator from Oregon has said, but I do want to point out that the same Arthur Okun in testifying on January 28, 1975, before the House Ways and Means Committee said:

> One aspect of energy policy looms as a dire and imminent threat to our economy. If the President levies the indicated tariff on imported oil and all oil prices are decontrolled before any offsets to these measures are enacted, the President would be draining real income away from the American consumer at the enormous annual rate of nearly $30 billion. I cannot believe that the President intends to risk a depression in order to hasten Congressional action on his energy proposals. Yet his own recent words point in that direction. The Congress must ensure against any such ruinous action—if possible, by appealing to the President's good judgment; but, if necessary, by restricting his statutory powers over tariffs and mandating the extension of price ceilings.

Again, my personal feelings are that, with the discussion that has taken place during the last few weeks, the entire Nation, Congress, and the President realize the seriousness of the energy problems. I am in complete agreement that we must move to restrict the amount of imported oil.

The distinguished Senator from Oregon, for whom I have the highest respect, mentioned both Senator JACKSON, and reports of his Interior Committee, and Senator PASTORE.

The Senator from Washington (Mr. JACKSON) will be here to ask for some time at 2 o'clock. I am sure there will be an opportunity for the Senator from Oregon to discuss some of his doubts about the figures Senator JACKSON has been quoting at that time.

I attended a meeting yesterday of the various chairmen and the Policy Committee with Senator PASTORE. I think that the Senator from Oregon will appreciate, and here again, Senator PASTORE can best speak for himself, that the objective is to meet the recessionary problems first, but not to neglect the problems of energy. Senator PASTORE will have many suggestions and recommendations that have to do with energy.

It is my hope, and I so stated it yesterday, that before we vote at 5 o'clock the Senator from Rhode Island (Mr. PASTORE) will take the floor and give the Senate the benefit of his thinking concerning energy matters.

There is one thing of which I am convinced: During the next 90 days Congress will assume its responsibility of coming up with an alternate program. If it fails to do so, the President's program will become effective, regardless of the vote at 5 o'clock. But I am confident that Congress will assume this responsibility.

I also am positive that during a much shorter period than 90 days the President, and other members of the executive branch, and those Members of the Congress who have responsibility in this field will be working closely together.

I recall having had the responsibility for piloting through the Senate the Federal Energy Administration and the Energy Research and Development Administration. We met from the beginning right through the end with representatives in the executive branch and we found no difficulty in developing continuous and effective cooperation between the members of the Committee on Government Operations and the members of the executive branch.

There was complete harmony. Within a very short period of time we were able to work out a program that was adopted almost unanimously by the Senate and the Congress.

My feeling is that during this period of 90 days we will be able to work out a program in which there will be an input not only by the executive branch but by the Congress, and also by the people of this Nation.

Mr. BARTLETT. Will the distinguished Senator yield?

Mr. RIBICOFF. I am pleased to yield.

Mr. BARTLETT. I would like to ask the distinguished Senator from Connecticut what he favors on the supply side as a solution to the energy problem. I heard him just say that he did favor reducing imports, and this brings the supply and demand a little more closely into agreement. But I know he recognizes the huge importation of foreign crude. I believe he recognizes, too, the increase in demand that would take place and the great difficulty of conservation programs. I just wonder what kind of programs he favors, or he believes the Democrats will present, as far as increases in domestic supply.

Mr. RIBICOFF. May I say that Senator PASTORE will personally present the overall program. I would much prefer to see the President indicate what level of cuts he wants in imports. I believe it can be 1 million barrels a day.

I have followed with great interest writings and statements over the past week indicating a coming glut of oil on the international market. I find great interest in the fact that certain exporting countries find that they must decrease production. I find great interest in the fact that extensions of 60-day credits are now being given to major international oil companies by producers in order to encourage greater use of oil.

I believe we are reaching a state of equilibrium, where there has been, through general conservation programs across the world, a cut in the demand of oil and an overproduction of oil at the present time.

I agree with Professor Adelman, who suggests a program in which different oil producers bid on prices at which to sell this country the oil we need. I believe that if this was done, the price of oil would come down. I think this would be a step in the right direction. For my part I also feel that in the event this does not work, conservation programs must be put into effect across the board. In the final analysis, I do believe I would prefer rationing, personally, instead of having this large increased cost of oil and oil products.

The Senator asks me, and I am giving him my personal reaction.

I believe we should do everything we can to encourage the production of alternate sources of energy in this country. My feeling is there is much to be done, and I believe the distinguished Senator, coming from a State that produces oil, believes much more can be done, on the secondary and tertiary drilling for oil.

I further believe we have to go full speed ahead in a crash program in developing all alternate sources of energy.

This is a unified program.

May I say I do not have all the answers. I do not think there is a person in this country who has all the answers. But I do believe we should work together. I, for one, feel that we should have a Department of Energy and Natural Resources in which we would draw together all energy programs into one department to handle the problems that we have.

I just give the Senator some of my present thinking.

Mr. BARTLETT. If the Senator will yield further, I appreciate that very much.

Would it be correct to say that the Senator does favor increasing the domestic capability of supplying this Nation with energy?

Mr. RIBICOFF. I would hope we become self-sufficient in energy. I believe we have the capacity to do so. We are the only major oil-consuming nation in the world, in my opinion, which has this capacity. When we achieve it, we will be the most prosperous nation in the world. We will be in a position that is virtually unequaled anyplace in the world. This is what our ultimate objective should be. I, for one, would be willing to play any part to achieve this.

In the hearings we had while setting up the Energy Research and Development Administration, it became very obvious to us that we must move ahead in all alternate sources of energy. I believe we can do it.

Mr. BARTLETT. Could I explore one area with the Senator? The current pricing program is bringing some results in increased drilling. We are very much aware that the current production of this Nation continues to drop. That is all the more reason that we need to increase the current activity. But the rig activity is a very good indication of exploration activity and ultimate success in bringing on additional oil and gas.

The current rig activity is about 21 percent greater than the average in 1974, 49 percent greater than the average in 1973, and 84 percent greater than the all-time low in 1971.

Senator JACKSON recently had five economists before the Committee on Interior and Insular Affairs. I asked them what they thought about the present price structure, which, as the Senator knows, has controlled prices on roughly 6 percent of our domestic production, and the so-called free market price of $11 per barrel on the balance. I asked them whether they thought that the control prices should be lifted and, if so, in what way.

Mr. President, I ask unanimous consent to provide the five names later for the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

NAMES OF ECONOMISTS

Dr. John Sawhill, Dr. William Janeway, Dr. John H. Lichtblau, Prof. Richard Cooper, and Dr. Eric B. Herr.

Mr. BARTLETT. Four of the five indicated that they did favor a lifting of the control prices on some kind of phase-out basis. Not being specific, one said 50 cents a jump and the other said in 2 or 3 years, something like that. The fifth one said he favors the present program just as it is.

I also asked the five if they favored deregulation of new natural gas, not in a compromise position of just deregulating new gas to be found, or the contracts as they would expire and come up. All five said that they did support that position.

I am wondering if the distinguished Senator from Connecticut would agree, in part or entirely, with these distinguished economists, or would he have other thoughts as to how we could bring on additional supplies as we do try to achieve, as he said, this energy sufficiency, which I think most of us agree is so vital to the future of this Nation.

Mr. RIBICOFF. May I respond that I do believe that the fact there is no price control on new oil provides a built-in incentive to increase production. But my feeling also is that we have to examine the oil depletion allowance. This subject comes within the purview of the Finance Committee when it comes to tax matters. I am against the oil depletion allowances. There are other substitutes to encourage drilling.

I believe maybe we should consider giving tax advantages for new exploration in the oil and gas field. The question that we have is, what is a fair allotment for drilling expenses?

My feeling is, too, that what we have to look into these problems. We must assure that no segment of the economy benefits by way of windfall profits. There was a time when the President suggested a windfall tax. I am uncertain at present, after the speech in Houston, whether he is still for a windfall tax or not. But I do not believe the American people will stand by for, and I, for one, am unwilling to go for, a program in which oil companies' profits keep going up and up and up, while the costs to the consumers are going higher and higher.

I do believe that the country expects an element of fairness and to try to work out a fair program to encourage the oil companies, coal companies, and anyone else in the field of energy to keep up their exploration, but at the same time assure that their profits should not be unlimited. When we talk about a 90-day period, these are some of the problems we hope to pursue during the next 90 days.

I concede that if the Democratic program is adopted or if this bill is passed and the President's veto is not sustained, there is an obligation on the part of the chairman of every Senate committee that has a part in energy to give energy the No. 1 priority of the committee immediately; hearings should start immediately on the energy program; the measures should be reported immediately, to provide an opportunity for Congress to debate them. Also, during this period there should be complete cooperation between the executive branch and Congress, to try to work out a program for energy. Personally, I believe this can happen.

With respect to any committee of which I am a member, or a committee which I chair, if we have any part of an energy program, I would be ready to give it the No. 1 priority with respect to

I do foresee a great opportunity, because of this debate, for Congress to assume its responsibility, as well as for the President to do so. I think Congress has that responsibility, and I am confident that it will be discharged.

(At this point, Mr. GLENN assumed the chair.)

Mr. BARTLETT. Mr. President, if the Senator will yield further, I want to thank him for this dialog. I appreciate it very much. I believe it is the kind of discussion we should have more often.

I have concern about the actions of Congress, based on past actions; because Senate Resolution 45 was passed nearly 4 years ago, and there has been very little activity since in the area of energy and fuel studies that has developed into active programs. But I am hoping that Congress will take action, and I want to stress with the distinguished Senator from Connecticut how important it is that Congress do that.

We need a consensus in this country for an energy program, an energy policy. The energy industry needs to know the rules of the game, so they can make the investments in the future—which are very sizable—and they need to know what to expect from those investments in the area of price and in the area of amortization.

So, first, I mention to the Senator that I have some concern there. Nonetheless, I hope Congress does act.

Second, the Senator from Connecticut mentioned a concern over the high profits of the oil companies and the higher prices.

The greatest boom period in the oil industry is taking place now, since the mid-fifties.

There was quite a decline, as I think the Senator is aware, in profits and in prices during the 1960's. The activity of the oil industry was reduced to about half. Capital spending is way up. Dividends have not been increased significantly. There are very few instances of any spending, except in the energy field; and I am aware that there are some examples of large companies making purchases outside the energy field.

I stress to the distinguished Senator that we are very fortunate that the profits have been high, so that there has been the opportunity to increase the drilling activity, as I mentioned earlier, which is up some 84 percent.

Mr. RIBICOFF. Mr. President, if the Senator will yield, one of the things that has always bothered me is that many of these companies have failed over a period of recent years to explore or drill in the United States. Their exploration and drilling was abroad, mostly in the Middle East, where the cost of production of oil was much lower. I can understand why it is much easier to invest where you get a barrel of oil for 12 cents than where it costs $2 or $2.50 to get a barrel of oil. Whether this was the result of company policy, American tax policy, or whatever the reason was, all of us together encouraged drilling and exploration and building of refineries abroad instead of building them at home.

Perhaps this is what Secretary Kissinger had in mind when he proposed that we try to get a policy putting a fairly high floor on the prices of oil and other energy, to encourage the heavy investments that are necessary to assure those who do invest that they will receive a fair return for their investment in case the price of energy may go down.

I do not have the answers; but that is why I think it becomes very important for us to explore, and explore fast, across the spectrum of every committee of Congress, what the facts are, and then try to see if we can come up with some answers.

Mr. BARTLETT. Mr. President, I am happy that the distinguished Senator referred to the period in the 1960's when drilling activity moved from this country to foreign areas. This certainly took place. I think it was a response to the demand, particularly from Members of Congress and their constituents in the East, for more cheap foreign oil.

I know the distinguished Senator will recall that at that time, it was brought out clearly that the 2-million to 3-million barrel cushion of extra oil that was available in this country would be used up and that at some time in the future the cheap foreign oil would become the expensive foreign oil, and we would be dependent, as we are today. This resulted from the price controls on natural gas and from the mandatory import program which was supposed to be a support program for the domestic industry but which was used by administrations of both parties as a club to increase imports at any time that domestic prices were to be raised because of increased costs.

During this period, the price of oil was $3.09, in 1957, and it went down and did not come back up to $3.09 until 1969. In 1969, Congress reduced the depletion allowance, which had the effect of increasing taxes by $500 million and had the effect of increasing costs to the oil companies and decreasing profits. If one will look at any kind of graph of drilling activity during that period, he will see that it dropped very sharply. Then, in 1970, the price went up 9 cents a barrel. In 1971, it went up 21 cents a barrel, and then it was frozen.

My point is that the reasons given by the Senator are not substantiated by the facts.

I should like to continue, however, on the other point that the Senator spoke about—capital spending. In my opinion, it is essential that the oil industry accumulates profits in order to be able to drill the large number of additional wells which need to be drilled.

I should like to give the distinguished Senator my idea of a thumbnail sketch, in a rough way, of the drilling that is needed.

In 1955, there were approximately 2,700 active rotary rigs in the United States. An active rotary rig is a clear indicator of exploration activity. There were proved reserves of 30 billion barrels and there was a productive capacity in this country of about 8.9 million barrels per day.

In 1974, there were 1,475 active rigs, proved reserves less than in 1955, amounting to 24 billion barrels, and a productive capacity of almost the same—8.8 million barrels per day. However, during the interim, the consumption has increased to an almost double level, from 8.9 million to 17.1 million. So if we multiply the number of rigs in 1955 by a ratio to account for the increase in consumption, this would mean that we would, today, need almost 5,200 active rigs, almost double what there was in 1955 and nearly 4 times the amount of 1974. This means that there has to be a tremendous increase in activity.

I think the distinguished Senator will agree that during the last 20 years, the Federal policy has erred on the supply side of energy shortages. In other words, starting in the sixties with a surplus of some 3 million barrels, this has dwindled and, at the present time, we are importing close to 7 million barrels per day.

I wonder if the Senator will agree with me that our efforts should be to have sufficient capital to bring out sufficient supplies; and then if, by chance, in, say, a free market, the profits are too great for the oil companies or the capital accumulation too much, if it is not being reinvested in the ground as it is today—there is ample evidence today that the oil companies are spending not only their profits but additional borrowed capital on exploration, so they are putting the profit back in the ground or in alternate sources or in research and development.

I ask the Senator if he thinks it would be good policy for us to have a free market, a market that will make certain that we are going to maximize our exploratory efforts; then if there is too much profit or too much capital, it can be taken away by Congress in a few weeks during a session, periodically or continually, to bring it into balance; whereas, if we continue, as we have for 20 years, to err on the conservative side, creating more shortages, the leadtime to correct that is tremendous and it is increasing every day. Does it not make sense to adopt a policy of pricing that is going to bring on sufficient assurances of energy self-sufficiency to do away with the dependence on unreliable sources, and to know that at any time, we can correct excess profits or excess capital accumulation?

Mr. RIBICOFF. I cannot now give a yes or no answer on that. I should want to know the facts. I should not want to decide without the necessary facts.

In the first half of 1974 alone, Exxon made more in net profits, $1.55 billion, than it made in all of 1972, when it made $1.53 billion. The average profits of the 35 largest oil companies were 66 percent higher for the first 9 months than for the corresponding period in 1973, and 82 percent higher than the first 6 months of the year.

Occidental Petroleum Products' profits for the first 9 months were 360 percent higher than the previous period last year. The profits of Phillips Petroleum were 140 percent higher.

There is no question in my mind—and the Senator certainly knows a lot more about the oil business than I do—that almost all the major companies were making their major investments abroad, in the Middle East and Venezuela, and they were not making them in the United States. As a consequence, we were not developing our own resources. Here, I believe, all of us were to blame, the companies and maybe Federal policy.

What I am talking about is trying to get an overall program in which we will give preference to the expansion of energy in the United States as against the expansion of energy abroad. My feeling is that even in the Committee on Finance, which generally is very conservative in this field, there is sentiment for taking away the foreign oil depletion allowance. I have heard men in the Committee on Finance, who are dead set against doing anything about the oil depletion allowance in the United States, more than willing to support measures to take away oil depletion allowances for companies abroad.

I do not think that I have all the answers or that the Senator has all the answers during these 10 minutes. What I am talking about is a crash set of hearings and proposals in all of the committees to address ourselves to all of the problems of energy. This is why I am advocating at the present time, with an open mind, the elimination of special preferences for any phase of the energy business, whether it concerns taxes, drilling, pricing, or other controls. The Congress must try to come up with an overall program that will make the United States self-sufficient in energy. I, for one, will be more than willing to support an overall program, wherever that may lead, to make the United States self-sufficient in energy, and the sooner the better. I do not have all the answers at the present time. I would have deep suspicion of anyone who stood on this floor and said he had all the answers at the present time. I do not have them, and I do not think any of my colleagues has them, either.

Mr. BARTLETT. The distinguished Senator mentioned three general areas, including the final one about answers. Certainly, I do not know of anyone who has claimed that he has all the answers. Certainly I do not.

The Senator first mentioned the percentage of increase in profits of oil companies. That reminds me of the first quarter earnings of General Motors in 1974, which were off 85 percent. Then someone pointed out that if the second quarter were back to where the fourth quarter in 1973 was, so there would be no increase from the last quarter of 1973 to the second quarter of 1974, the increase of that second quarter over the first quarter would be 566 percent. My point is that percentage increases can be very misleading if the base year is a low figure. Of course, 1972, for most of the major oil companies, was not a good year for earnings.

Second, he talks about the large earnings of the oil companies and a lot of it, did come from foreign areas. I should think the Senator would say hurrah at this, especially if these companies invested more of their foreign earnings, a larger share of their foreign earnings, in this country than they did in the foreign areas. This last year industry investments in both foreign countries and in the United States were up. But, more importantly the larger percentage of investment was in this country and the industry borrowed additional amounts of money to do that. It is going to take about four times the drilling effort to reach the drilling effort of the mid-1950's, when we were at a very good level of exploration and development and when we had a cushion, an extra amount of domestic oil.

Mr. RIBICOFF. May I add, if the oil companies came before the Committee on Finance and gave us the proof of what was needed to achieve this, with an opportunity for full study and discussion from all sides, we would have something to go on. We do not have it now.

What I am trying to say, and one of the reasons I am for the passage of this bill, is to give Congress, as a partner with the President, the period of 90 days to come up with an alternate program. If we do not come up with an alternate program within 90 days, then the President's program goes into effect.

Again may I say, do not have all the answers on energy. I know what the objectives are. I want to try to reach them.

I think it will take the collective wisdom of the 100 of us here, who, coming from different points of view and different parts of the country, will eventually come to a consensus and adopt a program that we think is good for the country—not just what we think is good for Democrats or Republicans, or what President Ford wants, or what congressional Democrats want. I do not think that is good at all. If there was ever a time when the Nation wanted unity and not bickering, it is in the field of energy and the economy, because a good energy program and a good economic program would work for the benefit of all the people of this country.

Mr. BARTLETT. I certainly agree that the people are wanting a joint effort of both sides of the aisle in both parties, both the administration and Congress, and I think they are willing to pay what it takes to achieve self-sufficiency.

I appreciate the remarks of the Senator about goals, and what reasonable goals would be in terms of wells drilled, coal mined, the nuclear input that can be expected in the next few years, the total energy package.

One of the concerns that I have had is that in committee and elsewhere there has not been a real discussion of the basic problem, which is shortage, domestic shortage, the high cost of imported oil, and we have not talked about how we get from where we are to where we want to go. The Senator has indicated that——

Mr. RIBICOFF. I hope that the Senator will yield to the Senator from Rhode Island (Mr. PASTORE), who has done such a constructive job representing the Democratic Policy Committee and the committee chairman, and who, believe me, is deeply concerned for the welfare of the Nation in his efforts in this field.

Mr. BARTLETT. I would like to make just one other point. I think the Senator will agree that the oil companies, particularly in 1973, were not given much opportunity to answer questions about shortages and goals, but there were a lot of investigations by various committees, and we did not really get down to the problem of the shortage, which Senate Resolution 45 laid out as a challenge.

I think it is very important that we do that today, as we look forward, that we do work together and try to develop a program that will bring about substantial energy sufficiency for this Nation. We cannot afford the risk we are gambling with now of depending on others, and our dependency is going to go up before it starts to go down, no matter how big an effort we make tomorrow. We have been putting off and putting off, with no program at all, other than we do have, and I want to discuss that, a substantial momentum going in the energy business today. I think whatever we do should be supplemental to that, to expand it, and in no way turn it backward or take any of the steam out of it.

I think the distinguished Senator from Rhode Island knows that you have to know the rules of the game to play it, and I think that is what is needed for the domestic energy industry today, to know that future state, so that they can make the plans which are necessary.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. BARTLETT. Yes.

Mr. PASTORE. The thing that has mystified me is that domestic oil is not under control, so it cannot be argued by the companies that they are being in any way thwarted in their attempts at exploration, for the simple reason that the price of domestic oil, new oil, is almost or in fact is at the OPEC price, which is the price for imported oil.

It has been admitted that should we decontrol the old oil, the price of the old oil will rise to the price of the imported oil. I asked that question directly of Mr. Greenspan when he appeared before the committee, and he nodded his head in the affirmative. I do not think you have to be a high school graduate to determine that.

My point is, why should we decontrol the old oil, which has already been discovered, on the grounds that they need an incentive to find new oil, when the new oil is not being controlled? Will the Senator answer that question?

Mr. BARTLETT. I certainly will. We have had controlled prices for some 20 years, which have produced an inadequate supply of energy. There has not been enough capital formation, enough profit, to bring on sufficient drilling. You can look at the drilling statistics, the number of active rigs, and measure it any way you want to.

The activity of 1971 was about half the number of wells drilled and half the number of active rigs as in 1956.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. PASTORE. Only 2 weeks ago it was published in the Washington Post that the Shell Co. made a profit of 165 percent over last year. What did they do with that profit? Did they just pay the executives a half million dollars a year salary? What do they do with it?

Mr. BARTLETT. Let me point out to the distinguished Senator from Rhode Island that there has been an increase in profit, and I think we can all say hurrah to that, for the simple reason that there has been an increase in investment.

Right now, there are 21 percent more active rigs than in 1974, and, turning it back, 49 percent more than in 1973—61 percent greater than in 1972, and 84 percent greater than in 1971.

We have a chance, for the first time, to bottom out, so that we will no longer be producing less energy every day, losing ground.

The Senator knows that it costs so much to drill a well, and if the companies are, as they have been, putting more than their profits into drilling, it is obvious that the greatest thing we can do to make sure that we are maximizing their efforts is to have a free market, such as all other areas have. The only industry today that has a controlled price is the one in shortest supply, the one most important to our national security, and the one most important to all the other industries.

If by chance the profits or the capital accumulation are too much, it would be a simple matter for Congress to remove that extra profit. Would it be prudent for us to continue to err on the side of shortages? If we are going to err, let us err on the side of self-sufficiency. Then, if there is too much money earned, if there is too much profit, and the dividends are too big, let us put a tax on the industry and take that away.

Mr. PASTORE. The Senator from Rhode Island would be for that, but would the Senator from Oklahoma be for that?

Mr. BARTLETT. Yes.

Mr. PASTORE. He would?

Mr. BARTLETT. Let me say, not at this point.

Mr. PASTORE. Of course not.

Mr. BARTLETT. We have no energy policy at all, and I am not in favor of an excess profits tax. But I do recognize this: I think that a workable and fair excess profits tax is going to be an essential part of any energy package such as the Senator from Connecticut is talking about. I recognize that. If that is fairly done, it would not be unfair to the industry.

The reason I did not support an excess profits tax at this time is that I think I can show the Senator with figures—I know I can—that there are no profits that are not being ploughed back into the ground in developing resources, or in research and development. So we do not need an excess profits tax at this point.

Mr. PASTORE. Mr. President, I do not want to be mysterious or devious in any way; the Senator, I am sure, realizes that. We have to address the State Governors on certain points in which they are interested on this so-called package, and therefore I must now leave the Chamber, but I wanted the Senator to know I was not leaving as any impertinence to him.

Mr. BARTLETT. I thank the distinguished Senator from Rhode Island and the distinguished Senator from Connecticut. I want each of them to know that I appreciate his contribution to the dialog very much. I would like to continue this at some later time, and perhaps the Senator can add to his contribution.

Mr. RIBICOFF. I thank the Senator. It is my feeling that this dialog will continue through this entire session.

I do believe that the start we have made in the last few weeks will give Congress the impetus to come up with alternative programs. We can have a general debate in each and every committee of Congress. I think each of us has a part to play. The sooner we get to it, the better off the country will be.

Mr. BARTLETT. Mr. President, I would like to make just a few more remarks and confine these remarks to the question before us, the 90-day tariff suspension.

I support the right of the President to exercise the powers he has been given, and I think to suspend the tariff at this time without having an alternate plan in force is no different than it has been for the past several years; in other words, essentially then, adopting a plan, not a program but a plan, of disagreeing with steps taken to make improvements.

I think there is no guarantee that we in Congress will come up with a plan, and I certainly hope we will, and I am going to give every bit of my time and what little ability I might have toward that.

I think to place a tariff on imported oil places the disincentive for increased consumption on the proper commodity, imported crude oil. This is the high-priced commodity set by the cartel nations, and I think this is where we should place the extra charge.

Using the price incentive to decrease imports and overall energy use is, I think, a fairer way to achieve conservation as compared to either allocation or rationing.

The tariff could be looked upon as a some measure of support for the domestic energy prices of oil, gas, coal, and all the alternate fuels.

Although not specified in the bill, the end result of passing the bill might mean that we would have mandatory rationing or allocation.

If the bill is passed, it could mean—if this bill is passed, the 90-day tariff suspension, it could mean—the end of the free market mechanisms or at least steps in that direction for years to come.

I would like my colleagues to know that I am not convinced that imports can be or should be significantly reduced, and reduced as quickly as the President has said and, therefore, I do not necessarily believe that the $2 or the $3 tariff may be necessary.

I do not believe that it is possible to decrease imports very much over the short term because consumption cannot be reduced significantly enough in the short term without causing significant disruptions in the economy.

The supply cannot be increased significantly enough in the short term to provide a more favorable supply-demand relationship. So I believe that the effect of the tariff will be not to reduce imports to any great extent but to encourage conservation, to remind the Americans that we do have a problem of high-cost imported oil, and that the effect of the additional price on oil would be to increase conservation. But I do not see it as a means of achieving or part of a means of achieving the goals of very significant reductions in total consumption.

All the curves that I have seen show very clearly that the demand in this country will continue upward, and that at most conservation is only going to change that curve and reduce it but not eliminate or not change its direction.

I am convinced that demand will continue upward and if it is not fulfilled, then the repercussions in the marketplace, unemployment, a lower standard of living, will be the result. It would also lead to very substantial reductions in our social programs.

So, Mr. President, I want to thank my colleagues, the Senators from Connecticut and Rhode Island, for joining in the colloquy earlier. I believe that we need to discuss the problem of energy shortage, what it costs to remedy it, how much we want to rely on ourselves as compared to other nations, how much we want and how much we are willing to pay for it. I am convinced the American people are wanting to be energy self-sufficient and are willing to pay for it.

I would like to remind my colleagues of what freeing up all of the controlled oil, now priced at $5.25 would cost according to the FEA. It would be 4.6 cents per gallon to have a completely free market, and to have the assurance that the market mechanisms would be maximized, to increase supplies and to deter demand. This, I believe, the Senator from Oregon indicated would be rather comparable to the total cost of the $3 tariff.

So I think the free market is the goal that we should definitely achieve in order to have the assurance that we are eventually no longer going to be dependent upon foreign sources, but it will take time. And just so someone does not think that I think it can be done tomorrow, I believe if we started today with the free market we would achieve energy sufficiency in about 13 years.

I yield the floor.

The PRESIDING OFFICER (Mr. GLENN). Who yields time?

Mr. WEICKER. Mr. President, will the distinguished Senator from Maine yield me some time?

Mr. HATHAWAY. I would be happy to yield some time to the Senator. How much time does the Senator want?

Mr. WEICKER. I would like about 10 minutes relative to this subject.

Mr. HATHAWAY. I will be happy to yield 10 minutes.

Mr. WEICKER. I thank the distinguished Senator from Maine.

Mr. President, I would like to make a few comments on the general subject under discussion and, more particularly, on those plans that have been proposed by the President of the United States and those plans that I have heard might be presented by Members from the other side of the aisle.

Any plan that I hear about, whether it is the President's plan or that which is being mulled over by the Democrats, relates to price.

I hear, on the one hand, the proposal for an increase in import tariffs, which is the specific subject matter before us here today. On the other hand, I hear the possibility of an increase in the gasoline tax which, apparently, is one of the solutions being contemplated by a number of Senators.

I can only come to the conclusion that apparently, regardless of whether it is a Republican plan or a Democratic plan, that we are going to engage in rationing by price and, to my way of thinking, that is the most unfair way of all. This really shows that, on part of both the Senate and the President, we have had a real failure to confront the crisis in energy in a truly honest and forthright manner. Politicians on both sides are attempting to carve out a solution which will cause the least discomfort to the fewest number of Americans. Of course, the only difficulty with this is that the fewest number of Americans are those who are the least able to make the type of sacrifice that is being asked.

Now, our present crisis is not a regional problem. It is not the New England problem, it is not the problem of the poor, it is not the problem of middle America; it is not the problem of the consumer States; it is not the problem of the oil-producing States. It is a problem that involves each and every American. It is a national problem.

The reason why everybody is twisting and turning is that no one has, as of yet, suggested a national solution. The solutions offered are either geared to considerations of location, income, or of any such particular bias. So invariably for every action there is a reaction, and somebody objects.

But it is a sad commentary, I think, on the U.S. Senate, that we have blocs of Senators, from New England, from the oil-producing States, from the Northeast, from the Southwest, forming to protect their immediate interests and at each other's throats because the solutions that have been recommended are not national in scope.

I think the time has come to devise a system that would be fair to all, a mandatory conservation system, one that would apply to every American, whether that American lives in the Northeast, lives in the Southwest, whether rich or poor—a mandatory system that is geared, as has been our tradition in the past, to a person's capability, rather than to a person's helplessness.

I have heard arguments to the effect that under no circumstances should we have rationing to achieve conservation, that we could not possibly, either from the point of money or equity, live with a World War II coupon rationing system.

My only question is, Who has mentioned a World War II coupon rationing system?

Those of us who have advocated gasoline rationing have not mentioned it. I see the constant reference to World War II rationing used as a fear mechanism to get around doing the right thing in this country, which is to have a rationing system that applies across the board, but a system that can and should be something other than a World War II coupon system.

Why is it that the President of the United States stands up and says, "Over my dead body rationing" and yet the very thing he advocates is rationing, it is rationing by price.

I hear from some Members on the Democratic side about gasoline taxes.

Why do they not also say that this is rationing? That it too is rationing by price?

Allocation? That is a rationing system and it is not a World War II system.

Odd-even days? That is a rationing system, that is not a World War II system.

Gas station closings on Sundays? That is a rationing system, it is not a World War II system.

The plan I have advocated is a stricter rationing plan. Each motor vehicle, excluding commercial and farm vehicles, would have a sticker, chosen by the owner and designating a day of the week during which that car is not to be operated.

Stickers would be obtained from the Post Office Department and would be displayed on the windshield of the cars. A person operating a car on the particular day with which the code of the sticker would be fined. In the case of two cars in the family, there would be 2 days in the week during which the second car could not be operated. Anything over two cars, 5 days in the week.

It is a very simple system requiring only the manufacture of the stamps and the issuance of those stamps by the Post Office Department. That is not a World War II system, it is not a coupon system, yet it would apply to all Americans right across the board.

Yes, those that have more cars are more restricted. Each person sacrifices according to his or her capability.

But every plan I have heard so far, whether it comes from down on Pennsylvania Avenue or from the political caucuses, talks about gasoline taxes, import tariffs, et cetera, all of which relate to the pricing mechanism. Nobody can tell me that the minute we step into that arena that we have not already decided there are going to be some Americans that are going to have to bear the burden to a far greater extent than others, that the rich and the powerful are going to be less affected than those on fixed income, the elderly and poor, and those of moderate income.

We have decided that at the moment we enter into the pricing mechanism. The pricing mechanism being a means of rationing.

So, I suppose the first thing I would ask for here is the recognition, not only by this body but by the country, that whether it is the President's plan for import tariffs or a plan for tax on gasoline, that all of these are rationing systems, rationing by price. The American people have been brainwashed into overlooking this fact. Whenever we have been confronted by a crisis mutual to all, then we have all shared in its solution, but that is not the case with rationing by price.

The second thing I would like to make clear is that this fear of rationing which has been instilled by reference to a World War II system is nonsense. Nobody has advocated World War II rationing except those that have desired to set up a straw man in order to blow him down. Nobody has advocated a World War II coupon rationing system except the President in order that it might be knocked down, or others who have tried to instill a fear in the minds of the American people. There are many other systems totally separate and distinct from World War II coupon rationing, without the huge bureaucracies and without the millions of dollars of front money associated with that system.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. WEICKER. I request an additional 5 minutes.

Mr. HATHAWAY. Mr. President, I am happy to yield the Senator an additional 5 minutes.

Mr. WEICKER. Mr. President, I ask unanimous consent that Mr. Tom Biery of Senator BARTLETT's staff be granted privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Now, I would like to go back just one moment in time, if I might, to where we started all this business. I am talking now about the inflation and the recession.

This crisis started back in October 1973, with the first Arab oil embargo. Since October of 1973 the Congress—never mind the President—has made no legislative response. There has been no legislative response to the energy crisis which first confronted us in October of 1973.

This is not a matter that occurred after the first of the year, 1975. It has been well over a year.

When the embargo hit and the price of fuels and other items related to fuels went way up, that is when inflation took a big jump. I would say there were probably two principal factors for inflation. One, the lifting of wage and price controls in this country, and the other the rise in fuel costs. Inflation came not just with increased costs to the automobile driver, but with higher utility bills and with higher prices for everything associated with oil. Then when this inflation soared, that is really where the recession began. Costs of everything from automobiles to plastic straws went through the ceiling. Everything became too expensive, and was out of the reach of most Americans.

So, really, this is all one problem. It is not just a recession and an inflation and an energy crisis. It is an econ-energy crisis, an economic crisis born of energy, and until we crack the nut on energy, there is no way we can make permanent, realistic progress toward solving inflation.

We cannot compartmentalize these elements. We can arrive at no real solution until we crack the energy nut. The world is not going to tolerate 6 percent of its population consuming 35 percent of its energy, or it will allow us to do that, but at prices that will economically whip us.

That is the problem, pure and simple.

Now, just tell me, how are we going ahead to reduce consumption, how are we going to do it unless we enter into a program of conservation? We cannot.

Well, if we are going to have conservation, is it fair it be conservation on behalf of all Americans, or is it just a few that are going to be kicked out of their automobiles and will have to lower their heating, et cetera?

This is the problem which I believe confronts this body today. It is foolish and it is not right to tell the American people anything other than the fact that, yes, there is going to have to be rationing for at least 5 years, and maybe even longer, while we put the long-term solutions into place. Nobody argues, not the President, not the Congress, not the Republicans, not the Democrats, on the necessity for mass transportation. We need it. But we cannot build it tomorrow.

Nobody argues about the development of solar energy or nuclear energy, but it cannot happen tomorrow.

Nobody argues about more efficient automobiles, but that cannot happen tomorrow.

We are not arguing about the long-range solutions, as these are agreed upon by all, but, rather, about what is going to be done in the interim period, the short term. It means, at least as I see it, that all Americans are indeed going to have to go ahead and sacrifice. But if I am asked to sacrifice, or if my constituents are asked to sacrifice, then I think it only fair that we promise them something real at the end of the experience. We cannot just give symptomatic relief.

In order to achieve that something real, it is necessary that we go ahead and reduce our consumption of fuels; that we change our life styles. I have said it many times before and I will say it again: The United States is the world's biggest oil junky. What is involved here is withdrawal. Withdrawal is not an easy thing. I just do not know how to sugar coat it to make it palatable.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WEICKER. Will the Senator yield an additional 5 minutes?

Mr. CURTIS. I yield an additional 5 minutes to the distinguished Senator, Mr. President.

Mr. WEICKER. Rather, it seems to me, it is incumbent upon all Members of Congress to now tell the whole truth—not piece by piece—the solid truth, to the American people. Let them understand the depth of the problem and the extent of the sacrifice required. This essentially was the mistake of the President, going from WIN buttons to tariffs. Believe me, the Democrats are making the same mistake when they talk about oil taxes, and that we postpone or we gear such to a resumption of employment. Nothing can be achieved in the area of conservation except with a great deal of sacrifice and some substantial discomfort on the part of the American people.

Take a careful look at our energy consumption figures. FEA estimates total daily oil demand at 18.2 million barrels per day and rising. Gasoline consumption has risen by 300,000 barrels per day since September. It is business as usual. We have not done a thing, not a thing, since October of 1973.

As long as we want to hold on to this lifestyle, we cannot get this country out of its economic bind. We must pay the price and cut down on the demand. We must create new sources of energy, those systems such as mass transit, which require less energy. But, as I say, that is in the long haul.

So, Mr. President, I serve notice now, that yes, I plan to vote against the oil import tariffs, not because I am a New Englander, but because it is rationing by price. I will fight just as hard against any plan that is brought to the floor of the Senate if it relates to gasoline taxes as, again, that is rationing by price. I am going to fight out here as hard as I can for a solution that is devised in the traditional American way, of sacrifice being fairly shouldered by all in achieving conservation. In this way, we can reduce inflation and participate substantially in once again getting this country on its feet, economically.

I repeat my call for a solution, a solution that is going to take a little bit of courage rather than the politics which seems to prevail here in the Capitol. It is not a matter as to whether the Democratic Party has the Republican Party on the ropes, or the Republican President is hardpressing the Democrats in order to make them look foolish. The fact is that there are people out of work. The fact is that the inflation continues. The fact is that the dollars by the billions go overseas—some $24 billion for oil alone in 1974.

Very frankly, it is not something that we can sit around for the next couple of months and hash over. As every day goes by, another person goes out of work, somebody else freezes, and that particular day drains another $75-$85 million from the shores of this country.

I would hope we would get right down to the business of reality and leave the business of politics behind. There is nothing we can do, I think, that would reestablish as much credibility in the Congress of the United States and in public officials.

I yield the floor.

Mr. PACKWOOD addressed the Chair.

Mr. CURTIS. I yield the Senator such time as he desires.

Mr. PACKWOOD. I wonder if the Senator from Connecticut will answer a few questions. I know he has yielded the floor.

During the embargo last year, Oregon initiated, and other States followed, every-other-day purchasing with closing on Sundays. What we discovered, after it was in effect for 3 or 4 months, was that it did not conserve gasoline, shorten the lines or even out the flow. It did not conserve gasoline. I am curious if we go to a rationing system, short of World War II books, specifically how the Senator would go about reducing the use of gasoline.

Mr. WEICKER. I respect the opinion of the distinguished Senator from Oregon as to the experience in Oregon. On the other hand, we have also had testimoney before the Commerce Committee by certain officials from the State of California that, indeed, the odd-even system, once all was smoothly in operation, was a conservation measure. Be that as it may, the Senator has asked for a specific and I will give him a specific.

As I indicated, I have my own plan relative to how this rationing should take place. I estimate it could achieve roughly anywhere betwen 15 and 20 percent savings in the consumption of gasoline.

That plan specifically goes as follows: You have one car in the family. You designate the day upon which that car will not be on the road. You go down to the post office and get a certain colored sticker and put it on your windshield. If that car is found on the road on that particular day, the driver is arrested and/or fined, by the local law enforcement authority. If in that family you have two cars, for the second car you would designate 2 days to be off the road, and you could coordinate plans with regard to your first car, if you want. You would get two stickers on the windshield. The car could not be on the road on those two days. Anything above two cars would be prohibited from going on the road 5 days during the week. I exempt agricultural and commercial vehicles from this plan.

Clearly, what is going to happen is, yes, there is going to be some inconvenience. But you are going to have cars off the road x number of days, and you are going to conserve gasoline. The only cost as far as I can see it is the cost that it takes to print up the sticker that goes on your windshield. Insofar as enforcement is concerned, let this be handled by local law enforcement officials. The localities can keep the fines. As far as any black market is concerned, there obviously would not be one. Stiff fines would be established for cheating—it would not be worth it to cheat.

Mr. PACKWOOD. There is no black market, if you are caught on the road the day your sticker says you should not be on the road. How does the Senator know it will save 15 or 20 percent?

Mr. WEICKER. We do not know. But I do know what happens when you start fooling around with the pricing mechanism. Somebody is being pushed off the road because they cannot afford to be on the road. This is a little different.

My own community in the State of Connecticut is a very fortunate community, rather on the affluent side, a town of about 70,000. I imagine that you would probably have to get close to over a dollar before people would stop driving their cars. But long before that, the people of Bridgeport, Hartford, and New Haven would stop driving their cars.

What is also important is that the thermostats will stay as they are in the Houses of Congress, at 70, 72, or whatever. But not in some homes. The thermostats will go down to 55, 56, and 58. That is important, too, in this overall problem.

So perhaps I do not know all the answers relative to my program, but I know that it applies to everybody; whereas, the pricing mechanism invariably comes down hardest on the shoulders of the few.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. RIBICOFF. I agree with my colleague from Connecticut. I think that his sticker system is simple and would work.

The Senator from Oregon says, "How do you know?" According to the law of averages, with 213 million people and with 100 million cars on the road, it would work out to a saving of about one-seventh each day. Generally, a person will pick a day that suits his own purposes. For each day we have a car out of use nationally, it would be a saving of between 6 and 7 percent. You would cut it down to the allocation you need. Everybody would choose his own day.

This would probably mean that those people who have to go to work would carpool with those who lived in the same neighborhood, worked in the same factory, the same office, or the same store.

This is an alternative. As I have said all during this debate, I do not know all the answers. I do not think anybody in this country has all the answers. But what is apparent is that we have not tried to determine what the alternatives are.

The main thrust of this bill, so far as I am concerned, is to give us the responsibility and to make sure that we exercise that responsibility within 90 days. In that time we must hold hearings and have discussions in order to bring out the facts and to bring forth the alternatives to Congress and to the people of this country.

I commend my colleague from Connecticut for giving as much thought as he has to this proposal.

(At this point, Mr. GOLDWATER assumed the chair.)

Mr. WEICKER. I thank the Senator.

I find the violent reaction against rationing is in direct relationship to a person's income. I mean that. I really get criticized most by my affluent friends. Then, as the affluence declines, believe me, the reaction against rationing declines also, because all of a sudden you are dealing with an element that fully understands where the rationing is taking place. Somehow, they feel that despite the fact they are the weak in this Nation and they have the least, they, too, are going to be stuck with the solution for a national problem.

Mr. PACKWOOD. In surveys in Oregon, we came down on the opposite side. Apart from Portland, which has minimal mass transportation, there is none in Oregon of any consequence. Greatest opposition to rationing is by the middle-income, blue-collar worker who drives 30 or 40 miles to work. He says that 9 gallons——

Mr. WEICKER. Who says 9 gallons a week?

Mr. PACKWOOD. That is the average. Some will get more and some less.

I was thinking of the 1-day and 2-day proposal. My wife and I have two cars. Hers is probably operated 5 days a week, sometimes 4. She does not use it every day. Mine is not operated on Sunday. The Senator's proposal, as far as we are concerned, would not save any gas in our family.

So it will have to go to 2 days or 3 days, whatever is necessary for conservation.

Mr. WEICKER. I am starting at the low end of the spectrum, because if we put this plan into effect, we can change it. Let us find out. The system would be in place.

Mr. PACKWOOD. At some stage, people literally would not be able to buy enough gas to get to their next buying time. At some stage, they would get to where they would have to conserve and could not drive. I have a hunch that 1 or 2 days would not do it. Two or 3 days might. It has possibilities.

Mr. WEICKER. I appreciate the comments of the distinguished Senator from Oregon.

For those people who feel that they really have not been affected by the energy crisis, what I am trying to say is that the joblessness we have in this country is directly related to the energy crisis. So it is not just a question of not being able to drive or having your thermostat lower. It could very well be that because the United States has not conserved, a person is out of a job—probably is, as a matter of fact, if we trace the history of this entire matter. So these things are not separate and apart, by any manner of means.

All I speak for here today is what has to be done, what everybody knows has to be done, which is conservation—conservation until we get these long-range solutions into place.

Last night, I had the good fortune to speak with the leadership of my party; and the statement was made again to try to throw the fear of God in anybody:

> If anybody wants to step out there and say that a rationing program would have to last 5 years or longer, let him say it.

Well, I am saying it.

Yes, Democrat or Republican, you are kidding the American people if you tell them this is going to last for 6 months or a year. There is no way, not until the exploration comes onstream or until the mass transit is built. Yes, it is a 5-year proposition.

But if we had put this type of plan into effect a year ago, the eventual solution would be a lot easier. We postpone and postpone, and eventually we are going to have a system that is going to be so darned tight that we will say, "My God, why did we not do this gradually 2 years ago?"

Mr. RIBICOFF. At the present time, there is a glut of oil on the world market. Everybody is trying to frighten everybody else with the possibility of rationing.

The surest way to bring down the price of gasoline and oil is to ration the amount of oil coming into this country. Many countries now are suffering because they have too much oil. Saudi Arabia does not need the money; Kuwait does not need the money. But other countries, such as Libya, need the oil revenues.

The great problem is that we in the consuming nations have not been as collectively and individually as smart as we should have been. If a consuming nation meant business, it need not roll over to the OPEC countries. It could find that it has the dominant role in the world with respect to energy, instead of the OPEC countries.

If we say, as a consuming people, that we are going to make sure that we will limit our imports by a million barrels a day, or 2 million barrels a day, or 3 million barrels a day, to protect our economy and balance of trade, we will find the price of oil going down, on the basis of supply and demand.

It is not likely that the Shah of Iran is going to join in any embargo—not because he has any love for us. The Shah of Iran is building up his economy, and diversifying it. The only way he can do this is to sell oil. That is the only thing he has to sell now.

Ecuador is in dire straits because of the drop in oil sales. Venezuela, Libya, and Algeria have made great commitments to build up the standard of living for their people, and they have more oil than they can possibly use. And now they produce more oil than they can sell at high prices.

They know that if these high prices continue, it will cause us in the United States to achieve self-sufficiency at an earlier date, by a crash program. We are the only consuming nation in the world that has the ability to be self-sufficient in oil. So if we were tough and we did not jump every time somebody else blinked, we would find that we are on top of this problem instead of at the bottom of the problem.

I think that if more of us thought the way my colleague from Connecticut is thinking, we would not be supinely abject to all other nations of the world, but we would be able to call the shots instead of reacting to those other people in other nations who have oil under their sands.

Mr. WEICKER. I associate myself with all the comments of my distinguished colleague from Connecticut.

I yield the floor.

Mr. HATHAWAY. Will the Senator yield?

Mr. RIBICOFF. I shall yield to the Senator from Washington after I yield to the Senator from Maine.

Mr. HATHAWAY. I thank the Senator for yielding.

Mr. President, I take just a moment to say to the junior Senator from Connecticut that I concur wholeheartedly in the principle which he has very clearly enunciated, that we need some kind of conservation program and not an additional tax. Hopefully, the bill before us today will pass and we shall be able to override a possible veto and get the 90-day period in which to determine just what kind of conservation program is the most equitable.

I wish to indicate, Mr. President, that such a program is absolutely necessary if we are going to do any equity at all toward the poor and the lower middle income people of this Nation. Statistics from a recent Ford Foundation survey, which was actually made prior to the embargo in October of 1973, indicate that the poor, for example, pay 4 percent of their income for gasoline, whereas those who are in the middle class pay 3.2 percent and those in the upper income classes pay only 2.2 percent. Of course, with the increase in prices since the time of this survey, the percentage differences are even greater.

I wish to go on record, Mr. President, at this time in support of some kind of conservation program, not necessarily the one that the junior Senator from Connecticut has advocated, although, perhaps, after I study that in more detail, I shall be willing to accept that. Certainly we need some kind of program in lieu of a tax, which is rationing but is rationing usually on a very inequitable basis, as the preferable road to follow.

I thank the senior Senator from Connecticut for yielding me this time.

Mr. RIBICOFF. I thank the Senator from Maine for taking over during this past hour.

Mr. President, I yield 10 minutes to the Senator from Washington.

Mr. JACKSON. Mr. President, 1 out of every 12 American workers is now out of work, and unemployment is growing by the week. Yet prices are also rising at a rate greater than half of the Americans now alive have ever experienced.

The increases in oil prices over the last 2 years—by the actions of OPEC and of the U.S. Government—are not the only cause of the inflation and unemployment we are now suffering, but they were, without question, the most conspicuous, the most influential contributor to each.

According to the Bureau of Mines, the price of primary fossil fuels increased $33 billion between 1973 and 1974. Without accounting for any magnification of price increases as these costs were passed along to the consumer, the higher prices for oil, gas, and coal alone increased the cost of living by 2 percent. There is no precise way to measure the so-called ripple effects, but the total impact of energy price increases on the general price level was somewhere between 3 and 5 percent.

Looked at from another angle, that $33 billion increase in our national fuel bill meant a direct 2-percent reduction in family incomes and in the real GNP. Multiplier effects from this direct reduction in purchasing power further depressed consumption and production throughout the economy.

In total, the energy price movements of 1973–74 resulted in negative growth in our economy of 3 to 4 percent, and the loss of at least 1 million jobs.

Higher prices for oil, gas, and coal did not initiate either the inflationary spiral, or the slide into recession. They did, however, turn one-digit inflation into two-digit inflation, and recession into depression.

The terrible thing about the contribution of last year's energy price rises to inflation and recession, is that they were largely unnecessary. Only about one-third of our oil and less than one-fifth of our total energy supply comes from abroad, yet we permitted OPEC to determine the price of 40 percent of our domestic oil production, and to have a profound influence on the prices of coal and intrastate natural gas.

The Members of the Senate know that this body attempted to roll back the price of new, released and stripper well oil to a level only twice—rather than three or four times—their preembargo levels. This effort to free our domestic prices from determination by the OPEC cartel was, of course, vetoed by President Nixon, and Congress was unable to override his veto.

Mr. President, last year the bill for primary fuels consumed in the United

States increased by $33 billion, and turned recession into depression. Today, President Ford proposes and has initiated action to increase our primary fuel bill by another $33 billion. Yes, the measures the administration has announced—which do not require congressional review or legislation—will impart a shock to our already staggering economy fully equal to that imposed last year by OPEC.

The President's energy proposals mean more inflation and more unemployment. Administration spokesmen admit this—they admit that prices will increase by 2 percent. All independent estimates I have seen are considerably higher. The administration admits that the President's program will swell unemployment, but declines to estimate how much.

There are few major policy issues today on which broad agreement among economists can be found. The consensus on President Ford's energy program, however, is nearly unanimous: it is a disaster. The only economists who publicly support the program are Mr. Greenspan and the members of the Council of Economic Advisors.

Even Dr. Arthur Burns, Chairman of the Federal Reserve Board, who is so often a spokesman for the administration's economic policies, is frightened and dismayed by its energy proposals. Dr. Burns testified before the Joint Economic Committee on February 7, that—

> I find the President's (energy) program extremely complicated. There are some parts of it I think are hazardous at a time like this . . . I, for one, would want to phase in that kind of a program, and not concentrate it in the manner that the President has suggested.

Dr. Eric Herr, representing Data Resources, Inc., which provided the Federal Energy Administration with the economic projection it is now using to support the Administration proposal, testified before the Committee on Interior and Insular affairs on February 12. He stated that—

> The energy tax and price package is simply too big a bite for the economy to swallow in a year of deep recession and high inflation. Given our other inflationary problems, the enactment of the President's energy program would likely make 1975 another year of double-digit inflation.
>
> The extra inflation that a quick implementation of the President's energy package would imply, could well deepen the recession and keep the economy on the road to depression.

Dr. Arthur Okun, a former Chairman of the Council of Economic Advisers, testified before the House Ways and Means Committee on January 28. He said:

> I cannot believe that the President intends to risk a depression in order to hasten Congressional action on his energy proposals. Yet his own recent words point in that direction.

John Sawhill, former Administrator of the Federal Energy Administration, testified before the Interior Committee on February 12, as follows:

> The impact of the proposed tariffs, excise taxes and price decontrols, as it would be felt in all sectors of our economy, has been estimated at $50 billion, and we simply cannot afford to drain $50 billion of consumer purchasing power out of the economy at a time when we must restore confidence, create more jobs, and get the economy turned around. . . .

Professor Walter Heller, a former Chairman of the Council of Economic Advisers, stated to Ways and Means on January 28,

> President Ford's 30–30 energy program would deal a fourth blow to the economy—another double whammy that would boost inflation and worsen recession.

Dr. George L. Perry of the Brookings Institution told the Joint Economic Committee on January 29 that—

> A substantial rise in the price of oil will add a huge new burden depressing the economy and will undo most of the expected improvement in the inflation rate.

And Paul Volcker, former Deputy Secretary of the Treasury under President Nixon, advised Ways and Means on January 27 that the President's energy program "could be another drag on business activity."

He added:

> Much clearer is the upward impact on the price indices, which I suspect the official 2% estimate understates significantly in seemingly accounting only for the direct price effects on oil and from the new taxes.

Mr. President, the actions of the administration will present the Congress with a fait accompli on energy and economic policy. The provisions of the President's program with the heaviest impact and most profound impact would be implemented without public input or consultation with Congress.

The Congress has no choice but to halt this rush toward what I believe would be another major economic blunder by the administration. The Congress stands ready to develop constructive programs in cooperation with the administration to deal on an urgent basis with the critical unemployment and economic recovery problems facing the Nation. The areas of potential agreement between the Congress and the administration on energy policy are substantial. They include commitments:

First, to reduce the danger of any future oil embargo by developing specific standby authority for responsible and coordinated programs to manage severe petroleum shortages;

Second, to develop a system of strategic petroleum reserves filled in part by increased production from Naval Petroleum Reserves Numbered 1, 2, and 3;

Third, to reduce the inflow of Arab oil and the outflow of U.S. dollars in a manner which will minimize adverse domestic economic impact of the resulting reduction in petroleum availability.

Fourth, to develop a comprehensive national conservation policy to reduce the growth in domestic energy consumption and build a more efficient utilization of energy into the fabric of the economy;

Fifth, to organize an accelerated and environmentally responsible development of domestic energy resources; and

Sixth, to bring to the stage of commercial demonstration technologies for the development of alternative energy sources utilizing coal, oil shale, and solar and geothermal energy, just to name some.

The choice facing the Nation, as John Sawhill said in testimony before the Interior Committee on February 12—

> is not between the President's program and no program but between the President's program and an energy policy more consistent with economic recovery.

This is from the man who was running the Federal Energy Administration until just recently.

And as Dr. Burns testified about the energy program:

> It is so complicated, so intricate, and so inherently controversial a measure, I think the Congress should take its time about that program. I think you should hold very extensive hearings.

Passage of H.R. 1767 sets the stage for real congressional participation in the development of energy and economic programs to deal with immediate as well as long-term problems. We should accept this challenge. A vote in favor of H.R. 1767 will signal the Congress intention to play its full constitutional role in addressing the most important issues that now face the Nation.

Mr. President, I ask unanimous consent that the economic analysis of President Ford's energy program which was prepared by the staff of the Committee on Interior and Insular Affairs be placed in the RECORD.

There being no objection, the staff analysis was ordered to be printed in the RECORD, as follows:

ECONOMIC ANALYSIS OF PRESIDENT FORD'S ENERGY PROGRAM

SUMMARY

The short-term impact on the economy of the President's energy proposals is tremendous. The cost of energy will rise in one year by over $40 billion, an amount greater than the steep increase initiated during the Arab embargo. The impact will be absorbed by an economy already facing recession and double digit inflation. Costs to low- and middle-income households will soak up 5 to 10 percent of before-tax income under either of the programs which the President has proposed: the one he can implement independent of Congress or the program which he has asked Congress to enact.

Both proposals have as their goal the reduction of energy consumption through a broad increase in energy prices which is being applied without regard for the degree of flexibility available to consumers to initiate conservation in the short run. The removal of energy prices from control insures that the price of all energy consumed in the United States will be affected directly by OPEC pricing policies.

Over the long run the impact of higher prices could be absorbed in normal economic growth and consumers would be able to adjust gradually to the signals which slowly rising prices would send by choosing not to consume energy and by increasing the efficiency of use for the energy which they do consume. The present administration proposal attempts to achieve long-term energy goals in the short run, and in doing so, threatens the quality of life of the large number of families for whom added energy costs and energy induced inflation mean substantially reduced purchasing power.

A number of economists feel that an increase in basic energy costs of $1.00 is transformed, as it "ripples" through the economy, into $1.50 to $2.00 in increased consumer costs. Thus, under this hypothesis, the ultimate cost of $30 billion annually which the administration itself ascribes to its program would be transformed into $45 to $60 billion by the time it reaches consumers. The analysis which follows does not include any estimate of ripple effects. Only a direct dollar-for-dollar passthrough of energy costs is assumed. The operation of a ripple effect would therefore increase each cost estimate which follows by at least 50 percent.

PROGRAM TO BE IMPLEMENTED BY EXECUTIVE ORDER

The energy pricing proposals announced in the State of the Union message which (1) can be implemented by the President without any additional grant of authority by the Congress and (2) do not require congressional approval, would cost the U.S. consumers an additional $33.5 billion on an annual basis. This cost includes (1) direct increases in the price of petroleum which result from Presidential action, and (2) induced increases in the prices of alternate fuels which compete, at the margin, with imported and uncontrolled oil.

This increase in the cost at the point of production or import of basic fossil energy is virtually equal to the increase in fossil energy costs experienced over the 1973–74 period. During that time, according to the Bureau of Mines, the cost of domestically produced fuels increased by $16.4 billion. According to the Department of Commerce the cost of imported fuels increased by $16.8 billion. The total of $33.2 billion amounted to an increase of 48 cents per million Btu on the average for all fossil energy consumed in the United States in 1974.

For the 3-month period beginning in February during which the program will be phased in, the cost of imported oil will increase by $844 million as shown in table I.

TABLE I.—3-MONTH PHASE-IN COST: IMPORTED OIL

[In millions of dollars]

Commodity	Cost			
	February	March	April	Grand total
Crude oil [1] (tariff)	109	242	351	702
Refined [2] (tariff)	73	161	234	468
Refined (rebate) [3]	(73)	(113)	(140)	(326)
Total	109	290	445	844

[1] Current import level of 3.9 mmbd assumed.

[2] Current import level of 2.6 mmbd assumed.

[3] Rebate is $1 per barrel in February, $1.40 per barrel in March and $1.80 per barrel in April.

The price of imported petroleum will increase under this proposal by 5.4 cents per gallon.

The costs calculated in table I apply only to imported oil. An import fee beginning at $1 per barrel on February 1 and rising to $3 per barrel on April 1 is assumed, along with partial rebates of fees on imported refined petroleum products such as fuel oil.

The President has announced that on April 1, he will act to decontrol the price of "old" oil, now selling for $5.25 per barrel. In calculating data for table II which follows, it is assumed that the program the President will place in effect on April 1 is permitted to go forward without alteration by Congressional action. The increases in the annual costs for imported oil, domestically produced oil, and competitive fossil fuels are summarized in table II.

TABLE II.—ANNUAL COST OF PRESIDENTIALLY IMPLEMENTED ENERGY PROGRAM

[Measures that do not require legislation]

	Annual cost (in billions)
Oil:	
Imported oil tariff ($3/bbl) 6.5 mmb/d×365×$3	$7.1
Rebate on imported refined products ($1.80/bbl) 2.6 mmb/d×365×$1.80	(1.7)
Increase in price of presently uncontrolled oil ($3/bbl) 3.0 mmb/d×365×$3	3.3
Increase in price of presently controlled oil ($5.25/bbl to $14.40/bbl) 5.7 mmb/d 365×$9.15	19.0
Total oil costs	27.7
Natural gas: Increase in the price of uncontrolled intrastate natural gas ($0.46/M ft^3) 10.4 tcf/y×0.6×$0.46	2.9
Coal: Increase in the price of coal ($10.71/ton) 0.540 bt/y×0.5×$10.71	2.9
Total all fuels	33.5

The calculations in table II utilize the levels of production and imports which prevailed in 1974 and assume that decontrolling oil prices will affect 5.7 million barrels per day, or 65 percent of current domestic production of crude oil and lease condensate. Imports of refined petroleum products in 1974 averaged 2.6 million barrels per day.

In the case of natural gas it is assumed that the commodity sold outside of FPC price controls—that is, intrastate natural gas—will respond in price on a Btu-equivalent basis to the net increase in price of imported and uncontrolled oil, which are the marginal competitors for uncontrolled natural gas. These categories of oil which are currently free from price controls encompass 9.5 million barrels per day (6.5 million barrels per day of imported oil and 3.0 million barrels per day of uncontrolled oil). The annual cost of this oil would increase by $8.7 billion (the sum of the first three entries in table II) under the President's program, or an average $2.51 per barrel. This figure is lower than $3 per barrel because of the $1.80 per barrel rebate on refined product imports contained in the President's program. Crude oil at $1 per barrel is equivalent, on a Btu basis, to dry natural gas at 18.4 cents per thousand cubic feet, so that the price increase for uncontrolled and imported oil would induce a 46 cents per thousand cubic feet increase in uncontrolled natural gas prices.

Coal competes with oil and natural gas for electricity generation and is assumed to adjust to the price increase of the marginal oil supply—uncontrolled and imported oil. Crude oil at $1 per barrel is equivalent on a Btu basis to bituminous coal and lignite (a weighted average reflecting 1974 consumption) at $4.27 per ton. Thus the $2.51 per barrel net price increase for imported and controlled oil would induce an increase in coal prices of $10.71 per ton.

The increases in the prices of alternate fossil fuels are contingent upon the expiration or renegotiability of existing contracts for these fuels so that higher prices can be implemented. Reliable data concerning these contracts are not available for the country as a whole, but rough estimates can be made. In computing coal and natural gas costs in table II it is assumed that 50 percent of coal and 60 percent of intrastate natural gas contracts will expire or be subject to renegotiation in 1975. It should be noted that these renegotiation rates are considerably higher than those used in administration projections of increases in coal and gas prices. The figure of 50 percent for coal was derived by dividing the 1973–74 increase in the average price per Btu of coal purchased by electric utilities by the increase in the average price of residual fuel oil.

The administration assumes that intrastate natural gas contracts will turn over at only 20 percent per year—a figure apparently derived from statistics of *interstate* pipelines. Our 60 percent figure reflects a typical intrastate contract term of 1–5 years in contrast to the 12–20 years required by the FPC in purchases by interstate pipelines, and the widespread existence in the former of "most favored nation" and other escalation clauses of types disallowed by the FPC. The rates of production, 10.4 trillion cubic feet (tcf) per year for intrastate natural gas and 0.540 billion tons per year for bituminous coal and lignite reflect 1974 production levels. (Interstate natural gas production in 1974 is estimated at 11.5 tcf.)

The total cost of this Presidentially implemented program on an annual basis amounts to over $33 billion, nearly $160 for each man, woman and child in the United States, or over $630 for a family of four. Spread over approximately 70 million households (of which nearly 13 million are one-person households) the cost comes to $480 per household.

This proposal, should it remain in effect, will raise the price of all oil consumed in the United States—uncontrolled, formerly controlled and imported oil—by an average of $5 per barrel. This translates into 12 cents per gallon on the average for all petroleum products, assuming a simple cost pass through. The economic impact will be as great as the impact of the price increases imposed for oil during the Arab embargo by the Organization of Petroleum Exporting Countries. These OPEC increases and domestic oil pricing decisions of the Nixon/Ford administration raised the price cost of all oil refined in the United States by just over $6 per barrel in a year, from $3.40 per barrel to $9.50 per barrel. During that period, gasoline and heating oil prices increased 15 cents per gallon and 18 cents per gallon respectively, reflecting more than a simple pass through of crude oil costs.

The cost of the approximately 69 quadrillion Btu of fossil energy which was consumed in the United States in 1974 would increase by nearly 50 cents per million Btu in 1975 under this program. The implied increase in average electricity rates amounts to 2.7 mills per kilowatt hour,[1] a 10-percent increase over the average of 27 mills per kilowatt hour for 1974.

One important effect of the President's proposal is to remove the insulation between the price policies of the OPEC cartel and a substantial portion of the fossil fuels which provide 95 percent of the energy consumed in the United States. Thus, if the President's proposal is implemented, the impact of a dollar increase in the price of oil on the world market would propagate rapidly throughout the U.S. energy supply system, affecting the prices of all domestic petroleum and substantial portions of domestic natural gas and coal. The impact would amount to $7.8 billion in added costs for each dollar per barrel increase in OPEC prices. The calculation is illustrated in table III.

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[1] On the average, electricity in the United States depends on energy sources as follows: Coal, 46 percent; oil 16 percent; natural gas, 17 percent; hydroelectricity, 13 percent; and nuclear, 7 percent. The average heat rate of steam electric plants is 10,500 Btu/kWh. Average price increases for fossil energy implied in table II are 89 cents/MBtu for oil, 13 cents/MBtu for natural gas, and 22 cents/MBtu for coal or 26 cents/MBtu for the average fossil input to electricity generation.

TABLE III.—*Impact of $1 per barrel OPEC price increase*

	Cost in billions
Oil: 15.2 mmb/d×$1×365	$5.5
Natural gas: 10.4 tcf/y×0.6×$0.184	1.1
Coal: 0.640 bt/y×0.5×$4.27	1.2
Total	$7.8

PROGRAM PROPOSED BY THE PRESIDENT TO CONGRESS

The energy price and tax proposals which the President is submitting to the Congress differ in significant respects from the import fee/rebate and decontrol program which is being implemented without congressional approval by Executive order. The Congress is asked to replace the fees on imported petroleum which the President has set by a comprehensive price and tax program, including the following provisions affecting energy prices:

(1) A tariff of $2 per barrel (without a rebate provision) on all imported petroleum;

(2) Excise taxes of $2 per barrel on all domestically produced crude oil, 37 cents per thousand cubic feet on natural gas, and $1.42 per barrel on natural gas liquids. These tariffs would increase the price of all domestically consumed petroleum liquids and natural gas by 36 cents per million Btu;

(3) A windfall profits tax on domestically produced crude oil would be imposed to capture rents earned through increases in the price paid to domestic producers;

(4) Deregulation of "new" natural gas, defined as gas produced from wells commencing operation in 1975 and gas covered by expired or expiring contracts. The deregulation of all domestically produced crude oil is also assumed; and

(5) Inclusion by electric utilities in the rate base for electricity prices of costs of construction and of the addition of pollution control equipment.

If the Congress accepts this program, the energy-related costs to U.S. consumers will increase by approximately $43 billion in 1975 and ultimately by over $50 billion annually as fuel supply contracts expire or are renegotiated to reflect higher prices. The impact of the program is summarized in table IV. In each case, the corporate revenues and Government tax collections are estimated.

TABLE IV.—ANNUAL COST OF PRESIDENTIALLY PROPOSED ENERGY PROGRAM

[Including measures requiring legislation]

Increased	Annual effect (billion dollars)		
	Consumer costs	Corporate revenues	Tax collections
Oil:			
Imported oil tariff ($2/b) 6.5 mmb/d×365×$2	$4.7		$4.7
Presently controlled oil:			
Decontrol (price increases from $5.25/b to $11.40/b) 5.7 mmb/d×365×$6.15	12.8	$12.8	
Excise tax ($2/b) 5.7×365×$2	4.2		4.2
Presently uncontrolled oil excise tax ($2/b) 3.0 mmb/d×365×$2	2.2		2.2
Windfall profits tax (interpolated from administration formula)		(15.3)	14.0
Total oil	23.9	(2.5)	25.1
Natural gas liquids: (excise tax $1.42/b) 1.7 mmb/d×365×$1.42	.9		.9
Total natural gas liquids	.9	0	.9
Natural gas—New interstate gas:			
Decontrol (price rises from $0.50/mcf to $2) 2.3 tcf/y×$1.50	3.5	3.5	
Excise tax ($0.37/mcf) 2.3 tcf/y×$0.37		(.8)	.8
Intrastate gas—Influence of oil prices:			
(Price rises from $1 to $2 for 60 percent of contracts) 10.4 tcf/y×.6×$1	6.2	6.2	
Excise tax 10.4 tcf/y×$0.37		(3.9)	3.9
Controlled interstate gas: Excise tax ($.37/mcf) 9.2 tcf/y×$0.37	3.4		3.4
Total natural gas	13.1	5.0	8.1
Coal: Influence of oil price (price rises for 50 percent of contracts) 0.540 bt/y×.5×$4.27×2 (total coal)	2.3	2.3	0
Total all fuels	40.2	4.8	34.1
Electricity: Increase in electric utility rates from inclusion of construction and pollution equipment cost in rate base	3.0	3.0	0
Total costs	43.2	7.8	34.2

The calculations for table IV are in most cases similar to those employed in analyzing the Presidentially implemented program outlined in table II. The estimate of the capture of rents from the windfall profits tax on domestic oil is an interpolation which approximates result of the administration's more complex formula. Under that formula, revenues on a barrel of oil in excess of a base are taxed. The base escalates monthly from an initial level of $4.95 per barrel to $5.47 at the end of the first year. The effective tax rate for domestic oil during the first year would be $1,98 per barrel plus 90 percent of the difference between the excess over the base and $3. Initially, the windfall profits tax on a barrel of oil sold at $$1.40 plus the excise tax would be $5.09; at the end of the year, the windfall tax would drop to $4.62. The annual revenues on 8.7 million barrels per day at these levels of tax are $16.1 billion and $14.6 billion respectively. In table IV, an interpolation between these values is used to estimate the first year's windfall profits tax at $15.3 billion.

The excise tax on natural gas liquids, which contributed 1.7 million barrels per day to the U.S. petroleum supply in 1974, is set at $1.42. On a Btu-basis, this tax is the equivalent of an increase of $2 per barrel in the price of crude oil. Natural gas liquids are currently under price controls, and no decontrol is assumed, although it seems likely that the competitive interaction of the same petroleum products derived on one hand from refinery operations and, on the other hand, from natural gas plants would lead to market distortions in the absence of this decontrol.

The decontrol of new natural gas is assumed to affect 2.3 trillion cubic feet of new gas and all gas under contracts which will have expired prior to the end of 1975. This includes contracts which expired in years previous to 1975, as well as those expected to expire in 1975. Some of this gas is now sold at $0.50 per thousand cubic feet; without the President's program it is assumed that it would all sell for $0.50 per thousand cubic feet during 1975. It is assumed that the price of this gas will rise to the current top price for intrastate uncontrolled gas of over $1.60 per thousand cubic feet plus the excise tax of $0.37 per thousand cubic feet, or, to a total of approximately $2 per thousand cubic feet. In the intrastate market the average price is now approximately $1 per thousand cubic feet. It is assumed that 60 percent of the contracts under which this gas is sold will expire or be subject to renegotiation in 1975, and that the new price will equal the price at which deregulated new gas sells—approximately $2 per thousand cubic feet. It should be recognized that under a climate of deregulation, a substantial reversal of the previous environment affecting gas prices can be expected. Currently interstate pipelines are forced to curtail interruptible customers. Under deregulation accelerated bidding for all gas can be expected as pipelines seek supplies to fill orders for previously threatened customers. This bidding will place considerably more pressure on all uncontrolled natural gas prices than would exist under the Presidentially implemented program which can by law contain no provision to deregulate interstate gas.

The program which the Congress has been asked to pass would raise the cost of energy consumed in the United States by over $43 billion, or $205 for each member of the resident population of approximately 210 million persons. Thus the bill for a family of four on the average will amount to over $800. These incremental energy costs will accumulate as they are passed through the economy to individual consumers in the form of increases in the prices of direct fuel purchases and as increases in the prices of all goods and services in proportion to the energy requirements of these goods and services. These added fuel costs represent an automatic 3 percent inflation in GNP before the impact of any dislocation costs which may be generated by higher fuel prices. According to the Bureau of Mines, U.S. energy costs increased by over $33 billion in 1974: $17 billion for imported oil, $11 billion for domestic oil, $1 billion for domestic natural gas, and $4 billion for domestic coal. These cost increases contributed to an inflation rate which is currently running at 12 percent per year.

During the 1973–74 period, fossil fuel prices for electricity generation increased as shown in table V. The last column shows the average increases in prices of individual fuels which the President's proposed program would produce.

TABLE V.—FOSSIL FUEL PRICES FOR ELECTRICITY GENERATION

[Cents per million British thermal units]

Fuel	September 1973	September 1974	Increase, 1973–74	Increase projected for Ford program
Oil	82	195	83	77
Natural gas	37	54	17	58
Coal	41	79	38	18

Source: FPC, data from table IV.

Based on the average fuel mix of U.S. steam electric generating plants, the price of a million Btu of fossil energy input will increase by 31 cents. This corresponds to an average increase in U.S. electricity prices of 3.3 mills per kilowatt hour, or 12 percent over 1974 average prices.

The automatic adjustment of electricity rates to pass through increases in fuel costs have caused electricity rates to rise much faster in many regions than this calculation of average figures would indicate. Thus in 1974 in many major Eastern metropolitan areas, the price of electricity has increased by 30 percent or more as increased fuel costs were transferred directly to consumers. These increases have just offset the utilities' fuel costs and have not resulted in increases in actual retained revenues. This failure to increase revenues occurs at a time when the utilities' nonfuel costs are also rising and the need to expand and improve capacity is widely recognized. High electricity prices, driven by fuel costs, have strongly stiffened consumer resistance to utility rate increases at a time when these rate increases are needed to fund utility construction programs. Further increases in fuel costs will only further solidify this resistance to the rate increases required to bring in the revenues which the financial viability and minimal growth of the industry requires.

A further increase in consumer costs for electricity which is unrelated to fuel has been proposed in an attempt to increase utility revenues. Part of the Presidential program to be submitted to Congress proposes that the State utility commissions, which regulate the major portion of retail electricity sales, permit the inclusion of construction costs for work in progress in the electricity rate base. This is not now common practice. Normally construction costs plus an allowance for interest on these costs may be passed on to customers only after the completion of work. This provision of the President's program, should it be enacted, could add $3 billion to the national electricity bill in 1975 depending on the construction undertaken and the amount of pollution control equipment installed. This would push the average increase in residential electricity prices to 20 percent—a jump equivalent to the national average for all 1974 increases. As in the case of the fuel cost adjustment effects, the impact of construction work on the rates individual consumers pay will vary widely with respect to local circumstances.

If $16 billion of construction work in progress were added to the utilities' rate base, and the State utility commissions allowed the utilities to earn 9 percent after taxes on their investments, after-tax income would be permitted to increase by $1.44 billion. Assuming a marginal Federal tax liability of 48 percent, the utilities would have to increase their revenues by $3 billion to retain $1.44 billion after taxes.

While this attempt to increase utility revenues increases consumer costs, it does produce needed revenues for utilities. Also, increases in electric rates generated by this provision now would be in part offset by lower rates later, because interest on construction costs would no longer be accumulated in the rate base. However, taken in the context of the entire Presidential program, which will substantially increase the rate of inflation, will substantially increase interest rates and will substantially increase consumer resistance to catch-up rate increases, the net effect on utilities may be negative in many regions of the country. In nearly all cases the net effect on utility customers will be increases in electricity prices comparable to the 1974 increases.

Because the program the President is sending to Congress would remove from price controls both new natural gas sales to pipelines and crude oil production, it would go further than the program implemented by executive order to link domestic energy prices to the prices set by the OPEC cartel. The effect of a $1-per-barrel increase in world oil prices on domestic energy costs will be larger than the estimate of table III because of the effect of decontrol of new natural gas. With this component of the U.S. energy supply also free to move with an OPEC price increase, the effect of a $1-per-barrel rise in the world oil price would cost consumers an additional $8.2 billion annually of which $2.4 billion would go to OPEC, $2.8 would be captured by the Federal Government in windfall profits taxes and $3 billion would accrue to energy producers.

IMPACT OF FORD ENERGY PROGRAM ON CONSUMERS IN VARIOUS INCOME GROUPS

Precise estimation of the detailed impact of the energy program proposed by the administration is complicated by the absence of reliable data describing the consumption of energy at the household level in American society. Calculations using average figures for the country as a whole ignore significant regional differences in energy use, such as the relatively heavy dependence of New England on imported fuel oil for electricity generation and home heating, the widespread use of unregulated natural gas in gas-producing States and the importance of relatively cheap hydroelectric power in the Northwest. Thus, national averages often substantially obscure catastrophic regional impacts of specific events or policies affecting energy.

When the average impact of a policy nationally is as large as that of the administration's present energy pricing proposals, truly substantial regional dislocations and other cost impacts are bound to occur. Thus, the figures quoted below will often significantly underestimate impacts in places where dependence on oil and unregulated natural gas is heavy.

Any projection of additional costs to U.S. consumers from the administration program depends on a variety of assumptions including those regarding levels of production, pricing decisions by sellers of alternate fuels, and the flexibility of contracts between producers and consumers. Moreover, the added costs to be expected in 1975 are surely less than those which will be imposed in later years as the producers free themselves from long-term agreements negotiated at pre-1974 prices, and dislocation costs and markups in excess of dollar-for-dollar fuel cost pass-through are reflected in prices to consumers.

Estimates of the annual impact of acceptance of the administration's program range from $40 billion to over $60 billion as the ultimate cost. An administration spokesman's estimate of $55 billion was quoted by the UPI wire service on January 14, 1975.

None of these estimates include the effect of a further price increase by the OPEC cartel in the future in response to the U.S. import tariff. Each such dollar per barrel increase is estimated to add approximately $8 billion more to the annual energy bill for U.S. consumers.

These energy costs, whether they amount to $40 billion per year, $50 billion per year or, ultimately much more, represents nothing less than a major escalation in the basic cost of all fossil fuels consumed in the United States. This escalation, moreover, is entirely comparable to the shock received only a year ago from OPEC; the major difference is that this second major quantum jump in the cost of energy for consumers arrives at a time when the United States economy is in a deepening recession.

In 1974, according to preliminary figures from the Bureau of Mines, the United States consumed some 69 quadrillion British thermal units (Btu) of fossil fuels, a drop of 2.4 percent from 1973. The increase of $40 billion in fossil fuel energy costs indicated in table IV would raise the price per unit of this basic fossil energy in the United States by nearly 60 cents per million Btu. An ultimate annual cost which reached $55 billion would amount to an increase of 80 cents per million Btu.

Under the assumptions associated with table IV, the price of the 15.2 million barrels per day of petroleum produced in the United States and imported would rise by approximately $24 billion. This is an average of 77 cents per million Btu: $4.30 per barrel, or 10 cents per gallon. The increase per gallon rises by 2.3 cents for each dollar per barrel of in future OPEC price increases; the effect of total decontrol is to cause any such increase to be passed through to all oil consumed in the United States. By comparison, the price of oil used in the United States increased by $6.10 per barrel from 1973 to 1974.

Under conservative assumptions, natural gas costs (excluding liquids) would rise by over $13 billion, equivalent to an average increase in natural gas prices of 60 cents per thousand cubic feet (58 cents per million Btu).

Finally, coal, which is a fuel which competes with oil and natural gas for electricity generation, would be pulled up in cost by at least $2.3 billion in total. This represents an average of 18 cents per million Btu or $4.27 per ton. By comparison, the increases in fuel prices which took place over the 1973–74 period are shown in table VI.

TABLE VI.—*Increase in fuel prices, 1973–74*

	Cents per million Btu
Oil:	
Domestic crude oil [1]	53
Imported crude oil [2]	160
Imported distillate fuel oil [2]	177
Imported residual fuel oil [2]	136
Natural gas:	
Interstate natural gas [3]	4
Intrastate natural gas [3]	14
Average for all natural gas [1]	8
Coal: Average for all coal [1]	27

[1] Bureau of Mines.

[2] Census Bureau.

[3] Inferred from Federal Power Commission and Bureau of Mines data.

These increases would impact the economy in a broadly based and fundamental manner. For example, nearly 80 percent of the electricity generated in the United States is derived from fossil energy sources. An average impact on electricity rates of approximately 3 mills per kilowatt-hour in fuel price increases and 2 mills per kilowatt-hour from inclusion of construction costs in the electricity rate base would amount to nearly a 20 percent total increase in the price of electricity. This would be identical to the experience of the United States on the average in 1974, when the Bureau of Labor Statistics index of retail electricity prices rose 20 percent over 1973. In areas where electric generation is dependent on expensive basic fuels—imported oil or intrastate natural gas—the cost of electricity is currently higher—over 40 mills per kilowatt-hour. In these areas, the price increase in electricity will correspond more closely to the oil and gas price increase, so that the cost of electricity may increase by 10 mills per kilowatt-hour, or nearly 25 percent.

Average costs represent the effect of direct household purchases of fuels and electricity plus the direct passthrough of energy costs in the prices of all other goods and services. The direct cost increases for fuels and electricity are relatively easy to estimate. In the case of home heating oil, the increase depends on the amount of the increased cost of crude oil allocation to heating oil. Under conservative assumptions, the impact of the direct cost associated with the administration program amounts to 10 cents per gallon. However, industry sources have indicated that the per gallon increase could be as high as 15 cents. Heating oil customers have less freedom to reduce consumption—especially since heating oil costs have already doubled during 1974. Thus, the added annual cost of 1,250 gallons of heating oil would be $125 to $185. A home heated with natural gas which used 150,000 cubic feet in 1975 would pay $90 more on the average.

The annual cost of 850 gallons of gasoline—16 gallons per week—could increase from $85 to $120. The price of 8,000 kilowatt-hours of electricity would increase by $40 on the average and as much as $80 in areas heavily dependent on oil and unregulated natural gas. These increases in the price of fuels and electricity purchased directly by households total to approximately the $250 which administration representatives have indicated is the average cost of their program to American households. However, this estimate is a clear misrepresentation of the real impact of the program on the American household. Using the total number of households in the United States, approximately 70 million, the total cost of the program, derived from this administration estimate amounts to only $17.5

billion, much less than to other administration estimates of the total cost. Thus, $250 is only a third of the real cost of the program to an average American family. The difference is that this estimate includes only direct purchases of fuels and electricity by households. The additional impact of energy costs because of their passthrough in the price of all goods and services dependent on energy, is nearly three times as large as the direct purchases of fuels and electricity by households. These costs all reach the consumer; no one else pays them. Indirect energy costs arise from the increased prices for every item which must be transported before it is sold: food, clothing, construction materials, manufactured goods. Indirect energy costs rise from increases in the price of basic materials which are produced with a large energy input: glass, steel, cement, aluminum, petrochemicals.

Thus, the impact on the average American family of the administration energy pricing program is not $250 per year; it is at least three times that figure. This projection is an average for all families. Yet not all families consume the same amount of energy, nor do they possess similar abilities to pay for it. A study carried out by the Washington Center for Metropolitan studies for the Ford Foundation's energy policy project estimated direct and indirect energy use in families in different income categories for the year ending June 1975. These results are presented in table VII.

TABLE VII.—ENERGY USE BY HOUSEHOLDS

Category	Number of households (millions)	Average income (1972 dollars)	Million Btu/household: Direct purchase fuels and electricity	Million Btu/household: Indirect energy use	Million Btu/household: Total use[1]
Poor	11.8	2,500	207	353	560
Lower middle	27.6	8,000	294	549	843
Upper middle	12.6	14,000	403	843	1,246
Well off	13.4	24,500	478	1,095	1,573
Average			337	682	1,019

[1] Total energy use for this sample accounts for approximately 67 quadrillion Btu's, compared to 68 quadrillion Btu's based on fossil fuel consumed in 1972. Total fossil based energy consumption in 1974 was approximately 69 quadrillion Btu's.

Source: Ford Foundation energy policy project.

Table VIII shows the additional annual costs associated with an increase in the price of fossil-based energy of $0.60 per million Btu, assuming the consumption pattern of table VI. The income from which this energy must be purchased is expressed in 1975 dollars.

TABLE VIII.—INCREASED ENERGY COSTS FOR HOUSEHOLDS BY INCOME: DIRECT AND INDIRECT ENERGY PURCHASES

Category	Income[1] (1974 dollars)	Cost increase for direct energy purchases[2]	Cost increase for indirect energy purchases[3]	Total increase
Poor	$3,050	$124	$212	$336
lower middle income	9,770	176	329	505
Upper middle income	17,000	242	506	748
Well off	29,900	287	657	944

[1] Income adjusted by the ratio of consumer price indexes: December 1971/December 1972=1.221.

[2] Purchases of fuels and electricity for households; energy dcosts assumed to increase by *60¢/MMBtu*.

Purchases of all products (*food, automobiles,* housing [3]pliances, petrochemicals, services) dependent on energy; llar-for-dollar passthrough of 60¢/MMBtu is assumed without ny increase due to "ripple" effect.

Table VIII shows the significant effect of cost increases in the direct purchase of fuels and electricity and the even larger effect of indirect energy use on expenditures. Thus, for a poor family, approximately $125 in increased costs for direct energy purchases corresponds to nearly $340 in increased costs when purchases of nonfuel goods and services are accounted for. For middle-income families, $200 to $250 in increased costs for direct purchases of fuels and electricity become $500 to $700 in total cost increases per family when all purchases are considered. For well-off families the total cost will be in excess of the average cost.

This table also shows the disproportion between added energy costs and ability to pay. The poor must find extra cash to pay for a third as much energy as the well off, yet they must find this cash in an income which is on the average, only a 6th to a 10th as large. Thus, the basic requirements for food, shelter, heat, transportation, and essential clothing and manufactured goods place a floor on energy requirements which does not respect relative ability to pay. When basic energy prices increase, the burden falls much more heavily in proportion to ability to pay on the poor.

The table shows that added energy costs which the President's program would provide for will reduce the purchasing of the poor by over 11 percent while for the well off, only 3 percent of income will be affected.

Mr. JACKSON. I yield the remainder of my time back to the Senator from Connecticut (Mr. RIBICOFF).

Mr. KENNEDY. Mr. President, will the Senator from Connecticut yield me 4 or 5 minutes?

Mr. RIBICOFF. I yield 4 minutes to the Senator from Massachusetts.

Mr. KENNEDY. I rise to urge adoption of H.R. 1767 by the Senate as an essential step to prevent the President's energy program from dragging the economy further down the road of recession.

At the outset, it should be emphasized that our efforts are not aimed at confrontation, but at permitting the Congress an opportunity to develop a cooperative approach to energy that does not endanger the economy.

Not since the depression have we had 8 million American men and women without jobs. Not since the depression have we had an adjusted unemployment rate of 8.2 percent. And not since the years of the late 1920's have we had executive decisionmaking that is so out of touch with the economic reality of America.

Our most critical problem today is ending the recession and putting Americans back to work. Yet the President's energy program will block economic recovery. It will assure that more Americans will be unemployed at the end of the year than at the beginning. And it will derail efforts to end double-digit inflation.

H.R. 1767 is an emergency measure to roll back the $1 per barrel fee on imported crude oil imposed by Presidential Proclamation 4341 and to delay the additional fees on imported crude oil and petroleum products slated to take effect on March 1 and April 1.

The House of Representatives adopted this measure 309 to 114. A majority of the Senate already is on record as favoring the 90-day delay since 52 Senators have joined as cosponsors of Senate Joint Resolution 12 which I introduced on January 23 with the distinguished chairman of the Senate Interior Committee, Senator JACKSON.

That measure contained a similar 90-day delay of import fees as well as a delay of any unilateral increase in the price of controlled oil. I have cosponsored S. 621 which Senator JACKSON has introduced to prevent a Presidentially imposed lifting of old oil prices.

However, the first wedge of the President's energy program is the $3 per barrel oil import fee program which the President proclaimed on January 23. The measure before us today is designed to remove that wedge and permit the Congress to consider alternatives that will meet the goal of reducing foreign dependence but without jeopardizing our economy. As import fees rise, the price of uncontrolled oil, coal, and unregulated natural gas will rise as well.

Economists who have served Republican and Democratic Presidents, former members of the Council of Economic Advisors, former high Ford administration energy policymakers and even the current Chairman of the Federal Reserve Board have pointed out the hazards of the Ford energy program.

They are virtually unanimous in condemning the energy program as questionable in its own right and indefensible at a time of economic crisis.

The administration program apparently was conceived in a cloistered tower where the long lines of the unemployed cannot be seen. It is inconceivable that a program that Arthur Burns, the Chairman of the Federal Reserve Board has termed "hazardous at a time like this," should be unilaterally imposed without congressional hearings, without public participation, and without its full impact being examined and alternatives explored.

The administration also has seriously understated the cost of its program to the American business community, to the American consumer, and to the American people.

The full Presidential program is estimated by the administration to cost $30 billion.

That total does not include a penny's worth of coal price increases.

That total does not include a penny's worth of price increase for unregulated natural gas.

That total does not include any increase in the price of electricity.

Economists and energy experts convincingly testified that coal and unregulated natural gas will seek the higher ceiling established by the new price of foreign oil plus the import fee.

Nor does the administration's $30 billion figure include any estimate of a ripple effect.

The ripple effect means that inevitably businessmen will adjust upward their final product price by more than the increase in the cost of production produced by the added cost of energy to maintain their margin of profit.

In turn, there will be wage increases which produce their own subsequent pressures for price rises. The new costs will double the administration estimate of price increases resulting from the Ford energy program.

The cost of all goods will rise and the value of the take-home pay of every American worker will decline.

Most economists estimate that ripple effect to be many billions of dollars.

Dr. Otto Eckstein, of Data Resources Inc., and a former member of the Council of Economic Advisers testified before the Senate Subcommittee on Administrative Practice and Procedure that the ripple effect would add $25 to $30 billion to raise the final cost of the administration's energy program to $55 to $60 billion. Library of Congress economists used a similar 1.5 to 2 ripple effect, estimating the total cost at $45 to $60 billion.

If the direct $30 billion administration estimate was adjusted to reflect likely increases in coal and natural gas prices, as the Interior Committee has calculated, the direct energy costs would be $43 billion. With the ripple effect, the total Ford energy program cost would be between $50 and $67 billion.

The overall impact of the program, therefore, is likely to be devastating to any hopes for economic recovery. The potential is for as many as 660,000 additional unemployed according to Data Resources, Inc., if the President's full program takes effect.

Not only will vast amounts of purchasing power be taken away from the consumer but the level of prices will continue to follow the sky is the limit pattern of the past several years.

No clearer statement of the administration's willing acceptance of these costs can be found than its own budget projections of double-digit inflation this year, its own expectation that our gross national product will decline again, and its own assumption that 7.5 million Americans will continue jobless this year, next year, and the year after as well.

It is a prescription for economic dislocation and social injustice and it is a prescription that the American people do not have to swallow.

Thus, the overwhelming reason for delaying the President's program is that it will devastate any chances for economic recovery.

However, there are additional reasons as well. First, I believe there are serious questions whether the tax and tariff program announced by the President will have the desired effect of reducing consumption. The price increases of the administration program strike at every product—home heating oil, residual oil for industrial and institutional use, and gasoline—and thereby dilute any hope of effectively reducing consumption.

New England homeowners have reduced their consumption of home heating oil already. Yet they are expected to reduce further. They cannot. Across the country there has been a reduction in residual oil use of some 300,000 barrels since 1973. Yet the administration actually plans to cut residual consumption by nearly 20 percent by the end of the year compared to a reduction of only 3 percent for gasoline.

There are grave doubts, therefore, about the effectiveness of the administration program as a vehicle for achieving a reduction of energy consumption.

Thus, the President's high tariff-high taxes energy policy is of doubtful utility in reducing reliance on foreign oil imports in the short run but is sure to block any attempt at economic recovery.

Second, it is inequitable. It will place the most severe burden on those least able to bear the burden—the poor, the elderly, and the unemployed and on those regions which already have suffered the most severe increases in the cost of their energy.

The poor cannot dip into savings to pay for the added energy costs of the President's program. There are no savings.

The elderly on fixed incomes cannot find available funds from their monthly social security check to pay for added electricity costs. There are no available funds.

And at a time of rising unemployment and continued inflation, a policy of this nature is even more burdensome to these individuals.

In addition, the program inevitably is discriminatory against high import regions such as New England, the east coast, upper Midwest and west coast. We in Massachusetts and New England now pay 30 percent more for energy than the rest of the Nation. Despite the efforts toward equalization there is a reality that we have learned over the years.

If the program begins as an inequitable program, it inevitably results in inequities despite all of the minor adjustments that are attempted.

We now rely for 85 percent of our energy on oil and for 70 percent of that oil we rely on imports. Those statistics explain why we in New England, with 5.8 percent of the population are expected to pay some 11 percent of the ultimate cost of the President's short-term program. The Upper Midwest also bears a heavier burden than the national average.

The delay for 90 days of the import fees will save the American consumers millions of dollars and will insure to the Congress an opportunity to examine a credible alternative to the President's program.

Finally, I believe it is inappropriate for a major policy decision—such as the increase in tariff fees of such magnitude and the lifting of price controls on old oil—to be taken without full congressional consultation and without any prior public participation in the decisionmaking process. I believe the procedure used by the President was inadequate and possibly illegal. In amending section 232 of the Trade Act, I believe we intended that only in the most dire emergencies would the opportunity for public participation be denied. Also, I believe there is a requirement for the Federal Energy Administration, prior to implementing the President's proclamation, to follow the National Environmental Policy Act procedures.

For these reasons, I believe it is essential that we adopt H.R. 1767 to provide the Congress with the opportunity to explore alternatives that will yield a steady reduction in our reliance on foreign oil imports without endangering our economy.

I also would be interested in knowing what response to this announcement I can get from the Senator from Washington and the Senator from Connecticut:

I understand that within the last few minutes, 32 Democratic Governors meeting in the Governors' conference have voted 32 to 0 in favor of the 90-day delay in the President's program. That includes Governors from oil-producing States, from consumer States, from the South, the Midwest, the West, and the East.

That seems to me an important indication that endorsement of this delay is not limited to broadly representative Senators who have expressed their views as either cosponsors of Senate Joint Resolution 12, or otherwise indicated that they will support this bill; but it has broad support among the State Governors from all over this country as well.

I think this is a matter for encouragement, and one of which the President should take notice. I am continuously reminded of the fact that those who support this resolution want to work with the President of the United States in developing an energy conservation program. I am mindful of the fact that many of those who support the bill, as the Senator from Washington has said, have been innovators in the development of creative ideas on how gasoline, primarily, can be conserved; I think many of us who are supporters of this bill feel deeply that that is the place where any energy conservation program should be started, not in home heating oil or residual oil which are so vital to the safety and well-being of the country and whose consumption reduction cannot be easily achieved. There also is broad support for a program similar to the President's which will stimulate the economy and bring it back to full growth and development.

I thought that Senators would want to know of this development, without a dissenting vote by this group of Governors. I think this is a clear indication and expression that this is not a regional issue, but an issue that stretches from the concerns of the Northeast to those of the Pacific Northwest, and from the North to the South. I also want to note that the Governor's Conference Committee on Natural Resources and Environmental Management comprised of Democrats and Republicans chaired by Governor Salmon also passed a resolution supporting a delay in import fees. Obviously, this is a further expression of sentiment for this measure. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

PROPOSED POLICY POSITION ON NATIONAL ENERGY POLICY

The Nation's Governors salute the President's initiative in stimulating a national debate on the need for America to reduce its dependence on foreign oil and the openess with which he has welcomed good faith analysis and counter-proposals.

After careful review of the implications of his proposals, we find several parts which are attractive. However, we do not agree with the central thrust of the short-range phases. We believe in a national energy policy with the following principles:

At this time in our nation's history, the goal of reducing use of energy should not be based on price rises through excise taxes and tariffs;

> We support deferring any proposed tariffs while the national debate is in progress;
>
> Conservation must be the central focus of the short-range program. This should be coordinated through all levels of government; should employ a mixture of mandatory, voluntary and tax incentive measures and should feature understandable, measurable objectives. Essential to the success of such an effort is an awareness of the need for the reduction by the American people developed with a common voice for all governments;
>
> If severe shortages evolve or if there is inadequate progress towards meeting a national goal this year, it is better to use an allocation program than to use excise taxes and tariffs or coupon rationing;
>
> If allocations are to be used, they should be prepared long in advance and mechanisms built in to provide the degree of flexibility required to minimize inequities;
>
> A fuels policy must recognize that shortages in one type create needs for reasonable alternatives to prevent one part of the country or one sector of our economy from carrying unfair burdens;
>
> Prices will inevitably rise as the result of an effort to increase supplies and to discourage wasteful uses of scarce resources—the increases should be phased in to provide an opportunity for adjustment;
>
> Pre-emption of State responsibilities is not needed nationally and will inevitably stifle the initiative that has, and will, serve the nation.

Mr. RIBICOFF. Mr. President, will the Senator yield for clarification?

Mr. KENNEDY. I yield.

Mr. RIBICOFF. The Senator notes that this vote was 32 to 0. Did the other 18 Governors abstain, or were there just 32 Governors present?

Mr. KENNEDY. This was the vote of the 32 Democratic Governors meeting in caucus. As I mentioned earlier, a committee comprised of both Democrats and Republicans approved a similar resolution.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. JACKSON. I think the Senator's point is well taken, especially when placed side by side with the overwhelming vote in the House of Representatives, which was 309 to 114. That is an indication of the attitude of the people of this country. All 435 Members of the House of Representatives were elected in the last election.

The PRESIDING OFFICER (Mr. GOLDWATER). The Senator's 5 minutes have expired.

Mr. JACKSON. The fact that 32 Governors have voted unanimously further corroborates the overwhelming view of the American people that this particular proposal of the President, which is a part of a package, will set in motion recessionary and inflationary forces that will put people out of work and will take $800 per year out of pocketbooks of an average four-person family.

If the President wanted to target one area, gasoline, as the Senator has indicated, that is one thing. But what has been done by putting the tax or the tariff on a barrel of oil is affect the whole gross national product.

Now, it does tax gasoline, it does tax heating oil, it taxes everything, and it is incomprehensible that such a program would be offered in the name of energy conservation. The program the President would have the Congress enact is going to force an average four-person American family to take a deduction of $800 annually.

The PRESIDING OFFICER (Mr. GOLDWATER). The time of the Senator from Washington has expired.

The Senator from Nebraska has 16 minutes remaining.

Mr. CURTIS. Mr. President, I yield to the distinguished Senator from Wyoming such time as he desires.

Mr. HANSEN. I thank the Senator.

Mr. President, I do not argue at all with the fact, as has been pointed out by the distinguished chairman of the Committee on Interior and Insular Affairs that fossil fuel prices have risen $33 billion between 1973 and 1974.

I do not argue with some of the other statements he makes, but let me take them up one at a time.

First, anyone could have anticipated, and a number of us did anticipate, precisely what would happen if we did not take steps to reverse the trend we have been in for a long time, which has increased our dependency upon foreign energy supplies.

In the oil industry, Democrats, as well as Republicans, have been outspoken in this forum and in other forums in saying this is exactly what would happen. We were warned by the Arabs a long time ago that they did not find great favor in our Middle Eastern policy, that they would probably use oil as a weapon, and they have done just that.

Now the fact is that this is the reason why the President has expressed the concern which prompts him to want to do something about it.

I have the report filed by the House Committee on Ways and Means on January 30, and I want to read what the Democratic whip, Congressman DAN ROSTENKOWSKI, said in his individual views, and I quote:

> In conclusion, I believe that if we in the Congress are going to oppose the President's program at this most critical time, we should oppose it only if we are able to substitute a positive program of our own. We should not spend hours searching for a mere technicality to block his action, or days complaining about how unfair it is for him to take the initiative, using every discretionary tool available to him.

Those are not Republican words. Those are spoken by the Democratic whip, the distinguished Congressman from Illinois (Mr. ROSTENKOWSKI).

What is he talking about? This is what he is talking about. This is S. 594 introduced by Senator HUGH SCOTT, of Pennsylvania, at the request of the President. It contains many proposals, including what he proposes to do about taking steps to increase our domestic energy self-sufficiency and that, too, is part of the problem because, as has been pointed out by the distinguished floor manager of this bill, we do have the resources in this country, we can become energy self-sufficient. There is every reason why we should become energy self-sufficient. But, for too long, Mr. President, we have listened to the voices of politicians who do not want to bite the bullet, want to find the easy way out, who want to procrastinate and say, "Let us wait another 90 days."

I listened, as a member of the Interior Committee, to these sort of urgings for a long time. Now, it started out that we were going to have an energy policy bill, Senate Resolution 45, and that was about 4 years ago, I think, that we were talking about that.

Here we are 4 years later, and the best we can do, Mr. President, is to offer a 4-page bill that is couched entirely in the negative.

It says the President cannot do this; the President cannot do that; the President shall not do this or not do that. The whole thing is negative. It simply says that after 4 long years when we have become aware of the impact that we were certain would happen and, indeed, was happening 4 years ago, when we knew we were getting into a tougher bind every year, all we can say now, all the majority party in Congress can say now is, "Give us another 90 days and we will come up with a platform."

Well, I am proud of this man—I do not know this Congressman from Illinois—but I must say he is a man of courage. He is a man of courage because, first of all, he is the Democratic whip over there, and I imagine what he said was not very popular with some of his colleagues. But I suspect, although I do not know him, that he was concerned, as I believe down in our hearts most of us are, with, first, what is good for the country, and it is just that simple.

Now, I do not say that everything in the President's plan is good. I think a couple of points ought to be made. First of all, we hear these observations about rising unemployment. Sure, it has risen. I remember when we voted against the SST, unemployment escalated in the State of Washington, for a very good reason, Boeing had the contract, and we have not really gotten out of that jam either.

Other things have happened, but it is not fair at all to say that the President's program is the cause of these problems that are of such concern to us now, and it is not fair to quote a bunch of phony statistics trying to say that the situation is far worse than it really is.

Data Resources, Inc., was mentioned not long ago. Let me tell you about that. Paul Earl made a study for the Council on Wage and Price Stability that estimates the price impact at the consumer level at 1.9 percent. I repeat that. The price impact at the consumer level at 1.9 percent by the end of 1975, and 2.4 percent by the end of 1976, even assuming, as the administration estimates do not, a coal price increase equal to oil prices.

How does that come about? I can tell you how it came about. In a telephone interview Earl said that his forecast differed only marginally from the administration's, and that the press release by Representative LES ASPIN, a Democrat, to the effect that we would have an increase of 4.3 points was on an index of 178, not on an index of 100.

When we divide 4.3 by 178, we do not come up with 4.3, as anyone would know; we come up with 2.4 percent. But this is the impact that the President's program would have, as it has been estimated by some authorities, if everything here were done.

Now, I wish everything did not have to be done. I wish it just as ardently and just as fervently as anyone else because I, too, like to be the bearer of glad tidings. But we have had too much of that, and that is why we all have to face an extremely tough situation now. So, if we want to do something about domestic supply, we have got to give encouragement to the oil industry.

Senator JACKSON says he fails to understand or—let me quote him so I will be accurate. He says:

> The Members of the Senate know that this body attempted to roll back the price of new released and stripper well oil to a level only twice rather than three or four times their pre-embargo levels. This effort to free our domestic prices from determination by the OPEC cartel was, of course, vetoed by President Nixon, and the Congress was unable to override his veto.

That is all very true, and there are very good reasons why Congress did not override that veto, beginning with this basic one. If we want to have some leverage with the OPEC cartel, the way to do it is to increase our domestic supply, and the way to increase our domestic supply is to keep stripper wells pumping, and if we had rolled back the price of that oil, as many recommended, including Republicans, we would not be pumping as much oil today in this country as we are now pumping. We are pumping it because the price is up.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. HANSEN. Yes.

Mr. CURTIS. Mr. President, I commend my distinguished friend for his very profound statement on this subject.

We are not faced with some little temporary problem that we cannot get gasoline at a filling station for the next few weeks, I doubt that is going to happen. Whatever effect the import fee has upon heating oil, the winter is going to be over, pretty much.

We are faced with a very serious, long-range problem, and the distinguished Senator from Wyoming has for weeks and months made a contribution along that line.

I want to ask the Senator this question. It was stated here on the floor a few minutes ago that this program would cost the average family $800 a year. Now, for many families the only petroleum product they use is gasoline and that would be $66 a month increase in their gasoline bill.

I believe that there is a high percentage, or a substantial percentage, of the families that do not spend that much money on gasoline totally, including all the State taxes and the price of gasoline.

What is the Senator's comment on that?

Mr. HANSEN. My comment is that the $800 per family figure for an average family makes me wish I were an average family because the average family will not start to pay anything like that, and I challenge anyone to submit documentation that will support that figure.

Did the Senator say that the President's program would add this much to the cost of living for the average family?

Mr. CURTIS. I did not say that at all. I heard in the debate here on the floor within the last half-hour that the program was going to cost the average family $800.

Well, the average family perhaps does not spend that much money on gasoline.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. CURTIS. I do not have the floor.

Mr. KENNEDY. On that point.

Mr. HANSEN. I am happy to yield for a question.

Mr. KENNEDY. Yes, just on that one particular question.

Mr. HANSEN. Yes, indeed, I am very happy to.

Mr. KENNEDY. It seems to me, even if we accept the figures that have been provided by the White House, revised figures that began at $250 per household and then were changed to $345 per household, we begin with a very high direct energy cost per household. Then if we take the ripple effect expected and double the impact on that family, we find a per household cost of about $700. The ripple effect has been testified to by Otto Eckstein, and other distinguished Republican and Democratic economists. And, if we add in a per household cost for coal and unregulated natural gas, then we reach the figure which Senator JACKSON mentioned, the $800 per household.

But a significant point, I think, is in the point made by the Senator from Nebraska is that some families in this country do not use oil or gasoline, so, therefore, they are not going to have to bear that burden. But this quite clearly indicates that those families who do use oil or gasoline are going to pay a great deal more, which makes the very point that many have suggested, that this program is ill conceived and poorly structured because basically it is inequitable. It depends upon the accident about where we live as to the percent one will pay.

I will be delighted to hear either the Senator from Nebraska or the Senator from Wyoming elaborate on that particular point.

Mr. HANSEN. I wish the Senator from Kansas were here.

Mr. KENNEDY. The Senator from Nebraska.

Mr. HANSEN. In the meantime, if the Senator from Nebraska would like to make that observation to the Senator from Massachusetts, perhaps that would be interesting also.

I would like to say, Mr. President, that Senator JACKSON spoke about these experts, and he mentioned, among others, Dr. Arthur Okun.

May I point out that in this morning's Washington Post, Dr. Arthur Okun was quoted in testimony he gave to a subcommittee chaired by Senator FRANK CHURCH on multinational corporations.

I call attention to one statement he made:

> So I agree fundamentally with the President's judgment—energy must be taken seriously in '75 and the reason is that monopolized oil, the world oil market, has unacceptable long-term consequences for the United States.

He could not be more right. I do not know what the figures might eventually be boiled down to when we consider exclusively the impact of the import fee.

The PRESIDING OFFICER. Will the Senator yield?

By authority of the Senate, there is an agreement that at 2:45 p.m. the Senate was to return to the discussion of the Javits amendment. The Senator is not here. The Chair sees nothing wrong with the Senator continuing his discussion.

Mr. HANSEN. May I infer that I speak with the permission and full approval of the Senator from New York (Mr. JAVITS)? Would that be presumptuous?

The PRESIDING OFFICER. The Chair cannot assume that, but in his absence the Chair would expect he would either do that or stay quiet and that would not be in the nature of the Senator.

Mr. HANSEN. Thank you, Mr. President. I shall watch, and I appreciate the courtesy of the Chair.

Let me say this. Dr. Alan Greenspan made the point that the impact of the import fee, considered by itself, has an adverse economic impact on our gross national product of less than one-half percent, and he says it has no effect at all on the unemployment in this country.

I note that the distinguished Senator from New York has arrived. I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, the time allotted beginning at 2:45 p.m. was intended to be devoted to certain amendments which were sought to be made to the amendment which I have proposed, and I am told that the Senators in question are en route, so I would suggest the absence of a quorum to give them an opportunity to get here.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. I ask unanimous consent that, notwithstanding the limitation on time, I may proceed out of order for 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING OUR MISSING-IN-ACTION

Mr. CURTIS. Mr. President, 2 years have passed since the Paris Peace Accord ending U.S. military involvement in Vietnam was signed. There are 1,300 Americans still listed as missing-in-action.

I do not believe we have been given sufficient indication that all reasonable actions have been taken to account for our MIA's.

I do not believe we have insisted enough.

I do not believe we can afford to forget.

As we approach the Bicentennial, celebrating the birth of a strong representative government guaranteeing its citizens the freedoms of life, liberty, and the pursuit of happiness, can we look askance at a black mark in our history—the failure to even account to their families the fate of 1,300 "safeguarded" American citizens?

Not without shame.

Not without a sense of outrage.

A former prisoner-of-war in Vietnam, Stephen A. Rudloff, still a lieutenant on active duty with the Navy, writes of the plight of our missing-in-action:

> For the most part, American conscience lies dormant.

I believe if America is to prove it has a conscience, we will redouble all our efforts to obtain a valid accounting of our MIA's.

Mr. President, I ask unanimous consent that Lt. Rudloff's article, "Missing the Missing in Action," from the National Review, February 14, 1975, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Missing the Missing in Action

(By Stephen A. Rudloff)

Item: June 1962. Pomp and Circumstance. "The valedictorian of the graduating class will now address the student body."

Honored guests, faculty, parents, and fellow graduates:

Memories, as real as the day on which they occurred; once forgotten, but now recalled in a fleeting grasp at sanity. They are straws on a Lethean sea, the last connection with hopes and dreams, with love and joy, with life itself.

"Memories don't die, only men do; but a man lives so long as he is remembered. Who remembers me?"

Item: October 1969. Marching; no music, just the pain of pounding fists and slashing boots. Another village ahead; will it never end?

One man, stripped of the last vestige of human dignity; he lies huddled in a cell, lonely and afraid, while every movement of his body brings back the pain from seemingly endless beatings. For most Americans, life goes on as usual. It is a day at the office, Monday night football, or a trip to the beach. But for him, anxious moments are an eternity of fear; fear that the next sound he hears will be the unlocking of his cell, for the short march to yet another savage interrogation. Trembling, he may close his eyes in prayer, or stare at the ceiling, remembering a soft caress from a long departed night, or imagining the child he has never seen.

Item: Saturday, January 27, 1973. Peace accord signed! POWs coming home! Paris (UPI)—Delegates from the United States, South and North Vietnam, and the PRG [Provisional Revolutionary Government] signed a peace treaty in Paris today, bringing to an end the longest war in our nation's history.

When the Tonkin Gulf Resolution was passed, United States military forces were authorized to bomb strategic targets in North Vietnam, and to step up operations throughout the entire theater of war. In the decade that followed, thousands of young Americans shed their blood over Southeast Asia. Many came back with permanent disabilities.

After the fragile peace established in January 1973, over 1,300 Americans did not return. They are euphemistically referred to as MIAs (Missing in Action), but it would be more accurate to call them abandoned Americans; for in the 24 months that have passed since active U.S. military participation in Southeast Asia terminated, the list of MIAs remains tragically close to the 1,300 figure. For the most part, America's conscience lies dormant. The Congress is encumbered by one political crisis after another, and even the colloquialism MIA has begun to drift into that obscure graveyard reserved for expressions of a bygone era. And all the while, those 1,300 Americans remain shrouded in a grey mass of uncertainty, shapeless figures in a game of political expediency in which they were once knights and rooks, then pawns, and finally merely a fading blemish upon the integrity of a nation. January 27, 1973 passed them in the night.

"Today is like every other day."

Item: "I will never forget that I am an American fighting man, responsible for my actions, and dedicated to the principles which made my country free. I will trust in my God and in the United States of America."—Article VI, the U.S. Fighting Man's Code.

In signing the Executive Order that put the Code of Conduct for the Armed Forces into effect, the President of the United States declared: "No American prisoner of war will be forgotten by the United States. Every available means will be employed by our government to establish contact with, to support and obtain the release of all our prisoners of war." The late President, Lyndon Johnson, made no distinction between those POWs the enemy chose to release and those who were known to be held captive. He stated unequivocally, "all our prisoners of war." With all of America's fighting men, the President made a covenant of faith. But for America's MIAs in Southeast Asia the flame, if it still exists at all, has dwindled to a flicker.

"I will never forget . . . I will trust . . . I will never forget . . . I will trust . . ." The echo persists, but it is fading.

Item: Tuesday, August 20, 1974. VFW HEARS FORD PROPOSE LIMITED VIETNAM AMNESTY. Chicago (UPI)—In a dramatic, last-minute addition to his speech, President Ford yesterday shocked a Veterans of Foreign Wars convention by proposing limited amnesty for Vietnam-era draft evaders and deserters willing to work for it.

Impassioned pleas are made on behalf of those who deserted from the Armed Forces, or refused induction entirely. But what of those nearly 1,300 Americans who have already earned the right to come home? While the Communists cannot account for all of these men, to assume that they cannot account for any of them is absurd. Moreover, evidence exists to support the fact that many were captured alive, with no more than superficial injuries. These are the forgotten Americans, the men who sacrificed so much, and yet who ask for so little in return.

"My God, my God, why hast Thou forsaken me?"

Item: Tuesday, August 6, 1974. SMOKEY'S FUNERAL RITES PLANNED. Washington (UPI)—The House yesterday unanimously approved eventual funeral arrangements for Smokey the Bear. . . . After his death, he will be taken back to his birthplace near Capitan, N.M., for "proper disposition and a permanent memorial." The resolution now goes to the Senate.

Let the dead bury their dead. The MIA has been "properly disposed of" by Congress and the people. His memory makes a fitting bier for the coffin of American integrity. Let his epitaph read "BETRAYED."

TEMPORARY SUSPENSION OF PRESIDENTIAL AUTHORITY TO IMPOSE FEES ON, OR OTHERWISE ADJUST, PETROLEUM IMPORTS

The Senate continued with the consideration of the bill (H.R. 1767) to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

Mr. PACKWOOD. Mr. President, I ask unanimous consent to proceed for 3 minutes without the time being chargeable to Senator Javits or Senator Percy.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, there has been continual controversy over how much these different programs are going to cost; what the average household or the average taxpayer is going to pay. The figures vary widely when the same programs are analyzed, and they certainly vary widely when the President's entire energy program is analyzed, as opposed to just the impact of the tariff. I come back again to the statement that we are talking today only about the tariff. The President's entire energy package cannot and will not be imposed except by positive action of this Congress.

I would like to read into the record a statement prepared today by the Office of Economic Impact, at the Federal Energy Administration.

Effects of the President's Program on Inflation and Unemployment

The Federal Energy Administration has analyzed the $3 tariff and has found that it will have a small effect on the CPI during 1975 if the program is continued throughout the year. The annual rate of change of the CPI would be increased by about one-half of one percentage point as a result of the $3 tariff program.

The President's total economic and energy program has been carefully analyzed by both the Federal Energy Administration and major forecasters in the private economy, and it has been found that it has very minimal effects on the rate of unemployment. Mike Evans of Chase Econometric has forecasted the impact of the total program and finds no unemployment effect. Data Resources, Inc. estimates of the effects show a very small increase in the rate of unemployment for the first year of the program of only .1 percentage point.

Those are the facts. That is what will happen, at the outside, if we put the tariff into effect.

The risk we run if we do nothing now, no tariff, no energy policy, no reduction of imports, is analyzed in another report by the Federal Energy Administration. I ask unanimous consent to have it printed in its entirety in the Record but I will read one paragraph right now.

If another Arab oil embargo were to be imposed in 1977, we could be faced with a cutoff of 4 million barrels per day which would have serious repercussions for our economy. If the embargo lasted 6 months or more there could be approximately a $40 billion drop in the GNP which would leave 2 million people unemployed.

There being no objection, the report was ordered to be printed in the Record, as follows:

PETROLEUM IMPORTS: THE NEED FOR IMMEDIATE ACTION

Last winter's oil embargo demonstrated the vulnerability of the United States to foreign supply cutoffs and the need for a national energy policy. The embargo was the result of years of energy neglect which left the United States' economy and its relationship with other nations subject to foreign influence and disruption. The United States must regain its energy independence if we are to have economic and national security as well as provide leadership in assuring the stability of world energy supply and price.

Since last winter, there has been widespread agreement that a comprehensive energy policy is needed. We have analyzed and debated the policy options. But, the time for study is now past and delay will only compound the problem.

The President has proposed a long-range program to achieve energy independence by 1985. To reach this goal, we must begin now. Our oil and gas supplies will continue to dissipate and imports will grow, unless we take immediate steps to reduce our consumption of oil and bring on new supplies. The President's mid-term program includes tough conservation and supply expansion measures. To cut demand, he has proposed mandatory thermal efficiency standards, a residential insulation tax credit, fuel efficiency and appliance efficiency goals, mandatory appliance and auto efficiency labeling, and a low-income conservation assistance program. To increase supply, the President proposed deregulation of new natural gas, increased offshore oil and gas development, amendments to the Energy Supply & Environmental Coordination Act, surface mining legislation, facility siting regulations, assistance to electric utilities, and a synthetic fuels program. Yet, even if all these actions were taken immediately, by the end of 1977, we will be importing about 8 million barrels of oil per day—25 percent more than at the time of the last embargo. There are long lead times to build new facilities, manpower and equipment constraints, capital availability problems, etc. At this level of imports:

Half of our imported oil could be coming from OPEC countries.

If another Arab oil embargo were to be imposed in 1977, we could be faced with a cutoff of 4 million barrels per day which would have serious repercussions for our economy. If the embargo lasted six months or more there could be approximately a $40 billion drop in the GNP which could leave 2 million people unemployed.

The immediate actions we can take to increase supply can only have a small effect. Development of the Elk Hills Naval Petroleum Reserve and coal conversion together can only reduce imports by about 300,000 barrels per day in 1975.

Unless we begin to cut consumption by 1 million barrels per day immediately our dollar outlay for petroleum will continue to increase dramatically:

In 1970, our dollar outlay was $2.7 billion;

Last year it rose to $24 billion,

And if no action is taken, by 1977, our dollar outlay could increase to $32 billion.

The net effect of the 1 and 2 million barrels per day goal is to stem any increase in U.S. vulnerability between now and 1977 when the longer range programs begin to have measurable impact. We must make sure we are not more vulnerable than we were at last year's embargo.

Natural gas curtailments have already left thousands of people out of work. President Ford's proposal for the deregulation of new natural gas and the natural gas excise tax will increase prices. The higher prices are needed to conserve our scarce gas supplies. If the erosion of our gas supply is not halted, more oil must be imported as a substitute. This will also eliminate these crippling curtailments.

Action now on the President's program is also imperative if the U.S. is to maintain its international leadership. We cannot expect other nations to tighten their belts without the U.S. doing the same. We cannot appear unwilling to take the unpleasant, but necessary steps to cure our energy and economic problems when other nations have already faced up to their own problems. The consuming nations must band together in this time of crisis in order to deal with this situation. The surplus of Arab dollars is already creating a financial crisis in Western Europe and concerted action is needed to break the cartel's prices.

Immediate joint reduction in use by U.S. and other consuming countries will also enhance our ability to withstand any future embargoes or other selective political action by OPEC countries, and this should deter such activities on their part. To this end it is important that the U.S. and other consuming countries put in place as soon as possible a program which materially reduces their dependence on OPEC's oil.

By 1985, if the U.S. plans to save 8 million barrels per day of imports from the 12.7 million barrels per day import requirements which would result if no actions were taken, we will have to reduce imports by almost 1 million barrels per day per year in each of the next 10 years. President Ford's program is a start. It offers the first comprehensive, integrated approach to our economic and energy problems ever assembled and will put the nation on the course towards energy independence by 1985. If we do not act now on the short term goals, there will be an unacceptable cost to the United States—both domestically and internationally. The costs of the President's program may be large, but are small when compared with the potential costs of doing nothing.

Mr. PACKWOOD. Mr. President, that is the risk we are running, Mr. President, if we do nothing. We may do nothing, and there may be no embargo. But we are leaving ourselves open to a vulnerability beyond good conscience if this Congress sits here through this year, through next year, frankly, through the next 6 months, and says we have time to fiddle.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Will the Senator from Oregon yield for a question?

Mr. PACKWOOD. Yes.

The PRESIDING OFFICER. On whose time?

Mr. JAVITS. Mr. President, Senator Percy is here and we are ready. I will certainly yield a minute.

Mr. KENNEDY. I wonder if he has included the cost of uncontrolled oil rising to the price of the tariff-added oil and to coal costs as well. Also, I wonder if he has included in that the dollar figures for the various households of the country. We have seen figures we quoted before. The $345 was based upon the White House figures. I am wondering in this new study the Senator is putting into the record whether there is any new form or any revision upward. Every time we have seen a revision it has been upward. We have the latest documents from the Energy Office. I wonder if his is a revision that is upward or puts a dollar figure on household cost.

It is interesting to have these generalizations made by the Federal Energy Administration, even though they conflict with a number of administration spokesmen, like Arthur Burns, who, in testimony, says that he thinks the program is "hazardous"; or Charles Owens, the former Deputy Assistant Administrator for Policy Planning, and Regulation of the Federal Energy Administration. who says:

> Fundamentally we think it is based on highly dubious assumptions.

John Sawhill, the former Administrator of the Federal Energy Administration, said he believes it is going to be accompanied by "economic dislocations which will largely obliterate the benefits."

Given all of these statements by those that have been involved in the development of the energy policy, I would be interested whether this last statement or study that has been put into the record either indicates what the cost is going to be per household, which would be of interest to all parts of the country, and, secondly, whether it reaches any of these accusations that have been made by either present high administration officials or former administration officials who were eminently involved in the development of an energy program.

Mr. PACKWOOD. Unless I am mistaken, are not all of those accusations leveled at the cost of the entire energy program as opposed to that of the President?

Mr. KENNEDY. Excuse me?

The PRESIDING OFFICER. The Senator from New York has the floor.

Mr. JAVITS. I will yield for an answer to the question.

Mr. KENNEDY. I missed the question.

Mr. PACKWOOD. Those accusations that the Senator read, are those not leveled at the entire program, not just the tariff—the entire excise tax, the entire windfall profits tax, the President's energy program?

Mr. KENNEDY. I think the Senator will find they are directed toward the oil import program as part of the total program that has begun to be implemented.

Mr. PACKWOOD. Not the $350 figure.

Mr. KENNEDY. The Senator is quite correct on the $350. I was referring to the statements of economists and administration spokesmen. The $350 figure is a White House figure directed toward every family household of four. That is what the President has estimated. So if the Senator has a revised figure upward, I would be interested to examine these as well, since we have seen the administration statistics changing over the past weeks.

Mr. PACKWOOD. I shall come back to this question when we have finished with the amendments of the Senators from Illinois and New York. I shall be glad to come back to the figures I have just put into the record, which relate solely to the tariff.

Mr. JAVITS. I yield 5 minutes to the Senator from Illinois.

Mr. PERCY. I ask unanimous consent that John Pearson, of the Committee on Government Operations, be granted the privilege of the floor during the debate and vote on H.R. 1767.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I am in accord with the purposes of the Javits substitute, which is to direct the cost effect of the import fee into the one petroleum product which will yield the greatest energy saving, namely, gasoline.

I do not favor the series of taxes and precipitate price decontrols that constitute the administration's energy program, because I fear they will be both inflationary and recessionary. I am concerned that the President's total energy program would have the effect of unduly raising the prices of hundreds of consumer products, including food and clothing, not just the price of fuel.

Although I do not favor the President's program, I cannot and will not be part of an effort to halt the implementation of the import fee he has proposed. I feel so strongly that we must take serious steps to conserve energy that until the Congress enacts a comprehensive alternative to the President's program I will not vote to stop him from exercising his Executive authority to impose an import fee.

This is, after all, the only authority we gave him, and he is using it, and I feel we should not stop him.

On February 7, in this Chamber, I introduced my own comprehensive alternative to the President's economy and energy program. This program would save as much fuel as the President's program but would avoid the enormous price increases. Through direct tax rebates and individual income tax rate cuts, my program avoids deepening the current recession without giving up the goal of energy conservation.

The keystone of the program I have introduced is a simple rebatable gasoline tax. By targeting on gasoline, we get the greatest energy conservation effect for the lowest cost to the consumer. The Javits substitute to H.R. 1767, which we are considering today, is consistent with the purpose of my gasoline tax proposal.

The Javits substitute would allow an import fee to be imposed only on imported gasoline and on that portion of imported crude oil which is to be refined into gasoline. In effect, the import fee would be about 40 cents on the dollar, compared to the President's proposal. This would avoid placing a heavy cost burden on heating oil and similar products, the consumption of which cannot be reduced appreciably regardless of the price. The burden of the import fee would fall on gasoline, and the effect would be a reduction in nonessential driving. To those who say that this would be an inequitable burden on those areas of the country where driving is essential, I would point out that the price of gasoline has risen much less rapidly than either heating oil or residual fuel over the last year.

Under the Javits substitute, revenues from the gasoline-related import fee would total nearly $3 billion on an annual basis when fully implemented. Although this is less than the $7 billion expected under the President's program from the import fee, it would still be sufficient to pay for the public service jobs program which the Congress has enacted to ease the burden of the current recession.

If the President found it necessary to gain additional revenues, he would not be precluded from raising the import fee to the amount of his original proposal; $1 for the first month, $2 for the second month, and $3 for the third month. The difference would be that the import fee would be only on gasoline imports and crude oil imports intended for gasoline, rather than on the entire barrel of imported crude oil.

I am concerned that, as presently drafted, the Javits substitute may not fully achieve its desired intent. This is because of the language in the Emergency Petroleum Allocation Act which requires a dollar-for-dollar passthrough of cost increases and equitable prices among all sectors of the petroleum industry. In order to make crystal clear the intent of the Javits substitute, I am offering an amendment which I have discussed with Senator Javits and I believe he supports.

Mr. President, I send my amendment to the desk and ask that it be read.

The PRESIDING OFFICER (Mr. Packwood). The amendment will be stated.

The assistant legislative clerk read as follows:

Following section 2, insert a new section 3, as follows:

"Sec. 3. Notwithstanding those provisions of section 4 of the Emergency Petroleum Allocation Act of 1973 (87 Stat. 630) relating to a dollar-for-dollar passthrough of petroleum cost increases and equitable prices among all sectors of the petroleum industry, the Federal Energy Administration shall promulgate regulations, not later than 10 days after the date of enactment of this Act, providing for insuring that any fee, tax, or duty imposed on imported motor gasoline or petroleum imported for refining into motor gasoline be allocated in its entirety to the motor gasoline sold by the importer or the refiner purchasing the imported petroleum.";

and redesignate sections 3 and 4, as sections 4 and 5, respectively.

Mr. PERCY. Mr. President, my amendment requires the FEA to promulgate regulations which will insure that any import fee imposed under the Javits substitute must be "allocated in its entirety to motor gasoline." This means that importers or refiners which pay the import fee on imported gasoline or on crude oil imported for refining into gasoline may pass through their cost increases only to gasoline, and not to any other refined product.

I believe my good friend Senator Javits is in accord with this amendment, and I hope he will accept it as a perfecting amendment to his substitute. I support the Javits substitute to H.R. 1767, and I urge the Senate to adopt it, along with my perfecting amendment.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. PERCY. I yield.

Mr. CURTIS. Is the effect of the Senator's amendment to assure that the entire cost impact of the import fee be allocated to gasoline?

Mr. PERCY. Absolutely. It cannot be put on petrochemicals, fuel oil, or on any product but gasoline.

Mr. CURTIS. That is all?

Mr. PERCY. That is all.

Mr. JAVITS. I yield myself 2 minutes.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. Goldwater). The Senator will state it.

Mr. JAVITS. Am I free to modify my amendment?

The PRESIDING OFFICER. It will require unanimous consent.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may incorporate in my amendment the amendment of Senator Percy.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, I thank Senator Percy for his fine cooperation.

I now yield 5 minutes to the Senator from Oklahoma.

Mr. BELLMON. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page , line , insert the following:

At the end of Section 3, add the following new section:

REBATES

Sec. 4(a) The Secretary of the Treasury shall provide by rule for the rebate of the tax or fee on that motor gasoline used for off-the-road agricultural use in the same manner as present federal gasoline taxes are rebated under the Internal Revenue Code.

(b) A similar system shall be devised by the Secretary of the Treasury for operators of commercial carrier trucking vehicles whose use of motor gasoline is in lieu of diesel fuel (which is not covered by the import tax or fee) in order to rebate from income tax that tax or fee collected under this Act.

Mr. BELLMON. Mr. President, the purpose of this amendment is to exempt motor fuel or both diesel and LP gas used for agricultural purposes from any increases in price due to the imposition of tariffs or other import duty.

The reason is that agricultural production is very heavily dependent upon energy. We are way past the time when we can feed this country with horsepower and oats or feed that the farmers produce. We must have fuel for our farm equipment, and the amount of fuel that agriculture uses is fairly inelastic. We do not waste any fuel on our farms and ranches.

If we raise the price of fuel or reduce the supply of fuel, we are going to limit the ability of this country to feed itself and to feed our customers abroad.

The purpose of the amendment is to make sure that the quantity of fuel available to agriculture and the price of that fuel is not changed by virtue of the passage of any additional import duties.

This matter has been discussed with the distinguished Senator from New York. I believe he may find it acceptable.

Mr. JAVITS. I thank my colleague.

Mr. President, I yield myself two minutes. I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, this amendment is acceptable to me, on the following basis: I am thoroughly satisfied with that part of it which relates to off-the-road agriculural use. There is no doubt about that being my intention.

As for the problem of commercial-carrier trucking vehicles using gasoline in lieu of diesel fuel, I am somewhat concerned about the ability to enforce that definition. But when we adopt my amendment, the fundamental thrust of what it seeks to accomplish is its basic purpose, and we can work out with concurrence of the House the necessary words of art. I am willing to accept the entire amendment as part of my own, and I ask unanimous consent that I may be permitted to modify my amendment to include Senator Bellmon's amendment thereto.

The PRESIDING OFFICER. Without objection, the amendment is modified.

Mr. JAVITS. I thank the Senator from Oklahoma for his cooperation and the thought he has put into this particular modification.

Mr. President, I think I have 10 minutes of debate.

I yield 5 minutes to my distinguished cosponsor the Senator from Maryland (Mr. Mathias).

Mr. MATHIAS. Mr. President, I thank the distinguished Senator from New York for yielding me a few minutes to discuss the proposal which is now before the Senate.

Certainly, this country would not be well served by a divisive battle between the administration and the Congress on this particular issue. We need to meet in a sprit of compromise and I believe that Senator Javits and I have proposed an amendment to this legislation which will be in the public interest.

It will amend the bill by adding language which will limit the President's power to impose additional fees on all petroleum products other than motor gasoline and crude oil which will be refined into gasoline for a period of 60 days.

It is my view that imposing additional costs on all oil derivatives would have unfortunate effects. While it is desirable to cut petroleum consumption, trying to do that by imposing a levy on imported crude oil and all petroleum products is the wrong approach in present economic circumstances. It most definitely will raise the consumer price index by many points, raising costs for many manufactures, utilities, and commercial business, as well as for motorists, homeowners, and transportation companies. This is simply not the time to further raise prices and thereby put a further pinch on real personal income. It is also not the time to create additional uncertainties in important sectors of the business community and thereby retard business investment. Attention which the farm community has already received, I think is a good example of this very fact. The combined effect of these two factors could mean continued inflation and deepened recession.

I have spoken in the past about the great need for concentrating our conservation efforts on motor gasoline, the President's program concerns me in that it does not concentrate sufficiently in this area. While raising prices across the board, it may provide too little incentive for meaningful reduction of gasoline consumption.

We are in effect treating motor gasoline just as we treat home heating oil or petroleum for manufacturing and power generation, even though any number of studies have shown that the elasticities in these areas are far less than that of motor gasoline. While it is true—or I hope that it is true—that reductions can be made in nongasoline derivatives, we can only expect these changes to come in time as new manufacturing processes are brought on line and conversions are made from oil to coal. Without question, these alterations take time and entail capital costs.

The President's proposal is a complex one. We simply do not know the full ramifications of it and it would be irresponsible for Congress to allow this program to go ahead without the most thorough scrutiny. Over the past week the President has extended considerable relief to the farmers of America and I applaud that, because further increases in the cost of food to consumers would be intolerable at the present time, but I wonder, now that his program has lost its philosophical purity, whether additional exceptions are not in order

I should anticipate that there are elements in the economy, such as the aviation industry, that will seek and be granted these exemptions because of sound economic reasons; but there will also be exceptions based on who has the clout to prevail. These exceptions will not be granted because of sound economic reasons, but rather as a result of political pressure or who can yell the loudest. Certainly there will be many who can make a strong case for relief. What about private universities?

Nonprofit institutions receive no additional tax relief under the President's program, but will have to pay vastly increased costs for home heating oil. We all know the plight of private universities and hospitals today. I think we can certainly appreciate that these additional costs cannot be passed on to students or patients and their respective families. These institutions have little or no flexibility in meeting this new burden. How do we respond? Do we provide an additional exception? I hope we do, but I also recognize that once we begin down this road of granting exceptions to a rather complex program that we will severely jeopardize any chance of success the program may have. I hope Senators will bear in mind our experience with wage and price controls when considering this point.

Under these circumstances, I favor concentrating our efforts on gasoline where many of these problems do not arise. This is why I have been glad to join Senator Javits in amending the pending joint resolution to exempt nongasoline petroleum derivatives from additional fees. This will send a signal to the President as to where our efforts should be concentrated.

This is also why I intend to introduce in the very near future a comprehensive gas tax proposal which would substitute for the President's tariff plan. I believe there is much in the President's program that is good and in the public interest. I would suggest that the great majority of his proposals should be enacted in some form by the Congress. This fact has been somewhat obscured by the high visibility that the tariff has enjoyed.

Nevertheless, as with all programs, it is the constitutional responsibility of the Congress to pass on the merits of each program. The Congress has only had the benefit of the President's detailed thoughts on energy for a period of one month. I believe that Congress has responded well to the pressures for action that the President asserts and I expect that in the near future comprehensive proposals will be on the statute book to provide the necessary long-term conservation ethic that this country desperately needs.

Mr. President, I ask unanimous consent that at this point I may have printed in the Record editorials from the New York Times and Fortune magazine.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

Taxing Gasoline and Autos

The fatal flaw in the Administration's arguments against a gasoline tax is the assumption that all uses of petroleum are equal—equally necessary or equally wasteful, equally desirable for social or economic health. Thus, President Ford insists on a tariff on all crude oil imports rather than a higher excise tax on gasoline alone.

Yet, essential though automobile transport has become in most parts of the country, many American families have already found that the gasoline to power inefficient cars, one driver at a time, over short urban and suburban distances is far easier to spare in their energy budget than, say, the fuel to provide basic 68-degree heat in the home.

On average, American motorists drove about 300 miles less per car last year as a result of the higher cost of gasoline forced by foreign oil producers' price increases. This is an indication of the elasticity in gasoline—optional consumption that falls off as the price rises.

Nor is it necessarily fairer, as the Administration contends, to spread out the costs of conserving energy across all petroleum users—which, one way or another, means everyone. It is surely fairer to let each American motorist make the decision for himself how much to drive, rather than to force every consumer to pay the higher costs passed along by utilities, industries and everyone else who uses petroleum in the production process.

The fourfold price increase that has already occurred in crude oil has forced gasoline prices up about 37 per cent, but far higher percentage increases hit other fuel prices: diesel fuel went up 49 per cent, home heating oil 66 per cent, aviation fuel 100 per cent and residual fuel oil, used in industry and electric utilities, a staggering 143 per cent.

Where is the equity, therefore, in "sparing" motorists the burdens of a sizable increase in the cost of a gallon of gasoline in order to spread out the burden among all petroleum products when these other products have already risen so much more?

Undoubtedly, adjustment to higher gasoline prices would create hardships, particularly at the start and in localities where there may now be no practical alternative to the car for employment and communication. But designing a system of rebates and allowances for essential automobile uses would be far less complicated than any attempt to compensate for the gross inflationary damage from across-the-board petroleum price increases.

The social and economic judgment that underlies President Ford's abhorrence of a gasoline tax centers on an exaggerated pride of place which he assigns to the automobile industry. However, the unpalatable fact is that the directions pursued in car design and marketing over the past decade and the infrastructure of highways and community development that this trend has promoted have distorted the economic growth and social well-being of the Nation.

One current example is the impact on employment and energy consumption from highway construction, so long the symbol of this country's auto-based economy. In a recent issue of Science magazine, two researchers calculated the difference between spending $5 billion on construction of new highways or investing the same amount in railroads and other mass transit facilities. The energy consumed in the construction work alone would be 62 per cent less for railroads than for highways; such a shift in priorities, moreover, would provide more than 8,000 additional jobs.

Leaders of the automobile industry recognize the need for new directions. Chrysler has begun a long-term restructuring that cuts capital overhead by one-third and projects sales in the range of 6 million cars every year instead of 8.8 million sold in 1974. General Motors has announced a four-year research program, costing $3 billion, to make its models smaller and lighter.

Such steps are but a beginning. Dr. Edward Teller who knows something about advanced technology, believes that "except for the mental inertia in Detroit, we could have a fifty-mile-per-gallon car in perhaps as short a time as three years." Another critic of the automobile industry, Donald E. Weeden, president of the City Club of New York, has even proposed "massive government aid to Detroit to produce twenty million compact cars a year in order to get us out from under our existing inefficient fleet." A tax on horsepower or automobile weight would be a logical complement to a tax on gasoline; the goal is not to penalize motorists, but to reward efficient design and use of cars.

No energy policy that aims to protect the status quo of the automobile industry by preserving the relative cheapness of gasoline can make more than a dent in the profligacy of this country's energy consumption.

The undoubted hardships of a gasoline tax can only be measured against the alternative hardships foreshadowed by President Ford's tariff plan; these are becoming more extensive with each new economic analysis by the government itself. For the longer term, automobile and gasoline taxes would promote the necessary trend of American life away from the extravagances of the unfettered automotive economy.

A DUBIOUS MANEUVER IN THE THREE-FRONT WAR

While there was plenty to find fault with in President Ford's economic proposals, some of the commentary on them indicated serious misconceptions in the minds of the commentators. One is the notion that the current economic mess is largely attributable to mistakes committed last summer and fall by the President, his economic counselors, and the Federal Reserve Board. In truth, the mess was in the making for ten years under Lyndon Johnson and Richard Nixon.

Partly as a result of economic blunders and evasions of responsibility during that span, Ford inherited an economy afflicted with (among other things) double-digit inflation, burdensome debt, inadequate profits, overtaxation, extensive transfer of income from people who work to people who don't, deeply eroded consumer morale, widespread pessimism about the future, and the pervasive strains of adjusting to a sudden quadrupling of oil prices.

In the face of all this, to be sure, Ford did not show great skill in either prognosis or prescription, but neither did most of the numerous economists whom he invited to give him the benefit of their wisdom. As for the Fed, it apparently tightened the screws too much during the late summer and the fall, but it did so in a valiant effort to restrain inflation that was running at a pace generally agreed to be intolerable.

Another misconception is the notion that, given enough goodwill, it is possible to devise a program that will rapidly restore the economy to robust health. Anybody who believes this is not yet even at square one.

DON'T THROW AWAY THE GAINS

Also mistaken is the view that with a recession on, we shouldn't let concern about inflation cramp our efforts to bring the unemployment rate down. This is a disturbing, even dangerous notion. At a painful cost in unemployment and lost production, we have in the last few months gained some ground against inflation. Recession is indeed having the classic effect on prices. Inflation has been decelerating and here and there prices have actually retreated. To give up prematurely and go for full-sail reflation would be to throw away the gains, and to assure that the people who lost their jobs in recent months have suffered in vain.

What's more, we don't have the option of trading a little more inflation for low unemployment and rapid growth. Inflation has been, and still is, a depressing influence on the economy, impairing consumer morale, eroding real profits, keeping interest rates high.

As President Ford recognized, economic policymaking is now in an unprecedented bind. In his words, "We must wage a simultaneous three-front campaign against recession, inflation, and energy dependence." The requirements pull in different directions. A course of action that seems appropriate on one front may have adverse effects on one or both of the other two fronts.

BAD MEDICINE FOR SLUMPFLATION

The President's own program provides a case in point. While it is desirable to cut petroleum consumption, trying to do that by imposing a levy on crude oil is the wrong approach in the present economic circumstances. It will have pervasive price-jacking effects, raising costs for many manufacturers, utilities, and commercial businesses, as well as for motorists, homeowners, and transportation companies. The combined, cumulative impact on consumer prices might amount to several times the revenues from the new levy.

So even if the revenues are returned to the private economy, the President's petroleum impost may result in a serious pinch on real personal income. And uncertainties about the effects of the measure will impose an additional inhibition on business investment. Thus an impost on crude oil will be both inflationary and depressant—bad medicine for slumpflation.

What's more, it is far from clear that, aside from gasoline, a levy on crude will reduce consumption of petroleum very much in the short run. There are pretty tight limits to how much petroleum can be saved in home heating, manufacturing, and power generation through simple economizing. Significant gains will have to come from more and better insulation, changes in manufacturing processes, and conversions from oil to coal. These alterations take time and entail capital costs.

In the present economic context, a large increase in the federal gasoline tax (20 cents a gallon, say) would be a much better way of curtailing dependence on imports. Effects on other prices would be less pervasive. And there are possibilities for quick and significant reductions in gasoline consumption through car pooling, increased use of public transportation, cutbacks in miles covered on weekend and vacation trips, etc.

We are familiar with arguments against putting heavy reliance on an increase in the gasoline tax. For one thing, gasoline accounts for less than 30 percent of all petroleum consumption in the U.S., so it would take quite a deep cut in the use of gasoline to bring about a substantial reduction in the overall use of petroleum. Moreover, a large increase in the gasoline tax would hit the already battered auto industry, whose troubles are exerting a serious drag on the whole economy.

What is mainly hurting new-car sales, however, is the sad erosion of consumer purchasing power and confidence. If a tax on crude has the predicted effects of fueling inflation and pinching real income, it will worsen the plight of consumers and so work against a recovery in auto sales. An increase in the gasoline tax, on the other hand, would tend to strengthen demand for cars with good fuel economy. It appears, then, that in favoring a tax on crude over a higher tax on gasoline, auto-industry executives may have misjudged where their best interests lie.

THE SCATTERGOOD APPROACH

To avoid depressing effects on demand, revenues from an added tax on gasoline (or a levy on crude) should be recycled into the economy. There is no obviously right way to do this, but it is clear that distributing the revenues to consumers in proportion to the petroleum tax they pay would defeat the purpose of the tax. President Ford's scattergood approach of giving out a bowlful here and a bowlful there in the form of income-tax reductions or cash payments is not so obviously wrong, but it does not seem the best approach either.

David Gordon Wilson, professor of mechanical engineering at M.I.T., has put forward a radically simple idea that at least merits consideration as an alternative approach for any tax to discourage petroleum consumption: distribute the revenues to all adults equally. Professor Wilson himself applies the concept more broadly, but it is applicable to a gasoline tax (or to revenues from a levy on crude oil).

If each adult got an equal share in the distribution of gasoline-tax revenues, the net cost of the tax to each would depend entirely on his or her (or the family unit's) direct and indirect consumption of gasoline. There would be income redistribution from heavy users to light users—which is the kind of redistribution appropriate to the case. The allocation of revenues from a tax designed to cut consumption of petroleum should not get tangled up with questions of social justice.

Mr. RIBICOFF. Mr. President, I yield myself 2 minutes.

I oppose the amendment of the senior Senator from New York.

The Senator from New York emphasizes the need to take some action immediately. I agree that Congress must act, but it should not act just for the sake of acting.

While raising the price of gasoline may be a part of the answer, it is not the whole answer. Until Congress has a fully balanced program, it should not act, even on an interim basis.

The Senator from New York estimates his plan will raise the price of gasoline about 4.3 cents a gallon. This is about an 8-percent price increase. The increase will impose additional direct costs on the consumer of about $4.2 billion a year.

Since December 1972 the price of gasoline, before taxes has gone up 65 percent. While other energy prices have risen as much or more, the higher gas prices have also hurt the poor and the elderly. Higher gasoline prices may in the end be necessary, but Congress should be careful before acting. It must first decide whether some other form of rationing or mandatory allocation is a more direct and effective approach than rationing by price.

Congress has not yet made even this basic decision.

The demand for gasoline is more elastic than for other products. But we should not place too much reliance on this fact.

FEA estimates that a 10-percent rise in the price of gasoline produces a 1.5-percent reduction in consumption. Imposing a license fee on gasoline as the Senator from New York suggests would produce a 1.3-percent reduction in gas consumption, or about 80,000 to 100,000 barrels a day.

In addition, Frank Zarb of the FEA, testifying before the Committee on Commerce of the House this week, pointed out that to save a million barrels of oil a day just on the gasoline tax would mean an additional increase of 40 cents per gallon of gas.

Reducing imports 80,000 to 100,000 barrels a day will not solve our balance-of-payment problems.

It will not resolve the national security concerns about unduly relying on foreign sources of oil.

As a practical matter, it will be very complicated administratively to impose a $3 license fee just on imports to be used for gasoline. Consequently, it will be difficult to even fully implement the license fee suggested by the Senator from New York before the 60-day life of the program expires.

If such a license fee on gasoline is not part of the Nation's final energy plan it will have to be dismantled almost as soon as it is put in place.

This plan has not been studied in the appropriate committees. We do not know what the executive branch thinks of it.

If the Senate adopts this amendment it would be committing itself to using the price mechanism to reduce consumption.

I suggest the Senate allow itself more time for study before making such an important decision.

I hope the Senate rejects this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. RIBICOFF. I yield the remainder of my time to the distinguished Senator from Nebraska.

Mr. CURTIS. I thank my distinguished friend.

Mr. President, I wish to commend the distinguished Senator from New York (Mr. JAVITS) for the thoughtful contribution he has made to this matter. I am sure it was done in the spirit of helpfulness. In these closing minutes, however, I wish to state, as I see it, the position of the administration.

We are faced with a long term problem. Three years ago, we were sending out of the country $3 billion for foreign oil. It is now near $25 billion. That outflow is continuing. The dependence of American agriculture, American commerce, American transportation, the dependence of our country, is upon petroleum and its derivatives.

The problem, if we do nothing, is going to get worse. We are 40 percent dependent on foreign oil. If we do nothing, that will soon reach 50 percent.

This problem must be approached from two angles. We must have a disincentive for importing foreign petroleum. We must also increase our own production.

We can conserve. We can burn less. We can close on this day or that. But that is not the answer. Full employment and a full-steam economy in this country require energy. We cannot have it otherwise; we have got to spend energy.

So the thing to do is to substitute other types of energy for petroleum. How do we get that done? We provide a disincentive to using petroleum.

Fifty percent of all the electricity used in the United States comes from petroleum, residual oil. Seventy-five percent of the electricity in the New England States is made by burning petroleum.

If we let the President's program work, with the import fee applying to that, and we mean business, decisions will be made by executives, by boards of directors, and by municipalities, and they will convert from petroleum, from the residual oil, to coal. We have enough coal for more than 700 years. That would release 2 million barrels of residual oil, from the east coast alone, per day.

I do not take too seriously these figures batted around here, because I know that if we buy 2 million barrels a day less of residual oil, that will lower the price of the foreign oil.

We must do two things: We must provide a disincentive for using the imported product, and then we must move full speed ahead to produce all the oil we can.

The tragedy of this Congress is that we spent 2 years talking about energy and petroleum, and we should have tested every bill by this one question: Will it increase the production of oil in the United States? We should weigh every tax proposal by that question. We should decide the issue of depletion on it. We should decide the question of intangible costs, we should decide what to do about offshore drilling, we should decide what to do about further development in Alaska, all on the question, Will it increase the production of oil?

We should be moving toward a situation where 50 percent of the needs of this country will not depend upon foreign imports. We do not need to do that. Most of our environmental laws will expire this June. Let us not postpone the reckoning for 60 days or 90 days or anything else. Let us let the President's program go into effect, so that right now the Congress, the committees, the businesses can make their decisions to substitute energy other than imported petroleum, and let us get about the business of producing more oil in this country—offshore, in Alaska, and elsewhere.

Mr. President, I appreciate the concern about home heating oil. But the amendment before us goes far beyond that. It wipes out all the incentives for commercial establishments to convert to something other than petroleum. Besides, if we let the President's program stand, before the tariff reaches $3 we are going to get together and work out a program that will allow for substitution of other forms of energy, not only coal, but nuclear power, solar power, and all the rest.

The PRESIDING OFFICER. All the time of the opponents has expired.

Mr. PACKWOOD. Mr. President, will the Senator from New York yield me 2 minutes?

Mr. JAVITS. Two minutes.

Mr. PACKWOOD. Mr. President, I support the amendment of the Senator from New York. I think the tariff should fall on gasoline. I am impressed with the arguments of the Senator from Nebraska, but I think that is a problem to which we can address ourselves when we get to the point of considering an energy package in this Congress, if we ever get to it, which I sometimes doubt.

Until we get to the point, it seems to me we should consider the question, are we going to squeeze further the person on social security, who now has his thermostat set at 68, as opposed to those of us who drive around in our pleasure cars?

I think that is where the emphasis ought to come, and I support the amendment.

Mr. JAVITS. I thank my colleague.

Mr. President, I yield myself the remainder of my time, 3 minutes.

There are two questions to be answered by the vote on this amendment: First, shall we do something instead of nothing, and second, as we stand at the threshold of an effort to deal with a great energy crisis, shall we have confrontation or cooperation?

I have offered a measure which, when you look under the arguments of both Senator RIBICOFF and Senator CURTIS, you still find is acceptable if you look at it as the one measure we are voting on today.

I do not know, they do not know, the President does not know what will happen to everything else, including a tax rebate, a $2 excise tax, a $2 import fee, or deregulation of old gas or old oil. We do not know what the outlines of the eventual program will be. We only know we face the issue of a standstill for 90 days, or to try to do something that is effective and equitable.

It seems to me to be elementary commonsense to try to do something on the broadest possible common denominator. Everyone agrees that this is the area, gasoline, where demand is most elastic—where cutbacks can be made with the least sacrifice—and therefore we can achieve the most savings in this area. It is admitted by a Democratic economic plan published in this morning's newspapers that price can have some effect on the amount of demand.

Therefore we are starting on the right road in trying to do something to bring the congressional and Presidential prerogatives together on something on which they implicitly come to the same point, instead of the confrontation this measure otherwise promises. We all know the President will veto this measure if the Democratic majority muscles it through, and then the issue will hang on one or two votes as to whether or not he is sustained, and then he can veto lots of other measures involving deep issues facing the country, with each side convinced that it is right and the other is wrong.

We look only upon what is before us today, and have tried to find a way out of the dilemma, on which we are faced with either confrontation or partnership. Mr. President, what I am doing by this amendment is choosing partnership, trying to arrive at the common denominator on which most of us can agree, hopeful that we will set the scene both in acceptability to the American people and in the temper of Congress for trying to get together on an energy program jointly, rather than by the first moves which are now being made, defined by this 90-day deferment on both sides.

For those reasons, Mr. President, I think it commends itself to us.

Now, as to limiting it to gasoline, it has already been stated to many in this Chamber that the greatest rises in price over the past year and one-half, have been on residual, distillates, industrial fuels, and so on; and the smallest rise has been in gasoline and, for that reason, and because of the elasticity of demand, which has also been stretched to the limit in most other fuels, we ought to zero in on gasoline today, which is precisely what this amendment does, and I hope very much the Senate will approve it.

Mr. President, I ask that the comments of the real estate board of the city of New York, demonstrating the price difficulties facing them, be included in the Record at this point.

There being no objection, the comments were ordered to be printed in the Record, as follows:

Comments on the Federal Energy Administration's Program To Reduce Imports of Foreign Crude Oil and Petroleum Products

The Real Estate Board of New York has vividly described the economic hardships suffered by states along the Atlantic seaboard because of recent increases in the cost of fuel. When the Federal Energy Administration introduced the concept of equalization of oil prices through the issuance of entitlements, our organization advocated using such a mechanism to help reduce both the absolute and relative prices of petroleum products—especially residual fuels—in Eastern states and create a nationally "blended" price for these same products to equitably distribute the new burdens imposed on America's economy by changing geopolitical circumstances. Communities in the eastern sections of our country, which are almost exclusively dependent on imported residual products, have absorbed the maximum impact of these conditions, experiencing a fourfold rise in the price of imported fuel and petroleum products since October 1973. We have consistently argued against any policy or program that would further increase fuel oil costs in the East, and applauded the FEA decision in December to include residual fuel oil among the products to benefit from price blending. We were deeply disappointed, however, that provision was made for a limited sharing of 30% rather than a full proportionate price blending.

We are encouraged that President Ford's State of the Union Message accorded the energy situation the emphasis it deserves. The President correctly recognizes the need for mandatory rather than voluntary programs to reduce fuel consumption, foster development of domestic energy sources and stimulate the economy to help combat the most serious depression our country and the world have known since the 1930s. However, we must register our strongest objections to President Ford's specific energy policy proposals, especially the imposition of additional tariffs on imported crude oil and petroleum products. If enacted, this measure would produce disastrous effects on the nation's economy. Once again, the most grievous injury would befall localities that are more reliant on petroleum than other sources of fuel. Of course, areas dependent on imported energy supplies would be in particular economic peril. One can only be discouraged by the President's self-contradictory posture when he calls for a "comprehensive program" while moving to implement one or two of its components under his authority prior to obtaining the necessary Congressional approvals for the entire legislative package.

The FEA has suggested two changes in its pricing and allocation regulations to coordinate current regulations with the President's policy for reduction of oil imports. The first recommendation is to remove residual heating oil and #2 fuels from the old oil entitlements program. The second recommendation is to restrict refiners from placing more than a proportionate share of cost increases on products other than gasoline. We welcome the second proposal, which we believe reflects the FEA's awareness that gasoline is the fuel oil for which "demand appears to be most sensitive to price." Regarding our objection to the import fees President Ford is imposing on imported crude and petroleum products, we oppose the proposed alterations in the old oil entitlements program because they would result in additional price increases on imported residual fuel oils.

In brief, the FEA proposes, in return for removing imports of residual fuel oils and #2 heating oils from the entitlements program, to subtract $.60 from the total import fee after imposing a $.60 fee for every dollar in import fees placed on crude oil imports. These imports, because of continued reimbursement through the entitlements program, will experience price increases of only $.60 for each dollar in import fees. Thus, for foreign crude oil, import fees would increase prices $1.80 per barrel after 3 months; for foreign residual fuel oils and #2 heating oil, import fees would be only $1.20 after 3 months because of the subtraction of $.60 to compensate for elimination of entitlement benefits. Since the price of #2 and residual would increase by $.60 per barrel as a result of removal from the entitlements program, net price increases after 3 months would be the same $1.80 per barrel.

This policy that will once again raise the price of petroleum products, especially heating oils, will further encumber the Eastern states. Any additional reduction in consumption sought through pricing policy will be confiscatory and wreak havoc upon their economies and social orders. Unemployment in the Northeast is already at serious levels. In New York City, the official jobless rate climbed to 8.5% in December from 7.4% in November—a rise almost three times the national increase of from 6.7% to 7.1% in the same period. In Buffalo, unemployment increased from 8.8% in November to 10.3% in December, and in New Jersey, unemployment climbed to 10.3% in December from 9.5% in November. New price increases will result in further decreases in economic activity, widespread abandonment of housing, and severe job losses.

Our opposition to increases in the price of residual fuel oil and #2 heating oils is based on the distribution and magnitude of energy price increases in the United States in 1974 and on the historical pattern of energy consumption in this country. Energy price increases in 1974 varied among fuels. The largest price increases were in imported and non-price-controlled domestic petroleum products which respectively comprised 36% and 24% of United States petroleum consumption in the first nine months of 1974. Old oil under price controls, remained at $5.25 per barrel. Natural gas which also is under price controls did not experience these cost increases. Among petroleum products, the greatest price increases were experienced by residual heating oils, which more than doubled in price since October 1973 and by home heating fuels which increased by over 40% over this same period. Gasoline, in contrast, experienced price increases of only 30%.

The variation in energy prices is significant because of the pattern of energy consumption in the United States. Different states and regions rely in varying degrees on the several petroleum products and other sources of energy for industrial, commercial and residential uses. However, all parts of the nation rely predominantly on gasoline for transportation. For example, on a national basis, 43.5% of total U.S. energy consumption in 1972 was provided by petroleum products. In New York City it was 80%; in New York State, 77% and in New England 84.6%. Nationally, 33.5% of energy consumed is from natural gas. In New York City, 19%, in New York State, 19%, and in New England, 9%. Residual fuels nationally accounted for 8% of total energy consumption and 15% of total petroleum consumption; in New York City residual equalled 53% of total energy consumption and 66% of total petroleum consumption. About 90% of the residual fuel used in New York City is imported; nationally, 60% is imported.

The old oil entitlements program was designed in part to equalize the effects of unequal distribution of old oil on petroleum refiners and consumers of imported petroleum products. This program, however, is very limited in its ability to rectify the imbalance created by energy price differentials. First, only partial price blending was allowed for imported petroleum products, while technically a full blending was allowed for imported crude oil. Secondly, administrative decisions have reduced the price reductions accruing to imports of crude oil from a possible 61¢ to about 47¢. Consequently, not even imports of crude oil are experiencing full price blending. Thirdly, the entitlements program went into effect in 1975 and can do nothing to cushion the impact of 1974 price increases. Lastly, the entitlements program deals only with differentials in price of petroleum products while ignoring variations in energy costs among other fuels. The significance of these facts is that states and regions which rely most on petroleum products and residual fuel suffered most from the 1974 energy crisis and will suffer most from additional increases in fuel oil costs.

New York City's current housing crisis demonstrates the seriousness of relentlessly rising fuel costs. The NYC Public Housing Authority, which operates over 156,000 apartments, reports that heating oil, which cost 11¢ per gallon in 1973, increased to over 36¢ per gallon in 1974 and that its total fuel bill rose from $18 million in 1973 to $43.2 million (est.) in 1974. Each 1¢ per gallon increase in price costs the Authority $1.2 million annually. An additional increase of $1.80 per barrel would hike fuel costs by a minimum of 4.3¢ per gallon and raise total yearly heating charges by an additional $5.16 million. The average cost of heating a public housing apartment in 1973 was $116. In 1974 this expense increased by $153 to $269 (est.). An additional 4.3¢ per gallon would elevate these costs by a minimum of $33. Electricity and gas rates also rose from an average of $166 per apartment per year to $229 per year, an increase of $63. Together these changes amount to an annual increase in operating costs of $216.

The situation is no less critical in New York City's privately-owned homes and its 20,473 units of FHA-insured housing. In 1973 the average heating costs for different categories of apartments in New York City's rent-controlled inventory of over 1.2 million units ranged from $153 to $192; in 1974 average costs ranged from $310 to $357, with average increase of from $144 to $172 per apartment. We can say with assurance that cost increases in 1974 for heating oil, exclusive of increases in utility rates and other operating expenses amounted to over one month's rent in New York City's public and rent controlled housing, and that at least a 13th month's rent is now required each year. When other operating costs increases are considered, the necessary rent increases are even greater.

This precarious situation is reflected in a rapidly-rising rate of real-property tax arrears, the first signal of potential housing abandonment. In the first quarter of the 1974–1975 fiscal year, over 24%—almost 1 out of 4—apartment buildings were delinquent in their payment of real estate taxes. Total tax delinquencies for all properties in the second quarter totalled $76 million; in comparison, tax delinquencies for the 1973–1974 fiscal year totalled $148 or an average of $37 million per quarter.

A policy that would increase residual fuel costs is misguided for other reasons. Additional price hikes would penalize states which already have the lowest per capita rates of energy consumption in the nation. Of the 16 states with the lowest energy consumption per capita 13 are on the East coast or in New England; of the 16 with the highest energy consumption per capita only one is in this area. For example, national average energy consumption per capita in 1972 was 332+ million BTU. New England averaged 253 million BTU and New York State 192 million BTU. Any further price increases for these consumers would penalize those who consume the least but have already borne the greatest share of energy cost increases.

Furthermore, reductions in consumption of residual fuel have been greater than reductions in consumption of other energy sources. Consumption of residual fuel in the first nine months of 1974—equal to 15% of total U.S. petroleum consumption—was reduced 10.3% from the levels of the same period in 1973 even though the share of electricity production fueled by natural gas decreased and the share fueled by petroleum products increased. In comparison, demand for all petroleum products was reduced by 4.9% and demand for gasoline—which equalled 40% of petroleum consumption over this period—decreased by only 2.8%

While the new FEA regulations are designed to shelter residual fuels from bearing the full impact of import fees, we cannot lend our support to any program whose net effect will increase rather than decrease the price of residual heating oils. The United States must reduce its consumption of energy, and pricing policy may be one method of achieving such reductions. Further increases in the price of residual fuels will force one section of the country to make economic sacrifices, not shared by the rest of America. This is a national policy in name only, and as such cannot be tolerated.

Source of Statistics: *Monthly Energy Review, November 1974*, Federal Energy Administration; *Fuel and Energy Data: United States by States and Regions, 1972*, Bureau of Mines.

TABLE 2.—RANKING OF STATES IN TERMS OF ENERGY CONSUMPTION PER CAPITA (NET AND GROSS)—1972

State	Population (thousands)	Btu, per capita		
		Net	Gross	Rank
Wyoming	346	684	985	1
Louisiana	3,738	644	716	2
Alaska	325	542	607	3
Texas	11,604	506	589	4
West Virginia	1,795	414	633	5
Indiana	5,286	399	477	6
New Mexico	1,076	390	571	7
Kansas	2,268	365	439	8
Montana	716	363	478	9
Utah	1,127	351	364	10
Alabama	3,521	314	414	11
Oklahoma	2,633	310	390	12
Ohio	10,722	306	359	13
Arkansas	2,008	297	325	14
Pennsylvania	11,905	291	346	15
Idaho	755	285	337	16
Nebraska	1,528	284	305	17
Nevada	533	283	509	18
Mississippi	2,256	279	305	19
Colorado	2,364	275	323	20
Maine	1,026	274	307	21
Delaware	571	272	289	22
Illinois	11,244	269	329	23
North Dakota	634	269	485	24
Iowa	2,884	268	314	25
Michigan	9,013	268	310	26
Kentucky	3,306	261	382	27
Minnesota	3,877	259	302	28
Oregon	2,185	250	374	29
Washington	3,418	247	425	30
Tennessee	4,072	243	316	31
Missouri	4,747	239	293	32
Wisconsin	4,526	231	280	33
Arizona	1,963	230	281	34
Georgia	4,733	222	290	35
New Jersey	7,349	220	252	36
South Dakota	680	220	323	37
Massachusetts	5,796	218	257	38
Virginia	4,765	218	254	39
Maryland and District of Columbia	4,800	216	262	40
South Carolina	2,688	216	273	41
California	20,411	215	252	42
New Hampshire	774	213	260	43
Rhode Island	969	207	208	44
North Carolina	5,221	198	268	45
New York	18,367	192	235	46
Vermont	460	189	190	47
Hawaii	816	185	228	48
Connecticut	3,080	181	248	49
Florida	7,347	165	217	50

Note: Some States include coal consumption from another State to avoid disclosing individual company data.

The **PRESIDING OFFICER**. I believe the Senator from Connecticut has yielded back his time.

The question is on agreeing to the amendment by Mr. JAVITS as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The **PRESIDING OFFICER**. The clerk will suspend. Will the Senators please clear the well, and let us have it quiet in the Chamber?

The Senators will please clear the well. The call of the roll will be suspended until there is some order in the Chamber. The Senators will please take their seats.

Mr. **ROBERT C. BYRD**. Mr. President, may we have order in the Senate. I hope the Senators will sustain the request of the Chair who has the authority to enforce order in the Senate during the rollcall, and the Chair has asked for order. I hope the Chair will persist in getting order.

The **PRESIDING OFFICER**. The clerk may resume the call.

The assistant legislative clerk resumed the call of the roll.

Mr. **NELSON**. Mr. President, may we have order.

The **PRESIDING OFFICER**. The clerk will suspend. The Senate will be in order. There will be no resumption of the rollcall until the Senators have been seated and have ceased their talking. Let us have complete quiet here, please.

The clerk may resume.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. **ROBERT C. BYRD**. I announce that the Senator from Indiana (Mr. BAYH) and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) would vote "nay".

Mr. **GRIFFIN**. I announce that the Senator from Arizona (Mr. FANNIN), and the Senator from Ohio (Mr. TAFT) are absent due to illness.

The result was announced—yeas 25, nays 69, as follows:

[Rollcall Vote No. 11 Leg.]

YEAS—25

Baker
Beall
Bellmon
Brock
Case
Dole
Garn
Goldwater
Griffin
Helms
Javits
Laxalt
Mathias
McClure
Packwood
Pearson
Percy
Roth
Scott, Hugh
Scott, William L.
Stafford
Stevens
Thurmond
Tower
Young

NAYS—69

Abourezk
Allen
Bartlett
Bentsen
Biden
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Culver
Curtis
Domenici
Eagleton
Eastland
Fong
Ford
Glenn
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stennis
Stevenson
Stone
Symington
Talmadge
Tunney
Weicker
Williams

NOT VOTING—5

Bayh
Fannin
Gravel
Montoya
Taft

So Mr. JAVITS' amendment, as modified, was rejected.

Mr. **RIBICOFF**. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. **MANSFIELD**. Mr. President, I move to lay that motion on the table.

The **PRESIDING OFFICER**. The question is on the motion to table.

The motion to lay on the table was agreed to.

The **PRESIDING OFFICER**. By previous agreement, the Senator from Kansas (Mr. DOLE) is recognized.

Mr. **DOLE**. Mr. President, I yield to the Senator from New York.

Mr. BUCKLEY. Mr. President, I have an amendment at the desk, and I ask for the yeas and nays.

The PRESIDING OFFICER. It takes unanimous consent for the motion to be in order.

Mr. BUCKLEY. Mr. President, I had a unanimous-consent agreement to be allowed to bring up a request for the yeas and nays at a later time.

The PRESIDING OFFICER. The Chair recognizes that, but to amend the amendment requires unanimous consent.

Mr. BUCKLEY. I am not amending my amendment. I believe my amendment is coming up for a vote.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, it is my understanding we will proceed with the yeas and nays and the Senator from Kansas will be recognized following the vote.

The PRESIDING OFFICER. That was the Chair's understanding.

Mr. CURTIS. Mr. President, is it in order to ask further unanimous consent that we might have the amendment stated?

Mr. BUCKLEY. I would be delighted, Mr. President. It is very simple.

Mr. CURTIS. I ask unanimous consent that the Senator from New York be recognized for 3 minutes.

The PRESIDING OFFICER. The Senator from New York.

Mr. BUCKLEY. Mr. President, the effect of my amendment would be to suspend for 60 days only——

Mr. PASTORE. Mr. President, may we have order so that we can hear in these 3 minutes?

The PRESIDING OFFICER. May we have order in the Chamber?

Mr. BUCKLEY. Mr. President, my amendment has the effect of permitting the tariff to go forward on crude oil only. With respect to all other petroleum products, it would suspend the imposition of a tariff for 60 days.

The rationale behind my amendment is as follows:

First, the Northeastern States have borne by far the greatest brunt in the recent increases in the price of imported petroleum as most home heating and the generation of most electricity in the area is derived from petroleum product that is imported from overseas.

Second, there is good reason to believe that still further increases in the cost of electricity and heating in the Northeast will not result—I emphasize not result—in any further meaningful conservation in the use of these petroleum products. In other words, the rationale of the administration would not be applicable in this particular situation, and there seems no need to merely add to the cost without a commensurate benefit.

Third, the amendment is highly targeted because the Eastern States import approximately 80 percent of all petroleum products imported into the United States, and 80 percent of what they import is used for heating oil and for the generation of electricity.

Finally, the principal objective of the President's program would be preserved because 55 percent of our petroleum imports is in the form of crude oil, and it is, of course, this area that is increasing as we decrease domestic consumption.

As I say again, this affects only petroleum products.

Mr. PASTORE. Will the Senator yield for a question?

Mr. BUCKLEY. I am glad to yield.

Mr. PASTORE. Would the better answer not be to reject the entire tariff? That would help New England and the Northeast a lot better than his amendment.

Mr. BUCKLEY. The Senator from New York believes not for two reasons: No. 1, if you talk about the general spectrum of petroleum and petroleum products in the United States as a whole, I think the preponderance of the evidence supports the idea if you increase the price you decrease consumption, and we need to decrease consumption. I distinguish between petroleum products because there is evidence to the contrary, that an increase in price will not further decrease consumption. We have seen a leveling off in the rate of use of electricity and in the rate of use of heating oil as a result of price increases that have already taken place, with the burden particularly impacting on the Eastern States.

Mr. RIBICOFF. Mr. President, I have just one comment. The license fee under Senator BUCKLEY's amendment would only be on crude. Refined oil would be $3 a barrel cheaper than oil which was imported as crude and then refined in this country. As a result, refineries would be driven out of this country to the country's further detriment. We would have more refineries abroad, less here. If we want to build up the oil industry in the United States to make us self-sufficient, then we certainly should reject the amendment of the Senator from New York. His amendment gives a definite preference to oil being refined in the OPEC countries and elsewhere abroad, rather than in this country.

Mr. BUCKLEY. I would beg to differ, Mr. President. We will see equalization of these costs. What this does give us is a 60-day period within which to reexamine the basic premise under which the President would impose a duty on specific petroleum products. In point of fact we have a discrepancy in the prices on crude oil and the proposed price on product in any event. These are details that will have to be ironed out. I do not believe that what I have proposed will, in this initial period, have the effect of creating such a distortion of prices as to have the effect that the able Senator from Connecticut claims.

Mr. RIBICOFF. May I point out that what these amendments try to do is provide only a partial solution to a basic problem. The President unilaterally put into effect a tariff proposal. We are asking for a 90-day suspension in order to work, between the President and the Congress, other approaches. But by trying to solve these problems in a piecemeal way, we are not solving a comprehensive way the basic problem. I would hope that we would reject these amendments, approve H.R. 1767, and that Congress and the executive branch would then go on to work out a program that could unite the country and help solve the energy crisis that we now have.

Mr. CURTIS. Vote.

The PRESIDING OFFICER (Mr. GARN). Is all time yielded back?

Mr. RIBICOFF. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on the amendment. The yeas and nays have been ordered. The clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH) and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. FANNIN), and the Senator from Ohio (Mr. TAFT) are absent due to illness.

The result was announced—yeas 18, nays 76, as follows:

[Rollcall Vote No. 12 Leg.]

YEAS—18

Baker
Beall
Buckley
Garn
Goldwater
Griffin
Helms
Javits
Laxalt
Mathias
Packwood
Percy
Roth
Scott, Hugh
Scott, William L.
Stafford
Stevens
Thurmond

NAYS—76

Abourezk
Allen
Bartlett
Bellmon
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fong
Ford
Glenn
Hansen
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stennis
Stevenson
Stone
Symington
Talmadge
Tower
Tunney
Weicker
Williams
Young

NOT VOTING—5

Bayh
Fannin
Gravel
Montoya
Taft

So Mr. BUCKLEY's amendment was rejected.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which that amendment was rejected.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, earlier in the afternoon, the Senator from Massachusetts was asking some specific figures of me. I think I shall include them, but I should like once more to go over what we are talking about today, what we are going to vote on in about 45 minutes, so that we can clear up the misunderstanding that seems to exist between the total energy program of the President and what we are voting on, which is the tariff and what the effects are of voting for or against the tariff in terms of holding this Congress feet to the fire and what the effects are in terms of dollars. Whom does it cost; how much does it cost?

Let us take a look just at the background over the past 10 years so we can understand why I think, at least, that we need to have this tariff imposed.

The turning point came in about 1970, give or take a year. Up until that time, the United States was reasonably independent of foreign sources of oil. We imported oil. We imported oil from some of the OPEC countries, from Canada, from Venezuela. But we were reasonably independent. We could get by in emergencies.

More importantly, the bulk of the free world could depend upon the United States for a supply of oil in an emergency, which gave us the power to determine world crude oil prices because, if the OPEC countries tried to raise their prices too far, we could tide over our friends in an emergency. But in 1970, again give or take a year, we reached a turning point. We could no longer supply our own domestic needs without substantial imports, let alone be a supplier of last resort for the major countries in the world.

At that stage, the control of crude oil prices in the world passed from the Texas gulf to the Persian Gulf and has remained there ever since. Those countries have found that they can raise their prices and raise their prices and raise their prices again, and the world is stuck because we are hooked on oil and we cannot get out of it. We have not gotten out of it, at least at the moment.

Let us take a look at exactly what the United States has had to pay in the past years and why the situation has now become so critical. In 1970 we only paid $2.7 billion for imported oil. In 1974 that had risen to $25 billion. By 1977 if we do nothing, we will be using 18 million barrels of oil a day. Of that 18 million, we will be importing 8 million barrels a day at a cost of about $32 billion. By 1985, if we do nothing, we are going to be using almost 24 million barrels a day of oil and we will be importing 12.7 million barrels a day at a cost of $51 billion a year. And that assumes that the OPEC countries will keep their price at $11 and not raise it. I think that presumption is unlikely.

Everybody who has spoken here today has said that that is a deplorable situation. I have not heard a single Senator say that that is a desirable situation. Everybody, in one form or another, wants to reduce our imports to reduce our dependence on foreign oil. But how we go about doing it is the question.

In the hearings of the Committee on Finance about 10 days ago, when this issue was discussed, I asked a question of John Sawhill, the former Federal Energy Administrator. I quoted Senator JACKSON's statement that he would soon have a report from the Committee on the Interior and that report would show how we could decrease our dependence on imported oil, decrease our dependence on the Middle East without increasing prices. I asked Mr. Sawhill if that could be done without either rationing or allocation or price increase. He said "No."

I think that is a fair answer. If we are, indeed, going to reduce our imports, we are going to have to do it by rationing or by allocation or by a price increase. There are no other alternatives. In the President's total energy package, and this is the only time I shall refer to it—just to illustrate what goals he is attempting to achieve, the President hopes that by 1977, we can reduce our imports in this country to 5.8 million barrels of oil a day instead of 8 million barrels a day. If we were to achieve that, imported oil would cost us $21 billion instead of $32 billion, a saving of $11 billion.

I do not want to talk at length about the President's total energy package. He does not have the power to impose it, he does not have the power by administrative fiat to create it. There is going to be no energy package unless Congress enacts it. So let us bring ourselves right back to the tariff, the $3 a barrel on crude, the $1.20 a barrel on product, and see what it does.

We are now importing about 6.8 to 6.9 million barrels of oil a day, part of that is crude, part of it is product. Product, simply defined, is anything that is refined from crude oil. If we put a $3 a barrel tariff on imported crude oil and a $1.20 a barrel tariff on imported product, we expect that our imports will drop to roughly 6.5 million barrels of oil a day, 3.2 million of that will be product, 3.3 will be crude. Just the tariff on the imported crude oil and the imported product, will raise about $4.8 billion in increased revenue to the Federal Government.

The saving to this Government because we will have reduced our imports by about 350,000 barrels of oil a day is about $1,386,000,000.

What is the effect on the Consumer Price Index? What is the effect on employment? What is the effect on the average household? That is the question that the Senator from Massachusetts asks.

The effect of the tariff alone, at its full implementation and assuming that the entire cost of the tariff is passed along to the consumer—and I am not sure that that is an accurate assumption in today's depressed market—but if it were all passed along, it is less than a one-half of 1 percent increase in the Consumer Price Index.

What is the effect on employment? None. It does not cause any increased shutdowns; it does not cause anyone to be laid off.

What is the effect on the so-called average household? Here I am using the Interior Committee's definition of a household. They assume that there are 53 million households of four people each. That is a slightly different definition than the Census Department's definition, but do not worry about that. If we assume that there are 53 million households with four people apiece in them, then the tariff will result in an increase to the average household of an annual cost of approximately $80, and, to bring it down even more specifically, assuming the tariff is passed along evenly, on all products with the same increase, it comes along roughly to 4½ cents a gallon. So all families can add up how many gallons of gasoline they use, and how many gallons of heating oil, multiply it by 4½ cents, and come out with roughly what this will cost them.

The interesting thing is that if you assume the average household is going to pay about $80 more, a point that is overlooked is that the Government has raised by this tariff almost $5 billion; and if Congress wants to direct that that money be rebated to the average household in this country, the average rebate will be about $90 a household. So there is no reason why there has to be any increase on any household in this country, but Congress will have to act. The President has the power to impose the tariff, but the President does not have the power to rebate any of the money that is collected.

The President does have the power, and it has been debated here today, to skew the incidence of the tariff. If he chooses, instead of saying 4½ cents on the oil, 4½ cents on the gasoline, and 4½ cents on jet fuel, he can say that the cost will be passed along at a penny on heating oil and 6 cents on gasoline, and I am led to believe that he may announce that he will indeed be altering the incidence of the tariff, and that he will more heavily skew it toward gasoline and will have a much lower incidence on home-heating oil.

The thing that bothers me is that the only pressure causing this Congress to act is the fact that the President has taken action. As I look at the proposals that are offered, I have a great fear that we are going to dally. I have a great fear that our first concern is going to be the recession and unemployment, and that is not a problem to be overlooked. But the recession and the unemployment are not an excuse to put on the back burner the problem of energy and energy conservation.

If we put off until June, July, or August of this year or June, July, or August of next year facing up to whether or not we are going to try to undertake energy conservation, we are going to postpone the inevitable day when we must reduce our dependency on foreign imports.

We are running a grave risk. We do not have the capacity in this country to immensely increase our own domestic energy production, whether coal, solar, or nuclear, rapidly. When we get to 1976, 1977, and 1978, we are going to be heavily dependent on foreign imports unless we act now, and we are running the risk of an embargo. If we are importing 8 million barrels a day in 1977, and we face an embargo from the OAPEC countries that cuts off only half of that, and that embargo lasts for 6 months, we face a $40 billion reduction in the gross national product and 2 million people unemployed.

That is not a risk that I think we can

run with abandon. But unless we act now, we are going to face that risk in 1977, no matter what we might do next year or the year after that.

There are those who would say we can run the risk, we can take the chance, there will not be an embargo. But that is like saying you can run the risk of not putting fire insurance on your house, there may never be a fire. You can save the premiums year after year, if you are willing to run the risk of a catastrophe. I think we should sustain the tariff——

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. PACKWOOD. Let me finish. I think we should sustain the President on his tariff. If we do not do so today, I think we should sustain his veto, and I think Congress should immediately start to work on an energy package, which can include an extension of the tariff.

I yield for a question.

Mr. PASTORE. The Senator brings up the specter of an embargo, which may be imminent or may not, depending on what may happen in the world situation, on what might happen in the Middle East.

What is there in the imposition of the $3 tax, which is a burden on top of a burden especially of the Northeast, especially in New England, that is going to take care of the embargo?

The point here is that we are not addressing ourselves courageously to what the situation actually is. We can actually take any statistics——

Mr. PACKWOOD. If we do not address ourselves to the tariff, we are not addressing ourselves to anything at all. The tariff is the only thing we are acting on.

Mr. PASTORE. All we are asking in this legislation, that was reported out of a committee of which the Senator is a member, all we are saying to the President of the United States is, "You unilaterally imposed this tax under the powers that you have under the Trade Expansion Act of 1962. You did it without consulting Congress; you did it without consulting any member of the public. You did it after consulting only that small coterie of people around you."

Mr. PACKWOOD. What is the Senator's question?

Mr. PASTORE. I will come to the question. This is the predicate to the question.

All we are saying here is, "We want a respite of 90 days to come up with this alternative that you have been challenging us to produce."

Mr. PACKWOOD. We have had a year and a half to come up with something.

Mr. PASTORE. Does the Senator want to hear me out?

Mr. PACKWOOD. I want to hear the question.

Mr. PASTORE. The question is this: When did the President of the United States first deliver his message to Congress on the tariff of $3?

Mr. PACKWOOD. About a month ago.

Mr. PASTORE. January 13.

Mr. PACKWOOD. All right.

Mr. PASTORE. When did Senator MANSFIELD appoint the ad hoc committee to come up with the alternative?

Mr. PACKWOOD. As soon as they were faced with the possibility of a tariff.

Mr. PASTORE. On January 24.

When did the President of the United States spell out the details of his plan? When he submitted his budget on February—here it is; February 19.

We are ready, in 2 weeks, to come up with an alternative plan. All we are saying to the President is, "Hold off on this tariff, which is adding insult to injury to the consumers of Rhode Island, for 2 weeks," when we expect to be able to have the President of the United States sit down with us on a plan, when we go to him with it.

My question to the Senator is, what is unfair about that?

Mr. PACKWOOD. All right, let us take them in order. One, he objected to the fact that the President has imposed this tariff without consulting anybody. So he says the President did consult. But, forget that. It is another example of Congress delegating power to the President, telling the President when he thinks it is necessary to impose this tariff to go ahead and do it. He does it, and Congress says, "We did not mean that."

Why did we give him the power if we did not mean it? Why come back here?

Mr. PASTORE. Did he consult the Senator?

Mr. PACKWOOD. He did not consult me personally. I do not talk with him every day.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. PACKWOOD. Yes.

Mr. CURTIS. The imposition of the tariff has made a great contribution to the solution of this problem. For 18 months nothing happened to curtail imports or increase production here. Within 2 weeks we got an ad hoc committee over on the other side.

Mr. PASTORE. That is correct. If the Senator will yield, I can answer that.

Mr. PACKWOOD. What I fear is going to happen if this tariff is defeated, is that we will go right back to where we were, and consider all of the crisis problems, with energy being only one of them, and thus we will not have passed a program by September of this year.

Mr. CURTIS. If the tariff is sustained it will result in actions in Congress and among business leaders that will make more petroleum available, and it will trigger a solution to this problem.

Mr. PACKWOOD. I agree.

Mr. CURTIS. If it does nothing more than force a conversion of all electrical production to coal, and it is over 2 million barrels a day to be imported, and that alone will force the world price of oil down.

Mr. PASTORE. Mr. President, will the Senator yield so that I can make an observation——

Mr. PACKWOOD. Yes.

Mr. PASTORE (continuing). To my good friend?

Jerry Ford was a Member of Congress. He has not been mandated by the people of the United States. I am not saying that he is not lawfully the President. He is under the 25th amendment.

He was appointed the Vice President. Nobody at that time ever thought that Nixon was going to resign, but finally he did resign, so Henry—Jerry Ford becomes [laughter]—I will talk about Henry Ford, too. I understand he appeared before a committee, and he rebuked the President's program as being inflationary and as causing an acceleration of unemployment.

But let me finish what I was saying, so he was a Member of the House of Representatives. When he entered that Chamber I remember everybody stood up and gave him a tremendous ovation; he was one of the boys.

Do you know what his colleagues did? They repudiated his plan, and they passed this bill by a vote of 309 to 114. Now, can all of those friends of his be wrong?

All we are saying here in the Senate is give us 90 days' time, give us 90 days' time so that we can come up with an alternative plan and produce it to the Senate, and if it is no good the President can do what he wants, and we will do what we want.

Mr. PACKWOOD. How does the imposition of the tariff in any way restrict the Senator from coming up with a plan? Is it going to prohibit the Senator's meeting and coming up with a program which is going to repeal the tariff?

Mr. PASTORE. The only thing wrong with that is that the Senator first takes the baseball bat out of my hands and then he says, "Now hit a home run".

The whole purpose of the plan, Mr. President, is the rejection of this tariff.

Mr. PACKWOOD. Come up with a bill that rejects it, and that is all the Senator is going to do.

Mr. PASTORE. That is what we are going to do.

Mr. PACKWOOD. That is what I understand.

After we postpone it for 90 days——

Mr. PASTORE. If we sustain this, we will come up with a program to reject it.

Mr. PACKWOOD. I can see what is going to happen. We are going to postpone a program for 90 days, and when we get to the end of 90 days, we will then ask for another 90 days.

Mr. PASTORE. This is only to show the President the courtesy——

Mr. PACKWOOD. If this tariff stays in effect, there is nothing to prohibit the Senator from coming up with an alternative plan.

Mr. PASTORE. By that time the damage will have been done.

Mr. PACKWOOD. I want to yield to the Senator from Kansas because I am using his time.

I yield to the Senator from Wyoming.

Mr. HANSEN. I thank the Senator from Oregon for yielding.

I was deeply interested in what the Senator from Rhode Island said when he spoke about the other body. He said how they repudiated the President by a vote of three to one or about that.

Let me quote from one person who did not repudiate the President of the United States, a Member of the other body, a distinguished gentleman from Illinois, Congressman DAN ROSTENKOWSKI. He happens to be the Democratic whip.

Do you know what he said when this bill was passed by the House over there and sent to this body? He said many things, but I think one thing he said is very noteworthy, and I want to read it again, because there are Members here now who were not present earlier in the day when I read it before. These are the words of the Democratic whip less than a month ago:

> In conclusion, I believe that if we in Congress are going to oppose the President's program at this most critical time, we should oppose it only if we are able to substitute a positive program of our own. We should not spend hours searching for a mere technicality to block his action, or days complaining how unfair it is for him to take the initiative, using every discretionary tool available to him.

What have we done? I can tell you what we have done. Senator HUGH SCOTT of Pennsylvania introduced the President's program. It is a comprehensive program. It deals not only with those steps which will lessen the impact that a reimposition of the oil embargo could have on the United States, but it spells out other conservation efforts as well, and it includes also steps that will assure a greater domestic effort in order to make sure that we do not have to go through this traumatic experience again. It is 167 pages long.

What have the Democrats done? They have come up with a four-page bill. What does it say? It says, "You cannot do it. Cease and desist. Stop. Do not take this action. Give us another 90 days."

Well, we have had 90 days multiplied by a good many times that factor, because, as a member of the Interior Committee, where I have been since 1967, and as a member of the Finance Committee of the Senate, I have listened to this rhetoric about, "We are going to do something about this. We are going to come forward with a program."

We passed S. Res. 45 and 4 years ago. We were going to spell out a complete energy platform that would make us self-sufficient. Four years later the best we have from the other side is, "Give us another 90 days."

I thank the Senator.

Mr. PASTORE. Now, after that speech, Mr. President, will the Senator yield, so that I may have a word to say?

Mr. PACKWOOD. Mr. President, I believe I have the floor. Who has the floor?

The PRESIDING OFFICER (Mr. ROTH). The Senator from Oregon.

Mr. PACKWOOD. I yield to the Senator from Kansas.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired. The Senator from Connecticut has the remaining time.

Mr. CURTIS. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. Mr. President, parliamentary inquiry, who has the time?

The PRESIDING OFFICER. The Senator from Connecticut has the time.

Mr. CURTIS. Mr. President, parliamentary injuiry.

Mr. RIBICOFF. I yield 1 minute to the distinguished Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for 1 minute.

Mr. RANDOLPH. Mr. President, I respect the able Senator from Oregon (Mr. PACKWOOD) and the able Senator from Nebraska (Mr. CURTIS).

I wish to comment on their colloquy which mentioned coal conversion.

I remind my colleagues that early last year we acted on coal conversion legislation.

On June 26, 1974, almost 8 months ago, the President signed the Energy Supply and Environmental Coordination Act. On several occasions since then I have been assured by representatives of the executive branch that the provisions of this act would be implemented in a timely manner. Even today the Federal Energy Administration is holding hearings on proposed regulation to implement this statute.

Successful implementation of this program by the Federal Energy Administration in concert with the Environmental Protection Agency will represent a significant first step in our national quest for increased energy self-sufficiency; it will facilitate the use of domestic coal supplies while providing for the protection of public health with minimum modification of applicable Federal and State clean air compliance schedules.

I again remind my two distinguished colleagues that the Chief Executive in his state of the Union address on January 15, 1975, supported coal conversion and proposed changes in this law to expand this program. However, I also must note that it was not until February 5, 1975, that the Federal Energy Administration even proposed regulations, although the Environmental Protection Agency proposed their complementary regulations last September.

The Federal Energy Administration estimates that energy savings equivalent to 100,000 barrels of oil per day can be achieved by the end of 1975 from this program, with savings on the order of 300,000 barrels per day by the end of 1977.

A strategy with the potential of saving 1 million barrels of oil per day in the electric utility industry by 1980 also has been developed. These reductions in oil imports are possible under legislation enacted last year.

There is no reason why energy savings equivalent to some 100,000 barrels of oil per day could not have been affected by this time had this coal conversion legislation been implemented in a timely manner.

While the Congress does not always act in an expeditious manner it did in the case of this legislation.

The failure has been in the implementation of this positive congressional action by the executive branch. Such actions by the Congress are of little value to the American people if they are not also expeditiously implemented by the Administration.

The able Senator from Wyoming (Mr. HANSEN) noted that 4 years ago we approved Senate Resolution 45 authorizing the National Fuels and Energy Policy Study. The Senator suggests that the best we can say after 4 years is, "Give us another 90 days."

Yet, Mr. President, it is precisely because we have 4 years experience under S. Res. 45 that we can realistically consider formulating an alternative energy and economic program to that of the President's within 90 days. An ad hoc committee of the Democratic Caucus is even now meeting on such a proposal under the chairmanship of the Senator from Rhode Island (Mr. PASTORE).

What is not generally understood is that the 93d Congress considered some 421 energy related bills in the Senate alone. Final congressional action was completed on some 48 of these measures. Forty-three were signed by the President and 5 vetoed at the White House.

Among the new laws enacted were the Emergency Highway Energy Conservation Act; the Deepwater Port Act; and the Energy Supply and Environmental Coordination Act. Many of these measures when fully implemented will contribute to energy savings for the benefit of our economy.

I repeat, the later measure when fully implemented can achieve oil and gas savings equivalent to some 1 million barrels of oil per day through coal conversion. Yet the final regulations for this program have yet to be promulgated.

Mr. President, this is not the time for partisan polarization on energy and economic matters. It is not a time for throwing rocks from one branch of Government over to the other.

It is a time for factual information to be a part of the record.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Kansas is recognized.

Mr. RIBICOFF. Mr. President, a parliamentary inquiry. Who has the time?

The PRESIDING OFFICER. The Senator from Connecticut has the time, but the Senator from Kansas can offer an amendment under the agreement, and the Chair has recognized the Senator from Kansas.

Mr. DOLE. A parliamentary inquiry. I can also discuss the amendment, is that correct?

The PRESIDING OFFICER. Up until 5 o'clock.

Mr. DOLE. That will be sufficient.

Mr. PASTORE. Mr. President, parliamentary inquiry.

Mr. RIBICOFF. Mr. President, I did not hear the response of the Presiding Officer. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The remainder of the time is under the control—the remainder of the time on the bill is under the control—of the Senator from Connecticut. But the Senator from Kansas, having been recognized, under the agreement the remainder of the amount of time on that amendment comes out of the time on the bill.

Mr. RIBICOFF. Do I understand the parliamentary situation to be that the Senator from Kansas has the remaining 20 minutes?

The PRESIDING OFFICER. If it is all used.

Mr. KENNEDY. Mr. President, parliamentary inquiry. Has the Senator from Kansas submitted an amendment?

The PRESIDING OFFICER. He is about to.

Mr. DOLE. I ask for consideration of it.

The PRESIDING OFFICER. The clerk will report.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) during the period beginning on February 1, 1975, and ending on April 30, 1975, the President may not take any action under section 232(b) of the Trade Expansion Act of 1962 (19 U.S.C. 1862(b)) or any other provision of law to adjust imports of petroleum or its derivatives into the United States.

(b) Except as specifically provided in subsection (c), any action taken after January 22, 1975, and before the date of enactment of this Act by the President under such section 232(b), or any other provision of law, for the purpose of adjusting imports of petroleum and petroleum products into the United States, shall cease to have effect on the date of enactment of this Act.

(c) Any fees and supplemental fees for allocation and licenses imposed by action taken by the President for the purpose of adjusting imports of petroleum and petroleum products under section 232, and in effect on the date of enactment of this Act, shall continue in effect to the extent that the sum of such fees and supplemental fees imposed per barrel does not exceed—

(1) $1.21, with respect to imports of crude oil and natural gas products, and

(2) $0.63, with respect to imports of motor gasoline, unfinished oils, and all other unfinished products (except ethane, propane, butanes, and asphalt).

SEC. 2. The first section of this Act ceases to apply if, during the period referred to in the first section of this Act—

(1) the Congress declares war,

(2) United States Armed Forces are introduced into hostilities pursuant to specific statutory authorization.

(3) a national emergency is created by attack upon the United States, its territories or possessions, or its Armed Forces,

(4) United States Armed Forces are introduced into such hostilities, situations, or places, or are enlarged in any foreign nation, under circumstances which require a report by the President to the Congress pursuant to section 4(a) of the War Powers Resolution (50 U.S.C. 1453(a)), or

(5) there is a substantial change in the conditions of trade with respect to petroleum and petroleum products which has an adverse effect on the United States and is caused by—

(A) an increase in the average per barrel price in excess of 25 percent, determined (over a one-week period, of imports of petroleum and petroleum products into the United States, or

(B) a decrease in the average barrel volume in excess of 25 percent, determined on the basis of a one-week period, of imports of petroleum and petroleum products into the United States.

Mr. DOLE. Mr. President, I will try to accommodate other Senators who wish to speak before 5 o'clock, but I would like to discuss this amendment first. Then I will be happy to share time with anyone who wants to discuss or respond.

Let me say at the outset that the junior Senator from Kansas has been discussing the possibility of compromise with the President and with other Members of Congress for some time. It was my hope that we might agree on a 90-day suspension of the President's authority to impose anything higher than a $1 tariff, as my amendment would do. But I can detect an atmosphere in the Senate that is not conducive to compromise. In the opinion of the junior Senator from Kansas, the issue has become so politicized because both sides believe they are going to win.

Mr. PASTORE. Will the Senator yield for a moment?

Would the Senator be willing to allocate 5 minutes to this side of the remaining 20 minutes?

I understand the unanimous-consent agreement is that we have to vote at 5 o'clock; in other words, the Senator will preclude the rest of us from answering the dialog that went over on the other side. I think we ought to be given an opportunity for an answer.

Mr. DOLE. I agree. I will allocate 5 minutes after we complete consideration of this amendment.

Mr. PASTORE. I thank the Senator.

Mr. DOLE. In my opinion, it is regrettable that the Senate would not make an affirmative vote on my amendment. But I do want to express my conviction that sooner or later the Congress and the Executive must find a middle ground if we are to have any meaningful solution to our economic and energy problems.

There is no doubt about the vote today on H.R. 1767. This is only a preliminary bout prior to the main event which may come, as I understand it, next week, or the next week after that. The issue then is going to be leadership. Who is going to provide the leadership in this country, the President of the United States or the Democratic Congress?

Now, I read the plans that the Democrats have proposed and some of them have great merit. I would agree that they might come up with another Presidential candidate in 30 days, but I doubt they will come up with a meaningful energy plan in even 60 days or 90 days.

There will be only one loser in this delay, delay and delay, and that will be the American people, who seek direction and resolution of this problem.

There are some parts of the President's program that Congress will disagree with. The junior Senator from Kansas recognizes that, as most others have.

The distinguished Senator from Nebraska said a few moments ago that one thing the imposition of the tariff did was start some action—action among Republicans, and action among Democrats. I do not criticize the Democrats. The distinguished Senator from Rhode Island has been working hard on a plan. It is doubtful that all the Republicans in the Congress could sit down and come up with one plan. Some Republicans have different views than the Senator from Kansas, House Members have differing views than Senators, and so on, and yet we have a few who want to run in 1976 and they may have individual plans.

So the problem is very difficult. The one person who can provide the plan and provide the leadership is the President of the United States, whether on our side or yours. The junior Senator from Kansas believes he is providing leadership for the American people and that we should accept that leadership and pass most of his plan.

So the vote today is important. It is the opinion of the junior Senator from Kansas that if we can muster 30 votes today, there is a good chance the President's veto will be sustained, but if the President's veto is overridden, then the responsibility clearly moves to the Democrats who control the Congress, not just for 90 days but probably for a much, much longer time.

So it is my hope, regardless of the vote today, that between now and the time the Senate votes on sustaining or overriding the veto, that reasonable men in the Congress and a reasonable President can sit down together, work out some compromise, and then get on with the work at hand.

The junior Senator from Kansas visited with the President twice this week. It was highly significant that the President discussed for 3 or 4 hours the necessity of action, not action for the Republican Party, not action for a Republican President, not action against the Democratic Congress, but action for the American people.

I believe the distinguished Senator from Rhode Island has great respect for President Ford. I do not believe anyone questions the right or authority the President has to impose a tariff. That authority is there. He exercised it. We would agree with his authority.

Some disagree with his action. They have that right. But there is much more at stake than just the import tariff.

The tariff, in itself, has become symbolic, and there are some who may not oppose the tariff who will vote no because they are opposed to part of President Ford's energy program. Some may have no strong feelings on the tariff but will support it because they want some plan and some action.

I do not know anyone in this Chamber who has a complete answer. I know many in this Chamber who would like to have answers, including the junior Senator from Kansas, not on a partisan basis, but on the basis of what is good for the people in my State, and the people in other States in this country, and in countries around the world.

The arguments have been made and the junior Senator from Kansas will not repeat the arguments because the distinguished Senator from Oregon, the distinguished Senator from Wyoming, the distinguished Senator from Tennessee, the distinguished Senator from Nebraska, and other Senators on this side of the aisle have attempted, in a very effective way, emphasized the need for the program.

Now, having stated that and having offered my amendment, knowing that it would be soundly defeated, I see no reason to subject the Senate to another rollcall. So at this time I yield 5 minutes to the Senator from Rhode Island and request 1 minute back following that and then I will yield the rest to the Senator from Connecticut.

Mr. PASTORE. I thank the Senator.

Mr. KENNEDY. Would the Senator have a minute or two?

Mr. RIBICOFF. I am pleased to yield to the Senator from Massachusetts on my time.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PASTORE. Now, Mr. President, what we are saying here is nothing to impugn the integrity and the character of President Ford. No one presumes that; no one pretends that.

What we are saying here is that the President not too long ago said, "I want a marriage with the Congress," and on January 15 he asked for a divorce.

No one questions the fact that under the law he had the authority to do it, but the fact still remains that the Congress and the people of the United States knew nothing about his plans until January 13.

We came back on January 14—and the Senator from Rhode Island does not ski, I was back home listening to the complaints. So what did the majority leader do? On January 24, he appointed this ad hoc committee, and he admonished us to come up with a plan, a comprehensive plan.

Now, had we, instead of this bill to postpone, proposed a bill to reject the tax, then it could have been argued that here we are acting precipitately without a plan to suggest.

So when the President said that if we did not like his plan to come up with another plan, we accepted the challenge, and we have been working at it ever since.

We have a plan, we have a Senate plan so far. It was approved unanimously by the policy committee, approved unanimously by the joint committee of the policy and the chairman of the various legislative committees, and then we agreed to meet with the steering committee of the House, and we met this morning, we are going to meet again next Tuesday, and we announced to the press and we announced to the media that we were not far apart; that we could consolidate and compromise our difference and come up with a plan. We also said at that time—we also said at that time—that we would ask for an audience with the President to submit the plan to him before we took any action on it, so that we could prove to the country that both the Congress of the United States and the executive department could act together in a marriage and not a separation.

Now it is being said here that we have to do this in order to help the balance of payments.

We agree with that.

We have to do something about bringing about independence from foreign influence.

We agree with that.

The big question here is how do you do it? We have over 8 million people out of work in the United States today. If you put this tax on in Rhode Island, as they have already done by putting on the $1, before we know it, it will be March 1 and it will be $2, and before we know it, it will be April 1 and it will be $3. You will begin to close down all the mills in Rhode Island. We already have 10-percent unemployment. We have 14-percent unemployment in Newport.

All we are saying is you have to take this slow and easy. This is bigger than any one man. This involves the future of the country.

George Meany was on the television only last Sunday and he said, "Don't kid yourself. The unemployment is not 8.5; it is over 10."

George Meany says the reduction is going to be even bigger. These things have to be talked about.

That is all we are saying here.

Give us a chance. We are not repudiating the President. All we are saying to the President is "Give us 90 days' respite to come before you and say this is what we have done; this is our part of the marriage. Now, let us get together and do something for the country."

That is the trouble today. People are losing confidence and faith not only in the executive but also in the legislative department. Why? Because we cannot seem to act together. The only time you ever hear any applause is when the President of the United States walks into the Chamber in a joint session. Outside of that, I am telling you, Mr. President, they closet themselves up. They listen only to the people they want to listen to.

Who said that we have to save 1 million barrels in 1975? I know who said it. Henry Kissinger. He had to go to Europe. He had a plan to sell. But what did the Japanese tell him? What did the French tell him? What did the rest of our friends tell him?

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. PASTORE. That is only too bad.

The PRESIDING OFFICER. The Chair reminds spectators in the galleries that it is against the rules to applaud.

The Senator from Kansas.

OPPOSE OIL TARIFF DELAY

Mr. DOLE. Mr. President, I oppose passage of H.R. 1767. The main points I want to make are, first, the President has taken an initiative to reduce our dependence on foreign oil. The purely negative response of H.R. 1767 without an alternative solution is dangerous and unacceptable. Second, we cannot afford to delay a response to the economic and national security threat of oil imports. Finally, H.R. 1767 produces a confrontation between the executive and legislative branches. I believe Congress and the President must show a willingness to compromise with actual legislation before any comprehensive solution to our economic and energy problems can begin and H.R. 1767 does not do that.

SUPPORT INITIATIVE

I support the President's initiative in taking action to reduce our dependence on foreign oil. Few people, if any, agree with all the President's proposals and I am not among them.

But it has been over 500 days since the oil embargo demonstrated the threat of overdependence on foreign oil to our national security. Yet previous to the President's initiative, there was no action either by executive branch or the Congress to reduce our dependence.

It is widely recognized that the $24 billion paid for foreign oil last year contributed greatly to the recession we are now in. It is widely known that the outflow of U.S. dollars for oil imports is disastrous to our balance of payments, and we are facing an even more severe drain of our national wealth for oil imports unless some action is taken promptly to achieve independence in energy.

OUTFLOW COSTS JOBS

Every additional dollar of that outflow affects an American job. If Americans average $10,000 for annual income, then each additional $10,000 of the balance-of-payments deficit means a potential loss of one American job.

The Federal Energy Administration predicts our imported oil bill could increase to $32 billion annually by 1977 if no action is taken. That would be up $8 billion from 1974. So inaction could mean a potential loss of 800,000 jobs.

For these reasons, I support the President's initiative in ordering the imported oil duty.

KEEPS CHALLENGE BEFORE CONGRESS

There is another very important reason for supporting the President's initiative. For each $1 per barrel increase in the tariff, the price of gasoline is expected to rise about 1.2 cents per gallon. So at the highest duty of $3 per barrel, as proposed by the President, gasoline prices could be expected to rise about 4.3 cents per gallon. That 4.3 cents per gallon would cause a small but substantial amount of economic incentive to conserve.

This economic impact would keep pressure on the Congress to provide a better solution. The President's imported oil duty is a challenge to the Congress to find a better solution. The concern generated by the President's order has already generated a great deal of debate and work in the Senate to create a better solution. That activity is good. I agree with the imported oil duty in this regard. It keeps before Congress the challenge to come up with a better solution promptly. For this reason, I hope enactment of H.R. 1767 can be defeated.

My feelings in this matter are not isolated. On February 11, the senior Senator from Louisiana (Mr. LONG) expressed his support for this in the Senate when he said:

> One thing that appears to me about the President's action is that at least it puts the pressure on Congress to do something, and I am hopeful that, with the result of what the President has done, the debates occurring, and the matters being considered by both sides of the aisle, we will wind up making a

constructive contribution towards solving the energy problem.

So I intend to vote against H.R. 1767 and I hope that enough Senators will join me that we can sustain the President's action and prevent enactment of H.R. 1767.

DELAY UNACCEPTABLE

As I mentioned before, it has been nearly 500 days since the oil embargo. I believe the American people are looking for leadership in overcoming our economic and energy problems. We will be shirking our responsibility of providing that leadership if we further delay action to resolve these problems. And H.R. 1767 is exactly that—a delay.

The deterioration of our economy must be reversed. Several economists have testified before committees of the Senate, including the Committee on Finance, that the outflow of dollars for oil imports has contributed and is contributing to that deterioration. I noted with interest this morning the remarks of Mr. Arthur Okun, a senior fellow of the Brookings Institution. His remarks were particularly noteworthy since he is more closely identified with those on the other side of the aisle, as the former chairman of the Council of Economic Advisers under President Johnson. The statement printed in the Washington Post this morning was excerpted from Mr. Okun's remarks before the Senate Subcommittee on Multinational Corporations, in which he stated:

> On the other hand, I would emphasize that the fact that we have to stop a recession does not keep us from engaging in an initiative to curb our oil imports. We can have an energy program and economic recovery, and I offer that as a fully considered and confident professional judgment.

In his other remarks, Mr. Okun dispelled other fallacies that have risen about President Ford's tariff order.

CLEAR POLICY NEEDED

Delaying our response to the oil import problem has another very detrimental impact on our economy. It creates uncertainty.

Many businessmen from Kansas have contacted me to explain the difficulty they are having in making any future plans for their operations. Among those businessmen are the independent oil producers who do a vast majority of the oil exploration in this country and who produce a very substantial amount of our petroleum output. Because of the uncertainty about what energy policy the Congress will finally decide upon, businessmen are afraid to go ahead with expansion plans or to make investments for expanded output or exploration when they are afraid that those decisions might be undermined by policies instituted by the Congress.

We cannot make an economic recovery if businessmen cannot increase their output and expand their operations. We cannot achieve energy independence unless oil producers know what rules they will have to operate by. In other words, we must have a stable energy policy before we can make economic progress.

Because the import oil duty is a clear policy initiative and because it keeps the challenge before Congress to expeditiously come up with a better solution, I oppose H.R. 1767.

EFFECTIVE STEP

There is no painless remedy to our over-dependence on foreign oil. That conclusion has become more and more clear as we have heard testimony in the Senate Finance Committee. Rationing and allocation programs would likely be even more recessionary than the tariff and energy tax proposals put forward by the President.

As any basic economics course teaches, the marketplace mechanism is the most efficient manner of striking a balance between supply and demand. The marketplace mechanism has been successful throughout the centuries. The tariff order incorporates the marketplace mechanism and for that reason I believe it deserves support.

The import duty permits each individual to decide if he can reduce his consumption of petroleum. The alternative of a rationing, allocation or import ceiling program is that the Government forces each individual to curtail his energy consumption. Furthermore, those programs would put Federal employees in the position of telling which businesses could obtain additional fuel to expand or start new operations. The imported oil duty provides an incentive for Americans to reduce their petroleum consumption but it leaves the decision of how and how much each individual can cut back up to the individual himself. That course of action is much more acceptable to the American tradition of freedom of choice than any alternative I have seen.

For that reason, I oppose H.R. 1767.

COMPROMISE NECESSARY

The passage of H.R. 1767 will create a confrontation between the executive and legislative branches over a minor portion of President Ford's energy program, when the American people fervently hope that their elected representatives will work together to solve the serious economic and energy problems facing our Nation. H.R. 1767 does exactly the opposite.

We can achieve no solutions to our economic and energy problems without making compromises. I oppose H.R. 1767, because it makes no effort to reach a meaningful solution to compromise, but simply avoids any solution at all.

If the Congress overrides the President's veto of this measure, it will delay any oil tariff increase for 90 days. It has now been over 30 days since the President's energy proposals were made public on January 15 and it has been nearly a month H.R. 1767 and Senate Joint Resolution 12 were introduced on January 23, 1975. By the time the veto process and override vote is completed, a very large portion of the 90 days sought for due consideration will have passed. Instead of delaying any response to the problem at all, we could have used that time to work out a middle ground on the basic problem.

In order to reach a middle ground, the Congress and the Executive must each give a little. Several Members of Congress, Democrats and Republicans, have expressed a desire to work with the administration to formulate energy policy and similar sentiments have come from the executive branch.

The President has invited Congress to examine his program and offer modifications or improvements, which it deems advisable. But rejecting his proposals without an alternative solution, as H.R. 1767 does with his initial step, is not an appropriate modification.

The Secretary of the Treasury and the Administrator of the Federal Energy Administration, during their appearances before the Senate Committee on Finance last week, reiterated the President's desire to work out a reasonable accommodation with Congress.

Both the majority and minority leaders of the Senate—Mr. MANSFIELD and Mr. HUGH SCOTT—have expressed the need for cooperation in seeking workable solutions. Other Members of the Senate who have spoken of the desirability of a compromise include the chairman of the Senate Finance Committee, Mr. LONG, the senior Senator from Minnesota (Mr. MONDALE), both of the distinguished Senators from New York (Mr. JAVITS and Mr. BUCKLEY), and the senior Senator from Massachusetts (Mr. KENNEDY).

Yet the rhetorical support for compromise and cooperation has not been reflected in legislation. The majority appears insistent upon sending legislation to the White House that the President will veto.

We cannot expect to achieve a comprehensive solution to our economic and energy problems in this manner. As the senior Senator from Louisiana pointed out recently in a Finance Committee hearing, the Congress has followed a practice of sending to the White House legislation that is likely to be vetoed and then subsequent to the veto, has failed to send back to the White House legislation that both the Congress and the President can agree on. I hope we can do better than this in the future. I am hopeful that whether the President's veto or H.R. 1767 is sustained or overridden, we can then move on to finding a solution that the legislative and executive branches can agree on.

Only then can the Congress and the President begin to cooperate in finding effective and equitable solutions to our urgent economic and energy problems.

Mr. President, I ask unanimous consent that a story in the Washington Post this morning, reporting the purported Democratic plan, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEMOCRATS EYE TAX ON GASOLINE USE

(By Hobart Rowen)

The chairman of a House Democratic task force on energy yesterday said congressional Democrats lean toward "selective measures" designed to place most of the burden of energy conservation on "nonessential, discretionary use of gasoline."

Rep. James C. Wright Jr. (D-Tex.) said that such a plan "would not necessarily involve coupon rationing" and would be preferable to President Ford's proposal to cut consumption by raising oil and gas prices and tariffs.

Wright spoke before the New York Society of Security Analysts, the same group to which President Ford brought a defense of his energy plan last week. A text of Rep. Wright's speech was released here.

Wright said that the President's plan to impose an oil import tariff of $3 a barrel would cost consumers $7.6 billion on top of $30 billion "in proposed new taxes on domestic production."

According to one analysis cited by Wright, an average family "might receive $125 in this year's tax rebate only to be confronted with a $740 increase in its annual cost of living. By any reasonable analysis, the median family's purchasing power would be cruelly diminished by the Administration's plan. Both inflation and recession would be critically exacerbated."

A cost of $740 would be nearly three times the Administration estimate of $250 to $275 in the average cost of living per family traceable to the energy program.

The Administration's estimate is the equivalent of a 2 per cent increase in the consumer price index over what it otherwise would be. The Federal Energy Administration also has conceded that, counting "all of the ripple effects," the cost to an average family might go as high as $345, or a 2.5 per cent increase in the CPI.

Wright's figure implies an increase of at least 5 per cent in the CPI, higher than any figure heretofore mentioned. He did not explain how it was derived.

The Texas Democrat said that if the President's primary aim is to reduce imports, an import quota would be better than a tariff.

"We are convinced," he told the Wall Street group, "that this approach is basically wrong and peculiarly ill-timed. . . . Furthermore, we have seen no evidence whatever to support the conclusion that it would save one million barrels of oil per day."

He outlined two possible alternate approaches that he said were being studied by Democrats, with a view to presentation of a coordinated Senate-House program by early March.

The first is a retail tax on gasoline, with the extra charges on the first 40 gallons a month rebated to all. Thus, those who drive more would pay more, with no further rebates, unless they qualified under a hardship clause.

Another plan would place a tax-and-rebate excise tax structure on new cars, according to their expected gasoline consumption.

"The biggest gas guzzlers might carry, in addition to their sales price, an excise tax of $600," Wright said. "At the other end, the American-built car with the best mileage performance might qualify its purchaser for a $400 rebate."

Wright said the Democrats were opposed to the Ford program because it would assure high prices "with depressive effects" without guaranteeing lower consumption of energy.

Meanwhile, a spokesman for Rep. Les Aspin (D-Wis.) admitted that the congressman had made an error in a press release issued yesterday reporting that a private study by Data Resources, Inc., had estimated the Ford energy program price impact at 4.3 per cent.

The study, by Paul H. Earl, actually estimates the price impact at the consumer level at 1.9 per cent by the end of 1975 and 2.4 per cent by the end of 1976, even assuming—as the Administration estimates did not—a coal price increase equal to oil price increases.

Aspin's press release said the Earl study had been done for the Council on Wage and Price Stability which "originally refused to release the study, but relented when Aspin protested treating economic forecasts as secrets."

In a telephone interview, Earl said that his forecast differed only marginally from the Administration's, and that the Aspin press release was in error. Apparently, an increase of 4.3 points on an index of 178 (which works out to 2.4 per cent) was misinterpreted to be 4.3 per cent.

Mr. DOLE. Mr. President, I would only say in answer to the distinguished Senator from Rhode Island that I hope the accommodations he speaks of can be made. Certainly, this should not become a partisan debate. I do not know of any partisan statements that have been made on the floor today but there may have been some in my absence.

If we are concerned about what the Senator from Rhode Island and other Senators on this side of the aisle have said then we have an obligation to try to come together.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. DOLE. I will just take another minute then.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 1 additional minute.

Mr. DOLE. It seems to the Senator from Kansas that we are in the ball park. There is a possibility for a meaningful solution. The President has indicated, through his Secretary of the Treasury, the Secretary of the Interior, the Federal Energy Administrator, and by his own statements, a willingness to compromise.

We have had the chairman of the Senate Ad Hoc Committee on Energy stand on this floor and indicate his willingness to compromise. So I assume we can take that at face value.

We have great respect for the Senator from Rhode Island. We have great respect for, even though we may have disagreement with, the President of the United States. Whatever happens today, perhaps there will be enough time to reach an accommodation between now and the vote to override or sustain the veto. Perhaps if we could move quickly we would not have to take up the veto. I assume the bill will be vetoed. The President said he would veto it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOLE. I yield the remainder of my time to the Senator from Connecticut. If the Senator from Connecticut has a minute, I promised the Senator from Utah earlier that I would yield a minute. I failed to do that.

Mr. RIBICOFF. I yield 3 minutes to the Senator from Massachusetts and the remaining minute to the Senator from Utah.

Mr. KENNEDY. I thank the Senator from Connecticut.

Mr. President, those who support this bill have indicated broad support for other aspects of the President's program. We support tax rebates and tax cuts to individuals to provide needed purchasing power for the American people. We have also indicated strong support for the conservation measures which the President has supported. As a matter of fact, most of those measures had already been passed in the Senate and the Congress of the United States last year and were actually vetoed by the President of the United States. I ask unanimous consent to place in the RECORD a Library of Congress study of the 93d Congress action on energy matters.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

ENERGY-RELATED LEGISLATION HIGHLIGHTS OF THE 93D CONGRESS

The 93rd Congress has involved itself in energy-related legislation on an unprecedented scale. More than 2000 bills have been introduced, and more than 30 standing congressional committees have collectively held over 1000 days of hearings on nearly every aspect of energy policy programs and problems. Nearly forty energy-related laws were enacted; another five were passed but were vetoed. An additional twenty were passed by either the House or the Senate. It seems likely that several of these may receive further action early in the 94th Congress.

Major Accomplishments: Although several important issues are still pending, the record shows major accomplishments in many key energy areas:

Measures which encourage conservation of supply and use of energy: Emergency Petroleum Allocation Act (P.L. 93–159); and P.L. 93–511); encouragement of increased railroad and other mass transit facilities to conserve gasoline (P.L. 93–87, P.L. 93–146, P.L. 93–236 and P.L. 93–503); lowered speed limits (P.L. 93–239 and P.L. 93–643); and extension of the Defense Production Act through June 30, 1975. (P.L. 93–426).

Measures to manage and expand production of energy supplies: Trans-Alaska Pipeline (P.L. 93–153); Coal Conversion and Clean Air Act Amendments (P.L. 93–319); a consolidated energy research and development appropriations act providing $2.2 billion for FY 1975 (P.L. 93–322); and a new ten-year research and development program, administered by ERDA, mandating higher priorities for non nuclear sources (P.L. 93–577).

New initiatives to develop commercial application of solar and geothermal energy technology: Housing and Community Development Act, promotes energy conservation and use of solar energy in building (P.L. 93–383); Geothermal Energy Act (P.L. 93–410); Solar Heating and Cooling Demonstration Act (P.L. 93–409), and a Solar Energy Research and Development Program (P.L. 93–473).

Several organizational changes which provide a beginning for reducing the fragmented pattern of U.S. energy policy formulation and program administration: Federal Energy Administration (P.L. 93–275) and legislation to create a more permanent Energy Research and Development Administration and a Nuclear Regulatory Commission (P.L. 93–438). An Energy Resources Council to coordinate existing programs and recommended new policies was also authorized by P.L. 93–438.

MAJOR ISSUES STILL PENDING

End use rationing and mandatory conservation. The President's veto of the Energy Emergency Act (S. 2589) left the Executive Branch without specific authority to institute mandatory end use rationing and other energy conservation measures. A revised version of S. 3267, reported in the Senate on December 5, 1974, would provide standby emergency authority for these purposes.

Revisions in oil and gas depletion allowances and other long standing petroleum production incentives. The issue is complicated by the fact that domestic production of oil and gas has been plateauing so the question of whether continued incentives would produce more than marginal increases in output is an open one.

Deregulation of natural gas. Similar problems arise as between proponents who wish deregulation as an incentive to increased production and/or to encourage further conservation of use.

Petroleum pricing problems. Current issues center on the effect of escalating prices on domestic inflation, but higher prices are also being promoted as incentives to increased production from marginal fields.

Petroleum import policy. To what degree should we depend on foreign imports to meet current demand, even if prices should become lower in the future? If imports continue, how should the country protect itself against interruptions in supply? What form should strategic reserves take and in what volume?

The crisis atmosphere and accompanying legislative activity of the fall and winter of 1973/74 appear to have been replaced by growing Congressional recognition that the basic energy issues have no easy short term solutions. Intermediate and long term solutions require and are receiving widening Congressional involvement, continuing legislative action and increasingly informed concern.

STATUS OF MAJOR ENERGY LEGISLATION ENACTED BY THE 93D CONGRESS: 1973–74

I. ENACTED AND PUBLIC LAW

Economic Stabilization Act Amendments (Authority for Fuel Allocation)	93–28
Rural Electrification Act	93–32
Federal Aid Highway Act (Allows use of Highway trust fund for mass transit)	93–87
Amend EURATOM Cooperation Act	93–88
Rail Passenger Corporation	93–146
Trans-Alaska Pipeline	93–153
Emergency Petroleum Allocation Act	93–159
Daylight Saving Time	93–182
Northeast Rail Service Act	93–236
Highway Speed Limits	93–239
Funding Appropriation to Explore and Develop NPR's (Naval Petroleum Reserves)	93–245
Fuel Cost Pass-through for Truckers	93–249
Federal Energy Administration	93–275
NASA Authorization (Includes solar satellite power station study)	93–316
Energy Supply and Environmental Coordination (Coal Conversion and Clean Air Amendments)	93–319
Energy Research and Development Appropriations	93–322
Housing and Community Development Act (Promotes energy conservation and use of solar energy in housing)	93–383
Aid Energy-Affected Small Business	93–386
Natural Gas Pipeline Safety Act, additional appropriations	93–403
Solar Heating and Cooling Demonstration Act	93–409
Geothermal Energy Act	93–410
Public Works and Economic Development Act: Title IX Special Economic Adjustment Aid, Special Aid for energy affected areas and industries	93–423
Defense Production Act of 1950, extend for one year. Includes materials and fuels allocation authorities and provisions of S. 3523, to establish a temporary National Commission on Shortages and Supplies	93–426
Amend Daylight Savings Time	93–434
Energy Research and Development Administration and a Nuclear Regulation Commission	93–438
Federal Columbia River Transmission System	93–454
Solar Energy Research and Development Act	93–473
Foreign Investment Study Act (to investigate foreign investment in the U.S., particularly in coal and other natural resources)	93–479
Suspend duty on methanol	93–482
International Nuclear Cooperation, Congressional Approval of	93–485
Export Control (requires Commerce—FEA consultation to determine whether monitoring of exports of oil production equipment is needed)	93–500
Urban Mass Transportation Act (S. 386)	93–503
Extend the Emergency Petroleum Allocation Act until August 15, 1974	93–511
Energy Research and Development	93–577
Deep Water Ports Act	93–627
Extend 55 mph Speed limit indefinitely, allow greater truck weights (in Federal Highway Act)	93–643
Export-Import Bank Act, Amend. (Restrict Ex-Im assistance for Soviet Union Energy Projects)	93–646

II. VETOED

Energy Emergency Act (S. 2589, H.R. 11450).

Atomic Energy Act, Price-Anderson provisions (H.R. 15323).

TVA Pollution Control Cost Credit (H.R. 11929, S. 3057).

Energy Transportation Security Act (H.R. 8193).

Surface Mining Control and Reclamation Act (S. 425, H.R. 11500).

III. SELECTED ENERGY BILLS PENDING ON THE CALENDARS AT ADJOURNMENT

Council on Energy Policy (S. 70).

National Land Use Policy (S. 268, H.R. 10294).

National Resource Lands Management (S. 424).

Oil Shale Revenues (S. 3009).

Outer Continental Shelf Supply Act (S. 3221).

Elk Hills and Naval Petroleum Reserves (S.J. Res. 176).

Federal Coal Leasing Policy (S. 3528).

Construct Coal Slurry Pipelines (S. 3879).

Aid for Independent Oil Refiners (S. 2743).

Protect Franchised Dealers in Petroleum Products (S. 1694).

Aid to Utility Cooperatives Serving Food Producers (S. 2150).

Oil and Gas Energy Tax Act (H.R. 14462).

Energy Tax and Individual Relief Act (H.R. 17488).

Standby Energy Emergency Authorities (S. 3267, H.R. 13834).

Energy Conservation and Greater Efficiencies in Electrical Energy (S. 2532).

Resource Conservation and Energy Recovery Act (S. 3954).

Energy Conservation in Federal Facilities (H.R. 1565).

Promote Efficient Use of Energy, Establish Architectural Guidelines (H.R. 11714).

Federal Mass Transportation Act (H.R. 12859).

Mr. KENNEDY. I would remind my good friends from Wyoming, Kansas, Nebraska, or Oregon that the concerns for the economic consequences of the President's energy program that have been expressed by those who are supporting this bill are not limited to the members of the Democratic Party. Arthur Burns has stated before the Joint Economic Committee, with regard to the energy program, there are parts, "I think are hazardous at a time like this * * *."

Here is the former Deputy Assistant Administrator for Policy and Planning, Charles Owens:

> Fundamentally we believe the President's program is based on several highly dubious assumptions.

John Sawhill, former Administrator, said:

> A balanced energy budget is an important national goal, but not if it is accompanied by economic dislocations that would largely obliterate its benefits. And this, I fear, might well be the case with the President's program.

These are not Members of the Congress or the Senate. These are people who contributed to the development of the President's program who have stated their reservations and their concerns.

All we are asking, as the Senator from Rhode Island is asking, is for 90 days for the development of alternatives. Yet we hear those who say, "It really is not the energy tariff. That is not the issue. It is the question of leadership."

But I do not hear those who are asking for a rejection of this bill standing on the floor this afternoon and repeating recent statements of the Secretary of Interior concerning the President's program. He said that the program could mean 75 cents a gallon for gas by this summertime. I do not hear them saying that the homeowners of this country are going to be paying anywhere from $700 to $800 additional for direct energy costs from the President's program. I do not hear those opposing this bill standing to say that they want to enact and impose these higher costs on the American family.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. Just 15 seconds more.

Mr. President, the one thing that H. L. Mencken, the writer, said was that for every complex problem there is an easy, simple answer, and it is wrong.

That is just what we have with the President's program. It is ill-conceived. It is ill-advised. It is wrong for the country. I hope those who feel that way will support this measure.

Mr. RIBICOFF. I yield the remainder of my time to the Senator from Utah.

Mr. GARN. As everyone else knows, Mr. President, I was not in the Senate last year. I was mayor of a city. As an outsider looking in, we were all disturbed in the National League of Cities at the lack of action, the lack of addressing the Congress to the energy problem. Fifteen months have gone by with this Congress not showing any leadership, in my opinion, on either side in coming up with an energy package.

I do not happen to agree with the $3 import tax of the President. However, I will vote against this 90-day delay. That might surprise you, Mr. President. Saying I am against it should indicate that I should vote with the majority. But I have sat here as a Senator now for 4 weeks hearing a lot of rhetoric, a lot of talk, and rather than spending that month or 5 weeks talking about delay, why have we not been debating the President's program, rejecting it, amending it, throwing it out, or coming up with alternatives?

A month has passed with that. Rather than the rhetoric on delay, the impact on heating oil and other products will not take effect at the retail level for weeks. So the Democrats, the majority, have their delay of 90 days.

The VICE PRESIDENT. The time on the bill has expired.

Mr. GARN. I say it is time for action, to get down to the business of solving the energy crisis of this country and not more delay.

The VICE PRESIDENT. The Senator from Kansas.

Mr. DOLE. Mr. President, I ask unanimous consent to withdraw my amendment.

The VICE PRESIDENT. Without objection, it is so ordered.

NO TARIFF ON OIL

Mr. HUMPHREY. Mr. President, I have repeatedly criticized the administration's energy-economic package. It is inequitable, inadequate, and ill-conceived. It will not stimulate the economy this year; and next year the program will actually be a drag on the economy. As a result, it will not cut unemployment. Rather, it could boost unemployment by over 400,000 persons and push the unemployment rate above 10 percent this fall.

The administration's package is also inflationary. As the Congressional Research Service of the Library of Congress noted, the energy package alone would boost prices of energy by $50 billion directly. Additional billions would be added as the cost of everything from fertilizer to plastics to drugs are indirectly raised. The tariff on oil alone will add over $6 billion to energy costs. The package would raise prices this year by 3 or 4 percent—pushing all prices up at an 11-percent rate.

Put simply, the administration's energy proposal is not acceptable. Congress should not approve it. This opinion is shared by essentially all professional economists who have testified before the Joint Economic Committee. I will note several comments on the administration's energy package in concluding my remarks.

It is vitally important that the Congress and the administration jointly develop a reasonable energy program. The constant name calling and bickering between us must stop. With this thought in mind, I and 13 fellow members of the Joint Economic Committee sent a letter on January 29 to President Ford proposing establishment of a joint energy task force. This joint congressional-Executive task force should serve as the vehicle to develop within 60 days a national energy policy.

It is my hope and the hope of my colleagues that the administration will accept our offer to jointly develop an energy policy. That is the primary reason why we are postponing the proposed tariff hike on imported oil. If we are to have an energy program, Congress and the President must act in unison to piece it together. Unilateral action on either side simply delays the date when we will have that program.

Mr. President, I ask unanimous consent that the Joint Economic Committee's letter urging establishment of a congressional-Executive energy task force, and brief extracts from the testimony of the Nation's experts on the impact of the administration's energy proposal, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JANUARY 29, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The undersigned members of the Joint House-Senate Economic Committee commend your attempt to cope with the current problems of energy and the economy in a comprehensive fashion. We agree that our economy cannot attain, much less maintain, steady and healthy growth in the absence of a just and effective national energy program. It is equally clear that a reduction in the level of oil imports is essential in meeting this goal. In short, we share your long-term goals and we support many of your energy proposals designed to accomplish these ends.

But we are writing to express our grave concern that the growing confrontation in Congress over your specific energy proposals will prevent the prompt and cooperative action on a tax reduction and energy program that is vital to achieving renewed economic growth.

Our first priority must be putting America's capital and human resources back to work. Congressional leaders of both parties recognize this fact and they are committed to passing a mutually acceptable tax relief bill.

We regret that similar agreement does not exist in regard to your energy proposals. There is agreement that your energy proposals will be inflationary, but little agreement as to how inflationary. Your own advisors have estimated two percent and others have suggested four percent. The Congress is naturally reluctant to enter on such a course until alternative proposals have been fully explored.

There is disagreement about the impact of your energy proposals on the standard of living of American consumers. Specifically, there are questions as to whether proposed tax reductions will balance off the average increases in energy costs which consumers will be obliged to pay. Estimates of the net outflow of funds from the economy due to higher energy costs vary from $3 billion to $25 billion. There are also differences of view on the reductions in energy consumption that will result from higher prices, the effectiveness of an excess profits tax in stimulating new domestic oil production and the amount of reduction in imports which is immediately necessary.

In light of these questions, Congress is seeking additional time to address your energy proposals in an informed and responsible way. Since our energy problems cannot be solved immediately in any event, we would propose that you defer imposing further increases in import fees on petroleum products. We would urge that the next 60 days be used to bring together a task force on energy policy made up of representatives in that field from your Administration and a bipartisan group of members of the House and Senate selected by the majority and minority leadership of both bodies. It would be charged with developing a mutually agreeable energy policy upon which prompt congressional action might be taken.

If you see merit in this course of action, Congress might move more swiftly to passage of critical tax legislation while continuing a responsible evaluation of your far-reaching energy proposals. It would be our hope that our proposal would result in the most prompt and effective agreement possible on both tax and energy proposals and obtain the maximum support from the American people.

Sincerely,

Hubert H. Humphrey, William Proxmire, Jacob K. Javits, Edward M. Kennedy, Lloyd Bentsen, Clarence J. Brown, Richard Bolling, William S. Moorhead, Lee Hamilton, Abraham Ribicoff, Henry S. Reuss, John Sparkman, Gillis W. Long, and Margaret M. Heckler.

Testimony on President Ford's energy program before the Joint Economic Committee

By GEORGE L. PERRY, SENIOR FELLOW, BROOKINGS

"A substantial rise in the price of oil will add a huge new burden depressing the economy and will undo most of the expected improvement in the inflation rate.

"While bringing down the international price of oil is a very desirable goal, increasing energy prices in the United States is an extremely costly and unpromising way of trying to achieve it.

"In view of the state of the economy and the need for massive measures to reverse its decline, it is alarming that the Administration has proposed adding the burden of sharply higher fuel prices. The President's proposals would add more than $30 billion to the nation's bill for fuel and other petrochemical products, most of it to be paid by consumers: Releasing 'old' oil prices would add $12 billion and the $2.00 excise tax on oil and gas $20 billion more. If one believed coal prices would rise in response to oil prices, or that industry unit margins would expand in response to any decline in volume that would accompany higher prices, the total bill would rise even more.

"We should avoid crusades to deliberately reduce the amount of oil available to our country or needlessly to raise its prices. Such policies can only worsen our economic problems."

BY HENDRICK S. HOUTHAKKER, PROFESSOR OF ECONOMICS, HARVARD UNIVERSITY

"Finally, I wish to restate the main message of my testimony: Let us save our attention for essentials, namely the turning around of the recession and control of future inflation."

BY CHARLES L. SCHULTZE, THE BROOKINGS INSTITUTION

"Let me start by urging the Congress to separate the problem of economic recovery from the problem of energy conservation, and to concentrate initially on the former. If I put the current economic troubles of the country on an index of 100, I would count the problems of recession and inflation as 95 and the problem of oil conservation as 5.

"I think the urgency of measures to promote economic recovery is so great that they should get immediate attention and not be delayed by what will inevitably be a very difficult economic and political struggle over what to do about oil.

"The first needed action is for the Congress to remove or at least postpone, by legislation, the President's power to impose the oil import fee administratively. This would give the Congress time to consider alternatives to the President's program."

Mr. HATFIELD. Mr. President, in his state of the Union address, President Ford declared his central energy objective to be the reduction of oil imports by 1 million barrels per day by the end of this year, and 2 million barrels per day by the end of 1977. The components of his near-term program are designed to meet these goals. If one accepts these goals as wise and realistic, then the debate narrows to a consideration of the two major alternatives that could meet these goals: oil price increases or allocation/rationing. If one does not accept the import reduction goals of the President as realistic in this time of economic chaos, and I, for one, do not, then other alternatives become possible.

Beyond the next couple of years there are many more acceptable options available that can have a large impact on our total demand for energy. These options would include such objectives as increasing automobile mileage, establishing building thermal regulations, providing tax credits and subsidies for thermal improvements in residences, setting standards for electrical appliance efficiency, recycling of materials, establishing a national strategy for freight transport that emphasizes the energy efficiency of rail and water, moving to high end block rate structures for energy utilities—the more blocks of electrical power or natural gas you use, the higher the rates you pay for the additional blocks, stopping the flaring or natural gas at oil wellheads, and stimulating energy savings in major industrial processes.

The hardships we would bring upon ourselves by rationing or by inflicting sharp price increases over the next 2 years would amount to a self-imposed Arab oil embargo or an infliction of cartel prices, or both. Out in the West, in my State of Oregon, we depend upon relatively large quantities of gasoline just to accomplish the necessities of day-to-day living and working. Today, with the economic picture as bleak as it is in my State, we just cannot stand another large dose of energy inflation with a ripple effect that will be felt in every enterprise and every household in every corner of our broadly oil-based economy.

In our frenzy to do something about the energy situation, let us not turn our backs on the people we represent, who, almost unanimously are saying, "Please, no more inflation, no more taxes right now."

Mr. MUSKIE. Mr. President, I am casting my vote for H.R. 1767, to prohibit the President of the United States from imposing a $3 per barrel tariff on imported oil.

I cast this vote to lift a burden of enormous magnitude from the people of Maine and 49 other States. It is a vote for a return to policymaking that recognizes human needs—that recognizes our national priorities.

The President would have Americans believe that their only salvation from Arab oil blackmail is to raise oil prices ourselves—to make oil cost so dearly that people will use less. His goal is to save 1 million barrel per day.

It is a desirable goal, but the method is unthinkable at a time when the endurance of people has already been sapped by recession, inflation, and doubled energy costs.

The President has proposed a tariff that would sap at least 30 billion consumer dollars from every part of our ailing economy. It is as if all the debate, all the careful study, all the hard experience of the past 18 months have been ignored.

I cannot accept that this oil tariff is the only path to energy conservation.

I cannot accept the idea we must impose a policy that will force higher prices on every American family—not just for fuel, but for electricity, for food, for clothing, for virtually every service and product.

In Maine, direct costs alone of the President's tariff would be over $150 million, and indirect costs would be several times more. For the average Maine family, it means that a winter heating bill that has nearly tripled to $700 in 2 years will cost $178 more.

Think of it—nearly $900 to heat an average home for one winter.

I cannot accept the joblessness that the President's tariff would cause.

I cannot accept that the Government can simply return the oil tariff revenues to consumers with rebates. There are simply too many people and too much room for error to avoid widespread inequities.

In short, I cannot accept the reasoning that imposes such indiscriminate suffering on people.

The President's tariff is a textbook solution—simply raise the price of something and consumption will go down. But this is no textbook problem. Our energy problem is much too complex and human.

That is why we need a comprehensive energy program consistent with our economic and human problems. We must have a program that does not throw people out of work and does not guarantee more double-digit inflation. We must have a program to reach a realistic savings of imported oil in an orderly manner.

There is such a program. There is a better way. The outlines of a congressional alternative are now taking shape.

This program proposes a gradual decrease in imports—roughly 2 percent per year—until by 1985 we import no more than 10 percent of our oil requirements. We can do this without disrupting our economy further, without causing widespread suffering, and with the same results as the President proposes.

As I cast my vote, I think back to last month, when I held hearings in Maine on the impact of oil prices there.

One witness reminded me that we could impose a tax of $150 a barrel, and people would still need to heat their homes.

Another witness told me that the poor—who will be hit hardest—have already conserved. Conservation has been a necessity for them for years already. They are doing the best they can.

Another man tearfully related how he was forced out of business because of fuel cost increases, and for the first time in his life applied for food stamps.

In only one day of hearing, I heard scores of people relate their personal experiences of coping with high oil costs. I cannot ignore their suffering.

Yet, I had the overwhelming feeling that these people have been ignored in the President's energy program.

But they certainly can—and will—be included in our Nation's energy program. I and others in Congress are working to insure that.

SUSPENSION OF FEES ON PETROLEUM IMPORTS

Mr. WILLIAMS. Mr. President, I am very alarmed by the potential impact on our economy of the President's proposal to increase the cost of petroleum imports. I am convinced that the cost to our economy will far exceed the benefits which might be derived. In reviewing the testimony which has been given on the administration program, I have concluded that the President's decision will only aggravate our serious economic decline. It is especially disturbing to realize the disproportionate impact which the proposal will have in the northeastern part of our Nation.

As chairman of the Committee on Labor and Public Welfare, I have been holding hearings on the ever-worsening unemployment situation. It is clear to me that our first priority must be to reverse the worse recession since the 1930's.

A study prepared for the Chase Manhattan Bank indicated that it will cost this country $10 billion in economic production and increase the number of Americans on unemployment by half a million in 1976. The President's energy proposals will also add at least 3 percent to the inflation rate we are now experiencing.

I do not challenge the need to reduce our reliance on foreign sources of petroleum. That reliance is draining our wealth, threatening our national security, and interfering with our financial markets. The question is not whether we will reduce our foreign dependency, but how quickly, by what means, and at what expense.

I am unwilling to act in a way that will needlessly aggravate the short-term crisis facing our citizens throughout our Nation. The specter of unemployment is haunting our citizens in a way most of them have never experienced, and the rest of us hoped we would never experience again. The problems of feeding and clothing families, meeting health costs and keeping up rents and mortgages are beginning to overwhelm our people. We cannot aggravate the short-term economic crisis in the delusion that, by doing so, we will solve the long-term energy shortages confronting us. Our economic crisis must be met now. The energy crisis has been developing for many years, and will require many more years to solve.

We must act to meet our immediate need of increasing economic production while initiating programs to meet our long-term goal of reducing energy consumption. The mandatory conservation measures which we adopt must be phased-in in such a way that they will permit economic recovery while minimizing inflationary pressures. Unfortunately, under the President's proposal the benefits of reduced energy consumption will be outweighed by the tremendous sacrifices being required of the American people.

Congress should have no difficulty in opposing a measure which increases inflation, aggravates the recession, will result in more unemployment, and discriminates against consumers in the Northeast.

THE WRONG WAY AT THE WRONG TIME

Mr. NUNN. Mr. President, I support the legislation now before the Senate to delay the imposition of import duties on crude oil. I couple this support with the fervent hope that we will develop a reasonable program to reduce energy consumption by all Americans.

In my estimation, President Ford's implementation of a tariff on imported crude oil is the wrong way at the wrong time. I say this for these major reasons.

First, a tax on imported crude oil inevitably will result in higher prices for almost every item made from petroleum at a time when inflation already is rampant. Our homes will cost more, our schools will cost more, our clothes will cost more, our food will cost more. Rather than bringing about economic recovery, the import tax will add to the inflationary spiral which is one of our chief economic enemies.

Second, such a tax and the resulting inflation will impose economic hardships on those least able to bear them, such as the poor and those on fixed incomes. Wasteful consumption must be our target—not the necessities of life which the poor and the old already find too expensive.

Third, the oil-producing countries could take the oil import duties as an excuse to raise prices even higher, which will result in our sending many more billions of dollars abroad.

Mr. President, I fully agree that we must reduce our energy consumption, and I applaud the President for forcing us to consider this matter with the urgency it deserves.

In devising a plan, however, we must be wary of short-term, ill-conceived solutions. We must have a long-term energy savings program, which will entail some tough decisions affecting the life of every American citizen.

A comprehensive plan must result in a drastic reduction in the unnecessary use of automobiles. In addition, the automobile manufacturers must be served with the message that our national policy henceforth is more efficient cars that will conserve fuel.

We also must develop and implement vigorously a voluntary program of energy reduction. Voluntary programs have been talked about for a year, but there has been little action since the gasoline lines at service stations disappeared last spring. I know of no vigorous efforts by the Federal Energy Administration or the Commerce Department to encourage voluntary programs, although Administrator Zarb and Secretary Dent have assured me that they are anxious to spur this effort in the very near future.

I have instructed the staff of the Government Operations Subcommittee on Oversight Procedures, of which I am honored to serve as chairman, to begin a review of what efforts can be made to encourage voluntary reductions in energy consumption. Within the next few weeks I hope that hearings can be conducted by the Government Operations Committee to point out how voluntary efforts can be successful.

When I was in the Far East recently on Armed Services Committee business, I found that the corridors of large buildings in Japan are no longer heated. If this were done voluntarily in this country, the energy savings would be enormous.

While we must continue to develop every new possible source of energy right here at home, we must not overlook a resource that already is available. That resource is the vast amount of energy that we waste every day. Research and development must go forth to put this wasted energy to effective use.

If such voluntary efforts are to be undertaken, the full force of the Federal Government must be exerted. Every Federal employee, especially those who come into contact every day with the public, should be charged with constantly reminding their fellow citizens to reduce the amount of energy they consume.

We Americans are a people of courage, determination, and discipline. I believe we will rally to a well-conceived voluntary program just as we have rallied to meet grace national needs in the past. But we must be led and inspired in this endeavor, and that leadership must orginate right here in the Congress.

The Congress faces some very difficult decisions over the next few months, and we must act responsibly to deal with our energy problem over the long term. We must endeavor to reduce our energy consumption without doing further damage to our economy. President Ford's program fails to meet this basic criteria, and it should be delayed for 90 days. During this period, we must find a reasonable solution.

Mr. President, I stand ready to do my part.

Mr. PHILIP A. HART. Mr. President, the Senate should revoke the President's authority to impose without congressional approval a $3-a-barrel tax on oil imports for two reasons:

First, if a cutback of 1 million barrels a day in the amount of oil the Nation imports is a valid goal, the President's proposal is neither an effective nor fair way to reach that goal.

Second, given the condition of the economy and reductions in fuel use already achieved, the administration has not made a case for cutting back our oil imports by 1 million barrels a day. Should we someday again have a healthy economy—how will we fuel our industries?

Unhappily, but not surprisingly in light of the way arguments too often are framed in Washington, too little public attention has been paid the second reason.

Rather, supporters of the Presidents' program argue that Congress should not delay or reject the program unless it has one of its own to recommend. And further, Congress should be criticized for not having its own program ready to go right now.

That is a curious rationale.

Each of us, I am sure, has some pet idea which we believe crucial to the well-being of the Nation—if not to our own reelection—and would be pleased to have the program slide through because opponents had no alternative to offer. I suggest we would do well to continue to endorse the practice of putting the burden of proof on those who propose a course of action.

The wisdom of that approach was demonstrated this past fall when Congress refused to be hurried into passing a tax increase which President Ford said should be enacted immediately. Most people would agree that Congress was right not to follow that advice, and I find it difficult to understand the logic which suggests we should enact this administration's latest proposal without question.

The attraction of an accept-or-alternate argument is, of course, that it seeks to limit the debate on the means to achieve a goal rather than on the goal itself.

Not only is the means to the President's goal faulty, but the goal is, too.

As I and others have pointed out before and in debate today, the means will inflate all energy prices and impede chances of an economic upswing. If we agree that it is critically important to reduce our oil imports by 1 million barrels a day, we ought to find a better way to achieve the goal—and the argument that Congress should have that better way ready to present now might have some merit.

But, back to that troublesome goal—where did it come from?

When pressed to explain the reason for cutting back oil imports by 1 million barrels a day, it appears the figure was selected for its public relations value rather than as the result of an analysis of our economic and energy needs.

Certainly Members of Congress understand the value of presenting complex problems in simplified terms, but in setting a national policy which can affect tens of millions of people, the PR concerns should come second.

Let us take a look at what a 1-million-barrel reduction in foreign oil might mean.

In 1973, this country used 17.5 million barrels of oil a day, including natural gas. In 1974, because of conservation and reductions in industrial output, we used about 17 million barrels a day. Of that amount, about 6 million barrels came from foreign sources. The import figure has since jumped to about 6.8 million.

It can be agreed that an economic upswing in 1975 will mean an increase in the amount of energy used by industry over 1974 consumption. However, unless we can offset the loss through further conservation efforts and increased domestic production, a cut of 1 million barrels in oil imports will leave us short of even our reduced 1974 consumption level.

And when you place the possible short-run economic effects against the long-range energy problem, the rationale for a 1-million reduction, if there ever was one, disappears.

Let me explain.

Two years ago, the staff of the Joint Atomic Energy Committee put together a presentation entitled, "The Energy Dilemma."

The message of that study was clear.

Even with optimistic projections for conservation efforts and for development of alternative sources of energy, the gap between the Nation's energy demands and domestic energy production would grow to the equivalent of 10 million barrels of oil a day by 1980 and by 18 million barrels by 1990.

Those figures suggest:

First, that promises of self-sufficiency, energy independence and reductions in the number of barrels of oil imported are misleading.

Second, that we indeed must cut the rate of growth in our consumption of energy and work to develop alternate sources of fuel so that we can narrow the large shortfalls projected for the future.

Third, that even if we narrow the gap, we will still have to import more oil in the future than we do now, which means that a determined effort to cut the costs of imports may be more important than a reduction in the volume of imports.

Fourth, that an immediate reduction in oil imports will have little effect on our long-range energy dilemma and should be rejected for its adverse effects on our depressed economy.

Fifth, and finally, that in setting an energy policy for the decades ahead, we must realize that a significant reduction in energy consumption will also mean a significant reduction in energy consumption will also mean a slowdown in economic growth. That, in turn, raises serious questions for a society based on a system in which the promise of self-improvement and upward mobility has depended on an ever-expanding financial pie.

So the actions the Federal Government takes on energy in the months ahead will have important ramifications for future generations. Given the seriousness of those ramifications, the prudent course is to take a good look at the many options open to us before choosing the path we will follow.

Democrats in Congress, any more than the Republicans in the White House, cannot promise we will come up with the right answers, but we ought to be able to assure people that we took ample time to come up with our best effort.

Mr. President, in November 1973, I wrote a newsletter on "The Energy Dilemma" staff study. In hopes of encouraging others to read the entire report, I ask unanimous consent that my newsletter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE ENERGY DILEMMA

(By Philip A. Hart)

The harder you look at our energy dilemma, the more you realize the fall-out extends beyond economic questions to foreign policy, trade, food production, and perhaps even to the political atmosphere of the nation.

Here I hope to outline the dimension of the energy dilemma, some of the choices and the possible effects we face. Unhappy, I have no definitive answers, but I do have some suggestions on how to proceed.

The staff of the Joint Committee on Atomic Energy has put together a graphic presentation which states the problem clearly. And I'll use their framework to explain the dilemma, which put simply is an imbalance between demand and supply.

For its presentation, the joint committee's staff converted the energy from each source into the equivalent of a million barrels per day of oil. For example, the committee calculated how many tons of coal were burned for a specific purpose, and then determined how many barrels of oil were required to accomplish the same.

Thus, a single measurement can be used for all energy sources.

Using these measurements, energy flow charts were developed for the years 1950, 1960, 1970, 1980 and 1990. The charts break down the amount of each fuel consumed; for what activities the energy was used, and the overall "end use" efficiency—how much was wasted, how much used. For example, some light bulbs give off more energy in used heat than in light.

The charts then give us this kind of information. The United States used the equivalent of 19.5 million barrels of oil a day (MBD) in 1960. (From this point, I will subsitute the word "units" or the abbreviation "MBD" for a million barrels of oil a day.)

The uses broke down this way:

Residential and Commercial, 5 MBD; industrial, 7.1 units; manufactured goods, 1.1 units; and transportation, 5.3 units.

Of the 19.5 units used, 9.9—or more than half—were "wasted" through inefficient use. Unhappily, for a Senator from Michigan, transportation was the single most inefficient user with 75 percent of its energy "wasted."

While the "breakdown" figures give more detailed understanding of the energy flow, the important figures to retain are those that show increases in total consumption and the amount of that total wasted.

By 1970 the amount of energy used in this country jumped to 29.7 units. While the efficiency rating improved slightly, 14.7 units of that total were still wasted. And not surprisingly, the biggest single source of waste in 1970 was transportation. A close second was the waste from converting fuel to electrical energy, for it was during the 1960's that the use of electricity began its steep increase.

The staff study projects that by 1980 we will consume about 44 million barrels of oil a day, and waste 23. Transportation alone will waste 9 MBDs; conversion to electric energy, 8.1 units.

These figures, it is argued, are firm because we've already made most of the decisions which will affect energy consumption in the years immediately ahead.

Projections into the future are, of course, less firm, but the study estimates that in the 40 years between 1960 and 2000, our rate of energy consumption will have grown from about 20 MBDs to more than 100 MBDs.

That's the demand side of the equation. Now let's look at the supply side.

Even with optimistic projections for development of alternative sources of energy such as hydroelectric, geothermal, nuclear and solar, we will fall short of our demand needs by 10 million barrels per day of oil by 1980 and by 18 million barrels by 1990.

If we cut back projected demand to a conservative figure of 87 units in the year 2000, we will be short 20 MBDs.

To reach those optimistic projections on alternative sources of energy could mean:

Increasing offshore drilling activities;

Tripling strip-mining of coal and increasing underground mining by 50 percent;

Developing geothermal energy to match the output of more than 100 Hoover Dams;

Increasing our hydroelectric capacity on a massive scale which would require building dams in places such as the Grand Canyon;

Continuing to build many nuclear power plants.

Even with optimistic projections, if indeed we would be willing to accept such developments, we will not be self-sufficient.

So, the ramifications of this dilemma are indeed broad.

How much can we afford to pay for foreign oil . . . $20 billion a year; $30 billion?

What effect will our need to import oil have on foreign policy, not only in the Mid-East, but as it affects our ability to maintain a credible defense posture or to transport an adequate share of our exports and imports?

Obviously, we must consider balance of payment problems and not just because of oil imports. In the years ahead, food may continue to be one of our major exports, but a shortage of natural gas needed to produce fertilizer threatens to limit a needed increase in farm production.

How do we meet our responsibility not to destroy the environment for the generations to come while meeting the basic needs of today?

At what point, if any, must those who would bar any damage to the environment compromise lest public opinion swing back so far as to reject all environmental concerns?

What does the dilemma mean to efforts to alleviate poverty at home and upgrade the standard of living for the poor nations of the world?

And what if an energy crisis meant lost jobs, food shortages, higher prices?

Those are a few of the tough questions, some of the competing claims which must be balanced when we talk of the long-range problems.

In the short run, it would appear that our only immediate solution will be mandatory allocation. That is a difficult and unpleasant prospect, but the only one I can see which will be able to meet this nation's needs.

And, because of that, it is all the more important that we look now at what we will have to do in the future.

How do we begin? First, dilemma should be spelled out. Only if there is widespread understanding of the problem will policy makers focus on the questions, and will the public accept some of the disagreeable decisions which must come.

The Atomic Energy Committee's presentation needs to be publicized if for no other reason than to discourage politicians from offering simple solutions where none exist.

Next we should create in Congress and in the Executive Branch focal points to draw together the varied strands of policy needed to make up a national strategy.

Then we must develop a national strategy which recognizes that efforts must be made to curb demand as well as increase supply.

Specifically, Congress should establish a broadly representative joint committee on energy in which all the competing claims and strategies could be weighed side by side. Today, concern for the energy dilemma is split among countless committees and subcommittees.

Similarly, such a focal point should be created in the Executive Branch, though an energy department should be separated from agencies charged with protecting the environment. I favor that separation because any debate on balancing environmental and energy concerns should be inter-department and public rather than intra-agency and private.

Recognizing that motor vehicles are a major "waster" of fuel, any national strategy must be concerned with incentives to greatly increase the fuel efficiency of the transportation segment of our economy perhaps through minimum standards or taxing provisions on engine horsepower.

We must take these steps now, if we hope to have them affect the future. Lead time is most important, and while we must make some short-range decisions for the immediate future, our strategic concerns must be for 1980 and beyond.

Mr. BIDEN. Mr. President, the energy problems facing this country are most serious. Effective and equitable solutions must be found. One area in which I agree with the President is that the problem cannot be attacked on a piecemeal basis. A comprehensive approach is required. While the energy-economic plan submitted by the President is comprehensive, it fails miserably in that it "programs in" or targets unacceptable economic conditions. By his own admission, the consequences of President Ford's program are a rate of unemployment of 8 percent for 4 years and the continuance of a high rate of inflation. What is even more alarming is that the economic experts are suggesting that the President has underestimated the unemployment and inflation that would result from the administration program.

Senators who are considering supporting the President today should try to conjure up in their minds what a 4-year average of 8 percent unemployment means and just how they think this Government is going to alleviate the hardships of the long-term unemployed. Are we going to extend unemployment benefits 3½ years? We are having all of the problems we will ever want handling the problems of unemployment in the short term.

The unilateral action that the President has taken with respect to the oil import tax and is proposing to take on the decontrol of old oil contradicts his charge to Congress that they come up with a comprehensive program of their own.

I just cannot understand the logic of taking these two devastating actions without congressional assurance on the rest of his program and then arguing the need for a comprehensive program.

Since congressional approval is required for the remainder of the program, by making these two decisions is not the President acting on a piecemeal basis?

Our rapidly deteriorating economy cannot now withstand the shock of drastic solutions to the energy problem. With a national rate of unemployment of 8.2 percent and climbing, with the problem of rising prices hardly considered under control, and with business and consumer's future economic expectations becoming increasingly pessimistic, it is my opinion that the drastic energy solutions proposed by the President and others will just serve to undercut the present efforts of the Congress and the Federal Reserve to stop the current economic slide.

The imposition of the import tax on oil is the first step in the administration blueprint for economic disaster. Congress must assert itself. By passage of H.R. 1767 we can bring a halt to the President's unilateral energy program. This will allow Congress the time to come up with an economically safe and equitable program.

Mr. ROTH. Mr. President, after considerable study and careful deliberation, I have decided to support legislation suspending for 90 days President Ford's authority to impose import fees on crude oil. I appreciate the President's efforts in presenting a comprehensive and action-oriented energy package; however, I believe that the risks involved in immediate implementation of the import tariff features of his program outweigh the possible benefits.

I support the President's goals to reduce our dependence on imported oil and to increase our domestic energy production. However, the first priority must be to get the economy moving again without unleashing the new round of inflationary-recessionary pressures which I believe are inherent in the President's tariff program as it is now designed.

While I agree with the President that tough measures are needed to solve our energy problems, I am fearful that the significant changes he has proposed could cause too great a shock to our already weak economy.

The most immediate and demanding issues facing our Nation are recession and inflation. It is my belief at this time that we must first concentrate on these problems while phasing in policies to cope with the energy situation.

The energy crisis is complicated and complex, and we cannot ignore the possibly adverse impact that the President's program could have on economic recovery.

There have been serious questions raised, by virtually every economist who has testified before Congress in the last 3 weeks, about the impact of the energy program on the economy, and I do not think that it is unreasonable for the Congress to insist upon a 90-day period to further review and study our energy options.

I am not saying that I will not ultimately support the President's program particularly if the Congress does not take effective action. But I do believe that the Congress must have a chance to determine the program's impact on economic growth, on unemployment, and on inflation, and to explore the full range of options available to deal with our energy problems.

Congress must not allow the energy program to keep it from enacting an immediate economic recovery program. I believe that a tax cut is the best way to get the economy moving again, but the oil tariff could have the effect of taking more out of the economy than the tax cuts put in, with the ultimate effect being one of fiscal restraint.

Unemployment has increased at a shocking rate during the last few months, and the possible loss of consumer purchasing power due to increased energy prices could have an additional impact on the job situation.

There is a definite relationship between jobs and energy, and our first priority in energy conservation must be to cut back on energy waste, not on job-producing energy use.

I am also concerned about the inflationary impact of the energy program, which could translate into an additional 2- to 4-percent increase in the Consumer Price Index. These price increases would occur in products which cannot be easily cut back on or conserved.

I personally have very serious reservations about the tariff's impact on the east coast, particularly on my home State of Delaware in terms of jobs and prices.

Delaware relies heavily on sources of imported crude oil and petroleum products for its energy requirements in homes, businesses, and agriculture. Some 70 percent of the homes in Delaware use heating oil, a large portion of which is an imported product. Farming, a major aspect of our State's economy, relies heavily on imported products for heating, processing, and transportation.

Additionally, the impact on Delaware's petrochemical industry, which is the largest employer in the State, would also be substantial. The tariff will add costs directly to the industry's most important basic material, petrochemical feedstocks, a substantial portion of which is imported. This, in turn, would impact both jobs and prices.

In general, there is a great deal of merit to many of the short- and long-term features of the President's total energy program. He has called for stricter conservation standards for homes and buildings, and increased funding for energy research and mass transportation.

And the President has justifiably rejected the short-term expediency of a rationing program, which would do nothing to provide a long-term solution for our energy problems.

Valid solutions to our energy problems will not be developed easily, and will undoubtedly require sacrifices from all of our citizens.

The President and the Congress must share a willingness to compromise and to make accommodations in order to come up with a consensus program.

This is not a time for confrontation politics. We must not seek a Democratic or a Republican program, or a congressional or a Presidential program but an American program that all citizens can understand and support.

Mr. President, I would make one point clear in supporting this legislation. That is, that I do not consider this action in any way to relieve the Congress of the responsibility it has undertaken to work with the President to develop a totally responsive national energy program. If I become persuaded at any time that Congress is not willing to assume this responsibility, I will not hesitate to support the President in his efforts to compel congressional action.

Mr. TUNNEY. Mr. President, I would like to take this opportunity to explain why I will vote to delay the President's plan to increase oil tariffs and decontrol the price of domestic petroleum.

The President has portrayed his drastic program as necessary, not only for its own sake, but to awaken a sleeping Congress to the need for action to conserve energy and increase development of domestic supplies. But, it is a program which ignores the reality that we are in a recession twice as deep as any since

1941, and getting deeper. It is a program which ignores the reality of the worst inflation in our national experience. It is a program which exploits the oil problem as an excuse to foul the air and to ruin the beaches. Finally, it is a program which falsely pretends that Congress has been blind to the energy situation and which masquerades as the Nation's only salvation from the threat of oil blackmail.

Mr. President, last month the national unemployment rate reached 8.2 percent. Many economists now fear that it will rise above 9 percent before the year is out. George Meany of the AFL–CIO has predicted 10 percent. The people of my State have no trouble believing Mr. Meany. Unemployment has exceeded 10 percent in several major California communities for the last several months. We are, in short, facing an economic emergency against which the problem of oil-dependency pales by comparison.

The President's package of energy proposals would have a terrible impact on employment. Already, city, county and State governments are cutting services and laying off thousands of employees in a desperate effort to balance their budgets. Imagine what would happen if, as a result of the Ford proposals, Government's energy costs leaped 20 to 30 percent. How many more would be out on the street with no prospect of alternative employment? Nobody knows, not even the President has an estimate of the full unemployment effect of his program.

We have no idea how many more people would lose their jobs in the transportation industry, but we know it would be a substantial number. Increasing the overall average price of a barrel of petroleum from $8.50 to somewhere between $13 and $14, as the President proposes, would force major increases in bus, railroad and airline fares. Ridership would decline and thousands of transportation workers would be on the streets. Joining the ranks of today's 7.5 million unemployed would soon thereafter be additional thousands of workers in the hotel, restaurant and tourism industries. Millions of workers are today employed in petrochemical and petrochemical-related industries. What is to happen to them when the President's plan prices their products out of the market? What is to become of employees at hospitals and colleges which must reduce services in order to meet steep energy cost increases?

Mr. President, as I discuss this matter with businessmen, economists, bankers and government officials in my State, I become increasingly convinced that we allow Mr. Ford his druthers only at great peril. As the Nation focuses its efforts on reversing the worst economic tailspin in 3½ decades, nothing could be more inappropriate and less useful than the President's proposal to overnight more than double the average cost of domestic energy.

Mr. President, a short 4 years ago President Nixon imposed general wage and price controls. There was then much concern over the corrosive effect of inflation and general agreement on the urgency of strong action to restore price stability. The 1971 economy was inflating at the rate of 3½ percent a year. Controls did not work. In fact, they made things worse. Last year the cost of living rose 12 percent and along with it went the savings, the purchasing power, the standard of living and the jobs of tens of millions. Until the President announced his program, there was some hope for relief. Now we are confronted with a deliberate Presidential policy which could ensure that 1975 inflation is at least as bad as that of 1974.

If we adopt the President's budget and energy proposals, his advisors, say, confiscatory rates of inflation are sure to be with us not only this year but through the rest of this decade. Mr. President, there is simply no justification for a policy that will unnecessarily add 3 to 4 percent to the cost of living this year and for several years thereafter—particularly not when most of the sacrifice will come from the hides of the working, the poor, and the elderly men and women of America. Two years ago representatives of the major oil companies came before committees of the Congress and testified that, at the "right" price, they could and would drill out every drop of oil in the United States. That price was $5 per barrel. Today, the President says that the price of "old" oil must increase from $5.25 to $11 per barrel, not counting additional taxes, if we are to encourage new exploration. Never mind double-digit inflation. Never mind crisis-level unemployment. Who cares if the people breath contaminated air or lose their beaches to oil slicks. Nothing matters but drill, drill, drill. I do not believe in these priorities, and I know few who do.

The administration has submitted several proposals which should be closely examined by the Congress. These include the following:

A proposal allowing a massive giveaway of precious oil and gas resources in the Outer Continental Shelf while at the same time wreaking environmental degradation along our coastlines.

A proposed 5-year delay in the Clean Air Act while relying on voluntary assurances of improved fuel economy.

A proposed increase in coal leasing in the West under weakened strip mining controls in an area where 20 to 30 years of coal production has already been leased but not developed.

A proposed energy facilities siting bill which may have the effect of overriding State environmental protection safeguards.

Mr. President, as you and I and every other Member of this body knows, whatever his pretentions, Mr. Ford was not the first to recognize our dangerous dependence on foreign energy nor was he the first to propose needed conservation measures. I note, for instance, that the tax incentive for home insulation which the President offered in his package of energy proposals was successfully originated by the Senator from Utah (Mr. Moss) as long ago as November, 1973, when Mr. Ford was still a Member of the House of Representatives. The Senate also passed a number of important energy conservation measures which I introduced. Among those was the Automotive Research and Development Act, authorizing $340 million in grants and loans for intensive research into the development of a new energy efficient automobile engine, and the Truth in Energy Act.

This legislation requires that major energy consuming products and systems-air conditioners, stoves, refrigerators and the like-be labeled with clearly understandable operating cost information. Expert witnesses testified at Commerce Committee hearings that my bill will stimulate manufacturers to produce appliances that consume up to 50 percent less energy than present models. In addition, I supported and cosponsored a series of other major energy-saving measures that passed the Senate in the 93d Congress. No, Mr. President, the Senate has not been asleep at the switch. We have passed major energy legislation and we will pass more.

But it should be emphasized that this Nation faces the triple threat of recession, inflation and growing dependency on foreign oil. No one of these great problems should be ignored or worsened in order to deal with any other. My objection to the President's plan is that it would increase unemployment and worsen inflation when we are in the midst of the worst economic straits since the early 1930's.

Energy conservation and development need not come at the expense of jobs, higher prices and environmental devastation. There are, I believe, a variety of noninflationary, proemployment measures that could be taken without significant delay. I intend shortly to introduce legislation which will utilize the $2½ billion of gasoline tax revenues now going annually into the highway trust fund to finance a tax credit for commuters using public transportation and increased operating and capital subsidies for mass transit. I am studying the merits of a recent proposal to subsidize the price of energy-efficient automobiles through taxes on inefficient cars, with both subsidies and taxes graduated according to efficiency and inefficiency.

As a member of the Commerce Committee, I look forward to hearings on proposals to alter Federal and State regulatory policies so as to eliminate energy waste. I think it is a crime that State regulatory bodies have often designed rates so that big industrial users pay less and less per unit as their energy consumption increases. We can protect jobs and safely excise large amounts of "energy fat" in industrial usage simply by eliminating existing subsidies of profligate consumption. Policies of the Civil Aeronautics Board and the Interstate Commerce Commission which discourage low-cost travel and efficient use of shipping capacity are now under intensive congressional scrutiny. Reforms in these areas can do much to protect jobs in the recreational industries and to lower food and other costs, to say nothing of their contribution to energy conservation. The Internal Revenue Code should be reviewed and revised so as to encourage energy-efficient styles of building design and to put renovation of existing structures on the same tax footing as new construction. The President has proposed several billions for research into improved energy technologies. This proposal will surely meet with broad congressional favor.

Mr. President, I could go on at some length in this vain, but I think my point is quite clear—Congress can and will move on wide-ranging fronts to deal with the energy problem in ways that will put people back to work and reduce inflationary pressures. We can and will provide safeguards and priorities for development of new energy resources that do not imperil our fragile environment. We will compromise and negotiate with the President and we will develop a constructive approach to the great problems which confront this country.

Mr. HANSEN. Mr. President, I would like to reiterate the supplemental views of several minority members of the Committee on Finance in opposing the House-passed bill, H.R. 1767, which would suspend the President's authority to adjust imports of petroleum and petroleum products into the United States.

These supplemental views are in the committee report on the bill. Also in the supplemental views are part of the separate views in the House report on the bill of Democratic majority whip, DAN ROSTENKOWSKI, a member of the Ways and Means Committee. Our respected colleague from the other body made it plain that he had no doubts about the President's authority to impose the import fee that this legislation attempts to rescind. He said he had no doubt that the President did all that was necessary to comply with the requirements of the law.

In other minority views on the proposed 90-day suspension of the President's authority, both in the Finance Committee report and the Ways and Means Committee report, the history of the national security section of the Trade Reform Act and in preceding trade acts was traced.

As the Democratic whip of the other body made so clear, the President acted entirely within his legal authority as recently extended in the Trade Reform Act.

The cry for delay was only a smokescreen for the inaction of Congress for the past 5, 10, even 20 years in halting a suicidal course toward dependence on insecure foreign oil.

The distinguished majority whip of the other body was honest and candid in attempting to reason with his colleagues. He said:

> In conclusion I believe that if we in Congress are going to oppose the President's program at this most critical time, we should oppose it only if we are able to substitute a positive program of our own. We should not spend hours searching for a mere technicality to block his action, or days complaining how unfair it is for him to take the initiative, using every discretionary tool available to him.

Mr. President, those of us on the Commerce on Finance who filed our supplemental views fully agree with the House majority whip's conclusions and recommend that the Senate reject the 90-day suspension of the President's authority to adjust imports of petroleum and petroleum products so that Congress may get on with the job of amending or changing the other parts of his energy program as it sees fit.

Each day lost means $10 million less in rebates to achieve the objectives.

Prefacing the House majority whip's remarks, we said in the committee report that we would vote against the bill in its present form for the following reasons:

First. It will delay consideration by the appropriate committees of the House and Senate of the major parts of the President's energy program;

Second. It will preempt the President's authority to take even the first step toward freeing the domestic petroleum industry from the stifling effects of Federal regulation and price controls;

Third. With imports now running at the rate of almost 7 million barrels a day—4 million crude and 3 million refined products—a 90-day delay would cost the President's program over $900 million;

Fourth. The effect of a $1 tariff on domestic gasoline prices will be only about 1 cent per gallon according to FEA—rather than the added recessionary effects predicted by some. All other taxes and other provisions of the President's program except the tariff on imports are subject to congressional approval or amendment;

Fifth. Most experts believe in the concept of price elasticity and the marketplace as the most effective way to reduce demand through encouragement of conservation. Any quantitative cutback in imports, without the other provisions of the President's program, would result in continuation of mandatory allocation or rationing; and

Sixth. Suspension or revocation of the $1 tariff might well encourage the OPEC bloc to add that much on to their already quadrupled prices.

While we do not fully agree with all of the specifics of the President's program and will propose some changes, the tariff plan is a central part of the whole carefully integrated program and should be retained intact.

To those who say the U.S. economy cannot stand the sudden shock of the import cutbacks envisioned in the President's program, we say we cannot afford the continued outpouring of U.S. dollars—more than $2 billion per month last year and steadily increasing.

Those dollars are taking jobs out of this country. For each barrel of oil we import, we commit ourselves to exchange more of our goods and services. The average American will have to work longer and produce more to acquire the same amount of petroleum. Anyway you look at it, this translates into a lower standard of living.

Other parts of the President's plan will require legislation. Moving from foreign dependency to domestic sufficiency and security is an urgent national goal.

The most attractive part of the President's plan is the promise of increased domestic energy through decontrol of oil and gas. Congress will spell out the terms by which this is accomplished. They should include plowback allowances for reinvestment of profits in domestic exploration and development.

We agree that Congress should determine by legislation when the funds are to be returned to the economy, how the funds are to be returned, and to whom the funds will be returned.

The President's tariff plan is an integral part of the means of raising those funds and moving ahead as fast as possible in development of our abundant energy resources. This bill will be paid by Americans to America. It will be far less than the compounding costs of the mounting dollar drain going to other countries so long as we do nothing. We cannot afford 3 more months of doing nothing.

There is no painless way to cure our misery of energy dependence. The President has acted.

He has used the power Congress mandated him to employ in protecting our national security.

Mr. RIBICOFF. Mr. President, H.R. 1767 is not intended to ratify or confirm the technical legality of the attempt by the President to impose a schedule of fees on imported petroleum and petroleum products by invoking the authority of section 232(b) of the trade expansion bill. That attempt has been challenged in a suit brought in the District Court for the District of Columbia by the Governors of nine States and certain gas and electric public utilities. This bill should have no effect on that suit. It would only suspend the effect of the President's attempt for 90 days. It would not determine the legality of the President's decision.

It would be in the best interest of clarifying the President's powers under the Trade Expansion Act that the courts have a chance to delinate the limits of the President's powers under the Trade Expansion Act so that, when the 90-day moratorium is over, the President will be certain whether he has the power to reimpose such license fees without specific Congressional action.

I trust that our action here today will not be misinterpreted as rendering that opinion unnecessary or useless.

Mr. HANSEN. Mr. President, the able and distinguished chairman of the Committee on Finance (Mr. LONG) deserves the gratitude of all members of the committee for the fair and unbiased manner in which he handled this legislation.

He said the committee would act as soon as the bill came over from the House and the committee did act.

He called hearings and then during the week of the canceled Lincoln Day recess managed to muster a quorum to report the bill out even though he announced that he did not support the bill.

I have the greatest admiration for my good friend and colleague from Louisiana for the evenhanded way in which all legislation is handled in his committee.

He is especially knowledgeable in the field of energy and knows how vitally important self-sufficiency in energy is to the United States. He has spoken often on the need to decontrol the price of natural gas in order to conserve our cleanest as well as cheapest fuel and encourage exploration for new supplies.

He recently expressed his views on what he called the harum-scarum congressional response to President Ford's economic and energy policies. Most Members of Congress refuse to recognize the seriousness of the situation, the Senator said.

The chairman was quoted as saying:

> Every day, some different Democrat is announcing what the Democratic program is. It's fine to have all these ideas, but who's running the store? What about the Committee chairmen who actually have to pass some of this legislation?

Mr. President, since the middle of 1969 when I was fortunate enough to join the Finance Committee, I have heard most of the arguments against oil and gas depletion allowance, oil company profits, and the need to develop our own energy resources and lessen our dangerous dependence on foreign oil. But I have not seen anything done about it.

And it is not only the Democrats who are to blame. Republicans either in Congress or the White House have done very little toward facing up to the hard facts of our growing and now dangerous energy problem.

One would have thought after the Arab oil embargo of last year that Congress could have hammered together a comprehensive energy program. After all, the Senate Interior Committee had been authorized almost 4 years ago to conduct a study on national fuels and energy policy and to come up with some recommendations.

After more than a hundred days of hearings and volumes of the transcripts of those hearings, the committee has not even made an interim report. But it wants more time to continue its study. And I think it should have more time but why delay the President's program while that committee studies the problem another 4 years? And I happen to be on that committee, too.

We have about as many energy experts in the Congress now as we have Congressmen. But up until the Arab oil embargo, few if any of us were really doing anything about the energy problem.

We were amply warned especially during the past few years. Even the Arabs had told us that oil might be used as a political weapon and they did not hesitate to use it when the latest Arab-Israeli conflict erupted.

We found out then just how dependent we had become on Arab oil. But the long gasoline station lines will be a small part of the devastating impact of another embargo unless we begin immediately to cut back on foreign oil.

By 1977, unless we have reduced our imports substantially by then, half of our oil could be coming from OPEC countries and an Arab embargo would cut off 4 million barrels per day. We lost only about 1 million in last year's embargo.

The U.S. industrial machine and transportation system would ground to a crawl and there could be a $40 billion drop in the GNP with 2 million people unemployed. An Assistant Secretary of State said the shock effect would be equivalent to an atomic bomb.

As a nation more dependent on energy—particularly oil and gas—than any other country in the world, how did we get into this predicament? We are still the largest producer of oil and gas in the world with the possible exception of the Soviet Union. We are also by far the largest consumer.

Until last year, the U.S. consumption rate of energy, particularly oil and gas, was increasing each year at a rate of about 5 percent.

But our production rate has been on the decline for the last several years.

In 1959, President Eisenhower by Executive order initiated the mandatory oil import program. The stated purpose was to insure the national security of this Nation by safeguarding and maintaining a vigorous and healthy domestic petroleum industry.

A voluntary import program had been put into effect 2 years before on the recommendations of a special cabinet committee to investigate crude oil imports. But the Director of the Office of Civil and Defense Mobilization reported to the President that—

> The present rate of imports is a major contributing factor to the decline in drilling operations both for exploration and development in the search for new oil reserves.

That statutory authority for the mandatory oil import program was section 232 of the Trade Agreements Act of 1954 as amended by section 8 of the Trade Agreements Extension Act of 1958:

> Section 232 (a) provides that no action is to be taken pursuant to the bill or section 350 of the Tariff Act of 1930 to decrease or eliminate the duty or to decrease any other import restriction on any article if the President determines that the reduction of elimination would threaten to impair the national security.
>
> Section 232 (b) provides that upon request, application, or notice from specified sources, the Director of the Office of Emergency Planning (OEP) must undertake an investigation to determine whether the article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security. If he so finds, he is required to so advise the President, who is required to take such action as he deems necessary to adjust imports unless he determines that the article is not being imported in such quantities or under such circumstances as to threaten to impair the national security.
>
> Section 232(c) enumerates various factors to which the President and the Director of the OEP are to give consideration in carrying out their functions.
>
> Section 232(d) requires a report to be made and published on each final disposition of any request for investigation under section 232(b). It also requires the Director of the OEP to publish procedural regulations governing the exercise of the authority vested in him by section 232(b).

The proclamation as amended was continued under authority of section 232 of the Trade Expansion Act of 1962 and more recently under section 127 of the Trade Reform Act of 1974.

In hearings before the Senate Finance Committee on October 18, 1967, Secretary of the Interior Stewart L. Udall, testified on oil imports as follows:

> I would like to state here my firm view that, in the present world petroleum situation, oil imports should be controlled in the interests of our National security. I think there has always been a strong case for this and there is today. This is the paramount, the only reason why such imports are controlled. In no sense does this position alter my views with respect to opposing trade barriers generally. But in the case of oil, our security would be jeopardized unless we have a strong, healthy, domestic oil industry, capable of meeting the demands of any conceivable emergency. One only has to look at the Middle East and what happened there a few months ago; Israel had to win or lose a war in a matter of days because of the fact that the mobility of their machines rested on very limited supplies of petroleum and I just use this to underscore what I mean.
>
> This we could not do if low-cost oil from petroleum-exporting countries were to flood this country, with consequent damage to our own energy-producing industries.
>
> The relationship between our national security and adequate supplies of oil is clear. On this score, it suffices to point out that oil is practically the sole source of energy for transportation—both civilian and military, and we are a highly mobile Nation.
>
> Adequate domestic supplies depend upon exploration and discoveries and these activities will not be carried on in the absence of an adequate market for domestic production.

In August of 1968, the House Interior Committee conducted hearings on the mandatory oil import program and issued a report.

Among its findings and recommendations were:

> The need for control of foreign crude and unfinished oils in order to assure a healthy U.S. petroleum industry is as great today, from the standpoint of national security, as when the plan was conceived originally. The steady decline in the industry's exploratory effort over recent years and demonstrable inadequacy of known petroleum reserves accumulated have rather alarming implications from the standpoint of the Nation's security in times of emergency.
>
> While the voluntary and mandatory oil import program has been helpful, its stated objective of preserving a "vigorous and healthy domestic petroleum industry for purposes of national security" has not been achieved. U.S. exploration and development has been declining for the past 10 or 11 years and even more alarming are the indications that unless steps are soon taken to reverse this trend it will continue at an accelerating rate. Instead of finding more than 4.5 billion barrels per year, which the Department of the Interior indicated are needed to meet future demands and maintain a stable reserve-production ratio, only 2.6 billion barrels per year have been found and developed during the past 7 years.
>
> There is substantial evidence that the import program is weakened by the injection into the program of special treatment provisions, particularly since 1965. The profusion of these special treatment provisions threatens to undermine the program by destroying confidence in its administration and by creating special situations which permit imports both within and without the controlled levels.
>
> The program is plagued by instability and frequent changes which create uncertainty and lack of a sense of direction. This makes it extremely difficult for segments of the industry to arrange their long-term expansion programs or to develop long-range plans.
>
> The import program legally has only one basis for its existence; i.e. to protect the Nation's security by promoting a strong domestic oil industry capable of dealing with unforeseen emergencies. We find that the program is being used for many alien purposes. Many of these are undeniably worthwhile, yet all of them should be accomplished by means other than the oil import program. These include such activities as (a) economic aid to insular possessions and territories; (b) improvement in the Nation's exports; (c) enhancement of the competitive capabilities of the Petrochemical industry; and (d) abatement of air pollution.
>
> The mandatory oil import program must not be weakened by use for purposes unre-

> lated to the preservation of national security, regardless of the merits of the alien objectives. This includes projects such as improvement of the economic conditions in any particular geographic area, improvement of competitive conditions for any industry, alleviation of air pollution, economic hardships, or any other unrelated purposes.

But even before this Congress was looking into the prospects of energy and materials shortages.

The Materials Policy Commission, known as the Paley Commission, was appointed by President Truman to look into the country's basic resources. That Commission warned of coming shortages if the Nation failed to act to assure future supplies.

Edward R. Murrow broadcast the findings and warnings of the Paley Commission and then asked for guidance from Bernard Baruch, one of America's most respected elder statesmen:

> "In the next 25 years," Baruch estimated, "the population of this country will be about 200 million, one third bigger than it is now. That means more goods, more services . . . Do we have, or can we get, these vast supplies? The answer is yes, because it must be yes," he said.
>
> The commissioners pointed out that in 1954, the average American consumed goods and materials weighing a total of 18 tons. "There's no consumption like it anywhere in the world," Murrow said. "The United States has only 10 percent of the world's population but we chew up half the free world's raw materials. On an average, we use six times more of them than we did when this century was beginning . . . all the way from six times more copper to 30 times more crude oil. In the lifetime of a young man or woman 35 years old, the United States alone has used up more minerals than the entire world did from the dawn of history down to World War I."

The commissioners erred only in underestimating the size of the future's appetite. For example, instead of doubling, demand for liquid fuels tripled. Instead of tripling, demand for electrical power has increased five times. The commissioners were about right in their estimates on demand growth for timber products, agricultural products, and minerals.

The country's resources remain the same, but more people use them. Bernard Baruch's 1954 estimate of a 200 million population in 25 years was surpassed in 1968, and is estimated in 1974 at 210 million.

So it is not a problem that has suddenly erupted.

We had ample warning. But few were listening.

We have dallied for more than 20 years with a Federal natural gas policy that encouraged use through underpricing and discouraged development of new supplies.

And now that President Ford has come up with a comprehensive plan to implement Project Independence, the Congress wants more time to implement a plan of its own.

But considering the foregoing record of Congress, can we afford to wait?

The only real program to assure a healthy U.S. petroleum industry was implemented by the Executive and not the Congress.

As the House Interior Committee report pointed out, the weakness of the program was not in the program itself but by injection into the program of special treatment provisions, instability, and frequent changes.

That program needs to be fortified now with the President's proposal to impose an additional import fee to protect the Nation's security by promoting a strong domestic oil industry capable of dealing with unforeseen emergencies.

Any further delay can only jeopardize the Nation's welfare.

Another prominent Democrat has also supported the President's initiative to curb oil imports by raising prices. In a Washington Post article today titled "Energy: Fallacies, Future Costs", Arthur Okun said that the fact that we have to stop a recession does not keep us from engaging in an initiative to curb our oil imports.

Okun said:

> We can have an energy program and economic recovery, and I offer that as a fully considered and confident professional judgment.

Arthur Okun was, as you will remember, President Johnson's Chairman of the Council of Economic Advisers and is now a senior fellow at the Brookings Institution.

His comments were taken from his recent testimony before Senator FRANK CHURCH's Subcommittee on Multinational Corporations on the President's energy program.

He commented on the potential cost of further price increases:

> If the oil consuming nations continue to respond passively, if private forces of supply and demand remain relatively sluggish and unresponsive, the cartel will clearly be emboldened to raise its prices again and again.
>
> I emphasize this because there has been frequent criticism of President Ford's program that by raising the price of oil to ourselves we would provide justification for OPEC to raise its price further. I have got lots of criticism of President Ford's program but that one is totally unfounded.
>
> OPEC isn't looking for justifications; it is looking for maximum profits, and if we show a greater response by cutting the demand in response to the high prices, we will put downward and not upward pressure on OPEC prices. It is doing nothing that encourages high oil prices.

In another Washington Post article today, an error was admitted by another Democrat, Representative LES ASPIN, in a press release reporting that a private study by Data Resources, Inc., had estimated the Ford energy program price impact at 4.3 percent.

The study, by Paul H. Earl, actually estimates the price impact at the consumer level at 1.9 percent by the end of 1975 and 2.4 percent by the end of 1976, even assuming—as the administration estimates did not—a coal price increase equal to oil price increases.

ASPIN's press release said the Earl study had been done for the Council on Wage and Price Stability which "originally refused to release the study, but relented when ASPIN protested treating economic forecasts as secrets."

In a telephone interview, Earl said that his forecast differed only marginally from the administration's, and that the ASPIN press release was in error. Apparently, an increase of 4.3 points on an index of 178—which works out to 2.4 percent—was misinterpreted to be 4.3 percent.

I believe this may be indicative of other studies and cost comparisons by the Senate Interior Committee and the Library of Congress.

I suppose a staff study can come up with about what those who requested the study wanted the answers to be.

It is interesting that an outside professional data processing organization came up with about the same cost figures as those used by the President.

All of the varying and conflicting figures may lend some credence to the old saw that there are lies, damn lies and statistics.

Mr. MONDALE. Mr. President, I rise in support of H.R. 1767.

I hope that the Senate will pass this vital piece of legislation by a margin which will indicate to the President of the United States our desire to implement a national energy policy in a rational, well-planned and noninflationary manner.

The $3 per barrel tariff which the President seeks to impose on foreign oil has been greeted with virtually unanimous skepticism by independent economists and analysts. Its effects are a uniquely unfortunate blend of increasing inflation, further drag on an already staggering economy, and regional dislocation in many areas of the country. It must be stopped.

If it is not, we will take over $7 billion per year out of an economy which needs additional stimulation, not additional loss of purchasing power. The $7 billion would virtually wipe out half of the President's proposed $16 billion 1974 tax cut. It would cost consumers in my State of Minnesota alone between $100 and $200 million per year. It would mean loss of jobs by the thousands, and further hardship to those affected by the downturn in economic activity which it would bring about.

Mr. President, if there were some well-defined and reasonable policy goal which this $3 per barrel tariff sought to implement, the negative effects which this tariff will inevitably cause might be sustainable. But even a brief examination of the goals of the tariff—and the energy program of which it is an integral part—reveals a lack of sound planning and the absence of any real framework for the President's program.

The tariff, we are told, is going to aid us in cutting foreign oil consumption by 1 million barrels per day this year and 2 million barrels per day by the end of 1977. Yet economists seem to agree that the short-term elasticity of demand for petroleum products is not great enough to enable the type of tariff the President would impose to have much effect at all on petroleum demand.

And imposition of a tariff of this type—as opposed to an outright quota on the levels of imported oil—offers no guarantee that any savings which might result would come from imports, rather than domestic production. Production of "new,'" nonprice controlled oil domestically fell by 30 percent in the August to October 1974 period from the levels of the first quarter of 1974. And I am frankly skeptical about the willingness of the American major petroleum producing companies to assure us that any reductions in demand will result in an actual decrease in petroleum imports. Even, therefore, in meeting the stated goals of the President, this tariff will likely fall short.

But beyond that, those goals of the President are themselves open to question. There is a growing consensus that while we must cut energy consumption, the manner in which the President has sought to do it will further cripple our economy. I have yet to see a sound rationale for the 1 million barrel per day figure which administration has adopted as its goal for this year. I have yet to see any administration official provide a consistent rationale for the 2 million barrel per day savings goal by the end of 1977. All I have seen are a variety of sometimes contradictory explanations, which seem to suggest the absence of a policy, rather than a sound conceptual basis for that policy.

And the legal underpinnings for this proposed Administration action are, I believe, as shaky as the economic underpinnings. As merely one example, the President invoked a national security rationale in imposing unilaterally the initial $1 per barrel import fee, and in promulgating the entire tariff proposal. Yet part of that oil which will be affected by this tariff is oil which comes from Canada, and on which my State of Minnesota is very heavily reliant.

I have seen no analysis which justifies classification of Canadian oil as a threat to American national security. I am aware of no imminent plans for invasion by the Canadian Army across the United States-Canadian border. And even placing "national security" in a broader context, I am aware of no reason why oil which fuels industry in numerous States of the Northern Tier, and for which we have no available replacement, can be classified as in any way threatening the vital interests of the United States. The President, in discussions with Canadian Prime Minister Trudeau last last year, reportedly urged greater oil exports from Canada to the United States. Two months later, his imposition of a tariff on Canadian oil seems to indicate that in fact we do not wish increased amounts of that oil coming into our country. The absence of a clear and consistent policy is evident.

Mr. President, we in the Congress have a heavy responsibility to come up with an alternative energy program to that presented to us by the President. Much progress is being made on the Democratic sides in both the Senate and House in this direction, and I am confident that we will arrive at a program which the Congress can pass and which will provide a more realistic method of dealing with the energy problems we face.

Time is short, and our responsibility is heavy. We need the 90 days which this legislation would give us in order to develop that alternative. But we must not be mislead by the cries for action now, action at any price, or action without a sound rationale behind it. This type of action is worse than no action at all. It would add to our inflation, deepen our recession, and make economic recovery more difficult. We in the Congress can develop an alternative program which will curb wasteful energy consumption, develop new energy sources, and deal effectively with our international energy problems. And I deeply hope that passage of H.R. 1767 will signal the President that the Congress is determined to protect the pocketbook of the American consumer and the job of the American worker as we work on this congressional alternative.

Mr. HASKELL. Mr. President, on February 9, 1975, the Boston Globe published an editorial concerning gasoline rationing which was written by my distinguished colleague from Connecticut (Mr. WEICKER).

The article is excellent and thoughtful and outlines the need for mandatory energy conservation measures, including gasoline rationing, in order to curb our ever-increasing appetite for energy. The junior Senator from Connecticut has been a leader in the Senate in advocating immediate conservation measures and I commend him for it.

I ask unanimous consent that the text of his article be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WEICKER

I recently prepared for the Boston Globe an article that articulates my position with regard to mandatory gasoline rationing as an energy policy. For over a year I have urged the adoption of a nationwide gasoline rationing system. On January 23, 1975 I introduced a bill, along with the Distinguished Majority Leader Mr. Mansfield, that would mandate the President to establish within 60 days a nationwide program for the end-use rationing of motor gasoline.

I strongly believe that if recent experience has taught us anything it is that as a nation we can not afford to continue our extravagant and wasteful consumption of limited energy supplies. The lack of emphasis upon energy conservation within the Administration's program is very disturbing.

Obviously, gasoline rationing in and of itself is not the answer to our current problems. However, while this country pursues a course of energy self-sufficiency through expanded programs of exploration and development of indigenous energy sources, an overall program of mandatory fuel conservation coupled with an effective oil import quota system and mandatory allocation seems to me the best answer to gradual "withdrawal" from foreign oil. The backbone of a mandatory fuel conservation program would be a scheme for rationing motor gasoline.

Those who have attacked the idea of rationing through analogies to the World War II system have not fairly examined the essential differences entailed in rationing during 1975 and rationing during World War II. Rationing at a time of peace with an end goal of 15–20% reduction in consumption is hardly the same thing as rationing during a period of world war with the necessity for up to 65% reduction in consumption. Gasoline rationing, if implemented now, need not mean coupon rationing, but any of a number of alternative schemes—a sticker system, odd-even day sales, Sunday gas station closings, etc.

Recent criticism of rationing as a viable alternative in energy policy has served to confuse the public as to the consequences of rationing through misleading associations and through an inaccurate barrage of facts and figures. Such criticism is based upon the fallacious assumption that rationing in 1975 would be similar to rationing during World War II—that there would be a coupon system involving extenuating bureaucratic problems and very real hardship.

Mr. President, I reiterate my unequivocable support for mandatory fuel conservation, specifically gasoline rationing.

SPECIAL TO THE BOSTON GLOBE

On January 15, 1975, President Ford stood before Congress in television view of millions of Americans and candidly spoke of the state of the Union as not being good. He then proceeded to outline a program to deal with the current crises in the economy and energy. I admired the verity of his analysis. I'm surprised at the faintness of response to that analysis. Let the record show I also harbor a similar evaluation of Congressional initiative to date. And "to date" doesn't mean since January 1, 1975 but since October of 1973, the date the first embargo occurred.

My concern arises principally from the minimal conservation content of the President's program. It is not conservation thinking that dominates when an Administration unqualifiedly rules out rationing as an alternative to the energy crisis but doesn't similarly rule out war. "Economic strangulation" in the energy sense is possible only if we don't push away from the oil table. The Ford-Kissinger statements of the past weeks show clearly that the Administration's energy policies, far from being innovative, are a moving around of the same elements within the same parameters. Only when conservation becomes the dominant element will it be a "whole new ball game."

And a new ball game it has to be. The world is no longer going to tolerate a United States with 6% of the population using 35% of the energy. Or if it does tolerate such an inequity, it will be at prices that will wipe America out.

All of us, President Ford included, know what needs to be done in the long haul. Mass transit bus and rail—solar and nuclear energy—greater use of coal—exploration—buildings that use nature, not just central air conditioning—cars that are more efficient mileage-wise and so on. There is no argument on eventual solutions. It is what goes on in the interim while those solutions are being brought on stream that deserves analysis.

In blunt terms I am saying that the United States is the world's biggest oil junkie and withdrawal is going to be painful. But withdrawal rather than symptomatic treatment will make the sacrifices worthwhile. Worthwhile economically—worthwhile as to energy use and independence. In other words, if we're going to have our oil drums rattled, at least let's have something to show for it.

Though a New England Senator, I plead not for special accommodations for my section of the country but for a plan designed to meet a national challenge in a national way.

Here are the facts of the challenge:

At the present OPEC price of oil ($10–$12 per barrel) increasing reliance upon foreign supplies of petroleum will result in disastrous economic consequences for the United States—both in terms of the balance of trade and in terms of inflation. In 1974, imports of foreign oil cost this country $25 billion and were directly attributable to a trade deficit that exceeded $5 billion (as compared to a $5 billion surplus in 1973). As we start into 1975, overall demand for oil products is once again on the rise. The Federal Energy Administration estimates that present demand for oil in the United States is 18.2 million barrels per day—a figure that is gradually increasing. In the absence of additional domestic supplies this year, or smaller more efficient cars this year, or mass transit this year, or massive solar energy use this year, or any of the other long-term solutions this year, there exists the inevitability of a continuing and increasing reliance upon foreign sources—in particular the OPEC nations—for our supplies of oil. Thus the outflow of U.S. dollars will be in direct proportion to the inflow of oil.

Price has failed to achieve the type of reduction in the consumption of oil that is urgently needed. In the case of gasoline, since late 1973 we have experienced an increase in the base price of gasoline of over 50% with corresponding decrease in consumption of less than 4%. The question now is whether an additionl 10 cents price increase at the gas pump (the increase the Administration expects from enactment of its proposals) will do the trick? From past experience, the answer seems to be no. And if the answer is "no," one more year, billions of dollars gone, and tougher solutions are the result.

The simple and inescapable logic of rationing is that it provides the means with which to directly limit consumption to acceptable levels. Gasoline rationing is designed to effect major reductions in the total use of oil by restricting the daily use of nearly 7 million barrels of motor gasoline. It seems only reasonable that within an overall plan for conservation the major burden shall fall upon an area of consumption that represents more than a third of our daily use of oil and in priority must rank behind jobs and economic strength. A 15% reduction in the consumption of gasoline could save this country about a million barrels of oil per day.

The fear talk relative to rationing started by President Nixon and continued by President Ford is predicated on a World War II need and a World War II system. The need was to cut gasoline consumption by 65% and the system was a bureaucratic nightmare.

Our need, if we don't wait too long, is in the area of a 15–20% cut in gasoline usage. Other simpler rationing schemes abound. For example, gas station closings or self-determined days when cars appropriately stickered cannot be on the road. We've already gone from WIN buttons to tariffs. I think America would prefer the hard truth, all of it, now.

The truth is rationing for 5 years. The truth is sacrifice in this country according to one's capability, not according to one's helplessness. The truth is less consumption, less inflation. The truth is taxes, not rebate for mass transit. Such truths are solutions. Anything less, problems for our children.

Mr. BROOKE. Mr. President, the Senate is about to work its will on a matter of crucial import to both New England and our Nation. At stake is far more than simple delay of the implementation of the President's proposed oil import tariffs. At stake is preserving what little balance remains in our beleaguered economy.

The principal problem facing this country is our economic recession. Of this there can be no doubt. With over 7.5 million Americans out of work, we are in the worse recession since the Great Depression. And things could well get worse before they get better.

At the same time we are in the throes of a crippling energy crisis. Not a short-term crisis, but one which will be with us for many years. Moreover, this energy crisis has been a strong stimulant for the inflation which has fueled our recession.

To his credit the President has acted forthrightly in trying to come to grips with our energy crisis. He has been both honest and frank in telling the American citizenry that there is no easy, painless solution to it. But unfortunately the specific programs he has devised will only worsen our economic situation, increasing both our inflation and our unemployment.

In my own State of Massachusetts, the President's energy proposals will increase consumer electric bills by $155 million and home heating costs by $38 million. These kinds of massive increases cannot possibly be absorbed by our citizenry which already suffers over 10 percent unemployment and double-digit inflation.

Moreover, there is no indication that such enormous price increases will stimulate conservation. New England has already cut back its heating oil demand by 20 percent. It has already cut back its residual oil demand by 13 percent. That there is much fat left before we got deep into the bone is very, very doubtful.

Where there is fat, however, is in our gasoline consumption. In New England our gasoline consumption decreased by only 2 percent in the last year and I suspect that this is true throughout the Nation. Yet the President's program does not take the necessary measures to promote further conservation of this fuel.

I have then come to the conclusion that the President's program will lead to increased prices for, but no increased conservation of, the critical fuels which heat our homes and generate our electricity. Furthermore, it does not deal directly with the prime manifestation of our energy crisis: gasoline. For these reasons we need an alternative. A clear, thoughtful alternative which can come to grips with our voracious energy appetite without further contributing to our vicious recessionary tailspin.

Whether or not we wish to work toward such an alternative will be in part resolved by today's vote. A 90-day delay in the President's proposal will give Congress the necessary time to work out a fair, reasoned energy program.

I believe I came forth with a positive alternative last year, and I believe I know only too well of the great sacrifices which Congress must ask of our citizens, if we are to deal successfully with our energy crisis. No option, no alternative will be painless. Every step we take to reduce energy consumption will entail sacrifice, perhaps even hardship.

Our task as Senators and as leaders is to devise a plan which will minimize the sacrifice and the hardship while achieving real energy savings. The President's energy program does not fit this bill. It must therefore be delayed and the Congress must come forth quickly with a better alternative.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to be read a third time.

The bill was read the third time.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays on final passage.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH) and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) and the Senator from Alaska (Mr. GRAVEL) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. FANNIN) and the Senator from Ohio (Mr. TAFT) are absent due to illness.

On this vote, the Senator from Arizona (Mr. FANNIN) is paired with the Senator from Ohio (Mr. TAFT). If present and voting, the Senator from Ohio would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 66, nays 28, as follows:

[Rollcall Vote No. 13 Leg.]

YEAS—66

Abourezk
Allen
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Church
Clark
Cranston
Culver
Eagleton
Eastland
Ford
Glenn
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stafford
Stennis
Stevenson
Stone
Symington
Talmadge
Tunney
Weicker
Williams

NAYS—28

Baker
Bartlett
Bellmon
Brock
Buckley
Cannon
Curtis
Dole
Domenici
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hruska
Laxalt
Long
McClure
Packwood
Pearson
Percy
Scott, Hugh
Scott, William L.
Stevens
Thurmond
Tower
Young

NOT VOTING—5

Bayh
Fannin
Gravel
Montoya
Taft

So the bill (H.R. 1767) was passed.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which that bill was passed.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

CHANGE OF REFERENCE—S. 111

Mr. HARTKE. Mr. President, on January 15, the Senator from Hawaii (Mr. Inouye) introduced S. 111, to authorize the widows of certain former members of the Armed Forces to use post exchanges and commissaries. The bill, as it was last Congress, was referred to the Committee on Veterans' Affairs.

I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of S. 111, and that it be referred to the Committee on Armed Services.

The PRESIDING OFFICER (Mr. Culver). Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. Culver). The Chair, on behalf of the Vice President, pursuant to Public Law 91-452, appoints the Senator from South Dakota (Mr. McGovern) to the National Commission on Individual Rights, in lieu of the Senator from North Carolina (Mr. Ervin), resigned.

The Chair, on behalf of the Vice President, pursuant to Public Law 93-579, appoints Mr. Robert J. Tennessen and Mr. William Dickinson to the Privacy Protection Study Commission.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS EAGLETON, ALLEN, AND BARTLETT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. Eagleton, Mr. Allen, and Mr. Bartlett.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER VACATING RECOGNITION OF SENATOR NELSON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order which was entered on yesterday for the recognition of Mr. Nelson for not to exceed 15 minutes on tomorrow be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—SENATE RESOLUTION 4

Mr. CLARK. Mr. President, I ask unanimous consent that during the consideration of the debate tomorrow on Senate Resolution 4, two members of my staff, Mr. Andy Loewi and Mr. Brady Williamson, be granted the privilege of the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

QUORUM CALL

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW, AND FOR RECOGNITION OF SENATOR PEARSON

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the orders for the recognition of the three Senators—which orders have been previously entered—are consummated on tomorrow, there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon, with statements limited therein to 3 minutes each; and that at the hour of 12 noon Mr. Pearson be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet at 11 o'clock tomorrow morning. After the two leaders or their designees have been recognized under the standing order, Mr. Eagleton, Mr. Allen, and Mr. Bartlett will be recognized each for not to exceed 15 minutes, and in the order stated.

There will then ensue a period for the transaction of routine morning business, with statements limited therein to 3 minutes each, such period not to extend beyond the hour of 12 o'clock noon.

At the close of morning business, at no later than the hour of 12 o'clock noon tomorrow, the Senator from Kansas (Mr. Pearson) will then be recognized.

Rollcall votes are anticipated. It is anticipated that there will be some action in relation to Senate Resolution 4, a resolution amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

ADJOURNMENT TO 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 11 a.m. tomorrow.

The motion was agreed to; and at 5:37 p.m., the Senate adjourned until tomorrow, Thursday, February 20, 1975, at 11 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 19, 1975:

DEPARTMENT OF STATE

Robert J. McCloskey, of Maryland, a Foreign Service officer of the class of Career Minister, now Ambassador at Large, to be also an Assistant Secretary of State.

Arthur W. Hummel, Jr., of Maryland, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

Mark "Evans" Austad, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland.

Holsey G. Handyside, of Ohio, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Mauritania.

Wells Stabler, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

Peter H. Dominick, of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

Elliot L. Richardson, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain.

INTERNATIONAL BANK POSTS

Charles W. Robinson, of California, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; U.S. Alternate Governor of the Inter-American Development Bank for a term of 5 years and until his successor has been appointed; and U.S. Alternate Governor of the Asian Development Bank.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Wednesday, February 19, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

He has showed you, O man, what is good; and what does the Lord require of you but to do justly, to love mercy, and to walk humbly with your God.—Micah 6: 8.

Eternal God, our Father, through these days of Lent keep us conscious of Thy presence as we respond to the challenge to find solutions for the problems that confront us and our Nation. Grant unto us new ventures of faith and new visions of hope as we seek to find our way in these troubled times. May we minister faithfully and fully to the needs of our people as they look for light to illumine their way and for life along the way.

May no interest in party politics mar the unity of spirit and the cooperation we must have to work together for the welfare of our Nation and the well being of the nations of our world.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

The message also announced that the Vice President, pursuant to Public Law 86–417, appointed Mr. ALLEN as a member, on the part of the Senate, of the James Madison Memorial Commission.

And that the Vice President, pursuant to Public Law 93–556, appointed Mr. MCINTYRE and Mr. BROCK as members, on the part of the Senate, of the Commission on Federal Paperwork.

And that the Vice President, pursuant to Public Law 86–380, appointed Mr. MUSKIE, Mr. HOLLINGS, and Mr. ROTH as members, on the part of the Senate, of the Advisory Commission on Intergovernmental Relations.

And that the Vice President, pursuant to title 14, section 194(a) of the United States Code, appointed Mr. MORGAN as a member, on the part of the Senate, of the Board of Visitors to the U.S. Coast Guard Academy; and the chairman of the Committee on Commerce appointed Mr. PASTORE and Mr. WEICKER as members of the same Board of Visitors.

RETURNING MEMORIAL DAY TO MAY 30 AND VETERANS DAY TO NOVEMBER 11

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, almost 44 million Americans have served in the Armed Forces in all the wars in which the United States has participated, from the War of Independence through Vietnam. Some 29 million of them are still living.

Both the living and the dead are honored on two national holidays. Memorial Day pays tribute to those who gave their lives in the service of their country. Veterans Day honors all men and women who have proudly worn the uniforms of the military forces of the United States.

Until a few years ago, Memorial Day was observed on May 30 and Veterans Day, originally Armistice Day, on November 11. I propose, and have introduced a bill to this effect, that the Nation return to those dates for these deeply meaningful observances.

It is not appropriate for these days to be designated, as they are now, as "the last Monday" in May and November. Our veterans, those still living and those no longer among us, deserve more than such a vague setting of dates on which we pause to honor them.

Memorial Day and Veterans Day are times to show that we remember and care—days of rededication by Americans to the principles on which our country was built and which we have fought to defend. They should not be haphazard floating holidays.

BUDGET COMMITTEE HEARINGS ON THE FISCAL YEAR 1976 BUDGET AND THE ECONOMY

(Mr. ADAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADAMS. Mr. Speaker, on behalf of the Committee on the Budget, I am happy to announce that the committee will begin hearings this week on the President's fiscal year 1976 budget and the economy. The hearings will begin Thursday, February 20, and continue through Friday, March 7.

These hearings will deal primarily with the impact of the Federal budget on the economy, and particularly its role in addressing the current recession. Accordingly, the committee will receive testimony on such major budget issues as the appropriate levels of total revenues and expenditures, the appropriate amount of budget deficit, and the impact of alternative budget levels on the balance of payments, housing and credit markets, and unemployment and prices.

Testimony this week will deal with the economic outlook. On Thursday, February 20, the committee will hear testimony from Prof. Saul Hymans of the University of Michigan, Prof. Raymond Fair of Yale University, and Prof. Otto Eckstein of Harvard University. On Friday, February 21, the committee will hear Robert Nathan of Robert Nathan Associates, Prof. Murray Weidenbaum of Washington University, and Richard Everett of the Chase Manhattan Bank.

In subsequent weeks, the committee will receive testimony from administration officials—the Director of the Office of Management and Budget, the Secretaries of the Treasury, Interior, Defense, and Health, Education, and Welfare, the Chairman of the Council of Economic Advisers, and the Chairman of the Board of Governors of the Federal Reserve Board; economists dealing with special subjects such as oil and the balance of payments, housing and credit markets, and unemployment and prices; and Members of Congress.

The committee has reserved February 28 for testimony from Members of Congress. Any Member wishing to testify should contact George Gross, extension 57200, the committee's general counsel, to reserve a time for his testimony. I hope as many Members of the House as possible take this opportunity to testify before the committee this year.

Unfortunately, the committee's relatively late organization makes it impossible to hear testimony at these hearings from public and private interest organizations. However, all interested groups are invited to submit written statements which will be printed in the hearing record to the extent practicable. The committee may also hold hearings later this year to hear oral testimony from public and private interest groups.

Hearings will begin at 9:30 a.m. each day. This week's hearings will be held in room 2167 of the Rayburn Building. Please check the Daily Digest for the names of specific witnesses and the hearing rooms for subsequent hearing days.

BLACKMAIL BY ECUADOR

(Mr. KETCHUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KETCHUM. Mr. Speaker, I rise to protest what I consider to be nothing short of blackmail on the part of the Government of Ecuador, and to condemn an act which has trampled U.S. prestige to an all-time low.

I am referring to the recent seizure of seven American tuna fishing vessels by Ecuador, using the thin excuse that these boats were within a 200-mile limit. In the first place, the 200-mile limit is ridiculous. Our fishermen have paid a total of $1.6 million in fines to the Ecuadorean Government, and have been forced to surrender their tuna catch, worth an additional $1 million or more.

There was a time when, if necessary, these fishermen would have had their rights protected by our own naval fleet. But times have changed. Now it is possible for Ecuador to intercept and regulate American fishing vessels with gunboats acquired from the United States.

It seems to me that it is time for our State Department to look more closely at our international image. Perhaps that Department might address some of its attention south, to Ecuador, instead of flitting back and forth to the Middle East.

APPOINTMENT AS MEMBERS OF HOUSE COMMISSION ON INFORMATION AND FACILITIES

The SPEAKER. Pursuant to the provisions of section 204(a), House Resolution 988, 93d Congress, as enacted into permanent law by Public Law 93–554. The Chair appoints as members of the House Commission on Information and Facilities the following Members of the House: Mr. BROOKS, Mr. GIAIMO, Mr. O'HARA, Mr. FUQUA, Ms. HOLTZMAN, Mr. CLEVELAND, Mr. ASHBROOK, Mr. WHALEN, and Mr. CRANE.

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 15]

Abzug
Ambro
Andrews, N.C.
Ashley
Barrett
Buchanan
Burke, Calif.
Chappell
Chisholm
Clawson, Del
Conyers
Daniels, Dominick V.
Diggs
Downing
Drinan
Early
Eckhardt
Evins, Tenn.
Fenwick
Fish
Hagedorn
Harsha
Hébert
Heckler, Mass.
Jarman
Jones, Okla.
Long, Md.
McCormack
McKinney
Mills
Moffett
Moorhead, Calif.
O'Hara
Pike
Rhodes
Riegle
Scheuer
Schroeder
Simon
Sisk
Spellman
Steed
Steiger, Ariz.
Stuckey
Talcott
Taylor, Mo.
Teague
Udall
Wilson, Bob

The SPEAKER. On this rollcall 383 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TOO MUCH BUREAUCRACY AND FORM FILLING

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, President Ford's Council of Economic Advisers has called for substantial reductions of Federal regulations in the transportation, natural gas, and financial industries. They might well have said also that there are too many regulations and too much form filling everywhere. In fact, they could well have said there are too many Federal agencies, commissions, and so forth.

Mr. Ford, who is a product of the Congress, should know, even better than the Council of Economic Advisers, that everybody outside the Government feels there is too much bureaucracy, too much form filling, too many regulations which hamstring business. We have long been accustomed to the creation of new commissions and new agencies which grow bigger and bigger each year. It is, by contrast, an epochal achievement when one is abolished or dies a natural death.

Some highly placed officials have stated that there are Government agencies in Washington which could operate better with half their present personnel. In other words, there are too many people at some levels doing unnecessary things, particularly in the field of regulations and form filling.

In budget hearings in Washington I have queried the Director of the Office of Management and Budget, the Secretary of the Treasury, and the Chairman of the Council of Economic Advisers about the Government's plans to give relief to business and the taxpayer on these matters. I find that, despite apparent good intentions, very little is being done to reduce regulations, form filling, unnecessary forms, or to eliminate nonessential agencies or commissions as an economic measure.

The stock answer to queries of this nature is that the matter is being studied. Generally, that means more people doing the same thing that already is being done at more cost to the taxpayer and no prospect of improvement.

I expect to continue to press for facts on what, if anything, is being done at any level of government to abolish unnecessary paperwork, form filling, and to eliminate nonessential activities. In addition to saving time for business and industry, I am confident many millions of dollars can be saved for the taxpayer.

I shall seek to enlist the aid of the proper committees of Congress in obtaining factual information and in insisting that action be taken. In the meantime, I am seeking to determine what disposition actually is made of the multiple forms which are sent to businessmen to fill out and who screens them to determine the need for them. I am certain it will be found that there are many tons of forms that have been filled out by harassed businessmen, mailed back to Government agencies, then stocked on shelves, some of them unopened, to gather dust.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2051, TO AMEND REGIONAL RAIL REORGANIZATION ACT OF 1973

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 173 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 173

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2051) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 2051, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 281, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 2051 as passed by the House.

The SPEAKER. The gentleman from Louisiana is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the usual 30 minutes to the minority to the distinguished gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 173 provides for an open rule with 1 hour of general debate on H.R. 2051, a bill to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under sections 213 and 215 of the act.

House Resolution 173 provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the 5-minute rule.

House Resolution 173 also provides that after the passage of H.R. 2051, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 281, and it shall then be in order in the House to move to strike out all after the enacting clause of S. 281, and insert in lieu thereof the provisions contained in H.R. 2051 as passed by the House.

H.R. 2051 authorizes $347 million in new financial assistance to keep the railroads which are presently in reorganization operating at least at 1974 levels until the new Consolidated Rail Corporation assumes their operation. Of the $347 million to be authorized, $197 million will be in Federal grants and $150 million will be in Government-backed loans. Approximately $222 million will be allocated for cash assistance to the Penn Central, $25 million for other railroads in reorganization, $25 million for improvements on Northeast Corridor facilities, $20 to $25 million for Erie-Lackawanna and $50 million in revenue which the railroads would possibly receive but for a suspension of tariff increases by the Interstate Commerce Commission.

Mr. Speaker, it is with some misgivings that the Committee on Rules granted a rule on H.R. 2051. The Regional Rail Reorganization Act Amendments of 1975. The reasons for our misgivings have nothing to do with the excellent presentation made before the Committee on Rules yesterday by Mr. STAGGERS the distinguished chairman of the Committee on Interstate and Foreign Commerce, and the ranking minority member of that committee, the gentleman from Ohio (Mr. DEVINE). I sincerely believe that these gentlemen and the members of their committee have done an outstanding job given the ultimatum with which they were faced. They inform us it was not until December 31 of 1974 that the trustees of Penn Central informed the Department of Transportation that they would have to curtail services unless the railroad received additional financial assistance. Not until January 17 did the Secretary of Transportation, Mr. Brinegar, notify the House of the need for new funds. And not until February 5 did the trustees of Penn Central inform the Committee on Interstate and Foreign Commerce that unless the railroad received additional aid it would cease operations altogether around February 25 of this year.

We all realize the dire consequences that a shutdown of Penn Central would have for an already serious economic crisis which this country faces, but holding a gun to the head of the Congress is certainly a most undesirable way to achieve results.

At a time when we in the Congress hear so much criticism of the failure of Government to plan for and react to problems which our society faces, and we are regularly reminded of the efficiency and ability of business, it seems ironic that we have in recent years been faced with last minute requests to save major segments of private enterprise. This is not the first time for Penn Central, and one does not have to stretch one's memory too far to recall Lockheed and Pan Am. I for one am becoming more and more reluctant to support such legislation when the Congress is not given adequate time to investigate these problems thoroughly.

As the distinguished gentleman from Ohio pointed out in the hearing of the Committee on Rules yesterday and I must agree with him, this is one we have to hold our noses on and pass.

With these reservations I urge the adoption of the rule of House Resolution 173 in order that we may discuss, debate, and pass H.R. 2051.

Mr. Speaker, I urge the adoption of House Resolution 173 in order that we may discuss, debate, and pass H.R. 2051.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with everything the gentleman from Louisiana has said concerning this bill, but I for one am not going to hold my nose and vote for either the rule or the bill. I think the time has come for this Congress and for this country to face up to the issue that we have before us again today, and do something about it. It is a disgrace to ask the taxpayers of this Nation to come up with millions of dollars year after year to keep these railroads operating when they don't seem to be doing anything to improve their own condition. How can you justify it?

You cannot do it by merely saying we need the railroads, that the economy would suffer if we did not pour money into their coffers every time they requested it, and that we have no choice. We do have a choice and that choice is to tell their management to make them self-sufficient or to turn their jobs over to those who can.

Yesterday, when this matter was before the Committee on Rules, I asked the chairman of the committee to tell me what the trustees in bankruptcy of Penn Central have been doing about disposing of some of the nonrailroad property owned by Penn Central, and I could not get an answer. He did not know. I think this Congres and our taxpayers deserve to know what they are doing with this unneeded and expensive nonrailroad property before they come in for another handout. As I understand it, much of Penn Central's troubles come from giving too much attention to nonrailroad-related property and not enough time to running the railroads. They have had years to dispose of this property and it is past time that it be done.

I think the trustees in bankruptcy on Penn Central ought to proceed forthwith to dispose of that property and if they need additional legislation to do so, they should come in and request it. How can you explain a "yes" vote today? I cannot. It seems like every time Congress is asked for money by these various corporations like Penn Central, it just doles it out without asking any questions. Today I think the Members of this House ought to be asking questions.

There are not only guaranteed loans provided for in this bill but an outright gift—an outright gift of the taxpayers' money to a private corporation of $197 million. There have been over $85,000,000 in previous grants and they are asking for $197 million more today, plus $150 million more in guaranteed loans. If we are going to continue to use taxpayers' money to keep Penn Central running, why should the other railroads of the Nation even try to be self-sufficient?

It was pointed out yesterday before the Committee on Rules, there are railroads in this country operating at a profit and are not asking the Government to continually bail them out. Should we not at least be exploring how this is being done before paying out more tax dollars to keep Penn Central running in the same old way?

This Congress must face up to this problem and do something about it. Here is one Member who is not going to vote to bail them out. Sooner or later a majority of this House will join me and then—and only then—we will force them to come to grips with their own problems.

Before concluding my statement let me put forth a suggestion which has come my way from my district. Since we have people out of work and looking for jobs why not hire some of these people to rebuild these roadbeds which the railroads have permitted to deteriorate beyond belief in some sections of the country? Hopefully, the administration and the railroads will give this suggestion some consideration.

Mr. Speaker, I reserve the balance of my time.

Mr. LONG of Louisiana. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. JOHN BURTON).

Mr. JOHN L. BURTON. Mr. Speaker, I just am going to say something on the rule because that will not take time from the limited hour to debate a very important issue. We are told if we do not bail out Penn Central and the people there, the whole economy of that part of the Nation could go belly-up, and it could have a rippling effect even out on the west coast. I do not know if that is a fact or not, but I think it is something that really should be talked about for more than an hour, if we are going to do it.

I do not know how I am going to vote on the bill itself. I will vote for the rule, but I really think it is time to fish or cut bait, and rather than bailing out these industries that really should be utilities, it is my humble opinion—and I know there might be a slight amount of disagreement, especially from some of my Republican colleagues—that we ought to nationalize the railroads. Instead of bailing them out, we ought to take them over, including the properties that they have because they are pretty wealthy out in our States; I know that.

I just wanted to take this time on the rule, because I think the bill is too important to bring that up during the limited hour. I really wish we had more time to talk about it because there is a lot of money involved and it is an important issue.

Mr. LATTA. Mr. Speaker, just so the record is eminently clear on this point, this Member is not for nationalization.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RESIGNATION AS MEMBER OF HOUSE COMMITTEE ON SCIENCE AND TECHNOLOGY

The SPEAKER laid before the House the following resignation as a member of the House Committee on Science and Technology:

FEBRUARY 19, 1975.

Hon. CARL ALBERT,
Speaker of the House, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I hereby tender my resignation, effective today, from the Committee on Science and Technology.

Sincerely,

BOB BERGLAND.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION AS MEMBER OF HOUSE COMMITTEE ON VETERANS' AFFAIRS

The SPEAKER laid before the House the following resignation as a member of the House Committee on Veterans' Affairs:

WASHINGTON, D.C.,
February 17, 1975.

Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the action taken by the Democratic Policy and Steering Committee on February 6, 1975, as regards committee assignments, I am hereby officially resigning from the House Veterans' Affairs Committee. I do so with some reluctance, for as you know, like you I too am concerned about our veterans and wish to do my part to provide for their proper care, education, training, housing, and compensation. However, as I have indicated earlier, I feel that I can better serve my constituents and better use my professional and academic background by serving on the House Committee on Science and Technology.

Sincerely,

Timothy E. Wirth.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBERS TO COMMITTEES

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 175

Resolution designating membership on certain standing committees of the House

Resolved, That Les Aspin of Wisconsin be, and he is hereby, elected a member of the Committee on Government Operations;

That Timothy E. Wirth of Colorado be, and he is hereby, elected a member of the Committee on Science and Technology; and,

That Herman Badillo of New York and Jack Hightower of Texas be, and they are hereby, elected members of the Committee on Small Business.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2051) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE HOUSE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 2051, with Mr. Flowers in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from West Virginia (Mr. Staggers) will be recognized for 30 minutes, and the gentleman from Kansas (Mr. Skubitz) will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I ask for consideration of H.R. 2051.

As chairman of the Interstate and Foreign Commerce Committee, it is a sad task for me to bring such a bill to the floor. It seems as if we open each new Congress with an emergency bill to assist the Penn Central. I believe every Congress since 1970 has had to act immediately on some type of Penn Central bill—be it a strike bill or a Federal grant program.

We have little choice in the matter. The downturn in the economy last fall severely affected the operations of the Penn Central. They have been in bankruptcy since 1970, and are really on a month-to-month basis, awaiting the final reorganization under the Regional Rail Reorganization Act passed by the 93d Congress in 1973. That act would create a new profitable railroad out of the ashes of the Penn Central and seven other bankrupt carriers in the Northeast and Midwest. Hopefully, ConRail will assume operations in early 1976.

But the Penn Central cannot wait until 1976. The some $235 million in interim financing we supplied in the 1973 rail act has been exhausted. The Penn Central cannot meet their payroll expenses for the end of this month. The coal strike last fall had a drastic impact on the carrier's cash flow situation. The sudden decline in automobile production had an equally severe impact. New wage agreements with the rail unions have caused new cash problems—since the agreement calls for a retroactive lump sum payment to workers back to the first of the year.

We had the Interstate Commerce Commission, the U.S. Railway Association, and the Department of Transportation all before us 2 weeks ago in our hearings. They verify this cash problem, and all support passage of this legislation.

Our committee tried to fashion the bill as close to the Senate bill as possible, in hopes that our brothers in the other body will not force a conference on the two bills, but will accept H.R. 2051 and let it be signed into law before the end of this week. Otherwise, we have a very real problem with time.

Penn Central had originally scheduled to announce an embargo on February 14, to take effect on February 24. This would amount to a de facto shutdown, having serious economic consequences for the entire Nation. Many of us pleaded with the trustees to hold off the embargo, and in good faith, they have announced that they will suspend any such embargo notice indefinitely. This does not remove the urgency—because they still must have have these funds in order to meet their payroll the last of this month.

Now what would happen if the Penn Central and the other bankrupt carriers shut down?

Unemployment in the Nation would go up at least by 3 percent. The railroads alone employ over 100,000 workers. The some 20,000 miles of track services thousands of shippers and communities. In fact, the areas served by the bankrupt carriers service 55 percent of the Nation's manufacturing plants. Such leading commodities as steel, automobiles, coal, and chemicals would be directly affected. In addition, 55 military installations of strategic importance to this Nation are serviced by the Penn Central alone.

The economic impact of a shutdown has been estimated by the Interstate Commerce Commission to result in a 3- to 5-percent drop in the Nation's gross national product in only 8 weeks' time.

Clearly we cannot allow this to happen.

And yet I share with each one of you the frustration of having to act on such a matter in so little time. We are asking to authorize the appropriation of almost a half-billion dollars of the taxpayer's moneys, and it certainly is not a pleasant chore. I for one will be glad to have Penn Central merge into the new ConRail—for I am sure all of us are sick to death of hearing the words, Penn Central.

We have made other changes in the 1973 act through H.R. 2051, all designed hopefully to promote the reorganization process. We provided a mechanism for the Erie Lackawanna Railroad to reorganize under the 1973 Rail Act, if their court decides to allow it. Some were bothered about the Supreme Court's December 1974 decision which would expose the U.S. Government to a possible Tucker Act claim in in regard to the 1973 Rail Act. We do not believe that any such claim will be upheld in any courts of claim, and secondly, we do not feel that by allowing the reorganization court overseeing the Erie-Lackawanna reorganization to change their mind and allow the E–L to come under the 1973 act provisions will further expose the Treasury to potential losses. The Supreme Court ruled only that interested parties have a right to sue under the Tucker Act—they did not say, nor did they prophesy whether the claims courts would indeed honor those claims. Our committee under no circumstances would ever have amended the 1973 act in any fashion to include the Erie-Lackawanna if we for a moment felt that this adds an additional liability for the Government. The intent was simply to: First, help bankrupt carriers in the region which are vital to achieving the overall profitability of the new ConRail; and second, make the planning process for the new ConRail much easier.

Again, I regret having to bring this emergency bill before you, but I feel you will agree with me that it is necessary we act, and act now without further delay.

Mr. Chairman, in closing I wish to call the attention of the House to the fact that Members soon will have an opportunity to present their views on the progress being made under the Regional Rail turing the Penn Central and six other bankrupt railroads.

Beginning on March 17, the Rail Services Planing Office of the Interstate Commerce Commission will hold 23 public hearings throughout the Midwest and Northeast regions of our land to receive feedback on a preliminary system plan to be published February 26 by the U.S. Railway Association.

As some of you will recall, it was almost 1 year ago that more than 3,800 persons, including many Members of this body, appeared at similar hearings to discuss a proposal by the Department of Transportation to abandon 25 percent of the total rail mileage in 17 States.

All Members who wish to reserve time

to testify at the upcoming RSPO hearings should have their staffs contact either Larry Lesser or Jean Losure of the RSPO on (202) 254-3287 before March 1.

The public hearings scheduled by the RSPO include:

SCHEDULE OF PUBLIC HEARINGS

MONDAY, MARCH 17–FRIDAY, MARCH 21, 1975

Albany, New York—Hearing Room A, at the New Legislative Office Building, South Swan and State Streets, Albany, New York.

Contact: Marjorie Maxwell, c/o ICC Office, 518 New Federal Building, Maiden Lane and Broadway, Albany, New York 12207. Phone: 518—472-2273

Buffalo, New York—John Lord O'Brian Hall, University of Buffalo, Amherst Campus, Amherst, New York.

Contact: Anne Siler, c/o ICC Office, 612 Federal Building 111 West Huron Street, Buffalo, New York 14203, Phone: 716—842-2008.

Hartford, Connecticut—Rooms 148 and 149, State Department of Transportation Building, 24 Wolcott Hill Road, Wethersfield, Connecticut.

Contact: Diane Seavey, c/o ICC Office, 324 U.S. Post Office, 135 High Street, Hartford, Connecticut 06101. Phone: 203—244-2560.

Trenton, New Jersey—Labor and Industry Building, Room 1203, John Fitch Plaza, Trenton, New Jersey 08625.

Contact: Elizabeth Guttenberger, c/o ICC Office, 204 Carroll Building, 428 East State Street, Trenton, New Jersey 08608. Phone: 609—599-3511.

Harrisburg, Pennsylvania—Holiday Inn Town, 2nd and Chestnut Streets, Harrisburg, Pennsylvania.

Contact: Sandra R. Diehl, c/o ICC Office, 278 Federal Building, 228 Walnut Street, Harrisburg, Pennsylvania 17108. Phone: 717—782-4437.

Pittsburgh, Pennsylvania—Courtroom #2, 8th Floor, U.S. Post Office and Courthouse Building, 7th and Grant Streets, Pittsburgh, Pennsylvania.

Contact: Henrietta S. Vlasic, c/o ICC Office, 2111 Federal Building, 1000 Liberty Avenue, Pittsburgh, Pennsylvania 15222. Phone: 412—644-2929.

Columbus, Ohio—Ohio Departments Building, 65 South Front Street, Columbus, Ohio.

Contact: Mary A. White, c/o ICC Office, 220 Federal Building and U.S. Courthouse, 85 Marconi Boulevard, Columbus, Ohio 43215. Phone: 614—469-5620.

Lansing, Michigan—City Council Chambers, Lansing City Hall, Capitol and Michigan Streets, Lansing, Michigan.

Contact: Mary Brown, c/o ICC Office, 225 Federal Building, 325 West Allegan Street, Lansing, Michigan 48933. Phone: 517—372-1910.

Indianapolis, Indiana—Indiana Convention and Exposition Center, 100 South Capitol Avenue, Indianapolis, Indiana.

Contact: Frances Sterling, c/o ICC Office, Century Building, 8th Floor, 36 South Pennsylvania Street, Indianapolis, Indiana 46204. Phone: 317—269-7701.

Springfield, Illinois—Hotel St. Nicholas, 4th and Jefferson Streets, Springfield, Illinois.

Contact: Janice Livingston, c/o ICC Office, 414 Leland Office Building, 527 East Capitol Avenue, Springfield, Illinois 62701. Phone: 217—525-4075.

TUESDAY, MARCH 18–FRIDAY, MARCH 21, 1975

Boston, Massachusetts—Minnehan Auditorium, Massachusetts Division of Employment Security and Government Center, Causeway Street, Boston, Massachusetts.

Contact: Elaine Spencer, c/o ICC Office, 150 Causeway Street, Room 501, Boston, Massachusetts 02114. Phone: 617-223-2372.

MONDAY, MARCH 17-WEDNESDAY, MARCH 19, 1975

Montpelier, Vermont—Auditorium, Pavilion Office Building, Montpelier, Vermont.

Contact: Carol Perry, c/o ICC Office, 87 State Street, Room 303, Montpelier, Vermont 05602. Phone: 802—223-8435.

Providence, Rhode Island—Hearing Room, 2nd Floor, Division of Public Utilities and Carriers, 169 Weybosset Street, Providence, Rhode Island.

Contact: Josephine M. Long, c/o ICC Office, 187 Westminster Street, Room 402, Providence, Rhode Island 02903. Phone: 401—528-4306.

Salisbury, Maryland—Auditorium, Delmarva Power and Light Company, Route 13 and Naylor Mill Road, Salisbury, Maryland.

Contact: Essie Cooper, Rail Services Planning Office, ICC, 12th and Constitution Avenue, N.W., Washington, D.C. 20423. Phone: 202—254-3294.

Washington, D.C.—Hearing Room A, Interstate Commerce Commission, 12th and Constitution Avenue, N.W., Washington, D.C. 20423.

Contact: Essie Cooper, Rail Services Planning Office, ICC, 12th and Constitution Avenue, N.W., Washington, D.C. 20423. Phone: 202—254-3294.

Charleston, West Virginia—Rooms A and B, 2nd Floor, State Office Building, 1900 Washington Street E., Charleston, West Virginia.

Contact: Margaret C. Thompson, c/o ICC Office, 3108 Federal Building, 500 Quarrier Street, Charleston, West Virginia 25301. Phone: 304—343-6181 Ext. 354 or 355.

Chicago, Illinois—Everett McKinley Dirksen Building, Courtroom 2503, 219 South Dearborn Street, Chicago, Illinois.

Contact: Nancy Clawson, c/o ICC Office, Everett McKinley Dirksen Building, Room 1086, 219 South Dearborn Street, Chicago, Illinois 60604. Phone: 312—353-7275.

FRIDAY, MARCH 21, 1975

Green Bay, Wisconsin—Room 201, City Hall, 100 North Jefferson Street, Green Bay, Wisconsin.

Contact: Gail Dougherty, c/o ICC Office, 135 West Wells Street, Room 807, Milwaukee, Wisconsin 53203. Phone: 414—224-3183.

MONDAY, MARCH 24–WEDNESDAY, MARCH 26, 1975

Syracuse, New York—Onondaga County War Memorial Auditorium, 515 Montgomery Street, Syracuse, New York.

Contact: Eleanor Ivanoff, c/o ICC Office, O'Donnell Building, Room 104, 301 Erie Boulevard W. Syracuse, New York. Phone 315—473-3440.

Scranton, Pennsylvania—U.S. Naval Reserve Center (Wilkes-Barre/Scranton Airport) Spruce Street, Avoca, Pennsylvania.

Contact: Mildred A. McDonough, c/o ICC Office, 309 U.S. Post Office, North Washington Avenue and Linden Street, Scranton, Pennsylvania 18503. Phone 717—344-7111, Ext. 324.

Akron, Ohio—Akron Public Library, 55 South Main Street, Akron, Ohio.

Contact: Carolyn E. Halloran, c/o ICC Office, 181 Federal Building, 1240 East 9th Street, Cleveland, Ohio 44199. Phone 216—522-4000.

Erie, Pennsylvania—Federal Building and Courthouse, Courtroom A, 2nd Floor, 6th and State Street, Erie, Pennsylvania.

Contact: Henrietta S. Vlasic, c/o ICC Office, 2111 Federal Building, 1000 Liberty Avenue, Pittsburgh, Pennsylvania 15222. Phone: 412—644-2929.

Fort Wayne, Indiana—Room 265, Federal Building, 1300 S. Harrison Street, Fort Wayne, Indiana.

Contact: Cassandra Forbes, c/o ICC Office, 345 West Wayne Street, Room 204, Fort Wayne, Indiana 46802. Phone 219—422-6131.

I yield to the gentleman from New Jersey (Mr. HOWARD).

Mr. HOWARD. Mr. Chairman, I thank the gentleman for yielding. I would like to discuss for a moment page 12 of the report, where there is a section concerning express study, which states that the reported bill includes express companies in studies made by the association in developing to the final system plan.

I believe this is in relation to section 2 (a) and (b) of the bill before us at this time.

I do agree with the report and the chairman, that express companies have been closely related to adequate rail service needs in this region.

I would like to bring to the gentleman's attention that due to reorganization of jurisdictions of committees of the House, the jurisdiction over the express companies and the ICC in relation thereto has been transferred to the Committee on Public Works and Transportation.

Is it the gentleman's understanding that when this entire study is completed that it will be returned to the House, so that it would be jointly referred to both the Committee on Commerce and Health and the Committee on Public Works and Transportation.

Mr. STAGGERS. It will be just the portion that would belong to it and certainly not the entire final system plan. I think that is the intention of the committee. You can study the REA provision.

Mr. HOWARD. Mr. Chairman, I thank the chairman very much.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I have grave reservations about this bill which pours another $197 million of our taxpayers money down the seemingly bottomless pit of Penn Central insolvency. I tend to agree with my colleague, Mr. Collins, that as long as we burden our railroads with the necessity of maintaining thousands of miles of money-losing track, and featherbedding labor practices, these emergency bills are going to become annual affairs. While I realize this measure is necessary now to keep the Penn Central in operation, I strongly urge the House to come up with a more intelligent long-term plan for the railroads.

There is an additional point which I feel must be made. I anticipate that this bill will pass and that a conference will be necessary with the Senate. I want to call the Members' attention to a provision of the Senate bill that increases the salary limit for top executives of Amtrak from $60,000 to $90,000. In the strongest possible terms, I want to urge the possible conferees not to accept this amendment. It is totally out of step with the economic conditions of Amtrak, and of the country, to allow the big brass a whopping $30,000 raise. I wonder if anyone down at Amtrak or in the Senate is aware that we have both double digit inflation and a recession? I also wonder how the Amtrak executives, who are constantly marching up here with hat in hands for more funds, can justify a raise for themselves when their operation continues to lose money?

Amtrak's riders have just suffered another fare increase. It is unconscionable that we allow this increase to be used to line the pockets of the top management. I hope that the chairman of the committee goes on record here in opposition to this amendment.

Mr. Chairman, having taken a cursory look at the Senate bill regarding this same subject, I notice that there is a provision in that bill that increases the payroll limit for top executives of Amtrak from $60,000 to $90,000.

In view of the fact that we all know that Amtrak is losing money, it would seem absolutely ridiculous to give them that sort of raise. I wonder if we might understand, if this bill passes, that as the committee goes into conference, the chairman can assure the House that this provision will be stricken from the bill?

Mr. STAGGERS. Mr. Chairman, as I said, to start with I hope that it was the intention of our committee and its understanding that if this bill passes this afternoon, it will go to the Senate and be passed. That provision is not in our bill, and the other body would take our bill. We have had no hearings on this whatsoever.

Mr. KETCHUM. I thank the gentleman.

Mr. SKUBITZ. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, it would be far easier for me to stand here today and bitterly denounce those who managed the Penn Central Railroad in years gone by and are largely responsible for that railroad being in bankruptcy today.

Perhaps it would be politically wise for me to talk about the national debt, inflation, the budget deficit we face next year—and raise the question why—why give to the Penn Central Railroad a dime?

Let it go on the rocks—let it go to the auction block—but the facts are that—

All the railroads, with the exception of one, are now in the hands of receiverships;

Those who are now managing them are trustees who were appointed by the courts and are in no way responsible for the problem; and

Unless we want to bring the transportation system of this country into utter chaos.

And unless we want to destroy commerce between the States west of the Mississippi and those east of the Mississippi then this Congress has no alternative except to pass this piece of legislation. And so I rise in support of H.R. 2051, a bill to amend the Regional Rail Reorganization Act of 1973.

For a few moments permit me to review the problem that the Congress faced 1 year ago—where we are today—and what we plan to do in the future. Only by understanding what has transpired in the past can we understand what we must do today.

More than 1 year ago this body overwhelmingly passed the Regional Rail Reorganization Act. Under the act we took steps to stop the Northeast Railroad from stopping operation—from being placed on the auction black—and in short, we stopped the collapse of the Northeast railway system—and devised a plan to consolidate and create a new viable railroad that might stand a chance of succeeding.

First, we created a U.S. Railway Association to act as a planning and financing entity. Its job was to keep the railroad in operation while it devised a consolidated system.

Second, we established a Consolidated Rail Corporation called ConRail—for short—which after the U.S. Railway Association completed its job—would acquire, rehabilitate, and operate rail properties of the railroads in reorganization.

The act also provided two sources of interim financing to assist railroads in reorganization from the time the act became law—January 2, 1974—through the time when the properties would be transferred to ConRail—early in 1976.

The financing was in two forms:

First, $85 million was provided in the form of grants from the Department of Transportation to the bankrupt railroads for operational; that is, wage payments—purposes only; and

Second, $150 million in USRA loan obligations was made available to the railroads to be used to improve property that would be in the final system plan.

Now the $85 million which was provided to the bankrupt railroads for operation expense—that is wages and like—is gone—not a dime left.

The basic purpose of the bill under consideration today is twofold.

First, it would make some increases in the interim provisions of the act to prevent a potential shutdown of the Penn Central before the end of this month.

Second, it would expand the act to allow another bankrupt northeast railroad, the Erie-Lackawanna, to be fully included in the act's reorganization process.

Now, in committee, there was objection to the inclusion of the Erie-Lackawanna Railroad. However, it was the feeling of the USRA—which has been designated to draw up the final system plan—that since the Erie-Lackawanna would have to be sold on the auction block sooner or later—it made more sense to include it in the act at this time rather than provide $25 to $50 million to carry on its operations until the final system plan was completed and then pull the rug out from under that railroad—and I agreed with that position.

With respect to the first purpose—the Department of Transportation told your committee that of the $85 million in grant funds only $4.5 million remains—with the ConRail takeover at least 1 year away—with regards to the $150 million which was to go to the railroads to improve properties—none of this has been spent and possibly should not be spent until the final system plan comes into operation.

Now H.R. 2051 would increase the $85 million grant money to $282 million and $150 million in loan obligations to $300 million.

With respect to the second purpose of H.R. 205 when the Regional Rail Act was enacted there were eight railroads that were in bankruptcy under section 77, a 33-year-old statute which provides for a mechanism for the reorganization of a bankrupt railroad through sale of assets and rearrangement of creditors' claims into a viable company.

Under Regional Rail Reorganization Act the judges having jurisdiction over the bankruptcy proceedings of each of these railroads had the choice of deciding for each road whether it would be reorganizable under section 77 or whether the railroad should come under the Regional Rail Reorganization Act and be subject to a mandatory conveyance of its properties to the new federally supported Consolidated Rail Corporation.

This decision had to be made within 120 days after enactment of the Regional Rail Act.

The judges having jurisdiction over Penn Central and several of the other roads chose to come under the Regional Rail Act rather than remain under section 77.

The judge having jurisdiction over the Erie-Lackawanna, which is the second largest bankrupt railroad in the Northeast, however, decided that the railroad was in fact reorganizable under section 77 and could emerge as a viable private company without having to come under the Regional Rail Act.

Subsequent developments, however, including the general economic downswing and the related drop in shipping business have put the Erie-Lackawanna into a much more serious financial position so that they now feel that they have to come under the plan. H.R. 2051 amends the act so that the reorganization judge can within 10 days reconsider the question of whether the Erie-Lackawanna should be included and modify accordingly his original order to exclude them.

The House did not, in fact, make all the improvements in the bill—particularly with respect to a very expensive labor protection package that I considered necessary. Nevertheless, I supported the enactment of the Regional Rail Organization Act in the 93d Congress and I favor these necessary amendments that are before us today.

My support is based on the fact that I have come to recognize just how important a viable rail system in the Northeast is—not only to that region but to the entire United States. The area served by the Penn Central and these other railroads includes 55 percent of the Nation's manufacturing plants and 60 percent of its manufacturing employees.

More importantly, over 20 percent of the freight cars loaded in the United States passes over the Penn Central and any interruption of rail service in the Northeast would have extreme nationwide implications—it has been estimated that an 8-week shutdown by the Penn Central would cut the Nation's GNP by as much as 5 percent, something that we can hardly afford in the present economic climate.

Thus, I must emphasize how important it is not only for the Northeast, but for the whole country that we enact these amendments to keep the Northeast rail system operating until ConRail can take over.

I urge enactment of H.R. 2051.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield for a question?

Mr. SKUBITZ. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. The gentleman referred to mismanagement by the previous management of the Penn Central Railroad. Would the gentleman not agree that the major part of the problem that we face today stems in large measure from Government mismanagement through overregulation and misregulation of our railroads?

Mr. SKUBITZ. I admit everything the gentleman has said, the problem is still with us. Unless money is authorized today, these railroads are going to close down.

Mr. SHUSTER. Mr. Chairman, I agree completely with the gentleman that we cannot let the railroad close down, so I vigorously support this legislation.

Mr. STAGGERS. Mr. Chairman, I yield 5 minutes to the distinguished majority leader (Mr. O'NEILL).

Mr. O'NEILL. Mr. Chairman, I am more than grateful for the time allotted to me by the chairman, and I am more than appreciative for his remarks and the remarks of the gentleman from Kansas (Mr. SKUBITZ).

The legislation today is of terrific importance not only to us in the Northeast corridor, but to the entire Nation.

Unemployment, initially, is 8.1 percent, but in the New England area, and particularly Massachusetts, it is 9.9 percent at this particular time. The economy is already staggering. What would happen to this country if we were to close this railroad would be earth shattering, just believe me.

As I understand it, the Penn Central had already sent out notices to those that it did traffic with, as far as freight was concerned, that they would be accepting no more freight, I believe somewhere around February 8, and that they were going to close the railroad down completely on February 26 because of lack of funds.

Because the bill had passed the Senate and because of the fact that they had talked to the gentleman from West Virginia (Mr. STAGGERS) and members of his committee, and they knew that this legislation was coming along, they brought the matter back to the court and the court advised them to discontinue what they said they were going to do and continue on with the regular program that they had.

What the Penn Central means to the economy of the Northeast is this: Rhode Island would be bankrupt in 4 days; New England would go down the drain in about 8 days; New York City and the east coast could last about 2 weeks, economically.

Interestingly enough, every bit of the steel that goes into Detroit goes through Penn Central. The automotive industry would be on its knees within 30 days.

This would happen all over the east coast.

For example, lumber from the Far West, 19 percent of that lumber comes to the eastern section of the country. So far as the coal shipments, closing the railroads would drastically push up our imports on foreign oil and would have an adverse impact on the steelmakers. The great bulk of this coal is used in the eastern section of the country.

For example, there would be layoffs in the California aerospace industry.

It would have an impact on everything in every section of the country. Some 5,300 carloads of oranges alone come up from Florida through the Northeast corridor every year. It would affect the Nation in such a way that the unemployment rate we have today would double in a period of 60 days.

Mr. Chairman, there is no question in my mind that there has been mismanagement, and I have to agree with the gentleman about that. But those are the sins of the past, and we have to pay for them.

The truth of the matter is that right at this particular time the Penn Central is in bankruptcy. The trustees were appointed by the court, and they have been working on this problem for some time. The trustees at the present time have appointed a realty outfit to rid the railroad of all those properties that are not connected with the railroads themselves. This has been ratified, I understand, by the judge. All of the railroad property that is not needed is to be disposed of. This has been put in the hands of an individual, and they are in the process of hiring teams to make studies across the lines of the Penn Central.

It is my understanding, for the benefit of those Members who are unaware of this, that not only is Penn Central involved, but Penn Central has also the controlling interests in 114 other railroads. In other words, practically every shortline in this area is under the control of Penn Central, and so when Penn Central goes down the drain, they all go down together.

We need this $100 million in order to keep the economy of the area flowing. When the properties have been disposed of, as we know, this is going into ConRail.

Mr. Chairman, actually what I think we ought to do in the time of crisis we are in now is this: We ought to have an authorization and an appropriation of some $3 billion to $5 billion, with the urgency of the situation, and straighten out the railroads of America. That is a project that we could put into effect, and in that way we could use the money of the American people to great advantage in order to help the economy of the Nation.

Mr. SKUBITZ. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. HASTINGS).

Mr. HASTINGS. Mr. Chairman, I thank the gentleman for yielding this time to me.

I think the remarks of the majority leader have made rather clear the necessity for this House to pass this legislation and to pass it as quickly as possible. I think the House should understand that as we consider this legislation, we must also bear in mind that it is against the background of the Northeast Railroad Reorganization Act that we are required now to bail out the Penn Central and the other lines mentioned.

That reorganization is in process by the USRA, which will on February 26 of this year submit its preliminary assistance plan for the reorganization of the Northeast Corridor railroads. It is hoped that by October this Congress will in fact adopt whatever the final plan may be, as has been determined by the hearing structure that is built into the reorganization act.

So, Mr. Chairman, this Congress has already acted to try to treat the problems of the railroads in the Northeast. We recognize the problems of mismanagement; we recognize the problems of the economy which relate to the state in which the railroads find themselves in today.

As the majority leader has quite properly pointed out, as have others, including the gentleman from Kansas (Mr. SKUBITZ), there is no alternative as we meet today except that we pass this bill to allow this money to go to the Penn Central and to the Erie-Lackawanna, which is now included, prior to the reorganization of the complete system, which, as I mentioned, should be accomplished by the end of October of this year.

The economical problems that would be created if we do not do this, not just in the Northeast but throughout the country, have again been pointed out by the majority leader. And these problems do relate to other parts of the country, not just to the Northeast.

The unemployment of just railroad workers themselves would be serious enough, but there would be great impact upon all the industries in the Northeast. That is something this Congress, I do not believe, can allow to happen.

It is, rather onerous, quite frankly, to stand up here and have once again to ask the Members to pump money into private enterprise.

I might say, in response to the remarks made by the gentleman from California (JOHN L. BURTON) during consideration of the rule, that if in his judgment the answer to the problem of the railroads is nationalization and that the railroads be run by the Federal Government, I would point out what a magnificent job we do in running the Postal Service of this country. Therefore, I certainly do not advocate nationalization as the answer. If it is the answer, it will have to come after the reorganization has been tried to see whether or not we can create a profitable rail system in the Northeast. We will never get to that point, I will say to the Members, unless we pass this bill today.

It is of the utmost urgency that this body consider this measure so that we can get together with the Senate and relate to the world our concern and show that we indeed will take this step that will save the railroads from shutting down their operation within the next 30 days.

I can assure the Members that failure to pass this bill will result in precisely that. These railroads will cease to operate. I do not believe that this body can allow that to happen. As difficult and as onerous as the decision may be on the part of each individual in this Chamber to continue to pour money into these bankrupt facilities, the alternatives are clearly somewhat less than acceptable.

We must proceed, and I would ask the House that we do successfully pass this measure today.

Mr. STAGGERS. Mr. Chairman, we have no further requests for time.

Mr. SKUBITZ. Mr. Chairman, I yield 5 minutes to that great dissenter, the gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. Mr. Chairman, I thank very much the distinguished ranking minority member of our committee from Kansas (Mr. SKUBITZ).

Mr. Chairman, the Penn Central is in trouble, and I have heard Members during year-in-and-year-out debate take the expedient political position and blame it on poor management. But it is not management. We absolutely tie their hands. We prevent any type of action in any and every way.

The history of the Northeast regional rail reorganization demonstrates the futility of fighting symptoms instead of the basic disease.

When the original act was approved and the tortuous planning process launched, it was evident that the provision of the act intended to keep the bankrupt railroads in operation until ConRail could take over the desirable parts was inadequate and it was unrealistic. It sidestepped the root causes of bankrupt railroads.

To demonstrate how futile this present effort is, look at the figures which have been presented to the committee. They show the greatest rate of inflation in the history of our Government. The bill presented by the Department of Transportation indicated that $250 million would carry the bankrupt railroads through March of 1976, at which time ConRail should be ready to roll. The Penn Central then came forth and said that the figures had been right when they were made up, but things were changed so that now $371 million would be necessary. That is about 70 percent inflation in just that 1 week for which we figured out the rate.

If Congress did not have the inclination to strike at the heart of the problem in the Regional Rail Reorganization Act, the present situation should be enough to demonstrate the necessity. As long as thousands of miles of marginal and uneconomic track are maintained and serviced, deficits will continue to grow. As long as the Federal Government stands by and allows outmoded and burdensome labor practices to be imposed upon the railroads, no intricate schemes of quasi-governmental corporations will save the railroads. The errors of the present approach are only too evident to even a casual observer, and it behooves Congress to scrap this useless effort and move out in new directions.

This is the third time that Congress has acted on this emergency legislation to keep the Penn Central operating, and still it does not get to the cure. In fact, every year Penn Central keeps losing more and more.

The trustees in bankruptcy proposed to abandon the track. One hundred and ninety-three applications affecting 2,445 miles of track were filed with the Interstate Commerce Commission, and they still languish there.

The trustees proposed the elimination of 4,500 jobs. The Department of Transportation urged and pursuaded them not to do that.

The trustees proposed deferring the 1975 pay increases. Again, they were urged and dissuaded not to do so.

We need to do something about these duplications of facilities, these old, inefficient work habits.

If I could, I would like to ask the chairman of our committee, the gentleman from West Virginia (Mr. STAGGERS) one thing: We have been having hearings on the Penn Central since 1970. We have talked about the Penn Central and their problems.

Could the gentleman tell me at this time what they have done during these 5 years in the way of improving their work practices? What have they done to get more production, to obtain more efficiency from labor, during the 5 years that we have worked on it?

Mr. STAGGERS. That would be pretty hard to determine. I could not tell the gentleman the answer because there are agreements with the labor unions on what they should do.

Mr. COLLINS of Texas. Mr. Chairman, I would like to ask the chairman one further question.

I understood that there was a proposal by trustees to eliminate 4,500 jobs, but I also understand that the trustees have no power or authority to eliminate any jobs involving labor union people, and that they cannot even ask to abolish labor union jobs. Is that correct?

Mr. STAGGERS. The gentleman from Texas is asking a pretty broad question, but I would say that any railroad has the right to furlough personnel when they need to furlough them.

Mr. COLLINS of Texas. I understand that the Department of Transportation and the ICC asked the trustees to terminate no one, and that there have been no terminations or layoffs; is that right?

Mr. STAGGERS. The administration did request this.

Mr. COLLINS of Texas. Here is a railroad that is bankrupt, and yet has not reduced its staff in any way.

May I ask the gentleman from West Virginia one other question? I understand that the railroad practices in this area have been based on the work traditions established 50 to 100 years ago, such as when a railroad crew would run about 150 miles, or something such as that. Working men expect 8 hours pay for an 8-hour-day's work, but that today under today's conditions this takes them only some 4 hours, but they still get paid for an 8-hour day.

Is that still the system that is practiced on the railroads?

Mr. STAGGERS. I do not know where the gentleman from Texas got his information, but I think that he should have gotten his anwsers there also. I do not have the answer to that.

Mr. SHUSTER. Mr. Chairman, if the gentleman will yield, I would like to add with reference to the operation of the Penn Central Railroad that it is indeed a very substantial operation, and that there is a portion of that operation which has been modernized and made much more efficient in the past 5 years. I believe the gentleman asked the question as to where had the railroads become more efficient. I would just like to point out that at the Altoona shops on the Penn Central Railroad, they have not had the funds with which to purchase new railroad cars and accordingly, have developed a very modernized and efficient system to take old worn-out railroad cars and for every two cars they are able to produce an essentially good-as-new car, one that is competitive with any new car that can be bought anywhere in the world.

Mr. COLLINS of Texas. I appreciate the remarks of the gentleman from Pennsylvania.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SKUBITZ. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New Jersey (Mr. RINALDO).

Mr. RINALDO. Mr. Chairman, I rise in support of this bill. I listened attentively to the comments of my distinguished colleague from Texas, and I must say that probably everybody in this Congress agrees with the gentleman when he says that once again the Congress is being, in effect, called upon to bail out the crippled Penn Central, and other Northeast and Midwest rail lines. I think that most of us have to agree with the gentleman when, in effect, he says that once again the Congress has had to act with a gun pointed at its head, with dire warnings that the railroads would collapse, and with it the economy of the Northeast States, unless we approve this measure which includes $347 million in grants and loans.

I share the gentleman's grave reservations about giving more Federal aid to the Penn Central, which has been so poorly managed in the past. Yet, as a member of the Committee on Interstate and Foreign Commerce, the hearings we held convinced me that rejecting this measure would spell economic disaster not just for the Northeast and the Midwest, but for the entire Nation.

It is evident that the recession and the sharp reduction in industrial activity have seriously aggravated an already desperate financial situation for the Penn Central. The railroad trustees have estimated that the Penn Central has lost $1 billion since 1970, and that the situation has reached the stage of near collapse. If Penn Central were to close down, thousands of factory and office workers would join the already long unemployment lines. With the implementation of the Consolidated Rail Corporation next year, I hope Congress and this body will never again have to be coerced into saving the rail lines.

The bill contains $150 million in guaranteed loans that will be used for improvements to the lines to assure that the new ConRail system becomes a viable rail system.

During the deliberations on the bill, the committee adopted my amendment to prevent the Penn Central, and other lines, from pocketing money that is paid to them by tenants specifically for local property taxes. Under questioning, both the Acting Secretary of Transportation and the trustees for the Penn Central said this practice was wrong and should be stopped.

As our Nation moves toward energy self-sufficiency, railroads are going to have to, and must, play a larger role in our transportation system. Railroads are an energy-efficient form of transportation. The passage of this bill is vital to our economic well-being in this Nation. The passage of this bill is necessary to prevent the unemployment lines from getting longer. It is necessary to prevent additional economic hardship, and I urge the Members' support of this vitally needed measure.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. RINALDO. I yield to the gentleman from Idaho.

Mr. SYMMS. I appreciate the gentleman's yielding.

I recall when we were debating the meat producers loan, the gentleman in the well and I were both opposing the loan to cattle producers on the basis that it was all wrong for the Government to be intervening in private enterprise. I was wondering how he can justify that the northeast railroad is all right but it is not all right to offer a guaranteed loan to cattlemen.

Mr. RINALDO. I would be glad to respond to the gentleman's question. I can justify it with two reasons. No. 1, when we debated that bill, the economic conditions in this country were completely different. Second, and more importantly——

Mr. SYMMS. Not the cattlemen.

Mr. RINALDO. I felt at that time, and I still feel now, that the subsidy was unwarranted, that it was a completely different situation. It was a case of people raising cattle and asking the taxpayers to subsidize it, which would have resulted, in my opinion, at that time in a higher cost to the consumer.

Mr. SYMMS. Will the gentleman agree——

Mr. RINALDO. I am not going to yield further at this point.

Here we have a completely different situation. Here we have a situation where if we do not subsidize the railroads and continue operation, we will suffer more economic hardship.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SKUBITZ. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. Brown).

Mr. BROWN of Ohio. Mr. Chairman, I rise in support of H.R. 2051 and urge its passage by the House even though I feel further major adjustment of our method of resolving the problems of the railroads in the Northeast and elsewhere in the United States will be necessary. I hope to introduce such legislation in the near future.

But, I am particularly interested in section 4 of the legislation which will allow one of the major railroads in the Northeast—the Erie-Lackawanna—to be included in the planning process now taking place. Without this legislation Erie-Lackawanna is not eligible for the financial assistance which it requires immediately in order to continue its operations because of the cash shortage it now faces. And without this legislation there is no assurance that there will be a continuance of operation of the Erie-Lackawanna properties in the railroad system for the Northeast and Midwest now being planned under the Regional Rail Reorganization Act of 1973. To lose the service of the Erie and its employees in those communities it and they now serve would be a severe economic loss to those communities and many thousands of employees of factories there.

The inclusion of Erie has been vigorously supported by the U.S. Railway Association, the agency charged by Congress with planning a new system for the Northeast. It also received the support of the Chairman of the Interstate Commerce Commission when he testified before our committee. In order to allow coordinated planning of the new council system now and to maintain service in the Erie area until then, we need section 4 of this act.

The Erie is a railroad of major importance running from eastern Pennsylvania to Chicago, and it is clear that its inclusion is necessary for an effective railroad system in the Northeast.

I urge the passage of this legislation.

Mr. STAGGERS. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. Moffett).

Mr. MOFFETT. Mr. Chairman, much of our attention in New England recently has been focused on opposing the economically devastating Presidential energy program. Now, however, we are confronted by another severe crisis. I am referring to the railroads and the imminent possibility that many of our branch lines will be proposed for abandonment by the U.S. Railway Association.

I cannot believe that when Congress enacted the Rail Reorganization Act of 1973, it intended to cause widespread economic dislocation and unemployment as well as dramatically higher costs to consumers. I cannot believe that the Members, in creating the USRA, anticipated that the agency and its leadership would administer the act by adopting only one of the eight goals set out in legislation while ignoring or directly contradicting the others.

Yet that is exactly what has happened. In the course of the recent hearings on the Penn Central emergency, I questioned the heads of the USRA, the U.S. Department of Transportation, and the Chairman of the Interstate Commerce Commission regarding this matter. I asked each of them for their reaction to criticism from the Railway Services Planning Office—the unit that Congress created within the ICC to represent the interests of rail line users and communities in the reorganization process—and from Members of Congress asserting that the USRA and the DOT had too narrowly construed certain parts of the legislation and had ignored others completely. I pointed specifically to the attitude that "nonprofitable" branch lines automatically be abandoned. I suggested that their definition of "profitability" was terribly limited and related only to whether a line paid for the costs incurred in operating and maintaining it.

Many of us believe that the notion of whether a line is profitable should be interpreted more broadly. The lines' social profitability should be taken into consideration, along with the fact that many lines serve industry, thereby creating and sustaining employment. These reasons should substantiate and support the need for preservation of these lines.

The USRA and DOT people were totally unsympathetic to these views. In reply to my question on the possible economic repercussions of rail abandonment for many communities and regions in the country, they pointed weakly to the State subsidy program. Given the financial condition of my State and most others, there is virtually no hope that the States will be able to utilize the subsidy-sharing program, even with the mandated 70 percent Federal, 30 percent State provision.

But the problem extends even beyond these grave impending economic consequences. There is not the prospect of termination of the Office of Public Counsel within the RSPO. I have been told by community leaders, local officials, and industrial rail users that the RSPO attorneys have been extremely helpful in the reorganization process thus far, that this is one Federal program that is working.

I offered an amendment in committee to the Rail Reorganization Act Amendments of 1975 to continue the work of the Office of Public Counsel. We cannot afford to allow this program to terminate. The weeks and months ahead promise to be the most difficult for the people who might be victimized by certain aspects of this legislation. We cannot allow our people to be left in the midst of a complicated process without adequate legal advice.

The Congress certainly did not intend for that to happen. Nor did the Congress intend for another heavy economic burden to be placed on so many communities in the midst of what is at least a severe recession.

Many of the areas in my district suffer double-digit unemployment. Many of the firms that use these rail lines are adamant in their contention that they will have to close down or move should the USRA proceed with its narrow interpretation of the act.

That very real prospect as well as the picture of bumper-to-bumper trailer trucks hauling freight on our secondary highways and the higher consumer prices that will surely develop should be enough for us to pass this bill and my included amendment; then in the very near future, when the final system comes before us, we have the option to reject that plan unless and until the USRA and DOT broaden their definition of profitability.

Mr. SKUBITZ. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, the rail reorganization amendments we are considering today are vital not only to the success of the northeast rail reorganization plan and the survival of two of our Nation's largest and most important railroad companies but also to the entire rail transportation system of our Nation.

Two weeks ago, the House recessed with the threat of a Penn Central and Erie Railroad shutdown looming on the horizon. Fortunately the recess passed without the threatened catastrophes having taken place. Now, it is time for Congress to act to prevent any such contingencies from arising again.

Congress acted last session to preserve and improve our Nation's rail system. The Rail Reorganization Act is a milestone in that effort.

The Consolidated Rail Corporation created by that act is scheduled to begin operating its streamlined rail system about a year from now. But if we fail to act today, there may be no rail system left for ConRail to operate.

Penn Central states the need for this money is desperate, to insure continued operations through the date on which its properties will be conveyed to ConRail.

The Erie is now seeking readmission to the ConRail system. Erie initially tried to reorganize under the bankruptcy laws, with the Federal court's approval. But Erie soon found that our Nation's deteriorating economic condition made that course of action impractical, and is now seeking to get back into the northeast rail plan and is servicing emergency funding.

While I am distressed about Erie's dilatory action in first seeking to go it alone and then belatedly confronting Congress with an ultimatum of emergency funding, I urge my colleagues to take the practical course—to realize that, however badly the rail systems have been permitted to deteriorate, they will deteriorate still further unless we act expeditiously.

During the course of today's debate I will offer an amendment to condition Penn Central's emergency funding upon completion of the repair of the vital rail bridge at Poughkeepsie, N.Y.

I will also seek to amend this measure to enable public hearings to be conducted subsequent to Erie becoming a part of ConRail.

Accordingly, I urge my colleagues to support this important rail measure.

Mr. SKUBITZ. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman, I thank the gentleman from Kansas for yielding.

I think it is a drastic mistake to believe our whole economy is hostage to the passage of this bill. I share the concern others have expressed about the effect on the GNP and on employment if the eastern railroads are shut down; but I do not think this is the only alternative.

If we defeat this bill now, we could, perhaps today or within a day or two, pass a bill containing the kind of reforms the gentleman from Texas (Mr. COLLINS) and others have called for.

Let us think about what caused this railroad and other railroads to go bankrupt. It is archaic work rules of the railroads and the failure of the ICC to permit closure of unproductive rail lines. Until Congress is ready to cope with those underlying problems, we are just wasting money trying to shore up failing railroads.

Mr. SKUBITZ. Mr. Chairman, I yield 2 minutes to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, earlier in the debate the gentleman from Texas (Mr. COLLINS) brought out a question that I do not think was satisfactorily answered. I wonder if anyone can answer the question. They still use the work rules of 120 miles a day constitutes a day's work running a train, when it takes only a 4-hour trip. Could the gentleman from Kansas (Mr. SKUBITZ) answer that?

Mr. SKUBITZ. Mr. Chairman, I assume that any of the rules in effect heretofore are still in effect.

Anyway, my answer is, "So what?" Suppose we try to do what the gentleman wants to do. These railroads are going to shut down. As much as I would like to change some of the work rules, this is not the time or place. We do an injustice to this legislation by attempting to put such arguments to defeat the bill.

Mr. SYMMS. I thank the gentleman from Kansas for his answer, but that is the point and the gentleman from Kansas says, "So what?"

This bill is putting vaseline on a cancer. Until we solve this problem and get the Government out of the way, we can dump many millions of dollars down this railroad rathole. We can do it from now on. As long as we have the printing press, we can continue dumping it down the rathole until it becomes worthless.

I think this bill ought to be voted down and we should address ourselves to the real problem, Government intervention. The ICC gave the railroads the land 200 years ago and now they want to run the train schedule, the times and the rates, and how much to charge the passengers, and what to pay the help. This is what is wrong with the railroads and trying to reorganize this plan really never will be successful and the sooner this Congress faces reality, the better off we will be.

Mr. SKUBITZ. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I thank the gentleman.

I would point out that while there are many imperfections in this approach and, indeed, many theoretical solutions which have been proposed, the fact is that the House already worked its will on a comprehensive reorganization plan. For my friends in this House who consider themselves believers in the private enterprise system, I would point out that if we believe in the private enterprise system, then we should support this bill, because the alternative is to let the railroads close down and we will then have nationalization of our railroads.

Let us not lose sight of the fact that ConRail is a for-profit railroad and it is the last hope we have for a private enterprise operation by our railroads in the Northeast. All we are doing here today is buying time so ConRail has a chance for survival. If we do not give it that chance to survive, then we most surely are going to find ourselves faced with nationalization of our railroads. I urge passage of this emergency rail legislation.

Mr. SARASIN. Mr. Chairman, the legislation which we are considering at this time is vitally important to the Northeast and to my State of Connecticut in terms of its future economic growth and to further the creation of a balanced transportation system. For these reasons, I rise in support of H.R. 2051, a bill to provide $347 million in new financial assistance to keep the railroads in reorganization, operating at the same level which they operated at in 1974, until the new Consolidated Rail Corporation assumes their operation.

I do so with a certain amount of apprehension because I do not like the approach of having our national transportation program put together in a piecemeal approach with no overall guidance or plan. We are being called upon today to vote for a bill on which we have very little choice, for if we do not vote aye, we are voting for the economic disruption of not only the Northeast but the whole country which relies on the Penn Central to either deliver raw materials and food to the Northeast and to return with finished products.

America's rapidly deteriorating rail situation will never improve unless there is some cohesive, concerted effort by the Congress to remove the prohibitive regulatory barriers which continue to prevent the railroads from moving out from under their current depression.

We, in the House, took a significant step in that direction in the 93d Congress when we passed the Surface Transportation Act of 1974. This measure, however, was not resolved by the other body and it now looks rather unlikely that a piece of legislation as comprehensive as the Surface Transportation Act can ever be reported in light of the division of jurisdiction for transportation modes established during the committee reorganization process.

Mr. Chairman, I would also like, at this time, to bring to my colleagues attention the fact that the National Rail Passenger Corporation, or Amtrak as it is more commonly referred to, is planning to stop passenger service between Springfield and Boston due to a contract dispute over the funding schedule for service on that line. This action denies rail passengers an option of taking the inland route and forces Connecticut residents to travel south so that they can eventually travel north to Boston. I think it is hardly advisable for Amtrak to encourage and allow the energy waste and to punish the residents of Connecticut for their dispute with Massachusetts.

Mr. DRINAN. Mr. Chairman, I rise in strong support of H.R. 2051, the Regional Rail Reorganization Act Amendments of 1975. This legislation authorizes emergency financial relief to the Penn Central and other bankrupt railroads which are in the process of reorganizing into a new rail system, the Consolidated Rail Corporation—ConRail.

H.R. 2051 provides emergency moneys for the northeast railroads which could not otherwise continue operations. A total of $347 million is authorized, $197 million in Federal grants and $150 million in Government-backed loans. While the funds are not specifically targeted, it is anticipated that the largest amount, approximately $222 million, will go to the Penn Central Railroad in order to maintain its existing services.

I am afraid, Mr. Chairman, that if the Congress fails to pass this legislation, providing operating capital to the Penn Central, that railroad shutdowns will probably begin in the weeks ahead. This would amount to a disaster for the entire Nation, not just the Northeast which would be most seriously affected. For example, over 50 percent of all the U.S. industrial shipping is done by way of the Penn Central. As far as freight traffic, 41 percent is handled by this railroal system at some point during shipment. From an energy standpoint, it should also be remembered that the railroads are the largest shippers of coal, and a rail shutdown could only have negative results in this regard.

While the country as a whole would be adversely affected by a rail shutdown, New England would be even more hard hit. It has been estimated that a rail shutdown would result in a 4-percent decrease in the rate of economic activity in the Nation. However, the rate of economic activity would decrease by 5.2 percent in the Northeast. New England has already been harmed by the energy crisis; if a rail shutdown were to occur, it could only result in further economic stagnation for our region.

Mr. Chairman, my district is highly representative in indicating why this legislation should be speedily enacted by the Congress. Local businesses and industries such as plastics and paper companies, stores and retail outlets, are highly dependent on the railroads. Supplies of raw materials such as petrochemical feedstocks for the plastic industry are shipped in by rail, while goods and products are shipped out via the same rail transportation. To lose the railroads at this critical time would present an insurmountable obstacle to these business concerns.

In speaking in terms of economic stagnation for New England, I am, of course, referring to our jobs picture as well. My own State of Massachusetts has one of the highest unemployment rates in the country, latest figures showing unemployment to be approximately 10 percent. Unless we can provide a stable transportation system for our businesses, it is possible that our present joblessness rate could go even higher yet. Not only will more individuals lose their jobs, but our companies could become less competitive with other regions and countries.

It might be asked at this point, Mr. Chairman, whether it is really necessary for the Congress to authorize further operating subsidies for the Penn Central System. Unfortunately, however, after looking at the balance sheet, it becomes quite apparent that immediate financial help is required. By the last week in February, all grant moneys available to Penn Central under section 213 of the Rail Reorganization Act of 1973 will be exhausted. Penn Central will be unable to meet a $14 million payroll which falls due in the last days of this month. Thus, unless Congress appropriates additional funds, we can only look forward to a steady shutdown of railroad operations for lack of operating cash. The foreseeable consequences from the shutdowns are not pleasant to contemplate.

In supporting the legislation presently under consideration, I would also like to urge my colleagues to act favorably upon an amendment which would allow States to use Federal subsidy money to purchase lines not included in the ConRail system. At the moment, States may only use Federal funds for rail operating subsidies, which makes capital improvements difficult. This amendment would permit a modernization program to be undertaken, so that presently bankrupt railroads can eventually become self-supporting enterprises.

Mr. Chairman, there can be little question that the Northeast and the Nation as a whole need the enactment of this legislation. At a time when the economic recession and an energy crisis cast a double shadow across this country, we must not add to our difficulties by bringing on transportation shortages as well. Hopefully, we will see the day when these rail subsidies are no longer necessary, but for the present, we cannot allow a shutdown of the railroads.

Mr. OBERSTAR. Mr. Chairman, this body once again has before it legislation to provide grants and loans to keep afloat the Penn Central and other bankrupt railroads in the Northeast. Regionally, the consequences of shutting down such a critical transportation artery as the Penn Central would be catastrophic. I would no more wish such a tragedy upon the people of the Northeast region of the United States, than I would want to see it happen to those of us in the Midwest.

I deplore the mismanagement that has forced us to this legislation. I deplore the structural inadequacies of our entire transportation system, which this legislation does not even touch.

But, because the bargaining pawns are the jobs, the people, the economy of an entire region, all of which are condemned to economic disaster if we do not act now, I, reluctantly, will support the bill. To do otherwise would endanger over 100,000 jobs and risk the disruption of a significant portion of our economy at a time when it cannot tolerate any more disruptions.

But I also believe that we must recognize that one of the reasons we are here today, passing this legislation, is that we, as a body, have not faced up to the very difficult and divisive issue of establishing a comprehensive and effective transportation policy.

We have, unfortunately, over the years, made our transportation system a showcase of how poorly the legislative process can work by establishing a hodgepodge, helter-skelter, every-industry-for-itself transportation system that serves only a few interests well, and the American taxpayer and consumer very poorly.

I believe we all recognize that our transportation system is not efficient, that it is not going to work effectively until some fundamental changes are made. We can and we must have a coordinated and interlocking transportation system in which all the parts work together to serve the public, in a unified national transportation policy, which this country desperately needs.

Mr. Speaker, I will support H.R. 2051 because I feel we cannot by our inaction throw another 100,000 men on the already swollen unemployment rolls, and further aggravate the national economic picture. I can only voice my hope that those whom we help today will not forget the energy and economic needs of the farmers, the small businessmen, the miners, the building tradesmen of our Midwest region when they cry out for help on accelerated public works, multistate regional commissions, dairy imports, emergency crop disaster loans, winter navigation on the Great Lakes, and other needs directly affecting our regional and national economies.

In the final analysis, I feel that we must not back away from our obligation to address the structural problems of our transportation system that have led us to this point. The failures of the past, and the problems of the present, must not be perpetuated, when the solutions are recognizable and well within our reach.

Mr. KELLY. Mr. Chairman, I intend to vote against the pending bill authorizing $347 million in further assistance to the Penn Central. This is the third time the Congress has been called upon to bail out this railroad with taxpayers' money. I am aware of the immediate consequences should this bill be defeated, but the survival of this Nation and its institutions cannot be insured by stop-gap Government going from crisis to crisis.

This railroad is in trouble because management and labor have mismanaged and bilked it and because Government has hog-tied it with regulations designed to protect special interests rather than free enterprise and the American taxpayer.

It is necessary that we charged with responsibility of leadership live in a real world and recognize that tomorrow will come the first thing in the morning.

If we continue to bail out one industry after another, we will have one essential sector of our economy after another falling victim to the same scenario represented by the Penn Central.

Yesterday's tomorrow has arrived today, and I urge my colleagues to vote against this bill and cause everyone to recognize that bad management, special interests, and inept Government have only disaster as a product.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute, printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regional Rail Reorganization Act Amendments of 1975".

Sec. 2. (a) Section 202(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 712(b)) is amended—

(1) in paragraph (2) by inserting "and express" immediately after "rail" each time it appears;

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(8) study the feasibility of coordinating rail and express service in the region.".

(b) Section 206(a)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. (a)(1)) is amended by inserting "and express" immediately after "rail".

Sec. 3. Section 205(d)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 715(d)(2)) is amended to read as follows:

"(2) employ and utilize the services of attorneys and such other personnel as may be required in order to properly protect the interests of those communities and users of rail service which, for whatever reason, such as their size or location, might not otherwise be adequately represented in the course of the reorganization process as provided by this Act;".

Sec. 4. Section 207(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(b)) is amended by inserting "(1)" immediately before the first sentence thereof, and by adding at the end thereof the following new paragraph:

"(2) Whenever it has been finally determined pursuant to the procedures of paragraph (1) of this subsection, that the reorganization of a railroad subject to reorganization under section 77 of the Bankruptcy Act (11 U.S.C. 205) shall not be proceeded with pursuant to this Act, the court having jurisdiction over such railroad may, upon a petition which is filed within 10 days after the date of enactment of this subsection by the trustees of such railroad, reconsider such order. Such reorganization court shall (i) affirm its previous order or (ii) issue an order that the reorganization of such railroad be proceeded with pursuant to this Act unless it finds that this Act does not provide a process which would be fair and equitable. The provisions of paragraph (1) of this subsection are applicable in such reconsideration, except that (A) such reorganization court shall make its decision within 30 days after such petition is filed, and (B) any decision by the special court on appeal from such a decision shall be rendered within 30 days after such reorganization court decision is made. There shall be no review of the decision of the special court. The Association shall take any steps it finds necessary, consistent with time limitations and other provisions of this Act, to effectuate the consequences of such a revised order, including the preparation and submission of any necessary or appropriate supplements to the preliminary system plan.".

Sec. 5. (a) Section 211(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(a)) is amended by striking out "for purposes of assisting in the implementation of the final system plan;" and inserting in lieu thereof "for purposes of achieving the goals of this Act;".

(b) Section 211(e)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(e)(1)) is amended by striking out "carry out the final system plan" and inserting in lieu thereof "achieve the goals of this Act".

(c) Section 211(f) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(f)) is amended by striking out "goals of the final system plan" and inserting in lieu thereof "goals of this Act".

Sec. 6. (a) Section 213(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(a)) is amended by adding the following at the end thereof: "Where the Secretary and the trustees agree that funds provided pursuant to this section are to be used (together with funds provided pursuant to section 215 of this Act, if any) to perform program maintenance on designated rail properties until the date rail properties are conveyed under this Act or to improve such designated properties, such agreement shall contain the conditions set forth in section 215(b) of this Act.".

(b) Section 213(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723 (b)) is amended—

(1) by striking out "$85,000,000" and inserting in lieu thereof "$282,000,000'; and

(2) by adding at the end thereof the following new sentence: "Of amounts authorized to be appropriated under this subsection, $50,000,000 shall be available solely to pay to the trustees of railroads in reorganization such sums as may be necessary to provide such railroads with amounts equal to revenues attributable to tariff increases proposed by such railroads and suspended by the Interstate Commerce Commission during the calendar year 1975, if the Secretary determines that such payments are necessary to carry out this section.".

Sec. 7. Section 215 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 725) is amended to read as follows:

"INTERIM AGREEMENTS

"Sec. 215. (a) Purposes.—Prior to the date upon which rail properties are conveyed to the Corporation under this Act, the Secretary, with the approval of the Association, is authorized to enter into agreements with the trustees of the railroads in reorganization in the region (or railroads leased, operated, or controlled by railroads in reorganization)—

"(1) to perform the program maintenance on designated rail properties of such railroads until the date rail properties are conveyed under this Act;

"(2) to improve rail properties of such railroads; and

"(3) to acquire rail properties for lease or loan to any such railroads until the date such rail properties are conveyed under this Act, and subsequently for conveyance pursuant to the final system plan, or to acquire interests in such rail properties owned by or leased to any such railroads or in purchase money obligations therefor.

"(b) Conditions.—Agreements pursuant to subsection (a) of this section shall contain such reasonable terms and conditions as the Secretary may prescribe. In addition, agreements under paragraphs (1) and (2) of subsection (a) of this section shall provide that—

"(1) the Corporation shall not be required under title III of this Act to compensate a railroad in reorganization for any portion of the value of the properties subject to the agreement and designated under the final system plan for transfer to the Corporation which is attributable to the maintenance or improvement performed pursuant to the agreement. The Association and the special court shall, in determining value pursuant to section 303 of this Act, take into account the physical condition as of the effective date of the agreement; and

"(2) in the event that property subject to the agreement is sold, leased, or transferred to an entity other than the Corporation, the trustees or railroad shall pay or assign to the Secretary that portion of the proceeds of such sale, lease, or transfer which reflects value attributable to the maintenance and improvement provided pursuant to the agreement.

"(c) Obligations.—Notwithstanding section 210(b) of this title, the Association shall issue obligations under section 210(a) of this title in an amount sufficient to finance such agreements and shall require the Corporation to assume any such obligations. The aggregate amount of obligations issued under this section and outstanding at any one time shall not exceed $300,000,000. The Association, with the approval of the Secretary, shall designate in the final system plan that portion of such obligations issued or to be issued which shall be refinanced and the terms thereof, and that portion from which the Corporation shall be released of its obligations.

"(d) Conveyance.—The Secretary may convey to the Corporation, with or without receipt of consideration, any property or interests acquired by, transferred to, or otherwise held by the Secretary pursuant to this section or section 213 of this Act.".

Sec. 8. Section 303(c)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 745(c)(1)) is amended by striking out the last word of paragraph (A), by striking out the period at the end of paragraph (B) and inserting "; and" in lieu thereof, and by inserting after paragraph (B) the following new paragraph:

"(C) what portion of the proceeds received by a railroad in reorganization from an entity other than the Corporation for the sale, lease, or transfer of property subject to an agreement under section 213 or section 215(a) (1) or (2) of this Act reflects value attributable to the maintenance or improvement provided pursuant to the agreement.".

Sec. 9. Title VI of the Regional Rail Reorganization Act of 1973 is amended by adding at the end thereof the following new section:

"TAX PAYMENTS TO STATES

"Sec. 605. (a) Notwithstanding any other provision of law, no railroad in reorganization shall withhold from any State, or any political subdivision thereof, the payment of the portion of any tax owed by such railroad to such State or subdivision, which portion has been collected by such railroad from any tenant thereof.

"(b) Any railroad which violates the provisions of subsection (a) of this section by withholding any portion of a tax referred to in such subsection shall be fined not more than $10,000 for each such violation.".

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

Mr. ASHBROOK. Mr. Chairman, reserving the right to object, I merely make this reservation of objection because on a number of occasions I have been in the position, as other Members have, of offering amendments and then there is a limitation of time.

I would ask the gentleman from West Virginia if he has any intention of closing off debate and cutting out the opportunity many of us would like to have to offer amendments and discuss this bill.

Mr. STAGGERS. Mr. Chairman, I would say, in answer to the gentleman, that I want to get those amendments up as soon as possible and to take as much time as we need for them.

Mr. ASHBROOK. Mr. Chairman, further reserving the right to object, I understand that the gentleman cannot say absolutely in every situation that he will not move to close debate, but talking about it in general, the number of times that I have been on this floor and we get down to the end, we have amendments with no time allowed for discussion.

That is not a very good practice, and I would hope that the gentleman from West Virginia would be able to leave debate open as long as possible.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

AMENDMENT OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAGGERS: Page 10, strike out lines 15 through 24 and insert in lieu thereof the following:

"(1) to the extent that physical condition is used as a basis for determining, under section 206(f) or 303(c) of this Act, the value of properties subject to such an agreement and designated for transfer to the Corporation under the final system plan, the physical condition of the properties on the effective date of the agreement shall be used; and".

Mr. STAGGERS. Mr. Chairman, the administration originally proposed language amending section 215 of the Regional Rail Reorganization Act of 1973 which was designated to ensure that, after Government assistance was used for improvements or program maintenance to the property of railroads in reorganization, payment would not have to be made to the estates of those railroads under the final system plan for the value added to the rail properties involved by those improvements or that maintenance.

The trustees of the Penn Central objected to that language on the ground that it would prohibit a railroad in reorganization from obtaining compensation for increases in the value of rail properties occurring after the date of a section 215 agreement which were attributable to such factors as inflation or the improvement of adjacent properties.

Our committee adopted the Senate language on this section. It provides that ConRail shall not be required to pay for the value attributable to maintenance or improvements performed under a section 215 agreement. The administration opposed that language because it is very difficult to devise an analytical formula which would fairly measure what portion of the value of given rail property is attributable to the effectuation of given improvements in its physical condition. They contend that the language would proliferate litigation and cause uncertainty as to whether there would be adequate protection for the Government.

The administration has therefore come up with new language which, while alleviating the concern expressed by the trustees and avoiding the vagueness of the value attributable concept, insures that, in the valuation of properties subject to section 215 agreements, their physical condition prior to the work done under the agreements shall be used. This language is acceptable to the Penn Central trustees and I believe the Senate would approve the language without forcing a conference. I believe it is an improvement over the language which we now have, and therefore urge its adoption.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from New York.

Mr. HASTINGS. Mr. Chairman, I have a question relating to this section and to the language on page 12 of the report.

Would this amendment clarify that the intent of the committee was to eliminate from the consideration for rail properties transferred under the final system plan any element of value of any kind attributable to the maintenance or improvement accomplished with such loans or grants?

Mr. STAGGERS. Yes.

Mr. HASTINGS. I thank the Chairman for his reply.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. STAGGERS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COLLINS OF TEXAS

Mr. COLLINS of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLLINS of Texas. On page 8, beginning on line 13, strike section 6.

Mr. COLLINS of Texas. Mr. Chairman, the net effect of this amendment is simply to eliminate most of the money from the bill. I want to say something additional about this bill, to go back to the basic issue that is involved.

We have been before Congress three times on this Penn Central, and every time many Members prefer to lay it on management's sore back. Some blame it all on management and all the management mistakes, but I have watched for 5 years, and I have seen management trying often to do something about it. But I never have seen Congress do one single thing about it except pour more money in as a subsidy.

I have not seen us move. In fact, when I asked on the floor about what have the labor unions done to improve matters, the answer is they have not done anything.

So, the Members should recall that we have not only been here three times already, but it was said in our committee that the Penn Central would be back in 6 months. What we are doing is going from disaster to disaster, month by month by month.

In these discussions, it sounds like running a railroad is a hopeless job, but there are a lot of good railroads in this country. The reason many are sound today is that they went through bankruptcy at one time, and when they did that, they reorganized and got on an efficient basis so they could continue to operate. We have a lot of railroads in our area doing a good job moving freight, heavy freight. They are well run, good equipment, good manpower, and they have good roadbeds to go with it.

During this whole discussion and in this entire bill, there has never been one single item pointed out where they have reorganizing, or where they are making this railroad more efficient.

In fact, they talked about ConRail, and they said ConRail will take over. I want to tell the Members that ConRail does not have a chance to survive unless we can get these work schedules adjusted and dead routes abandoned.

I would like to go back and emphasize this once again. Is the gentleman here who mentioned the Altoona shops?

Mr. SHUSTER. Yes.

Mr. COLLINS of Texas. I would like to ask the gentleman to clarify the thought the gentleman mentioned on behalf of his fine friends in the district of Altoona.

As I understand it, in that shop they work 40 hours a week, is that correct, the men who operate the shops?

Mr. SHUSTER. Forty hours is a normal week.

Mr. COLLINS of Texas. That is what the men in the shops work. When these engineers get on the train and the crews ride out, we hear they work 20 hours. Would the gentleman explain why the shop people work 40 hours a week while the members of the traincrew work 20 hours?

Mr. SHUSTER. First of all, several traincrews work 40 hours a week. Second, in many instances they work much longer than that. I do know that in the Altoona car and locomotive shops they are the most efficient in the world and, indeed, they have reduced the cost of rebuilding both cars and locomotives in the past 5 years to the point where they can compete favorably against any other facility in the world.

In this operation they have not been able to build one new car, even though there is a real car shortage in this country. They have not been able to build one new car because they do not have the funds to do it. The shortage is exacerbated by the lack of capital. If we can keep these operations functioning until ConRail can go into operation, America will be able to get railroad cars and locomotives, at economical prices from the Altoona shops, and that will be a benefit to our entire Nation.

Mr. COLLINS of Texas. Mr. Chairman, I appreciate the remarks of my good friend from Pennsylvania about the conditions in Altoona, and I want to add this: I am interested in the Altoona shop. I am interested in the train crews. I commend Altoona for their great work in the shops, but I understand when the trains roll, they have a four-man crew, when they ride on the train, and the basic question is raised as to why they have four- instead of two-man crews.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. Yes, I yield to the gentleman.

Mr. SHUSTER. I agree completely with the gentleman that there are changes that are very seriously needed, and I would support constructive changes. But we are not faced with that kind of a choice here today. We are faced with a choice of either letting the railroads go down the drain or keeping them alive until the ConRail system can begin to function. I know the gentleman from Texas is a champion of the free enterprise system and I would remind him that without this legislation there is little hope of keeping our railroads in that system. The alternative is nationalization.

Mr. COLLINS of Texas. Mr. Chairman, I thank the gentleman very much.

I appreciate what has been said about Altoona, and I hope the good people in Altoona hear about it.

I want to say this about the size of train crews. So far as the railroad business is concerned, I would emphasize how important its profitable operation is to America, but it cannot make it unless they begin to operate on an efficient, businesslike basis. Everybody who borrows money from the bank knows that at the time they borrow money that at this time they get the tough operating terms. If we cannot put in any financially realistic operating terms, they are not going to be put in there at all. In fact, back in February 1973, the trustees of this bankrupt railroad said, "We are going to make the Penn Central more efficient, we are going to require more labor efficiency and we are going to abandon dead tracks."

That is what they ought to have done.

This brought on a railroad strike threat. We had an emergency, and the next thing we know, Congress gave them money. For 5 years the trustees have been wanting to make improvements in operating efficiencies and we have never let them do one thing because of our bureaucratic intervention from Washington.

Mr. SYMMS. Mr. Chairman, I move to strike the last word and continue the colloquy with the gentleman from Texas, because I think a very important point that is being overlooked by Members of this body is the one the gentleman from Altoona, Pa., pointed out, that we cannot let this railroad go down the drain.

In the first place, if we let it go, the stock is going to get so low that maybe some people from the western railroads who are operating for a profit can come in and pick up this stock today, get a new management, and run it for a profit.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I will not yield at this time.

Mr. Chairman, I would just like to point out that we operate under a profit and loss system, and if we do not let an economic system run through its catharsis, it will not work. It seems that we will not let anybody fail.

Mr. Chairman, in the West we have the Union Pacific Railroad, which goes out and hustles for business. They make up trains which haul onions, potatoes, apples, lumber products, minerals, et cetera, and they have to compete with the trucking companies for this business. They are out selling their services in order to get this business. They ship these products East; they route it to the Midwest, through Milwaukee and through Chicago, to the Penn Central. The Penn Central does not have to do anything, but all of a sudden the Penn Central gets the haul, and yet it loses money, while Union Pacific is making a profit.

Mr. Chairman, I think the gentleman from Texas has put his finger on the problem of the railroads. They are still operating under antiquated work rules and under antiquated rate rules, because of intervention and interference from the Government. That is the problem—too much government.

Mr. COLLINS of Texas. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Texas.

Mr. COLLINS of Texas. Mr. Chairman, I appreciate the gentleman from Idaho yielding.

I am impressed with the efficiency of the Altoona shop but we want here to talk about the rest of the railroad.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield? I will have an answer to this problem.

Mr. SYMMS. Mr. Chairman, I have yielded to the gentleman from Texas, and I will yield later to the gentleman from Pennsylvania.

Mr. COLLINS of Texas. Mr. Chairman, let me answer this question.

The basic differences boil down to two areas. To start with the work rules are not modern, and the fact is the regulations are not fully comprehensive and crews are not efficient.

There is another side to this. They have had a merger of several railroads, and as a result they have a duplication of services and facilities in many areas; therefore, they have old, dead tracks that should be abandoned. I have heard that they have asked for as much as 6,000 miles of track to be abandoned. There has been application after application filed, but the ICC will never act on abandoning these tracks.

Before ConRail ever takes it over, they ought to abandon those dead tracks. They ought to have them discontinued, and they should be replaced with trucks. That is the way we do it down our way on short or infrequent hauls.

For instance, I heard of one situation where they had need of the railroad for transport for maybe 1 month out of the year. When there is a need for train service in only 1 month out of the year, one cannot maintain a railroad all year long for a 1-month haul. What we must do is abandon all these dead tracks.

Mr. Chairman, I have also heard it said that they are not allowed to touch any man in railroad union labor; they cannot replace him, any member of railroad union labor. They cannot relieve any of them. We have to be realistic. People who do not longer have a job to perform will have to be separated. They will have to go into another line of work where they can add to productivity.

Down home the other day I heard a typical story. I talked to a fellow who has been a lumber broker and who traded lumber by mill shipments. They do not have any work now as lumber sales are down because homebuliding is halted. As a result, this man's wife is out selling tile, and he is selling homes in a development. If people do not have work in their present field, they must transfer to different jobs.

Mr. Chairman, if this railroad simply does not have enough jobs for everyone, railroaders are going to have to go into other trades and vocations.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. Mr. Chairman, I have the time, and I will yield later.

I would like to say that I favor the amendment offered by the gentleman from Texas, and I hope it is adopted.

I now yield to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I will point out to the gentleman from Idaho that there is a way to solve this problem, and that is to deal with it when the system report comes from the U.S. Rail Association to the Congress this year, and at that time we can approve, amend or defeat the overall proposed ConRail system. But today is not the day to do that. This is emergency legislation.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for his comment.

In other words, the gentleman is saying to me that this really is not the solution; this is merely giving aspirin for the relief of a cancerous situation.

Mr. SHUSTER. No. If the gentleman will yield further, this is keeping alive the patient so we may have a chance and an opportunity to save his life.

Mr. SYMMS. In other words, we are giving plasma to a patient in the arm who has one foot off and the blood running out a leg.

Mr. SHUSTER. No, we are giving plasma to a patient who needs blood.

Mr. COLLINS of Texas. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Texas.

Mr. COLLINS of Texas. Mr. Chairman, what we should bring out here and repeat again and again is this bill paid with borrowed money. Congress does not have this money. we are talking about a minimum of a $52 billion deficit this year and when we get through spending in Congress it will probably be over a $100 billion deficit.

When I was last down in my district, all the people were talking about inflation, inflation, inflation. And we all know inflation is due to the Government's spending money which we do not have. That is the bill before us, we are spending and borrowing more money which we do not have.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, I want to make two inquiries in connection with this discussion that we are having here. and see whether we will have a satisfactory answer—at least one which is satisfactory to me.

Mr. Chairman, I wish to ask if someone can tell me what percentage of the freight haul in this Nation originates within the Penn Central Railroad territory?

The CHAIRMAN. The time of the gentleman from Idaho (Mr. SYMMS) has expired.

Mr. LANDRUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, to continue the discussion, I will ask this question:

Can some Member tell me what percentage of the freight haul in this Nation originates in the areas served by the

Pennsylvania Railroad or the Penn Central Railroad?

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the distinguished gentleman from West Virginia for the purpose of a reply to my question.

Mr. STAGGERS. Mr. Chairman, I can only make an estimate, and the estimate is that it is about one-third. I have heard that figure.

Mr. LANDRUM. About 30 to 35 percent?

Mr. STAGGERS. That is right.

Mr. LANDRUM. Of the Nation's freight haul originates in the area served by the Penn Central Railroad?

Mr. STAGGERS. Yes.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. Yes, I yield to the gentleman from Massachusetts.

Mr. O'NEILL. May I say to the gentleman that apparently he was not on the floor when I was making my remarks because I was giving a few statistics. For example, the automobile industry would go out of existence in Detroit in 1 month because of all the steel that must be moved.

Mr. LANDRUM. Mr. Chairman, I do not yield to the gentleman any further. I was not referring to the automobile industry.

Mr. O'NEILL. If the gentleman will yield further, I also made reference to the fact, of course, that 5,300 carloads of oranges come from Florida through Georgia up to Philadelphia, New York, and Boston alone; and we could go into all of the products of Georgia that have come into this particular Northeast section of the country.

I wonder how long the crops and the farmers of Georgia would exist if it were not for the fact that we had the Penn Central Railroad.

Mr. LANDRUM. Mr. Chairman, I thank the gentleman, but I do not yield any further.

I think I got the answer that is approximately correct, that about 30 to 35 percent of the freight hauled in this Nation originates in the area served by the Penn Central Railroad.

Now I want to ask another question, and that is, Why can a rail line such as the Southern Railroad operating over a much longer haul area, and primarily in an area that has had traditionally lower incomes than the area which this line serves, operate and make money all the time?

I say to the Members that it must be the result of something that we are overlooking here. I wonder if it is not about time that we took advantage of the expertise, the sound judgment, and commonsense that some people have in the management of other railroads and see if we could let them help get this business on a paying basis rather than to continue to soak the taxpayers and continue to carry this deficit, digging deeper and deeper into the taxpayers' pockets.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield on the point about which he is asking a question?

Mr. LANDRUM. Yes; I yield to the gentleman from Texas.

Mr. ECKHARDT. I have often thought that myself, but I suppose that is one of the benefits we in the South got by losing the Civil War. We never got those rail lines running to the little mill towns, so that we did not have to continue to operate them later and go broke in operating railroads with too much inefficient trackage.

Mr. LANDRUM. Thank you Mr. Eckhardt for that timely observation. But I think we have the talent, we have the intelligence, and we have the business capacity to manage railroads, and it is being demonstrated day by day with the Southern Railroad, which operates in this country at a profit every year. It is time to use it and stop pouring taxpayers' money down the drain.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment.

This goes to the very heart of the bill; if we adopt this, the only alternative is nationalization. If we cut out the money and do not do anything about it, the Government would have to take over and nationalize the railroad in this section of the country.

Therefore, Mr. Chairman, with that statement, I just urge the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. Collins).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SYMMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. M'HUGH

Mr. McHUGH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McHugh: Page 6, line 22, insert "(a)" immediately after "Sec. 4.".

Page 7, after line 24, insert the following new subsection:

"(b) Section 207(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(a)) is amended by adding at the end thereof the following new sentence: 'The Office is authorized and directed to hold public hearings on any supplement to the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of such supplement, not later than 30 days after the release of such supplement.' "

Mr. McHUGH. Mr. Chairman, this amendment would do nothing more than simply expressly require that the public hearings be held on any supplement to the preliminary system plan.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I understood that the gentleman has offered an amendment—and I do not have it in front of me—wherein he authorizes and directs that public hearings be held. Did the gentleman put that in?

Mr. McHUGH. Yes, I did.

Mr. STAGGERS. This is completely different from the Senate language. If the gentleman from New York would take out the words "and directed", then I would, on this side, accept the amendment.

Mr. McHUGH. Mr. Chairman, I would be glad to do so if the gentleman from West Virginia would explain to me why we should not have public hearings on the supplement.

Mr. STAGGERS. If the gentleman will yield further, the answer is that there may not be a supplemental plan, and we do not want to direct them to do something that is not necessary. This would be completely different from the Senate language, and would necessitate that we go to a conference with the other body.

Mr. McHUGH. The gentleman from West Virginia would accept the amendment if those words were deleted?

Mr. STAGGERS. That is correct.

Mr. HASTINGS. Mr. Chairman, if the gentleman will yield, I might say that we are in accord with the gentleman from West Virginia on this side of the aisle; that we would accept the amendment with those words removed, so that we would not be directing them to do so when they might not have to.

I wonder if the gentleman in the well would ask unanimous consent to remove those words, and if he would do so then we could go along with the gentleman's amendment.

Mr. McHUGH. Mr. Chairman, I will do so. I would ask unanimous consent to resubmit the amendment, deleting the words "and directed" with the understanding that there would be no objection from either side of the aisle.

The CHAIRMAN. The gentleman from New York (Mr. McHugh) has asked unanimous consent to modify his amendment by deleting the words "authorized and directed"; is that correct?

Mr. McHUGH. No; Mr. Chairman, my unanimous-consent request is to delete the words "and directed", so that the amendment would then read, that portion of it,

The Office is authorized to hold public hearings. . . .

So as to conform the language of the amendment to the language in the Senate version of the bill.

The CHAIRMAN. The Clerk will report the amendment in conformance with the unanimous-consent request to modify the amendment.

The Clerk read as follows:

Amendment offered by Mr. McHugh: Page 6, line 22, insert "(a)" immediately after "Sec. 4.".

Page 7, after line 24, insert the following new subsection:

(b) Section 201(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717 (a)) is amended by adding at the end thereof the following new sentence: "The Office is authorized to hold public hearings on any supplement to the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of such supplement, not later than 30 days after the release of such supplement.".

The CHAIRMAN. Is there objection to the unanimous consent request of the gentleman from New York to modify his amendment as just read by the Clerk?

There was no objection.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I thank the gentleman from New York for yielding to me. This amendment is similar to one I submitted at the desk. I wish to call my colleague's attention to the fact that if a supplementary report is issued by the USRA to cover the Erie trackage included in the national rail network that such a report will almost certainly be issued subsequent to the March public hearings being held by the Rail Service Planning Agency.

Erie's lines are a vital component of the national rail system, and in many localities, including my own district, Erie lines form a major part of the rail service that keeps our businesses going. The public certainly should have the opportunity to be heard on any proposed changes in any of Erie's routings, and I support the amendment.

Mr. McHUGH. I thank the gentleman from New York.

I should like to reemphasize, insofar as our district is concerned, that in our area there can be no overstatement of the importance of the Erie-Lackawanna to our people, and it is imperative that we have the opportunity to have the input of our people on any supplement affecting the Erie-Lackawanna.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. McHugh), as modified.

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ashbrook: On page 7 after line 24 insert a new section 5 (and number the succeeding Sections accordingly).

Sec. 5. (a) Section 208(a) of the Regional Rail Reorganization Act of 1973. The sentence "The final system plan shall be deemed approved at the end of the first period of 60 calendar days of continuous session of Congress after such date of transmittal unless either the House of Representatives or the Senate passes a resolution during such period stating that it does not favor the final system." is amended by deleting the language after "shall" and inserting in lieu thereof "be voted by each House of Congress within the period of 60 calendar days of continuous session of Congress after such date of transmittal."

(b) Section 208(b) of the Regional Rail Reorganization Act of 1973, is amended—

(1) by striking out the words "passes a resolution of disapproval" and inserting in lieu thereof "rejects the final system plan."

(2) by striking out the word "review" in the second sentence and inserting in lieu thereof "a vote."

Mr. DINGELL. Mr. Chairman, I reserve a point of order.

Mr. ASHBROOK. Mr. Chairman, I think it is rather interesting that this Congress, supposedly being known as a reform Congress and an open Congress, is once again going down the old worn track of letting inaction rather than direct action rule us.

The purpose of my amendment is very simple. It does not get into the intricacies of the financial problems of the railroads. This amendment is simply one of policy. It is to allow the people of the United States to know how their elected Representatives stand on the finalized railroad system plan. As the legislation now stands, the finalized system plan can be approved without any congressional action. All Congress has to do is to allow 60 continuous days when it is in session to go by, and the final plan will become law.

Railroad reorganization of the Northeastern States is too important an issue for this type of inaction—and I stress the word "inaction." We should not legislate by inaction. We should have a definite "yes" or "no," an up or down vote.

The railroads under consideration over an area that plays a vital role in our commerce and manufacturing and thereby in our whole national economic life. My amendment would allow—indeed, I should change the word "allow" to "require" the Members of Congress to definitely show their constituents how they stand on the final plan. It is so easy to pass it on to someone else and say, "Oh, I do not like what they came up with, but my hands were tied."

I think we ought to have the final plan before us and consistent with our constitutional and proper responsibility, vote "yes" or "no," vote up or down our proposal, and not allow our inaction to legislate.

Mr. Chairman, I yield back the remainder of my time.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on his point of order?

Mr. DINGELL. Mr. Chairman, I make the point of order on two bases, the first of which is that under the rules of the House the proponent must have made copies of the amendment available to the cloakroom of the majority and the minority. They must have made the necessary number of copies available both to the reading clerk and to the two committee desks. I have checked with both of the committee desks and find that this rule has not properly been complied with.

The second point of order, Mr. Chairman, is that the amendment goes beyond the scope of the legislation before us. It deals with sections of the statute not currently before the House, and as such it seeks to go to matters on which Members of this body could not, in the exercise of reasonable prudence and care, have been forewarned as to the existence of the pendency of this particular amendment, and that therefore the amendment is violative of the rule of germaneness and is not properly before the body at this time.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. ASHBROOK. Yes, Mr. Chairman.

I would say for the first point, my friend, the gentleman from Michigan has raised, that copies of the amendment were not placed at both desks and delivered to the Clerk's desk, if that falls short I guess that point of order would have to be upheld.

As for the second part, it is very clear that the entire matter is before us. We are talking about the bill as it now stands, referring to a prospective date of 60 days when the plan would go into operation. All my amendment does is to change that, to make it affirmative action rather than negative action of the House that is required. I think it is consistent with the precedents and the point of order should be overruled.

The CHAIRMAN (Mr. Flowers). The Chair is prepared to rule.

On the first point of order as raised by the gentleman from Michigan, it is not the immediate responsibility of the Member under the rule to see that the distribution of the copies is made and consideration of the amendment cannot be prevented for that reason. Therefore the first point of order is overruled.

As to the second point made by the gentleman from Michigan, the Chair has examined the amendment as well as the "Ramseyer" in the report on the bill under consideration and, in the opinion of the Chair, the bill under consideration amends several sections of the act, and is so comprehensive an amendment as to permit germane amendments to any portion of the law. The amendment offered by the gentleman from Ohio is germane to the section 208 of the act which provides for review by Congress. Therefore the Chair overrules the point of order raised by the gentleman from Michigan.

Mr. HASTINGS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I share, frankly, the viewpoint of the gentleman from Ohio, but I have no hesitation at all about voting positively on this when the matter comes before the Congress. I can assure the gentleman that as a practical consideration someone in this body of 435 Members is going to demand a vote. It must come before the Committee on Interstate and Foreign Commerce, the appropriate committee, and be reviewed, and it will have to be referred back to the floor.

But I would like to point out to the Members that the more we add to this bill that is different from the Senate bill—and we are talking today here about the necessity of getting a bill out and of getting approval—the more we add on a series of amendments, the more we can assure ourselves of the possibility that we will not have a successful conference with the Senate. So I would ask the Members of the House not to approve this amendment, and the House should be aware at the same time that we will have a general review of the final system plan as it will be presented.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, the

gentleman says we will have a vote on the final system plan. Can the gentleman explain?

Mr. HASTINGS. Of course, the reorganization bill requires the final system plan to be referred to the appropriate committee, the Interstate and Foreign Commerce Committee. That committee must come up with a final system plan which must be reported to the Congress, and Congress can take negative action or, failing that, the plan will be approved.

But I can assure the gentleman that in the final plan there will be some plans recommended for elimination and many Members will insist that we vote on this measure.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield further?

Mr. HASTINGS. I yield to the gentleman.

Mr. ASHBROOK. Is it accurate to say but when he indicated we would have that rail report before us that he was talking about "we in the Committee on Interstate Commerce" and not we as 435 Members of Congress?

Mr. HASTINGS. I am confident that the measure will come before the House for its consideration.

Mr. ASHBROOK. But the gentleman cannot say with any assurance that there will be a bill before the House?

Mr. HASTINGS. I cannot assure the gentleman that I will even be here tomorrow; but the best of my understanding is that we will have that opportunity.

Mr. ASHBROOK. I appreciate the gentleman's honesty and candor. I only can say I strongly disagree with him in one respect and that is again putting the burden of hasty action on what will happen in the Senate. How many times do we hear that? We hear that so many times from the conference Members and we have to accept something that we do not like because we cannot go back to conference.

Mr. HASTINGS. I might say the time for this amendment would have been when we passed the Railroad Reorganization Act in its original form back in 1973. I would have supported it at that time.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Does the gentleman actually believe that the final systems plan will not be subject to vigorous attack by those Members who find themselves with no railroad service, with tracks abandoned? That they will not come forward and make their voice heard—loud and clear.

Mr. ASHBROOK. Let me say to my good friend, the gentleman from Kansas, that without this amendment we are confronted with the situation that the 435 Members would be in the position of having the opportunity to or not act on the basis of what the leadership wants to do in the Congress, on the other hand, if my amendment is passed, then we are assured that we will have a vote. There would be no stalling, no in between. There is a great difference between saying we think we are going to have the vote and having an absolute right to vote. Let us not be inaction allow this important reorganization to go into effect without a straight vote.

If the gentleman thinks that way, he had better make sure we have that vote, lest we are left to the tender mercies of the leadership and they say that they will not bring it before the Membership.

Mr. DINGELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, that is an obnoxious bill. I gravely doubt if there is any Member of this body who likes the idea of anteing up this amount of money because the railroads have been poorly managed and poorly administered, not only by its operators in its life as an independent corporation and now by the trustees during the period of time that it has been turned over to their questionable handling. The hard fact of the matter is that the bill, the alternative to this legislation properly passed, is a shutdown on the Penn Central.

The committee that has brought the bill to us has gone into this with some care. We sought to see to it that the public interest is safeguarded, that the railroad gets as little as possible as is necessary under the law to assure that it shall continue functioning until such time as the reorganization can be recommended to the Congress by the U.S. Railroad Association and we can begin the reorganization of the railroad under that proposal.

Now, it is great fun to offer amendments to this proposal on the floor today. I have no doubt that every Member sincerely thinks that the original Northeast Railroad Organization can be or could be or should be perfected and, like most of my colleagues, I can show places where that statute should be improved, but again the hard fact of the matter is that that choice is really not before us today, because the Penn Central is going to begin to be embargoed on the 18th of this month. We would have found ourselves at this particular time with an embargo on our hands if we could not show that this proposal was going forward and that the money would be available to meet its payroll and other obligations when they become due.

It is fairly easy to carp the railroad for its work rules, its insufficient management and that sort of thing, but that is not before us. The real question is that the gentleman from Ohio and others who have offered amendments want to see the Penn Central closed down, with all the accompanying effects. I have mentioned this to the gentleman from Ohio, and I will yield to him, not at this particular time, but I intend to.

We have a situation here where, unless the money is forthcoming and we do not get bogged down in a conference with the other body, that we may yet see Penn Central close down. It may be that the amendment offered by the gentleman from Ohio has a great deal of merit. I am not satisfied that it does and I am not satisfied that it does not.

It essentially changes the way the House is going to approve or disapprove Penn Central. It is the thesis of my friend from Ohio that this proposal will require a vote. I would very gravely doubt if there is any way that this body, given the circumstances it is going to find itself in when Penn Central comes back before us, is going to be able to avoid a vote. That, again, is not really the question before us. The Commerce Committee is open for business. If the gentleman has an amendment he would like to offer to the statute, he can present it. The committee, I am sure, will consider the amendment and we will be making a continuing review of the circumstances affecting it.

Again, I want to tell my friend from Ohio that I am dissatisfied with the way the trustees have functioned; I am dissatisfied with the way the court has proceeded; I am dissatisfied with the way the Department of Transportation has functioned. But, that again is not the question.

The question is, are we going to do things that are going to complicate this legislation to the point where we could get confusion and cause the railroad to go under? Let us look at the situation. If Penn Central goes down by reason of complication of this legislation, by reason of this body in a great burst of enthusiasm adopting a lot of amendments of greater or lesser merit, we are going to see within a week the auto plants shut; within 2 weeks, the steel mills may be down, and freight of all kinds such as perishable foodstuffs and coal for the generation of electricity will be stopped.

If we want to gamble with legislation that has been carefully considered; if we want to gamble on whether or not we can come forth with a quick agreement, then just persist with the amending of this bill, and very shortly we will find that the situation will have come about to the point where we are going to have a confrontation with the other body. We might be able to arrive at an agreement in getting the money into the hands of Penn Central to prevent the unconstitutional erosion of the creditors' rights as the court has said, and close down the disaster which now threatens our country.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent Mr. DINGELL was allowed to proceed for 3 additional minutes.)

Mr. ASHBROOK. Mr. Chairman, will the gentleman now yield to me?

Mr. DINGELL. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, I would simply ask my friend from Michigan, who indicated that the issue was not management and not, of course, reorganization, but rather a continuation of the rail operations. I agree that continuation of the rail system is necessary and may, with some reluctance, support this very imperfect legislation, but I happen to think the question here is how this Congress operates. I certainly cannot understand my friend from Michigan, with his record over the years, thinking there would be anything wrong or dangerous with the concept of the Members of this body having the final say of not letting something this important go into effect without a straight vote. Now, everybody has agreed the gentleman from Kansas, the gentleman in the well, and they have indicated that there will probably be a vote. The gentleman says, "I do not see how we can escape it."

What is wrong with positively saying that we will have a vote?

Mr. DINGELL. I am sure the gentleman offers his amendment in good faith, and I am satisfied that my other colleagues who have offered amendments did offer them in good faith. I think there is real merit in the gentleman's thesis that we should see to it that the House and Senate vote on this particular proposal. I have no difficulty in casting a vote for or against it when I have had a chance to go over it.

I would assure the gentleman that we are going to vote, but my comments are not only in opposition to this amendment, but more importantly, they are in opposition to the whole idea of adopting a sequence of amendments to this proposal which may have great merit and may have no merit, without study under circumstances where they might prevent speedy enactment of the proposal before this body to keep Penn Central going. That is the real objection to this. The collateral objection is the fact that the committee has not studied the gentleman's amendment.

Mr. ASHBROOK. Mr. Chairman, if the gentleman will yield further, I can understand the gentleman has a certain great pride of authorship——

Mr. DINGELL. I have no pride of authorship in this. I think it is a miserable piece of legislation.

Mr. ASHBROOK. Having been a member of the Committee on Education and Labor for 14 years, about every bill we have that comes out of that committee, we have instant experts on every phase of education and labor, and I never feel like anybody is challenging any particular area of my expertise. When we find ourselves in a different position and in another committee's bill it is like a personal invasion.

Mr. DINGELL. The gentleman is in error on that. That is not my comment at all. I am not prepared to say whether the gentleman has done this correctly or not. I have not studied the amendment. As the gentleman well knows, copies were not made available on this side in time to study the amendment. The gentleman is a capable legislator. I do not quarrel with that or his ability to draft labor legislation. But this railroad legislation is another matter at hand.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(On request of Mr. BOLAND and by unanimous consent, Mr. DINGELL was allowed to proceed for 3 additional minutes.)

Mr. DINGELL. I thank the gentleman, and I yield to my friend from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I want to commend the gentleman for his statement. I think he states the issue precisely. The important thing is that the Penn Central continue to operate.

The gentleman has said shippers on the Penn Central Railroad have been informed of an embargo of cargo by the railroad if financial assistance is not approved. That will happen, there is no doubt about it. If grant money is not made available to the Penn Central I know the Northeast will be facing dire results.

Mr. Chairman, H.R. 2051, the Regional Rail Reorganization Amendments of 1975, has often been described during its short life, as one in a series of fruitless attempts to fill the proverbial bottomless pit. The Penn Central Railroad, at once the Nation's largest rail carrier and the most debt-ridden, threatens to collapse once again. This time, however, complete cessation of all freight haulage will occur unless immediate and massive amounts of Federal assistance are provided within a matter of days.

This situation, of course, is not a new one. Members are accustomed to hearing this sort of appeal on a regular basis. The consistently unfortunate aspect of it all is that the alternative, up until recently, was for Congress to pay up or face the swift rendering of the Northeast from a populous, business theater into an economic wasteland.

Mr. Chairman, this bill provides $347 million in additional assistance to the Penn Central and certain other bankrupt lines in the Northeast. It does not however, do so within the framework of hopeless irresolution concerning a final, recuperative solution for the rail service in the region. In 1973, Congress passed the Regional Rail Reorganization Act which proposed at last to restore some orderly and viable form to the railroads in the Northeast crippled by bad management and sinking revenues. The Act established the U.S. Railway Association to plan and present to the Congress a plan for rail reorganization in the Northeast which could guarantee a profitable, competitive private system for rail traffic. This system was to be acquired from the bankrupt roads and operated by ConRail, the Consolidated Rail Corporation, with the help of massive amounts of Federal grants and loans.

USRA's preliminary system plan, appropriately enough, is due to be presented to this body on February 26, scant days away. The day before and the 2 days following are the payroll dates on which the Penn Central trustees assert that they will be unable to pay their employees without this new Federal assistance. I believe that the House should provide the grants and loans which the Interstate and Foreign Commerce Committee has recommended for the very reason that these funds will not go down the drain. They will supply the needed funds to keep operating these various lines, and in particular the Penn Central, for the few months that remain until ConRail can commence operation of a reorganized—and soon to be rejuvenated—rail system in the Northeast. Approval of $197 million in new grants and $150 million in federally guaranteed loans makes sense because the end to bankruptcy, uncertainty, and unprofitability is close at hand.

Only a healthy railroad system can aid this country, and particularly the industrial Northeast, to return to the economic prosperity of which recession has so recently robbed us.

Mr. Chairman, my commitment to the reorganization of rail service is a longstanding one. I had the great privilege to work closely with the most principal author of the Rail Reorganization Act, the distinguished gentleman from Washington, Mr. BROCK ADAMS. The 25-member New England Congressional Caucus, of which I am the cochairman, labored long and hard to insure that key elements of the legislation protected all railroad users, large and small. The caucus, under my leadership, continues this concern in the shaping of a final systems plan for ConRail. We continue to meet with and exchange views with the USRA on the developing issues involved in rail reorganization, particularly that of branch line abandonments. I myself have maintained a constant barrage upon USRA officials of comments and informational statistics so as to insure that important feeder lines, such as the one which serves the East Longmeadow Industrial Park outside of Springfield, Mass., in my congressional district, are maintained and eventually included in ConRail's operations.

Because of my involvement in the enactment and implementation of this legislation, I urge this body's approval of the amendments before us today. The amounts, it is true, are large—much larger, obviously, then we had anticipated would be necessary to support these railroads until the final system was finalized. What was not foreseen by the Congress, of course, was the economic slump which now characterizes our economy. This hurt the railroads in terms of freight hauled, particularly the drop in auto shipments. The coal strike and doubled fuel bills also dealt severe blows.

My message to those Members who hesitate at the principle or shrink at the amounts of this bailout is simply that we are not off track in bringing the dream of a healthy rail system in the Northeast to reality. A coherent proposal is being worked out of the chaos that now confronts us. It would be tragic to stop now in our attempt to restructure these railroads. The alternative, after all, is merely more of the same kind of last minute pleas for assistance that this legislation before us might otherwise be, if it were not for the Regional Rail Reorganization Act and the promise that it offers us. Too much is at stake. Any gains would be worth rejoicing, but we have in sight a permanent revitalization. I believe we must seize it as the only feasible permanent solution.

I was one of the members of the Appropriations Committee, which yesterday voted to tentatively approve $100 million of the $197 million figure in this bill for direct Federal grants to the railroads. The committee is willing to move as swiftly as possible after this bill has been approved. I urge its immediate passage.

Mr. DINGELL. I thank the gentleman. I want to say one thing for the benefit of my colleagues in the Chamber, and that is this: This bill, as it is drawn and presented in the House, would almost have been accepted by the Senate without conference. The more we tinker with this bill, the more probability there is of compelling the House to go to conference with the Senate. The Members know that a conference with the other body is always chancey. There is, as my friend from Ohio well knows, enormous pride of authorship in the other body. So if we want to jeopardize this legislation, jeopardize the continued operation of the Penn Central, then keep on amending this legislation and give the Senate another shot at it and we will get into questions like the salary of the head of Amtrak and a lot of other things that do not properly belong in this legislation and that will create problems and will make legislation more obnoxious for the majority of this body.

I urge the Members to reject this amendment and all other amendments to the legislation.

Mr. COLLINS of Texas. Mr. Chairman, I move to strike the requisite number of words.

Because of the serious nature of the future economic implications of this bill, I want to review the finances. The Penn Central Railroad loses money every year, but it is losing more this year. Congress has been working on Penn Central, and this will be the sixth year. We have not done anything in a constructive way to improve the system; to help them attain profitable operation.

In 1973, according to my figures, they lost $189 million. In 1974, the Penn Central lost $200 million. But in 1975, the first estimate is they will lose $341 million, and they believe it will be more than that. In other words, they will probably lose $400 million. This will be twice as bad as last year.

Everybody here is interested in working labor of all types of employment.

Mr. Chairman, we have a habit in Congress of treating railroad people as favored employees. For instance, last year we passed a big bill for railroad people; in that legislation we allowed railroad workers to retire with full benefits at age 60.

That does not apply to other industries. People who work for a cotton mill, for instance, cannot retire at age 60 with full benefits, they retire at age 65.

The railroad worker will pay in 5 years less than other workers, but railroaders will draw full benefits at age 60.

We have men in the automobile industry who do not receive those benefits, and that industry is hurting real bad right now. They are about to run out of their layoff reserves, and they have used up their unemployment insurance. When they run out, they have had it, whereas in the railroad industry, the economy of the railroad lines is such that they no longer need a full crew and yet they have more people working for the railroad than we can justify economically. We do not let management separate from service any number of surplus personnel; we do not let them put those people in other lines of gainful occupation.

Mr. Chairman, we are going to have to act here and face up to the economic facts of life. With regard to Penn Central or any other railroad line, whether it goes into ConRail or however it operates, these railroads have got to abandon those dead tracks, and they have got to let people get into other lines of work when they are no longer needed as crews on the Penn Central or any other railroad.

This amendment, as it has been brought out, is a very sound one.

Mr. Chairman, I will ask the Members in this hall to keep remembering this: When you go back to your districts, you will find that your constituents are talking about inflation, they are worried about inflation and the reason we have inflation in this country is because here in Congress we are spending money which we do not have.

This money we are talking about for Penn Central will have to be borrowed. This is money that is going to be borrowed, is going to increase the national debt. We must stop this deficit financing, and this is a good place and a good time to stop congressional deficit spending.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I understand the gentleman's position. He has spoken about the work rules with respect to the labor force and the effect it has had on the cost of doing business.

We have two amendments before us today which are coming up for consideration and relating to rail abandonment. The roads have already been discontinued, but these amendments would put them back in operation.

We have one amendment that seeks to stop any abandonment proceedings until December of 1976.

We just cannot have our cake and eat it. We cannot continue providing service on railroads that are unprofitable and then criticize the railroads for not cutting costs, so it is not labor costs that are responsible for high industry costs.

Mr. STAGGERS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I will speak only briefly. In regard to the amendment as offered by the gentleman from Ohio, I think he has offered it in good faith, thinking it would be helpful to the bill.

However, I wish to say to the gentleman and to the Members of the House that the amendment would be a hindrance at this time. We are hoping to get this bill passed this afternoon, and then it will be passed by the Senate.

I might say that we have set up the USRA to do this planning, and if this amendment were adopted, the matter would come back here and we would have to rewrite the whole plan here on the floor. There would be pressures from every section of the country and from every segment of society.

These are professional planners whom we have set up to do the job. We will have to make a decision when it comes back here.

So, Mr. Chairman, I ask that the amendment be voted down.

Mr. VIGORITO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to urge my colleagues to adopt legislation to amend the Regional Railroad Reorganization Act which is being considered today.

This desperately needed legislation would authorize emergency financial relief to the Penn Central and other bankrupt northeast railroads, in addition to providing the mechanism for the Erie-Lackawanna Railroad to be included into the rail reorganization.

I would urge my colleagues to consider the following points of this legislation. First, there are the legal considerations involved in the proposed amendments to section 207(b) of the 1973 act. Second, is the urgent cash needs of the northeast railroads. Third, is the realization of the possible human suffering if the northeast railroads are forced to liquidate.

Mr. Chairman, as you are aware, there are several legal issues which have been raised about the proposed amendments to the 1973 Rail Reorganization Act. It is my understanding that the Erie-Lackawanna Railway Co. attempted to reorganize under section 77 of the Bankruptcy Act. However, because of serious cash flow problems caused by deepening recession, Erie-Lackawanna has found it no longer possible to reorganize under section 77 of the Bankruptcy Act. Consequently, the Erie-Lackawanna has only two alternatives: First, it can close down operations; or second, it can be incorporated under the Rail Reorganization Act. I believe the only acceptable alternative is the second, which, however, requires that the Congress amend section 207(b) of the 1973 law so that the Erie-Lackawanna can be restored to the status of a "railroad in reorganization" which is necessary for the continued operation of essential transportation services. From the facts, it is clear that the Erie-Lackawanna is no longer a profitable railroad and should not be expected to operate as one, and indeed cannot continue to long function as one.

Another critical reason for this legislation is to help ease the urgent need for cash to continue the basic function of a railroad delivery system, For example, at present the Erie-Lackawanna is only making such repairs that are absolutely necessary to keep the rail cars operating. In the last year Erie-Lackawanna's percentage of main line under "slow orders" has increased from 3 percent to more than 20 percent, which means that Erie-Lackawanna is in imminent danger of falling into total disrepair. We, in Congress, must insure adequate delivery systems of our marketable goods. One way to insure this in the Northeast is by upgrading the Erie-Lackawanna into a truly serviceable railroad once again.

Finally, I believe that we in Congress must consider the human suffering that will occur if we do not take the action presently before this Congress. The Interstate Commerce Commission estimates a shutdown of the Penn Central would result in a 5.2-percent decrease in the rate of economic activity in the Northeast, a 4-percent decrease in other regions of this Nation. The ICC also projects that an 8-week shutdown would result in the real GNP falling by an additional 3 to 5 percent. It is my understanding that, if the Erie-Lackawanna collapses, 10,000 of its employees would be added to the unemployment rolls. If these workers become unemployed, we must remember that the maximum railroad employees receive in unemployment compensation is $63.50. It is further projected that within a few days following dissolvement of the railroad, additional layoffs would occur affecting the employees of shippers who formerly used the Erie-Lackawanna. Surely, we, in Congress, have a public responsibility to the people who work for and are served by these northeast railroads to avert the tragic impact of the tremendous job loss which would occur if these railroads fail.

In closing, I would like to relate that my district has been greatly impacted by the present curtailment of Erie-Lackawanna services. Erie-Lackawanna has closed its principal car repair facility at Meadville, Pa., which has created extreme economic suffering in this community. As a result, I rise to seek your expeditious and positive consideration of the legislation presently on the floor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Ashbrook).

The amendment was rejected.

AMENDMENT OFFERED BY MR. GILMAN

Mr. GILMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gilman: Page 10, line 12, strike out the period and insert in lieu thereof", including a provision that the Poughkeepsie Bridge maintenance be undertaken pursuant to the agreement between the Secretary and the trustees of Penn Central that the Poughkeepsie Bridge shall be completed pursuant to the terms of the agreement.".

Mr. DINGELL. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Michigan (Mr. Dingell) reserves a point of order on the amendment.

The Chair recognizes the gentleman from New York (Mr. Gilman).

Mr. GILMAN. Mr. Chairman, I am offering this amendment to H.R. 2051 to condition payment of these emergency funds for railroad property maintenance under section 215 upon the prompt and expeditious repair by Penn Central, of the Poughkeepsie Rail Bridge over the Hudson River in New York.

The Poughkeepsie Rail Bridge, which is the major connection to New England by rail, was severely damaged by fire last May, making it inoperable. Since then, despite continued avowals by Penn Central, by the State, and by the Federal Department of Transportation that they see wholeheartedly desire to repair the bridge, not one spike has been driven, not one hour of repair work has been accomplished.

Despite the fact that the Penn Central has been ordered to repair this bridge by both the State of New York and the Federal Government, no progress has been made to date.

The survival of another railway, the Lehigh and Hudson River Railway, an important North-South link that skirts around the Metropolitan New York area is dependent upon its being able to utilize this bridge.

This rail bridge has been recommended for inclusion in the ConRail system because of its vital importance to the national rail network. But conveyance of the property to ConRail will not come about for at least another year, and that will be much too late for the ailing Lehigh and Hudson River, a bankrupt carrier whose financial problems are being compounded daily by the additional costs of shipping freight by roundabout routes rather than the direct route crossing the Poughkeepsie Bridge.

It leads us all to question, after the delay and obstruction we have witnessed from Penn Central, whether the railroad's trustees, left to their own devices, really are concerned about public service and whether they intend to repair this bridge at all. Since this is such an important link between New England and the rest of the Nation, and because of the disastrous financial consequences being suffered by the Lehigh and Hudson River Railroad, I urge my colleagues to support this amendment. The cost of repairing the bridge comes to about $1 million, a small fraction of the total funding committed by this bill.

Moreover, the State of New York has set forth its willingness to pay one-half of the total cost of the bridge repair. Since the Federal Department of Transportation has also indicated its willingness to contribute to the bridge repair, the actual amount of funding required from this emergency appropriation is approximately $350,000. Favorable action on this amendment will result in saving the ConRail money a year from now, and will enhance more effective rail service for the Northeast.

I urge my colleagues to support this amendment.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I am pleased to yield to the gentleman from New York.

Mr. HASTINGS. I thank the gentleman for yielding.

I am very aware of the problem of the bridge that the gentleman is referring to. Although it is not close to my district. it is in the State of New York.

I have been made aware of the verbal agreement that has been reached, as I understand, among the Department of Transportation, the State of New York, and the Penn Central Railroad, with a breakdown of the costs included for the repair of that bridge.

It is my understanding further that there is contemplated the reconstruction of that bridge at an early date. With that matter drawn to my attention by the Department of Transportation and for the reason that the gentleman from Michigan (Mr. Dingell) outlined, encumbering this bill so that when it goes over to the Senate for a conference, it will have all varieties and types of amendments, would not be desirable. Therefore, I would hope that the gentleman could reconsider and withdraw the amendment, with the assurance that there will be continued interest in this committee and by this gentleman as to the problem relating to that bridge at Poughkeepsie.

Mr. GILMAN. Mr. Chairman, while the gentleman is absolutely correct that there have been negotiations going on about the bridge, and that there is an apparent agreement, what I am concerned about is that such agreement reach fruition and be expeditiously implemented. At this point there has been no indication, either from the railroad or from the agencies, that this will occur in the near future.

What is of grave concern is the preservation of the Lehigh and Hudson River railroad, which could go under if this repair is not made expeditiously.

May I ask the gentleman from New York (Mr. Hastings) if he would yield.

Mr. HASTINGS. Certainly, I yield to my colleague, the gentleman from New York.

Mr. GILMAN. Does the gentleman have some assurance that this bridge repair would be implemented promptly?

Mr. HASTINGS. I always hate to speak for somebody else, I might say to the gentleman, but just as a matter of fact, I have had indications from the Department that they are interested and concerned.

Again, for the reasons I have stated with respect to this type of amendment relating to a specific project, if we were to continue consideration of this bill and then take up every section of every line that is impacted, which an individual Member would like to amend in this act, which is primarily to save the railroad, I think it would amount to a destruction of the bill.

With that limited assurance, and I personally cannot tell the gentleman more, although I can give him references to the people who have talked to me about it and who would be most happy to cooperate with the gentleman in assisting him in getting expeditious action on this Poughkeepsie Bridge, I would urge him to withdraw his amendment.

(By unanimous consent, Mr. Gilman was allowed to proceed for 2 additional minutes.)

Mr. GILMAN. Mr. Chairman, I would like to direct a question to the chairman of the committee.

Mr. Chairman, will the chairman, the gentleman from West Virginia (Mr. Staggers) assure us that there will be some assistance forthcoming from his committee in making certain that this important rail bridge is repaired within a reasonable time?

Mr. STAGGERS. Mr. Chairman, if the gentleman will yield, let me say to the gentleman from New York that we could not under the law assure the gentleman that this is going to be done. But let me say to the gentleman from New York that there is money enough in there to repair the bridge, and we would hope that this will be done. We would also try to do whatever we could so that it will be done. And I want to assure the gentleman from New York that the interest and the need for this being done is there.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for his statement.

Mr. Chairman, based upon these assurances and the statements that have been made, I ask unanimous consent that I may be permitted to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. KEMP

Mr. KEMP. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEMP: Page 8, line 15, strike out " 'Where the Secretary" and insert in lieu thereof " 'Such an agreement to maintain and provide such service shall provide that, notwithstanding any other provision of law, rail properties on which rail service was discontinued within the three year period prior to the enactment of this Act will not be abandoned unless the Secretary determines that future rail service on such property is not required by the public convenience and necessity. Where the Secretary".

Page 10, line 12, strike out the period and insert in lieu thereof ", including a provision that, notwithstanding any other provision of law, rail properties on which rail service was discontinued within the three year period prior to the enactment of this Act will not be abandoned unless the Secretary determines that future rail service on such property is not required by the public convenience and necessity.".

Mr. KEMP (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DINGELL. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) reserves a point of order on the amendment.

Mr. KEMP. Mr. Chairman, the purpose of my amendment is to assure the taxpayers and users of our railroads that no rail right-of-way which may be of future benefit to our transportation system be abandoned without such abandonment being first considered by the Secretary of Transportation.

More specifically, the approval of this amendment is vital for the best, most efficient and safe routing of Amtrak's Boston-to-Chicago rail passenger trains via Buffalo.

Early in 1972, Mr. Roger Lewis of Amtrak assured officials that Amtrak was requiring Penn Central to maintain continuity of tracks between Boston and Rensselaer, N.Y. I should point out that during this time many of us in Congress, from the States of Massachusetts west to Michigan, were appealing to the Department of Transportation for approval of service for more than 20 million Americans in the densely populated water level route.

Despite Mr. Lewis' assurances, the rails were removed from a 12-mile right-of-way in 1972.

If the right-of-way is allowed to be abandoned, soon-to-be initiated Boston-to-Chicago passenger service will require trains to use a bypass which poses a number of serious problems.

The bypass will require trains to back up several miles, including a stretch across the Hudson River over a bridge of questionable safety.

We who fought for approval of this service were assured it would be first class service.

We do not think that passengers will appreciate a long backup. We do not think passengers will appreciate a delay of as much as 45 minutes.

And we would hope we can prevent abandonment of a right-of-way which, if reacquired in years to come, could be extremely costly in comparison to the comparatively nominal cost of replacing rails and ties on the 12-mile segment between Rensselaer and Post Road Crossing.

Mr. HANLEY. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I am happy to yield to my friend and colleague from New York.

Mr. HANLEY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the very reasonable amendment offered by the distinguished gentleman from New York (Mr. KEMP), which, if adopted, will have the effect of precluding what happened in 1972, wherein an overture was made during the divestiture which ultimately could have proven very costly. So in concurrence with the overall plan for ConRail, it would be well that we preserve this right-of-way, and the best way to do it is through the adoption of the amendment offered by the gentleman from New York.

I commend the gentleman.

Mr. KEMP. I appreciate my colleague's comments and support.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from Kansas.

Mr. SKUBITZ. I thank the gentleman for yielding.

This is a rather unusual case, it seems, because if I understand my colleague correctly, he is suggesting that if the rail service has been discontinued, it cannot be abandoned. But really is it not true that there are no tracks to abandon? The rails have already been removed.

Mr. KEMP. That is true, but the matter is still pending in the courts.

Mr. SKUBITZ. There is not any railroad to abandon, is there?

Mr. KEMP. Yes; but the case is still pending, and we want them rebuilt.

Mr. SKUBITZ. What the gentleman is suggesting is that it has been discontinued; the rails have been taken up. So we would have the railroad build a new track; is that what the gentleman is saying?

Mr. KEMP. The track would have to be restored. That is exactly it, but since the case has not yet been decided, it is not retroactive to the extent that the gentleman mentions. It would be a small investment but yield great dividends in service to the people of the Northeast.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I will be glad to yield to my colleague, the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding to me. I do not think it is quite clear just what this situation is. This is a case where what we are trying to do is bring a decision of the Interstate Commerce Commission into line with another decision of Amtrak. At present they are at cross-purposes. The ICC gave the Penn Central railroad in 1973 the right to abandon 12 miles of track just east of Albany, which is in my district. And then in 1974 Amtrak announced that they were instituting a brand new passenger train going all the way from Boston to Chicago. But after Amtrak made that announcement, they discovered that 12 miles of the track this new train was going to use had been torn up and there was no track at all.

The attorney general of the State of New York took this matter into court, and got an injunction against the Penn Central Railroad to prevent them from selling the 12 miles of right-of-way.

I appreciate the position of the chairman of the Commerce Committee. We New Yorkers do not want to delay this bill or complicate it in any way. All of us know how important the Penn Central is, and we want to keep it going. But at the same time, if Congress and the American taxpayers are going to give the Penn Central another $250 million, is there not some way that we can get their attention to do some of the things that need to be done to promote better rail service in the Northeast? I do not know whether this amendment is the best way to do it or not. But this is the only way we can get their attention on this floor today.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, what the Kemp amendment will do, if I understand it correctly, will not cost a nickel to anybody; but it will get the attention of the Penn Central Railroad and it will tell them they ought to make this vital right-of-way available to Amtrak so that the purposes of Amtrak and the purposes of the Railroad Reorganization Act can both go on together rather than continue to operate at cross-purposes. If something along this line is not done, whether incorporated in this bill or somewhere else, what is going to happen is that this great, new, express rail service between the great city of Boston and the great city of Chicago, when it reaches Albany, the capital of New York State will have to back up down the Hudson River, go across an old trestle and then go back up to Albany, thereby delaying the whole procedure for an hour or more. Obviously, nobody is going to patronize a rail service that cumbersome, and so if we cannot correct this absurd situation by means of this amendment, perhaps the chairman of the full committee Mr. STAGGERS can tell us some other way we might get this done, because it certainly needs to be done in the interest of real railroad efficiency across virtually half of this country.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the distinguished chairman.

Mr. STAGGERS. I thank the gentleman for yielding.

First, I would like to say that this added new agency for the determination of the abandonment and discontinuance in the Department of Transportation would be completely unacceptable to the committee, to the Congress, and to the Senate. This would force us into a conference and might delay this.

I would say to the gentleman I understand what he and the other gentlemen from New York are trying to do, which is to see that Amtrak proceeds from Boston on through Buffalo in the most expeditious manner. We are going to have a bill up within the next 2 months, and I just put it in the hopper today, which has to do with Amtrak. That will be the proper place for us to take care of this.

I would say to the gentlemen the purpose of Amtrak was to increase the passenger service across America. We need that more now than ever before because of the fuel situation. I will do everything I can as chairman of the committee to see that this is completed and carried out as they promised and we will emplace it in the Amtrak bill, but this is not the place for it.

I will ask the gentleman from New York and the other gentlemen if they will not withdraw their amendment and in the Amtrak bill we will try to see that it is done at that time.

Mr. STRATTON. Mr. Chairman, I would certainly have no objection to that procedure. But let me just say, the attorney general of the State of New York tells us that there is a February 27 deadline on this matter in the courts, and somehow we have to get the message across to the Penn Central not to sell this particular 12 miles of vital right-of-way. If the chairman can get that message across, then maybe as he suggests, we can put the proper kind of amendment in the new Amtrak bill. I would assume that the concern of this House and especially of the distinguished chairman of the Committee on Interstate and Foreign Commerce ought to be enough to get the message across effectively to the Penn Central, especially since we are giving them $250 million in this bill.

Mr. STAGGERS. I would think by this colloquy they would get the message because undoubtedly they have somebody here to get the message on this legislation. I would say the matter of pursuing this track from Boston on through should be one of first preference not only by Amtrak but also by Penn Central. I can say if they can get the message that way, I will be glad to give it to them.

Mr. STRATTON. I thank the gentleman.

Mr. STAGGERS. But I would say to the gentleman I would have to oppose the amendment completely as it is to apply to this bill because it would be disrupting everything and I hope the authors of this amendment will withdraw it. I will say we are trying to get this message to the railroads and I think they have gotten it by now.

Mr. STRATTON. I thank the gentleman for his remarks.

Mr. PATTISON of New York. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. Mr. Chairman, I see that the gentleman from New York (Mr. PATTISON), in whose district the track exists, or rather does not exist, is asking me to yield and I am glad to yield to the distinguished gentleman.

Mr. PATTISON of New York. Mr. Chairman, I thank the gentleman for yielding.

I also rise in support of this amendment.

Mr. Chairman, I do not want to oppose or to hold up the Penn Central money because we know how important that is. However this is a situation we have. This is not some sideline track. It is really right in the middle. It is outrageous how we have to go 20 miles out of the way and actually have to back up 8½ miles to get to Albany. However, in light of Chairman STAGGERS' remarks, and with the understanding of the necessity of passing this legislation without amendment, so that a House-Senate conference will be unnecessary, I am satisfied with a withdrawal of the amendment and dealing with this particular problem in future legislation.

The CHAIRMAN. The time of the gentleman from New York (Mr. STRATTON) has expired.

Mr. DINGELL. Mr. Chairman, I still have a reservation of a point of order.

The CHAIRMAN. The Chair will protect the gentleman.

(By unanimous consent, Mr. STRATTON was allowed to proceed for 1 additional minute.)

Mr. STRATTON. Mr. Chairman, if the gentleman from Michigan will withhold for a moment I believe the gentleman from New York (Mr. KEMP) will have some interesting information and I yield to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Chairman, I thank my colleague, the gentleman from New York, for yielding.

Mr. Chairman, with the assurances received on the floor here today from the distinguished gentleman, I ask unanimous consent that I may withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York (Mr. KEMP)?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from New York (Mr. KEMP) is withdrawn.

AMENDMENT OFFERED BY MR. STUDDS

Mr. STUDDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STUDDS: At the end of the bill add the following new section:

SEC. 10. Section 402(b)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 762(b)(1)) is amended by adding the following at the end thereof: "A State may use part or all of its entitlement under this section for the purposes enumerated in section 403 of this title."

Mr. STUDDS. Mr. Chairman, I am well aware of the urgent need not to complicate this bill with amendments and of the critical nature of the timing that we face and the need to get conformity with the Senate version of the bill and to proceed into law without protracted conferences. I offer this amendment in the hope that it is noncontroversial and in the knowledge that it is simply to clarify the intent of the Congress in enacting the Rail Reorganization Act originally.

Mr. Chairman, many Members received yesterday their advance notification from the U.S. Railway Association, USRA, of its decisions on inclusion or exclusion of particular branch lines in the preliminary system plan which will be released to the public on February 26. Section 402 of the Regional Rail Reorganization Act of 1973 authorizes money for States to use to continue rail service on branch lines which the USRA does not include in the final system plan to be operated by ConRail. The funds are authorized for only 2 years.

Half of the funds are allocated to the affected States by formula; the other half of the funds can be used for discretionary grants by the Secretary of Transportation. The Secretary's discretionary grants can be used either for purchase and modernization of branch lines, or for operating subsidies to keep ConRail operating rail service on these lines, However, when the Federal Railroad Administration issued its guidelines for continuation of local rail service on January 28 of this year, it interpreted the act to mean that the half of the funds allocated to the States by formula can be used only for operating subsidies.

Mr. Chairman, my amendment would reverse this interpretation by the FRA, and allow States to use the funds they receive under the formula allocation either for operating subsidies—as the act now allows—or for purchase and modernization of branch lines. My amendment does not cost any additional money, but merely gives the States flexibility in using money which they are already slated to receive. My amendment would not alter the requirement in the act that this Federal money can be used for no more than 70 percent of the cost.

Mr. Chairman, after talking with several members of the subcommittee which originally drafted the Regional Rail Reorganization Act, I am convinced that the FRA has misread the intent of the Congress, and made an erroneous interpretation in issuing its regulations. My amendment would make the intent of the Congress crystal clear, and reverse the mistaken administrative interpretation.

This amendment was requested by a unanimous vote of the Conference of States on Regional Rail Reorganization, which consists of the designees of the Governors of each of the 18 affected Northeastern and Midwestern States. As a member of the commission which is planning rail service in Massachusetts, I strongly believe the states should be allowed the flexibility originally intended by the Congress in the use of these funds.

Since the operating subsidy provisions of the Regional Rail Reorganization Act last for only 2 years, some States will prefer to purchase and modernize their branch lines, and arrange for operation of service on them by a short-line railroad. This will result in long-term continuation of rail service on those branch lines. I understand that New Hampshire and Rhode Island are considering use of this strategy for all branch lines excluded from ConRail's system in their States. In Massachusetts, we will probably purchase some lines and give operating subsidies to others. The key point, Mr. Chairman, is that we need the flexibility originally intended by the Congress.

If a State does not purchase and modernize a branch line, but merely uses its share of the Federal money to pay ConRail an operating subsidy for continuing service on the line, then when the Federal money runs out in 2 years, the State will have to decide whether to purchase the line, pay 100 percent of the operating subsidy out of its own funds, or allow service to be completely discontinued. Thus, my amendment will give States the freedom—at no additional Federal expense—to make a permanent solution to their branch line problems now instead of 2 years hence.

Mr. Chairman, I urge the adoption of my amendment.

Mr. HASTINGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment, first for the reasons that have been articulated by the gentleman from Michigan, that the more we add on to the bill the less chance we have to get a bill approved in the Senate House conference. That argument has been made before. We are changing here, however, with this amendment the basic Reorganization Act as it relates to the subsidy provisions, section 402–403, and it takes away from the DOT the right to make some judgment as to how this money should be used. The grants are partially for operating subsidies and partially for purchasing subsidies. This amendment does change that basic formula. I do not see the wisdom at this point to make the requested changes that have been recommended by the gentleman from Massachusetts, so I would oppose the amendment, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. STUDDS).

The question was taken; and on a division (demanded by Mr. STUDDS) there were—ayes 7; noes 19.

So the amendment was rejected.

Mr. HANLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, our colloquy today, I believe, would be somewhat incomplete if we did not make reference to one of the fundamental reasons that the Penn Central is in the dilemma it is in. I have endured much in the way of frustration with regard to the inactivity on the part of the Department of Justice with regard to alleged misconduct on the part of a number of its interlocking directors.

Mr. Chairman, today the Congress meets to consider legislation authorizing an additional $300 million in emergency aid to the Penn Central and Erie-Lackawanna Railroads. This action is necessary because of the continued deterioration of the cash position of these railroads resulting from the current recession. As such, it is vital and needed legislation, required to maintain these railroads under trusteeship until the Consolidated Railroad Corporation can assume operation early next year under the Regional Railroad Reorganization Act of 1973. I intend to vote for this legislation but not without first stating, as clearly as possible, that one of the primary reasons we stand here debating this measure today is the criminal malfeasance and irresponsible management of the board and principal officers of the Penn Central Railroad. Indeed, the bankruptcy of the Penn Central is not confined to this regrettable need to make available additional operating moneys to the trusteeship. Recent developments indicate it flies in the face of one of the most cherished concepts of American constitutional jurisprudence: the concept of equal justice for all under the law.

On February 10, I received the latest in a 3-year-long series of communications with the Justice Department concerning that agency's investigation of allegations of criminal activity associated with the Penn Central bankruptcy. The Justice Department investigation was a reluctant and belated response to direct congressional pressure and outrage over the analysis and conclusions contained in a January 1972 Banking and Currency Committee report entitled "The Penn Central Failure and the Role of Financial Institutions." In 10 years in Congress I have never read or participated in a more thoroughgoing, professional, and detailed analysis of a significant public event.

In clear, concise, and exhaustively researched terms, the Banking and Currency study details page after page of shoddy management practices, inside selling of stock, the illegal application of interlocking directorships, stock fraud, pension manipulation, dummy corporations, misrepresentation, and a virtual shopping list of doubtful legal practices too long for even the liberal discourse of full congressional debate. For example, the Banking and Currency study found 82 director interlocks with other major corporations, 31 of the major interlocking directorships holding 31.8 percent of all Penn Central common stock. Of these institutions, five of them alone traded more than 28 percent of all Penn Central stock sold during the 2½ months prior to the bankruptcy of the Penn Central. Between May 19 and May 27, 1970, Chase Manhattan, the Allegheny Corp. group and five other institutional investors accounted for 53 percent of the sales recorded on the stock exchanges. On May 19, 77 percent of all the sales recorded in Penn Central stock, over 142,000 shares, were made by these institutions. On May 27, at 11 a.m., the board of directors of the Penn Central received the news that the corporation was unable to market $100 million in debentures vital to the continued operation of the railroad. The failure of this offering assured the bankruptcy of the Penn Central. However, no announcement of the failure of the debenture offering was made until 1:20 p.m., May 28. Believe it or not, on May 27, the day before there was any public inkling of the failure of the debenture, the previously mentioned financial institutions accounted for all sales of Penn Central stock on that date: 372,400 shares.

Despite this evidence, the Acting Assistant Attorney General, John C. Keeney, has informed me that the Justice Department "contemplates no criminal action" in regard to the selling of Penn Central stock. The Department based this incredible decision on what it terms as the evidentiary problems created by the "existence of contemporaneous public adverse information at the time of the trades."

I am not an attorney, but from reading the Assistant Attorney General's letter, "contemporaneous public adverse information" seems to be little more than stock tips and rumors, and certainly we can doubt the validity of any institution the size of the Chase Manhattan unloading valuable stock on the basis of market tips. Indeed, the Banking and Currency Committee report in commenting on these massive sales stated that they were conducted "on the basis of either great clairvoyance or inside information."

Mr. Chairman, in the last 2 years I have written to Assistant Attorney General Henry Peterson, twice to Attorney General Elliot Richardson, and twice to Attorney General William Saxbe concerning the Justice Department's lack of action on the Penn Central case. During February of last year, I was forced to call on Chairman WRIGHT PATMAN to hold an investigation into Justice Department intransigence in this matter. The resultant pressure brought to bear by Chairman PATMAN finally elicited a meaningful response from the Department, and I am convinced it was his willingness to call hearings into their conduct of the investigation that brought about a series of 23 indictments of 6 individuals for diverting $4.2 million in railroad funds in the Berliner Bank loan affair—a mere sideshow when we consider that the bankruptcy of the Penn Central was the largest corporate bankruptcy in American history until recently.

It was the bankruptcy of the Penn Central that brought about the dire need for the Regional Rail Reorganization Act. It was primarily the bankruptcy of the Penn Central that created a need for $2 billion in taxpayer-backed loan guarantees and now a total of $385 million in direct taxpayer moneys to clean up the mess left behind by the corrupt and irresponsible management of the Penn Central.

It is the taxpayer who suffers by the loss of tax moneys and by a threatened economic collapse should the Penn Central stop operating. In very real terms, we witness once again the powerful, the wealthy, and the well-connected escaping the just and fair application of the law.

The American system of justice serves no one if it does not serve all. Therefore, I have today called on Chairman REUSS to hold a full-scale hearing into the Department of Justice's conduct of the Penn Central investigation. The new Attorney General has indicated that he desires to restore the Justice Department to its former position of respect and trustworthiness. I feel that he can help to demonstrate this by indicating his desire to go before such a hearing and either satisfy my misgivings on the conduct of this affair or open an investigation of his own to assure a vigorous prosecution of this case. The time is short, for after 5 years of delays, the statute of limitations for virtually all of the questionable practices detailed in the Banking and Currency report will expire in either May or June of this year. I urge my colleagues who are familiar with this case to support my request for hearings and if you are not totally conversant with the implications and principles involved with the Penn Central case, I urge that you examine the record. I am sure that upon such an examination you will share my justifiable anger and press for an open accounting of the Justice Department's conduct of their investigation.

The CHAIRMAN. The time of the gentleman has expired.

(On the request of Mr. DINGELL and by unanimous consent, Mr. HANLEY was allowed to proceed for 3 additional minutes.)

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. HANLEY. I yield to the gentleman from Michigan.

Mr. DINGELL. I would like to commend the gentleman for his comments and his concern. I would like to add to the comment he is making and point out there is an additional matter the House ought to be aware of and that is that, traditionally, the ICC has regulated railroad stock issues, prospectuses, truth in statements of offerings, and all of the other matters relating to inside trading, and so forth, by the officers of the corporation, including such knowledge that they might have.

Under the law, the ICC has taken no actions to see to it that these matters are properly superintended, nor is there anything in the law which allows rescission where insiders, such as officers of Penn Central, would be engaged in the kinds of matters to which my friend alludes.

Legislation pending before this House has passed this House in times past which would have transferred jurisdiction and made all matters of this sort subject to the Securities and Exchange Commission, where there is strong statutory law available.

I again commend the gentleman and I thank him for yielding.

Mr. HANLEY. Mr. Chairman, I thank the gentleman from Michigan for his input.

Again it is my feeling that some action will be taken. In fact, today I have prevailed upon the chairman of the committee, the gentleman from Wisconsin (Mr. REUSS), to initiate a series of hearings with the Department of Justice so that it may have a chance to rationalize its position.

Mr. ROONEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish to compliment the chairman of our committee and the members of the committee for the expeditious manner in which they have brought this bill before the Congress today. I have one question which I would like to ask of the chairman of the committee.

The report of the committee indicates that roughly $25 million in cash assistance will be available to the railroads in reorganization other than the Penn Central, which will receive $222 million, and the Erie-Lackawana, which will receive $20 to 25 million. Am I correct in assuming that the Reading Railroad, one of the other railroads in reorganization, but one that has not yet submitted a request for cash assistance, will also be eligible for a part of the emergency cash assistance of $25 million if their financial situation should necessitate such assistance?

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the chairman of the committee.

Mr. STAGGERS. Mr. Chairman, I would like to answer the gentleman's question in this way: that if the Reading Railroad can convince the Secretary that it is in need of money, it certainly is eligible and would and should receive help, because this is the reason the extra money was put into the bill.

Mr. ROONEY. Mr. Chairman, I thank the gentleman.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 9, after line 12, add a new subsection (3) to SEC. 6(b).

SEC. 6(b)(3) No railroad accepting funds under this Act shall discontinue service or abandon railroad lines prior to December 31, 1976.

Mr. ASHBROOK. Mr. Chairman, I would like to say at the outset that I am not going to apologize for offering this amendment or any other amendment.

It is amazing to see how we are gradually developing the feeling or the sentiment that somehow or other we are holding up progress or we are preventing something important from happening if we offer an amendment or have a discussion on basic issues. I could not help but recall that over the past 6 months this urgency game was played a number of times. We were told that we needed the immediate passage of the Export-Import Bank. We weren't supposed to amend that bill, we were told. Then we were told not to amend a trade bill to in any way affect our trade with the Soviet Union. It seems that if this House discharges its duty by offering amendments, somehow or other we are told that ominous results loom on the horizon.

Then an energy package was put together, and we got the feeling that if the Members offered amendments, somehow or other this would throw the program off course.

We even hear it said that now if we do not come up immediately with several hundred million dollars, probably Vietnam will go down the drain.

Mr. Chairman, I happen to think that we have a responsibility. I happen to think that those of us who try to discharge our responsibility should reject the argument that we are impeding progress or preventing a package from being put together or preventing something over in the Senate from happening if we work our will here on the floor. We should not be hoodwinked, nor should we be intimidated. Rather, we should face up to our responsibilities or what we feel are the responsibilities of this body to legislate.

This amendment is perhaps a complicated amendment. It is predicated on one basic assumption.

We have not formulated a national transportation policy as it relates to railroads. All the discussion I hear clearly indicates that we are in the formative stage. We do not know whether some railroads are going to go out of business; we do not know whether we are going to have to spin some off from my area and give these lines to ajoining profitable lines, or whether we are going to have a successful national corporation or not.

The point is very simple. Until such time as a fundamental national transportation policy has been evolved and clearly understood, and we know what our tax money responsibilities are, what the cost is, and what the likelihood of success will be, it is simply not proper for the railroads existing at the present time, perhaps heavily in debt, to point their fingers at some area and say, "We are going to abandon you. We are going to abandon this one. We are going to abandon that one."

Mr. Chairman, I believe in the marketplace. I believe in free enterprise, and if something is not profitable, it should be abandoned. Until such time as a basic policy has been formulated, I think it is improper to abandon railroad lines.

I offer this amendment only for that purpose, again with no apologies, and certainly I do not mean to complicate this already thorny bill. I suggest this is a reasonable amendment.

Mr. Chairman, I simply point out, for the benefit of those who are going to say they are opposed to it, that it might cost some money. But where are their concerns when it comes to title V of the old bill?

Under the present law, a worker with 5 years or more, a person who is not given another job, is guaranteed his regular wage until he reaches the age of 65.

Yet the same philosophy and principle will not be applied to localities and to people. If we are to apply title V to unnecessary labor costs, I think we certainly can baptise some areas for a few months, anyway, and say, "We are not going to abandon your service until such time as a policy is formulated."

Mr. ROONEY. Mr. Chairman, I rise in opposition to the amendment.

This amendment is not necessary because at the present time, the Rail Reorganization Act of 1973 prohibits such abandonments unless they are authorized by the USRA.

Further, a few abandonments have occurred, but they were unopposed by either the USRA or the State or regional transportation authority in which the abandonments occurred.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment and have one brief statement.

I agree with the statements of the gentleman from Pennsylvania, and I would like to say that he is the new chairman of the Transportation Committee on Interstate and Foreign Commerce and is going to speak with some authority in the future. I congratulate him.

To give this right to the USRA and to deny all right to discontinuance of abandonments might be a Government confirmation of the process and would be a violation of due process.

Therefore, Mr. Chairman, I urge that the amendment be defeated; I urge a "no" vote.

Mr. SIMON. Mr. Chairman, I rise in support of the amendment.

I have not discussed this with the sponsor of the amendment and knew nothing about it until it was presented here, but it seems to me that we ought to be moving in the direction of preserving and improving railroad service in the United States rather than permitting its continued deterioration.

Without this amendment, we can, with the USRA approval, continue down the road of deterioration.

This amendment will cause some problems, but it will also, I hope, cause us to take a good, hard look at what we are doing and where we are going.

I think it is an excellent amendment. I think it makes sense. I hope it will receive the "yes" vote of a majority of the people on this floor right now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHBROOK).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 14; noes 35.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly the committee rose; and the Speaker having resumed the Chair, Mr. FLOWERS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Commitee, having had under consideration the bill (H.R. 2051) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes, pursuant to House Resolution 173, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. COLLINS of Texas. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 270, nays 137, answered "present" 1, not voting 24, as follows:

[Roll No. 16]

YEAS—270

Abdnor
Abzug
Addabbo
Ambro
Anderson, Ill.
Annunzio
Ashley
AuCoin
Badillo
Baldus
Baucus
Bauman
Beard, R.I.
Bedell
Bell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Breckinridge
Brodhead
Brown, Calif.
Brown, Mich.
Brown, Ohio
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis
Delaney
Dent
Derrick
Devine
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Eshleman
Evans, Colo.
Evins, Tenn.
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Forsythe
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Gilman
Ginn
Goodling
Green
Gude
Guyer
Haley
Hall
Hamilton
Hanley
Hannaford
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hillis
Holtzman
Horton
Howard
Howe
Hughes
Jeffords
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jordan
Karth
Kemp
Ketchum
Kindness
Koch
LaFalce
Leggett
Lent
Lloyd, Calif.
Long, La.
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Matsunaga
Meeds
Metcalfe
Meyner
Mezvinsky
Michel
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nix
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman
Patten
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price
Quie
Quillen
Railsback
Rangel
Rees
Regula
Rhodes
Richmond
Rinaldo
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Ruppe
Russo
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schneebeli
Schulze
Seiberling
Sharp
Shipley
Shuster
Simon
Sisk
Skubitz
Smith, Iowa
Solarz
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steelman
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Thompson
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
Whitehurst
Wiggins
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—137

Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Aspin
Bafalis
Beard, Tenn.
Bennett
Bevill
Bonker
Bowen
Breaux
Brinkley
Brooks
Broomfield
Broyhill
Buchanan
Burleson, Tex.
Burlison, Mo.
Burton, John L.
Casey
Clancy
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
de la Garza
Dellums
Derwinski
Dickinson
Duncan, Tenn.
Edwards, Ala.
English
Erlenborn
Evans, Ind.
Fascell
Findley
Flynt
Ford, Tenn.
Fountain
Frey
Fuqua
Gibbons
Goldwater
Gonzalez
Gradison
Grassley
Hagedorn
Hammerschmidt
Harkin
Harsha
Hechler, W. Va.
Hicks
Hightower
Hinshaw
Holland
Holt
Hubbard
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jenrette
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kastenmeier
Kazen
Kelly
Keys
Krebs
Lagomarsino
Landrum
Latta
Lehman
Levitas
Litton
Lloyd, Tenn.
Long, Md.
Lott
Lujan
McDonald
Martin
Mathis
Mazzoli
Melcher
Mikva
Milford
Miller, Calif.
Miller, Ohio
Montgomery
Moore
Mottl
Neal
Nichols
Nolan
Poage
Pressler
Pritchard
Randall
Risenhoover
Roberts
Robinson
Rousselot
Roybal
Runnels
Ryan
Satterfield
Schroeder
Sebelius
Shriver
Sikes
Slack
Smith, Nebr.
Snyder
Stark
Steiger, Ariz.
Steiger, Wis.
Symms
Taylor, N.C.
Teague
Thone
Treen
Wampler
White
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Young, Alaska
Young, Fla.

ANSWERED "PRESENT"—1

Krueger

NOT VOTING—24

Adams
Alexander
Barrett
Brademas
Chappell
Clawson, Del
Diggs
Downing
Esch
Hansen
Jarman
McFall
Mills
Moorhead, Calif.
Reuss
Riegle
Rose
Spellman
Steed
Symington
Talcott
Taylor, Mo.
Wilson, Bob
Wright

So the bill was passed.

The Clerk announced the following pairs:

Mr. Diggs with Mr. Symington.
Mr. Roe with Mr. Mills.
Mr. Barrett with Mr. Alexander.
Mr. Adams with Mr. Reuss.
Mr. McFall with Mr. Jarman.
Mr. Riegle with Mr. Del Clawson.
Mr. Steed with Mr. Talcott.
Mr. Wright with Mr. Esch.
Mr. Downing with Mr. Taylor of Missouri.
Mr. Brademas with Mr. Hansen.
Mr. Chappell with Mr. Bob Wilson.
Mrs. Spellman with Mr. Moorhead of California.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 173, the Committee on Interstate and Foreign Commerce is discharged from the further consideration of the Senate bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Staggers moves to strike out all after the enacting clause of the Senate bill, S. 281, and insert in lieu thereof the provisions of the House bill, H.R. 2051, as passed as follows:

That this Act may be cited as the "Regional Rail Reorganization Act Amendments of 1975".

Sec. 2. (a) Section 202(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 712(b)) is amended—

(1) in paragraph (2) by inserting "and express" immediately after "rail" each time it appears;

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(8) study the feasibility of coordinating rail and express service in the region.".

(b) Section 206(a)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 716 (a)(1)) is amended by inserting "and express" immediately after "rail".

Sec. 3. Section 205(d)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 715(d)(2)) is amended to read as follows:

"(2) employ and utilize the services of attorneys and such other personnel as may be required in order to properly protect the interests of those communities and users of rail service which, for whatever reason, such as their size or location, might not otherwise be adequately represented in the course of the reorganization process as provided by this Act;".

Sec. 4. (a) Section 207(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(b)) is amended by inserting "(1)" immediately before the first sentence thereof, and by adding at the end thereof the following new paragraph:

"(2) Whenever it has been finally determined pursuant to the procedures of paragraph (1) of this subsection, that the reorganization of a railroad subject to reorganization under section 77 of the Bankruptcy Act (11 U.S.C. 205) shall not be proceeded with pursuant to this Act, the court having jurisdiction over such railroad may, upon a petition which is filed within 10 days after the date of enactment of this subsection by the trustees of such railroad, reconsider such order. Such reorganization court shall (i) affirm its previous order or (ii) issue an order that the reorganization of such railroad be proceeded with pursuant to this Act unless it finds that this Act does not provide a process which would be fair and equitable. The provisions of paragraph (1) of this subsection are applicable in such reconsideration, except that (A) such reorganization court shall make its decision within 30 days after such petition is filed, and (B) any decision by the special court on appeal from such a decision shall be rendered within 30 days after such reorganization court decision is made. There shall be no review of the decision of the special court. The Association shall take any steps it finds necessary, consistent with time limitations and other provisions of this Act, to effectuate the consequences of such a revised order, including the preparation and submission of any necessary or appropriate supplements to the preliminary system plan.".

(b) Section 207(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(a)) is amended by adding at the end thereof the following new sentence: "The Office is authorized to hold public hearings on any supplement to the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of such supplement, not later than 30 days after the release of such supplement.".

Sec. 5. (a) Section 211(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(a)) is amended by striking out "for purposes of assisting in the implementation of the final system plan;" and inserting in lieu thereof "for purposes of achieving the goals of this Act;".

(b) Section 211(e)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721 (e)(1)) is amended by striking out "carry out the final system plan" and inserting in lieu thereof "achieve the goals of this Act".

(c) Section 211(f) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(f)) is amended by striking out "goals of the final system plan" and inserting in lieu thereof "goals of this Act".

Sec. 6. (a) Section 213(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(a)) is amended by adding the following at the end thereof: "Where the Secretary and the trustees agree that funds provided pursuant to this section are to be used (together with funds provided pursuant to section 215 of this Act, if any) to perform program maintenance on designated rail properties until the date rail properties are conveyed under this Act or to improve such designated properties, such agreement shall contain the conditions set forth in section 215(b) of this Act.".

(b) Section 213(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723 (b)) is amended—

(1) by striking out "$85,000,000" and inserting in lieu thereof "$282,000,000"; and

(2) by adding at the end thereof the following new sentence: "Of amounts authorized to be appropriated under this subsection, $50,000,000 shall be available solely to pay to the trustees of railroads in reorganization such sums as may be necessary to provide such railroads with amounts equal to revenues attributable to tariff increases proposed by such railroads and suspended by the Interstate Commerce Commission during the calendar year 1975, if the Secretary determines that such payments are necessary to carry out this section.".

Sec. 7. Section 215 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 725) is amended to read as follows:

"INTERIM AGREEMENTS

"Sec. 215. (a) Purposes.—Prior to the date upon which rail properties are conveyed to the Corporation under this Act, the Secretary, with the approval of the Association, is authorized to enter into agreements with the trustees of the railroads in reorganization in the region (or railroads leased, operated, or controlled by railroads in reorganization)—

"(1) to perform the program maintenance on designated rail properties of such railroads until the date rail properties are conveyed under this Act;

"(2) to improve rail properties of such railroads; and

"(3) to acquire rail properties for lease or loan to any such railroads until the date such rail properties are conveyed under this Act, and subsequently for conveyance pursuant to the final system plan, or to acquire interests in such rail properties owned by or leased to any such railroads or in purchase money obligations therefor.

"(b) Conditions.—Agreements pursuant to subsection (a) of this section shall contain such reasonable terms and conditions as the Secretary may prescribe. In addition, agreements under paragraphs (1) and (2) of subsection (a) of this section shall provide that—

"(1) to the extent that physical condition is used as a basis for determining, under section 206(f) or 303(c) of this Act, the value of properties subject to such an agreement and designated for transfer to the Corporation under the final system plan, the physical condition of the properties on the effective date of the agreement shall be used; and

"(2) in the event that property subject to the agreement is sold, leased, or transferred to an entity other than the Corporation, the trustees or railroad shall pay or assign to the Secretary that portion of the proceeds of such sale, lease, or transfer which reflects value attributable to the maintenance and improvement provided pursuant to the agreement.

"(c) Obligations.—Notwithstanding section 210(b) of this title, the Association shall issue obligations under section 210(a) of this title in an amount sufficient to finance such agreements and shall require the Corporation to assume any such obligations. The aggregate amount of obligations issued under this section and outstanding at any one time shall not exceed $300,000,000. The Association, with the approval of the Secretary, shall designate in the final system plan that portion of such obligations issued or to be issued which shall be refinanced and the terms thereof, and that portion from which the Corporation shall be released of its obligations.

"(d) Conveyance.—The Secretary may convey to the Corporation, with or without receipt of consideration, any property or interests acquired by, transferred to, or otherwise held by the Secretary pursuant to this section or section 213 of this Act.".

Sec. 8. Section 303(c)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 745(c)(1)) is amended by striking out the last word of paragraph (A), by striking out the period at the end of paragraph (B) and inserting "; and" in lieu thereof, and by inserting after paragraph (B) the following new paragraph:

"(C) what portion of the proceeds received by a railroad in reorganization from an entity other than the Corporation for the sale, lease, or transfer of property subject to an agreement under section 213 or section 215 (a) (1) or (2) of this Act reflects value attributable to the maintenance or improvement provided pursuant to the agreement.".

Sec. 9. Title VI of the Regional Rail Reorganization Act of 1973 is amended by adding at the end thereof the following new section:

"TAX PAYMENTS TO STATES

"Sec 605. (a) Notwithstanding any other provision of law, no railroad in reorganization shall withhold from any State, or any political subdivision thereof, the payment of the portion of any tax owed by such railroad to such State or subdivision, which portion has been collected by such railroad from any tenant thereof.

"(b) Any railroad which violates the provisions of subsection (a) of this section by withholding any portion of a tax referred to in such subsection shall be fined not more than $10,000 for each such violation.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2051) was laid on the table.

GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

ESTABLISHING A SELECT COMMITTEE ON INTELLIGENCE

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 174 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 174

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 138) establishing a Select Committee on Intelligence. After general debate, which shall be confined to the resolution and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules, the resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois (Mr. Murphy) is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. Anderson) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 174 provides for an open rule with 1 hour of general debate on House Resolution 138, a resolution establishing a Select Committee on Intelligence.

House Resolution 138 authorizes the Select Commitee on Intelligence to conduct an inquiry into the collection and use of intelligence information and allegations of improper and illegal activities of intelligence agencies in the United States and abroad.

House Resoluton 138 also authorizes the Select Committee to inquire into the activities of certain government agencies in furtherance of their study.

Mr. Speaker, I urge the adoption of House Resolution 174 in order that we may discuss, debate, and pass House Resolution 138.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I think the distinguished gentleman from Illinois (Mr. Murphy), my colleague on the Committee on Rules, has explained the purpose of this resolution. I would merely add that it makes in order House Resolution 138, which involves the original jurisdiction of the House Committee on Rules because it would establish a Select Committee on Intelligence.

It would have, of course, been possible under the rules of the House to bring that matter before this body as a privileged matter, not subject to amendment, in which case it would have been necessary for me, or someone on this side of the aisle, when the previous question was moved, to urge the defeat of the previous question in order to submit a resolution which would be open to amendment.

Mr. Speaker, I am grateful to my colleague on the committee, the gentleman from Missouri (Mr. Bolling), who offered in the Committee on Rules a motion for an open rule, a resolution making this matter subject to debate under a completely open rule, which I think is proper procedure in view of the very important issues involved and the fact that I have four amendments that I wish to offer to the resolution. There may be, of course, others who have other amendments in addition to the four that I have to offer, but I will not take the time now under the rule to discuss those amendments. We will have an hour to do so under general debate, and at that time I will undertake to explain those particulars in which I differ with the drafters of House Resolution 138 and think that their product could be improved upon.

Mr. Speaker, I would join my colleague from Illinois in urging the adoption of the rule so that we can proceed with the debate on this resolution.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I would like to ask the gentleman from Illinois to give me his opinion on this set of circumstances: We have a Presidential Commission headed by the Vice President devoting itself to a complete investigation of the issues this select committee would consider.

We have a committee of the other body, which will do the same thing. Now we are creating a third independent body which may or may not cooperate with these other groups which will go over the same ground. We have just abolished the House Internal Security Committee, and one of the arguments was that it was the duty of other agencies to investigate subversion and that committee was not needed. How, in times when we are faced with economic problems and the need to cut back on the budget, can we justify creating still another committee to go over this same ground? Will the gentleman address himself to that?

Mr. ANDERSON of Illinois. I think there are some very relevant and justifiable concerns about the possibility of duplication, and those have been expressed by many Members of this body. The Presidential Commission, to which the gentleman refers, I believe is scheduled to report on or about the 4th of April 1975, and I think there are seven other members on that Commission. It was felt, and I think with some justification, that in addition to having the executive branch review this matter, that Congress, with its independent authority and with its independent responsibility for oversight, should undertake a similar investigation. My preference, frankly, would have been for a joint committee.

I introduced, along with the gentleman from Pennsylvania (Mr. Biester), earlier this year a resolution—we had some cosponsors, as I recall it—with the idea of a joint Senate-House committee to conduct oversight on this whole question. Unfortunately, the Senate chose to go ahead rather quickly and establish their own Senate select committee. I think that pretty well preempts any action on the part of the House to set up a joint committee. It would be rather futile for us to proceed with that idea because there is little likelihood the Senate will rescind its earlier action. However, I think that was certainly the best idea originally.

We are now confronted with the fact that the Senate has gone ahead. I heard this morning that on yesterday the senior Senator from Idaho, the chairman of that committee, has announced he will undertake to coordinate the work of his committee with the work of any committee suggested by this House to avoid the duplication which the gentleman fears. If he carries out that pledge—and I have no reason to doubt that he will—perhaps some of the duplications and the needless expense that might be incurred can be avoided.

I will have, however, some amendments, I point out to the gentlemen, to eliminate the expense, to take out of the resolution we have the open-ended authorization and replace it with the ceiling, and a subceiling, as well, on outside consultants, and I think, also, change the reporting date, to try to compress into a shorter time scale the work of the committee, so that they would not be encouraged to endlessly go on delving into these matters and they would finish their work quickly and expeditiously.

So I am going to try in these amendments to answer some of the various questions the gentleman has expressed.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was ageed to.

A motion to reconsider was laid on the table.

Mr. MURPHY of Illinois. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 138) establishing a Select Committee on Intelligence.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois (Mr. Murphy).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Resolution 138, with Mr. Flynt in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Illinois (Mr. Murphy) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. ANDERSON) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. MURPHY).

Mr. MURPHY of Illinois. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, House Resolution 138 establishes a House Select Committee on Intelligence, to be composed of 10 members, to be appointed by the Speaker, who shall designate one of the members as chairman.

House Resolution 138, as reported by the Committee on Rules, includes four committee amendments which strengthen the resolution.

House Resolution 138 authorizes the Select Committee on Intelligence to conduct an inquiry into the collection and use of intelligence information and allegations of improper and illegal activities of intelligence agencies in the United States and abroad. The resolution autorizes the select committee to review the procedures and effectiveness of coordination between the various intelligence components of the U.S. Government. The committee shall also determine whether or not there is a need for improved or reorganized oversight by the Congress of U.S. intelligence activities.

House Resolution 138 also authorizes the select committee to inquire into the activities of certain governmental agencies in furtherance of their study.

These agencies include, among others, the National Security Council; the Central Intelligence Agency; the intelligence components of the Departments of the Army, Navy, and Air Force; the Intelligence and Research Bureau of the Department of State; the Federal Bureau of Investigation; the Department of the Treasury; and the Department of Justice.

Mr. Chairman, I think this resolution is long overdue. Earlier one of the Members questioned the idea of why the House is engaging in the same activity that the Presidential Commission and the Senate is already engaged in. I would like to answer that question in this way:

As far as the Presidential Commission is concerned, we have the executive department investigating itself, investigating an executive agency. As far as the Senate is concerned, I agree with my colleague, the gentleman from Illinois (Mr. ANDERSON), that possibly this should have been a joint committee. However, the Senate committee is already well on the road in its investigation, and I think the House is justified in pursuing its own investigation.

Mr. Chairman, yesterday the Committee on Rules adopted four amendments to this resolution of original jurisdiction and I understand the gentleman from Illinois (Mr. ANDERSON) has some further amendments he intends to offer today.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as I indicated in the brief colloquy I had with the gentleman from Maryland (Mr. BAUMAN) moments ago, certainly my preference would have been for the creation of a joint committee in order to eliminate the possibilities of duplication tion abotu domestic break-ins and wire-and waste that are inherent, I think, when we have two committees functioning in the same area.

However, I think we have passed that point, as my colleague has just pointed out.

I want to start by saying that I certainly begin with the conviction that in view of the controversy that has arisen over the domestic activities of the CIA, in view of the report that that organization had been conducting a widespread and illegal operation in the late 1960's and in the early 1970's and that it had been keeping files on 10,000 Americans by each unit reporting to the Director, we should exercise our oversight authority in this matter.

And there were the other reports that were given great currency and circulation about domestic break-ins and wire tappings and covert mail inspections. Certainly I think that this entitles us—more than entitles us; I think it mandates our concern—to exercise our supervisory role, our oversight authority in this area.

I cannot help but recall for the Members of this body, as I did for the members of my committee, that it was 12 years ago, in the 88th Congress, that I sponsored a resolution for a joint committee. Our now absent colleague, at that time the gentleman from New York, Mr. Lindsay being the principal sponsor, I felt then and I feel now that a committee specifically devoted and charged with the responsibility of oversight in this area is necessary and is important.

But having said all of that, it seems to me, as I read this particular resolution, that it grants the most sweeping authority imaginable. There is literally no Federal agency, as I read this legislation, that would be entirely immune from a probe because it gives no definition of "intelligence."

In section 3 it lists all of the agencies that were mentioned a moment ago by the gentleman from Illinois (Mr. MURPHY). These include all great departments of the Government like the Department of Justice and the Department of the Treasury, even the Energy, Research and Development Administration, as well as those intelligence agencies with which we are more familiar, the CIA, the FBI, the Defense Intelligence Agency, and all of the defense intelligence components of the Departments of the Army, the Navy, and the Air Force.

This is sweeping authority indeed, and it seems to me that we have to be very careful that we do, therefore, make the terms of the investigative effort so broad and so all-encompassing, without any boundaries whatsoever, that we get into this mire and this morass of investigative activity that would cost untold hundreds of thousands, even millions, of dollars and yet not be productive of the kind of recommendations that we hope will come out of this committee if it is created and out of the committee in the Senate as well.

It is for that reason, not because I oppose the idea that we have a legitimate oversight function with which we ought to be concerned, that I have circulated these four amendments and commended them to the membership of this body, with the hope that they would adopt them today as amendments to House Resolution 138.

First of all, I want to refer to the one that would provide for a five and five membership on the committee. This resolution will follow otherwise the rule of the Democratic caucus, which provides for two-thirds plus one as the ratio of Democrats to Republicans on this committee.

This is not a legislative committee. Whatever justification the Members on this side of the aisle may have for such a rule in the House caucus as it applies to legislative committees, it should not apply to a select committee investigating one of the most delicate, sensitive areas that could possibly be encompassed within the scope of any congressional investigation.

I make no blind, blatant charges of partisanship over here. I make no charges that anyone is out on a fishing expedition designed to embarrass the past administration or the present administration, because this problem extends back for many years into administrations both Democrat and Republican.

At least since the time, I believe, of John F. Kennedy there has been increasing involvement, apparently, on the part of the CIA particularly and perhaps other intelligence agencies of the Federal Government as well, in some of these activities, both covert and overt, that have stirred recent alarms. Therefore, I think that it is a bipartisan problem. It ought to be approached in a bipartisan fashion, and I would hope, therefore, that in establishing ratios on this committee, we would not be bound by some standard rule as it deals with the ordinary legislative committee.

Let me point out one specific example. In the last Congress, when we set out to investigate the operations of this Congress—and what could be nearer and dearer to our hearts than that? And more sensitive, really, to our individual role as legislators, than the operations of this body? We did not establish that committee with a partisan ratio. We established it under the chairmanship—and the very able chairmanship—of the gentleman from Missouri (Mr. BOLLING) on a 5-to-5 ratio, 5 Democrats and 5 Republicans. They went very thoroughly, for almost 18 months, into all of the ramifications and operations of this House and its committees, and came up with a very excellent report.

I think a bipartisan committee can do the same kind of job if they are allowed to function in a truly bipartisan manner, as I have suggested.

Second, I think that the fact that there is no price tag on this resolution makes it defective; that, just as the Senate did in its resolution, it provided $750,000 as an expense budget, and a $100,000 subceiling budget for outside consultants. It makes good sense to do that in this resolution. If the committee finds that it is going to have to expend more funds then it can come back and get an additional authorization, I am sure, for additional expenditures. But let us not start out with what the gentleman from Maryland was worried about a few minutes ago so that we get into the kind of boundless investigation that just proliferates in all directions at once, because there is absolutely no ceiling at all on the expenditure of funds. I hope that amendment when it is offered will have your support.

Third, instead of waiting until next year, until the end of January, let us give it a September 1 reporting date. Let us coordinate our activities with the activities of the other body. The senior Senator from Idaho, as I said a few minutes ago, said that he is willing to coordinate his efforts and give their report by September 1. So it makes sense to me that we have a similar reporting date so that we can work in tandem with that committee, then, and better coordinate the activities of the two Houses in this area.

Finally, I will offer an amendment dealing with the very important matter of specific safeguards for protecting classified materials.

There is some very general language in the resolution dealing with this subject, and it merely says that the committee shall establish rules as they deem necessary to prevent unauthorized disclosures of information and testimony. I would suggest that better language would be language identical to that in the Senate resolution. I have taken that language exactly as it was passed in the other body, providing that the committee shall set up specific procedures to clear individuals, to provide them with the necessary security clearances before they deal with these very sensitive and, I am sure, highly classified materials.

There is nothing very radical about the proposals I have made. I think they will give us the sense in this House that we are moving in a bipartisan and very orderly fashion in coordination with the activities of the other body so as to get on with the needed business of deciding what went wrong, if it did go wrong and, more importantly, what we can now do to recommend a better and more continuing type of oversight of the intelligence community in the future.

So I hope the Members will support the amendments that I have described when they are offered, when we debate this under the 5-minute rule, and with those amendments I think we will be able to get on with the very important task that has to be dealt with.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman I think no one would disagree about the oversight authority and responsibility this House has, so far as that oversight pertains to amendments and changes in the law and in the statutes, and also so far as responsibility as to how funds appropriated by this Congress are spent as respects various activities, but I am not at all sure that it is intended by the oversight responsibility to limit them to that.

Does the gentleman foresee the possibility that this oversight select committee might get into the policymaking duties of the various agencies?

Mr. ANDERSON of Illinois. No, I do not think it would attempt to do that. We would have to physically decry any effort to interfere with the legitimate intelligence-gathering functions.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself 3 additional minutes.

I do not think there is any disagreement—or I hope there is not any widespread disagreement—with the proposition that we need an intelligence service in this country to properly guarantee our national security. Agencies of the kind that are listed in this resolution—the Defense Intelligence Agency, the FBI, the CIA—all are needed. It is a question, however, of making sure that they carry out that intelligence function in a way that does not unconstitutionally violate individual rights of Americans here at home, and also, I think, does not involve them in activities that are really nongermane and alien to the true intelligence function.

Mr. MYERS of Indiana. Will the gentleman yield further?

Mr. ANDERSON of Illinois. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. I thank the gentleman for yielding.

If I understand his response, there is absolutely no intent to give this select committee the authority to influence policymaking by any of the agencies, that they will have the responsibility overall, but it is simply to limit the authority to oversight as to Americans and funds used; is that correct?

Mr. ANDERSON of Illinois. I want to be very candid with the gentleman. I cannot assure him that they will not make recommendations that in effect would deal in the policy area or with the policymaking function of these agencies, but let me remind him that this committee has no legislative authority. They cannot pass on anything. All they can do is report to us, I hope, by September 1, 1975, and make recommendations which we as a full House would then act upon.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

There are at least seven different standing committees that have some sort of jurisdiction over intelligence activities in the House. I have heard rumors that, regardless of what the House may do in creating a select committee, some of these committees or the subcommittee chairmen will proceed with collateral investigations of the same issue.

Does the gentleman have any information about any plans to at least try to consolidate all of these investigations, or are we going to go off in all different directions at once for whatever purposes the individual committees involved may have?

Mr. ANDERSON of Illinois. My personal hope would certainly be that during the period that this select committee is functioning, if it is established, there would be a moratorium on a lot of investigative activity by these other subcommittees. Obviously, I am not in a position to speak, however, for the gentlemen who might be in a position to continue to assert that jurisdiction.

Mr. BAUMAN. If the gentleman will yield further, there is, however, nothing in this resolution that says so?

Mr. ANDERSON of Illinois. No. There is nothing in here that specifically says there is a moratorium.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I thank the gentleman for yielding.

This legislation is not designed to prohibit in any way any existing legislative committee or any other committee which has jurisdiction in this area from conducting its work. The gentleman is right. There are about seven committees or subcommittees that do have an involvement or a partial involvement. Possibly only one could have the overall jurisdiction to cover all aspects.

For example, some have jurisdiction over the FBI, others have jurisdiction over the CIA, et cetera. It is designed that these committees will continue to do what they are empowered to do under the existing rules of the House.

This committee is designed to look at several factors primarily: Is there substance to the allegations of wrongdoing?

Should there be recommendations for changes in the methods in which the various intelligence services are conducting their activities—things of that type? It would not be to usurp the powers of the existing committees or subcommittees.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MURPHY of Illinois. Mr. Chairman, I yield 7 minutes to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, let me explain to the Members why we are appearing here today on this resolution to establish a Select Committee on Intelligence. There has been a growing belief among the Members of Congress and among the public at large that all is not well with the intelligence agencies of the United States or that all may not be well and a growing concern that Congress should exercise to a greater degree than it has its oversight function.

We are intending to maintain a good and adequate intelligence service for the United States. We are equally determined to assure the rights of the citizens of the United States so that these rights will not be infringed in any way by anyone, and particularly by Federal intelligence agencies.

There have been very serious allegations of possible wrongdoing on the part of some intelligence agencies. We do not know whether these allegations are true in fact or not, but we certainly feel that Congress has the absolute obligation and duty to the American people to look into it and to exercise its oversight function to determine whether there is any merit to these allegations of wrongdoing.

Beyond that, many of these intelligence agencies have been in existence for many, many years, some from before World War II, and some of our major ones certainly came into prominence right after World War II. Their means of conducting their activities developed in those years, particularly in the late 1940's and early 1950's. Are these activities still proper ones? Are they still wise ones in which those agencies should be involved? Should we, for example, conduct covert operations in the same way in which we have been doing? This is another area of investigation by this select committee.

Therefore, it was the feeling of the overwhelming majority of those Members of the majority party in their caucus that a committee of the Congress should look into this entire matter of activities of the intelligence agencies. We do not deny to the Executive the right to set up the Commission which they have to look into the allegations of impropriety, nor do we intend to prejudge the work and the recommendations of that Commission. But certainly as the executive branch has the right to oversee those actions, very clearly the Congress also does, and this is what we intend to do today.

We have many committees which have jurisdiction. For instance, the Committee on the Judiciary has jurisdiction over the FBI, and the Committee on Armed Services has jurisdiction over the CIA, and the Committee on Banking and Currency has jurisdiction over the Treasury and Internal Revenue. There are many committees. The Appropriations Committee also has a function here. But I doubt whether there is any one committee that has overall jurisdiction and can look at all the intelligence branches of the U.S. Government, with the possible exception, and I say with the possible exception, of the Government Operations Committee. It may have.

Be that as it may, there has been a growing feeling among the overwhelming majority of Members that there should be a per se Intelligence Committee to look into these allegations of wrongdoing.

I myself would have preferred a joint committee. I am sure that many of us would have, and I am sure the gentleman from Illinois (Mr. ANDERSON) recognizes that as a practical matter the other body has already begun with its select committee and there is very little hope of having a joint committee. Incidentally, it may well be that one of the recommendations of this committee might be to recommend a permanent joint committee with the other body.

We deliberately set a termination date of January 31, 1976, because we did not want to make this select committee a permanent committee or to carry on its activities year after year.

Because of the overwhelming feeling of so many Members of the majority of this House that there was need for a select committee, this matter was referred by the caucus of the Democratic Party in the House to the Steering and Policy Committee, so that we could properly study this matter and come up with recommendations.

We met in the Steering and Policy Committee with all the interested committee chairmen and discussed the matter with them and then, because of the complexity of the matter, it was referred to a task force of the Steering and Policy Committee and other Members to make further recommendations. The task force consisted of myself, the gentleman from Michigan (Mr. NEDZI), the gentleman from California (Mr. MOSS), the gentleman from New York (Mr. BINGHAM), the gentleman from Massachusetts (Mr. HARRINGTON), and the gentleman from South Carolina (Mr. DAVIS). After additional meetings and considerations we proposed the resolution which is before us today, urging that it be adopted and that we get on with this work. This committee then would have the function to look into the allegations of impropriety as one of its primary goals.

Second, it was to look into whether or not there is adequate oversight, both by the executive branch and by the Congress, of the intelligence activities.

Third, it would study the necessity, the nature, and the extent of overt and covert intelligence activities by U.S. intelligence instrumentalities here and abroad, and whether or not there should be some changes, for example, in the basic laws which apply to them.

This would be the function of this committee. It would be limited in duration. It would report back to the House by the end of this year. I doubt that the date that the other body has is a realistic one. I suspect that that September date will be extended to the end of the year.

I urge adoption of the resolution.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MURPHY of Illinois. I yield 2 additional minutes to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, I yield to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I want to propound a question to the gentleman from Connecticut.

First of all, let me say, that I think this resolution and the creation of this select committee is most necessary and important at this time. If for no other reason than to dispel the fears and concerns that so many of our citizens have all over the country today.

My problem is that we deal with a number of governmental agencies; however, we do not deal at all with the matter of local police. I raise this question because the inspectional services division of the Baltimore City Police Department kept dossiers on black elected officials, black clergymen, and black community leaders. These dossiers or reports were forwarded to the Federal Bureau of Investigation, the Army Intelligence Agency, and to other governmental agencies.

Is that not also an important link that should be looked at?

Mr. GIAIMO. Mr. Chairman, I do not think that we should put into this legislation any authority empowering us to look into the activities of State or local government; however, to take the example that the gentleman propounds where there was an involvement of the local police force and the Federal Bureau of Investigation or the LEAA, for example, there is no question but that we have the authority to look into the activities of the FBI or the LEAA as far as it relates to police departments.

Mr. MITCHELL of Maryland. Mr. Chairman, if the gentleman will yield further, am I right in assuming that we are not considering the local police department sacrosanct and, therefore, not at this time involved in this question of espionage?

Mr. GIAIMO. This is not a question of being sacrosanct. We think we have a big enough job to look into the Federal agencies and whether or not they have been involved in any wrongdoing.

Incidentally, I think that is of paramount concern and if we can look into that and address ourselves to that problem, the other problems can then be resolved also.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MURPHY of Illinois. I yield 1 additional minute to the gentleman from Connecticut.

Mr. GIAIMO. I yield to the gentleman from California (Mr. JOHN L. BURTON).

Mr. JOHN L. BURTON. Mr. Chairman, I thank the gentleman for yielding.

I was wondering if the gentleman would answer two questions. The resolution, although it does not state it as such, is broad enough that there would be an inquiry into the type of activities such as the destabilization of Chile or interfering with the internal affairs of other nations.

Mr. GIAIMO. The question of destabilization of the Chilean Government would come under any study of covert intelligence activities by the U.S. intelligence services abroad. That is within the committee's jurisdiction.

Mr. JOHN L. BURTON. Last, the passage of this legislation and the creation of this committee in no way would put a moratorium on any legislative committee of this House from holding hearings on substantive legislation dealing with codes that we are informed concern themselves with the Central Intelligence Agency.

Mr. GIAIMO. Does the gentleman mean the standing committees which have jurisdiction?

Mr. JOHN L. BURTON. Legislation dealing with matters on the part of the Central Intelligence Agency and the creation of this committee does not mean, in fact, a moratorium on any others.

Mr. GIAIMO. I think it is the opposite of that. In fact, I think the establishment of this legislation is going to give an impetus and encouragement to these other existing committees to play a greater role in oversight and legislation in these areas than they have in the past.

The CHAIRMAN. The time of the gentleman from Connecticut has again expired.

Mr. MURPHY of Illinois. Mr. Chairman, I yield 1 additional minute to the gentleman from Connecticut (Mr. GIAIMO).

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from South Carolina.

Mr. DAVIS. Mr. Chairman, I would just like to associate myself with the remarks of the gentleman from Connecticut. I believe he has very ably expressed my concerns in detail on this task force.

I would urge the adoption of the resolution as it is presented and not amended.

Mr. MURPHY of Illinois. Mr. Chairman, I have no further requests for time.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Chairman, I want to express myself in general support of this legislation. It seems to me, however, that the focus of our attention should be on the illegal, the unethical, and the immoral acts, or alleged acts, conducted by the CIA, FBI, and other intelligence-gathering agencies.

It seems to me that the broader mandate which is involved in House Resolution 138 is so all-encompassing that the work of the proposed select committee could go on for years. The minority leader, the gentleman from Arizona (Mr. RHODES), introduced House Resolution 121, and it seems to me that that proposal directs its attention at the principal problem with which we are concerned; namely, the problem of jeopardizing the rights of individual American citizens by misuse of our intelligence agencies.

That is a subject over which the House Judiciary Committee, and now specifically the Subcommittee on Civil Rights, has general jurisdiction, and it is something with which that subcommittee is vitally concerned on a continuing basis.

The broader mandate which we have here, it seems to me, is going to involve us in much more than that, as the earlier colloquies have indicated. I intend to support the amendments to be offered by the gentleman from Illinois (Mr. ANDERSON). It seems to me that all of those amendments are essential if we are to have the kind of objective, the kind of bipartisan select committee which it seems to me this body should provide for and which the American people deserve.

Mr. Chairman, in expressing my support for this general proposal, let me emphasize again that such action by the House should be of a truly bipartisan and objective nature. Accordingly, I am hopeful that the action which we will take here today will reflect the kind of balance and objectivity which this subject deserves and which this House acting responsibly in the national interests should take.

Mr. Chairman, I am aware of the contents of House Resolution 121, introduced by our distinguished Republican leader, the gentleman from Arizona (Mr. RHODES), which, in my opinion, sets forth more precisely the steps which this House should take. In other words, I believe the select committee should focus its attention on the abuses which may have been practiced by our intelligence-gathering agencies. At the same time, we should avoid jeopardizing any and all legitimate intelligence-gathering activities which are important to our national security—perhaps even to our survival as a nation in a world in which many hostile and aggressive elements exist and where we must be alert to the danger of global holocaust.

Mr. Chairman, in addition to the provisions of House Resolution 121, I am aware also of the amendments which I understand will be proposed by my colleague from Illinois (Mr. ANDERSON). In my opinion, these proposed amendments to the measure before us—House Resolution 138—more accurately carry out the objectives which I feel are essential to a truly bipartisan and objective investigation.

Mr. Chairman, it is important, first of all, that the composition of any such select committee should be evenly divided between Republicans and Democrats. A proposed 10-member committee evenly divided between Republicans and Democrats would carry out this goal. This is a matter of great concern to both Republicans and Democrats alike—and this inquiry will necessarily involve investigations of both Republican and Democratic administrations. A balanced bipartisan committee with equal representation of both parties would clearly be best equipped to deal with these important and sensitive matters in a responsible manner.

Our colleague (Mr. ANDERSON) also will offer an amendment to require the select committee to take the necessary steps to guard the confidentiality of the extremely sensitive material and information with which it will be dealing. Adoption of this amendment is absolutely necessary if the inquiry is to avoid leaks which could seriously jeopardize national security.

Mr. Speaker, this amendment goes in tandem with another amendment to be offered by my friend from Illinois which would require appropriate security clearances for the select committee's staff. Furthermore, section (C) of this amendment insures that no member of the staff may use the classified information which he or she receives in the course of the inquiry for later monetary gain—further minimizing the risk of security breaches after the filing of the select committee's report and the completion of its work.

Mr. Chairman, the concept of a single comprehensive bipartisan inquiry, embodied in this resolution, enjoys widespread support. Because of the problems of overlapping jurisdiction which exist in our committee structure with respect to oversight of Federal intelligence activities, it is my feeling that this select committee ought to preempt the separate inquiries by the standing committees of the House. To do an adequate job, however, the select committee deserves the set authorization of $750,000 which is provided by Mr. ANDERSON's third amendment. This amendment should be supported if we are serious in our desire to have a single intensive investigation in the place of several duplicative, noncomprehensive inquiries.

Finally, the fourth Anderson amendment—which sets a September 1, 1975, deadline for the select committee's report—makes sense and ought to be supported. We know that the Senate's select committee will report on that date—and I believe that the House should also—in the interests of a coordinated congressional approach to these important issues. No responsible Member would oppose an extension of this deadline if it were warranted by further revelations—but for now, it is most important to strive for an expeditious and coordinated inquiry into the disturbing allegations which have been made.

In conclusion, Mr. Chairman, this resolution, if strengthened by the adoption of my colleague's amendments, is worthy of the support of every Member who wants a truly professional and bipartisan inquiry—in which the American people can justifiably place their trust. A country which has had its confidence shaken in the integrity of its intelligence agencies and which is concerned about the constitutional rights of its citizens being abridged, is in precarious condition indeed. Let us act today, in the highest tradition of this House, to show the American people that we are prepared to deal with the serious problems which go to the heart of our form of government by adopting my colleague from Illinois' amendments and passing this important resolution.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, I want to thank the gentleman from Illinois, my colleague, Mr. McCLORY, for offering his support for the amendments that I described earlier. They are going to be offered, as I suggested, not with any desire to frustrate the very important aims of this select committee when it is established, but rather, I think, to undergird it with a kind of guarantee against partisanship that I think would be disastrous, so far as public confidence is concerned, or as far as any meaningful results that, hopefully, would otherwise flow from its adoption.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Maryland.

Mr. BAUMAN. I note in section 6 the committee is authorized to establish its own rules of procedure with regard to release of information which may come before this committee. If the gentleman will recall, in the impeachment inquiry of the Committee on the Judiciary, they voted to close certain sessions, which they had the right to do. The next morning, in the metropolitan press the entire contents of those hearings were on the front page in great detail, without any names being revealed as to whom the sources were. This committee will be dealing with highly sensitive information in this investigation. Was there any testimony before the Committee on Rules or has anyone offered any recommendations which will protect the secrecy of these investigations?

Mr. ANDERSON of Illinois. I would say to the gentleman that I will offer an amendment on the subject he has raised and specify that rules and procedures must be adopted by the committee that are designed to prevent the disclosure outside of the committee of information that is not authorized to be disclosed, and, furthermore, to establish security clearance requirements for individuals who will be handling the sensitive materials.

I would agree that they are more sensitive, perhaps, than some of the materials that were before the Committee on the Judiciary in the recent impeachment inquiry. But all kinds of materials will be dealt with in this committee.

Mr. Chairman, it is essential that we tighten up the language of this resolution and guard against the unauthorized dissemination of information on matters which are necessarily secret.

Mr. BAUMAN. Mr. Chairman, if the gentleman will yield further, would the gentleman's amendment apply also to Members of the House as well?

Mr. ANDERSON of Illinois. Mr. Chairman, as written, the amendment applies to staff; it does not specifically apply to Members. I think in those instances we will have to have faith in the qualifications of the Members who will be selected to serve on that committee, and we will have to have faith that they will observe the kind of circumspection that will be required of the members of that committee.

Mr. BAUMAN. Mr. Chairman, the gentleman has a large measure of faith.

Mr. BIESTER. Mr. Chairman, as a sponsor of legislation in both the previous and present Congress to create a Joint Committee on Intelligence, I rise in support of House Resolution 138 establishing a Select Committee on Intelligence.

I will vote for this bill with some misgivings as I do not feel it is the most preferable way to approach the problem. Few would deny that the reports and allegations involving illegal CIA and other foreign intelligence activities demand the closest examination. It is questionable, I feel, whether the House should undertake to duplicate much of the same investigative inquiry which is already being done by the President's commission and the Senate panel. The proper course for Congress to have taken in this matter would have been to create a joint House-Senate committee rather than the two separate efforts we will have should House Resolution 138 pass. The House should be involved firsthand in an examination of what has been done, and for this reason the bill before us should pass.

The need for some form of on-going oversight mechanism is not satisfied by the existence of these several groups, as important as their immediate objectives are. I believe we will still need to have a permanent body with the authority to monitor what is happening in the area of foreign intelligence operations. Right now that authority is fragmented and, for practical purposes, nonexistent. By bringing together in one committee Members from both Houses—specifically including those who serve on Foreign Affairs and Foreign Relations, Armed Services and Appropriations—we will be better able to follow on a continuing basis what is being done by our foreign intelligence apparatus.

Mr. ANDERSON of Illinois has joined me in introducing H.R. 261, creating a Joint Committee on Intelligence, and I hope consideration of such legislation will be forthcoming during this session. Unless we have a permanent vehicle institutionalizing supervision over this aspect of governmental activity, the problem will return to trouble us in the future.

Mr. KASTENMEIER. Mr. Chairman, I rise in support of House Resolution 138, to create a Select Committee on Intelligence.

While I have indicated, through my sponsorship of House Concurrent Resolution 18, the long-range congressional need for a permanent joint House-Senate oversight committee on intelligence activities, I believe it is essential that we immediately begin an investigation of the costly and little known segments of the Federal Government, our intelligence agencies, and measure their activities against their respective charters.

The creation of a select committee to examine the specific agencies, as well as the overall conduct and responsibilities of the entire intelligence community is an important undertaking. Such an inquiry is long overdue. The demands that the House assume its responsibility for overseeing the intelligence agencies, which operate largely in secrecy, can no longer be ignored.

Obviously the Nation needs effective criminal surveillance programs. No one seriously disputes this, and there is no one in the Congress who would work toward undermining the effectiveness of our intelligence agencies in the performance of their necessary and legitimate functions.

However, it is the responsibility of the Congress to define the legitimate intelligence activities, establish guidelines for the conduct of such operations and insure that such guidelines are enforced. We have evidence of military agents spying on civilians. It has been acknowledged that the CIA became involved in domestic surveillance. Testimony before various congressional committees indicates that intelligence agencies have withheld information from the Congress and have engaged in serious abuses and misuses of authority. These are matters which must be fully and thoroughly explored.

As recent testimony before the House Judiciary Subcommittee of which I am chairman indicates, the surveillance techniques of domestic intelligence agencies are equally worthy of scrutiny.

We have evidence that warrantless wiretaps were conducted for as long as 25 years. We have admissions that the FBI monitored some 40 phone calls between one Detroit lawyer and his clients. We have evidence that the Secret Service had access without legal process to very revealing telephone toll records. We have information that the FBI used private bank and credit records without any legal authority. We have reports of FBI spying on Members of Congress and domestic political groups including actual disruption of political associations.

Mr. Chairman, we have reached a point where the public's confidence in the Nation's law enforcement agencies is legitimately shaken. A thorough housecleaning of the intelligence community will go a long way toward restoring that confidence.

I urge adoption of House Resolution 138 and the speedy selection of the House Select Committee on Intelligence.

Mr. HARRINGTON. Mr. Chairman, the resolution to create a House Select Committee on Intelligence represents a vital first step toward making this Nation's intelligence community accountable to the Congress for the first time since the Central Intelligence Agency was created in 1947, signaling the uncontrolled growth of secret intelligence activities in the executive branch, the House will have established an effective mechanism to scrutinize questionable intelligence operations.

As one of the original sponsors of the Select Committee proposal, as well as a member of the ad hoc committee which unanimously recommended this resolution, I wish to summarize my understanding of the nature and scope of the proposed select committee's authority.

The committee's major task will be to recommend whatever new legislation and oversight structures are needed to insure that intelligence agencies are operating within the law and are accountable to Congress. This necessarily requires a reconsideration of the policies and assumptions underlying present intelligence practice. It requires careful investigation into all intellegence activities, particularly those that have resulted in the illegal political operations abroad or in violations of the civil liberties of American citizens. Finally, it requires an evaluation of the past effectiveness of House intelligence oversight committees in keeping these agencies within legal bounds. The select committee proposed today would have authority to accomplish these tasks.

My support for the select committee stems in large part from my belief that existing controls on intelligence activities, particulalry on the CIA, have been wholly inadequate. Specifically, the CIA's secret program in Chile to destabilize the Allende government have yet to be subjected to searching congressional inquiry. Likewise, the extent of CIA domestic surveillance has not been fully examined. The House Select Committee on Intelligence would be impowered, along with its more general investigations, to explore these particular intelligence activities.

It is important to realize that intelligence policies and covert operations are not established without official actions at the highest levels of the executive branch. Any complete study of the intelligence community must probe the mechanisms within the executive branch, especially the National Security Council, for initiating and controlling intelligence operations. These matters will surely concern the Select Committee on Intelligence with its subpena power, the committee would be able to obtain valuable testimony from all executive branch officials who deal with intelligence policy.

It has been warned in debate over this proposal that care should be taken to protect the "national security" interests of the United States. I agree. However, this country's security depends just as much on the maintenance of a rule of law as it does on the preservation of diplomatic secrets. It is threatened just as seriously by a misguided covert intervention abroad as it is by insufficient intelligence gathering and analysis. "National security" means much more than mere acquiesence by Congress to asserted claims of necessity by intelligence officials. Such an abdication of congressional responsibility and control over the intelligence community will, in the long run, undermine the security of this Nation and its citizens.

The Select Committee on Intelligence can play a major role in the preservation of our "national security" in this broad sense. While I regret that it has taken the House so long to recognize the need for this committee, I commend the Democratic leadership for finally supporting this much needed reform. I urge passage of this resolution so that the select committee can begin its long-overdue investigation of the intelligence community.

Mr. MURPHY of Illinois. Mr. Chairman, I have no further requests for time.

Mr. ANDERSON of Illinois. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Resolved, That (a) there is hereby established in the House of Representatives a Select Committee on Intelligence to conduct an inquiry into the organization, operations, and oversight of the intelligence community of the United States Government.

(b) The select committee shall be composed of ten Members of the House of Representatives to be appointed by the Speaker, in consultation with the chairmen of those standing committees having current jurisdiction over intelligence matters. The Speaker shall designate one of the Members as chairman.

(c) For the purposes of this resolution the select committee is authorized to sit during sessions of the House and during the present Congress whether or not the House has recessed or adjourned. A majority of the members of the select committee shall constitute a quorum for the transaction of business except that the select committee may designate a lesser number as a quorum for the purpose of taking testimony.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, line 8, after the word "Speaker" insert a period and strike out all after the period through the word "matters." on page 1, line 10.

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: On page 1, strike lines 6 through 11 and insert in lieu thereof the following:

"(b) The select committee shall be composed of ten Members of the House of Representatives to be appointed by the Speaker as follows: (1) five from the majority party, and (2) five from the minority party after consultation with the minority leader of the House. The Speaker shall designate one of the Members as chairman."

Mr. ANDERSON of Illinois. Mr. Chairman, this amendment specifies that the composition of the select committee shall be completely bipartisan, with five Members from the majority party and five from the minority party. The resolution as reported contains no specific reference to the partisan makeup of the committee, but it was made clear in our Rules Committee hearings that the Democratic Caucus rule of 2 to 1 plus 1 would apply to the select committee as well. That would mean, on a 10-member committee such as this, there would be 7 Democrats and only 3 Republicans.

Mr. Chairman, I think it is especially important that this committee—having such broad authority to probe such sensitive areas spanning Republican and Democratic administrations alike—that this committee be completely bipartisan so that there is not one hint of partisanship. I think we should recall that in the last Congress we created a bipartisan select committee of five Democrats and five Republicans to investigate this House and its committees. That committee worked quite well together, and unanimously reported a comprehensive and constructive product. It put partisanship aside and acted in what it considered to be the best interests of the House. It would seem doubly important that we adopt this nonpartisan approach to investigating the intelligence community so that the committee will act in the best interests of the country.

I would also point out that our own House Committee on Standards of Official Conduct is completely bipartisan, with six Demoncrats and six Republicans. If we feel we should be nonpartisan in investigating and policing the conduct of House Members, it should follow that we would want to be nonpartisan in investigating and policing our domestic and foreign intelligence communities—an even more delicate and sensitive area.

The Senate select committee on intelligence has a nearly bipartisan composition, with six Democrats and five Republicans, despite the fact that the majority party has a 3-to-2 ratio in that body.

I have reviewed the numerous resolutions referred to our Rules Committee which would establish either House select or joint committees on intelligence. Almost all of them, introduced by Republicans and Democrats alike, would have either a bipartisan or nearly bipartisan composition.

And yet, here we have a resolution drafted in the Democratic Steering and Policy Committee which would revert to the old partisan ratio of 2 to 1 plus one. I can understand that such a proposal is to be expected from one of the partisan organs in the House. But we are now acting as an institution—not as Republicans or Democrats—but as Members of Congress interested in doing what is right for the country and in doing it the right way. And I would suggest that we must act on a matter of this importance and sensitivity in such a way that there not even be the appearance of partisanship connected with this investigation. I urge adoption of my amendment.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, actually the resolution before us does not provide for any ratio; it provides for a 10-member committee, and it could be 9 to 1 or 10 to 0 unless we spell out the ratio as to the members of the committee; is that correct?

Mr. ANDERSON of Illinois. Mr. Chairman, the gentleman is quite correct. But in fairness to the other side, I want to say that they made it quite clear in their testimony in the Committee on Rules that a 7 to 3 ratio is what they intended.

This was the decision of the task force appointed by the Democratic Policy Steering Committee after it had been referred to that group by the Democratic Caucus. Therefore, I am satisfied that it is going to be 7 and 3 unless we adopt this amendment.

I think, nevertheless, that the reasons I have given are good and sufficient reasons why we ought to specify an even division in the membership of the committee.

Mr. GIAIMO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me associate myself with the remarks of the gentleman from Illinois by saying that we, too, want to see a bipartisan effort in this area which concerns the rights and freedoms of the American people, and that is, whether or not the intelligence agencies in any way are infringing on those rights.

I hope that there will be a bipartisan effort in this committee. Certainly there should be no Republican or Democratic position in this area. They should be merged into the correct and proper bipartisan position.

However, let me say this, that we in the majority in the Congress have a responsibility and an obligation to lead and to propose recommendations, legislation, all kinds of activities designed to remedy the ills which beset us.

All one has to do is read the newspapers or listen to radio and television any day. We hear from the executive branch statements that Congress has the obligation to do this, Congress has the obligation to do that, and Congress must stand up and take positive steps and make positive decisions and resolutions.

I submit to the gentleman that from experience, as he and I well know, it is very difficult to establish policy in this august body with a five and five split. As we have the responsibility as the majority party in this body, we must insist on the regular rule and ratio for other committees, and this is one of the reasons.

The executive branch has created a board and a commission to look into this matter, and certainly we in the Congress have not told or advised the President as to what the makeup of that board should be or what the membership should be.

I do not think that we can properly exercise our function here as the majority party with the responsibility to come forth with recommendations, and I do not think we can properly exercise our responsibility unless we have a 7 and 3 ratio.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

As to this idea, however, when the gentleman says that we must insist on the normal rule as it applies to ratios on committees, he ignores completely the distinction that should be drawn between a legislative committee and an investigative committee. This is not a legislative committee, as we said earlier. The gentleman agrees, I am sure, that this committee cannot legislate; it can only recommend.

With investigative materials as sensitive as these, it is important that we convey to the public, which is concerned and rightfully so about these issues, that we will not simply take partisan potshots and that we will not make points for one party or in the defense of the other, but in a serious, determined, nonpartisan manner, we are proceeding to lay the ghost to these charges, either determining their truth and validity or not.

Mr. GIAIMO. I do not think we intend to take potshots. Certainly I know that members of the majority are not, and members of the minority are not either. However, the fact is that the majority does bear the responsibility to take positive action and make positive suggestions.

I submit, Mr. Chairman, that we cannot do that with a five and five committee, and I oppose the amendment.

Mr. McCLORY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. McCLORY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

Mr. McCLORY. Mr. Chairman, it seems to me that if the majority party wants to act in a responsible and a bipartisan manner, they can achieve that end through the acceptance of this amendment. I might say that in supporting the general thrust of this resolution and the establishment of a Select Committee, I am just as interested in the activities of such a select committee as any Member on the other side of the aisle. I think there is the suggestion or the implication in this 7 to 3 ratio which suggests this is going to be a partisan attack and a partisan effort. Certainly partisan control of this activity should not be patterned after a legislative function. I think the integrity of this institution, the House of Representatives, is involved in this very amendment, because this institution is the one which is going to establish a select committee. It is this institution which is going to conduct the oversight and the investigation of the alleged impairment of the rights of individual citizens, by reason of illegal, immoral, and unethical activities alleged to have been carried out by the intelligence-gathering agencies and, consequently, it seems to me that we should do this in a responsible, objective manner through the establishment of a select committee which will be even balanced between the majority and the minority parties.

I want to assure those who are opposing this amendment on the other side of the aisle of our sincere interest on this side of the aisle of doing the kind of thorough job, not only with respect to this administration, but with respect to prior administrations, and we do not want to have any coverup of any earlier activities, which certainly could result, if the control is there and the political interest is there, to protect and to cover up with respect to an earlier administration. Consequently, I believe that if we are to be truly bipartisan and truly objective and truly responsible to the American people in connection with this select committee, we should support overwhelmingly the amendment offered by my colleague, the gentleman from Illinois (Mr. ANDERSON).

I hope the House will give that kind of support to this amendment.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Illinois (Mr. ANDERSON) has offered four amendments, all of which I think would be a great improvement to this bill. I am particularly interested in the amendment which would change the composition of the committee so that it would be equal between the parties.

Select committees, without legislative authority, should be bipartisan. They are customarily evenly, or nearly evenly divided between the parties and I think this precedent followed in both Houses should not be abandoned.

I recognize the ability of the Democratic side, and of the Democratic caucus, to impose its will upon the House. It has the votes to do it, and if it wants to do it, it certainly can, but I ask the Members on my right to think ahead to the possible time when the majorities might be different, and I ask them if they think it would be a good idea for a select committee to be set up by this body which would be seven to three.

I also ask them if they think it is a good idea to change precedent so that the majority party is in complete control of something which is as sensitive as the investigation of the intelligence divisions of our Government today. It seems to me that this is such a sensitive operation, such a sensitive area, that the Members of the majority party would be well served if a committee to perform this very delicate task were to be just as bipartisan as anybody could possibly make it.

I understand partisanship is quite the vogue in this Congress, and again that is the prerogative of the majority party to make it so if it desires to do so. But I also suggest that this investigation is necessary. I agree that it is. I am pleased that it is going to be done by a select committee instead of by various other committees in which there would be overlapping investigations made. That part of it I agree with completely. But it seems to me the people, the citizens of the Republic, would feel much better about the whole thing and would feel much more confident about the findings of this committee—that there would not be a witch hunt—if the members of the committee were evenly divided between the parties.

So, Mr. Chairman, I speak for all of the amendments offered by the gentleman from Illinois, and I particularly address myself to the one involving the content of the committee.

Mr. BRODHEAD. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, it seems to me that the amendment to make this committee evenly divided between the two parties would have the effect of to be trying to reverse the results of the last election. If the people wanted the responsibilities to be divided 50-50 between the two parties they would have voted that way. They did not. They voted two-thirds for one party and one-third for the other. I do not understand why the minority is trying to obstruct the work of this House by offering such an amendment with respect to this committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ANDERSON of Illinois. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 141, noes 265, not voting 26, as follows:

[Roll No. 17]

AYES—141

Abdnor
Abzug
Anderson, Ill.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Bennett
Biester
Breckinridge
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Butler
Carter
Cederberg
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Robert W., Jr.
Derwinski
Devine
Dickinson
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
Erlenborn
Esch
Eshleman
Fenwick
Findley
Fish
Forsythe
Frenzel
Frey
Gilman
Goldwater
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Hammerschmidt
Hansen
Harsha
Hastings
Hébert

Heckler, Mass.
Heinz
Hillis
Hinshaw
Holt
Horton
Hutchinson
Hyde
Jeffords
Johnson, Colo.
Johnson, Pa.
Kasten
Kelly
Ketchum
Kindness
Lagomarsino
Latta
Lent
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McEwen
McKinney
Madigan
Martin
Michel
Miller, Ohio
Mitchell, N.Y.
Moore
Mosher
Myers, Ind.
Myers, Pa.
O'Brien
Peyser
Pressler
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Robinson
Rousselot
Ruppe
Sarasin
Schneebeli
Sebelius
Shriver
Shuster
Sikes
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Thone
Treen
Vander Jagt
Walsh
Wampler
Whalen
Whitehurst
Wiggins
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.

NOES- -265

Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Bedell
Bevill
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Brinkley
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John L.
Burton, Phillip
Byron
Carney
Carr
Casey
Chisholm
Clay
Collins, Ill.
Conyers
Corman
Cornell
Cotter
D'Amours
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
English
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Ford, Mich.
Fountain
Fraser
Fuqua
Gaydos
Giaimo
Gibbons
Ginn
Gonzalez
Green
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Hefner
Helstoski
Henderson
Hicks
Hightower
Holland
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Landrum
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCormack
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Mahon
Mann
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patman
Patten
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pickle
Pike
Poage
Preyer
Price
Randall
Rangel
Rees
Reuss
Richmond
Risenhoover
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Russo
Ryan
St Germain
Santini
Sarbanes
Satterfield
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Teague
Thompson
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Waxman
Weaver
White
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—26

Barrett
Beard, R.I.
Bergland
Biaggi
Chappell
Clawson, Del
Diggs
Downing
Eilberg
Foley
Ford, Tenn.
Fulton
Jarman
Kemp
Leggett
Mills
Moorhead, Calif.
Passman
Riegle
Rose
Schulze
Skubitz
Steed
Talcott
Taylor, Mo.
Wilson, Bob

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. The select committee is authorized and directed to conduct an inquiry into—

(1) the collection, analysis, use, and cost of intelligence information and allegations of improper activities of intelligence agencies in the United States and abroad;

(2) the procedures and effectiveness of coordination among and between the various intelligence components of the United States Government;

(3) the nature and extent of executive branch oversight and control of United States intelligence activities;

(4) the need for improved or reorganized oversight by the Congress of United States intelligence activities;

(5) the necessity, nature, and extent of overt and covert intelligence activities by United States intelligence instrumentalities in the United States and abroad;

(6) the procedures for and means of the protection of sensitive intelligence information; and

(7) such other related matters as the select committee shall deem necessary to carry out the purposes of this resolution.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 12, after the word "of" insert the words "illegal or".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, line 2, strike out the word "and" and insert the following:

"(7) procedures for and means of the protection of rights and privileges of citizens of the United States from illegal or improper intelligence activities; and"

And renumber the next paragraph accordingly.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3. In carrying out the purposes of this resolution, the select committee is authorized to inquire into the activities of the following:

(1) the National Security Council;

(2) the United States Intelligence Board;

(3) the President's Foreign Intelligence Advisory Board;

(4) the Central Intelligence Agency;

(5) the Defense Intelligence Agency;

(6) the intelligence components of the Departments of the Army, Navy, and Air Force;

(7) the National Security Agency;

(8) the Intelligence and Research Bureau of the Department of State;

(9) the Federal Bureau of Investigation;

(10) the Department of the Treasury;

(11) the Energy Research and Development Administration; and

(12) any other instrumentalities of the United States Government engaged in or otherwise responsible for intelligence operations in the United States and abroad.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: page 4, line 1, strike out the semicolon and add the following: "and the Department of Justice;"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. The select committee may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Subpenas may be issued over the signature of the chairman of the select committee or any member designated by him, and may be served by any person designated by the chairman or such member. The chairman of the select committee, or any member designated by him, may administer oaths to any witness.

SEC. 5. To enable the select committee to carry out the purposes of this resolution, it is authorized to employ investigators, attorneys, consultants, or organizations thereof, and clerical, stenographic, and other assistance.

SEC. 6. The select committee shall establish and implement such rules and procedures as it may deem necessary to prevent the unauthorized disclosure of information and testimony taken in executive session or obtained by other means.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: On page 4, strike lines 23 through 24 and on page 5 strike lines 1 and 2 and insert in lieu thereof the following:

"SEC. 6. (a) The select committee shall institute and carry out such rules and procedures as it may deem necessary to prevent (1) the disclosure, outside the select committee, of any information relating to the activities of the Central Intelligence Agency or any other department or agency of the Federal Government engaged in intelligence activities, obtained by the select committee during the course of its study and investigation, not authorized by the select committee to be disclosed; and (2) the disclosure, outside the select committee, of any information which would adversely affect the intelligence activities of the Central Intelligence Agency in foreign countries or the intelligence activities in foreign countries of any other department or agency of the Federal Government;

"(b) No employee of the select committee or any person engaged by contract or otherwise to perform services for the select committee shall be given access to any classified information by the select committee unless such employee or person has received an appropriate security clearance as determined by the select committee. The type of security clearance to be required in the case of any such employee or person shall, within the determination of the select committee, be commensurate with the sensitivity of the classified information to which such employee or person will be given access by the select committee.

"(c) As a condition for employment as described in section 5 of this resolution, each person shall agree not to accept any honorarium, royalty, or other payment for a speaking engagement, magazine article, book, or other endeavor connected with the investigation and study undertaken by this committee."

Mr. ANDERSON of Illinois (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois.

There was no objection.

Mr. ANDERSON of Illinois. Mr. Chairman, this amendment is aimed at detailing and strengthening the provisions of the resolution designed to protect classified materials and national secrets. I would stress at the outset that this language is identical to that contained in Senate Resolution 21 as adopted, establishing the Senate select committee on intelligence. As the resolution before us reads, the committee shall establish whatever rules and procedures it deems appropriate to protect such information.

My amendment simply elaborates on this by specifying that such rules and procedures should be designed to prevent the disclosure outside the committee of any information not authorized to be disclosed by the committee, and to prevent the disclosure of information which would adversely affect any of our foreign intelligence activities.

Moreover, the amendment requires that the committee establish security clearance requirements for staff people having access to classified materials, as the committee determines is commensurate with the sensitivity of the information.

Finally, my amendment requires that, as a condition of employment, staff people assigned to the committee, as well as outside consultants working with the committee, agree not to accept any payment, royalty or honorarium for speaking engagement, book, article or other endeavor in connection with his or her work on the committee. Again, I would stress, this language is identical to that contained in the Senate-passed resolution.

Mr. Chairman, while I do not doubt that any such committee would establish necessary safeguards to protect sensitive information, I think it is important that we in the House impose some minimal guidelines and requirements from the very outset in order to give guidance to the committee. There is certainly nothing in this amendment which would preclude the committee from adopting other rules in this area, and I am sure they will. But as a bare minimum, I think these safeguards should be clearly stated by the full House. Given the nature of the investigation, we cannot abide any leaks springing from this committee. Recent past experiences with staff leaks should be sufficient in impressing on us the need for this body to make the concerns and desires of the full House membership explicit in this regard.

The conduct of this investigation will be a reflection on the entire House, and as such, we must accept full responsibility now for insuring that the investigation does not become either a Roman circus or a sieve for national secrets. I urge adoption of my amendment.

Mr. MURPHY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I am pleased to yield to the gentleman from Illinois (Mr. Murphy).

Mr. MURPHY of Illinois. Mr. Chairman, in a spirit of democratic cooperation, our side will accept the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Anderson).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Anderson of Illinois: On page 5, after line 2, insert the following new section and redesignate sections 7 and 8 as sections 8 and 9, respectively:

"Sec. 7. The expenses of the select committee under this resolution shall not exceed $750,000 of which amount not to exceed $100,000 shall be available for the procurement of the services of individual consultants or organizations thereof. Such expenses shall be paid from the contingent fund of the House upon vouchers signed by the chairman of the select committee and approved by the Speaker."

Mr. ANDERSON of Illinois. Mr. Chairman, this amendment simply sets an expense ceiling of $750,000 for the select committee, along with a subceiling of $100,000 for outside consultants and services. As such, it is identical to the language in the Senate-passed resolution.

In questioning witnesses on this matter yesterday in Rules, no estimate was given on what the select committee might cost. The gentleman from Michigan, (Mr. Nedzi) said he didn't think it would cost as much as the Senate investigation, despite the fact that this is due to run 4 months more than the Senate inquiry. It was also stated that the amount would be negotiated with the House Administration Committee.

Well I do not like the idea of jumping into something without having any idea how much it will cost. In the last Congress, when we established the Select Committee on Committee Reform, the resolution creating that committee, as reported from the Rules Committee, contained an authorization level.

There is no reason whatsoever why we cannot set such a ceiling in this resolution. Moreover, given the potential scope of this investigation, covering as it does every agency of the Federal Government having anything to do with intelligence—and broadly defined, "intelligence" simply means information gathering—I think it is important at the outset that we establish an overall dollar ceiling so that the committee will be forced to set its priorities immediately and get on with the most important aspects of such an investigation. I suspect that if the committee did everything he could do under its authority in this resolution, the investigation could run for years and cost the taxpayers millions. As I mentioned in the Rules Committee, this could turn out to be the biggest fishing expedition since Moby Dick. I do not think that is what most Members of this body want. We are primarily concerned with the more glaring and disturbing allegations of illegal and improper intelligence activities and operations. And we want this committee to report back as soon as possible on what steps the executive and legislative branches might take to strengthen their control and oversight over the intelligence community.

Mr. Chairman, just as other committees are required to report the expected cost of programs they recommend, I think we have an obligation to require the same of our own in-house activities by setting such cost parameters. I urge adoption of my amendment.

Mr. MURPHY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I am delighted to yield to the gentleman from Illinois.

Mr. MURPHY of Illinois. Mr. Chairman, in a further demonstration of that same spirit of conciliation and cooperation, we will accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Anderson).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 7. The select committee is authorized and directed to report to the House with respect to the matters covered by this resolution as soon as practicable but no later than January 31, 1976.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Anderson of Illinois: On page 5, strike all of line 6 and insert in lieu thereof the following: "September 1, 1975."

Mr. ANDERSON of Illinois. Mr. Chairman, this amendment would change the reporting deadline for the select committee from January 31, 1976 to September 1, 1975. Again, the deadline contained in my amendment is identical to that of the Senate committee. And I think for a very obvious and practical reason. If both of these committees will be making recommendations as to how the Congress might improve and strengthen its oversight of the intelligence communities, then we should act together as soon as possible on doing this. There can be no excuse for dragging out the House investigation 4 months beyond that of the Senate, and in the meantime delaying necessary and possibly joint action on this problem. I would add, parenthetically, that I suspect a recommendation may be made to establish a Joint Committee on Intelligence Oversight, and, for that reason, it is imperative that we act promptly and jointly.

Mr. Chairman, I know that argument will be made that there is no way our committee can carry out its assignment under this resolution in just 6 months. I have no doubt that it could take from now until doomsday to do a thorough job of implementing its mandate. But of supreme importance, it seems to me, is that this committee address itself to the most glaring and immediate allegations before it, and then turn over the rest to a more permanent mechanism of the Congress to continue with. This is what we should have been doing all along, and I do not think we have to wait 11 months for a select committee to tell us that. We should move as soon as possible to establishing such a permanent mechanism and get on with the job.

In conclusion, Mr. Chairman, I think this reporting deadline is in the best interests of the Congress and the Nation in establishing within the Congress a permanent mechanism for conducting continuing review and oversight of the intelligence community. Let us move together with the other body, on the same timetable and deadline in accomplishing that larger end.

I urge adoption of my amendment.

Mr. Chairman, I do not see the gentleman from Illinois, my colleague on the committee, rising, asking me to yield, so I must assume that the same spirit of conciliation and cooperation does not prevail on this fourth and final amendment that I offer to House Resolution 138, but I now yield to the gentleman from Illinois in the hope that the gentleman has changed his mind after listening to my remarks.

Mr. MURPHY of Illinois. Mr. Chairman, I must say to my colleague, the gentleman from Illinois (Mr. ANDERSON) that the same spirit of conciliation and cooperation that prevailed with regard to the other amendments does not prevail in regard to this amendment.

Mr. ANDERSON of Illinois. Mr. Chairman, I regret that the gentleman from Illinois does not have the same feeling of conciliation and cooperation with respect to this amendment, but, regardless of where we stand on the political aisle, I would invite the support of the gentleman for the amendment because I consider that it is in the interest of getting the kind of an investigation that we want on both sides of the political aisle.

Mr. GIAIMO. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

Mr. Chairman, I should like to point out to the members of the Committee that we have taken precautions here to see to it that the select committee is limited in duration to the end of this year, January 31, 1976. It is not our intention nor our desire to perpetuate the Select Committee on Intelligence year after year after year. At the same time—and I am sure that my good friend, the gentleman from Illinois, will agree with me—we want to assure the committee sufficient time to do a creditable job and proper investigation in this area of intelligence activities. We think that the September deadline mentioned in the amendment of the gentleman is not realistic. It gives very little time.

I recognize the fact that the other body has selected that date. However, I would say that the other body has already passed its legislation. It has a head start of some weeks on this body and, quite frankly, it is our opinion and that of the cosponsors of this legislation that the deadline date which the other body has incorporated into this legislation will not be sufficient to do a proper job, and my guess will be that they will be extending theirs.

I do not think it is unreasonable to limit the duration of this select committee until January 31, 1976, and I ask that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The amendment was rejected.

Mrs. FENWICK. Mr. Chairman, I move to strike the last word.

I should like to appeal, Mr. Chairman, to the Members of this House and most particularly to my friends on the other side of the aisle. I think we all know that patriotism rather than partisanship is what must guide us if we are to respond to what the people told us to do in the last election. There is more to it. I think an investigatory body has to not only do justice but be seen to do justice. I think that we should rise to it. I hope very much, since the section does not describe the membership of the committee, but leaves it entirely to the generosity and the spirit of bipartisanship of the Speaker and of the leadership and of the great majority of Democrats in this House, that perhaps it could be at least 6-to-4, if not 5-to-5.

I know that my friends on the other side of the aisle know that I speak in no partisan spirit, but I think it would convince the people of this Nation that we can rise above party, that we are earnestly seeking the truth, that we are not trying to go on witch hunts or hurt people, but that we are trying to protect the integrity of our institutions and the urgent and necessary fact that the institutions of government cannot be used for personal or political reasons. All this needs to be driven home, and I hope that the composition of the committee will effect it.

I thank the Chairman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 8. The authority granted herein shall expire three months after the filing of the report with the House of Representatives.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FLYNT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 138) establishing a Select Committee on Intelligence, pursuant to House Resolution 174, he reported the resolution back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the resolution.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 286, nays 120, not voting 26, as follows:

[Roll No. 18]

YEAS—286

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashley
Aspin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John L.
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Daniels, Dominick V.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derwinski
Dingell
Dodd
Downey
Drinan
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Emery
English
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Gradison
Grassley
Green
Gude
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hightower
Hillis
Holland
Holtzman
Howard
Howe
Hughes
Hungate
Ichord
Jacobs
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Keys
Koch
Krebs
Lehman
Litton
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
McClory
McCloskey
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nix
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patman
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk

Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steelman
Stokes
Studds
Sullivan
Symington
Thompson
Thornton
Treen
Tsongas
Udall
Ullman
Vander Veen
Vanik
Vigorito
Wampler
Waxman
Weaver
Whalen
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Zablocki
Zeferetti

NAYS—120

Abdnor
Archer
Ashbrook
AuCoin
Bafalis
Bauman
Beard, Tenn.
Bevill
Brinkley
Brown, Mich.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Cornell
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, Robert W., Jr.
Derrick
Devine
Dickinson
Duncan, Oreg.
Duncan, Tenn.
Edwards, Ala.
Eshleman
Forsythe
Fountain
Ginn
Goodling
Guyer
Hagedorn
Hammerschmidt
Hansen
Harsha
Hicks
Hinshaw
Holt
Hubbard
Hutchinson
Jenrette
Johnson, Pa.
Kelly
Kemp
Ketchum
Kindness
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Lent
Levitas
Lloyd, Calif.
Lott
McCollister
McDonald
McEwen
Martin
Mathis
Milford
Miller, Ohio
Montgomery
Moore
Myers, Ind.
Myers, Pa.
Nichols
Nolan
Passman
Patten
Poage
Quillen
Rhodes
Roberts
Robinson
Rousselot
Santini
Satterfield
Schneebeli
Sebelius
Shuster
Sikes
Skubitz
Smith, Nebr.
Snyder
Spence
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Symms
Taylor, N.C.
Teague
Thone
Van Deerlin
Vander Jagt
Waggonner
Walsh
White
Whitehurst
Whitten
Wiggins
Winn
Wydler
Wylie
Young, Fla.
Young, Tex.

NOT VOTING—26

Barrett
Bergland
Chappell
Clawson, Del
Diggs
Downing
Eilberg
Fulton
Goldwater
Horton
Hyde
Jarman
Jeffords
Leggett
Michel
Mills
Moorhead, Calif.
Riegle
Rose
Schulze
Steed
Stratton
Talcott
Taylor, Mo.
Traxler
Wilson, Bob

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Diggs for, with Mr. Schulze against.

Mr. Eilberg for, with Mr. Del Clawson against.

Mr. Barrett for, with Mr. Taylor of Missouri against.

Until further notice:

Mr. Bergland with Mr. Michel.

Mr. Chappell with Mr. Moorhead of California.

Mr. Leggett with Mr. Hyde.

Mr. Riegle with Mr. Bob Wilson.

Mr. Rose with Mr. Traxler.

Mr. Horton with Mr. Mills.

Mr. Downing with Mr. Jarman.

Mr. Fulton with Mr. Goldwater.

Mr. Jeffords with Mr. Stratton.

Mr. Steed with Mr. Talcott.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MURPHY of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

APPOINTMENT AS MEMBERS OF SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER. Pursuant to House Resolution 138, the Chair appoints the following Members to the Select Committee on Intelligence: Mr. NEDZI, chairman; Mr. GIAIMO; Mr. EDWARDS of California; Mr. JAMES V. STANTON; Mr. HARRINGTON; Mr. DELLUMS; Mr. MURPHY of Illinois; Mr. MCCLORY; Mr. TREEN; and Mr. KASTEN.

FLOOD INSURANCE

(Mr. CASEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CASEY. Mr. Speaker, today I am introducing a bill that I believe will be of interest to each and every colleague in the House, since it concerns the Flood Disaster Protection Act of 1973.

I know that we all fully recognize the need for flood insurance and the protection that it affords our constituents in the event of disastrous flooding. There is an urgent necessity for its continued availability and at the subsidized rates provided under Public Law 93-234.

The law has my full support in its purpose and I would like to compliment the Flood Insurance Administration for the conscientious work it has done to implement the law.

However, there are some provisions of the law which can have disastrous effects in themselves if implemented as scheduled on July 1, 1975. These effects, which I know were not foreseen by those of us who ardently supported the law at its passage, could be even more harmful than no law at all in some communities.

Fortunately we still have the time to make the necessary corrections, which the bill I introduce today would accomplish.

Unless we do make these adjustments in the act, we can expect to see many of our areas suffer unnecessarily through declining property values, an inability to refinance existing housing and a virtual ban on future construction. These factors hold true even in areas in which there is no history of flooding and in which the likelihood of future flooding is remote indeed.

Under the present law, after July 1, residential lending will be prohibited in communities which have failed to become eligible for flood insurance.

The reason is that the Federal Housing Administration, the Veterans' Administration, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, and any federally supervised bank and savings and loan association will be prohibited from assisting in, making or approving loans secured by properties located in specially designated flood areas unless the community in which the property is located in participating in the national flood insurance program.

The spirit of this provision would seem most desirable, but let us consider the practical effects, which I believe we will see will bring severe injustice to property owners in communities which have not complied with the law, or for some reason cannot comply. I know that a recent count in just my area of Texas, showed that 44 communities are still not under the program.

Now let us look at what will happen in these communities after provisions of the Flood Disaster Protection Act go into effect on July 1:

Property values will fall sharply because construction financing will not be available. A homeowner, for example, gets transferred to another city by his employer. He tries to sell his home, where he has lived for 15 or 20 years. He finds that under the law we have written that there is no way he can get the house refinanced in order to sell the property. It does not matter that his home has never been flooded or that it will never be in danger of flooding. He is stuck from now on with that house unless he wants to virtually give it away.

Foreclosures will increase. As an example, say a homeowner is transferred after buying a house on VA financing 2 years earlier. He cannot sell the house, so he just defaults on his loan. He only loses the small downpayment. I fear such examples would become common.

Financing banks and savings and loan institutions would suffer because of the growing number of loan defaults.

The Federal Government will suffer because there will be a large number of FHA and VA loans involved. Those are the loans with the smallest down payments and thus the more likely to go into default. Then, under the law, the VA and FHA will pay off the mortgages and be stuck with the properties.

Property owners, the families who have worked and saved for years in order to own their homes, will suffer the most. Because no matter what they decide to do, the circumstances are beyond their control. Their lifetime investment can be completely wiped out.

We obviously went a little bit too strong in attempting to write this law and the need for corrective action should be obvious.

My bill would take that corrective action by:

Repealing the prohibition against federally assisted lending. The individual Government agency which underwrites a loan would make the determination of whether the property complies with flood insurance requirements that it deems necessary to protect the property. The application would be in the same manner as the FHA and the VA now set minimum property standards for each loan approved. Each piece of property would be judged on its own merits.

The law would apply only to housing built after the effective date of the flood insurance act. We should not penalize property owners who purchased homes in good faith years before we even considered flood insurance laws.

Regulation of federally assisted financing in areas where the elevation is above the 100-year flood plain would not include the prohibition against federally assisted financing, regardless of whether a flood insurance program was in effect in the community. The elevation of a piece of property could easily be established through maps already in existence and certified by an engineer's certificate. Thus a property owner in a nonparticipating community could still get flood insurance by certification of his property as being above the established 100-year flood plain.

Mr. Speaker, I hope all of my colleagues will study this law carefully. I can give full assurance that the problem that now exists is not one unique to my district or to my State. There have been numerous newspaper articles written throughout the Nation regarding the hardships that the flood insurance law as now written will bring.

If my colleagues have not yet heard from their constituents about the matter, I am sure they will as soon as the law goes into effect July 1. By that time, however, many of our citizens will have suffered needlessly.

There may be some who will argue that the only people who will be hurt are land developers. I wish that were the case, but the fact is that it will be the homeowner, not the developer who will be hurt.

My bill to make corrections in the Flood Disaster Act has been drafted after consultations with and recommendations from mortgage bankers, title company officials, local citizen groups, and with representatives from the Federal National Mortgage Association.

Mr. Speaker, we do need a sound program to provide Federal flood disaster insurance and such a program will continue to have my full support. We need every community to participate in such a program. But we also must have a law that provides more help than harm.

The last thing I want to do is risk the public's money needlessly.

But in the process, we must not invoke a program that does severe economic harm to property owners throughout the Nation.

I would be glad to discuss my bill with any of my colleagues, or my staff will be glad to assist in providing further information about it. I will also welcome any of my colleagues who desire as cosponsors to my amendments, which I believe will allow the Flood Disaster Protection Act to be implemented in the manner in which we originally intended.

SELECT COMMITTEE TO INVESTIGATE ASSASSINATIONS AND ATTEMPTED ASSASSINATIONS

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, today I am introducing a House resolution calling for you to name seven Members of the House to a select committee of seven Members of the House, one of whom you shall designate as chairman, to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, and the attempted assassination of George Wallace.

Under the terms of the resolution the committee is authorized and directed to conduct a full and complete investigation and study of the circumstances surrounding the deaths of these men—a President of the United States, a U.S. Senator seeking the Presidency, a civil rights leader of international prominence, and the attempted murder of the Alabama Governor as he was seeking the Presidency.

For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, at it deems necessary; except that neither the committee nor any subcommittee thereof may sit while the House is meeting unless special leave to sit shall have been obtained from the House. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

The committee, under the terms of this resolution, shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

Mr. Speaker, I have introduced this resolution after much consideration. It has not been a decision I have made hastily.

It is time that we study all this in retrospect, and with calmness and dispassion.

There are questions to be resolved. I was at Dallas the day that President Kennedy was killed, and I suspended judgment on the questions that arose then and shortly thereafter until Watergate, August 1973, revealed possibilities heretofore considered not possible.

I feel there is a congressional responsibility, and make no mistake about it, there is a great mass of American people and citizens in the world who are greatly concerned. And, I believe that since the national psyche has been traumatized by all of these shocking crimes there is a clear and impelling responsibility for the Congress to discharge.

Congress has never before studied the assassination of any President, but as the elected representatives of the people, I feel that it is clearly our responsibility to do so if there is any indication or reason to suspect that the truth of the circumstances resulting in the murder of a President have not been revealed, and any parties responsible and not previously known have not yet been brought to justice.

No similar period—the assassination of other nationally politically prominent people—has ever followed the deaths of the other assassinated American Presidents prior to John F. Kennedy, and there is a large body of knowledge done by committees and organizations involved in the study of the assassinations and independent researchers—scholars, journalists, pathologists, and others in forensic medicine—which warrants our attention and at least our attempt to verify.

During the past several months I have become increasingly sensitive to the need to conduct such an investigation because I have become a rallying point for people from throughout the country who are unsatisfied with the findings of the Warren Commission about the death of President Kennedy.

There has long been a need for further study of this death alone because, as the Gallup poll taken in January 1967 revealed, some 64 percent of the American public believed that more than one man was involved in the assassination.

Study of this assassination or any of the others is not something which I alone, or even one small select committee can do. It will take support of a majority of this legislative body, and I hereby call for that support.

We must settle for once and for all in the interest of the welfare of our country and the future of its people the truth of what happened at Dallas on November 22, 1963 and what Lee Harvey Oswald carried to his grave before he had his day in court, and perhaps what Oswald did not know.

We must find out if the President's death was in retaliation to the Bay of Pigs invasion against Cuba, and what connection did Oswald's murderer, Jack Ruby, also dead, have with all of this.

We must find out if there is any connection with the deaths of Senator Robert Kennedy and Dr. Martin Luther King, and why there is any reason for cases of their two assassins to be back in the courts.

There is reason to subpena E. Howard Hunt and Charles W. Colson, the Nixon assistant, who, according to the Washington Post, called Hunt following the attempted assassination of Governor Wallace to order him immediately to Milwaukee and to break into the apartment of Wallace's suspected assailant.

There are many more disquieting questions to be resolved—so many as to boggle the mind—but they must be answered—with calmness, objectivity, dispassion, and fairness.

A NATIONAL HOLIDAY BILL IN HONOR OF DR. MARTIN LUTHER KING, JR.

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the

House, the gentleman from Michigan (Mr. CONYERS) is recognized for 60 minutes.

Mr. CONYERS. Mr. Speaker, I rise today to speak in honor of the late Dr. Martin Luther King, Jr., a man of humility whose life and work have had a profound impact on the conscience of America and the world. I take this opportunity with the hope that recalling his principles will stimulate us all to reflect them in our own lives and in the actions we take as servants of the people.

On January 23, 94 of our colleagues—both Democrats and Republicans—joined me in introducing legislation to make January 15, Dr. King's birthday, a national holiday. At that time, I expressed my belief that "establishing January 15 as a national holiday will insure that there will be at least 1 day each year when we collectively stop to consider how far we have progressed toward brotherhood and equality, and how much further we still have to go." I first introduced this legislation shortly after Dr. King's tragic assassination in April 1968. In each succeeding Congress, more Members have joined me in this effort; this year, I am confident we shall succeed.

No American more fully deserves such commemoration than Dr. King. No person ever dedicated his life so fully and tirelessly to the pursuit of equal rights for all Americans. Martin Luther King, Jr., gave his life for this struggle, and it remains for us to complete his work. Today, nearly 7 years after his death, "liberty and justice for all" have yet to become realities. In his best remembered speech, Dr. King eloquently described his dream for America's future. His vision remains as a guide for us today and as a measure of just how far we still have to go before we can rest.

By commemorating Dr. King's birthday, we would do more than honor a man; we would honor the spirit of love and hope which guided his life and which should inspire our efforts on behalf of the people we serve. I realize that 1 day cannot do justice to Dr. King's years of selfless dedication to the struggle for human rights. Yet, if on January 15 of each year, all Americans—in Dr. King's words, "sons of former slaves and sons of former slave owners on the red hills of Georgia; farmers on the prodigious hilltops of New Hampshire and the mighty mountains of New York"—stop to reflect upon Dr. King's life and efforts, we will preserve his great vision which is too often obscured by the daily demands of our own lives.

We must honor this great man of peace, and learn from the tragedy of his violent death. We must take Dr. King's boundless compassion as an example to be emulated in our own lives and give voice to his call: "Let freedom ring from every hill and molehill; let freedom ring from every mountain side."

Injustice, no matter where, no matter how, was intolerable to Martin Luther King as it should be to all of us. Black Americans, denied their inalienable right to register and vote in Alabama, were inextricably tied in his conscience to the people of Indochina, the helpless victims of American devastation.

Recognizing that injustice anywhere is a threat to justice everywhere, Dr. King spoke out for freedom throughout the world, and the world loved him. In 1964, he received the Nobel Peace Prize—a recognition that his vision of man's potential transcended national boundaries and the differences of race, religion, and belief which divide us from our brothers. With characteristic humility, Dr. King accepted the coveted award, although he realized better than anyone else that his dream had yet to become reality. But his hopes were still aflame. The struggle would not be easy, but man's better instincts would prevail, not through death and destruction but through a nonviolent appeal to the sense of right which we may sometimes suppress but never fully forget.

In moving, measured cadence, Dr. King addressed his Stockholm audience, and his words deserve recalling today:

> I am mindful that only yesterday in Birmingham, Alabama, our children, crying out for brotherhood, were answered with fire hoses, snarling dogs, and even death. I am mindful that only yesterday in Philadelphia, Mississippi, young people seeking to secure the right to vote were brutalized and murdered.
>
> Therefore, I must ask why this prize is awarded to a movement which is beleaguered and committed to unrelenting struggle, to a movement which has not won the very peace and brotherhood which is the essence of the Nobel Prize. After contemplation, I conclude that this award which I receive on behalf of the movement is profound recognition that non-violence is the answer to the crucial political and moral question of our time—the need for man to overcome oppression and violence without resorting to violence and oppression.
>
> I accept this award today with an abiding faith in America and an audacious faith in the future of mankind. I refuse to accept the idea that mankind is so tragically bound to the starless midnight of racism and war that the bright daylight of peace and brotherhood can never become a reality.

Dr. King rightly recognized that achieving freedom in America was incompatible with a foreign policy of oppression and war. He condemned the senseless, merciless slaughter in Vietnam, not because he calculated that the costs were too great, but because he recognized that the war was an immoral outrage which was corroding the soul of America and its people. He appreciated the inestimable damage of wasting America's most valuable and precious resource—our youth—who were sent to kill or be killed in order to deny the people of Indochina the opportunity to design their own future.

Martin Luther King was rightly sensitive to the impact of the Indochina war on black America. Exactly 1 year before he died, he explained why he abhorred and opposed the war so intransigently and why he denounced it so vehemently:

> Perhaps the most tragic recognition of reality took place when it became clear to me that the war was doing far more than devastating the hopes of the poor at home. It was sending their sons and brothers and husbands to fight and to die in extraordinarily high proportions relative to the rest of the population. We were taking the black young men who had been crippled by our society and sending them 8,000 miles away to guarantee liberties in Southeast Asia which they had not found in Southwest Georgia and East Harlem. So we have been repeatedly faced with the cruel irony of watching Negro and white boys on TV screens as they kill and die together for a nation that has been unable to seat them together in the same schools. So we watch them in brutal solidarity burning the huts of a poor village but we realize that they would never live on the same block in Detroit. I could not be silent in the face of such cruel manipulation of the poor.

He himself fell victim to violence before he could see an end to his country's involvement in Indochina. And, in a real sense, it has never ended. While American men are no longer dying needlessly, America's military presence remains in the form of hardware of destruction.

It has been more than 2 years since the Paris peace accords, yet President Ford now exhorts us to maintain the American war machine in Southeast Asia by feeding it an additional $522 million.

If we agree to this request, especially at a time of spreading depression at home, we shall demonstrate that we have learned nothing from more than 10 years in Indochina. And we shall mock the ideals for which Martin Luther King, Jr., lived and died.

Dr. King's commitment to nonviolence was more than an effective strategy to achieve civil rights for the millions of blacks. It demonstrated an unshakable belief in the ultimate decency of men, and the possibility that they could come to understand that oppression exacts a greater spiritual toll from the oppressors than the oppressed. It meant to him that violence begets only violence and that men cannot be forced to love one another, but must freely come to recognize their common humanity.

Before his dream can be fulfilled, nonviolence must become the basis for relations among nations, as well as among individual men and women. So long as the spirit of violence pervades our foreign relations, it will inevitably corrupt our domestic affairs. Nonviolence provides the link between equality among Americans and eventual disarmament among nations, and offers the vision of an international society in which precious resources are no longer devoted to purposes which tear down, rather than build human lives.

By establishing Martin Luther King, Jr.'s, birthday as a national holiday, we shall be providing all people, here and abroad, the opportunity to honor his memory and ideals in their own way. As Members of the Congress, we must accept the opportunity and responsibility to do what we can to embody his ideals in law. Surely this means a searching examination of the defense budget and a reallocation of our resources from military to human needs. This also means that we must protect and extend the fundamental political rights upon which the preservation of our liberties depend. This year, we shall be called upon to confirm the right of blacks and other minorities to vote, as provided by the Voting Rights

Act of 1965. Dr. King's efforts were based on the belief that people could change their own lives if they would join together in pursuit of their common goal. The right to vote, therefore, is basic to making his dream come alive.

Finally, and most critically today, is the need to extend our conception of fundamental rights to include the right of every man and woman to build constructive and self-fulfilling lives for themselves and their families. With unemployment among blacks at or near the national levels of unemployment during the depression of the 1930s, we must recognize the importance of the opportunity to work and the obligation of the Government to become the employer of last resort to all those willing but unable to find work in the private sector. Dr. King's vision of America was of a self-reliant nation whose people are strong and secure enough to love and not to hate. It is our obligation—to ourselves as well as to Dr. King's memory—to enable all the American people to provide for themselves and find the freedom to discover their brotherhood.

Mr. Speaker, at this point I would like to yield to our distinguished colleague, the gentlewoman from Texas (Miss Jordan).

Miss JORDAN. Mr. Speaker, I thank the gentleman for yielding to me, and I commend him for moving forward with the proposal to designate a national holiday in honor of Martin Luther King.

The Martin Luther Kings of this world are not duplicated in succeeding generations. A Martin Luther King is a once-in-a-lifetime experience, and we experienced him in the fullness of his impact on the lives of all of us.

There is little that we can do to honor his memory, but the little that we can do is to move ahead and see that the designation of a national holiday in his honor, in his memory, is accomplished. It is not much, but it is all we can do. We cannot resurrect him. We cannot duplicate him. We can only remember him fondly and try to incorporate into everything we say and everything we do the life he lived—the life of justice and peace and dignity and nonviolence and lack of agitation.

We can do that by approving the kind of legislation, which the gentleman has introduced and which I have cosponsored, which designates his birthday as a national holiday.

Mr. CONYERS. Mr. Speaker, I appreciate the remarks of my colleague, the gentlewoman from Texas (Miss Jordan), who herself comes from a family that has deep religious roots.

I want to say to her that I am asking for hearings before the appropriate subcommittee, and I think we have every assurance that, with the new groundswell of support that has accumulated as each session has gone by, we may be able to do that which the gentlewoman has so eloquently urged us on to do. I deeply appreciate her remarks.

I yield now to the gentleman from Florida, a former Senator and a Member of this body (Mr. Pepper).

Mr. PEPPER. Mr. Speaker, I thank the able gentleman, our distinguished friend from Michigan in the well (Mr. Conyers), for yielding to me so that I might join him and my other distinguished colleagues in signifying my assent to and support for the legislation establishing a national holiday that bears the honorable name of Martin Luther King, Jr.

I am very much pleased to join in sponsorship of that legislation. I was born and raised about 40 miles from Montgomery, Ala., where Dr. Martin Luther King, Jr., first came into national prominence by leading a nonviolent crusade on the part of black people to protest against the discrimination of which they were the victims in that capital city of my native State.

From that point on, Dr. Martin Luther King, Jr., became a national figure, and a symbol of protest when we were treating Americans of our country—in an un-American way.

I shall never forget the first time I came to a vivid visualization of Dr. King, which was when he spoke at the Lincoln Memorial, and gave one of the most eloquent addresses I have ever heard, and in which he echoed again and again that theme for which he became so famous, and which came to be repeated throughout the country by his people, "We shall overcome."

Although dastardly assassins have taken the material life of Dr. Martin Luther King, Jr., his spirit has overcome much of the discrimination against which he originally protested. He has opened up wider and better horizons of life to his fellow citizens which never should have been denied them. He has also, through his hopes and his aspirations, been able to give many people the ability to enjoy, in the fullest measure, the richness of the life of this great America.

So, Mr. Speaker, I am proud to take part in this special order today, and I hope that we will be able to let the name of Dr. Martin Luther King, Jr., symbolize the new spirit of America that Dr. Martin Luther King, Jr., has brought into the beings and the hearts of our people.

Mr. CONYERS. Mr. Speaker, I am proud of the fact that the gentleman from Florida (Mr. Pepper) has chosen to again associate himself with these kinds of causes which have distinguished his career in both the U.S. Senate and in this body, and I am indeed happy and privileged to be able to share his support for this measure.

I am now happy to yield to the distinguished gentleman from Oregon (Mr. Duncan).

Mr. DUNCAN of Oregon. Mr. Speaker, I am proud to be a cosponsor with the gentleman from Michigan (Mr. Conyers) of the bill to create a national holiday of Dr. King's birthday, and to appear with the gentleman from Michigan on his special order.

I feel this evening a strong sense of the continuity of the progress in the affairs of humankind. As my friend, the distinguished gentleman from Florida (Mr. Pepper), referred to in his remarks, a few years ago in this Capital City occurred the scene of a remarkable phenomenon as hundreds of thousands of citizens of all ages, persuasions, and origins walked together through the streets of this city. These people came together joining hands, hearts, and voices, in peaceful protest, petitioning long overdue redress of a sad and shameful imbalance in our society. My teenage son and daughter were a part of the crowd that gathered to hear the words of the unique person whose belief in ultimate justice and peaceful protest as a means to that end brought about the unforgettable march on Washington of August 28, 1963—Dr. Martin Luther King, Jr.

The words he said on that day have become immortal, not only because of their ringing persuasion and timeliness, but because of their truth and promise. "We shall overcome," he cried; and the cry was taken up by the thousands massed on the Mall, and millions more all over this land. And a movement became a crusade.

Martin Luther King, Jr., was joined in his great crusade by two Presidents of the United States—John F. Kennedy and Lyndon B. Johnson. Proposals were made and bills were drawn; and in 1964, the historic 89th Congress acted upon the rightful demand of its black constituents for first-class citizenship.

I am proud to have been a Member of that body and to have supported the Civil Rights Act of 1964, as I sponsored and supported similar legislation in Oregon several years before.

Now all three of these memorable leaders are gone from us—President Kennedy and Dr. King in untimely and tragic fashion. But their common achievement, and that of all the other Americans who marched that day and other days, and who suffered and even died in that cause, as did Dr. King—this achievement, written into law as the civil rights legislation of 1964, lives on. Imperfectly, too slowly, but surely and inevitably these laws are working to effect deep and permanent change in our society.

Much still remains to be done before prejudice and discrimination are banished. Equality of education and opportunity do not yet exist to the extent we desire. Our black colleagues feel and know this to a greater degree than can we of a lighter complexion. But men and women of good will of whatever race can here resolve to join together to insure that upward progress of our minority citizens continues, and is accelerated to the point where the statement of that great Scot poet, Bobby Burns, "A mon's a mon for a' that", becomes a reality and we need no longer worry about affirmative action, about black neighborhoods, busing, and similar devices, because such shall no longer be necessary.

There will be names engraved forever on the consciousness and conscience of America. Martin Luther King, Jr., is very near the top of the list. He is an authentic American hero of an age, supposedly, of antiheroes. It is time we recognized him as such.

Therefore, I am privileged to join in this special order to honor him and to advance the cause of brotherhood and good will toward all men and women of all races.

Mr. CONYERS. May I say to my friend,

the gentleman from Oregon, with whom I have not had the pleasure of working extremely closely on too many bills, and whom I have never heard make remarks about the nature of improved race relations and their importance before, that I am very deeply moved by the statement that he has just made, in which he has, in a very graphic way, shown how his family has brought him—and in some ways all of us—to an appreciation that we are not going through a sentimental exercise here today, speaking eulogistically of a great but deceased American.

From his remarks, I just had the vivid recollection of my coming to Washington to participate in that march on that day in 1963. Somehow, the gentleman's articulation of this event in a personal way brought back those memories, and I am very, very pleased to hear him say what perhaps could be said best by him, better by him than perhaps even the distinguished gentlewoman from Texas or myself.

I think he adds a strength to our purpose. I think that he helped make most of us feel that in this 94th Congress we will finally do what we have said ought to have been done so much earlier, in earlier sessions.

I thank the gentleman from Oregon for those very obviously sincere remarks.

Mr. Speaker, I now yield to the gentleman from Illinois (Mr. SIMON).

Mr. SIMON. I thank the gentleman for yielding.

Mr. Speaker, I am pleased the gentleman from Michigan has yielded to me. If I may join in personal reflection first of all, I recall very, very vividly the first time I met Dr. Martin Luther King, Jr. A good friend of mine by the name of Robert Graetz was a Lutheran pastor in Montgomery, Ala., who stood up for the rights of all citizens in that community. Feelings in that day and age, unfortunately, were not what they should be, as too often they still are not today. Bob Graetz had his home bombed three times.

I was then a member of the Illinois House of Representatives, sponsoring some civil rights legislation. I was invited by Dr. King to go down to Montgomery to speak on the second anniversary of the bus boycott in Montgomery. Dr. King happened to be in Chicago. I met him at the St. Louis Airport. We flew together down to Atlanta first, where we met his parents, Dr. and Mrs. King, Sr., and then on to Montgomery where I had a chance to spend 2 days visiting with Dr. King and his family in their small, white frame home, and to get a bit of the flavor and the breadth and the depth of the man. Through the years, we kept in touch.

I think the gentleman's resolution is important, not because of a personality but because of what he stood for and stands for. In a world of oppression he stood for justice; in a world of violence, he stood for nonviolence; in a world mired in discord, he gave us dreams and hope, and he was practical. Those are the things we need today. We still have oppression; we still have violence; we still are mired in discord.

Too often when we have dreams we do not know how to put legs on those dreams. No man who was not practical could have gotten a quarter million people in this city on that eventful day in 1963.

I commend the gentleman for his resolution. I am proud to join in it. I think it can be a significant thing for our Nation and literally for the world, too.

Mr. CONYERS. I am very pleased to hear the gentleman make these observations. He brings to this session of Congress a personal relationship on which he predicates his support of the national holiday legislation that is now moving forward, I think, at such a rapid rate. There is a continuing ground swell that to me is extremely significant—that even though the number of years increases since the time Dr. King walked among us, more and more people, on honest reflection and reevaluation, realize that this is indeed an appropriate man to be the first Black American to be so distinguished by having a national holiday established in his honor.

I deeply and sincerely appreciate the vigor and the perception which the gentleman brings in supporting and cosponsoring this legislation.

Mrs. BURKE of California. Mr. Speaker, there is a crying need in the country today for positive signs, for inspirational actions. In these times of economic hardship and moral aimlessness, we need to reflect and draw upon all possible sources of strength.

For many Americans, the spirit and work of Dr. Martin Luther King, Jr., provides a beacon in life's otherwise dark and uncertain pathway. For millions of us, Dr. King's memory keeps alive a resolve to work for the humanitarian principles that gave strength and direction to his efforts.

It would admirably serve our need for examples of greatness if we designated the birthday of Martin Luther King, Jr., a national holiday. This would but formalize a national pride and emotion that still stirs in those of us who rejoiced in his work to secure freedom and justice for all. Through H.R. 2265, the Congress of the United States has an appropriate vehicle to keep alive the values and ideals for which Dr. King lived and died.

It is well that the Congress accept a leadership role in this spiritual effort and show a collective concern for the heroes America acknowledges and embraces. This choice is a fine one and I urge my colleagues to purposefully decide to adopt this commemorative resolution.

Mr. FORD of Tennessee. Mr. Speaker, I rise today to urge my distinguished colleagues on the Census and Population Subcommittee of the Committee on Post Office and Civil Service to give swift and favorable consideration to a bill which has for too long gone unattended. I refer to a bill introduced by the gentleman from Michigan (Mr. CONYERS) and cosponsored by myself and 93 Members of this body, to designate the birthday of Martin Luther King, Jr., as a legal public holiday.

In his address at the Lincoln Memorial during the historic march on Washington 12 years ago, Dr. King said:

> 1963 is not an end but a beginning. Those who hope the Negro needed to blow off steam and will now be content will have a rude awakening if the nation returns to business as usual.

Mr. Speaker, I say here today that Dr. King's assasination was not an end but a beginning. It sounded a call to each and every citizen of this country—black or white—to carry on the struggle for human dignity to which he dedicated and eventually sacrificed his life.

As a black man, I have personally experienced the bigotry and hatred of discrimination. At an early age, I endured the insults and injuries caused by unthinking and unfeeling people. But thanks to the leadership of Dr. King, both by his writings and the example of his life, I refused to adopt an outlook tainted by vengence and loathing. As he once admonished,

> Let us not seek to satisfy our thirst for freedom by drinking from the crys of bitterness and hatred. . . . The marvelous new militancy which has engulfed the Negro community must not lead us to distrust all white people. . . . They have come to realize that their freedom is inextricably bound to our freedom. We cannot walk alone.

As a consequence of Dr. King's guidance, I directed my time and energies to positive activities—activities designed to bring all of the citizens of my community regardless of the color of their skin, closer together. It is in large measure because of his philosophy and teachings that I stand in this Chamber today as a Member of Congress representing the will of all of the good people of the Eighth Congressional District of Tennessee.

Dr. King's tireless efforts and numerous accomplishments are known to all of us. He was the chief architect and executioner of the plan to attain justice and equality in modern America through peace and brotherhood. Indeed, he was instrumental in securing the enactment of landmark civil rights legislation—the Civil Rights Act of 1964 and 1968 and the Voting Rights Act of 1965. In recognition of his dedication to the principles of universal human dignity and nonviolent action he was awarded the Nobel Prize for Peace.

However, the job he set out to do is by no means completed. Racial strife has again broken out over school desegregation, this time in the city of Boston. Unemployment among minorities is in excess of 30 percent and rising. Crime and violence still ravage innocent citizens in our streets.

We must again embrace his vision of equal justice for all men. A day commemorating these ideals and Dr. King's great life as well as providing all of us the opportunity to reexamine our commitment to these goals is what I am seeking today. A national observance of his birthday will serve as a reaffirmation of our intent to continue his unfinished work for peace and unity.

Mr. Speaker, I should like to close these remarks by leaving with my colleagues what was the very essence of Martin Luther King, Jr.'s life and his legacy to every man and woman of this country:

> I have a dream . . . it is a dream deeply rooted in the American dream. I have a dream that one day this nation will rise up, live out the true meaning of its creed: "We hold these truths to be self-evident, that all men are created equal."

Mr. STARK. Mr. Speaker, I join many of my colleagues today to support the resolution establishing the date of Martin Luther King, Jr.'s birth as a national holiday.

The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy. Martin Luther King's life stood as a challenge to a country too long in the shadow of racial injustice, too dilatory in abandoning its prejudices, too late in fulfilling its constitutional legacy. The nature of his cause embroiled him in controversy.

On December 1, 1955, a tired Mrs. Rosa Parks refused to give up her bus seat to a white person in Montgomery, Ala. A young black minister was soon surprised to find himself elected to lead the bus boycott protesting the racial inequity in the city.

The boycott's success catapulted Martin Luther King to the front of the civil rights movement. He followed the boycott with an action to desegregate the lunch counters and restrooms of Birmingham and later went on to lead marches and protests in Washington, D.C., Selma, Chicago, and Memphis.

Throughout his short life, Martin Luther King was forced continually to test has capacity for self-restraint and for restraining others. He was arrested 15 times or more, harassed, beaten, stabbed, and finally killed by an assassin's bullet. Both sides criticized him—either as an "Uncle Tom" out of touch with the harsh realities of white racism or as a lawbreaker and agitator.

What motivated this man to leave a comfortable life? And in the face of the constant threat of violence and death, to press on from Birmingham to Selma to Memphis? How did he channel years of repressed aggression, bitterness, and hate in his followers into constructive, nonviolent action? How was Martin Luther King militant and yet nonviolent, revolutionary, but moderate?

The memory of Martin Luther King arouses these questions in my mind. I think it proper and necessary that all Americans be reminded on the date of this great man's birth to stop and ponder such questions and their answers.

Martin Luther King taught America great lessons. He did not fear her problems but, rather, preferred to face them and make others face them. He was known as the master of civil disobedience. But more than that, he knew the distinction between unjust and just laws, and he knew the highest respect for just laws, as well as a moral responsibility to disobey the unjust.

I support this resolution because I believe Martin Luther King is a model for all Americans. Like the great frontiersmen in our history, he was a revolutionary because he dared to tread on unknown territory and because his dreams were rooted in the American horizon.

In closing, I want to use once again Martin Luther King's own words when he said:

> I have a dream that my four little children will one day live in a nation where they will not be judged by the color of their skin but by the content of their character.

Martin Luther King's children are grown today, but the American character still must work on perfecting this dream into a reality. The observance of Martin Luther King's birthday will serve as a steady reminder.

Mr. SOLARZ. Mr. Speaker, I am pleased to join with our colleagues this afternoon in paying tribute to a man who dedicated his life to correcting gross social, racial, and economic inequities among his fellow man, both here and overseas. Clergyman, teacher, husband, father, social activist, and Nobel laureate, Dr. Martin Luther King Jr. was a courageous and effective spokesman, not only for the Nation's black community but also for all other Americans who are disadvantaged, underprivileged, and relegated to a second-class status by the country's establishment.

Martin Luther King Jr. had a dream, a beautiful one in which he envisioned that all citizens would enjoy the same rights and privileges, that they would be judged not on the basis of their color but on the basis of their own inherent worth and capabilities. Dr. King, however, was no ordinary dreamer as he had a unique way of translating many of his dreams into living realities.

With unquestioned courage, dignity, a single-mindness of purpose and deep faith, Dr. King struggled for his entire adult life to achieve justice and equality for all Americans—whether blacks in the South or urban ghettoes, the Spanish-speaking in the Southwest or Northeast, or poor whites in Appalachia. He ignored his own safety and well-being. He was vilified, he was beaten, he spent many days in Southern jails and, finally, he was gunned down in cold blood.

As the leader of a great moral crusade, Martin Luther King Jr. devoted himself to removing all vestiges of racism, discrimination, and inequality wherever they may exist. He enlisted all elements of American society in a great effort to redirect the country's distorted national priorities—most particularly our ill-conceived involvement in a military misadventure in Southeast Asia and the gross imbalance in terms of failing to meet urgent domestic needs.

Mr. Speaker, I have joined with our colleague from Michigan, Mr. CONYERS, in sponsoring legislation to designate Dr. King's birthday as a national public holiday. Action on such a proposal is long overdue. Not only would it serve as a fitting and well-deserved tribute to a great person and humanist, but it would also stand as a reminder of the continuing efforts which must be made to carry forward the important work initiated by Dr. King to fully achieve that dream of which he so eloquently spoke on the steps of the Lincoln Memorial over a decade ago.

Mr. RICHMOND. Mr. Speaker, in April of 1968, an assassin's bullet stilled the voice of one of our country's most eloquent and diligent fighters for the cause of human rights—Dr. Martin Luther King, Jr.

From the beginning when he led the bus boycott in Birmingham to the end when he tried to negotiate dignity for the lowly sanitation workers in Memphis—Dr. King dedicated himself to the belief that injustice was not to be tolerated.

During the history of our great country, we have seen fit to declare a national holiday for many good and noble reasons but what better reason could there be than to pay our lasting respect to the memory of so noble a countryman?

At a time when the poor, the elderly, and the other powerless citizens of our country are fighting to be heard—what better way to begin to answer than to honor the memory of their greatest spokesman?

For if we believe as he did that injustice is intolerable—that it is our duty "to feed the hungry," "clothe the naked," and "heal the sick" then I submit that we have a duty to declare Dr. Martin Luther King, Jr. Day a national holiday.

Mr. CLAY. Mr. Speaker, I join my distinguished colleague from Michigan in paying tribute to the Reverend Dr. Martin Luther King, Jr. and in urging that prompt and favorable consideration by the Congress of legislation which would make Dr. King's birthday a national holiday.

The murder of Dr. King in 1969 deprived mankind of one of its greatest leaders. Dr. King was a prophet who contributed immeasurably to efforts to unite all people, black, brown, yellow and white—to make the American dream a reality—to expose the cruel injustice of racism and inequality wherever it existed.

The greatness of Martin Luther King was his selflessness. From Montgomery to St. Augustine, to Chicago to Memphis he demonstrated his unyielding commitment to improve the lot of all Americans. Dr. King recognized that, so long as a single individual was a victim of inequality and injustice, so were all people deprived of their own dignity and self worth. For example, people realize that the financial gifts which accompanied the Nobel Peace Prize were not kept for either himself or his family, they were distributed among civil rights groups.

Martin Luther King's life was taken from him as he gave to others. He was not being honored in these distinguished chambers. He was not consulting with the corporate leaders of this great Nation. He was not receiving the adulation of Americans. Instead, notwithstanding some Americans who questioned the long range effectiveness of his tactics, Dr. King was sharing the struggle of garbage men who in turn were seeking a decent wage.

Mr. Speaker, in previous years, I have been privileged to join my distinguished colleagues in cosponsoring legislation which would make Dr. King's birthday a national holiday. It was our hope that, by this time, favorable action would have been taken.

Now, however, this proposed legislation is before the Committee on Post Office and Civil Service which, in turn, has established a subcommittee whose concerns include national holiday. I am, therefore, hopeful that Dr. King's birthday will be memorialized for all

Americans with the same prominence as that accorded to others who have made such enduring contributions to the development of America.

Passage of this legislation will make it resoundingly clear to all people that the future of all Americans, black, white, brown and yellow, is inextricably interrelated; that we cannot and will not be separated by such artificial barriers of race, class and personal belief; that such restrictions serve only to weaken the fabric of our Nation.

I call upon all Americans to hear the words and the spirit of Dr. King. Let us join together in reaffirming our commitment to truth and equality of opportunity for all Americans. Let us do so not because it is popular, easy or timely. Let us do so because it is the right thing to do.

Ms. HOLTZMAN. Mr. Speaker, as one who worked on civil rights cases in the South in the early 1960's, the cause of the late Dr. Martin Luther King, Jr. has a special meaning to me. His tireless, well-organized, and inspiring campaigns to obtain equal rights for black Americans and to eliminate poverty and social injustice should serve as a model to all of us in our search for peace and harmony among ourselves and among people of all nations.

He brought concerned Americans together to work side by side for social reform, and was instrumental in the passage of the Voting Rights Act of 1965 and the Civil Rights Acts of 1964 and 1968.

Dr. King's life serves as a testimonial to the significant goals that can be achieved by peaceful and aggressive nonviolent action in reforming political and social institutions.

I join wholeheartedly with my colleagues in supporting this resolution to pay tribute to Dr. Martin Luther King, Jr., by making his birthday a national holiday. Such a commemorative day would serve as a reminder of his dream so that one day we truly can say not that we shall overcome, but that we have overcome.

Mr. DRINAN. Mr. Speaker, my distinguished colleague from Michigan (Mr. CONYERS) has graciously secured this time so that we might reflect upon the works of Dr. Martin Luther King, Jr., who called for an America free of racial prejudice and economic injustice. As a cosponsor of Mr. CONYERS' resolution to make Dr. King's birthday a national holiday, I am pleased to speak of his enormous contribution to the further democratization of our society.

Reflecting upon the matter, I am constantly overwhelmed by the integrity and moral rectitude with which Dr. King led the civil rights movement. The greatness of his leadership lay in his unswerving commitment to nonviolent, civil disobedience as the vehicle for achieving legal and social change.

Dr. King firmly believed that social injustice and racial discrimination would only be eliminated by confronting the political and economic strength of the powerful with the moral and ethical strength of the powerless. In his "Letter from Birmingham Jail," he wrote:

> We know through painful experience that freedom is never voluntarily given by the oppressor; it must be demanded by the oppressed.

In placing the moral principle of equality above the legal premises of segregation, Dr. King reasserted the timeless doctrine which refuse sto subjugate the individual to the state in matters of conscience. In the tradition of Antigone, Thoreau, and Gandhi, he chose to accept temporal punishment to remove the bonds of segregation, rather than remain chained to it.

During his lifetime, Martin Luther King was vilified as a "lawbreaker," a "common criminal," and a "felon." These accusations have always amazed me because they misperceive the nature of civil disobedience. Dr. King stated it well:

> I submit that an individual who breaks a law that conscience tells him is unjust, and who willingly accepts the penalty of imprisonment in order to arouse the conscience of the community over its injustice, is in reality expressing the highest respect for law.

In addition many of the laws which made illegal the acts of Dr. King and his compatriots were later declared unconstitutional by the courts. That process by which Americans challenge invalid statutes is part of the great legal tradition of this Nation.

The Supreme Court reports are replete with instances of individuals who deliberately disobeyed a statutory command so that its constitutionality could be challenged in the enforcement proceedings which followed. Examples may be found in all areas of the law: antitrust, tax, and labor relations, to name a few.

That process is rightly a cornerstone of our constitutional foundation. If we were to ask our citizens to obey every law, government would be free to do as it pleases for its judgments would never be called into question. Such docile submission to authority is surely the path to oppression.

And so it is with great reverence that we speak of Dr. Martin Luther King, Jr. Hopefully his legacy to America will be the constant recollection of the principles of civil disobedience, without which we would never have begun the long struggle to remove the ancient scourges of poverty and racism.

Our sorrow at the passing of Dr. King is assuaged only by the knowledge of the extraordinary things which his widow, Mrs. Coretta Scott King, continues to accomplish. The words of the Bible, so beloved by Dr. King, are applicable: One sows but another reaps.

Mr. METCALFE. Mr. Speaker, Dr. Martin Luther King, Jr., died fighting for justice and liberty. He represented the best this Nation had to offer. He fought for the high principles which he believed in, but he refused to fight with violence or hate. That is the legacy that Dr. King left us and while the battle is yet to be won, the dream is with us still.

Dr. King gave rise to a movement which exhibited the basic principles of freedom, justice and peace. When a man gives his life for the dreams, hopes and aspirations of a nation, his name should be inscribed upon the history of that nation. His birthday should be a symbol of rebirth for this Nation and its people should dedicate themselves to the ideals for which he lived and died.

Our children and grandchildren must remember that a man can strive for justice and liberty and can achieve these goals through peaceful means.

Dr. King was a symbol of these goals. Designating his birthday a national holiday is the least we can do to honor and remember a man who did so much to improve the lives of so many Americans.

Mr. Speaker, I strongly urge that the Congress act now to officially designate the birthday of Dr. Martin Luther King, Jr., a national holiday.

Mr. RANGEL. Mr. Speaker, I rise in support of commemorating as a national holiday the birthday of the late Rev. Dr. Martin Luther King, Jr. He was born in Atlanta on January 15, 1929. After completing an outstanding academic career in Morehouse College and in universities in Pennsylvania and Massachusetts, he returned to the South to pastor the Dexter Avenue Baptist Church in Montgomery, Ala. It was from here that he first launched himself into national prominence. His mobilization of the Montgomery bus boycott, the formation of the Southern Christian Leadership Conference, the march on Birmingham and Washington, helped lift Dr. King into the forefront of the emerging civil rights movement.

For his efforts, Dr. King received numerous honorary degrees, Time Magazine's Man of the Year, and the Nobel Peace Prize, but he was not satisfied with personal rewards. He continued to press his movement onward, as he brought his nonviolent teachings northward. He found himself physically attacked and jailed in cities all across the Nation. Yet he clung to his undying conviction in the Ghandian ethic of passive resistance and civil disobedience.

He was finally called to Memphis in April 1968 to support a sanitation worker's strike. It was a call from which he would never return. Struck by an assasin's bullet, he died almost immediately. It was cruelly ironic that such a man, dedicated to nonviolence would meet such an end, but despite his death his work and teachings pressed onward.

Not all men revered Dr. King. Some called him a cowardly Uncle Tom, others called him the Black Messiah, but whatever their opinion all men agreed that Dr. King ignited in the black man a consciousness that will burn forever. His strong belief in the unalienable rights coupled with his dedication to nonviolence awoke in the hearts and souls of his fellow black man a feeling of purpose, pride, and unextinguishable desire to fight for the rights that are lawfully theirs.

In America we commemorate our national heroes by declaring their birthday a national holiday. Such great Americans as Lincoln and Washington are honored in such a way. These two great men served their country well but by commemorating them we recognize them as more than just great statesmen; but as symbols of ideals that we hold dear. Dr. King was also a great statesman and yet he too was a symbol, a symbol of the emerging black consciousness and self-awareness. I therefore urge that his spirit be preserved by marking his date of birth as a national holiday.

Mr. EDGAR. Mr. Speaker, we are approaching the 200th anniversary of the birth of this Nation. In these days we sometimes look at ourselves as if in a mirror to see if we have lost the vigor and commitments that have instilled in our history the quality of greatness. Many ask apprehensively if America has not lost its momentum, if there will be a full third century of American history.

Martin Luther King, Jr., gazed into that same mirror. He was aware, much more than most, of each blemish on our collective face. But Martin Luther King still saw the image of what America was yet to be. In that mirror, he perceived a dream, and he called on each of us to fulfill it, an America molded to the specifications of its own Constitution and its own ideals.

His vision was not limited to his hopes for the black people of America. The quality of universal compassion pressed him to speak for all Americans and for all people who suffered from injustice in any form. During the brief years which were ours to hear him, Dr. King became to us a national conscience, calling on America to become what was best in its very soul.

Every people needs heroes who become to it the embodiment of its own hopes for itself. Therefore, I am proud to join my colleagues in support of the bill, H.R. 1811, to declare the birthday of Dr. Martin Luther King, Jr., a national holiday. Dr. King surely stands to the American people as a symbol of what a great American can do, even in a short lifetime.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I am proud to join my esteemed colleague, Congressman CONYERS, in sponsoring legislation to honor the late Dr. Martin Luther King, Jr. by declaring his birthday a national holiday.

Almost 7 years have passed since Martin Luther King was felled by an assassin's bullet. Since that time, how far have we come in realizing Dr. King's "dream" of an America where "people will not be judged by the color of their skin but by the content of their character"?

Certainly, the continuing magnificance of our country depends on maintenance of the individual's rights, liberties, and opportunities. And, in the sixty's and seventy's, our Nation has acted to mitigate the division and frustration of our society by moving toward equal employment, housing, and educational opportunities for all.

However, our declining economy is now hurting those minority groups who have just begun to feel assimilated into the mainstream of American life. Black men and women, who are often the last hired, are the first fired during an economic emergency. The overall employment figures are grim enough, but for blacks and other minorities they are devastating. Consequently, the proportion of middle-class black families is decreasing.

Another byproduct of these economically imperiled times is an increase in violence as an expression of frustration and anxiety. Since the blacks are most hard hit by the economic crisis—and could possibly feel that traditional methods are no longer viable in easing their plight—it is not improbable that we will see a rebirth of the turbulence that marked the 1960's.

So the time is certainly opportune for our Nation to remember the voice of reason and conciliation that was Martin Luther King's. I remember the words I spoke on the floor of the House in April of 1968:

> We must resolve that Martin Luther King did not die a prophet without honor in his own country.

Now, if we vote to commemorate Martin Luther King's birthday as a national holiday, every January people will be reminded of the ideals embodied by this great man who, while he lived, was the single and most important bridge between the Negro and the white community.

His philosophy echoed that of his namesake, Martin Luther, who said, "Nothing good ever comes of violence." In this troubled time, it is ever more important to remember that we must solve our problems without senseless divisiveness and keep the vision of Martin Luther King ever before us.

Mr. STOKES. Mr. Speaker, I want to commend the gentleman from Michigan (Mr. CONYERS) for taking this special order to introduce legislation which I and others have cosponsored, which would commemorate the life of Dr. Martin Luther King, Jr.

Forty-six years ago a rare human being came into a world torn by violence, racism, and injustice. Eight years ago that same young man left our world, a victim of the very forces he sought to exorcise. The world he left will never see his like again. No life in modern history has had more meaning for black America. No death has had more impact than the untimely one of Martin Luther King. To commemorate his noble life and to preserve his honored memory for the benefit of future generations, it is our duty to enact legislation to declare his birthday, January 15, a national, legal public holiday.

The lessons of his life and death will never cease to be relevant. The message will always be clear and applicable to men and women of all races, religions, and nationalities. But it is especially incumbent upon us to preserve that message. Dr. King came into our lives and changed them for all eternity. How can we fail then to remember him eternally for showing us the path to universal brotherhood, even if we never really achieve that goal, never climb the mountaintop without him?

My own friendship with Dr. Martin Luther King was without question the highest privilege of my life. I treasure the memory of his trip to Cleveland in 1967 as head of the largest voter registration drive ever to be conducted in our city. That was the year my brother, Carl Stokes won his election as mayor of Cleveland and thereby became the first black mayor of a major American city. The night of Carl's victory Dr. King and I sat together discussing what this meant to America. That was 8 years ago. Today the atmosphere is much different for black political progress. Today, largely due to the herculean efforts of Dr. Martin Luther King, there are 108 black mayors in America and over 3,000 black elected official. Dr. King was assassinated in 1968 while I was running for Congress. At that time there were six black men serving in this body. Today there are 17 of us, including 4 black women.

Incidentally 2 of the 17 members of the Congressional Black Caucus, my distinguished colleagues WALTER FAUNTROY and ANDREW YOUNG, were two of Dr. Martin Luther King's top lieutenants in the Southern Christian Leadership Conference. I am sure he would have been proud and happy to see two of his stauchest supporters serving our country in this body. These two, remarkable black leaders in their own right, will forever remember Dr. King's inspirational example. My respected colleague ANDREW YOUNG also bears the painful memory of the day Dr. King was taken from us, for he was present in Memphis on the tragic day of the assassination.

If we fail to honor Dr. King, how will future historians view us? We would surely appear to have abused the rare privilege of having him in our midst. This American hero was known and loved throughout the world. He received international acclaim in his own lifetime when he became the 12th American and the youngest man to ever win the Nobel Peace Prize. Yet today, 12 years after his brutal assassination we Americans have yet to pay even a posthumous debt of gratitude to one of our finest citizens.

Other groups in this country have been allowed the privilege of honoring leaders who were sources of inspiration to them. A recent publication of the Democratic National Committee entitled "1975 Guide to Nationality Observances" lists 100 observances as follows:

1975 GUIDE TO NATIONALITY OBSERVANCES

JANUARY

1—New Year's Day.
6—Russian and Eastern Orthodox Christmas.
22—Ukrainian Independence Day.
22—Anniversary of 1863 Polish Insurrection.
26—Indian Republic Day.

FEBRUARY

11—Chinese New Year.
12—General Thadeus Kosciuszko Day.
12—Ash Wednesday.
12—Lincoln't Birthday.
15—American Sokol Founding.
16—Lithuanian Independence Day.
17—Washington's Birthday.
24—Estonian Independence Day.
25—Purim.

MARCH

1—St. David's Day.
3—Bulgarian Independence Day.
7—Birthday of Thomas G. Masaryk.
9—Taras Shevchenko Day.
15—Kossuth Day.
17—St. Patrick's Day.
22—Emancipation Day.
25—Greek Independence Day.
27—Passover.
28—Good Friday.
30—Easter Sunday.

APRIL

2—Birthday of Hans Christian Anderson.
13—Huguenot Day.
14—Pan American Day.
17—Verrazano Day.
19—Warsaw Ghetto Uprising.
29—Japanese National Holiday.

MAY

1—Law Day.
3—Anniversary of the Polish Constitution.
4—Greek and Eastern Ortodox Easter.
5—Cinco de Mayo.
7—Israel Independence Day.
8—V-E Day.
9—Rumanian Independence Day.
16—Shavuos.
17—Norwegian Independence Day.
20—Cuban Independence Day.
24—Sts. Cyril and Methodius Day.
26—Memorial Day.
28—Armenian Independence Day.

JUNE

5—Danish Constitution Day.
6—Swedish Flag Day.
15—Baltic States Freedom Day.
17—Anniversary of the East Berlin Worker's Revolt.
24—Midsummer's Day.
28—Anniversary of Paznan Worker's Revolt.
28—Vidovan (St. Vitus Day)

JULY

1—Canadian Dominion Day.
4—American Independence Day.
4—Philippine-American Friendship Day.
6—Jan Hus Day.
14—Bastille Day.
21—National Holiday of Belgium.
25—Puerto Rico Constitution Day.

AUGUST

1—Swiss National Day.
1—Warsaw Uprising Day.
13—Thirteenth Anniversary of the Berlin Wall.
15—The Feast of the Assumption.
20—St. Stephen's Day.
28—Goethe Day.

SEPTEMBER

1—Anniversary of the Nazi Invasion of Poland.
6—Labor Day.
6—Jewish New Year's Day.
7—Brazilian Independence Day.
15—Yom Kippur.
16—Mexican Independence Day.
17—Von Steuben Day.
17—Citizenship Day.
23—Anniversary of the Execution of Nikola Petkov.
26—Succoth.
27—American Indian Day.

OCTOBER

6—Hungarian National Day of Mourning.
6—German-American Day.
6—Leif Ericson Day.
10—Chinese "Double Ten" Celebration.
11—Pulaski Day.
13—Columbus Day.
23—The Anniversary of the Hungarian Revolt.
24—United Nations Day.
27—Veterans Day.
28—Czechoslovak Independence Day.
30—Reformation Day.

NOVEMBER

4—General Election Day.
11—Polish Independence Day.
22—Lebanese Independence Day.
27—Thanksgiving Day.
28—Albanian Independence Day.
28—Hanukkah.
30—St. Andrew's Day.

DECEMBER

1—Portuguese Independence Day.
6—Finnish Independence Day.
12—Our Lady of Guadaloupe Day.
25—Christmas.
26—St. Stephen's Day.

If all of these various nationalities are entitled to have special days to commemorate the lives of their heroes, black Americans are equally entitled to that right.

In his own country this prince of peace was arrested 30 times. His home in Montgomery was burned to the ground. A motel in Birmingham where he was staying was bombed. He was stabbed in a New York department store, struck by a hurled rock in Chicago, and finally killed in Memphis. No amount of legislation can undo the suffering of Dr. King and his family. But we can still redeem ourselves before future generations who will judge our treatment of Dr. King if we pass the legislation reintroduced by the gentleman from Michigan (Mr. CONYERS) today.

If we are to rededicate ourselves to the goals of brotherhood and justice which he so courageously pursued, we must initiate an enduring public commemoration of his life and philosophy. We must do all we can to perpetuate his spirit and example. To declare January 15 a national holiday would be only the smallest recompense for his enormous contribution, but we are able to do this much, and conscience dictates that we must do at least this much.

It is especially incumbent on this body to honor Dr. King. His work paved the way for our own best work in this Chamber. Out of the intensity of his crusade sprang the Voting Rights Act of 1965, and the civil rights bills of 1957, 1960, and 1964.

Dr. King played the most eloquent role in the effort to finally consolidate the black American's right to participate in the politics of the Nation. If this body wishes to take any credit for that accomplishment, it cannot fail to honor the real messiah of the civil rights movement.

I realize that no black has ever been included in the small fraternity of patriots to receive this tribute. I also realize that legislation to make Dr. King's birthday a national holiday has been introduced and reintroduced since his death in 1963. But the 94th Congress has already shown some important differences from previous Congresses who considered this bill. This is a body committed to promoting the American ideals of equality and to combating the problems of poverty and discrimination. Martin Luther King's life is a monument to those same goals and principles. Nothing could be more fitting than for this to be the Congress to set aside a day to remember the reasons why Dr. Martin Luther King lived and died.

Mr. YOUNG of Georgia. Mr. Speaker, today we are honoring Dr. Martin Luther King, Jr., and renewing the call to make his birthday, January 15, an annual national holiday.

Dr. King's leadership still addresses national and international issues, and I would like to recall some of his words on two very crucial issues: the national question of voting rights, and the international question of peace.

Ten years ago this month, the voting rights movement was building in Selma, Ala., toward the crisis which resulted in passage of the Voting Rights Act of 1965—a monumental statute which must be renewed and strengthened this year.

Dr. King for years had been working for a guarantee of voting rights for all citizens. For example, on May 17, 1957, at the Lincoln Memorial in Washington he said:

> All types of conniving methods are still being used to prevent Negroes from becoming registered voters. The denial of this sacred right is a tragic betrayal of the highest mandates of our democratic traditions. . . .
>
> So our most urgent request to the President of the United States and every member of Congress is to give us the right to vote. Give us the ballot and we will no longer plead to the federal government for passage of an anti-lynching law. We will by the power of our vote write the law on the statute books of the Southern states and bring to an end the dastardly acts of hooded perpetrators of violence.
>
> Give us the ballot and we will transform the salient misdeeds of bloodthirsty mobs into the calculated good deeds of orderly citizens. Give us the ballot and we will fill the legislative halls with men of good will and send to Congress men who will not sign a Southern Manifesto because their devotion is to the manifesto of justice.
>
> Give us the ballot and we will place judges on the benches of the South who will do justly and love mercy and we will place at the head of the Southern states governors who have felt not only the pang of the human but also the glow of the devine. Give us the ballot and we will, quietly and nonviolently, without rancor or bitterness, implement the Supreme Court's decision of May 17, 1954.

Mr. Speaker, in the field of foreign policy, Dr. King's warnings about the American involvement in Indochina are relevant today. We are asked to keep on pouring millions and millions of dollars of military aid into Southeast Asia. We hear talk of possible military intervention in the Middle East. We see points of tension with the potential for war throughout the world. So let us remember some of the things Dr. King said on April 4, 1967, in an address sponsored by Clergy and Laymen Concerned About Vietnam at the Riverside Church in New York City:

> Over the past two years, as I have moved to break the betrayal of my own silences and to speak from the burnings of my own heart, as I have called for radical departures from the destruction of Vietnam, many persons have questioned me about the wisdom of my path. At the heart of their concerns this query has often loomed large and loud: Why are you speaking about the war, Dr. King? Why are you joining the voices of dissent? Peace and civil rights don't mix, they say. Aren't you hurting the cause of your people, they ask? And when I hear them, though I often understand the sources of their concern, I am nevertheless greatly saddened, for such questions mean that the inquires have not really known me, my commitment or my calling. Indeed, their questions suggest that they do not know the world in which they live.
>
> In the light of such tragic misunderstanding, I deem it of signal importance to try to state clearly, and I trust concisely, why I believe that the path from Dexter Avenue Baptist Church—the church in Montgomery, Alabama where I began my pastorate—leads clearly to this sanctuary tonight.
>
> I come to this platform tonight to make a passionate plea to my beloved nation. This

speech is not addressed to Hanoi or to the National Liberation Front. It is not addressed to China or to Russia.

Nor is it an attempt to overlook the ambiguity of the total situation and the need for a collective solution to the tragedy of Vietnam. Neither is it an attempt to make North Vietnam or the National Liberation Front paragons of virtue, nor to overlook the role they can play in a successful resolution of the problem. While they both may have justifiable reason to be suspicious of the good faith of the United States, life and history give eloquent testimony to the fact that conflicts are never resolved without trustful give and take on both sides.

Tonight, however, I wish not to speak with Hanoi and the NLF, but rather to my fellow Americans who, with me, bear the greatest responsibility in ending a conflict that has exacted a heavy price on both continents.

Since I am a preacher by trade, I suppose it is not surprising that I have several reasons for bringing Vietnam into the field of my moral vision. There is at the outset a very obvious and almost facile connection between the war in Vietnam and the struggle I, and others, have been waging in America. A few years ago there was a shining moment in that struggle. It seemed as if there was a real promise of hope for the poor—both black and white—through the Poverty Program. There were experiments, hopes, new beginnings. Then came the build-up in Vietnam and I watched the program broken and eviscerated as if it were some idle political plaything of a society gone mad on war, and I knew that America would never invest the necessary funds or energies in rehabilitation of its poor so long as adventures like Vietnam continued to draw men and skills and money like some demoniacal destructive suction tube. So I was increasingly compelled to see the war as an enemy of the poor and to attack it as such.

Perhaps the more tragic recognition of reality took place when it became clear to me that the war was doing far more than devastating the hopes of the poor at home. It was sending their sons and their brothers extraordinarily high proportions relative to the rest of the population. We were taking the black young men who had been crippled by our society and sending them 8,000 miles away to guarantee liberties in Southeast Asia which they had not found in Southwest Georgia and East Harlem. So we have been repeatedly faced with the cruel irony of watching Negro and white boys on TV screens as they kill and die together for a nation that has been unable to seat them together in the same schools. So we watch them in brutal solidarity burning the huts of a poor village but we realize that they would never live on the same block in Detroit. I could not be silent in the face of such cruel manipulation of the poor.

My third reason moves to an even deeper level of awareness, for it grows out of my experience in the ghettos of the north over the last three years—especially the last three summers. As I have walked among the desperate, rejected and angry young men I have told them that Molotov cocktails and rifles would not solve their problems. I have tried to offer them my deepest compassion while maintaining my conviction that social change comes most meaningfully through non-violent action. But they asked—and rightly so—what about Vietnam? They asked if our own nation wasn't using massive doses of violence to solve its problems, to bring about the changes it wanted. Their questions hit home, and I knew that I could never again raise my voice against the violence of the oppressed in the ghettos without having first spoken clearly to the greatest purveyor of violence in the world today—my own government. For the sake of those boys, for the sake of this government, for the sake of the hundreds of thousands trembling under our violence, I cannot be silent.

For those who ask the question, "Aren't you a Civil Rights leader?" and thereby mean to exclude me from the movement for peace, I have this further answer. In 1957 when a group of us formed the Southern Christian Leadership Conference, we chose as our motto: "To save the soul of America." We were convinced that we could not limit our vision to certain rights for black people, but instead affirmed the conviction that America would never be free or saved from itself unless the descendents of its slaves were loosed completely from the shackles they still wear. In a way we were agreeing with Langston Hughes, that black bard of Harlem, who had written earlier:

> O, yes,
> I say it plain,
> America never was America to me,
> And yet I swear this oath—
> America will be!

Now, it should be incandescently clear that no one who has any concern for the integrity and life of America today can ignore the present war. If America's soul becomes totally poisoned, part of the autopsy must read Vietnam. It can never be saved so long as it destroys the deepest hopes of men the world over. So it is that those of us who are yet determined that America will be are led down the path of protest and dissent, working for the health of our land.

As if the weight of such a commitment to the life and health of America were not enough, another burden of responsibility was placed upon me in 1964; and I cannot forget that the Nobel Prize for Peace was also a commission—a commission to work harder than I had ever worked before for "the brotherhood of man."

Finally, as I try to delineate for you and for myself the road that leads from Montgomery to this place I would have offered all that was most valid if I simply said that I must be true to my conviction that I share with all men the calling to be a son of the Living God. Beyond the calling of race or nation or creed is this vocation of sonship and brotherhood, and because I believe that the Father is deeply concerned especially for his suffering and helpless and outcast children, I come tonight to speak for them.

This I believe to be the privilege and the burden of all of us who deem ourselves bound by allegiances and loyalties which are broader and deeper than nationalism and which go beyond our nation's self-defined goals and positions. We are called to speak for the weak, for the voiceless, for victims of our nation and for those it calls enemy, for no document from human hands can make these humans any less our brothers.

And as I ponder the madness of Vietnam and search within myself for ways to understand and respond in compassion my mind goes constantly to the people of that peninsula. I speak now not of the soldiers of each side, not of the junta in Saigon, but simply of the people who have been living under the curse of war for almost three continuous decades now. I think of them too because it is clear to me that there will be no meaningful solution there until some attempt is made to know them and hear their broken cries.

We have destroyed their two most cherished institutions: the family and the village. We have destroyed their land and their crops. We have cooperated in the crushing of the nation's only non-communist revolutionary political force—the unified Buddhist Church. We have supported the enemies of the peasants of Saigon. We have corrupted their women and children and killed their men. What liberators!

At this point I should make it clear that while I have tried in these last few minutes to give a voice to the voiceless on Vietnam and to understand the arguments of those who are called enemy, I am as deeply concerned about our own troops there as anything else. For it occurs to me that what we are submitting them to in Vietnam is not simply the brutalizing process that goes on in any war where armies face each other and seek to destroy. We are adding cynicism to the process of death, for they must know after a short period there that none of the things we claim to be fighting for are really involved. Before long they must know that their government has sent them into a struggle among Vietnamese, and the more sophisticated surely realize that we are on the side of the wealthy and the secure while we create a hell for the poor.

In order to atone for our sins and errors in Vietnam, we should take the initiative in bringing a halt to this tragic war. I would like to suggest five concrete things that our government should do immediately to begin the long and difficult process of extricating ourselves from this nightmarish conflict:

1. End all bombing in North and South Vietnam.

2. Declare a unilateral cease-fire in the hope that such action will create the atmosphere for negotiation.

3. Take immediate steps to prevent other battlegrounds in Southeast Asia by curtailing our military build-up in Thailand and our interference in Laos.

4. Realistically accept the fact that the National Liberation Front has substantial support in South Vietnam and must thereby play a role in any meaningful negotiations and in any future Vietnam government.

5. Set a date that we will remove all foreign troops from Vietnam in accordance with the 1954 Geneva Agreement.

These are revolutionary times. All over the globe men are revolting against old systems of exploitation and oppression and out of the wombs of a frail world new systems of justice and equality are being born. The shirtless and barefoot people of the land are rising up as never before. "The people who sat in darkness have seen a great light." We in the West must support these revolutions. It is a sad fact that, because of comfort, complacency, a morbid fear of Communism, and our proneness to adjust to injustice, the Western nations that initiated so much of the revolutionary spirit of the modern world have now become the arch anti-revolutionaries. This has driven many to feel that only Marxism has the revolutionary spirit. Therefore, Communism is a judgment against our failure to make democracy real and follow through on the revolutions that we initiated. Our only hope today lies in our ability to recapture the revolutionary spirit and go out into a sometimes hostile world declaring eternal hostility to poverty, racism, and militarism. With this powerful commitment we shall boldly challenge the status-quo and unjust mores and thereby speed the day when "every valley shall be exalted, and every mountain and hill shall be made low, and the crooked shall be made straight and the rough places plain."

A genuine revolution of values means in the final analysis that our loyalties must become ecumenical rather than sectional. Every nation must now develop an overriding loyalty to mankind as a whole in order to preserve the best in their individual societies.

We must move past indecision to action. We must find new ways to speak for peace in Vietnam and justice throughout the developing world—a world that borders on our doors. If we do not act we shall surely be dragged down the long dark and shameful corridors of time reserved for those who possess power without compassion, might without morality, and strength without sight.

Now let us begin. Now let us re-dedicate ourselves to the long and bitter—but beautiful—struggle for a new world. This is the calling of the sons of God, and our brothers wait eagerly for our response. Shall we say the odds are too great? Shall we tell them the struggle is too hard? Will our message be that the forces of American life militate against their arrival as full men, and we send our deepest regrets? Or will there be another message, of longing, of hope, of solidarity with their yearnings, of commitment to their cause, whatever the cost? The choice is ours, and though we might prefer it otherwise we must choose in this crucial moment of human history.

Ms. JORDAN. Mr. Speaker, 12 years ago the largest single demonstration in the history of these United States occurred in this city when over 200,000 Americans of all races, colors, and creeds gathered before the Lincoln Memorial, united and inspired by that hunger for justice which found its most eloquent expression in the leadership of Dr. Martin Luther King. Today, 8 years after Dr. King's tragic death, we as a Nation are confronted by the unfinished tasks for which Dr. King gave his very lifeblood. The theme of the 1963 march—probably the greatest peaceful demonstration in support of racial equality the world has ever witnessed—was the demand of the black community—and, indeed, of all Americans—for jobs and freedom. These are still the chief concerns of our people in this year of 1975, concerns to which the 94th Congress must address itself with vigor and despatch.

In 1957 Dr. King's first march on Washington dramatized the urgency of full, free, unimpeded access by blacks to participation in the democratic process. Today the Nation recognizes, however belatedly, the right of blacks to register and to vote. But this recognition has been won by struggle and suffering. The great decisions of the Supreme Court in the last two decades in behalf of an open, desegregated society were matched in the Congress by the Civil Rights Acts passed during those same years and, above all, by the Voting Rights Act of 1965, which did more than any other single development to invest the Federal Government with responsibility for aiding blacks whose voting rights had been denied or abridged.

Extended in 1970 for a 5-year period, the Voting Rights Act of 1965, a historic step forward in the continuing movement by blacks toward full equality, now confronts this Congress with a decision for renewal, a decision crucial to the rights and interests of black Americans.

In 1963 Dr. King, speaking to America and to the world, described in unforgettable language his and our vision of this Nation as one society, the "beloved community" of the American dream. Ours is the task—and the privilege—of furthering that vision, of shaping American life in accord with the ideals of the Constitution, the Declaration of Independence, and our Judaeo-Christian faith, ideals of justice, and brotherhood.

Moreover, in these troubled times, marked by grave economic strain and rising unemployment, whose burden falls with special severity upon the black community, the issues which Dr. King stated so clearly as "jobs and freedom" are unchanged. Full employment—a meaningful job at a living wage—is the right of every citizen able and willing to work, and it is our responsibility to do all in our power to make it possible.

During his long and eventful life, Dr. King assailed and aroused the conscience of the Nation, increasing the pace of action on civil rights and advancing a truly national commitment to social justice. The finest tribute we could render his memory would be a recommitment of ourselves to the goals of jobs and freedom, of economic security and political liberty. Dr. King spoke of a bill of rights for the disadvantaged, which would provide "an adequate education, income, home, and recreation" for all our people. Never was there greater need than today for the implementing of that vision as the tides of recession and inflation beat against our land. May we find continuing inspiration in Dr. King's legacy to this generation: "We will win," he wrote, "because the sacred heritage of our Nation and the eternal will of God are embodied in our echoing demands."

Let January 15 become a national day of remembrance and recommitment to his goals, to our goals for a better America.

Mr. UDALL. Mr. Speaker, I rise to join my colleagues in urging the House to proclaim the birthday of Dr. Martin Luther King a national holiday.

Few of our national leaders have the long-range impact on the Nation's views, hopes and goals that Dr. King has had.

His energy, his dreams and his unselfish quest for peace and freedom have served as his legacy to all Americans. It is fitting that we who represent all Americans set aside one day each year to honor his memory, to honor his dreams.

Mr. Speaker, as a Nation, we still are far from the goals Dr. King worked toward. But each new year, each new Congress offers cause for hope. Establishing Dr. King's birthday as a national holiday would not only pay tribute to this great man and greatly missed leader, but it also would serve to remind us of the work he did and of the work that is left for us to do.

His tragic death cannot be erased from the pages of our history. But his compassionate life can be emblazoned into our national heritage by a simple act of this Congress.

Mr. Speaker, as we approach the 200th birthday of America and prepare to pay tribute to the great men of our country, I urge this Congress to take that simple action and honor Dr. Martin Luther King.

Mr. MILLER of California. Mr. Speaker, it gives me great pleasure to join with the Honorable JOHN CONYERS and my other distinguished colleagues in cosponsoring legislation to commemorate as a national holiday the birthday of the Reverend Dr. Martin Luther King, Jr.

Dr. King will live forever in history as one of the great humanitarians of our time. He will be remembered as a superb tactician in the civil rights struggle. His ability to organize the downtrodden into effective cohorts against the forces of oppression and injustice will never be forgotten. His passionate concern for the working people of this Nation lives in the memory of that last trip to Memphis.

In paying tribute to this great man, however, I believe we would be doing a disservice to generations to come if we were to overlook Dr. King's contributions to this world as a philosopher, a theologian and a preacher. He was indeed spiritual leader to many thousands of people in this country and his teachings from the pulpit provided the bedrock foundation for the nonviolent civil rights movement which he led.

Therefore, Mr. Speaker, I would like to take this opportunity to quote briefly from a few of Dr. King's sermons, several of which were written while he was in jail:

THE NATURE OF GOD

I am thankful that we worship a God who is both toughminded and tenderhearted. If God were only toughminded, he would be a cold, passionless despot sitting in some far-off heaven "contemplating all," as Tennyson puts it in "The Palace of Art." He would be Aristotle's "unmoved mover," self-knowing, but not other-loving. But if God were only tenderhearted, he would be too soft and sentimental to function when things go wrong and incapable of controlling what he has made. He would be like J. G. Wells' lovable God in *God, the Invisible King*, who is strongly desirous of making a good world, but finds himself helpless before the surging powers of evil. God is neither hardhearted nor softminded. He is toughminded enough enough to live in it. He does not leave us to transcend the world; he is tenderhearted enough to live in it. He does not leave us alone in our agonies and struggles. He seeks us is dark places and suffers with us and for us in our tragic prodigality.

At times we need to know that the Lord is a God of justice. When slumbering giants of injustice emerge in the earth, we need to know that there is a God of power who can cut them down like the grass and leave them withering like the green herb. When our most tireless efforts fail to stop the surging sweep of oppression, we need to know that in this universe is a God whose matchless strength is a fit contrast to the sordid weakness of man. But there are also times when we need to know that God possesses love and mercy. When we are staggered by the chilly winds of adversity and battered by the raging storms of disappointment and when through our folly and sin we stray into some destructive far country and are frustrated because of a strange feeling of homesickness, we need to know that there is Someone who lives us, cares for us, understands us, and will give us another chance. When days grow dark and nights grow dreary, we can be thankful that our God combines in his nature a creative synthesis of love and justice which will lead us through life's dark valleys and into sunlit pathways of hope and fulfillment.

ON BEING A GOOD NEIGHBOR

The real tragedy of . . . narrow provincialism is that we see people as entities or merely as things. Too seldom do we see people in their true humanness. A spiritual myopia limits our vision to external accidents. We see men as Jews or Gentiles, Catholics or Protestants, Chinese or American, Negroes or Whites. We fail to think of them as fellow human beings made from the same basic stuff as we, molded in the same divine image. The priest and the Levite saw only a bleeding body, not a human being like themselves. But the good Samaritan will always remind us to remove the cataracts of provincialism from our spiritual eyes and see men as men. If the Samaritan had considered the wounded man as a Jew first, he would not have stopped, for the

> Jews and the Samaritans had no dealings. He saw him as a human being first, who was a Jew only by accident. The good neighbor looks beyond the external accidents and discerns those inner qualities that make all men human and, therefore, brothers."
>
> ### ON INTELLIGENCE
>
> As the chief moral guardian of the community, the church must implore men to be good and well-intentioned and must extol the virtues of kindheartedness and conscientiousness. But somewhere along the way the church must remind men the devoid of intelligence, goodness and conscientiousness will become brutal forces leading to shameful crucifixions. Never must the church tire of reminding men that they have a moral responsibility to be intelligent. If we are to call ourselves Christians, we had better avoid intellectual and moral blindness. Throughout the New Testament we are reminded of the need for enlightenment. We are commanded to love God, not only with our hearts and souls, but also with our minds. When the Apostle Paul noticed the blindness of many of his opponents, he said, "I bear them record that they have a zeal for God, but not according to knowledge." Over and again the Bible reminds of of the danger of zeal without knowledge and sincerity without intelligence."
>
> ### ON LOVE
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> Love is the only force capable of transforming an enemy into a friend. We never get rid of an enemy by meeting hate with hate; we get rid of an enemy by getting rid of enmity. By its vary nature, hate destroys and tears down; by its very nature, love creates and builds up. Love transforms with redemptive power.

Finally, Mr. Speaker, I would like to share with you Dr. King's words of hope for this world. Keep in mind, if you please, that this was the hope of a man who had been jailed a dozen times in his struggle for justice. Almost daily he and his courageous wife, Coretta, were subjected to threats against their lives and their children's lives. Twice their home was bombed. Dr. King was the victim of a near-fatal stabbing. Yet, of the future he had this to say:

> In spite of the tensions and uncertainties of this period something profoundly meaningful is taking place. Old systems of exploitation and oppression are passing away; new systems of justice and equality are being born. In a real sense this is a great time to be alive. Therefore, I am not yet discouraged about the future. Granted that the easygoing optimism of yesterday is impossible. Granted that we face a world crisis which leaves us standing so often amid the surging murmur of life's restless sea. But every crisis has both its dangers and its opportunities. It can spell either salvation or doom. In a dark, confused world the Kingdom of God may yet reign in the hearts of men.

Mr. ROYBAL. Mr. Speaker, I am privileged to join my colleagues in proposing that January 15, the birthdate of Martin Luther King, Jr., be made a national holiday.

Today, in 1975, we are still far from the "promised land" of freedom and equality that Martin Luther King envisioned in the year of his assassination. Yet, the truths that Dr. King preached are more salient than ever. Martin Luther King's personal crusade was a crusade of justice and mercy. He sought to right the evils of discrimination by employing nonviolence as a method of protest. Influenced by religious and philosophical thinkers, and his mentor, Mahatma Gandhi, he said:

> When evil men would seek to perpetuate an unjust status quo, good men must seek to bring into being a real order of justice.

During the numerous civil rights demonstrations he led throughout the South and across the country, he urged angry men and women to put away the weapons of violence.

> Get the weapon of nonviolence, the breastplate of righteousness, the armor of truth, and just keep marching.

Martin Luther King did not have to place himself at the forefront of a movement which was both all-consuming and personally perilous to him. His father was the pastor of the prestigious Ebenezer Baptist Church in Atlanta, Ga. His scholastic capacity won him recognition in the academic world from Morehouse College, which he entered at the age of 15, to his doctoral studies in philosophy at Boston University Theological School. His wife Coretta was anxious to pursue a musical career in the North where opportunity beckoned. Yet, after completing his doctoral studies he returned to the South, burdened with racial problems, to assume the pulpit of the Dexter Avenue Baptist Church in Montgomery, Ala.

In 1955, a black seamstress named Rosa Parks refused to give up her seat on a crowded bus to a white person and was fined for violation of a Montgomery city ordinance. It was Martin Luther King who assumed the leadership of the Montgomery Improvement Association and masterminded a successful 11-month boycott of public transportation in response to this incident. Thus began the fight for human rights that was to continue until his death.

In Montgomery, Birmingham, Selma, and throughout the country, Dr. King preached and practiced physical restraint and the use of orderly peaceful resistance. Nevertheless, he was sensitive to on-paper promises and unenforceable laws. Most of all, he recognized "the capacity of society to remain complacent in the midst of injustice." He urged negotiation between blacks and whites, forcing the confronting of an issue too easily overlooked by an apathetic government. His travels were farflung, for he acknowledged "the interrelatedness of all communities—injustice anywhere is a threat to justice everywhere."

In the late 1950's Dr. King was elected the first president of the Southern Christian Leadership Conference. It was he who requested, was denied, and was finally granted the first White House Conference on Civil Rights. In 1961 he was appointed chairman of the Freedom Ride Coordinating Committee. In 1963, during a convergence of 200,000 persons, white and black, on Washington, to dramatize a shameful condition, he delivered a speech acclaimed by all as a landmark in the civil rights crusade. In this speech, Dr. King spoke of "the urgency of now" for the attainment of his goal of equality for all races. He counseled:

> Let us not seek to satisfy our thirst for freedom by drinking from the cup of bitterness and hatred. We must forever conduct our struggle on the high plane of dignity and discipline.

In 1964, Dr. Martin Luther King, Jr., was awarded the Nobel Peace Prize, becoming the third black and the youngest person, at age 35, to be so honored. Four years later, while in Memphis to participate in a strike of black sanitation workers, he was slain by an assassin.

By commemorating the date of his birth, we as a nation, may both memorialize and mourn Dr. Martin Luther King, a man martyred in the cause of freedom upon which this country was founded.

Mr. LEGGETT. Mr. Speaker, I would like to take this opportunity to compliment the distinguished gentleman from Michigan (Mr. CONYERS) for reintroducing this legislation which I have cosponsored.

These troublesome times breed much apathy and cynicism. The Reverend Dr. Martin Luther King, Jr., had the rare ability to cogently penetrate the thoughts and emotions of so many with his carefully articulated ideals.

Dr. King's heroic energy and strength significantly contributed to the newest levels of social equality to which blacks, the poverty stricken, and other oppressed minorities have risen. He shocked our consciences into realizing that our Constitution and Bill of Rights lacked certain necessary provisions to eliminate the discrimination of two centuries.

Yet the steps taken have been few, when viewed in light of what must be done. Although 20 years have passed since the Supreme Court upheld the inherent inequality of segregation, the obstacles which eventually cost Dr. King his life remain. The devastating consequences of his death must be avoided by pursuing those very dreams which Dr. King so eloquently related to us. Instead of recognizing the mortality of the man, we must acknowledge the immorality of his dreams, for only then can we see a true renaissance of human rights in this country.

These fine words of praise which we give today, however, will never adequately commemorate this selfless man who stood for and accomplished so much. We must, at long last, show our most sincere gratitude. A national holiday marking the birth of Dr. King, will at least assure, for ourselves and our posterity, that his vision of a peaceful and content society will never be forgotten. Surely it must never be forgotten.

Mrs. MINK. Mr. Speaker, I am honored to be counted among those many dozens of Members of this House of Representatives who have been officially listed as cosponsors of legislation to designate January 15 each year as a national holiday in tribute to Dr. Martin Luther King, Jr.

The civil rights movement and the dramatic progress which it has meant to this country will be much on our minds during this first session of the 94th Congress as we are asked to extend provisions of the 1965 Voting Rights Act. Certainly our deliberations will recall the great agonies through which the country moved in the 1960's in pursuit of genuine equality for all our citizens. Many of those here in this Chamber were present in Washington nearly a dozen years ago when thousands upon thousands of Americans gathered at the Lincoln Memorial to hear Dr. King speak of his dream for our people and our Nation—his dream that one day we would put aside the bitterness and hatred, that one day we would live up to the highest principles of our democracy and reaffirm the dignity of the individual.

Looking ahead to the 200th anniversary of our declaration of those principles, honoring the memory of those great patriots who dedicated their lives to the pursuit of their dreams for America will also be much on our minds. How fitting it would be for us to be able to count among those patriots the late Dr. King. We have the opportunity to honor this immensely important figure in our recent history by designating the anniversary of his birth as a day of rededication to the principles for which he worked.

I do not need to remind you that Dr. King's work remains unfinished. Minority peoples in this country still suffer abuses simply because they are minority peoples. The strife of the sixties is behind us, and a degree of complacency has crept upon us. I find this disturbing. We cannot allow abuses to continue simply because there is no dynamic Dr. King pricking our consciences as he did so persistently and effectively not so many years ago.

We need this day of reflection, this day of rededication, and I urge my colleagues to take the necessary action to pass this legislation now to honor a great American.

Mr. HORTON. Mr. Speaker, I commend the gentleman from Michigan (Mr. Conyers) for taking this special order today. Our purpose is to urge congressional action on legislation designating the birthday of the late Dr. Martin Luther King, Jr., a legal public holiday. Support for this effort continues to grow and I share the hope that we can achieve our goal in this Congress.

Mr. Speaker, many great Americans have made their mark in our Nation's history. Very few indeed have been afforded the highest tribute which we as a people can bestow, that of setting aside a day each year to honor their individual accomplishments. I believe Dr. Martin Luther King is worthy of this high honor. His life was devoted to the quest for freedom, equality and social justice, principles on which our country was founded. By establishing Dr. King's birthday as a national holiday, we as a Nation will say that we are still committed to these goals and we will remind ourselves that we must continue to work for them.

Mr. Speaker, Dr. King's unrelenting efforts had many positive results, including the enactment of the landmark Voting Rights Act of 1965. This Congress must turn its attention to a renewal of that statute and I hope that effort will coincide with the designation of Dr. King's birthday as a national observance.

Mr. CORMAN. Mr. Speaker, January 15 is the birthday of Dr. Martin Luther King, Jr., who epitomizes the values of nonviolence, peace, and racial equality. Dr. King is the man who had a dream "that one day little children will live in a nation where they will not be judged by the color of their skin but by the content of their character." He is the man who believed that the dream was not unrealistic. He is the man who dedicated his life toward the goal of brotherhood among all people.

His successes during the late 1950's and 1960's through peaceful, nonviolent marches and sit-ins are well known. Selma, Montgomery, and Little Rock are clear visions in the minds of those who were part of the massive civil rights movement and helped to pave the way for a Nation which has hopefully learned from the long battle for racial justice. It was Dr. King who led all people, white and black, in a style of struggle that required nerve and discipline—actions which should constantly remind us that nonviolent tactics do work if executed with the same dedication, discipline, and courage which he employed.

It was Dr. King who rekindled a new pride of culture and heritage in all Americans, particularly blacks, who adopted a new appreciation of their roots and values. A new respect and understanding for all people was the cornerstone of his activity, his style and his actions.

What Dr. King did for human rights cannot be overly emphasized. His efforts to encourage others to pursue the battle for racial equality and world peace are well known. As a recipient of the coveted Nobel Peace Prize, Dr. King gained the respect of a world audience. We in this country have yet to officially recognize his long range contributions to this Nation.

In a personal sense, I feel very honored and privileged to have known Dr. King, to have worked with him. He was sensitive, direct, resourceful, and persevered in circumstances which would have deterred many, many others. He continues to be a great source of pride to us all.

Dr. King once said:

> In the final analysis all humanity is involved in a single process, and all men are brothers.

As brothers, we in this body should unite in thought and spirit and create January 15 as a national holiday to commemorate the work and memory of this great American. We should not ignore the importance of this annual tribute to a man who gave so much to all of us.

GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in connection with the Martin Luther King, Jr., holiday bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

IMPACT OF MEDICAL MALPRACTICE ON HEALTH CARE PROVIDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Hastings) is recognized for 15 minutes.

Mr. HASTINGS. Mr. Speaker, on February 4, I announced I was sponsoring a National Conference on Medical Malpractice, in cooperation with the American Group Practice Association to be held on March 20–21 in Arlington, Va. As I stated at that time, I consider this conference an essential step in developing a rational approach to the problem of medical malpractice. I also announced that I planned to insert background papers on medical malpractice in the Congressional Record prior to the conference, with the hope that they will be of some assistance to my colleagues in the House in achieving a fuller understanding of the problem.

Between now and the end of the second week in March I plan to insert five background papers into the Congressional Record concerning medical malpractice as it relates to health service providers, patients, trial lawyers, and insurers, and to discuss both existing and proposed approaches to dealing with the problem of medical malpractice. The first background paper, which I am inserting today, is concerned with the impact of medical malpractice on health care professionals and institutions.

BRIEF STATEMENT OF PRINCIPAL MEDICAL MALPRACTICE PROBLEMS

In 1960, the Secretary's Medical Malpractice Commission estimated the cost of professional liability coverage at $60 million. In 1970, the figure was approximately $300 million. We do not know precisely what the figure is today, but some estimates are as high as a billion dollars or more.

Between 1960 and 1970, malpractice insurance premiums for dentists rose 115 percent; for hospitals, 262 percent; for physicians other than surgeons, 540.8 percent; and for surgeons, 949.2 percent. Available evidence since 1970 shows malpractice insurance rates continuing to climb. In early 1974, physicians in New York State had to pay 93.5 percent more for their malpractice insurance than for the previous rating period. The insurer in that State recently proposed an additional increase of almost 200 percent, raising the rates for some specialists as high as $45,000. In Maryland, St. Paul Cos., which insures 85 percent of the State's doctors, had requested a rate increase of 48 percent, after receiving an increase of 46 percent only a few months before their new request. The company is currently insuring the State's doctors under a court ruling requiring them to continue insurance. They are appealing the ruling. The California Medical Association claims their medical malpractice insurance rates have increased 400 percent since 1971.

Hospitals are also experiencing extraordinary increases with rates doubling, tripling, and sometimes increasing as much as 700 percent. Argonaut Insurance Co., the major hospital malpractice insurer, has recently announced it will no longer cover hospitals in at least 14 States.

According to an article in the November 4, 1974, issue of the American Medical News, the number of malpractice claims filed has increased 8 to 9 percent per year. The Insurance Services Office, an independent rating organization, reported in 1966 that 1.7 physicians per 100 were sued; by 1972, 3 physicians per 100 were sued. In 1970, the average settlement of malpractice claims was $5,000; by 1973, the figure had increased to $8,000. Prior to 1971, there were three settlements for over $1 million in California; since 1971, there have been nine.

Only a small portion of these medical malpractice premiums actually goes to the injured patient or his legal representative. The amount of each premium dollar actually awarded to the patient or his legal representative may range from 16 to 38 cents, depending upon which estimate is accepted. The remainder goes to lawyers for the plaintiff and the defendant, and for costs and profits of insurers. Settlements are seldom prompt; the average time for cases heard by a jury is 5 years. It takes over 10 years to settle all medical malpractice claims made in any one year.

A major problem from several standpoints is the contingent fee system for paying the claimant's lawyer; the most common charge is one-third of the recovery amount, with rates as high as 50 percent. In a very large settlement, the injured patient or his legal representative may have to pay the attorney hundreds of thousands of dollars. Contingent fees can also result in cases being rejected by lawyers because the potential return is too small to justify their investment of time. A study for the Secretary's Commission on Medical Malpractice, sponsored by the U.S. Department of Health, Education, and Welfare, reported that 23 percent of the claims rejected by lawyers specializing in medical malpractice were rejected because the potential dollar settlements were too small. For lawyers surveyed who had ever closed a medical malpractice case, there was a 10-percent rejection rate.

An unanswered question is the extent of medical injuries caused by the negligence of health care providers which do not result in malpractice claims. One study, again commissioned by the Secretary's Commission on Medical Malpractice, found that of 23,750 discharges from two hospitals studied, 517 patients had received medical injuries during treatment which were caused by negligence. The investigators found that only 31 malpractice claims would be filed during the year in which the study was made. Since there were only 12,600 claims asserted in 1970 throughout the Nation, and over 30 million hospital admissions a year—according to the National Center for Health Statistics—it appears that malpractice claims are instituted in only a small fraction of cases where medical injuries through negligence have occurred.

Medical malpractice, and claims that result from alleged malpractice can create additional problems regarding the delivery of medical services. Physicians, because of their great concern for avoiding malpractice suits, frequently practice defensive medicine. Defensive medicine is defined as medical practices undertaken to avoid a malpractice claim or to provide protection in the event a claim is instituted. There is some evidence that defensive medicine is practiced, and that it results in higher health service costs and overutilization of scarce medical resources. The fear of charges of medical malpractice may also jeopardize the relationship between the physician and his patient, because each patient is viewed as a potential adversary in a medical malpractice lawsuit.

Perhaps the overriding concern of health care providers is the real threat that they will be unable to purchase medical malpractice insurance because insurers will no longer be willing to offer it. The number of insurers who offer malpractice insurance appears to be decreasing. According to Gene Cudworth, secretary of Hartford Insurance:

> The current malpractice situation represents probably the most serious problem faced by the insurance industry at any time in its history. Almost every carrier in the business is either restricting its business or getting out altogether.
>
> The number of companies involved in malpractice has always been small compared to the total number of insurance companies, but today there are only a half a dozen who handle the majority of malpractice business.

Congress must look carefully at this problem not only because of the cost of professional liability insurance and the threat that doctors and hospitals may not be able to obtain coverage but because of our need to determine the extent of medical injuries and their impact on patients who receive them. We need to examine the impact this problem of medical malpractice has on the way medical care is delivered, and conversely, the impact of the way medical care is delivered on the medical malpractice problem.

IMPACT OF MEDICAL MALPRACTICE ON HEALTH CARE PROVIDERS: AN ISSUE PAPER

Physicians and other health professionals have been both observers and participants in dramatic changes in medicine. New scientific discoveries, new drugs, and new procedures have greatly improved the effectiveness of medicine in curing disease and easing pain. Pneumonia, a major cause of death as recently as the 1930's, became a relatively minor problem with the discovery of sulfa drugs. Science and medicine combined to more effectively treat kidney disease through transplants and hemodialysis, heart problems through improved drugs and surgical procedures, as well as to effect other improvements in providing health care too numerous to mention.

But such advances have both limitations and risks. In its report on the limitations of medicine, the Secretary's Medical Malpractice Commission stated:

> The science of medicine has come so far that many people tend to forget how far it has yet to go. Cancer and heart diseases still kill thousands each year; stroke victims may be partially rehabilitated but not cured; multiple sclerosis is a deadly enigma; and countless patients continue to succumb to infectious disease in spite of all the antibiotics.

Medical advances generally benefit the sick, but such advances have attendant risks. New drugs, equipment, and procedures make treatment far more complex. In some cases, these risks relate to the patient's inability to deal with the trauma associated with a particular treatment, such as heart failure during a serious operation, and in others risks result from the errors that health professionals make.

These advances, too, have understandably led to greater specialization, in an effort to assure greater competence of health professionals, and better performance of the health services industry. We are far removed from the situation where the person the patient saw virtually all the time when sick was the family doctor.

What we find as we examine the characteristics of our medical system described above is a system of care which has made great advances, but has created patient expectations which are often beyond the capacity of the system to fulfill, a system with risks associated both with the nature of the treatment itself and the possibility of human error, and a system which is more impersonal than that which existed 30 or 40 years ago. When a patient experiences an unfavorable outcome of his treatment in this climate, the stage is set for a malpractice claim.

Coping with medical malpractice in this climate places great demands upon health practitioners. They must possess the necessary knowledge and skills to be at least as capable as their peers in the same community. They must understand the implications of their actions as they relate to medical malpractice, such as the essentiality of obtaining informed consent to the treatment they prescribe and perform. They must be able to work well with fellow practitioners, and be able to communicate with and relate to their patients.

The growing seriousness of medical malpractice, understandably, has elicited a loud outcry from the health community, particularly from physicians. It is the physicians who are most vulnerable to large increases in medical malpractice premiums and are frequently faced with the loss of insurance coverage. It is not surprising that many physicians do not see the quality of their practice as the cause of the increases in claims, awards, and premiums. Dr. Charles A. Hoffman, a member of the Secretary's Medical Malpractice Commission, and past president of the American Medical Association, in criticizing the commission's report stated that the rise in medical malpractice claims—

> . . . are an integral part of the much greater problems of general liability claims and litigation. . . .
>
> General litigation is stimulated by the clearly apparent trend in the courts and the legal system toward imposing greater risks of liability in virtually every aspect of human activity. The courts are continually establishing new rules of liability, new rules of evidence, and new rules of procedure to make it easier for any injured person to re-

> cover substantial damages from someone for virtually any injury he suffers. If this trend continues to its logical conclusion, anyone who engages in any activity will have to pay full damages to any other person who is injured in any way even remotely associated with that activity, regardless of what caused the injury.

Frederick O. Field, legal counsel for the Los Angeles County Medical Association, in an interview reported in the New York Times, commented on the ability of juries to decide medical malpractice cases:

> Juries often do not know how to evaluate the medical results. A lawyer that can present a deformed child to a jury and argue that the obstetrician made a mistake in prescribing a drug for the mother has a strong emotional argument going for him.
>
> Even if the physician can bring in 15 specialists who say that the obstetrician did the right thing (the jury favors the plaintiff) . . . because of the powerful emotional argument generated by the sight of the deformed baby.

Physicians also blame the growth of malpractice claims on lawyers who stand to gain huge payments because of the contingent fee system commonly applied in medical malpractice claims. These fees most commonly are 30 percent of the award but may be as high as 50 percent. They also blame lawyers for their tactics in the courtroom, which are designed to discredit the competence of the physician and play upon the emotions of the jury.

Physicians, too, see the system by which malpractice claims are settled as wasteful and expensive both to them, because they pay the medical malpractice insurance premiums, and to the patients, who ultimately pay the bill. Dr. Malcolm C. Todd, president of the American Medical Association, recently stated that only 16 cents of each insurance premium dollar ever gets to the insured patient. Estimates of the amount which is awarded to the patient vary considerably, from a low of 16 cents on each dollar to a high of 38 cents. This is an area which should be examined more carefully since an accurate estimate is essential to properly defining the problem. Not all physicians, however, look exclusively outside the medical profession for the medical malpractice problem. Dr. Arthur Eisenbrey, a Detroit neurosurgeon and founder of a high risk group of physicians in Michigan called the Physicians Crisis Committee, stated in an interview with American Medical News that the first target of the group would be the Medical Practice Board. The committee feels that the board should exercise more authority in controlling the quality of medicine. Dr. Eisenbrey stated:

> Some doctors are not doing their job and they should have their licenses revoked or suspended. So far the Board has done nothing along these lines.

According to Dr. Robert Johnson, M.D., J.D., who is chairman of the insurance committee of the Colorado Medical Society:

> Screening panels, arbitration, and other similar plans just don't seem to be the answer. They don't offer any kind of relief. Instead we must have a system of internal criticism and control of the medical profession.
>
> Claims are the result of unexpected injury. Some are not preventable, some are. We must examine the ones we can prevent and eliminate them. It is as simple as that.

I think a fair assessment of physician attitudes is that they are both angered and hurt by the medical malpractice problem. Theirs is a profession which depends upon the trust and confidence of their patients, and they fear that medical malpractice is eroding this relationship. Dr. George Northrup, former president of the American Osteopathic Society and a member of the Secretary's Medical Malpractice Commission, attempted to convey the feelings many physicians have of medical malpractice:

> As a physician I live in an aura of fear—fear of suit. And fear contributes to hostility and rarely contributes to constructive action.
>
> It may be hard to believe, but we are a frightened profession. The doctor feels put upon. He feels nude on the corner of the Main Street of life. He often tries to cover himself with pride and even occasional arrogance, only to find himself being castrated. He really doesn't understand or want to believe the hostility he feels, and often interprets it as being greater than it is.

More revealing than selected quotes from physicians were the results of a survey performed by the magazine Medical Opinion in December 1971. Both physicians who had been sued or threatened with suit and those who were not were surveyed as to their perceptions of the cause of medical malpractice suits. Both responded that the major cause of medical malpractice suits was the poor communication between the patient and the physician. The second most common cause was aggressive lawyers. Seventy-seven percent of the doctors who had been sued and 66 percent of the doctors who had not, listed these two factors as the major causes of suits. Only 2 percent of both groups listed "bad medicine" as the most important reason for malpractice suits.

This survey, perhaps as much as any information we have, provides some insight into the views physicians have of the medical malpractice problem. These attitudes are a critical variable in developing an effective approach to the medical malpractice problem.

The crisis that doctors see has another dimension—referred to as defensive medicine. Defensive medicine is defined as those actions which are taken by health practitioners to protect themselves against medical malpractice claims and to defend themselves in the event a malpractice claim is instituted. The Secretary's Medical Malpractice Commission noted that defensive medicine may take the form of additional tests and procedures or declining to do certain tests and procedures because there is a risk of medical injury involved. Most physicians acknowledge that they do practice defensive medicine. According to a survey by the American Medical Association, 70 percent of the physicians surveyed were ordering additional tests because of concern for medical malpractice. The American College of Surgeons report that 63 percent of surgeons were ordering X-rays for defensive purposes. Dr. James Potchen, dean of management resources and professor of radiology at the Johns Hopkins School of Medicine, looked extensively at the use of radiology for defensive purposes and found the following:

> The total magnitude of the use of radiology in the United States in 1970 is currently running at approximately 4 billion dollars and a suggestive figure of up to 25 percent is motivated by a basis other than true efficacy. Therefore, approximately one billion dollars may be spent for protection against an actual threat of perhaps only 5–10 million dollars.

The latter figure of $5 to $10 million was Dr. Potchen's estimate of the value of malpractice claims which might be prevented by increased use of radiology.

Although the case for demonstrating that defensive medicine is practiced appears persuasive, all the evidence available does not support the contention. A study reported in 1971 in the Duke Law Journal of the practices of doctors in North Carolina and California found that the doctors in North Carolina behaved as if they practiced a greater amount of defensive medicine than the doctors in California. Since the cost of medical malpractice insurance was over six times greater in California than in North Carolina, the results are surprising. In a study by Nathan Hershey reported in the Milbank Memorial Quarterly in 1972, increases in the cost of delivering care resulting from defensive medicine were minimal.

The difficulty of measuring the cost impact of defensive medicine is that other factors contribute to the ordering of excessive tests and treatment. Physicians, for example, are encouraged to reduce the likelihood of error by additional testing in order to provide better medical care. Additional tests and treatment mean additional income for those in the health industry. The number of practitioners providing health services has increased markedly in the last decade and a half, increasing the capacity to do more for patients. Nathan Hershey, in the aforementioned article stated:

> Drawing the line between medically induced medical care practices that would generally be deemed an improvement over what otherwise would take place, and medical care rendered contrary to the physician's best judgment and at least in that sense poor care, is evidently very difficult to do.

George Annas, director of law and health sciences at Boston University, is even more critical of the medical profession's contention that they must order more tests and provide more therapy than is necessary. Physicians are held to the standard of what the average practitioner does in particular cases. According to Mr. Annas, the law should not affect the practice of an average or above average physician, but only raise the standard of the less than average one. For physicians to state that they must do more tests and provide more therapy than their best judgment would indicate is to raise questions about their judgment.

From the foregoing discussion about defensive medicine and medical malpractice, few safe conclusions can be made. One is that physicians clearly feel that they practice defensive medicine because of the threat of medical malpractice. Two, that there is evidence that more tests are ordered than necessary and probably more therapy or more expensive therapy than might be necessary in many cases. It is virtually impossible, however, to attribute all the excessive tests and treatment to defensive medicine with any degree of confidence.

A second major concern about the medical malpractice problem is that it will discourage delegation of responsibilities and duties to other members of the health care team, such as the increasing number of nurse practitioners and physicians assistants, who are being trained principally with Federal financial assistance. This issue was dealt with extensively by the Medical Malpractice Commission, because of the importance of these personnel to improving the health care system. The commission found that those persons who were trained as physicians' assistants did not have problems in finding employment as physicians' assistants. They noted that physicians' assistants found positions in 44 States, most of the positions calling for direct patient contact. The commission found further that physicians as employers were able to obtain medical malpractice coverage for physicians' assistants, with the cost of insurance for the physicians assistants' insurance amounting to one-half the amount paid to cover the acts of the physician-employer.

Although the Medical Malpractice Commission did note that persons trained as physicians' assistants did find employment, the concern for medical malpractice apparently does have some effect on physicians' willingness to delegate duties to other members of the health team. The Medical Economics Co. surveyed physicians to determine the impact of medical malpractice on the physicians' approach to their practices. Fourteen percent of those physicians who responded indicated that they delegated fewer procedures because of their concern that delegation might increase the risk of a medical malpractice claim. In the opinion of the American Medical Association the physician does incur greater risks of malpractice claims if he employs physicians' assistants. According to the American College of Obstetricians and Gynecologists the need for such personnel exists but obstetrician-gynecologists are reluctant to use them because of increased medical malpractice risks. After examining the issue in some detail, Eli Bernzweig, executive director of the Medical Malpractice Commission, concluded that there was no significant or unique malpractice liability imposed upon the physician who employs a physicians' assistant, nor any greater liability imposed upon the physicians' assistant himself. He stated that the alleged concerns that physicians' assistants are not being effectively integrated into the health care system because of malpractice problems are without foundation.

Like the issue relating to defensive medicine, opinions as to whether the threat of medical malpractice is a barrier to the use of physicians' assistants are contradictory. The finding by the Medical Malpractice Commission that physicians' assistants did not have trouble finding positions would appear to lend some credence to their conclusion that the risk of medical malpractice did not stop physicians from hiring physicians' assistants. Over two years have passed since the commision reviewed the situation regarding physicians' assistants and medical malpractice. During the last 2 years, there have been substantial changes in the medical malpractice situation overall. This vital area needs to be reexamined in the light of those changes.

Most of the outcry regarding medical malpractice has come from the medical profession, and most of the initiative privately and through legislation has been taken by the medical profession. But the hospitals appear to be facing equally serious problems with professional liability coverage, forcing hospitals to consider alternatives to their present means of obtaining insurance coverage. Although the data is admittedly imprecise, some reports claim that professional liability coverage may exceed one-half billion dollars. Hospital professional liability premiums are doubling, tripling, and sometimes increasing as much as 700 percent, according to the American Hospital Association. Argonaut Insurance Company has announced that it will no longer cover hospitals in 14 States. The dimensions of the hospital medical malpractice insurance crisis has prompted the American Hospital Association to consider the establishment of a reinsurance company to assure hospitals that such insurance will continue to be available.

The sudden emergence of the hospital medical malpractice crisis has resulted in a situation where little data is available describing the characteristics of the crisis. The Medical Malpractice Commission, while dealing extensively with the problems of physicians with medical malpractice, touched only lightly on the medical malpractice problem in hospitals. This is perhaps understandable because the hospitals were not experiencing the same rapid increases in premiums, according to data provided to the Medical Malpractice Commission by the American Hospital Association nor were hospitals threatened with nonavailability of coverage, as were physicians. It is nevertheless now part of the overall medical malpractice crisis that must be dealt with along with the crisis faced by physicians.

According to the Medical Malpractice Commission, 74 percent of the medical malpractice claims resulted from medical injuries sustained by persons while in the hospital. Thirty-nine percent of the injuries sustained occurred in the operating room while 34 percent occurred in the patient's room. It would appear reasonable that the greatest impact on the prevention of medical injuries caused by negligence could be made by the hospital's management working with the physicians who admit and treat patients. We all know that hospitals are no longer merely the workshops of the physicians but are directly involved and accountable for a great deal of the care provided within the hospital. For example, hospitals hire doctors, and are providing more and more outpatient services. At one time the doctrine of charitable immunity protected the hospitals from liability. This is no longer true except in a handful of States.

The courts, increasingly, are holding the hospitals accountable for the treatment provided within their institutions. It is in hospitals where the most sophisticated equipment and the most complex procedures are performed, and where the greatest dangers of medical accidents exist. The Medical Malpractice Commission took note of this and recommended that institutions do two essential things: investigate and analyze the frequency and causes of general categories and specific types of adverse incidents causing injuries to patients and develop appropriate measures to minimize the risk of injuries and adverse incidents to patients through cooperative efforts of all persons involved. Mr. James E. Ludlam, a member of the Medical Malpractice Commission and a hospital attorney, in commenting on the commission's report, saw the need for cooperation of the American Hospital Association, the American Medical Association, and the American Osteopathic Association. He stated in his commentary that—

> The AHA, AMA, and AOA cannot be effective without a far greater commitment by their respective constituents to an overall solution involving sacrifice of individual prerogatives for the common good.

At this point in time, the other health professions and institutions have not expressed great concern for the costs or availability of professional liability coverage. I think, however, given the dynamic quality of the medical malpractice crisis that it would be presumptious to assume that their present situation will persist.

NATIONAL HEALTH EDUCATION POLICY AND DEVELOPMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. Cohen) is recognized for 5 minutes.

Mr. COHEN. Mr. Speaker, I am pleased to join with Congressman Hastings, member of the House Public Health Subcommittee, in reintroducing the National Health Education Policy and Development Act. Senator Javits, the ranking member of the Senate Labor and Public Welfare Committee, will introduce a companion bill in the other body. Since this legislation was first introduced last year, many events of significant interest to the Members of the House have transpired which impact on health education.

Acting upon the recommendations of a Presidential report, the administration has established a Bureau of Health Education in the Center for Disease Control in Atlanta, Georgia.

The Assistant Secretary for Health has made prevention the No. 1 priority of the Government in the creation of a national health policy.

HEW has contracted with the National Health Council to prepare plans for the establishment of a National Center for Health Education.

Final regulations on HMO benefits authorize a program of preventive medicine to serve the Nation's 11 million welfare children.

The Fogarty International Center of

the National Institutes of Health, in connection with the American College of Preventive Medicine, is gearing up to convene a National Conference on Preventive Medicine in June of this year.

While the list of initiatives continues and is growing, history may well show that the most noteworthy achievement of the past year was the enactment of health planning legislation, which makes health education one of the nine priorities in the formulation of a national health policy and in the development and operation of Federal, State, and area health planning and resource development program.

The Federal Government's contribution to personal health care has risen 15.9 percent from $3.3 billion to $20.1 billion since the beginning of the medicare program. Despite this vast increase in health care expenditures, the rates of illness, disability, and premature death have shown little signs of improvement. More importantly, what improvement we have achieved has not kept pace with the other western industrialized nations. When we look at such social indicators as infant mortality and crude death rates, we find that the United States in the decade from 1963 to 1972 fell from 10th to 15th place for infant mortality, and from 7th to 8th place for the crude death rate.

The relationship between lifestyle, health status, and death rates is becoming increasingly clear. In the past, the Nation's No. 1 health problem was acute infectious disease. Afflicted with such diseases as polio, smallpox and diptheria, a patient had virtually no role in his own care. Instead, the responsibility for prevention and control was left to medical research. Through extensive and concentrated efforts the ravages of many of these diseases have been effectively eliminated as national health problems. Infectious disease, however, has been replaced by other health problems which are now the leading causes of disability and death in this country. The problems are in large part chronic or behavioral conditions, such as heart and respiratory diseases, cancer, obesity, alcoholism, accidents, and suicide. Effective control of these conditions is impossible without the active cooperation of an informed population.

The tragedy is that a great many individuals are still unaware of their own role in the prevention and relief of these ills or accidents, and lack the knowledge needed to utilize the health care industry itself. We persist in lifestyles which threaten our well-being. The principal cause of death for persons through age 44 is accidents. Only 60 percent of young children have been immunized against polio, a 3 percent decrease since 1972. Venereal disease has become America's new epidemic. The No. 1 health problem in my own State of Maine is dental caries.

Preventive health care is not a bold new concept. The attractiveness of prevention is that it makes fewer demands on time and money than the alternative of treating the person after he becomes sick. Health care is the second largest expenditure in the United States. Yet, with this tremendous amount of money we are still surrounded by evidence of inaccessible, inadequate, and poor quality medical care. Our citizens are being denied access to the health care system because of rising costs and the maldistribution of health resources. This is particularly true in rural areas. Statistics indicate that even though rural populations will expand, they will continue to be short of physicians and health care facilities. Limited income compounds the problem. Survey researchers found in one rural county in my State, for example, that more than 30 percent of the families had incomes of less than $3,000 a year and more than 60 percent earned less than $6,000 per family. Yet 67 percent of those same respondents told the research teams that they believed that they needed immediate medical attention, but were not in a position to seek it.

The public's growing impatience with the overemphasis on the technology of medicine and the neglect of the patient as a responsible agent in the treatment of illness can be remedied through an effective program of health education. Health education is seen by experts as the most cost-effective means to recruit the consumer as an active member of the health care team. My bill takes several significant steps toward achieving that goal.

It establishes a National Health Education Administration as the focal point for health education under the direction of the Secretary of Health, Education, and Welfare. By placing the Administration directly under the Secretary, it will be in a position to draw successfully from the resources of the Office of Education and the Public Health Service. My legislation also establishes an advisory council to advise, consult with, and make recommendations to the Administration. This council, composed of the Assistant Secretaries of Education and Health, the Director of the Office of Consumer Affairs, and other persons involved with health education, public health, health care, health insurance and the consumer, will greatly contribute to a balance of emphasis in the activities of the Administration.

After conducting studies into the current status of health education in the Nation, including factors which motivate the consumer to preserve his own health and utilize health care services, the Administration will begin to develop and evaluate specific cost-effective educational and informational mechanisms, aids and systems which will have the greatest potential impact for health education, particularly as it relates to personal health care motivation and resource utilization.

Following the identification of successful health education mechanisms, the Administration will use them not only for the education of our school-aged population, but will make grants for the development of comprehensive health education programs. The programs will draw upon the available resources in a community or area to serve all its citizens and will give particular attention to the various cultural health needs of specific ethnic, economic, and geographic populations.

The bill that we are introducing today embodies the main thrust of the recommendations in the Presidential Report on Health Education, as well as those made by officials of HEW, committee staff, and interested private concerns. Therefore, I believe that this bill provides an important step toward the goal sought by the Administration, the Congress and the health consumer—a healthier life at a lower cost.

FINANCIAL DISCLOSURE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 5 minutes.

Mr. STEELMAN. Mr. Speaker, today I have joined with BOB KASTENMEIER and 46 other colleagues in introducing the Financial Disclosure Act.

The disclosure requirement would apply equally to all elected Federal officials, candidates for Federal office, everyone in the legislative and judicial branches who is compensated at an annual rate of $25,000, those persons who perform duties of a kind generally assigned to an individual holding grade GS-15 or higher in the general schedule and to all generals and admirals in the military. The bill will require a detailed statement of the sources of each item of income, reimbursement or gifts, the value of assets and liabilities, and all dealings in securities, commodities, or real estate.

Mr. Speaker, the public disclosure of income from sources other than one's Government salary or of transactions in stocks, bonds, or other securities is almost nonexistent. The executive branch has a Presidential Executive order which is more of an administrative directive than a disclosure measure. No laws now require the President and Vice President to disclose their finances. The Federal courts subscribe to canons of ethics but do not require any reporting of financial or business activities. In the Congress, each body has a code of ethics but these codes call for public reporting only with respect to contributions, gifts, or honorariums. Reports of outside income, activities, and holdings are filed on a confidential basis and are not open to the public.

In the post-Watergate era complete and public disclosure by all officials in policymaking positions in all branches of Government is needed to help dispel the prevalent suspicion and cynicism of the workings of the Government even though the vast majority of public officials abide by the laws they make and administer. The principle of this legislation is to require full financial disclosure by all those in positions whose decisions could generate potential conflicts of interest and thereby convince the public that it can trust its representatives.

We must act positively to restore the public's confidence in Government officials, and by requiring full financial disclosure we are making a strong commitment toward open government.

MILITARY DISCHARGE REFORM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. STEIGER) is recognized for 5 minutes.

Mr. STEIGER of Wisconsin. Mr. Speaker, just before the recess, I joined Congressman BENNETT and several other of my distinguished colleagues in introducing H.R. 52, a discharge reform bill which recognizes the legitimate military need for expeditious discharge, while protecting the individual from arbitrary action.

Under our legislation, reintroduced as H.R. 2964, the general and undesirable discharges will be abolished. A soldier facing administrative separation will be awarded either an honorable discharge or an uncharacterized discharge from service.

The award of an honorable discharge will be free from any derogatory qualification. A plain discharge from service may be issued only if procedural safeguards are followed—right to counsel, adherence to evidentiary rules, supervision by a military judge and review by military appellate tribunals and the Court of Military Appeals.

So that my colleagues and all who read the RECORD can have a better understanding of the legislation, I will now include a copy of the bill in the RECORD and will follow tomorrow with a section-by-section analysis of it:

H.R. 2964

A bill to amend title 10, United States Code, to regulate the issuance of discharge certificates to members of the armed forces, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 10, United States Code, is amended as follows:

(1) Chapter 59 is amended as follows:

(A) Section 1161 is amended to read as follows, and the analysis item for that section is amended to correspond with the revised catchline:

"§ 1161. Members: characterization of discharge certificate on separation from service

"(a) The certificate of discharge issued to members of the armed forces pursuant to section 1168 of this chapter may be characterized only as—

"(1) an Honorable Discharge, when separated from service, except where a lesser form of discharge certificate is expressly authorized under this title;

"(2) a Discharge from Service, when issued pursuant to subsection (b) of this section;

"(3) a Bad-Conduct Discharge or a Dishonorable Discharge, when issued according to an approved finding of a court-martial pursuant to chapter 47 of this title.

"(b) Under regulations prescribed by the Secretary of Defense, a member of an armed force may be separated with a Discharge from Service as a result of—

"(1) an approved recommendation of a board of officers upon a finding based on preponderance of the evidence of record—

"(i) of misconduct (in the case of enlisted members),

"(ii) of misconduct or moral or professional dereliction (in the case of officers, cadets, and midshipmen),

"(iii) that the member's retention would not be clearly consistent with the interests of national security,

"(iv) that the member's retention is not warranted when there has been a final conviction by a civilian court, or adjudication as a juvenile offender, of an offense the punishment for which under chapter 47 of this title is death or imprisonment for more than one year,

"(v) that the member's retention is not warranted when the member has received an aggregate of three separate final convictions during a three-year period (the three-year period next preceding the date of conviction of the last offense) by separate courts-martial, or civilian courts, or both of offenses the punishment for each of which under chapter 47 of this title is confinement for three months or more;

"(2) resignation or request for discharge in lieu of board action under clause (1) or trial by court-martial, submitted after opportunity to consult counsel having the professional qualifications prescribed by section 827(b) of this title;

"(3) absence without authority for one year.

"(c) Under regulations prescribed by the Secretary of Defense, which shall be uniform for all of the armed forces—

"(1) the board of officers appointed under subsection (b)(1), and the member, shall have equal opportunity to obtain witnesses and other evidence; and

"(2) the board shall have power to issue process to compel the attendance of witnesses and production of evidence coextensive with the power accorded courts-martial under section 846 of this title.

The Secretary of Defense shall prescribe rules of evidence, including rules as to the taking and use of depositions and ex parte statements, which shall be uniform for all of the armed forces, and shall so far as he considers practicable, apply the principles of law and rules of evidence contained in the regulations issued pursuant to section 836 of this title.

"(d) Under regulations prescribed by the Secretary concerned, a board of officers appointed under subsection (b)(1) is required to conduct a hearing which affords the member concerned an opportunity to—

"(1) appear before the board and present evidence in his own behalf;

"(2) be represented by counsel having the professional qualifications prescribed by section 827(b) of this title, unless counsel having those qualifications cannot be obtained because of physical conditions or military exigencies, and if such counsel cannot be obtained because of physical conditions or military exigencies, the board proceedings may be held, but separation with a certificate of Discharge from Service may not be recommended or approved.

"(3) subject to exceptions prescribed in the rules of evidence, confront the witnesses against him; and

"(4) examine the documentary and real evidence against him.

That member shall be notified in writing reasonably in advance of the proposed hearing of the specific reasons therefor. If the member is confined in a civilian jail or penal institution at the time of the hearing, and he is represented by counsel qualified under section 827(b) of this title, it may be conducted out of his presence, when a reasonable effort has been made to obtain the presence of the member.

"(e) Except where he cannot be obtained on account of physical conditions or military exigencies, one nonvoting member of the board prescribed under subsection (b)(1) who has the professional qualifications prescribed by section 826(b) of this title shall act, as legal adviser and rule on all interlocutory questions which rulings shall be final, and if such legal adviser cannot be obtained because of physical conditions or military exigencies, the board proceedings may be held but separation with a certificate of Discharge from Service may not be recommended or approved.

"(f) Except where he cannot be obtained on account of physical conditions or military exigencies, a legal adviser who has the professional qualifications prescribed by section 826(b) of this title shall review the resignation or request for discharge prescribed by subsection (b)(2) and shall approve the issuance of a certificate of Discharge from Service only in accordance with regulations prescribed by the Secretary of Defense, which shall be uniform for all of the armed forces, and shall so far as the Secretary considers practicable, apply the standards prescribed for a plea of guilt pursuant to chapter 47 of this title. If such legal adviser cannot be obtained because of physical conditions or military exigencies, the resignation or request for discharge may be accepted, but separation with a certificate of Discharge from Service may not be recommended or approved.

"(g) Under regulations prescribed by the Secretary concerned, the recommendation of a board of officers appointed under subsection (b)(1) for separation with a certificate of Discharge from Service may be appealed by the member to an appeal board established by the Judge Advocate General concerned, or the General Counsel of the Department of Transportation, as appropriate. Each appeal board shall be composed of not less than three officers having the professional qualifications prescribed by section 826(b) of this title and, unless it cannot be avoided, each such officer shall be senior to, and outrank, the member. The appeal board shall determine whether the proceedings before the board of officers appointed under subsection (b)(1) is correct in law and may direct a rehearing. The appeal board is limited in its consideration to—

"(1) the record of proceedings of the board of officers which, in cases of appeal only, must be a verbatim record; and

"(2) written arguments of counsel based upon those proceedings.

An appeal board may not recommend that the member be separated under conditions less favorable than those recommended by the board of officers, but it may recommend mitigation of adverse board recommendations. The action of the appeal board is binding on the authority empowered to separate the member with respect to matters of law. With respect to other matters, the action of the appeal board is advisory in nature with the final decision, except as to matters of law, being exercised by the authority empowered to separate the member. An officer whose case is reviewable under section 1184 (b) of this title, or section 323 of title 14, is not entitled to an appeal under this section.

"(h) When a certificate of Discharge from Service has been issued, the Court of Military Appeals shall review the record in all cases which the Judge Advocate General orders sent to the Court of Military Appeals for review and in all cases in which, upon petition of the member and on good cause, the Court of Military Appeals has granted a review. The court, in its sound discretion, may request the Secretary concerned to appoint appellate counsel for the member.

"(1) Each member issued a certificate of Discharge from Service shall be advised that he has three months from the date of separation to petition the Court of Military Appeals for review.

"(2) In any case reviewed by it, the Court of Military Appeals may act only with respect to the findings and recommendation as approved by the authority empowered to separate the member. In a case which the Judge Advocate General orders sent to the Court of Military Appeals, that action need be taken only with respect to the issues raised by him. In a case reviewed upon petition of the accused, that action need be taken only with respect to issues specified in the grant of review. The Court of Military Appeals shall take action only with respect to matters of law.

"(3) If the Court of Military Appeals sets aside the findings and recommendation, it may, except where the setting aside is based on lack of sufficient evidence in the record to support the findings, retain jurisdiction and refer the matter to a board of review convened pursuant to section 1553 of this title. If it sets aside the findings and recommendation and does not refer the matter to a board of review, it shall order that the Secretary concerned issue an Honorable Discharge certificate.

"(i) Except where the findings or recommendations of a board of officers or a court-martial convened under chapter 47 of this title are determined to have been obtained by fraud or collusion, a member who has been retained as a result of such proceedings may not be required to appear before another board of officers convened under this section for purposes of imposing a discharge under other than honorable conditions for conduct in whole or in part which was the subject of previous proceedings, except as provided in subsection (b) (1) (v).

"(j) Except as provided in this chapter, chapter 47, and chapter 60 of this title, or chapter 11 of title 14, a member may not be separated from an armed force under conditions other than honorable.

"(k) Under regulations prescribed by the Secretary of Defense, a narrative statement concerning separation from service may be furnished a member upon written request at any time following separation from service. Such statement may contain a concise description of—

"(1) rank at time of discharge;

"(2) dates of service;

"(3) any occupational or educational training completed;

"(4) military occupational specialty assignments;

"(5) any awards, merit, or proficiency attained;

"(6) character of discharge certificate;

"(7) a summary—

"(i) the approved findings of a court-martial when a Bad-Conduct or Dishonorable Discharge has been approved pursuant to chapter 47 of this title;

"(ii) the approved findings of a board of officers when a Discharge from Service has been approved pursuant to subsection (b) (1);

"(iii) the approved findings of a legal adviser upon review of resignation or request for discharge when a Discharge from Service has been approved pursuant to subsection (b) (2);

"(iv) the specific circumstances leading to separation when a Discharge from Service has been approved pursuant to subsection (b) (3).

"(l) Notwithstanding any other provision of law, a commissioned or warrant officer of an armed force, other than a regular component of that armed force, is entitled to the safeguards provided for regular officers under section 1182 of title 10 whenever he is being considered for separation from active duty because of misconduct, moral or professional dereliction, or because his retention is not clearly consistent with the interests of national security.

"(m) A verbatim transcript of the discharge proceeding and the member's personnel file shall be made available upon request when any appeal is taken under this section, or under sections 1552, 1553 of this title.".

(B) Section 1163 is amended—

(i) by amending the second sentence of subsection (a) to read as follows: "This subsection does not apply to a separation under section 1003, or a transfer under section 3352 or 8352, of this title.";

(ii) by repealing subsection (b); and

(iii) by striking out "except under subsection (b)," in subsection (c).

(2) The chapter analysis of subtitle A and the chapter analysis of part II of subtitle A are each amended by inserting the following new item:

"60. Separation of Regular Officers for various reasons.".

(3) Part II of subtitle A is amended by inserting the following new chapter after chapter 59:

"Chapter 60.—SEPARATION OF REGULAR OFFICERS FOR VARIOUS REASONS

"Sec.
"1181. Boards of officers: substandard performance of duty; authority to convene.
"1182. Boards of officers: other than substandard performance of duty; authority to convene.
"1183. Boards of inquiry: composition; duties.
"1184. Boards of review: composition; duties.
"1185. Removal of officer: action by Secretary upon recommendation.
"1186. Rights and procedures.
"1187. Officers considered for removal: voluntary retirement or discharge; severance benefits.
"1188. Officers eligible to serve on boards.

"§ 1181. Boards of officers: substandard performance of duty; authority to convene

"The Secretary of the military department concerned may at any time convene a board of officers to review the record of any commissioned or warrant officer of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps, as the case may be, to determine whether he shall be required, because his performance of duty has fallen below standards prescribed by the Secretary, to show cause for his retention on active duty.

"§ 1182. Boards of officers: other than substandard performance of duty; authority to convene

"The Secretary of the military department concerned may at any time convene a board of officers to review the record of any commissioned or warrant officer of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps, as the case may be, to determine whether action should be taken in accordance with section 1161 of this title to remove him from active duty because of misconduct, moral or professional dereliction, or because his retention is not clearly consistent with the interests of national security.

"§ 1183. Boards of inquiry: composition; duties

"(a) Boards of inquiry, each composed of three or more officers, shall be convened, at such places as the Secretary of the military department concerned may prescribe, to receive evidence and make findings and recommendations whether an officer who is required to show cause for retention under section 1181 of this title should be retained on active duty.

"(b) A fair and impartial hearing before a board of inquiry shall be given to each officer so required to show cause for retention.

"(c) If a board of inquiry determines that the officer has failed to establish that he should be retained, it shall send the record of its proceedings to a board of review.

"(d) If a board of inquiry determines that the officer has established that he should be retained, his case is closed. However, at any time after one year from the date of that determination, an officer who is required to show cause for retention under section 1181 of this title may again be required to show cause for retention.

"§ 1184. Boards of review: composition; duties

"(a) Boards of review, each composed of three or more officers shall be convened by the Secretary of the military department concerned, at such time as he may prescribe, to review the records of cases of regular commissioned or warrant officers recommended for removal by a board of inquiry under section 1183 of this title. If after reviewing the record of the case, a board of review determines that the officer—

"(1) has failed to establish that he should be retained, it shall send its recommendation to the Secretary for his action; or

"(2) has established that he should be retained on active duty, his case is closed; however, at any time after one year from the date of that determination, he may be again required to show cause for retention in those cases reviewed under section 1181 of this title.

"(b) Boards of review shall be convened in accordance with section 1161(g) of this title to review the proceedings of a board of officers convened under section 1161 of this title in which that board has recommended the removal of a regular commissioned or warrant officer from active duty. It shall send its recommendation to the Secretary of the military department concerned for his action.

"§ 1185. Removal of officer: action by Secretary upon recommendation

"The Secretary of the military department concerned may remove an officer from active duty in the regular component of an armed force if his removal is recommended by a board of review under this chapter. The Secretary's action in such a case is final and conclusive.

"§ 1186. Rights and procedures

"Each officer under consideration for removal by a board convened under section 1183 of this title shall be—

"(1) notified in writing of the reasons, at least thirty days before the hearing of the case by a board of inquiry, for which the officer is being required to show cause for retention;

"(2) allowed reasonable time, as determined by the board of inquiry under regulations of the Secretary of the military department concerned, to prepare his defense;

"(3) allowed to appear in person and by counsel at proceedings before a board of inquiry; and

"(4) allowed full access to, and furnished copies of, records relevant to the case at all stages of the proceedings.

"§ 1187. Officer considered for removal: voluntary retirement or discharge; severance benefits

"(a) At any time during proceedings under this chapter and before the removal of an officer, the Secretary of the military department concerned may grant a request—

"(1) for voluntary retirement, if the officer is otherwise qualified therefor;

"(2) for honorable discharge under subsection (b) in those cases brought under section 1181 of this title, or

"(3) for discharge under subsection (b) in those cases brought under section 1182 of this title.

"(b) Each officer removed from active duty or a regular component of the armed forces under this chapter shall—

"(1) if he is eligible for voluntary retirement under any law on the date of his removal, be retired in the grade and with the pay for which he would be eligible if retired at his request;

"(2) if he is ineligible for voluntary retirement under any law on the date of his removal, be honorably discharged in the grade then held with severance pay computed by multiplying his years of active commissioned or warrant service, as the case may be, but not more than twelve, by one month's basic pay of that grade in those cases brought under section 1181 of this title; or

"(3) if on that date the officer is ineligible for voluntary retirement under any law, be discharged in the grade then held with severance pay computed by multiplying his years of active commissioned or warrant service, as the case may be, but not more than twelve, by one month's basic pay of that grade in those cases brought under section 1182 of this title.

"§ 1188. Officers eligible to serve on boards

"(a) No officer may serve on a board under this chapter unless, with respect to the Army and Air Force, he holds a regular or temporary grade above lieutenant colonel, and is senior in regular grade to, and outranks, any officer considered by that board. No officer may serve on a board under this chapter unless, with respect to the Navy and Marine Corps, he is serving in a grade above commander in the Navy or lieutenant colonel in the Marine Corps, and is senior in grade to any officer considered by that board.

"(b) No person may be a member of more than one board convened under this chapter for the same officer.".

(4) Subtitle B is amended by repealing chapters 359 and 360.

(5) The chapter analysis of subtitle B and the chapter analysis of part II of subtitle B are each amended by striking out the items relating to chapters 359 and 360.

(6) Subtitle D is amended by repealing chapters 859 and 860.

(7) The chapter analysis for subtitle D and the chapter analysis of part II of subtitle D are each amended by striking out the items relating to chapters 859 and 860.

SEC. 2. Notwithstanding any other provision of law, the separation of any commissioned or warrant officer of the Coast Guard under clause (2) of section 321 of title 14, United States Code, shall be in accordance with the applicable procedures and safeguards set forth in section 1 of this Act.

SEC. 3. This Act shall become effective on the first day of the sixth month following the month in which it is enacted.

CAMPAIGN REPORTING PROCEDURES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. HANSEN) is recognized for 10 minutes.

Mr. HANSEN. Mr. Speaker, today I appeared in Federal court in Washington, D.C., and admitted to deficiencies in my campaign reporting procedures which resulted in my acknowledgment of two misdemeanor violations of the Federal Election Campaign Act of 1971. I was charged with filing a late report of receipts and expenditures and with reporting some campaign contributions on my committee report form rather than on my personal report form.

I chose to acknowledge these deficiencies because of my longstanding belief in the principle that an individual is responsible for his actions and should accept the consequences of those actions. However, let me make it clear that I have undergone an extensive and exhaustive investigation into my campaign and my personal finances. Before and during this investigation, my campaign records were an open book and at no time was anything concealed or hidden.

The Justice Department went into my case thoroughly with the FBI spending weeks in the field and I was cleared of all allegations of felony recklessly made by political partisans. However, the investigation did reveal the two technical violations of the Campaign Act as explained above. Putting a campaign together with volunteers and inexperienced people to cope with ever-increasingly complex reporting laws is very difficult, but we managed to get the job done and all funds received and expended were fully reported.

I feel that I made an honest effort to comply with the law and that there were reasonable answers for the deficiencies noted. The late filing of a report was unintentional and unavoidable under the circumstances we faced. Problems involving bookkeeping technicalities arose through misunderstands and early lack of adequate staff and committee assistance and resulted in some lack of adequate detail and with certain items being carried on the wrong report form. Circumstances and complications also arose during the early stages of my campaign which seriously delayed the formation of a functional campaign committee and caused me to act as interim agent for the unformed committee in handling receipts and expenditures. This caused me to use personal accounts for depositing and disbursing campaign money until a committee account could be established. However, all funds have been properly accounted for.

While I have no quarrel with the Justice Department, I still maintain that during the election campaign, I was made the object of a vicious smear effort and political witch hunt. This effort was given credibility by the chairman of the Democrat Congressional Campaign Committee who continually thundered, from his position as chairman of the House Administration Committee, damning and libelous statements to the press. It is indeed a matter of public record that I was singled out to be a test case for his purposes regarding campaign law reform, an inexpensive experiment for him perhaps but a very expensive one for the taxpayers who paid for the investigation and for me to cope with it in terms of time, money and personal sacrifice. My out-of-pocket expenses currently amount to some $40,000.

It should be further noted that I was subjected to an apparent conspiracy to violate my civil rights and invade my privacy with such illegal activities as the "burglarizing" of my credit report. Although final disposition of this matter remains to be determined by decisions of the Justice Department and the pending lawsuit, it is now general knowledge that many prominent public figures have been identified as being involved. There is now, in fact, every reason to believe that the illegally secured credit report resides in the files of the House Administration Committee, or its chairman, WAYNE HAYS.

I believe that my staff and I dealt with this investigation and harassment as well as anyone could have. The results should now vindicate the confidence my constituents placed in me in August and again in November.

One thing should be noted in light of this unfortunate singling out and overplayed sensationalism my case received. No one should be above the law but the law should be applied with an even hand and without passion to all alike. Nearly every Idaho candidate for Federal office in this past election had apparent violations which also could have been investigated. To prevent having mockery made of the law, all reported violations, not just a certain few, should be looked into for proper resolution and at an early date. The fact that thousands of apparent campaign reporting violations have been identified by authorities without action since the 1971 law was passed suggests that either more assistance needs be given to our law enforcement officials or that unrealistic laws should be repealed.

BUREAUCRACY AND REDTAPE IN AMNESTY PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 5 minutes.

Mr. MOAKLEY. Mr. Speaker, it seems almost axiomatic that whenever a new Federal program is announced it becomes shrouded instantly in bureaucracy and redtape.

I was stunned to learn that even the new amnesty program was not exempt. If ever there was a program we might have hoped would operate with humanity and compassion, this was it.

Yet, Stephen Milanese, of West Roxbury, Mass., who returned to this country to participate in the amnesty program and accept alternative service sits today in a Navy brig. The Bureau of Naval Personnel and the Secretary of the Navy have denied amnesty to Mr. Milanese based on a questionable and purely technical point.

Mr. Milanese, a member of the Naval Reserves, could not reconcile his continued participation in the wake of our country's involvement in Vietnam. He stopped attending meetings in January 1973 and was, in consequence, called to active duty May 2, 1973. He refused induction and fled to Canada.

When President Ford announced an amnesty, Mr. Milanese accepted the offer to return to this country and rejoin our society.

But even in a program that demands flexibility, the Navy turned to the rulebook and found, they believe, a loophole. While Mr. Milanese stopped participating in the military 3 months before the March 29, 1973 cutoff eligibility, the Navy has chosen to use the May 2 date he was ordered to report for active duty as the operative date for determining his eligibility.

I have written to the President to request his intervention in this case. If the Navy is successful in its effort to imprison a young man who returned to this country under the amnesty program, how many more would ever return?

PROPOSED EQUAL PAY LEGISLATION

Ms. HOLTZMAN. Mr. Speaker, a recent court decision now allows unjustifiable wage discrimination against women. I am introducing legislation today to eliminate this injustice.

The Third Circuit Court of Appeals in Hodgson against Robert Hall Clothes has construed the Equal Pay Act to permit an employer to pay different salaries to men and women even though they perform the same services. In that case, the court allowed salesmen who sold men's clothes to be paid higher salaries than saleswomen who sold women's clothes in the same store.

In permitting this discrimination, the court relied on an exception to the Equal Pay Act which allows wage differentials when "based on any other factor other than sex." The "other factor" here was the claim that the sale of men's clothing was more profitable than the sale of women's clothing. The Supreme Court refused to review this case.

I believe that this interpretation of the "other factors" clause is an unwarranted departure from the purpose of the Equal Pay Act: to require equal pay for equal work. It will allow wholesale sex discrimination in wages simply on the assertion of vague, hard to ascertain "business reasons."

I, therefore, propose in my bill to narrow the "any other factor provision" by specifically excluding economic profitability as a factor upon which employers can base a wage differential between employees. My bill would, however, retain the other exceptions to the Equal Pay Act which permit wage differentials based on merit or seniority systems, measures of quantity and quality of production, or other factors—other than sex. Thus, employers would remain free to establish reasonable, work-related or seniority based pay scales.

The importance of plugging up this loophole is plain. Encouraged by the Robert Hall decision, other employers are attempting to use the same "profitability" argument. In a case now being litigated, Northwest Airlines is claiming that certain of its flights—those using predominantly male cabin attendants as opposed to female cabin attendants—are more profitable, and, therefore, the airline is justified in paying its male employees higher wages.

Discrimination in wage practices is one of the fundamental abuses that must be ended in order to secure equal treatment for women in this country. Women now make up 40 percent of the work force. Yet in the retail sales industry, for example, female retail sales workers earned only 48.1 percent of what male retail sales workers made, as of May 1974. By limiting the "other factor" provision in the Equal Pay Act, we can help these women achieve the economic equality that is long overdue.

I urge my colleagues to support this important legislation.

UNEMPLOYMENT IN DETROIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 10 minutes.

Mr. DIGGS. Mr. Speaker, the national problems of the economy have become a crisis of enormous proportions in the city of Detroit. While the national unemployment figure for December was 7.1 percent, the unemployment rate in Detroit was 18 percent! With the continuing problems of high crime rates, inflation, housing, education, and health, Detroit has become a near-disaster area.

New Detroit, Inc., the Nation's first urban coalition which incorporates leaders of business, labor, city and State government, as well as grassroots community organizations, has formed an ad hoc group to consider solutions to this situation. I am most pleased to present their recommendations to my colleagues for their careful study and review:

FEDERAL ACTIONS TO PULL THE ECONOMY OUT OF THE RECESSION—PROPOSALS OF NEW DETROIT, INC.

JANUARY 10, 1975.

The United States is in a serious recession. Unemployment is high and rising, affecting many areas of the country. Real personal income has been declining for some time and is now affecting almost every sector of the economy. As a result, many states and local governments, particularly the State of Michigan and the City of Detroit, are experiencing a significant decline in tax revenues, while the need for expenditures on social welfare is increasing.

The national unemployment rate in mid-December was 7.1%, representing 6.5 million persons unemployed, and it is generally believed it will go substantially higher. In many states and cities the unemployment rate already is substantially higher. In Michigan it was 11.2 percent in December. In the six-county Detroit Metropolitan Area* it was 12.4 percent. The State of Michigan forecasts that in the first quarter of this year the unemployment rate will average 12.5 percent in Michigan and 16 percent in the six-county Detroit Metropolitan area.

In the City of Detroit the December rate of unemployment was approximately 18 percent. It likely will average about 23 percent in the first quarter of this year, and in the most depressed areas of the city and for minority groups it will be substantially higher, perhaps double. A 23 percent unemployment rate in Detroit means 126,000 persons are out of work—one out of every four in the city's work force.

It seems clear that additional action by the federal government is critical to deal with the problems of recession that plague our economy. Additional actions to deal with the plight of the unemployed and to stimulate consumer and business purchases, thus providing jobs, are immediately necessary.

We recognize that measures to pull the economy out of the recession must not be such that they cause excessive inflation after he economy begins to recover. We therefore are recommending some measures that would be operative only in 1975. Also, we are not suggesting specific dollar amounts, believing that the administration and the Congress must decide on the over-all size of the anti-recession package as more up-to-date economic data become available.

Our purpose is to recommend the kinds of actions that will be most effective both in helping the individuals and industries that are being hurt most by the present recession and in stimulating the over-all economic recovery. Our proposals recognize that it is important to avoid creating long-term inflationary pressures, but we believe that inflationary pressures are diminishing and the nation's principal concern must now be the recession.

New Detroit, therefore, recommends the following federal actions:

1. *Expand Public Service and Public Works Employment.*—In December the Congress passed, and the President approved, legislation to temporarily extend the duration and coverage of unemployment benefits and to provide additional public service and public works employment. We beileve these measures are vitally important. They will provide help to people who are in real need, and by maintaining their purchasing power will help dampen the downward spiral of the economy.

The $2.5 billion for public service employment and the $500 million for public works authorized in the recent legislation plus approximately $1 billion authorized earlier in 1974 will only provide about 500,000 jobs for a year. Unless there is a decrease in the level of unemployment (which currently exceeds 6.5 million) a significant expansion of these programs will be required.

2. *Release Deferred Federal Funds.*—The administration has deferred the expenditure of over $23 billion that have been appropriated by the Congress. A large portion of these funds could be used to finance projects for which plans exist and the states and local agencies are ready to award contracts rapidly. Release of all or part of these funds could have an early and significant impact on employment in construction and allied industries and could be accomplished through action by either the President or the Congress.

3. *Provide Immediate Tax Relief for Individuals.*—Congress should immediately enact tax relief for individuals. The actions should be designed primarily to restore the purchasing power of lower and middle income groups. Possible actions include (a) short-term (for 1975 only) reductions in income tax rates and/or the provision of income tax credits and (b) long-term adjustments of the personal exemption allowance and tax brackets to reflect inflation.

These actions would provide immediate relief for many of the people who have been most severely affected by recession and inflation. It would put additional money into the pockets of people who would be most likely to spend it, and thus would help to stimulate the economy.

4. *Increase the Availability of Money and Credit Through Action of the Federal Reserve System.*—Many believe the rein on monetary growth imposed by the Federal Reserve lasted too long and has been a principal cause of the economic downturn. The money supply increased at an annual rate of 1.6 percent from June to September, much less than the rate of inflation. Between September and December it increased at a rate of 5.0 percent, but this is still not enough. A more substantial increase is necessary in order to reduce interest rates and stimulate the economy.

5. *Remove the Federal Excise Tax on Medium and Heavy-Duty Trucks.*—The excise tax on cars and light trucks was removed several years ago. The tax that remains is discriminatory. Its removal would help stimulate sales of medium and heavy-duty trucks and reduce costs to users.

6. *Do not Impose any New Motor Vehicle Standards Until Congress has Examined All of the Interrelated Social and Economic Costs and Benefits of Current, Future and Proposed Federal Standards for Automobiles.*—No new motor vehicle standards, whether for safety, damageability, emissions, noise or fuel economy, should be imposed until Congress has examined all of the interrelated social and economic costs and benefits of current, future and proposed standards. This re-examination should include effects on employment and energy consumption as well as direct costs and benefits to the public. New standards should not be imposed until such a re-examination has been conducted.

7. *Determine and Implement a National Energy Program.*—We believe that concern over energy has contributed to the decline in consumer confidence in the economy. A quick decision on, and an early start to implement, a comprehensive national energy program is needed. Such a program should balance conservation measures with measures

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* Wayne, Oakland, Macomb, Livingston, Lapeer and St. Clair counties.

to increase supply, and should provide for extensive research into both conservation and production technologies.

8. *Consider Other Programs to Stimulate Consumer and Business Expenditures.*—Congress also should consider new programs such as a temporary increase in the investment tax credit and tax credits or deductions for individual purchasers of consumers durable goods. Programs of this nature would have to be carefully structured to avoid administrative complexity, "windfalls" and excessive impacts on federal revenues, and to confine their stimulus to expenditures that would otherwise be deferred or not made at all.

A CITY BETRAYED—VII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, one of the interesting things about San Antonio's gas supply problem is that it is very difficult to determine who was on what team. The affairs and interests of the principal persons involved were so intertwined that it is virtually impossible for an outsider to penetrate the maze.

For example, I have shown that Alamo Gas Supply Co. was in reality under the control of a supposed competitor, Coastal States. Within Alamo, one partner, Glen Martin, had a very special relationship with Oscar Wyatt and Coastal States. It was such a special deal that the other partners sometimes felt that Martin was working against the interests of his own employer, Alamo. But, of course, they could do nothing about this, since Martin and Coastal controlled Alamo through a voting trust.

Not long after the San Antonio gas contract was won, Coastal moved in and acquired all of Alamo. It appears that this was accomplished by means of a tax free stock trade, wherein all the Alamo partners made money—but Glen Martin made more than anybody else. It is not clear today just what happened, but a certain memorandum suggests that Martin's partners got something like $8 for their shares, but Martin himself got $18—all payable in Coastal State stocks, of course.

Martin also had other deals going with Coastal. He was on Coastal's payroll at about $1,500 a month. That was small potatoes, of course. In a series of mysterious transactions, a gas stripping plant known as the Junction plant had been envisioned as a joint venture between Alamo and Coastal. After Alamo disappeared into the arms of Coastal, Martin bought a half interest in this processing plant, and gave Coastal a note in the amount of $500,000 as payment. Coastal's auditors questioned the deal, according to the notes of Norman Davis. On September 9, 1964, Davis noted:

> Auditors still feel we gave away to Glen M. a half interest in the plant (worth $3 million) in exchange for $500,000 note. So, this was "gift" of corporate assets w.o. adequate consideration. So, they assume there must have been a deal to give this to Martin to get him to swing the stock deal—

Whatever it was, it looks as if Glen Martin has a sure means of paying off his note to Coastal. Beginning on October 31, 1963, Coastal made a deal to buy gas from Glen Martin for a period of 10 years, or, according to a handwritten note by Davis, "until Glen recovers approximately $425,000 plus interest."

It may be that all these deals can be explained. In any case, they do not look like arm's-length transactions. They look like some very special favors made by Oscar Wyatt to Glen Martin, the man who made it possible for Wyatt to make the one big breakthrough that he had to have in order to become a big man in the Texas gas industry.

Martin's partners might have had a hard time figuring out whether he was working with them or merely using them. Everybody made money, of course—but Martin made much more than his backers did.

Then, too, it is hard to tell how well represented the City Public Service Board itself was. It seems that 3 years after the board went into its contract with Martin and his friends, the board's own attorney, Wilbur Matthews, turned up as a partner in land deals with Glen Martin. Martin and Matthews might have had other deals, but records show that they started buying land in the San Antonio suburbs early in 1966—first, 40 acres, another 450 acres a couple of weeks later, and another 240 acres within the next 11 months or so.

I wonder about this. No doubt Wilbur Matthews is a good and honest man, who has represented his client well. But how well can one represent a client, when one is engaged in a partnership with that client's duplicitous supplier? I do not suggest that Mr. Matthews did less than his best; I simply wonder how hard a man goes after his own partner, in case of a disagreement. And by 1966, it was beginning to appear that Glen Martin, Coastal's San Antonio representative and consultant, was working for an outfit that had hoodwinked its customer. The suspicions that something was wrong were beginning to appear in 1966. And oddly enough, that is when Glen Martin started a new partnership, this time with the lawyer that represented his company's biggest customer.

THE HONORABLE JERRY L. PETTIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. NATCHER) is recognized for 5 minutes.

Mr. NATCHER. Mr. Speaker, the tragic and sudden death of our friend and able colleague, Jerry L. Pettis, has shocked and saddened those of us who were privileged to serve with him in the House of Representatives.

Jerry Pettis was an outstanding Member of Congress. He possessed a certain quality, a character, that destined him to become not only a leader of his party but of men. His background as a businessman, his expertise as a former professor of economics, his experience in aviation, were recognized and respected. These abilities combined with sincere concern enabled him to serve his people effectively and in a manner in which they should be represented. He, Jerry L. Pettis, was a man of good will, of energy, and of dedication.

A good Member and a good man is gone now from this body and we are the better for having had him as our colleague.

For Mrs. Pettis and his children, to whom he was devoted, I have the deepest sympathy and offer them as comfort the knowledge that their husband and father in all that he did, was an honorable and just man.

HEARINGS ON ILLEGAL ALIENS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that the Subcommittee on Immigration, Citizenship, and International Law has scheduled one day of public hearings on Wednesday, February 26, to receive testimony from Members of Congress concerning H.R. 982, a bill which would make it unlawful to knowingly hire illegal aliens. These hearings will be held in room 2141 at 10 a.m.

Several Members of Congress have expressed their interest in appearing before the subcommittee to testify on this urgently needed legislation.

One day of hearings was held on February 4, at which time the subcommittee received testimony from various officials of the Departments of Justice and Labor.

Any Member wishing to testify before the subcommittee, or who is desirous of inserting a statement into the hearing record should address their request to the Subcommittee on Immigration, Citizenship, and International Law, room 2139, Rayburn Building.

ADMINISTRATION HALF MEASURES SCORED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, I rise today to call attention to what I feel is a grevious failure in the administration's attempt to help the taxpayers of our country.

The economic proposals of the administration, while announced with great fanfare and not a little criticism of the Congress, are, I am sorry to say, half measures at best, and betray a failure to appreciate many of the basic financial problems besetting the vast majority of the working men and women whose taxes fund our great Nation.

When named chairman of the House Subcommittee on Future Foreign Policy Planning for the Committee on Foreign Affairs I announced plans to investigate the multinational corporations to see what effects they have on the working men and women of our Nation.

In the meantime, we must push the administration to offer every possible bit of tax relief to the working men and women of this country instead of the half measures now proposed.

Mr. Speaker, to move immediately to specific instances—where in the President's program is there any mention of the financial sacrifice made by the parents of our Nation in educating our children? Education is a keystone of democracy, yet nowhere do we see any help for those footing the bill.

Similarly, where in the President's program is there any hint that the Federal Government appreciates the money spent by our States for public elementary and secondary education?

Let us turn to another basic area totally ignored by the administration, despite its sincere desire to get our economy moving again. Surely if it is important that we encourage people to work, then it is equally important that we help those fortunate enough to have jobs to actually get themselves to work.

Yet nowhere in the administration's program do we see a direct, specific proposal to help the working men and women of this country offset the expense of getting to and from work every day.

These expenses are considerable, Mr. Speaker, and the administration's vague endorsement of mass transportation for some indefinite time in the future does little to help those who must pay increasingly expensive bus and train fares today—if they are lucky enough to have public transportation available to them.

One possible solution to cutting travel costs is to encourage people to live near their working place, but with the present economic situation millions of people are forced to take any job they can get, regardless of the difficulties of transportation involved.

Further, Mr. Speaker, with the present depression condition crippling our building and construction industry—which itself calls for immediate and massive Federal attention—great numbers of our people must abandon their dream of owning their own home and settle for renting a house or an apartment.

But despite the 24 million Americans who now rent their dwelling place, our Government continues to treat renters as second-class citizens at tax time.

Finally, while the administration issues long statements on how it wants to stimulate thrift and savings in order to get the building and construction industry moving again, to name one example, we have yet to see a really meaningful stimulus suggested.

The proposed tax rebates, while welcome on the theory that "every little bit helps," are a classic case of "too little, too late." The rebates can do no more than give some people a little bit of extra cash to pay off pressing debts and current expenses.

Mr. Speaker, we are faced with a litany of failure by an administration apparently unable offer specific aid and comfort to the working men and women of our country.

Let me now offer a series of suggestions which do not in themselves constitute a program by any means, but which, if enacted either individually or together, will go a long way toward helping a sizable percentage of the American people in very direct ways.

I have introduced a series of bills which I feel would put back into the pocketbooks of taxpaying men and women meaningful amounts of spendable income, and which would, if enacted, have the result of stimulating our economy in exactly the manner in which the half measures of the administration conspicuously fail.

Let me briefly enumerate the bills for the record, in hopes that many of my colleagues will wish to join with me and others in urging their favorable consideration.

H.R. 3068 is a bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education, and has been referred to the Committee on Ways and Means.

H.R. 3069 would amend the Internal Revenue Code to provide an additional itemized deduction for individuals who rent their principal residence, and is also in Ways and Means.

H.R. 3070 would amend the Internal Revenue Code to allow an individual tax deduction for the expenses of traveling to and from work by means of mass transportation facilities.

H.R. 3071 would amend the Internal Revenue Code to provide an additional deduction for taxicab fares paid by disabled individuals, and like the above bill, has been sent to Ways and Means.

H.R. 3074 would amend the Internal Revenue Code to permit an exemption of the first $5,000 of retirement income received by a taxpayer if the taxpayer is at least 54 years of age.

H.R. 3075 would amend the Internal Revenue Code to exclude from gross income the interest on deposits in certain savings institutions. This measure, referred to Ways and Means, was endorsed by half a million New Yorkers in a signed petition campaign last year, Mr. Speaker, and has the support of all major savings and loan associations familiar with it.

Finally, I have introduced H.R. 3076, which would provide payments to the States for public elementary and secondary education to allow a credit against individual income tax for tuition paid for elementary or secondary education of dependents. It has been referred jointly to Ways and Means, and to the Committee on Education and Labor.

Mr. Speaker, no one is more aware than I that if all of these bills are enacted, the resulting gain to the workingmen and women of our Nation would mean a corresponding loss of revenue for our Government. However, I should hope that both the Congress and the American people would welcome the opportunity for government austerity the bills would represent.

We would have a built-in imperative to trim nonessential programs—particularly from the bloated Defense budget—and it is my hope that in view of our present economic situation, my few suggestions will be seen as a step toward bringing our country to its economic senses while at the same time helping directly those who bear the burden of its taxes.

HEALTH ASSISTANCE FOR THE UNEMPLOYED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, I am introducing today a bill to amend the Social Security Act so as to provide, for a 1-year period, hospital insurance coverage under medicare for unemployed workers and their families.

I am pleased to be joining with Senator BENTSEN who has introduced a similar bill in the Senate.

Current economic conditions—inflation and recession—have amplified the inadequacies in the existing methods of receiving and paying for health care. The need for a comprehensive and universal national health insurance program has never been more apparent.

It is becoming increasingly difficult for families to afford needed medical care. And, in the next few months, millions of laid-off workers will lose the private health insurance coverage that is contingent upon their employment. Most of them will be joining the 40 million Americans who have never been able to obtain or afford private health insurance.

When a worker is laid off, he is not forced to withdraw his children from public school. He does not forgo police protection or give up his basic civil rights. And, he and his family should not be forced to go without needed health care.

Access to medical care should not be contingent upon income, location, and employment status as it is under present arrangements. A program assuring all families equal access to comprehensive and catastrophic health needs is long overdue.

Because we do not have national health insurance, and because it will take 2 to 4 years to begin operating a comprehensive health system once it becomes law, some emergency, interim health measures are necessary. These measures are not a substitute for national health insurance. In fact, the conditions that necessitate these stopgap measures require us to accelerate the process that will lead to enactment of comprehensive, national health insurance legislation.

Today I am introducing a bill that will assist laid-off workers who have lost their private hospital insurance coverage. My objectives are to provide a feasible and fair way to help the unemployed meet their major medical expenses, with the least amount of administrative cost and complication.

As presently drafted, this bill would provide that, upon hospitalization, an individual without private insurance coverage, who is entitled to weekly benefits under a Federal or State unemployment compensation plan, would be eligible for the same hospital insurance coverage provided under part A of the medicare program. A dependent spouse and dependent children would also be entitled to this hospital coverage.

The deductibles, co-payments and limitations that are contained in medicare would apply to the covered unemployed and their families. The Secretary of HEW, however, would be authorized to waive cost-sharing provisions and limitations, particularly for childbirth and treatment of children.

General revenue funds would be appropriated to the Federal hospital insurance trust fund in the amount necessary to cover benefits paid out and administrative expenses incurred under this program.

Benefits under the program would be paid out on a retroactive basis. The eligible unemployed would not pre-enroll. Only if they or a member of their family enter a hospital would they have any contact with the program. It would be up to the hospital to determine: First, that the family does not have adequate private insurance coverage, and second, that a member of the family is receiving unemployment compensation benefits. The hospital would then treat the charges as it does bills of other patients payable under medicare.

This legislation obviously is not the perfect solution to the problem. The only equitable and adequate solution would be a universal national insurance program. However, this does seem to be the best way to help the unemployed on an emergency and temporary basis.

I do have several specific concerns that I hope will be considered in the deliberations and any hearings on this bill and the problem it addresses. First, I want to be assured that the program outlined in the bill can begin operating within a reasonably short period of time and that administrative procedures are as streamlined and simplified as possible.

I am concerned that this bill does not cover the unemployed who are not eligible for unemployment compensation, either because they work in uncovered occupations or have exhausted their benefits. We should consider expanding coverage to these individuals.

The bill as drafted covers only hospitalization. We should examine the feasibility of adding physician services as under part B of medicare.

Also, this legislation maintains the medicare deductibles and copayments. Consideration should be given to waivers of the deductibles and other limitations under certain conditions, such as childbirth and treatment of children. On February 6, I introduced a bill, H.R. 2988, along with Senator RIBICOFF in the Senate, that would freeze at their 1974 levels the deductibles and copayments patients have to pay under part A—hospital coverage—of the medicare program. I hope this bill freezing medicare cost-sharing provisions will be considered in conjunction with the bill I am introducing today to assist the unemployed.

I hope the House will give immediate attention to the problems of the unemployed in obtaining needed medical care, and that an adequate solution will be found.

Whatever we do on an emergency and interim basis, however, must not deflect nor detract from the process leading to enactment of a national health insurance program.

THE PANAMA CANAL: QUESTIONS WHICH MUST BE ANSWERED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, like most Americans I have, to this time, been willing to sit on the sidelines viewing with interest the debate pertaining to our Nation's position as it may be affected by a change of the status of the Panama Canal as an international waterway. But, Secretary of State Kissinger's declaration of a policy of the administration which will ultimately terminate the U.S. interests in the canal brings me to the realization that I must become involved, actively, in these discussions.

Having been recently elected to the House Appropriations Subcommittee on Transportation having jurisdiction over the Panama Canal Company, I am now in a position to come off the bench and get onto the playing field. My first effort as a member of that subcommittee was made last week when I visited the Panama Canal Zone. I am convinced now that the previous debate, as I have viewed it, leaves certain major questions unanswered.

Accordingly, Mr. Speaker, I have asked the chairman of my subcommittee to proceed in an official capacity with a congressional inquiry designed to provide answers for the American people, and our allies on these important issues. I submit a copy of my formal request to the subcommittee for the RECORD:

Hon. JOHN J. MCFALL,
Chairman, Subcommittee on Transportation,
Washington, D.C.

DEAR MR. CHAIRMAN: On February 12–13 I visited numerous civilian and military personnel and facilities in the Panama Canal Zone.

The purpose of this trip was to probe our military and civilian personnel concerning the strategic importance of the Canal Zone to the Americas, question U.S. defense capability for defending the Canal against direct or insurgent attack from guerrilla warfare and political unrest, and to investigate the Canal's economic importance to the United States, to our allies, and to the Communist bloc countries.

The execution of a declaration of principles last year by Secretary of State Kissinger has charted a course which will result in:

1. the abrogation of the 1903 treaty establishing the Panama Canal Zone;
2. the substitution of a new treaty with a fixed termination date;
3. an end of all U.S. jurisdiction over the Panama Canal Zone;
4. the imposition of Panamanian law governing the people and property in the Zone with the law to be administered by Panamanian officials who will have free access to U.S. properties and installations;
5. increasing the income flowing from the Panama Canal Company to the Panamanians;
6. Panamanian participation in the administration of the Canal;
7. Panamanian participation with the U.S. forces in defense of the Canal; and,
8. a commitment by the United States to enlarge the Canal in order to accommodate larger vessels.

A first inspection of the Panama Canal Zone produces the obvious conclusion that the Canal is fragile physically, economically and politically. Among other things, the inner-oceanic facility is subject to eroding mud slides of the soft, spongy soil constituting its banks. Incidentally, it was this condition which defeated the French in the 19th Century and led to U.S. involvement with the Canal. And, it is this condition which requires huge capital investments and constant maintenance of the U.S. Army Corps of Engineers. The multinational economics of international commerce is complex and requires administration by highly skilled personnel in order to function properly. The Panamanian Provisional Government which assumed power by coup d'etat in October, 1968, cannot be considered to enjoy universal support from Panamanians nor permanency among the family of Nations.

The treaty proposed by Secretary Kissinger would terminate the current U.S. position with the Panamanian Canal leading to the gradual displacement of Americans by Panamanians in the operation, maintenance of defense of the intercoastal waterway. Inasmuch as the continuous operation of the Canal could no longer be assumed, I believe that it is important at this stage of the treaty negotiations to ask a few questions that have not previously been raised.

Setting aside, for the moment, the questions relating to the strategic and military importance of the Panama Canal to the defense of the United States and our allies in the Western Hemisphere as well as the value of the Canal to the Communist bloc nations, I believe it is important for the House Committee on Appropriations Subcommittee on Transportation to deal directly and thoroughly with the economic implications for our Nation, and Communist bloc countries when and if a disassociation by the United States with the Panama Canal became a reality.

Currently 70 percent of the commerce moving through the Panama Canal comes from or goes to U.S. ports. There is an urgent need for examining and evaluating the economic implications for American consumers and producers of agricultural and manufactured products, for our allies, and for Communist bloc countries should the canal be lost to our transportation system or should the costs for use of the Canal rise.

As of this time, I have begun some inquiry into the economic impact to regions on the West Coast from a loss of accessibility of the Canal to consumers of the Gulf and East Coast regions, as well as the economic impact of a loss of the Canal to East and Gulf Coast shippers and West Coast consumers.

At present most of the timber from the Pacific Northwest that is consumed on the East Coast of the United States travels from West Coast ports through the Panama Canal to the East Coast to be used in construction along the Atlantic Seaboard. Also a considerable portion of the rice and soybean exports of the expanding food industry in the Lower Mississippi Valley moves down the Mississippi River to Gulf Coast ports then through the Panama Canal to customers in Japan, Indonesia, South Korea and other points of contact in Asia. These are only two examples of the domestic and international importance of the Panama Canal to our transportation system.

Accordingly, I herewith request that the House Appropriations Subcommittee on Transportation conduct an immediate comprehensive and complete examination of this issue and report to the Congress at the earliest possible time.

The following are some of the questions which I believe must be examined:

1. What kind of price increase in products

shipped through the Panama Canal can the American consumer, and consumers of allied Nations, expect should the cost of using the Canal rise 10, 50, 100, 2,500 percent above present costs?

2. What is the probability that fees for use of the Canal will rise, and to what degree will they rise, should operation of the Canal be in the hands of the Panamanians?

3. Assuming the loss of the Panama Canal to the P.S. transportation system, what alternatives are now available for transporting goods which currently are being shipped, or can be expected to be shipped, through the Panama Canal? Given the present, and anticipated 1980, rail, truck, air freight, and inland waterways capacities within the United States, is there sufficient slack in these transportation elements to pick up the additional burden of transporting products now moving through the Panama Canal?

4. Assuming that a transportation mode which does not make use of the Canal must be employed to move products now being transported through the Canal, what will be the differences in transportation costs? The analysis of this question should include oceanic shipping routes which do not include the Canal, as well as transporting the products to the Coastal regions involved via truck, rail, inland waterways, air freight or some combination of these modes.

5. What will be the differences in costs to U.S. consumers of products which formerly moved through the Panama Canal when those products must be transported without the use of the Canal?

6. What effect will loss of the use of the Canal have on the marketability of U.S. products in international trade?

Thank you for any consideration you may give my request. With kindest regards, I am

Sincerely,

Bill Alexander,
Member of Congress.

BROTHERHOOD WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Addabbo) is recognized for 10 minutes.

Mr. ADDABBO. Mr. Speaker, the sponsorship of Brotherhood Week by the National Conference of Christians and Jews is a most important occasion as recognized by Queens Borough President Donald R. Manes in a recent proclamation. The celebration of Brotherhood Week from February 16 to 23 in Queens is coupled with the proclamation of February 23, 1975, as "Betty and Jack Banks Brotherhood Sunday," to express our community appreciation for their efforts and service for more than 50 years.

Mr. Speaker, in order to advise my colleagues of the substance of these important executive actions, I am placing the text of both proclamations in the Record at this point:

Proclamation

Greeting:

Whereas, the President of the United States and high officials of other countries throughout the world have warned the American people and the peoples of the world of increasing international tensions and the very serious dangers of yet another war; and

Whereas, every man, woman and child, in fact, the whole of mankind would be thus threatened with physical extinction; and

Whereas, human compassion, instincts of self-preservation and reason itself, cry out against such a horrible possibility; and

Whereas, Brotherhood is the foundation of Peace, and the National Conference of Christians and Jews, for almost half a century, has been the relentless advocate of Brotherhood and, consequently, the fighter for Peace on Earth for all men;

Now, therefore, I, Donald R. Manes, President of the Borough of Queens, the City of New York, proclaim the week of February 16–23, 1975 as Brotherhood week in Queens and call upon all my fellow citizens, regardless of race, religion, nationality, age or sex, to band together in unbreakable solidarity and make ours a community of Peace and cooperation while, at the same time, lending their support to NCCJ and other such peacemakers to lay and maintain the foundations of peace throughout the world.

Proclamation

Greeting:

Whereas, Love is the highest and most moving of all human virtues; and

Whereas, Betty and Jack Banks, through the beauty of their long lives, especially through their devotion to each other in more than fifty years of marriage have demonstrated that the enduring qualities of Love easily triumph over the differences of faith and origin; and

Whereas, both have extended this Love in sympathy and generosity to the people of Queens, and the peoples of the world; and

Whereas, not only tolerance, enlightenment and humanism—but kindness, gentleness and loving concern have characterized their relationships to their fellow men; and

Whereas, their simple and genuine goodness is proverbial throughout the community and their very lives are the embodiment of Brotherhood;

Now, therefore, I, Donald R. Manes, President of the Borough of Queens, the City of New York, do hereby proclaim Brotherhood Week Sunday, February 23, 1975, as Betty and Jack Banks Day in Queens, and urge all of my fellow citizens to take cognizance of the marvel of their lives, the benevolence of their deeds and the warmth of their personalities and that all men and women of good will pay them their well-deserved tribute of respect and love on this, their day of honor.

OVERSIGHT SUBCOMMITTEE OF WAYS AND MEANS ORGANIZED: HEARING SUGGESTIONS WELCOME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Vanik) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, Monday, February 3, the Oversight Subcommittee of the Ways and Means Committee held its organizational meeting.

We would like to invite all the Members of the House and the general public to suggest areas where hearings and inquiries would be appropriate. The subcommitee is dedicated to eliminating waste and inefficient procedures, guarding against illegal actions, and improving the level of day-to-day service in the administration of programs under the jurisdiction of the Ways and Means Committee. Included in this jurisdiction are the operations of such agencies as—

First, the Social Security Administration, including the administration of social security, disability insurance, supplemental security income, medicare, parts A & B, and the black lung program;

Second, Social and Rehabilitation Service of HEW and the welfare programs included in the various social security titles;

Third, Treasury Department operations, such as Customs Service, and most importantly, the IRS and the Tax Court;

Fourth, trade, including the International Trade Commission, trade adjustment assistance programs, and the Office of the Special Representative for Trade Negotiations; and

Fifth, the administration of other tax collection procedures and trust funds financed programs such as the Bureau of Alcohol, Tobacco, and Firearms, and the highway and airport trust funds.

BINGHAM REINTRODUCES ANTI-HANDGUN BILL WITH COSPONSORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Bingham) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, today I have reintroduced my bill to ban the handgun from American society with 15 cosponsors. I am very pleased to note that there is a growing national consciousness that the time has come to do something fundamental about the easy availability of handguns and the grim toll of handgun deaths in this country. The increasing realization that we have waited long enough is evidenced by the proliferation of editorial comments and documentary news pieces on the issue. It is evidenced also by the formation of new local and national organizations dedicated to obtaining legislative action to control handguns, and by the distinguished list of individuals and organizations who have come out for strict Federal legislation.

More and more Americans are becoming aware that there is a way to reduce the number of murders and deaths that we read about in the papers each day, or hear on the news in the evening. They are becoming angry that Congress has not moved to do anything substantial about the situation. They know that we should not tolerate 10,000 handgun murders a year. We should not tolerate all the robberies and assaults committed with handguns. We should not tolerate the accidental deaths and injuries, the crimes of passion, the losses of mothers, fathers, and children, which happen because somewhere in the house there is a family pistol. That pistol is nearly useless for self-defense—in fact, it is six times as likely to be used against a family member as it is to be used against an intruder. It is a target for criminals. There is not one good reason for it to be there, and I propose that we remove it.

The bill I have reintroduced today will do just that. This bill is identical to Senator Hart's bill, and it is the strongest of all the handgun control bills which have been introduced. In addition to prohibiting manufacture and sale, it prohibits possession of handguns, except by law enforcement officials, military personnel, and members of licensed pistol clubs, who would be required to keep their handguns on the club premises. The bill provides for a cash reimbursement for any handgun owner who turns in his gun voluntarily to the police within the first 6 months that the law is in effect.

Tomorrow I will testify before the Subcommittee on Crime of the House Judiciary Committee on behalf of this legislation. These hearings are being held because of that growing movement to do something now. I will urge that my bill be the vehicle chosen by the subcommittee to attack this problem, because the other bills which have been introduced simply are not strong enough. They are halfway measures, and those of us who are serious about ending handgun slaughter will not settle for such inadequate remedies.

The point I want to emphasize is this: Nothing short of a complete ban on the possession of handguns by private citizens will do the job. A "Saturday night special" bill will not do it; a prohibition on sale, transfer, and so on will not do it. Only if we make it illegal to possess a handgun at all will we begin to reduce either the supply of handguns available to hardened criminals or the thousands of killings which occur because of the easy availability of a gun.

This is because the toll of human life taken by handguns is not related to their price or quality, or to their sale or movement. It results directly from the fact that there are about 40 million handguns in private hands. Most of these handgun owners are decent, law-abiding citizens, but their homes represent a vast warehouse for criminals. As long as those guns remain in private hands, criminals will be able to steal them and use them to rob and murder. Our job is to close down the warehouse, not just to stop deliveries to it or to upgrade the quality of its inventory.

Furthermore, most of the handgun deaths each year are not the result of criminal activity. They occur in the heat of argument, usually between people who know each other, and often between members of the same family. The pistol on the mantel, in the dresser drawer, or in the closet all too often has the final word in these disputes. Our job is to put that handgun out of reach. Even if another weapon is substituted, it is far less likely to kill than a handgun. If we really want to cut down on these tragic killings, we will get those handguns out of American homes.

I also want to emphasize the need for Federal legislation. States and localities cannot do this job on their own. New York City, with one of the strictest handgun laws in the Nation, is still beset with handgun problems not because the statute is weak, but because it cannot be effectively enforced in view of the absence of similar laws in nearby jurisdictions. A tough statute, uniform across the Nation, is the only tool that will give law enforcement officials the means to attack the problem of handgun violence.

In order to document the assertion that a handgun ban will drastically reduce violent crime, we need only look at other countries where such laws are already in effect. In 1973, England and Wales combined had 35 gun murders while the United States had 13,072, of which 10,340 were with handguns. New York City, with one-fourth the population of England and Wales, had 23 times as many murders with handguns alone. Our gun homicide rate is five times Canada's, 20 times Denmark's, 67 times Japan's, and 90 times the Netherlands'.

I do not claim that if we passed my bill today handgun violence would end tomorrow. It would be wonderful if we could eliminate private possession of handguns tomorrow, but of course we cannot. Over time, however, with reasonable compliance and intelligent enforcement, the handgun supply will fall and the associated crime and death abate. We must make a start down the long road to a society free of death by handgun.

There is not a shred of evidence to suggest that any valid reason exists for a private citizen to possess a working handgun. So it is time to move from academic discussion to legislative action. This is the Congress that can do it. Prohandgun legislators were defeated and antihandgun candidates elected in convincing numbers in the last election. Those of us who have been working on this issue for years are convinced that we can enact strict handgun controls in the 94th Congress, and the public is demanding that we do so. I pledge my best efforts to meet that demand.

The names of my cosponsors follow:

Bella Abzug, Democrat of New York.
Herman Badillo, Democrat of New York.
Shirley Chisholm, Democrat of New York.
Dominick V. Daniels, Democrat of New Jersey.
Don Edwards, Democrat of California.
Elizabeth Holtzman, Democrat of New York.
Edward Koch, Democrat of New York.
Parren Mitchell, Democrat of Maryland.
Joe Moakley, Democrat of Massachusetts.
Charles Rangel, Democrat of New York.
Frederick Richmond, Democrat of New York.
Benjamin Rosenthal, Democrat of New York.
Richard Vander Veen, Democrat of Michigan.
Henry Waxman, Democrat of California.
Antonio Won Pat (Guam).
Sidney Yates, Democrat of Illinois.
Pete Stark, Democrat of California.

LEGISLATION TO SPUR AUTOMOBILE AND HOUSING INDUSTRY INTRODUCED BY ANNUNZIO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, today I im introducing two bills designed to stimulate the lagging automobile and housing industries in our country.

Both of these measures were sponsored in the other body by Senator HARTKE and I am happy to be the House author of the legislation.

Basically, the bills would provide tax credits which could be claimed either as immediate rebates or as credits against Federal income tax liability for individuals who purchase homes or automobiles.

The first bill would allow a tax credit or rebate of 10 percent of the purchase of a new, domestically produced automobile in 1975— retroactive to January 1— and 5 percent in 1976. A rebate could be claimed immediately by providing proof of purchase and sales price to the Internal Revenue Service, and the IRS would send a special tax rebate check, or the credit could be claimed at the time of filing the taxpayer's next income tax return.

The second bill would provide a tax credit or rebate of 5 percent of the purchase price of a new residence in 1975— retroactive to January 1— and 2.5 percent in maximum of $1,250 in 1975 and $625 in 1976. This credit could also be claimed immediately as a rebate or as a credit at the time of filing the annual tax return.

The United States since 1962 has, except for brief periods of time, allowed business firms to claim investment tax credits for their investments in plants and equipment. The purpose of the investment tax credit is to stimulate investment, be a stimulus for the economy, and to increase production and economic efficiency through planned modernization.

Under my legislation the investment tax credit would be extended to individuals thus stimulating the economy by providing direct incentives to the two most depressed industrial sectors of our economy—housing and automobile.

Both the automobile and housing industries are important factors in our economy. If these industries suffer a downward trend, the general economy traditionally follows suit. Both industries are in a general state of depression even with the recent upsurge in automobile sales due to the factory rebates. Unemployment in the automobile industry has reached nearly one-third of a million people and could reach the million mark by the end of the summer. At present there are more automobile plants closed than are open.

The housing industry is as bad if not worse. The level of homebuilding in December 1974 was the lowest in 8 years, and rather than being on the upswing it appears that the darkest days are still ahead of the housing industry.

It has been estimated that a tax credit for automobile purchases would increase car sales by as much as 900,000 during 1975, while a tax credit on homebuilding could add an approximate 200,000 new housing starts.

Mr. Speaker, while these are, of course, estimates, it should be pointed out that these estimates are backed by a considerable amount of research. The important point is that we must start somewhere to revive our economy—and we must use as many means as possible to pull our country out of the recession which it now faces. While mine may be an imaginative program, we have already seen that the traditional methods will not solve the problem and it is time to look at a new approach rather than struggle on with an unworkable program.

STATEMENT BY CONGRESSMAN JOSEPH M. GAYDOS ON THE INCREASING UNEMPLOYMENT IN THE SPECIALTY STEEL INDUSTRY CAUSED BY INCREASING IMPORTS FROM FOREIGN PRODUCERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 10 minutes.

Mr. GAYDOS. Mr. Speaker, I rise today to point out the serious unemployment problem faced by specialty steelworkers because of the substantial increase in imports from foreign producers.

We are all concerned with the very serious unemployment situation that exists throughout the country today and the very grim forecast for some time to come. We are also concerned with the serious problem in our balance of payments and how it has contributed to our current accelerating inflation and unemployment.

In our efforts to remedy these problems, we must be ever vigilant to the impact of foreign imports other than energy which seriously affect both the American worker and American industry.

The statistics for the last 4 months of 1974 show a substantial increase in the penetration of foreign imports in all categories of stainless steel products. Already domestic producers have been forced to curtail production and to lay off hundreds of employees. If the current trend is not arrested, upward of 30 percent to 50 percent of American specialty steelworkers will become unemployed.

Have we not learned our lesson from the current energy problem of the dangers of depending on foreign producers or must we stand idly by and watch the domestic specialty steel industry destroyed by the increasing penetration of foreign imports with the prospect that our future supply of specialty steel products will be dependent on the whim or caprice of foreign producers?

Mr. R. P. Simmons, president of Allegheny Ludlum Steel Corp., points out the seriousness of this problem in his letter, with attachments, to me of February 12, 1975, as follows:

ALLEGHENY LUDLUM STEEL CORP.,
Pittsburgh, Pa., February 12, 1975.

Hon. JOSEPH M. GAYDOS,
Longworth House Office Building,
Washington, D.C.

DEAR MR. GAYDOS: I am sure that we all share a common concern for the decline of the U.S. economy and the substantial unemployment which has resulted. I would like to bring to your attention the serious problem of imports of foreign specialty steel which has grown with amazing speed in the last four months of 1974.

As you may remember, imports of foreign specialty steel became a problem of crisis proportions in 1970–71, with foreign producers capturing as much as 60% of the domestic market for certain specialty steel products. As the world demand for steel increased and world prices for specialty steel exceeded U.S. levels, imports declined sharply in 1973 and the first six months of 1974.

With world economies declining sharply, imports once again are flooding the U.S. market at a time when U.S. producers' shipments are declining sharply. U.S. producers of specialty steel have been forced to curtail their output since December forcing hundreds of employees out of work at the same time that foreign producers are flooding our markets, selling their products at prices substantially below ours.

Enclosed is a chart which illustrates graphically the magnitude of the problem and the rapidity with which it has occurred.

Operations for domestic producers of specialty steel will continue to decline for at least several more months putting additional hundreds and perhaps thousands of specialty steelworkers out of work.

Our firm, one of the largest producers of specialty steel in the U.S., has reduced prices of two of its major products, stainless steel sheet and stainless steel strip, back to the levels that were in effect prior to August, 1974. This was done even though costs have continued to increase during that period particularly in the area of chromium which must be imported from other nations.

The purpose of this letter is to alert you to this rapidly developing and most serious problem. Should such imports continue in the face of a sharply declining U.S. market, 30% to 50% of American specialty steelworkers may be out of work.

Yours very truly,
R. P. SIMMONS.

SPECIALTY STEEL IMPORTS AS A PERCENT OF THE DOMESTIC MARKET

[In percent]

Stainless	Year 1971	1974, months of January	September	October	November	December
Strip	6.7	3.8	2.7	3.8	3.9	3.9
Sheet, cold rolled	32.9	5.3	10.2	14.1	21.1	28.3
Plates	17.1	5.5	11.1	10.7	16.6	14.4
Bars, hot rolled	14.2	13.5	18.3	12.0	21.3	31.5
Bars, cold finished	12.7	10.9	9.9	13.0	16.5	22.7
Tubes, seamless	22.4	11.1	17.1	16.1	16.8	20.9
Wire	48.3	31.8	42.4	43.3	55.8	57.8
Wire rod	56.3	44.5	43.5	46.3	52.5	56.9
Total, stainless	21.4	9.3	11.6	13.9	17.8	22.5
Total, alloy silicon	[1] 9.3	6.6	5.9	6.1	13.3	(2)
Total, tool steel	14.6	24.2	14.7	21.3	22.9	(2)

[1] 1972 was the 1st year alloy silicon imports were available.

[2] Not available on Feb. 10, 1975.

THE IRANIAN BAILOUT OF PAN AM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 5 minutes.

Mr. DENT. Mr. Speaker, I have been greatly distressed by recent news that the Government of Iran is interested in bailing Pan American World Airways out of severe financial problems through a loan and stock agreement between the two parties. Nowhere have the particulars of the proposal been explained fully enough, however, to give us a clear understanding of what will be entailed in the agreement, if and when it is reached.

For this reason I have sent the following telegram to William Seawell, the president of Pan Am, in hopes not only of discerning the possible repercussions involved, but also in hopes that we in Congress might be reminded of a primary responsibility that we have to examine this situation. Perhaps when such an examination is made we might then analyze the alternatives to such an agreement as well.

[Telegram]

FEBRUARY 18, 1975.

Mr. WILLIAM T. SEAWELL,
Chairman, president and chief executive officer, Pan American World Airways Inc., Pan Am Building, New York, N.Y.:

As a citizen and as a Member of Congress, I respectfully request detailed information on the particulars of the reported approval of the Iranian agreement on the stock transfer of Pan Am stock, the loan conditions and the controlling interest of what appears to be the only money-maker in the Pan Am portfolio.

Specifically, the details must show the option price for Pan Am stock in the agreement. The so-called market of 15% of Pan Am stock to be given to Iran certainly ignores the fact that at the price of Pan Am even as of this moment, and with the number of shares floating in the marketplace, what is to stop any group of American buyers under the direction of Pan Am to buy another 15% or more? All of us know that, in a company as large as Pan Am, with the number of shares issued, 15% can dictate a great deal of policy, regardless of what the contents of the Iran-Pan Am agreement might say to the contrary.

I feel that Congress, which is being urged by the President to come up $1½ billion more than is already being spent in Indochina this year, could certainly come up with something to save the only exclusive international airline we have. I blame the rules and regulations which are promulgated to the detriment of Pan Am stockholders' benefits for the entire fiasco we are now facing in selling off our international lifeline. When this deal goes through, and it appears that it will because we are so desperate over our balance of payments, if we get the proper bid we will probably sell the Statute of Liberty.

I repeat, when this deal goes through, the $10–20 billion the Shah of Iran promised to put into American agribusiness will be only a drop in the bucket as to the start of what could be a practical takeover of American agribusiness. We must remind ourselves that the Iranians represent only a part of the enormous fortunes being amassed in the oil-producing countries. Pan Am would have no trouble on its own if the American government would give it the consideration that foreign governments demand of us for their airlines.

Testimony before my subcommittee in the early 1960s prophesied exactly what is happening today because of privileges granted to foreign airlines by the United States Government. They are and were being denied to Pan Am. These include high-cost landing lines in the matter of rates paid for foreign mail delivery, high service fees and embargo against Pan Am initiating group and charter trips from foreign countries to the United States. You could not make much money flying a party trip to Acapulco, flying back empty, and at the end of the tour flying empty to pick up the passengers for the return flight, while Mexican and other airlines can schedule special fare considerations, charters, and otherwise indirect competition with Pan Am and now with TWA.

We must realize that this is one of the real tragedies of our times. There are those among us in government who can spell "reciprocal" but do not seem to know what it means.

JOHN H. DENT, M.C.

THE WONDERFUL WORLD OF CRISIS, CONGESTION AND CRUNCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. STAGGERS) is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, my attention has been called to the following remarks, "The Wonderful World of Crisis, Congestion, and Crunch," by Constance Gleason. I believe my colleagues here in the House may find this informative article very interesting.

THE WONDERFUL WORLD OF CRISIS, CONGESTION AND CRUNCH

(By Constance Gleason)

In selecting a title for these remarks I had decided to call my talk "The Industrial World Ahead" based on a recent National Industrial Conference Board study, prepared for the White House, which stated the United States economy is on the verge of even swifter growth over the next two decades than during the last two. Further analysis of what this added growth could mean, to the country and to its people, convinced me to change my original selection to the Disney-like title "The Wonderful World of Crisis, Congestion and Crunch" or "If it costs this much to live, how much longer can we afford it?"

The economy is expected to grow at a rate of 4.2% a year during the Seventies and Eighties, up from 3.9% over the last 20 years. The Gross National Product is projected at $2.4 trillion by 1990. With the economy growing faster than the population over the next 20 years, U.S. consumption will rise steadily. Economic authorities also predict continued erosion in the value of the dollar.

Currently, each American spends an average of $3,300 a year. This will jump to nearly $6,000, in today's dollars, by the end of the Eighties. Less than 25% of all families now have incomes of $15,000 a year, but this figure will hit 60% by 1990 and while only 5% now earn over $25,000 a year, 20% will be in this category, by the end of the Eighties.

Methods of government financing, taxation, and subsidization, the implications of defense, poverty, space programs, and private developments in areas of cost-plus contacts—all suggest that inflation will continue for the foreseeable future. The "New Economics" and fiscal sensitivity to the slightest recessionary tendency point further to continued loss of purchasing power.

The Government, at the present time, is carrying out a deliberate policy of currency deflation which has served to puncture a ballooning speculation. No matter how successful it may be, and I am sure every responsible citizen hopes it will attain its objective, it is still a short-term weapon. The shrinkage in the value of established currencies has been going on since the dawn of history. Governments have demonstrated time and again that they lack the self-discipline to stabilize purchasing power, and the present policy can be pursued only as long as it does not aggravate social upheavals.

The erosion of the dollar, over the last seventy years, has approximated 3% per year. Over the past ten years, the cost-of-living index increased 19.2% and the value of the dollar declined 16.1%.

Figures recently released by the National Industrial Conference Board revealed that the breadwinner, who earned $10,000 a year in 1939, must now earn $27,288 to stay equal, owing to the rise in taxes and social security payments, plus the inroads of inflation.

Those who retired on a fixed-dollar income in 1940 have taken a 62% cut in the purchasing power of their fixed-dollar benefits. The person who retired in 1920, on the basis of a traditional retirement fund accumulated over a thirty year working life, saw the purchasing power of his fixed pension cut in half, even before his first year of retirement. During the years of his retirement, he experienced a further sharp deterioration in his ability to buy.

As the cost-of-living rises and inflation consumes a greater share of the dollar, the average citizen becomes increasingly concerned about how far his dollar will stretch, and if his income will continue to meet his needs, especially after retirement. The variable annuity may well be the answer to these concerns.

Many individuals, with whom I have talked, have made the statement that they really don't understand what a variable annuity is, and how it works. Theoretically, a variable annuity is designed to be an inflation-proof annuity. It guarantees to pay an income for as long as the Annuitant lives. The size of the income is not fixed, as with a conventional annuity, but it is designed to follow the investment results of the underlying portfolio of securities and thus provide an annuity that would tend to follow the cost-of-living.

The actual dollar payments, provided by the variable annuity, will vary upward or downward each month, depending on the investment results of the common stocks in the variable account portfolio. When there is a recession and stock prices decline, it is expected that the variable annuity payments will also decline. It therefore makes good sense for a retired person to have some basic fixed-dollar income from social security, savings, fixed-dollar pension, as he should not rely wholly on fluctuating income for retirement payments.

ORIGIN OF THE VARIABLE ANNUITY IN THE UNITED STATES

The principle behind variable annuities has been well tested. One of the first variable annuity plans in this country was developed by the Teachers Insurance and Annuity Association.

TIAA was chartered in 1918, by a special act of the New York State Legislature, to provide retirement incomes to college professors. It was backed by the Carnegie Foundation and, since that time, has installed retirement annuity programs in over 1,500 universities and colleges across America.

Since TIAA annuities were designed to pay a guaranteed income in fixed-dollar amounts, many retired professors were accepting a reduced standard of living, or were going back to work because inflation had eroded the purchasing power of their retirement annuities. In 1947, concern was expressed by the Treasurer of one of these universities; he observed that the principle of investment diversification, which was being taught to students, was not being applied in TIAA, as the organization was investing money for retirement heavily in debt-type securities (bonds and mortgages) to the almost total exclusion of equities (common stocks, preferred stocks, etc.). TIAA immediately began a study to determine whether a "cost-of-living" type of annuity could be developed.

The study revealed a long-term correlation between the market value of common stocks and the cost-of-living. It was found that over a long period of time, prices of a portfolio of common stocks tended to parallel the cost of living. There were brief periods of time when prices of stocks went down and the cost-of-living went up, but these periods were far apart and of brief duration. TIAA's conclusion was that an annuity based on a portfolio of common stocks had an excellent chance of giving a retired person an income which bore some relationship to the cost-of-living.

Consequently, in 1952, TIAA formed a companion organization, the College Retirement Equities Fund (CREF), with an initial capitalization of $50,000 and began to issue variable annuities through this Fund.

At the end of 1971, CREF's variable annuity fund had grown to almost $2 billion; 90% of new TIAA participants were joining CREF (9 out of 10 of whom were placing the maximum (75%) of their contributions in the variable annuity).

KINDS OF VARIABLE ANNUITIES AND HOW THEY WORK

Variable annuities are issued, generally, in the same form as fixed-dollar annuities. They may be divided into two main classes:

1. Immediate.
2. Deferred.

An *Immediate Annuity* is purchased with a lump sum of money and the annuity benefit payments commence right away.

In a *Deferred Annuity*, the purchase price is accumulated over a number of years; at retirement the total accumulation is converted into an annuity. For instance, a person, aged 40, may decide to invest $1,000 a year until age 65. His periodic payments, less charges, are invested in the Separate Variable Annuity Account and are allowed to accumulate until age 65. Assuming at 65, the individual has a total accumulation of $60,000—this amount is then converted into monthly annuity payments.

Since most variable annuities are purchased on a deferred basis, there are two distinct periods to consider:

1. The accumulation period.
2. The distribution or payout period.

ACCUMULATION SHARES

During the accumulation period, payments made under a variable annuity contract are recorded in terms of accumulation shares. The number of shares purchased by an individual will depend upon the amount of money invested and the current value of a share. A share value may vary daily, based on the investment income (gains and losses) of the Separate Account portfolio. When the accumulation share value declines, the individual's investment buys more shares, and when it increases, his investment buys less shares.

DISTRIBUTION OR PAYOUT PERIOD

When our hypothetical individual reaches 65, let us assume his periodic contributions have built up a number of accumulation shares in his account. Assume the total is 60,000 shares. These shares are converted into dollars by multiplying the number of shares by the current value of an accumulation share. If the share value is $2.00, the individual would have $120,000 available for his variable annuity.

When this individual began his investment at age 40, we guaranteed that at 65 we would convert whatever cash was available at 65 into a monthly income at a guaranteed rate per $1,000. A typical rate would be $6.40 per $1,000; therefore, his $120,000 would give him a first month's income of $768. (6.40 × 120 = $768)

DEATH BENEFIT PRIOR TO RETIREMENT

Most variable annuity contracts provide minimum guaranteed death benefits. For example: if an individual purchased a variable annuity contract, at age 43, and made periodic payments of $1,000 per year and then died ten years later, before the maturity date of the contract, his beneficiary would receive 100% of the payments made under the contract or the value of his account, whichever was greater. Assume this individual died on the day there was a severe drop in the stock market. If his payments had been invested in individual securities or mutual funds, for example, the value of his account might drop considerably just as the market dropped; but the guaranteed death benefit provision built into the variable annuity contract protects the beneficiary from this type of calamity.

OTHER FEATURES OF THE VARIABLE ANNUITY

1. A greater fear of older people today is that they will outlive their money. A variable annuity guarantees annuity payments upon retirement for the lifetime of an individual. A retired person must have a plan which guarantees an income which he cannot outlive, and stocks just don't do this.

2. The capital gains and dividends, which are earned on the variable contract account, are tax-deferred during the accumulation period, unlike owning shares of a mutual fund where taxes must be paid currently on the earnings of the fund, even though the earnings may be automatically reinvested for the shareholder. In conjunction with the tax advanages afforded by the law, it is the ideal way for the supplemental accumulataion of funds for individuals and for retirement plans approved by Internal Revenue Service.

3. Stop and Go provisions are included in the typical contract without penalty to the owner. This is very important in a Profit-Sharing Plan, for example, where the Employer simply ends his year without a profit and thus cannot contribute to the plan. The contributions previously paid, however, continue to participate in the earnings of the variable annuity account. Similarly, increases and decreases in premium payments are permitted and can be handled administratively in a very simple manner.

4. Mortality and expense charges are guaranteed at the time of purchase and can never be increased on an issued contract.

CONCLUSION

The financial goal next in importance to earning money is tax shelter. What matters is not only how much we earn, but how much we have left to spend and to save—after taxes. It has been said "the love of money is the root of all evil"; so is the lack of it. One basic fact which must always be kept in mind—no one with money can afford to lose it.

Today, we are constantly faced with the increased cost-of-living, high taxes, greater costs of education and longer life expectancy. Changing times require new methods and new approaches to financial planning. Safety of purchasing power is just as important as safety of principal! The variable annuity strives to provide a life income that preserves purchasing power at all times. The variable annuity theory may ultimately usher in a new age in investment thinking and retirement planning.

If we accept the thesis that a degree of longterm inflation is a part of our heritage, the concept of the variable annuity is an entirely correct one, and it will offer great appeal to the individual wage earner who buys units of purchasing power, rather than units of fixed income.

Some years ago a retired college professor gave his philosophy of life as follows: "During the first third of your life you get your education, during the next third you work, and during the last third you do what you want to do."

With wise planning, those who retire in the future will have the necessary funds to turn these years into truly "golden years"—years in which there is no longer any worry about the pressures of business or the problems of obtaining an adequate income. Will you be in this fortunate group? The choice is up to you.

DEPARTMENT OF DEFENSE RECRUITING RESULTS

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, in keeping with my past practice, I would like to have included in the RECORD the December recruiting results of the Department of Defense. Preliminary figures show that the total strength of the four military services at the end of November was about 2,152,000, or 99.6 percent of their November target of 2,161,000. Strengths by service are compared with their June 1975 authorizations in the table below:

ACTIVE MILITARY STRENGTH

[In thousands]

	November 1974 (preliminary)	June 1975 (authorization)
Army	780	785
Navy	551	540
Marine Corps	192	196
Air Force	630	628
Total DOD	2,152	2,149

The total of 23,100 men and women recruited in December was 105 percent of the total objective of 22,000. In the first half of fiscal year 1975 the four military services recruited over 246,000 men and women, or 101 percent of their objective of 243,600. This total was more than 41,000 or 20 percent above the 204,800 men and women recruited in the first half of fiscal year 1974. Increases in recruiting were obtained by each of the four Military Services, with the largest proportionate increases occurring in the Navy—plus 28 percent—and the Marine Corps—plus 28 percent.

ENLISTED ACCESSIONS, ALL SOURCES

[To nearest 100]

Service	December 1974			Fiscal year		
				1st half		Percent change 1975 from 1974
	Objective	Actual	Percent	1975	1974	
Army	8,100	8,200	101	112,600	92,900	+21
Navy	5,900	6,700	114	63,100	49,300	+28
Marine Corps	3,900	4,000	103	31,900	25,000	+28
Air Force	4,100	4,200	101	38,400	37,500	+2
Total DOD	22,000	23,100	105	246,000	204,800	+20

In December of 1974, 96 percent of all the nonprior service enlistees were in mental categories I–III which are the average and above average mental groups. The December proportion exceeded November 1974 by 1 percent and is the highest proportion for a single month since the Department of Defense began keeping statistics on the mental ability of its accessions in May, 1951. For the first half of fiscal year 1975, 92 percent of the enlistees were in categories I–III, compared with 89 percent for the same period the year before. Sixty-four percent of the December nonprior service enlistees were high school graduates. For the first half of fiscal year 1975, high school graduates were 66 percent of the total—about the same as the 67 percent attained a year earlier. Women accounted for 9 percent of new enlistees, with 1,800 enlisting in December and 20,500 during the first half of fiscal year 1975. Black enlistments accounted for 16 percent of the December total. December was the fourth consecutive month that the proportion of black enlistments declined.

BLACKS AS A COMPONENT OF ENLISTMENTS AND STRENGTHS

	Percent of total enlistments for the 1st half fiscal year 1975 (July–December)	Percent of total enlisted strength as of September 1974
Army	26	22
Navy	13	9
Marine Corps	21	18
Air Force	17	14
Total DOD	20	16

SELECTED RESERVE STRENGTHS

[In thousands]

	End strength		Average strengths (fiscal year)	
	November 1974 (preliminary)	October 1974 (actual)	1975 through November	1975 authorized
Army National Guard	393.1	391.2	393.7	400.0
Army Reserve	230.0	231.7	231.9	225.0
Navy Reserve	108.8	111.1	111.8	117.0
Marine Corps Reserve	32.4	32.0	31.7	36.7
Air National Guard	93.8	93.9	93.7	95.0
Air Force Reserve	45.6	45.5	45.4	51.3
Total DOD	903.7	905.4	908.2	925.0

The total selected Reserve strengths declined slightly during November.

KEEP THE PRESENT AUTO EMISSION STANDARDS

(Mr. EDGAR asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. EDGAR. Mr. Speaker, President Ford addressed this body on January 15 of this year and requested that automobile emission standards be relaxed 5 years in order to maximize fuel economy. While I commend the Chief Executive for setting the worthly goal of increasing fuel efficiency 40 percent by 1980, I must protest that delaying the implementation of the Clean Air Act amendments for 5 years will seriously damage the quality of our air. We have already delayed these standards for 2 years and there is little evidence that the major automakers could not achieve both the 40-percent increase in fuel economy as well as the emission standards.

Although there is a lack of conclusive evidence that nitrogen oxide standards can be completely met, the National Academy of Sciences has concluded that meeting the remaining standards and concurrently accomplishing Mr. Ford's fuel economy goal are technically feasible.

I recognize the importance of obtaining maximum utilization from each gallon of gasoline. However, I must raise a strong objection to any policy that trades off public health for fuel economy. The atmospheric equilibrium has already been upset and the increased tons of poisonous gases that would be emitted as a result of relaxed standards can only exacerbate the situation.

Adding more pollution control devices may increase the cost and weight of autos, the former having an impact upon sales and the latter affecting fuel economy. But the long term effects of continuing the present standards will make our sacrifice worthwhile. Foreign manufacturers have had little difficulty meeting our standards while maintaining a miles per gallon ratio that far exceeds the best that Detroit has offered to the American consumer. It appears to me that the American industry has not done all it can to market a product that is the most efficient, pollution free, durable and safe.

Mr. Speaker, the chairman of General Motors, Mr. T. A. Murphy, has written to every stockholder of that corporation requesting that they write to their Congressmen asking for a 5-year delay in these emission standards. I submit for the Record and the benefit of my colleagues a copy of Mr. Murphy's letter, a letter that I received from Dr. Elmer H. Funk, Jr., and my reply to constituents who write identifying themselves as recipients of the letter from Mr. Murphy:

LETTER FROM MR. T. A. MURPHY, CHAIRMAN OF GENERAL MOTORS TO STOCKHOLDERS

DEAR STOCKHOLDER: President Ford has set forth proposals to stimulate our economy and to reduce our national dependence on imported oil even while we remain alert to the dangers of inflation. Because the interests of our Corporation—as well as those of our customers, employes, dealers and suppliers—are deeply involved in the success of these proposals, I am writing to recommend that you encourage prompt action by your representatives in Congress.

We favor the basic reliance in the President's program on the free-market mechanism as a means of conserving energy and augmenting domestic supply. While there is room for modification, we believe there is no time for delay in enacting a coherent and constructive program which will help the entire economy, including General Motors.

Of particular importance to General Motors is the President's request that Congress continue substantially the present auto emission standards for five years. General Motors believes the current emission controls strike the balance between cleaner air and the industry's ability to achieve the national goal of a 40% improvement in gas mileage by 1980 with due regard for the cost to our customers. We have assured the Administration that GM will make an all-out effort to meet these objectives.

We point out, however, that the goal can be achieved at less cost in gasoline and in dollars if the present emission controls are not tightened, and if there is a production pause in other regulations which add weight and cost to our cars and trucks. If you agree, I wish you would urge your representatives in Congress to continue the 1975 auto emission-control requirements, and to defer for five years other federal regulations which would add weight and cost to our vehicles.

We believe that economic recovery and energy independence are not narrow issues for partisan debate, but rather they touch upon the interest of the entire nation. We all, therefore, have an obligation to make our views known, and I hope that you as an individual will join in this effort.

Sincerely,

T. A. MURPHY.

P.S.—Another primary aim of the President's program is to restore consumer confidence—a vital ingredient for improved sales for our Corporation. I therefore would like to point out the exceptional values represented by our 1975 cars now in our dealers' showrooms, and suggest that you might wish to cast your own vote of confidence in our future by buying a 1975 General Motors car.

Following is a letter to me from Dr. Elmer H. Funk, February 5, 1975:

DEAR REPRESENTATIVE EDGAR: I recently received a letter as a stockholder of the General Motors Corporation urging me to write my representative in the Congress to support relaxation of emission control standards for automobiles.

I do *not* want federal regulations and standards relaxed or deferred. Foreign manufacturers, I understand, will be able to meet more stringent regulations even though some also include advanced engine design which American manufacturers have said they could not produce now. Much formerly optional equipment is now standard in automobiles and increases the basic cost of them. I support measures which make such equipment, in fact, optional again.

Please act to maintain existing legislation and regulations to increase control of auto emissions.

Most Sincerely,

ELMER H. FUNK, Jr., M.D.

Following is my letter to stockholders who write to me asking for a relaxation of standards:

DEAR STOCKHOLDER IN GENERAL MOTORS: Thank you very much for your letter asking me to support legislation that will relax federal emission standards for five years.

When I was a candidate for the 7th Congressional seat of Pennsylvania, I pledged to represent all the people of the district. I want you to feel that I represent you. The problems that America faces cannot always be dismissed with the stroke of a pen. Sometimes, solutions to these problems require a concerted effort, not only by lawmakers on Capitol Hill, but by every American. Because of your position as a stockholder in General Motors, I wish to enlist your support as a concerned citizen who can be effective in helping to reverse the trends of corporate decision-making which I feel have often been insensitive to the best interests of this country.

We all breathe the air.

When poisonous, noxious emissions from automobiles far exceed the ability of the ecosystem to cleanse itself, everyone suffers. A statistic such as "excess deaths" cannot begin to describe the human cost in suffering caused by deteriorated air quality. Although nitrogen oxide standards may need to be adjusted, I understand that Detroit auto manufacturers have the technology, but obviously lack the motivation, to maintain the standards promulgated by the Clean Air Act Amendments while meeting President Ford's goal of increasing fuel efficiency 40%. Instead of recognizing that the private sector often has the means and power to build a stronger America, those in the boardroom of the nation's automakers have chosen to take the easy road.

We are faced with a difficult challenge.

I support the right of all businesses in this country to receive an adequate profit return on their investment dollar. I also believe that you as a stockholder deserve a dividend that encourages your participation in the free market, a participation that is part of the foundation of the American way of life. But as a stockholder, you are also a citizen. I'm sure that you share with me the hope that the crucial decisions made by the corporate hierarchy will be made not to serve the interests of a few, but to also respect the needs of all Americans. Perhaps the thousands of dollars which corporations have spent to circumvent needed reforms would have been invested more wisely in implementing those reforms.

I believe that if you make it known to Mr. T. A. Murphy, the Chairman of General Motors, that you demand that the corporation utilize all of its resources to help America recover from this tragic quandary, it may have an impact upon our chances to survive.

Cordially,

ROBERT W. EDGAR.

REBUILDING OF ROCK ISLAND RAILROAD

(Mr. SMITH of Iowa asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SMITH of Iowa. Mr. Speaker, I was pleased to learn last week that the U.S. Railway Association has acted positively with regard to one of the most critical sections of the Regional Rail Reorganization Act of 1973. The association has endorsed the proposition that the Rock Island Railroad should be rebuilt, and has tacitly agreed that at this time the only way such a rebuilding will come about is through Government loans. Since a merger involving the Rock Island has been pending for 11 years and the ICC has still not resolved all the questions involved, the loan route represents the only method of upgrading its deteriorating facilities and providing enough capital to keep it running.

As my colleagues will recall, the Congress—in passing the Rail Reorganization Act—gave the USRA the authority to provide loans to railroads in financial difficulty that connect with bankrupt railroads in the 17-State Northeast region. The stated intent of this provision in the act was to prevent future Penn Central-type disasters in other parts of the Nation. As a promoter of that provision, I felt it would indeed be wrong to assume that the only serious rail transportation problems are in the Northeast. The big producing area which moves products is in the Midwest and the health of railroads there is absolutely necessary. I think the Congress acted wisely in that we not only addressed an immediate crisis in one part of the Nation, we also moved to forestall similar crises from breaking out elsewhere in the future.

The Rock Island Railroad, as a result of a number of circumstances but primarily because of the Interstate Commerce Commission's 1-year delay in approving a merger with the Union Pacific, has been in a financial nosedive for several years. The upshot of its financial difficulties has been deteriorating track and equipment, an increasing concern over service reliability, a number of personnel layoffs—all of which contribute to even further cuts in revenue.

Meanwhile, the farms and factories of Iowa—in an economic pinch along with the rest of the Nation—have never had a more pronounced need for reliable and low-priced transportation. Iowans want to work and produce the goods and the grains that are needed by the Nation and the world, and we want to be able to take advantage of our central location and ship our products expeditiously and competitively. This we cannot do if the major rail system in the State of Iowa—the Rock Island—is not provided with the capital needed for a massive rebuilding task.

The Rock Island has not camped on the doorsteps of Congress seeking handouts; it wants to borrow the money so badly needed. It seeks no cash grants to meet a pending payroll; it wants only the access to capital that will enable it to be a profitable asset to the 13 States in which it is physically located and to the whole Nation which is affected by its ability to serve.

I have been told that 10 years of labor-intensive work will be needed to make the Rock Island a top-of-the-line railroad throughout its entire 7,500-mile system. This will cost an estimated $762 million.

Yet the Rock Island has not asked to borrow $762 million. Rather, they seek $100 million in interest-paying loans from the U.S. Treasury in order to turn the financial corner and be in a position to generate further cash needs in the private sector. They have applied for $100 million from the U.S. Railway Association, in keeping with both the spirit and the letter of the law. The application was submitted in September of 1974. Now, after 5 months, the USRA has voted to lend the Rock Island $9.1 million.

Obviously this is not enough. But it is a start. While $9.1 million is not sufficient to restore the railroad to profitability, it is encouraging to me, to the people of Iowa, and to the men and women of the Rock Island to know that the process has been started.

Workers are being recalled to car-repair shops in three States, and recruiting is underway for two 100-man track gangs to work this summer in Illinois, Iowa, and Kansas.

Meanwhile, the USRA is in the final phases of preparing a preliminary system plan for the restructuring of the bankrupt lines in the Northeast. Congress has given the staff at the Association an admittedly immense task, and I wish them well. Through the spring and summer the preliminary system plan will be discussed and modified, and later this year a final system plan will be prepared for congressional approval. If all goes well, the rail crisis in the Northeast will have been met.

At the same time, it should be clearly understood by my colleagues that those of us from outside the 17-State Northeast region cannot stand idly by and see the Northeast rail system given exclusive attention at the expense of vitally needed railroads in other parts of the Nation. USRA has stated that they will reconsider the remaining $90.9 million of the Rock Island's loan request "at a later date." I hope, for the sake of the farmers, the shippers, the workers, and the taxpayers of Iowa and the Nation, that USRA's "later date" is "sooner" rather than "later." The need is now, the chance is now. The Rock Island is suffering and a mere $9.1 million will not do the trick. They need the $100 million and the Midwest and the Nation needs that railroad. They should be able to pay it back with interest and once again become a productive and vital part of our society and our economy.

NEED TO REINTRODUCE NURSE TRAINING ACT

(Mr. SMITH of Iowa asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SMITH of Iowa. Mr. Speaker, I have recently been receiving letters from nurses in my State telling how the Nurse Training Act of 1971 has benefited nursing education and expressing grave concern about the President's recent pocket veto of an extension of that legislation which the 93d Congress passed just before adjournment. They strongly urge that the legislation be reintroduced.

The dean of the College of Nursing at the University of Iowa points out in her letter that Nurse Training Act funds provided that school with $152,652 in "capitation"—funding support based on the number of students—in 1972–73 and an additional $525,952 for training grants and traineeships, plus additional funds for special projects.

Now, if those funds were cut off, I wonder about the future of that school. Could it continue? Would it have to seriously cut enrollment? The school is very important to the State of Iowa.

I am sure that this kind of a situation is not unique to Iowa, and schools in other States could find themselves in a similar crisis if this legislation for support to nursing schools and students is not extended.

The dean's letter also stressed the grave shortage of nurses who are prepared to teach, administer, do research, and practice more independently especially in the ghetto and rural areas. These are the nurses who require advanced education and in my State of Iowa this is the only school providing a master's program in nursing. Where would we be in meeting Iowa's needs without support to this college?

In addition and to quote from her letter:

> With National Health Insurance forthcoming, professionally prepared nurses will be even more essential than in the past as the increased emphasis will be to keep people healthy—not just care for them once they are ill or injured.

I urge my colleagues to consider the need for nurses in their States. I believe we must move promptly to enact legislation to assure that schools of nursing can continue and that the nurses will be available to meet the health care needs of our States.

FEDERAL COAL LEASING AMENDMENTS OF 1975

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, today I have introduced legislation, the Federal Coal Leasing Amendments of 1975, which would remedy the outstanding deficiencies which exist in the Mineral Leasing Act of 1920 with respect to coal.

The Subcommittee on Mines and Mining of the Committee on Interior and Insular Affairs held hearings and markup sessions on this legislation during the 93d Congress. However, due to the press of legislation and the lack of time at the conclusion of the session, we were not able to report the bill.

The bill which I am introducing today represents the combined thinking of several members of my subcommittee, as expressed during five markup sessions.

The need for such legislation is apparent. In response to the rising costs of imported petroleum, the administration has advocated increased use of coal to replace oil consumption. Much of this coal will come from the Western States, which are said to contain large deposits of low-sulfur coal. The wisdom of shifting the coal mining industry to the western strip mines is not clear to me. However, if western coal is to be developed rapidly, in preference to other energy sources, much of it will come from the public lands, since over 60 percent of the coal reserves in the West lie on Federal lands.

The past record of the Department of the Interior in obtaining a fair return to the public from the sale of its resources, monitoring leased lands to assure the diligent development of the coal, and assuring adequate protection for the environment and consideration of the social and economic impacts of coal development has been totally inadequate. It is my intention in introducing this bill to remedy these problems.

This legislation would alter the Mineral Leasing Act of 1920 in the following ways:

First. Leasing procedure. The bill mandates that all future leasing of Federal coal be on a competitive bidding basis, with a sealed bidding procedure. It requires that 50 percent of all lands leased by the Secretary of the Interior within any year be on a deferred bonus bidding basis, to facilitate entry onto Federal lands by small coal operators. The bonus would be payable over a 10-year period. The bill provides that prior to any Federal leasing, the public shall be afforded the opportunity for public comment on the assessment of the coal involved. No bid is to be accepted for less than the fair market value as determined by the Secretary.

No coal lease is to be issued unless the lands containing the coal deposits have been included in a comprehensive land use plan prepared by the Secretary of the Interior or the Secretary of Agriculture where National Forest Systems lands are included. Such a plan shall include a public hearing if requested by anyone who is or may be adversely affected by adoption of the plan. The land use plan will include an assessment of the amount of coal which is recoverable by various mining methods and the impact of recovery of coal by one method on recovery by another method. The consent of the Administrator of the Environmental Protection Agency with respect to the air and water quality aspects of the plan is also required.

Prior to issuance of any coal lease, the Secretary shall consider the impacts which such leasing will have upon the communities or areas involved. Adequate public hearings are required before any lease is issued.

No coal lease may be issued until public notice has been given in the local newspapers once a week for 3 consecutive weeks. No coal lease may be approved or issued without satisfactory assurances of compliance with the provisions of the Surface Mining Control and Reclamation Act of 1975.

Second. Exploration licenses. Exploration licenses may be issued under provisions of this bill for exploration within any State. An exploration license shall confer no right to lease under this act. Each applicant for a license shall present the Secretary an exploration plan for his approval. All data collected by the licensee shall be furnished to the Secretary to be kept on a proprietary basis until the land involved is leased or until the competitive position of the licensee would no longer be jeopardized by publication of the data.

Third. Terms of lease. A coal lease shall be for 10 years or for so long thereafter as production is occurring in paying quantities. Leases not producing in paying quantities at the end of 10 years are to be terminated. The leases are subject to a royalty of not less than 10 percent of the sale price of the coal. Readjustment of the terms of a lease shall occur after 10 year initial term and at 5-year intervals thereafter.

Leases shall be subject to the conditions of diligent development and continued operation, such conditions shall not be satisfied by advance royalties payments except in the case of strikes, elements or casualties not attributable to the lessee.

Fourth. Moneys to the States. Section 35 of the Mineral Leasing Act of 1920 is amended to provide that the moneys returned to the States for development of Federal coal and oil shale may be spent for planning, construction and maintenance of public facilities and provision of public services, with priority being given to those areas impacted by the development of the resource involved.

Fifth. Study. The Office of Technology Assessment is directed to conduct a study of all coal leases entered into by the United States. The study is to include an analysis of mining activities, receipts of the Federal Government and recommendations as to the feasibility of using deep mining recovery practices on said leases.

Sixth. Acreage limitation. A maximum of 100,000 acres in the United States is set for the control of any Federal lands, whether by lease or permit by any one person, association, or corporation.

LIST OF ORGANIZATIONS AND INDIVIDUALS SUPPORTING NEW AMERICANS BILL

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record and to include extraneous matters.)

Mrs. MINK. Mr. Speaker, I have again introduced legislation for the consideration of this Congress, H.R. 2522, which seeks to provide Federal assistance to States and cities with significant numbers of newly arrived immigrants. The New Americans Education and Employment Assistance Act is designed to ease the burden on these so-called gateway cities which oftentimes find themselves met with requirements for health, education, employment, and counseling services beyond their means because of the uneven pattern of immigrant settlement in this country.

It is expected that hearings on this important legislation will be scheduled for the near future. For the present, Mr. Speaker, I would ask permission to append to these brief remarks a list of those organizations and individuals who have already indicated their strong support for this legislation. It represents, I think, an interesting cross section of our national community, and I offer it for the information of my colleagues in this distinguished body:

HAWAII

American Lung Association of Hawaii, Donald R. Ford, Executive Director, 245 North Kukui Street, Honolulu 96817.

Community Relations Committee of the Leeward Community College Faculty Senate, Fay C. Ala'ilima, Chairman, 96–045 Ala Ike, Pearl City, 96782.

Dye, Robert P., Director, Office of Human Resources, City and County of Honolulu, City Hall Annex, Honolulu 96813.

Family Services Center, Karen Oshiro, Director, 2319 Rose Street, Honolulu 96819.

Filipino Chamber of Commerce, Gene A. Albano, President, P.O. Box 3169, Honolulu 96802.

Group of Chinese Immigrants in Hawaii; on behalf of by Yip-wang Law, 369 Waiopua Place, Honolulu 96825.

Hawaii Association of Asian and Pacific Peoples, Paige Kawelo Barber, President, 427-C Manono Street, Kailua 96734.

Hawaii Chapter of the National Association of Social Workers, Inc., Richard Kato, President, 250 South Vineyard Street, Honolulu 96813.

Hawaii, State of, Governor George R. Ariyoshi, Capitol Building, Honolulu 96813.

Hawaii, State of, Commission on Manpower & Full Employment, William C. Kea, Chairman; George K. Ikeda, Executive Secretary; Bienevido L. Junasa, Director of the State Immigration Service Center; State Capitol Building, Honolulu 96813.

Health & Community Services Council of Hawaii Social Services Division, Myron R. Chevlin, Chairman; Health Services Division, John M. Hayakawa, Associate Director and James Swenson, Chairman; 200 N. Vineyard Boulevard, Honolulu 96817.

Honolulu, City & County of, Honorable Frank Loo, Councilman, City Hall, Honolulu 96813.

Immigrant Affairs Subcommitee of the Committee on Community Relations of the Faculty Senate of Leeward Community College, Zenaida E. Griffith, Chairman, 96–045 Ala Ike, Pearl City 96782.

Io Lane Neighborhood Group, Virginia Garce, President; 1536 Io Lane, Honolulu 96817.

Kalihi-Palama Immigrant Service Center, Gregorio Aczon, Chairman, 2119 North King Street, Room 206–207, Honolulu 96819.

Kalihi-Palama Interagency Council for Immigrant Services, Noboru Yonamine, Chairperson, 1117 Kaili Street, Honolulu 96819.

Korean Neighborhood Group, O-Mun Kwon, President, Kuhio Park Terrace, 1475 Linapuni Street, Honolulu 96819.

Legislative Coalition, 838 South Beretania Street, Honolulu 96813.

Maiu, County of, Honorable Elmer F. Cravalho, Mayor, Wailuku, Maui, Hawaii 96793.

Oahu Association of the United Church of Christ, Robert C. Loveless, Program Executive, 2103 Nuuanu Avenue, Honolulu 96817.

Oahu Filipino Community Council, Mel Europa, President & Annie Guron Corpuz, Secretary, 2011 Ulana Street, Honolulu 96819.

Operation Manong, Amy Cahill, Director, Belinda A. Aquino, Coordinator, Melinda Triakerkoliet, Volunteer Leader; Merle Stetsel, Volunteer Leader, Rose Ballaibe, Volunteer Leader, Lilia N. Espiritu, Volunteer Leader; c/o Social Science Institute, East-West Road 4, Honolulu, Hawaii 96822.

Parent and Child Center of Kalihi, Inc., Lola Martin, Chairman of the Board of Directors, 1475 Linaquni Street, Room 117A, Honolulu 96819.

Quisenberry, Walter B., M.D., Director of Health, State Department of Health, P.O. Box 3378, Honolulu 96801.

Retired Senior Volunteer Program of Honolulu, Bernadette Ledesma, 200 North Vineyard, Room 603, Honolulu 96817.

Samoan Church of Hawaii (Nanakuli), Reverend S. Su'esu'e Lutu, Minister, 87-118 Kahau Place, Nanakuli, HI 96792.

Samoan Neighborhood Group, Sa' Fiatoa, President, 1521 Singley Lane, Honolulu 96817.

Susannah Wesley Community Center, Noboru Yonamine, Executive Director, 1117 Kaili Street, Honolulu 96817.

Susing Pilipinas Club of Leeward Community College, Daniel Dagdagan, President, 96-045 Ala Ike, Pearl City 96782.

United Filipino Council of Hawaii, Dr. Henry Manayan, President and Herita Y. Agmata, M.D., M.P.H., Chairman of the Health and Welfare Committee, P.O. Box 3169, Honolulu, 96802.

Uno, Ernest, Branch Executive, West Oahu Branch of the Young Men's Christian Association of Honolulu, P.O. Box 1176, 1106 Kilani Avenue, Wahiawa, HI 96786.

Young Buddhist Association of Honolulu, Thomas I. Yamamoto, President & Mineo Yamagata, Executive Administrator, 1710 Pali Highway, Honolulu 96813.

Young Women's Christian Association of Oahu, Mrs. Bette Takahashi, President of the Board of Directors, P.O. Box 337, Honolulu 96809.

CALIFORNIA

Arriba Juntos Center, Leandro P. Soto, Executive Director, 2940 16th Street, Room 104, San Francisco 94103.

Asian-American Caucus of the Western Jurisdiction, the United Methodist Church, Rev. Jonah J. Chang, Director of Asian-American Ministries, 281 Santa Clara Avenue, Oakland 94610.

Asian-American Community Mental Health Training Center, Royal F. Morales, Project Director, 1300 W. Olympic Blvd., Suite 410, Los Angeles 90015.

Asian Americans for Community Involvement, Allan Seid, M.D., Chairperson, 230 South California, Suite 205, Palo Alto 94306.

Asian Law Caucus, Inc., Dale Minami and Tani Takagi, 3408 Park Blvd., Oakland 94610.

Asian Presbyterian Caucus of the United Presbyterian Church, U.S.A., Lester E. Kim, Chairman, P.O. Box 2769, Rolling Hills Estates, 90274.

Chinatown Family Outreach Center, Loretta Huahn, A.C.S.W., 257 Eighth Street, 2nd Floor, Oakland 94607.

Chinatown-North Beach District Council, Christina Chen, Chairwoman, 511 Columbus Avenue, San Francisco 94133.

Chinese Newcomers Service Center, Po Wong, Director and Lambert Choy, President of the Board of Directors, 816 Sacramento Street, San Francisco 94108.

Hata, Nadine Ishitani, 1126 Magnolia Avenue, Gardena, 90247.

Human Relations Commission of the City of Palo Alto, Marty Cottrell, Chairperson, Palo Alto 94301.

International Institute of San Francisco, Mrs. Audrey K. Doughty, Program Director, 2209 Van Ness Avenue, San Francisco 94109.

Jade Magazine, Gerald Jann, Editor/Publisher, 8240 Beverly Blvd., Los Angeles 90048.

Japanese-American Citizens League, Gail Nishioka, Acting Washington Representative, 22 Peace Plaza, Suite 203, San Francisco 94115.

Pacific/Asian Coalition, Paige Kawelo Barber, Chairperson and Lemuel F. Ignacio, Executive Director, 150 Eighth Street, San Francisco 94103.

Filipino Organizing Committee, Antonio A. Grafilo, Coordinator, 1201 Howard Street, San Francisco 94103.

Sandigan, Filipino Newcomers Service Center, Rod Estrada, Former Director, 79 Ninth Street, San Francisco 94103.

San Francisco Center for Japanese American Studies, Clifford I. Uyeda, M.D., P.O. Box 99345, San Francisco 94109.

San Francisco, City & County of, Jack Casford, Human Relations Representative representing the Office of the Mayor, City Hall, San Francisco.

San Francisco Community College District, Louis F. Batmale, Chancellor/Superintendent, 33 Gough Street, San Francisco 94103.

Santa Ana, Cora, 2270 Miramar Avenue No. 6, San Leandro 94578.

Synod of the Pacific Golden Gate Mission Area, Bruce T. Coleman, Chairperson, 330 Ellis Street, San Francisco 94102.

Union of Pan Asian Communities of San Diego County, Vernon T. Yoshioka, Chairman, 2952 Market Street, Suite F, San Diego 92102.

NEW YORK

American Council for Nationalities Service, Wells C. Klein, Executive Director, 20 W. 40th Street, New York 10018.

Asian American Caucus of Greater New York, Tino Calabia, Chairman, 491 Third Street, Brooklyn, 11215.

Asian Americans for a Fair Media, Johan Lee, c/o United Asian Community Center, 43 W. 28th Street, New York 10001.

Chinatown Planning Council, Inc., Allen B. Cohen, Executive Director, 45 E. Broadway, New York 10002.

Church World Service Immigration and Refugee Program, John W. Schauer, Director, 475 Riverside Drive, New York 10027.

Congress of Italian-American Organizations, Inc., Mary Sansone, Executive Director, 15 Park Row, New York 10038

Episcopal Asiamerican Ministry, The Reverend Winston W. Ching, Executive Officer, 815 Second Avenue, New York 10017.

Institute on Pluralism and Group Identity, Judith Herman, Director of Planning and Research, 165 East 56th Street, New York 10022.

Shin, Ty K., A.C.S.W., Associate for Social Welfare Ministries of the United Presbyterian Church in the United States of America (Health and Human Development Unit), 475 Riverside Drive, Room 1268, New York 10027.

STATE OF WASHINGTON

Asian American Alliance, Bart Alford, President, 1311 South M Street, Tacoma 98405.

Demonstration Project for Asian American Planning and Technical Assistance, Sil D. Kim, Project Director and Dorothy L. Cordova, Associate Project Director, 1608 East Jefferson, Seattle 98122.

International District Improvement Association, Robert N. Santos, Executive Director, 627 South Jackson Street, Seattle 98104.

International District Youth Council, Inc., Michael Kozu, Director, 310 Sixth Avenue South, Seattle 98104.

Tacoma Community House, Arthur C. Wang, Chairperson, Pacific Northwest Region, Pacific/Asian Coalition, 1311 South M Street, Tacoma 98405.

Washington State Commission on Asian American Affairs, Martin M. Matsudaira, Executive Director, Office of the Governor, Olympia 98504.

METROPOLITAN WASHINGTON, D.C. AREA

Fuimaono, Asuemu, Delegate-at-Large, Territory of American Samoa, 425 13th Street, N.W. Suite 926, Washington, D.C. 20004.

Inter-Group Council and Asian-American Workshop, Tuei Doong, c/ I.G.C. Community Resources Center, A.A.W., Box 21045, Washington, D.C. 20009.

Pian, Canta C. & Fuentes, David A., c/o R.J. Associates, 1018 Wilson Blvd., Arlington, Virginia 22209.

ILLINOIS

Ahn, Matthew Y., Vicar, St. Mary's Episcopal Church, Chicago.

Asian American Educators Association, Walter C. Moy, President, 936 Gunnison Street, Chicago 60640.

Asian Forum, Howard Kang, President, 608 South Ashland Blvd., Chicago 60607.

Kim, Bok-Lim C., Assistant Professor, the Jane Addams Graduate School of Social Work, University of Illinois, 1207 West Oregon Street, Urbana, Illinois 61801.

PENNSYLVANIA

Nationalities Service Center, Michael C. Rainone, Esq., President, 1300 Spruce Street, Philadelphia 19107.

Watanabe, Mary I., Ph.D., Vice President of the Pacific/Asian Coalition, 2218 Locust Street, Philadelphia 19103.

TEXAS

Chinese-Americans Citizens Alliance, Albert Gee, Grand National President, 5424 Holly Street, Bellaire, Texas 77401.

MASSACHUSETTS

Miyakawa, T. Scott, Professor of Sociology, Department of Sociology, Boston University, 96 Cummington Street, Boston 02215.

CREATION OF THE KALAUPAPA NATIONAL HISTORICAL PARK

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, I am introducing a House joint resolution today to establish a new National Historic Park under the National Park Service in the State of Hawaii. The new park would be at Kalaupapa, on the island of Molokai, the colony established more than a century ago for the care and treatment of the victims of leprosy.

Kalaupapa may be known to the Members of this House through the long and dedicated service to the colony by the Belgian priest, Father Damien, who is so highly revered for his untiring dedication to his task of caring for the diseased that he was one of the two subjects in all of Hawaii's history chosen to be honored by placement of his statue in the halls of this Capitol.

Father Damien, 1840–89, left a legacy of selfless service which made him a venerated figure worldwide and led to proceedings for his beatification by the Catholic Church. All of this focused unprecedented attention on the disease of leprosy and stimulated charity and significant scientific research toward its cure. Indeed, such progress in the treatment of the disease has been made in recent years that the Department of Health in the State of Hawaii notified the residents that there is no longer any reason why any of them may not come and go from Kalaupapa as he wishes. New drugs not only control the effects of the disease, they kill the bacteria within 3 days and prevent contagion. No one requires hospitalization from leprosy any longer.

The promontory on which the site is located is among the most remote locations in all Hawaii. It is the scene of much dedicated service in the tradition of Father Damien, but as these modern methods for treatment of leprosy have been developed, the patient population has dwindled to no more than 150, most of whom currently live there by choice. In the foreseeable future, the settlement will have no one there. There is growing concern about the future of the area, two options for which present themselves: To permit its development, possibly by commercial interests, or to preserve the area for its unique historic significance, as a treasure for the entire Nation.

In his book, "Holy Man," about Father Damien, Hawaiian historian Gavan Daws describes how the Island of Molokai looked in Damien's time:

> At a distance, Molokai was gorgeous. Seen as the English lady traveler Isabella Bird saw it, from the tranquil deck of a passing steamer on a shimmering sunny day, the mountainous land floated "like a great blue morning glory on the yet bluer sea". Closer to, it was still an impressive sight, but of a less uncomplicatedly lyrical kind. Robert Louis Stevenson, coasting the north side of his way to visit the leprosy settlement found the scenery "grand, gloomy and bleak. Mighty mountain walls descending sheer along the whole face of the island into a sea unusually deep; the front of the mountain ivied and furred with clinging forest; one viridescent cliff"; and midway along the coast, "a low, bare, stony promontory edged in between the cliff and the sea". The "promontory" was Kalawao.

At Kalawao, the center of activity on the 4 square mile area separated by a 1,500-foot cliff from the rest of Molokai, Father Damien spent most of his last 16 years. His church was there, as is his tomb. After his death the settlement gradually moved to Kalaupapa, by the coast, and today the whole promontory is referred to as Kalaupapa. The legacy of Father Damien is immortal: It is part of our history and must be cherished in memory. Our dedication of Kalaupapa as a national historic park would help serve this objective.

I am pleased, Mr. Speaker, to note that this proposal has the support of citizen groups in Hawaii and, most important, of the current resident population of the settlement, which will in no way be forced to move from the area of the Park when it is established.

Under this resolution, which is similar to H.R. 12012 introduced in the 93d Congress, the Secretary of the Interior would be authorized to designate the appropriate areas of the leprosy settlement as the Kalaupapa National Historic Park, and to acquire by donation, purchase or exchange the lands, waters and interests determined necessary to establishment of the park. Proper planning for restoration and development of the park area would be required. Publication of the official establishment of the park in the Federal Register is directed.

Mr. Speaker, the future of this historic area of our Nation can be assured by the actions of this House. I urge early consideration of my resolution.

THE ENERGY-MATERIALS CONSERVATION EDUCATION ACT

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, late in our last session I introduced legislation entitled "the Energy-Materials Conservation Education Act." The bill, H.R. 16950, was designed to attack our continuing and ever more urgent problem of energy conservation at a basic level, essentially to begin a concentrated program of education at all levels to promote a thorough understanding of conservation issues and to provide support on a long-range basis for our national commitment to conservation.

I have introduced this legislation again this year, as H.R. 1708, in the expectation that in this time of intense debate on energy resources some attention can be given to a basic approach to a situation which is nearing crisis proportions. We saw America rise to the challenge of sputnik in the late 1950's and in the 1960's to a point where our preeminence in technological achievements now knows no equal. I say the same kind of approach to our energy resources crisis is essential to reform America's attitudes, our habits, which have become so wasteful and counterproductive that we have become our own worse enemies.

While the stated thrust of national policy regarding energy clearly encompasses a commitment to conservation, most of our actions seem aimed at permitting the American people to continue in the expanding usage patterns of the last three decades, substituting one energy source for another, making systems more efficient, and minimizing institutional wastage.

The issue is more fundamental than this. We cannot maintain the current rate of consumption—certainly it cannot increase further—and, more important, our consumption rate relative to other nations must diminish.

How are Americans to be prepared for these changes which, although they may occur over a period of generations, will affect them profoundly? The slow process of education of the entire citizenry from schoolchildren to senior citizens must be started now, if the people are to be adequately prepared to maintain a high quality of life even as the dependence on, and usage of, scarce energy and materials diminishes.

We have seen a great deal of attention lavished on new technological schemes and concommitant programs of technical research into scientifically oriented energy related legislation before us. The Congress wisely enacted a $20 billion, 10-year program of research into development of nonnuclear energy resources last year. But with this approach must go new avenues of attack: programs to educate the citizenry to curtail their use of energy and materials.

We note that although conservation is a national goal, the fact remains that in a free enterprise society, all market forces are inherently expansionist, and hence, anticonservationist by their very nature. Historically here, as elsewhere, our American system of checks and balances has been operative. This free enterprise, expansionism had, traditionally, a countervailing force in the puritan heritage transmitted by our national ethos and our religious institutions. The postwar period has seen an enormous diminution of the power of both these latter forces. Hence, the expansionist free market forces have no checks as the educational and ethical forces which work on the citizen to conserve or minimize his use of energy and materials are no longer able, unaided, to help in achieving the national goal.

The need is, therefore, obvious for a continuous, long-range program of education, to encourage conservation and nonuse of energy and materials as a permanent component in our system of checks and balances in achieving a healthy conservation policy.

Mr. Speaker, I ask for a maximum effort in this direction and urge consideration of what will seem in decades ahead a minimal investment in future uncounted savings that cannot help but result from our actions. Let us make that investment now.

The text of my bill follows:

H.R. 1708

A bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve conservation and nonuse of energy and materials, and for other related educational purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Energy-Materials Conservation Education Act of 1975".

SEC. 2. (a) The Congress hereby finds and declares that present educational programs in the United States are inadequate as they relate to providing full information on the advantages and benefits of the conservation and nonuse of energy and materials as a means of meeting the present energy shortage and the long-range energy-materials demands of the Nation; and that educational programs to enhance the level of such information should link the conservation of energy and materials in recognition of their interconvertibility and interrelations as recommended by the Commission on National Materials Policy.

(b) It is the purpose of this Act, in order to provide adequate education concerning conservation and nonuse of energy-materials in this country, to provide support for the initiation and maintenance of programs concerning the conservation and nonuse of energy-materials at all levels of education (preschool through adult education); to disseminate instructional materials and other information for use in educational programs throughout the Nation; to provide for the planning of energy-materials conservation and nonuse resource centers; to provide improved career, vocational, and technical education programs; to provide for community education programs; to provide programs on the need for conservation and nonuse of energy-materials in this society; to provide for the preparation and dissemination of materials for use of the mass communications media and the information systems of community and national private organizations such as service clubs, and labor, religious, and other organizations; to provide training programs for parents, teachers, other educational personnel, youth and guidance counselors, community leaders, labor leaders, industrial and business leaders, government employees at the State, Federal, and local level, and all other users of energy; to encourage the development of new and improved courses and curriculums; to demonstrate the use of such courses and curriculums in model educational programs, and to evaluate the effectiveness thereof.

SEC. 3. (a) There is hereby established within the Office of Education a Council on the Conservation and Nonuse of Energy-Materials (hereinafter referred to as the "Council") consisting of twenty-one members appointed by the President. The Council shall consist of persons broadly representative of the public and private sectors with due regard to their knowledge and experience relating to the need for conservation and nonuse of energy-materials and with due consideration being given to geographical representation. The Director of the Federal Energy Administration, and the Administrator of the Environmental Protection Agency shall serve as ex officio members of the Council. The Council shall be provided with adequate staff and facilities to carry out its duties as prescribed by this Act.

(b) The President shall appoint one member of the Council to serve as its Chairman. The Chairman shall be compensated at a rate not to exceed the maximum rate prescribed for grade GS-17 in section 5332 of title 5, United States Code.

(c) The remaining twenty members of the Council shall serve without compensation, except that they shall be allowed travel and subsistence expenses while actually engaged in the business of the Council as authorized by section 5703 of title 5, United States Code.

(d) The members of the Council shall serve for terms of three years each, except that the initial appointments shall be made in accordance with procedures designed to allow for staggering of appointments so that the member or members whose terms expire in any year will be approximately the same as the number of members whose terms expire in any other year.

(e) The Council shall—

(1) advise the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") concerning the administration of, preparation of, general regulations for, and operations of, programs assisted under this Act;

(2) make recommendations to the Secretary with respect to the allocation of any funds pursuant to this Act, with due respect to the criteria developed to insure an appropriate geographical distribution of approved programs and projects throughout the Nation;

(3) develop criteria for the establishment of program priorities;

(4) develop programs and procedures for review of projects assisted under this Act annually; and

(5) develop and disseminate an annual independent report of the programs and activities authorized under this Act.

SEC. 4. (a) The Council shall advise, review, and make recommendations for the administration of the programs authorized by this Act, and the coordination of activities within the Federal Government which are related to energy-materials conservation and nonuse educational programs.

(b) The Secretary shall annually present to the Council a design for a program of making grants to, and contracts with, institutions of higher education, State and local educational agencies, regional research organizations, and other public and private nonprofit agencies, organizations, and institutions (including libraries and museums) to support educational, research, demonstration, and pilot projects designed to fulfill the purposes of this Act; and shall carry out a program of grants and contracts for such purposes in accordance with the policies of the Council; except that no grant may be made other than to a public or private nonprofit agency, organization, or institution.

(c) Funds appropriated for grants and contracts under this section shall be available for (but not limited to) such activities as—

(1) the support of energy-materials conservation and nonuse educational programs at all educational levels including the development of new and expanded programs;

(2) planning and operation of energy-materials conservation and nonuse resource centers;

(3) community education programs concerning the conservation and nonuse of energy and materials, including special programs for adults;

(4) dissemination of information to public and private nonprofit preschool, elementary, secondary, higher, adult, and community education programs;

(5) the development of curriculum;

(6) preservice and inservice training programs;

(7) projects including courses of study, fellowship programs, conferences, institutes, workshops, symposiums, and seminars;

(8) research, development, and dissemination of curriculums, texts and materials, tests, and programs for adequate and vocational and technical education and career counseling for persons in the field of energy-materials conservation and nonuse;

(9) preparation and distribution of materials;

(10) programs and projects to recruit, train, organize, and employ professional and other persons, and to organize and participate in energy-materials conservation and nonuse educational programs;

(11) research and evaluation of the effectiveness of such programs;

(12) research and development of programs aimed at increasing the number of experts in the field of energy-materials conservation and nonuse in administrative positions at all levels in institutions of education;

(13) research and development of programs aimed at obtaining and maintaining an adequate distribution of instructors, counselors, and other professionals trained in energy-materials conservation and nonuse in educational institutions;

(14) training, educational, and employment programs for persons in the field of energy-materials conservation and nonuse; and

(15) research and development of programs aimed at increasing the proportion of persons trained in energy-materials conservation and nonuse in fields in which they have not traditionally participated.

(d) In addition to the activities specified in this section, such funds may be used for projects designed to demonstrate, test, and evaluate the effectiveness of any such activities, whether or not assisted under this Act.

(e) Financial assistance under this section may be made available only upon application to the Secretary. Any such application shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe by regulation and shall be approved only if it—

(1) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

(2) describes a program for carrying out one or more of the purposes of this Act which holds promise of making a substantial contribution toward attaining such purposes;

(3) sets forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be used so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in this section, and in no case supplant such funds;

(4) sets forth policies and procedures which insure adequate evaluation of the activities intended to be carried out under the application;

(5) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this Act; and

(6) provide for making an annual report, and such other reports, in such form and containing such information, as the Secretary may reasonably require, and for keeping such records and affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(f) For the purposes of this section, the Secretary shall require evidence that an organization or group seeking funds shall have been in existence one year prior to the submission of a proposal for Federal funds and that it shall submit an annual report to the Secretary on Federal funds expended. The Secretary may waive such one-year existence requirement for just cause under regulations he shall prescribe, provided that such organization or group meets eligibility standards in other respects.

(g) Recognizing that education is a long-range process, the Secretary shall require evidence that an organization or institution receiving financial assistance shall be committed to continuing its program for a minimum of three, and preferably five years. Preference shall be given to applications for such long-term assistance with a commensurate degree of commitment.

(h) Amendments of an application shall, except as the Secretary may otherwise provide by regulation, be subject to approval in the same manner as the original application.

SEC. 5. The Secretary, in cooperation with the heads of other agencies with relevant jurisdiction, shall, insofar as practicable, upon request, render technical assistance to local educational agencies, public and private nonprofit organizations, institutions at all levels of education, agencies of State, local, and Federal governments and other agencies deemed by the Secretary to affect the conservation and nonuse of energy materials in this society. Such technical assistance shall be designed to enable the recipient agency or institution to carry on education and related programs concerning the conservation and nonuse of energy materials.

SEC. 6. The Secretary is authorized to make grants to, or enter into contracts with, public or private nonprofit agencies, organizations, and other institutions for planning and carrying out community-oriented education programs or projects on the conservation and nonuse of energy materials in American society for the benefit of interested and concerned adults, young persons, ethnic and cultural groups, community, labor and business leaders, and other individuals and groups within a community. Such programs or projects may include, among other things, seminars, workshops, conferences, counseling, and information services to provide advice, information, or assistance to individuals with respect to energy materials conservation and nonuse practices, and will include information centers designed to serve individuals and groups seeking to obtain or disseminate information, advice, or assistance with respect to the purposes and intent of this Act.

SEC. 7. (a) In addition to the grants authorized under section 4, the Secretary, from the sums appropriated therefor, shall have the authority to make grants, not to exceed $20,000 annually per grant, for innovative approaches to energy-materials conservation and nonuse educational programs: *Provided,* That the total of such grants shall not exceed 10 per centum of the total authorized funds.

(b) Information required in proposals and applications submitted by organizations and institutions under this section shall be limited to that need to evaluate such proposals or applications, unless the organization or institution shall voluntarily provide additional information.

SEC. 8. In administering the provisions of this Act, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon. The Secretary shall publish annually a list and description of projects supported under this Act, and shall distribute such list and description to interested educational institutions, citizens' groups, associations, and other institutions, organizations, and individuals involved in the conservation and nonuse of energy materials.

SEC. 9. Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of previously made overpayments or underpayments.

SEC. 10. As used in this Act, the term "State" includes (in addition to the several States of the Union) the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

SEC. 11. There is authorized to be appropriated not to exceed $25,000,000 for the fiscal year ending June 30, 1976, $40,000,000 for the fiscal year ending June 30, 1977, and $60,000,000 for the fiscal year ending June 1978 and each succeeding fiscal year for carrying out the purposes of this Act.

EULOGY FOR DR. HOWARD BROWN

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on Monday, February 17, I attended a eulogy service for Dr. Howard Brown who had formerly served as the health administrator of the city of New York. His service to the city was exceptional and highly regarded by everyone conversant with the problems of health service delivery.

But Howard Brown made an additional contribution that transcended everything in his life and which undoubtedly affected the lives of tens of thousands of young men and women. After leaving public service, he announced publicly that he was a homosexual and would lead the battle still being waged for equal rights for all without regard to one's sexual preferences. With others he founded the National Gay Task Force. Monday's eulogy service included readings from materials which he had written and which I believe will appear in his autobiography shortly to be published. They were very moving and must have given heart to those people who have lived in fear because of society's refusal to accept them as they are.

Howard Brown's life demonstrated that one's contribution to society is not dependent on one's sexuality but rather on one's ability to give the best of oneself in a common effort to make a better society for all.

Recently 19 Members of the House introduced H.R. 166 which would ban all discrimination now practiced against homosexuals and end discrimination that now exists in housing, employment, and public accommodations. The cosponsors are: ABZUG, JOHN BURTON, FAUNTROY, DELLUMS, HARRINGTON, KOCH, MCCLOSKEY, NIX, STARK, SOLARZ, RICHMOND, BINGHAM, ROSENTHAL, PARREN MITCHELL, FRASER, GEORGE BROWN, MINETA, WAXMAN, and BADILLO.

The expeditious passage of that bill would be the greatest tribute this country could pay to Howard Brown. And more important than this personal tribute would be its freeing a substantial sector of our population—people who comprise the remaining yet to be fully acknowledged minority.

I am appending the New York Times obituary on Dr. Howard Brown.

The obituary follows:

[From the New York Times, Feb. 3, 1975]

DR. HOWARD J. BROWN, 50, DIES; FIRST CITY HEALTH SERVICES CHIEF

Dr. Howard J. Brown, New York City's first Health Services Administrator during Mayor John V. Lindsay's Administration, died Saturday of a heart ailment at his home, 225 West 11th Street. He was 50 years old.

In October, 1973, Dr. Brown made Page 1 news when he announced publicly that he was a homosexual in an endeavor to end the prejudices that homosexuals faced in obtaining jobs. In the same month, he helped found the National Gay Task Force, a civil-rights clearinghouse for homosexuals, becoming board chairman.

During his 17 months as Health Services Administrator, Dr. Brown sought to reshape the city's health-care system from one that he criticized as physician-oriented into one that he felt would serve the needs of patients first.

CRITICIZED HOSPITAL CLINICS

He argued, as he had in earlier public-health efforts, that traditional methods of providing medical services were inadequate. But when he resigned, after having served as head of one of the first of the Lindsay Administration's superagencies from mid-1966 until the end of 1967, Dr. Brown expressed a sense of deep frustration at having been unable materially to change the health bureaucracy.

Looking back, he later remarked that hospital clinics epitomized the problem. "They are geared to the professional needs of physicians, not to the medical needs of patients," he said.

He observed, for example, that when dermatologists examined clinic patients it was their custom not to look for any symptoms other than those indicating skin trouble. As a result, a patient, if he had other complaints, would have to make several different clinic visits to have his health needs covered.

Dr. Brown's grounding in innovative public health care began not long after he was out of medical school and culminated in nearly five years of service as head of the Gouverneur Ambulatory Care Unit he ran on the Lower East Side just before he was named Health Services Administrator.

When Dr. Brown announced that he was a homosexual, he expressed the hope that others in high positions would follow his example, but he declined to name physicians or city officials who were homosexuals.

"They are still terrified," he said.

Dr. Brown said that there was no evidence "conclusively establishing homosexuality as a disease that can be treated."

Of his speaking to groups for the National Gay Task Force, he said: "It still astounds them to have a doctor stand up and say he is. I only wish I could have done it much earlier."

Howard Junior Brown was born in Peoria, Ill., on April 15, 1924, the son of a civil engineer. After high school he won a scholarship to Hiram College in Ohio, from which he graduated in 1954. His studies had been interrupted by service as an enlisted man in the Army in World War II.

He went to Western Reserve Medical School in Cleveland, and received his M.D. degree in 1948. During his internship, he took time out to serve as a staff physician at the United Auto Workers clinic in Detroit, his first contact with community medicine.

In 1954, Dr. Brown came here to serve as director of professional services for the Health Insurance Plan, then struggling to gain acceptance in group medical care. Seven years later he took over the ambulatory care unit at Gouverneur.

PERSONAL MEDICAL CARE

Although Dr. Brown was practically unknown to the public, he established a reputation in the public-health field, both at H.I.P. and in directing the Gouverneur unit, for seeking to combine personal attention with high-quality medical care.

When he was chosen to run the city's health services, Dr. Brown envisioned a complete re-ordering of public-health care, putting the patient's interest first. In essence it was to be an extension of the group-practice principles that, while controversial at H.I.P., were gradually becoming more accepted. These would be blended with the neighborhood-style health care he had perfected at Gouverneur.

But the task was more difficult than he imagined, and Dr. Brown left the city's medical-service system not much changed from the way he had found it.

Ill health was a factor in Dr. Brown's leaving city service. He suffered from a coronary ailment, and at the time he resigned he was himself undergoing a hospital siege.

In 1968 Dr. Brown became director of community medicine for Fortham Hospital. Later he began a career of full-time teaching at New York University's School of Public Administration and at its School of Medicine. He held professorships at both schools at his death.

A bachelor, Dr. Brown lived in Greenwich Village. on the top floors of a 200-year-old brick house he had bought in 1963. He is survived by a sister, Mrs. John Sibley, widow of a reporter for The New York Times.

TAX EQUITY FOR THE SINGLE TAXPAYERS AND WORKING MARRIED COUPLES

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I am reintroducing legislation today cosponsored by 93 Members of the House which would remove the tax inequities between single and married persons. My bill, H.R. 850, would grant all unmarried persons the full tax benefits of income splitting now enjoyed by married persons filing joint returns on a single income. The legislation would also assist working married couples filing jointly on two incomes who in some cases are more highly taxed than two single persons earning the same income and living together.

The 16th amendment to the Constitution gives Congress the right to levy income taxes. But Congress has never passed a law saying that single people shall be taxed just because they are single. Nor has Congress passed legislation saying that married people, both of whom work, shall be penalized by higher rates of taxes. But this is precisely what is happening today.

The actual cost to the single taxpayer and working married couple can best be illustrated by a few examples. A single taxpayer whose taxable income is $12,000 pays $2,630 in taxes; if he or she were married and the sole wage earner in the family and files a joint return, he or she would pay $2,260—a difference of $370. And, of course, the rate on any income in excess of $12,000 and before the $14,000 level is higher: 29 percent for the single return as opposed to only 25 percent for the joint return. The tax penalty for being single at $8,000 is $210; at $14,000 is $450; at $16,000 is $570; at $20,000, $850; at $50,000, an incredible $3,130.

If a woman goes to work to supplement her husband's $6,000 income, and if, for example, her income is also $6,000, the couple will pay $156 in taxes more than if they were two single people filing their individual returns. This is a 10-percent surtax on the amount they would be paying if single. Take another example: should the husband earn $20,000 and the wife $10,000, the couple will pay $780 extra in tax than if they were two single individuals filing separately.

Unfairly penalized too are singles filing as heads of household. A widowed, divorced, or single parent earning $8,000 pays $1,480—$100 more a year in taxes than the married couple with one income. At a $16,000 income, the penalty is $280; at $44,000 the penalty is $1,280.

In considering tax cut proposals, we must seek to remove the tax inequities for unmarried persons and married persons where both the husband and wife work. The purpose of a tax cut is to add purchasing power and, therefore, this is one certain area in which the inequity would be removed and the goal of assisting a recessionary economy accomplished.

I do want to mention the death of Miss Vivien Kellems, a fiesty proponent of tax equity. She combined tenacity with commonsense. Her energy and persistence was invaluable in my efforts to gain tax equity for single taxpayers. I am sorry that we will not have her help in completing the final leg of the fight; but I am confident that because of the foundation she set down we will be victorious. Vivien Kellems' mark will remain on our tax laws and her battles with the IRS will be remembered, as will many of her singular fights based on principle. She will be remembered fondly by many of us who will miss her.

The following Members are cosponsors of the legislation:

Bella Abzug (D-NY), Thomas Ashley (D-Ohio), Joseph Addabbo (D-NY), L. A. Bafalis (R-Fla), John Breaux (D-La), Garry Brown (R-Mich), Yvonne Burke (D-Calif), James Burke (D-Mass), John Burton (D-Calif), Shirley Chisholm (D-NY), James Cleveland (R-N.H.), Thad Cochran (R-Miss), William Cohen (R-Maine), John Conlan (R-Ariz), Silvio Conte (R-Mass), John Conyers (D-Mich), Lawrence Coughlin (R-Pa), Philip Crane (R-Ill), Dominick Daniels (D-NJ), Charles Diggs (D-Mich), Thomas Downing (D-Va), Robert Drinan (D-Mass), Joshua Eilberg (D-Pa), Dante Fascell (D-Fla), Millicent Fenwick (R-N.J.), Paul Findley (R-Ill), Hamilton Fish (R-NY), Daniel Flood (D-Pa), Bill Frenzel (R-Minn), and Edwin B. Forsythe (R-NJ).

Don Fraser (D-Minn), Harold Ford (D-Tenn), Robert Giaimo (D-Conn), Gilbert Gude (R-Md), Tennyson Guyer (R-Ohio), Michael Harrington (D-Mass), James Hastings (R-NY), John Heinz (R-Pa), Henry Helstoski (D-NJ), Andrew Hinshaw (R-Calif), Elizabeth Holtzman (D-NY), Frank Horton (R-NY), William Hungate (D-Mo), John Jenrette (D-SC), Albert Johnson (R-Pa), Robert Kastenmeier (D-Wis), Norman Lent (R-NY), Clarence Long (D-Md), Robert McClory (R-Ill), Paul McCloskey (R-Calif), John McCollister (R-Nebr), Mike McCormick (D-Wash), Larry McDonald (D-Ga), John Melcher (D-Mont), Edward Mezvinsky (D-Iowa), Abner Mikva (D-Ill), George Miller (D-Calif), and Joseph Minish (D-NJ).

Joe Moakley (D-Mass), Robert Mollohan (D-W. Va), W. Henson Moore (R-La), Morgan Murphy (D-Ill), Robert Nix (D-Pa), James Oberstar (D-Minn), Claude Pepper (D-Fla), Charles Rangel (D-NY), Thomas Rees (D-Calif), Frederick Richmond (D-NY), Don Riegle (D-Mich), Peter Rodino (D-NJ), John Rousselot (R-Calif), Edward Roybal (D-Calif), Harold Runnels (D-N. Mex), Fernand St Germain (D-RI), Ronald Sarasin (R-Conn), Paul Sarbanes (D-Md), James Scheuer (D-NY), Patricia Schroeder (D-Colo), Paul Simmon (D-Ill), James Stanton (D-Ohio), Alan Steelman (R-Texas), Louis Stokes (D-Ohio), Samuel Stratton (D-NY), Gerry Studds (D-Mass), James Symington (D-Mo), Charles Thone (R-Nebr), Lionel Van Deerlin (D-Calif), Henry Waxman (D-Calif), G. William Whitehurst (R-Va), Larry Winn (R-Kans), Lester Wolff (D-NY), Gus Yatron (D-Pa), and Leo Zeferetti (D-NY).

AMERICANS RAISING SERIOUS QUESTIONS ABOUT SOCIAL SECURITY SYSTEM

(Mr. NEAL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. NEAL. Mr. Speaker, in these times of economic uncertainty, a growing number of Americans are asking serious questions about the social security system.

They are valid questions pertaining to the basic soundness of the system; to its ability to provide, in future years, a dependable cushion against destitution; to its ability to avoid bankruptcy and sustain itself at reasonable tax levels; to its return on investment.

Unfortunately, the middle-aged and elderly Americans and others who ask these valid questions do not always receive reasonable answers. Contradictions abound. Confusion, rather than clarification, often is the reward of those who inquire into the prospectus of social security.

The Washington Star-News of Sunday, February 16, published in its editorials section an excellent article in response to the critics of social security. It offers nonpartisan explanations and, I believe, answers honestly most if not all the questions being raised about the soundness of our social security system. I commend it to the attention of all Americans:

Social Security Is Not Fraudulent or Bankrupt

(Note.—This article is excerpted from a "white paper" published last week by a bipartisan group of former officials, in response to recent criticism of the Social Security system. Signatories included former HEW secretaries Elliot L. Richardson, John W. Gardner, Wilbur Cohen, Robert Finch and Arthur Flemming, and former Social Security commissioners Robert M. Ball, William L. Mitchell and Charles I. Schottland.)

Nearly every American has a personal stake in the Social Security system. Many millions rely on it to safeguard themselves and their families against economic catastrophe when earnings stop because of old age, disability, or death. Attacks on the system designed to create doubts of its soundness and durability are a disservice to the nation.

Several elements of the system, to be sure—the level of benefits, for example, the test of retirement, the benefit rights accorded to women, the adequacy and equity of financing—are quite properly subjects of continuing public debate. Social Security has not been and should not be a static structure, for it best serves its purpose if it is adapted to changing times and conditions. Public discussion addressed to improvement of the system is both necessary and helpful.

But discussion of that kind is very different from assertions that the system is basically unsound, that it is bankrupt, or for some other reason doomed to collapse, or that it is a deception foisted on the American public. Charges similar to these have no more foundation now than they had when first made nearly 40 years ago.

RELIABILITY

The most vicious of these attacks is the one charging that promised Social Security benefits may not be paid when they fall due 20 or 30 or 40 years hence. To the worker who is compelled to contribute from his earnings every payday, who is counting on these benefits for his security in retirement and for the protection of his family in the meantime, planting seeds of unwarranted doubt is a cruelty.

What are the facts?

The first fact is that the payment of benefits is mandated by the law. A claim to Social Security benefits is a legal right enforceable in court, and many claims are in fact so enforced when eligibility is unclear. However one may define a "legal right," it certainly embraces a payment commanded by law and judicially enforceable.

The second fact is that Congress has gone far—probably as far as any Congress can go in binding its successors—to assure that future legislators will not, by changing the law, weaken the obligation to pay these benefits. By earmarking the proceeds of Social Security taxes for the payment of benefits and depositing them in a trust fund for this purpose, by labelling the system "insurance," by continuing actions to assure its financial soundness, and by innumerable pronouncements of congressional committees and individual spokesmen, Congress has made clear beyond question its pledge to the American people that the Social Security commitment will be honored.

The Social Security system is, in effect, a compact between the people of the United States and their government. Congress, it is true, retains the legal power to violate this compact, which would be a highly irresponsible act, altogether inconsistent with the

Congress' 40-year record of responsible action on Social Security.

Doubters among us should be reminded that a member of Congress who hopes for reelection will not vote to repudiate a promise to virtually his entire constituency. It is inconceivable that a majority of the members of each House of Congress ever will do so.

RESERVES

The matter of reserves has been a topic of confused debate almost since the ink dried on the original enactment of Social Security. In the early days it was said that the contemplated "reserve account" would be unmanageably large; now it is being charged that the Social Security trust funds are far too small. It was also said in 1936, and is occasionally even said today, that the funds are fictitious because they are invested in government bonds.

Charges that reserves have been grossly inadequate and charges that they are fictitious have been emphatically rejected by major studies of the system.

A government insurance system which has its future income assured by the taxing power has no need to build up the huge funds that a private insurer would require if it underwrote similar liabilities, and indeed, it would be unwise to the point of irresponsibility to accumulate such sums. The only need for a trust fund is as a contingency reserve large enough to tide the system over any temporary change in income and outgo; if an increase in revenues should be necessary, the trust fund would enable Congress to delay such action during a period of economic recession.

As for the worth of the assets in the funds, one need only consider that if a private trustee held these government bonds they would be regarded as gilt-edged securities, and then ask oneself how their value disappears when the same bonds are held by government officers as trustees.

The funds reflect the fact that, now, with a substantially mature system, annual contribution income and annual outgo are roughly in balance. This is another way of saying what critics harp on as though it were a demerit, that the benefits paid this year to the aged, the disabled and their dependents, and to survivors of the deceased, derive in the main from this year's contributions by workers and their employers.

As long as his benefits are adequately assured by the government's ability to obtain future income, today's young worker need have no concern over the fact that his contributions are used to pay today's beneficiaries, or that his future benefits will be paid from future contributions.

REGRESSIVE?

It is said that Social Security taxes are regressive because the wealthy pay smaller percentages of their earned income than do the poor, in contrast to the general income tax, under which the wealthy pay higher percentages.

If Social Security collections were taxes for general support of the government, this charge would be unanswerable; one can hardly imagine that Congress would ever have imposed these levies, or would now allow them to remain on the statute books, except as a part of a social insurance system. But the issue here is not whether Social Security *taxes* are regressive but whether the Social Security *system*, taking into account both benefits and contributions, is open to this charge.

The answer to that question is "no." The benefit formula is so designed as to give a larger return for each dollar of contributions to the low-wage earner than to the high. While there are other factors to be considered, some favoring the poor and some working against them, the net effect of the system is to transfer some income from the more affluent as a group to the less affluent.

It is legitimate to argue that the system ought to be made more progressive than it is, as for instance by the introduction of a government contribution derived from general revenues, but it is not legitimate to argue, by disregarding benefit payments, that the system as now structured is regressive.

Another contention which has gained in prominence with the increasing amount of contributions is that, regardless of the liberality of future returns, the present burden is simply more than people in low and moderate income brackets ought to bear out of current earnings. It is often pointed out that many of these people pay more in Social Security than in income taxes, though the significance of this comparison is not apparent. Many persons pay more for any number of things than they pay in income taxes, and there is nothing inherently inequitable in charging them more for the protections afforded by Social Security than they are charged for the general support of government.

No one can be dogmatic about what burdens on various income groups are tolerable, or represent good social policy, but to say that the poor are too heavily taxed for Social Security is to say either that their protection should be reduced or that it should be more largely subsidized by the wealthier segments of society. Not many argue for the former alternative, but the latter is widely and properly a matter of debate.

SOUNDNESS

Congress keeps a watchful eye on the actuarial balance of the system. It has sought, so far as knowledge available at any given time makes possible, to assure the system of adequate financing both for the short run and for the long run. Thus on the basis of all the information available at the time of the most recent amendments, it was thought that the system was adequately financed within a reasonable range for such estimates.

It now appears likely, however, that the system will require some additional financing. The current rate of inflation is so high that benefit increases tied to the cost of living are outrunning the additional income from higher wages. It is estimated that over the next 25 years income to support the cash benefit program will need to be increased by about 10 to 15 percent. Much less than this will be needed in the early part of this period and more in the latter part.

The additional income could come, of course, in part from an increase in the maximum earnings base rather than entirely from the contribution rate, or it could come from general revenues. In any event, the size of the problem over the next 25 years is easily manageable and certainly does not constitute a financial crisis.

It is possible that in the very long run, say from 2010 on, the active labor force in the United States may be required to support relatively more retired people than was thought to be the case until recently. The fertility rate in the United States has been dropping steadily since 1957 and is now at a point slightly below the rate that would ultimately produce zero population growth. A continuation of fertility rates as low as those experienced in the last few years would mean that the population aged 20 to 65 would stabilize early in the next century but that the number of older people would continue to grow for some time.

If this happens it is inevitable, of course, that a higher proportion of goods and services in the next century will need to go to older retired persons as compared with active workers. This is true quite aside from Social Security and applies equally to other devices for meeting the needs of older people such as private pensions, public assistance, or any other system that might be designed for that purpose.

Fortunately, the same assumptions that produce an increasing burden of support for older people, reduce the burden of support for children. Thus active workers, on the average, will not have to support any more non-workers than they do today as a result of these changed fertility rates, but they will be supporting more older people and fewer younger people.

There are many ways that the next generation may choose to deal with problems caused by an increasing proportion of older people in the population. One approach would be to increase the labor force participation rate for older people and thus reduce the burden of retirement benefits. And then, too, with smaller families more women might work, again reducing the ratio of retired people to active workers. It may be, too, that over the long run productivity increases in the United States will help meet the problem.

BENEFIT LEVELS

The 1972 amendments provided for the automatic adjustment of benefits in accordance with increases in the cost of living. These amendments also provided that protection for current wage earners would be automatically upgraded as wages and prices changed.

The way these provisions work can result in protection over the long run increasing at a rate either more or less than increases in wages, depending on the relative movement of prices and wages. Because of the specific wage and price assumptions used current cost estimates project that, over the long run, benefit rates at the time individuals come on the rolls will have been increased more than increases in wages.

Congress may wish to consider substituting a formula which assures that protection will automatically keep up with increases in wages but will not exceed such increases. Such a change in the formula would result in a substantially lower long-range cost than is shown by the current estimates.

NO 'MEANS' TEST

Mechanisms for preventing destitution in old age or in the event of the death or disability of the family breadwinner are, broadly speaking, of two kinds, contributory and noncontributory. The nation has chosen contributory social insurance as the primary mechanism, and those who would abandon that system must be prepared to substitute some form of noncontributory aid to those groups in the population who are now eligible for Social Security benefits.

A 100-percent noncontributory system, lacking the compact between government and contributors that is built into Social Security, could offer no comparable assurance to working people, or even to those already on the rolls, that the promised benefits would not be curtailed in times of budgetary stringency.

Designing such a system, moreover, would raise many thorny questions in specifying who should receive benefits, how large they should be, and how, if at all, their amounts should be varied. There is an almost infinite variety of theoretical answers to these questions but the hard reality is that a noncontributory system would almost inevitably come to rest upon a means test so that no one would receive benefits until poverty had overtaken him. Why, the argument would run, should the general taxpayer support persons who can support themselves if they have made no contributions to their own insurance protection?

The experience of public assistance (commonly known as "welfare") augurs ill for the willingness of taxpayers to help their fellow citizens who are thought, rightly or wrongly, to be able in one way or another to support themselves. It is not likely that taxpayers would be willing to provide noncontributory benefits without a means test and at a comparable level of adequacy to the 30 million people who now receive Social Security benefits—the elderly, the disabled, and their dependents, the widows and the widowers, and the motherless or fatherless children.

The ultimate question posed by current attacks on Social Security is whether the American people should continue to support contributory social insurance which is designed to prevent poverty from occurring, or should place basic reliance on measures to relieve poverty after it has become a fact. Necessary as relief programs are, most of us think them a poor second to prevention.

"The hope behind this statute," said Mr. Justice Cardozo in 1937, "is to save men and women from the rigors of the poorhouse as well as from the haunting fear that such a lot awaits them when journey's end is near." That hope has been to largely fulfilled to make for tolerance of those who would now destroy it.

THE ENERGY CRISIS

(Mr. OBERSTAR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OBERSTAR. Mr. Speaker, the recently concluded congressional recess gave me the opportunity both to report to the people of Minnesota's Eighth Congressional District on the actions of Congress in these first 4 weeks of the session, and to sample public reaction to and opinion on the President's energy, economic, and budget proposals to Congress.

In public meetings I held at various locations throughout this vast district, from Koochiching County on the Canadian border to Anoka County on the fringe of the Twin Cities metropolitan area and in a session with State legislators, I heard time and again that Minnesotans want a congressional alternative to the President's program.

The energy crisis is the No. 1, overriding concern expressed in every one of these meetings, for which I traveled 1,000 miles and directly contacted some 2,000 people.

What they told me was that—

They flatly reject a tax increase as a means to control either foreign oil imports or domestic consumption;

They are virtually unanimous in rejecting rationing as a means of controlling the distribution of gas and home heating fuel;

They are willing to accept a reasonable and practicable, mandatory, allocation program;

They reject the President's tax rebate proposal as being too little, and too generous to the wealthy while worsening the lot of those in the lowest income brackets;

They were shocked at the President's plan to increase the price of food stamps, while decreasing social security cost-of-living benefit increases, and at his budget proposals which shortchange human service needs while vastly increasing the already swollen military budget; and

They are firm in their rejection of continued U.S. financial assistance to Vietnam, and equally firm in insisting that our limited financial resources be used to strengthen the domestic economy.

No single need was cited more frequently than that of housing—the need to selectively lower interest and mortgage rates to stimulate construction in the housing sector of the economy.

Mr. Speaker, the people are dissatisfied and disappointed in the President's budget.

They are looking instead to Congress for answers to our economic and energy problems. We have become, in effect, the "Court of Last Appeal" against the inequitable, ineffective, and potentially disastrous proposals of the administration.

It is incumbent upon us to respond, with comprehensive plans, not merely with modifications of the President's proposals.

This must be our foremost goal in the weeks ahead.

At public "listening sessions" in Duluth and Superior, which Congressman DAVE OBEY and I jointly chaired, the most comprehensive, thoughtful statement was presented by Peter Benzoni, the able, hard-working director of District 33, United Steelworkers of America.

What Mr. Benzoni says in his statement sums up the feelings and reactions of virtually all those I contacted over this week-long recess.

I, therefore, submit it for the RECORD, to be considered by my colleagues in Congress:

STATEMENT OF UNITED STEELWORKERS OF AMERICA, DISTRICT NO. 33 TO CONGRESSMAN JAMES OBERSTAR OF MINNESOTA AND DAVID OBEY OF WISCONSIN BY PETER J. BENZONI, DIRECTOR, DISTRICT 33

America is in an economic emergency. The recession, which began more than a year ago, is already the most prolonged and the deepest since the 1930s. There is no end in sight.

The downward spiral is gathering momentum. In December, industrial production tumbled 2.8 percent, on top of a 4.6 percent decline in the previous 12 months. Public confidence in the government's ability to manage the economy continues to erode from one record low-point to another.

The country is on the brink of depression. Immediate, massive, emergency measures are required to turn the economy from the edge of disaster.

Without this emergency action, unemployment will feed on unemployment. Production cutbacks will spread further. The threat of widespread bankruptcies of busineses and banks will become reality.

The President's energy program represents an attempt to blackmail the Congress into adopting his inequitable tax rebate proposals. But while rebating little or nothing to low- and middle-income tax payers, the proposal would result in higher petroleum-related costs of up to $345 for the average American family. The $345 per family cost reflects only the Administration's estimate of the impact of the oil tax increases the President is seeking. The President's program would also deregulate natural gas and decontrol oil prices. If the price increases resulting from these deregulation proposals were included, the calculated costs to the average family would be much higher. By raising oil taxes and at the same time deregulating natural gas and oil prices, the program represents a rip-off in favor of the petroleum companies and a disaster to the low- and middle-income groups who will have to pay dearly for higher-priced fuel and petroleum by-products. The President is using the price mechanism as the means of controlling fuel consumption instead of a mandatory rationing system. A more aggressive and equitable program for stimulating the economy and curbing energy consumption must be adopted by the Congress.

We, therefore, recommend that you give utmost consideration to the following: Congress should enact—

An immediate tax cut of at least $20 billion, primarily for low- and middle-income taxpayers, to stimulate the economy through added purchasing power. Cut of individual income taxes, effective January 1, 1975, through reduced withholding from paychecks, heavily weighted on behalf of low- and middle-income families, by means of a $70 tax credit per exemption and a 5 percent cut in the tax remaining after the exemption credit, with a maximum cut of $375 per return; and

The President's proposed 12 percent tax rebate, up to a maximum of $1,000 would amount to less than $12 for a family of four earning $5,000. Twenty-five percent of American workers are in this bracket. A family of four with a taxable income of $10,000 would receive a rebate of $112.00. Only $157 for a similar sized family earning $12,500 a year. By contrast, a family would have to have an income of more than $41,000 (about 2 percent of U.S. families) to receive the maximum $1,000 rebate.

The President's proposal would not stimulate the economy, because it gives the bulk of its benefits to those income groups who don't need it. Low- and middle-income families, those hardest hit by inflation and recession, need a tax cut in order to purchase consumer goods and they need it every week, not just in two pitifully small lump sums. Therefore, we oppose the President's lopsided rebate proposal.

In addition, we will support enactment of a program to give relief to those working poor who pay no income taxes because their earnings are too low. Such a program will also stimulate the economy by giving added purchasing power to those who need it the most.

Following enactment of the needed emergency tax-cut stimulus for the economy, we urge the appropriate committees of the Congress to promptly begin work on closing the loopholes of special tax privilege for the wealthy and corporations. Only through tax justice will the government's needs for tax revenue be met by a fair and equitable tax structure.

Immediate reduction of interest rates and allocation of credit for high-priority social and economic activities.

Under the Credit Control Act of 1969, the President has the authority to direct the Federal Reserve Board to reduce interest rates and allocate credit. If he continues to refuse to use this authority, the Congress must enact legislation mandating the Federal Reserve Board to take these actions.

Significantly lower interest rates are essential to restore the health of the home-building industry and to encourage the general expansion of sales, production and employment. In addition, available credit must be allocated for housing, local government facilities and basic industrial expansion. Curbs must be placed on the extension of credit to speculators, gambling casino operators and foreign borrowers.

There is only one solution to unemployment, and that is jobs. Therefore, we urge emergency action on the following job-creating programs:

1. Immediate release of a substantial portion of the $19 billion in appropriated funds impounded by the President. Priority should be given to releasing those funds that would create jobs. Specifically:

(a) $9 billion of the impounded funds for construction grants for sewers and waste treatment plants.

(b) Nearly $4.4 billion for federal aid to highways.

(c) $372.5 million for hospital construction and modernization.

In addition, we urge the President not to carry out his announced intention to impound about $6 billion more in highway funds for Fiscal Year 1976.

Release of these funds could immediately result in order for building materials and the hiring of workers for on-site construction.

2. Immediate Congressional action on an Accelerated Public Works program providing a minimum of $2 billion in grants to communities with high unemployment to enable them to step up short-term construction and repairs of public facilities.

3. Full funding by the Congress and full implementation by the Labor Department and state and local governments of the Public Service Employment Program adopted by the Congress in December.

For unemployment workers, the government must:

1. Substantially improve the nation's unemployment insurance system by:

(a) Making extended unemployment compensation benefits available to jobless workers recently covered by the Emergency Jobs and Unemployment Assistance Act of 1974 for the same duration as for jobless workers covered by the permanent program.

(b) Eliminating the "waiting week" requirement in state programs which delays the payment of benefits for the jobless.

(c) Increasing the individual's weekly benefit amount to 75% of the former weekly wage up to 75% of the statewide average weekly wage, with the increased costs paid by the federal government during this emergency period.

(d) Requiring Employment Security Offices in those areas of substantial unemployment to remain open longer hours all week long, hiring enough additional staff to process claims without the demeaning and unnecessary delays to which the unemployed are presently subjected.

2. Provide health care to the millions of workers who lose their health insurance coverage under employer-employee plans when they become unemployed. The health care crisis facing the unemployed—who are denied Medicaid and stripped of their group coverage—is further evidence of the need for urgent congressional enactment of National Health Security. Therefore, we also call upon the House Ways and Means Committee to quickly hold subcommittee hearings and begin work on the long-neglected problem of an adequate health care system for America.

The President's proposal to place a 5 percent ceiling on mandated cost-of-living adjustments for Social Security, Railroad Retirement and civil service and military retirement benefits, and a similar 5 percent ceiling on pay increases for federal employees required under the Federal Pay Comparability Act is unfair and inequitable. On the one hand the President proposes higher prices for just about everything people must buy and, on the other, attempts to deny retirees and federal employees that to which they are legally entitled.

CONCLUSION

We call for immediate action on each and all of these points.

We pledge to our members, our fellow workers and our fellow citizens that we will not relent in our support of this program to put our economy in order and to improve our position in Notheastern Minnesta and Northern Wisconsin.

FREE THE TUNA BOATS

(Mr. VAN DEERLIN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, Washington this week has some visitors with a poignant cause: the plight of American fishermen held in Ecuador in the latest chapter of the "tuna war."

These visitors, who are seeing many Members of Congress as well as officials of the executive branch, are wives of the captive crew members. They are seeking some hard answers about the extent of our Government's commitment to their men. As most of our colleagues know, the difficulties of our fishermen stem from the extravagant territorial waters claims made by Ecuador and other Latin American countries.

A cogent editorial published Saturday, February 15, in the San Diego Evening Tribune urges that our Government demonstrate some spine for a change in dealing with the Ecuadorians. Unlike ourselves, the Ecuadorians always seem to know which way they are headed in this ongoing dispute over access to "territorial zones."

The editorial correctly notes that gunboat diplomacy would be "unrealistic" in our dealings with Ecuador. But it goes on to say—and this I fully concur—that—

> It is not unreasonable * * * to expect our Government to advise Ecuadorian officials they are flirting with a prompt cut-off of American aid and a ban on Ecuadorian imports.

Our military assistance approaches $14 million a year, and we are buying some $18 million in Ecuadorian fishing products. Under the circumstances, these seem like dubious investments.

The aforementioned editorial follows:

Free the Tuna Boats Now

The ultimate solution to the frightening—and costly—conflict over fishing rights claimed by Latin-American nations is a workable international law-of-the-sea treaty defining the limits of territorial waters.

But the immediate problem of seven U.S. tunaboats held hostage by the courts in Ecuador must be faced right now by our government in Washington.

The explosive situation at the Ecuadorian port of Salinas has been prefaced by a continued State Department subsidy of fines levied against boat owners for violation of the claims of the Central and South American countries to a 200-mile territorial zone. The merit of the U.S. resistance to the unilateral definition is not at issue in the justified demands of the tuna industry and of the families of San Diego skippers and crews for positive government action.

Government policy fostered the tense situation, however, and the seizures call for a prompt and decisive government response.

Emotional pleas to assign U.S. Marines to the captive boats or to send armed Navy ships to escort them home emphasize domestic anxieties, but obviously are unrealistic.

It is not unreasonable, however, to expect our government to advise Ecuadorian officials forcefully that they are flirting with a prompt cut-off of American aid and a ban on Ecuadorian imports.

Neither is it unreasonable to believe that the threat should be carried out if the reply is unsatisfactory.

The estimated $13 million in military assistance in this year's foreign aid program and the reported $18 million market in the United States for Ecuadorian fishery products may be insignificant in comparison with our largesse to other nations.

But it exceeds by far the potential of $1.5 million in fines anticipated by Ecuador and the $1 million catch which Ecuador proposes to confiscate.

More than the personal safety of the tuna crews and the value of catch for which they have labored is at stake. The enforced idleness at the height of the tuna season could be a disaster to the industry and to the processors who distribute the catch.

The long-range objectives of a continuing United Nations conference to bring peace to the seas are admirable, but what is needed today is some hard-nosed determination in Washington.

ENDING DISCRIMINATION AGAINST WORKING WIDOWS UNDER THE SOCIAL SECURITY LAWS

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, I am introducing today an amendment to the social security laws to remedy present discrimination against widows who have worked.

At present a widow who has worked is faced with a difficult problem: She may receive either her own old-age benefit or a widow's benefit based on her husband's earnings—but not both. Since the widow's benefit is usually the larger, she will ordinarily receive that benefit and thereby lose her own contributions to the social security trust fund. As a result, most working widows collect exactly the same benefit as widows who have never worked.

The unfairness inherent in the law is clear: Not only does the working widow collect no more than the widow who did not work, but she also loses everything she has contributed to the trust fund over the years. I think this law is an unfair restriction on the working spouse's right to receive social security benefits he or she has paid for through the payroll tax.

Under my bill, the working woman would be entitled to collect both her own old-age benefit and her widow's benefit when her husband dies. The bill would apply with the same force to men, allowing those eligible to collect a widower's benefit also to collect an old-age benefit.

My bill would reward those who have been a productive part of the economy and supply additional income at a time when it is most urgently needed. It would provide security for many widows since they would know that the death of their spouse would not signal a sharp reduction in social security benefits.

In recent years we have witnessed a number of significant changes in the social security laws designed to end discriminatory treatment of women. The need for continued improvement is underscored by the shocking fact that 6 out of 10 elderly women who live alone have incomes below the poverty line. My bill would be an important step toward providing a decent standard of living for widows and eliminating inequities by recognizing that the working woman should collect benefits she has earned in her own right as well as those the law provides her as a surviving spouse.

I hope my colleagues will join me in supporting this important legislation.

ELIMINATING SOCIAL SECURITY EARNINGS LIMITATION

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, the present social security laws penalize those senior citizens who must work to supplement their income. If they earn over $2,520 a year in wages, their social security benefits are reduced.

The time has come to do away with this harsh provision which denies to many senior citizens not only the benefits they may have worked 40 years to earn, but the dignity of working for a living. I am, therefore, introducing today legislation which will eliminate any limitation on retirement income. My bill will allow senior citizens to work without receiving reduced social security benefits.

For many of our elderly, the income they earn to supplement their meager social security benefits means the difference between bare subsistence and a decent standard of living. In a time of crippling inflation it is criminal that our social security laws penalize those persons who most need additional income.

In addition, many people approach age 62 or 65 in vigorous health, willing and able to continue working. It seems pointless for the social security laws, through the earnings limitation, to discourage these experienced people from continuing to be active and productive.

Finally, the earnings limitation is discriminatory. While wage earners are penalized, persons with unearned incomes are not. There can be no rational justification for taking away all social security benefits from someone who makes a salary, for example, of $8,500 a year, while allowing another, who may receive $50,000 a year in stock dividends, to get full benefits.

Many of my elderly constituents have told me of their despair and fear in the face of rapidly rising prices, and their anger at a Government which seems not to care. Passage of my bill to remove the social security earnings limitation will help to correct this intolerable situation by insuring at least that working senior citizens will not be denied a decent standard of living by their Government.

MARKING 300TH ANNIVERSARY OF JOHN FENWICK'S LANDING IN SALEM

(Mr. HUGHES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HUGHES. Mr. Speaker, this year marks the 300th anniversary of John Fenwick's landing at Salem and the beginning of the first English settlement in the Delaware Valley.

This important event occurred in my native State of New Jersey. This occasion is deserving of recognition. It is my belief that this event can best be remembered through the issuance of a commemorative stamp by the Postal Service, an honor John Fenwick's landing richly deserves.

In many ways the history of New Jersey is a microcosm of our national history. Initially, there were both internal and external problems.

The Dutch invaded New Jersey from 1673–74. When the English recaptured Jersey, James II tried to usurp the proprietors' claim to the colonies. In 1681 the proprietors' claim was finally acknowledged by the Crown—but the heretofore unthinkable thoughts of disloyalty and rebellion had been considered.

Internal difficulties revolved around the disputes between the large, absentee landlords and the small local farmers. Land ownership went hand in hand with control of the colonies; small landholders and residents were justifiably incensed by the power of absentee landlords over the conduct of their affairs.

In 1702 the cycle that lead to independence began. In that year the rule of the proprietors was limited and replaced by royal rule. Holders of huge parcels of land who spent their entire lives in England could no longer dictate to the settlers in America. But, alas, this form of bondage was replaced by another: Political submission to England. Release from this second menace was brought about by the concerted action of New Jersey and her 12 sister colonies which culminated in an independent United States of America.

New Jersey's leadership in colonial and revolutionary events can be traced to the courage and tenacity of her settlers. John Fenwick was the first of these settlers in the Delaware Valley. He, and those that followed him, might be appropriately honored by a commemorative stamp on the 300th anniversary of his landing.

LET US REVIVE THE CIVILIAN CONSERVATION CORPS

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I recently came across a letter in the New York Times regarding the Civilian Conservation Corps, which operated so successfully during the 1930's and which continues to function on a very small scale still today.

The writer of this article is Kenneth Holland of Bronxville, N.Y., a personal friend and retired director of the Institute for International Education. He is one of the persons who testified in favor of establishing the CCC in congressional hearings in 1932. With our present level of unemployment and renewed awareness of the need to preserve our natural resources, I believe Mr. Holland's remarks are especially appropriate today and I wish to insert them into the Record for the benefit of my colleagues:

[From the New York Times, Jan. 24, 1975]

Jobs for Youths: An Idea From the 1930's

To the Editor:

Remember the Civilian Conservation Corps?

At a time when large sums of money are being made available to assist the millions of unemployed we should not overlook the successful experience of the United States during the early thirties when the Roosevelt Administration established work camps for the unemployed youth, known as the C.C.C. camps.

At their peak they enrolled some 500,000 young men between the ages of 18 and 25 and a few veterans from the First World War in some 2,500 camps scattered throughout all the states. The young men were selected by social workers working under the auspices of the Department of Labor. The camps were built and administered by the U.S. Army. The work projects were under the supervision of the Department of Agriculture using especially the Forest Service and the Soil Conservation Service, and the Interior Department using the experience of the National Park Service. The Office of Education developed an educational program that was related to the work the men did on their projects.

The camps provided three good meals a day, a warm bunk to sleep in, an educational and recreational program, medical and dental care and real work in our great out-of-doors building roads, trails, firebreaks, cabins and recreation centers in state and national parks; they worked on flood control projects, they installed soil erosion barriers, planted trees and grass. They generally carried on nationwide, constructive conservation programs.

The participants were paid a small monthly wage, some of which was allocated to their families. Besides doing manual labor, the young men learned trades as they acted as apprentices to electricians, carpenters, plumbers and painters on the construction projects in state and national parks. They learned to drive and maintain trucks and bulldozers; they operated drag lines, worked in the camps as cooks, bakers, medical orderlies, clerks and assistant camp educational advisers. Industry and governmental agencies that later hired these enrollees testified to the sound basic training they received from this experience.

The camps, I believe, achieved their objectives—to conserve and develop human and natural resources. The camps in a sense achieved the objectives of William James in his essay "The Moral Equivalent of War." He advocated the conscription of the youthful population to work out of doors. In this way they would develop the "ideals of hardihood and discipline; they would not remain blind to man's real relations to the globe he lives on . . . they would come back to society with healthier sympathies and soberer ideas . . . they would tread the earth more proudly."

Kenneth Holland.

Bronxville, N.Y., January 12, 1975.

(The writer spent five years with the American Youth Commission of the American Council on Education evaluating the camp projects.)

THE SAME RESOLUTION 100 YEARS AGO AND TODAY

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, I hope that the Members will not mind if I turn the attention of this body to some national history that, I believe, would mean a great deal back home to our constituents and to the Nation at large.

We are in the midst of making preparations for celebrating this Nation's second hundred years of birth. This is a time when as a nation and a people we should be looking back to our past to reinforce our convictions, to relearn the great truths embodied in the Declaration of Independence and a number of other important documents associated with the founding of this Nation.

It is a time for celebration of the beliefs and virtues that led a small group of men representing a handful of States to meet in Philadelphia to draw up a document, the Constitution, which has become a model for emerging nations all over the world.

There is something else we can and should do. This Nation is, after all, a Federal Republic and our roots and strength as a nation derive from that excellent balance of power which has enabled us to be a Union of States as well as a nation of people.

I would not have us overlook the importance of local history as we celebrate the Bicentennial.

Evidently there was someone else who felt this way, and he preceded me in this body.

On January 5, 1876, Congressman Augustus A. Hardenbergh of New Jersey introduced a joint resolution which called upon the countries and towns throughout the States to construct their own histories and then deposit a copy with the county clerk and with the Library of Congress—as a fitting tribute to the first Centennial and a record of what had actually been accomplished. He expected the people from an area to come together and with probably a fitting ceremony deliver or receive the finished document. This would be an occasion, a celebration of people who lived within reasonable close distance of one another.

I am today reintroducing that legislation, in the exact language that emerged from the Senate and House of Representatives on March 13, 1876—changing the word "Centennial" to "Bicentennial" only—and which was then brought to the attention of the American people through a Presidential proclamation signed by President Grant on May 25, 1876.

Congressman Hardenbergh had some valuable observations to make when he discussed his resolution that I would like to quote from now. He said that—

> I presume, Mr. Speaker, it will scarcely be considered necessary to encroach upon the time of the House in the advocacy of a resolution so simple and yet so just as this, and yet it is one whereby it is designed to add a most interesting feature in the celebration of our centennial year. While our people will flock in crowds to Philadelphia, it will be impossible for the vast majority of American citizens, scattered as they are over our immense domain, to attend at Philadelphia, who yet are anxious to revive the proper feelings of pride and patriotism which our centennial year evokes.

Mr. Hardenbergh's remarks are equally true today. We need to take the Bicentennial to the people. Even though transportation has become more rapid and comfortable over this past century, we now are faced with an energy crisis and high transportation costs when people are short on money. These facts point to the same conclusion of that resolution of a hundred years ago. Let us provide some proper celebration "to revive the proper feelings of pride and patriotism" which our, in this case, Bicentennial year evokes and let us go to the people, rather than their coming to us.

Local Bicentennial committees are working on a variety of projects to adequately celebrate our second national birthday. But I believe with Mr. Hardenbergh that passage of his resolution has a special value. As he spoke to the Congress regarding his resolution:

> It affords a fitting opportunity by request of the National Legislature, to assemble within their own counties and towns, and in this manner to secure a more perfect history of our country than would otherwise be possibly secured.

He also offered as a selling point for his resolution the fact that it "appeals to no prejudice, it comprehends every section, and is without expense to the Government."

Some 250 historical memorials were received by the Library of Congress as a result of this resolution. There are pamphlets, books, sketches of local history to 1876, Centennial orations. As historical accounts of the first Centennial, as revelations of how local communities celebrated the Centennial and its meaning to them, they are invaluable.

When former President Lyndon B. Johnson issued the proclamation setting November 22, 1964, the first anniversary of the assassination of John F. Kennedy, as "a day of national rededication" he made some remarks about history that would certainly have accorded with the ideas of the former President he was honoring and that are pertinent to this resolution I introduce today. Said former President Johnson—

> History is more than the record of man's conflict with nature and himself. It is the knowledge which gives dimension to the present, direction to the future, and humility to the leaders of men. A nation, like a person, not conscious of its own past is adrift without purpose or protection against the contending forces of dissolution.

I think these remarks bear much thought. I hope we take them to heart.

Thus it is my hope, Mr. Speaker, that this body and the other body will have completed action on this joint resolution before Memorial Day of this year and that a Presidential proclamation will be forthcoming.

Congressman Hardenbergh's resolution came in the actual year of celebration of the Centennial. Mine is 1 year in advance with the hope that this will encourage local Bicentennial enthusiasts to turn their attention and perhaps some of their funding to projects involving local history, or that local civic groups will take this upon themselves, with the idea of then sharing the information that is discovered and celebrating the Bicentennial together as local communities proud of their part in our national development.

VOCATIONAL, OCCUPATIONAL, AND CAREER EDUCATION

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, today I am introducing with the cosponsorship of AL QUIE the Career Guidance and Counseling Act of 1975 on behalf of the American Personnel and Guidance Association. The APGA is the only professional organization representing guidance counselors throughout the country. An important part of the work of its 37,000 members is the provision of career guidance and counseling for people of all ages.

I would like to note two important facets of the Career Guidance and Counseling Act. First, that act mandates the implementation and coordination of services in and among existing community programs dealing with career guidance, such as the public schools, manpower, prime sponsors, the U.S. Employment Service, vocational rehabilitation programs, and community colleges. The second aspect is that the bill emphasizes the urgency of providing career development services for groups with special needs—minorities, the handicapped, women, and second careerists.

Mr. Speaker, with our present high unemployment and serious economic distress we can no longer afford people making critical educational and vocational decisions on a haphazard basis. The merit I see in the bill I am introducing today is that it would provide for an effective program of career guidance to help people make sound decisions on training and jobs.

I will send, at the end of this week, a letter to the membership of the House asking if any Members care to cosponsor this bill. Then I will reintroduce the bill next week with consponsorship.

In addition to introducing the Career Guidance and Counseling Act today, I am reintroducing with cosponsors two bills I introduced on February 6. Those bills are the Vocational Education Act of 1975 prepared by the American Vocational Association and the Postsecondary Vocational Act of 1975 prepared by the American Association of Community and Junior Colleges.

It is my general purpose in introducing all these bills to get the views of these national organizations on record so that the Congress can have the benefit of their thinking as we write our own legislation in the field of vocational, occupational, and career education.

EDGAR INTRODUCES RESOLUTION TO SPEED ECONOMIC AND ENERGY LEGISLATION

(Mr. EDGAR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDGAR. Mr. Speaker, the news media heaped scorn upon Congress last week for its failure to continue work on a desperately needed economic and energy program through the Lincoln's Birthday recess. The question we must ask ourselves is, "Was that scorn justified?" Congressmen generally do not "play" during recess. They meet diligently with constituents and organizations. But this is not the time to do what Congress "generally" does. We cannot maintain business as usual when the country is not functioning as usual. We must admit the public has lost confidence in Congress ability to make a difference in high food prices and low fuel supplies. And we must counteract this by demonstrating that Congress can rise to our Nation's emergency. As a step toward restoring confidence and resolving critical issues I am today introducing a resolution. The text of the resolution follows:

H.R. —

Resolution to request that the House of Representatives proceed without delay in its consideration of legislation with respect to the Nation's economic and energy problems

Whereas our Nation is currently faced with economic problems of crisis proportions, with severe inflation accompanied by unemployment at a rate unmatched since before World War II;

Whereas those economic problems are compounded by our Nation's rate of consumption of petroleum in general and foreign petroleum in particular;

Whereas the American people are daily suffering the consequences of these economic and energy problems and are justifiably demanding that the leaders of our country, both in the legislative and executive branches, develop and enact comprehensive and equitable solutions to these problems;

Whereas the Congress has asked the American people to allow it a ninety-day period in which to work on and accomplish this goal; and

Whereas the Congress can earn the trust and respect of the American people only by working diligently, unceasingly, and in a spirit of bipartisan cooperation to achieve this goal; Now, therefore, be it

Resolved, That—

(1) the committees of the House of Representatives should assign top priority to bills within their jurisdiction which deal with solutions to the Nation's economic and energy problems;

(2) the committees of the House should work at least five days each week on these top priority bills in order to report them to the House for its consideration within the ninety-day period the Congress has reserved for its deliberations;

(3) the Committee on Rules and the leadership of the House should assign top priority to consideration and action on bills dealing with solutions to the Nation's economic and energy problems;

(4) the House should meet at least five days each week to consider and act on such bills; and

(5) the House should take no further recesses until it has completed all necessary action on such bills.

STATEMENT OF CHAIRMAN ULLMAN CONCERNING THE RULE TO BE REQUESTED BY THE COMMITTEE ON WAYS AND MEANS ON H.R. 2166, AS AMENDED

(Mr. ULLMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, I take this means of advising our Democratic colleagues in the House of Representatives as to the type of rule the Committee on Ways and Means has instructed me to request from the Rules Committee on H.R. 2166, as amended, the tax rebate bill. I am making this announcement in order to comply with the requirements of the Democratic Caucus concerning notice to the Democratic Members as to requests for closed rules on legislation.

I have been directed by the Committee on Ways and Means to request a modified closed rule on H.R. 2166. The rule is to provide for one amendment in the nature of a substitute to be offered by Mr. CONABLE; to provide for committee amendments; 4 hours of general debate to be equally divided; waiving points of order; and with the usual one motion to recommit.

It is our hope that this bill can be scheduled by the Rules Committee for a hearing at the earliest possible time within the requirements of the caucus, and that it can be scheduled for floor action as soon as possible following the issuance of a rule, if a rule is granted. Thus, it is my hope that we can obtain a rule some time next week and that the leadership will schedule the bill for consideration as soon as possible after the rule is granted.

I attach herewith a brief summary of the principal provisions of the bill, as amended:

BRIEF SUMMARY OF THE TAX REDUCTION ACT OF 1975

TITLE I. REFUND OF 1974 INDIVIDUAL INCOME TAXES

In general, a 10 percent rebate of 1974 income taxes would be provided to individual taxpayers. The minimum rebate would equal the lesser of $100 or the taxpayer's 1974 income tax liability. The maximum rebate would be $200 and would be reduced by $1 for every $100 of adjusted gross income between $20,000 and $30,000. Taxpayers with adjusted gross incomes in excess of $30,000 would receive a rebate of $100. The rebate would be paid by the Treasury Department in one installment.

NOTE.—The $100 minimum rebate may be reduced to the extent necessary to confine the revenue loss of this provision to $8.0 billion.

TITLE II. INDIVIDUAL INCOME TAX REDUCTIONS

A. Increase in low-income allowance

The low-income allowance or minimum standard deduction would be increased from $1,300 to $1,900 for single persons and from $1,300 to $2,500 for married couples who file a joint return. The low-income allowance would be increased from $650 to $1,250 for married persons who file separately. The increase in the low-income allowance would apply to taxable years beginning after December 31, 1974 and before January 1, 1976.

B. Increase in percentage standard deduction

The percentage standard deduction would be increased from 15 percent of adjusted gross income with a maximum of $2,000 to 16 percent of adjusted gross income with a maximum of $2,500 for single persons and with a maximum of $3,000 for married couples who file a joint return. The standard deduction would be increased from $1,000 to $1,500 for married persons who file separately. The increase in the percentage standard deduction would apply to taxable years beginning after December 31, 1974 and before January 1, 1976.

The revenue loss associated with the increase in the low-income allowance and the increase in the percentage standard deduction is estimated to be $5.07 billion.

C. Withholding adjustments

Withholding taxes would be reduced to reflect the increase in the low-income allowance and the percentage standard deduction. Lower withholding would begin on May 1, 1975.

D. Earned income credit

A 5 percent refundable tax credit on earned income (wages and self-employment income) with a maximum credit of $200 would be provided for low-income individuals. The credit would be reduced by $1 for each $10 of adjusted income in excess of $4,000. Thus, the credit would be completely phased out at an income level of $6,000. The credit would apply to taxable years beginning after December 31, 1974 and before January 1, 1976.

The revenue loss associated with the earned income credit is estimated to be $3.3 billion.

TITLE III. CORPORATE INCOME TAX REDUCTIONS

1. Temporary adjustments in the investment tax credit

A. Increase in Investment Tax Credit

The investment tax credit would be increased generally from 7 percent to 10 percent and from 4 percent to 10 percent for most public utilities. However, the increment in the credit could not exceed $100 million for any one company or affiliated group. The effective date for the increase in the investment tax credit is January 22, 1975.

B. Progress Payments

Under present law, the investment tax credit may be applied against tax liabilities only when property is placed in service. Under the bill, the investment tax credit would be allowed sooner than under present law with respect to long lead-time property that requires in excess of 2 years to construct. The credit would be permitted to the extent of the lesser of (a) the cost of construction or (b) payments expended by the taxpayer. This rule would be phased in ratably over 5 years.

C. Public Utilities

In the case of most public utilities, the limitation on the amount of the investment credit that may be taken in a year would be increased from 50 percent of tax liability in excess of $25,000 to 100 percent for 1975 and 1976. Thereafter, the limitation would decrease by 10 percentage points a year until it reached the general 50 percent limitation in 1981.

D. Investment in Used Property

Present law places a limit of $50,000 on the amount of used property investment which is eligible for the investment tax credit. Under the bill, the $50,000 limitation would be increased to $75,000.

E. Revenue Effects

The revenue loss associated with the provisions of Title III relative to the investment tax credit is estimated to be $2.585 billion.

2. Temporary adjustment in the corporate surtax exemption

The corporate surtax exemption would be increased from $25,000 to $50,000. Thus, the first $50,000 of taxable income would be taxed at the normal tax rate of 22 percent. Taxable income in excess of $50,000 would be taxed at 48 percent.

The revenue loss associated with the increase in the corporate surtax exemption is estimated to be $1.2 billion.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Bob Wilson (at the request of Mr. Michel), for today, on account of illness.

Mr. Barrett (at the request of Mr. Eilberg), for today and tomorrow, Thursday, February 20, on account of a necessary absence.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 60 minutes, today.

(The following Members (at the request of Mr. Ketchum) to revise and extend their remarks and include extraneous material:)

Mr. Cohen, for 5 minutes, today.

Mr. Cleveland, for 5 minutes, today.

Mr. Steelman, for 5 minutes, today.

Mr. Steiger of Wisconsin, for 5 minutes, today.

Mr. Hansen, for 10 minutes, today.

(The following Members (at the request of Mr. Edgar) to revise and extend their remarks and include extraneous material:)

Mr. Moakley, for 5 minutes, today.

Ms. Holtzman, for 10 minutes, today.

Mr. Diggs, for 10 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Natcher, for 5 minutes, today.

Mr. O'Neill, for 30 minutes, today.

Mr. Eilberg, for 5 minutes, today.

Mr. Wolff, for 5 minutes, today.

Mr. Corman, for 5 minutes, today.

Mr. Ford of Tennessee, for 10 minutes, today.

Mr. Alexander, for 30 minutes, today.

Mr. Addabbo, for 10 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Bingham, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Gaydos, for 10 minutes, today.

Mr. Dent, for 5 minutes, today.

Mr. Staggers, for 5 minutes, today.

Mr. Gaydos, for 15 minutes, February 20.

Mr. Simon, for 10 minutes, February 24.

Mr. Rostenkowski, for 60 minutes, March 4.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Smith of Iowa.

(The following Members (at the request of Mr. Ketchum) and to include extraneous matter:)

Mr. Winn.

Mrs. Heckler of Massachusetts.

Mr. Sarasin.

Mr. Derwinski in two instances.

Mr. Michel in two instances.

Mr. Kasten in three instances.

Mr. Bell.

Mr. Frey.

Mr. Kemp.

Mr. Heinz.

Mr. Crane.

Mr. Gude.

Mr. Gradison.

Mr. Coughlin.

Mr. Vander Jagt.

Mr. Erlenborn.

Mr. Gilman.

Mr. Regula.

Mr. Hammerschmidt.

Mr. Shriver.

Mr. Pressler.

Mr. Jeffords in two instances.

Mr. Bauman in 10 instances.

Mr. Frenzel in five instances.

Mr. Symms in two instances.

Mrs. Fenwick.

Mr. Cohen.

Mr. Treen.

Mr. Wylie.

Mr. Anderson of Illinois in two instances.

Mr. Skubitz in three instances.

Mr. Whalen.

Mr. Walsh.

Mr. Armstrong in two instances.

Mr. Collins of Texas in four instances.

(The following Members (at the request of Mr. Edgar) and to include extraneous matter:)

Mr. McDonald of Georgia in six instances.

Mr. Milford.

Mr. Scheuer in 10 instances.

Mr. Alexander in 10 instances.

Mr. Jacobs in two instances.

Mr. Yatron.

Mr. Mazzoli in two instances.

Mr. Byron in 10 instances.

Mr. Richmond.

Mr. Wolff in 10 instances.

Mrs. Spellman.

Mr. St Germain.

Mr. Riegle in two instances.

Mr. Hébert in two instances.

Mr. Reuss in five instances.

Ms. Jordan in two instances.

Mr. Gonzalez in three instances.

Mr. Anderson of California in four instances.

Mr. Rogers in five instances.

Mr. Harrington.

Mr. Delaney.

Mr. Teague.

Mr. Patten in two instances.

Mr. Evins of Tennessee.

Mr. Ashley in four instances.

Mr. Simon.

Mr. Risenhoover in two instances.

Mr. Hungate.

Mr. Drinan.

Mr. McCormack in 10 instances.

Mr. Rosenthal.

Mr. Zeferetti.

Mr. Solarz.

Mr. Ottinger.

Mr. Hamilton.

Mr. Mineta.

Mr. Nix.

Mr. Cotter.

Mr. McHugh in two instances.

Ms. Holtzman.

Mr. Brown of California.

Mr. Rangel.

Mr. Carr in 10 instances.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

ADJOURNMENT

Mr. EDGAR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 3 minutes p.m.), the House adjourned until tomorrow, Thursday, February 20, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

359. A letter from the President of the United States, transmitting a proposed amendment to a supplemental appropriation for fiscal year 1975 for the Department of Transportation (H. Doc. No. 94–53); to the Committee on Appropriations and ordered to be printed.

360. A letter from the President of the United States, transmitting a draft of proposed legislation to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization of appropriations, and for other purposes (H. Doc. No. 94–54); to the Committee on Foreign Affairs and ordered to be printed.

361. A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs), transmitting the Defense manpower requirements report for fiscal year 1976 and the 3-month transition period ending September 30, 1976, pursuant to 10 U.S.C. 138(c) (3); to the Committee on Armed Services.

362. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed final regulations and guidelines governing supplementary educational centers and services (guidance, counseling, and testing), pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

363. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed final regulations governing parts A and C through G of the Education of the Handicapped Act, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

364. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed final regulations for the State vocational education programs under the Vocational Education Act of 1963, as amended, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

365. A letter from the Executive Secretary of the Department of Health, Education, and Welfare, transmitting notice of proposed amended regulations governing the operation of the guaranteed student loan program, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

366. A letter from the Director, Bureau of

Land Management, Department of the Interior, transmitting the semiannual report on negotiated sales contracts made by the Bureau for the disposal of materials during the period ended December 31, 1974, pursuant to Public Law 87-689; to the Committee on Interior and Insular Affairs.

367. A letter from the Acting Secretary of Transportation, transmitting a draft of proposed legislation to amend section 404 of title 23, United States Code, to revise the procedure for appointing the Chairman of the National Highway Safety Advisory Committee; to the Committee on Public Works and Transportation.

Received From the Comptroller General

368. A letter from the Comptroller General of the United States, transmitting a report on premium pay for Federal inspectors at U.S. ports of entry; jointly to the Committees on Government Operations and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MATSUNAGA: Committee on Rules. House Resolution 223. Resolution waiving certain points of order against House Joint Resolution 210. Joint Resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 94-15). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR:

H.R. 3189. A bill to amend the Internal Revenue Code of 1954 to allow farmers to defer certain payments received for losses to crops caused by natural disasters until the taxable year in which the income from the crops have been reported; to the Committee on Ways and Means.

By Mr. ANDERSON of California (for himself, Mr. Cotter, Mr. Burgener, and Mr. Wolff):

H.R. 3190. A bill to amend the Public Health Service Act to provide for the screening and counseling of Americans with respect to Tay-Sachs disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of Illinois (for himself, Mr. Frenzel, Mr. Rhodes, Mr. Bafalis, Mr. Biester, Mr. Brown of Ohio, Mr. Burgener, Mr. Cleveland, Mr. Conte, Mr. Coughlin, Mr. Emery, Mrs. Fenwick, Mr. Goodling, Mr. Hagedorn, Mr. Horton, Mr. Gude, Mr. Johnson of Colorado, Mr. Kemp, Mr. McKinney, Mr. Pritchard, Mr. Sarasin, Mr. Steelman, Mr. J. William Stanton, Mr. Thone, and Mr. McClory):

H.R. 3191. A bill to amend title 2 of the United States Code, to provide for the consideration and adoption of the Rules of the House of Representatives for the 95th and each succeeding Congress; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Bauman, Mr. Bell, Mr. Broomfield, Mr. Broyhill, Mr. Del Clawson, Mr. Cochran, Mr. Cohen, Mr. du Pont, Mr. Findley, Mr. Forsythe, Mr. Guyer, Mrs. Holt, Mr. Johnson of Pennsylvania, Mr. Kindness, Mr. Latta, Mr. Lent, Mr. Lott, Mr. Martin, Mr. Michel, Mr. Mitchell of New York, Mr. Moore, Mr. Ruppe, Mr. Spence, and Mr. Talcott):

H.R. 3192. A bill to amend title 2 of the United States Code to provide for the consideration and adoption of the Rules of the House of Representatives for the 95th and each succeeding Congress; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Treen, Mr. Whitehurst, Mr. Bob Wilson, Mr. Young of Florida, Mr. Winn, Mr. Jeffords, Mr. Shriver, Mr. Mosher, and Mr. Conable):

H.R. 3193. A bill to amend title 2 of the United States Code to provide for the consideration and adoption of the Rules of the House of Representatives for the 95th and each succeeding Congress; to the Committee on Rules.

By Mr. ANNUNZIO:

H.R. 3194. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, where authorized, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

H.R. 3195. A bill to amend the Internal Revenue Code of 1954 to provide a credit against tax related to the purchase of certain new motor vehicles during 1975 and 1976; to the Committee on Ways and Means.

H.R. 3196. A bill to amend the Internal Revenue Code of 1954 to provide a credit against tax related to the purchase of houses; to the Committee on Ways and Means.

By Mr. ASHLEY (for himself, Mrs. Heckler of Massachusetts, Mr. Scheuer, Mr. Whitten, and Mr. Wolff):

H.R. 3197. A bill to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or whose incomes have been significantly reduced as the result of adverse economic conditions; to the Committee on Banking, Currency and Housing.

By Mr. ASPIN:

H.R. 3198. A bill to create the position of ombudsman, and for other purposes; to the Committee on House Administration.

By Mr. BADILLO:

H.R. 3199. A bill to assure opportunities for employment to unemployed and underemployed persons, to assist States and local communities in providing needed public services, and for other purposes; to the Committee on Education and Labor.

H.R. 3200. A bill to amend title 18 of the United States Code to provide rules for the treatment of prisoners in Federal correctional institutions; to the Committee on the Judiciary.

By Mr. BELL (for himself, Mr. Rees, and Mr. Corman):

H.R. 3201. A bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban National Park in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. BINGHAM (for himself, Ms. Abzug, Mr. Badillo, Ms. Chisholm, Mr. Dominick V. Daniels, Mr. Edwards of California, Ms. Holtzman, Mr. Koch, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Rangel, Mr. Richmond, Mr. Rosenthal, Mr. Stark, Mr. Vander Veen, Mr. Waxman, Mr. Won Pat and Mr. Yates):

H.R. 3202. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, antique collectors, and pistol clubs; to the Committee on the Judiciary.

By Mr. CASEY (for himself and Mr. Brooks):

H.R. 3203. A bill to amend the Flood Disaster Protection Act of 1973 to make compliance with its provisions voluntary; to the Committee on Banking, Currency, and Housing.

By Mr. DON H. CLAUSEN:

H.R. 3204. A bill designating the Luther Burbank shasta daisy as the national flower of the United States; to the Committee on House Administration.

By Mr. COHEN (for himself and Mr. Hastings):

H.R. 3205. A bill to amend the Public Health Service Act to establish a Health Education Administration within the Department of Health, Education, and Welfare and to provide for the development and implementation of a national health education program; to the Committee on Interstate and Foreign Commerce.

By Mr. CONABLE:

H.R. 3206. A bill to amend section 104 of the Federal Water Pollution Control Act relating to training grants and projects; to the Committee on Public Works and Transportation.

By Mr. CORMAN:

H.R. 3207. A bill to provide for emergency relief for small business concerns in connection with fixed-price Government contracts; to the Committee on Small Business.

H.R. 3208. A bill to amend the Social Security Act so as to provide, for a 1-year period, hospital insurance coverage under medicare for unemployed workers and their families; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. Ottinger, Mr. Scheuer, and Mr. Tsongas):

H.R. 3209. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 3210. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. DENT (for himself and Mr. Hays of Ohio):

H.R. 3211. A bill to guarantee the constitutional right to vote and to provide uniform procedures for absentee voting in Federal elections in the case of citizens outside the United States; to the Committee on House Administration.

By Mr. DENT (for himself, Mr. Morgan, and Mr. O'Hara):

H.R. 3212. A bill to establish a Voter Registration Administration within the General Accounting Office for the purpose of administering a voter registration program through the Postal Service; to the Committee on House Administration.

By Mr. DRINAN:

H.R. 3213. A bill to require the submission of reports to the Congress prior to the issuance of a license for the export of certain arms, ammunition, or implements of war; to the Committee on Foreign Affairs.

By Mr. DUNCAN of Tennessee:

H.R. 3214. A bill to amend the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits, to raise the contribution base, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3215. A bill to amend the Railroad Unemployment Insurance Act; to the Committee on Interstate and Foreign Commerce.

H.R. 3216. A bill to amend title 5, United States Code, to credit, in computing length of service for retention purposes in Federal reductions in force, former service performed for agricultural stabilization county committees and associations of producers by Federal employees in any executive department or agency of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3217. A bill to amend the Internal Revenue Code to encourage development of processes to convert coal to low-pollutant synthetic fuels; to the Committee on Ways and Means.

H.R. 3218. A bill to amend title II of the Social Security Act to establish more effective procedures for the conduct of hearings, and the appointment of hearing examiners, with respect to claims under such title or title XVIII of such act; to the Committee on Ways and Means.

By Mr. EDWARDS of Alabama:

H.R. 3219. A bill to amend the Occupational Safety and Health Act of 1970 to require the Secretary of Labor to recognize the difference in hazards to employees between the heavy construction industry and the light residential construction industry; to the Committee on Education and Labor.

H.R. 3220. A bill to amend the Occupational Safety and Health Act of 1970, and for other purposes; to the Committee on Education and Labor.

H.R. 3221. A bill to provide for payments to compensate county governments for the tax immunity of Federal lands within their boundaries; to the Committee on Government Operations.

H.R. 3222. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3223. A bill to make the use of a firearm to commit certain felonies a Federal crime where that use violates State law, and for other purposes; to the Committee on the Judiciary.

H.R. 3224. A bill to amend the act of August 13, 1946, to increase the Federal contribution to 90 percent of the cost of shore restoration and protection projects; to the Committee on Public Works and Transportation.

H.R. 3225. A bill to amend the Internal Revenue Code of 1954 with respect to the tax-exempt status of, and the deductibility of contributions to, certain private schools; to the Committee on Ways and Means.

H.R. 3226. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of professional standards review organizations to review services covered under the medicare and medicaid programs; jointly to the Committees on Interstate and Foreign Commerce and Ways and Means.

By Mr. ESHLEMAN:

H.R. 3227. A bill to amend the Food Stamp Act of 1964, to exclude from coverage by the act every household which has a member who is on strike, and for other purposes; to the Committee on Agriculture.

By Mr. FRASER:

H.R. 3228. A bill to establish an emergency health benefits program for the unemployed; to the Committee on Interstate and Foreign Commerce.

By Mr. FRENZEL (for himself, Mr. Duncan of Tennessee, Ms. Schroeder, Mr. Archer, Mr. Steelman, Mr. Edwards of California, Mr. Vander Jagt, Mr. Dellums, Mr. Symms, Mr. McCloskey, Mrs. Heckler of Massachusetts, Mr. Mosher, Mr. Bedell, Mrs. Holt, Mr. Collins of Texas, Mr. Cleveland, and Mr. Kemp):

H.R. 3229. A bill to provide for accelerated capital formation; to the Committee on Ways and Means.

By Mr. FREY:

H.R. 3230. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of certain increases in monthly benefits under the Social Security Act and other Federal retirement programs; to the Committee on Veterans' Affairs.

H.R. 3231. A bill to provide for a Veterans' Administration hospital in Brevard County, Fla.; to the Committee on Veterans' Affairs.

By Mr. FREY (for himself, Mr. Addabbo, Mr. Andrews of North Dakota, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Burgener, Mr. Cochran, Mr. Conyers, Mr. Duncan of Tennessee, Mr. Evans of Indiana, Mr. Fascell, Mr. Flood, Mr. Hechler of West Virginia, Mr. McCloskey, Mr. McKinney, Mr. Martin, Mr. Murphy of New York, Mr. Roe, Mr. Sikes, Mr. Simon, Mr. Solarz, Mr. Won Pat, and Mr. Yatron):

H.R. 3232. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. GOLDWATER:

H.R. 3233. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

H.R. 3234. A bill to amend the Social Security Act to provide that future increases in retirement or disability benefits under Federal programs shall not be taken into consideration in determining a person's need for aid or assistance under any of the Federal-State public assistance programs; to the Committee on Ways and Means.

By Mr. GOLDWATER (for himself, Mr. Koch, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Boland, Mr. Carr, Ms. Chisholm, Mr. Conable, Mr. Conyers, Mr. D'Amours, Mr. Davis, Mr. Dellums, Mr. de Lugo, Mr. Drinan, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Edwards of California, Mr. Findley, Mr. Fish, Mr. Gaydos, Mr. Giaimo, Mr. Guyer, Mr. Harrington, Mr. Hicks, and Mr. Hinshaw):

H.R. 3235. A bill to protect the constitutional right of privacy of individuals concerning whom identifiable information is recorded by enacting principles of information practices in furtherance of articles I, III, IV, V, IX, X, and XIV of amendment to the U.S. Constitution; to the Committee on the Judiciary.

By Mr. GOLDWATER (for himself, Mr. Koch, Mrs. Holt, Mr. Horton, Mr. Lent, Mr. Long of Maryland, Mr. McKinney, Mr. Melcher, Mr. Miller of California, Mr. Mitchell of New York, Mr. Moorhead of California, Mr. Murtha, Mr. Nix, Mr. Obey, Mr. O'Hara, Mr. Pattison of New York, Mr. Rangel, Mr. Rees, Mr. Richmond, Mr. Rinaldo, Mr. Roybal, Mr. Ryan, Mr. Sarasin, Ms. Schroeder, and Mr. Solarz):

H.R. 3236. A bill to protect the constitutional right of privacy of individuals concerning whom identifiable information is recorded by enacting principles of information practices in furtherance of articles I, III, IV, V, IX, X, and XIV of amendment to the U.S. Constitution; to the Committee on the Judiciary.

By Mr. GOLDWATER (for himself, Mr. Koch, Mr. Spence, Mr. Stark, Mr. Studds, Mr. Traxler, Mr. Tsongas, Mr. Whitehurst, Mr. Charles Wilson of Texas, and Mr. Won Pat):

H.R. 3237. A bill to protect the constitutional right of privacy of individuals concerning whom identifiable information is recorded by enacting principles of information practices in furtherance of articles I, III, IV, V, IX, X, and XIV of amendment to the U.S. Constitution; to the Committee on the Judiciary.

By Mr. HANLEY:

H.R. 3238. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3239. A bill to amend title 5 of the United States Code to provide that supergrade employees (and certain other Federal employees) whose pay is subject to a special statutory limitation shall be credited, for civil service retirement purposes, with the full amount of the basic pay they would be entitled to receive in the absence of such limitation; to the Committee on Post Office and Civil Service.

By Mr. HAWKINS:

H.R. 3240. A bill to provide education equalization incentive grants to the States; to the Committee on Education and Labor.

By Ms. HOLTZMAN:

H.R. 3241. A bill to amend the Fair Labor Standards Act of 1938 to narrow the circumstances under which an employer employing employees subject to that act may have wage differentials based on sex of the employees; to the Committee on Education and Labor.

H.R. 3242. A bill to amend title II of the Social Security Act to provide that an individual may simultaneously receive (without any reduction or offset) both an old-age or disability insurance benefit and a widow's or widower's insurance benefit; to the Committee on Ways and Means.

H.R. 3243. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. HUBBARD:

H.R. 3244. A bill to amend title II of the Social Security Act to reduce from 9 to 6 months the period for which the surviving spouse of an insured individual (not otherwise qualified) must have been married to such individual in order to qualify as such individual's widow or widower; to the Committee on Ways and Means.

By Mr. JEFFORDS (for himself and Mrs. Lloyd of Tennessee):

H.R. 3245. A bill to provide price support for milk at not less than 85 percent of parity price therefor, and for other purposes; to the Committee on Agriculture.

By Mr. JEFFORDS (for himself, Mr. AuCoin, Mr. Duncan of Oregon, Mr. Pressler, Mr. Weaver, Ms. Abzug, Mr. Buchanan, Mr. Burlison of Missouri, Mr. Carter, Mr. Conyers, Mr. Edgar, Mr. Fisher, Mr. Hechler of West Virginia, Ms. Holtzman, Mr. Horton, Mr. Moorhead of Pennsylvania, Mr. Scheuer, Mr. Studds, Mr. Tsongas, Mr. Udall, and Mr. Dellums):

H.R. 3246. A bill to prohibit the introduction into interstate commerce of nonreturnable beverage containers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Ms. JORDAN:

H.R. 3247. A bill to amend the Voting Rights Act of 1965 to extend its coverage; to the Committee on the Judiciary.

By Mr. KASTENMEIER:

H.R. 3248. A bill to amend title 38, United States Code, in order to entitle veterans to 45 months of educational assistance for all educational programs under chapter 34 of this title; to the Committee on Veterans' Affairs.

By Mr. KASTENMEIER (for himself, Mr. Steelman, Mr. Badillo, Mr. Bennett, Mr. Cohen, Mr. Downey, Mr. Drinan, Mr. Edwards of California, Mr. Gilman, Mr. Gude, Mr. Horton, Mrs. Lloyd of Tennessee, Mr. Mazzoli, Mr. Mikva, Mr. Mosher, Mr. Ottinger, Mr. Pattison of New York, Mr. Quie, Mr. Railsback, Mr. Reuss, Mr. Seiberling, Mr. Simon, Mr. Vander Jagt, Mr. Charles Wilson of Texas, and Mr. Winn):

H.R. 3249. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; jointly to the Committees on the Judiciary and Standards of Official Conduct.

By Mr. KASTENMEIER (for himself, Mr. Steelman, Mr. Anderson of California, Mr. AuCoin, Mr. Baldus, Mr. Baucus, Mr. Bell, Mrs. Burke of California, Mr. Blouin, Mr. Brodhead, Mr. Cornell, Mr. Dodd, Mr. Edgar, Mr. Harrington, Mr. Koch, Mr. McCloskey, Mr. Miller of California, Mr. Mitchell of Maryland, Mr. Neal, Mr. Nix, Mr. Pressler, Mr. Rosenthal, Mr. Solarz, Mr. Stark, and Mr. Won Pat):

H.R. 3250. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; jointly to the Committees on the Judiciary and Standards of Official Conduct.

By Mr. KETCHUM:

H.R. 3251. A bill to amend title 5, United States Code, to provide that excess annual leave lost by a Federal employee because of an unjustified or unwarranted personnel action shall be restored to such employee in the same manner as if lost because of administrative error; to the Committee on Post Office and Civil Service.

By Mr. KETCHUM (for himself and Mr. Lagomarsino):

H.R. 3252. A bill to provide for the establishment of a National Voluntary Medical and Hospital Services Insurance Act; to the Committee on Interstate and Foreign Commerce.

By Mr. KOCH (for himself and Mr. Hinshaw):

H.R. 3253. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. Cleveland, Mr. Cohen, Mr. Conte, Mr. Dominick V. Daniels, Mr. Giaimo, Mr. Hastings, Mr. Horton, Mr. Lent, Mr. St Germain, Mr. Scheuer, Mr. Studds, Mr. Whitehurst, and Mr. Wolff):

H.R. 3254. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. LEGGETT:

H.R. 3255. A bill to amend title II of the Social Security Act to permit a State, under its section 218 agreement, to terminate social security coverage for State or local policemen or firemen without affecting the coverage of other public employees who may be members of the same coverage group (and to permit the reinstatement of coverage for such other employees in certain cases where the group's coverage has previously been terminated); to the Committee on Ways and Means.

By Mr. LEGGETT (for himself and Mr. Quie):

H.R. 3256. A bill to provide for the establishment of an Agricultural Labor Relations Board for the purpose of regulating the agricultural industry and agricultural labor, and for other puposes; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mrs. Fenwick, Mr. Buchanan, Mr. Charles Wilson of Texas, Mr. Derwinski, Mr. Winn, Mr. Hechler of West Virginia, Mr. Brown of Ohio, and Mr. Ullman):

H.R. 3257. A bill to amend the Food Stamp Act of 1964 to prohibit any individual from receiving food stamps who receives at least one-half of his income from any other individual who is a member of another household which is ineligible for food stamps; to the Committee on Agriculture.

By Mr. LITTON (for himself, Mr. Findley, Mr. Ford of Tennessee, Mr. Richmond, Mr. Winn, Mr. Fascell, Mr. Riegle, Mr. Lagomarsino, Mr. Carter, Mr. Horton, and Ms. Holtzman):

H.R. 3258. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Ms. Abzug, Mr. Andrews of North Carolina, Mr. Badillo, Mr. Bowen, Mr. Breaux, Mr. Brown of California, Mr. de Lugo, Mr. Flood, Mr. Frenzel, Mr. Ginn, Mr. Harrington, Ms. Holtzman, Mr. Kemp, Mr. Ketchum, Mr. Long of Maryland, Mr. Melcher, Mr. Mezvinsky, Mr. Moorhead of California, Mr. Mitchell of Maryland, Mr. Roe, Mr. Charles Wilson of Texas, Mr. Won Pat, Mr. Udall, and Mr. Ullman):

H.R. 3259. A bill to amend the Legislative Reorganization Act of 1970 to provide seminars to freshmen Members of the Congress, and for other purposes; to the Committee on House Administration.

By Mr. MAHON:

H.R. 3260. A bill to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93–398) and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94–39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93–391), transmitted pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. MATSUNAGA:

H.R. 3261. A bill to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MELCHER:

H.R. 3262. A bill providing that certain privately owned irrigable lands in Milk River project in Montana shall be deemed to be excess lands; to the Committee on Interior and Insular Affairs.

H.R. 3263. A bill to authorize the Secretary of the Interior to designate the Beartooth Highway, Montana and Wyoming, as the "James E. Murray Memorial Parkway," and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MELCHER (for himself, Mr. Abdnor, Mr. Bergland, and Mr. Weaver):

H.R. 3264. A bill to amend the Internal Revenue Code of 1954 to allow farmers to defer certain payments received for losses to crops caused by natural disasters until the taxable year in which the income from the crops would have been reported; to the Committee on Ways and Means.

By Mrs. MINK:

H.R. 3265. A bill to amend the Mineral Leasing Act of 1920, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MOLLOHAN:

H.R. 3266. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide that a unit of general local government having a population of 50,000 or more shall be eligible to be a prime sponsor; to the Committee on Education and Labor.

By Mr. OBERSTAR:

H.R. 3267. A bill to provide relief from shore damages attributable to high water levels in the Great Lakes, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. PATTEN:

H.R. 3268. A bill to amend title XIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. PERKINS (for himself, Mr. Quie, Mr. Thompson, Mr. Dominick V. Daniels, Mr. Mitchell of Maryland, Mrs. Sullivan, Mr. Railsback, Mr. Rodino, Mr. Scheuer, Mr. Baldus, Mr. Drinan, Mr. Wampler, Mr. Carney, Mr. Evans of Indiana, Mr. Steelman, Mr. Flood, Mr. Charles H. Wilson of California, Mr. Rangel, Mr. Hubbard, Mr. Staggers, Mr. Kazen, Mr. Van Deerlin, and Mr. Breckinridge):

H.R. 3269. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS (for himself and Mr. Quie):

H.R. 3270. A bill to provide for career guidance and counseling plans and programs for States and local educational agencies; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. Quie, Mr. Thompson, Mr. Dominick V. Daniels, Mrs. Spellman, Mr. Steiger of Wisconsin, Mrs. Sullivan, Mr. Rodino, Mr. Scheuer, Mr. Staggers, Mr. Drinan, Mr. Carney, Mr. Evans of Indiana, Mr. Van Deerlin, Mr. Baldus, Mr. Flood, Mr. Charles H. Wilson of California, Mr. Rangel, Mr. Hubbard, Mr. Mitchell of Maryland, and Mr. Breckinridge):

H.R. 3271. A bill to amend and extend the Vocational Education Act of 1963, and for other purposes; to the Committee on Education and Labor.

By Mr. PRESSLER:

H.R. 3272. A bill to provide for continuing earth resources satellite experimentation; to the Committee on Science and Technology.

By Mr. PREYER (for himself, Mr. Ashley, Mr. Carter, Mr. Coughlin, Mr. Davis, Mr. Devine, Mr. Dodd, Mr. Goodling, Mr. Helstoski, Mr. Hubbard, Mr. Regula, Mr. Roe, Mr. Seiberling, Mr. Schneebeli, Mr. Treen, and Mr. Yatron):

H.R. 3273. A bill to give greater assurance that national and regional needs are satisfied in times of shortage of natural gas and petroleum and its products; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE (by request):

H.R. 3274. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes; to the Joint Committee on Atomic Energy.

H.R. 3275. A bill to authorize supplemental appropriations to the Nuclear Regulatory Commission for fiscal year 1975; to the Joint Committee on Atomic Energy.

By Mr. QUIE (for himself, Mr. Anderson of California, Mr. AuCoin, Mr. Benitez, Mr. Bergland, Mr. Carr, Mr. Downey, Mr. Fauntroy, Mrs. Fenwick, Mr. Gilman, Mr. Gude, Mrs. Heckler of Massachusetts, Mr. Howard, Mr. Hungate, Mrs. Lloyd of Tennessee, Mr. Long of Louisiana, Mr. Metcalfe, Mrs. Meyner, Mr. Patten, Mr. Pattison of New York, Mr. Pressler, Mr. Roncalio, Mr. Solarz, Mr. Stark, and Mr. Symington):

H.R. 3276. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. RAILSBACK (for himself, Mr. Kastenmeier, Mr. Bell, Mr. Carr, Mr. LaFalce, Mr. Gilman, Mr. Udall, Mr. Patman, Mr. Cleveland, Mr. McKinney, and Mr. Howe):

H.R. 3277. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary and Standards of Official Conduct.

By Mr. ROBINSON (for himself, Mr. Lent, and Mr. Moore):

H.R. 3278. A bill to provide further for uniform annual observances of certain legal public holidays on Monday, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROGERS (by request):

H.R. 3279. A bill to amend the Public Health Service Act to revise and extend the program of assistance under title VII for training in the health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SLACK:

H.R. 3280. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

By Mr. SMITH of Iowa:

H.R. 3281. A bill to amend the Commodity Exchange Act to require public disclosure of certain information relating to sales of commodities for export, and for other purposes; to the Committee on Agriculture.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 3282. A bill to amend the Rail Passenger Service Act of 1970 to authorize additional appropriations; to the Committee on Interstate and Foreign Commerce.

H.R. 3283. A bill to amend the Railroad Retirement Act of 1974 to provide for the continuing annual credit to the railroad retirement account and the railroad retirement supplemental account of the taxes collected under the Railroad Retirement Tax Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEELMAN (for himself, Mr. Goldwater, Mr. Horton, Mr. Gude, Mr. Tsongas, Mr. Harrington, Mr. Pattison of New York, Mr. Obey, Mr. Coughlin, Mr. Quie, Mr. Riegle, Mr. Lent, Mr. Leggett, Mr. Hannaford, Mr. Biester, Mr. Matsunaga, Ms. Chisholm, and Mr. Buchanan):

H.R. 3284. A bill to enforce the first amendment and fourth amendment to the Constitution and the constitutional right of privacy by prohibiting any civil officer of the United States or any member of the Armed Forces of the United States from using the Armed Forces of the United States to exercise surveillance of civilians or to execute the civil laws, and for other purposes; to the Committee on the Judiciary.

By Mr. VANDER JAGT:

H.R. 3285. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. BOB WILSON:

H.R. 3286. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. WINN:

H.R. 3287. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. ASHLEY:

H.R. 3288. A bill to require the Board of Governors of the Federal Reserve System to make certain reports to the Congress to facilitate coordination of fiscal policy with monetary and credit policies; to the Committee on Banking, Currency and Housing.

By Mr. ASHLEY:

H.R. 3289. A bill to promote economic stabilization by maximizing the availability of credit for national priority uses and by diverting funds from speculative and nonproductive uses; to the Committee on Banking, Currency and Housing.

By Mr. BIAGGI:

H.R. 3290. A bill to prohibit Federal assistance to rental housing projects where tenants are not allowed to have pets, or to local governments which do not permit pets in rental housing; to the Committee on Banking, Currency and Housing.

By Mr. BIAGGI:

H.R. 3291. A bill to amend the Fair Labor Standards Act of 1938 to reduce and then repeal the credit against the minimum wage which is based on tips received by tipped employees; to the Committee on Education and Labor.

By Mr. BOWEN:

H.R. 3292. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the first $500 of interest or dividends on savings deposits or withdrawable accounts in savings and loan associations, banks, credit unions, and other thrift institutions: to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 3293. A bill to amend the Internal Revenue Code of 1954 to allow an individual a credit for certain household and dependent care expenses necessary for gainful employment; to the Committee on Ways and Means.

By Mr. BREAUX (for himself, Mr. Bennett, Mrs. Boggs, Mr. Brooks, Mr. Edwards of Alabama, Mr. Fascell, Mr. Fuqua, Mr. Jones of North Carolina, Mr. Lott, Mr. Rose, Mr. Sikes, Mr. Waggonner, and Mr. Charles Wilson of Texas):

H.R. 3294. A bill to amend section 4 of the Fish and Wildlife Act of 1965, to provide short-term relief to those portions of the fishing industry which have suffered economic dislocation; to the Committee on Merchant Marine and Fisheries.

By Mr. BREAUX (for himself, Mr. Brown of California, Mr. Carr, Mr. Davis, Mr. de Lugo, Mr. Fauntroy, Mr. Findley, Mr. Frey, Mr. Goodling, Mr. Hébert, Mr. Huntgate, Mr. Jones of North Carolina, Mr. Lehman, Mr. Lott, Mr. Mitchell of Maryland, Mr. Roe, Mr. Charles Wilson of Texas, Mr. Winn, and Mr. Won Pat):

H.R. 3295. A bill to amend the Internal Revenue Code of 1954 to provide an individual tax credit for disaster evacuation expenses; to the Committee on Ways and Means.

By Mr. BREAUX (for himself, Mr. Brown of California, Mr. Carr, Mr. Davis, Mr. de Lugo, Mr. Fauntroy, Mr. Frey, Mr. Goodling, Mr. Hébert, Mr. Hungate, Mr. Jones of North Carolina, Mr. Lehman, Mr. Lott, Mr. Mitchell of Maryland, Mr. Roe, Mr. Charles Wilson of Texas, and Mr. Won Pat):

H.R. 3296. A bill to amend the Internal Revenue Code of 1954 to provide an individual tax credit for disaster preparation expenses; to the Committee on Ways and Means.

By Mr. BREAUX (for himself, Mr. Bennett, Mrs. Boggs, Mr. Edwards of Alabama, Mr. Fascell, Mr. Fuqua, Mr. Jenrette, Mr. Jones of North Carolina, Mr. Lott, Mr. Rose, Mr. Sikes, Mr. Waggonner, and Mr. Charles Wilson of Texas):

H.R. 3297. A bill to impose quantitative limitations on the importation of shrimp into the United States during calendar years 1975 and 1976, and to impose a duty on imported shrimp; to the Committee on Ways and Means.

By Mr. BURGENER:

H.R. 3298. A bill to transfer jurisdiction over the food stamp program to the Secretary of Health, Education, and Welfare; to the Committee on Agriculture.

By Mr. BURGENER (for himself, Mr. Pressler, Mr. Schulze, and Mr. Pattison of New York):

H.R. 3299. A bill to amend title 5, United States Code, to provide for a reduced retirement annuity for a Member of Congress who remains in office after becoming 70 years of age; jointly to the Committees on Post Office and Civil Service and House Administration.

By Mr. DANIELSON:

H.R. 3300. A bill to amend section 410(a) of title 38, United States Code, to provide a statutory presumption of service-connected death of any veteran who has been rated totally disabled by reason of service-connected disability; to the Committee on Veterans' Affairs.

By Mr. DUNCAN of Tennessee:

H.R. 3301. A bill to provide reduced retirement benefits for Members of Congress who remain in office after attaining 65 years of age; jointly to the Committees on Post Office and Civil Service and House Administration.

By Mr. FISH (for himself, Mr. Abdnor, Ms. Abzug, Mr. Brown of California, Mr. Buchanan, Mrs. Burke of California, Mr. Carr, Mr. Carter, Mr. Cleveland, Mr. Collins of Texas, Mr. Conyers, Mr. Cornell, Mr. Edgar, Mr. Eilberg, Mr. Flood, Mr. Ford of Tennessee, Mr. Fraser, Mr. Harrington, Mr. Hechler of West Virginia, Mrs. Holt, Mr. Horton, Ms. Jordan, Mr. Krebs, Mr. Miller of California, and Mrs. Mink):

H.R. 3302. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal and related expenses incurred with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. FISH (for himself, Mr. Moorhead of California, Mr. Murphy of Illinois, Mr. Oberstar, Mr. Ottinger, Mr. Preyer, Mr. Railsback, Mr. Rangel, Mr. Richmond, Mr. Riegle, Mr. Robinson, Mr. Roncalio, Mr. Rose, Mr. Sarbanes, Mr. Schneebeli, Mr. Steiger of Arizona, Mr. Whitehurst, and Mr. Young of Georgia):

H.R. 3303. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. FORSYTHE:

H.R. 3304. A bill to provide that pay adjustments for Members of Congress take effect in the Congress next following the Congress in which they are approved; to the Committee on Post Office and Civil Service.

H.R. 3305. A bill to amend title 18, United

States Code, to promote public confidence in the legislative branch of the Government of the United States by requiring the disclosure by Members of Congress and certain employees of the Congress of certain financial interests; to the Committee on Standards of Official Conduct.

By Mr. FRASER:

H.R. 3306. A bill to provide that all petroleum imported into the United States after September 1, 1975, shall not be available for purchase other than by the Government of the United States; jointly, to the Committee on Ways and Means and Interstate and Foreign Commerce.

By Mr. FRENZEL:

H.R. 3307. A bill to amend the Export-Import Bank Act and the Trade Reform Act of 1974 to ease restrictive limitations on credits to be made available for export sales of American goods to the Union of Soviet Socialist Republics; to the Committee on Banking, Currency and Housing.

By Mr. GRASSLEY:

H.R. 3308. A bill to provide for a 10 per centum reduction in the compensation of Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. HARSHA:

H.R. 3309. A bill to amend the Internal Revenue Code of 1954 to increase the credit against tax for retirement income; to the Committee on Ways and Means.

By Mr. HENDERSON:

H.R. 3310. A bill to amend title 5, United States Code, to revise the method of determining cost-of-living increases payable to civil service annuitants; to the Committee on Post Office and Civil Service.

By Mr. HENDERSON (for himself, Ms. Abzug, Mr. Addabbo, Mr. Anderson of California, Mr. Badillo, Mr. Baldus, Mr. Bevill, Mr. Brown of California, Mr. Bowen, Mr. Clay, Mr. Cochran, Mr. Corman, Mr. Danielson, Mr. Davis, Mr. Edgar, Mr. Edwards of California, Mr. Eilberg, Mr. English, Mr. Evans of Indiana, Mr. Flood, Mr. Fountain, Mr. Fulton, Mr. Gaydos, Mr. Gude, and Mr. Hall):

H.R. 3311. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HENDERSON (for himself, Mr. Bergland, Mrs. Boggs, Mr. Buchanan, Mr. Cleveland, Mr. Dodd, Mr. Duncan of Oregon, Mr. Ford of Tennessee, Mr. Fraser, Mrs. Heckler of Massachusetts, Mr. Gonzalez, Ms. Holtzman, Mr. Kindness, Mr. Maguire, Mr. Murphy of New York, Mr. Treen, Mr. Tsongas, Mr. Waxman, Mr. Whitehurst, Mr. Whitten, Mr. Charles Wilson of Texas, Mr. Winn, Mr. Won Pat, Mr. Yatron, and Mr. Zeferetti):

H.R. 3312. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HENDERSON (for himself, Mr. Harrington, Mr. Hefner, Mr. Helstoski, Mr. Holland, Mrs. Holt, Mr. Hyde, Mr. Jeffords, Mr. Jenrette, Mr. Johnson of Pennsylvania, Mr. Johnson of California, Mr. Jones of North Carolina, Mr. Krueger, Mr. LaFalce, Mr. Lagomarsino, Mr. Lehman, Mrs. Lloyd of Tennessee, Mr. McCormack, Mr. Madden, Mr. Melcher, Mr. Mitchell of Maryland, Mr. Moorhead of California, and Mr. Morgan):

H.R. 3313. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commerical life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. HENDERSON (for himself, Mr. Hannaford, Mr. Mottl, Mr. Neal, Mr. Nix, Mr. Obey, Mr. O'Brien, Mr. Pepper, Mr. Peyser, Mr. Preyer, Mr. Reuss, Mr. Richmond, Mr. Rodino, Mr. Roe, Mr. Rose, Mr. Ryan, Mr. Sarbanes, Mr. Sebelius, Mr. Simon, Mr. Solarz, Mrs. Spellman, Mr. Stokes and Mr. Talcott):

H.R. 3314. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Ms. HOLTZMAN (for herself, Ms. Abzug, Mr. Brown of California, Mr. Carr, Mr. Conyers, Mr. Edgar, Mr. Evans of Indiana, Mr. Flood, Mr. Fraser, Mr. Harrington, Mr. Koch, Mrs. Lloyd of Tennessee, Mr. McKinney, Mr. Mitchell of Maryland, Mr. Richmond, Mr. Roe, Mr. Roncalio, Mr. Rosenthal, Mr. Scheuer, Mr. James V. Stanton, Mr. Thompson, Mr. Traxler, Mr. Charles H. Wilson of California, Mr. Won Pat, and Mr. Yatron):

H.R. 3315. A bill to provide joint and survivors' annuity benefits under private pension plans based upon the participant's vested benefit; jointly to the Committees on Education and Labor and Ways and Means.

By Mr. JENRETTE:

H.R. 3316. A bill to prohibit changes in the missing status classification of members of the uniformed services unless certain requirements are complied with; to the Committee on Armed Services.

By Mr. KASTEN:

H.R. 3317. A bill to provide price support for milk at not less than 90 per centum of the parity price, and to provide that such price support shall be adjusted quarterly; to the Committee on Agriculture.

By Mr. LITTON:

H.R. 3318. A bill to adjust loan levels and target prices on the 1975, 1976, and 1977 crops of wheat, feed grains, and cotton; to the Committee on Agriculture.

H.R. 3319. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

By Mr. LITTON (for himself, Mr. Whitehurst, Mr. Runnels, Mr. Cleveland, Mr. Jeffords, Mr. Riegle, and Mr. LaFalce):

H.R. 3320. A bill to amend the Food Stamp Act of 1964 to prohibit any individual from receiving food stamps who receives at least one-half of his income from any other individual who is a member of another household which is ineligible for food stamps; to the Committee on Agriculture.

By Mr. LITTON (for himself, Mr. McClory, Mr. Evins of Tennessee, Mr. Sikes, Mr. Charles Wilson of Texas, Mr. Fraser, Mr. Johnson of California, Mr. Breaux, Mr. Traxler, and Mr. Ullman):

H.R. 3321. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. LITTON (for himself, Mr. McCloskey, Mr. Rees, Ms. Schroeder, Mr. Addabbo, Mr. LaFalce, Mr. McCormack, Ms. Holtzman, Mr. Harrington, Mr. Ryan, Mr. Krebs, Mr. Lent, Mr. Charles Wilson of Texas, Mr. Ford of Tennessee, Mr. Anderson of Illinois, Mrs. Spellman, Mr. Moorhead of California, Ms. Abzug, Mr. Beard of Rhode Island, Mr. Gude, Mr. Gaydos, Mr. Mitchell of Maryland, Mr. Burgener, Mr. Downey, and Mr. Stokes):

H.R. 3322. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Mr. Steiger of Wisconsin, Mr. Roe, Mr. Roncalio, Mr. AuCoin, Mr. Evans of Indiana, Mr. McKinney, Mr. Murtha, Mr. Simon, Mr. Fascell, Mr. Hays of Ohio, Mr. Corman, Mr. Richmond, Mr. Thompson, Mr. Stark, Mr. Edwards of California, Mr. Eilberg, Mrs. Boggs, Mr. Studds, Mr. Hechler of West Virginia, Mr. Zeferetti, Mr. Sarbanes, Mr. Fraser, Mr. Ketchum, and Mr. Coughlin):

H.R. 3323. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Mr. Biester, Mr. Peyser, Mr. Neal, Mr. Sarasin, and Mr. Jeffords):

H.R. 3324. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. McDONALD of Georgia:

H.R. 3325. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any Federal felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

H.R. 3326. A bill to repeal the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. McKINNEY:

H.R. 3327. A bill to amend the Clean Air Act to provide certain motor vehicle emission standards for the model years 1977 through 1981 and to amend the Internal Revenue Code of 1954 to impose an excise tax for model years 1979 through 1981 on the sale of passenger automobiles based on fuel efficiency, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce and Ways and Means.

By Mr. MARTIN (for himself, and Mr. Jones of Oklahoma):

H.R. 3328. A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for medical expenses, and for other purposes; to the Committee on Ways and Means.

By Mr. MAZZOLI:

H.R. 3329. A bill to amend the Vocational Education Act of 1963; to the Committee on Education and Labor.

By Mr. MICHEL:

H.R. 3330. A bill to modify labeling and packaging requirements for colored oleomargarine or colored margarine under the Federal Food, Drug, and Cosmetic Act; to the Committee on Interstate and Foreign Commerce.

H.R. 3331. A bill to amend title 5 of the United States Code with respect to the observance of Memorial Day and Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. MITCHELL of Maryland:

H.R. 3332. A bill to establish the Federal Protective Service police force within the General Services Administration, provide minimum trainng, pay, and other benefits for such police force, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. PERKINS:

H.R. 3333. A bill to amend the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

By Mr. PERKINS:

H.R. 3334. A bill to amend title 23, United States Code, the Federal-Aid Highway Act of 1973, and other related provisions of law, to increase safety on the Nation's highways; to the Committee on Public Works and Transportation.

By Mr. PICKLE:

H.R. 3335. A bill to amend the Age Discrimination in Employment Act of 1967 to provide for the nondiscrimination on account of age in government employment, and in Federal Government employment; to the Committee on Education and Labor.

By Mr. PRESSLER:

H.R. 3336. A bill to amend the Revised Statutes of the United States to permit any Federal officer or employee to waive the receipt of any portion of his/her compensation; to the Committee on Post Office and Civil Service.

By Mr. RANDALL:

H.R. 3337. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RISENHOOVER:

H.R. 3338. A bill to amend title 38 of the United States Code in order to extend the entitlement of veterans to educational assistance from 36 to 45 months; to the Committee on Veterans' Affairs.

By Mr. ROBINSON:

H.R. 3339. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

H.R. 3340. A bill to make it a Federal crime to kill or assault a fireman or law enforcement officer engaged in the performance of his duties when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose; to the Committee on the Judiciary.

By Mr. ROBINSON:

H.R. 3341. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. RODINO (for himself, Mr. Reuss, Mr. Nix, Mr. Brown of California, Mr. Addabbo, Mr. Udall, Mr. Rosenthal, Mr. John L. Burton, Mr. Charles H. Wilson of California, Mr. Conyers, Mr. AuCoin, Mr. Eilberg, Mr. Riegle, Mr. Ullman, Mr. Mitchell of Maryland, Mr. Stark, Mr. Seiberling, Mr. Obey, Mr. Corman, Mr. Thompson, Mr. Pattison of New York, Mr. Rees, Mr. Mazzoli, Mr. Harrington, and Mr. Won Pat):

H.R. 3342. A bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years and to make permanent the ban against certain prerequisites to voting; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. Jacobs, Ms. Jordan, Mr. Yates, Mr. Miller of California, Mr. LaFalace, Mr. Moakley, Mr. Moorhead of Pennsylvania, Mr. Gaydos, Mr. Esch, Ms. Burke of California, Mr. Murphy of New York, Mr. Ashley, Mr. Bolling, Mr. Fauntroy, Mr. Koch, Mr. Clay, Mr. Roncalio, Mr. Ford of Tennessee, Mr. Fraser, Mr. Fascell, Mr. Richmond, Ms. Chisholm, Mr. Boland, and Mr. D'Amours):

H.R. 3343. A bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years and to make permanent the ban against certain prerequisites to voting; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. Roe, Mrs. Lloyd of Tennessee, Mr. Mezvinsky, Mr. Tsongas, Ms. Abzug, Mr. Cotter, Mr. Carr, Mr. Ottinger, Mr. Ford of Michigan, Mr. Cornell, Mr. Studds, Mr. Edgar, Mr. Wirth, Mr. Brodhead, Mr. Mikva, Mr. Kastenmeier, Mr. Mineta, Mr. Sarbanes, Mr. Baldus, Mr. Rangel, Ms. Holtzman, Mr. Hicks, and Mr. Vander Veen):

H.R. 3344. A bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years and to make permanent the ban against certain prerequisites to voting; to the Committee on the Judiciary.

By Mr. SATTERFIELD:

H.R. 3345. A bill to amend title 10, United States Code, to establish a new center for research regarding prisoner-of-war health problems; to the Committee on Armed Services.

By Mr. SATTERFIELD:

H.R. 3346. A bill to amend title 38 of the United States Code to establish a priority for the furnishing of outpatient medical treatment to veterans with service-connected disabilities; to the Committee on Veterans' Affairs.

H.R. 3347. A bill to amend title 38 of the United States Code in order to revise the eligibility requirements and the medical benefits provided to eligible veterans, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 3348. A bill to amend title 38, United States Code, in order to extend and improve the program of exchange of medical information between the Veterans' Administration and the medical community, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SATTERFIELD (for himself, Mr. Teague, and Mr. Roberts):

H.R. 3349. A bill to amend title 38 of the United States Code to permit veterans to determine how certain drugs and medicines will be supplied to them; to the Committee on Veterans' Affairs.

By Mr. SATTERFIELD (for himself and Mr. Roberts):

H.R. 3350. A bill to amend title 38 of the United States Code in order to make certain technical corrections therein, and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. SCHROEDER:

H.R. 3351. A bill to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SEIBERLING (for himself, Mr. Beard of Rhode Island, Mr. Boland, Mr. Cohen, Mr. Conyers, Mr. Cornell, Mr. D'Amours, Mr. Dellums, Mr. de Lugo, Mr. Downey, Mr. du Pont, Mr. Eilberg, Mr. Fulton, Mr. Hicks, Mr. Hinshaw, Mr. Horton, Mr. Ichord, Mr. Jacobs, Mrs. Lloyd of Tennessee, Mr. Lloyd of California, Mr. McCormack, Mr. Maguire, Mr. Matsunaga, and Mr. Krueger):

H.R. 3352. A bill to amend the Federal Deposit Insurance Act to terminate the insurance of any bank which fails to pay a certain rate of interest on all tax and loan accounts; to the Committee on Banking, Currency and Housing.

By Mr. SEIBERLING (for himself, Mr. Meeds, Mrs. Meyner, Mr. Mosher, Mr. Moss, Mr. Nix, Mr. Nolan, Mr. Pattison of New York, Mr. Riegle, Mr. Rosenthal, Mr. Roybal, Mr. St Germain, Mr. Sarasin, Mr. Scheuer, Mr. Taylor of North Carolina, Mr. Thompson, Mr. Tsongas, Mr. Vander Veen, Mr. Charles H. Wilson of California, Mr. Charles Wilson of Texas, Mr. Wolff, Mr. Ottinger, Mr. La Falce, Mr. Wirth, and Mr. Mezvinsky):

H.R. 3353. A bill to amend the Federal Deposit Insurance Act to terminate the insurance of any bank which fails to pay a certain rate of interest on all tax and loan accounts; to the Committee on Banking, Currency and Housing.

By Mr. SKUBITZ:

H.R. 3354. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. STARK (for himself, Mr. de Lugo, Ms. Boggs, and Mr. Pattison of New York):

H.R. 3355. A bill to authorize the Secretary of the Interior to study the feasibility of a national park, recreational area, or wilderness area in the Ridgelands East of the San Francisco Bay in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEIGER of Wisconsin (for himself, Mr. Biester, Mr. Railsback, and Mr. Frey):

H.R. 3356. A bill to establish a Youth Council in the Executive Office of the President; to the Committee on Education and Labor.

By Mr. STEPHENS (for himself and Mr. Landrum):

H.R. 3357. A bill to suspend until June 30, 1976, the duty on catalysts of platinum and carbon used in producing caprolactam; to the Committee on Ways and Means.

By Mr. SYMINGTON (for himself, Ms. Abzug, Mr. Brown of California, Mrs. Burke of California, Mr. Corman, Mr. Robert W. Daniel, Jr., Mr. Fauntroy, Mr. Flood, Mr. Fraser, Mr. Gilman, Mr. Harrington, Mr. Jacobs, Mr. Johnson of Pennsylvania, Ms. Jordan, Mr. Lent, Mrs. Meyner, Mrs. Mink, Mr. Mitchell of New York, Mr. Peyser, Mr. Roe, Mr. Ryan, Mr. Sarasin, Mr. Scheuer, Ms. Schroeder, and Mr. Stark):

H.R. 3358. A bill to designate the birthday of "Susan B. Anthony" as a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. SYMINGTON (for himself, Mr. Ford of Tennessee, Ms. Holtzman, Mr. Long of Maryland, Mr. Stokes, Mr. Waxman, Mr. Charles Wilson of Texas, Mr. Charles H. Wilson of California, and Mr. Winn):

H.R. 3359. A bill to designate the birthday of "Susan B. Anthony" as a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON:

H.R. 3360. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. WALSH:

H.R. 3361. A bill to suspend the duty on open-top hopper cars exported for repairs or alteration on or before June 30, 1975; to the Committee on Ways and Means.

By Mr. WHALEN:

H.R. 3362. A bill to establish a National Commission on Regulatory Reform; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITEHURST:

H.R. 3363. A bill to direct the Secretary of Defense to continue to operate and maintain the commissary stores of the agencies of the

Department of Defense; to the Committee on Armed Services.

By Mr. WHITEHURST:

H.R. 3364. A bill to amend the Merchant Marine Act, 1920, to establish a grant program to enable public ports to comply with certain Federal standards, to direct the Secretary of Commerce to undertake a comprehensive study of the present and future needs of public ports in the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CHARLES H. WILSON of California:

H.R. 3365. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WINN (for himself, Mr. Ford of Tennessee, Mr. Riegle, Mr. Gaydos, Mrs. Spellman, Mr. Hinshaw, Mr. Biester, Mr. Matsunaga, and Mr. Buchanan):

H.R. 3366. A bill to amend the Internal Revenue Code of 1954 to treat the amounts paid for custodial care by institutions of certain dependents as amounts paid for medical care; to the Committee on Ways and Means.

By Mr. WON PAT:

H.R. 3367. A bill to provide for the extension of credit to Guam for the development of community facilities on Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ADDABBO:

H.J. Res. 211. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mrs. BURKE of California (for herself, Ms. Abzug, Mr. Brown of California, Mr. Carter, Mr. Corman, Mr. Dellums, Mr. Edgar, Mr. Flood, Mr. Fraser, Mr. Frenzel, Mr. Harrington, Mrs. Heckler of Massachusetts, Mrs. Holt, Ms. Holtzman, Mrs. Keys, Mr. Koch, Mr. Leggett, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Pattison of New York, Mr. Rangel, Mr. Riegle, Mr. Ryan, Mr. Simon, and Mr. Solarz):

H.J. Res. 212. Joint resolution providing for a study by the Commission on Civil Rights of certain aspects of the local, State, and Federal criminal justice systems as they affect women; to the Committee on the Judiciary.

By Mrs. BURKE of California (for herself, Mrs. Spellman, Mr. Stark, Mr. Symington, Mr. Van Deerlin, Mr. Waxman, Mr. Charles H. Wilson of California, Mr. Yates, Mr. Badillo, Mr. Young of Georgia, and Mr. Stokes):

H.J. Res. 213. Joint resolution providing for a study by the Commission on Civil Rights of certain aspects of the local, State and Federal criminal justice systems as they affect women; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:

H.J. Res. 214. Joint resolution proposing an amendment to the Constitution of the United States relative to force and effect of treaties; to the Committee on the Judiciary.

H.J. Res. 215. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. FORSYTHE:

H.R. Res. 216. Joint resolution proposing an amendment to the Constitution of the United States with respect to the attendance of Senators and Representatives at sessions of the Congress; to the Committee on the Judiciary.

By Mr. FREY:

H.J. Res. 217. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. HARSHA:

H.J. Res. 218. Joint resolution authorizing increased production of petroleum from the Elk Hills Naval Petroleum Reserve for national defense purposes; to the Committee on Armed Services.

By Mr. MAHON:

H.J. Res. 219. Joint resolution making further continuing appropriations for the fiscal year 1975, and for other purposes; to the Committee on Appropriations.

By Mrs. MINK:

H.J. Res. 220. Joint resolution to provide for the creation of the Kalaupapa National Historical Park; to the Committee on Interior and Insular Affairs.

By Mr. QUIE (for himself, Mr. Wright, Mr. Andrews of North Dakota, Mr. Goldwater, Mr. Sebelius, and Mr. Mollohan):

H.J. Res. 221. Joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons; to the Committee on the Judiciary.

By Mr. ROBINSON (for himself, Mr. Kindness, Mr. Lent, Mr. Moore, and Mr. Sebelius):

H.J. Res. 222. Joint resolution to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day"; to the Committee on Post Office and Civil Service.

By Mr. ROUSH:

H.J. Res. 223. Joint resolution relative to the bicentennial celebration in the several counties or towns of the several States; to the Committee on Post Office and Civil Service.

By Mr. SEBELIUS (for himself, Mr. Beard of Rhode Island, Mr. Andrews of North Dakota, Mr. Aspin, Mr. Baldus, Mr. Davis, Mr. Devine, Mr. Esch, Mr. Fascell, Mr. Ford of Tennessee, Mr. Guyer, Mr. Hechler of West Virginia, Mr. Johnson of California, Mr. Jones of North Carolina, Mr. Morgan, Mr. Poage, Mr. Regula, Mr. Risenhoover, Mr. Sikes, Mr. Thompson, Mr. Waggonner, Mr. Whitehurst, Mr. Charles Wilson of Texas, Mr. Winn, and Mr. Wolff):

H.J. Res. 224. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. SEBELIUS (for himself, Mr. Anderson of California, Mr. Armstrong, Mr. Bevill, Mr. Cleveland, Mr. Dent, Mr. Evans of Indiana, Mr. Findley, Mr. Flood, Mr. Goodling, Miss Holtzman, Mr. Horton, Mr. McKinney, Mr. Lujan, Mr. Carter, Mr. Sarbanes, Mr. Maguire, and Mr. Young of Florida):

H.J. Res. 225. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.J. Res. 226. Joint resolution asking the President of the United States to declare the 13th day of October 1975, and the 13th day of October of each succeeding year as "Animal Welfare Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 227. Joint resolution requesting the President to proclaim the second week of May as "Municipal Clerks' Week"; to the Committee on Post Office and Civil Service.

By Mr. REES:

H. Con. Res. 124. Concurrent resolution expressing the sense of Congress with respect to the conduct of monetary policy; to the Committee on Banking, Currency and Housing.

By Mr. ANDERSON of California (for himself, Mr. Florio, and Mr. Wolff):

H. Con. Res. 125. Concurrent resolution that an imposition of a ceiling on social security cost-of-living benefit increases not be enacted; to the Committee on Ways and Means.

By Mr. BINGHAM (for himself, Mr. Nolan, Mr. Ottinger, Ms. Spellman, Mr. Jacobs, Mr. Downey, Mr. Cotter, and Mr. Scheuer):

H. Con. Res. 126. Concurrent resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

By Mr. ESHLEMAN:

H. Con. Res. 127. Concurrent resolution expressing the sense of Congress with respect to certain patents, which, if utilized, could result in energy savings; to the Committee on the Judiciary.

By Mr. GILMAN (for himself, Mrs. Boggs, Mr. Pressler, Mr. Addabbo, Mr. Crane, Mrs. Holt, Mr. Conte, Mr. Bowen, Mr. Perkins, Mr. Johnson of California, Mr. Waxman, Mr. Guyer, Mr. Rinaldo, Mr. LaFalce, Mr. Bob Wilson, Mr. Kindness, Mr. Lent, Mr. Cleveland, Mr. Baldus, and Mr. Duncan of Oregon):

H. Con. Res. 128. Concurrent resolution requesting the establishment of a Presidential task force on the missing in action; to the Committee on Armed Services.

By Mr. LONG of Maryland:

H. Con. Res. 129. Concurrent resolution urging the telephone and hearing aid industries to provide full access to telephone communications for hearing aid users; to the Committee on Interstate and Foreign Commerce.

By Mr. MAZZOLI:

H. Con. Res. 130. Concurrent resolution that an imposition of a ceiling on social security cost-of-living benefit increases not be enacted; to the Committee on Ways and Means.

By Mr. PRITCHARD:

H. Con. Res. 131. Concurrent resolution expressing the sense of the Congress with respect to the banning of the high seas netting for salmon; to the Committee on Merchant Marine and Fisheries.

H. Con. Res. 132. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

By Mr. ANDERSON of Illinois (for himself, Mr. Frenzel, Mr. Rhodes, Mr. Bafalis, Mr. Biester, Mr. Brown of Ohio, Mr. Burgener, Mr. Cleveland, Mr Conte, Mr. Couchlin, Mr. Emery, Mrs. Fenwick, Mr. Goodling, Mr. Hagedorn, Mr. Horton, Mr. Gude, Mr. Johnson of Colorado, Mr. Kemp, Mr. McKinney, Mr. Pritchard, Mr. Sarasin, Mr. Steelman, Mr. J. William Stanton, Mr. Thone, and Mr. McClory):

H. Res. 176. Resolution authorizing and directing the Speaker of the House of Representatives to take immediate action to implement a plan for the audio and video broadcasting of House floor proceedings; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Bell, Mr. Broomfield, Mr. Broyhill, Mr. du Pont, Mr. Findley, Mr. Guyer, Mr. Mitchell of New York, Mr. Shriver, and Mr. Jeffords):

H. Res. 177. Resolution authorizing and directing the Speaker of the House of Representatives to take immediate action to implement a plan for the audio and video broadcasting of House floor proceedings; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Frenzel, Mr. Rhodes, Mr. Bafalis, Mr. Biester, Mr. Brown of Ohio, Mr. Burgener, Mr. Cleveland, Mr. Conte, Mr. Coughlin, Mr. Emery, Mrs. Fenwick, Mr. Goodling, Mr. Hagedorn, Mr. Horton, Mr. Gude, Mr. Johnson of Colorado, Mr. Kemp, Mr. McKinney, Mr. Pritchard, Mr. Sarasin, Mr. Steelman, Mr. J. William Stanton, Mr. Thone, and Mr. McClory):

H. Res. 178. Resolution to amend rule VIII of the Rules of the House of Representatives to prohibit a party caucus or conference from issuing binding instructions on a Member's committee or floor votes, and to permit any Member so bound to raise a point of order; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Bauman, Mr. Bell, Mr. Broomfield, Mr. Broyhill, Mr. Del Clawson, Mr. Cohen, Mr. Findley, Mr. Forsythe, Mr. Guyer, Mrs. Holt, Mr. Johnson of Pennsylvania, Mr. Latta, Mr. Lent, Mr. Lott, Mr. McEwen, Mr. Martin, Mr. Michel, Mr. Mitchell of New York, Mr. Moore, Mr. Regula, Mr. Ruppe, Mr. Snyder, Mr. Spence, and Mr. Talcott):

H. Res. 179. Resolution to amend rule VIII of the Rules of the House of Representatives to prohibit a party caucus or conference from issuing binding instructions on a Member's committee or floor votes, and to permit any Member so bound to raise a point of order; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Treen, Mr. Whitehurst, Mr. Bob Wilson, Mr. Young of Florida, Mr. Winn, Mr. Shriver, Mr. Jeffords, Mr. Mosher, and Mr. Conable):

H. Res. 180. Resolution to amend rule VIII of the Rules of the House of Representatives to prohibit a party caucus or conference from issuing binding instructions on a Member's committee or floor votes, and to permit any Member so bound to raise a point of order; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Frenzel, Mr. Rhodes, Mr. Bafalis, Mr. Biester, Mr. Brown of Ohio, Mr. Burgener, Mr. Cleveland, Mr. Conte, Mr. Coughlin, Mr. Emery, Mrs. Fenwick, Mr. Goodling, Mr. Hagedorn, Mr. Horton, Mr. Gude, Mr. Johnson of Colorado, Mr. Kemp, Mr. McKinney, Mr. Pritchard, Mr. Sarasin, Mr. Steelman, Mr. J. William Stanton, Mr. Thone, and Mr. McClory):

H. Res. 181. Resolution to amend rule XI of the Rules of the House of Representatives to require that the record of committee action be made available for public inspection, with certain exceptions; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Bauman, Mr. Bell, Mr. Broyhill, Mr. Cochran, Mr. Cohen, Mr. du Pont, Mr. Findley, Mr. Forsythe, Mr. Guyer, Mrs. Holt, Mr. Kindness, Mr. Latta, Mr. Lent, Mr. Lott, Mr. Mitchell of New York, Mr. Moore, Mr. Regula, Mr. Ruppe, Mr. Bob Wilson, Mr. Young of Florida, Mr. Winn, Mr. Shriver, Mr. Jeffords, and Mr. Mosher):

H. Res. 182. Resolution to amend rule XI of the Rules of the House of Representatives to require that the record of committee action be made available for public inspection, with certain exceptions; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Frenzel, Mr. Rhodes, Mr. Bafalis, Mr. Biester, Mr. Brown of Ohio, Mr. Burgener, Mr. Cleveland, Mr. Conte, Mr. Coughlin, Mr. Emery, Mrs. Fenwick, Mr. Goodling, Mr. Hagedorn, Mr. Horton, Mr. Gude, Mr. Johnson of Colorado, Mr. Kemp, Mr. McKinney, Mr. Pritchard, Mr. Sarasin, Mr. Steelman, Mr. J. William Stanton, Mr. Thone, and Mr. McClory):

H. Res. 183. Resolution to amend rule XI of the Rules of the House of Representatives to eliminate proxy voting in committees; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Bauman, Mr. Broomfield, Mr. Broyhill, Mr. Del Clawson, Mr. Cochran, Mr. Cohen, Mr. duPont, Mr. Findley, Mr. Forsythe, Mr. Guyer, Mrs. Holt, Mr. Johnson of Pennsylvania, Mr. Kindness, Mr. Latta, Mr. Lent, Mr. Lott, Mr. McEwen, Mr. Martin, Mr. Michel, Mr. Mitchell of New York, Mr. Moore, Mr. Regula, Mr. Ruppe, and Mr. Snyder):

H. Res. 184. Resolution to amend rule XI of the Rules of the House of Representatives to eliminate proxy voting in committees; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Spence, Mr. Talcott, Mr. Treen, Mr. Whitehurst, Mr. Bob Wilson, Mr. Young of Florida, Mr. Winn, Mr. Shriver, Mr. Jeffords, Mr. Mosher, and Mr. Conable):

H. Res. 185. Resolution to amend rule XI of the Rules of the House of Representatives to eliminate proxy voting in committees; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Frenzel, Mr. Rhodes, Mr. Bafalis, Mr. Biester, Mr. Brown of Ohio, Mr. Burgener, Mr. Cleveland, Mr. Conte, Mr. Coughlin, Mr. Emery, Mrs. Fenwick, Mr. Goodling, Mr. Hagedorn, Mr. Horton, Mr. Gude, Mr. Johnson of Colorado, Mr. Kemp, Mr. McKinney, Mr. Pritchard, Mr. Sarasin, Mr. Steelman, Mr. J. William Stanton, Mr. Thone, and Mr. McClory):

H. Res. 186. Resolution to amend rule XI of the Rules of the House of Representatives to require that all committee meetings, with only limited exceptions, shall be open to the public; to the Committee on Rules.

By Mr. Anderson of Illinois (for himself, Mr. Bauman, Mr. Bell, Mr. Broomfield, Mr. Broyhill, Mr. Cochran, Mr. Cohen, Mr. du Pont, Mr. Findley, Mr. Forsythe, Mr. Guyer, Mrs. Holt, Mr. Johnson of Pennsylvania, Mr. Kindness, Mr. Latta, Mr. Lott, Mr. Martin, Mr. Michel, Mr. Mitchell of New York, Mr. Moore, Mr. Regula, Mr. Ruppe, Mr. Bob Wilson, Mr. Young of Florida, and Mr. Winn):

H. Res. 187. Resolution to amend rule XI of the Rules of the House of Representatives to require that all committee meetings, with only limited exceptions, shall be open to the public; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Shriver, Mr. Jeffords, Mr. Mosher, and Mr. Conable):

H. Res. 188. Resolution to amend rule XI of the Rules of the House of Representatives to require that all committee meetings, with only limited exceptions, shall be open to the public; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Frenzel, Mr. Rhodes, Mr. Bafalis, Mr. Biester, Mr. Brown of Ohio, Mr. Burgener, Mr. Cleveland, Mr. Conte, Mr. Coughlin, Mr. Emery, Mrs. Fenwick, Mr. Goodling, Mr. Hagedorn, Mr. Horton, Mr. Gude, Mr. Johnson of Colorado, Mr. Kemp, Mr. McKinney, Mr. Pritchard, Mr. Sarasin, Mr. Steelman, Mr. J. William Stanton, Mr. Thone, and Mr. McClory):

H. Res. 189. Resolution to amend rule XI of the Rules of the House of Representatives to provide that any Member in committee may demand a rollcall vote on any matter, and that a rollcall vote shall be required on any motion to report a bill or resolution from committee; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Bauman, Mr. Bell, Mr. Broomfield, Mr. Cochran, Mr. Cohen, Mr. du Pont, Mr. Forsythe, Mr. Guyer, Mrs. Holt, Mr. Kindness, Mr. Latta, Mr. Lott, Mr. Michel, Mr. Mitchell of New York, Mr. Moore, Mr. Regula, Mr. Spence, Mr. Treen, Mr. Bob Wilson, Mr. Young of Florida, Mr. Winn, Mr. Shriver, Mr. Jeffords, and Mr. Mosher):

H. Res. 190. Resolution to amend rule XI of the Rules of the House of Representatives to provide that any Member in committee may demand a rollcall vote on any matter, and that a rollcall vote shall be required on any motion to report a bill or resolution from committee; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself and Mr. Conable):

H. Res. 191. Resolution to amend rule XI of the Rules of the House of Representatives to provide that any Member in committee may demand a rollcall vote on any matter, and that a rollcall vote shall be required on any motion to report a bill or resolution from committee; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Frenzel, Mr. Rhodes, Mr. Bafalis, Mr. Biester, Mr. Brown of Ohio, Mr. Burgener, Mr. Cleveland, Mr. Conte, Mr. Coughlin, Mr. Emery, Mrs. Fenwick, Mr. Goodling, Mr. Hagedorn, Mr. Horton, Mr. Gude, Mr. Johnson of Colorado, Mr. Kemp, Mr. McKinney, Mr. Pritchard, Mr. Sarasin, Mr. Steelman, Mr. J. William Stanton, Mr. Thone, and Mr. McClory):

H. Res. 192. Resolution to amend rule XXVII of the Rules of the House of Representatives to prescribe procedures whereby a committee may request that a matter reported should be considered under a suspension of the rules; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Bauman, Mr. Broomfield, Mr. Broyhill, Mr. Del Clawson, Mr. Cohen, Mr. Findley, Mr. Forsythe, Mr. Guyer, Mrs. Holt, Mr. Johnson of Pennsylvania, Mr. Kindness, Mr. Latta, Mr. Lent, Mr. Lott, Mr. McEwen, Mr. Michel, Mr. Mitchell of New York, Mr. Regula, Mr. Ruppe, Mr. Snyder, Mr. Spence, Mr. Talcott, Mr. Treen, and Mr. Bob Wilson):

H. Res. 193. Resolution to amend rule XXVII of the Rules of the House of Representatives to prescribe procedures whereby a committee may request that a matter reported should be considered under a suspension of the rules; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Winn, Mr. Jeffords, Mr. Shriver, Mr. Mosher, and Mr. Conable):

H. Res. 194. Resolution to amend rule XXVII of the Rules of the House of Representatives to prescribe procedures whereby a committee may request that a matter reported should be considered under a suspension of the rules; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Frenzel, Mr. Rhodes, Mr. Bafalis, Mr. Biester, Mr. Brown of Ohio, Mr. Burgener, Mr. Cleveland, Mr. Conte, Mr. Coughlin, Mr. Emery, Mrs. Fenwick, Mr. Goodling, Mr. Hagedorn, Mr. Horton, Mr. Gude, Mr. Johnson of Colorado, Mr. Kemp, Mr. McKinney, Mr. Pitchard, Mr. Sarasin, Mr. Steelman, Mr. J. William Stanton, Mr. Thone, and Mr. McClory):

H. Res. 195. Resolution to amend rule XXVIII of the Rules of the House of Representatives to require that all House-Senate conferences shall be open to the public and that no conference report shall be in order for consideration unless all conference sessions were open; to the Committee on Rules.

By Mr. ANDERSON of Illinois (for himself, Mr. Bauman, Mr. Bell, Mr. Broyhill, Mr. Cochran, Mr. Cohen, Mr. du Pont, Mrs. Holt, Mr. Kindness, Mr. Latta, Mr. Lent, Mr. Martin, Mr. Regula, Mr. Ruppe, Mr. Winn, Mr. Jeffords, Mr. Shriver, and Mr. Mosher):

H. Res. 196. Resolution to amend rule XXVIII of the Rules of the House of Representatives to require that all House-Senate conferences shall be open to the public and that no conference report shall be in order for consideration unless all conference sessions were open: to the Committee on Rules.

By Mr. BINGHAM (for himself, Mr. Zablocki, and Mr. Aspin):

H. Res. 197. Resolution expressing support for the Vladivostok agreement on strategic arms and providing the advice of the House on follow-on strategic arms control measures; to the Committee on Foreign Affairs.

By Mr. BRADEMAS:

H. Res. 198. Resolution providing for the printing of the booklet entitled "The History and Operation of the House Majority Whip Organization (94th Congress)"; to the Committee on House Administration.

By Mr. PHILLIP BURTON:

H. Res. 199. Resolution to provide funds for certain expenses of the Democratic caucus and the Republican conference of the House of Representatives; to the Committee on House Administration.

By Mr. EDGAR:

H. Res. 200. Resolution to request that the House of Representatives proceed without delay in its consideration of legislation with respect to the Nation's economic and energy problems; to the Committee on Rules.

By Mr. EVINS of Tennessee:

H. Res. 201. Resolution to provide funds for the expenses of the investigations and studies of the Committee on Small Business pursuant to rules X and XI of the Rules of the House of Representatives; to the Committee on House Administration.

By Mr. FLOOD (for himself, Mrs. Sullivan, Mr. Anderson of California, Mr. Bennett, Mr. Breaux, Mr. Burleson of Texas, Mr. Carney, Mr. Del Clawson, Mr. Crane, Mr. Robert W. Daniel, Jr., Mr. Duncan of Tennessee, Mr. Flynt, Mr. Fountain, Mr. Fuqua, Mr. Harsha, Mr. Haley, Mr. Ketchum, Mr. Kindness, Mr. Krueger, Mr. Lagomarsino, Mr. Long of Maryland, Mr. Mann, Mr. Mathis, Mr. Mitchell of New York, and Mr. Montgomery):

H. Res. 202. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. FLOOD (for himself, Mr. Addabbo, Mr. Casey, Mr. Downing, Mr. Johnson of Pennsylvania, Mr. Jones of North Carolina, Mr. Neal, Mr. Nix, Mr. Poage, Mr. Rogers, Mr. Roberts, Mr. Runnels, Mr. Satterfield, Mr. Shriver, Mr. Sikes, Mr. Spence, Mr. Symms, Mr. Taylor of Missouri, Mr. Taylor of North Carolina, Mr. Thone, Mr. Waggonner, Mr. Whitehurst, Mr. Charles H. Wilson of California, Mr. Yatron, and Mr. Young of Florida):

H. Res. 203. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. GONZALEZ:

H. Res. 204. Resolution creating a select committee to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, and the attempted assassination of George Wallace; to the Committee on Rules.

By Mr. HARRINGTON:

H. Res. 205. Resolution directing the Secretary of Defense to provide information, and answer certain questions, relating to American policy toward Chile between 1964 and 1973; to the Committee on Armed Services.

H. Res. 206. Resolution directing the Secretary of State to provide information, and answer certain questions, relating to American policy toward Chile between 1964 and 1973; to the Committee on Foreign Affairs.

H. Res. 207. Resolution directing the President of the United States to provide information, and answer certain questions, relating to American policy toward Chile between 1964 and 1973; to the Committee on Foreign Affairs.

By Mr. HAYS of Ohio:

H. Res. 208. Resolution to provide additional parking facilities for the employees of the House of Representatives; to the Committee on House Administration.

By Mr. MURPHY of Illinois:

H. Res. 209. Resolution expressing the sense of the House that the provisions of title XII of the Organized Crime Control Act of 1970, Public Law 91–452, creating a National Commission on Individual Rights, be immediately implemented; to the Committee on the Judiciary.

By Mr. PRICE:

H. Res. 210. Resolution disapproving the deferral of certain budget authority (D75–111) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 211. Resolution disapproving the deferral of certain budget authority (D75–112) relating to atomic energy which was proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 212. Resolution disapproving the deferral of certain budget authority (D75–113) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 213. Resolution disapproving the deferral of certain budget authority (D75–114) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 214. Resolution disaproving the deferral of certain budget authority (D75–116) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 215 Resolution disapproving the deferral of certain budget authority (D75-117) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 216. Resolution disapproving the deferral of certain budget authority (D75–119) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 217. Resolution disapproving the deferral of certain budget authority (D75–121) relating to atomic energy which is proposed by the President in his message of November 26, 1974, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. PRITCHARD (for himself and Mr. AuCoin):

H. Res. 218. Resolution expressing the disapproval of the House with respect to the President's proposed deferral of budget authority for State-Federal fisheries management grants; to the Committee on Appropriations.

By Mr. ROBINSON:

H. Res. 219. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. SYMINGTON (for himself, Mr. Brown of California, Mr. Eilberg, Mr. Steiger of Wisconsin, and Mr. Whitehurst):

H. Res. 220. Resolution requesting that each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, American Samoa, and the Trust Territory of the Pacific Islands conduct a survey or study to determine the views of their citizens with respect to abortion laws; to the Committee on the Judiciary.

By Mr. TREEN (for himself and Mr. Lott):

H. Res. 221. Resolution disapproving the deferral of budget authority for State-Federal fisheries management grants (deferral No. D75–94), which was proposed by the President in his special message transmitted to the Congress on November 26, 1974, under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII,

30. The SPEAKER presented a memorial of the Legislature of the Commonwealth of Massachusetts, relative to food stamps; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO:

H.R. 3368. A bill for the relief of Frank Cappuccio; to the Committee on the Judiciary.

By Mr. BIESTER:

H.R. 3369. A bill for the relief of Sun Yang Kim and Sun Mi Kim; to the Committee on the Judiciary.

By Mr. BOLAND:

H.R. 3370. A bill for the relief of Sunshine Art Studios, Inc.; to the Committee on the Judiciary.

By Mrs. BURKE of California:

H.R. 3371. A bill for the relief of Dea Lay-Hong; to the Committee on the Judiciary.

H.R. 3372. A bill for the relief of Tze Tsun Li; to the Committee on the Judiciary.

By Mr. DOWNEY:

H.R. 3373. A bill for the relief of James Lennon; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 3374. A bill for the relief of John J. Egan; to the Committee on the Judiciary.

By Mr. HIGHTOWER:

H.R. 3375. A bill for the relief of Antoinette L. M. Smith; to the Committee on the Judiciary.

By Mr. LEGGETT:

H.R. 3376. A bill for the relief of Natividad Casing and Myrna Casing; to the Committee on the Judiciary.

By Mr. NEDZI:

H.R. 3377. A bill for the relief of Mrs. Helen Wolski, Michael Wolski, and Steven Wolski; to the Committee on the Judiciary.

By Mr. PERKINS:

H.R. 3378. A bill for the relief of Dr. Jose A. Sanchez and Mrs. Yolanda Sanchez; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 3379. A bill for the relief of Patricio Pantaleon Perez-Perez and Maria Castro de Perez; to the Committee on the Judiciary.

By Mr. SCHNEEBELI:

H.R. 3380. A bill for the relief of M. Sgt. Thomas J. Reid, Jr., U.S. Air Force (retired); to the Committee on the Judiciary

By Mr. SKUBITZ:

H.R. 3381. A bill for the relief of Thomas Warren Ralston; to the Committee on the Judiciary.

By Mr. WINN:

H.R. 3382. A bill for the relief of Raymond Monroe; to the Committee on the Judiciary.

By Mr. GIAIMO:

H. Res. 222. Resolution referring the bill (H.R. 3374) for the relief of John J. Egan to the Chief Commissioner of the Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

26. By the SPEAKER: Petition of Tran Van-Lam, President of the Senate of the Republic of Vietnam, and 41 Members of the Vietnamese Senate, Saigon, relative to U.S. aid to Vietnam; to the Committee on Foreign Affairs.

27. Also, petition of the City Council, Waynoka, Okla., relative to the application of copyright laws to cable television; to the Committee on the Judiciary.

28. Also, petition of Alice Beatrice McCloud, Houston, Tex., relative to redress of grievances; to the Committee on the Judiciary.

29. Also, petition of Gaymond Eugene Milligan, Houston, Tex., relative to redress of grievances; to the Committee on the Judiciary.

30. Also, petition of the Tribal Council, Red Lake Band of Chippewa Indians, Red Lake, Minn., relative to the crediting of certain service in Civilian Conservation Corps Indian Department camps toward civil service retirement; to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

ENLARGED AND EXPANDED HOUSE SMALL BUSINESS COMMITTEE ORGANIZED

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. EVINS of Tennessee. Mr. Speaker, recently the House Small Business Committee was organized in a productive and harmonious meeting.

This committee has been provided legislative authority, and the membership expanded from 19 to 37.

At the opening meeting on February 6 last, as chairman I was privileged to make some remarks with respect to the historical trend, growth, development, and work of the committee, and I include herewith excerpts from this opening statement together with a list of the membership and subcommittee assignments for the 94th Congress, as follows:

We meet here today for the purpose of organizing our Committee for the 94th Congress. I want to welcome all of the former Members—and all of the new Members.

We have an enlarged Committee of 37 Members this year. We have now been increased in number and responsibility. We want to make the Committee work—we want to make the Committee function—to be a Committee of which we all can be proud—proud to be a Member and proud of its accomplishments during the 94th Congress.

First, I want to introduce the new Members—besides our former Members, we have:

Henry B. Gonzalez, a great gentleman from Texas.

James M. Hanley, a great legislator from New York—both have served on the Small Business Subcommittee of the Banking Committee.

Gus Yatron of Pennsylvania—he is new to this Committee, but an oldtimer around Congress.

And the same for John Breckinridge of Kentucky. He is a Kentucky Colonel and a gentleman.

John LaFalce of New York, who was a New York State Assemblyman.

John Krebs of California—California County Supervisor.

Berkley Bedell of Iowa—a businessman and recipient of the first Small Businessman of the Year Award a few years ago.

Frederick Richmond of New York—Councilman.

David Evans—educator and teacher from Indiana.

Martin Russo—an attorney from Chicago, Illinois.

Alvin Baldus of Wisconsin—a State Assemblyman with legislative experience—and

Richard Nolan—former State Representative from Minnesota.

My distinguished and genial Colleague, the Ranking Minority Member of the Committee, Mr. Conte, will present our Republican Colleagues on the Committee.

Mr. CONTE. We may be short in quantity but we certainly have a lot of quality on our side. We have:

Hamilton Fish, Jr., of New York, who is also on the Judiciary Committee and a well-known personality, and who will be an outstanding Member of this Committee.

Tim Lee Carter of Kentucky, a very valuable Member of the Interstate and Foreign Commerce Committee.

William S. Cohen of Maine, who also comes from the Judiciary Committee:

Thomas N. Kindness of Ohio, a new Member of the Congress with a fine record of past performance and we know he will be a very valuable Member of this Committee.

William F. Goodling of Pennsylvania, whose revered and respected father served in the Congress for many years, and I am sure he will follow in the footsteps of his Dad.

Mrs. Millicent Fenwick from the great State of New Jersey who will also be an outstanding Member of this Committee.

Mr. EVINS. In all of these new Members, certainly we have lots of experience and lots of talent. I might add that Mrs. Fenwick makes history today as she becames the first woman Member of this Committee.

This Committee was first created in 1941 by special resolution. This was during an emergency period of World War II when small business was experiencing a shortage of critical materials.

Today we are again in an emergency period and facing shortages of critical materials, so the problems are ever with us.

Over the years, the Committee solved many problems and served the membership, served our constituencies, and served the country. Many select committees fade and go out of business, but this one has been so useful that it has been recreated time and time again. It is no longer a temporary or select committee—but a permanent committee with legislative authority.

In the 92nd Congress, this Committee was made a Permanent Committee—and now in the 94th Congress it has been increased from 19 to 37 in membership and has been given legislative authority.

We have come a long way. I can remember the time when the Committee met in the basement of the Cannon Building.

Now we have permanent quarters assigned by former Speaker McCormack, and the prestige and standing of the Committee are high.

Membership on the Committee is actively sought by many who cannot be assigned. It is interesting to note that the Committee Membership in the 77th Congress was seven —four Democrats, three Republicans. During that Congress only two hearings were held and no reports issued.

In the 93rd Congress the Committee held hearings on about 24 different subjects—23 volumes containing 10,000 pages of testimony were published—and 17 reports and 5 Committee prints were issued.

Copies of a History of the Committee and other publications are available to all of you.

We are proud of the accomplishments of the Committee over the years.

This Committee has demonstrated its usefulness and so it has been repeatedly recreated—time and time again.

Now beginning the 94th Congress—another period of crisis—critical materials shortages —and we have a job before us to do.

Let me quote from one of our recent reports:

"Chain stores, joint ventures, exodus to suburbia, urban renewal dislocations, discount houses, big business shopping centers, automation, electronic computers, and the general trend toward giantism remind us that the competitive status of the small business segment of our economy must be constantly observed in order to maintain a truly competitive free enterprise system."

Today there are 8.8 million small businesses throughout the Nation—approaching 9 million, or over 95% of all of the Nation's businesses. These small businesses produce 45% of the Gross National Product—$450 billion GNP.

Small business provides over 50% of the Nation's jobs. Small business provides a livelihood for over 100 million Americans.

In 1972 the small business sector alone accounted for a greater share of the GNP than the *entire* GNP did 20 years ago.

I just wanted to throw out these figures to us all for our information—to consider.

Congress has declared—on a number of occasions—that it shall be National policy to aid, counsel, assist, promote and protect, insofar as possible, the interests of American small business. The Committee's concern is to carry out this mandate.

Let me say further that this Committee has been a service Committee—it has worked as a bi-partisan and nonpartisan Committee.

The Small Business Committee serves our Colleagues, our constituents, the small business sector of the economy, and our country.

We supervise the ongoing operations of the Small Business Administration, a permanent agency of the Government with over $7 billion in loan authority.

Limitations on outstanding loans authorized by law include:

Business Loans, including Equal Opportunity Loans—$6 billion.

SBIC Loans and Advances—$725 million.

State and Local Development Loans—$525 million.

This makes a total of $7.25 billion in loan authority over which this Committee has jurisdiction.

Again, I want to welcome all of you and to urge all of you to be active and participate in your Subcommittees and Committee work.

Under the rules of the House of Representatives and the Caucus, we are authorized six Subcommittees—and we will now proceed with the selection of Subcommittee Chairman and Members.

We have just recently lost a distinguished and genial Subcommittee Chairman, John C. Kluczynski, and in his memory we will have a moment of silent prayer.

The following are the Subcommittees and Members of the Subcommittees of the House Small Business Committee for the 94th Congress.

Subcommittee on Energy and Environment. Majority: Representatives Dingell, Chairman, Steed, St Germain, LaFalce, Krebs, Evans, Russo; Minority: Representatives Conte, Fish, Cohen, Butler.

Subcommittee on SBA and SBIC Legislation. Majority: Representatives Smith, Chairman, Bergland, Gonzalez, Corman, Mitchell, Hanley, Yatron, Breckinridge; Minority: Representatives Stanton, Fenwick, Goodling.

Subcommittee on Government Procurement and International Trade. Majority: Representatives Corman, Chairman, Steed, Addabbo, Carney, Nolan, Krebs, Hightower, Hungate; Minority: Representatives McDade, Kindness, Broomfield.

Subcommittee on SBA Oversight and Minority Enterprise. Majority: Representatives Addabbo, Chairman, Mitchell, Hanley, St Germain, Gonzalez, Richmond, Baldus, Breckinridge; Minority: Representatives Carter, Goodling, Fish.

Subcommittee on Activities of Regulatory Agencies. Majority: Representatives Hungate, Chairman, Bedell, LaFalce, Russo, Baldus, Hightower, Dingell; Minority: Representatives McCollister, Cohen, Fenwick.

Subcommittee on Commodities and Services. Majority: Representatives Carney, Chairman, Bergland, Yatron, Bedell, Richmond, Evans, Nolan, Smith; Minority: Representatives Broomfield, Butler, Kindness.

LET'S STOP PLAYING DUMB ABOUT INFLATION

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 18, 1975

Mr. BAUMAN. Mr. Speaker, recently I read an article in Politics, published by the Business-Industry Political Action Committee—BIPAC—and written by Edward I. Maher. In the article Mr. Maher comments on the change in attitude which has occurred in the minds of many American citizens regarding obligations once considered to be family duties but now considered by many to be an obligation of the Federal Government. Mr. Maher properly notes that everyone curses inflation but also wants the direct benefits of costly programs operated by the Federal Government and funded out of our tax moneys.

I include at this point in my remarks Mr. Maher's article which certainly offers us a subject for thoughtful consideration.

LET'S STOP PLAYING DUMB ABOUT INFLATION

(By Edward I. Maher)

In February, 1934, Marge Wilson's husband died. She was left, at 28, with boys 6 and 2 and a girl 4. Her husband's life insurance yielded barely enough for funeral expenses and medical bills.

Without relatives to turn to, Marge would have been in desperate straits. As it was, she and her children were able to move in with her parents. Her father still was actively at work and, although 4 additional mouths to feed created a problem; he and his wife accepted it as a matter of course. In due time, Marge got a job as a stenographer at $18.75 a week. Publicly-funded day care centers were unheard of in those days and to grandmother fell the responsibility of looking after the children while their mother was at work. Planned expenditures and a vacation trip had to be postponed indefinitely.

Down the street, a block away, Joe Walker was laid off that summer, for the last time ever. At 68, it was unlikely he would be called back to his long-time job. A little money had been put aside over the years, but not much. Joe and his wife held to the theory that children were a form of insurance against want in old age and had raised six. All were grown, of course, and had families of their own. Although it meant sacrifice, providing for their parents was recognized as a primary family responsibility and they all chipped-in to the best of their respective abilities.

Such examples could have been multiplied endlessly in 1934—not only involving widows like Marge or older folks like Joe Walker and his wife, but virtually every one singled out for "the slings and arrows of outrageous fortune." But in those days most families took care of their own when trouble came. If Brother Jack lost his job or Sister Anne had to go to a sanitarium, the family rallied round and shared the burden.

Things are different now. Forty years have gone by and Marge Wilson's daughter has become a widow like her mother. But her financial status is far different than her mother's had been. She will receive Social Security Benefits for herself and her children until the youngest reaches 18, at least. Her husband's group life insurance, provided by his employer, yielded a nice nest egg of two-year's salary. His medical and hospital bills were taken care of by Blue Cross, Blue Shield, all paid for by his employer.

Marge is now retired from her $225-a-week job as secretary to the president of the company. She enjoys a nice income from her pension, provided by the company. Social Security, half paid for by the company, and her own savings. There is no need for her to spend any of this income to provide for her daughter or grandchildren, although she would do so, of course, if the need arose.

Marge's chief complaint these days is about rising prices. The inflation everyone talks about—and for which scores of erudite economists have been trying to find the cause and a cure—has all of us complaining about high prices. Yet, few of us make the connection between rising prices and taxes and the benefits we have come to expect from government and the companies we work for.

Over the past 40 years there has been a veritable explosion of social programs designed for the laudable purpose of helping people to help themselves. We have witnessed the advent of Social Security, unemployment compensation, Blue Cross, Blue Shield, major medical insurance, Medicare, Medicaid, welfare, aid to dependent children, income supplements, free food stamps, free legal services, subsidized student loans, aid to education, crop supports, foreign aid and numerous other programs intended to alleviate the ills which beset the human race.

No widespread movement seems to have developed for the curtailment or discontinuance of any of these programs, even among those who complain the loudest about inflation. Most people, it seems, are glad to be relieved of the responsibility of caring for the sick, the old, the unfortunate and the improvident among their relatives and are quite willing to let government do it. And surely no one objects to the steadily rising pensions, insurances and other benefits provided for employees by private business and government agencies.

However, these things cost money. Government can relieve individuals of the bother of caring for their own or themselves, it cannot relieve society as a whole of the cost. Government social programs must be paid for either in higher taxes or through borrowing—"printing press money" which is the classic cause of inflation.

Fortunately, concurrent with the proliferation of social programs there has been rapid growth and application of technology in the factory and on the farm. This has tended to offset a large part of the cost of such programs, but what is not offset by increased productivity must be reflected in higher prices.

So, there really is nothing mysterious about the inflation everyone complains about. But even as the complaints about high prices and high taxes reach a crescendo the seeds are being sown for more of the same.

Proposals are under consideration for subsidized transit fares, universal health insurance, day care centers, etc., and scarcely a week goes by without some new proposals. Seldom does the public link these programs to the rising cost of living—or the rising cost of living to the politicians who promote such programs.

Probably we all would feel somewhat better about inflation if we stopped to consider that what we pay in higher taxes and prices we don't have to pay to take care of family obligations and to protect ourselves against ill health, joblessness and poverty in old age. To that extent, at least, the inflation we complain about is an illusion.

VIETNAM VETERANS BIBLIOGRAPHY

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, February 18, 1975

Mr. HARTKE. Mr. President, as chairman of the Senate Veterans' Affairs Committee, I have been extremely concerned that not enough research has been done on the particular problems facing Vietnam-era veterans. I am particularly pleased that a fellow Hoosier, Dr. Charles R. Figley, of Purdue University, has begun in-depth research on the interpersonal adjustment and family life among

Vietnam veterans. I ask unanimous consent that the general bibliography on this subject prepared by Dr. Figley be printed in the Extension of Remarks so that other researchers will be able to use it for reference.

There being no objection, the bibliography was ordered to be printed in the RECORD, as follows:

INTERPERSONAL ADJUSTMENT AND FAMILY LIFE AMONG VIETNAM VETERANS—A GENERAL BIBLIOGRAPHY

(By Charles R. Figley)

The following bibliography attempts to bring together references from the behavioral sciences which focus on the Vietnam veteran experience. Of special importance are manuscripts which deal with (a) the development and maintenance of intimate relationships during and after military service, (b) the relationship between combat experience and interpersonal competence, and (c) the relationship between the American family system and interpersonal violence. The primary purpose of this bibliography is to stimulate and facilitate research in the area of interpersonal adjustment and family life among Vietnam veterans toward greater understanding of and solutions to the adjustment problems among veterans.

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LITHUANIAN INDEPENDENCE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. PATTEN. Mr. Speaker,, February 16 marked the 57th anniversary of the independence of the small Baltic nation of Lithuania. It was on that date in 1918 that the 20 member national council declared Lithuania to be a free state and an independent state which was to be based on democratic principles.

The people of Lithuania enjoyed their independence for 22 years. But, in 1940, the Soviet Union invaded the territory and occupied not only Lithuania, but also Latvia and Estonia and these countries were forced to annex into the Soviet Union. When one has tasted freedom, however, one does not forget it, and the people of Lithuania are still unbroken in spirit in their fight for freedom and independence. One cannot forget the daring leap by the Lithuanian sailor, Simas Kudirka, when he sought freedom in 1970 and in the past year he was subsequently released to America. There are other examples of the strength and courage of these Lithuanian people who so desperately want their freedom and will go to such great lengths to achieve it.

It is hard for me to understand why a country must force a people to be subservient and to withhold freedom from those who want it. We must all live by laws and rules so that we can exist together side by side in this world. I do not understand, however, ruling another country and another people with an iron hand so that the people of the country are so desperate that they must take actions such as risking their own lives to leap for freedom. There is something very wrong with this.

We will not forget the Lithuanian people and their fight for freedom. Americans, especially, know just how precious it is to be free.

LEGISLATIVE VOTING PERFORMANCE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FRENZEL. Mr. Speaker, with a growing knowledge by the public of the work that we do here. I have received a number of inquiries from constituents interested in my voting record and legislative performance. In past years I have submitted the entire package into the RECORD for public consumption. However the increased cost of printing the information, roughly $6,000 has, in my mind, become prohibitive. Therefore I am submitting an abbreviated listing of a few votes which I believe will be most interesting to my constituents. The total voting record for the 93d Congress, as well as the 92d, will, of course, remain available in any one of my Minnesota offices to anyone interested.

Attendance is not the primary criteria for measuring congressional performance but it is of interest. I answered 1,340 of 1,453 quorum and rollcall votes or 92.2 percent in the 93d Congress.

The issue listings follow:

LEGISLATIVE VOTING PERFORMANCE

Date	Number	Issue	House vote	Frenzel position
Feb. 28, 1974	H.R. 2	Employee Benefit Security Act of 1973—A bill setting minimum standards for funding private company pension plans and providing more generous treatment for self-employed private pension plans.	Adopted, 376–4	Yes.
Dec. 11, 1973	H.R. 10710	Trade Reform Act—The act renews the President's authority to negotiate tariffs and authorizes agreements dealing with nontariff trade barriers.	Adopted, 272–140	Yes.
Dec. 11, 1973	H.R. 10710	Vanik Amendment to Trade Reform Act—The amendment prohibits extension of government-backed credits to countries that impose inordinate fees and taxes on those who seek to emigrate.	Adopted, 319–80	Yes.
Aug. 13, 1974	H.R. 15264	Export Administration Act Amendments of 1974—Provides a 2 year extension of the Commerce Secretary's authority to regulate exports and amends the act establishing a U.S. policy of export control retaliation against nations who have embargoed the supply of a particular commodity to the United States.	Adopted, 379–6	Yes.

Date	Number	Issue	House vote	Frenzel position
Apr. 16, 1973	H.R. 6168	Economic Stabilization—A bill to extend the President's authority to set wage and price controls	Adopted, 293–114	Yes.
Mar. 20, 1974	H.R. 12435	Fair Labor Standards Amendments of 1974—A bill to raise the hourly minimum wage for most nonfarm workers, gradually by installments, and extend coverage to approximately 7,000,000 workers.	Adopted, 375–37	Yes.
Dec. 12, 1974	H.R. 16596	Emergency Public Service Jobs—A bill to authorize $2,000,000,000 to provide public service jobs to the unemployed and sums necessary to extend unemployment compensation coverage to about 12,000,000 workers.	Adopted, 322–53	Yes.
Mar. 26, 1974	H.R. 69	Elementary and Secondary Education Act of 1974—An amendment to the Federal Aid to Education Act to prohibit busing students to any school but the next closest to the students home.	Adopted, 293–117	No.
May 22, 1974	H.R. 14592	Military Procurement Authorization for 1975—An amendment offered by Representative Aspin of Wisconsin to cut $733,100,000 from defense funding by lowering ceiling to 1974 level plus 7.4 percent inflation adjustment.	Rejected, 209–185	Yes.
Apr. 4, 1974	H.R. 12565	Defense Department Supplemental Authorization—Authorized $1,142,500,000 for military procurement, research and development, and construction; aid to South Viet Nam was not increased.	Adopted, voice vote	Yes.
May 1, 1974	H.R. 14368	Energy Supply and Environmental Coordination Act of 1974—A bill to significantly ease certain clean air standards and deadlines in attempt to conserve energy.	Adopted, 349–43	Yes.
May 21, 1974	H.R. 13834	Standby Energy Emergency Authorities—A bill to give the President authority to ration fuel and control the price of oil products. The vote occurred on a procedural motion to suspend the rules.	Rejected, 191–207	Yes.
June 11, 1974	H.R. 10294	Land-Use Planning (H. Res. 1110)—This was one of the major conservation issues of the 93d Cong., intended to provide Federal grants to States to help in drafting land use plans. It was defeated in a vote to bring it to debate on the floor.	Rejected, 204–211	Yes.
July 25, 1974	H.R. 11500	Strip Mining—A bill to provide stringent provisions for Federal and State regulation of strip mining	Adopted, 291–81	Yes.
Apr. 3, 1974	H.R. 13163	Consumer Protection Act of 1974—This bill established an independent Consumer Protection Agency (CPA) to represent American consumers, serve as a clearinghouse for consumer complaints, advise the Congress and President on consumer-interest related matters and recommend Federal legislation.	Adopted, 293–94	Yes.
Aug. 15, 1974	H.R.12859	Federal Mass Transportation Act of 1974—An amendment to remove from a mass transit bill, funds subsidizing operating expenses for existing mass transit systems. A direct subsidization from the fare box may harm local incentive to raise revenue and encourage excessive wage demands by transit workers.	Rejected, 197–202	Yes.
Aug. 20, 1974	H.R. 12859	Federal Mass Transportation Act of 1974—The House passed the final version of the bill authorizing $11,374,000,000 for the construction and operation of local mass transit systems.	Adopted, 324–92	Yes.
Aug. 15, 1974	S. 3060	Housing and Community Development Act of 1974—The 1st comprehensive housing bill since 1968. The bill will authorize funds for Federal housing assistance programs and community development block grants and also to encourage greater availability of mortgage credit.	Adopted, 377–21	Yes.
June 18, 1974	H.R. 7130	Congressional Budget and Impoundment Control Act of 1974—A momentous step toward a more orderly and conscientious consideration of the Federal budget. The bill revises congressional procedures for considering the Federal budget, sets deadlines for consideration of authorization and appropriations bills and provides procedures to limit impoundment of funds by the President.	Adopted, 401–6	Yes.
Aug. 8, 1974	H.R. 16090	Federal Election Campaign Act Amendments of 1974—An amendment that would provide partial public financing of congressional general election campaigns by providing for matching federal funds.	Rejected, 187–228	No.
Aug. 8, 1974	H.R. 16090	Federal Election Campaign Act Amendments—The bill set contribution and expenditures limits for Federal elections. It also provides for Federal financing of presidential general elections and party national conventions and some Federal funding of presidential primaries.	Adopted, 355–48	Yes.
July 18, 1973	H.J. Res. 542	War Powers—A resolution requiring a Presidential report to Congress within 72 hours following a commitment or troop increase; requiring termination of such action within 120 days unless approved by Congress and allows Congress to end such action by a veto-proof resolution.	Adopted, 244–170	Yes.
Dec. 19, 1973	H.R. 11510	Energy Reorganization Act of 1974—This bill establishes an Energy Research and Development Administration (ERDA) which consolidates existing Federal programs under one administrative structure to implement mid- and long-range research and development of existing and potential energy sources.	Adopted, 355–25	Yes.
Aug. 20, 1974	H. Res. 1333	Impeachment Report—Motion to suspend the rules and adopt the resolution to take formal notice of the action of the House Judiciary Committee in recommending the impeachment of President Nixon; and after Nixon's resignation, to accept the report of the committee on impeachment and authorize its' printing.	Adopted, 412–3	Yes.
Dec. 19, 1974		House approval (thus confirming the nomination) as provided for by the 25th amendment, of Nelson A. Rockefeller to be Vice President.	Confirmed, 287–128	Yes.
June 21, 1974	H.R. 15472	Agricultural, Environmental, and Consumer Protection, Fiscal 1975—A bill appropriating $13,400,000,000 for agricultural, environmental and consumer protection programs for 1975. (An increase of $2,817,300,000 over 1974.)	Adopted, 278–16	No.
Aug. 6, 1974	H.R. 16243	Department of Defense Appropriations, Fiscal 1975—A bill appropriating $82,983,500,000 in new appropriations for the military functions of the Department of Defense, including military assistance for South Vietnam. The new appropriation total is $4,516,100,000 more than that of 1974.	Adopted, 350–43	No.
June 26, 1974	H.R. 15572	HUD, Space, Science, and Veterans Appropriations, Fiscal 1975—An appropriation of $20,800,000,000 for HUD, NASA, the National Science Foundation, the Veterans' Administration and various related agencies.	Adopted, 407–7	Yes.
June 27, 1974	H.R. 15580	Labor-HEW Appropriations—A bill to appropriate $33,160,000,000 for 1975 which includes money for the Department of Labor, HEW and other related agencies.	Adopted, 329–43	Yes.
June 18, 1974	H.R. 15404	State-Justice-Commerce Appropriations, Fiscal 1975—An appropriation of $5,553,100,000, divided among 4 executive departments and 13 related agencies for 1975. This request is $587,000,000 higher than that of 1974.	Adopted, 365–36	No.
Apr. 9, 1974	H.R. 14012	Legislative Branch Appropriations, 1975—The House passed this bill appropriating $603,200,000 for Congress and related agencies for Fiscal 1975; this was approximately an $80,000,000 increase over 1974.	Adopted, 373–17	No.
June 19, 1974	H.R. 15405	Transportation Appropriations, Fiscal 1975—A bill appropriating $3,182,200,000 for the Transportation Department and related agencies for 1975. The Administration requested $3,545,000,000.	Adopted, 392–4	Yes.

FRENZEL VOTES ON VETOES FOR THE 92D AND 93D CONGRESSES

Bill	Title	Vote	Explanation	President
92 H.R. 15417	Labor HEW Appropriations	No	Sustain	Nixon.
92 H.R. 15927	Increase R.R. Retirement	Yes	Override	Nixon.
92 S. 2770	Water pollution	Yes	Override	Nixon.
93 H.R. 3928	Rural Water and Sewer	No	Sustain	Nixon.
93 H.R. 7747	Supplemental Appropriations	Yes	Override	Nixon.
93 S. 518	Confirm OMB Director	No	Sustain	Nixon.
93 S. 504	Emergency Medical Services	No	Sustain	Nixon.
93 H.R. 7935	Minimum Wage	No	Sustain	Nixon.
93 H.J. Res. 542	War Powers	Yes	Override	Nixon.
93 H.J. Res. 1131	Continuing Resolution (Turkey)	No	Sustain	Ford.
93 H.R. 15301	R.R. Retirement	Yes	Override	Ford.
93 H.J. Res. 1163	Continuing Resolution (Turkey)	Yes	Override	Ford.

Note: The Nixon score is 5 sustain and 4 override. The Ford score is 1 sustain and 2 override. The total is 6 of each.

LITHUANIAN INDEPENDENCE DAY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. RINALDO. Mr. Speaker, the people of Lithuania, honored and respected around the world for their love of freedom and independence, have endured almost 35 years of domination and repression by a foreign nation when they celebrated the anniversary of their independence this year.

The Republic of Lithuania existed for 22 years, from February 16, 1918, until its takeover by the Soviet Union in the summer of 1940. Prior to the creation of the free Republic, Lithuania, for more than a thousand years was known worldwide as a center for education and religious tolerance. As a result, her people have grown strong in both spirit and determination, enabling them to survive as a culture through long periods of foreign control.

Last Sunday, Lithuanian Americans recognized the 57th anniversary of their freedom with the sad knowledge that their homeland is no longer a free and self-governing entity.

On February 16, the Americans of Lithuanian extraction stood tall and proud for the glorious history of their homeland. These citizens can also be proud of their present home, for the United States, along with the citizens of Lithuania has never recognized the Soviet takeover.

Yet, the Soviet invasion, during World

War II, affected Lithuanian culture severely. Today, the citizens of that beleaguered and downtrodden state possess almost no civil and political rights and are restricted to only the most basic privileges and rights. A quarter of the population has been forced to flee or were deported and exiled and subsequently were repopulated to other areas of the Soviet Union such as Siberia and elsewhere. Yet the saddest fact of all remains that the Lithuanian language, the oldest living language in Europe, is spoken only by half of the citizens and now faces extinction along with the entire Lithuanian culture as a result of the iron fisted Soviet policy that prohibits religious and cultural affairs.

Mr. Speaker, although we face severe problems at home and abroad, we must not forget the other freedom loving nations of the world. We must support and aid the endeavors of all nations who strive and hunger to join the ranks of the free.

ADVICE FOR A SOUND ECONOMY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McDONALD of Georgia. Mr. Speaker, on February 6, 1975, I placed in the RECORD under Extensions of Remarks a letter to President Ford from four professors of economics at Grove City College. The letter advised the President of a four point program to end inflation and stabilize the U.S. dollar. Since the President and most Members of Congress are at odds over mere variants of the same policy—debating over such things as whether we should have a $50 billion or $100 billion budget deficit—I thought it important again to call the fundamental alternative presented by the Grove City economics professors to the attention of my colleagues.

Following is the original letter as well as President Ford's rely and the professors' further reply:

OCTOBER 1, 1974.

President GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: With all the economic advice you received at the Summit Conference you may not mind hearing from the Economics Department of Grove City College which, as you may recall, conferred the degree of Doctor of Laws on you at our commencement of June 8, 1968. We feel especially moved to proffer our advice as the gold school we represent was conspicuously absent at the Summit Conference.

To end inflation and to stabilize the U.S. dollar the following steps need to be taken immediately:

1. The Federal budget must be balanced now, next year, and every year thereafter.
2. Your engine of inflation, the Federal Reserve System, must be inactivated, or better yet, abolished.
3. The Federal Reserve money now in circulation must stay in circulation and be made fully redeemable in gold.
4. With these steps you will have achieved monetary stability. But you will face a recession which past deficit spending and credit expansion have made unavoidable. Without an engine of inflation to accommodate new deficit spending and credit expansion, you will need to cut federal spending even further as federal revenue declines. And to facilitate speedy recovery from the recession business taxes should be cut. We are confident that in a year or two the American economy will resume full speed again, with stable prices and a sound monetary system.

We realize that our advice may not be popular with the economics fraternity, which since the 1930's has preferred the "new economics" of easy money and deficit spending. We are proud to represent the great tradition of classical economics and the gold standard that gave the world natural money rather than depreciating political paper.

Mr. President, the choice is yours. Proceeding on the present road you will preside over an accelerating depreciation of the dollar and all the economic and social evils thereof. Or, you may embark upon the road to gold money which is hard money. There are no alternatives.

Yours respectfully,
WILLIAM H. BURDICK,
PAUL J. FAIR,
CHARLES J. GUILER,
HANS F. SENNHOLZ,
Professors of Economics,
Grove City College.

THE WHITE HOUSE,
Washington, December 2, 1974.

Prof. WILLIAM H. BURDICK,
Department of Economics, Grove City College, Grove City, Pa.

DEAR PROFESSOR BURDICK: Thank you and Professors Fair, Guiler and Sennholz for your thoughtful letter expressing your concerns for our Nation's economic problems.

As you know, I consider inflation public enemy number one. It is my intention to bring about a moderation of inflationary pressures. A wide range of consequences implied by our current economic policies was explored during the Conference on Inflation.

I am encouraged by the responses received so far and particularly welcome opinions such as yours as an invaluable source of information that can only improve the formation of our economic policy. Accordingly, I have forwarded your letter to Mr. L. William Seidman of my team of economic advisers for his full consideration in conjunction with the other views we have received.

With hard work, sacrifice and cooperation, I am optimistic of our chances for promoting stabilization in our economy once again.

With best wishes.

Sincerely,
GERALD R. FORD.

GROVE CITY COLLEGE,
Grove City, Pa., January 17, 1975.

President GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The professors of economics at Grove City College appreciate your letter of December 2. It encourages them to confess their great disappointment in your State of the Union Message. You are making recommendations that are diametrically opposed to our own.

We advised that the Federal budget "be balanced now, next year, and every year thereafter." You are projecting deficits of at least $32 billion this fiscal year and $45 billion in the next. The massive budget deficits will do incalculable harm to capital markets, greatly raise interest rates, prolong and aggravate the economic stagnation, and precipitate an inflationary growth in the money supply. They are providing the fuel for the depreciation of the U.S. dollar at ever faster rates.

We recommended that the quantity of money and credit be stabilized. Your proposals are designed to bring about a rapid expansion. In fact, since you took office on August 9, 1974, the Federal Reserve System has already expanded its credit, which constitutes the national money base, from $90.479 billion to $96 billion on January 1, 1975. That is an expansion of 6.1 per cent in less than five months. In our economics classes we call this "inflation" and soaring prices the "inevitable consequences."

We recommended that business taxes be cut in order to facilitate speedy recovery from the recession. You are proposing a temporary increase of investment tax credits yielding $4 billion, and a reduction in the corporate tax rate to 42 per cent from 48 per cent, or $6 billion this year, provided $30 billion are collected each year from new energy taxes. This is an important increase in business taxation.

Your energy plan, in our considered judgment, will raise the costs of living of all Americans and lower their standards of living. If the reduction of U.S. oil imports is an urgent defense objective the domestic energy industry should be liberated from stifling controls and encouraged to expand through tax cuts. But instead, you are proposing new excise taxes and a "windfall profits tax" of up to 75 per cent of net income. $8 billion of new excise taxes on natural gas and $12 billion of new taxes on the oil industry do not promote exploration and production, but rather impede them. The new taxes on domestic industry are bound to prolong our dependence on foreign oil.

The economics professors of Grove City College are sad and disappointed about the economic road you are traveling. In the footsteps of your predecessors you are following the sign posts of the "new economics" of deficit spending and inflation. It is unfortunate that on this road that leads to monetary destruction and social disorder you cannot find the turn-off to classical economics that assures stable money and economic stability.

Yours respectfully,
PAUL J. FAIR,
CHARLES J. GUILER,
HANS F. SENNHOLZ,
WILLIAM H. BURDICK,
Professors of Economics.

LITHUANIA'S 57TH ANNIVERSARY

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. DELANEY. Mr. Speaker, the 16th of February is a very significant date in modern history. It marks the 724th anniversary of the founding of the Lithuanian State, and the 57th anniversary of the establishment of the modern Republic of Lithuania.

The Lithuanians are a great and courageous people. They share our profound belief in the idea that all men have a right to be free, and a right to freely determine their own destiny. We have had to fight but once for our independence, the Lithuanian people have struggled for centuries against foreign domination.

Today, like her sister States, Latvia and Estonia, Lithuania is held captive by the Communists. Time, however, will never rest their intense desire for freedom or devotion to liberty. I join with my colleagues and freemen everywhere in the hope and prayer that one day, true freedom, as well as independence will become a reality for Lithuania and its people.

SCENARIO FOR CATASTROPHE

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HÉBERT. Mr. Speaker, Ernest A. Carrere, Jr., who is a dear friend and president of the Navy League of the United States, has written an enlightening article on the explosive Middle East situation.

The article, which appeared as the "President's Message" in the December 1974 issue of Seapower magazine, is of interest to all of us, and I insert it at this point in the RECORD:

SCENARIO FOR CATASTROPHE

Certainly the most chilling forecast on the world scene today is the prediction of another war in the Middle East within six months. It was only slightly more than a year ago that tomorrow's antagonists were pried apart in the midst of their last struggle. Yet, despite the terrible loss of life on both sides, the vast expenditures for guns and tanks and aircraft that neither side can afford, the austere living conditions that have resulted from this past war and those which preceded it, the players in this bizarre game of life and death seem resigned to the harsh reality that one side must fight for its life against those who would eliminate a country from the map. Man's inhumanity to man is unbelievable.

But almost as disturbing as this prospect is the apparent indifference of Americans to a situation which in all likelihood will impact directly upon all in this country. With inflation rampant, and unemployment rising, and a coal strike underway which will cause hardship for hundreds of thousands, one can understand that there might be some indifference to what goes on beyond our shores. But when almost every re-elected or newly elected Senator or Congressman seems to want to sharply reduce defense spending as the quickest and best means of improving our economic situation, one wonders if they have given any consideration at all to the likelihood that these already inflation-weakened armed forces of ours might have to be called upon to once again fight to maintain some kind of status quo in the world as we know it now.

A year ago the diplomatic achievements of the indefatigable Mr. Kissinger—combined with a massive air and sea lift of weapons and equipment and the resilience, daring, fighting spirit, and sound organization of Israeli forces—brought about a cease-fire. The Soviets elected not to become involved other than to provide logistic support to the Arabs and eventually to bring pressure to bear for a cease-fire. The countries of Europe, all either our NATO allies or military partners outside that organization, stood by; however, despite their non-involvement, most were directly affected by the oil embargo imposed by the oil-producing nations.

Today the aircraft, tanks and other equipment destroyed during last year's war have been replaced. More ammunition has been stockpiled. Measures to improve readiness have been invoked by all the forces likely to be involved. And—most important to those nations of the world dependent upon Arab oil to sustain not just their economies, but their livelihood as well—the Arabs have threatened another embargo if war breaks out again.

That is a grim picture. But there is unlimited potential for it to become far, far grimmer. Suppose, for example, the winter about to descend upon us is, as has been widely predicted, harsh and severe. Suppose a western world unused now to hardships which war imposed upon it 30 years ago, or which famine now has brought to parts of Africa and the Far East, sees them return in part because people cannot afford to buy oil at its present artificially-high prices. Suppose a well-coordinated Arab military effort threatens to bring Israel to its knees. Suppose then an all-out embargo is imposed, and Europe's oil supply is reduced to a trickle. And suppose, amidst this potential chaos, the Soviet Union, the only major power in the world now still steadily and alarmingly strengthening its armed forces, warns against military action either to support Israel or to start the oil flowing again, and threatens use of its own formidable military might.

What then? Do we go to Israel's aid, come hell or high water? Do we count on diplomacy to bring peace? Do our allies choose to rely upon bargaining-table sessions to save their economies and their governments? Or does a free-for-all ensue that could rapidly become a holocaust?

This is *not* an improbable scenario. Part of it already happened once, and is threatened again. Meanwhile, the entire economic structure of the free world has been undermined by the determination of the oil-producing countries to maintain oil prices at a high level regardless of the consequences. The stage is set for potential catastrophe. And, as we have read time and time again in our history books, wars have started for far lesser causes than those which exist today.

All of which means to us that this is a good time to keep our powder dry, and our armed forces as strong as possible given today's financial limitations. The one country in the world today dedicated to bringing about peace in the Middle East *and* strong enough to have credibility in this quest is the United States. If we reduce our military capability, whether we like it or not, we will lose some of our credibility. Further, we represent the one western nation that could for a while at least, stand alone in the event of a strict oil embargo; European armed forces would face the problem of being hamstrung quickly if Mideast oil were cut off.

This is not to say that our armed forces should not do all within their power to reduce their expenditures in this inflationary period. They must bite the bullet just like the rest of our society. But in those areas wherein fat has long been stripped away and muscle is now exposed, it would behoove both the old and the new Congresses to be extremely cautious in their avowed intent to reduce military spending. For we cannot become an isolationst nation now and go our own way. Our future is inextricably interwoven with that of the rest of the world, and the rest of the world is irrevocably dependent upon us to remain strong and able to carry out our commitments to peace.

REPUBLIC OF LITHUANIA

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WOLFF. Mr. Speaker, I would like to take this time to remind my colleagues that on February 16, 1918, the Republic of Lithuania was established. A short 22 years later, this thriving Republic was invaded and occupied by the Soviet Union. Today's maps only show this proud nation as a part of the Soviet Union.

It is very popular to speak of détente. While we must pursue an easing of international tensions and increased understanding, we must not forget that there are a significant number of people in the world that cannot be described as free, that do not enjoy the basic human rights. In our quest for détente, we cannot forget these people.

ALL THE COMMISSAR'S MEN

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. DERWINSKI. Mr. Speaker, we are living in an age of neoisolationism which is evident here in the Congress. This is coupled with a constant attack on U.S. intelligence-gathering agencies. Too many Members are willing to ignore the realism of Soviet espionage activities.

Charles Moser's book review, appearing in the February issue of the Alternative, presents an objective critique of John Barron's novel, "KGB: The Secret Work of Soviet Secret Agents." The commentary, which follows, points out that the reader of the novel will gain a clearer outlook on the nature of the KGB and its methods:

ALL THE COMMISSAR'S MEN

(A book review by Charles A. Moser. "KGB: The Secret Work of Soviet Secret Agents," by John Barron.)

In early 1969 the president of *Reader's Digest* accepted a proposal by John Barron, now a senior editor, for a detailed investigation of the KGB, the Soviet state security police, designed for the general Western reader. Several years and many interviews later Barron's effort were presented to the world in the form of the present book. In addition to the logistic support of the *Reader's Digest*'s worldwide research facilities. Barron had a knowledge of Russian, some background in intelligence work, and—most importantly—a thorough comprehension of the importance of a secret police system for Communist regimes generally. Such a vast and necessarily shadowy subject cannot be treated exhaustively in a single volume, even one of over 450 pages, but Barron has done an excellent job of gathering information on the history of the Soviet secret police, its organizational structure, the methods it utilizes within the Soviet Union itself to maintain the Communist leadership's control over the Soviet people, and most especially its clandestine offensive against the outside world.

That offensive is conducted on various levels: by working through secret police of "fraternal" Communist countries who can occasionally perform missions more easily than Soviet agents, by disseminating "disinformation" and disorienting foreign opponents, by murdering prominent anti-Communist figures abroad with highly sophisticated devices, by gathering extensive military and political intelligence, by subverting host countries through the use of "diplomatic personnel" who are really KGB agents (the author comments that China presents an "exceedingly difficult target" for Soviet subversion, which is logical since the Chinese have surpassed their Soviet tutors in many aspects of state security.) Some of the espionage accounts read like spy stories, which they are, and they supply much of the book's narrative interest. Occasional Soviet espionage failures demonstrate that Western counterintelligence can sometimes be defensively brilliant, but a good offensive is hard to block all the time, and the Soviets make frequent gains in this concealed warfare. Barron is not completely successful in systematizing the information he has gathered: it remains fragmentary at times, especially when he describes the careers of particular Soviet agents. This slight disjointedness does not, however, detract overmuch from the book's interest.

In the 1780s a Russian aristocrat and intellectual wrote a utopian novel (one of the few in the history of Russian literature) in which he described a model society on a distant island in which religion and the observation of religious rites were the responsibility of the police. Nearly a century and a half later a Russian middle-class intellectual, Vladimir Lenin by name, actually brought such a social order into being in Russia. For if a government does not rest upon the freely given assent of the governed, it must depend instead upon force and the compulsion and manipulation of assent.

The KGB is no incidental excrescence on the Soviet body politic: it is central to its being. Barron quotes Lenin as saying in 1920 that "the scientific concept of [utopian] dictatorship means neither more nor less than unlimited power resting directly on force, not limited by anything, nor restrained by any laws or any absolute rules. Nothing else but that." The Soviet security police was organized very quickly after the October Revolution, and its founder, the Polish intellectual Feliks Dzerzhinsky, spoke frankly of the necessity for "organized terror," at least in the early stages of the regime's history. And Dzerzhinsky was no monster from whom the regime now recoils in horror. On the contrary, an elaborate Moscow subway station is named in his honor, and Nikita Khrushchev during his premiership ordered a monument erected to him outside the Lyubyanka prison. Thus the explicit aim of the Soviet state apparatus is the manipulation of the population under 'ts control by force, terror, and fraud; these elements are at the core of the entire Soviet state system. A recent Soviet emigre has wisely counseled all Western statesmen who deal with Soviet leaders to recall constantly that the latter are, literally, killers. One sometimes has to deal with killers, but one adopts quite a different approach to them than to ordinary men with the customary moral scruples. Dzerzhinsky, Lenin, Stalin, and Khrushchev were all men who did not hesitate to kill, and the KGB is the formalized instrument of their control.

The very fact that Barron's book has been published in an age so given to the exposure of the American intelligence system and its putative crimes, is important. In *The Gulag Archipelago*, that remarkable effort at generalization on the domestic system which the KGB maintains within the Soviet Union, Solzhenitsyn points out in his very first chapter (on the arrest) that the task of the Soviet security police is made easier by the fact that their victims almost never resist, take evasive action, or even protest. They simply submit. The power of the secret police could be whittled down immediately, he implies, if more victims would cease to submit, as Solzhenitsyn himself and the Soviet dissidents have done. By refusing to go quietly these dissidents have caused their captors much discomfort. We who are the victims of the KGB's foreign operations must do the same if we are to shackle its power.

In his final chapter Barron offers a number of cogent suggestions for combating the KGB abroad, all of which finally reduce to a variant of the rule "Let us not submit." The advocates of silence often advance numerous sophisticated and superficially convincing reasons for maintaining silence on the outrages of the Soviet secret police, but they are all meretricious. Barron's book itself helps bring the entire subject into the light of day: he tells the world of the KGB's guilt without glossing over its crimes, for, unlike State Department adepts, he is not paralyzed by fear of "embarrassing" the Soviet government. There is no earthly reason, he points out, for Western countries to permit the swollen diplomatic representations which the Soviets regularly dispatch abroad: only a few are legitimate diplomats, while the rest are KGB agents there to subvert the host country. Sometimes the disproportion becomes ludicrous: in 1971 Mexico needed five diplomats to conduct its business in Moscow, but the Soviet Union had sixty accredited to Mexico City. Any Western country solicitous of its own internal stability can easily and logically limit Soviet diplomatic personnel in its capital to approximately the same number it maintains in Moscow. Adherence to this simple rule in itself would make the KGB's work abroad measurably more difficult. Then too, Barron recommends, Western governments should prosecute any KGB agents they uncover who are not protected by diplomatic immunity, and expel those who are covered by such immunity; they should in addition refuse to accept as a "diplomat" any individual already identified as such an agent. Barron furnishes a thirty-five page list of such individuals as an appendix to his book. The main thing, however, as he says, is to comprehend the nature of the KGB and its place in the Soviet System. The Soviets, to do them justice, have never really concealed their aims, or even their methods, for the most part. Instead, the West has deluded itself about the Soviet system for nearly sixty years, Barron asks us to see things clearly, and helps us in that task.

INTRODUCTION OF MEDICAL SCHOOLS' MANPOWER LEGISLATION

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ROGERS. Mr. Speaker, I have today introduced, at the request of the Association of American Medical Colleges, a measure which would revise and extend existing health manpower programs, which provide assistants to schools and students of the health professions. On February 6, 1975, I, and most of the other members of the Subcommittee on Public Health and Environment, introduced H.R. 2956, the Health Manpower Act of 1975, and at that time announced that hearings would be held on that bill and all other similar or identical measures on Thursday and Friday, February 20 and 21. H.R. 2956 is identical to a bill which passed the House last year. The bill which I have introduced today reflects the views of many of this Nation's medical schools both as to what level of Federal support is necessary as well as the methods by which that support should be given. In introducing this bill by request, I do not mean to imply that I am in support of every provision it contains. In fact, in some areas, the bill conflicts substantially with the provisions of H.R. 2956. However, in my view, it is important to consider every approach carefully. Thus, the Subcommittee on Public Health and Environment will very carefully consider this bill as well as other proposals which would revise and extend health manpower authorities during hearings and executive sessions.

MARINA TIEMKIN: THE STRUGGLE OF A SOVIET JEWISH TEENAGER

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Ms. HOLTZMAN. Mr. Speaker, in a continuing effort to expose the plight of the many individuals in the Soviet Union who are being denied basic human rights and who are subjected to constant harassment and persecution, I would like to bring to your attention the case of Marina Tiemkin, a 15-year-old Jewish girl from Moscow.

This young woman, who did nothing more than request an exit visa to emigrate to Israel, found herself ostracized, incarcerated in a mental institution, and then confined to a so-called "youth camp." Marina's father has been forced to leave the country without her, after being threatened with arrest, and Marina is presently being kept by her mother, who will not permit her to have contact with anyone or anything Jewish.

Marina Tiemkin's story has been retold by the Student Struggle for Soviet Jewry in the following article which I commend to my colleagues:

MARINA TIEMKIN: THE STRUGGLE OF A SOVIET JEWISH TEENAGER

On a cold day in February 1973, 14 year-old Marina Tiemkin was forcibly kidnapped from her home by Moscow police. While her father protested angrily, Marina was taken kicking and screaming, without hat or coat, to a waiting car. Her captors beat her as they dragged her down the stairs.

For some time no one knew where Marina was. Soviet authorities refused to tell. Though her parents lived in the same apartment, they are divorced, and her mother refused to have anything to do with Marina because Marina wanted to go to Israel.

Finally, at the end of March, Marina called her father, Alexander Tiemkin. She'd been flown to Orlenok, a "Pioneer" youth camp near the Black Sea for "re-education". She had succeeded in slipping away from the group for a few minutes and managed to phone. Alexander, who is a PhD in physics and mathematics, traveled immediately down to the camp and succeeded in seeing her alone for a few minutes before being discovered by camp officials. Marina was amazed to hear that her eight letters to her father had all been stopped. "They didn't allow me to phone," she said. "They told me the mail was working normally."

Marina staged a four-day hunger strike when she arrived at the camp, but was forced to carry on with camp activities nevertheless. "If you suffer a little, it's nothing," the camp director told her. "He's a real sadist," Marina told her father. Marina was the only Jew in the camp, which specializes in Soviet doctrine and military-type activities. "G–d forbid what an attitude to Jews they have here," she declared.

Alexander went to ask for help from the principal of the special French school Marina attended in Moscow, and was told that "Marina is being saved from your influence so that she should be brought up as a Soviet girl". In the camp Marina was constantly watched; her letters were intercepted; and she was under great pressure to forget her Jewish heritage and desire to go to Israel.

Marina's problems began in April 1972 when her father applied for permission to emigrate to Israel. Her mother, Maya Markovna Raiskaya, a child psychiatrist, agreed reluctantly at first, but later felt that her job as a senior scientific worker at a branch of the Moscow Academy of Educational Sciences would be jeopardized if her daughter left for Israel. Her threats and insults against her daughter grew more serious and at one point a district department of education suggested that she give her daughter to the State since she could not cope with her.

In May 1972, despite her mother's wishes, permission was granted to Marina and her father to leave for Israel on October 19th. When they went to pick up their visas, however, they were told a visa had been issued only for her father. Three weeks later, Marina and her father were snatched from the street by the Moscow police and detained for seven hours. During this time, they were told a hearing was set for November 9th, and that the court had decided to return Marina to her mother's custody. The court wished to "restrict Tiemkin's participating in the upbringing of his daughter" because he is "a bad influence".

Alexander appealed this decision, but on January 17, 1973 lost. The judge stated that there was no doubt that Alexander was a loving father, but that his Zionist activities and efforts to emigrate to Israel proved he was an anti-social influence. The judge based her decision on three points of "evidence": that Marina ate matzah on Passover, that she refused to wear her Pioneer tie to school, and that she considers herself an Israeli citizen.

In September 1973, Prof. Tiemkin was given a choice by the KGB: either be sentenced to a labor camp on the trumped-up charge of "parasitism" or leave the U.S.S.R. Since arriving in Israel, he has continued his vigorous campaign for Marina's release. Tiemkin has learned from eyewitnesses that after his expulsion from the Soviet Union, Marina was brought back to Moscow and was put into a psychiatric hospital for a time, where she was treated with drugs to break her will.

Marina is now kept by her mother. Dr. Tiemkin has written to the Student Struggle for Soviet Jewry stating: "Each morning Marina is accompanied by her mother to school. After school she is accompanied home by her mother's mother, who guards her until Raiskaya returns. No doubt in school teachers and maybe children spy on Marina. Marina can't even phone our friends, or my mother, and can't meet with them. It is absolutely impossible to isolate Marina without the help of the KGB."

Marina herself has written, "I want to live in my Homeland, to speak Hebrew, to study our history . . . I am a Jewess and cannot live without Israel. Please help me!"

LITHUANIAN INDEPENDENCE DAY

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. VANDER JAGT. Mr. Speaker, I urge my colleagues to join with me in commemorating Lithuanian Independence Day and the 57th anniversary of the establishment of the Republic of Lithuania.

While the Republic of Lithuania remained independent for only 22 years, the heritage and spirit of its people demand continued recognition of their right to self-determination. We must continue to support the Lithuanian people to discourage Russification and effective absorption of the Baltic States into the Soviet Union.

I urge my colleagues to act in the spirit of détente and reaffirm the principles of House Concurrent Resolution 416 of the 89th Congress, adopted in support of the Lithuanian people.

SANTA MONICA MOUNTAIN RANGE

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. BELL. Mr. Speaker, I am today introducing legislation, along with my distinguished California colleagues, Mr. REES and Mr. CORMAN, to establish the Santa Monica Mountains and Seashore Urban National Park in the State of California.

The Los Angeles metropolitan area, with a population of well over 10 million people, is the second largest metropolitan area in the United States, yet there are no national parks in southern California available to these millions of residents. The Santa Monica Mountains and Seashore Urban National Park, as envisioned in this legislation, would provide a badly needed recreational area of unique beauty and natural splendor within 1 hour's drive for these 10 million people.

The Santa Monica Mountain Range and its adjacent seashore area constitute the greatest and most beautiful natural resource in the vicinity of Los Angeles. This last remaining open space in such an intensely urbanized region has the potential for being one of the great parks of our Nation.

A park there would offer relief to millions from the pressures of nearby city life, would protect that spectacular area against further environmental degradation and developmental encroachments, and would provide a source of recreation for all people of this Nation.

The unique topographical qualities of the Santa Monica Mountains rivals those of many of our existing national parks, and I strongly believe preservation of this area in its natural state for future generations of Americans to be very much consistent with the public interest of the people of the United States. Further, such a guarantee of preservation can only adequately be accomplished through the resources of the Federal Government.

Initially, the concepts embodied in this bill were introduced by me during the first session of the 92d Congress. While progress has been made since then toward the realization of this much needed park and conservation facility, the Federal Government has been delinquent in its responsibility to the citizens of southern California in failing to insure that the currently undeveloped portions of the Santa Monica Mountains and seashore areas will be preserved for the enjoyment of this and future generations.

No one can seriously challenge the fact that there exists a great need throughout the country and, in particular, in southern California, for additional recreation and park facilities. Each year thousands of individuals are precluded from enjoying the pleasures of the outdoors because of the overcrowded conditions that prevail in the few parks that do exist. This legislation, while it focuses its attention on the serious needs of California, will represent, if implemented, an increased awareness by the Federal Government of the especially acute needs of urban dwellers to experience nature in its most natural and splendid state.

I am strongly committed to making the Santa Monica Mountain and Seashore National Urban Parks, as envisioned in this legislation, a reality. The enthusiasm displayed by the residents of the Greater Los Angeles area in support of this concept has been overwhelming.

If you have visited the area, you know of the natural beauty that abounds there. I would consider it an unpardonable sin were we to permit by inaction or delay, further development of the mountain area there.

Consequently, I urge speedy and favorable consideration by the 94th Congress of this legislation.

Mr. Speaker, I include the complete text of our bill in the RECORD at this point:

H.R. 3201

A bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban National Park in the State of California

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the Santa Monica Mountains and adjacent seashore of California include the most significant expanse of unurbanized and undeveloped open land adjacent to the Los Angeles supermetropolis; and that the Santa Monica Mountains are of great scenic, recreational, educational, scientific, natural, and public health value, as is the adjacent coastline. Accordingly, in order to preserve and protect for public use and enjoyment, the natural, scenic, historic, archeological, and other values of the lands and waters of the Santa Monica Mountains and adjacent seashore areas, the Secretary of the Interior (hereinafter referred to as the "Secretary") shal establish the Santa Monica Mountains and Seashore Urban National Park (hereinafter referred to as the "park") in the State of California. The park shall include the lands, waters, and interests therein within the area generally described as that area bounded on the west by a line from Mugu Lagoon generally northward to the Ventura Freeway, on the north by the Ventura Freeway, on the east by the San Diego Freeway, and on the south by Sunset Boulevard and a line parallel to and one mile offshore from the shoreline of the Pacific Ocean, all within Los Angeles and Ventura Counties, California. The Secretary shall, as soon as practicable, but not later than 18 months after the date of enactment of this Act, publish a map and a detailed description of the boundaries of the park in the Federal Register. Such map and description shall depict the particular areas within the boundaries that the Secretary determines ought to be acquired and held in public ownership for the critical purposes set forth in section 2(a). The total area included within such acquisition shall not exceed eighty thousand acres and shall, at the time of establishment of the park by the Secretary, as provided herein, be not less than forty thousand acres, exclusive of units of the State Park system. The Secretary may revise the boundaries of the park from time to time by publication in the Federal Register: *Provided*, That such revision does not reduce or expand the total acreage beyond the minimum and maximum limits specified in this section. In the management of the park, the Secretary shall utilize the park area resources in a manner which will preserve its scenic, natural, and historic setting while providing for the recreational and educational needs of the visiting public.

SEC. 2. (a) In connection with his description of the boundaries of the park pursuant to the first section of this Act, the Secretary shall identify the areas within such boundaries which must be acquired and held in public ownership for the following critical purposes: Preservation of beaches and coastal uplands; protection of undeveloped inland stream drainage basins; protection of existing park roads and scenic corridors; and connection of existing State and local Government parks and other publicly owned lands to enhance their potential for public recreational use. The Secretary may from time to time revise his identification of such areas, and any such revisions shall become effective in the same manner as herein provided for revisions in the boundaries of the park.

(b) It is the express intent of the Congress that the Secretary shall substantially complete the acquisition of the lands, improvements, waters, or interests therein identified for the critical purposes referred to in subsection (a) within five years after the date of enactment of this Act, and during such five-year period funds appropriated for the acquisition of property within the park may be used only for acquisition of the lands, improvements, waters, and interests therein so identified.

SEC. 3. (a) The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, transfer from any other Federal agency, or exchange: lands, improvements, waters, or interests therein which are located within the boundaries of the park: *Provided*, That any lands or waters or improvements or interests therein owned by the State of California or any political subdivision thereof may be acquired only by donation. Notwithstanding any other provisions of law, any Federally owned lands within the park shall, with the concurrence of the head of the administering agency, be transferred to the administrative jurisdiction of the Secretary for the purposes of this Act, without a transfer of funds.

(b) With respect to improved properties, as defined in this section, the Secretary may acquire scenic easements or such other interests as, in his judgment, are necessary for the purposes of the park. Fee title to such improved properties shall not be acquired unless the Secretary finds that such lands are being used, or are threatened with uses, which are detrimental to the purposes of the park, or unless such acquisition is necessary to fulfill the purposes of this Act.

(c) When any tract of land is only partially within the boundaries of the park, the Secretary may acquire all or any portion of the land outside of such boundaries in order to minimize the payment of severance costs. Land so acquired outside of the boundaries may be exchanged by the Secretary for non-Federal lands within the boundaries; any portion of the land so acquired outside the boundaries and not utilized for exchange shall be reported to the General Services Administration for disposal under the Federal Property and Administrative Services Act of 1949, as amended: *Provided*, That no disposal shall be for less than the fair market value of the lands involved.

(d) For the purposes of this Act, the term "improved property" means: (i) a detached single family dwelling, the construction of which was begun prior to January 1, 1975 (hereinafter referred to as "dwelling"), together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures necessary to the dwelling which are situated on the land so designated, or (ii) property developed for agricultural uses, together with any structures accessory thereto which were so used on or before January 1, 1975. In determining when and to what extent a property is to be considered an "improved property", the Secretary shall take into consideration the manner of use of such buildings and lands prior to January 1, 1975, and shall designate such lands as are reasonably necessary for the continued enjoyment of the property in the same manner and to the same extent as existed prior to such date.

(e) The owner of an improved property, as defined in this Act, on the date of its acquisition pursuant to this Act, as a condition of such acquisition, may retain for himself or herself, his or her heirs and assigns, a right of use and occupancy of the improved property for noncommercial residential or agricultural purposes, as the case may be, for a definite term of not more than twenty-five years, or, in lieu thereof, for a term ending at the death of the owner or the death of the owner's spouse, whichever is later. The owner shall elect the term to be reserved. Unless the property is wholly or partially donated, the Secretary shall pay to the owner the fair market value of the property on the date of its acquisition, less the fair market value of such right of use and occupancy as may be retained by the owner on that date. Any right retained by the owner pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, and shall terminate by operation of law upon notification by the Secretary to the holder of the right of such determination and the tendering to such person of an amount equal to the fair market value of that portion which remains unexpired.

(f) In exercising his authority to acquire property under this Act, the Secretary shall give prompt and careful consideration to any offer made by an individual owning property within the park to sell such property, if such individual notifies the Secretary that the continued ownership of such property is causing, or would result in undue hardship.

SEC. 4. (a) As soon as practicable, but not later than one year after the date of enactment of this Act, the Secretary, after notice has been duly published at least fifteen days prior to the date thereof in at least one newspaper of general circulation in Los Angeles and one in the City of Ventura, shall hold a public hearing on the proposed park boundaries. At least thirty days prior to the date of such hearing, the Secretary shall publish in the Federal Register a map and other description of the proposed park.

(b) Commencing thirty days before the hearing referred to in subsection (a), the map and description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, Washington, District of Columbia, and in the offices of the General Services Administration in the Federal Office Building in West Los Angeles, California, and in an appropriate building in the City of Ventura.

(c) No alternatives or amendments to park boundaries shall take effect until after a notice corresponding to those of subsections (a) and (b) and public hearings and publication of such alteration or amendment in the Federal Register.

(d) Within 18 months after the date of the enactment of this Act, the Secretary shall submit in writing to the Committees on Interior and Insular Affairs and to the Committees on Appropriations of the United States Congress a detailed program which shall indicate:

(1) the lands and areas which he deems essential to the protection and public enjoyment of the park,

(2) the lands which he has previously acquired by purchase, donation, exchange, or transfer for the purposes of the park; and

(3) the annual acquisition program (including the levels of funding) which he recommends for the ensuing five fiscal years.

(e) It is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated by this Act within five years after the date of its enactment.

SEC. 5. (a) The Secretary shall establish the park by publication of a notice to that effect in the Federal Register at such time as he determines that lands, improvements, waters, and interests therein have been acquired in an amount sufficient to constitute an efficiently administerable unit for the purposes of this Act. Pending such establishment, and thereafter, the Secretary shall administer property acquired for the purposes of this Act in accordance with the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and he may use such other statutory authorities available to him for the conservation and management of wildlife and natural resources as he deems appropriate to carry out the purposes of this Act.

(b) The authority of the Secretary of the Army to undertake or contribute to water resource development, including erosion control and flood control, on lands or waters within the park shall be exercised in accordance with plans which are mutually acceptable to the Secretary and the Secretary of the Army and which are consistent with both the purposes of this Act and the purposes of existing statutes dealing with water and related land resource development.

(c) Notwithstanding any other provision of law, the Secretary is authorized to accept donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of land acquisition and providing services and facilities within the park.

(d) The Secretary may, on his own initiative, or at the request of any local or State government having jurisdiction over land located within or adjacent to the park, assist and consult with the appropriate officers and employees of such government in establishing zoning laws or ordinances which will assist in achieving the purposes of this Act. In providing assistance pursuant to this subsection, the Secretary shall endeavor to obtain provisions in such zoning laws or ordinances which—

(1) have the effect or limiting the noncompatible commercial and industrial use of all real property adjacent to the park;

(2) aid in preserving the character of the park by appropriate restrictions on the use of real property in the vicinity including, but not limited to, restrictions upon: building and construction of all types; signs and billboards; the burning of cover; significant modifications of natural habitat types; grading and removal of topsoil, sand, or gravel; dumping storage, or piling of refuse; or any other use which would have the effect of detracting from the aesthetic character of the park; and

(3) have the effect of providing that the Secretary shall receive notice of any hearing for the purpose of granting a variance, and any variance granted under, and of any exception made to, the application of such law or ordinance.

SEC. 6. (a) There is hereby established the Santa Monica Mountains and Seashore Urban National Park Advisory Commission (hereinafter referred to as the "Commission"). The Commission shall terminate ten years after the date of establishment of the park.

(b) The Commission shall be composed of fifteen members appointed by the Secretary for terms of three years each.

(c) Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) Members of the Commission shall serve without compensation, as such, but the Secretary may pay, upon vouchers signed by the Chairman, the expenses reasonably incurred by the Commission and its members in carrying out their responsibilities under this Act.

(e) The Secretary, or his designee, shall, from time to time, but at least annually, meet and consult with the Commission on general policies and specific matters related to planning, administration, and development affecting the park.

(f) The Commission shall act and advise by affirmative vote of a majority of the members thereof.

SEC. 7. (a) The Secretary, in cooperation with the State of California and the affected political subdivisions thereof, local and regional transportation agencies, relevant advisory gorups, and the Secretary of Transportation, shall make a study for a coordinated public and private transportation system to and within the park and other units of the national park system in Los Angeles and Ventura Counties.

(b) The Secretary shall inventory and evaluate all sites and structures in the park having present and potential archeological, historical, cultural, or scientific significance and shall provide for appropriate programs for the preservation, restoration, interpretation, and utilization thereof.

SEC. 8. (a) Subject to the provisions of subsection (b) of this section, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

(b) For the development of essential public facilities within the park, there are authorized to be appropriated not more than $500,000. Within one year from the date of establishment of the park pursuant to this Act, the Secretary shall, after consulting with the Governor of the State of California, develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a final master plan for the development of the park consistent with the objectives of this Act, indicating:

(1) the facilities needed to accomodate the health, safety, and recreation needs of the visiting public;

(2) the location and estimated costs of all facilities; and

(3) the projected need for any additional facilities within the area.

ARKANSAN ELECTED NATIONAL COTTON COUNCIL PRESIDENT

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ALEXANDER. Mr. Speaker, C. L. Denton, Jr., cotton producer of Denwood, Ark., in the First Congressional District, was recently elected the 24th president of the National Cotton Council at its annual meeting in Phoenix February 3–4.

Chauncey Denton has established himself as a leader in agriculture, having served as president of the Agricultural Council of Arkansas for 2 years and a member of the Arkansas ASCS Committee for 5 years. Previous national recognition has come with his selection to the Department of Agriculture's National Advisory Committee on Safety in Agriculture.

Owner and operator of a cotton farm and a gin at Denwood, Denton is a former council director and past chairman of its producer steering committee.

I urge my colleagues to join me in congratulating Chauncey and the National Cotton Council for its wise choice of a spokesman for the cotton industry.

SMACNA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. MINETA. Mr. Speaker, public officials, indeed the entire governmental structure, are often negligent in recognizing the contributions made to our society by the business community in general, and specific industries in particular.

I want to take this occasion to recognize one important segment of the construction industry in Santa Clara County, Calif. I am referring to the sheet metal, heating, and air conditioning industry.

The Santa Clara district chapter of the Sheet Metal and Air Conditioning Contractors National Association—SMACNA—composed of 30 members and represents approximately three-fourths of all work done in this field in Santa Clara, Santa Cruz, and San Benito Counties.

Nationally, SMACNA is an organization dedicated to furthering the goals of the industry in areas such as legislative affairs, research and development, continuity of standards, standards organization, and maintenance of services.

The Santa Clara district chapter has been involved in numerous activities including the following:

Training of more than 100 apprentices in 1974 under the local apprentice training committee;

Conducting CAL/OSHA self-compliance and total loss control programs;

Conducting a regional sheet metal apprentice contest in San Jose;

Holding an estate planning seminar;

Sponsoring an employee buy-out program;

Promoting continuing in-plant safety inspections, and

Participating in numerous high school career days.

I have chosen to recognize this deserving industry, Mr. Speaker, for many reasons, but two among those require special attention.

First of all, the Nation's economic ills, which have been magnified in Santa Clara County, have dealt a crunching blow to the entire construction industry. Those of us in positions of leadership must take advantage of every opportunity to assist this vital element of the economy, and restore public confidence in our ability to do something positive to achieve necessary changes.

Second, the crying need to implement energy conservation measures will necessarily result in increased research activities in the heating, air conditioning, sheet metal, and insulation industries. I am confident SMACNA will be working with the Congress as we seek to find effective and fair solutions to the critical problem of energy conservation.

THE STEPS TO TAKE WHEN A PURCHASE DOESN'T SATISFY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HAMILTON. Mr. Speaker, many of my constituents have written to me asking for advice on consumer problems. They may be having difficulties with anything from product safety to a merchant who refuses to honor a warranty, and they need to know where to turn for assistance.

The 1974 Yearbook of Agriculture contains a good summary of steps consumers can take if a product or service is unsatisfactory. I recommend it to my constituents:

THE STEPS TO TAKE WHEN A PURCHASE DOESN'T SATISFY

When a purchase doesn't live up to its billing . . . doesn't last as long as it should . . . gives you service and maintenance problems . . . or tastes terrible, you perform a public service by telling the manufacturer and the retailer exactly what you think of it and why.

Strangely enough, surveys have shown that only one out of four consumers bothers to complain about unsatisfactory merchandise, possibly because most people

Don't know where to write.

Aren't sure how to describe the problem.

Aren't sure complaining is worth the effort.

With the growth of the consumer movement over the last ten years or so, this negative attitude is changing. More consumers are stating their problems loud and clear. With this chapter I hope to help you complain effectively.

Reputable retailers and manufacturers, as well as consumers, are equally interested in consumer satisfaction. Hearing about your reaction to problems with a product will help concerned and responsible business and industry to improve their products.

There has been a noticeable response to the active consumer movement from business in the establishment of specialized departments which handle consumer complaints and provide consumer information.

Of course, sometimes the consumer service departments in business don't measure up to our expectations, and sometimes consumer information is inadequate. Again, this is a reasonable basis for complaints by consumers, individually and collectively.

The consumer's first line of defense is information. Before you buy any product—especially before you make a major purchase of any kind—get all the information you can about various styles and models, degrees of difference between products, and the manufacturer's guarantee or warranty provisions.

Check the reputation of the local dealer with your Better Business Bureau. If Merchant X has a file full of unresolved complaints, protect yourself by taking your purchasing power elsewhere.

Advance preparation for major and even minor investments can save you a lot of time, money and trouble.

Once you've decided on the kind of product you want, and which retailer to buy from, think further about the model that's best for you.

If you're in the market for a new washer, the shocking pink superwasher with seven temperature selections and four forward speeds may be just what you're after. Then again, perhaps it isn't, and you would prefer the simpler model.

Once your decision is made, stay with it. Don't let an aggressive salesman talk you out of the simple washer and into the superwasher.

Don't wait until the product needs service to find out how good the guarantee or warranty (interchangeable terms) may be. The time to ask questions about the warranty and service is before you buy the product. If the salesman cannot answer your questions satisfactorily, ask to speak to someone who can.

Remember, a guarantee is a statement by the manufacturer or vendor that he stands behind his product or service. Guarantees and warranties usually have limitations or conditions, so be sure you know what isn't covered under the circumstances as well as what is covered.

I suggest immediate suspicion of so-called "unconditional" guarantees. Conditions are almost inevitable, so get all promises in writing. Any businessman who is unwilling to put his promises in writing is not the one to deal with.

Before you buy any product or service covered by a guarantee or warranty, make sure you resolve these questions:

What, exactly, is covered? The entire product? Only certain parts? How about labor costs?

Whom should you call when you need repairs under the warranty? The manufacturer? The retailer? A service agency?

Must repairs be made at the factory or by an "authorized service representative" to keep the warranty in effect? If so, where is the nearest service representative? He'd better be close by for good service!

Who pays for parts, for labor, for shipping charges?

How long does the warranty last on the entire product? On parts and assemblies?

If pro-rata reimbursement is provided, what is the basis for it? Length of ownership? Usage? Original cost?

If the warranty provides for reimbursement, is it in cash or credit toward a replacement?

Before you use the product, be sure to read the owner's manual or instruction sheet. Follow the operating instructions and make sure that any routine maintenance or service is completed as suggested or required by the manufacturer. Otherwise you may find you've cancelled your warranty.

Keep the warranty and sales receipt for future reference.

A great place to keep them is in a recipe file. Write down the date of purchase and date of installation. Register appliances with the card provided for that purpose by the manufacturer. And it's a good idea to record any service or repair work done after purchase.

If you have a complaint about merchandise that has not lived up to your expectations, the first place to register your complaint is with the store where it was purchased. Many complaints can be settled as simply as that.

If you can't return the merchandise, if your problem can't be solved at the retail level, or if the problem seems to drag on for an unreasonable length of time, write to the manufacturer. If you don't have his address, your local Better Business Bureau or Chamber of Commerce may be able to secure it for you.

Or you may wish to invest 50 cents in a booklet called *Information for Consumers* which lists the names, addresses and phone numbers of key executives of major U.S. manufacturers and retailers. Order it from *Everybody's Money*, Dept. SS, Box 431, Madison, Wis. 53701, and keep it on file with your warranties.

Before you write your letter, put the facts in order so that your communication will be clear, concise and to the point. Be sure to include:

Your full name and address (You'd be amazed at the number of people whose letters can't be answered because their addresses are illegible or incomplete!)

What you bought. Include the model number, serial number, etc., to assist the manufacturer's identification of the product.

Where you bought it.

Date of purchase and amount you paid.

The problem—the appliance doesn't work, the carpet shows wear, the jeans came apart in the wash, or non-delivery of ordered merchandise.

Warranty dates, if applicable.

Your preferred resolution of the problem: adequate repair, refund, replacement, or whatever.

Keep a copy of your letter for future reference.

If you don't have an answer to your original letter at the end of three weeks, write again, enclosing a copy of the original letter.

If there's still no answer after a reasonable period of time, report your experience to the local Better Business Bureau, state or county Consumer Protection Agency, to the local newspaper's Action Line, to the appropriate federal regulatory agency (for their records), or to one of the recently-developed Consumer Action Panels.

In response to consumer complaints about products, service and warranties, complaint-handling mechanisms have been set up by four major industries. They are called Consumer Action Panels (CAPS) and they constitute a major step forward for consumers and for the industries as well. They 1) receive comments and complaints from consumers, 2) study industry practices, 3) advise the respective manufacturers of ways to improve their consumer services, and 4) provide consumer information materials.

Their names and addresses are: Carpet and Rug Industry Consumer Action Panel (CRICAP), Box 1568, Dalton, Ga., 30720.

Furniture Industry Consumer Action Panel (FICAP), Box 951, High Point, N.C. 27261.

Major Appliance Consumer Action Panel (MACAP), 20 North Wacker Drive, Chicago, Ill. 60606.

These three CAPS maintain central offices to which complaints and inquiries can be referred. The fourth, AutoCAP, uses local and state panels organized under auspices of the National Automobile Dealers Association. As of February 1974, pilot panels have been established in Colorado, the District of Columbia, Florida, Idaho, Kentucky, Ohio, Oklahoma, Oregon, Pennsylvania, Utah, and Washington.

For complete information on AutoCAPS and their locations, write to the National Automobile Dealers Association, 2000 K Street N.W., Washington, D.C. 20006.

As of February 1974, some 44 states have enacted the so-called "Little FTC Act" to prevent deceptive and unfair trade practices. At that time, the states without such laws were Alabama, Georgia, Mississippi, Nebraska, Tennessee and West Virginia.

Consumer protection in 40 states is the responsibility of the State Attorney General. In the remaining states, consumer protection agencies have been set up within the governor's office or within a designated state department—such as agriculture, commerce, or labor.

If a State Consumer Protection Bureau is not listed in your local telephone book, contact the Office of the Attorney General in your state capitol for information on your state's consumer protection services.

Other sources for assistance with your complaints are city and county consumer offices. Responsibilities and powers of these agencies vary. Consumers are well advised to keep themselves informed on the status and functions of local agencies.

Although federal agencies do not act upon individual consumer complaints, such complaints are valuable background information for regulatory agencies as well as for the President's Office of Consumer Affairs.

Their addresses and functions are:

Federal Trade Commission (FTC), Washington, D.C. 20580.

FTC has jurisdiction over restraint of trade and unfair business practices, false and deceptive advertising, product labeling, and flammable fabrics.

Food and Drug Administration (FDA), 5600 Fishers Lane, Rockville, Md. 20852.

FDA is responsible for overseeing the marketing of food, drugs, cosmetics, and medical devices.

Consumer complaints concerning these areas should be directed to this agency. Though FDA does not attempt to resolve individual complaints, such communications will help keep the agency informed of current problem areas.

U.S. Postal Inspection Service, Washington, D.C. 20250.

This is the oldest, least known law enforcement agency in the United States. The Chief Inspector's Office processes more than 100,000 complaints of fraudulent use of the mails each year, and conducts more than 10,000 full field investigations annually. It maintains liaison with other federal agencies, and with state and municipal authorities.

Consumer Product Safety Commission (CPSC), 1750 K Street NW., Washington, D.C. 20036.

This agency is relatively new. It has power to:

Set safety standards for all common household and recreational products;

Seize and bar hazardous products from the marketplace;

Ban from the market any product that presents an unreasonable risk of injury; and

Order manufacturers, distributors, or retailers to notify purchasers about hazardous products and to repair, replace or refund the cost of such products.

CPSC maintains a toll-free hotline for consumer questions and complaints. The number to call with questions concerning possibly hazardous products is 800-638-2666 for residents of the continental United States. In Maryland only, call 800-492-2937. You may also report suspected product safety defects on this line.

Obviously, there are more sources for consumer assistance than can reasonably be summarized in a single chapter. Books can be and have been written on this subject. What's more important to remember is: *Complaining is a public service.*

Consumers should be able to make their voices heard in the marketplace. Your voice counts.

VOTING RIGHTS EXTENSION ACT

HON. BARBARA JORDAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Ms. JORDAN. Mr. Speaker, today I have introduced legislation which extends the provisions of the Voting Rights Act of 1965 to jurisdictions in which Mexican American voters reside—principally Texas, New Mexico, Arizona, and parts of Colorado, and California. In addition, my bill would extend coverage of the act for jurisdictions currently covered by its provisions for an additional 10 years, and also place a permanent national ban on the use of literacy tests.

Beginning on February 25, the Subcommittee on Civil Rights and Constitutional Rights of the House Judiciary Committee will hold hearings on extension of the Voting Rights Act. Without congressional action, the act will expire on August 7, 1975. I have joined Chairman PETER RODINO and DON EDWARDS in cosponsoring a simple extension of the act for additional 10 years. Passage of the Rodino-Edwards bill is vital. Nothing should impede the Conrgess from this task. In addition to the testimony which will be heard by the subcommittee justifying simple extension of the Voting Rights Act, witnesses will testify and affidavits will be submitted supporting extension of the act's provisions to areas of the country in which Mexican American voters reside.

Nearly all the forms of discriminatory voting practices suffered by blacks in the South are being suffered by Mexican Americans in the Southwest. When Mexican Americans tried to register in one town they were told the registrar ran out of printed forms. Polling places have been located in places where only whites normally congregate. There have been instances where Mexican American ballots have been consistently challenged, causing voters to appear in court and attempt to recognize their ballot among many thousands cast. Jurisdictions have apportioned themselves to minimize the effect of the Mexican American vote. These and other specific instances of voting discrimination against Mexican Americans will be presented to the subcommittee. The legislation I have introduced today is designed to apply the remedies of the Voting Rights Act to these jurisdictions.

Under my proposal a jurisdiction would be covered by the Voting Rights Act if, first, less than 50 percent of the eligible voters were registered to vote or less than 50 percent of the eligible voters actually voted during the Presidential election of 1972 and, second, if the jurisdiction printed election or registration materials only in the English language when more than 5 percent of the eligible voters are of a single mother tongue other than English. The current definition of test or device includes any requirement "that a person as a prerequisite for voting or registration for voting demonstrate the ability to read, write, understand, or interpret any matter." My amendment would make explicit that the failure to provide bilingual registration forms and ballots when a substantial number of voters do not read fluent English constitutes the use of a "test or device." The Bureau of the Census collects, on a county by county basis, statistics on the mother tongue of residents. It is possible, therefore, to utilize the mother tongue of residents as a measure of the difficulty eligible voters confront when presented with election materials printed only in English.

Jurisdictions covered by the act would be required, as are jurisdictions currently covered, to submit to the Attorney General for his concurrence any changes made in voting laws or procedures. This means that changes in voting laws or procedures cannot be implemented in covered jurisdictions unless the Attorney General determines that the proposed changes would not have a discriminatory effect. In addition, the Attorney General may send Federal registrars and poll watchers into covered jurisdictions to assist eligible voters to exercise their franchise under the guarantees of the 15th amendment. Enactment of this bill, therefore, would charge the Attorney General with protecting the voting rights of Mexican-Americans residing in the Southwest.

In its just released report on the effectiveness of the Voting Rights Act, the U.S. Civil Rights Commission voted to study the voting rights of residents located in jurisdictions not covered by the Act. However, the Commission recommended "that the Congress not await the Commission's forthcoming report before giving serious consideration to including an amendment to the extension of the Voting Rights Act to cover those language minorities as well as other minorities who, according to preliminary information require the protection of this law."

Mr. Speaker, my bill implements the preliminary recommendation of the Civil Rights Commission by extending the protections of the Voting Rights Act to Mexican-Americans residing in the Southwest. The disenfranchised voters of this country must be enfranchised. They must know they are part of the citizenry of this country. Their rights, their privileges and their votes must be protected. An open and free society can do no less. The legislation I have introduced today will accomplish this goal.

AT A FUNDRAISING DINNER

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. JACOBS. Mr. Speaker, this past weekend at a fundraising dinner for Vice President ROCKEFELLER, President Ford said it is easier to negotiate with our country's adversaries than to negotiate with the Congress.

The audience howled its delight.

Me, too.

I mean, after all, this is the administration that negotiated the Russian wheat deal.

Speaking of Congress, is not a fundraiser for a Rockefeller somewhat incongruous?

CONSTITUENT SERVICE FUND

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SARASIN. Mr. Speaker, a little over 1 year ago I entered in the CONGRESSIONAL RECORD a lengthy discussion of my intention to establish a constituent service fund to help underwrite the costs of providing my Fifth District Connecticut constituency with the kind of communications and services which I feel they deserve. I also feel strongly that they have a right to a full disclosure of this fund and how it is used.

I placed before my colleagues and the public a detailed explanation of the type of expenses I believe could properly be covered by such a fund, the method by which I intended to raise the money and a lengthy opinion from the Internal Revenue Service which I solicited to make sure the fund met every legal and ethical requirement.

Last August, I placed in the CONGRESSIONAL RECORD a complete accounting of the operation of the funds for the first 6 months. I would now like to offer to my colleagues and the public a report on the first full year of this constituent service fund. It has been of tremendous value in enabling me to maintain the kind of service and communications I feel are my responsibility as a representative of the people of my district and I also wish to express my gratitude to the many contributors who have made the program a success.

The basic structure of the fund is based on a maximum $200 subscription from any individual and also benefits from miscellaneous contributions ranging from $1 upward. The following represents a full accounting of the operations of my constituent service fund from January 1, 1974 to December 31, 1974:

RECEIPTS

Miscellaneous receipts from constituents ranging from $1.00 to $100.00	$178.00
Thirty-five members at $200.00 fully paid	7,000.00
Four (one-half year paid at $100.00) second one-half year balance due	400.00
Total	7,578.00

EXPENDITURES

Additional staff and expense	428.20
Rental of meeting rooms and janitor expenses	67.20
Sarasin mobile office and travel expenses	384.42
Printing of newsletters, questionnaires, senior citizen handbooks	6,327.61
Bank charges	11.78
Fifth District club functions	260.02
Coordinator meetings—expenses and refreshments	12.36

Advisory board luncheons	81.01
Post Office box rental	5.40
Total	7,578.00

I shall continue to publish regular reports on the operation of this fund.

OVER 100 MEMBERS COSPONSOR TAX AND LOAN ACCOUNT INTEREST ACT

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SEIBERLING. Mr. Speaker, I am today introducing the Tax and Loan Account Interest Act of 1975 with an additional 47 cosponsors. This brings to 101 the number of Members who have joined in introducing this legislation. If enacted, the bill would save the U.S. Government between $350 and $400 million a year by requiring the payment of interest on deposits of the taxpayers' money in "tax and loan accounts" in commercial banks throughout the country.

In recent years, the average balance in the accounts has averaged around $4 billion. That money sits in the banks without earning 1 cent of interest for the taxpayers until the Government withdraws it. Instead of investing that money to help pay off the national debt or making it available to the taxpayers, the Government allows the banks to invest it and reap high rates of interest, not for the taxpayers but for the banks.

In recent months, the Treasury has drawn down its accounts in commercial banks more quickly, possibly in response to mounting criticism of the tax and loan account system. But certainly we still need some kind of clear-cut rules to prevent this careless management of the taxpayers' money.

I am very pleased to note that, in the past several weeks, bills similar to the Tax and Loan Account Interest Act have been introduced by the chairman of the House Banking and Currency Committee (Mr. REUSS), the former chairman of that committee (Mr. PATMAN), and by the chairman of the Senate Banking, Housing and Urban Affairs Committee (Mr. PROXMIRE). I hope that this strong show of support means that we will see some action to end this waste of the taxpayers' money this year.

A list of the 101 Members who have cosponsored the Tax and Loan Account Interest Act of 1975 follows:

LIST OF COSPONSORS

Abzug, Bella (N.Y.).
Anderson, Glenn (Cal.).
Badillo, Herman (N.Y.).
Beard, Edward (R.I.).
Boland, Edward (Mass.).
Bonker, Don (Wash.).
Brodhead, William (Mich.).
Brown, George (Cal.).
Burke, Yvonne (Cal.).
Carney, Charles (Ohio).
Carr, Bob (Mich.).
Cohen, William (Maine).
Conyers, John (Mich.).
Cornell, Robert (Wisc.).
D'Amours, Norman (N.H.).
Danielson, George (Cal.).
Dellums, Ron (Cal.).
de Lugo, Ron (V.I.).
Dodd, Christopher (Conn.).
Downey, Thomas (N.Y.).
Drinan, Robert (Mass.).
Duncan, Robert (Ore.).
du Pont, Pierre (Del.).
Eckhardt, Bob (Texas).
Edgar, Robert (Pa.).
Edwards, Don (Cal.).
Eilberg, Joshua (Pa.).
Fish, Hamilton (N.Y.).
Ford, Harold (Tenn.).
Fraser, Donald (Minn.).
Fulton, Richard (Tenn.).
Gude, Gilbert (Md.).
Harrington, Michael (Mass.).
Hawkins, Augustus (Cal.).
Hechler, Ken (W. Va.).
Helstoski, Henry (N.J.).
Hicks, Floyd (Wash.).
Hinshaw, Andrew (Cal.).
Holtzman, Elizabeth (N.Y.).
Horton, Frank (N.Y.).
Howe, Allan (Utah).
Jacobs, Andrew (Ind.).
Jenrette, John (S.C.).
Ichord, Richard (Mo.).
Leggett, Robert (Cal.).
Lehman, William (Fla.).
Long, Clarence (Md.).
Lloyd, Marilyn (Tenn.).
Lloyd, Jim (Cal.).
McCormack, Mike (Wash.).
Mann, James (S.C.).
Mathis, Dawson (Ga.).
Matsunaga, Spark (Hawaii).
Maguire, Andrew (N.J.).
McKinney, Stewart (Conn.).
Meeds, Lloyd (Wash.).
Meyner, Helen (N.J.).
Mezvinsky, Edward (Iowa).
Melcher, John (Mont.).
Miller, George (Cal.).
Mitchell, Parren (Md.).
Mosher, Charles (Ohio).
Moss, John (Cal.).
Mottl, Ronald (Ohio).
Murtha, John (Pa.).
Nix, Robert (Pa.).
Nolan, Richard (Minn.).
O'Hara, James (Mich.).
Pattison, Edward (N.Y.).
Regula, Ralph (Ohio).
Richmond, Frederick (N.Y.).
Riegle, Don (Mich.).
Rodino, Peter (N.J.).
Roe, Robert (N.J.).
Rosenthal, Benjamin (N.Y.).
Roybal, Edward (Cal.).
Sarbanes, Paul (Md.).
Schroeder, Pat (Colo.).
Sarasin, Ronald (Conn.).
Scheuer, James (N.Y.).
Simon, Paul (Ill.).
Spellman, Gladys (Md.).
St Germain, Fernand (R.I.).
Stokes, Lou (Ohio).
Studds, Gerry (Mass.).
Symington, James (Mo.).
Traxler, Bob (Mich.).
Taylor, Roy (N.C.).
Thompson, Frank (N.J.).
Tsongas, Paul (Mass.).
Van Deerlin, Lionel (Cal.).
Vander Veen, Richard (Mich.)
Waxman, Henry (Cal.).
Wilson, Charles (Cal.).
Wilson, Charles (Texas).
Wolff, Lester (N.Y.).
Won Pat, Antonio Borja (Guam).
Wirth, Timothy (Colo.).
LaFalce, John (N.Y.).
Ottinger, Richard (N.Y.).
Krueger, Robert (Texas).

WIDE EXPANSION IN COMMUNICATIONS SATELLITES

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. TEAGUE. Mr. Speaker, Mr. Victor K. McElheny in the January 21, 1975 edition of the New York Times outlines in an informative article the extensive effort occurring in communication satellites throughout the world today. Only a few short years ago when the National Aeronautics and Space Administration—NASA—undertook the research and development for future communications satellites, few people realized that this area would grow to be an essential part of our national and international life. Mr. McElheny's article describes the great progress not only in entertainment and business communications but also the opportunities being explored to use satellites for education and medical services. Because of the importance of this effort, I am including this article in the RECORD for the benefit of my colleagues:

WIDE EXPANSION OF EARTH SATELLITE NETWORK PLANNED TO IMPROVE DOMESTIC COMMUNICATIONS FOR MANY NATIONS

(By Victor K. McElheny)

EL SEGUNDO, CALIF., Jan. 19.—In a huge, high-ceilinged, windowless building here, engineers are assembling and testing some of the satellites that, when positioned 22,000 miles above the Equator, will significantly expand within two years the use of satellities for domestic communications.

This expansion will involve Canada and the United States, the first two nations to use domestic communications satellites stationed above the Equator, and many others, including Indonesia, Japan, Algeria and Brazil.

Much of the contemplated domestic service is intended to overcome special problems.

Norway, for instance, seeks reliable links to North Sea oil platforms and coal mines in Spitzbergen, and Japan wants to reduce the expense of bringing television programs to hilly regions.

Part of the expansion will be accomplished with satellites going exclusively to domestic traffic. The rest will involve the leasing of spare channels on the satellites operated by the International Telecommunications Satellite Organization (Intelsat), which connects ground antennas in about 60 nations.

The first of these satellites, orbiting at the so-called "synchronous" altitude where they stay above one point on the Equator as the earth rotates, went into service in 1965. Since then they have become the work horse of global communication and now carry more traffic than the rapidly expanding network of ocean floor cables.

FEBRUARY LAUNCHING SET

The last of a series of Intelsat 4 satellites built in the windowless "high bay" building of Hughes Aircraft Company here, is scheduled to go on station above the Indian Ocean next month. There it will join six others.

In the high bay building, the first of the next generation of international satellites, the Intelsat 4–A series, with twice the capacity of the Intelsat 4's, is being tested before being shipped to Florida this summer for launching by the end of the year.

Also being built here is a series of four large Comstar satellites, the first of which is scheduled to go into space late this year. They are owned by the Communications Satellite Corporation's subsidiary, Comsat General, and will be leased to the American Telephone and Telegraph Company for domestic service. Three of the four satellites will be placed in orbit. One of those in orbit and one on the ground will be spares. General Telephone and Electronics would operate some of the system's channels.

A parallel system is being built by RCA Corp., which will operate the satellites.

The next step in the domestic communications satellite field is scheduled for March 6, when a third Canadian domestic satellite will be launched from Florida. This will add to the capacity rapidly being used up, of the first two satellites, launched in November, 1972, and April, 1973.

FIRST INSTALLMENT PAID

On Jan. 2, the Indonesian communications agency, Perumtel, paid the U.S. National Aeronautics and Space Administration $570,000 as a first installment on a launching fee, expected to be $11.4-million, for its first domestic satellite, to be built here at Hughes Aircraft Company. The launching might come as early as August 1976.

The Indonesian satellite and a spare to be held in reserve on the ground will be similar in design to the three Canadian satellites, called Anik, and to three others built here for Western Union in the United States.

When two of the so-called Westars were launched last year, they began the first full fledged communications satellite service in the United States.

Japan has already paid NASA $300,000 for coordinating efforts toward launching two different communications satellites.

One of these, to be built by Toshiba and General Electric Company, is designed to broadcast television programs to community antennas for local distribution. The other, to be built by Mitsubishi and Philco-Ford, is for telephone and other communications.

These satellites and a weather satellite being built for Japan by Hughes, were to have been launched in 1976–77. The Japanese recently requested a delay to 1977–78.

AUSTRALIA ALSO INTERESTED

Among the nations studying the possibility of buying their own communications satellite systems are Australia and Iran.

In Iran the leading agency on communications satellites is the Iranian Air Force, which is consulting with the United States Air Force about plans.

Last December, ministers representing 17 Arab League nations agreed in principle to set up a regional communications satellite system for the Arab world.

None of the contemplated systems will resemble the first domestic system, established in the Soviet Union in 1965. This Orbita system uses a series of molniya, or "lightning" satellites placed in orbits that carry them up to 24,000 miles above the Arctic, putting them in view of Soviet ground stations for hours at a stretch.

According to Dr. Harold Rosen of Hughes Aircraft, who led the development of the first "synchronous" communications satellite, launched in 1963, and of many others, the capacity of the Soviet system is less than that of the 12 channels aboard each Canadian or Westar satellite.

EARLY LINK TO HAWAII

The domestic use of the Intelsat satellites began with the leasing of one channel for service between the mainland United States and Hawaii.

According to a spokesman for the Communications Satellite Corporation, the United States entity that manages the Intelsat satellites, Mexico and Spain share half a channel for television and Brazil has rented a full channel, which was used once for television coverage of a World Cup soccer match.

Algeria is building 14 ground stations that will use capacity aboard a spare Intelsat 4 held in reserve above the Atlantic Ocean. Because this service can be interrupted in case of need, Algeria has been able to rent one channel for 9-million a year. This is less than a third the usual annual rate of $3.5-million. One channel carries a television program or hundreds of telephone circuits.

Other nations making proposals to rent capacity on Intelsat craft include Norway, the Philippines, Malaysia, and Zaire, the former Belgian Congo.

Another important step in domestic communications satellite service will be taken this year when the American A.T.S. 6 satellite is moved to a location above East Africa for one year to relay Indian-produced television programs to small antennas in several thousand villages.

In a move toward a European regional system, a French-German experimental communications satellite called Symphonie was launched by NASA, and took up a station above the Equator on Jan. 13.

MINUTEMAN MONTH

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WOLFF. Mr. Speaker, I would like to alert my colleagues to the fact that March is Minuteman Month, a time for recognition and increased public awareness of the activities and contributions made by our "citizen servicemen," our National Guardsmen. During Minuteman Month, National Guard stations across the country will be encouraging the public to visit their facilities and get to know the National Guardsmen servicing their area. It is also a time when we as a nation can pay special tribute to our National Guard for its constant readiness and vigilance to protect our security during times of need.

In line with observing Minuteman Month, I had the pleasure recently to visit an Air National Guard Station in my district, in Roslyn, N.Y. The Roslyn Air National Guard Station presently serves as a communications and electronic training site. Indeed, it is perhaps the largest and finest nonflying base in the Air National Guard. I was especially impressed by the excellence of the Roslyn Station's facilities and by the high calibre of the personnel stationed there. The Roslyn base has, for instance, a highly sophisticated system for tracking aircraft; in the event of an air raid, the base would be ready in an instant to protect the community and its security.

During World War II, the base was used as an air defense post of the First Fighter Command. Later, from 1948 until 1959, the site was the home of the 26th Air Division's Air Defense Control Center, which controlled the air defense of the entire Northeast.

Today, the Roslyn Air National Guard Station carries on a tradition of service to the country; it performs vital functions of which the surrounding communities and we as a nation can be proud.

On the occasion of Minuteman Month I would like to extend my own gratitude to the Roslyn Air National Guard Station for a job well done. I know my colleagues will want to join me during the month of March in paying justly deserved tribute to our National Guardsmen around the country.

THE ATTACKS ON THE U.S. SECURITY PROGRAMS: THE SOCIALIST WORKERS PARTY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McDONALD. Mr. Speaker, perhaps the most vocal critic of the FBI internal security and counterintelligence programs in recent years has been the Socialist Workers Party—SWP. Because of its 12-year involvement with the antiwar movement, many people have been misled into believing that the SWP is a pacific Socialist organization working within the American system for peaceful social change. This image was enhanced by the SWP's tactical decision to involve itself extensively in electoral politics.

It is clear that under the guise of being "mere Socialists" the SWP is trying to create for itself among people either ignorant or uncaring that the SWP is a totalitarian Communist Party which takes a leading role in the operations of an international revolutionary organization, the Fourth International, which is actively supporting urban and rural guerrillas in several South American countries, in the Middle East, and in several Western European countries including Ireland, England, and Spain.

The Socialist Workers Party, the oldest and largest Trotskyist Communist Party in the United States, evolved in 1938 from the Communist League of America, formed by James Cannon in 1929 to support Leon Trotsky in his fight against the Soviet leadership and Josef Stalin in particular.

In 1924, after Lenin's death, Trotsky was unable to prevent Stalin's bid for power. Although he had been a leading figure in the Russian revolution and founded the Red army, Trotsky was expelled from the Soviet Communist Party and its Central Committee. Deported from Russia in 1929. Trotsky eventually made his home in Mexico where he was assassinated by Stalinist agents in 1940. In 1938, Trotsky formed the Fourth International to coordinate the activities of those parties, groups, and factions supporting his views.

In order to avoid violation of the Voorhis Act (1940) which required registration of "every organization subject to foreign control which engages in political activity," the SWP resigned its formal status as "the American section of the Fourth International" for "sympathizing" status.

However, this technical withdrawal from the Fourth International has not prevented the SWP from exercising a major influence in the workings of the United Secretariat of the Fourth International—USec, from providing the major financial support for its activities, from publishing and distributing propaganda materials for the organization, nor from exercising full voting powers at the international congresses of the United Secretariat.

The SWP adopted the following resolution defining itself at its Third National Conference in 1943. The founding resolutions were republished in 1970 by the SWP founder and then National Chairman James Cannon in "The Struggle for a Proletarian Party." The resolution states:

> The Socialist Workers Party as a revolutionary workers' party is based on the doctrines of scientific socialism as embodied in the principal works of Marx, Engles, Lenin and Trotsky and incorporated in the basic documents and resolutions of the first four congresses of the Communist International [3rd] and of the conferences and congresses of the Fourth International.

James Cannon wrote in Thesis 15 of his "Theses on the American Revolution":

> The hopeless contradictions of American capitalism inextricably tied up with the death agony of world capitalism, are bound to lead to a social crisis of such catastrophic proportions as will place the proletarian revolution on the order of the day.
>
> * * * * *
>
> The revolutionary vanguard party, destined to lead this tumultuous revolutionary movement in the U.S., does not have to be created. It already exists, and its name is the Socialist Workers Party.
>
> It is the sole legitimate heir and continuator of pioneer American Communism and the revolutionary movements of the American workers from which it sprang.

In a discussion with Maceo Dixon, a member of both the SWP and Young Socialist Alliance national committees, and Omari Musa a few weeks before his death in 1974, James Cannon spoke of the SWP's involvement in minority and women's liberation issues in terms of pure opportunism. He said:

> I'm more convinced than ever that there is no solution to the social problems in this country and Western Europe short of a thoroughgoing revolution. And that will require cooperation of all the varied elements who are oppressed by this society.
>
> That doesn't stop us from supporting movements of a special kind, like the women's liberation movement, the Black movement for self-determination, the Puerto Rican movement, and all sections who are especially oppressed. But these struggles should be pushed toward the goal of cooperation for the elimination of the capitalist system.

And as for the Socialist Workers Party claim to be a political party just like any other, the SWP's chief theoretician, James Cannon, explained his party's true purpose in participating in the electoral process in the October 29, 1973 issue of Intercontinental Press, the SWP's weekly international news journal:

> It's a proper and correct procedure to exploit every possibility to utilize what cracks there are in the bourgeois-democratic system to advance our ideas. It's like taking part in their elections. It's wise to utilize a situation like this to explain our ideas to a wider audience.

I wish to remind my colleagues that a former member of the Young Socialist Alliance, youth arm of the Socialist Workers Party, testified before the House Committee on Internal Security that YSA leaders indoctrinated the young Trotskyists "that YSA must be prepared to go underground and become an illegal party," and that during an uprising in the United States "violence will be necessary. There is nothing wrong with assassination and destroying buildings if that accomplishes our purposes."

It is noted that the SWP/YSA last year expelled some members of a terrorist faction, the Internationalist Tendency, from their ranks. However some members of the IT faction are in the process of being readmitted, and others were not expelled at all.

The SWP/YSA anti-police surveillance campaign is designed to force law enforcement agencies to open their files for inspection by the SWP. Thus the Trotskyist Communists can discover the extent of surveillance of its activities and identify the undercover agents within the group—an action which could lead to violent reprisals against them.

In a preconvention YSA Discussion Bulletin entitled "Black Struggle Report" published in November 1974, Malik Miah, the new national chairman of YSA clearly stated the aims of the group:

> We are not for reforming of the capitalist police force. We stand for its complete dismantling and abolition.

In the Dixon/Musa interview, published in the September 27, 1974, issue of the Militant, the SWP's weekly tabloid, national chairman emeritus Cannon summed up the strategy against law enforcement surveillance:

> I think that what the *Militant* has done, and the suit against the government that the SWP is waging, demonstrate the correctness of utilizing all democratic processes that are available.
>
> * * * * *
>
> But the fact is that we live under a bourgeois democracy. It's pretty badly tarnished lately by the Watergate news, but we're correctly using the courts to force them to make more of these revelations, * * *.
>
> I think it's very good propaganda and should evoke wide interest in the Black community. We can show them, look what the government's been doing against the Black movement, and the SWP has brought a suit against them and is forcing them to reveal more.

Cannon concluded:

> I think we have to convince a few thousand Black workers that socialism and revolution and liberation are all the same thing and that it's on the agenda, and that it's possible and necessary for survival to have a socialist society in their lifetime * * *.

I hope that my colleagues will ask themselves, as new legislation appears to restrict the various U.S. internal security programs, who stands to benefit by it and will remember that, in the words of a former U.S. Supreme Court Justice:

> The Constitution of the United States is not a suicide pact. The Nation has the right and duty to protect itself from acts of espionage and sabotage, and attempts to overthrow the government by force.

HUMAN EVENTS SAYS PRESIDENT FORD LACKS PLAN TO CURB RUNAWAY SPENDING

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. EVINS of Tennessee. Mr. Speaker, Human Events in its current issue contains a very thoughtful article including an analysis of the President's budget which has reached a phenomenal peacetime height.

This article points out that in a number of instances the President's budget recommendations are in excess of the appropriation for the same program last fiscal year and that the President lacks a plan to curb runaway inflation.

The article points out further that it took 186 years for this country to achieve a $100 billion budget—just another 9 years for this budget to double, and only 3 more years for the budget to reach the $300 billion mark, which President Ford has now surpassed in his current budget recommendation.

I place this article in the RECORD herewith because of its interest to my colleagues and the American people.

The article follows:

FORD LACKS PLAN TO CURB RUNAWAY SPENDING

President Ford unveiled his spending plans last week, but they were hardly fashioned for the thrifty. As promised, there are no new programs in the 1976 budget, but there are plenty of expensive and expansive old ones. And fresh, huge spending projects are hinted at for the future. The deficits will reach phenomenal peacetime heights, and so the capital markets—where business must borrow to keep afloat or expand—threaten to be overwhelmed by government fund-raising.

Spending is clearly in vogue under this Administration. The budget in fiscal 1975—which ends June 30—is $349.4 billion, or $45 billion more than a year ago. In fiscal 1976, spending will soar another $36 billion. This is not exactly the work of Silas Marner, as the Democrats would picture it.

There is no serious evidence that the President is determined to reverse the explosive growth of government spending. Community and regional development programs, which have been steadily declining in costs since the peak year of 1973, are going to a new high, $5.9 billion, in fiscal '76. Total income security payments will rise $12 billion. Revenue sharing is up $200 million; health, $2.5 billion; commerce and transportation, $2 billion. Full-time permanent civilian employment in the executive branch will go up another 1,300. Even the proposed budget for the National Endowment for the Arts and Humanities climbs to $16.4 million, some $14 million more than Congress appropriated a year ago. Interest on the national debt, alone, will top $30 billion.

It took 186 years for this country to reach a $100-billion budget. In just nine more years the budget doubled. In three more years—that's fiscal '74—it crashed through the $300-billion barrier, and now Ford is reaching for the $400-billion mark.

Nor is the Ford Administration slouching when it comes to piling up deficits. To the deficits in the unified budget (used by the President in his calculations), there must be added borrowing from the trust funds in amounts of $8.3 billion in 1975 and $3.1 billion in 1976. Additionally, a huge increase in borrowing is needed to finance the "off budget" agencies—the Postal Service fund, the Rural Telephone Bank, the Environmental Financing Authority fund and the like—in the whopping amounts of $13.7 billion in 1975 and $10.4 billion in 1976.

Instead of a $34.7-billion deficit in 1975, as President Ford contends, the real debt, then, will rise to $52.8 billion. In 1976, the debt shoots upward another $67.6 billion. "So for the two-year period," notes Rep. George Mahon (D.-Tex.), chairman of the House Appropriations Committee, "we have the shocking debt increase of $120.4 billion."

Yet even these astronomical sums probably understate the deficits by a wide margin. If President Ford's cost cuts aren't accepted by Congress—and the House's and Senate's overwhelming rejection last week of curbing food stamp subsidies (see story, page 3) suggests they won't be—then another $23 billion must be added to the debt. Certain other likely actions by Congress on taxes, etc., may add $20 billion more. Indeed, as Mahon figures it, it is possible that red ink figures "would total over $170 billion in the next year and a half." The gross federal debt, the sum of debt held by the public and that held by the government (such as Social Security trust fund investments in Treasury bonds), is expected to have risen at least $120 billion by June 30, 1976—to a grand total of $605.9 billion.

So huge is the spending, so high are the deficits that conservative Republicans, who were normally mute about the big spending budgets of the Nixon years, are now voicing sharp criticisms of the Ford plans. Sen. Barry Goldwater (R.-Ariz.) has said he can see "nothing but complete disaster" in President Ford's budget proposals.

The consequences of the Ford spending program could have disastrous effects on the economy, not only because they might rekindle inflation—now roaring along at 11.2 per cent per year—but also because they might dry up the capital needed for the health of the business community.

By its own estimates, the Treasury during this calendar year, 1975, will be coming into the capital markets for almost $70 billion of "net new financing." The best way to grasp the "enormity" of these requirements, says Treasury Secretary Bill Simon, "is to note that this year the federal government will be raising more net new money in the capital markets than raised by all borrowers, public and private, last year or any other year in the past."

Indeed, the government's most important financial advisers—in the Office of Management and Budget, the Treasury, the Council of Economic Advisers and the Federal Reserve—have publicly and privately expressed their great concern over the peril to business posed by the elephantine deficits in the Ford spending program.

In fiscal years 1955 through 1959, the federal government accounted for 20 per cent of net funds raised in the debt capital markets; in fiscal years 1970 and 1974 the federal share grew to 45 per cent. In fiscal year 1976, even with the moratorium on new spending, total federal borrowing will account for 66 per cent of the capital markets. Add to this the anticipated borrowing by state and local governments, total government borrowing during the coming fiscal year will be 80 per cent of the capital markets.

"This will leave," says Secretary Simon, "only 20 per cent left to private industry in a financial market that has always been the centerpiece of our free enterprise system. This is an alarming situation, reflecting the even more alarming growth of government in this country."

Yet the budget reveals no plan to halt this spending locomotive. Despite his steadfast cries that he is as "horrified" as anyone else by these deficits, the President, even in this budget, is planning for revolutionary new spending programs in the years ahead.

In his budget message, for instance, the President states, quite baldly, "We should begin plans for a comprehensive national health insurance system" and uses language that could well be interpreted to mean he still favors the huge, guaranteed annual income program developed by Secretary of Health, Education and Welfare Caspar Weinberger.

Furthermore, the President has not recommended that a single program, with one possible exception, be eliminated.

In checking with the OMB last week, Human Events was told by a spokesman that Ford had not proposed the termination of any programs. When questioned on this point by another, somewhat surprised OMB official, the spokesman rechecked his information. He came back bearing the news that the proposed cuts eliminated "an airport program in Appalachia."

In point of fact, Ford's proposed cuts are nowhere near as major as those proposed by President Nixon in fiscal 1974. During that year, known in budget circles as the "termination" budget, the President proposed virtual elimination of the best-known Democratic social programs, including categorical aid to elementary and secondary schools, Hill-Burton hospital funds, the Economic Development Administration, etc. But Ford, apparently, at least as yet, isn't willing to actually abolish federal programs. And until he comes up with a reform along these lines, the American people can expect, as Charles Dickens might have said, the worst of times.

RAY FINE AND VOL ODOM—TWO GREAT OKLAHOMA CITIZENS

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. RISENHOOVER. Mr. Speaker, within a span of hours last week, two veteran and legendary lawmakers of the Oklahoma Legislature died after extended illnesses. They were Ray Fine of Gore, he served in both the State Senate and House, and State Representative Vol Odom of Wagoner, chairman of the Revenue and Taxation Committee.

Speaker Bill Willis called these men "two great citizens with a lifetime of public service." Both were men of the people—concerned with problems facing the ordinary citizen. Both were sensitive. Both were devoted. Both were tough. Both were able.

Frank Spence, editor of the Wagoner Record-Democrat, wrote about Odom:

> Wagoner County has suffered a severe loss in the death of Representative Vol Odom because he worked tirelessly for anything that would benefit Wagoner. Many of his weekends were devoted to help the little people who were in need. Praise came from the people of every walk of life. He was especially helpful to education and to the senior citizens.

Jerry Fink, news editor of the Sequoyah County Times, said:

> Fine was a self-proclaimed representative of those who are often overlooked . . . His honesty and sincere concern for the rural people of his district made him a formidable opponent to all ambitious politicians who sought his chair. He never lost an election.

Fink noted that Fine's early life was a "struggle for existence." He skinned rabbits, possums, skunks, and coons, picked strawberries and cotton, served as a hotel porter and janitor and raised hogs. He also was a World War II prisoner of war. He was a teacher and a rancher and finally served 30 years in the Oklahoma Legislature.

Mr. Speaker, Ray Fine and Vol Odom were great men who added courage to the Oklahoma Legislature and fought for a better life for all common people. They were, themselves, both common and decidedly uncommon.

HARTFORD FOUNDATION FOR PUBLIC GIVING CELEBRATES 50TH ANNIVERSARY

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. COTTER. Mr. Speaker, the Hartford Foundation for Public Giving will celebrate its 50th anniversary this year. Chartered by the State in 1925, it was the first community foundation established in Connecticut. By 1975, its many years of hard work have made the Hartford Foundation one of the 10 largest community foundations in the United States in terms of annual aid distribution, even though Hartford ranks just 85th in population.

All the organizations and individuals involved in the foundation's programs over the past 50 years deserve recognition and thanks for their work. The growth of the foundation has been remarkable—from assets just over $7,000 in 1935 to nearly $25,000,000 in 1974—and the concomitant growth of aid to our community has been a lifesaver to many public groups.

It would take a large book to record the many contributions of the Hartford Foundation; but there are a few I would like to note. Since 1946, the foundation has supported the Inter-Racial Scholarship Committee in its efforts to offer supplemental aid to inner-city youths pursuing a post-secondary education. Since the mid 1950's many Hartford area towns have received funding from the foundation to broaden their recreation and conservation programs. The foundation played a significant role in funding the early development of Connecticut Public Television—CPTV. This commitment is still part of its efforts—in 1974 it contributed toward CPTV's coverage of that year's session of the general asembly.

The medical and public health needs of greater Hartford have long been a major concern of the foundation. Since 1957 a special trust has made annual grants to hospitals and visiting nurse associations to help defray the medical costs of the aged and those suffering from "incurable" diseases who had no other means of support. Over 135 individuals were aided under this grant program in 1974. Last year a number of local hospitals received grants which enabled them to purchase costly medical equipment.

In fiscal 1974, the Hartford Foundation distributed a total of over $1.4 million in grants to public service groups. These contributions aided such diverse groups as the Wadsworth Atheneum and the Legal Aid Society; they affected problems as different as elderly transportation and nonjail alternatives for troubled youths. The foundation has been imaginative and creative; many of the programs it has helped were new and unusual undertakings. And worthy of special praise, as the Hartford Times pointed out in a 1974 editorial, is the foundation's policy to make a high percentage of its grants without imposing restrictions on the receiving organization.

I believe that the Hartford Foundation for Public Giving has compiled a unique record in the field of community service. It was established by members of the Hartford community 50 years ago; it has been run by a community board of directors, and it has served the interests of the Greater Hartford community well during these past years. The nature of the foundation's work has enabled it to have a beneficial impact in countless areas and to meet many challenges to local resources. It has not sat on the sidelines—instead, it has stepped forward to help form regional organizations to meet public needs ranging from alcoholism treatment to a council on the arts.

The efforts of the people behind the foundation have created a community organization which makes me proud to be a resident of Greater Hartford. The work of the Hartford Foundation for Public Giving is exemplary of the noblest of all human characteristics—the voluntary effort of individuals to make their community a better place for all to live.

Mr. Speaker, I take pleasure in saluting the golden anniversary of the Hartford Foundation for Public Giving.

HON. THOMAS N. DOWNING TO RECEIVE NCOA AWARD

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HÉBERT. Mr. Speaker, the "L. Mendel Rivers Award for Legislative Action" is presented annually to a Member of Congress by the Non-Commissioned Officers Association. In 1973 I was privileged to be the recipient of this award. Today I am happy to be able to announce that one of our colleagues, the Honorable Thomas N. Downing, has been selected as the 1974 recipient. The presentation will be made at the NCOA Annual Convention Banquet, April 4, 1975, in Houston, Tex.

NCOA has made an outstanding choice. The gentleman from Virginia is most worthy of this recognition.

The gentleman from Virginia served this Nation as a combat troop commander with Gen. George S. Patton's Third U.S. Army and received the Silver Star Medal for gallantry in combat in France. He has been and continues to be a friend of the military forces of this great Nation.

On behalf of his colleagues and friends, I congratulate Congressman Downing on being selected to receive this award.

FOOD STAMP COSTS AND OIL IMPORT FEE—EXPLANATION OF POSITION

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SOLARZ. Mr. Speaker, I have recently returned from an 18-day fact-finding mission to the Middle East during which I had an opportunity to talk in-depth with a wide variety of leaders in Israel, Egypt, Syria, and Jordan. I will shortly make a detailed report to our colleagues and to my fellow members of the Foreign Affairs Committee on my meetings and observations.

Because of my trip to this troubled area of the world I was unable to cast my vote on two critically important measures—H.R. 1589, prohibiting increases in food stamp costs, and H.R. 1767, delaying for 90 days the President's authority to increase the tariff on imported oil.

There can be no question that the administration's attempts to increase the food stamp purchase requirements were poorly conceived and that they would have created an undue and unnecessary hardship on many Americans, especially the elderly. It seems that the administration was only looking at raw numbers and failed to consider the situation in human terms. An elderly person with a net income of $146 per month, for example, would have had to pay an additional $13 for food under the Ford proposal. Under current rules—which will remain in effect at least until the end of the year—such a person's cost for $46 worth of food stamps is $30. Under the rules which were blocked, the cost would have risen to $43 and the total benefit would be only $3 per month.

The administration attempted to support its proposal by claiming there would be an estimated $215 million reduction in the current fiscal year. What USDA officials failed to take into account, however, is the administrative burden which would have occurred in recalculating purchase requirements for some 5 million households.

I was pleased to join in cosponsoring a number of measures which barred any food stamp cost increases and I commend the Agriculture Committee for the prompt and affirmative action taken on this legislation.

I insert herewith, for inclusion in the Record, a copy of a letter I sent to the USDA last month in which I urged that the proposed food stamp purchase requirements regulations be reconsidered and that the Agriculture Department cease attempting to restrict participation in this essential program.

Equally ill-considered was the President's attempt to impose oil import fees—up to $3 per barrel by April 1. Substantial evidence has been presented that such a move would have a severe inflationary impact and would do nothing more than further exacerbate our already difficult economic situation. A $3 per barrel tax on all crude oil would end up costing consumers between $12 and $15 billion this year alone and the Ford proposal could result in a $40 billion increase in consumer prices for those items requiring petroleum to manufacture or transport.

Especially hard hit would be the Northeastern States which depend to a great deal on imported fuel oil. Any increase in import fees would adversely affect the Northeastern States more seriously than any other region in the country.

While the severity and importance of the energy crisis cannot be doubted, I believe Mr. Ford's action was precipitous and that he failed to fully and thoughtfully consider other alternatives. I believe that viable alternatives do exist and that they must be given the most careful attention in view of the general inflationary effects of the administration's action on all energy costs.

Mr. Speaker, had I been present on February 4 and 5 I would have voted in favor of both H.R. 1589 and H.R. 1767.

The letter to the USDA follows:

JANUARY 10, 1975.

Mr. EDWARD J. HEKMAN,
Administrator, Food and Nutrition Service, U.S. Department of Agriculture, Washington, D.C.

DEAR MR. HEKMAN: I am writing to express my very deep concern over—and strong opposition to—the ill-conceived decision to increase the food stamp purchase requirements.

While I understand that the primary intent of this move is to save money, estimated at a $215 million reduction in the current fiscal year, I believe this represents a false economy, particularly when you consider the administrative burden which will certainly occur in recalculating purchase requirements for some 5 million households.

Beyond the question of economics, however, I believe it is imperative that the USDA consider the fact that the heaviest burden of the higher purchase requirements will be borne by elderly poor households. Some 1.5 million elderly poor currently participate in the food stamp program and I find it totally unacceptable that the USDA should expect their already meager resources to be further eaten away in order to secure at least one decent and nutritious meal a day.

In addition, because minimum monthly benefits would be eliminated from the food stamp program, there will be much less of an incentive to participate in it. This, too, is not acceptable in light of the millions of Americans who are thought to be eligible but are not presently participating in the program because of the failure of governmental agencies to advise them of their eligibility.

In light of these facts, I urge in the strongest possible terms that you promptly and thoroughly review and reconsider the proposed revision in the regulations and cease attempts to restrict the participation of so many needy persons in the food stamp program.

I trust you and other appropriate USDA

officials will give this matter your fullest and most careful consideration. I will look forward to hearing from you shortly.

Sincerely,

STEPHEN J. SOLARZ,
Member of Congress.

VOICE OF AMERICA CONTEST

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. PRESSLER. Mr. Speaker, as you know, the Veterans of Foreign Wars and its ladies auxiliary conducts an annual Voice of Democracy contest. The contest is conducted in the Nation's secondary schools, and it gives 10th-, 11th-, and 12th-grade students in our public, private, and parochial schools a chance to write and speak out on freedom and democracy.

Each State has its own winner. Today, I have received notification of South Dakota's winner—Kelli Hanley of Sioux Falls, S. Dak. Kelli is the daughter of Mr. and Mrs. Robert Hanley of Sioux Falls. She is a senior at Washington High School, and hopes to pursue a career in either journalism or government.

I wish to insert a copy of Kelli's speech in the CONGRESSIONAL RECORD. To me, it is a symbol of the respect and regard that our Nation's youth have for the principles that made us great. I think we should all take the time to read and reflect on these words. We need it. The speech follows:

MY RESPONSIBILITY AS A CITIZEN

Not too long ago I was walking through a local book store when a certain poster caught my eye. In the center of the collage was a portrait of Doctor Martin Luther King shortly before his assassination, and underneath was the inscription, "Almost always it has been the creative, dedicated minority that has made the world a better place to live."

The more I thought of the poster, the more I wondered what we, the creative, dedicated minority, by virtue of education, experience, or awareness owe to our nation. What are our responsibilities as citizens?

It would seem to me that our first responsibility is to ourselves, a responsibility to keep learning, growing, and expanding our horizons. Each of us is an integral part of our country, and it is necessary that we make ourselves the best we can be.

But going beyond ourselves, we have the responsibility to be informed. The average citizen on whom democratic theory is predicated and for whom its institutions are designed rarely makes the effort to inform himself about matters which should be his concern.

It's a sad commentary on our society when afternoon game shows or soap operas are preferred to network coverage of historic events such as the Watergate trials or Nelson Rockefeller's confirmation hearings.

Just as important as being informed, is our responsibility to believe in democracy and to support our Nation's laws. It's impossible to preserve the ideals of a free democracy unless we regard it as more than just a phrase to be repeated in Fourth of July orations. Our faith in democracy must be carried out from July 4th through the rest of the days of each year. And we must show our faith.

Many years ago Walt Whitman wandered along the Atlantic seaboard celebrating America with his classic pen. He told his countrymen of the great strength and vigor and beauty of America. He sang of a stout and powerful land. Mr. Whitman shouted to the universe that this was the greatest country ever heard of. That was true then and it is still true now.

I wish Walt Whitman were alive today to continue his immortal song, for in this time of disillusionment and apathy we need badly to talk about the beauty of this land and the gratitude we feel for being privileged to be its citizens.

But inherent in our privilge as citizenry, lies our responsibility of showing our gratitude by taking part in politics and that includes voting, paying taxes and by being prepared to serve in the Nation's armed forces. It is our responsibility to be proud of our America and to carry this pride to all ends of the world.

Recently I've become aware of the ideas of Jerry Reuben. He believes that to heal a nation, you tear it down to the ground and then, starting at the ground, you build it up again.

What I'm impressed with is not Mr. Reuben's ideas, but rather, the manner in which they are received. For you see, he hasn't been well received by many young people.

The youth of our Nation have come to the realization that you don't build a nation by first tearing it down, but you build a nation by coming together and working together.

Many people today believe in a term called Santeagra. Santeagra means "truth first", the belief that if you say something, and it is right enough and you say it often enough, it will come true just because it is right enough. This was the philosophy of King and Ghandi, and it worked for them. Not tearing down, but coming together is how we remain a great nation. I think it can work for us today, even considering Watergate.

Adlai Stevenson said essentially the same thing. As he put it and as I conclude, "The power of this nation lies not in its armed forces, but in the power of its people to work together to solve the problems of the nation." And *that* is our responsibility.

SEEKS TERMINATION OF MONITORING PROGRAM

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FINDLEY. Mr. Speaker, USDA's "voluntary" prior approval requirement on farm export sales has been responsible for the cancellation of several contracts. This monitoring program can cripple our Nation's agriculture just as thoroughly as mandatory price controls or a formal export embargo.

While the precise effect of the requirement can never be gaged, farmers across the country believe the effect on prices is substantial and are making plans to cut back on production this year.

The result of lower production will be higher prices.

I am drafting a bill for introduction next week to terminate the monitoring program and once again allow agricultural exports without departmental restriction. I invite all my colleagues to join me in this legislation.

Termination of the monitoring program will serve the interests of the American people in two vital ways:

First. It will reopen export markets which are needed to reduce our serious deficit in balance-of-payments. In the last fiscal year, U.S. agricultural exports exceeded $22 billion.

Second. It will help assure to U.S. consumers adequate food supplies at fair prices. Farmers will not produce at maximum levels unless they are assured full access to expanding world markets.

OSHA A REDTAPE BOONDOGGLE

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WINN. Mr. Speaker, I think many would agree that the Occupational Safety and Health Act of 1970 is one of the most controversial pieces of legislation to be passed in recent years. Its purpose no one would find fault with: To insure to the extent possible that every working man and woman in the United States is provided safe and healthful working conditions. While on the one hand, it is praised as being the most meaningful piece of labor legislation since the Fair Labor Standards Act, on the other, the law is criticized as being harshly punitive and as giving the Department of Labor the power to put a company out of business. I believe the act is basically in the long-term best interests of the workingman, but threatens to do incalculable harm to business and industry.

I am concerned about the hardships which are placed on the small businessman by OSHA in its present form. The law has so bound many businesses as to make it impossible for them to operate at a profit. This could lead to the shutting down of many businesses, higher employment, and lower production—none of which we need at this time in our country.

In my opinion, many of the requirements seem unnecessary for small businesses. I feel changes in OSHA regulations and procedures should be made. As it is now, the totality of OSHA regulations is so great that it is difficult for one, however well-intentioned, to know and comply with every section and clause of this law.

I would like to share with my colleagues the following article which once again illustrates some of the problems the Occupational Safety and Health Act has caused and the need for Congress to amend it so that it truly deals with the real hazards to health and safety that exist and less with nonessentials:

OSHA A RED-TAPE BOONDOGGLE

(By John D. Lofton, Jr.)

WASHINGTON.—For American business, particularly small business, the Occupational Safety and Health Act has been about as helpful as the Lilliputians were to Gulliver.

Since it went into effect in April of 1971, OSHA, as the law is commonly referred to, has come under fire from businessmen, employees and consumers.

The degree of dissatisfaction is indicated by the fact that in the four years since OSHA went on the books, approximately 100 bills have been introduced in Congress to amend it.

Among the complaints about the miles of new OSHA red tape have been that the rules and regulations are highly technical, making them impossible for small businesses to decipher without expert help, and that the standards are often too expensive to meet.

A survey by McGraw-Hill publications estimates that OSHA cost business $2.5 billion in 1972 and $3.1 billion in 1974. It has been reported that proposed OSHA noise-control standards could cost business anywhere from $13 billion to $31 billion, depending on how strict the rules are actually made.

To illustrate just how much red tape OSHA seeks to impose on American business, in June of last year, an entire edition of the Federal Register—342 pages long—was devoted to new OSHA rules and regulations. But this was not all. This particular publication represented only part 2 of the new standards.

Now, despite all the hell being raised, OSHA's head man, John Stender, assistant secretary of labor, says he doesn't understand why anybody questions the need for this new law. He says he doesn't know what all the furor is about.

Well, assuming Mr. Stender is expressing sincere ignorance, I'd suggest he take a look at the recent variance that OSHA granted the Caterpillar Tractor Company of Peoria, Ill.

The Caterpillar people ran afoul of OSHA because they had the crazy idea that they know best how to mount their own fire extinguishers. They mount them on retractable boards suspended from the warehouse superstructure.

In the stored position, the botton of these boards is 8 feet from the floor. When a 2-foot nylon rope attached to the bottom of the board is pulled, presto! The board springs downward to a position about 2½ feet from the floor and the extinguisher is within easy reach of the employees.

This sounds safe enough, right? To you maybe. But not to OSHA.

You see OSHA has thought of everything and specifies not only the kinds of mountings allowable for fire extinguishers, but also sets the permissible height of the top of extinguishers at 5 feet for those under 40 pounds and 3½ feet for those over 40 pounds. So, as any ignoramus can see, in mounting their extinguishers the way they did, the Caterpillar people were in gross violation of OSHA safety standards prescribed in 29 CFR 1910.157(a) sections (5) and (6).

Anyway, to make a long story short, and I mean a long story, earlier this month, after a year of unexplained bureaucratic paper shuffling at OSHA by God only knows how many GS-whatevers, OSHA not only okayed the way the folks at Caterpillar hang their fire extinguishers but Jim Concannon, chief of the division of variances, tells me that OSHA thinks it is such an "excellent idea" that they'll probably modify their standards and adopt Caterpillar's.

Now, what's so incredible about this whole ridiculous, time-consuming idiocy is that in the good old days, before there was an OSHA, the Caterpillar Company hung its fire extinguishers just as OSHA now recommends they be hung.

But, as the company's assistant safety manager, Bob Keller, explained to me, Caterpillar spent $60,000 in their Decatur, Ill., plant to rip this system out and install their own.

Why? Because fork-lift drivers kept smashing into the extinguishers and damaging them. They were simply too low to the ground.

So here we see government in action. Big Brother in Washington makes a law, already found to be unworkable years ago by private industry, then after a year of consideration, ends up scrapping and adopting the heretofore illegal standard as its own, in a ruling which should never have been any of the government's business in the first place.

It's this sort of stupidity which makes the arguments for anarchy not entirely unappealing.

THE PLIGHT OF MIKHAIL LEVIEV

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. DRINAN. Mr. Speaker, I would like to bring to the attention of my colleagues a copy of a legal memorandum prepared by the Jewish Community Council of Boston on behalf of Mikhail Leviev, a Soviet Jew who has been sentenced to death after having been convicted of the charges of bribery and the illegal sale of gold.

These charges were brought against Mr. Leviev shortly after he had applied for an exit visa to Israel and was preparing to emigrate from the Soviet Union. He was detained for 2 years and 7 months in a Soviet prison, before being afforded a trial. He, along with three alleged coconspirators, were convicted of the charges, yet only Leviev was sentenced to death. The other three alleged accomplices, all non-Jews, were sentenced to prison terms of 5, 8, and 9 years respectively.

The purpose of this brief is to present to the Procurator General of the Soviet Union, Roman Rudenko, a legal analysis as to why the imposition of the death sentence upon Leviev is illegal, inappropriate, and inhumane. It is the hope of the writers of this brief that the Supreme Court will commute his death sentence, and instead impose a prison term commensurate with the terms given to his three alleged accomplices.

I would urge my colleagues to study this three-part document most carefully:

[Supreme Court of the Union of Soviet Socialist Republics]

UNION OF SOVIET SOCIALIST REPUBLICS, PLAINTIFF VS. MIKHAIL Y. LEVIEV, DEFENDANT—CRIMINAL ACTION NO.—

(Amicus brief of the Commonwealth of Massachusetts, United States of America, in opposition to the death sentence imposed herein and in support of the defendant's motion to commute said sentence)

I. FACTS

The Defendant, Mikhail Y. Leviev ("Leviev"), is a citizen of the Soviet Union who was born in Bukhara in or about the year 1912. Leviev was accepted as a member of the Bar of the Soviet Union in or about 1936 and, during World War II, served as a Judge in the Soviet Union's Military Court.

Between 1947 and 1950, Leviev was unemployed because of his strong interest in the establishment of the State of Israel. In 1950, in Moscow, after offering a toast to Golda Meir, then Israel's Ambassador to the Soviet Union, Leviev was sentenced to ten years in prison for "anti-Soviet conduct." He served four years of said sentence and was released shortly after the death of Joseph Stalin.

Upon his release, Leviev became engaged in private business and was not the subject of any criminal charges during the next eighteen years. In 1972, after he had applied for an exist visa to Israel and was preparing to emigrate the Soviet Union, Leviev was arrested and charged with bribery and having been an intermediary in the illegal sale of gold. Thereafter, he was detained for two years and seven months in a Soviet prison prior to being afforded a trial.

In or about September 1974, Leviev, along with three alleged co-conspirators, were tried in a criminal court in Moscow and, in December 1974, were convicted of the charges of bribery and the illegal sale of gold. The punishment imposed upon Leviev was the death penalty while the three alleged accomplices, Binyayov, Kulikova and Selivanov, all of whom were non-Jews, received sentences of five, eight and nine years, respectively. All three non-Jewish defendants are ethnic Tadzhiks or Russians.

Thereafter, Leviev's appeal for clemency was rejected by the Supreme Court of the Soviet Union. At the present time, a further appeal is pending before said Court asserting that serious legal errors were made during the course of Leviev's trial and that, therefore, Leviev should be afforded a new trial. In the alternative, Leviev has urged the Supreme Court to commute his death sentence and to assess upon him a prison term commensurate with the terms given to his three accomplices.

II. PURPOSE OF THIS MEMORANDUM

The purpose of this legal memorandum is to present to the Procurator General of the Soviet Union, Roman Rudenko, a legal analysis as to why the imposition of the death sentence upon Leviev is illegal, inappropriate and inhumane. Since the writers of this memorandum are not conversant in the Russian language, and have been informed that Soviet judicial decisions, in general, and those relating to the death penalty in particular, have not been the subject of English translations to date, most of the legal precedents contained herein will be drawn from judicial decisions rendered by the United States Supreme Court and scholarly articles written in the United States and elsewhere. Wherever possible, Soviet statutory law will be cited.

It is the writers' intent to demonstrate the inhumanity in the imposition of the death sentence with regard to a non-violent economic crime. The writers believe that the Soviet Union is a civilized society and, being such, the Soviet Union cannot condone the execution of such a penalty upon Mr. Leviev.

III. ARGUMENTS

A. The death penalty decreed against Leviev must be commuted and the case against him dismissed because of the illegal pre-trial detention suffered by him and the failure of the Soviet prosecutor to afford Leviev a speedy trial.

B. The death penalty decreed upon Leviev must be commuted because such punishment is inhumane, immoral, and shocks the conscience of mankind.

C. The death penalty decreed upon Leviev must be commuted because the imposition of such penalty with regard to the alleged perpetration of an economic non-violent, crime shocks the conscience of mankind.

D. The death penalty decreed upon Leviev must be commuted because such penalty has been utilized selectively against Jews, in general, and more specifically, against those Jews who have applied for exit visas to Israel.

IV. LAW

A. The death penalty decreed against Leviev must be commuted and the case against him dismissed because of the illegal pre-trial detention suffered by him and the failure of the Soviet proseutor to afford Leviev a speedy trial.

1. SOVIET LAW

Article 97 of the Code of Criminal Procedure of the Russian Socialist Federated

Soviet Republic ("RSFSR") provides for the "confinement under guard" (pre-trial detention) of the accused by the RSFSR procurator for a period of up to six months.

Further prolongation of a period of confinement under guard may be carried out only in exceptional instances by the USSR Procurator General for a period of not more than an additional three months. *Id.*

Leviev was incarcerated for an approximate period of two years and seven months prior to receiving a trial with regard to the charges brought against him, thereby violating his rights under Soviet law.

Article 2 of the 1955 Statute on Procuracy Supervision in the USSR provides as follows:

"The Procurator General of the USSR and his subordinate procurators shall be obliged to watch out for (*Sledit'za*) the correct and uniform applications of the laws of the USSR and of union and autonomous republics, despite any kind of local differences and against any kinds of local influences." *

Thus, it is for the Procurator General to prevent the wrongs suffered by Leviev from occuring. In addition, once the procuracy has verified illegal acts, it must protest such illegalities, either to the offending party or to his superiors.

See, generally, Articles 11 and 14 of the 1955 Statute on Procuracy Supervision. Article 13 of said Statute requires that a Procurator's protest should be acted upon within ten days, and that the Procurator who made the protest shall be informed of the ruling body's decision. Similarly, Article 17 requires the procuracy . . . to strictly watch out that not a single citizen is subjected to illegal or unfounded criminal prosecution or to any other unlawful restriction of rights. . . .

Given the illegal pre-trial detention of Leviev described above, it is urged that the Procurator General of the Soviet Union, as provided for in Article 27, suspend the execution of the protested judgment pending his further supervision and review of this matter; in accordance with Article 23 of said Statute, protest the illegal judgment entered therein; and, pursuant to the rights afforded him under Article 19 of the 1955 Statute, terminate the criminal case against Leviev.

2. Law of the United States

In the United States, there is no duty imposed upon a Defendant to bring himself to trial. As Mr. Chief Justice Warren Burger wrote for the Supreme Court in *Dickey v. Florida*, 398 U.S. 30, 37–38 (1970):

. . . the right to a prompt inquiry into criminal charges is fundamental and the duty of the charging authority is to provide a prompt trial.

Also see *Hodges v. United States*, 408 F. 2d 543, 551 (8 Cir. 1969) (Blackmun, J.) ("the Government and, for that matter, the trial court are not without responsibility for the expeditious trial of criminal cases").

Courts in the United States look to the length of the delay as a "triggering mechanism" for the inquiry into whether or not a defendant's rights have been improperly prejudiced by the failure of the State to afford him a speedy trial. *Barker v. Wingo*, 407 U.S. 514, 530 (1972). Once such mechanism is triggered, the Court must look to the reason assigned by the government to justify the delay and ascertain whether or not the defendant has fulfilled his responsibility to assert his right to a speedy trial.

In the case at bar, the Soviet Government cannot justify the delay of two years and seven months which took place prior to Leviev's trial. It appears that, if anything, the government deliberately delayed the trial in order to hamper the defense. In addition, Leviev continuously asserted his right to a speedy trial but said demand was repeatedly denied.

An additional factor which Courts in the United States view in assessing the harm to the defendant who has been deprived of a speedy trial is the prejudice imposed upon said defendant by the delay in question. The Supreme Court of the United States highlights three interests of the defendant which the speedy trial right was designed to protect: 1) to prevent oppressive pre-trial incarceration; 2) to minimize anxiety and concern of the accused; and 3) to limit the possibility that the defense would be impaired. *Barker v. Wingo, supra*, at 532. Clearly the last is the most serious because "the inability of a defendant adequately to prepare his case skews the fairness of the entire system." *Id.*

If witnesses die or disappear during a delay, the prejudice is obvious. There is also prejudice if defense witnesses are unable to recall accurately events of the distance past. Loss of memory, . . . is not always reflected in the record because what has been forgotten can rarely be shown. *Id.*

There is little doubt of the detrimental impact upon the individual of the time spent in jail awaiting trial. Clearly, such incarceration means that the individual has lost his job. His family life has been disrupted and he has been relegated to idleness. In addition, more often than not, he is exposed to no recreational or rehabilitative programs. Finally, there is statistical evidence that persons who are detained between arrest and trial are more likely to receive prison sentences than those who obtain a pretrial release (although other factors bear upon this correlation). See Wald, "Pre-Trial Detention and Ultimate Freedom: A Statistical Study," 39 N.Y.U.L. Rev. 631 (1964).

One need not look solely to Russian or American law to observe the historical importance of the accused's right to a speedy trial. Such right is found in the Assize of Clarendon (1166), where it was noted:

4. And when a robber or murderer or thief or receiver of them has been arrested through the aforesaid oath, if the justices are not about to come speedily enough into the country where they have been taken, let the sheriffs send word to the nearest justice by well-informed person that they have arrested such men, and the justices shall send back word to the sheriffs informing them where they desire the men to be brought before them; and let the sheriffs bring them before the justices. 2 English Historical Documents 408 (1953).

Similarly, Sir Edward Coke, in his explication of Chapter 29 of the Magna Carta, wrote that the words "We will sell to no man, we will not deny or defer to any man either justice or right" had the following effect:

And therefore, every subject of this realme for injury done to him in bonis, terris, vel pesona, by any other subject, be he eccelesiasticall, or temporall, free, or bond, man, or woman, old or young or be he outlawed, excommunicated, or any other without exception, may take his remedy by the course of the law, and have justice, and right for the injury done to him, freely without sale, freely without any deniall, *and speedily without delay.* [Emphasis added] Coke, *The Second Part of the Institutes of the Law of England*, 45 Brooke, 5th ed. 1797.

Just as the demands of criminal justice require that the accused be afforded a speedy trial, *Klopfer v. North Carolina*, 386 U.S. 213, 223 (1968), societal interests, as well, are protected through the preservation of said right.

The public is concerned with the effective prosecution of criminal cases, both to restrain those guilty of crime and to deter those contemplating it. Just as delay may impair the ability of the accused to defend himself, so it may reduce the capacity of the government to prove its case [citations omitted] . . . Moreover, while awaiting trial, an accused who is at large may become a fugitive from justice or commit other criminal acts. *United States v. Marion*, 404 U.S. 307, 330 (1971).

Similarly, it is in the interest of the Soviet Union that all individuals charged with crimes receive a speedy trial.

What remedy should be afforded a person who has suffered pre-trial detention of the length endured by Leviev? In *Strunk v. United States*, 412 U.S. 434 (1973), the Supreme Court was faced with the questioned legality of a ten-month delay to which an accused was subjected before being tried. In reviewing the lower court's decision, which found the ten-month delay to be a denial of the accused's rights, the Supreme Court did not hesitate to declare that the only possible remedy for the state's failure in this regard was a dismissal of the action against the Defendant. *Id.*, at 439–440.

Similarly, the Procurator General, upon reviewing the evidence before him and verifying the illegal detention of Leviev, said detention in violation of Article 97 as aforesaid, must dismiss the charges against Leviev and allow him to go free. Such a result is required due to the illegal and unconscionably attenuated pre-trial detention suffered by Leviev and his consequent inability to prepare, now or in the future, an adequate defense on his own behalf.

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*As Professor Harold J. Berman notes in his book entitled *Soviet Criminal Law and Procedure*, Harvard University Press: Cambridge, Massachusetts (1972), page 100, this language in the 1955 Statute "goes back to Lenin, who established the Soviet Procuracy in 1922. See V. I. Lenin, "O dvoinom podchinenii i zakonnosti," in *V. I. Lenin o gosudarstev i prave* (Moscow, 1958), II 720–724. In addition to the power of *"protest"* in Russia, supervision by the Procuracy includes the power to make "proposals" (*predstavleniia*) to state or social organizations concerning the elimination of offenses and of their causes. Harold J. Berman, *Soviet Criminal Law and Procedure. Supra*, at 101.

FRANK R. WOLF NAMED DEPUTY ASSISTANT SECRETARY FOR CONGRESSIONAL AND LEGISLATIVE AFFAIRS

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. REGULA. Mr. Speaker, Frank R. Wolf who has assisted many of us in our work with the Department of the Interior was recently appointed to the newly created position of Deputy Assistant Secretary for Congressional and Legislative Affairs. Since 1971, Frank has done exceptional work in enhancing relations between Congress and the Department. His elevation to this new position is most welcome news and is well deserved.

Since I have been in Congress, I have turned to Frank for assistance and information many times. Without fail, he has always delivered aid in a conscientious, exemplary fashion.

Prior to joining the Department, Frank was Legislative Assistant to Congressman Edward G. Biester, Jr., Republican of Pennsylvania, from 1968 to 1971. Before that he served for 5 years as assistant director for government-industry relations with the National Canners Association in Washington, D.C.

Frank's new position places him as the second-ranking congressional affairs official in the Department, under Assistant Secretary John A. Kyl.

I am sure that Frank's background as the son of a policeman in Philadelphia, Pa., and his experiences as a member of the Army Signal Corps have, among other experiences, played a big part in making him a well-rounded, pleasant individual, with a balanced view of the necessary relationship between the Congress and the administration.

Frank graduated from Penn State and from the Georgetown University School of Law. He, his wife, Carolyn and their five children live near Reston, Va.

LITHUANIA—INVISIBLE NATION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McDONALD of Georgia. Mr. Speaker, 57 years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only 22 years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the U.S. Government and other great Western powers have steadfastly maintained a policy of nonrecognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of détente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present—spirit of détente—in which to give visible support to the Lithuanian people.

The U.S. Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurrent Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored. If, in fact, we are the civilized people we say we are, then people, the Lithuanian people and every other enslaved nationality in the Communist countries are of paramount importance. Détente, trade agreements, and SALT are of no avail if we ignore the systematic repression of the fundamental rights of men in one half of our planet. To proceed with negotiations while such things exist is hypocrisy of the worst order.

THE 57TH ANNIVERSARY OF LITHUANIA'S DECLARATION OF INDEPENDENCE

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. GUDE. Mr. Speaker, once again I join many of my colleagues in saluting the brave nation of Lithuania on the 57th anniversary of its declaration of independence. I regret exceedingly that, in recognizing Lithuania's independence, so many Lithuanians are unable to join us in celebration because they, in fact, are not independent but rather are under the yoke of Russian servitude. While this has not dampened the spirit of the Lithuanian people, as evidence by the actions of Simas Kudirka and Romas Kalanta, it is a tragedy of history that we must commemorate a spiritual independence in the face of a denial of physical independence.

I think it is important to note the growing attention in the Congress to problems of human rights throughout the world, but particularly in the Soviet Union. The Jackson-Vanik-Mills amendment to the trade bill last year tying most favored nation status for the U.S.S.R. to changes in that country's emigration policies applies not only to the Jewish Soviet citizens but to all those peoples held in the U.S.S.R. against their will. This amendment confirms the concern of the Congress over violations of human rights and subsequent discussions several other Members of Congress and I have had with the Secretary of State suggest a renewed concern on his part for similar violations. Perhaps it will someday be possible to salute Lithuanian independence in fact as well as in spirit.

At this point I would like to bring to my colleagues' attention a statement issued by the Lithuanian-American Community of the U.S.A. Inc.:

AN INVISIBLE NATION, A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. On February 16, 1975, Americans of Lithuanian origin and descent will commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of nonrecognition of the forcible annexation of Lithuania into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronical of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Detente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurring Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

NEW JERSEY TO THEE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. PATTEN. Mr. Speaker, one of my talented constituents, Mrs. Marie L. Chiasson, of Morgan, N.J., has written the words and music to a song I like, "New Jersey To Thee." Its popularity is growing all the time.

New Jersey is a fine State, but it is hard to express the feelings our people have for it. However, I believe that Marie Chiasson has succeeded in describing those proud feelings, so I am inserting the words in the CONGRESSIONAL RECORD in order that my colleagues will know more about the attributes of New Jersey—a small, but outstanding State:

NEW JERSEY TO THEE

(Music and Lyrics by Marie L. Chiasson)

It's a state to be proud of the state of New Jersey,
Founded in sixteen sixty four
Made famous in history, her heros are many and Washington fought for her shores.

To thee. To thee. New Jersey, New Jersey to thee,
There's many a story that's told of her glory, one state of the land which is free,
We'll progress together for ever and ever,
New Jersey, New Jersey to thee!

CHORUS

To thee. To thee. New Jersey, New Jersey to thee,
With love for one other, We'll share with our brother,
And help keep America Free.

MRS. DOROTHY GLISSON

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FREY. Mr. Speaker, in reading the CONGRESSIONAL RECORD during the waning days of the 93d Congress, I noticed that the distinguished gentleman from Florida (Mr. FUQUA) had inserted some very kind remarks about our mutual good friend, Mrs. Dorothy Glisson. I commend my colleague for his initiative in honoring one of Florida's first citizens and one of the finest people I have been privileged to know.

Dorothy Glisson has served our State for over 30 years and has been director of the division of elections for 20 years. She is the one to call when you have a question, when the maze of election laws seems overwhelming, when you want to "double-check just once more." And each time, every time, Mrs. Glisson responds quickly, accurately, patiently and cheerfully.

As she has pointed out:

> Elections work is a real challenge. When an election is running smoothly, you don't hear a word about it. But when a candidate's name is left off the ballot or something goes wrong, you hear plenty.

Working with the 67 county supervisors of elections, city clerks and the numerous candidates for public office, Dorothy Glisson oversees and is responsible for a tremendously important aspect of our State government.

But Mrs. Glisson has not only served as director of the elections division, she was also Florida's first woman cabinet member. In July, 1974, after the resignation of the Secretary of State—now U.S. Senator—DICK STONE, "Dot" Glisson was sworn in as his successor. It was a position for which she was well qualified; it was a position she deserved; it was a job she performed with her usual efficiency and grace. And—like all Floridians—I was very pleased with her appointment.

Since Dorothy Glisson chose not to seek election to a full term of the office to which she had been appointed, she returned in January to her former job—that of director of the division of elections. Now she will have more time to devote to her nieces and nephews, her Pekinese, and her hobbies of gardening, golfing, and playing the organ.

That is, she hopes to have more free time. But with people like me, like my distinguished colleagues from Florida, like all the candidates and officeholders in the State—she will be very busy. We all rely on her tremendously and appreciate all she has done for us and our State. Her years of service, her ability and responsiveness are matched only by her dedication and kindness. Dorothy Glisson, thank you.

GEOPOLITICAL ASPECTS OF THE EXPANDING SOVIET NAVAL POWER

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. DERWINSKI. Mr. Speaker, I would like to call the attention of the Members to an article in the Daily American by Prof. M. K. Dziewanowski, an associate at the Russian Research Center at Harvard University.

I believe this editorial is especially significant following the recent request by Secretary Schlesinger for support of necessary funding of the Department of Defense, especially the Navy.

The editorial follows:

GEOPOLITICAL ASPECTS OF THE EXPANDING SOVIET NAVAL POWER

(By M. K. Dziewanowski)

There is a lot of controversy about the relative strength of the Soviet and the United States navies. The editors of Jane's Fighting Ships, for example, claim that the Russians have achieved superiority in a variety of ships—submarines and heavy cruisers, for instance—and have begun to challenge the U.S. in a number of naval weapons.

But Jane's stresses largely the quantitative aspect of the problem. Leaving aside the issue that American ships are on the average much larger, technologically more advanced and hence much more effective than the Russian ones, it is worth focusing on the geopolitical aspects of Soviet naval power.

The amazingly fast expansion of the Soviet navy, as well as merchant marine, has overshadowed the fact that the USSR is suffering from several handicaps that hamper its maritime potentialities. One of the disadvantages is a relatively short useful and easily accessible coastline.

Although it has some 35,000 miles of coastline (the largest in the world), the USSR is the most landlocked country on the globe. The farthest point from the ocean, Semirechye in Kazakhstan, is about 1,600 miles from the seacoast.

ICEBOUND PORTS A HANDICAP

Moreover, most of the USSR lies as far north as Canada. Moscow is situated north of Edmonton, Alberta; Leningrad lies as far north as Anchorage, Alaska; the Crimean port of Sevastopol is as far north as Bangor, Maine. It is a severe strategic and economic handicap that most of the Russian ports are icebound for a considerable part of the year. Paradoxically, Murmansk, the northern most Soviet harbor, is an exception, being usually accessible throughout the year.

On the other hand, the Gulf of Finland, with its ports of Leningrad, Kronstadt, and Reval, is frozen around the shores from November to April. The harbors of the Black Sea are as a rule ice-blocked throughout January and February. Vladivostok in the Far East is icebound for four months in the winter, is precariously suspended at the end of a long line of communications, and is situated in a region claimed by China.

The stretches where Russia has access to the moderate Baltic and Black Seas are inhabited by non-Russian people: the Finns, Estonians, Latvians and Ukrainians. The outlet of the Black Sea is held by the Turks, while the outlets the Baltic are held by the Danes and the Germans. The access to the Atlantic leads through the remote Murmansk and the Kola peninsula. The Pacific coast is separated from the main centers by a formidable distance of up to 4,000 miles.

All of this has greatly inhibited the development of naval forces as well as maritime trade, and made Soviet expansion a painstaking proposition. Only the development of jet planes has diminished somewhat the isolation of the Soviet far eastern region from the bulk of the country.

One has also to bear in mind that the seacoast of the Soviet Union is split into four main sectors: the Black Sea, the Baltic, the Artic, with its subsidiary, the White Sea, and the Pacific Ocean. The Arctic Ocean and the White Sea have played a negligible role both politically and economically. Maritime communications between the Black Sea and the Baltic are difficult enough, much less the journey from either the Black or Blatic Sea to the Pacific. The Imperial Fleet learned this fact first hand in 1905 during the war against Japan, when its Baltic squadron tried to rush to the Far East to rescue its comrades-in-arms in the Pacific.

CANAL ROUTES

Even the canal routes between the Baltic and the White Seas do not permit the passage of seafaring craft. The route from the White Sea to the Far Eastern waters along the northern shores of Siberia, some 4,000 miles long, also involves considerable hardship, despite the new technological developments, including the atomic icebreaker.

One of the handicaps of the Soviet naval position is the distance separating the two island seas, the Baltic and the Black Seas, from the three oceans. This compels the Soviet Union to maintain four separate fleets: the Baltic, the Black Sea, the Arctic, and the Pacific.

Only in the Far East does the USSR enjoy true "blue water capabilities." One has to remember, however, that the access to its bases there is precarious both geographically and politically because of the Sino-Soviet dispute. It is enough to look at the map to realize that in case of a Sino-Soviet war, the Port Arthur and Dalny harbors would be the first targets of Chinese missiles and bombs, as well as of a land attack.

Adding to this the fact that the Soviet Black Sea bases are situated on a southern fringe of the volatile Ukraine, "the soft underbelly" of the Soviet empire, one realizes that the geopolitical factors underlying Moscow's actual naval position are not too solid.

This should be compared with the broad and varied "blue power" capabilities of the U.S. Navy, able to deploy large and highly experienced forces throughout the world. Moreover, the Soviet navy has yet to master a strategy of large-scale distant naval operations. This is the result not only of a lack of experience but of the disadvantageous geopolitical situation of the USSR.

REPRESENTATIVE ASPIN'S RAILROAD TRACK REHABILITATION PROPOSAL

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. REUSS. Mr. Speaker, increasingly large demands are being put on the railroads—passenger and freight—because of the energy shortage. As our colleague Representative Les Aspin points out, we must rehabilitate our track systems to gain the full benefits of this energy-cheap transportation. The February 12, 1975, New York Times' "Revive Railroads" editorial explains the importance of Representative Aspin's proposal:

Revive Railroads

Congress and the Ford Administration cannot much longer postpone a fundamental decision about the restoration of adequate railroad service. The trustees of the bankrupt Penn Central have just cancelled another in a long series of melodramatic threats to shut down all service after getting assurance that the $275 million in new cash and loan guarantees already voted by the Senate will arrive soon enough to permit them to meet their next payroll.

Within two weeks the United States railway association, a new entity created by Congress last year, is scheduled to present its tentative plan for restructuring the Penn Central and other bankrupt Northeastern railroads into an economically viable pattern. A final plan has to be submitted to Congress by June for its approval.

There is a huge financial time-bomb ticking away under this proposed reorganization that the Administration and Congress cannot safely ignore much longer. In upholding the constitutionality of the Rail Reorganization Act last December, the Supreme Court also held that the bondholders, stockholders, and creditors could sue in the Court of Claims for higher compensation than the new system decides to offer them.

In enacting the rail act, Congress pretended that these private claims would be wiped out in exchange for stock in the new road, dubbed ConRail. But inasmuch as the Penn Central ran up total losses of $851 million between June, 1970, and December, 1973, and there is no certainty that ConRail can do significantly better, its stock may have limited appeal. In that eventuality, law suits in the Court of Claims are inevitable and judgments against the Government may run into the billions.

In the Northeast and in other regions as well, rail traffic has soared in recent years, especially since the gasoline shortages of a year ago and the steeply higher prices that now prevail. But as traffic has increased, so have the accidents. There were 3,800 railroad accidents in 1973. Accidents attributable to poor track maintenance have more than tripled in the last dozen years. Representative Les Aspin, Wisconsin Democrat, proposes that the Federal Government establish a public corporation to take over tracks and roadbeds, restore and maintain them, and lease them to private railroad companies.

The recurring Penn Central cash crises, the unresolved issue of the Northeast railroad creditors, the growth in passenger and freight traffic because of the energy crises and the rise in dangerous rail accidents, all point to the need for a more comprehensive approach to the nation's railroads.

Full nationalization of the railroads is unnecessary because some major private systems continue to be well-managed and profitable. But the urgently needed overhaul of the railroads cannot be accomplished without a sizable investment of public capital and adequate controls to guarantee its effective utilization.

The Government in recent years has been edging toward vastly increased involvement through its creation of Amtrak and ConRail. The time has come to formulate a straightforward and complete program for revival of the nation's most essential mode of transportation—the railroads.

THE COMMUNITY EFFORT IN CANCER

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SMITH of Iowa. Mr. Speaker, the distinguished chairman of the HEW Appropriations Subcommittee, upon which I am privileged to serve, Mr. Flood of Pennsylvania recently made a speech to the Association of Community Cancer Centers on February 2.

The gentleman from Pennsylvania has had a long and distinguished career in the House of Representatives and is nationally known for his concern and work in the field of cancer research.

It is important that the Congress keep a close watch on the Nation's cancer work so that the largest current biomedical research and disease control program funded by the Federal Government is operating at the highest level of productivity that can be mustered.

My colleague told the cancer research and control administrators from all over the country that he was not suggesting to them, he was warning them that they had better strain every administrative muscle to help the American cancer patient and the citizen concerned with whether he or she has cancer, to get the best kind of diagnosis or screening, and the best possible kind of therapy.

He said that members of the new association would eventually get National Cancer Institute awards of one kind or another to help them expand their work, but meanwhile they should take extraordinary measures, operate screening programs nights and weekends, for instance, to serve those people who are concerned that they might have cancer.

I think the words of the chairman might interest those Members who are keenly interested in the conquest of cancer and offer them for the Record:

The Community Effort in Cancer

(By Hon. Daniel J. Flood)

I want to congratulate the Association of Community Cancer Centers. You have come through the difficult organizing period which every new organization undergoes.

The message I want to bring you today is about cancer politics. Cancer politics as it is.

There are those who question whether I've retired from my acting career. Never mind. Drawing on that experience I can say authoritatively that cancer has made a great entrance. Mrs. Lasker and the cancer community outdid themselves with the National Cancer Law of 1971, which was extended last year, as you know.

The third act we all hope for is not in sight, but I am confident that it will involve a stunning denouement for the great bulk of cancers, the solid tumors, and we shall have that villian, the "dread" disease, on the run as the curtain falls.

Meanwhile, in case you don't know it, you are standing there with your script hanging out while the curtain is rising on the second act. The audience, the whole country, is waiting to see the usual second act development of real power and dynamic, the leave 'em gripping-the-arms-of-their-chair-with-knuckles-act. If you don't kill 'em in the second act you might lose your audience to the late show.

In politics it is always opening night. Every critic is there. Rarely is a comeback possible after an initial flop.

You will flop if you don't get together and impress the people of this country that you are not just a bunch of selfish doctors cashing in on the misery of others; that you are not just an organization that threw itself together when the big money began to flow.

I know and you know that the people in this organization want grants and contracts. Self-interest makes the world go around. It is healthy.

But your self-interest will be served best if you steadfastly determine in your hunt for contracts that you will do the best job for the community even if it means a sharing of responsibilities and maybe even a sharing of dollars.

You know, this is the third big push in our lifetimes that this country has made against cancer. Some of you may remember and others may not, but first there was the National Center for Chronic Disease Control. Then there was Regional Medical Programs.

The first, Chronic Disease Control, was never vigorously pushed by any Administration though it was modeled on the work done by the highly successful National Center for Disease Control.

The second, Regional Medical Programs, in its original form was really allowed to die on the vine by the National Institutes of Health.

I'm one of the authors of Regional Medical Programs, now legislated out of existence, and I note that, despite all of the wraggling and Administration in-fighting, that RMP was so successful in cancer that for every dollar of RMP money put into cancer work, RMP raised another $4.51 from the communities in which it operated. That's real community acceptance. Though the money was raised on a voluntary basis it went far beyond any ordinary federal matching requirement. I wish you well in gaining similar community acceptance.

What these two past efforts mean politically is this: There are hundreds of medical care personnel out there who have now been through the mill twice. They have in many cases re-directed their careers when new legislation beckoned toward expanding opportunities. Some moved their families to new cities.

You'd better not disappoint these community-wise people again. They've chosen to devote their lives to something other than lucrative office practices. They've enlisted in the early battles of the War Against Cancer. But they've seen two programs go down the drain. Don't disappoint them again or you won't have the troops to make the Conquest of Cancer.

Support and join with successful local programs. Don't ditch your best friends.

So far, with the first act just finished, the larger audience, the public, is not disillusioned. The National Cancer Program has done well. But you'd better watch this second act. Don't muff it.

My political judgment is that you in the Association of Community Cancer Centers had better work very, very carefully to preserve the good people and good programs that are in place, left over from the two prior government-funded cancer drives this country has seen. And remember that throughout all the ups and downs of government funding the American Cancer Society has been there. In many places they may need the stimulation of a bit of competition. But they've been building for years and they might be your strongest resources in some areas.

You cannot allow the Conquest of Cancer program to lead to a third disappointment. You'll set cancer back 50 years. And that's not some wild statement lifted from a civic club speech. You will set cancer therapy back 50 years if you don't maximize community cooperation in this second act.

My political wisdom also tells me that if I dropped a hint about the money picture you wouldn't be sorry you invited me to speak.

The money picture is directly tied to the rest of what I have said. You can be sure that Dan Flood will give you the maximum amount of money for cancer that can be squeezed out of the 94th Congress. I had my own post-operative, annual cancer check-up just before the end of the year. I want the best research and treatment this country can buy.

But I won't be able to give it to you unless you make this second act a real humdinger; bring down the house; let loose a burst of applause.

I don't know how you are going to do it, but I do know that you agree with me that there are tremendous gains to be built on the basis of current knowledge.

If you apply what you now know cancer deaths will drop precipitously in coming years. The country has faith in you; has invested in you; and deserves that benefit.

Yet you and I know that breast cancer detection centers in this country are booked up through July in most cases. Broad-scale cervical screening is years and years behind its potential. First you tell the patient to get a check-up fast. Early detection is the by-word. Then you set up a system where the woman is forced to wait six to eight months. That's not early detection.

I am not a medical administrator. I don't know how you are going to make a breakthrough on that service demand. But I do know that your political life-blood is running down the gutter, to the river to be lost at sea if you don't solve that one.

I am fully aware that your association has not been given the responsibility for all of this work and is not responsible for all of the delays. But the public doesn't know and doesn't care. When you lift up your banner, they'll say, "Where were you?"

I want to give you more money. But you'll never get it unless you stir yourselves to the present opportunities and rearrange resources, do whatever is necessary to serve those patients you have motivated. Open up at night, week-ends. Go to on-going programs and offer your help. Your political life blood is simply not healthy enough to overcome the anemia that will follow if you disappoint these women. I'm not suggesting. I'm warning you.

Months will go by before the necessarily careful doling out of public money by the National Cancer Institute.

Meanwhile, each of you who works in a cancer institution had better get moving with whatever resources are at hand so you don't waste the talent that's already out there and so that you don't disappoint the public that has been activated to think about cancer, to hope about it, and to take part in screening and other community programs.

Look around you.

Tens of millions of dollars worth of community programs are in action at this moment.

While you are waiting for government money I suggest that you see what can be done immediately in the community to enhance existing programs. Find the optimum place for your skills and your talents. Build your local political fences. Run hard. With the campaign for acceptance.

Then you'll win the campaign for government money.

You will succeed with the doctor and the patient.

And that's the way you will succeed with me and my appropriations subcommittee. I cannot give you any more than my political judgment tells me the people want to give you. Oh, yes, we can twist and dodge and do some open field running at mark-up time.

But we have given the National Cancer Institute $691 mil. this year. Of course OMB doesn't know how to read. They read $691 mil. to mean $569 mil., which is their interpretation of what we appropriated for fiscal 1975.

I hope we can teach them to read when the President sends down a rescission or deferral message. But it will take political power. This is a new Congress, remember. New pathways and new lines of control are being hacked out of the jungle. We can only deliver if you deliver.

Good luck to you.

DEMAND FOR NURSES REMAINS HIGH

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SHRIVER. Mr. Speaker, by request I am inserting in the RECORD an article which appeared in the January 30, 1975, edition of the Kansas City Times regarding the continuing high demand for professional nurses in our State of Kansas and surrounding States:

DEMAND FOR NURSES SOARS DESPITE ECONOMIC TAILSPIN

(By John A. Dvorak)

The unemployment upswing is bypassing at least one profession: The demand for nurses in Kansas City, strong since the 1960s, shows no sign of letting up.

"We don't have anybody who doesn't get employment if they're looking for it," said Mrs. Hester Thurston, dean of the University of Kansas Medical Center's nursing school. Graduates of the K.U. program can expect a "great diversity of opportunities," Mrs. Thurston said.

A shortage of nurses has existed for at least a decade, Mrs. Thurston said. With increasingly sophisticated nurses in demand, new graduates have a bright future, she said.

Other representatives of the medical community here agree there is a shortage of nurses in Kansas City, although it is not a recent development, they point out. Skyrocketing unemployment in other industries has not affected the need for nurses, they say.

Last week 15 of about 40 Kansas City area hospitals were advertising for at least one nurse. A company that provides temporary nurses complained it cannot recruit enough employees.

Yet nursing schools report they must turn away applicants because enrollments already are at capacity and in Kansas and Missouri as well as across the nation the number of nurses is growing yearly.

Hospitals have consistently added to their nursing staffs, but not fast enough to keep up with their needs, said Dell Nyland, executive vice-president of the Kansas City Area Hospital Association.

On the average, hospitals here operate with 10 to 13 per cent fewer nurses than budgets call for, he said. The shortage has existed for several years, he added.

Spurring the demand for nurses, he said, is the construction of more hospital rooms, the new fields opening to health workers and the "more intensive" services offered by hospitals.

In the nursing profession, he said, "demands and opportunities are greater."

The director of one of Kansas City's biggest nursing schools agreed. "They'll all have jobs long before they graduate," Mrs. Rose Marie Hilker said of the students who will receive diplomas this spring at St. Luke's Hospital nursing school. "They can be very choosy."

The hospital will hire about 60 per cent of the graduates, and most of the rest will find employment elsewhere in Kansas City, she said. A few graduates of the school take jobs outside the metropolitan area, she added.

"The demand is very great in this part of the country," Mrs. Hilker said. "It's been an increasingly growing problem." And, she said, bigger shortages may come in the future.

Earlier this month President Gerald Ford, citing his desire to prevent "excessive" federal spending, pocket vetoed a $654-million nurse training bill.

"If the students do not have this source of funding (first established by Congress in 1964) it will undoubtedly restrict all future students who want to attend a school of nursing," Mrs. Hilker said. "There simply are no other adequate funding sources."

New medical insurance programs now under consideration in Washington would, if approved, increase the need for nurses, she said. "If National Health Insurance is passed in 1975 the demand for health care could escalate dramatically," she said.

Even now the number of nurses licensed by state boards in Missouri and Kansas has steadily risen, latest statistics show.

Kansas has 18,115 registered nurses (R.N.s) and 5,394 licensed practical nurses (L.P.N.s). The totals have increased an average of more than 400 a year since the mid-1960s.

Missouri has 24,590 R.N.s, a 50 percent jump in the last 10 years. The state also has 12,411 L.P.N.s, compared with 7,598 a decade ago.

Not all of those nurses, however, are employed. For example, in 1974 Wyandotte County has 778 R.N.s, but 158 were classified as "inactive." The county also had 452 L.P.N.s, but almost 20 percent were inactive.

Many women leave their nursing jobs for marital and family responsibilities, said Mrs. Isabelle Headley, president of the Kansas City chapter of the Missouri Association of Licensed Practical Nurses.

With economic pressures increasing at home, some of those are likely to resume their careers, she predicted.

"That is what I thought would happen," said Mrs. Grace Cox, nursing director at Bethany Medical Center.

"But I haven't seen it yet."

Bethany would like to hire four nurses for the evening shift and four to six more for its overnight shift, she said. There are sufficient applicants for daytime work at the hospital, but nurses are not anxious to work nights, Mrs. Cox said.

The Kansas City office of Medical Personnel Pool, a nationwide firm that employs nurses and then contracts their services to hospitals and nursing homes needing temporary help, also lacks applicants.

Most needed are nurses who can work part time, said Mel Chrisco, director. Even a nurse willing to work just one day a month would be hired, he said.

"We would love to have those persons call us," he said. "We'll place them."

Chrisco, who is increasing his recruiting efforts, said he is unsure if there is a shortage of nurses in Kansas City. They may just temporarily be out of the job market, he said.

Also beefing up recruiting efforts is the General Hospital, which is planning a recruiting film to show the benefits of the institution and scheduling a "recruiting tea" next month for area nursing students.

Mrs. Carol Taggart, an employment representative, said General has 12 openings for R.N.s and six positions available for L.P.N.s. To attract applicants she is advertising in Missouri, Kansas, Nebraska, Arkansas and Colorado.

Salaries for beginning nurses at General, she said, are competitive with other hospitals: $6,000, for L.P.N.s, $8,800 for R.N.s An official at another hospital estimated that RNs here can expect starting salaries of $6,500 to $8,000. L.P.N.s make about two or three thousand dollars less than R.N.s, who have more training.

Salaries, fringe benefits and working conditions contribute to nursing shortages in particular regions, the director of the American Nurses' Association statistics department said.

If incentives are not high enough nurses may not be attracted to jobs, Ms. Aleda Roth said.

"There really isn't a shortage of nurses nationwide," Ms. Roth said. Maldistribution, however, is a problem, she added.

Statistics compiled by the association show the varing distribution state by state of R.N.s. Massachusetts, for example, has 649 per 100,000 persons but Arkansas has just 190. Kansas has 400 R.N.s per 100,000 persons, about the national average, but Missouri has 312.

The association estimates there were 857,000. R.N.s employed nationally last year, up from 582,000 a decade earlier.

Nursing school enrollments are also up across the country. In Kansas City both St. Luke's and K.U. Medical Center turn away qualified applicants. The program run by the Kansas City School District had 50 to 60 applicants for a class that began recently. Only 25 could be selected.

"We have a large number of applicants (who must have at least the equivalent of a high school diploma) at all times," said Mrs. Mary Ann Thompson, co-ordinator of health occupations education for the school district.

About 200 students complete the program each year they have little difficulty finding jobs, Mrs. Thompson said.

"We need more," she said. "We still are not meeting the demand."

B'NAI TORAH INSTITUTE

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ROYBAL. Mr. Speaker, I am pleased to offer a few remarks in behalf of the B'nai Torah Institute of Brooklyn, N.Y. B'nai Torah offers its students both a secular and religous education. It concentrates both on the student as an individual and as a member of society. Students for the institute are chosen according to intellectual capacity, leadership qualities and conduct. Tuition is paid in accordance with what the individual family is able to afford.

Students of the institute devote 13 hours a day to their studies, study 12 months a year, and graduate high school in 3 years. The institute often provides a stipend for study after marriage. Bais Hamidrash—the House of Study—is also sponsored by the institute to provide a further education in Hebrew studies after the completion of high school. The "kollel" program for married students provides support for an additional 3 years of study.

B'nai Torah Institute, of which Rabbi Leib Pinter is dean, transmits both the ideals and concepts of the Orthodox Jewish faith, and a deep commitment to work in the Jewish community and the community at large. Rabbi Pinter is to be commended for his role in this highly valuable, unique academic institution.

OPEN HOUSE AMENDMENTS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, I am today introducing a package of nine House reform measures known as the Open House Amendments of 1975. I am joined by the distinguished minority leader (Mr. RHODES), the chairman of our Republican Task Force on House Reform (Mr. FRENZEL), and 58 other Members from this side of the aisle who have cosponsored all or some of these reform resolutions.

I first introduced this package back on January 29, 1975, and the text of my remarks along with a summary of each of the resolutions and their texts may be found in the CONGRESSIONAL RECORD of that date beginning on page 1682. I, therefore, will not take further space in the RECORD at this time to detail each of these measures, but instead will briefly summarize them.

The open house amendments are designed principally to further open up our proceedings, make them more democratic and our Members more accountable to the public. Heading the list of reforms is one to require the radio and television broadcasting of our House floor proceedings, beginning as soon as possible. This measure has 34 cosponsors.

Next on the list is a resolution to prohibit party caucuses from issuing binding instructions on Members' committee or floor votes—58 cosponsors.

Next are five rules changes relating to our committees: the first would insure that the public has access to the records of committee actions—49 cosponsors; the second would completely abolish proxy voting in committees—60 cosponsors; the third would require that committee meetings be open to the public at all times, with only very limited exceptions—53 cosponsors; the fourth, would permit any Member in committee to demand a rollcall vote on any matter, and would also require that the committee take a rollcall vote on any motion to report a bill—50 cosponsors, and the fifth, would require that, for a measure to be brought up under the suspension procedure, it must be with the concurrence of the ranking minority member or at the direction of a majority of the committee—54 cosponsors.

Finally, I have offered a rule change which would require that all House-Senate conferences be open to the public without exception—42 cosponsors—and a bill to require that the House, at the beginning of each Congress, take up to 10 hours of debate on the proposed House rules and that amendments may be offered to the proposed rules—58 cosponsors.

Mr. Speaker, I am gratified by this strong show of support for these House reform amendments from this side of the aisle. I have even received inquiries from the other side of the aisle about cosponsoring some of these. I will, therefore, be circulating a Housewide solicitation for cosponsors in the very near future. In the meantime, I am urging the Rules Committee, of which I am a member, to convene hearings on these and other proposed rules changes which have been referred to our committee. I do not think we should conclude that we have somehow finished the job of reform with the adoption of the Hansen amendments in the last Congress and the adoption of our rules here in January. Much remains to be done to open the House to the public and invite its careful scrutiny and constructive comments on our actions. While opening the House in and of itself will not insure a spurt in our popularity rating, it will begin to bring about a greater understanding of this institution and hopefully bring legitimate pressures to bear on us to do a better job. This is as it should be in a democracy such as ours.

RABBI LEIB PINTER

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SCHEUER. Mr. Speaker, Rabbi Leib Pinter, who delivered the moving invocation in the House on Tuesday, February 18, is dean of the B'nai B'rith Institute in New York, a relatively new arrival on the academic scene.

Under the dynamic leadership of Rabbi Pinter, the institute has been able to attract some of the foremost young scholars and they have already made a significant impact on the study of Jewish education and Talmud.

The B'nai Torah Institute has rapidly earned a high reputation as a center for secondary, college level, and postgraduate Jewish education.

The institute serves a dual role: To develop the fullest potential of each individual student and to respond to its many concentric communities, the country, the Jewish people, the world.

The Jewish instinct for survival, both physical and spiritual, is legendary. Jews are able to survive by transmitting their heritage to the coming generations. By educating gifted children in excellence in intellectual capacity and excellence in moral capacity, the B'nai Torah Institute is preparing the future generation for leadership and responsibility.

LITHUANIA'S SPIRIT OF INDEPENDENCE IS MORE THAN A MEMORY

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. COUGHLIN. Mr. Speaker, as the 200th anniversary of our Nation's independence approaches, it is proper for all Americans to reflect upon the diverse traditions and heritages that have contributed to our unique form of government. It is also appropriate that we reaffirm our dedication to the principles of personal liberty and freedom of choice.

For the millions of people who suffer under the shadow of tyranny, we must continue to provide the inspiration and hope so vital to their struggle for the basic human rights that belongs to all.

It is especially fitting at this time that we recognize the quest of others for the right of self-determination. For February 18 marked the 57th anniversary of the establishment of the Republic of Lithuania. Americans of Lithuanian origin and descent, however, have little cause for celebration.

After only 22 years of independence, their homeland was stripped of its autonomy, and forcibly annexed by the Soviet Union. Although the sovereignty of this nation was a victim of oppression, the proud spirit of its people has never succumbed, and the dream of independence continues to flourish.

As the watchtower of freedom, America must see that this spirit is never broken, nor this dream ever lost. As a nation which acquired and sustained its independence with the lives of many sons and daughters, America must never compromise its commitment to freedom. As a people who cherish liberty as much as we, the gallant Lithuanians have suffered untold hardship and loss in their struggle to determine their own destiny. Their just cause must not be abandoned.

Today, I call upon my colleagues of the Congress and Americans everywhere to join in commemoration of the establishment of the Republic of Lithuania. Let us also reaffirm our efforts to bring about the independence of this valiant people. In so doing, perhaps one day Lithuanians everywhere will again be able to truly celebrate the autonomy of their homeland.

HOUSE OF REPRESENTATIVES—*Thursday, February 20, 1975*

The House met at 12 o'clock noon.

Rev. Charles W. Hoemig, Holy Trinity Lutheran Church, Littleton, Colo., offered the following prayer:

We thank You, O God, for the opportunities of a new day. As we gather here to determine the future course of our Nation, make us mindful of Your promise that "Blessed is the nation whose God is the Lord."

Guided by Your Spirit, may we be high in purpose, wise in counsel, and unwavering in duty. In the administration of our solemn charge, may we serve Your will, uphold the honor of our Nation, secure the protection of Your people, and set forward every righteous cause.

Grant that we may recognize not only the rights of the individual, but also our responsibility to do justly, to love mercy, and to walk humbly with our God. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On February 19, 1975:

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

On February 20, 1975:

H.R. 1589. An act to suspend increases in the costs of coupons to food stamp recipients as a result of recent administrative actions, became law without signature by the President. The 10th day of consideration by the President under the Constitution was February 19, 1975.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1767. An act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

The message also announced that the Senate had passed joint and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 8. Joint resolution to authorize the President to issue a proclamation designating March 1975 as "Youth Art Month";

S.J. Res. 18. Joint resolution to designate March 13, 1975, as "Music in Our Schools Day";

S. Con. Res. 13. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the International Atomic Energy Agency, proposed by the Atomic Energy Commission on January 8, 1975;

S. Con. Res. 14. Concurrent resolution expressing the approval of the Congress of the distribution of amounts of special material to the European Atomic Energy Community, proposed by the Atomic Energy Commission on January 8, 1975; and

S. Con. Res. 15. Concurrent resolution expressing the approval of the Congress of the amendment to the 1955 "Agreement for Cooperation Between the Government of the United States of America and the Government of Israel Concerning Civil Uses of Atomic Energy" proposed by the Atomic Energy Commission on January 14, 1975.

The message also announced that the Vice President, pursuant to Public Law 91-452, appointed Mr. McGOVERN as a member, on the part of the Senate, of the National Commission on Individual Rights in lieu of Mr. Ervin, resigned.

And that the Vice President, pursuant to Public Law 93-579, appointed Mr. Robert J. Tennessen and Mr. William Dickinson to the Privacy Protection Study Commission.

THE REVEREND CHARLES W. HOEMIG

(Mr. ARMSTRONG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMSTRONG. Mr. Speaker, I am pleased to welcome a distinguished constituent of mine—and a minister truly concerned with people—Pastor Charles Hoemig.

Pastor Hoemig guides the Holy Trinity Lutheran Church of Littleton, Colo., and has had the kindness to stop on his return from missionary work in Bangladesh and to offer today's opening prayer. He has also spent time working with missions in Burma and India in the past several years.

A graduate of Indiana University and the Lutheran School of Theology in Chicago, Pastor Hoemig has lived 15 of the last 17 years in Colorado and spent the last 10 years at Holy Trinity Lutheran Church.

In addition to being a man of God devoted to people and to his beliefs, Pastor Hoemig has shouldered an additional load of civic concern and involvement. He is an outstanding citizen of Colorado and I am proud to welcome him today.

THE "911" EMERGENCY TELEPHONE NUMBER

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSH. Mr. Speaker, several weeks ago I introduced legislation to support the concept of and assist in the funding of the "911" emergency telephone number. A recent incident in Fort Wayne, Ind., in my congressional district once more confirms to me the importance of "911" in emergencies.

The Rosemarie Hotel in Fort Wayne

suffered a serious fire 2 weeks ago. The woman who first smelled the smoke and alerted the fire department was Mrs. Irene Shaw, also a night desk clerk at the Rosemarie.

Mrs. Shaw smelled the smoke, sought the source and rushed to call the fire department. She has since complimented them on their quick arrival at the scene of the fire. However, she also said that she had had to dial the operator because "I couldn't remember the emergency number." That is a refrain we hear over and over again when people talk about emergencies they have experienced. Who has time to hunt the appropriate number in the phone book? And who carries them around in their head?

So this is not a unique case. While the firemen who put out the blaze are to be commended for quick thinking and fast action, who knows how much property might have been saved had Mrs. Shaw been able to directly dial "911" and report the fire herself? We will never know. This is only one more example of why I keep urging the adoption of the "911" emergency number for police, fire and medical emergencies throughout the United States.

PERMISSION FOR SUBCOMMITTEE ON MANPOWER, COMPENSATION AND HEALTH AND SAFETY OF COMMITTEE ON EDUCATION AND LABOR TO SIT THIS AFTERNOON

Mr. DOMINICK V. DANIELS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Manpower, Compensation, and Health and Safety of the House Committee on Education and Labor have permission to sit this afternoon to hear testimony from the Governors of various States.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO THE U.S. AIR FORCE ACADEMY

The SPEAKER. Pursuant to the provisions of 10, U.S.C. 9355(a), the Chair appoints as members of the Board of Visitors to the U.S. Air Force Academy the following Members on the part of the House: the gentleman from Georgia, Mr. FLYNT; the gentleman from New York, Mr. STRATTON; the gentleman from Colorado, Mr. ARMSTRONG; and the gentleman from Louisiana, Mr. TREEN.

ELECTION OF MEMBER TO COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. RHODES. Mr. Speaker, I offer a privileged resolution (H. Res. 224) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 224

Resolved, That CHARLES W. WHALEN, JR., of Ohio be, and is hereby, elected a member of the Committee on the District of Columbia.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on a bill rescinding certain budget authority recommended by the President and transmitted pursuant to the Impoundment Control Act of 1974.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MAKING IN ORDER ON TUESDAY NEXT CONSIDERATION OF JOINT RESOLUTION MAKING FURTHER CONTINUING APPROPRIATIONS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on Tuesday next, or any day thereafter, to consider a joint resolution making further continuing appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the joint resolution making further continuing appropriations for the fiscal year 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 210, FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS, 1975

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 223 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 223

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 2(1)(6) of rule XI and clause 7 of rule XXI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, and all points of order against said joint resolution for failure to comply with the provisions of clause 2, rule XXI, are hereby waived.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 19]

Addabbo
Aspin
Barrett
Brown, Mich.
Chisholm
Clawson, Del
Conyers
Dellums
Diggs
Dingell
Downing
Drinan
Edwards, Calif.
Esch
Eshleman
Florio
Foley
Fountain
Fraser
Fulton
Gibbons
Goldwater
Harsha
Hébert
Hefner
Holland
Jarman
Jones, Okla.
Kastenmeier
Leggett
Levitas
McCormack
Macdonald
Milford
Mills
Moakley
Moorhead, Calif.
Pritchard
Rangel
Rees
Riegle
Rosenthal
Rousselot
Runnels
Scheuer
Seiberling
Steed
Stuckey
Taylor, Mo.
Teague
Traxler
Ullman
Waxman
Wiggins

The SPEAKER. On this rollcall 378 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MAKING FURTHER URGENT SUPPLEMENTAL APPROPRIATIONS, 1975

The SPEAKER. The gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 1 hour.

Mr. MATSUNAGA. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. MATSUNAGA. Mr. Speaker, House Resolution 223 provides for consideration of House Joint Resolution 210, which, as reported by our Committee on Appropriations, would make further urgent supplemental appropriations in the amount of $117,175,000 for the fiscal year ending June 30, 1975. House Resolution 223 waives all points of order under clause 2(1)(6) of rule XI and clause 7 of rule XXI of the Rules of the House of Representatives relating to the 3-day filing requirement for the bill and report. House Resolution 223 also provides for a waiver of all points of order against the joint resolution for the failure to comply with the provisions of clause 2, rule XXI, prohibiting legislation in an appropriation measure and prohibiting unauthorized appropriations. These waivers are necessary to enable the Committee on Appropriations to bring this urgent joint resolution to the floor today.

Mr. Speaker, the reason for the waiver of points of order with respect to clause 2, rule XXI, is that certain sections of chapter I of the joint resolution contain language which are legislative in character, and that the appropriation for the Federal Railroad Administration in chapter II has not yet been authorized by law, although the necessary legislation has passed both the House and Senate.

Mr. Speaker, of the total supplemental appropriations of $117,175,000, the sum of $17,175,000 is provided under chapter I of the joint resolution to meet the critical need of the House of Representatives for additional space. The balance of $100,000,000 is provided under chapter II for interim operating assistance for the Penn Central and certain other railroads under reorganization in the Northeast and Midwest regions of the country.

Under chapter I of the joint resolution, the sum of $15 million would be used to convert the building located on square 581 in the District of Columbia into office space for the House of Representatives. In terms of a more familiar description, the building is an old FBI warehouse at the corner of Second and D Streets SW., which has housed fingerprint files. The $15 million appropriation for this purpose includes $1.5 million for furnishings in the converted building.

Mr. Speaker, the proposed additional House office building would help to relieve the present overcrowding both in committees' and Members' offices. Based on requests from committees received in 1973 by the Committee on Committees and requests received from Members by the House Office Building Commission, present estimated needs for additional space total 1,037,500 square feet. The old FBI warehouse, if converted into an office building, would provide an estimated 432,840 net usable square feet, and therefore would meet nearly 50 percent of present House needs for additional space.

The remainder of chapter I funds would be used to meet the expenses of the House of Representatives in various other categories.

Mr. Speaker, chapter II appropriations are provided because of impending cessation of certain rail operations this month. The sum of $100 million, under an authorization measure passed by the House only yesterday, would be made available through the Federal Railroad Administration to bankrupt railroads in the Midwest and Northeast regions, particularly the Penn Central. The joint resolution, as in the case of the authorization bill which was passed by this body yesterday, does not specifically allocate the funds among the railroads.

The appropriation for $100 million would help to insure the continuance of essential rail services until the Consolidated Rail Corporation can take over the rail system in 1976. The bankrupt railroads have experienced a significant decline in traffic as a result of the recent coal strike and the current recession, creating a critical cash shortage.

Mr. Speaker, I urge the adoption of House Resolution 223 in order that House Joint Resolution 210 may be considered.

Mr. QUILLEN. Mr. Speaker, I yield myself so much time as I may use.

The distinguished gentleman from Hawaii (Mr. MATSUNAGA) has ably explained the provisions of the resolution bringing this bill to the floor of the House. Whatever our feelings might be on final passage of the supplemental, I would think that it is only proper for this House to debate the appropriation for the Penn Central and other railroads, as well as the appropriation for the renovation of additional office space.

I know a number of us have certain reservations on one item or the other, but I think it is only proper that this House debate the measure fully and work its will.

Mr. Speaker, yesterday when this measure was before the House Committee on Rules, I asked those presenting the measure to us if they had considered using space in the new Library of Congress Annex and they explained that under the measure that was passed, there was a phrase in the law which said that no space in that building could be used for office space other than for use by the Library of Congress, and whereas the House might work its will on correcting that measure, that there might be some difficulty in the Senate.

Mr. Speaker, I reserve the balance of my time, but I do have one request from the gentleman from Maryland.

Mr. Chairman, I yield 5 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I am opposed to this rule and I am opposed to this bill in its present form. I will offer an amendment to strike out the section dealing with further funding for the new House of Representatives office building.

First of all, I would like to point out, and I am not going to make a point of order because I doubt that it would be sustained, that particular rule waives points of order in two areas. One waiver is in the case of the emergency railroad appropriation, since the authorization bill has not yet passed the Congress. In the other case, a waiver is permitted since this bill contains legislation on an appropriation bill which is usually against the rule.

Those of you who have read this particular report will note on page 7 an attempt to comply with clause 2(1)(4) of rule XI of the rules of the House. This rule says we must include in all our reports an inflationary impact statement showing what the legislation would do in the way of creating more inflation.

If you have read the ludicrous explanation in the report which purports to show the inflation impact, it is obvious that this rule has not been complied with, since we are told, incredibly, that there is no inflationary impact.

I believe that those in the House of Representatives who talked so grandly of cutting back the budget and reducing spending ought to start out with saving money on our own housekeeping chores. There is no justification for this increased office space. There is no reason to divert $17 million of the taxpayers' money without proper hearings, without proper legislation by the committee and with a rule waiving all points of order.

Mr. Speaker, we all know that the American people feel that the Congress of the United States neither cares about their problems nor acts in a proper manner on the issues before them. I think we ought to set an example today by knocking out this expensive provision. We should defeat the rule or amend the bill. We have that chance. Let us see if we mean what we say or whether, as most of the American people believe, we are just giving lip service to economy in Government.

Mr. MATSUNAGA. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour and that the time be divided equally between the gentleman from Michigan (Mr. CEDERBERG) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 210) with Mr. MURPHY of New York in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, the urgent joint resolution we bring before the House today appropriates a total of $117 million. Of this sum, $100 million is urgently needed to insure that essential rail services will be continued in the Midwest and Northeast regions. The House passed the necessary authorizing legislation yesterday. If this appropriation is not promptly enacted, several railroads, particularly the Penn Central, will cease rail operations next week.

The other $17 million in the resolution is for the legislative branch to provide relief to the critical space requirements of the House of Representatives. The major item here is for the renovation and alteration of the old FBI Identification Building at Second and D Streets SW.

These items were handled by the Appropriation Subcommittees headed by the gentleman from California (Mr. MCFALL) and the gentleman from Texas (Mr. CASEY).

LEGISLATIVE BRANCH

Mr. Chairman, as I indicated the resolution now before the House would appropriate $17,175,000 to provide immediate relief to the critical space requirements of the House of Representatives, including alterations to an existing building located at Second and D Streets SW.—the old FBI Identification Building—and related costs of furnishings, maintenance, and protection of the building.

The appropriation includes $14,500,000 for alterations, $1,500,000 for furnishings, $500,000 for maintenance, and

$375,000 for police protection at the building.

The resolution also includes $300,000 for alterations in committee rooms and other areas in the Capitol and House Office Buildings to better meet space requirements, including needs of the new Ways and Means Subcommittees.

Assignment of space in the new facility, as well as reassignment of space in the existing buildings, is under the jurisdiction of the House Office Building Commission. It is contemplated that activities whose functions do not require direct and immediate access by Members and their staffs could be moved to the new building, including such support activities as computer and payroll operations, some shop facilities of the Superintendent of the House Office Buildings and the Clerk of the House, the Architect's Construction Management Division, employee organizations, printing services, ad hoc groups, certain Capitol Police facilities, and others.

FEDERAL RAILROAD ADMINISTRATION

Mr. Chairman, the resolution also includes the full budget estimate of $100 million to insure continuation of essential rail services in the Midwest and Northeast regions. Unless additional funds are promptly made available, several railroads, particularly the Penn Central, will cease rail operations this month. These railroads have experienced significant declines in traffic due to the general economic downturn and the recent coal strike. This has resulted in revenue losses and immediate cash shortages.

Funds are not earmarked by railroad. Although it is anticipated that the largest portion of the funds will go to the Penn Central, the funds recommended are available for all railroads determined to be in reorganization under the Regional Rail Reorganization Act. The amount is also available for maintenance efforts for passenger service in the Northeast corridor.

Mr. Chairman, the Appropriations Committee reported this measure on Tuesday and appeared before the Rules Committee yesterday. Also on yesterday the President transmitted a further supplemental appropriation for $25 million for interim operating expenses under the Department of Transportation. At the proper time when we are under the 5-minute rule, it is anticipated that an amendment will be offered to add that $25 million to the resolution. This further request has been anticipated by the committee and was taken under consideration during the recent hearings on this matter. This additional $25 million has the support of a majority of the committee.

Mr. BAUMAN. Mr. Chairman, will the distinguished chairman yield?

Mr. MAHON. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, would the distinguished chairman of the Appropriations Committee tell me whether or not, in his opinion, there was any compelling evidence presented to his committee regarding the need for this House of Representatives additional office space on an urgent supplemental basis, or is this something that can wait for due consideration?

Mr. MAHON. Additional space is urgently needed if we are to carry out the activities which the House of Representatives is undertaking. The Speaker of the House came to me, as chairman of the Committee on Appropriations, during the last session of Congress and expressed the desire that we formulate legislation to take over and use this well-constructed building, the old FBI Identification Building, so that it would be available for use for a field office for the Architect of the Capitol and for various functions that can be handled acceptably at some distance from the Capitol itself.

As the gentleman knows, we have a new Select Committee on Intelligence; we have expanded the number of subcommittees, increased minority staffing, and made a number of other staff increases. We really are desperately in need of additional space if we are to acceptably perform our duties as representatives of the American people.

So, in my opinion, it is an urgent matter, and it is unfortunate that it could not be taken care of at an earlier date.

It may be that in perhaps 2 or 3 years the House may be able to use the so-called South Portal Building, which is adjacent to the Botanical Gardens and is still under construction. But we need space now in order to carry on our work as Members of the House and as members of the various committees.

We do not now need all of the space that is available in the old FBI Building, and I hope we would never need all of it. But it will be available and other agencies will be able to use the space we do not need. The building must be updated. It is a wonderfully constructed building. It is a reinforced concrete building, and it will be improved, regardless of whether we do it for the legislative or for the executive branch. So it is well that we appropriate the necessary funds, provide the jobs, and also get the space that is so urgently needed.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. Yes, I yield to the gentleman.

Mr. BAUMAN. Do I understand the chairman to say that this building may only be used temporarily, that these funds will be expended for a temporary restructuring and we may move elsewhere in the future?

Mr. MAHON. The space that we may use could be used temporarily, say over a period of 2 or 3 years. But the General Services Administration proposes to modernize and repair this building, regardless of whether we use it or not. And if we do not use the space, then some other agency of Government will. Some of this space I think can be made available in a couple of months, and as the present occupants move into other space. So it is needed, and urgently needed.

Mr. BAUMAN. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, we have before us today two items in this urgent supplemental, one having to do with the railroad situation. We are faced with the very fact that unless we take some action and take it in a very prompt manner, we are going to find ourselves without railroad service, which will have a very serious economic impact upon many, many areas of the country.

I understand and I realize that there are some differences of opinion regarding the requirements and the request for the new space for the House of Representatives and the question of taking over the building that is being vacated by the FBI. I should say, as has been stated by the chairman of the committee, that this is a matter that we have discussed with the Building Commission, which is made up of the Speaker, the majority leader, and the minority leader. The Speaker and this committee have been under very tremendous pressure because of space requirements that we have in the House of Representatives.

These space requirements come about because of the actions that have been taken in the Congress. Some of the actions have been taken recently, I guess in the Democratic Caucus, which requires the addition of new subcommittees and all kinds of other activities; and, of course, this requires additional space.

I do not want to take too much time to discuss this because the gentleman from Texas, the chairman of the subcommittee, and the gentleman from Pennsylvania, the ranking minority member, will have the time to do that. I only want to say this, as ranking member of the committee: After looking into the matter, after discussing it with those who are involved, I really do not see where we have any effective options other than to do what we are doing.

A question comes about as to why we are spending so much money. I think it has already been pointed out that this building is being vacated by the FBI. It is going to be renovated whether or not it becomes a part of the House of Representatives complex. The General Services Administration already has plans to do that.

As a matter of fact, the estimates that the Architect of the Capitol received were based upon the actions that were contemplated by the General Services Administration in preparing this building for occupancy by HEW. So as to what was done, after looking for space, they came up with this particular proposal, and this was the most feasible answer that we could arrive at in this emergency situation.

Mr. Chairman, in closing I would like to emphasize again that our current space problems result from actions which we in the Congress have taken over the years. We have created various organizations, which of course require additional staff, and now we have to find space.

Yesterday, I asked the Congressional Research Service to prepare a list of congressional actions which have been taken during the past few years, which have added staff, and which are largely responsible for our current shortage of space.

The list is not complete, but I think the Members of the House will find it instructive.

AGENCIES, BOARDS, COMMITTEES, COMMISSIONS, AND OFFICES CREATED IN THE LEGISLATIVE BRANCH (1970 TO 1975)
SELECTED STATISTICS ON STAFFING

Agency, Committee, Commission, Office or Board	Authority	Initial staff authorization	Present staff (based on latest source)
Cost Accounting Standards Board	Public Law 91-379, Aug. 15, 1970, sec. 719, 84 Stat. 796.	No limit in act. (Act provides specifically for 2 staff members for executive secretary.)	42 (Budget message, fiscal year 1976, 1975 estimate).
Select Committee on Committees (House)[1]	H. Res. 132, passed Jan. 31, 1973	No limit in resolution	18 (Report of Clerk, January–July, 1974).
Legislative Classification Office (House)	H. Res. 988, passed Oct. 8, 1974 (sec. 203)	No limit in resolution	Not organized.
House Commission on Information and Facilities	H. Res. 988, passed Oct. 8, 1974 (sec. 204)	No limit in resolution. Sec. 204(9) requires utilization of staff of Joint Committee on Congressional Operations in addition.	Not organized.
Office of Law Revision Counsel (House)	H. Res. 988, passed Oct. 8, 1974 (sec. 205)	No limit in resolution	Not organized.
Office of Technology Assessment	Public Law 92-484, Oct. 13, 1972, sec. 3, 86 Stat. 797.	No limit in act	56 (Budget message, fiscal year 1976, 1975 estimate).
Congressional Budget Office (House and Senate)	Public Law 93-344, July 12, 1974, sec. 201, 88 Stat. 302.	No limit in act	Not organized.
House Information System Office	Created under House Administration in April, 1971. First funding resolution passed in November, 1971 (H. Res. 601).	134 (H. Res. 1003, Apr. 1, 1974)	128 (Telephone call Feb. 20, 1975).
Permanent Select Committee on Aging	H. Res. 988, passed Oct. 8, 1974	No provisions for staffing	Not organized. (Telephone call Feb. 20, 1975.)
Committee on Small Business (replaces Permanent Select Committee on).	H. Res. 988, passed Oct. 8, 1974 (sec. 2(t))	18 professional, 12 clerical (H. Res. 988, Oct. 8, 1974).	17 (as of Jan. 21, 1975) (Telephone call Feb. 20, 1975).
Senate Committee on the Budget	Public Law 93-344, July 12, 1974, sec. 102, 88 Stat. 102.	Staffing limitations of 1970 Legislative Reorganization Act waived. Estimate: 60 (telephone call Feb. 20, 1975).	50 (Telephone call Feb. 20, 1975).
House Committee on the Budget	Public Law 93-344, July 12, 1974, sec. 101, 88 Stat. 299.	Staffing limitations of 1970 Legislative Reorganization Act and H. Res. 988 (Oct. 8, 1974) waived. Estimate: 60 (telephone call Feb. 20, 1975).	36 (Telephone call Feb. 20, 1975).
Legislative Counsel Office (House)	Public Law 91-510, Oct. 26, 1970, sec. 501, 84 Stat. 1201.	No limit on staffing	46 Legislative Branch Appropriations Act, 1975, p. 305.
Commission on Congressional Mailing Standards	Public Law 93-191, Dec. 18, 1973, sec. 5(a)	No limit in act, sec. 5(a) authorizes staff assistance from Committee on Post Office and Civil Service.	3 (telephone call, Feb. 20, 1975).
Office of Placement and Management	Public Law 91-510, Oct. 26, 1970, sec. 406, 84 Stat. 1189.	No limit in act	42 (Report of Clerk, January–July, 1974).
Joint Committee on Congressional Operations	Public Law 91-510, Oct. 26, 1970, sec. 401, 84 Stat. 1187.	6 professional, 6 clerical (Public Law 91-510, Oct. 26, 1970).	9 (Report of Clerk, January–July, 1974).
Office of Federal Elections, in General Accounting Office.	Public Law 92-225, Feb. 7, 1972, sec. 308(c), 86 Stat. 17[2] (gave authority to GAO to study administration of elections).	No limit in act	5 (telephone call, Feb. 20, 1975).
Special Commission on Modernization of House Galleries.	Public Law 91-510, Oct. 26, 1970, sec. 499, 84 Stat. 1200.	No provisions for staffing	1 (telephone call, Feb. 20, 1975).

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[1] Other select and special committees created since 1970 include: Senate Select Committee on Nutrition and Human Needs; Senate Select Committee on Presidential Campaign Activities; Senate Special Committee on Termination of the National Emergency; Senate Select Committee on Equal Educational Opportunities; House Select Committee on Crime.

[2] Public Law 92-225 also gave additional authority over campaign law enforcement to the Clerk of the House and the Secretary of the Senate. No provisions were made for staffing, with determination of needs to be made by the two offices.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

I must say to the gentleman, who is my friend, that I hate to be here on the floor opposing the position of my friend, the distinguished ranking Republican on this committee, on this point, but the question that seems to me to be the one that needs to be asked is this:

First off, just what is the point of this? Is the building not good enough to work in under the present conditions? Are they not using it now?

Mr. CEDERBERG. Yes, they are using it now. Much of it is being used for warehouse space and for the FBI Fingerprint Division, and so forth. But it is not practical to continue using it as it has been used.

The building is structurally sound, but it does require some modifications, regardless of who takes it over. A new roof has to be put on the building; there will have to be a new sprinkler system installed; air-conditioning will have to be put in; and windows will have to be replaced. This is going to be done whether or not it comes under the jurisdiction of the House of Representatives.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for his answer.

If the gentleman will yield further, the other question is this:

Just what is there that this House and this Congress, considering the control it has been under for the last 25 years, have done that is so wonderful for the American people—and particularly, this new Congress, including all the new reformers—to justify our coming in and telling our constituents we need more people?

Mr. CEDERBERG. Mr. Chairman, it does not make much difference whether we think we are going to need them or not; they have been mandated. If the gentleman will look at the report, he will find the number of people involved—and I am just giving round figures—and the fact is that the staff and the employees of Members, from 1960 until, I believe, 1974, went up from something like 3,800 to just under 10,000.

With some of the other things that have come along, for instance, with respect to the Budget Committee—and I am sure the gentleman voted for the Budget Committee—there are great staff requirements that have not been met. They all require space.

There are other actions that have been taken, including computerizing the House of Representatives, which seems to be the modern thing to do. That has taken up substantial space on the top floor of the Rayburn Building, and that space could be vacated and they could be moved over to this other area. These are actions that have been taken in the past, and whether the gentleman agrees or not, the fact is they are there.

Mr. SYMMS. Mr. Chairman, I appreciate the gentleman's explanation, but the point I am trying to get at is this:

We keep passing one law on top of another law, on top of still another law, and then we have to bring in these minions of people to proliferate the Government, just for the purpose of bringing more rules for the public to follow.

Mr. Chairman, I might even vote for the bill if it could be guaranteed that this is the end, but I do not think we have any such guarantee.

Mr. CEDERBERG. I certainly could not guarantee that.

Mr. SYMMS. Mr. Chairman, we simply expand these programs, and then we say we are going to have to get more people.

Mr. CEDERBERG. Mr. Chairman, I certainly cannot guarantee this would be the end, because almost everything today is a Federal problem. That is what happens these days.

When I came here 23 years ago, that was not the case. Local communities took care of local problems, and States took care of the problems within States. Today, however, the Federal Government is involved in almost all these things.

Mr. SYMMS. Why is it that everything must be a Federal problem?

Mr. CEDERBERG. Mr. Chairman, I am not saying everything should be a Federal problem, but it is a fact. It is a fact of life under which we are living.

Mr. SYMMS. Mr. Chairman, if the gentleman will yield further, I wish to point out that I am not being critical of the gentleman in the well.

Mr. CEDERBERG. I know that.

Mr. SYMMS. But the point is this: Is it not a fact that it is as a result of what has happened here in this Congress that everything has become a Federal problem, and that would not be true if the Congress had not voted for some of these programs?

Mr. CEDERBERG. Mr. Chairman, the answer is obvious. The gentleman does not need an answer to that question, because he knows what the answer is. Obviously, the answer is "Yes."

Mr. SYMMS. Mr. Chairman, I think

the gentleman shares the same point of view that I have.

Mr. CEDERBERG. Of course, I share the same point of view.

Mr. SYMMS. Mr. Chairman, if the gentleman will yield further, I still cannot see any reason why it would help my constituents to expand the minions of people that work now in the Government, and I cannot see how it would help to pass more laws than we have.

Thank God, the people do not get all the government they pay for or everybody would be out of business.

Mr. CEDERBERG. These are the objections that have been made long before, but apparently not enough people have paid attention to the objections that the gentleman and others have made. That is the problem.

Mr. SYMMS. Mr. Chairman, I think the gentleman recognizes that it is not for lack of respect for the gentleman that I have to oppose this bill.

Mr. CEDERBERG. Mr. Chairman, I have no objection to the gentleman's opposing the bill at all, but I hope he does not come around asking us for extra space, because there simply will not be any.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding.

I am aware of the fact that the ex- rising rather astronomically. Although I have a high respect for all of these penditures for the Capitol Police are people, it seems that we are getting an awfully large increase for these costs.

How much is it going to cost for police protection for this extra space?

Mr. CEDERBERG. Mr. Chairman, if the gentleman will look at the report, he will find the answer. We have to have a substantial number of police personnel, no matter where we are and no matter where we wind up. It is also true that we will also have to have space for the computers over there, and all of these other things have to be taken into consideration.

Not only do we have to have police over there; we will have to have charwomen and other people to clean up the building. We have to have those things.

Mr. KETCHUM. I thank the gentleman.

Mr. CEDERBERG. That will occur whether we have the building or not.

Mr. KETCHUM. I see in the report here that we are talking in terms of almost $1 million for police protection.

Mr. CEDERBERG. I think so, and probably what we are protecting is worth much more than $1 million.

Mr. MICHEL. Mr. Chairman, will the gentleman yield for one quick question.

Mr. CEDERBERG. I yield to the gentleman from Illinois.

Mr. MICHEL. If we move to provide additional office space for Members of the House, am I to understand that maybe there will be some office space freed up here in the Capitol? For example, take the minority whip office. We are supposed to be content with some ceremonial office off the second floor. That is, we have a whip organization with 16 people.

I would like to know what kind of job we think ought to be done. It seems to me that there is no more deserving office space in the Capitol than adequate space for the leadership on both sides and that some of these extraneous kind of things taking up valuable space here in the Capitol could very well be diverted some place other than here in the Capitol.

Mr. CEDERBERG. I agree with the gentleman.

Mr. MICHEL. I would like to have some degree of assurance, for heaven's sake, that if we do this, we will have some sense of priorities about how that allocation goes here in the Capitol itself.

Mr. CEDERBERG. I agree with the gentleman. Of course, I am not in a position to do anything about that. That is a matter that comes before the Building Commission, which is controlled by the majority on the other side. I am sure that if the approach were made, the minority leader would give all the cooperation he possibly could.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. With reference to this question, has there ever been a list made that shows what select committees of other agencies that have something to do with the Congress but are not really, directly subcommittees of the Congress or at least part of the subcommittees, would be moved? I think most of us could say that we need additional space for a particular resource or something like this, but right now there are a number of these that are taking prime space in the three House office buildings. It seems to me that many of those could be moved three blocks away without any discomfort.

Mr. CEDERBERG. That is what is contemplated, moving some of those people over there.

Mr. MYERS of Indiana. If the gentleman will yield further, is there a list that has been made up of who probably would be moved?

Mr. CEDERBERG. No, there is not a list made up of who probably would be moved. I suppose that probably a good reason for that is that if we had a list of who is going to be moved, then all the lobbying efforts would be to move somebody else, and they would say, "Don't move me."

I think the wise thing to do is to say that when the building is available, you move, and that is it.

Mr. MYERS of Indiana. The other way it might save a little time.

Mr. CASEY. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. McFALL).

Mr. McFALL. Mr. Chairman, chapter II of this resolution would provide $100 million in interim operating assistance for the Penn Central and certain other railroads in reorganization in the Midwest and Northeast regions. This will insure that all of these railroads—the Penn Central, Erie-Lackawanna, and all the others—will have sufficient funds to meet their current operations and to meet their needs for the next several months.

These railroads serve an area in which over 40 percent of the country's population live in and which approximately 50 percent of the Nation's industrial goods are produced. The Penn Central alone, operating in 13 States, provides exclusive rail service to 47 counties populated by over 6 million people. The Penn Central employs about 80,000 people and operates a total rail system in excess of 19,000 miles.

Railroad service is so intertwined with the Nation's industrial production that it was estimated that a 1-month disruption of service in one State—Indiana—would result in an unemployment rate in that State approaching 25 percent. An 8-week shutdown of rail service in the Midwest and Northeast regions would reduce the gross national product by almost 3 percent and reduce the Nation's overall economic activity by about 4 percent.

The adverse economic impact of such a cessation of rail service would not be confined to the Midwest and the Northeast. The affected railroads are part of an integrated rail network which links the country. The northeast railroads, for example, receive over 300 cars daily from Alabama, over 640 cars a day from California, and over 520 cars a day from Minnesota. In return, the same railroads dispatch over 680 cars a day to Texas, over 200 daily to Washington, and over 550 cars a day to Tennessee.

If financial aid is not forthcoming, the Penn Central and the Erie-Lackawanna will be unable to meet their payrolls next week. This would require an embargo of all traffic and would set in motion a chain of events that could bring industry in the Midwest and Northeast to a virtual standstill and prolong and intensify the current recession.

In addition, I believe that a termination of service would jeopardize all efforts to create a more energy efficient national transportation system at a time when the country is beginning to seek ways to reduce its dependence on costly imported oil. A shutdown would cripple attempts to get shippers to reverse the flow of freight away from the railroads. Finally, termination of service in the Midwest and Northeast would disrupt the flow of vitally needed coal and would hinder any chance for an economic upturn by severely restricting the amount of transportation available for the shipment of industrial goods.

Mr. CONTE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in support of House Joint Resolution 210. The need for additional operating and maintenance subsidies for the bankrupt Northeast railroads is as critical as it is unpleasant.

Eight railroads in the Northeast—virtually the entire rail network—are in bankruptcy. Each is unable to operate on a profitable basis without cutbacks in service which would strip all but major population centers of rail service.

In enacting the Rail Reorganization Act of 1973, the Congress has provided a means of restructuring six of the eight bankrupt railroads into a single, coordinated network capable of providing adequate rail service for the Northeast and Midwest portion of the country. Restructuring is proceeding smoothly under the guidelines laid down by the act. The U.S. Railway Association will make its preliminary recommendations for a new consolidated rail corporation network to consolidate the bankrupt systems into a single rail network capable of operating on a for-profit basis. Public comment on the preliminary recommendations will be heard and evaluated by the U.S. Railway Association planning office. Following their recommendations, the U.S. Railway Association will make a final recommendation to the Congress on July 26, with Congress having until October 26 to approve the plan. ConRail will then take over Northeast rail operations shortly after the first of the year.

To maintain service during the reorganization process, the Congress last year appropriated $85 million in grants for the continuation of rail service, backed by $150 million in loan guarantees.

Increased fuel costs, the November-December coal strike, materials costs increased by inflation, and the effects of the current recession have exhausted these funds. During the coal strike, for example, the Penn Central estimated its operating losses at $5 million per day. The recession has caused severe cutbacks in the shipment of automobiles and basic materials such as steel. With the decline in operating revenues, cash flow is approaching a standstill.

The legislation before the House today will provide an additional $75 million in emergency operating assistance and $25 million for track maintenance. H.R. 2051, passed by the House yesterday, authorized an additional $150 million in loan guarantees. With the possible exception of the deteriorating situation with the Erie-Lackawanna, the committee is hopeful this assistance will carry the railroads through to the establishment of ConRail.

In recommending passage of this bill, I want to make it clear that I do not condone the poor management of the northeast railroads. The railroads have been on the downgrade since 1900 because of faulty management. Required maintenance has not been performed, the cream of the railroads' assets has been skimmed leaving only skimmed milk in the railroad itself. We are left with a stark choice between cash infusions or no rail service.

I also have serious reservations as to the effectiveness of the ICC. It is an old, antiquated, outmoded bureaucratic agency incapable of making a timely decision. They seem to be living back 75 years ago. Hopefully, this year will see the Congress review this agency and restructure it to bring it up to the needs of the times. Pehaps we should simply abolish the ICC and start all over.

Frankly, Mr. Chairman, the Congress has a gun to its head. We either approve this assistance or the Penn Central, followed by the other railroads, will cease operations. That would bring not only a catastrophe to the East, but would bring on one of the worst depressions that this country has ever seen. Automobiles could not be shipped from Detroit, steel would sit in Pittsburgh, coal would remain in the Appalachians. The entire economy would be locked up.

The assistance requested today is temporary and would allow the continuation of the orderly transition to an integrated, efficient, and self-supporting rail system for the Northeast. Despite the unpleasantness of the need, I urge my colleagues to adopt House Joint Resolution 210.

Mr. COLLINS of Texas. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Texas.

Mr. COLLINS of Texas. I thank the gentleman for yielding.

I heard the reference of the gentleman from Massachusetts to management inefficiency. Could he be more specific as to how he thinks management has done an inefficient job in operating the Penn Central Railroad?

Mr. CONTE. The record just speaks for itself. The Penn Central Railroad has been going downhill for the last three decades, maybe even longer. They have had some management there waxing fat on big salaries, and not tending to their work, and letting the railroad deteriorate.

As I said here, they are skimming the cream off the railroad, buying expensive properties down in Florida and elsewhere, places like the Boca Raton Club, for example.

The **CHAIRMAN.** The time of the gentleman has expired.

Mr. CASEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, of course we have been placed on notice that amendments are going to be offered to strike the funds providing for additional House office space. I want all the Members to know that by striking these funds, we cannot go back home and say, "Well, I saved you $15 million," because that $15 million is going to be spent anyway. It will be spent by the General Services Administration to remodel the building for use by the Department of Health, Education, and Welfare. Fifteen million dollars is a lot of money, but it cannot be avoided due to the type of activities for which the building has been used in the past. It has been used primarily to house files, and in order to convert it to general office space it is going to cost this money. It is not centrally air conditioned. The estimate to make these alterations was obtained from the General Services Administration based on what they were going to do to convert it to general office space for HEW and it follows the same pattern of use that we anticipate.

Some say, Why do we need this space? Space needs have been accumulating for several years. Just look at the action of this body this past year as well as this year. I will say to the gentleman on the other side of the aisle, the minority has insisted on more staff being allocated to the minority, and we have got to have places to put these additional people. The Committee on Ways and Means is now going to have six subcommittees, where before they had no subcommittees. Other committees are required to establish subcommittees. We have the new Budget Committee, and new responsibilities have been given to existing committees. So these additional space requirements all build up. Practically every Member could probably use a little more space of some sort, especially for functions that do not necessarily have to take place right in his immediate office, such as mailouts—we have got to have space for that type of activity—our mimeograph machines and business machines do not have to be right at our office doors.

The Speaker has requests from at least 85 Members for additional space. If we can move operations that are not essential to be up here "on the Hill," we can let some of our new Members have this good space. Frankly, one of my colleagues from Texas, a new Member from Texas, is on the fifth floor of the Cannon Building. Trying to find the fifth floor of the Cannon Building is a little difficult; one will soon learn that all elevators do not go to the fifth floor, and after you get there you will see that the offices are not too desirable.

I think the Members of the House should have the good space first, instead, for instance, of having a computer operation or some of the operations of the Clerk of the House in prime space in the House Office Buildings. Some of the activities such as these can be moved out, as can some of the departments under the Architect of the Capitol.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. I appreciate the gentleman's yielding.

I do realize that there certainly is a requirement here on Capitol Hill for additional space. It is true we have created a monster; now we have to house it some place.

But if we are speaking about priority location, and the gentleman mentioned the Cannon Building as an example, I just made a count on the first floor of the Cannon Building, probably one of the choicest space portions of the Cannon across the street facing Independence Avenue. The choice spots are all taken by agencies or by a committee, the Special Select Committee. There are 34 offices off the first floor alone in the Cannon Building, that is only the first floor, 34 offices are occupied by other than Members of Congress; 22 of them are by legal counsel, and secondly, the Republican Study Group, for example, has office space there and the Committee on Elections. All of these could well be moved two blocks away without affecting their efficiency.

How do we have any assurance that these people will be moved, so that there is more space for Members, so they can better serve their constituency?

Mr. CASEY. Mr. Chairman, I can only assure the gentleman that, based on discussions I have had with the members of the House Office Building Commission, and these have been general discussions as to what activities would be moved, is that they would be nonessential offices and so forth, and when I say "nonessential" I mean that it is not essential for them to be on the Hill.

Mr. MYERS of Indiana. That is the key.

The CHAIRMAN. The gentleman from Texas has consumed 5 minutes.

Mr. CASEY. Mr. Chairman, I yield myself 2 additional minutes.

Mr. CASEY. Mr. Chairman, I want to say to the gentleman that I have not inquired too closely of the Building Commission as to their plans, because they might turn around and say, "OK, you make the space assignments."

I do not want that job. I want to leave it with the House Office Building Commission. They have the jurisdiction and responsibility. I am sure they have had the pressure on them so strongly and so many demands from both committee chairmen and the individual Members, that they are going to move everything off this Hill that they can and make the space available for the actual necessary operations of the House.

Mr. MYERS of Indiana. If the gentleman will yield for one further question.

Mr. CASEY. I yield to the gentleman.

Mr. MYERS of Indiana. There has been no commitment made by this Building Commission about whom will be moved and when?

Mr. CASEY. I think the gentleman from Michigan (Mr. CEDERBERG) answered that very properly earlier. They do not want to advertise in advance who they are going to ask to move, because they have enough pressure from people who want additional space, without building up heat from the people they feel should move.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Michigan.

Mr. CEDERBERG. We will take care of that problem.

Mr. MYERS. That does give me a lot of encouragement.

Mr. CEDERBERG. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Chairman, with the increased demands that the public is making on Congress, the need for additional space is apparent, at least to this Member. I have supported the appropriations for this purpose with, however, two major reservations.

First, I do not know how many of you have seen the building, which is known as FOB No. 1. It is a mammoth building. It is about the size of the Cannon House Office Building. The FBI, its present occupant, has had as many as 4,000 employees in that building.

I just hope that we as the Congress do not let our need to expand to fill the space, because the space that was indicated for which there is a real present need, was 147,500 square feet. This building has 585,000 square feet.

I would hope we would let other committees of Government use the space that we do not urgently need.

Second, we have also looked at the building now under construction, called the South Portal Building, which is just across the street from Independence Avenue, and in our opinion any move to FOB No. 1 should be only temporary until space in the South Portal Building might be available to us and we could take such space as necessary there. That building is more accessible to the other House office buildings and to the Capitol and in my judgment would be of much better use to the Congress.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I notice one item missing from this supplemental which I consider an important appropriation. That is an appropriation for the Federal Elections Commission. That hardly surprises me, because the Commission at the moment has not been appointed. However, future supplementals may be few and far between.

I certainly hope that when the Office of Management and Budget and the new Commission comes forward with its request, as it will, that the gentleman's subcommittee and his committee will give it very prompt attention.

Mr. COUGHLIN. There has been a request for $2 million, and I am sure it will receive the attention of the committee.

I might add that such a thing as the Elections Commission helps create the need for additional space, and that is one of reasons for the requests.

Mr. FRENZEL. I appreciate the problem, and the gentleman may have picked up an extra vote.

Mr. CEDERBERG. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GOODLING).

Mr. MAHON. Mr. Chairman, we have no further request for time.

Mr. CEDERBERG. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, yesterday, during debate on H.R. 2051, the authorization for the emergency rail appropriation, I offered an amendment to make payment of these railroad preservation funds contingent upon the Penn Central Railroad abiding by its agreement to repair the vital Poughkeepsie Bridge over the Hudson River in New York. That bridge was destroyed by fire last year.

While I withdrew that amendment without seeking a vote on it, I emphasized—and I want to make it clear today—that the Penn Central Railroad has a public responsibility which is not erased by its bankruptcy or by its role in the national railroad reorganization. That responsibility is underscored by Penn Central's repeated appeals for aid from the American taxpayers. The fact that Penn Central has asked for and will be receiving so much of the people's money, and is about to receive at least another $100 million, makes it imperative that we emphasize to the trustees that they are expected to act in a prudent, responsible manner in return for such emergency funding.

The Penn Central's lethargic, neglectful approach to repairing the all-important Poughkeepsie rail bridge has raised serious questions about its willingness to improve its service despite its frequent assertions that it desires to do so. The Lehigh & Hudson River Railway, the smallest of the bankrupt carriers covered by the 1973 Rail Reorganization Act, continues to sink deeper and deeper into a financial quagmire, mostly compounded by this rail bridge not being opened for service.

As a part of the ConRail system plan, the Poughkeepsie Bridge is clearly a key to the smooth, efficient movement of freight from the mid-Atlantic States into New England. There is no doubt that it will have to be repaired when the final system plan becomes effective, but that is over a year away, and in that time span, severe damage will be done to the Lehigh & Hudson Railroad and to a substantial portion of our local economy.

Mr. Chairman, in rising in support of this emergency rail funding measure, I again appeal to the trustees of the Penn Central of the urgent necessity for them to act in the public's interest, abiding by their agreement with the State of New York and their commitments in repeated public statements to repair this bridge expeditiously. Our troubled region, and our suffering national railroad system, cannot stand any further delay and neglect.

Mr. CEDERBERG. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman, I thank the gentleman for yielding.

Yesterday, the House, in adopting the authorizing legislation, avoided the opportunity to provide the reforms that would put the Penn Central and other affected railroads on a paying basis. Today, we are going to go ahead and spend money we authorized yesterday, and there is no sense in repeating yesterday's arguments. So I merely rise in opposition to this legislation and call it to the attention of the Members, in the hope there will be those who vote against it. While I do not expect we will prevail today, at some later time, when the consequences of our actions are clear to the rest of the Members and the general public, at last, we will be in a position to make the underlying changes to restore sound operations to the rail industry.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

I am in strong support of the gentleman's position. I think it should be said for the record that the ICC, the union monopolies, not only the mismanagement as many would have us believe, caused many of the problems for the Penn Central. This money is only giving a transfusion in the arm of a man with one leg blown off and the blood is running down to the bottom of the trench, and we are never going to solve the problem, until we get to the root of the Penn Central problem, which is Government intervention.

Mr. ARMSTRONG. The gentleman is correct. I thank him for his colorful explanation of the problem.

Mr. BOLAND. Mr. Chairman, the urgent supplemental appropriations now before us contains one absolutely essential item; $100 million in additional Federal assistance to the Penn Central is crucial if the transportation system of the country, and in particular, the Northeast, is to continue in operation. That amount is not the entire sum that will be necessary to assure continued rail service until the new Consolidated Rail Corporation can take over the operation of the Penn Central and the other bankrupt rails, but it will prevent the freight embargo which Penn Central trustees have threatened and a complete shutdown in this giant line's operations by the end of the month.

I have labored long and hard along with other members of the New England Congressional Caucus to develop the Regional Rail Reorganization Act of 1973. The goal of that legislation—an independent, competitive for profit system of rail lines that can vastly improve rail service in our area—is now in sight. Unfortunately, the sins of previous Penn Central administrations are also upon us. The burden is an odious one, I know, but we literally have no choice. As my good friend and colleague from Massachusetts, the distinguished majority leader (Mr. O'NEILL) said yesterday, a Penn Central shutdown could bankrupt the entire east coast in 2 weeks and double the national unemployment level in 2 months.

Despite the mismanagement for which we must now pay, I voted as a member of the Appropriations Committee to support the $100 million first payment which is in this bill. An additional $97 million will be necessary before we are finished. This price, however, cannot be too high when the consequences of a failure to provide it are fully considered. It should also be pointed out that the ConRail system, when it becomes operational, will require very much greater sums before its lines are fully rejuvenated and restructured. The investment, however, is a far healthier economy and a more productive one. Those are goals against which no one of us will argue.

Mr. GIAIMO. Mr. Chairman, yesterday the House gave its overwhelming approval to H.R. 2051, the Regional Rail Reorganization Act Amendments of 1975. That bill authorizes new grants for railroad operations and new rehabilitation loans for the Penn Central and other bankrupt railroads operating in the Northeast and Midwest.

Today, we consider complementary legislation. I urge my colleagues to express similar support for House Joint Resolution 210, the further urgent supplemental appropriations bill for 1975, with its $100 million appropriations for railroad operating grants.

When the 93d Congress gave its approval to the original Regional Rail Reorganization Act (Public Law 93-236), those of us who supported the legislation knew that reorganizing the rail system in the Northeast and Midwest after years of neglect would not be an easy task. The U.S. Railway Association has been investigating rail service in these parts of the country, and on February 26 it is scheduled to issue a preliminary system plan which would contain recommendations for restructuring the bankrupt railroads in the Northeast and Midwest and for discontinuing service on certain lightly traveled lines.

However, the Penn Central may not be able to continue operations until the implementation of the final system plan unless the Congress appropriates the $100 million contained in this joint resolution. On February 5, the Penn Central informed the Committee on Interstate and Foreign Commerce that, because of its inability to meet payrolls at the end of this month, the railroad would have to impose an embargo on all new shipments effective February 24. Fortunately, on February 11, the Penn Central announced that because of favorable developments in the Congress—not the least of which was the assurance of the funds contained in this joint resolution—it would defer its scheduled embargo on freight shipments.

Since the Penn Central has shown its confidence in the Congress, I believe that we must reaffirm our commitment to the future of rail transportation and approve this $100 million grant for operating expenses—a large portion of which would be made available to the Penn Central.

You are undoubtedly aware of the catastrophic consequences of a Penn Central shutdown, particularly in light of the present state of our national economy. The Penn Central services a 16-State area and the District of Columbia which includes 55 percent of our manufacturing plants and 60 percent of our manufacturing work force. Each day more than a million tons of freight and 300,000 passengers travel over Penn Central lines.

The Interstate Commerce Commission has estimated that a complete and sudden shutdown by the Penn Central would lead to a 5.2-percent decrease in economic activity in the Northeast and a 4-percent decrease in the rest of the Nation. The real gross national product could, during an 8-week shutdown, fall between 9.3 and 9.6 percent on an annual rate.

The ripple effect through the Nation at a time of 8.2 percent unemployment would be devastating. Our primary metals industries would be crippled. Manufactured goods would be unable to move to market. For certain commodities alternative means of transportation, whether water or motor, either do not exist or cannot possibly carry the necessary tonnage. Commuters to our major cities would jam our highways burning precious gasoline in their efforts to get to and from their jobs. In short, we could face the possibility of economic and social chaos.

Mr. Chairman, the Nation is committed to a revitalized rail system in the Northeast and Midwest—a system essential to our continued economic prosperity. If we are to achieve that new system, then the Penn Central must continue operations pending the implementation of the final reorganization plan. Without the operating grants contained in House Joint Resolution 210, the Penn Central will have to discontinue service.

These are the facts, and the choice is ours. I support this proposal and urge my colleagues to do likewise.

Mr. CEDERBERG. Mr. Chairman, I have no further requests for time.

Mr. MAHON. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1975, namely:

CHAPTER I

HOUSE OF REPRESENTATIVES

SALARIES, OFFICERS AND EMPLOYEES

For an additional amount for "Salaries, Officers and employees, Office of the Sergeant at Arms", $296,000.

AMENDMENTS OFFERED BY MR. ROUSH

Mr. ROUSH. Mr. Chairman, I offer amendments to chapter I, and I ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. ROUSH: Page 1, strike out lines 7 through 10.

Page 2, strike out lines 1 through 10 and lines 15 through 24.

Page 3, strike out lines 1 through 14.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The gentleman from Indiana (Mr. ROUSH) is recognized for 5 minutes.

Mr. ROUSH. Mr. Chairman, I take no joy in opposing my subcommittee chairman, my full committee chairman, and the request of the Speaker of the House. My amendment does this: It strikes out those moneys which would be used for the renovation of the FBI building and those moneys which relate to the maintenance and operation of that building. It retains the $300,000 under the section entitled "Architect of the Capitol—for an additional amount of 'Contingent Expenses'." It retains that money in the bill because there is need for renovation of certain areas here in the present Capitol complex.

My arguments certainly do not go to the fact that we do not need the space, because I am fully aware of the fact that the Speaker is beset with problems and that there are demands made for space which he cannot meet. My argument simply goes to this, Mr. Chairman: The proposal which is before us today is too expensive for what we are receiving, that the facility that we are attempting to acquire, or the facility which we will be given and which we will renovate, simply will not serve the purposes for which it is intended.

Many questions have been raised. First of all, what is the hurry?

I know there is a pressing need, but surely in the interim period here we can find facilities which would help us through this emergency period prior to the construction of another office building.

This question has been raised: What will it be used for?

The subcommittee pressed the Architect and pressed the Building Commission for detailed information as to who might move into that building, and the only answer we are given is this: There will be additional offices for Congressmen, up to a maximum of 439 at 500 square feet per person. That amounts to 219,500 square feet—only 85 Members have asked for additional office space; 80,000 square feet would be designated for committee hearing rooms, 200,000 square feet for committee staff spaces and 367,000 square feet for support space.

Mr. Chairman, I will ask the Members: What Member is going to move any portion of his operation across that highway complex into this rather remote building? I doubt if any would.

There is also the matter of transporting people back and forth, there is the question of the use of a cafeteria which presently exists in that building, and there is the need for people who are housed there to go back and forth, for not only personal reasons such as eating their lunch, but for the purpose of performing other official functions.

How about page service back and forth? How about communications?

We have been told there is parking space. We were told first that there were 70 parking spaces in the garage in the building, but apparently this just simply is not so. The garage will house no more than 50 cars, and they would have to be crammed in at that. There is no space in which to park around the building.

Mr. Chairman, it seems to me this in itself is a compelling argument.

There is the matter of police protection. It is going to cost annually approximately $900,000 for police protection alone.

The operation and maintenance of that building is estimated to cost $1,788,600 a year. It is going to cost an additional $1,500,000 a year just to cover the cost of furnishings and carpet for the building.

We are not getting enough for the money we are spending, and I think this should be looked at carefully. I think it should be looked at more carefully than it has been. I ask that the amendment be approved.

Mr. Chairman, this matter of acquiring this particular building was brought up in a very hurried manner in the subcommittee. I am a member of that subcommittee. As a matter of fact, it was hoped that we would act on it in one afternoon after having been notified of the subcommittee meeting at noon. This was no fault of the chairman of my committee, but we were notified at noon of the fact that we were having a hearing in the afternoon. Some of us pressed for more information, and it was just 3 or 4 days later that we got what I consider to be adequate information to sustain a request of this sort.

I would hope, Mr. Chairman, that my colleagues will accede to this amendment, and that this amendment would be accepted, and then that we might proceed in an orderly manner to acquire the space needed by the House of Representatives to carry on its functions.

Mr. CASEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have just heard a plea for us to do what we are criticized daily for doing, and that is delaying with talk, talk, and more talk.

The gentleman wants to study this matter some more and talk about it some more. He admits that we need the space. He wants to know about alternatives.

Alternatives were explored. We looked into the matter. The Architect of the Capitol was instructed to look into it, and he looked at privately owned buildings in this area to see if we could rent some space that would be suitable.

The gentleman evidently has no faith, or at least not full faith, in the Building Commission to make the decisions as to who is going to move into this other building.

I admit this is not a prime building for us to have, but it is all that is available, and it is as close as we can get. I do not take any delight in coming up here and asking for $15 million to renovate the building for use by the House of Representatives.

Some Members have even suggested this: Why do we not let the GSA do it and then we can take it over, and in that way nobody would know that we spent this money? Why, sure, they would know we spent the money. Sure, they will know. But we want it remodeled in a way so that we can use it, and we want the type of space, the type of configuration, and the partitions necessary for our use, and we know where we want them. So we are going to do it.

We are not going to keep all that building for our own use now. There is no question about it. It is a huge building. Look at the language in the bill, at line 5, page 3, and I quote:

> Prior to occupancy of the entire building by the House of Representatives, to permit the temporary occupancy by other governmental activities of any part of such building not so occupied, under such terms and conditions as such Commission may authorize.

The Committee has instructed the Architect of the Capitol not to spend any more money than he has to on the alterations to this building. We said, "Only spend such money on the portion that we may use. Try to hold off spending much money. Then if some other agency is permitted by the House Building Commission to move into the building, let them spend their money on developing the type of space they need."

Some Members can probably make a pretty good case for an economy vote, but actually we would not be saving a dime. We would be continuing our space problem, and GSA would be spending a similar amount of money making alterations for HEW.

Let us not study it any more. I do not want to study it any more. I have perfect faith in the Building Commission, in the Speaker, the minority leader, and the majority leader, to handle this both as to the amount of space needed and the allocation of space as they see fit.

I ask that the Members vote down this amendment and any other amendments that might be offered.

Mr. BAUMAN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this amendment is essentially the same amendment that I had intended to offer, and I compliment the gentleman from Indiana for offering it. Certainly he has my full support.

I think the issue here is what might be termed another manifestation of the "congressional edifice complex." We have to keep building and we have to keep expanding and we have to keep aggrandizing ourselves here on Capitol Hill until the point is reached where, I am sure, as all Members have noticed, our mail is filled with clippings from the newspapers and bitter complaints about the turkish baths, the handball courts, the chauffeurs and the limousines, and so on. At the bottom of such articles is a little remark from the constituent saying, "How can you justify this when I am out of a job and when my taxes have gone up x percent last year? Please answer this, Congressman."

It is difficult for some Members to respond to such charges, but today we get a chance to answer when we have a rollcall on this particular amendment.

We have all these ornate buildings around us on the Hill. We have the Cannon Building, the Longworth Building, and the Rayburn Building. Now, I assume, we are about to have the Albert Warehouse, and we are being asked today to rebuild this to get even more additional space.

In ancient days, as I have noted in the National Geographic to which my son subscribes, imperial rulers built pyramids in Egypt, and the scientists never have figured out how they got all those stones set together so carefully, with no levers to lift the weights. I suggest, if our experience in the United States is any indication, that it was probably done by the bent backs of the Egyptian taxpayers, who had, perhaps, not only to pay the freight but to haul the stones as well. The weight in this country today is just as much on the backs of our taxpayers. We have come a long way from the days when adequate staffing consisted of our desks in this Chamber, or the one down the hall where Lincoln served and John Quincy Adams, with quill pens and inkwells. Yes, our life is more complicated. However, we do not need all these sugarplumbs, such as the other body tried to slip through the other day; $35 a day expenses to go home and visit their constituents. Maybe the constituents would be better off because they would not be here; I am not sure about that, but I think we have to realize precisely what the issue is because, folks, this one strikes close to home. This is a sensitive nerve.

If we get a rollcall on this one, people are going to be watching, and all of the new Members who have come here to represent the people and to bring about change and to bring new life into Washington have a chance to strike a blow for all those good things, and at the same time mercifully save their taxpayers $17 million, more than most of the people in my district could contemplate in a lifetime of thinking.

I hope the Members will adopt this amendment, and do so overwhelmingly. Set the type of example right here on Capitol Hill that some of us will be demanding to be set downtown in our future votes on spending in this Congress.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I would like to join the gentleman from Maryland (Mr. BAUMAN), in his support of the amendment to delete the funds for the congressional office building. I think this vote is one of the easiest ways we will have to evict a rattlesnake or a rat from the box of apples—the apples are bad enough, giving millions of taxpayers' dollars to a bankrupt railroad. Even if the building request was justified—and it is not—there is absolutely no excuse or justification for joining them.

Mr. BAUMAN. I thank the gentleman.

Mr. CEDERBERG. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

The complexity of this Congress and the workload of the Congress grow year by year.

This is an action that has to be taken. Of course we can decide whether or not we want to contract it, but we are not going to do so because we have responsibilities, and those responsibilities are continuing to grow. This Nation is growing.

I suppose if we want to go back we can take a look at past history, and we can see where the House of Representatives met at one time in what we now call Statuary Hall. But that was at a time when the country was much smaller than it is now, and the issues were not as complex as they are now.

Maybe some of the Members want to go back to the good old days, but I am not much interested in going back to the good old days.

I think we are trying to do all that we can in the best interest of the American people. We have had to take on more employees. I might add that I have voted against many of these programs that have required some of this expansion. But the simple facts are that the Speaker and the members of the Housing Commission are receiving a tremendous number of requests for more space.

I do not think that we ought to handle this situation by adopting an amendment that would curtail more space.

If the Members want to do this then they should repeal some of the actions that we have taken that have required the additional space—but I do not think that will happen.

I do not see any other way in which we can carry out the committees that we have here, and the responsibilities that we have, unless this new space is provided.

I am sure the Members will recall that we went through all of this when we built the new Rayburn Building.

Mr. BAUMAN. Mr. Chairman, if the gentleman will yield, the gentleman has mentioned my longing for the good old days, and the gentleman is right. I do. I really long for the good old days. And, as I am sure the gentleman will recall, some of the great speeches he once made about budget-busting, as a junior member of the Committee on Appropriations. Along with the gentleman, I am for economy in government and against deficit spending. The gentleman I am sure remembers Charlie Halleck who would stand in this Well and lead us in the battle against the "budget busters."

But I remind the gentleman from Michigan that my responsibility is not to the House Office Building, or my colleagues, but my responsibility is to my taxpaying constituents, and that, I think, really is the issue.

Mr. CEDERBERG. Of course, that is exactly right. The gentleman can interpret that any way he wants. But the responsibility of the Housing Commission is to the Members of this body and to the proper functioning of this Congress. That is what is involved here.

Surely, I have the same constituents that the gentleman does. It is hard for me to explain sometimes that we need more space down here, but I have very few of my constituents writing me on some of the Federal programs that we have here so we would not need as much space.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

I do not want to fight my side; I want to fight the other side. Is there someone over there who has been involved in this who would have the courage to answer me truthfully? Was there any thought given when we lump these two together that the one would not pass without the other?

Mr. CEDERBERG. Let me answer that. The simple facts are the one will not pass without the other if this amendment is approved.

There is nothing new about presenting a supplemental appropriation bill with separate titles. If we brought every separate supplemental appropriation bill with one title at a time, then we would never get anything done around here. That is a procedure we have to have. The gentleman can make his point very clear by voting the way he wants on this amendment.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

If we bring less lump-sum bill, then we would not pass laws as fast and need all that office space; would we?

Mr. CEDERBERG. No; we would need more office space.

Mr. McFALL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think the choices are rather simple here. One is that we need this space, we have to have the space. We have to go somewhere. The Architect of the Capitol made a survey. There are only two buildings available that are suitable. One is the South Portal Building which is directly south of the Rayburn Building. That is a brand new building, and it would be ideal. However it will not be ready for over a year. We need the space now. We cannot move into it now. Perhaps in the future we will be able to utilize it.

The other building that is available is this so-called old FBI Building. It is a structurally sound building. As soon as the FBI moves out, the General Services Administration has plans—and these are the plans that we are using in our estimate under consideration today—to completely renovate this building to put in all the things needed, air conditioning, and so forth to make it usable for office space. Then they were going to alter the building for use by the Department of Health, Education, and Welfare. We are not going to do anything more than the GSA intended to do for other Government purposes. What we will be doing is taking over a building for our own use. We will not be spending any more money than the Federal Government would have spent out of another pocket.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

The question I want to ask is; it says:

> Prior to occupancy of the entire building by the House of Representatives, to permit the temporary occupancy by other governmental activities of any part of such building not so occupied, under such terms and conditions. . . .

Is it our intention—and there have been others here who have mentioned we will not use all this space—is there any way we will have a guarantee we will not use all this space?

Mr. McFALL. I will yield to the gentleman from Texas (Mr. CASEY), who is the chairman of the subcommittee.

Mr. CASEY. I thank the gentleman for yielding.

The purpose of putting that language in the bill is to make it possible for us to let other Government agencies to use space that is in excess to our needs. This building has over 400,000 net usable square feet. We are not going to use all of that space immediately, if we ever use all of it. Right now it is estimated that we would use approximately 177,000 square feet, just as soon as the building is renovated. Then we would let HEW or some other Federal agency use part of it. In that case, instead of our paying GSA for space, GSA would be paying us.

Mr. SYMMS. If the gentleman will yield further, then if we are going to use 177,000 square feet this year, then maybe we will get another class of reformers next year who will take another 177,000 square feet.

Mr. CASEY. That could be, the way this Congress creates boards and committees.

Mr. SYMMS. So then we will have a place to keep expanding without being moved out of here?

Mr. CASEY. I do not expect that to happen. I think what we will find is that when we get the opportunity, we will build a new office building on the Hill.

Mr. SYMMS. It will take another building?

Mr. CASEY. One of these days it will take another building.

Mr. SYMMS. If the gentleman from California (Mr. McFALL) will yield, is there any way to get the leadership, the Democratic and Republican leadership, together over there in that building, to run their offices from there? Some of us might vote for that.

Mr. McFALL. Mr. Chairman, if the gentleman will allow me to reply to that, I think the simplest method is for you to run for the leadership on your side. The gentleman could move over there himself.

Mr. SYMMS. I am worried about the taxpayers. It seems to me we have both sides trying to push through this bill, which in my opinion adds to the already overburdened taxpayer, they have to pay $17 million for this and $17 million for that and no one seems to be concerned about the poor taxpayer.

Mr. McFALL. I am concerned about the taxpayer also. In this particular instance, if HEW uses the building the $17 million will be spent by the General Services Administration to provide space for the HEW.

Instead the legislative branch will provide the same amount of money for the same thing. We will use 144,000 square feet of the building ourselves and the rest of it, about three-quarters of the total square footage will be used by HEW. The work that will be done is substantially the same as what the GSA would do for HEW. I cannot see any difference in the impact on the taxpayer between what I propose and what the gentleman is proposing.

Mr. SYMMS. That is the problem. We have both sides pushing for the same thing. My suggestion is to give it back to the taxpayers and not do either one.

Mr. McFALL. I am sure the gentleman is not suggesting that we allow a structurally sound building, a very fine building, owned by the Government, to lay there unused and unrenovated while we are renting space throughout the metropolitan area and paying three or four times as much for it as it will cost to renovate this building. If the gentleman is suggesting that, then he is suggesting putting a larger burden on the taxpayers than what is proposed in this bill.

Mr. O'NEILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as the majority leader, I am a member of the Building Commission and at the present time we have letters from 85 Members who have requested more space. I know that there are many other senior Members, who, if they thought that they could get more space, they would have requests in at the same time.

The question was asked, what are we going to do with the building, what are we going to put down there? Well, we have not really set apart what is going to be done until the legislation is passed. The Building Commission, comprised of the Speaker as chairman, the gentleman from Arizona (Mr. RHODES), the minority leader, and myself, are the three members of the Commission.

We have in the office buildings, Longworth, Rayburn, and Cannon Buildings, we have the House Information Service, the Computer Service, the Budget Office, the Democratic Campaign Committee, the Republican Campaign Committee, various ad hoc committees, the Roosevelt Commission, the shop functions, Police Headquarters, Architect's offices, Office of Technical Assistance, the Printing Services, Mailing Services, and then we would have rooms for Members and committees that wanted to go down there. It would relieve a tremendous amount of extra space that is now being used in the buildings in which the Members are requesting space.

I think it is absolutely necessary that we do it at this particular time. I have to agree with the gentleman, that as we go over and look at what has happened around here through the years, the planning has been absolutely atrocious. I cannot understand why many years ago we were not more farsighted to acquire the land to the north of us and the land to the south of us to protect us when the price was right when we could buy the property around here.

There is no question that with time we are going to have to have another office building; there is no question about it. We ought to be preparing now for 1990.

I have seen prices, in the 20 years since I have come to Washington, continuously rise. In my own apartment house, an apartment that used to be $87 a month is now $240 a month. The homes I looked at when I first came to Washington in 1953 were $25,000, and are now selling in the neighborhood of $75,000.

We could have bought all the property in this area. It was terrible planning, no question about it. Who is responsible for it? The previous Members of Congress, because any time any proposal of this type ever came before the House, there were Members who batted it down because they were thinking of the taxpayer at home. Who did they hurt? They hurt the children of the taxpayers at home. Those are the ones they hurt.

Let us look, for example, at the record. The gentleman who was on his feet has been in Congress some 10 to 12 years. When he came to Congress about a dozen years ago, let me say to him, there were 3,500 clerks hired in the offices of Congressmen. Today, as of December, there were 6,313 clerks. We have practically doubled, in the 10 years the gentleman has been here, our employees.

I remember when I came to Congress, I had three employees in my Boston office and three employees in my Washington office. Now, we have 16 employees. Every Member of Congress is entitled to 16 employees.

Only this year, in the rules of the House, we gave to every subcommittee chairman—and there are 140 subcommittee chairmen—a new employee. We gave to every ranking minority Member on a subcommittee a new employee. That is 280 new employees. Where are we going to put all the bodies, plus the fact that the Members are looking for space themselves?

In a period from 1964 to the present time, we went from 4,900 employees working on the Hill to over 10,000 employees associated with the House of Representatives. We cannot do those things without getting more space. There is no other answer, as far as I can see.

We have looked everywhere. We have looked everywhere as to every type of survey we could think of, as to where we are going to put these bodies that the Members pass along the line. I would say yes, there has been faulty planning in the past. There is no question about it. I think it is necessary that we take this FBI Building. I think it is necessary to take this list of committees I have named to it. I do not think they should be functioning in the Rayburn Building or in the Cannon Building or in the Longworth Building. I think they all ought to be isolated downtown, or down in the FBI Building.

It is not going to be a question of each Member of Congress running down to an office down there, because for the most part the Members will not be down there. Rarely will there be an occasion to go down there.

Mr. KETCHUM. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, my colleagues, I have listened with a great deal of interest to this somewhat spirited debate over this expenditure of some $17 million. I think the distinguished majority leader has really put his finger on it. This space is not going to be for us, it is going to be for more staff.

Now, I think staff is fine. It is great that they can help us answer our mail and handle our constituents' problems, and great that we have some professional staff which can help us with our committee work, but staff is proliferating at a geometric progression to the point that pretty soon we are not going to know what we are doing on these bills.

Staff is going to write the bills; staff is going to tell us how to vote, and the people of the United States will be governed by staff, not by Members of Congress, because we will not even be able to go home and tell the people what in the world we have been voting on.

Last year, we had a great reform around here—and I point this out to our new reformers over here—last year we said, "No proxy voting."

Your Members said, "Yes, let us have it again." That means a Member can be absent and is able to vote.

Last year, when the Bolling committee came in, it said Members can only serve on one major committee, and that was an excellent idea because there is not a Member of this House who can serve on more than one committee and the three or four subcommittees he has to serve on and know what he is doing.

Where does he get his record? He gets it from staff.

The reason that the Members are asking for this additional space is for staff, and for no other reason. There are only 435 Members of Congress, plus our four individuals from the District of Columbia, the Virgin Islands, Puerto Rico, and Guam.

We have 16 staff members, each one of us. I have not heard any of my employees complain. They are just awfully happy to have a job.

If every legislative body in the United States keeps this up, California will look at New York, New York will look at Florida, and all of the rest of them will say, "Gee, we have to have more staff."

California just last year had to go out and take over the Montgomery Ward building in Sacramento for more staff. The people in California do not know what they are paying for.

If the Members can go home and justify to their people that they have spent $17 million, that they are going to have an annual expenditure for police protection, $1.5 million for furniture, $1,788,000 for maintenance and operation, plus a mere $14.5 million for alterations, if they can tell them that that bought them one little bit better Government, come back and tell me about that.

Mr. ROUSH. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Indiana.

Mr. ROUSH. Mr. Chairman, I would like to point out to the Members on the floor that I think the majority leader was just somewhat unfair in the statement that the reason we are in this dilemma is that the older Members voted against proposals similar to this.

I do not recall a time when we have had a proposal similar to this. We are being asked to pay approximately $37 a square foot for 400,000 square feet of space for renovation only, for temporary use, and I simply think that is too much.

I do not follow the argument of many of my conservative friends on the other side. I think we need the space. I know we need the space. I will vote for a new office building, but I am not going to vote for this because I think it is a waste of money.

I thank the gentleman for yielding.

Mr. KETCHUM. I quite agree with the gentleman up to the point where he says we do need more space.

We do not need any more space, and we can stop hiring all of the staff people we do not need, and who are writing the legislation.

I could vote for this legislation. I think it is very important we take care of this Penn Central Railroad problem. But it has nothing to do with more space.

Mr. COUGHLIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, as I indicated in the general debate, I myself have some reservations about unrestricted growth of Congress and about unrestricted access to this building. But the need for space is indeed urgent. I would remind some of those who are opposing this amendment to take note of a few of the new arms of Congress we have created since 1970. Let me mention some of them: The Select Committee on Committees; the Cost Accounting Standards Board; the House Commission on Information and Facilities; the Office of Law Revision; the Office of Technology Assessment; the Congressional Budget Office; the Committee on Small Business; the Committee on the House Budget; the Technology Assessment Board.

All of these things we have created. I suggest that many of the Members who are indicating their support of this amendment voted for these things. We created them in order to respond to the needs of the public. We created them in order to try to cut down on expenditures, to try to have a better grasp by the Congress over our expenditures. If we are going to do that, then we have to have the space so these organizations can continue to function properly.

For these reasons, among others, the amendment should be defeated.

Mr. MYERS of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I would like to point out that I support the amendment to provide for separate consideration of the $100 million appropriation for the Penn Central and the $17 million appropriation for another building for the House of Representatives. I think it is ethically right that we remove the provision for this extra office building and consider it separately from the major provision of this bill, the appropriation for the Penn Central. It appears that there are considerable reservations about this expenditure for additional office space for Congress. I understand the stated purpose of coupling these provisions together was to save some legislative time.

If there was considerable agreement that the funds should be appropriated without reservations for both purposes, then this amendment would not be necessary, but with the reservations about the appropriation for the office building that we have seen expressed here on the floor, I think it would be ethically right to ask for a separate vote on these issues.

There also has been great criticism of the other aspects of this bill. There has been criticism of the management of the Penn Central for mismanagement of its facilities. I think that what we are doing here on the floor of the House amounts to an act of mismanagement in itself. I think we would have great criticism of the managers of the Penn Central if they were to appropriate $117 million without considering separately whether $17 million of the total appropriation had merit.

So, Mr. Chairman, it appears that mismanagement is the issue. The other thing that concerns me about this $17 million is that one would get the opinion by listening to the Committee on Appropriations that all we have to do is to put more green ink in the printing press in order to pay our bills. Maybe the Penn Central's problem is that it cannot resort to this same approach to pay its bills.

Mr. DANIELSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I am a little bit distressed to hear of the opposition to this bill. If there is anything we need around this House of Representatives, it is more space and more facilities so that we can better serve our constituents and our country.

I was particularly interested a little bit ago in the very eloquent argument made by my colleague, the gentleman from California (Mr. KETCHUM). I have had the honor of working with the gentleman and knowing the gentleman for many years, and ordinarily he is really up to date on this sort of legislation.

However, I am at a loss to understand how he could be so misinformed.

If we are to bring this into focus, what we really need here is this: We need more space that we can use as Members of Congress, to do our jobs. Those of us who, like myself, are officed in the Cannon Building, for example, have oftentimes walked down these corridors to our offices, and we find staff rooms on the right of us, we find staff rooms on the left of us, and we find staff rooms in front of us but no room for our own work.

I am sure that is repeated in the Longworth Building, and I am informed by reliable sources that the Rayburn Building is crowded with computers and clerks and files and staff and what have you, and there is scarcely enough room for the Members to do their legislative work.

This is a good opportunity to open up some space that already belongs to the Government, some space which is already scheduled for remodeling and refurbishing, and moving some of the staff out so that we can get to work and do our own work.

So, Mr. Chairman, I am certainly going to ask every Member to vote against this amendment and support the bill.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman very much for yielding.

I would suggest to the gentleman from California that my friend and colleague, the gentleman from California (Mr. KETCHUM), is not misinformed. My friend and colleague just does not like staff infection, and that is exactly what we have here.

Mr. DANIELSON. Mr. Chairman, the gentleman speaks for himself, and I am glad to see him doing that.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank my dear colleague, the gentleman from California, for yielding.

We have worked together for a number of years, and I, too, consider that an honor.

I have an office in the Cannon Building, just as my friend, the gentleman from California, does. But this is what is amazing to me: I have just as many constituents as the gentleman does, and I probably serve an area which is much larger than his, an area encompassing some 16,000 square miles, and I have never had one of my constituents complain about a lack of privacy when they came to see me.

I also know from the last election, and recalling the tremendous majority by which my friend, the gentleman from California, won, that he has been serving his constituents in a magnificent fashion, and I do not believe that he needs any more room.

Mr. DANIELSON. Mr. Chairman, I thank my friend for his comments.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, I am indeed surprised, as the gentleman from California was, to find any Member opposing this measure.

The Speaker tells me that the number of requests from the Members add up to more than a million square feet, and the FBI warehouse building will mean only 432,000 square feet, less than half of the present requirements.

If the gentleman from California, on the opposite side of the aisle, will come to my office, I will tell him this, that the business people who have visited me from Hawaii all say, "We would never permit this condition in private industry."

I thank the gentleman.

Mr. DANIELSON. I thank the gentleman from Hawaii for putting his finger right on the point, as he usually does.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Indiana (Mr. ROUSH).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BAUMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 170, noes 236 not voting 26, as follows:

[Roll No. 20]

AYES—170

Abdnor
Ambro
Anderson, Calif.
Archer
Armstrong
Ashbrook
AuCoin
Bafalis
Baldus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bevill
Biester
Blouin
Bonker
Brinkley
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Butler
Byron
Carr
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Crane
D'Amours
Daniel, Dan
Daniel, Robert W., Jr.
Davis
Dent
Derwinski
Devine
Dickinson
Duncan, Oreg.
Duncan, Tenn.
Early
Edwards, Ala.
Emery
Erlenborn
Evans, Colo.
Evans, Ind.
Fenwick
Fish
Fithian
Flynt
Ford, Tenn.
Frenzel
Frey
Gilman
Ginn
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harkin
Harsha
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Hinshaw
Holland
Holt
Hubbard
Hughes
Hungate
Hyde
Jacobs
Jarman
Jeffords
Johnson, Colo.
Jones, N.C.
Kasten
Kastenmeier
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Landrum
Latta
Lent
Levitas
Lloyd, Tenn.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
Maguire
Mann
Martin
Mazzoli
Miller, Ohio
Montgomery
Moore
Mottl
Myers, Ind.
Myers, Pa.
Neal
Nichols
Peyser
Pickle
Pike
Pressler
Pritchard
Quillen
Railsback
Rees
Rinaldo
Robinson
Roush
Rousselot
Roybal
Runnels
St Germain
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Seiberling
Sharp
Shriver
Shuster
Sikes
Skubitz
Smith, Nebr.
Snyder
Spence
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Symms
Talcott
Taylor, N.C.
Thone
Treen
Vander Jagt
Waggonner
Wampler
Weaver
Whalen
Whitehurst
Winn
Wylie
Yates
Young, Alaska
Young, Fla.

NOES—236

Abzug
Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Baucus
Bergland
Biaggi
Bingham
Blanchard
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John L.
Burton, Phillip
Carney
Carter
Casey
Cederberg
Chappell
Chisholm
Clay
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Daniels, Dominick V.
Danielson
de la Garza
Delaney
Dellums
Derrick
Dodd
Downey
Drinan
du Pont
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Esch
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Florio
Flowers
Foley
Ford, Mich.
Forsythe
Fraser
Fuqua
Gaydos
Giaimo
Gibbons
Gonzalez
Green
Hall
Hamilton
Hanley
Hannaford
Harrington
Harris
Hastings
Hawkins
Hays, Ohio
Hébert
Helstoski
Henderson
Hicks
Hightower
Hillis
Holtzman
Horton
Howard
Howe
Hutchinson
Ichord
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Tenn.
Jordan
Karth
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Lehman
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McCormack
McEwen
McFall
McHugh
McKay
McKinney
Madden
Mahon
Mathis
Matsunaga
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patman
Patten
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Poage
Preyer
Price
Quie
Randall
Rangel
Regula
Reuss
Rhodes
Richmond
Risenhoover
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Ruppe
Russo
Ryan
Sarbanes
Scheuer
Schroeder
Shipley
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Stokes
Stratton
Studds
Sullivan
Symington
Teague
Thompson
Thornton
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
White
Whitten
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wirth
Wolff
Wright
Wydler
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—26

Barrett
Clawson, Del
Diggs
Dingell
Downing
Eshleman
Fountain
Fulton
Goldwater
Jones, Ala.
Jones, Okla.
Leggett
Macdonald
Madigan
Mills
Mitchell, N.Y.
Moakley
Moorhead, Calif.
O'Brien
Riegle
Santini
Stuckey
Taylor, Mo.
Traxler
Udall
Waxman

So the amendments were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF TRANSPORTATION

FEDERAL RAILROAD ADMINISTRATION

INTERIM OPERATING ASSISTANCE

For an additional amount for "Interim operating assistance", $100,000,000, to remain available until expended: *Provided*, That this appropriation shall be available only upon the enactment of authorizing legislation.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 3, line 20, strike out $100,000,000 and insert in lieu thereof, $125,000,000.

Mr. CONTE. Mr. Chairman, this amendment would increase the interim operating assistance appropriation by $25 million. These funds are required to insure that the Erie-Lackawanna Railroad will receive sufficient financial assistance to avoid a shutdown of its operations prior to implementation of the final system plan in calendar year 1976. The trustees of the Erie-Lackawanna recently announced that the railroad cannot be reorganized under section 77 of the Bankruptcy Act.

The Erie-Lackawanna has nearly 3,000 miles of track and serves 20,000 customers. It is the second largest—next to the Penn Central—of the railroads being reorganized under the Regional Rail Reorganization Act.

As indicated on page 6 of the committee's report, this matter was discussed during our hearings. We did not, however, receive a budget request for this item until yesterday.

I believe these funds are required to insure that the Erie-Lackawanna can be provided sufficient financial assistance to avoid a shutdown of its operations.

Mr. Chairman, I urge the adoption of the amendment.

Mr. Chairman, at the proper moment I will ask for permission to insert a letter from the President of the United States to the Speaker of the House of Representatives and a further letter from Mr. Lynn of the Office of Management and Budget.

The letters are as follows:

THE WHITE HOUSE,
Washington, February 19, 1975.

The SPEAKER,
House of Representatives.

SIR: I ask the Congress to consider a proposed amendment to a supplemental appropriation for the fiscal year 1975 amounting to $25,000,000 for the Department of Transportation.

Details of this proposal are outlined in the enclosed letter from the Director of the Office of Management and Budget, and I concur with his comments and observations.

Respectfully,

GERALD R. FORD.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., February 19, 1975.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration an amendment to the request for appropriations transmitted in the budget for the fiscal year 1975, involving an increase in the amount of $25,000,000 for the Department of Transportation as follows:

1976 Budget appendix pages: 709 and 1036.

Headings: Federal Railroad Administration Interim operating assistance:

1975 supplemental request pending	$100,000,000
1975 proposed amendment	25,000,000
1975 revised request	125,000,000

The proposed budget amendment would extend the provision of cash assistance to all bankrupt railroads in the Midwest and Northeast, in order to insure continued rail service, pending restructuring of the railroads into a new system. Previously, only six railroads were eligible for such assistance. However, as a result of the recent economic downturn, amendments to the Regional Rail Reorganization Act of 1973 have been proposed, allowing the Act to meet the emergency cash needs of all bankrupt lines in the region, including those reorganizing on a conventional basis. One of these lines, Erie-Lackawanna, would be forced to close down in the absence of such assistance.

A supplemental request of $100,000,000 for fiscal year 1975 is currently included in the 1976 Budget, to cover the estimated needs of the six railroads originally eligible for assistance. This proposal amends that request. The need for offering assistance to other railroads was not anticipated when the annual budget was being prepared.

I have carefully reviewed the proposal for appropriations contained in this document and am satisfied that this request is necessary at this time. I recommend, therefore, that this proposal be transmitted to the Congress.

Respectfully,

JAMES L. LYNN,
Director.

Mr. McFALL. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from California.

Mr. McFALL. Mr. Chairman, I concur with the gentleman as to his amendment. We would have put it in the bill if we had received the budget amendment in time. We did not, and I think it is reasonable that we should provide this money at this time for the Erie-Lackawanna Railroad.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, I want to commend the gentleman from Massachusetts for offering this amendment. It is, in my judgment, absolutely essential. It has my full support. I think it is essential to the economic recovery of the country.

Mr. Chairman, I rise in strong support of House Joint Resolution 210, the urgent supplemental appropriations bill and to urge its quick passage in the House.

This resolution will provide financial assistance to the Penn Central and the Erie-Lackawanna Railroads, thereby allowing both lines to continue service for the remainder of the current year while they both await final inclusion in the proposed Consolidated Rail Corporation. To say that these funds are urgently needed is an understatement of the problem. These funds are absolutely vital to the continuance of both railroads. And these railroads must remain viable to prevent an economic collapse in the Northeast section of our country.

Mr. Chairman, this resolution appropriates $100 million to the Penn Central Railroad with a committee amendment to be offered to appropriate another $25 million to the Erie-Lackawanna Railroad to provide interim operating assistance for the remainder of the calendar year. Both lines need this money to meet monthly payrolls. Without such assistance, a shipping embargo will take place, followed shortly by a shutdown. Such a shutdown in my district and in our Nation given the current state of the economy would be catastrophic.

The Erie-Lackawanna Railroad is a major carrier through my congressional district in northeastern Pennsylvania. Its 2,800 miles of lines stretch from New York through the Midwest. Its shutdown, even if only temporary, would entail the loss of jobs for 10,000 employees, not to mention the 20,000 additional customers who depend upon it. These include shippers, farmers, major industrial suppliers, and indeed the entire spectrum of the Nation's economy. A similar situation, only on a larger scale, exists with the Penn Central which serves to carry large quantities of coal for use in coal-fired utilities.

The entire northeastern part of our country relies upon the EL. Many of the shippers along the Erie-Lackawanna lines have no alternative transportation available to them should the EL suspend operations. In addition, the EL supplies a payroll of $157 million and another $50 million in supply purchase to enhance the region's economy. This substantial investment is at stake here today unless this bill passes.

I know many of the Members of this House will view this action as one more chapter in the long, sad history of federally supported subsidies to bail out bankrupt lines. Yet, we are moving on another front to restructure these lines through the activities of the U.S. Railroad Association in conjunction with the ICC's Rail Service Planning Office and the Congress. We are proceeding down the orderly path established last year when Congress passed the Rail Reorganization Act to attempt to get the bankrupt lines in the Northeast and Midwest back on their feet. None of us can promise that we have the cure-all for the railroads' woes with the creation of ConRail. However, we must provide assistance to keep these railroads running until ConRail becomes operational.

On more than one occasion, the railroads have been called economic lifelines. These lifelines have been impaired by faulty management, inflation, and changes in marketing and economic trends that many of us could not prevent or foresee. We in the Congress are obliged to keep these lines moving. That is what we are doing here today.

The Appropriations Committee, in concert with the House Commerce Committee, has acted with great dispatch in producing this bill and H.R. 2051 which we passed yesterday. I believe the Congress will act postively today to approve the moneys to keep these rail lines alive, and I urge my colleagues to vote for the resolution before us.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The amendment was agreed to.

Mr. KOCH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, during the course of the committee's consideration of this legislation, I raised the matter we are faced with in New York City with Grand Central Terminal owned by a subsidiary of Penn Central Transportation Co. Since 1968, the city of New York and Penn Central have engaged in a dispute over Penn Central's proposal to lease the airspace over the terminal to a British real estate developer—UGP Properties, Inc.—for the construction of a 55-story building. In 1967 the city designated the terminal as a landmark; the city maintains that this project would destroy the terminal as a landmark. The question of the terminal's designation as a city landmark is presently being litigated in the New York courts.

Grand Central is a handsome structure built in the early part of this century under the direction of William K. Vanderbilt, then chairman of the New York Central Corp. Vanderbilt had a personal interest in art and this interest is reflected in the grand proportions of the structure, its clerestory windows, arched ceilings painted by the French artist Paul Helleu, three monumental arched bays set between doric columns, and its parapet sculptural group of Mercury flanked by Minerva and Hercules.

In January of this year, the terminal was added to the National Register of Historic Places.

Mercury, Minerva, and Hercules are mighty figures, but they will not be able to withstand the assault on the esthetic integrity of the terminal of a 55-story office building. As the well-known architect Philip Johnson said, such a structure over Grand Central would be "comparable to building an office tower over the apse of Notre Dame Cathedral."

New York City has determined that Grand Central should be preserved. And, it has offered to permit Penn Central to transfer the air rights over the terminal to one or more of Penn Central properties in the Grand Central area, and enacted special zoning provisions to do so.

In view of the amount of public funds that have been funneled into Grand Central Terminal in particular, and the Penn Central Railroad in general, it is not unreasonable to ask Penn Central to respect the public's interests.

Presently, the Metropolitan Transportation Authority of New York State manages the terminal and in doing so absorbs millions of dollars in operating costs that would otherwise have to be borne by Penn Central. Furthermore, the city of New York has foregone over $11 million in the form of real estate tax abatements for Grand Central Terminal. And, with the enactment of this legislation and the pending authorization bill, the Penn Central will have had over $600 million in Federal funds made available to it since 1970.

In view of the Nation's interest in preserving historic structures, the 1971 Executive order concerning protection and enhancement of the cultural environment, and the 1974 Amtrak Improvement Act's provisions directing the Secretary to aid in the preservation of the architectural integrity of passenger terminals on the National Register of Historic Places and those with intermodal capabilities, the Congress can be justifiably concerned that while the Penn Central receives millions in Federal funds, it does not consent to construction plans that are contrary to the public's wishes. Technically, the Penn Central may be a private company. But in view of its state of bankruptcy and continued demand for subsidies from all levels of government, it cannot expect to act with the same independence as a private company and pursue proposals that fly in the face of the public's wishes. Construction of a 55-story office tower would be contrary to the interests of the city of New York and violative of the Nation's interests in historic sites.

Mr. Chairman, am I not correct that the committee shares my concern that the public's interests be respected by the Penn Central and that an effort should be made by the trustees to come to an agreement with respect to the use of the air rights that complies with the intent of the Amtrak Act of 1974, the National Historic Preservation Act, and Executive Order No. 11593 of May 15, 1971?

Mr. McFALL. Yes; we share your concern and have included appropriate language in the committee report in this regard.

Mr. KOCH. Mr. Chairman, in the committee report, the committee expresses its position that the trustees should not take any action or consent to any action which would affect adversely the exterior or the architectural integrity of the Grand Central Terminal until the pending legal matter in New York is finally adjudicated. Is it not further the intent of the committee that apart from the pending court case, the trustees, because of the sums received by the Federal Government, have a special obligation to respect the public's interests and should attempt to negotiate in good faith with the city of New York an agreement that will preserve the architectural and historic integrity of the terminal?

Mr. McFALL. I would hope they would negotiate in good faith.

Mr. KOCH. Furthermore, Mr. Chairman, am I not correct that our committee, while concerned that the operations of the Penn Central should continue, we will not stand by and simply continue to provide aid to the Penn Central if it undertakes policies which are contrary to the public's interests? It is my understanding that we are all in accord that with each request for additional grants or loan authority, the total spectrum of the public's interests will be weighed and balanced against the financial costs of continuing the present management relationship of the Penn Central. Is this not correct?

Mr. McFALL. Certainly, we will not continue to provide funds to the Penn Central if they act contrary to the public interest.

Mr. KOCH. Finally, Mr. Chairman, is it not the committee's position that the Secretary of Transportation should endeavor to assist in this matter, working with the Penn Central Corp. and the city of New York, providing what aid the Department can pursuant to the provisions of the Amtrak Improvement Act of 1974 cited above?

Mr. McFALL. I agree that the Secretary should look into this matter.

Mr. KOCH. Thank you, Mr. Chairman.

Mr. McFALL. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and the joint resolution as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MURPHY of New York, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, had directed him to report the joint resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 273, nays 134, answered "present" 1, not voting 24, as follows:

[Roll No. 21]

YEAS—273

Abzug
Adams
Addabbo
Ambro
Anderson, Ill.
Annunzio
Armstrong
Ashley
Aspin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bowen
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Brown, Ohio
Burke, Calif.
Burke, Mass.
Burton, Phillip
Butler
Carney
Carr
Carter
Casey
Cederberg
Chisholm
Clausen,
  Don H.
Clay
Cohen
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels,
  Dominick V.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Downey
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Forsythe
Fraser
Frenzel
Gaydos
Giaimo
Gilman
Goodling
Green
Gude
Guyer
Haley
Hall
Hamilton
Hanley
Hannaford
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hightower
Hillis
Holtzman
Horton
Howard
Howe
Hughes
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jordan
Karth
Kemp
Keys
Kindness
Koch
LaFalce
Lent
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madden
Madigan
Maguire
Mahon
Matsunaga
Meeds
Metcalfe
Meyner
Mezvinsky
Michel
Milford
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nix
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patman
Patten
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price
Quillen
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowksi
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schneebeli
Schulze
Seiberling
Sharp
Shipley
Shuster
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton,
  J. William
Stanton,
  James V.
Stark
Steed
Steelman
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Teague
Thompson
Thornton
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Wiggins
Wilson, Bob
Wilson,
  Charles H.,
  Calif.
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—134

Abdnor
Alexander
Anderson,
  Calif.
Andrews, N.C.
Andrews,
  N. Dak.
Archer
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bennett
Bevill
Bonker
Breaux
Brinkley
Broomfield
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Byron
Chappell
Clancy
Cleveland
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert
  W., Jr.
de la Garza
Derwinski
Devine

Dickinson
Duncan, Tenn.
Edwards, Ala.
Emery
English
Evans, Ind.
Fascell
Findley
Flynt
Ford, Tenn.
Frey
Fuqua
Gibbons
Ginn
Gonzalez
Gradison
Grassley
Hagedorn
Hammerschmidt
Hansen
Harkin
Harsha
Hechler, W. Va.
Hicks
Hinshaw
Holland
Holt
Hubbard
Hungate
Hutchinson
Hyde
Ichord
Jarman
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Kasten
Kastenmeier
Kazen
Kelly
Ketchum
Krebs
Lagomarsino
Landrum
Latta
Lehman
Levitas
Lloyd, Tenn.
Lott
Lujan
McDonald
Mann
Martin
Mathis
Mazzoli
Melcher
Miller, Calif.
Miller, Ohio
Montgomery
Moore
Mottl
Neal
Nichols
Nolan
O'Brien
Poage
Pressler
Pritchard
Quie
Railsback
Randall
Roberts
Robinson
Rose
Rousselot
Runnels
Satterfield
Schroeder
Sebelius
Shriver
Sikes
Smith, Nebr.
Snyder
Spence
Steiger, Ariz.
Steiger, Wis.
Symms
Talcott
Taylor, N.C.
Thone
Treen
Wampler
Whitten
Wilson, Charles, Tex.
Winn
Wylie
Young, Alaska
Young, Fla.

ANSWERED "PRESENT"—1

Krueger

NOT VOTING—24

AuCoin
Barrett
Clawson, Del
Collins, Ill.
Diggs
Downing
Eshleman
Ford, Mich.
Fountain
Fulton
Goldwater
Jones, Ala.
Jones, Okla.
Leggett
Macdonald
Mikva
Mills
Mitchell, N.Y.
Moorhead, Calif.
Riegle
Santini
Taylor, Mo.
Traxler
Udall

So the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Downing with Mr. Fountain.
Mr. Barrett with Mr. Del Clawson.
Mr. Diggs with Mr. Mikva.
Mr. Fulton with Mr. Ford of Michigan.
Mr. Riegle with Mr. Goldwater.
Mr. Traxler with Mr. Macdonald.
Mr. Udall with Mr. Eshleman.
Mr. Leggett with Mr. Mills.
Mr. AuCoin with Mr. Taylor of Missouri.
Mr. Jones of Alabama with Mr. Moorhead of California.
Mr. Santini with Mrs. Collins of Illinois.
Mr. Jones of Oklahoma with Mr. Mitchell of New York.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

RESIGNATION FROM COMMITTTEE ON GOVERNMENT OPERATIONS

The SPEAKER laid before the House the following resignation from the Committee on Government Operations:

FEBRUARY 19, 1975.

Hon. CARL ALBERT,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I hereby tender my resignation, effective today, from the Committee on Government Operations.

Sincerely yours,

HENRY S. REUSS.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

FIFTH REPORT TO CONGRESS ON PROGRESS TOWARD OFFSETTING BALANCE-OF-PAYMENTS DEFICIT RESULTING FROM DEPLOYMENT OF U.S. FORCES IN NATO EUROPE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 55)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on Armed Services and ordered to be printed:

To the Congress of the United States:

In accordance with Section 812(d) of the Department of Defense Appropriation Authorization Act, 1974 (Public Law 93–155), I am pleased to submit a fifth report to the Congress on our progress toward offsetting the balance of payments deficit resulting from the deployment of U.S. forces in NATO Europe.

As required by Section 812, the Department of Commerce has been working in consultation with the Department of Defense and the General Accounting Office to define the U.S. balance of payments deficit on military transactions incurred in Fiscal Year 1974 as a result of our NATO commitments. In my November report, I provided to the Congress tentative figures developed by the Commerce Department which estimated our FY 74 expenditures at $1.983 billion. This has now been confirmed as the final FY 74 expenditure figure.

The Commerce Department is now in the process of identifying U.S. FY 74 balance of payments receipts reflecting military-related sales and exports to our European NATO allies, through both official U.S. Foreign Military Sales (FMS) and commercial channels. Once total receipts have been identified, they will be subtracted from the $1.983 billion in expenditures to establish the FY 74 deficit. While the Department has been able to confirm Allied purchases through FMS channels, it has been unable to settle on a figure for commercial receipts. The Commerce Department's balance of payments accounting procedures are not in sufficient detail to permit it to isolate all of these purchases. Using information provided by our Allies through the NATO Economic Directorate, the Commerce Department is making an effort to identify as many of these transactions as possible and to include them in its calculation of the balance of payments deficit.

An interagency committee within the Executive Branch has been working to identify other transactions which serve to offset this balance of payments deficit. Of major importance is the FY 74–75 US/FRG Offset Agreement, which was described in some detail in the May 1974 report. We have since been working in cooperation with our Allies to identify additional categories of offsets. These will include Allied purchases of U.S. military-related equipment which cannot be extracted from the U.S. balance of payments accounting system. I will provide details on these offset categories in my May 1975 report to the Congress.

Once our analysis has been completed and the FY 74 military balance of payments deficit has been established, I am confident that this deficit will be offset by the items we have identified and that the requirements of Section 812 will be met.

GERALD R. FORD.

THE WHITE HOUSE, *February 20, 1975.*

ANNOUNCEMENT OF SESSION TOMORROW

(Mr. McFALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McFALL. Mr. Speaker, I would just like to announce that the House will meet tomorrow in a pro forma session.

PERSONAL EXPLANATION

Mr. MIKVA. Mr. Speaker, I was inadvertently detained in the Senate on business and missed the final vote on House Joint Resolution 210. Had I been present, I would have voted "aye."

INTRODUCTION OF BILLS AUTHORIZING MERCHANT MARINE ACADEMY NOMINATIONS

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WON PAT. Mr. Speaker, as you well know, the sea is the economic lifelife for Guam and the U.S. Virgin Islands. Because of our remoteness from the U.S. mainland, much of what these two areas consume is brought in by merchant vessels. This is particularly true for Guam. The sea also has other special meanings for those who live on an island. Many of our young people are eager to follow the ancient path of the mariner in search of new experiences and adventure.

For the young people of Guam, following a career at sea can take two different routes. They may join the Navy which has played a major role in Guam since 1898. Or, they can attempt to become a merchant marine sailor. Should they decide to follow a career with the Navy, potential officer candidates may choose to attend the U.S. Naval Academy at Annapolis, Md. Thanks to the generous support of our colleagues in the 93d Congress, my good friend and fellow delegate from the Virgin Islands RON DE LUGO and I were each granted the authority to nominate candidates to the various military academies.

The only exception is the Merchant Marine Academy, which is not, of course, considered a military academy and thus was excluded from the provisions of the legislation governing academy appointments for the territorial delegates. It is my belief that there exist many young men on Guam who are interested in a career in the merchant marine. Were Delegate de Lugo and I provided with the authority to appoint candidates to the Merchant Marine Academy, those young men in the territories who did desire to work on merchant vessels would have the opportunity to make their hopes come true.

Accordingly, Delegate de Lugo and I have been joined by Delegate Walter Fauntroy and Resident Commissioner Jaime Benitez in sponsorship of a bill to amend section 216(b) of the Merchant Marine Act of 1936 so as to entitle the Delegates in Congress from Guam and the Virgin Islands to make nominations for appointments which were previously granted to all Members of Congress from the various States, the Resident Commissioner from Puerto Rico, and the Delegate from the District of Columbia. The legislation we introduce today would in no way infringe on the rights of our colleagues in Congress and would only correct a gap in the present law to include the Delegates from the Virgin Islands and Guam.

I am particularly proud to add the names of Mr. Benitez and Mr. Fauntroy to this bill. Their support is most welcome and adds to the union of common interest which our respective peoples have with one another as we work to increase our share of the American way of life.

I trust that this measure, which is identical to H.R. 13434 which we jointly introduced in the 93d Congress on March 12, 1974, will merit the full consideration of the Committee on Merchant Marine and Fisheries and the entire Congress as well. Their support will be of great value to the young men of the Virgin Islands and Guam and will add to the reservoir of talent which this Nation will need in the years to come to operate this country's merchant marine.

INTRODUCTION OF THE FOREIGN INVESTORS LIMITATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Gaydos) is recognized for 15 minutes.

Mr. GAYDOS. Mr. Speaker, today I am again introducing the Foreign Investors Limitation Act, the provisions of which would prevent foreign investors from acquiring more than 5 percent of the voting securities or 35 percent of the nonvoting securities of any American corporation whose securities are listed with the Securities and Exchange Commission.

This bill was originally introduced on June 25, 1974, along with my good friend and colleague, the Honorable John H. Dent. Subsequently, other bills of a similar nature were introduced by other Members of the House.

On February 5, 1974, I addressed the Members of this House concerning the activities of foreign investors' attempts to obtain control of American corporations through the tender-offer route. Additionally, I expressed my serious concern over the tremendous amounts of capital that would be flowing to the Mideast oil-producing countries and the fact that the most attractive outlet for this capital would be the American economy, which could lead to takeovers of American companies.

Unfortunately, my remarks went unheeded and no action was taken in the 93d Congress on the various bills which sought to prevent foreign takeover of American corporations.

The 93d Congress did, however, pass the Foreign Investment Study Act of 1974 (Public Law 93-479, October 26, 1974), which directed the Secretary of Commerce and the Secretary of the Treasury "to conduct a comprehensive, overall study of foreign direct and portfolio investments in the United States."

On August 21, 1974, during debate in the House, I rose in opposition to the bill, because "in my opinion, this bill, if enacted, would be a 'copout' by the Congress on a developing problem that holds serious prospects for the American economy." I made an urgent plea to my colleagues to vote against the bill and to allow the proper committees of Congress to hold hearings on the many bills that were introduced rather than wait for 2½ years when the final report would be available. The bill as enacted into law, provided for the final report to be submitted to Congress 1½ years after enactment.

Since that time, the following has transpired:

Newsweek magazine of October 7, 1974, reported on an interview conducted by Senior Editor Arnaud de Borghgrave with the leaders of Syria, Saudi Arabia, Egypt, and Jordan. He reported that a private Arab corporation had just been set up and backed by the most influential men in Saudi Arabia, Abu Dhabi, and Egypt to purchase stock in American companies with the intention to obtain majority control.

The December 2, 1974, edition of the Washington Star reported on an abortive attempt by Arab business interests to invest $1 million in Lockheed. This would have amounted to 41 percent of Lockheed stock.

The December 4, 1974, edition of the Wall Street Journal reported that the attempt by Standard Oil Co. of Indiana to absorb Occidental Petroleum Corp. was hastened by the purchase of 1 million shares of Occidental by an Arab investor.

During the month of January of this year, there were three occasions where Arab investors attempted to take over control of American banks. In two of these, thanks to the foresight of the American stockholders, the takeover was not consummated. These involved banks in Pontiac, Mich., and in San Jose, Calif. But a Saudi Arabian investor was successful in acquiring the Bank of Commonwealth in Detroit, Mich., the sixth largest bank in that State.

While the banking and business communities' reaction to the original introduction of this bill was that a significant takeover of American companies could not happen, it is interesting to note that Federal Reserve Chairman, Arthur F. Burns, testifying before a Senate committee in December 1974, stated that while he would not mind a takeover of Coca-Cola or Quaker Oats, he would be concerned by takeovers of more basic industries.

Industry Week magazine in its January 13, 1975, edition reported on a survey it had recently conducted on the attitude of American business managers to foreign investment. Of 300 responses to the survey, 64 percent were opposed to foreign investment in their companies and 69 percent were opposed to Arab investment in their companies.

The February 3, 1975, edition of Business Week included an interview with Treasury Secretary William E. Simon. In responding to a question as to whether there should be additional curbs on Arab investment in the United States, Simon replied:

> I believe in the free flow of trade and investment in the world. But there are industries in the U.S. that are protected from foreign investment for national security considerations. I believe the definition of national security now includes economic and financial considerations. Allowing a producing nation to be allowed to purchase one of our major oil producers, for instance, would be in conflict with our future policy of becoming self-sufficient. There are many areas that we must take a fresh look at.

While these comments certainly reflect a substantial change from the previous position of the administration and the banking and business communities that we had nothing to fear from foreign investments in American companies, I submit that it is necessary for Congress to enact legislation in this area and not rely on the day-to-day decisions of the administration taken without any congressional guidelines.

Evidence of the administration's indifference in this area is abundantly clear in the current attempt by Iran to purchase approximately 13 percent of the stock of Pan American Airways. While an interest of 10 percent or more in an airline's ownership is considered "presumptive control," and the CAB must then determine whether control actually exists with such ownership, it appears that the administration has already given its approval to the Iranian investment, so the CAB investigation can well be an exercise in futility.

The acquisition-happy nouveaux riche oil-producing countries will not be deterred by the few rebuffs they have already experienced. Their extorted gains will continue to increase in the future and they will continue to prey upon American industry and be an ever-increasing threat to take it over. According to the Economist of London, OPEC at its current rate of capital accumulations could buy out all companies on the world's major stock exchanges in 15.6 years, all companies on the New York Stock Exchange in 9.2 years, all Central Bank's gold—at $170 an ounce—

in 3.2 years, all U.S. direct investments abroad in 1.8 years, all IBM stock in 143 days, all Exxon stock in 79 days, and the Rockefeller family's wealth in 6 days.

I submit that these statistics are indeed frightening, and the threat they pose to American industry and the American economy can only be eliminated by congressional action in passing legislation limiting foreign ownership in American corporations. I strongly urge my colleagues to support such legislation.

A CITY BETRAYED

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, day after day for about 9 consecutive legislative days I have taken the privilege of the floor in order to address myself in some discussions I have entitled "A City Betrayed," painfully and sadly describing a truly pathetic situation involving my loved native city of San Antonio, Tex., which has been victimized. It has been defrauded. It has been shockingly deprived of the protection that the basic laws of the city and the State of Texas should afford the citizens of the city.

I have pointed out in the case of the pressing natural gas crisis victimizing the citizens of San Antonio and the consuming public in the surrounding area, which, incidentally, also affects two substantial municipalities besides San Antonio, the city of Austin, Tex., the capital of the State, and Corpus Christi, a thriving, growing community to the south of San Antonio on the gulf coast.

I have pointed out diligently and in great detail the convolutions, the conspiracies, all of the cunning and intrigue, selfishness, self-seeking, that crosses social, economic, and political lines in the community.

It is very difficult to attack any situation where we have members of society from the highest to the lowest. I am reminded of a situation that existed many years ago, about 50 to be exact, in the great city of Chicago in Cook County, Ill., which at that time those of you who are old enough to recall was beset by the shadow and the menace of Al Capone and the likes of Capone.

So, some of the reform groups in Chicago decided to do something about it. They banded themselves into a committee. They raised funds and they invited a famous British criminologist to come and study the situation and advise and recommend. The famous Englishman did not stay 2 weeks in Chicago before he said, "Gentlemen, I must earn my money, and I will tell you that there is no use for me to waste your time nor your money because that situation, as I see it, will be of such kind of nature that in order for me to give you the benefit of my expertise, you must first remove the baneful tie-in and association between politics and crime."

And, he departed, took only the cost of his trip, and went back to England. This shocked the Americans, but what he said has been so true all along.

In the meanwhile, as in the case of the city of San Antonio, the Nation as a whole has also been inundated with what has been described as a wave of crime. It seems to pollute the entire national existence. We had one national political campaign based on an attempt to restore law and order, only to see those spokesmen for law and order themselves barely escape the clutches of incarceration in the penitentiaries. For the first time in our national existence, we have the tragic story of a Vice President quitting in order to keep from going to jail; a President resigning in order to avoid the same fate, and a host of top echelon executives in the national Government either under indictment or the threat of indictment, or indictment and conviction.

This seems to reflect a national malaise. It raises a question about how can we talk about rooting out crime anywhere when there is such an intricate and intimate tie-in between the highest levels of our society, both governmental as well as business, with the criminal element? Nowhere has this been better illustrated than in my hometown of San Antonio, Tex., and for precisely the same reasons.

I had read of such things in books. Some I had never really felt were really factual, but just like in the case of our national tragedy involving a Vice President and a President, which I never dreamed would happen in my lifetime, and I am sorry to say it has happened and deplore it and feel saddened and grieved, the same thing has happened in my own native city involving councilmen elected to the city council; legislators elected to the State senate and the State house of representatives; the business community, some of them pillars of the business community and society; there is an intricate web and interconnection between the wrongful pattern of behavior, the pattern of self-seeking fraud imposed upon the public and that inextricable link between crime and the government, or the ruling establishment, as that word is so commonly referred to nowadays.

What hope is there? What can be done? Well, to a certain extent exposure, if nothing else, is one thing that will help. But, exposure is not easy to come by. Again referring to the San Antonio case, it has reached the point where a Congressman had to come back, come to the county and go before the local grand jury in order to, as the critics have said, stir up trouble, in order to initiate the basic process without which it would be impossible to even begin to extricate the honest citizen from the clutches of the dishonest.

I think that none of us who presumes to hold a public office or trust can truly say he or she is earning his or her money or serving that trust well who is not dedicated, if nothing else, to establishing the truth and preaching the truth and hollering it from the highest rooftop of the community or the Nation as the opportunity may present itself.

In the case of San Antonio, that grand jury, much to my surprise, was hampered, obstructed and almost prevented totally from continuing in the initial investigation by the district judge, who was in charge of convening the grand jury.

This district judge, to my surprise, for he seemed to reflect youth, he seemed to reflect candor, at least at the time he was seeking office—it was quite surprising to see the role that the judge was displaying and, actually, at first, attempting to intimidate the district attorney; and, secondly, trying to put a stop to the grand jury itself.

Subsequently, the grand jury then decided that, in order to establish and ferret out the truth, it would subpena certain individuals. One of these individuals was a man I referred to before, one Glen Martin, a man who made over $10 million in the malodorous deal initiated some 12 years ago that resulted in the defrauding of the consuming public that has to live by the utilities furnished by what is known as the San Antonio City Public Service Board.

This man hired himself the most able "criminal lawyer" in the community, to wit: one Anthony (Tony) Nicholas, Esq. He has a well-earned reputation as being the best lawyer a criminal can have. In fact, in certain segments of that society in my city, he is known as the St. Jude of lawyers because he is the patron saint of lost or hopeless cases involving some of the miscreants who happen to find themselves crosswise with the law.

So this gentleman hired himself a lawyer, went before this particular judge, who had done everything he could to try to obstruct the grand jury, in order to say, "I do not think I ought to be forced or compelled to go before the grand jury."

And lo and behold, the judge issued an order preventing the grand jury from hearing this one individual, Glen Martin, to this date.

Why did this Judge Preston Dial do such a thing?

There is a lot of conjecture, a lot of questions. The truth sooner or later, I am sure, will come out. In the meanwhile, those who have been disturbed by what I have said on this floor say that I should not seek the privilege of the floor because it creates immunity, although what I have said I have said off and on the floor, I have said it high in the sky in a plane, I have said it low on the ground on buses and subways, and the truth is just as available to those that I have mentioned, and the means of establishing the truth and communicating it, in fact, are far more available than they are to me.

But the trouble is—and it disturbs me greatly, it causes me to fret, it worries me daily, for after all, I was born in the city.

My children and my grandchildren unquestionably will continue to live in the city, and it is for their future and for the future of those in their generation that I think I and others who are similarly situated have a most solemn responsibility to discharge. Cost what it will, difficult as it may be, it must be done, for there are connections between these factions. The highest levels of syndicated crime in this Nation and the gas crisis of San Antonio are interlocked, believe it or not.

Mr. Speaker, I went the first time before the grand jury in 1970. One of the newspapers mocked me for my appearance, and that newspaper said:

> We cannot conceive why the Congressman would come all the way from Washington to appear before our local county grand jury. There is no crime here. There is certainly no organized crime.

The newspaper said:

> We will not use the word, "Mafia," we do not want to antagonize anybody.

However, I had good reason for doing what I did. I did it reluctantly, really. I had good reasons that compelled me to go before the grand jury.

The newspapers were reporting mysterious deaths. A certain individual was found dead; he had been stabbed a multiple number of times, and his body was found in a creekbed upon the north side of the city. There was no clue to his death. However, the police said the individual had had some history of having brushed with the law as a result of the drug business, dealing in illegal drugs.

Within a day or two after that, another body was found, this time in the southernmost portion of the city or county. This individual had also been stabbed to death.

Then a third individual was found dead. He had been shot several times, and then, to make sure he died, he had been run over by an automobile at least two or three times, according to the estimates of the police.

Mr. Speaker, I pride myself on returning to my city every weekend, as I intend to do in a few minutes, and by that means I attempt to stay in the most intimate of contact as is humanly possible with as many of my constituents as I can. As a result, it was not long before I had information that was offered to me by constituents whom in one way or another I had contacted in the past. These constituents included some who had been inmates of the penitentiary, some who had been released on parole, and others who had sought some help in one way or another from the local office. This information was quite important, and it had a lot to do with the speculation about the bodies that had been found around the city.

Therefore, I felt impelled to be before the grand jury. In fact, as I said, one of the local papers laughed and mocked and scoffed at me for this.

Without in any way violating the oath of secrecy that I took when I appeared before the grand jury, I can state that in answer to a direct question asked of me, I said this:

> As much as I hate to say so, I am afraid our city is the site of more than just casual or happenstance crime.

The truth of the matter is that headlines appeared a year later saying that in fact, with the closing of the Turkish heroin trade, the South American and the Mexican heroin trade had increased and the brown heroin was coming in in droves from south of the border, and San Antonio was being used as a way station.

Again, at the same time, again through happenstance and through communication with my constituents—this time from people on a higher echelon of society, the business community—I discovered that one of the most prominent men in national crime—in fact, he was from the New Orleans area—was involved and had connections in the city of San Antonio. It was corroborated that he had come there and that he has continued to come to the city on various occasions.

Mr. Speaker, this was not happenstance. It was soon revealed that one of the most prominent businessmen in the city had intimate and yet to be established extensive business connections there also. The same figure had also been moving toward the border area and south of the border area.

All of the national law enforcement bodies clearly identify him as one of the top lieutenants in the so-called Mafia or organized crime.

It is hard to tell the community that there is a connection and to give the reason why the city of San Antonio is fated to confront the most serious crisis in its entire history since the founding of the city by the Spanish garrison and the Spanish missionaries in 1718; but I say, Mr. Speaker, by way of conclusion, that I will continue to speak from this floor and further describe for the benefit not only of the city of San Antonio and my constituents of the 20th district, but the citizens of the Nation as a whole, further and in greater detail these connections, insidious in nature but steeped in fact, until they are rooted lock, stock, and barrel out of the community.

The community will never solve its basic problems of crime, of good government, and responsible service to the people in the basic necessities of life which are today light, gas, and water. All of these elements imperil the future development of a city that I was born into, that I have consecrated my whole life to serving, that I have had the great pleasure and privilege of representing in this body for 13 years and several months, and have had the help of this body in bringing to San Antonio such historical and epic events as the first world's fair south of Chicago and St. Louis in the Nation's history.

I feel that no matter how difficult, no matter how politically dangerous it might be—these are not the first times I confront these dangers—that there is a must about the continuation of this fight.

The local district attorney of Bexar County, thank God, is an honest man. Unfortunately, he finds himself in very lonely company. I find that I must do everything in my power to help him. I must help those citizens who will act honestly and soberly as future members of the grand juries to be convened yet in their endeavor to help the city.

I find that had it not been for my rising on this floor, these truths would not have been established and that these revelations would not have been set in a clear, in an irrebuttable, and in a succinct manner such as I think I have done.

Therefore, Mr. Speaker, I fully intend to continue the fight. It is a big fight with a little stick. Even the law enforcement agencies of the Federal Government, the State government, and the local government agree with me that it is impossible for them to stem the crime level and the wave of criminal activity until at least we root this nefarious intertwining of the political with the criminal, and above all, when that thread intertwines further between the political, the economic, the business, and the criminal element, which is what we are confronted with today.

I feel in my heart and soul that whereas I address myself to a purely local situation, it is not local at all, but national in scope, and that this pattern can be repeated in community after community from Puget Sound clear over to Maine.

LITHUANIAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 10 minutes.

Mr. CLEVELAND. Mr. Speaker, this past Sunday, February 16, Americans of Lithuanian origin joined with Lithuanians throughout the world in commemorating the 57th anniversary of the establishment of the Republic of Lithuania. As we approach the 200th anniversary of the founding of our own Nation, we should take a moment to reflect on the principles that are the foundation of our country and on the relation of these principles to oppressed people throughout the world.

The United States of America was created because a group of individuals could no longer tolerate living under the oppressive yoke of a distant despot. Our Founding Fathers desired to live in peace and freedom in a land where no individual would be afraid to speak his or her views, openly worship his or her god, or freely practice his or her chosen profession or vocation. Over the past 200 years, many U.S. citizens have given their lives to preserve these principles, not only in the United States, but also in Europe, Asia, and other parts of the world.

In a time of increasing world cooperation and movement toward a true détente with former enemies—a movement which, incidentally, I applaud—it is important to remember that there are people in the world today who desperately desire to have the basic freedoms which we in this country have had for almost 200 years, but are denied them by foreign oppressors.

The history of the Lithuanian people has been one of struggle to defeat those who would subjugate them and deprive them of their religious and political freedoms. For over 100 years, Lithuania was tyrannized and ruled by czarist Russia.

In 1918 the overthrow of this dictator gave the Lithuanians the opportunity to proclaim their independence and establish a model democracy. For 22 years these brave people worked hard to build up their homeland and preserve their freedoms. In 1940 a new Russian despot, Joseph Stalin, again brought about a political takeover of the Lithuanian people and an annexation to a super-Russian state. This latest political and moral subjugation has continued to the present day.

Despite their physical domination by a greater power, the spirit of the Lithuanian people has remained strong. The Lithuanian culture has continued and the hopes of a return to the freedoms of earlier years have never waned. To our credit, the United States has never recognized the Communist takeover of Lithuania and has shown itself willing to accept Lithuanian refugees, most recently in the dramatic case of the Lithuanian sailor, Simas Kudirka. It was an honor for me to have met this gallant man here in the Capitol last year.

In this age of international cooperation and negotiation, we must never forget the principles which have made our country great and which stand as a symbol of hope and inspiration for oppressed peoples all over the world. We must not bargain away the freedoms of other nations to further our own aims. By reaffirming the right of Lithuania and other captive nations to self-government and independence we are reaffirming our heritage. In good conscience, we can do no less.

HIGHWAY CONSTRUCTION FREEZE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WALSH) is recognized for 5 minutes.

Mr. WALSH. Mr. Speaker, I am today introducing an amendment to the Federal Aid Highway Act to rectify a serious problem brought about by a recent court decision. It would permit the States to prepare environmental impact statements on Federal aid highway projects proposed by the State, subject to evaluation and approval by the Federal Highway Administration.

On December 11, 1974, the U.S. Court of Appeals, 2d Circuit in Conservation Society of Southern Vermont, Inc. against Volpe, ruled that environmental impact statements required under the National Environmental Policy Act must be prepared by the Federal Highway Administration and not by State transportation agencies.

The court affirmed an injunction against further Federal participation in Route 7 in Vermont for this reason, even though the court found that the substance of the impact statement as prepared by the State was in full compliance with NEPA.

In January of this year, the Federal Highway Administration imposed a freeze on project approvals for the Federal aid highway program in New York, Vermont, and Connecticut, except for minor projects such as safety improvements. These three States comprise the jurisdiction of the 2d circuit court.

The Highway Administration specified it will not act on requests for approval of preliminary engineering authorizations or plans, specifications or estimates of right-of-way acquisitions nor any other step in the process of developing a highway project.

In the three States involved, the freeze affects 147 Federal aid highway projects on which construction would begin in 1975 and 1976. In addition, the freeze halts the development of hundreds of projects on which construction would commence in the period 1977–1980.

The dollar value of the projects affected is in the billions and every type of Federal highway is on the list—interstate urban extensions, city arterials, rural primary, and rural secondary.

Although the court decision does not enjoin any construction other than the one route in Vermont, it did serve notice that any Federal highway project in the three States might be enjoined if someone wants to bring suit because the impact statement was not prepared by the Highway Administration. The freeze was imposed by the FHWA because it presumably does not want to risk widescale interruption of projects by lawsuits based on the decision.

An appeal of the decision will undoubtedly be filed, but it could take as much as two terms for the Supreme Court to decide it. In the meantime, without some other solution the highway systems in the affected States would suffer enormous deterioration since much of the work involves the reconstruction of existing roads.

Mr. Speaker, my amendment offers a solution to this problem by providing that the impact statement, in any instance, can be prepared by the State agency, subject to approval by the Federal administrator. The amendment in no way changes the substantive requirements of Federal law.

I sincerely urge the support of all my colleagues in this most serious matter. The construction of these arterials is essential to upgrading the safety factor, to save money by starting as early as possible, and even to provide jobs for the construction industry which will be severely affected by the freeze on construction.

Mr. Speaker, for the benefit of all of the Members of the House, I would also submit for the RECORD a copy of my amendment and a copy of the court decision from the 2d Circuit Court of Appeals.

THE VOLUNTEER ARMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. STEIGER) is recognized for 10 minutes.

Mr. STEIGER of Arizona. Mr. Speaker, a recent editorial in the New York Times infers that the Army's success in recruiting volunteers is primarily due to recession and high unemployment rates. Further, the editorial pictures the Army as rapidly becoming a predominantly black force, especially in the ground combat arms of infantry, armor, and field artillery. I was concerned by these allegations, and have asked the Army for precise data on them.

Unemployment has undoubtedly increased the number of applicants volunteering for service recently, thus enabling the Army to increase quality standards. However, it is also a fact that the Army ended the first full fiscal year without draft in June 1974 at 100.6 percent of its authorized strength. Over 199,000 young men and women—all volunteers—enlisted in the Army between July 1973 and June 1974. That was well before onset of serious recession and high unemployment rates.

Some people relate military pay raises granted in recent years to the cost of the Volunteer Army. It is well to remember, however, we are asking these people to bear more than their fair share of the Nation's defense program by providing them salaries of only about 60 percent of what their civilian contemporaries were earning. The 1971 pay raise was deserved in the interest of fairness and equity, whether or not we moved to an all-volunteer force. If the draft were reimposed, it is doubtful the military raises would be reversed. In any case, we would certainly not want to emulate Soviet military wage scales, as the Times seems to imply might be desirable.

As far as the Army becoming all black is concerned, let us look at the facts. The Army's total black enlisted content is currently at about 22.5 percent. As of December 1974, there were about 149,000 black soldiers in the Army, of which only about 29,000 were in the infantry, armor, or field artillery. There are certain technical skills in which black representation is low, I am informed, but the Army is aware of these and is directing vigorous efforts to correct this imbalance.

The New York Times comment that first-term blacks are reenlisting at a rate of 52 percent while the Caucasian first-term reenlistment rate is 31 percent—not 35 percent—ignores the fact that black reenlistments comprise only 23.4 percent of the total. Likewise, it should be noted that 75 percent of all black reenlistments are in skills other than infantry, armor, and field artillery, and most of these other skills are directly related to civilian jobs.

Since the annual accession rate of non-prior-service blacks entering the Army in fiscal year 1975 is expected to be about 23 percent, the present black content of the Army, the reenlistment rate, and the new volunteer rates are all about even. This means that percentages of black content in the Army have probably leveled off.

There does not appear to be a basis to allegations that the Army is becoming all black or that it has cynically pushed blacks into the combat arms. While black content of the Army is higher than in the general population, this more probably reflects that group's awareness of the strenuous efforts being made to assure fairness and equal opportunity for them.

On balance, the Army's recruiting, retention of volunteers and racial composition appear to be in good shape, and not on the brink of disaster, as the New York Times would suggest.

MILITARY DISCHARGE REFORM LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. STEIGER) is recognized for 5 minutes.

Mr. STEIGER of Wisconsin. Mr. Speaker, in yesterday's RECORD, I inserted a copy of military discharge reform legislation I have joined in cosponsoring. Following is a section-by-section analysis of that legislation that I hope will be helpful in giving a better understanding of both the provisions and intent of the bill:

H.R. 52—MILITARY DISCHARGE REFORM LEGISLATION

The following is a comparison between H.R. 86 (which passed the House as H.R. 10422 during the 92d Congress) and the proposed legislation. A comparison between H.R. 86 and current law, and a more detailed description of the mechanics of H.R. 86, may be found in H.R. Rep. No. 92–496.

1. H.R. 86: covered discharge "under other than honorable conditions," but did not specify the character of the discharge certificate. Presumably, this would continue to be labeled an "undesirable discharge." The bill did not cover the General Discharge.

Proposal: subsec. (a) specifies the character of the discharge certificate: Honorable Discharge, except where a lesser form is warranted; Discharge from Service, in accordance with procedures in this bill; Bad-Conduct or Dishonorable Discharge, in accordance with current procedures under the UCMJ.

Comment:

(a) Until 1893, an administrative discharge in a legal sense was considered honorable. In that year, without any change in the statutory authority, the Army created the Discharge "Without Honor". In 1913, this became the "unclassified" discharge, which soon thereafter became known as the "blue" discharge. During the World War II era, the Navy developed the General and Undesirable Discharges, which were adopted by all services in 1947. None of these designations were authorized by express statutory authority.

(b) Any discharge other than an Honorable Discharge severely stigmatizes the veteran. To label an individual "undesirable" is to impose a punishment as severe as a punitive discharge by court-martial but without the accompanying safeguards. In a society which believes in rehabilitation and a second chance, the permanent label as "undesirable" is too severe a punishment when a court-martial conviction has not been obtained. If military discipline requires that soldiers be administratively deprived of an Honorable Discharge, that purpose can be achieved by issuing these individuals a plan certificate of Discharge from Service.

(c) The General Discharge is considered to be issued under honorable conditions, fully entitling the member to benefits administered by the VA. However, such a discharge carries severe negative connotations and leads to substantial discrimination by prospective employers. The individual who is deemed to have served honorably sould not be put at such a serious disadvantage in the job market as opposed to his civilian peers who never entered military service. A discharge under honorable conditions should be labeled an Honorable Discharge. Where a lesser certificate is warranted, this bill provides the military with ample means to achieve that end.

2. H.R. 86: subsec. (a) provided for discharge under less than honorable conditions: (1) after a hearing by a board of officers; (2) upon resignation or request for discharge in lieu of board action or court-martial; (3) AWOL for a year; (4) civilian conviction where the parallel UCMJ offense could lead to a year's confinement; (5) three court-martial or civilian convictions where the UCMJ offense could lead to three months confinement; (6) in time of war by order of the President.

Proposal: subsec. (b) provides for the same reasons for discharge under less than honorable conditions, except for part (6). The sections covering civilian convictions and three court-martial convictions are included under the provisions which require board hearings.

Comment:

(a) A board hearing is necessary, except where a resignation is tendered or a year's AWOL passes. In many cases, of course, civilian convictions or 3 UCMJ offenses will clearly warrant discharge under less than honorable conditions. However, this determination should result from deliberations by a board of officers, not from automatic operation of law. For example, what of the individual with a long period of honorable service who receives a civilian conviction which carries a potential year's sentence under the UCMJ, but is awarded probation or a very light sentence by the civilian court? Similarly, what if the three convictions are rendered by an inferior court-maritial, are the result of minor infractions, and are spread over a three year period of otherwise unblemished service? Such examples could be multiplied. The proper function for the sections on civilian convictions and three-time offenders is to establish the legislative intent that such circumstances may warrant discharge under other than honorable conditions, but this should not preclude a showing that retention or separation with an Honorable Discharge is appropriate under a given set of facts. Since subsection (d) permits a board hearing without the member's presence when he is confined to a civilian institution, the requirement of a hearing in these cases will not preclude the expeditious processing of a member with a discharge under other than honorable conditions where such a punishment is warranted by the circumstances.

(b) In time of war, the President will have far more important things to do than to ponder the characterization of a particular GI's discharge certificate. This is a broad, open-ended power, which could be used to defeat the purope of the legislation. During the Vietnam War, the task of adjudicating less than honorable discharges was performed by boards of officers. There is no reason to create an exception to this allocation of responsibilities simply because there has been a declaration of war.

3. H.R. 86: subsec. (b) (1st paragraph) provided for uniform regulations to be issued by the service secretaries concerning the subpoena power.

Proposal: subsec. (c) (1st paragraph) is substantially similar, but provides for the regulations to be issued by the Secretary of Defense.

Comment: sound administration of the Department of Defense requires that where uniform regulations are mandated, the responsibility for coordination should be vested at the DOD level.

4. H.R. 86: subsec. (b) (2d paragraph) provided for uniform rules of evidence, including rules on depositions and ex parte statements, to be promulgated by the services, and to be reported to Congress.

Proposal: subsec. (c) (2d paragraph) provides for uniform rules of evidence, including rules on depositions and ex parte statements, to be promulgated by the Secretary of Defense, and to apply, so far as practicable, the rules of evidence in the Manual for Courts-Martial.

Comments:

(a) As noted in point 3 above, uniform rules should be promulgated at the DOD level.

(b) It is necessary for the legislation to set a standard for the evidentiary rules. The rules in the Manual for Courts-Martial represent executive judgment as to the manner in which such rules should comport with the requirements of military discipline and justice. The proposal provides ample flexibility, by permitting the Secretary to deviate from those rules where necessary, but has the virtue of creating a touchstone from which such necessity can be measured.

5. H.R. 86 subsec. (c) (1st paragraph) permitted the service secretaries to establish regulations for the board hearing which permit the member to: (1) appear personally and present evidence: (2) be represented by counsel; (3) confront witnesses; and (4) examine the evidence against him.

Proposal: subsec. (d) (1st paragraph) substantially similar, providing the Secretary of Defense with authority to issue the regulations.

6. H.R. 86: subsec. (c) (2d paragraph, 1st sentence) entitled the member to notice of the reasons for the hearing.

Proposal: subsec. (d) (2d paragraph, 1st sentence) is similar, adding the word "specific" before "reasons".

Comment: there have been occasions where commanders have interpreted the current notice requirements to be satisfied by general charges such as "unfitness". The word specific would comport more closely with preferred DoD practice.

7. H.R. 86: subsec. (c) (2d paragraph, 2d sentence) provided that if the individual is confined to a civilian institution, the hearing may be conducted out of his presence so long as he is represented by counsel.

Proposal: subsec. (d) (2d paragraph, 2d sentence). Similar, but adds the provision that a reasonable attempt be made to obtain the present of the member.

Comment: where an individual has committed an offense and is confined to an institution near the base, the civilian authorities may be willing to permit the individual to be temporarily released to military custody for purposes of a discharge hearing. This provision simply requires the military to make the request, it does not preclude the hearing from going forward when the request is denied.

8. H.R. 86: subsec. (d) provided for a military judge to act as legal advisor to the hearing board.

Proposal: subsec. (e) is identical, with changes in the language to conform to the rest of the bill.

9. H.R. 86: made no provision for review of the matter contained in the resignation or request for discharge in lieu of board action or court-martial.

Proposal: subsec. (f) provides for a legal advisor to review the request for discharge or resignation in accordance with regulations which shall apply, so far as practicable, the UCMJ standards for a guilty plea.

Comment: The overwhelming majority of Undesirable Discharges are issued in lieu of trial by court-martial. These are simply pleas of guilt, without the standards prescribed by the UCMJ. While most are undoubtedly issued under just circumstances, the procedure has lent itself to abuse. An individual may be charged with an "offense" that is not legally cognizable by a court-martial, may be overcharged with offenses that are not supported by the evidence, or may be coerced into issuing a confession—all with the object of inducing a plea of guilty in the form of a request for resignation or discharge under less than honorable conditions. The UCMJ and the Court of Military Appeals require that in courts-martial, such pleas be examined to ensure that they are voluntary, legally sound, and supported by the evidence. Experience has demonstrated that the mere provision of appointed counsel (as per H.R. 86) is no substitute for the requisite examination of the accused by a military judge. The review by a legal adviser of a "guilty plea" (as contained in a request for resignation or discharge) provides an expeditious means of ensuring that this power is exercised in accordance with law.

10. H.R. 86: subsec. (f) provided for review of recommendations for discharges under other than honorable conditions by panels to be established by the Judge Advocates General.

Proposal: Identical, with changes in the language to conform to the rest of the bill.

11. H.R. 86: did not grant jurisdiction over less than honorable discharges to the Court of Military Appeals, the highest court under the UCMJ and the only civilian tribunal in the military justice system.

Proposal: subsec. (g) provides the Court of Military Appeals with jurisdiction to review discharges under other than honorable conditions. Such review would be very limited. The court could consider cases only if referred to it by the Judge Advocates General, or on petition of the member if made within three months of separation. Petitions need only be accepted at the discretion of the court. Appellate counsel would be provided only where the court deemed it necessary. Review would be confined to matters of law. So as to not burden the armed services, review would take place after separation, and the court would be limited to considering the character of discharge and could not order reinstatement.

Comment:

(a) Members of the Court of Military Appeals, in congressional testimony and judicial opinions, have expressed concern over the administration of the military discharge program, especially its impact on the UCMJ, and have requested jurisdiction to review these proceedings.

(b) The proper functioning of an administrative body depends upon adequate provision for judicial review. The issuance of rules and regulations, their operation in practice, and the interrelationship with similar bodies of law (e.g. the UCMJ) must be subjected to judicial supervision. The federal courts are not equipped to fulfill this role. To date, federal court consideration of discharge questions has been haphazard and confused. It is an ad hoc approach which varies from court to court and circuit to circuit. This function properly belongs with a body that was constituted to review military justice and discipline. Consideration by the Court of Military Appeals, properly limited to cases selected in its sound discretion, will provide the oversight and expertise that heretofore has been missing from the administration of the discharge program.

12. H.R. 86: subsec. (f) provided that a member cannot be required to submit to a second board proceeding solely for conduct that was considered by a previous board.

Proposal: subsec. (i) substitutes the words "in whole or in part" for "solely"; it also adds that previous consideration by a court-martial will bar action by a subsequent discharge board, except under the three-time offender provision of subsection (b)(1).

Comment:

(a) The word "solely" vitiates the effect of the former jeopardy provision of H.R. 86. An individual could be completely vindicated at a board hearing for an alleged act of misconduct, and then could be required to submit to a second proceeding for the same act, so long as an additional act was alleged. The insertion of the words "in whole or in part" will preclude this possibility.

(b) If an individual has been tried by a court-martial but has not been convicted, he should not be subjected to the risk of a discharge under other than honorable conditions for the same alleged act of misconduct. Even though the technical rules of the two proceedings may differ, it undermines the principle of fairness to impose such a punishment in a second proceeding when the earlier tribunal did not render a conviction. Similarly, if a court-martial has been held and conviction obtained—but a punitive discharge was not imposed—then an administrative board should not be permitted to impose a less than honorable discharge when the court-martial chose not to do so for the same misconduct. It should be recalled that the frequent offender provision of subsection (b)(1) specifically permits 3 convictions to form the basis of a less than honorable discharge. Also, after a board of officers has made a finding that a specific act of misconduct (not the subject of previous proceedings) warrants separation from service, it would be proper for the board to consider previous convictions in determining the character of discharge, just as a court-martial may consider previous offenses in imposing a sentence once it has reached a determination of guilt in the case before it. Conversely, the proposal makes it clear that the former jeopardy provision does not preclude separation from service, so long as a less than honorable discharge is not imposed.

13. H.R. 86: subsec. (g) listed the provisions of law which cover less than honorable discharges.

Proposal: identical.

14. H.R. 86 did not address the question of other discharge papers which may disclose the character or conditions of discharge.

Proposal: subsec. (k) provides that the member, following discharge, may request a form which gives information as to his rank, time of service, training completed, MOS assignments, awards, character of discharge, and specific findings when a less than honorable discharge has been awarded.

Comment: Although the controversial SPN numbers have been abolished, they have been replaced by a practice which may produce even greater problems for the honorably discharged veteran. The member may now be furnished a narrative description of reason for discharge. This narrative simply contains the language represented by the old SPN codes; e.g. homosexual tendencies, drug abuse, etc. Thus, an honorably discharged veteran may be labeled in an adverse manner without ever having the allegation determined in an administrative proceeding.

Clearly, there is a need for veterans to have certain information about their period of service to be used in seeking employment. But it is not clear that military personnel who have been honorably discharged should be stigmatized by broad generalizations which have not been the subject of formal administrative findings. Therefore, the proposal seeks to specify the information which a veteran would need to obtain employment, and to permit the armed forces to record an accurate description of an approved set of findings when a less than honorable discharge has been awarded.

15. H.R. 86: subsec. (h) cross-referenced to provisions covering commissioned and warrant officers.

Proposal: subsec. (1) is identical.

16. H.R. 86. In subsec. (g)(1) there was mention of a verbatim transcript of the discharge hearing when an appeal is taken.

Proposal: Creates a new subsection (m) to clarify that the verbatim transcript and service record is to be made available for appeal to the Court of Military Appeals and for appeals currently permitted to the Discharge Review Boards and the Boards for Correction of Military Records.

Comment: transcripts and records are essential for the processing of a meaningful appeal and review at both the pre- and post-discharge stages.

17. H.R. 86: repealed and modified various sections of title 10 to conform to the rest of the bill.

Proposal: identical.

18. H.R. 86: recodifies and modifies various sections of title 10 dealing with separation of officers, to modernize procedures, and to conform to the rest of the bill.

Proposal: identical.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 20 minutes.

Mr. FRENZEL. Mr. Speaker, today, I am introducing a bill to further reform our system of campaign financing, the Federal Election Campaign Act Amendments of 1975.

The 93d Congress passed landmark legislation in this area, the Federal Election Campaign Act Amendments of 1974. This law, signed by President Ford on October 15, should have historic, far-reaching effects on our political process. In particular, the establishment of an independent Federal Election Commission should help assure vigorous and judicious enforcement of the new law.

SPECIAL INTEREST MONEY

The 93d Congress, however, did not finish the job. Most importantly, it did not effectively regulate special interest committees. While special interest committees were limited as to how much they could give a particular candidate—$5,000—the 1974 act did not go nearly far enough.

During the 1974 elections, special interest committees gave more than ever to candidates and their political committees. There are, as of yet, no final totals, but it is likely that special interest giving totaled around $20 million. If campaign contributions are ever used for leverage in the political system, then surely special interest groups head the list of those who may give with the purpose of influencing candidates. These contributions are questionable for several reasons:

First. "Special interests" are exactly what the name implies. Each of these groups has its own special and particular interests which it attempts to promote in the legislative and political process. Oftimes, these interests may be at odds with the public interest. By giving contributions, these special interests hope to increase their political muscle and gain passage of legislation favorable to their interests, or kill legislation that is unfavorable.

Second. Most of this money goes to incumbents, who are already too well entrenched in office. On the average, over 90 percent of incumbents win in congressional races. Challengers are frequently unable to wage effective campaigns, because they cannot raise sufficient funds to wage an effective campaign. At other times, they raise sufficient funds, but still find themselves far outspent by incumbents with gigantic war chests. The latest figures I have seen indicate that special interest groups gave four times as much money to incumbents as to challengers. Some of the contributions were made after the election was over. This situation is clearly unhealthy, because much of the money is given to incumbents with the knowledge that they will probably win and be in a position to help the special interest groups further their legislative objectives.

Third. Special interest money gives a handful of people disproportionate influence over the political process. In the case of some special interest committees, a handful of people decide where the contributions of thousands of people are to be spent. Many thousands of dollars from thousands of contributors may be collected in these pools, but only an elite few decide where the money is going

Ofttimes, these are the same people who will, in the next Congress, be lobbying on behalf of the special interest group's legislative program.

A key provision of the 1974 act prohibits an individual from giving more than $25,000 to all Federal candidates and political committees in a calendar year. We should not limit what each individual can give from his personal funds to $25,000, but then allow some individuals to allocate hundreds of thousands of dollars of special interest campaign contributions.

Mr. Speaker, the legislation I am introducing today has three provisions which would strictly regulate special interest giving:

First. Since it can be argued that a ban on special interest giving would be unconstitutional, I strongly favor, instead, another approach which would drastically curtail the capabilities of special interests to gain influence through contributions. This proposal would prohibit the pooling of funds and require all contributions made through special interest groups to identify the original donor. In addition, each individual contributor must designate the intended recipient. Special interest groups would only be allowed to act as the agents of individual contributors, thereby reducing considerably whatever influence they gain through campaign contributions.

Second. The second proposal would be to reduce the amount a special interest committee can give to any candidate from $5,000 to $2,500. Special interest groups should not be allowed to contribute five times as much as individuals.

Third. In the past, special interest groups have avoided full disclosure or the gift tax by proliferating the number of their political committees. This same activity could be used to circumvent contribution limitations. Some special interest groups set up 10, 15, or 20 political committees to channel funds to candidates in anticipation of the passage of the 1974 contribution limitations. While the legislative history of the law clearly prohibits such activity, I feel that it is necessary to include specific language in the law banning the proliferation of political committees to circumvent the limitations in order to insure that the courts and administrators have absolutely no latitude in interpreting the law.

DIRTY TRICKS

The 1974 act also failed to include provisions which would specifically outlaw many of the dirty tricks carried out in the 1972 campaign. The Ervin committee made several important recommendations on dirty tricks, many of which are incorporated in this bill. My legislation would:

First. Prohibit Federal and State and local employees from using their official authority in connection with any activity which is financed by subsidies, contract payments, or other payments of the Federal Government to interfere or affect any Federal election. Present law limits this prohibition only to activities involving loans and grants.

Second. Prohibit election campaign espionage.

Third. Prohibit employees of a candidate or political committee from concealing any campaign abuses or violations of election laws.

Fourth. Forbid the unlawful use of campaign materials, including the embezzlement and stealing of materials from any candidate.

Fifth. Prohibit the infiltration of Federal election campaigns for espionage and sabotage purposes.

Sixth. Prohibit the use of funds to finance violations of any Federal election laws.

Seventh. Make it a separate offense to commit a violation of the criminal code with the intent of interfering with or affecting the outcome of a Federal election.

Eighth. Forbid any personnel of the Executive Office of the President from engaging in investigative or intelligence gathering activity not specifically authorized by statute.

Ninth. Increase penalties for violation of dirty trick provisions from $1,000 to $25,000.

The bill also strikes two provisions of title 18. The prohibition on the polling of memebrs of the Armed Forces is eliminated, because this provision has been used to curb the first amendment rights of military personnel and to harrass reporters and other persons who attempt to engage in discussion and debate with members of the Armed Forces.

Section 604, which prohibits solicitation from persons on relief, is also eliminated. This provision discriminates against those who are on relief—including the unemployed—and has never been enforced. Flagrant abuses, such as coercing persons on relief to give contributions, are still covered by sections 598, 600, and 602.

EXPENDITURE LIMITATIONS

The expenditure limitations in the new law are far too low and help to further entrench incumbents. They have the further effect of limiting political debate and preventing candidates from more fully presenting their views and ideas to the public. The present law also distinguishes between House races, House races in States with only one Representative, and Senate races. Such distinctions are arbitrary and unnecessary. My bill increases the expenditure limitation to $150,000 or 25 cents times the voting age population, whichever is greater, per election for both House and Senate races.

TAX RETURNS

The Federal Election Campaign Act Amendments of 1975 would require full disclosure of any White House request for a tax audit. A report disclosing any such requests must be made annually to the Congress and include the name and office of each officer or employee who makes the request, the name of the taxpayer who is the subject of the request, and a description of any action which the Secretary of the Treasury of his delegate took with respect to the request. Any request made by the President or an officer or employee of the Executive Office of the President, must be made in writing and be maintained on file.

The President, Vice President, and any other officer and employee of the Executive Office of the President are barred from having any access to tax returns

REPEAL OF SECTION 315

Section 315 of the Communications Act, which requires broadcasting stations to grant candidates equal time, is repealed for all Federal elections. Repeal of section 315 will help give challengers greater exposure to the electorate. Presently incumbents are given considerable coverage between elections, but are able to reduce the visibility of challengers by claiming that television coverage or debate would require the participation of many frivolous, nonserious candidates, because of the requirements of section 315. The discretion of the broadcasting stations, under my proposal, to grant free time would still be limited by the fairness doctrine. Candidates would not have to worry about broadcasting stations excluding them from the air arbitrarily.

VETO OF REGULATIONS

The 1974 act allowed both Houses of Congress to veto any regulation proposed by the Federal Election Commission. While the intent of this provision is to insure that the Commission follows the intent of Congress, it makes the Commission much less independent and allows incumbents to indirectly police their own elections. My bill repeals this provision. By the time any modification of campaign law can be passed, Congress will have enjoyed its veto for at least a year and can be presumed to have rendered valuable initial guidance to the Commission, and provided a good foundation for independent work by the Commission.

LOOPHOLES

The 1974 act made several exceptions to the definitions of contribution and expenditure, thus creating loopholes in the disclosure requirements and contribution and expenditure limitations. Most of these exceptions are unnecessary and are covered by the provisions which allow any person to make up to $1,000 in expenditures independently of a candidate. The legislation I am introducing today would eliminate these loopholes.

DISQUALIFICATION FOR FAILURE TO FILE

Under the 1974 law, candidates will be disqualified from running for Federal office in the next election for failing to file disclosure reports. This section is probably unconstitutional and is an unreasonable penalty that may be used arbitrarily. The bill I am introducing today would eliminate this section.

APPROVAL OF EXPENDITURES BY NATIONAL COMMITTEE

The 1974 Senate version of the bill adopted an amendment by former Senator Marlow Cook which would require the national committee of each political party to approve all expenditures made by its Presidential candidate in excess of $1,000. This requirement would give national parties effective control of groups such as CREEP. Unfortunately, it was dropped in conference. However, I have included it in my package of proposals.

DUTIES OF COMMISSION

The 1974 law eliminated certain duties of the supervisory officers, including those which allow them to publish an annual report and require them to encourage public dissemination of disclosure information. My bill will restore these duties and assign them to the Commission.

Mr. Speaker, despite our excellent bill of last year, total reform of our election campaign law is still an unfinished task. The proposals I have presented today will be another important step forward. They are not the only changes I shall propose. Additional improvements will be introduced later. I urge the Congress, particularly the House Administration Committee and Senate Rules Committee, to hold hearings on this bill. Adoption of these proposals will help to further cleanse our political process and prevent future Watergates.

LAND USE PLANNING ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 10 minutes.

Mr. STEELMAN. Mr. Speaker, today I am introducing, together with Congressman UDALL, a new land use bill. The bill is quite similar to last year's bill reported by the Committee on Interior and Insular Affairs, but we have made some changes in order to clarify and streamline the legislation. The bill still represents a State and local government approach to land use planning. The role of the Federal Government remains one of administrator of a grant program for the States. We have reduced the amount of money authorized for the grant program and have cut down on the number of required elements in State land use programs.

I wish to state to my colleagues that despite the obvious urgency of economic and energy legislation, I believe that the land use bill remains as one of the most important bills that will come before this Chamber this session. In the first place, the need to deal with problems of the effects of large-scale development, food and fiber supply, and protection of natural areas has not diminished regardless of the state of our economy.

Although in the middle of the storm of rhetoric about crude oil tariffs or rate of inflation it may seem that the environmental movement has lost its priority, I can tell you that, at the State and local level, it is gaining in strength. That is because, as we are sometimes prone to be blinded by the issue of the moment, our constituents keep focused on long-term problems, such as those the land use bill is designed to help solve.

Nevertheless, if I for the moment believed that either this country could not afford a land use bill at this time or that such legislation were inflationary or likely to be prohibitive of energy development in some way, I would be inclined to put the land use bill on the back burner for the time being. However, those of us who have been close to the legislation over the last few years know that precisely the opposite is true. The land use legislation we introduced last year and in somewhat different form this year is designed to introduce some badly needed rationality to major land use decisions in the States so that all people with an interest in such decisions are given the chance to participate in an open process. Our great desire and hope is that such an open process will put an end to expensive delays to necessary development as well as afford some protection for areas that really should be protected. In our new bill we explicitly include procedures requiring the States to consider energy conservation and supply in actions taken pursuant to a land use program funded by our bill. Furthermore, we require that States develop methods to expedite processing of applications for development.

Our bill is balanced legislation designed to end lengthy procedures which only add cost to our market economy system. I urge my colleagues to study our new bill carefully. I am open to any and all comments on the legislation.

THE SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 60 minutes.

Mr. HARRINGTON. Mr. Speaker, I will not use the entire 60 minutes I have requested because I did not realize that we would consume this much time with regular business.

I have taken this special order so as to address myself to the creation by this body of a select committee to provide an overview—which in my opinion is long overdue—of the intelligence community in this country.

First, I wish to express my appreciation for this favorable action. More importantly, however, I wish to raise the question of whether or not in the choice of its chairman, who formerly and presently exercises the chief oversight function that is usually associated with the House in dealing with the intelligence community, we have not, perhaps, fatally flawed the likelihood that this select committee will be successful.

Already, there is public skepticism in having Nelson Rockefeller, a member of the President's Foreign Intelligence Advisory Board and thus clearly identified with the preexisting civilian review facet of the National Security Council, chairman of the so-called blue ribbon investigating committee. And, we see efforts made in the Senate on the part of the present chairman of the CIA Oversight Committee, Senator STENNIS, to, unsuccessfully, have himself continue in that function. I think that by the appointment of Congressman NEDZI to the chairmanship of the House Select Committee we have inevitably further contributed to the problem of skeptical public perception of how serious our intention is to conduct the careful, independent inquiry that is long overdue.

I think in having to overcome the awkwardness of not knowing whether we are going to have an effort to defend, legitimatize, and rationalize the prior stewardship of the CIA Oversight Committee that is chaired by the gentleman from Michigan (Mr. NEDZI) we have also created the most awkward of human relationships.

While I do not, for the moment, as I indicated to the gentleman in our conversation this noontime in explaining my intention to pursue this subject publicly, doubt Chairman NEDZI's sincerity or good intentions, I think that the record of his oversight subcommittee in dealing with both foreign and domestic covert operations speaks for itself.

It was not until repeated evidence became public, largely as the result of events which initiated outside that subcommittee resulted in a belated and overdue recognition of the need to undertake the more intensive that a select committee represents.

So, Mr. Speaker, I take the floor this afternoon to express my misgivings, which I have discussed previously with both the Speaker and Chairman NEDZI. I would suggest that these misgivings are shared by people who legitimately want to preserve the integrity of these institutions, but at the same time have some appreciation for the need for a select committee of both the House and Senate and to raise the question whether or not we will damage, in a fashion that may be difficult to repair, to the objectives which I think should be associated with the issue that is before the House and the Senate.

The Senate has very wisely chosen to bar from its Intelligence Select Committee those who had been closely identified with earlier oversight activities, including its oversight chairman, Senator STENNIS.

I only wish that the House had, in the selection of the chairman of the Select Committee, done likewise.

I think that this selection has contributed to the already pervasive public cynicism about the seriousness of Congress in this and many other endeavors. Criticism of Congress will continue to increase unless we demonstrate that we are not interested only in addressing the essential politics of the issues before us in avoid criticism.

It is for that reason that I think it appropriate and important, on the day following the announcement of the selection and the make-up of that committee, to at least raise this question and hope that it might be reflected upon in the conduct of the committee, in the use of its resources in its willingness to deal with the awkward situation and do what it can to overcome an unnecessarily imposed question as to whether it can fulfill its essential functions.

Mr. Speaker, I yield back the remainder of my time.

PARLIAMENTARY INQUIRY

Mr. SYMMS. Mr. Speaker, I should like to make a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SYMMS. It has just been brought to my attention that the House is going to be coming in at noon tomorrow. My parliamentary inquiry is, can a unanimous-consent request be made that the House not come in until noon on Monday?

The SPEAKER pro tempore. The leadership has already announced that we would be in session tomorrow at noon. That inquiry should be addressed more properly to the Speaker tomorrow.

Mr. SYMMS. I thank the Speaker.

INQUIRY CONCERNING THE SESSION TOMORROW

(Mr. SYMMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SYMMS. Mr. Speaker, can someone on the other side tell me why it is we are coming in tomorrow?

The SPEAKER pro tempore. The Chair will request that the gentleman pose that question to the Speaker tomorrow.

Mr. SYMMS. I thank the Speaker.

PROHIBITING DISCRIMINATION AGAINST THE ELDERLY IN THE ISSUANCE OF CREDIT CARDS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. COLLINS) is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, today I am introducing legislation to prohibit age discrimination in the issuance, renewal, or terms of any credit card.

This legislation is needed to remedy situations in which senior citizens, who have good credit ratings, have nevertheless been denied credit cards or have encountered difficulties while attempting to obtain them. In such instances, the elderly have been evaluated on the basis of their age, rather than their actual credit rating. They have been the victims of a highly discriminatory and insulting practice which must be abolished.

An end to age discrimination is reason enough in itself to pass this legislation.

However, there is another reason to justify its passage. The elderly are exceptionally vulnerable to muggings and street robberies. Without credit cards, they are obliged to carry cash and thereby become easy prey for the unscrupulous.

It should be noted that this legislation does not cause credit card issuers to ignore a person's credit rating. It merely insures that the credit evaluation process will not be altered because of an applicant's age.

I invite my colleagues to join with me in remedying another example of discrimination against older Americans.

RULES OF THE COMMITTEE ON THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, the rules of the Committee on the Budget for the 94th Congress were adopted by the committee by majority vote, a quorum being present, at its organizational meeting on Tuesday, February 18, 1975. In accordance with clause 2 of rule XI of the Rules of the House of Representatives, I submit the rules as adopted for publication in the RECORD:

RULES OF PROCEDURE OF THE COMMITTEE ON THE BUDGET

MEETINGS

1. Regular meetings*

The regular meeting day of the Committee shall be the 2nd Monday of each month at 11:00 a.m., while the House is in session.

The Chairman is authorized to dispense with a regular meeting when he determines there is no business to be considered by the Committee, provided that he gives written notice to that effect to each member of the Committee as far in advance of the regular meeting day as the circumstances permit.

Regular meetings shall be cancelled when they conflict with meetings of either party's caucus or conference.

2. Additional and special meetings

The Chairman may call and convene additional meetings of the Committee as he considers necessary, or special meetings at the request of a majority of the members of the Committee in accordance with House Rule XI, clause 2.

In the absence of exceptional circumstances, the Chairman shall provide written or verbal notice of additional meetings to the office of each member at least 24 hours in advance while Congress is in session, and at least 3 days in advance when Congress is not in session.

3. Open business meetings

Each meeting for the transaction of Committee business, including the markup of measures, shall be open to the public except when the Committee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. No person other than members of the Committee and such congressional staff and departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This rule shall not apply to any meeting that relates solely to matters concerning the internal administration of the Committee.

4. Quorums

A majority of the Committee shall constitute a quorum. No business shall be transacted and no measure or recommendation shall be reported unless a quorum is actually present.

5. Recognition

Any member, when recognized by the Chairman, may address the Committee on any bill, motion, or other matter under consideration before the Committee. The time of such member shall be limited to 5 minutes until all members present have been afforded an opportunity to comment.

6. Consideration of business

Measures or matters may be placed before the Committee, for its consideration, by the Chairman or by a majority vote of the members of the Committee, a quorum being present.

7. Rollcall votes

A rollcall of the members may be had upon the request of at least 20% of those present.

8. Proxies *

Any member of the Committee may vote by special proxy if the proxy authorization is in writing, asserts that the member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the person who is to execute the proxy authorization, and is limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

9. Announcement of hearings

The Chairman shall publicly announce the date, place, and subject matter of any Committee hearing at least one week before the commencement of that hearing, unless he determines there is good cause to begin such hearing at an earlier date, in which case public announcement shall be made at the earliest possible date.

10. Open hearings

Each hearing conducted by the Committee shall be open to the public except when the Committee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. The Committee may by the same procedure vote to close one subsequent day of hearing.

11. Quorums*

For the purpose of hearing testimony, not less than two members of the Committee shall constitute a quorum, one of whom shall be from the majority and one from the minority.

12. Time for questioning witnesses

Committee members shall have not to exceed five minutes to interrogate each witness until such time as each member who so desires has had an opportunity to interrogate such witness.

After all members have had an opportunity to ask questions, the round shall begin again under the 5-minute rule.

In questioning witnesses under the five minute rule, the Chairman and the ranking minority member may be recognized first after which members may be recognized in the order of their arrival at the hearing. Among the members present at the time the hearing is called to order, seniority shall be recognized. In recognizing members to question witnesses, the Chairman may take into consideration the ratio of majority members to minority members and the number of majority and minority members present and shall apportion the recognition for questioning in such a manner as not to disadvantage the members of the majority.

13. Subpoenas and oaths

In accordance with House Rule XI, clause 2(m), subpoenas authorized by a majority of the Committee may be issued over the signature of the Chairman or of any member of the Committee designated by him, and may be served by any person designated by the Chairman or such member.

The Chairman, or any member of the Committee, may administer oaths to witnesses.

14. Witnesses' statements

So far as practicable, any prepared statement to be presented by a witness shall be submitted to the Committee at least 24 hours in advance of presentation, and shall be distributed to all members of the Committee in advance of delivery.

BROADCASTING

15. Committee prints

All Committee prints and other materials prepared for public distribution shall be approved by the Committee prior to any distribution, unless such print or other material shows clearly on its face that it has not been approved by the Committee.

16. Broadcasting of meetings and hearings

It shall be the policy of the Committee to give all news media access to open hearings of the Committee, subject to the requirements and limitations set forth in House Rule XI, clause 3.

Whenever any Committee business meeting is open to the public, that meeting may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, in accordance with House Rule XI, clause 3. However, a majority of the Committee may decide at any time to exclude radio, television, and still camera equipment from the Committee room.

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* Written rule required by House Rules.

STAFF

17. Committee staff.

Subject to approval by the Committee, and to the provisions of the following paragraphs, the professional and clerical staff of the Committee shall be appointed, and may be removed, by the Chairman.

In addition to the staff referred to in the above paragraph, the Chairman shall appoint four professional staff consultants and four clerical staff, recommended by the majority members of the Committee, who shall provide additional staff assistance to the majority members, and two professional staff consultants and two clerical staff, recommended by the minority members, who shall provide additional staff assistance to the minority members, and such other staff as may be from time to time required. The remuneration of such majority and minority professional consultants and clerical staff shall be determined by the Committee.

Committee staff, and consultants, shall not be assigned any duties other than those pertaining to Committee business, and shall be selected without regard to race, creed, sex or age, and solely on the basis of fitness to perform the duties of their respective positions.

All Committee staff, including the majority and minority professional consultants and clerical staff, shall be entitled to equitable treatment, including comparable salaries, facilities, access to official Committee records, leave, and hours of work.

18. Staff supervision.

Staff shall be under the general supervision and direction of the Chairman, who shall establish and assign their duties and responsibilities, delegate such authority as he deems appropriate, fix and adjust staff salaries (in accordance with House Rule XI, clause 6(c)) and job titles, and, in his discretion, arrange for their specialized training.

Staff assigned to the minority shall be under the general supervision and direction of the minority members of the Committee, who may delegate such authority as they deem appropriate.

COMMITTEE RECORDS

19. Preparation and maintenance of committee records.

An accurate stenographic record shall be made of all hearings.

The proceedings of the Committee shall be recorded in a journal which shall, among other things, include a record of the votes on any question on which a record vote is demanded.

Members of the Committee shall correct and return transcripts of hearings as soon as practicable after receipt thereof.

Any witness may examine the transcript of his own testimony and make grammatical or technical changes that do not substantially alter the record of testimony.

The Chairman may order the printing of a hearing record without the corrections of any member or witness if he determines that such member or witness has been afforded a reasonable time for corrections, and that further delay would seriously impede the Committee's responsibility for meeting its deadlines under the Congressional Budget Act of 1974.

Transcripts of hearings and meetings may be printed if the Chairman decides it is appropriate, or if a majority of the members so request.

20. Access to committee records

The Chairman shall promulgate regulations to provide for public inspection of roll-call votes and to provide access by members to Committee records (in accordance with House Rule XI, clause 2(e)).

Access to classified testimony and information, and to information, data, estimates, and statistics received from the Congressional Budget Office that are subject to the provisions of section 203(c) of the Congressional Budget Act of 1974, shall be limited to members of the Committee, and to Committee staff and stenographic reporters who have appropriate security clearance.

Notice of the receipt of such information shall be sent to the Committee members. Such information shall be kept in the Committee safe, and shall be available to members in the Committee office.

APPLICABILITY OF HOUSE RULES

21. Applicability of house rules

Except as otherwise specified herein, the Rules of the House are the rules of the Committee so far as applicable, except that a motion to recess from day to day is a motion of high privilege.

CONFEREES

22. Appointment of conferees

Majority party members recommended to the Speaker as conferees shall be recommended by the Chairman subject to the approval of the majority party members of the Committee. The Chairman shall recommend such minority party members as conferees as shall be determined by the minority party, provided that the recommended party representation shall be in approximately the same proportion as that in the Committee.

IMPROVING THE INDEPENDENCE OF THE REGULATORY COMMISSIONS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California (Mr. MOSS) is recognized for 5 minutes.

Mr. MOSS. Mr. Speaker, I have today introduced the Independent Regulatory Agencies Reform Act on behalf of myself, Mr. DINGELL, Mr. ROONEY, Mr. ECKHARDT, Mr. CARNEY, Mr. METCALFE, Mr. SCHEUER, Mr. BRODHEAD, Mr. FLORIO, Mr. OTTINGER, and Mr. SANTINI. The purpose of this legislation is to give the independent regulatory agencies the authority they need, free of political pressure, to adequately serve the public interest.

Over the past 35 years, the executive branch has gained extensive control of the regulatory agencies. In each case, these administrative controls have been achieved by the Executive with the acquiescence or express permission of the Congress in the interest of economy and organization.

One of the most highly respected men to serve on a regulatory agency, former ICC Commissioner Joseph Eastman, once observed:

> That to be successful (the Regulatory Commissions) must be masters of their own souls, and known to be such.

We sincerely believe that the erosion of regulatory independence of the agencies has now progressed to the point where no agency is seriously regarded as the "master of its own soul." And today many doubt whether these agencies are any longer able to faithfully and vigorously carry out assigned legislative and judicial functions within general statutory standards of legislative policy. Great care was taken in the enabling statutes to create agencies which would be as far removed as possible from partisan politics or political influence. From the first day of their creation, however, every President who has held office—whether Republican or Democratic—has attempted to subject the regulatory agencies to executive control and dominance.

We believe that the time has come—and is perhaps long overdue—for Congress to act affirmatively to return to the legislative branch the influence over these regulatory commissions which through the years we have permitted the executive department to acquire and abuse. We are today, therefore, introducing legislation designed to restore to these agencies the regulatory freedom which the Congress originally intended them to have.

Reduced to its barest terms, this legislation would break the influence of the executive branch by narrowly limiting its exercise of administrative control over the independent agencies and, in some cases, by revoking existing authority. To briefly summarize its basic provisions, this legislation would—

First. Require Senate confirmation for appointments of agency chairmen. Today the Senate only examines the appointment of chairman, if a Commissioner is designated as chairman at the time he is appointed to the Commission;

Second. Require that chairmen, once designated, shall continue to serve as such for the duration of their terms as members of the Commission;

Third. Prevent removal of agency chairmen or Commissioners except for neglect of duty or malfeasence in office;

Fourth. Permit the regulatory commissions to control civil litigation to which they are a party and to appeal lower court decisions of their own motion and on their own behalf;

Fifth. Direct the agencies to submit legislative recommendations or comments on pending bills directly to Congress and not to seek or obtain prior clearance or review of such submissions by any department of the executive branch;

Sixth. Require the agencies when submitting budgets to the Executive, to simultaneously submit all estimates or requests to Congress and to support those budget requests in testimony before Congress, so that we may have a clear understanding of what resources the agencies themselves believe are necessary to carry out their assigned duties;

Seventh. To assure that congressional committees and subcommittees have access to the records of independent regulatory agencies for the purpose of legislation and oversight;

Eighth. To prohibit the political clearance by the White House of any employees of the independent regulatory agencies, while requiring that those employees meet the standards of the civil service laws; and

Ninth. To require each agency to publish revised conflict of interest regulations designed to insure its independence from the economic interests it is established to regulate.

We should note, parenthetically, that—except for the Civil Aeronautics Board—this legislation deals only with the regulatory commissions subject to the jurisdiction of the Committee on Interstate and Foreign Commerce, of which we are members. Thus, its terms will relate to the Federal Communications Commission, the Federal Trade Commission, the Federal Power Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Consumer Product Safety Commission, as well as the Civil Aeronautics Board. It does not attempt to restore the regulatory freedom of the Federal Maritime Commission which is subject to the jurisdiction of the Committee on Merchant Marine and Fisheries; nor does it deal with the National Labor Relations Board which has a different cross-industry function and a peculiar status among the regulatory commissions.

We will not take the time to discuss the merits of each of these proposals today: In passing, however, we would like to make one point with respect to the suggestion that the budgetary process be amended to provide greater visibility of the agencies' determination of need. As we all know, the independent agencies are vested with enormous powers to regulate the essential industries of land and air transportation, gas and electric power, communications, and the securities markets and to improve consumer protection and the competitive practices employed by all business enterprises.

As one commentator has noted:

> The decisions of these agencies directly affect the national economy and influence the quality, service and prices paid by consumers in well-nigh every category of trade and commerce.

Yet, in a total budget for fiscal year 1973, of $271 billion, only $159 million was requested for these agencies—or less than one-tenth of 1 percent of the Federal budget. Perhaps no other single fact than the failure of the executive branch to request adequate funding for these vital agencies argues more strongly for this legislation.

We have incorporated in this bill what we believe to be a workable plan to restore the independence of the regulatory commissions. Hopefully, it will serve also to restore public confidence in the ability of these agencies to fairly and impartially administer their regulatory responsibilities.

In the words of Mr. Justice Jackson, while the power to legislate belongs to the Congress—

> Only Congress itself can prevent power from slipping through its fingers.

This we have allowed to happen. Accordingly, we now must act to return that power to the Congress, to clarify the role of the regulatory agencies, to provide them with the direction which they need and which the President now seeks to give them in the place of the Congress, and to greatly improve and augment our means of legislative investigation and oversight over these agencies so that they may more properly carry out their functions as arms of the legislative department. This legislation is an important first step in that direction.

INTRODUCTION OF LEGISLATION TO AMEND THE EQUAL CREDIT OPPORTUNITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, today, along with eight other Members of the House, I have introduced legislation to amend the Equal Credit Opportunity Act to prohibit discrimination in lending based on race, color, creed, religion, age, or national origin.

As chairman of the Consumer Affairs Subcommittee I feel it is important that action be taken on this legislation as quickly as possible. I am pleased that a vast majority of my subcommittee members have joined me in sponsoring the legislation. The other cosponsors are Mrs. SULLIVAN of Missouri, Mrs. SPELLMAN of Maryland, Mr. BARRETT of Pennsylvania, Mr. GONZALEZ of Texas, Mr. FAUNTROY of the District of Columbia, Mr. NEAL of North Carolina, Mrs. FENWICK of New Jersey, and the chairman of the full Banking, Currency and Housing Committee, Mr. REUSS of Wisconsin. The Equal Credit Opportunity Act was passed during the 93d Congress. It prohibits discrimination in the granting of credit based on sex or marital status. Although the Consumer Affairs Subcommittee of the House had reported a bill to the full committee precluding discrimination on sex, marital status, plus the other categories enumerated in my legislation introduced today, there was not enough time during the closing days of the Congress to push through the House version of the bill. It was necessary to accept the limited discrimination bill proposed by the Senate.

Mr. Speaker, there is far too much discrimination in the granting of credit in today's economic marketplace. And this discrimination must be eliminated. Why should a man 65 years of age be denied credit solely because of his age or why should a woman be denied the opportunity to open a charge account solely because she is black. Of course, the problem is even more acute when a person happens to fall within two or more categories of discrimination.

In testifying before the Consumer Affairs Subcommittee last year, John H. Powell, Jr., Chairman of the Equal Opportunity Commission, perhaps best summarized up the feeling found in this legislation when he said:

> No inquiry should be permitted into the applicant's sex, race, religion or national origin because there is not a relationship between an individual's credit worthiness (whether he will and can repay a loan) nor should such an inquiry be relevant to ascertain the creditors' rights and remedies in the event of default.

I would add that the same remarks hold true in the question of age.

In far too many cases, however, lenders merely reject or place great negative weight on factors such as age, race, color, creed, religion, or national origin of credit applicants. Some financial institutions even set quotas, particularly in the minority lending field. It is difficult to pinpoint precise discrimination because of the mysteries which surround credit granting decisions. It is my feeling that if every financial institution used a similar set of criteria for establishing the credit worthiness of individuals, more favorable credit decisions would be rendered. In addition, if the institutions were required to keep written records of each stage of the credit process, applicants who felt they were discriminated against would have specific recourse to the courts. While I am not suggesting that creditors keep detailed records, there should be some type of standard procedure that would enable a perspective borrower to learn for himself whether or not there was discrimination. Mr. Speaker, it is my intent to hold hearings on this legislation in the near future so that the discrimination in credit granting can be eliminated. Credit should be granted on one basis alone—the ability of the borrower to repay. And that in very simple terms is what the legislation being introduced today seeks to accomplish.

MAKING DR. MARTIN LUTHER KING, JR.'S BIRTHDAY A NATIONAL HOLIDAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. COTTER) is recognized for 5 minutes.

Mr. COTTER. Mr. Speaker, we honor men as much for what they represent as for what they did in their lives. The examples of strong character and determination set by George Washington and Abraham Lincoln have long been honored by our Nation. This legacy of outstanding personal qualities even rivals their historic contributions to this land. Over the past two decades one man stands out in the same way. Martin Luther King accomplished much for this country; but more than that, he left an enduring example of compassion and a willingness to stand up for justice that can inspire all Americans.

The Reverend Martin Luther King brought home to everyone in this country the differences remaining between the American reality and the American dream. He saw families hungry, children uneducated, and citizens treated unequally—in a rich land that promised "liberty and justice for all." King could not tolerate complacency in the face of these conditions, so he dedicated his life to the peaceful attainment of justice and equality of opportunity for every person. His commitment stands today as the best example of one man's determination to call forth from his fellow countrymen the will to put our historic ideals into practice.

To make January 15, the birthday of this great man, a national holiday would be a symbolic step toward renewing that quest which seemed to end so abruptly in the spring of 1968. The Reverend Martin Luther King can represent for every American the dedication needed to work for our personal and national goals in a wise and peaceful manner. It was this kind of dedication which won him the 1964 Nobel Peace Prize; and it is this kind of commitment to which we all should aspire. A national holiday would be a fitting memorial to this man and to those personal qualities he exemplifies.

I hope my colleagues will concur in this sentiment. And more than that, I fervently hope that all Americans will commit themselves to those beliefs for which Martin Luther King stood and died.

TOWARD A BARRIER-FREE ENVIRONMENT FOR ALL HANDICAPPED AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 15 minutes.

Mr. BRADEMAS. Mr. Speaker, among the many problems facing handicapped Americans, one of the most frustrating is that the physical environment many of us take for granted can pose difficult and, indeed, insurmountable obstacles to them.

A wheelchair-bound person, for example, cannot negotiate a flight of stairs, and, without elevators, may be denied access to many buildings or their upper floors.

Mounting a bus, reaching a water fountain or a telephone or gaining access to restroom facilities may be equally out of the question for a man or woman in a wheelchair unless special arrangements have been made for them.

Mr. Speaker, I am sure that many of my colleagues are also aware of the disgraceful insensitivity of many major American commercial airlines to the problem of people in wheelchairs and on crutches.

Over the Christmas holidays, a wheelchair-bound member of the staff of the Senate Labor and Public Welfare Committee was arrested and physically removed from an airplane because the company did not wish to transport her. After she had been removed from the airplane, no charges were placed against her. I regret to say that the Federal Aviation Administration has been of little or no help to handicapped citizens wishing to take advantage of airflight.

Mr. Speaker, some limited progress has been made to remove architectural and transportation barriers to the handicapped.

I cite in particular the Architectural Barriers Act of 1968, which was amended in 1970 by Public Law 91–205, requiring barrier-free access to buildings built with Federal funds.

This new awareness of the need for special arrangements for the handicapped can be seen in the buildings here on Capitol Hill. Although we clearly still have much to do, toilet facilities, telephones, water fountains and ramps are beginning to be made available in the buildings of the House and the Senate for our disabled fellow citizens.

But, Mr. Speaker, because the provisions of the Architectural Barriers Act of 1970 are not being fully met, Congress in 1973 created the Architectural and Transportation Barriers Compliance Board in the Rehabilitation Act.

It is the purpose of this Board to see that the legislative mandates of Congress are being met, and the board has already held several hearings around the country.

Mr. Speaker, because barrier-free access to buildings and transportation systems is absolutely essential to the well-being of millions of disabled Americans, I believe it is high time that Congress restated its commitment to this concept.

I am today, therefore, introducing a resolution stating the sense of Congress "that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the manmade environment."

An identical measure has been introduced in the other body by our distinguished colleague from West Virginia, Senator JENNINGS RANDOLPH, who has for many years been a vigorous and effective voice for America's handicapped persons.

CONCURRENT RESOLUTION

Whereas it is estimated that one out of ten persons in the United States today has limited mobility due to a temporary or a permanent physical handicap; and

Whereas improved medical techniques and an expanding population of older persons is increasing the number of persons with limited mobility every year; and

Whereas the physical environment of our Nation's communities continues to be designed to accommodate the able-bodied, thereby increasing the isolation and dependence of disabled persons, and to break this pattern requires a national commitment; Now therefore, be it

Resolved by the House of Representatives (Senate concurring), That it is the sense of Congress that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the manmade environment, and that the adoption and implementation of this policy requires the mobilization of the resources of the private and public sectors to integrate handicapped people into their communities.

STUDENT FINANCIAL AID ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. O'HARA) is recognized for 30 minutes.

Mr. O'HARA. Mr. Speaker, I have today introduced a bill, H.R. 3471, to amend title IV of the Higher Education Act of 1965 and otherwise to amend and extend this basic statutory authority for the general Federal student financial assistance programs. At the same time, I am announcing the opening of hearings before the Subcommittee on Postsecondary Education on student financial assistance proposals, including H.R. 3471. These hearings will begin on March 10, and will, I hope, be fairly quickly brought to a close so that we can bring a student assistance bill to the House floor quite early this year. When that task is completed, it is my further intention to move into immediate hearings on legislation to amend and extend the rest of the Higher Education Act. I hope, Mr. Speaker, that the House can complete its work on all of the Higher Education Act during 1975.

I will, in these remarks, describe in some detail what H.R. 3471 does to existing student assistance programs, but I would like to preface that explanation with a few observations about the basis upon which the legislation has been built.

In the 92d Congress, the subcommittee, then known as the Special Subcommittee on Education, under the chairmanship of Representative Edith Green of Oregon, brought forth a major revision of the Higher Education Act, with particular emphasis on the student assistance provisions. This was enacted in June of 1972 as Public Law 92–318. At the beginning of the 93d Congress, Mrs. Green transferred to the Committee on Appropriations, and I succeeded to the chair she had held so long.

With tireless help and cooperation from the other members of the subcommittee, I scheduled an extensive series of hearings designed to examine existing programs in detail. We held 26 days of oversight hearings on these programs. We heard from 120 witnesses—from students, from educators, from college presidents and deans, from Federal, State, local, and institutional student financial assistance administrators, and from others whose expertise was lavished upon the subcommittee.

When the hearings were concluded, we then called in 30 of these experts, gave them the anonymity of closed seminars, allowed them to shed their institutional and associational identities, and asked them to tell us what they, individually, thought would be the ideal student financial aid system.

From these hearings and seminars, from the bushels of correspondence I have received from other experts and practitioners, and above all from students and their families, H.R. 3471 has emerged. No one of the witnesses or correspondents would recognize in this bill his or her prescription. But I think that literally thousands of people will be able to see in this subsection or that clause an idea that they have fed into the legislative process.

I will take the full responsibility for H.R. 3471 and for its manifold imperfections. I hope and trust that during the course of our concluding hearings and our mark-ups the normal working of the legislative process will identify those imperfections and help us improve the product. But the final legislation will not be the work of any one legislator, or any one group. It will be the best kind of combination of hard thinking, hard work and hard bargaining, in a free and open forum.

There are no revealed truths and there are no straw men in H.R. 3471. I am by no means ashamed of the present draft and I would vote for it now if it were before the House for final passage just as it is. But neither do I believe that any part of it is exempt from discussion and amendment. I am neither ashamed of my ideas nor unduly impressed with their brilliance. I shall welcome the contributions of the same kinds of people who have brought the bill this far—students, their families, the education community and my colleagues in the Subcommittee, the parents Committee and the whole House. Together I think we can write a new student assistance bill which will help us cope with the new problems that have arisen since 1972.

Let me continue, Mr. Speaker, by outlining the provisions of the bill in some detail.

BASIC GRANTS

First, the bill continues the Basic Educational Opportunity Grant program created by the 1972 amendments. But some fairly significant changes are proposed. Under present law, for example, a student is entitled to a basic grant in the amount of $1,400, minus an expected family contribution, but his grant may not exceed one-half of his cost of education. My bill would strike that half-cost limitation, but would reduce the overall dollar ceiling to the maximum grant payable under the Basic Grant program in the academic year 1975–76. Frankly, to the student who is attending a high-price school away from home, this change in the law has relatively little meaning. The cost of tuition at private institutions averages $2,300, so the top basic grant receivable would still be well under half of the tuition cost. In those school situations, in short, the basic grant under this bill will do about what it is doing today—provide a small grant to which the student or his family must add if the student is actually to be able to attend the school of his choice.

But this bill will make it possible for the student who lives at home and commutes to a public, low-tuition institution, to get a grant that meets his whole out-of-pocket cost. It is not a "neutral" proposal as between kinds of schools. It does not pretend to be. I propose this measure quite openly as one way to utilize the leverage of Federal student aid in such a way as to encourage the creation and utilization of low-cost educational opportunities.

A second change in the basic grant sections of the new bill is in the field of need analysis. Based on the extensive hearings we held last year, not only in our survey of financial assistance generally, but on the three separate occasions when the Subcommittee had to review family contribution schedules under existing BOG legislation, I have come to the conclusion that it is simply not realistic to tax assets as part of the process of determining who is eligible for a basic grant. In so many families, an equity in a home or a farm or a small business property represents an "asset" that simply is not available to help finance a child's education. It is unfair in the extreme to count such assets as though they were as negotiable as so many dollar bills. The State of New York, in operating its TAP program has found the deletion of assets from need analysis to be highly feasible. While New York State is not the Nation in microcosm, its experiences are not without national value.

I recognize, of course, that though rare, there will be cases of students qualifying for basic grants whose parents have little or no cash income, but who have huge resources in the form of readily negotiable assets—stocks, bonds, jewels, or gold bars. I am easier in my mind about such a student occasionally getting a basic grant than I am with a system which denies grants to students from truly low income families who happen to own a drafty, ill-heated house in which to live on their social security check.

There are other changes in the mechanics of the Basic Grant program, but those listed are the major ones. The level of funding required should be very close to current levels.

SUPPLEMENTAL GRANTS

The new bill proposes to continue the Supplemental Educational Opportunity Grant program by that name, but under a substantially different form. Where the current program involves need-based grants by the schools, this bill proposes grants, directly by the Commissioner, to students who first qualify, on a basis of need, for the actual payment of a basic grant, and second, who qualify on the basis of academic promise as indicated by a national list of students who demonstrate high academic promise. While the bill does not so specify, I had the National Merit Scholarship List in mind as one possibility.

The principle involved in this section is based on my belief that there ought to be some consideration of merit in the award of Federal student aid; that there is a national interest involved in seeing that students who have demonstrable need, but who also have demonstrable academic promise, should be able to receive more than just the basic grant which the BOG program gives to everyone who can show financial need. The SEOG program proposed in this bill would provide to those who qualify for it, a full cost postsecondary education, full tuition, fees and books, and a grant covering average cost of living or commuting, as appropriate. The bill would authorize an annual appropriation of $200 million for SEOG, and, by the use of the threshhold device which has preserved the existing SEOG program from the depredations of the budgeters for the past 3 years, would in fact require that full appropriation as a condition of carrying out the basic grant program.

STATE INCENTIVE GRANTS

A major upgrading of an existing program is involved in the bill's proposal for a 10-fold increase in the amount of money expended on the State student incentive program. Authorized for this program is $200 million, which this year received slightly under $20 million in appropriated funds. States which must now utilize those funds solely for grants, may, under the new bill, utilize them for grants, work-study, or in providing additional facilities for students at zero-tuition public institutions. The States, aside from being required to match the Federal contribution, dollar for dollar, are not limited in the choices they may make among these three alternatives, and the Commissioner of Education is expressly forbidden from trying to limit or influence their choice by regulation or any other means. It is my belief that if a State is to be given funds to carry out a student aid program, it should be given some real flexibility in designing and carrying out that program. The more time I have spent in working with education legislation, the less convinced I become that the Office of Education is able to make decisions better than, or as well as, State and local agencies.

The allocation formula for this program is one which was suggested to the subcommittee last year by Dr. Ben Lawrence, who had earlier served as Executive Secretary of the National Commission on the Financing of Postsecondary Education. It was, however, originally developed by Dr. Wayne Kirschling and the late Dr. Ruby Postweiler.

Here, as elsewhere in the bill, I assume full responsibility for any inadequate translation of the Lawrence-Kirschling-Postweiler technique into the language of legislation, and I expect that the formula for the distribution of these funds will be subject to very serious discussion and refinement in committee, but let me summarize the present formulation in this way.

For each State a State effort index is computed by adding the total of State and local expenditures for institutions of higher education to the total of State and local expenditure for student assistance less the amount received by the State in the form of tuition. This resultant figure is then divided by the total personal income for the State. This figure is then multiplied by the ratio of students to the State's total population.

Each State's effort index is then converted to a percentage of the State effort index for the State having the highest State effort index. A maximum per student award is computed for the State with the highest effort index.

Each State's student award is then computed and multiplied by the number of students in the State, to determine the total allocation for the State.

The States would still be required to match the money allocated. If they do not, the Commissioner could reallocate the funds among the States according to their State effort.

I am not sure, Mr. Speaker, that this prose description of a mathematical function has clarified what the bill seeks to do. But let me try to sum up the policy implicit in this formula by saying that it does seek to refrain from influencing a State in its choice between putting its money into student aid or into institutional aid, and to reward a State in terms of its effort, measured against its ability to make that effort. I have examined other formulas and each of them seems to have some flaw that I do not perceive in this plan. Formulas which rely solely on state aggregate effort forever favor the wealthier States. Formulas which rely on inverse ratios to State income, or on demonstrable need forever favor those States which have the least, even if they are, as they sometimes are, those which make the smallest effort. Formulas which rely on increases in State effort may reward past penury and penalize early State initiatives. This plan no doubt has built-in biases and I hope that rigorous examination will bring them to light. But it does have one virtue, which I consider very important—it does not seek by allocation legerdemain to force the kinds of substantive program choices upon the States which the program description language in the bill seeks to forbid.

TRIO

The next program the bill authorizes is the existing four-part set of special programs for disadvantaged students which is called the TRIO program. Veterans are added to the target population eligible for these programs, and the $25 million currently being appropriated for the veterans' cost-of-instruction program is transferred to the TRIO authorization.

COST OF INSTRUCTION

The programs I have just described constitute part A of the new title. There is one part of the existing part A which does not appear in the new part A, nor in the rewritten title at all. Those are sections 419 and 420 which set up two institutional aid programs. Section 419 created in 1972, an institutional aid program, tied to the amounts allocated to each school for student aid programs. It is based on the concept that each additional student a school receives costs that school more than his tuition, and that the operation of a Federal aid program which brings new young people to a college door and gives them enough to pay their tuition ought to provide the school with something to bear that added cost. As adopted in 1972, the section was a frank and undisguised effort to compromise the disagreement between those who believed that we should aid institutions and those who believed we should aid students—or, at the very least, who looked upon student aid as a means of channeling aid to institutions. I have been advised by people whose opinions I value very highly that to leave this section out of the student aid title, even though I plan to introduce it in another place in the Act when we take up the other titles, will be to reopen that old discussion and to jeopardize what they consider the achievement of 1972.

I have been moved by this argument, and by the enormous respect I have for those who advance it, but I think it fails on two counts. First, the argument in fact remains open, and there is no way of papering it over by putting it in one part or another part of a given bill. But secondly, and even more significantly, the victory of 1972 has proven to be a wholly empty one. As with many other parts of the 1972 amendments, the Nixon-Ford administration has simply refused to carry out the law. Grants to which the law says institutions are entitled have never been budgeted by the administration. And, before I cast too much scorn on the administration for its unwillingness to carry out the law, let me remind my colleagues that we in the Congress have made no serious effort to fund section 419, either. So the victory of 1972 has been emptied of its content by the joint inaction of the Congress and the executive branch ever since the cheering ended 3 years ago. It seems to me that if we are to demand respect on the part of the executive branch for its duty to carry out all of the law, whether it likes it or not, we must be willing to test our own commitment to every part of that law. If we have not the will to fund institutional aid, let us stop pretending we do by enacting what we know to be empty words. If we have the will, but do not believe we have the money, which I think is closer to the fact, then let us authorize what we can fund, and keep our promises until a better day. And if we have both the will to fund it and to either add to our postsecondary educational outlay or refocus them so that the money is available, then let us do that. But I do not believe we ought to take what seems to be the easy way and pretend that there is an institutional aid program in being, if only we do not scare it away by talking about it.

Those may seem like harsh words, Mr. Speaker, but I know my old friends will not hear them that way. I have never departed from my belief in the full funding of education programs on the statute books. But I have come to the conclusion, particularly in the past 2 years, that when we authorize more than we are able or willing to fund, we give to the executive branch a hunting license. We invite the budgeteers and the makers of law-by-regulation to pick and choose which law they will obey and which they will treat with the contempt that has been all too evident below the foot of Capitol Hill in these difficult years. We in the Congress have a dual responsibility to our legislative function. We must exercise it vigorously when we have laws we want to see carried out. But we must not exercise it casually when we are only exercising pious hopes. Section 419, I regret to say, has thus far been only a pious hope. If it is to be re-enacted, modified or dropped, we should do so knowingly and without confusing ourselves about what we are doing.

For these reasons, I have left section 419 out of the present draft. I am also introducing a bill to extend, without major substantive change, the other titles of the Higher Education Act. That bill H.R. 3470 will constitute a starting point for our next effort, the consideration of the rest of the act. I am putting section 419 into that bill as a new title of the Higher Education Act. And I can promise all those who are concerned, that if title IV is considered and acted upon without an institutional aid provision put back in it, the issue will nevertheless be discussed at great length, on its own merits, when we take up the second bill.

LOANS

The next major program in the bill before us is part B—the Guaranteed Student Loan Program. This is a controversial and highly complex program already, and one that is enormously misunderstood. The present law provides for two guaranteed loan programs. In about half of the States, students borrow money they need to go to college, and the lender is guaranteed against student default by State agencies, which are in turn, reinsured by the Federal Government for 80 percent of their losses. In the other States, where for one reason or another the State has not seen fit to create a guarantee agency, there is a direct Federal guarantee of 100 percent of each individual loan. There are a number of other complexities in this program, such as the special allowance—now 3 percent—paid to lenders above and beyond the interest paid by the student, and the payment by the Government of the student's share of the interest while the student is in school—if the student meets certain need standards. Part B is the longest part of the present title, and of the proposed amended title, and I will not try to outline all the details of the amendments at this time. But the broad outlines of what I propose to do are simple enough.

First, Mr. Speaker, I propose to phase out the direct Federal insurance program—FISL—altogether. The insured loan program has already been plagued by problems, including a mounting default rate, and the testimony before my own subcommittee has convinced me that most of the problems stem from the flaws, perhaps statutory, perhaps administrative, perhaps merely flaws of scale, in the Federal program. It is among schools and lenders primarily insured by the Federal program, that we find the major default problem. Perhaps it is merely a question of the greater ability of State agencies to deal each with a small number of lenders and students than of the Federal Government to deal with vast hordes of both. But whatever the reason, I have concluded that the States can do a better job than the Federal Government in this area; the distinguished ranking minority member of the Education and Labor Committee, the gentleman from Minnesota (Mr. QUIE) has publicly indicated that he, too, believes this and our experienced and perceptive counterpart in the other body, the Chairman of the Education Subcommittee of that body indicated feelings of this sort last year when he held hearings on the default problem. I think it is time for us to consider whether we really think we can do everything better in Washington than in the State capitals. My bill will terminate the Federal program after a reasonable interim period during which the States may take up the slack and create State guarantee agencies.

My bill would continue the present 80 percent of loss reinsurance, adding interest and late fees to what we will reinsure. It is my judgment that this minor increase in what we pay out to the State agencies will be scarcely noticeable when contrasted to the enormous amounts we will not be spending on defaulted Federal insured loans.

I am offering one other new provision which I think will help with the default problem. And it reminds me of a sign in a pizza parlor not far from this very Chamber. On the walls of the pizzeria, it says:

> We have an agreement with the bank. We won't cash checks, if they won't sell pizzas.

One of the problems with the present program, Mr. Speaker, is that we are confused about the proper roles of various kinds of institutions and organizations. Colleges and universities are well equipped to teach things to people. State governments are well organized to govern and regulate. And banks and savings institutions and credit unions are accustomed to being in the lending business. I propose in this bill to encourage each to do what it can best do. I am proposing to limit the definition of "eligible lender" under this program to banks, savings and loan institutions, credit unions, and other commercial lenders. I do not believe we should be in the business of guaranteeing loans made by institutions which are not in the business of lending and collecting money.

This, too, will be a controversial provision, Mr. Speaker, and some of my friends in the academic community will not agree with me. They will say—and they will be right—that this provision may make it harder for some people to get loans—especially, they will say, it will be harder for students who come from poverty and disadvantage to get loans.

Mr. Speaker, that is one of the best arguments I have heard for this change. I am willing to have a loan component in the student assistance program, but I am deeply opposed to the currently fashionable effort to put most student financial aid on a loan basis. And I believe that asking those students to borrow who have come from the most economically deprived groups and who are going to have, whatever their education, a tougher time than most to find gainful and stable employment when they get out of school, is not offering them "assistance." It is offering them an anaesthetic to take away the pain of increased tuition. It is offering them the least defensible and least helpful kind of "assistance." It is adding to their burdens at a time when we should be trying to lighten those burdens.

I very much hope that those who predict that such an amendment will mean that fewer students will get loans are right. I hope that fewer students will get loans because more students can get grants and work opportunities, and there will be more inducement for the States to use their resources to reduce the inflationary trend in tuitions and fees.

I shall pass, temporarily over parts C and D of the new title IV and turn to part E—the national direct student loan program, where the same considerations that moved me to do what I have done in part B have convinced me that this program should be phased out within a year. I propose that the funds now administered by participating institutions should be transferred to those institutions to be used by them for their own student lending programs, if they wish to engage in this business; that there be authorized an annual appropriation of $75 million to reimburse these schools for outstanding loans which have been cancelled or forgiven under the law and that the over $235 million additional we are now appropriating to those programs yearly be turned to other and better ways of assisting students. It is no coincidence, Mr. Speaker, that I propose to reduce the NDSL authorization and increase the amount to go to State incentive grants by just about the same amount. I think it is a better way to spend that money.

In addition to the rewriting of the loan provisions in title IV, the bill as introduced makes two other changes in existing law relating to loans. The "special allowance" which is now payable to lenders over and above the 7-percent interest which a student borrower pays on the guaranteed loan is, under existing law, fixed quarterly by the Secretary of HEW, who works very closely with the Secretary of the Treasury in deciding how much that allowance will be. The Emergency Insured Student Loan Act of 1969 is the basis for this procedure, and gives the Secretary substantial leeway within the 3-percent ceiling.

Section 2 of H.R. 3471 repeals the Emergency Insured Student Loan Act, and adds to the body of part B itself a provision automatically tying the special allowance to the rate payable during each quarter on 90-day Treasury bills. The allowance itself will be the difference between the 7-precent interest ceiling and the 90-day Treasury bill rate for that quarter. What is now a regulatory function, involving substantial uncertainty and frequent long delays, will become an automatic process, and the lenders will know without going further than the morning's paper what the amount of the special allowance will be.

WORK PROGRAMS

Part C is the justly popular work-study program, I propose to increase the authorization for work-study along the same curve it has been increasing these past several years, though I suggest increasing the actual appropriation, once again by using the threshold device—this time making full funding of work-study a condition of the operation of BOG. If this bill is enacted, the fiscal year 1977 figure will be $480 million. I am also proposing that rigid need requirements be eliminated from the work-study program, and that we recognize, as student witnesses before our subcommittee have uniformly recognized, that a student's own perception of his need to work to pay the costs of his education are a more sensitive and more accurate indicator of true need than the most sophisticated combination of questionnaire and computer.

Two other suggestions were frequently commented upon during the hearings last year, and both of them have been dealt with in this bill.

The first was the suggestion, sometimes made by educators, but firmly opposed by spokesmen for both labor and management, that subsidized work-study jobs be made available in the private sector of the economy. The bill does not authorize this, nor do I believe it should. But it does provide authority to reimburse schools for their costs in working with local employers and labor organizations to create nonsubsidized jobs for students. There is language in the bill to assure that students will not be used to displace other workers, and I have a section in this bill which would say to an employer that as long as Uncle Sam is subsidizing an employer's wage by 80 percent the employer may not at the same time enjoy the further subsidy of the subminimum wage which the Fair Labor Standards Act now authorizes for employers of students.

Another idea that was mentioned before the subcommittee last year, and which had both its supporters and its detractors, was the idea that the legislation should somehow encourage or even require some degree of curricular relation in a work-study job.

My conclusion, and it is touched upon in the bill, Mr. Speaker, is that it is a good thing and a delightful bonus if a work-study job can have a curricular relationship, an educational component, but that it is not necessary, it is in many situations not possible and should not be mandated. The most telling quote on the subject was from a letter which was introduced into the hearing record by Ms. Patricia Keegan, student financial aid officer at Simmons College in Massachusetts. Ms. Keegan, an enthusiastic supporter of work-study gave us a report from one of the students for whom she had arranged a work-study job. The student said:

> During the upcoming semester I will be starting my second work-study job. It will be at the Beth Israel Hospital, again doing chiefly secretarial work. I have begun training there, and can safely say that again the work will not leave me uncontrollably stimulated. But since my main objective has not changed in the past two years, I am merely grateful to have been allotted the funds.
>
> It would be nice if, in the future, my work-study jobs related more to my major. However, since my major is philosophy, I cannot think of any job experience which would truly relate to it, short of being able to work for a company which would want me to sit on a mushroom all day and act as its chief philosopher. If you hear of such a job, I would be grateful if you would contact me immediately. Seriously, I think the work-study program is a very worthwhile program and I hope you both continue in your efforts to keep it going smoothly. (Signed) Junior Philosophy Major.

Mr. Speaker, that letter convinced me. I think a philosophy major is as much entitled to a work-study job as a business or political science or social work major, and like Ms. Keegan's student, I do not think there are a lot of philosophy-related work-study opportunities.

However, the bill does clarify the right of a school to offer credit for work performed on a work-study opportunity as long as that credit is not offered in lieu of wages.

Students, Mr. Speaker, do want to work. They are fully possessed of the work ethic, and, if the hundreds of students I have spoken to are any indication, they are possessed of a real zest for work as for the rest of life. They would rather earn their education than be given it or borrow to pay for it. H.R. 3471 will accept that challenge with enthusiasm.

The present law, Mr. Speaker, authorizes what it calls a community-service learning program under which local governments can provide work-study opportunities as they can now do under the rest of part C. Here again, we have a provision of law which has been enacted and then left to wither on the vine without the nourishment of the first dollar of appropriations. As with section 419, Mr. Speaker, I believe we should not re-enact programs we do not intend to fund. It is not contained in H.R. 3471.

Part D of the new bill reauthorizes the existing program of assistance to institutions which have cooperative education programs. Without enlarging the authorization, I have substantially increased the amount that can be given to any one institution or consortium of institutions under this program for the purpose of developing cooperative education programs. I have done this because I think we should not fritter away this very important seed money with small projects. Cooperative education is worth large investments by schools who are willing to make a major commitment to a continuing cooperative education program in fields where coop works. Co-op education is not every profession's cup of tea, it is not every school's way of life, nor every student's ideal learning environment. Where the profession, the school and the student meet, I think we should encourage the experiment. The new dollar limits and new language in part D of this bill serve that objective.

DEFINITIONS AND GENERAL PROVISIONS

Part F of the new bill contains general provisions which seek to make more generally applicable some of the specialized definitions of eligible student and eligible institution found in various parts of the existing law. Put simply, the new part F removes some ambiguities which have called into question the eligibility for student assistance under title IV of students at certain postsecondary vocational schools, and open-admissions colleges and universities, where completion of secondary school is not a requirement for admission. Because I believe that open admissions is an experiment of very great importance, I do not believe we should discourage the experiment by providing eligibility language which is capable of an interpretation barring students at such schools from aid programs.

The new part F continues the eligibility of students at postsecondary schools, but terminates the eligibility of students at schools which are essentially home-study institutions. An exception is made for situations where a student cannot participate in a classroom situation because of his geographical isolation or physcal handicap. Such a student may obtain a guaranteed loan to cover the costs of correspondence study.

The exception explains the rule in this case. It seems to me that home-study is a legitimate means of postsecondary education, but that those who need it are either those who simply cannot physically get to a classroom—and they are permitted assistance under section 496 of the new bill—or those who are already working full-time and should therefore not be in financial need.

Part F also seeks to meet some very serious and legitimate criticisms that have been levied against some of the institutions participating in the Guaranteed Loan program by adopting in broad outline some of the regulations which have been recently proposed by the Office of Education to govern eligibility for such participation. However, part F goes further and makes these requirements criteria for eligibility to participate in any of the student aid programs.

It seems to me that a school should indeed establish a fair and equitable refund policy that provides for the return of unearned tuition and fees; that students should be fully apprised of such policies before they enroll; and that schools at the very least should let prospective students know about what their education is going to cost them, what their chances are of completing their course of study and, where the school makes claims regarding employment of its students, what employment and earning experience that school's students have had.

It seems to me, Mr. Speaker, that these requirements should not be limited to a particular class of schools or to a single student assistance program. Truth-in-advertising is as appropriate in the catalogue of a distinguished university of ancient lineage as it is in the television advertising of a trade school. I would hope that these requirements would not be burdensome to any schools save those which have not enough to offer to deserve to survive.

The concluding section of the bill authorizes a program under which the National Institute of Education will work with public and private institutions and with State and local educational agencies to examine the impact upon tuition and upon student access and choice and upon institutional viability of low or zero-tuition policies, of open-admission policies, and of the use of private or proprietary institutions under contract to provide educational services to students as a possible alternative to the expansion of enrollment at public institutions. It also authorizes NIE to work with private nonprofit agencies to examine feasibility of, and to test techniques of measuring academic promise or scholastic aptitude, which are full of cultural, socioeconomic, racial, religious, sexual, or ethnic bias. Many of us, the sponsor of this bill not least among them, have strong feelings on these subjects, but I think we must all admit we need to know more about how they would work in practice. I, for one, am weary of building policy and programs on the foundation of theoretical models. I think $50 million expended on controlled experimentation would be a very valuable investment.

COST LEVELS

Mr. Speaker, the question of cost inevitably and properly arises whenever a new program is introduced. The Student Financial Aid Act of 1975 does not represent a major increase in actual spending levels, even though the use of the threshold device in connection with work-study and State incentive grants is intended to increase the amount appropriated for those programs. I have prepared the following table which contains what I admit are educated guesses as to the cost of the new bill, as compared with present cost estimates.

The table follows:

[In thousands of dollars]

Fiscal year 1975 Appropriation under present law:	
BOG	660,000
SEOG	240,300
SSIG	20,000
CWS	300,200
NDSL	329,440
TRIO	70,331
VCOI	23,750
Co-op	10,750
Section 4	0
Total	1,654,771
Fiscal year 1977 authorization under H.R. 3471:	
BOG	660,000
SEOG	200,000
SSIG	200,000
CWS	480,000
NDSL	75,000
TRIO	125,000
VCOI	0
Co-op	10,750
Section 4	50,000
Total	1,850,750

NOTE.—Under present law, the 1975 appropriation for GSL defaults and subsidies was $315,000,000. The proposal will decrease these figures, but at this point, it is difficult to indicate by how much. Under either proposal, then, the total appropriated for student financial assistance will be slightly in excess of $2 billion each year.

TO REMOVE UNNECESSARY RESTRICTIONS ON .22 AMMUNITION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. SIKES) is recognized for 5 minutes.

Mr. SIKES. Mr. Speaker, I am introducing a bill today which is intended to remove the remaining restrictions on the sale of .22-caliber rimfire ammunition. These restrictions were imposed as a part of the 1968 gun control law and a great many law-abiding sportsmen and businessmen want to see them removed. The principal effect of the restrictions has been exhaustive recordkeeping and the fact that the restrictions are a general nuisance. A bill to eliminate this problem passed the House in the 91st Congress but action on it was not completed by the Senate. An identical bill was reported by the Ways and Means Committee in 1972 but was not considered by the House. The proviso to remove the recordkeeping requirement on the sale of .22-caliber ammunition was included in the Bayh bill on handguns which passed the Senate in 1972 but was not taken up in the House. Certainly, it is time to complete action on this very simple measure and I urge my colleagues to support it and to join me as a cosponsor.

The bill follows:

H.R. —

A bill to modify ammunition recordkeeping requirements

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 4182(c) of the Internal Revenue Code of 1954 is amended by inserting ".22-caliber rimfire ammunition," after "rifles generally available in commerce,".

POSTAL SERVICE REFORM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, the U.S. Postal Service last year recorded a deficit of $438 million, an increase of 3,281.4 percent over the previous year's deficit. Next year my sources lead me to believe we will be talking in terms of a deficit of $1 billion.

How in the world can we justify this type of spending at a time when we are looking at a proposed national budget which will result in a deficit of over $50 billion? The performance of USPS certainly does not make a case for funneling millions of dollars into an agency which Congress now has little control over.

A survey of postal patrons in my congressional district shows that 45.1 percent of these people believe that USPS service has deteriorated in the past 3 years while only 11.6 percent believe that it has improved. That is not a very good track record.

We established the U.S. Postal Service 4 years ago as a quasi-independent corporation. Under this framework it was to employ good business principles and eventually become self-sustaining. I contend that we cannot afford these good business principles much longer. If things continue at the present rate, the country will be bankrupt before the Postal Service is self-sustaining.

It is time for us to recognize that the policies being instituted by the Postal Service are simply not working. Facts and figures bear this out.

The Postal Service began to mechanize in order to speed mail deliveries, increase productivity, and reduce costs. But costs have risen. It now costs 13.3 cents per piece of mail as opposed to 6.1 cents in 1970. As to productivity and speed, a recent GAO report states that mechanization has increased the quantity of missent mail. Investments in new modern equipment, cost overruns on new buildings and expensive advertising campaigns have all meant a decrease in service to the rural areas of our country.

A random sample of 10,000 completed questionnaires returned by the citizens of the First Congressional District of Arkansas shows that 45.1 percent of the people believe their mail service has deteriorated in the last 3 years; 33.6 percent would prefer to use other services such as UPS, American Airlines, and Greyhound if available; 33 percent believe their first-class mail generally arrives late and 33.6 percent say their magazines and newspapers are not delivered on time.

The Postal Service has set commendable goals for itself in the delivery of first-class mail—1-day delivery of mail within designated service areas, 2-day delivery with a 600-mile radius and 3-day delivery of all other first-class mail. The USPS standards call for meeting these goals 95 percent of the time. Their own statistics show that they are meeting overnight delivery standards 90 percent of the time; 2-day delivery standards 80 percent of the time and hitting the 3-day goal 81 percent of the time. The citizens in my congressional district do not believe they are getting quite this service. Their responses to my questionnaire indicate local overnight 62.6 percent of the time; and out-of-town mail taking over 3 days 20.2 percent of the time.

Mr. Speaker, as you well know, I am particularly interested in the detrimental effect poor postal service has on the development of our Nation's countryside. I am convinced that the discriminatory practices of the Postal Service in rural areas causes commerce to slow in States like Arkansas and is counterproductive to our efforts to achieve a balanced economic growth in this Nation. When budget cuts are ordered and man-hours are reduced the postal patrons of the countryside always seem to be the hardest hit.

In my own 21-county district in Arkansas, the Postal Service eliminated 450,675 work hours per year between June 30, 1971, and June 30, 1974—a reduction of 21 percent. At the same time, the dollars spent in this area increased by almost 6 million—an increase of 48 percent.

Even in these inflationary times, a reduction of 21 percent of the work hours coupled with an increase in expenditures of 48 percent seems to be an incredible waste of the taxpayers' money since there is no doubt that the service in these areas has certainly not improved proportionately.

At a time when unemployment continues to rise, the elimination of man-hours can only further depress the job situation and consequently harm the entire economy of these regions.

Today I am reintroducing my postal reform bill which was drawn up as the result of efforts on the part of a citizens advisory committee I formed in Arkansas, and hearings in Arkansas and Washington held jointly by the Subcommittee on Postal Service and my Subcommittee on Rural Development.

I am firmly convinced that the poor record of the Postal Service during these last few years has been due to insensitivity, disregard, and ignorance of the needs of all citizens demonstrated at the top levels of postal management. I am hopeful that a change in Postmasters General will signal an about-face in this attitude and will halt the infiltration of this callous attitude down through the ranks.

It is impossible to legislate attitude. However, my bill will return certain authorities to the Congress, making the Postal Service responsive to our wishes and the needs of the citizens we represent, without once again putting us in the business of hiring and firing postmasters.

The main thrust of this bill is to funnel all revenues of the Postal Service into the General Treasury of the United States. The Congress will then each year authorize and appropriate those funds which it deems necessary for postal operations. Currently all postal revenues automatically go into a postal fund and the Postal Service need come to the Congress to request only the additional appropriations.

Other sections of this legislation deal with:

First. Construction of Postal Service facilities. This provides for a method of consultation with agencies of State or local government which might be affected by postal construction. It establishes a public hearing procedure which would be mandatory before a new postal building could be erected.

Second. Employment and personnel policies. This section provides that promotions shall be based on merit rather than solely on seniority; allows postmasters more discretion in handling of employees; deemphasizes the importance of present civil service exams given to employees; and states that the Postal Service shall give preference to persons who reside in the community in which the Postal Service facility involved is located when appointing officers and employees for postal positions.

Third. Mail sorting and distribution. The last portion of the bill deals with the problem of routing. It provides for the establishment of sectional centers for sorting and distribution of mail in each county of the United States located at the trading center of the county involved as far as practicable. This provision is aimed at establishing a routing center which will eliminate the carting of mail miles out of the way to a metropolitan area for sorting only to be sent back to its destination—a town 10 miles down the road from its origination.

In conclusion, I would like to make it clear that I do not object to a certain amount of subsidy for postal service—as long as service is provided.

To quote an 1876 report of Postmaster James N. Tyner:

> . . . Whatever theories may be advanced to relieve it (the Post Office Department) from chronic deficiencies, they must yield to the ever-present necessity for supplying abundant mail for the whole country by liberal appropriations and reasonable expenditures. . . . So long as the Post Office Department must follow the pioneer to the remotest settlements and put him in communications with the centers of trade and business, and also carry the mail to towns and cities in the first years of their existence as frequently as they are conveyed to those of larger populations and more matured growth, so long the General Treasury will probably have to bear a part of the cost.

One hundred years later we have few settlements which can still be termed "remote," yet there is no doubt in my mind that the need for a postal system that allows fast, reliable, and efficient communication between all sections of our Nation is more important than ever. It is up to the Congress to take action necessary to insure that the citizens of the countryside are not once again isolated from the other sections of the Nation because of poor postal service.

Satellites can provide communications between Moscow and Washington instantaneously. Why can't the Postal Service provide communication between Black Rock and Portia in 2 days?

THE LAND USE AND RESOURCE CONSERVATION ACT OF 1975

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, I am today, along with Mr. STEELMAN and a number of other cosponsors, introducing H.R. 3510, the Land Use and Resource Conservation Act of 1975. It is a modified and refined version of the land use legislation I sponsored in the 93d Congress.

The bill that has been introduced today builds on those earlier proposals but contains a number of significant changes and refinements which I think will make it far more acceptable to the 94th Congress.

Let me say, at the outset, that I recognize that we in the Congress have a good deal of work to do immediately to address the most serious energy and economic problems that have faced this country in over four decades. The problems are critical and in need of urgent attention and I think that the Congress is responding to the problems of unemployment, of stimulating economic growth, and of dealing with energy conservation and the development of an overall energy program.

It is also true, however, that this Congress must address a multitude of other issues as well. And it is my firm belief that our land use problems are closely interrelated to many of our domestic energy problems. Moreover, we cannot neglect or ignore environmental considerations as we concentrate on the economy and energy.

The President has sent us an energy package which includes a proposal for Federal energy facility siting legislation. We are told that the next several years are critical in terms of lead time if we are to plan and begin to construct the new powerplants, the coal fired generating plants, oil refineries and associated terminal, storage, transportation facilities, and other major projects associated with the administration's ambitious energy proposals. We do need new energy facilities, but there are going to be significant land use problems that accompany such developments. Indeed, the economic, environmental, and social implications of what we do in the next several decades in terms of energy development will have a significant influence on the quality of life in this country for a long time to come.

It is for this reason that I believe we must not continue with the same emphasis on single focus, mission-oriented Federal programs but instead make a serious commitment to some sensible land use planning on the State and local level. Although some States are now moving in this direction with encouraging momentum, there is a real need for Federal legislation and Federal funds to provide the broad policy and financial incentives and also put the Federal Government's house in order.

We are using land in this country more intensively than ever before. Although we are not running out of land, there is no escaping the fact that some of our best land is gone and there are increasing conflicts over how the remaining resources are to be utilized. There is also an increasing recognition of the fact that land use is perhaps the key to solving our problems of air and water pollution, solid waste disposal, and urban sprawl which has proven to be so terribly wasteful in terms of energy. By the year 2000, we are told, as much as 15 million acres of our land may be converted to other uses, for a multitude of recreational, urban and industrial uses. History will reflect, I think, that we have not done a very good job of balancing our economic, social and environmental needs in this country in the first 200 years. Our cities are in decay, our suburbs congested and polluted, our highways and airports often misplaced or in turn swallowed by developments, our mountainsides have been strip mined, and major developments in flood plains and other areas susceptible to natural disasters have proved costly. The costs in both economic and social and environmental terms are beyond any estimate. Frustrations of uncontrolled growth have in turn led to an overreaction in many areas with movements to stop all growth, to put a moratorium on building and increasing local resistance to necessary facilities such as oil refineries, powerplants and new housing.

Moreover, we continue to see the serious degradation of our rural environmental by the trend in subdivision and recreational land sales which, in my own State of Arizona, has resulted in enough lots being subdivided to accommodate the entire projected population of Arizona for the year 2000.

I think it is of vital importance for this Nation to begin to develop national land use policies, but I also recognize that under our Federal system it is the States and local governments that have the primary responsibility in the field of land use planning.

There is, in my opinion, a viable alternative to no growth. We can instead control growth, with some vision and direction to avoid the mistakes of the past. There is no reason we cannot develop the planning and procedures to make land use decisions in a rational manner so we can build the kind of future society we all want to see in this country.

Moreover, sensible land use planning is now more important than ever as we look for ways to meet our energy needs and turn to our own untapped domestic resources. We cannot develop our Western coal resources, our oil shale, our nuclear capacity, build coal slurry lines or new refineries, powerplants, transmission lines and water projects—all of which in turn induce growth and the need for new housing, schools, roads, bridges, and other governmental services—without some better mechanisms for determining where all of this is going to go.

The problems with land use are well documented. We have a proliferation of governmental entities at all levels with land use authority and a myriad of single-focus, mission-oriented governmental programs affecting land use. The States that have traditionally delegated land use controls to the local governments are now recognizing the need to reassert some authority over land use decisions which have impacts beyond the immediate local jurisdiction and which affect regional, State and sometimes national interests. And, we have begun to realize that aquifers, watersheds, wetlands, and other important resource areas and the impacts of many developments do not stop at man-made jurisdictional boundaries.

There is, therefore, a very real need for some State leadership in formulating land use policies and for State overview of land use decisions affecting critical areas and critical activities. This can be done without disrupting the traditional role of local governments in the majority of land use decisions, most of which will continue to be local in nature and can continue to be made at the local level.

We need to develop procedures to assure that all interested parties and the public can participate in the process, yet assure that development decisions are not unduly delayed—that there is also some due process for developers who now must go through a maze of requirements and duplicative proceedings before a decision is finally made. Planning is one answer, but more importantly, State and local governments must develop a process in which land use decisions can be made in reference to established policies and regulations and with some finality.

There is no claim that this bill will bring with it a panacea to our problems overnight, but it is an attempt to set a broad framework within which States can develop land use programs. The legislation provides such a framework but is not a Federal blueprint.

The Land Use and Resource Conservation Act of 1975 does the following:

Establishes a 6-year Federal grant program within the Department of Interior to assist States in developing and administering land use programs. Grant would be authorized for 6 years—$50 million for the first year, $75 million for the second and third years, and $100 million for the remaining 3 years. Participating States would have 3 years to develop a program and would receive additional grants for 3 years once the program was approved by the Secretary.

The State program would focus on four key land use activities and areas which are of more than local concern, including the environmental, economic, and social implications of developments of regional impact, large-scale subdivision projects, and key facilities. The States would identify and designate areas of critical State concern where uncontrolled or incompatible development could result in significant damage to life, property, the environment, or the long-term public interest. The State would first inventory its significant land and water resources and then designate those areas which are "critical" pursuant to the above criteria, developing policies and procedures to regulate what kinds of development would be permitted in such areas.

In developing State policies, future needs for food and fiber production, energy and commercial needs, housing, transportation, and recreation and open space would be considered.

The State program would also include:

Policies and procedures concerning prime food and fiber producing lands—as distinguished from critical areas—to promote their continued use and productivity to meet our long-range requirements;

Provisions to insure that local government and the public are involved in the development and implementation of the State land use program including an advisory council made up of local government officials and representatives of agricultural districts, where applicable. States could implement the program through local government; and

Provisions for establishing fair administrative procedures for the consideration of proposals for development, including provisions for fair hearings and a sufficient record to avoid multiple of duplicative hearings on a single proposal.

Other elements of the State program would include:

First, an emphasis on energy conservation and consideration of regional, State, and national needs for adequate and secure energy sources; second, methods for coordinating State program administered pursuant to other Federal assistance programs; third, the consideration of the impacts of the land use program on the rights of property owners; fourth, methods for the timely resolution of conflicts including an appeals procedure; fifth, an adequate data base; and sixth, a State agency which would be responsible for the development and implementation of the State program.

Federal lands and Federal activities. The bill does not provide for Federal review of local and State land use decisions. On the contrary, it provides States with the authority to assure that, once a State land use program is functioning, all major Federal activities and programs affecting land use in the State must be consistent with State programs.

This provision is similar to the Coastal Zone Management Act, requiring all applications for Federal licenses or permits to be certified as consistent with the State's land use program. It will provide the States with an extremely important means to influence Federal programs affecting land use within the States.

In addition, the bill provides land use planning directives for the public land management agencies for developing land use plans for the public lands, requiring public involvement and coordination with State and local government in the development and implementation of land use plans for the public lands.

The bill would also establish an Office of Land Use Administration within the Department of the Interior. The Secretary would, through the Office, administer the grant-in-aid program, conduct studies and analyses of land resources of the United States, develop and maintain a Federal Land Use Information Center, conduct studies concerning the problem of delays and conflicting requirements for Federal licenses and other decisions associated with Federal programs, and study the impact of Federal programs on the development and implementation of State land use programs.

The Secretary will be required to coordinate with other Federal agencies, to seek the advice and participation of State and local governments, and to consult with the Department of Agriculture to assure that the expertise and resource of the Department of Agriculture, including the Soil Conservation Service and Extension Service, were utilized in developing land use programs.

The Executive Office of the President would be designated to issue guidelines to other Federal departments and agencies to carry out the purposes of the act and to assure that Federal activities are coordinated. The Secretary of the Interior would promulgate regulations to assist in administering the grant program after adequate notice and an opportunity for public hearings. Guidelines would first be submitted to the Congress for review.

The bill would also establish a task force to study the problem of land use planning on tribal lands and to make recommendations concerning the need for such planning. The task force would report to the Secretary who would report to the Congress within 1 year with his recommendations.

In summary, the bill contains two main objectives. One, to provide the financial incentives and policy directions for States who wish to develop State land use programs. Second, the bill would provide for more coordination between Federal agencies and between Federal agencies and the States concerning Federal activities that significantly affect land use. The Federal Government would put its own house in order at the same time it asks the States to develop better techniques for making land use decisions.

This bill is a logical and important extension to the Coastal Zone Management Act of 1972 under which coastal States are developing land use programs for their coastal zones. The proposed leasing of the Outer Continental Shelf has focused attention on the necessity of comprehensive planning prior to major energy development to deal with the social, economic, and environmental impacts of such development.

There is a very real need for developing a similar program in the interior States. This need is particularly evident in light of the ambitious energy plans the administration is considering. We need to turn to our domestic resources to meet our future energy needs, but this should only be done if comprehensive land use planning is developed, along with some assurances that Federal programs and policies will be consistent with State and local policies.

Land use is still the most fundamental and unaddressed environmental problem in this Nation. We must do something about the costs of sprawl, the continuing loss of our prime farmland and the waste of energy which results from inadequate land use planning. It is good economics. This bill is an important beginning, and I urge all Members to give it their careful consideration.

I am pleased to report that the following Members have joined with Mr. Steelman and me in the initial introduction of this legislation: Mr. Bingham, Mr. Bolling, Mr. Phillip Burton, Mr. Corman, Mr. Eckhardt, Mr. Edwards of California, Mr. Foley, Mr. Fraser, Mr. Horton, Mr. Kastenmeier, Mr. McCloskey, Mr. Martin, Mr. Miller of California, Mr. Pritchard, Mr. Regula, Mr. Reuss, Mr. Seiberling, Mr. Thompson, Mr. Tsongas, Mr. Vanik, Mr. Weaver, Mr. Whalen, and Mr. Yates.

HEALTH PROGRAMS MUST NOT BE RESCINDED

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I submitted testimony today to the Labor-HEW Appropriations Subcommittee asking that funds for maternal and child health programs not be rescinded and that the 314d Public Health Service programs continue to be funded. These proposed reductions would severely affect the delivery of health care to low- and no-income families in the country. The statement follows:

Statement to the Labor-HEW Appropriations Subcommittee on Rescissions Recommended by the President Submitted by Representative Edward I. Koch

Mr. Chairman, despite overwhelming expressions by this Subcommittee, the full Appropriations Committee, and the House and Senate last fall to increase the appropriations for maternal and child health programs, the President who signed this increase into law has now informed the Congress of his rescission proposal to reduce the maternal and child health funds by $24.4 million. This budgetary action will have very serious implications for maternal and child health programs and crippled children's services.

Under P.L. 93–53, the authorizing statute for these maternal and child health programs, the states are to receive funds for maternal and child health programs in fiscal year 1975 for an amount equal to that which they received in 1973. These programs are operating in this time of inflation on funding barely adequate 2 years ago.

The President's budget message explaining the rescission has in it a gross misstatement that the $24.4 million to be rescinded is additional money for these programs. This is absolutely untrue. This money is needed to make 20 states whole for the programs that they are already carrying out. This proposed rescission means a $3,600,000 loss for New York State alone for programs already operating in ghetto areas of Brooklyn, Manhattan and the Bronx to provide pre-natal and pediatric care to low and no-income families.

Over 40 Members of the House joined with me in signing a letter to the President last month advising him that we would protest any request for a rescission of the funds approved by the Congress for fiscal year 1975 for health services under Title 5 of the Social Security Act.

I would hope that this Committee would agree that such a request for a reduction in these needed funds is unacceptable. The full amount appropriated by the Congress for these health services for mothers and children for fiscal year 1975 must be paid to the states to keep these programs viable.

In the HEW appropriations bill there are slotted 58 HEW staff positions for maternal and child health and 10 staff positions for sudden infant death syndrome. It is the position of HEW that these positions be allocated to the Department of HEW. If this is permitted to happen, the maternal and child health and sudden infant death syndrome programs would not get any benefit from the personnel since HEW does not intend to provide full staffing for these areas. This Committee must ensure that the 58 maternal and child health positions be allocated to the maternal and child health division, and the 10 positions to the sudden infant death syndrome division so that this money appropriated by the Congress for these areas be used for the purpose for which they are intended.

In response to my letter of January 24th to the President protesting any rescission of maternal and child health funds, I received the enclosed letter from the Office of Management and Budget. I think it is important to note that the maternal and child health rescission message is intended "to restrain discretionary spending in order to hold total outlays down" because of a $1.7 billion increase in medicaid and other public assistance programs.

I am sure you are aware that as a result of the recent nursing home scandals there has come to light instances of gross mismanagement, unlawful payments, and corruption in the medicaid program. Allegations of fraud have not been pursued. What this means is that the federal government has not done an adequate job in policing the use of medicaid funds which of course not only allows fraud to go unchecked, but actually encourages fraud.

It is outrageous that these maternal and child health programs, which have been so closely scrutinized and have been the subject of cost-benefit studies which have shown in this time of inflation a reduction in the cost of patient care, should be the victim of a budgetary process which gives increased funds to medicaid programs for which the federal government has required or received little accountability.

It is my understanding that it is HEW's intention to recommend the assessment of patient fees for the maternal and child health programs. The people who are given health care by these programs are persons who traditionally do not obtain any preventive health care. If services, such as prenatal care are charged for these low and no-income women just will not obtain the care, but will return to the emergency room and catastrophic type of care. It was the intent of the Congress when these programs were created to provide health care for those populations who could not afford it and otherwise would not obtain it.

I am appending for your information a copy of a letter sent to President Ford protesting these budgetary cut-backs by the American Medical Association, the American Academy of Pediatrics and the American College of Obstetricians and Gynecologists.

I would also like to bring to your attention the 314d Public Health Service programs which provide block grant funding to the states. I support continued funding for these programs which provide so many critical services to health programs in the states—as tuberculosis care, milk and food regulation, health manpower needs, inspection of public water supplies, regulation of x-ray equipment and epidemiological studies in the area of cancer control. I am appending a letter from our former colleague, Governor of New York Hugh Carey, regarding these programs.

Mr. Chairman, if this Committee finds, as I hope it does, that the maternal and child health funds should not be rescinded and the 314d programs should continue, I would recommend that in any report on the rescissions and deferrals, you include strong language to the effect that the Congress will not accept and will not tolerate further deferral and rescission messages on these programs and that attempts by the White House to continue submitting to the Congress further deferrals or rescissions on which definitive action has already been taken by the Congress will not be accepted. The President must abide by the intent of Congress and any attempt to subvert its intent by other tactics would clearly be unacceptable.

The President's January 30 rescission message also has disturbing implications for the funding of medical and dental school education, particularly here in the District of Columbia. Among the Congressional appropriations the Administration would rescind are: $10 million for the National Health Scholarship Program; $3 million for the Health Professions Loan Program and $7.5 million for the financially hard-pressed medical and dental school of the District of Columbia.

The former two appropriations are essential if a medical school education is to be accessible to any student, irrespective of socio-economic status. The latter rescission of our $7.5 million appropriations for schools here in the District is particularly objectionable coming as it does at a time when the future role of the federal government in the funding of medical education is in question. The financial problems of the District's medical and dental schools are already acute because they do not enjoy the support of State governments as do most other medical schools in the country, public or private. Unfortunately, the students will bear the primary burden of the loss of this additional support. One medical school in the district has already advised its students of an increase in tuition costs alone to $5,000 next year. Unless the funding picture improves, the medical school expects tuition costs to rise to $12,500 the following year. Clearly, medical students must be expected to bear a major responsibility for the cost of their training—but these tuition costs defy reason and will rightfully be considered intolerable by most students.

I believe the Congress has a special responsibility to provide supplementary assistance to these schools. Their unique position as medical colleges in the District requires it—and as national medical schools drawing students from across the nation, they merit such support.

Mr. Chairman, I respectfully urge my colleagues on the Committee to reject these rescissions, contrary as they are to one of the central health care needs of the nation: well-trained physicians.

AMERICAN MEDICAL ASSOCIATION,
Chicago, Ill., January 20, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It is our understanding that there is now under consideration a budget rescission proposal which would affect funds presently approved for Title V of the Social Security Act, Maternal and Child Health and Crippled Children's Services. It is of vital importance to the medical profession and to the community to maintain the adequacy and availability of health care services to mothers, infants, and children dependent upon federally supported programs. The State maternal and child health programs authorized under Title V have had a substantial favorable impact upon infant and maternal mortality and morbidity in areas where such rates have been traditionally highest.

Medical care for mothers and children has a special significance in the total health picture. Early and comprehensive medical care to high risk women and follow-up treatment for mothers and infants is one of the most humane and economically sound expenditures of federal health dollars. Through the provision of preventive health services, early identification and correction of health defects in children help assure that they will have a more healthful foundation for a lifetime of productive activity. These services have been demonstrated to be economical and cost effective, and their impact reflects the benefits to be derived from keeping mothers and children healthy.

Your awareness of the importance of these programs of prevention and early treatment was apparent in the Presidential Proclamation in October, 1974 in which you committed your Administration to the challenge "to continue steadfastly in reducing the health hazards to children through adequate programs which will assure their continuing good health throughout childhood."

Mr. President, your intercession is earnestly solicited so that maternal and child health might truly be among our national priorities. The commitment of your Administration to programs which will enhance the quality of life for children can be demonstrated by the allocation of Congressionally appropriated funds for fiscal 1975, and the development and approval of a fiscal 1976 budget request which will assure the continued viability of these programs.

Sincerely yours,
AMERICAN ACADEMY OF PEDIATRICS,
ROBERT G. FRAZIER, M.D.,
Executive Director.
AMERICAN COLLEGE OF OBSTETRICIANS AND GYNECOLOGISTS,
ERVIN E. NICHOLS, M.D.,
Director—Practice Activities.
AMERICAN MEDICAL ASSOCIATION,
JAMES H. SAMMONS, M.D.,
Executive Vice President.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., Feb. 18, 1975.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: This is in further response to your letter of January 24, 1975, concerning funding for health services through the maternal and child health program.

The President submitted a proposed rescission to Congress under Section 1012 of P.L. 93-344, the "Impoundment Control Act of 1974," for $24 million from the congressional appropriation level of $305 million for maternal and child health activities. The rescission is for the amount appropriated by Congress in excess of the President's 1975 Budget. Even at the proposed rescission level, however, grants to States will be about $11 million higher than in 1974.

The rescissions proposed by the President must be considered in the context of understandings on H.R. 15580, the 1975 HEW-Labor Appropriations Act. In his signing statement on H.R. 15580, the President commended Congress for the responsible approach it took with respect to controlling Fderal spending. In the Conference Report, the Congress indicated a strong commitment to hold spending below the President's 1975 Budget request for these programs.

The final appropriation in the bill was $485 million below the President's request for 1975. Moreover, the Conference Report on H.R. 15580 indicated the willingness of Congress to consider deferrals and rescissions of enacted appropriations to the extent necessary to hold total spending to the level in the bill, if mandatory spending programs exceed the amount included in H.R. 15580. These mandatory spending programs, e.g., Medicaid and other public assistance programs, are currently estimated to require $1.7 billion more than the Congress included in H.R. 15580. Accordingly, the President has submitted deferrals and rescissions to restrain discretionary spending in order to hold the total outlays down.

The level initially requested in the President's 1975 Budget is sufficient to achieve program priorities. Under the formula grant program, of course, States will have the option of determining individual projects. Moreover, the Federal Government will spend

$7.2 billion through Medicaid in 1975 to finance health services, including the same types of services provided to individuals through more narrow categorical maternal and child health programs. States and localities will spend an additional $6.9 billion in 1974 for health services under Medicaid.

I hope this information is helpful.

Sincerely,

ROBERT F. BONITATI,
Assistant to the Director for Congressional Relations.

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, January 15, 1975.

Hon. EDWARD I. KOCH,
House Office Building,
Washington, D.C.

DEAR MR. KOCH: I am writing to advise you of the difficulties facing New York State as a result of the Presidential veto of the Health Services Act, H.R. 14214, and the proposed recommendations of the President to rescind fourth quarter funding of Block Grants (section 314d of the Public Health Services Act) to the State.

Congressional authorization for 314d funding expired on June 30, 1974, and the programs have been extended through a continuing resolution. Last session Congress passed H.R. 14214, Health Services Act, but the legislation was vetoed by President Ford on December 21, 1974. Another continuing resolution, House Joint Resolution 1178, was passed to continue funding through February 28, 1975.

The New York State Department of Health had received informal notification that its third quarter allotment would cover any programs through March 31, 1975. However, a letter received from H.E.W. on December 26, 1974, states the Agency's intention to recommend rescission of funds for the fourth quarter. I have relayed my concern to the President and asked him not to recommend either rescission or deferral of the Block Grants.

The elimination of Block Grant funding would cost in jobs alone approximately 230 positions, totalling nearly $3 million plus an additional $2.7 million in nonpersonal services. The following programs would have to be completely eliminated if Congress does not act:

1. Provision of Tuberculosis care in nine communities of New York where the incidence of this disease is the highest.
2. Surveillance and intervention regarding insect-borne diseases.
3. Provision of direct health sanitation services in communities not represented by county health departments, and direction and coordination of this activity, and public health nursing in other communities.
4. Health guidance services provided for our Indian citizens residing on Reservations in New York State.
5. Central Departmental and Regional Office direction and coordination of Community Health Programs.
6. Provision of labor relation services.
7. Provision of regulatory activities in the area of milk and food production and distribution.

In addition, these eight programs would be substantially reduced:

1. Provision of adequate medical, nursing and special health manpower throughout New York State.
2. Consultation to localities regarding the operation and inspection of public water supplies and inspectional activities of these supplies through contract with the United States Geological Survey.
3. Physical therapy consultation to New York State hospitals.
4. Provision of professional and public education services.
5. Regulation of the sanitary aspects of migrant labor camps.
6. Regulation of the use of x-rays and ionizing and non-ionizing radiation sources for the protection of public health.
7. Conduct of Epidemiological studies in the area of cancer control.
8. Direction and coordination of the statewide emergency health services program.

I urge you to introduce, co-sponsor and support legislation as soon as possible that will provide authorization and appropriations to continue funding of Block Grants to New York State. I also ask that you defeat any rescission or deferral message from the President regarding 314d funding.

Sincerely,

HUGH L. CAREY.

COUNTRYWIDE SUPPORT FOR REDUCTION OF TRUCK WEIGHTS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on January 20, together with 30 cosponsors, I introduced legislation to repeal interstate highway truck weight increases that were voted late in the last Congress as part of the Federal Aid Highway Act of 1974, a multipurpose highway bill that could not be amended under suspension of the rules.

Because of safety hazards caused by the increased weight, and an estimated multibillion-dollar cost the weight increase will mean in highway maintenance, the increase is opposed by the American Automobile Association, the National Society of Professional Engineers, the National Highway Safety Advisory Committee—chartered by Congress to advise the Secretary of Transportation—the National Association of Counties, the Professional Drivers' Council, the Brotherhood of Teamsters, and the General Federation of Women's Clubs.

I urge the support of more of our colleagues for this legislation to repeal the dangerous and costly truck weight increases. On January 20 and January 23 of this year, I included in the RECORD a number of editorials from throughout the country. Since the last date, numerous additional columns and editorials have come to my attention, including a splendid piece by James J. Kilpatrick, editorials in the New York Times, and the Cleveland Plain Dealer, and others. A sampling of these articles is enclosed for the information of my colleagues:

[From the Washington Star-News, Feb. 19, 1975]

THE INTERSTATE LOAD

(By James J. Kilpatrick)

New York's Congressman Edward I. Koch introduced a little bill the other day that merits the support of those who cling to the old ideal of government "of the people, by the people, and for the people." That democratic proposition is so indifferently respected these days that Koch's bill probably will fail, but he deserves an A for effort anyhow.

The bill would repeal the permissible increase in truck load limits approved by Congress in December.

If it had not been for a piece of parliamentary razzle-dazzle superbly executed by friends of the truckers' lobby, American motorists might not be faced with the grim prospect of 40-ton monsters grinding down the interstate highways. The taxpayers might not be faced with providing billions of dollars for the additional repairs and maintenance the higher limits may demand.

What happened in this affair was a stroke of oneupsmanship in the grand tradition. A majority of the House was outwitted and outflanked. Those who favored the higher limits won their war without really engaging in battle.

Consider the sequence of events. The Senate early last year approved a transportation bill authorizing an increase of 2,000 pounds in permissible single and tandem axle weights, and an increase from 73,280 to 90,000 pounds in the maximum gross weight. On Aug. 20, the House had an opportunity to vote directly and specifically for that proposition. The vote was overwhelmingly against it, 252 to 159. This was an emphatic expression, if you please, of the "will of the House." It was as clear a manifestation as one could ask of government of the people and by the people.

The vote was a reflection, moreover, of convincing arguments "for the people." The higher limits were opposed by ordinary motorists and by professional engineers alike. It was the truckers' position that because of lower speed limits and higher operating costs, they could not operate profitably without the increased loads approved by the Senate. Koch and others contended, to the contrary, that the truckers already had been assured compensating hikes in income. The Senate increases in weight were struck from the bill.

That should have ended the matter. But on Dec. 16, in the last whirlwind hours of the 93rd Congress, the transportation act returned to the floor of the House under suspension of rules. The parliamentary question turned on the instructions to be given a committee of conference. Koch struggled vainly for an opportunity to let the House vote once again, up or down, on the issue of load limits. He never had a chance.

Under the rules of the House, the committee in charge of a bill has the right to move for the instruction of conferees. Republican William H. Harsha of Ohio, ranking minority member of the Public Works Committee, showed the form of a Superbowl star in a two-mintue drill. By making a preemptive motion to instruct the conferees on an innocuous point, he flattened the opposition. Koch said he felt as if he had been hit by a Mack truck. That was about the size of it.

In the end, the conferees agreed on an increase to 80,000 pounds, instead of 90,000 pounds. President Ford could not have vetoed the higher load limits without vetoing the bill as a whole, and there were sound reasons for enacting the rest of the bill. The jubilant truckers now have a clear shot at pressuring the state legislatures into falling in line.

Meeting in Tucson a month ago, the National Society of Professional Engineers, through its board of directors, urged repeal of the higher limits. Heavier trucks, said the NSPE, will create problems of safety, road and bridge repair, and "an earlier obsolescence of the highway system with increased ultimate cost to the consuming public." The higher but intangible cost lies in the damage done to responsible government. The House in August expressed its will. The House in December saw that will destroyed.

[From the New York Times, Jan. 25, 1975]

FORTY-TON TERRORS

Three Representatives—Koch of New York, Gude of Maryland and Hechler of West Virginia—have lost no time in moving to undo a mischievous act of the preceding Congress. The three legislators have introduced a bill to repeal a sneaked-in provision of the new Federal Aid Highway Act of 1974 allowing much heavier trucks on interstate highways—as though they have not been monstrous enough.

The stretching of the former weight limitation was slipped through in the last week of the session by making it part of an omnibus bill which under a procedural formula could not be amended, and which contained a variety of projects that might be lost if the entire bill were defeated. What even this promise of pork-for-all might not have assured in the way of support was secured by the trucking industry's pre-election generosity in the distribution of campaign gifts.

The procedure was as effective as it was raw and as harmful as it was effective. The House had earlier gone on record opposing an increase in allowable truck weights. The American Automobile Association was against it for the threat that these road hogs already pose to the safety of ordinary motorists. The Brotherhood of Teamsters opposed it as a danger to its drivers. Other groups, including the National Association of Counties and the General Federation of Women's Clubs, were against it for the heavy additional burden it would put on taxpayers to maintain and renew the highways that would be rutted and wrecked by these forty-ton terrors.

Given the widespread public opposition and the true feeling of the House in the old Congress, it should not be hard to round up sponsors in support of the bipartisan trio of Representatives who are now calling for a second look. A mandatory return to the old truck-weight limitations would save millions of dollars and an unpredictable number of lives. According to the Department of Transportation, the most frequent type of fatal accident on interstate highways involves collisions between trucks and passenger cars. A defeat for the truckers would have the further advantage of serving notice on a particularly insidious lobby that campaign largesse is, after all, a risky investment.

[From the Plain Dealer, Feb. 15, 1975]

HEAVY-TRUCK LOAD ON CONGRESS

If resistance in key committees can be overcome, the new 94th Congress will have a chance to reconsider the hasty action of its predecessor 93d Congress allowing heavier trucks on the nation's interstate highways.

The opportunity should be welcomed for two very good reasons.

First, a considerable body of safety and engineering opinion continues to hold that heavier trucks will cause additional damage to roadways and to human life. Secondly, the Congress—and especially the House of Representatives—is under a cloud because of a turn of events accompanying last-minute approval of the heavy-truck section in the Federal Highway Act of 1974.

The latter is an unsavory point. The House reversed itself and accepted the heavy-truck provision near the end of its session in December. This was about a month after a November election in which it was later revealed the trucking industry donated $61,250 to campaign funds for 117 House members.

Six Ohio congressmen were among recipients of the trucking industry's money, and five of them voted in favor of the highway act and its heavy-truck provision. About half the members of House public works and rules committees, which influenced the course of the drive to allow increased truck weights, were beneficiaries of trucking industry generosity.

It is a healthier sign today that the move to repeal has begun, and that it has started under bipartisan sponsorship. Veteran Reps. Edward I. Koch, D-N.Y., Gilbert Gude, R-Md., and Ken Hechler, D-W. Va., initiated the effort on Jan. 23. They have since been joined by 30 other House members including Rep. Ronald M. Mottl, D-23, of Parma.

Several in the group of 30 are newcomers to Congress who are troubled by "old politics" customs in handling the nation's political affairs and legislative business. Already they have helped effect changes in House procedures. They should add strength to the movement now to get the 94th Congress to undo the 93d's heavy-truck wrong.

[From the Fresno Bee, Jan. 2, 1975]

ALLOWABLE TRUCK WEIGHTS

In the waning hours of nearly every session of Congress a "sleeper" manages to slip past the watchdogs at the height of the rush for adjournment.

All too often it is a piece of special interest legislation hitched to an important measure for a free and unnoticed ride through the Congress.

This year's free rider slept quietly in the cab of a heavy truck that roared through the capital at 55 miles an hour.

The main vehicle was the federal highway authorization bill. Among its provisions for interstate highway and safety and beautification is one to make the 55 mile an hour speed limit permanent. Getting aboard at the last moment was a rider which would permit a 10 per cent weight limit increase for big trucks. This means the highway giants can add another ton to axle weights and raise gross truck weights on the interstate system to 80,000 pounds.

Your bewildered congressman also should want an explanation. The House twice beat back efforts to increase truck weight on these identical amounts—once decisively on the floor and later in committee. Yet after Congress adjourned, there it was on President Ford's desk, the $752 million highway bill with just what the trucking lobby ordered—the increased weight limits.

So, as the Washington Star-News noted editorially. "The trucking industry has made its biggest haul yet, in the halls of Congress, and if nothing is done to upset this action the public will have suffered a bitter loss."

The American Automobile Association, which has been fighting since 1968 to hold down truck weights and sizes, is warning motorists about the impact of these heavier weights, not only in the dollars and cents of higher maintenance costs through increased road and bridge damage but in terms of highway safety.

Allowing heavier rigs on the interstate system, moreover, will not end there. Less ruggedly constructed county roads and city streets also will take a pounding at the end of the long haul runs.

Despite the desirable other features of the highway bill, the increased truck weights cannot be allowed to stand. President Ford should not hesitate to veto the bill in the public's interest and as an affront to the legislative process.

But with or without a veto, the new Congress should get to work early to repair the damage allowed by its largely lame-duck predecessors.

[From the Akron Beacon Journal, Jan. 29, 1975]

SAFETY STANDARDS IMPORTANT

When the Ohio General Assembly gets around to considering an increase in truck weight limits to comply with the federally authorized increase from 73,280 pounds to 80,000 pounds, it should also consider some safety factors.

The federal law, pushed by the major trucking companies and by independent truckers who are paid according to how much they haul, was largely discretionary. It permits states to go up to the federal standard on weights, but it does not require them to do so.

That means that the push will be on, as it was in Congress at the end of the last session, to get the weights up. And the arguments, undoubtedly, will be the same—that the greater weights should have the energy-saving advantage of car pooling with the added inflation-fighting bonus of increasing productivity.

These are persuasive arguments when there is an urgent economic need to get things perking again. We find no fault with them. But a longer look at what the federal government did also shows a worrisome lack of concern over the safety aspects of the weight decision.

When the weight bill was still before Congress, the Teamsters lobbied for some safety requirements to be written into it. Sen. Philip Hart (D-Mich.) won approval in the Senate for a limit of 10,000 pounds on the front axle, the steering axle, of tractor-trailer rigs. The limitation was rejected in conference committee. The Professional Drivers Council for Safety and Health (PROD) is carrying on that fight.

As the law stands, the same weight is permitted on the two front tires of a tractor as on the four rear tires. The placement of the coupling device that fastens the trailer to the tractor may throw additional weight to the front, putting added strain on the tires, steering and suspension systems.

PROD believes this can contribute to equipment breakdown and driver fatigue because the rigs become harder to handle.

Statistics from the Department of Transportation and the National Highway Safety Advisory Committee give reason to consider the PROD fears.

Transportation department field inspectors checked only half of one percent of the trucks on the road according to 1972 figures, but they put 36.5 percent of the trucks they checked "out of service" for safety hazards—mostly faulty brakes and tires.

Of the 429 cases of tire failures reported in accidents, 361, or 85 percent, were front tire failures. These were responsible for all but one of the 30 fatalities in this category and for more than half of the total deaths resulting from any type of truck mechanical failure.

With added weight on the front, and these statistics to look at, it is no wonder that PROD is still campaigning to have standards set for a maximum weight on each tire and for relocation of the coupling devices to redistribute the weight. It is also seeking minimum horsepower requirements for the heavier loads to help reduce the chances for rear-end collisions when trucks are unable to maintain speed going up hills.

Federal standards, of course, would be most effective because the trucks travel in interstate commerce. The same standard for every state make sense.

Ohio, however, has a chance to set some of these requirements for trucks operating in the state when the legislature considers the weight increase. It shouldn't miss the opportunity to protect the safety of the truckers and the public.

[From the Roanoke Times, Feb. 2, 1975]

ROLL BACK TRUCKS' LOAD LIMIT

Like everybody else, Congress makes mistakes. If it moves briskly enough, it can correct some of them. An effort is under way now in the House of Representatives to roll back the ill-advised increase in interstate highway load limit granted to trucks by the 93rd Congress.

Reps. Koch, D-N.Y., Gude, R-Md., and Hechler, D-W. Va., have introduced a bill to repeal a provision of the 1974 Federal Aid Highway Act. That provision hiked the load limit for trucks on interstates from 73,280 pounds to 80,000 pounds per axle group.

Truckers who sought this kind of increase for several years, argued that allowing trucks to carry bigger loads would be an offset to inflation and to the longer hauls drivers must put in because of the 55-mile-an-hour limit. There's no sign, however, that truck drivers observe that limit any more carefully than most other motorists; and any braking of transportation costs caused by bigger loads would be more than made up for by the added maintenance expense for the super-highways.

The load limit increase also adds to road hazards. Auto-big truck accidents are the most likely to kill or maim people—usually people in the smaller vehicles. This year the federal government is requiring all new trucks to have better brakes. Meantime, however, big rigs already in use could carry the full 80,000 pounds with no more effective brakes than they already have.

The truckers' breakthrough is likely to be only the first step toward trucks even more huge than now ply the highways; some would like to see the standard pushed to 50 tons or more. Now is the time to stop that by reinstating the earlier, saner, safer limit.

[From the News American, Jan. 30, 1975]

HIGHWAY MONSTERS

After years of expensive lobbying, climaxed by a bonanza of carefully chosen campaign contributions, the trucking industry last December finally achieved its most important legislative goal—legal authority to operate much heavier trucks on interstate highways.

Easement of the former weight limitations was achieved by nothing less than trickery. In the last week of the last Congress, lawmaker friends of the trucking industry sneaked the measure through by inserting it as a provision of the omnibus federal aid Highway Act.

If the measure had been tacked on as an amendment, as would have been customary, it almost certainly would have been defeated. The House previously had expressed its opposition to any weight increase in the huge rigs which already pose a grim threat to the ordinary motorist. Yet passage of the omnibus bill, despite its slipped-in proviso, was imperative because of the many vital projects it contained.

The Hearst Newspapers have long and vigorously battled the trucking industry goal of permission to operate rigs with a total loaded weight of 40 tons, the goal now attained. Such behemoths will greatly increase what already has been the commonest type of fatal accident on interstate highways—collisions between passenger cars and trucks. In addition, taxpayers will have to get up many more millions to pay for greatly increased highway damage the heavier monsters are sure to cause.

We were far from alone in our opposition. The American Automobile Association fought the measure, in behalf of its millions of members. The Brotherhood of Teamsters was against it as a dangerous new threat to its own drivers. Among many other groups in opposition were the General Federation of Women's Clubs and the National Association of Counties.

Now, happily, a bi-partisan group of congressmen have introduced a bill in the House to cancel the heavier truck weight allowance and reinstitute the previous limitations. It can and should be adopted as soon as possible, and not only to save lives and taxpayers' money. The trucking industry and its stooges in the last Congress should not be allowed to get away with the raw legislative hocus-pocus they engineered in December.

[From the Miami News, Jan. 27, 1975]

REPEAL TRUCK WEIGHTS

The same friendly people who appropriated $109 million to rebuild the Florida Keys bridges have also awarded the national trucking industry the privilege of running heavier trucks over our highways.

The trucking lobby has been petitioning Congress for years for this profitable relaxation from the weight laws, but the measure has never had a chance on its merits. Heavier trucks are such an obvious safety hazard and so patently destructive of highway surfaces that Congress always turned them down.

This year, however, after sowing much goodwill in the form of hefty campaign contributions to 117 House members, the industry managed to get its measure adopted as an amendment to the Federal Highway Assistance Act. The act itself was certain of passage because it contained goodies for so many districts, a prime example being the bridge money for the Keys.

The trucking amendment increases permissible weight from 73,280 pounds to 80,000 pounds on the Interstate highways system, but that's merely the beginning. Trucks cannot get from here to there solely by way of interstate highways, so the heavier weights will be crushing the surface of state and local roads as well, including, we'll wager, the Keys bridges.

The normally restrained New York Times, commenting on the maneuvering employed to get the measure passed, called it a "disgusting, shabby, dishonest performance." That says it well enough.

But denouncing it is not enough. The American Automobile Association, which has been successful until now in opposing higher truck weights, thinks the measure should be repealed, and so do we. Perhaps the consumer oriented members among those celebrated newcomers to the House could make repeal of higher truck weights one of their special projects.

RETIREMENT OF DR. ERIC RACKHAM

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, in July of this year Dr. Eric N. Rackham of McKendree College in Lebanon, Ill., will retire. Dr. Rackham's retirement from academic life after a distinguished career of 43 years will be a day of happiness for him and regret at his leaving to residents of my district and indeed to McKendree alumni throughout the country.

Dr. Rackham became head of McKendree in 1968 after serving as dean of the College of Arts and Sciences at Kent State University and assistant dean at the University of Colorado. In the 7 years of Dr. Rackham's presidency he has achieved goals which have made McKendree a viable member of the national academic community. Operational debts have been cleared away, endowment holdings have doubled, the college has been accredited and enrollment has risen for the past 3 years.

Because of the time and efforts of Dr. Rackham, McKendree College faces a bright future in a time of trouble for small private colleges. As he leaves, Dr. Rackham will take with him the thanks of all those who have known him as president, administrator, educator, and friend. I am proud to have known such a man, and as an example of the esteem in which he is held, I would like to include in the RECORD the text of an article published in the McKendree College Bulletin:

DR. RACKHAM TO RETIRE

Dr. Eric N. Rackham, president of McKendree College since 1968, has announced that he will retire at the end of the current fiscal year.

A native of Nova Scotia, Canada, Dr. Rackham has had a distinguished 43-year career in education, serving 15 years at the University of Colorado and 16 years at Kent State University before coming to McKendree.

In announcing his retirement, Dr. Rackham said that he felt that all of the four goals he set out to accomplish when he became president of McKendree had been met.

Upon assuming his office seven years ago, Dr. Rackham immediately set forth the goals of stabilizing the student enrollment above 500, enlarging the College's endowment holdings to at least $1 million, wiping out the College's operating indebtedness and completing the requirements for accreditation by the North Central Association of Colleges.

McKendree was accredited in 1970.

The College has virtually wiped out all of past debts.

McKendree's endowment funds are now over $2 million.

Enrollment for Fall, 1974 was over 650 students, the third rise in three years.

Dr. Rackham assured the McKendree faculty and staff his choice was not a hasty decision. "Mrs. Rackham and I plan to retire to our home in Nova Scotia. I have been serving as a teacher and administrator for more than 40 years and we are anxious to carry out certain personal plans which have long been postponed.

"The thing most satisfying to me during my term at McKendree was the wonderful spirit of cooperation among the faculty, staff, and students. McKendree is a happy place and it is a joy to me to belong to such a family," Dr. Rackham said.

"The people here don't sit and mark time, they have a desire to move forward. Such long-range vision is the prime reason for McKendree's constant success," he added.

The president has enjoyed an illustrious career in the educational field, serving as dean of the College of Arts and Sciences at Kent State University until 1963 and then as executive dean of educational and student services at that university.

Prior to his position at Kent State Dr. Rackham spent 15 years (1937–52) at the University of Colorado, starting as an instructor and rising to assistant dean of the College of Arts and Sciences. He also served as director of admissions and records and assistant to the president at Colorado.

Dr. Rackham succeeded Dr. Edwin E. Voigt as president of McKendree in 1968 as the College's 28th president. He came to Lebanon with numerous recommendations as an administrator, educator, churchman, lecturer and qualified manager of fiscal affairs.

The early 1960s had been troubled times for McKendree when on occasions there had been talk of closing the school. Dr. Rackham continued what Dr. Voigt had initiated, helping the College back on its feet. Dr. Rackham was the driving force in getting McKendree accredited in 1970.

"It's both a pain and a relief that I announce my retirement," Dr. Rackham said. "It hurts to leave my many friends here but it is a relief that I can turn to less pressing things like writing and gardening."

"I can never express my appreciation enough for the cooperation and understanding of the surrounding communities, especially the town of Lebanon. The Southern United Methodist Conference, the alumni, all have been most cooperative," Dr. Rackham said.

"When I came to McKendree in 1968 I told myself that when I leave, I don't want to leave the College in a mess. I dare say that McKendree's future has never been brighter."

RESOLUTIONS DISAPPROVING ENERGY RESEARCH AND DEVELOPMENT DEFERRALS

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, last December 13, I introduced, with the support of the membership of the Joint Committee on Atomic Energy, resolutions disapproving eight deferrals of energy research and development efforts of the Atomic Energy Commission proposed by the President in his rescission and deferral message to the Congress on November 26. The Committee on Appropriations was unable to act on those resolutions in the few days left in the session at that time. I am introducing those same resolutions today for the consideration of the 94th Congress.

I take this action today to emphasize the importance of these efforts to the new Energy Research and Development Administration, which began its official existence on January 19, 1975. I hope the Congress will reassert its support for a vigorous energy development effort by overriding these ill-advised deferrals in programs that represent some of our best hopes for a self-sufficient energy future.

For the information of new Members of Congress in particular, I will repeat the reasons I gave last December for the committee's conclusions that each of these deferrals should be disapproved.

The recent economic statistics add to these considerations a serious question as to whether useful and important efforts such as these should be curtailed at a time when we are desperately trying to stimulate employment for millions of jobless Americans.

D75-111: $8 million, liquid metal fast breeder reactor research and development: This deferral would result in delay in development work on LMFBR technology needed for the Clinch River Demonstration Plant. The result would be a stretchout of the schedule for Clinch River—and additional costs due to inflation. The deferral of funds for this program is inconsistent with the Administration's selection of the breeder reactor as the Nation's highest priority energy research and development program.

D75-112: $6.7 million, gas-cooled fast reactor (GCFR) and gas cooled direct cycle work: The deferral of $2.7 million for the GCFR would delay the experimental program by 3 months and result in termination of 20 design team personnel. The work that would be affected is core design and associated engineering, including termination of fuels and material work at General Atomic and delay of materials and cladding work and safety experiments at Argonne and General Atomic. The deferral of $4 million for gas-cooled direct cycle work would cause a delay of 6 months in component design and safety studies for the reactor plant and the Helium Component Test Facility—HCTF. Twenty people would be terminated. Also affected would be design of the 1,500° fossil-fired helium heater, an essential component of HCTF, which cannot now be started in fiscal year 1975 if this money is deferred. These deferrals would seriously hamper the development of these important alternatives for energy production.

D75-113: $2.7 million, physical research: This deferral would delay the startup of a number of planned efforts in fundamental research areas which have broad application to energy generation, storage, transmission, and conservation. On-going research efforts would also be reduced. The hiring of 100 scientists, engineers, technicians, and support personnel would be delayed. The major research areas that would be affected include high temperature materials applicable to fusion, MHD, the LMFBR, and several fossil fuel concepts; superconductivity; radiation effects on materials; corrosion and catalysis research, combustion processes; and geosciences. In addition, the startup of the Clinton P. Anderson Meson Physics Facility—LAMPF—following a major shutdown, would be delayed by 1 month, to August 1975.

This facility, when operated, will be involved in medical research, including cancer research. These research areas in the molecular and materials sciences areas provide basic information that is essential for the fossil, nuclear, solar, and geothermal energy programs of the newly established Energy Research and Development Administration.

D75-114: $8 million, controlled thermonuclear research: The three categories of the CTR program—confinement systems, development and technology, and research—have been programatically established to insure a synergistic outcome from integrating individual results. This deferral would result in delays of up to 6 months and cost increases of up $1 million on various components of the CTR program. These delays can be expected to impact throughout the program and significantly retard its progress.

D75-116: $4.7 million, weapons program, laser fusion: This deferral would delay contracting with industrial and research organizations to develop basic information on various aspects of this program. It would also delay the high energy laser facility at Los Alamos by about a year, thereby introducing an unacceptable delay in the entire program.

D75-117: $12 million, nuclear materials, CIP and CUP: This deferral would stretch out the work on improving and upgrading the existing gaseous diffusion plants. This would result in a one-time loss of one-half million units of separative work from these plants with a value of $27 million in 1981 revenues. The justification for moving forward with this program has been repeatedly stated by the Congress. This reduction will be counterproductive in that it will inevitably result in increased total costs for the CIP/CUP efforts due to inflationary increases.

D75-119: $10 million, fast flux test facility (FFTF): This deferral of funds for the FFTF could result in further schedule slippages for this facility—which is needed for testing fuels and materials for the advanced reactors. It is also a key element for developing fast breeder components and systems—such as pumps and valves. Any reduction in support of the FFTF is inconsistent with the administration's selection of the breeder reactor as the Nation's highest priority energy R. & D. program.

D75-121: $12.1 million, high-temperature gas reactor fuel reprocessing facility, Idaho, and high temperature gas reactor fuel refabrication plant, ORNL, Tenn.: The deferral of $9.6 million for the reprocessing facility would cause a 4-month delay in title I and II design. The deferral of $2.5 million for the refabrication facility would cause a similar delay in title I and II design. The Commission wrote to the committee on September 16, 1974 stating:

> These two projects represent much more complex processes and systems than had been conceived in earlier assessments.

Thus the conceptual design will take longer, the $30 million estimate for the reprocessing facility has increased to $70 million, and the $10 million estimate for the refabrication facility has increased to $45 million. It is recognized that the Commission may not have been in a position to obligate the full amount of this authority. Thus a partial deferral of these funds would have been acceptable. But this proposal goes too deep, in that it provides for deferral of funds that will be needed. These facilities must go forward if the high temperature gas reactor is to be a viable system.

These projects have all been carefully reviewed in the authorization and appropriation reviews. The retreat from the commitment to a serious effort on the energy program that these deferrals would amount to would be an unfortunate mistake. This House has it in its power to keep the administration moving on the energy problem. I hope that we will do so.

SOCIAL SECURITY: BIG GOVERNMENT'S GREATEST ACHIEVEMENT

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MICHEL. Mr. Speaker, it has begun to dawn on many people that the social security system is a time bomb that is going to blow up in our faces one of these days unless some drastic changes are made. In order to bring about changes of the magnitude required, the Congress is going to have to do some very creative and ambitious legislating, and is going to be forced to some hard decisions indeed.

But something else is needed, too. Before any problem can be solved, it must be recognized; there must be agreement that there is, in fact, a problem. I think real progress toward that goal is being made as regards social security, but I suggest that all Members of Congress and others who recognize the problem have a duty to escalate the national debate, to take the lead in bringing to the public consciousness an increased awareness of the magnitude of the calamity that will come, sooner or later, if we do not act.

In that regard, I would like to offer for the consideration of this body, an editorial which appeared recently in my hometown newspaper, the Peoria Journal-Star, which states the case with particular clarity. I therefore insert this editorial to be printed in the RECORD:

THEIR GREATEST ACHIEVEMENT

Those who are eager to turn to the government for anything more than a temporary emergency action in economic matters would do well to examine the greatest achievement of our lifetimes by the "liberal" political philosophers—Social Security.

The social security system as run by your government is a flat out *fraud* under federal and state laws—if it were not exempt from the laws for all other such funds.

The nice paragraph in the pamphlet about a "trust fund" is simply not true for starters. Current claims are simply paid out of current taxes, in fact.

Meanwhile, the payroll tax to support the system has increased eight hundred per cent—while benefits have been increased only three hundred per cent.

But the classic failure lies in the simple math which shows that the same payments to Social Security would buy from twice as much in benefits up to almost three times as much under routine private insurance programs paying off every day at the same time.

In short, Uncle takes a high premium compared to standard private plans, does not pay back even as much money as you paid in—and far less than you are legally entitled to under any legal private plan—and even with this giant rip-off is in a bankrupt condition by any normal bookkeeping standard!

It has disguised its lack of a financial base and trust fund by two devices. (1) The payroll tax keeps going up faster by far than the benefits, and is programed to do just that for years ahead. (2) The payroll taxes collected from a steady influx of young workers during the great population explosion was used to pay the benefits of the retiring few.

It fed off the peak years of population swell—and used it up as fast as it came.

But compounding the other defalcations of the system, we now see that population growth from which it fed first leveling off, and then plunging downward.

There are going to be clearly fewer and fewer new "paying-inners" for more and more "pay-outs."

In short, government manipulation has glossed over the otherwise normal bankruptcy of the system, but a crisis is closing in to smash that little piece of financial juggling.

While Congress thunders along with all its latest colorful promises and bright new ideas on how to spend more and more of the people's money, facing that problem is still neglected.

It cannot be neglected too long.

Ultimately, it must be faced, and some new arrangement made. There is no way any government can simply default on this obligation.

People have paid for it, and paid in excess. They are cheated as it is. To cheat them out of the whole life-time of supposed "trust fund" payments would not only be disastrous for millions of Americans—but assuredly for the government and politicians involved.

They will have to meet this obligation when the finances do break down, or anticipate it.

And the longer they wait, the bigger the shock will have to be to other government activities and programs.

Meanwhile, the eager authoritarian-liberal clique swept into office in the blind anger at Watergate are blithely going along whistling in the dark, and proposing new give-away programs on top of the give-back program that is going broke!

A fellow wouldn't believe it if the facts were not there staring us in the face.

The final rude joke on the American people in this system is that Social Security grabs, perhaps as much as $1,000 of your money from your pay check, before you ever see it—and then includes it as "income" and requires you to pay taxes on the tax they already took!

(They pretend they are just saving it for you, so it's income and not a tax!)

PUBLIC SERVICE EMPLOYMENT FUNDS

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I want to conclude today the list of final allocations of public service employment funds under title VI of the Comprehensive Employment and Training Act—CETA. These funds are allocated to prime sponsors in order to provide job opportunities for unemployed persons.

Following is the list of final allotments to Iowa, Kansas, Missouri, Nebraska, Colorado, Montana, North Dakota, South Dakota, Wyoming, Utah, Arizona, California, Hawaii, Nevada, Alaska, Idaho, Oregon, and Washington:

CETA, TITLE VI—FINAL ALLOCATIONS

Region VII	$17,770,610
Iowa	2,603,957
Des Moines Consrt	483,627
Des Moines City	80,112
Bal Polk County	80,642
Story County	46,318
Cedar Rapids Consr	119,734
Cedar Rapids Cty	86,463
Balance of Linn County	33,220
Blackhawk County	133,885
Waterloo Cty	82,574
Woodbury County	106,385
Sioux City	99,034
Scott County	128,791
Davenport	95,947
Balance of Iowa	1,631,535
Clinton County	53,268
Council Bluffs Cty	255,853
Dubuque Cty	80,567
Balance of Dubuque County	26,596
Johnson County	48,049
Balance of Pottawattamie	34,977
Kansas	2,774,458
Kansas City Consrt	448,474
Kansas Cty	284,800
Balance of Wyandotte County	163,675
Topeka	298,491
Johnson County Csrt	274,118
Balance of of Johnson County	149,818
Leavenworth County	42,077
Overland Park	82,223
Wichita Cty	341,211
Balance of Kansas	1,412,164
Douglas County	65,613
Reno County	54,196
Riley County	35,202
Balance of Sedgewick County	74,018
Balance of Shawnee County	25,693
Missouri	9,847,828
Kansas City Csrt	1,389,289
Kansas Cty	1,056,509
Independence	$132,103
Balance of Clay County	94,919
Jefferson Consrt	972,421
Jefferson County	625,433
Franklin County	346,989
Springfield	164,420
St. Louis City	2,481,390
St. Louis County	2,034,333
Florissant	116,935
Balance of Jackson County	136,018
Balance of Missouri	2,669,957
Balance of Boone County	18,693
Columbia	67,996
Balance Buchanan County	14,452
St. Joseph	98,632
Jasper County	103,174
St. Charles County	550,545
Pulaski County	29,858
Balance of Greene County	35,002
Nebraska	2,544,367
Omaha Consrt	1,444,057
Omaha	1,320,236
Balance of Douglas County	33,195
Sarpy County	90,626
Lincoln City	220,875
Balance of Nebraska	879,435
Bal Lancaster Cnty	14,477
Region VIII	12,866,369
Colorado	3,779,956
Arapahoe County	187,103
Aurora Cty	58,286
Jefferson County	289,097
Lakewood Cty	116,196
Col Springs Consrt	548,079
Colorado Springs	359,009
Denver Consrt	1,464,009
Denver Cty/Cnty	921,186
Aurora Cty	42,981
Bal Adams Cnty	231,714
Boulder Cty	162,295
Bal Boulder Cnty	105,833
Pueblo Cnty	245,009
Pueblo Cty	200,045
Bal of Colorado	1,046,659
Larimer Cnty	129,444
Mesa County	73,817
Weld County	217,683
Montana	4,639,129
Rural Cep	299,619
Bal of Montana	4,339,510
Billings Cty	234,665
Bal Cascade Cnty	67,225
Great Falls Cty	255,289
Missoula Cnty	439,404
Bal Yellowstone Cn	69,178
North Dakota	737,471
Balance of N.D	737,471
Cass Cnty	20,449
Fargo	70,229
Ward Cnty	51,637
South Dakota	725,603
Balance S.D	725,603
Sioux Falls Cty	93,539
Bal Minnehaha Cnty	24,087
Pennington Cnty	79,839
Wyoming	424,362
Balance of Wyoming	424,362
Laramie Cnty	68,774
Natrona Cnty	57,508
Utah	2,559,848
Statewide Consrt	2,559,848
Bal Salt Lake Cty	560,576
Salt Lake Cnty	429,857
Davis Cnty	152,973
Ogden Cty	508,869
Bal Weber Cnty	146,144
Provo Cty	111,183
Bal Utah Cnty	174,291
Region IX	141,860,993
Arizona	7,824,062
Phoenix/Maricopa	5,323,167
Phoenix	3,236,415
Maricopa Cnty	1,295,443
Mesa	403,253
Scottsdale	181,032
Tempe	207,025
Tucson-Pima County	764,684
Tucson	639,254
Pima County	1,736,211
Balance of Arizona	1,736,211
Cochise County	168,783
Pinal County	163,529

Yuma County	$264, 967
California	124, 698, 677
Berkeley	1, 426, 303
Glendale	321, 843
Long Beach	2, 213, 907
Los Angeles	21, 495, 294
Oakland	3, 634, 002
Pasadena	434, 077
San Francisco	6, 262, 390
Torrance	398, 005
Butte County	765, 371
Contra Costa County	2, 653, 306
Concord	285, 924
Kern County	1, 243, 001
Bakersfield	151, 999
Los Angeles County	17, 138, 776
Alhambra	103, 475
Bellflower	266, 674
Burbank	562, 355
Carson	451, 811
Compton	715, 975
Downey	265, 905
El Monte	333, 442
Hawthorne	369, 174
Inglewood	483, 191
Lakewood	401, 212
Norwalk	556, 685
Pico Rivera	248, 554
Pomona	656, 186
Redondo Beach	381, 155
Santa Monica	627, 886
South Gate	223, 625
West Covina	142, 169
Whittier	149, 970
Marin County	696, 509
Merced County	599, 659
Monterey County	494, 541
Salinas City	179, 846
San Luis Obispo	330, 849
San Mateo County	1, 635, 696
Daly City	217, 026
Redwood City	226, 131
San Mateo City	289, 780
Santa Barbara County	864, 585
Santa Barbara	204, 680
Santa Cruz County	654, 662
Solano County	398, 829
Vallejo	97, 102
Sonoma County	1, 444, 617
Santa Rosa	308, 568
Stanislaus County	1, 491, 959
Modesto	292, 442
Ventura County	1, 842, 943
Oxnard City	414, 480
Simi Valley	373, 387
Ventura	135, 449
San Diego Retc	13, 104, 946
San Diego Cty	7, 387, 022
San Diego Cnty	4, 447, 028
Chula Vista	705, 007
El Cajon	565, 889
Orange Cnty Manp	6, 727, 501
Orange Cnty	1, 606, 908
Anaheim	958, 718
Garden Grove	631, 327
Huntington Beach	532, 323
Santa Ana	1, 078, 707
Buena Park	451, 073
Costa Mesa	428, 347
Fullerton	484, 834
Orange City	267, 922
Westminster City	287, 338
Inland Manp. Assoc	7, 434, 143
Riverside Cty	832, 474
Riverside Cnty	1, 996, 146
San Bernardino	759, 923
San Bernardino Cn	3, 265, 280
Ontario	580, 225
Fresno Cnty/Cty	1, 827, 251
Fresno Cty	736, 317
Fresno Cnty	1, 090, 933
Tulare/Kings Cnty	1, 056, 545
Tulare County	940, 206
Kings County	116, 338
Sacramento/Yolo	2, 842, 081
Sacramento	1, 243, 827
Sacramento Cnty	1, 237, 150
Yolo County	361, 105
San Joaquin Csrt	1, 149, 905
Stockton	377, 817
San Joaquin Cnty	587, 832
Santa Clara Valley	$3, 865, 754
San Jose	2, 109, 067
Santa Clara Cnty	942, 602
Mountain View	111, 027
Palo Alto	96, 926
Santa Clara Cty	312, 296
Sunnyvale	293, 835
Cnty of Alameda	3, 405, 475
Fremont	479, 583
Alameda Cnty	1, 470, 430
Alameda City	326, 587
San Leandro	391, 196
Hayward	737, 678
Richmond	711, 622
Imperial County	969, 548
Humbolt Cnty	1, 119, 699
Bal of California	12, 043, 083
Mendocino Cnty	442, 286
Napa Cnty	175, 635
Placer Cnty	520, 840
Shasta Cnty	946, 736
Hawaii	5, 320, 207
Honolulu Cty/Cnty	4, 081, 561
Balance of Hawaii	1, 238, 646
Hawaii Cnty	562, 839
Nevada	4, 018, 047
Las Vegas Csrt	2, 581, 982
Las Vegas	1, 374, 674
Clark Cnty	1. 207. 307
Washoe County	602, 781
Reno	363, 054
Balance of Nevada	833, 284
Region X	32, 323, 745
Alaska	2, 000, 877
Anchorage Borough	603, 942
Anchorage City	262, 651
Balance of Alaska	1, 396, 935
Idaho	1, 657, 829
Statewide Consrt	1, 657, 829
Boise City	121, 540
Balance Ada County	55, 350
Bannock County	55, 702
Bonneville County	120, 483
Canyon County	99, 862
Oregon	8, 530, 994
Portland City	1, 523, 258
Clackamas County	394, 514
Multnomah/Washington Crt	689, 858
Washington County	263, 881
Balance Multnomah County	425, 977
Lane County	1, 576, 121
Eugene City	464, 119
M-Wilm Val Mpr Cst	735, 616
Salem City	214, 714
Balance Marion County	252, 200
Balance of Oregon	3, 611, 627
Benton County	149, 559
Coos County	429, 911
Douglas County	617, 994
Jackson County	482, 379
Klamath County	222, 355
Linn County	328, 927
Washington	20, 134, 045
King Sno. Consrt	7, 054, 598
Seattle	3, 312, 042
Balance Snohomish County	1, 110, 950
Balance King County	2, 156, 299
Bellevue City	87, 969
Everett City	387, 338
Tacoma City	1, 234, 689
Pierce County	1, 320, 169
Spokane Consrt	1, 493, 222
Spokane City	1, 145, 641
Balance Spokane County	347, 582
Clark County	340, 289
Kitsap County	645, 426
Yakima County	1, 025, 753
Balance of Washington	7, 019, 899
Benton County	533, 942
Cowlitz County	482, 397
Grays Harbor County	648, 695
Skagit County	583, 891
Thurston County	552, 460
Whatcom County	1, 029, 273

TWO NEEDED EXCEPTIONS TO TITLE XVIII OF UNITED STATES CODE

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am today introducing a bill to permit two exceptions to title XVIII of the United States Code, which provides criminal penalties for anyone who inserts anything not bearing a stamp in a mailbox.

My bill would exempt daily and weekly newspapers from the law, so that American newspaper subscribers can enjoy the convenience of their newspaper being placed in their mailbox where it can be protected from inclement weather.

Second, my bill would permit political campaign workers to deposit campaign literature in mailboxes. This provision would enable more candidates to get their message across to the voters at a lower cost.

Mr. Speaker, I have found that most people are amazed to discover that their newspaper delivery boy or girl is liable for criminal penalties if they are thoughtful enough to deposit newspapers in subscribers' mailboxes.

At a time when public charges about Government overregulation are being heard with increasing frequency, I believe it is time to concede to commonsense and allow the American people to use their personally owned mailboxes for the receipt of materials not bearing a postage stamp.

STOPPING THE RUNAWAYS

(Mr. VAN DEERLIN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, it is a sad reflection on the way Americans do business when jobs have become one of our main "exports." Many desperately needed jobs are being farmed out by U.S. manufacturers who are able and eager to take advantage of some glaring loopholes in the U.S. tariff schedules.

At one plant in my district—Rohr Industries of Chula Vista, Calif.—at least 560 workers have been displaced as a result of subplants established across the Mexican border. It is estimated that more than 100,000 Mexicans owe their present employment directly to the twin plants program.

I am introducing two bills which would repeal or modify the provisions of the tariff schedules—section 806.30 and 807.00—which exempt U.S.-made products which are assembled abroad from paying a duty tax except on the added value which is often a minute amount. One of the bills would strike both of these sections, while the other would nullify them insofar as they apply to federally funded contracts. I frankly prefer the first approach, since it would completely close the loophole, and regard the second measure primarily as a fallback position in case the first bill proves not acceptable. It would seem especially unconscionable to permit work ordered by our Government to be performed in this fashion, at such cost to the American workingman.

The twin plants clauses are supported by both the Commerce and State Departments. The program is very popular in Mexico. And the American firms point out that by utilizing low-pay labor across the border, they can cut their own costs and bid successfully on contracts which might go elsewhere.

No one can say exactly what this loophole in the Tariff Code is costing American labor, other than a substantial amount. But the value of twin plant imports from Mexico has been roughly doubling every 2 years after a very modest start. In fiscal year 1967, such imports were valued at less than $20 million; this year the total is expected to exceed $1 billion.

The system began innocently enough, as a legitimate way for American exporters to supply foreign manufacturers with scarce components, like automotive parts.

Through a series of trade acts and administrative rulings in the 1960's, the original provision was broadened to cover just about any corporation wishing to utilize cheap foreign labor, and not just in Mexico. Thus workers in Taiwan, Korea, and parts of Indochina made clothing for the American market—clothing which otherwise would carry a "Made in the U.S.A." label.

In San Diego County, unemployment is now officially measured at 10.6 percent. In that portion of the county which I represent, the jobless rate is even higher. Unemployed people have a hard time understanding how we can continue to justify the exporting of scarce jobs—and so do I. It is time we end the basis for this practice, and I shall work with the Committee on Ways and Means to see that this is done.

AN ANSWER TO THE CHARGES ABOUT THE VITALITY OF THE SOCIAL SECURITY SYSTEM

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am sure many of my colleagues have been concerned about the recent claims made in some quarters that the social security system is going bankrupt. These public charges have generated even further concern among millions of Americans who have a personal stake in the success of this system. In response to these charges, a bipartisan group of former officials have prepared a "white paper" that answers this criticism on a point-by-point basis. The former officials who collaborated on this "white paper" are former HEW Secretaries Elliot L. Richardson, John W. Gardner, Wilbur Cohen, Robert Finch, and Arthur Flemming, and former Social Security Commissioners Robert M. Ball, William L. Mitchell, and Charles I. Schottland.

On Sunday, February 16, the Washington Star printed an excerpt from this white paper which I found most informative.

Mr. Speaker, I am sure my colleagues would benefit from the information contained in this excellent article. As they will discover, the charges about the faltering state of the social security system have no more foundation today than when they were first made nearly 40 years ago.

The article from the Washington Star follows:

SOCIAL SECURITY IS NOT FRAUDULENT OR BANKRUPT

(NOTE.—This article is excerpted from a "white paper" published last week by a bipartisan group of former officials, in response to recent criticism of the Social Security system. Signatories included former HEW secretaries Elliot L. Richardson, John W. Gardner, Wilbur Cohen, Robert Finch and Arthur Flemming, and former Social Security commissioners Robert M. Ball, William L. Mitchell and Charles I. Schottland.)

Nearly every American has a personal stake in the Social Security system. Many millions rely on it to safeguard themselves and their families against economic catastrophe when earnings stop because of old age, disability, or death. Attacks on the system designed to create doubts of its soundness and durability are a disservice to the nation.

Several elements of the system, to be sure—the level of benefits, for example, the test of retirement, the benefit rights accorded to women, the adequacy and equity of financing—are quite properly subjects of continuing public debate. Social Security has not been and should not be a static structure, for it best serves its purpose if it is adapted to changing times and conditions. Public discussion addressed to improvement of the system is both necessary and helpful.

But discussion of that kind is very different from assertions that the system is basically unsound, that it is bankrupt, or for some other reason doomed to collapse, or that it is a deception foisted on the American public. Charges similar to these have no more foundation now than they had when first made nearly 40 years ago.

RELIABILITY

The most vicious of these attacks is the one charging that promised Social Security benefits may not be paid when they fall due 20 or 30 or 40 years hence. To the worker who is compelled to contribute from his earnings every payday, who is counting on these benefits for his security in retirement and for the protection of his family in the meantime, planting seeds of unwarranted doubt is a cruelty.

What are the facts?

The first fact is that the payment of benefits is mandated by the law. A claim to Social Security benefits is a legal right enforceable in court, and many claims are in fact so enforced when eligibility is unclear. However one may define a "legal right," it certainly embraces a payment commanded by law and judicially enforceable.

The second fact is that Congress has gone far—probably as far as any Congress can go in binding its successors—to assure that future legislators will not, by changing the law, weaken the obligation to pay these benefits. By earmarking the proceeds of Social Security taxes for the payment of benefits and depositing them in a trust fund for this purpose, by labelling the system "insurance," by continuing actions to assure its financial soundness, and by innumerable pronouncements of congressional committees and individual spokesmen, Congress has made clear beyond question its pledge to the American people that the Social Security commitment will be honored.

The Social Security system is, in effect, a compact between the people of the United States and their government. Congress, it is true, retains the legal power to violate this compact, which would be a highly irresponsible act, altogether inconsistent with the Congress's 40-year record of responsible action on Social Security.

Doubters among us should be reminded that a member of Congress who hopes for re-election will not vote to repudiate a promise to virtually his entire constituency. It is inconceivable that a majority of the members of each House of Congress ever will do so.

RESERVES

The matter of reserves has been a topic of confused debate almost since the ink dried on the original enactment of Social Security. In the early days it was said that the contemplated "reserve account" would be unmanageably large; now it is being charged that the Social Security trust funds are far too small. It was also said in 1936, and is occasionally even said today, that the funds are fictitious because they are invested in government bonds.

Charges that reserves have been grossly inadequate and charges that they are fictitious have been emphatically rejected by major studies of the system.

A government insurance system which has its future income assured by the taxing power has no need to build up the huge funds that a private insurer would require if it underwrote similar liabilities, and indeed, it would be unwise to the point of irresponsibility to accumulate such sums. The only need for a trust fund is as a contingency reserve large enough to tide the system over any temporary change in income and outgo; if an increase in revenues should be necessary, the trust fund would enable Congress to delay such action during a period of economic recession.

As for the worth of the assets in the funds, one need only consider that if a private trustee held these government bonds they would be regarded as gilt-edged securities, and then ask oneself how their value disappears when the same bonds are held by government officers as trustees.

The funds reflect the fact that, now, with a substantially mature system, annual contribution income and annual outgo are roughly in balance. This is another way of saying what critics harp on as though it were a demerit, that the benefits paid this year to the aged, the disabled and their dependents, and to survivors of the deceased, derive in the main from this year's contributions by workers and their employers.

As long as his benefits are adequately assured by the government's ability to obtain future income, today's young worker need have no concern over the fact that his contributions are used to pay today's beneficiaries, or that his future benefits will be paid from future contributions.

REGRESSIVE?

It is said that Social Security taxes are regressive because the wealthy pay smaller percentages of their earned income than do the poor, in contrast to the general income tax, under which the wealthy pay higher percentages.

If Social Security collections were taxes for general support of the government, this charge would be unanswerable; one can hardly imagine that Congress would ever have imposed these levies, or would now allow them to remain on the statute books, except as a part of a social insurance system. But the issue here is not whether Social Security taxes are regressive but whether the Social Security system, taking into account both benefits and contributions, is open to this charge.

The answer to that question is "no." The benefit formula is so designed as to give a larger return for each dollar of contributions to the low-wage earner than to the high. While there are other factors to be considered, some favoring the poor and some working against them, the net effect of the system is to transfer some income from the more affluent as a group to the less affluent.

It is legitimate to argue that the system ought to be made more progressive than it is, as for instance by the introduction of a government contribution derived from general revenues, but it is not legitimate to argue, by disregarding benefit payments, that the system as now structured is regressive.

Another contention which has gained in prominence with the increasing amount of contributions is that, regardless of the liberality of future returns, the present burden is simply more than people in low and moderate income brackets ought to bear out of current earnings. It is often pointed out that many of these people pay more in Social Security than in income taxes, though the significance of this comparison is not apparent. Many persons pay more for any number of things than they pay in income taxes, and there is nothing inherently inequitable in charging them more for the protections afforded by Social Security than they are charged for the general support of government.

No one can be dogmatic about what burdens on various income groups are tolerable, or represent good social policy, but to say that the poor are too heavily taxed for Social Security is to say either that their protection should be reduced or that it should be more largely subsidized by the wealthier segments of society. Not many argue for the former alternative, but the latter is widely and properly a matter of debate.

SOUNDNESS

Congress keeps a watchful eye on the actuarial balance of the system. It has sought, so far as knowledge available at any given time makes possible, to assure the system of adequate financing both for the short run and for the long run. Thus on the basis of all the information available at the time of the most recent amendments, it was thought that the system was adequately financed within a reasonable range for such estimates.

It now appears likely, however, that the system will require some additional financing. The current rate of inflation is so high that benefit increases tied to the cost of living are outrunning the additional income from higher wages. It is estimated that over the next 25 years income to support the cash benefit program will need to be increased by about 10 to 15 percent. Much less than this will be needed in the early part of this period and more in the latter part.

The additional income could come, of course, in part from an increase in the maximum earnings base rather than entirely from the contribution rate, or it could come from general revenues. In any event, the size of the problem over the next 25 years is easily manageable and certainly does not constitute a financial crisis.

It is possible that in the very long run, say from 2010 on, the active labor force in the United States may be required to support relatively more retired people than was thought to be the case until recently. The fertility rate in the United States has been dropping steadily since 1957 and is now at a point slightly below the rate that would ultimately produce zero population growth. A continuation of fertility rates as low as those experienced in the last few years would mean that the population aged 20 to 65 would stabilize early in the next century but that the number of older people would continue to grow for some time.

If this happens it is inevitable, of course, that a higher proportion of goods and services in the next century will need to go to older retired persons as compared with active workers. This is true quite aside from Social Security and applies equally to other devices for meeting the needs of older people such as private pensions, public assistance, or any other system that might be designed for that purpose.

Fortunately, the same assumptions that produce an increasing burden of support for older people reduce the burden of support for children. Thus active workers, on the average, will not have to support any more nonworkers than they do today as a result of these changed fertility rates, but they will be supporting more older people and fewer younger people.

There are many ways that the next generation may choose to deal with problems caused by an increasing proportion of older people in the population. One approach would be to increase the labor force participation rate for older people and thus reduce the burden of retirement benefits. And then, too, with smaller families more women might work, again reducing the ratio of retired people to active workers. It may be, too, that over the long run productivity increases in the United States will help meet the problem.

BENEFIT LEVELS

The 1972 amendments provided for the automatic adjustment of benefits in accordance with increases in the cost of living. These amendments also provided that protection for current wage earners would be automatically upgraded as wages and prices changed.

The way these provisions work can result in protection over the long run increasing at a rate either more or less than increases in wages, depending on the relative movement of prices and wages. Because of the specific wage and price assumptions used, current cost estimates project that, over the long run, benefit rates at the time individuals come on the rolls will have been increased more than increases in wages.

Congress may wish to consider substituting a formula which assures that protection will automatically keep up with increases in wages but will not exceed such increases. Such a change in the formula would result in a substantially lower long-range cost than is shown by the current estimates.

NO "MEANS" TEST

Mechanisms for preventing destitution in old age or in the event of the death or disability of the family breadwinner are, broadly speaking, of two kinds, contributory and noncontributory. The nation has chosen contributory social insurance as the primary mechanism, and those who would abandon that system must be prepared to substitute some form of noncontributory aid to those groups in the population who are now eligible for Social Security benefits.

A 100-percent noncontributory system, lacking the compact between government and contributors that is built into Social Security, could offer no comparable assurance to working people, or even to those already on the rolls, that the promised benefits would not be curtailed in times of budgetary stringency.

Designing such a system, moreover, would raise many thorny questions in specifying who should receive benefits, how large they should be, and how, if at all, their amounts should be varied. There is an almost infinite variety of theoretical answers to these questions but the hard reality is that a noncontributory system would almost inevitably come to rest upon a means test so that no one would receive benefits until poverty had overtaken him. Why, the argument would run, should the general taxpayer support persons who can support themselves if they have made no contributions to their own insurance protection?

The experience of public assistance (commonly known as "welfare") augurs ill for the willingness of taxpayers to help their fellow citizens who are thought, rightly or wrongly, to be able in one way or another to support themselves. It is not likely that taxpayers would be willing to provide noncontributory benefits without a means test and at a comparable level of adequacy to the 30 million people who now receive Social Security benefits—the elderly, the disabled, and their dependents, the widows and the widowers, and the motherless or fatherless children.

The ultimate question posed by current attacks on Social Security is whether the American people should continue to support contributory social insurance which is designed to prevent poverty from occurring, or should place basic reliance on measures to relieve poverty after it has become a fact. Necessary as relief programs are, most of us think them a poor second to prevention.

"The hope behind this statute," said Mr. Justice Cardozo in 1937, "is to save men and women from the rigors of the poorhouse as well as from the haunting fear that such a lot awaits them when journey's end is near." That hope has been too largely fulfilled to make for tolerance of those who would now destroy it.

TARIFFS ON IMPORTED OIL QUESTIONED

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, the February 16 edition of the Washington Star contained a very informative article by George McGhee concerning the President's oil import strategy. As my colleagues may be aware, Mr. McGhee has a background as an oilman, in addition to his distinguished career in public service.

This Congress has been criticized by the administration for its failure to support the President's oil import tariff plan. When the House voted to temporarily suspend the President's authority to impose such tariffs, it did so in a spirit of concern about the economic implications of such arbitrarily applied fees. Serious questions have been raised about the wisdom of the President's tariff plan, and I believe such questions should be answered before we adopt any long-range fuel conservation policies. To the list of distinguished critics of the administration's proposal, we can now add an experienced oilman and statesman. In this thoughtful article, Mr. McGhee has explored the economic implications of the proposed tariff plan, and has suggested several alternatives which deserve consideration.

Mr. Speaker, I commend this thought-provoking article to my colleagues, and hope that it will be of value to them in their continuing study of the various options that are open to the United States as we seek to restore stability to our international payments position and to reduce our oil dependence on the Organization of Petroleum Exporting Countries.

The article from the Washington Star follows:

FORD'S PROGRAM MISSES THE MARK—OPEC'S OIL PRICE MUST BE CUT

(By George C. McGhee)

The country is in the throes of a massive debate on the President's anti-recession and energy proposals. With unemployment at 7 percent and rising, and production still falling, a "shot in the arm" through tax relief is generally agreed to have the highest priority.

The energy question, however, is more complex. The great national urge to "do something" about oil stems from the traumatic experience, triggered by the 1973 Arab-

Israeli War, of a quadrupling of the oil price by OPEC and the Arab oil embargo.

In our national helplessness and frustration over these shocks we determined to reduce sharply our oil demand and our dependence on foreign oil. President Nixon announced an unrealisitc program of independence of oil imports by 1980. There were overtones of wanting to "show" those who had embargoed us that we could, as George Kennan proposed at the time, get along without their oil.

Although oil presents to us today quite a separate problem from that posed by the recession, the approach taken by President Ford on energy would, in my judgment, cancel out the benefits from his anti-recessionary program. In doing so he does not, moreover, get at the "real" oil problem. This as I and others have argued and I believe can be demonstrated, is to bring about a drastic reduction in the OPEC oil price. The President's proposal would not only fail to achieve this, indeed, it would foreclose the possibility of solving the price problem altogether.

Accepting the popular view that "something must be done" about oil and energy, the President addressed his efforts to obtaining a reduction in oil demand—initially 1 million barrels a day but rising to 2 million by 1977. His objectives are presumably to

Save the foreign exchange bill of $4 billion for each million-barrel reduction.

Reduce our "dependence" on imported oil, and

Pay for his anti-recession program. This the President seeks to accomplish through oil production and a corresponding tax on gas, plus a decontrolling of the present $5.25 price of "old" oil permitting it to rise to the "new" oil price of about $11 with a corresponding "windfall profit" tax on oil companies.

It is estimated that the total resulting bill of some $30 billion could have an ultimate impact on oil consumers of up to $55 billion. This contrasts with the President's promise of a $16 billion rebate for 1974 taxes and a $16.5 billion reduction in 1975 taxes. With the addition of other "revenue sharing" this will aggregate an estimated $46 billion—leaving a net withdrawal from our already depressed economy. Even if the President gave back all his new returns from oil he could not avert an immediate hardship on the lower income groups through increased cost of gasoline and heating oil: There will be no assurance that the money will get into the hands of those hurt by the high prices or who will spend it and create jobs.

In any case, there is no real hope offered in Ford's program either for alleviating the recession or the real oil problem. We would have a better shot at achieving a reduction in price if we recognized frankly our oil needs and our dependence on overseas sources, and then used our diplomatic efforts to bargain within the framework of that understanding.

Let's first consider the possible foreign-exchange saving in the Ford program. Although we have in recent months run modest balance-of-payments deficits, this is not a major problem for us. Arab investments have helped offset our swollen $25 billion annual oil bill.

If we must save foreign exchange by slashing imports, we should select carefully so as to minimize damage to our economy. We have quite a choice as to what we lop off of our annual $100 billion import list. This runs from scotch whisky which would cost us few jobs, to automobiles, which would give us back many.

Clearly, too much of a cut in oil imports is not a good answer. Although some decrease in oil imports can be accepted without crippling our domestic economy, it is estimated that the 1973 Arab oil embargo of 2 million barrels a day, which by coincidence is the same as the President's ultimate reduction goal, cost us 600,000 jobs and a substantial loss of GNP. Could we accept that now on top of a full-blown recession? (It is estimated that our consumption is already down 1 million barrels a day as a result of the price increases.)

Let's look now at the second goal, reduced dependence.

We have our ration cards in storage and know from our 1973 experience that we can accommodate a 2 million-barrel reduction if we have to. Our stocks are at all-time high, which would facilitate the transition. Indeed, we have always known from our wartime experience that our real safety valve in oil was our liberal private use of gasoline, which can be reduced at will through sacrifice of little more than convenience.

But why should we "practice" at a denial that goes further—involving a real loss of jobs and GNP—unless we have to? We may go for years without another embargo. Why embargo ourselves?

A forced decrease in demand, even at the inconvenience level, is not worth the candle if it has to be achieved by a massive price increase. The impact from increased prices alone, which must be added to the losses from denial of oil and products, will be to deepen the recession.

If we want to experiment with a decrease in oil imports, let's do it *directly* by setting import quotas, as a few years ago at the urging of the oil companies. If the cut taken hurts the economy it can be let up. If not, it can be increased. It would probably involve reductions no greater than we have proven can be handled by industry allocations, voluntary restraints and conservation measures. If not, we have a choice of gasoline taxes or rationing.

But what in my view is the greatest objection to the President's energy proposal, as the Shah of Iran was quick to point out, is that it would make it much more difficult for us to persuade OPEC that their oil price is too high. If we raise by $6 a barrel the price of our "old" oil, now comprising 60 percent of our daily 10-million barrel production, we would make it virtually impossible to prevail upon OPEC to lower its price by $6 a barrel—which I believe should be our highest-priority objective.

Let's keep the present incentive to find new oil with our $11 price for "new" oil, and selectively increase the price for secondary recovery and other high-cost "old" oil to prevent premature abandonment of wells. A full decontrol of "old" oil would not, however, add significant supplies.

What about the impact of a substantial reduction in U.S. demand on the producing countries themselves? Would this lead to more respect for us, to an eventual decrease in price?

In my view, no. I don't believe that Saudi Arabia, the principal country involved, could care less. They undoubtedly consider that they are doing us a favor by selling us their oil. They do not need the money, which only increases their problem of what to do with their dollar surplus. They know they can eventually sell whatever they wish—some day at even higher prices. Keeping it in the ground is like keeping money in the bank.

Even if Secretary Kissinger succeeds in his goal of reducing world demand by 3 million barrels a day, this would represent only a 10 percent cutback for OPEC. The international oil industry has always had greater excess productive capacity than would result after such a cut.

Yes, a marginal reduction in demand by us would be no great trauma for the producers. Contrary to popular belief it is quite easy, from an engineering standpoint, to cut back oil production. A great oil field in its prime is not thereby injured: Indeed, it is improved through pressure buildup. And Saudi Arabia could easily absorb any decreased demand for the other OPEC countries.

So I do not believe that market forces alone can induce a price reduction. And this applies equally to countries like Algeria and Venezuela, who really need their oil income. Why should they voluntarily desert such a successful cartel? Their first move would be to ask the wealthier OPEC countries to reduce production.

So strategies relating to Project Independence have little to offer us. The President should shift his attention instead to devising means of persuading OPEC to reduce its oil prices, however this can be done.

Happily, a redirection of the President's energy goals to a reduction in world price would help overcome, rather than exacerbate, our recession.

MY RESPONSIBILITY AS A CITIZEN

(Mr. BURLISON of Missouri asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BURLISON of Missouri. Mr. Speaker, as the Members of the House know, the Veterans of Foreign Wars each year sponsors a Voice of Democracy Essay and Speech Contest for our young people. VFW is to be commended for generously giving of its financial resources to fund the prizes for the young people. Perhaps even more important is the time that individual members of the VFW devote to properly administering the program. The program is oriented toward our youth and carries the exemplary objective of focusing attention on our free and democratic system of government and way of life.

An outstanding young man from my congressional district has just captured first place in the Missouri State competition and will represent Missouri in the national competition to be conducted here in Washington as a part of the Veterans of Foreign Wars annual convention. I take pleasure in submitting to the House the provocative words and thoughts of Michael D. Renfro, 2504 Albert Rasche, Cape Girardeau, Mo., said remarks being taken from his speech entitled, "My Responsibility as a Citizen."

The remarks follow:

1974–75 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM MISSOURI WINNER MICHAEL D. RENFRO

Haldeman, Ehrlichman, Mitchell, Colson, Dean and Nixon. All, important names. All, important people. All, defendants involved in a scandal which has shocked the nation.

212 million Americans. They, too, are important people. They, too, are defendants. But, unlike Nixon and the accused members of his staff, these 212 million Americans are not on trial for their action, but for their inaction. They, too, are guilty of crippling the government and the principles behind it. Possibly, the citizens of the United States are the true cause of such a scandal. Possibly, we are to blame.

By our own apathy, we have wounded our own concept of democracy. We have literally begun our own death march. Abraham Lincoln once warned, "If destruction be our lot, we must ourselves be its author and finisher. As a nation of freemen, we must live through all time, or die by suicide."

So you see, mistrust in our institutions and our leadership is actually mistrust in ourselves. The world is a large mirror, and everything we see, good or bad, right or wrong, is a reflection of ourselves.

The person who says, "I'm fed up with this government of ours! Who elected that guy, anyhow!?" That person is the same one who didn't vote last November because he didn't like anyone on the ticket, or he had to take his St. Bernard to the vet, or any other excuse which kept him from the polls, from voicing his opinion and from fulfilling his responsibility as a citizen. As it was once said, "Bad officials are elected by good people who don't vote."

Our government is like a clock. In order to function properly, the government must be set in motion and occasionally wound. It must be made and moved by men, by the citizens of the United States. We may not be satisfied with the way the clock is now running, but we, as citizens, must accept the responsibility of repairing that clock, of pointing the hands of our government in the right direction. We must prepare for the future. As Charles F. Kettering urged, "We should all be concerned about the future, because we will have to spend the rest of our lives there."

So, we as Americans, must repair the faulty mechanism of our clock and prepare for the future, for the future of America and the future generations of Americans to follow. We must utilize our voice in government.

But how can I utilize my voice? How can I, as one citizen, be heard? The answer is simple: by voting in every election, by writing letters to my congressmen, by keeping in touch with current events, by literally getting involved.

According to Clare Booth Luce, "A great many Americans, especially young Americans, aren't particularly proud of America just now. It all goes back to the fact that America isn't living up to our historical and traditional expectations."

But, how can America live up to our expectations? The answer is by us living up to America's expectations. We must accept the responsibility created by our forefathers. We must accept the responsibility created by our citizenship. We must respect our government and the country in which we live. We must be proud that we are American citizens. As Hugo Munsterberg commented about the American philosophy, "Neither race, nor tradition, nor the actual past binds the American to his countrymen, but rather the future which together they are building."

The future we build together depends upon every American. Remember, we are on trial here; we are the defendants. We are the witnesses, the judge and the jury. Yes, the verdict is in our hands. Hopefully, we will make the right decision. We have met the enemy and he is us.

In time, if the medicine of citizenship is applied, the wounds of apathy and mistrust will heal. With the aid of every citizen's involvement, we will again become a nation of the people, by the people, and for the people which shall not perish from the earth.

SENATOR HUMPHREY CALLS FOR ACTION ON THE FEDERAL RESERVE

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, last Sunday on "Meet the Press" Senator HUBERT HUMPHREY called attention to the crying need to light a fire under the Federal Reserve and get interest rates down where the little people of America can afford to buy homes, automobiles, and the necessities of life.

We have got to have some quick changes at the Federal Reserve if there is to be any meaningful relief from the twin evils of inflation and recession. We are not going to be able to put people back to work unless we do have plentiful credit and lower interest rates.

Mr. Speaker, I want to quote this excerpt from Senator HUMPHREY's remarks on NBC:

Senator HUMPHREY. I also propose that we get a hold of this Federal Reserve Board situation before they take us down the drain. The Federal Reserve Board is in effect promoting economic strangulation in this country. We are never going to get out of this recession with just tax cuts and jobs and public service jobs which I would also include in my program. You have got to have credit and you have to have a lower interest rate and that comes from the Federal Reserve Board and I want to say again, Mr. Rowen, that unless the Federal Reserve Board joins the team, unless it gets out of its ivory tower over here in this sanitized institution that it has and joins the team, this country is going to go into a depression and I call on Dr. Burns and the Federal Reserve Board to join up and to quit playing the bankers' game and start playing the game to help the American people, get some jobs, get some economic recovery.

I say again they have been tightening the noose around this economy and they have got to loosen up on it and give you a chance to breathe and to grow.

Mr. Speaker, I hope that other Members of Congress will join in this effort to gain understanding of just how badly the Federal Reserve has handled its end of the job. The people want action and they do not want more congressional pussyfooting with the Federal Reserve.

Mr. Speaker, I place in the RECORD a copy of the transcript of the "Meet the Press" program on which Senator HUMPHREY appeared:

MEET THE PRESS

Produced by Lawrence E. Spivak, Sunday, February 16, 1975.

Guest: Senator HUBERT H. HUMPHREY, Chairman, Joint Economic Committee.

Moderator: Lawrence E. Spivak.

Panel: Hobart Rowen, Washington Post; Edward Cowan, New York Times; George F. Will, National Review; Bill Monroe, NBC News.

Mr. SPIVAK. Our guest today on MEET THE PRESS is the new Chairman of the Joint Economic Committee of Congress, Senator HUBERT H. HUMPHREY of Minnesota. Senator HUMPHREY also serves on the Foreign Relations and the Agricultural Committees. He was Vice President from 1965 to '69 and was the Democratic presidential candidate in 1968.

We will have the first question now from Bill Monroe of NBC News.

Mr. MONROE. Senator, isn't President Ford right that in the middle of February, months after the economic and energy crises came into view, the Democrats are blocking his program but don't have an agreed-on program of their own?

Senator HUMPHREY. No, and if the Democrats are blocking his program it is a great public service because the President's program, I believe most respectfuly, is ill-conceived; it is inadequate and I think it is inequitable. I think it would add to inflation. I believe it would expand recession and it surely would increase unemployment and therefore that program needs to be scrutinized with meticulous care.

In the meantime, Mr. Monroe, the President presented his energy program to the Congress on February 5th. He still hasn't put a tax bill to the Congress. He has been busy running around talking to Wall Street analysts and Governors and other meetings, but it is in Washington that legislation takes place and I say most respectfully to the President: Come home and work with the Congress and see if we can't get something done.

Mr. MONROE. Senate Democrats are talking about a tax on gasoline that would start at one cent a gallon, which would not discourage many people from buying gasoline. Doesn't that amount to what the Energy Administrator calls a "Let's not do anything" policy?

Senator HUMPHREY. Not at all. The Senate Democrats and the House Democrats will have an energy program which will move into conservation, that will reduce our dependence upon foreign imports, will promote alternative sources of fuel and will provide for the kind of direction of the energy program that is really needed.

The one cent will go into an energy trust fund. We need a National Energy Board like we had a War Production Board in World War II, to coordinate all these efforts and to get going.

The President's energy program would lead this country into great trouble.

Mr. MONROE. Will a one cent tax on gasoline discourage anybody from buying gasoline, Senator?

Senator HUMPHREY. Not a bit. It will not discourage and that is not what it is there for. It is there to add funds into the trust fund so we can do research, so we can find alternative sources of fuel. The way that you discourage the use of gasoline is to have, for example, the automobile industry build engines that get more mileage. That is the way you get it done, and you enforce the speed limit at 55 miles an hour and you do other things which we can go into that will discourage the use of gasoline and save and conserve fuel.

Mr. ROWEN. Senator Humphrey, we have been witnessing an astonishing acceleration in the rate of unemployment and a decline in output, the increase over the last five months in unemployment has been 2.6 million, which is unprecedented, and these statistics may be even understating what is really the case.

Do you think we are heading into a depression?

Senator HUMPHREY. Unless we take some very concrete and effective action, and very quickly, within the next 60 to 90 days, I think we would be approaching what you would call the dimensions of a depression, and Mr. Rowen, let me say what you have cited here is just further indication of the precipitous decline of this economy, and the Administration's program is too lackadaisical. It has no real economic stimulous. It has some very negative effects and I think that unless the Administration gets with it, unless it begins to understand what you have just said, Mr. Rowen, that we will go into a depression. Now, we don't need to go into a depression, and we must not go into one, but we have got to have affirmative action and it has got to be now and it has got to be big.

Mr. ROWEN. Well, all right. Senator, would you spell out for us in concrete terms what that program should encompass in terms of a tax cut? I assume we would want a bigger tax cut in terms of spending programs and what else?

Senator HUMPHREY. Let me first of all say what we have got before us from the President, if you don't mind. Number one, the program on tax cuts really adds little or no stimulous. Every expert we have had before our committee tells us that. Secondly, the program on energy will add three percent to the cost of living and it will undoubtedly cause another 400,000 or more loss of jobs and it will build in price increased into this economy that will be very, very severe. Now, we can't have that.

Now, what do I propose? I propose a tax cut of $30 billion, No. 1. That will give you some economic stimulus. $10 billion on rebate, $20 billion on what we call the individual tax cut so that the take home pay will be larger and that is what counts: What is the take home pay.

I also propose a job program, getting at jobs, and that means getting at housing; that means getting the money released that the President has tied up in this budget. That means getting that water and sewer project, highways, hospitals. Those are the things we need to do.

I also propose that we get ahold of this Federal Reserve Board situation before they take us down the drain. The Federal Reserve Board is in effect promoting economic strangulation in this country. We are never going to get out of this recession with just tax cuts and jobs and public service jobs which I would also include in my program. You have got to have credit and you have to have a lower interest rate and that comes from the Federal Reserve Board and I want to say again, Mr. Rowen, that unless the Federal Reserve Board joins the team, unless it gets out of its ivory tower over here in this sanitized institution that it has and joins the team, this country is going to go into a depression and I call on Dr. Burns and the Federal Reserve Board to join up and to quit playing the bankers' game and start playing the game to help the American people, get some jobs, get some economic recovery.

I say again they have been tightening the noose around this economy and they have got to loosen up on it and give you a chance to breathe and to grow.

Mr. Cowan. Senator, you and other members of Congress have lashed the Federal Reserve Board, blamed the Federal Reserve Board for economic problems for many, many years, but you haven't made any changes in the way the Federal Reserve Board is constituted or what its statutory authority is.

Do you have any in mind? Do you propose to do anything about the Federal Reserve Board or are you just going to go on blaming it?

Senator Humphrey. I don't believe that the institution of the Federal Reserve Board is particularly wrong. However, it is always subject, may I say, to critical examination and we will surely give it just that and I want to say to the Federal Reserve Board, unless they shape up and start to do something about this economy, they will be subject to congressional action.

Now, the Federal Reserve Board is what Paul Douglas once said of it, bless his heart, Paul Douglas told McChesney Martin one time, "I want you to take a look in the mirror every morning and I want you to write on that mirror, 'I am a creature of the Congress,'" and that is what the Federal Reserve Board is. It was established to help the Congress in the management of money, in the coining and the money and the value thereof under the terms of the Constitution.

And all the Federal Reserve Board needs to do is to get out of its pristine tower and innocence there and go on out and take a look at what is happening in this country. That is all it needs to do. Take a look at the 7.5 million people that are unemployed. Take a look at the 3,800,000 that are part-time employment. Take a look at the millions, the 25 million people in this country that are poverty-stricken.

Mr. Cowan. Now, this is a debate that has been going on for years and years and perhaps decades. You seem to think the Federal Reserve Board has too much authority and latitude to act independently of Congress. Do you think so and do you propose to change that authority?

Senator Humphrey. I don't want the Congress to set money supply rates. I don't believe in that. I think the Federal Reserve Board just needs to be brought to an understanding by the President and the Congress, by constant pressure, and contact, that they are a part of the team for economic recovery.

There is no presidential program on taxes or budget that will get this country out of the recession. There is nothing that the Congress can do alone that will get this country out of the recession unless the supply of credit at reasonable interest rates is there and that is where the Federal Reserve Board comes in and we are not going to kid the American people any longer about Congress and the President. Unless this three-legged stool of the American economy—Congress, the White House, and the Federal Reserve Board—is in balance, somebody is going to fall on a certain part of their anatomy and you know what I mean. That short leg of the Federal Reserve Board has got this economy of ours in a tailspin and it is time to stop it and I use this program today to serve notice on the Federal Reserve Board that those of us in the Congress are going to see that something is done about it unless you shape up and it is about time that the American people understood where the problem is.

Mr. Will. Senator, speaking of interest rates, there are those who say that Senator Humphrey and his friends in Congress are the problem here. They say—and George Mahon of the House Appropriations Committee—says that the government is going to have to borrow in the next 18 months between 150 and 170 billion dollars to finance this operation, which is going to dry up job-creating capital and send interest rates soaring.

Can you see any way to finance this government, this deficit, and off-budget activities without sending interest rates back up and absorbing any recovery that might start?

Senator Humphrey. Mr. Will, I have listended for the last three weeks to the outstanding experts of this country in the fields of finance and monetary and fiscal policy and I haven't found a single one outside of the Secretary of the Treasury, Mr. Simon, who is giving the President some rather bad advice, who doesn't believe that we can finance without any adverse effect upon interest rates or without any inflationary rekindling of inflation, the deficit that is contemplated in this budget.

I repeat that that is the report and the testimony of everyone that has been before us. Now, what is wrong with the budget?

First of all, it isn't government spending. I will tell you what the deficit is about. The deficit is due to the fact that revenues are down. Why are the revenues down? Because the gross national product is down. 9.6 per cent in the last quarter.

Why are the revenues down? Because you have huge unemployment in this country. People don't have any income, and then why is the deficit? Because of the shortage of revenues and what else? Because of $18 billion we are having to spend on unemployment compensation and things that go along with that.

Now, all you need to do is get this country back to work, Mr. Will. Listen. If we had an unemployment rate of five per cent, we would have the budget in balance. If we had an unemployment rate of four per cent, we would have a $12 billion surplus. What is wrong with the budget is the economic program of this Administration. That is what is wrong with it.

Mr. Will. Senator Humphrey, some of your colleagues, Chairman Reuss of the House Banking Committee being one of them, are so alarmed at the pressure on the capital markets in this country that they want credit allocation, which, as I understand it, would be the politicians and the bureaucrats allocating credit in a credit scarce economy. Are you for or against that?

Senator Humphrey. Mr. Will, I don't put credit allocation at the head of my list, but let me tell you we have had credit allocation and the Federal Reserve Board has allocated credit, for example, loans to foreigners.

Dr. Bremmer, former member of the Federal Reserve Board, testified that credit allocation will work. But I will tell you what works better. Tell the Federal Reserve Board to quit playing Simon Legree and Shylock. Tell them to start to loosen up. Tell them to start to get the available credit out here. Now, everybody knows around this town, that studies economics at all, that it takes about a 6 percent money rate growth to have a normal kind of economy, a normal kind of development. Now when you have a recession, listen to what Dr. Paul McCracken, former Chairman of the Council of Economic Advisers said. Eight to ten percent for a period of time, possibly 12 percent, increase in money supply. And what has been happening in the last month, what has been happening in this month of January in the Federal Reserve Board? Tightening up again. They must be lovers. They keep embracing all the time. They never open up their arms or their heart, they keep tightening up and the contraction, may I say, in these last few months in the money supply by the Federal Reserve Board has precipitated this country into a dangerous recession, and I tell you again that tax reductions, yes, I am for them, I outlined that. Public service jobs, yes. The release of impounded money, yes. The President's program on taxes, if he wants it, yes, but all of that together will not do the job until people can get credit. You are never going to build a house, my friend, at ten percent interest on mortgage money and that is what the people are——

Mr. Spivak. Senator, you have blamed the President; you have blamed the Federal Reserve. Why don't you put some of the blame on Congress, or are you not blaming Congress because so many of them are off on vacation?

Senator Humphrey. Well, I am opposed to * * * off on vacation. I wasn't off on vacation. I have been here every day.

Mr. Spivak. You have been here every day, but you can't do everything alone.

Senator Humphrey. I can do my share.

Mr. Spivak. Now, why hasn't Congress been doing its share and who—if the President is wrong, the Federal Reserve is wrong, who is going to do this job, an absent Congress?

Senator Humphrey. Let's just take a good look at that.

Mr. Spivak. Let's take a look.

Senator Humphrey. All right. First of all, the President sent his energy program to the Congress.

Mr. Spivak. Let's talk about Congress.

Senator Humphrey. Wait a minute. Wait a minute. Congress, after all, needs to get a program before it. The President sent his energy program down there February 5th. That is about ten days, a little over ten days ago. That is No. 1 since he has been on the radio and the television. Now, look, we don't legislate by radio and television. We legislate on the basis of when does a bill come to the Congress and the committee. In the meantime——

Mr. Spivak. I thought Congress was a legislative body though.

Senator Humphrey. Now, the legislative body is that the House Ways and Means Committee has already reported out a tax bill, and thank God we haven't accepted the energy program of the President.

I am not about to vote for a program, No. 1, that levies new taxes upon energy the way he wants to, that it will increase the cost of living according to the Library of Congress objective study by three per cent.

Mr. Spivak. Why doesn't Congress do something about the bill that the House Ways and Means got out?

Senator Humphrey. Larry, it will be done. You know and I know——

Mr. Spivak. When?

Senator Humphrey. I would say within the next thirty days. I would say within the next thirty days. And may I say you would be the first one to complain if we did things precipitously without careful examination.

I repeat, the job of the Congress is to scrutinize and to analyze and then to act and not to be a rubber stamp for a President.

How many times have I heard you men of the press and others say, "Oh, Congress is nothing but a rubber stamp."

Now when we want to take a look at it, you say, "Well, you are hanging back; you are holding back."

All I can say is, the American people who use fuel oil to heat their homes should thank this Congress for holding back because it would increase the price of gasoline and fuel oil to every consumer in this country at rates that are unconscionable, the President's economic program.

This is no—we are not playing games here on this program. I am here to tell you. I am deadly serious about what I am saying. I am saying the President's program will lead this country into further recession, increased inflation, and rising more unemployment. I will not buy it and if it is going to take a little time to fight it out, we are going to fight it out.

Mr. Monroe. Senator Humphrey, isn't it a fact the program the Democrats are shaping up on energy, talking about such things as more efficient automobiles which may happen several years from now, will not save the one million barrels a day the President is trying to save for several years?

Senator Humphrey. Mr. Monroe, one million barrels a day, where did that come from? Dr. Kissinger needed a figure one day and he pulled it out of thin air. There is no one that has ever said one million barrels a day was a magic figure at all. As a matter of fact, one million barrels a day may be very disastrous for this country because it is said that for every ten barrels of oil there are four jobs and at the time of recession—and we have a recession which can approach the dimensions of a depression unless we watch out—it is no time to be fooling around cutting back on production, cutting back on the things that provide jobs in this country. Let's get it straight.

What this country needs today is work, not WIN buttons.

Plain work. What this country needs is some action, not speeches, What it needs is a program of jobs and employment.

Mr. Monroe. You are willing to put the matter of saving imported oil in terms of substantial savings on the back burner?

Senator Humphrey. I am willing to put it within what I call a time frame which gives us an opportunity to work out a program that is a good deal more sensible and let me say we can put incentives, for example, for people to buy smaller cars that use less gasoline. The problem is gasoline, as you know. Forty-five percent of our crude oil goes into gasoline and we can put a tax on the big old guzzlers so that people don't want to buy so many of those. We can enforce the 55-mile an hour speed limit.

We can insulate buildings. We can take part of the President's program—do you know what we have done with the President? I got a letter signed by 14 members of the Joint Economic Committee, Mr. Monroe, and members of this panel, sent it to the President and do you know what we asked him?

We said, "Mr. President, look, your energy program is going nowhere except into trouble. Why don't we sit down, you appoint a task force from the the Executive Branch and the leaders of the Congress from the House and Senate, and we will sit down with you and we will work out with you a national energy program, a national economic program."

Not a Democratic program, and we will work it out so that the American people can get some action.

But this confrontation politics, the take-off supposedly on the campaign of Mr. Truman—but Mr. Ford is not Mr. Truman—I consider irresponsible. What this country needs is cooperation.

Mr. Spivak. Mr. Rowen.

Mr. Rowen. Senator Humphrey, you have been pretty rough here on the Federal Reserve Board, Simon Legree and all of that, but let's be fair about it. Isn't it true that the contraction of the money supply lately has been due as much to the fact that business doesn't want to borrow and consumers are afraid to spend as it is the policy of the FED which has been pumping more reserves into the economy?

Senator Humphrey. Partly so. You are right. But in the last half of 1974 the FED pursued a policy of tight money as we call it, and high interest rates that I think was disastrous and you can tell what the FED is doing by what the interest rate is.

I am not talking about the interest rate that they call the discount rate or something like that; I am talking about Mr. and Mrs. Jones that want to buy a home. Do you know what that interest rate is today? You do, above all, Mr. Rowen. Ten per cent if they can get it.

Do you know what the average guy is paying, or a small businessman, for interest today? Twelve to thirteen percent. That simply tells me one thing. That tells me that the Federal Reserve Board is still not facing up to the realities of the money situation.

Mr. Cowan. Senator, let me slip in a little political question here. A number of Democrats are running for the presidency in 1976 now. How would you feel about being the Democratic candidate for President in 1976?

Senator Humphrey. Mr. Cowan, we can handle this one right quickly. I am not a candidate. I don't intend to be a candidate. I will enter no primaries. I will not permit any committee to sponsor me. I have set up no committee. We will collect no monies and I haven't the slightest idea that I will be a candidate of the Democratic party.

Mr. Cowan. Would you accept or refuse the nomination?

Senator Humphrey. Well now, if you can arrange it, it is going to be handed over to me, Mr. Cowan, which generally is not the case, the people don't get what they ordinarily—they don't get something until, unless they work for it—if the party turned to me at the convention and said, "Mr. Humphrey, we want you," I would obviously give that—I would accept it. Indeed, I would accept it.

If my health was good—and I think it is—if I felt I could serve this country. But I am not a candidate. I guess maybe I am the freest man I have ever been in my life. I seek nothing, want nothing except one thing: I am going to tell it like it is and that is what I am trying to do on this program.

Mr. Cowan. And you think you would make a good President?

Senator Humphrey. I think I would do well at the job, but I am not a candidate. I don't want to be a candidate. I seek no nomination.

Mr. Spivak. Gentleman, we have only three minutes left.

Mr. Will. Senator Humphrey, there is something striking about the gap between the ferocity with which you denounce the Federal Reserve Board, and the timidity with which you propose solutions. If they are wrecking the economy, as you say, why don't you do something about it and specifically what do you have against the Reuss bill to in effect draw the Federal Reserve Board under the control of the politicians?

Senator Humphrey. First of all, Mr. Reuss' bill sets it at six percent. I don't believe the Congress should set the money supply at any particular rate. I think that the Federal Reserve Board ought to have the intelligence and the competence to be able to adjust those rates. You need rates that are adjustable, and I understand that. Secondly, Senator Proxmire and I have introduced a resolution calling upon the Federal Reserve Board to have the money supply at such a volume in rate as will promote the full potential of our economy, and may I say the full potential is important.

Do you know what we are doing? This year we waste $106 billion of our potential because of unemployment. Next year, 75. That is in '75 we will waste $240 billion, in 1976, $250 billion. In three years we will have lost $600 billion of potential production, even if we had four percent unemployment.

Gentlemen, that is unacceptable. The President's program projects for the end of this decade, to 1980, six percent unemployment. That is unacceptable, politically, morally and economically. I listened to Mr. Meany on a program not too long ago. It was on this show, wasn't it?

Mr. Spivak. No.

Senator Humphrey. He said we would have an unemployment rate of ten percent. Let me tell you what I think. Today the unemployment rate is 8.2 by official figures, but the real unemployment rate today is much larger than that. It runs to about 11 percent.

Mr. Spivak. Senator, may I take you away from Mr. Meany and from the President and from the Federal Reserve back to Congress. In December of 1974 you wrote a letter to Speaker Albert and urged him to get the House and Senate leadership together for the purpose of designing an overall program. Why do you think so little has happened? Is it because the Democrats are leaderless, despite the fact that they have such a huge majority? Why hasn't Congress done more?

Senator Humphrey. We could do better, and I have been a critic, but I do say that Mr. Speaker put together the task force under Congressman James Wright. We have a similar task force under the chairmanship of Senator Pastore in the Senate. We will have our program that will be announced within the next week. The House program has been announced. In the meantime the committees are at work. It is a much easier job for a man in the White House to announce a program than it is to get 535 Members, or even a two-thirds majority of those together on a program. Congress will give this nation a program, but may I say this as we come to the end—

Mr. Spivak. I am sorry I have to interrupt, our time is up. Thank you, Senator Humphrey for being with us today on Meet the Press.

THE MAKING OF A RECESSION

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, this Nation is in the midst of its worst economic crisis since the Great Depression.

Last month, more than 7½ million Americans who wanted to work were jobless. The unemployment figure for January passed 8 percent, and some knowledgeable individuals have predicted that figure will reach the 10-percent mark this year.

The very survival of this Nation is at stake.

We must devote our full energies to solving this crisis. It is important, in our efforts, that we understand how this crisis came about. By identifying the causes of this crisis, we will be better able to formulate the proper strategies by which we can restore our Nation to a healthy economic state.

The Gallagher President's Report, a highly respected business newsletter, recently published a summary of the policies responsible for our troubled economic state. Mr. Speaker, I commend the text of that publication to interested citizens so that they might better understand how the current economic crisis came about, and thus be better equipped in our fight against economic disaster:

THE MAKING OF A RECESSION

(Highlights from 4 years of GPR coverage on the decline of the U.S. economy)

AUGUST 18, 1971

Nixon faces up to reality. New economic game plan two years late. Eight-point program based on crisis decision. Overall recommendations good despite delay in unveiling plan. Private sector primary beneficiary. U.S. President follows GPR advice. Calls for 1) Reduction in government spending. . . . 2) Wage, price freeze. . . . 3) "Floating" U.S. dollar in world markets. . . . 4) Reinstatement of investment tax credit. . . . 5) Prosperity without war. . . . 6) Speed-up in income tax cuts. . . . Major weaknesses of program: Banks not included in price freeze. . . . Need for long-range economic policy overlooked.

NOVEMBER 10, 1971

Nation faces economic crisis. U.S. headed for economic hangover after 1972 Presidential election as result of Nixon manipulation of economy. Major problem: Phase II program geared to produce short-term results, reassure reelection. . . . Not enough to sustain prolonged economic recovery. Consumer confidence clouded by 1) continuation of wage restraints under Phase II; 2) threat of continued high unemployment (GPR predicts 6% annual rate in 1972); 3) lack of government long-range planning; 4) estimated $27 billion Federal budget deficit in fiscal 1972 ($30 billion forecast for fiscal 1973).

JANUARY 12, 1972

Freeze on public sector wages, prices, taxes. . . . GPR predicts failure of Phase II policies due to 1) discriminatory practices; 2) unwillingness of Federal, state, local government officials to increase productivity; 3) inflationary public sector programs; 4) preferential treatment of quasi-public corporations. . . . Rash of state, local tax increases reflect rise in cost of public sector services. Added headache: hike in excise taxes on gasoline, tobacco, liquor. Higher levies tantamount to price increases granted by public sector without Price Commission authorization. Taxes to increase cost of doing business. Affect private sector's ability to price products to achieve reasonable profit.

MARCH 22, 1972

Nixon program of selective controls boomerangs. . . . U.S. Senators from New England states score [Nixon's] failure to 1) impose price curbs on agricultural products (now exempt from controls); 2) adopt export quotas on agricultural commodities in short domestic supply. Imposition of export quotas requires approval of [Commerce Secretary Peter] Peterson, Secretary of State Bill Rogers, Agriculture Secretary Earl Butz. Peterson, Rogers unable to convince Butz of need for quotas. Agriculture Secretary opposed price controls on farm products, mandatory export quotas on agricultural commodities. Claims job is to keep nation's 2.9 million farmer constituency happy under orders from U.S. President.

DECEMBER 5, 1972

Phase II economic policy loses muscle. Nixon game plan runs into trouble. Program of wage, price controls fails to meet Administration's target of minimum 2% annual inflation rate by yearend. Current growth rate 4%. Price rollbacks almost nonexistent.

JANUARY 17, 1973

Nixon's Phase III program poorly timed. President falls prey to "free economy" theoreticians. . . . Nixon should have waited until after Labor Day to lift wage/price lid. Pragmatic company president recognizes controls best way to contain labor demands. . . . GPR predicts Nixon to seek reinstatement of controls. Current let-up in controls program viewed as concession to Big Business.

APRIL 10, 1973

Across-the-board controls essential. Must include freeze on food, meat prices. 2.2% rise in wholesale prices last month largest in 22 years. Growth of wholesale price index now at annual rate of 21.5%. Nation can't afford free-wheeling agricultural sector to go unchecked. . . . Farming, ranching now big business. Major U.S. corporations like Harold Shaub's Campbell Soup, Al Eames' Del Monte, Eli Black's United Brands become food conglomerates. Have substantial investment in farming. Nixon claim—lack of controls on food prices essential to protect nation's farmers—fatuous. Farmers, farm workers account for mere 3.9% of total labor force (down from 7.0% decade ago). GPR estimates one-fourth of nation's farm managers now corporate giants and produce 75% of commercial crops.

MAY 30, 1973

Crisis of confidence grips U.S. economy. Nation in throes of economic illness similar to Great Depression of 1930s. Malaise result of leadership void in business, government. Symptoms rampant. E.g., U.S. dollar shaky in world markets; domestic rate of inflation goes unchecked; private sector faces critical shortages of vital raw materials; housing starts begin to slump. Fever spreads as business community feels backlash of Watergate affair. . . . Crisis point near. Current climate conducive to stock market crash. Odds 50/50 in favor of major economic depression within next 12 months.

JULY 10, 1973

Phase IV doomed to failure. 60-day wage/price freeze announced June 13 not long enough for Nixon Administration to formulate meaningful new controls program. GPR predicts Phase IV to be mere rehash of Phase II. Changes will be cosmetic in nature, won't produce desired results.

AUGUST 7, 1973

Slowdown in store for second half. Retardation in earnings growth to follow in wake of "inflated" earnings generated in first half by Phase III economic policy. . . . Tight money combined with dead equity markets, skilled labor shortage to force curtailment of expansion plans. Full effect to be felt by second quarter next year.

NOVEMBER 13, 1973

Government-created recession in the works. GPR warned readers of urgent need to accelerate transition from oil-based to nuclear-based economy two years ago. . . . Business community to pay price for neglect via upcoming drop in industrial output, reduction in wages, increase in unemployment. . . . Low-employment industries, small business, retailing, entertainment, pleasure travel to be most affected.

FEBRUARY 12, 1974

U.S. headed on road toward economic suicide. Big Business "takeover" of U.S. economy motivated by self-interests. . . . GPR predicts freewheeling economic policies of Big Business power structure to plunge nation into recession and/or depression in 12 months. Lack of mandatory controls on prices, lifting of curbs on export of capital enables Big Business to raise prices at will, play international money game by "chasing" interest rates on global scale.

Nixon responsible for economic chaos. Administration's lack of leadership, failure to challenge Big Business power structure results in current economic turmoil. . . . Nixon now pawn of Big Business. Inability to govern nation to accelerate resignation decision as nation feels effects of Administration's leadership void.

APRIL 9, 1974

Business community faces consumer revolt. Look for slowdown in consumer spending over next six months. Cutback to come in wake of Cost of Living Council's removal last week of wage, price controls over three-fourths of U.S. economy. Action to 1) force upward pressure on prices, wages; 2) accelerate consumer buying resistance. GPR predicts "double-digit" inflation. . . .

MAY 21, 1974

U.S. economy headed for depression. Downturn to come with release of second quarter profit figures in late July. Could last minimum two years (until 1976 Presidential elections). Depression to be triggered by combination of factors. *Lower earnings.* Look for continued decline into third, fourth quarters this year. *Unmanageable public debt. . . . Record Federal budget. . . . Uneasy money markets. . . . Anticipated surge in unemployment. . . .*

JUNE 11, 1974

Nixon chief architect of U.S. economic crisis. Foundation for today's domestic economic turmoil laid by Administration's permissiveness during first term. Trouble began with Nixon's failure to control mounting greed of banks. . . . Spread to Big Business with President's velvet glove approach toward antitrust. . . . Crisis heightened by ill-conceived policy of wage/price controls (e.g., reimposition of 60-day "freeze in June 1973 after premature easing of Phase II programs). Resulting disruption of domestic economy led to gains by special interest groups—farmers (wheat), ranchers (meat), oil monopoly (heat).

JULY 16, 1974

Midyear outlook for U.S. economy—more of the same. Last week's White House meeting called by Nixon to discuss domestic economy with 25 selected corporate chiefs, economists major disappointment. Gathering revealed company presidents can expect no significant improvement in domestic economic climate under current Administration. Look for tight money to continue through remainder of year. Economy to pay price in 1975 via increased unemployment as corporate heads delay and/or scale down expansion programs.

AUGUST 27, 1974

Outlook dim for small, medium business. GPR predicts Ford-Rockefeller Administration to continue Nixon's "old-time religion" economic policy. Interests of Rockefeller dynasty—oil, banks, real estate, airlines, autos—too far-flung to permit objective action on nation's economic ills. . . . Small, medium businesses to be left to own devices. Result: acceleration of corporate takeovers as asset hungry blue chip raiders eye irresistible bargains in companies with stocks selling below book value.

SEPTEMBER 10, 1974

Presidents demand action on U.S. economy. Ford under pressure to formulate forceful domestic economic policy as follow-up to summit conference late this month. Topics scheduled for discussion center primarily on inflation. Must include programs to combat recession and/or depression. . . . Immediate action needed on: (1) *Across-the-board wage, price controls.* Establishment of guidelines with severe penalties imposed on violators. (2) *Excess profits tax.* Particularly for companies with monopolistic market positions (e.g., oil). (3) *Aid to small, medium business.* In form of graduated corporate income tax. Include hike in allowable surplus to minimum $200,000.

SEPTEMBER 24, 1974

Nation needs blueprint for survival. . . . Banks must receive top priority. Estimated 160 banks on "sick" list in U.S. Rise in Federal Deposit Insurance Corp. coverage from present $20,000 per account to $40,000 essential to protect against potential panic.

Wage, price controls due in 1975. Look for Ford to resort to controls program within next 16 months. . . . Current economic policy enables chosen few (banks, oil companies) to make money, manipulate economy. Discourages competition. Encourages economic annihilation of small business.

OCTOBER 29, 1974

Business community faces "sick" economy over next five years. GPR predicts failure in attempts by nation's political leaders to solve nation's current economic ills. Major reasons: current malaise result of five years of neglect; dearth of qualified executives in key government policymaking jobs. . . . Look for depression to hit by 1976 unless immediate corrective action taken. Signs already evident. E.g., 94% drop in General Motors' third quarter profits (leads to layoff of 6000 workers at four GM plants). . . . Additional layoffs by major U.S. corporations inevitable.

NOVEMBER 12, 1974

Presidents gear up for "managed" U.S. economy. Look for failure of President Jerry Ford's "Whip Inflation Now" program to result in establishment of permanent system of wage, price controls. Nation's economy now out of control. Lack of national leadership forces private sector to play business game without rules. Situation chaotic. . . . Price pass-alongs initiated to "catch up" with inequities of Nixon's poorly constructed wage/price program now force layoffs as major U.S. corporations scramble to keep heads above water.

DECEMBER 10, 1974

Rising unemployment threatens U.S. "credit economy." . . . Current economic recession shows signs of developing into deep-rooted depression. Major difference between 1929, 1975: nearly $600 billion currently outstanding in consumer credit, small-home mortgages.

JANUARY 21, 1975

Prospects fade for economic recovery. Ford proposals to stimulate economy doomed to failure. Major reason: recommendations merely short-term solutions. Lack teeth. Conceived in climate of crisis. Avoid cures for basic economic ills.

Cure calls for strong economic medicine. . . . Major disruptions to result, e.g., total elimination of depletion allowances, overhaul of private sector work force (switch to part-time help vs. full-time), increased government regulation of basic industries (particularly banks). National survival at stake.

TRIBUTE TO JOSEPH McCAFFREY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I wish to commend one of this Nation's top broadcast journalists, who recently celebrated a milestone in his illustrious career. Last month marked Joseph McCaffrey's 20th year as a Capitol Hill news correspondent for WMAL television and radio. As a knowledgeable expert on congressional affairs, Mr. McCaffrey has consistently produced new reports that inform his audiences as to the operations of their Congress. Such an informed public is necessary to a strong, vital democracy.

I salute Joe's excellent work and congratulate him on the occasion of his 20th anniversary as a congressional news correspondent for WMAL television and radio.

The Washington Star-News recently published an informative article covering the highlights of Joe's career. The text of that article follows:

[From the Washington Star-News, Feb. 9, 1975]

McCAFFREY, WHO KNOWS CONGRESS

(By Frank Getlein)

A couple of weeks ago Joseph McCaffrey celebrated his 20th anniversary as Capitol Hill correspondent for WMAL on both radio and television. He is the dean of broadcast journalists on the hill, but that kind of staying power in local broadcast news is even more remarkable these days, with the whole industry in a continent-wide game of musical mikes and the search for journalistic jollies in full cry.

McCaffrey has based his career on qualities more valued in print journalism than on the air. He has the gift of honest-to-God humor, as distinct from forced chuckles, for one thing. He expresses himself easily and naturally in good English grammar and syntax. Above all, perhaps, he knows his chosen field—Congress—inside out, upside down and backwards, which, of course, are the ways it operates a lot of the time.

He knows the people of Congress, members and staffs, the systems, both formal and informal, and the issues as, often enough, they build up over years before erupting like the revolution of the Democratic caucus just completed, or at least fairly begun.

Out of that normal journalistic knowledge, he produces penetrating analysis and common sense commentary of what goes on beneath the dome on the hill.

It was his habit of hanging around the place that brought him his most spectacular broadcast scoop and that, as a direct result, got him unemployed and, after a few years of that, into the job at WMAL he has occupied ever since.

He started in journalism as a kid in his native Poughkeepsie under Emmett Lavery, later the successful playwright, then a local editor. McCaffrey joined the Air Corps, as it was then called, in World War II, got ganged about a bit, and came to Washington afterwards, starting with CBS, then becoming Washington editor for Mutual's "Newsreel of the Air."

He was in the broadcast gallery with a live mike on the day the Puerto Rican independentistas began shooting up the House of Representatives, a direct action form of protest many have thought of but only the PR's have had the follow-through on.

McCaffrey, even as he described what was going on, thoughtfully organized a line-up of Congressmen as they scurried off the floor, so to speak, and you heard it first on Mutual.

Another thing you heard in those days was Col. Robert M. McCormick, offering thoughts on the state of the world and of the British and or Communist conspiracies against America's heartland. Normally, these thoughts were offered between the acts of broadcast opera on the colonel's own station in Chicago, WGN, for "World's Greatest Newspaper," namely the Tribune.

On occasion, however, the colonel thought it well to slip in to Washington to pass the word directly to the government as to what ought to be done. When he did, he used McCaffrey's studio as his point of origin for the homily. It became the function of staffers in rotation to accompany the colonel from the home of Frank C. Waldrop, where he usually stayed, to the studio, to sit in the studio while the words of wisdom went forth, and to ride back with the great man, all the time saying nothing.

The Saturday after his big scoop, McCaffrey drew his turn in the escort service. Still floating from the praise of his peers, he told the bureau in clear terms what they could do with the car, the chauffeur, the colonel and, naturally, the job.

After a few years free-lancing, he signed on with WMAL and the rest is some of the best Washington broadcast history there is.

From the perspective of a quarter century in Washington broadcast political journalism, McCaffrey feels that both ends of his professional life—the studio and the Capitol—are going to hell, partly at least from their mutual influence.

Politics, he says, has been trivialized by television. The felt needs of the American politician in the electronic era are different from what they used to be and almost every change is a bad one from the point of view of thoughtful government. The television politician has to be good looking with a good presence on the tube. He has to be able to latch on to a few simple ideas—the fewer the better, the simpler the better, because the television mind has been shaped by people selling dog food with simple slogans for simple dogs.

Television itself, he says, is being ruined by consultants, men who tirelessly inform broadcast management that the people demand the trivial, the ephemeral, the fragmented and the phony.

He is right, of course, on both counts, as you can see by turning on the commercial tube almost any hour of the day or night.

REMARKS OF CONGRESSMAN NORMAN Y. MINETA AT INSTALLATION DINNER OF JAPANESE-AMERICAN CITIZENS LEAGUE

(Mr. EDWARDS of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, recently our distinguished colleague from California, the Honorable NORMAN Y. MINETA spoke about recently highlighted security activities of the CIA, FBI, and other Government offices from the viewpoint of a Japanese American citizen whose civil liberties were most forcefully violated during World War II, when he and 110,000 other Americans of Japanese descent were "relocated" from their homes and lives to detention camps under the influence of a national hysteria, never substantiated, that they posed a threat to the defense of the United States. Mr. MINETA also addressed himself to the problems of Federal employees, who in many ways are relegated to "second-class citizenship."

I would therefore like to have Mr. MINETA's remarks printed in the RECORD. They provide a unique perspective on issues before the Congress today. His remarks follow:

REMARKS OF CONGRESSMAN NORMAN Y. MINETA

It is indeed a great pleasure to be here this evening, both as a Member of Congress and as a member and past President of the San Jose Chapter of the JACL.

During my term as Mayor of San Jose and my campaign for Congress, the assistance of the JACL and our distinguished Hawaiian delegation was truly invaluable.

In fact, to a large degree, you share a large portion of the responsibility for bringing me and my family from the warm and sunny clime of the Santa Clara Valley to the cold and snowy banks of the Potomac.

During the past several weeks, I have been repeatedly asked by inquiring reporters and interested constituents what I could contribute as a freshman Representative in the 94th Congress.

While my first 21 days have not exactly been conducive to the ponderance of this somewhat philosophic question, given important and virtually non-stop House organizational meetings, policy briefings, and housekeeping activities, there is one area to which, based on my heritage and experiences as a Japanese American, I feel a deep and ceaseless commitment.

It is on this crucial topic—civil liberties—that I will speak this evening. My choice of subject is obviously not coincidental, for the Japanese American Citizens League has, since its founding as a national organization in 1930, been engaged in an unending struggle for the human and civil rights of all people.

Your efforts to guarantee the constitutional rights of all Americans, regardless of race, nationality, color, or birth, constitute a record of which you should be proud.

With regard to the timeliness of such a discussion, I do not think there can be any room for doubt—not when we are presented with possible infringements of our own civil liberties by the Central Intelligence Agency, the FBI, and the military almost daily; which, when taken together, seem to perpetuate the unanswered constitutional questions raised during the past two years by Watergate.

As Japanese Americans, we share a historic commitment to, and a unique responsibility for, the protection of the civil and human rights of all Americans.

In deference to our heritage and experience, we must, to paraphrase the words of Senator Sam Ervin, play an active role in ensuring that the government does not tip the scales against the fundamental principles of limited government and the freedom of the individual.

As you are well aware, there is much to be done by the 94th Congress to defend our liberties. We will need your advice and assistance to get the job accomplished.

An important first step was taken by the House Democratic Caucus on January 14th. On that date, the caucus voted overwhelmingly to transfer the jurisdiction of the House Internal Security Committee, successor to the UnAmerican Activities Committee, to the more broadly-based House Judiciary Committee.

In view of the past tactics and treatment of witnesses by the Internal Security Committee, not to mention that Committee's file of an estimated 750,000 data cards on American citizens across the country, or the role of HUAC in the evacuation and war-time detention of 110,000 Japanese Americans, this transfer can only be regarded as a significant advancement in the area of protection of our civil liberties.

Building on this momentum, there are several additional areas which I would like to highlight where Congressional action should be focused in the next two years.

The first of these concerns the present status of Federal employees, who, under existing law, are afforded "second class citizenship".

Specific legislative proposals worthy of action in the 94th Congress which would further the Constitutional rights of Federal civil servants include—

(1) The Federal Employees Political Activities Act, which would amend the outdated and discriminatory provisions of the Hatch Act by allowing Federal employees to take part in political campaigns as private citizens, while providing adequate protection for the integrity of the civil service system;

(2) A measure soon to be reintroduced by Congresswoman Pat Schroeder of Colorado which would clearly guarantee the right to an impartial pre-determination hearing of Federal employees completing their probationary or trial periods of Federal service, thereby protecting Federal employees against arbitrary and capricious dismissal for speaking out in the public interest; and

(3) Congressman Dominic Daniels' bill to guarantee employees of the executive branch the right to have the counsel or a representative of their choice present during interrogations that could lead to disciplinary actions, and to prevent unwarranted reports from employees concerning their private lives.

The measures which I have just mentioned represent only a small portion of the actions needed to ensure the protection of every American's constitutional rights.

Obviously, they deal only with the rights of Federal employees. However, they are important measures—actions which are required for us to put our own house in order and to set an example for the rest of the nation.

The critical need for expanded action by Congress to guarantee our civil liberties continues to be most dramatically highlighted by the almost daily reporting of new and deeper infringements of the Central Intelligence Agency and the Federal Bureau of Investigation on civil and constitutional rights.

As recently reported in the *Washington Post* and confirmed by Director Clarence Kelly, the FBI maintains files containing information on the personal lives of Members of Congress, and Federal employees, as well as other private citizens.

In response to the well-justified indignation of Congress on the existence of these files, which include reports on our loyalty, character, and reputation, we have been informed by Kelly that, and I quote:

"Unsolicited information is received from time to time making allegations concerning Members of Congress as well as other individuals in public and private life . . . When information is received concerning employees of the Federal government or those serving as government officers in any of the three branches of government, as a matter of *practice* it would be submitted to FBI headquarters in Washington so that it would be available *in the event* a check of our records is necessary."

I find it difficult to condone the maintenance of such files—files whose very existence makes possible a type of political blackmail which would make the abuses of Watergate look pale by comparison—on the basis that allegations by FBI sources *might* be researched at some future date in connection with a government appointment.

As if these FBI intrusions into the sacred realm of civil rights were not enough of a reason to take strong and effective actions to protect the constitutional rights of individuals from the $6.2 billion a year "intelligence establishment", we are also being presented with a veritable laundry list of highly questionable activities on the part of the Central Intelligence Agency.

A few which were cited in CIA Director Colby's report to the Senate Appropriations Subcommittee on Intelligence as possible violations of that agency's charter include:

The planting of ten undercover agents in 1967 and '68 in so-called dissident groups in the Washington, D.C. area to gather intelligence about "demonstrations, pickets, protests, or break-ins" that might endanger CIA employees, facilities, and information, and the sharing of their reports with the FBI, Secret Service, and local police departments;

The surveillance of four journalists during 1971 and 1972 aimed at finding out who was giving these reporters allegedly classified information;

The establishment of files on some 10,000 U.S. citizens, including a former Congressman; and

Between 1953 and February 1973, the surveying and opening of mail from New York and San Francisco to China and the Soviet Union for the purpose of identifying "individuals in active correspondence with Communist countries" and determining "the nature and extent of censorship techniques".

In the case of the CIA, we are supposed to be comforted by Director Colby's statement that all these activities have ended and that, and I quote, "Certainly, at this time, it is my firm belief that no activity of the Agency exceeds the limits of its authority."

Whatever the level of Mr. Colby's good intentions, when it comes to our civil liberties, his "belief", however "firm", is not sufficient.

Rather, we need the type of in-depth investigation that is now being undertaken by both the House and the Senate.

In addition, based on the findings of these investigations, we need to quickly and effectively ensure through legislation that such abuses of the inherent civil and human rights of every American will not reoccur.

To conclude my comments, I would like to quote from the epilogue of the California Historical Society's photographic publication, *Executive Order 9066*, written by former Supreme Court Justice Tom Clark:

"Those who cherish liberty may learn much, now that the racial hatred and fear of conquest of thirty years have passed. Let us determine to abide by the lessons that Executive Order 9066 teaches us—first, that the mere existence of a legal right is no more protection to individual liberty that the parchment upon which it is written, and second, that mutual love, respect, and understanding of one another are stronger bonds than constitutions."

While our recollections, individual and collective, may not be pleasant, we must avoid the ever-present temptation to erase the memories of the detention of 110,000 Japanese Americans—our relatives, our parents and ourselves.

Moreover, we must take a lesson from the detention camps that goes beyond any bitterness or rancor that may remain.

We must rededicate ourselves to the efforts the Japanese American Citizens League so nobly started in 1930, and afford to all Americans through legislation as well as mutual love, respect, and understanding, the cherished tradition of equality and constitutional protection which we were denied some 30 years ago.

Thank you.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. FOUNTAIN (at the request of Mr. O'NEILL), from today through February 28, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GONZALEZ, for 30 minutes, today.

(The following Members (at the request of Mr. KINDNESS), to revise and extend their remarks, and to include extraneous matter:)

Mr. CLEVELAND, for 10 minutes, today.

Mr. WALSH, for 5 minutes, today.

Mr. STEIGER of Arizona, for 10 minutes, today.

Mr. STEIGER of Wisconsin, for 5 minutes, today.

Mr. FRENZEL, for 20 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. STEELMAN, for 10 minutes, today.

(The following Members (at the request of Mrs. SPELLMAN), to revise and extend their remarks, and to include extraneous matter:)

Mr. HARRINGTON, for 60 minutes, today.

Mrs. COLLINS of Illinois, for 5 minutes, today.

Mr. ADAMS, for 5 minutes, today.

Mr. MOSS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today

Mr. COTTER, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

Mr. O'HARA, for 30 minutes, today.

Mr. SIKES, for 5 minutes, today.

Mr. ALEXANDER, for 30 minutes, today.

Mr. MOAKLEY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PATMAN, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD, and is estimated by the Public Printer to cost $834.

(The following Members (at the request of Mr. KINDNESS) and to include extraneous matter:)

Mr. HEINZ.

Mr. MCCLORY.

Mr. O'BRIEN.

Mr. GILMAN.

Mr. KASTEN.

Mr. MICHEL in two instances.

Mr. DON H. CLAUSEN.

Mr. ASHBROOK in two instances.

Mr. COHEN in two instances.

Mr. ROUSSELOT.

Mr. JEFFORDS in three instances.

(The following Members (as the request of Mrs. SPELLMAN), and to include extraneous matter:)

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mrs. COLLINS of Illinois.

Mr. MINISH in two instances.

Mr. HOWARD in two instances.

Mr. MAZZOLI.

Mr. DOMINICK V. DANIELS in two instances.

Mr. BADILLO in two instances.

Mr. MCDONALD of Georgia in two instances.

Mr. FRASER in two instances.

Mr. HUBBARD.

Mr. BIAGGI in 10 instances.

Mr. CARNEY in two instances.

Mr. BRINKLEY.

Mr. EDWARDS of California in two instances.

Mr. STARK.

Mr. BOLAND.

Mr. CHARLES H. WILSON of California.

Mrs. SULLIVAN in two instances.

Mr. EILBERG.

Mr. ANNUNZIO in two instances.

Ms. ABZUG.

Mrs. MINK.

Mr. ROE.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 8. Joint resolution to authorize the President to issue a proclamation designating March 1975 as "Youth Art Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 18. Joint resolution to designate March 13, 1975, as "Music in Our School Day"; to the Committee on Post Office and Civil Service.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1767. An act to suspend for a ninety-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such ninety-day period; and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on February 19, 1975, present to the President, for his appoval a bill of the House of the following title:

H.R. 2634. An act to increase the temporary debt limitation and to extend such temporary limitation until June 30, 1975.

ADJOURNMENT

Mrs. SPELLMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 27 minutes p.m.), the House adjourned until tomorrow, Friday, February 21, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

369. A letter from the President of the United States, transmitting a draft of proposed legislation to authorize appropriations for the period July 1, 1976, through September 30, 1976 (H. Doc. No. 94–56); to the Committee on Government Operations and ordered to be printed.

370. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to authorize certain payments to States from national forest receipts during the period July 1, 1976, through September 30, 1976, and for other purposes; to the Committee on Agriculture.

371. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 8d(2) of the Agricultural Adjustment Act of 1933, reenacted, amended and supplemented by the Agricultural Marketing Agreement Act of 1937, as amended, to provide authority to grant certified public accountants access to confidential records for purposes of making an audit; to the Committee on Agriculture.

372. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to further amend the Agricultural Marketing Act of 1946; to the Committee on Agriculture.

373. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Health, Education, and Welfare for "Public Assistance, Social and Rehabilitation Service," has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation for fiscal year 1975, pursuant to section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

374. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation for the Veterans' Administration for "Compensation and Pensions" has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation for fiscal year 1975, pursuant to section 3679 of the Revised Statutes, as amended [31 U.S.C. 665]; to the Committee on Appropriations.

375. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed rules governing the supplemental educational opportunity grants program, college work-study program, and national direct student loan program, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

376. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Navy to offer to sell certain defense articles to the Government of Tunisia, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

377. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting reports on recommendations, and actions related thereto, contained in the reports of the President's Advisory Council on Management Improvement entitled "Managing the New Federalism" and "The Control of Health Care Costs" and in the report of the Advisory Committee on Federal Pay entitled "The Fiscal 1974 Adjustment in Federal Pay September 21, 1973," pursuant to section 6(b) of the Federal Advisory Committee Act (H. Doc. No. 94–57); to the Committee on Government Operations and ordered to be printed.

378. A letter from the Secretary, Railroad Retirement Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

379. A letter from the Executive Director, Emergency Loan Guarantee Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1974, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

380. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to revise and extend the program authorized by the Developmental Disabilities Services and Construction Act; to the Committee on Interstate and Foreign Commerce.

381. A letter from the Administrator, Federal Energy Administration, transmitting a report covering the period October-December 1974, on imports of crude oil, residual fuel oil, refined petroleum products, natural gas and coal; domestic reserves and production of crude oil, natural gas, and coal; refinery activities, and inventories, pursuant to section

11(c)(2) of Public Law 93-319; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations. House Joint Resolution 219. Joint resolution making further continuing appropriations for the fiscal year 1975, and for other purposes (Rept. No. 94-16). Referred to the Committee of the Whole House on the State of the Union.

M. MAHON: Committee on Apppropriations. H.R. 3260. A bill to rescind certain budget authority recommended in the message of the President of November 26, 1974 (H. Doc. 93-398) and as those rescissions are modified by the message of the President of January 30, 1975 (H. Doc. 94-39) and in the communication of the Comptroller General of November 6, 1974 (H. Doc. 93-391), transmitted pursuant to the Impoundment Control Act of 1974 (Rept. No. 94-17). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR:

H.R. 3383. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Pollock-Herreid unit, South Dakota pumping division, Pick-Sloan Missouri Basin program, South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ALEXANDER:

H.R. 3384. A bill to amend title 39, United States Code, to change the method of appropriating funds to the U.S. Postal Service, to provide for certain consultations and hearings with respect to the construction of Postal Service facilities, to establish certain rules with respect to employment and personnel policies of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. AMBRO:

H.R. 3385. A bill to amend the Housing and Community Development Act of 1974 with regard to the definition of the term "city" as it is used in that act; to the Committee on Banking, Currency and Housing.

By ANNUNZIO (for himself, Mrs. Sullivan, Mrs. Spellman, Mr. Barrett, Mr. Gonzalez, Mr. Fauntroy, Mr. Neal, Mrs. Fenwick, and Mr. Reuss):

H.R. 3386. A bill to amend the Equal Credit Opportunity Act to include discrimination on the basis of race, color, religion, national origin, and age, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. ARCHER:

H.R. 3387. A bill to repeal the Davis-Bacon Act; to the Committee on Education and Labor.

By Mr. ARCHER (for himself, Mr. Brown of Michigan, Mr. Cleveland, Mr. Cochran, Mr. Coughlin, Mr. Crane, Mr. Frenzel, Mr. Gaydos, Mr. Gude, Mr. Harrington, Mrs. Holt, Mr. Hicks, Mr. Johnson of Pennsylvania, Mr. Jones of Oklahoma, and Mr. Lott):

H.R. 3388. A bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. ARCHER (for himself, Mr. Lloyd of Tennessee, Mr. Martin of North Carolina, Mr. Melcher, Mr. Mitchell of New York, Mr. Moorhead of California, Mr. Murtha, Mr. O'Hara, Mr. Rees, Mr. Schneebeli, Mr. Sebelius, Mr. Steiger of Wisconsin, Mr. Treen, Mr. Waggonner, and Mr. Winn):

H.R. 3389. A bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. ARCHER (for himself, Mr. Bauman, Mrs. Boggs, Mr. Brown of Michigan, Mr. Collins of Texas, Mr. Coughlin, Mr. Crane, Mr. Goldwater, Mr. Guyer, Mr. Hicks, Mrs. Holt, Mr. Jeffords, Mr. Kemp, Mr. Martin of North Carolina, Mr. McClory, Mr. Montgomery, Mr. Moorhead of California, Mr. Murtha, Mr. Roe, Mrs. Schroeder, Mr. Treen, and Mr. Winn):

H.R. 3390. A bill to amend the Internal Revenue Code of 1954 to increase the corporate surtax exemption; to the Committee on Ways and Means.

By Mr. ASHBROOK:

H.R. 3391. A bill to provide additional penalties for the use of firearms or destructive devices in the commission of certain crimes of violence; to the Committee on the Judiciary.

By Mr. BAFALIS:

H.R. 3392. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 per centum of its tax contribution to the highway trust fund; to the Committee on Public Works and Transportation.

By Mr. BEDELL (for himself, Mr. Blouin, Mr. Boland, Mr. Carr, Mr. Cleveland, Mr. Cornell, Mr. Edgar, Mr. Ford of Tennessee, Mr. Fraser, Mr. Jeffords, Mr. Long of Louisiana, Mrs. Lloyd of Tennessee, Mr. Mosher, Mr. Murphy of Illinois, Mr. Neal, Mr. Ottinger, Mr. Richmond, Mr. Sarbanes, Mr. Scheuer, Mr. Smith of Iowa, Mr. Stokes, Mr. Symington, Mr. Thompson, Mr. Tsongas, and Mr. Whitehurst):

H.R. 3393. A bill to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such general increase, suffer a loss of or reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs; to the Committee on Ways and Means.

By Mr. BEDELL (for himself, Mr. Addabbo, Mr. Beard of Rhode Island, Mr. Brown of California, Ms. Burke of California, Mr. John L. Burton, Mr. Conyers, Mr. Davis, Mr. Downey, Mr. du Pont, Mr. Evans of Indiana, Mr. Fauntroy, Mr. Florio, Mr. Lott, Mr. Melcher, Mr. Mitchell of Maryland, Mr. Murtha, Mr. Pattison of New York, Mr. Reuss, Mr. Riegle, Mr. Risenhoover, Mr. Solarz, Mr. Spence, Mr. Yates, and Mr. Yatron):

H.R. 3394. A bill to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such increase, suffer a loss of or reduction in the benefits the individual or general family has been receiving under certain Federal or federally assisted programs; to the Committee on Ways and Means.

By Mr. BEDELL (for himself and Ms. Abzug):

H.R. 3395. A bill to assure that an individual or family whose income is increased by reason of a general increase in monthly social security benefits will not, because of such general increase, suffer a loss of or reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. Ottinger, Mr. Pattison of New York, Mr. Wolff, Mr. Devine, Mr. Zeferetti, Mr. Charles Wilson of Texas, Mr. Addabbo, Mr. Yatron, Mr. LaFalce, Mrs. Burke of California, Mr. Hicks, and Mr. Lent):

H.R. 3396. A bill to amend the Immigration and Nationality Act to provide penalties for certain persons who employ, or who refer for employment, aliens who are in the United States illegally, and for other purposes; to the Committee on the Judiciary.

By BROOMFIELD:

H.R. 3397. A bill to authorize the disposal of cadmium from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

H.R. 3398. A bill to establish a National Foreign Investment Control Commission to prohibit or restrict foreign ownership control or management control, through direct purchase, in whole or part; from acquiring securities of certain domestic issuers of securities; from acquiring certain domestic issuers of securities, by merger, tender offer, or any other means; control of certain domestic corporations or industries, real estate, or other natural resources deemed to be vital to the economic security and national defense of the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 3399. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

H.R. 3400. A bill to change Veterans Day to November 11; to the Committee on Post Office and Civil Service.

H.R. 3401. A bill to create a Joint Congressional Committee on Foreign Investment Control in the United States; to the Committee on Rules.

By Mr. BURKE of Massachusetts:

H.R. 3402. A bill to amend title II of the Social Security Act to provide that the entitlement of an insured individual to old-age or disability insurance benefits (and the entitlement of his or her dependents) shall generally continue through the month of such individual's death instead of terminating with the preceding month; to the Committee on Ways and Means.

By Ms. COLLINS of Illinois:

H.R. 3403. A bill to amend the Truth in Lending Act to prohibit discrimination on account of age in credit card transactions; to the Committee on Banking, Currency and Housing.

H.R. 3404. A bill to make it an unfair practice for any retailer to increase the price of certain consumer commodities once he marks the price on any such consumer commodity, and to permit the Federal Trade Commission to order any such retailer to refund any amounts of money obtained by so increasing the price of such consumer commodity; to the Committee on Interstate and Foreign Commerce.

By Mr. COHEN (for himself, Mr. Burke of Massachusetts, Mr. Railsback, Mr. McClory, Mrs. Boggs, Mr. Buchanan, Mr. Wolff, Mr. Scheuer, Mr. Kindness, Mr. Sarbanes, and Mr. Charles H. Wilson of California)

H.R. 3405. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportational barriers to the elderly and handicapped; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS:

H.R. 3406. A bill to amend title 18, United States Code, to permit the deposit of newspapers and political campaign literature in letter boxes without the payment of postage; to the Committee on the Judiciary.

By Mr. DOMINICK V. DANIELS (for himself, Mr. Beard of Rhode Island, Mr. Benitez, Mr. Biaggi, Mr. Brademas, Mrs. Chisholm, Mr. Clay, Mr. Cornell, Mr. Ford of Michigan, Mr. Gaydos, Mr. Hall, Mr. Hawkins, Mr. Lehman, Mr. Meeds, Mr. Miller of California, Mr. Mottl, Mr. O'Hara, Mr. Perkins, Mr. Peyser, Mr. Risenhoover, Mr. Sarasin, Mr. Simon, Mr. Thompson, and Mr. Zeferetti):

H.R. 3407. A bill to authorize appropriations for fiscal year 1976 for carrying out title VI of the Comprehensive Employment and Training Act of 1973; to the Committee on Education and Labor.

By Mr. DOMINICK V. DANIELS (for himself, Mr. Esch, Mr. Peyser, Mr. John L. Burton, Mr. Oberstar, Mr. McCormack, Mr. Fulton, Mr. Edwards of California, Mr. Nolan, Mr. Dellums, Mr. Murphy of New York, Mr. Hannaford, Mr. Giaimo, Mr. Moffett, Mrs. Chisholm, Mr. McDade, Mr. Santini, Mr. Litton, Mr. Bonker, Mr. Seiberling, Mr. Vanik, Mr. Heinz, Mr. Jenrette, Mr. Holland, and Mr. Traxler):

H.R. 3408. A bill to provide for the development and implementation of programs for youth camp safety; to the Committee on Education and Labor.

By Mr. DOMINICK V. DANIELS (for himself, Mr. Oberstar, Mr. Riegle, and Mr. Udall):

H.R. 3409. A bill to authorize appropriations for fiscal year 1976 for carrying out title VI of the Comprehensive Employment and Training Act of 1973; to the Committee on Education and Labor.

By Mr. DENT (for himself, Mrs. Spellman, Mr. Snyder, Mr. Bowen, Mr. White, Mr. Beard of Rhode Island, Mr. Stokes, Mr. Goodling, Mr. Sarasin, Mr. Krueger, Mr. Ford of Michigan, and Mr. Steelman):

H.R. 3410. A bill to provide an income tax credit for savings for the payment of postsecondary educational expenses; to the Committee on Ways and Means.

By Mr. DEVINE:

H.R. 3411. A bill to repeal exemptions in the antitrust laws relating to fair trade laws; to the Committee on the Judiciary.

By Mr. DINGELL (for himself, Mr. Treen, Mr. Yatron, Mr. Addabbo, Mr. Solarz, Mr. Walsh, and Mr. Vander Veen):

H.R. 3412. A bill to extend the fisheries management responsibility and authority of the United States over fish in certain ocean areas in order to conserve and protect such fish from depletion, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DUNCAN of Tennessee:

H.R. 3413. A bill to amend the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

H.R. 3414. A bill to amend the tax treatment of moving expenses; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R 3415. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for cooperative housing corporations and condominium housing associations; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself, Mr. Hinshaw, Mr. Hyde, Mr. English, and Mr. Wolff):

H.R. 3416. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mr. FINDLEY (for himself, Mr. Railsback, Mr. Johnson of California, Mr. Conte, and Mr. McClory):

H.R. 3417. A bill to prevent famine and establish freedom from hunger by increasing world food production through the development of land-grant type universities in agriculturally developing nations; to the Committee on Foreign Affairs.

By Mr. FISH:

H.R. 3418. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. FRENZEL:

H.R. 3419. A bill to amend the Federal Election Campaign Act of 1971, as amended; to repeal section 315; to prohibit certain campaign practices; to provide for stricter regulation of special interest committees; and for other purposes; to the Committee on House Administration.

By Mr. FREY:

H.R. 3420. A bill to establish the Controlled Substances Administration to administer all Federal programs relating to the regulation of narcotic and other dangerous drugs, the treatment and rehabilitation of abusers of such drugs, and education and training respecting such drugs; to the Committee on Interstate and Foreign Commerce.

H.R. 3421. A bill to amend the Controlled Substances Act to provide increased penalties for distribution of heroin by certain persons, and to provide for pretrial detention of such persons; to the Committee on Interstate and Foreign Commerce.

H.R. 3422. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to establish minimum mandatory sentences for persons convicted of offenses involving narcotic drugs, to provide emergency procedures to govern the pretrial and posttrial release of persons charged with offenses involving certain narcotic drugs, to provide procedures to reach large sums of money used for narcotic trafficking, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself, Ms. Abzug, and Ms. Holtzman):

H.R. 3423. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. GAYDOS:

H.R. 3424. A bill to amend the Securities Exchange Act of 1934 to restrict persons who are not citizens of the United States from acquiring more than 35 percent of the nonvoting securities or more than 5 percent of the voting securities of any issuer whose securities are registered under such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3425. A bill to amend title II of the Social Security Act to increase to $4,000 the amount of outside earnings permitted each year without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 3426. A bill to establish the National Commission for the Preservation of Language Resources; to the Committee on Education and Labor.

By Mr. GUDE:

H.R. 3427. A bill to provide for the striking of medals in commemoration of the 200th anniversary of the signing of the Declaration of Independence by Charles Carroll of Carrollton; to the Committee on Banking, Currency and Housing.

H.R. 3428. A bill to grant the consent of Congress for the State of Maryland, the Commonwealth of Virginia, and the District of Columbia to amend the Washington Metropolitan Area Transit Regulation Compact to authorize the Washington Metropolitan Area Transit Authority to establish and maintain a Metro Transit police force, to authorize the Washington Metropolitan Area Transit Authority to enter into mutual aid agreements with the various jurisdictions within the transit zone, and for other purposes; to the Committee on the District of Columbia.

By Mr. HAMMERSCHMIDT:

H.R. 3429. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3430. A bill to amend the Internal Revenue Code of 1954 to increase the corporate surtax exemption; to the Committee on Ways and Means.

By Mr. HECHLER of West Virginia:

H.R. 3431. A bill to amend the Federal Metal and Nonmetallic Mine Safety Act of 1966 for the purpose of terminating the Federal Metal and Nonmetallic Mine Safety Board of Review; to the Committee on Education and Labor.

By Mr. HELSTOSKI:

H.R. 3432. A bill to amend the Internal Revenue Code of 1954 to provide that advertising of alcoholic beverages is not a deductible expense; to the Committee on Ways and Means.

By Mrs. HOLT:

H.R. 3433. A bill to reestablish November 11 as Veterans Day; to the Committee on Post Office and Civil Service.

By Ms. HOLTZMAN (for herself, Mr. Addabbo, Mr. Baucus, Mr. Brodhead, Mrs. Burke of California, Ms. Chisholm, Mr. Danielson, Mr. Eilberg, Mr. Hechler of West Virginia, Mr. Hicks, Mr. LaFalce, Mr. Murphy, of Illinois, Mr. Rangel, Mr. Riegle, Mr. Rodino, Mr. Roybal, Mr. Ryan, Mr. Sarbanes, Mr. Seiberling, Mr. Solarz, Mr. Stark, Mr. Studds, Mr. Tsongas, Mr. Whitehurst, and Mr. Wirth):

H.R. 3434. A bill to provide joint and survivors' annuity benefits under private pension plans based upon the participant's vested benefit; jointly to the Committees on Education and Labor and Ways and Means.

By Mr. HOWARD:

H.R. 3435. A bill to amend the Emergency Home Purchase Assistance Act of 1974 by extending and expanding the authority of the Government National Mortgage Association to purchase certain mortgages, and for other purposes; to the Committee on Banking, Currency and Housing.

H.R. 3436. A bill to provide for the implementation of a full employment policy through the establishment of a Federal Full Employment Board; to the Committee on Education and Labor.

H.R. 3437. A bill to amend the Public Health Service Act to provide for a national program of medical malpractice insurance and arbitration of medical malpractice claims; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of California (for himself, and Mr. Skubitz):

H.R. 3438. A bill to amend the Water Resources Planning Act to increase the rate of compensation for experts and consultants and to provide continuing authorization for appropriations without limitation; to the Committee on Interior and Insular Affairs.

Mr. JOHNSON of Colorado:

H.R. 3439. A bill to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, may be used for purposes other than public roads and schools; to the Committee on Interior and Insular Affairs.

H.R. 3440. A bill to clarify authorization for the approval by the Administrator of the Federal Aviation Agency of the exchange of a portion of real property conveyed to the city of Grand Junction, Colo., for airport purposes; to the Committee on Public Works and Transportation.

By Mr. KARTH:

H.R. 3441. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. AuCoin, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Buchanan, Mr. Carr, Mr. Coughlin, Mr. Edgar, Mr. Edwards of California, Mr. Evans of Indiana, Mr. Giaimo, Mr. Gilman, Mr. Harrington, Mr. Hechler of West Virginia, Ms. Holtzman, Mr. Long of Maryland, Mr. Mikva, Mr. Pattison of New York, Mr. Rangel, Mr. Richmond, Mr. Solarz, Mr. Waxman, and Mr. Charles H. Wilson of California):

H.R. 3442. A bill to require Federal employees to file with the Office of the Federal Register a statement with respect to certain gifts made or received by such employees; jointly to the Committees on the Judiciary and Standards of Official Conduct.

By Mr. LAGOMARSINO:

H.R. 3443. A bill to extend from 1 year to 2 years the maximum period which may elapse between the sale of a residence and the purchase of another in order that gain from such sale will not be recognized for Federal income tax purposes; to the Committee on Ways and Means.

By Mr. MELCHER (for himself, Mr. English, Mr. Obey, Mr. Richmond, and Mr. Charles Wilson of Texas):

H.R. 3444. A bill to provide for the purchase of animals and animal food for use in foreign and domestic food relief programs, and for other purposes; to the Committee on Agriculture.

By Ms. MINK:

H.R. 3445. A bill to amend title II of the Social Security Act to increase to $1,000 in all cases the amount of the lump-sum death payment thereunder; to the Committee on Ways and Means.

By Mr. MINISH:

H.R. 3446. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. MITCHELL of Maryland (for himself, Ms. Abzug, Mr. Badillo, Mr. Baldus, Mr. Breaux, Mr. Brown of California, Mr. John L. Burton, Mr. Carr, Ms. Chisholm, Mr. Conyers, Mr. Davis, Mr. Dellums, Mr. Edgar, Mr. Eilberg, Mr. Fauntroy, Mr. Flood, Mr. Ford of Tennessee, Mr. Harrington, Mr. Hicks, Mr. Howard, Mr. Jones of North Carolina):

H.R. 3447. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption where a taxpayer, his spouse, or any dependent of the taxpayer is handicapped; to the Committee on Ways and Means.

By Mr. MITCHELL of Maryland (for himself, Mr. Long of Maryland, Mr. Mathis, Mr. Murphy of New York, Mr. Murphy of Illinois, Mr. Nix, Mr. Ottinger, Mr. Rangel, Mr. Regula, Mr. Roe, Mr. Roybal, Mr. Sarbanes, Mr. Solarz, Ms. Spellman, Mr. Stokes, Mr. Traxler, Mr. Treen, Mr. Waxman, Mr. Won Pat, Mr. Charles H. Wilson of California, and Mr. Yatron):

H.R. 3448. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption where a taxpayer, his spouse, or any dependent of the taxpayer is handicapped; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 3449. A bill to provide for the monthly publication of a Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries, for use by the Congress in the determination of benefit increases under title II of the Social Security Act; to the Committee on Ways and Means.

By Mr. MONTGOMERY:

H.R. 3450. A bill to amend section 410 of title 38, United States Code, to provide a statutory presumption of service-connected death of any veteran who has been rated totally disabled by reason of service-connected disability for 10 or more years; to the Committee on Veterans' Affairs.

H.R. 3451. A bill to amend title 38 of the United States Code in order to provide for the concurrent payment of disability compensation and pension in certain cases; to the Committee on Veterans' Affairs.

H.R. 3452. A bill to amend title 38 of the United States Code to provide increased awards of service-connected compensation to certain blinded veterans who are suffering from additional disabilities; to the Committee on Veterans' Affairs.

H.R. 3453. A bill to provide for the payment of aid and attendance benefits to certain totally disabled veterans; to the Committee on Veterans' Affairs.

H.R. 3454. A bill to amend title 38, United States Code, to provide that payments made to a hospitalized incompetent veteran will not be terminated unless his estate exceeds $2,000, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 3455. A bill to amend chapter 15 of title 38, United States Code, to authorize payment of non-service-connected pension to veterans of certain peacetime service and their widows and children; to the Committee on Veterans' Affairs.

H.R. 3456. A bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the uniformed services to receive compensation concurrently with retired pay, without deduction from either; to the Committee on Veterans' Affairs.

H.R. 3457. A bill to amend title 38 of the United States Code to provide that progressive muscular atrophy developing a 10 per centum or more degree of disability within 7 years after separation from active service during a period of war shall be presumed to be service connected; to the Committee on Veterans' Affairs.

H.R. 3458. A bill to amend title 38 of the United States Code to provide for additional compensation for any veterans who have suffered loss or loss of use of one lung or one kidney; to the Committee on Veterans' Affairs.

H.R. 3459. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; of the Committee on Veterans' Affairs.

H.R. 3460. A bill to amend title 38 of the United States Code in order to exclude certain social security payments in determining annual income for purposes of paying nonservice-connected death pension to widows of World War I veterans; to the Committee on Veterans' Affairs.

H.R. 3461. A bill to provide that veterans of World War I shall be entitled to the same automobile assistance allowance as is now provided for veterans of World War II and the Korean conflict; to the Committee on Veterans' Affairs.

H.R. 3462. A bill to amend title 38 of the United States Code to provide certain persons insured under servicemen's group life insurance (SGLI) with the choice of conversion either to an individual policy or veterans' group life insurance (VGLI) upon expiration of their SGLI coverage; to the Committee on Veterans' Affairs.

By Mr. MOORHEAD of Pennsylvania:

H.R. 3463. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3464. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. MOSHER:

H.R. 3465. A bill to authorize the disposal by the U.S. Government of certain sperm oil from the national stockpile, and the subsequent regulated commercial disposal; to the Committee on Armed Services.

H.R. 3466. A bill to amend the Merchant Marine Act of 1936 to establish a nuclear vessel construction program; to the Committee on Merchant Marine and Fisheries.

By Mr. MOSHER (for himself, Mr. Baldus, Mr. Fauntroy, Mr. Howe, Mr. Jeffords, Mr. Matsunaga, Mrs. Spellman, Mr. Steelman, and Mr. Stokes):

H.R. 3467. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of certain records, and for other purposes; to the Committee on the Judiciary.

By Mr. MOSS (for himself, Mr. Dingell, Mr. Rooney, Mr. Eckhardt, Mr. Carney, Mr. Metcalfe, Mr. Scheuer, Mr. Brodhead, Mr. Florio, Mr. Ottinger, and Mr. Santini):

H.R. 3468. A bill to insure the independence of the Federal Communications Commission, the Federal Power Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Securities and Exchange Commission, the Consumer Product Safety Commission, and the Civil Aeronautics Board, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NIX:

H.R. 3469. A bill to amend the Sherman Antitrust Act to clarify the intent of the Congress with respect to marketing cooperatives; to the Committee on the Judiciary.

By Mr. O'HARA:

H.R. 3470. A bill to extend and amend the Higher Education Act of 1965, as amended, and for other purposes; to the Committee on Education and Labor.

H.R. 3471. A bill to amend title IV of the Higher Education Act of 1965, as amended, and for other purposes; to the Committee on Education and Labor.

By Mr. PATTISON of New York:

H.R. 3472. A bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER:

H.R. 3473. A bill to amend the Vocational Education Act of 1963 to improve the administration of postsecondary vocational education programs, and for other purposes; to the Committee on Education and Labor.

By Mr. PRICE (for himself and Mr. Teague) (by request):

H.R. 3474. A bill to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes; jointly, to the Joint Committee on Atomic Energy and the Committee on Science and Technology.

By Mr. RAILSBACK:

H.R. 3475. A bill to amend title 3 of the United States Code in order to entitle veterans to 45 months of educational assistance for undergraduate or any other authorized programs of education; to the Committee on Veterans' Affairs.

By Mr. ROE:

H.R. 3476. A bill to authorize a national summer youth sports program; to the Committee on Education and Labor.

H.R. 3477. A bill to amend title III of the Act of March 3, 1933, commonly referred to as the "Buy American Act," with respect to determining when the cost of certain articles, materials, or supplies is unreasonable; to define when articles, materials, and supplies have been mined, produced, or manufactured in the United States; to make clear the right of any State to give preference to domestically produced goods in purchasing for public use; and for other purposes; to the Committee on Government Operations.

H.R. 3478. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the disposal of surplus real property to States and their political subdivisions, agencies, and instrumentalities for economic development purposes; to the Committee on Government Operations.

H.R. 3479. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers including policemen, firemen, volunteer firemen, and members of volunteer ambulance teams or rescue squads who die in the performance of duty; to the Committee on the Judiciary.

H.R. 3480. A bill to permit collective negotiation by professional retail pharmacists with third party prepaid prescription program administrators and sponsors; to the Committee on the Judiciary.

H.R. 3481. A bill to amend the Coastal Zone Management Act of 1972 to authorize financial assistance to coastal States to enable them to study, assess, and plan the effects of offshore energy-related facilities and activities in or on the Outer Continental Shelf on their coastal zones, and to provide for needed public facilities and services; to provide assistance to the coastal States for coordinating coastal zone planning, policies, and programs in contiguous interstate areas; and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 3482. A bill to amend the Small Business Act to provide that a small business concern shall include a nonprofit organization providing economic benefit or valuable service to its members; to the Committee on Small Business.

H.R. 3483. A bill to amend the Small Business Act to expand the definition of small business concern to include agribusinesses; to the Committee on Small Business.

H.R. 3484. A bill to extend the number of months of educational benefits for veterans and certain other eligible persons and to include graduate study; to the Committee on Veterans' Affairs.

By Mr. ROE (for himself, Ms. Abzug, Mr. Boland, Mr. Brown of Michigan, Mr. Cleveland, Mr. Edgar, Mr. Ford, of Tennessee, Mr. Gaydos, Mr. Giaimo, Ms. Holtzman, Mr. Madigan, Mr. Mazzoli, Mr. Minish, Mr. Mitchell of Maryland, Mr. Mollohan, Mr. Patten, Mr. Rodino, Mr. Roybal, Mr. Sarbanes, Mr. Stark, Mr. Stokes, Mr. Tsongas, Mr. Waxman, Mr. Whitehurst, and Mr. Winn):

H.R. 3485. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS:

H.R. 3486. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI:

H.R. 3487. A bill to allow the investment tax credit with respect to certain leased commuter cars; to the Committee on Ways and Means.

By Mr. ROUSSELOT (for himself and Mr. Lott):

H.R. 3488. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $1,000 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

H.R. 3489. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. ROYBAL:

H.R. 3490. A bill to amend the Elementary and Secondary Education Act of 1965 to assist school districts to carry out locally approved school security plans to reduce crime against children, employees, and facilities of their schools; to the Committee on Education and Labor.

H.R. 3491. A bill to authorize the U.S. Commissioner of Education to make grants to elementary and secondary schools and other educational institutions for the conduct of special educational programs and activities concerning the use of drugs and for other related educational purposes; to the Committee on Education and Labor.

H.R. 3492. A bill to amend the Education of the Handicapped Act to provide tutorial and related instructional services for homebound children through the employment of college students, particularly veterans and other students who themselves are handicapped; to the Committee on Education and Labor.

H.R. 3493. A bill to provide for public ownership of all objects and materials prepared for or by the President or Vice President of the United States in connection with public business; to the Committee on House Administration.

H.R. 3494. A bill to reduce pollution which is caused by litter composed of soft drink and beer containers, and to eliminate the threat to the Nation's health, safety, and welfare which is caused by such litter by banning such containers when they are sold in interstate commerce on a no-deposit, no-return basis; to the Committee on Interstate and Foreign Commerce.

H.R. 3495. A bill to ban aerosol cans in commerce unless they conform to safety standards set by the Consumer Product Safety Commission; to the Committee on Interstate and Foreign Commerce.

H.R. 3496. A bill to confer U.S. citizenship on certain Vietnamese children and to provide for the adoption of such children by American families; to the Committee on the Judiciary.

H.R. 3497. A bill to amend the Civil Rights Act of 1964 in order to prohibit discrimination on the basis of physical or mental handicap in federally assisted programs; to the Committee on the Judiciary.

H.R. 3498. A bill to terminate the airlines mutual aid agreement; to the Committee on Public Works and Transportation.

H.R. 3499. A bill to amend section 582 of the Tariff Act of 1930 to require search warrants in connection with certain body search procedures conducted with respect to persons entering the United States from foreign countries, and for other purposes; to the Committee on Ways and Means.

H.R. 3500. A bill to amend the Internal Revenue Code of 1954 to impose a retailers excise tax on certain nonreturnable bottles and cans, and to provide that the collections of such tax shall be paid over to the municipalities in which such bottles or cans were sold; to the Committee on Ways and Means.

By Mr. ROYBAL (for himself, and Mr. Badillo):

H.R. 3501. A bill to amend the Voting Rights Act of 1965 to protect the right to vote of persons of Spanish origin under the 14th and 15th amendments, and for the other purposes; to the Committee on the Judiciary.

By Mr. SHRIVER (for himself, Mr. Burgener, and Mr. Ketchum):

H.R. 3502. A bill to amend the Postal Revenue and Federal Salary Act of 1967 to abolish the Commission on Executive, Legislative, and Judicial Salaries; to the Committee on Post Office and Civil Service.

By Mr. SIKES (for himself, Mr. Meeds, Mr. Weaver, Mr. Breaux, Mr. Chappell, Mr. Melcher, Mr. Derwinski, Mr. McCormack, Mr. Haley, Mr. Charles Wilson, of Texas, Mr. Davis, Mr. Johnson of California, Mr. Harrington, Mr. Carter, Mr. Nichols and Mr. AuCoin):

H.R. 3503. A bill to amend the Agricultural Act of 1970 to increase the amount authorized to be appropriated for the forestry incentive program administered under title X of such act; to the Committee on Agriculture.

By Mr. STARK:

H.R. 3504. A bill to amend title 18 of the United States Code to prohibit the manufacture, sale, purchase, transfer, receipt, or transportation of handguns and handgun ammunition, in or affecting interstate and foreign commerce, except for, to, or by, certain pistol clubs, law enforcement officers, and members of the military; to the Committee on the Judiciary.

By Mr. SIKES (for himself, Mr. Meeds, Mr. Weaver, Mr. Breaux, Mr. Chappell, Mr. Melcher, Mr. Derwinski, Mr. McCormack, Mr. Haley, Mr. Charles Wilson of Texas, Mr. Davis, Mr. Johnson of California, Mr. Harrington, Mr. Carter, Mr. Nichols and Mr. AuCoin):

H.R. 3505. A bill to amend the Agricultural Act of 1970 to increase the size of a tract which may be affected by the forestry incentive program administered under title X of such act; to the Committee on Agriculture.

By Mr. SIKES (for himself, Mr. Melcher, Mr. Charles Wilson of Texas, Mr. Milford, Mr. Ullman, Mr. Mathis, Mr. Johnson of California, Mr. Haley, Mr. Roncalio, Mr. Quie, Mrs. Lloyd of Tennesseee, Mr. Snyder, Mr. Runnels, Mr. Kemp, Mr. Andrews of North Dakota, Mr. Nichols, Mr. Howe, Mr. Ketchum, Mr. Henderson, Mr. Gaydos, Mr. Flowers, and Mr. Walsh):

H.R. 3506. A bill to amend section 4182 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. STEIGER of Arizona (for himself, Mr. Byron, Mr. Sebelius, and Mr. Skubitz):

H.R. 3507. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

H.R. 3508. A bill to designate certain lands as wilderness, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STUDDS (for himself, Mr. Addabbo, Mr. Bauman, Mr. Dan Daniel, Mr. Derwinski, Mr. Fish, Mr. Ford of Michigan, Mr. Giaimo, Mr. Ginn, Mr. Long of Maryland, Mr. McCormack, Mr. McKinney, Mr. Mathis, Mr. Montgomery, Mr. Nedzi, Mr. Patten, Mr. Pattison of New York, Mr. Pritchard, Mr. Roncalio, Mr. Sikes, Mr. James V. Stanton, Mr. Stokes, Mr. Vander Veen, Mr. Weaver, and Mr. Yates):

H.R. 3509. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. UDALL (for himself, Mr. Steelman, Mr. Bingham, Mr. Bolling, Mr. Phillip Burton, Mr. Corman, Mr. Eckhardt, Mr. Edwards of California, Mr. Foley, Mr. Fraser, Mr. Horton, Mr. Kastenmeier, Mr. McCloskey, Mr. Martin, Mr. Miller of California, Mr. Pritchard, Mr. Regula, Mr. Reuss, Mr. Seiberling, Mr. Thompson, Mr. Tsongas, Mr. Vanik, Mr. Weaver, Mr. Whalen, and Mr. Yates):

H.R. 3510. A bill to encourage conservation of natural resources, to authorize grants to the States for land use programs, to coordinate Federal actions concerning land use, to require land use planning for the public lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VAN DEERLIN:

H.R. 3511. A bill to amend the Tariff Schedules of the United States to repeal the tariff treatment applied to articles of metal exported for processing and returned for further processing in the United States and to articles assembled abroad from U.S. products; to the Committee on Ways and Means.

H.R. 3512. A bill to amend the Tariff Schedules of the United States in order to apply the existing tariff treatment of articles of metal exported for processing and returned for further processing in the United States, and to articles assembled abroad from United States products, only to articles which are to be sold to U.S. agencies under procurement contracts entered into before such articles are exported for processing or assembly; to the Committee on Ways and Means.

By Mr. VANDER VEEN:

H.R. 3513. A bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974 so as to increase from 26 to 39 the maximum number of weeks for which an individual may receive unemployment assistance under the special unemployment assistance program established by title II of such act; to the Committee on Education and Labor.

H.R. 3514. A bill to amend the Internal Revenue Code of 1954 to include certain joint hospital laundry ventures among the cooperative hospital service organizations entitled to tax exemption thereunder; to the Committee on Ways and Means.

H.R. 3515. A bill to amend the Emergency Unemployment Compensation Act of 1974 so as to increase from 13 to 26 the maximum number of weeks for which an individual may receive emergency compensation thereunder; to the Committee on Ways and Means.

By Mr. WALSH:

H.R. 3516. A bill to permit the States to prepare environmental impact statements on Federal aid highway projects proposed by the State; to the Committee on Public Works and Transportation.

By Mr. BOB WILSON (for himself, Mr. Anderson of California, Mr. Andrews of North Dakota, Mr. Beard of Rhode Island, Mr. Bell, Mr. Carter, Mr. Cederberg, Mr. Chappell, Mr. Crane, Mr. Devine, Mr. Esch, Mr. Fascell, Mr. Flood, Mr. Giaimo, Mr. Hechler of West Virginia, Mr. Holland, Mr. Horton, Mr. Hyde, Mr. Johnson of California, Mr. Kasten, Mr. Ketchum, Mr. Krebs, Mrs. Lloyd of Tennessee, and Mr. Lagomarsino):

H.R. 3517. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

By Mr. BOB WILSON (for himself, Mr. Martin, Mr. Mathis, Mr. McDonald of Georgia, Mr. Mitchell of New York, Mr. Patten, Mr. Perkins, Mr. Quie, Mr. Railsback, Mr. Rees, Mr. Rinaldo, Mr. Robinson, Mr. Roe, Mr. Rose, Mr. Sebelius, Mr. Sikes, Mr. Solarz, Mr. Thone, Mr. Walsh, Mr. Whitehurst, Mr. Charles Wilson of Texas, Mr. Winn, and Mr. Yatron):

H.R. 3518. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

By Mr. CHARLES H. WILSON of California:

H.R. 3519. A bill to restore to Federal civilian employees their rights to participate as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WON PAT (for himself, Mr. Benitez, Mr. de Lugo, and Mr. Fauntroy):

H.R. 3520. A bill to amend section 216(b) of the Merchant Marine Act, 1936, to entitle the Delegates in Congress from Guam and the Virgin Islands to make nominations for appointments to the Merchant Marine Academy; to the Committee on Merchant Marine and Fisheries.

By Mr. YATRON:

H.R. 3521. A bill to direct the Comptroller General of the United States to conduct a study of the burden of reporting requirements of Federal regulatory programs on independent business establishments, and for other purposes; to the Committee on Government Operations.

By Mr. YOUNG of Florida:

H.R. 3522. A bill to authorize any officer or employee of the United States to accept the voluntary services of certain students for the United States; to the Committee on Post Office and Civil Services.

By Mr. HEINZ:

H.R. 3523. A bill to encourage States to provide real property tax relief to low and moderate income individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. BELL (for himself, Mr. Taylor of North Carolina, Mr. Johnson of Colorado, and Mr. Sebelius):

H.J. Res. 228. Joint resolution to authorize the Secretary of the Interior to establish on certain public lands of the U.S. national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BRINKLEY:

H.J. Res. 229. Joint resolution to designate the third week of September of each year as National Medical Assistants' Week; to the Committee on Post Office and Civil Service.

By Mr. GAYDOS:

H.J. Res. 230. Joint resolution asking the President of the United States to declare the fourth Saturday of each September National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. HAMMERSCHMIDT:

H.J. Res. 231. Joint resolution authorizing the President to proclaim the week beginning on the last Monday in October of each year as National Magic Week; to the Committee on Post Office and Civil Service.

By Ms. HOLTZMAN (for herself, Mr. Beard of Rhode Island, Mr. Brown of California, Mrs. Burke of California, Mr. Carr, Mr. Conyers, Mr. Eilberg, Mr. Hechler of West Virginia, Mr. Mitchell of Maryland, Mr. Rosenthal, Mr. Wirth, and Mr. Won Pat):

H.J. Res. 232. Joint resolution proposing an amendment to the Constitution of the United States with respect to the pardon power; to the Committee on the Judiciary.

By Mr. SIKES (for himself, Mr. Patman, Mr. Meeds, Mr. Won Pat, Mr. Weaver, Mr. Breaux, Mr. Vander Jagt, Mr. Chappell, Mr. Melcher, Mr. Gibbons, Mr. Milford, Mr. Devine, Mr. Ford of Michigan, Mr. Haley, Mr. Charles Wilson of Texas, Mr. Yatron, Mr. Ullman, Mr. Roe, Mr. Davis, Mr. Bauman, Mr. Carney, Mr. LaFalce, Mr. Johnson of California, Mr. Dingell, and Mr. Whitehurst):

H.J. Res. 233. Joint resolution asking the President of the United States to declare the fourth Saturday of each September National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. SIKES (for himself, Mr. Fish, Mr. Staggers, Mr. Frenzel, Mr. Mitchell of New York, Mr. Anderson of California, Mr. Snyder, Mr. Carter, Mr. Jeffords, Mr. Kemp, Mr. Addabbo, Mr. Stuckey, Mr. Nichols, Mr. Young of Florida, Mr. Andrews of North Dakota, Mr. Sebelius, Mr. Howe, Mr. Ketchum, Mr. Moorhead of California, Mr. Henderson, Mr. Foley, Mr. Murtha, Mrs. Holt, Mr. John L. Burton, and Mr. Baldus):

H.J. Res. 234. Joint resolution asking the President of the United States to declare the fourth Saturday of each September National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. SIKES (for himself, Mr. Fuqua, Mr. Flowers, Mr. Abdnor, Mr. Eilberg, Mr. Walsh, and Mr. Archer):

H.J. Res. 235. Joint resolution asking the President of the United States to declare the fourth Saturday of each September National Hunting and Fishing Day; to the Committee on Post Office and Civil Service.

By Mr. STRATTON:

H.J. Res. 236. Joint resolution authorizing the President to designate the 29th day in

May of each year as John Fitzgerald Kennedy Memorial Day; to the Committee on Post Office and Civil Service.

By Mr. REES:

H. Con. Res. 133. Concurrent resolution to lower interest rates; to the Committee on Banking, Currency and Housing.

By Mr. BRADEMAS:

H. Con. Res. 134. Concurrent resolution toward a barrier-free environment for all handicapped Americans; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mr. O'Neill, Mr. Burke of Massachusetts, Mr. Boland, Mr. Scheuer, and Mr. Vander Veen):

H. Con. Res. 135. Concurrent resolution expressing the sense of the Congress that no legislation imposing a ceiling on social security cost-of-living benefit increases be enacted; to the Committee on Ways and Means.

By Mr. HARKIN:

H. Con. Res. 136. Concurrent resolution relating to the World Food Conference of 1976 in Ames, Iowa; to the Committee on Foreign Affairs.

By Mr. LAGOMARSINO:

H. Con. Res. 137. Concurrent resolution expressing the policy of the Congress that the performance of the functions of the Federal Government should be attained by use of its own manpower and not by means of contracts with the private sector; to the Committee on Post Office and Civil Service.

By Mr. MITCHELL of Maryland (for himself, Mr. Won Pat, Mr. Ottinger, Mr. Moakley, Mr. Rosenthal, Mr. Rodino, Mr. Conyers, Mr. Richmond, Mr. Harrington, Mr. Simon, Mr. Brodhead, Mr. Rangel, Ms. Holtzman, Mr. Dellums, Mr. Koch, Mr. Charles H. Wilson of California, Mr. Symington, Mr. Hawkins, Ms. Schroeder, Mr. Leggett, Ms. Chisholm, Ms. Abzug, and Mr. Solarz):

H. Con. Res. 138. Concurrent resolution expressing appreciation to Mr. Frank Wills; to the Committee on the Judiciary.

By Mr. PATTISON of New York:

H. Con. Res. 139. Concurrent resolution expressing the sense of the Congress with respect to increases in costs of operating a national school lunch and school breakfast program; to the Committee on Education and Labor.

By Mr. ROE:

H. Con. Res. 140. Concurrent resolution expressing the sense of Congress concerning recognition by the European Security Conference of the Soviet Union's occupation of Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

H. Con. Res. 141. Concurrent resolution expressing the sense of the Congress with respect to the incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics; to the Committee on Foreign Affairs.

By Mr. GAYDOS:

H. Res. 225. Resolution concerning the safety and freedom of Valentyn Moroz, Ukrainian historian; to the Committee on Foreign Affairs.

By Mr. JONES of Alabama (for himself and Mr. Harsha):

H. Res. 226. Resolution to provide funds for the expenses of investigations and studies authorized by the Committee on Public Works and Transportation; to the Committee on House Administration.

By Mr. MORGAN (for himself, Mr. Bevill, Mrs. Boggs, Mr. Burgener, Mr. Mr. Burleson of Texas, Mr. Cohen, Mr. Downey, Mr. du Pont, Mr. Esch, Mr. Ford of Tennessee, Mr. Frenzel, Mr. Hall, Mr. Henderson, Mr. Ketchum, Mr. Kindness, Mr. Mazzoli, Mr. Murtha, Mr. Riegle, Mr. Rinaldo, Mr. Rodino, Mr. Rooney, Mr. Treen, Mr. Waggonner, Mr. Waxman, and Mr. Charles Wilson of Texas):

H. Res. 227. Resolution expressing the sense of the House of Representatives with respect to the missing in action in Southeast Asia and the Paris Agreement; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

31. The SPEAKER presented a memorial of the House of Representatives of the State of Hawaii, relative to national health insurance; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 3524. A bill for the relief of Antonio Mendoza Jimenez; to the Committee on the Judiciary.

H.R. 3525. A bill for the relief of Candida Menes Malolot; to the Committee on the Judiciary.

By Mrs. HOLT:

3526. A bill for the relief of Randall L. Talbot; to the Committee on the Judiciary.

By Mr. MEZVINSKY:

H.R. 3527. A bill for the relief of William M. Kornman; to the Committee on the Judiciary.

By Mr. SCHULZE:

H.R. 3528. A bill for the relief of Maria Elena San Agustin; to the Committee on the Judiciary.

By Mr. STOKES:

H.R. 3529. A bill for the relief of Noel Abueg Ende; to the Committee on the Judiciary.

H.R. 3530. A bill for the relief of Slobodanka Petrovic; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3. By the SPEAKER: Petition of Aline Beatrice McCloud, Houston, Tex., relative to redress of grievances; to the Committee on the Judiciary.

32. Also, petition of Roy D. Vinson, Covina, Calif., relative to a magnetically levitated vehicle; to the Committee on Public Works and Transportation.

SENATE—*Thursday, February 20, 1975*

The Senate met at 11 a.m. and was called to order by Hon. Thomas F. Eagleton, a Senator from the State of Missouri.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, who alone knows what this day may bring, grant that in every hour of it we may stay close to Thee. We would test our thoughts and deeds and words not by our faulty standards but with our eyes upon the transparent glory of One who went about doing good. In these dangerous days sober us with the knowledge that our greatest gift to this age is a life that is clean, strong, honest, trustworthy, and serviceable. We pray that we may not fail our generation and Thee—that injustice may be redeemed by justice, indecency by decency, hate by love, until Thy kingdom unfolds for all men. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, February 19, 1975, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

PROHIBITION AGAINST IMPOSITION OF TARIFFS ON OIL—SENATE JOINT RESOLUTION 12

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 3, Senate Joint Resolution 12, Prohibition Against Imposition of Tariffs on Oil, be placed under "Subjects on the Table."

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

THE EDELIN CASE

Mr. MANSFIELD. Mr. President, I have noted with interest the situation which has developed in Boston with respect to the so-called Dr. Edelin case. I very rarely comment on judicial decisions, but I will let the words of an outstanding conservative journalist—in my opinion, the most fair-minded of conservative journalists—Mr. George F. Will, in a commentary entitled "There's No Justice in Edelin Case," speak for my feelings on this matter.

Mr. President, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

THERE'S NO JUSTICE IN EDELIN CASE

(By George F. Will)

Washington.—The verdict in the Boston "abortion trial" is that the trial was not about abortion.

The jury decided that it was considering a case of manslaughter, of negligence that caused the death of a baby boy after an attempted abortion. The defense had argued that no such "person" existed, so no such person was killed.

October 3, 1973, there was no Massachusetts law restricting abortions. On that day Dr. Kenneth C. Edelin, chief resident in obstetrics and gynecology at Boston City Hospital, performed an abortion by hysterotomy on an unmarried 17-year-old who was between 20 and 28 weeks pregnant. Actually, the jury's verdict was that Dr. Edelin did not abort a fetus; he was negligently responsible for the death of a baby.

A hysterotomy is like a cesarean-section delivery: a fetus is removed from the woman through an incision in the abdomen and uterus. Dr. Edelin performed the hysterotomy after there were several unsuccessful attempts to destroy the fetus with infusions of a saline solution into the uterus.

The prosecution acknowledged that the fetus did not leave the woman's body alive. But the prosecution charged that the fetus was alive, and became a person, at the moment when, during the hysterotomy, Dr. Edelin detached the placenta from the uterus.

As proof of life, the prosecution said that an autopsy of the fetus revealed that its lungs were partially expanded, indicating "respiratory activity," albeit brief.

The prosecution argued, in effect, that the abortion ended and a birth took place at the instant when the fetus, capable of respiratory activity, was detached from the woman. The prosecution charged that Dr. Edelin held the fetus in the woman for three minutes until it suffocated. Dr. Edelin adamantly denied this. The jury accepted the prosecution's assertion that Dr. Edelin was negligent in not trying to sustain the life indicated by the "respiratory activity."

The jury accepted the view that when the fetus was detached from the woman's life-support system, and tried to breathe, it was a person, however briefly, even though still in her body, and even though it did not emerge from her body alive.

The defense argued that the hysterotomy, and hence the abortion, did not end until all the "products of conception" were removed from the woman's body, and that Dr. Edelin performed that operation at a normal pace in the normal method.

The defense emphasized, and the prosecution conceded, that the fetus was dead when removed. And the defense insisted that the 1.5-pound fetus had no realistic chance of surviving the abortion process that had as its legal purpose extinguishing the life of the fetus.

Anti-abortion militants are celebrating this manslaughter conviction. They may not understand it.

Militants argue that all abortions are "murder" because a "person" exists from the moment of conception. But when instructing the jury, the judge stipulated that no manslaughter occurred unless the fetus was born alive:

"A fetus is not a person and therefore not a subject for an indictment for manslaughter."

The jury evidently accepted the prosecution's view that at some point during the hysterotomy a baby suffocated as a result of Dr. Edelin's negligence. The decision will be appealed.

Perhaps until appeals are finished some obstetricians will be reluctant to perform "late" abortions. What else did this six-week trial accomplish?

It convicted a physician who, acting within the law, in accordance with standard gynecological practice, and in response to a patient's wishes, terminated the life of a fetus. Whether he offended some abstract canon of justice by doing this, his trial offended the common sense of justice; he could not have known that his conduct was subject to a manslaughter indictment.

It is said that hard cases make bad law. But as regards the hard issue of abortion, this Boston case made no lasting law.

APPOINTMENTS TO THE FEDERAL ELECTION COMMISSION

Mr. MANSFIELD. Mr. President, there has been a good deal of talk about experience, knowledge, national prominence, and the like relative to appointments made by the President and the majority and minority leaders within the concept of the law.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that my 5 minutes be yielded to the distinguished majority leader.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. I point out, Mr. President, that, so far as the majority of the Members of this body are concerned, very few of us, if any, had national exposure or national experience or national recognition before we were fortunate enough, lucky enough, to be elected to a Congress of the United States.

In that respect, may I say that it is my intention at this time to vote for Mrs. Carla Hills, on the basis of my knowledge today, when her nomination is presented to the Senate for confirmation to be Secretary of HUD, because I think on-the-job training is not a bad way to become experienced and certainly to do so on a basis of a more open mind.

Prior to the adjournment of the 93d Congress, the distinguished Republican leader (Mr. Hugh Scott) and I, pursuant to the Federal Elections Campaign Act of 1974, selected our respective appointees to the Federal Election Commission. As the Senate knows, these two designees, together with those of the House leaders and the President, are subject to hearings and confirmation not only by the Senate but also by the House.

However, no sooner had the designees of the Senate leadership been announced when a hue and cry was raised against them. Ignored was the fact that the appointments were subject to confirmation so that any flaws might be aired at that time. Forgotten was the fact that Senator Hugh Scott had been a leader in the effort to enact campaign reform legislation. Forgotten, too, was the fact that I have been an advocate of the reform of political campaign practices, including public financing, for more than a decade. So anguished were the complaints that one would have thought that the two Senate leaders were bent on sabotaging campaign financing by their appointments.

What was so appalling in our choices? Why were they subject to this barrage of criticism?

I know the distinguished Republican leader very well and I know, therefore, that his appointee to the Federal Elections Commission needs no defense from me. Nor, may I add, does mine. Nevertheless, for the benefit of those who do not know Mr. Joseph Meglen, of Billings, Mont., I want to say a few words about my appointee. I address my remarks especially to those denizens of this city who believe that the borders of political wisdom and competence are coterminal with the coterie of elitists in the Washington metropolitan area, reinforced occasionally from nearby cities—New York, Boston, Chicago, and perhaps as far west as Minneapolis and Albuquerque once in a while. Yes, I had the temerity to propose for the Federal Elections Commission, a citizen of Montana, and a campaign manager in several elections, not only of my campaign but also others, such as the distinguished Senator from Montana (Mr. Metcalf) who can also be regarded as a parent of Federal campaign reform. Yes, I had the temerity to make this appointment, moreover, without consulting any of those groups or persons who appear to have developed a vested interest in criticism of Congress.

Joseph Meglen is not my "crony"; he is a friend and fellow Montanan, and I am honored to know him in both relationships. Neither consideration, however, was controlling in my naming him for the Federal Election Commission. He has other qualities which, in my judgment, warranted proposing his name. His integrity is without flaw. His reputation in his own community—his own grassroots Montana community—is of the highest. He is an ordinary American from a small city in the Far West. And what, may I ask, is wrong with that for starters?

Joseph Meglen is also a highly competent lawyer who has served the Federal Government as a U.S. assistant district attorney and a a member of the President's Commission To Study Executive Pay Schedules.

He was and is a strong advocate of the Federal regulation of campaign financing. He did not come by this position lightly or lately. On the contrary, he has done the hard and, often, thankless volunteer work for American politics. As I have already noted, he has managed several political campaigns and taken the responsibility for reporting finances in connection therewith which, under Montana law, is very strict. The honesty and integrity of his participation in these campaigns has never been challenged or otherwise subject to censure.

Joseph Meglen does not come self-sealed in the cellophane robes of defender of the public weal. He is too modest and too unassuming for that mandarin role. He is, rather, a private American who happens to have a deep sense of public service, an experienced awareness of the complexities of the American political process and a passion for wanting to keep alive in this Nation, representative and egalitarian government, responsive to the people through honest elections.

Joseph Meglen was educated in Montana and Washington, D.C. He is a graduate of Georgetown University and he has worked here in the past. Nevertheless, he is not well known in this city. His name has no snob appeal. Certainly, he is not known at all to the vestal virgins—those self-designated guardians of the purity of the Federal electoral process—who were agonized by his designation to the Federal Election Commission.

Without taking the time to find out about him, without waiting for hearings in either House, without weighing his qualities and his competences, Mr. Meglen was dismissed, at best, as a "crony" appointment. Even worse, he was seen as merely an ordinary American, an obscure Montanan, without "prestige" or "stature" who obviously could not provide luster to the Federal Election Commission.

Well, Mr. President, I fear for the future of the Commission or any other branch of this Government if its operations come to depend on the prestige of its members as defined by the in circles of Washington. Indeed, I think it is high time that we paid a little less attention to big names and showed a little more concern for bringing into this Government new names, new faces, and above all, a new dedication to the welfare of the people who live outside this city as well as within.

I regret, deeply, that Mr. Meglen, through no fault of his own, through my effort to bring a new voice into the administration of this new law, has been pilloried by the snobs of this city. In their zeal to put their particular brand on the Federal Election Commission they may have done to a most desirable law a great disservice.

I regret to have to announce that despite my repeated urgings to the contrary, Mr. Meglen has requested that his nomination be withdrawn. After the treatment to which he has been subjected, I cannot in good conscience blame him for his decision. Even as I reiterate my regret to him, however, I cannot, also in good conscience, restrain my anger at the arrant behavior which has prompted it. If, in the name of reform, we cannot entrust the administration of the Federal Campaign Contributions Act to Americans of the caliber of Joseph Meglen, I fear that we are headed for the further isolation of the electoral process and the Federal Government from its popular roots.

I now read a letter from Joseph Meglen.

J. F. Meglen,
Attorney-at-Law,
207 Behner Building,
2822 3rd Ave., North Billings, Mont., 59103.

Just an ordinary address for an ordinary American—

December 23, 1974.

Hon. Mike Mansfield,
Majority Leader, U.S. Senate, Office of the Majority Leader, Washington, D.C.

Dear Senator Mansfield: After considering the matter thoroughly, I request that you withdraw my nomination to serve on the new Federal Election Commission.

I shall always appreciate the nomination and your confidence that I could render a service in the post, but there are dual reasons to decline. It would mean a considerable sacrifice to completely close out my law business and move to Washington. In addition, I love Montana and like very much living out here.

Also, the hostile reception of the appointment of an "unknown" and a "crony" makes me fear that, regardless of how well I might perform in the job, criticism would continue if for no other reason than to justify those original appraisals. I would be confronted with an uphill job to prove your wisdom, as well as my own.

Elections in Montana are conducted like elections all over the Nation. Perhaps more money is spent on them in the East and a few states like California, but the law and reporting requirements are the same throughout the United States. I do feel that my experience in your campaigns and the campaigns of Lee Metcalf and John Melcher, in which compliance with law has never been questioned, did qualify me to make some contribution to the effort to make our elections reflect the will of our citizens rather than the results of expensive public relation blitzes, or worse, financed by special interests.

I also feel it is unjust to rule citizens ineligible for positions of responsibility bebecause they have not previously attained a national reputation and are therefore not already well known to people unwilling to take the time and trouble to look into their qualifications. There are probably a number of fine citizens of America who have never come to the attention of Common Cause, the editors of The Washington Post, and others critical of my nomination for this reason.

Perhaps I should regard the early criticism of the appointment as a challenge, but I have accumulated too many years to embark on Quixotic adventures to slay the dragons of unjust or ill-advised criticism.

I am sure that you can find a nominee fully as capable as I am who can enter on the duties of the office without two strikes on him—the charge of obscurity and cronyism—and can therefore start without any handicap.

For both the personal and public reasons, I request you withdraw my name. I shall always take great pride that Mike Mansfield felt I could do a service in the post, as well as in the charge that I was one of his close longtime friends!

My warmest best wishes.

Sincerely,

J. F. Meglen.

Mr. President, I truly regret that Joe Meglen has asked me to withdraw his name. I hope that Senator Scott's designee, Joan Aikens, will not yield to the kind of pressure that has been coming in. Everything I know about Mrs. Aikens tells me that she is a professional businesswoman with an intimate knowledge of election and campaign laws. She has worked in local, State, and National politics for more than 15 years and recently served as president of the Pennsylvania Council of Republican Women.

Even though Mrs. Aikens does not possess the "star quality" so much desired by some pressure groups, I believe that she is otherwise qualified for the job and deserves a fair chance. Let us have the hearings on her nomination to see what she is like. Let us not be led around by the nose by those who are irritated because they cannot have it their own way all of the time.

I send to the desk the name of a nominee to replace Mr. Meglen under the Federal Elections Campaign Act of 1974 and ask that the clerk report the name.

Mr. HUGH SCOTT. And, if the Senator will yield, I will now resubmit the nomination, to the Federal Elections Commission, of Joan D. Aikens, of Pennsylvania.

The PRESIDING OFFICER (Mr. Mondale). The clerk will report the names.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. Mansfield) submits the names of Thomas E. Harris to be a member of the Federal Elections Commission.

The Senator from Pennsylvania (Mr. Hugh Scott) resubmits the name of Joan D. Aikens, of Pennsylvania, to be a member of the Federal Elections Commission.

Mr. MANSFIELD. Mr. President, Mr. Thomas E. Harris is equally "unknown" but I trust that there will be, in the consideration of this designee, on the part of sundry self-anointed Cromwellians, the constraints of decency and balance which were totally lacking in the case of Mr. Meglen.

Mr. President, I ask unanimous consent to have printed in the Record at this point a background résumé on Thomas E. Harris, and also, out of the Larousse Encyclopedia of Mythology, Prometheus Press, N.Y., 1963, the definition of the word "Vesta," especially in relation to the use of the appellation "vestal virgins." I also ask unanimous consent to have printed in the Record a news article entitled "Billings Man Defends Appointment by Mike," written by Frank Adams, and published in the Great Falls Tribune of Monday, January 20, 1975.

There being no objections, the material was ordered to be printed in the Record, as follows:

Thomas E. Harris

BORN

Little Rock, Arkansas, May 25, 1912.

EDUCATION

Little Rock public schools; University of Arkansas (B.A. 1932); Columbia Law School (LL.B. 1935); Kent Scholar; and Law Review.

PROFESSIONAL EXPERIENCE

1935–6—Law Clerk to Justice Harlan Fiske Stone.

1936—7—Associate, Covington & Burling (Washington, D.C.)

1937–9—Attorney, Lands Division, Department of Justice.

1939–41—Office of Solicitor General, Department of Justice.

1941–2—Associate General Counsel, Federal Communications Commission.

1942–3—Associate General Counsel, O.P.A.

1943—Board of Economic Warfare (North Africa).

1943–5—Associate, Cahill, Gordon, Zachry & Parlin (New York City).

1945–6—Military Government, Germany.

1946–7—Partner, Alvord and Alvord (Washington, D.C.).

1947–8—Special Assistant to Attorney General, Alien Property Division, Department of Justice.

1948–55—Associate General Counsel, Congress of Industrial Organizations.

1955 to date—Associate General Counsel, American Federation of Labor and Congress of Industrial Organizations.

ARGUED THE FOLLOWING CASES IN SUPREME COURT

U.S. v. *American Trucking Association*, 310 U.S. 534 (1940).

Republic Steel Corporation v. *NLRB*, 311 U.S. 7 (1940).

Helvering v. *Janney*, 311 U.S. 189 (1940).

Taft v. *Helbering*, 311 U.S. 195 (1940).

**Phelps Dodge Corp.* v. *NLRB*, 313 U.S. 177 (1941).

Scripps Howard Radio v. *F.C.C.*, 316 U.S. 4 (1942).

Cole v. *Arkansas*, 338 U.S. 345 (1949).

**American Communications Association* v. *Douds*, 339 U.S. 382 (1950).

Smith v. *Evening News Association*, 371 U.S. 195 (1962).

Wiley & Sons, Inc. v. *Livingston*, 376 U.S. 543 (1964).

*Important constitutional law cases.

[From Larousse Encyclopedia of Mythology, Prometheus Press, N.Y., 1963]

Vesta

Vesta is the most beautiful of Roman divinities, bright and pure like the flame which is her symbol. Her name derives—like the name Hestia—from a Sanskrit root, *vas*, which expresses the idea of "shining".

The Latins had made Vesta a goddess who personified the earth and fire. The Romans kept only the second of these personifications. Nor was Vesta the goddess of fire in its broadest sense, but only of fire required for domestic use or in religious ceremonial.

In the beginning Vesta was associated with Janus Pater and Tellus Mater, and was the protectress of sown fields. She was also a symbol of idealised maternity—although she was a virgin—because fire nourishes.

As a goddess of fire she received both a private and public cult.

Every hearth had its Vesta. With Jupiter Dapalis she presided over the preparation of meals; she was offered the first food and drink. With the Lares and the Penates she held a pre-eminent position in the house.

At Rome the centre of her cult, which was said to have been originated by Romulus, was in the Regia. It lasted almost all the year, being interrupted only during the months of January and November. The chief festivals of Vesta were the Vestalia which were celebrated on the seventh of June. On that day her sanctuary (which normally no one except her priestesses, the Vestal Virgins, entered) was accessible to mothers of families who brought plates of food. The Vestals officiated. The ceremonies were simple and unsanguinary. The objects of the cult were essentially the hearth fire and pure water drawn into a clay vase, handmade, and narrow at the base so that it could not stand on the ground.

The Vestals, who played a role of first importance in Roman liturgy, enjoyed exceptional prestige. When Numa first instituted them they were two in number; Servius increased them to six. They were chosen by lot from patrician families and entered the college between the ages of six to ten. They remained there for thirty years. During the first ten years they received instruction in their duties which they exercised for the following ten years. Then, in their turn, they taught the younger Vestals.

They took their vows of absolute chastity. Those who broke their vows were punished by death. Originally they were whipped to death, but the Elder Tarquin modified this torture: they were then whipped and walled-up alive in a tomb which was sealed after a few provisions had been deposited in it. Vestals accused of impurity sometimes managed to clear their reputation. It was told how Tuccia proved her virginity by bringing back water from the Tiber in the sacred sieve. The accomplice of the guilty Vestal was whipped to death in the Forum Boarium. During the course of eleven centuries only twenty Vestals broke their vow and suffered punishment.

If a Vestal let the sacred fire go out she was whipped by order of Pontifex Maximus.

When the Vestals had finished thirty years of their engagement they could marry. They rarely took advantage of this right, however, preferring to maintain the privileges of their position.

[From the Great Falls (Mont.) Tribune, Jan. 20, 1975]

Billings Man Defends Appointment by Mike

(By Frank Adams)

Billings.—Joseph Meglen has been treasurer and manager of half a dozen congressional campaigns.

So he figures he knows something about the problems and potential abuses and could make a contribution toward enforcing the new National Campaign Reform Act.

But Meglen's selection by Sen. Mike Mansfield as a member of the new law's enforcement commission has been labled by Common Cause "disappointing, smacking of political cronyism."

"I guess because I don't have a national reputation I'm a crony," says the Billings lawyer.

Meglen, 64, was born and reared in Butte. That's where he became acquainted with Mansfield, who worked in the Anaconda Co. mine. "Mike has been a friend of mine for many, many years," says Meglen. "He's in my opinion one of the real great senators that Montana has had."

Meglen was Mansfield's treasurer and campaign manager in 1958, 1964, and 1970. He was also treasurer of congressman John Melcher's campaigns except in 1970 when Mansfield was running.

"And certainly all of the campaign reports were accepted and they never found any fault with them," he says. "And I thought I could make a contribution, and I'm in favor of the objectives of the Campaign Reform act."

The act was signed last October and hailed as an answer to the election abuses that came to light in the Watergate scandal. It sets limits on how much candidates can collect and spend, and controls who may give and how much.

Senate leaders Mansfield and Hugh Scott nominated their choices for the enforcement commission, and both were approved by the Senate in October. But the action was rescinded after complaints that neither Meglen nor Scott's appointee had been subject to committee hearings.

President Ford has not named his two appointments to the commission, nor have House leaders.

Meglen says he has had no indication when the rules committee will hold hearings on his nomination for the $38,000 a year, full-time job.

A source in Sen. Mansfield's office says the allegations of cronyism originated because a couple of organizations pushing for campaign reform had a couple of nationally known people they wanted to get on the commission. Because Meglen and Scott's choice weren't known by the organizations, "they started stories of cronyism," says the spokesman.

Mansfield's administrative assistant, Peggy DeMichele, says Mansfield picked Meglen because "he's known him and he knew how involved he's been in campaigns and figured he would be qualified."

"And he thought somebody from Montana who hadn't been involved in any difficulties could do a better job," she says.

Meglen is no stranger to Washington. He graduated from Georgetown Law School and worked in the Justice Department before and after the war.

He was assistant U.S. attorney in Montana from 1947 until the Republicans came into power with the election of Eisenhower in 1952. He has practiced law in Billings since.

Meglen was appointed by Mansfield to the salary commission set up during the Johnson administration to make pay recommendations for top government officials. The commission finished its work last June.

"Edward Foley and myself, two Democrats, voted against pay raises," he notes. "We didn't think they were justified. President Nixon was talking continuously about holding the line and so on. The rest of the commissioners were up to about a 32 per cent increase. We couldn't see where that would be justified with the congressmen making $42,500 and the cabinet members were making more than that."

His salary commission job was of a part-time advisory nature, involving about five trips to Washington. Meglen would have to move to Washington as a member of the Campaign Enforcement Commission.

Mr. MANSFIELD. Mr. President, I hope that what I have said will be taken to heart, not only by these self-appointed trustees of congressional appointments, these bosses, and the like; but I hope that the Members of the Senate will continue to be aware of the fact that most of us became Senators or Members of Congress on the basis of on-the-job training; that we are all ordinary Americans; that we have been the recipients of public honors and public respect well beyond our ability, know-how, and even integrity; and that hopefully we shall never accept the principle that people have to have national prominence and stature to be appointed to a commission, a bureau, or a department of the Government of the United States.

President Lincoln did not forget the one Declaration of Independence, that this is a government of the people, by the people, and for the people; and if I might add—not a government run for the benefit of a self-anointed few.

The PRESIDING OFFICER (Mr. Allen). The nominations submitted by the distinguished majority leader and the distinguished Republican leader will be received and appropriately referred.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that I may proceed for 10 minutes, and yield to the distinguished Senator from Alabama.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I want to say to the majority leader that I was impressed by what he had to say about on-the-job training. Of course, as he says—and this applies to the majority leader, too—those of us who served in the House of Representatives before coming to the Senate did have to have a lot of on-the-job training. But I want to call attention to a nomination that the President has sent up here, that is to be considered by the Committee on Banking, Housing, and Urban Affairs next Monday. I refer to Mrs. Hills, who had been nominated to become Secretary of Housing and Urban Development.

The objection has been made that she knows nothing about housing, and has had no experience in housing. But my attitude has been this, and I so told the representative from the White House and Mrs. Hills personally: She has had a brilliant record in the Justice Department. I am told that she is one of the most qualified, generally, of persons who could be found, and I am supporting her nomination as head of the Department of Housing and Urban Development because I am confident that with her fine grasp of things generally, the good mind which she has, and the fact that she will have experts in the housing field who have been there for years, she will make an excellent Secretary of Housing and Urban Development, and I support her nomination on that basis.

Mr. HUGH SCOTT. I would like to say, Mr. President, that I endorse everything the distinguished Senator from Alabama has said, and I endorse very strongly indeed the entire statement of the distinguished majority leader.

What we have seen here is the activity of people who themselves are largely obscure. The staffer from one of these virtue groups, whom I personally may have seen but certainly never heard of, and whose judgment has no weight with me, undertook to publicize for the benefit of the local press and the press of my State the fact that he did not know my appointee.

Well, that is just too bad. He found a couple of things wrong with her. I know he has embarrassed the head of his organization, but it is just too bad that he does not know her. It is too bad that he objects because he has stated that she is my friend. I had not known that was a disability.

Further, his objection seems to be that she is in retail trade. Well, I might add, so was Harry Truman, and I do not find anything wrong in being in retail trade.

She is a businesswoman; she is extremely well qualified, as the majority leader has said. I resubmit her name in full confidence, and I resent the attack by this small group of arrogant know-it-alls who spend most of their time manufacturing halos for each other.

These are the kind of critics who did not even wait to examine the qualifications of these appointees. They certainly could not and did not wait for the hearings. They made no reference to the fact, for example, that Common Cause, in numerous advertisements in newspapers, paid tribute to me as one of the authors of the campaign reform bill, and as the specific author of the amendment creating the Federal Elections Commission, which I fought for in two Congresses.

Having created that Commission, would I attempt to slaughter my own child? And I certainly would not engage in the kind of sabotage that these saboteurs are so busy at, simply because they have access to press outlets. They try their case unilaterally. They withhold the essential facts. They deliberately deceive the public, and it is done to aggrandize themselves.

I know what this particular staffer is getting at: he believes that Senator MANSFIELD and I should have consulted him, and perhaps named him, but certainly named someone of his choice. Well, he will live a long time before he has any favor with me.

I am not and never have been dominated or dictated to by anyone, and I am not going to start now.

I would like to say, Mr. President, that I have named here a woman who has been honored by an organization of thousands of other women for the presidency of that organization; who has been a successful businesswoman in the communications field. She is an account executive with the Lew Hodges organization in King of Prussia, Pa.

Well, just like Billings, Mont., King of Prussia, Pa., does not carry a whole lot of weight with these characters and types who infest the Washington scene, who seem to think that unless you are from Washington or New York City, unless you can get the endorsement of the newspapers of those cities, you cannot possibly amount to much.

Well, I think they have got something to learn. They have got to learn that the Congress of the United States is not going to be run by pressure groups, no matter how many halos they erect over their own heads, and no matter how noble they contend that their aspirations are.

Had they had nominees to suggest they should have come to Senator MANSFIELD and myself. Had they had nominees to suggest, they should go to the House Members and to the President. They had done none of that. They have tried their case in the papers.

I may add, Mr. President, that I do not know what they expected, whom they expected me to name. They say I named a friend. Did they expect I would name an enemy?

Mr. President, I have never named anybody who was not a friend, and I have observed that most of them are better friends right after I name them, and I see nothing wrong with that.

This is not a patronage position. This is a full-time job. Mrs. Aikens knows she has to call them as she sees them, that she has to be tough and she has to be upright, that she has to be incorruptible, and I have no doubt that she can do precisely that.

She will have to exercise her duties in the full light of publicity, and I am satisfied that that does not deter her.

Therefore, I have resubmitted her name, and I will do all I can to see that the nominees submitted by all the parties having the nomination power are confirmed in the Senate.

Mr. MANSFIELD. Mr. President, will the Senator yield to me briefly?

Mr. HUGH SCOTT. Yes.

Mr. MANSFIELD. I would just like to say briefly that Joseph Meglen, of Billings, Mont., was appointed to the Presidential Pay Commission 3 years ago. He served for about 7 months. He attended five meetings in Washington on a per diem basis, and he was one of only two members out of a Commission of seven who recommended against a pay increase for Members of Congress and members of the judiciary and members of the executive branch.

ORDER FOR STAR PRINT—S. 445

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that a star print be made of S. 445, a bill I introduced on behalf of myself and numerous cosponsors, to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or a reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs.

The star print is necessary, because two references to dates in the bill are inaccurate.

The PRESIDING OFFICER (Mr. STONE). Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri (Mr. EAGLETON) is recognized for not to exceed 15 minutes.

EXECUTIVE-CONGRESSIONAL RELATIONS IN FOREIGN POLICY

Mr. EAGLETON. Mr. President, in recent days both President Ford and Secretary of State Kissinger have addressed the important question of Executive-congressional relations in foreign policy. First, Dr. Kissinger, in a major speech before the Los Angeles World Affairs Council, proposed a "new national partnership" in the formulation of our Nation's foreign policy. Then, in a speech at a fundraising dinner for the New York State Republican Party, President Ford asked for a return to the Vandenburg era and appealed for "an openminded spirit of enlightened national concern to transcend any partisan or internal party politics that threaten to bring our successful foreign policy to a standstill."

While both speeches advanced a common theme—a return to an era of clear Executive dominance in foreign affairs—Secretary Kissinger's initiative was clearly the more serious attempt to address constructively our contemporary situation.

It is now obvious that our Government is in the throes of institutional change. I believe that the return to shared power is a healthy one, but I recognize that the struggle to find balance may dangerously preoccupy our Nation with institutional parochialism. Dr. Kissinger has opened a dialog which I hope will carry us beyond petty conflict to a greater understanding of the contribution Congress and the Executive can make together in shaping a creative and effective foreign policy.

It is first important to define the terms of this new partnership in a way that will meet the demands of today's world. We must realize, for example, that there is no turning the clock back to the institutional relationships of the cold war era. That period was characterized by a clear understanding of common goals, the acceptance of a common enemy, and the total subordination, largely self-imposed, of the legislative branch.

As we pursued active internationalist policies after World War II, it seemed natural to acquiesce to the efficiency and the dynamism of the Presidency. The United States was thrust suddenly into a position of world leadership. A Congress previously identified as overwhelmingly isolationist seemed incapable of contributing to our Nation's pell mell rush to internationalism. Senator Vandenberg, chairman of the Foreign Relations Committee and a reformed isolationist, was ideally suited to whip the Senate into line as it considered and approved such Presidential initiatives as the creation of the United Nations and the Marshall plan.

These creative, internationalist initiatives quickly gave way to the static policies of the cold war era. The ease with which we identified the enemy during the cold war made policy formulation relatively simple. The American people readily embraced the concept of "containment," and a politician who questioned the President would do so only at great risk. The congressional role in foreign policy soon eroded away and the legislative branch became a rubber stamp for Executive initiatives.

Were it not for Vietnam, we might conclude, as has President Ford, that the Congresses of the post-war era served their Nation well. But Vietnam became the ultimate tragedy of a decisionmaking process which had gradually become devoid of checks and balances. In our search for a new partnership in foreign affairs, we cannot afford to ignore the lessons of that devastating experience.

Today the confidence and dedication with which we earlier pursued a policy of containment have been replaced by uncertainty and cynicism. We face a complex world in which the United States may no longer be capable alone of controlling its own destiny. As Dr. Kissinger recognized in his Los Angeles speech:

> Old international patterns are crumbling; old slogans are uninstructive; old solutions are unavailing.

Today's constantly changing world patterns have confused the American public. And as a consequence, the job of the policymaker has become infinitely more complicated. In the public's mind our relations with foreign governments are colored by a mask of suspicion. And the most discernible mood is the overwhelming desire to withdraw.

If the United States is to compete successfully in the highly complex international arena of today, we need both a strong and flexible President and a legislature which is institutionally equipped to make the people's will felt. At a time of transition and uncertainty, the congressional responsibility as described by Jefferson "to represent all opinions, argue all options, and raise all objections to any suggested course of action" becomes a vitally important ingredient in policy formulation.

I believe that Secretary Kissinger has come to realize that the reappraisal of America's world role must go on, despite his belief that it is having a negative impact on the day-to-day business of diplomacy. And I believe that he has come to realize that this reappraisal can only be accomplished through a close partnership, with Congress and the President working together to determine the nature and the extent of America's foreign commitments.

It is not easy to be at the helm during a period of transition. This is especially true in the conduct of foreign relations, where the swiftly changing currents of American political thought are not easily comprehended by those with whom we negotiate. In this sense, I can sympathize with the concerns Secretary Kissinger has expressed over our current lack of a foreign policy consensus.

But it is vital that opposing views be joined in a rational debate rather than in a debilitating power struggle. The future course of our society will not be set by appeals for unity for unity's sake—it will be set by the collective wisdom we derive from open debate. We cannot return to the Vandenberg era and still pay heed to the lessons of Vietnam.

The real dichotomy in today's debate over foreign policy is not partisanship, as President Ford implied in his New York speech. It is, rather, a fundamental disagreement over the general approach we should adopt as a nation in conducting our relations with the rest of the world. I believe it is still valid to say that partisan politics stops at the water's edge. Ideas, however, do not.

Dr. Kissinger's approach to foreign affairs has brought our Nation dramatic success. It has brought some failure as well. And for those who have involved themselves in the foreign policy debate, the Kissinger approach has, in itself, become a central issue.

To many his pragmatism has come to mean, rightly or wrongly, a search for solidarity and stability to the exclusion of other important considerations. His traditional use of diplomatic, military, and monetary devices is seen by his critics as unseemly manipulation.

Dr. Kissinger's greatest triumphs—his initiative toward China and his détente with the Soviet Union—have, for example, opened him to the criticism that his diplomacy ignored old allies. His preoccupation with the superpowers led many to question whether his success was worth the deterioration of our relations with nations in Africa, South Asia, and Latin America.

In an effort to highlight the weaknesses rather than the strengths of this record, Dr. Kissinger's critics seem to be offering a totally opposite approach to world affairs. This approach minimizes the importance of contemporary power relationships. It emphasizes instead the need for social change. Such change is seen as holding the promise of relief for those oppressed peoples who, it is said, are losing ground under the status quo Dr. Kissinger's policies seek to preserve. Advocates of this approach concern themselves with such worldwide problems as human rights, food distribution, ecology, and the proliferation of conventional arms.

This is perhaps an oversimplified analysis, but I present these apparently polarized positions because I see them as the main obstacle to consensus. It is not partisanship, in other words, so much as it is ideas which keep us from a common approach to the foreign affairs of our Nation.

If we are to move toward consensus, we must understand that these divergent views are not irreconcilable. We need not, in my view, abandon the search for balance and stability, especially among the superpowers. Nor can we afford to ignore the needs of the developing world or the plight of those whose inalienable rights are denied by oppressive governments.

But if our foreign policy is to contain the proper mix of pragmatic and human considerations, we will have to assure that the most important decisions affecting that policy receive, to use Justice Joseph Story's words:

> The utmost deliberation, and the successive review of all the councils of the nation.

Mr. President, the most grievous errors of American policy in the past decade can be traced to a decisionmaking process which has not benefited from institutional balance. The American people were too often presented with fait accomplis in foreign policy, because Congress was unaware of important commitments being undertaken by the executive branch. From Vietnam to the India-Pakistan dispute, to Chile, to our current Cyprus policy, initiatives were taken in the name of the American people without the advice and consent of their elected representatives in Congress.

Secretary Kissinger has acknowledged "the indispensable contribution of Congress to the general direction of national policy." He has recognized that "the separation of powers produces healthy and potentially creative tension * * *." I believe he sees the need for consultation and compromise. But his rhetoric too often dwells on the limitations of Congress and his actions confuse the initiative toward cooperation he has commendably begun.

When "national policy" was set by statute in the case of our military assistance laws, for example, the law was circumvented to accommodate an attitude that there exists a higher order of interest.

It is no longer in our national interest, it was argued, to insist that a recipient of American arms refrain from using those arms to commit aggression. It is not in our interest, it was said, to stop the arms flow to a nation which used our weapons to invade and occupy a friendly nation.

These arguments formed the basis for the administration's refusal last fall to follow the law and cut off military assistance to Turkey. Regrettably, Congress had to act to reaffirm the Nation's policy on military assistance. It was a confrontation that could have been avoided if both the letter and spirit of the law had been initially applied.

The Secretary of State has expressed concern over the breakdown of authority in the Western world and has appealed for a return to order. But there can be no greater "crisis of authority" than that which is characterized by public officials who rationalize placing themselves above the dictates of law. The new national partnership must accept that fundamental principle.

The revitalization of Congress as a meaningful participant in the shaping of foreign policy must be largely our own undertaking. While Dr. Kissinger is correct in saying that a legislative body is not "well-suited to the detailed supervision of the day-to-day conduct of diplomacy," Congress must vigorously impose itself as a check over Executive action through proper oversight. And we must participate in the setting of the proper legal parameters within which our diplomats can operate, always mindful of the benefits of flexibility in the conduct of negotiations.

Secretary Kissinger has taken an important step toward a new partnership by offering support as Congress seeks to fulfill its constitutional obligations. I can personally attest to his willingness to consult with Members who are concerned about particular aspects of foreign policy. But whether meaningful support is forthcoming or not, I believe Congress will insist, through legislation if necessary, that the following actions be taken:

First. That information necessary in fulfilling constitutional responsibilities be provided by the executive branch to appropriate committees and individual Members of Congress. Claims of an alleged right of executive privilege have, in themselves, resulted in a usurpation of legitimate legislative power and have been used primarily to protect erroneous judgments. Congress cannot be an effective check if it is denied the information it needs to fulfill its role.

Second. That the treaty power of the Senate be honored. The Executive has seriously distorted the "advice and consent" clause of the Constitution by negotiating executive agreements in lieu of treaties which are subject to ratification by two-thirds of the Senate. If Congress permits the most important international commitments to be made wtihout its advice and consent, then it is abdicating its responsibility in favor of an arrangement which is not even acknowledged by our Constitution.

Third. That laws concerning foreign policy be faithfully executed. If there are statutes on the books affecting foreign policy which, in the view of the State Department, are no longer appropriate, they should be brought immediately to the attention of Congress and either reaffirmed or changed. When events require the implementation of a law, it is too late to argue that the law is not in the national interest.

Mr. President if these minimal actions are taken with the support of the executive branch, we can go far toward restoring the institutional balance our system requires.

I agree with Secretary Kissinger that consensus is a desirable goal, but we should realize that the institutional arrangements which characterized the cold-war era are now unacceptable. Consensus cannot be achieved by submission of Congress; rather it must be the product of active consultation and open debate.

In a world where policy formulation is complicated by the understandable uncertainty and cynicism of our people, and in a world where each policy option vitally affects their lives, the ideas of this democratic society cannot be restricted, even by the water's edge.

Mr. President, I yield back the remainder of my time.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama (Mr. ALLEN) is recognized for not to exceed 15 minutes.

Mr. ALLEN. Mr. President, I thank the Chair for recognizing me at this time.

THE PROPOSED AMENDMENT OF RULE XXII

Mr. ALLEN. Mr. President, the purpose of my remarks at this time is to explain for the record, and, it is hoped, for the Vice President, had he been present in the Chamber presiding over the Senate, the parliamentary situation that we may expect to have later on in the day. The reason the Senator from Alabama is speaking at this time is because, under the parliamentary procedure that he understands is to be pursued, a motion to table a point of order is expected to be made to a motion to be made by the proponents of Senate Resolution 4, a motion to be made to table that point of order, and that would cut off debate.

So, Mr. President, that makes it incumbent on the Senator from Alabama at this time to explain just what is involved.

The distinguished majority leader requested the proponents of Senate Resolution 4 to advise those of us who oppose any effort to amend rule XXII as to the procedure that they plan to follow to raise this question here in the Senate. I commend the distinguished majority leader for his fairness and for his arms-length dealing with the opposing side in this controversy.

The Senator from Alabama has been advised that at 12 o'clock, or shortly thereafter, the distinguished Senator from Kansas (Mr. PEARSON) will be recognized for the purpose of making a motion that the Senate proceed to the consideration of Senate Resolution 4, appearing first on the calendar.

That motion, of course, is debatable and has been debated.

It is the understanding of the Senator from Alabama that a motion will then be made in what I call the McGovern-Humphrey plan of 1967, that some 2 hours, or another length of time—it was 2 hours in the McGovern situation in 1967—be allowed for debating the motion that is to be filed.

It would provide that at the end of 2 hours the Presiding Officer would put the question on whether or not we should proceed to consider Senate Resolution 4. It is planned that a point of order will be made against that motion, which, of course, would suspend the rules, would evade rule XXII, and would seek to amend the Senate rules by a majority vote.

That point of order, of course, would be a point well taken. But without waiting on the Presiding Officer of the Senate to rule on that point of order, a motion will be made to table the point of order, cutting off debate.

The point the Senator from Alabama wishes to make is that even if the point of order to the motion to be filed to proceed to a vote on the motion at the end of 2 hours is made and it is tabled, all that would decide is that the motion to have a vote after 2 hours is properly before the Senate. It would not decide the question of the passage of the motion. It would still be there, and it would still be subject to debate.

The Senator from Alabama wants to call that to the attention of the Presiding Officer of the Senate because he does not know what the advocates of Senate Resolution 4 have been doing about advising the Presiding Officer, the Vice President, of their views on this matter. The Senator from Alabama long ago said he would have no private conversations with the Vice President. Anything he had to say he would say here on the Senate floor.

In the first place, Mr. President, this motion that the Senate, after 2 hours, vote on the motion of the Senator from Kansas (Mr. PEARSON), a motion to proceed with Senate Resolution No. 4, is only a unanimous-consent request. The Senator from Alabama points that out. How many times have we heard the distinguished majority leader get up and say, "I ask unanimous consent that there be 2 hours of debate" on an issue "and at the end of that time there will be a vote"? That is all this motion does. Assuming that the Chair thinks otherwise, it is certainly a motion to suspend the rules which takes a two-thirds vote.

Mr. President, this McGovern-Humphrey route that was followed in 1967 was so thoroughly discredited by the Senate at that time that, until now it has never been used since. Can you imagine the picture: the Senator from Minnesota (Mr. HUMPHREY), then-Vice President, presiding over the Senate, and then the Senator from South Dakota Mr. MCGOVERN) getting up and making this motion. The distinguished then-Vice President (Mr. HUMPHREY) said, when the point of order was made by Senator Dirksen, that this motion was out of order and a tabling motion was made on the point of order, that he was going to let that be a test vote, and if they tabled the point of order, then he was going to put this resolution to a vote without any further debate.

Well, you cannot decide one question by deciding how you vote on another question. That is a mistake the Vice President made at that time.

But the point of order was not tabled by the Senate; it was sustained.

(At this point the Vice President assumed the chair.)

Mr. ALLEN (continuing). Much is to be said about the action of Vice President HUMPHREY at that time.

The Senator from Minnesota (Mr. HUMPHREY) as Vice President made two rulings. One was not a ruling but it was a statement of what he was going to do. In 1969 he made a ruling that a majority, a simple majority, fewer than the two-thirds majority, can invoke cloture.

I have been saying in 1969 his ruling lasted only 15 minutes, when Vice President HUMPHREY said that a simple majority could invoke cloture. I have been saying that that stood for 15 minutes, until the Senate could overrule the Vice President. I was mistaken on that, Mr. President. I want to correct that. Back in 1969, rollcall votes lasted for 20 minutes, not 15 minutes. So the ruling by the distinguished Vice President, Mr. HUMPHREY, was a ruling that lasted not for 15 minutes but for 20 minutes. That was how long it lasted. As soon as the Senate had an opportunity to vote on it, the Senate overruled the Vice President.

In 1967, this route of throwing the rule book out of the window was used, trying to invoke cloture by force of numbers, without regard to the rules. It is an effort that ill becomes the advocates of this rules change.

Mr. President, if a motion to table is made with respect to the point of order, I will not have an opportunity to discuss the matter further, and I should like to capsule what is going to be at issue.

The Senator from Kansas is to make a motion that the Senate proceed to the consideration of Senate Resolution No. 4, the resolution seeking to change rule XXII. Thereafter, I understand that the Senator from Minnesota (Mr. MONDALE) is going to make a motion that at the end of a certain length of time, following the McGovern script, 2 hours, the Chair put the question. A point of order will be made that this motion is an evasion of rule XXII and is not in order.

Then a motion will be made by the proponents of Senate Resolution No. 4 to table the point of order, taking the question away from the distinguished Presiding Officer. If the point of order is tabled, the point that the Senator from Alabama wants to make to the Presiding Officer is that all that is decided is that the motion to proceed to a vote on the Pearson motion at the end of a stated length of time—perhaps 2 hours—is properly before the Senate. It does not rule out subsequent debate with respect to the Mondale motion. That is up for debate because it has not been adopted. It has to be adopted by the Senate and would be subject to debate.

The Senator from Alabama contends, further, that all that the motion to be made by the Senator from Minnesota (Mr. MONDALE) constitutes is a simple unanimous-consent request, and the Senator from Alabama expects to object to that.

If that objection is not felt to be proper, then the Senator from Alabama is going to point out that if this motion ever comes to a vote, since it is a suspension of the rules and the precedents of the Senate, not the written rule, require a two-thirds vote to suspend the rules, it will require a two-thirds vote. This effort that is being made is a back door approach.

Back in 1971, the distinguished majority leader moved to table an appeal by the Senator from New York to the ruling of the Chair that it took a two-thirds vote to invoke cloture. Senator MANSFIELD had this to say, and I read from the RECORD, on page 5486, of March 9, 1971:

> I have said time and time and time again that I am against a mere majority vote to bring about a change in the rules, because I think to do so would alter the position of the Senate in our scheme of Government.

So, Mr. President, what they are trying to do is to change the rules by majority vote—pure and simple.

The VICE PRESIDENT. The Senator's time has expired.

Mr. ALLEN. I thank the Chair.

(The following order was entered during the foregoing remarks of Senator ALLEN and is printed at this point in the RECORD by unanimous consent.)

ORDER FOR ROUTINE MORNING BUSINESS AND FOR RECOGNITION OF SENATORS

Mr. MANSFIELD. Mr. President, the hour of 12 o'clock has arrived. Because of an unusual situation which was developed, in fact, by the majority leader, I ask unanimous consent that after the distinguished Senator from Alabama completes the time allocated to him, the distinguished Senator from Oklahoma (Mr. BARTLETT) be recognized for not to exceed 15 minutes; that there be a morning hour for the conduct of morning business, for not to extend beyond 12:30; that at that time, the distinguished Senator from Kansas (Mr. PEARSON), who was supposed to have achieved recognition at 12 o'clock, be recognized instead.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER OF BUSINESS

The VICE PRESIDENT. Under the previous order, the Senator from Oklahoma is recognized for not to exceed 15 minutes.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

PRIVILEGE OF THE FLOOR—SENATE RESOLUTION 4

Mr. JAVITS. Mr. President, I ask unanimous consent that Charles Warren and Patricia Shakow, of my office, have the privilege of the floor during the consideration of the proceedings on rule XXII.

The VICE PRESIDENT. Without objection, it is so ordered.

HAZARDS OF NUCLEAR OPERATIONS

Mr. BARTLETT. Mr. President, this country faces widening shortages of domestically produced hydrocarbon fuels. All alternate economic sources must be developed to the fullest. Nuclear energy, although still in its infancy, is certainly the bright spot on the horizon and has the promise of becoming a most significant energy source in the future—perhaps the most.

The Kerr-McGee Corp. has a facility in Oklahoma which is one of only two existing plants in the United States which manufacture fuel for the AEC's FFTF breeder reactor program. This fuel will be used in Westinghouse's breeder reactor test facility at Hanover, Wash., which is under construction and scheduled for completion in 1977. This testing program for the breeder reactor is an essential element not only in this country's nuclear program but in its total energy program.

Industrial firms associated with the development of nuclear energy are obviously in a precarious position from a public opinion standpoint. We are aware of honest expressions of concern by many citizens and organizations about the hazards of nuclear operations. Although I personally believe much of the criticism is not well founded, I recognize that it does exist and also the right of those concerned citizens to express their feelings.

An honest debate is beneficial. With greater public awareness, more experience, and improved technology, I am confident nuclear energy will be developed safely and will contribute significantly to this country's energy supplies in the years to come.

Mr. President, I became very concerned, however, when I learned of a series of very unusual events which occurred at the Kerr-McGee facility in Oklahoma and which, quite frankly, appear to be an improper effort to discredit both Kerr-McGee's operation in particular and nuclear operations in general.

Since last November Kerr-McGee's Cimarron facility has been the subject of a nationwide hostile publicity campaign by some press and media, in which various allegations concerning the facility were reported in a very sensationalized manner. These charges apparently originated from several local Kerr-McGee employees and appear to be fomented by legislative representatives of the Oil, Chemical & Atomic Workers—OCAW—Union, Mr. Steven Wodka and his superior, Mr. Anthony Mazzocchi, claimed violations of AEC health and safety regulations and deliberate falsification of quality control records on the plutonium fuel pins being produced at the plant. It was even implied that Kerr-McGee may have been involved in the unfortunate death in a one-car accident of Ms. Karen Silkwood, a laboratory technician who figured prominently in the allegations against the facility.

At least six different investigating teams from State and Federal agencies, including three from the AEC, have investigated various aspects of the charges. These extensive investigations revealed only three minor occurrences which technically amounted to deficiencies in the facility's compliance with AEC regulations and also that one employee, without the knowledge or sanction of his supervisor or of the management, did alter certain photographic negatives of test welds to shortcut his work. The AEC reported that not one of the three deficiencies found constituted a health or safety hazard to employees or to the public. The AEC has not yet determined that the altering of the negatives by the one employee did affect the quality of the product involved, although the AEC is reportedly still investigating this.

This very unusual series of events concerning Kerr-McGee's facility in Oklahoma began early last September when a petition was filed with the NLRB calling for an election to decertify OCAW as bargaining representative at the facility. Ms. Silkwood and two other members of the OCAW local came to Washington 3 weeks later to consult with union leaders, including Mr. Mazzocchi and Mr. Wodka. Union personnel accompanied them the next day when they met with AEC representatives at Bethesda and presented a list of 39 allegations concerning working conditions at the Kerr-McGee plant. The AEC apparently considered the allegations minor and planned to handle them in the course of one of its routine inspections of the facility. Thus, investigation into these allegations was not initiated until almost 2 months had elapsed.

Oddly enough, Kerr-McGee had not been informed of the allegations until that time, although its collective-bargaining agreement with the union requires employees to report all safety hazards to their supervisors promptly. Clearly the secretive manner in which these allegations were made could not have been motivated by any sincere concern over the welfare of the employees at the facility.

The decertification election was held in October 16. Two days before the election, a local union meeting featured two critics of the nuclear industry who spoke on hazards of plutonium. OCAW won continued representation by the narrow margin of 80 to 61.

An interesting series of events beginning on November 5 preceded the death of Ms. Silkwood. On two successive days she was discovered to be contaminated with radioactivity while working in the laboratory at the plant. No source for the contamination could be detected, but on each occasion she was thoroughly decontaminated.

On the following day she was examined upon reporting to work and was discovered to have again become contaminated with a higher degree of contamination than before. She also brought urine samples to work that day, as is required, and they were found to have high levels of contamination. This indicated that the source of her contamination was not in the plant.

After being decontaminated, she was accompanied by Kerr-McGee health physics personnel to her apartment which she shared with another Kerr-McGee lab analyst. The roommate was contaminated on two areas of her body and the apartment was also contaminated, particularly in the bathroom and kitchen.

On November 8, Mr. Wodka was in Oklahoma City when Ms. Silkwood made herself unavailable for medical examination which had been recommended by Kerr-McGee's consulting physician. On November 9 Mr. Wodka accompanied Ms. Silkwood while she was seen by AEC and Kerr-McGee consulting physicians. On November 10 Ms. Silkwood, her boyfriend, and her roommate were sent to AEC's Los Alamos laboratory for tests to determine whether radioactive materials were present in their bodies.

None of the three had received sufficient exposure to constitute a hazard to their health.

Ms. Silkwood returned to work on November 13, participated in union management negotiations, and was interviewed by AEC representatives. That evening she attended a union meeting in Crescent, Okla., and after the meeting, was killed when her car left the road. Reportedly, she was on her way to Oklahoma City to meet with Steven Wodka and David Burnham, a New York Times reporter.

The Oklahoma Highway Patrol investigation of the accident revealed that Ms. Silkwood had been under the influence of drugs which impaired her ability to drive. An autopsy established that her death was unrelated to her contamination.

On November 18, Anthony Mazzocchi sent a telegram to Attorney General Saxbe and advised that the OCAW had hired a private investigator who had evidence to suggest that Ms. Silkwood's car was hit from behind by another vehicle forcing her off the road. He requested an immediate investigation into Ms. Silkwood's death.

This is when the hostile publicity campaign began. An article in the New York Times on November 19, written by David Burnham, quoted Mr. Mazzocchi as saying:

> I am not accusing any particular person with murder. Based on an independent investigation, however, it is apparent that someone forced Karen Silkwood from the road, thereby causing her death. I'll leave it to the Federal authorities to determine who and why.

The Washington Star-News headlined Mr. Burnham's article "Murder Hinted in Death of Atom Peril Witness." In an interview with an Oklahoma City TV station the union's investigation was described as "conclusive" by a spokesman for OCAW.

Dr. A. J. Chapman, the Oklahoma State medical examiner, conducted an autopsy and reported there was "more than a therapeutic dose" of a hypnotic sedative present in her body which was enough to "unquestionably" impair her driving. Steve Wodka expertly commented to the press that the union did not believe the drug level found by the Oklahoma State medical examiner would have greatly affected Ms. Silkwood.

The FBI is reportedly conducting an investigation of the accident but has not yet published any results indicating any criminal activity. In the Oklahoma Highway Patrol's reinvestigation of the accident, the accident was reconstructed to test the union investigator's theories. At a new conference on January 10 in Oklahoma, the patrol presented its findings and concluded the union investigator's theories were "without foundation." The patrol further went on to say that the union investigator's construction of the path by which the car left the road and came to rest in the culvert "defies all laws of physics."

A dent which appeared in the left rear of the car, and alleged by the union investigator as evidence the car had been struck from behind, was actually caused by the wrecker which removed the car from the culvert.

The OCAW has continued to ignore the painstaking and exhaustive investigations and reinvestigations by the Federal and State agencies of jurisdiction. Just several weeks ago—on January 22—another attempt was made to revive the controversy through Mr. Burnham of the New York Times. In this article four investigators are now quoted, but the story is essentially the same. The union again implicated Kerr-McGee's involvement by saying that "some unknown person might have deliberately contaminated Ms. Silkwood."

As to the degree and cause for Ms. Silkwood's repeated contaminations, the AEC conducted an extensive investigation beginning the day following the discovery of the apartment contamination in early November, and lasting into early January. This included participation by experts from Los Alamos in Ms. Silkwood's autopsy and intensive testing of her organs for contamination. From this and other tests, the AEC concluded that radioactive material had been added to two of Ms. Silkwood's urine samples. Furthermore,the AEC report of Ms. Silkwood's contamination concluded that her contamination in November probably did not result from an accident or an incident within the plant. Quoting from the AEC report—

> Two urine samples submitted . . . contained plutonium which was not present in the urine when it was excreted.

Mr. President, theft of plutonium, a highly radioactive material, is a Federal crime. Clearly, if the AEC's conclusion is correct that some plutonium was added to two of Ms. Silkwood's urine samples, some plutonium must have been stolen, and adding the plutonium must have been an overt act.

Furthermore, I think it is fair to say, based on these facts, that this act was committed with some purpose in mind. Whether that be the discrediting of Kerr-McGee's facilities of nuclear operations in general, or for some other reason, remains to be determined. The effort to capitalize on the death of Ms. Silkwood may be part of a larger publicity campaign, orchestrated by the legislative representatives of the OCAW with the aid of a reporter at the New York Times. If their common purpose is to undermine the development of nuclear energy in this country, these actions have grave implications, indeed. Certainly they have not been motivated by a genuine concern for the welfare of the OCAW members working at Kerr-McGee's plant.

Mr. President, the development of nuclear energy is extremely important for this country. Honest expressions of concern about the potential hazards of nuclear operations can be a constructive contribution to this development. However, sensationalized reporting of unsubstantiated allegations like the death of Ms. Silkwood have certainly not been a positive contribution. Damage has been done and the negative publicity has been made. This is unfortunate.

There are important questions which have not been answered. It certainly appears to me, Mr. President, that some plutonium was stolen; and it is very strange that someone would deliberately contaminate himself. In as much as theft of plutonium is a Federal crime, I have requested the Attorney General and the Department of Justice to further investigate this matter along these lines. First, who stole the plutonium? And, secondly, what or who motivated the theft? Did Ms. Silkwood contaminate herself? If so, why?

The Department of Justice has indicated their intention to proceed with this investigation.

The VICE PRESIDENT. The Senator's 15 minutes have expired.

Mr. BARTLETT. Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The VICE PRESIDENT. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 12:30 p.m., with statements therein limited to 3 minutes.

PRIVILEGE OF THE FLOOR—SENATE RESOLUTION 4

Mr. MONDALE. Mr. President, I ask unanimous consent that Barbara Dixon of Senator BAYH's staff and Burton Wides of Senator PHILIP A. HART's staff be accorded the privilege of the floor during the consideration of Senate Resolution 4.

The VICE PRESIDENT. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I did not hear the Senator's request.

Mr. MONDALE. We are asking for privileges of the floor during the consideration of the modification of rule XXII.

Mr. ROBERT C. BYRD. For whom?

Mr. MONDALE. Barbara Dixon of Senator BAYH's staff and Burton Wides of Senator PHILIP A. HART's staff.

Mr. ROBERT C. BYRD. Just two persons?

Mr. MONDALE. That is correct.

Mr. ROBERT C. BYRD. I thank the Senator.

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED AMENDMENT OF RULE XXII

Mr. MONDALE. Mr. President, we hope today to deal with the question of the change in rule XXII, the so-called filibuster rule. I think the circumstances in which we now find ourselves show how absurd the present two-thirds rule is, in paralyzing, frustrating, and delaying the deliberations of the Senate on essential matters bearing upon national needs.

Just the question of the consideration of a change in the rules and making that the pending business has taken from January 14 until February 19. Although it may seem strange to my colleagues, what we are trying to do today is not to adopt rule XXII, not to consider the merits of rule XXII, but 1 month after it was introduced, we are still trying to get it raised as the pending business of the Senate.

We estimate that in the last Congress over 6 months of the time of that Congress was used intermittently, and sometimes on a full-time basis, by various filibusters involving various issues.

We saw the filibuster raised against campaign finance reform. We saw it raised against the effort to register Americans so that it might be easier for them to vote.

The VICE PRESIDENT. The Senator's 3 minutes have expired.

Mr. ALLEN. Mr. President, I ask that I may be recognized, so that I might yield my time to the Senator from Minnesota.

The VICE PRESIDENT. The Senator from Alabama is recognized.

Mr. MONDALE. I thank the Senator from Alabama for his courtesy.

The filibuster took its toll during the 93d Congress. The voter registration program was delayed for several weeks. The filibuster forced the modification of the campaign reform measure. Two measures were killed by the filibuster, the Consumer Protection Agency bill, and the tax reform package, which we attempted to attach to the debt ceiling bill in June 1974.

I predict that if we fail to reform rule XXII, this Congress will be known as the "filibuster Congress." Every one of the crucial issues we face, including tax reform, energy priorities, and broad economic policies, every one of them a crucial issue, will be delayed. We have never had a session of Congress, perhaps, since the Great Depression, in which so many crucial issues were involved. It is necessary for this Congress, in cooperation with the President, to serve the national needs during this crisis.

If we fail to revise this rule, to reduce the cloture requirement to three-fifths, I predict that on every fundamental issue we will be held hostage by a third of the Senate. We will be unable to serve the national needs. I think we will be subject to tremendous criticism.

For that reason, I hope today we can at least make S. Res. 4 the pending business, so that we might be able to get down to responsible debate and consideration of this crucial matter.

Mr. MATHIAS. Mr. President, as we approach the time when we will finally grapple in a serious way with rule XXII, I have been sitting here and looking at the busts of two distinguished Americans who presided over the Senate, John Adams, our first Vice President, and Thomas Jefferson, one of our most distinguished Vice Presidents and Presidents of the Senate.

I wonder how they would feel about rule XXII. There is a misconception which is broadly believed in this country that rule XXII is one of the hallowed traditions of the Senate. That is a misconception. Rule XXII is really a very modern invention, and I think it would have outraged John Adams, the great civil libertarian, or Thomas Jefferson, one of the apostles of freedom, to think that a majority of the Senate could not control the activities of the Senate.

Rule XXII is, as I say, a modern invention. It is an invention of the year 1917. I think it represents a retreat from the great ideals of the American Revolution, rather than progress toward greater freedom, which has been the American goal. I think if the spirits of John Adams and Thomas Jefferson say anything to us today, they say to us that it is time to return to the democratic concepts that led to the esablishment of the Senate. They say to us, "Give to the Members of the Senate a greater opportunity to control the direction of the policies of the Senate by simple majority rule."

That is all that we ask, as we bring this serious question of the amendment of rule XXII to a decision by the Members of the Senate, and I hope by a majority of the Members of the Senate.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF BILL

A message from the President of the United States announced that on February 18, 1975, he had approved and signed the enrolled bill (S. 58) relating to the compensation and other emoluments attached to the Office of the Attorney General.

REPORT ON BALANCE-OF-PAYMENTS DEFICIT RESULTING FROM U.S. FORCES IN NATO—MESSAGE FROM THE PRESIDENT

The Vice President laid before the Senate the following message from the President of the United States which was referred to the Committee on Armed Services:

To the Congress of the United States:

In accordance with Section 812(d) of the Department of Defense Apropriation Authorization Act, 1974 (Public Law 93–155), I am pleased to submit a fifth report to the Congress on our progress toward offsetting the balance of payments deficit resulting from the deployment of U.S. forces in NATO Europe.

As required by Section 812, the Department of Commerce has been working in consultation with the Department of Defense and the General Accounting Office to define the U.S. balance of payments deficit on military transactions incurred in Fiscal Year 1974 as a result of our NATO commitments. In my November report, I provided to the Congress tentative figures developed by the Commerce Department which estimated our FY 74 expenditures at $1.983 billion. This has now been confirmed as the final FY 74 expenditure figure.

The Commerce Department is now in the process of identifying U.S. FY 74 balance of payments receipts reflecting military-related sales and exports to our European NATO allies, through both official U.S. Foreign Military Sales (FMS) and commercial channels. Once total receipts have been identified, they will be subtracted from the $1.983 billion in expenditures to establish the FY 74 deficit. While the Department has been able to confirm Allied purchases through FMS channels, it has been unable to settle on a figure for commercial receipts. The Commerce Department's balance of payments accounting procedures are not in sufficient detail to permit it to isolate all of these purchases. Using information provided by our Allies through the NATO Economic Directorate, the Commerce

Department is making an effort to identify as many of these transactions as possible and to include them in its calculation of the balance of payments deficit.

An interagency committee within the Executive Branch has been working to identify other transactions which serve to offset this balance of payments deficit. Of major importance is the FY 74–75 US/FRG Offset Agreement, which was described in some detail in the May 1974 report. We have since been working in cooperation with our Allies to identify additional categories of offsets. These will include Allied purchases of U.S. military-related equipment which cannot be extracted from the U.S. balance of payments accounting system. I will provide details on these offset categories in my May 1975 report to the Congress.

Once our analysis has been completed and the FY 74 military balance of payments deficit has been established, I am confident that this deficit will be offset by the items we have identified and that the requirements of Section 812 will be met.

GERALD R. FORD.

THE WHITE HOUSE, *February 20, 1975.*

MESSAGE FROM THE HOUSE

At 11:34 a.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House has passed the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The message also announced that the Speaker has signed the enrolled bill H.R. 1767, an act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

The enrolled bill was subsequently signed by the Vice President.

At 3 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker has appointed Mr. FLYNT, Mr. STRATTON, Mr. ARMSTRONG, and Mr. TREEN members of the Board of Visitors to the U.S. Air Force Academy on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE CIVIL SERVICE COMMISSION

A letter from the Chairman of the Civil Service Commission reporting, pursuant to law, with respect to positions in grades GS-16, GS-17, and GS-18 (with accompanying papers); to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

S. Res. 84. An original resolution authorizing additional expenditures by the Committee on Foreign Relations for a study of matters pertaining to the foreign policy of the United States (Rept. No. 94–17).

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

S. Con. Res. 9. A concurrent resolution relating to the establishment of the naval and maritime museum in Charleston, S.C. (Rept. No. 94–18).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JAVITS (for himself, Mr. RIBICOFF, Mr. WILLIAMS, Mr. GRIFFIN, Mr. PHILIP A. HART, Mr. HUGH SCOTT, Mr. SCHWEIKER, Mr. CRANSTON, Mr. RANDOLPH, Mr. BROOKE, Mr. KENNEDY, Mr. STAFFORD, Mr. PELL, Mr. CASE, and Mr. LEAHY):

S. 766. A bill to amend the Emergency Unemployment Compensation Act of 1974 so as to increase from 13 to 26 the maximum number of weeks for which an individual may receive emergency compensation thereunder. Referred to the Committee on Finance.

S. 767. A bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974 so as to increase from 26 to 39 the maximum number of weeks for which an individual may reecive unemployment assistance under the special unemployment assistance program established by title II of such act. Referred to the Committee on Labor and Public Welfare.

By Mr. SPARKMAN:

S. 768. A bill to exempt small independent oil products from the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

By Mr. SPARKMAN (by request):

S. 769. A bill to authorize appropriations for fiscal years 1976 and 1977 for carrying out the Board for International Broadcasting Act of 1973. Referred to the Committee on Foreign Relations.

By Mr. INOUYE:

S. 770. A bill to amend title 38, United States Code, to increase the statutory rates for anatomical loss or loss of use. Referred to the Committee on Veterans' Affairs.

By Mr. McGEE:

S. 771. A bill to assist certain employees of the United States in finding other employment in the civil service. Referred to the Committee on Post Office and Civil Service.

By Mr. TALMADGE (for himself, Mr. DOLE, Mr. BARTLETT, Mr. BELLMON, Mr. BENTSEN, Mr. BUCKLEY, Mr. CHILES, Mr. CHURCH, Mr. CURTIS, Mr. EASTLAND, Mr. FANNIN, Mr. FONG, Mr. FORD, Mr. GARN, Mr. HANSEN, Mr. HRUSKA, Mr. HUMPHREY, Mr. HUDDLESTON, Mr. JOHNSTON, Mr. McCLURE, Mr. McGEE, Mr. McGOVERN, Mr. MATHIAS, Mr. MONTOYA, Mr. NUNN, Mr. PACKWOOD, Mr. PEARSON, Mr. HUGH SCOTT, Mr. SYMINGTON, Mr. TOWER, Mr. THURMOND, Mr. TUNNEY, and Mr. YOUNG):

S. 772. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products. Referred to the Committee on Agriculture and Forestry.

By Mr. PROXMIRE:

S. 773. A bill to establish an emergency mortgage credit program to reduce unemployment and aid middle-income homebuyers. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. PERCY (for himself and Mr. RIBICOFF):

S. 774. A bill to regulate lobbying and related activities. Referred to the Committee on Government Operations.

By Mr. CHILES:

S. 775. A bill to limit the categories of questions which may be asked in decennial censuses. Referred to the Committee on Post Office and Civil Service.

By Mr. TUNNEY (for himself, Mr. MAGNUSON, and Mr. PHILIP A. HART):

S. 776. A bill to regulate commerce and protect human health and the environment by requiring testing and necessary use restrictions on certain chemical substances, and for other purposes. Referred to the Committee on Commerce.

By Mr. HOLLINGS:

S. 777. A bill for the relief of Alexandra Graham. Referred to the Committee on the Judiciary.

By Mr. MOSS:

S. 778. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to individuals with respect to high mortgage interest rates. Referred to the Committee on Finance.

S. 779. A bill to amend the Internal Revenue Code of 1954 to allow rapid amortization of certain new multiple dwelling units. Referred to the Committee on Finance.

By Mr. BENTSEN:

S. 780. A bill to provide education equalization incentive grants to the States. Referred to the Committee on Labor and Public Welfare.

By Mr. SYMINGTON (for himself and Mr. RANDOLPH):

S. 781. A bill to reduce the salaries of Senators, Members of the House of Representatives, and other Federal officers and employees. Referred to the Committee on Post Office and Civil Service.

By. Mr. BAYH:

S. 782. A bill to provide for the establishment of a Foreign Service grievance procedure. Referred to the Committee on Foreign Relations.

By Mr. DOMENICI (for himself, Mr. BAKER, and Mr. GLENN):

S. 783. A bill to authorize a Federal program of research, and demonstration in connection with ground propulsion systems. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JAVITS (for himself, Mr. RIBICOFF, Mr. WILLIAMS, Mr. GRIFFIN, Mr. PHILIP A. HART, Mr. HUGH SCOTT, Mr. SCHWEIKER, Mr. CRANSTON, Mr. RANDOLPH, Mr. BROOKE, Mr. KENNEDY, Mr. STAFFORD, Mr. PELL, Mr. CASE, and Mr. LEAHY):

S. 766. A bill to amend the Emergency Unemployment Compensation Act of 1974 so as to increase from 13 to 26 the maximum number of weeks for which an individual may receive emergency compensation thereunder. Referred to the Committee on Finance.

S. 767. A bill to amend the Emergency Jobs and Unemployment Assistance Act of 1974 so as to increase from 26 to 39 the maximum number of weeks for which an individual may receive unemployment assistance under the Special Unemployment Assistance Program established by title II of such act. Referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, I am today introducing two bills, S. 766, the Special Unemployment Assistance Extension Act of 1975, and S. 767, the Emergency Unemployment Compensation Extension Act of 1975, designed to provide critically needed economic aid for the unemployed. These bills would provide an additional 13 weeks of unemployment assistance benefits for the more than 2 million unemployed Americans who are expected completely to exhaust their unemployment compensation benefits under existing law this year. The fact that more than 1 million Americans joined the rolls of the unemployed in January, bringing nationwide unemployment to 7.5 million workers, dramatizes the critical need for continuing Federal programs of emergency assistance to the unemployed. Until this Nation begins its recovery from the current recession it is our responsibility to see to it that those Americans who are bearing the brunt of the recession—unemployed workers and their families—are provided with this basic measure of economic security. I am pleased to be joined on these bills by Senators WILLIAMS, RIBICOFF, HART, GRIFFIN, and NELSON, and invite my other colleagues to join us.

The bills that we are proposing here today will bolster our first line of defense in this war against unemployment—the provision of unemployment compensation payments for those who have lost their jobs through no fault of their own, and who are unable, because of the economic crisis, to find new employment.

These bills build upon two emergency measures I sponsored last November, which were enacted into law in December. The first measure provides for the payment of up to 26 weeks of unemployment assistance to unemployed workers who had not previously been employed at a job covered by the Federal-State unemployment insurance system. The second provides that those workers who had been working in covered employment, but who had exhausted their entitlement under the permanent legislation to regular unemployment insurance and extended unemployment insurance benefits, are entitled to receive up to 13 additional weeks of unemployment assistance—bringing their total compensable period up to 52 weeks.

We hoped that these extensions would be sufficient to meet the needs of the unemployed in this recessionary period. Unfortunately, however, we now know that they are inadequate to the unemployment crisis we are likely to face for many months to come. Not only has total unemployment been spiraling, but equally distressing, is the indication that the average duration of periods of unemployment—a figure that has over the past year remained relatively stationary—has now begun to rise sharply. Estimates are that the average duration of period of unemployment may exceed 20 weeks by late spring. Not only are more and more Americans finding themselves out of a job, they are remaining unemployed for longer and longer periods of time.

To address this problem, the bills we are introducing today would provide an additional period of unemployment compensation for all workers who had exhausted their full entitlements to unemployment compensation. This would provide unemployed workers in "covered employment" with up to 65 weeks of unemployment assistance, and those workers who were newly covered under the Emergency Jobs and Unemployment Assistance Act of 1974 with up to 39 weeks of benefits.

Without the benefit of this legislation thousands and thousands of American workers will be exhausting their unemployment assistance benefits in the coming months, as many as 2 million by the end of the year. Many of these workers will not be able to find jobs before they exhaust benefits, as they have been unable to find them over the past year. At that point, increasingly large numbers of unemployed workers will be forced to apply for public assistance in order to provide the necessities of life for their families. We already know of the distressing accounts of the desperate economic status of overburdened State and local governments. To add to that burden now, by forcing them to assume responsibility for income maintenance payments for the unemployed, would be intolerable.

These bills represent the third and fourth pieces of legislation that I have introduced in this Congress to provide emergency relief for the unemployed. The first such bill, S. 609, would expand and extend the public service jobs provisions of the Emergency Jobs and Unemployment Assistance Act passed last session, to provide for the establishment of up to an aggregate of 1 million public service jobs under titles II and VI of the Comprehensive Employment and Training Act. The second bill, S. 625, which I have cosponsored with the Chairman of the Labor and Public Welfare Committee, Senator WILLIAMS, the chairman of the Health Subcommittee, Senator KENNEDY, and the subcommittee's ranking minority member, Senator SCHWEIKER, would provide health insurance benefits for the unemployed.

Barring unexpected economic changes in the coming year, one in four working Americans will lose their jobs and find themselves forced to apply for unemployment assistance. The plight of these workers and their families, the people upon whom the burden of the recession will invariably fall hardest, must be the No. 1 priority of this Congress. I urge that all four of these measures receive the most prompt attention from the Senate.

By Mr. SPARKMAN:

S. 768. A bill to exempt small independent oil producers from the Emergency Petroleum Allocation Act of 1973. Referred to the Committee on Interior and Insular Affairs.

Mr. SPARKMAN. Mr. President, last fall, I introduced S. 4001. This legislation was designed to provide a clear and concise distinction between the truly independent oil producers of this country and the major oil companies. S. 4001 died with the adjournment sine die of the last Congress.

I am reintroducing this legislation today because it seems to me to be rather urgent from the standpoint of small independent producers of this country that with all of the proposed tax legislation applicable to the industry, they be carefully identified and then separated from the giant integrated, multinational major oil companies.

The last time Congress failed to distinguish between the independents and the majors, the Tax Reform Act of 1969 became law. The majors passed their additional tax loss on to the consuming public and the nonintegrated producers who have traditionally found 80 percent of the domestic reserves of oil and natural gas in this country were penalized.

In discussing the merits of this bill in this Chamber during the last Congress, I analogized the capital structures of the major oil companies as opposed to the economic posture of the independent producers as reminiscent of David and Goliath. I characterized our previous attempts to limit the size of the Goliaths as having only succeeded in taking away pebbles from the Davids of the oil industry.

My overriding reason for preserving and protecting the small independent oil sector of the oil industry is because they are and have been the traditional sources of new domestic exploration and drilling.

It is my fervent hope, Mr. President, that this legislation will be a building block upon which we can move closer to true energy independence. We must take a long view in preserving and encouraging the sector of the oil industry that has consistently stood at the frontier of energy exploration and development. The problem is squarely before us. The time to answer is now.

By Mr. SPARKMAN (by request):

S. 769. A bill to authorize appropriations for fiscal years 1976 and 1977 for carrying out the Board for International Broadcasting Act of 1975. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to amend the Board for International Broadcasting Act of 1973, as amended, to provide authorization for appropriations for fiscal years 1976 and 1977.

The bill has been requested by the Board for International Broadcasting and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Chairman of the Board for International

Broadcasting to the President of the Senate dated February 4, 1975.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 769

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 8(a) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877 (a)) is amended—

(1) by striking out "$49,990,000 for fiscal year 1975, of which not less than $75,000 shall be available solely to initiate broadcasts in the Estonian language and not less than $75,000 shall be available solely to initiate broadcasts in the Latvian language" in the first sentence and inserting in lieu thereof "$65,640,000 for fiscal year 1976 and such sums as may be necessary for fiscal year 1977"; and

(2) by striking out "fiscal year 1975" in the second sentence and inserting in lieu thereof "fiscal year 1976."

BOARD FOR INTERNATIONAL
BROADCASTING,
Washington, D.C., February 4, 1975.

Hon. NELSON A. ROCKEFELLER,
Vice President of the United States and President of the Senate, U.S. Capitol, Washington, D.C.

DEAR MR. PRESIDENT: The Board for International Broadcasting encloses and recommends for your consideration proposed legislation to amend the Board for International Broadcasting Act of 1973, as amended, to provide authorization for appropriations for fiscal years 1976 and 1977.

The authorization sought by this bill will provide for the operations of the Board for International Broadcasting in fiscal year 1976 through 1977 and for the continuation of grant assistance to Radio Free Europe and Radio Liberty. It continues to be the position of this Administration that the broadcasts of these Radios to Eastern Europe and the Soviet Union contribute significantly to international peace and serve the interests of the United States.

The Office of Management and Budget advises that enactment of the proposed legislation would be in accord with the President's program.

A letter similar in content is being sent to the Speaker of the House of Representatives.

Sincerely yours,
DAVID M. ABSHIRE,
Chairman.

By Mr. INOUYE:

S. 770. A bill to amend title 38, United States Code, to increase the statutory rates for anatomical loss or loss of use. Referred to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, as a disabled veteran, I have firsthand knowledge of many of the problems and difficulties facing those who have been injured while in the service. I have been more fortunate than many other veterans in both professional and financial terms, for which I am grateful. Still, those less fortunate veterans, many of whom rely on veterans' assistance programs for necessary financial support, have suffered as the continued rise in the cost of living has eaten away the purchasing power of their assistance dollars.

The periodic congressional review and restructuring of disability compensation programs have been designed to keep payments to the 2,206,496 veterans who have service-connected disabilities in line with their needs. For most veterans this has been successful, but for 85,645 who receive section 314(K) awards, it has not been.

The "K" award is paid to veterans who have suffered anatomical loss or loss of use of one foot, one hand or one eye. This award is independent of other compensation provided to veterans.

In 1946, Public Law 79–662 set the "K" award at $42 per month. In 1952, Public Law 82–427 increased it to $47 per month. And the 93d Congress increased the award an additional $5 per month to $52 with Public Law 93–295. The report of the Senate Committee on Veterans' Affairs to accompany S. 3072 stated:

> The "K" award while a minor portion of the total award of compensation is nonetheless a compensatory award for anatomical loss. Thus in the light of the extraordinary inflation disabled veterans are experiencing, the Committee is of the opinion that a 10 per cent increase in the "K" awards is warranted.

Thus between the years 1946 and 1974 when the cost of living has inceased more than 152 percent, the "K" award has risen only 24 percent.

Therefore, I am introducing today, for appropriate reference, a bill that will increase the statutory award from the present $52 to $80 per month.

This increase is necessary in light of the "extraordinary inflation disabled veterans are experiencing" that the Veterans' Affairs Committee cites. It is essential in those rare cases where the statutory award is all the assistance a veteran receives. This reasonable and overdue increase is the least we can do for these dedicated veterans who have sacrificed so greatly on our behalf. I hope that Congress will take expeditious action to correct this grave inequity.

By Mr. McGEE:

S. 771. A bill to assist certain employees of the United States in finding other employment in the civil service. Referred to the Committee on Post Office and Civil Service.

Mr. McGEE. Mr. President, implementation of section 12 of the Indian Reorganization Act, giving preference to American Indians for positions involved in the administration of Indian affairs, has created a quandary for many nonpreference employees of the Bureau of Indian Affairs and the Indian Health Service.

By far, most of these employees who have either spoken or corresponded with me concerning their problem support the principle of self-determination and firmly believe that qualified Indians should be handling Indian Affairs. Yet, the implementation of that policy creates a dead-end situation for the career employee who does not enjoy preference under the law. For some, who have sufficient service and age, the option of retirement is available. For others, though, the prospect is, at present, quite bleak. Legislation has been proposed to revise retirement benefits for these personnel and thus create more opportunity for Indian advancement and employment in the affected agencies.

There are many who desire to remain in the civil service and who hope for greater assistance in their efforts to obtain employment offering an opportunity for advancement. These employees have been told that the Department of the Interior is working on a placement assistance program. And while most BIA and Indian Health Service employees do seem to have applications out, I have a thick file of letters from employees caught in this situation which casts great doubt on the progress of any out-placement program for these people, whose position, if not unique, certainly approaches that status. Public policy has, to a considerable degree, resulted in their opportunities being limited by the principle of Indian preference.

Today, I am introducing a bill which I trust can be the vehicle for a thorough consideration of the plight of these people and, at the same time, help facilitate the progress toward Indian self-determination by increasing opportunities for Indian people.

By Mr. TALMADGE (for himself, Mr. DOLE, Mr. BARTLETT, Mr. BELLMON, Mr. BENTSEN, Mr. BUCKLEY, Mr. CHILES, Mr. CHURCH, Mr. CURTIS, Mr. EASTLAND, Mr. FANNIN, Mr. FONG, Mr. FORD, Mr. GARN, Mr. HANSEN, Mr. HRUSKA, Mr. HUMPHREY, Mr. HUDDLESTON, Mr. JOHNSTON, Mr. MCCLURE, Mr. MCGEE, Mr. MCGOVERN, Mr. MATHIAS, Mr. MONTOYA, Mr. NUNN, Mr. PACKWOOD, Mr. PEARSON, Mr. HUGH SCOTT, Mr. STONE, Mr. SYMINGTON, Mr. TOWER, Mr. THURMOND, Mr. TUNNEY, and Mr. YOUNG):

S. 772. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products. Referred to the Committee on Agriculture and Forestry.

BEEF RESEARCH AND CONSUMER INFORMATION ACT

Mr. TALMADGE. Mr. President, the beef producers of America, in the face of the most severe economic crisis in the history of the cattle industry, have proposed a far-reaching program for self-help. Their program is aimed at: First, improving the efficiency of production and marketing of beef; second, improving the general viability of the industry; third, assuring adequate supplies of beef at reasonable prices for all Americans; and fourth, providing consumers with better information about the quality factors of beef and how to more efficiently utilize all beef products. They propose to do these things through basic research and dissemination of better information to all persons. And most admirably they will do all of this through self-assessment at no cost to the Federal Government.

This plan is incorporated into the Beef Research and Consumer Information Act, which I am pleased to introduce with the ranking minority member of the Agriculture Committee, Senator DOLE.

Before explaining some high points of the act, let me briefly review the status of the beef industry and some recent developments that make the passage of this act imperative.

The cattle industry is the largest segment of American agriculture. Cash receipts for cattle and calves in 1973 totaled $22.1 billion. On January 1, 1975, there were nearly 1.9 million farms and ranches with cattle—131.8 million head valued at $21.8 billion. In addition to these producers, there are several million more Americans who are directly dependent upon the beef industry for their livelihood—the farmers who grow the grain and other feed for cattle; factory workers who manufacture machinery, pharmaceuticals and related items used by cattlemen; meat processors who slaughter, pack, and transport beef; retail clerks who handle and sell beef in retail stores; and many more.

In addition, beef is a vital source of protein so necessary to good nutrition. Cattle can convert raw materials, which are not palatable to people, into a palatable meat for people. Without cattle and other ruminant animals, about 890 million acres of pasture, grass, and grazing land—39 percent of the total land area of the United States—would not be utilized. This would be a terrible waste. But through cattle, the forages on these grasslands are converted to high quality protein.

But of even greater importance is the place of beef in the life styles of the American people. Beef is truly the premier food item for Americans and has assumed an ever more central role in the American diet. It is enjoyed by nearly all of the 68 million households in the United States.

Just how important beef is to Americans is illustrated by the fact that per capita consumption has more than doubled in a little over two decades.

In 1974 per capita consumption of beef reached 117 pounds. However, the ongoing supply of beef is currently endangered by the economic crisis beef producers face. This problem endangers the quality of life for every American.

Beef producers are in the midst of an unprecedented economic crisis. Average prices received for fed cattle dropped from $53.25 per hundredweight in August 1973 to $47.28 in August 1974, and to about $35 this month. The result is that cattle feeders have lost $50 to $200 on every animal fed, adding up to total losses of over $2 billion. Some cattlemen already are bankrupt and many more, faced with predictions that it will take 2 years to work out of this depressed cattle cycle, are selling their herds and switching to other enterprises. The economic repercussions of these losses are now being felt by financial institutions, allied industries, and the entire economies of many communities.

It will also cause severe impact on consumers when beef supplies dry up and as a result, prices shoot upward.

The problem is an outgrowth of several well intended but ill advised efforts over the past couple of years to control the normal market adjustments of beef prices. These include the beef boycotts of early 1973 and the especially pervasive impact of phase IV on beef markets in July and August of 1973.

In addition, the crop shortfalls of last year and the general economic recession of today are further deepening the problem.

There is not enough awareness in our society of the complexity of agricultural production, nor of the workings of free markets in which beef and other agricultural products operate. While beef prices have risen, the increase for the past 20 years is only 98 percent compared to a 165 percent increase in disposable income for the same period.

And last year, consumers spent about 2.6 percent of their incomes on beef, the same percentage as in 1950, but they received nearly twice as much beef and better beef.

It is against this backdrop and toward the proposition of lessening these problems that the beef industry is asking for the Beef Research and Consumer Information Act. They are not asking for Government money or Government aid—only for permissive legislation that will permit a self-help program. And the way they propose to help themselves is to help their customers—the consumers.

Under this program, the cattlemen will spend their own money on research projects relating to nutrition, human health, new beef products, marketing, and distribution. Progress in any of these areas will help consumers and thus create better markets for beef.

Under this program, the cattlemen will spend their own money on consumer information and education programs—youth education in our schools as well as adult education. They propose education programs on the economics of buying, how to get more for your food dollar, how to select and prepare the most economical beef cuts, et cetera. Likewise, they will attempt to provide the best possible information about beef and human health based on reliable research.

Under this program, the cattlemen will spend their own money on market information programs—on the supply and demand for beef, on production cycles, et cetera—aimed at leveling out the extreme fluctuations in supply. Relative price and market stability is, in the long run, advantageous to both producers and consumers.

From the endorsements by many State and national cattlemens' associations, it is obvious that most cattlemen favor this self-help approach to solving their problems. However, in the best tradition of the free enterprise system, any individual cattleman who does not wish to participate may request a refund of his deduction. In this way, the program is truly voluntary and democratic.

Again, I emphasize that this program will cost the Government nothing. The act even calls for cattlemen to reimburse the Government for the cost of conducting the referendum and for any administrative cost in auditing or other miscellaneous expenses.

Mr. President, for all these reasons, I am pleased to introduce the Beef Research and Consumer Information Act.

I ask unanimous consent that an explanation of this legislation, together with the bill itself, be printed at this point in the RECORD.

There being no objection, the explanation and bill were ordered to be printed in the RECORD, as follows:

SUMMARY OF BEEF RESEARCH AND CONSUMER INFORMATION ACT

NOTE.—The final implementation of a national uniform collection plan will require three separate documents which are integrated to provide the whole cloth of the program. They are as follows:

1. Enabling Legislation. An Act must be passed by the U.S. Congress, setting up the basic mechanism of the assessment, enforcement, and administration.

2. Beef Research and Promotion Order. The enabling legislation once enacted by Congress, will call for the Secretary of Agriculture to issue "Orders", after published notice and hearings, which will flesh out the working details. This Order must be approved by the producers in a nationwide referendum election.

3. Regulations. The internal technical details of everyday enforcement, such as forms, audit procedures, voting, etc., will be worked out by the Beef Board and the Secretary of Agriculture, consistent with the Enabling Act and the Order.

Since the Act and the Order are both necessary to a complete understanding of the program, this memorandum will summarize the principles rather than section by section, with appropriate references to the Act and the Order.

PURPOSE

To enable cattle producers to establish, finance, and carry out a coordinated program of research, produce and consumer education, and promotion to improve, maintain, and develop markets for cattle, beef and beef products, and to provide an adequate, steady supply of high quality beef and beef products readily available to the consumers of the Nation at reasonable prices.

ENACTMENT

To effectuate the declared policy of the Act once passed, the Secretary of Agriculture will issue beef research and promotion orders. Such orders will be issued only after due notice and opportunity for hearing shall have been given to producers and producer organizations, and after the Secretary shall have determined that the issuance of such an order will effectuate the declared policy of the Act.

The Secretary will then conduct a referendum election among cattle producers who, during a representative period have engaged in the production of cattle. No Order issued by the Secretary will take effect until approved by referendum.

THE ORDER—APPROVAL, SUSPENSION OR TERMINATION

Any proposed order must be approved by not less than two-thirds of the producers voting in the referendum, or by a majority of the producers voting in such referendum if such majority produced not less than two-thirds of the cattle owned by producers voting in the referendum.

The Secretary shall suspend or terminate the Order at any time he finds that Order or any provisions of the Order do not effectuate the declared purpose of the Act.

The Secretary may conduct a referendum at any time, and shall hold a referendum on request of 10 percentum or more of the number of producers voting in the referendum approving the Order. Such Order shall be terminated six months after it is determined that suspension or termination of the Order is approved or favored by a majority of the cattle producers voting in such referendum who produced more than 50 percentum of the cattle produced by the cattle producers voting in the referendum.

BEEF BOARD

A Beef Board is established to administer the Order in accordance with its terms and provisions, to make rules and regulations to effectuate the terms and provisions of the Order, to receive, investigate and report complaints of violations of the Order, and to recommend to the Secretary amendments to the Order.

The Beef Board will be made up of 68 members, all cattle producers appointed from nominations submitted by eligible cattle producer organizations. The members of the Beef Board shall represent the proportion of cattle produced in each geographic area of the United States. The Beef Board members will serve for six year staggered terms.

Any plans for advertising, sales promotion, consumer education, producer education, research, and the annual budget shall be developed by the Beef Board and submitted to the Secretary of Agriculture for approval. The Beef Board shall have power to enter into contracts or agreements for the development and carrying out of the activities authorized under the Order.

BEEF PRODUCER ORGANIZATIONS

In order to nominate persons for selection to the Beef Board, beef producer organizations must be certified by the Secretary of Agriculture. Certification shall be based, in addition to other available information, upon a factual report including:

(a) Geographic territory covered by the organization's active membership.

(b) Proportion of active membership accounted for by producers of cattle.

(c) The extent to which the cattle producer membership is represented in setting the organization's policies.

(d) Evidence of stability and permanency of the organization.

(e) Sources from which the organization's operating funds are derived.

(f) Functions of the organization.

(g) The organization's ability and willingness to further the aims and objectives of the Act.

Where more than one organization is certified in any geographic area, such organizations may caucus to determine the area's nominations. If joint agreement is not reached with respect to the nominees for any such position, each organization may make nominations from which the Secretary shall choose an appointee.

ASSESSMENT AND COLLECTION

The producer (seller) of all cattle shall be assessed at a specific rate to be determined as follows:

(a) The initial rate specified in the Order, is three-tenths of one percent (.3%) of the sale price of the cattle sold.

(b) After the first year, the rate may be set anywhere from one-tenth of one percent (.1%) to five-tenths of one percent (.5%) by the Beef Board with the approval of the Secretary.

(c) The assessment rate can be raised above five-tenths of one percent (.5%) only with the approval of the producers in a new referendum election.

Each time cattle are sold, the cattle producer (seller) shall pay to the purchaser the amount assessed, based upon the sale price of the cattle. The purchaser shall hold that assessment, and pay the same to any person to whom he subsequently sells the cattle, along with the added assessment resulting from the increase in value of the cattle under his ownership. The purchaser at the point of slaughter shall receive from the seller at that point the total assessment, based upon the sale price of the cattle at the point of slaughter, and shall remit that assessment to the Beef Board.

The sale of breeding cattle shall be exempt from assessment until the final sale at slaughter, and the final assessment at point of slaughter shall be at one half the rate for the first six months of operation.

PRODUCER REFUNDS

Any cattle producer against whose cattle or beef any assessment is made and collected from him shall have the right to demand and receive from the Beef Board a refund of such assessment. The producer must furnish proof that he paid the assessment for which the refund is sought. Demand for a refund must be made not more than thirty days after the end of the month in which the sale of said cattle occurred, and any such refund shall be made within sixty days after demand is received.

STATE BEEF BOARDS

Nothing in the program shall be construed to pre-empt or interfere with the workings of any beef board, beef council, or other beef promotion entity organized and operating within and by authority of any of the several states.

The Beef Board shall, with the approval of the Secretary of Agriculture, return to each state where a request is made by a qualified state beef council, beef board or other beef promotion entity operating within and by authority of said state, an amount up to the proportion which cash receipts for cattle sales for the previous three years within said state is to total cash receipts for cattle sales for the previous three years within the United States, of ten (10) percent of the collections by the Beef Board for the given year, after administrative costs and refunds from the given state have been deducted. Approval of such requests shall be based upon the apparent ability of the programs to further the purposes of the Act and Order and complement the national research and promotion efforts. Nothing in this provision shall prevent the Beef Board from entering into further contracts or agreements with any state beef promotion entity to carry out purposes or projects to implement the Act.

To qualify for the funds described in this provision, a state beef board, beef council or other beef promotional entity shall be organized pursuant to legislative authority within the state, or by charter with goals and purposes complementary to the goals and purposes of the Act and Order, and demonstrate ability to provide research, promotion and education within the state consistent with the Act and Order. In no event shall more than one entity qualify within a state. If more than one entity applies for qualification within a state, they should attempt to merge or combine, and if no such merger or consolidation is possible, the Secretary shall choose the one most qualified to fulfill the purposes of the Act and Order.

REPORTS, BOOKS AND RECORDS

Each purchaser, handler or agent thereof, may be required to report to the Beef Board periodically concerning number of cattle handled, amount assessed, sale price of cattle on which assessment was collected, and other information necessary for the enforcement of this Act.

Each handler of cattle subject to the Act shall make available for inspection by the Beef Board and the Secretary such books and records as are necessary to carry out the provisions of the Act. Any information obtained from such books, records or reports shall be kept confidential under penalty of law.

ENFORCEMENT

The Act and Order may be enforced in the District Courts of the U.S., with the U.S. Attorney General having authority to bring any Civil suits authorized under the Act.

Any person who willfully violates any provision of the Act, Order, or regulations issued thereunder, or who willfully fails or refuses to collect or remit any assessment or fee duly required of him, shall be liable to a penalty of not more than $1,000 for each such offense.

FUNDS NOT TO BE USED TO INFLUENCE GOVERNMENTAL ACTION

No funds collected by the Beef Board shall in any manner be used for the purpose of influencing governmental policy or action.

S. 772

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Beef Research and Consumer Information Act".

LEGISLATIVE FINDINGS AND DECLARATION OF POLICY

SEC. 2. Beef constitutes one of the basic, natural foods in the diet. It is produced by many individual cattle producers throughout the United States. Beef products move in interstate and foreign commerce and those which do not move in such channels of commerce directly burden or affect interstate commerce of beef products. The maintenance and expansion of existing markets and the development of new or improved markets and uses are vital to the welfare of cattle producers and those concerned with marketing, using, and processing beef as well as the general economy of the Nation. The production and marketing of beef products by numerous individual cattle producers have prevented the development and carrying out of adequate and coordinated programs of research and promotion necessary for the maintenance of markets and the development of new products of, and markets for, cattle, beef, or beef products. Without an effective and coordinated method for assuring cooperative and collective action in providing for and financing such programs, individual cattle producers are unable to provide, obtain, or carry out the research, consumer and producer information, and promotion necessary to maintain and improve markets for any or all beef products.

It has long been recognized that it is in the public interest to provide an adequate, steady supply of high quality beef and beef products readily available to the consumers of the Nation. Maintenance of markets and the development of new markets, both domestic and foreign, are essential to the cattle industry if the consumers of beef and beef products are to be assured of an adequate, steady supply of such products at reasonable prices.

It is therefore declared to be the policy of the Congress and the purpose of this Act that it is essential and in the public interest, through the exercise of the powers provided herein, to authorize and enable the establishment of an orderly procedure for the development and the financing, through an adequate assessment, of an effective and continuous coordinated program of research, consumer and producer education, and promotion designed to strengthen the beef industry's position in the marketplace, and maintain and expand domestic and foreign markets and uses for United States beef. Nothing in this Act shall be construed to mean, or provide for, control of production or otherwise limit the right of individual cattle producers to produce cattle or beef.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The term "Secretary" means the Secretary of Agriculture or any other officer or employee of the Department of Agriculture to whom there has heretofore been delegated, or to whom there may hereafter be delegated, the authority to act in his stead.

(b) The term "person" means any individual, group of individuals, partnership, corporation, association, cooperative, or any other entity.

(c) The term "cattle" means domesticated bovine quadrupeds.

(d) The term "beef" means the flesh of cattle.

(e) The term "beef products" means products produced, in whole or in part from cattle.

(f) The term "producer" means any person who sells any cattle or shares in the proceeds of the sale of any cattle, or who sells or shares in the proceeds of the sale of any beef or beef products which comes from cattle of his own production: *Provided,* That a person shall not be considered to be a producer if his only share in the proceeds of a sale of cattle or beef is a sales commission, handling fee, or other service fee.

(g) The term "United States" means the forty-eight contiguous States of the United States of America, Alaska and Hawaii, and the District of Columbia.

(h) The term "promotion" means any action, including paid advertising, to advance the image or desirability of beef and beef products.

(i) The term "research" means any type of research to advance the image, desirability, marketability, production, or quality of beef and beef products.

(j) The term "consumer education" means any action to advance the image or desirability of beef.

(k) The term "marketing" means the sale or other disposition of cattle, beef, or beef products, in any channel of commerce.

(l) The term "commerce" means interstate, foreign, or intrastate commerce.

(m) The term "purchaser" means any person specified in the order or the rules and regulations issued thereunder, who receives or otherwise acquires ownership of cattle or beef from a producer.

(n) The term "handler" means any person, specified in the order or the rules and regulations issued thereunder, who receives or otherwise acquires cattle or beef from a producer, and processes, prepares for marketing, or markets, such beef or beef product including cattle of his own production.

BEEF RESEARCH AND PROMOTION ORDERS

SEC. 4. To effectuate the declared policy of this Act, the Secretary shall, subject to the provisions of this Act, issue and from time to time amend, an order applicable to persons engaged in the production or sale of cattle (or both), persons who receive or otherwise acquire cattle or beef from such persons and who process, prepare for market, or market such beef, including cattle of their own production, and persons engaged in the purchase, sale or processing of beef for beef products. Such order shall be applicable to all production or marketing areas, or both, in the United States.

NOTICE AND HEARING

SEC. 5. Whenever the Secretary has reason to believe that the issuance of an order will tend to effectuate the declared policy of this Act he shall give due notice, and opportunity for hearing upon a proposed order. Such hearing may be requested and proposal for an order submitted by an organization certified pursuant to section 16 of this Act, or by any interested person affected by the provisions of this Act, including the Secretary.

FINDING AND ISSUANCE OF AN ORDER

SEC. 6. After notice and opportunity for hearing as provided in section 5, the Secretary shall issue an order if he finds, and sets forth in such order, upon the evidence introduced at such hearing, that the issuance of such order and all the terms and conditions thereof will tend to effectuate the declared policy of this Act.

PERMISSIVE TERMS IN ORDERS

SEC. 7. An order issued pursuant to this Act shall contain one or more of the following terms and conditions, and except as provided in section 8, no others:

(a) Providing for the establishment, issuance, effectuation, and administration of appropriate plans or projects for advertising, sales promotion, and consumer education with respect to the use of cattle, beef, or beef products and for the disbursement of necessary funds for such purposes. Any such plan or project shall be directed toward increasing the general demand for cattle, beef, or beef products. No reference to a private brand or trade name shall be made if the Secretary determines that such reference will result in undue discrimination against the cattle, beef, or beef products of other persons. No such advertising, consumer education, or sales promotion programs shall make use of false or misleading claims in behalf of cattle, beef, or beef products, or false or misleading statements with respect to quality, value, or use of any competing product.

(b) Providing for, establishing, and carrying on research, marketing, and development projects, and studies with respect to sale, distribution, marketing, utilization, or production of cattle, beef, or beef products, and the creation of new products thereof, to the end that the marketing and utilization of cattle, beef, or beef products may be encouraged, expanded, improved, or made more acceptable, and the information collected by such activities may be disseminated and for the disbursement of necessary funds for such purposes.

(c) Providing that persons engaged in the sale of cattle or beef, persons engaged in the production of cattle or beef, and persons who receive or otherwise acquire cattle, beef, or beef products from such persons and who process, prepare for market, or market such cattle, beef, or beef products, including cattle of their own production, maintain and make available for inspection such books and records as may be required by any order issued pursuant to this Act and file reports at the time, in the manner, and having content prescribed by the order, to the end that information shall be made available to the Beef Board and to the Secretary which is appropriate or necessary to the effectuation, administration, or enforcement of the Act, or of any order or regulation issued pursuant to this Act: *Provided,* That all information so obtained shall be kept confidential by all officers and employees of the Department of Agriculture, the Beef Board, and by all officers and employees of contracting agencies having access to such information, and only such information so furnished or acquired as the Secretary deems relevant shall be disclosed by them, and then only in a suit or administrative hearing brought at the direction, or upon the request, of the Secretary, or to which he or any officer of the United States is a party, and involving the order with reference to which the information so to be disclosed was furnished or acquired. Nothing in this section shall be deemed to prohibit (1) the issuance of general statements based upon the reports of the number of persons subject to an order or statistical data collected therefrom, which statements do not identify the information furnished by any person, (2) the publication, by direction of the Secretary, of general statements relating to refunds made by the Beef Board during any specific period, or (3) the publication, by direction of the Secretary, of the name of any person violating any order, together with a statement of the particular provisions of the order violated by such person. Any such officer or employee violating the provision of this subsection shall, upon conviction, be subjected to a fine of not more than $1,000 or to imprisonment for not more than one year, or to both, and if an officer or employee of the Beef Board or Department of Agriculture, he shall be removed from office.

(d) Terms and conditions incidental to and not inconsistent with the terms and conditions specified in this Act and necessary to effectuate the other provisions of such order.

REQUIRED TERMS IN ORDER

SEC. 8. The order issued pursuant to this Act shall contain the following conditions:

(a) Providing for the establishment and appointment, by the Secretary, of a Beef Board which shall consist of not more than sixty-eight members, and alternates therefor, and defining its powers and duties which shall include only the powers (1) to administer such order in accordance with its terms and provisions, (2) to make rules and regulations to effectuate the terms and provisions of such order, (3) to receive, investigate, and report to the Secretary complaints of violations of such order, (4) to recommend to the Secretary amendments to such order. The term of an appointment to the Beef Board shall be for three years with no member serving more than six consecutive years, except that initial appointment shall be proportionately for one, two and three years.

(b) Providing that the Beef Board, and alternates therefor, shall be composed of cattle producers appointed by the Secretary from nominations submitted by eligible organizations, associations, or cooperatives, and certified pursuant to section 16, so that the representation of cattle producers on the Board shall reflect, to the extent practicable, the proportion of cattle produced in each geographic area of the United States as defined by the Secretary: *Provided,* That each such beef producing geographic area shall be entitled to at least one representative on the Beef Board.

(c) Providing that the Beef Board shall, subject to the provisions of subsection (g) of this section, develop and submit to the Secretary for his approval any advertising, sales promotion, consumer education, producer education, research, and development plans or projects, and that any such plan or project must be approved by the Secretary before becoming effective.

(d) Providing that the Beef Board shall, subject to the provisions of subsection (g) of this section, submit to the Secretary for his approval budgets on a fiscal period basis of its anticipated expenses and disbursements in the administration of the order, including probable costs of advertising, promotion, consumer education, research, and development projects.

(e) Providing that each cattle producer shall pay to the purchaser or handler of beef designated by the Beef Board pursuant to regulations issued under the order, an assessment based upon the value of cattle, beef or beef products handled for the account of such producer, and in the manner as prescribed by the order, for such expenses and expenditures—including provisions for a reasonable reserve and those administrative costs incurred by the Secretary after an order has been promulgated under this Act—as the Secretary finds are reasonable and likely to be incurred by the Beef Board under the order during any period specified by him. Such purchaser or handler shall collect such assessment from the producer and shall in the case of a purchaser, pay the same to any person to whom he later sells the cattle, provided that any cattle sold solely for breeding purposes shall be exempt from said assessment until sale at point of slaughter. In the case of a handler who receives the cattle at the point of slaughter, he shall pay the same to the Beef Board in the manner prescribed by the order or regulations: *Provided,* That any handler collecting any assessment at the point of slaughter during the first six months after the effective date of this Act shall pay to the Beef Board one half of the applicable rate. In the event that no live action transaction occurs at the point of slaughter, a fair value shall be attributed to the animal at time of slaughter. The rate of assessment shall be as prescribed by the order. To facilitate the collection of such assessments, the Beef Board may designate different purchasers or handlers or classes of purchasers or handlers to recognize differences in marketing practices or procedures utilized in the industry. The Secretary may maintain a suit against any person subject to the order for the collection of such assessment, and the several district courts of the United States are hereby vested with jurisdiction to entertain such suits regardless of the amount in controversy.

(f) Providing that the Beef Board shall maintain such books and records and prepare and submit such reports from time to time, to the Secretary as he may prescribe, and for appropriate accounting by the Beef Board with respect to the receipt and disbursement of all funds entrusted to it.

(g) Providing that the Beef Board, with the approval of the Secretary, may enter into contracts or agreements for development and carrying out of the activities authorized under the order pursuant to section 7 (a) and (b) and for the payment of the cost thereof with funds collected pursuant to the order. Any such contract or agreement shall provide that such contractors shall develop and submit to the Beef Board a plan or project together with a budget or budgets which shall show estimated costs to be incurred for such plan or project, and that any such plan or project shall become effective upon the approval of the Secretary, and further, shall provide that the contracting parties shall keep accurate records of all of its transactions and make periodic reports to the Beef Board of activities carried out and an accounting for funds received and expended, and such other reports as the Secretary may require.

(h) Providing that no funds collected by the Beef Board under the order shall in any manner be used for the purpose of influencing governmental policy or action, except as provided by subsection (a) (4) of this section.

(i) Providing the Beef Board members, and alternates therefor, shall serve without compensation, but shall be reimbursed for their reasonable expenses incurred in performing their duties as members of the Beef Board.

REQUIREMENT OF REFERENDUM AND CATTLE PRODUCER APPROVAL

SEC. 9. The Secretary shall conduct a referendum among cattle producers who, during a representative period determined by the Secretary, have been engaged in the production of cattle for the purpose of ascertaining whether the issuance of an order is approved or favored by such producers. No order issued pursuant to this Act shall be effective unless the Secretary determines that the issuance of such order is approved or favored by not less than two-thirds of the producers voting in such referendum, or by a majority of the producers voting in such referendum if such majority produced not less than two-thirds of the cattle owned by producers voting in the referendum.

SUSPENSION AND TERMINATION OF ORDERS

SEC. 10 (a) The Secretary shall, whenever he finds that any order issued under this Act, or any provision thereof, obstructs or does not tend to effectuate the declared policy of this Act, terminate or suspend the operation of such order or such provisions thereof.

(b) The Secretary may conduct a referendum at any time, and shall hold a referendum on request of 10 per centum or more of the number of cattle producers, voting in the referendum approving the order, to determine whether such producers favor the termination or suspension of the order, and he shall suspend or terminate such order six months after he determines that suspension or termination of the order is approved or favored by a majority of the cattle producers voting in such referendum who, during a representative period determined by the Secretary, have been engaged in the production of cattle, and who produced more than 50 per centum of the volume of cattle produced by the cattle producers voting in the referendum.

(c) The termination or suspension of any order, or any provision thereof, shall not be considered an order within the meaning of this Act.

PROVISIONS APPLICABLE TO AMENDMENTS

SEC. 11. The provisions of this Act applicable to orders shall be applicable to amendments to orders.

PRODUCER REFUND

SEC. 12. Notwithstanding any other provisions of this Act, any cattle producer against whose cattle or beef any assessment is made and collected from him under authority of this Act and who is not in favor of supporting the programs as provided for herein shall have the right to demand and receive from the Beef Board a refund of such assessment: *Provided,* That such demand shall be made in accordance with regulations on a form and within a time period prescribed by the Board and approved by the Secretary but in no event more than thirty days after the end of the month in which the sale of said cattle occurred and upon submission of proof satisfactory to the Board that the producer paid the assessment for which refund is sought, and any such refund shall be made within sixty days after demand is received therefor.

PETITION AND REVIEW

SEC. 13. (a) Any person subject to any order may file a written petition with the Secretary, stating that any such order or any provisions of such order or any obligations imposed in connection therewith is not in accordance with law and praying for a modification thereof or to be exempted therefrom. He shall thereupon be given an opportunity for a hearing upon such petition, in accordance with regulations made by the Secretary. After such hearing, the Secretary shall make a ruling upon the prayer of such petition which shall be final, if in accordance with law.

(b) The district courts of the United States in any district in which such person is an inhabitant, or has his principal place of business, are hereby vested with jurisdiction to review such ruling, provided a complaint for that purpose is filed within twenty days from the date of the entry of such ruling. Service of process in such proceedings may be had upon the Secretary by delivering to him a copy of the complaint. If the court determines that such ruling is not in accordance with law, it shall remand such proceedings to the Secretary with directions either (1) to make such ruling as the court shall determine to be in accordance with the law, or (2) to take such further proceedings as, in its opinion, the law requires. The pendency of proceedings instituted pursuant to subsection (a) of this section shall not impede, hinder, or delay the United States or the Secretary from obtaining relief pursuant to section 15(a) of this Act.

ENFORCEMENT

SEC. 14. (a) The several district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating any order or regulation made or issued pursuant to this Act. Any civil action authorized to be brought under this Act shall be referred to the Attorney General for appropriate action.

(b) Any cattle producer, purchaser, handler, or other person who willfully violates any provision of any order issued by the Secretary under this Act, or who willfully fails or refuses to collect or remit any assessment or fee duly required of him thereunder, shall be liable to a penalty of not more than $1,000 for each such offense which shall accrue to the United States and may be recovered in a civil suit brought by the United States: *Provided,* That subsections (a) and (b) of this section shall be in addition to, and not exclusive of, the remedies provided now or hereafter existing at law or in equity.

CERTIFICATION OF ORGANIZATIONS

SEC. 15. The eligibility of any organization to represent cattle producers of any cattle producing area of the United States to request the issuance of an order under section 5, and to participate in the making of nominations under section 8 (b) shall be certified by the Secretary. Certification shall be based, in addition to other available information, upon a factual report submitted by the organization which shall contain information deemed relevant and specified by the Secretary for the making of such determination, including, but not limited to, the following:

(a) Geographic territory covered by the organization's active membership,

(b) Nature and size of the organization's active membership, proportion of total of such active membership accounted for by producers of cattle, a chart showing the cattle production by State in which the organization has members, and the volume of cattle produced by the organization's active membership in each such State,

(c) The extent to which the cattle producer membership of such organization is represented in setting the organization's policies,

(d) Evidence of stability and permanency of the organization,

(e) Sources from which the organization's operating funds are derived,

(f) Functions of the organization, and

(g) The organization's ability and willingness to further the aims and objectives of this Act: *Provided,* That the primary consideration in determining the eligibility, of an organization shall be whether its cattle producer membership consists of a substantial volume of cattle. The Secretary shall certify any organization which he finds to be eligible under this section and his determination as to eligibility shall be final. Where more than one organization is certified in any geographic area, such organizations may caucus to determine the area's nominations under section 8 (b).

PATENTS, COPYRIGHTS, INVENTIONS, OR PUBLICATIONS

SEC. 16. Any patents, copyrights, inventions, or publications developed through the use of funds collected under the provisions of this Act shall be the property of the Beef Board, and shall, along with any rents, royalties, residual payments, or other income from the rental, sale, leasing, franchising, or other uses, of such patents, copyrights, inventions, or publications, inure to the benefit of the cattle industry.

STATE BEEF BOARDS

SEC. 17. Nothing in this Act shall be construed to preempt or interfere with the workings of any beef board, beef council, or other beef promotion entity organized and operating within and by authority of any of the several states.

REGULATIONS

SEC. 18. The Secretary is authorized to issue regulations with the force and effect of law as may be necessary to carry out the provisions of this Act and the powers vested in him by this Act. The Secretary shall appoint an advisory committee representing a broad spectrum of producers to assist in the initial formulation of regulations: *Provided,* That upon the initial appointment of the Beef Board, the advisory committee shall no longer continue to exist.

INVESTIGATIONS; POWER TO SUBPENA AND TAKE OATHS AND AFFIRMATIONS; AID OF COURTS

SEC. 19. The Secretary may make such investigations as he deems necessary for the effective carrying out of his responsibilities under this Act or to determine whether a cattle producer, processor, or other seller of cattle, beef, or beef products or any other person has engaged or is about to engage in any acts or practice which constitute or will constitute a violation of any provisions of this Act, or of any order, or rule or regulation issued under this Act. For the purpose of such investigation, the Secretary is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, and documents which are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpena to, any person, including a cattle producer, the Secretary may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents; and such court may issue an order requiring such person to appear before the Secretary, there to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found.

SEPARABILITY

SEC. 20. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

AUTHORIZATION

SEC. 21. There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated such funds as are necessary to carry out the provisions of this Act. The funds so appropriated shall not be available for payment of the expenses or expenditures of the Beef Board in administering any provisions of any order issued pursuant to the terms of this Act.

EFFECTIVE DATE

SEC. 22. This Act shall take effect upon enactment.

Mr. DOLE. Mr. President, I am pleased to join with the chairman of the Agriculture and Forestry Committee in the introduction of this important legislation. Throughout the history of America, the beef cattlemen of this country have been an admired group of rugged individuals, known for their spirit of free enterprise, their self-reliance, and their abilities to fight adversities—all without the temptation of asking for Government help.

At the same time, they have continued to produce one of the most desired food items in the world—beef—in abundance and at a price that most consumers could afford.

During the past 2 years, however, there have been attacks and discrimination against the product beef and against the producers of beef which they never before have experienced. I refer to the Government price controls in 1973 which, under phase IV, singled out beef and triggered unprecedented economic losses for cattle feeders and producers; to expanding beef imports into the United States, which have depressed prices and continue to threaten the markets for our domestic beef; to the increasing number of regulations, by State and Federal regulatory agencies, which could undermine and demoralize this largest sector of our agricultural economy; to beef boycotts and "eat less meat" campaigns—by groups that admittedly used beef as a symbol of their protest against inflation, without realizing that beef cattle prices actually have come down more than any other major consumer item.

To meet these problems, which surfaced during the past 2 years and which are likely to reoccur in the future, cattle industry leaders have come up with a self-help plan which the chairman of the Agriculture Committee and I are introducing today, along with 26 other Senators, that can: First, strengthen the beef industry; second, assure consumers of more beef at prices they can afford; and third, cost the Government nothing. I commend the cattlemen for this, because self-help programs with characteristics like these are needed in many of our industries today.

I believe that this type of program is the best example of bootstrap operation. It would be a case of producers helping themselves by working in a united manner to improve the market. We are working with the various livestock and trade groups on this legislation and hopefully we can move quickly in the Congress to enact it.

In the past, this type of program has met with a great deal of success in the wheat and grain industries. Our export markets represent a very important part of those industries. Agricultural exports have also become a very beneficial part of the national economy. They have helped to improve our trade balance tremendously and have strengthened the overall health of the economy. I am hopeful that a market development organization for beef will be beneficial in expanding our foreign markets for American beef as well as improving market conditions here at home.

The Beef Research and Consumer Information Act would help consumers in many ways. It would provide for expanded research on nutrition, health, new beef products, marketing, and distribution. Likewise, it would expand research on reduced cost of production and marketing of beef cattle—to assure a stable and adequate supply at reasonable prices. Then it would permit more consumer education programs—youth education in our schools as well as adult education—on purchasing economics; on how to get more for your food dollar; on how to select and prepare the most economical beef cuts; et cetera.

Mr. President, when this legislation was being drafted we considered broadening it to include pork and other meats. It seems these other meats are produced and marketed in such a way that at present there is not the same unified desire among producers and processors to participate in such a program for hogs and pork. The following letter was received from the American Pork Congress regarding this legislation:

> DEAR SENATOR DOLE: I was contacted today concerning the Senate and House bills that are now being prepared for introduction that pertain to a beef market development board and legislative funding program.
>
> I have been informed that you questioned whether the pork industry might oppose this bill or would be interested in similar legislation introduced in their behalf. Our structure in the pork industry is quite a bit different than that of the beef industry in that our National Pork Producers Council is more of a promotional arm for the industry than it is for legislative and other purposes. We have 35 member states at the present time, 30 of which are on a voluntary funding system and, according to polls of the producers that we conduct each year, our 14 main pork production states of the Midwest area still believe that they would rather function under the voluntary funding system rather than pursue the legislative route.
>
> However, they have expressed no opposition to whatever program the beef industry seeks. Therefore, I'm sure there will be no organized opposition to the proposed beef legislative program, and I can assure you that the pork industry will not be perturbed because they are not included at this time in similar legislation.
>
> If this tone changes as to the desires of the pork industry, I'm sure that they would be most pleased to have you working in their behalf if and when that occasion should arise. Thank you for your consideration of our thoughts on this matter and if we can be of service at any time we hope that you will call on us.
>
> Sincerely yours,
>
> J. MARVIN GARNER,
> *Executive Vice President.*

I am sure the chairman joins me in pledging our cooperation in working with these producers on similar legislation if these groups can organize the unified support that has been generated in the cattle industry for this legislation.

Mr. President, it appears to me that everyone—beef producers, consumers, and the Government—would benefit from this plan. That is why I am pleased to introduce the Beef Research and Consumer Information Act.

Mr. THURMOND. Mr. President, I am pleased to cosponsor legislation introduced today by Senators TALMADGE and DOLE to provide a program for our cattle farmers to help themselves out of their current economic dilemma and maintain the beef industry on a viable basis in the future. Termed the Beef Research and Consumer Information Act, the bill was developed under the leadership of cattle farmers themselves and enjoys wide support throughout the beef industry.

The program they have put together is a comprehensive and attractive approach to product research, market development, and problem solving. It will benefit not only the cattlemen who will finance it with their own money, but also consumers, who will receive educational information about the beef industry and products available at the retail level.

Most of us are aware that the past year has been literally disastrous for cattle farmers. Their feed costs and the cost of other production inputs have rapidly increased, while the prices of cattle brought to market have plummeted. On an average, slaughter steers were selling at only 51 percent of parity in the middle of January 1975, and feeder calves were bringing relatively less at 36 percent of parity. There is just no way that cattle farmers can survive and produce beef for the dinner tables of American consumers under such unprofitable conditions.

The beef research and market development plan authorized under this legislation is certainly not an instant panacea to the cattlemen's problems. However, it does provide a workable mechanism for a more healthy beef industry in the long run. It should be emphasized that the program it engenders is entirely financed by the beef industry itself, with no cost to the taxpayers. This is the kind of approach to problems that relies on the very best principles in our American free enterprise system. I congratulate all of those who have had the foresight and the wisdom to design this plan, and I am especially pleased to join the principal sponsors in support of it.

By Mr. PROXMIRE:

S. 773. A bill to establish an emergency mortgage credit program to reduce unemployment and aid middle-income home buyers. Referred to the Committee on Banking, Housing and Urban Affairs.

THE EMERGENCY HOUSING AND ECONOMIC RECOVERY ACT

Mr. PROXMIRE. Mr. President, our country is facing its deepest depression in 40 years. In January, the unemployment rate reached 8.2 percent—the highest rate since 1941 when we were still recovering from the great depression. Seven and a half million people are out of a job, the highest number since 1940. Economic forecasts predict that the unemployment rate will get worse before it gets better. The President's budget message projects an 8-percent unemployment rate through 1975 and 1976 and even these gloomy estimates may prove optimistic unless decisive action is taken and taken soon. As President Ford himself belatedly acknowledged, the economy is collapsing much faster than anyone in the administration had thought possible just a few short weeks ago.

The industry that has been hit the hardest by inflation, tight money, and recession is the homebuilding industry. The rate of unemployment among construction workers is 22.6 percent, or nearly triple the national average. In the first 8 months of 1974, over 1,100 construction firms with total liabilities of $270 million went out of business. New housing starts have skidded to an annual rate of 868,000, the lowest rate since the disastrous credit crunch of 1966. This is about one-third of the 2.6 million units we should be building each year to meet our national housing goals as outlined in the Housing Act of 1968. In short, the homebuilding industry is on the verge of collapse.

Those who have also been hurt by the housing recession are home buyers and especially middle-income families who have been priced out of the market because of high interest rates and the lack of mortgage credit. And here is the bitter irony. Unlike the recession in the auto industry, the depression in homebuilding is not the result of reduced buyer demand. The demand is there. Many families have the money to buy homes; many families want to buy homes. What they do not have is mortgage credit at rates they can afford, and in many cases they cannot get mortgage loans at all.

To make matters even worse, the staggering Federal budget deficits projected for 1975 and 1976 threaten to block any recovery in homebuilding. Given the slowdown in the demand for credit by large corporations, more money might have been available in the mortgage market. However, the dropoff in business credit demand is more than offset by increased Treasury borrowing. The result is that less money than ever will be available for housing. Thus the combination of a tight monetary policy followed by a loose fiscal policy has dealt the housing industry a devastating and perhaps lethal one-two punch.

Last week, President Ford, with much fanfare, released some $2 billion in impounded highway construction money. And while this will undoubtedly generate some jobs, it seems to me that at a time when Americans are painfully trying to reduce their energy dependence on private automobiles, there are more important priorities than highway construction.

Mr. President, if we really want to get our economy moving again, we need to stimulate the homebuilding industry. One of our great, unmet social needs is for more and better housing. There are vast unemployed resources in the construction industry so we need not fear that more homebuilding will fuel inflation. Putting people back to work in homebuilding creates needed jobs in the private sector and not make-work jobs in the public sector.

I believe we can put people back to work in homebuilding at a very small initial cost and in fact at no net cost if we count the added tax revenue flowing from the increase in employment. All we need is a stable supply of mortgage credit at rates which the average family can afford to pay. Therefore, I am introducing a bill to do just that—to provide a stable source of mortgage credit at a rate of 6 percent. The Government would pay the difference between 7 percent and its cost of borrowing. Thus if interest rates decline, the need for a continued subsidy is eliminated.

I call this bill the Emergency Housing and Economic Recovery Act. Here is how it works.

HOW THE BILL WORKS

The program would be activated and deactivated automatically by a formula tied to the rate of unemployment and housing starts. The program would be activated whenever the rate of unemployment exceeded 6 percent and the level of housing starts dropped below 1.75 million for 3 consecutive months. Once activated, the program would continue until the rate of unemployment dropped below 6 percent or the level of housing starts exceeded 1.75 million for 3 consecutive months. This automatic trigger mechanism assures that the program will actually be used when it is needed the most and is not perpetuated when the need for an emergency program has expired. Perhaps the trigger formula can be improved; however, I believe the concept of an automatic trigger is absolutely essential given the tendency of recent administrations, both Democratic and Republican, to ignore the laws passed by Congress.

Once the trigger is activated, private mortgage lenders would be able to make 6-percent mortgage loans on homes costing less than $40,000, or up to $50,000 in high cost areas. These loans would then be sold to the Department of Housing and Urban Development under an arrangement where the lender could continue servicing the loan at the customary fee which would be paid out of the 6 percent. The bill prohibits any additional points from being assessed against the buyer or seller, hence the rate of interest paid by the borrower is limited to a true 6 percent.

HUD would carry out its operations through a special revolving fund financed through Treasury borrowing authority. In order to avoid any substantial impact on the budget, HUD is required to sell the mortgages it buys before the end of the fiscal year. The mortgages must be sold at par to private investors, or, if there are no takers, to the Federal Financing Bank, an agency outside the budget and recently established by Congress to assist in the financing of Federal credit programs. HUD would be authorized to compensate the Bank for any difference between the net yield on the mortgages it sells the Bank and the current Government borrowing rate. At present rates, this would amount to about 1 percent.

The payments by HUD to the Federal Financing Bank would rise or fall in future years depending upon changes in the rate on Treasury obligations. In order to place a reasonable upper limit on the cost of the program, the bill authorizes the Secretary of HUD to increase the rate of interest paid by the homebuyer after 3 years up to a maximum of 9 percent; however, any single increase must be in 6 month intervals and could not exceed one-half of 1 percent.

The bill authorizes an appropriation to HUD in order to reimburse the Department for the cost of making any interest adjustment payments to the Federal Financing Bank as well as for any other losses sustained under the program. Not more than 1 million mortgages can be purchased by HUD under the program in any one fiscal year. Assuming an average mortgage loan of $30,000 and an interest rate subsidy of 1 percent, an appropriation of $300 million would be needed.

GENERAL BENEFITS

Of course in the final analysis, the cost of any program must be assessed in terms of its benefits. The general benefits of the Emergency Housing and Economic Recovery Act are substantial.

First and foremost is the job creation potential of the bill. If the program were fully utilized during the next fiscal year, it could generate 1 million new housing starts, 2 million additional jobs, an additional $30 billion in GNP, and at least $7 billion in additional tax revenue or lower welfare payments resulting from the increase in GNP. Thus the benefit to the U.S. Treasury alone far exceeds the likely cost of the program even under the most pessimistic of assumptions about the future direction of interest rates.

Second, the program will help to end the boom and bust pattern of the homebuilding industry which has borne a disproportionate share of the cost of fighting inflation. It is wasteful and inefficient to be constantly moving resources into and out of the homebuilding industry with every episode of tight money. The cost of this instability is inevitably passed on to the general public in the form of higher housing prices.

Third, the program will make it possible for middle income families who have been priced out of the housing market because of high interest rates and tight money, to obtain a mortgage loan on terms they can afford. These families did not cause inflation. And yet they have been called upon to shoulder almost the entire burden which tight money has inflicted upon the economy. Under the bill, opportunities for homeownership will be distributed more equitably throughout the economy.

ADVANTAGES OF BILL

In addition to these general benefits, there are particular advantages to the Emergency Housing and Economic Recovery Act compared to other emergency housing bills which have been introduced or discussed.

First, my bill has an automatic trigger mechanism for activating the program. Once the trigger conditions are satisfied, the program becomes operational. This provision is essential given the sorry record of hostility shown by this and previous administrations toward congressional initiatives in the field of housing.

Second, my bill can be activated quickly without advance appropriations. Once the trigger conditions are met, the program can commence operations through Treasury and Federal Financing Bank borrowing authority. Of course, the Secretary of HUD must ultimately come to Congress for an appropriation to cover any losses incurred. But in the meantime, the Secretary has adequate authority to begin the program.

Third, by relying on lower cost Treasury-FFB financing, my bill requires less of a subsidy compared to bills which would pay the subsidy directly to a private mortgage lender. For example, mortgage interest rates charged by private lenders currently average about 9 percent whereas the average cost of borrowing by the Government is about 7 percent. Thus the cost of a program to subsidize the rate of interest on mortgage loans to 6 percent would be about 3 percent if private financing is used and only 1 percent if Treasury financing is used.

Also, interest subsidies to private lenders tend to maintain rates at artificially high levels since the borrower has little incentive to bargain for a lower rate as long as Uncle Sam is picking up the tab.

Fourth, the provision for adjusting the rate of interest paid by the borrower after 3 years protects the Treasury in the event interest rates remain at their present abnormally high levels. In such cases, the authority to increase the rate would be phased in gradually and any increased monthly payments should be in line with the increased market value of the house and the normal increase in income which can be expected of most borrowers.

Mr. President, I ask unanimous consent that the text of the Emergency Housing and Economic Recovery Act be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 773

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Housing and Economic Recovery Act of 1975."

FINDINGS AND PURPOSE

Sec. 2. The Congress finds and declares that:

(1) The economic recession combined with severe inflation and tight mortgage credit conditions have drastically restricted residential housing construction;

(2) Diminished construction and sale of homes, in turn, has intensified the economic slump, and increased unemployment; and

(3) Recessions in the housing construction industry occur cyclically, and this problem requires a permanent program of emergency mortgage credit that can be activated periodically in order to counteract the credit cycle, and as a means of promoting economic recovery and easing hardship for millions of middle-income Americans who wish to purchase or sell homes, but are unable to do so because of market conditions.

ACTIVATION AND DEACTIVATION OF PROGRAM

Sec. 3. (a) (1) The emergency housing and economic recovery program authorized in this act shall be activated whenever: (i) the national rate of unemployment (seasonally adjusted) as determined by the Chief of the Bureau of Labor Statistics exceeds six percent for three consecutive months; and (ii) the annual rate of housing starts (seasonally adjusted and exclusive of mobile homes) as determined by the Secretary of the Department of Housing and Urban Development (hereinafter referred to as "The Secretary") is less than 1,750,000 units for the same three consecutive month period. If the requirements of this subsection are satisfied by the experience in the three months immediately preceding the month in which this act is enacted into law, the emergency housing and economic recovery program shall be deemed to be activated as of the date of enactment of this act.

(2) Notwithstanding paragraph (1), the emergency housing and economic recovery program may be activated by The Secretary if he or she determines that the rate of unemployment is substantially in excess of six percent, or that the annual rate of housing starts is substantially lower than 1,750,000 units, and that an activation of the program is necessary to achieve the purposes of this act.

The Secretary shall promptly provide a detailed explanation to the Congress of any determinations under this paragraph.

(b) The program activated pursuant to subsection (a) (1) shall be terminated whenever: (i) the national rate of unemployment (seasonally adjusted) as determined by the Chief of the Bureau of Labor Statistics is six percent or less for three consecutive months; or (ii) the annual rate of housing starts (seasonally adjusted and exclusive of mobile homes) as determined by The Secretary is 1,750,000 or more units for three consecutive months.

EMERGENCY HOUSING AND ECONOMIC RECOVERY FUND

Sec. 4. (a) There is hereby established within the Department of Housing and Urban Development an Emergency Housing and Economic Recovery Fund (hereinafter referred to as the "Fund") to enable The Secretary to discharge his or her responsibilities under this Act. Whenever the emergency housing and economic recovery program is activated pursuant to Section 3 (a), The Secretary is authorized and directed, within the limits under Section 8 (a), to utilize the Fund to make commitments to purchase and to purchase mortgage loans offered for sale to the Secretary and which meet the requirements of Section 6.

(b) (1) The Secretary shall issue to the Secretary of the Treasury obligations of the Fund in an amount outstanding at any one time sufficient to enable The Secretary to discharge his or her responsibilities under this act. The proceeds from the issuance of such obligations shall be deposited in the Fund. Each such obligation shall have such maturity as determined by The Secretary and bear interest at a rate equal to the current average yield on all outstanding marketable obligations of the United States of comparable maturity.

(2) The Secretary of the Treasury is authorized and directed to purchase any obligations of the Fund to be issued under this subsection, and for such purposes the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which such securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchases of the Fund's obligations hereunder. (c) The Secretary is authorized to—

(1) charge a fee for making commitments to purchase mortgage loans under this section and for incurring other administrative expenses, but the aggregate of all such fees, regardless of on whom imposed, shall not exceed two percentum of the amount of such commitment;

(2) deposit the proceeds from such fees into the Fund;

(3) use monies in the Fund to purchase eligible mortgage loans at a price not greater than 101 percentum of the unpaid principal at the time of purchase with adjustments for interest and any comparable items;

(4) contract with mortgagees or other persons to service mortgage loans purchased under this act;

(5) sell such mortgage loans at a price not less than the unpaid principal at the time of sale;

(6) deposit the proceeds from such sales into the Fund;

(7) make quarterly interest adjustment payments to the Federal Financing Bank. Such payments shall be equal to the difference between the net interest received by the Bank in connection with all mortgage loans purchased by the Bank pursuant to section 5 and held by the Bank during each quarter of the fiscal year and a sum equal to the average amount of such mortgage loans held by the Bank during that quarter multiplied by a rate equal to the quarterly equivalent of the average annual yield on all outstanding marketable obligations of the United States during that quarter plus one eighth of one percent.

(8) invest any excess moneys in the Fund in obligations of the United States.

SALE OF MORTGAGES

Sec. 5. (a) The Secretary shall, in accordance with the requirements of Sec. 4(c) (5), sell each mortgage loan purchased under this act and such sale shall occur prior to the expiration of the fiscal year during which such mortgage loan is purchased. In the event it is not possible to sell a mortgage loan to a private investor at a price equal to or greater than its unpaid principal, such loan shall be sold at par to the Federal Financing Bank pursuant to an agreement to make quarterly interest adjustment payments as defined under section 4(c) (7).

(b) The Federal Financing Bank is authorized and directed to purchase all mortgage loans offered to it by the Secretary under subsection (a) and to receive quarterly interest adjustment payments as defined under Section 4(c)(7). Any aggregate limitation on the Bank's total borrowing authority or authority to require the Secretary of the Treasury to purchase the Bank's obligations heretofore or hereinafter enacted is increased by an amount equal to the outstanding principal amount of all mortgage loans purchased by the Bank under this section.

MORTGAGES ELIGIBLE FOR PURCHASE

Sec. 6. To be eligible for purchase under this Act, a mortgage loan shall—

(a) involve an initial interest rate of six percent per annum;

(b) be accompanied by a certification by the mortgagee that no points, discounts, loan origination fees, or similar charges have been or will be assessed against the prospective buyer or seller in connection with the mortgage loan;

(c) have been executed to finance the acquisition of a residential dwelling to be used as the principal residence of the mortgagor (including newly constructed condominium or cooperative units) at a sales price not in excess of $40,000, or in the case of a residence located in Alaska, Hawaii, Guam or any other high cost area as determined by the Secretary, $50,000;

(d) permit the mortgagee to prepay at any time without penalty;

(e) contain appropriate provisions for the interest rate adjustments authorized under section 7.; and

(f) be otherwise eligible for purchase by the Federal National Mortgage Association.

INTEREST RATE ADJUSTMENTS

Sec. 7. (a) A mortgage loan eligible for purchase under this act shall contain provisions satisfactory to the Secretary that, upon the expiration of three years after the execution of the mortgage, the interest rate involved may be adjusted by the Secretary if such mortgage loan is held by the Federal Financing Bank. Such adjustments may not

(1) be made more often than once each six months;

(2) increase the rate of interest by more than one half of one percent; and

(3) cause the interest rate to exceed nine percentum per annum.

(b) The interest rate adjustments authorized under this section may be made by the Secretary when and to the extent necessary to minimize the need for appropriations under section 9.

PROGRAM LIMITATIONS

Sec. 8. (a) The Secretary may not purchase more than one million mortgage loans under this act during any single fiscal year.

(b) At least 75 percentum of the mortgage loans purchased under this act shall involve residences which have been constructed within the twelve months preceding the date of purchase.

(c) The Secretary shall insure that each State receives its fair and reasonable share of the assistance authorized under this act.

APPROPRIATIONS

Sec. 9. There is hereby authorized to be appropriated to the Fund such sums as may be necessary to reimburse the Fund for any net losses incurred in discharging the Secretary's responsibilities under this act.

By Mr. PERCY (for himself and Mr. RIBICOFF):

S. 774. A bill to regulate lobbying and related activities. Referred to the Committee on Government Operations.

LOBBYING DISCLOSURE OR "SUNSHINE" LEGISLATION

Mr. PERCY. Mr. President, the more accountable we can make Congress and the executive branch to the American people and the less subject to purely special interests, the better the public interest will be served. We have taken notable strides in the past couple of years to open up the processes of Government with passage of the Freedom of Information Act and opening up more congressional committee meetings to the public.

But there is one vast area of activity in the executive and legislative branches that remains shrouded in a veil of secrecy that the American people are only dimly aware of at best. That is the area of lobbying and special interest contacts with the Congress and executive branches. Current law, the 1946 Regulation of Lobbying Act, is deficient in that it narrowly defines what a lobbyist is; it does not cover lobbying activities unless the Member of Congress is contacted directly by the lobbyist; it does not cover those who lobby the executive branch; and, from what I can see, there is virtually no enforcement of the law. Senator ROBERT STAFFORD of Vermont has long pointed out the abuses in this area and suggested legislation that I have supported and so has my distinguished colleague Senator KENNEDY of Massachusetts.

I am today introducing legislation with Senator RIBICOFF to bring lobbying of Congress and the executive branches out in the open by requiring full disclosure of lobbying activities in those branches.

The purpose of this legislation is not to prohibit lobbying, as, indeed, lobbyists do on many occasions perform extremely useful functions in the national interest. They can be tapped for expert information on problems, they can analyze the impact of proposed legislation on their areas of concern, and they are an effective vehicle for representation of the interest group that they represent. They perform effectively and well in the spirit envisioned by one of our Founding Fathers, James Madison, in his discussion of "factions" in the Federalist Papers. This legislation also is not directed against any particular type of lobbyist. It would cover all types of lobbyists—business, labor, public interest groups, and all others who wish to represent their views to Congress and the executive branch.

The legislation has one simple purpose—to bring those activities out in the open. It is not designed or intended to in any way discourage legitimate lobbying activities that we all consider constructive and even vital to the operation of the Congress.

The legislation defines lobbying broadly and covers most attempts to influence either legislation or executive actions. It calls for comprehensive disclosure requirements on the activities and finances of lobbyists, of those who employ lobbyists, and of those who solicit others to lobby. It provides for reports from lobbyists on the source and amount of their income, their expenditures, the name of officials in the Government they have contacted, the bills or activities they have tried to influence, and any contributions or loans they have made to public officials.

In addition, officials of the executive branch would log their contacts with lobbyists and make those logs available for public inspection.

To make the bill meaningful, the Federal Election Commission is empowered to monitor the law and criminal sanctions are provided for willful falsification of any reports.

Mr. President, this bill has already been introduced in the House by Congressmen RAILSBACK and KASTENMEIER and already has approximately 100 cosponsors.

Senator RIBICOFF and I are introducing this legislation today for the purposes of discussion and we certainly solicit and welcome our colleagues' contributions and legislative ideas. Early hearings will enable us to have opposing views presented and determine only after that deliberative process what final legislation is advisable and necessary in this field. I shall keep an open mind until that hearing has been completed.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 774

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Public Disclosure of Lobbying Act of 1975".

DEFINITIONS

Sec. 2. As used in this Act, the term—

(1) "person" includes a corporation, company, association, firm, partnership, society, or joint stock company, as well as an individual;

(2) "the policymaking process" means any action taken by a Federal officer or employee with respect to any bill, resolution, or other measure in Congress, or with respect to any rule, adjudication, or other policy matter in the executive branch;

(3) "Federal officer or employee" means any officer or employee in the legislative or executive branch, and includes a Member of Congress, Delegate to Congress, or the Resident Commissioner from Puerto Rico;

(4) "income" means the receipt or promise of any consideration, whether or not legally enforceable;

(5) "expenditure" means the transfer or promise of any consideration, whether or not legally enforceable;

(6) "quarterly filing period" means any calendar quarter;

(7) "voluntary membership organization" means an organization composed of individuals who are members thereof on a voluntary basis and who, as a condition of membership, are required to make regular payments to the organization;

(8) "identification" means in the case of an individual, the name, address, occupation, principal place of business, and position held in that business, of the individual, and in the case of a person other than an individual, its name, address, principal officers, and board of directors, if any;

(9) "lobbying" means a communication or the solicitation or employment of another to make a communication with a Federal officer or employee in order to influence the policymaking process, but does not include—

(A) an appearance before a congressional committee, subcommittee, or joint committee or the submission of a written statement thereto or to any Federal executive department, agency, or entity at the request of such department, agency, or entity;

(B) any communication or solicitation by a Federal officer or employee; or

(C) except with respect to a publication of a voluntary membership organization, any communication or solicitation through the distribution in the normal course of business of any news, editorial view, letter to an editor, advertising, or like matter by—

(1) a periodical distribution to the general public:

(2) radio or television broadcast; or

(3) a book publisher;

(10) "lobbyist" means, with respect to any quarterly filing period, any person who engages in lobbying during that period and who—

(A) receives income of $250 or more for such lobbying during that period, whether such income is the prorated portion of total income attributable to that lobbying, or is received specifically for the lobbying;

(B) receives an income of $500 or more for such lobbying during a total of four consecutive quarterly filing periods, in each period of those four which begins after that total of $500 has been received;

(C) makes an expenditure of $250 or more, except for the personal travel expenses of the lobbyist, for lobbying during that period; or

(D) makes an expenditure of $500 or more for lobbying during a total of four consecutive quarterly filing periods, in each period of those four which begins after that total of $500 has been expended;

(11) "Commission" means the Federal Election Commission.

NOTICES OF REPRESENTATION

SEC. 3. Each lobbyist shall file a notice of representation with the Commission not later than fifteen days after first becoming a lobbyist, and each lobbyist who has filed such a notice and has been inactive as a lobbyist for three consecutive quarterly filing periods shall also file a notice of representation when that lobbyist again becomes a lobbyist. The notice of representation shall be in such form and contain such information as the Commission shall prescribe, including—

(1) an identification of the lobbyist;

(2) an identification, so far as possible, of each person on whose behalf the lobbyist expects to perform services as a lobbyist;

(3) a description of the financial terms and conditions on which any lobbyist who is an individual is retained by any person, and the identification of that person;

(4) each aspect of the policymaking process which the lobbyist expects to seek to influence, including any Government agency, committee, or Federal officer or employee, with which contact is to be made, the form of communication used, and whether for or against a particular measure;

(5) an identification of each person who, as of the date of filing, is expected to be acting for such lobbyist and to be engaged in lobbying including—

(A) any financial terms or conditions of such person's so acting; and

(B) the aspects of the policymaking process such person is expected to work at influencing; and

(6) in the case of a voluntary membership organization, the approximate number of members and a description of the methods by which the decision to engage in lobbying is made.

RECORDS

SEC. 4. Each lobbyist shall maintain for not less than two years after the date of recording records which shall be available to the Commission for inspection and which contain the following information:

(1) The total income received by the lobbyist, and the amount of such income attributable to lobbying.

(2) The identification of each person from whom income is received and the amount received, but in the case of a voluntary membership organization a contribution during any quarterly filing period from a member need be recorded only if the contributions to such organization from such member are more than $100 during that quarterly filing period, or during that quarterly filing period combined with the three immediately preceding such periods.

(3) The total expenditures of such lobbyist for lobbying, itemizing any expenditure made—

(A) to employ lobbyists (and the amount received by each lobbyist so employed); and

(B) for research, advertising, staff, offices, travels, mailings, and publications.

(4) Each expenditure made directly or indirectly to or for any Federal officer or employee.

REPORTS

SEC. 5. Each lobbyist shall not later than fifteen days after the last day of a quarterly filing period file a report with the Commission covering that lobbyist's activities during that quarterly filing period. Each such report shall be in such form and contain such information as the Commission shall prescribe, including—

(1) an identification of the reporting lobbyist;

(2) an identification of each person on whose behalf the reporting lobbyist performed services as a lobbyist during the covered period, but not including any member of any voluntary membership organization on whose behalf the lobbyist performed such services, if the member contributed not more than $100 to the organization during the covered period or during that period combined with the three immediately preceding quarterly filing periods;

(3) an identification of each person who acted as a lobbyist on behalf of the reporting lobbyist during the covered period;

(4) each decision of the policymaking process the reporting lobbyist sought to influence during the covered period, including bill numbers where relevant;

(5) an identification of each Federal officer or employee with whom the reporting lobbyist communicated during the covered period in order to influence the policymaking process;

(6) a copy of any written communication used by the reporting lobbyist during the covered period to solicit other persons to lobby, and an estimate of the number of persons to whom such written communication was made; and

(7) copies of the records required to be kept by the reporting lobbyist under section 4, to the extent such records pertain to the covered period.

EFFECT OF FILING ON CERTAIN DETERMINATIONS UNDER THE INTERNAL REVENUE CODE OF 1954

SEC. 6. Compliance with the filing requirements of this Act shall not be taken into consideration in determining, for purposes of the Internal Revenue Code of 1954, whether a substantial part of the activities of an organization is carrying on propaganda, or otherwise attempting to influence legislation.

RECORDS OF OUTSIDE CONTACTS

SEC. 7. (a) All officials and employees of the executive branch in grades GS–15 or above in the General Schedule, or in any of the executive levels under title 5 of the United States Code, or who are designated by any person to whom this subsection otherwise applies as being responsible for making or recommending decisions affecting the policymaking process in the executive branch, shall prepare a record of each oral or written communication received directly or by referral from outside parties expressing an opinion or containing information with respect to such process. The records shall be in such form and contain such information as the Commission shall prescribe, including—

(1) the name and position of the official or employee who received the communication;

(2) the date upon which the communication was received;

(3) an identification, so far as possible, of the person from whom the communication was received and of the person on whose behalf such person was acting in making the communication;

(4) a brief summary of the subject matter or matters of the communication, including relevant docket numbers if known;

(5) in the case of communications through letters, documents, briefs, and other written material, copies of such material in its original form; and

(6) a brief description, when applicable, of any action taken by the official or employee in response to the communication.

(b) Each agency in the executive branch shall assure that records prepared pursuant to subsection (a) of this section shall be placed, within two working days of the date when such communication was received, in the case file of the rulemaking or adjudication to which the communication related. If the communication related to matters for which there was no such case file, the records of such communication shall be placed in a public file which shall be maintained in the same location as the case files.

(c) Each agency in the executive branch shall assure that records filed pursuant to subsection (b) of this section shall be made available for public inspection in a convenient location within the agency. A comprehensive index of such records by subject matter and, when applicable, docket number shall be maintained and made available for public inspection in such location.

POWERS OF COMMISSION

SEC. 8. (a) The Commission has the power for the purposes of this Act—

(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

(2) to administer oaths;

(3) to require by subpena, signed by the Chairman or the Vice Chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the producton of evidence in the same manner as authorized under paragraph (3) of this subsection;

(5) to initiate (through civil proceedings for injunctive relief and through presentation to Federal grand juries), prosecute, defend, or appeal any civil or criminal action in the name of the Commission for the purpose of enforcing the provisions of the Act through its General Counsel;

(6) to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (3), to any officer or employee of the Commission; and

(7) to make, amend, and repeal such rules as are necessary to carry out the provisions of this Act.

(b) Any United States district court within the jurisdiction of which any inquiry is carried on may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this Act. Any violations of any such provision shall be prosecuted by the Attorney General or Department of Justice personnel only after consultation with, and with the consent of, the Commission.

DUTIES OF THE COMMISSION

Sec. 9. It shall be the duty of the Commission—

(1) to develop forms for the filing of notices of representation, and reports pursuant to sections 3 and 5 of this Act and to furnish such forms to lobbyists upon request;

(2) to develop forms for the filing of records of outside contacts under section 7;

(3) to prepare a manual setting forth recommended uniform methods of bookkeeping and reporting to furnish such manual to lobbyists upon request;

(4) to develop a filing, coding, and cross-indexing system consonant with the purpose of this Act;

(5) to make the notices of representation and reports filed with it available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person, provided that the charge does not exceed actual marginal cost, but not information copied from such reports and statements shall be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(6) to preserve the originals or copies of such notices and reports for a period of ten years from date of receipt;

(7) to compile and summarize, with respect to each filing period, the information contained in such notices, and reports in a manner reflective of the disclosure intent of this Act and in specific relation to—

(A) the lobbying activities and expenditures pertaining to specific legislative or executive actions, including the identity of the lobbyists involved and of the persons in whose behalf they are acting; and

(B) the lobbying activities and expenditures of persons who share an economic, business, or professional interest in the legislative or executive actions which they have sought to influence;

(8) to have such information, as so compiled and summarized, published in the Federal Register within fifteen days after the close of each filing period;

(9) to have each notice of representation which is filed by any lobbyist published in the Federal Register within three days after each such notice was received by the Commission;

(10) to ascertain whether any lobbyist has failed to comply fully and accurately with the disclosure requirements of this Act and promptly notify such person to file such notices and reports as are necessary to satisfy the requirements of this Act or regulations prescribed by the Commission under this Act;

(11) to make audits and field investigations with respect to the notices, and reports filed under the provisions of this Act, and with respect to alleged failures to file any statement or reports required under the provisions of this Act, and, upon complaint by any individual, with respect to alleged violations of any part of this Act.

(12) to prepare a special study or report upon the request of any Member of the House of Representatives or the Senate from information in the records of the Commission; or, if such records do not contain the necessary information, but the information would fall under the scope of information required by this Act, the Commission may inspect the records of the appropriate parties and prepare the report, but only if such special inspection can be completed in a reasonable time before the information would normally be filed;

(13) to prepare and publish such other reports as it may deem appropriate;

(14) to prescribe suitable rules and regulations to carry out the provisions of this Act; and

(15) to recommend legislation to carry out the purposes of this Act.

SANCTIONS

Sec. 10. (a) Any lobbyist who knowingly and willfully violates section 3 of this Act shall be fined not more than $5,000 or imprisoned for not more than two years.

(b) Any person who knowingly and willfully falsifies all or part of any notice of representation or report which he files with the Commision under this Act shall be fined not more than $5,000 or imprisoned for not more than two years, or both.

(c) Any person who knowingly and willfully falsifies or forges all or part of any communication to influence legislative or executive action shall be fined not more than $5,000 or imprisoned for not more than two years, or both.

(d) Any Federal officer or employee of the executive branch to whom section 7 applies who knowingly and willfully falsifies, forges, or fails to file any record as required by such section shall be fined not more than $5,000, or imprisoned not more than two years, or both.

REPEAL OF FEDERAL REGULATION OF LOBBYING ACT

Sec. 11. The Federal Regulation of Lobbying Act (60 Stat. 839–842; 2 U.S.C. 261 et seq.) and that part of the table of contents of the Legislative Reorganization Act of 1946 which pertains to title III, also known as the Federal Regulation of Lobbying Act (60 Stat. 813), are repealed, effective on the date on which the regulations to carry out this Act first become effective.

EFFECTIVE DATE

Sec. 12. The provisions of this Act shall take effect upon the date of its enactment, except that any person required by section 5(a) to maintain records shall not have any duties or obligations under this Act to maintain such records until the date on which the regulations to carry out this Act first becomes effective.

By Mr. CHILES:

S. 775. A bill to limit the categories of questions which may be asked in decennial censuses. Referred to the Committee on Post Office and Civil Service.

Mr. CHILES. Mr. President, the right of privacy is one right few, if any, of our citizens would be willing to surrender. Today I wish to introduce a piece of legislation which would help to protect the right of privacy. This bill would limit the decennial census to six basic questions.

According to my proposal, each person would be asked their name and address, relationship to the head of their household, sex, date of birth, race or color, and visitors in the home at the time of the census. As you can see, none of these are the prying sort of information asked in the current census questionnaires.

Many of the questions asked in the 1970 census, such as requests for information on previous marriages, value of property, number of children borne by a woman including stillbirths, touch upon personal matters and should not be the subjects of a national survey. To require persons to answer them constitutes a violation of the constitutional right of privacy. Such a wide-ranging census increases the Government's power to conduct a regular, computerized surveillance of a citizen's every move, thought, word, and deed and represents a gratuitous intrusion by Government into the everyday lives of its citizens.

The Constitution provides for a census to be taken in order to determine the population for purposes of congressional districting. None of the personal questions currently asked in the census, such as the number of bathrooms in a given residence, is relevant to this purpose. Therefore, those questions are not within the constitutional intent of the census.

There is yet another argument for a simplified census procedure, an argument beyond the problem of the right of privacy. The 1970 form was too complex to be answered by the more than 30 million adults with less than an eighth grade education. When the Government says it needs census data in order to properly plan adequate health and welfare programs, it most importantly needs information on the poor and the minorities. These are often the very people who are not well enough educated to respond to the complex questionnaires they receive.

In addition, the complexity and volume of forms that must be completed by businessmen greatly burdens them with additional bookkeeping and accounting problems. The citizens' hostility is aroused when they face long and complex forms to be completed. Responses are likely to be more reliable and the number of responses greater if responding is easy. A short census form better meets Congress' need for a complete count. A short, simple form will get maximum results completely and promptly.

And, most importantly, the limited census questionnaire which I propose would not pry into the private lives of our citizens. The Government's desire to collect information should never be allowed to intrude on a citizen's right of privacy.

By Mr. TUNNEY (for himself, Mr. Magnuson, and Mr. Philip A. Hart):

S. 776. A bill to regulate commerce and protect human health and the environment by requiring testing and necessary use restrictions on certain chemical substances, and for other purposes. Referred to the Committee on Commerce.

TOXIC SUBSTANCE CONTROL ACT

Mr. TUNNEY. Mr. President, I am pleased to join today with the distinguished senior Senator from Washington, Chairman Magnuson, and the distinguished senior Senator from Michigan, Philip Hart in introducing the Toxic Substances Control Act.

The urgency of instituting this type of regulatory program has never been greater. The number of new human health and environmental threats that have been discovered in recent months argue strongly for a new regulatory program to deal, not only with the environmental hazards associated with consumer products, but with industrial use of chemicals as well. The hazards to workers, consumers, and the environment from products like vinyl chloride and the threats to the atmospheric ultraviolet shield that might be posed by the freon contained in aerosol cans and in refrigeration units are indicative of the need to act quickly and responsively.

I, however, find it discouraging that the Congress must once again address these kinds of problems. This is the third Congress in which toxic substance legislation has been introduced and considered. In each of the two previous Congresses legislation passed both the Senate and the House of Representatives only to be stalled when agreement could not be reached. Obviously, the positions of the two bodies were strongly felt. While the conference committee did meet on numerous occasions and a tremendous amount of staff work was expended in trying to reach agreement, the divisions in the past were insurmountable.

We can no longer afford further delay which subjects the American public to incredible hazards of increased risks of cancer, birth defects, and permanent genetic damage.

The primary purpose of the Toxic Substances Control Act is to provide a means of regulating chemical substances that appear in consumer and industrial products in this country. Perhaps the most important aspect of this program is the absolute necessity of giving regulatory officials the opportunity to review toxicity and use data prior to the manufacture of the chemical. Our experience in the past has amply shown that our failure to adequately test and screen new chemicals and new uses of chemicals prior to their introduction has had disastrous consequences. There have been approximately 20 deaths associated with the manufacture of vinyl chloride. In addition, this chemical has been suspected of causing injury through emissions in industrial environments. In fact, the full extent of health threats that may be present in its use in consumer products has not been fully researched.

Our hearings last year also demonstrated that asbestos in consumer and industrial products, mercury contamination in sponges, paint and floor wax, PCB in industrial uses, also may present serious hazards in certain circumstances and combinations. These types of health dangers cry out for further regulation. It is essential that we provide the means of detecting dangers from chemicals at a far earlier time than we have in the past. This bill, I believe, will provide that protection in a reasonable manner. It requires that certain chemicals be tested if EPA makes a determination that further examination is necessary due to potential health or environmental threats.

The results of these tests then must be furnished to EPA 90 days in advance of manufacture.

In addition, for all other new chemicals for which EPA cannot make a prior determination that testing is necessary, manufacturers must give notice of their impending intention to market the product. Armed with this type of information, EPA could, where necessary, then take action to impose restrictions or conclude that further tests must be conducted.

The premarket screening provisions of this bill go to the very heart of a proper toxic substances control program. Without it, or with a limited review, there is virtually no way that vinyl chloride-like experiences might be avoided on a timely basis in the future.

The legislation introduced today reflects important changes over last year's version relating to the submission of test data by the chemical industry. Hearings before the Commerce Committee in the last Congress raised substantial doubt that certain members of the chemical industry had released critical health data to regulatory agencies, to their own workers, or to the public in a timely fashion. This data might have revealed the carcinogenic potential of vinyl chloride. By its very nature, scientific data of this kind is subject to different conclusions. Resolution of questions like these should not be left to industry, which has a financial stake in the outcome of the studies. Their financial interests may temper their judgment and, therefore, these facts must be made available to regulatory officials.

The bill we introduce today contains a provision which requires manufacturers to keep the Environmental Protection Agency abreast of all studies it has conducted and is conducting. EPA would have the authority to require the submission of test results both on a preliminary and final basis. Had this provision been in effect in the past, the early industry-sponsored studies on vinyl chloride which indicated its cancer-causing potential might well have come to light at a much earlier date.

The bill contains a number of other changes over last year's version which should enable the statute to be administered in a more orderly fashion and without contributing to the bureaucratic lethargy which so many of us fear. The chemical industry, for example, will now have a voice in fashioning the exact kinds of tests that would be conducted. EPA, however, will closely scrutinize these tests and set standards of quality for the testing procedures and their results. Innovation in the development of testing methods would be encouraged to the benefit not only of regulatory decisionmakers, but to consumers who must ultimately pay for the costs of these tests.

Another change is that the advisory committee procedures of last year's bill have been removed. It is our feeling that these procedures could well have served as a delaying tactic to slow implementation of this act.

The Senate Commerce Committee will shortly holding hearings on this bill. It is important that we thoroughly investigate the new provisions contained in this legislation. I believe that a record needs to be built on each of these new provisions so the Congress can act quickly on this crucial legislation.

I introduce the bill for appropriate reference and ask unanimous consent that the text of the bill as introduced be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 776

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Toxic Substances Control Act".

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DECLARATION OF POLICY

SEC. 2. (a) FINDINGS.—The Congress finds and declares that—

(1) Human beings and the environment are exposed each year to a large number of chemical substances.

(2) Some of the many chemical substances which are constantly being developed and produced are substances whose manufacture, distribution, use, or disposal may pose an unreasonable risk to health or the environment.

(3) The effective regulation of commerce in the interest of protecting human beings and the environment necessitates the regulation of such chemical substances.

(b) POLICY.—It is therefore declared to be the policy of the Congress in this Act that—

(1) chemical substances should be adequately tested with respect to their effect on health and the environment;

(2) such testing including the development of test protocols should be the responsibility of the persons who manufacture, import, or process such chemical substances;

(3) adequate authority should exist in the Environmental Protection Agency to regulate the distribution and use of, and to take protective action with respect to chemical substances which are found to pose an unreasonable risk to human health or the environment; and

(4) such authority should be exercised in such a manner as to assure that technological innovation and commerce in chemical substances are not unduly impeded while assuring that the manufacturing or distribution of such substances do not pose an unreasonable risk to human health or the environment.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "category of chemical substances" means a group of chemical substances which are similar in molecular structure, physical or chemical properties, use, mode of entrance to the human body or the environment, or in some other way suitable for formation of a group for the purposes of this Act, except that such term does not mean all new

chemical substances within the meaning of section 5 of this Act;

(3) "chemical substance" means (A) any organic or inorganic substance of a particular molecular identity; (B) any uncombined radical or element; or (C) any mixture;

(4) "commerce" means trade, traffic, transportation, or exchange (A) between a place in a State, and any place outside of such State, or (B) which affects trade, traffic, transportation, or exchange described in subparagraph (A) of this paragraph;

(5) "distribute in commerce" or "distribution in commerce" means to sell in commerce, to introduce or deliver for introduction into commerce, or to hold for sale or distribution after introduction into commerce, including use and disposal thereafter, importation, and reimportation;

(6) "environment" includes man and the human environment, water, air, land, all living things therein, and the interrelationships which exist among and between these;

(7) "health and safety data" means any data which relates to the effects on human health or the environment of a chemical substance, including data developed pursuant to health and safety studies. Such data shall include consumer or other individual correspondence regarding alleged adverse effects on human health or the environment due to a chemical substance, reports of worker illness or injury allegedly related thereto, and complaints or other notices of judicial or administrative proceedings initiated by local, State, or Federal authorities relating to injury to human health or the environment alleged to have been caused by a chemical substance;

(8) "health and safety studies" means any study of any effects of a chemical substance on human health or the environment. Such studies shall include epidemiological studies, studies of occupational exposure to a chemical substance, toxicological studies, clinical studies, ecological studies, and all tests performed pursuant to this Act;

(9) "includes" and variants thereof should be read as if the phrase "but is not limited to" were also set forth;

(10) "import" and "reimport" mean to cause a chemical substance to be transported from a place outside the United States to a place within the United States;

(11) "importer" means any person (A) who imports a chemical substance for distribution in commerce for commercial purpose; or (B) who reimports a chemical substance, which was manufactured or processed in whole or in part in the United States for distribution in commerce;

(12) "manufacture" means to produce or manufacture;

(13) "manufacturer" means any person who manufactures a chemical substance;

(14) "mixture" means any mixture (A) which occurs naturally; or (B) which is produced by an industrial chemical process and which is marketed or used without separation into its constituents;

(15) "process" means to prepare a chemical substance for distribution in commerce (A) in the same or different form or physical state; or (B) as part of another product;

(16) "processor" means any person who processes a chemical substance;

(17) "standards for test protocols" means standards prescribing the quality of test protocols, such quality to be measured by—

(A) the reliability of test results;

(B) the amount of time necessary to complete a protocol; and

(C) the degree to which the protocol conforms to or advances the current state of the art of testing and thereby minimizes costs to ultimate consumers.

(18) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Canal Zone, or American Samoa;

(19) "test protocol" means a specific method or procedure to be followed in a test or tests to determine the effects of the manufacture, processing, or distribution in commerce of a chemical substance;

(20) "test results" or "test data" means results or data obtained from the performance of a test protocol; and

(21) "United States" means all of the States.

STANDARDS FOR TEST PROTOCOLS

Sec. 4. (a) General.—If the Administrator determines that—

(1) a chemical substance may present an unreasonable risk to health or the environment;

(2) there is insufficient data upon which to conclude that such a risk does in fact exist or not exist; and

(3) testing of such substance would assist in making such a determination,

then he shall, by rule, prescribe standards for a test protocol for such substance. Whenever such standards are prescribed, the Administrator shall require, in accordance with subsection (b)(3) of this section, that one or more persons formulate a test protocol for such substance, in accordance with such standards, and perform the tests required by such protocol.

(b) Standards.—(1) In prescribing the standards for test protocols, the Administrator shall require that information pertaining to all relevant factors with respect to the applicable chemical substance be developed. Such factors include—

(A) the effects of such substance on human health, and the magnitude of human exposure; and

(B) the effects of such substance on the environment, and the magnitude of environmental exposure.

(2) Standards for test protocols shall require that such protocols be formulated in accordance with those standards and may require that tests be performed, in accordance with those protocols, for carcinogenicity, mutagenicity, teratogenicity, acute toxicity, subacute toxicity, chronic toxicity, cumulative properties, synergistic properties, clinical effects, epidemiological effects, ecological effects, and any other effects of such substance which might cause unreasonable risk to human health or the environment.

(3) A rule prescribing standards for a test protocol for a chemical substance shall require that any test contained in a test protocol for such substance which is formulated in accordance with such standards shall be performed by any person or governmental entity which is a manufacturer, processor, or importer of such chemical substance.

(c) Performance of Tests.—(1) The Administrator may by rule permit two or more persons, who are required to test under a test protocol formulated in accordance with standards prescribed by him, to designate one such person or a qualified and independent third party to perform such testing pursuant to a cost-sharing arrangement. If the persons required to test are not able to agree upon a designee within a reasonable time, or if the agreed-upon designee is not acceptable to the Administrator, the Administrator may order one or more of such persons, or may designate a qualified and independent third party, to perform the required testing. If the Administrator issues such an order, he shall direct the persons who are thus exempted from the obligation to perform tests to provide fair and equitable contribution for the full cost of such testing, and of the cost, if any, of formulating any test protocol, in an amount determined under rules of the Administrator.

(2) Whenever the Administrator exempts a person from the obligation to perform tests, he shall, if such exemption takes effect during the reimbursement period for such data, order such exempt person to provide reimbursement in the same manner as if an exemption had been granted under section 5(g) of this Act (unless the parties agree on the amount and method of reimbursement).

(3) In any case in which a person provides contribution or reimbursment in accordance with paragraph (1) or (2) of this subsection or of section 5(g) of this Act, section 15 of this Act shall not be construed to prevent such person from having access to any data submitted as a result of the testing as to which such contribution or reimbursement was provided.

(d) Reporting.—A person required to perform any test required by an applicable test protocol shall submit the test data developed pursuant to such test protocol and such protocol to the Administrator promptly upon completion of such test. The Administrator may provide for the submission of preliminary and other reports during the course of such testing.

(f) Notice.—Upon the receipt of test protocol and test data developed pursuant to it under this section, and subject to section 15 of this Act, the Administrator shall promptly publish a notice of such receipt in the Federal Register. Each such notice shall (1) identify the chemical substance for which test data have been received, (2) list the uses or intended uses of such substance, and other information specified by the Administrator by rule, and (3) describe the nature of the test performed and the data which were developed. Such data shall be made available by the Administrator for examination by any person, except as otherwise provided in section 15 of this Act.

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(g) Procedure.—Rules issued under this section (and amendments thereto or repeals thereof) shall be promulgated pursuant to section 553 of title 5, United States Code. In promulgating, amending, or repealing any standard or other rule under this section, (1) the Administrator shall give interested persons an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions, and (2) a transcript shall be made of any oral presentation.

PREMARKET SCREENING OF CHEMICAL SUBSTANCES

Sec. 5. (a) General.—Commencing 180 days after the date of enactment of this Act, a manufacturer or importer of a new chemical substance (other than a mixture or a chemical substance covered by subsection (b) of this section) shall notify the Administrator of the planned manufacture or importation of such substance at least 90 days in advance thereof. When providing such notice, such manufacturer or importer shall submit to the Administrator the information referred to in section 8 of this Act insofar as it pertains to such substance. If, in the judgment of the Administrator, such a substance does not present an unreasonable environmental or human health risk, he may reduce the number of days after submission of such information during which manufacture or importataion may not occur. The Administrator shall give priority attention to a chemical substance with respect to which information is received indicating that serious economic or other hardships are likely to result if there is any unnecessary postponement of manufacture or importation.

(b) Submission of Data.—(1) After the effective date of test standards issued under section 4 of this Act, any manufacturer or importer of a new chemical substance which is covered by such standards, and who first manufactures or imports such substance after such date, shall submit to the Administrator (in lieu of the information required in subsection (a) of this section), at least 90 days prior to such manufacture or importation, the test data developed in accordance with such standards, and the applicable information referred to in section 8 of this Act which pertains to the intended use or distribution of such substance.

(2) The Administrator shall promptly publish (subject to section 15 of this Act) in the Federal Register the identity of each such chemical substance, the use or distribu-

tion intended, and a statement of the availability of any test data or other information submitted.

(c) Rule.—If warranted by data available to him, or by the absence of data, the Administrator may propose a rule under section 6 of this Act with respect to a new chemical substance. If such rule is proposed prior to the expiration of the 90-day period referred to in subsection (a) or (b) of this section, or during the extension provided for in subsection (d) of this section, such proposed rule shall apply (pending the outcome of administrative proceedings on such proposal) to any subsequent manufacture or distribution in commerce of such new chemical substance as if such proposed rule were final.

(d) Extension.—The Administrator may extend, for an additional period beyond the 90-day period from the submission of required information under this section, the date after which a new chemical substance may be manufactured or imported for any particular use or distribution. Such additional period may not exceed 90 days and shall not be granted except for good cause shown. Notice of any such extension, and the reasons therefor, shall be published in the Federal Register. Such an extension shall constitute a final action for purposes of judicial review.

(e) Clearance.—Unless the Administrator proposes a rule with respect to a new chemical substance, under section 6 of this Act, within 90 days after the submission of information or data under subsection (a) or (b) (or in the case of information submitted under subsection (a) within such shorter period as the Administrator may consider appropriate) or within such period as extended under subsection (e), manufacture or importation of such new chemical substance may commence. Nothing herein shall be construed to prohibit the Administrator from promulgating a rule pursuant to section 6 of this Act with respect to any chemical substance after manufacture or importation has commenced, or from taking action against any substance which is found to be an imminent hazard pursuant to section 7 of this Act.

(f) Exemption.—(1) The Administrator may exempt any person from the obligation to submit test data under this section, if he determines that the submission of test data by such person would be duplicative of data previously received. Such an exempt person shall not manufacture or import such new chemical substance prior to the date of termination of the premarket screening period for which test data were submitted under this section. Any chemical substance, or any manufacturer or importer thereof referred to under the preceding sentence, shall be subject to all the other provisions of this Act.

(2) If the Administrator, under paragraph (1), exempts any person from submitting data under this section because of the existence of previously submitted test data, and if such exemption takes effect during the reimbursement period for such data (defined in paragraph (3)), then, unless the parties can agree on the amount and method of reimbursement, the Administrator shall order the person granted the exemption to provide fair and equitable reimbursement (in an amount and subject to conditions determined under rules of the Administrator)—

(A) to any person who previously submitted test data on which the exemption was based, for a portion of the costs incurred by him in complying with the requirement under this section to submit such data, and

(B) to any other person who has been required under this paragraph to contribute with respect to such data.

An order under this paragraph shall be considered final agency action, for purposes of judicial review.

(3) For purposes of paragraph (2), the reimbursement period for any previously submitted test data is a period—

(A) beginning on the earliest date (after submission of such data) on which a person who previously submitted test data on which the exemption was based was no longer prohibited from proceeding with the manufacture and distribution in commerce of a chemical substance to which such data applied, and

(B) ending two years after such date (or, if later, at the expiration of a period after such date equal in length to the period which the Administrator determines was necessary to develop the previously submitted test data).

(g) Significant New Use.—(a) A chemical substance may not be manufactured or imported for a use which is identified by the Administrator in a rule as a significant new distribution in commerce of such substance, unless, at least 90 days prior to such manufacture or importation, the person intending to manufacture or import such substance for such use submits a notice of his intention to do so to the Administrator. Any such substance shall be subject to all other provisions of this section.

(2) Any manufacturer or importer who proposes to distribute in commerce a chemical substance for which notice may be required under this subsection, shall attempt to ascertain from the person to whom he distributes such substance (hereafter in this paragraph referred to as "distributee") whether such distributee proposes to distribute such substance for a use which would be a significant new use. If the distributee refuses or is unable to inform such manufacturer or importer whether the proposed use would be a significant new distribution in commerce, the manufacturer or importer shall so inform the Administrator and shall inform the distributee that such substance may be subject to this section. Such distributee shall thereafter be treated, for purposes of this section (including this paragraph), as the manufacturer of such substance.

HAZARDOUS CHEMICAL SUBSTANCES

Sec. 6. (a) General.—If the Administrator determines that a rule with respect to a chemical substance is necessary to protect against an unreasonable risk to human health or the environment, he may prescribe such a rule under this section. Such a rule may consist of one or more of any of the following types of requirements:

(1) Requirements (A) prohibiting the manufacture, processing or distribution in commerce of such chemical substance or (B) limiting the amount of such chemical substance which may be manufactured or distributed in commerce.

(2) Requirements (A) prohibiting the manufacture or distribution in commerce of such chemical substance for a particular use or (B) limiting the amount of such substance which, or regulating the condition under which such substances, may be manufactured or distributed in commerce for such uses.

(3) Requirements mandating that such chemical substance, or an article containing such substance, be marked with or accompanied by clear and adequate warnings and instructions with respect to its use or disposal, in such form and bearing such content as the administrator determines to be appropriate.

(4) Requirements (A) that persons subject to requirements prescribed under paragraphs (1), (2), or (3), make and retain records and monitor or conduct tests necessary to assure their compliance with such requirements; (B) that manufacturers and processors of a chemical substance make and retain records of the processes used to manufacture or process such substance; and (C) that manufacturers and processors monitor or conduct tests necessary to determine whether chemical substances manufactured or processed by them are adulterated (within the meaning of subsection (e) (2)), and retain records of such tests. Any records or data required under this paragraph shall not be considered research data or process technology for purposes of section 13(b) of this Act.

The Administrator shall select the least stringent requirement practicable consistent with the protection of human health and the environment against unreasonable risks.

(b) Applicability.—(1) The applicability of any rule issued under this section may be limited to specified geographic areas.

(2) The authority of the Administrator, under subsection (a)(2) of this section, to prescribe a rule prohibiting the manufacture, processing, or distribution in commerce of a chemical substance for a particular use includes the authority to prohibit the distribution in commerce of a chemical substance for a particular use in a concentration in excess of a level specified in such rule.

(3) Rules limiting the amount of a chemical substance which may be manufactured, processed or distributed in commerce or limiting the quantity of such substance which may be manufactured, processed or distributed for a particular use, shall provide for assigning production, processing and distribution quotas to the extent necessary, with respect to the chemical substance whose manufacture, processing or distribution is limited thereby. The permissible quota for each person who applies to manufacture or process such substance or to engage in its distribution in commerce shall be determined in accordance with criteria which the Administrator shall prescribe by rule. Such criteria shall take into account all relevant factors, including (A) effects on competition, (B) the market shares, productive capacity, and product and raw material inventories of the precursors of the chemical substance of persons applying for quotas, (C) emergency conditions, such as fires or strikes, and (D) effects on technological innovation.

(c) Factors.—In promulgating rules under subsection (a) of this section, the Administrator shall consider all relevant factors, including—

(1) the effects of the substance on health and the magnitude and duration of human exposure to it;

(2) the effects of the substance on the environment and the magnitude and duration of environmental exposure to it; and

(3) the benefits of the substance for a given use or uses and the availability of less hazardous substances for the same uses.

(d) Effective Date.—The Administrator shall specify the effective date of any rule proposed under subsection (a) of this section. Such date shall be as soon as feasible.

(e) Quality Control.—(1) If the Administrator has good cause to believe that a particular manufacturer, importer, or processor is manufacturing, importing, or processing a chemical substance in a manner which permits or causes the adulteration of such chemical substance—

(A) he may require such manufacturer or processor to submit a description of the relevant quality control procedures followed in the manufacturing or processing of such chemical substance and he shall take such other actions as authorized by this Act; and

(B) if he thereafter determines by rule that such quality control procedures are inadequate to prevent the adulteration of such substance, the Administrator may order the manufacturer, importer, or processor to revise such quality control procedures to the extent which the Administrator finds necessary to remedy such inadequacy.

(2) For purposes of this subsection, a chemical substance is adulterated if it or any precursor substance used or produced in its manufacture or processing bears or contains any other chemical substance or contaminant which itself or, in combination with

the chemical substance, poses or is likely to pose an unreasonable risk to human health or the environment.

(f) PROCEDURE.—Rules issued under subsection (a) of this section (and amendments thereto or repeals thereof) shall be promulgated pursuant to section 553 of title 5 of the United States Code; except that in promulgating any such rule, amendment, or repeal (A) the Administrator shall give interested persons an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions; (B) a transcript shall be made of any oral presentation; and (C) the Administrator shall provide for cross-examination to such extent and in such manner as in his discretion he determines is necessary and appropriate in view of the nature of the issue involved, the number of the participants and the nature of the interests of such participants.

IMMINENT HAZARD

SEC. 7. An imminent hazard shall be considered to exist when the evidence is sufficient to show that the manufacture, processing, or distribution in commerce of a chemical substance or product containing such substance will result in any unreasonable threat to human health or the environment, prior to the completion of an administrative hearing or other formal proceeding held pursuant to this Act. If the Administrator has reason to believe that an imminent hazard exists he may petition an appropriate district court of the United States, or he may request the United States attorney for such district to do so, to restrict the manufacture, processing, or distribution in commerce of the chemical substance or product responsible for the hazard, or to take such other action as is appropriate. The Administrator shall simultaneously, if he has not done so, propose any regulation which may be warranted under section 6 of this Act.

REPORTS

SEC. 8. (a) GENERAL.—(1) The Administrator may, by rule, require any manufacturer, importer, or processor of any chemical substance to maintain such records, and to submit such reports to him annually, and at such more frequent time as he may reasonably require. Reports which the Administrator by rule requires may include the following information:

(A) the common or trade name, the chemical identity, and the molecular structure of each chemical substance for which such report is required, insofar as known to the person making the report or insofar as reasonably ascertainable;

(B) the categories or proposed categories of use of each such substance, insofar as known to the person making the report, or insofar as such are reasonably ascertainable:

(C) reasonable estimates of the amounts of each substance manufactured, imported, or processed for each such use; and

(D) a description of any byproducts resulting from the manufacture, processing, distribution in commerce of each such substance, insofar as known to the person making the report or insofar as reasonably ascertainable.

(2) For purposes of this subsection, the term "byproduct" means a chemical substance which is produced or results as a consequence of the manufacture, importation, processing, or distribution in commerce of some other chemical substance.

(b) INVENTORY.—The Administrator shall compile and publish a listing of each chemical substance which any manufacturer, processor or importer reports (under this section) is manufactured, processed or imported into the United States. A chemical substance shall be included in such listing as of the earliest date (as determined by the Administrator) on which such substance was manufactured in or imported into the United States.

(c) Submission.—Any test data or other information required to be developed pursuant to this Act shall be submitted to the Administrator promptly. The Administrator may require the submission of preliminary and other reports during the course of any monitoring or testing.

(d) RECORDS.—Any person who manufactures, processes, or distributes in commerce any chemical substance shall maintain records of adverse reactions to human health or the environment alleged to have been caused by the chemical substance. Such records may consist of, but not be limited to, consumer allegations of personal injury, and reports or complaints of injury to the environment submitted to the manufacturer, processor, or distributor in commerce by individuals or governmental agencies.

(e) HEALTH AND SAFETY STUDIES.—Any person who manufactures, processes, or distributes in commerce any chemical substance shall report to the Administrator—

(1) all health and safety studies in progress on or initiated after the date of enactment of this Act, conducted by or for the person; and

(2) a list of all health and safety studies conducted by or for such person 40 years prior to the date of enactment of this Act. Such list shall be submitted to the Administrator within 180 days after the date of enactment of this Act. The Administrator, on the basis of the lists submitted, may request submission of any study appearing on such list.

(f) COMMENTS.—Whenever the Administrator determines that such action would be necessary to assist him to carry out his responsibilities and authorities under this Act, he may, by publishing a notice in the Federal Register, invite and afford all interested persons an opportunity to provide information and comment in writing respecting the health or environmental effects of a chemical substance. Such an invitation and opportunity shall not be deemed a proceeding for purposes of section 15(a)(2) of this Act.

EXEMPTIONS AND RELATIONSHIP TO OTHER FEDERAL LAWS

SEC. 9. (a) EXEMPTIONS.—This Act shall not apply to—

(1) any pesticide (as defined in the Federal Insecticide, Fungicide, and Rodenticide Act) when manufactured or distributed in commerce for use as a pesticide; or

(2) drugs (as such term is defined in section 201(g) of the Federal Food, Drug, and Cosmetic Act) and food (as defined in section 201(f) of the Federal Food, Drug, and Cosmetic Act, including poultry and poultry products (as defined in section 4 (e) and (f) of the Poultry Products Inspection Act), meat and meat food products (as defined in section 1(j) of the Federal Meat Inspection Act) and egg and egg products (as defined in section 4 of the Egg Products Inspection Act)).

(b) ABSENCE OF AUTHORITY.—The Administrator shall have no authority under section 6 and 7 of this Act to take action to prevent or reduce an unreasonable risk to health or the environment associated with the manufacture, processing, or distribution in commerce of a chemical substance or an article containing such substance—

(1) to the extent that the Administrator in his discretion determines the risk associated with such substance or article may be prevented or reduced to a sufficient extent under any Federal law administered, in whole or in part by the Administrator, unless he finds that the risk associated with such substance or such article cannot be prevented or reduced as effectively by his action under such other Federal law;

(2)(A) if the entirety of risk to human health and the environment associated with such substance or article is designed to be protected against under other Federal law (other than the National Environmental Policy Act of 1969) not administered in whole or in part, by the Administrator; and

(B) if the entirety of such risk could be prevented or reduced to a sufficient extent by action taken under such other Federal law as determined by the Administrator in his discretion.

(c) NOTICE.—If it appears to the Administrator that any chemical substance may pose an unreasonable risk to human health or the environment which could be prevented or reduced to a sufficient extent by actions taken under other Federal laws, he shall transmit, and give public notice thereof, any data received from manufacturers, importers, or processors, or data otherwise in his possession which is relevant to such risk to the Federal executive department or agency, independent regulatory agency or other authority of the Federal Government with authority to take legal action.

(d) COORDINATION.—In administering the provisions of this Act, the Administrator shall consult and coordinate with the Secretary of Health, Education, and Welfare and the heads of any other appropriate Federal executive department or agency, any relevant independent regulatory agency, and any applicable instrumentality of the Federal Government. The Administrator shall report annually to the Congress on actions taken to coordinate with such other Federal agencies, and on actions taken to coordinate the authority under this Act with the authority granted under other Acts referred to in subsection (b) of this section.

OTHER PROVISIONS

SEC. 10. (a) ASSISTANT ADMINISTRATOR.—The President, by and with the advice and consent of the Senate, shall appoint an Assistant Administrator for Toxic Substances from among individuals who, by reason of their background and experience, are especially qualified to direct a program concerning the effects of chemicals on human health and the environment. Such person shall be responsible for collection of data, preparation of studies, and recommendations to the Administrator for regulatory and other actions to carry out the purposes of this Act.

(b) ANNUAL REPORT.—Each January 1st, an annual report shall be transmitted to Congress by the Administrator describing his activities under this Act. Such report shall include detailed short- and long-range plans for future activities by the Administrator to further the purposes of this Act.

(c) CATEGORIES.—Any action which may be taken, by the Administrator under any provision of this Act, with respect to a chemical substance, may be taken with respect to a category of chemical substances or to classes of uses of chemical substances. Whenever the Administrator takes an action with respect to a category of chemical substances or to under any provision of this Act, any reference in this Act to a chemical substance (insofar as such reference relates to such action) shall be deemed to be a reference to each chemical substance in any such category.

RESEARCH, COLLECTION, DISSEMINATION AND UTILIZATION OF DATA

SEC. 11. (a) AUTHORITY.—The Administrator shall, in consultation and cooperation with the Secretary of Health, Education, and Welfare, and other agency or agencies, conduct such research and monitoring as is necessary to carry out the purposes of this Act. Responsibility for conduct of research shall be assigned to the Environmental Protection Agency, agencies of the Department of Health, Education, and Welfare, or such other agencies as would be appropriate, as determined by the Administrator and the Secretary of Health, Education, and Welfare. The Administrator, in consultation with the Secretary of Health, Education, and Welfare, is authorized to make contracts and grants for research and monitoring as necessary to carry out the purposes of this Act.

(b) INTERAGENCY COMMITTEE.—(1) The Administrator shall establish and be responsible for the continuing activities of an interagency committee which will design and coordinate an efficient and effective system, within the Environmental Protection Agency, for the collection, dissemination to other Federal agencies, and utilization of data submitted to the Environmental Protection Agency under the terms of this Act.

(2) The Administrator shall, in consultation with the Secretary of Health, Education, and Welfare and other appropriate agencies, design and coordinate an efficient and effective system for the retrieval of toxicological and other scientific data which could be useful to the Administrator in carrying out the purposes of this Act. Systematized retrieval shall be developed for use by all Federal and other agencies with responsibilities in the area of regulation or study of toxic substances, including chemicals, on the health of human beings or the environment.

(3) The Administrator is authorized to make contracts and grants for the development of a data renewal system suitable for carrying out the purposes of this Act, as described above, in consultation with the Secretary of Health, Education, and Welfare.

ADMINISTRATIVE INSPECTIONS

SEC. 12. The Administrator may authorize any officer, employee, or agent to enter upon, inspect, and examine at reasonable times and in a reasonable manner the records and properties of persons to the extent that such records and properties relate to the manufacture, processing, or distribution in commerce of chemical substances subject to this Act. Any such officer, employee, or agent shall, upon request, display proper credentials. Unless the owner, operator, or agent in charge of such records and properties so consents in writing, no inspection authorized by this section shall extend to (1) financial data; (2) sales data other than shipments data; (3) pricing data; (4) personnel data; (5) research data (other than data required by this Act); or (6) process technology (other than those data related to the chemical composition, synthesis information, or the industrial use of a chemical substance).

EXPORTS

SEC. 13. (a) GENERAL.—This Act shall not apply to any chemical substance, or to any article containing such substance, if (1) it can be shown that such substance or article is manufactured, processed, sold, or held for sale for export from the United States (or that such substance was imported for export), unless such substance or article is, in fact, manufactured, processed, or distributed in commerce for use in the United States, and (2) such chemical substance or article containing such substance when distributed in commerce, or any container in which it is enclosed when so distributed, bears a stamp or label stating that such chemical substance or article is intended for export; except that (A) any manufacturer, processor, or exporter of such chemical substance who, but for this section, would be subject to section 8 of this Act shall be subject to the reporting requirements of such section 8; and (B) this subsection shall not apply to any such substance or article if the Administrator finds that it will, directly or indirectly, pose an unreasonable risk to health within the United States or to the environment of the United States and such chemical shall be subject to section 5 of this Act.

(b) FOREIGN GOVERNMENT.—If the submission of test data is required for a chemical substance under section 4 or 5 of this Act, or if rules applicable to such substance or an article containing such substance have been prescribed or proposed under section 5 or 6 of this Act, the Administrator shall (except as otherwise provided in section 15 of this Act) furnish to the governments of the foreign nations to which he knows such chemical substance is exported, or is intended to be exported, notice of the availability of the data submitted to the Administrator under section 4 or 5 concerning such chemical substance and may require warning labels to be affixed to any package containing such chemical substance; and shall make available to such government upon request, notice of any rule applicable to such substance or an article containing such substance which has been prescribed or proposed by the Administrator under this Act.

ENTRY INTO CUSTOMS TERRITORY OF THE UNITED STATES

SEC. 14. The Secretary of the Treasury shall refuse entry into the customs territory of the United States (as defined in general headnote 2 to the Tariff Schedules of the United States) of any chemical substances, or any article containing such substance, offered for entry if it fails to conform with rules in effect under this Act, or if it is otherwise prohibited pursuant to this Act from being distributed in commerce. If a chemical substance or article is refused entry, hereunder, the Secretary of the Treasury shall (1) refuse delivery to the consignee and (2) cause the disposal or storage thereof if it is not exported by the consignee within three months from the date of receipt of notice of such refusal, under such regulations as the Secretary of the Treasury may prescribe. Notwithstanding the foregoing the Secretary of the Treasury may deliver such substance or article to the consignee pending examination and decision in the matter, upon execution by the consignee of a bond for the amount of the full invoice value of such substance or article, together with the duty thereon, and providing for forfeiture of the full amount of such bond by the consignee on refusal to return such substance or article to the custody of such Secretary, when demanded for any cause, or for any other purpose. All charges for storage, cartage, and labor on substances or articles which are refused admission or delivery under this section shall be paid by the owner or consignee. In default of payment of such charges, then shall constitute a lien against any future entry into the United States made by such owner or consignee. The Secretary of the Treasury, after consultation with the Administrator, shall issue regulations for the administration and enforcement of subsection (a) of this section.

CONFIDENTIALITY

SEC. 15. (a) GENERAL.—All information reported to, or otherwise obtained by, the Administrator or his representative under this Act, which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, shall be considered confidential and shall not be disclosed; except that such information may be disclosed—

(1) to officers or employees of the United States;

(2) when relevant in any proceeding under this Act, except that disclosure in such a proceeding shall be made in such manner as to preserve confidentiality to the extent practicable without impairing the proceeding, or

(3) to the extent that the Administrator determines it is necessary to protect health or the environment.

(b) ACCESS BY QUALIFIED SCIENTISTS.—Notwithstanding any limitations contained in subsection (a) or any other provision of law, all information reported to or otherwise obtained by the Administrator or his representative shall be made available, upon request of qualified scientists to the extent that release of such information will not result in significant competitive damage to the originator of the information.

(c) ACCESS BY CONGRESS.—Notwithstanding any limitation contained in subsection (a) or any other provision of law, all information reported to or otherwise obtained by the Administrator or his representative shall be made available upon request of any duly authorized committee of the Congress.

(d) NAMES OF INDIVIDUALS.—Names of individuals maintained in records pertaining to health and safety data shall only be made public after written permission is obtained by the Administrator from the individuals in question. The confidentiality of medical records shall be maintained insofar as is reasonable and appropriate for the purposes of this Act.

PROHIBITED ACTS

SEC. 16. It shall be unlawful for any person to—

(1) fail or refuse to comply with any provision of sections 4, 5, or 6 of this Act, any rule or order prescribed under any of those sections;

(2) fail or refuse to comply with section 8 of this Act or any rule or order under that section;

(3) fail or refuse to permit access to or copying of records, fail or refuse to permit entry or inspection, or fail to take any other action required under section 12 of this Act;

(4) fail or refuse to comply with instructions with respect to the use or disposal of a chemical substance where such instructions are required by rule prescribed under section 6(a)(3) of this Act; or

(5) distribute in commerce or use for commercial purpose a chemical substance which such person knew or had reason to know was manufactured or distributed in commerce in violation of section 5 or 6 of this Act.

PENALTIES

SEC. 17. (a) CIVIL.—(1) Any person who violates a provision of section 16 of this Act shall be liable to the United States for a civil penalty. Each day of a continuing violation is a separate violation for purposes of this subsection. The amount of such civil penalty shall be assessed by the Administrator by written notice. In determining the amount of such penalty, the Administrator shall take into account the nature, circumstances, extent, and gravity of the violation or violations and, with respect to the violator, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other matters as justice may require: *Provided*, That the amount of each penalty shall not exceed $25,000 for each such violation.

(2) Any person who is aggrieved by the assessment of a civil penalty under this subsection may appeal such decision of the Administrator by bringing a civil action against the Administrator for rescission or modification of such penalty, in the district court of the United States for the District of Columbia or for any judicial district in which he resides or transacts business, within 30 days from the date on which he is notified of such decision by certified mail. In any such judicial proceeding, the factual findings of the Administrator shall be sustained if supported by substantial evidence on the record considered as a whole.

(3) The Administrator may, in his discretion, compromise, modify, or remit, with or without conditions, any civil penalty imposed or subject to imposition under this subsection. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

(4) If any person fails to pay as assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court has entered final judgment in favor of the Administrator, the Attorney General shall recover the amount assessed (plus interest at currently prevailing rates from such date) in any appropriate district court of the United States. In such action, the validity, amount, and

appropriateness of such penalty shall not be subject to review.

(b) CRIMINAL.—Any person who knowingly or willfully violates any provision of section 16 shall, in addition to or in lieu of a civil penalty imposed under subsection (a) of this section, be liable, upon conviction, to a fine of not more than $25,000 for each day of violation, or to imprisonment for not more than one year, or both.

(c) The term "knowingly" means (1) having actual knowledge, or (2) the presumed knowledge based upon knowledge a reasonable man would have in the circumstances, including knowledge obtainable upon the exercise of due care to ascertain the truth of representations.

SPECIFIC ENFORCEMENT

SEC. 18. (a) INJUNCTIONS.—Upon application by the Administrator or the Attorney General, the district courts of the United States shall have jurisdiction to restrain any violation of section 17 of this Act or to compel the taking of any action required by this Act or any rule issued thereunder. In any action under this subsection, process may be served on a defendant in any other judicial district in which the defendant resides or may be found, and subpenas for witnesses may run into any other district.

(b) RELIEF AUTHORIZED.—(1) The district court in which an action under subsection (a) of this section, or under section 7 of this Act, is filed to grant such temporary or permanent relief as may be necessary to protect health or the environment from an unreasonable risk associated with the substance or article involved in such action. Such relief may require (in the case of an action under subsection (a) of this section or under section 7 of this Act a mandatory order requiring (A) notification of such risk to those purchasers of such substance or article who are known to the defendant; (B) public notice; (C) recall; and (D) the replacement or refund of such substance or article. An order issued under this subsection may require any person who is a manufacturer, processor, or distributor in commerce of such substance or article to reimburse any other person for such other person's expenses in connection with carrying out the order, if the court determines such reimbursement to be in the public interest.

(2) An action under subsection (a) of this section, or under section 7 of this Act may be brought in the United States District Court for the District of Columbia or in the district court of the United States for any judicial district in which any of the defendants is found, resides, or transacts business. In any such action, process may be served on a defendant in any other district in which such defendant resides or may be found. Subpenas requiring attendance of witnesses in such an action may run into any other judicial district. The court shall take into account the convenience of the parties in determining the appropriate judicial district for an action under this subsection which may otherwise be brought in more than one judicial district.

(c) SEIZURE.—Any chemical substance or article containing such substance which was manufactured or distributed in commerce in violation of this Act, or which is the subject of an action under section 7 of this Act, shall be liable to be proceeded against, by process of libel for the seizure and condemnation of such substance or such article in any United States district court within the jurisdiction of which such substance or article is found. Such proceedings shall conform as nearly as possible to proceedings in rem in admiralty.

COOPERATION OF FEDERAL AGENCIES

SEC. 19. Upon request by the Administrator, each Federal agency is authorized—

(1) to make its services, personnel, and facilities available (with or without reimbursement) to the Administrator to assist him in the performance of his function; and

(2) to furnish to the Administrator such information, data, estimates, and statistics, and to allow the Administrator access to all information in its possession as the Administrator may reasonably determine to be necessary for the performance of his functions as provided by this Act.

STATE REGULATION

SEC. 20. (a) EFFECT ON STATE LAW.—Nothing in this Act shall affect the authority of any State or local government to regulate any chemical substance, or to establish and enforce standards for test protocols for chemical substances to protect health or the environment, except that—

(1) if the Administrator prescribes a rule under section 6 of this Act applicable to a chemical substance, a State or local government may not, after the effective date of such rule, establish or continue to enforce any different restriction of its own on manufacture, processing or distribution in commerce of such substance for purposes similar to those set forth in such rule, other than a total prohibition on the use or distribution of such substance within the territorial jurisdiction of such government; and

(2) if the Administrator prescribes a rule under section 4 of this Act applicable to a chemical substance, a State or local government may not, after the effective date of such rule impose requirements of its own applicable to such substance for purposes similar to those set forth in a rule under section 4 of this Act.

(b) EXEMPTION.—The Administrator may, by rule, upon the petition of any State or local government or upon his own initiative, exempt any State or local government from a prohibition in subsection (a) of this section with respect to a chemical substance, if such exemption will not, through difficulties in marketing, distribution, or other factors, result in placing an unreasonable burden upon commerce or lessen the protection accorded human health and the environment.

JUDICIAL REVIEW

SEC. 21. (a) GENERAL.—Not later than 60 days following the promulgation of a rule under section 4, 5, or 6 of this Act, any person adversely affected by such rule, or any interested person, may file a petition for judicial review of such rule with the United States Court of Appeals for the District of Columbia, or for the circuit in which such person resides or has his principal place of business. Copies of the petition shall be forthwith transmitted by the clerk of such court to the Administrator and to the Attorney General. The Administrator shall transmit to the Attorney General, who shall file in the court, the record of the proceedings on which the Administrator based his rule as provided in section 2112 of title 28, United States Code, and shall include the transcript of any oral presentation of data, views, or arguments required under the applicable provision of this Act. For purposes of this section, the term "record" means such rule; any transcript required of any oral presentation; any written submission of interested parties; and any other information which the Administrator considers relevant to such rule.

(b) ADDITIONAL DATA.—If the petitioner applies to the court for leave to adduce additional data, views, or arguments, and shows to the satisfaction of the court that such additional data, views, or arguments are material and that there are reasonable grounds for the petitioner's failure to adduce such data, views, or arguments in the proceeding before the Administrator, the court may order the Administrator to provide additional opportunity for oral presentation of data, views, or arguments and for written submissions. The Administrator may modify his findings, or make new findings by reason of the additional data, views, or arguments so taken and shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original rule, with the return of such additional data, views, or arguments.

(c) AUTHORITY AND REVIEW STANDARD.—(1) Upon the filing of a petition under subsection (a), the court shall have jurisdiction (i) to review the rule involved, in accordance with chapter 7 of title 5, United States Code, and (ii) to grant appropriate relief, including interim relief, as provided in such chapter. Any rule promulgated by the Administrator under section 4, 5, or 6 of this Act and reviewed under this section shall be affirmed, unless the findings required to be made under the applicable section are not supported by substantial evidence on the record as required to be developed in this Act.

(2) The judgment of the court affirming or setting aside, in whole or in part, any rule reviewed in accordance with this section shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, the United States Code.

CITIZEN'S CIVIL ACTION

SEC. 22. (a) GENERAL.—Except as provided in subsection (b), any interested person may commence a civil action for injunctive relief on his own behalf—

(1) against any person (including (A) the United States, and (B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any rule, order, or restriction prescribed under section 4, 5, or 6 of this Act, or

(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this Act whether or not discretionary and a likelihood as determined by the court that such allegation can be supported by a preponderance of the evidence in the judicial proceeding.

Any action under paragraph (1) shall be brought in the district court of the United States for the district in which the alleged violation occurred. Any action brought under paragraph (2) shall be brought in such district court for the District of Columbia, or in such district court for the judicial district in which the plaintiff domiciled. The district courts shall have jurisdiction over suits brought under this section, without regard to the amount in controversy or the citizenship of the parties.

(b) LIMITATION.—No civil action may be commenced—

(1) under subsection (a)(1)—

(A) prior to 60 days after the plaintiff has given notice of the violation (i) to the Administrator, and (ii) to any alleged violator of the rule, or

(B) if the Administrator (or Attorney General on his behalf) has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with the rule, but if such action is commenced after the giving of notice any such person giving such notice may intervene as a matter of right in such action; or

(2) under subsection (a)(2) prior to 60 days after the plaintiff has given notice of such action to the Administrator, except that such action may be brought 10 days after such notification in the case of an action under this section for the failure of the Administrator to act under section 7 of this Act.

Notice under this subsection shall be given in such manner as the Administrator shall prescribe by rule.

(c) GENERAL.—(1) In any action under this section, the Administrator, if not a party, may intervene as a matter of right.

(2) the court, in issuing any final order in any action brought pursuant to subsection (a), may award reasonable fees for attorneys and expert witnesses, whenever the court determines that such an award is appropriate.

(3) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any rule or order or to seek any other relief.

(4) For purposes of this section, the term "person" means an individual, corporation, partnership, association, State, municipality, or political subdivision of a State.

(d) CONSOLIDATION.—When actions brought under subsection (a) (1) involving the same defendant and the same issues or violations are pending in two or more jurisdictions, such pending proceedings, upon application of the defendant reasonably made to the court of one such jurisdiction, may, if the court in its discretion so decides, be consolidated for trial by order of such court, and tried in (1) any district selected by the defendant where one of such proceedings is pending; or (2) a district agreed upon by stipulation between the parties. If no order for consolidation is so made within a reasonable time, the defendant may apply to the court of one such jurisdiction, and such court (after giving all parties reasonable notice and opportunity to be heard) may by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the applicant's principal place of business, in which all such pending proceedings shall be consolidated for trial and tried. Such order of consolidation shall not apply so as to require the removal of any case the date for trial of which has been fixed. The court granting such order shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby.

NATIONAL DEFENSE WAIVER

SEC. 23. The Administrator shall waive compliance with any provision of this Act upon request of the Secretary of Defense, and upon a determination by the President that the requested waiver is necessary in the interest of national defense. The Administrator shall maintain a written record of the basis upon which such waiver was granted and make such record available for in camera examination when relevant in a judicial proceeding under this Act. Upon the issuance of such a waiver, the Administrator shall publish in the Federal Register a notice that the waiver was granted for national defense purposes, unless, upon the request of the Secretary of Defense, the Administrator determines to omit such publication because the publication itself would be contrary to the interests of national defense, in which event the Administrator shall submit notice thereof to the Armed Services Committees of the Senate and the House of Representatives.

EMPLOYEE PROTECTION

SEC. 24. (a) GENERAL.—No employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee) has—

(1) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this Act;

(2) testified or is about to testify in any such proceeding; or

(3) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of this Act.

(b) REMEDY.—(1) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) of this section may, within 30 days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary of Labor (hereinafter in this subsection referred to as the "Secretary") alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.

(2)(A) Upon receipt of a complaint filed under paragraph (1), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within 30 days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this paragraph. Within 90 days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by subparagraph (B) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for agency hearing. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant.

(B) If in response to a complaint filed under paragraph (1) the Secretary determines that a violation of subsection (a) of this section has occurred, the Secretary shall order (i) the person who committed such violation to take affirmative action to abate the violation, (ii) such person to reinstate the complainant to his former position together with the compensation (including back pay), terms, conditions, and privileges of his employment, (iii) compensatory damages, and (iv) where appropriate, exemplary damages. If such an order is issued, the Secretary, at the request of the complainant, shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorney's fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complainant upon which the order was issued.

(c) REVIEW.—(1) Any person adversely affected or aggrieved by an order issued under subsection (b) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within 60 days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5 of the United States Code. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary's order.

(2) An order of the Secretary, with respect to which review could have been obtained under paragraph (1), shall not be subject to judicial review in any criminal or other civil proceeding.

(d) ENFORCEMENT.—(1) Whenever a person has failed to comply with an order issued under subsection (b) (2), the Secretary shall file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this subsection, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages. Civil actions filed under this subsection shall be heard and decided expeditiously.

(2) Any nondiscretionary duty imposed by this section is enforceable in mandamus proceeding brought under section 1361 of title 28, the United States Code.

(e) EXCLUSION.—Subsection (a) of this section shall not apply with respect to any employee who, acting without direction from his employer (or the employer's agent), deliberately caused a violation of any requirement of this Act.

STUDY

SEC. 25. Notwithstanding the provisions of section 9 of this Act, the Administrator shall, by contract or other arrangement, commission a study of all Federal laws administered by the Environmental Protection Agency for the purpose of determining whether and under what conditions, if any, indemnification should be accorded any person as a result of any action taken by the Administrator under any law administered by such agency. This study shall—

(1) be conducted outside of the Environmental Protection Agency under the direction of a university or recognized research center by an interdisciplinary group, none of the members of which may have a financial interest or conflict of interest (other than any fee paid by the Administrator for serving as a member of such group) with respect to the findings and conclusions of such study;

(2) include an estimate of the probable cost of any indemnification programs which may be recommended;

(3) include an examination of all viable means of financing the cost of any recommended indemnification;

(4) be completed no less than two years from the date of enactment of this Act; and

(5) be submitted, upon completion, simultaneously to the Administrator and to the appropriate committees of the Congress without prior clearance or review by the executive branch.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 26. (a) There is authorized to be appropriated to the Administrator, for purposes of carrying out this Act, not to exceed $11,100,000 for the fiscal year ending June 30, 1976, not to exceed $2,600,000 for the transitional quarter ending September 30, 1976, and not to exceed $10,100,000 for the fiscal year ending September 30, 1977. No part of the funds so authorized to be appropriated shall be used to construct any research laboratories.

(b) The Administrator may, by rule, require the payment of a reasonable fee from any person required to submit test data under sections 4 and 5 of this Act to defray the cost of administering this Act. Such rules shall not provide for any fee in excess of $2,500. In setting such a fee, the Administrator shall take into account the ability to pay of the person required to submit the data and the cost of the Administrator of reviewing such data. Such rules may provide for sharing such a fee, in any case in which the expenses of testing are shared under section 4(d) of this Act.

(c) Whenever the Administrator submits, in connection with this Act, any budget requests, supplemental budget estimates, legislative recommendations, prepared testimony for congressional hearings, or comments on legislation to the President or to the Office of Management and Budget, he shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Administrator to submit budget requests or estimates, legislative recommendations, prepared testimony for congressional hearings, or comments on legislation relating to this Act to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

Mr. MAGNUSON. Mr. President, I am very happy to join my distinguished colleagues on the Committee on Commerce, Senators HART and TUNNEY, in introducing the Toxic Substances Control Act.

The time has never been more appropriate to enact legislation of this sort. In the last 4 years, the Committee on Commerce has conducted 11 days of hearings on similar legislation. Those hearings have demonstrated time and time again that the threats associated with chemicals in consumer products and in industrial processes must not be allowed to continue. The hazards of vinyl chloride, mercury, freon, PCB's and a wealth of other chemicals have all demonstrated that we must have a better means of regulating chemicals and determining what kinds of threats are in store for us prior to their first manufacture.

On February 16, the Washington Post carried a story describing the results of a National Cancer Institute study on the extent to which environmental factors cause cancer. The study indicates that 60 to 90 percent of all human cancers are caused by environmental factors, including many organic chemicals. It is these types of hazards which are designed to be controlled by the Toxic Substances Control Act.

Existing statutory authorities do not fully cover the types of hazards presented by these chemicals. We have the authority to control air pollution emissions and water pollution effluents. But we have no authority to prevent the use of chemicals before they get to the effluent or emission stage or before they present environmental hazards when used in products. The bill we introduce today would provide that needed authority.

The Committee on Commerce has placed a high priority on moving the Toxic Substances Control Act. Hearings will be scheduled in the very near future and it is my hope that the committee will act favorably very soon thereafter.

By Mr. MOSS:

S. 778. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to individuals with respect to high mortgage interest rates. Referred to the Committee on Finance.

S. 779. A bill to amend the Internal Revenue Code of 1954 to allow rapid amortization of certain new multiple dwelling units. Referred to the Committee on Finance.

Mr. MOSS. Mr. President, I am introducing today two bills to help stimulate the very depressed housing sales and construction industry. I ask that they be printed in the RECORD at the conclusion of my remarks.

These bills separate the housing market into two divisions: the single family residential dwelling, which is the owner's principal residence, and the commercial multiple unit rental market.

The bill which will stimulate single family residential dwelling construction and sales provides that the Internal Revenue Code be amended to provide a tax deduction for the annual interest paid to the lending institution by a mortgagee, as the code presently allows, but in addition all mortgagees who hold a mortgage contract with an interest rate higher than 7 percent will take a dollar for dollar credit on all interest above 7 percent. The credit can be taken only for that amount from 7 percent to an amount of interest 1 percent above the prime rate at the time the buyer entered into the mortgage contract. This last provision will prevent usurious interest being charged as a result of this legislation.

The Nation has suffered a reduction in housing starts from 2.4 million to less than 1 million during the last 18 months. The principal reason for the reduction in starts can be credited more to the rapid rise in interest rates than to the rise in the cost of housing itself. The increase in interest rates ultimately requires a larger monthly payment than many homeowners can afford. This legislation will provide a rebate to the homeowner through his taxes to be paid annually.

A homeowner has two major concerns when he is anticipating the purchase of a home. The first is the base price of the home which he can qualify for and the second is the amount of monthly payment which is determined by base price plus the interest rate. Of course, when the interest rate is excessively high the base price of the home must be lower in order for a purchaser to qualify with modest annual income. The legislation will provide significant stimulus by allowing those people who have been waiting for interest to come down to purchase now. It will also have a second economic stimulus by providing greater monetary flow through the market.

Mr. President, the second bill will allow owners of newly constructed multiple unit rental dwellings to amortize a straight-line depreciation over a 5-year period; in other words to write off the entire cost of construction and purchase in 5 years when interest on the contract is above 7.5 percent. This will be allowed only on newly constructed first trust dwelling units. The attraction of the housing market to investors will be multiplied manifold. These investors will divert funds which are presently stagnant to the construction of new housing because of its attractiveness. The stimulus to the economy and to the sale and construction of multiple-unit dwellings should be immediately noticeable by allowing for short-term recapitalization.

These two bills will cost the Federal Government an estimated $800 million per year. However, the generated revenue could be as much as $25 billion per year. Tax revenue from this would greatly offset the Treasury loss. The revenue would, of course, be generated by restimulating the housing industry.

Mr. President, this bill has the additional effect of stimulating other industries and should help lead us out of the recession by providing stimulus to an economy which presently has the highest unemployment since the depression of the thirties.

By Mr. BENTSEN:

S. 780. A bill to provide education equalization incentive grants to the States. Referred to the Committee on Labor and Public Welfare.

THE EDUCATION EQUALIZATION ACT OF 1975

Mr. BENTSEN. Mr. President, I am today reintroducing the Education Equalization Act of 1975, a measure I introduced last year as an amendment to the Elementary and Secondary Education Act and later as a separate measure. It is being introduced simultaneously in the House today by Congressman AUGUSTUS HAWKINS of California.

In my view, the paramount issue confronting American education today is the question of school finance. Indeed, there is no more fundamental question in education than the right of a child to have a quality education, wherever he may happen to live.

As long as our school systems depend primarily on the local property tax for their support, there will be more money to educate children in wealthy school districts and less money to educate children in poor districts, where the need is far greater.

The Supreme Court handed down a landmark ruling on school finance in the Rodriguez case, which affected my own State of Texas. And while I agree with that part of the Court's decision declaring that education is primarily a State function, I must also agree with Justice Potter Stewart, that "the method of financing public schools in Texas, as in almost every other State, has resulted in a system of public education that can best be described as chaotic and unjust."

There are those who say the Rodriguez decision only guarantees that the system will continue to be "chaotic and unjust," and that a child's education will be determined by how many wealthy taxpayers there are in his school district.

But it is my belief that the Rodriguez decision is not a cause for despair. It is an incentive to seek justice and equality through new avenues—to wage the battle with creative legislation.

As a result of the wide publicity given to the Rodriguez case in Texas, the Serrano case in California, and cases in New Jersey and other States, public consciousness has been awakened to the issue of equality in the financing of public education.

Several States are now wrestling with the problem, which has been aggravated by increasing school costs in a period of unparalleled inflation, decreasing revenues for education, and fluctuations and delays in Federal support.

The purpose of this legislation is to provide incentives and rewards for those States which either proceed with equalization plans or maintain the plans they presently have.

I do not believe that movements to equalization can be provided by Federal subsidy alone.

But I do believe that it is a Federal responsibility to assist the States who make the effort to adopt workable plans to improve educational opportunities for children in poorer school districts, through a more equitable method of school finance.

It is quite simply unfair to the children in poorer school districts, which cannot match their wealthy sister districts in teachers' salaries, quality of material, and the freedom which adequate funds can provide to experiment in education. The problem is a severe one; in my own State of Texas the variations in taxing ability between the richest and the poorest district ranges as high as 84 to 1; in Louisiana, 52 to 1; in Michigan 30 to 1. The problem is not limited to one section of the country, or to the heavily urbanized or rural States; it is a national problem.

Essentially, this legislation would provide reward incentives to States which move to adopt statewide plans for public school financing. To qualify, a State would have to demonstrate to the Commissioner of Education that it has a strategy to insure that State wealth, not local school district wealth, will determine educational quality; that children with greater educational needs, such as the handicapped, receive funds commensurate with their needs; that it will take into account the higher costs of educating children in areas with higher living costs and other factors contributing to increased educational expenditures.

The bill purposefully does not mandate a single method of achieving equalization. That would be counterproductive, since several of the States are now moving in different ways to achieve the same result. Moreover, the Serrano decision in California specifically indicates that there may be several means to achieve the same end. The important factor will be whether there is a statewide strategy and whether that strategy makes a serious effort to upgrade support for the poorer school districts and takes into account the specific criteria listed in the bill.

For too long, we have penalized the child who happens to have been born in a poor school district by giving him an unequal chance for a quality education. The buildings he studies in may be dilapidated and run down; the teaching he receives, despite exceptions, tends to be of lower quality than that in wealthier school districts; the textbooks and supplemental materials he uses may be meager and outdated. All of these inequities must be corrected.

It is a job at which all levels of government—State, Federal, and local—must direct their best efforts.

At this point, I ask unanimous consent to have printed in the RECORD the text of the Educational Equalization Opportunities Act of 1975.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 780

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the Federal Government has an obligation to provide incentives for each State to assist them in equalizing the resources available within that State so that an opportunity to obtain an education appropriate to individual need will be available to all children regardless of their place of residence within the State. It is, therefore, the purpose of this Act to provide financial assistance in the form of incentives to the States to encourage them to equalize educational opportunity.

SEC. 2. (a) The Commissioner is authorized to make grants to States in accordance with the provisions of this Act. Incentive grants received under this Act may be used to improve the quality of elementary and secondary education among the local educational agencies within each State, in such areas as the State deems vital.

(b) A State is eligible to receive a grant under this Act only if the State educational agency provides assurance that—

(1) the quality of education provided to a child within that State is not the result of the wealth of the school district of the local educational agency in which the child attends school, but reflects the wealth of the State as a whole;

(2) amounts commensurate with their needs are expended on children with greater educational needs, including, but not limited to, educationally disadvantaged, gifted, talented, handicapped, and vocational educational education students; and

(3) amounts commensurate with the education costs are expended in local educational agencies within the State with greater costs, including cost attributable to sparsity of population, high density of population, and high living costs.

(c) The Commissioner is authorized to establish general guidelines for defining the principles set forth in subsection (b) of this section. No guidelines established under this subsection shall be based upon a formula requiring a mathematical equality of educational expenditures among school districts.

SEC. 3. (a) Any State desiring to receive a grant under this Act shall submit an application to the Commissioner at such time, in such manner, and accompanied by such information as the Commissioner may reasonably require. Each such application shall—

(1) (A) describe the State equalization program that meets the requirements of section 2;

(B) describe, in the case of a State equalization program already in effect, a description of that program which meets the requirements of section 2;

(2) provide assurances that the State will make substantial progress to carry out the State equalization program or will maintain its present equalization program; and

(3) provide for making periodic reports to the Commissioner evaluating the effectiveness of the State equalization program assisted under this Act and such other reports as the Commissioner may reasonably require to perform his functions under this Act.

(b) The Commissioner shall approve an application which meets the requirements of subsection (a). The Commissioner shall not finally disapprove an application of a State except after reasonable notice and opportunity for a hearing to a State.

(c) Whenever the Commission, after reasonable notice and opportunity for a hearing to any State, finds that there is a failure to meet the requirements of this Act, the Commissioner shall notify the State that further payments will not be made to the State until he is satisfied that the requirements have been met.

SEC. 4. Unless inconsistent with the purposes of this Act, the General Education Provisions Act shall apply to the equalization incentive grant program authorized by this Act.

SEC. 5. (a) There are authorized to be appropriated to carry out the provisions of this Act $50,000,000 for the fiscal year ending June 30, 1976, $75,000,000 for the fiscal year ending June 30, 1977, and $100,000,000 for the fiscal year ending June 30, 1978.

(b) (1) No State may receive more than 10 per centum of the funds available for making grants under this Act for any fiscal year. In making distributions under this Act the Commissioner shall consider an equitable geographical distribution.

(2) Funds appropriated to carry out the provisions of this Act shall remain available for the succeeding fiscal year after the year in which they were appropriated.

By Mr. SYMINGTON (for himself and Mr. RANDOLPH):

S. 781. A bill to reduce the salaries of Senators, Members of the House of Representatives, and other Federal officers and employees. Referred to the Committee on Post Office and Civil Service.

Mr. SYMINGTON. Mr. President, I am today proposing legislation providing salary reductions for Senators, Representatives, and other top Government officials to set an example as the Nation focuses on the economic problems of inflation and recession.

This measure, similar to a bill I introduced in the last session, provides that the salaries of all Government officers and employees of the legislative and executive branches earning $40,000 or more be reduced by 10 percent.

To give the President an opportunity to join other officials in setting this example, without violating the Constitution, the bill includes a section calling on him to return a portion of his salary voluntarily to the Treasury. A 10 percent reduction in Presidential pay would become mandatory January 20, 1977, when the next term begins.

The Congress has been presented with the largest budget in the Nation's history, with the second highest projected deficit. On this floor, we have done a lot of talking about reducing Federal expenditures. Here would seem a place we might well begin.

The American people are looking to their representatives for leadership. This proposal can point up our recognition of the increasingly grave economic problems we face today and constitutes a symbol of our determination to act on these problems.

I ask unanimous consent that this bill be printed in full at this point in the RECORD and referred to the proper committee.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 781

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective on the first day of the first pay period beginning after the date of enactment of this Act, the annual rate of basic pay or compensation for Senators, Representatives in Congress, Delegates to Congress, the Resident Commissioner from Puerto Rico, and all other elected or appointed officers and employees of the legislative and executive branches of the United States Government whose annual basic pay or compensation is $40,000 or more, is reduced by 10 percent. This section does not apply to the President.

SEC. 2. (a) It is the sense of the Congress that the President should voluntarily return 10 percent of his annual salary to the Treasury of the United States.

(b) The Secretary of the Treasury is authorized to receive from the President such remittances of his salary as he may return to the Treasury.

SEC. 3. (a) Section 102 of title 3, United States Code, is amended by striking out "$200,000" and inserting in lieu thereof "$180,000".

(b) The amendment made by subsection (a) of this section shall take effect on noon on January 20, 1977.

By Mr. BAYH:

S. 782. A bill to provide for the establishment of a Foreign Service grievance procedure. Referred to the Committee on Foreign Relations.

THE FOREIGN SERVICE GRIEVANCE BILL

Mr. BAYH. Mr. President, I am today introducing a bill to provide a grievance system for all employees of the Foreign Service. This bill is nearly identical to a bill I introduced in the 92d Congress, and I would like to take a moment, Mr. President, to explain its history.

In 1971, I became aware of the longstanding practice of the State Department to deny due process to employees in employee-management disputes.

There was no recourse, no chance for a hearing or appeal, for an employee who had been injured by arbitrary personnel action. The tragic case of Charles Thomas, a brilliant Foreign Service Officer from Indiana, who was dismissed from the Foreign Service for too much time in grade and later committed suicide, underscored the need to provide a regularized appeals process in the State Department for complaints concerning personnel decisions just as in every other agency.

On June 8, 1971, I introduced a bill to provide basic rights for Foreign Service employees. From the start, the attitude of the State Department toward this legislation was delay. After waiting months for an alternative proposal from the State Department which never came, our highly respected former colleague, Senator John Sherman Cooper, and I drafted a new bill to reflect the interests of all parties involved. Our staffs met with representatives of the State Department, representatives of all employee groups, lawyers working on pending grievance cases, and the chairman of the Department's Interim Grievance Board, a temporary panel which had been established as a result of our prodding.

The compromise measure was then incorporated into the State Department authorization bill and passed by the Senate only to be lost in conference. We then reintroduced our proposal as a separate bill, and that bill was passed overwhelmingly in the Senate, but it died in committee in the House due to the opposition of Congressman WAYNE HAYS.

I reintroduced the bill in the 93d Congress where it was again overwhelmingly passed as an amendment to the State Department authorization bill, but unfortunately it was again dropped by a House-Senate conference committee.

Throughout this period, the State Department has asked Congress to wait for the Department's own legislative proposal or to wait until it negotiated a grievance procedure with the employees' association. But after nearly 4 years, Mr. President, there is still no permanent procedure to provide Foreign Service employees with right of due process of law.

The need for such a process was pointed out for us again in late 1973 by Judge Gerhard Gesell in the case of Lindsay against Kissinger. In that case, Judge Gesell ruled that the Department of State's "selection-out" process violates the basic guarantee of due process to which all Americans are entitled. The issue was not, ruled the Judge, whether an agency of Government had a right to dismiss unwanted or unneeded employees. The issue, rather, was whether the agency could dismiss employees without any hearing or right of appeal or even access to the facts on which the decision was based.

It is indicative of the Department's obstinance that despite the Gesell ruling, there remains no permanent appeals procedure in the Department. In fact, the special panel appointed to hear Lindsay's appeal subsequent to the Court's decision performed its task so improperly that the Department's own Office of Legal Adviser counseled that the panel's review could not be considered impartial and should be overturned.

There is no question, Mr. President, that the time has come for a Foreign Service grievance law. There is no longer any excuse for delay.

The bill I introduce today is nearly identical to the bill that Senator Cooper and I drafted in 1972 and which has passed the Senate three times. It does not propose a rigid system for grievances, but a framework to guarantee certain basic rights. It provides ample room for flexibility.

Let me briefly explain what this legislation would do.

The bill would institute a method for convening an impartial Grievance Board to hear and to act upon a grievance brought to it by an employee of the Department. There would be a three-member board, one member appointed by the Secretary of State, one by the employees' bargaining unit, the American Foreign Service Association, and the third appointed by agreement of the first two from a slate of 12 previously selected by the Secretary and the AFSA. No officer or employee of the Department, the Foreign Service, the Agency for International Development, or the U.S. Information Agency would be eligible for membership on the Board.

The Board would be required to conduct a hearing on any case filed with it, and such hearings would be open unless the Board determined otherwise.

Any grievant, witness or other person involved in a proceeding before the Board would, in the bill's language, "be free from any restraint, interference, coercion, discrimination or reprisal." Grievants would be assured hearings, the right to be represented at such hearings, access to necessary information and other fundamental rights to guarantee the equity of the proceedings.

In considering a grievance, the Board would have access to "any document or information considered by the Board to be relevant," including security records "under appropriate security measures."

In cases not relating to promotion, duty assignment, or selection-out of an officer or employee, the Board's determination would be final and binding on all parties. In cases directly involving promotion, assignment, or selection-out, the Board would certify its resolution to the Secretary of State together with its recommendations for relief.

Those recommendations would then be final and binding on all parties, except that the Secretary would retain the power to reject a recommendation "if he determines that the foreign policy or security of the United States will be adversely affected" and fully documents his reasons for that determination.

Any action taken by the Secretary or the Board would be subject to judicial review. The Secretary would be required to promulgate and to put into effect implementing regulations and to establish and to appoint members of the Board not later than 90 days after enactment of the pending bill.

Mr. President, those are the major provisions of the bill I introduce. As every member of this body will recognize, they are largely a compilation of basic rights tions, including separation for cause, denial to be represented at all stages of the proceeding, to have access to relevant documents, to be able to subpoena and cross-examine witnesses, to be free from interference or coercion while presenting a grievance, and finally, to have confidence that after a fair hearing the Board's recommendations will be carried out.

These are by no means unusual or unprecedented rights for Federal employees who have serious grievances. The wonder is that any Americans are still denied them. And indeed it is noteworthy that the employees of State, USIA, and AID are the only civilian career employees who do not now have such rights. Surely the time has come to correct that deficiency.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection the bill was ordered to be printed in the RECORD, as follows:

S. 782

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title VI of the Foreign Service Act of 1946 (22 U.S.C. 981) is amended by adding at the end thereof the following new part:

"PART J—FOREIGN SERVICE GRIEVANCES

"STATEMENT OF PURPOSE

"SEC. 691. It is the purpose of this part to provide officers and employees of the Service and their survivors, a grievance procedure to insure the fullest measure of due process, and to provide for the just consideration and resolution of grievances of such officers, employees, and survivors.

"REGULATIONS OF THE SECRETARY

"SEC. 692. The Secretary shall, consistent with the purposes stated in section 691 of this Act, implement this part by promulgating regulations, and revising those regulations when necessary, to provide for the consideration and resolution of grievances by a board. No such regulation promulgated by the Secretary shall in any manner alter or amend the provisions for due process established by this section for grievants. The regulations shall include, but not be limited to, the following:

"(1) Informal procedures for the resolution of grievances in accordance with the purposes of this part shall be established by agreement between the Secretary and the organization accorded recognition as the exclusive representative of the officers and employees of the Service. If a grievance is not resolved under such procedures within sixty days, a grievant shall be entitled to file a grievance with the board for its consideration and resolution. For the purposes of the regulations—

"(A) 'grievant' shall mean any officer or employe of the Service, or any such officer or employee separated from the Service, who is a citizen of the United States, or in the case of death of the officer or employee, a surviving spouse or dependent family member of the officer or employee; and

"(B) 'grievance' shall mean a complaint against any claim of injustice or unfair treatment of such officer or employee arising from his employment or career status, or from any actions, documents, or records, which could result in career impairment or damage, monetary loss to the officer or employee, or deprivation of basic due process, and shall include, but not be limited to, actions in the nature of reprisals and discrimination, actions related to promotion or selection out, the contents of any efficiency report, related records, or security records, and actions in the nature of adverse personel ac- of due process: the right to a hearing, of a salary increase within a class, written reprimand placed in a personnel file, or denial of allowances.

"(2)(A) The board considering and resolving grievances shall be composed of independent, distinguished citizens of the United States well known for their integrity, who are not officers or employees of the Department, the Service, the Agency for International Development, or the United States Information Agency. The board shall consist of a panel of three members, one of whom shall be appointed by the Secretary, one of whom shall be appointed by the organization accorded recognition as the exclusive representative of the officers and employees of the Service, and one who shall be appointed by the other two members from a roster of twelve independent, distinguished citizens of the United States well known for their integrity who are not officers or employees of the Department, the Service, or either such agency, agreed to by the Secretary and such organization. Such roster shall be maintained and kept current at all times. If no organization is accorded such recognition at any time during which there is a position on the board to be filled by appointment by such organization or when there is no such roster since no such organization has been so recognized, the Secretary shall make any such appointment in agreement with organizations representing officers and employees of the Service. If members of the board (including members of additional panels, if any) find that additional panels of three members are necessary to consider and resolve expeditiously grievances filed with the board, the board shall determine the number of such additional panels necessary, and appointments to each such panel shall be made in the same manner as the original panel. Members shall (i) serve for two-year terms, and (ii) receive compensation, for each day they are performing their duties as members of the board (including travel time), at the daily rate paid an individual at GS–18 of the General Schedule under section 5332 of title 5, United States Code. Whenever there are two or more panels, grievances shall be referred to the panels on a rotating basis. Except in the case of duties, powers, and responsibilities under this paragraph (2), each panel is authorized to exercise all duties, powers, and responsibilities of the board. The members of the board shall elect, by a majority of those members present and voting, a chairman from among the members for a term of two years.

"(B) In accordance with this part, the board may adopt regulations governing the organization of the board and such regulations as may be necessary to govern its proceedings. The board may obtain such facilities and supplies through the general administrative services of the Department, and appoint and fix the compensation of such officers and employees as the board considers necessary to carry out its functions. The officers and employees so appointed shall be responsible solely to the board. All expenses of the board shall be paid out of funds appropriated to the Department for obligation and expenditure by the board. The records of the board shall be maintained by the board and shall be separate from all other records of the Department.

"(3) A grievance under such regulations is forever barred, and the board shall not consider or resolve the grievance, unless the grievance is filed within a period of three years after the occurrence or occurrences giving rise to the grievance, except that if the grievance arose prior to the date the regulations are first promulgated or placed into effect, the grievance shall be so barred, and not so considered and resolved, unless it is filed within a period of five years after the date of enactment of this part. There shall be excluded from the computation of any such period any time during which the grievant was unaware of the grounds which are the basis of the grievance and could not have discovered such grounds if it had exercised, as determined by the board, reasonable diligence.

"(4) The board shall conduct a hearing in any case filed with it. A hearing shall be open unless the board for good cause determines otherwise. The grievant and, as the grievant may determine, his representative or representatives are entitled to be present at the hearing. Testimony at a hearing shall be given by oath or affirmation, which any board member shall have authority to administer (and this paragraph so authorizes). Each party (A) shall be entitled to examine and cross-examine witnesses at the hearing or by deposition, and (B) shall be entitled to serve interrogatories upon another party and have such interrogatories answered by the other party unless the board finds such interrogatory irrelevant or immaterial. Upon request of the board or grievant, the Department shall promptly make available at the hearing or by deposition any witness under the control, supervision, or responsibility of the Department, except that if the board determines that the presence of such witness at the hearing would be of material importance, then the witness shall be made available at the hearing. If the witness is not made available in person or by deposition within a reasonable time as determined by the board, the facts at issue shall be construed in favor of the grievant. Depositions of witnesses (which are hereby authorized, and may be taken before any official of the United States authorized to administer an oath or affirmation, or, in the case of witnesses overseas, by deposition on notice before an American consular officer) and hearings shall be recorded and transcribed verbatim.

"(5) Any grievant filing a grievance, and any witness or other person involved in a proceeding before the board, shall be free from any restraint, interference, coercion, discrimination, or reprisal. The grievant has the right to a representative of his own choosing at every stage of the proceedings. The grievant and his representatives who are under the control, supervision, or responsibility of the Department shall be granted reasonable periods of administrative leave to prepare, to be present, and to present the grievance of such grievant. Any witness under the control, supervision, or responsibility of the Department shall be granted reasonable periods of administrative leave to appear and testify at any such proceeding.

"(6) In considering the validity of a grievance, the board shall have access to any document or information considered by the board to be relevant, including, but not limited to, the personnel and, under appropriate security measures, security records of such officer or employee, and of any rating or reviewing officer (if the subject matter of the grievance relates to that rating or reviewing officer). Any document or information requested shall be provided promptly by the Department. A rating officer or reviewing officer shall be informed by the board if any report for which he is responsible is being examined.

"(7) The Department shall promptly furnish the grievant any such document or information (other than any security record or the personnel or security records of any other officer or employee of the Government) which the grievant requests to substantiate his grievance and which the board determines is relevant and material to the proceeding.

"(8) The Department shall expedite any security clearance whenever necessary to insure a fair and prompt investigation and hearing.

"(9) The board may consider any relevant evidence or information coming to its attention and which shall be made a part of the records of the proceeding.

"(10) If the board determines that (A) the Department is considering any action (including, but not limited to, separation or termination) which is related to, or may affect, a grievance pending before the board, and (B) the action should be suspended, the Department shall suspend such action until the board has ruled upon such grievance.

"(11) Upon completion of the proceedings, if the board resolves that the grievance is meritorious—

"(A) and determines that relief should be provided that does not directly relate to the promotion, assignment, or selection out of such officer or employee, it shall direct the Secretary to grant such relief as the board deems proper under the circumstances, and the resolution and relief granted by the board shall be final and binding upon all parties; or

"(B) and determines that relief should be granted that directly relates to any such promotion, assignment, or selection out, it shall certify such resolution to the Secretary, together with such recommendations for relief as it deems appropriate and the entire record of the board's proceedings, including the transcript of the hearing, if any. The board's recommendations are final and binding on all parties, except that the Secretary may reject any such recommendation only if he determines that the foreign policy or security of the United States will be adversely affected. Any such determination shall be fully documented with the reasons therefor and shall be signed personally by the Secretary, with a copy thereof furnished the grievant. After completing his review of the resolution, recommendation, and record of proceedings of the board, the Secretary shall return the entire record of the case to the board for its retention. No officer or employee of the Department participating in a proceeding on behalf of the Department shall, in any manner, prepare, assist in preparing, advise, inform, or otherwise participate in, any review or determination of the Secretary with respect to that proceeding.

"(12) The board shall have authority to insure that no copy of the Secretary's determination to reject a board's recommendation, no notation of the failure of the board to find for the grievant, and no notation that a proceeding is pending or has been held, shall be entered in the personnel records of such officer or employee to whom the grievance relates or anywhere else in the records of the Department, other than in the records of the board.

"(13) A grievant whose grievance is found not to be meritorious by the board may obtain reconsideration by the board only upon presenting newly discovered relevant evidence not previously considered by the board and then only upon approval of the board.

"(14) The board shall promptly notify the Secretary, with recommendations for appropriate disciplinary action, of any contravention by any person of any of the rights, remedies, or procedures contained in this part or in regulations promulgated under this part.

"RELATIONSHIP TO OTHER REMEDIES

"SEC. 693. If a grievant files a grievance under this part, and if, prior to filing such grievance, he has not formally requested that the matter or matters which are the basis of the grievance be considered and resolved, and relief provided, under a provision of law, regulation, or order, other than under this part, then such matter or matters may only be considered and resolved, and relief provided, under this part. A grievant may not file a grievance under this part if he has formally requested, prior to filing a grievance, that the matter or matters which are the basis of the grievance be considered and resolved, and relief provided, under a provision of law, regulation, or order, other than under this part, and the matter has been carried to final adjudication thereunder on its merits.

"JUDICIAL REVIEW

"Sec. 694. Notwithstanding any other provision of law, regulations promulgated by the Secretary under section 692 of this Act, revisions of such regulations, and actions of the Secretary or the board pursuant to such section, may be judicially reviewed in accordance with the provisions of chapter 7 of title 5, United States Code."

(b) The Secretary of State shall promulgate and place into effect the regulations provided by section 692 of the Foreign Service Act of 1946 (as added by subsection (a) of this section), and establish the board and appoint the member of the board which he is authorized to appoint under, as provided by such section 692, not later than 90 days after the date of enactment of this Act.

By Mr. DOMENICI (for himself, Mr. Baker, and Mr. Glenn):

S. 783. A bill to authorize a Federal program of research, and demonstration in connection with ground propulsion systems. Referred to the Committee on Commerce.

Mr. DOMENICI. Mr. President, today I am introducing legislation entitled the "Ground Propulsion Systems Research and Demonstration Act of 1975." This bill would authorize the creation of a Division within the Energy Research and Development Administration to research means for the improvement and verifying of both existing and alternative ground propulsion systems with emphasis on efficiency, performance, and usefulness.

Our Nation is facing a grave energy crisis which, if examined as to the energy requirements of the transportation sector, clearly shows a need to improve the existing system and to develop a more efficient ground propulsion system in general, and the automobile in particular.

Let me briefly point out some very important factors regarding our present automotive transportation system:

First. The transportation sector accounts for 25 percent of the total U.S. energy consumption. Motor vehicles consume about 77 percent of the transportation energy, or almost one-fifth of all U.S. energy consumption. Passenger cars alone use almost 14 percent of this energy, 4.7 million barrels per day. This figure represents an increase of 50 percent since 1950.

Second. There were approximately 90 million cars in operation in 1974. Eight of every ten households in the United States owns an automobile and one of every three owns two or more. This comes out to well over a 140-percent increase in the size of the passenger car population since 1950.

Third. The use of today's automobile has exceeded the 1950 model by 170 percent. This same automobile has decreased by 10 percent in fuel economy compared to those manufactured in 1950.

In essence, therefore, we have dramatically increased our dependence on the automobile, manufacturing cars that consume more energy and that operate less efficiently than those in 1950.

I am not here to attempt to place the blame for this on any one sector but instead to offer a comprehensive solution to the problem. If, as we must, accept the premise that the American public has and will continue to be dependent on the automobile for his mode of transportation, then it is vital that we address the problems involved in improving the efficiency of this or alternative systems.

I do not think many people would argue that the auto manufactures have the resources or desire to substantially improve the design of the combustion engine. The facts exist that for a variety of reasons, including the economy and Government imposed standards, the auto manufactures are not spending the time or money for research and development for alternative propulsion systems. My recent conversations with representatives of auto manufactures indicate that their primary concentration is that of meeting emission and energy consumption standards as prescribed by the Federal Government.

As for the energy consumption objectives; this will be accomplished by decreasing the total weight and size of the car, improving transmissions and eliminating some undesirable accessories.

In other words, these goals are to be met not by improving the propulsion system but by less costly and time consuming means as mentioned above. We have reached the impasse where industries efforts are designed to meet short-term Government goals with the least possible cost factor.

In conjunction with this, I must refer to a very informative article written by Dr. John R. Pierce in the most recent article of the Scientific American. As pointed out by Dr. Pierce:

> The biggest target for energy conservation is the poor fuel economy of American cars.

Included in his article are various recommendations as to how the efficiency of the American automobile can be increased at least 40 percent by 1980.

Mr. President, I am convinced that the remarks of Dr. Pierce are most noteworthy and illustrate the need for an increase in the level of research on the ground propulsion system.

Let us now briefly examine the role of the Federal Government in ground propulsion systems. It is very apparent that up until the energy crisis, automotive research and development by the Government was carried out at a very low level. In 1973, the first sign of change appeared with the increased budget for energy R. & D. requested by the White House. At that time, President Nixon proposed a $10 billion energy R.& D. program, with $6 million allocated for identifying new automotive power systems with an emphasis on developing a more efficient energy consumption system.

In checking the most recent role of the Federal Government in ground propulsion R. & D. there appear to be five agencies participating.

First. The Environmental Protection Agency established an alternative automotive power systems program. This project which was so able headed by John Bragon has since been transferred to ERDA with a budget of approximately $6 million for fiscal year 1975.

Second. The National Aeronautics and Space Administration at the Lewis Research Center has done supportive work for EPA under an automotive turbine program with a $2.5 million budget for fiscal year 1975.

Third. The National Science Foundation was being authorized $1.7 million for various R. & D. projects including advanced battery system during the fiscal year 1974 period.

Fourth. The Department of Transportation with a budget of approximately $3 million is currently exploring the technology required to achieve a 30-percent improvement in automotive fuel consumption.

Fifth. The Department of Defense under its Army tank-automotive command program is exploring new engines and vehicle systems to meet DOD military requirements. Funding for fiscal year 1975 is projected to be $4.2 million.

Mr. President, in the comprehensive report submitted to President Nixon entitled "The Nations Energy Future," Dr. Dixy Lee Ray, Chairman of the Atomic Energy Commission recommended $53 million in fiscal year 1975 and a total of $300 million for fiscal years 1975–79 for R. & D. in advanced auto propulsion systems. In her recommendations a consolidation of all R. & D. programs under the direction of ERDA was considered vital in meeting our future transportation needs.

As you can plainly see from adding the total expenditures under separate existing programs the 17 million is for less than the recommended 50 million for fiscal year 1975. It is also important to note that this 17 million is spread over five agencies and is the case of DOD, the goals of the military vehicle are not consistent with the general public needs. The point I wish to make very clear is that Congress and the White House have not given the proper priority to the need for improving our ground propulsion systems.

The purpose of my bill is quite simple in that it would consolidate existing R. & D. programs, under the direction of the Administrator of ERDA, at the required funding levels to meet the demand for a more efficient ground propulsion system. Funding for this program shall be based on a bell curve allowing for initial expenditures to be quite low with the later program years at a higher level. Using estimates for both R. & D. on the present combustion engine and alternative systems the funding shall be 20 million fiscal year 1976, 40 million fiscal year 1977, 100 million fiscal year 1978, 100 million fiscal year 1979, and 100 million for fiscal year 1980.

A good illustration of how such a division would perform can be taken from the joint efforts of private industry and NASA in developing new and improved aeronautical systems. NASA has shown an outstanding record of achievement in offering a central R. & D. center where both private industry and Government officials examine aeronautical problems. Many of my colleagues will recall the benefits of being able to turn to NASA and get the necessary technical expertise prior to enacting noise abatement legislation.

I think many of us today would have gotten a clearer picture of the effects of the present auto emission standards had we had the technical expertise necessary to project the production problems.

This new division will have no regulatory powers but will for the first time afford the legislative and administrative branches of Government a central body of technical expertise. I would hope that the auto manufacturers would also support this measure because of the potential benefits to be gained by such a R. & D. program and the possibility of a more appreciative ear as to the technical problems involved in meeting new legislative goals.

It is my sincerest belief that had such a division been created 5 years ago the auto manufacturers would not be in the position of being forced to improve energy efficiency, while at the same time meeting the present emission standards.

Mr. President, I call upon all branches of Government and the private sector to support this measure because now more than ever the investments of today will dictate our future. If we are to have the necessary transportation systems of the future it will require a comprehensive R. & D. program of today. Let us not allow ourselves to be the victims of our own shortsightedness but instead, let us build tomorrow's future on the research and development of today.

Mr. President, I ask unanimous consent that the full text of my remarks and bill be printed in the RECORD along with the text of Dr. Pierce's article.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 783

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Ground Propulsion Systems Research, Development, and Demonstration Act of 1975".

SEC. 2. The Congress hereby declares that it is the policy of the United States to carry out a program of research, development, and demonstration directed toward ground propulsion systems.

SEC. 3. (a) There is hereby created in the Energy Research and Development Administration (hereinafter referred to in this Act as the "Administration") a Division of Ground Propulsion Systems, and the Administration shall carry out all the research, development, and demonstration activities regarding ground propulsion systems through such Division.

(b) Such activities shall be conducted so as to contribute to the following objectives—

1. the improvement of and verifying of ground propulsion systems with emphasis on efficiency, performance, and usefulness.

2. the development of energy conserving ground propulsion systems;

3. the development of ground propulsion systems with clean emission characteristics, economical per unit cost, and low per mile energy consumption;

4. the most effective utilization of the scientific and engineering resources of the United States already in existence, with close cooperation among all interested agencies of the United States in order to avoid unnecessary duplication and waste of effort, facilities, and equipment.

SEC. 4. (a) The Administrator of Energy Research and Development (hereinafter referred to as the "Administrator") shall have the overall responsibility for providing effective management and coordination in connection with ground propulsion systems research, development, and demonstration, including the initiation and carrying out of research, development, and demonstration programs for the purpose of developing ground propulsion systems which are energy conserving, have clean emission characteristics, and are capable of being produced in large numbers at a reasonable mass production per unit cost. Such ground propulsion systems shall be required to meet or better all air quality standards set by or under the National Emission Standards Act, the Clean Air Act, and the Air Quality Act of 1967, which substantially reduce per mile energy consumption.

(b) The Administrator shall conduct research in alternative energy sources for use in the ground propulsion systems developed pursuant to subsection (a) and shall develop such alternative energy sources for use in those systems.

(c) In carrying out his functions under this Act and the Energy Reorganization Act of 1974, the Administrator shall evaluate and make a continuing comparative assessment of all ground propulsion systems presently in use, or in a conceptual or development stage.

SEC. 5. The Administrator is authorized to enter into contracts and other agreements or arrangements, and to make such grants, as he may determine necessary and appropriate in carrying out his functions under this Act. The Administrator shall, in carrying out such functions, utilize, to the maximum extent, the resources and cooperation of the private sector.

SEC. 6. The Administrator shall, on or before January 31 of each year, report to the President and the Congress with respect to all actions taken under the provisions of this Act during the prior calendar year, and all action planned for the ensuing year.

SEC. 7. The Administrator, utilizing his authority under section 106(g) of the Energy Reorganization Act of 1974, shall establish an advisory board for the purpose, among others, of encouraging the private sector to participate in the research, development, and demonstration carried out pursuant to this Act.

SEC. 8. As used in this Act, the term "ground propulsion systems" means the engine, transmission, or drive, and associated controls, necessary to power automobiles, trucks, trains, buses, and selected light marine vehicles.

SEC. 9. For the purpose of carrying out the provisions of this Act, there are authorized to be appropriated for the fiscal year ending June 30, 1976, the sum of $20,000,000; for the fiscal year ending September 30, 1977, the sum of $40,000,000; for the fiscal year ending September 30, 1978, the sum of $100,000,000; for the fiscal year ending September 30, 1979, the sum of $100,000,000; and for the fiscal year ending September 30, 1980, the sum of $100,000,000.

THE FUEL CONSUMPTION OF AUTOMOBILES

(By John R. Pierce)

(Charts and graphs mentioned in text not printed in RECORD)

A fourth of all the energy used in the U.S. is devoted to transportation, and of that fraction close to 60 percent is supplied in the form of gasoline to roughly 100 million automobiles and small personal trucks. Americans use more energy to fuel their cars than they do for any other single purpose. At the current price of some 55 cents per gallon, the average family is obliged to spend more than $600 a year just on gasoline. The fuel used by American cars and personal trucks would approximately fill all the energy needs of Japan, a nation of 108 million and the world's largest consumer of energy after the U.S. and the U.S.S.R. In the urgent effort to reduce U.S. consumption of an increasingly costly fuel whose chief reserves lie overseas, the American automobile and current habits of its utilization are a prime target.

One does not have to be a partisan of the automobile to recognize that virtually every aspect of American life—industrial, commercial, cultural and recreational—is now organized around the existence of motor vehicles. Whether or not they provide the most rational means of transportation in an advanced technological society is, of course, a matter of debate. In order to illuminate that debate a colleague and I organized a series of six two-day seminars on the subject "Energy Consumption in private Transportation." The series, supported by the U.S. Department of Transportation, was held at the California Institute of Technology between December, 1973, and April, 1974, a period that coincided with the Arab oil embargo, with President Nixon's call for "Project Independence 1980" ("To ensure that by the end of this decade Americans will not have to rely on any source of energy beyond our own") and with the quadrupling of oil prices after the embargo was lifted.

The seminar participants addressed themselves to the following questions (among others): In any rational energy program what role will the private automobile play? Can it be replaced by more economical forms of transportation? To what extent can communication replace transportation? Will our pattern of life change in such a manner that we simply do not travel as much?

Although many fascinating and even plausible alternatives to the gasoline-powered automobile were discussed, it became evident to the participants that no dramatic change in transportation methods or habits can be expected or effectuated in the short run, say before 1990. In this article, therefore, I shall deal only with existing or readily foreseeable technologies for improving the fuel economy of automobiles as we know them.

In President Ford's address before a joint session of Congress last fall he announced his determination to obtain "either by agreement or by law a firm program aimed at achieving a 40 percent increase in [automobile] gasoline mileage within a four-year development deadline." Subsequently, in late October, the Department of Transportation (DOT) and the Environmental Protection Agency (EPA) submitted a report to Congress ("Potential for Motor Vehicle Fuel Economy Improvement") that provided a careful review of feasible engineering changes that should make it possible for 1980-model cars to go 40 percent farther on a gallon of gasoline than the average 1974 model did.

According to the DOT-EPA report, the average 1974 model, adjusted for the sales of different brands and models, achieved 14 miles per gallon on a "composite" fuel-economy cycle based on EPA dynamometer tests that simulate city driving conditions and highway driving conditions in a 55:45 ratio (a ratio chosen as being typical of American car use). The new 1975 models, on a projected sales-weighted basis, achieve 15.9 m.p.g., an improvement of 13.5 percent. The improvement is chiefly attributable to engineering changes that regained much of the efficiency previously lost in adjusting engines to meet Federal exhaust-emission standards. Many of the 1975 models have catalytic converters to clean up exhaust emissions, making it possible for the engine to be returned for higher efficiency. Partly because of emission controls and partly because of vehicle weight and other factors, the fuel economy of American cars dropped about 12 percent between 1967 and 1974, climaxing a long, steady decline that began as early as 1951.

If the performance of 1974 models is taken as the base line, as the DOT-EPA report recommends, the industry has already moved a third of the way to the 40 percent improvement asked by President Ford. A 40 percent improvement would mean that the average car built in the 1980-model year would have to achieve a minimum fuel economy of 19.6 m.p.g. (Bills that are now being drafted for presentation to Congress will undoubtedly pick a round number for minimum 1980 performance, probably 20 or 21 m.p.g.)

Manufacturer	Fuel economy (miles per gallon) 1974	Fuel economy (miles per gallon) 1975	Change (percent)
General motors	10.60	13.30	+25.5
Ford	12.16	11.92	−2.0
Chrysler	11.56	12.45	+7.7
American motors	14.64	17.05	+16.5
Volkswagen	22.11	21.95	−.7
Toyota	16.89	16.37	−3.1
Nissan	20.63	22.04	+6.8
volvo	16.55	15.61	−5.7
Audi	19.14	20.17	+5.3
Peugeot	17.33	19.09	+10.2
Saab	17.28	21.41	+23.9
Daimler-Benz	10.93	11.80	+8.0
BMW	17.44	15.47	−11.3
Fleet	11.95	13.33	+11.5

Note: Fuel-economy results by manufacturer for 1974 and 1975 automobiles, assuming the 1974 sales-weighting for various models for both years, appear in a paper by Thomas C. Austin and Karl H. Hellman of the EPA. The mpg values are for the suburban-urban cycle only and reflect the changes in the 2 model years that can be attributed solely to engineering "system" changes (for example changes due to engine emission-control-system calibrations and changes in transmission and axle ratios). The table thus omits the effect of new engine sizes and new engine-vehicle combinations that contributed to a total improvement of 13.8 percent in the performance of the 1975 fleet over the 1974 fleet in the suburban-urban test cycle. (The gain is 13.5 percent when the highway cycle is included.)

According to the DOT-EPA report, the 40 percent improvement by 1980 should be attainable with the present Otto-cycle (four-stroke) gasoline engine, in combination with improved transmissions, reduced weight and aerodynamic drag and improved accessories. If the composition of sales can also be altered to include a much higher proportion of compact and subcompact models than it does at present, it may even be possible for the 1980 "fleet" of new cars to exceed 22 m.p.g., an improvement of nearly 60 percent over 1974.

To achieve still greater advances in fuel economy for 1985 and beyond, it will probably be necessary to introduce new types of engines. The DOT-EPA report suggests the use of diesel engines in medium-size and large cars and, for smaller cars, gasoline engines designed to operate on a "stratified charge," engines in which the air-fuel mixture is made intentionally nonhomogeneous to provide an average lean mixture, with a consequent improvement in efficiency.

The present Otto-cycle automobile engine typically achieves a thermal efficiency of between 22 and 27 percent. Under the normal range of driving conditions, however, the net efficiency of power delivered to the wheels is only about 10 percent. Gasoline-fueled aircraft engines attain efficiencies of about 30 percent. The efficiencies of diesel engines range from 35 percent to as high as 38 percent. (In EPA tests the 1975 Mercedes-Benz 300D, which has a five-cylinder, 77-horsepower diesel engine, gets 24 m.p.g. in the simulated city-driving cycle and 31 m.p.g. in the highway-driving cycle, yielding a composite fuel economy of 27.2 m.p.g. These values are 50 percent higher than those of the comparable gasoline-engine model of the Mercedes: the four-cylinder, 93 horsepower Model 230. It should be noted, however, that diesel fuel contains about 10 percent more energy than ordinary gasoline.)

Those who are as old as I am can remember a time when mass transit dominated urban life in the U.S. In St. Paul toward the end of World War I my parents did not own an automobile. The roads between towns were unmarked and often badly rutted, making travel unattractive for those who did drive. Everything was within easy walking distance of the streetcar or interurban line, even the cottage at White Bear Lake where we stayed during the summer. Small stores and shops were within easy walking distance of our home, and in St. Paul itself the stores and offices in the central business district were accessible by streetcar.

Between 1920 and 1930 the number of passenger cars registered in the U.S. nearly tripled, from eight million to 23 million. In spite of the Great Depression the public desire for private transportation continued to grow (even though most streetcar lines were still running), until by 1940 there were more than 27 million automobiles registered in the U.S., or one car for every 1.3 families. When the production of automobiles resumed after World War II, automobile registrations climbed swiftly to 40 million in 1950, to 61.7 million in 1960 (approaching 1.2 per family), to 89 million in 1970 (1.4 per family) and to an estimated 105 million in 1974 (1.5 per family). Today more than eight families in 10 own automobiles, and one family in three has two or more vehicles, if small personal trucks are included.

Nationwide studies show that automobiles are used primarily for short trips: about half of all trips are five miles or less and three-fourths are less than 10 miles. These short trips account for nearly a third of all vehicle miles traveled and for a substantially larger fraction of the total gasoline consumption. Moreover, about 40 percent of all automobile travel is work-related, chiefly commuting trips (with an average occupancy of 1.2 per car) at hours of high traffic density and resulting low efficiency of operation.

Except for the special case of Manhattan Island, where 79 percent of all workers reach their jobs by public transit, the automobile provides the principal means for getting to work. According to the 1970 census, 60 million Americans commute by private automobiles (51 million travel alone and nine million in car pools); 4.2 million use a bus or streetcar; 1.8 million use a subway or an elevated-railway line; 500,000 use railroads; 300,000 use taxis and 5.7 million live close enough to their jobs to walk to them.

Clearly an enormous national effort, extending over several decades and costing many billions of dollars, would be required to provide public-transit facilities attractive, convenient and extensive enough to persuade a large number of Americans to leave their cars at home. In the absence of such a commitment any substantial reduction of gasoline in automobile usage can come only through changing the efficiency of the use of private automobiles or changing the efficiency of the automobiles themselves. National statistics show that if automobiles could achieve 25 to 30 miles per gallon, they would be about as efficient in moving people, at least thermodynamically, as present-day bus transit systems are.

The efficiency of the use of automobiles of a given construction and state of repair is chiefly affected by freeways and traffic-control systems. Our suburban pattern of living preceded the construction of freeways and it exists where freeways are few or absent. Once freeways have been built, however, they frequently lead to the creation of new locations of work and residence. Thus it is not clear weather in the long run freeways increase distances to and from work or decrease them.

Apart from (usually) reducing the travel time between two points, freeways have other important consequences. They have lower accident rates than country roads or city streets. The number of fatal accidents per million vehicle miles are: city streets, 2.47; country roads, 1.64; urban streets, 1.63, and urban freeways, .44. In addition the stop-and-go character of city-street traffic causes high gasoline consumption. For an equivalent trip it is usually more economical of gasoline to travel by freeway. It is doubtful, however, that construction of freeways can be justified as a way of reducing the energy demand. Such construction should be decided on other grounds.

Like freeways, traffic control can affect energy consumption as well as safety and convenience. Repeated starting and stopping wastes fuel. Although traffic lights are old, computer-controlled signal systems designed to facilitate the flow of traffic are fairly new. Computerized traffic control can reduce the number of starts and stops. Clogged freeways are wasteful of energy. Ramp control can reduce the congestion and increase the traffic flow on freeways. Indeed, it is estimated that fuel consumption can be reduced by about 10 percent in the controlled area.

The cost of computerized traffic control is considerable. Its principal benefits are reductions in travel time, increased traffic flow without the construction of additional roads and reduction in accidents. Fuel savings are an attractive added benefit. The fact remains that computer control of traffic must be justified by its overall benefits and not solely as a means of saving fuel.

Apart from a reduction in automobile usage (and a strict enforcement of the 55-mile-per-hour speed limit), more efficient automobiles seem the only sure way to achieve substantial savings in petroleum consumption in any future we can now foresee and make plans for. Fortunately there are many opportunities for making the private car more efficient.

As the Federal figures show, there are already large differences in gas mileage among current automobiles, ranging in economy tests of 1975 models from 27 m.p.g. in simulated city driving for the subcompact Datsun B–210 in the 2.250-pound inertia-weight class to 12 m.p.g. for typical American cars in the 4,500-pound inertia-weight class down to 10 m.p.g. or less for the largest models in the 5,500-pound inertia-weight class. ("Inertia weight" is curb weight plus an allowance of 300 pounds for occupants.) In simulated highway driving the performance in the three weight categories rises to between 33 and 39 m.p.g., 15 and 18 m.p.g. and 14 and 16 m.p.g.

If one compares the average fuel economy of the lighest cars with that of the heaviest, one finds that each additional 100 pounds of car weight requires an extra 15 to 17 gallons of gasoline per year of average driving (10,000 miles). This does not mean, however, that simply by removing 100 pounds of weight from a heavy car one can achieve a comparable fuel saving. What it does mean is that the owner of one of the smaller, more economical cars will need to buy 500 to 550 fewer gallons of gasoline in the course of a year than the driver of a big car. Looked at another way, if all the automobiles now on the road averaged 23.5 m.p.g. instead of the estimated 13.5, U.S. gasoline consumption would drop more than 40 percent, or some two million barrels of gasoline per day below the current demand of about five million barrels. With crude oil at $11 per barrel, this would translate into an annual saving of more than $8 billion.

The most obvious way, therefore, to save energy is to cut the weight of the average car sold. At low speeds, where aerodynamic drag is not a major factor, rolling resistance and the energy needed to overcome it are proportional to weight. On the EPA composite cycle of city and highway driving, rolling resistance and aerodynamic drag each absorb 24.7 percent of the useful power delivered by the engine of the typical American car. Existing cars, American as well as foreign, show that lighter cars can be as quiet, easy-riding, roomy and comfortable as heavier cars, but to attain these qualities in a lighter car requires good engineering.

Although lighter cars tend to have less rolling resistance per unit of weight than heavier cars, the rolling resistance depends on the nature of the tire and its pressure. The energy loss in rubber tires is caused by the flexing of rubber; because of hysteresis the tire does not give back all the energy that went into deforming it. At the same pressure radial tires offer significantly less rolling resistance than conventional bias-ply tires. In mixed city and highway driving existing cars equipped with steel-belted radials will go about 2.5 percent farther on a gallon of gasoline than a car with bias-ply tires. In a car with less air resistance than current cars, the percentage gain in going to radial tires would be even larger. With either kind of tire the rolling resistance can be cut about a fourth by raising the tire pressure from 20 pounds per square inch to 40 pounds.

Beyond that a worn tire toward the end of its life has only a little more than half the rolling resistance of the same tire when it was new. Perhaps we have incorporated too much rubber in tires in seeking long tire life rather than good gasoline mileage.

Shock absorbers absorb energy only in going over bumps. Tires absorb energy in rolling on a smooth surface. Lighter wheels combined with suspension systems carrying less unsprung weight would make it possible to mount harder, lower-loss tires. Thus it appears that substantial energy savings could be attained through better suspensions and smaller, harder tires, particularly if a rubber could be developed with lower hysteresis at ambient temperatures than present rubbers have.

Next to building (and persuading Americans to buy) smaller and lighter cars, important gains in fuel economy can be made in cars of every size category by improving the performance of present engines, by reducing transmission losses, by reducing weight (without sacrificing safety or passenger comfort) and, not least important, by reducing aerodynamic drag. With 1974 car performance as a base line, the DOT-EPA report to Congress estimates that engine improvements should yield economy gains of between 15 and 25 percent, depending on car size.

The adoption of four-speed transmissions that would eliminate slippage losses at cruising speed by "locking up" at high gear ratios should yield gains of about 9 percent in each size class. Reductions in curb weight, air resistance, rolling resistance and the power required by accessories would provide another fuel-economy gain of at least 12 percent for large and medium-size cars and 5 percent for small vehicles. In addition the fuel economy of medium-size and large cars could be raised another 10 to 15 percent by reducing engine size so that their power-to-weight ratio is brought into line with the ratio of current small cars.

It is somewhat surprising that the single factor of aerodynamic drag has received so little attention from American automobile makers. As we have seen, overcoming air resistance absorbs about 25 percent of the engine's output in present-day cars in city-highway driving. Between the late 1920's, when most cars were still shaped like boxes, and the late 1940's the drag coefficient of American cars was reduced about 25 percent, from .70 to .52. (A drag-coefficient of 1 corresponds roughly to the air resistance of a rectangular block.) Twenty-five years later the drag coefficient of the typical American car has declined only another 10 percent, to .47. The Citroën, perhaps the most highly streamlined car in large-scale production, has a drag coefficient of about .33.

Since air drag increases as the square of vehicle speed, it has substantial importance at speeds above 45 m.p.h. In the speed range between 45 and 65 m.p.h. each additional 10 m.p.h. above 45 m.p.h. subtracts between 1.5 and two miles per gallon from fuel economy. We can look at a reduction in air drag either as saving energy or as enabling us to go faster with the same expenditure of energy.

It should be possible to reduce the air resistance of present-day large cars by 40 to 50 percent and of compacts by about a third. Such reductions can be achieved by designing cars to have a sloping front, smooth contours, a fairly flat back and a "dam" extending below the front bumper. For cars of roughly the current weight, size and construction but with an engine appropriately reduced in size to hold performance constant, a one-third reduction in aerodynamic drag should yield an improvement of about 10 percent in fuel economy under typical city-highway driving conditions. The percent improvement could be larger in a car with reduced rolling resistance.

There are various power drains in addition to the energy required to propel the car. Air conditioning, now installed in about 75 percent of all new cars, takes about six horsepower in a car traveling at 55 m.p.h. when the air temperature is 100 degrees F. Other accessories such as the engine fan, water pump, air pump and power steering will collectively absorb another five to 15 horsepower, depending on engine speed. Such accesories have to be designed to operate satisfactorily when the automobile is operating at low speeds, and commonly no provision is made to avoid unnecessary power consumption when it is operating at high speeds. A few cars now have electrically driven fans that operate only when the coolant temperature is high. Avoidance of unnecessary power loss at high speeds would cost something in design and complexity but would save energy.

One matter brought up during our Cal Tech seminars is the surprising inefficiency of cars for short trips without warm-up. Starting from an ambient temperature of 70 degrees F., a car gets an average of only 50 percent of its warmed-up gasoline mileage in a one-mile trip and only about 60 percent in a two-mile trip. In very cold weather the efficiency is much worse. For full gasoline mileage the tires, the grease in the differential-gear box and the oil in the transmission system as well as in the engine must all be warmed up.

Thus substantial savings in fuel consumption could be achieved by reducing vehicle weight and air resistance, by using better and harder tires together with better suspensions, by cutting the waste of energy by accessories at high speeds, by designing better transmissions and, if possible, by achieving efficient operation with a shorter warm-up period. Beyond these possibilities we must consider engine efficiency.

In the past engines have been chosen on the basis of cost and performance rather than efficiency. The diesel engine, as we have seen, is at least 40 percent more efficient than comparable gasoline engines and gives proportionately better fuel economy. Diesel engines, however, are heavy, costly and tend to be somewhat noisy. Moreover, the acceleration of diesel cars is below that of gasoline cars in the same price range. Thus for all their advantages diesel cars have not been notably popular.

The diesel engine is efficient partly because of its high compression ratio (21:1 in the Mercedes-Benz diesel) and partly because it operates with a lean fuel mixture (that is, with an excess of air). Power is controlled not by throttling, as it is in most gasoline engines, but by varying the amount of fuel injected into the combustion chambers. When a diesel engine is idling, it consumes only about 15 percent as much fuel as an idling gasoline engine. Operation with a lean mixture has the added advantage of reducing the emissions of hydrocarbons and carbon monoxide. Indeed, if the mixture is lean enough, the oxides of nitrogen are reduced as well. Ideally one could meet emission standards without costly emission-control devices and with high engine efficiency.

The advantages of lean burning have been sought in a modified form of the present gasoline engine that is receiving much attention. This is the stratified-charge engine in which the air-fuel mixture is made intentionally nonhomogeneous. Near the spark plug it is initially rich enough for ignition, but on the average the mixture is lean, with a resulting improvement in efficiency and reduction in emissions. The charge can be stratified in a single combustion chamber by injection of the fuel, as in a diesel. In the Honda engine it is stratified by using an auxiliary combustion chamber in which the mixture is rich. Ignition by means of a special spark plug allows operation at a lower compression ratio than in a diesel engine and gives good starting in cold weather.

One form of stratified-charge engine, developed by Texaco, employs what is called the Texaco controlled-combustion system. A converted 1950 Plymouth using the Texaco system showed a 37 percent improvement in miles per gallon, as compared with the original engine, at speeds between 40 and 60 m.p.h.

More recently a converted four-cylinder engine for a military jeep has shown improvements in fuel economy ranging between 40 and 70 percent in road tests. Texaco is now trying to see how much of this gain can be retained while meeting the 1977 emission standards. The Texaco engines operate equally well on gasoline, diesel fuel or jet fuel. Potential disadvantages of the Texaco system include the need for specially shaped pistons and a fuel injector and the tendency of the engine to produce particulate emissions under some conditions.

Another form of stratified-charge engine, the PROCO engine (for programmed combustion process), has been under development by the Ford Motor Company. It is stated that the PROCO engine would improve fuel economy about 25 percent in medium-size and large cars and 15 percent in small cars.

Although very lean nonstratified mixtures of gasoline and air cannot be ignited, mixtures of hydrogen and air can be ignited even at an air-hydrogen ratio of 40:1, which is about twice as lean as the leanest air-gasoline ratio. Such ratios suggest the addition of hydrogen to the fuel mixture as a way of achieving lean burning both to raise efficiency and reduce emissions. This strategem has been demonstrated in a Chevrolet V-8 engine in work at the Jet Propulsion Laboratory of Cal Tech. In dynamometer tests, using a fuel consisting of gasoline and bottled hydrogen, the equivalent miles per gallon increased from 9.4 for the unmodified engine to 12 for the modified engine, or more than 27 percent. A generator to produce hydrogen from gasoline has been built and operated, but not in an automobile.

All three approaches—diesel, stratified charge, hydrogen admixture—achieve higher efficiency through use of a leaner air-fuel mixture. As we have seen, they also reduce emissions of hydrocarbons and carbon monoxide in the exhaust, perhaps to the point of meeting present emission standards: Proposed standards on emission of oxides of nitrogen, however, are difficult to meet. The production of oxides of nitrogen can be reduced only if the mixture is made lean enough to lower the temperature of combustion substantially. It may be that the proposed standards on emission of oxides of nitrogen are unrealistically stringent.

To sum up, reductions in fuel consumption ranging from 20 to 40 percent have been claimed for lean-mixture engines under the most efficient operating conditions. Much of the improvement in the past has been lost, however, in adjustments for meeting emission standards. One can hope that further development will lead to a lean-mixture engine with both high efficiency and low exhaust emissions.

Federal emission standards have indirectly had the effect of blocking efficiency improvements that could be achieved with conventional automobile engines simply by raising their compression ratio. Before 1970, when the first Federal standards went into effect, the engines in many American cars had compression ratios as high as 10:1 and in a few cases even 10.5:1. For efficient antiknock performance an engine with a 10:1 compression ratio needs a gasoline with a research octane number of about 100. Oil companies have traditionally added lead alkyl compounds (such as tetraethyl lead) to raise by some five to seven points the octane number of gasoline as it is produced at the refinery; thus a gasoline of 93 to 95 research octane can be raised to 100 octane by adding "lead."

With the adoption several years ago of emission standards that would probably require the use of catalytic converters on 1975-model cars it was recognized that gasoline containing lead would poison the catalyst. As a result car makers began to lower compression ratios to between 8:1 and 8.5:1 in order to make it possible for 1975 models to run on unleaded fuel of 91 research octane.

Exxon engineers have calculated that for a typical engine of 350 cubic inches displacement in a 4,000-pound automobile traveling at 40 m.p.h., raising the compression ratio from 8:1 to 10:1 would yield a 10 percent improvement in fuel economy; at a ratio of 12:1 the improvement would be about 18 percent. The Exxon study shows, however, that since the cost of producing unleaded gasoline rises steeply with octane number (about three cents per gallon to go from 95 octane to 100 at the time the study was made in 1971), the lowest transportation cost to the consumer is achieved with a research octane number of 97, which corresponds to an engine compression ratio of about 9.75:1. (The Exxon study assumes that three grades of gasoline, with an average octane number of 97, would be made available at the pumps.)

Although cars with power plants other than the internal-combustion engine have often been suggested, most of the power plants proposed (steam, gas-turbine, Stirling-cycle) would still need fuel from petroleum. In principle an electric car could get its energy from central power stations running on coal or on nuclear fuels. Electric vans powered by conventional lead-acid batteries have been operated in the U.S. and in other countries for many years. As a private car, however, an electric vehicle with lead-acid batteries seems only marginally promising. A Datsun converted by a Los Angeles engineer, Wally Rippel, gives some idea of the attainable performance.

The car has a range of 70 miles and a top speed of 61 m.p.h. The original transmission is retained, and acceleration is reasonable at the lower gear ratios. By using regenerative braking to recharge the batteries when the vehicle is slowing down or going downhill, electric consumption is reduced 15 percent for a mixture of city-street and freeway driving and as much as 25 percent when the route is a hilly one. The car will travel 3.5 miles per kilowatt-hour of charging power. When this performance is converted to equivalent miles per gallon, it is seen to be quite remarkable: about 52 m.p.g., assuming an efficiency of conversion of fuel to electricity of 40 percent at the power plant. (The energy in a gallon of gasoline is about 125,000 British thermal units, or 37 times the energy in a kilowatt hour; 37 times 3.5 times .40 is 52.)

Even though energy in the form of electricity is considerably more expensive than energy in the form of gasoline, the Rippel car still gets about 38.5 miles for the price of a gallon of gasoline, assuming five cents per kilowatt-hour and 55 cents a gallon for gasoline. (It is true, of course, that gasoline carries Federal and state taxes ranging from nine cents to 14 cents per gallon, which should be taken into account in such a calculation, either by subtracting the tax from the price of gasoline or by adding an equivalent tax to the price of electricity.

Fundamentally the efficiency of an electric automobile will depend on the efficiency of electric generating plants (about 40 percent for the best present fossil-fuel plants) minus losses involved in power distribution and the charging of batteries. The batteries in the Rippel car weigh about 1,400 pounds and have a retail value of about $1,200.

An improvement of 2:1 in power-to-weight ratio of batteries would make electric cars more attractive. The nickel-zinc battery or some other kind of battery may provide such an improvement. A more revolutionary regime that might do even better is to store energy in a composite flywheel made of lightweight materials, as has been proposed by Richard F. Post and Stephen F. Post [see "Flywheels," by Richard F. Post and Stephen F. Post; SCIENTIFIC AMERICAN, December, 1973].

There is a formidable obstacle to the production of a satisfactory electric car. Any gasoline-driven vehicle can be given acceptable performance by putting in a big enough engine. Fuel economy can then be improved gradually by reducing rolling resistance through low weight, hard tires and low unsprung weight, low-friction bearings and good streamlining. If an electric car is to perform satisfactorily, the engineering must be first-class right from the start; a low-loss control system, perhaps with regenerative braking and a high-efficiency motor, must be used.

Such sophisticated engineering design is contrary to the tradition of American automobile manufacturing. Commercial success is not assured even if the engineering is good. Who will take the chance? If we do have electric cars, they may come first as government-purchased vehicles, as high-cost novelties (such as sports cars) or as low-performance vehicles for special uses.

If we continue to use internal-combustion engines rather than electric power, we are faced with an inherent but remediable inefficiency. Cars are overpowered for driving on the level in order to provide satisfactory acceleration. Thus the engine operates far below its most efficient power level most of the time. The remedy for this inefficiency is to provide some way of storing energy for use during acceleration. If this were done, a very modest engine could provide a lively performance, at least on a level road. Early steam cars attained such performance with steam stored in a boiler.

In the 1930's Robert C. Burt installed a pneumatic transmission in a Plymouth. The gasoline engine pumped air into a tank; the compressed air drove the wheels by means of a converted steam engine. Energy stored in the air tank provided acceleration; the gasoline engine provided steady power. Such a drive system allows regenerative braking (through use of the air engine to compress air in deceleration) and the utilization of waste (exhaust) heat in heating the compressed air.

Recently tests have been made on vans where a small gasoline engine serves to charge batteries. The batteries provide extra power for acceleration; the gasoline engine provides sufficient power to propel the van on the level. A group at the Technical University at Aachen in Germany has constructed a power system in which energy for acceleration is stored in a flywheel; a small gasoline engine drives the flywheel and propels the van during constant-speed driving. The system has been installed in a Volkswagen Microbus. Acceleration better than that of a standard Microbus and a 60 percent fuel saving have been reported.

Vehicles combining a low-power internal-combustion engine and some means for storing energy are generally called hybrid vehicles. Perhaps they are the wave of the future. Perhaps they are too complex for private cars. Perhaps effective means for storing energy, either improved batteries or flywheels, will take us all the way to vehicles driven by electric power. It is sometimes overlooked, however, that all-electric private transportation would impose an enormous new load on the electric-utility industry. Today the nation's 100-odd-million private cars and small trucks consume nearly 60 percent as many energy units as all the nation's electric-power plants. To increase the capacity of the electric-power system between now and, say, the year 2000, to provide power for a national fleet of vehicles swollen to perhaps 160 million—in addition to expanding generating capacity 5 or 6 percent per year for all other purposes—would be an immensely costly undertaking.

Our view of the future is full of perhapses. What we do know with certainty is that in the near future private cars will continue to consume a great deal of gasoline and that there are many ways in which they could be made more efficient. Plausible projections by the Department of Transportation indicate that automobile fuel consumption could be stopped from growing before 1980 and thereafter even reduced. Whether or not cars become more efficient will depend not only on technical ingenuity and enterprise but also on the economic pressure of the price of gasoline, and on any other pressure that may come into being.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 5

At the request of Mr. CHILES, the Senator from South Dakota (Mr. ABOUREZK), the Senator from New Jersey (Mr. CASE), the Senator from Vermont (Mr. LEAHY), and the Senator from Idaho (Mr. CHURCH) were added as cosponsors of S. 5, the Federal Government in the Sunshine Act.

S. 216

At the request of Mr. DOMENICI, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 216, a bill to amend the Gun Control Act of 1963.

S. 227

At the request of Mr. BAYH, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Oklahoma (Mr. BELLMON), the Senator from New York (Mr. BUCKLEY), the Senator from Arkansas (Mr. BUMPERS), the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. CLARK), the Senator from New Mexico (Mr. DOMENICI), the Senator from Kentucky (Mr. FORD), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. HANSEN), the Senator from Colorado (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Oregon (Mr. HATFIELD), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), the Senator from Utah (Mr. MOSS), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Florida (Mr. STONE), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of the bill (S. 227) to amend the Internal Revenue Code to encourage the continuation of family farms, and for other purposes.

At the request of Mr. BAYH, the Senator from Arkansas (Mr. BUMPERS), the Senator from New Jersey (Mr. CASE), the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. LEAHY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of the bill (S. 357) to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings permitted each year without deductions from benefits thereunder.

S. 362

At the request of Mr. BAYH, the Senator from California (Mr. TUNNEY) and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of

S. 362, a bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to discharge obligations under the Convention of Psychotropic Substances relating to regulatory controls on manufacture, distribution, importation, and exportation of psychotropic substances in order to curb illicit international traffic and abuse of such dangerous drugs, and for other purposes.

S. 388

At the request of Mr. Church, the Senator from Oregon (Mr. Hatfield) and the Senator from Pennsylvania (Mr. Schweiker) were added as cosponsors of S. 388, a bill to amend titles II, VII, XVI, XVIII, and XIX of the Social Security Act to provide for the administration of the old age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes.

S. 389

At the request of Mr. Church, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 389, a bill to amend the Internal Revenue Code of 1954 to revise the retirement income credit and to increase the amount of such credit.

S. 390

At the request of Mr. Church, the Senator from Florida (Mr. Chiles) was added as a cosponsor of S. 390, a bill to provide a program of income tax counseling for elderly individuals.

S. 445

At the request of Mr. Hugh Scott, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 445, a bill to assure that an individual or family, whose income is increased by reason of a general increase in monthly social security benefits, will not, because of such general increase, suffer a loss of or a reduction in the benefits the individual or family has been receiving under certain Federal or federally assisted programs.

S. 451

At the request of Mr. Bayh, the Senator from South Dakota (Mr. Abourezk), the Senator from Arkansas (Mr. Bumpers), the Senator from Iowa (Mr. Clark), the Senator from Iowa (Mr. Culver), the Senator from Alaska (Mr. Gravel), the Senator from Minnesota (Mr. Humphrey), the Senator from New York (Mr. Javits), the Senator from Vermont (Mr. Leahy), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Utah (Mr. Moss), the Senator from Pennsylvania (Mr. Schweiker), the Senator from Pennsylvania (Mr. Scott), and the Senator from California (Mr. Tunney) were added as cosponsors of the bill (S. 451) to amend title XVIII of the Social Security Act to provide for the coverage under part B of medicare for routine exfoliative cytology tests for diagnosis of uterine cancer.

S. 551

At the request of Mr. Domenici, the Senator from Massachusetts (Mr. Kennedy) was added as a cosponsor of S. 551, a bill to provide for the recycling of used oil, and for other purposes.

S. 568

At the request of Mr. Church, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of S. 568, to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax.

S. 560

At the request of Mr. Church, the Senator from North Dakota (Mr. Burdick) and the Senator from Pennsylvania (Mr. Schweiker) were added as cosponsors of S. 560, a bill to amend title II of the Social Security Act to increase the amount which individuals may earn without suffering deductions from benefits on account of excess earnings, and for other purposes.

S. 585

At the request of Mr. Chiles, the Senator from Maine (Mr. Hathaway), the Senator from Wyoming (Mr. Hansen), the Senator from Pennsylvania (Mr. Schweiker), the Senator from Vermont (Mr. Stafford), the Senator from Delaware (Mr. Biden), the Senator from Illinois (Mr. Percy), the Senator from Kansas (Mr. Dole), the Senator from Utah (Mr. Garn), and the Senator from New York (Mr. Buckley) were added as cosponsors of S. 585, a bill to prohibit travel at Government expense outside the United States by Members of Congress who are not reelected to the succeeding Congress.

S. 699

At the request of Mr. Dole, the Senator from Louisiana (Mr. Johnston) was added as a cosponsor of S. 699, a bill to permit Senators to use mobile offices in their home States.

S. 765

At the request of Mr. Hugh Scott (for Mr. Percy), the Senator from Alaska (Mr. Stevens) was added as a cosponsor of S. 765, a bill to reorganize the executive branch to establish a National Center for Productivity and Quality of Working Life.

SENATE JOINT RESOLUTION 1

At the request of Mr. Bayh, the Senator from Missouri (Mr. Symington), and the Senator from Ohio (Mr. Taft) were added as cosponsors of (S.J. Res. 1) proposing an amendment to the Constitution to provide for the direct election of the President and Vice President of the United States.

SENATE JOINT RESOLUTION 35

At the request of Mr. Randolph, the Senator from North Dakota (Mr. Burdick), the Senator from Florida (Mr. Chiles), the Senator from Illinois (Mr. Percy) the Senator from Maine (Mr. Muskie), and the Senator from California (Mr. Cranston) were added as cosponsors of Senate Joint Resolution 35, a joint resolution to provide for the designation of the second full calendar week in March 1975 as "National Employ the Older Workers Week."

SENATE RESOLUTION 20

At the request of Mr. Kennedy, the Senator from Connecticut (Mr. Ribicoff), the Senator from Michigan (Mr. Griffin), the Senator from South Dakota (Mr. Abourezk), the Senator from Texas (Mr. Bentsen), and the Senator from West Virginia (Mr. Randolph) were added as cosponsors of Senate Resolution 20, relating to the negotiation of a final treaty, based on the Vladivostok agreement, and promoting further arms control measures.

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. Humphrey, the Senator from Pennsylvania (Mr. Hugh Scott) and the Senator from Rhode Island (Mr. Pell) were added as cosponsor, of Senate Concurrent Resolution 10, to provide for the selection of members of minority groups who have made significant contributions to the United States, and to obtain their likenesses for placement in the Capitol.

SENATE CONCURRENT RESOLUTION 18

At the request of Mr. Proxmire, the Senator from Washington (Mr. Magnuson) was added as a cosponsor of Senate Concurrent Resolution 18, to direct the Federal Reserve to follow certain money supply guidelines in conducting monetary policy and providing for semiannual hearings on monetary policy targets.

SENATE RESOLUTION 84—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FOREIGN RELATIONS

(Referred to the Committee on Rules and Administration.)

Mr. SPARKMAN, from the Committee on Foreign Relations, reported the following resolution:

S. Res. 84

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Foreign Relations, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

Sec. 2. The Committee on Foreign Relations is authorized from March 1, 1975, through February 29, 1976, (1) to expend not to exceed $60,000 for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The Committee on Foreign Relations, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed $1,522,000 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries and to the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended) in accordance with such succeeding sections of this resolution.

SEC. 4. Not to exceed $885,000 shall be available for a study of matters pertaining to the foreign policy of the United States, of which amount not to exceed $25,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 5. Not to exceed $390,000 shall be available for a study or investigation of multinational corporations and their effect on United States foreign policy, of which amount not to exceed $20,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 6. Not to exceed $247,000 shall be available for a study or investigation of foreign assistance and economic policy, of which amount not to exceed $15,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 7. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 8. Expenses of the committee under this resolution, which shall not exceed in the aggregate $1,522,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

AMENDMENTS SUBMITTED FOR PRINTING

TRAVEL EXPENSES TO AND FROM VETERANS' ADMINISTRATION FACILITIES—S. 490

AMENDMENT NO. 17

(Ordered to be printed and referred to the Committee on Veterans' Affairs.)

Mr. ABOUREZK (for himself, Mr. CRANSTON, Mr. HARTKE, Mr. MCGOVERN, Mr. MCGEE, Mr. YOUNG, Mr. HASKELL, Mr. HUMPHREY, Mr. RANDOLPH, Mr. STONE, and Mr. STAFFORD) submitted the following amendment in the nature of a substitute intended to be proposed by them to the bill (S. 490) to amend section 111(a) of title 38, United States Code, relating to the payment of travel expenses for persons traveling to and from Veterans' Administration facilities.

Mr. ABOUREZK. Mr. President, today I am joining with Senator CRANSTON, the distinguished chairman of the Health and Hospitals Subcommittee of the Committee on Veterans' Affairs, to introduce a substitute amendment to the veterans travel per diem bill, S. 490. Senator CRANSTON has given me his personal assurance that the amended bill will move along expeditiously in the Senate committees and that positive and final action will be taken on the measure before the end of this session of the Congress.

I know the Senator to be a man of high personal integrity and one who shares my concern over the serious deficiency which now exists in reimbursement rates for veterans travel. I am sure that he is as adamant as I in our resolve to rectify this problem in the very near future.

Before discussing the specifics of this amendment, however, I would like to address the position of the Veterans' Administration on the original version of S. 490. The VA claims that the total cost of the proposed reimbursement rates would run into a figure of over $25 million. I do not believe that this figure is accurate and I would challenge the VA to come up with the substantial statistical data needed to support their estimate. They also claim that the Office of Management and Budget will direct that any increases in the mileage and per diem reimbursement rates must be absorbed by the VA.

If this is true, I find this a most peculiar and inconsistent order. Why has not OMB ordered the Air Force to absorb the expense of the massive cost overruns in the B–1 if this is the order of the day? Instead of requesting a $300 million supplemental aid bonanza for South Vietnam, why have they not told that Government to absorb the cost of running their own Government for the next couple of months until the United States doles out additional billions during the next fiscal year? Why has not OMB told the Government employees that the new hike in travel allowances, something which is sorely needed I might add, not be absorbed by the different agencies of Government? My feeling is that if the VA is made to absorb the cost of an important program, then every other agency, including the Pentagon, ought to be required to do the same.

I was particularly interested in many of the VA's arguments in its opposition to the original version travel and per diem bill. They state:

> To determine the adequacy of beneficiary travel allowance, we periodically make studies into the matter.

This method provides the flexibility needed to permit rapid adjustment in the mileage reimbursement rate if found warranted and, we believe, represents a sound procedure.

I am interested in that statement, because it was only after 30 long years and a 75-percent increase in the cost of gasoline did the VA find the need for "rapid adjustment"—to the mileage reimbursement rate. And at a time when most experts estimate the cost of driving an automobile at 25 cents a mile, the VA generously agreed to increasing the rate from 6 to 8 cents a mile—a mere third of the actual cost.

The VA also stated that there are "vast differences" in the travel situations of Veterans' Administration beneficiaries and Government employees. They claim, for instance, that the average distance traveled by veterans is around 50 miles. I would like to see their statistics on that claim, Mr. President, because I am convinced that whatever they are, they could not possibly include any consideration for States west of the Mississippi. With the two VA facilities over 350 miles apart, the average distance traveled in South Dakota is far greater than that. In Wyoming, in Colorado, in Alaska, in Montana, in North Dakota, in Minnesota, and in numerous other States of the West, the VA position that there is a VA facility just around the corner is totally inaccurate.

While I would agree with the VA that differences between Government employees and veterans traveling on governmental business exist, I would add that differences also exist between veterans and Government employees when it comes to their present status. By definition, Government employees have jobs. They also have a sense of security knowing that the Government will provide the necessary funds for them to accomplish their tasks. A veteran, however, especially a disabled veteran, may not have a job or an ample income to make ends meet. While they may not have to travel far in relation to Government employees, the distance they do have to travel may require far more sacrifice. Furthermore, when they do have jobs they are ofttimes forced to lose a day's pay to travel to the VA facility.

One letter which I received last year from a man in Yankton, S. Dak., explains the problem far more graphically than I ever could. He writes:

> We are expected to report to the VA Regional Medical Center by 8:00 a.m. on a given date. This entails leaving by 4:00 a.m. in the early morning hours where, if an emergency arose, there would be no travelers to assist the disabled Veteran. Because of the financial burden, with only 6 cents a mile, no per diem and only eight dollars for a night's lodging, this veteran is forced to return home, often times without a new prosthetic device. He has lost a day's pay.

There is one other point to be made in regard to the differences and similarities between Government employees and veterans. The VA claims that—

> The per diem rate of $12 is to cover any necessary meals and lodgings the beneficiary may need enroute for treatment or care and return.

This statement renewed my earlier interest in the most recent per diem costs of lodging and meals around the country. In its report to accompany H.R. 2302, the House Committee on Government Operations included a study which sheds a great deal of light on how far the $12 actually goes. Mr. President, I ask unanimous consent that the table be inserted into the RECORD.

There being no objection, the table was ordered to be printed in the RECORD as follows:

Most recent per diem costs of lodging and meals

Over 1 million population type cities:

1. Atlanta, Ga	$28.60
2. Baltimore, Md	29.35
3. Boston, Mass	36.45
4. Buffalo, N.Y	26.90
5. Chicago, Ill	36.50
6. Cincinnati, Ohio	28.30

Most recent per diem costs of lodging and meals—Continued

Over 1 million population—Continued	
7. Cleveland, Ohio	$30.05
8. Dallas, Tex	30.55
9. Denver, Colo	28.05
10. Detroit, Mich	31.20
11. Houston, Tex	30.05
12. Kansas City, Mo	27.55
13. Los Angeles, Calif	33.90
14. Miami, Fla	32.70
15. Milwaukee, Wis	25.60
16. Minneapolis, Minn	32.80
17. Newark, N.J	33.00
18. New York, N.Y	48.50
19. Philadelphia, Pa	33.40
20. Pittsburgh, Pa	28.55
21. St. Louis, Mo	29.45
22. San Diego, Calif	29.30
23. San Francisco, Calif	37.70
24. Seattle, Wash	29.85
25. Washington, D.C	40.05
From 500,000 to 1 million type cities:	
1. Akron, Ohio	25.25
2. Albany, N.Y	28.50
3. Birmingham, Ala	23.30
4. Bridgeport, Conn	31.75
5. Columbus, Ohio	26.50
6. Dayton, Ohio	24.10
7. Hartford, Conn	28.75
8. Honolulu, Hawaii	34.25
9. Indianapolis, Ind	26.65
10. Jacksonville, Fla	22.00
11. Louisville, Ky	27.25
12. Memphis, Tenn	29.20
13. New Haven, Conn	28.20
14. New Orleans, La	32.90
15. Norfolk, Va	25.50
16. Oklahoma City, Okla	25.20
17. Omaha, Nebr	24.90
18. Phoenix, Ariz	27.30
19. Portland, Oreg	25.35
20. Providence, R.I	26.45
21. Richmond, Va	24.90
22. Rochester, N.Y	27.25
23. Sacramento, Calif	24.80
24. San Antonio, Tex	24.40
25. San Jose, Calif	26.70
26. Springfield, Mass	26.65
27. Syracuse, N.Y	26.75
28. Tampa, Fla	26.55
29. Worcester, Mass	27.15
From 100,000 to 500,000 type cities:	
1. Albuquerque, N. Mex	23.50
2. Amarillo, Tex	20.15
3. Asheville, N.C	30.35
4. Atlantic City, N.J	35.50
5. Austin, Tex	23.90
6. Baton Rouge, La	22.05
7. Charleston, S.C	22.00
8. Charlotte, N.C	22.55
9. Des Moines, Iowa	24.40
10. El Paso, Tex	22.45
11. Fort Wayne, Ind	23.30
12. Fresno, Calif	26.75
13. Harrisburg, Pa	25.55
14. Huntsville, Ala	23.55
15. Jackson, Miss	26.50
16. Kalamazoo, Mich	25.15
17. Las Vegas, Nev	32.25
18. Lexington, Ky	24.60
19. Little Rock, Ark	23.25
20. Madison, Wis	27.45
21. Nashville, Tenn	23.15
22. Orlando, Fla	25.25
23. Pittsfield, Mass	29.70
24. Portland, Maine	27.30
25. Raleigh, N.C	24.80
26. Rockford, Ill	21.60
27. Salt Lake City, Utah	27.35
28. Santa Barbara, Calif	29.80
29. Spokane, Wash	27.05
30. Springfield, Ill	22.50
31. Springfield, Mo	19.00
32. Toledo, Ohio	19.60
33. Tucson, Ariz	26.20
34. Wichita, Kans	21.55
35. Wilmington, Del	24.30
36. York, Pa	23.65
Under 100,000 population type cities:	
1. Albany, Ga	$20.40
2. Anchorage, Alaska	35.70
3. Boise, Idaho	23.20
4. Burlington, Vt	25.95
5. Charleston, W. Va	25.75
6. Cheyenne, Wyo	23.55
7. Great Falls, Mont	23.10
8. Manchester, N.H	21.45
9. Roanoke, Va	25.05
10. Sioux Falls, S. Dak	23.00

Mr. ABOUREZK. Mr. President, our purpose today is not to dwell on points of disagreement, because it is precisely because of disagreements—not on the need. but on the implementation—of more practical reimbursement rates, that progress has been impeded thus far.

After working with the distinguished chairman of the Veterans' Affairs Subcommittees on Health and Hospitals and Government Operation's Budgeting and Management, we have decided that the most acceptable way to insure that this legislation becomes law is to forgo an attempt to attach it to S. 172, the Government employees per diem bill and to offer a substitute amendment to S. 490, the veterans travel and per diem bill, currently pending action in the Veterans' Affairs Committee.

The amendment would require that the VA Administrator conduct at least an annual investigation of the cost of travel and the operation of privately owned vehicles to veterans while traveling to or from a VA facility. Specifically, the Administrator will be required to analyze depreciation costs, gasoline and oil costs, automobile maintenance, insurance, State and Federal taxes, and the per diem rates and expenses of travel authorized for Government employees.

Before determining rates of allowances or reimbursements, the Administrator will submit to the Veterans' Affairs Committee in both Houses of Congress a report containing the rates he proposes to establish.

I have two clarifications I would like to make on this provision:

My interpretation of this provision is that if the Veterans' Affairs Committee disagrees with the proposal made by the Administrator, they have the right and the responsibility to confer with the Administrator on the points of disagreement and offer constructive suggestions.

It is also my belief that the information provided the distinguished members of the Veterans' Affairs Committee on this matter should be made available to all Members upon their request. Since it is possible that the VA Administrator would suggest differing rates for different States, based on the hardship placed upon the veteran in a particular area, it would behoove the Members of the respective States to know what the rates are and what the proposed changes would be.

I would appreciate having the view of the distinguished chairman of the Veterans' Affairs Subcommittee on these two points.

Mr. President, I am encouraged by the show of unity on this particular problem. It is significant to note the determination on the part of so many Senators, including the distinguished Senators participating in this exchange today, to bring more equitable and practical treatment to veterans needing to travel to receive care or examinations at VA medical facilities.

I am delighted to be joined in this amendment by the distinguished chairman of the Committee on Veterans' Affairs, Mr. HARTKE, and other members of that committee, Senators RANDOLPH, STONE, and STAFFORD, as well as the original cosponsors of S. 490, Senators MCGOVERN, MCGEE, YOUNG, HASKELL, and HUMPHREY.

I am also encouraged by the action of the leadership of the House Veterans' Affairs Committee which recently introduced similar legislation in the House of Representatives. This action, paired with our action today, ought to insure that rapid progress toward enactment of this measure is made.

Perhaps most encouraging of all, however, is the knowledge that the distinguished Senator from California (Mr. CRANSTON), the chairman of the Veterans' Affairs Subcommittee on Health and Hospitals, has demonstrated the same conviction and determination to see that action on this problem is taken. He is a man of remarkable legislative skill and accomplishment. His support and cooperation has greatly expedited what I trust will be a successful legislative resolution of this matter.

Mr. President, I ask unanimous consent that the text of the amendment be inserted in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 17

Strike out all after the enacting clause and insert in lieu thereof the following: "That section 111(a) of title 38, United States Code, is amended by inserting at the end thereof the following new subsection:

"(e)(1) In carrying out the purposes of this section, the Administrator, in consultation with the Administrator of General Services, the Secretary of Transportation, the Comptroller General of the United States, and representatives of organizations of veterans, shall conduct periodic investigations of the cost of travel (including lodging and subsistence) and the operation of privately-owned vehicles to beneficiaries while traveling to or from a Veterans' Administration facility or other place pursuant to the provisions of this section. He shall conduct such investigations not less often than annually and immediately following any alteration in the rates described in clause (F) of this paragraph, and, based thereon, shall determine rates of allowances or reimbursement to be paid under this section. In conducting these investigations and determining such rates, the Administrator shall promptly review and analyze among other factors—

"(A) depreciation of original vehicle costs;

"(B) gasoline and oil costs;

"(C) maintenance, accessories, parts, and tires;

"(D) insurance;

"(E) State and Federal taxes; and

"(F) the per diem rates, mileage allowances, and expenses of travel authorized under sections 5702 and 5704 of title 5, for employees of the United States traveling on official business.

"(2) Before determining rates of allowances or reimbursement provided for in this section, and not later than 60 days after any alteration in the rates described in clause (F) of paragraph (1) of this subsection, the Administrator shall—

"(A) submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing the rates he proposes to establish or continue with a full justification therefor in terms of the factors set forth in paragraph (1) of this subsection; and

"(B) proceed with a notice of proposed rulemaking in accordance with the procedures set forth in section 553 of title 5, without regard to the exceptions set forth in subsection (d) of such section, including publication in the Federal Register of the proposed rates and the full justification therefor required under clause (A) of this paragraph.

The justification provided under this paragraph shall specify the extent to which and the full reasons why the proposed rates would differ from the rates then in effect under sections 5702 and 5704 of title 5 for employees of the United States traveling on official business."

Mr. CRANSTON. Mr. President, I have listened with great interest to the remarks of the able Senator from South Dakota (Mr. ABOUREZK) in explanation of the substitute amendment which we are joining in submitting to his bill, S. 490, to improve veterans' beneficiary travel and per diem reimbursement rates. I am delighted to be joining with Senator ABOUREZK and other sponsors of his bill, as well as the chairman of the Committee on Veterans' Affairs, Mr. HARTKE, and three other members of that committee, in cosponsoring this substitute amendment. It has been a great pleasure to work with the Senator from South Dakota and his staff on this matter, and I believe that the resulting measure will bring about a significant improvement in the provisions for reimbursing veterans for their travel to VA medical facilities for care or examinations.

Mr. President, I greatly appreciate, the leadership and cooperation of the Senator in agreeing not to proceed to attach the veterans' beneficiary travel amendment to S. 172, the Government employees per diem bill, as he did at the close of the last Congress. His decision instead to work closely with the committee members to develop a suitable legislative proposal in this area to be dealt with within the committee with jurisdiction over veterans' affairs and title 38 of the United States Code generally, should bring about two very desirable results. First, it should facilitate the passage and presidential signature of S. 172 since the President stated in his pocket-veto message on the predecessor measure that the reason for his veto was the veterans beneficiary provision which had been added to that bill. Second, it will insure prompt consideration and effective action on an amendment to title 38 to bring about an overall improvement in the rates of travel and per diem reimbursement presently paid by the Veterans' Administration to veteran beneficiaries under section 111 of title 38.

Before proceeding further, I also want to express my deep appreciation to the chairman of the Senate committee, the distinguished Senator from Indiana (Mr. HARTKE), for his support and contributions throughout our discussions and negotiations on this question. Also, I am most grateful to the leadership of the Committee on Veterans' Affairs in the other body, particularly the gentleman from Texas (Mr. ROBERTS), the chairman of that committee, and the gentleman from Virginia (Mr. SATTERFIELD), the chairman of the companion subcommittee to the Subcommittee on Health and Hospitals which I am privileged to chair in the Senate. As always, they have exhibited the utmost cooperation and made a most substantial contribution to our ability to move forward as we are today. Their discussions and work with the Committee on Government Operations in the House were instrumental throughout this process.

Finally, I am grateful to the chairman of the Senate Committee on Government Operations, Mr. RIBICOFF, and the appropriate subcommittee chairman on that committee, Mr. METCALF, for their help and insight.

Mr. President, throughout this process, various staff members were most helpful to me and my staff, and I particularly want to thank the following: in the Senate, Dick Wegman, Eli Nobleman, Tom Daschle, and Guy McMichael; and in the House, Oliver Meadows, Gene Howard, and Mac Fleming.

Mr. President, in the course of his remarks, the Senator from South Dakota indicated he would like my reaction to two matters he raised. I am in agreement with him on both. First, there is no question that if the Committee on Veterans' Affairs in either body is dissatisfied with the proposal for continuing or changing travel and per diem reimbursement rates as submitted by the Administrator, it is their clear responsibility to discuss this with the Administrator and to present recommendations for improvements.

Second, Mr. President, it would certainly be the intention of the committee to make available immediately to any Member who requests it the information which is submitted by the Administrator in justification of his rate proposals.

Mr. President, I do not intend to discuss in substance at this time the legislative provisions which we are submitting. As the Senator from South Dakota has indicated, we have given him our assurances that this matter will be considered expeditiously in the subcommittee and full committee in connection with some comprehensive VA health legislation which are now preparing, and that we certainly foresee final action on beneficiary travel provisions in this first session of the 94th Congress. I certainly am in agreement with the sponsor of this measure that there is a serious deficiency in the present VA rate schedule which needs to be rectified in the near future.

I am also hopeful, Mr. President, that the Veterans' Administration will reconsider its prior position of opposition to the provisions of Senator ABOUREZK's original bill, and will find it possible to support the more flexible, but yet responsive provisions in the substitute amendment submitted today.

Mr. President, I thank the Senator from South Dakota for his generous remarks and for his spirit of conciliation and cooperation throughout our discussions on this legislation. I congratulate him for the outstanding contribution he has made to mobilizing legislative action in this field and for his characteristic dedication and compassion in pursuing just and equitable treatment and services for individuals. I look forward to continuing to work with him and his staff very closely as the committee deals with the veterans beneficiary travel and per diem question.

AMENDMENT OF RULE XXII—SENATE RESOLUTION 4

AMENDMENT NO. 18

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for Mr. PROXMIRE) submitted an amendment intended to be proposed to the resolution (S. Res. 4) amending rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

NOTICE OF POSTPONEMENT OF HEARINGS ON FEDERAL COAL AMENDMENTS ACT OF 1975, S. 391

Mr. METCALF. Mr. President, I wish to announce that the hearings scheduled by the Subcommittee on Minerals, Materials and Fuels for February 25, 27, and 28 on S. 391, the Federal Coal Leasing Amendments Act of 1975, have been postponed until further notice.

This postponement will enable the committee to continue and complete markup on S. 622, the Standby Energy Authorities Act, and S. 7, the Surface Mining Control and Reclamation Act of 1975.

I will announce the new dates for the coal leasing policy hearings when they have been rescheduled.

NOTICE OF NOMINATION HEARING

Mr. WILLIAMS. Mr. President, I wish to announce that the Committee on Labor and Public Welfare has scheduled a hearing on Tuesday, February 25, at 9:30 a.m., in room 4232, Dirksen Senate Office Building, on the nomination of John T. Dunlop, of Massachusetts, to be Secretary of Labor.

NOTICE OF HEARING

Mr. JACKSON. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Senate Committee on Interior and Insular Affairs.

The hearing will begin at 2 p.m. on February 26, 1975, regarding S. 621, a bill to prohibit for a period of 90 days the lifting of all price controls on domestic oil and to thereafter require the submission to, and the right of review and disapproval of the Congress of such action within 30 days. The hearing will be held in room 3110, Dirksen Senate Office Building.

ANNOUNCEMENT OF A PUBLIC HEARING BEFORE THE ENERGY RESEARCH AND WATER RESOURCES SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. CHURCH. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Energy Research and Water Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for April 17, beginning at 10 a.m. in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding one bill, which is presently before the subcommittee. The measure is S. 151, legislation to authorize the Secretary of the Interior to construct, operate, and maintain the Polecat Bench area of the Shoshone extension unit, Pick-Sloan Missouri Basin program, Wyoming.

For further information regarding the hearing, you may wish to contact Mr. Russell Brown of the subcommittee staff on extension 41076. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Energy Research and Water Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Ralph B. Guy, Jr., of Michigan, to be U.S. attorney for the eastern district of Michigan for the term of 4 years—reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Thursday, February 27, 1975, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATMENTS

THE DIFFICULT ISSUE OF ABORTION

Mr. BARTLETT. Mr. President, as a result of recent events, it is important that the attention of the Senate again be directed toward the difficult issue of abortion.

On Saturday, February 15, a jury in Boston, Mass., found a young doctor guilty of "wanton and reckless conduct resulting in the death of a person;" after having performed a supposedly "legal" abortion.

The important thing about this case, Mr. President, is that the "person" in this manslaughter case was a 6-month-old fetus.

A jury of 9 men and 3 women found unanimously and beyond a reasonable doubt that the life of a person, a human being, was extinguished.

Surprisingly, much of the debate concerning the propriety of abortion has centered on the issue of "when life begins." As a matter of fact, shortly after the decision in Boston, Dr. Henry Fineberg, vice chairman of the American Medical Association's Judicial Council, said:

> The whole question is when does life begin?

The Supreme Court in their landmark decision approving of abortion sidestepped this issue by saying:

> When those trained in the respective disciplines of medicine, philosophy and theology are unable to arrive at any concensus, the judiciary, at this point in the development of man's knowledge, is not in a position to speculate as to the answer . . . we need not resolve the difficult question of when life begins.

Now, although the Supreme Court may have originally found that question difficult to answer, as a matter of fact there is virtual unanimous agreement among scientists, biologists, philosophers, and theologians as to when life does begin. Life begins at the moment of conception, when the ovum is fertilized by the sperm, forming that unique genetic organism called the zygote or the fetus. From that moment forward, new life, the product of the two human beings, is in existence.

A biological illustration is perhaps the best example of the beginning of that life cycle.

There now exists a process called the "bovine embryo implant," whereby female cattle in one country, Canada, for example, are impregnated. The fertilized eggs are then removed from the cow and are placed in the womb of a rabbit and are transported into the United States where they are removed from the rabbit and implanted in several cows. Nine months later, these cows will give birth to a baby calf. Obviously, the calves' lives "began" in Canada, continued in the rabbit, and ultimately in their adopted mothers.

The same thesis holds true for the successful experiments which have been concluded with test tube babies. They are called test tube babies because that is where their lives began.

The point is, Mr. President, we do know when life begins. The real question in this great debate is whether the life of the smallest of human beings—the human fetus—will continue to be dependent upon the whim, comfort, or well-being of the mother in consultation with her doctor or will the human fetus receive the same Supreme Court guarantee and protection of life enjoyed by all other human beings. Because the word "human being" and "person" are synonomous, the Court has already answered this question when it said in Roe against Wade:

> If this suggestion of personhood is established, the appellant's case, of course, collapses, for the fetus' right to life is then guaranteed specifically by the Fourteenth Amendment.

The question of personhood and when life begins are clearly established. The Supreme Court should find that the human fetus is also entitled to the equal protection provisions of the 14th amendment.

I find myself feeling compassion for the doctor convicted in the Boston manslaughter case. Apparently, and unfortunately, he was acting in reliance on the wisdom of the majority of the U.S. Supreme Court.

However, I feel more compassion for the thousands of unborn lives which are now daily extinguished in the United States.

Those responsible for the majority opinion should accept the blame for setting a legal booby trap for the medical profession. The Supreme Court should remove that trap by correcting this gross injustice to the smallest of human beings at the earliest possible moment.

However, I am given new spirit and encouragement by the 12 Americans sitting in a jury box in Boston, Mass., who looked at pictures of a 6-month-old fetus and concluded that this tiny infant was worthy of protection by our legal process.

Their decision reaffirms the confidence which I have in the American people—confidence I regrettably cannot bestow on the majority members of our U.S. Supreme Court, who refused to be so venturesome or courageous as to say when life begins.

Mr. President, the decision should mandate this body to early action to place clearly in our law protection of human life at every stage of its development so that one human being no longer has the legal control over the life of the smallest human being—the human fetus.

Despite the decision of the 12 jurors in Boston, if we do not take action, abortion and related activities will continue to proliferate. As late as last Sunday, the Washington Post was reporting that research on living aborted fetuses has taken a "quantum jump" in recent years. The newspaper reports that in one study, the heads of eight fetuses were separated and injected with radioactive compounds to study brain metabolism. The study used "fresh, live fetuses less than 12 weeks old."

Mr. President, I am convinced our country morally believes in the sanctity and inviolability of human life. But this is not enough; we must declare legislatively that life is not the gift of a State, a Supreme Court or any other organization or individual. I believe that life comes from God and the right to life is innate in the nature of man.

We must reaffirm what our forefathers said in the Declaration of Independence when they state in the most powerful terms that the individual is supreme and above the State—not secondary to it.

As President Lincoln said, our ultimate defense is "the preservation of the spirit which prizes life as the heritage of all men."

FPC STAFF SUPPORTS NATURAL GAS RELIEF FOR ALABAMA FERTILIZER PLANT

Mr. ALLEN. Mr. President, the staff of the Federal Power Commission in the last few weeks has issued two briefs relating to the petition filed with the Commission by the North Alabama Gas District and United States Steel to obtain emergency natural gas relief for United States Steel's Cherokee, Ala., nitrogen fertilizer plant.

Both of these briefs, Mr. President, strongly support North Alabama and United States Steel's petition for obtaining emergency supplies of natural gas from Texas Eastern Transmission Corp.—TETCO. In their February 3, 1975, brief, the Federal Power Commission staff came to the following general conclusions:

1. The Commission should require TETCO to supply North Alabama with sufficient volumes to enable USS to meet its Feedstock requirements.
2. USS should be required to convert the Cherokee plant to allow the use of No. 2 fuel oil as process fuel.
3. The Commission should provide temporary relief to USS for its process requirements pending the completion of the plant's conversion.
4. Relief should be limited to reflect the volumes USS has failed to seek from its other suppliers.
5. USS should be required to pay back relief volumes taken whenever it can otherwise meet its minimum requirements for natural gas.
6. The Commission should frame relief in such a manner as will protect priority one requirements and will, at the same time permit relief to continue until Texas Eastern is actually curtailing into priority one.

And then in its February 10, 1975, brief the Commission staff made the following additional points with respect to the general availability of fertilizer for the coming year—the importance of the Commission considering the social utility of an end product in making its relief decisions—and, other points concerning providing relief to United States Steel's Cherokee, Ala. fertilizer plant:

1. The record demonstrates that there will be a shortage of fertilizer for at least the coming year.
2. Staff believes, that in the context of an extraordinary relief proceeding, the Commission should consider the social utility of the end product.
3. The record clearly demonstrates that the USS Cherokee plant can be converted to permit the use of No. 2 fuel oil as process fuel.
4. North Alabama and USS should not be penalized for the failure of their suppliers to make long term projections of curtailments.

And in both of these briefs, the Commission staff recommends that the Commission grant relief to North Alabama and United States Steel, for use in United States Steel's fertilizer plant at Cherokee.

In view of these two FPC staff briefs and recommendations, Mr. President, I would hope that the Commission would waste no further time in granting the relief requested by these particular petitioning parties. Every day lost in granting such relief, means further losses of needed nitrogen fertilizer.

Farmers in Alabama, Georgia, and throughout the Southeast are now beginning to prepare their ground for spring planting of food and fiber crops. And as Mr. Dawson Ahalt of the U.S. Department of Agriculture pointed out in hearings before the Commission with respect to these petitions, a 100,000-ton loss of fertilizer production in the Southeast represents 10 percent of that region's use of fertilizer, which would in turn, result in a 23-percent reduction in corn production and a 2-percent reduction in both cotton and tobacco in that region. Under current levels of natural gas curtailment, the United States Steel Cherokee plant expects to lose about 44,000 more tons of ammonia for nitrogen production than they lost last year.

Mr. President. I wish to urge the Federal Power Commission to act promptly in granting the natural gas relief required by this particular fertilizer plant to get back into full production. I hope my Senate colleagues will join with me in this request. The future food and fiber supply of all of our constituents, whether rural or urban, is very much involved.

Mr. President, I ask unanimous consent that the FPC staff briefs I have referred to be printed in the RECORD.

There being no objection, the briefs were ordered to be printed in the RECORD, as follows:

INITIAL BRIEF OF THE COMMISSION STAFF FOLLOWING REHEARING

ABSTRACT OF THE EVIDENCE

North Alabama presented six witnesses to prove its need for relief. One witness appeared on behalf of the Department of Agriculture. The testimony of these witnesses is summarized below:

The fertilizer shortage

Three of the witnesses, Ahalt, Douglas and Henderson testified that there is a shortage in this country and in the world of nitrogen fertilizers. Mr. Ahalt, representing the United States Department of Agriculture, testified that in fiscal year 1974 (12 months ending June 30, 1974), demand probably exceeded supply in this country by more than five percent, the shortfall projected by USDA last Spring (Tr. 525). USDA does not know the exact magnitude of last year's shortfall because it does not know how the unavailability of fertilizer affected farmers' demand (Tr. 524). USDA has not yet made an official projection on the magnitude of the shortfall for * * * Mr. Ahalt declined to * * * prediction of the shortfall for 1975 because of the as yet uncertain impact of natural gas curtailment (Tr. 525). He does believe that it will be as severe in 1975 as it was in 1974 (Tr. 540).

Mr. Ahalt's uncertainty about the magnitude of this coming year's shortage stems from the fact that many variable factors influence the supply of and demand for fertilizer (Tr. 526, 527). These uncertainties were shared by Dr. John Douglas, of the Tennessee Valley Authority, appearing on behalf of North Alabama, Dr. Douglas stated that TVA does not know, and never will know, the exact magnitude of the fertilizer shortage in fiscal 1974 (Tr. 569). He estimates that in corn and wheat alone, demand for fertilizer exceeded supply by 578,000 tons nationwide (Tr. 569). Dr. Douglas also expects that the shortage in fiscal 1975 will exceed that of fiscal 1974 (Tr. 570).

Mr. C. M. Henderson of USS appeared for North Alabama. In earlier hearings last May Mr. Henderson had predicted a shortage three or four times as severe as Mr. Ahalt, who at that time had appeared as a Staff witness. Mr. Henderson outlined three reasons for the differences in his latest prepared testimony:

(1) USDA's forecast was based only on the shortage of Ammonia for Agriculture uses; Mr. Henderson's on the shortage of ammonia for all uses, including industrial applications (Tr. 665).

(2) Mr. Henderson considered current inventories on hand as well as current production; USDA did not consider the decrease in inventories (Tr. 665).

(3) USDA based its projections on crop acres harvested; Mr. Henderson on crop acres planted (Tr. 666).

Mr. Henderson did not attempt an independent projection of shortfall for 1975, but is relying on TVA's estimated figures (Tr. 666).

Cross examination of Witnesses Ahalt and Douglas explored the reasons for their uncertainties of the magnitude of past and future shortages and uncovered many factors which make accurate prediction difficult. Several reasons are given below:

(1) The severity of future natural gas curtailments is unknown. Curtailments may dramatically lower supply of fertilizers (Tr. 528, 541, 571, 581, 493), but production capacity has otherwise increased (Tr. 495, 670).

(2) Application rates for fertilizers have tended to rise as farmers have become more knowledgeable in their use (Tr. 569, 572) and because national policies have favored increased food production (Tr. 570). The application rates are also affected by the price of grains (Tr. 498), the specific crops grown (Tr. 618–19, 877, 537), grain inventories (Tr. 876), the price of fertilizer (Tr. 527), and the type of soil (Tr. 500).

(3) Acres of food planted have increased (Tr. 670).

(4) Exports of fertilizer have decreased (Tr. 495).

It appears that many of the factors listed above tend to cancel each other out. For example, nitrogen fertilizers are used on cotton. Cotton acreage will be lower in 1975, than in 1974, but farmers will shift to more profitable crops instead. In the South many farmers will grow soybeans which use little nitrogen (Tr. 618–19), and other farmers in other areas will switch to corn, wheat (Tr. 507) and sorghum, a crop which uses twice as much nitrogen as cotton (Tr. 537).

Extensive cross examination was aimed at Witness Douglas to explore the effects on fertilizer demand of price fluctuations in grains and ammonia. Mr. Ahalt stated that although the prices of wheat and corn have declined from their highs of several months ago (Tr. 499, Exhibit No. 7) to lower prices today, they are still high enough for farmers to cover their variable costs (Tr. 500). Dr. Douglas cited a study he made to show the relationship in the price of grains and the price of fertilizers (Tr. 585). In the 1950's and early 60's farmers were trading the value of 70 to 80 bushels of corn for one ton of fertilizer (Tr. 585). In this period, during the late 60's, fertilizer manufacturers were making little or no profits (Tr. 587,599), and many producers had to close down their plants because inventories were piling up (Tr. 601). With the price relationship, as it existed in 1974, the farmer was trading 60 bushels of corn and was still in a better position than he had been in the early 60's. Dr. Douglas stated that if farmers had to pay a price equivalent to 70–80 bushels of corn for one ton of ammonia, application rates would decline, but he could not state quantitatively how large the decline would be. (Tr. 586, 592).

Fertilizer prices have more than doubled since price controls were removed in October, 1973 (Exhibit No. 7). USS sells ammonia produced at Cherokee to distributors for $185 per ton (Tr. 670). USDA shows that the farmer pays an average of $229 per ton (Exhibit No. 7).

Prices of grains on the Chicago Commodity

Exchange were quoted from the January 21, 1975, edition of The Wall Street Journal. On January 20 prices were as follows:

No. 2 Kansas City wheat: March futures $3.77½ per Bu.; cash price $3.94 per Bu.

No. 2 Dark Northern (14 percent wheat); price $4.32 per Bu.

No. 2 Soft Red wheat: ? price $3.74 per Bu.; March corn $3.02 per Bu.; Chicago No. 2 corn $2.87½ per Bu. (Tr. 546).

Both Mr. Ahalt and Dr. Douglas agreed that the fertilizer shortage would be more severe in the South than in many other areas of the country (Tr. 494, 571), and both witnesses attribute this to the fact that there are fewer ammonia plants in that region than in other areas (Tr. 571) and to deepening curtailments of natural gas (Tr. 528, 571–72).

The United States was a net importer of fertilizer in 1974 (Tr. 572), and this trend is likely to continue (Tr. 495).

Mr. Ahalt testified that many of our exports of fertilizer are, in reality, only exchanges with Canada. Traditionally Eastern Canada buys fertilizer from the U.S. and Western Canada sells to the U.S. (Tr. 536). The U.S. is a net importer of potash fertilizers from Canada (Tr. 536).

Dr. Douglas states that 98 or 99% of this country's ammonia is manufactured from natural gas (Tr. 568). Ninety-five percent of the nitrogenous fertilizer used in this country is manufactured from anhydrous ammonia (Tr. 4–2).

Mr. Ahalt stated he does not believe that the U.S. should attempt to make up for domestic fertilizer shortages by increasing fertilizer imports (Tr. 531–2). He states that this country is already being criticized for not exporting more fertilizer to the world market (Tr. 532–3). By increasing imports, we would take fertilizer from other, less developed countries, and might cause serious worldwide dislocations (Tr. 532). Dr. Douglas believes that if there is a reduction in U.S. fertilizer output, U.S. farmers may be unable to purchase fertilizer at any price (Tr. 573).

Finally, a great deal of concern was expressed by several of the participants about the non-agricultural uses of fertilizer and their use on fiber crops and tobacco. Mr. Ahalt stated that approximately 5 to 7 per cent of fertilizers are used in non-agricultural applications, and that on a nutrient basis, that amount is lower because non-agricultural fertilizers are not high analysis fertilizers (Tr. 509).

Many non-agricultural uses of fertilizer are highly essential. Major users of non-agricultural fertilizers are airports and the interstate highway system where grass is used to prevent erosion (Tr. 535). These demands are inelastic with respect to price (Tr. 535). On the other hand, home lawn and garden products are price elastic (Tr. 535), and Mr. Ahalt suspects that there will be a decrease in homeowner consumption causing manufacturers to produce more agricultural grade products and less of the low analysis product (Tr. 535).

Mr. Ahalt believes that if a policy decision were made to limit production of non-agricultural fertilizers in order to make more nitrogen available to farmers, it would not solve the farmers problems, but would cause frustration (Tr. 523).

In fiscal 1974, 4.7% of the total U.S. nitrogen fertilizer use was for cotton. 0.5% was for tobacco (Exhibit No. 7). Mr. Ahalt projects a 32% drop in cotton acreage for fiscal 1975 (Tr. 506). Mr. Ahalt further testified that he understood the principal sources of nitrogen fertilizer in tobacco were sodium and calcium nitrate, two imported products (Tr. 538).

The effect of the fertilizer shortage

Both Mr. Ahalt and Dr. Douglas stated that there is a shortage of fertilizer (Tr. 525, 635). Mr. Ahalt states that, barring bad weather in 1975, America's needs for food will be met in the coming year in spite of the fertilizer shortage (Tr. 529), although the twenty percent reduction in feed supplies last year (caused largely by bad weather) have raised prices of feed and have caused people in the livestock business to liquidate (Tr. 528). Any additional losses in food production could lead to rising food prices (Tr. 572).

Under current levels of curtailment, USS–Cherokee expects to lose 44,000 more tons of ammonia production than they lost last year (Tr. 644). Mr. Ahalt states that a 100,000 ton loss of fertilizer production in the Southeast U.S. represents 10% of that region's use of fertilizer (Tr. 494), and would result in a 23% reduction in corn production in the region and a 2% reduction in both cotton and tobacco (Tr. 495). Nationally a loss of 100,000 tons of nitrogen translates into 50 to 75 million bushels of corn (Tr. 495), about one quarter of a billion dollars worth of corn at the price of $3.60 per Bu. (Tr. 495), or about one fifth of a billion dollars at current prices.

If the nationwide shortfall of fertilizer reaches 500,000 tons, the minimum projection of Witnesses Ahalt and Douglas, it could affect corn production nationwide by 5 percent (Tr. 495). Dr. Douglas states that one ton of anhydrous ammonia will lead to an increase yield of eight tons of grain (Tr. 568).

Mr. Ahalt pointed out that exports of fertilizer and of the crops they help to produce helped to reduce this country's trade deficit in 1974, by $10.9 to $2.7 billion (Tr. 497). He fears that a further loss of fertilizer production would exacerbate already difficult trade, inflation and energy problems which we are trying to solve (Tr. 497).

Distribution and end use of USS–Cherokee's end product

Mr. Henderson stated that in 1974 USS produced 163,800 tons of ammonia at Cherokee, which together with the 6570 tons of opening inventory meant that 170,370 tons were available for shipment (Tr. 663). Of that amount 165,015 tons of ammonia were used in end products or for direct shipments. The 165,015 tons of ammonia permitted USS–Cherokee to ship 487,096 tons of end product to market (Tr. 663, Exhibit No. 9, page 1).

The 165,015 tons of ammonia shipped from Cherokee as various end products wound up as follows:

End use	Tons	Percent of total
Turf and garden	715	0.4
Export (as diammonium phosphate)	5,300	3.2
Industrial sales	7,388	4.5
Fertilizer sales	151,612	91.9
Total	165,015	100.0

Breakdowns of the industrial and agricultural uses of ammonia produced at Cherokee were given in Exhibit No. 9 at pages 3 and 5 respectively. They are given below:

Ammonia industrial uses—Cherokee shipments

End use category	*Tons*
Curing Agent—Fiberglass and Rubber	103
Corrosion Resistant Additive	75
Refrigeration	1,776
Ph Control for Ore Processing	995
Waste Treatment	417
Develop Engineering Blueprints	224
Flameproofing	345
Metal Treating	1,185
Firing Ceramics for Auto Emission Divs	157
Nuclear Fuel Refining	336
Synthetic Textiles Production	300
Health Product Manufacturing	554
Municipal Water Treatment	13
Cable, Electronics Communications	908
Total	7,388

CHEROKEE AMMONIA: ESTIMATED NITROGEN FERTILIZER USE BY CROPS—1974

[Tons of anhydrous ammonia]

Crop	Amount	Percent of total
Corn	69,604	46
Cotton	9,730	6
Soybeans	5,108	3
Wheat	9,537	6
Tobacco	3,354	2
Peanuts	1,089	1
Pasture and hay	20,833	14
Potatoes	1,699	1
Small grains	6,561	4
Fruits and vegetables	5,458	4
Onions	176	0
Others	1,107	1
Rice	2,515	2
Sugar beets	923	1
Milo	6,350	4
Crops unknown (wholesale)	7,532	5
Total	151,612	100

Page 4 of Exhibit No. 9 contains a map of the Continental attached hereto as appendix A. Mr. Henderson testified that ammonia produced at Cherokee is sold in every sales district except Salt Lake City (all of the U.S. west of the Great Plains). He further stated that most of the agricultural products are sold in the nearby (to Cherokee) districts of Columbus, Albany, Columbia, Greensboro, Nashville, Memphis and Jeffersonville in the South, Southeastern and Midwestern United States (Tr. 664).

Curtailments of natural gas

USS has contracts for the following volumes of natural gas:

North Alabama (from TETCO): 14,800 Mcf/day firm.

North Alabama (from Tennessee Gas Pipeline Company): 2,000 Mcf/day firm.

Alabama-Tennessee Natural Gas Company: 1,500 Mcf/day firm.

Total firm contracts: 18,300 Mcf/day firm.

Alabama-Tennessee Natural Gas Company: 3,500 Mcf/day interruptible.

Total contract: 21,800 Mcf/day (Tr. 814).

On a daily basis USS is receiving and expects to receive the following volumes:

Month	North Alabama		Alabama-Tennessee		Total MCF
	TGP MCF	Tex. ea. MCF	Firm MCF	Int. MCF	
January	2,000	2,784	1,123	0	5,907
February	2,000	2,915	1,139	0	6,054
March	0	7,222	1,259	0	8,481
April	2,000	9,590	1,500	731	13,821
May	2,000	12,588	1,500	805	16,893
June	2,000	12,688	1,500	784	16,972
July	2,000	13,220	1,500	810	17,530
August	2,000	13,488	1,500	821	17,729
September	2,000		1,500	780	
October	2,000		1,500	746	

USS-Cherokee requirements for natural gas

USS claims that it requires 17,623 Mcf per day for feedstock and process use to achieve the plant's maximum output of 530 tons per day of ammonia (Tr. 814, 856). Output is at its maximum during the Winter when ambient air and water temperatures are coldest (Tr. 857, 860). Thus peak production and peak requirements occur when gas is least available (Tr. 860). Witness Cramer claims the plant can operate at peak output about 30 days a year (Tr. 856). The rest of the time, the plant can operate with less than 17,623 Mcf per day (Tr. 857).

Mr. Cramer stated that average output of the plant, assuming available natural gas, is between 515 and 520 Mcf per day (Tr. 857). The plant operates seven days a week and about 345 days per year (Tr. 859), allowing for 20 days of lost time for various reasons (Tr. 859).

The feasibility of constructing storage facilities or of obtaining alternate gas supply

Based on the projected natural gas supply to the plant, shown above, and on the requirements of the plant, Mr. Cramer stated that USS will receive virtually no gas which it could store for later use. Some excess gas would be available during May through August, but that excess would amount, in total, to only three days' supply (Tr. 817). USS has no natural gas available to it from any sources which it could store (Tr. 820), and knows of no gas available for purchase (Tr. 820). Mr. Cramer stated that if the company finds available storage, it will arrange to store any available quantities, and that if no storage is available, it will use whatever excess gas can be found and back off on its takes from TETCO (Tr. 820).

An LNG facility for Cherokee would cost several million dollars, and without an assured source of gas supply USS would not undertake to construct such facilities (Tr. 820). USS states that it has contacted many companies in the hopes of procuring LNG or SNG, but has been unable to contract for any supplies (Tr. 820). It would be impractical to store significant volumes of natural gas without a liquifaction plant (Tr. 820).

USS-Cherokee is supplied by both Tennessee Gas Pipeline Company and Alabama-Tennessee Natural Gas Company in addition to Texas Eastern, but it has only petitioned for relief from Texas Eastern even though it is being curtailed by all three of its suppliers. USS has not yet decided whether to petition Tennessee or Alabama-Tennessee (Tr. 698).

Conversion of process use to fuel oil

It is possible to convert the reformer section of the USS plant at Cherokee in order to burn No. 2 fuel oil instead of natural gas. Mr. James Finneran of M. W. Kellog Company, designers of the Cherokee plant, appearing on behalf of North Alabama, stated that the conversion would be more difficult than he had earlier anticipated, but that it could be done (Tr. 734). Mr. Finneran stated in his prepared direct testimony that only low sulfur oil having a sulfur content of less than .1% could be used (Tr. 733). He stated that if oil containing a higher concentration of sulfur were used, the SO_2 and SO_3 in the combustion gases would combine with water vapor in the combustion gases to form sulfurous and sulfuric acids, which would then condense on and corrode steel tubes (coils) in the convection banks where energy is transferred to other parts of the plant (Tr. 733–4). The acids condense on the steel coils because water, the heat transfer medium, inside the coils is at 200°F when it enters the reformer (Tr. 733–4).

On cross examination, Mr. Finneran stated that the condensation and corrosion problems could be eliminated if the temperature of the water in the convection coils were raised from 200° to 300°F (Tr. 736). This could be done by preheating the water in the coils with a supplemental source of energy which would require the Btu equivalent of 550 Mcf per day (Tr. 756, 765, 767). This would allow typical No. 2 fuel oil, as opposed to low sulfur oil, to be used for process requirements. The supplemental energy could be provided by No. 2 fuel oil (Tr. 767).

No. 2 fuel oil in the Southeastern U.S. has a sulfur content ranging between .15 and .49% (Tr. 930). Mr. Calvin Showalter, testifying for North Alabama, believes USS can probably obtain sufficient quantities of No. 2 fuel oil to operate at full capacity if a conversion of process use to fuel oil is made (Tr. 927).

Mr. Finneran stated that nickel and vanadium concentrations in No. 2 fuel oil would not cause problems should the Cherokee plant be converted. Concentrations of these metals are low in U.S. crude oil, and the process of manufacturing No. 2 fuel oil removes these metals even if they are present in the crude oil (Tr. 791–2).

In his prepared testimony, Mr. Finneran states that the feasibility of converting the plant at Cherokee to use fuel oil for process purposes was lessened by the fact that the plant had a remaining useful life of only six to seven years (Tr. 736). Based on cross examination it was learned that the life of the Cherokee plant was only a statistical estimate based on the life of similar plant (Tr. 788).

No studies have been made of the Cherokee plant to reach an estimate of remaining useful life (Tr. 788). Mr. Finneran stated that the lifetime of a plant is determined primarily by economic considerations, not because they fall apart (Tr. 790). It is "the general forces of competition" which eventually force a plant to close as newer and more efficient plants are designed (Tr. 788). Mr. Finneran stated that high fertilizer prices, such as presently exist, would tend to extend the life of a plant so long as the high prices were not simply the result of higher costs (Tr. 791).

Mr. Cramer presented as Exhibit No. 11 an estimate of increased operating costs USS would encounter if the process use at Cherokee were converted to oil. The exhibit indicated that the total increase in annual operating expenses would be $4,133,000.

Staff attempted to explore the impact of conversion on the profitability of the Cherokee plant with Witnesses Henderson and Cramer in order to see how burdensome the conversion would be, but the witnesses and their counsel declined to respond to any detailed questions along those lines. (Tr. 716–889), and the Presiding Judge did not direct the witnesses to answer (Tr. 720, 889). Mr. Henderson cheerfully volunteered that profits would be lowered by the amount of the increased costs (Tr. 720), but neither Mr. Henderson nor Mr. Cramer could say whether the Cherokee plant could operate at a profit if it converted process use from natural gas to No. 2 fuel oil (Tr. 722–23, 892). Mr. Henderson stated that the market situation one to two years from now, when conversion was completed, would determine the profitability of operating with oil, and that USS has not yet made an evaluation of the market prospects for 1977 (Tr. 722–23).

Mr. Cramer agreed that, using his figures for increased operating expenses, it would cost about $24 more to make one ton of ammonia using fuel oil for process fuel than it would cost using natural gas (Tr. 893). Mr. Cramer and Mr. Douglas had no opinion on whether USS could pass the extra costs on to its customers (Tr. 894, 636); Mr. Henderson stated that USS could not pass on those costs (Tr. 895). He said that although there is a shortage of fertilizer now, a company that raised its prices to non-competitive levels would, in the long term, lose its customers (Tr. 895).

Other ammonia plants may have to ultimately convert to oil, however, since interstate pipelines supply 45.1% of the firm gas used by ammonia plants and 74.8% of their interruptible volumes (Tr. 896).

Mr. Ahalt stated that the price of fertilizer both domestically and on the world market, would probably not drop over the next several years (Tr. 878). Mr. Douglas believes that the price may continue to rise, at least for the next year, but at a slower rate than in the past (Tr. 635).

Texas Eastern's curtailment plan

Counsel for North Alabama and Texas Eastern stipulated that the total volumes shown in end use data on which Texas Eastern relies to implement its curtailment plan are 94,766,630 dekatherms less than the total annual entitlements shown in Texas Eastern's tariff (Tr. 555). Thus on an annual basis, 94,766,630 dekatherms are not listed under any of Texas Eastern's 9 priorities (Tr. 555).

DISCUSSION AND CONCLUSIONS OF FACT

It is clear that demand for fertilizer in the United States and in the world exceeds supply. Mr. Ahalt and Dr. Douglas are two of the leading experts in Government on the fertilizer situation. Although both men confess that the many complicated factors of supply and demand make accurate estimates of the shortfall for fiscal 1975 difficult, they both agree that the shortage will be severe. Cross examination of both men illuminated the many interrelated factors which could alleviate or exacerbate the shortage, and it seems clear to Staff that the best projection which can be made at this time is for a continued shortage of fertilizer.

The fertilizer shortage will probably not result in starvation for the American people, but it will result in higher prices for grain and beef, aggravating inflation at home and hurting producers of livestock. The fertilizer shortage also means that America will have to import more fertilizer than it now does while it exports less. Exports of grains will also decrease, worsening this country's trade deficit.

Almost 92 percent of the ammonia produced at Cherokee is used in agriculture, and more than 90 per cent of that amount is used on food crops.

In order to operate at peak capacity, the Cherokee plant requires up to 17,623 Mcf per day for feedstock and process use alone. This figure is slightly lower in warm weather when the plant's capacity is reduced.

The current projections of natural gas supply furnished by Texas Eastern, Tennessee and Alabama-Tennessee indicate that, at least for the coming year, USS will not receive, at any time, significantly more gas than it needs to meet full feedstock and process requirements. Only during the period May through August will the plant receive enough to operate at full capacity. There is no reason to believe, based on the record in this proceeding, that the natural gas supply situation will improve in the next several years.[3] Texas Eastern did not present a witness at the hearing.

There is no doubt that the Cherokee plant can be converted to use No. 2 oil for process fuel. There is no technical bar to this conversion, and No. 2 oil should be available in sufficient quantities to permit the plant to operate at capacity.

The Commission should focus on two issues regarding conversion. First, it involves a rather large initial expenditure, and high operating expenses thereafter, for a plant which may be nearing the end of its useful life. Second, it probably requires that the plant use additional energy to preheat the water in the convection coils. The increase required would represent about 3 percent of the energy presently consumed at the plant.

On the first point, Staff believes that USS should be required to convert its Cherokee plant to use No. 2 fuel oil as process fuel because the present high price for fertilizer (2½ times what it was 15 months ago) would easily support such a conversion. If USS installs dual fuel burners when it converts the plant, operating costs should be less than those estimated by Mr. Cramer, since natural gas could be used when it was available (Tr. 846). USS presented no evidence to show that it could not operate profitably even using Mr. Cramer's estimate of expenses. In addition, the high price of fertilizer should operate to extend the useful life of the plant.

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[3] Mr. Cramer indicated that in December, 1974, he was told by officials of TETCO that the gas supply situation next year would probably not be much worse than this year, but he couldn't be sure what TETCO may have told him about the next several years (Tr. 866).

With regard to the second point raised above, conversion of the process use should be required even though it may lead to an increase in the energy consumed at the plant. Staff reaches this conclusion because the supply situation of Texas Eastern, USS-Cherokee's major supplier is very bad.

Texas Eastern calculates its level of curtailment from end-use data submitted by its customers between May and September, 1973, for the 12 months ending April, 1973. These data are compiled in Exhibit No. 5–G in Docket Nos. RP71–130, *et al.*, which is Item A by Reference in this proceeding.

Texas Eastern is currently curtailing at a rate of 700,000 Dth per day. To calculate the level of end-use curtailment on its system, TETCO goes to Item by Reference A. Looking at January, 1975, we would turn to page 22 of 56 of that document. TETCO adds the volumes on the last line of the page, starting with priority 9 until it reaches 21,700,000 Dth (31 × 700,000 Dth). This takes TETCO into 3.95% of priority one. If all of the sales made by TETCO's customers during the base year were listed in Item by Reference A, TETCO's calculated curtailment might actually represent its true curtailment, but that is not the case. TETCO was curtailing during the base period, and, therefore, not all of its customers' requirements are reflected in the end use data, because many customers passed on TETCO's curtailment. TETCO curtails its customers by subtracting its calculated daily curtailments from the contract Maximum Daily Quantity (MDQ) of each customer. The MDQ level of service exceeds, on a monthly basis, the level of sales reported in the end-use data by the amount of curtailment passed on to customers during the base year.

One effect of TETCO's curtailment implementation is easy to see. Even though TETCO is calculating curtailment into priority one, North Alabama, which reports only priority two volumes, is still receving 2784 Mcf per day from TETCO. This is because the sales reported by North Alabama on Item by Reference A do not represent its requirements. North Alabama was curtailed by 2784 Mcf per day by TETCO in January, 1973. Now TETCO deducts all of North Alabama's *reported* sales for January, 1973 from North Alabama's MDQ and it leaves North Alabama with 2784 Mcf per day. This is not only true of North Alabama, but of many other customers on the system who may serve any of the lower priorities.[4]

Because TETCO calculates curtailment from incomplete data, and because volumes are available for lower priorities, TETCO is calculating curtailment deeper than it has to. TETCO has enough gas to serve all priority one, and some lower priority gas even though it is calculating curtailment into priority one.

This leaves the Commission with a serious problem of drafting relief in such a fashion as to avoid cutting off relief unnecessarily when *calculated, but not actual,* curtailment reaches priority one.

Staff tried to point out these problems for the Commission in its briefs of May 20 and June 28, 1974, filed in Docket Nos. RP71–130, *et al.*, but in its Opinion No. 714, the Commission took no steps to remedy the situation. Staff now requests the Commission to give renewed consideration to its suggestions made in those briefs.

North Alabama has altered its position from that stated in its initial pleadings. It now requests that the Commission order Texas Eastern to deliver sufficient volumes to allow NAGD to serve USS with up to 17,623 Mcf per day, but in no event should TETCO be required to deliver more than 14,800 Mcf per day, its contract volumes, to NAGD. USS requests the relief for an indefinite length of time.

ARGUMENT

1. *The Commission Should Require TETCO to Supply North Alabama With Sufficient Volumes to Enable USS to Meet its Feedstock Requirements.*

North Alabama, USS and Mr. Ahalt have shown that fertilizer is in short supply and that it is in the national interest to alleviate the shortage to the fullest extent possible. Since it has been shown, in the earlier hearings, that the plant cannot be converted to use any feedstock other than propane, USS should receive sufficient gas to meet its feedstock requirements for the production of ammonia.

2. *USS Should Be Required to Convert the Cherokee Plant to Allow the Use of No. 2 Fuel Oil as Process Fuel.*

The record shows that converting the Cherokee Plant to use oil as a process fuel is feasible, and that sufficient No. 2 fuel oil is probably available.

Only economic considerations have prevented USS from making these conversions until now. USS has failed to prove that the economic burden of conversion is too heavy. It withheld evidence which might have permitted that conclusion to be reached. In view of the supply situation of TETCO's system, USS should be required to convert within 13 months of a Commission order.[5] The Commission should require North Alabama to file monthly reports describing the progress made in converting the plant.

3. *The Commission Should Provide Temporary Relief to USS for its Process Requirements Pending the Completion of the Plant's Conversion.*

The need for fertilizer is great enough to warrant this temporary relief for USS, so that they can produce fertilizer at full capacity while the conversion of the plant is being carried out. Of course, once the plant is converted, relief for process requirements should be halted, and USS should receive relief volumes only for its feedstock requirements.

4. *Relief Should Be Limited to Reflect the Volumes USS Has Failed to Seek From its Other Suppliers.*

In order to reduce Texas Eastern's exposure and protect its customers, the Commission should reduce the maximum relief available to USS by the volumes which USS' other pipeline suppliers are curtailing USS. This reduction should be made from North Alabama's contract level of service with TETCO. Thus the maximum relief TETCO should supply would not be 14,800 Mcf per day, but a lower figure whenever USS' other suppliers are curtailing.

5. *USS Should Be Required to Pay Back Relief Volumes Taken Whenever it Can Otherwise Meet its Minimum Requirements for Natural Gas*

USS should be required to pay back to TETCO all relief volumes taken whenever it obtains, from all its suppliers, volumes of natural gas in excess of its minimum requirements. For these purposes, minimum requirements should be defined as feedstock requirements and, prior to conversion process requirements also. Of course, all relief should be halted when the plant is not operating.

6. *The Commission Should Frame Relief in Such a Manner as Will Protect Priority One Requirements and Will, at the Same Time Permit Relief to Continue until Texas Eastern Is Actually Curtailing into Priority One.*

As we noted above, inherent flaws in Texas Eastern's implementation of curtailment make framing relief difficult. Texas Eastern calculates curtailment into priority one even though lower priority loads are definitely being served. To cut off relief whenever Texas Eastern calculates curtailment into priority one is to cut off relief unnecessarily (Texas Eastern has calculated curtailment into priority one during December, 1974, and January, 1975. It is now doing so in February, 1975) and nullify the relief granted on an arbitrary basis. The Commission should place the burden on TETCO to show when it is actually curtailing into priority one on a daily basis before relief is cut off.

Staff suggests, in the alternative, that the Commission order TETCO to implement its curtailment on the basis of the new data collected in the proceedings in Docket Nos. RP71–130, *et al.* which should fill the data gap, that is, those volumes actually curtailed during the base period. As a further alternative, the Commission may wish to reconsider Staff's suggestion to order TETCO to file a study showing the impact of implementing curtailment in the manner suggested by Columbia Gas Transmission Corporation in its motion of November 9, 1973 filed in Docket Nos. RP71–130, *et al.*

CONCLUSION

For the reasons stated above, the Commission should grant North Alabama's petition with the limitations and conditions suggested by Staff.

Respectfully submited.

LOREN I. GLASSMAN,
Commission Staff Counsel.

WASHINGTON, D.C., *February 3, 1975.*

[Before the Federal Power Commission,
Docket No. RP74–39–8]

TEXAS EASTERN TRANSMISSION CORPORATION (NORTH ALABAMA GAS DISTRICT)—REPLY BRIEF OF THE COMMISSION STAFF FOLLOWING REHEARING

INTRODUCTION

This brief is submitted pursuant to Ordering Paragraph G of the Commission's order, issued in these proceedings on December 20, 1974. In that order, the Commission directed that reply briefs be filed within seventeen days of the completion of the hearing.

Staff replies, herein, to the arguments advanced by the other parties in the proceeding.

ARGUMENT

(1) *The Record Demonstrates That There Will Be a Shortage of Fertilizer for at Least the Coming Year.*

Con Edison focuses in its initial brief on North Alabama Gas District's (North Alabama) claim that fertilizer is in short supply, and that it is in the national interest to maximize fertilizer production.

Witnesses Ahalt and Douglas both stated that the fertilizer shortage would be as severe or more severe in fiscal year 1975 than it was in fiscal 1974. (Tr. 540, 570) Con Edison attacks the testimony of both men by choosing carefully among the facts developed in the hearing record, stating only those which support its position and, at the same time, ignoring many of the relevant facts which must be considered.

Con Edison cites Mr. Ahalt's testimony (Tr. 495) that fertilizer production was expected to rise by 6% this year. It ignores the witness' later testimony that the 6% figure was reached assuming no curtailments of natural gas, and that curtailments would lower his projection. (Tr. 541) Mr. Ahalt testified that at least three ammonia plants were operating at reduced loads or were entirely inoperative due to curtailments. (Tr. 490, 493) Con Edison also ignores Mr. Ahalt's projection that acres in agricultural production in 1975 are expected to increase by 2.5–3% over last year.

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[4] Carnegie Natural Gas Company is experiencing similar problems in Docket No. RP74–39–3.

[5] Witness Showalter testified that an oil storage tank could be installed in thirteen months (Tr. 914). This is the longest lead time involved in the conversion.

Con Edison stated that a discussion of the relationship between fertilizer application rates and the prices of fertilizer and crops was "strikingly absent" from the direct testimony of Mr. Ahalt and Dr. Douglas. Con Edison fails to state that both men underwent extensive cross examination on the subject (largely at the hands of its own attorney). What emerged from that cross examination is not fully represented in Con Edison's brief. Mr. Ahalt stated that a fall in the price of grain, assuming no change in the price of fertilizer, would represent a weakening in demand. (Tr. 498) Two pages later he stated that grain prices have declined (from past highs), but are still high enough to cover variable costs in 1975. He went on to state that "In the short run, farmers will plant these commodities as long as they can cover their variable costs." (Tr. 500)

Con Edison next discusses Dr. Douglas' testimony in order to show that fertilizer application rates will drop in 1975. Dr. Douglas stated that in 1974, farmers had to trade 60 bushels of corn for one ton of fertilizer. (Tr. 585) He stated that application rates would decline if the farmer had to pay 70–80 bushels of corn per ton of ammonium nitrate fertilizer. (Tr. 586) At current prices, $3.00 per bushel for corn (Tr. 546) and about $195 per ton of ammonium nitrate to the farmer (TR. 587), the farmer is currently trading 65 bushels of corn for one ton of ammonium nitrate. This is not likely to cause a serious decline in application rates according to Dr. Douglas.

Con Edison next addresses the elasticity of demand for fertilizer as a function of the nation's economy. It shows that fertilizer application rates dipped slightly (about 4%) in 1971, during a mild recession, and then increased in 1972, during better times. What these figures show is uncertain, at best. In 1971, this country had a large surplus of grains. Now reserves are the lowest since World War II. In 1971, farmers were still being encouraged not to grow crops. The Russian wheat deal in 1972 changed this nation's policies on agricultural production. Now farmers are encouraged to grow as much as they can, to reach full production.

Finally Con Edison asks the Commission to take judicial notice of the "Heard on the Street" column in The Wall Street Journal of January 31, 1975. Con Edison is hereby making a last-minute attempt to introduce evidence that demand for fertilizer may decline.

Staff vigorously objects to Con Edison's request that judicial notice of the "Heard on the Street" column be taken by this Commission. Con Edison's assertion that "This concern is a matter of general knowledge," clearly misses the mark. Conceding, arguendo, that the "concern" is general, it can be safely stated that the contents of the article and the conclusions reached therein are not even arguably general knowledge. In *U.S.* v. *Ricciardi,* 357 F. 2d 91, 97 (2d Cir. 1966), cited by Con Edison, the court stated that judges, as a matter of law, may take notice of matters which are "obvious and indisputable." Clearly a reporter's speculation about future fertilizer shortfall is neither obvious nor indisputable.

If Con Edison wanted to present evidence that fertilizer will be in short supply in 1975, they should have presented a witness to testify to that effect so that he, like Mr. Ahalt and Dr. Douglas could be cross examined by the parties. Staff urges the Commission to ignore the article tendered by Con Edison.

Con Edison shows that if relief is denied, and if USS-Agri-Chemicals (USS) closes its Cherokee plant for its annual turnaround in March, it will only lose 15,000 tons of ammonia production this Spring. It fails to account for the lost production suffered since November 26, 1974, when temporary relief ended. Nor does Con Edison mention that losses in production will occur again next year.

Staff agrees with Con Edison that the financial integrity of the country may not hinge on the USS operations at Cherokee. We think, however, that Con Edison's arguments, however long and elaborate they may be, are unconvincing with regard to the nature of the fertilizer shortage. Staff repeats its own argument that, while accurate projections are difficult, the record indicates that fertilizer will continue to be in short supply.

Algonquin Gas Transmission Company (Algonquin) argues that the fertilizer shortage could be cured, or at least alleviated, if only Americans wouldn't waste fertilizers on non-agricultural applications. Algonquin states:

"If the Commission is concerned that the curtailment of natural gas may have a detrimental effect on food production in this country, as such curtailment affects the production of nitrogen fertilizer, it should be concerned with the fact that 5 to 7 per cent of that fertilizer is used, not for food production, but for lawn and turf care." (Br. 11)

Algonquin goes on to characterize the "lawn and turf care" as a "cosmetic" use of fertilizer. (Br. 12)

Staff is incredulous that Algonquin could make this utterly nonsensical argument after having attended the same hearing we did. Algonquin took the 5 to 7 per cent figure from Mr. Ahalt and then, apparently, ignored everything else he said while on the witness stand. Algonquin ignored Mr. Ahalt's explanation that fertilizers used for lawn care were low analysis fertilizers, containing much less nitrogen than agricultural fertilizers. (Tr. 509) So while 5 to 7 per cent of the nation's fertilizers may be used on non-agricultural products, a much smaller amount of the nation's nitrogen is so used.

Algonquin's assertion that lawn care is merely cosmetic is misleading and false. Many non-agricultural uses are highly essential. Large amounts of non-agricultural fertilizers are used in highway median strips and between airport runways to prevent erosion. (Tr. 535) Can Algonquin mean to suggest that we should permit our interstate highway system to erode away or that we should turn our airports into dust bowls? (Tr. 535) As further evidence of how essential these uses are, Mr. Ahalt cited that demand for these products is inelastic with respect to price. (Tr. 535). He stated that "you cannot cut back on [highway] usage for very long."

Mr. Ahalt stated on several occasions that if a policy decision were made to divert fertilizer from non-agricultural uses to agricultural uses, it would not cure the fertilizer shortage, but would probably cause frustration. (Tr. 523)

Bay State, *et al.,* tells the Commission that "North Alabama's almost total reliance on the additional testimony on the social utility of Ag-Chem's product as a basis for extraordinary relief is misplaced and of little value in this proceeding." Bay State relies, for its conclusion, on the text of the last full paragraph on page 4 of the Commission's order of December 20, 1974, in these proceedings. If Bay State had read just two paragraphs further down the page (page 5) it would have seen that the Commission directed North Alabama to produce evidence on five issues. The second and third issues are, respectively, "The use of Ag-Chem's end product . . ." and "available evidence on the current and projected fertilizer shortage." See also Ordering Paragraph D of the same order.

(2) *Staff Believes, That In The Context Of An Extraordinary Relief Proceeding, The Commission Should Consider The Social Utility Of The End Product.*

Bay State and General Motors both argue that the Commission should not consider the social utility of end products, e.g., fertilizer, in considering a petition for extraordinary relief. Staff believes that Bay State and GM are asking the Commission to blind itself to an important factor in deciding whether or not to grant relief. Furthermore, the Commission has recognized, in many cases, that the social utility of a product is a major factor in a relief proceeding.[1]

Staff recognizes that the social utility of the end product should not be a consideration in the design of a pipeline's curtailment program. The Commission has, of course, adopted this position in its Statements of Policy issued in Docket No. R–469. It did so once again in its "Findings and Order After Rule Making" issued in Docket No. RM74–14 on July 16, 1974, in which it declined to create a special priority for fertilizer producers. If special priorities were created in pipelines' curtailment plans on the basis of the social utility of end products, the Commission would have to sit in judgment on every product produced in this country.

In the context of an extraordinary relief proceeding, however, the Commission should not ignore social utility considerations. Staff is not saying that social utility of the end product is necessarily the most important factor, or the only factor, but it is a major element to be considered. In these cases, where the Commission may exercise a great deal of discretion, it need not entangle itself in a mass evaluation of American industrial production. But it may take notice of an acute shortage of a particular product, and act to remedy that shortage where it appears that failure to do so would have severe social or economic impact. Insofar as the Natural Gas Act requires the Commission to regulate in the public interest, the Commission should not ignore social utility considerations.

(3) *The Record Clearly Demonstrates That The USS Cherokee Plant Can Be Converted To Permit The Use of No. 2 Fuel Oil As Process Fuel*

North Alabama and USS continue to take the position, wholly contrary to the record, that it is infeasible to convert the Cherokee Plant to permit the use of No. 2 fuel oil as process fuel. Staff has discussed this issue extensively in its Initial Brief Following Rehearing (Br. 12–14) and will discuss this point only briefly at this time.

The record shows that the reformer section of the plant can be converted to use No. 2 fuel oil as process fuel. (Tr. 734) If the plant is further modified to raise the temperature of water in the convection coils, the use of regular No. 2 fuel oil, as opposed to low sulfur oil, is permissible for process fuel. (Tr. 736) The water could be heated with No. 2 fuel oil, and would require that an additional amount of energy (equivalent to 550 Mcf per day) be consumed at the plant. (Tr. 756, 765, 767)

Frankly, Staff is not sure what North Alabama and USS mean when they say that conversion is infeasible. Certainly conversion is possible, and though conversion may reduce USS' profits, *there is no evidence on this record to indicate that USS could not operate profitably following conversion.* USS was asked to produce evidence of profitability, but declined, on at least three occasions, to do so. (Tr. 671, 716, 889).

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[1] See *Florida Gas Transmission Company,* Docket No. RP74–50–1 *et al.,* Order on Petitions for Relief from Curtailment, issued December 9, 1974; *Panhandle Eastern Pipe Line Company,* Docket Nos. RP71–119 and RP74–31–22, Order Denying Motion to Amend Order, issued January 10, 1975; *Alabama-Tennessee Natural Gas Company (Tennessee Valley Authorty),* Docket No. RP75–44–2, orders of January 17, 1975 and February 3, 1975; *United Gas Pipeline Company (Vicksburg Chemical Company),* Docket No. RP74–37–2, order issued October 17, 1974.

Staff concedes that preheating water in the convection banks may require the consumption of 3% additional energy at the plant. But this modification will permit the plant to reduce its takes of natural gas by about 40%, its full process requirements. Staff believes that the serious and ever deepening curtailments by Texas Eastern require that the conversion be made.

GM argues (at Br. 16) that USS should receive no relief volumes other than those required for feedstock because of USS' "unreasonable delay" in converting the plant. Staff disagrees with GM. North Alabama has a right to seek relief from this Commission, and has a right to have the Commission determine whether conversion of the plant will be required as a condition of that relief. Based on the record, Staff does not believe that North Alabama or USS have been frivolous or unreasonably dilatory. USS should not be penalized for seeking its "day in court."

(4) *North Alabama And USS Should Not Be Penalized For The Failure Of Their Suppliers To Make Long Term Projections Of Curtailments*

Bay State asserts that because USS and North Alabama failed to show projections of natural gas deliveries beyond August 1975, relief beyond that date cannot be considered. Texas Eastern's current Form 16 includes projections only through August 31, 1975. It would not be proper to penalize USS for its failure to show figures that it cannot obtain.

The Commission may wish to provide that the record be reopened periodically to receive information relating to future gas supply.

GM questions the wisdom of granting relief for periods of more than one year. They claim that the supply situation of the TETCO system is so uncertain that relief should terminate at 12:01 a.m., on November 16, 1975, the beginning of the 1975–1976 winter heating season.

Staff believes that relief for feedstock volumes should be permanent, *i.e.*, for the life of the plant. Relief for process use should be terminated upon conversion of the primary reformer. The Commission can guard against the hazards noted by GM periodically reopening the record to receive gas supply information.

CONCLUSION

For the reasons stated above, the Commission should adopt the positions taken by Staff in its Initial Brief Following Rehearing. North Alabama's petition for extraordinary relief should be conditionally granted as proposed by the Staff.

Respectfully submitted.

LOREN I. GLASSMAN,
Commission Staff Counsel.

WASHINGTON, D.C., *February 10, 1975.*

ESTABLISHING A TWO-PARTY SYSTEM

Mr. McCLURE. Mr. President, February 14 was Valentine's Day, and the senior Senator from North Carolina (Mr. HELMS) had something special to give the Nation. It came in the form of a speech that night before the Conservative Political Action Conference.

His theme was an old one—freedom, responsibility, and the two-party system—but his thoughts were refreshingly new. It is Senator HELMS' contention that the two major parties no longer stand for well-defined principles as they once did. Of the Republicans, he remarks:

> The Party is out of tune with the rank and file membership and out of tune with the growing conservative majority.

That is really a very important point and I think it is a far better explanation than Watergate for the continual decline in the number of those who go to the polls. As I recall, we were told that the 27 million who supported Senator GOLDWATER in 1964 constituted "a disaster," whereas 10 years later the 24 million who supported liberal Democrat candidates are considered a mandate.

The explanation more logically lies in the fact those those who believe in less Government interference in their lives feel they have no real political home anymore. There is a strong need for reaffirmation of those conservative principles within the Republican Party. Or, as Senator HELMS put it:

> Let's go back to the two-party system.

I guess both parties have been going through some soul-searching in recent weeks. For all of us, regardless of the philosophy that guides us, Senator HELMS' speech cuts through all of the rhetoric and goes to the heart of the matter. The scholarly analysis of political trends should be studied carefully by every person interested in our body politic. His statement is as timely as any news story of the day, and as timeless as any political document in recent memory. It is a privilege to ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

LET'S GO BACK TO THE TWO-PARTY SYSTEM

Almost a year ago, I had the privilege of speaking at a gathering similar to this—a gathering of men and women dedicated to the future of this nation and the principles that made it great. Some of you, I know, were at that meeting to join in paying tribute to the distinguished American patriot, Dean Clarence Manion. At that time, I raised a question—I raised it in a tentative way for comment and discussion. I asked whether it was not time for a realignment of our political parties into a liberal party and a conservative party.

I was, of course, using a lower case "l" and a lower case "c," I do not know—in fact, it is not of primary importance—what these parties would be called. They might continue to be called Republican and Democrat, or new names might arise. But what I was talking about was the injection of new life into our political system through the realignment of political action into philosophically consistent parties.

Some people have inferred that I was proposing the organization of a third party—or, at least, an additional party inasmuch as the American Party is very much a political force in our nation today. Certainly, I am not one to discount the dedicated efforts and remarkable impact of those who march under that banner.

My view of political parties, and how many there are, raises the question of whether they should not be constructed around principles and philosophies. In that light, I think that what I am am really proposing is that we go back to the two-party system.

Historically, it has always been considered that the Republican Party began as a third party movement. But we know that changing conditions had already brought about the demise of the Whig Party long before the Whigs had ceased to elect candidates to office. The Whig Party was dead, even though it was still winning elections. When the Republican Party arrived on the scene, the Whig Party disappeared. Most of the Whig politicians who remained active, became Republicans.

I am reminded of the accounts we received some years ago of the archeologists who opened an ancient tomb in Outer Mongolia to find a body, thousands of years old, in an apparent perfect state of preservation. But as they stood there around the richly gilded corpse, the fresh air poured into the open tomb and they watched in horror as the mummy disintegrated into dust before their very eyes.

As we look back at the 1974 elections, I think it's a fair question to consider honestly and objectively: Is it time to open the tomb and let in some fresh air?

I acknowledge that the metaphor is perhaps overdrawn. On the other hand, what if it isn't? In any event, let us look at some truths about American politics.

Traditionally, our parties were based on sectional interests—interests that were not merely economic, but philosophical as well. The party candidates which a voter selected were more often correlated with the voter's geographic location than with any other factor. Because of this homogeneity of the social systems in the various sections, the voters did not have to think about issues very deeply to get a man and a party generally representative of their interests.

But as we know, economic issues became a major factor with the advent of the great depression. Franklin Delano Roosevelt, by using the economic issue in the north and the West, and combining it with the geographic tradition of the South, was able to put together a social coalition that has had a profound impact upon modern life ever since.

The success of the philosophy of offering a helping hand to those who deserved help quickly led politicians to see the potential of also giving hand-outs to those who didn't need help. The result was to pull the Democratic Party further and further to the left. Naturally, the competition also drew the Republican Party to the left, almost always keeping a respectful distance.

But in 1964, the geographic element in the coalition began to break up. People began to be aware that their personal interests and the interests promoted by the politicians were beginning to diverge. People began to get interested in issues. They looked around for a candidate who was speaking the things that were in their hearts. We know that 27 million people found him, but it was not enough.

In 1968, an overwhelmingly conservative Republican Convention nominated Richard Nixon. The Democrats nominated an old-fashioned candidate depending upon the social coalition. Between the combined onslaught of Nixon and Wallace, the old-fashioned social coalition began to disintegrate. Both Nixon and Wallace attracted voters because of their stands on specific issues; the Democratic candidate was a creature of party structure and organization, and that structure could no longer deliver. I am therefore putting forth what may seem to be a novel thesis. Although Nixon was nominated by party machinery, he was elected not because he was a Republican but because he articulated views that appealed to a majority of voters without reference to party affiliation. What I am saying is that neither party, Republican or Democrat, was able to elect a President through party loyalty and organization. The national party, as an umbrella for state organizations, was becoming meaningless.

The ineffectualness of both parties was further revealed in 1972. The President abandoned the Republican Party for all practical purposes and ran as the candidate of the Committee to Re-elect the President, with separate funding, separate strategy, and, to say the least, some rather unorthodox campaign practices. The President ran as a national candidate who was pleased to accept support from any source, including Republicans. In the end, he got 61% of the vote, even though polls early in 1972 had showed that the majority of the electorate considered the Democratic Party better equipped to handle the problems facing the nation.

But the Democrats, as we know, had fractured badly. The liberal Democrats seized the national party structure and adopted rules guaranteeing that the convention would be unrepresentative of the local party structure. They nominated a candidate who was perceived as adhering to a radical ideological platform, thus destroying the social-geographical coalition. All that the Republican candidate had to do—or perhaps I should say all that the candidate of the Committee to Re-elect the President had to do—was to adopt the positions on social issues held by the majority of the people. He was thus perceived as the conservative candidate. His views were not perceived as Republican views, although, as a matter of fact, they were the views held by most Republicans.

In point of fact, the ideological gap between the right-wing and left-wing Democrats was far greater than between right-wing Democrats and Republicans. A very elaborate study was done on the 72 elections by a group of political scientists using modern tools of survey research and statistical analysis. One conclusion of the study was that the more conservative a voter was on issues, the more apt he was to vote for Nixon. This does not appear to be a remarkable conclusion until you reflect that it confirms the thesis that issues emerged as more important than party, in 1972. It proves that the voters were voting for something in 1972, and were not merely anti-McGovern.

Then in 1974, the voters stayed home. They stayed home in droves—Republicans, Democrats, and independents. Only 38% came out to vote, and they were angry. The hopes of 1972 had not been vindicated. The image of rectitude had been shattered and the issues which had influenced the voters to vote for Nixon in 1972 never found fulfillment. They felt twice-cheated—and they either became disillusioned and stayed home, or they took revenge by voting with those who never wanted Nixon anyway.

Does this not indicate the final collapse of the two-party system? With no "issues-candidate" in a national forum, the voters stayed away in droves, disappointed with both parties, with broken promises, and with broken illusions. Only the left-wing Democrats came out in substantial numbers, confirming that the Democratic Party, by and large, was operating largely as a cohesive liberal faction—a liberal party, as it were—while the regular Democrats, the Democrats by geography, joined the Republicans and independents in apathy. The national control by the minority liberal faction was again demonstrated in Kansas City, and by the inability of the Democrats in Congress to come up with a coherent set of policies.

The Republicans, however, are in no shape to rejoice over Democratic difficulties.

In a survey taken after the election for the Republican National Committee, 70% said they favored the party system, but 50% could find no difference between the two parties.

There was a dramatic increase in alienation from the political system for the past 10 years.

For the first time, a majority felt that the average person didn't have any say about what the government does.

For the first time, the feeling that the people running the government didn't know what they were doing exactly equaled the feeling that they did.

For the first time, the feeling that quite a lot of the people running the government were crooked surpassed the feeling that not many were crooked, and the belief that a few big interests were running the government went as high as 70%.

In fact, nearly 60% of the sample thought that public officials didn't care what the people thought, and that the government could not be trusted.

Indeed, all of this is very discouraging to those of us who are Republicans, and who want to think of the Republican Party as the party of principle.

Who are Republicans, anyway?

Well, they are 18% of the voters, for one thing.

The Democrats are 42%, and the independents 40%.

Is the Republican Party the party of the rich, the middle-aged, and the special interests?

It definitely is not. The scientific survey showed a fairly unvarying percentage of Republicans in every age group and every income bracket.

But while Republicans are a constant and small percentage, the same survey showed that the older you are, the more apt you are to be a Democrat. Conversely, the younger you are, the more apt you are to be an independent. And, of course, there are many, many more Democrats and independents.

And as for wealth, if your income is over $35,000, the more apt you are to be an independent or a Democrat. Indeed, among the wealthy, Republicans are outnumbered over 2 to 1.

The Republican National Committee's survey is dark enough. But I have seen some other figures that are more disturbing yet. According to this study, 61% of the people think that the Republican Party favors the rich.

I joined the Republican Party, after 28 years of being a registered Democrat, because I believed that it stood most clearly for our heritage of individual freedom and national strength.

Yet only 12% of the people think the Republican Party is patriotic.

I joined the Republican Party because I felt that it stood for free enterprise, competition, and hard work.

Yet only 17% of the people think the Republican Party stands for hard work.

I joined the Republican Party because I believed in fiscal responsibility and honesty; yet, as I already indicated, 60% of the people look on the Republican administrations and see nothing but waste and corruption.

Was I wrong in joining the Republican Party? I do not think so, because I look around and I see the rank and file of my fellow Republicans who believe as I do. The vast majority of Republicans are conservative. They are not rich. They are not unpatriotic. They believe in honesty, frugality and hard work.

If the Republican Party cannot stand for these principles, then it stands for nothing at all, and cannot long survive. Its members will desert or simply stay home, or they will look for those who do articulate those principles. The party which is based on geographic or social division is dead.

The Republican Party today carries with it the burden of a total misunderstanding of the feelings of its members by the majority of the American people. And the Republicans cannot blame all this misunderstanding upon the press or a lack of communication. The people all too often correctly understand what the leadership of the Republican Party is doing.

No amount of communication specialists can hide the soaring Federal deficit, or the failure of the Republican administration to respond to the social issues upon which we were elected.

We cannot preach honest economics, and then bring forth a budget proposal calling for a $52 billion deficit, that optimistically assumes spending cuts of $17 billion that a Democrat-controlled Congress will never approve—a budget that fails to mention another $10.6 billion in agencies that are separately funded—for a total deficit of $75.5 billion.

We cannot hide what is going to happen when the government goes into the money market to borrow this money—a sum that is greater than will be raised by all borrowers, public and private, in the current year.

We cannot counteract the public's distrust of the government and suspicion of mismanagement when we fail to point out that the social security system is bankrupt, even though at present more than half of the wage-earners are paying more in social security taxes than in income taxes.

We cannot build confidence in our national leadership when we continue headlong in our national giveaway policy that threatens our strategic security, that undermines our dollar, and destroys our international leadership.

Is there any reason why, under a Republican Administration, foreign aid is projected to rise from $3.6 billion in FY 74 to $6.3 billion in FY 76? If ever foreign aid had validity, the United States should be receiving foreign aid in our present economic crisis, not giving it.

Is there any reason why, under a Republican Administration, food stamps are presently costing $4 billion a year and are projected to go up to $8 billion a year?

Is there any reason why, under a Republican Administration, we should be negotiating to give away strategic U.S. territory in the Canal Zone to a country that has less population than metropolitan Washington?

Is there any reason why we should be proposing billions to develop energy resources in Siberia when we cannot even agree on unleashing private enterprise to develop our own resources?

I know that we have a Congress that is opposed to the President's program. But too often the President's program is so bad that even Republicans have difficulty supporting it.

Under the Republican Party's present course, the Party is out of tune with its own rank and file membership, and out of tune with the growing conservative majority. It is out of tune with the majority that is fed up with both parties, and is looking for politicians who will stand on issues and deliver what they promise.

Is there such a majority?

Of course there is.

Polls show that 31% of the people would support a conservative party. We have half those people already in the Republican Party.

19% of the people would support a liberal party. They have their party already. Let them have their mini-conventions and let them have their mini-impact upon the country.

The rest of our majority must be put together from the 16% who reported that their support would depend on future decisions, the 19% who reported that they were fed up with parties, and the 14% who just didn't know. If we get just half these three undecided categories we have an overwhelming majority approaching the 61% who voted for the image of a conservative candidate in 1972.

We will not convince them that our conservative party, by whatever name, is not the party of the rich, by putting up candidates whose very names are associated with unsavory privilege, monopoly, and manipulation of wealth.

We will not get them by promising more handouts when inflation is taking the handouts back faster than we can give them out.

We will not overcome their fear of government waste, mismanagement and control of their lives by promising more government regulation and bureaucracy.

It is no coincidence that the 60 or 61% of the voters who have lost faith in government is exactly equal to the percentage of the voters who supported Richard Nixon in 1972.

I think we will find our majority by presenting our views in terms that are easily understood by persons who are worried about what is happening to them, but are outside of active political participation.

We will find them in families where parents are worried about state interference in their right to educate their children according to their own values, whether it be the values of their own community, their own neighborhood, their own religious beliefs.

We will find them among the people who can no longer make ends meet because government interference with the economy and ideological vendettas in the name of the environment have robbed their localities of economic growth.

We will find them among people who are disturbed because they no longer have the freedom to arrange their own lives according to their own means, who are alarmed over governmental interference with their own privacy, and the privacy of their families.

Yes, even the right to life itself has been called into question by an uncontrolled judiciary that has constantly asserted more and more control over people's lives.

I have studied the polls which show the deepest concerns of people. They are worried most about money, about their health, and about their relationship with God. Conservatives don't need polls to tell us that. Economic, physical, and spiritual security are needs that are innate in human nature. Too often we fail to think of the spiritual dimension in politics, yet it is from the spiritual dimension that our concept of freedom comes. Politics can't establish programs to improve man's relationship with God, but we can make sure that we maintain the moral freedom to choose that brings about spiritual growth.

If we do not have a majority for a program of freedom, then this nation is faced with very dark days indeed, and political organization is useless.

I have not answered the question of whether conservatives should organize another party or not. I say that we need two parties, a liberal party and a conservative party by whatever name. To get to that point, we need to organize conservatives into a more coherent structure—and I mean not only our trusty band of ideological conservatives, but non-political people who are grappling in their own communities with issues such as pornography, the right to life, school textbooks, community control of schools, as well as those who are affected by economy issues such as inflation, soaring social security taxes, and loss of jobs.

We must stop talking to ourselves in our own code words, and talk to people in language they understand.

Last year, I asked whether perhaps the time had come for issue-oriented conservatives to join together in a platform convention to articulate the issues in a way that will appeal to those who are distrustful of present politics and parties. Since then, we have seen our government fall, and an unelected government take its place.

Is not 1976, the bicentennial year of our national independence, an appropriate year to issue a second Declaration of Independence?

If we want such a convention, we must begin working now—and we must work in different ways, with different groups, with different constituencies. No one organization has the base that we need, and some of the organizations that will help us are not even in political action at present. We can ill afford the luxury of turning away any individual, any group of individuals—whether a State party organization or a national party organization—or any other body sharing the same basic principles that we believe in.

We must not forget that the most fertile grounds for political action lies with the millions who are completely disgusted with both major parties. We must give them a solid alternative.

What kind of alternative do I mean? I mean first of all a group that is organized on practical political grounds. It must be constructed State-by-State, Congressional district-by-Congressional district, county-by-county, precinct-by-precinct. Unless we organize on this basis, we have no viable political force, and we have no means of fulfilling the mandate of the people.

And there's more. We must develop a program of principle, so that the American people wil know what we stand for. They must know not only what we stand for, but that we will stand by our principles, without hesitation, without quibbling, without forgetting our promises. In the final analysis, we must place our trust in principle, not personality. I say to you tonight that the political structure of this nation has deteriorated far past the point where it can be saved by an empty personality conjured up by the image-makers.

And that is why we must have a platform convention—not only to lay out the program that we intend to present to the American people, bu also to demonstrate the soundness of our political organization.

Is this platform convention the convention of a new political party? It may be. Frankly, it is what we make of it. And what we make of it is only as limited as our vision.

I can foresee elected members of both political parties embracing this platform as their standard of action.

I can foresee independent candidates setting themselves up as forceful challengers to incumbents who refuse to embrace this platform.

It is entirely possible that the party conventions may not accept the challenge of this platform. But I believe that any party which ignores this platform will be foreordained to defeat at the polls.

I may be wrong in my belief. But every test of public opinion—either through candidates running for election on the issues, or through scientific public opinion surveys—gives convincing argument to the contrary.

Therefore, we must be prepared long before the filing dates have passed, long before it is too late for us to get on the ballot in each State, to have acceptable candidates ready and able to run for office, not excluding the Presidency itself, in the event that major parties continue in the direction they are now going.

Thus, there will be no new party—unless one is necessary. And if we see that a new party is necessary, then we will be ready.

This will be hard work. But independence was hard work for the patriots of 1776. If we leave this conference this weekend without a strong determination to create this concrete political structure, then we do not deserve the trust of the American people to which we now aspire.

The time for waiting is past. The time for action is now. Shall we stand together in this fight?

RULES FOR COMMITTEE PROCEDURE OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. McGEE. Mr. President, at its organizational meeting on January 29, 1975, the Committee on Post Office and Civil Service adopted its rules of procedure. In accordance with section 133B of the Legislative Reorganization Act of 1946, as amended, which requires the rules of each committee to be published in the Congressional Record no later than March 1 of each year, I ask unanimous consent that the rules of the committee be printed in the Record.

There being no objection, the rules were ordered to be printed in the Record, as follows:

Rules for Committee Procedure

Rule 1. Five members of the Committee shall constitute a quorum for the transaction of such business as may be considered at any regular or special meeting of the Committee, except that, for the sole purpose of taking testimony, sworn to or otherwise, a quorum of the Committee, or a subcommittee thereof, shall be one or more Senators. No members of the Committee shall, for the purpose of determining the existence of a quorum of the Committee, be deemed to be present unless he be personally present.

Rule 2. Unless otherwise ordered and notice given, the Committee shall meet for the transaction of its business while the Congress is in session as follows: The second and fourth Thursdays of the month at 10:00 a.m. Additional meetings may be called by the Chairman as he may deem necessary.

Rule 3. The Committee shall keep a complete record of all Committee actions. Such record shall include a record of the votes on any question on which a record vote is demanded.

Rule 4. It shall be the duty of the Chairman to report or cause to be reported promptly to the Senate any measure or recommendation approved by the Committee and to take or cause to be taken necessary steps to bring the matter to a vote.

Rule 5. The Committee shall, as far as practicable, require all witnesses appearing before it to file in advance written statements of their proposed testimony at least 24 hours before hearing, and to limit their oral presentations to brief summaries of their argument. The Committee staff shall prepare digests of such statements for the use of Committee members.

Rule 6. When a nomination for an appointment is referred to the Committee, the name of the nominee shall be referred to both Senators from the State in which the nominee resides. If no objection is made by either Senator within 30 days of the date of referral or if no response is received during that period, the nomination shall be considered as not having been contested.

Rule 7. Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be reported to the whole Committee by a subcommittee, there shall be placed before the whole Committee a print of the statute to be amended or the part thereof to be repealed (together with the citation thereof), showing by stricken-through type the portion or parts to be omitted, and in italics the matter proposed to be added.

Rule 8. The Chairman may name standing or special subcommittees to which a bill, resolution, or nomination may be referred, which subcommittee shall consist of not less than three members, one of whom shall be of the minority; if the subcommittee consists of five members, two shall be of the minority; if the subcommittee consists of seven members, three shall be of the minority.

Rule 9. Whenever a subcommittee delays in reporting more than 30 days (except when time is extended by the Committee), the matter may be withdrawn by the Chairman and submitted to another subcommittee, or considered by the whole Committee.

Rule 10. Subject to statutory requirements imposed on the Committee with respect to its procedure, the Rules of the Committee may be changed or suspended at any time; provided, however, that not less than two-thirds of the entire membership so determine, at a regular meeting with notice of the nature of the change proposed or meeting called for that purpose.

Rule 11. The Chairman of the Committee and the ranking minority member shall be ex-officio members of all subcommittees with full right to participate in all proceedings thereof, and shall be allowed to vote as members of any subcommittee.

Rule 12. No vote cast in the Committee or any subcommittee by proxy shall be counted; but a written communication from an absent member, giving a clear statement of position on the specific subject, shall be counted as a vote.

Rule 13. The Chairman shall be given authority to appoint the staff members and clerical assistants to assist the Committee in its work; provided, that the ranking minority member of the Committee shall be given authority to select one professional staff member and one clerical assistant. The Chairman shall select the official reporter or reporters to serve the Committee.

Rule 14. The Committee supports the principle of open meetings.

LANDON'S ENERGY CONSERVATION PROGRAM

Mr. PEARSON. Mr. President, Mr. Alf Landon has proposed a four-step program for reducing energy consumption. It seems to me that his proposal has considerable merit and I want to bring it to the attention of my colleagues. Therefore, I ask unanimous consent that a copy of the AP article describing Mr. Landon's program be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LANDON LISTS ENERGY-SAVING STEPS

(By Lew Ferguson)

With President Ford and Congress at loggerheads over the best way to conserve energy and make this nation less dependent upon imported oil, Alf Landon believes he has a simple alternative solution.

"Perhaps this is the time to consider something else," said Landon, former Kansas governor and 1936 Republican presidential nominee.

Landon believes the U.S. could save more than a million barrels of oil a day by taking four steps he regards as less complicated than rationing, as the congressional majority appears to prefer, and potentially more effective than President Ford's tax proposals, which would send the cost of energy soaring.

Landon called in an interview for taking these steps:

Close all service stations from 6 p.m. Friday until 6 a.m. Monday. This will mean changing Americans' weekend driving habits, Landon said, but has the potential of conserving 400,000 barrels of crude oil daily;

Strictly enforce the present 55-mile-per-hour speed limit, which could save another 200,000 barrels daily;

Achieve better motor vehicle efficiency by requiring tires to carry greater air pressure than recommended, requiring improved engine tuning and getting people to drive with "energy consciousness." This could save another 400,000 barrels daily; and

Require airlines to consolidate some domestic airline flights to insure fuller passenger loads and avoid duplication of service, which could save another 80,000 barrels of oil daily. This would require changes in antitrust regulations, Landon conceded.

Landon has the support of one of the state's energy experts in his suggestions. Dr. Robert J. Robel, Kansas State University professor and chairman of the Governor's Advisory Council on Energy and Natural Resources, helped Landon compute the potential oil savings and endorses the proposals.

Robel will represent Gov. Robert Bennett at a Federal Energy Administration hearing Thursday in Washington on Ford's proposals. He said he feels Landon's estimates may be conservative on the potential savings.

"The President can be complimented for his vigorous policies to meet our critical fuel energy demands," Landon said. "But his plan has stalled.

"The Congress, so far, is opposed to the President's proposals. Congress' alternative is apparently the rationing of gasoline, or quotas on gasoline.

"Either way is costly to the people, or cumbersome to keep track of, both to the national administration and to the thousands of filling stations involved.

"I suggest this simpler way. It totally fulfills the goal of the President in cutting down on our purchase of foreign oil.

"It is an opportunity for the congressional Democrats who are not impressed with the glib talk of unworkable and costly rationing, allocating or quotas to accept a workable solution that fits the President's objectives."

Robel said he doesn't think Ford's plan will work, simply because people apparently will pay the cost for energy whatever it is.

"I feel very strongly on this," Robel said. "The increase in price is not going to reduce consumption at all. The President's program is more anti-recessionary than an energy conservation program."

Robel said U.S. importation of crude oil increased 1 per cent after the Arab oil embargo of 1973–74 than what it was before the embargo was imposed. He said this means people are prepared to pay the price for energy.

"Unless we get increased domestic production, we're not going to be able to reduce our imports," he said. "Our domestic production has been going down."

Robel said he doesn't think the public will buy Landon's proposed Saturday-Sunday closing of service stations, but agrees if it could be accomplished it would produce a significant oil savings.

He said a major potential saving of oil in this country involves home heating, which accounts for 26 percent of the U.S. oil consumption.

Getting people to keep their thermostats at 68 degrees and improving insulation, especially in the Northeast U.S. which relies heavily on heating oil, would effect a great saving, Robel believes.

He says it might be possible to impose savings in the home heating area by allotting heating oil users so much per month and making adjustments for unusually cold weather. Kansans should turn their thermostats down, he added.

"But the emphasis should be on what the average citizen can do to reduce the home consumption of oil," Robel said.

WYOMING BUSINESSMAN COMMENTS ON THE FUTURE

Mr. HANSEN. Mr. President, a longtime friend of mine, Don Thorson of Newcastle, Wyo., was in Washington recently for a meeting on the energy situation, and upon returning to Wyoming wrote me with some impressions that are so compelling that I wanted to share them with my colleagues.

Mr. President, I have the feeling that Don Thorson's comments reflect the feelings of a great many people. What he has to say is down to earth and to the point.

Therefore, I ask unanimous consent that his comments be printed in the RECORD.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

COMMENTS

(By Don Thorson)

There are so many problems facing Americans that it becomes discouraging even to think about them.

I think the most disastrous thing to have happened is the nearly uniform lack of respect for and confidence in our government. Our representatives and politicians, with notable exceptions, are classed as a "bunch of crooks". This is a frightening indictment for our leaders by the people, but much of it is earned. We hear of many things such as three-workday weeks in Congress, junkets, pork-barreling, and general waste of our money. We see incompetent government officials enforcing regulations which are authorized by acts written by bureaucrats who strive to fit all industry into a uniform pattern. I am probably more aware of the political process; but when I see a study of aborigine armpit odor, I began to doubt some people's intelligence.

The Senate, in particular, seems to have become a breeding ground for Presidential aspirants. Surely these men could do the country more good by running their office than running for President while being paid by the taxpayers.

Why can Congress react with such blinding speed to a blackout of pro football or social security and federal wage increases and vacillate for a whole year on crucial issues? It seems that many representatives become infected with a thought that their re-election is more important than serving the country. There are many issues which come up that the wishes of the people should not be granted—just as children are not always given what they want. But how many people have the guts to vote against a popular measure even if they know it is wrong. Some do and some have lost; but some remain, and their stature is increased. Barry Goldwater is a good example.

Crime has become increasingly important because of its direct effect on people. Our laws have been so watered down by concern for the criminal that the victims are forgotten. If a person violates another's rights, the violator should lose his privileges. Penologists admit they do not know how to reform criminals, so the courts seem to be releasing them instead of even trying to restrain them. The pattern of criminals out on bail being rearrested for successive crimes becomes very discouraging for the police and public. Leniency has been tried and crime has gone up, so maybe it is time for more severity—including enactment of the death penalty even to the extent of purposeful intent to murder.

Our increasing population can no doubt be blamed for many of our shortages and our moral decline. We have long contended that energy is cheap and manpower is dear; but we may have to revert until technology provides new energy sources. Even then we are faced with increasing material shortages which makes us even more dependent on foreign countries. We have been imbued with the idea that our standard of living must be continually increased, and are now afraid to stand still. We should think about it while there is still time. Our tax laws have been written so that continual expansion is the only way a business can retain any earnings.

I hope that someday responsible people will stand up and tell the people that there may be some dark days ahead.

We have built the greatest country on earth, but it would be tragic if we are consumed by our own excesses as past empires have been. Someday man must start learning from history instead of merely studying it.

This is not intended as a personal indictment, but is mostly a compilation of comments I have heard with some of my own ideas.

LITHUANIAN INDEPENDENCE

Mr. BAYH. Mr. President, February 16 marked the 57th anniversary of Lithuanian independence. It is most appropriate that we take a moment now to review the struggles of a gallant people, whose quest for independence, human dignity, and the basic right of self-determination goes on today, in the face of tremendous odds.

As possessors of uniquely rich literary, linguistic, and cultural traditions, the Lithuanian people have had a great and meaningful history. Lithuania dates from the 11th century, and was once an expansive and powerful state in the Baltic region. Invasions by Germans, Mongols, and Tartars, attempting to gain strategic advantage, were frequent. Yet the Lithuanian people repelled all attempts at subjugation, until Tsarist Russia finally gained control of the territory in the 19th century. Still, these noble people would not bend to Tsarist pressures for cultural assimilation, and managed through never-ending struggle to preserve their religion, language, and culture. Finally freed from economic and political repression at the close of the First World War, Lithuanian independence was again triumphantly proclaimed on February 16, 1918. When, on July 19, 1920, the Soviet Government announced it "voluntarily and forever renounces all sovereign rights possessed by Russia over the Lithuanian people and their territory," it seemed that overweening Russian ambition for control of Lithuania was finally thwarted. Time, however, would prove these words insufficient to meet the challenge of the long-standing historical animosity between these two peoples.

During the period between the wars, Lithuania underwent a great cultural reawakening. But peace was to be short-lived, and the political maneuvers preparatory to the Second World War conspired to steal from the Lithuanians the independence that they had fought so hard to regain. Eight months after an initial Soviet demand for bases for her troops, a full-scale Soviet intervention robbed Lithuania of her sovereignty. Following a period of Nazi occupation, Lithuania was incorporated into the Soviet Union in 1944.

Today, it is easy to see in geopolitical terms the tragic result of the Soviet takeover of Lithuania—a free state has been reduced to a Baltic Republic of the Soviet Union. We have reports, as well, which attest to the enormous cost in human terms of the Soviet policies. Acts of desperation by Lithuanian citizens, willing to make the ultimate sacrifice to rid their country of Soviet overlordship, are symbolic of the continuing demand of the Lithuanian people for the freedom they once knew. Free men around the world take heart in knowing that these people will continue to resist pressures to abandon their language and religion, despite ever-increasing hardships. Through their conviction to the principles of liberty and justice, the Lithuanian people will remain forever free, in spite of the outward bondage of their homeland.

Mr. President, the Lithuanian people are truly indomitable. They will never surrender to Soviet rule. They will never give up the fight to return freedom to their nation. They have endured, and will endure until they are once again able to express their feelings and views without fear of reprisal. Those of us in this great country must accept the responsibility to speak out against the blatant violation of the fundamental rights of the Lithuanian people by the Soviets, as we admire the example this nation has provided for us. We must never license by silence the dehumanizing and repressive policies of the Soviet Government. We must maintain our commitment to a free Lithuania.

HELP IN EMERGENCIES FOR THE HEARING IMPAIRED

Mr. PERCY. Mr. President, 804 persons were killed and 12,000 persons were injured in 962 weather, fire, explosion, and transportation disasters that involved 5 families or more in the United States in fiscal 1974. Nearly 90,000 families suffered property losses in these disasters.

When disaster threatens or strikes a community, radio and television stations often broadcast emergency warnings to assist people in their efforts to protect themselves and their property. Emergency warnings broadcast by radio are of little or no value to the 13.4 million Americans who suffer from some degree of hearing loss. Warnings broadcast by television also are relatively worthless, because most television stations use only audio announcements. We must do more to urge television stations to broadcast visual as well as audio emergency warning announcements.

Of the 13.4 million Americans who suffer from some degree of hearing loss, nearly 2 million are totally deaf. The incidence of hearing loss has increased at such a rate that hearing impairment is now a more widespread affliction than heart disease, cancer, blindness, tuberculosis, and kidney disease combined. And over 70 percent of the hearing-impaired population do not use hearing aids, because of severe hearing loss, dissatisfaction with hearing aids, or low-income status.

Many broadcasters contend that hearing-impaired individuals do not watch television. But this contention has been refuted by a recent survey that showed that 71 percent of hearing-impaired persons who responded said they usually watch television.

In 1970 the Federal Communications Commission issued a public notice suggesting the use of visual emergency messages by all television stations. But a recent survey of 700 commercial television stations revealed that only 38 percent of those that responded indicated that they provide either "captioned" or "interpreted" emergency bulletins. It is apparent, Mr. President, that the FCC's public notice, which does not have the weight of law, is inadequate.

On January 20, 1975, four organizations petitioned the FCC to initiate rulemaking proceedings for the adoption of standards to require visual emergency warnings on television. Those organizations are Deafwatch—Demanding Equal Access to Facts and Warnings Aired on Television for Citizens Who Are Hearing-Impaired; the National Association for the Deaf; Deaf-Pride, Inc.; and the Alexander Graham Bell Association for the Deaf.

I endorse this petition and urge my colleagues to join me. Statistical tables indicate that each Member of the Senate has a sizable constituency that needs visual television emergency bulletins. Few States are free of disasters that necessitate such warnings.

Mr. President, I have written the FCC to urge adoption of the rule proposed in the petition and to urge extension of the 30-day comment period which ends February 24. I encourage my colleagues to do the same.

I ask unanimous consent that the tables I have mentioned, as well as the text of rulemaking petition RM 2502, be printed in the RECORD. Further information on the petition can be obtained from Deafwatch, 2000 H Street NW., Washington, D.C. 20006.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PREVALENCE AND PREVALENCE RATES FOR HEARING IMPAIRMENTS IN THE CIVILIAN NONINSTITUTIONALIZED POPULATION, BY DEGREE AND AGE AT ONSET: UNITED STATES 1971

Degree	Age at onset	Number	Rate per 100 000
All hearing impairment	(1)	13,362,842	6,603
Significant bilateral	(1)	6,548,842	3,236
Deafness	(1)	1,767,046	873
	(2)	410,522	203
	(3)	201,626	100

[1] All ages.

[2] Prevocational prior to 19 years of age.

[3] Prelingual prior to 3 years of age.

DISTRIBUTION OF THE HEARING IMPAIRED POPULATION BY STATES: UNITED STATES, 1971

State	Hearing impaired	Deaf	Prevocationally deaf
Alabama	234,498	30,832	6,750
Alaska	20,480	2,664	553
Arizona	130,613	16,986	3,533
Arkansas	131,577	17,299	3,789
California	1,427,928	185,708	38,595
Colorado	160,902	20,926	4,349
Connecticut	179,486	20,921	5,209
Delaware	37,506	4,931	1,080
District of Columbia	49,350	6,489	1,421
Florida	472,263	62,093	13,600
Georgia	312,096	41,035	8,988

State	Hearing impaired	Deaf	Prevocationally deaf
Hawaii	52, 990	6, 891	1, 432
Idaho	52, 274	6, 798	1, 413
Illinois	719, 792	105, 815	26, 510
Indiana	340, 011	49, 985	12, 522
Iowa	184, 017	27, 052	6, 778
Kansas	143, 395	21, 080	5, 281
Kentucky	220, 203	28, 952	6, 342
Louisiana	247, 499	32, 541	7, 128
Maine	58, 036	6, 765	1, 685
Maryland	267, 783	35, 208	7, 712
Massachusetts	335, 432	39, 097	9, 734
Michigan	579, 614	85, 208	21, 347
Minnesota	250, 234	36, 786	9, 216
Mississippi	150, 024	19, 725	4, 320
Missouri	303, 982	44, 688	11, 196
Montana	53, 706	6, 566	1, 364
Nebraska	96, 799	14, 231	3, 565
Nevada	35, 732	4, 647	966
New Hampshire	44, 408	5, 177	1, 288
New Jersey	423, 821	49, 401	12, 299
New Mexico	72, 753	9, 462	1, 966
New York	1, 074, 764	125, 275	31, 190
North Carolina	343, 204	45, 124	9, 883
North Dakota	39, 507	5, 808	1, 455
Ohio	694, 198	102, 053	25, 567
Oklahoma	175, 209	23, 036	5, 046
Oregon	154, 815	20, 174	4, 184
Pennsylvania	694, 455	80, 946	20, 153
Rhode Island	54, 151	6, 312	1, 571
South Carolina	173, 440	22, 804	4, 995
South Dakota	42, 854	6, 299	1, 579
Tennessee	269, 825	35, 477	7, 770
Texas	767, 887	100, 961	22, 113
Utah	78, 626	10, 225	2, 126
Vermont	26, 836	3, 128	780
Virginia	308, 692	40, 587	8, 890
Washington	243, 036	31, 608	6, 568
West Virginia	119, 121	15, 662	3, 430
Wisconsin	288, 823	42, 460	10, 637
Wyoming	24, 204	3, 148	654

THE AMERICAN NATIONAL RED CROSS, SELECTED DATA FOR DISASTER RELIEF OPERATIONS INVOLVING MORE THAN 5 FAMILIES, FISCAL YEAR 1973–74

State	Number of disaster operations		All disaster operations [2]		
	Weather caused	All other [1]	Families suffering loss	Persons killed	Persons injured
Alabama	7	2	3, 919	88	1, 015
Alaska	1	1	96		1
Arizona	1	2	154	2	32
Arkansas	11	3	2, 928	19	188
California	3	18	1, 948	34	103
Colorado		2	111	4	12
Connecticut	1	15	535	2	8
Delaware					
District of Columbia					
Florida	6	9	518	10	142
Georgia	7		838	22	210
Hawaii	2		369	10	12
Idaho	1	2	870	1	20
Illinois	11	50	3, 516	13	81
Indiana	8	2	5, 637	47	935
Iowa	5	1	3, 791	3	91
Kansas	6	2	2, 207	13	294
Kentucky	12	1	6, 393	80	932
Louisiana	6	1	2, 217	2	28
Maine	2	7	109	4	8
Maryland		20	216		15
Massachusetts	1	47	757	30	110
Michigan	3	11	1, 071	14	50
Minnesota	2	2	382	4	25
Mississippi	12	3	6, 091	3	33
Missouri	6	6	1, 726	4	37
Montana	2	1	330		1
Nebraska	4	3	829		152
Nevada	1		56		
New Hampshire		4	57		5
New Jersey	1	60	4, 443	22	75
New Mexico	2	2	139		1
New York	1	332	3, 329	133	391
North Carolina	5	3	418	7	54
North Dakota	1	2	806		6
Ohio	13	11	11, 428	47	5, 432
Oklahoma	10	2	7, 129	41	490
Oregon	1	3	1, 507	18	179
Pennsylvania	4	94	624	34	51
Rhode Island					
South Carolina	4	1	398	3	41
South Dakota	5		413		13
Tennessee	13	2	3, 074	54	673
Texas	13	8	1, 840	22	74
Utah					
Vermont	1	1	81		1
Virginia	2	3	389	2	18
Washington	2	10	1, 639	5	15
West Virginia	6	1	1, 890	5	44
Wisconsin	1	4	440	2	45
Wyoming	1	1	232		1
Total	207	755	87, 890	804	12, 144

[1] "All other" include: fires, explosions, transportation mishaps, et cetera.

[2] State by State data for families suffering loss, persons killed and persons injured are consolidated for all types of disasters, i.e. "weather caused" and "all other."

DEAFWATCH PETITION FOR RULEMAKING

I. INTRODUCTION

During a particularly devastating week in 1970, California was struck by wideranging fires. Scores of people died. Hundreds of thousands of dollars' worth of property was destroyed. Local officials attempted to reach and evacuate the residents of the area through the use of loudspeakers and radio and television announcements. As a result of these efforts many potential casualties escaped with their lives even though they lost their homes.

Others never had a chance. Many hearing impaired persons residing in the area between San Francisco and Los Angeles perished in the blazing fires. Of course, they had been oblivious to the loudspeakers and radio announcements. And the television announcements were not visual and were therefore useless in notifying the large numbers of hearing impaired Californians of the impending disaster.

That such deaths occurred is a sobering commentary on the failure of some public officials and television broadcasters to recognize and confront the special problems of the hearing impaired. That televised visual messages could have quickly reached those persons with minimal effort by a few persons, and that no such effort was made, is a blot on the public service record of the television industry.

The hearing impaired themselves, decades ago, hailed television as a miraculous invention. Finally, they thought, those who had been denied access to the benefits of the telephone, radio, and talkies could have access to mass communication through television. But television did not remain teleVISION very long. Television today is little more visual, and no more accessible, to this nation's 13.4 million hearing impaired than radio. Instead, it is characterized by a heavy dependence on dialogue and as a result is simply "radio with pictures."

While this visual deficiency is often disappointing to the hearing impaired community craving news and entertainment, it may prove disastrous for them in the eventuality of certain types of emergencies requiring the immediate and complete notification of all citizens, including the hearing impaired.

The California fire is only one blistering example of a daily occurrence in this country: emergencies threatening thousands of persons and striking the hearing impaired with little or no warning. While these thousands rely on television to warn them of impending danger, television has, for the most part, breached its precautionary duties to the hearing impaired.

The two following situations provide additional examples of how the inaction of television broadcasters can produce devastating results.

On March 31, 1973, the citizens of Atlanta, Georgia, were suddenly confronted with a tornado and severe weather alert. Television stations in the area presented no emergency warnings in visual form. Hearing impaired people in the area " . . . had no way of knowing the extent or severity of the warnings, or the exact location of the sighted tornadoes." That there was a "Severe Weather Warning," was the extent of their awareness, since this was all that was presented visually by television broadcasters. Most of the citizens of Atlanta were fully informed about, and prepared for, the devastation that was to strike. All that the hearing impaired citizens of Atlanta really knew, however, was the presence of some unknown danger, and the terror and pains such ignorance can cause.

The insensitivity of some broadcasters was demonstrated by another, all too true, situation. Atlanta, Georgia, was threatened by a tornado, by torrential rains and flood warnings, plus massive man-hunt for an escaped and dangerous convict. Panicked viewers were cautioned by a weatherman on one television station to listen to their transistor radios in order to stay informed of fast-break developments on all these crisis fronts. They were told that no one had any excuse for not keeping informed on the facts. Did this weatherman or his station stop to consider the needs of the thousands of hearing impaired people in his audience? The answer is self-evident—as is the frustration and fear that the hearing impaired endure when confronted by an emergency in the absence of visual emergency bulletins.

Imagine the fright of a person who cannot hear, when confronted with a printed message on the television screen which reads only: Emergency Bulletin! The message remains on the screen for what seems to be an interminable period of time while an off-camera announcer reads the details to the hearing audience. No visual information follows for the hearing impaired person. He panics, frantically wondering what the emergency is and what he should do to save his life, his family, and his property.

Television broadcasters could end this needless panic by simply adding visual messages to their aural emergency notifications.

It is submitted that broadcasters who have abdicated by their inaction any entitlement to regulatory abstention, must be required by the Commission to act affirmatively to relieve this terrible situation.

The technology for visual emergency notifications has long been available. Now this technology must be implemented to serve the needs and to preserve the emotional and physiological security, of millions of hearing impaired viewers. In light of the potential for saving lives and the simplicity and low cost with which the petitioners' proposals can be implemented, there is no excuse for Federal Communications Commission (hereinafter, "Commission") inaction in this matter.

A 1970 Public Notice (FCC 70–1328) issued by the Commission, entitled "The Use of Telecasts to Inform and Alert Viewers with Impaired Hearing," suggested to television stations that when broadcasting emergency information which concerns the safety of life or property they might present such notices visually as well as aurally. The Commission noted that "there can be little argument about the need of all citizens *including the deaf and hard of hearing,* for information concerning *emergency situations.*"

Yet, after four years, this need still has not been fulfilled and, consequently, the lives, property, and psychological security of the hearing impaired remain jeopardized. Those who are hearing impaired should have the same chances of survival in an emergency as those without this handicap, and only the Commission by its regulation of television broadcasters can even the odds.

The Commission warned in its Public Notice that if broadcasters failed to take appropriate steps in this direction it might be necessary to begin rule making procedures to adopt minimum requirements. Broadcasters have unfortunately failed to so act, and there is now no question about the appropriateness or timeliness of the Commission initiating rule making proceedings. The time is now ripe to use the medium of television to its fullest extent both aurally and visually. To do this, the Commission must establish rules requiring all television stations to present visual emergency bulletins. The petitioners respectfully submit that the Commission must fulfill its promise of four years ago. It is the hope of the petitioners and deaf individuals and organizations across the country that the necessary rule making proceedings will be instituted in order to solve one of the major problems confronting the deaf and hearing impaired in today's world.

II. THE LIVES AND PROPERTY OF MILLIONS OF HEARING IMPAIRED AMERICANS ARE BEING JEOPARDIZED

A. Hearing impairedness is the most common physical disability in the United States

The numbers of hearing impaired who may be threatened in natural or man-made disasters are astounding. One out of every fifteen persons in the United States suffers some degree of hearing loss. Of the at least 13.4 million Americans afflicted with a hearing loss, 1.8 million are suffering from total deafness.

The incidence of hearing loss in the general population is increasing yearly, due to two factors. First, improved medical care and scientific discoveries have allowed those with hearing impairments to survive other major disabilities and diseases and therefore live longer. Second, the gradual urbanization of our population, and the resulting exposure to greatly increased noise levels, inflicts many urban dwellings with hearing impairments.

Hearing impairedness is the most common, yet least recognized, physical disability in the United States. The incidence of impaired hearing is greater than that of heart disease, cancer, blindness, tuberculosis and kidney disease combined. For example, the ratio of hearing impaired to blind Americans is thirty to one. Those Americans totally deaf outnumber blind persons by more than three to one. Yet, hearing impairedness is a disability which has been largely neglected by both public and private sectors of our society.

Not only is the affliction of hearing impairedness of wide-ranging and increasing frequency, but the affliction presents several unique problems and misconceptions which compound its seriousness. Contrary to popular belief, for example, the adverse consequences of hearing impairments outweigh those of visual impairments, since hearing, the main avenue of communication, is the foundation of learning. Helen Keller, afflicted by both deafness and blindness, made the following assessment of the relative burdens of both of these disabilities:

"The problems of deafness are more complex, if not more important, than those of blindness. Deafness is a much worse misfortune because of the loss of the most vital stimulus—the sound of the voice that brings language, sets thought astir, and helps us in the intellectual company of man."

Like Helen Keller, many individuals suffer from other handicaps in addition to their hearing loss. The number of multiple handcapped has been placed at one out of three deaf persons, by the recent National Survey of the Deaf. These handicaps include asthma, arthritis, heart trouble and cerebral palsy. Because of their deafness and these other afflictions, many of the multiple handicapped are forced to be homebound. They become even more dependent on their limited sources of communication, relying on television as the prime means of receiving communication from the outside world.

Another common misconception is that most deafness may be corrected through the use of hearing aids. In fact, only limited types of deafness may be corrected in this manner. Over seventy percent of the hearing impaired population is unable to use hearing aids as a result of severe hearing loss, dissatisfaction with hearing aids, or low income status. The result of this disability is an increasing dependence on visual stimuli, such as television.

Many of those who are hearing impaired are elderly citizens, and would certainly benefit from visual warnings. Their helplessness is aggravated by increased age, fear, inability to drive, run, or move quickly, along with the fact that many have additional handicaps. Thus the sooner they obtain emergency information, the better their chances of survival. They should not have to depend on others to inform them of an emergency.

It is obvious that even in normal times, the disabilities resulting from hearing impairments are burdensome, but in emergency situations these disabilities become especially onerous.

Emergencies pose a deadly threat to the hearing impaired because of their unique handicap. Compounding the seriousness of communicating warnings to the hearing impaired is the frequency and variety of emergencies.

B. Widespread emergencies threaten the hearing impaired

Natural emergencies may result from earthquakes, tidal waves, hurricanes, tornadoes, ice storms, heavy snows, widespread fires, and a host of other disasters. Other emergency situations are man-made, arising from the discharge of toxic gases, air pollution, power failures, industrial explosions, and civil disorders.

No area of the country is immune from these disasters, which every day threaten the safety and life of thousands of individuals. In 1973, a natural disaster hit one out of every four counties in the United States. The occurrence of flash floods, tornadoes, hurricanes, and earthquakes resulted in 46 presidential disaster declarations in 31 states. A major disaster struck some part of America almost once a week, resulting in hundreds of deaths and over a billion dollars in property damage. In 1972, the United States was ravaged by 48 major disasters. Two hundred people were killed by flash floods in South Dakota, while Hurricane Agnes left hundreds dead, and inflicted damage estimated at over three billion dollars. In 1974, there were a record number of disasters. On April 3, more than 300 people were killed and over a thousand hospitalized by tornadoes that caused over 500 million dollars worth of property damage to the southern and midwestern United States.

In 1973–1974, 963 disasters involving more than five families resulted in 330,471 persons being given mass care by the Red Cross. This figure does not include the 28,890 disasters affecting a relatively small number of families. In 1971–1972, 722,947 people were given mass care as a result of 633 disasters involving more than five families.

These figures are at once horrifying and compelling. That such a large number of disasters occurs annually is frightening. That they strike with no warning to the hearing impaired compounds the horror. Seconds of advance notice and preparation can often mean the difference between life and death. With adequate warning there are a number of safety precautions which a person may follow to avoid the danger, death and destruction that lurks behind every disaster. Such warnings are presently unavailble to the hearing impaired.

In light of the number of these disasters and the enormity of their effects, especially upon the hearing impaired, the need for governmental action is self-evident. The question remaining is how can the hearing impaired best be aided in preparing for such emergencies? How can they be informed so that they can escape the imminent danger?

III. THE HEARING IMPAIRED CAN BE AIDED BY TELEVISION

A. Only television can adequately warn viewers of impending danger

The medium of television is uniquely suited to warn citizens of impending emergencies. Its immediacy causes it to be more effective than the reading of a newspaper. Televisions' combination of both visual and aural means of communication allows it to reach a larger segment of the population than either radio or any other mass medium. Tele*VISION*, by its very name, implies the use of visual means of communication. It must live up not only to its name, but to its potential as well, when transmitting emergency information to the public.

The nation's 1.8 million viewers who are totally deaf cannot receive any information given orally—including emergency information. The 11.6 million people with lesser degrees of hearing loss often cannot understand such messages clearly. Indeed, even persons with normal hearing often misinterpret the spoken word on television. Thus visual emergency notifications will benefit not only the minority of hearing impaired, but also many of the normal hearing population.

Several members of the broadcasting industry have attempted to justify their failure to transmit visual warnings with the claim that such messages would not reach the hearing impaired since they do not watch television. This analysis has been proven unfounded on many occasions, most recently in a survey of deaf individuals. Seventy-one per cent of the respondents stated that they "usually watch television." Sixty-five per cent of the total said they watch "six or more hours on weekends."

With television's unique capabilities established, along with the fact that it has been conclusively established that the hearing impaired do watch television, what is the response of the industry at large to the needs of the hearing impaired?

B. Television broadcasters have failed to follow the suggestions of the Federal Communications Commission

The responsiveness of the television industry to the needs of the hearing impaired must be considered in light of the past actions of the Commission. After the concerted effort of concerned individuals, the Federal Communications Commission took notice of the problems of the deaf and hearing impaired four years ago. On December 17, 1970, the Commission issued a Public Notice (FCC 70–1328) entitled "The Use of Telecasts to Inform and Alert Viewers with Impaired Hearing."

The Commission observed,

"As AM and FM radio are ideally suited to bring news, informational material and entertainment to the blind, so the video segment of telecasts are ideally suited to alert, assist and entertain persons with impaired hearing. Therefore, the capability of television to present visual material should be used to its fullest extent, i.e., while oral announcements of news bulletins, sports scores, weather conditions, etc., are being made on a telecast that the same material be presented, when feasible, visually . . . In respect to the need of all citizens *including the deaf and hard of hearing* for information concerning *emergency situations*, we are convinced there can be little argument. We suggest to TV broadcasters that they make use of visual announcements along with oral announcements when presenting bulletins of an emergency nature, such as approaching tornadoes, accidents, health hazards and other community dangers. These visual announcements would not only provide an alert to persons with impaired hearing, but would also emphasize the importance of the announcement to all viewers." (Emphasis in original)

The notice was purely advisory, in that no formal legal requirements were imposed on broadcasters. Although the Commission made no threats of license non-renewal should broadcasters fail to comply with the Commission's suggestions, the Commission concluded:

"We hope that this Public Notice will alert licensees to the importance of making television a truly valuable medium for the hard of hearing, and of our concern about the matter. We will observe developments in the future, and if the situation does not develop satisfactorily it may be necessary to begin rule making looking toward the adoption of minimum requirements."

While the 1970 Public Notice was a progressive and commendable step forward, the lack of any force or sanction power behind it rendered it ineffective. The majority of television stations act as if no such Notice had ever been issued. The whim of each station determines its policy in visually broadcasting emergency messages.

Notwithstanding the Commission's statement with respect to the need for visual emergency notification on television for the benefit of the hearing impaired, only a small minority of stations have complied with the suggestion, and even their compliance has been largely marginal. A recent survey of 700 commercial television stations across the country attempted to ascertain the number of stations which have programming directed toward the hearing impaired. Only 269 or 38 per cent said they provided either "captioned" or "interpreted" emergency bulletins. Captioned bulletins present the written words on the television screen at the same time the oral announcement is being made, while interpreted bulletins feature a person or camera using sign language.

Yet, even this 38% figure is not a true indication of the number of stations presenting visual emergency notifications. Upon contacting one of the stations which responded affirmatively in the survey, petitioners were told that no such captioning practice was in existence at that station. If this discrepancy applies to other television stations as well, the true figure of the number of stations which caption might even be lower than 38 per cent. Even the most optimistic estimates demonstrate that the majority of stations are shirking their responsibilities to the hearing impaired population. Human lives are continually jeopardized by this inaction. Obviously, television broadcasters will not present visual messages voluntarily.

The burden for individual action should not be placed on deaf persons who are at such a great disadvantage with respect to communication skills. Several persons who have sought to have the Commission require that television stations present visual warnings have been told by the Commission "to consider dealing directly with television stations in their communities concerning their needs for emergency information . . ." Because the hearing impaired often lack the self-organization necessary to bring about such action, and because they are not familiar with the broadcasting industry, they should not have to be the ones to attempt regulation or reconstruction of the television industry. Television stations should be required by the Commission, the most appropriate governmental regulator, to present this service to the hearing impaired, with standardized regulations in the case of all emergencies. It is respectfully submitted that the Commission must fulfill its affirmative obligation to the hearing impaired community by requiring appropriate steps by broadcasters.

C. Federal Communication Commission regulation of emergency notifications is necessary

The prevalence of hearing impaired individuals, their peculiar nature of their disabilities, the frequency and severity of natural disasters and civil disorders, the potential effectiveness of television as a communication source, and the television industry's continued footdragging, all compel one conclusion: Television broadcasters must be required to utilize their unique medium in order to protect the lives and property of the hearing impaired by presenting visual emergency warnings.

The National Association of Broadcasters has claimed, "People depend on broadcasters. And because broadcasters have an excellent record of public service in times of emergency, people trust them." The hearing impaired should be able to rely on television in emergencies as do other people. For television to fulfill this trust, it is incumbent upon individual stations to provide their *entire* audience with reliable, visual information in times of emergencies. Since the sobering lesson of the past four years is that individual stations will not provide this emergency information on their own initiative, the Commission must promulgate regulations prescribing such visual notices.

IV. PROPOSED AMENDMENTS FOR THE REQUIREMENT OF VISUAL EMERGENCY NOTIFICATIONS

A. Emergency information transmission originating from broadcast stations

Petitioners propose an addition of a new subsection (b) to the Federal Communications Commission Rules and Regulations, 47 C.F.R. § 73.675. Section (a) and the proposed new section (b) would then read as follows (with subsequent sections being relettered):

(a) When necessary to the safety of life and property and in response to dangerous conditions of a general nature, television broadcast stations may, at the discretion of the licensee and without further Commission authority, transmit emergency weather warnings and other emergency information. Examples of emergency situations which may warrant either an immediate or delayed response by the licensee are: Tornadoes, hurricanes, floods, tidal waves, earthquakes, icing conditions, heavy snows, widespread fires, discharge of toxic gases, widespread power failures, industrial explosions, and civil disorders. Transmission of information concerning school closings and changes in schoolbus schedules resulting from any of these conditions, is appropriate. In addition, and if requested by responsible public officials, emergency point-to-point messages may be transmitted for the purpose of requesting or dispatching aid and assisting in rescue operations.

(b) Any emergency information transmitted in accordance with this section shall be transmitted both aurally and visually. The broadcast station may use any method which results in a message being easily readable on the receiver's television screen and conveying the same essential information contained in the aural bulletin. Illustrative, but not exhaustive of, methods which may be used are the following: teletypewriter, titling camera, captions, slides, scroll of paper with typed words, typewritten messages on index cards, previously prepared charts to be filled out with data at the time of notification, chalk on blackboard, white writing on black vinyl backing, or a felt marker on oak tag.

Broadcast stations shall at all times be prepared to utilize one suitable method and at least one back-up method. The methods and procedures to be used shall be predetermined, included in the operator's manual, and available for public inspection. They shall be posted prominently, both in the control room and in at least one newsroom, and all persons authorized to transmit emergency bulletins shall be informed of these procedures. An emergency drill of these procedures shall be held periodically to insure technical operability.

All emergency notifications shall include the following announcement, both aurally and visually: "If you have a hearing impaired or blind friend or neighbor, please pass this information on to him or her."

B. Transmissions pursuant to emergency broadcasting system procedures

The following changes are proposed as amendments to 47 C.F.R. § 73.933, Emergency Broadcast System (EBS) Operation During a National-Level Emergency:

1. 47 C.F.R. § 73.933(a) (4): After the word "announcement" insert the following: "in both aural and visual form."

Thus, 47 C.F.R. § 73.933(a) (4) will read as follows:

"Discontinue normal program and broadcast the following announcement *in both aural and visual form:* We interrupt this program. This is a National Emergency. Important Instructions will follow." (Italicized portion indicates proposed amendment).

2. 47 C.F.R. § 73.933(b) (8) (i): After "Standby Script" in line 2, insert the following: "and appropriate visual messages."

Thus, 47 C.F.R. § 73.933(b) (8) (i) will read as follows:

"Upon completion of the EAN message the Standby Script *and appropriate visual messages* shall be used only by Primary Stations (or stations required to assume that responsibility) until program material is available. The text of the Standby Script is contained in the EBS Checklists for Primary and Alternate Stations and for Primary Relay and Alternate Relay Stations."

3. Such further amendments to Title 47 of C.F.R. as may be appropriate and necessary to effect the policy of visual notification of emergencies.

C. Additional actions requested of the Commission

It is further proposed that the Commission should initiate the following measures to allow the Emergency Broadcast System to conform to these proposed regulations:

1. Preparation of slides containing in printed form the announcement required by 47 C.F.R. § 73.933(a)(4). Reference should be made to these slides in the EBS Checklist, which contains simplified instructions for every station to follow in various situations. All stations should be required to use these slides.

2. Preparation of appropriate means for transmitting visually the same information contained in the "Standby Script" referred to in 47 C.F.R. § 73.933(b)(8)(i). The Standby Script consists of general information provided by the individual television station until emergency programming becomes available. The EBS Checklist should include reference to this visual information, and there should be a requirement of its use by all EBS stations.

3. Immediate initiation of a means of transmitting visually all information transmitted aurally through EBS.

In addition, the Commission should direct all state and local EBS authorities to initiate similar procedures for state and local emergencies.

V. EXPLANATION OF PROPOSED AMENDMENTS

A. Emergency information transmission originating from broadcast stations

Most emergencies do not have a nationwide impact. Natural and man-made emergencies are usually local and, as previously mentioned, strike one out of every four counties in the United States each year. Thus, the responsibility for warning the public about emergencies lies primarily with individual local television stations, and the amendment to 47 C.F.R. § 73.675 is directed towards them.

B. Requirement of printed messages as opposed to other means of communication with the hearing impaired

The printed word has been chosen as the best method to be used in communicating to the hearing impaired because it reaches the largest number of people. A significantly smaller proportion of the hearing impaired population reads lips or understands the language of signs.

Although there are no precise statistics available on what percentage of the hearing impaired would prefer and benefit from printed messages, there are a few indicators. In a recent study by the New York University Deafness and Research Training Center, which attempted to ascertain the reactions of hearing impaired individuals to a certain captioned and signed television program, 84 percent said they "always understood captions" while only 34 percent "always understood signs." When the participants were asked whether they would like future programs to be captioned, signed, or both, a majority, 53 percent, requested both captioned and signed, while 44 percent preferred captioned, and only 3 percent asked for signed. While this survey may not accurately depict the desires of the entire hearing impaired population, it does indicate their preferences as to what means of communication television should utilize. The conclusion that may be logically drawn from these studies is that more of the hearing impaired population prefer and understand captions than signs.

One must also keep in mind the distinction between the hearing impaired and the deaf. The understanding of signs is generally limited to people who became deaf or severely hearing impaired early in life and have had special training in signing. The leaves a substantial number of people who are hearing impaired but not deaf or who became so late in life, have not learned sign language, and would not benefit from signs. The logical means of reaching all, then, is the printed word.

Although the number of those who can understand lips and signs is limited, it may be assumed that the hearing impaired's reading ability approximates that of the rest of the population. Overall, the deaf population of the United States is only one year below the national educational level in highest grade obtained. Therefore, printed messages would be of benefit to a much higher percentage of the hearing impaired population than other methods of communication.

There are several other serious limitations precluding the use of lipreading and signs. Lipreading has limited value as a means of communication. Even for those individuals who primarily rely on lipreading, only 25 per cent of spoken English can be ascertained from the lips; the other 75 per cent must be guessed from the context of the conversation. A practical problem of signing is that it is highly unlikely that a station would be able to obtain a signer quickly in an emergency. In addition, signing is hard to understand when reduced to the size of a normal television screen. Because the language of signs is three dimensional, it is not well suited to the two dimensional television screen. Therefore, it is obvious that the printed word is the most effective and expedient means of reaching the hearing impaired in an emergency.

C. Explanation of various methods of presenting visual messages

Suggested methods which may be used to transmit a printed message are listed in the proposed rule. The purpose of the list is to suggest specific ways of meeting the required standards, while at the same time allowing for flexibility according to the needs and capabilities of individual stations. Some stations will be able to produce simple and effective messages quickly and easily with a teletypewriter. Others, who may not have even this relatively inexpensive equipment, will be able to easily meet the specifications with minimum effort by hand printing or typing a message on an index card and focusing a camera on the card. It does not matter which method is used in broadcasting the visual message, so long as the message is easily readable and understood by the viewer.

D. Suggestions for implementation

Individual stations are urged to use the most suitable method of transmitting the essential information in printed form in the shortest amount of time possible.

As an aid to broadcasters, the National Weather Service, through its Council on Community Preparedness, has offered to make low-cost slides available to broadcasters. These slides would not include sufficient information to cover specific emergency situations but would, instead, inform the public of the general nature of natural emergencies, e.g., tornado, hurricane, flood. It is suggested that broadcasters use these slides, or similar ones which they might produce, for initial notification, and then follow this up with a more specific printed message. This method would permit the public to be alerted immediately, giving the broadcaster time to transmit the specific details a short time later.

Another method of saving time when disaster strikes is to have on hand previously prepared charts which could be filled in with the essential details at the time of an emergency, for example:

Channel 10 WOWW
Tornado Warning
Area ------------------------------------
Duration --------------------------------
Specific information-----------------------

Stations might also choose to broadcast a map of their coverage area with the warning. One station reported to the National Association of Broadcasters that to make identification of particular trouble spots easier, it uses a map with detachable counties in different colors which is then filmed by a preset studio camera.

The use of a preset camera is a technique which would be advantageous for all stations to adopt. A camera might be focused on an easel with a black vinyl backing, for example, on which a message could easily be written in white, or upon which a previously prepared printed poster could be placed. This allows for simple visual notification of emergencies as well as the notification of technical difficulties at the station.

Stations should keep materials for the transmission of visual emergency notifications in a clearly marked container. The location of these materials and procedures for using them should be made known to all employees who might potentially be responsible for broadcasting an emergency notification. One way of insuring this knowledge would be to hold an emergency drill periodically. In addition, broadcasters are urged to consult the National Association of *Broadcaster's A Guide to Planning for a Natural Disaster* (NAB 1974) for general suggestions for dealing with emergencies. The above methods are only suggestions which the Commission might choose to require by rule.

E. Requirement of audio tag

The purpose of requiring the audio tag (oral request for viewers to inform any deaf or blind persons about an emergency) with all notifications is to reach hearing impaired or blind individuals who might not be watching television, when an emergency strikes and therefore would be unable to receive a warning message. Hearing persons are often alerted to potential emergencies by the sound of sirens, wind, or rain pounding on the roof, and they are then prompted to turn on a television or radio to get additional information. But deaf people are completely oblivious to such clues, being informed only through the sense of sight. They must therefore depend on other persons to initially alert them to threatening conditions.

F. Transmissions pursuant to Emergency Broadcast System—EBS—Procedures

1. Emergency Broadcast System—EBS

The Emergency Broadcast System is an operation through which the public is informed of national emergencies and instructed as to what actions to take. The EBS permits selected television stations to broadcast at normal power on their assigned frequencies during national emergencies, in order that the President may address the nation and that Federal, state, and local agencies may provide supplementary information. The EBS stations are required to follow the procedures set forth in 47 C.F.R. § 73.675 through 47 C.F.R. § 73.962. An EBS Checklist (see 47 C.F.R. § 73.910) summarizes the actions that must be taken by EBS stations in a national emergency upon receipt of an Emergency Action Notification (EAN), Termination or Test Message.

Three steps of the EBS procedure concern us as petitioners on behalf of the hearing impaired:

1. The initial public announcement of a national emergency (EAN Message; 47 C.F.R. § 73.933(b)(4) and 47 C.F.R. § 73.933(b)(6)).

2. The Standby Script used between the completion of the EAN message and the program material from EBS (47 C.F.R. § 73.933 (7))

3. The common emergency program originating from the EBS control point.

2. Current procedures and proposed changes

(a) *EAN Message:* Upon receipt of an EAN message, the EBS stations are currently directed to broadcast the following announcement:

"We interrupt this program. This is a National Emergency. Important instructions will follow."

The EBS Checklist then requires that the following announcement be broadcast on primary stations:

"This is an Emergency Action Notification. All stations shall broadcast this Emergency Action Notification Message. This station has interrupted its regular program at the request of the White House to participate in the Emergency Broadcast System. During this emergency, some stations will remain on the air broadcasting news and official information to the public in assigned areas. This is station (call letters). We will remain on the air to serve the (operational area name) area. If you are not in this area, you should tune to other stations until you hear one broadcasting news and information for your area. You are listening to the Emergency Broadcast System serving the (operational area name) area. Do not use your telephone. The telephone lines should be kept open for emergency use. The Emergency Broadcast System has been activated to keep you informed. I repeat . . ." (Repeat announcement)

Other stations are required to broadcast a similar announcement stating their role in the emergency. The proposed amendment would require the display of a slide with the identical message in printed form being presented at the same time as the audiotransmission of the message required by 47 C.F.R. § 73.933(b)(4). The EBS should prepare a slide to be distributed to all EBS stations and filled in with the station's call letters and operational area name.

(b) *Standby Script:* Upon completion of the EAM message, EBS primary stations use a Standby Script, the text of which is contained in the EBS Checklist and which is broadcast until the program material is available. The Standby Script in current use reads as follows:

"We interrupt our program at the request of the White House. This is the Emergency Broadcast System. All normal broadcasting has been discontinued during this emergency. This is station (call letters). This station will continue to broadcast, furnishing news, official information and instructions, as soon as possible, for the (operational area name) area. If you are not in the (operational area name) area, tune to a station furnishing information for your area. I repeat—We interrupt our program at the request of the White House. This is the Emergency Broadcast System. All normal broadcasting has been discontinued during this emergency. This station will continue to broadcast furnishing news, official information and instructions, as soon as possible, for the (operational area name) area. If you are not in the (operational area name) area, tune to a station furnishing information for your area. Do not use your telephone. The telephone lines should be kept open for official use. The Emergency Broadcast System has been activated to keep you informed. To repeat—This is station (call letters). This station will broadcast news, official information and instruction for the (operational area name) area. If you are in the (operational area name) area, keep tuned to this station for further emergency information. It is important that you listen carefully to announcements only on the station broadcasting information for your area." (Repeat as needed)

The proposed amendments would require the transmission of prepared slides containing in visual form the material content of the Standby Script.

(c) *Common Emergency Program*: Many EBS broadcasts originate from a central control point rather than from individual stations, and therefore the content and form is beyond the control of local stations. Any visual message must, accordingly, be transmitted by EBS officials. The proposal directs the EBS to immediately initiate procedures for transmitting visually the same information that is transmitted aurally. The Emergency Communications Division of the Commission is currently developing, in cooperation with the National Industry Advisory Committee, a "crawl" device (whereby printed information runs across the screen) to be used on all EBS broadcasts. The Commission should stress the immediacy of the need for such a device and call for its use as soon as possible.

(d) *Local and state emergencies:* The proposal directs state and local EBS officials to also broadcast in visual form all information that is transmitted aurally, whether as a result of rule making or internal decision of the EBS.

VI. ECONOMIC AND TECHNICAL FEASIBILITY

There are no theoretical or technical reasons for the exclusion of the hearing impaired from the many benefits of television. Some television stations are making use of captioning equipment without any apparent difficulty. Possible techniques range from the use of a teletype machine providing a running crawl to typewritten index cards propped up on an easel. Whether large or small, a television station has many options to choose from, according to its capabilities. Since most television stations already have the appropriate equipment to provide for visual warnings, the various techniques previously mentioned can be utilized without any great expense.

Video titlers, or character generators, are one simple yet effective technique for captioning on television. Some models may be obtained for under $2,000. (e.g. DATA-VISION, INC., Model D–1032), a relatively minimal amount in comparison to a television station's total production costs. Titling cameras, which almost every station owns, cost from $1,000 to $1,500, and are another basic method of captioning. Rather than being required to buy the most expensive equipment if such regulations were to be placed upon them, television stations would only have to use the means already available to them. They should realize that these and more basic methods are of relatively low cost, and will present no major burden on their budget.

Stations can utilize extremely simple and inexpensive methods for the transmission of visual emergency notifications. Blackboards may be purchased for only $2.50 while poster board retails for 39¢ a sheet. These costs are insignificant when compared to over-all television station operating budgets. If one life is saved through the use of visual emergency warnings on television, then there can be no question as to the necessity and feasibility of making visual notifications mandatory.

VII. AUTHORITY AND PRECEDENT

A. *The petitioners are interested persons*

Petitioners present this petition as interested persons, pursuant to statutory and Commission authority.

The statutory authority, 5 U.S.C. § 553(e), the Administrative Procedures Act, provides that "Each agency shall give an interested person the right to petition for the issuance, amendment, or repeal of a rule."

The petitioners are D.E.A.F.W.A.T.C.H. (Demanding Equal Access to Facts and Warnings Aired on Television for Citizens who are Hearing Impaired); the National Association of the Deaf (N.A.D.); the Alexander Graham Bell Association for the Deaf; and DEAF-PRIDE, Inc.

D.E.A.F.W.A.T.C.H. is a legal action group composed of students attending the National Law Center at the George Washington University in Washington, D.C. They are persons interested in the problems of the hearing impaired and are presently attempting to establish a Center for Law and the Deaf/Hearing Impaired which would deal in a coordinated and concentrated manner with the unique problems of the deaf and hearing impaired through legal and law related means. DEAFWATCH's close association with members of the hearing impaired community and its continuing interest in the problems of the hearing impaired, particularly with regard to telecommunications, brings it to the Commission to seek relief.

N.A.D. is one of the leading organizations of and for the deaf in the United States. Its general objectives are to unite deaf Americans and to open channels of communication between them; to deliberate on the needs of the deaf as a class; and to take such action as is necessary to fulfill these needs: to promote the unique needs of the deaf by legislation, education, communication, research, and rehabilitation. N.A.D. will host the next World Congress of the Deaf in Washington, D.C. in the summer of 1975.

The Alexander Graham Bell Association for the Deaf is a national and international organization which has been dedicated, since 1890, to promoting the interests of the hearing impaired and to promoting excellence in the education of deaf children.

DEAF-PRIDE, Inc., is a local organization of deaf persons, parents of deaf persons and interested members of the community.

B. *Authority for the Commission to act is provided by statute*

The Communications Act of 1934 (47 U.S.C. §§ 151 et seq.) (herein-after, "The Act") established the Federal Communications Commission and gave it sweeping rulemaking authority to regulate and control radio communications. This grant of authority has been held to include the authority to regulate television, since 47 U.S.C. §§ 303 defines "radio communication" as "the transmission by radio of writing, signs, signals, pictures and sounds of all kinds."

Section 303(r) of the Act authorizes the Commission to adopt rules to effectuate the provisions of the Act. Section 303(g) of the Act gives the Commission the power to "encourage the larger and more effective use of radio in the public interest. Section 303(b) specifically requires the Commission to "prescribe the nature of the services to be rendered" by stations. Congress intended by this section to encourage and empower the Commission to take the initiative in exploring the public interest service possibilities of radio. In complying with this mandate the Commission has wide discretion in determining questions both of public and procedural policy, and in making and applying appropriate rules.

Given the specific powers granted to the Commission by section 303 of the Act, petitioners contend that it is clearly within the Commission's power to require more effective use of television emergency broadcasts by the addition of visual messages to aural bulletins.

The Commission is granted specific authority to deal with the subject matter of this petition, the safety of life and property. One of the purposes of the creation of the Commission is stated as "the purpose of promoting safety of life and property through the use of wire and radio communication. (47 USC § 151). More specifically, 47 USC § 154 (a) states: "For the purpose of obtaining maximum effectiveness from the use of radio and wire communications in connection with the safety of life and property, the Commission shall investigate and study all phases of the problem and the best methods of obtaining the cooperation and coordination of these systems.

The Commission has in fact exercised its power to promote the safety of life and property by authorizing individual broadcast stations to depart from standardized procedures in order to transmit emergency information. Prescribing specific regulations, 47 C.F.R. § 73.675 informs broadcasters of the types of situations under which they shall be authorized to present an emergency format.

The Commission also provides for and regulates the Emergency Broadcast System (EBS) (47 C.F.R. §§ 73–98–73.962) described on page 19, *supra*. EBS is composed of AM, FM, and TV broadcast stations and non-government industry entities operating on voluntary, organized basis during emergencies of National, State or Operational (Local) levels. (§§73.903).

It is under the specific authority of 47 C.F.R. § 73.675 and 47 C.F.R. § 73.933 (EBS) that petitioners contend the Commission has the power to initiate rule making proceedings. By the amendment of these two sections to require television broadcasters to present visual messages along with their aural bulletins, the Commission would increase the effectiveness of radio communications by promoting the safety of life and property of even more millions of Americans—those who are hearing impaired.

That the Commission has the power to serve specific classes of people has been demonstrated by their mandated responsibility to serve minorities. Title 47 USC § 202 imposes an affirmative responsibility on the Commission to provide for these minorities:

"It shall be unlawful for any common carrier to make or give any undue or unreasonable preference or advantage to any particular person, class of persons, or locality, or to subject any particular person, class of persons, or locality to any undue or unreasonable prejudice or disadvantage."

While this provision applies to common carriers, which does not include broadcasters, there is an obligation to apply this practice to the hearing impaired. The present practice by the majority of television stations of presenting emergency notifications which can only be received by the hearing majority of their viewers gives an unreasonable preference to those persons and subjects the nonhearing viewers, who could only benefit from visual messages, to an unreasonable disadvantage. The Commission's statutory responsibility to provide for the safety of life and property, coupled with its affirmative obligation to insure relief to the substantial minority of hearing impaired, means, petitioners respectfully submit, that the Commission must take positive steps to insure equal access to warnings for the deaf and hearing impaired through rule making proceedings.

The Commission's responsibility to serve minorities is especially evident when it is in the public interest to provide for them. The D.C. Court of Appeals in 1970 found discrimination against a certain minority class (those who prefer classical music) in regard to radio programming balance in a community. The court reversed the Commission's refusal to hold a hearing on the question of whether a proposed assignment which would eliminate the only classical music station in Atlanta served the public interest. The court stated:

"It is surely in the public interest, as that was conceived of by a Congress representative of all the people, for all major aspects of contemporary culture to be accommodated by the commonly-owned public resources whenever that is technically and economically feasible . . . devotees of classical music . . . (are) a not insignificant portion of the people who make up Atlanta, and their minority position does not exclude them from consideration in such matters as the allocation of radio channels for the greatest good of the greatest number."

If classical music is in the public interest, then what about the preservation of life itself? Surely, life, above all else, should be held sacred. Anything which can be done to save this precious resource should be done now, with no further delay. The "greatest good" now is to give the hearing impaired what they need, and thus put them on the positive side of the balance between life and death.

In the *Citizens Committee* case, *infra*, the court clarified the meaning of "serving the public interest," which the Commission has been directed to do by Congress. The Commission itself has also recognized the necessity of considering all aspects of a community by requiring that each commercial licensee keep in touch with the needs and interests of the community it serves. Each license application requires a description of the needs and interests which the station will serve in the license period under consideration.

Two types of programming which the Commission has recognized as necessary to meet the "public interest" of the community are weather reports and service to minority groups. With this in mind, it is obvious that the proposals for rule making fit exactly in this framework. The hearing impaired are clearly a minority group, and weather information is the major material being requested. Thus, providing visual emergency bulletins to the hearing impaired is exactly along the lines of serving the public interest which the Commission has already recognized. Almost all communities contain hearing impaired persons, and no community is immune from emergencies. The requirements which petitioners seek to have imposed by the Commission would be at least a first step in insuring consideration of the minority interests of the various communities.

The Commission has already recognized the interests of the hearing impaired minority in other ways. For example, 47 C.F.R. § 15.331 allows for the operation of an auditory training system in instituting programs for auricular instruction of persons having speech or hearing handicaps. Also, the Commission has granted approval for a Public Broadcasting System experimental program of captioning the ABC News for rebroadcast several hours later and for captioning entertainment programs. These provisions, along with the 1970 Public Notice, show not only the Commission's authority to act but also its previous recognition of the need for action in this area.

The blind, as well, have been identified by the Commission as a minority in need of special services. Most recently, radio station WETA-FM in Washington, D.C., was granted a Subsidiary Communications Authorization for special programming to serve the blind. The Washington Ear, Radio Service for the Blind and Physically Handicapped, Inc., a nonprofit organization, provides a special sub-carrier radio receiver for blind persons so that they may hear special WETA-FM broadcasts. The broadcasts are readings of articles, feature stories, editorials, and advertisements from selected newspapers.

Clearly, the proposed amendments are in the "public interest" as meeting the needs of a minority group—the hearing impaired.

VIII. BROADCASTERS' FIRST AMENDMENT FREEDOMS WILL NOT BE ABRIDGED BY THE PROPOSED REGULATIONS

Although requiring visual emergency messages would serve the public interest, by fulfilling the needs of handicapped minorities, some observers have suggested that this would entail unwarranted government regulation in the precious arena of First Amendment freedoms. The Communications Act provides that "no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication." However, such a regulation as the petitioners propose does not at all interfere with *what* information or ideas are transmitted by broadcasters, but concerns only *how* they are transmitted. The proposed regulation does not require the transmission of any messages originating at the local level, nor does it limit what may be transmitted. Rather, it simply requires that once a station chooses to aurally transmit an emergency notification, it must transmit the same message visually. The EBS regulations already prescribe the content of aural EBS messages; the proposed regulation of EBS would simply require the same messages to be presented visually. There would be no chilling effect upon the artistic value of the programming, nor any regulation of the broadcaster's judgment.

Moreover, despite the prohibition of government censorship by both the First Amendment and the Communications Act, there are already a variety of Commission actions which constrain the broadcaster's freedoms and flexibility in utilizing a station for communications. For example, the Commission requires that the programming of a licensee be in the "public interest" and has indicated a preference for certain types of programming. The Commission also regulates network domination of television programming by restricting prime time access.

When television stations fail to serve the needs of the public by not voluntarily implementing techniques which can save many human lives, the Commission is not only permitted, but obliged, to impose such techniques on the stations.

IX. THERE HAVE BEEN MANY REQUESTS FOR COMMISSION ACTION

Other government agencies have also recognized the needs of the hearing impaired. One early call for improvements in television for the hearing impaired was voiced in December 1971, at the first National Conference on Television for the Hearing Impaired, sponsored by HEW. In attendance were representatives of the deaf and hard of hearing, television stations, broadcasters, engineers, educators, advertisers, and the Federal Government. The Conference entailed a pooling of resources in order to bring about the development of captioned television programs to serve the needs of the hearing impaired population. Participants highlighted existing problems and recommended numerous remedial strategies. The Conference ended on a hope for "a new dimension in the lives of the hearing impaired."

At the National Conference, Capt. L. R. Raish, of the Office of Telecommunications Policy (hereinafter OTP) in the executive branch, offered the following words: "There is interest and encouragement on the part of persons high in the Administration in seeing that technology, particularly telecommunications technology, is applied to aid the handicapped.

The former director of OTP himself, Clay T. Whitehead, encouraged the Commission on December 2, 1971, to expand the use of captions in television broadcasting, stating, "the Administration strongly supports . . . actions which foster the interest of the broadcast industry, such as was done by the Commission's Public Notice (FCC 70-1328), in offering telecasts that provide a means whereby warnings and emergency bulletins and other services could be made available to viewers with impaired hearing.

An August 1, 1973, letter from former Commission Chairman Dean Burch to Mr. Whitehead discussed the comparative advantages of two types of captioning methods which present printed words on the television screen in addition to the information provided aurally. One of these methods is closed captioning, which can only be seen on a television screen if there is a special decoding device attached to the television set. The other is open captioning, which is received by all television sets turned on to a particular station which employs a captioning device. Chairman Burch closed his letter to Mr. Whitehead by stating that closed captioning was not feasible for emergency notification:

"It seems apparent that *captions* providing such information *should be available to all persons of impaired hearing*—not just to those whose receivers are especially equipped to display encoded captions." (emphasis added)

Yet, four years after the Commission's Notice, and despite these various statements of support, no substantial progress has been made toward presenting visual emergency notifications. More than encouragement appears necessary to meet the pressing needs of a substantial segment of the population.

Many deaf organizations have been actively involved in efforts to change the existing procedures which most television stations follow in broadcasting emergency notifications. The Council of Organizations Serving the Deaf (COSD) in August, 1972, wrote to the National Association of Broadcasters, asking that they include in their standards a requirement that aural Emergency Broadcasting System messages be accompanied by visual messages. Although NAB failed to institute such standards, EBS is now developing a "crawl," where words cross the screen at the same time the oral announcements are being made.

Because of the failure of television stations to regulate themselves in the manner called for by the Commission, other government agencies, and deaf organizations, the hearing impaired continue to be deprived of the right to emergency notifications. This blatant disregard to the Commission's Notice has prompted numerous letters from individuals and organizations to the Commission urging the adoption of more stringent regulations. The response has been that the situation has been under active consideration by the Broadcast Services Subcommittee, National Industry Advisory Committee.

Still, no action has been taken by this Committee. Therefore, in view of the unsatisfactory developments in this area, it is now the Commission's obligation to "begin rule making looking toward the adoption of minimum requirements."

X. THE COMMISSION SHOULD FOLLOW OTHER GOVERNMENT ACTIONS IN SERVING THE NEEDS OF HEARING IMPAIRED

By requiring visual emergency bulletins to serve the needs of the hearing impaired, the Commission would be following the example set by other bodies of the Federal Government in providing for the special needs of the handicapped. Congress has shown its concern with these needs by establishing a comprehensive program for the handicapped through the Vocational Rehabilitation Act (87 Stat. 355). The purpose of the act is to:

"Provide a statutory basis for the Rehabilitation Services Administration and to authorize programs to develop new and innovative methods of providing rehabilitation services to handicapped individuals through research, special projects, and demonstrations; . . . conduct various studies and experiments to focus on long neglected problem areas; . . . enforce statutory and regulatory standards and requirements regarding barrier-free construction of public facilities and study and develop solutions to existing architectural and transportation barriers impeding handicapped individuals."

The Act also establishes a National Center for Deaf-Blind Youths and Adults to, among other purposes, "aid in the conduct of . . . activities which will expand or improve public understanding of the problems of deaf-blind individuals."

Title 45 USC part 150, under the authority of HEW, provides for the production and distribution of captioned films for the deaf, to provide them with enriched experiences so that they may be brought in better touch with the realities of their environment.

In addition, Congress funds Gallaudet College, in Washington, D.C., the only accredited four year college for the deaf in the world.

Although not specifically directed towards providing visual emergency messages, concentrated efforts are being made by the Bureau of Rehabilitation Services of HEW, Public Broadcasting System and the National Bureau of Standards, to perfect a closed captioning system. Such commendable efforts demonstrate a growing awareness of a dedication to the potentialities of television for the hearing impaired. But, the Commission cannot wait for these methods to be developed before it acts. It has the authority, and television stations have the ability, to immediately offer relief to the hearing impaired population by providing them with the necessary visual information in times of emergencies.

It is respectfully submitted that the Commission has had adequate time to consider the situation. The moment is ripe for the Commission to impose standards on television stations to insure all hearing impaired individuals their right to receive visual emergency notifications on television.

XI. CONCLUSION

The shocking failure of television to perform its duty to the hearing impaired population is self-evident. These millions of Americans are denied a life of security while television's neglect continues. The multitude of hearing impaired, the array of potential emergencies, and the culpability of television broadcasters are presently producing profoundly devastating results. Unless broadcasters provide the missing link—visual emergency bulletins—the hearing impaired will remain physically and psychologically vulnerable to disasters.

The time for talk has passed. The Commission must now act on its promises and help the hearing impaired, who in this case cannot help themselves. The simple procedures and low cost involved in implementing the petitioner's proposals for visual notifications in emergencies, require only minimal effort by broadcasters. In view of the lives that visual notifications would save, is there any question as to the proper path of action? Must the hearing impaired continually be discriminated against in the field of telecommunications?

The sacrifice of lives must stop now. Since television broadcasters will not voluntarily do their part, the Commission must, we submit, step in and initiate rule making proceedings requiring television stations to add visual messages to their emergency notifications.

For these reasons, the petitioners respectfully request the Federal Communications Commission to adopt, as part of its Rules and Regulations, the proposed standards for the visual transmission of emergency notifications.

ENERGY SURVEY

Mr. DOLE. Mr. President, recently I received an energy use survey conducted by the eighth grade science class of Burr Oak, Kans. I believe it is a useful indicator of feeling about the energy problem in Kansas.

Burr Oak is a community of 473 people, most of whom are engaged in farming or farm-related business. As such, it is representative of a large portion of my constituency in Kansas.

I find this survey to be useful in two respects. In the first place, it demonstrates the concern which Kansans of all ages feel about our current energy problem. Certainly, the many hours which these students spent in gathering and compiling this data indicate Kansas youth's desire to take positive action toward meeting the problems of our day. I find it encouraging to note that students are thinking seriously about our energy supply.

CONCERNED ABOUT ENERGY

Second, this survey reflects the comments I have been hearing from many Kansans on the energy problem. I note the serious doubt about the President's energy program.

The sentiment against gasoline rationing—73.9 percent—is even stronger and I have strongly advocated alternative measures to save fuel resources so that rationing will not be necessary.

My own efforts in the Senate—particularly in the Senate Finance Committee—have been directed toward meeting these concerns. But I am more and more convinced after hearing testimony in the committee that no meaningful program to reduce energy consumption can be painless.

DISCRIMINATION UNWANTED

The discriminatory 55-mile-per-hour speed limit registers strong opposition, as I would expect. In Kansas and other Western and Midwestern States, we are expected to reduce our speed by about 20 percent while new Englanders and other easterners by and large have not been required to reduce their speed at all. The Congress and administration seem to be saying to Westerners and Midwesterners, "you slow down and save gasoline so that Easterners can drive at the speed they have been in the past."

That is why I have attempted to make the 55-mile-per-hour speed limit more equitable, keeping in mind both the needs and desires of Kansans who must travel much longer distances in order to carry on their businesses than those living in urban areas.

Not surprisingly we now see New England officials and representatives protesting about discrimination against them because of the oil import duty program. This seems especially ironic to the junior Senator from Kansas since testimony in the Finance Committee clearly shows that the New England area would suffer less from the oil tariff than other parts of the Nation. That is because New England imports mostly refined petroleum products for which there is no tariff and because the Federal Energy Administration has previously had a subsidy for imported refined product under the entitlement program which has now been ended.

And all these protests are even harder to understand when easterners have been getting natural gas from Kansas and other Midwestern States that has been held at artificially low prices for the past 20 years.

But the dialog going on in Congress now is good and I hope we will be successful in finding a program to reduce our dependence on imported oil as soon as possible at the minimum level of economic pain.

Because I feel that the work of the Burr Oak science class has a meaningful significance, I ask unanimous consent that their survey be printed in the Record.

There being no objection, the survey was ordered to be printed in the Record. as follows:

REPORT ON BURR OAK ENERGY USE SURVEY

Conducted by the eighth grade science class, winter 1975.

Number of people surveyed 110.

Burr Oak Population 473, Occupation: Farm or farm related.

Age: Under 13 (21), 19.1 percent; 13–21 (56), 50.9 percent; 22–45 (21), 19.1 percent; 46–65 (12), 10.9 percent; over 65 (0).

Sex: (50), 46.3%, male; (58) 53.7% female.

Average number of vehicles per family (includes cars, trucks, and tractors): 7.

How home is heated:

	Percent
Wood (17)	13.0
Coal (1)	0.1
Natural gas (51)	39.2
Propane (38)	29.2
Electricity (19)	14.6
Fuel oil (4)	3.1

QUESTIONS ASKED

[Percent]

3. Are you favorable to President Ford's energy proposal?

Yes (36)	33.6
No (71)	66.4

4. Do you think the 55 mph speed limit should remain in effect?

Yes (40)	36.7
No (69)	63.3

5. Are you favorable to gas rationing to save energy?

Yes (28)	26.1
No (79)	73.9

6. Do you think they should store atomic waste in Kansas?

Yes (10)	9.1
No (100)	90.9

7. Who do you think should have energy priority in winter?

	Percent
Home (74)	63.8
Industry (8)	6.9
Transportation (12)	10.3
Agriculture (21)	18.1
Government (1)	0.9

8. Should the use of spacecraft and aircraft be limited to save energy?

	Percent
Yes (89)	82.4
No (19)	17.6

9. Would you still drive the same distances if gas was $1 per gallon or more?

	Percent
Yes (48)	44.4
No (60)	55.6

10. Are you favorable to the use of lead-free gas?

	Percent
Yes (45)	40.1
No (67)	59.9

11. Do you think we should have day-light saving time 12 months a year?

	Percent
Yes (41)	38.3
No (66)	61.7

Not all samples answered all questions and some, a few more than once.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the United States record of ratification of human rights treaties is appalling. There are a number of treaties awaiting action by the Senate: 14 United Nations Conventions, 6 International Labor Organization Conventions, 1 UNESCO Convention, and 9 Conventions of the Organization of American States. In fact, the United States has only ratified 3 United Nations conventions and 4 OAS treaties in the area of human rights.

In examining this dismal record, Congressman FRASER's Subcommittee on International Organization and Movements commented:

> The United States, through its failure to become a party to all but a few of the human rights treaties, has become increasingly isolated from the development of international human rights law. This failure impairs both our participation in the U.N. work in human rights, and our bilateral efforts to persuade governments to respect international human rights standards.

Mr. President, we cannot permit this tragic anomaly to continue. This country has long been recognized as a leader in the area of civil and human rights within its own borders. It is time that we apply the same high standards to international affairs.

The Senate has the opportunity to reverse this policy of malign neglect by acting affirmatively on the human rights conventions now before the Committee on Foreign Relations. Foremost among these is the Genocide Convention, which has languished before the Senate for 25 years.

Prompt action in this 94th Congress will clearly demonstrate the tenor that the Senate expects our foreign policy to reflect.

Mr. President, I urge my colleagues to join me and encourage the Foreign Relations Committee to report this treaty to the floor once again.

HONOR AND PRESTIGE IN VIETNAM

Mr. MOSS. Mr. President, for more than a score of years, the United States has been involved in the conflict in Vietnam. That involvement was generally passive until the decade of the 1960's; at that time we became physically engaged in the war until our withdrawal, which began in 1973 and is still continuing. For some time now, it has been the express desire of a vast majority of the people of this Nation that the United States disassociate itself as rapidly as possible from a conflict which seems never ending. The turmoil of the war in Vietnam almost tore our Nation apart.

After more than 350,000 American casualties and the expenditure of $140 billion, along with many thousands of Asians who have lost their lives during these many years, it is strange that the administration continues to insist on increased U.S. involvement through additional appropriations. How can more than 20 years of tragic involvement fail to impress upon the administration and upon this Congress the futility of again increasing involvement in the Vietnam conflict?

It was my impression that in the last session of Congress, during the appropriations debate on assistance for continuing that war effort, Congress made itself clearly heard and represented the feeling of the people of this Nation. The vote of Congress during that session was to reduce aid to Vietnam from more than $1 billion requested to $700 million, and now the administration has asked for supplemental military assistance to bring that amount almost equal to the original request.

Mr. President, I should think that we would have learned by now that you do not uphold American honor and prestige by financing a futile war and a corrupt regime. Our past involvement in Vietnam has done more serious damage to the honor and prestige of this Nation than any other act in our history. The administration seems to have failed to recognize this fact by asking for additional aid to Vietnam which is an indirect act of continuing or again increasing our involvement there, and which will only inflict further damage to U.S. honor and prestige.

Mr. President, the United States, at the direction of Congress, has entered into a planned withdrawal of active involvement in the Vietnam conflict and we must continue with that plan. We must reaffirm in unequivocal terms our legislative prohibition against any combatant role of Americans in that conflict and, in addition, continue planned reduction of military assistance until our only involvement in Vietnam is once again passive. The request by the administration for additional appropriations must be rejected.

THE VLADIVOSTOK RESOLUTION

Mr. KENNEDY. Mr. President, on January 17, I joined with the distinguished Senators from Maryland (Mr. MATHIAS) and Minnesota (Mr. MONDALE) in submitting the Vladivostok resolution, Senate Resolution 20. If passed, this resolution would put the Senate on record in three main areas:

First, it accepts the broad outlines of the agreement reached at Vladivostok last November 24, between President Ford and General Secretary Brezhnev. This agreement, still to be worked out in detail, would establish the principle of parity between the United States and the Soviet Union in numbers of missiles and long-range bombers, and in numbers of missiles with multiple independently targetable, re-entry vehicles, MIRV's: 2,400 missiles and long-range bombers for each side, with a sublimit of 1,320 MIRV's.

Second, the resolution expresses the understanding of the Senate that the Vladivostok numbers are ceilings, but that U.S. decisions about deploying strategic weapons systems should be based solely on the grounds of national security. Thus there is no commitment implicit in the Vladivostok agreement to build up to the numbers specified for either category.

Third, the resolution expresses the advice of the Senate—not just the sense of the Senate—that further negotiations with the Soviet Union should begin "as soon as possible" in three distinct areas: Securing mutual restraints on the pace and character of both development and deployment of strategic weapons systems; securing agreement to negotiate lower numbers than those contained in the Vladivostok agreement; and securing agreement to negotiate arms control on other systems not yet covered by the 1972 or the 1974 strategic arms control agreements.

In submitting the Vladivostok resolution to the Senate for its consideration, we indicated that we expected some negotiations to these ends would begin during the current phase of talks at Geneva; but in any event, negotiations on all these areas should begin no later than ratification of the final Vladivostok accords.

In addition, the resolution expresses the sense of the Senate that the final Vladivostok accords should be submitted to the Senate for its advice and consent.

In this way, we believe that we are firmly relating the current negotiations on the Vladivostok agreement to further negotiations on strategic arms control. I strongly believe that this agreement will have merit only if it is but one step in efforts to bring the nuclear arms race under control, not the end of such efforts.

Mr. President, this resolution was drafted after long and thorough consultation with the Department of State, and with Secretary Kissinger himself. We believe that this was an important course to take, on a matter of such grave consequence for the future of the Nation. Furthermore, by expressing the advice of the Senate in the critical passage of the resolution, we believe that the Senate would be exercising its proper constitutional role in treatymaking, in setting guidelines for the administration even before a treaty is submitted to the Senate for ratification.

We are pleased that the Secretary of State has indicated his support for the Vladivostok resolution, and I ask unanimous consent that the text of Secretary Kissinger's statement of January 17 be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATE DEPARTMENT RELEASE

Secretary of State Kissinger welcomes the statements of Senators Kennedy, Mathias, and Mondale, and the resolution issued by these three Senators. He believes that this constructive action will help achieve the provisions and purposes of the Vladivostok Agreement, and that upon completion of that agreement, it will serve as a guideline for further negotiations on arms control.

This is an excellent example of how cooperation between the Congress and the executive branch can further the national interest without touching on each other's prerogatives.

Mr. KENNEDY. Mr. President, in Los Angeles recently, Dr. Kissinger challenged the Congress to work effectively with him in a new partnership designed to build American foreign policy for the future. We believe that the Vladivostok resolution demonstrates the Senate's willingness to play a constructive role. And we welcome the Secretary of State's positive response to our initiative.

At the same time, I believe that it is important for the Senate to be firmly on record in support of the need to improve relations with the Soviet Union in the critical area of strategic arms control. There should be no doubt in Soviet minds that our Vladivostok resolution is designed to promote the attainment of this goal.

To be sure, there are real difficulties in overall United States-Soviet relations, as indicated most clearly by the Soviet abrogation of the 1972 Trade Agreement. There are many areas in which United States and Soviet interests are not compatible. That will undoubtedly continue to be so.

But the essence of détente is not the resolution of all problems, but rather the seeking of areas of common interest, where the alternative would be to jeopardize the security of both countries.

Most clearly, this relates to the nuclear arms race, where there is no escape from the need of the two superpowers to work together to prevent mankind's final war.

Accordingly, after consulting with the State Department, I wrote to the Soviet Ambassador, His Excellency Anatoly F. Dobrynin, expressing the intent of the Vladivostok resolution. I ask unanimous consent that the texts of my letter, and of Ambassador Dobrynin's reply, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., January 17, 1975.
His Excellency ANATOLY F. DOBRYNIN,
Ambassador of the Union of Soviet Socialist Republics, Washington, D.C.

DEAR MR. AMBASSADOR: This morning, Senators Mathias, Mondale and I introduced a Senate Resolution, relating to further arms control efforts based on the Vladivostok Agreement. I am enclosing a copy of that Resolution for your information.

We are very much concerned in this resolution to express our support, and that of the Senate, for *detente* and the continued development of relations between our two countries. Particularly, at this uncertain time, we believe it is important to put the Senate of the United States firmly on record in support of better U.S.-Soviet relations, and particularly further arms control agreements.

The Resolution commends the Vladivostok Agreement, and urges the President to join with your government in concluding final accords based upon it.

Furthermore, it looks to the future, in seeking to promote further arms control negotiations, in areas of our two countries' mutual interest. In particular, we believe there could usefully be negotiations to achieve mutual restraints on the pace and character of development and deployments of strategic arms; to gain lower limits than those provided for in the Vladivostok Agreement; and to seek further mutual limitations with regard to forces and armaments not presently limited.

When negotiations along these lines should take place is, of course, a matter of judgment that can best be decided by leaders of the two governments involved. It is our hope, however, that both countries will make an early demonstration of their commitment to pursue further arms control efforts to the ends foreseen by the resolution.

We understand that your government shares our concern that what has been achieved so far in arms control be the basis for further constructive efforts, so that the threat of nuclear war will be ended for all time.

Again, please be assured of our desire to promote mutual understanding between our two governments and peoples, and to contribute to progress in *detente*.

With best regards,
Sincerely,
EDWARD M. KENNEDY.

EMBASSY OF THE UNION OF SOVIET SOCIALIST REPUBLICS,
Washington, D.C., January 21, 1975.
Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: Thank you for your letter of January 17, 1975, concerning a Senate Resolution introduced by you, Senators Mathias and Mondale. You indicated that the Resolution was intended to further arms control efforts based on the Vladivostok Agreement.

I share your opinion, that the support of the U.S. Senate for better U.S.-Soviet relations would be very important. I wish you and your colleagues all success in such endeavour. Indeed, the Congress, if so desired, can play a more constructive part in promoting understanding and cooperation between our two countries. And this is an important factor in keeping peace on the globe.

We, in the Soviet Union, know that you, Senator, are genuinely interested in contributing to progress in relaxation of tensions in Soviet-American relations. Please, be assured that your efforts are highly appreciated because they are in the interests of our both peoples and peace in the world. We all are hopeful that the threat of nuclear war will be ended in our days, in the foreseeable future. We are working in that direction.

With best regards,
Sincerely,
ANATOLY F. DOBRYNIN,
Ambassador.

Mr. KENNEDY. Mr. President, it is my fervent hope that the Vladivostok agreement, and the steps proposed by Senator MATHIAS, Senator MONDALE, and me, will help us to achieve the critical goal of ending the nuclear arms race once and for all. There is no greater legacy that we could leave to future generations of Americans—and to people of other lands—than to reduce the threat of nuclear war and, hopefully, to end it for all time.

I request that the following Senators be added as cosponsors of Senate Resolution 20, bringing the total number of cosponsors to 31: The Senator from Connecticut (Mr. RIBICOFF); the Senator from Michigan (Mr. GRIFFIN); the Senator from South Dakota (Mr. ABOUREZK); the Senator from Texas (Mr. BENTSEN); and the Senator from West Virginia (Mr. RANDOLPH).

RULES OF PROCEDURE OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. EAGLETON. Mr. President, as required by the Legislative Reorganization Act of 1970, I ask unanimous consent to have printed in the RECORD the rules of procedure adopted by the Committee on the District of Columbia.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES AND PROCEDURES OF THE SENATE COMMITTEE ON THE DISTRICT OF COLUMBIA

Rule 1. Unless the Senate is meeting at the time, or it is otherwise ordered, and notice given the Committee shall meet regularly at 10:30 a.m. on the second Friday of each month. The Chairman may, upon proper notice, call such additional meetings as he may deem necessary, or at such time as a quorum of the Committee may request in writing, with adequate advance notice provided to all members of the Committee. Subcommittee meetings shall not be held when the full Committee is meeting.

Rule 2. The rules of the Senate and the provisions of the Legislative Reorganization Act of 1970, insofar as they are applicable, shall govern the Committee and its Subcommittees. The rules of the Committee shall be the rules of any Subcommittee of the Committee.

Rule 3. The Chairman of the Committee, or if the Chairman is not present, the ranking majority member present, shall preside at all meetings. A majority of the members of the Committee shall constitute a quorum of the Committee. However, the Committee may authorize a quorum of one Senator for the purpose of taking testimony.

Rule 4. Unless otherwise determined by a majority of the Committee, written proxies may be used for all Committee business, except that proxies shall not be permitted for the purpose of obtaining a quorum to do business. Committee business may be conducted by a written poll of the Committee, unless a member requests that a meeting of the Committee be held on the matter.

Rule 5. There shall be kept a complete record of all Committee action. Such records shall contain the vote cast by each member of the Committee on any question on which a yea and nay vote is demanded. The record of each yea and nay vote shall be released by the Committee either at the end of the executive session on a bill or upon the filing of the report on that bill as a majority of the Committee shall determine. The clerk of the Committee, or his assistant, shall act as recording secretary on all proceedings before the Committee.

Rule 6. All hearings conducted by the Committee or its Subcommittee shall be open to the public, except where the Committee or the Subcommittee, as the case may be, by a majority vote, orders an executive session.

Rule 7. The Committee shall, so far as practicable, require all witnesses heard before it to file written statements of their proposed testimony at least 72 hours before a hearing and to limit their oral presentation to brief summaries of their arguments. The presiding officer at any hearing is authorized to limit the time of each witness appearing before the Committee.

Rule 8. Should a Subcommittee fail to report back to the full Committee on any measure within a reasonable time, the Chairman may withdraw the measure from such Subcommittee and report that fact to the full Committee for further disposition.

Rule 9. Attendance at executive sessions of the Committee shall be limited to members of the Committee and of the Committee staff. Other persons whose presence is requested or consented to by the Committee may be admitted to such sessions.

Rule 10. The Chairman of the Committee shall be empowered to adjourn any meeting of the Committee if a quorum is not present within 15 minutes of the time scheduled for such meeting.

Rule. 11. Subpoenas for attendance of witnesses and for the production of memoranda, documents, and records may be issued by the Chairman or by any other member designated by him. The subpoena shall briefly state the matter to which the witness is expected to testify or the documents to be produced. All witnesses subpoenaed before the Committee who are to testify as to matters of fact shall be sworn by the Chairman or another member.

Rule 12. Accurate stenographic records shall be kept of the testimony of all witnesses in executive and public hearings. The record of a witness' own testimony, whether in public or executive session, shall be made available for inspection by witnesses or by their counsel under Committee supervision; a copy of any testimony given in public session or that part of the testimony given by a witness in executive session and subsequently quoted or made part of the record of a public session shall be made available to any witness at his expense, if he so requests. Witnesses not testifying under oath may be given a transcript of their testimony for the purpose of making minor grammatical corrections and editing, but not for the purpose of changing the substance of the testimony. Any question arising with respect to such editing shall be decided by the Chairman.

Rule 13. Subject to statutory requirements imposed on the Committee with respect to procedure, the rules of the Committee may be changed, modified, amended, or suspended at any time, provided, however, that not less than a quorum of the Committee so determines in a regular meeting with due notice, or at a meeting specifically called for that purpose.

REACTION OF BUSINESS AND LABOR TO THE PRESIDENT'S STATE OF THE UNION MESSAGE

Mr. NUNN. Mr. President, on January 15, 1975, Mr. Robert S. Hatfield, chairman of the board of the Continental Can Co., was part of a three-member panel representing the U.S. business community in a far-ranking television discussion of the President's state of the Union message. The program was produced by the National Public Affairs Center for Television and gave the American people a good opportunity to hear the reaction of some major business and labor leaders, leading economists as well as ordinary consumer to the President's proposals.

I ask unanimous consent that the comments which he made on this television program, "Public Affairs Television," be printed in the RECORD for the review of my colleagues.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

HATFIELD DISCUSSES AMERICA'S BUSINESS SYSTEM, ECONOMY ON NATIONAL TELEVISION

FREE ENTERPRISE

The private enterprise, free market system has proved itself to be the most effective of any known to man at any time in history. I would ask those who would change our system of operating to perhaps publicly-regulated industries or publicly-managed industries to simply look at the experience that is before us.

The regulated industries—utilities and transportation—have been mentioned as being in very serious difficulties in terms of trying to accumulate the money to expand, because the rates which they have been permitted (to charge) under regulation are not adequate to form capital.

A good deal of our railroad system is in severe difficulty. It's regulated. And so are our airlines. They're coming into difficulty. So that public regulation certainly isn't the answer and we have those examples before us.

When you come to public management of business, all we have to do is look at the test tube that is the United Kingdom. There, we see the coal and steel industries in a state of disarray. Their plants are not modern and their products are unable to compete in the world market.

The thing that worries us all is, that while most people do not wish to change our system, we're going to lose it by default if we don't fight for it. Planning at the government level has been proposed and I think that's necessary. But when it comes to a centrally-planned economy, I'm sure most Americans will be quick to realize that this is precisely the system that is used in the Communist countries.

There is also the issue of whether we wish to retain in America the freedom to choose. I feel that is one of the fundamental freedoms of the individual. You want to choose what products you buy. You want to choose where you work. But, if you have a totally centrally-planned economy you won't have these privileges.

Speaking in the broader sense: if the American people cherish freedom, as I think they do, then they will be very jealous of any encroachment on the private enterprise, free market system, because the fundamental of that, is the freedom to choose.

PROFITS AND LAYOFFS

There is a popular misconception about the profits of American business. It is thought, by survey, by a great many Americans that the profits made by corporations is in the area of 25–28 cents on every doller of sales. The fact of the matter is that the profit per dollar of sales for American business is something less than 5 cents for every dollar of sales. And so the extent of profits is really not fully understood.

An example of this is the American steel industry which has been said to have made exorbitant profits. Perhaps the impression that this is so comes from seeing increases in profits from year to year.

What perhaps is not apparent, is that the profit level in the steel industry was, as recently as 1972, so low that it could not generate enough capital to keep plants modern and be competitive with the other steel industries in the world. It thus had to raise prices in order to accumulate the capital to keep its plants modern and to expand. American steel industry profits, by any measure, at this point, are not exorbitant. They are higher than they were, but that is relative to a very low base.

On the statement that business would rather lay off people than take a cut in profits, I might make the point that it is this very income which provides funds for a reserve which most businesses set aside to sustain people that are laid off.

These benefits, called supplemental unemployment benefits, in a good many cases, last for a year or, depending upon the length of service, as long as two years. In other words, most businesses are not simply laying off people with the idea that they have no sustenance whatsoever.

Also profits allow business to protect jobs that might otherwise be cut and to grow, creating new ones.

FUNDS FOR EXPANSION

Mr. Hatfield was asked whether a provision in the President's message increasing the corporate investment tax credit would actually help business.

I am confident it will. One of our real problems in the United States economy is the availability of capital with which to expand our facilities and keep our plants modern.

It is very difficult with today's equity markets being as low as they are—the New York Stock Exchange, for example—to gain capital by selling shares of stock. That market is in such a depressed situation at the moment that it is really no place for a corporation to go to try to raise capital.

Also business is fairly highly leveraged today—and when I say highly leveraged I mean, that it has borrowed to the extent that prudence would say it should.

So where else can business go for capital accumulation but to raise prices in order to keep companies strong, provide jobs for people, supply re-investment capital and to grow with the markets, not only of this country, but the world.

With this very difficult situation in raising capital, the proposed increased investment tax credit, which gives you a quicker capital recovery on the money that is spent and thus generates additional capital funds, will help greatly.

OIL AND PRICING

One of our problems today is that we have been operating on the premise that oil was completely available and it was sold to us at a price that was very low in comparison to its value and the state of the reserves.

I think it's important that the oil market govern the day. I think it's important that the price of petroleum and in fact, all materials, reflect true cost (with an appropriate profit).

STATE OF THE ECONOMY

There's no question about the President's assessment of the economy being valid. We had negative real growth in the year 1974 and most of the economists that you listen to these days are forecasting a negative growth again in 1975.

When unemployment goes through 7 percent, I think you have to say, that taking these two things alone, that you are in a recession. I think the situation is such that the recession could deepen into a depression. The President was very forthright in facing up to the issues. I think he was right in calling upon the support not only of Congress, but of the American people themselves. I believe in the tremendous strength of this country and its resiliency, but he correctly highlighted the situation in the country now as being a critical one. And I think his objectives are absolutely sound.

NASA AERONAUTICAL RESEARCH AND DEVELOPMENT—A BIG RETURN ON INVESTMENT

Mr. MOSS. Mr. President, it seems to me that those who tend to wring their hands about economics and/or energy problems should stand back and take a look at the decline that has been taking place in our Nation's expenditures for research and development. The facts are that, in constant dollars, the research and development expenditures of U.S. industry and Government combined have declined over 10 percent since 1968. I strongly suspect that there is a relationship between some of our problems of today and the erosion that has been permitted to take place in our Nation's advanced technology base. I know, and it should be apparent to all, that we are now suffering the consequences of our long-term lack of research into and development of alternative sources of energy.

Government must assume a significant role not only in technology policy and the encouragement of technological advance but also in sponsorship and funding of critical research and development. In a number of areas Government has done just that, but in one field—aeronautical research and development—it would appear that successive administrations and Congress may have been far too miserly.

To be specific, on March 11, the Senate Committee on Aeronautical and Space Sciences will be considering the NASA fiscal year 1976 budget request for aeronautical research and development. The request is for $175.7 million, and I cannot help but relate and compare this 1-year Federal investment to the dynamic economic performance last year in the U.S. aerospace industry. I refer to commercial aerospace sales—heavily in jet transports—of $7.5 billion, 43 times the 1976 NASA investment in aeronautics R. & D. Total U.S. aerospace exports last year were $6.8 billion, a year when the United States suffered a trade deficit of $3.1 billion. When one realizes that these records were made almost wholly on yesterday's technology, he logically begins to speculate on the state of tomorrow's technology. In terms of that $175 million NASA request for next year's research and development, one has to ask if this is a sufficient Federal investment in a field so vital to our economy and our posture in the world arena.

This 1-year comparison led me to make an identical one over a longer term. NASA's outlays for aeronautical R. & D. from fiscal year 1970 through fiscal year 1975 total approximately $707 million; the U.S. aerospace industry's contribution to the economy through the sales of commercial aviation products from calendar years 1969 through 1974 totals $31.3 billion. U.S. total aerospace exports for these same years were valued at $26.5 billion of which $19.4 billion were civil aviation products.

The objective of NASA in aeronautics is the preservation of the United States as a leader in aeronautical science and technology. The point of my remarks is that money to support this objective translates into jobs and other economic benefits for a large number of our people.

CHANGE OF ANNOUNCEMENT ON VOTES ON H.R. 2634

Mr. TUNNEY. Mr. President, on Tuesday, February 18, it was my sad duty to attend the funeral of my friend and colleague Jerry Pettis. Under the provisions of Senate Resolution 81, I was appointed the Senate's official representative at the funeral.

There were two votes on H.R. 2634, the debt ceiling bill, in my absence. The RECORD states that I was necessarily absent for those votes. I would like the RECORD to show that I was absent on official business of the Senate when the roll was called for those votes.

UTILIZATION OF FUNDS FOR DEVELOPMENT OF HYDROELECTRIC RESOURCES IN PACIFIC NORTHWEST—SENATE RESOLUTION 82

Mr. CHURCH. Mr. President, I am pleased to cosponsor, with the distinguished Senator from Washington (Mr. JACKSON), a Senate resolution (S. Res. 82) to require the President to utilize funds appropriated by Congress for the timely development of hydroelectric resources in the Pacific Northwest.

The President has proposed the deferral until fiscal year 1976 of $1,000,000 for the Teton Basin project in Idaho. These moneys were appropriated to the Bureau of Reclamation for this fiscal year 1975. While the administration has claimed that deferral of these funds would not jeopardize anticipated on-line target dates, the unstable economy, accompanied by few prospects for immediate improvement, lead me to believe that target dates will be missed unless the commitment to use these funds is maintained.

Construction of the Teton Basin project is well underday with initial storage of water behind Teton Dam scheduled to begin in October 1975. Project plans call for the installation of two 10,000-kilowatt generating units; the first unit is expected to go on-line in June 1976. Ultimately, the project could supply 30,000 kilowatts to the electrical energy supply for Idaho. Further, these moneys could be used to complete early acquisition for right-of-ways, to assure uninterrupted construction on fish and wildlife mitigation facilities, and to initiate the drilling of water replacement wells and the installation of pumps, motors, and recreation facilities.

The proposal to defer $1,000,000 from the Teton Basin project may be just enough to prevent this additional generating capacity from going on-line in this coming year. The dam is there, the storage capacity is there, and now the administration proposes a funding cutback which would prevent the generation of the power. Such a step would be untimely.

SOCIAL SECURITY: A SOUND AND DURABLE INSTITUTION OF GREAT VALUE

Mr. CHURCH. Mr. President, in recent months critics of the social security system have launched attacks on many fronts.

These charges, unfortunately, have cast serious doubts about the value and worth of social security, a program which now affects almost every American family in one way or another.

This is not to suggest—and I want to underscore this point—that social security cannot be improved.

Quite clearly, there are several features which merit immediate and close attention, such as improving the financing, the treatment of women, and others.

But charges which are based upon misleading, false, or inaccurate information serve only to undermine public confidence in this vital institution.

And, these groundless attacks constitute a serious disservice for today's retirees and workers.

Many of these arguments have surfaced in the past and have proved to be baseless. And they have no more applicability or creditability today than when they were dismissed years ago.

Recently, a bipartisan Ad Hoc Advisory Committee on Social Security—composed of five former Secretaries of the Department of Health, Education, and Welfare and the three surviving Social Security Commissioners—responded to the attacks challenging the soundness of the system.

Their paper—entitled "Social Security: A Sound and Durable Institution of Great Value"—is the product of several of the most knowledgeable authorities in our entire Nation.

This publication, it seems to me, is must reading for every Member in the Senate. And, it deserves the close scrutiny of citizens from all walks of life.

Mr. President, I ask unanimous consent that this publication, "Social Security: A Sound and Durable Institution of Great Value," be printed in the RECORD.

There being no objection, the publication was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY: A SOUND AND DURABLE INSTITUTION OF GREAT VALUE

Nearly every American has a personal stake in the social security system. Many millions rely on it to safeguard themselves and their families against economic catastrophe when earnings stop because of old age, disability, or death. Attacks on the system designed to create doubts of its soundness and durability are a disservice to the nation.

Several elements of the system, to be sure—the level of benefits, for example, the test of retirement, the benefit rights accorded to women, the adequacy and equity of financing—are quite properly subjects of continuing public debate. Social security has not been and should not be a static structure, for it best serves its purpose if it is adapted to changing times and changing conditions. Public discussion addressed to improvement of the system is both necessary and helpful. But discussion of that kind is very different from assertions that the system is basically unsound, that it is bankrupt, or for some other reason doomed to collapse, or that it is a deception foisted on the American public. Charges similar to these have recurrently been made in the past, and as often have been found baseless. They have no more foundation now than they had when first made nearly forty years ago.

Social security has been probably the most thoroughly and continuously studied, both within and outside government circles, of any program ever enacted by Congress. On five occasions, from 1938 to 1971, the system has been exhaustively reviewed by advisory councils established under congressional auspices and composed of economists and other social scientists and leaders of labor and business, including distinguished actuaries and leaders of the insurance industry. In each instance, the integrity of the system has been vigorously reaffirmed. This history, if it does nothing more, should foster a healthy skepticism toward the current destructive attacks.

The conclusions of these councils have carried much weight and have been an influential factor in bringing about the improvements that have been made in the system over the years. The current statutory advisory council will soon issue a report. Like its predecessors, it has a broad assignment—to review the entire social security program and advise how to make it best serve the public interest. We may well await the recommendations of this council and ensuing congressional hearings on substantive changes in the system which are being widely debated. But we should not wait to deal with irresponsible attacks on the soundness of the structure.

THE ASSURANCE OF FUTURE BENEFIT PAYMENTS

The most vicious of these attacks is the one charging that promised social security benefits may not be paid when they fall due twenty or thirty or forty years hence. To the worker who is compelled to contribute from his earnings every payday, who is counting on these benefits for his security in retirement and for the protection of his family in the meantime, planting seeds of unwarranted doubt is a cruelty.

What are the facts?

The first fact is that the payment of benefits is mandated by the law of the land. A claim to social security benefits is a legal right enforceable in court, and many claims are in fact so enforced when eligibility is unclear. However one may define a "legal right", it certainly embraces a payment commanded by law and judicially enforceable.

The second fact is that Congress has gone far—probably as far as any Congress can go in binding its successors—to assure that future legislators will not, by changing the law, weaken the obligation to pay these benefits. By earmarking the proceeds of social security taxes for the payment of benefits and depositing them in a trust fund for this purpose, by entitling the system insurance, by continuing actions to assure its financial soundness, and by innumerable pronouncements of congressional committees and individual spokesmen, Congress has made clear beyond question its pledge to the American people that the social security commitment will be honored.

The social security system is, in effect, a compact between the people of the United States and their government. Congress, it is true, retains the legal power to violate this compact, which would be a highly irresponsible act, altogether inconsistent with the Congress's 40-year record of responsible action on social security. If there are doubters among us, they should be reminded that a member of Congress who hopes for reelection will not vote to repudiate a promise to virtually his entire constituency. It is inconceivable that a majority of the members of each House of Congress will ever do so.

THE NATURE OF THE CONGRESSIONAL COMMITMENT TO CONTRIBUTORS

The social security commitment differs in an important respect from that of a private insurance company, which in writing a policy fixes its terms in every detail for the life of the policy. Congress, by contrast, has of necessity built an element of flexibility into the national social insurance system. Thus, when Congress has amended the law to improve the benefit structure it has generally given the advantage of the change to those already on the benefit rolls as well as to those who are still contributing. Occasionally, improvement of the structure involves substitution of one benefit for another, as when a provision in the original Act for refund of certain contributions was replaced by the far more valuable provision of dependents' and survivors' benefits. One cannot say that under no circumstances will any individual in this massive system suffer some loss in some future contingency as a result of overall improvements in the system. Such adjustments must, of necessity, fall within the range of flexibility that has been reserved to Congress. What one can say with confidence is that the congressional sense of fair play, reflecting that of the public, gives assurance that the power of amendment will not be abused.

SOCIAL SECURITY IS PROPERLY DESCRIBED AS INSURANCE

It is occasionally asserted that social security is not in fact insurance, that so describing it is misleading, and that its trust funds are grossly inadequate. These assertions have been used by some to foster doubt that the promised benefits will be paid. All these assertions are unfounded.

Although the propriety of its use is a semantic question, the term "insurance" is not without significance to either the congressional or the public perception of social security. Social insurance is a concept long and well recognized across the world, and is one into which social security fits neatly. For good reasons, social insurance differs in important respects from private insurance, but it embodies the central element of financial protection against defined hazards, through a pooling of contributions and a sharing of risks, with benefits payable as a matter of legal right on the happening of stated events. It is fallacious to argue, as some persons do, that the workers' payments are not insurance contributions because they are taxes—all taxes are compulsory contributions, either for the general support of government or for some particular governmental activity, and these payments are none the less contributions to an insurance system because they are also taxes. Congress used the word "insurance" in the statute as one indication of the character of the commitment it was undertaking, and the Supreme Court of the United States has stated that the term "social insurance" accurately describes the program. While anyone has the privilege of dissent, the Court's approval should have put an end to charges that the nomenclature is deceptive.

THE ADEQUACY AND INTEGRITY OF THE TRUST FUNDS

The matter of reserves has been a topic of confused debate almost since the ink dried on the original enactment of social security. In the early days it was said that the contemplated "reserve account" would be unmanageably large; now it is being charged that the social security trust funds are far too small. It was also said in 1936, and is occasionally even said today, that the funds are fictitious because they are invested in government bonds. Charges that social security reserves have been grossly inadequate and charges that they are fictitious have been emphatically rejected by every one of the advisory councils, and they were rejected unanimously as early as 1945 by the social security committee of the insurance industry. A government insurance system which has its future income assured by the taxing power has no need to build up the huge funds that a private insurer would require if it underwrote similar liabilities, and indeed, it would be unwise to the point of irresponsibility to accumulate such sums. The only need for a trust fund is as a contingency reserve large enough to tide the system over any temporary change in income and outgo; if an increase in revenues should be necessary, the trust fund would enable Congress to delay such action during a period of economic recession. As for the worth of the assets in the funds, one need only consider that if a private trustee held these government bonds they would be gilt-edged securities, and then ask oneself how their value disappears when the same bonds are held by government officers as trustees.

The funds reflect the fact that, now, with a substantially mature system, annual contribution income and annual outgo are roughly in balance. This is another way of saying what critics harp on as though it were a demerit, that the benefits paid this year to the aged, the disabled and their dependents, and to survivors of the deceased derive in the main from this year's contributions by workers and their employers. As long as his benefits are adequately assured by the government's ability to obtain future income, today's young worker need have no concern because his contributions are used to pay today's beneficiaries, or because his future benefits will be paid from future contributions.

OFT-REFUTED CHARGES

The charges thus far considered are, in their main outlines, repetition of earlier efforts to discredit the social security program, and they are no more valid now than they have been in the past. Repeatedly and consistently, Congress, after extended study by its responsible committees as well as the distinguished advisory councils, has found these charges to be without merit.

Other charges, though not new in themselves, have acquired a new emphasis because of the steady rise over recent years in the contribution rate and in the ceiling on taxable earnings, and these charges deserve consideration. The increase in the amount of contributions, of course, must be heavily discounted if one thinks in terms of purchasing power rather than of dollars, and in terms of the increase in personal incomes. But whatever the value of the dollar, providing a decent measure of economic security to the retired, to the disabled, and to widows and orphans is a hugely expensive undertaking. The questions that demand serious thought relate not so much to the total sum which the system raises by taxation as they do to the manner in which the burden is distributed.

THE SOCIAL SECURITY SYSTEM IS NOT REGRESSIVE

It is said, for one thing, that social security taxes are regressive because the wealthy pay smaller percentages of their earned income than do the poor, in contrast to the general income tax, under which the wealthy pay higher percentages. If social security collections were taxes for general support of the government, this charge would be unanswerable; one can hardly imagine that Congress would ever have imposed these levies, or would now allow them to remain on the statute books, except as a part of a social insurance system. This charge illustrates, indeed, the fallacy of looking at the two parts of social security in isolation from each other, an approach which inevitably distorts the issues and loads the argument. The issue here is not whether social security taxes are regressive but whether the social security system, taking into account both benefits and contributions, is open to this charge. The answer to that question is "no." The benefit formula is so designed as to give a larger return for each dollar of contributions to the low-wage earner than to the high.

While there are other factors to be considered, some favoring the poor and some working against them, the net effect of the system is to transfer some income from the more affluent as a group to the less affluent. It is legitimate to argue that the system ought to be made more progressive than it is, as for instance by the introduction of a government contribution derived from general revenues, but it is not legitimate to argue, by disregarding the benefit payments, that the system as now structured is regressive.

Another contention which has gained in prominence with the increasing amount of contributions is that, regardless of the liberality of future returns, the present burden is simply more than people in low and moderate income brackets ought to bear out of current earnings. It is often pointed out that many of these people pay more in social security than in income taxes, though the significance of this comparison is not apparent. Many persons pay more for any number of things than they pay in income taxes, and there is nothing inherently inequitable in charging them more for the protections afforded by social security than they are charged for the general support of government. No one can be dogmatic about what burdens on various income groups are tolerable, or represent good social policy, but to say that the poor are too heavily taxed for social security is to say either that their protection should be reduced or that it should be more largely subsidized by the wealthier segments of society. Not many argue for the former alternative, but the latter is widely and properly a matter of debate.

SOCIAL SECURITY GIVES CONTRIBUTORS A GOOD BARGAIN

Statements have been broadly disseminated that social security gives the contributor a poor bargain, and that he could do far better by investing the amount of his contributions in the private markets. This is not true. If we exclude speculative investments (including investment in the erstwhile "ever-rising stock market"), which can always yield some individual a windfall but can also yield a terrible loss, the individual under the social security system receives better value from the government than he could obtain elsewhere. With the automatic escalation of workers' benefit rights as wages rise, and the automatic cost-of-living increase for those already on the benefit rolls, there is no question at all that the worker receives protection worth more than his total contributions with interest. This is true even if all or most of the employer contribution is assumed to rest on the employee in final incidence (either in the form of lower wages or in terms of higher prices to him as a consumer). As long as protection for current workers is kept up to date via automatic escalation provisions there is no way for the social security contributor to get better protection for his or her money.

IMPROVING SOCIAL SECURITY FINANCING

Congress keeps a watchful eye on the acturial balance of the social security system. It has sought, so far as knowledge available at any given time makes possible, to assure the system of adequate financing both for the short run and for the long run. Thus on the basis of all the information available at the time of the most recent amendments, it was thought that the system was adequately financed within a reasonable range for such estimates.

It now appears likely, however, that the system will require some additional financing. The current rate of inflation is so high that benefit increases tied to the cost of living are outrunning the additional income from higher wages. It is estimated that over the next 25 years income to support the cash benefit program will need to be increased by about 10% to 15%. Much less than this will be needed in the early part of this period and more in the latter part. The additional income could come, of course, in part from an increase in the maximum earnings base rather than entirely from the contribution rate or it could come from general revenues rather than from either. In any event, the size of the problem over the next 25 years is easily manageable and certainly does not constitute a financial crisis.

It is possible that in the very long run, say from 2010 on, the active labor force in the United States may be required to support relatively more retired people than was thought to be the case until recently. The fertility rate in the United States has been dropping steadily since 1957 and is now at a point slightly below the rate that would ultimately produce zero population growth. A continuation of fertility rates as low as those experienced in the last few years would mean that the population aged 20 to 65 would stabilize early in the next century but that the number of older people would continue to grow for some time. If this happens it is inevitable, of course, that a higher proportion of goods and services in the next century will need to go to older retired persons as compared with active workers. This is true quite aside from social security and applies equally to other devices for meeting the needs of older people such as private pensions, public assistance, or any other system that might be designed for that purpose.

Fortunately, the same assumptions that produce an increasing burden of support for older people reduce the burden of support for children. Thus active workers will not have to support any more non-workers than they do today as a result of these changed fertility rates, but under the assumptions they will be supporting more older people and fewer younger people.

There are many ways that the next generation may choose to deal with problems caused by an increasing proportion of older people in the population. One approach would be to increase the labor force participation rate for older people and thus reduce the burden of retirement benefits. And then, too, with smaller families more women might work, again reducing the ratio of retired people to active workers. It may be true, too, that over the long run productivity increases in the United States will help meet the problem of supporting an increasing number of older people.

The 1972 amendments provided for the automatic adjustment of benefits in accordance wtih increases in the cost of living. These amendments also provided that protection for current wage earners would be automatically upgraded as wages and prices changed. The way these provisions work can result in protection over the long run increasing at a rate either more or less than increases in wages, depending on the relative movement of prices and wages. Because of the specific wage and price assumptions used, current cost estimates project that, over the long run, benefit rates at the time individuals come on the rolls will have been increased more than increases in wages.

Congress may wish to consider substituting a formula which assures that protection will automatically keep up with increases in wages but will not exceed such increases. If in the future it seemed desirable for benefits to be increaesd even more, this could be done by legislation. Such a change in the formula would have two results: One, it would provide workers with a greater certainty that benefits would reflect their level of living at the time of retirement, or disability, or death; and, two, it would result in a substantially lower long-range cost than is shown by the current estimates.

WEIGHING THE ALTERNATIVES AND THEIR COSTS

Congress in the years ahead will by no means confine its attention to the problem of financing, but will examine a wide range of issues about particulars of the system. These particulars reflect past judgments of the best use to which available funds can be put, but those judgments have always been and are now open to reassessment. Some of these issues, however, have been seized upon by current critics of the system with the assertion that present provisions of the law are manifestly unjust and that this supposed injustice somehow affords a reason to abandon social security altogether or to change its basic characteristics as a contributory, earnings-related system. Neither part of this assertion holds water: each of these provisions is the product of a considered weighing of the equities, the costs, and of the arguments pro and con; each of them is subject to change, without disruption of the present system, if change of conditions or change of opinion is found to make that desirable.

THE RETIREMENT TEST

One of the provisions most frequently under attack is the test of retirement. This test, indeed, has been a bone of contention for many years with much support for its abandonment and for the automatic payment of benefits upon attainment of age 65. Basically, social security has been designed as insurance against loss of earnings, and loss of earnings does not occur automatically at age 65. The retirement test is the mechanism that is used to determine whether such a loss has taken place, its effect being reduction or suspension of benefits for periods in which earnings are above stated amounts. The amounts will be increased to keep up to date with rising earnings by the automatic adjustment provisions in present law and, of course, as in the past they may be further increased by amendments to the law, but the present structure of the test is probably as fair a method as can be devised if we are not to abandon retirement altogether as a condition of eligibility.

Some people believe, however, that this condition of eligibility is basically unfair in depriving people of benefits for continuing to work after reaching 65, and that it is undesirable because it stands in the way of people on the benefit roll who wish to supplement their social security income as much as they can. Those who support the retirement test point out that its abolition would cost in the equivalent of a one-half-of-1% increase in the combined employer-employee contribution rate and would benefit less than one-tenth of the people over 65 who are otherwise eligible for benefits. They ask whether funds in this amount are better used to supplement the incomes of those who still have substantial earning power or by spreading the funds among the nine-tenths who do not, or cannot, earn enough to bring them within the ambit of the retirement test.

Arguments such as these have persisted over the years, but they have no bearing on the soundness or durability of the social security system; abolition of the retirement test would aggravate somewhat the problem of financing, but it would no more spell the doom of the program than does retention of the test. Congress has repeatedly considered this issue and has repeatedly concluded that adaptation of the test in response to rising levels of earnings is preferable to its repeal.

A different attack on the retirement test, however, does have destructive implications. This is the contention that if benefits are withheld on account of earnings, they should also be withheld on account of the receipt of private pension payments, dividends, interest, or other unearned income—in other words, that the payment of benefits should be conditioned on a means test. This change would deprive the program of one of its major strengths, its encouragement of people in their working years to supplement their social security protection through savings and private pension plans. The change, indeed, would in all likelihood mean the end of contributory social insurance, since the masses of self-supporting people would hardly put up with paying social security contributions if they knew they would get nothing in return unless they should ultimately fall into the ranks of the indigent.

SOCIAL INSURANCE—NOT A MEANS-TEST PROGRAM

Mechanisms for preventing destitution in old age or in the event of the death or disability of the family breadwinner are, broadly speaking, of two kinds, contributory and noncontributory. The nation has chosen contributory social insurance as the primary mechanism, and those who would abandon that system must be prepared to substitute some form of noncontributory aid to those groups in the population who are now eligible for social security benefits.

A 100-percent noncontributory system, lacking the compact between government and contributors that is built into social securtiy, could offer no comparable assurance to worikng people, or even to those already on the rolls, that the promised benefits would not be curtailed in times of budgetary stringency. Designing such a system, moreover, would raise many thorny questions in specifing who should receive benefits, how large they should be, and how, if at all, their amounts should be varied.

There is an almost infinite variety of theoretical answers to these questions but the hard reality is that a noncontributory system would almost inevitably come to rest upon a means test so that no one would receive benefits until after poverty had overtaken him. Why, the argument would run, should the general taxpayer support persons who can support themselves if they have made no contribution to their own insurance protection? The experience of public assistance (commonly known as "welfare") augurs ill for the willingness of taxpayers to help their fellow citizens who are thought, rightly or wrongly, to be able in one way or another to support themselves. It is not likely that taxpayers would be willing or that Congress would be willing to compel them to provide noncontributory benefits without a means test and at a comparable level of adequacy to the thirty million people who now receive social security benefits—the elderly, the disabled, and their dependents, the widows and the widowers, and the motherless or fatherless children.

The benefits these people now receive are earned rights based on their past work and contributions, or on those of family members, thus reflecting their previous standards of living and serving in some measure as a reward for diligence. The benefits are payable without scrutiny of individual means and needs and so permit supplementation by anything the recipients have been able to save. Because they are payable as an earned right, the benefits accord with the self-respect of people accustomed to providing for themselves. It is small wonder that Congress and the people have preferred contributory social insurance to a system benefiting only those who can show themselves to be destitute.

The working portion of our population must, in one way or another, support that portion that is not working and does not have enough resources to meet the cost of living. Most non-working wives and children are supported, in normal course, by family breadwinners. The retired and the disabled, the widows and orphans, on the other hand, commonly have neither family support nor savings sufficient to maintain them, and some governmental mechanism is essential if they are not to be allowed to go hungry.

The ultimate question posed by current attacks on social security is whether the American people should continue to support contributory social insurance which is designed to prevent poverty from occurring, or should place basic reliance on measures to relieve poverty after it has become a fact. Necessary as relief programs are, most of us think them a poor second to prevention.

Critics who say that social security is nothing but a "welfare" program probably intend the remark to be pejorative. If so, in using this word they speak more truly than they know. Social security is indeed "welfare" in the true sense of the word, which is the sense also in which the Constitution uses it. The system was created by an exercise of the power of Congress to raise and spend money to "provide for the . . . general welfare of the United States"—the welfare of all the millions of people who, though now self-supporting, would without social security quickly face destitution if or when earnings cease because of old age or disability, or support ceases because of death of a family breadwinner; as well, of course, as the welfare of the other millions who have already suffered one of these deprivations. "The hope behind this statute," said Mr. Justice Cardozo in 1937, "is to save men and women from the rigors of the poorhouse as well as from the haunting fear that such a lot awaits them when journey's end is near." That hope has been too largely fulfilled to make for tolerance of those who would now destroy it.

SENATOR FRANK CHURCH: A DISTINGUISHED RECORD OF ACHIEVEMENT FOR OLDER AMERICANS

Mr. MANSFIELD. Mr. President, the Senate Committee on Aging was created in 1961 to be a focal point and advocate in the Senate on behalf of the Nation's elderly.

Over the years the committee has provided valuable service to aged and aging Americans, as well as our Nation as a whole.

In large part, this is because of outstanding leadership during its 14 years of existence.

The present chairman—Senator FRANK CHURCH—exemplifies this quality.

During his 4 years as chairman, he has consistently been in the forefront on everyday issues of direct concern to the elderly.

Above all, he has been an extraordinarily effective advocate for older Americans, with numerous legislative accomplishments including:

Enactment of a 20-percent social security increase, the largest dollar raise by far in the history of the program;

Establishment of a cost-of-living adjustment mechanism to make social security benefits inflation-proof for the elderly;

Strengthening of the Age Discrimination in Employment Act to open the door to new job opportunities now denied older workers; and

Approval of last year's two-step, 11 percent social security increase.

Senator CHURCH has never lost a floor amendment on an issue affecting the elderly since being named committee chairman. And, most of his Senate-passed amendments have been enacted into law.

A few weeks ago he won the support of a clearcut majority for his proposal—Senate Concurrent Resolution 2—to express congressional opposition to any reduction is the July social security cost-of-living increase, such as the administration's proposed 5-percent ceiling. With such backing the Nation's elderly can be more confident that they will receive the full amount of the cost-of-living raise.

Now, he is also leading the way on other legislation of direct concern for the aged, including an independent, nonpolitical Social Security Administration; an Older Americans Tax Counseling Assistance Act; modernization of the retirement income credit; and extension of medicare coverage to include essential out-of-hospital prescription drugs.

All of these proposals have generated strong bipartisan support.

The Senate is, indeed, fortunate to have an individual with his capabilities and integrity.

And, I wish to pay special tribute to his effective leadership on behalf of older Americans.

TIME TO GET OUT OF KOREA

Mr. CHURCH. Mr. President, for several years the United States has been struggling to aline its foreign policy with its real national interests. The Nixon doctrine was propounded to reduce our commitments in Asia while allowing friends and allies to provide for their own defense. And, while rhetoric has outstripped deeds, there has been progress—with two or three notable exceptions.

The most notable of these exceptions is South Korea where the United States still maintains 38,000 troops at a cost of $1 billion, more than 20 years after the Korean war. How can this commitment be squared with the fact that South Korea possesses the world's fifth largest army—625,000 men under arms—and some of the most sophisticated weaponry in existence? Retired Adm. Gene LaRocque, director of the Center for Defense Information in Washington, argues that our continued deployment of troops in Korea imperils our security rather than enhances it.

In an article printed in the December 18 edition of the Los Angeles Times, Admiral LaRocque points out that our troops are actually being used as hostages in order to require the reentry of a large American ground force in the event of future hostilities. Moreover, our weapons are vulnerable to capture by enemy forces and our presence helps to maintain in power an oppressive political regime.

President Ford has recently offered indefinite support for President Park in the form of our hostage troops, but the President does not alone make foreign policy. Congress should move this year to reduce our expensive involvement in South Korea and Admiral LaRocque's article should help us to understand the reasons why.

I ask unanimous consent that the article "United States Should Leave Korea—For Money, Security," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES SHOULD LEAVE KOREA—FOR MONEY, SECURITY

(By Gene LaRocque)

In between his recent visits to Japan and Vladivostok President Ford squeezed in a short stop in South Korea to perpetuate American support for the military dictatorship of that country. Specifically, Mr. Ford promised to keep 38,000 U.S. troops in South Korea indefinitely and to give more millions of dollars to support the Korean military.

As President Ford, faced with a worsening U.S. economy, seeks ways to ameliorate hardship at home without contributing to inflation, he would be wise to reverse signals about South Korea. That is one area of the world where our military budget could be cut—with positive advantages to U.S. national security. Savings and security could be combined—simply by withdrawing all American soldiers from South Korea.

Prompt withdrawal could save more than $1 billion in the Defense Department budget. Since the end of the Korean war, we have poured $11 billion into maintaining U.S. troops in South Korea. What we have bought for our money is the regime of Gen. Park Chung Hee whose despotism is embarrassing us diplomatically and hurting us strategically.

Militarily, we have done more than enough. The South Koreans simply don't need us any more. They have a powerful force of 625,000 men equipped with modern aircraft, tanks and surface-to-air missiles. South Korea, with a population twice that of North Korea and a gross national product three times greater, has the fifth-largest military force in the world. Even Secretary of Defense James R. Schlesinger conceded recently that "South Korea has the manpower, firepower and defensive position to repulse a North Korean attack without U.S. ground support."

In no way does our presence contribute to the defense of the United States. In fact, stationing troops in South Korea weakens our national security. Just by being there, they could cause our automatic involvement in another costly land war on the Asian mainland, whether triggered by President Park or the North Koreans. Our 38,000 troops, in short, would be hostages requiring help from other U.S. forces to prevent their capture.

The largest U.S. contingent now deployed there is the 2nd Infantry Division, which has been stationed near the North Korean border for more, than 20 years. If fighting flared, this division would certainly be the first unit to become involved regardless of who attacked first—and regardless, too, of military problems that might be arising elsewhere in the world. (Danger of this kind would become particularly acute as our oil stores diminish.)

The presence of a great number of U.S. weapons in South Korea—many of which can be armed with nuclear warheads—also presents a problem of enormous gravity. These weapons are vulnerable to capture by enemy forces in time of war or by various groups, perhaps terrorists, in South Korea itself. Beyond that, their withdrawal would save us the expense of storing and protecting them on Korean soil.

Given the potential for political turmoil in South Korea, U.S. nuclear weapons could become political weapons in efforts to involve this country in war against the north. Thus the withdrawal of such weapons—they are now deployed in forward areas—would enhance, not weaken, U.S. security. (Indeed, we should reexamine our general policy of stationing nuclear weapons in many parts of the world.)

The military rationale for U.S. troops in Korea no longer makes sense—and I am not alone in holding this view. Let me once again quote Secretary Schlesinger, who told a congressional committee this year that "The justification for those forces is no longer primarily a military one—the political purpose is primary now."

Yet, unless the United States recognizes the negative political consequence of its close identification with President Park's oppressive political regime, we may repeat in South Korea our experience in Greece where, in order to hold onto military bases, we supported a military dictatorship, lost the goodwill of the people—and, in the bargain, probably weakened our long-term security interests in the area.

A stepping down of our military involvement in Korea, accompanied by diminished support for Park's dictatorship, would permit the political situation in South Korea to evolve in a more democratic and stable direction, benefiting both that country and our own.

One specific benefit to the United States—in addition to a saving of about $1 billion—is that we would regain our option of whether to go to war again in Korea if war were to break out there. Our withdrawal, in fact, might well ameliorate hostility between North and South Korea, for once their forces have achieved relative parity, they might learn to live with one another.

Thus, if President Ford means what he says about budget reductions, one place to start is South Korea. It is, of course, in the best interest of the United States to maintain a strong national defense, but this does not mean that the proposed military budget should be swallowed whole. Far from contributing to our defense posture, the presence of U.S. troops and weaponry in South Korea is as counterproductive as it is wasteful.

FISCAL 1976 BUDGET: MORE "BAD NEWS" FOR THE ELDERLY

Mr. CHURCH. Mr. President, in recent weeks the administration has described the "bad news" for the American public on several fronts:

An 8.2 percent unemployment level, the highest since 1941;

A 12.2 percent inflationary rate in 1974, representing the greatest jump in prices since 1946; and

The ominous prospect of increased gasoline costs and fuel shortages in the months ahead.

A few days ago the President had more bad news—especially for older Americans—when he submitted his fiscal 1976 budget to the Congress.

His new budget calls for $349.4 billion in Federal spending and a $51.9 billion deficit, a peacetime record.

And the spending request for the Pentagon is also at an all time high—$106.34 billion, or $15.58 billion more than was appropriated for the present fiscal year.

But the recent budgetary recommendations provide a clear signal that the administration has given the elderly a low priority on the list of groups to be helped.

Such actions can only aggravate an already serious—and even critical—situation for persons struggling on limited incomes in a period of unacceptably high inflation.

In terms of discretionary spending for programs serving aged and aging Americans, the administration's budget reflects retrenchment and an almost total insensitivity to the needs of the elderly.

Perhaps even worse, the administration shows a willingness to tamper with the social security trust funds.

The administration has, for example, proposed a 5-percent ceiling for the July social security and supplemental security income cost-of-living raises.

However, 53 Senators have joined me in sponsoring Senate Concurrent Resolution 2 which puts the Congress on record in opposition to any reduction in the cost-of-living increase. With such strong bipartisan support, social security and supplementary security income beneficiaries can hope that they will, in fact, receive the full automatic adjustment as provided by law.

The administration also proposes a cutback in the food stamp program.

One Department of Agriculture official informed the Community Nutrition Institute that conceivably one-half of all aged individuals and couples might be forced to leave the program because of the administration's proposed increased charges.

Fortunately, Congress has overwhelmingly approved legislation, H.R. 1589, to prohibit an increase in charges for food stamps for 1975. This action can provide welcome relief for low-income persons who find their purchasing power eroded with each passing day.

President Ford recently announced that he would allow H.R. 1589 to become law, although without his signature.

On other fronts, the administration has launched a systematic attack to reduce Federal expenditures for services for the aged, at a time when inflationary pressures are driving up the costs of these programs.

A $42.4 million cutback in funding for programs under the Older Americans Act is recommended in the new budget: the largest dollar and percentage reduction in the entire history of the act.

No funding is requested for the third consecutive year for the Older American Community Service Employment Act, although unemployment for persons 55 and above has increased by 52 percent since July 1974.

The administration has also requested no funding—again for the third consecutive year—for the senior opportunities and services program. Yet, 1 million low-income elderly persons receive valuable services which can help them to live independently in their own communities.

No additional lending authority is requested for the section 202 housing for the elderly and handicapped program, although many older Americans live in dilapidated, deteriorating, or unsuitable housing.

A $1.8 million reduction is also proposed for ACTION'S aging programs—Foster Grandparents, the Retired Senior Volunteer program, Service Corps of Retired Executives, and Active Corps of Executives.

There are, however, a few encouraging notes in the administration's budget.

First, a proposed funding increase for the National Institute on Aging would allow it to support 157 grants and projects relating to the biological, social, and behavioral aspects of the aging process. This compares with a projected level of 147 for the present fiscal year.

Second, the administration is calling for only $150,000 more in funding for enforcement activities under the Age Discrimination in Employment Act. This amount would support the same number of positions as projected for this year, even though more are dearly needed.

Third, about one-third of estimated expenditures for social services under title XX of the Social Security Act is projected for aged, blind, and disabled persons.

During the months ahead, each Member of Congress must give close attention to the Federal budget in terms of making difficult decisions about spending priorities.

As the chairman of the Senate Committee on Aging, I have called upon the staff to make an analysis of the impact of the new budget upon older Americans. A detailed summary should be available within the next few days.

In the interim, the staff has prepared a brief memorandum describing the highlights in the 1976 budget.

Mr. President, I commend this document to my colleagues, and ask unanimous consent that it be printed in the Record.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Impact of Fiscal 1976 Budget Upon Elderly: A Preliminary Report

President Ford's proposed $349.4 billion budget for fiscal 1976, submitted to the Congress on February 3, includes several recommendations of direct importance to older Americans.

A detailed analysis of these budget proposals will soon be mailed to those who regularly receive the memorandum.

In the interim, the Committee on Aging has prepared this brief summary of the budget highlights:

Older Americans Act: A $42.4 million cutback from the fiscal 1975 appropriation is proposed for AoA program. $202.6 million total: $96 million for Tilte III, $7 million for Title IV Research, and $99.6 million for Title VII Nutrition. Miscellaneous funding requests: (1) $10.2 million for AoA salaries and expenses, the National Information and Research Clearing House, and staff for the Federal Council on the Aging and (2) approximately $500,000 for the Federal Council on the Aging. (For further information, see "Rescissions for Fiscal 1975 Expenditures.")

Social security: Projected retirement, survivor, and disability benefit payments: $72 billion for 33.5 million persons (incorporates Administration proposed freeze of cost-of-living increase at 5 percent; see p. 2 for discussion of Congressional response).

Medicare: Estimated at $15.5 billion for hospitalization and medical protection for nearly 24 million aged and disabled beneficiaries.

Supplemental security income: Projected at $5.5 billion for fiscal 1976, about $600 million above the estimated fiscal 1975 level.

Housing: No additional lending authority requested for section 202 housing for the elderly and handicapped. No additional authority for conventional public housing. $662.3 million in contract authority requested for section 8 housing assistance payments.

ACTION'S aging programs: Fiscal 1976 request is about $1.8 million below the fiscal 1975 appropriations: $25.93 million for Foster Grandparents, $1.64 million for Senior Companions, $17.5 million for RSVP, and $400,000 for SCORE and ACE.

Food stamps: $3.85 billion requested for fiscal 1976, assuming Administration's proposal to raise the price of food stamps (see discussion below) becomes effective. If Congress blocks this measure, projected spending is $4.5 billion.

Nursing home care: Projected at $239 million under Medicare and $2 billion in Federal funds under Medicaid.

Home health care: Total Medicare home health reimbursement estimated at $148 million ($98 million under Part A and $50 million under Part B), or less than 1 percent of Medicare's projected outlays.

National Institute on Aging: Budget recommendation $16.19 million for fiscal 1976, compared with $15.74 million for fiscal 1975. Fiscal 1976 request expected to support 157 grants and projects, up slightly from the fiscal 1975 level of 147.

Aging research at NIMH: Only about 0.4 percent of the National Institute of Mental Health's funding request for fiscal 1976 ($306 million) would be specifically targeted for aging research ($1.32 million).

Age discrimination in employment: $2,168,000 for enforcement activities. Would support 81 positions, the same number assigned in fiscal 1975.

Senior opportunities and services: No appropriations requested for third consecutive year. SOS now operates under a continuing resolution. For fiscal 1975, $7.5 million is allocated to SOS to continue operations through March 31, 1975.

Social services for adults: $608 million for aged, blind, and disabled, or about one-third of proposed $1.95 billion total estimate for fiscal 1976. However, total Federal outlays would be reduced by $488 million if Administration's recommendation to reduce Federal match (from 75 to 65 percent in fiscal 1976 and to 50 percent in 1977) is adopted.

Older American Community Service Employment Act: No funding requested for the third consecutive year. Congress appropriated $12 million for current fiscal year.

Railroad retirement annuities: Payments for retirement, disability, spouse, and survivor benefits projected at $3.3 billion in fiscal 1976, nearly $300 million above fiscal 1975 estimate.

Community education: $4 million request—$13 million below $17 million fiscal 1976 authorization ($12 million for program grants and $5 million for training).

RESCISSIONS FOR FISCAL 1975 EXPENDITURES

On January 30 the Administration called for rescissions in appropriations already made by the Congress for fiscal 1975. Among the major rescissions for aging programs: (1) A $9 million cutback for the Title III State and Community Programs under the Older Americans Act, from the Congressional appropriation of $105 million to the Administration's budget request of $96 million; (2) Elimination of the $8 million appropriation for Title IV Training; (3) a $25.4 million funding reduction for the elderly nutrition program, from $125 million to $99.6 million; (4) Impoundment of the entire $12 million appropriation for the Older American Community Service Employment Act; and (5) A reduction in the budgeted amount for the National Institute on Aging, from $15.74 million to $14.1 million. Under the new Budget the Impoundment Control Act, both the House and Senate must pass a rescission bill within 45 days of the President's proposal to ratify the recommended reduction in funding. Otherwise, the funds must be spent by the Administration.

OPPOSITION TO 5 PERCENT CEILING ON COST-OF-LIVING INCREASE

Fifty-three Senators have joined Senator Church in sponsoring S. Con. Res. 2 which expresses Congressional opposition to any proposed reduction in Social Security benefits. In his State of the Union message, President Ford called for a 5 percent ceiling for the July cost-of-living raise. Based on present estimates, the cost-of-living increase is expected to be about 8.7 percent for nearly 31 million beneficiaries. The strong bipartisan support for S. Con. Res. 2 virtually assures Social Security beneficiaries that they will receive the full amount of the cost-of-living adjustment, as authorized by law. S. Con. Res. 2 would also have the effect of nullifying the proposed 5 percent lid on increases in the Supplemental Security Income standards this July, since the SSI automatic escalator provision is pegged to the Social Security automatic adjustment mechanism. (For more information, see January 21, 1975 Cong. Rec., pp. 889–891.)

CONGRESS VOTES PROHIBITION ON INCREASED FOOD STAMP CHARGES

The House of Representatives (by 374 to 39 on February 4) and the Senate (by 76 to 8 on February 5) passed H.R. 1589, which would prohibit an increase in charges for food stamps for 1975. The Administration proposed to require nearly all Food Stamp households (except those not required to pay because they have little or no income) to pay 30 percent of their income to purchase food stamps. (For more detailed information about the Administration's proposal, see 12/20/74 MEMORANDUM.) President Ford announced on February 13 that he would allow H.R. 1589 to become law without his signature.

SPEAKER NAMES RANDALL CHAIRMAN OF HOUSE AGING COMMITTEE

House Speaker Carl Albert named Representative William J. Randall (Mo.) as the Chairman of the House Select Committee on Aging on February 6. Other new members of the Committee include Representatives Pepper (Fla.), Matsunaga (Ha.), Roybal (Ca.), Rooney (Pa.), Biaggi (N.Y.), Flowers (Ala.), Andrews (N.C.), John Burton (Ca.), Beard (R.I.), Blouin (Ia.), Bonker (Wash.), Downey (N.Y.), Florio (N.J.), Ford (Tenn.), Hughes (N.J.), Lloyd (Tenn.), Santini (Nev.), Wilson (Ca.), Wampler (Va.), Hammerschmidt (Ark.), Heinz (Pa.), Cohen (Me.), Sarasin (Conn.), Walsh (N.Y.), Grassley (Ia.).

CHURCH INTRODUCES INDEPENDENT SOCIAL SECURITY AGENCY BILL

Senator Frank Church, Chairman of the Senate Committee on Aging, introduced the Social Security Administration Act (S. 388) on January 27. S. 388 would (1) establish the Social Security Administration as an autonomous agency outside the Department of Health, Education, and Welfare and place it under the direction of a three-member governing board appointed by the President with the advice and consent of the Senate; (2) prohibit the mailing of notices with Social Security and Supplemental Security Income checks which make any reference to elected Federal officials; and (3) separate the transactions of the Social Security trust funds from the unified budget. Cosponsors of S. 388 include Senators Clark, Humphrey, Kennedy, Biden, Ribicoff, Williams, Hart of Michigan, Burdick, Tunney, Huddleston, Hatfield, and Schweiker.

HEARING: TRENDS IN LONG-TERM CARE

To continue at 9:30 a.m. Wednesday, February 19, in Room 1318.

RECENT COMMITTEE HEARINGS AND REPORTS

(Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.)

Nursing Home Care in the United States: Failure in Public Policy: Supporting Paper No. 2: Drugs in Nursing Homes: Misuse, High Costs, and Kickbacks, Stock No. 052–070–02701, $1.20.

Protecting Older Americans Against Overpayment of Income Taxes (A Checklist of Itemized Deductions), Committee Print, Stock No. 052–070–02228, 30¢.

Action on Aging Legislation in 93D Congress, Committee Print, Stock No. 052–070–02641, 30¢.

Future Directions in Social Security: Part 7, Stock No. 052–070–02731, $1.55. Part 8, Stock No. 052–070–02732, $1.55.

THE ENERGY CRISIS: A MUTUAL PROBLEM

Mr. BARTLETT. Mr. President, on February 9 and 10, I participated in a seminar in Lausanne, Switzerland which was attended by representatives of oil producing and oil consuming nations. Considering the current debate on our economy and energy, I am confident all Senators would be interested in the results of this meeting.

I ask unanimous consent to have the Georgetown University Center for Strategic and International Studies summary of this seminar printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

CSIS HOLDS PRODUCERS-CONSUMERS SEMINAR

WASHINGTON. The Center for Strategic and International Studies of Georgetown University, Washington, D.C., organized a seminar in Lausanne, Switzerland, on February 9th and 10th, 1975, to discuss the problems facing oil-producing and oil-consuming states. This was part of an ongoing series of CSIS seminars.

Among those who attended the seminar were:

His Excellency Ambassador A. Dabbagh, Permanent Representative of Kuwait to the United Nations, Geneva; His Excellency Dr. Reza Fallah, Deputy Chairman of the National Iranian Oil Company; U.S. Senator William Roth; U.S. Senator Dewey Bartlett; U.S. Congressman Al Ullman; and U.S. Congressman Mike McCormack.

The major conclusion to emerge from the meetings was that preoccupations over the short-term effects of the energy crisis—issues such as the maintenance of international liquidity and the minimalization of balance of payment deficits—had obscured the communal nature of long-term problems.

Both producers and consumers are gradually becoming aware of the fact that they face mutual problems of how to develop new sources of energy in order to cope with the ultimate exhaustion of the world's petroleum reserves.

The industrialized states need energy as their very life blood. The current oil-producing states need revenues for their development and will need energy and revenues from other sources to maintain their economies when their petroleum reserves have been fully exploited.

The seminar felt that much more emphasis should be given to the shared nature of these problems—one participant from an oil-producing country expressed the feeling succinctly, when he remarked that "we are all in the same boat together." Under such circumstances, cooperation, not confrontation, is the key to success.

The seminar discussed problems associated with price levels and with the investment of oil surplus revenues, but no consensus of opinion was reached. These revenues were no longer believed to be as large as was once feared, but they remain a potential source of instability to the financial system of the free world. It was felt that the industrial countries should seek investment capital from the oil-producing countries. In order to foster this process, the industrialized countries should provide guidelines for potential investors and define those areas of economic activity in which investment would be welcome. The development of new forms of energy was indicated as one possible and fruitful area which merited further joint study.

The seminar gave much time to a review of the suggestion by H.E. Dr. Fallah for the creation of a special energy bank and the issuing of convertible energy bonds to deal with the surplus funds after other measures have been taken. While there was disagreement as to the particulars of the scheme, there was general agreement that the concept held out great promise. This proposed solution, which might put an end to the present crisis, could take the form of the deposit of some, or all, of the remaining surplus oil funds in a special energy bank which could be an entirely new and independent organization, or function under the auspices of the World Bank.

Against the funds deposited, the new bank would issue long-term convertible Energy Bonds, the normal value of which would be expressed in units of both energy and currency that would correspond with the cash value of the energy on the date of issue. To further assist the liquidity of the banking institutions of the West, all interest on these convertible energy bonds could be cumulative.

At maturity the bank would, at the discretion of the depositors, either arrange for the return of an increased amount of energy of a similar type adjusted in accordance with the appropriate money interest rates, or its prevailing market value: or just the nominal value of the bond plus interest. Such repayments would, of course, be extended over a period of time to be agreed.

Such an arrangement would remove the petroleum exporting countries' fear of inflation and encourage them to produce sufficent supplies for the world's energy needs during the transitional period. The seminar recognized that such a scheme would not be easy to implement, but it welcomed the plan as an imaginative, novel, and far-sighted approach to the problem of ensuring the correction of the imbalance which at present is dislocating the economies of the Western countries and as a means of safeguarding the value of the surpluses that are being accumulated by the producing nations. It was, however, agreed that the scheme needed further elaboration and studies of the working details to ascertain whether its implementation will achieve its desired objectives, but that further study is certainly merited.

The seminar felt that the frank exchange of views which had taken place was most valuable in revealing the true community of interests which exists between oil producers and consumers. The seminar felt that further investigation of these mutual problems was necessary and would reinforce the ability of each side to appreciate the difficulties faced by the other. The problems, the seminar recognized, are enormous; but they are not divergent, and solutions can be achieved only within the framework of a dialogue, and in the atmosphere of mutual understanding and cooperation.

OLDER AMERICANS VICTIMS OF INFLATION

Mr. CHURCH. Mr. President, the staff of the Senate Special Committee on Aging is now preparing a study of the administration's fiscal year 1976 budget request as it would affect older Americans.

The analysis of necessity must deal with huge numbers: billions of dollars sought, or not sought, for the many programs and activities related to aging.

The committee will report that several of the assumptions on which the budget is based are bad news for the elderly. The administration, which requests new billions of dollars for military weapons, would increase the costs of medicare and food stamps. It would freeze a social security increase this July at 5 percent, even though Congress made a compact promising the elderly and other social security recipients an increase which would amount to about 8.7 percent in that month.

I am happy to report that Congress has readily recognized the inequities involved in many of the President's proposals. It has already voted against the increase in food stamp costs. In the Senate, more than a majority of members are cosponsoring my resolution in opposition to the proposed 5 percent freeze in social security benefits.

Congress will fight many of the so-called cost savings which have been tucked into the budget. For example, the administration is also seeking significant cutbacks in the Older Americans Act at just the time that agencies on aging—established under authority of 1973 amendments—are finally beginning to function. Here again the "saving" would be costly; it would triple programs and staffs at a crucial time.

While we in the Congress deal with the statistics of the budget request, the elderly citizens of our Nation must deal every day with the cruel realities of inflation. To them, the need is now; they need no economic theory to tell them that fixed income in a time of rising costs spells misery.

The U.S. News & World Report conducted interviews recently with scores of persons living on social security and other modest retirement income. In the February 10 issue, that magazine gave a gripping account of the daily struggle now going on among this Nation's retirees. I ask unanimous consent to have that article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIFE FOR THE ELDERLY IN 1975—MANY ARE HUNGRY AND AFRAID

SAN FRANCISCO.—For more and more of America's 21.8 million persons who are aged 65 and over, the current runaway inflation is turning life on a fixed income into a deepening nightmare.

In slum areas of big cities, elderly men and women who can no longer afford rentals elsewhere are congregating in "gray ghettos." Often, they are pinned to their shoddy hotel rooms by fear of thieves or muggers roaming the streets outside.

More-affluent retirees are giving up small luxuries, and cutting back on food and clothing purchases as they eye a newly uncertain future.

Here in San Francisco, which many Americans see as Dream City, an 82-year-old retired police officer watches his life's savings drain away as he awaits an increase in his meager pension.

In one blue-collar neighborhood, an elderly man who retired on what he thought was an ample pension has taken to going up and down the streets daily asking people if they want their lawns cut.

GOING WITHOUT SUPPER

In the "gray ghetto" north of Market Street, a 72-year-old man who once dealt cards in Nevada casinos fears another rent increase for his hotel room. He canvasses nearby restaurants daily, hoping to save a few pennies on meals.

"When the end of the month comes, I am usually down to my last few dollars. When that happens, I sometimes skip supper," he said.

Hundreds, if not thousands, of San Francisco's elderly live on the brink of the abyss—skimping on meals and agonizing over prospects of higher costs of food stamps, rentals and medicare.

One frightened woman told an interviewer at a free medical clinic offering subsidized meals:

"I haven't a penny for food. I can eat here tomorrow, but then what do I do until Tuesday?"

THE LUCKIER ONES

Not all retirees are that badly hit by inflation. A substantial minority of America's elderly enjoy retirement incomes of $10,000 a year or more, enough to provide most with a comfortable living for the time being.

Most secure of all, except for the rich, are middle and upper-bracket retirees from Government bureaucracy whose benefits are raised every six months to meet cost-of-living rises.

One Government retiree in the San Francisco area boasts that he is making two thirds more than he did at the time of his retirement in 1965. Within the past year alone, he has received two increases, and another is imminent. He said:

"I have more money and time now than I know what to do with."

For most of the elderly, however, high-flying inflation is becoming the harsh and governing fact of their remaining years—not only in San Francisco but across the nation.

Michigan's acting director of services to the aging says that one third of those aged 60 or older now are eating fewer than three meals a day, and that the situation may be worsening.

In New Orleans, where 59 per cent of those over 65 have incomes of $3,000 or less, an authority on aging noted:

"These people usually live alone and have to cover all their own expenses—which are higher because of the need for transportation and special needs for medical care.

"It's a bigger problem than for the impoverished younger person."

Director Alice M. Brophy of New York City's Office of the Aging reports that most of the aged "have no place to retreat to" as food staples of the poor—margarine and hamburger, for instance—soar in price.

In Miami, senior citizens are pushing for a State-run lottery to help older people survive inflation by providing free medical care for all.

Said a spokesman:

"Inflation is starving senior citizens—that's what it's done. Many times when they finish paying their rent they don't have the money for food stamps, even though they're entitled to them."

In Atlanta, an official of the Southeastern Council on Aging observed:

"These are people who went through the depression, World War I, World War II and then saw their sons and grandsons going off to war in Vietnam.

"They're sturdy people and they've come through all these things. If the economy gets bad enough, they may have to go through another one."

The full story of what today's soaring inflation is doing to the nation's elderly is not easy to obtain.

In San Francisco, where one out of five persons is aged 60 or more, about 5,000 of the elderly poor are getting at least one government-subsidized hot meal on weekdays.

Official estimates, however, are that at least 50,000 could benefit from this service—though rising food costs and proposed federal cutbacks threaten the limited programs now being offered.

SILENCE AND PRIDE

Furthermore, untold thousands of middle-class retirees are believed to be enduring the miseries of inflation in bitter silence and pride rather than seeking welfare of any kind.

At a clinic that serves older people in a rundown area of San Francisco—"The Tenderloin"—a social worker has this to say:

"Some who come in at mealtime will leave without eating because they don't want to let people know they are without the 50 cents paid by those who can afford it."

To get a reasonably broad picture of the situation—in microcosm, the story of what millions of elderly people are experiencing throughout the nation—a staff reporter of "U.S. News & World Report" spent many days and evenings talking with scores of men and women on fixed incomes. A few of the case histories:

Mrs. Jean Mellor, 74, who is separated from her husband in Rhode Island, came to San Francisco a year ago. For a time she lived on $81 a month from Social Security, getting by on one subsidized meal daily plus fruit.

"If I didn't have food stamps, I would never have been able to do it," she says. "I would have starved."

She now receives $255 a month—some in Social Security, but most in public assistance.

With that help, she is able to live in a shabby but spacious room in "The Tenderloin," amid its seedy hotels and cheap bars.

It is a section where more than 15,000 elderly poor live—for the most part in small rooms and without adequate medical care or attention. Some are getting only the minimum $81 a month, and a few complain that there has been no increase in their checks for the last 10 years.

Like other older persons, Mrs. Mellor worries about the high rate of crime, the prostitutes and drug pushers. Purse snatchings are common, especially when Social Security checks arrive and the elderly go out to cash them. Mrs. Mellor says:

"You can't protect yourself. Most older people stay off the streets after 3 o'clock."

Rising prices agitate her. She says:

"You know there are people out there starving in the street. There are people eating out of the garbage cans. Do you believe that? Right out of the garbage can! Do you know how rough it is when you have to pay so much for a loaf of bread?"

In recent months, Mrs. Mellor says, she has become involved with a group of senior citizens—the "North of Market Tenants Organization"—to demand better benefits and services from municipal, State and federal bureaucracies.

She explained:

"A lot of the old men and women around here can fight for themselves. But the huge majority can't They're too tired with life.

"I want to change that attitude. We may all be poor here, but we're going to fight back."

A TEACHER'S STORY

In another part of the city lives Miss Elsie Schou, a retired history teacher who is proud of the fact that former Governor Pat Brown was one of many well-known Californians who passed through her classroom at Lowell High School here in her 46-year career.

Miss Schou retired in 1954, and her present retirement income from two pension funds is close to $6,000, representing only a modest increase since then, though some prices have doubled in 20 years.

Two years ago she had to sell her car, she said, adding:

"Now I travel by Yellow Cab—but even that has gotten too expensive."

When Miss Schou moved into her two-bedroom, two-bath apartment 18 years ago, the rent came to $135 a month, including utilities. Today it is $240, and now she has to pay her own gas and electric bills.

Because of the accelerated pace of inflation, she said, she has had to cut back on food, clothing and household purchases. She observed:

"The cost-of-living increases have caused problems for me and other teachers. It's getting tough for many to survive."

Across the San Francisco Bay, in the town of Richmond, retired asbestos worker Art McClure and his wife consider themselves lucky. Because she helps manage a 12-unit apartment building, they don't have to pay rent on their two-bedroom apartment. Mr. McClure, now 63, retired in 1971 after asbestos particles collecting in his lungs brought on asbestosis and an operation for removal of a lung.

The McClures get two checks—a disability benefit from Social Security and his union pension. Together, the benefits add up to $556 a month, and both checks are covered by cost-of-living provisions.

UNCERTAIN FUTURE

Even so, Mrs. McClure says, life is becoming more of a struggle, so they no longer go out occasionally for dinner. They find it hard to plan for the future. She says:

"The building has been up for sale for more than a year, and when it's sold, probably we'll have to go. When that happens, I don't know how we're going to make it. We'll probably have to get out of this country."

Even if the building isn't sold, she added, she can't keep on cleaning and scrubbing floors much longer. Because of injuries received in an automobile accident 18 years ago, she is experiencing considerable leg swelling and pain. She complains that the cost of her group medical coverage has just gone up from $18.69 to $21.33 a month, but "I still have to wait for more than a month to see the doctor I want to see."

The McClures have a car, but they don't do any driving for pleasure because "with gasoline at 60 cents a gallon, we can't afford to go anywhere."

What of the future? Says Mr. McClure: "I don't think about tomorrow. We are poor and getting poorer, but we're growing old, so it doesn't matter as much."

PENSION INCREASES, BUT

As the squeeze on living costs tightens, it is bringing worry to many federal retirees in the lower brackets—despite the three boosts they have received in the past 13 months.

One example is Mrs. Cecilia Hochhauser of San Francisco. Now 70, she was a civilian employe of the U. S. Army at the Presidio until her retirement in 1966.

Today, her monthly annuity of $385 from the federal retirement system—plus the $265 in Social Security benefits to her husband, Marvin, a retired shoe salesman—looks smaller to them each month.

Says Mrs. Hochhauser, a member of the executive board of a local chapter of the National Association of Retired Federal Employes:

"We get by. We don't starve. But I'll tell you which retired federal employees are starving—the secretaries who never got paid much. We can have a meeting of the local NARFE chapter and more than 100 persons will show up above and beyond the regular number if we serve cake and coffee. They just come for the refreshments. It's a meal to some of the retired."

Out of the Hochhausers' combined income of less than $700 a month, including some interest on savings, they pay perhaps $65 in taxes and medical and hospital insurance. Rent comes to only $158—though the owners are seeking a 10 per cent rise—for a two-bedroom apartment in a development that the Department of Housing and Urban Development partially subsidized on behalf of the elderly as well as low and middle-income tenants.

But inflation is beginning to force them to cut back spending. Mr. Hochhauser says: "If we didn't have this apartment, we'd be in big trouble."

He and his wife no longer subscribe to "The San Francisco Chronicle." They scan ads in a "throwaway" shopping news for food bargains. But Mr. Hochhauser estimates that their food bill shot up 20 per cent in the last year despite economizing.

Both have reduced clothing purchases. Being music lovers, they now earn their way to the San Francisco Opera and Symphony concerts by ushering, then standing in the back during performances.

They have also cut down on use of their car, relying whenever possible on public transit at 5 cents a ride for the elderly. And visits to relatives on the East Coast now occur only once a year, instead of three times.

When another couple came to their apartment recently, the four went for a walk in Golden Gate Park—"and that was our entertainment," Mrs. Hochhauser said.

BLEAK HORIZONS

Over all, the new reality of America's elderly is this:

The population over 65 is growing in numbers. And the proportion of older Americans who are invaded by fear also is growing as inflation ravages fixed incomes.

At present, such people see little help on the horizon—and much evidence of more trouble to come.

Worry is spreading among older Americans over announced plans of the White House to boost the cost of food stamps on which many of them depend for sustenance.

These plans require the large majority of recipients to pay 30 per cent of their family net income—after taxes, health payments and essential job expenses—or the stamps which are used in stores to buy food worth more than the cost of the stamps. The change would mean, in a practical instance, that a widow getting $105 a month in Social Security benefits would have to pay $31 instead of $18 to guy $46 worth of food.

Meanwhile, the Department of Health, Education, and Welfare has raised the cost of hospital care for medicare beneficiaries in the first 60 days from $84 to $92. About 23.5 million people are enrolled in the hospital plan.

President Ford also is urging Congress to impose a 5 per cent limit on cost-of-living boosts in Social Security benefits and Government pensions this year—little more than half of what older people were expecting.

Among some of the nation's elderly, the result is growing despair and apathy. Says Mrs. Lillian McCall, director of San Francisco's Commission on Aging:

"Money alone won't help. It's a social and economic problem, but it's also a psychological problem. They are so alone and so isolated, and there are so many who are just dying because they have no hope."

THE MILITANTS

Yet fear also is generating, among many older people, a feeling of militancy.

One notable example occurred in Miami recently when the Dade County Council for Senior Citizens organized a protest meeting to dramatize inflation's impact on the elderly. Instead of the 450 participants expected, 800 showed up.

A leader of the Miami rally, retired jeweler Max Serchuk, 74, said that if something wasn't done to help senior citizens cope with inflation, "there's going to be more protest."

In Nevada, older people have been collecting thousands of signatures in support of proposed State legislation to make use of more than 6 million dollars in federal funds—so far unclaimed by Nevada—that could provide medical assistance to senior citizens who are unable to qualify for medicaid for the needy.

The new militancy of the elderly—some of whom call themselves "Gray Panthers"—is encouraging States and localities to offer some help in dealing with inflation.

In San Francisco, the Young Women's Christian Association is sponsoring "survival courses" to help old people keep within their slender incomes. Among the courses: basic sewing lessons and nutrition classes for people who may only have a hot plate on which to cook their food.

TAX RELIEF FOR SOME

California has enacted a Statewide law authorizing property-tax refunds on a sliding scale according to income for homeowners aged 62 and over who have incomes of less than $10,000 a year.

This is expected especially to benefit elderly persons who have been paying taxes they couldn't afford on homes that have doubled or tripled in assessed value—forcing them in many cases to sell their homes and move into less-desirable quarters.

Illinois and several other States are also offering old people relief on their property taxes.

New York City has instituted the nation's first comprehensive legal-aid office for the aged. It is staffed with five lawyers, five legal aides and a social worker to give advice or courtroom aid to the aged of low or moderate income.

Scores of cities now offer senior citizens reduced subway or bus fares, "meals on wheels" for invalids and "out-reach" centers to assist older persons who have such problems as cashing checks. Some provide them with free trips and other forms of recreation. A number are instituting programs of part-time employment for retirees.

Such efforts, State and local officials admit, are marginal—though they are often useful in helping older Americans survive inflation. Nonetheless, these moves underline an interest in the predicament of older Americans that is growing in today's hard times—and bringing them into the foreground of national attention.

Tom Booker, executive director of the Houston Housing Authority, says:

"The average person becoming elderly now is more politically conscious and savvy of what's going on in the world. The old are going to be more vocal—and they'll have to be, to keep from being left out."

PROFILE OF AMERICA'S ELDERLY

Among those 65 and over—NUMBER: 21,815,000—more than 10 percent of total population, and increasing at a rate faster than any other age group.

Race: More than 90 percent are white.
White: 19,883,000 or 91.1 percent.
Black: 1,732,000 or 7.9 percent.
Other: 199,000 or 0.9 percent.
Sex: Nearly 60 percent are women.
Women: 12,849,000 or 58.9 percent.
Men: 8,966,000 or 41.1 percent.
Marital status: A large number live alone.

(In percent)

Proportion in group who are—	*Women*	*Men*
Widowed	52.4	14.4
Married, spouse absent	1.4	2.1
Married, spouse present	37.3	76.7
Single	6.3	4.6
Divorced	2.6	2.2

Location: Unevenly spread across country.

States with largest proportion of population 65 and over—

	Percent
Florida	15.5
Arkansas	12.7
Iowa	12.3
Missouri	12.3
Nebraska	12.3
Kansas	12.2

States with largest numbers of people 65 and over—

New York	1,987,000
California	1,929,000
Pennsylvania	1,323,000
Florida	1,190,000
Illinois	1,125,000
Texas	1,084,000

Income: Far below rest of population.

In 1973:	Median family income
Age 65 and over	$6,426
All U.S. families	$12,051

Nearly 1 in 6 people 65 and over lives in poverty, compared with 1 in 10 people under age 65.

LEAVING THE FUTURE OPEN—JOB CORPS, THE FIRST DECADE

Mr. **HUMPHREY**. Mr. President, 10 years have passed since the legislation I authored created the Job Corps. These 10 years have been marked with success and controversy as the Job Corps has tried to open limitless futures to young men and women who, by others standards, were the dropouts, pushouts, and fallouts from our school system and our society.

As Secretary of Labor Peter J. Brennan said recently,

> Every American can take pride and satisfaction in the 10th anniversary of the Job Corps.

I would like to take this opportunity to discuss some of the history of the Job Corps, its goals, its successes, and the challenges that face its corpsmen and administrators in the years ahead.

THE BEGINNINGS

When Congress passed the Economic Opportunity Act in 1964, it established a program that sought a future for young people who had none in a land where the future had always seemed to belong to the young. It was an attempt to borrow some ideas from the past while meeting the challenges of the present and future. Using the lessons learned from the Civilian Conservation Corps and the National Youth Foundation, those who worked to establish the Job Corps forged a program which would meet the needs of a changing America.

The name "Job Corps" places the emphasis where it should be: on work—ultimately jobs for the young men and women enrolled in the program; and on fellowship—active membership in a body of people sharing problems, interests, and prospects for the future.

This concept, coupled with the notion that the "cycle of poverty" could be broken, forms the basis for the Job Corps and its objective that young men and women could, with intensive programs of education, vocational training, work experience and counseling, join the mainstream of American economic and social life.

Over the first decade of its existence, Job Corps has changed continually as the result of more realistic understanding of its potential and as a response to new methods and programs for achieving that potential.

Two changes are particularly important because of their influence on Job Corps philosophy and operation—first, the transfer of the Job Corps from the Office of Economic Opportunity to the Department of Labor in 1969; and second, passage of the Comprehensive Employment and Training Act—CETA—in 1973.

The former provided for a close link between Job Corps and the manpower training activities of the Labor Department, as well as closer ties between the Job Corps and the State employment services. The Department's Bureau of Apprenticeship and Training, for example, worked with the Job Corps in developing the union-sponsored preapprenticeship programs which have proven so successful. Close ties with the employment service have also made it easier for Job Corps to use the job development and placement services of the State agencies.

When Congress passed CETA, which decentralized most manpower programs, it reaffirmed the mandate it had given to the Job Corps in 1964 by retaining it as a separate entity—title IV—in the act. It was the only national program so treated. Under CETA, Job Corps enrollees are being trained increasingly by existing local manpower programs and educational institutions, including local technical schools and skills centers. At the same time, enrollees in other manpower programs can benefit through the availability of Job Corps services and facilities under local agreements on a nonresidential basis.

JOB CORPS WHEREWITHAL—HUMAN AND PHYSICAL

Although the Job Corps established a number of centers in rural areas, vocational training in larger cities such as Atlanta, Pittsburgh, Detroit, Portland, and Los Angeles was also begun. The Forest Service in the U.S. Department of Agriculture, and the Park Service in the U.S. Department of Interior, were joined by private corporations in sponsoring Job Corps centers throughout the United States.

Cooperation extended to the Job Corps by organized labor has been an important factor in changing idleness and lack of hope into a productive and well-paying job.

Assistance of several school systems, the National Education Association, and the American Association of Colleges for Teacher Education has contributed not only to the objectives of the Job Corps, but it has also fostered in the teaching profession a better understanding of the problems of youths who do not normally meet with success in the public schools.

Centers have also had the services of VISTA workers, volunteers from surrounding communities, work-study students, student interns, health science students, foreign social workers, youth leaders and a host of other assistants.

A total of 477,990 young men and women have enrolled in the Job Corps program from all 50 States, the District of Columbia, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands. In all, 139 different centers have been in operation during the Job Corps' first 10 years.

However, I have been deeply concerned that as of June 1974, the number of active Job Corps centers had declined to 61. Lists of the currently active Job Corps centers and those which are now inactive are found in tables I and II, respectively, appended to my remarks.

Various facilities provide educational, vocational, and social experiences designed to train and get into the labor force, school, or armed forces, young people who were dropouts, came from broken homes, or were extremely poor. The following types of centers and their training specialties are currently in operation:

Civilian Conservation Centers (CCC's): residential centers located on Department of Agriculture, Forest Service, and Department of Interior lands. These centers concentrate on teaching skills such as heavy equipment operation and maintenance and the construction trades.

Men's Centers: residential centers operated by private and non-profit contractors.

Women's Centers: residential and nonresidential facilities operated by both private and non-profit corporations, located in cities and in small towns.

Residential Manpower Centers (RMC's): introduced in 1969, centers are located in or near urban areas and are operated by private and non-profit contractors, by state governments, or by local boards of education. Recruiting is done largely from the areas in which the centers are located.

Extension Centers (JCEC's): provide advanced vocational skills training, combined with on-the-job training, with close ties to job placement opportunities.

The location and the number of Job Corps training facilities by type is shown in table III. The total number of enrollees as of June 1974, is also shown.

PROFILE OF A JOB CORPS MEMBER

What is the average Job Corps member like?

Statistically speaking: 60 percent are black; 11 percent are Spanish speaking; 73 percent are young men; 27 percent are women; 80 percent are from urban areas, where social problems are concentrated; 69 percent, upon entry into the Job Corps, score below sixth grade reading level; 89 percent are school dropouts; 63 percent are from families of five or more persons; and 81 percent are from families whose annual incomes are $4,999 or less.

But each is an individual for whom the statistics are but a partial representation. Each has his own perceptions of the world of which he is a part and his own interests and abilities to achieve.

THE PROGRAM—AN INTEGRATED APPROACH

The Job Corps program comprises three primary elements: education, vocational training and experience, and residential living. Enrollees may participate in one or several of the programs. Comprehensive health services are provided to all enrollees at each center, through a coordinated health services delivery system with medical, dental, and mental health components.

EDUCATION

The education plus work training program combines remedial education, work-skill training, on-the-job work experience, and social redirection, if needed.

Reading, mathematics, language and study skills, consumer education, advanced general education, standard English, English as a second language, home and family living, health education, and orientation to the world of work are included in the general education program.

The advanced general education program prives Corps members with the information, concepts, and general knowledge needed to complete successfully the American Council on Education's high school general educational development—GED—test. Approximately 4,000 Corps members, or 90 percent of those entering the GED program, receive their GED's each year.

VOCATIONAL TRAINING PROGRAMS AND WORK EXPERIENCE

Vocational training programs prepare young men and women for specific jobs with known manpower shortages. Corps members are trained for jobs in automotive and machinery repair, food services, electronics assembly, electrical appliance repair, construction and metal trades, transportation and heavy equipment operation, health occupations, clerical and business skills, cosmetology, and other occupations currently in demand. The CCC's offer enrollees preapprenticeship training in heavy equipment and other construction trades—carpentry, painting, plastering, cement masonry and bricklaying—which is conducted by labor unions.

The Job Corps work experience program gives Corps members actual training on the job. Youths often work in nearby business firms, hospitals, and Government agencies or on conservation and building on public lands.

RESIDENTIAL LIVING

Residential living is the distinctive feature of the Job Corps. Alone among the Federal manpower programs, Job Corps serves its enrollees 7 days a week, 24 hours a day. In fact, the Job Corps may be one of the largest voluntary residential training programs for young people in the world. The residential program is conducted in a variety of settings, centers ranging in size from 25 to 2,000 Corps members, serving men or women, located in urban or rural settings. The program takes into account the needs of various racial and ethnic groups represented in the Job Corps.

AFTER THE JOB CORPS—WHAT?

The Job Corps program prepares its enrollees for placement in a job, in a school or other training program, or in the armed forces. The Job Corps overall placement rate for fiscal year 1974 was 94 percent. This was an increase of 9 percentage points over fiscal year 1973. The number of Corps members who accepted jobs increased 10 percentage points to 69 percent and the starting average wage per hour increased 17 cents to $2.26 in fiscal year 1974. The school placement rate in fiscal year 1974 was 19 percent; the Armed Forces placement rate, 6 percent. A summary of the Job Corps placements for fiscal year 1970 through fiscal year 1974 is in table IV.

THE COST—IS IT WORTH IT?

The cost per enrollee during fiscal year 1974 was $3,098. This amount includes travel, room and board, education, job training, comprehensive health care, counseling, and financial allowances.

The question of costs in relation to lifetime earnings of enrollees, using control-group comparisons, has been assessed in various studies of the Job Corps. Long-term followup data on enrollees showed that, overall, there was a probability of positive effects on lifetime earnings of enrollees that exceeds the Government's dollar investment.

But dollars and cents are not the total picture of costs and results. The Job Corps gives its Corpsmembers something that cannot be measured except, perhaps, in the hope in their eyes, the air of confidence in their step; a smile of accomplishment; an unwavering, sure voice. It revitalizes the spirit, and it is this particular ingredient which is so important to those who otherwise might lack hope in the future.

THE JOB CORPS HALL OF FAME

Ten young people who rose from the ranks of the disadvantaged by acquiring education and marketable skills through the Job Corps program have been recognized for their achievements and have been named to the Job Corps Hall of Fame.

Secretary of Labor Peter J. Brennan saluted these 10 young people as "exemplifying those qualities that have made America great" at the recent observance of the Jobs Corps' 10th anniversary here in Washington, D.C.

I fully endorse his statement that these outstanding young men and women are wonderful examples of how the Job Corps has helped hundreds of thousands of disadvantaged American youth improve their lives and I would like to share their success stories. Each is testimony to how this innovative program has helped Corpsmembers get fresh starts toward productive careers.

TEN OUTSTANDING CORPSMEMBERS

Jessie Al Lane of Austin, Texas, a 20-year-old graduate of apprentice plasterer's training at Timber Lake Job Corps Center, Oregon, joined the Job Corps in August, 1971, earned his high school diploma equivalency and enough skills to qualify as an apprentice plasterer.

Soon after beginning work, Lane was able to purchase a mobile home and now supports his mother, brother, and a nephew as a working member of Local 783 in Austin.

In addition to his work, which earns him approximately $12,000 yearly, he devotes much of his own free time to counseling potential and present Job Corps members, and to helping recent graduates adjust to their new jobs and life-styles.

Ms. Julie Connor of Kansas City, Missouri, a 20-year-old nursing trainee at Excelsior Springs Job Corps Center in Missouri, has earned praise for both her efficient actions in an emergency situation and for an excellent overall record in conduct and achievement in the training program.

One of the first persons to arrive at the scene of an accident, Julie Connor was credited with saving the life of an accident victim by putting her training to work. She made a preliminary test of the injured person's vital signs, then took steps to keep him from going into convulsions until further help arrived.

Miss Connor is now in more advanced training at St. Luke's Hospital in Kansas City, and hopes to earn a registered nurse's degree to eventually become a teacher of nursing.

Ms. Judith L. Chandler of Richmond, Virginia, joined Charleston Job Corps Center in 1968, stayed two years to learn business and clerical office occupations, then entered West Virginia State College where she earned a degree in law enforcement services. After serving as a residential advisor at her Job Corps alma mater, she obtained a job as probation and parole officer in the Richmond department, earning more than $10,000 annually.

She was the first black woman to be appointed to this post and last year received a special commendation from the Federal Bureau of Investigation for her assistance in apprehending a bank robber.

Walter Mitchell of West Haven, Connecticut, is one of 12 children from Mississippi, a high school dropout who enrolled at Jacobs Creek Job Corps Center in Tennesee to earn his high school diploma and also learn how to operate heavy construction equipment as an operating engineer. The 27-year-old Corpsman was graduated in 1968 and had the distinction of earning his journeyman's rating with the Operating Engineers Union, which takes four years to earn, within a short period. He is currently employed with a construction firm in Connecticut earning $8.85 an hour operating a finish grader, one of the most difficult pieces of equipment to run.

He has assisted newly graduated Job Corpsmen in obtaining their first job, providing transportation for some who don't have automobiles. He coaches a basketball team, is a retreat leader for his church, and each year returns to Jacobs Creek to encourage new enrollees.

Ken Stein of San Jose, California, is a 21-year-old graduate of the apprentice management training school of San Jose Job Corps Center. A native of London, England, who came to the United States as a child, he completed his training at the center and is now employed by Safeway stores at a salary in excess of $9,500 per year. He is a member of the Retail Clerks Union, Local 428, and is active in community affairs. He is enrolled in West Valley College in California and will begin his studies there early next month.

Ms. Rosa Isela Mendoza of Las Vegas, Nevada, is a 19-year-old accounting specialist in the U.S. Air Force at Nellis Air Force Base, daughter of a migrant farm worker who came to the United States from Mexico when she was 14 years old. She left the 7th grade to work with her family harvesting crops from Texas and Florida to Michigan until she enrolled in the Job Corps in 1971 at McKinney Job Corps Center for Women and later at the Los Angeles Center for Women, earning her high school diploma equivalency and learning to be a practical nurse.

She was placed with the Air Force by Job Corps where she learned her present skills and is permanently stationed at Nellis as a disbursement accounting specialist. She is buying her own home and is an enthusiastic recruiter for Jobs Corps on the side.

Richard Ponce DeLeon of Salt Lake City, Utah, is an honor graduate of Clearfield Job Corps Center, who received his training in plastics production and as a para-professional.

A native of Puerto Rico, he spoke no English when he arrived at the Clearfield center. He mastered the language and went on to become president of the student government, an effective staff and center management leader, and an excellent public speaker.

He is now employed by the Thiokol Chemical Company, the contractor, as a unit coordinator at Clearfield center.

Ms. H. Jean Henderson of Dallas, Texas, widowed mother of three children, who enrolled in Job Corps at McKinney Job Corps Center for Women in 1967 from her $25-a-week job as a motel maid. After earning her high school diploma equivalency and learning office occupations at McKinney, she started working at clerical jobs in late 1967 and today earns more than $10,000 a year as a secretary in the Dallas Regional Office of the Social Security Administration.

Ms. Henderson has become a public supporter of Job Corps, speaking at businessmen's luncheons and on television programs; has bought her own home, teaches Sunday School, and is attending Dallas Junior College to further her education.

Phillip Lee Smith of San Carlos, Arizona, a 26-year-old graduate of police and human relations training at San Carlos, Kilmer, and Clearfield Job Corps Centers, is now a member of the Gila County, Arizona, Sheriff's Department and also the department's training officer.

Smith, who was born on the Red Lake Indian Reservation in Northern Minnesota, first entered Job Corps at San Carlos to learn police work. He interrupted his training to complete high school in St. Paul, Minnesota. Smith was then admitted to the police training school at Kilmer Job Corps Center, followed by human relations training at the Clearfield Center.

He has been active in community affairs and serves on the board of directors for the alcohol program on the San Carlos Indian Reservation.

Ms. Brenda B. Hernandez of Alexandria, Virginia, is a high school graduate who was earning 42 cents an hour as a nursing home waitress when she enrolled at Cleveland Job Corps Center for Women to learn business and clerical vocations. She completed her courses with honors and was transferred to the Washington, D.C., center for outstanding Job Corps trainees. Today she is employed as an $11,000 contract assistant in Job Corps headquarters in the Manpower Administration in Washington, D.C., advising officials and contractor personnel on policies concerning cost and financial data for all centers. She began as a GS-2 clerk in the Labor Department and now develops cost standards to measure program performance effectiveness during contract negotiations.

THE FUTURE

The celebration of the 10th anniversary of the Job Corps conceals, perhaps, the gravest potential threat to its existence since its creation in 1964. With unemployment currently over 8 percent overall and nearly 23 percent in construction—for which many Job Corps graduates are trained—prospects for finding jobs are declining. And there will likely be increased pressure to spend funds on jobs for the employable rather than training the unemployed.

It will take the combined efforts of Congress, the Labor Department, unions, industry, and Job Corps staff and supporters to counter the impact that the current economic recession will have on the Job Corps and its graduates.

The Job Corps is under other pressures. Funding in the last fiscal year was $176 million, down nearly 50 percent from its initial appropriations 10 years ago. The number of centers has dwindled to 61 and the vocational training formerly accomplished through the Job Corps program must be absorbed by the States.

Although some may argue that money is being saved by these cuts and closings, it is the kind of short-term savings that eventually means little when compared with the losses: what the Nation must pay to meet the needs of those on welfare, in prison, and in the unemployment lines. With none of the skills or help the Job Corps provides, many young men and women may be destined for one or another of those fates.

The need for the Job Corps is far greater today than when it began. Our young people are our investment in the future. Taking action to leave the future open to the young who otherwise might be lacking in hope and the means to secure it is what the Job Corps is all about.

Mr. President, I ask unanimous consent that the five tables and the footnote, mentioned in my remarks, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE I.—JOB CORPS CENTERS BY REGION (AT END OF FISCAL YEAR 1974)

Region and center	Number	Type [1]	Design capacity	Location	Operator	Activation Date
REGION I (BOSTON)						
REGION II (NEW YORK)						
Arecibo	1	SR	175	Arebico, P.R.	P.R. Department of Education	Jan. 4, 1967
Rio Grande	2	SR	135	Rio Grande, P.R.	do	Jan. 4, 1967
New York	3	RMC	275	Flushing, N.Y.	ATAC	Apr. 28, 1971
New Jersey	4	RMC	300	Edison, N.J.	N.J. Department of Education	Aug. 1, 1969
Total region II			885			
REGION III (PHILADELPHIA)						
Flatwoods	5	CCC	168	Coeburn, Va.	Forest Service (USDA)	Sept. 15, 1965
Harpers Ferry	6	CCC	200	Harpers Ferry, W. Va.	Park Service (USDI)	Apr. 15, 1966
Keystone	7	W	500	Drums, Pa.	RCA Service Co.	Mar. 2, 1967
Blue Ridge	8	W	180	Marion, Va.	RCA	Nov. 29, 1967
Charleston	9	W	345	Charleston, W. Va.	Teledyne Packard-Bell	June 9, 1965
Residential		(f)	(320)			
Nonresidential		(m, f)	(25)			
Pittsburgh	10	RMC	200	Pittsburgh, Pa.	Teledyne Packard-Bell	Mar. 2, 1967
Maryland	11	RMC	250	Woodstock, Md.	Youth Opportunities Foundation	Feb. 23, 1972
Total region III			1,843			
REGION IV (ATLANTA)						
Pine Knot	12	CCC	224	Pine Knot, Ky.	Forest Service (USDA)	Nov. 22, 1965
Jacobs Creek	13	CCC	168	Bristol, Tenn.	do	June 21, 1965
Lyndon B. Johnson [2]	14	CCC	168	Franklin, N.C.	do	Feb. 1, 1965
Schenck	15	CCC	204	Pisgah Forest, N.C.	do	May 18, 1965
Great Onyx	16	CCC	214	Mammoth Cave, Ky.	Park Service (USDI)	June 15, 1965
Oconaluftee	17	CCC	180	Oconaluftee, N.C.	do	Oct. 15, 1965
Breckinridge	18	M	2,000	Morganfield, Ky.	Graflex (Singer Corp.)	June 15, 1965
Atlanta	19	RMC	350	Atlanta, Ga.	Thiokol Corp.	Dec. 28, 1970
Whitney Young	20	RMC	193	Simpsonville, Ky.	Louisville Board Education	June 6, 1972
Total region IV			3,701			
REGION V (CHICAGO)						
Blackwell	21	CCC	200	Laona, Wis.	Forest Service (USDA)	Nov. 30, 1965
Golconda	22	CCC	224	Golconda, Ill.	do	June 15, 1965
Cleveland	23	W	440	Cleveland, Ohio	Alpha Kappa Alpha Sorority	Apr. 29, 1965
Atterbury	24	M	1,600/1,000	Edinburg, Ind.	AVCO	Apr. 26, 1965
Cincinnati	25	RMC	200	Cincinnati, Ohio	AVCO Corp.	Sept. 30, 1970
Detroit	26	RMC	275	Detroit, Mich.	Singer Corp.	June 9, 1971
Male			(200)			
Female			(75)			
Total region V			2,339			

Region and center	Number	Type [1]	Design capacity	Location	Operator	Activation Date
REGION VI (DALLAS)						
Cass	27	CCC	168	Ozark, Ark	Forest Service (USDA)	June 15, 1965
Ouachita	28	CCC	176	Royal Oak, Ark	do	Feb. 6, 1965
Treasure Lake	29	CCC	168	Indiahoma, Okla	Bur. Sport Fisheries (USDI)	Nov. 15, 1965
Guthrie	30	W	600	Guthrie, Okla	E. G. & G., Inc	Oct. 22, 1966
McKinney	31	W	620	McKinney, Tex	Texas Educational Foundation	Mar. 1, 1967
Albuquerque	32	W	395	Albuquerque, N. Mex	Teledyne Packard-Bell	May 17, 1966
Gary	33	M	3, 300/2, 200	San Marcos, Tex	Texas Educational Foundation	Mar. 3, 1965
Tulsa	34	RMC	144	Tulsa, Okla	RCA	Mar. 3, 1971
El Paso	35	RMC	250	El Paso, Tex	Texas Educational Foundation	Sept. 28, 1970
Total region VI			4, 721			
REGION VII (KANSAS CITY)						
Pine Ridge	36	CCC	168	Chadron, Nebr	Forest Service (USDA)	Dec. 6, 1965
Mingo	37	CCC	168	Puxico, Mo	Bur. Sport Fisheries (USDI)	Nov. 1, 1965
Excelsior Springs	38	W	405	Excelsior Springs, Mo	Singer	Mar. 1, 1966
Total region VII			741			
REGION VIII (DENVER)						
Anaconda	39	CCC	216	Anaconda, Mont	Forest Service (USDA)	Mar. 15, 1966
Trapper Creek	40	CCC	216	Darby, Mont	do	Jan. 1, 1966
Boxelder	41	CCC	208	Nemo, S. Dak	do	Dec. 6, 1965
Weber Basin	42	CCC	224	Ogden, Utah	Bur. Reclamation (USDI)	Dec. 11, 1965
Collbran	43	CCC	168	Collbran, Colo	do	May 15, 1965
Clearfield	44	M	1, 420/1, 100	Clearfield, Utah	Thiokol Corp	Oct. 4, 1960
Kicking Horse (Regional)		RMC	200	Ronan, Mont	Salish and Kootenai Tribes	Feb. 3, 1971
Total region VIII			2, 332			
REGION IX (SAN FRANCISCO)						
Los Angeles	46	W	495	Los Angeles, Calif	Los Angeles YWCA	June 11, 1965
Residential			(320)			
Nonresidential (m, f)			(175)			
Phoenix	47	RMC	350	Phoenix, Ariz	Teledyne Econom. Devel. Co	Oct. 27, 1969
Male			(210)			
Female			(140)			
Hawaii	48	RMC	250	Honolulu, Hawaii	Hawaii Dept. of Labor	July 1, 1969
San Jose	49	RMC	240	San Jose, Calif	Singer-Graflex	May 2, 1972
Male			(174)			
Female			(66)			
Total region IX			1, 335			
REGION X (SEATTLE)						
Curlew	50	CCC	180	Wauconda, Wash	Forest Service (USDA)	June 1, 1965
Angell	51	CCC	184	Yachats, Oreg	do	Apr. 28, 1965
Timber Lake	52	CCC	224	Estacada, Oreg	do	Aug. 20, 1965
Wolf Creek	53	CCC	224	Glide, Oreg	do	Apr. 13, 1965
Columbia Basin [3]	54	CCC	200	Moses Lake, Wash	Bur. Reclamation (USDI)	Nov. 1, 1965
Fort Simcoe	55	CCC	200	White Swan, Wash	BIA (USDI)	Apr. 15, 1966
Marsing	56	CCC	168	Marsing, Idaho	Bur. Reclamation (USDI)	Oct. 30, 1965
Tongue Point	57	W	730/440	Astoria, Oreg	University of Oregon	Mar. 15, 1967
Portland	58	RMC	275	Portland, Oreg	Portland public schools	Mar. 9, 1970
Male			(153)			
Female			(122)			
Total region X			2, 095			
EXTENSION CENTERS						
Santa Rosa (m, f)	59	EXT	40	Santa Rosa, Calif	Marine Cooks and Stewards	
Shaw [4]	60	EXT	50	Raleigh, N.C	Shaw University	
Male			(25)			
Female			(25)			
JCYW	61	EXT	160	New York, N.Y. (HQ)	National YWCA	
Total extension centers			250			

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[1] Abbreviation key for center type abbreviations: CCC—Civilian Conservation; RMC—Residential Manpower; M—Men's Centers; W—Women's Centers; SR—State Related.

[2] Formerly called Arrowood.

[3] Inactive in 4th quarter of fiscal year 1974.

[4] To close at end of 1st quarter of fiscal year 1975.

TABLE II.—CLOSED JOB CORPS CENTERS; CLOSED CIVILIAN CONSERVATION CENTERS

[Agency and State Related]

Center, location	Design capacity	Operator	Date of activation	Date of closure announcement
Neah Bay, Wash	96	USDI (BIA)	June 15, 1965	Apr. 1, 1967
Isabella, Minn	224	USDA (FS)	Nov. 30, 1965	Jan. 29, 1968
Ripton, Vt	128	USDA (FS)	July 7, 1966	Do.
Lewiston, Calif	220	USDI (BR)	Apr. 13, 1965	Do.
McCook, Nebr	224	USDI (BR)	Dec. 6, 1965	Do.
Liberty Park, N.J	224	USDI (NPS)	Jan. 9, 1967	Do.
Fort Vannoy, Oreg	224	USDI (BLM)	Aug. 10, 1965	Do.
Iroquois, N.Y	168	USDI (FWS)	May 18, 1966	Do.
Chippewa Ranch, Minn	124	USDI (BIA)	Jan. 31, 1967	Do.
Mexican Springs, N. Mex	224	USDI (BIA)	Aug. 10, 1965	Do.
Poston, Ariz	200	USDI (BIA)	Feb. 15, 1965	Do.
Swiftbird, S. Dak	100	USDI (BIA)	Sept. 1, 1967	Do.
Lewis & Clark, S. Dak	200	State related	Aug. 15, 1966	Jan. 29, 1968
Alder Springs, Calif	210	USDA (FS)	June 10, 1965	Apr. 11, 1969
Alpine, Ariz	120	USDA (FS)	Aug. 7, 1965	Do.
Anthony, W. Va	168	USDA (FS)	Aug. 10, 1965	Do.
Blue Jay, Pa	120	USDA (FS)	Apr. 20, 1965	April 11, 1969
Cedar Flats, Idaho	224	USDA (FS)	Sept. 10, 1965	Do.
Cispus, Wash	224	USDA (FS)	June 15, 1965	Do.
Clam Lake, Wis	224	USDA (FS)	Nov. 1, 1965	Co.
Clear Creek, Nev	210	USDA (FS)	Sept. 15, 1965	Do.
Dickinson, N. Dak	197	USDA (FS)	June 15, 1965	Do.
Fenner Canyon, Calif	128	USDA (FS)	June 10, 1965	Do.
Five Mile, Calif	160	USDA (FS)	Aug. 25, 1965	Do.
Frenchburg, Ky	112	USDA (FS)	Sept. 10, 1965	Do.
Grants, N. Mex	178	USDA (FS)	Apr. 29, 1965	Do.
Hodgens, Okla	158	USDA (FS)	Apr. 20, 1965	Do.
Hoxey, Mich	112	USDA (FS)	Oct. 15, 1965	Do.
Los Pinos, Calif	224	USDA (FS)	July 26, 1965	Do.

Footnotes at end of table.

TABLE II.—CLOSED JOB CORPS CENTERS; CLOSED CIVILIAN CONSERVATION CENTERS—Continued

[Agency and State Related]

Center, location	Design capacity	Operator	Date of activation	Date of closure announcement
Luna, N. Mex	224	USDA (FS)	Sept. 27, 1966	Apr. 11, 1969
Lydick Lake, Minn	224	USDA (FS)	Jan. 12, 1966	Do.
Mountainair, N. Mex	210	USDA (FS)	Apr. 13, 1965	Do.
New Waverly, Tex	224	USDA (FS)	Aug. 16, 1965	Do.
Ojibway, Mich	224	USDA (FS)	Dec. 6, 1965	Do.
Pagosa Springs, Colo	112	USDA (FS)	Dec. 15, 1965	Do.
Poplar Bluff, Mo	224	USDA (FS)	June 15, 1965	Do.
Sly Park, Calif	128	USDA (FS)	do	Do.
Vesuvius, Ohio	112	USDA (FS)	do	Do.
Arbuckle, Okla	112	USDI (BR)	Dec. 6, 1965	Do.
Casper, Wyo	200	USDI (BR)	Apr. 15, 1965	Do.
Toyon, Calif	163	USDI (BR)	Apr. 27, 1965	Do.
Acadia, Maine	124	USDI (NPS)	Apr. 1, 1966	Do.
Catoctin, Md	108	USDI (NPS)	Jan. 6, 1965	Do.
Cumberland Gap, Ky	138	USDI (NPS)	June 20, 1965	Do.
Tremont, Tenn	112	USDI (NPS)	Dec. 13, 1965	Do.
Wellfleet, Mass	100	USDI (NPS)	Apr. 30, 1965	Do.
Castle Valley, Utah	200	USDI (BLM)	July 22, 1965	Do.
Kingman, Ariz	224	USDI (BLM)	Dec. 20, 1965	Apr. 11, 1969
Mountain Home, Idaho	200	USDI (BLM)	Oct. 1, 1965	Do.
Tillamook, Oreg	200	USDI (BLM)	Feb. 1, 1965	Do.
Crab Orchard, Ill	102	USDI (FWS)	June 21, 1965	Do.
Malheur, Oreg	224	USDI (FWS)	June 14, 1965	Do.
Ottawa, Ohio	168	USDI (FWS)	Jan. 24, 1966	Do.
Tamarac, Minn	224	USDI (FWS)	Mar. 1, 1966	Do.
Eight Canyon, N. Mex	200	USDI (BIA)	do	Do.
San Carlos, Ariz	200	USDI (BIA)	Sept. 30, 1965	Do.
Winslow, Ariz	205	USDI (BIA)	Feb. 6, 1965	Do.
Oak Glen, Calif	170	State related	June 1, 1965	Do.
Guayama, P.R	200	do	June 15, 1966	Do.
Juana Diaz, P.R	150	do	Mar. 15, 1966	Do.
Vieques, P.R	150	do	Jan. 24, 1966	Do.
Branchville, Ind	168	USDA (FS)	June 15, 1965	Apr. 8, 1974
Cottonwood, Idaho	206	USDA (FS)	do	Mar. 12, 1974
Heber, Ariz	210	USDA (FS)	Aug. 7, 1965	Apr. 8, 1974

Note.—Total of 64 civilian conservation centers closed (59 federally operated and 5 State related) with design capacity of 11,265 enrollee spaces.

Note.—Hawaii, State related, 250 capacity, May 15, 1966, and Kicking Horse, USDI (BIA), 200 capacity, Jan. 17, 1966, reorganized as Residential Manpower Center subsequent to Apr. 11, 1969)

Source: Department of Labor.

TABLE II.—CLOSED CONTRACTOR OPERATED CENTERS

Region/Center	Type	Capacity	Location	Operator	Activation date	Closing date
Region I Boston:						
Poland Springs	W	1,130	Poland Springs, Maine.	Econ. Sys. (AVCO)	Apr. 28, 1966	June 30, 1969
Rodman	M	750	New Bedford, Mass	Science Research Association	Aug. 5, 1965	Mar. 31, 1968
Region II, N.Y., Kilmer	M	1,800	Edison, N.J	Federal Electric Corp	Feb. 11, 1965	June 30, 1969
Region III Philadelphia, Huntington	W	345	Huntington, W.V	Xerox, Inc	Nov. 1, 1966	Do.
Region V Chicago:						
Custer	M	1,400	Battle Creek, Mich	U.S. Industries	June 22, 1965	Mar. 31, 1968
Marquette	W	300	Marquette, Mich	Northern Michigan University	June 26, 1966	June 30, 1969
McCoy	M	1,250	Sparta, Wis	RCA Service Co	Oct. 4, 1966	Mar. 31, 1968
Chicago	W	200	Chicago, Ill	Brunswick Corp	Sept. 12, 1966	Do.
Region VII Kansas City:						
Clinton	W	925	Clinton, Iowa	General Learning, Inc	June 24, 1966	June 30, 1969
Lincoln	M	1,150	Lincoln, Nebr	Management Systems Co	Sept. 20, 1966	Mar. 31, 1968
St. Louis	W	615	St. Louis, Mo	Delta Education Corp	Nov. 16, 1966	June 30, 1969
Omaha	W	865	Omaha, Nebr	Burroughs Corp	June 29, 1965	Do.
Region IX San Francisco, Parks	M	2,300	Parks, Calif	Litton Systems, Inc	Apr. 26, 1965	Do.
Region X Seattle, Moses Lake	W	515	Moses Lake, Wash	Econ. Sys. (AVCO)	Nov. 11, 1967	Do.

Note: Total of 14 contractor operated centers closed with design capacity of 13,545.

TABLE III.—JOB CORPS CENTER DISTRIBUTION END OF FISCAL YEAR 1974

		Type of center							
					CCC				
Region	Office	RMC	Women's	Men's	USDA	USDI	SR	JCEC	Total
I	Boston								0
II	New York	2					2		4
III	Philadelphia	2	3		1	1			7
IV	Atlanta	2		1	4	2			9
V	Chicago	2	1	1	2				6
VI	Kansas City	2	3	1	2	1			9
VII	Dallas		1		1	1			3
VIII	Denver	1		1	3	2			7
IX	San Francisco	3	1						4
X	Seattle	1	1		4	3			9
	National							3	3
	Total centers	15	10	4	17	10	2	3	61
	Total trainees	3,752	4,420	6,300	5,012		310	250	20,044

Source: Department of Labor.

TABLE IV.—JOB CORPS PLACEMENTS (FISCAL YEARS 1970-74)

[Definitions: Available for placement: Total number of Job Corps Placement and Assistance Records, Form MA6-78 (formerly Form JC-72), received, less the number who reentered the program; the number who cannot be located to determine status, and the number who are not available for placement. Placement rate: The percentage of those available for placement who are placed in employment, in school or another training program, or in the military service.]

	Fiscal years—				
	1970	1971	1972	1973	1974
Total available	37,993	31,088	32,392	36,804	34,803
Total placed	30,788	23,656	25,382	31,331	32,589
Percentage	81.0	76.0	78.3	85.1	93.6
Employed and wages per hour:					
Total	24,638	16,184	17,412	21,569	23,947
Percentage	64.8	52.0	53.7	58.6	68.8
Wage per hour	$1.84	$1.87	$1.95	$2.09	$2.26
School:					
Total	4,110	6,140	6,328	7,233	6,530
Percentage	10.8	19.7	19.5	19.6	18.7
Armed Forces:					
Total	2,040	1,332	1,642	2,529	2,112
Percentage	5.4	4.2	5.0	6.8	6.0

Source: Department of Labor.

TABLE V.—JOB CORPS BY FISCAL YEAR

[All figures approximately from best available data]

	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974 down 50 percent
Budget (NOA—Million)	183.0	303.7	210.1	282.3	278.4	169.8	170.4	202.4	193.4	151.3
Center capacity (total)	19,073	41,924	43,159	37,041	38,964	20,400	22,400	22,560	21,617	20,496
Female	(982)	(7,911)	(8,116)	(6,016)	(6,539)	(5,475)	(6,375)	(6,415)	(5,872)	(5,527)
Male	(18,091)	(34,013)	(35,043)	(31,025)	(32,425)	(14,925)	(16,025)	(16,145)	(15,745)	(14,969)
Percent male in CCC's	44.8	44.5	46.0	47.2	50.7	38.9	41.0	41.3	43.1	46.3
On-board strength (High Point)	10,241	28,533	42,032	33,013	35,834	20,840	22,394	23,808	23,126	21,287
Number centers (total)	48	106	123	109	53	54	65	72	72	61
CCC's	36	86	91	82	32	32	32	32	32	29
Men's	7	11	10	6	4	4	4	4	4	4
Women's	5	8	18	18	11	12	12	12	11	10
RMC's						5	8	17	16	15
RSC's						1	5	8	6	0
Extension						0	0	0	3	3
Demonstration		1	4	3						
Center output		30,879	57,075	73,515	67,242	41,191	47,257	48,610	48,371	43,857
Placements [1] (based on Corps members available for placement): Totals		[2][3] 19,453	[2][4] 35,957	[2][3] 46,314	[6] 42,368	[7] 30,788	[8] 23,656	[9] 25,382	[10] 31,331	[11] 32,589
Job Corps staff level (authorized/on-board)		429	573	554	572	411	390	418	379	292
Job Corps national staff		285				202	179	164	163	98
Job Corps regional staff						208	211	254	216	194

[1] Placements include jobs, school/other training programs and military.

[2] Based on estimates of manually compiled records, prior to fiscal year 1970 inception of computerized management information system for placements.

[3] 62.3 percent.

[4] 75.2 percent.

[5] 64.1 percent.

[6] 76.9 percent.

[7] 81 percent.

[8] 76 percent.

[9] 78.3 percent.

[10] 85.1 percent.

[11] 93.6 percent.

Source: Department of Labor.

1. The Glen Cain Study—1967.*
2. Assessment and Research Report No. 11—a study by the Plans and Evaluation Division of Job Corps—1968.
3. "An Economic Analysis of the Job Corps (Men's Centers)" by Steve Engleman—1971.
4. Study: "The Federal Government and Manpower—A Critical Look at the MDTA-Institutional and Job Corps Programs," by Dave M. O'Neill, Director of Human Resources Studies at the American Enterprise Institute for Public Policy Research, Washington, D.C., published August 1973 (Library of Congress Catalog No. L.C. 73-86286).

CONCLUSION OF MORNING BUSINESS

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

AMENDMENT OF RULE XXII OF THE STANDING RULES OF THE SENATE

The Senate resumed the consideration of the motion to proceed to consider the resolution (S. Res. 4) to amend rule XXII of the Standing Rules of the Senate with respect to the limitation of debate.

The VICE PRESIDENT. Under the previous order, the Senator from Kansas (Mr. PEARSON) is recognized.

Mr. PEARSON. Mr. President, I will not further burden the RECORD nor enlarge upon those comments made by my distinguished colleagues from Minnesota and Maryland. All who are concerned with the Senate know the time element involved, the days and the weeks that we have been considering this matter. What I should like to do, very briefly, is indicate my intention in the matter of the motions to be offered at this time.

It will be my intention to presently and very quickly offer a motion to consider, to bring up, to have the Senate have as its pending business Calendar Order No. 1, Senate Resolution 4, and that under the Constitution, article I, section 5, debate cease on the consideration of that matter, it being the position of those who support this motion that the power flows from the Constitution, from article I, section 5, and permits and indeed instructs the Senate, by a majority of those here, in the first session of this 94th Congress, to make a change of the rules unimpaired by the provisions of the rules, and that when the Constitution and the Senate rules conflict, the rules yield.

Mr. President, let me only say that this is not a precedent that so many fear. It is not a precedent for majority cloture. As a matter of fact, it is that position that the sponsors of this resolution seek to prevent, and that is to change rule XXII to three-fifths rather than two-thirds to get on with the orderly and vitally necessary business before Congress and before this Senate. It is not a precedent for future majority clotures; but only as it applies to the right of the Senate under the Constitution to change its rules.

I shall not ask for a time period in this motion. It is my understanding that the distinguished majority leader will raise a point of order, and that in connection with that point of order there will be ample time for Members of the Senate, as is proper, to give full expression to their views as to the nature of this particular motion.

MOTION TO PROCEED TO CONSIDERATION TO SENATE RESOLUTION 4

So, Mr. President, I move that the Senate proceed to the consideration of Calendar item No. 1, Senate Resolution 4, amending rule XXII of the Standing Rules of the Senate with respect to limitation of debate; and that under article I, section 5, of the U.S. Constitution, I move that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair immediately putting this motion to end debate to the Senate for a year-and-nay vote; and, upon the adoption thereof by a majority of those Senators present and voting, a quorum being present, the Chair shall immediately thereafter put to the Senate, without further debate, the question on the adoption of the pending motion to proceed to the consideration of Senate Resolution 4.

Mr. President, I send a copy of that motion to the desk.

Mr. MANSFIELD. Mr. President, the motion before the Senate again raises the question that has confronted each Congress for nearly two decades. It is whether the Senate of the United States is a continuing body. One would suppose that the character of the Senate as a continuing entity has long been established; that two-thirds of its membership of the Senate carries forward from one Congress to the next would appear to underscore that fact. Following each sine die adjournment the committees of the Senate continue to meet, seats are filled and, as has been highlighted in recent months, the Senate could even proceed with the trial of an impeachment originating in an earlier Congress. To say at the same time that somehow the Senate rules expire tests the most basic assumptions and procedures and responsibilities of this institution as prescribed by the Constitution.

That clearly was the view of the Senate in 1959 when Senate Resolution 5 was overwhelmingly adopted to amend rule XXII so as to enable two-thirds of the Senate present and voting to close debate on any matter including proposals for rules changes. That resolution also amended rule XXXII by adding this implicit language: "The Rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules."

In spite of the history of the Senate as a continuing body with continuing rules, the issue of cloture by a majority is again before us and must again be resolved.

The Senate of the United States is unique among parliamentary bodies. Because of the tradition of unlimited debate in the Senate, even though that principle has been diminished by rule XXXII, the rights of the minority have always been secure in this Chamber. That is what gives the Senate of the United States a unique stature among parliamentary institutions.

What the motion before us seeks to do is to destroy—let me repeat, is to destroy—the very uniqueness of this body; to relegate it to the status of any other legislative body, and to diminish the Senate as an institution of this Government.

The proposition now under discussion to move to consideration of Senate Resolution 4 clearly envisions the invoking of cloture by a simple majority—let me repeat, by a simple majority—and I want the Members to weigh that very, very carefully, and to understand that if this is agreed to, one, two, or three Senators, who can be prevailed upon to change their minds, to loosen their consciences, can be the determining factor in a matter of moment that is important to this Nation and to the world.

Pressures have been exerted, as we all know. Senators have changed their minds, not because of conscience, on some occasions, but because of pressures exerted, and that is why I ask the Senators to weigh very, very, very carefully what a simple majority as to invoking cloture can mean.

The Members of this body should fully understand the implications of that course of action.

In the past, I have favored proposals to change rule XXII, to require three-fifths of those present and voting instead of the present two-thirds required to invoke cloture. In all candor, however, I must say that with the passage by the Senate of the landmark Civil Rights Acts since 1964, I do not feel the sense of urgency for the change of rule XXII I once did. Even so, I still support the three-fifths concept embraced by Senate Resolution 4 because I think it would be an appropriate compromise between those who prefer the present rule and those who would prefer a simple majority rule.

I favor a three-fifths principle, too, because I believe it does not destroy the essential character of the institution of the Senate. But I will not, and I cannot, and I shall not, go below three-fifths because I think of the inherent dangers in a proposal which is embarked upon imposing a majority rule in the case of a cloture, and I fear for the future of this unique institution and this Republic if such a factor becomes indeed a fact.

A three-fifths rule, if adopted, would be an equitable way to balance the interest while, at the same time, preserving the principle of protecting the minority positions in this body, and that is extremely important, and that is one of the unique features of this institution. That, too, I would hope would be kept in mind because, while I have been disconcerted, while I have not been pleased with filibusters which have been carried on, while I have had my embarrassing moments, I still believe that the rights of the minority must be protected.

I also believe that if we adopted Senate Resolution 4 it might bring to an end the biennial struggle over the changing of the Senate rules which has occupied so much of our time and our energies at the beginning of each Congress.

But the fact that I can and do support the content of Senate Resolution 4 does not mean that I condone or support the route taken or the methods being used to reach the objective of Senate rule XXII.

The present motion to invoke cloture by a simple majority vote, if it succeeds, would alter the concept of the Senate so drastically that I cannot under any circumstances find any justification for it.

The proponents of this motion would desregard the rules which have governed the Senate over the years, over the decades, simply by stating that the rules do not exist. They insist that their position is right and any means used are, therefore, proper.

I cannot agree.

Therefore, Mr. President, in order to question the propriety, under the U.S. Constitution, of the motion to end debate offered by the distinguished Senator from Kansas (Mr. PEARSON), I will make a point of order at the proper time that the motion is out of order.

That motion could be made now, but if it were made it would be subject to a tabling proposition and that would mean there would be no debate. So with that understanding, that it is my intention at an appropriate time to make that motion, I will now be in a position to answer questions or to yield any time which a Senator might desire for elucidation and knowledge, and I yield to the Senator from Alabama.

QUORUM CALL

Mr. MANSFIELD. First, if the Senator will yield, I think this question is so important that we ought to have a live quorum at this case.

Mr. ALLEN. Would the Senator yield to me at the conclusion of the live quorum?

Mr. MANSFIELD. And I will make the point of order, but I will not push it, and I hope that no Member of this body would expect me to push it until a reasonable time has developed.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. Would the Senator allow me——

Mr. ALLEN. Yes, if the Senator will then yield to me.

Mr. MANSFIELD. Yes, indeed.

Mr. JAVITS. Will the Senator yield to me, also?

Mr. MANSFIELD. I would like to make a point of order that a quorum is not present, in order to achieve a live quorum, and with the proviso that I maintain my right to the floor and that I will then yield to the distinguished Senator from Alabama and then to the distinguished Senator from New York.

Mr. JAVITS. I thank the Senator.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum with that proviso.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 4 Leg.]

Allen
Biden
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Clark
Cranston
Goldwater
Griffin
Hart, Gary W.
Hollings
Javits
Kennedy
Mansfield
Mathias
Mondale
Morgan
Pearson
Percy
Scott, Hugh
Stafford
Stone

The VICE PRESIDENT. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Bartlett
Bayh
Beall
Bentsen
Brock
Brooke
Buckley
Bumpers
Burdick
Cannon
Case
Chiles
Church
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fong
Ford
Garn
Glenn
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Laxalt
Leahy
Long
Magnuson
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott,
  William L.
Sparkman
Stennis
Stevens
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Michigan (Mr. HART) and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is necessarily absent.

I further announce that the Senator from Arizona (Mr. FANNIN) and the Senator from Ohio (Mr. TAFT) are absent due to illness.

The VICE PRESIDENT. A quorum is present.

Mr. MANSFIELD. Mr. President, with the concurrence with the distinguished Senator from Alabama, to whom I had agreed to yield, I yield briefly to the distinguished Senator from Vermont.

Mr. STAFFORD. Mr. President, I ask unanimous consent that Victor Maerki, of my staff, may have the privilege of the floor during consideration of Senate Resolution 4.

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED AMENDMENT OF RULE XXII

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Alabama (Mr. Allen).

Mr. ALLEN. I thank the majority leader. I wish more Members of the Senate had been in the Chamber when he made his sledge hammer blows against this motion. A little later, I will read the heaviest blows he delivered against the motion.

Mr. President, when I first came to the Senate in 1969, I did not know the measure of the man who is the majority leader of the Senate. I first formed my conclusions about the measure of this great man in a similar fight on the Senate floor, when an effort was made to get to the consideration of a resolution amending Senate rule XXII, and a motion was filed to invoke cloture. It came to a vote. A majority, less than a two-thirds majority, voted to invoke cloture.

The distinguished Vice President then serving, the present Senator from Minnesota (Mr. Humphrey), ruled that cloture had been invoked with a simple majority.

An appeal was taken to the full Senate, and the vote was very close. With the titular head of the Democratic Party presiding over the Senate, the majority leader of the Senate, Mr. Mansfield, voted to override, to overrule, the ruling of the Chair that a simple majority could invoke cloture.

I stated at that time that my admiration for the majority leader had grown by leaps and bounds as a result of his stand for principle. Now, Mr. President, we see him acting in exactly the same pattern.

An effort is being made to cut off debate, to invoke cloture in the Senate by a simple majority, and the majority leader denounces that effort. Let us hear what he said. I read three paragraphs from his statement:

> But the fact that I can and do support the contents of S. Res. 4 does not mean that I condone or support the route taken or the methods being used to reach the objective of changing Senate rule XXII. The present motion——

That is the motion made by the distinguished Senator from Kansas (Mr. Pearson). What I am reading was not said by the Senator from Alabama. I am quoting the distinguished majority leader.

> The present motion to invoke cloture by a simple majority vote if it succeeds would alter the concept of the Senate so drastically that I cannot find any justification for it.
>
> The proponents of this motion would disregard the Rules which have governed the Senate over the years simply by stating that the Rules do not exist.

Another phrase for that would be seeking to invoke cloture by a majority vote by throwing the rule book out the window. The majority leader words it a little bit differently. "They insist that their position is right and any means used are therefore proper. I cannot agree," says the distinguished majority leader.

I wish again to pay tribute to our distinguished majority leader and state that I certainly support his position in the matter. I am certainly not going to prolong this debate. He has spoken more eloquently than I can with respect to the issue involved. So the distinguished majority leader says he is for the contents of Senate Resolution 4; he is not in favor of getting to a vote on it by improper means. That is what he says.

Mr. LONG. Will the Senator yield at that point?

Mr. ALLEN. I am glad to.

Mr. LONG. Is it not true that the statement of the majority leader could, in some respects, be viewed as a statement against one's immediate interests, because if one looked at it from a selfish point of view, there is nothing that plagues a majority leader more in trying to move a debate along than the right of free debate.

Mr. ALLEN. That is almost against the interests of the Senate, is it not?

I thank the distinguished Senator from Louisiana.

Mr. President, I understand that a little bit later on, the distinguished majority leader is going to make a point of order that this motion is out of order. I see the two sponsors of this resolution, Senate Resolution 4, and this present resolution seated in the Senate chamber. I hope they will reassess and reconsider their position. I hope that they will acquiesce in the point of order being made by the distinguished majority leader and not make a motion to table the point of order and try to win by sheer force of numbers, by sheer brute force, a question that is clearly covered by the Senate rules.

The distinguished majority leader made a very interesting point about the Senate being a continuing body. He suggested that had a trial of impeachment been under way at the time of the expiration of a Congress, the incoming Senate, being a continuing body, with only a third of the Senate coming in, the next Senate would be able to carry on the impeachment, since it is a continuing body. I daresay that had the Senate been engaged in a trial of impeachment here some months ago, we would not have heard voices raised by the proponents of Senate Resolution 4 and of this motion that the Senate is not a continuing body and therefore, it would have to start over on that trial. I suspect that they would have felt that the Senate is a continuing body so that that proceeding could have continued.

The question here today is, are we going to throw the rule book out the window or are we going to sustain the point of order, which was not made by the Senator from Alabama—his point of order would have no chance of being sustained—but a point of order, no matter on which side it is made. The point of order made by the distinguished majority leader is a point well taken. I sincerely do hope and trust that the distinguished Senator from Minnesota (Mr. Mondale), following the leadership of our party leader, will maintain the unity that we need here in this body, at this time, acquiescing in the point of order and not pressing further this motion, which is clearly out of order.

I yield the floor.

Mr. MANSFIELD. Mr. President, if the distinguished Senator from New York will allow me, it is my understanding that our Presiding Officer, the distinguished Vice President, desires to make a statement which he had considered making prior to the recognition of the distinguished Senator from Alabama. I ask unanimous consent that at this time, without the Senator from New York losing his right to recognition, our distinguished Presiding Officer be allowed to make that statement at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The point of order having been made by the Senator from Montana and recognizing that the Senator from Montana maintains the floor, the Chair would like to make a statement in response.

The Chair believes deeply in the separation of powers and the coequal responsibility of the legislative and executive branches of Government under our Constitution.

It has been the Chair's practice and privilege, both in representing various administrations here in Washington and as Governor of the State of New York for 15 years, to work closely with the legislative bodies within the framework of the rules and regulations established by them. The Chair feels very deeply about this principle.

However, the Chair must carry out his duties as President of the Senate. Toward that end, the Chair has reviewed the history of this matter so that he might be guided by the precedents established heretofore.

Under the precedents, the question of the continuation of the rules of the Senate from one Congress to the next and, more particularly, the procedure by which those rules may be amended, has been considered a constitutional question. With but one exception, every President of the Senate who has faced this question has submitted it, or stated that he would submit it, to the membership of the Senate for debate and determination. In the one instance where the President of the Senate undertook to determine the question himself, his determination was reversed. Thus, the Members of the Senate, by their vote, maintained the precedent.

For these reasons, therefore, the Chair submits to the Senate the question: Is the point of order made by the Senator from Montana well taken? That question is debatable.

Does the Senator yield to the Senator from New York?

Mr. MANSFIELD. Yes, I yield.

Mr. JAVITS. Mr. President, I intend to propound a number of parliamentary inquiries to the Chair. Before doing that, I should like to give my own view of the law and the Constitution here so that both the Chair and the Senate may understand the frame of reference from which I speak, and I hope not to take any more time than the distinguished Senator from Alabama has taken in presenting another point of view.

Mr. President, if there is one proposition which is uncontroverted in our society, and it is, indeed, literally the vertebrae on which our Nation is built, it is the sanctity of the Constitution. Mr. President, that is superior to everything—what is written in the Senate rules, what laws we pass. We have given unbelievable power to a group of men who we feel can be trusted with that power, finally—and it is the one place where a decision is absolutely final—to decide whether what we feel should be done is or is not in accordance with the Constitution, so prized is this document to us.

The Constitution states that at the beginning of every Congress, each House shall be able to determine its own rules. Now, that stands on the landscape bigger, more solidly than any other declaration of any kind, whether contained in the rules or whether contained in our fears or our prejudices.

The Founding Fathers certainly expected that succeeding generations would find a way to assert their rights. This is what we have been contending for in this body since 1957—that is the year that I came here—to find a way to assert our rights, our rights to change the rules by the same body which made the rules.

Mr. President, this has been constantly frustrated by importing into the argument fears and concerns about the fact that a majority could do this, do that, or do the other. Well, Mr. President, it would take but a majority, if the President did not veto it, to expropriate property of great size, just by the tax laws. Franklin D. Roosevelt had an idea that he would like to tax away everything over $25,000 in income, and he had it very, very seriously in mind. Another President might say $10,000, or $8,000, or $6,000, or $4,000. What is to stop him? But that is the essence of this Government and the essence of this Constitution, and the fact that our people have confidence in the way in which the form has been declared.

Yet for practical purposes it is contended that we must forever labor under the proposition that in any matter not otherwise provided for by the Constitution, to wit, ratification of treaties, overriding a Presidential veto, et cetera, we are forever condemned to the ability of one-third of the Senate to frustrate any action which needs to be translated into law on the part of the United States. That is what it comes down to.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for a question?

Mr. JAVITS. If I may finish first.

It is very comparable to the idea which preceded the Civil War that you had to have a concurrent majority before you could do anything here, a majority from the South and a majority from the rest of the country.

My feeling and my constant contention here now for many years, joined by many distinguished Members and many distinguished legal scholars, has been that we have to find a way to observe the Constitution. I think the Chair is absolutely right in submitting these matters to the Senate, but I do not believe that the Senate, at the initiation of a session, can find itself absolutely frustrated from being able to carry out the Constitution because of something which it has put in its rules which is itself unconstitutional.

I remember very well the situation in 1959, when the compromise was offered by a Senator who later became President, Lyndon Johnson, of two-thirds present and voting as against an absolute two-thirds of the whole Senate. I remember very well when section 2 of rule XXXII was written into the rules. That section, if it is valid, would inhibit exactly what we are trying to do today, but it is not valid, and the Senate is just as good a judge, under the Constitution, as the Supreme Court, when it comes to its own actions.

The fact is that I voted for that compromise in the final analysis, and I said at the time that I was able to so vote because I did not consider section 2 valid under the Constitution, and, therefore, a nullity, which indeed it is.

I yield to the Senator from Nebraska.

Mr. CURTIS. I thank my distinguished friend, and I appreciate his scholarly argument, but I wanted to make sure I understood what he said.

The junior Senator from Nebraska understood that the Senator from New York stated that the Constitution provided that at the beginning of each session of Congress, each House shall determine its own rules. Will the Senator give us the citation for that?

Mr. JAVITS. Yes. I had it before me.

Mr. CURTIS. The only one I can find is in the second paragraph of section 5 of article I, which says:

> Each House may determine the rules of its proceedings, punish its members for disorderly behaviour, and, with the concurrence of two-thirds, expel a member.

Mr. JAVITS. The Senator is correct.

Mr. CURTIS. I understood the distinguished Senator from New York to say—and if I am in error I want to be corrected—that the Constitution provided that at the beginning of each session, each House may determine the rules of its proceedings.

Mr. JAVITS. The import of this provision of the Constitution, and I will explain why, in my opinion, means at the beginning of each Congress each House may determine its own rules, because the practice has been in the other body, never challenged, that at the beginning of each Congress they adopt their rules. The Presiding Officers of the Senate have interpreted that same precedent to mean that the Senate was either a continuing body or tacitly adopted its rules by not changing them at the time when the Senate became part of a new Congress.

That is why I say what I do. If the Senator were correct, by the way, and that view could be exercised at any time, then this motion could be made at any time, and this finding of constitutionality could be made at any time.

So we have sort of subjected ourselves to the discipline of trying to do what we believe should be done at the beginning of each Congress, because that is the way the other body has pursued it, and that has been the traditional practice there. But if the Senator were correct, the traditional point would be more strongly against that view than it is even now, because if this is correct as a statement of policy, it has no qualification, the beginning of each Congress or anything else. It could be made at any time.

Mr. CURTIS. The Senator from New York is a distinguished lawyer, and I concede to him the right to place his interpretation on it. He does so very forcibly. I am not questioning that.

But the fact remains that the Constitution does not specifically say that at the beginning of each session, each House shall determine the rules of its proceedings.

Mr. JAVITS. That is true.

Mr. CURTIS. I thank the Senator.

Mr. JAVITS. But the Constitution does very closely say that each House shall determine the rules of its proceedings, and therefore that may come about at any time, at the beginning of each Congress, at the end, or in the middle, and it cannot be inhibited by a rule of that House; and that is what I am arguing.

In other words, my fundamental point is not the time of doing it, because that has just been a traditional practice, following that of the House of Representatives. My fundamental point is that the Constitution is paramount to any rule that we adopt in the Senate, and it is that paramountcy which is sought to be carried out by Senator PEARSON's motion.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. Is the Senator from Nebraska implying that the constitutional provision was satisfied when the Senate, over a hundred years ago, first made its rules, and now, when we attempt to make this rule now in 1975, the constitutional provision is no longer applicable? Would that not be a ridiculous conclusion?

Mr. CURTIS. I did not make any implication. I understood that the Senator from New York made a quotation from the Constitution, and I did not find any such language. That is the reason why I rose to ask him.

Mr. PASTORE. I know. I could not find it, either, and that is the reason I picked up my book as well. But there is an element of reason in every rule, and there is an element of reason in the Constitution. If we assume that under this constitutional provision each body can make its rules, let alone whether it is at the beginning of the session, if we are implying or inferring at this time that that constitutional provision was satisfied when the rules were made over 100 years ago, then I am afraid we have become an old-fashioned body, and maybe that is just the trouble; we have just become old-fashioned, and we are not living up to the realities of today.

Mr. CURTIS. Will the Senator yield further just for a brief observation?

Mr. JAVITS. I yield.

Mr. CURTIS. I believe it is correct at the beginning of every session of the House of Representatives they have a motion to adopt as the rules of a particular Congress, the 94th, for instance, that the rules of the 93d Congress shall prevail. I believe I am correct in stating that the Senate has never followed any such procedure.

I think that that procedure in the House has established a law by usage. I think that is a doctrine well supported by all the law in this country and in England.

Likewise, I believe the fact that the Senate has not adopted rules when they have convened has become a law, by usage, that it is a continuing body.

Mr. PASTORE. Mr. President, if the Senator will yield and permit——

Mr. CURTIS. I do not have the floor.

Mr. JAVITS. Yes.

Mr. PASTORE. If the Senator will yield and permit, it is absolutely true that in the past, as long as I have been here, that we have been compelled to proceed under the old rules. But that is not because the majority did not want to change the rule; it is not because the majority did not want to initiate new rules; it is because the old rules created this monstrosity of filibuster that stopped us from doing it.

It was not a practice in which we acquiesced. It was a practice that was forced down our throats by the minority.

The Senator from Alabama said a short while ago that this was brute force, that this was the monstrous force of the majority.

I am afraid we are coming down to the monstrosity of the brute force of the minority that controls the workings of the Senate, and that has been the trouble in the delay. We have had people stand up on the floor and say, "Why don't you do something?" "Why don't you do something?" "Why don't you do something?" And every time we want to do it, somebody who has a personal interest or a parochial interest will stand up and block it. All he needs to do is to marshal the forces of one-third of the body, and you are dead. That is the trouble. The efficacy of the Senate will die, if we continue in the way that we have been going.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MONDALE. I wish to put a question to the Senator from Rhode Island. As I understand it, the Senator from Rhode Island has chaired, and is chairing, the crucial ad hoc committee of the Senate which is seeking to develop a comprehensive plan to deal with the profound economic crisis in this country. The crisis of unemployment, of inflation, of energy, and the rest.

Does not the Senator believe that, if the present two-thirds rule obtains, there is a good chance that, no matter what the majority of the Senate wishes to do, much of our plan can be frustrated to the disadvantage and injury of this economy by the use of the filibuster?

Mr. PASTORE. Well, wait and see what happens when we try to resist the decontrol of old oil, and we will see the filibuster in full swing. We will see the beauty of the filibuster in full bloom when we try to decontrol old oil, and we try to do something about the oil depletion allowance. That is the answer to the Senator's question.

Mr. CHURCH. Mr. President, will the Senator yield for me to make a brief observation?

Mr. JAVITS. Very briefly, because I promised not to take any more time.

Mr. CHURCH. I thank the Senator very much.

Mr. President, it has always been my view that it lies within the power of the majority in the Senate, at the commencement of a new session, to determine what the rules of the Senate shall be. Any contrary interpretation of the existing Senate rules would deny to the majority what I deem to be its constitutional right. Therefore, I will vote with those who propose to make it possible for a majority to pass judgment on the rules that will apply in the coming session.

In saying this, I want to make it clear that although I have supported changes in rule XXII and, indeed, have led the effort in years past, along with the distinguished Senator from Kansas (Mr. PEARSON), to modify rule XXII so as to require merely a three-fifths vote to invoke cloture, I came to the conclusion some months ago, expressed at the time, that this would be a mistake.

Since then, it has been my considered judgment that rule XXII ought not to be modified. Therefore, if and when we come to a vote on the merits, I will vote to uphold the present rule. But, consistent with my view that it is the constitutional right of the majority to adopt new rules at the beginning of a session, I will vote for the tabling motion offered by the Senator from Kansas.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. Yes, very briefly, because I really have promised not to take too long.

Mr. PASTORE. I want to applaud the Senator for his view. What he is actually saying is he does not deny us the right to invoke the new rules even though he would like to see the rule with a two-thirds majority, and I think that is everybody's privilege. We are not trying to stuff anything down anybody's throat. All we are saying is give us a chance to work at it. If the majority wants a two-thirds rule, OK. If they want the three-fifths rule, OK. No one questions that, but give us the authority to do it.

Mr. JAVITS. I join with Senator PASTORE in feeling the same way about what Senator CHURCH has just said.

Now, Mr. President, the fact is that the Constitution provides each House may determine the rules of its proceedings and, therefore, theoretically at least this action could be taken at any time. Practically it should be, and has been, taken now because we are having a third of our Members who are new, we are having new bills introduced, the old bills having gone out the window with the close of the last Congress, and they should be guided by a set of rules which represents the determination of this body, plus its new Members and, hence, it is not only legally proper to raise this issue because of the even broader provision of the Constitution, but is pragmatically essential to raise the question now so that all may be guided appropriately in the work to be undertaken but which has not yet been undertaken.

Now, Mr. President, one other significant fact, and then I should like to propound the parliamentary inquiry. This is a question of first impression. May I repeat that, it is a question of first impression, because the Senate has at no time by a majority acted to decide this constitutional question.

It had two opportunities to do so. It had an opportunity in 1969 to do so. On January 16, 1969, the Senate voted 51 to 47 to invoke cloture. The Vice President ruled that that was enough. The Senate overruled that determination, and that related specifically to the narrow question of what does rule XXII say and is rule XXII itself unconstitutional. The Senate, therefore, refused to go along with the ruling of the Vice President.

Subsequently, I raised the same issue on another occasion and in another year, in 1971, and on that issue I appealed from a decision of the Chair who had announced that a cloture move on the change in the rule had failed because two-thirds had not voted in the affirmative. I appealed from that ruling on the ground that it was a constitutional ruling. The majority leader moved to table my motion, and that motion was carried.

So, on neither occasion has the Senate ruled in favor of allowing the Presiding Officer to carry out a mandate which the Senate held was constitutional and, therefore, it is fruitless to argue now that it is throwing the rule book away.

On the contrary, Mr. President, it is asserting the Constitution, and the Constitution is paramount to the rule book, and I do not think anybody challenges that.

Now, Mr. President, I propound the following parliamentary inquiry: Is the point of order raised by the Senator from Montana or to be raised—I am not clear whether he has actually raised it as yet—has he raised it as yet?

The VICE PRESIDENT. Yes, he has.

Mr. JAVITS. Yes. Is the point of order raised by the Senator from Montana debatable?

The VICE PRESIDENT. The answer is "Yes," it was raised and it is debatable since it was submitted to the Senate.

Mr. JAVITS. May the Senator move to table the point of order, and if that tabling motion prevails, would it be a decision by the Senate to affirm the propriety of the motion to end debate which has been offered by Senator PEARSON?

The VICE PRESIDENT. Yes. And if the motion prevails, the Chair would have to interpret that as an expression by the Senate of its judgment that the motion to end debate is in all respects a proper motion; that this procedure is the proper one, and that the motion would then be the pending question.

Mr. JAVITS. Is it a fact——

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. JAVITS. Yes.

Mr. ROBERT C. BYRD. What motion would then be the pending question?

The VICE PRESIDENT. The one that was previously made by Senator PEARSON.

Mr. ROBERT C. BYRD. There would be no debate on that one?

The VICE PRESIDENT. No debate.

Mr. ROBERT C. BYRD. It would be immediately put to a vote?

Mr. ALLEN. He did not say that.

Mr. ROBERT C. BYRD. That is what I am trying to find out.

The VICE PRESIDENT. His motion would not include debate; a direct vote.

Mr. JAVITS. Mr. President, does the motion to table require only the usual majority of the Senate?

The VICE PRESIDENT. Yes, the Senator is correct, under the rules and precedents.

Mr. JAVITS. The Chair has already answered the question. As the motion contains that provision, the Chair's duty would be to put the Pearson motion to the Senate immediately that the motion to table occurs.

Mr. ALLEN. Will the Senator yield? I believe the Senator is stating—putting words in the Vice President's mouth.

Mr. JAVITS. Well, Mr. President, I would ask unanimous consent that that be stricken. It is not necessary to repeat something I have not asked.

Mr. ALLEN. When the Senator gets through, I wish to ask a clarifying question.

Mr. JAVITS. Now, Mr. President, if the motion to end debate prevails, may the Chair immediately put to the Senate without further debate the question on the adoption of the motion to proceed to the consideration of Senate Resolution 4?

Mr. ALLEN. If the Vice President would yield.

[Laughter.]

Mr. JAVITS. Mr. President, I have not yielded and I believe I have the floor.

Mr. ALLEN. Very well.

The VICE PRESIDENT. The Senator from New York still has the floor.

The answer to the question propounded by the Senator from New York is "yes."

Mr. JAVITS. Finally, Mr. President——

The VICE PRESIDENT. But there is one other action that would have to take place first, and that would be action on Senator PEARSON's motion; then, if that is agreed to, then it would go to the original motion to proceed to the consideration of Senate Resolution 4 and that would be by a simple majority.

Mr. JAVITS. Finally, Mr. President, if the motion to proceed to the consideration of Senate Resolution 4 is adopted by the Senate, will Senate Resolution 4 be the pending business before the Senate?

The VICE PRESIDENT. The answer is "yes."

Mr. JAVITS. Mr. President, I thank the Chair, and I am prepared, if the majority leader wishes, to either yield the floor to him or to Senator ALLEN, whatever he wishes.

Mr. ALLEN. A further parliamentary inquiry then.

The VICE PRESIDENT. The Senator will state it.

Mr. ALLEN. May I make a parliamentary inquiry of the Chair?

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. ALLEN. As I understand the situation, a point of order has been raised by the majority leader and it would seem to me a motion is going to be made to table the point of order.

If the point of order is tabled, would not the effect of that vote by the Senate be to rule that the Pearson motion is properly before the Senate, but it will have no force and effect, as is the case of all motions, until it has been adopted by the Senate itself, and prior to the vote on that motion would not then, as is the case of all motions other than motions to table that motion be subject to debate?

The VICE PRESIDENT. The Senator is correct as to his first question, but the second question is covered by the motion itself which precludes debate.

Mr. ALLEN. Still, that motion, Mr. President, does not have any force and effect until it is adopted by the Senate, and obviously——

The VICE PRESIDENT. The Senator is correct.

Mr. ALLEN. A mere motion could not say that it is not going to be debatable; it would not have any effect until it has been ratified by a vote of the Senate, would it?

The VICE PRESIDENT. The second and third parts of that motion would have to be put immediately to the Senate for the vote.

Mr. ALLEN. And the Senate—is the Chair going to invoke cloture ex mero motu?

Is the Chair going to invoke cloture on his own motion?

The VICE PRESIDENT. Will the Senator put that in English for me?

[Laughter.]

Mr. ALLEN. In other words, is the Chair ruling that the Senate would have no opportunity to vote on the motion prior to hearing in the U.S. Senate; that there would be no debate on such a motion?

The VICE PRESIDENT. On the point of order that has been made against the motion, and the point of order is debatable, that is the point of order.

Mr. ALLEN. Yes.

The VICE PRESIDENT. That is debatable.

Mr. ALLEN. The Senator from New York—of course, it is a tortuous course—was aided, however, by answers of the Presiding Officer that were numbered, as he called off one number. I am wondering if the Presiding Officer is going to say that the Senate does not have a right to debate a motion filed here in the Senate?

The VICE PRESIDENT. The point that the Chair was trying to make is that the Senate has the opportunity in the vote to table the motion to determine whether a proper motion has been made.

Mr. ALLEN. Is the Chair ruling then—stating it is going to rule that a question decided on one point is going to be decisive of an entirely different matter; that there is going to be a vote on an entirely different matter?

That is what the effect of the Chair's ruling is.

The VICE PRESIDENT. If the Senate, by its own action, declares the motion a valid motion, then it is a valid motion, and the Chair would have to put it to the Senate for a vote.

Mr. ALLEN. The Chair is going to cut off debate on a motion filed here in the Senate, is that right?

The VICE PRESIDENT. We would have to put it to the Senate on the terms of the motion.

Mr. ALLEN. Well, the motion is not effective until it is adopted, is it?

The VICE PRESIDENT. The Senate has the opportunity in tabling to make that decision as to what they would like to do, and they would do that by majority vote.

Mr. ALLEN. Well, the motion to table is not decisive of another, it is an entirely different point, I would think.

I thank the Chair for his information.

The VICE PRESIDENT. The Senator from Minnesota.

Mr. MONDALE. As I understand the ruling of the Presiding Officer, it is his ruling that it is for the Senate to determine the constitutional question when the Senate votes on the motion to table. I hope we will be able to do this shortly. After proper discussion and debate on this matter, the Senate will have an opportunity to decide the constitutional question. It will not be the Presiding Officer, it will be the Senate that decides.

What he is doing here is, in effect, turning the question back to the Senate. We will decide the question on the motion to table, after appropriate debate has taken place.

It is not the Presiding Officer ending debate. It will be a decision by the Senate that it wishes to assert its clear powers under the Constitution. I would remind Senators that we are not dealing with the merits of rule XXII today. We are, after a month of filibuster, simply trying to get it before the Senate as the pending business.

All the Senate would be doing is saying that a month should be enough time to decide whether they want to decide something.

If it takes us as long to deal with other matters as it does with this question, it will be January 1984 before we see the first action on Senator PASTORE's bill to deal with our economic problems.

I think the Vice President has ruled wisely. The question is for the Senate. We can do as we please, I hope we will do the responsible thing and put rule XXII before the Senate as the pending business.

Mr. TOWER. Mr. President, the Senator from Rhode Island made a very interesting observation a moment ago when he said that a rule that was enacted a hundred years ago is no longer consonant with the realities of the time.

In other words, it is an anachronism. I submit that if we are to pursue that line of reasoning, we must note that the U.S. Senate, itself, is an anachronism. It was the intention of the Founding Fathers that the Senate would represent the States as corporate entities. It is an anachronism, I suppose, in the context of this time, that the Senator from Texas represents 12 million people and has one vote in the Senate, and the Senator from Rhode Island represents 1.5 million people and has one vote in the Senate. I submit that that in itself is an anachronism.

But there was a very good reason why this bicameral legislature was created by the Founding Fathers. The Senate has fulfilled the historic function of protecting the minority from the precipitant and emotional tyranny of the majority. If we are going to talk about anachronisms, if we want a little bit slicker machine to run the people's business, we should go to the parliamentary executive system. Then they would not have the confrontation between the Chief Executive of this country and the Congress of the United States.

So if our Government is, indeed, too rooted in the past and is indeed an anachronism, why do we not call a constitutional convention and revise the document, as Thomas Jefferson thought each generation would have to do?

Mr. PASTORE. Will the Senator yield?

Mr. TOWER. I yield.

Mr. PASTORE. It is true that the Senator has a lot more people in Texas than we have in Rhode Island, but is it not remarkable and marvelous that the Senator and I are about the same size? [Laughter.]

Mr. TOWER. I agree.

Mr. President, I was only making the observation that I am atypical, and that Senator PASTORE is not because he is a Rhode Island-size Rhode Islander and I am a Rhode Island-size Texan. [Laughter.]

The VICE PRESIDENT. The Senator from Nebraska.

Mr. CURTIS. Mr. President, I wish to call this to the attention of the Chair: rule XXI says:

> 1. All motions shall be reduced to writing, if desired by the Presiding Officer or by any Senator, and shall be read before the same shall be debated.
>
> 2. Any motion or resolution may be withdrawn or modified by the mover at any time before a decision, amendment, or ordering of the yeas and nays, except a motion to reconsider, which shall not be withdrawn without leave.

The rules provide that motions shall be debated.

No. 2 relates to withdrawing or modifying amendments.

Then rule XXII says:

> 1. When a question is pending, no motion shall be received but—
>
> To adjourn.
>
> To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.
>
> To take a recess.
>
> To proceed to the consideration of executive business.
>
> To lay on the table.
>
> To postpone indefinitely.
>
> To postpone to a day certain.
>
> To commit.
>
> To amend.

Then the rule says:

> Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

The rules clearly state that only motions to be decided without debate are motions relating to adjournment, to adjourn to a day certain, to take a recess, to proceed to the consideration of executive business, to lay on the table shall be decided without debate.

I submit that that read in connection with the very first sentence, which said: "All motions shall be reduced to writing and shall be read before the same shall be debated," clearly establishes a rule of the Senate that no motion, other than those specifically enumerated, can be put without debate. I thank the Chair.

The VICE PRESIDENT. May the Chair state his position? The point of order has been raised on this question. If that point of order, which was raised by the Senator from Montana who objected because of the reasons you have stated, is tabled by a majority vote, then the Senate, by its own majority vote, has expressed itself on the motion. So the Chair then has to go back to the motion, because the Senate has expressed itself.

Mr. CURTIS. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CURTIS. Let us suppose that an amendment would be offered to increase an appropriation and a point of order is made. Then there follows a motion to table the point of order and the motion prevails. Would it follow that the amendment then must be voted upon without debate?

The VICE PRESIDENT. If it is contained in the motion because this is a parallel case.

Mr. CURTIS. In other words, a Member of the Senate can insert language in his motion and the very insertion denies all other Senators the right to speak on it?

The VICE PRESIDENT. The Parliamentarian advises that that is a hypothetical question.

Mr. CURTIS. But it is a good one.

The VICE PRESIDENT. It does not relate to this question before the Senate at this time.

The Senator from Florida.

Mr. STONE. Mr. President, in the last general session of the United Nations the Presiding Officer utilized the process of the appeal of the Chair, and other parliamentary processes, to emasculate the rules of procedure of the General Assembly of the United Nations, demeaning that body to practically a worthless body.

I can visualize another hypothetical parliamentary inquiry in which the same process being followed today could be attempted with regard to the two-thirds constitutional requirement to approve treaties, or any other two-thirds requirement in the Constitution as well as in the rules. Although admittedly unlikely all that has to happen is this same motion procedure leading to a motion to table, the Chair to turn it over to the majority ratification of such a point of order, and the two-thirds requirement to be destroyed. If we do not live by the spirit of the rules as carried forward, yes, for over 190 years, then we will not be any kind of a deliberative body, much less the greatest in the world.

The VICE PRESIDENT. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I would hope that the Senate would support and sustain the point of order that has been made by the distinguished majority leader, and that if a motion to table that point of order is made, as we are told it will be made, that that tabling motion will not prevail.

Mr. President, without attempting in any way to be repetitious of the excellent statement that the distinguished majority leader has made in connection with the fact that the Senate has been recognized by the Senate and by the courts as a continuing body, and that under the Constitution each House shall make its own rules of proceedings, and that the Senate in the past has formulated its own rule to the effect that these rules shall remain in effect until changed in accordance with the rules, may I shift the Senate's attention to the motion that is before the Senate.

The distinguished Senator from Kansas has made a motion to proceed to the consideration of Senate Resolution 4. In connection with that motion, he has moved, also, to shut off debate immediately on that motion. If the Senate should vote to support that procedure, that debate be closed immediately, then it would be the duty of the Chair immediately to put the question on proceeding to the consideration of Senate Resolution 4. This is a divisible motion.

Various parliamentary inquiries have been made. The Chair, in responding to those parliamentary inquiries, has indicated that if the point of order by the distinguished majority leader is tabled, the question before the Senate then will be the motion which contains a provision to shut off debate, and that the Senate must then vote immediately on the motion.

Let me say it this way. I do not think I have stated it clearly.

Ordinarily, if a motion is made, and a point of order is made against such motion and the Chair submits the point of order to the Senate and the Senate rejects the point of order, the motion—to which the point of order was addressed—is still before the Senate, and that motion is debatable. In this instance, by virtue of the unique way in which this motion is written, and in view of the Chair's having responded as he has to hypothetical parliamentary inquiries, the self-executing motion would not be debatable. The distinguished Presiding Officer has indicated that he would not respond to hypothetical situations, but he indeed has responded to a hypothetical situation by indicating that if the Senate tables the point of order by Mr. MANSFIELD, the Chair would then, without further debate, immediately put the question to the Senate as to whether debate shall be closed.

I know that those who have submitted this motion act in the highest of good faith, but I consider this motion an extremely dangerous approach. Aside from the fact that the Senate is a continuing body, forgetting that for a moment, we should take a close look at what precisely we are about to do here.

We are about to set a bad precedent, if we table the point of order raised by Mr. Mansfield. In view of the Chair's having said that that will be interpreted as the Senate's having exercised its will that the motion to which that point of order is addressed cannot be debatable and must be put immediately for a vote.

We are going to rue this day. It will be a very simple matter for a Senator in the future to send a motion to the desk, such motion being to the effect that we immediately proceed to the consideration of something or that we immediately adopt a certain measure which is already pending before the Senate, and include in that motion a direction that the Chair immediately put the question before the Senate to close off debate on such motion.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I will yield presently.

And that if the Senate, by majority vote, agrees to that provision in the overall motion to close debate, the Senate will then proceed immediately, without debate, to the consideration of the measure; or, if the measure is already before the Senate, the Senate will proceed immediately, without debate, to vote on the measure itself.

If a point of order were raised against that motion and a tabling motion were made immediately, there could be no debate. The vote would occur on that tabling motion.

Mr. PEARSON. Mr. President, will the Senator yield on that point?

Mr. ROBERT C. BYRD. Will the Senator allow me to finish? I am trying to develop what I think is a very difficult point to explain, and then I will be delighted to yield.

Mr. PEARSON. I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate? I am having difficulty expressing my own thoughts.

The VICE PRESIDENT. The Senate will be in order, please.

Mr. ROBERT C. BYRD. Let me begin again.

I say to Senators that if the point of order by the Senator from Montana is tabled, we will set a bad precedent; and in the future, any Senator may contrive a similar motion, a motion in many parts, which of course can be divided.

Nobody has addressed himself to this motion yet. The Senator from Nebraska (Mr. Curtis) was getting into it. I want us to consider the motion that is before the Senate and the danger of setting a precedent here which those on the Senator's side and those on my side one day will rue.

If a motion to table such a point of order is adopted, we will need only 51 Senators on this side of the aisle to shut off debate immediately on those on the other side, as a party—any time we want to, in the future.

May I say to those of us on our side that the day may come—although I hope it will not be in my time—when we will be in the minority, and it will take only 51 Senators from the other side of the aisle to stop debate immediately, without one word, on some matter which we may consider vital to our States or to the Nation. Let me show the Senate how this would work.

I would send a motion to the desk. That motion would be to the effect that we proceed immediately to the consideration of a certain matter; or, if the matter were already before the Senate, that motion would be to the effect that we proceed immediately to the adoption of that matter before the Senate. Coupled with this motion which I would send to the desk, I would add a motion that the Chair immediately put the question, to shut off debate, and that if that motion is agreed to by a majority vote, the Chair then immediately, without debate, put the question as to proceeding to the consideration of the matter; or, if the matter is already before the Senate, the Chair immediately would put the question on the adoption of the matter before the Senate.

The next thing needed to trigger this into a situation which gags every Senator on this floor, not giving him 1 minute for debate, is that a Senator who would share my view and who would be working with me in that particular situation, if he could get recognized by a cooperative presiding officer, could immediately raise a point of order that my motion is not in order. Whereupon, another Member or I, myself, or the Senator who raised the point of order, if he again could get recognition immediately, could move to table that point of order. On a tabling motion, under the rules of the Senate there is no debate.

Thereupon, the vote would occur immediately upon the motion to table the point of order. If that point of order were tabled the Chair—under the interpretation which the very distinguished Presiding Officer today has rendered to the Senate—would immediately put the question to shut off debate. There could be no debate on that motion to shut off debate. If there were a majority vote to shut off debate, then the Chair would immediately go to an immediate vote on the other motion to proceed to consider, or, if the matter is already before the Senate, immediately go to an immediate vote on the adoption of the matter before the Senate and there could be no debate on that question.

Mr. CURTIS. Will the distinguished Senator yield?

Mr. ROBERT C. BYRD. Not yet, if I may. I beg the Senator's indulgence.

In other words, this motion is self-executing, and the Chair is interpreting the motion of the Senator from Kansas (Mr. Pearson) to mean that if this point of order which has been made by the distinguished majority leader is tabled the motion to shut off debate is self-executing, and the motion, which would, in any other instance, be debatable once the point of order is laid to rest, is, indeed, not debatable by virtue of the action of the Senate in tabling the point of order in this instance.

I must say that I have to disagree, respectfully with the Chair. We are today operating by the rules of the Senate, which rules and precedents provide that a motion before the Senate, against which a point of order has been made and tabled, remains before the Senate and is debatable. I cannot for the life of me understand how, in this instance, the motion, if the point of order is tabled, will not still be before the Senate and will not be debatable. I cannot understand that. I cannot understand how the Chair can logically state that the Senate, by this motion, and by virtue of its tabling a point of order, which is a separate matter, ipso facto shuts off debate on the motion of the Senator from Kansas to close debate by a majority vote.

Now, if we go down this road, I can guarantee that every Senator in this body will rue this day. I have long revered the rules of the Senate. I, personally, in the last few years, have come to the view that I would support a motion to invoke cloture by three-fifths. Like the majority leader, I think that would preserve the integrity and the uniqueness of this institution while, at the same time, it would be balanced and equitable. But I would achieve that end by working within the Senate rules.

I have changed my mind over the years. And I may change my mind again. But as I have worked here with the majority leader for 9 years, I feel that a three-fifths cloture vote would protect the minority, protect the uniqueness of this institution, and preserve a fair and equitable way to close debate. But I am not for destroying the Senate as a unique institution in an effort to reach that end.

I say this with apologies to those who have presented this motion. They are not for destroying the Senate, either. They love the Senate as much as I do. I have taken the floor today with some hesitation. I did not want to get into this issue. I made no preparation to do so. Others have made excellent arguments as to the continuing body principle and all of that. But I think this is an extremely unique motion and such a motion has only been offered to the Senate on one previous occasion.

Let me say further that if Mr. Mansfield's point of order is tabled, we will not only not be allowed to debate the motion to shut off debate, we will also not be allowed to amend it. We will not be allowed to make a motion to postpone it. We will not even be allowed to make a motion to table it. Because this motion says that if the Senate votes, by majority vote, to shut off debate, the question then will immediately recur on the motion of the Senator from Kansas to proceed to shut off debate.

When the vote is to occur specificially on a motion, it cannot be tabled. How can we vote on a motion if we table it? Once cloture is invoked, the same thing occurs with regard to the motion to proceed, which the Chair must put immediately, if the point of order is tabled. Under the Chair's interpretation, the Chair would immediately put that question to the Senate. It cannot be tabled, it cannot be amended, it cannot be postponed.

Senators, do we want to do it this way? If this is done today, it can be done any day. If it can be done on this constitutional question, it can be done on another constitutional question.

It can be done on any other point of order the Chair wishes to refer to the Senate for decision.

Suppose it were the Bay of Tonkin resolution, which involved a declaration of war by the Congress of the United States. Any Senator could contrive his own—and I do not use that word disrespectfully—any Senator could write a similarly phrased divisible motion, a multiple motion, send it to the Chair, and all someone else would have to do is raise a point of order, another Senator would move to table the point of order; if the point of order were tabled, the matter, without debate, would be immediately put to a vote. If a majority were to sustain that vote, the debate would be closed on the basic motion to move to the consideration of the matter, or if the matter were already before the Senate, to proceed to vote immediately on the matter and without further debate.

You know, it is only by the sufferance of the Senate here today that we are talking even now, out of respect for the majority leader. I have been in the Senate at times heretofore when some Senators would not have felt compelled to so respect the majority leader. It is only by the sufferance, also, of those Senators like Senator MONDALE and Senator PEARSON, who are allowing us to debate this point of order before moving to table.

Let us put ourselves at another time, on another day, when we may not have Senators who are willing to let us debate a point of order before they move to table. In the light of the Chair's answer to the parliamentary inquiries, and in the light of the provisions of this particular motion we are debating it, together with the point of order, right here and now, by the sufferance of Senator PEARSON and Senator MONDALE. They have permitted us to talk before they move to table.

They did not have to do that. Another day, another Senator could raise the point of order and immediately, if he can get recognition again, he can move, himself, to table his own point of order—he does not have to have any help from anyone else—and the question would recur immediately, without debate, to table the point of order.

So I say most respectfully to my colleagues, those who differ with my viewpoint, that I respect their viewpoint. I respect what they are trying to do. I want to achieve the same end that they are trying to achieve. But I believe that there is a danger here that, if Senators will reflect upon it for but a little while, they can foresee a time when we would say that we went the wrong way to achieve an otherwise very notable purpose.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PEARSON. Mr. President, if there is a danger in this motion, then there is a danger in the Constitution, I submit. The Senator has painted a very frightening picture of a great precedent being set here by majority cloture. A motion is submitted, and in that motion there is incorporated a provision to cut off debate. It was along in his dissertation and most able argument that he made reference to the constitutional issue.

That is what is at stake here. And how is the issue joined? It is by a motion, citing a section of the Constitution that pertains to the Senate's power to make its rules, and that is challenged by a point of order, where the majority leader said, "No, that is not proper, because the Senate rules say something else, that you cannot cut off debate except as you do it by rule XXII."

So the constitutional issue is joined, and it is joined as it is submitted to the Chair, and he rules. He rules that there is a constitutional question, and it ought to go back to the Senate.

The precedent here is where you make a determination as to whether a majority may go to a new rule—not a majority rule, but a three-fifths rule. Much of the debate today centers around a lot of conflicts, rules and procedures, and parliamentary inquiries.

We talk about disregarding rules; I submit that we could very well disregard the provisions of the Constitution. It is said that we diminish the rules. We could very well diminish the Constitution. It is said that the rights of the majority are sacred, and they are, but if there is anything fundamental and a seed of genius in our system, it is that someday a majority gets to vote.

This is not a precedent for a majority vote to go to majority cloture. It is a precedent, under the Constitution, so that some day we can get a rule which will not say a majority, but will say three-fifths. Some of us judge, including the assistant majority leader, that that may be proper at some times.

Mr. President, this does not set a precedent for anything new. It is a precedent borne within the Constitution. It is a precedent utilized within the Constitution.

How do we join the issue? If you think that section 1, article V, says that the majority of the Senate, at the opening of a Congress, has the power to make its rules, then this is the way you join it. It is not a dangerous precedent. It is a logical way to join issues and have the matter submitted to the Senate; and I submit that that is what is at issue here this afternoon.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. PEARSON. The Senator from West Virginia has the floor.

Mr. ROBERT C. BYRD. Mr. President, I do not want to hold the floor overly long. I have no problem with the submission of the point of order to the Senate by the distinguished Presiding Officer, saying it is a constitutional question. I have no problem with that.

If the Chair had elected to rule on this question, the Senate could have appealed the ruling. That appeal would have been debatable. Of course, if there had been a motion to table the appeal, that would have shut off debate. That motion might have failed, and the Senate could then have debated the appeal. But the Chair has elected to submit this point of order to the Senate as a constitutional question.

The distinguished Senator from Kansas has said that this is a constitutional question. He has said that under the Constitution, each House may establish its own rules. No one quarrels with that.

The Senate has established its own rules, and one of those rules say that the rules of the Senate shall be changed only in conformity with the rules of the Senate.

So the Senate is following the dictates of the Constitution. It has established its rules, and one of those rules says that those rules shall continue in force from one Congress to the next until they are changed in accordance with the rules presently established; and one of the rules that is presently established is to the effect that debate can be shut off only by a vote of two-thirds.

We are not talking about majority rule here, Mr. President. The majority of the Senate can change any rule it wishes by a majority vote. What we are talking about is shutting off debate by a majority. That is what we are talking about.

But the motion by the distinguished Senator from Kansas goes even beyond that. By tabling the point of order the Senate will be acting on something entirely distinct and separate from this motion. The Senate will be voting to table something separate and apart from this motion by the Senator from Kansas. If the point of order is tabled, Senators will not have any opportunity to debate the motion to close debate.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I will yield shortly. If the Senator will allow me, and I beg his pardon, I want to say this: I guess there have been times when I have approached every Senator in this body on both sides of the aisle in an effort to get a unanimous-consent agreement under the present rules, and any one Senator could object to the request, and debate would go on and on and on, if it be the will of the Senate.

But if we go down this road, if I were so minded, and I sought a unanimous-consent agreement, and got one objection, do Senators know what I could do if I had the backing of 51 Senators? I could say, "You can just go to Sheol. I do not have to have your consent. I will send my motion to the desk," especially if it pertained to a constitutional question. It might pertain to any of the rules in that book of rules. I would just say, "OK, I will send a motion to the desk," and that motion would be self-executing, and if my 51 Members would back me up, I do not need the unanimous consent of anyone. A point of order could be made to my motion, the point of order could be tabled and we would vote immediately to shut off debate, and then we would vote immediately on the question that I came to you to get your consent about. And all of this without any debate.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Put this power in the hands of a tyrannical leadership, and a tyrannical majority of 51 Senators, and we are going to be sorry on both sides of the aisle.

I yield to the able Senator from Nebraska and then to the distinguished Senator from Minnesota.

Mr. CURTIS. I thank the distinguished assistant majority leader for his discussion on this subject.

It seems to me that there ought to be a pause to think this thing over. If I have understood hypothetical questions and hypothetical rulings made, we could find ourselves in this situation: Let us assume that there is a motion pending and a point of order is made that by no stretch of the imagination could be valid; that the point of order raised a separate issue that did not go to the merits of the pending motion, and a motion was made to table the point of order, and it prevailed. We have a right to assume that the Senators voted their convictions on the validity of the point of order.

Then, if it follows, as the Chair suggests, that that is a ruling of the Senate in favor of no debate on the other motion, we have delegated not to 51 percent of the Senate, not to a majority, but to one Senator the right to cut off debate.

Mr. President, I submit that, according to the questions propounded and the answers made by the Chair, the result would be, assuming that the vote on the motion to table was determined on the merits of that motion, then we would vest in one Senator, not a majority but in one Senator, the right to end debate.

I do not believe there is any provision for that. This proposed change of rule comes in here not on the opening of a Congress where they submit the issue of adopting a set of rules; this resolution is introduced on the assumption that the Senate has a set of rules.

It reiterates on page 2 that only motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table shall be decided without debate.

It not only comes in here on the assumption that we have rules, it comes in here, it reiterates, that motions shall be debated on their merits unless there is a motion to lay on the table or to recess or these other things that are very specifically provided for.

I thank the distinguished Senator.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. MONDALE. I thank the assistant majority leader.

Mr. President, let us have clearly in mind what is at stake here. In my opinion, the nature of what is being sought here has been grossly exaggerated by those who oppose the motion and those who oppose the ruling by the Presiding Officer.

In no sense are the proponents of Senate Resolution 4 seeking to impose majority cloture on the Senate. Both the chief sponsors of this resolution, Mr. PEARSON and myself, oppose majority cloture. We believe in a three-fifths cloture of those present and voting. That is what we favor.

What is at stake here is whether, under the Constitution of the United States, the Senate has the authority, by a majority vote, to establish its own rules at the beginning of a session, uninhibited by rules of previous Congresses. Every one of those words is a word of art. It is only motions that come within them that come within the ruling of the Presiding Officer and the precedent we establish today.

The many, generalized examples that we have heard, about so-called majority cloture flowing from our motion, are irrelevant. Unless they involve motions to change the rules at the beginning of the Congress they do not come within the constitutional right to which we are referring. Article I, section 5 says what? It says that each House shall determine its own rules. In the first 20 years of the U.S. Senate the rule was that you could close off debate by a majority vote. In 1917 the Senate decided they could close off debate by a two-thirds vote.

What I understand our opponents to be arguing here today is this: If you were a Senator in 1917, you could decide what rules you wanted. But, since the Senate of 1917 determined that debate should only be closed by two-thirds, the Senate of 1917 binds the Senate of 1975.

I do not believe it. I think we are just as powerful as they were. We are Senators in our right. Our appeal is not to the rules in this case; it is to the Constitution of the United States, article I, section 5. That is all we are doing today. We are not creating any new precedent. We are not making any new law. We are drawing our authority from the Constitution of the United States.

Now, former Vice President Nixon, on three occasions, said that the Senate has this right. Vice President HUMPHREY, on two occasions, ruled that this was the right of the U.S. Senate. And, this afternoon, the current Vice President of the United States ruled that the Constitution of the United States gives the Senate that power by majority vote.

Our opponents say, "But you are moving to table and the motion to table is nondebatable." They say, "You are allowing a motion to table to shut off debate." Well, that is a rule of the Senate. A motion to table is always nondebatable.

What are we seeking to do here? We are not asking the Senate today to rule on what rule XXII should be. After 5 weeks of the Senate's time, we are simply asking for a vote to bring Senate Resolution 4 before the Senate for consideration.

It will be available for amendment; it will be available for referral; it will be available for debate. What we would like to do, after 5 weeks, is to bring it before the body as the pending business. That is all. It does not seem to me that we are establishing any precedent. If we cannot do it in this way, the constitutional remedy that is ours is a farce, a nullity, a sham, useless. Tear it up and throw it away.

So we have to ask ourselves, what is more important to us: the Senators who met in this body in 1917 and decided that two-thirds would be required to close off debate, or the Constitution of the United States that states each House shall determine its own rules?

Now, there was one other argument here, and that involves rule XXXII. There is a phrase that, some would argue, means that rules adopted in previous Senates shall govern us here during the 94th Congress.

Why did the Senate of 1959 have the power to decide what rules we would have? What is the basis of their constitutional authority to bind future generations of public representatives elected by the American people?

Clause 2 of rule XXXII is strictly bootstrap language. It cannot bind future Senates; the Constitution prohibits it.

What we are faced with here is a very practical problem. Is there a way to make the Constitution live in the U.S. Senate at the beginning of a Congress, and allow us to establish our own rules.

There is tremendous significance to this. It bears upon the question of whether the Senate is going to be able to conduct the essential business of this country.

Coming before the Senate are matters of tax reform, matters of basic economic policy, matters of controlling our tremendous energy problem. Every one of those problems is a brutal one. They will divide us, embitter us, set section against section. But we must act, or this country will lose its vitality and strength.

If we fail to table the point of order, if we fail to assert our powers under the Constitution and adopt a modern rule—three-fifths rather than two-thirds—I think we will have severely crippled the role of this current Congress.

This will become the "Filibuster Congress." We will be standing here wrangling, delaying, and frustrated throughout the next 2 years, when the public has a right to ask us to act.

We ask for nothing that is not ours, not ask for any new precedents. We point to the Constitution of the United States and our right as Senators to vote on the rules. This is all we do.

Mr. ROBERT C. BYRD. Mr. President, I do not intend to hold the floor and farm out time. I have said I would yield to the distinguished Senator.

May I make these closing comments. We are not operating today under the cloture rule of 1917. That rule was altered in 1949 and it has been altered, to some extent, since.

Now, Senators cannot point to rule XX, rule XXXII, and to rule XXXIII and base part of their case on those rules unless they are also willing to recognize rule XXII, which says that cloture can only be invoked by two-thirds of those present and voting. We cannot say one rule is not in effect if we invoke other rules to support our case.

I am not afraid that this Congress will be called a filibuster Congress, may I say with all due respect to the distinguished Senator, and I am going to be one Senator who many times, I am sure, will come up against a situation in which

I will say I wish we could stop this debate.

But we have stopped debates many times in recent years by going the route of rule XXII.

The longest debate that ever occurred in this Senate—a filibuster—was 83 days, on the 1964 Civil Rights Act. It was to the credit of the Senate, I think, that it took 83 days on that act. I think that by virtue of that long debate over a period of 83 days, there were correcting amendments made, and I think the people of the country supported that act once it was finally enacted.

If that act had been rammed through in 10 days, or in 1 day, or in 20 days, I do not think it would have had the support finally of the American people that it needed and, that it had to have for its enforcement. I think it was to the credit of the Senate that the debate went on for 8 days before it invoked cloture. It can do it again on any matter of merit and which is vital to this country and which the American people will support.

I do not mean to be argumentative or to get into a debate with the Senator, but the distinguished Senator from Minnesota said that there is already a rule of the Senate whereby a motion must be brought before the Senate immediately for a vote and without debate and that is the motion to table.

I am glad that the Senator said that that is a rule of the Senate, and it is. If the motion to table is made, there is no debate, but that is a rule of the Senate. But it is not a rule of the Senate that a motion to close debate must be immediately put to a vote, without debate. Beyond that, which is even more dangerous, it is not the rule of the Senate that 1 Senator can dictate his own terms by which the Senate will close debate and if he has got 51 Members to back him up, immediately gag the other 49.

I thank all Senators for their courtesy and patience.

Mr. ALLEN. Mr. President, I was very much interested in the further comment made by the distinguished Senator from Minnesota. He said all we are trying to do is to get to the consideration of rule XXII, that when we got there it would be amendable, it would be referable, it would be debatable, and I hope the distinguished Presiding Officer made a note of that comment because if that is the correct status of affairs, we just get to discuss rule XXII and waive all of these proceedings.

I had understood possibly the distinguished Presiding Officer by his rhetorical response to questions was leaning a different way. He has not as yet ruled.

I was also interested in the comment made by the distinguished Senator from New York that the Senate, I believe he said, had never decided the question of whether a majority could act in amending its rules at the start of a session. He cited, I believe, the 1971 ruling by Senator Ellender where he ruled that the two-thirds majority not having voted to invoke cloture, that cloture was not invoked even though a majority had so voted, and the distinguished Senator from New York appealed that ruling and there was a motion by the distinguished Senator from Montana to table the appeal.

I believe another instance was cited having to do with Vice President HUMPHREY's ruling where the Senate reversed his holding that a majority could invoke cloture even though it was not a two-thirds majority. Yet the Presiding Officer apparently feels that if a decision is made on a collateral issue, not submitting the real issue, an issue on the motion to table the point of order, that if that is made, that is decisive of still another question, an entirely new question.

So I hope that the distinguished Presiding Officer has not reached a definite decision, not having made one because it has not been before him, that the motion by the distinguished Senator from Kansas is not debatable in the event the motion to table the point of order is carried, because clearly, as the distinguished Senator from West Virginia said, to rule otherwise would rule that the provisions of the Pearson motion—they are in court, they have not come into being yet and will not come into being until the Senate votes for the Pearson motion.

Now, prior to that time, under precedents, the Senate should be given an opportunity to debate that motion, but if the distinguished Senator from Minnesota has the right idea that we are going to be given an opportunity to amend, to refer, or to debate rule XXII, I think these other questions are probably moot.

Another thing occurs to the Senator from Alabama, Mr. President. Once the Pearson motion is ruled to be before the Senate, that is, assuming that the point of order is tabled, surely, Mr. President, that motion is not as unchangeable as the biblical laws of the Medes and Persians, which could not be changed. Surely, the Senate would have an opportunity to shape that motion as it saw fit. Surely, it would not be bound by whatever somebody may have thought up around midnight some night thinking maybe, "Gee, let us pull this on the Vice President when the time comes."

Surely, that is not an unchangeable motion that the Senate would not have an opportunity to discuss.

Suppose it said it will be debated for 6 months and then there will be a vote. Would that not be changeable? Why would the Vice President rule that it would not be subject to amendment? I do not believe he has yet ruled, by saying that it would be voted on without further debate. Surely, he would not rule out the filing of amendments. And then relying on the statement of the Senator from Minnesota, if we ever get to that point, it is likely that an amendment would be filed for true majority cloture, not 60 percent. Why not 50 percent cloture? Why not 40 percent cloture, if we are going to be pulling numbers out of a hat? Surely, that will be subject to amendment if we ever get to that point.

Mr. President, when the point of order has been made—and I understand it has been—when the motion to table is made, if it should carry, I hope the Vice President, before putting the question on the motion, will give us an opportunity to shape it to the will of the Senate. It is just the product right now of one or two Senators. Surely the other 98 would have an opportunity to give their input into the motion. Why would we assume that it would not be subject to some sort of amendment, some sort of shaping? Something as important as this should be debated.

Mr. President, on the idea of no debate, if the Presiding Officer has bothered to read the Federalist Papers or the proceedings of the Constitutional Convention of 1787, he will find that debate took place there in the Constitutional Convention time and time again. They would decide some question sometime and come back 2 or 3 days later and change it.

If we are going to give somebody a constitutional right, that does not mean that he has to have instant action. If it means anything, as contended by the other side, all it would mean is that when it finally got down to a vote a majority would have a right to make the decision.

Of course, if it would ever get down to the point of voting on Senate Resolution 4, it can be decided by a majority vote. The majority leader said that while he favored the three-fifths vote, he did not favor this method of getting to the vote. He did not endorse the idea that the end justified the means, whatever they were. He could not agree on that. If it does come to that point, I am hopeful the decision is the motion or the point of order of the distinguished majority leader will be recognized, and that the motion to table will be defeated.

I hate to see the distinguished Senator from Minnesota, a loyal Democrat, a former candidate for the Presidency, unwilling to follow the recommendation of the majority leader of the U.S. Senate. I am also sorry to see the Presiding Officer of the Senate following the leadership of the then Vice President (Mr. HUMPHREY), who, on two occasions on this very same question, was rebuffed by the Senate on this very same question.

I am sorry to see the distinguished Presiding Officer of the Senate following down that dead end trail that the Vice President of the United States (Mr. HUMPHREY) followed on two occasions.

The VICE PRESIDENT. The Senator from Minnesota.

Mr. MONDALE. Mr. President, I wish to announce to my colleagues that I intend shortly to make a motion to table. But before I do, I will be glad to yield the floor briefly for some statements. I ask unanimous consent that I be able to hold the floor for the purpose of making the motion to table.

The VICE PRESIDENT. Is there objection?

If not, it is so ordered.

Mr. MONDALE. I yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator from Minnesota yielding. I did not intend to speak on this matter, but after hearing the distinguished assistant majority leader and his thoughtful comments, I would like to commend him on the position that he took, siding with the majority leader, the two principal leaders on the other side of the aisle being concerned about the possibility of the tyranny of the majority. I would hope that those of us on this side, with 38 Senators at the present time, would be somewhat cohesive on this matter because it is for our protection.

Apparently the distinguished Senator from West Virginia realizes that even though he does not want to see a Republican Party in control of the Senate while he is here, he recognizes that in 1976, 22 Democrats will be facing the electorate. So the possibility exists.

Mr. ROBERT C. BYRD. Mr. President, I did not intend that my statement be interpreted in any way as a prophecy.

Mr. WILLIAM L. SCOTT. I realize that, but the possibility exists. It could be improbable, but we could have 61 of these Senate seats if all of the 22 Democrats were defeated in 1976.

So it is possible that the other side of the aisle could be in the minority. I think it is extremely probable that the other side at some time in the future, whether it is 1976, 1978, or far into the future, at some time will be in the minority.

Mr. ROBERT C. BYRD. I hope the Senator will not adulterate the fine argument he is making by such a fatal flaw. [Laughter.]

Mr. WILLIAM L. SCOTT. That being the case, it does seem reasonable that the rights of the minority, whether the Democrats are in control at a particular time or the Republican Party is in control, should be protected.

I was impressed by the argument made by the distinguished Senator from West Virginia. This is a deliberative body. I think we all recognize this. We would not want to see something rushed through this body without adequate thought, without adequate debate.

I heard the statement made by our colleague from Rhode Island, in which he referred to something akin to the dead hand of the past, the rules being promulgated many years ago. Yet if we just thumbed through the rules, on the first page we see some amendments. As we go through the rules of the Senate we see amendment after amendment, many of them made in the 19th century, but more of them made in the 20th century.

This is a live set of rules that we have here. It is something that has been promulgated over the years in a very thoughtful way. It is not the Constitution, but it is somewhat akin, insofar as this body is concerned, to the Constitution of the United States.

I think that having a two-thirds vote to change the rules of the Senate is in the interest of each Senator. It is in the interest of our States, representing the States as we do, and I believe it is in the interest of the people. I hope that ultimately rule XXII will be retained.

I thank the Senator.

Mr. MONDALE. Mr. President, I yield to the distinguished Senator from Idaho.

Mr. McCLURE. I thank the Senator.

Mr. President, I think the very fact that the Senator from Minnesota controls the floor and yields to us indicates the kind of problem we are getting into, in which debate is a matter of sufferance, not a matter of right. It underscores the fundamental problem we are dealing with here.

Earlier, the Senator from Minnesota said:

> We are not trying to change things; what we are trying to do is under the rules of the Senate.

That underscores, again, the proposition which I think is before the Senate—that we have some rules.

All we are seeking to do is to have the rule changed to proceed under the present body of rules as they were adopted earlier. The Senator from Minnesota, himself, made reference to those rules which are in effect now.

Beyond that, I underscore the point that the Senator from West Virginia, the distinguished majority whip, made earlier, that this is a precedent, that the procedure being followed here is not restricted to the constitutional question of the adoption of rules, because the question of the effect of the motion to table is applicable to any such motion that is made, whether or not it is related to a constitutional question. Therefore, it becomes applicable to every such situation that may be constructed on the floor of the Senate in the future.

The Senator from Alabama and the Senator from West Virginia, I believe, are two of the most knowledgeable men in the Senate with respect to the parliamentary procedures and the rules of the Senate. They are in agreement on this point, and I think the rest of us should listen to them.

Fundamentally, I think that what we see is that any two Members of the Senate can, in a given situation, create the parliamentary situation in which they, supported by 49 others, can cut off debate instantly on any given question.

I suggest that the scenario might go somewhat this way: A Senator, on a given question, at a given time, when the question is pending before the Senate, would be recognized. He would make a motion similar to the one pending before the Senate. He could then yield to his friend, who had already been clued into the procedure that was being sought to be followed, for the purpose of making a point of order against his motion. Of course, under the rules of the Senate, if someone wanted to object to his yielding for that purpose, he could not yield for that purpose. But if nobody made the objection, he could yield for that purpose, and the point of order could be made against his motion.

Then, having yielded to his friend, who would immediately sit down, he would move to table the point of order which had just been made against his own motion, and no one else in the Senate would have the right or the power to utter one word before there was a vote. If 49 other Members of the Senate were in agreement on that subject, that they should move forward toward a vote on it and stifle debate in the Senate, there would be an immediate vote; and under the suggested ruling of the Chair, there would be no further debate on the fundamental question that is involved.

I commend the Senator from West Virginia for having raised this issue. I commend him for his statesmanship. I learned very soon after joining this body of his concern and his very high regard for the Senate as an institution. I think he has again exercised that statesmanship in his statements here today on this question.

I hope the Senate will not take the route which has been suggested might be done, no matter how expedient it may seem to those who would like to change rule XXII. The Senate of the United States would be a far different body. This would be a fundamental and far-reaching and radical change, at a time when the people of the United States demand some kind of stability in Government, not radicalism.

I thank the Senator from Minnesota for yielding.

Mr. MONDALE. Mr. President, I promised to yield briefly to the Senator from South Carolina and, then, to the Senator from Illinois. I have had so many requests, that at that point I will move to table.

Mr. THURMOND. I will try not to take too long.

Mr. President, I think it is clear that the majority of the Senate can change a rule. But it is not clear that one Senator can make a motion and embody in that motion provisions that cut off debate.

The provisions for cutting off debate are found in rule XXII. They are set out in detail. What is the use of having this rule for cutting off debate, if one Senator can prepare a motion and put in it a provision that will automatically terminate debate.

Mr. President, it violates all the rules, it violates traditions, it violates the precedents of the Senate, and it is an unheard of request.

Mr. President, I wish to commend, too, the distinguished and able Senator from West Virginia, Mr. BYRD, for taking the stand he has taken. He favors three-fifths of the Senate being able to cut off debate, as do some others here. However, he has stated he is not going to destroy the Senate to do it. The Senator from West Virginia has stated he does not want to reverse the traditions and rulings of the presiding officers in the past. He wants rule XXII changed, but he is going to follow the precedents and rules of the Senate. The rules of the U.S. Senate provide, in rule XXII, the procedure for cutting off debate. If one Senator can offer a motion and incorporate in it a provision that will cut off debate, then rule XXII is a nullity.

Why have rule XXII? Why have any other rule concerning this question?

Mr. President, listen to what this motion says.

> * * * under Article I, Section 5 of the United States Constitution, I move that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair immediately putting this motion to end debate to the Senate for a yea-and-nay vote:

This is a motion. We are entitled to debate this motion.

Mr. President, I think a terrible precedent would be set if this motion prevails. I am surprised that any Senator would make such a motion as this, regardless of whether he wants three-fifths cloture, or whether he wants two-thirds cloture, as the rules now provide. Let us follow the rules, and let us not make the Senate rulebook a nullity. The rules mean nothing if a Senator can send up a motion that, in itself cuts off debate, and that is what is being done here.

I hope that the distinguished Presiding Officer will think over this matter before he makes a final ruling. There were some questions propounded here by the distinguished Senator from New York. At the time the questions were asked, I imagine the Presiding Officer felt that one followed the other and he answered them rather hastily. However, when he finally rules on this matter, after due consideration and after hearing both sides of this question, after hearing the assistant majority leader, who favors three-fifths in changing the rule, and after hearing the distinguished Senator from Nebraska and others I hope the able and distinguished Presiding Officer, the Vice President, will see fit to follow the traditions of the Senate, which have been followed ever since the Senate was founded.

Are we going to destroy the Senate as a deliberative body? If this action is taken today, that is exactly what we will do.

Mr. MONDALE. I yield very briefly to the distinguished Senator from Illinois.

The VICE PRESIDENT. Will the Senator from Minnesota yield to the Chair to make a clarification?

Mr. MONDALE. I yield to the Chair.

The VICE PRESIDENT. Thank you very much.

It is unusual for me to request that.

The Chair wishes to clarify the answer to a previous parliamentary inquiry by the Senator from New York.

The point of order raised by the Senator from Montana challenges the propriety of the motion offered by the Senator from Kansas. The Chair has stated that if the point of order raised by the Senator from Montana is tabled, the Chair would be compelled to interpret that action as an expression by the Senate of its judgment that the motion offered by the Senator from Kansas to end debate is a proper motion. Therefore, since the motion offered by the Senator from Kansas to end debate provides that it shall be immediately put to the Senate for a yea-and-nay vote the Chair would be compelled to abide by such requirement, the Senate having determined the requirement to be a valid one.

I thank the Senator from Minnesota.

Mr. MONDALE. I yield to the Senator from Illinois.

Mr. PERCY. I am sure we all thank the Chair for that clarification. I shall consider myself to be rendering a service to the Senate now, while I speak, for them to be able to contemplate that clarification and fully understand its significance.

Mr. President, I appreciate very much the Senator from Minnesota yielding very briefly. I should like the privilege of explaining why I intend to vote as I will, simply because I feel that the Congress of the United States, particularly the Senate of the United States, is literally on trial today to see whether or not this body can respond rapidly enough, with due deliberation, to achieve certain desirable goals and objectives. I believe that we are on trial right now and that the procedures that have been established in the past have not proven really effective. I cite only one simple example.

The consumers of this country are tremendously frustrated as a result of many grievances that were freely admitted this morning in candid comments by the distinguished Senator from Alabama. We do not disagree at all on objectives or goals, but we disagree on how to achieve the rectification of some of these problems. Yet, the Senate opened hearings today on a Consumer Protection Agency bill that the Senate approved by a vote of 74 to 4, 4 years ago, and it is virtually identical legislation now being considered once again. We have not been able to get off dead center simply because of a very narrow margin on this filibuster rule.

Mr. President, I want to make it clear that my support of the motion offered by the Senator from Kansas (Mr. PEARSON) today does not indicate that I support the ending of Senate debate by majority rule.

I believe it is fundamentally wise to guard against hasty or intemperate action by a majority of the moment and firmly support the proposition that more than a simple majority should be necessary to end debate and move to an immediate vote.

My difference with those who have supported retention of rule XXII as it was adopted by previous Congresses is one of degree. I believe that a requirement of a three-fifths vote of the Senate—a position I have consistently maintained since I entered the Senate 8 years ago, and which was reiterated time after time on the floor of the Senate today as a desirable objective and goal—to close debate will fully protect us from the potentiality of intemperate action of which I have just spoken. But just as I believe a three-fifths vote affords sufficient protection against the excesses of the majority, I also believe that the two-thirds vote requirement adopted by previous Congresses has too often subjected us to the intransigence of a too small minority.

This is, however, a different question from the one raised by the motion proposed by the Senator from Kansas today. The principle which this motion seeks to establish is that the Senate and Senators elected to serve in 1975 should not be bound by the rules established by the Senate elected in 1917.

Article I, section 5 of the Constitution requires each house of Congress to determine its own rules of procedure. I do not believe it was the intent of the Founding Fathers that either body be bound in perpetuity by the rules established by the first Congress, or by any Congress. Each Congress must be able to determine its rules of procedures anew by majority vote in order to carry out its constitutional powers and its mandate from the electorate. For this reason, I fully support the motion of the Senator from Kansas, and will be guided so in voting.

I think we all owe a debt of gratitude to the distinguished sponsors of this particular motion for the enlightened debate that we have had today. We are not apart on goals or objectives. We differ in procedure, but I think we have reached a time when we can vote.

Mr. BEALL. Will the Senator yield?

Mr. MONDALE. I yield to the Senator from Maryland.

Mr. BEALL. The assistant majority leader commented that it is a very difficult question to understand for nonlegal minds as mine certainly is. I came here this afternoon, although opposed to a change from two-thirds to three-fifths, believing that it should be the right of the majority of the Senate to establish their own rules. I came ready to vote in support of the motion the Senator is about to make to table.

However, after listening to the assistant majority leader, I came to understand that we might be establishing a precedent that would apply to other situations.

Am I to understand from the Senator from Minnesota that it is his contention that we are not establishing a precedent except as it may apply to constitutional questions that arise in this kind of situation, and that the reason it only applies to constitutional questions is because the Pearson motion itself alludes to a provision of the Constitution?

Mr. MONDALE. The reason goes deeper than that. I know of no precedent, and the Vice President has not sought to declare any, that would give a Presiding Officer the authority to rule as he did except where article I, section 5, is involved.

In all other instances the Senate would have debatable topics. Article I, section 5, in effect says—and there is a lot of precedent for this—that at the beginning of a Congress, and on questions affecting the rules alone, the majority has the right to determine its own rules.

That is all it means. Beyond that, on all other issues, the general rules of the Senate prevail.

Mr. BEALL. I thank the Senator.

Mr. MONDALE. I yield briefly to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I hope the position of the Senator from Minnesota and the Senator from Kansas will prevail. I have listened to the debate this afternoon. There has been a great deal of discussion about the rights of the minority, and very little about the rights of the majority.

Members of Congress and Senators are sent here by the people to address themselves to the people's business yet what we have seen in the time I have been in the Senate is instance after instance where rule XXII has been used to water-down legislation, to avoid even taking up legislation, or to frustrate the interests of a very substantial majority of the Members of the Senate.

I think the majority has rights, too. I think the eyes of the country are on this body, to see whether we can put our own house in order, while we will be able to address ourselves to the people's business.

I am pleased to give my full support to the current Senate effort to reform the filibuster rule by allowing a three-fifths majority of the Senate to halt debate and require a vote on any measure.

In my view, we now have the best opportunity we have had in many years to end the reign of the filibuster and eliminate the obstructive and destructive effect it has on the Senate's business and on the vital interests of the Nation.

In the past, the filibuster rule has often made a mockery of the view that the Senate is the "world's greatest deliberative body." On many occasions, because of the filibuster rule, the world's greatest deliberative body has become the world's least decisive body.

Again and again on extremely vital and important questions, the filibuster rule has prevented urgently needed action on legislation by the Senate. In the past Congress alone, it was the filibuster that killed the Consumer Protection Agency; killed a tax cut that might have slowed or even averted the current serious recession; killed repeal of the oil depletion allowance; killed public financing of elections in the first session.

That sorry record is only the beginning of the problem. For every bill that actually dies at the hands of a filibuster, many more bills carry deep scars from their encounter with the filibuster. These filibuster scars are a result of the fact that the majority supporters of legislation are often forced into debilitating compromises and concessions, in return for the acquiescence of those who would otherwise maintain a filibuster. Often, the sponsors of an important bill face the Hobson's choice of no bill at all, or a half-hearted and anemic bill that may fail to do its job.

And, finally, the toll of the filibuster rule is also measured in the number of bills that never see the light of floor debate at all. Especially in the waning days of a Congress, when time is critical, the whispered threat of a filibuster is often enough to block a bill from even being called before the Senate.

Thus, the filibuster kills three ways—it can block any action at all; it can emasculate a bill as the price of further action; and it can prevent a bill from even seeing the light of day.

Again and again in recent years, the filibuster has been the shame of the Senate and the last resort of special interest groups. Too often, it has enabled a small minority of the Senate to prevent a strong majority from working its will and serving the public interest.

The simple fact is that the two-thirds majority required under rule XXII, the present cloture rule, is too difficult to obtain. Too much Senate business is too often obstructed. The will of the majority is too easily thwarted. And it is not the Senate, but the Nation's people who suffer the consequences.

Perhaps the most instructive argument against the two-thirds requirement of cloture is the comparison with the rare cases in which the Constitution specifically demands a two-thirds vote by the Senate. Thus, in five types of action, the Constitution demands a two-thirds vote:

To override a veto, each House must approve the override by a two-thirds vote;

To ratify a treaty, the Senate must approve the ratification by a two-thirds vote;

To amend the Constitution, each House must approve the amendment by a two-thirds vote;

To convict a President of impeachment, the Senate must approve the impeachment by a two-thirds vote; and

To expel a member of the House or Senate, the chamber must approve the expulsion by a two-thirds vote.

There is no substantial objection to the requirement of a two-thirds majority for these five far-reaching actions specified by the Constitution. The requirement works to the advantage of the Nation, by insuring that such important steps are not taken except with the support of a large majority of the Senate. They are among the most critical steps that any House or Senate can take. The two-thirds majority requirement is obviously appropriate and desirable as a protection against the shifting passions and partisan efforts of a transient mere majority on such issues.

In addition, the Constitution also specifies numerous actions that Congress cannot take at all, whatever the size of the majority. The most obvious example is the first amendment, which specifies that Congress shall pass no law—no law—abridging freedom of speech or freedom of the press. The Constitution and its amendments contain numerous other examples of actions prohibited to Congress. Together, these prohibitions are the "wise restraints that make us free," the source of our fundamental American freedoms, and the guarantee of the rights of the individual against the tyranny of the majority.

But the Constitution enshrines no prohibition on action by the people's representatives in Congress that may be construed as justifying the filibuster rule. Under our fundamental constitutional scheme, the rights of the minority are protected by a series of specific provisions, none of which has any relevance to the general rules by which the House and Senate perform their legislative functions.

As the examples I have cited make clear, the Founding Fathers knew how to say "two-thirds." But they wisely left the choice of rules in other areas to the Senate and House, without tying the hands of future generations.

Thus, the filibuster rule is not enshrined in the Constitution. Instead, it is a rule that was made by the Senate, and it is a rule that can be unmade by the Senate.

The only test is the balance the Senate chooses to strike between the needs of the Nation's legislative business and the desirability of accommodating a substantial Senate minority.

A balance that was "right" for one Senate and one era in American life may not be "right" for another Senate and another era. A Senate that, a generation ago, chose not to act unless a two-thirds vote of approval could be obtained was responding to the legislative needs of that period in our history. But I submit the balance is different today. The need for legislative business to proceed is greater now, and the consequences of our inaction are more crippling to the Nation and its citizens.

To some extent, past factors justifying a two-thirds cloture rule were "external" to the Senate, in the sense that they reflected the desire for a greater degree of consensus before major legislation could be passed, especially in areas where, in the 1920's and 1930's, the Congress was enacting pioneering legislation that transformed the laissez-faire role of the Federal Government and launched it on the more pervasive course of domestic social legislation we know today.

To some extent as well, the past factors justifying the two-thirds cloture rule were "internal" to the Senate. In the past, there appears to have been a greater reluctance by the minority to press an issue to a filibuster than exists today. Thus, a two-thirds rule that was tolerable when the filibuster rule was sparingly used becomes intolerable when the filibuster is used expansively as a frequent obstructionist tactic.

The frequency of cloture votes under rule XXII makes the point dramatically. Omitting three cloture votes in December 1974, in which cloture was sought to prevent nongermane amendments to a pending bill rather than to shut off a filibuster, the following table shows the pattern of the 97 antifilibuster cloture votes since rule XXII was enacted:

1917	0	1946	4
1918	0	1947	0
1919	1	1948	0
1920	0	1949	0
1921	1	1950	2
1922	1	1951	0
1923	0	1952	0
1924	0	1953	0
1925	0	1954	1
1926	2	1955	0
1927	5	1956	0
1928	0	1957	0
1929	0	1958	0
1930	0	1959	0
1931	0	1960	1
1932	0	1961	1
1933	1	1962	3
1934	0	1963	1
1935	0	1964	2
1936	0	1965	2
1937	0	1966	5
1938	2	1967	1
1939	0	1968	5
1940	0	1969	2
1941	0	1970	4
1942	1	1971	10
1943	0	1972	10
1944	1	1973	10
1945	0	1974	18

Thus, half of all the cloture votes since 1917 have taken place in the past 5 years.

Often, especially in the early years of rule XXII, but even as late as the

1950's, whole years passed, sometimes 3 to 5 years in a row, without a single cloture vote. Contrast that record of restraint with the experience of the 1970's, in which use of the filibuster and the cloture vote have suddenly mushroomed, rising almost as fast as the price of Arab oil.

On their face, these figures make the case that the indiscriminate use of the filibuster in recent years has reached an intolerable level as an unnecessarily divisive and delaying tactic.

The time has come for change. Surely, when both the disease and cure are clear, the Senate cannot fail to apply the proper medicine and end its present crippled state.

Half a century ago, rule XXII may have ben a "liberal" reform, in the sense that it was born as a result of the frustration over the then existing Senate rule that allowed no cloture at all.

But although the two-thirds cloture rule may have been a progressive Senate step in 1917, when it was first enacted, it is a reactionary device today that prevents the modern Senate from acting on the Nations' vital business.

Over the years, a number of efforts have been made to limit or even abolish the cloture rule. In 1949, cloture was allowed for all Senate floor procedures, not just the pending business. But, as a part of the compromise that achieved this reform, the two-thirds requirement was applied to the full Senate, not just the number of Senators present and voting.

In 1959, the cloture rule was eased, by again applying the two-thirds requirements to the number of Senators present and voting.

Now, a quarter century after the 1949 reform, 16 years after the 1959 reform, it is time to take a further step to ameliorate the obstructive impact of rule XXII. By reducing the cloture majority from two-thirds to three-fifths, we can achieve a better balance of the four most important factors involved in our consideration—the needs of the modern legislative process, the need for full debate, the rights of the majority and the rights of the minority.

Frequently, in past debates, the balance has been obscured. The principle of full debate has been especially misunderstood. No one objects to full debate. No legislation should be rushed through the Senate without ample opportunity for any Senator to discuss the measure, express his views, and persuade his colleagues. Committee hearings and executive sessions are no substitute for floor debate. Often, in my own experience, extended floor debate has illuminated and crystallized the most difficult issues of our time.

But too often, extended debate has been a euphemism for obstruction. Frequently, opponents of a measure use the shelter of rule XXII to block Senate action, long after all relevant arguments have been made, long after all meaningful discussion has taken place, long after any reasonable debate should have been brought to a close.

I yield to none in my view that the Senate has an obligation to guarantee full debate. But the Senate has no obligation to guarantee that debates will never end. Yet the latter position is the position in which the Senate often finds itself today, under the restrictive operation of rule XXII.

In recognition of the need for full debate, a number of compromise reform proposals in the past have sought to apply a shifting cloture formula, to allow cloture by progressively smaller majorities as the length of the debate continues. I have supported such proposals in the past. They have helped to highlight the importance of the dividing line at which opportunity for full debate shades off into opportunity for obstruction.

But the crucial question in any filibuster reform proposal is, should a minority of the Senate ever be entitled to obstruct the majority? As a matter of logic, I would answer that question in the negative. I believe that the Senate should operate under the principle of majority rule, except as the Constitution otherwise provides. Majority rule is the heart of our democratic system of government and it must necessarily be the backbone of our parliamentary procedure in the Senate.

But the issue cannot be settled by logic or by abstract debate on fundamental principles. As Oliver Wendell Holmes so eloquently put it, the life of the law has not been logic, it has been experience. And nearly two centuries of Senate experience have put a gloss of practice on the principle of majority rule in the Senate. The Senate has always operated under the rule that, in effect, a majority is not entitled to override the views of a substantial minority.

Although some would argue we should adopt "majority" cloture now, I do not support that position. In the experience of the Senate, generous respect has always been given to the rights of the minority. Even when the obstructive tactics of the minority have hobbled Senate business so badly that reform was essential, the Senate has moved only by incremental steps toward change, as it did in 1917, in 1949, and in 1959.

Today, at a time when the two-thirds cloture rule is proving too restrictive for modern Senate business, the most proper step, in line with the precedents of the past, is a modest reduction from two-thirds to three-fifths in the majority required to end debate.

Such a step would have had a significant—but not overwhelming—effect on filibusters in the past. Of the 10 cloture votes since the first enactment of the cloture rule in 1917, 20 have been successful in ending debate. Under a three-fifths cloture rule, that number would have risen to 44. In other words, twice as many cloture efforts would have been successful. But in an even larger number of cases—56—cloture would still have failed under a three-fifths rule.

These statistics are hardly evidence that the present reform proposals involve revolutionary change, or that they ride roughshod over the minority. Rather, they demonstrate a careful reform by the Senate of the proper balance between the public's business and the rights of the minority. It is a reform the Senate should not hesitate to adopt at the beginning of this session.

Apart from the substantive issue of the appropriate majority that should be required for cloture, there is also the important question of how a change in rule XXII may be accomplished. The issue here is whether a simple majority of the Senate is entitled to change the Senate rules.

My own view of the relevant constitutional provision is that the Senate is entitled to enact new rules and amend its existing rules by majority vote at the beginning of each Congress.

Article I, section 5, of the Constitution states unequivocally that "each House may determine the rules of its proceedings." The necessary inference is that each House in each new Congress is entitled to set its own rules. Nothing in the Constitution or commonsense suggests that either House may act in a way that binds a future House. Any other position would let the dead hand of the past unconstitutionally govern the present.

By what logic can the Senate of 1917 or 1949 or 1959 bind the Senate of 1975? As Senator Walsh of Montana said during the Senate debate in 1917 on the enactment of the original rule XXII:

> A majority may adopt the rules in the first place. It is preposterous to assert that they may deny to future majorities the right to change them.

Surely, no one would claim that a rule adopted by one Senate, prohibiting changes in the rules except by unanimous consent, could be binding on future Senates. If not, then why should one Senate be able to bind future Senates to a rule that such change can be made only by a two-thirds vote?

The view that a simple majority can change the Senate rules also finds strong support in the precedents set during a number of recent debates on rule XXII. On several occasions in the past, Vice Presidents, both Republican and Democratic, acting as the presiding officer of the Senate, have declared the view that a majority of the Senate has the constitutional power to change its rules.

The distinguished Senator from Alabama, the leading opponent of the view that a simple majority of the Senate can change the rules, attempts to dispose of these precedents by arguing that in the past, the Senate has overruled the Chair and reversed such rulings of the Vice President on this point.

But the logical flaw in Senator ALLEN's position is that although a Vice President's ruling may have been reversed, the reversal was accomplished by a majority of the Senate. In other words, majority rule prevailed on the issue of the Senate's power to change its rules, because, in effect, a majority of the Senate decided that a two-thirds vote should be required to end debate on proposals to change the cloture rule.

Thus, Senator ALLEN's argument, upon analysis, actually proves to be support for the very ruling he opposes, and the precedent stands that a simple majority of the Senate can change its rules at the beginning of a Congress.

The notion that a filibuster can be used to defeat an attempt to change the filibuster rule cannot withstand analysis. It would impose an unconstitutional prior restraint on the parliamentary procedure on the Senate. It would turn rule XXII into a Catch XXII. It would give the two-thirds filibuster rule itself an undesirable and undeserved new lease on life.

Mr. President, the immediate issue is whether a simple majority of the Senate is entitled to change the Senate rules. Although the procedural issues are complex, it is clear that this question should be settled by a majority vote. I urge the Senate to support the position of the Senator from Minnesota and the Senator from Kansas.

Mr. PACKWOOD. Mr. President, I wish today to give my support to my distinguished colleagues who are so ably leading the effort to amend Senate Rule XXII. In the 6 years I have been privileged to serve in this body, I have been struck again and again by the pernicious effect of unlimited debate in hampering our efforts to get on with the Nation's business.

The Senate, from its founding until 1917, enjoyed the privilege of unlimited debate. Of course, through many of those years the Congress only met for a month or two, and there was far less legislation to consider. Unlimited debate in those days was a luxury we could afford. By the early 1900's, however, this country and the world were changing. Everywhere the pace began to quicken. Transportation was irrevocably altered by the automobile and the airplane. Communication, once a matter of days and weeks, could suddenly be done almost instantaneously through the telephone and telegraph.

Finally, in 1917, the Senate came face to face with changing realities. In that year, President Wilson called on the Congress to pass legislation permitting the arming of American merchant vessels so that they could defend themselves against German raiders on the high seas. A tiny group of men in the Senate balked, and they managed to thwart the will of the President, the Congress, and the people by talking the legislation to death. Their action, tragically, also talked some American sailors to death. An angry popular reaction set in against the Senate and what President Wilson termed "a little group of willful men" who had "rendered the great Government of the United States helpless and contemptible." Within a very short time this reaction forced the Senate to move with the times—specifically, to adopt a rule permitting two-thirds of the Members to vote to cut off debate.

Mr. President, 58 years have now passed, and I submit that it is time for the Senate to move forward with the times and to again recognize changing realities. We no longer meet for 1 month a year. We meet 12 months a year. We no longer handle a few bills and issues in our debates—we cover hundreds. And the plain fact of the matter is that we just are not getting our work done.

And a major reason that we do not get our work done is that we like to talk too much. I pray, Mr. President, that no genuine national crisis that demands fast action arises before we move to modernize our rules and procedures; because if it does, and we find our ability to act blocked by a determined talkathon, I fear that public reaction this time would be even stronger than it was in 1917. Remember that the American people have heard for years that reform of this body is vital for progress. They understand these issues. Surely in this time of many crises they will no longer placidly accept a Senate paralyzed by its own rules and traditions. They recognize the filibuster for what it is, essentially a negative instrument used to obstruct legislation. I maintain that it is time for the Senate to act positively, not negatively. It is time to exercise the positive powers given to us by the Constitution and to take another step to give the Senate freedom to exercise its power.

I am particularly disturbed over the increasing use of the filibuster to shackle our debates. It is getting easier and easier to find controversial issues that invite extended debate because we have so many important things to decide. But our record indicates that we would rather talk than decide.

My colleagues on both sides of the aisle and of all political persuasions are employing the filibuster at an ever increasing rate. Since rule XXII was adopted in 1917, there have been exactly 100 cloture votes. However, in the 51 years between 1917 and 1968, there were only 43 cloture votes. In the 4 years 1969 to 1972, there were 26 cloture votes. In just 2 years, 1973 and 1974, there were 31 cloture votes. It can thus be seen that of all the cloture votes that have been held since rule XXII was passed in 1917, over 50 percent have come in the last 6 years, and over 30 percent in the last 2 years. I ask unanimous consent that at this point in my remarks in the RECORD, there be printed a chart appearing in the December 7, 1974, issue of Congressional Quarterly, summarizing the complete list of cloture votes since the adoption of rule XXII in 1917 through December 4, 1974. In addition, I have added 6 cloture votes that occurred after December 4, 1974, the last vote listed by the December 7, 1974, Congressional Quarterly.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIST OF CLOTURE VOTES SINCE ADOPTION OF RULE 22

Following is a complete list through Dec. 4, 1974, of the 94 cloture votes taken since Rule 22 was adopted in 1917. Only 17 of these (shown in dark type) were successful. In the right-hand column is shown the vote necessary to invoke cloture under a proposed 3/5-majority vote. Twenty-three additional cloture votes (shown in *italics*) would have been successful using the proposed change.

Issue	Date	Vote	Yea ⅔ majority	Votes needed ⅗ majority
Versailles' Treaty	Nov. 15, 1919	78–16	63	57
Emergency tariff	Feb. 2, 1921	36–35	48	43
Tariff bill	July 7, 1922	45–35	54	48
World Court	Jan. 25, 1926	68–26	63	57
Migratory birds	June 1, 1926	46–33	53	47
Branch banking	Feb. 15, 1927	65–18	56	50
Disabled officers	Feb. 26, 1927	51–36	58	52
Colorado River	Feb. 26, 1927	32–59	61	55
District of Columbia buildings	Feb. 28, 1927	52–31	56	50
Prohibition Bureau	Feb. 28, 1927	55–27	55	49
Banking Act	Jan. 19, 1933	58–30	59	53
Antilynching	Jan. 27, 1938	37–51	59	53
Do	Feb. 16, 1938	42–46	59	53
Antipoll tax	Nov. 23, 1942	37–41	52	47
Do	May 15, 1944	36–44	54	48
Fair Employment Practices Commission	Feb. 9, 1946	48–36	56	50
British loan	May 7, 1946	41–41	55	49
Labor disputes	May 25, 1946	3–77	54	48
Antipoll tax	July 31, 1946	39–33	48	43
FEPC	May 19, 1950	52–32	[1]64	[1]58
FEPC	July 12, 1950	55–33	[1]64	[1]58
Atomic Energy Act	July 26, 1954	44–42	[1]64	[1]58
Civil Rights Act	Mar. 10, 1960	42–53	64	57
Amend rule 22	Sept. 19, 1961	37–43	54	48
Literacy tests	May 9, 1962	43–53	64	58
Do	May 14, 1962	42–52	63	57
Comsat Act	Aug. 14, 1962	63–27	60	54
Amend rule 22	Feb. 7, 1963	54–42	64	58
Civil Rights Act	June 10, 1964	71–29	67	60
Legislative reapportionment	Sept. 10, 1964	30–63	62	56
Voting Rights Act	May 25, 1965	70–30	67	60
Right-to-work repeal	Oct. 11, 1965	45–47	62	55
Do	Feb. 8, 1966	51–48	66	59
Do	Feb. 10, 1966	50–49	66	59
Civil Rights Act	Sept. 14, 1966	54–42	64	58
Do	Sept. 19, 1966	52–41	62	56
District of Columbia home rule	Oct. 10, 1966	41–37	52	47
Amend rule 22	Jan. 24, 1967	53–46	66	59
Open housing	Feb. 20, 1968	55–37	62	55
Do	Feb. 26, 1968	56–36	62	55
Do	Mar. 1, 1968	59–35	63	57
Do	Mar. 4, 1968	65–32	65	58
Fortas nomination	Oct. 1, 1968	45–43	59	53
Amend rule 22	Jan. 16, 1969	51–47	66	59
Do	Jan. 28, 1969	50–42	62	55
Electoral College	Sept. 17, 1970	54–36	60	54
Do	Sept. 29, 1970	53–34	58	53
Supersonic transport	Dec. 19, 1970	43–48	61	55
Do	Dec. 22, 1970	42–44	58	52
Amend rule 22	Feb. 18, 1971	48–37	57	51
Do	Feb. 23, 1971	50–36	58	52
Do	Mar. 2, 1971	48–36	56	50
Do	Mar. 9, 1971	55–39	63	57
Military draft	June 23, 1971	65–27	62	55
Lockheed loan	July 26, 1971	42–47	60	54
Do	July 28, 1971	59–39	66	59
Do	July 30, 1971	53–37	60	54
Military draft	Sept. 21, 1971	61–30	61	55
Rehnquist nomination	Dec. 10, 1971	52–42	63	57
Equal job opportunity	Feb. 1, 1972	48–37	57	51
Do	Feb. 3, 1972	53–35	59	53
Do	Feb. 22, 1972	71–23	63	57

Issue	Date	Vote	Yea ⅗ majority	Votes needed ⅗ majority
United States-Soviet arms pact	Sept. 14, 1972	76–15	61	55
Consumer agency	Sept. 29, 1972	47–29	51	46
Do	Oct. 3, 1972	55–32	58	53
Do	Oct. 5, 1972	52–30	55	49
School busing	Oct. 10, 1972	45–37	55	49
Do	Oct. 11, 1972	49–39	59	53
Do	Oct. 12, 1972	49–38	58	53
Voter registration	April 30, 1973	56–31	58	53
Do	May 3, 1973	60–34	63	57
Do	May 9, 1973	67–32	66	59
Public campaign financing	Dec. 2, 1973	47–33	54	48
Do	Dec. 3, 1973	49–39	59	53
Rhodesian chrome ore	Dec. 11, 1973	59–35	63	57
Do	Dec. 13, 1973	62–33	64	57
Legal services program	Dec. 13, 1973	60–36	64	58
Do	Dec. 14, 1973	56–29	57	51
Rhodesian chrome ore	Dec. 18, 1973	63–26	60	54
Legal services program	Jan. 30, 1974	68–29	65	58
Genocide treaty	Feb. 5, 1974	55–36	61	55
Do	Feb. 6, 1974	55–38	62	56
Government pay raise	Mar. 6, 1974	67–31	66	59
Public campaign financing	Apr. 4, 1974	60–36	64	58
Do	Apr. 9, 1974	64–30	63	57
Public debt ceiling	June 19, 1974	50–43	62	56
Do	June 19, 1974	45–48	62	56
Do	June 26, 1974	48–50	66	59
Consumer agency	July 30, 1974	56–42	66	59
Do	Aug. 1, 1974	59–39	66	59
Do	Aug. 20, 1974	59–35	63	52
Do	Sept. 19, 1974	64–34	66	59
Export-Import Bank	Dec. 3, 1974	51–39	60	54
Do	Dec. 4, 1974	48–44	62	55

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[1] Between 1949 and 1959 the cloture rule required the affirmative vote of two-thirds of Senate membership rather than two-thirds of Senators who voted.

VOTES REQUIRED TO INVOKE CLOTURE

	Two-thirds	Three-fifths
Trade Reform Act—Dec. 13, 1974, 71 to 19 succeeded	60	54
Supplemental Appropriations (busing amendment) Dec. 14, 1974, 56 to 27 succeeded	56	50
Eximbank—Dec. 14, 1974, 49 to 35 failed	56	51
Eximbank—Dec. 16, 1974, 54 to 34 failed	59	53
Social Services Act—Dec. 17, 1974, 70 to 23 succeeded	62	56
Upholstering Duty (with tax amendments)—Dec. 17, 1974, 67 to 25 succeeded	62	56

Mr. PACKWOOD. Mr. President, the reason for the increasing use of the cloture petition is the increasing use of the filibuster. Many contend that the purpose of these long debates is to educate. In the 6 years that I have been privileged to be in the Senate, let me give you just a random sampling of the issues on which I have been "educated."

First. Amending rule XXII: Does that sound familiar? Here we are, just like history, repeating ourselves. Actually, this is the fourth time I have heard this debate, and of course, some of my colleagues have heard it so often that they must by now be able to recite each and every argument from memory. At latest estimate it costs something like $278 to print each page of the CONGRESSIONAL RECORD. Could we not save money by simply rereading our debates from 1973, 1971, 1969, and 1967, and so forth? Does anyone seriously contend that after all these years of debate the Senate is being educated by those who refuse to let this issue come to a vote? Some of my distinguished colleagues must have earned a Ph. D. in rule XXII if that is the case.

Second. Reforming the electoral process: The Congress and the people of the United States have been studying and debating the issue of directly electing the President and abolishing the electoral college for some 150 years. Did another 4 weeks of debate in the Senate shed any more light? No, it served only to obstruct any progress at all on an issue on which the American people expect us to act.

Third. Approving a Government loan to the Lockheed Corp.: This issue was highly publicized, our opinions were formed, yet that debate took another 2 weeks. It was not very educational.

Fourth. Granting cease-and-desist powers to the Equal Employment Opportunities Commission: We debated this one for 5 weeks in 1972, and I would submit that no votes were changed or minds altered by the length of the debate. Again, the object was to obstruct, not to educate.

Fifth. Establishing a Consumer Protection Agency: This has to be the granddaddy of all filibuster efforts. In 1973 and 1974, we have spent totally almost 2 months talking about the Consumer Protection Agency. What can there be left to say about this issue? There were seven, count them, seven, cloture votes to shut off debates on this issue. All failed. By this time the American public doubtless has found our discussion anything but enlightening. In fact, they must find it incomprehensible that, on a significant issue clearly of major importance to most Americans, we could not even manage to come to a vote. Surely the people must have hoped for a lot more action, either for or against the Consumer Protection Agency.

Many more issues that were filibustered could be mentioned. Each of these items represents days, and in many cases weeks, of delay and foot-dragging on matters of vital importance to this Nation.

I am not arguing that debate, and discussion, and refinement, and amendment are not important. Indeed, I believe that they are crucial to the legislative process, and I would never support or propose any step that I felt would threaten the right of everyone in this body to state his position fully.

We have, however, wasted years of valuable time talking when we should have been deciding on measures. We are now again debating the issue of limiting debate. We have often remarked that no other legislative body in the world "enjoys" such extended debate as does the U.S. Senate. That statement is true beyond belief. Perhaps a few examples of how other democratic governments deal with this problem might give us some helpful insights and perspectives.

First. The House of Commons in the United Kingdom: The procedure for cutting off debate and compelling the House to decide upon the matter under discussion was first authorized by the urgency rule of February 3, 1881 and permanently established by a standing order in 1882. Mr. Gladstone sponsored this change when it became obvious that there would have to be some means to limit debate if the House were to be able to deal with the issues of the day.

Members of Commons who wish to end debate may move "that the question now be put." The motion on putting the question must then be voted on at once, without amendment or debate—unless it appears to the Chair that the motion is an abuse of the rules of the House or an infringement of the rights of the minority, an infrequent occurrence. At least 100 Members must vote for the motion if it is to be declared approved. That does not mean that there must be a majority of 100, only that at least 100 Members must be present and voting with the majority. If the motion is carried, the question itself is then immediately voted up or down.

In the interests of efficiency, the British may also choose to employ an "Allocation of Time Order." This sets a limit to the length of debate before discussion has begun as opposed, of course, to cloture which limits debate after discussion has started. The Members of Commons may also choose to limit debate on certain sections of bills—a measure called rather quaintly a "Kangaroo" because it hops across certain sections of a bill to the debate on others for which a maximum time is set in advance.

Second. The Bundestag in West Germany: The Council of Elders—a group of some 25 men representing all parties in the Bundestag—allocates time to each member who wishes to speak on a given issue. No speech may exceed an hour or be less than 5 minutes unless a special exemption is granted. Closure of debate is declared by the President after all the speakers have taken the floor and no one else has requested to speak.

Third. The Diet in Japan: Members who wish to speak on an issue notify the speaker or President, stating whether they wish to speak for or against, with those opposing the issue customarily speaking first. The speaker or President sets a time limit for debate at his discretion, or the house, by resolution, may do so. If one-fifth or more of the members should object to this limit, the speaker or President must immediately seek "the opinion of the house" in a vote on the limits. The time limits—which often limit speeches to 10 or 15 minutes—have never been overturned, according to the Japanese "Practice Manual." If a member speaks beyond the agreed limits, he is first warned and then sent to his seat. Twenty or more members may move to end debate at any time after two or more speakers have given their position if no one wishes to present an opposing view. In practice, debate is often limited by assigning specific blocks of time to each party for discussion of a given issue. Party leaders then designate which members are to use that time to present the party's views.

Mr. President, none of us questions that these are genuinely democratic nations with democratic procedures in their legislative bodies. The House of Commons is, in truth, the mother of us all. But the fact remains that in every one of these nations a procedure has been established to limit debate in the legislature so that the legislature can accomplish its task. The democracy of some of these bodies may vary, but it clearly does not depend upon free and unlimited debate in the legislature or else we would be flattering ourselves into believing that the U.S. Senate is the only democratic legislative body in the world.

Mr. President, there are two basic objections often voiced to easing our rules on limiting debate. One is the old argument that prolonged debate serves to protect the rights of the minority. A newer argument is that protracted debate is the best means for reining in and checking the executive branch. I would like to comment briefly on each of these arguments.

I believe in full and free-swinging debate. But debate is not a substitute for decisionmaking. No one ever said it better than Senator Henry Cabot Lodge of Massachusetts nearly 80 years ago. He said:

> If the courtesy of unlimited debate is granted, it must carry with it the reciprocal courtesy of permitting a vote after due discussion. If this is not the case, the system is impossible. Of the two rights, moreover, that of voting is the higher and more important. We ought to have both, and debate certainly in ample measure, but if we are forced to choose between them, the right of action must prevail over the right of discussion. To vote without debating is perilous, but to debate and never vote is imbecile.

Those who defend the rights of the minority have called past proposed amendments of rule XXII gag laws. Revising rule XXII would not gag anyone. It would allow for up to 100 hours of debate after cloture is invoked so that each and every Senator who wishes may present his views. All of this, mind you, after cloture is invoked—which surely would not occur until much debate had already gone by.

I find it hard to believe that my colleagues—able, articulate, and intelligent as they are—would not be able to put an issue into perspective in that amount of time. Indeed, I believe that those who call the amendment of rule XXII a gag rule are in error. It is instead the majority who are presently being both bound and gagged by every use of the filibuster.

The American people have always had a soft spot for the underdog, for the minority view. But the American people have traditionally gotten on with their business after the minority has had its say. We in the Senate appear to have jeopardized our reputations in the mind of the public, and one reason for that is because we have not gotten down to business after letting the minority express itself.

Opinion polls reflecting the public's "positive" rating of Congress show a dramtic decline in recent years. The press, too, have been highly vocal in expressing its dismay at congressional performance—or rather, lack of performance. Editorial after editorial has taken us to task, and in almost every case, the filibuster has been cited as one of the practices that contributes most to our difficulties. On January 7, 1971, the Washington Post said:

> In many respects the filibuster is the most intolerable carryover from an easy-going and uncomplicated past. As it now operates, it not only prevents Congress from getting its work done. Again and again it results in minority decisions because a few Senators can kill vital measures by long-windedness. Unlimited debate has become only another name for frustration and defeat of the will of the majority. It is an undemocratic practice which threatens to drag our entire systme into disrepute.

Just recently, the Washington Post again editorialized on January 16, 1975, as follows:

> As one of its first items of business, the new Senate will consider the perennial problem of striking a reasonable balance between the right of a minority of Senators to debate and the ability of a majority to decide. At issue once again is Rule 22, the cloture rule which requires the votes of two-thirds of those present and voting to limit floor debate and amendments. As experience has amply shown, this rule enables a stubborn minority to tie up a measure forever or force the majority to make major concessions to bring a bill to an up-or-down vote.
>
> Senators Walter F. Mondale (D.-Minn.) and James B. Pearson (R.-Kan.) are leading this year's attempt to modify Rule 22 by reducing the number needed for cloture to three-fifths of those present and voting.
>
> The point of the Mondale-Pearson effort is not to strip Senator minorities of all defense against majority tyranny, but rather to make one weapon, endless debate or the threat of it, somewhat harder to employ. Three-fifths, or up to 60 votes, would still be an impressive force to have to muster to curtail debate. At this point in the Senate's evolution, such a change seems timely and reasonable.

The San Diego Union on August 6, 1971, in an editorial entitled "Obstructive, not Constructive: Congress Short in Achievement" said:

> Unlimited debate up to an outright filibuster is a worthwhile tactic to protect the rights of the minority on crucial issues. Congress has traditionally treated it with cautious respect. Nevertheless, if abused, it can be a weapon of simple partisanship and obstructionism. A tendency to abuse it is becoming conspicious.

Such quotes are clearly available in abundance. But those I have mentioned here ought to suffice to let us see ourselves as the public appears to see us. Such an image must distress all of us who came to this body full of ideas and ideals.

I am often called upon, as I am sure are most of my distinguished colleagues, to address student groups on the topic of leadership. I have some heartfelt words to offer on the subject of the need for courageous, dedicated, and able men to lead this government. I have often wondered what some of these young people must think when they read the paper and discover that we, their elected leaders, apparently would rather engage in endless debate than make the hard choices required of us.

Some who defend the filibuster point to the so-called "two-track" which let us get on with some legislative business during the course of a filibuster. We are now using the filibuster so often, however, and on so many disparate issues that I fear we will soon have more tracks than the Southern Pacific.

The track system is in itself an admission that we are failing to meet our responsibilities. It is an admission that we have to adopt a system whereby we can fool ourselves into thinking that the United States Senate enjoys both unlimited debate and the ability to get its work done.

Mr. President, I am among the strongest supporters of the minority's right, and indeed duty, to make its position known. However, rule XXII does more than just protect the minority, it lets the minority rule this body. As we have repeatedly demonstrated, a small group of Senators can—and, in fact, will—frustrate the ability of the majority to vote an issue up or down.

This de facto veto power exercised by the minority is most assuredly not what the Founding Fathers intended. The Constitution clearly spells out those five instances in which a two-thirds majority is needed—specifically: to approve treaties and constitutional amendments, to impeach, to expel a Member, and to override a Presidential veto. Nowhere does it suggest that two-thirds of the members of the Senate must concur before an issue can be brought to a vote.

There is no assurance, of course, that the voice of the majority is the will of God. I see even less cause to believe, however, that the voice of a willful minority may be. Those who choose to exploit rule XXII are requiring us to have a two-thirds majority to bring an issue to a vote, and if that does not constitute a minority rule, I cannot imagine what would.

Let me turn next to a newer argument voiced by those who prefer rule XXII in its present form. It is said that the filibuster is the Senate's greatest weapon for holding a headstrong executive at bay. I believe this notion is mistaken. I believe that the continuing use and abuse of rule XXII to prevent this body from making decisions and taking votes is one of the major means by which the Congress may instead put more power into the hands of the President. If this body, after full and sufficient debate, is not permitted to come to a vote on an issue, we cannot look to the American people to criticize the President for bypassing or ignoring a querulous and garrulous Congress.

I am aware that some of my colleagues who previously supported efforts to modify rule XXII have now changed their minds. Instead of taking the rule to task for keeping the Senate from voting on civil rights legislation, they have suddenly found it useful to stall decisions on whatever legislation they are opposed to. These Senators who have changed their minds—and they are my good friends—have now found all kinds of previously overlooked reasons why rule XXII, in its present form, is a splendid protector of democracy. They say it keeps the administration from riding roughshod over the Congress. What it really does, of course, is to keep the Congress itself from riding at all—roughshod or otherwise.

David Broder, in a column in the Washington Post on October 5, 1971, commented that—

> When Senators as conscientious as some of those who have now changed their views on Rule XXII, can seriously suggest that under present circumstances that what we need now are a few more filibusters to delay or block action, it just shows how far we have gone toward despair at ever making government a positive force again.

Our resort to negative obstructionism instead of positive action clearly does not benefit the American people. Obstruction is no substitute for decision-making. The people have a right to expect more than delay and inaction from their elected representatives. If we fail to give them decisive leadership, their frustration may well boil over and lead to irresistible popular pressure for far more radical changes in our modes of doing business than any being suggested today.

Those who would indiscriminately use the filibuster would do well to remember that it is a two-edged sword. It could come to pass that we would have filibusters in progress on all sorts of issues, issues which any of us personally favor or oppose. But what those filibusters really do is block action. In essence, we are throwing up our hands and saying to the Executive, "Mr. President, you make these tough decisions. They are beyond our capabilities."

I say this is nonsense. We have the ability to make these decisions; what we need now is the will. Moreover, we have the responsibility to make these decisions, and we must not shirk that responsibility by hiding behind the supposedly sacred rules of this body. I doubt that the American people will long tolerate a Senate that says, "Well, fellow Americans, we have some great ideas on how this country should be run and how to order its priorities—but our rules just won't let us get down to business."

At our present rate of exploiting rule XXII—and as long as it is on the books it can and will be exploited—I can easily envision this body so handicapped by the unrestricted flow of words that it will be unable to act at all. We have walked a long way down the road of congressional irresponsibility. Our lack of discipline has led us to give away many of our most cherished and needed powers. It is not that the Executive is trying to steal these powers, it is that we have lacked the courage and the will to exercise them.

Mr. President, it is the responsibility of Congress to make decisions. When we ensnarl ourselves in words and find ourselves unable even to bring major issues to a vote, we abdicate that responsibility. We invite the very increase of executive prerogatives that we seek to halt.

I believe that it makes no difference what administration is in power or which party controls the Senate. We are talking about a matter of duty. And as the people's elected legislators, it is our duty to decide policy and set priorities. If we do not, we will have only ourselves to blame if the Executive chooses to exercise our powers for us. We must recognize the painful truth that the fact that we can use our rules to stop the Executive does not mean that we are doing something positive ourselves.

In closing, I would like again to point out that rule XXII is not sacrosanct. Like every other rule of this body, it can be amended. I believe Thomas Jefferson had this in mind when he said:

> I know that laws and institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths discovered, and manners and opinions change with the change of circumstances, institutions must advance also, and keep pace with the times.

The people of America deserve the best government we can provide, and a body that cannot act because it is enmeshed in a web of its own making is not the answer. Now is the moment to keep pace with the times and to move forward with reform of this great institution so that it can not only respond to our country's needs but can also provide the positive leadership and direction the Nation requires.

Mr. HANSEN. Mr. President, it is quite appropriate that I quote a passage attributed to Thomas Jefferson on the subject of freedom of debate in the Senate as this great deliberative body again questions Senate rule XXII:

> The rules of the Senate which allow full freedom of debate are designed for the protection of the minority, and this design is part of the warp and woof of the Constitution. You cannot remove it without damaging the whole fabric. Therefore, before tampering with this right, we should assure ourselves that what is lost will not be greater than what is gained.

Mr. President, Senate rule XXII has always been and will be, a major bulwark against the erosion of our constitutional and democratic form of government in this great and bountiful country. Senate rule XXII constitutes a barrier to oppression by the majority and to the destruction of the rights and liberties of the minority. It would hardly be an exaggeration, therefore, to state that the present resolution offered against rule XXII threatens the heart of our constitutional system and threatens the rights and liberties of all minorities.

This proposal, this resolution, that has been offered in opposition to the freedom of debate goes much deeper than the right of an individual Senator or a group of Senators to engage in a lengthy discussion that some might label a filibuster. The real issue, the real point of the question before the Senate, is whether we are to alter the role and the position of this body in our great scheme of government.

It never ceases to amaze me and many of my distinguished colleagues that those who ambitiously seek, with persistence, to further the causes of minorities in this country are the very ones who vigorously strive to weaken rule XXII which, in the words of Thomas Jefferson is "designed for the protection of the minority."

Now, some of those who are advocating the weakening of this rule have not yet realized and have not become aware of the fact that they may be damaging one of their own future causes. Nevertheless, rule XXII has served to protect our Federal system of government and to preserve our States as sovereign entities. It has served to safeguard the liberties of our people and has afforded them the right to express their views through their chosen representatives in the Senate of the United States. Although slightly weakened in 1959, rule XXII still stands as a defender of liberty. If we undertake to weaken it further, the right of full expression and debate in the greatest legislative body in the world will be prohibited and denied. If we strike down the right of the Members of this body to freedom of expression and debate, we will have silenced the voice of the States and of the American people to be fully heard and adequately protected in the highest legislative forum in this Nation.

Mr. President, the Senate has had great prestige in this country despite the efforts of some Members to weaken or destroy that prestige by introducing legislation in the form of a gag rule. This type of ruling would destroy or impair the greatest element of checks and balances among the three divisions in our Government, the judicial, the legislative, and the executive. The U.S. Senate is the foundation of that division of powers. It is the balance wheel on which the division of powers in the system of checks and balances revolves.

Perhaps it is hard to get through to the people of this country what is involved in the very complex and complicated issues that pass through here in the form of legislation and why these issues call for freedom of debate. Perhaps the people of this country do not realize that if the proponents can just get a form of "gag rule" through, they can go forward and limit the right of amendment in the Senate of the United States. The proponents can then pass the economic and social legislation they want, legislation that will alter this country and destroy a system that has afforded men the opportunity to make progress and to go forward and to succeed in accordance with their abilities, in accordance with their talent and energies, the opportunity that has made this country great.

Mr. President, great men of the past, great statesmen of our Nation, recognized the dangers inherent in what is here being attempted today. They denounced it. They stood firm. Lest this generation forget, let them open the pages of history and learn from the dedicated statesmen of the past. I quote from Senator Robert LaFollette's speech which was delivered just before the vote on cloture took place. He said:

> Mr. President, believing that I stand for democracy, for the liberties of the people of this country, for the perpetuation of free institutions, I shall stand while I am a member of this body against any cloture that denies free and unlimited debate. Sir, the moment the majority imposes restrictions contained in the pending rule upon this body, that moment you shall have dealt a blow to liberty; you shall have broken down one of the greatest weapons against wrong and oppression that the members of this body possess. This Senate is the only place in our system where no matter what may be the organized power behind any measure to rush its consideration and to compel its adoption, there is a chance to be heard, where there is opportunity to speak at length and where, if need be, under the Constitution of our country and the rules as they stand today, the constitutional right is reposed in a Member of this body to halt a Congress or a session on a piece of legislation which may undermine the liberties of the people and be in violation of the Constitution which Senators have sworn to support. When you take that power away from the Members of this body, you let loose in a democracy forces that in the end will be heard elsewhere, if not here.

We of this distinguished body should recognize that in a democracy, free debate is a virtue, not a vice; it is a necessity, not a luxury, and is truly a fortress of a free society that is vital to the protection of freedom. Those who are waging this questioning of free debate in the Senate should pause and take heed of the Nation's position in the world today. I think it is clear that if ever there were a time when we should be examining with thorough deliberation the complex issues and economic problems, it should be now. Now when we are faced with such difficult problems on the domestic front. Now when our Nation is faced with such tough decisions it must make as a result of being a world's leader.

Mr. President, I further state that the majority is, simply, not always right. Down through the years, there are great monuments, tragic monuments to the failure of the majority to be right, the errors of a temporary majority such as it is proposed to subject the Senate to, a proposal to turn loose all the fires of partisanship to a mere majority, to close off debate and silence the opponents before they have a full and fair chance to make their case before the American people.

It is more difficult today than ever before to get both sides of the case before the American people. But it should be obvious that there are always two sides to every question that comes before this eloquent body.

It seems, Mr. President, that those who would destroy the right of free debate in the U.S. Senate contend that rule XXII is undemocratic in that it enables a minority to thwart the wishes of a majority. In their zeal, they deliberately or inadvertently overlook the fact that its very purpose is to provide a restraint upon the abuses of uninhibited and unrestrained majority rule.

It seems that the argument keeps coming up that a minority can obstruct. The overriding answer to that is that a majority can oppress. Again, we must make a choice. Our Founding Fathers made a choice. They sought to establish a government that would protect the people against oppression. They did not think it wise to limit debate in this body.

Through the years, the Senate has proved that it is the greatest safeguard of our federal system. For it is here, and here alone, that the voice of each State—large or small—can be heard.

I ask my distinguished colleagues, do we want to downgrade the Senate, and reduce its level of competency and effectiveness? Downgrade controversial issues of great principle that need be debated in full? I certainly hope not. Ponder the words of Alexander Hamilton, writing in the Federalist:

> * * * There are particular moments in public affairs, when the people stimulated by some irregular passion, or some illicit advantage, or misled by the artful misrepresentations of interested men, may call for measures which they themselves will afterwards be the most ready to lament and condemn. In these critical moments, how salutary will be the interference of some temperate and respectable body of citizens, in order to check the misguided career, and to suspend the blow mediated by the people against themselves, until reason, justice, and truth can regain their authority over the public mind.

In concluding, Mr. President, it is apparent that hasty action is often possible under rule XXII, even as it is presently written. If further weakened, rule XXII will not only allow, but will undoubtedly precipitate, efforts to push more and more and more legislation through the Senate at an even faster pace than we witnessed in recent sessions of Congress.

The Senate was created to give a full chance to expose here the errors of other branches of Government. One of its main purposes was to permit a complete revision or canvass of the acts of the other body, to have full power to offer amendments, and to make speeches to point out those mistakes.

The U.S. Senate is the greatest lawmaking body in the world—we can keep or lose its power and prestige. The choice and responsibility is ours. For we have the duty and responsibility to preserve its greatness.

Mr. MONDALE. Mr. President, I move to lay on the table the point of order raised by the distinguished Senator from Montana (Mr. MANSFIELD), and I ask for the yeas and nays.

The VICE PRESIDENT. There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Minnesota (Mr. MONDALE) to lay on the table the point of order raised by the Senator from Montana (Mr. MANSFIELD). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BIDEN (When his name was called). President, on this vote I have a pair with the Senator from Michigan (Mr. PHILIP A. HART). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. ROBERT BYRD. I announce that the Senator from Michigan (Mr. HART) is necessarily absent.

I also announce that the Senator from Alaska (Mr. GRAVEL) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is necessarily absent.

I further announce that the Senator from Arizona (Mr. FANNIN) and the Senator from Ohio (Mr. TAFT) are absent due to illness.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 51, nays 42, as follows:

[Rollcall Vote No. 14 Leg.]

YEAS—51

Abourezk
Bayh
Beall
Bentsen
Brooke
Burdick
Case
Church
Clark
Cranston
Culver
Eagleton
Ford
Glenn
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Symington
Tunney
Williams

NAYS—42

Allen
Baker
Bartlett
Brock
Buckley
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Curtis
Dole
Domenici
Eastland
Fong
Garn
Goldwater
Griffin
Hansen
Hart, Gary W.
Helms
Hollings
Hruska
Johnston
Laxalt
Long
Mansfield
McClellan
McClure
McGee
Morgan
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Weicker
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Biden, against.

NOT VOTING—5

Bellmon
Fannin
Gravel
Hart, Philip A.
Taft

So the motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I understood the Chair was going to put the next question. I hope at a little later time he will allow us to offer an amendment to the motion. But, first, I would like to ask for a division of the question inasmuch as there are two separate questions involved. And, further, Mr. President, I would like to point out that the first section of the motion makes no reference to the constitutional question. The constitutional question is contained in the second portion and, Mr. President, in the judgment of the Senator from Alabama, that would leave, since the motion is clearly divisible, the first portion clearly debatable, and the Senator from Alabama would like to suggest that the Presiding Officer request the opinion of the Senate on that issue.

The VICE PRESIDENT. The Presiding Officer is ready to rule under rule XVIII that the motion is divisible.

Mr. ALLEN. I thank the Chair.

The VICE PRESIDENT. Therefore, the question comes first on the first portion of the motion which is debatable.

Mr. ALLEN. Now, Mr. President, inasmuch as the Chair has ruled that the first portion of the motion is debatable, the Senator from Alabama would suggest that all Members who would not like to hear a further discourse on this subject may retire to their office [laughter]. The Senator from Illinois can go to Mandalay, where, I believe, the plane is waiting for him. The Senator from Oklahoma can go to Vietnam, because the Senator from Alabama will be discussing this motion, since the Chair, in its wisdom, has ruled that the first section of this motion is debatable.

Mr. MONDALE. Mr. President, point of order.

Mr. ALLEN. I will not yield for that purpose. [Laughter.] I believe we now see where——

The VICE PRESIDENT. The Senator from Alabama has the floor.

Mr. ALLEN. I thank the Chair.

Now, Mr. President, we get back to the basic point.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The VICE PRESIDENT. There will be order in the Senate, please.

Mr. ALLEN. We get back to the basic point of whether a ruthless majority here in the U.S. Senate can cut off the right of a minority.

The distinguished Senator from Minnesota (Mr. HUMPHREY) has great——

Mr. NELSON. Mr. President, may we have order in the Senate?

I cannot hear the distinguished Senator from Alabama.

The VICE PRESIDENT. The Senator from Alabama has the floor.

Mr. NELSON. Mr. President, I would like to suggest that the Senate is not in order, Senators are conversing around the floor and in the aisles and in the well.

The VICE PRESIDENT. The Senators will please take their seats, or if they have conversations, please carry them on outside.

Mr. ALLEN. I thank the distinguished Senator from Wisconsin for getting order here in the Senate, and the Senator from Alabama treats that request as being an indication of the fact that the Senator from Wisconsin is subject to having his views changed by listening to the Senator from Alabama press his point.

[Laughter.]

I appreciate the Senator's interest and desire to hear the Senator from Alabama. I do appreciate that.

As I was stating, the distinguished Senator from Minnesota (Mr. HUMPHREY), who is interested in the rights of the minorities, just like all of us here in the Senate are, but he has shown no interest whatsoever in the rights for certain minorities here in the Senate, those he seeks to cut off, to apply the gag rule to their right to discuss issues here in the U.S. Senate.

I just hope the distinguished Senator from Minnesota, in his compassionate nature, will have compassion on the minority here in the Senate, which has few defenders among those who speak out so forcefully and eloquently for the rights of the minority.

Mr. HUMPHREY. Will the Senator yield?

Mr. ALLEN. I will yield for a question only.

Mr. HUMPHREY. The Senator, I am sure, is aware of the fact that for some better than 20 years I participated in every effort in this body to change what we call rule XXII, without any success, I should add.

I also, as the Vice President, handed down the ruling which I regret to say was overruled by the Senate itself.

I have great respect for the judgment of my colleagues. I also want the Senator to know that I have great sympathy, and not only sympathy but support, for the right of the minorities.

For example, I vigorously support the right of the distinguished Senator from Alabama now to even involve me in this conversation.

[Laughter.]

And I might also add, more importantly, I support his sense of compassion to tell our brothers of the Senate that they have time to do their office work.

May I say that this is one of the most, one of the really constructive developments that has taken place here in the Senate for some time.

[Laughter.]

Mr. ALLEN. I thank the distinguished Senator.

Mr. HUMPHREY. I will, however, come back to join the fray a little later. I want to hear what my distinguished colleague from Alabama has to say. I know he will say it well and I just hope he is not too persuasive on this occasion, I trust his persuasive power will be less than his eloquence.

Mr. ALLEN. It suits the Senator from Alabama that he never finds out how persuasive he was.

Mr. HUMPHREY. The Senator will find out soon.

Mr. ALLEN. I hope, but the issue coming to a vote soon, it suits the Senator from Alabama never to find out how persuasive he is in this matter.

Mr. President——

The PRESIDING OFFICER (Mr. HANSEN). Will the Senator suspend until the Senate is in order?

The Senator from Alabama.

Mr. ALLEN. Mr. President, I would have a lot more sympathy for this effort if all proponents of this motion—and I see they are over here discussing the matter and I hope they have a plan that will be effective—I would have a whole lot more sympathy for their effort if they had gone under the Senate rules in seeking this change of the Senate rules, rather than to throw the rule book out the window.

Mr. TALMADGE. Will the Senator yield for a question?

Mr. ALLEN. For a question only, yes, sir.

The PRESIDING OFFICER. Will the Senator suspend, and the Senators who are carrying on conversations please take them to the cloakroom?

Mr. TALMADGE. I ask the distinguished Senator from Alabama if rule XXXII, paragraph 2, does not read as follows:

> The rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules.

Mr. ALLEN. Yes, sir, that is correct.

Mr. TALMADGE. Is it not also a fact that no change in the Senate rules has been made by this Senate?

Mr. ALLEN. As to that particular matter, no.

Mr. TALMADGE. Or the rules of the Senate as they provide for cloture, in closing debate?

Mr. ALLEN. That is correct.

Mr. TALMADGE. I thank the Senator and he is on eminently firm ground.

Mr. ALLEN. I thank the distinguished Senator from Georgia.

I would like to point out to the Senator, also, that this addition to rule XXXII came about in 1959 at a time when the Members of the Senate, many of them, were not satisfied with the cloture requirements of rule XXII and there was a compromise reached there in 1959 which I call the compromise of '59.

There were three features of that compromise. One feature was that the rule that existed at that time provided that there could be no cloture on a motion to proceed to a change in the Senate rules. That was not covered by the rule, so it had to be a measure, not a motion, to proceed to consideration of a measure.

There was another feature that those who wanted to apply a gag rule in the Senate did not like and that was that it required a constitutional two-thirds, that is, two-thirds of the elected membership of the Senate to cut off debate. There was some question as to whether the rules of the Senate carried over from one session of Congress to another.

Now, those who opposed the gag rule wanted to nail down the fact that the Senate rules did carry over from Congress to Congress in a continuing body and the gag rule Senators—we have their successors here in the Senate today—wanted to provide that cloture could be invoked on a motion to proceed to the resolution providing for a rules change.

They also thought that the requirement of a constitutional majority—with a constitutional two-thirds was too great and they wanted that cut down just to two-thirds.

So that was the area of the compromise. There were two concessions made to the gag rule Senators and one concession made to the free-debate Senators. The majority leader back in that day was Senator Lyndon Johnson of Texas and he was a great compromiser and they worked out a compromse where they would have a settlement in these three areas. Two concessions were given to the gag rule Senators and one concession given to the free-debate Senators.

So that is the way this provision in rule XXXII came about. I hope the Senator from Georgia has not become tired at the prolixity of the statement of the Senator from Alabama in this matter, but I did have to go into the history to give a full picture to the Senator from Georgia as to where that provision in rule XXXII came from. I hope he will excuse me for going into such detail, but it was necessary to give the historical background in this area.

Now, Mr. President, this issue of the constitutionality has been injected into this matter based upon a false premise. The claim is made that some mystic type of rule applies at the so-called start of the session. How this could be called the start of a session, I do not know.

Mr. TALMADGE. Will the Senator yield for a question?

Mr. ALLEN. Yes.

Mr. TALMADGE. Is it not a fact that the Supreme Court has ruled repeatedly that the rules of the Senate carry over from one session to the other, that the Senate is a continuing body?

Mr. ALLEN. Yes, it sure has.

Mr. TALMADGE. And that the rules that we operate under in the U.S. Senate have existed, as amended from time to time, since the origin of the U.S. Senate?

Mr. ALLEN. Yes, that is correct.

Mr. JOHNSON. Will the Senator yield for a question?

Mr. ALLEN. For a question, yes.

Mr. JOHNSTON. If there is the start of the session, when does the start of the session end?

Mr. ALLEN. That is a good question. I thought it had already ended, yet they claim there is some different rule at the start of the session. I have looked in the Constitution and I have poured over the various sections looking for that particular provision that is alluded to in the Chamber so often. All it says in this area is that it takes a quorum in either House to transact business. Well, that is admitted. And that the respective Houses can make their own rules. It could set a different rule than obtains at the start of a session. So in compliance with that constitutional provision, the Senate, of course, made its rules.

I will say to the distinguished Senator from Louisiana he would be surprised how little the rules of the Senate have changed since the days of Thomas Jefferson.

Thomas Jefferson, of course, was an expert and authority in many, many fields. One was the field of parliamentary law. He compiled what is called Jefferson's Manual. The Senate rules are based on Jefferson's Manual. In many instances the wording is practically the same. So the rules have changed very little in that time. The rules provide for the amendment of the rules. There is nothing to prevent the Senate, any time it wants to, from amending its rules. It does not have to do it at the so-called start of the session, but it can amend the rules on the last day of the session, for that matter, if it so desires. It just takes a majority vote to amend the rules. The trouble is that it takes more than a majority vote to get to the point where you get an up-and-down vote on the amendment of the rules.

This document that was filed, that has been made the basis of my discussion, for a while looked like it was just going to be a steamroller, that we were just going to choke off debate. We would not have any debate. We would put one question right after the other.

I am glad the Presiding Officer correctly ruled that you can get a division of this question. It is a pretty elementary situation. When an amendment has more than one subject in it, you can call for a division.

This first part just moves that the Senate proceed to the consideration of calendar item No. 1, Senate Resolution 4, amending rule XXII of the Standing Rules of the Senate with respect to limitation of debate.

There is no constitutional question raised. The Senator from Alabama wanted to discuss this matter a little bit. There have not been too many Senators in the Chamber, I will say to the distinguished Senator from Wyoming (Mr. HANSEN) who is presiding in a very fine fashion over the Senate at this time. We have looked for occupants of the chairs here in the Senate Chamber. A number of good people are in the Chamber, pages and members of the staff, but very few Senators. I am delighted to see that some Senators have remained. There for a while we had a pretty good representation here in the Chamber. They were expecting to move in for the kill, I will say to the distinguished Senator from North Carolina (Mr. HELMS). They thought they were going to have votes in rapid succession. But it has not worked out that way, thanks to the fine ruling of the distinguished Presiding Officer, Vice President ROCKEFELLER.

Just a few minutes ago I was not so kind in talking to the Vice President. I might say that all of the remarks I have made on this whole issue have been made right here in the Senate Chamber. I have not called the Vice President off and said, "Look here, Mr. Vice President, I believe," thus and so, "about this rule, and right here in the book it says" thus and so. "Don't you think that is right?" I have not resorted to that, Mr. President. I have stated my construction of the rules right here in the Senate Chamber. I have not talked to the Vice President privately. I am sorry the Vice President is not here now, but he has gone on. I guess he feels now that the matter is subject to debate.

That was a great ruling, I will say to my distinguished colleague, the distinguished Senator from North Carolina (Mr. HELMS) and the distinguished Senator from Idaho (Mr. McCLURE). It was a good ruling. But I was not so nice to the Vice President earlier in the day. I really ought to apologize for that. If he were here presiding over the Senate, I would apologize for what I said.

After he ruled that they were going to vote on these matters in rapid succession, with no further debate, I pointed out to him the error.

I am glad the distinguished Senator from Minnesota (Mr. HUMPHREY) is still here. I will say to my distinguished colleague from Minnesota I found the Vice President following the leadership of then Vice President HUMPHREY on these matters. For awhile he was following the leadership of the Senator from Minnesota. But he came to his senses, I will say to the distinguished former Vice President, and abandoned his discipleship of the distinguished Senator from Minnesota. He ruled that, yes, this matter is debatable, this item No. 1 is debatable. And that is right. It is debatable. I believe we are going to have an interesting debate on it.

Mr. President, I would have a great deal more sympathy for this effort if they had just gone about this matter as prescribed by the rules. That is wherein they failed. It is bad.

We are supposed to set some sort of example in the Senate, I suppose, being governed by a government of laws and not of men. Part of the law, to us, is our rules. There is nothing in the Constitution contrary to the Senate rules—not a thing in the world. They speak as if the Constitution is paramount to the Senate rules. Certainly it is. But show me anything in the Constitution that the Senate rules violate, and I will certainly admit my mistake in the matter.

The Constitution says that both Houses can make their own rules, and they have done it. If we were operating without rules, it would be one thing. We are operating under a very fine set of rules, and I do not believe they should be thrown out the window.

Mr. STONE. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I yield only for a question.

Mr. STONE. In the opinion of the Senator, what is the beginning of a session or the beginning of a Congress, for the purpose of adopting new rules, and when is it over?

Mr. ALLEN. I will say that, obviously, the beginning of a session would be the first day, and the end of the beginning of the session would come not many days thereafter.

Mr. STONE. The end of the beginning would come within a day or two after we organize?

Mr. ALLEN. That would be my judgment. I have nothing to point to other than commonsense in the area.

Mr. STONE. Is there any ruling or precedent, either of the Chair or of any court, that indicates that 4 weeks or more into a new Congress, we are still at the beginning of a Congress?

Mr. ALLEN. I will have to say to the distinguished Senator from Florida that there has been some leniency in that regard, that they would let them carry on into the session, possibly several weeks, even. That does not make it right. It has been waived to some extent.

The point involved, as I see it, is this. There is no validity to the argument that there is a different situation at the start of a new Congress. I say "new Congress" rather than "new Senate," because there is never a new Senate; it is the same Senate that is carrying on. I have never seen, since I have been in the Senate—just a very few years—the history of the adoption or re-adoption in the Senate of the Senate rules, because they go under the theory and the actuality that the Senate is a continuing body. For that reason, there is no need to readopt the Senate rules. We have them. They are there all the time, as rule XXXII says, until amended by the Senate in accordance with the Senate rules. There is no difference, early in the session or late in the session.

As I suggested a moment ago, we could amend the Senate rules the last day of a session, but we would have to amend them under the Senate rules, just as we have to amend them, as I contend, under the Senate rules, even if it is on the first day, because they carry forward all the time.

Mr. STONE. The Senator from Florida heard the senior Senator from Minnesota discuss the dead hand of the Senate of 1917 in some fashion that seemed to distinguish it from, for example, the dead hand of the Senate on Monday of the first week in February of the Senate of 1975. What is the logical distinction between a rule that was passed by a previous Senate and a rule that was passed a previous day?

Mr. ALLEN. None. They still last on, ad infinitum, unless changed by the Senate. So, as the Senator suggests, that would be the dead hand of yesterday, if that were the case.

Mr. STONE. One final question: If, by parliamentary procedure, cloture can be invoked by a rules change supported, through parliamentary procedure, by 50 Senators plus 1, or a majority of whoever is in the Chamber, then would the Senators propounding this rules change in effect have a three-fifths rule if one were adopted through such a procedure? What would they have?

Mr. ALLEN. Actually, they would have a majority rule, that a majority can change it any time.

Even following the Senate rules on cutting off debate, debate can be cut off, under these exacting Senate rules, with as few as 34 Senators, if a bare quorum is present.

The way they are handling it now, under this terrific backdoor approach—I might say basement approach; I believe that would be a little better than "back door"—by this basement approach to the amendment, 26 Senators could call all the shots in the Chamber, if just a bare quorum were present. So it is very dangerous.

I say to the distinguished majority leader that I admire his position in this matter and the eloquence and logic of his debate. I know how reluctant he was, in his position, to make a speech on this issue because of the position of many in his party on one side and many on the other. But when the existence of this body was at stake, he had no hesitancy in getting up and making one of the most logical and eloquent speeches I have ever heard on this subject. I will say it is the most logical and eloquent speech I have heard on this subject, and I appreciate very much the action he has taken.

Mr. President, what is the procedure on amending the Senate rules? One day's notice must be given of one's intent to seek to amend the Senate rules.

Ordinarily, Mr. President, a resolution proposing an amendment to the Senate rules would go to the Committee on Rules and Administration. But in this effort and at every stage of the proceeding, there has been shortcut, shortcut, shortcut. Instead of going to the Committee on Rules and Administration, a stratagem was used, and in other matters I have used the same stratagem to avoid an unfriendly committee. I did it with respect to some antibusing legislation I introduced. I knew it would never see the light of day if it went to the HEW Committee. But by a stratagem, a bill can be prevented from going to the Committee on Rules and Administration. And it gets on the calendar.

Then it is motioned up and that issue is debated. That is the very thing that I am debating here today, that the Vice President has ruled is debatable.

Mr. McCLURE. Will the Senator from Alabama yield?

Mr. ALLEN. For a question.

Mr. McCLURE. Yes, for a question. I thank the Senator from Alabama for yielding.

Although the Senator from Alabama is quite correct that the Vice President, the Presiding Officer, did make the correct ruling ultimately, as we go down to the question of whether or not the motion was divisible and whether or not, having been divided, the first portion was debatable—for which rulings I commend the Chair and want publicly to commend the Senator from Alabama for having propounded as promptly as he did; again exhibiting the precise and very astute grasp of parliamentary procedure that he is so noted for, does this not also pose to us a future threat, not just on this matter but on all others, that when a motion, properly propounded, is presumed to be bottomed upon a constitutional question, which will not be divisible, under the ruling established by the Chair, then 51 Senators will prevail?

Mr. ALLEN. That is my judgment. If they posed a constitutional question and by their votes asserted that a constitutional question was involved, who is to say they are wrong? It is just a case of a ruthless majority being able to ram down the throats of a minority anything that it wants.

Too, I should like to suggest that if this effort succeeds—and I think there is less chance that it is going to succeed now than it seemed 30 or 40 minutes ago—if this effort to throw the rule book out the window succeeds, it will be impossible for a minority to slow down a steamroller here in the Senate, absolutely impossible.

Because, obviously, we are going to have 51 to pass a bill and then we can get a few more and it is just the equivalent of majority cloture, even if they do not resort to that actually. But we are moving in the direction of making the great U.S. Senate, with its traditions and its history and its remarkable and unique nature of allowing free debate, we are going to move this great body, the U.S. Senate which many of us revere, in the direction of being a Senate that we might expect to find in a banana republic.

Mr. McCLURE. Will the Senator from Alabama yield for a further comment?

Mr. ALLEN. For a question.

Mr. McCLURE. I thank the Senator for yielding further.

I agree precisely with what he just said. My purpose for propounding the question was simply to underscore the fact that while we on our side may feel good about the outcome at this precise moment, nevertheless, the ruling by the Chair on the constitutional question that was propounded, to many is a precedent which will haunt us at every step of the proceedings at any time some Senator may contrive a motion which presumes to be bottomed upon a constitutional question.

Mr. ALLEN. Yes; it was unfortunate that he made that ruling. However, I believe he is moving back in the proper direction toward a proper construction of the Senate rules.

Mr. CRANSTON. Will the Senator yield for a question?

Mr. ALLEN. Yes.

All the Senator from Alabama is trying to do is get an opportunity for those who oppose gag rule to make their views known here on the Senate floor. There, for a while, it looked like we were not going to be able to say hello to these resolutions—hello and goodbye, the Senator suggests. It would have been a really bad precedent.

I do not feel that it has gone so far that it cannot be rectified by further rulings.

I will state this: The Senator recalls the question that the distinguished Senator from Nebraska (Mr. CURTIS) propounded after the distinguished Senator from New York had asked some questions. It seemed they had the questions kind of correlated to the answers up at the rostrum there, so the Vice President said that he made a mistake in reading No. 5. It said "5," so and so. I wonder what would have happened if he had given answer 4 to question 5 or vice versa. It sort of looked to me as though we were in pretty bad shape right there at the start. So I am pleased that the Vice President has given us an opportunity to discuss this.

Mr. CRANSTON. Will the Senator yield?

Mr. ALLEN. I yield for a question.

Mr. CRANSTON. I wish to ask, in reference to the ruling by the Vice President that was referred to a moment ago by the Senator from Idaho, I believe that the Vice President was following precedent set by previous Vice Presidents. Vice President Nixon, Vice President HUMPHREY, and perhaps others made the same ruling under perhaps the same circumstances. So it was not a new precedent, not a new ruling.

Mr. ALLEN. I thank the Senator for his suggestions. I do not believe that Mr. Nixon ever made that ruling. I do know that the distinguished Senator from Minnesota did make that announcement, but was promptly rebuffed by the Senate in their vote on the tabling motion. They refused to table the point of order.

Mr. CRANSTON. What is shown is progress in the Senate and stability in the Vice Presidency.

Mr. ALLEN. That may be and I am glad the Senator thinks that. But he may be in a minority on the floor right at this time in feeling that.

Mr. WILLIAM L. SCOTT. Will the Senator yield for a statement without losing his right to the floor?

Mr. ALLEN. Yes, I will be delighted to yield under those circumstances, that I not lose my right to the floor.

The PRESIDING OFFICER. The Senator from Virginia is so recognized.

Mr. ALLEN. Under those conditions.

Mr. WILLIAM L. SCOTT. I thank the distinguished Senator from Alabama for yielding.

Mr. President, any proposal for further limiting debate in the U.S. Senate is a very serious matter, for this body has the responsibility to legislate efficiently for the people of the country and any attempt to limit legislative effectiveness has grave consequences.

We are a deliberative body, an instrumentality of the States and their citizens. The Senate is the property of every American and does not belong to individuals who temporarily occupy seats in this Chamber. Those who would alter rule XXII may overlook this historical precedent and the extraordinary constitutional function of this body.

The Senate remains a balance wheel of the federal system and the single national institution that distinguishes our Government from most unitary forms of government. In the U.S. Senate Chamber, a voice from a small State has the same equal weight as the voice of a citizen from California or New York, our two most populous States.

Mr. President, one of the issues at stake, then, is that the vote and representation of a Senator elected from a small State is equal to the Senator who may be elected from a much more populous State. This is a concept of equality. Full and free debate in this body supports such a concept.

Another important issue at stake, in my opinion, is whether we are going to have rules in the Senate or whether we are going to have rule by the gavel. Certainly in the Senate, we should have rule by rules and not rule by men.

Those now attempting to make cloture easier, and thus further reduce freedom of debate in the Senate, complain that standing rule XXII in its application thwarts the wishes of the majority.

However, there are authoritative observers of the Senate process who hold that a majority of Senators can find ways to pass any measure without resorting to changing the very character of the Senate itself. Adequate means are available at present to overcome what a majority believe is an obstruction in debate. Whenever an issue of overriding importance to the welfare of the Nation arises, debate has been and can continue to be limited.

The newspapers and the critics of rule XXII complain that a minority of Senators have obstructed the majority voice of the people. However, I submit that a minority of the Senators can represent the views of a majority of the people of the country and, unlike the other body, where there exists the concept of one man, one vote, a majority of the Members of the House of Representatives do generally agree with a majority of the people, but in the Senate where only one-third are elected every 2 years it may not at a given time. Rule XXII of the Senate provides an additional safeguard against the tyranny of a majority which, of course, makes this body unique.

Mr. President, our Founding Fathers were aware that excesses of democracy can be dangerous. To safeguard against extremes they gave us a republican form of government, with its delicately contrived system of checks and balances of which freedom of debate in the Senate is at least an implied, if not actual, part. Through free debate, the Senate provides machinery by which all measures affecting the lives and fortunes of the American people can be tested by unhurried examination by the collective intelligence of a body created to be one of our governmental checks and balances.

President Woodrow Wilson once made a powerful and persuasive argument in behalf of the necessity for freedom of debate in the Senate when he stated:

> It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice, and to embody the wisdom and will of its constituents. Unless Congress have and use every means of acquainting itself with the acts and the disposition of the administrative agencies of the Government, the country must be helpless to learn how it is being served and unless Congress both scrutinizes these things and sift them by every form of discussion the country must remain in embarrassing, crippling ignorance of the very affairs which it is most important that it should understand and direct.
>
> The informing function of Congress should be preferred even to its legislative function. The argument is not only that discussed and interrogated administration, is the only pure and efficient administration, but more than that, that the only really self-governing people is that people which discusses and interrogates its administration.

Mr. President, every piece of legislation enacted by Congress has tremendous impact upon the rights, properties, and daily lives of every man, woman, and child in America. Before any law is enacted it should be subject to free and extensive debate, to careful study and deliberation. The consequences of its enactment should be discussed freely, openly, and at length so that the people may be fully informed and given every opportunity to voice their protest before it is too late.

I would add, Mr. President, that we have a matter, I think, of the gravest importance that will be coming before Congress this year. We have the prospect of a deficit of a tremendous amount of money during the coming fiscal year. The administration is submitting a budget with a deficit of $52 billion. The chairman of the House Committee on Appropriations suggests that the deficit for this year and next might even reach the proportion of $166 billion—a staggering amount, without precedent in the history of our country.

It would seem ridiculous to me that we would enact legislation appropriating funds such as has been suggested and may be considered without having full, open, and detailed discussion.

We have other matters that come before us which should also be subject, when necessary, to extended debate.

A slight digression here should be made on what our Founding Fathers intended for us to pursue. It being very applicable, I would like to insert a quotation from the Federalist Papers. Either Madison or Hamilton wrote:

> The necessity of a senate is not less indicated by the propensity of all single and numerous assemblies to yield to the impulse of sudden and violent passions, and to be seduced by factious leaders into intemperate and pernicious resolutions. Examples on this subject might be cited without number; and from proceedings within the United States, as well as from the history of other nations. But a position that will not be contradicted, need not be proved. All that need be remarked is, that a body which is to correct this infirmity, ought itself to be free from it, and consequently ought to be less numerous. It ought, moreover, to possess great firmness and consequently ought to hold its authority by a tenure of considerable duration.
>
> The mutability in the public councils, arising from a rapid succession of new members, however qualified they may be, points out, in the strongest manner, the necessity of some stable institution in the government. Every new election in the states, is found to change one half of the representatives. From this change of men must proceed a change of opinion; and from a change of opinion, a even of good measures is inconsistent with change of measures. But a continual change every rule of prudence, and every prospect of success. The remark is verified in private life, and becomes more just as well as more important in national transactions.

An early Virginian, the revered Thomas Jefferson, wrote in his manual of parliamentary procedure:

> The rules of the Senate which allow full freedom of debate are designed for protection of the minority, and this design is a part of the Constitution. You cannot remove it without damaging the whole fabric. Therefore, before tampering with this right, we should assure ourselves that what is lost will not be greater than what is gained.
>
> Reference to our constitutional history discloses that the Founding Fathers envisioned the Senate as a legislative forum comprised of our most mature and experienced legislators. They intended that the Senate would be a deliberative body where freedom of debate and thorough consideration and evaluation of all pending business would serve the salutory purpose of safeguarding the nation and the American people against hasty and impetuous action by the House of Representatives.

Since coming to Congress a little over 8 years ago, I found that the two bodies have changed somewhat. It used to be, when sitting in the House of Representatives, we considered ourselves to be the conservative body of Congress. But I fear that, with the elections last fall, we may not have changed any to the right, but the changes that took place in the House of Representatives may make the Senate the most conservative body of Congress.

In conclusion, Mr. President, we must not lose sight of a few simple facts about the origin and the composition of the Senate. It is impossible to compare the Senate, with any degree of accuracy, to the rule by a popular majority. The very composition of the Senate, where all States are equally represented, each having two votes, prevents such a comparison.

Have we forgotten that everyone at one time or another belongs to a minority? Have we lost sight of the unchanging truth that unbridled majority rule without restraint can be a form of mob rule?

Are our memories so short that we have forgotten the maxim that free government, by destroying dissenting opinion, thereby destroys itself?

With unlimited debate, subject as we are here in the Senate to a cloture vote upon a two-thirds vote of the Senate being able to cut off debate, all Americans have an assurance that no act jeopardizing their rights will ever be proposed without some Member of the Senate having the opportunity to resist it and to warn the Nation of its consequences.

Mr. President, I would like to commend the distinguished Senator from Alabama (Mr. ALLEN) for the thoughtfulness of the action that he has taken, the leadership position that he has taken, here in the Senate in discussing at great length the question of the amendment of rule XXII to change the percentage necessary to cut off debate from two-thirds to 60 percent.

I feel that we would not have the rights of the minority protected by reducing the number of votes necessary to close debate. The distinguished Senator, through his knowledge of parliamentary procedure, through his knowledge of the history of the country, and because of his devotion to the welfare of the people of the country, has taken this position of leadership, and I commend him for it. I just offer, when the need arises, to volunteer my own services in assisting him, as I know is true of many Members of this body, so that we can speak at length on the subject now before the Senate.

Mr. ALLEN. Mr. President, I thank the distinguished Senator from Virginia for the fine contribution he has made to this discussion. I thank him for the kind references he has made to me.

I will state that each time the rights of our people are involved, each time the Federal bureaucracy seeks to run a steamroller over the rights of our people, the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT) is always present to give aid and assistance and to do battle for the principles that he believes are right and just, and in the interest of all the people.

Mr. President, the motion that we now have before us, which is the first half of the overall motion made by the distinguished Senator from Kansas (Mr. PEARSON), moves that the Senate proceed to the consideration of Calendar item No. 1, Senate Resolution 4, amending rule XXII of the Standing Rules of the Senate with respect to limitation of debate.

Mr. President, that is a proper motion. It is made in good faith, I know. It is subject to debate, and is being discussed at this time by a number of Senators.

It does not raise any constitutional question. Actually, Mr. President, there is no constitutional question. We hear on the floor orators on both sides talk about the supremacy of the Constitution over the Senate rules. Well, sure, the U.S. Constitution would take precedence over any rule of the Senate. The rule of the Senate with respect to limitation of debate, as embraced in rule XXII, is in no sense, in no degree, contrary to any provision of the Constitution, so there is not any constitutional question involved.

They say there is a great issue here about whether the Senate at the start of a session can amend its rules, conceding—I assume, that is, my majority vote at any time other than at the start of a session.

But I have searched the Constitution fairly carefully, and I have searched it very carefully on this particular point. There is not one single word in the Constitution indicating that there is a different constitutional rule or principle involved which would indicate that there is any difference in the manner and method of amending the Senate rules, whether made on the first day of the session or the last day of the session.

We hear so much about that, but never yet have they read that from the Constitution.

Oh, they give their interpretation of what the Constitution means, that there is some great distinction about the start of the session, it has got to be done without debate, apparently, they think now.

They do not usually contend that. They contend the majority can cut off debate and that it can be brought to a vote by a majority vote of the Senate. The Constitution requires that, so they say.

I make this challenge to any Member who is trying to come in through the basement door on the Senate Resolution 4, if it can be pointed out to me that the Constitution provides a different rule for amending the Senate rules at the start of a session from that that exists anywhere during the session, I will vote for the rules change, that is all it takes. Show me what they say is the rule, show it to me. If the Constitution says that, I will vote for the rules change, I will quit debating right this moment.

There is nothing in the Constitution that makes any distinction about the start of a session, in the middle of a session, at the end of a session.

All it says is that it takes a quorum to transact business and that both Houses can make their own rules.

Well, the Senate has done that, the Senate has made its own rules, and what are those rules?

Well, the rules are that Senate rules carry forward from one session of Congress to another session and that they cannot be changed unless they are amended as provided in the Senate rules.

That means all of the Senate rules, all provisions of the rules have got to apply to any attempted amendment of the Senate rules.

Well, what does it say about amending the rules? Under the rules, I might state, this is not in the Senate rules, it is sort of an anomalous situation, that the rules do not say that it takes two-thirds vote to suspend the rules, but yet by precedent, by ruling of the Chair, it does take a two-thirds vote to determine the Senate rules—to suspend the Senate rules, not amend them, but just to suspend them for a particular purpose.

Well, actually, that is on this document put in by the distinguished Senator from Kansas. I contend, in the first place, it is merely a unanimous-consent request.

Now, they talk about the burdensome nature of the two-thirds requirement to cut off debate. They say that is burdensome, hard to get.

Well, it is not hard to get. In this Congress, in the last 2 or 3 days, 3 or 4 days of the Congress, they invoked cloture three times by top-heavy votes, when there was not even a debate. They filed a cloture petition, voted on it a couple of days later and invoked cloture.

Now, cloture has got a double feature. One, it eliminates nongermane amendments; and, two, it sets a definite limit on how long the debate can go on before there is a vote.

One of the purposes of those cloture motions and votes was to eliminate the possibility of a nongermane amendment.

The trade bill, for instance, cloture was invoked on that without a single speech being made with reference to the bill. They could not say cloture was needed because nobody was debating. They moved and got cloture by a vote of 71 to 19.

So there is no difficulty in getting cloture if there is sufficient reason for the enactment of the measure as to which cloture is obtained. But whenever the Senate wants to act, this little two-thirds requirement does not prevent the Senate from moving rapidly, to work its will with respect to legislation.

They say two-thirds is burdensome, it ought to be 60 percent. Well, 60 percent would be fine, so some say. I prefer the two-thirds.

The Constitution sets the two-thirds requirement for a vote in the Senate on important and weighty matters. Thus, Mr. President, it takes a two-thirds vote to ratify a treaty, it takes a two-thirds vote to expel a Member, it takes a two-thirds vote to override a Presidential veto, it takes a two-thirds vote to submit a constitutional amendment, and perhaps there are other two-thirds vote requirements.

The matter of cutting off free debate in the U.S. Senate is a weighty matter, that is a matter of paramount importance, and the two-thirds vote is a reasonable requirement.

One other two-thirds vote requirement that I overlooked in trying to enumerate them, it takes a two-thirds vote to convict on an impeachment proceeding.

Now, Mr. President, one of the arguments made by the proponents of this gag rule resolution is that each 2 years we have a new Senate and new rules have to be adopted or they can be amended by a majority vote.

The fact of the matter is that as far as I know they have never readopted in one Congress the rules of the Senate in the preceding Congress. Why? Because they do not need to. The rules say they can carry forward from Congress to Congress unless they are amended.

The question is raised by proponents of the gag rule about whether the Senate is a continuing body. To believe that you have no rules at the start of a new Congress and can adopt anything you want to by a majority vote is based upon the premise that we have a new Senate every 2 years.

Well, that is not right. I believe the distinguished majority leader, in the great speech he made—I am going to save that speech as I have a copy of it that he gave me—made an interesting observation with regard to the continuing nature of the Senate.

He said suppose we had been involved in the trial of an impeachment here in the Senate toward the end of a session. Could it have been contended that when the new Members came in following an election, and a new Congress, that they would have to start over on the impeachment trial?

The majority leader said we had already decided that point; that if that had come about the position was taken that the Senate was a continuing body; that it could continue to hear the evidence, and that it could continue with the proceeding even though there were new Members.

I daresay, Mr. President, that the sponsors of this gag rule would have been among the first to say "Under those circumstances, on the trial of impeachment, no, we do not have to start over. The Senate is a continuing body. Let us go on with the trial."

And they would have been right. They would have been right because the Senate is a continuing body.

It is interesting to note, I might say, that some of these desks go way back to the days of Webster, Clay, and Calhoun. I believe Senator THURMOND, of South Carolina, has John C. Calhoun's desk.

Senator Norris Cotton had Daniel Webster's desk.

There it is over there, where Senator Cotton used to sit. Senators can see it is a little bit different from the other desks. It is raised a little bit higher. That was Daniel Webster's desk.

That is just a little background information further indicating the continuing nature of the U.S. Senate.

Yes, rules were made by the Senate in the early days, and many of those rules are still the rules of the Senate. Senate rules are based largely on Jefferson's Manual, which he prepared when he was Vice President of the United States. It was in compliance with the constitutional provision when the Senate promulgated its rules and dropped them.

They did not always have a rule XXII. In the early days of our country, on about three or four occasions prior to 1807, the method of calling for the previous question was used some three or four times. It fell into disuse in 1807. From 1807 to 1917, 110 years, there was no way in the world to stop a Member of the U.S. Senate from talking as long as he wanted to on a debatable subject—110 years.

Mr. President, during that 110 years we have had some of the greatest of U.S. Senators—Clay, Calhoun and Webster, George Norris, Hiram Johnson, La Follette; from my own State John T. Morgan and Edmund W. Pettus served with great distinction in the U.S. Senate.

Then from 1917 down to the present time we have had rule XXII.

Mr. President, let me point out something about rule XXII that is not generally recognized. Rule XXII is not a license to engage in extended debate.

They talk about rule XXII, about how bad rule XXII is. If we did not have rule XXII there would not be any limitation at all on debate. We would go back to the condition that existed in the Senate from 1807 to 1917. It was in 1917 that rule XXII was adopted. If you kill rule XXII, you are going to end up with a Senator talking just as long as he wishes to talk.

Rule XXII puts a ceiling on extended debate by providing that two-thirds of the Senators can cut off debate. So rule XXII is a rule of restriction rather than one of license.

Mr. President, I started a moment ago—I digressed momentarily—to read this great statement by Senator MIKE MANSFIELD, Democrat of Montana, February 20, 1975. Senator MANSFIELD is one of the greatest Senators who has ever served in this body. When I came to the Senate in January of 1969, I had never had the pleasure of meeting Senator MANSFIELD. I did not know the measure of the man. I was open to being convinced as to his character, as to his leadership, as to his honor. The one circumstance more than any other that formed my estimate of the character and measure of this man took place when the same issue was under discussion in the Senate. There, the effort was being made not by going in the basement door, throwing the rulebook out the window, and resorting to this effort to have majority cloture. The effort was being made to invoke cloture, I thought, according to the rule.

When they had the cloture vote to cut off debate, I do not believe that at that time they had the motion to proceed to consideration of the measure. I believe the measure, itself, was before the Senate. I could be mistaken. The issue is the same. It is not important. Debate went on for several days. The cloture motion was filed. A majority of the Members of the Senate voted for cloture, but that majority constituted less than a two-thirds majority. It was very close. The vote was about 51 to 48. It was in that range, anyhow.

The Presiding Officer, Vice President HUMPHREY, had been a part of a stratagem 2 years before to try to get debate cut off by majority vote. It failed then, so they tried another vote.

In 1967, they tried the route they are trying now, and the Senate voted down the effort. They were looking around for various ways to accomplish that, and they went in the front door to try to get cloture.

Vice President HUMPHREY then pulled out his card and read his ruling, that since it was the start of a session and since a majority voted for cloture, not the two-thirds required by the rule, but a majority voted for cloture, cloture had been invoked. That ruling of the Vice President remained a precedent for 20 minutes, because Senator Holland of Florida appealed from that ruling.

The Vice President said that cloture had been invoked; and under the cloture rule, appeals from rulings of the Chair were not debatable. Therefore, he cut off Senator Holland, as well as others who wanted to debate, from debating the point of order on the appeal.

The vote was taken. It came to Senator MANSFIELD. Here was Senator MANSFIELD, the majority leader in the Senate, supportive of Democratic efforts, being called on to pass on a ruling by Vice President HUMPHREY, the titular head of the party. The question always is put: "Shall the ruling of the Chair stand as the ruling of the Senate?" To my pleasure—not so much on the issue, but the character of this man—Senator MANSFIELD voted "No"; that is, that the ruling by the Vice President should not stand as the ruling of the Senate. So the ruling by Vice President HUMPHREY that a majority, less than a two-thirds majority, could invoke cloture was reversed by the U.S. Senate.

I have admired Senator MANSFIELD more and more since that time—a man who will lay politics aside, vote against a vehicle or maneuver that would have accomplished what he wanted to accomplish, but voted against it because it was wrong. It takes character to do that.

That was January of 1969. Here it is 6 years later. Has Senator MANSFIELD's view changed on this issue? Let us see. Only three or four Senators were in the Chamber when Senator MANSFIELD delivered this address.

The motion was made by the distinguished Senator from Kansas (Mr. PEARSON) that we proceed to the consideration of Senate Resolution 4. Then was added this remarkable—I say that charitably—language, after saying that we should move to proceed to the consideration of the resolution:

> . . . and that under Article I, section 5 of the United States Constitution, I move that debate upon the pending motion to proceed to the consideration of Senate Resolution 4 be brought to a close by the Chair immediately putting this question to end debate to the Senate for a yea and nay vote.

In other words, the Chair should cut off debate.

> . . . and upon the adoption thereof by a majority of those Senators present and voting, a quorum being present, the Chair shall immediately thereafter put to the Senate without further debate, the question on the adoption of the pending motion to proceed to the consideration of Senate Resolution 4.

In other words, they had it prepared under the domino theory of the war in Southeast Asia, that where one country is going to topple and leans against the next country, that will topple, too. The whole line of dominos was just going to topple, without further debate on this resolution.

What did Senator MANSFIELD say? This belongs to the people. It is in the RECORD. He did not insert it in the RECORD. He delivered it on the floor of the Senate.

The motion before the Senate—the Pearson motion I just described—again raises the question that has confronted each Congress for nearly two decades. It is whether the Senate of the United States is a continuing body.

I have been making these same points in a rather haphazard fashion. Senator MANSFIELD puts so much logic and reasoning and good commonsense into his few lines of comment that I do want to read it word for word.

> One would suppose that the character of the Senate as a continuing body has long been established;

A little later on, if the session continues much longer, I shall read about the compromise of 1959. It laid to rest, supposedly, the matter of whether the Senate is a continuing body. I shall not do that for the time being.

Mr. President, as I have stated, Mr. MANSFIELD said as follows:

> One would suppose that the character of the Senate as a continuing entity has long been established; that two-thirds of its membership of the Senate carries forward from one Congress to the next would appear to underscore that fact. Following each *sine die* adjournment the Committees of the Senate continue to meet, seats are filled and as has been highlighted in recent months, the Senate could even proceed with the trial of an impeachment originating in an earlier Congress. To say at the same time that somehow the Senate Rules expire tests the most basic assumptions and procedures and responsibilities of this institution as prescribed by the Constitution. That clearly was the view of the Senate in 1959 when S. Res. 5 was overwhelmingly adopted to amend Rule XXII so as to enable two-thirds of the Senate present and voting to close debate on any matter including proposals for rules changes. That resolution also amended Rule XXII by adding this implicit language: "The Rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules."
>
> In spite of the history of the Senate as a continuing body with continuing rules, the issue of cloture by a majority is again before us and must again be resolved.
>
> The Senate of the United States is unique among parliamentary bodies. Because of the tradition of unlimited debate in the Senate, even though that principle has been diminished by Rule XXII, the rights of the minority have always been secure in this Chamber. That is what gives the Senate of the United States a unique stature among parliamentary institutions.
>
> What the motion before us seeks to do is to destroy the very uniqueness of this body; to relegate it to the status of any other legislative body, to diminish the Senate as an institution of this Government.
>
> The proposition now under discussion to move the consideration of S. Res. 4 clearly envisions the invoking of cloture by a simple majority. The members of this body should fully understand the implications of that course of action.
>
> In the past, I have favored proposals to change Rule XXII, to require three-fifths of those present and voting instead of the present two-thirds required to invoke cloture. In all candor, however, I must say that with the passage by the Senate of the landmark Civil Rights Acts since 1964, I do not feel the sense of ugency for the change of Rule XXII I once did. Even so, I still support the three-fifths concept embraced by Senate Resolution 4 because I think it would be an appropriate compromise between those who prefer the present rule and those who would prefer a simply majority rule.
>
> I favor a three-fifths principle, too, because I believe it does not destroy the essential character of the institution of the Senate.
>
> A three-fifths rule, if adopted, would be an equitable way to balance the interest while, at the same time, preserving the principle of protecting the minority positions in this body.
>
> I also believe that if we adopted Senate Resolution 4 it might bring to an end the biennial struggle over the changing of the Senate rules which has occupied so much of our time and our energies at the beginning of each Congress.

Now, these are some sledge hammer blows by Senator MANSFIELD against this effort to gag the Senate. He continues:

> But the fact that I can and do support the content of Senate Resolution 4 does not mean that I condone or support the route taken or the methods used to reach the objective of Senate Rule XXII.
>
> The present motion to invoke cloture by a simple majority vote, if it succeeds, would alter the concept of the Senate so drastically that I cannot under any circumstances find any justification for it.
>
> The proponents of this motion would disregard the rules which have governed the Senate over the years, over the decades, simply by stating that the rules do not exist. They insist that their position is right and any means used are, therefore, proper.
>
> I cannot agree.
>
> Therefore, Mr. President, in order to question the propriety, under the United States Constitution, of the motion to end debate offered by the distinguished Senator from Kansas (Mr. PEARSON), I will make a point of order at the proper time that the motion is out of order.

Now, Mr. President, that point of order was debated here, in the Senate, for possibly 2 hours or more, even though, at any time, the proponents of Senate Resolution 4 could have moved to table the point of order. That is a rather strange maneuver, but it is permitted by the Senate rules. When a point of order is made, we ordinarily think that a Presiding Officer will rule on that point and if any Senator on either side objects to that ruling, he can appeal. But it was agreed and understood that the motion to table would be made. The Vice President issued an opinion more or less stating that the point of order was debatable; and it was debatable, except that that debate could be cut off by a motion to table. So he did not really say very much when he said it was debatable.

Then the motion to table was made, and the Vice President followed Mr. HUMPHREY in his 1967 ruling.

That ruling was repudiated by the Senate in a matter of minutes after Vice President HUMPHREY stated what his plans were on his ruling, and it has been so repudiated that it was not tried again for 8 years. Then they got the notion that they would go this route rather than go the cloture route—the basement route rather than the front door route.

So the motion to table carried. The Vice President had indicated, in response to parliamentary inquiries by the distinguished Senator from New York (Mr. JAVITS), that if the motion to table had carried, he would then put the Pearson motion to a vote. But this motion has two parts: one respecting the constitutional question—that is the second part—and the first part, not raising any constitutional question. The Vice President then, very properly under the rules and precedents of the Senate, ruled that the motion was divisible, and that the first part of it was and is debatable. Hence the discussion at this time.

So, Mr. President, a method is being used that was repudiated by the Senate 8 years ago to avoid following the Senate rules. Senator MANSFIELD refers to that by saying—I forget his exact words—he said, "The proponents of the motion would disregard the rules which have governed the Senate over the years simply by stating that the rules do not exist."

Well, that is an interesting circumstance, to will the Senate rules out of existence and say they do not exist, therefore we will handle it any way we want to.

The Senate rules do exist, Mr. President, and I am hopeful that they will continue to exist until they are amended in accordance with the Senate rules. That is all it takes; just follow the Senate rules. We are governed by rules here in this Chamber. We expect the public to follow rules. We expect the people to be law-abiding, and these are our laws. We are governed by the laws of the land, and we are governed by the Senate rules.

Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Mississippi (Mr. STENNIS) for such time as he might care to use without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I certainly thank the Senator from Alabama for his courtesy, and I thank the Senate for their courtesy also.

Mr. President, illustrating, here, now, in a very practical way, the point that the Senator from Alabama has been making, I refer back, in the precedents of the Senate, to a matter which happened before this rule was changed that is now the second part of rule XXXII. Even before it was spelled out in language that the rules of the Senate shall continue from one Congress to the next Congress unless they are changed in accordance with these rules, it was the precedent of the Senate, and was so recognized and acted on in some of the most serious affairs affecting the Senate and its Members, as is illustrated by a matter we had here in 1954. I remember it very vividly, because I was selected as one of the six members of a select committee that had to look into a matter concerning one of the Members of the Senate.

The situation at that time was that the second session of that Congress had already adjourned sine die, but had left this special committee here to look into the matter, and we got back into some charges against one of the Members of the Senate, concerning something he did before a subcommittee of the Rules Committee.

We ran into the fact, there, that this subcommittee of the Rules Committee had had a vacancy filled during the recess of the Senate, and the question came up whether there was authority to fill that vacancy. If the vacancy had not been legally filled, then that was not a legal subcommittee and the Senator could not possibly have been in contempt of the subcommittee, because it did not have legal standing, legal substance, or legal anything.

Our subcommittee held, and the Senate upheld us, that the Senate was a continuing body and its powers were not cut off. The chairman of the Rules Committee at that time, under the rules, had the authority to fill vacancies, and he had filled that vacancy between the sessions, or after the regular session had expired, the second regular session of the Congress, but that was held to be a legal subcommittee and a legal appointment.

It turned out that charges were brought against this Senator in the form of a resolution that came to the Senate floor, and naturally was very vigorously fought and opposed to the very limit, but the Senate upheld the ruling of that subcommittee to the effect that that vacancy had been properly filled, because the Senate was a continuing body, and the Senate went on, then, and adopted that proposed resolution of censure. There could not have been a more vital matter in any way to the Senate, and more particularly to that particular Member.

That is just one illustration, among an overwhelming number of illustrations that have happened over the years, so well establishing this fact.

Then in 1969, I believe it was, this rule XXXII was written into stone, you might say, in black and white, and became a part of the written rules of the Senate.

I know it was generally conceded everywhere that it was already the rule of the Senate. But, as a part of a compromise settlement here with reference to debate on a charge in the rules, just as the Senator from Alabama says, even though it was before his tenure of service, these two and one-third lines were written in as a part of rule XXII—

> The rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules.

Nothing could be plainer and clearer, and nothing could be better established by precedent. Here, as recently as December of 1974, we can all recall that a matter came before the Rules Committee of the Senate regarding an election in the State of New Hampshire, and the argument was made there that the old Senate had no jurisdiction of that election contest but would have to await the arrival of the so-called new Senate in January of 1975 and, therefore, the Committee on Rules of the Senate could not proceed with any orders or any action or anything in connection with this election contest matter from New Hampshire.

But a majority of the members of that committee, the Rules Committee, voted, in effect, that the Senate was a continuing body, that it had not expired when we adjourned sine die here last October, late in October, and that they nevertheless had jurisdiction to inquire into the election of November 1974 for an office the term of which did not start until January 1975.

That group continued beyond then and filed a resolution here, as everyone will recall, that came before the Senate in due time and, after debate, it was disposed of.

So there are two illustrations of the continuity of the Senate, and the operation of the rule, no question about it that it is a continuing body, and no question about the fact, too, according to the written, plainly spelled out words of the rules themselves, that they can be changed only as provided in those rules.

Mr. President, this is not a matter that just concerns some individual, and this is not a matter to be laughed about or smiled about. This is not a matter that some side won and some other side lost. The whole Senate loses when we defy or neglect or overrule our own rules.

I, too, commend the majortiy leader, whom I have heard argue here many, many times over the years past, for the so-called three-fifths majority rule to invoke cloture. He believes that, he lives what he believes, he is for it, and he stands for it, and he will vote for that change in the rule because of those beliefs. But he will not butcher the other rules or run by them or run over them or run through them or disregard them or misinterpret them. He is going to adhere to the plain language of the rule, and he will live with the rule requiring the two-thirds, even though he does not favor it, until it is changed according to our written rules.

Mr. President, with all due deference to anyone who voted the other way, I think he could well take another look at this entire picture. There is no victory here for anyone. We all lose when we run by the red light or when we run over that which is not just a red light. But, in a way, the principle of following our rules, except by unanimous consent, is much of the body and soul of this institution. Something has made this body unique in the history of nations and, particularly, self-governing nations, where the people do select their leaders who make their laws, and select their leaders who execute their laws.

Something has made this United States unique, and it was not the men who happened to be elected to it at any particular time. It was not the talent of anyone who might have been elected to this body at any particular time. Certainly the membership is no smarter than anyone else or more able than anyone else or have more character or principles or ideals that are any higher than any other person or group of persons. But the great determining factor, I think, is that this rule or a similar rule to one along that line—in the old days it was much more severe—has made this body different, and those rules have been respected and followed, including the rule back in the days when there was not any way to mandatorily cut off debate before there was a rule XXII.

But the custom became the rule, and it was respected. When the day came that there had to be some kind of limitation or some kind of an adjustment and regulation here, where matters had to be more promptly settled, some of them led to the writing of the original rule XXII, and everyone then submitted to, was restrained and restricted, and followed that rule XXII.

I remember the days when, by interpretation and by the plain language, too, rule XXII permitting a two-thirds majority to cut off debate did not apply to a motion to take up a measure, and there was a lot of complaining and all about it, but no one thought about not letting that rule control when it was invoked. We would have long debates here on a motion to take up which was an endurance contest sure enough, but there was not any rule to cut off debate mandatorily on a motion to take up.

So, in the course of the years, there was a spirit of adjustment and, I think, it was at the very same time that we wrote in this provision here in 1959—not 1969—when this provision was written in, January 12, 1959. We wrote in the provision there which was already the rule that I will read next for the benefit of those who have come in—I see the Senator from Louisiana is here, and he was a part of those debates—and quoting the rules of the Senate.

> . . . shall continue from one Congress to the next Congress unless they are changed as provided in these rules.

That was a part of the settlement, the compromise. The other was that a motion to cut off debate would apply to a motion to take up a measure, a motion to let it become, to make it become, the pending order of business.

Those matters were settled here in an honorable way by men that were highly conscious of what they were doing and written out here in black and white and passed on by the Senate and have been prevailing and controlling here all these years.

I hope and pray that there will be a second thought and a second look, and I believe there will be—I believe there will be.

I have seen a second consideration, a second look at this very matter, and there are enough of those that want to change the rules, but at the same time are not willing to go out of bounds in order to cross the goal line. They are willing to stay on the playing field, if I may use that term, and reach the goal line as they conceive what the rules ought to be, according to the rules that now exist.

When this matter comes up again, when there has been more time to reflect and think about it, there could well be a change here in what is, after all, a rather close vote.

By the way, Mr. President, I want to observe, too, the habit or the pattern that we have fallen into here. It is partly necessity because there are so many other things to do, but the habit and pattern that we have fallen into here of not having real debates here on the floor of the Senate where we can exchange views, and there is a chance to impress others, and there is a chance for those that have a yearning for more learning or light of commonsense on the subject, whichever you may call it.

There is a great need for reinstitution of those habits of debate, or patterns of debate, as I will call it, where men, acting under their responsibilities here, representatives of States in this great institution—and I do not use that word "great" lightly, for it is said it was unique—that are here as Members of this unique and truly great institution, where they can have a better chance to exchange ideas and weigh their own conclusions that they have had therefore and either reform them through their reasoning or see where they might have been in error in part and have a chance then to modify or even outright change their position.

I long for those days to come back and I would not appreciate anything now about the situation in the Senate, I am for the Senate, I love it, but the good that often comes from men meeting here and exchanging these views as I have described, much of that good has gone out, for one reason or another, and there were some laudable reasons why we cannot get to it that way again.

I believe if we could sit here, 50, 60, or 70 Members of this body, and have a real debate over this matter, a seasoning debate I call it, and an exchange of views back and forth, and a consideration and reconsideration of what the stakes are here, what is the consequence of a vote that went the way that did this afternoon, what change will that bring, not just a change from two-thirds to three-fifths, but we will have brought in the precedent here, a precedent of overriding our own rules and in a way not provided therein.

As a matter of fact, in a way that is prohibited by those rules, that is what we have done. When we did that, I think one of the better phases, one of the better virtues of this body went out and it would be different—it would be different.

So, I hope we reconsider and that we recover our contemplative and deliberative habits and patterns and I think that would be very helpful to all of us, including those that have been here over some several years, as well as those that got here within the last few weeks.

I do not know at this time that I can add any more to the points that I have made here, but I do long for a reconsideration of this matter before it is too late. Before it is too late, and wish we could have 2 or 3 days of real debate attended here, a minimum of the membership attending here to rehash and review this entire matter from beginning to end and try to weigh the consequences of not abiding by our own rules, try to weigh the wisdom of the words here given by our own leader.

As I have already said, he has fought here for years for the so-called three-fifths rule, but he is not willing to take it at this price, take it at the price of overruling and overrunning and pushing aside and breaching the rules that we already have.

I do not discount any of the pressing matters that are on us now about the energy crisis, and we must do something about it. I do not discount this very illuminating and grave discussion that we had at the White House this morning by our Secretary of State who just returned and gave us a report on matters, the graveness of which could not be overstated or overimagined. I think we are in as grave a time as I have ever known here, but we will find solutions to those things, I think, much quicker and more readily than we will find a solution here if we override our own rules and abuse them and ignore them just in an effort here to change from two-thirds to three-fifths, the so-called rule XXII.

I want to make one further observation and I will be through, for the time being, anyway.

I have seen, with considerable satisfaction, the change of mind, change of heart, change of outlook on behalf of numbers of our Members over the years with regard to the need to have some rule of restriction and some rule that curbs the membership in hastily acting some rule that would make this a unique body.

There have been many that I could call by name who, as they stayed here—and as the late Senator Hayden of Arizona used to say, as the years gave them more seasoning, was the way he expressed it—they would come to realize the wisdom of rule XXII.

Many of them who at one time fought for the change of the rule, to let us have just a majority settle these matters that had come up for consideration, switched over either to the three-fifths rule or maybe two-thirds, because of their realization of the need.

I do not know of anyone who has ever been able to really evaluate and give an illustration of real harm that came to the country because of the operation of this requirement of rule XXII.

I say harm to the country. The membership might have been inconvenienced, and some people might have been inconvenienced, some so-called needed changes might have been delayed just a little, some weeks, months, or maybe even a year or more. But as to real harm, I have never heard anyone who would get up and seriously claim that real harm to the Nation had come because of the use of taking more than a majority to cut off debate.

That being true, there must be something good in it besides just the uniqueness that I have referred to as making this body distinct and different. I did not say superior, or anything of that kind. I want to negate all that idea or concept that the membership here is superior, better, or more profound than any others. I say this body is unique in having these curbs and protections.

No harm has been done to the Nation because of it, but, to the contrary, great good has come. Sounder and better legislation has been finally enacted under the same rule because of this restart, trial and error, debate, and further examination of the facts.

Here in one vote, should this continue to stand, the whole idea in many ways would have been blown to smithereens and gone. You cannot capture the things that go away any more than you can pick up the color from a bottle of red ink spilled on this blue carpet.

So I hope, Mr. President, that we can deliberate in our own way with ourselves on this matter, and debate it some, at least.

I will come and listen to the other side argue their case. I want them to consider it in their own minds and not just listen to us speak, to have the benefit of the exchange of views and reconsideration of ideas.

I again thank the Senator from Alabama for yielding to me. The Senator from Alabama has the floor.

Mr. ALLEN. I thank the distinguished Senator from Mississippi.

Mr. MANSFIELD. Will the Senator yield to me without losing the right to the floor under any circumstances?

Mr. ALLEN. Yes, without it being another speech.

ORDER FOR RECESS TO 9 A.M. TOMORROW AND RECOGNITION OF SENATOR ALLEN

Mr. MANSFIELD. Mr. President, I am about to propound a two-pronged unanimous-consent request. I would like to have both prongs considered together.

First, I ask unanimous consent that when the Senate completes its business tonight it stand in recess until the hour of 9 o'clock tomorrow morning. If that request is granted there will be no morning hour. There are no special orders. After the courtesy extended to the two leaders, after that had been complied with, the Senate would go immediately into the pending business.

I ask unanimous consent that after the consideration given to the two leaders, the distinguished Senator from Alabama (Mr. ALLEN) be recognized to have the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing order was subsequently changed to provide for the adjournment of the Senate until 9 a.m. tomorrow.)

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

Mr. ALLEN. May I have the floor for just a moment? I want to ask a question.

Mr. President, would it be in order for the Senator from Alabama to move to postpone the matter under consideration to the next legislative day and continue his remarks with reference to that motion?

The PRESIDING OFFICER. I am advised that such a motion would be in order.

Mr. MANSFIELD. Mr. President, if such a motion is made, I would have to object out of courtesy to the others on the other side, until they had been consulted.

Mr. ALLEN. The Senator objects to what?

Mr. MANSFIELD. I said if the request was made to put it over to another legislative day.

Mr. ALLEN. I did not make a request. I wanted to make a motion and then discuss it. I will not let it come to a vote.

Mr. MANSFIELD. Today?

Mr. ALLEN, No, sir.

Mr. MANSFIELD. Or any other time, if you can help it, I understand.

Mr. ALLEN. I merely want to speak with reference to that rather than to have another speech.

Mr. MANSFIELD. Mr. President, if the Senator would allow me to suggest the absence of a quorum without his losing the floor, I would like to discuss the matter with him further.

Mr. ALLEN. Very well.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum on that basis.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I speak now with the permission of the distinguished Senator from Alabama and without in any way abnegating his rights to the floor.

I ask unanimous consent that the previous unanimous-consent request be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 9 A.M. TOMORROW AND FOR RECOGNITION OF SENATOR ALLEN

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. tomorrow; that after the joint leadership has been recognized according to custom and courtesy, the distinguished Senator from Alabama be recognized at that time to have the floor.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, could we couple with that request, a request that when the Senate completes its business tomorrow, it stand in recess or adjournment until Monday? Otherwise, a live quorum tomorrow would force us to come in on Saturday, and we do not have any business for Saturday.

Mr. MANSFIELD. I add to that request, with the concurrence of the distinguished Senator from Alabama, that when the Senate completes its business tomorrow, it stand in adjournment until 11 a.m. on Monday next.

Mr. ALLEN. Mr. President, I would rather not agree to that. I think we should go at this 1 day at a time. I do not feel that we need to have unanimous-consent agreements on into next week. There will be plenty opportunity to reach an agreement during the day tomorrow.

Mr. STENNIS. Mr. President, reserving the right to object—and I shall not object—will the Senator yield for a parliamentary inquiry?

Mr. ALLEN. I yield.

Mr. STENNIS. Should we adjourn over until tomorrow, the same matter would be pending before the Senate, and this appearance I have made here this afternoon, briefly——

Mr. ALLEN. It will die.

Mr. STENNIS. It will not count against me?

Mr. MANSFIELD. That is correct.

Mr. President, will the Senator yield to the Senator from West Virginia?

Mr. ALLEN. I yield.

Mr. ROBERT C. BYRD. Mr. President, I think it is rather imperative that the Senate act on the Penn Central measure. I voted against that measure, but I am advised that unless something is done pretty soon, somebody is going to be in a box with respect to salaries, and so forth.

I am told by the distinguished Senator from Indiana that it is imperative that the Senate act tomorrow, if possible—certainly, Saturday—or at some point soon, very soon, on the Penn Central matter, which the Senate passed the other day and sent to the House. It is my understanding that the House has amended the measure and has sent it back to the Senate and that further action now by the Senate is required.

May I ask the Chair if I am correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Would it be possible to get an agreement at this time that at some point tomorrow, 1 hour be set aside for debate on that measure, with the vote to occur immediately thereafter, without the Senator from Alabama losing his right to the floor?

Mr. ALLEN. Mr. President, I would like to accommodate the leadership in the matter, but I believe I would rather take a new look at it tomorrow. I believe that the way the matter stands now, under the agreement that has been reached, the Senator from Alabama would be recognized tomorrow to continue his informative discussion on the pending matter. I would just as soon not add anything else to it.

I think that somewhere along the line, a compromise can be reached to drop this effort to amend the rules and to go on with the Senate's business. I believe I would rather wait until tomorrow to reach that agreement.

Mr. ROBERT C. BYRD. As the Senator knows, I am on his side in respect to the motion by Mr. PEARSON.

Mr. ALLEN. I hope the Senator stays there.

Mr. ROBERT C. BYRD. The Senator from West Virginia will stay there.

Mr. ALLEN. I know that.

Mr. ROBERT C. BYRD. At the same time, the Senator from West Virginia and the distinguished majority leader do have some other responsibilities equally heavy.

Mr. ALLEN. Is the bill at the desk?

Mr. ROBERT C. BYRD. It is my understanding that it is at the desk.

Mr. ALLEN. Is the bill at the desk?

The PRESIDING OFFICER. Yes, it is.

Mr. ROBERT C. BYRD. Could we act today on it?

Mr. ALLEN. I do not believe we could, at this time.

Mr. ROBERT C. BYRD. Very well, I thank the Senator.

Mr. MANSFIELD. Mr. President, has the unanimous consent request been agreed to?

The PRESIDING OFFICER. Does the Senator mean just with respect to tomorrow, as he first stated?

Mr. MANSFIELD. Yes.

Mr. ALLEN. Mr. President, reserving the right to object, is it that there be an adjournment and that the Senator from Alabama be recognized? Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. ALLEN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield, without losing his right to the floor, so that I may suggest the absence of a quorum?

Mr. ALLEN. I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum called be rescinded.

Mr. ALLEN. Reserving the right to object, and I do not want to object. How long does the Senate plan to stay in session?

Mr. ROBERT C. BYRD. The Senator has to object or not object.

Mr. ALLEN. I reserve the right.

Mr. ROBERT C. BYRD. The Senator cannot reserve the right.

Mr. ALLEN. Then I object.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is ordered.

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO TAKE CERTAIN ACTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate may be authorized, during the adjournment of the Senate over until 9 a.m. tomorrow, to receive messages from the President of the United States and that they may be appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and at 6:10 p.m. the Senate adjourned until tomorrow, Friday, February 21, 1975, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate, February 20, 1975:

DEPARTMENT OF DEFENSE

Donald G. Brotzman, of Colorado, to be an Assistant Secretary of the Army, vice M. David Lowe, resigned.

DEPARTMENT OF JUSTICE

William B. Cummings, of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years, vice Brian P. Gettings, resigned.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of major general:

Andrew W. O'Donnell
Adolph G. Schwenk
Herbert L. Wilkerson
Clarence H. Schmid
Arthur J. Poillon
Kenneth McLennan
Joseph Koler, Jr.

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general:

Francis W. Tief
Calhoun J. Killeen
Edwardy J. Megarr
William B. Fleming
Charles G. Cooper
John K. Davis

Darrel E. Bjorklund
George L. Bartlett
Richard C. Schulze
William R. Maloney
Charles D. Roberts, Jr.

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a), title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Kenneth D. Anderson, [redacted].
Maj. Ronald L. Beyers, [redacted].
Maj. Douglas D. Bright, [redacted].
Maj. Vincent D. Brown, [redacted].
Maj. Andrew Cali III, [redacted].
Maj. Vondell Carter, [redacted].
Maj. Peter B. Cascio, [redacted].
Maj. Hartwell F. Coke IV, [redacted].
Maj. Joseph J. Doyle, [redacted].
Maj. Clement F. Dubie, [redacted].
Maj. John W. Easton, [redacted].
Maj. Paul A. Ebiner, [redacted].
Maj. Robert A. Flick, [redacted].
Maj. Dewey D. Foster, Jr., [redacted].
Maj. William D. Coddard, [redacted].
Maj. Alan J. Goldman, [redacted].
Maj. James F. Hanaway, Jr., [redacted].
Maj. Bruce G. Hansen, [redacted].
Maj. Robert J. Hodges, [redacted].
Maj. Russell L. Hopf, [redacted].
Maj. Stanley L. Hopperstead, [redacted].
Maj. Raymond M. Leonard, Jr., [redacted].
Maj. Joseph N. Lessard, [redacted].
Maj. Erle Martin III, [redacted].
Maj. Henry E. McKay, [redacted].
Maj. Dean A. Meucci, [redacted].
Maj. Henry J. Myers, [redacted].
Maj. Joseph A. Ah New, Jr., [redacted].
Maj. David P. Otten, [redacted].
Maj. Ernest C. Park, [redacted].
Maj. John W. Piplow, [redacted].
Maj. John M. Robb, [redacted].
Maj. James H. Sams III, [redacted].
Maj. Julius S. Schweich, Jr., [redacted].
Maj. John L. Smith, [redacted].
Maj Charles J. Sullivan, Jr., [redacted].
Maj. Charles N. Teach, [redacted].
Maj. Robert L. Trella, [redacted].
Maj. William A. Treu, [redacted].
Maj. Richard A. Vaux, [redacted].
Maj. Joseph A. Washington, [redacted].
Maj. John W. Watts, [redacted].
Maj. Norman J. Weeks, [redacted].
Maj. James A. Weston, Jr., [redacted].
Maj. Donald R. Whitman, [redacted].
Maj. Donald M. Wilson, [redacted].
Maj. Dell R. Wightman, [redacted].
Maj. Herbert E. Williams III, [redacted].
Maj. Frederick R. Wylie, [redacted].

MEDICAL CORPS

Maj. Robert C. Bone, [redacted].
Maj. Samuel L. Cooper, [redacted].

DENTAL CORPS

Maj. Thomas L. Winans, [redacted].

EXTENSIONS OF REMARKS

EMERGENCY HEALTH PROTECTION ACT OF 1975—HEALTH INSURANCE FOR UNEMPLOYED WORKERS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HEINZ. Mr. Speaker, today's unemployment rate stands at 8.2 percent, meaning that more than 7.5 million American men and women are now out of work. Increasingly, it appears that unemployment may go to 9 percent—or beyond—before economic recovery begins and joblessness declines.

The cost of unemployment is usually measured in macroeconomic terms such as millions of people out of work, decline in total work force, declining GNP, and sliding industrial production. But it is the personal human toll with which each unemployed worker must live and it is this personal toll which, though already staggering, still grows. What I refer to is the unemployed worker struggling with the fear and insecurity of not knowing when—or whether—work will again be available; scraping by on less than $70 per week; living with the certainty that in less than 26 or 52 weeks unemployment compensation benefits will end.

But there is also one more frightening cost of loss of work. Mr. Speaker, absurd as it may seem, in America loss of a job usually means loss of health insurance protection as well. When a worker loses his or her job, he or she must then decide whether to gamble with the family's health and economic security or to purchase individual family protection—if available—at monthly rates up to $100 per month.

At 8 percent unemployment, the estimate is that at least 3 million American workers with prior health insurance protection have lost or are in danger of losing coverage. We in Congress will be striving in the weeks and months ahead to bolster our sagging economy and to get workers back on the job. But in the meantime, we cannot allow the personal economic crisis of the newly unemployed worker to be compounded by a personal or family health crisis just because loss of job means loss of health insurance.

If we are to reduce the human suffering and insecurity from recession and unemployment while we struggle to right the economy, we must act now.

That is why I have introduced H.R. 3166, the Emergency Health Protection Act of 1975, to continue basic health insurance coverage of unemployed workers. The means and extent of coverage provided by my legislation would be exactly that which the person and his or her family had in effect previous to being laid off. Benefits would be provided through the program and insurance carrier under which the person was covered prior to being laid off.

Eligibility for coverage under my Emergency Health Protection Act of 1975 is simple and straight forward. First, the individual worker must be eligible for unemployment compensation benefits. Second, he or she must have been eligible for health benefits in the job just lost. Third, the unemployed worker must not be eligible for health insurance, because of previous employment or through the plan of an employed spouse or other family member.

Certainly we should not for a moment believe this program is a permanent problem. It is not national health insurance. Nor does it address the pressing need to control soaring health care costs or assure high quality health care to all Americans. Rather, it is an emergency, stopgap measure that will allow us to guard against additional human and economic suffering among those who are already casualties of recession and inflation. If we delay until we enact and implement national health insurance, it will be simply too late to avert tens of thousands of cases of needless additional human suffering at a time of serious economic dislocation.

I urge my colleagues to join me in pushing for immediate congressional enactment of my Emergency Health Protection Act of 1975.

JUSTICE FOR VETERAN WITH MULTIPLE SCLEROSIS

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SKUBITZ. Mr. Speaker, today I have introduced a bill for the relief of Mr. Thomas Warren Ralston of El Dorado, Kans. This bill would provide that under chapter 11, title 38 of the United State Code relating to payment of compensation for service-connected disability or death, the multiple sclerosis of Mr. Ralston shall be deemed to be a service-connected disability incurred while he was serving on active duty in the U.S. Navy.

Mr. Speaker, it is my judgment that Thomas Warren Ralston is clearly entitled to service-connected disability by reason of the diagnosis of multiple sclerosis within 7 years of his discharge.

I am so persuaded by the merits of this case that for the first time in my 12 years in Congress, I have introduced a private bill. Inasmuch as Mr. Ralston has exhausted all administrative remedies in this matter it is his only hope.

In my years on Capitol Hill, I have worked with hundreds of veterans' claims, and I know that frequently hardcore evidence such as medical records, cannot be found. It becomes necessary in these cases to weigh recollections of medical examiners who were present at the time of diagnosis. Warren Ralston's case turns on the credibility of such a recollection. His doctor clearly recalls diagnosing multiple sclerosis in October of 1953, which falls within the statutory 7-year period. Unfortunately, medical records which would support this recollection have been lost.

The Veterans' Administration has held that in the absence of such records, it will not allow Mr. Ralston's claim. This strict interpretation of the language of the law rules out commonsense judgments and practical consideration of the case circumstances. It is a simple fact of life that small town doctors cannot take the time to keep extensive written records. But they know their patients. And when a disease as serious as multiple sclerosis is diagnosed, it is remembered. Because there is no other remedy available to Thomas Warren Ralston, I am introducing this bill so that an injustice to him may be corrected.

ILLINOIS RESIDENTS SADDENED BY REPRESENTATIVE JUCKETT'S DEATH

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. CRANE. Mr. Speaker, residents of my district were saddened this past week with the untimely death of Illinois State Representative Robert S. Juckett.

Mr. Juckett had served his constituents excellently during his four terms in the Illinois Legislature and he was overwhelmingly reelected this past November. Although his illness prevented him from reporting to Springfield, it did not keep him from his responsibilities and he worked from his hospital bed while listening to legislative debate on the telephone.

Mr. Juckett's philosophy of government was one that should be followed by all legislators. He said last fall:

> Government should only do for those people who under normal circumstances cannot do for themselves, and then only when that activity is deemed to be necessary.

Mr. Speaker, Mrs. Crane and I wish to join his many friends and constituents in extending our deepest sympathies to Janet Juckett and the four Juckett children, Linda, Robert, William, and Pamela.

I also would like to include two very fitting news articles concerning Mr. Juckett:

ROBERT JUCKETT

The residents of the 4th Legislative District of Illinois will miss the services of Robert S. Juckett, who served eight years as a Republican legislator in the Illinois House of Representatives.

His untimely death, at the age of 42, deprives advocates of many worthy causes of an able champion in the state Capitol. The causes to which Mr. Juckett found himself drawn in his four terms as a state legislator included mental health, proper treatment of the elderly, ethics in government and strengthening of local government.

He was a tireless worker and a determined fighter for those causes which he considered just. Those qualities brought him into conflict on occasion with his fellow legislators. But they also earned him, properly, the respect of his fellow legislators and his constituents. In a too brief life, he left a proud legacy.

REPRESENTATIVE JUCKETT REMEMBERED FOR INTEGRITY

(By Anita Clark)

State Rep. Robert S. Jukett (R-4th, Park Ridge) is remembered as a man of strong opinions and unquestioned integrity by his friends and fellow legislators.

Mr. Jukett, 42, died Sunday morning of leukemia in Lutheran General Hospital, Park Ridge.

He was elected to his fifth term in the legislature last fall, but had been hospitalized since Dec. 2 and unable to travel to Springfield.

Throughout his hospitalization, he said he was being treated for a swollen knee caused by an old football injury.

He jokingly insisted that he got more than usual done in the hospital because he had fewer distractions, and he was in constant telephone contact with Springfield.

House debates were broadcast in his sixth floor hospital room when he didn't have a roommate. He took his oath of office from Cook County Circuit Judge Reginald Holzer on the same day his colleagues were sworn in in Springfield.

Mr. Jukett was an articulate, vigorous debater who was proud of being a conservative. His first question when a new bill was introduced was whether its subject was "truly a governmental function."

"Government should only do for those people who under normal circumstances cannot do for themselves, and then only when that activity is deemed to be necessary," he said last fall.

He was well-known in the legislature for his expertise in the areas of special education, mental health, and legislative rules.

"He was listened to and respected by every member of the house," State Rep. Donald L. Totten (R-3d, Hoffman Estates) said Monday.

Mr. Juckett was chairman of the mental health fund advisory commission and the mental health visitation commission, vice chairman of the motor vehicles committee, and a member of the regulation and registration committee during the term of the 78th General Assembly. His committee assignments weren't determined for this session.

"He was always considered Mr. Special Education in terms of legislation," said Gaydon Brandt, director of special education for Maine Township High School District 207.

Mr. Juckett's most recent triumph was the override in both houses of Gov. Walker's veto of his special education bill. The law will increase state reimbursement to school districts for teachers of "the children who need extra education in order to become active, self-sufficient, productive citizens," Mr. Juckett had said.

He always emphasized a legislator's responsibility to his constituents, and often surprised his most vehement critics by telephoning them to explain his position.

"The voter should look for legislators who still consider the dollar they're voting to be their own, and not 'the government dollar'," he said during the 1974 campaign.

"He was a great credit to the legislature and our entire political system," said State Rep. Aaron Jaffe (D-4th, Skokie).

The legislature postponed this week's session in honor of Mr. Juckett. Gov. Walker's state of the state message, scheduled for today will be given next week.

Mr. Juckett was extremely popular with his Park Ridge constituents, and he and his assistant, Penny Pullen, were often enlisted to plead a local cause on the state level.

Many senior citizens dropped into his office at 26 Main, Park Ridge, for help from his staff in unraveling the red tape to apply for property tax relief.

He was a Cook County assistant state's attorney from 1959 to 1961, and served as a Park Ridge alderman from 1966 to 1968.

He was an organizer of the Park Ridge blood donation program in November, 1972, and donated blood himself before he learned he had leukemia.

He received more than 40 units of blood which hospitalized and recently discussed ways to encourage the Park Ridge program.

Mr. Juckett's funeral is at 11 a.m. today in St. Mary's Episcopal Church, 306 Prospect, Park Ridge.

He is survived by his wife, Janet, and four children, Linda, 19; Robert, 18; William, 16; and Pamela, 6.

WORLD WAR I VETERANS

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FREY. Mr. Speaker, 22 of my distinguished colleagues are joining me today in introducing legislation to provide an unrestricted pension system for our World War I veterans. My World War I pension bill, which was first introduced in the 93d Congress, would grant veterans of World War I and their survivors a monthly pension regardless of other incomes such as social security or other retirement incomes. A single veteran or widow without dependents would receive $135 per month and a married veteran or widow with dependents would receive $150 per month.

Many of these individuals who served so honorably in the First World War are being forced onto welfare rolls due to low pensions they are receiving or cuts in VA pensions due to increases in social security. In fact, many of these veterans receive no veterans' pension whatsoever. Our World War I veterans did not have the advantages available to them that other returning veterans had such as educational benefits, veterans hospitals, or job help. These individuals are now approximately 79 years of age with an average sixth-grade education. There are approximately 1,200,000 of these veterans, whose numbers are continually decreasing, and they need our help now. It is time for our country to answer the call of our World War I veterans and their survivors. These individuals should receive help now, before we give any more money away overseas.

Another bill I am introducing would correct inequities many, many veterans are experiencing with the start of 1975; that is, increases in social security and other retirement incomes are reducing veterans' pensions because they are exceeding the income limitation. Before the close of the 93d Congress, the Veterans Survivors Pension Adjustment Act, Public Law 93-527, was enacted. This bill was designed to increase the earnings limitation for veterans and their widows by $400 in order to compensate for recent social security increases. It also granted a 12-percent increase in veterans benefits. Unfortunately, the $400 increase in the earnings limitation was not sufficient to prevent many veterans, not just World War I veterans, from losing all or part of their veterans pensions. I have received numerous letters from veterans or their widows across the country who have suffered a pension reduction. With today's twin problems of inflation and recession the loss of one penny of a pension is catastrophic. The legislation I am introducing would excluded any increases in social security or other Federal retirement programs from reducing a veteran's VA pension.

FOOD STAMPS

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WYLIE. Mr. Speaker, there appeared an editorial in the Columbus Citizen-Journal dated February 10, entitled "Food Stamps." This editorial is generally reflective of my own views but more than that the editorial is well written and provides some food for thought. I commend it to the attention of my colleagues because the statement makes suggestions which I feel should be implemented by congressional action.

FOOD STAMPS

Congress showed admirable compassion for the poor this past week by freezing the price of food stamps, at least until the end of 1975.

It then showed some overdue compassion for the taxpayers by agreeing to take a much-needed look at where the food-stamp program is headed.

Unless eligibility rules are tightened, food stamps are well on their way to becoming a budgetary monstrosity.

Seven years ago food stamps were costing the U.S. government $200,000 a year. Now they're costing $4 billion and the price tag may jump to $10 billion in the near future.

If this trend continues, it won't be long before food stamps—which are sold to the poor at a discount—replace relief checks as the nation's most expensive welfare program.

Researchers report that as many as 30 million Americans could qualify for food stamps under current rules—more than double the 17 million actually taking part in the program now.

This country cannot afford—indeed, should not want—a situation in which one family out of every five is getting a federal subsidy to buy food at the neighborhood grocery.

Raising the price of food stamps 30 per cent, as President Ford proposed, was not a good approach to the problem.

The Ford plan, which Congress rejected, might have saved $650 million a year. But it would have hurt the elderly poor, many of whom would have been forced to pay almost face value for their food stamps.

It's clear, though, that under present rules too many families with incomes well beyond the poverty level—some earning as much as $8,500 or $9,000 a year (which is close to $175 a week)—are eligible for food stamps.

And some who aren't elegible are getting stamps anyway through deceit of fraud.

Abuse of the program by college students forced the government to rule recently that no student can qualify for food stamps if his parents have adequate income and claim him as a tax dependent. This is a welcome development but it's incredible that it took the bureaucrats so long to discover common sense.

All stamp programs, however, are vulnerable to ripoffs. That's why an income-supplement program, providing poor families with enough cash to buy food without stamps, would be preferable.

But as long as we're budgeting billions for food stamps each year, Congress should insist the money be spent only for those who are in real need.

THE ASSAULT ON INTELLIGENCE GATHERING: WHO BENEFITS?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McDONALD of Georgia. Mr. Speaker, for the past several years there has been a sustained effort to destroy America's security and intelligence services. In recent months these efforts have escalated to weaken and dilute our loyalty and security programs to such an extent that small cabals of malcontents can, with apparent immunity, scheme and conspire to create a climate where espionage, treason, sedition and revolutionary violence can develop and flourish.

Both locally and nationally, the intelligence community is being pilloried by Marxists and their willing liberal dupes for having exercised their missions of maintaining our national security and preserving public order and safety.

Daily in the news media, we learn of the near total preoccupation of many elected officials with witchhunting among the files of police departments from Baltimore to Houston. Inspired by complaints and leaks for alienated and disgruntled employees, Members of our 94th Congress have tabled bills seeking to rigorously curtail the legitimate activities of the Central Intelligence Agency and the Federal Bureau of Investigation.

And while the target of these attacks are our security services, little or nothing is said about those groups who, historically, have proclaimed their intention to destroy the American system of free enterprise and democracy and who have the most to benefit from these attacks.

Doubtless my colleagues will seek to play down my concerns by saying that this is the era of détente, of peaceful coexistence. To them I would quote the general secretary of the Communist Party, U.S.A.—CPUSA—Gus Hall, who in December, 1973, told his Central Committee:

> There is no peaceful coexistence in the field of ideology—in domestic affairs there is no peaceful coexistence, in the fields of economics, politics or ideology. There is no peaceful coexistence with the ruling class. Anything that softens up that idea is a serious mistake. We have nothing but the class struggle.

While it is only too apparent that the Communist Party and the Trotskyist Communist Socialist Workers Party—SWP—have much to gain from a weakening of the intelligence community and have been taking a strenuously vocal role in the general attack, there are other less-well-known organizations with the specific intent of "spying on Big Brother, the American intelligence community," with the hope that by so-doing legitimate law enforcement activities can be curtailed.

It is time that some of these organizations were brought into sharp focus: they include the Organizing Committee for the Fifth Estate, the Committee for Public Justice, and the Center for National Security Studies.

The Organizing Committee for the Fifth Estate—OC-5—which operates from Room 523, the Dupont Circle Building, 1346 Connecticut Avenue, NW., Washington, D.C. 20036 (202-785-8330), originated as the Committee for Action/Research on the Intelligence Community—CARIC—at a November 1972, gathering of the Communist Party-dominated People's Coalition for Peace and Justice.

Developed with the active assistance of Vietnam Veterans Against the War/Winter Soldier Organization—VVAW/WSO—a violence-prone organization which follows principles of "Marxism-Leninism-Mao Tse-tung thought" and attempts to subvert active-duty GI's and veterans, CARIC organizers realized the "legitimizing" potential of association with liberals and linked themselves to an embryonic organization formed by writer Norman Mailer, the Committee for the Fifth Estate.

Among those who take an active role in OC-5 are Perry Douglas Fellwock, who in a July 1972, Ramparts article, "U.S. Electronic Espionage: A Memoir," claimed that "for love of the Indochinese people," he was revealing classified information he had obtained while a member of the military attached to the National Security Agency.

Fellwock, who prefers to use the name Winslow Peck, did not make a sudden decision to "tell all." During 1971 he was a familiar figure in the Washington area, spending his time with one or more radical groups, "moping and doping," and being compulsive with his confessions. In fact, Fellwock/Peck had planned to reveal the secrets of NSA, if not the universe, at an October 1971, antiwar gathering, but was prevented from speaking by Rennie Davis—not because Mr. Davis was then working for a Government agency himself, but because Peck was so obviously "tripping" on LSD that he might not have been taken seriously. Unfortunately, neither the New York Times nor Ramparts editors shared Davis' perceptions.

And in the context of the ill-informed criticism directed against law enforcement for "spying" on innocuous groups, it should be noted that in 1972, Fellwock/Peck joined the staff of the National Welfare Rights Organization as a paid staff member to work on coordinating a mass demonstration, the Children's March for Survival.

Working with Fellwock/Peck are several people who also claim a prior involvement with intelligence gathering groups. They include Timothy Charles Butz, a former SDS activist at Kent State and one-time Washington organizer for VVAW/WSO who was employed by a funded offshot of the American Friends Service Committee; and Douglas Porter.

Recently Douglas Porter spoke to a California underground newspaper about OC–5 and stated that the OC–5 Washington offices contained "not only books, but files—press clippings, debriefings we have done, Government reports, corporate reports, and stolen documents."

OC–5's advisory board includes former high-ranking CIA official Victor Marchetti; former FBI agent William Turner who is once again being employed by a Federal agency; Tony Russo of Pentagon Papers notoriety; and Marcus Raskin of the Institute for Policy Studies—IPS. Hopefully these advisers will now exercise their responsibility and repudiate their ties with an organization that boasts of its stolen property.

The Center for National Security Studies—CNSS—a project of the Fund for Peace which operates from 122 Maryland Avenue NE., Washington, D.C. 20002—202/544–2380—made its public debut in September 1974, sponsoring a 2-day Capitol Hill conference, "The Central Intelligence Agency and Covert Activities." Sponsored by Senators BROOKE and HART, the CNSS conference was opened by Senator HART saying that Congress should be "indebted to them * * * for their serious efforts to unravel problems."

Among those at the conference making "serious efforts to unravel problems," to whom the Michigan Senator says we should be grateful, were Robert Borosage, CNSS's director, an active member of the National Lawyers Guild and a former employee of the Institute for Policy Studies; thrice-identified Communist Party, U.S.A., member and now head of the American Civil Liberties Union's antisurveillance project, Frank Donner; Bart Osborn of OC–5; CNSS staffer John Marks, a former State Department intelligence analyst; Ivanhoe Donaldson, a former leader of the violence-prone Student Non-Violent—now National—Coordinating Committee—SNCC—and an IPS employee; Daniel Ellsberg; and Fellwock/Peck of OC–5.

Naturally the CNSS meetings provided participants with the opportunity to denigrate the activities of the CIA. Using this platform, IPS founder Richard Barnet asserted that all U.S. covert action and clandestine collection of information, except by satellite, "could be abandoned unilaterally with a net gain in security for the American people."

Barnet paid special attention to détente, arguing that the monitoring of détente was unnecessary because "spies in the Kremlin are unlikely to produce reliable information and the effort to gain it only jeopardizes the détente." "Monitoring," he continued, "is a mission for diplomats with analytical skills, not spies."

It is of particular interest that the Center for National Security Studies was set up by the Fund for Peace, formerly the Fund for Education in World Order, which numbers among its trustees a Louise R. Berman of San Francisco. Louise R. Berman was the subject of intense congressional investigation in the 1940's and 1950's. Summing up the record, Combat of December 15, 1969, wrote:

> Mrs. Louise Berman, who is also known as Louise Bransten was born Oct. 10, 1908. She is the former wife of Richard Bransten, also known as Bruce Minton, former owner of New Masses. During the water-front strike in San Francisco, Louise and Richard Bransten carried out assignments for the Communist Party, working with Earl Browder and Gerhart Eisler. In 1944 Louise Bransten made a loan of $50,000 to the People's World, which is the west coast organ of the Communist Party.
>
> Hearings of the House Committee on Un-American Activities carry much more information, and testimony implicates her in activities of several known Soviet espionage agents. She was, for instance, in contact in Hollywood with J. Peters (also known as Alexander Stevens and half a dozen other names), a leading figure in the underground American CP and in Soviet intelligence work; she was an associate of Steve Nelson, long time Communist organizer and ring leader of a group that penetrated the research facilities of America's atomic bomb laboratory at Berkeley.
>
> Mrs. Berman (Bransten) has been named as a CP member in Congressional testimony; her husband has been named as a CP official. She invoked her 5th Amendment privilege in two appearances before Congress.

I would also note that the name of Mrs. Louise R. Berman of San Francisco appeared as a sponsor of the recent Second National Conference in Solidarity with Chile, a Communist Party operation, in Chicago.

Doubtless during the coming weeks the Center for National Security Studies will be in the forefront of those attacking our security services. And I trust we will examine their public activities in light of the records of those who are in positions of influence with them. While the CNSS appears to be concentrating on discrediting the CIA, the Committee for Public Justice—CPJ—has singled out the FBI as its main target since 1970.

The Committee for Public Justice, with offices at 22 E. 40th Street, New York, N.Y. 10016—212–686–1245—according to a Washington Post article, was formed in November 1970, with playwright Lillian Hellman being the "principal organizer of the group." The Post did not remind its readers that Hellman had been identified in sworn congressional testimony as a member of the CPUSA in the 1930's and had used her fifth amendment privilege when questioned about this membership by HCUA in 1952. Neither did the Post inform its readers that in 1956 the Senate Internal Security Subcommittee included her name in its list of the 82 most active and typical sponsors of Communist fronts.

The Committee for Public Justice, in its book, "Investigating the FBI," an account of a 1971 conference it held at Princeton University, calls for the creation of a board of overseers for the FBI "composed of public and private persons with power to review Bureau policymaking, guard against threats to civil liberties, and keep the public informed."

The CPJ also indicates it supports removing the responsibility for counter-espionage activities from the FBI, and in the loyalty-security area has stated:

> The Bureau's responsibilities here must be narrowly defined and carefully weighed against competing societal interests in privacy and freedom.

In May 1974, several officials of the CPJ met with FBI Director Clarence Kelley to present their views to him and to some of his assistants. Reporting on this meeting in the New York Review of Books, the CPJ representatives concluded that "the FBI's leading officials appear to be zealous advocates of the cold war ideology of the 1950's." CPJ's criticisms continue.

The groups I have identified have a common goal of diminishing and curtailing the functions of the intelligence community. For the future of the country, I hope they will not succeed. Nevertheless, there are many indications that there will be major changes in current operations and structure; especially in that the executive branch of Government seems to be prepared to dismantle the intelligence services.

For example, it is possible that the CIA's role will be diminished to that of evaluation of information obtained overseas by diplomats and embassy military attachés—a turning back of the clock to pre-OSS days of World War II.

There are also proposals to open the files of the FBI to all comers, a practice which would jeopardize our entire internal security program; and a "freedom from surveillance" bill before this Congress would make illegal the governmental maintenance of files on any political activist, as well as prohibiting surveillance of any citizen unless he or she were the subject of a criminal investigation or a Government job application check.

A climate is being created which will enable the enemies of America both foreign and domestic, to operate with immunity from investigation. Indeed, those who seek to hinder their activities will be penalized.

It is high time that responsible elected officials recalled the words of former Supreme Court Justice Arthur Goldberg that—

> The Constitution of the United States is not a suicide pact. The Nation has the right and duty to protect itself from acts of espionage and sabotage, and attempts to overthrow the government by force.

ACCELERATED CAPITAL FORMATION ACT

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FRENZEL. Mr. Speaker, today I have reintroduced the Accelerated Capital Formation Act with additional authorship. I have previously entered remarks on it in this Record. I especially appreciate my cosponsoring colleagues interest and enthusiasm for the ESOT concept.

Because ESOT financing is being heavily promoted on a nationwide basis, there may now be some danger that the concept will be overenthusiastically merchandised. The concept is simple, but the excution of an ESOT is terribly complex, and the rights of all parties must be carefully protected.

To insure such protection, it may be necessary for me to introduce some amendments to the original bill.

It is my hope that hearings on ESOT's will be held this year, so both the Congress and the public can be better informed about this newly popular technique of capital accumulation and expanded capitalism.

J. MASON BREWER DIES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. PICKLE. Mr. Speaker, the internationally acclaimed black folklorist J. Mason Brewer died last month in Dallas at the age of 78. Mr. Brewer, born the son of a rancher in Goliad, Tex., was buried in Austin, where he had lived for many years.

At the time of his death, Mr. Brewer was serving as distinguished professor of English at East Texas State University, Commerce, Tex.

He attended public schools in Austin and was graduated from Wiley College in Marshall, Tex. He served with the AEF in World War I.

After the war, Brewer began his career as a teacher and writer. He received a master's degree from Indiana University and was also granted an honorary doctorate from Quinn College, Waco.

Brewer was widely acknowledged by scholars as the finest writer of Negro folklore. He published numerous collections of folktales and his work appeared in 14 national and regional journals. His most famous book, "Word on the Brazos," published by the University of Texas, is now in its fourth printing.

Professor Brewer was the first black to join the Texas Institute of Letters. He was a vice president of the American Folklore Society.

While teaching at Huston-Tillotson College in Austin in the 1950's, Brewer published a pamphlet entitled, "The History of Negroes in Travis County."

Besides his interest in folklore, Brewer also taught French and published several books of poetry and prose.

The late J. Frank Dobie, former folklorist at the University of Texas, said Brewer was the greatest storyteller of Negro folklore in America.

Though he was a prolific writer, Brewer was probably even a better raconteur. He was a guest lecturer at Yale, UT, University of Southern California, and also on an international basis.

One of his last lectures was in Austin last October 11. I enclose an account of that lecture:

[From the Austin (Tex.) American-Statesman, Oct. 14, 1974]

STORYTELLER SPINS YARNS—FOLKLORIST VIEWS ART AS CREATING LITERATURE

(By Jim Lewis)

With halting progress, Dr. J. Mason Brewer, America's most distinguished Negro folklorist, seemed to move slower than integration as he took the stage.

Some 150 persons stilled in anticipation of old words from the slight man whose appearance was as aged as the stories he tells.

A slight man, Brewer leaned cautiously up toward the microphone.

Suddenly a full, vibrant voice recited a bouncing rhyme about the evening's entertainment: "Sit back and relax, dear listeners and let the joy bells ring in your receptive mind, as I attempt to do my thing."

Brewer's tales pleased his admirers recently at Chapel auditorium at Houston-Tillotson College.

"The art of storytelling is actually a gift, and it isn't something you learn in drama school," said Brewer, Distinguished Visiting Professor at East Texas State University at Commerce.

"You are gifted with the ability to tell a story, or you're not."

Brewer is. But his interest in folklore has also led to the publication of more Negro folktales than any other author, 336.

Brewer, 78, has enjoyed spinning yarns since his grandfather, a wagoner; Goliad, first related the adventures of hauling produce from Goliad to Victoria.

But it first became serious business in 1932, when Brewer, working as a school teacher in Austin, learned to appreciate the stories of writer J. Frank Dobie.

"Actually, Mr. Dobie was the one who inspired me, because I saw the value of his folktales, so I decided there should be something on black life like that," he said.

Since then, Brewer's studies have paid his way to lectures as far away as Yale, Toronto, and California.

"Folklore is being created every day; every age creates its own," he said. "It's oral literature."

He pointed out that elderly blacks receiving Social Security checks currently like to say. "I used to work for myself where I am, but now I work for Uncle Sam."

And blacks bearing the burden of income tax comment, "The more we makes, the more they takes."

Brewer said the stories he performs are as fluid in the telling as they were when the making.

"I may tell a story a different way every time I tell it," he said. "Whatever is revealed for me to say at a particular moment is just whatever comes out of my consciousness."

And his enjoyment in relating a story comes from the story itself, he said.

"I don't pay much attention to the audience," he said, "I just go on and, what you say, do my thing."

HEARINGS TO BE HELD ON PROPOSED AMENDMENTS TO FEDERAL RULES OF CRIMINAL PROCEDURE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HUNGATE. Mr. Speaker, the Criminal Justice Subcommittee of the House Judiciary Committee will hold a hearing on Wednesday, February 26, 1975, at 10 a.m. in room 2226, Rayburn House Office Building on the proposed amendments to the Federal Rules of Criminal Procedure which were transmitted to Congress by the Chief Justice on April 23, 1974. Unless the Congress completes action on these rules by August 1, 1975, they will become effective with no congressional input. Therefore, every effort will be made to expedite the subcommittee's work.

Those wishing to testify will please contact the subcommittee staff in room 2137, Rayburn House Office Building—telephone number 225-0406. The subcommittee hopes to conclude its hearings on these rules by March 25, 1975.

VIETNAM: MR. KISSINGER'S WAR

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. OTTINGER. Mr. Speaker, a recent article in the New York Times by columnist Anthony Lewis examines "Mr. Kissinger's War" and finds that only the U.S. Government and President Thieu deem continued support for the Thieu regime a vital military and diplomatic objective. The people of South Vietnam are tired of war. They are tired of seeing their children made homeless or killed. It is peace that they want more than anything else and support for the dictatorial Thieu regime has all but dwindled to the point where, as Mr. Lewis puts it—

> Even "rightists" in South Vietnam want Thieu out of office so a deal can be negotiated with the Communists and the fighting ended.

For the benefit of my colleagues and their constituents, I am inserting in the Record the Times article by Mr. Lewis:

[From the New York Times, Feb. 10, 1975]

MR. KISSINGER'S WAR: I

(By Anthony Lewis)

WASHINGTON.—A letter from Saigon: The writer says he is amazed at the American debate on aid to Vietnam. The argument seems to be all about war, he says—about arms to help President Thieu fight the Communists for years more. Does no one in America think of politics instead of war? Does no one realize that even "rightists" in South Vietnam now want Thieu out of office so a deal can be negotiated with the Communists and the fighting ended?

"Why isn't Kissinger doing anything toward a political solution?" he asks. "Is this his 'decent interval'—a useless massacre?"

There is a short answer to those anguished questions. American policy focuses on war in Vietnam, and feeds it, because Henry Kissinger would rather have war than any visible political alternative. That is why the policy is to sustain President Thieu in his intransigent, increasingly isolated resistance to any political accommodation.

It is a surprising and a serious thing to say: that an American Secretary of State is deliberately holding back a process that might lead to the end of a gruesome war. But the evidence is there. Exploring it throws some light on why Mr. Kissinger, against logic and the odds, is pressing for additional military aid to Saigon.

The peace agreement signed in Paris two years ago called for a new phase of politics in South Vietnam. It promised political rights to all parties, freedom of movement between the military zones, release of political prisoners and the establishment of a national council of reconciliation. The idea of all that was to open up a process—a process of political competition and accommodation instead of war.

But President Thieu prevented that process from starting. He prohibited movement between zones, reclassified political prisoners as common criminals to keep them in jail and effectively banned all parties but his own. He not only refused to carry out the terms of the Paris agreement; he made it a crime to publish them in South Vietnam. And at the moment the cease-fire was to come into effect, he launched aggressive military operations.

In all this General Thieu needed at least tacit American support, and he got it. There was no criticism from Washington of his military offensive, which relied on $1 billion in new U.S. arms rushed over before the truce, or of his refusal to carry out the Paris agreement's provisions.

Just the other day General Thieu told Peter Kann of The Wall Street Journal that since the signing in Paris the United States had never put any pressure on him to make political concessions to the Communists—that is, to carry out the peace terms. The reason is plain. Secretary Kissinger, like Mr. Thieu, is uncertain where a political process might lead once it starts. He prefers the devil he knows in Vietnam: war.

But lately, the strategy of military aggressiveness and political intransigence has unraveled. The tide of battle has shifted, and inevitably doubts have grown in South Vietnam about the wisdom of relying on war instead of politics.

Communist military successes have brought angry American talks about a massive offensive by North Vietnam. Given the failure to say anything about Saigon's actions after the truce, that outcry is almost comic in its hypocrisy. But it is also factually doubtful. So far, at least, the Communists' campaign seems limited in aim. They say their purpose is pressure to carry out the Paris agreement, and that could be the case.

In South Vietnam, many former Thieu supporters have now turned against him. A Catholic movement leads the criticism. The militantly anti-Communist Cao Dai sect, with two million members, has called for negotiations and reconciliation with the Communists. Even right-wing newspaper criticized Mr. Thieu as an obstacle to peace—until he closed them.

The political setting explains the mystery of Mr. Kissinger's demand for $300 million more in military aid now. The Pentagon is having difficulty justifying that figure; privately, defense officials say the object is not so much military as "psychological." In short, the aim is to demonstrate the American commitment to Nguyen Van Thieu.

For that purpose, any amount that gets through Congress will serve. Just $75 million, say, would enable Mr. Thieu to tell doubters that he still has America's support. Any amount would be a symbol of American willingness to go on with the policy of war, not politics—go on, as General Fred C. Weyand, the Army Chief of Staff, had the candor to say, for another five to ten years.

"Do American policy-makers have no concern for the Vietnamese people?" the letter from Saigon asks. In the case of Henry Kissinger, the answer is certainly no. He has no affection for Nguyen Van Thieu either. Why, then, is he so determined to keep Mr. Thieu in power and to block any movement toward political accommodation in Saigon? The answer to that lies beyond Vietnam.

ECONOMIC WOES ARE GROWING

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. RISENHOOVER. Mr. Speaker, during the past few days I have visited 10 of the 17 counties in the Second District of Oklahoma and participated in 35 meetings with our people. Mine was not a time of recess or vacation, but a period of communications with troubled people in Oklahoma. Mr. Speaker, the economic woes of this Nation are growing. Adding to the problems are the heartless, insensitive attitudes of some people in Government and particularly the U.S. Department of Housing and Urban Development.

A good share of my time was spent battling with Federal officials who, for their own various reasons, seem to be causing more problems than they are solving.

As a new Congressman, perhaps my understanding of their responsibilities is not complete. But beyond question, many of the problems besetting our people—and particularly the poor—are laid on the doorstep of Federal Government bureaucrats.

Two public housing projects in my district, I have recently learned, are in the process of being prepared for sale to the highest bidder.

One of these, Shawnee Heights in Muskogee, would be an ideal place for people to live if the Department of Housing and Urban Development would clear away an adjacent, blighted area. Instead, that low-rent housing complex is decaying for two reasons: First, because the people are losing their jobs to recession or their fixed incomes to inflation; and, second, because the adjacent, blighted area has not been cleared of debris, and deteriorated housing.

The other public housing project, Okmulgee Terrace in Okmulgee, is hard hit by the economics of our time. It needs to be repaired. In the process of divesting itself of what HUD apparently believes is a bad investment, rent rates are being increased. HUD officials say they are forced by law to end subsidies during this interim period. I say to you—there should be no foreclosure, no divestiture and the Federal Government should find a new public-spirited landlord to operate that housing.

Just yesterday, I sent a letter to Roy Gardner of the Federal Housing Administration in Tulsa where I said:

> During this period of economic downturn, when welfare families are being hit by rampant inflation and lower income families are being laid off their jobs, it seems preposterous that the U.S. Department of Housing and Urban Development would assume a posture of foreclosure, rent-raising and disregard for human values and family security. Therefore, I respectfully request that you withhold any rent increases at Shawnee Heights in Muskogee and Okmulgee Terrace projects. Also, I would suggest that you hold in abeyance any plans to sell these projects to private sources. The thought of private speculators making huge profits at a loss to the federal government is certainly contrary to my belief and I will oppose such abuse with all the power and authority of this office.

In my travels, I also met with tenants and officials who are involved in Indian housing. I met with the Inter-Tribal Council of the Five Civilized Tribes of Oklahoma—the Cherokees, Choctaws, Chickasaws, Creeks, and Seminoles.

These leaders—B. Bob Stopp, W. W. Keeler, Overton James, Claude Cox, Edwin Tanyan, and Harry J. W. Belvin—are concerned about the poor housing occupied by the good Indian families of Oklahoma.

Some believe there should be a Federal second mortgage source of money to help Indians repair their homes—and apparently there is no such fund available.

The tribes which have become involved in housing tell me that about 15 percent of the residents—many who have up to 500 hours of "sweat equity" in their homes—are falling behind in their rent. They admit that some of this is caused by a general misunderstanding about their responsibilities. While their rent is low because of subsidies—somehow many have come to believe that they did not have to make payments. The Indians are determined to educate their brothers, but that takes time. Eviction is too stark to contemplate and is too cruel for families.

Particularly in the case of the Cherokees, I have asked for a 30-day period to find other alternatives.

But, I learn, the pressure from HUD is heavy. They are told that "management problems must be rectified" in existing housing or no new allocations will be made to the Indian housing authorities. That means—in simple terms—that families in arrears must be evicted or other families on the Indian Housing waiting list must suffer.

In writing the letter with that stern warning, the area office director, Robert H. Breeden, does not cite the law. Instead, he makes reference to a "requirement of the Department's Housing Management Section." That is bureaucratic law—made by regulations—I presume.

I insert in the RECORD the full text of Breeden's letter.

Mr. THOMAS M. CROSSLAND,
Executive Director, Housing Authority of the Cherokee Nation of Oklahoma, Tahlequah, Okla.

DEAR MR. CROSSLAND: Using the best data available, and in an effort to keep the Indian Housing Program progressing in all sections of Oklahoma, this office has allocated its recent assignment of Program Reservations for units for the Indian Housing Program. All allocations are made subject to the management record of the Authority, its percentage of delinquencies, totals of accounts receivable and general operating history. This is a requirement of the Department's Housing Management Section.

Since there is a limited amount of quantitative data which could be used to determine housing need in Indian areas, these allocations were based essentially on estimates.

It should be noted that the U.S. Office of Management and Budget has convened an Inter-Departmental task force to compile quantitative data for the Indian population which will be used to make any future Indian housing allocations.

Based upon the foregoing this office is prepared to issue a Program Reservation for 200 units of Indian housing from its 1975 allocation for the Housing Authority of the Cherokee Nation of Oklahoma. Fifty of these shall be for the smaller tribes in northeastern Oklahoma, those being: Quapaw, Peoria, Modoc, Ottawa, Eastern Shawnee, Wyandotte, and Seneca, all of which are located in Ottawa County. These are the tribes for which your Authority has built previously.

At your earliest convenience you may submit applications for the above units on HUD Form 52470, along with the necessary supporting data as instructed in the attached list. Our records indicate that your Authority has management problems which must be rectified prior to our issuing a Program Reservation for these latest allocated units.

As you were previously notified, you received 150 units under our 1974 allocation.

It should be remembered that it is the intent of the Indian Housing Program that these units be built exclusively for Indians. Such selectivity is in keeping with the Indian Civil Rights Act.

If further clarification is needed, please feel free to contact this office.

Sincerely,

ROBERT H. BREEDEN,
Director.

Mr. Speaker, it appears to me from actions taken and contemplated by HUD that the officials charged with administering badly-needed new housing projects, and making reasonable repairs on existing projects, are instead trying administratively to kill those programs despite the mandate given them by Congress.

In another meeting during that so-called "recess," I met with about 200 folks who own docks on the beautiful lakes of northeast Oklahoma. These are man-made bodies of water—controlled by the U.S. Army Corps of Engineers.

Heavy rains in recent months have kept the waters high—as the corps has flood control responsibilities; must keep reserves of water for power generation, and store water to keep the magnificent Arkansas River Waterway at a constant level. We certainly understand and support the corps for its dedication and professionalism in these respects. They do their job well.

But, because of fluxuations in pool levels—varying more than 30 feet—the docks are often wrecked. Buildings are inundated. Shorelines are left muddy, slippery and dangerous.

The dock and resort owners complain about the Corps of Engineers arbitrary and harsh enforcement of leases—often wiping out a lifetime of investment, toil and sweat. The owners are being deprived of their livelihood—at a time when jobs are scarce and opportunity is limited.

In a public meeting at Wagoner, Okla., I warned the engineers about developing militaristic attitudes and bureaucratic callousness. We are, I remind all employes and officers of the government, a "government for the people."

Mr. Speaker, the problems of our national economy are severe. It is a time when we should review laws of the past which are botching our economy and could lead to a deep depression. But, more, the administrators of the laws—the day-by-day keepers of the public trust—must be sensitive and sensible in dealing with the people. We must solve our problems without trampling on those who need their Government most.

DÉTENTE, EMIGRATION AND SOVIET TRADE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. FRENZEL. Mr. Speaker, I am today introducing a bill which I hope will reverse the circumstances which caused the collapse of the trade and emigration agreement last month between the United States and the Soviet Union. Members may recall that the Soviets' rejection of the agreement was accompanied by a statement expressing concerns over discriminatory actions by the Congress. Many of us who participated in the drafting and passage of the Export-Import Bank Act amendments last year believe that the Soviets were directing their comments at the $300 million ceiling which was placed on credits for the Soviet Union. I hold this point of view and have expressed it in several statements on this floor.

This problem began last December when House-Senate conferees on the Export-Import Bank bill were subjected to three separate conferences and much delay caused by the whimsies of a handful of Senators. Each time we thought the Senators were satisfied, they returned and asked us for more. Only after accepting the $300 million ceiling and the subceiling on energy, were the House conferees finally rewarded with a bill and continued operation of the bank. Unfortunately, we robbed Peter to pay Paul, and so the title IV agreement was lost.

Supporters of the $300 million ceiling maintain that it is a necessary check on the Soviets; a signal to them not to welsh on their agreement. However, the restrictions, and the senatorial chest-beating that accompanied them, appeared to have forced the Soviets' rejection instead of encouraging their compliance. The senatorial rhetoric which characterized the Soviets as unworthy trading partners were especially damaging. It is even more ironic that the House conferees, including myself, repeatedly warned that credit ceilings of $300 million would seriously jeopardize the emigration agreement. The fact that the prediction came true is no cause for joy.

Mr. Speaker, my support for title IV and the Jackson-Vanik amendment is undiminished by the rejection of the agreement. I believe even more strongly in free emigration for Soviet Jews, in détente, and in the possibility for achieving both through reasonable actions.

In my judgment, it is unreasonable to expect the Soviets to agree to easier emigration without something in return. A $300 million ceiling on credits has all the markings of U.S. recalcitrance. I think it should be corrected. Correction is necessary if we are to have the proper amount of leverage for restructuring an agreement on title IV of the Trade Act, and it is also good trade policy. In fact, our failure to maintain momentum in Soviet trade matters is already being capitalized on by others. The recent British-Soviet trade protocol could provide up to $2.4 billion in export credits. There is no doubt in my mind that Great Britain's economy will benefit from that kind of trade stimulus. Our own economy could use some of the same stimulus.

Basically, my bill would amend the Export-Import Bank Act to eliminate the provisions relating to credit ceilings and subceilings. It would also amend the Trade Reform Act of 1974 to repeal the section that * * *. It would also repeal the conforming section of the Trade Reform Act. This bill introduction is somewhat symbolic of my dismay over the failure of the emigration agreement and the shortsighted senatorial actions which contributed to it. Nevertheless, I hope that it will be taken seriously by those who still believe that we can implement the title IV agreement, and are willing to take the necessary actions.

H.R. 1811 TO DESIGNATE THE BIRTHDAY OF DR. MARTIN LUTHER KING, JR. AS A NATIONAL HOLIDAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ANDERSON of California. Mr. Speaker, I am happy to join my colleagues in cosponsoring legislation to honor the late Dr. Martin Luther King, Jr., by setting aside the date of his birth, January 15, as a national holiday.

Dr. King was a noble and compassionate man who dedicated his life to the struggle for social justice and human rights. He had a dream of equality and equal opportunity. His goal was to remove bigotry and hatred from American life. He envisioned a nation where Americans could live together in peace.

He was a man of peace. He espoused the philosophy of Gandhi; he taught the principles of love and nonviolence. In his campaigns, he used the tools of nonviolent protest and peaceful assembly. His activities were largely responsible for the landmark civil rights legislation of the 1960's: The Voting Rights Act of 1965 and the Civil Rights Acts of 1964 and 1968. For his great efforts he was awarded the Nobel Peace Prize in 1964.

He gave tremendous hope to black people, to poor people, and to white people who were committed to ending discrimination and segregation. Looking back, people were so hopeful of achieving a unified country. The civil rights movement, under Dr. King's leadership, swept across our country and captured the American conscience.

Today, in 1975, 6 years after Dr. King's death, we must ask ourselves, "How far have we come and where are we going?" We have made significant progress. However, the problems of segregation, discrimination, hunger, poverty, and crime still exist. Dr. King's dream has not been fully realized.

We must keep Martin Luther King's memory alive. We must reflect on his life and work. And finally, we must reaffirm our national commitment to achieving the ideals for which Dr. King worked and symbolized.

I urge my colleagues to take action on this legislation. To make Dr. King's birthday a national holiday is a fitting tribute to a great American.

HONORING LITHUANIAN INDEPENDENCE DAY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. YATRON. Mr. Speaker, after enjoying the blessings of freedom for nearly 200 years, we Americans can well understand why our colonial patriots were willing to pay such a high price to win those blessings. And we can well understand the determination and firey dedication of a small Baltic State which still struggles for freedom against one of the largest and most powerful nations in the world, which has denied them their freedom for 34 years.

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation. However, freedom was theirs for only 22 short years. In 1940 Lithuania, as well as two other Baltic States, Latvia and Estonia, were invaded and forcibly annexed by the Soviet Union. Since then, they have been abused, and their basic human freedoms denied.

But the spirit of the freedom-loving Lithuanians lives on.

In 1970, a young Lithuanian sailor, Simas Kudirk, captured the attention of the world by leaping from a Soviet ship to an American ship, in his quest for freedom. Another Lithuanian youth, Romas Kalanta, focused attention on the continuing Lithuanian struggle through self-immolation, in 1972. Following his tragic, but heroic death, thousands of young Lithuanians demonstrated, amplifying Romas Kalanta's call for freedom for Lithuania and an end to Soviet religious persecution. In the United Nations a petition bearing the signatures of over 17,000 Lithuanians has been delivered to Kurt Waldheim, asking for that organization's support for their struggle for freedom.

Even today, the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents continues. Their crime? They have published "The Chronical of the Lithuanian Catholic Church."

The Russians have employed the techniques of deportation, execution, colonization, and sheer power to diminish the chances of Lithuania's survival as a people with a distinctive culture. It is remarkable what the Lithuanians have endured, and have been able to give their courageous and increasing signs that their desire for freedom remains as strong as ever.

There can be no doubt, Mr. Speaker. The Lithuanian people love freedom with all their hearts. For although their nation has not enjoyed the precious taste of freedom for over 24 years, they fight on.

Mr. Speaker, I am proud to reassert my support for this courageous nation. And as we prepare to celebrate the struggle of 200 years ago of our own Nation to win our freedom, we should remember we were only able to win it through the help and support of other stronger nations.

We should remember another nation, today, which is still struggling down that same path. The U.S. Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the 2d session of the 90th Congress, when House Concurrent Resolution 416 was adopted.

Lithuania and her people cannot be forgotten. They can no longer be ignored. They are a people who have struggled longer and against greater odds for freedom than perhaps any nation on Earth, and they deserve our strong support.

THE VOICE OF COMMONSENSE

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SKUBITZ. Mr. Speaker, in these times when we see government at all levels getting more and more deeply involved in regulating and directing one segment of the economy or another, it is truly refreshing to come across a defense of plain, old-fashioned free enterprise. I want to call my colleagues' attention to an editorial heard recently on Radio Station KLEY in Wellington, Kans. I believe we could all afford to pay some attention to the voice of commonsense. The editorial follows:

> THE VOICE OF COMMONSENSE
>
> Isn't the free enterprise system the doggondest thing you ever saw? If we didn't know better, we'd call it the most fantastic of the modern day miracles. It's so simple, it's almost ridiculous. It's been used in this country for almost 200 years without showing signs of wear. And, it works for everybody, and everything. Even the name has a good ring to it . . . the free enterprise system!
>
> Take the recent automobile surplus dilemma for example. It wasn't normally a thing that an industry would make a big thing about, but, the facts were becoming so evident, there wasn't any use in not coming out with a full-fledged confession. The facts were, as they pointed out, that people just didn't have as much money in their bank accounts as they had been used to, so they had started to put-off buying new cars.
>
> Soon . . . the supply far exceeded the demand. That's the basic ingredient to the free enterprise system. When the supply gets too big, the price is lowered, the supply dwindles, and, in time, the two are in balance again.
>
> Isn't that just exactly what happened in the recent automobile surplus problem? They cut the price of new autos. They offered some real bargains. And, sure enough, people started buying cars again. It's going to be some time before the situation is in balance again, but (if you'll excuse the pun), we're "on the road."
>
> We wouldn't give you one percent of the free enterprise system for all the Federal Government . . . "disaster" . . . and "emergency" . . . and "aid" programs you could put in a book.
>
> It's greatest enemy is the individual, or group, or committee, that feels that it knows a better "governmental" approach.
>
> The free enterprise system has worked, it is working, and it will continue to work if we just give it a chance.

COIN WORLD TRIBUTE TO THE HONORABLE LEONOR K. SULLIVAN

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. GONZALEZ. Mr. Speaker, every Member of Congress who is interested in the hobby of numismatics, or who has constituents who have written in on numismatic issues, or who has introduced a bill in the past 12 years to strike a national commemorative medal honoring some historical event of national significance, will be interested, I am sure, in the laudatory editorial in the February 19 issue of Coin World newspaper about our colleague from Missouri, the Honorable LEONOR K. SULLIVAN.

From the 88th through the 93d Congresses, Mrs. SULLIVAN, as chairman of the Subcommittee on Consumer Affairs of the House Committee on Banking and Currency, handled all coinage and related matters in that subcommittee as well as legislation on consumer issues within the jurisdiction of the committee. Those of us who served with her on the subcommittee were impressed by the outstanding leadership and conscientious hard work she devoted to this assignment, and were deeply gratified by the great cooperation she extended to our bills and to those of other colleagues in the House.

But most of all we were impressed by the responsible manner in which Mrs. SULLIVAN handled the legislation in our jurisdiction, from the landmark Consumer Credit Protection Act of 1968—which contains the Truth in Lending Act—the Fair Credit Reporting Act of 1970, and equal credit opportunity legislation, to the question of changing the composition of the 1-cent coin, or authorizing the striking of Bicentennial coins and medallions and other national medals by the Bureau of the Mint.

In order to provide more subcommittee chairmanships in the 94th Congress, the Democratic Caucus of the Banking Committee voted on January 28 to separate the coinage and related issues from the jurisdiction of the Subcommittee on Consumer Affairs, so even if Mrs. SULLIVAN had continued as chairman of the subcommittee she would no longer have retained the primary responsibility for coinage legislation. It is to this aspect of the Banking Committee's reorganization that the editorial in Coin World addresses itself.

LEGISLATION IN THE PUBLIC INTEREST

Written by Margo Russell, editor of Coin World, who testified on numerous occasions before the Sullivan subcommittee in behalf of the numismatic hobby, the editorial provides a rare insight into the care which goes into the preparation of legislation by a conscientious subcommittee chairman interested only in the public interest in handling legislation, and who has conducted "oversight" responsibilities with great effectiveness.

The editorial also refers to the fine work done by the subcommittee's professional staff member during the past 12 years, Charles B. Holstein, who resigned from the committee staff on January 28. He has been, without doubt, the most knowledgeable person on numismatic legislation on Capitol Hill, as well as acting as the committee's staff expert on all consumer issues, and particularly consumer credit.

Mr. Speaker, under unanimous consent I submit for inclusion in the RECORD the highly laudatory editorial about Congresswoman SULLIVAN, as follows:

A FRIEND MOVES ON

we can count upon her excellent judgment we can count upon her excellent udgmenjt when it comes to voting upon future numismatic affairs, but we will miss Congresswoman Leonor K. Sullivan, D., Mo., who is leaving behind 12 years of numismatic experience as she vacates the chairmanship of the House Banking subcommittee on Consumer Affairs.

We always thought this was an improbable Congressional niche for minting and coining legislation, although consumers handle more coins than anybody. But it was a great day for the coin collectors 12 years ago when Congressman Wright Patman created the subcommittee, and Mrs. Sullivan took her post as chairman.

It has been our privilege to observe firsthand Mrs. Sullivan's wisdom at work, her show of strength, one degree removed from the term, tough, because she is such a lady; her sincerity, her courage, her no-nonsense approach to a succession of numismatic problems. The two most recent Mint directors, incumbent Mary Brooks, and her predecessor, Eva Adams, found Mrs. Sullivan their astute and understanding champion.

We remember Mrs. Sullivan gave the hobby the courtesy of a hearing on the feasibility of reviving commemorative coinage shortly after she assumed her new duties. She expedited legislation to produce the memorial John F. Kennedy half dollar; she studied the problems surrounding the melting and exporting of silver coins, she introduced an amendment to make certain everyone could order Proof coin sets.

She went on record as approving a Bicentennial commemorative coin issue; she joined coin collectors at their convention; she did battle over the Eisenhower dollar profits going to the college, she shepherded the Bicentennial medal legislation, and investigated the medals which went to the moon. She saw that private enterprise in the hobby had fair shake.

Mrs. Sullivan guarded the hobby against misrepresentation, sought a full report on silver coin capers, and arranged to listen to the Mint's cent problems.

Her door was always open to numismatic delegations. Her staff, headed by Charles Holstein, was readily available for consultation. Holstein is a veritable wellspring of intelligence and procedure, with total recall and ability to give facts and summation faster than television's instant replay. He is going to be missed greatly by all of us who depended upon him for the straight of the story. Fortunately for Mrs. Sullivan, he will remain on her staff.

Mrs. Sullivan will be spared the extra work caused by the Consumer Affairs Subcommittee, so now she will have more time to devote to her chairmanship of the House Committee on Merchant Marine and Fisheries. She is also a senior member of the House Banking Committee, and of the Housing subcommittee. Her St. Louis constituents share our esteem—they returned Mrs. Sullivan to Congress for the 12th consecutive term last fall.

We trust our working relations with Rep. Robert G. Stephens Jr., of Georgia will be equally as pleasant as he assumes the duties as chairman of a new House Banking subcommittee, Historic Preservation and Coinage. We hope we can count upon a long friendship, and not be subject to another congressional reorganization in two years. Although this possibility exists, it does not make for efficient legislative performance, in our estimation. Comprehension of the complexities of coinage takes time. And we treasure and respect congressional friendships as they develop for mutual benefit, understanding and confidence.

PROVIDE PUBLIC WORKS PROJECTS TO EASE UNEMPLOYMENT

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ST GERMAIN. Mr. Speaker, in the opening moments of the 94th Congress, the Democratic majority issued a formidable and sensible plan of action for dealing with the problem economy. One of the most important points made concerned a program to cope with rising unemployment. The plan called for the establishment of additional and necessary public service jobs, instead of merely providing "economically nonproductive and personally unsatisfying" unemployment compensation. Also, the program sought immediate relief from excessive administrative paperwork which has held up bililons of dollars earmarked for congressionally approved civil works projects.

At a time when unemployment statistics are approaching 9 percent nationally and 10 percent in Rhode Island, the implementation of the majority proposals for creating more public service jobs must be swiftly accomplished. In further evidence of the need for immediate attention to this grave problem, I would like to present a resolution introduced by Rhode Island State Senator John Hawkins and passed in the General Assembly of the State of Rhode Island on the 11th day of February 1975, memorializing Congress, the Rhode Island delegation in Congress, the President of the United States, and the legislatures of the various States to support legislation to grant funds to the various States for the purpose of public works projects:

RESOLUTION

Whereas, Because of the state of the economy in the State of Rhode Island and throughout the nation there is a high rate of unemployment, which condition is projected to become more severe; and

Whereas, Funds available for such projects would create employment, and provide necessary public works projects for the State of Rhode Island and the various states of the nation; and

Whereas, There is a need for hospitals, schools, playgrounds, conservation projects, wildlife protection, preservation of natural resources, playgrounds, highways, roads, streets, bridges, prisons, public buildings, and other public works projects in the State of Rhode Island and the various states of the nation; now, therefore, be it

Resolved, That Congress, the Rhode Island delegation in Congress, the President of the United States, and the legislatures of the various states be memorialized and respectfully requested to support legislation to grant funds to the various states for the purpose of public works projects; and be it further

Resolved, That the Secretary of State be and he is hereby respectfully requested to transmit duly certified copies of this resolution to the presiding officer of the United States Senate, the presiding officer of the United States House of Representatives, to the Senators and Representatives from Rhode Island in the Congress of the United States, the President of the United States, and the presiding officers of the legislatures of the various states.

LITHUANIAN INDEPENDENCE

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WALSH. Mr. Speaker, one of my primary concerns during by time in Congress has been the plight of the captive nations, those countries who were forcibly annexed by the Soviet Union. The stories of torture and oppression that come from those countries are truly horrifying.

In a continuing attempt to bring this situation to the public's attention, I would like to do my part in commemorating the 57th anniversary of the establishment of the Republic of Lithuania by sharing with my colleagues an article entitled "An Invisible Nation—A Forgotten People":

AN INVISIBLE NATION—A FORGOTTEN PEOPLE

Fifty-seven years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent state. On February 16, 1975, Americans of Lithuanian origin and descent . . . commemorate that anniversary, as well as, the 724th anniversary of the founding of the Lithuanian State.

Lithuania had enjoyed her independence for only twenty-two years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, newer ones display her territory as part of the Soviet Union. However, the United States Government and other great Western powers have steadfastly maintained a policy of non-recognition of the forcible annexation of Lithuania into into the Soviet Union. This gives succor to the Lithuanian people and reinforces their determination to await national independence while it also discourages the Soviet policies of Russification and effective absorption of the Baltic States into the Soviet Union.

The determined spirit of the Lithuanian people is still unbroken but their continuing daily struggle for religious freedom and basic human rights receives little notice and even less support from the free world.

Only the more dramatic episodes are noted. The Lithuanian sailor, Simas Kudirka's aborted leap to freedom in 1970 and subsequent release to America this past year; the Lithuanian youth, Romas Kalanta's self-immolation in 1972 for freedom for Lithuania and an end to Soviet religious persecution, and the subsequent demonstrations by thousands of young Lithuanians for the same cause; the petition of 17,000 Lithuanian Catholics to Kurt Waldheim of the United Nations; and now the arrest and imprisonment of untold numbers of Lithuanian and Russian dissidents for publishing or distributing "The Chronicle of the Lithuanian Catholic Church."

These last violations of human rights by the Soviet Union are directly opposed to the spirit of Detente, which should foster a relaxation of the iron fist of Communist regimes, providing for the beginning of real religious and personal freedom within the Soviet Union.

There has never been a more opportune moment in recent history than the present (spirit of detente) in which to give visible support to the Lithuanian people.

The United States Congress should again urge the President to direct the question of the status of the Baltic States in the United Nations and other international forums as it did during the second session of the 89th Congress when House Concurrent Resolution 416 was adopted.

Lithuania and her people should no longer be forgotten and ignored.

LITHUANIAN INDEPENDENCE DAY

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. WHALEN. Mr. Speaker, I am pleased to join with so many of my colleagues in this observance of the 57th anniversary of the establishment of the Republic of Lithuania.

Although the Soviet Government seized that small nation by force in 1940 and compelled it to become one of the Soviet Socialist Republics, Lithuania has never ceased to be independent in spirit. The Russians realize this fact. For them, it has become quite vexing. For us, Lithuania's tremendous reservoir of patriotism has served as a constant reminder of the grossness of the Soviet repression.

We, in the United States, frequently, and most often on the occasion of Lithuania's Independence Day, remark upon the injustice that has been visited on that small country on the shores of the Baltic and her two equally maltreated neighbors, Estonia and Latvia. We recognize the aspirations of the Balts to determine their own lives, worship as they please, and preserve their ancient and unique cultures. The populations of these three countries are small as is their land area. The fact that they have maintained their linguistic and cultural identities through the severest of travails indeed is testimony to their viability as separate, individual nations.

Détente is the word that underlies present United States-Soviet relations. Perhaps one day the Russians can extend it to those who are not Russians and who have no wish to be.

SIX DANGERS IN AMERICA'S FUTURE

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. MILFORD. Mr. Speaker, those of us in Congress who shoulder the tremendous responsibility of assuring the survival of our Nation's political and economic systems would benefit from reading the following article from Federal Reserve Board Chairman Arthur Burns.

He sets out six problems we must cope with plus both immediate and long-range solutions.

Key to the whole package is the scope of problems—both fiscal and psychological—which are created by our huge national indebtedness, that is, big spending programs.

As I read this article in U.S. News & World Report, I thought that the Chairman expressed reason, careful thought, historical and economic perspectives—a good understanding of the complex problems confronting us.

It is my hope that my colleagues in the Congress will set aside their personal prejudices and look at this article for what it is: A reminder that individual pride and individual productivity are prerequisites for increased production, elimination of product shortages and an economic stimulant.

The article follows:

WARNING FROM BURNS: SIX DANGERS IN AMERICA'S FUTURE

The latest from Federal Reserve Board Chairman Arthur F. Burns:

The U.S. must solve six problems if it is to have lasting prosperity.

In testimony before the Joint Economic Committee of Congress, Mr. Burns pointed to these persistent weaknesses as standing in the way of achieving a steady rate of economic growth once this recession is over.

Problem No. 1: Corporation debt, which was only about half as large as stockholders' investments in the nation's business in 1950, is today roughly equal to those investments.

A great deal of the additional debt is of short-term variety, which comes due in a matter of months and therefore needs to be refinanced over and over. Mr. Burns declared:

"The liquidity position of nonfinancial businesses has thus been weakened."

A slumping stock market in 1973 and 1974 was one of the reasons for that pileup of debt. It was difficult, if not impossible, for many companies to raise funds through the sale of new shares of stock. That left them with no alternative to heavy borrowing.

Problem No. 2: A decline in the earnings of the corporations in "real" terms contributed to the increase in debt by depriving the companies of funds needed for new supplies, construction and equipment.

While corporations generally reported higher profits in 1974, Mr. Burns said this apparent increase came from a rise in the value of inventories as a result of inflation. When this "illusory" element is eliminated, he estimated, the companies' earnings actually went down 20 per cent last year and were smaller than they had been 8 or 10 years ago.

Profits were also distorted by the fact that industry is charging for the use of plant and equipment on the basis of prices paid for them years ago, instead of at the much higher prices that will have to be paid for replacements when the present equipment wears out or becomes obsolete.

Adjust for that factor, Mr. Burns said, and profits were actually not even large enough to cover the dividends being paid to stockholders—let alone to provide for building up the business.

Problem No. 3: The double-digit inflation of the past year. The Federal Reserve Chairman explained:

"There can be little doubt that inflation is the principal cause of the decline in economic activity in which we now find ourselves. . . . Because of its capricious incidence on income and wealth, inflation has caused disillusionment and discontent among our citizens. And because of its distorting effects on business decisions, inflation has brought into question the liquidity of some major business and financial institutions."

On that score, Mr. Burns was taking issue with George Meany, head of the AFL-CIO, and also with some economists who say the Federal Reserve brought on the recession by keeping money and credit too tight for too long.

Mr. Burns takes the position that the Federal Reserve had to clamp down on the growth of the money supply and let interest rates soar to record levels to check inflation, which he traces in large measure to two of the six problems in his list.

Problem No. 4: Shrinking gains in productivity—what is otherwise known as output per man-hour—in recent years. Gains here reflect the technological improvements that can be brought about through new machines and methods and the increasing education of the labor force.

The trouble is, Mr. Burns suggested, that industry has not had the incentives needed to invest enough in new plant and equipment or in advanced research. And at the same time, productivity has been hampered by unfavorable changes in "the attitude of the labor force and some laxity in management."

Said the Federal Reserve Chairman:

"Workers nowadays are well trained, but many of them work with less energy than they should, and absenteeism has become a more serious problem."

Problem No. 5: The mounting tax burden. Mr. Burns pointed out:

"Taxes have progressively reduced the rewards for working, while Goverment at the same time has increased the share of the national output going to persons who are not productively employed. Twenty-five years ago, a typical worker with three dependents gave up 1 per cent of his gross weekly earnings in federal income and Social Security taxes. Since then, that fraction has risen steadily and reached 13 per cent in 1974."

Mr. Burns contended that the mounting tax burden has taken away some of the worker's incentive and thus tends to reduce productivity. And he blamed the rise in taxes largely on the way federal outlays for "public welfare, Social Security benefits, unemployment insurance, and other public assistance" have grown. These payments, he estimated, have increased about twice as fast as wages and salaries. He warned:

"A society as affluent as ours can ill afford to neglect the poor, the elderly, the unemployed or other disadvantaged persons, but neither can it afford to neglect the fundamental precept that there must be adequate rewards to stimulate individual effort."

Problem No. 6: The decline of the U.S. dollar in world markets. On that score, the FRB chief declared:

"A substantially greater degree of exchange-rate stability will not be achieved until underlying economic and financial conditions have been put in better order."

What ought to be done? Mr. Burns divided his prescription into short and long-range remedies.

For the immediate future, he stressed the need to "cushion" the recession with a temporary income-tax cut for individuals, tax relief for business, and "an adequate expansion in supplies of money and bank credit."

For the longer run, he said, Congress must get a firmer grip on federal spending, especially on the so-called transfer payments to people receiving direct assistance of one sort or another from the Government.

Better profits for business and greater incentives for investment also will be needed, Mr. Burns said.

"Above all," he concluded, "ways must be found to bring an end to inflation."

BAILING OUT THE TITANIC

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HARRINGTON. Mr. Speaker, the utility industry is in the process of collapsing. An enormous increase in the amount of new capital needed for our future powerplants is creating an impossible situation in the industry. Simply put, without either massive rate increases, or massive public subsidies, the powerplants we need to meet future demand will not be built.

The Wall Street Journal of February 18 reports that the White House is currently preparing a plan for a massive bailout of the industry. It is ironic that, while decrying public power as unwarranted Government intervention, our utilities are now lining up behind Lockheed, the Penn Central, and other pillars of our free enterprise system, waiting for a handout.

If the Ford administration does attempt to bail out the utilities, consumers will not benefit, only investors. As an alternative, I am proposing to the Massachusetts Legislature that the State involve itself directly in the utility problem by financing and operating new powerplants through a public nonprofit corporation. In this way, the savings of public financing can be passed on directly to the consumer, not the stockholder.

In the coming months, something must be done to resolve this financing crisis. In my opinion, electricity is a basic necessity which should be made available at reasonable costs. The private sector can no longer meet t his challenge. Rather than artificially propping up the industry with public subsidies, Government ought to assume an active role in supplying this basic component of our industrial life.

I commend the Wall Street Journal to my fellow Members who are concerned with the skyrocketing cost of power.

The text follows:

A FRIEND IN NEED? UTILITIES' FINANCIAL ILLS STIR WHITE HOUSE TALK OF GOING TO THE RESCUE

(By James P. Gannon)

WASHINGTON.—The White House is urgently studying a batch of far-reaching schemes to bail troubled electrical utilities out of their financial problems.

The search is on for a plan that would help financially ailing power companies obtain the vast amounts of money needed to get their plant-building programs back on track again. The Ford administration is alarmed that widespread cancellations and postponements of utility plant projects not only are worsening the recession but threaten to undermine President Ford's long-range energy plans and could mean power shortages and blackouts in years ahead.

The utility-bailout ideas, which are bubbling up through the bureaucracy toward the President's desk, range from the mundane to the exotic. They include:

Loan guarantees for utility bond issues intended to reassure investors who have grown wary of such securities, and thus enable financially strapped power companies to sell bonds at reasonable interest rates to provide money for plant expansion.

A Utility Finance Corp., patterned after the Depression-era Reconstruction Finance Corp., that would make direct loans or even buy utility stock issues with money from the U.S. Treasury.

A novel scheme under which Uncle Sam would promise to buy, at profitable rates, all the electricity generated by nuclear and coal-fired plants that have been delayed or scrapped due to lack of financing. The government would hope to resell the power to actual users, but the profitable-sales guarantee would enable the utility to borrow the money to finance the now-stalled construction, according to backers of this scheme, which has captured the fancy of White House economic adviser L. William Seidman.

A rebate plan under which the Treasury would reimburse utilities for the higher costs of fuel arising from President Ford's package of oil tariffs, taxes and price increases. This less-ambitious step wouldn't solve the industry's broader financing troubles, but it would offset a cost burden that some utilities claim could be "crippling."

A NEVER-ENDING LINE

A presidentially ordered study of such utility-aid plans is nearing completion within two weeks, officials say, Mr. Ford's top energy and economic advisers will draw up a final list of options for the President, who will have to decide the issue himself. The decision could be difficult, because both Mr. Ford's key advisers and utility-industry leaders appear divided over the wisdom of any new federal intervention in the power industry.

"If we go down this road, it's a never-ending line," frets one Ford Cabinet member in on the planning. "Maybe we'd have to do the same thing for the airlines or other industries," he worries. But he's not sure whether his philosophical opposition to federal bailouts or the urgings of other officials to do something to shore up the shaky utilities will prove more persuasive to Mr. Ford.

Ironically, the President's own energy policy may tip the scales toward some sort of utility-aid measure. Some officials say the decision may hinge on whether Mr. Ford or Congress wins the struggle over energy policy. If Congress succeeds in blocking the White House oil tariff and tax measures, the utilities' immediate financial bind would be less difficult. But if Mr. Ford wins, oil-burning power companies will be hit with added fuel costs that could prove devastating unless the White House rushes to the rescue.

Utilities are relative newcomers to the federal welfare window. For years, they had little trouble raising all the money they needed. Investors considered them profitable monopolies whose regulated earnings and handsome dividends made their stocks and bonds secure and attractive, even to widows and orphans. Then came the 1970s.

THE MOST CAPITAL-HUNGRY

A succession of problems staggered the industry: soaring costs for coal, oil and other fuels; escalating plant-construction costs; record-high interest rates on borrowed money; safety and mechanical delays and foul-ups with new nuclear plants; heavy new outlays for air and water pollution controls. Though electric utilities have raised rates substantially (22%, on average, during 1974 alone), the slowness of the state rate-approval processes and the growing consumer and political backlash against rising electricity bills have many of them in a bind.

Their deteriorating financial condition has made it hard for many utilities to sell bonds or stock to raise money. Unfortunately for them, utilities are the most capital-hungry industry in the U.S. economy. Their capital needs for plant expansion are estimated in an Edison Electric Institute study at $140 billion for the years 1974 through 1980. About two-thirds of this would have to come from sources outside of the companies' own profits.

Because of their new money woes, utilities have been cutting their plant-expansion plans left and right lately. According to one tally, projects representing more than 60% of the planned nuclear generating capacity and 30% of the non-nuclear capacity were either postponed or canceled by utilities in 1974. Much of the stalled capacity eventually will be built, government specialists say, but the delays in getting such plants in operation could cause power shortages eventually in some areas. Worse yet, they contend the slowdown in nuclear power projects undermines the U.S. drive to reduce imports of costly foreign oil, used to fire boilers in the old plants that the nuclear ones would replace.

Ford administration officials clearly are worried, not only about the long-term repercussions but about more immediate dangers arising from the industry's troubles. All those plant-construction cutbacks are worsening the severe recession in the construction industry and depressing sales of power-plant machinery and supplies. Officials also are closely watching a secret list of the industry's potential Titanics: companies so financially strapped that they're candidates for bankruptcy.

"We have a list of 20 or so companies in varying degrees of financial stress that we're watching," confides the keeper of the list. He won't reveal the companies' names, but the utilities under scrutiny generally are those whose earnings are failing to cover, or are barely covering, interest payments on their debt and preferred dividend requirements. The monitoring is intended to give advance warning of any looming financial crisis that might trigger bankruptcy. Officials fear that kind of confidence-shattering event could send severe shock waves all through today's troubled economy.

The Titanic-list watcher notes that many electric utilities are in sound financial condition. "The problems appear to be somewhat regional," he says. This complicates the decision on whether any federal aid plan is needed. "Why in the world should we develop a policy for the entire industry in order to bail out this or that company?" asks one skeptical Treasury official. Some critics contend the troubled utilities suffer from bad management or poor state regulatory policies—problems that can be solved without federal aid.

Another complicating factor is that the industry itself is divided on whether it wants emergency federal help. Support for the bailout schemes is "fragmented," says one industry source. "There is great concern among the elder statesmen on the industry," he adds, "that they shouldn't let the nose of the government camel under the tent."

But those whose tents are nearly collapsing have abandoned philosophical reflection on the proper federal role in utility affairs. Executives of such concerns as Ohio Edison Co. in Akron and Consumers Power Co. in Jackson, Mich., have openly appealed for a federal bailout.

New federal aid is needed right now "or the nation may soon find itself grappling with these problems while freezing in the dark," contends one of the most outspoken aid-seekers, William G. Rosenberg, chairman of the Michigan Public Service Commission; he wants federal loan guarantees for utilities. The electric companies that Mr. Rosenberg's commission regulates are among the most troubled in the nation. The SOS from Michigan clearly is being heard in the White House by such Michiganders as economic adviser Seidman, not to mention the President.

Mr. Seidman, who seems to favor some utility-aid plan, has been calling attention to the industry's troubles lately. "Most private utilities aren't in good financial shape," he told a Teamsters union conference in Washington last week. More than one-third of them, he said, "aren't in a position to build new plants."

But other officials appear wary. Officials at the Treasury and Council of Economic Advisers aren't eager to launch any bailout scheme. Federal energy officials don't sound enthusiastic but concede some further steps to aid the industry may be needed.

President Ford already has submitted to Congress a number of proposals to improve the long-range health of the utility industry. These include new tax benefits such as an enlarged credit for power-plant outlays and a federally mandated overhaul of state utility regulation, intended to help utilities recover increased costs more fully and more speedily in rate hikes.

But even if Congress passes these long-range measures, some more immediate help may be needed for at least a while, officials concede. "We are looking very hard at additional alternatives" to ease the industry's financing problems, says Eric Zausner, acting deputy director of the Federal Energy Administration. Similarly, a White House economist declares that higher rates are the basic solution to the industry's problems, but "political pressures" won't permit a fast-enough increase. "The question then is what can be done in the interim to get financing in motion and get construction in motion," he says.

Probably the most novel idea under study is a power-purchase guarantee plan. This idea was suggested to the White House recently by former Congressman Craig Hosmer, long a champion of the nuclear power industry. White House adviser Seidman is attracted to the Hosmer scheme because it would both stimulate the sagging economy and support administration energy objectives by spurring immediate construction of stalled nuclear and coal-fired generating plants.

Under the Hosmer plan, the government would contract to buy all the electricity produced by any presently delayed or canceled power plant that a utility puts back on its construction schedule. The theory is that the government's commitment to purchase the power at profitable rates would make it easier for the utility to raise the money for construction. Uncle Sam would resell the power, at cost, to users or utilities depending on oil-fired plants. The scheme is promoted as one that would generate jobs, help cut oil imports and avert power shortages.

Another idea is to establish an RFC-type agency that would become a lender to or stockholder in private utilities. Such a Utility Finance Corp. has been proposed by some industry executives having trouble selling stocks and bonds to ordinary investors. Officials say any such agency would lend or buy stock only under certain conditions, perhaps including promises of future rate hikes that would permit the utility to retire the debt or repurchase the stock held by Uncle Sam. But some officials fear any such plan would smack of government takeover. Furthermore, if an RFC were proposed for utilities, other shaky businesses probably would demand to get equal treatment.

Another plan under study would have the government guarantee utility bonds, which presumably would make them easier to sell and at a lower interest rate. Uncle Sam has guaranteed loans to troubled companies before, as in the case of Lockheed Aircraft Corp. But Treasury officials are opposed to the spread of this practice, which they feel doesn't really solve the industry's basic problems and may make it harder for other borrowers, lacking guarantees, to obtain funds.

The least ambitious step would be for the government to compensate the utilities for higher fuel costs stemming from Mr. Ford's energy proposals. Those costs would be high for many power companies.

Ten New England utilities that have sued to block the Ford-proclaimed oil tariff contend the import fees will cost them an extra $125 million in 1975. The utilities claim in their suit that this will cause "an immediate and critical cash shortage." The effect could be "crippling" because of lags in raising rates, they assert.

The President may be sympathetic to such problems. Just last week, in his trip to Kansas, he disclosed that he's ordered his energy advisers to draft a plan to compensate farmers for their extra fuel costs arising from his program. Some officials worry, though, that this could be a never-ending process because everyone from airline executives to school administrators can make a case for fuel-cost compensation.

LITHUANIA WAS FREE

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ERLENBORN. Mr. Speaker, on January 8, 1917, President Woodrow Wilson sent a message to Congress which electrified the peoples of the world. On that day, Europe had been engaged in a life-or-death struggle for almost 3½ years; and the United States had entered World War I about 9 months earlier.

President Wilson's message included the 14 points on which he proposed that peace might be established.

One of his points was the self-determination of small nations.

Many peoples were encouraged to strive for independence and the first result of this striving was only 39 days in coming. Lithuania, one of the small Baltic countries, became a free and independent nation on February 16, 1918. That was 57 years ago last Sunday, a day which is observed with reverence by people of Lithuanian ancestry who live in the United States.

They might observe February 16 with exuberance, such as we associate with the Fourth of July, except that Lithuanian independence was short-lived. Together with its neighbors on the Baltic Sea, Latvia and Estonia, Lithuania was occupied by the Soviet Union in 1940.

To our credit, we and most of our free world allies have refused to recognize that conquest. Our refusal helps to keep alive the hope that Lithuanian people may one day be free again.

WHAT I REALLY WANT FROM MY CONGRESS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. COHEN. Mr. Speaker, since the Congress began its now-concluded 10-day recess, the Nation has received a variety of grim reports on the health of the economy. Unemployment has climbed to the highest total since the Great Depression. An article in the New York Times has documented cases of actual starvation among our elderly, many of whom are no longer able to make ends meet in inflationary times. And a variety of economists and other experts have predicted a still further deepening of the current recession.

How has the Congress dealt with this situation? In my opinion, it has still not faced up to its responsibility to meet the emergency. Our reaction to the President's proposed levy on imported oil provides a case in point. Early in February, we passed legislation suspending for a period of 90 days President Ford's authority to increase the tax on imported petroleum. Sponsors and supporters of the legislation, who were nearly unanimous that conservation measures of a sort are needed, agreed on this period, which was designed to give Congress time to develop an energy policy of its own. On its face, this represented a wise and responsible approach to the energy problem. Yet the face is deceiving, since the House promptly chose to utilize 10 of its allotted 90 days by taking an effective recess. As we return to the Capitol today, I am sure many of my colleagues will agree that we could have used our time more productively here in Washington.

Sadly, however, our behavior with regard to the Lincoln Day recess is typical of the way the Congress has approached its responsibilities during the current session. Despite the demonstrated severity of our problems, there seems to be little sense of urgency in the Halls of Congress. Political posturing continues to dominate the debate on issues of grave importance. And the congressional recess schedule, which has already been completed for the entire year, reveals that we have allotted ourselves more than 100 days of recess time.

With the abiding commonsense for which they are noted, the American people have sensed far better than many of their leaders that this is no time for politics-as-usual. This sentiment has registered increasingly in my correspondence with constituents, many of whom express befuddlement and dismay that Congress has not devoted itself more diligently to the search for solutions to our pressing economic and energy problems. The issue of congressional responsibility was very forcefully stated in a recent newspaper column by a Maine State senator, Bennett D. Katz, of Augusta. Senator Katz' argument is not original; it is exceptional primarily for the force and eloquence with which he makes it. What is original, I think, is the chord that his remarks have struck with Maine people, many of whom have written me in praise of his position.

Mr. Speaker, there is a message for all Members of the Congress in Senator Katz' article "What I Really Want From My Congress," which appeared in the Maine Sunday Telegram of February 9. In the sincere hope that my colleagues will take time to read and ponder his remarks, I enter a copy of that article in the RECORD at this point:

WHAT I REALLY WANT FROM MY CONGRESS

(By State Senator Bennett Katz)

At a time when we need action so much, I perplex about the wide gulf between our nation's needs and Congressional inaction.

I chafe at the high disparity between campaign rhetoric (in the even years) and legislative output (in the odd years).

Last month I listened for two hours to Sen. Birch Bayh (D-Ind.) as he gave a speech at Bates College. He was good—an accomplished speaker. He used all the proper pauses, the changes in voice speed and inflections.

I cannot recall that he assumed any responsibility for congressional shortcomings, nor did he give one ray of positive hope of the emergence of congressional leadership which might lead to a comprehensive attack on our dreadful problems.

Yet it was Congress which appropriated every blessed dollar to underwrite the cost of our Viet Nam inanity.

It was Congress which created and funded the CIA—and adequate oversight of its clandestine operations is the responsibility of Congress.

It is Congress which makes endless speeches about the evils of tax loopholes, and then goes home to make more speeches—without enacting tax reform.

It is Congress which has the ultimate responsibility through legislation to face up to this energy mess, the need for more conservation and more domestic independence. And it is Congress, and only Congress which can give us the legislative tools to help us emerge from our growing economic ills.

What do I really want from my Congress?

I want fewer news releases on bills introduced, and more headlines on legislation enacted.

I want a 1975 moratorium on personal 1976 presidential ambitions within the Congress, with an increased dedication to effective committee work in Washington.

I want fewer speeches on national health insurance, and, given a legislative miracle, an enacted program laid on the President's desk for his signature.

I want the enactment of an energy package that leads to reduced consumption and increased U.S. energy independence, with a fair sharing of the attendant burdens.

I want sweeping tax reform. Not next year or next session! Not studies! Not speeches about the evils of tax loopholes! I want comprehensive tax reform at least—NOW!

Above all, I want my Congress to stay on the job in Washington. With an extraordinary lack of concern for speedy answers to our nation's needs, I understand that Congress now plans:

1. An 11 day recess in February.
2. A seventeen day Easter recess.
3. A 13 day Memorial Day vacation.
4. A 10 day 4th of July holiday.
5. 34 session-free days during August and September.
6. A 10 day vacation in October.
7. A 10 day vacation for Thanksgiving.
8. A Christmas—year-end break of undetermined duration.

Maine's four men in Congress are Muskie, Hathaway, Cohen and first termer Emery. Collectively and individually, Maine is very well represented. There is every reason to expect that these four talented men will maintain a close and continuing contact with each other, so that Maine's voice will be amplified.

Neither Maine nor the nation needs a Republican program this time—nor a Democratic one. We must have a coalition of Congressional leaders committed to shake off Congress' lamentable moribund performance. Pressing human needs must be translated into congressional action. NOW!

There is too much suffering in the wings to accept less.

DOTTIE COOK, WOMAN IN BUSINESS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. PICKLE. Mr. Speaker, women as high ranking in business as Katherine Graham, Mary Wells, Margaret Scarbrough Wilson, Dorothy Schiff are still novelties by some because they are women. The board rooms and executive desks of this Nation chiefly are still "manned"—by men. This is a fact which is often pointed out these days.

But there is another fact concerning employment for women which does not get pointed out—and that is the tremendous loss of talent, brainpower, and general working ability because our job market is reluctant to provide the flexibility which many women need particularly during the years when a family's children are small. One focal point of this inflexibility is the lack of meaningful part-time jobs.

In my view this is not fair. It is like saying to half the population, "We'll give you the right to 'make it' in the business world, but don't expect us to help out with other responsibilities you may have or to reshape that world one whit to account for your existence." In other words, "You can come to our party, but you have to bring your own cake and bake it yourself, too."

A much better solution to many work needs can be found if both the job and the employee are shaped so that they are compatible with each other.

One young Texan decided to do something about breaking down old fears and inhibitions against providing flexibility in job opportunities. For the past 3 years, Mrs. Dottie Cook has been chopping away at such staid stereotypes as the 40-hour week and the practice of looking only for one person to fill the needs of each job.

Sometimes she has convinced employers that a job can really be handled by a part-time person—or has convinced others that it could be handled by two part-time people filling one job slot. She is in reality providing direction and advice that would be good for every employer to listen to.

I have discovered firsthand that part-time help can be an asset to an office. I have had a part-time secretary-case worker in my district office for over 10 years. In the past several years I have also added a part-time legislative aide and speechwriter as well as part-time secretary to my Washington staff. They are all women, and two of them wanted to work less than full time because they had children at home. I might add that I get full-time service from them, although that was not the motive. They are simply dedicated persons.

I would like at this time to place in the RECORD a recent article from the Washington Post which discusses the challenges and triumphs of Dottie Cook and of other small businesswomen:

[From the Washington Post, Feb. 9, 1975]

BANK, INSURANCE WOES CITED—WOMAN BUSINESS OWNER FACES EXTRA PROBLEMS

(By Claudia Levy)

Rosemary Reed Miller knew she had one of the better ideas.

It wouldn't take too large a showroom to display the kind of bright, "young look" dresses and accessories she had been wholesaling for several years out of an increasingly heavy suitcase.

The independent craftspeople and dressmakers were already producing saleable items and she told the loan consultant at the Small Business Administration office that little start-up capital would be needed.

"The man couldn't even see what I was talking about," said the now-owner of Toast and Strawberries, a popular boutique above Dupont Circle. "He was very conservative and he discouraged me. Last year I grossed $108,000. If I had listened to him, I wouldn't have been in business.

"And in the seven years since then, I've seen a lot go out of business who've had 10 shops."

London School of Economics graduate Gillian Nixon was so put off by the prospect of "astronomical paperwork" and the two-month delay involved in an SBA loan that she didn't even bother to apply. The former manager of the Watergate's Saint Lurant boutique had had offers from private investors interested in her plan for a tennis shop, but as a merchandiser with eight years experience opening other people's shops, she hoped to stay independent.

The loan officer at her bank "spent 10 minutes telling me they didn't lend venture capital. He didn't ask my name at all, but he did bother to ask if I had an account." Eventually she got a loan, but the review process only began after she bitterly pressed her case with a vice president of the bank.

Ms. Nixon's Canal Square store in Georgetown, the Tennis Set, open now since May 1973, has been riding the crest of new interest among women in the sport, she says and she began specializing in clothes while some competitors were stocking mainly equipment. Last Christmas, she said, her best-selling item was a $94 tennis outfit. Sales volume has increased by about 50 per cent.

Miller, Nixon and other women who have recently launched a new Association of Women Business Owners here, see themselves as part of a breed of predominantly young, independent female entrepreneurs who pride themselves in new ways of merchandising, designing services and relating to their colleagues and employees.

As women, they say they share common frustrations in dealing with bankers who lack vision, insurance companies that won't write reasonable disability policies and in the complexities of business twinned with child-raising. As a group, they hope to deal with some of these problems and to refer business to other women.

As entrepreneurs, they face economic pitfalls common to most owners of small businesses including high interest rates, poor initial cash flows and consumer uncertainty.

"Many of us started businesses because we couldn't find a place to work where we could be happy," public relations consultant Anne Banville said. "Most of us have managed to retain in our businesses characteristics that are different than men's . . . Many of us want to make money and be successful but don't always want to go big . . ."

Dottie Cook says she began her employment service, the Job Market, three years ago largely as the result of her own frustrations in trying to find part-time work.

A former personal secretary to Sen. Ralph Yarborough (D-Tex.) who had also worked for a consulting firm, Cook found that "short of being in retail sales or a grocery clerk, employers thought you were laughable. A lot of women are excluded from the employment market because they can't work 40 hours a week."

Her agency, which places mostly secretarial and clerical employees, works to encourage firms to be more flexible with their use of women, she said, and has been able to persuade some to allow women to share a single position or work part time.

The 1970s, she said, is going to be a time of change for work ethics and styles, particularly for women. With community development specialist Denise Cavanaugh, Cook is also a partner in Cook-Cavanaugh, a management consulting service that came into being "because employers were asking more in-depth questions about women in the workforce."

Clients tend to be middle-sized associations, institutions and federal agencies concerned with the legal status of their equal employment opportunity programs, and how to best utilize their staffs, Cavanaugh said.

Susan Eisenberg, who picked up knowledge of bookkeeping and accounting while she worked for two CPAs, also places high value on flexible hours. She began to freelance as a bookkeeper after her third child, now nine, was one-and-a-half. That work evolved into a financial consulting business serving largely professional clients and non-profit groups who need to have financial reporting systems designed for them or to have grants administered.

In the past five years, she said income has more than doubled, with the several employees of her firm sharing profits from about $50,000 a year in revenues.

"Nobody is actually on salary," Eisenberg said. "Everyone is on a percentage of what they bill. It's an incentive program. It kind of seems to me a fair way to do things."

Women in the firm "feel more of a kinship to one another," a feeling she said she perceives in other small, female entrepreneurships. "Employees really aren't employees; they're helping you do a good job. There's very little of that 'You work for me, you're subordinate to me' . . ."

Rosemary Reed Miller, whose husband Paul, former dean of the Howard University Law School, died last summer, Dottie Cook, whose husband is a government economist, and Susan Eisenberg, who was separated from her husband when her children were small, all have had to depend heavily on loyal housekeepers or platoons of babysitters to free them to keep their business going. Unless shared by mates or taken up by outside help, family responsibilities can be overwhelming for a woman starting a full-time business, they said.

And partly for that reason, many women begin their commercial enterprises at home, transferring the work to other facilities later if they were able to swing it.

Census figures for this area, in 1970, figures which do not represent a complete tally of business owners, indicate that there are perhaps 14,000 self-employed women here.

As of that year, however, they appeared to be heavily concentrated in enterprises characteristic of the rest of the nation's businessmen—beauty shops and other personal services, retail stores, and "private educational services."

The association founders, who drew about 50 people to their first meeting last week, hope to spark a national network of progressive business women that can command more government attention and strengthen individual businesses.

"I've always felt women have had to be time-and-a-half better to get ahead in anything," PR consultant Anne Banville said. "All things being equal, I'll give work to a woman."

TAXES TOP INFLATIONARY RISES—AGAIN

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. BAUMAN. Mr. Speaker, an article in the Baltimore Sun for February 10 highlights the great responsibility which the Federal Government must bear for the inflation which afflicts every American. The article, reporting on a study conducted by the staff of the Joint Economic Committee, reports that in 1974, a year of sustained inflation, the one item in an average family's budget which rose most sharply was—you guessed it—taxes.

Different economists estimate 1974's inflation rate, measured by various indices, at anywhere from 10 percent to 15 percent. But during this period, social security taxes rose 21.6 percent and personal income taxes rose 26.5 percent. Surely this is more than a little bit out of line.

When you reflect that inflationary rises in other portions of the average family's budget are also attributable in large measure, either directly or indirectly, to policies of the Federal Government, particularly Congress insistence on deficit spending, it becomes clear just how much of a burden the Government is laying on the working citizens of this country.

The proposed budget for 1976, with the largest peacetime deficit in U.S. history, offers little hope of any relief for the average American. Some of us are wondering, Mr. Speaker, how long the American people will endure what has become, by any reasonable definition, a sustained policy of confiscatory taxation.

The Sun article follows:

TYPICAL FAMILY'S TAX TOPS ALL '74 INFLATIONARY RISES

(By Albert Sehlstedt, Jr.)

WASHINGTON.—For the second year in a row, taxes paid by a typical American family topped all other inflationary increases in its 1974 budget, according to a congressional staff study released yesterday.

While food prices rose nearly 12 per cent and housing more than 13 per cent, the taxes—including state, local and federal—rose by more than 26 per cent.

This is largely due to the fact that the typical family's income rose, pushing it into a higher tax bracket.

These findings are in a survey prepared by Lucy Falcone, an economist on the staff of the Joint Economic Committee of the House and Senate.

"Higher tax payments outstripped all other price increases in the consumer's budget in 1974," the survey report said.

"For the family at an intermediate income level of $14,466, Social Security taxes rose 21.6 percent in 1974, from $647 in 1973 to $787 in 1974. Personal income taxes rose even more—by 26.5 per cent.

The increase in personal income taxes from 1972 to 1973 was 16.9 per cent, Miss Falcone said.

The intermediate budget discussed in the survey is based on Bureau of Labor Statistics hypothetical budgets aimed at measuring consumer's total expenditures in the low, medium and high ranges for families of four living in cities.

While the intermediate budget was used as an example in the staff study, the increases in taxes overshadowed the other cost increases in the lower- and higher-income ranges, too.

The staff study went on to say that inflation had increased the income tax burden on low- and middle-income people more than on wealthy people "because it has reduced the value of the standard deduction and exemptions, and because tax brackets are much narrower at low- and middle-income levels.

"While dollar income rises, the deduction remains the same," it said, and thus taxable income rises faster than dollar income. At higher income levels, the value of itemized deductions is likely to keep better pace with dollar incomes so that taxable income doesn't rise faster than dollar incomes."

The current recession, the committee survey continued, is the first in which the overall tax burden has increased for families and for individuals.

In previous economic downturns, the tax burden declined, which, in itself, stimulated demand among the buying public.

THE SPIRIT OF LITHUANIA

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ARMSTRONG. Mr. Speaker, Sunday, February 16, 1975, marked the 57th anniversary of the founding of the Republic of Lithuania.

This date also commemorates the 760th year since the first attempts at establishing a Lithuanian state in 1215 A.D., and the 724th year since the establishment of the first permanent Lithuanian nation—but since 1940, Lithuanians have not been free.

But the desire for independence has not abated. The struggle against oppression goes on. From 1944 to 1953, more than 20,000 Lithuanians lost their lives in the fight against totalitarianism.

Recently, more than 17,000 Lithuanian Catholics again jeopardized their lives by signing and sending petitions to the United Nations in an attempt to dramatize the lack of religious freedom in Lithuania today.

These attempts are especially meaningful when we consider that Lithuanian is the oldest living language in Europe and that the entire Lithuanian culture has survived despite the efforts of oppressors. What is doubly ironic is that Lithuania was one of the few places in

Europe where education and religious tolerance were practiced during the middle ages.

I join my colleagues in commemorating the long, proud, and distinguished heritage of all Lithuanians—and their unflagging spirit.

SACREDNESS OF HUMAN LIFE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. MAZZOLI. Mr. Speaker, the sacredness of human life cannot be denied, but few of us stop to consider the many ways, conscious and unconscious, in which its value is downgraded.

For those of us who dissent from the Supreme Court's decision of January 22, 1973, which liberalized the conditions under which abortions may be performed, that is only the most obvious.

Others which do not come to mind as readily include a lack of concern for housing, pollution, poverty and related factors which vitally affect the way our citizens live.

The month of February is being observed in the Roman Catholic Archdiocese of Louisville as "Appreciation of Life Month" to draw our attention to this situation.

I recommend to my colleagues an editorial from the archdiocesan newspaper, the Record, which explores the problem and should give us pause to think:

SACREDNESS OF HUMAN LIFE TOLERATES NO INDECISION

Our observance of February as "Appreciation of Human Life" month in the Archdiocese may well be the most significant and penetrating project we, as the Church of Louisville, engage in during 1975. Most significant because it demands that we answer the question: "Is human life sacred?" Penetrating because our answer will affect our other actions.

If we should answer "No" to the question, then for us nothing else will be sacred either. Remove the fundamental sacredness, that of life, and the rest of the structure collapses.

Yet, many in our culture seem to be subscribing to a belief in the sanctity of only *some* human life and the right of one human to decide the fate of another human. The Supreme Court "approved" this negative attitude toward human life when on January 22, 1973, it broke from the Judeo-Christian tradition upon which our country is founded and declared that the life of the unborn is not protected by the U.S. Constitution. Archbishop Thomas J. McDonough reminds us in his pastoral letter, "Appreciation of Human Life." Jan. 23, 1975:

"The Court's action has eroded respect for human life and has encouraged a climate of social permissiveness that has led to an unmerciful increase in the number of abortions in the United States."

With unwanted children out of the way, voices are now being raised "to end the horrible suffering of the aged;" in the name of mercy, make euthanasia legal. Meanwhile we shut away the deformed where we don't have to see them or work with them; we fail to provide the mentally retarded with schools where many could be taught to take care of themselves and even to help others. And simultaneously we note that several states recently have established a mandatory death penalty for certain crimes. The unborn, the aged, the mentally retarded, the prisoner—let's relieve society of persons who are not "fully human."

If, on the other hand, we answer "Yes, human life is sacred," then we are challenged, as Archbishop McDonough stated in his pastoral:

"Admittedly, there are many undue hardships today which militate against the full development of a human life: The high rate of unemployment, the constant rise in the cost of living, divorce, drug addiction, exploitation of the Nation's resources, racism, unacceptable family housing, hunger, and the meager income or support of many of the aged, the handicapped, and neglected children. All of these conditions debase human dignity and constitute a challenge to our respect for human life."

We have the opportunity, especially during the next few weeks, to meet this challenge as a community, hopefully gaining support and encouragement on the parish level. Ways suggested include prayer, study of the Church's teaching on the issues, and appropriate action. We might begin by asking ourselves if our actions reflect a "no" or a "yes" to the question, "Is life sacred?"

A few to get us started:

What is my contribution to the exploitation of the nation's resources? to air-pollution? Am I working to lessen my racial and/or cultural prejudices? How concerned am I that in Jefferson County alone the planning commission found over 24,000 housing units which need rehabilitation? (Add several thousand more to cover the other counties in the Archdiocese.)

Am I petitioning for food stamps to be made more available for the poor and elderly, or do I agree that this program must be cut in order to help the country recover from its economic ills? Do I give assistance to or direct the unwed mother to someone who can help her, or am I pushing her into an abortion? What has been my reaction to the massive hunger problem, both in our own country and in other areas of the world?

Our everyday actions and attitudes do reflect the answer to the basic question, "Is human life sacred?" February is a good and important time to strengthen our participation in "our surpassing ministry of safeguarding life." (Second Vatican Council)

". . . I have set before you life and death, blessing and cursing: therefore choose life; that both thou and thy seed may live; that thou mayest love the Lord thy God, and that thou mayest obey His voice, and that thou mayest cleave unto Him; For He is thy life and the length of thy days." (Deuteronomy 30:19–20)

WORLD WAR I VETS DESERVE BETTER BREAK

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SKUBITZ. Mr. Speaker, I am today introducing a bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued because of increases in monthly social security benefits.

Mr. Speaker, I know of no group of veterans that have been so badly treated as the veterans of World War I. Most of them now are beyond 70 years of age and, under existing law, each time a social security benefit is granted to them, their veterans benefits are reduced. This just does not make sense. I am hopeful that the Veterans' Affairs Committee will give immediate consideration to this legislation and do justice to those who fought and gave their all for their country during World War I. I might add that unless the committee does take steps to right this wrong, I will break my longstanding policy and sign a discharge petition to force the legislation from the committee.

SELF-GOVERNMENT FOR LITHUANIA

HON. MILLICENT FENWICK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Ms. FENWICK. Mr. Speaker, February 16 marked the 57th anniversary of the Republic of Lithuania. On that day in 1918, the brave people of Lithuania threw off the yoke of foreign rule under which they had suffered since 1795. The Lithuanian people have been well acquainted with self-government, however. Following the establishment of a unified Lithuanian state in the 14th century, the country became one of the great forces for freedom in the Baltic region. The Lithuanians also courageously sought ties with Western Europe during the Middle Ages—a time throughout Europe of retrenchment and isolation of ideas and people. One historian, Dr. Clarence Manning, has described the important role of Lithuania during the Middle Ages:

The Lithuanians had established a powerful and independent state in Europe during the Middle Ages. They were able to check the German drive to the east for centuries. They protected Europe against the Mongols and the Tatars. They furnished a power and a government behind which the Eastern Slavs could live in peace and safety with a freedom that was unknown in Muscovite Russia. They blessed their subjects with more human freedoms than in the neighboring countries. They encouraged education and toleration, and they played their part in the general development of European civilization.

In 1795, czarist Russia annexed Lithuania. The people made many heroic attempts to free themselves, but each time failed. Following a revolt in 1831, a concerted policy of russification was begun. Still, Lithuanians remained faithful to their language and culture throughout the repressive decades of the 19th century.

With the restoration of independence in 1918, the Lithuanian Republic extracted a pledge from the Soviet Union that it would renounce forever all rights of sovereignty over Lithuania. The treaty stated, in part:

In conformity with the right declared by the Russian Soviet Federated Socialist Republic that all peoples have the right to free self-determination, including the right of full secession from the State of which they were a part, Russia recognizes without any reserve the sovereignty and independence of the State of Lithuania with all juridical consequences resulting from such recognition, and voluntarily and forever renounces all sovereign rights possessed by Russia over the Lithuanian people and territory. The fact that Lithuania was ever under Russian sovereignty does not place the Lithuanian people and their territory under any obligation to Russia.

During the interwar period, Lithuania was admitted to the League of Nations, adopted a constitution which guaranteed freedom of speech, assembly, religion and communication. Industrialization, agriculture and education all advanced under the independent Lithuanian Government.

Unfortunately, German and Russian aggression in World War II suffocated these freedoms. In 1940, Russian occupied Lithuania, held a phony election and incorporated Lithuania into the U.S.S.R.

Since then, Mr. Speaker, we have heard little from Lithuania. Soviet control has been complete over news and immigration. Like her sister Baltic states of Estonia and Latvia, Lithuania has had its sovereignty violated and its freedom suppressed by the Soviet Union. Their domination has been carried even farther than that of other Eastern European nations, for they have been incorporated into the Soviet Union. This tyranny to which the Baltic states fell victim is not in any way compatible with the freedoms on which the American Republic is based.

Mr. Speaker, on this anniversary of the founding of the Republic of Lithuania, it is important that we recall the achievements of this proud people. We should also remember that in the past they survived concerted attempts to eliminate the Lithuanian language and culture. I have no doubt that they will one day again achieve self-government. This should be one of the goals of our discussions of détente with the Soviet Union.

RETURNABLE BEVERAGE CONTAINER ACT OF 1975

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. JEFFORDS. Mr. Speaker, today several colleagues and I are introducing the Returnable Beverage Container Act of 1975.

Over the past 2 decades, no-deposit, no-return containers have come to symbolize the wasteful tendencies of Americans. They are an obvious blight on this Nation's landscape. Legislation banning nonreturnable bottles and cans has often been viewed as a means of cleaning up and beautifying America's roadsides and recreation areas. This, I believe, is a worthy goal, and particularly appropriate as this country's 200th birthday approaches.

But elimination of litter is not the reason for introducing this bill, which would require a 5-cent deposit on each beverage container distributed in the United States.

One of the biggest issues now facing the Congress is conservation of energy and other resources. Many proposals are under serious consideration, some of which would require significant sacrifices by the American people. It is ironic that in a time when our basic heating and transportation needs are being threatened, we continue to allow a substantial drain on energy and other precious resources brought about by the use of throwaway containers. Shifting back to the use of refillable beverage bottles would cause, at worst, a minor inconvenience. Yet the savings would be very great.

It has been reliably estimated that the energy savings would be the equivalent of 150,000 to 279,000 barrels of oil each day. This is not enough to meet the conservation goals set down by President Ford and by several leaders of this Chamber, but it would be a very meaningful step toward those goals. In addition, each year this Nation would save millions of tons of aluminum, steel, and glass. Space would be saved in sanitary landfills, an important consideration in many parts of the country. New jobs would be created, and beverage prices would likely go down; I need not remind you of the importance of these objectives in this time of inflation and recession.

The best information I have been able to compile supports my contention that all these benefits would be attained. I must admit, however, that there is much conflicting information on the subject of nonreturnable containers. Therefore, Mr. Speaker, I feel it is vitally important that congressional hearings be held on this matter, to sort out the facts. Unless we have a hearing, bad and conflicting information will continue to circulate, and legislation which potentially could bring about great benefits to this Nation may die.

I feel it is highly appropriate that the five sponsors of this bill are from the States of Oregon, South Dakota, and Vermont. These are the three States which already have container deposit laws. Our States have encountered some difficulties in attempting to go it alone. In Vermont, for example, some of our merchants near the State border have lost business to their counterparts in neighboring States. And, because of the small scale of our efforts, the great savings of energy and other resources which would be prompted by a Federal law have not been realized by our individual States.

Yet, Mr. Speaker, we, as representatives of those three States, have been convinced of the desirability, and indeed the necessity of this legislation. We and our constituents are proud of the container deposit laws our States have enacted. We know we have chosen the right path, despite the difficulty of pursuing it alone. Rather than giving up, the legislatures of both Oregon and Vermont are now struggling with methods of improving and strengthening their deposit laws.

Mr. Speaker, legislation similar to this has been discussed before in this Chamber, and in many other jurisdictions throughout the Nation. It is my strong belief that with adequate hearings and thorough consideration, this Congress will follow the example set by the States of Oregon, South Dakota, and my home State of Vermont. Deposit legislation at the Federal level is an idea whose time has come.

RAILROAD AID IGNORES BASIC PROBLEMS

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. GRADISON. Mr. Speaker, this is the third time since 1970 we have been presented with a request for emergency funds from Penn Central, and each time the request increases. After spending $82 million of the $85 million appropriated in 1973, their request is now $197 million in additional grants alone, not to mention $150 million extra for loans. The basic problem with these additional requests is that they fail to strike at the heart of the problem; they merely carry Penn Central over into the next crisis. By granting these funds, Congress fails to provide an incentive to get a real solution. Indeed, we are discouraging a solution because we foster a mentality within the industry that the Government will pay all the bills. The denial of a 7-percent rate increase for Penn Central by the ICC is a good indication of that mentality. That rate hike should be put into effect immediately so that Penn Central users pay a portion of their increased costs themselves, not the taxpayers alone.

I believe that Penn Central should not be allowed to cease operation. The effect of such a shutdown would be injurious to an already-shaken economy. Such an action would be unfair to the industries which depend on rail transportation.

However, it is apparent that Penn Central has grown increasingly dependent upon the Government for assistance. This dependence has stifled innovation and encouraged a "crisis" mentality. Such emergency funds fail to attack the basic problems which confront these railroads.

Actually, the poor financial condition of Penn Central is impairing the future of ability of ConRail, the new Government-backed corporation, to survive.

It appears that Penn Central will be forced to use the loans provided in this authorization for operating expenses instead of improvements in their facilities for ConRail's use. Therefore, ConRail will be starting out behind schedule and without much-needed renovations of track and station facilities. Additional Federal funds will be sought as the answer, and the Government will continue to pour money into a deteriorating railroad system. There is no assurance that Penn Central will not be back in October asking for more funds. It appears to be a bottomless pit.

While I have every hope that ConRail will be successful in reorganizing the rail system in the Northeast, it is my belief that it begins with a number of deficiencies carried over from Penn Central, including the same management. ConRail will also have no opportunity to cut costs because of an agreement that provides for payment of full salary until age 65 to all workers with 5 years of experience if they are laid off. Because of these factors and the debt they will assume for loans to maintain and improve the facilities of the bankrupt line, I believe that other viable alternatives should be examined.

One alternative is the sale of lines to profitable railroads which wish to expand their services. There has been considerable interest by such companies as Southern Railway, the Santa Fe, and Norfolk and Western in major portions of Penn Central lines. This alternative would maintain service on these lines and join them to profitable, well-run organizations.

Towards this goal, I have written a letter to the U.S.R.A. requesting that they allow the Southern to acquire Penn Central's line between Cincinnati and Indianapolis. Such a sale would save the use of taxpayer funds to rehabilitate and operate the line. I believe that such acquisitions will be both more economical and efficient in providing and maintaining service and in decreasing the level of Federal subsidies to ConRail.

GRAVE PROBLEMS OF AMERICAN ECONOMY

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McHUGH. Mr. Speaker, many of us in Congress are deeply concerned with the way in which the present administration is approaching the grave problems in relation to our economy. Without doubt, a well-defined sense of leadership must be demonstrated by the President in dealing with the economy. Mr. Speaker, I would like to include in the RECORD an article that was written on this subject by Mr. Art Sugarman, editor of the Republican Watchman News from Monticello, N.Y., which is a town in my district.

THE WATCHMAN ON HIS ROUNDS

(By Art Sugarman)

For one American, I'm fed up with every elected, appointed or anointed expert getting on the boob tube and telling me I have to give up my grand lifestyle; that the world that I knew up until an oil boycott a year ago has come to an end. There isn't a leader in sight who says to me, "Art, pull in your belt for a while and tough it out. Then things will be better than ever." Nope, they only go around wringing their hands and proposing retrogressive steps.

For instance, if our unelected President wanted to be a leader, he might have got up in front of the nation this week and said: "Fellow Americans, we cannot any longer allow the assets of our nation which took us 200 years to hack out and build to the richest best-living enclave in the history of this globe, leave us in a flood tide of excessively priced fossil fuel. We don't want this country owned and controlled lock, stock and barrel by some people wearing bedsheets. Even if they're not the Ku Klux Klan."

The Stars and Stripes would run up and down our spine if Jerry Ford said further: "Americans, our Yankee ingenuity for solving our problem calls for leadership. From this moment on, every imported barrel of oil will be taxed $3.00. From this moment on, we're gonna take that revenue and start building government owned and operated nuclear power plants. We'll sell the power at cost to our utilities to pass along to you. And we'll stop using oil to burn our lights, turn our factories and heat our homes. In a couple of years, let the Arabs boil in their own oil, because Americans will be independent from the Barbary Pirates."

Instead, of course, President Ford proposes cutting income taxes and taking that pocket-money right back, plus more, in added fuel prices. The underlying illness remains while we're being Flim-Flammed by a sugar-coated aspirin dispenser in Washington.

Or my leader might have said: "I learned in the last World War that a convoy sails at the speed of the slowest ship. But this point of time calls for a new formula. We are a nation of energetic, resourceful and vibrant people who, shown the direction we want, will forge our way. We've done it to the Moon and to the Planets. We'll get out of this bind. Everybody who wants part of this action, take one step forward."

He could have continued: "I know that there are some low-income, elderly and even some underprivileged young who cannot survive our present crisis of inflation-recession. The rest of us will take care of them, better than ever. If they cannot join the Crusade to rebuild America's pride and leadership, the rest of us will do it for them. We will not desert our less fortunate comrades." And boost welfare, Social Security, etc., to an adequate level!

Maybe our experts ought concentrate on the positive, too. We worry about polluting the air, despoiling the sea and about the huge list of endangered animals. Hell, can't you see the important point is you and me are on top of the Endangered Species list?

It bugs me to hear the other day the Torch of Freedom on the Statue of Liberty was darkened a few hours by an electrical failure . . . It bugs me to hear Russia now has in place massive missiles that dwarf ours, outfitted with MIRV warheads—multi-targetted missiles. And in the same newscast hear that the next round of SALT talks are now scheduled to talk about arms limitations. Seems like the Russians stole a march on us.

It bugs me to hear our Secretary of State Henry Kissinger being condemned for being "warlike" in truthfully answering an interviewer that America might consider using military intervention to save us, under extreme circumstances, from economic strangulations. What do we have one of the world's strongest, most expensive and extensive muscles for? To lose our way of life?

It took a Canadian disk jockey to compile a list of how great America has been. And put to song, it was a hit record in America. I know that it's no longer good taste to wave the American flag. And, brother, that bugs me the most!

If you agree, don't send a letter to the editor. Maybe send this, or your own thoughts, to Jerry Ford, or your Senator, Representative or Governor. Maybe you can bug them.

FOOD STAMPS AND GAS RATIONING

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SYMMS. Mr. Speaker, we have all been hearing about the problems with the Federal food stamp program and the many abuses that are occurring. Columnist John Lofton, Jr., has made an excellent commentary on this subject and I think my colleagues should have it brought to their attention.

Also, Mr. Lofton, in a separate article, discusses Melvin Laird's proposals for strict gasoline rationing. His comments on this matter are quite timely. The two columns follow:

[From the Rocky Mountain News, Jan. 16, 1975]

UNCLE SAM DOESN'T EVEN KNOW WHO IS GETTING FOOD STAMPS

(By John D. Lofton, Jr.)

In all the howls of outrage that have greeted President Ford's rather modest proposal to save $325 million this year by slightly increasing the cost of food stamps, the truly outrageous thing about this program has been totally ignored.

And that is, every year the American taxpayer is ripped off to the tune of several hundred million dollars in food stamps by people who are not needy and, despite the fact that this is known, the Department of Agriculture has taken no steps to find out exactly who and how many people are doing the ripping off.

Typical of those who have denounced the President for proposing that the average food stamp recipients spend an extra 8 percent of their monthly income on stamps, is Sen. Hubert Humphrey.

The Minnesota Democrat says Ford's plan "makes the entire food stamp program a cruel hoax." But there is evidence that much of the program could already be characterized as a hoax.

In an interview with Royal Shipp, director of the Department of Agriculture's Food Stamp Division, I was astounded to learn that it is not known precisely who is getting food stamps.

"You do not know exactly who is getting food stamps?" I asked incredulously. "That's right, we don't," Shipp replied, explaining that the states administer the $4-billion-a-year program to 15 million people. He said one of the concerns of the federal government is not to impose "onerous" requirements on state welfare agencies.

"An audit is onerous?" I ask, again incredulously. No, No, he responded. They have that kind of information. "But not on a national basis. We do not know the characteristics of those getting stamps. That would be a difficult thing to require," he maintains, although he says it could be done administratively without congressional action.

"A national survey would be costly. We just haven't done it here. We just haven't felt this was required."

When I asked Shipp what percentage of those getting food stamps are not really needy, he says there are no national figures on this. When I press him, he says that he suspects the figure is comparable to the Aid for Families with Dependent Children welfare program. This means an ineligibility rate of about 10 per cent, which would amount to about $400 million a year in food stamps going to nonneedy people.

Isn't it appalling that the federal government is doling out so much of the taxpayer's money for food stamps, yet there is no precise accounting of where it's going, I ask? Shouldn't we have some idea in round figures, like say to the nearest hundred million bucks?

Shipp laughs nervously, sighs, and says he thinks I'm being "a little unfair" since "these are not easy questions to deal with."

He says this is something they're working very hard to correct and in a few months there will be some data published on the subject. He explains it's just not something "we've dealt with yet."

Not dealt with yet! How long has the food stamp program been in existence? I ask. Over 10 years, he says. To my way of thinking some sort of quality control should have been in the program from the beginning, I suggest.

"Well, okay, that's one thing you can say," he says, "but in fact it just came in

1972, when there was concern over the rapid growth of the program."

The Federal food stamp program has become a fiscal monstrosity and a budgetary nightmare. When President Kennedy launched the program as an experiment in 1961, it cost $860,000 and involved fewer than 50,000 people in six test areas.

Now, Rep. Martha Griffiths, D-Mich., whose joint economic subcommittee has investigated the program, says the cost could hit $10 billion a year in two or three years, and 60 million people could become eligible for food stamps.

Sen. Humphrey and others in the Congress who have criticized President Ford's food stamp proposal say they are concerned about food being taken from the mouths of the poor and the elderly.

If they really mean this, they should stop running their mouths and do something to find out who the nonneedy are that are getting the hundreds of millions of dollars annually in food stamps. Then they should put a stop to it.

If they do this, Humphrey and his friends would be performing a real service to both the poor and the needy, and those of us who may soon find ourselves in this category if something is not done soon about out-of-control, government-give-away boondoggles like the food stamp program.

[From the Nashville Banner, Jan. 6, 1974]

SO MEL LAIRD URGES GAS RATIONING

(By John D. Lofton, Jr.)

WASHINGTON.—Opening this month's *Reader's Digest* and seeing an article by Melvin Laird calling for mandatory, federal gas rationing, I felt the same sort of shock I would feel if I turned on the TV and saw a commercial urging me to buy an Edsel. Both are ideas whose time I thought had long since passed.

In his shoddily written, poorly thought out and internally inconsistent piece, the *Digest's* counselor for national and international affairs says rationing is needed despite the fact that it is "completely unattractive," entails "a further surrender of our personal freedom to bureaucracy" and is "inefficient and can never be entirely fair."

The problem, as Laird sees it, is that because our wasteful habits are so ingrained, it is unrealistic to expect Americans to voluntarily cut down on fuel consumption. The former secretary of defense believes only rationing can provide such guarantees. Therefore, he favors giving the President the power to slash oil imports by 50 per cent and the power to enforce savings that will guarantee enough oil for essential national purposes.

Mr. Laird says it is his recollection that gas rationing "did work" in World War II—because the American people understood the crisis and patriotically made it succeed.

Declaring "it's time to end the rhetoric," Laird indulges in some of his own stating his belief that "we have the strength of character and will to temper our consumption until we achieve self-sufficiency in energy."

Now, there are so many things to be said in rebuttal to the advocacy of gas rationing that one hardly knows where to begin. First, there's Laird's rhetoric. He couldn't possibly believe in the strength of character and will of the American people to limit gas usage or he wouldn't be calling for federal laws forcing people to do this. This sort of double-talk is reminiscent of Rep. Edward Hebert's remark that the only way to get a voluntary army is to draft it.

Secondly, Laird seems to be suffering from selective amnesia as regards the workability of World War II rationing. A 1947 Office of Price Administration (OPA) study reveals a record of bureaucratic bungling, dishonesty and organized crime activity.

The OPA needed between 5,000 and 6,000 investigators just to control the black market and during the first six months of 1946, 50,000 violations of the rationing rules were discovered. The report says that because of the "unevenness of compliance and enforcement" the good will of the public was eroded.

It is important to keep in mind here that the aforementioned mess occurred when there were only 23 million cars in the United States and there was a heightened sense of cooperation created by the patriotic fervor caused by a wartime situation.

Now, however, there are 100 million autos and a sizeable portion of the American people don't even believe there is an energy crisis. In addition, all public opinion polls show a majority of Americans opposing mandatory gas rationing.

Melvin Laird is also wrong when he says rationing is the only way to guarantee the limitation of fuel consumption. Another way is to let the free market determine the price and the allocation.

A compelling case for this course of action is made by Dr. Edward Mitchell, director of the American Enterprise Institute's National Energy Project, a project chaired, ironically, by one Melvin Laird.

Dr. Edwards, a professor of economics at the University of Michigan, believes fuel conservation can be achieved far more efficiently and equitably by using the price system and the market.

"One negative thing you'll get from rationing," he points out, "is the same thing as early last year when the federal government was allocating crude oil, and that is allocation on largely a political basis—who comes down to Washington and does the most effective lobbying. This is the same way gas would end up being allocated."

Dr. Edwards also cringes at the thought of once again allowing a government bureaucracy to make choices for individual motorists. Noting that the government's crude oil allocation program last year was itself a rationing program, Edwards says that the data we now have shows that "during the Arab oil embargo we had a hell of a lot less oil available in some areas of the country mainly because of the government-run allocation system."

It is Edwards' guess that "almost half" of the gas problems during the embargo was due to the Federal Energy Office, not the Arabs. "They should share the blame about equally," he says.

In another *Reader's Digest* article, in June of 1974, Melvin Laird defended the use of the Presidential veto as "the sole Constitutional power a President has to prevent hasty or ill-considered laws."

Indeed it is. And this is exactly the power President Ford should use if the Congress is foolish enough to send him any gas rationing.

THE DAIRY FARMERS' COST-PRICE SQUEEZE

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. KASTEN. Mr. Speaker, I wish to take this opportunity to introduce a bill which provides for increasing the support price of manufacturing milk to not less than 90 percent of the parity price of milk, to become effective upon enactment of the bill and to remain in effect through March 1, 1977. In addition, this bill provides for quarterly adjustments of the support price to reflect any change in the index of prices paid by farmers for production items.

This legislation is currently of the utmost importance because the dairy industry during the past 2 years has experienced a devastating cost-price squeeze. The milk-feed ratio—the number of pounds of concentrate feed ration equal in value to 1 pound of whole milk—has gone from a 5-year average prior to 1973 of 1.7 to a low 1.1 in August 1974.

This devastating cost-price squeeze is not only threatening the viability of dairy farmers, it is endangering the future of this Nation's milk supply. Major reductions of dairy herds and cow numbers have already occurred. This has resulted in reduced milk production—down about 1 percent from 1973.

Recent reports from farmers with respect to specific prices they have been paying for some of their production items involved in dairying are alarming. For example, from September 1972, 1 ton of 16 percent feed increased by 111 percent—from $71.80 to $134.25. Alfalfa seed increased from $76 per hundredweight to $181, an increase of 138 percent. Ammonia nitrate increased from $59 per ton to $199, a 222-percent increase. Phosphate has increased by 146 percent; potash by 81 percent; gasoline by 49 percent; fuel oil by 87 percent; antifreeze by 300 percent; bailing wire by 102 percent; wire fencing by 90 percent; wood posts by 238 percent; and baler twine by 282 percent. Nearly all costs have increased, and there is little likelihood that any production item prices will decline in the near future.

In spite of this continuous increase in prices paid by farmers for production items, the average price of milk at the farm as of January 15, 1975, was about 6.8 percent below the January 1974 average price.

Farmers cannot be expected to continue to produce at a loss. Unless some remedial action is taken soon, the Nation's milk supply will be threatened. We can import powdered milk and cheese, but there is no practical way to import fresh milk in quantities needed in the United States at any price.

The current level of imports of dairy products has been a major price depressing factor at the farm level, while affording no benefits to consumers. It should also be noted that many of these products have moved into the United States under subsidies of foreign governments resulting in unfair competition for the farmers of America.

Dairy imports for the period January-September 1974, totaled 2.3 billion pounds milk equivalent, up from 1.3 billion pounds a year earlier. Almost all of this increase occurred during the first quarter of the year, when an increase in the import quota for cheddar cheese was authorized. Since then, imports have slackened to a more normal rate, but are still above year earlier levels.

Mr. Speaker, few if any farm commodities are more widely used and more widely produced than milk. Virtually every family in the United States is a consumer of milk and our current milk supply is produced on more than 260,000 commercial dairy farms throughout the Nation. For many years cash receipts from the sale of dairy products have been the second largest source of farm cash receipts, second only to the sale of meat animals. However, in 1973, dairy products ranked third among all other agricultural products in the value of farm cash receipts, exceeded only by meat animals and soybeans. In 1973, farm cash receipts from the sale of dairy products totaled $8.1 billion, and accounted for more than 9 percent of the total value of all farm products sold. These data clearly indicate the importance of the dairy industry to the farm economy and to the economy of the entire Nation.

Mr. Speaker, a healthy, viable dairy industry is essential to this Nation's general welfare. This legislation is necessary to assure continuous and adequate production of milk and to provide reasonable returns to producers. It is also critical that immediate action be taken. Once our dairy herds are liquidated, it will be years before full production can again be restored.

COMMEMORATION OF LITHUANIAN INDEPENDENCE—AGAIN

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HAMMERSCHMIDT. Mr. Speaker, it is perhaps less difficult to be courageous and expressive in a society which encourages its people to vocalize and indicate the extent to which they cherish freedom and liberty.

Although even in a free society, its people must be always alert and watchful in safeguarding those freedoms, it takes a very special sense of courage to continue the struggle for human and religious freedom when none exists.

And, so it is with the people of Lithuania, whose independence as a nation became nonexistent 22 years ago in 1940, when the Soviet Union invaded and absorbed the Baltic States of Estonia, Latvia, and Lithuania.

On February 16, Americans of Lithuanian descent once again commemorated the anniversary of the establishment of the Republic of Lithuania, 57 years ago on February 16, 1918. Each year, the entire American Nation joins with them on this occasion, to indicate to the people of Lithuania that they are not forgotten nor invisible.

America has not been silent throughout these 22 years, since Soviet occupation of Lithuania. The United States has consistently maintained its policy of nonrecognition of the Communist regimes in Estonia, Latvia, and Lithuania. And, through a proper sense of recognition, we have reaffirmed our awareness of their struggle and of our commitment to them.

We have witnessed several visible examples of the courage and determination of the Lithuanians and have caught a glimpse of the frightening nature of their struggle. There is the well-publicized defection of the Lithuanian sailor, Simas Kudirka, who leaped aboard an American Coast Guard vessel in 1970.

The petition of thousands of Lithuanian Catholics to the Secretary General of the United Nations. And, the imprisonment of countless Russian and Lithuanian dissidents seeking religious freedom. It is incredible to think that these things are taking place in 1975, in modern times, before the eyes of the world.

Can there be a more fitting or proper course for the conduct of American-Soviet détente than to focus our efforts and attention on the plight of the Lithuanian people?

Also, with so much attention being given to the questionable accomplishments and the future of the United Nations, it would seem to me that the U.S. Congress and the President should actively pursue the focusing of world attention on the situation in Lithuania, through the global body. Such would be an earnest test of its effectiveness and a meaningful challenge to its commitment, as outlined in the U.N. Charter. I cannot imagine a more appropriate question before the United Nations than that of the status of the Baltic States.

Mr. Speaker, the undaunted spirit and the determination of the people of Lithuania have somehow filtered through the iron wall of Soviet domination. By commemorating the occasion of their former independence as a nation, hopefully, the support and encouragement of the American people will permeate that iron wall and will clearly indicate to the Lithuanian people that they are being seen and heard, clearly and loudly, by a nation which remembers.

OFFICE OF TOXIC SUBSTANCES DIRECTOR'S SPEECH

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ECKHARDT. Mr. Speaker, I am entering in the Record an excerpt from a speech by Mr. Glenn Schweitzer, Director of the Office of Toxic Substances within the Environmental Protection Agency. This January 29 speech given before the Synthetic, Organic, and Chemical Manufacturers Association succinctly lists the areas of major concern in drafting toxic substances legislation. He has correctly stated that the Congress will begin work soon on a toxic substances bill. As a member of the Interstate and Foreign Commerce Committee's Subcommittee on Consumer Protection and Finance, I intend to introduce such a bill.

The excerpt is as follows:

The Need for Toxic Substances Legislation

Beginning in 1971, the Administration and Congress have attempted to gain enactment of the Toxic Substances Control Act, and it seems almost certain that these efforts will be revived within this Congress. This legislation has often been described as "front-end" legislation designed to prevent problems rather than simply providing a reaction after chemical contaminants have caused severe environmental or health damage. Also, preventive action early in the life of a chemical could minimize the economic disruptions attendant to corrective actions. Another welcome aspect of this legislation is its explicit call for a more deliberate balancing of risks and benefits prior to Governmental regulatory intervention in commercial activities. Finally, the legislation provides the basis for assessment of the entire life cycle of problem chemicals in determining how best to ameliorate the problems. Too often under existing legislative authority, we focus on the manifestation of the problem which is regulatable under existing authorities rather than on those aspects that are at the root of the problem.

The proposed legislation would give EPA new authority for (a) information acquisition on commercial chemicals, and (b) regulatory actions on chemicals not now subject to regulation under other authorities. EPA could require testing of chemicals which are suspected to pose unreasonable risks and also require other information from manufacturers including the name of the substance, chemical formula, amounts produced, uses, and known by-products. Confidential information would, of course, be respected. When shown to be necessary, and only then, EPA could restrict the use and distribution of chemicals that pose unreasonable risks.

While the final version of the legislation may influence the choice of the initial EPA activities in carrying out the provisions of the law, it seems clear that the following areas should be high on the agenda for early attention:

Elaboration and articulation of the criteria or sets of criteria to be used in weighing risks versus benefits, and in determining when regulatory action is needed. Clear understanding by both industry and Government of the ground rules for restrictions seems essential.

Determination of the character and scope of initial testing requirement and identification of specific chemicals or classes of chemicals of particular immediate concern. While the selection of substances to be covered by the standards for test protocols that are initially promulgated will in large measure reflect near-term judgments of experts concerning likely hazards and inadequacy of current data, concurrent work is needed to provide a better basis over the longer term for selecting areas of concern.

Development of regulations setting forth timing, coverage, content, and format of the reporting requirements for chemical manufacturers and processors, including both annual reporting and premarket notification.

Establishment of a data system for handling the industrial reports and test results that are submitted. Experience in the pesticide area, for example, underscores the importance of early attention to establishing efficient and decision oriented procedures if large numbers of reports are to be useful in assessing problems in a systematic fashion.

While we are uncertain as to the precise course of Congressional action concerning this legislation, we anticipate that toxic substances bills will be reintroduced in both the House and the Senate within the next few weeks. I suspect that they will be generally along the lines of the Conference Committee Working Print which was prepared in December in an effort to bring closer together differing Senate and House positions in several key areas. However, additional modifications will undoubtedly be incorporated by each chamber. Presumably another round of hearings will be held during the spring, and it will not be surprising if the legislation is again referred to a Conference Committee by summer.

Our understanding is that both environmental and labor groups will be pressing vigorously for early enactment of legislation. These groups have definite views as to some of the provisions of such legislation. With regard to industry you are in a better position than am I to predict the position that will be taken by different segments of industry.

While the Administration has been clearly on record as strongly supporting this type of legislation in the past, the current position on the legislation is still being formulated.

DEFICIT SPENDING AND CONSUMER PROTECTION AGENCY

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. SYMMS. Mr. Speaker, Gov. Ronald Reagan has once again articulated the positions of commonsense political thinking in two recent columns concerning deficit spending and the proposed Consumer Protection Agency. I must emphasize that those of us who believe in the principles of personal and economic freedom are fortunate to have Governor Reagan as a spokesman since he is one of the few prominent men on the national scene with an understanding of the free market, limited government, profit-and-loss system in which we should be striving to protect. What American citizens need today is freedom from what? Freedom from too much Government of course.

Three cheers for Ronald Reagan and his insight.

The articles follow:

"PUMP PRIMING" BOUND TO FUEL INFLATION

(By Ronald Reagan)

It is clear from the President's State of the Union message and his tax proposals that preceded it that he has decided not to tackle head-on the powerful groups that have a vested interest in Big Government and deficit spending.

While his tax cut proposals will—at first—be welcome news to many Americans, and may provide a genuine psychological lift to public opinion regarding the economy, I fear there will be a heavy price to pay some months later when the resulting federal deficits steal those tax cuts back through renewed inflation.

Though he did call on Congress to put a moratorium on all new spending programs (except for domestic energy production), he did not insist upon cuts in the existing and proposed federal budgets. This amounts to a sharp retreat from his pledge of last August for a balanced budget by 1976.

In fact, the result of the newly proposed program will be a deficit of some $30 billion this fiscal year and $45 billion in 1975–76. Given the past track record of federal forecasting, the final figures could end up much higher.

It has taken the experience of the average American family in a few recent months to prove that the Keynesian theory that inflation-begets-prosperity is bankrupt. Today it begs recession.

Unaccompanied by federal spending cuts, the President's tax proposals rest on the assumption that you and your neighbors will use the money to go out and buy refrigerators, automobiles and other products. If everyone does, production and employment go up, at least temporarily.

Certainly, putting money into the pockets of those who earned it cannot be faulted. But there is no certainty that, after the frightening inflation of the last few months, people will want to do anything other than hide it under a mattress or in a safe deposit box.

In 1972, the economy was sluggish. The Administration's response was to persuade the Federal Reserve Board to loosen the money supply and thus credit. That produced what looked like instant prosperity, but its real result more than a year later was greatly aggravated inflation. Memories are short.

It was this inflation that brought on today's recession. "Pump priming," in the form of tax cuts without spending cuts, will only bring on steeper inflation a few months from now.

A major cause of inflation is the government spending more money than it takes in. Already, we, the taxpayers, are paying more than $30 billion a year in interest on the national debt. To the extent that it pays interest, the government has less to spend on defense and domestic programs.

Bankrupt though it is (and a private business in similar condition would be so declared), the federal government will keep on running by going into competition with businesses and individuals for the limited amount of capital available in order to pay its bills.

Ultimately you, the consumer, will pay for it in the increased prices you'll pay. That's inflation.

Two basic remedies to this problem were missing from the President's message. First, he should ask Congress to curb the spending appetite of the programs of vested interests, such as those of the educationists, hospital builders (we have a surplus of beds), city and state grants, foundation grants and subsidies to various businesses and industries. It is time to gore some sacred oxen.

Second, he should insist that we "index" individual income tax rates by tying them to the cost-of-living index so when you receive a pay raise (to cope with inflation) you aren't robbed of it automatically by being thrown into a higher tax bracket as a result.

CONSUMER PROTECTION AGENCY ACT KEEPS POPPING UP

(By Ronald Reagan)

When you were young, did you ever have the experience of trying to carry a basket of kittens? One would pop its head up and try to crawl over the side of the basket, and while you were pushing him back down another would pop up on the other side of the basket. Soon, there were more heads than you had hands.

Proposed government programs can be like that. Legislation is introduced in Congress by those who think all answers must come from government. When the worst of it is defeated, we have a tendency to relax and think, "Well, that's that."

Just like those kittens' heads, though, the bills keep popping up until they're passed.

Take the so-called Consumer Protection Agency Act. Had it passed last year, it would have resulted in the creation of a big, new federal bureau, with the power to supersede all other government agencies, plus the power to take records and trade secrets from businesses large and small and make them public.

The bill drew strong opposition on Capitol Hill from those who fear Big Brother government and who resent the self-styled "consumerists" promoting the notion that people are too dumb to buy a box of corn flakes without being cheated, but are smart enough to choose protectors in government to run their lives for them. The professional consumerists are, in reality, elitists who think they know better than you do what's good for you.

They fought hard for this bill, accusing opponents of being against any kind of consumer protection, which, of course wasn't true.

The bill's opponents decided to filibuster it. The filibuster is a parliamentary tradition in the U.S. Senate. It's the process of taking and holding the floor for debate until you've talked a bill to death.

Traditionally, those on the other side may try three times to vote for "cloture"—that is, to cut off debate and end the filibuster. But in the case of the Consumer Protection Agency Act, cloture had to be beaten back not three, but four times.

Don't start a celebration, though. Like the basket of kittens, this one will pop up again soon, maybe under a new title, or even as an amendment to some necessary piece of legislation that everyone supports.

It's a shame Congress will have to go round and round again over this nonsense—and the bill was nonsense. Worse, it was as big a threat to our free economy as anything that's been proposed.

Congress has the authority to change policies governing the practices of federal departments and agencies which have responsibility for protecting consumers. If there are shortcomings in those agencies, Congress can correct them. To create a competing, over lapping new agency instead is just plain irresponsible.

Take an analogy: If you owned a store and found that one of its departments was below par, you would consider changing management policy, personnel or prices, but you certainly wouldn't try to solve the problem by opening a store across the street to compete with yourself.

Yet that's what the promoters of the Consumer Protection Agency would have Congress do.

You should keep pen and paper handy to write your congressman, because it will soon be time again to push the kittens back in the basket.

TWO HUNDRED MILE FISHING ZONE

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. TREEN. Mr. Speaker, today I have introduced a resolution disapproving of the President's proposal to defer spending under the Commercial Fisheries Research and Development Act of 1964 and the Anadromous Fish Act of 1965. These acts are the cornerstone of State-Federal cooperation in the field of fisheries management, cooperation which will become increasingly important as the proposed 200-mile fisheries zone comes closer to reality.

Whether we obtain a 200-mile fisheries zone by unilateral declaration, as passed by the Senate last December, or by successful negotiation of the U.S. position at future Law of the Sea conferences, the agencies of the United States will have increased responsibilities for the management of the Nation's fisheries resources beyond the zone of State control. We cannot expect a 200-mile limit to be effective or beneficial unless the National Marine Fisheries Service and the Coast

Guard have the benefit of competent research in the numbers and characteristics of the fisheries in the Federal zone. I submit Congress was wise in 1964 and 1965 when it chose to utilize the State's years of experience in managing fisheries to produce the research that ultimately the Federal Government will need.

Mr. Speaker, I recognize the need for cutting the Federal budget and have consistently supported responsible reductions of that budget. But I cannot support the reduction of outlays for State research in this vital area, by what amounts to 20 percent of proposed expenditures for the second half of this fiscal year, until the President and NOAA demonstrate to Congress that Federal employees can do this needed research at less expense than the States.

I am placing in the RECORD at this point a letter dated January 28, 1975, which I received from Irwin M. Alperin, executive director of the Atlantic States Marine Fisheries Commission, regarding this $600,000 proposed deferral. Mr. Alperin echoes the sentiments expressed at last week's meeting of the State Fish and Wildlife directors here in Washington by Joe Colson of the Gulf States Marine Fisheries Commission and John Harville of the Pacific Marine Fisheries Commission and fisheries commission directors from almost every State.

The letter follows:

ATLANTIC STATES MARINE
FISHERIES COMMISSION,
Washington, D.C., January 28, 1975.

Hon. DAVID C. TREEN,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. TREEN: In his November 26 Special Message to the Congress on Budget Recissions and Deferrals, the President proposed two actions which are extremely damaging to the best interests of the fisheries of this nation and to the efforts of our coastal States to effectively conserve and support those fisheries. On behalf of the 15 Atlantic Coast States comprising the Atlantic States Marine Fisheries Commission, I respectfully request your active support for a Congressional override of the President's proposal to defer $600,000 in federal grant-in-aid funds, and to rescind $500,000 earmarked for implementation of the Eastland Resolution (S. Con. Res. 11).

The President's recommendation to defer expenditure of $600,000 in federal grant-in-aid funding for fisheries conservation, research, and management in our States[1] seriously threatens the continuity and viability of long-term projects which have been Congressionally mandated under the Anadromous Fish Conservation Act and the Commercial Fisheries Research and Development Act. While the cuts proposed appear to be only at the 10–11% level ($600,000 out of $5.8 million), they have a real impact in excess of 20%, since they would be imposed after the fiscal year is half complete, and therefore would necessarily be absrobed entirely in the six months remaining. For our Atlantic Coast States, these drastic cuts in long-term projects will require such drastic and irreversible acts as cutting personnel, terminating ongoing research and development projects, or other major curtailments in fisheries conservation and management programs.

HARBINGER OF SPRING

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ROSENTHAL. Mr. Speaker, the recent heavy snowfall in my district in Queens, N.Y., has turned to slush, and winter is still very much in the air, but the first breath of spring is blowing up from the South.

In only 2 more days, the denizens of one of the most famous landmarks in my district, Shea Stadium, and the other boys of summer begin reporting to their respective training camps as the 1975 baseball season opens.

Both of New York's baseball teams, the National League Mets and the American League Yankees, are calling Shea Stadium home this season. I am proud to point out that Queens County and the Eighth Congressional District are indeed big league.

I am today inserting in the RECORD a story of the joys of spring training. It is written by Ed Hurley, a distinguished native of my home county of Queens, and it appeared in the February 2, 1975, New York Sunday News.

It was Ed Hurley's book "The Last Poor Man," that helped highlight the need for campaign expenditure reform. In early 1972, Mr. Hurley called national attention to the series of events that finally caused the downfall of the Nixon administration.

Today, however, I am inserting a story of a much lighter vein:

HOW TO BE SAFE AT HOME AND STILL BE OUT ON VACATION

(By Ed Hurley)

A vacation trip to a big-league baseball spring-training camp is likely to rejuvenate the boy in any man. Regular-season baseball remains, dollar for dollar, one of the nation's few remaining inexpensive entertainment values. A spring-training trip can be even more a rewarding experience.

Attendance at exhibition games at the 17 Florida training sites have increased in recent years as dollar-conscious vacationers rediscovered that baseball and sunshine still go hand-in-hand.

Many snowbound, bored-with-winter easterners, especially those with school-age sons, plan a week or so in Florida to coincide with the mid-year recess and the grapefruit league's exhibition schedule.

SEE 'EM UP CLOSE

What an opportunity to view the season's budding prospects and famous veterans close up. The ballparks are small, the seats close to the playing field—and the prices are right.

The Mets, for example, playing at St. Petersburg, long a haven for retired New Yorkers, charge from 75 cents to $2.50. Most clubs' admissions are in this range.

The exhibition season opens March 7 but the players begin reporting to their respective camps Feb. 21. Fans are more than welcome to view pre-exhibition workouts free of charge.

Manager Bill Virdon and his Yankees will again be in Fort Lauderdale on the ocean side of the Sunshine State. Their prices for the exhibition season have been raised this spring to a $4 top. They still have 3,000 bleacher seats available at $1.

Perhaps the multimillion-dollar contract awarded free agent Jim (Catfish) Hunter dented the fabled Yankee bankroll?

HUNTER THE BIG GUN

Hunter figures to be baseball's biggest training-camp attraction. The Yankees and the Fort Lauderdale town fathers are anticipating increased tourist trade. The Yanks, running second to the Mets in Shea Stadium attendance, would love to top the Metsies' spring-training gate total.

Yankee spokesman Marty Appel says it is much more than an intra-city attendance rivalry. Florida towns playing host to big-league franchises depend to varying degrees on the teams for public tax dollars and a considerable amount of private industry revenue.

Matt Winick of the Mets' public relations office points out that his club brings about 300 people (players, coaches, team brass, etc.) to St. Pete during February and March. This means additional housing, meals, recreation and tax money for the area. The club maintains two ballparks. Payson Field is employed for pre-exhibition season drills (no admission charged) and Al Lang Field is shared for home games with the St. Louis Cardinals.

It is the fans' almost active participation that makes modern-day spring training such a delightful experience for the vacationing sports buff. What adult American male, at some brief stage of youth, didn't dream of wearing a major league uniform? What dad doesn't see his son wearing the same suit?

In either Florida or the southwest desert where seven other major league teams train, the players are truly within reach. At Vero Beach, where the Los Angeles Dodgers train, the players and spectators actually walk together over a little wooden bridge from the field to the parking lots after games.

COME ON BY, FOLKS

Charlie Blaney, director of Dodgertown, the official name of the club's huge spring-training plant, also welcomes the public to his base. The Dodgers have been training at Vero Beach since their gloried days in Brooklyn. Many holidaying New Yorkers—especially those over 40—make a Vero Beach game an annual must on their Florida schedules.

A father and his heirs may stroll around the grandstand barriers watching superstar Johnny Bench prep at Tampa for another campaign for the Cincinnati Reds or motor over to Lakeland and listen to manager Ralph Houk install that "Yankee Spirit" into his aging Detroit Tigers.

It isn't reasonable, of course, to hound players battling for those coveted roster spots. In most instances, players do react kindly to fan attention. Professional athletes generally realize it is the fan dollar that produces their six-figure incomes and national fame.

STAY WITH THE PLAYERS

It is also possible to register at—or visit—the public motels used by the ball clubs during their six-week stay. Some of the established stars like the Mets' Tom Seaver, Wayne Garrett and Jerry Grote prefer to rent apartments for their families. All the players are quite visible during the training grind.

Whether it be the Montreal Expos' base in Daytona Beach or the Chicago White Sox at Sarasota (once the Boston Red Sox camp), the thrill remains the same. There they are—real, live major leaguers.

You can watch them in pepper games, actually hear them chatter, joke, laugh and battle for those precious 25 regular season jobs. Of course, if this isn't all that thrilling to you, the weather is almost always a winner.

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[1] Federal Register 39 (235) Dec. 5, 1974: 42626

And if you can't recall your own younger days of yearning for a major league tryout, that boy in the family will remember a day or two with 1975 ball players all season back home.

CANCER OF POLLUTION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. BROWN of California. Mr. Speaker, the public concern about cancer has been reflected in the Federal commitment for cancer research, and in numerous other efforts in cancer detection, prevention and cure. There has been similar concern demonstrated over pollution and its effects on the environment, as well as the health of people.

What has received too little attention is the relationship between pollution and cancer. Because of our failure to adequately research this question, it was unknown until recently that many cancers are caused by the pollution that is spewed from our modern, industrial processes. The cure for cancer may be the effective control of pollutants.

Mr. Speaker, it is inappropriate for me to elaborate further on this issue at this time. It is only beginning to be thoroughly investigated, and it is better for the issue to be explored before the appropriate committees. I expect to hold hearings on this subject before the Subcommittee on Environment and the Atmosphere of the Committee on Science and Technology. My intent today is to alert my colleagues to this important issue, and ask that you consider the ramifications of any policy which might allow such deadly pollution to continue to be released.

I would like to insert a brief article from the February 16 Washington Post which describes the preliminary findings of our best scientists.

The article follows:

Cancer Pollution Link Is Seen

(By Peter J. Bernstein)

Painstaking detective work by medical researchers is producing mounting evidence that environmental impurities in man's habitat are the primary cause of most cancer.

Based on recent findings at a number of laboratories across the country, researchers at the National Cancer Institute estimate that 60 to 90 per cent of all human cancers are caused by environmental factors—from ultraviolet rays to plastics and pesticides.

The results show that while researchers have made some progress in developing a cure for certain forms of cancer, the most promising advances have been in prevention and early detection.

Using computers to analyze mortality data, NCI researchers have pinpointed cancer "hotspots" in industrial areas of the northeast from Boston to Washington and certain riverfront cities in the Midwest and South from Chicago to New Orleans. They are pressing the Environmental Protection Agency to place tight limits on the use of chemicals thought to cause cancer.

Most of the discoveries center on human exposure to these chemicals. Tests in different parts of the country reveal that man-made carcinogens escape into the air Americans breathe, the water they drink and the food they eat.

Last year an estimated 355,000 Americans died of some form of cancer, compared to 350,000 in 1973.

Researchers at NCI headquarters in Bethesda increasingly are turning to modern technology in an effort to unlock the secrets of cancer. Analyzing death certificates for a 20-year period from 1950 to 1969 with computers, they found that the most prevalent forms of cancer tend to occur in regions of the country were carcinogenic chemicals seem most pervasive—the so-called "hotspots."

Computed according to age, race and sex, cancer rates turned out to be highest among adult white males. The incidence during those years was highest among white men, cancer specialists believe, because they tended to have factory jobs during the 1930s and 1940s, when their first exposure to cancer-causing chemicals may have occurred.

Dr. Martin Schneiderman, associate director for field studies and statistics at NCI, organized the computer work. Schneiderman said there usually is a latency period of 20 to 30 years between the first exposure to a carniogenic chemical and apperance of malignancies.

"We strongly suspect there is an interaction between industrial exposure and smoking," he said. "Certain groups of workers are contracting cancer at a rate many times that of the population at large."

"Society has largely ignored the problems of delayed, irreversible effects of chemicals—swept it under the rug," said David Rall, director of the National Institute of Environmental Health Sciences. "We are still terribly uncertain about the risk these chemicals entail for the population in general and for individual members of the population. There is still no clear way of determining this risk."

Umberto Saffioti, associate director for carcinogenesis at NCI, estimates that of the nearly 2 million chemicals known, no more than 6,000 have been tested to determine whether they cause cancer. Of those, he believes, only half have been tested adequately. About 1,000 have shown some sign of being carcinogenic.

The NCI, working mainly through outside laboratories, manages to screen about 200 chemicals a year, but there is no way to screen new chemicals before they become part of industrial processes and escape into the environment. In fact, federal regulators have no way of knowing which new substances created each year will be used in industry.

Cancer specialists point out with considerable concern that the long latency period between the first exposure to a dangerous chemical and the occurrence of irreversible disease means that it may be several decades before the nation has a true understanding of what some new chemicals have done to public health.

"I don't think we should wait for absolute proof that some of these chemicals cause cancer before restricting their use," said Dr. John R. Goldsmith, an environmental cancer specialist in the California Health Department. "It may be years before we know what these chemicals will do. We should minimize their use now."

Goldsmith, who is on loan this year to NCI, believes that some carcinogens should be banned.

"There is no evidence of any so-called 'safe levels' for carcinogens," Goldsmith said. "But for practical purposes, the number of major carcinogens is not infinite—there are about 20 or 25—and there ought to be tight regulations on their use. People should not be exposed to cancer-causing chemicals like asbestos, benzidine, arsenic, heavy metals such as chromates, and the radiation emitters."

Already, biologists have found two possible cancer-causing agents in the blood of New Orleans residents who drink Mississippi River water. That has raised concern among some scientists that chlorination of a city's water supply chemically alters organic pollutants in the water, changing them into carcinogens. However, Environmental Protection Agency officials taking part in the study are known to be less concerned about the effects of chlorination than chemical contamination from sources such as oil spills and industry.

Their concern over the impact of the petrochemical industry would appear to be borne out by a recent NCI survey of bladder cancer. According to Schneiderman, the 1950-1969 mortality rates showed abnormally high incidence of bladder cancer in heavily-industrialized areas, particularly such refinery centers as Newark, Chicago, St. Louis and New Orleans.

The highest bladder cancer rate turned up in Salem County, N.J., which is across the Delaware River from the giant petrochemical complex in Wilmington, one of the nation's oldest.

This spring NCI hopes to provide state health authorities with maps showing hotspots for different types of cancer on a county-by-county basis.

"We hope to stimulate people in local areas to investigate just what's going on," Schneiderman said. "They may be able to discover chemicals or other sources of cancer that we don't know about."

Meanwhile, NCI researchers are examining the case histories of people who have died from different types of cancer to find out where they lived and worked, their smoking and nutrition habits.

But it's a laborious job, even with the help of computers. Right now, there is only a staff of three professionals—a statistician, a physician and a computer expert—doing the work.

The shortage of money for cancer prevention at NCI and other major research institutions dismays researchers, who point out that after 25 years and several billion dollars spent on laboratory research for cures, survival rates for the most common types of cancer—those accounting for some 80 per cent of all cases—are almost unchanged.

Critics of the national cancer program blame the administration for failing to come to grips with problems caused by cancer-causing chemicals. Rather than increase the staff of the National Institute for Occupational Health and Safety, the administration trimmed it from an authorized level of 1,100 people to 660. Research funds also have been cut back at EPA and the National Institute for Environmental Health Sciences.

Cancer researchers are urging lawmakers to pass a toxic substances bill that would empower EPA to set up a system of premarket screening of new chemicals.

A HISTORICAL PERSPECTIVE

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. HYDE. Mr. Speaker, under the leave to extend my remarks in the Record, I include the following column by Mr. Michael Kilian of the Chicago Tribune which I feel does much to place into historical perspective the issues which confront our great Nation. Mr. Kilian's widely read columns always exemplify the adage "many a truth is said in jest." His finely honed sense of journalistic humor usually conveys political wisdom, and this is particularly true of his January 26 column. So that my colleagues might share this wisdom I am pleased to include the following:

[From the Chicago Tribune, Jan. 26, 1975]

CEASE THE LAMENT AND HANG IN THERE

(By Michael Kilian)

One of the advantages of having been born during the Depression is the knowledge that the world was not created in 1946.

This knowledge seems to have eluded a young Washington columnist of my acquaintance [doubtless created in 1946 himself], who in these pages last week wrung his hands in sorrowful lamentation over the decline of the once-great United States.

He said that as a small child he was told by his mother about the greatness of the United States—how it had the best system of government in the world and would always win out. He looked to Presidents Truman, Eisenhower, Kennedy, Johnson, and Nixon as "straight and tall" champions of the American system.

But now, he's crushed. The not-so "straight and tall" Nixon was caught lying and breaking the law. The Arabs have the arm on us and "once mighty Detroit has been humbled." We failed in Viet Nam and our dominance abroad is slipping everywhere. Our new leader is full of doubts. Oh, gloom. Oh, doom.

"Is the system of government the best?" he asked. "What is the man to tell the child?"

Before he says one word to the little scamper, he ought to fetch himself a history book—one that starts before the year 1946.

He'd find that "straight and tall" Presidents have always been a myth. Washington bought land in Pennsylvania and then tried to get the government to build roads and canals to it. Lincoln allowed speculators and profiteers to run amok, while jailing newspaper editors. The backroom buddies of Grant and Harding stuffed their pockets with millions. The White House has been occupied by a succession of drunkards, fools, schemers, buffoons, philanderers, scoundrels, and third-rate hacks from Missouri.

We gasp at such infringements as Watergate, the plumbers, and CIA domestic spying. Lincoln suspended habeas corpus. In 1917, if you got up on a box and denounced President Wilson, you'd get fingered by the American Protective League and hauled off to the slammer. Socialism wasn't merely suspect then; it was criminal.

The Arabs aren't the first to put the arm on us. We've gotten the same treatment from the British, the French, the Germans, the Canadians, Barbary Coast pirates, Mexican bandits, and the United Nations.

Viet Nam isn't our first military failure. We lost the War of 1812. We made asses of ourselves in the Punitive Expedition. We won "the war to end all wars," dictated the peace terms, created the League of Nations, and all of Europe went to hell almost instantly.

"Mighty Detroit" has been humbled with great regularity—some six times since 1946. In the 1930s, all of American industry was humbled. The financial community went berserk on 1869's "Black Friday." The whole country did the same thing during the panics of 1873, 1884, and 1907.

Ours has been a history of riots, plagues, famines, assassinations, lynching, scandals, sectionalism, segregation, fiscal disasters, and nincompoopish leadership.

But the point is, here we still are. As can be said of few other countries and no other democracy, we are governing ourselves in the same manner as we did nearly 200 years ago. Leaders have come and gone with constitutional regularity and [discounting the bedlam of the national conventions] in a consistently orderly and democratic manner.

Despite all our troubles, we enjoy more liberty and a higher standard of living than any other country in the world—more than we ever have before.

What the man should tell the child is "Hang in there."

Or, if it were my kid: "Shut up and eat your steak or I won't let you have the keys to the snowmobile."

COLLISION OR COALITION?

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. RIEGLE. Mr. Speaker, Mr. Vic Gold has written a thoughtful news column which mentions our colleague HENRY REUSS. I insert it for the interest of my colleagues:

[From the Washington Star-News, Feb. 8, 1975]

COLLISION OR COALITION?

(By Vic Gold)

Having given lip service to the principle of placing national ahead of partisan political interest, both President Ford and his Democratic congressional opposition appear hell-bent on conducting an executive-legislative civil war leading up to the 1976 election.

Indeed, if the first month of 1975 is a guide to what lies ahead, we seem to be in for the most bitter period of partisan relations between White House and Capitol Hill since Harry Truman and the 80th Congress did battle in the late 1940s.

Of course, Ford, as his staff is given to pointing out at the drop of a veto, sees himself and his political fortunes in the Truman mold. That was the spirit in which the President carried on his fight to elect Republicans during last year's congressional campaign, the results of which, obviously, rolled off him like water off a plastic football helmet.

How else to explain why, less than a month after the convening of the new 94th Congress, Ford has announced his intention to take his case "to the country" in yet another series of speaking engagements?

For its part, Ford's Democratic opposition views current events from a more distant historical perspective. They see the incumbent in the Oval Office not as Harry Truman after the 1946 election, but as Herbert Hoover following the Democrats' capture of Congress during the economic crisis of 1930.

Hoover's every effort to enlist Democratic support on behalf of his administration's proposals to fight the depression was spurned by a congressional majority looking to the presidential election of 1932.

Since the 94th Congress has a plethora of would-be chief executives, the Ford-Hoover parallel has at least that much going for it. Our Republican President's constant state of campaign fever is more than matched at the other end of Pennsylvania Avenue, where an overwhelming Democratic majority sees two years of government-by-collision working in favor of their party's nominee in 1976.

One exception, however, would seem to be Representative Henry Reuss, D.-Wis., the newly selected chairman of the Banking and Currency Committee. Though a liberal Democrat, with all that implies in terms of opposition to White House policy, Reuss nevertheless believes his fellow party members in Congress should forego the political luxury of "sniping at administration failures and shoulder some of the responsibility for making economic policy, and making it work."

Toward that end, the Wisconsin lawmaker has been plugging for a bipartisan White House-congressional coalition to deal with economic and energy problems from now until the election.

Citing Franklin Roosevelt's appointment of Republicans to his wartime Cabinet as a precedent, Reuss has urged that Ford recognize the realities of our current state of divided government by inviting Democrats to take key Cabinet positions in his administration.

To be sure, Reuss concedes, "coalition" would mean that the Republican White House relinquished "undiluted control over economic policy." But given the results of the last election, Ford's "control" in any case is hardly commensurate with his responsibility; whereas his congressional opposition, as has been noted here, enjoys the best of all political worlds: power without responsibility.

Thus, if the Reuss proposal had no other attraction than to make the Democratic opposition put their political futures where their mouths are, it would be worth Gerald Ford's (1) calling off his upcoming roadshow and; (2) calling in Mike Mansfield and Carl Albert for any Cabinet recommendations they might care to make.

EXCESSIVE REGULATIONS COST CONSUMERS BILLIONS

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ARMSTRONG. Mr. Speaker, anticompetitive legislation and regulations are costing consumers billions of dollars a year. The Federal Government's heavyhanded interference with competition is hamstringing the Nation's efforts to curb inflation.

Let me cite a few examples:

The Federal Power Commission recently turned down an oil company seeking approval to supply 6 trillion cubic feet of natural gas to American consumers at 52 cents per thousand cubic feet. So consumers in Eastern States continue to buy natural gas from Algeria, among other places, at rates up to $1.86.

Air travel regulated by Federal authorities sometimes costs twice as much as unregulated—intrastate—airlines. Between San Diego and Los Angeles the difference is $21.64 versus $11.40; between San Antonio and Dallas the federally regulated airline costs $31.37, the unregulated airline $25, $15 after 7 p.m.

When Congress jumped on the pollution bandwagon, it paid little attention to the inflationary costs. It is estimated that industry will spend more than $127 billion between 1972 and 1976, additional costs which must be passed to consumers.

Although I support environmental cleanup efforts, I worry that many of the EPA standards for pollution control have not been carefully considered and may be needlessly expensive.

Restrictive rate policies of the Interstate Commerce Commission add $5 billion per year in excess freight rates, according to a recent economic study. Although paid by shippers, the ultimate costs are passed on to consumers. Some examples:

The Southern Railroad invested $13 million in jumbo grain cars and planned to reduce freight rates by 60 percent. But the ICC vetoed the rate decrease. It took 4 years in court, 17,000 pages of sworn testimony to reverse the arbitrary ICC decision.

The ICC also caused higher electric power rates in several areas of the country by refusing to let railroads use lower rates on so-called unit trains carrying coal for utilities.

When Federal courts declared frozen foods and chickens to be exempt from ICC controls, freight charges dropped 20 to 30 percent, and have stayed lower.

At a time when energy prices have skyrocketed and contributed enormously to inflation, Congress has passed one of the most blatantly protectionist pieces of legislation ever to come through Congress. H.R. 8193 requires at least 30 percent of U.S. oil imports be shipped to the United States in U.S. ships, increasing the cost by 10 percent and taking $20 to $30 billion from the pockets of Americans in the next few years.

Regulatory overkill by the FDA is another example of increased costs added to the burden of inflation borne by American families. I have just received a press release from FDA praising their own efforts to investigate the poisonous nature of such deadly food additives as sugar, salt, pepper, et cetera.

These are just a few of many, many instances of Federal interference in free competition which results in more inflation and hardship for American families.

It is time for Congress to eliminate these practices.

Examples I have cited are not isolated instances. They are a part of an overall pattern of excessive Government regulation. The U.S. economy, which was once a model of freedom and productivity, has become regulation and subsidy-ridden. Our economic system is growing steadily less efficient and less productive due in large part to this kind of illogical governmental action.

It is up to Congress to show some leadership in reversing this trend as one major step toward curbing inflationary prices before it is too late.

YOUTH CAMP SAFETY LEGISLATION

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. ZEFERETTI. Mr. Speaker, every summer approximately 10 million American youngsters troop off to summer camp. However, millions of parents who have made financial sacrifices to guarantee such an opportunity to their children, send them off totally unaware that no uniform standard exists governing the safety of these children while away from home. These parents, many of them in my own congressional district, believe their children will be protected by trained counselors and will live securely in safe, sanitary surroundings. Regrettably, they are unaware of the following facts: 45 States have no regulations whatsoever applicable to camp personnel; 17 States have no regulations pertaining to program safety; 24 States have no regulations concerning personal health, first aid and medical services; 45 States have no regulations applicable to out-of-camp trips and primitive outpost camping; and 35 States do not regulate day camping.

In other words, the overwhelming majority of those children we happily send off for summer camp are at the mercy of the weaknesses possessed by the people they are handed over to for supervision. To be sure, the overwhelming majority of camp operators are scrupulously honest people who feel a real sense of responsibility to their charges. However, as in all areas of endeavor, there is a small minority who approach their task with less than total scrupulousness. The results are often tragic in the latter situation.

Last year, HEW issued a report on these consequences. A total of 7,800 camps were queried. Less than half responded. Those who did answer the Government questionnaire noted that in 1 year, 25 deaths, 1,223 serious illnesses and 1,448 injuries were associated with camping. These are shameful statistics for our country.

Now many parents around the Nation are making choices for the coming summer season. Innumerable choices will be made, not on the basis of substantial knowledge of what safety the camp offers, but on the basis of hearsay or promotional literature.

I do not advocate massive Federal intervention. Ordinarily, such regulation is the proper province of the individual States. However, only seven States have acted in a substantive manner. For this reason, I have joined in sponsorship of the Youth Camp Safety Act, one of the more overdue pieces of legislation introduced in this Congress.

Under its provisions, minimal Federal safety standards would be established. HEW would provide aid to individual States for setting up and maintaining their own safety standards and programs. Standards would be effective in those States lacking adequate plans. Due process, hearing procedures, and court appeal are also provided for in the measure.

Although my home State of New York is one of the seven jurisdictions which have comprehensive safety laws governing these camps, hundreds of thousands of children from our State attend camps in areas where no standards at all exist. As a result, they are as much at risk as children from areas which lack any regulations whatsoever.

There are Federal laws regulating and protecting animals used in research. We have innumerable laws on the statute books protecting wildlife. Yet we have no law protecting 10 million American youngsters in these camps. I believe the situation speaks for itself, and requires initiative on the part of Congress.

Our colleague, DOMINICK DANIELS of New Jersey, has pioneered in this legislative area, mainly because he took the trouble to listen to what has happened to some children. Others of us have become convinced by pleas, and I am privileged to join in this effort.

This is supposed to be an action-oriented Congress. We are here to do rather than to mark time. It is my hope that this measure will receive the earliest consideration by the full House.

FUSION RESEARCH MUST NOT BE BUDGET LIMITED—PROPOSED INCREASES FOR FISCAL YEAR 1976 FUSION BUDGET

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. McCORMACK. Mr. Speaker, the Joint Committee on Atomic Energy yesterday held its first authorization hearing on this Nation's—fiscal year 1976—controlled thermonuclear research—fusion—program. As you know, nuclear fusion is the process that provides the almost infinite energy of the sun and the stars.

Although it has never been specifically enunciated, I think most of us in Congress agree that this Nation should establish as a policy the goal of harnessing the fusion processes as a source of energy production at the earliest feasible moment. Then we can look forward to providing unlimited quantities of clean, cheap energy forever, not only for this country but for all mankind.

Responsible experts estimate that this Nation can have a fusion electric demonstration power plant on the line during the period between 1995 and the year 2000. One fact that is universally recognized, however, is that this will not be possible unless we provide massive support for the program, including a heavy emphasis on materials and engineering studies, starting at once.

The past 3 years have been the most productive in the history of controlled thermonuclear research, and certainly we are now operating on a new plateau—one which we have dreamed of and sought for more than 20 years. Now, for the first time, we are in a position to move forward with a much more aggressive research and development program; and now we can, with considerable confidence, predict success. However, success alone in a fusion electric program is not enough. The potential benefits are so fantastic that we must have fusion electricity as soon as we can. Therefore, our national policy should be that the fusion program should never be delayed because of inadequate funding to do what can be done—that is, the fusion research, development and demonstration program must never be budget limited.

Unfortunately, this is exactly what has happened in the preparation of the administration's fiscal year 1976 budget. The administration has cut below the level of spending which is scientifically justified if we intend to bring the reality of fusion electric power at the earliest feasible date. The cuts in the administration's proposed budget for fiscal 1976, although they are not large, could cost us an entire year in getting fusion electricity on the line.

I have followed the fusion program closely for several years. I am well aware of the many difficult technical problems that must and can be overcome in the near future. These problems include a better understanding of the details of plasma physics; the development of superconducting magnet technology; the development of neutral beam heating to achieve the 100,000,000° temperatures needed for fusion; the development of materials that can efficiently and reliably withstand high energy-high density neutron fluxes; and the development of power conversion technologies tailored especially to the fusion energy source.

I have analyzed the administration's fiscal year 1976 budget request for the fusion power research and development program, and I believe that all parts of the request should be increased by the Congress.

The most important feature of the fusion budget request is a new, very large fusion facility called the Tokamak Fusion Test Reactor, which is to be built at the Princeton Plasma Physics Laboratory in Princeton, N.J. The purposes of this machine are to establish detailed plasma physics scaling laws at reactor sizes; to burn the fuels of fusion—deuterium and tritium—for the first time on a regular basis, thus producing reactor level power densities and as much energy from fusion as was required to produce the 100,000,000° plasma. In addition, this very large system will permit the performance of a number of major engineering studies not heretofore possible. The total cost of this machine is estimated to be $215 million, which I believe is an accurate estimate, in large part because the machine is designed relatively conservatively to utilize established technologies.

The administration has requested only partial authorization for this machine, which provides $7.5 million to begin design and initiate procurement of some selected materials—copper and steel. I believe that the Tokamak Fusion Test Reactor should be fully authorized by the Congress at a total estimated cost of $215 million with funding of $23 million provided in fiscal year 1976. To accompany this expanded request, I propose to add $5 million to the operating budget request for activities necessary to support the more rapid start.

I also believe we should be more aggressive in the area of fusion materials research. Our experience in all energy research and development to date indicates that materials play a major role in the ultimate success of any concept. This will, most assuredly, also be the case in fusion. A critical item in fusion materials research is the availability of high fluxes of fusion neutrons. I believe that two neutron source facilities should be authorized in fiscal year 1976. These facilities were described in the fusion program plan of February 1974, but were not included in the fiscal year 1976 budget request. One neutron source would be built at the Lawrence Livermore Laboratory in California, using an established rotating target technology. It would take about 2 years to build and bring into operation and would cost $5 million.

The second neutron source would provide a higher flux and take approximately 3 years to build. It would cost $22.1 million and would be built at the Los Alamos Scientific Laboratory in New Mexico. It would utilize a new gas-target technology that has been under study at Los Alamos for the past 2 years. I believe that the early construction of these two facilities is critical to fusion power development, and I strongly urge their inclusion in the fiscal year 1976 budget.

In addition to the aforementioned items, I propose that the operating budget request for the program of $120 million be augmented not only by the $5 million that I just mentioned, but also by an additional $15 mililon, primarily for engineering-related activities, and also to supplement work on confinement systems and plasma theory. In fusion engineering, these funds would accelerate neutral beam development—an area where the United States is the world leader, superconducting magnet technology, and systems studies. A part of the work in engineering would be performed at the universities, thereby helping to train engineering specialists for future use in the program.

Finally, I believe that an additional $4 million for research equipment is necessary and desirable to augment the $16 million budget request and to provide the additional equipment necessary to support the other items that I have described.

In summary, I suggest that the Congress take the following actions with respect to the fiscal year 1976 budget for the fusion power research and development program as submitted by the President. Add $20 million to the operating budget, bringing it to a level of $140 million; provide full authorization for the Tokamak Fusion Test Reactor at a total estimated cost of $215 million and provide fiscal year 1976 funding of $23 million; provide an additional $4 million in capital equipment, bringing the total to a level of $20 million; and finally, I am proposing that the Congress add authorization and funding for the two neutron sources to be built at Livermore and Los Alamos. The Livermore facility will require authorization and funding of $5 million. The Los Alamos facility will require authorization of the total project cost estimate of $22.1 million and fiscal year 1976 funding of $3.8 million.

Mr. Speaker, I want to re-emphasize a point I made in the beginning: This Nation's fusion program must never be budget limited. The increases for the 1976 budget which I have recommended will avoid that limitation and will keep this Nation in the forefront of controlled thermonuclear research.

EASTON, MASS., CELEBRATES 250TH BIRTHDAY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mrs. HECKLER of Massachusetts. Mr. Speaker, with the approach of the American Revolution Bicentennial celebration, our interest in America's rich and varied history is heightened, and the unique backgrounds of the New England townships have played a vital role in this proud history. This year the town of Easton, Mass., celebrates its 250th anniversary. Through the diligent efforts of students at the local Oliver Ames High School, the highlights of Easton's abundant heritage have been compiled, and I am pleased to take this opportunity to share this notable page from our American history with my colleagues:

HISTORY OF EASTON, MASS.

When Easton celebrates its 250th Anniversary in 1975, the commemoration will be of the past of one of the most historic towns on the South Shore. Unfortunately, most of Easton's history is little known outside the town, and only now is getting the national recognition it deserves. Evidence of this is the North Easton Railroad Station, one of architect Henry Hobson Richardson's five buildings in Easton, which has been declared a National Historical Landmark by the United States Department of the Interior.

Easton's heritage begins long before the Europeans first came to America. It was a border area of the Wampanoag Indians and many evidences remain today. Easton has several campsites used by them during the summer months, mostly along alewive streams from which the Indian got food. Arrowheads and other artifacts are still frequently found, and many legends circulate about King Philip's cave near Stonehill College, and the warriors who once roamed the area.

Some time after King Philip's War ended in 1676, Easton experienced its first English settlers. The land, part of a section called the Taunton North Purchase, had been acquired for 100 pounds by a land company. This amounted to roughly 2 pounds per square mile, and although the land was purchased in 1668, it wasn't until 1694 that the first settlers made their way to Easton.

These first settlers desired the water power that the three main streams afforded, as well as the bog iron and farming land in the southern part of town. It soon became evident that travel to Taunton, the "shire" town, was long and difficult, and the people objected to traveling those distances for church meetings. In some respects, Easton was more fortunate than many of the towns, as Bay Road passed directly through this area. Bay Road served as the main connecting way between Narraganset Bay and Massachusetts Bay. However, the Hockomock Swamp forced travellers some distance to the west, and Easton residents wanted autonomy. In 1710, Norton separated from Taunton, but it wasn't until 1725 that "East-end of Norton" was allowed incorporation as Easton.

Early Easton was definitely filled with individuals who were tight-fisted with money. At one town meeting in the 1740's, it was voted to pay the fine for not having schools because the fine was less than the schooling costs would be. On several occasions, Easton was forced by the state to improve its roads under penalty of court action. This frugality came to the foreground in the late 1790's when Raynham, the town to the south, petitioned the state to have a road built through the Hockomock Swamp. Since his road would be in Easton, but would really help only Raynham, Easton refused. Finally, after many delays the state ordered the building of the road and at that point Easton offered to give the swamp to Raynham. Raynham didn't want the expense either, and so refused and Easton was forced to build the road. Part of the funds were taken from school appropriations, naturally enough, and this road through the swamp was set up as a turnpike to get back the investment. Thus, Turnpike Street came into existence.

Early Easton must have been a rather rough and tumble sort of place, as by 1786 the town was already on its third set of stocks, having worn out two sets by this time.

Easton's citizenry as well as its resources steadfastly supported the Revolutionary War, and much was done to assist freedom. Cannon for George Washington's army were cast at Perry's Furnance and proofed along Poquanticut Avenue (the designation of one section of town as "Furnace Village" came from this), and muskets were made at Quaker Leonard's Forge on East Elm Street. It was at this forge that supposedly the first steel produced in America, was made. Even today, charcoal "pits" (rings in the ground) exist all over town as a tribute to this early iron heritage.

Two militia companies marched from Easton after the "Lexington alarm", and these two companies became part of the rebel forces surrounding Boston. Easton continued support throughout the war, with 32 men serving with Washington at Valley Forge, an incredible number considering the size of the town.

George Washington supposedly spent at least two nights in Easton at taverns along Bay Road. The first place was at the Kingman tavern which was located near Rockland Street, and the other night was spent at the Benjamin Williams tavern while he was negotiating for cannon and shot. This tavern is still standing, and one of Easton's four milestones along Bay Road is in the front yard with the initials B.W. carved in it.

The women also worked for the Revolution, and several times Boston papers reported on the "patriotic activities" of Easton's gentle sex. Only one recorded Tory was found in Easton, perhaps because of the zealousness of the patriots. This zeal carried over to the British prisoners being held in Easton, as 2 of the 7 ended up serving in the Continental Army for George Washington.

The early 19th century saw a man move to Easton which would change the entire town's character. This was Oliver Ames, son of John Ames of Bridgewater, maker of the first shovels in America. Oliver Ames set up a shovel business that prospered to such an extent that by the end of the century, was the largest in the world. The Ames family directly influenced the growth of North Easton, and due to the different character of the areas of the town, it separated into factions that only now think of themselves as one town.

A disastrous fire in 1852 forced the Ames Shovel and Tool Company to build the stone shops which still stand, and this date marks the start of a fabulous era for North Easton. In addition to building new shops, the family set up many other buildings. One of the best examples of 19th century housing still exists as a row of homes on Elm Street, and these houses form part of a living museum that is North Easton. The Ameses were also philanthropists, and they hired Henry Hobson Richardson to build a Town Hall and a Library.

Because of dissent from other sections of town, Ames Memorial Hall was never accepted as a town hall and does not serve that purpose today. Perhaps it is ironic that the Frothingham House, another Ames mansion, serves that purpose today. Frederick Law Olmsted, the noted landscape architect who designed Central Park in New York and the Fenway in Boston, was commissioned to do the landscaping around Memorial Hall. The Rockery, still occupying a prominent place in North Easton center, was part of his work. He also helped landscape many of the estates in North Easton.

Frederick Lothrop Ames, richest man in New England in the late 19th Century, commissioned Richardson to do three more buildings. One, the North Easton Railroad Station, was given by him to the Old Colony Railroad, of which he was a director. This building was recently re-purchased by the Ames family and given to the Easton Historical Society. This building is a National Historic Landmark, and it is hoped that this status will soon follow for the other Easton buildings deserving this designation.

F. L. Ames also had the Gate Lodge designed by Richardson, and it is one of his most personal works. Also, a smaller wooden building called the Gardner's Cottage was designed by him to be used as a model worker's house. These two buildings are both still in existence on Elm Street.

The philanthropy of the Ames family was carried still further with the gift of the high school, and Easton's high school is still called Oliver Ames High School in memory of this gift. In addition, trust funds were set up for the school department, the highway department, and for trees, and many of the streets of Easton have towering Maples along their sides which were donated by this family on a matching basis with the town.

The attentiveness to education was a trademark of the Ames family, and through their generosity, Easton became the second town in Massachusetts to have a public kindergarten, starting in the 1870's. The original Oliver Ames High School Band was also funded by Anna C. Ames in 1902, as well as gymnasium facilities for the schools. More recently, one of the Ames estates has become the home of Stonehill College.

South Easton was also growing steadily during this time. It too had major industry with the Ross Heel Company, the J. O. Dean Mill, and Easton Machine Company, makers of the Morse automobile. One of the cars made by this company is still in existence and makes an annual trip up to the Easton Historical Society's Auto Show.

The J. O. Dean mill is symbolic of the many mills in Easton's past, and Henry Ford purchased the turbine from this mill for his model 19th century village. On the Stonehill College property, not far from this mill, is one of the few millstone quarrying sites in America that still has millstones in various stages of completion. One can see there the granite outcroppings, the roughly outlined stones, round millstones broken loose from the bedrock, and the finished products waiting to be hauled away. Until recently, this site was little known.

Simpson Spring, home of the Simpson Spring Beverage Company, is also in South Easton, and this concern began making their quality beverages during this period. The spring is still used as the source of water, and has never gone dry.

Easton's total past can't be told with justice to it in so few words. Much of the town's history has to be seen firsthand to be understood. At the Church Street Cemetery, one of 35 or so in Easton, is the burial site of a lady who died in 1747 and it contains two headstones and two footstones for her. This mystery is still not fully explained. Off Chestnut Street, one can find the double cellarhole that horse thieves in the early 1800's used to hide their newly acquired steeds, and near South Street is a mill site with several millstones built into its foundation. You can find the remains of a lead and silver mine, the remains of the last working icehouse in New England, the only Bull Cemetery in the world (according to Ripley's Believe it or Not), and many other areas and sites that help you reflect on this fascinating town's past.

With a 1,200 acre Ames estate called "Borderland" now a state park, and with the Department of Fisheries and Game purchasing all of the Hockomock Swamp, Easton's future history appears as bright as its past.

MY RESPONSIBILITY AS A CITIZEN

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. COHEN. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct a Voice of Democrary contest. This competition has traditionally spurred many outstanding young people to give insightful commentaries on topics that concern all Americans, and this year has been no exception. We could all learn a great deal by pausing to consider the thoughts of our young people who entered this contest. I think this is particularly true in the case of the essay prepared by the winner in my own State of Maine, Miss Laurie Ann Gibson of Auburn. Her script on "My Responsibilities as a Citizen" is not only beautifully constructed for oratorical effect, but also makes a number of original and penetrating observations about the nature and responsibilities of American citizenship. Because I know my colleagues will be interested in what Miss Gibson has to say, I insert a copy of her remarks in the CONGRESSIONAL RECORD at this point:

MY RESPONSIBILITIES AS A CITIZEN

"Look up America, see what we've got . . ." so goes a popular soft-drink commercial; but, how many people today in America, having the title "citizen" have examined what we have got or more importantly in recent times, what we have got to give.

A United States citizen bearing this claim seldom stops to realize how lucky and fortunate he is to have attained this appellative almost effortlessly; for our generation is past having to stand, fight, and even die for its sake—or are we? Is citizenship as a state of duty dead, or even in peace eras are there certain duties, and designated privileges to be upheld as befitting the sacredness of the institution held next to nothing in our nation's history?

Abraham Lincoln once said, "those who share in the privileges of a government, should assist in bearing its burden." Basically stated that is the main duty of a citizen, native or naturalized, rich or impoverished, in peace or war. And in this era of growing unrest, of government scandals and oil boycotts, the responsibility of citizenship is falling heavier and more burdensome upon the common man. But is that wrong? I don't think so. It was the common man who fought for his "inalienable right" to begin with, why shouldn't he, in its depressions, defend it; for as Learned Hand once stated,

"Liberty lies in the hearts of men and women, when it dies there, no constitution, no law, no court can ever do much to help it."

Thus the responsibility lies with us in many facets, significant and synonymous with the terms "democracy" and "representative."

Firstly, let us understand and participate in our own federal, state, and local governments. They were set up by us originally, for us eventually, so if we don't bear the responsibility for them, who will? And if we don't let our views be known, our policy of national heritage, "of, by, and for the people" will not be carried through to its potential, oblivious to even definition.

Secondly, let us, in this "land of plenty" remember and heed the warnings that nothing lasts forever and even the most plentiful of commodities will one day be scarce. One of the prime responsibilities of citizenship is regarding the welfare of its fellow citizens, hence the need for defensive measures, protective trading and, if need be, a little less greed; presently in reference to oil, food and even money and perhaps a little more celibacy and charity, for certainly the majority of our nation could afford it. The end results would be a stronger and more unified nation, closer in spirit and more in harmony with each other's needs and wants. And is not that the end result of citizenship?

Lastly, but in this world of strife, not least, is our responsibility to our fellow man. This is just as much a part of citizenship as any "constitutionalzed decree", perhaps more so. For if we can't live in concurrence with other humans around the world, the entire concept of democracy is immaterial, for a government cannot exist without a people to govern, and without international unison, civilization, as we know it, will not, cannot exist.

Perhaps more aptly, the late President Franklin Delano Roosevelt summarized our duties as United States citizens in his comment:

"Today we are faced with the pre-eminent fact that, if civilization is to survive, we must cultivate the science of human relationships—the ability of all peoples, of all kinds, to live together and work together, in the same world, at peace."

EXEMPTION ON INTEREST EARNED

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. MINISH. Mr. Speaker, I am today introducing legislation which, I believe, will put money back into savings banks, help ease the housing shortage, reduce the tragically high level of unemployment, and stimulate our depressed economy as a whole.

The legislation I am submitting would exempt the first $1,000 earned as interest on savings by a married couple from Federal income taxation. Single persons would have the first $500 of interest earnings exempted under the bill.

As many Members are aware, a similar measure was reported to the full House of Representatives by the Ways and Means Committee last December but it was not considered prior to the adjournment of the 93d Congress.

It has been estimated that passage of this legislation would lead to a yearly increase of as much as $25 billion in deposits in savings and loan institutions alone, which would be enough to finance the construction of at least 300,000 new homes, and more importantly, create half a million badly needed jobs.

With the present extremely poor state of our economy, it is incumbent upon us to take every step necessary to quickly revive our national well-being. Exempting interest income from taxation would be an important part of this strategy.

Mr. Speaker, I urge the Ways and Means Committee and the full House to take prompt and favorable action on this measure.

EDUARD KUZNETSOV, SOVIET PRISONER OF CONSCIENCE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BIAGGI. Mr. Speaker, Americans have always been concerned with the plight of persecuted people everywhere. Presently, Soviet Russia is holding captive a large number of what can only be termed "political prisoners." These prisoners, many held for crimes such as "anti-Soviet propaganda," "slandering the Soviet system" and "betrayal of the fatherland," are regularly deprived of such basic rights as contact with friends and relatives outside the prisons.

On September 11, 1975, I joined with 14 New York metropolitan area Congressmen in establishing the Congressional Adopt-a-Prisoner program operated in conjunction with the Greater New York Conference on Soviet Jewry. This program is an effort to bring to the attention of the general public the terrible plight of the Soviet Jews and to bring pressure to bear on the Soviet authorities to cease persecution of political prisoners.

The name of the man I "adopted" is Eduard Kuznetsov. Mr. Kuznetsov was first arrested for participating in a public reading of Mayakovsky's poetry in Mayakovsky Square. He was sentenced to 7 years in a labor camp for that so-called crime against the Soviet State.

By the time of his release from prison, Kuznetsov had developed intense feelings toward his Jewish heritage and he decided to emigrate to Israel. A few months after his marriage to Sylva Zalmanson, a young Zionist and engineer from Riga, Kuznetsov was arrested for allegedly attempting to hijack an airliner to Israel. He was charged with treason and sentenced to death. Because of a worldwide outcry, Kuznetsov's sentence was reduced to 15 years at a specially strict regime camp.

Kuznetsov has repeatedly been denied contact with his wife and family and he has been repeatedly threatened with a transfer to the dreaded Vladimir Prison. A friend of Kuznetsov's, Hillel Butman, was recently transferred to Vladimir Prison for, among other things, attempting to compile a Hebrew dictionary.

During his imprisonment, Kuznetsov wrote and smuggled out of prison a diary detailing his treatment and the development of his Jewish commitment. An excerpt from the diary reads:

> No matter how tragic is your acceptance of the world, life gives you such degrading blows that you make grimaces and gestures like a clown at moments that are the most unsuitable for a tragic role. For them, of course, it is not enough to sentence, to be shot, they must bring me to such a condition that I should make grimaces to amuse the public. No sir!
>
> Were I a Spaniard, like Unamuno, I would not be afraid of the shout: "You can kill me, but not convince me."

We, as Americans, cannot, must not, let such men wither under the oppression of Soviet Russia. Our voices must rise up in protest against this inhumanity and denial of basic civil and humanitarian rights. We must use every vehicle within the power of our Government to pressure the tyrannical leaders of the Soviet state to release these poor people from their bondage. For whenever we assure one freedom of even one person in the world, we are a little more secure in our own freedom. Only through eternal vigilance can we protect against the spread of Soviet oppression and degradation throughout the world.

OUR NATION'S COMMITMENT TO OUR POW'S, MIA'S, AND THEIR FAMILIES

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. KASTEN. Mr. Speaker, on January 27, 1973, when the United States entered into the agreement that was to terminate American involvement in the Vietnam war, we all looked forward with hope to the day when all of our prisoners of war could return to their country and the status of those listed as missing in action could be determined at long last. That the question of determining the ultimate fate of our missing men was considered of great importance to the United States is evident in the fact that the issue was specifically dealt with in article 8(b) of the Paris peace accords. Article 8(b) specifically states that—

> The Parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action.

Now the requirements of that language are obvious. There may be other sections in the Paris peace accords that are subject to varied interpretations, but there is nothing vague about article 8(b). Yet the fact remains that the North Vietnamese have never allowed the United States to examine crash sites or graves in contested territory in either North or South Vietnam. It is indisputably clear that a thorough search of known grave and crash sites would yield significantly new information about the fate of our missing personnel. But until such time as the North Vietnamese comply with their obligations under the Paris peace accords little new information on the status of our missing men will be learned.

In spite of this fact the Department of Defense has continued its policy of reclassifying personnel previously listed as missing in action in Southeast Asia to dead whenever the Department feels it has sufficient reason to presume that a given individual cannot reasonably be alive. Such a policy strikes me as being patently unfair and unwarranted. These reclassifications are being made in the absence of any new evidence to justify them. To continue to make such reclassifications without making onsite inspections of crash sites and graves, which would produce solid evidence concerning the fates of our missing men, will serve notice that we have written them off as of little consequence to us, and will demonstrate to the North Vietnamese that we do not intend to press them to live up to their legal obligations.

We must not allow the U.S. Government to adopt such an approach. We must not permit the laws of this Nation to be used to serve the bureaucratic convenience of the Department of Defense at the expense of the rights of our missing servicemen and their families. Just because of the North Vietnamese to date have not lived up to their end of the Paris peace accords with respect to article 8(b) is no excuse for us to amend that part of the agreement by refusing to demand compliance from them.

Let us never forget that it is possible that a number of our servicemen listed as missing in action may still be alive. Some were photographed while in captivity. In other instances the enemy issued propaganda releases and photos of official armed services ID cards of various Americans, noting that they had been taken prisoner. However, when the Paris peace accords were signed, many of the names of the same men alluded to above were not on the official lists released by the North Vietnamese Government. Clearly, Hanoi knows whether these men are dead or alive. But to this point they have refused to clarify their status.

In view of this situation, I am cosponsoring legislation which seeks to halt the reclassification of our MIA's by the Department of Defense until such time as we receive the information we need from North Vietnam and her allies to finally resolve the question of their fate. Until such time as this new information is available, I do not believe any reclassification to presumptive finding of death status should be permitted. By preventing such an action from occurring through the passage of this bill we will demonstrate our determination to the other side that we expect the agreements they signed to be complied with, and at the same time we will remove any doubt that the families of our MIA's may have that the U.S. Government is not doing everything possible to resolve this issue appropriately.

JERRY PETTIS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. MAZZOLI. Mr. Speaker, I would like to take this opportunity to express my sorrow at the untimely death of our colleague from California Jerry Pettis.

It was my pleasure to know Jerry mainly from the House Prayer Breakfast group which meets each Thursday morning. He will be missed from that gathering.

His dedication to his constituents and his devotion to duty is evidenced in the fact he was on a business trip—not a pleasure trip—when his plane went down.

Jerry Pettis' absence is sure to be felt keenly among his friends and colleagues in the House and among his constituents and friends in California. This is the highest tribute that can be paid to a good man and an accomplished legislator.

My wife and I extend our deepest condolences and sympathy to Jerry's beloved wife and devoted family.

LITHUANIAN FREEDOM

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. HOWARD. Mr. Speaker, on February 16, 1975, Americans of Lithuanian ancestry commemorated the 57th anniversary of Lithuanian Independence Day. Once more, the commemoration of the establishment of the Republic of Lithuania has proved to be a hollow celebration, for the citizens of Lithuania continue to live under the bondage and repression of Soviet rule.

While relatives and friends in Lithuania press on in the struggle to regain the freedom they once knew, Americans of Lithuanian origin and descent continue in their efforts to remind the Congress of the plight of the thousands of Baltic peoples who have been subjugated by the Soviet Union into positions of virtual slavery. Thus, I would like to take this opportunity to insert in the CONGRESSIONAL RECORD a resolution which was passed by the Lithuanian Council of New Jersey on February 16. I hope that this resolution will serve to remind each Member that the bounties of freedom which so many Americans take for granted are the object of a great, ongoing struggle by the freedom-loving people of Lithuania. Let us hope and pray that Lithuanians may again enjoy the freedom which is democracy's lifeblood.

The resolution of the Lithuanian Council of New Jersey follows:

RESOLUTION

We, Lithuanian-Americans of New Jersey at a meeting held on February 16, 1975, commemorating the 57th anniversary of the establishment of the Republic of Lithuania in 1918, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatore of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940 invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defense of the Communist regime in seeking political and religious freedom; and

Whereas the 89th U.S. Congress unanimously passed House Concurring Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the people of Estonia, Latvia, and Lithuania, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved that we, Lithuanian-Americans urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Detente policy; and further

Resolved, to request the President of the United States to vigorously implement House Concurring Resolution 416 to the fullest extent; and further

Resolved, that copies of this resolution be forwarded this day to appropriate government officials.

LITHUANIAN-AMERICAN COMMUNITY OF THE U.S.A., INC., NEWARK CHAPTER
VALENTINAS MELINIS, *President.*
K. BASYS, *Secretary.*

AUTOMAKERS AND CONGRESS ARE RESPONSIBLE FOR AUTO SALES DECLINE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. MICHEL. Mr. Speaker, I have not been one of those in the vanguard, calling on the automobile industry to provide me with one so-called safety contraption after another that in the main have only served to increase the cost of our automobiles. My friend, Glen Travis, who has been in the automobile business for many years, feels that we, in the Congress, are just as responsible for the decline in automobile sales as the automobilemakers are themselves. I think there is a measure of truth in what he says, particularly with respect to some of the half-baked proposals we hear these days being proposed by Members of the other body.

A full text of Mr. Travis' recent letter to me follows:

TRAVIS CADILLAC PONTIAC CO.,
Peoria, Ill., February 8, 1975.
Representative ROBERT H. MICHEL,
U.S. House of Representatives,
Washington, D.C.

DEAR BOB: I am writing you today to ask again for a moratorium from further regulations to the auto industry for 5 years. If all cars met 1975 standards on emissions there would be very little problems in almost all of the United States. A rollback of the bumper regulations would also help to put men back to work. You can expect that the government agencies involved will not write their jobs away. When was the last time that happened?

The government (all branches) is responsible for the unemployment in the auto industry. The auto lay-offs and the related industry just about spell the cause of the recession, not the Arabs. The building industry was killed by the government, bleeding off the mortgage money. Then they bleed off more, and play Santa Clause to the building and loan.

The rebates are helping the sale of cars. The extra cost from government regulations is several times the amount of these rebates.

This week the news carried a story of a Senator or two who suggested a restriction on manufacturers, based on the average gas mileage of all the cars the company sold. This would immediately increase unemployment. Cadillac has about the best record of employment during the recission. There are too many little cars waiting for customers. Look at who got the biggest rebates. All General Motors could do would be to close Cadillac.

Senator Muskie demands to know why General Motors is not bringing out the Wankel engine, even when they know more about it than any other American company. All he has to do is look at what happened to Mazda. They had the U.S. government and all the press behind them, and look at their sales record.

Our government is the only one who wants to give the same medicine in larger doses after it has been proven to be the wrong medicine. The regulations for the 1976 and 1977 models will keep the auto workers unemployed, but the Bureaucrats busy and on the job.

Sincerely,

GLEN W. TRAVIS.

CONTENDER FOR THE DEMOCRATIC PRESIDENTIAL NOMINATION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. EDWARDS of California. Mr. Speaker, a recent editorial from the Los Gatos Times-Saratoga Observer reveals the sentiments of many Californians as we begin seriously to consider the announced and unannounced contenders for the Democratic Presidential nomination in 1976. It reflects great credit on our senior Senator from California, Hon. ALAN CRANSTON, and also great credit on the preferences and perceptions of the Los Gatos Times-Saratoga Observer.

I am pleased to have the opportunity to share with my colleagues in the House this commendation of one of California's outstanding statespeople and to add my hearty agreement to the view that we should include ALAN CRANSTON among the men and women we consider for national leadership in 1976:

Well ahead of the quadrennial Democratic presidential convention, California in general and Democrats in particular are being visited by a series of distinguished candidates who hope to be their party's choice.

In late summer of 1976, each of these in turn will be praised as the "man who" (perhaps now, "the person who") will lead the Democratic Party to victory and the nation from the wilderness.

All are welcome, the state of the nation and the tourism business being what they are. One caution, though, to these out-of-staters. There are some of us here who find California's Senior Senator Alan Cranston, as well qualified in leadership, experience, and understanding as any of these talented travelers.

Senator Cranston has deep roots in California. He's been an overseas correspondent and author and knows foreign affairs; he was State Controller for eight years and given California's broad diversity of climate, occupations, and population, he knows domestic problems; he was a major factor in the resurgence of the State's Democratic Party after 1952, and anyone who can organize California's Democrats shouldn't find unifying the national party too difficult a task.

And finally, Californians gave Senator Cranston a remarkable million plus vote of endorsement in the recent election.

These assets are what make him an exceptional Senator; they also qualify him for both his party's nomination and the Presidency.

THE CASE OF THE CARABANCHEL 10

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Ms. ABZUG. The Speaker, recent dedevelopments in Spain are heartening to those who have opposed the Franco dictatorship ever since it came bloodily to power more than 30 years ago with the assistance of military support from Hitler and Mussolini and the embargo policy of the United States and the Western democracies.

As General Franco nears the end of his life, democratic forces in Spain are reviving and focusing their efforts around demands for amnesty for political prisoners.

A tremendous opposition movement against the conviction of the Carabanchel 10 has been generated throughout Europe, while in Spain their case has been regarded by working people as symbolic of their entire struggle against the Franco dictatorship.

The Carabanchel 10 is the name given to 10 Spaniards who were arrested in 1972 on the charge of illegal association in seeking to organize trade unions. They were tried in December 1973 in an atmosphere of hysteria generated by the assassination of Premier Carrera Blanca on the first day of the trial, which was attended by a delegation of about 50 international observers, including former Attorney General Ramsey Clark and trade union leader Henry Foner from the United States. The 10 were found guilty and sentenced to up to 20 years in prison.

In this country, as part of efforts to free the Carabanchel 10, an amicus curiae brief was signed by myself, civil liberties leader Roger Baldwin and a number of prominent labor leaders, including President Leonard Woodcock of the United Auto Workers, President Matthew Guinan of the Transport Workers Union, President Arnold Miller of the United Mine Workers, President Patrick E. Gorman of the Amalgamated Meat Cutters and Butcher Workmen, President Cesar Chavez of the Farm Workers Union, and President Harry Bridges of the International Longshoremen's and Warehousemen's Union.

The Spanish Supreme Court announced the date of appeal for February 11, 1975, on very little notice, hoping to catch the international movement by surprise. Nevertheless, a delegation of international observers was present in the court for the appeal, including President Paul O'Dwyer of the New York City Council and President William Colavito of Local 455, Ironworkers Union.

On Saturday, February 15, the court announced that the sentences had been reduced to 6 years, 5 years, and 2 years and 4 months, with credit for time served. As a result, four of the defendants have been freed outright. There is no doubt that the international protests against the heavy sentences imposed on these trade unionists helped to win their freedom and the reduced sentences.

Among the many still in prison are nine Spanish intellectuals, including two active feminists, who are part of the liberal opposition to the Franco regime. According to information I have received from Amnesty International, one of the prisoners, psychotherapist and feminist Genoveva Forest, was subjected to severe torture and there is no reason to believe that some or all of the others were similarly treated. In addition, the prisoners were held incommunicado for long periods, and were not given adequate access to their defense lawyers, who are not fully informed about the specific charges against the nine.

A number of my colleagues have joined me in sending a telegram to the Spanish Government protesting the deprivation of rights and the torture used against these imprisoned men and women.

The campaign for complete amnesty for all political prisoners has reached new heights in Spain with the circulation of petitions sponsored by the Catholic Church and the Communist Party, among others. According to the New York Times, the petitions have already been signed by 60,000 people, including 2,000 members of the Spanish Armed Forces.

In this country, the anti-Franco struggle is taking the form of a campaign against the renegotiation of the secret treaty for American military bases in Spain, which expires in September. The campaign against the treaty is being spearheaded by the U.S. Committee for a Democratic Spain, 9 East 40th Street, New York City and by the Veterans of the Abraham Lincoln Brigade, 799 Broadway, New York City.

These latest events coincided with the celebration of the 38th anniversary of the Brigade, which consists of American volunteers who fought in Spain on the side of the Spanish Republic in the 1930's. The anniversary took the form of a birthday tribute to their national commander, Steve Nelson, on Sunday, February 16, at the Statler-Hilton Hotel in New York, which drew an enthusiastic crowd of 1,300 people.

An article by Mr. Nelson, Lincoln Brigade Recalled, appeared on the op-ed page of the New York Times on February 12, which is also, of course, the birthday of Abraham Lincoln. Text of the article follows:

Lincoln Brigade Recalled

(By Steve Nelson)

The Abraham Lincoln Brigade seems to mean nothing to nearly two generations of Americans. When I speak to college students and tell them Americans fought as volunteers for the legally elected Spanish Government, they stare at me in astonishment.

In February, 1936, five years after the monarchy abdicated, the Spanish people elected a Government of social change. Five months later the military launched an armed uprising with the support of deposed monarchists and major landowners. Within 24 hours, Hitler and Mussolini (by pre-arrangement, as we now know) were delivering men and supplies to the rebels, and the Republic was clearly in danger.

Many Americans feared that if Spain fell there would be no stopping Hitler's drive for conquest. We appealed to our nation's leaders to aid the Spanish Government, or at least permit it to buy arms for defense. But our Government chose "neutrality" instead. By November, the rebels stood at the gates of Madrid, and the Republic's cause seemed hopeless.

Then we read of volunteers from other nations appearing on the Government's side and helping to check the rebel drive. The news was electrifying. On Christmas Day, 1936, 82 Americans boarded the Normandie as "tourists" bound for France. Soon others followed, including myself. By February, 1937, several thousand of us were in Spain where we formed the Lincoln unit and took part in the defense of the Valencia road to Madrid. It was a long bitter battle, and our casualties were heavy.

After two and a half years of war, half the 3,100 American volunteers lay buried in Spanish soil. Spain had gone down to defeat, undone by the world blockade. Hitler, having fed on Spain and feasted on Munich, had gobbled up Western and Central Europe. Then the Axis declared war on the United States.

At this point, most of our ablebodied veterans, back home, sought to enlist. Since we were the only Americans with actual combat experience against German and Italian troops, you'd have thought the armed forces would be delighted to have us. Instead, some top brass viewed us with suspicion.

After all, we were "premature antifascists"—as though it was a crime to fight for the Spanish Republic. Some Lincoln veterans found themselves in detention camps, often together with members of the Nazi Bund, the pro-Hitler paramilitary operation in the United States.

It took time and pressure from many, including such members of the Roosevelt Administration as Eleanor Roosevelt and Harold L. Ickes and Henry L. Stimson, until policy changed and our men were accepted as equals in the merchant marine and, eventually, in all branches of service—and they fought in all theaters of war. They also served in the Office of Strategic Services.

When the war was over, some 350 Lincoln Brigaders had lost their lives. Many of our men had distinguished themselves in battle.

With the war over, we hoped fascism would be ended, too, but it was not. A few years later, our country embarked on the long, 25-year nightmare of official "anti-Communism." If you were a Lincoln veteran, you couldn't get or hold a Government job. We were named a "subversive organization" and put on the Attorney General's list. Many of us were hauled before the House Un-American Committee. I myself was sentenced for sedition, and a dozen other veterans went through trials and were sentenced to long years in jail. Later, the United States Supreme Court upheld the Pennsylvania Supreme Court's reversal of my conviction.

We survived the icy decades of the cold war. We took part in activities on behalf of Spanish political prisoners and their families, and were early and ardent foes of American participation in the war in Vietnam. What bound us together is what brought us together in the first place—our anti-fascist conviction. There were times when we were virtually alone in opposing the dangerous policy of continued United States support for the regime of Generalissimo Francisco Franco. Now, more and more Americans are joining in the effort to halt further aid to the Spanish dictator.

In Spain, new forces representing most sectors of the population have gathered to put an end to General Franco's rule and establish a broad democratic regime. One of the deterrents in their path is the existence of United States bases on Spanish soil and our nation's military pact with General Franco that constantly threatens American military intervention in the event of major political change.

Former Senator J. W. Fulbright warned of this danger some years ago when he commented on the pact in these words: "We should have learned from the tragic war in Vietnam. A commitment which requires spending of money and results in stationing of our troops on foreign soil contains the prospect that it might require the spending of American lives."

The pact expires in August. If we can help Americans grasp Senator Fulbright's warning and convince Congress to end our military support of General Franco's Spain, we who have fought a lifetime for Spanish democracy will feel that we haven't spend these years in vain.

A NEW PARTY?

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BAUMAN. Mr. Speaker, while the New York Times, the Baltimore Sun, and other newspapers of liberal persuasion editorially sniff at the thought of a new political party, the nonestablishment press in the hinterlands is not nearly so skeptical.

I include an editorial from the Daily News of Salisbury, Md., which I suspect expresses thoughts far closer to the grassroots than most of the liberal media:

[From the Salisbury (Md.) Daily News, Feb. 17, 1975]

A New Party

Young Americans for Freedom and the American Conservative Union hooped it up the other night, giving vent to pleas for a new part in American politics as well as criticism of both President Gerald Ford and his vice president, Nelson Rockefeller.

New parties have had little success in modern times in this country, although the glamorous Teddy Roosevelt did it with the Bull Moosers, and George C. Wallace of Alabama shook the regulars up with his American party.

But, aside from that, the political exercise has been limited to the Democrats and Republicans, with the Democrats swinging to the left and the GOP remaining on the right as far as philosophies are concerned. But then that has been changing drastically in recent years. Gov. Wallace put his finger on it sometime ago when he said of two candidates for President—"there ain't 10 cents worth of difference between 'em."

Right now, we have the spectacle of a once conservative rightist, President Ford, embracing much of what the Democrats have advocated over the year. President Nixon, running as a conservative the first time he was elected, ended up as a deficit financer. The problems now heaped on President Ford of course, call for some drastic action to get the economy going. But too much deficit financing without reducing inflation is going to be a bitter dose for the American people.

So, whither the conservatives? One concern now is heading off Nelson Rockefeller as a possible presidential nominee in 1976.

With the government becoming more bloated with each passing year and costs arising accordingly, not only in Washington but down through the grass roots, the day may well be at hand when the people who foot these bills will be demanding a more authoritative voice in government. And, with both major parties now essentially the same—it may take a new party to seek the reforms this country needs, particularly in Congress.

AFFIRMATIVE ACTION

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BADILLO. Mr. Speaker, those who are vitally interested in ending discrimination against minorities must be constantly vigilant. One of the multitude of subjects on which a careful watch must be kept is the enforcement of affirmative action guidelines to prevent discrimination in the hiring practices of Federal contractors, particularly in institutions of higher education.

I should like to submit for the RECORD an article by William Raspberry which appeared in the February 19, 1975, issue of the Washington Post. I believe that the comments of Congressman AUGUSTUS F. HAWKINS regarding HEW's Office for Civil Rights' enforcement and interpretation of affirmative action will be of interest to all Members:

Representative Hawkins on "Affirmative Action"

(By William Raspberry)

Rep. Augustus F. Hawkins (D.-Calif.) wants in on the debate over "affirmative action."

The debate has been heating up since last December when Peter Holmes, head of HEW's Office for Civil Rights (HEW–OCR), issued new guidelines to "clarify" the responsibility of colleges and universities in hiring minorities and women for faculty positions.

The guidelines followed sustained pressure from certain groups, including some college and university faculty members, to soften HEW's requirements. Or, as it was usually put, to make certain that misinterpretation of the requirements did not lead to "reverse discrimination."

Congressman Hawkins has taken a good, hard look, and what he sees is not reverse discrimination but "HEW-OCR's abrogating its responsibility under the law."

Under the Holmes clarification, college and university presidents, formerly under the impression that they would have to increase their hiring of minority and women faculty members, on pain of losing their federal funds, now know better.

The clarification goes in two important directions. Those university chiefs who want to increase their minority and female representation were told that they cannot advertise in any way that might seem to discourage white, male applicants.

And those who don't want to change their hiring practices were told that they won't really have to, so long as they are careful to make sure that the list of rejected applicants contains the appropriate number of minorities and women and so long as none of the rejects is demonstrably better qualified than those who are hired, with the university itself the sole judge of qualification.

The requirements, guidelines and clarifications have their roots in Executive Order 11246 (as amended), which calls for federal contractors to ban ethnic, religious or sex discrimination in their hiring practices. It also requires them to take "affirmative action" to see to it that their practices are not discriminatory. Violation of the order could lead to cancellation of government contracts, although it rarely has.

"HEW–OCR is responsible under the executive order to enforce the order's provisions in all the (approximately 1,000) higher educational institutions having contracts with the federal government," Hawkins points out. "In light of (Holmes' "clarifying" memo), a major concern being expressed by growing numbers of minorities and women seeking college faculty employment, by minority contract compliance officers, by civil and human rights advocates, and by some members of Congress, is the question of HEW–OCR's employment enforcement inadequacies."

There also are growing doubts over HEW's willingness to enforce equal-employment provisions, "since its obvious interests are in the supposed preferential treatment being given to minorities and women," Hawkins told The Washington Post.

The real issue—in fact, the only issue—is the systematic, consistent, deliberate denial of equal employment opportunities to minorities and women by institutions of higher education, and the encouragement HEW–OCR has given these institutions to continue their policy of discriminatory hiring of faculty."

The discrimination is continuing, says Hawkins, even though the widespread charges of "reverse discrimination" might give the impression that minority and female professors are flooding the college campuses.

He cites data from the Civil Rights Commission report of last month showing that between 1968 and 1973 the percentage of blacks rose only from 2.2 to 2.9. The increase of women faculty members during the same period was from 19.1 percent to 20 percent.

"Clearly, the promise of equal employment opportunity has not been achieved in institutions of higher education," the Civil Rights Commission said, charging that "HEW's failure to enforce the executive orders has played no small role in frustrating this objective."

Hawkins, looking at the same data, sees clear evidence of HEW–OCR's foot-dragging in response to its federally mandated obligation."

"Mr. Holmes wants to make a major case for so-called reverse discrimination," said the chairman of the Equal Opportunities subcommittee of the House Committee on Education and Labor." If reverse discrimination truly exists, it must be operating in a vacuum, since those persons supposedly experiencing this kind of discrimination (white, Anglo-Saxon Protestant males) still overwhelmingly control all of our nation's colleges and universities.

"They have not suffered any meaningful employment problems; the continued low numbers of minorities and women in college and university faculty positions attest to this fact."

He said Holmes' office has no realistic affirmative action policy and "obviously they need some assistance in this matter."

"That assistance is forthcoming," Hawkins promised.

CYPRUS—7 MONTHS OF TRAGEDY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BIAGGI. Mr. Speaker, today we note a tragic anniversary, for it was 7 months ago that the nation of Turkey unleashed her forces for an illegal and ruthless invasion of the island of Cyprus. During this period both the nation and people of Cyprus have been devastated from the effects of more than one-half a year of civil strife and occupation by Turkey.

We, in the Congress, have dedicated ourselves to the restoration of peace on Cyprus. I and others pushed on numerous occasions for an immediate cut off of aid to Turkey for being in blatant violation of the Foreign Assistance Act. Finally after long months of compromise and concession we were able to cut off this aid effective February 5, which marked a historic day for this Congress and for the struggle for peace on Cyprus.

We have also been committed to the rebuilding of Cyprus. Congress overwhelmingly adopted my amendment to the Foreign Assistance Act which provided $25 million in emergency relief aid to Cyprus. This money will be used to provide food and shelter for the quarter of a million refugees on the island, and will also help to rebuild the ravaged Cypriot economy.

Recently the Long Island Press published an article which sized up Cyprus 6 months after the invasion. The article paints a bleak and tragic picture of the current situation on Cyprus. I hope it will serve to show my colleagues the continuing need for the United States to work and help the Cypriot people achieve peace and stability. We have begun, but we must be prepared to continue.

The article entitled "Cyprus: 6 Months After the Invasion" follows:

CYPRUS: 6 MONTHS AFTER THE INVASION

(By Richard C. Gross)

NICOSIA.—Six months after an invading Turkish force split this island in two, the agony of Cyprus goes on.

Its economy is shattered, people uprooted, shops looted, its communities divided by hatred and its future clouded by a rivalry that extends beyond its shores to embrace, Greece, Turkey and the superpowers.

For about 20,000 Greek and Turkish Cypriots, many of them once middle-class citizens with homes, businesses and automobiles, the misery is compounded by the winter cold and rain, beating down on the tents where they now live.

Tourism, the second most important source of hard currency on what used to be a vacation paradise, is dead, with hotels empty and unemployment high.

Hundreds of homes of Greek Cypriots have been taken over by Turkish Cypriots in areas conquered by the Turkish army.

And a 35,000-man Turkish army of occupation roams much of the island, hated by the Greek Cypriots and, according to neutral sources, now resented even by some of the Turkish Cypriots who welcomed them when they swept ashore in July.

The spark that ignited the Turkish invasion was the overthrow July 15 of Archbishop Makarios, the only president Cyprus has known in 14 years of independence from Britain.

The Greek Cypriot national guard, led by Greek officers under orders from the now-defunct military junta in Athens, seized power and installed a onetime terrorist and newspaper publisher, Nicos Sampson, as president. Makarios fled the island with British help. Makarios returned from exile Dec. 7, but he is no longer recognized by the Turkish Cypriots as president.

The Turks, fearing the coup was a prelude to the union of Cyprus with Greece, invaded five days later.

Turkish troops still control nearly 40 per cent of the island along its northern tier only 40 miles from Turkey across the eastern corner of the Mediterranean.

The Turks hold some of the most fertile land on the island and the main port of Famagusta. Most of the Greek Cypriots have fled south and Turkish Cypriots have gone north. An estimated 181,000 Greek Cypriots and 8,500 Turkish Cypriots remain homeless.

"I don't like to call it partition but two Cypruses—a Turkish Cyprus and a Greek Cyprus," said the constitutional leader of the minority Turkish Cypriot community, Vice President Rauf Denktash. "I think we shall be forced to move in that direction."

About 650,000 persons live on Cyprus, two-thirds of which is forested mountains, with Nicosia dominating the nearly treeless central plain. Eighty-one per cent of the people are Greek Cypriots and 18 per cent Turkish Cypriots.

Britain, succeeding earlier invaders, controlled the island from 1878 to 1959. Then a guerilla campaign led by Makarios and Gen. George Grivas forced the British to grant independence.

With a constitution that tried to spell out every detail in the apportionment of power to both sides, the Greek and Turkish Cypriots bickered incessantly over who had the right to control what.

Violence erupted in December 1963. Clashes continued until United Nations troops moved in the following year to establish order. The troops have been there ever since, at a cost of $350 million. More clashes occurred in 1967.

Before the invasion Loukis Pieri, 42, lived in Famagusta where he owned an auto driving school with four automobiles. He fled the oncoming Turks with one of the cars, his wife and the clothes on his back.

He now lives in the Lefkarides tent city and shares a tent with his in-laws.

"I'm not used to these things," said Pieri, who said he left $22,000 worth of assets behind. "I'm 42 and never saw a war. It's like being in a shipwreck and then being all alone on a raft waiting and hoping for another ship to come."

"These people were the well-off in the country and this is what accentuates the refugee problem," said shacallis Linus, a government refugee official. "These are not people like the Palestinians and those from Bangladesh. They had their own cars, their own businesses. Their own homes and all of a sudden they find themselves in a tent with nothing.

"If these people cannot return to their homes, the economy will be completely destroyed and we can't foresee the consequences."

It costs the Cypriot government $5.5 million a month to feed and care for the refugees.

Of the 105,000 Turkish Cypriots, 51,000 lived south of the Turkish-occupied region before the war. About 20,000 have fled behind the Turkish lines in the north since then, and the rest are trying to get north, government and Turkish Cypriot officials said.

"Today they feel they have a country in the north and they want to go there," an official of the International Red Cross said. "They have received instructions to go north. It's very well organized."

Neutral sources said 2,000 Turkish Cypriots have moved into Greek Cypriot homes in the north.

Several sources from international organizations said there was some disenchantment over the Turkish occupation among Turkish Cypriots.

"There are new facts being created and it is becoming a Turkish administration, not a Turkish Cypriot administration," one observer said. "Mainland generals say business executives are coming in and they are threatening to take over from the Turkish Cypriots."

ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. McCLORY. Mr. Speaker, ironically, February 16 marked the 57th anniversary of the establishment of the free and independent Republic of Lithuania, as well as the 724th year since the founding of that state.

In fact, the history of Lithuania and her sister "Captive Nations" has been one lacking both freedom and independence, for, with the invasion and occupation of these Baltic States by the Soviet Union in 1940, Lithuanians have enjoyed the basic human liberties of independence for but 22 years since World War I.

The past decade of international intercourse has been heralded as the new age of "détente" and improved Soviet relations. Yet, the examples of Simas Kudirka and that Lithuanian sailor's bold leap for freedom, the recently arrested and imprisoned Lithuanian and Russian champions of religious freedom, and those few of the many dissidents who have gained visibility, must serve as a constant reminder of the painful, unyielding pursuit of this nation for freedom from oppression.

Mr. Speaker, we would do well to match our accomplishments on the United States-Soviet political front with efforts on the very personal, human level of securing an end to such tyranny. We have as support and testimony the strong Lithuanian people, their intact culture, unfaltering spirit, and insatiable desire for freedom, independence, and self government.

The upcoming celebration of our Bicentennial of freedom should give pause to all Americans to reflect upon the many civil liberties we so often take for granted and others still fight so valiantly to secure. As we acknowledge our 200th year of independence, our thoughts should go to the 724-year-old nation of Lithuanians and their continuing struggle for human dignity and national recognition.

THE NONCANDIDATE

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. COHEN. Mr. Speaker, though we are only midway through the second month of 1975, we are already beginning to witness an increasingly intense political and public relations battle among hordes of contestants for the 1976 Democratic Presidential nomination.

As usual, most of the combatants are located in a single place, the Senate of the United States. One day we see a senatorial visage adorning the cover of Time magazine. Then we learn of a campaign announcement film costing $23,000. We hear of yet another summons to the press to flock to the Senate caucus room for an announcement of candidacy. And we read of other Senators, seemingly more reticent, who avoid overt declarations of candidacy but await the summons of a "brokered" convention.

The question that inevitably occurs to all of us who labor in the quiet anonymity of the House is this: Where will it stop?

Mr. Speaker, today I am pleased to be able to provide my colleagues with an answer to that question. It stops in room 248 of the Russell Senate Office Building, the office of the distinguished junior Senator from my home State of Maine, William D. Hathaway.

No less an authority than the nationally syndicated columnist Arthur Hoppe has reported that Senator Hathaway will not—repeat, not—be a candidate for President in 1976. I have tried to reach the Senator for comment on these reports, but I have been told that he is studying the public statements of Gen. William Tecumseh Sherman and cannot be disturbed. However, the Senator's staff has assured me that Mr. Hoppe's report is substantially accurate. Senator Hathaway does not have a $1 million war chest, and he has no plans to be photographed in an Indian war bonnet in the near future.

Mr. Speaker, while I regret that plans for the Hathaway Library in Auburn, Maine, must now be necessarily deferred for a few years, I nonetheless wish to commend my good friend for his statesmanlike decision. In keeping with the hands-across-the-aisle spirit that has characterized the Maine congressional delegation since my election to Congress, I wish my Democratic colleague well in his nonquest of noncandidacy, and I insert Mr. Hoppe's article, "The Leading Front-Non-Runner," in the Record at this point:

[From the San Francisco Chronicle]

THE LEADING FRONT-NON-RUNNER

(By Arthur Hoppe)

Washington.—The most distinguished senator in Washington these days is William D. Hathaway of Maine. What distinguishes him from his colleagues is that he is the only Democrat in the Senate who is not running for President.

The bombshell news broke here last week when Senator Hathaway announced he would hold a press conference next Monday to announce he would make a major address a week from the following Tuesday to announce that he wasn't running for President.

Rumors that the husky, cigar-smoking, well-liked, freshman senator wouldn't immediately seek the presidency have been circulating here since his upset victory over Margaret Chase Smith in 1972.

As long ago as last April, he confided to a reporter from the Bangor (Maine) Weekly Bullet that "many of my close friends and associates have urged me, for the good of the country, not to run."

He said at the time that he was "seriously considering" that course. "However, I must also think of the welfare of my family," he added. "The presidency pays more money."

Since then he has gradually been tabbed as the leading front-non-runner in an undercrowded field.

The fact that he had not raised more than $1 million from party fat cats before the campaign contribution law was tightened only added fuel to the rumors. Moreover, he has not once been photographed eating a knish in the Bronx, wearing a Sioux bonnet in Sioux Falls, or identifying himself to disinterested, homeward-bound factory workers.

Instead of charging about the country criticizing the President, it has been widely noted, Senator Hathaway has steadfastly remained in Washington criticizing the President.

In his announcement announcing his forthcoming announcement that he wouldn't run, the senator pledged, to the relief of many, that he would not issue a position paper on the Middle East.

"It is not that I don't have a position," he said. "It's that I don't understand it."

He added, however, that he stood four-square for full employment, lower taxes, improved welfare benefits and a balanced budget. "It's just that I don't see," he told his cheering non-supporters, "how all that's possible."

In a rare private interview (he is rarely asked for one), the moderately liberal senator was asked if he would have to adopt a more conservative image in hopes of losing the liberal vote. Would he, for example, speak out for doubling the defense budget and quadrupling our aid to Vietnam?

"I've found it very difficult to change my image," he said. "My wonderful wife, Mary, has been trying for years. But I always instinctively duck."

Would he instead, then, vote for what he believed in? "Yes," he said firmly. "And I believe in getting reelected."

Finally, he was asked the critical question: "Why, sir, are you, a popular, respected member of the majority party, not running for the presidency?"

A far-away look entered his eye. "Hmmm," he said, pausing to blow a smoke ring, "now that you mention it . . ."

DR. EDELIN: VICTIM OF A NEW CRIME

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. FRASER. Mr. Speaker, I know there must be many Americans who, like myself, were shocked to hear a verdict of guilty in the manslaughter case against Massachusetts physician, Kenneth C. Edelin. A Washington Post editorial of February 18 lays out the case and its implications extremely well and I would like to have it reprinted here:

> THE EDELIN TRIAL
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> By convicting Dr. Kenneth C. Edelin for manslaughter, the State of Massachusetts has brought disgrace to itself and to the whole judicial system. The charge against the doctor should never have been brought by the prosecutor. The trial judge should never have allowed the case to go to the jury. And the jury's verdict, itself, is suspect. While we believe the conviction will not stand on appeal because it is constitutionally invalid, the wrong which has been committed in Massachusetts against Dr. Edelin, the medical profession and the law itself cannot be fully repaired.
>
> The charge against Dr. Edelin—murdering a fetus during a legal operation by failing to take all possible steps to bring it to, or to continue its life—may well be unique in American legal history. There was no law on the statute books and no prior case suggesting that the routine procedure used in an abortion operation involved a criminal act. The prosecutor thought up the legal theory of his case—that a fetus is a live human being—and found someone to try the theory out on. He took no steps to warn Dr. Edelin or the medical profession that he had created a new crime. That lack of notice, alone, is enough in our view to make this conviction unconstitutional and to establish that the prosecutor grossly abused the power the law places in his hands. Regardless of what one thinks about abortion, it ought to be obvious that there is something fundamentally unfair about charging a man with murder without warning him in advance that what he and other doctors have been doing for years is now to be considered murder. Only a prosecutor with a low regard for the Bill of Rights and no regard at all for elementary fairness would proceed in this manner.
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> The same process, however, has been followed by the Boston prosecutor in a second case. Next on his list are four doctors who are charged with violating an 1914 law against grave-robbing. The charge against them is that they performed unauthorized autopsies by engaging in medical research on aborted and dead fetuses without getting permission for autopsies from the women who had been aborted. At the time the research was being conducted, hospitals and doctors generally regarded an aborted fetus as surgical tissue to be routinely disposed of the same way other surgical tissue is disposed of. As in the Edelin case, the prosecutor created a crime, failed to warn anyone that the routine procedures would place him in jeopardy, and proceeded to seek and win an indictment.
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> The impact of these two cases on the practice of medicine and on medical research in Boston, and elsewhere, is likely to be enormous. It will mean that some women will be denied the abortion to which the Supreme Court has said they have a right. It will mean that doctors will have to attempt to bring life to a fetus when they are convinced it can have no meaningful life. If the principles of these cases are to be enforced, prosecutors or police will have a reason to patrol operating rooms and hospitals. And the two cases already have brought to a halt much of the medical and biological research that involves the use of a fetus or of fetal tissue. It is worth noting that one of the essential steps in developing a vaccine against polio involved the use of fetal tissue in laboratory experiments.
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> Behind all this, of course, is an effort to sneak around the Supreme Court decision limiting the power of states to make abortions illegal. The Boston prosecutor has done indirectly what he must know he cannot do directly. That, in itself, is an expression of gross disregard for the system of law that has generally served this nation well for 200 years. The proper way to have proceeded in these matters would have been for the Massachusetts legislature to have passed laws creating the crimes the prosecutor has created on his own. Those laws could then have been tested in court—where we believe they would have been held unconstitutional—without dragging in five bystanders and charging them with crimes for doing what they believed to be ethically and legally correct work.
>
> Those who oppose abortion and the Supreme Court decision do have legitimate courses of action open to them. They can try to narrow the scope of the decision through legislation. They can try to persuade the Court, in a proper case, that it was wrong. And they can try to persuade Congress and the state legislatures that the Constitution should be amended. We hope such efforts fail, because we believe the matter of abortion is a subject that rests properly with a woman and her doctor. While we defend the right of those who disagree with us to seek their goal through legitimate means, it should be clear that legitimate means can never include the attempt by the prosecutor's fiat to create new crimes and thereby to control private and medical ethics.
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> The demonstration of raw power that has been permitted to go on this month in a Boston courtroom, unfortunately, is not unique. It has occurred before when prosecutors and judges used the processes of the law to harass those whose views they would not tolerate. But that does not excuse it.

ESTONIAN INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. ANNUNZIO. Mr. Speaker, February 24, 1975, marks a special day in man's historic struggle for freedom and self-determination, for it was on that day 57 years ago that the Estonian people established their own government and proclaimed their independence.

The Estonian American National Council in the Chicago region is commemorating this 57th anniversary of freedom with a program at the Latvian Community Center, 4146 North Elston Avenue in Chicago, on Sunday, February 23.

Taking part in the commemoration ceremonies are Olaf Tamrk, chairman of the Estonian Association of Northern Illinois, who will be the independence day speaker, Mrs. Tamrk, a soloist in the musical program, and the young people playing musical instruments.

The president of the Estonian Society of Chicago is August Parts, and the regional director of the Estonian American National Council for the Midwest is Alexander Koepp. These men are performing dedicated service to the members of these organizaations and to their community.

The Republic of Estonia grew and prospered for 22 years from February 24, 1918, to June 1940, when that nation was overrun by the Soviet empire and forcibly incorporated by the Soviet Union. Estonians have not accepted this foreign occupation of their land and still risk their lives to defy their Communist captors.

Tragically, the freedom-loving people now living in Estonia are unable to join in celebrating this auspicious independence day occasion, as they are forced to live in bondage under the ruthless tyranny of the Soviet Union. Despite their long suffering under the harsh yoke of communism, no amount of repression has succeeded in stifling the Estonian's yearning and constant hope for sovereignty and individual freedom.

Periodically stories of persecution and suppression of human rights break through the Soviet curtain of censorship, but we may be sure that there are many such violations which do not become known publicly. According to census figures for 1970, Estonians constituted only 68 percent of the population as opposed to 88 percent in 1939. This is a reflection of the fact that the Russian Communists have continued their campaign of intimidation and harassment in Estonia through these long years of occupation with mass deportations to other parts of the Soviet Union and attempts to destroy Estonian cultural autonomy.

Mr. Speaker, it was for these reasons that I introduced the following resolution at the beginning of the 94th Congress:

> Whereas the Government and the people of the United States of America have maintained and enjoyed excellent and friendly relations with the Governments and peoples of the Baltic States Republics of Latvia, Lithuania, and Estonia, during the years of independence of these Republics; and
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> Whereas the concept of liberty and freedom of choice of government is still alive in this country, as it has been constantly since the Declaration of Independence; and
>
> Whereas the evidence produced at the hearings of the select committee of the House of Representatives to investigate the incorporation of the Baltic States into the Union of Soviet Socialist Republics overwhelmingly tends to prove that the actions of the Union of Soviet Socialist Republics in relation to these free and independent Baltic Republics were contrary to the principles of international law and the principles of freedom; and
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> Whereas the people of this Nation have consistently shown great sympathy for the peoples of these three Republics, especially as a result of their enslavement and as a

result of the inhuman exile and deportation of great numbers of law-abiding persons from their native lands to imprisonment in slave labor camps in the Union of the Soviet Socialist Republics: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the President of the United States of America should continue the American policy of nonrecognition of the unlawful absorption of the Baltic States Republics of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics, and continue the recognition of the diplomatic and consular officers of these Republics as the lawful representatives of these three nations in the United States of America; and

(2) the President should take such steps as may be appropriate, through the United States delegation to the United Nations, to raise in the United Nations the question of the forced incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics and request the United Nations to conduct an investigation of conditions in the said Baltic Republics to the intent and purpose that Soviet armed forces, agents, and colonists be withdrawn therefrom, and that the exiled peoples of these Republics be returned thereto in freedom, and that free plebiscites and elections be held therein, under the supervision of the United Nations, to let the people, in freedom, make their own election and choice as to government.

Mr. Speaker, during ongoing negotiations with the Soviet Union, I believe it is most important that our Nation not forget the just aspirations of the Estonian people for freedom and self-determination. The United States has never recognized the forcible conquest of Estonia and because I believe that we should stand behind this policy, I also introduced the following resolution regarding this aggression:

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain the recognition by the European Security Conference of its annexation of these nations, and

Whereas the United States delegation to the European Security Conference should not agree to the recognition of the forcible conquest of these nations by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

In behalf of the many thousands of Estonian-Americans residing within my own 11th Illinois Congressional District, whom I am privileged to serve, and also for Americans of Estonian heritage all over this Nation who are commemorating this anniversary, I urge the early enactment of this legislation.

On this occasion, I want to assure the courageous Estonians that our Nation continues to support their just aspirations for freedom and independence, and I want to express the fervent hope that the goal of Estonian self-determination shall soon be realized.

THE AMERICAN DILEMMA

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BADILLO. Mr. Speaker, recently the moral and ethical problems of our country have been the subject of much comment and attention which are long overdue. I should like to introduce into the RECORD an article which appeared in the February 16, 1975, edition of the New York Times, by Prof. Kenneth B. Clark, which makes a valuable analysis of these fundamental concerns:

THE AMERICAN DILEMMA

(By Kenneth B. Clark)

About seven years ago, I accepted an invitation to participate in a seminar on the ethical and moral problems of American society that was sponsored by the Aspen Institute in Colorado. Among the other invited guests were business executives, college presidents, judges, government officials, managing editors, professors and theologians.

Although there was no conflict or controversy in the discussions, one of the presentations has had a profound, almost obsessive, impact upon my own thoughts about the character and quality of American life.

In a rather quiet voice, a recently retired vice president of one of the largest corporations in America told the group that one of the persistent problems faced by his office was how to keep the accounting records of the corporation in such a way that they would be accurate and would also obscure the fact that regular operating expenses were payoffs to municipal officials to expedite the installation of new construction in the large cities throughout the United States. Casually, this participant cited this as just another example of a prevailing functional immorality with which big business had to come to terms.

When none of the other participants raised a question about the ethical implications of this practice, I eventually asked why this powerful corporation did not bring this matter to local and Federal law-enforcement officials. My colleagues clearly considered my question naive. They reacted to my persistent questions as if I were an unrealistic child who did not understand the economic and political rules of the great American game.

Now I was shocked not only by the disclosure but equally shocked at the fact that my fellow seminar participants were not shocked. They thought themselves realistic in not permitting an academic discussion of ethical and moral values to be confused by "minor" specific examples of generally accepted institutionalized immorality.

In assessing the social, political and human strength, and potential of America, one can concentrate on such large issues as America's role in Southeast Asia and such other international problems as its fluctuating relations with its economic and ideological allies and adversaries; the persistent and manifold and overtly cruel forms of racism; the more subtle manifestations of inter-ethnic conflicts and the rejection of the poor, the aged and the infirm in a nation that prides itself on its affluence; and the fact that a highly developed technological society that has pioneered in space exploration continues to tolerate large-scale decay of the residential portions of its inner cities, deterioration of public education and accelerated pollution and wastage of its natural and human resources.

What is the basic systemic problem—the fundamental problem of perspective, value and character—that seems to be inherent in the chronic crises plaguing American society? Obviously the answer to this question is not to be found in deprivation and poverty of resources.

The paradoxical problem of American society is that it has been too successful; it is affluent and efficient even as it has legitimized and accepted pervasive dishonesties as the price of apparent success. When dishonesty appears to work, it is difficult to argue persuasively for honesty.

So far, America has been able to have its democratic ideals and pursue the cruelties of racism. Today the majority of Americans will vote yes in favor of desegregation of the public schools—but a greater majority will vote against busing of students to obtain desegregated schools. Many Americans under the banner of democratic egalitarianism will argue and insist upon their right to keep less desirable, "less equal," Americans out of their communities and schools.

These and related inconsistencies could be explained as examples of the nonrationality of the human species. On the basis of my Aspen experience I do not believe that this is a logical or rational problem. The crisis of inconsistencies in American life—the American dilemma—is primarily a crisis of moral ambivalence. It is an honesty-dishonesty dilemma that pervades all dimensions of our social, economic, political, educational and, indeed, our religious institutions.

This systemic dilemma within American society is complicated and probably made all the more virulent because it is inextricably entangled with status striving, success symbols, moral and ethical pretensions and the anxieties and fear of personal and family failures.

The conflicts in the American character structure and social system—conflicts intensified by the frequently fulfilled promises of upward mobility—must be resolved if the individuals are to continue to pursue the goals of status and success.

Reality, efficiency and morality are defined as if they were synonymous: That is real and moral which leads to success. If this is found to be too abstract an approach even for a pragmatic morality, even outright moral cynicism and hypocrisy are available as alternative approaches to personal success and effectiveness.

These devices for the resolution of the pervasive moral conflicts of our society can place tremendous stresses and strains upon some sensitive human beings. These individuals—probably a minority—are required continuously to measure their desire to function in terms of ethical and moral principles against their desire to avoid personal failure and ineffectiveness.

In a pragmatic, efficiency-dominated society, it is difficult for an ethically sensitive person to be taken seriously in the making of "tough-minded," "hard-headed" decisions. Promotions don't come easily to them. They are not likely to survive the severe "realistic" screening process that selects candidates for office.

American democracy, with its divergent and competing racial, ethnic and class groups cannot afford to elect to high office individuals who genuinely place ideals and ethical values above personal advantages and "realistic" moral compromises.

Indeed, the concern with honesty and human values becomes the sign that an individual is not practical enough to be entrusted with the responsibilities of making realistic political and economic decisions.

The virulence of this ethical and moral sickness is indicated by the fact that the symptoms, flagrant or subtle, are accepted by sophisticated realists—the controllers, policymakers and decision-makers of our society—as normative, competitive, and necessary for efficiency, affluence and effectiveness.

In short, they are interpreted as signs of health.

Those who insist that they are signs of a severe social disease can be dismissed as starry-eyed moralists, sentimentalists and understandably without influence or power. As a matter of fact, the few serious moral critics of our society do not have constituents. Intellectually and temperamentally they cannot appeal to the masses. Neither can they expect support from radicals of the right or the left because they tend to be as much concerned with methods as they are with ends; they cannot accept moral ends through immoral means.

The moral schizophrenia pervasive in the American society appears to be no more curable by words than is personal schizophrenia curable by psychotherapeutic preachments. Political, religious, civil-rights panaceas have been tried and found palliative at best and cruelly disillusioning at worst.

The essential for hope is to be found in that critical minority of human beings who insist upon being unrealistic, who for some still unknown set of reasons continue to argue that human beings are somehow capable of the possibility of empathy, compassion and sensitivity even as cruelty and hostility and insensitivity and rationalized dishonesty now dominate.

Fortunately for the future of a civilized society there exist these human beings who, while they are not nominated for high office and if nominated are not elected, nonetheless remain concerned about moral and ethical values and justice in the affairs of men.

They also seem to have the courage to risk the repeated expressions of their concern and thereby serve as a gnawing and irritating conscience to those who have attained success.

In the final analysis only these individuals provide the hope for that ultimate type of realism that is defined by the capacity of a society to survive rather than to be destroyed eventually on the altar of human barbarity.

THE KIWANIS CLUB OF COMPTON CELEBRATES 50TH ANNIVERSARY

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. CHARLES H. WILSON of California. Mr. Speaker, as a long-time member of the Kiwanis Club, I would like to salute the Kiwanis Club of Compton, Calif., on the 50th anniversary which was celebrated on February 5.

Carrying the tradition of this fine organization which was begun in 1915 to give individual men the opportunity to take an active role in community affairs, the Kiwanis Club of Compton has long promoted service and responsibility rooted in sound ideals and principles. This particular chapter has dedicated itself to enriching the human and spiritual values of life by living up to the meaning of the word Kiwanis, an Indian saying for "We trade."

Recognized as a group of citizens committed to promoting high idealism in public and personal relationships, members of the Kiwanis Club, of Compton, are concerned with helping both young and old to enjoy a richer life. During their 50-year history, they have raised over $100,000 which has been donated to the community, particularly for projects related to the development of our youth.

All Americans owe a debt of gratitude to the Kiwanis organization. Its 275,000 members of 5,900 local chapters have proven responsive to community needs—growing from their original interest in public affairs and underprivileged children to recognize changes in society and so adapt their programs to meet special needs. For this reason, their constitution is never static but rather flexible to meet changing times.

The Compton Kiwanis is an outstanding example of what can be accomplished when men of good will cooperate in the spirit of public service. I join the community and city officials in congratulating all Kiwanians on this milestone occasion of their golden anniversary. I know that the next 50 years will bring a continuation of their leadership as a dynamic force in community life.

DR. MARTIN LUTHER KING'S BIRTHDAY A NATIONAL HOLIDAY

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. BADILLO. Mr. Speaker, it is especially fitting that we of the 94th Congress give every consideration to legislation designating Dr. Martin Luther King's birthday a national holiday. Given the current state of the economy and the President's proposals, it would be all too easy for this session of Congress to ignore the great social wrongs to which Dr. King's efforts were addressed. Passage of this legislation would show the poor people of our country that Congress is committed to the ideals voiced by the Reverend Dr. King.

Dr. King was a man of deep faith, single-mindedness of purpose and great dignity. His philosophy of passive nonviolence has much to offer to the poor and oppressed of all colors, ages, and national origins. If today we pay new attention to the ideals of civil disobedience, perhaps we, too, can have the successes which Dr. King was able to achieve in the area of civil rights. His Montgomery, Ala., boycott of buses was a landmark in the all-too-brief history of the eradication of injustices committed against minorities. The November 1956 decision by the U.S. Supreme Court declaring segregation on Alabama buses to be unconstitutional was a watershed both for Dr. King and for all those dedicated to the fight against discrimination and oppression. That decision demonstrated that violence is not the only way to end injustice in America. Martin Luther King's vision that true equality in our country can be achieved through commitment to the ideal of brotherhood and the tactics of civil disobedience—sitins at lunch counters and department stores, freedom rides, boycotts and marches—was no idle folly. Nonviolent passive resistance has helped the black people in America. We of the 94th Congress can demonstrate to the American people that we are dedicated to equality for black people and for all Americans who suffer from prejudice.

We cannot ignore racism. We cannot ignore the oppression of minorities in our country. It is incumbent upon this Congress to restore the public's waning confidence in Government by dealing with the actual problems of our people. Let us show this Nation's poor, those who took part in Dr. King's poor people's campaign of 1968, that the man they looked to for leadership, whose dream they shared, is honored by his country.

BILL TO PROTECT THE VOTING RIGHTS OF AMERICANS OF SPANISH-SPEAKING BACKGROUND

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. ROYBAL. Mr. Speaker, today I am introducing with Congressman HERMAN BADILLO, of New York, a measure which has historic importance in protecting the right to vote of American citizens of Mexican and Puerto Rican backgrounds under the 14th and 15th amendments to the Constitution. This bill would also strengthen existing provisions of the Voting Rights Act by extending the act an additional 10 years, by establishing a permanent ban on literacy, and adding court review of the Attorney General's failure to send Federal examiners under the act.

The main thrust of this bill is to assure that Americans of Spanish-speaking backgrounds are not denied the right to vote.

There has been a systematic effort to deny the right to vote to Mexican Americans and Puerto Rican Americans and render their vote ineffective. Section 1 of this bill states the findings of Congress concerning voting abuses against persons of Spanish origin. It points to the existence of procedures and practices with respect to voting, including English only election and registration procedures, which purposely or effectively discriminate against persons of Spanish origin contrary to the 14th and 15th amendments.

There are over 6 million Spanish-speaking Americans of Mexican descent living in the United States. The vast majority live in the five Southwestern States of Texas, New Mexico, Arizona, Colorado, and California. Most are poor, many are illiterate in English and large numbers are subject to a variety of discriminatory laws and conduct which operate pervasively to deny equal opportunities in housing, employment, education, and voting. With regard to voting in particular, Mexican Americans in the Southwest are subject to a myriad of laws and practices which deny them the right to vote as effectively as similar laws and practices deny the right to vote to black Americans living in the South.

The Voting Rights Act of 1965 was

passed because previous statutory attempts to rectify voting rights abuses in certain jurisdictions of the Nation had proved frustrating and unsuccessful. The same situation with regard to registration and voter turnout as between whites and blacks in the Deep South of 1965 prevails today in the Southwest as between Anglos and Mexican Americans. Under-registration and lower voter turnout are pervasive among Mexican Americans. According to a survey conducted by the Bureau of the Census, only 46 percent of Mexican Americans reported themselves as registered to vote, with only 37.5 percent reported as voting. The comparable figures for whites are 73.4 percent registered, and 64.5 percent voting.

Not surprisingly, when minority voters are denied access to the ballot box, they are denied the chance to elect members of their own groups to political office.

In California, for instance, Mexican Americans comprise 18.8 percent of the total State population. Yet, in 1970, of 15,650 major elected and appointed positions at all levels of government—Federal, State, and local—only 310 or 1.98 percent were held by Mexican Americans. In Texas, where Mexican Americans comprise 18 percent of the population, only 298, or 10.7 percent of the 2,770 elective offices were held by Mexican Americans. The same discriminatory patterns are apparent with respect to Federal officials. Thus, although each congressperson represents on an average approximately 480,000 people, the 3.8 million Mexican Americans in California have elected only one Congressman. Similarly, the 2.3 million Mexican Americans in Texas have elected only two congressmen.

By comparison, in the nine counties of Arizona presently covered by the Voting Rights Act, the percentage of Mexican American elected officials has nearly doubled since 1965 and the State just elected a Mexican American governor. Arizona's population of Mexican Americans is 18.8 percent, yet of 424 Federal, State, and local elective offices, only 34—8.2 percent—are held by Mexican Americans.

A recent study of the U.S. Commission on Civil Rights of voting abuses directed against Mexican Americans in Uvalde County, Tex., shows many of the same practices which were prevalent in the Deep South in the early 1960's. The Civil Rights Commission study shows that duly registered Chicano voters are not being placed on the voting lists; that election judges are selectively invalidating ballots cast by minority voters; that election judges are refusing to aid minority voters who are illiterate in English; that the tax assessor-collector of Uvalde County, under Texas law responsible for registering voters, refuses to name members of minority groups as deputy registrars; that the Uvalde County tax assessor-collector repeatedly "runs out" of registration application cards when minority voter applicants ask for them; that the Uvalde County tax assessor-collector refuses to register voter applicants based on the technicality that the application was filed on a printed card bearing a previous year's date.

Other abuses were uncovered by the study of the Civil Rights Commission in Uvalde County, and elsewhere in Texas: widespread gerrymandering with the purpose of diluting minority voting strength; systematic drawing of at-large electoral districts with the same purpose and design; maintenance of polling places only in areas inaccessible to minority voters; excessive filing fees required in order to run for political office; numbered paper ballots which need to be signed by the voter, thus making it possible to discover for whom an individual cast his ballot.

Texas has other voting abuses, especially involving annexation of only Anglo areas but not Mexican American neighborhoods, redistricting in which all Mexican Americans are huddled into one county precinct although they constitute 70 to 80 percent of the county population, shifts from single member elections to at-large elections—each practice in itself having the effect of diluting and rendering the Mexican American vote ineffective.

In California, the most serious impediments to full enfranchisement of the urban Mexican American have been gerrymandering and registration abuses. The problems are especially acute in Los Angeles County where the majority of the California Chicanos reside. The results of gerrymandering can be observed by the fact that 3.8 million Spanish-speaking in the State are represented by one Federal respresentative—out of 43—2 State senators—out of 40—and 4 State assemblymen—out of 80.

Rural Mexican Americans in California also face problems similar to those faced by Mexican Americans in Texas. These include economic and physical intimidation, language difficulties coupled with complex voting and registration procedures—only recently did California provide for bilingual election and voting procedures—poor or nonexistent voting assistance to migrants and farmworkers, and difficulties in obtaining a sufficient number of registrars.

The Civil Rights Commission and citizen groups have not been alone in finding a history and tradition of invidious discrimination directed against Mexican Americans. In Graves against Barnes, the Federal District Court for the Western District of Texas made extensive findings which show that the Mexican Americans community in Bexar County, Tex.—San Antonio—has been victimized by long-standing State policies which have both the design and effect of discrimination. The court in Graves mandated single-member State legislature electoral districts for Bexar County, because multimember districts, when viewed in the context of past and present discrimination, unconstitutionally operated to deny an effective opportunity for Mexican Americans to make an impact on the political process. Language was only one problem, the court said:

> This cultural and language impediment, conjoined with the poll tax and the most restrictive voter registration procedures in the nation have operated to effectively deny Mexican Americans access to political processes in Texas even longer than the Blacks were formally denied access by the white primary. [Id., at 731.]

In a January 1975 report entitled "The Voting Rights Act: Ten Years Later," the Civil Rights Commission also dramatize continuing abuses against Mexican American and Puerto Rican American voters. These practices include location of polling places as a deterrent to voting, inadequacy of voting facilities, adverse changes in polling places, lack of minority and bilingual election officials including supervisors, and lack of a bilingual electoral and registration process.

Further, the Commission report stresses the need for federally conducted surveys in selected States and counties to determine the level of voter registration and turnout by race and national origin. On this point, the law is quite clear: Title VIII of the Civil Rights Act of 1964 mandates that the Secretary of Commerce must conduct a survey to compile registration and voting statistics by race and national origin in areas recommended by the Civil Rights Commission. It is my understanding that the Civil Rights Commission requested on two separate occasions that the Commerce Department conduct a survey on voting and registration for Americans of Spanish-speaking backgrounds. Despite the statutory mandate, the Commerce Department has ignored those requests. It is vital that Congress rectify this serious omission and act immediately to insure that the Federal Government meet its statutory responsibility.

Mr. Speaker, it is the purpose of this bill, which I have introduced today to amend the Voting Rights Act to protect the right to vote of persons of Spanish origin.

Section 1 of the bill establishes a new coverage formula designed to apply in areas which have a significant Spanish origin population. The latter is defined as any State or political subdivision of a State with respect to which the Director of the Census determines that more than 5 percent of the voting age citizens are of Spanish origin.

The formula consists of two conditions to be determined by the Census Director and the Attorney General, respectively: First, registration or voting averages, which are below the national average in connection with the 1964 and 1968 presidential elections; second, exclusive reliance upon the English language in all aspects of registering and voting.

States and localities which fall within this coverage formula would be subject to the remedial "cures" authorized by existing law. Covered areas would be subject to section 5's voter law clearance procedures, section 6's Federal registration requirements, and section 8's poll observer provisions. In order to reinstate its own registration and voting processes, a State or local subdivision would have to demonstrate to a three-judge District of Columbia court that it has not used—during the preceding 10 years—any voting qualification or prerequisite to voting, or standard, practices or procedure which had the purpose or effect of denying or abridging the right to vote as guaranteed by the 14th and 15th amendments.

The three-judge District of Columbia court—appeals from whose decisions go directly to the Supreme Court—would retain jurisdiction for 5 years over a State or local unit which has reinstated its own processes. During that time, the Attorney General can ask the court to reopen the case for purposes of challenging a discriminatory law or procedure.

However, if the Attorney General determines that a State or political subdivision has not engaged in a prohibited discriminatory practice during 10 years preceding the filing of an action, he is required to consent to the entry of judgment.

Section 2 of the bill would amend the act's section 5 voter law clearance procedures to make them apply to the provisions of section 4 of the act as amended by this bill. Section 5 of the 1965 Voting Rights Act dictates that whenever certain States or political subdivisions wish to change their electoral laws or procedures, such changes must be approved as nondiscriminatory by either the Attorney General or a three-judge district court in the District of Columbia. Clearly section 5 provides an efficient administrative mechanism for dealing with voting abuses experienced by Americans of Spanish origin or descent. And clearly it is needed today in the Southwest as much as it was needed in the South of the mid-1960's.

Section 3 of the bill would make an amendment to section 6's provision authorizing Federal examiners for similar purposes.

Section 4 of the bill specifies an additional condition requiring more than 50 percent registration of Spanish origin voters for terminating Federal registration requirements.

Section 5 of the bill extends for an additional time—10 years—the provisions of section 4(a) of the 1965 act which ban the use of literacy tests in certain States upon the finding of certain conditions by the Attorney General.

Section 6 of the bill provides for limited review procedure by the Federal district court whenever the Attorney General fails to make a certification under the Federal registration requirements of the Voting Rights Act.

Section 7 of the bill amends section 201(a) of the Voting Rights Act Amendments of 1970, to permanently ban literacy tests and related devices within the jurisdiction of the United States.

This bill clarifies and legislatively strengthens recent Federal court decisions affecting Spanish speaking voting participation. These decisions provide a reliable basis for enactment of my voting rights measure. In Katzenbach against Morgan, the Supreme Court ruled that Congress has the power to interfere with any State interest served by an English literacy requirement in order to remedy equal protection clause infringements. Moreover, the justices noted that grounds exist for extending voting safeguards to persons of Spanish origin.

Further, in both South Carolina against Katzenbach, and in Oregon against Mitchell, the constitutionality of the original act and the 1970 amendments, respectively, were sustained in suits brought by several States, one of which was Arizona, which has a substantial Mexican American population. And in Oregon, eight justices concurred that a nationwide ban on tests and devices could be constitutionally grounded on the 15th amendment and could operate to bar discrimination against Mexican Americans. In so holding Justice Black wrote:

> Congress also had evidence to show that voter registration in areas with large Spanish-American populations was consistently below the state and national averages. In Arizona for example, only two counties out of eight with Spanish-surname populations in excess of 15% showed a voter registration equal to the statewide average.

A number of lower court rulings, such as Torres against Sachs, and Arroyo against Tucker, have recently ordered election authorities to provide Spanish language aids to certain persons of Spanish origin so that they might fully exercise the franchise.

PARAGUAYAN ECONOMIC DEVELOPMENT IS ENCOURAGED BY THE UNITED STATES

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. COLLINS of Texas. Mr. Speaker, our good friend Paraguay makes steady progress in South America. We are always proud of Paraguay as it consistently supports, under the capable leadership of President Alfredo Stroessner, all progressive programs with the United States. Here in the Congress of Washington, we are interested in keeping up with the current plans and developments in Paraguay. I asked our Ambassador, George W. Landau, to give me a current economic summary from down there in Asuncion. I know you will be interested in the current economic report from Paraguay.

The summary follows:

PARAGUAY

Although Paraguay is one of the poorest nations in the Western Hemisphere with a current per capita income of approximately $350, great strides have been taken in recent years to not only improve the standard of living of the country's inhabitants but to promote economic development as well. Thanks to recently concluded agreements with her two neighbors, Brazil and Argentina, Paraguay is presently on the threshold of a major economic change. As a result of these agreements to construct two and possibly three major hydroelectric installations, Paraguay may become within the next decade one of the world's richest nations on a per capita basis in electric energy.

Paraguay is a completely landlocked country approximately the size of California but with a population of only 2.5 million. Traditionally the Paraguayan economy has largely been dedicated to subsistence agriculture with a foreign trade based on exports of primary products and imports of machinery and equipment to assist in the modernization of the country. Cattle raising is the principle economic activity of the nation and meat products the main export.

In addition there are exports of a wide variety of other agricultural products, including cotton, soybeans, tobacco and essential oils. Another major export in recent years has been lumber from Paraguay's extensive forests. In the past five years Paraguay's exports have increased by more than 300 percent while, during the same period, her foreign exchange reserves have risen by 800 percent. Foreign investment has also been on the increase bringing needed capital for fuller development and utilization of the nation's human and natural resources.

By the signing of treaties with Brazil and Argentina for the construction of two and possibly three major hydroelectric complexes on the upper Parana River, Paraguay has begun a new and important stage in her economic development. The current estimate for the total cost of construction of the joint Paraguayan-Brazilian hydroelectric projects at Itaipú is $5 billion. When completed, this project will include the largest single hydroelecrtic dam in the world with a generating capacity of almost 12.5 million kilowatts. The agreement signed with Argentina provides for the construcion of a joint hydroelectric project at Yacyretá-Apipé presently estimated to cost $3 billion. This dam will have a generating capacity of 3.3 million kilowatts. A third hydroelectric project called Corpus which also would be constructed jointly with Argentina, is presently being studied.

Once these projects are completed, Paraguay's half share in the production will make her one of the world's largest per capita electric energy producers. Adding this potential to Paraguay's traditional encouragement of foreign investment plus the political and social stability brought about under the leadership of President Alfredo Stroessner, a rapid economic development for the nation and her people seems assured.

Traditionally, Paraguay has welcomed interest in its potential markets here by American companies, and can be expected to be an excellent market for goods and services related to the new hydro-power schemes and the industry they will stimulate.

AN URGENT NEED: THE NURSE TRAINING ACT

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. PATTEN. Mr. Speaker, last year, the House passed a 3-year extension of the Nurse Training Act because extensive hearings and study of the situation showed that continued Federal assistance was needed: First, to maintain the supply of registered nurses; second, to increase the numbers prepared as nurse practitioners, clinical specialists, and for other positions requiring advanced preparation; and, third, to improve the distribution of registered nurses. On February 19, 1975, I cosponsored the Nurse Training Act of 1975, H.R. 3268.

The 1974 bill was pocket-vetoed by the President after the 93d Congress had adjourned. Now, the administration has come out with a proposed budget for fiscal 1976 that would abruptly wipe out practically all assistance to nursing schools and students. I am hard-pressed to understand the logic behind these actions. For one thing, we certainly should maintain our supply of nurses—they constitute the largest group of health care providers.

Also, given the present state of the economy, this could have a devastating effect on many States which would have to try to replace this loss of funds. In addition, most nursing students do not come from high-income families, and it would mean that many of them would have to give up their education plans. This was pointed out in a recent letter to the Washington Post, a copy of which is attached. As we will soon have the Nurse Training Act before us again for action, I think my colleagues would find this letter of interest. I hereby insert it in the RECORD:

[From the Washington Post, Feb. 10, 1975]

IN THE BUDGET: A THREAT TO HEALTH CARE

As The Post points out in a Feb. 4 article by Stuart Auerbach (20% Cut Proposed in Health Spending) the President's fiscal 1976 budget would reduce spending for such important health delivery programs as maternal and child health, migrant health care, immunization, mental health and others.

But nearly overlooked in the huge budget report is the threat to present and future health care delivery posed by cuts in funds for health manpower training. Nursing, the largest of the health professions, would be particularly hard hit with virtually all support wiped out. This sudden drop from a $146 million funding level in 1975 could bring serious results. Allied health and public health student aid are also badly cut.

Some 50,000 nursing students face loss of loan, scholarship and traineeship funds. In the President's budget, scholarships and loans are reduced to phase out levels and traineeships for advanced education are eliminated. Many nursing students would be unable to continue their education. Experience has shown that this is particularly true of those seeking advanced preparation to become nurse practitioners, clinical specialists, teachers, nursing service directors, all areas of severe shortages today.

The proposed budget also would eliminate all direct aid to schools of nursing which will doubtless mean program cutbacks and in some cases, school closings. With support and incentives offered under the Nurse Training Act of 1971, enrollments increased by some 45,000 from 1971 to 1974. However, this gain could prove short-lived if federal aid is abruptly ended.

The President quite rightly observes that greater attention is needed on the problem of maldistribution of health personnel. A partial answer to this problem is being provided by nurse practitioners prepared to provide primary care. Many are working in rural and inner city locations where health services have been scarce or non-existent. There are still only a few thousand nurses prepared to function in this capacity, yet the administration budget does not provide for any expansion of programs preparing nurse practitioners, and it includes no assistance for nurses wishing to get this kind of advanced training.

A bill extending the Nurse Training Act and including funds specifically earmarked for expansion of nurse practitioner programs and advanced nurse training was pocket vetoed by the President following adjournment of the 93rd Congress. It has been reintroduced in the 94th. We think it is crucial to the future of health care in this country and urge that it be speedily enacted into law.

EILEEN M. JACOBI,
Executive Director, American Nurse Association, Inc.

WASHINGTON.

LITHUANIAN INDEPENDENCE DAY

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. O'BRIEN. Mr. Speaker, my colleagues and I are here today to commemorate the 57th anniversary of Lithuanian independence and to decry the Soviet Union's 35-year occupation of that proud and gallant nation.

Lithuania has existed as a nation for more than seven centuries, and on February 16, 1918, the modern Republic of Lithuania was established. Yet you will not find that nation drawn on any maps today as a distinct country. Why? Because after only 22 years of independence, Lithuania and her neighboring countries, Latvia and Estonia, were successfully invaded and absorbed by the Soviet Union in 1940.

I find that not only sad, but ironic. I find it ironic because yearly we witness the emergence of infant nations, see them recognized by the United Nations, and hear them hailed by the Soviets. Yet the ancient and honorable nation of Lithuania remains a virtual colony of the Soviet Union and we see no end to this policy of Russification in the near future.

While advocating self-determination in developing nations, the Soviets carry on a reign of terror in Lithuania, violently suppressing personal and religious freedoms.

Despite persecution and imprisonment, the Lithuanians continue their struggle, their spirit unbroken. In the recent past, we have seen dramatic proof of the Lithuanians' courage.

In 1970, a Lithuanian seaman, Simas Kudirka, leaped to freedom from a Soviet fishing ship off the Massachusetts coast.

In 1972, Romas Kalanta set fire to himself to protest Soviet repression and sparked demonstrations by thousands of other young Lithuanians.

Although Kalanta died for his beliefs, Seaman Kudirka's story has a happier ending. As many of you already know, Mr. Kudirka's escape was aborted and he was mistakenly returned to Soviet custody. Tried for treason, he was imprisoned for 4 years and 10 months. While sympathetic Americans, including many of us here in Congress, attempted to free him. Last August his release was secured. The fact that his mother was born in Brooklyn, N.Y., and he was able to claim American citizenship made his release easier. But it was not until November that he and his family were finally able to emigrate to the United States.

Seaman Kudirka was one of the fortunate. Nameless thousands of his countrymen are not so lucky. They are in prison, literally and figuratively, waiting for the day when their homeland will once again be free.

We cannot forget these people. I am proud that the United States has adamantly refused to recognize the Soviet annexation of Lithuania and her Baltic neighbors. But we must do more, and now, in the present spirit of détente, is the time.

A WORRIED CONSTITUENT VOICES FRUSTRATION

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. STARK. Mr. Speaker, in the past month I have received letters from many of my constituents voicing their frustration, and their sense that the administration just does not care about the great needs of low- and moderate-income families and individuals in our Nation. These income groups, already the segment of our population which bears the largest share of the suffering which results from our present inflation/recession spiral, find no comfort in the President's proposals to deal with our economic and energy problems. Indeed, they can only see greater insensitivity, and more hardship on the horizon when they examine the effects of such policies as an excise tax on imported oil and tax decreases which once again spare the wealthy at the cost of low- and middle-income wage earners.

I believe that one letter I have received, from Joan Miller of California's Ninth Congressional District, articulates this frustration and pessimism most eloquently. I therefore commend Ms. Miller's letter to my colleagues' attention:

JANUARY 14, 1975.

Congressman PETE STARK,
Longworth Building,
Washington, D.C.

DEAR CONGRESSMAN STARK: After listening to President Ford's preview speech, I'm more disturbed than ever. It doesn't take much sense to realize that between the new gas tax and it's effect then on the trucking industry, the average and below average wage earner will end up in the red again income tax decrease or not.

Personally I could care less about a tax decrease, especially an across the board one. Most of us are due for only a pittance while the big guy, who doesn't need it is being handed a thousand dollars. The public is sick of this foolishness.

The gas tax won't have any effect on gas consumption at all. The average person has already cut back on gas so he can afford groceries and 7½¢ per gallon won't deter the guy with money. I must assume that the President and his mighty counselors can figure this out, and therefore I must assume that they don't really want a drastic cut back in gasoline consumption at all since that would be unfavorable to the oil companies. Gas rationing is the only equitable plan and the only plan that will get us out of the clutches of the OPEC. The American people would support the President if he ever came up with a plan that had the ring of concern for our country instead of concern for oil companies.

If you must support an income tax decrease, make it a meaningful one. How about a fifty percent cut for the family earning $10,000.00 or less with four or more in the family and no cut for those families who earn more than $25,000.00, $30,000.00? If more money is still available to be returned, then give back a 5% to 10% to the families within these two brackets.

Just to show that this is not a greedy letter, my husband is a surveyor for the California Department of Transportation earning between $14 and $15 thousand dollars a year and we have four in our family. These days we are very thankful that we have an income at all.

This is a critical time in the careers of our legislators. We are watching them closely especially in areas where the demands of the oil companies and public utilities are constantly being met while ours seemingly go unheard. I am a registered Republican, but Governor Brown has the right idea. Some may call it tactics, but his show of frugality is making points with the average man.

Our prayers are with you and your colleagues. You have some tough decisions to make and the public will be watching.

Sincerely,

JOAN MILLER.

MALPRACTICE INSURANCE

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. HOWARD. Mr. Speaker, at a time when the need for good medical care for everyone is at an all-time high, many highly qualified doctors are deciding to give up their practice because of the almost prohibitive costs of malpractice insurance.

On a personal level, my own physician and good friend, Dr. L. F. Albright of Spring Lake, N.J., told me of incidents where doctors have retired from practice rather than pay the astronomical premiums it would cost for malpractice insurance. I also heard a news report of an instance where a prominent Chicago doctor retired rather than pay the estimated $40,000 to cover his malpractice insurance for a year.

In all candor, I do not profess to have the answer. Today, however, in an attempt to begin a long, hard look at this problem, I am introducing legislation in the House which is a companion measure to S. 482, which was introduced in the other body by the distinguished Senator from Massachusetts, Mr. KENNEDY.

Mr. Speaker, at this point, none of us should be wedded to any specific piece of legislation. The various bills introduced should be given hearings so that we can work out a realistic and comprehensive piece of legislation to resolve this problem.

At this point in the RECORD, I would like to include a letter I received from the Freehold Area Hospital in Freehold, N.J., and an editorial from the Asbury Park Press, both of which touch on this crucial subject:

FREEHOLD AREA HOSPITAL,
Freehold, N.J., January 30, 1975.

Hon. JAMES J. HOWARD,
Cannon House Office Building,
Washington, D.C.

SIR: This hospital seeks your consideration and assistance in seeking legislative reform to cure the current medical malpractice insurance crisis. Our trustees have reviewed this problem and suggests the following:

1. Since medical malpractice insurance is becoming prohibitively expensive and . . .

2. Since many insurance companies are cancelling coverage for both hospitals and physicians and . . .

3. Since recent jury awards in medical malpractice cases are reaching astronomical sums and . . .

4. Since the cost of increased insurance premiums (for both physicians and health care institutions) are ultimately borne by the consumer and . . .

5. Since many are urging the adoption of an arbitrated system to adjudicate medical malpractice claims (See attached editorial, Asbury Park Press, January 24, 1975)

6. That the State of New Jersey adopt legislation providing for a "common sense" system of medical malpractice review and awards similar to "workmen's compensation" or "no fault" auto insurance.

7. That this hospital stands ready to help document the need and/or draft proposals to remedy a very unpredictable and expensive system currently in use.

Thank you for your consideration of this very important issue. Please let us know if we can provide further information.

Very truly yours,

JOSEPH SAKER,
President, Board of Trustees.

[From the Asbury Park Press, Jan. 24, 1975]

MALPRACTICE INSURANCE

Skyrocketing costs of malpractice insurance, and the threat that insurance will not be available to all doctors and hospitals, warrant the inquiry that the New Jersey Senate proposes. The public eventually must pay the rising costs. It also is affected because inability to obtain insurance can make doctors unwilling to accept difficult cases or prescribe treatments with potential risks even when informed consent is granted by patients.

The matter has become urgent by the decision of one of the principal underwriters of malpractice insurance to withdraw from several eastern states. The company contends that it is unable to raise premium costs fast enough to cover jury awards. Insurance Commissioner James Sheeran has proposed a plan whereby other states would join New Jersey in a pact under which companies that write malpractice insurance in any state that adopts the Sheeran plan would have to provide coverage in all participating states. He contends such action is required to break a virtual monopoly employed by a few carriers.

Dr. Malcolm C. Todd, president of the American Medical Association, says a solution to rate increases of 400 per cent should be sought through creation of a medical injury compensation plan comparable in some but not all respects to the workmen's compensation insurance system.

Under the Todd plan the scope of liability would be broadened to include not only negligence-related cases but also injuries arising from medical treatment that are not the result of negligence or bad judgment. The proposal warrants a full study. The fact that "no fault" auto liability insurance was developed by many states suggests that a better approach can be worked into the judicial system for malpractice insurance.

In testimony before the New York Legislature Dr. Todd noted that whether a patient wins a substantial jury award for malpractice depends on variables such as how good his lawyer is, where the suit is tried, and the jury's mood. This view is supported in part by a study by Superior Court Judge Botter of New Jersey, not confined to malpractice cases, reporting that juries in some counties are more biased toward plaintiffs and in other counties more inclined to side with defendants.

"For the patient the current malpractice litigation system is nothing more or less than a form of shooting craps," Dr. Todd testified in New York. "And for the public-at-large it's became a very expensive form of crapshooting."

Any solution that a full inquiry develops will bolster the relationship between a patient and a doctor and a hospital and its patients. An adversary relationship in health care because of weakness in the present malpractice insurance system hurts the public as well as those who dispense medical care.

LITHUANIAN INDEPENDENCE DAY—1975

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BIAGGI. Mr. Speaker, I would like to take this time to commemorate the 57th anniversary of the Declaration of Independence of Lithuania which was celebrated this past Sunday. It is fitting that each year we in the House take time to note this important yet tragic day in world history for while this day is celebrated as Lithuanian Independence Day, for the past 3½ decades freedom has been but an elusive dream for the people of Lithuania.

February 16, 1918, was a glorious day for the Lithuanian nation for with their Declaration of Independence they were culminating a struggle to free themselves from Russian domination. Yet the freedoms they worked so hard for were to be shortlived for only two decades later Lithuania was to again fall under Russian domination when it was declared a constituent republic of the U.S.S.R. on August 3, 1940. They have remained under their control except for a brief period during the Second World War when they fell into Nazi hands.

Yet despite these adversities the spirit of freedom runs strong in the people of Lithuania. The spirit has been renewed due to the improvement of relations between the Soviets and the United States. The Lithuanians look to this Nation as the epitome of a free nation, for leadership in convincing the Soviet Union to restore freedom and dignity to their nation. I have long contended that our agreements with the Soviets should contain provisos which will achieve this long desired goal.

A study recently put out by the Freedom House organization showed that in 1974 the U.S.S.R. had some 37.5 subordinate people under their control including Lithuanians. These are staggering figures which demand the consideration of this administration. Let us work for good relations with all of our adversaries, but let us not forget the plight of the oppressed peoples of the world, for they, too, should be able to live in a world of peace and dignity.

I am happy to participate in this important day. I salute the many contributions of the Lithuanian American community and assure them as well as the people in Lithuania that we in the United States share and support them in their efforts to achieve freedom.

MY RESPONSIBILITY AS A CITIZEN

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. HUBBARD. Mr. Speaker, I would like to call your attention to the winning address for the State of Kentucky in the Veterans of Foreign Wars of the United States' Voice of Democracy Contest which was composed by Mr. Jimmy Gentry of Cadiz, Ky.

Mr. Gentry's award-winning entry follows the contest theme, "My Responsibility as a Citizen," and calls to mind the heritage of America and the personal, deep-seated conviction that this young man has concerning our Government and Nation and the things that make it great. The message is as follows:

MY RESPONSIBILITY AS A CITIZEN

(By Jimmy Gentry)

Listen! Can you hear it? Can you hear the sounds of a lonesome wind. The sound of leaves crackling as they rustle on a cool autumn day in September. Can you hear the sound of silence—silence, the opportunity that echoes the sounds of the past. As I consider the stillness around me, I can hear men of yesteryear whispering about freedom, the potent quietness of a new nation, and a new kind of government. As I listen, I can visualize the men that died for my freedom, and I can begin to realize the responsibility that I play as a citizen of the United States.

The late President John Kennedy said that the cost of freedom is high, but that Americans have always paid it. During our nation's greatest challenges, freedom must have been of great value, for the price was death. My forefathers died for this valued cause that allows me to live in a country where I may worship in the church of my choice, where I may voice my opinion in the government, where I may live without fear of being independent.

Each American has a responsibility to those forefathers, and to his country. That responsibility is called citizenship. Citizenship entitles you and me to become active participants in the American way of life in our community, in our state, and in our nation. Citizenship requires you and me to be involved in our government at all levels, helping us to better understand the obligation that we have. Citizenship entails the realization of our benefits or else they will gradually erode from our custody. As an individual citizen, I have a responsibility to my constitution, to my country, and to my family.

As a responsible citizen, I have an obligation to my constitution which is our foundation of Democracy and the law of the land. Our constitution was written to ensure everyone in America equal rights of citizenship, the right to be involved and to participate in government, and the right to be free in choices of individual concerns. I must understand the meaning and content of our constitution. I must learn to recognize the extent of tolerance for differences of opinion in a democracy. I must defend these constitutional standards until evidence appears to merit constructive change.

As a citizen, I have an obligation to these United States—my country. Whether I am in the midst of my own community, or on foreign soil, I am responsible to my government. God has truly shed his grace on me. He has allowed me to live in the greatest land on earth and granted me the greatest opportunity of freedom known to history. He has permitted me to be an American. Yes, when walking in the stillness, I can hear freedom, peace, and pride. As the bird sings, and the child plays, they remind me that I have a lot for which to be thankful, much for which to be responsible—America. As a citizen, I will defend my country at all times, both day and night, home and abroad. In the time of crisis, I must stand with her as a boy stands close to his father in time of fear. After the conflict, I must stand ready to cooperate in healing wounds which threaten my democracy. In time of peace, I must be alert and prepared to guard against threats to equality and justice. I must love, cherish, and respect my country—the United States. As George Washington said, "I must observe good faith and justice toward all nations. I must cultivate peace and harmony with all people."

May I never forget that as a citizen, I have a compelling responsibility to my parents. Too many young Americans have already taken undue advantage of their heritages. I must remember that my mother and father shared in these heritages and helped pave the way for me. They are the ones who give me a home, encouragement and love. Thus, I must be a son who cares about their lives and their future as well as they have cared about mine.

Yes, I can hear the sound of a warming lonesome wind forever telling my needs of freedom. These sounds will forever echo my responsibility as a citizen. I pray that every opportunity of silence may forever remind me of my undying obligation to cherish and continue the responsibilities of citizenship.

PHILADELPHIA'S WASTE DISPOSAL EXPERIMENT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. EILBERG. Mr. Speaker, the city of Philadelphia is about to begin a 3-year experiment of waste disposal which could have national implications.

The purpose of the study is to determine whether land disposal of digested sewer sludge can be made safer and cheaper than ocean dumping.

City Water Commissioner Carmen F. Guarino has stated that his department will spread 15.2 million gallons of sludge each year on land belonging to the Letterkenny Army Depot Military Reservation, near Chambersburg, Pa. The U.S. Department of Defense has agreed to provide 650 acres for the experiment.

WASTE DISPOSAL EXPERIMENT

The study, which will begin in 1976, will cost $4,878,000—with the Environmental Protection Agency paying 75% of this and the Water Department the remainder. Site preparation, including construction of facilities, will be done this year.

Guarino said that a "go ahead" for the study awaits only final approval by EPA of an environmental impact statement. He noted that the study, which the Water Department has been planning for more than a year, has become very urgent.

Only recently EPA ordered the City to cut ocean disposal in half by 1979 and to end it completely by 1981. "Unfortunately," said Guarino, "EPA has never made a scientific study of land disposal. At present, no one can be sure that land disposal is a satisfactory substitute for ocean disposal."

Guarino said that past studies (by the Franklin Institute and the Marine Science Consortium) have shown that ocean disposal of Philadelphia's sludge is environmentally safe. "Other studies show that it is much cheaper than land disposal would be."

Under the Water Department plan, sludge will be transported to Letterkenny in vented railroad tank cars. These cars will load sludge at the Northeast Water Pollution Control Plant and unload it within the Letterkenny reservation. At Letterkenny, the sludge will be stored in an impermeable basin and then will be redistributed by portable piping to the fields.

Up to 500 acres will be used for sludge application during the three years, but only three acres will be irrigated at a time. The total sludge deposited from 1976 to 1979 will equal 30 dry tons per acre—a tonnage well within federal safety limits. The sludge will be applied in various forms, such as liquid or cake, pasteurized or unpasteurized, in order to test the effect on the land.

Water Department engineers will analyze this effect constantly, Guarino noted. "We want to find out what the impact is on air, water, and soil quality, and on plant growth and composition. We shall determine also if there is any health hazard from pesticides, toxic metals, pathogens, parasites, or viruses."

Other purposes of the study will be to learn.

The best techniques for handling and transporting the sludge,

The most satisfactory rates at which digested sludge can be applied to land without polluting the environment,

Whether land disposal is more or less economic than other disposal methods.

The disposal site is located 10 miles from Chambersburg and is remote from other large population centers. Guarino said that the land slopes gently away from nearby communities, and that drainage at the site will be carefully controlled through runoff basins, surface water analysis, and regulated release. Odor will also be controlled. "We do not expect any community to be affected by the sludge deposits," said the Commissioner.

Some of the Letterkenny land is rented from the Federal Government by farmers, who grow forage crops. "The farmers look forward to the sludge as a free soil conditioner," noted Guarino. "It will reduce their fertilizer costs."

Guarino said that the Water Department will be counselled during the three-year study by an advisory committee. This committee will include federal, state, and local officials, as well as sanitary and agricultural experts.

Noting that Letterkenny land will not be available to Philadelphia for permanent use, Guarino said that all structures and piping will be removed at the conclusion of the study. Altered land will also be restored.

IN SOLEMN OBSERVANCE OF THE 57TH ANNIVERSARY OF THE REPUBLIC OF LITHUANIA

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. ROE. Mr. Speaker, I wish to join in the congressional tribute to the people of Lithuania in commemoration of the Lithuanian Independence Day of February 16, 1918, which all freedom-loving people throughout the world have been observing this past week in protest of governmental oppression of people and their basic human rights.

In manifesting the deep concern we all feel for the people of Lithuania, I wish to insert at this point in our historical journal of Congress the following resolution adopted by Lithuanian Americans of the State of New Jersey which most poignantly brings into sharp focus the continuing need for concerted action in mustering world opinion as a viable force in achieving universal understanding and agreement on basic human rights principles that will eliminate government controls that dominate the personal freedoms of the individual to live and worship in the land of his choice and stifle the independence and sovereignty of a nation of people. The resolution which was forwarded to me by the United Committee of Lithuanian Americans and endorsed by the Honorable Kazys Jankunas, president of the Lithuanian-American Community of New Jersey; Valentinas Melinis, president of the Lithuanian Council of New Jersey; and Pranas Puronas, secretary of the United Committee reads as follows:

RESOLUTION

We, Lithuanian-Americans of New Jersey at a meeting held on February 16, 1975, commemorating the 57th anniversary of the establishment of the Republic of Lithuania in 1918, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatore of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940 invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lithuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the Communist regime in seeking political and religious freedom; and

Whereas the 89th U.S. Congress unanimously passed House Concurring Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the peoples of Estonia, Latvia, and Lithuania, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved that we, Lithuanian-Americans urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Detente policy; and further

Resolved, to request the President of the United States to vigorously implement House Concurring Resolution 416 to the fullest extent; and further

Resolved, that copies of this resolution be forwarded this day to appropriate government officials.

It is also significant on this anniversary date to call to the attention of you and our colleagues here in the Congress the following communication that I received from His Eminence Vincent Brizgys auxiliary bishop of Kaunas, Lithuania, attesting to the continued refusal of the Soviet Union to recognize the sovereignty independence of countries it has occupied since World War II which includes Lithuania and the other Baltic Republics:

FEBRUARY 10, 1975.

Hon. ROBERT A. ROE,
Member of Congress of the United States, Washington, D.C.

DEAR SIR: The last two decades may be called years of freedom. The last remaining former colonies are being recognized as independent and are being admitted to the United Nations. The Soviet Union joins the free world in congratulating them and applauding their independent Statehood. However, it remains silent, grim and intransigent about ever withdrawing from formerly independent countries it has occupied since World War II, such as the Baltic Republics, among which is Lithuania, whose people and friends commemorate February 16, as the Restoration of Independence at the conclusion of World War I.

I should like to avert your attention to the Soviet Constitution imposed also upon Lithuania, which guarantees religious freedom together with other freedoms. It is now two years that the Soviets have greatly intensified their policy of terror in Lithuania against the faitnful and all readers of religious literature, even of those several publications printed with Soviet sanction. The most rabid terror is directed against the readers of Chronicles of the Catholic Church in Lithuania, which contains nothing but simple statements of bare facts, namely, of Soviet violations of their own Constitution regarding the freedom of religion. In Soviet-enslaved Lithuania and in the Soviet Union only the bravest dare react against violation of the Constitution and they are the only ones who are punished for venturing to speak of them publicly and to protest them.

This is the daily way of life today in the old honorable nation and state of Lithuania, while the rest of the civilized world is granting independence to peoples barely emerging into nationhood.

I am very grateful to you and to all who have not forgotten Lithuania in her present conditions of slavery and her courageous and gallant people. I trust that time is not far distant when humaneness, truth, justice and freedom will prevail and flourish once again in Lithuania.

With sincere regards, I remain
Faithfully yours,
VINCENT BRIZGYS,
Auxiliary Bishop of Kaunas, Lithuania.

Mr. Speaker, on this anniversary observance of this historic agreement of the Lithuanian people establishing the Republic of Lithuania, I am today reintroducing the legislative proposals which I joined with many of our colleagues in sponsoring in the 93d Congress reaffirming our resolution which was adopted by the 89th Congress directing that the question of the status of the Baltic Nations of Estonia, Latvia, and Lithuania be placed on the agenda of the international forum of the United Nations to help seek the restoration of the right of the people to exercise self-determination to national independence and sovereignty of these Baltic States. These House concurrent resolutions read as follows:

CONCURRENT RESOLUTION

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain the recognition by the European Security Conference of its annexation of these nations; and

Whereas the United States delegation to the European Security Conference should not agree to the recognition of the forcible conquest of these nations by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

CONCURRENT RESOLUTION

Whereas the Government and the people of the United States of America have maintained and enjoyed excellent and friendly relations with the Governments and peoples of the Baltic States Republics of Latvia, Lithuania, and Estonia, during the years of independence of these Republics; and

Whereas the concept of liberty and freedom of choice of government is still alive in this country, as it has been constantly since the Declaration of Independence; and

Whereas the evidence produced at the hearings of the select committee of the House of Representatives to investigate the incorporation of the Baltic States into the Union of Soviet Socialist Republics overwhelmingly tends to prove that the actions of the Union of Soviet Socialist Republics in relation to these free and independent Baltic Republics were contrary to the principles of international law and the principles of freedom; and

Whereas the people of this Nation have consistently shown great sympathy for the peoples of these three Republics, especially as a result of their enslavement and as a result of the inhuman exile and deportation of great numbers of law-abiding persons from their native lands to imprisonment in

slave labor camps in the Union of the Soviet Socialist Republics: Now, therefore, be it

***Resolved by the House of Representatives (the Senate concurring)*, That it is the sense of the Congress that—**

(1) the President of the United States of America should continue the American policy of nonrecognition of the unlawful absorption of the Baltic States Republics of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics, and continue the recognition of the diplomatic and consular officers of these Republics as the lawful representatives of these three nations in the United States of America; and

(2) the President should take such steps as may be appropriate, through the United States delegation to the United Nations, to raise in the United Nations the question of the forced incorporation of Latvia, Lithuania, and Estonia into the Union of Soviet Socialist Republics and request the United Nations to conduct an investigation of conditions in the said Baltic Republics to the intent and purpose that Soviet armed forces, agents, and colonists be withdrawn therefrom, and that the exiled peoples of these Republics be returned thereto in freedom, and that free plebiscites and elections be held therein, under the supervision of the United Nations, to let the people, in freedom, make their own election and choice as to government.

Mr. Speaker, it is indeed my privilege and honor on behalf of the people of my congressional district and the State of New Jersey to join in this annual observance of our Lithuanian heritage and trust that through our mutual endeavors and responsibilities that we will strive to continue to achieve international understanding and agreement that will eliminate the oppression of people and restore "human rights" and the rights of self-determination by the peoples of the captive nations of the world.

STATEMENT ON BILL TO PROHIBIT "SUPER-PRICING"

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mrs. COLLINS of Illinois. Mr. Speaker, today I am introducing a bill to prohibit the practice of super-pricing by retailers. Super-pricing occurs when a retailer increases the price of an item after it has already been marked for sale.

To halt the growth of this unethical activity, my bill classifies price hiking as an unfair trade practice which is in violation of the Federal Trade Commission Act. Moreover, this bill would enable the FTC to order restitution of money received by any person, partnership, or corporation in violation of the FTC Act.

This bill is fair to retailers because it would prohibit only those increases which are unjustified. When an item is originally marked, the retailer considers his costs and decides on a fair price. Though the retailer may face increased costs on subsequent shipments, the price hike does not affect those items previously marked and sitting on the shelves. If the price were fair when it was placed on the article, it remains fair until the article is sold. Super-pricing a commodity provides the retailer with windfall profits.

And the consumer who is already caught in the vice of rampant inflation, pays for these undeserved receipts. With the Wholesale Price Index up 23.5 percent between November 1973, and November 1974, consumers face steeper prices each time they return to the store or supermarket. This bill will provide substantial savings on food and many other products at a time when price reductions are desperately needed.

I urge all my colleagues to support this bill which offers a very basic and long overdue type of consumer protection.

CONSUMER ISSUES IN THE MIDDLE-INCOME HOUSING FIELD

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mrs. SULLIVAN. Mr. Speaker, I may or may not have had any impact in influencing the thinking of young men and women engaged in the mortgage banking industry last week, but it was a pleasure for me to attend the National Mortgage Banking Conference of the Mortgage Bankers Association in Kansas City, Mo., on February 13 and speak at the luncheon meeting of the MBA's young mortgage bankers committee. In that talk I tried to spell out some of the consumer issues and problems in the housing and home finance field which affect the middle-income family particularly.

This is the family which pays its own way, gets no subsidies of any kind, and pays the taxes which help to support a wide variety of Government programs intended to help others. That family today is priced out of the housing market by the high interest rates which make the monthly carrying charges on the average new home beyond the reach of a wage earner in the average brackets.

I was pleased to see in remarks by Congressman WRIGHT PATMAN of Texas in Tuesday's CONGRESSIONAL RECORD inserting the transcript of the CBS "Face the Nation" interview with Mr. George Meany of the AFL–CIO on February 9 that Mr. Meany came out strongly in favor of a direct lending program for average income families to enable them to buy homes when interest rates are too high in the private lending field. As Mr. PATMAN pointed out, I have been sponsoring legislation to carry out that very idea. In this Congress, it is H.R. 1081, and is again cosponsored, as it was in the previous two Congresses, by Chairman WILLIAM A. BARRETT of the Housing Subcommittee of the House Committee on Banking, Currency and Housing.

This bill creates the Homeowners Mortgage Loan Corporation as a Federal agency to make direct loans of up to $30,000 to families with incomes up to $12,000, or thereabouts—a figure which can be raised to reflect average wage levels—to buy homes at an interest rate no higher than 6½ percent, during periods when mortgage money is not available to such families from private sources at reasonable rates of interest.

A modified version of this proposal was approved by the Housing Subcommittee in 1972 as part of our mammoth housing bill that year which died in the Rules Committee in the final weeks of the 92d Congress. It was subsequently passed over as part of the 1974 Housing and Community Development Act—unfortunately so because it is needed now more than ever. I intend to do everything I can to push it through in this Congress.

SETTLEMENT COSTS, ESCROW ACCOUNTS, AND REGULATION OF CLOSING FEES

At the mortgage bankers' meeting last week I discussed the Homeowners Mortgage Loan Corporation bill briefly, but was requested to devote my remarks primarily to the issues involved in the recently enacted Real Estate Settlement Procedures Act of 1974, Public Law 93–533. This disclosure law grew out of an investigation of inner-city home financing procedures in the District of Columbia by an ad hoc subcommittee of the Banking Committee which I chaired in 1969 and 1970, and the need for it was further amplified in full committee investigations thereafter into the section 235 scandals.

Public Law 93–533 is not nearly as strong as the settlement reform and escrow account bill I had sponsored as title IX of the housing bill of 1972, and which I introduced as H.R. 12066 in the 93d Congress. However, it fortunately ended up in conference as a better law than the bill the House had originally passed last year. Among other things, it does not deal at all with the issue of assuring home buyers some modest return on the $9.5 billion of their money set aside by mortgage lenders each year in non-interest-bearing escrow accounts for the payment of real estate taxes and casualty insurance. The $9.5 billion figure was developed by a comprehensive investigation into residential real estate escrow accounts made at my request by the General Accounting Office in 1973.

TEXT OF REMARKS AT MORTGAGE BANKERS ASSOCIATION CONFERENCE

I went into these issues, Mr. Speaker, in my remarks last Thursday at the Mortgage Bankers Association conference in Kansas City, discussing them from the standpoint of the consumer interest in connection with the largest single expenditure the average family ever makes—the purchase of a home.

Under unanimous consent, I submit for inclusion the text of that speech, as follows:

CONSUMER ISSUES IN THE MIDDLE-INCOME HOUSING FIELD

(Address by Congresswoman LEONOR K. SULLIVAN)

After many years of service on the House Committee on Banking and Currency, which now has the new name of Banking, Currency, and Housing, it is always a pleasure for me to meet with mortgage bankers—particularly younger ones who perhaps haven't yet solidified their economic views in the concrete of long experience. But while I am happy to be here, I know these are not the happiest of times for those engaged in the mortgage lending business. Therefore, I wish there were some bright words of great promise I could bring to you today—such as assurances that by the time you get home customers will be breaking down your doors to borrow money to build or buy homes. Instead, about all I can do is hope that you have a wonderful visit in exciting Kansas City, so that you can at least take home some happy memories.

I am sure you will learn much here to help you in your work, particularly if these meetings develop some new ideas that will help revive the home building industry and find ways to channel more money into this vital area of national investment. We are working on that same problem in the new Congress—particularly the allocation of credit into essential uses and away from speculative and inflationary activities. But the cold water which the Secretary of the Treasury poured over that idea at hearings of the Patman Subcommittee on February 4, right before the current Congressional recess, indicates that we are going to have to push and force the Ford Administration to take more effective steps than it has so far indicated a willingness to take in the controversial area of credit management to help the housing industry.

Secretary Simon's discouraging testimony, coming right after the delivery to Congress of President Ford's dismal Budget Message—which in turn had followed one of the gloomiest Presidential State of the Union Messages any of us can remember hearing—puts us all on notice that unless Congress can hammer out and enact a unified program to attack our many economic ills on all fronts, and make it work, we will just muddle along through another couple years of very high unemployment, very high prices, incredibly high budget deficits, depressed housing markets, and a grim succession of further economic shocks.

A HARD ROLE FOR CONGRESS TO TRY TO FILL

In attempting to write a comprehensive and unified national economic policy, Congress is stepping into a role which is almost impossible for it to perform well. This is not a "cop-out", or an excuse in advance for the inevitable setbacks Congress will experience in trying to take the lead in economic policy. It is important for the public to understand that the 435 Members of the U.S. House of Representatives and the 100 United States Senators are each, in effect, sovereign powers subject to no philosophical discipline other than our consciences and our desire for the good opinion of the voters who send us to Washington. We vote as individuals—not as party members. The majority rules—except sometimes in the Senate where one-third plus one can block action through the device of the filibuster—but it is a constantly changing majority. The fact that there is a two-thirds Democratic Majority in the House does not mean that any Democratic party leader can dictate the steps Congress will take. There will be times and issues in which the minority party may actually call the tune if it makes a convincing case for its position.

The economic diversities which characterize opinion in the United States are reflected, too, in the 535 Members of Congress, regardless of party. Rural area legislators look at things differently from those of us from urban areas; and within each grouping, bitter battles often develop over the right policies to follow. For instance, how unified is *your* local school borad on controversial issues in your own community?

DEPENDENT UPON A RELUCTANT PRESIDENT TO ADMINISTER

The President, on the other hand, can promulgate an Administration policy which *is* unified and is obediently followed by all who work for him—or they don't work for him any longer. In contrast, neither Speaker Albert nor Senator Majority Leader Mike Mansfield can "fire" a single Member of either Chamber or force him or her to vote contrary to that person's own convictions or judgment or concept of public interest.

There is another basic aspect of our problem in setting unified national policy objectives. It is this: once we enact a program—any program—particularly one pushed through over the President's objections, or veto—we are still dependent upon the President and his appointees for administration of that program. If he wants to prove our policy is wrong, he can readily find many subtle ways to make it fail. The price and wage control program, as it was administered between January 11, 1973 and April 30, 1974, is a good example.

Congress passed the program originally in 1970, over President Nixon's vigorous objections, as part of a veto-proof bill. He said he would never use the authority. But exactly 365 days later, he put it into effect, and from August 15, 1971 to January 10, 1973 the program did work in stopping inflation. However, shortly after his re-election in 1972, Mr. Nixon set out to demonstrate that the controls were inherently bad, and by April of last year there was no longer any sentiment in this country to continue the controls unless and until there were assurances that they were going to be administered by people intent on making them effective. We do not yet have that assurance.

So these are some of our problems today in trying to lead. Once we achieve the difficult task of agreeing among ourselves on what the policy should be, we face the even more difficult task of finding ways of mandating effective administration of those policy decisions by a perhaps reluctant or antagonistic White House.

DEALING FIRST WITH EMERGECY ECONOMIC ISSUES

Nevertheless, in the next few months there will be a lot of action in the Congress toward restoring vitality to this economy, and I'm sure there will be some unorthodox approaches. But I don't think you will see a wild-eyed legislative fandango in which we rush about in all directions at once. One thing is certain, however; we just can't let things continue as they have been going.

Taking first things first, we have been dealing so far primarily with emergency situations—taking action to block scheduled increases in food stamp costs for the needy; to rollback the $1 a barrel February 1 increase in the tariff on imported oil and March 1 and April 1; to impose a moratorium on foreclosures of homes growing out of loss of employment in the auto industry and other industries hard hit by recession; to provide for tax cuts; and to expand public service employment opportunities for the unemployed. But these are not *solutions* for either inflation or recession. They are merely cushions against a hard fall, not a ladder to the stars.

Surely we have the imagination and the resourcefulness and the brains and will as a people to cope with our basic economic problems, put our unemployed back to work, and as John F. Kennedy used to say, get this country moving again. We have done it before in the past 42 years, under all kinds of difficulties, and we can do it again.

HELPING THE AVERAGE FAMILY BUY A HOME

And one of the best places to start, of course, is by making it possible once again for the average-income family to buy a good home. I am sure you all agree with that. But as long as it is much more profitable to lend money for other purposes than for housing, the average income family is going to remain priced out of the mortgage market. So we must either bring down interest rates substantially throughout the economy, or provide more funds especially earmarked for housing, at below-market rates. I think we must do both things.

A bill of mine, H.R. 1081, which Chairman William Barrett of the Housing Subcommittee is co-sponsoring, would establish a direct Federal loan program to provide average income families—the policeman, fireman, teacher, auto mechanic, retail employee, assembly line worker, and so on—with loans up to $30,000 at no more than 6½%, to buy a home, when mortgage money is not available at reasonable rates from normal sources. At present interest levels, this would represent a subsidy. But over the 30-year life of such mortgages, the government would get all of its money back plus a fair return. You may at first glance regard this idea as competition for your industry, but it is not; you are not reaching this same family today. You can't. But if a program of this kind were started, and operated during periods of tight money, it would provide your firms with additional revenue in servicing such loans—as you do now on FHA and GI loans sold to Fannie Mae—and it would stimulate the home-building industry and all of the industries which are dependent upon it, and thus the whole economy. And it would provide many needed homes.

But let me turn now to the subject I was asked to discuss when Lee Holmes, legislative counsel of the Mortgage Bankers Association, invited me to speak to you—the subject of settlement reform and escrow accounts.

In the latest issue of the "Mortgage Banker", there is an extensive article by William E. Cumberland, MBA General Counsel, on the new law going into effect June 20 of this year to regulate real estate settlements. The article describes the law in detail, and it is hardly necessary for me to repeat those details. But the Cumberland article does not go into the background of its enactment—why it was passed, why it was needed; what it is intended to accomplish.

THE HOME BUYER'S SETTLEMENT TRAUMA

As long as I can remember, friends of mine buying homes for the first time have complained bitterly about the shock waves which struck them at settlement time. The cost of the homes they had agreed to purchase usually reflected their relative state of affluence—they had figured down to the penny how much they could afford to put down, how much they could afford to pay each month, how well they could manage expected periodic repairs; they estimated annual heating and utility costs and figured them in, too—and the taxes and insurance. And they had budgeted, too, or thought they had, for the somewhat vague "closing costs" the real estate salesman told them to expect. Then they went to the lender and filled out some papers and perhaps got some additional information on the mysterious closing costs. But, later, when they went to settlement—bam! There was this item they didn't expect; and that one; and then another, all of them sizeable, so that by the time the home buyers left the settlement office they were so flat broke and over-extended they didn't know how they were going to pay the movers to get them into their new home—or the painters or carpenters or other craftsmen they had planned to hire to make changes to accommodate their furniture.

By the time those same people bought another house, they had a pretty good idea what to expect at closing; nevertheless, no matter how hard they tried to get all of the settlement costs identified and itemized in advance, so they could be prepared, there were almost always unexpected additional expenditures required at the last minute in order to close.

Generally, consumers regarded these expensive experiences as part of the total trauma of buying a home—something you have to put up with in order to have the home you wanted. Most home buyers assumed the FHA or the VA or the Home Loan Bank Board or the Bar Association or somebody was looking out for their interests in these situations and that the settlements costs undoubtedly were legitimate, if not fully understood. They weren't aware that sometimes they were being cheated and overcharged.

ORIGINS OF THE SETTLEMENT COST LEGISLATION

Early in 1969, the Washington Post ran a series of articles about a Washington, D.C., federal savings and loan which had run into deep financial trouble because of excessive loans to certain local real estate speculators in financing the purchase and resale at inflated prices of low priced housing in the District of Columbia. That S&L had to be merged by the Home Loan Bank Board into another Federally chartered institution in D.C., but it owned a vast quantity of dilapidated or abandoned housing which had gone to foreclosure. These almost worthless properties had to be taken over by the Federal Savings and Loan Insurance Corporation. As a senior Member of the Committee on Banking and Currency, I proposed an immediate investigation into the background of this financial disaster and its drain on the FSLIC. Chairman Patman agreed, and the next think I knew I had the responsibility for conducting the investigation as chairman of an ad hoc subcommittee on financing of inner city housing. What we learned in that investigation uncovered the first warning signs of the vast dimensions of the Section 235 scandals which the Banking Committee further documented in later studies.

But we also found rampant conflicts of interest, artificial kiting of values through straw party deals and fictitious turn-overs, and a pattern of vulture-like practices including kickbacks, bribes, excessive fees, phantom services, and a variety of other abuses involved in the transfer of a piece of property from seller to buyer.

As a result of these disclosures, Congress in 1970 passed legislation authorizing the Secretary of Housing and Urban Development to set maximum charges on settlement costs on FHA and VA housing. This authority has never been used to this day, but it is in the law.

In 1971 and 1972, we began the drive to write settlement reforms into the housing laws to apply to all Federally-related mortgages and the Housing Bill of 1972, as approved by the Housing Subcommittee that year, included a strong Title IX containing far-reaching reforms in real estate settlement practices. Unfortunately, the Housing Act that year died in the Rules Committee in the closing days of the 92nd Congress, and did not become law.

$9.5 BILLION IN ESCROW ACCOUNTS YEARLY

In 1973, we renewed the fight over settlement costs and reforms and also went into the subject of non-interest-bearing escrow accounts for taxes and insurance. The General Accounting Office, at my request, made a formal study of escrow accounts and estimated that as much a $9½ billion is placed in such accounts each year by home buyers who derive no interest from this money, while the lender can use this interest-free money for his own purposes until such time as the taxes and insurance premiums become due. The amount of interest lost to the individual home buyer by this device is not great—it is the principle of the thing that upsets many home buyers forced to establish escrow accounts. But the financial benefits which can accrue to a large-scale lender from the temporary investment or other use of all of this money can be very substantial indeed.

Under the settlement reform bill I introduced in 1973, the home buyer would have had the option of electing to pay his own taxes and insurance premium when due—investing those funds meanwhile in any way he desired—or of permitting the lender to establish an escrow account on which a mutually satisfactory interest rate could be negotiated if both parties were so agreeable. This proposal was not included in the final version of the new Settlement Reform Act passed last October, but I intend to renew it in the new Congress. If it does become law, I suspect that only a small percentage of home buyers—those who are sophisticated about money matters—will actually seek to take advantage of it at first, but eventually I expect to see general adoption of the principle that the sizeable amounts put aside each year for taxes and insurance should bring some financial benefit to the home buying public which is putting up this $9½ billion each year.

The fear has been expressed that if taxes and insurance payments are not escrowed in advance during the year, many, many homes will go to foreclosure for non-payment of taxes. That would not occur under this proposal for the simple reason that if a borrower ever fails to meet tax or insurance charges when due, the lender could immediately step in and protect the mortgagee's interests by paying the amount due and adding it to the mortgage, plus penalty costs. But that is a matter of future legislative debate.

NEW DISCLOSURE REQUIREMENTS

In the meantime, however, beginning June 20, virtually every family buying a home in the United States is going to have to be given, as a matter of right under Federal law, a full, itemized explanation of every closing cost—far enough in advance of settlement to be able to shop among competing suppliers of settlement services for the best deal he can obtain. Furthermore, only legitimate charges and fees can be assessed—no hanky-panky involving kickbacks and side payments for services not performed.

You might well ask why Congress has chosen this particular time—when the housing industry is in its worst depression in decades—to impose new restrictions on real estate transactions and perhaps reduce the revenues of the professionals who specialize in real estate transfers. Aren't they hurting enough right now?

The answer to that question is simple: it has taken Congress until now to find out about and pin-point and act on the abuses which had been allowed to grow and fester over generations in the transfer of title to real estate. I think all of you are familiar with the way many of those abuses have operated. Real estate transactions have customarily been under state jurisdiction, and the states did a poor job, by and large (not all, but most) in enforcing fairness to the home buyer in a field in which the average family makes its largest life-time investment. The time for action was long past.

NO REGULATION OF RATES CHARGED

The new act which takes effect in June does not go the full distance toward meeting the problems of assuring consumers absolute fairness in the real estate marketplace. Like the Truth in Lending Act which preceded it, this new law emphasizes full disclosure and some moderate regulation of specific abusive practices. But the law does not regulate actual charges made for legitimate services. And these vary so widely between areas of the country and among Bar Association groups setting what appear to be illegal minimum charges that I am sure Congress will want to go further in making the reforms effective.

An unsuccessful attempt was made in connection with the 1974 Act to go backwards and repeal the 1970 legislation allowing HUD to set maximum charges for FHA and VA settlements. Even though the 1970 authority has never been used, it stands as a warning to everyone in real estate to help eliminate excessive charges to the home buyer, or rate regulation will occur. HUD now has the responsibility to resurvey the actual charges made in connection with real estate settlements and report to Congress within three to five years on whether rate regulation is desirable in the public interest. And under the new law it must also report on the desirability of requiring lenders to pay all closing costs—presumably passing on these costs in the interest rate charged the borrower. The theory behind this proposal is that the lender alone has the economic power to bargain effectively with the providers of settlement services to obtain the best and fairest prices for these services, and thus provide an incentive within the settlement industry to reduce its charges for competitive reasons.

NEED FOR SIMPLIFICATION OF PROCEDURES

We will learn some important thing when the new law takes effect. We will learn whether advance disclosure of costs by the providers of settlement services will encourage home buyers to shop for the best terms. We will learn whether simplification of settlement procedures and clear explanation of what they mean and what they cost will lead to better practices in the title search and title insurance and related businesses. And we will learn whether encrusted old practices which should have been eliminated many years ago in the transfer of real estate can survive in the glare of greater customer awareness.

Our objective in the new law is not only to bring more information to the home buyer; it is also to bring down the costs of an expensive sideshow to the main event of selling homes and financing them. As was pointed out in our hearings, a Boeing 747 can be transferred from seller to buyer with a simple contract and a minimum of red tape; but a single family home, located on the same piece of ground for 30 years and owned throughout by the same persons, seems to require the services of untold numbers of specialists in transfering title from one party to another. Granted that real estate law can be tricky; it is not a field for amateurs. But there have been too many tricks played in that tricky field, and the message from Congress is clear: Let's clean it up, for the benefit of the home buying public, and for the benefit, too, of the honest people in the real estate industry.

CHILD AND FAMILY SERVICES BILL

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BRADEMAS. Mr. Speaker, on February 16, the Washington Star-News published an excellent article by Isabelle Shelton describing the child and family services bill, H.R. 2966, which 87 colleagues on both sides of the aisle have joined me in sponsoring.

Companion legislation, S. 626, is being sponsored in the other body by Senator WALTER F. MONDALE of Minnesota and 24 of his colleagues.

Mr. Speaker, the child and family services bill would authorize $1.85 billion over 3 years to support a wide variety of programs for children and their families including nutrition, health, education, and in-home and center-based day care on a part- and fulltime basis.

This morning, Mr. Speaker, the subcommittee I am privileged to chair joined the Senate Subcommittee on Children and Youth, chaired by Senator WALTER F. MONDALE of Minnesota, to begin hearings on this important measure. These joint hearings will resume tomorrow.

Our witnesses this morning included the Honorable Jerry J. Apodaca, Governor of New Mexico, chairman, Early Childhood Education Task Force of the Education Commission of the States, Denver, Colo.; Marion Wright Edelman, director, Children's Defense Fund, Cambridge, Mass.; Dr. Roland L. Mindlin, chairman, Infant and Preschool Child Committee, American Academy of Pediatrics, Arlington; Mrs Dorothy Lasday, member of board of directors, National Council of Jewish Women, Washington, D.C.; and Carmen Maymi, Director, Women's Bureau of the U.S. Department of Labor, Washington, D.C.

Tomorrow we shall hear from Joseph Reid, executive director, Child Welfare League, New York; Judy Helms, executive director, National Council of Organizations for Children and Youth, Washington, D.C.; Dr. Frederick Green, associate director, Children's Hospital, Washington, D.C.; and a panel consisting of Frederick Weintraub, Council for Exceptional Children; Hal Benson, United Cerebral Palsy; and Paul Marchand, National Association for Retarded Persons.

Because the Washington Star-News article, Mr. Speaker, is a brief description of the history and issues involved in the child and family services bill, I include the article at this point in the RECORD:

DAY CARE BILLS STRESS VOLUNTARINESS

(By Isabelle Shelton)

Congress this week begins a new effort to pass a comprehensive child care bill, to replace the one vetoed by President Nixon in 1971.

Hearings will open Thursday on two bills similar to the one Congress passed in 1971.

These, however, cost less than the 1971 bills, and they put heavy emphasis on broad parental participation and the totally "voluntary" nature of the program. The 1971 program was voluntary, too, but these bills say so more often and emphatically.

The fund scaledown presumably is an attempt to make the measure more enticing to President Ford, who, although he has not mentioned day care specifically, has said he will veto any new federal programs.

The other changes seem designed to allay fears aroused in some quarters by the Nixon veto message, which charged that the legislation would weaken the American family by committing "the vast moral authority of the national government to the side of communal approaches to child-rearing over against the family-centered approach."

The Chief new bills, similar but not identical, were introduced early this month by Sen. Walter Mondale (D-Minn.) and Rep. John Brademas (D-Ind.), with broad bipartisan sponsorship (87 other House members and 24 senators).

Even the name is changed, to stress family participation. In place of 1971's Child Development Act, it will be known as the Child and Family Services Act of 1975. The change is more than cosmetic, so far as the bills' sponsors are concerned. While the 1971 bill also included parental involvement, the legislators really do have a deep commitment to the idea of heavy family involvement, which was pioneered so successfully in the Head Start programs begun in the '60s. They believe it is one of that program's great strengths.

In addition to funding a broad spectrum of child care programs (part-day, all-day, after-school, in-house tutoring), they also would provide prenatal care, nutrition assistance, early medical screening and treatment to detect and remedy handicapping conditions and classes for parents and prospective parents.

Both bills call for an expenditure of $1.85 billion over a three-year period, starting in fiscal 1976 (July 1, 1975), but with the first year limited to $350 million for training, planning and technical assistance. No actual programs would start until July 1, 1977.

Mondale and Brademas would have the new program administered by a new Office of Child and Family Services, which would in effect supplant the Office of Child and Family Development in the Department of Health, Education and Welfare. The HEW agency would operate in each state through "prime sponsors," which could be a state or locality or a public or non-profit private organization. Heavy family involvement would be required all along the way through a system of parental councils and policy committees.

Both bills provide that 65 percent of the available funds must go free to families with income below the U.S. Labor Department's minimum annual budget for a family of four, which currenty is $8,181 nationwide and $8,547 in the Washington metropolitan area. Mondale would require the Secretary of HEW to establish a sliding fee schedule for families earning above that figure, based on family size and ability to pay. Brademas would let these rates be set at the local level.

The Senate Subcommittee on Children and Youth (which Mondale heads) and the House Select Subcommittee on Education (with Brademas as chairman) will hold joint hearings Thursday, Friday and next Monday, with more planned for March and perhaps April.

The first three days will be devoted to testimony about the need for such a program. This, again, is probably aimed at refuting allegations in Nixon's vote message that the program really isn't needed. Some groups eager for action say this is a "waste of time," as the need has been voluminously documented.

Economist Mary Dublin Keyserling reported in 1972 in a wide-ranging survey for the National Council of Jewish Women: "In community after community the people most knowledgeable about day care needs and existing services told council interviewers that an eight or tenfold or even greater expansion of quality day care would not suffice . . . Federal funds for day care now help provide services for fewer than five percent of the children of economically disadvantaged families most in need."

Mrs. Keyserling cites one horror story reported by one of her investigators, who found two children, aged 10 and 12, in sole charge of a roomful of younger children.

"This center should be closed. Absolutely filthy. Toilets not flushed, and smelly. Broken equipment and doors. Broken windows on lower level near back stairs and doors. Broken chairs and tables. No indoor play equipment. One paper towel used to wipe the faces and hands of all children. Kitchen very, very dirty."

Another investigation called a similarly dismal center she visited "a sad case of inhumane dehumanizing of kids by an owner who makes plenty of money."

Mondale and Brademas both express confidence their measure will pass, with the differences between them amicably worked out.

"I think it should pass the House more easily than last time," Brademas says, "with our 92 new members. They're younger, well educated, and they are mostly family men and women with children of their own.

The White House has not yet taken a position on the measures. "We haven't seen them," a spokesman said of the bills, but he recalled Ford's threats to veto any new programs.

There are some stiff controversies ahead, which the two leaders know. Both stress that their proposals "are not etched in stone," and that they want input from interested groups.

Besides their own differences over such question as fee schedules, there are these looming areas of conflict:

Profit-making day care centers are expected to fight to be more fully included in the federal program. The bills now allow them very limited participation. Some groups such as the American Parents Committee oppose any inclusion of profit-making facilities.

Albert Shanker, the president of the American Federation of Teachers, has launched an aggressive drive "to insist that the prime sponsor for all early childhood and day care programs receiving federal monies to be the public schools." He is quite frank in declaring that he is motivated by the fact that many school teachers are out of jobs and many more will be because the birth rate has declined. He dreams that the child care program can provide jobs to an additional 800,000 school teachers. He points out that a lot of classroom space has also been made available by the population drop.

When questions are asked about the public school's ability to provide the other services in the pending bills—particularly health services, where public schools' record has not been luminous—Shanker handles that by recommending removing those services from the bill. He even would drop the word "Family" from the title.

There still are some people who share former President Nixon's suspicions of any such program. Dr. David Crane, a Martinsville (Ind.) psychiatrist, recently said passage of such a measure would defeat "the family-oriented school of thought" and for "the vast majority of American families who strive to rear their children in an atmosphere of personal attention, love and respect and not consign them to concessions of strangers whose interest are primarily business."

JUST HOW SICK ARE WE?

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. CRANE. Mr. Speaker, those who advocate a system of nationalized medicine for the United States have been very effective in causing Americans to believe, on the one hand, that a "crisis" exists in the American medical system and that, on the other, that "crisis" can be dealt with by adopting the kind of socialized medical systems which exist in England and in other European countries.

Neither of these propositions is borne out by the facts. The British National Health Service was enacted by a socialist government in 1948. The founders of the Health Service estimated its cost in 1974 would be $400 million; in fact, it is nearly 20 times that. The services provided have been dramatically cut. Some emergency wards have been closed, some cancer patients have gone potentially fatal days without radiotherapy, because of staff shortages.

While the United States, under its private practice system of medicine, has a surplus of modern hospital beds, England has a shortage, with long waiting lists for hospital services. Former Health Services Secretary Sir Keith Joseph has publicly described himself, when in office, as Britain's "biggest slum landlord." What he meant was that dozens of Britain's 2,300 hospitals are more than 100 years old—moribund and beyond modernization.

Why anyone who has carefully studied the British system and compared it with our own would call for a change toward socialism is impossible to understand. By any objective standard, that system has failed to live up to its promise.

The other idea so popular with those who wish to nationalize medicine is that most Americans are unable to obtain proper medical care.

In a recent study, Michael F. Meyer, a senior premed student at the University of Chicago working under a grant from the Heritage Foundation of Washington, D.C., discovered that less than 9 percent of all patients surveyed had hospital expenses exceeding $2,000. Mr. Meyer also discovered that only 1.4 percent of all patients had hospital expenses exceeding $5,000 and that,

> At high expenditure levels, Medicare patients comprised an increased portion of those individuals incurring such expenses.

Mr. Meyer concludes that,

> Approximately 1% of all Americans incur catastrophic illnesses each year of which total medical expenses exceed $5000 and of this one per cent, a large portion of the individuals are either (a) phychiatric patients or, (b) patients qualifying for Medicare.

This is hardly the "medical care crisis" in whose name some wish to eliminate the private practice of medicine and replace it with a regimented, nationalized system.

I wish to share Mr. Meyer's review of his findings, which appeared in the form of an article entitled, "Just How Sick Are We?," in the October 1974 issue of Private Practice, with my colleagues and insert it into the RECORD at this time:

JUST HOW SICK ARE WE?

(By Michael F. Meyer)

(EDITOR'S NOTE.—This article presents the findings of an extensive study on catastrophic illness carried out by Mr. Meyer, a pre-med senior at the University of Chicago, under a grant from the Heritage Foundation of Washington, D.C.)

It's hard to pick up a newspaper or magazine these days and not see something about the "health care crisis" in America. This "crisis" supposedly stems from inadequate medical facilities, overworked doctors, and health insurance which is not available at reasonable rates. Fueling the crisis atmosphere has been the allegation that enormous numbers of Americans suffer catastrophic illnesses each year. The idea has become so ingrained that most Americans are beginning to take it for granted that their chances of becoming seriously ill are rather good. I only hope we have not yet reached the stage where being healthy is considered somewhat out of the ordinary.

The facts tell a decidedly different story, however. Americans are not "dropping like flys" from *catastrophic illnesses*. Regardless of what the media are telling us, the facts are quite clear and speak for themselves. These facts, along with other key findings, are outlined in study I completed earlier this year. This study involved an intensive look at patient hospital expenses, which comprise the major portion of expenses for catastrophic illness. Specifically, all patients discharged in a certain period were analyzed in terms of their total hospital expenses. These hospital expenses were classed in various levels so that the percentage of individuals with hospital expenses at any given amount could be determined (for example; the percentage of patients with hospital expenses above $2000). The study involved 132 hospitals in 25 states in three surveys comprising a sample of 25,926 patients. The hospitals were compared to the total number of hospitals in the U.S. by type, size, and other factors. They represented those hospitals which nationally have 92.5% of all admissions. The key findings were:

1. Less than 9% of all patients surveyed had hospital expenses exceeding $2000;

2. Only 1.4% of all patients surveyed had hospital expenses exceeding $5000;

3. At high expenditure levels, Medicare patients comprised an increased portion of those individuals incurring such expenses. This was revealed by a special survey which unearthed the following facts:

a. Of *all* patients surveyed, 19.3% were Medicare patients;

b. Only 9.9% of all patients surveyed with hospital expenses less than $1000 were Medicare patients;

c. 40% of all patients surveyed with hospital expenses above $3000 were Medicare patients.

The analysis of the types of hospitals nationwide also revealed some interesting facts.

1. Patients in psychiatric hospitals, while comprising only 2% of total hospital admissions, have on the average, catastrophic illness expenses: the average cost per patient stay being approximately $8000;

2. Patients in tuberculosis and other respiratory disease hospitals and long term general hospitals, while comprising .4% of the total hospital admissions, also have on the average catastrophic illness expenses: the average cost per patient stay being approximately $6000.

Based on the surveys conducted, the national statistics, and other studies indicating that hospital expenses comprise the major portion of catastrophic illness expenses, the following conclusions may be drawn for the U.S. population:

1. Approximately 1% of all Americans incur catastrophic illnesses each year of which total medical expenses exceed $5000.

2. Of this one percent, a large portion of the individuals are either

a. psychiatric patients or,

b. patients qualifying for Medicare.

An earlier, smaller study anticipated these findings. In the April 1972 issue of this magazine, Francis A. Davis, MD, presented a report on catastrophic insurance, part of which discussed the incidence of catastrophic illnesses. He found that in Shawnee, Oklahoma, where he practices, *only* one percent of the patients had hospital bills in excess of $2000 in 1971. He also found than 84% of those patients with hospital bills in excess of $2000 were over 65 and qualified for Medicare. The present study, with a wider sampling and therefore slightly different statistics, validates his general conclusion, namely that only a small percentage of Americans are becoming catastrophically ill.

In conclusion, Dr. Davis wrote, "Doctors should tell these facts to their patients and Congressmen." Two years later, these facts on catastrophic illnesses are clearer than ever. Why then do most people think there is a health "crisis" in terms of catastrophic illness? Perhaps because the only "crisis" is that the *truth* is being hidden from the American people. Members of the medical profession, while trying to present the facts, find themselves in competition with politicians and media men looking for one "crisis" after another.

It is time to present the facts to the American people. Let's stop creating "crises" where they don't exist, and get on with solving the real problem facing the medical profession today.

PROSPERITY IN PEORIA, ILL.

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. MICHEL. Mr. Speaker, how frequently have we heard the expression "How does it play in Peoria?" As Members well know, I am mighty proud to have been born and reared in that community and continue to sing its praises. While many parts of the country have been in serious economic straits these days, we consider ourselves to be somewhat of a island of prosperity, as attested to by the article appearing in the Peoria Journal Star under date of Sunday, February 2 and I would include, Mr. Speaker, the entire text of the article printed in the RECORD at this point, to give you all some idea of "How it is playing in Peoria":

PEORIA: A "PROSPERITY POCKET"

(By David Miller)

There's more to Peoria's economy than just optimistic predictions.

Several dozen letters—some of them outright job applications—have shown up in the Chamber of Commerce's mail in the last six months. Residents of other towns or states have heard about Peoria's economy, and want to know if it's true.

Media looking for counterpoints to the withering national economy have turned up "pockets of prosperity" in places like Wichita, Dallas, and Muscatine, Iowa, which boasts a .6 per cent unemployment rate.

Peoria's another such pocket. While there's none of the glamour of a boom town built around airplanes or autos, Peoria has an unexciting but solid manufacturing base which signals stability.

And that may mean a job for a plumber out of work in Chicago, or a design engineer from Ohio.

"They look at this as a growth area . . . they know there's work," said Giles Flanagan, chamber president. "When they start coming into a place like this (the chamber), that's significant."

Recent unemployment figures here have been consistently—often markedly—below state and national levels. Tri-county unemployment for January will be between 4.5 and 5.5 per cent, predicts Robert E. Schmidt, manpower analyst for the Illinois State Employment Service.

The figure is due this week, and Schmidt cautioned that the percentage, up from December's 3.7 per cent, isn't as ominous as it seems. Part of the rise is due, he said, to normal seasonal unemployment.

ELIGIBILITY COVERAGE CHANGED

Another factor is a change in unemployment eligibility coverage made in early January. Schmidt said coverage has been extended to some farmers and domestic workers previously not included in calculations.

National unemployment figures for January will also be bloated because of the change, Schmidt said. While stressing the broadened standard is here to stay, he estimated that this month's figure would have shown a .5 per cent raise in terms of December's method of calculation.

"Nobody seems to be taking any tremendous drops, other than seasonal," Schmidt said. He's been watching Peoria's unemployment fluctuations for 13 years, and said he sees no drastic dips on the way. Peoria won't be "in boom times" this year, he said, but then it never has been.

Mayor Richard Carver agreed, saying that while Peoria has never hit the economic peaks, neither has it slipped into the valleys. He cited steady growth, which has kept Peoria sober in times of economic buoyancy, and stable when the national economy has stuttered.

When asked why Peoria is in good shape, most people shrug and gesture vaguely in the direction of the general offices of Caterpillar Tractor Co. As Caterpillar goes, they say, so goes Peoria.

They're right, said Flanagan—it's hard to measure the impact of a major company with 33,600 local employes. There have been no layoffs, and none are anticipated, said Fred Tuerk, public relations chief.

CATERPILLAR CONSISTENT

Caterpillar has consistently deigned to discuss its impact on Peoria and speculation on how many jobs its new buildings may create. But an indication of Cat's economic future comes from last year's production schedules, which Tuerk said were at "a very high level" all year long.

"It's not too definitive . . . there's no way we can estimate our backlog (of orders)," Tuerk said. But he said virtually all of the company's major machine and engine products were still being allocated to buyers at the end of December.

Which means there is still a back-up demand for Caterpillar products, but Tuerk said he could not discuss how big the demand is, or how long it might last. Although not commenting on Caterpillar's long-range hopes for growth, he reviewed the company's building program:

The Mossville basic engine plant is completed and occupied, and the warehouse should be finished by late spring. The second basic engine plant should be done in late 1976.

Office additions in Morton should be finished in mid-year, and renovation of current office space is being planned.

The new steel fabrication building next to the levee in East Peoria should be closed in by the end of this year, and in operation late next year.

Work on the foundations at Mapleton is due to start soon, and steel should be going up this fall.

A fourth Caterpillar warehouse facility is going up in Pioneer Industrial Park.

Others have estimated the new Caterpillar facilities will create between 3,000 and 6,000 jobs for the area, but Tuerk said he couldn't confirm the figures. He did say that, to his knowledge, staffing of the new buildings wouldn't mean reducing the work force in current facilities.

But Caterpillar's dominance isn't the only factor in Peoria's economy. Flanagan said, explaining there are other companies with "muscle and talent."

"We don't have all our eggs in one basket," Flanagan said. "The basic industries that are here just happen to be those that are growth-oriented."

COMPANY STRENGTH HELPS

Keystone Steel and Wire Co.'s 2,600 employes have been scrambling to keep up with the demand from agricultural and energy markets. Record sales and earnings in the last three months may be matched this quarter if demand holds, according to Donald R. Moore, president.

Bemis Company, Inc., had to meet a "tremendous demand for paper and bags in 1974," said plant manager W. J. Ray. He said the plant is feeling the economic slowdown, but said it hasn't caused any cutbacks in total employment.

Ray said there's a chance of a shortened work week for Bemis' 500 or so employes, but was optimistic that business will soon rise out of its seasonal slump once customers work through their inventories.

"As long as it's a little slowdown, we do not view it as a drastic situation, just a pause in planned growth," Ray said, adding that he made it through the 1930s depression without much trouble.

Hiram Walker and Sons, Inc., is in its seasonal lull right now, said Bill Day, plant manager. Seasonal employees have been laid off, but he said all regular workers are still on the job.

"I would say, the way we're feeling right now, it (production) will hold steady, maybe somewhat less volume than last year," Day said.

The near future looks good at Hyster Co., according to Ron Bengston, plant manager. There haven't been any layoffs, he said, and none are anticipated for the 500-strong work force.

"The orders right now are, I'd say, pretty good . . . that could change, but it's okay, pretty stable," Bengston said.

Westinghouse Air Brake Co. is in good shape, according to a spokeman:

"The company is still looking for experienced welders and machine operators and . . . the order backlog is continuing at a substantially high level."

Flanagan and Bob Arnett, economic developer for the chamber, said large-scale growth of businesses is an important buttress to Peoria's economy. Flanagan said a lot of people just don't realize what all the building and planning means.

"People who live here and see another building going up just say 'Ho-Hum . . . another $10 million at Ashland Chemical, so what else is new? What I'm saying is that this is news," Flanagan said.

The payoff, he said, comes in the form of construction jobs to put a facility together, and then the jobs the facility creates for itself. Flanagan scoffed at the idea of Peoria's economy being even shaky.

PROBLEM HERE "UNREAL"

"If we have any kind of problem here, it's an unreal one . . . people want to believe the worst.

"Hell's bells, everyone in the country is worrying about where their next buck is coming from and here the people say, '. . . they're not making any progress' on projects like the downtown redevelopment," Flanagan said.

An off-hand survey shows "at least $100 million" in area building projects, said F.M. "Bill" Bourland, president of First Federal Savings and Loan. While residential construction is lagging behind commercial and institutional projects, it may increase toward summer, he said.

Money is starting to loosen up, Bourland said. Prime interest rates have been falling, and local savings accounts are starting to fill up again.

The more savings an institution has, the more it can loan. After the squeeze last year, mortgage financing will be available this year, Bourland said, if people choose to buy homes.

"They're not buying real estate now for other reasons. . . . I have to admit I think people have gotten a little bit turned off by the cost of housing," Bourland said.

But national surveys have shown people are edging back into the housing market, mainly in response to price cuts made by builders and realtors. Local residential building may be down, but it is still moving along.

Bourland said the first six show-houses at First Federal's Charter Oaks project will be open in early May. He said 60 single family units should be completed and sold building this season—another 25 units will be started by fall.

Commercial National Realty just opened 12 units in its new Edgepoint development, and 20 more should be on the market in April, said president Bernard Pilon. CNR's Versailles Gardens project is also growing, he said, adding that, "This is the best January we've had in 10 years."

The five-acre lake at Willow Knolls is cleared and starting to be filled, and work on 36 condominiums will start when the weather breaks, said Ted J. Fleming, one of the owners of Peoria Athletic Clubs, Inc., handling the development.

BUILDING MONEY ESSENTIAL

More building activity is taking place in Pioneer Industrial Park, where nine structures have gone up since July. Another 11 are either under construction or on the verge of it, said James R. Gilchrist, vice president and general manager.

"We've got a head of steam built up out here," said Gilchrist. The Park employes around 7,000 people, and 200 of its original 725 acres are still available for development

Gilchrist, as well as Fleming, expressed concern for having more money available for development loans. Local banks and savings and loan associations have an estimated $1.5 billion in financial assets, Bourland said, but the costs for major developments cut into that quickly.

Some of the big bucks are going for major construction projects at all three Peoria hospitals.

Methodist Hospital announced a $14.5 million program in fall of 1973, but inflation has pushed that estimate up to $19 million, said Roger Monroe, public relations spokesman.

Monroe said construction of the parking deck should be completed in late summer, and the two-story doctors' medical center on top of it by the end of the year. The hospital's new energy plant and electrical facility should be ready sometime in March or April.

At St. Francis, work is almost finished on a $100,000 pedestrian tunnel between the hospital and the adjacent convent. Remodeling of the kidney disease treatment center should be done next month, and a $140,000 communications center is to be done in March.

A $2.5 million medical office building will probably be ready for use in early fall, according to Edward McGrath, associate administrator. And the $2.2 million addition for the school of nursing should be under way this summer. Another $3.5 million in new construction and remodeling is set to start within the next year.

The new professional office building at Proctor Hospital is 85 per cent complete, and the $1.5 million facility should open July 1. More construction and alteration of the hospital is being planned, a spokesman said.

Flanagan said hospitals are the area's third largest employer, and said he looks for an increase in related jobs once the above programs and the $6.2 million Peoria School of Medicine are completed.

FARMING CARRIES INFLUENCE

One of the area's central economic influences—farming is also one of the hardest to pin down. Peoria County Farm Extension Advisor George Perisho said the coming season looks good so far, but quickly added anything could happen.

"The wheat crop looks real good now, but we don't know what to expect with all the freezing and thawing. . . . We could lose it if it freezes out now," Perisho said.

Although there's enough moisture in the ground to promise a good season, he said eventual production totals depend heavily on good summer weather. Additionally, production may be off if farmers carry through on threats to leave their fields fallow.

"This is the big thing," Perisho said. "They're waiting for a price rise."

Commodity prices have fallen sharply since last fall. Farmers faced with higher fuel, fertilizer and material costs have been talking about letting some fields lie empty this year, according to Harold Steele, Illinois Farm Bureau president.

Observers not wise in the ways of agriculture might also wonder about the recent large number of farm sales and auctions, but Perisho said it happens every year at this time.

The agricultural work force—and associated food processing jobs—are the only categories showing a decline in size in the last 10 years, according to the Illinois State Employment Service (ISES).

SKILLED LABOR IN DEMAND

As Peoria has grown, there has been a continuous demand for skilled labor to support local manufacturing. Presently ISES says there's a shortage of machinists, machine setup men, millwrights, tool and die makers and auto mechanics.

There's also a premium on skilled workers—there aren't enough good welders, secretaries, stenographers and store buyers. General duty nurses are also in short supply, as well as licensed practical nurses.

On the other hand, the market is tight for those seeking work as porters, truck drivers, general clerks, materials handlers, and general sales personnel. Cashiers and checkers outnumber the jobs available, and waiters and waitresses have to put up with long hours and low pay.

But for all this, the community is still solvent, according to Clint Jostad, manager of Northwoods Mall. Stores that were open in November, 1973, reported an over-all hike of 57.5 per cent in retail sales by November, 1974.

Jostad said part of Northwood's success is because people are learning to know where it is, and once they learn, he said, they start buying—the year between Novembers showed:

A 21.9 per cent raise in card and gift sales.

A 65.5 per cent raise in jewelry sales.

A 56.3 per cent raise in music items.

A 58.8 per cent raise in book sales.

A 31.8 per cent raise in shoe sales.

A 46.7 per cent raise in handicrafts.

Jostad's ebullient summary was simply, "The merchandising is good."

Downtown merchants said they were happy with last year's sales levels, but wouldn't discuss the percentage increases.

Stanton Bluestone, president of Bergner's, said his downtown store hadn't done as well as the Sheridan Village store.

"Peoria has no economic problem, per se," Bluestone said, explaining that Peorians have been "psyched" by the recession around them. All they need to start back downtown, he said, is a little motivation, confidence.

Another positive index for Peoria is reflected in the increasing grant monies received in the last few years. The city comptroller's office reported $499,352 in federal and state money went into the corporate fund in 1972; $501,604 in 1973; and $601,107 in 1974.

If Gov. Dan Walker's $4.1 billion accelerated building program for the state gets through the General Assembly next month, Peoria will be in even better shape than it is now, said Mayor Carver.

"With a stable employment base and positive psychological benefits . . . Peoria should actually get a stimulus out of it," he said. As far as the recession goes, Carver said:

"It's about as bad as it's going to get in Peoria."

EQUAL RIGHTS FOR WOMEN ACT OF 1975

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mrs. MINK. Mr. Speaker, during the first week of deliberations by the 94th Congress, I introduced H.R. 1719, a bill to carry out the provisions of the Presidential Task Force on Women's Rights and Responsibilities, the Equal Rights for Women Act of 1975. It has been my privilege and responsibility as a citizen, a woman, and a Member of this House of Representatives to sponsor legislation embodying many of the provisions of H.R. 1719 in sessions dating back to 1968.

Section 2 of my bill, stating the purposes of the act, will indicate the broad scope of current law which denies equal treatment under the law, discriminating on the basis of sex. Section 2 says:

> It is the purpose of this Act—
>
> (1) to confer jurisdiction upon the district courts of the United States to provide for injunctive relief against sex discrimination in public accommodations, (2) to authorize the Attorney General to institute suits to eliminate sex discrimination in public facilities and public education, (3) to extend the jursdiction of the Civil Rights Commission to include sex discrimination, (4) to prevent sex discrimination in federally assisted programs, (5) to prevent sex discrimination in Federal employment, (6) to insure equal employment opportunity in the hiring of State and local government employees, (7) to remove the exemption of educational institutions from equal employment opportunity laws, (8) to provide the Equal Employment Opportunity Commission with cease and desist powers, (9) to prohibit sex discrimination in the sale, rental, or financing of housing or in the provision of brokerage services, (10) to apply equal pay provisions of the Fair Labor Standards Act to women in executive, administrative, and professional positions, (11) to authorize the Secretary of Health, Education, and Welfare to make matching grants to States for the establishment of commissions on the status of women, (12) to eliminate certain provisions discriminating against women, and to require the Secretary of Health, Education, and Welfare to make recommendations to equalize the treatment of the sexes under the Social Security Act and the Internal Revenue Code of 1954, (13) to eliminate sex discrimination in the armed services and in programs for veterans, and (14) to require the Commissioner of Education to conduct a survey and report to the Congress on the denial of equal educational opportunity because of sex and make recommendations to eliminate such denial.

Mr. Speaker, men and women seek equality under the law in the amendments which I have offered in this wide-ranging legislation. While it is true that the overwhelming majority of "women's rights" legislation which has been offered before the Congress has sought to end discriminatory treatment of women, it is also true that there are a number of instances under current law in which men are likewise treated unfairly.

Such is the case in provisions of the Social Security Act relating to benefits to which surviving widowers are entitled upon the death of a spouse who may have contributed amounts to the social security trust fund equal to or even more than her husband. The social security tax is levied on the basis of earnings and totally without reference to the sex of the taxpayer. Not so the benefits accruing to the spouse and minor children of a working woman who dies, retires, or becomes disabled.

This is just one instance among many where the law does not treat the citizen equally, and one instance among many where passage of my bill will correct the situation.

This matter of inequities in the social security system is the subject of a resolution adopted on February 12, 1975, by the council of the city and county of Honolulu by unanimous vote. Mr. Speaker, if there is no objection, I wish the resolution to be printed in the RECORD for the information and consideration of my colleagues, and urge favorable action on the Equal Rights for Women Act of 1975:

RESOLUTION REQUESTING THE CONGRESS OF THE UNITED STATES TO INVESTIGATE INEQUITIES IN THE SOCIAL SECURITY SYSTEM AND TO MAKE APPROPRIATE AMENDMENTS TO THE SOCIAL SECURITY ACT

Whereas, approximately 33 million working women in the United States contribute more than 9 billion dollars annually to the Social Security system; and

Whereas, it has been brought to the attention of the City Council of the City and County of Honolulu that the Social Security Act fails to provide social security benefits to husbands and widowers of women workers under the same conditions as such benefits are provided to wives and widows of men workers; and

Whereas, as an example of such disparate treatment, under the law as presently written the widower of a working woman who dies before the statutory retirement age may receive one ludicrously insubstantial "lump sum" payment ($255.00) despite the fact that his deceased spouse contributed substantial sums to the social security system over a period of many years, unless said widower is able to prove that he has been dependent on his deceased spouse for at least one half of his support; and

Whereas, the widow of a working man who similarly dies before retirement is entitled to collect relatively substantial amounts without being required to prove such dependency; and

Whereas the protection which the social security system affords the spouse and minor children of a working woman who dies, retires or becomes disabled compares individiously with the protection afforded by the system to the spouse and minor children of a working man who dies, retires or becomes disabled; and

Whereas, a major purpose and principal justification for the social security tax is to provide benefits for individuals in their old age and for their surviving spouses and dependents, and the tax is levied on the basis of earnings and totally without reference to the sex of the taxpayers; and

Whereas, the sex of the taxpayer is nonetheless in many instances the controlling factor in the determination of benefits, as demonstrated in the examples set forth above; and

Whereas, the discriminatory attitude underlying such legislation, discounting as it does the value of a woman's employment, has the paradoxical effect of rendering men the real losers in terms of actual benefits received; and

Whereas, these provisions of the Social Security Act are antiquated, irrational, unfair and almost certainly unconstitutional; now, therefore,

Be it resolved by the Council of the City and County of Honolulu, State of Hawaii, that the Council urges the Congress of the United States to investigate the inequities in the Social Security system and to proceed as speedily as possible to amend those provisions of the Social Security Act which calculate benefits on the basis of the sex of the taxpayer; and

Be it further resolved by said Council that the Clerk be, and she is, hereby directed to transmit copies of this Resolution to the President of the United States Senate, the Speaker of the United States House of Representatives, the Chairman of the United States Senate Committee on Finance, the Chairman of the United States House Committee on Ways and Means, and all members of the Hawaii congressional delegation.

SOUTH VIETNAM: WE MUST NOT ABANDON AN ALLY IN NEED

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. CRANE. Mr. Speaker, the situation in South Vietnam at the present time is critical. In violation of the Paris agreement, the North Vienamese and the Vietcong continue in their aggressive efforts to take over the Saigon government by force.

The new aid which is being requested for the South Vietnamese is to be used only for essential military needs. Those who argue against such aid on the basis of alleged corruption in Saigon or of other forms of mismanagement are not, in reality, discussing the perilous situation before us.

The bulk of aid being requested, for example, $198 million, would go for additional ammunition. Of the rest, $26 million would go for fuel, and $36.9 million for spare parts, rifles, and other supplies. Handling and transportation would cost $39.1 million. This additional money would not even be sufficient to put back into the air the planes now grounded for lack of fuel, spare parts, and ammunition. The planes now operating, however, would be able to fly additional missions. At the present time, rationing limits South Vietnamese aircraft to less than half the missions they are capable of flying.

Referring to those who argue that the United States, having expended 50,000 men and some $150 billion defending South Vietnam, can now demand that they survive entirely on their own, columnist Crosby S. Noyes notes that—

> There are still some Americans around who can recognize double-talk when they hear it and who are not much impressed by rationalizations for the most disgraceful sell-out in American history. One suspects that they will be heard from, now and then, in the months to come.

Those Americans who reject the concept of abandoning an ally which faces continued aggression are being heard more and more. Columnist James J. Kilpatrick, for example, says of those who wish to stop aid to South Vietnam that—

> This is a failure of the will, the most melancholy of all failures. We are not asked to send men. We are asked to provide money only—money in the form of arms, ammunition, aviation fuel. . . . Are we too tired even to provide arms in a desperate hour for a small and valiant ally? If so, the cause of human freedom creeps closer to that deep sleep from which no traveller returns.

I wish to share with my colleagues the column "Abandoning an Ally," by Crosby S. Noyes, which appeared in the Washington Star-News of February 4, 1975, and the column, "Friends in Need," by James J. Kilpatrick, which appeared in the Washington Star-News of February 5, 1975, and insert them into the RECORD at this time:

ABANDONING AN ALLY

(By Crosby S. Noyes)

For those few of us who are still a bit squeamish about the spectacle of the United States deliberately and coldly abandoning an ally, this is a painful period. Because if all of the readings of the mood in Congress are correct, this is precisely what we are preparing to do in South Vietnam and Cambodia.

There is not even much of an attempt to disguise the betrayal. Leave aside the fruitless debate over the origins of the war or the wisdom of our part in it. Surely, at this point there can be no question that as a nation and as a government we did everything that we could—and possibly much more than we should have done—to encourage the South Vietnamese to resist the effort of North Vietnam to establish its control in the South.

Surely, there can be no question either that under the Paris agreement of 1973, we assumed an obligation to aid South Vietnam to resist continuing Communist military pressure. The government in Saigon signed the agreement, permitting the withdrawal of American forces from their country and the continued presence of at least 100,000 enemy troops within their borders, on the firmest assurance that they would be supplied with the means of defending themselves.

The obligation, furthermore, has been formally ratified by the American Congress. Last year, the administration asked for $1.4 billion in military and economic aid for Indochina. The Congress, in its wisdom, took the affirmative action of *authorizing* $1 billion. And then, with an even more dazzling display of sagacity, it decided that $700 million—one-half the original request—would be enough to fulfill what was a recognized obligation.

It wasn't. Today, with a buildup of enemy forces now exceeding 170,000 in South Vietnam, backed by large stockpiles of Chinese and Russian equipment, the government in Saigon is in desperate military straits. The administration, which has not come close to resupplying South Vietnam on a one-to-one basis over the last year, has returned to Congress with a request for the additional $300 million *which Congress originally authorized*. The almost universal prediction is that the request will be refused.

Two schools of thought, in the country and the Congress, have combined to produce this likely result, neither of which reflects much credit—or even much humanity—on its adherents.

The first consists of those who have long believed that there was something morally wrong about this resistance of South Vietnam to conquest by the North. These people go a very long way toward embracing the classic Communist theory about "wars of national liberation" which says, in effect, that any military action that promotes "socialist ideas" and the political spread of the Communist system is automatically a just war, deserving the support of all progressive peoples. And conversely, as the Soviet "Red Star" put it recently:

"A war is unjust and reactionary if it is a continuation of a policy aimed at suppressing the revolutionary struggle, freedom and independence of any particular peoples and working peoples' socialist achievements. . . ."

The other school, which normally does not greatly favor promoting the "cause of socialism and communism," has come to the simple conclusion that any further support of South Vietnam is useless and that the cause to which so much American effort has been devoted is lost. This possibly tenable conclusion, however, is bolstered by a number of utterly specious arguments.

It is said, for instance, that the United States, having expended 50,000 men and some $150 billion defending the South Vietnamese, can now demand that they survive entirely on their own, without further outside help. It is implied that the South Vietnamese are no longer worthy of our support (in contrast, say, to the Israelis who make more efficient use of the arms and money they receive). It is suggested that help from us at this point is simply prolonging the agony and that all would be well if the Vietnamese were left alone to "settle their differences between themselves."

Yet there are still some Americans around who can recognize double-talk when they hear it and who are not impressed by rationalizations for the most disgraceful sell-out in American history. One suspects that they will be heard from, now and then, in the months to come.

FRIENDS IN NEED

(By James J. Kilpatrick)

President Ford has asked Congress to provide supplementary arms aid for South Vietnam, and the word on Capitol Hill is that Congress won't agree. If that pessimistic prediction is accurate, it is bad news not only for South Vietnam but for the whole of the free world as well.

Mike Mansfield, Senate majority leader, expressed his own opposition a couple of weeks ago: "Additional aid means more killing, more fighting. This has got to stop sometime. It is up to these people to settle their differences in their own way."

It is an oversimplification, though not a gross one, to say that the agonizing conflict in Vietnam is at bottom a struggle between freedom and slavery. What Mansfield is saying is: Let the chance for freedom go. The senator is tired. Let it go.

This is a failure of will, the most melancholy of all failures. We are not asked to send men. We are asked to provide money only—money in the form of arms, ammunition, aviation fuel. We are asked only to provide the people of South Vietnam with the means for fighting back. Observers in Saigon agree that if such aid is not forthcoming—if it is not forthcoming now, within the next six weeks—the Communist invasion will succeed. But the senator is tired. He finds "more fighting" abhorrent.

There is no such failure of will on the Communist side. In the two years since the Paris agreement was signed, Moscow and Peking have redoubled their aid to Hanoi.

The North Vietnamese, in contemptuous violation of the truce, have infiltrated the South with 170,000 troops. The Communist forces are armed with new artillery, rockets, and antiaircraft weapons. The Communists are not tired.

In my own view, at least, the arguments in favor of providing the requested arms are compelling. We are not talking of "aid to President Thieu," or of "propping up the corrupt Thieu administration." This is straw-man stuff. In the continuing struggle between freedom and slavery, Thieu is one poor, weak, mortal man. He does not matter. We are talking, rather, of the people of South Vietnam, and of the faint, flickering candle they have fought so valiantly to keep alive. What do we say to these people? Let the candle go out?

Every American knows of the sacrifice the United States has made already: 55,000 dead, more than $100 billion spent. The sacrifice of the people of South Vietnam is not so widely understood. A better idea may be gained by using a factor of ten. In recent weeks, the South Vietnamese army has suffered one hundred casualties a day. It is as if an American army were losing a thousand. Upwards of two million South Vietnamese are directly involved in their war effort. It is as if we had mobilized 20 million.

Is it conceivable that the Vietnamese people would keep fighting if it were only for the honor and glory of "a corrupt little dictator"? This is nonsense. If the Thieu government did not command a large measure of popular support, it would have been toppled long ago. What, then, could impel the people to resist? Why has their will not failed? Tired as they are, they are not as tired as old senators. They do not regard the triumph of the Communists as inevitable. They ask only: Give us arms! And they will fight on.

Of course the requested aid should be provided—quickly, generously, unstintingly. Simultaneously, every possible diplomatic pressure should be applied to Peking and Moscow. If there is such a thing as "world opinion," that opinion should be marshalled against the North Vietnamese aggressors.

Are we too tired even to provide arms in a desperate hour for a small and valiant ally? If so, the cause of human freedom creeps closer to that deep sleep from which no traveler returns.

PROPOSALS TO HELP OUR ENERGY AND ECONOMIC DILEMMA

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BRINKLEY. Mr. Speaker, although I have gone on record in opposition to gasoline rationing except as an absolute last resort, a recent letter from one of my constituents provides food for thought on this and other measures that would bring our present energy and economic dilemma under control.

Additionally, this letter gives clear evidence that people are genuinely concerned about these issues—concerned enough not only to urge affirmative action, but to thoroughly consider and outline their own proposals. I am happy to share this letter with my colleagues:

COLUMBUS, GA.,
January 17, 1975.

JACK T. BRINKLEY,
Cannon House Office Building,
Washington, D.C.

DEAR MR. BRINKLEY: As the Ninety-Fourth Congress convenes to cope with some of the most perplexing problems in our nation's history, I feel compelled to write to you and voice my preference of positive actions that should be taken by the Congress to help alleviate some of these problems. This is the first time I have written to anyone in the Congress to request something, but since the Executive Branch seems confused, bewildered and capable of only grasping at straws, Congress should be encouraged to take the intiative and pass strong remedial legislation at the earliest possible dates.

The American people do not mind meaningful sacrifices that will involve all the people, indeed, the people I know and talk to are looking for some form of firm guidance to control inflation and eliminate this recession that has been fueled by indecisiveness and inaction.

Below are some of the measures I would like to see employed by Congress to get our country back to full scale production, and stop this ridiculous Yo-Yo type economy that has plagued us for the past six years.

1. Ration gasoline. Do not raise import duties or raise taxes on fuels. The American people would welcome a good strong program designed to allocate fuel equitably and yet ensure that critical activities such as transportation and farming would not be unduly curtailed.

Objective: Reduce national fuel consumption five million barrels per day by July 1, 1975. This would have the desirable side effect of forcing oil price reductions by the Middle East producers.

2. Pass legislation limiting the size of new automobile engines and chassis so that present day mile per gallon averages would be increased considerably.

Objective: Reduce national fuel consumption another ten million barrels per day by January 1, 1977.

3. Impose moderate wage and price controls, but extend them clear across the board. A fully organized program, if given half a chance, will succeed.

Objective: Stabilize the economy and increase productivity. This will help immeasurably in restoring the confidence of the people in our government.

4. Encourage farm productivity by initiating land clearing and land reformation programs employing, where health and feasibility permit, people drawing unemployment compensation. Also, encourage farmers to use every available foot of land to produce more.

Objective: Produce enough farm products to export additional millions of tons annually.

5. Launch a full scale railroad reformation program. This should be a government subsidized program creating thousands of jobs. It would be employed to modernize, streamline, and increase the versatility of our railroads and mass transit systems.

Objective: To make rail shipments practical, economical, and speedy. This would also greatly reduce transportation's energy requirements.

6. Initiate programs to reward industries for efforts made to promote austerity in the use of this nation's natural resources. Publicize activities designed to motivate all citizens to become actively involved in conservation of all resources.

Objective: To ensure adequate resources for use during our lifetime, and preserve bounties for posterity.

I realize this correspondence is rather lengthy, and I beg your indulgence. I am not submitting the above actions as a panacea to all the problems facing us, but as topics which I think worthy of very serious consideration.

Sincerely yours,
ELDRIDGE W. BROWN.

ADVICE FOR A SOUND ECONOMY—II

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. McDONALD of Georgia. Mr. Speaker, on page 3678 of yesterday's RECORD, I placed a letter to President Ford from four economics professors at Grove City College regarding a four point program to end inflation and stabilize the U.S. dollar. I thought my colleagues would be interested in the following editorial comment on the letter, published in the Wall Street Journal of February 2, 1975:

REVIEW OF CURRENT TRENDS IN BUSINESS AND FINANCE

President Ford has received advice from many economists in recent months. Some has been solicited, as at the so-called summit conferences on inflation late last year, and some has been unsolicited. The latter category includes advice from the economics faculty of Grove City College, a Pennsylvania institution that seven years ago conferred an honorary doctor of laws degree on Mr. Ford. His degree notwithstanding, the President appears most unlikely to heed the Grove City professors. Still, their view seems worth bearing in mind when so many economists are beginning to talk sanguinely of reduced inflation and economic recovery later this year and a surging stock market seems to agree.

The Grove City economists sent a letter to the White House on Oct. 1 spelling out their idea of how the President should tackle the country's economic woes. The professors, noting that they had been "conspicuously absent" from the inflation summits, stress that "the federal budget must be balanced now, next year and every year thereafter."

The massive budget deficits that loom for the current fiscal year and for 1975–76 indicate the attention that the President has given that suggestion far better than his polite response to the professors, which talked vaguely of a need for "hard work, sacrifice and cooperation" and expressed gratitude for "your thoughtful letter."

The letter contains additional advice. The Federal Reserve System, whose responsibilities include regulation of the country's money supply, is described as an "engine of inflation" that should be "inactivated, or better yet, abolished." Without monetary pump-priming by the Fed "to accommodate new deficit spending and credit expansion," the economists continue, "you will need to cut federal spending" and taxes. Only then, they assert, can the economy begin a "speedy recovery from the recession." Other suggestions include that "Federal Reserve money now in circulation must stay in circulation and be made fully redeemable in gold."

The professors concede that such measures "may not be popular." They admit that most economists prefer "the new economies of easy money and deficit spending." However, the professors warn the President that to proceed "on the present road you will preside over an accelerating depreciation of the dollar and all the economic and social evils thereof."

Hans Sennholz, chairman of the Grove City economics department and a signer of the letter, expands on where current government policy may lead in a lengthy article in the January issue of The Freeman, a monthly publication devoted to the discussion of "ideas on liberty." The Sennholz scenario contrasts remarkably with the mildly optimistic forecasts beginning to emanate from many analysts as the recession deepens.

The government, Dr. Sennholz states, is "alarmed about the recession that is engulfing consumer goods industries" and obviously wants "to stimulate these industries once again." As he puts it, "by popular demand, the government is expected to cope with this recession with all means at its disposal." This assures intensified "deficit spending and credit expansion," the economist contends. And this, in turn, will lead eventually to an even "hotter boom" than the recent inflationary period. As a result, he warns that "two-digit inflation must rage on" and "the purchasing power of the dollar must fall at ever faster rates."

How does this gloomy scenario end?

"Two-digit inflation only comes to an end with the advent of three-digit inflation, which signals the approaching demise of paper currency," Dr. Sennholz writes. "When millions of consumers hurry to spend their monetary assets and use all their lines of credit in order to seek refuge in real goods, the end of the currency comes in sight (and) the dreaded depression that was so long delayed will finally make its entrance with irresistible force."

In the end, Dr. Sennholz claims, "the inexorable laws of economics will prevail over political intrigue."

It is possible to dismiss such commentary as simply out of touch with today's realities. Dr. Sennholz warns that triple-digit inflation may supplant the recent double-digit variety. But price trends seem to be moving in the opposite direction. In December consumer prices rose at the single-digit rate of slightly over 8% annually, down from a double-digit increase in November, and wholesale prices, on average, actually dropped for the first time in 14 months. The Federal Reserve, moreover, can hardly be accused of a recklessly inflationary policy when the nation's money stock over the past year has grown roughly 4%.

Altogether, the current business scene—the return to single-digit consumer price inflation, declining wholesale prices, the sluggish growth of the money stock, widespread joblessness and idle plant capacity—hardly suggests that the economy verges on a "hotter boom" and triple-digit inflation. Indeed, it is not at all surprising that the advice Mr. Ford has recently been getting—and seems to be following—largely involves ways to stimulate the economy. Recession-whipping has taken clear precedence over inflation-whipping, and very possibly for good reason.

Nevertheless, it doesn't necessarily follow that the fears of the Grove City professors should be totally disregarded. The idea of triple-digit inflation does seem unrealistic at the moment. However, how many forecasters several years ago foresaw that every major country in the non-Communist world, save West Germany, would suffer double-digit inflation in 1974? One of the precious few back then who did warn about such an eventuality was Hans Sennholz.

ALFRED L. MALABRE, JR.

STATEMENT ON PROPERTY TAX RELIEF FOR ELDERLY

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. HEINZ. Mr. Speaker, most Americans are finding it more and more difficult to cope with our present economic problems, but the effects of inflation and recession have been most devastating for the old and the poor. Especially hard pressed are those older Americans living on a fixed income who are forced to combat the same inflationary pressures as everyone else, but at a distinct disadvantage. Most people 65 or older are existing on a much lower income than the average individual and pay a disproportionately large percentage of their income for property taxes. In spite of repeated pledges to attack this problem, Congress has completely failed to do so.

In 1972, Congress attempted to respond to the property tax problem by enacting general revenue sharing, returning to State and local governments some $5 billion per year. It was hoped at the time that general revenue sharing would allow State and local government to reduce the burden of property taxes which falls so heavily on those trying to live on fixed incomes. Unfortunately, this has proved, for the most part, not to be the case. Court interpretations and fine print in the Revenue Sharing Act have discouraged or made impossible the needed property tax relief Congress hoped to provide. Recently, the National Council on Aging stated that:

> The neglect of the elderly in the use of general revenue sharing funds by state and local governments is evidence that, without safeguards, special revenue sharing laws will also prove ineffectual for the needs of older Americans. Despite the fact that programs and services for older persons is one of the eight priority areas in which local governments may spend their revenue sharing money, a study by the General Accounting Office revealed that only about two-tenths of one percent, or $2.9 million, of the total monies authorized for expenditure by the local governments surveyed were directed to programs to benefit the aged. Only 28 local governments of the 250 surveyed had committed funds to such programs.
>
> The general revenue sharing program expires at the end of 1976. In the discussions and debates which will surround its renewal, the Congress should investigate why the elderly have not received their fair share of these funds. To make matters worse, funds for many federal programs providing services to older persons were cut back at about the same time that revenue sharing funds were made available.

Today I am introducing legislation which I hope will make good on the promise that Congress has thus far failed to keep.

Mr. Speaker, some States have adopted a system of property tax relief for the elderly. These programs vary in amounts of relief, eligibility of recipients, and administration. I applaud those efforts and strongly believe that the individual States are in a much better position than the Federal Government to design and prudently run the type of program that would best benefit the elderly. Since many States have established a mechanism to administer a property tax relief program for the elderly, I do not view the Federal role as one of establishing an imposing upon the States a national program with strigent guidelines. Rather, I feel that we can offer the type of Federal assistance that will encourage those States that have not adopted a program of relief for the elderly poor to do so and those that have to continue those efforts at an increased level. This is the goal of my legislation.

The Older Americans Assistance Act of 1975 which I introduce today is a program designed to provide property tax relief to renters and homeowners. Funding would be achieved, if necessary, by earmarking approximately 25 percent of the $2 billion increase in general revenue-sharing recently proposed by President Ford.

In brief, the Older Americans Assistance Act:

Establishes a $500 million per year trust fund within the U.S. Treasury and a funding allocation for each State based on the income and numerical population of elderly households—currently about $71 per eligible household.

Requires the Secretary of Treasury to make grants, upon application, to individual States for the financial support of property tax relief programs for the elderly that are designed and run by each State.

Makes eligible for grants only those State programs, or portions thereof, which provide relief to moderate- and low-income homeowners and renters 65 and over—that is, "eligible households". Judicial review is provided for in the event of a dispute between a State and the Secretary.

In the past, two problems have particularly frustrated congressional efforts to enact an equitable and fair property tax relief program for the elderly. The first is the technical difficulty of developing a program that meets the tremendous differences of each State's circumstances and pre-existing programs. The Older Americans Assistance Act accommodates this problem by allowing within very broad guidelines each State to receive support for the program of its choice. The second question is how to encourage States which need, but do not have a program to establish one without penalizing those States which have existing programs.

The legislation provides for this necessary balance by limiting Federal assistance to 50 percent of what a State spent the previous year. To insure that States with existing programs which choose to participate improve assistance to eligible households, the bill contains a 1-year maintenance of effort provision.

An equitable distribution of aid among States is assured by an appropriate formula designed to provide the proper ratio of the total funds appropriated to those States that have a high percentage of elderly poor according to numerical population weighted by income:

[In percent]

Income scale for households with:	*Weight*
Less than $3,000	100
At least $3,000 but less than $5,000	80
At least $5,000 but less than $7,000	60
At least $7,000 but less than $10,000	40
At least $10,000 but less than $15,000	20

Since there are about 7 million eligible households at the present time, the average household allotment would be about $71 per household. The exact amount will depend on the States' allotment and State effort in the preceding year. Regarding previous State effort, each State may receive up to 50 percent of their revenue loss for operating a qualifying property tax relief program in the year prior to the enactment of this bill. This would work as follows: If a State has expanded $50 million for such a program in 1974, that State could be eligible for $25 million—assuming this did not exceed the States total allotment—from the Federal Government in 1975 provided that they spend the same amount of State funds in 1975 as they did in 1974. Therefore, an additional $25 million in extra revenue would be distributed among lower-income elderly.

Most States will be encouraged to use the Federal money to increase aid to those elderly with the greatest need since this legislation places income restrictions on what States may define as a qualifying revenue loss.

Mr. Speaker, the time has come for the Federal Government to join the States in their efforts to reduce this economic hardship which has, unfairly, been placed on all older Americans. We must reaffirm our commitment to help the elderly poor who have suffered the most during this period when our national economy is on the decline. Therefore, I urge the President and my colleagues not to ignore the needs of the elderly or those States that have made a good faith effort to eliminate the impact that property taxes have had on older people. Immediate consideration of the bill I am today introducing would be a big step in the right direction.

GENERAL PENSION WOULD HELP VETERANS AND SPUR ECONOMY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. ANDERSON of California. Mr. Speaker, no group of patriots has been so often overlooked and so long neglected as those Americans who served, and served valiantly, during World War I.

These veterans had few educational opportunities, and very little help in finding employment. In return for offering their lives for their country, they have received pensions which just cannot meet their needs. Approximately 500,000 World War I veterans live on annual incomes of less than $4,000.

Mr. Speaker, about 1 million World War I veterans are alive today, and their average age is 80. How much longer will we delay the repayment of our debt to these deserving men and women?

Because of the injustices this group has suffered, throughout my tenure in the House I have worked for a more equitable pension system, one which would provide monthly benefits to World War I veterans or their widows regardless of need. Such a bill is the World War I Pension Act, which would add $150 a month to the incomes of these citizens.

The Torch, the official publication of the Veterans of World War I, U.S.A., Inc., carried an article in the February 1975 edition supporting this type of legislation. Editor Harold B. Say discussed the dual benefits of a general pension plan which would serve to both insure coverage of veterans and spur the economy.

I hope that, after reading this editorial, more of my colleagues will join Mr. Say and the group's National Commander, Benjamin H. Byers, in their fight for a fairer pension system for World War I veterans.

At this point, I would like to include Mr. Say's article in the RECORD:

PENSION WOULD HELP NATION'S ECONOMY

Anyone who lived through the dark and bitter days of the depression of the thirties cannot but have uppermost in his mind the hope that the President and the Congress will without delay pitch into the problem of preventing another. In the depth of the great depression some 25 percent of the labor force of the land was out of work. Skilled men hungrily grabbed at any task that would pay for bread. Many men who held high salaried positions had gratitude for some more fortunate person who would pay 50 cents an hour for lawn mowing or garden work. Some who read these lines were among those selling apples on the street corner.

Leaders in the government tell us this will never happen again; that we may have a recession but not a depression in the sense we older ones knew it.

Yet, with 25 percent of the employees of one of the nation's largest automobile manufacturers off payrolls, the signs are ominous unless the President and the Congress working together move now and swiftly.

The World War I veteran has as much concern as any other citizen. Perhaps this year he has more. A great majority of World War I men with the gates of their earning years closed behind them are in dire straits. This we know from visits over the land and from piteous letters pouring into our headquarters. The recently passed pension bill upping income limitations by $400 a year and pension rate by 12 percent for some will help those most in need and who were cruelly hit by Social Security increases causing cuts in their pensions or their complete elimination.

Only a general pension will genuinely aid the great majority of surviving veterans and their widows. A growing sentiment for such a pension was evinced among both House and Senate members last year. There is no reason to believe it will fade in this new session.

The unfavorable economy of the nation should not form an excuse for postponing action. The cost as we have pointed out to Congressional committees will drop very sharply every year. By 1990, 15 years hence, there will not be more than about 12,000 of the current 1,000,000 War I veterans alive.

Some of the remedies proposed for meeting today's recession are sharp tax cuts giving citizens more to spend. If this philosophy is correct, what could be more in order than a long deserved pension. Veterans and widows receiving such a pension would be spending it at home immediately. It would instantly flow into the blood stream of the nation's economy—to the farmer for food, to factory workers through purchase of needed items. World War I veterans are 80 years old. They are not inclined to foreign travel, so virtually none of any pension money would leave the United States.

In summary, a general pension for 1917–18 men and their widows would not only correct in part an appalling inequity they have suffered compared with benefits received by later veterans, but would be a stimulant to the nation's economy at a time when a bolstering element is a critical need.

CHRISTIANITY BRIDGES GAP BETWEEN CALIFORNIA TOWNS

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. DON H. CLAUSEN. Mr. Speaker, a recent publication of the Seventh-Day Adventist Review and Herald contained a very revealing, timely, and gratifying article written by Mr. Jerre K. Iverson, director of university relations at Loma Linda University in California.

I want to bring the contents of the article to the attention of my congressional colleagues in the hope that it might relate, in detail, what a community of dedicated Christians has done to improve the well-being of a number of unemployed and less-fortunate people. Their efforts truly bridged the cap in the cultural and economic sense.

At a time when people seem to be "miles apart" in far too many communities of America, it seems this example could serve as an inspiration for other people and other communities to follow. In this day and age, we seem to have far too many people talking about helping their fellow man. These people are doing something about it.

Mr. Speaker, I hope "Christianity Bridges Gap Between California Towns" will be read by all Members of the House and Senate and, more importantly, used as a guideline for similar action in all the communities of America.

The article tells of the effort by Loma Linda to assist its neighbors through cultural, economic, and spiritual assistance and should be of interest to all Members of Congress to demonstrate what can be achieved through commitment and dedication to help others.

The Loma Linda concept is based upon the adage that it is better to teach a hungry man to fish than to give him a fish. Elder Gary Stanhiser, Donald Melnick, and John Duge are to be highly commended for their leadership in bringing this program about.

This article should be inspirational to all who read it:

CHRISTIANITY BRIDGES GAP BETWEEN CALIFORNIA TOWNS

(By Jerre K. Iversen)

They live only two miles apart. But their worlds are separated by light-years of mistrust and disinterest. About half the people that live in the Mill Valley area of south San Bernardino, California, are on welfare, living on less than $5,000 a year. Almost half of them are unemployed, with their average level of education stopping at sixth grade.

On a clear day, many of the 5,000 people in the four-square-mile section can see the gleaming yellow towers of Loma Linda University Medical Center nestled atop a hill a couple of miles away.

The people in Loma Linda are well-educated, almost unanimously employed, and relatively affluent. The only common bond between the two worlds was the smog that obscured their long-range view of each other.

Then, three years ago, the pastoral staff of the Campus Hill church of Seventh-day Adventists in Loma Linda decided to demonstrate that Christianity could be the great equalizer, that it could bridge cultural and economic gaps, that it could help people learn to love one another.

Gary M. Stanhiser, of the Campus Hill church staff, was asked to develop a comprehensive evangelistic campaign in Mill Valley. Renting a small Pentecostal church, he began holding services every Sabbath. He was joined by 30 white members of the Campus Hill church and by about 20 Mill Valley residents, mostly black, who were already Seventh-day Adventists.

"The only way a large, mainly middle class church can help in a lower income area," says Elder Stanhiser, "is to go where the people are. Do not wait for them to come to you."

He also maintains that Christianity must become relevant to the needs of the people it is trying to reach. "When a person is hungry," he says, "a tract on the 2300-day prophecy, by itself, won't make him very receptive to your message."

So Elder Stanhiser and his small congregation began developing programs that would be relevant to the needs of the Mill Valley people. One of their first acts was to initiate a weekly free medical clinic. Loma Linda University medical students Donald E. Melnick and John F. Duge (both have now graduated) had been wanting to experiment with various concepts of the medical ministry, and this looked like a good opportunity.

"From the start, our approach was to implement, as completely as possible, what Ellen White had said about the medical ministry of the gospel," says Duge. For six months prior to the opening of the clinic, the two medical students, joined by classmates and nursing and physical therapy students, met every Friday night to study the Spirit of Prophecy.

"For the first three months," says Melnick, "we were mainly concerned with Mrs. White's teachings on medical missionary work, particularly in the inner city."

Melnick and Duge joined the Mill Valley church company and strongly urged all other students who came to help at the clinic also to join the company, which by now had been meeting for almost a year. Setting the example, both Melnick and Duge are officers in the Mill Valley church.

The medical clinic today is staffed by students and employees from many health disciplines of Loma Linda University. Six or seven medical students, under the supervision of a School of Medicine physician, see cases ranging from head colds to cancer. Nurses from the hospital volunteer time from their off-duty hours. Health and nutrition students give lectures and offer counseling in the waiting room. And physical therapy and occupational therapy students often are called in on specific cases.

Administrative and legal support comes from the Social Action Corps of Loma Linda University, the agency that coordinates a number of other free medical clinics in impoverished areas around Loma Linda. In addition to the Mill Valley clinic, more than 125 Loma Linda students run five other clinics each week on a volunteer basis—no pay and no class credit is given.

While the free medical clinic in Mill Valley is important, it is only part of a multifaceted program sponsored by the Mill Valley church in an effort to witness for Christ through the needs of others.

CHRISTIANITY BECOMES REALITY

"When people know that you are concerned with helping them," says Elder Stanhiser, "they start seeing Christianity not as cold doctrines but as living realities. It's the gospel message embodied in people."

One of the church members' largest projects is their Family Education Center, operated jointly with Loma Linda University School of Health and funded with a State grant obtained by the university. It is similar to a day-care center program. The program coordinator is Kay Kuzma, assistant professor of maternal and child health in the School of Health. But the goal at Mill Valley is not to take children out of the home and become a professional baby-sitting service, says Stanhiser. Its primary function is to educate mothers.

"We hired 15 mothers in the area who had wanted us to care for their children during the day," says Elder Stanhiser. "We told them we wouldn't take care of their children ourselves. We would teach them how to be better mothers."

Today, the small group of Adventists in the Mill Valley company, along with the School of Health, administer the central Family Education Center plus eight satellite day-care centers. The program takes care of 85 children each day and has a number of mothers enrolled in education programs. Twenty-five others attend an after-school tutoring program.

For two years a Redlands attorney, Caroll Lawson, has donated one night a week to giving free legal advice to any Mill resident who needs it. He helps them in everything from lawsuits to landlord-tenant difficulties. He now handles about ten legal problems a week, taking them to court when necessary. He attends the local church and lives in the community. The legal-aid program has received referrals and commendations from area judges. It is the only service of its kind in south San Bernardino.

VACANT LOT IS A GARDEN

One of the most interesting projects in the church is the garden program. A vacant tract of land in Mill Valley that is owned by Loma Linda University was donated to the church to use as a garden. The land on the 28-acre lot was subdivided into 20-foot-by-100-foot plots. Using seeds and seedlings given by Loma Linda University and individuals who were interested in the project, 65 families now grow their own vegetables.

San Bernardino mayor Bob Holcomb became so interested in the garden that he now has his own plot and regularly works to keep the weeds out of it.

"The first year we were here," says Elder Stanhiser, "we gave away food and clothes. The next year we taught cooking and sewing classes. This year we have the farm so that everyone can grow some of his own food. And we've just purchased ten sewing machines and 1,000 yards of material. It's the best way we know of to help people help themselves."

This total involvement with the community works both ways. It is not just the residents who benefit. Don Melnick says that working in the clinic gave him the chance to apply his education in a practical way before he was scheduled to.

Elder Stanhiser believes this kind of total approach to Christian witnessing is the only way to reach millions of people who are rarely exposed to religion.

"If the Adventist Church wants to reach the 40 per cent of the American population in low-income areas of large urban centers, we must find ways to make Christianity significant to those people," he says. "When religion cares first about a person's physical needs, and takes an active interest in fulfilling those needs, that person will then be much more ready to take care of his spiritual requirements."

This kind of approach works. It has been proved in the Mill Valley area of San Bernardino. After two and a half years of this inner-city program, more than 50 people have been baptized into the Adventist Church.

The small Adventist company with the big ideas is now officially the Mill Valley Fellowship of Seventh-day Adventists, a happy blend of races and cultures where color and money aren't important—only people are.

THE PLIGHT OF MIKHAIL LEVIEV

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. DRINAN. Mr. Speaker, I would like to share with my colleagues the second section of a three-part legal memorandum on behalf of the Soviet Jew, Mikhail Leviev:

THE PLIGHT OF MIKHAIL LEVIEV

B. The death penalty decreed upon Leviev must be commuted because such punishment is inhumane, immoral, and shocks the conscience of mankind.

Article 22 of the General Principles of the Soviet Union, enacted in December 1958, provides that the death penalty will be used only exceptionally and for the most serious offenses, with a view eventually to abolishing it entirely. Similarly, Article 23 of the 1960 Criminal Code of the RSFSR provides that the "[a]pplication of the death penalty—by shooting—is admitted as an exceptional penal measure, pending its final abolition . . ." This Article suggests the highly restricted nature of the death penalty in the Soviet Union and its temporary application:

"*In terms of the basic principle of Marxist ideology, punishment by death has no room in Soviet society as a regular instrument of penal policy.* There may be some justification for it in the period of revolutionary struggle with the class enemy. Once, however, the socialist order is established and the demoralizing effects of private ownership of a means of production disappears as a social and economic phenomenon, it is only a question of time before all moral and social illnesses of the capitalist order of things disappear. The state monopoly of education, in formulating the moral code, the healing effects of socially useful labour, all contribute to the gradual restriction and eventual disappearance of criminal activity." [Emphasis added] Staff Study, "Economic Crimes in the Soviet Union," Journal of the International Commission of Jurists 10 (Summer 1964).

One need not look only to Marxist history in order to elicit the fact that no room exists in a civilized society for the imposition of the death penalty. Camus described the abolition of the death penalty as a "great civilizing step." A. Camus, "Reflections on the Guillotine," *in Resistance, Rebellion, and Death* 232 (1961). Upon any humane standard:

"If people were to witness the decay of the waiting man, to hear his cries and watch his final struggles, they would be affronted in their consciences, and in their standards of human dignity and decency. G. Gottlieb, *Capital Punishment* 6 (1967)."

The United States Supreme Court, in *Trop v. Dulles*, 356 U.S. 86 (1951), grappled with the morality and propriety of the term "cruel and unusual punishment." The Court looked to ". . . evolving standards of decency that mark the progress of a maturing society." *Id.* at 101. The Court added that a challenged punishment must be examined "in light of the basic prohibition against inhuman treatment." *Id.* at 100 n.32:

"At bottom, then, the Cruel and Unusual Punishments Clause prohibits the infliction of uncivilized and inhuman punishments. The State, even as it punishes, must treat its members with respect for their intrinsic worth as human beings. A punishment is "cruel and unusual," therefore, if it does not comport with human dignity." *Furman* v. *Georgia,* 408 U.S. 238, 270 (1972).

In the development of both English and American Common Law, one finds a particular concern for the establishment of a safeguard against arbitrary punishments. See Granucci, "'Nor Cruel and Unusual Punishments Inflicted:' The Original Meaning," 57 Calif. L. Rev. 839, 857–860 (1969). No State should "engage in a reign of blind terror." *Furman* v. *Georgia, supra,* 281. Nor should the legislature authorize the infliction of a severe punishment "that is clearly and totally rejected throughout society" *Id.* Finally, it should be noted that, in the United States Supreme Court's view, "no State today would inflict a severe punishment knowing that there was no reason whatever for doing so." *Id.*

In the case at bar, the punishment imposed upon Leviev for the non-violent, economic, crime allegedly committed by him is inordinately severe, has been inflicted arbitrarily, is one which is substantially rejected by contemporary society, and accomplishes no penal purpose more effectively than another, less severe, punishment.

The punishment of death is rare in the modern, civilized world:

"Death is today an unusually severe punishment, unusual in its pain, in its finality, and in its enormity. No other existing punishment is comparable to death in terms of physical and mental suffering. . . . [I]t appears that there is no method available that guarantees an immediate and painless death." *Furman* v. *Georgia, supra,* at 287.

Also see *Report of Royal Commission on Capital Punishment,* 1949–1953, paragraphs 700–789, pp. 246–273 (1953); H. Barnes and N. Teeters, *New Horizons in Criminology,* 306–309 (3d ed. 1959); C. Chessman, *Trial by Ordeal,* 195–202 (1955); M. DiSalle, *The Power of Life and Death,* 84–85 (1965); R. Hammer, *Between Life and Death,* 208–212 (1969); K. Lamott, *Chronicles of San Quentin,* 228–231 (1961); and L. Lawes, *Life and Death in Sing Sing,* 170–171 (1928). Recently, the Supreme Court of the State of California addressed the same issue as follows:

"[T]he process of carrying out a verdict of death is often so degrading and brutalizing to the human spirit as to constitute psychological torture." *People v. Anderson,* 6 Cal. 3d 628–649, 493 P. 2d 880–894 (1972).

Mankind and society strongly affirm the sanctity of life. In response to this truism, some posit the argument that the threat of death prevents the commission of crimes because it deters potential criminals who would not be deterred by the threat of imprisonment. Yet, there exists no conclusive proof that the threat of death has greater deterrent effect than the threat of imprisonment. As Mr. Justice Felix Frankfurter has written: "I think scientifically the claim of deterrence is not worth much." F. Frankfurter, *Of Law and Men,* 81 (1956).

Moreover, the presence of the death penalty as a keystone of a state's penal system must inevitably sabotage a social or institutional program of reformation. B. Eshelman and F. Riley, *Death Row Chaplain,* 222 (1962). Certainly, it is in the interest of the Soviet Union to reform an individual convicted of a crime. A society's wish to prevent crime is understandable; its desire to kill alleged criminals in lieu of retraining and reforming them is incomprehensible.

Finally, it is submitted that capital punishment is shocking to the conscience and sense of justice of world humanity. In recent United Nations studies, in 1964 and 1967, evidence was adduced that there exists a distinctive trend toward the abolition of the death penalty throughout the world. In those few countries that retained the death penalty, such retention was only with regard to premediated murder or, in the case of the Republic of China, Northern Rhodesia, Nyasaland, and the Republic of South Africa, with regard to non-homicidal rape. United Nations Report, *Capital Punishment* (ST/SOA/SD/9–10) page 64: Department of Economic and Social Affairs, *Capital Punishment* 5–7 (United Nations 1967); and Goldberg and Dershowitz, "*Declaring the Death Penalty Unconstitutional,*" 83 Harv. L. Rev. 1773, 1781 (1970).

In Western Europe, only France, Spain and Greece have retained the death penalty, solely with regard to premeditated murder. The post-World War II Constitutions of West Germany, Austria and Italy specifically exclude the imposition of capital punishment in all cases. *Report of Secretary General on Capital Punishment,* February 23, 1973 (E/5242). In fact, the United Nations General Assembly, in 1971, specifically affirmed that—

"In order to fully guarantee the right to life, provided for in Article 3 in the Universal Declaration of Human Rights, the main objective to be pursued is that of progressively restricting the number of offenses for which capital punishment may be imposed with a view to the desirability of abolishing the punishment in all countries." United Nations Resolution 2857 [XXVI], December 20, 1971.

The Soviet Union, along with all other European socialist countries (except for Albania, which was not present), voted in favor of the resolution.

Given Article 22 of the General Principles and Article 23 of the 1960 Criminal Code of the RSFSR, which suggest that the abolition of the death penalty in the Soviet Union is the desired objective, along with the overwhelming negative view toward the death penalty taken by courts, jurists, international bodies and commentators throughout the world, it is submitted that the Procurator General of the Soviet Union should urge the Supreme Court of the Soviet Union to abolish the death penalty. In the alternative, given the recognition in Article 23 that the death penalty is an "exceptional penal measure," it is submitted that the Procurator General should adjure the Supreme Court of the Soviet Union to commute the death sentence in Leviev's case on the grounds that the crimes allegedly perpetrated by him were not of such severe nature so as to justify the assessment of such an "exceptional penal measure" herein.

C. The death penalty decreed upon Leviev must be commuted because the imposition of such penalty with regard to the alleged perpetration of an economic, nonviolent, crime shocks the conscience of mankind.

In the case at bar, Mikhail Leviev was charged and convicted of bribery and having been an intermediary in the illegal sale of gold. These charges and convictions, even if upheld, merely relate to non-violent, economic crimes.

As has been shown, *supra,* there has been almost a uniform rejection by the nations of the world of the use of capital punishment even with regard to the most egregious of crimes, e.g., premeditated homicide, homicidal rape and/or non-homicidal rape. *A fortiori,* the imposition of a death sentence upon an individual guilty of an economic crime must be viewed as a punishment wholly out of proportion to the crime committed.

Even with regard to the imposition of the death sentence upon those who are convicted of murder and/or rape:

"[T]he unusual severity of death is manifested most clearly in its finality and enormity. Death, in these respects, is in a class by itself. . . . Although death, like expatriation, destroys the individual's 'political existence' and his 'status in organized society' it does more, for, unlike expatriation, death also destroys '[h] is very existence.' There is, too, at least the possibility that the expatriate will in the future regain 'the right to have rights.' Death forecloses that possibility.

"Death is truly an awesome punishment. The calculated killing of a human being by the State involves, by its very nature, a denial of the executed person's humanity." *Furman* v. *Georgia, supra,* at 289–290.

Given "the unusual severity of death," the civilized world has reserved such a punishment "for the most heinous crimes." No other developed country, other than the Soviet Union and perhaps one or two Eastern European States, have imposed the sentence in crimes of an economic nature.* Certainly the Soviet Union does not seek uniqueness in this area of endeavor:

"The disproportionate hardship principle clearly invalidates some grossly disproportionate applications of capital punishment. The harm done by simple unarmed robbery or by any economic crime, for example, is surely not equal to the hardship that would be imposed by execution of the robber. Even if the deterrence of future robberies that might be achieved by execution of convicted robbers is taken into account, a society that values human life over material possessions cannot find capital punishment for economic crimes to be justified by the principle of proportionality." Goldberg and Derschowitz, "*Declaring the Death Penalty Unconstitutional,*" *supra,* at 1796.

Of course, even with regard to a person convicted of homicide and/or rape, the propriety of the death penalty "must depend upon the state's ability to demonstrate a compelling justification for using it instead of a less severe penalty." *Id.* Also see, *Weems v. United States,* 217 U.S. 349, 381 (1910). The Soviet Union is unable to show that the death penalty is any more effective a deterrent than life imprisonment. The sole purpose of such penalty with regard to an economic crime appears to be retributive in nature. Surely, the Soviet Union does not want to encourage primal revenge of this form.

If the Soviet Union is to be regarded as a civilized society, it must abolish the death penalty for economic crimes of the like allegedly perpetrated by Mikhail Leviev. This abolition would be in accordance with Article 22 of the General Principles and Article 23 of the 1960 Criminal Code of the RSFSR. Accepting the view taken in Article 23 of the Code that the application of the death penalty is an "exceptional penal measure," such penalty should not be imposed in the present case. Even if he were guilty of the alleged crimes, which guilt is specifically denied, Mr. Leviev's acts cannot be viewed as unusual or exceptional but, rather, extremely human. The human element is one which must be taken into account in the sentencing of an individual and it is this human element which is specifically lacking in the sentence imposed upon Mr. Leviev.

For all of the reasons presented above, it is urged that the Procurator General present the arguments contained herein before the Supreme Court of the Soviet Union and urge said Court to commute the sentence imposed upon Leviev both on the grounds that said sentence is unjustifiably severe and on the grounds that it shocks the moral conscience of mankind.

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*Bulgaria, in its 1968 Criminal Code, abolished capital punishment for economic crimes. Book Review, Bedau, *Challenging the Death Penalty,* 9 Harv. Civ. Rights-Civ. Lib. L. Rev. 624, 636 (1974).

HOUSE OF REPRESENTATIVES—*Friday, February 21, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

He who pursues righteousness and kindness will find life and honor.—Proverbs 21:21.

O God and Father of us all, we thank Thee for this moment which unites us in a fellowship of prayer and praise. Make us conscious of Thy presence that the spirit of unity may be established and maintained among us and, we pray, among the citizens of our country.

Inspire the minds and hearts of our leaders and our people with wisdom and understanding that together we may strengthen the bond between us and bear witness to that which is right and true and good.

In this hour of national need deliver us from every selfish ambition, every unworthy motive, and every feeling of ill will that with faith, hope, and love we may heed the word to work for the welfare of all. So pursuing righteousness and kindness may we find life and honor.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

APPOINTMENT AS MEMBERS OF THE COMMISSION ON FEDERAL PAPERWORK

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 93-556, the Chair appoints as members of the Commission on Federal Paperwork the following Members on the part of the House: the gentleman from Oklahoma (Mr. STEED) and the gentleman from New York (Mr. HORTON).

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished acting majority leader, the gentleman from California (Mr. McFALL), if he is in a position to inform the House as to the program for next week.

Mr. McFALL. Mr. Speaker, if the distinguished minority leader will yield, I will be glad to answer.

Mr. RHODES. I am happy to yield to the gentleman.

Mr. McFALL. The program for the House of Representatives for the week of February 24, 1975, is as follows:

Monday is District day. There are no bills scheduled.

Tuesday and Wednesday the House will consider House Joint Resolution 219, continuing appropriations for fiscal year 1975; and,

H.R. 3260, rescinding certain budget authority recommended by the President.

Thursday and the balance of the week, and I would assume that we could finish on Thursday, we will take up H.R. 2166, the Tax Reduction Act, subject to a rule being granted.

Conference reports may be brought up at any time. Any further program will be announced later.

ADJOURNMENT OVER TO MONDAY, FEBRUARY 24, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CALENDAR WEDNESDAY BUSINESS: DISPENSE WITH ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RHODES. Mr. Speaker, may I further inquire of the majority leader, it is my understanding that there is some doubt as to whether the Tax Reduction Act can be in a position to obtain a rule by Wednesday because of required caucus action. Is that the situation, as the gentleman understands it?

Mr. McFALL. I believe we will be able to have it up on Thursday. The caucus will meet on Tuesday and, of course, it is conceivable some action might be taken in the caucus that would prevent us from bringing it up on Thursday, but as we look at it at the present time, we think it will be available for business on Thursday.

Mr. RHODES. If the distinguished acting majority leader will yield further, I also take it there will be no Friday session, unless it would be on the Tax Reduction Act.

Mr. McFALL. That is my understanding.

REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING FOR FISCAL YEAR ENDING JUNE 30, 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-58)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations:

To the Congress of the United States:

I hereby transmit the Report of the Corporation for Public Broadcasting for the Fiscal Year ending June 30, 1974. This report reflects real progress made in fulfilling the promises of an independent Public Broadcasting System foreseen in the Public Broadcasting Act of 1967, which created the Corporation.

GERALD R. FORD.

THE WHITE HOUSE, *February 21, 1975.*

SOCIAL SECURITY PLAN FAILS TO MEET WOMEN'S NEEDS

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MICHEL. Mr. Speaker, there are a great many things wrong with the social security system, among which is the fact that it is $1.3 trillion in debt, uses an accounting system that would be totally illegal for anyone else in the pension business, and depends on a constantly escalating tax rate.

One problem that is seldom focused on, however, is that its regulations discriminate against women in several different ways.

A recent article in the Peoria Journal Star points out these deficiencies, and for the information of this body, I would like to have that article printed at this point in the RECORD:

[From the Peoria (Ill.) Journal Star, Feb. 2, 1975]

SOCIAL SECURITY PLAN FAILS TO MEET WOMEN'S NEEDS

Social security regulations that have failed to keep abreast of changing life-styles and social patterns are dooming a disproportionate number of women to poverty in their old age.

That's the conclusion of Elizabeth Kutza, a staff member of the University of Chicago's center for the study of welfare policy, who cited these examples of how women have been treated unfairly:

Despite climbing divorce rates, a divorced woman is prohibited from drawing upon her ex-husband's social security unless she had been married to him for 20 years. (A second wife, however, may collect upon that man's benefits even if only married to him for a short time.)

Men who retire and collect social security are automatically entitled to an extra 50 per cent for their wives when those wives reach 65. When a woman retires, she gets no dependent benefits for her husband unless she can prove she supported him for a "reasonable" period of time.

Retired couples with identical total incomes may receive smaller benefits if they both worked than if only the husband had worked.

Women widowed before age 60 cannot collect a widow's benefit at that time unless they have dependent children.

An investigator for a federally funded research project on services for the aged, Ms. Kutza, 29, highlighted these problems in a speech during the recent annual meeting of the Gerontological Society, a national organization concerned with the plight of the elderly.

Women 65 and older who are widowed or divorced or who have never been married receive the lowest annual social security income of any group, she said. And 65 per cent of the elderly poor in 1971 were women.

The fact that women outlive men, coupled with the traditionally lower salaries of women workers, contributes to the large number of old women threatened by poverty.

As of last May, according to Ms. Kutza, retired women workers were receiving a median monthly benefit of $163, while men were receiving $204.

But the problems of poor, elderly women cannot be blamed entirely on lower salaries and longer lives, Ms. Kutza argued.

"Social security regulations were written at a time (1935) when women were considered financially dependent upon their husbands and when it was assumed that most women would marry and have children.

"Both choice and need have pushed more women than ever before to work outside the home. As a result, social security policies now need reassessment regarding their treatment of women."

More than three-fifths of all families now have more than one earner, she said, and the retired working wife has a choice of collecting benefits based upon her own work record or upon a portion (50 per cent) of her husband's.

"One problem with that is that benefits are calculated on the household, but workers are taxed individually," Ms. Kutzman said. "The earnings records of husbands and wives can't be combined, so families with identical incomes often receive widely different monthly benefits."

For example, she said, a retired couple in which the husband worked, averaging $9,000 a year, will receive $531.80 a month—his benefit and an additional 50 per cent for his dependent wife.

But another couple with an identical income of $9,000 would receive a smaller benefit if both the husband and wife worked. If the husband earned $6,000 a year and his wife earned $3,000, their maximum monthly benefits would be only $444.50.

Solutions to those problems, Ms. Kutza said, are complex. Some critics have charged that the contributions of a working wife are wasted, since she can receive retirement benefit almost as high if she hadn't worked and had collected as her husband's dependent under social security instead.

"It isn't quite that simple, though. The working wife does receive other 'benefits' through her contributions, such as disability insurance and insurance for her survivors if she dies. Additionally, if she retires at or after age 62, she can draw benefits on her own earnings even if her husband isn't retired."

Furthermore, she said, the "dual eligibility" must be retained, because some women will always remain out of the conventional labor force and therefore dependent upon their husbands.

Ms. Kutza pointed out, too, that social security has been criticized because it affords no coverage for women who have worked in the home all their lives. In West Germany and Great Britain, such homemakers are permitted to join the system by paying taxes on a voluntary basis.

"But changing to such a system would actually create a lot of problems," Ms. Kutza said. "It would be expensive to administer and would require paying out more benefits."

She doubted, too, that many families could afford to participate, since it would mean paying double taxes without two incomes.

"And, even if there were a method for putting a value on a homemaker's work, we would have to keep in mind that single individuals provide their own homemaking services."

ASKING THE RIGHT QUESTIONS ABOUT FOOD STAMPS

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MICHEL. Mr. Speaker, the food stamp program was supposed to be the answer to hunger in the United States. For a few hundred million dollars, we were told, we can give all the poor people in America a nutritional diet.

Well, the tab is now up to $4 billion a year, and it looks like it could be $10 billion by fiscal 1977. Yet, still people are hungry.

Now this raises some questions, questions the apologists for the food stamp program seem reluctant to answer. Perhaps they do not know the answers, but I am convinced that somebody had better figure it out before long. Clearly, there is either a quantitative or a qualitative problem with the program. If the former is true, then I want to know just how much money it is going to take to eradicate hunger. If the problem is qualitative, then we may need to scrap food stamps altogether and come up with a totally new system.

Some of these questions were raised articulately in a recent editorial in the Wall Street Journal, and I would like to have that article printed at this point in the Record:

[From the Wall Street Journal, Feb. 18, 1975]

Feuding Over Food Stamps

President Ford has announced he will not veto the bill obstructing his plan to increase the price of food stamps. Perhaps it is just as well, for his proposal was a clumsy way to start reducing the increase in government transfer payments. But Congress needs to recognize that the proposal was directed at a very real problem.

The President's proposal was shaped, not by conscious design but by existing law. The food stamp allotment, adjusted semi-annually to equal the estimated cost of an economic, nutritious diet, has been climbing steadily as the retail price of food has risen. Moreover, the food stamp rolls were steadily enlarging even before the current recession. All that Mr. Ford could do to slow down the overall cost of the program was require that all but the poorest recipients pay more for the coupons, which are purchased at discount and exchanged at face value for food. The average recipient currently pays 23% of his net monthly income for stamps. In hopes of saving $648 million this year, Mr. Ford's plan would have raised purchase prices to a flat 30%, the maximum allowed by law.

The food stamp program is only one of countless transfer payments programs that have been growing in real terms at an annual rate of 9% for the past 20 years—more than twice the rate of the Gross National Product. The approximately $4 billion earmarked for food stamps is only a fraction of this year's total $138 billion in transfer payments, but the program has been increasing at an alarming rate. Five years ago outlays amounted to only $248 million. Now, estimates are that the cost may well rise to $10 billion during fiscal 1977 and that it might involve 60 million Americans (vs. 17.1 million today). While Congress talks a good game, it consistently fails to suggest any economies of its own in any social programs.

Moreover, while critics in and out of Congress accuse the President of trying to break inflation on the backs of the poor, they are not above arranging the facts to suit themselves. Take that widely quoted example of an elderly person living alone with a net income of $154 a month from Social Security benefits. Today he pays about $30 for $46 worth of food stamp coupons; under the Ford plan, as any number of critics reported, he would have paid $45 for $46 worth. (The number of stamps allocated depends on family size; the cost of such stamps is based on family income.)

The implication is that the administration was therefore trying to discourage poor people from participating in the food stamp program. What wasn't mentioned was that in calculating net income under that program, many deductions are permitted from gross income for taxes, medical expenses, education and high shelter costs. In fact, by applying those deductions many families with gross incomes between $8,500 and $9,000 have small enough net incomes to be eligible for food stamps. Moreover, the administration argued that even though the stamps would cost more as a percentage of net income, families would still have been paying only about 16% of their total income for food.

The Senate approved a resolution directing Secretary of Agriculture Butz to recommend by June 30 ways to rid the food stamp program of non-poor participants and to tighten up on other abuses. These presumably include reports that food stamps are being sold on the black market and that able-bodied young men and women were using them not to alleviate poverty but to maintain itinerant lifestyles. Tightening up is all to the good, but our own guess is that the savings won't be impressive.

What worries us, and what worries the administration, is where is the end to all this? Haven't the hundreds of billions of dollars spent during the past decade to aid the disadvantaged had any effect? Has that money benefitted only bureaucrats, certain nursing home operators, some hospitals and doctors? Will the poor really be with us, no matter how much we spend? If so, shouldn't we rethink our approach to poverty? If not, why are programs designed to aid the disadvantaged continuing to increase in both absolute and relative terms?

These are some of the answers we need from those who would expand the present social welfare programs, yet few of them have even begun asking the kinds of questions that will lead in that direction. The most important question, perhaps, is whether they think the increases can continue forever, and if not, what they propose to do about it.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on February 20, 1975, present to the President, for his approval, a bill of the House of the following title:

H.R. 1767. An act to suspend for a 90-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such 90-day period; and for other purposes.

LEGISLATIVE PROGRAM

(Mr. SYMMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. SYMMS. Mr. Speaker, I ask for this time to ask the acting majority leader a question. I wanted to ask him a moment ago, but was not on my feet in time.

Would my friend from California explain to me, does the reason we are in today have anything to do with the new Democratic Caucus rules?

Mr. McFALL. Mr. Speaker, if the gentleman would yield, I will say that we are in today for the purpose of providing an additional legislative day for the legislative program for next week.

Mr. SYMMS. I was wondering if it had something to do with trying to get a closed rule on the tax bill.

Mr. McFALL. It is so that we can get the legislation before us next week rather than going over to the following week.

Mr. SYMMS. What I am trying to get at is that I was quite surprised that we were going to have a session today, and I think there are probably very few Members in town. I would be surprised if there was a quorum in town. I was wondering why we were meeting today.

Mr. McFALL. It does have something to do with the caucus, in order for us to have 4 legislative days before the caucus, but it is related to the tax bill.

If we can get 4 legislative days before the caucus and have caucus action, then we can get the bill up next week. That is the purpose of today's meeting.

Mr. SYMMS. I appreciate the gentleman's answer. In other words, what we are saying is that we have to have a session today, even though there is really no business and no necessity except for a Democratic caucus rule.

Mr. McFALL. Mr. Speaker, I may say that I was in a committee this morning. There were a number of committees which met this morning. I would think that it is important that we have the House meet on Friday in order to assist us in getting quorums in the committees. I know that a number of committees met this morning. I think the fact that a number of Members are here for that committee business is a result of our having a session today.

Mr. SYMMS. Mr. Speaker, I thank the distinguished acting majority leader for his answers.

Mr. Speaker, I would like to help out and see that we do have enough Members here for these committees.

CALL OF THE HOUSE

Mr. SYMMS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Would the gentleman allow the unanimous-consent requests to be made? We have finished with the business of the day, which was the appointment of the committee and the reading of the Presidential message.

Mr. TALCOTT. Mr. Speaker, there is a special order on for today.

The SPEAKER. There is no special order on the calendar. Members on both sides of the aisle do desire to make unanimous-consent requests for special orders and for other purposes, as I understand it.

Mr. SYMMS. Mr. Speaker, I think the point is that if we are here for business, we should have a quorum present.

Mr. Speaker, I insist upon my point of order.

The SPEAKER. The gentleman insists upon his point of order.

Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 22]

Abdnor
Abzug
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Barrett
Beard, R.I.
Biaggi
Biester
Blanchard
Blouin
Boggs
Boland
Breckinridge
Brinkley
Brown, Mich.
Broyhill
Burgener
Burke, Calif.
Burke, Fla.
Burton, Phillip
Butler
Byron
Carney
Casey
Chisholm
Clancy
Clawson, Del
Clay
Cleveland
Cohen
Collins, Ill.
Collins, Tex.
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis
Dellums
Dent
Derwinski
Devine
Dickinson
Diggs
Dodd
Downey
Downing
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edwards, Ala.
Edwards, Calif.
Eilberg
English
Erlenborn
Eshleman
Evans, Ind.
Fascell
Fish
Fithian
Florio
Flowers
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Goodling
Gude
Guyer
Hagedorn
Harrington
Harsha
Hastings
Hawkins
Hays, Ohio
Hébert
Heinz
Helstoski
Hightower
Hillis
Horton
Hughes
Hyde
Jarman
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Okla.
Jordan
Kastenmeier
Keys
Kindness
Koch
LaFalce
Lagomarsino
Latta
Lent
Levitas
Litton
Long, Md.
Lott
McClory
McCormack
McDade
McEwen
McHugh
McKinney
Macdonald
Madden
Madigan
Maguire
Mathis
Mazzoli
Metcalfe
Meyner
Mikva
Milford
Mills
Minish
Mitchell, Md.
Moakley
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Nichols
Nix
Nolan
Nowak
Obey
O'Neill
Patten
Pepper
Perkins
Peyser
Pike
Preyer
Pritchard
Quie
Rangel
Regula
Riegle
Rinaldo
Rodino
Roe
Rosenthal
Rostenkowski
Rousselot
Roybal
Runnels
Russo
Ryan
St Germain
Sarbanes
Scheuer
Schroeder
Schulze
Sebelius
Shipley
Shuster
Slack
Snyder
Solarz
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stokes
Stuckey
Taylor, Mo.
Teague
Thone
Traxler
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
White
Whitehurst
Whitten
Wilson, Bob
Winn
Wolff
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Zeferetti
Zablocki

The SPEAKER. Two hundred and eight Members having responded to their names, a quorum is not present.

ADJOURNMENT

Mr. McFALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until Monday, February 24, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

382. A letter from the Architect of the Capitol, transmitting a report on expenditures from moneys appropriated to his office during the period July 1–December 31, 1974, pursuant to section 105(b) of Public Law 88–454; to the Committee on Appropriations.

383. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize appropriations for the Department of State and for other purposes; to the Committee on Foreign Affairs.

384. A letter from the Secretary of Commerce, transmitting the annual report of the activities of the Department of Commerce under the Fair Packaging and Labeling Act, pursuant to section 8 of the act; to the Committee on Interstate and Foreign Commerce.

385. A letter from the president, National Academy of Sciences, transmitting the academy's first interim report on the study of health care resources in the Veterans' Administration, pursuant to section 201(c)(1)(A) of Public Law 93–82; to the Committee on Veterans' Affairs.

386. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on grants approved by the Department of Health, Education, and Welfare during the period October 1–December 31, 1974, which are financed wholly with Federal funds and subject to the reporting requirements of section 1120(b) of the Social Security Act [42 U.S.C. 1320(b)]; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK (for himself, Mr. Guyer, Mr. Simon, Mr. Bauman, Mr. Murtha, Mr. Walsh, Mr. D'Amours, Mr. Thone, Mr. Thompson, Mr. Kindness, Mr. Richmond, Mr. Moorhead of California, Mr. Traxler, Mr. O'Brien, Mr. Baldus, Mr. Vander Jagt, Mr. Shuster, and Mr. Esch):

H.R. 3531. A bill to prevent the abandonment of railroad lines covered by the Rail Reorganization Act; to the Committee on Interstate and Foreign Commerce.

By Mr. BINGHAM (for himself and Mr. Solarz):

H.R. 3532. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, possession, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, antique collectors, and pistol clubs; to the Committee on the Judiciary.

By Mr. CARTER:

H.R. 3533. A bill to amend section 133 of title 28, United States Code, to increase by two the number of district judges for the

Eastern District of Kentucky; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.R. 3534. A bill to amend title 38 of the United States Code to permit veterans to determine how certain drugs and medicines will be supplied to them; to the Committee on Veterans' Affairs.

H.R. 3535. A bill to provide for a separate agency within the Department of Labor to be known as the Veterans' Employment Service, to authorize the appointment of an Assistant Secretary of Labor for Veterans' Employment, and for other purposes; jointly to the Committees on Education and Labor, and Veterans' Affairs.

By Mr. CRANE (for himself, Mr. Eshleman, and Mr. Ketchum):

H.R. 3536. A bill to remove statutory limitations upon the application of the Sherman Act to labor organizations and their activities, and for other purposes; to the Committee on the Judiciary.

By Mr. HANLEY:

H.R. 3537. A bill to amend title 10 of the United States Code to provide a more equitable standard for awarding the gold star lapel button; to the Committee on Armed Services.

H.R. 3538. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials and elected town and township officials; to the Committee on Government Operations.

H.R. 3539. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Ms. JORDAN:

H.R. 3540. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 3541. A bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder, and to revise the method for determining such amount; to the Committee on Ways and Means.

By Mr. McFALL (for himself and Mr. Don H. Clausen):

H.R. 3542. A bill to amend the Federal Alcohol Administration Act with respect to definition of wine; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 3543. A bill to amend the Agricultural Act of 1949 to adjust the established price for feed grains, wheat, and cotton; to the Committee on Agriculture.

By Mr. RODINO:

H.R. 3544. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty; to the Committee on the Judiciary.

By Mr. ROSENTHAL (for himself, Mr. Phillip Burton, Mr. Carney, Mr. Conyers, Mr. Cotter, Mr. Harrington, Mr. Hawkins, Mr. Helstoski, Ms. Holtzman, Mr. Howe, Mr. Jenrette, Mr. McCormack, Mr. Moakley, Mr. Ryan, Mr. Scheuer, and Mr. Stokes):

H.R. 3545. A bill to require that certain drugs and pharmaceuticals be prominently labeled as to the date beyond which potency or efficacy becomes diminished; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSETHAL (for himself, Mr. Phillip Burton, Mr. Carney, Mr. Conyers, Mr. Cotter, Mr. Harrington, Mr. Hawkins, Ms. Holtzman, Mr. Howe, Mr. Jenrette, Mr. Moakley, Mr. Ryan, Mr. Scheuer, and Mr. Stokes):

H.R. 3546. A bill to amend the Federal Food, Drug, and Cosmetic Act so as to require that in the labeling and advertising of drugs sold by prescription the established name of such drug must appear each time their proprietary name is used, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Mr. Phillip Burton, Mr. Conyers, Mr. Cotter, Mr. Eilberg, Mr. Harkin, Mr. Harrington, Mr. Helstoski, Ms. Holtzman, Mr. Howe, Mr. Jenrette, Mr. McHugh, Mr. Matsunaga, Mr. Mezvinsky, Mr. Moakley, Mr. Peyser, Mr. Pritchard, Mr. Roe, Mr. Ryan, Mr. Scheuer, Mr. Stokes, and Mr. Bell):

H.R. 3547. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act and to otherwise require the labels on foods and food products to disclose all of their ingredients and any changes in their ingredients, their nutritional content, accurate weight data, storage information, their manufacturers, packers, and distributors, and their unit prices and to provide for uniform product grading and prohibit misleading brand names; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Mr. Phillip Burton, Mr. Carney, Mr. Conyers, Mr. Cotter, Mr. Harrington, Mr. Hawkins, Mr. Helstoski, Ms. Holtzman, Mr. Howe, Mr. Jenrette, Mr. Moakley, Mr. Ryan, Mr. Scheuer, and Mr. Stokes):

H.R. 3548. A bill to permit the advertising of drug prices and to require retailers of prescription drugs to post the prices of certain commonly prescribed drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Mr. Phillip Burton, Mr. Carney, Mr. Conyers, Mr. Cotter, Mr. Harrington, Mr. Hawkins, Mr. Helstoski, Ms. Holtzman, Mr. Howe, Mr. Jenrette, Mr. McCormack, Mr. Moakley, Mr. Ryan, Mr. Scheuer, and Mr. Stokes):

H.R. 3549. A bill to amend title 35 of the United States Code to provide for compulsory licensing of prescription drug patents; to the Committee on the Judiciary.

By Mr. ROSENTHAL (for himself, Ms. Abzug, Ms. Boggs, Mr. Horton, Mr. McCormack, Mr. Moakley, Mr. Murphy of Illinois, Mr. Pritchard, and Mr. Scheuer):

H.R. 3550. A bill to amend the Federal Aviation Act of 1958 in order to authorize free or reduced rate transportation to handicapped persons and persons who are 65 years of age or older, to amend the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are 65 years of age or older, and to provide new and improved transportation programs for the handicapped and the elderly; to the Committee on Public Works and Transportation.

By Mr. ROSENTHAL (for himself, Ms. Abzug, Mr. Addabbo, Ms. Burke of California, Mr. Carr, Mr. Edwards of California, Mr. Fraser, Mr. Gude, Mr. Harrington, Mr. Helstoski, Ms. Holtzman, Mr. Koch, Mr. Lent, Mr. Mitchell of Maryland, Mr. Ottinger, Mr. Pattison of New York, Mr. Richmond, Mr. Roybal, Mr. Sarbanes, Mr. Solarz, and Mr. Stark):

H.R. 3551. A bill to prohibit sonic booms by civil aircraft within the United States; to the Committee on Public Works and Transportation.

By Mr. ROYBAL (for himself and Mrs. Mink):

H.R. 3552. A bill to amend title 5, United States Code, to include as creditable service for civil service retirement purposes service as an enrollee of the Civilian Conservation Corps, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SIKES:

H.R. 3553. A bill to declare a portion of the Wakulla River, Fla., as a nonnavigable water of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE:

H.R. 3554. A bill relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of rating for the disabilities of veterans; to the construction, alteration, and acquisition of hospitals and domiciliary facilities; to the closing of hospitals and domiciliary facilities and regional offices; and to the transfer of real property under the jurisdiction or control of the Administrator of Veterans' Affairs; to the Committee on Veterans' Affairs.

H.R. 3555. A bill to amend title 38, United States Code, so as to provide mustering out payments for certain members discharged from the Armed Forces after August 4, 1964; to the Committee on Veterans' Affairs.

H.R. 3556. A bill to amend title 38, United States Code, so as to provide mustering out payments for certain members discharged from the Armed Forces after August 4, 1964; to the Committee on Veterans' Affairs.

H.R. 3557. A bill to transfer control of Perishing Hall to the Secretary of State; to the Committee on Veterans' Affairs.

H.R. 3558. A bill to transfer control of Pershing Hall to the Administrator of Veterans' Affairs in order that such building may be preserved as a memorial to General of the Armies of the United States John J. Pershing while being utilized in the best interests of the United States; to the Committee on Veterans' Affairs.

H.R. 3559. A bill to amend title 38, United States Code, to extend the maximum educational benefits for chapter 35 trainees to 48 months and to allow additional educational benefits for certain wives and widows; to the Committee on Veterans' Affairs.

H.R. 3560. A bill to amend title 38, United States Code, to liberalize the provisions for special emphasis in employment of disabled veterans; to the Committee on Veterans' Affairs.

By Mr. TEAGUE (by request):

H.R. 3561. A bill to restore, without remuneration, the wartime recognition of Filipino veterans of World War II who fought as members of the Commonwealth Army but whose names were stricken from official U.S. Army records; to the Committee on Veterans' Affairs.

By Mr. TEAGUE (for himself and Mr. Mosher) (by request):

H.R. 3562. A bill to authorize appropriations for activities of the National Science Foundation for fiscal years 1976 and 1977, and for other purposes; to the Committee on Science and Technology.

By Mr. TEAGUE (for himself and Mr. Carr):

H.R. 3563. A bill to amend title 38, United States Code, in order to entitle veterans and other eligible persons to 45 months of educational assistance for all educational programs under chapters 34 and 35 of this title; to the Committee on Veterans' Affairs.

By Mr. WAMPLER (for himself, and Mr. Robinson):

H.R. 3564. A bill to amend the Federal Meat Inspection Act with respect to custom slaughtering; to the Committee on Agriculture.

By Mr. HANLEY:

H.J. Res. 237. Joint resolution proclaiming the week of May 25–31 as National AIB Week; to the Committee on Post Office and Civil Service.

By Mr. HANNAFORD:

H. Con. Res. 142. Concurrent resolution expressing the opposition of the Congress to any change in the present method of providing financial support for military commissaries through appropriations to meet their payroll costs; to the Committee on Armed Services.

By Mr. FOLEY:

H. Res. 228. Resolution to provide funds for the expenses of the investigations and studies to be conducted by the Committee on Agriculture; to the Committee on House Administration.

By Mr. JONES of Alabama (for himself, Mr. Howard, Mr. Wright, Mr. Johnson of California, Mr. Henderson, Mr. Roberts, Mr. Anderson of California, Mr. Roe, Mr. Roncalio, Mr. McCormack, Mr. James V. Stanton, Ms. Abzug, Mr. Breaux, Mr. Ginn, Mr. Milford, Mr. Mineta, Mr. Holland, Mr. Howe, Mr. Oberstar, Mr. Ambro, Mr. Nowak, Mr. Edgar, and Mrs. Lloyd of Tennessee):

H. Res. 229. Resolution disapproving proposed deferral of budget authority No. D75-17, relating to funds for Federal Aid Highways, as transmitted to the Congress in the President's message of September 20, 1974; to the Committee on Appropriations.

H. Res. 230. Resolution disapproving proposed deferral of budget authority No. D75-24, as modified by D75-24A, relating to funds for Forest Service forest roads and trails and roads and trails for State National Forests, as transmitted to the Congress in the President's messages of October 4, 1974, and November 13, 1974; to the Committee on Appropriations.

H. Res. 231. Resolution disapproving proposed deferral of budget authority No. D75-54, as modified by D75-54A, relating to funds for public lands development roads and trails, as transmitted to the Congress in the Presidents messages of October 4, 1974, and November 13, 1974; to the Committee on Appropriations.

H. Res. 232. Resolution disapproving proposed deferral of budget authority No. D75-60, relating to funds for National Park Service road construction, as transmitted to the Congress in the President's message of October 4, 1974; to the Committee on Appropriations.

H. Res. 233. Resolution disapproving proposed deferral of budget authority No. D75-63, as modified by D75-63A, relating to funds for Bureau of Indian Affairs road construction, as transmitted to the Congress in the President's messages of October 4, 1974, and January 30, 1975; to the Committee on Appropriations.

H. Res. 234. Resolution disapproving proposed deferral of budget authority No. D75-71, relating to funds for construction and reconstruction of the Great River Road, as transmitted to the Congress in the President's message of October 4, 1974; to the Committee on Appropriations.

By Mr. JONES of Alabama (for himself, Mr. Howard, Mr. Wright, Mr. Johnson of California, Mr. Henderson, Mr. Roberts, Mr. Anderson of California, Mr. Roe, Mr. Roncalio, Mr. McCormack, Mr. James V. Stanton, Ms. Abzug, Mr. Breaux, Mr. Studds, Mr. Ginn, Mr. Milford, Mr. Mineta, Mr. Holland, Mr. Howe, Mr. Oberstar, Mr. Ambro, Mr. Nowak, Mr. Edgar, and Mrs. Lloyd of Tennessee):

H. Res. 235. Resolution disapproving proposed deferral of budget authority No. D75-72, relating to funds for rail crossing demonstration projects, as transmitted to the Congress in the President's message of October 4, 1974; to the Committee on Appropriations.

By Mr. REUSS:

H. Res. 236. Resolution to provide for the expenses of the Committee on Banking, Currency and Housing for the investigations and studies to be conducted pursuant to rule XI of the Rules of the House of Representatives; to the Committee on House Administration.

By Mrs. SULLIVAN:

H. Res. 237. Resolution to provide funds for the expenses of the investigations and studies to be conducted by the Committee on Merchant Marine and Fisheries; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURLESON of Texas:

H.R. 3565. A bill for the relief of the estate of Earnest Nancy Brindley; to the Committee on the Judiciary.

By Mr. HANLEY:

H.R. 3566. A bill for the relief of Gerald Levine; to the Committee on the Judiciary.

H.R. 3567. A bill for the relief of Mr. Allen Zale; to the Committee on the Judiciary.

By Mr. RAILSBACK:

H.R. 3568. A bill for the relief of Georgette Van Akeleyn (nee d'Harcourt); to the Committee on the Judiciary.

By Mr. SIKES:

H.R. 3569. A bill to authorize the Secretary of the Air Force to convey certain real property for use as a permanent site for the Air Force Enlisted Men's Widows and Dependents Home; to the Committee on Armed Services.

By Mr. ROUSSELOT:

H. Res. 238. Resolution honoring J. Lyman Goldsmith who retired on December 26, 1974, as Administrator of Career Education for the Los Angeles Unified School District; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

33. By Mr. GUDE: Petition of W. Roscoe, Rockville, Md.; relative to occupational safety and health; to the Commission on Education and Labor.

34. Also, petition of Nguyen Ba Can, Speaker of the House of the Congress of the Republic of Vietnam, Saigon, relative to U.S. aid to Vietnam; to the Committee on Foreign Affairs.

SENATE—*Friday, February 21, 1975*

The Senate met at 9 a.m. and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, the unseen source of beauty, goodness, and truth, may the light of Him who is the Light of the World illuminate our lives this day and every day. Give us wisdom to rise to the high expectations of our fellow countrymen. When we speak, when we listen, when we work, and when we rest, may we be aware of Thy presence. May our chief reward be the supreme satisfaction of rendering to the Nation and to the world our utmost service, untarnished by base motives and self-interest. Replenish our lives with Thy bountiful grace and strength that we may fulfill our high calling as servants of the Republic.

In the Redeemer's name, we pray. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, February 20, 1975, be dispensed with.

Mr. ALLEN. Mr. President, reserving the right to object—I shall not object, of course—this is a method that sometimes has been used for dragging out the proceedings of the Senate. I certainly do not look with favor upon such methods, and I hope that it will not be necessary to resort to such devices. I do want the business of the Senate to proceed in an orderly and expeditious fashion. So I remove my reservation.

Mr. MANSFIELD. Mr. President, I thank the distinguished Senator from Alabama. What he has said is absolutely correct. It could be used as a tactic. I am delighted that at this time it is not being so used.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF THE FOREST PEST CONTROL ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 20, S. 441.

The VICE PRESIDENT. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 441) to amend the Forest Pest Control Act of June 25, 1974.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 5 of the Forest Pest Control Act of June 25, 1947 (61 Stat. 177; 16 U.S.C. 594-1 through 594-5), is amended by changing the period at the end thereof to a comma and adding the following: "such sums to remain available until expended.".

The title was amended so as to read:

A bill to amend the Forest Pest Control Act of June 25, 1947.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 281.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes, as follows:

Strike out all after the enacting clause, and insert: That this Act may be cited as the "Regional Rail Reorganization Act Amendments of 1975".

Sec. 2. (a) Section 202(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 712(b)) is amended—

(1) in paragraph (2) by inserting "and express" immediately after "rail" each time it appears;

(2) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(8) study the feasibility of coordinating rail and express service in the region.".

(b) Section 206(a)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 716(a)(1)) is amended by inserting "and express" immediately after "rail".

Sec. 3. Section 205(d)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 715(d)(2)) is amended to read as follows:

"(2) employ and utilize the services of attorneys and such other personnel as may be required in order to properly protect the interests of those communities and users of rail service which, for whatever reason, such as their size or location, might not otherwise be adequately represented in the course of the reorganization process as provided by this Act;".

Sec. 4. (a) Section 207(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(b)) is amended by inserting "(1)" immediately before the first sentence thereof, and by adding at the end thereof the following new paragraph:

"(2) Whenever it has been finally determined pursuant to the procedures of paragraph (1) of this subsection, that the reorganization of a railroad subject to reorganization under section 77 of the Bankruptcy Act (11 U.S.C. 205) shall not be proceeded with pursuant to this Act, the court having jurisdiction over such railroad may, upon a petition which is filed within 10 days after the date of enactment of this subsection by the trustees of such railroad, reconsider such order. Such reorganization court shall (i) affirm its previous order or (ii) issue an order that the reorganization of such railroad be proceeded with pursuant to this Act unless it finds that this Act does not provide a process which would be fair and equitable. The provisions of paragraph (1) of this subsection are applicable in such reconsideration, except that (A) such reorganization court shall make its decision within 30 days after such petition is filed, and (B) any decision by the special court on appeal from such a decision shall be rendered within 30 days after such reorganization court decision is made. There shall be no review of the decision of the special court. The Association shall take any steps it finds necessary, consistent with time limitations and other provisions of this Act, to effectuate the consequences of such a revised order, including the preparation and submission of any necessary or appropriate supplements to the preliminary system plan.".

(b) Section 207(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 717(a)) is amended by adding at the end thereof the following new sentence: "The Office is authorized to hold public hearings on any supplement to the preliminary system plan and to make available to the Association a summary and analysis of the evidence received in the course of such proceedings, together with its critique and evaluation of such supplement, not later than 30 days after the release of such supplement.".

Sec. 5. (a) Section 211(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(a)) is amended by striking out "for purposes of assisting in the implementation of the final system plan;" and inserting in lieu thereof "for purposes of achieving the goals of this Act;".

(b) Section 211(e)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(e)(1)) is amended by striking out "carry out the final system plan" and inserting in lieu thereof "achieve the goals of this Act".

(c) Section 211(f) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(f)) is amended by striking out "goals of the final system plan" and inserting in lieu thereof "goals of this Act".

Sec. 6. (a) Section 213(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(a)) is amended by adding the following at the end thereof: "Where the Secretary and the trustees agree that funds provided pursuant to this section are to be used (together with funds provided pursuant to section 215 of this Act, if any) to perform program maintenance on designated rail properties until the date rail properties are conveyed under this Act or to improve such designated properties, such agreement shall contain the conditions set forth in section 215(b) of this Act.".

(b) Section 213(b) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 723(b)) is amended—

(1) by striking out "$85,000,000" and inserting in lieu thereof "$282,000,000"; and

(2) by adding at the end thereof the following new sentence: "Of amounts authorized to be appropriated under this subsection, $50,000,000 shall be available solely to pay to the trustees of railroads in reorganization such sums as may be necessary to provide such railroads with amounts equal to revenues attributable to tariff increases proposed by such railroads and suspended by the Interstate Commerce Commission during the calendar year 1975, if the Secretary determines that such payments are necessary to carry out this section.".

Sec. 7. Section 215 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 725) is amended to read as follows:

"INTERIM AGREEMENTS

"Sec. 215. (a) Purposes.—Prior to the date upon which rail properties are conveyed to the Corporation under this Act, the Secretary, with the approval of the Association, is authorized to enter into agreements with the trustees of the railroads in reorganization in the region (or railroads leased, operated, or controlled by railroads in reorganization)—

"(1) to perform the program maintenance on designated rail properties of such railroads until the date rail properties are conveyed under this Act;

"(2) to improve rail properties of such railroads; and

"(3) to acquire rail properties for lease or loan to any such railroads until the date such rail properties are conveyed under this Act, and subsequently for conveyance pursuant to the final system plan, or to acquire interests in such rail properties owned by or leased to any such railroads or in purchase money obligations therefor.

"(b) Conditions.—Agreements pursuant to subsection (a) of this section shall contain such reasonable terms and conditions as the Secretary may prescribe. In addition, agreements under paragraphs (1) and (2) of subsection (a) of this section shall provide that—

"(1) to the extent that physical condition is used as a basis for determining, under section 206(f) or 303(c) of this Act, the value of properties subject to such an agreement and designated for transfer to the Corporation under the final system plan, the physical condition of the properties on the effective date of the agreement shall be used; and

"(2) in the event that property subject to the agreement is sold, leased, or transferred to an entity other than the Corporation, the trustees or railroad shall pay or assign to the Secretary that portion of the proceeds of such sale, lease, or transfer which reflects value attributable to the maintenance and improvement provided pursuant to the agreement.

"(c) Obligations.—Notwithstanding section 210(b) of this title, the Association shall issue obligations under section 210(a) of this title in an amount sufficient to finance such agreements and shall require the Corporation to assume any such obligations. The aggregate amount of obligations issued under this section and outstanding at any one time shall not exceed $300,000,000. The Association, with the approval of the Secretary, shall designate in the final system plan that portion of such obligations issued or to be issued which shall be refinanced and the terms thereof, and that portion from which the Corporation shall be released of its obligations.

"(d) Conveyance.—The Secretary may convey to the Corporation, with or without receipt of consideration, any property or interests acquired by, transferred to, or otherwise held by the Secretary pursuant to this section or section 213 of this Act.".

Sec. 8. Section 303(c)(1) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 745(c)(1)) is amended by striking out the last word of paragraph (A), by striking out the period at the end of paragraph (B) and inserting "; and" in lieu thereof, and by inserting after paragraph (B) the following new paragraph:

"(C) what portion of the proceeds received by a railroad in reorganization from an entity other than the Corporation for the sale, lease, or transfer of property subject to an agreement under section 213 or section 215(a) (1) or (2) of this Act reflects value attributable to the maintenance or improvement provided pursuant to the agreement.".

Sec. 9. Title VI of the Regional Rail Reorganization Act of 1973 is amended by adding at the end thereof the following new section:

"TAX PAYMENTS TO STATES

"Sec. 605. (a) Notwithstanding any other provision of law, no railroad in reorganization shall withhold from any State, or any political subdivision thereof, the payment of the portion of any tax owed by such railroad to such State or subdivision, which portion has been collected by such railroad from any tenant thereof.

"(b) Any railroad which violates the provisions of subsection (a) of this section by withholding any portion of a tax referred to in such subsection shall be fined not more than $10,000 for each such violation.".

Mr. MANSFIELD. Mr. President, I have no request for time at this time.

The VICE PRESIDENT. Does the Senator from Michigan seek recognition?

Mr. GRIFFIN. Mr. President, the bill which the majority leader has asked to be laid before the Senate is the legislation which is necessary to keep the Penn Central Railroad going.

Although I think that almost everyone in and out of Congress has reservations about this matter and the necessity for such legislation, I would say, as a member of the Committee on Commerce, having some exposure to the hearings, and so forth, and the views of the administration, that this is a measure that will have to pass. Regardless of the particular situation with regard to Penn Central, there is a great segment of our economy that absolutely depends upon the operation of the Penn Central Railroad. If we think that we have economic problems now in the Mideast, for example, they are only very small in comparison to what they would be if the Penn Central Railroad actually were to come to a halt.

So this legislation is necessary. The amendments that have been added by the House are amendments with which the administration is familiar and does not oppose. Since the Senate has already passed this measure, it should not require a great deal of time and debate. I hope that the Senate will accept the House amendments and pass the measure today.

I thank the majority leader.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be permitted to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield back whatever time I have remaining.

The VICE PRESIDENT. The Senator from Alabama is recognized.

REGIONAL RAIL REORGANIZATION ACT AMENDMENTS OF 1975

The Senate continued with the consideration of the bill (S. 281) to amend the Regional Rail Reorganization Act of 1973 to increase the financial assistance available under section 213 and section 215, and for other purposes.

(At this point, Mr. GARY W. HART assumed the chair.)

Mr. ALLEN. Mr. President, the bill which is presently before the Senate is a further bailout of the Penn Central Railroad and a number of other bankrupt railroads in the Northeast. It is a continuation of a large subsidy program that apparently the Government has for Penn Central and the other bankrupt roads in the Northeast.

I wish we had someone here to explain the amendments that the House has added to the bill. I think that information would be valuable for the Members of the Senate. I, for one, would like to know how many millions of dollars were added to the bill in the House. In the Senate, I believe the Department of Transportation requested one figure, and the committee, in somewhat grand style, added $25 million to the request of the Department. That bill was passed in the Senate after a little discussion.

Mr. President, I was quite surprised at the vote against that bill. They first wanted to pass it by a voice vote, without any discussion. Then they talked about a limitation of 20 minutes on a bill of that sort. That was not quite the way the Senator from Alabama felt it should be handled, and he asked for a little time to discuss it. We did agree on, I believe, 4 hours of discussion. I do not believe that much over an hour was used.

I would like to see the Senate act on this bill. I would like to see the Senate act. I am ready to vote at any time, with one stipulation—that we take first things first.

Yesterday, an effort was made to throw the rulebook out the window and ram through a measure without any debate whatever on what, apparently, was regarded as the most important issue facing this Nation—ramming that rules change through. It was known, Mr. President, that this House message would be here yesterday. It was here yesterday. Was it the most important matter pending before the Senate? The proponents of Senate Resolution 4 did not think so. They sought to ram through this rules change and cut off all debate thereon, when this emergency measure was lying on the Secretary's desk.

What about priorities in this matter? They chose the priority. A majority in the Senate chose the priority. Well, let us stick to that priority. I am ready to vote on this issue, which the majority of the Senate put in secondary status, just as soon as the matter that was deemed to be of first importance is withdrawn from consideration by the Senate or the issue is resolved.

The Senator from Alabama did not set the priorities. He was not interested in seeing this back door approach—and I modify that expression to make it a basement approach—to this rule change. It does not deserve the designation of "back door approach." We will have to say that it was a basement approach, with the accent on the "base."

So, Mr. President, though the Senator from Alabama does not favor this further bailout of Penn Central, he is willing to vote on it just as quickly as this other matter is resolved or withdrawn from the Senate.

Mr. GRIFFIN. Mr. President, will the Senator yield for a question, without losing his right to the floor?

Mr. ALLEN. Yes, I will be delighted to yield for a question.

Mr. GRIFFIN. I am interested in the rather novel position taken by proponents of Senate Resolution 4, in urging that only a majority vote should be required to close debate on a rules change proposed "at the beginning of the session." Apparently, great weight is placed on the argument that a different procedure should be followed at "the beginning of a session."

Mr. ALLEN. Yes.

Mr. GRIFFIN. We are now nearing the end of the month of February, having been in session since early in January. The motion of the Senator from Kansas (Mr. PEARSON) is no longer the pending business, it having fallen when the Senate adjourned on yesterday. Of course, it should be observed that proponents had the opportunity on yesterday to challenge the motion to adjourn, and could have insisted instead, upon a recess—in order to keep their motion before the Senate.

Now that the Pearson motion is no longer the pending business, I wonder if the Senator from Alabama has any idea about the length of time that would have to elapse before the proponents would concede, or the Chair might rule, that it is no longer "the beginning of the session."

Mr. ALLEN. I am delighted that the distinguished Senator from Michigan has asked that question, because the Senator from Alabama does have some very definite views in this area.

Of course, the Senator from Alabama has never been a subscriber to this doctrine on which I understand the ruling of the Chair on yesterday was based, that is, that a different rule obtains at the beginning of the session, that some constitutional issue is presented, and that the rules are in some contravention of this constitutional route at the beginning of the session.

I am sure that the Senator from Michigan has read the Constitution. You know, there have been more misstatements and misquotations about what the Constitution says in this area made here on the floor of the Senate than almost any other quotation I have ever heard given.

They say "at the beginning of the session." The Constitution does not say anything about the beginning of the session. All it says is that it takes a quorum to transact business.

Well, that is true in almost any organization, I suppose. Then it says that both Houses can make their own rules. Well, the Senate rules do not contravene that. That is exactly what the Senate does. They have made their own rules.

What the Senator from Alabama is objecting to is throwing those rules out the window.

But, following their contention that there is a different rule that obtains at the beginning of a session, to its logical conclusion, here it is, more than 5 weeks—I have not computed it exactly, but more than 5 weeks—after the beginning of the session, and they are still talking about this being the beginning of the session.

I believe the beginning of the session probably would be the first couple of days. That would be the judgment of the Senator from Alabama. But certainly the beginning of the session would have ended when the proponents of Senate Resolution 4 had their opportunity, made their motion, got a ruling on it, and then the matter was not pursued to a conclusion and their motion died.

Their motion is dead. Their effort is dead.

Mr. GRIFFIN. If the proponents——

Mr. ALLEN. We are now well into the session. We are not at the beginning of the session. The other day we vetoed the President's oil import duty. Surely that would have to be done after the beginning of the session, or else why are we in session? We have passed an appropriation bill during this time, an emergency appropriation bill. The beginning of the session has ended, and I am hopeful that the distinguished President of the Senate, who is in the Chamber at this time, inasmuch as he apparently based his decision of yesterday on the fact that we were at the beginning of the session, will reexamine his position, in that we are not now at the beginning of the session.

Mr. GRIFFIN. Even if we were on yesterday.

Mr. ALLEN. If we were on yesterday, certainly the beginning of the session ended with the adjournment last night, and the death of their motion.

Mr. GRIFFIN. Even after that had been pending since early in the session?

Mr. ALLEN. Well, I do not say that would have given life to it. but I say now that their motion is dead, dead as a doornail. I say that the beginning of the session has ended, and I believe that this is going to be impressed upon the Vice President, and that he will recognize the logic of the fact that we are not still in the beginning of the session.

Mr. GRIFFIN. Does the Senator suppose the proponents will come in next week or the week after, and still contend that it is the beginning of the session, offering perhaps still a new and different version of their motion?

Mr. ALLEN. Well, I would hope not. I would certainly hope not. I would not have thought they would make this effort, but the Senator from Alabama was wrong about that. The Senator from Alabama would not have thought the Vice President would have ruled as he did. But I am hopeful that now the beginning of the session has ended, the Vice President is going to take another view of this whole matter. That is the view of the Senator from Alabama.

Mr. WEICKER. Mr. President, will the Senator from Alabama yield for a question?

Mr. ALLEN. Yes, I would be delighted. Let me say—the distinguished Senator from Connecticut did not hear me say this, having just come into the Chamber—I favor an early vote, if not an immediate vote, on the Penn Central bailout. I want to see the Senate act in that area. But I want to see first things come first.

The Senate on yesterday decided that this rules change came first, so, just as quickly as that is behind us, just as quickly as that effort is withdrawn, or assurance is given that it is withdrawn or it has been ruled out, so to speak, by the Vice President, then we are ready to have a vote on the Penn Central bailout.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a question?

Mr. ALLEN. I have promised to yield to the distinguished Senator from Connecticut.

Mr. WEICKER. Go ahead.

Mr. ALLEN. I yield for a question.

Mr. ROBERT C. BYRD. Is the Senator saying that the Senate will not be allowed to proceed to action on the Penn Central bailout—which, by the way, I voted against—until the action on Senate Resolution 4 is disposed of one way or the other?

Mr. ALLEN. I would not make that categorical statement, but as of now, I want to see where we stand on the other matter before agreeing to any vote.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. WEICKER. Mr. President, in asking the question of the distinguished Senator from Alabama, I would like to probe further his comments, because I think he is putting his finger on a very important point. There is a time for intellectual exercises, there is a time for academic exercises, and there is a time to get to the business of this Nation.

Mr. ALLEN. That is right.

Mr. WEICKER. In the past month I certainly have received inquiries from my constituents about the joblessness in this country. I have received inquiries about the inflation. I have received inquiries about recession problems, and about the energy crisis in this country, and, yes indeed, insofar as our transportation is concerned, about the Penn Central crisis.

I have not received one question—though I am not saying a few will not come in, now that the issue is before us—asking me to take my time and the time of the Senate to debate rule XXII.

I do not know if it seems as strange to the distinguished Senator from Alabama as it does to me, that with all this important business backlog we spend this amount of time with something that might be satisfying intellectually to a great many of our colleagues, and maybe there is a time for that, but we are in a crisis in so many areas that I really would hope the Senator from Alabama would agree with me our time is better spent on very real problems of this Nation rather than getting into this philosophical and academic dialog right now about rule XXII.

It is really one of the reasons I think that make us look irrelevant to the business of the Nation when, at this particular time, we once again drag this out additionally.

There just does not seem to be any sense of urgency in this Chamber as to what the real problems of the country are.

I gather this is basically the essence of what the Senator from Alabama said, which is that this is an important problem even though he has a differing point of view from mine, so it is a matter of importance that should be debated and voted upon. We are all hung up on this philosophical exercise at a very inopportune time, I may say.

Mr. ALLEN. I certainly agree with the distinguished Senator from Connecticut, and I know he is pushing this measure with considerable misgivings, but I certainly agree with him on the matter of priority.

The Senator from Alabama has no objection whatsoever to a vote on these amendments even though they add some $50 million or so to what the Senate provided in the way of a subsidy. He wants to air the issue and let the people know what their representatives here in Congress are doing with the taxpayers' money. But he is able to do that in a relatively short time, and I think we had 4 hours of debate, equally divided, when the matter was before the Senate, and all of that time was not used. So the Senator from Alabama has no desire whatsoever to discuss this Penn Central bailout and, as he stated, he is ready to vote at any time provided we get rid of the priority matter that the proponents of Senate Resolution 4 set above this.

The Senator from Alabama did not set the change in rule XXII as a priority matter above this. He is not responsible for the impasse that we have reached on this question.

The proponents of Senate Resolution 4, the Senator from Minnesota (Mr. Mondale) and the Senator from Kansas (Mr. Pearson), where are they? Where are they today? Where are the sponsors of Senate Resolution 4? I do not know whether they have any further interest in the matter or not. They are not in the Chamber. Where are those sponsors of Senate Resolution 4?

Mr. WEICKER. Mr. President, will the distinguished Senator yield for a few questions?

Mr. ALLEN. Yes.

Mr. WEICKER. Is the distinguished Senator from Alabama aware, for example, that the Arabs imposed their first oil embargo in October of 1973, and here it is February 1975, and the U.S. Senate has yet to pass any legislation addressing itself to the energy crisis? And yet, for some reason or other, it is business as usual as far as rule XXII is concerned.

Mr. ALLEN. Yes.

Mr. WEICKER. I can assure the Senator my constituents are far more interested in the energy situation and the weakness of the U.S. position than they are in rule XXII.

Does the distinguished Senator from Alabama realize that in June of 1974, under the distinguished leadership of Senator Ervin of North Carolina, the factfinding group known as the Watergate Committee issued its report, and the Senate of the United States has yet to enact one single piece of legislation, based on that factfinding, relating to the abuses uncovered in our political processes, et cetera?

In other words, what I am asking the Senator from Alabama is I find it incredible and totally irrelevant at this time, with these matters having gone on as long as they have, that we are sitting here and expending this amount of time, this amount of energy, this amount of brainpower on what is very much of a philosophical, academic question.

I want to make one point. As the Senator from Alabama knows, ever since I have been in the Senate I have not wanted to change rule XXII. Rule XXII has never blocked what the Nation really wanted.

Mr. ALLEN. I certainly agree.

Mr. WEICKER. And this finger-pointing that goes back to the period of the forties and saying that a couple of southern Senators blocked civil rights legislation, that period has passed. The people of the United States really did not want civil rights legislation, not just the southern Senators, but the people of the United States. They really did not want to get into the business of civil rights legislation. That is what blocked it, not rule XXII.

So anything that the people of this country really want finds expression on this floor, and rule XXII cannot block it. I just want to make that point.

Mr. ALLEN. I certainly agree with that.

Mr. WEICKER. So anybody who uses this as an excuse for no progress is on a very weak wicket, indeed. I wanted to make that point with the Senator from Alabama in this discussion.

Mr. ALLEN. I certainly agree with the distinguished Senator.

I would point out that the two-thirds rule, as the distinguished Senator from Connecticut has said, has not blocked legislation in any area that the people or the Senate really are interested in.

I call attention to what happened in the closing days of the 93d Congress. The trade bill was before the Senate and, without any debate having taken place, a cloture motion was filed which would have, all cloture motions do, not only limited the time that debate can continue, but would provide that no nongermane amendments could be adopted. So, without a single bit of debate on the issue, a cloture motion was filed. On the first vote, the vote was 71 to invoke cloture, 19 against invoking cloture.

Well, here is something that the Nation apparently wanted, and the Senate apparently wanted, and without any debate at all—I think there were one or two little speeches several days before that—no real debate on the issue took place, and there were 71 yea votes and 19 nay votes, and in the column here saying how many were needed, 60 were needed for cloture because that was two-thirds of those present. So they got 11 votes more than necessary on the cloture motion on the very first attempt.

So what is all of this folderol about the cloture motion, the cloture requirement of two-thirds? It does not hold the Senate up.

A couple of days later, December 13—

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. For a question, yes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator may be able to speak out of order notwithstanding the Pastore rule.

The PRESIDING OFFICER. Is there objection?

Mr. ALLEN. Reserving the right to object, I do not believe the Senator from Alabama needs that concession because his comments are germane, having to do with the nonnecessity for action in this matter until the other matter is disposed of.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield, I think there could be some difference of opinion as to whether or not it is germane, but I would hope that the Chair would allow the Senator to discuss it, nothwithstanding the Pastore rule.

Mr. ALLEN. I appreciate the Senator's kindness.

Mr. HARTKE. Mr. President, will the Senator from Alabama yield?

Mr. ALLEN. Yes, for a question.

Mr. HARTKE. As I understand the Senator from Alabama, his objection is that he wants to proceed with the debate on the Penn Central matter.

Mr. ALLEN. Not necessarily that he would like to proceed with debate, but he would like to see the matter concluded with the recognition that the beginning of the session has ended.

The Senator from Alabama wants the Senate to act in this matter. He is going to vote against the bill. He has no objection whatsoever to the Senate voting, provided we follow the priorities set by Members here in the Senate in insisting on pushing this basement approach to the change in the rules.

The Senator from Alabama is not trying to block a vote on this issue.

Mr. HARTKE. I understand what the Senator's position is. The problem that is presented to the country is a little different, and I would hope that somehow we could convince the Senator from Alabama that the necessity for moving this matter is not related to any attempt to dislodge any position that the Senator from Alabama has concerning rule XXII. The situation is very simply this: that on next Monday and Tuesday the Penn Central Railroad will have its payday. Unless this legislation is passed, and an appropriation of money is passed, in sufficient time to permit that payday to be made, the railroad will close down.

As I have said before, the Penn Central's closing down is not just of interest to those people who are directly served by the Penn Central. The Southern, which is a very prominent railroad and profitmaking railroad, running through the State of Alabama, will have severe economic difficulties. The fact of the matter is it perhaps will be thrown into some of the same tailspin that some of the other railroads have been thrown into. I hope that the Senator from Alabama understands that I am trying to prevent an absolute collapse of the American economy. I do not think the Penn Central will continue to operate after next Monday or Tuesday. There are over 200 cars a day that go directly into Alabama everyday from the Penn Central, and I would be willing to make a unanimous-consent request that action on this bill in no way would this jeopardize the position of the Senator from Alabama.

I do think it is very vital that we move forward with this legislation. It is not something which I relish doing, as I have told the Senator from Alabama before, and I understand his vote against it. I am not even objecting to that. We have had this discussion on the floor before, but this is sort of a doomsday, not alone for the Penn Central, but a doomsday for the country. With the present economic situation the country faces, unemployment in this country would skyrocket over 25 or 30 percent in less than 30 days, and the whole country would suffer. You will not even have heat because there will not be coal going into the utilities. The industrial machinery of America will come to a grinding halt, and the whole problem, very simply, is not one of desire, it is merely an emergency matter. Let me say, those people who thought the oil embargo was tough, this will make that seem like a tempest in a teapot compared to what will occur if we cannot get this legislation moving, and it has to move today.

Mr. ALLEN. Well, I appreciate the comments of the distinguished Senator from Indiana, and I will say this, I agree with him 100 percent that this matter is of grave importance and the Senator from Alabama wants to see an early vote on it, but I do believe that the Senator from Indiana is talking to the wrong Senator in this regard.

I know it is impossible to talk at this time to the sponsors of Senate Resolution 4 because they are not present in the Senate Chamber, but the Senator's remarks then ought to be delivered off the floor to those Senators because it is those Senators that have caused this impasse.

They are the ones that are seeking to gag the Senate, they are the ones seeking to cut off free debate in the Senate, and the Senator from Alabama is not pushing that effort. That effort by the Senator from Minnesota (Mr. MONDALE) and the Senator from Kansas (Mr. PEARSON) is what is holding up the consideration and vote on this bill.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, sir.

Mr. ROBERT C. BYRD. In view of the urgency for action on the Penn Central measure, which I voted against as did the Senator——

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. I wonder if the distinguished Senator would give his consent to a request that would limit time for debate on the Penn Central measure to, say, 1 hour, with a vote thereon to follow immediately, if a rollcall vote is requested and ordered, and with the understanding the distinguished Senator from Alabama then would not lose his right to the floor.

Mr. ALLEN. Well, I will say to the distinguished assistant majority leader just what I said to the distinguished Senator from Indiana, that he is really addressing his remarks to the wrong Senator.

I think the Senator from West Virginia would do well to inquire of those who are pushing this effort to amend the Senate rules through a basement approach.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. ALLEN. No; let me finish.

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. If he would ask them. They set this effort that they are making ahead of action on the Penn Central Railroad. It is not the Senator from Alabama that is holding up action in this area, it is the effort of the Senator from Minnesota (Mr. MONDALE) and the Senator from Kansas (Mr. PEARSON).

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. Now, if they persist in setting as a priority their effort—the Senator from Alabama is not making any effort, it is their effort to amend the rules by a basement approach—if they continue to persist in that, that is what is preventing this vote, not a desire of the Senator from Alabama; he wants a vote.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield without losing his right to the floor?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. Mr. President, the Senator from West Virginia has been around here for a little while and I recognize the psychology that the distinguished Senator from Alabama is attempting to use here, but the fact is that Senate Resolution 4 is not before the

Senate, and if I understand the distinguished Senator from Indiana, there is an urgency for action on the Penn Central measure. That measure is now before the Senate.

Now, I am opposed to the so-called basement approach—to use this term given to it by the able Senator from Alabama—and I think that is a pretty accurate term for the approach that is being used, with all due respect to those Senators who are attempting to utilize that method of bringing about a change in the cloture rule, and in my unprepared arguments yesterday on the floor I attempted to point to some of the dangers therein. So I am on the Senator's side with respect to the Pearson motion or similar motion.

Mr. ALLEN. I know that.

Mr. ROBERT C. BYRD. But I also carry other responsibilities, one of which is to attempt to get urgent legislation disposed of.

The Senator may convince some Senators, but he does not convince me with his argument that I should go to other Senators with respect to action on the Penn Central measure.

I am asking the Senator to whom I should address the question, and I take it that I got an answer that a unanimous-consent request would be objected to.

I can assure the Senator that if action could be taken on this Penn Central measure today, the Senate would go out, we would not attempt to bring up Senate Resolution 4 today at all. What I want to do is get an understanding so that other Senators may also have an understanding, Senators who are here and prepared to vote today if there is a rollcall vote on the Penn Central measure. I think they need to know whether or not we are going to vote on it today.

It is for that reason that I ask the distinguished Senator, and I would ask him once more if he would have any objection to a unanimous-consent request that there be a time limitation on the Penn Central measure with an understanding as to the time to vote thereon, if a rollcall is ordered, and assuring him that once that is disposed of it would be the intention of the leadership to adjourn over until Monday.

Mr. HANSEN. Mr. President, would the distinguished Senator from Alabama yield to me before responding to the question?

Mr. ROBERT C. BYRD. Would the Senator answer my question first?

Mr. ALLEN. I appreciate the remarks of the distinguished assistant majority leader and certainly want to comply with his desire to move this legislation, but the Chair having ruled on the effort to amend rule XXII that it is possible to cut off debate by a majority vote, it would seem that the only opportunity the Senator from Alabama and others who want to argue this point have is to discuss a debatable matter.

However, the Senator from Alabama is hopeful that the Vice President will recognize that the beginning of this session has ended and that a different situation prevails regarding his rule.

The Senator from Alabama does not carry a stick approach, if I can say with all due respect to the distinguished Senator from West Virginia. Really, it does not make too much impression on the Senator from Alabama because he does not mind staying here and would not object to that.

Mr. WEICKER. Will the Senator yield?

Mr. ROBERT C. BYRD. Will the Senator yield further?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. May I say to the distinguished Senator, there are those of us who do not mind staying here.

Mr. ALLEN. I understand that.

Mr. ROBERT C. BYRD. And, as a matter of fact, I stay here, as does the able Senator——

Mr. ALLEN. I know the Senator does.

Mr. ROBERT C. BYRD. And so this does not bother the Senator from West Virginia in the slightest. As far as I am concerned, we can stay here all night tonight and tomorrow and tomorrow night, because Mr. MANSFIELD and I do have a responsibility to see that legislation is disposed of one way or another, if possible.

If it is impossible for us to do it, of course, it is impossible. The Senator from Alabama is well versed in the rules, and he can resort to them, and the leadership wants to cooperate with him.

The leadership does not want this thing to develop into an all-out struggle as to who knows most about the rules and who can utilize the rules to the fullest extent. We can all play that game, I hope we will not get into that business.

I would hope that the Senator from Alabama would let the Senate vote today on this Penn Central measure.

I am with him on the merits of the measure, I am with him in opposition to the kind of motion that was made yesterday by the Senator from Kansas. I made an argument against it. But I would hope that at the same time the leadership would not be crucified on the cross of cooperation in the desire to move things along and cooperate with everybody, and at the same time let the Nation suffer by virtue of the holding up of a piece of legislation which I am told is urgent.

I do not support that measure, but it is, at least, the responsibility of the manager of the bill to state his case as to the urgency of the measure, and whether we agree with him or not, I think the leadership has a responsibility to the Senate and to the country to at least reach a vote up or down on that measure, and that measure has nothing whatsoever to do with the rules fight.

The distinguished majority leader and I both urged those Senators who seek a change in the cloture rule, to go the traditional cloture route. But they had a right to elect to go the other route, and we expressed our opposition—the distinguished majority leader and I—to that procedure. But there is a point beyond which even the majority leader and I cannot go.

We do have a responsibility to get a vote on the Penn Central matter and if Senators do not want to vote on it today they can prevent a vote on it today, they can prevent a vote on it tomorrow, they can prevent a vote on it on Monday. That is up to them. I am not going to fall out with anybody, or any of them personally, if they elect to prevent a vote.

What I am attempting to find out here is whether that is the course we are going to follow or whether we are going to vote on this matter today. If we are going to vote today, we would like to tell the Senators so that they can be around. If not, we would like to tell them so that they can do otherwise. That is all I am asking.

Is the Senator willing to agree to a unanimous-consent request that the Senate vote today on this measure, with the understanding that once it is disposed of the Senate would adjourn, and there would be no action taken whatsoever with relation to Senate Resolution 4 today?

Mr. ALLEN. In answer to the distinguished Senator, for the moment it is early in the day. The Senator from Alabama is going to reserve judgment, because a number of other Senators have indicated they want to ask questions. It may possibly be that this would develop something with reference to the request.

Mr. ROBERT C. BYRD. I thank the Senator, because I think he has answered my question.

Mr. WEICKER. Might I ask the distinguished Senator from Alabama if we could proceed or agree upon the debate portion of the Penn Central issue? In other words, the distinguished Senator from Indiana and myself might proceed with debate without any agreement at all as to the vote, thus leaving it still totally in the hands of the distinguished Senator from Alabama but allowing time for discussion vis-a-vis this matter while we proceed with debate? Could we do that?

Mr. ROBERT C. BYRD. May I say, Mr. President, I am very satisfied with the response the distinguished Senator from Alabama has made in answer to my question. While he has not said that we will vote today, I feel that I interpret his answer as meaning that it is not out of the question that we will vote today. He is an understanding man, a cooperative man. I am encouraged by his response.

Mr. ALLEN. I would caution the distinguished assistant majority leader not to be too optimistic in this connection.

Mr. MANSFIELD. Will the Senator yield?

Mr. ALLEN. Yes.

Mr. MANSFIELD. I agree with the assistant majority leader in his interpretation of what the distinguished Senator from Alabama said. I think he said for the moment he would like to discuss it with others. So that is hope.

Mr. ALLEN. I am not closing the door, but I caution the distinguished assistant majority leader not to become too optimistic.

Mr. MANSFIELD. That is all right. We are satisfied with the progress we have made.

Mr. WEICKER. I again repeat my suggestion. I quite frankly admire, and am in agreement with, the efforts on behalf of all of us who feel the same way, the efforts of the distinguished Senator from Alabama. This carpet is not all that soft that any of us enjoy standing on our feet too long. That is why I wondered if we could contrive a unanimous-consent request to allow the distinguished Senator from Indiana and myself to proceed with debate.

Mr. ALLEN. That would be fine, but let me respond to the question of the distinguished Senator from Wyoming.

Mr. HANSEN. I wish to ask a question of the distinguished Senator from Alabama without his losing the right to the floor. It is with that preface that I now pose my question.

As I understand, the distinguished Senator from Alabama has made the very valid point, first, that we are no longer in the beginning of the session and there may not be a constitutional question. But certainly insofar as the Senate rules are concerned there is a real question that could now be raised about the propriety of trying, at this late date, to change the rules of the Senate.

Mr. ALLEN. By alleging a constitutional issue.

Mr. HANSEN. Yes.

It would seem to me further that there has been reference made seeming to apply a willingness to debate and to try to reach an accord and an understanding short of the cloture route. I inferred from what the distinguished majority leader was saying a few moments ago that those who are sponsors of Senate Resolution 4 have not chosen to throw down the hard fist of cloture but, rather, seek the sort of debate which has engaged the Senate for several weeks now to try to resolve this issue. I would say it is the opinion of the Senator from Wyoming that the reason a cloture effort has not been made is that, in the opinion of this Senator, I do not think they can get cloture. Is that opinion shared by the Senator from Alabama?

Mr. ALLEN. The Senator from Alabama would only refer to the vote on yesterday. He did not ask a single Senator to vote for or against cloture. Looking at the results on yesterday, it would seem that hope was abandoned for following the rules and seeking to amend the rules. That would be the judgment of the Senator from Alabama.

Mr. HANSEN. A further question: My distinguished colleague, the senior Senator from Wyoming, and I, historically and in conformity with the tradition of our State, have opposed any effort that would bring about a lessening or a questioning of the right to unlimited debate. That happens to be one way by which, among others, we believe we become equal with other Members of this body insofar as power is concerned. I do not speak of influence. But when you add up the votes, each Member of this body has one vote. The influence that we have is accurately, as it should be, a reflection of our ability, the intensity of efforts, our knowledge and dedication to the job before us. My position, and the position of the senior Senator from Wyoming, was in full support of the Senator from Alabama yesterday.

I know that was the case of the distinguished Presiding Officer at the moment. He certainly was eloquent in speaking for himself. I would like to presume that coming from the background that he has over the last several years he, too, cherishes the right to see that the minority is represented. I may read him incorrectly, but I suspect that that is one of the reasons. Perhaps it may not be a reason at all, but I would like to think at the moment that it could be a reason that he voted as he did.

This is a protection to the minority, and minorities are important.

It was pointed out yesterday that if we were to proceed along the lines then being suggested, we could very quickly come to the point where it took only 51 votes to cut off debate at any time and resolve an issue at any one time. I remember having listened very interestly and with great attention to the distinguished Senator from Illinois, Mr. Dirksen. He said he could not recall in his experience in the Senate of the United States a single time when an idea whose time had come failed of enactment, because of the inability to get cloture.

He said, conversely, that many pieces of legislation had been brought before this body hastily considered, and inadequately prepared. Had a bare majority the ability at that time to push that legislation through, we would have found in this country far poorer legislation, legislation ill-considered which was full of defects and faults. Those situations were avoided, because of the ability to engage in extended debate.

I think the civil rights laws, a number of them, are cases in point. There were issues that we did not give sufficient consideration to, initially. I think that debate continued for some 84 days, I believe I heard the Senator from Alabama or someone observe yesterday, and resulted in an exploration of the ideas of the minority which I thought was all to the good.

I called attention earlier to the fact that this Senator has not been in accord with the idea of changing the rule on cloture one bit. I have opposed it every time. I also happen to be one of several Senators who signed two cloture petitions, at least two, in the waning days of the last Congress. The effect of one such petition was to cut off debate before any debate had ever started. That was on the trade bill. The Finance Committee was the group under Senator LONG'S sponsorship which brought the cloture petition first into being, filed it and succeeded. We demonstrated that when action is required, you can get action. I think that is fine.

I ask the Senator from Alabama: Is there any reason to think that when an urgent matter that requires immediate action by the Senate of the United States arises, based upon his observations of what has happened in the past, that we cannot get that sort of consensus that will result in our being able to move very quickly?

Mr. ALLEN. I thank the distinguished Senator for his comments and his question. In reply, I will certainly say that, as indicated in the closing days of the last session, not going back any farther than that, in the last 7 or 8 days, cloture was invoked three times when there was no debate. They just moved for cloture and got it when there had been practically no debate. The trade bill the Senator mentioned is one of those. That was 71 to 19 on the very first try for cloture prior to any real debate on the issue. So when the Senate wants to move, they can move.

What we are approaching here, I will say to the distinguished Senator from Wyoming, is majority cloture. There is no doubt about that. If we allow this issue to proceed to its ultimate conclusion, if we do not stop it somewhere along the line, we are moving toward, and will actually be at, majority cloture. But worse than that, we will be moving in the direction of having a legislative body, having a Senate, that has been said to be the greatest deliberative body in the world, moving in the direction of a Senate that you might find in a banana republic, not in the greatest nation in the world.

I hate to see the institutions of the U.S. Senate torn down, and that is the direction in which we are moving if some of us do not put up a fight.

I am delighted to hear the remarks of the distinguished Senator from Wyoming.

Mr. HANSEN. I have a further question. I know how concerned the distinguished Senator from Indiana is. I share his interest in the resolution of the problem of the Penn Central Railroad.

I ask this further question: When I first came to Congress in 1967, there were those who assumed that the argument over cloture and a reduction in the percentage that was required to invoke it was basically a confrontation between conservatives and liberals; that those upon whom some may have pinned the label of conservative were against the change in rules and that those who favored a lessening or a reduction in the percentage necessary to invoke cloture were identified generally as having a more liberal philosophy.

I recall some of the debates that took place at that time. As I recall, some of my friends across the aisle, and some on this side as well, made the prediction that the time would come when those who believed that that was the confrontation would find precisely the opposite to be true, that it would not be the conservatives who always rely upon the protection that cloture, as believed by many, holds out to them, that they would be counting on that, but that it would be turned the other way around. In the limited time I have been here, I have seen this happen. I call attention to the busing issue, as an example.

Mr. ALLEN. That is right.

Mr. HANSEN. I have heard my good liberal friends on my side of the aisle deplore and inveigh the cloture rule and the unwillingness of a few willful men to deny the Senate the right to work its will. But that happened on busing?

Mr. ALLEN. It certainly did.

I point out that those two great senatorial opponents of extended debate, the distinguished Senator from New York (Mr. JAVITS) and the distinguished Senator from California (Mr. CRANSTON), were the ones doing the filibustering on the antibusing legislation. So it is a question of whose ox is being gored. They seemed to feel that the filibuster was fine on that, and they did not want any 60-vote cloture.

As a matter of fact, back in 1971, the distinguished Senator from California (Mr. CRANSTON) made one of the best speeches ever made on the Senate floor in favor of retaining rule XXII as is—not amending it in the slightest. He made a great speech. I hope I will be able to bring Senators up to date on that speech later in these discussions.

I might say that I like the 1971 model CRANSTON a great deal better than I like the 1975 model.

Mr. HANSEN. I find value in antiquity, too, I say to the distinguished Senator from Alabama.

Mr. ALLEN. I thank the Senator from Wyoming.

Mr. HANSEN. I have one further question, and my point is this: I know how interested and eager and anxious the Senator from Indiana is to get on with the resolution of this point. But I think we would be doing this institution an injustice if we were to permit this debate on Senate Resolution 4 to continue throughout many more days and weeks of this session without disposing of it one way or another.

Cloture, if it is obtainable according to the rules of the Senate, is open all the time. The Senator from Indiana knows that we got it on the trade bill. But it did not take more than a moment's time, in the two or three examples the Senator from Alabama pointed out.

I think that what we should do now is to get on with the business of this country. We are not going to get on with it well if we have the pending business, Senate Resolution 4, and then obtain unanimous consent from time to time to lay that aside so we can take up this emergency or that emergency. I would say that a number of these emergencies need discussion.

Mr. HARTKE. Mr. President, will the Senator yield on this point?

The point is that Senate Resolution 4 is not before the Senate. What is before the Senate at this moment is the business of the emergency legislation providing aid to the Penn Central. That is the pending business.

I ask the Chair if that is correct.

The PRESIDING OFFICER (Mr. LEAHY). The Senator is correct.

Mr. HARTKE. So we are not laying anything aside. What we are trying to do is to work our way out of what is an extreme emergency.

I have repeated in the Committee on Commerce, time after time, that I do not relish this responsibility of coming here and asking for money for a bankrupt railroad. But I am also cognizant of the extreme difficulties this Nation would face when, on Tuesday next, they start closing down the railroads in this country.

As I said before, we are not dealing with something which we could do next week or put off. The emergency is of such a catastrophic nature that the net result would be that the whole United States of America would stop operating.

I tell Senators that people actually will be short of food. There will not be enough trucks to carry food into the big cities. Maybe that is the wrong way to have a country operate in the first place, in that there is no alternate means, but that is the fact. There will not be enough food for these cities, or enough heat. The coal and steel industries will shut down, and the automobile industry will go even further down than it is today. The entire industrial complex of America is at the mercy of this bankrupt railroad system.

What we are saying is that on Monday they have to meet the first payroll. There may be enough cash and there may not be to meet the Monday payroll. But there certainly is not enough to make the payroll on Tuesday, and that is the end. They are on a cash basis to buy oil for their diesel engines.

It is a deplorable situation. It is one which this Nation really has never faced up to. I do not believe the country even has any cognizance of the dire results that will obtain if we do not pass this measure.

All I am asking of the Senator from Alabama is if he could permit us to continue the debate, since it is the pending business—hopefully, even with a time limitation on the debate—and to vote upon this matter.

I am not interested in becoming involved in any other procedures. I am not asking the Senator from Alabama to take up the routine business or what may appear to be desirable business. I am talking about a matter which is so grave and so serious that I hope we can avoid putting this country through another turmoil. The nature of the turmoil is such that it is beyond us to do anything unless we do this.

Mr. HANSEN. Mr. President, will the Senator from Alabama yield to me, to make an observation?

Mr. ALLEN. I yield, provided I do not lose my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HANSEN. I thought the Senator from Indiana was asking me the question, initially.

Let me say, with all due respect, that no one admires the Senator from Alabama more than I do. I would have to observe, though, that he is not alone in his ability to object to a unanimous-consent request. That is precisely the point I meant to make when the distinguished majority whip asked him some time ago whether he would object. There may be people around here less skilled in parliamentary procedures and less aware of the relative significance of issues who, in reflecting or displaying their lack of knowledge, could make some bad decisions. I hope we will not get into that issue.

I point out, however, that the Senator from Indiana is making a unanimous-consent request, as I understand it.

I was here all yesterday afternoon, I was here until the Senate adjourned last night, and I think I am not totally unaware of the point that is being made by the distinguished Senator from Alabama.

It is true, as the Senator from Indiana says, that Senate Resolution 4 is not the pending business. Yet, in the overall context, in order to work out certain tough issues last night, we are in the situation we are now; and I say, with the Senator from Alabama, that it is not he who is holding up consideration of the Penn Central Railroad matter. It is a willful group of people who believe that they cannot muster enough votes to bring about cloture, who think they are going to hold that bill as hostage, as well as every other bill that comes down the pike. Tomorrow , it may be the energy business or something else. But they are going to use the same device time after time to get on with the demanding business of this country and still keep the pressure on those of us who do not think rule XXII should be changed.

That is the issue. If the Senator from Indiana wants to resolve it, I suggest that he propose we lay rule XXII on the table. I will support it. We will get done with the whole funny business, because we should have done that a long time ago. If the Senator from Indiana wants to do that, I will not raise any objection. As to those who may not share my point of view, I will try to take them out and buy them coffee, and we will get going, so that we can have the Penn Central back in business and rolling before noon.

Mr. HARTKE. Mr. President, will the Senator yield, without losing his right to the floor?

Mr. ALLEN. I yield.

Mr. HARTKE. I say to the Senator from Wyoming that I have said repeatedly that what we are doing in the Committee on Commerce by bringing this matter to the floor of the Senate is not a bailout financially of the Penn Central; it is a bailout of the national economy. Perhaps it would be better for all of us if we let the matter go for a while and let the country go through the turmoil and the hell. I guarantee what will happen will be that there will be such pressure and so much confusion in this country that they will begin to understand what we have been trying to avoid here for nigh onto 3 years.

Let me say about rule XXII that the first day I appeared in the Senate in 1959, rule XXII was the debate issue. I have been here about 10 years longer than the Senator from Wyoming. I expect the Senate will be talking about rule XXII long after my demise, and I hope that is not too soon; we have a history of longevity in our family, which means I might live to be 90.

Mr. HANSEN. Mr. President, will the Senator yield at that point?

Mr. HARTKE. Yes.

Mr. HANSEN. We may be talking about it. Would the Senator from Indiana care to speculate on whether we would be lowering it or raising it at that time?

Mr. HARTKE. I will permit the Senator to engage in that debate.

Mr. HANSEN. No, I just want the Senator's opinion.

Mr. HARTKE. The point is, this is not just routine business. This is not just urgent business; it is an emergency. This is the nearest thing to a war this country could have, because it would devastate the country, and the recession or depression, whatever you want to call it, today is a small matter compared to what would happen to this country if Penn Central were to close down. Even a short closing down of 1 or 2 days will cause misery. A couple of weeks, and it would be an absolute catastrophe.

The point is that we do not have the time to go ahead and consider other matters of the Senate. Frankly, I had hoped we could get into this matter before we got into the discussion of Senate Resolution 4. I had even asked then to engross the bill in the House of Representatives by hand. They were rushing as fast as they could, but they could not get it here before this debate started.

I was hoping we could move immediately, and I had talked with the Senator from Alabama quite at length about it before the vote occurred, and I thought we had a pretty good understanding. I have to admit that I thought we were just going to let it go ahead today. We discussed it, and he asked me to go ahead. The Senator from Alabama will remember we were to go over until tomorrow.

Mr. ALLEN. That is where we are now.

Mr. HARTKE. That was the day before yesterday.

Mr. ALLEN. The Senator from Alabama has not reneged on any agreement. There was no agreement.

Mr. HARTKE. There was no agreement. I must say, though, that I thought there was a pretty close understanding.

Mr. ALLEN. What the Senator from Alabama said was that he had no objection to action on the bill, and he has no objection to action on the bill, but he wants first things to come first.

Mr. HARTKE. Let me ask the Senator, then, in view of that statement, since the bill is the pending business, could we just go ahead? I am willing to put a time limit on the debate; could we not get that out of the way?

Mr. ALLEN. The trouble is, even though the Senator says that Senate Resolution 4 is not the pending business, it hangs like the Sword of Damocles over the Senate Chamber, and can be brought up at any time there is no pending business, or it can be motioned up at this time. So it is right there lurking in the wings, or in the pockets of the proposing Senators.

The point that the Senator from Alabama is trying to make is that the Senator from Alabama and those who oppose Senate Resolution 4 did not choose this priority. It is the Senators who are pushing Senate Resolution 4 that have caused this impasse. I will not use the word resent, but I object very strongly to the fact that the blame for the impasse is being laid by the distinguished assistant majority leader at the door of those of us who oppose Senate Resolution 4.

The pendency of this effort to amend the rules by this basement approach is what has caused the impasse, and not any effort by the Senator from Alabama or those who oppose the resolution. So why are these questions being propounded to the Senator from Alabama and his associates, when they ought to be directed to the people who dropped this time bomb right here on the Senate floor?

Mr. HARTKE. The point is that the Penn Central measure is before the Senate. The Senator from Alabama does have the floor.

Mr. ALLEN. Mr. President, I am going to suggest the absence of a quorum and see if we cannot send the Sergeant at Arms or someone else to see if they can locate these absent Senators that put this resolution in and have caused this impasse. The Senator from Alabama has not caused any impasse; he is ready to vote on this issue, just as quickly as the other issue that was given priority by the Senate and that was put in here as a time bomb, as the Senator from Alabama has said, has been resolved.

I think these questions ought to be directed to the people who have created the impasse, and not those who are seeking to resist that effort.

Mr. HARTKE. Would the Senator be willing to withhold the quorum call, and permit the Senator from Indiana and the Senator from Connecticut to go ahead with their statements?

Mr. ALLEN. How much time does the Senator desire?

Mr. HARTKE. We are not asking for much time.

Mr. ALLEN. Thirty minutes?

Mr. HARTKE. Thirty minutes on a side, or an hour.

Mr. ALLEN. Thirty minutes on a side? I have no objection to how much time. Just state the time.

Mr. HARTKE. Let me ask the Senator from Alabama, does he want to discuss the opposition to the bill at length?

Mr. ALLEN. No, I think my opposition has been stated time and time again. Depending on what develops, I may have to restate my opposition.

Mr. HARTKE. Mr. President, I would like, if the Senator will yield, to make a unanimous-consent request for 30 minutes.

Mr. ALLEN. I ask unanimous consent that I may yield to the distinguished Senator from Indiana to make a unanimous-consent request, with the understanding that I do not lose my right to the floor, nor will any resumption of my remarks be considered a second speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I ask unanimous consent that we have a time limit of 30 minutes, 15 minutes on each side.

Mr. ALLEN. At the end of which time the floor would be resumed by the Senator from Alabama, with no limitation on debate.

Mr. HARTKE. All right. I ask unanimous consent that the time for debate on the pending measure be limited to one-half hour, 15 minutes on a side, to be equally divided between the opponents and the proponents.

Mr. ALLEN. Mr. President, reserving the right to object, I do not agree with that. That is not what the Senator from Alabama understood. The Senator from Alabama understood that the distinguished Senator from Indiana and the distinguished Senator from Connecticut might be allowed to speak for 30 minutes, period. That is not that the debate would be limited to 30 minutes. If the Senators want to speak for 30 minutes, the Senator from Alabama would again speak further.

Mr. HARTKE. All right. We will so amend the request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. All right. Mr. President, the measure before the Senate at this time is the amendments of the House of Representatives to S. 281. I intend to move to accept those amendments.

The administration's emergency request for additional interim assistance to the bankrupt railroads in the Midwest and Northeast is urgent, and, therefore, for that reason, I do not wish to go to conference.

As my colleagues will remember from the debate on this measure January 29, this urgent request from the administration was approved by the Senate Commerce Committee, with some modifications, in order to prevent a national economic catastrophe.

Today I am recommending that the Senate concur in the amendment of the House in order to avoid a conference on this bill and send it to the President for his signature immediately.

I will say that in this case I know the President will sign the bill. There is no threat of any veto.

I would like to reiterate for my colleagues, however, that there are several basic facts that must be kept in mind when considering this legislation.

First, one must remember that the discontinuance of an essential rail operation in this region would have a catastrophic economic effect. Essential deliveries of food and coal to utilities in the major cities would not occur. I do not think it is necessary for me to elaborate on the consequences of a lack of heat, power, and food in an area which contains 42 percent of the population of the entire United States. For the 17 States in this region, the shutdown would have extremely adverse consequences. An important point that should be remembered, however, is that the effects of a shutdown are by no means limited to the Northeast and Midwest. The effects would be truly nationwide—the railroads in the United States form an intricate dependent network, and a shutdown of the substantial portion of the network affects the entire Nation as a whole. In Indiana, unemployment would go up as much as 24 percent within 2 weeks. All General Motors plants would close within 2 days of the shutdown. A shutdown of the Penn Central alone would decrease the rate of economic activity in the entire Nation by 4 percent within 2 weeks. Every State in the Union is dependent upon the operations of this portion of our rail transportation system; the railroads in the Northeast and Midwest receive over 300 cars a day from the State of Alabama. Over 360 cars a day from the State of Georgia and over 520 cars a day from the State of Minnesota, and over 640 cars a day from the State of California. The State of Louisiana receives over 200 cars a day from the Northeast, the State of Washington receives over 197 cars a day, the State of Texas receives 679 cars a day, the State of Tennessee receives over 562 cars a day, the State of North Carolina receives over 567 cars a day, and the State of California receives over 810 cars a day. A widespread rail transportation shutdown in the Northeast and Midwest would most certainly precipitate major economic chaos in every State of the Union. Given the current economic condition of deepening depression, the effects of a shutdown of the bankrupt carriers in this region would be worse than a few years ago. With unemployment reaching over 8 percent, and as high as 14 percent in many of the areas served by these bankrupts, the spiraling effect of plant closings, both in terms of good production and unemployment would send the economy into an exceedingly deep depression. Because of these factors, it is important for the Members of this body to realize that voting for this legislation is the cheapest possible solution. My subcommittee has examined all possible alternatives in order to assure that the solution that we are recommending is the cheapest possible way out of this mess.

I would like to raise one further point perhaps as a note of warning to the members of this body. The legislation before us today authorizes an additional $150 million in guaranteed loans, an additional $197 million in grants, with certain conditions. That sounds like a lot of money, and it is. But I think it would be useful to set forth some of the possibilities of ultimate rehabilitation costs for the entire system. As I mentioned in previous debate on this measure, the chief engineers of six major railroads outside the region have estimated that the rehabilitation costs for the Penn Central alone are $4.691 billion, and that measurement is in terms of constant 1974 dollars. I should point out that this rehabilitation will not produce a super railroad—it will only produce an adequate railroad. I would like to further point out that this estimate is only for the Penn Central, and does not include the full costs for the northeast corridor project and the other railroads in the region. Members of the Senate should be aware that the preliminary system plan, which will be released February 26 and the final system plan which will be released in late July will make clear that we will need to spend substantial additional funds on the rehabilitation of this Nation's rail system.

It is my expectation that the amounts necessary to rehabilitate this system will be so large as to preclude the possibility of using guaranteed loans. This is because guaranteed loans would be a debt of the new corporation that would be so heavy it would be unable for the corporation to make it. It may well be that we will be faced with the option of providing either massive direct Federal grants to a new private corporation in hopes that a private solution may work, or of moving to a new approach to rail transportation in the region and possibly even nationally. We may well see a proposal for a Federal facilities corporation to own and maintain this Nation's railroad right of ways. This could mean that rail right of ways are treated like right of ways for other modes, such as Federal aid highways.

In voting on the measure before us today, I hope my fellow Senators will realize that this interim assistance measure, while necessary, in no way constitutes the major rehabilitation that is going to be required. Within the next year, it will be necessary for this body to consider legislation authorizing the expenditure of many times the amount we are voting on today. If this Nation is going to have an adequate rail transportation system for its future needs, these issues will have to be faced and some hard decisions will have to be made. I appreciate the concern of every Member of this body and look forward to any productive suggestion that will help us solve this crisis in a manner consistent with the public interest. I can assure you that the Senate Commerce Committee will be struggling with these issues over this coming year and looks forward to the contribution of any Member of the Senate.

I would like to say, parenthetically, that while we are here on the floor of the Senate, the confirmation hearings which I was conducting of a new Secretary-designate in the Department of Transportation, Mr. Coleman, are being temporarily laid aside. But I did ask him yesterday what recommendations he had in regard to the pending legislation, and his recommendation was that we pass it. I just thought it would be appropriate to so inform my colleagues at this moment.

Mr. WEICKER. Mr. President, I would just like to express a few comments as to the legislation presented by the distinguished Senator from Indiana, and to express my thanks and admiration to him for essentially carrying a ball that is rather odious, I suppose, is really the best way to term it, but which is also extremely necessary until we get the long-term solutions in place.

I intend to yield in just a few minutes to the distinguished Senator from Vermont, but before I say anything further, I want to remake the point that I addressed in a question to the distinguished Senator from Alabama, and I hope the word goes out from this Chamber. It is this Senator's opinion that it is not the distinguished Senator from Alabama who is holding up the business of the Nation. The business of the Nation is just as critical in several other areas, and nothing has been done.

The Senator from Indiana was quite correct when he portrayed the urgency of the Penn Central legislation, and this would be devastating were it not passed.

This is all true. But every day that goes by in this country that we do not enact some gas or fuel conservation measure, $100 million goes offshore, every day $100 million, and I am appalled when I hear that the House Ways and Means Committee is going to have hearings on their energy plan sometime beginning in March for 3 weeks. This is business that should be attended to by the Senate and by the House now.

As my colleagues know, I am in sharp disagreement with the President's energy plan, but I have also got to say this to my Democratic colleagues: At least he does have a plan, and the Senate and the House, which are under the control of the Democratic Party, have yet to come up with a plan, and rather than being engaged in an academic exercise relative to rule XXII, I think we should be developing a fuel conservation plan, and that is just as critical as bailing out this railroad because unless we do it we are not going to have the money to bail out the railroad.

May I just finish, and I will be glad to yield to the Senator.

One year has passed since the Watergate Committee hearings. One year ago you knew, the country knew, the Senate knew, that the CIA was engaged in illegal activities, a year ago, not the story in the New York Times. But a year ago we knew that. A year ago we knew about the improper use of the IRS, a year ago we were treated to the spectacle of a series of abuses within the agencies of the Government, and not one piece of legislation has been passed by the Senate or the House.

I mention these matters because I think it unfair to say that the Senator from Alabama—and I am not saying this is what the Senator from Indiana says, I am saying this is what is sort of being directed by many philosophical types around here—is responsible for holding up the business of the Nation.

We, in the Senate, are holding up, and also our conferees in the House are holding up, the business of the Nation. We hold it up when we go off on all sorts of exercises around the world, and vacations in the United States. We hold it up when we engage in this type of debate about this parliamentary rule.

If there is blame, it is going to be apportioned, I think, and I think we had just better take it on everybody's head and not just point to the distinguished Senator from Alabama.

I want to make it clear that while I am out here I am going to fight for this Penn Central matter. And, I might add, there are a lot of other things I would like to be out here discussing, except rule XXII.

It was similar to a situation during the Watergate Committee hearings, when we had set up the recess schedule. We were in the middle of those hearings, and everybody said, "Well, we have a recess schedule, so we had all better go out on recess." It did not make any difference that the recess as scheduled had been set up prior to contemplating hearings. The recess was there, and we were all going to go off on a recess and leave the hearings hanging. I really could not believe it.

The same thing is true here with regard to rule XXII. We are always going to debate rule XXII. We are going to debate rule XXII this year, but there is one thing wrong—nobody thought the country was going to go downhill in such a precipitate slide, and people were going to be out of work and have our financial posture drained. We did not know all about that.

For heaven's sake, can we not lay rule XXII aside and get to the business of the Nation? The business of the Nation is just the type of legislation that the distinguished Senator from Indiana and I are engaging in now.

So I think part of my comments are directed toward the legislation. I think it is very important to point out that I find it an unbelievable exercise in illogic that, with all the very serious practical problems that confront the country, we are doing our annual, our yearly, exercise on rule XXII. I find it amazing, I really do.

Now, Mr. President, relative to this legislation—and there is not much that I can add to the words of the distinguished Senator from Indiana—let us make it clear that neither he nor I want to pour money down a rat hole, and when it comes to Penn Central Railroad that is just about the best way to describe it. [Laughter.] But the fact is that our concern relates to jobs, to other people. We are not concerned about, you know, management ripping off the railroad; that is no longer there. We are not interested in the stockholders and the bondholders. I really do not care about them at all. I do care about the persons whose jobs depend on the Penn Central Railroad. That is not only those who work on the Penn Central Railroad but those who work for the other railroads and, indeed, those whose jobs touch upon the railroad in that the products and the materials delivered by the railroad touch upon their economic well-being. That is my concern.

My second concern is that I do not think we should spend any money at all if we did not have a long-range plan. But we do have a long-range plan. Slowly but surely we are doing away with the fear of Government participation in the rail system. That is a fact of life now, and it is going to become increasingly so in the future.

Naturally, I would hope that the strong elements of our rail system that are represented by private enterprise continue, although the facts, as I see them, spell out a gloomy picture for the future again unless something is done now. But, in any event, over the hill, as soon as it is 1976, there lies the prospect of integrated rail transportation plans designed and executed by the Government.

None of what we are doing here would benefit any stockholders or bondholders. They would not be enriched to come back to the Government in the future, but it would keep this important part of the economy active.

For those reasons, I fully support this effort and I thank the Senator from Indiana for carrying the ball, because nobody wants it. I will tell everyone that. And all we do is get abuse from those Senators who say we are bailing out the Penn Central.

I want to make that point, we are not bailing out Penn Central; we are keeping Americans at work. That is our only concern. I do not care about the Penn Central itself, I feel we should nationalize anyway all our passenger service.

Insofar as the essential rail services, private enterprise does not want it, the Government has to take over. I do not care about Penn Central; I care about the public and the economy. So that is what the bailing out is all about. Not for some rich corporate executive, or shareowners, or bondholders, or Wall Street types, or anything of that nature. It directs itself toward maintaining jobs and not allowing, at least, that segment of the economy that touches upon the rail system to disintegrate further.

That is the effort. It is a dirty job that, quite frankly, I do not want and the Senator from Indiana does not want.

It is easy to demagog against, but when we do from now on, when we do our demagoging, I would appreciate it if our colleagues direct their discussion against the economy, not give a leg up to some people that ought to be in the clink, never mind wandering around accepting Federal dollars.

I yield to the distinguished Senator from Vermont.

Mr. STAFFORD. Mr. President, I thank the distinguished Senator for yielding. I did not ask him to yield to me to get involved in the debate on rule XXII. We obviously are on opposite sides there.

I am only constrained to point out that a majority of the Senate did want to conclude the matter of rule XXII yesterday afternoon, but circumstances did not allow that to happen.

In connection with Penn Central, which we are now discussing, this Senator is very strongly of the opinion that help for Penn Central is necessary.

This Senator had the experience last week, in the middle of the week, of traveling from Washington to the capital of the State which I share with the present Presiding Officer (Mr. LEAHY), Montpelier, and to make a long story very short, I am told that there were three changes of the engines hauling the train before we reached White River Junction, some 2 hours late on a very frosty New England morning.

We departed White River Junction approximately 2 hours late, and at a small town called Royalton near White River mabye 12 miles north, apparently the third engine expired about a mile north of town. They finally got it running, after more than an hour, enough in reverse to back the train down to a siding at Royalton.

At this point, the conductor of the train knew I was running into a time problem. He came into my room with his walkie-talkie and assured me a relief engine was being summoned from White River, and I was able to hear the conversation between the crew on the relief engine and the conductor of the train.

Suffice it to say, the relief engine, which I designate engine No. 4, after proceeding at a sedate pace about 6 miles up the track, suffered frozen brakes and complete failure in the middle of the track.

I reached my commitment in the State capital at noon only by resorting to a ride with the State police.

There were some perturbed people on the train who thought they were going to spend the day skiing in Vermont. It occurred to me as I left the train that I better have the word passed that the gentleman who was disappearing with the State police was not being given a ride in preference to them, but was being placed under arrest to remove him from the train so there would not be a riot.

My conclusion was that Penn Central, indeed, needs help and I commend the Senator from Connecticut and the Senator from Indiana for their efforts to get help for Penn Central today.

I thank the Senator.

Mr. WEICKER. I thank the distinguished Senator from Vermont, and maybe now that we know the plight of the distinguished Senator from Vermont (Mr. STAFFORD), and his colleague in the chair (Mr. LEAHY) who also comes from that State, in order that we can get the onus off Senator HARTKE and myself, maybe we can call this the Stafford-Leahy bail-out, so that we can assure they can get to Montpelier with one engine rather than some five. I thank the distinguished Senator.

For all the humor, that is the state of rail equipment in this country, and here we are the most advanced Nation in the world, but that is the state of the equipment on our rails.

It is a tragedy for the United States of America that we are at this point.

I now yield.

Mr. STAFFORD. Will the Senator yield for 1 minutes on the same point?

I forgot to mention that I found myself in the bedroom on one of the sleeping cars which seemed quite familiar to me, and after a while I realized that in 1943, in January, I had crossed the country to go to a ship in the Pacific in a bedroom which was the exact counterpart of the one I was traveling to Vermont in.

This car may not have been that old, but it certainly had not changed in design in that time.

Mr. WEICKER. I thank the distinguished Senator.

Mr. HARTKE. Mr. President, let me say to the distinguished Senator from Connecticut that working with him on this committee was one of the real joys I have found in the Senate. He is one of the most competent, best-informed, and most intelligent Senators I have had the chance to work with. It is always a pleasure to work with him.

It is for that reason the two of us have been, I guess, designated, in a way, to take over the responsibility of some of these problems.

We are still proceeding with the confirmation hearings on the duly nominated Secretary of the Department of Transportation, Mr. Coleman. During our hearings yesterday I think we pointed out that there are a lot of problems that need attention, and many of these are going to come to the Commerce Committee. I think we are going to have a chance to really do something about them.

But, unfortunately, this is just one item in a big agenda and it is not one we relish.

Mr. President, there is one section of this bill which was not in the originally passed Senate version of S. 281 and which needs to be explained so that the Members of the Senate will understand its purposes and effect. Section 9 of the House bill would add a new section 605 to the Regional Rail Reorganization Act. This new section is designed to restate existing law regarding the collection of moneys by railroads from tenants which is specifically earmarked for tax payments. Existing law obviously makes a railroad—or any other entity—a trustee of a tax payment made by a tenant to the railroad. Existing law requires that the specific tax payments be paid over to the State or political subdivision, and this new section merely adds an admonition that no judicial gloss should be placed upon existing law with regard to railroads in reorganization as defined in this act.

Of course, the law is identical with respect to a profitable railroad, a railroad subject to bankruptcy proceedings under section 77 or a railroad "in reorganization" under the terms of the Regional Rail Reorganization Act. None of these railroads could withhold specific funds paid to them by tenants for tax purposes from the appropriate State or political subdivision. This amendment will insure that, with respect to railroads being reorganized pursuant to the Regional Rail Reorganization Act, that no judicial gloss will be applied to existing law regarding their obligations to hold these specifically earmarked moneys in trust and to pay them over to the appropriate taxing jurisdiction.

Mr. WEICKER. Mr. President, will the distinguished Senator from Indiana yield for several questions?

Mr. HARTKE. Yes.

Mr. WEICKER. I appreciate the Senator's explanation of the purposes and intent of this provision written in on the House side. I would like to clarify a few points, however. Existing law, as the Senator states, does require that these trust fund tax moneys that have been paid by a tenant to any landlord be paid over to the appropriate taxing jurisdiction. Does this amendment deal only with those funds which are specifically earmarked for taxes?

Mr. HARTKE. That is correct. The amendment is concerned only with those funds which are specifically earmarked for taxes and paid by a tenant to a railroad in reorganization. It does not attempt to deal with the situation where there is a gross sum for rent which includes an undefined sum for taxes. In this situation, the landlord is responsible for paying taxes under existing law and this section has no application.

Mr. WEICKER. If I understand the Senator correctly, he is saying that in those situations where a lease agreement does not specifically segregate the portion of the rent that is attributable to taxes, this section has no application. So the proposed new section 605 applies only to those situations where the tax payments made by a tenant to a railroad in reorganization are specifically identified?

Mr. HARTKE. That is correct. If the amount is not specifically identified in the lease agreement, then this section has no application. The landlord has, of course, all his existing obligations to pay taxes—with the exception, of course, of those cases where a reorganization court has suspended tax payments.

Mr. WEICKER. Then this section merely restates existing law and assures that existing law will not be deviated from in connection with railroads in reorganization?

Mr. HARTKE. That is exactly correct; it also adds the possibility that, with respect to any railroad in reorganization violating existing law, a fine of not more than $1,000 could be levied.

Mr. WEICKER. I thank the Senator.

Mr. HARTKE. Now, Mr. President, I do not know if anyone else wants to speak in favor or opposition to this bill.

Mr. ALLEN. If the Senators are through, I would like to put in a quorum call, not to be a live quorum, as far as the Senator from Alabama is concerned.

The Senator from Idaho wanted to ask some questions and he has left the Chamber momentarily, but he will be back, and when he returns I will seek to call off the quorum.

Mr. HARTKE. Very well.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent to proceed further in a colloquy with the Senator from Indiana concerning the pending legislation without the Senator from Alabama losing his right to the floor.

Mr. PRESIDENT OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I think there are some fundamental questions that must be asked concerning the pending legislation. Many of them have been asked in the past, but I think it is useful again to make the record with regard to where we are headed under this legislation.

We have recently been concentrating and focusing on the budget of the United States, as I think we must, quite properly. One of the things that comes out abundantly clear is that past Congresses have committed the United States to a course of action which, in many cases, was not really contemplated or fully understood at the time the commitments were made.

Past Congresses in the rail reorganization and in Amtrak have committed the United States to certain actions with respect to the railroads. We have already seen past commitments, which have been fulfilled by the United States, prove to be inadequate. We have expended or committed $150 million in loan funds. We have committed and expended all of the grant funds.

Does the Senator from Indiana have any projection of what the ultimate cost will be if we follow the course upon which we are embarked? How far are we going and what will it cost us?

Mr. HARTKE. Let me first say that we are hopeful that this will carry the Penn Central and the 17 bankrupt railroads up to the time when USRA will get ConRail going. The USRA legislation has passed. There is a plan, as the Senator from Connecticut indicated, a preliminary system plan, which will come out on February 26 of this year. The final system plan is due in July of this year.

Part of what has happened here is due to two circumstances: One of them is the severe economic slide the country has gone into, and the rail revenues have not come up to anticipated levels. The second was the coal strike, which could not have been anticipated.

I should add a third item, the fact that there was an anticipated rate increase by the railroads, in their projections, a 7-percent increase in the rates which was suspended by the ICC.

I have constantly tried to alert the Senate to the fact that we are not to the end of Federal participation.

Mr. McCLURE. We are not at the end of the Federal participation? When is the end and how much will we spend before we get to the end?

Mr. HARTKE. I cannot give you the exact figures of the required Government contribution because of a number of things. One thing is the Supreme Court decision upholding the constitutionality of the Regional Rail Reorganization Act which said that the act was constitutional. There is a satisfactory assurance of the constitutionally required minimum compensation to those people who own the existing securities in the Tucker Act.

In other words, that is still down the road.

What we are doing with this legislation, really, is not bailing out any railroad. We are not even bailing out any system. We are not making any commitments to the future. What we are doing simply here is bailing out a country. That is our problem. The problem right now is a simple fact of trying to keep the railroad system moving until such time as the ultimate plan comes into effect.

Mr. McCLURE. I think the Senator would agree, perhaps, that we are not really even bailing out the country at the present time. We are simply keeping an ailing system alive until somebody comes up with an idea that will work.

Mr. HARTKE. I think that is a better characterization. I accept that.

There is this problem that we have at the present time: the plant, the railroad bed, the tracks, the equipment, are all deteriorating at a rapid rate. What we are trying to do is not to rehabilitate, and not even to prevent the deterioration. We are trying to prevent it from occurring at an accelerated rate.

Let me say to the Senator from Idaho that what the Senator from Connecticut and myself are saying to you quite honestly is that we do not think this is a good solution, but it is better than any alternative that anyone has come up with. That is the only point we have. The ultimate consequence of failure to do what we propose to do today, in this session today, would be catastrophic. That is the problem we are trying to avoid.

Mr. McCLURE. Does the Senator from Connecticut wish to comment?

Mr. WEICKER. I do not want to mislead the distinguished Senator from Idaho at all as to the dollar amounts that will be involved in the future. We are talking about billions. When the Senator from Indiana and I have addressed this subject, we have in no way indicated that this amount is the final amount.

Question No. 1 is a good question posed

by the Senator from Idaho. It should be asked. Very frankly, the American people should have the answer. They should have it now. They should have the hard truth of the matter. The hard truth of the matter is that the rehabilitation of our rail systems in this country is a multibillion-dollar project. I will just be glad when we get over with this phase that I describe as cleaning off the stage, if you will, so that we can put into effect the permanent solutions. But it is a multibillion-dollar operation.

About a month ago we had this matter before us. Because of the denial of the freight increase and the anticipated revenues therefrom it has grown $25 million in a matter of a month.

Mr. McCLURE. Have the Senators analyzed the ICC action with respect to denying the freight increase? Does either the Senator from Indiana or the Senator from Connecticut agree with the actions of the ICC?

Mr. HARTKE. Let me say I think there is one point of agreement: The ICC, the Penn Central trustees, both Democrats and Republicans on the Commerce Committee, and the Department of Transportation are all in agreement that this legislation is absolutely vital.

Mr. McCLURE. I am addressing myself to a little more narrow area at the moment. That was with regard to the question of the rate increase. Here we have foundering railroads desperately looking for revenue. A rate increase was submitted to the ICC, and the ICC said, "No, you cannot do it."

Mr. WEICKER. I think I understand what is in the mind of the distinguished Senator from Idaho.

Does the Senator from Indiana have the report, the history of this legislation, which was referred to at the outset?

Mr. HARTKE. Yes.

Mr. WEICKER. In that report, in listing the why's and wherefore's for the collapse of the Penn Central, there is no question that aside from the management, aside from the economic conditions, the conditions of the highways, the inaction of the Congress, the inaction of the railroads themselves, the ICC was of no help in all of this.

As the distinguished Senator from Idaho knows, there is a strong possibility of a joint effort for the Commerce Committee and the Committee on Government Operations to go into these major regulatory agencies to see whether they are any help at all.

Yes, the same question would come to my mind. If a rate increase is applied for and these fellows are going flat on their backs, why the denial? One would have to ask the ICC. I know they certainly have been no help in keeping the American rail system viable.

Mr. McCLURE. It seems abundantly clear to the Senator from Idaho that a regulatory agency has dual responsibilities, one of which is to keep the system they are regulating healthy. They have a responsibility to see that the railroads are investing a proper amount of money in the maintenance of the road beds. They have the responsibility to see that the equipment and rolling stock is kept up to reasonable levels. They have the responsibility to the public to see that the rates are reasonable.

But it seems to me that if the railroads are in the condition that people say they are in today—and I do not question that they are—the ICC, in denying rate increases, is simply saying, "We don't care whether the railroads make it or not. We are going to Congress to bail them out on the problems we helped to create."

Mr. HARTKE. I think the Senator is on the right track. The Senator from Connecticut is right.

I read from page 6 of the report:

> . . . The Penn Central's collapse stemmed from the complex interaction of a number of factors, including questionable management policy, the misdeeds of individuals, Federal regulatory policies and practices. . .

Mr. McCLURE. May I interrupt? When the Senator says "questionable management practices," I like the language of the Senator from Connecticut a little earlier, that maybe some of them ought to be in the clink.

Mr. HARTKE. What we intend to do, hopefully, if the Committee on Rules and Administration goes along with us, is to proceed to an investigation of the regulatory practices. I think it is a good question, a question which should be answered. It is one which should be taken up and thoroughly investigated, and I think it will be.

Mr. McCLURE. I thank the Senator from Indiana for that statement, because it seems to me, again in the language of the Senator from Connecticut, that what we are trying to do is to clear the deck; and part of that should be the abolition of the ICC. If we could get rid of them, we would at least have removed one of the obstructions to progress.

Mr. HARTKE. No. 1, the legislation is needed, whether the rate increase went into effect or not. The amount was increased as a result of the suspension. The reason the ICC gave as to why they did not put in the rate increase was that there had not been compliance with the provisions of the law. It would have provided a national increase.

For example, this type of increase could have increased some of the rates 150 percent in the State of Idaho, which is not directly involved with the Penn Central.

Mr. McCLURE. Is it not true that some of the rail reorganization we are talking about under ConRail will spread the burden of the reorganization of the Northeast railroads nationwide?

Mr. HARTKE. And the benefits.

Mr. McCLURE. And the well-managed railroads and the consumers being served by well-managed railroads will help pay the bill to bail out the badly managed and badly regulated railroads.

Mr. WEICKER. I have one point that relates directly to comments made by the Senator from Idaho vis-a-vis the ICC. I touched on this a month ago when I was arguing this bill.

What really ought to frighten one—we all know the mess the Penn Central is in—but take a look at the return on investment insofar as the healthy railroads in this country are concerned. It is one of the lowest returns on investment of any private enterprise in the Nation. What does that spell out so far as the future is concerned? We are going to end up with a whole kit and caboodle on our hands.

We should look at what is healthy now, and let us keep it healthy.

I do not want to bring that into the Senate Chamber. That is going to take some intelligent action on the part of Government, instead of keeping them in a position in which we have predetermined that these healthy railroads are going to fail 15 or 20 years from now.

Mr. McCLURE. The Senator from Connecticut makes a very valid point, and I think Congress must address itself to that question.

Mr. HARTKE. I want to add one thing. All the railroads in the United States are in support of this legislation, because all of them benefit as a result of this legislation. Let me put it another way: They would suffer immeasurably if the legislation were not passed. Put it either way.

One thing we have to recognize is that even the healthy railroads are not electrifying today, because they do not have the capital. We have a serious transportation problem in this country, and it has to be one which will be coordinated, and hopefully we will get about that business.

In line with what the Senator from Connecticut was complaining about earlier, we have so much unfinished business that we should get on with half of it, at least.

Mr. McCLURE. I say to the Senator from Indiana and the Senator from Connecticut that if the entire Congress had spent as much time working on this problem as have the two Senators I mentioned have done, perhaps we would have found some solutions. But the entire Congress has not done so.

More than 4 years ago, I submitted a resolution, when I was serving in the House of Representatives, asking that we have a nationwide transportation study to determine, before we took further actions, what was the desirable transportation mix in the United States. I had to push very hard to get to testify before the appropriate committee of the other body. Instead of acting on that resolution, they went ahead with piecemeal approaches, such as Amtrak, without any determination of whether that was what we really wanted to do.

We moved into the subsidy for rolling stock, without any determination of whether that was what we really wanted to do. We move into the bailout of Penn Central without determining what our ultimate plan is. We get more millions of dollars involved in this legislation, without determining where we are headed. That is not the fault of the two Senators I have mentioned.

I recognize that I am like a preacher on Sunday morning preaching to all the sinners who are not there. But at some point Congress has to accept its responsibility in the oversight of the regulatory agencies and look at a national transportation policy that, instead of dealing with symptoms, deals with basic problems of transportation. I am sure the Senator from Indiana and the Senator from Connecticut have been making the same speech.

Mr. HARTKE. I agree with that statement.

I would like to put into the Record some figures I cited earlier about what we have been doing in other fields. Taking 1973, on all transportation we spent $28.2 billion, but 86 percent of that went to highways, 10 percent went to air transportation, 3.7 percent went to water transportation, and less than one-quarter of 1 percent went to rail transportation.

Mr. McCLURE. Would the Senator not confess that those figures, by themselves, do not tell the entire story? The majority of the money that went into the highway trust fund comes from user fees of the people using the highways, and the majority of the money now moving into the airport and airways improvement comes from the user fees established by the trust fund, paid by the people who use the airways and airports. Is that not correct?

Mr. HARTKE. Let me say to the Senator that that is partially correct. Let me correct part of it.

Taking the airlines, for example, how do we really decide what is going to be subsidy? The fact is that the airport strips are 75 percent Federal money, not out of trust money. The Weather Bureau is paid by the Federal Government, and the air traffic controllers are paid by the Federal Government. There have been a lot of contributions. I do not think that detracts from the argument that the Senator from Idaho is making or that it does anything except substantiate the need for this legislation.

Mr. McCLURE. It underscores, in my mind, the need not to look to the general treasury for the bailout of the railroads necessarily, although that may be the ultimate answer. It may be that that is what we decide is in the public interest.

However, there is another aspect that bothers me a little about this. Look at what happened to the Penn Central. There have been all kinds of investigations, all kinds of talking, a lot of speeches have been made about Penn Central, and what happened. If there is any railroad in the United States that should be able to operate—a railroad that lies in an area of heavy traffic density, an area of short hauls, of potentially high return—it should be the Pennsylvania or the New York Central. We combined them to bail them out. They merged into the Penn Central, which should have been potentially the strongest railroad system in the United States, and it failed. I think there is a great deal of evidence that the Penn Central management spun off a great many of its assets in order to leave a skeleton to the public to resurrect. I think all of that is abundantly in the record over the past several years.

Now we are going to move in and rescue that system, at the expense of the taxpayers of the United States. During that period of time, certainly the stock values of the Penn Central system—compared with before the merger and after the merger—have gone down. But they still have value. So when we put money into that system to rescue the system for the benefit of the public, we are putting dollars into the pockets of the shareholders of the system.

Mr. WEICKER. No. I think it fair to point out to the distinguished Senator from Idaho that whatever benefit accrues by virtue of these moneys going over to the Penn Central, it is money that they will not recoup when these properties, and so forth, come into ConRail.

Mr. McCLURE. They will not recoup it, but the value of the stock will go up on the stock market, and they can sell it on the stock market and make a great deal of money.

Mr. WEICKER. I will not advise anybody to buy Penn Central stock.

Mr. McCLURE. I will not, either. But if they have to hold on to it, the Government is going to buy them out or increase the value of it by doing a lot of things.

Mr. WEICKER. Well, you know, if you really want to get upset——

Mr. McCLURE. No, I am not upset.

Mr. WEICKER. The Senator has every right to be, and so do I. But if we want to see what they are doing, I think it indicates not only mismanagement but close to criminal activity.

In 1968, after the merger, Penn Central lost $2.8 million, but paid its stockholders $54.5 million in dividends.

In 1969, the railroad lost $82.8 million, but paid dividends of $43.4 million. I mean, that is just incredible. It obviously is a part of the mess that has been left on the stage for others to clean up. I might add, I think it is a very sad chapter in our private enterprise system. It does not speak well for that portion of the business community who engaged in that type of activity.

Mr. McCLURE. I would say to the Senator from Connecticut, I think that does dramatize it. I think there are an awful lot of other parts of the record that fully substantiate the charges that the Senator makes.

Mr. HARTKE. Let me state to the Senator from Idaho that I do want to point out that we are not dealing with that management, and I think the Record ought to be clear on that.

Mr. McCLURE. I understand.

Mr. HARTKE. Under the proceedings of the Federal court, the bankruptcy proceedings, at this time, under the organization proceedings, which have concluded that they cannot reorganize on an income basis, we now have court appointed trustees who are managing the estate of the Penn Central.

We did touch on this matter in the legislation which we wrote, in sections 213 and 215. In both cases, we made sure there would not be any benefits as a result of this legislation which would be paid for twice when the properties are transferred.

Mr. McCLURE. But I would say to the Senator that we cannot prevent it. We can say it, but we cannot prevent it. If we put money into the building up of the roadbed, even though it does not pay off in dividends, the stock value goes up. We put money into rolling stock for the railroads, and the shareholders' value will increase on the market.

I am not suggesting the obvious alternative, which would be that then the Federal Government goes in and buys the whole outfit, based upon the market value of the stock, in order to prevent that. I just want to point out that at this point in time we are permitting them—the shareholders; not management, the shareholders—to hold on to an asset of some value on the market, while we pour money in to increase the value of it, and they will reap that value in the marketplace.

We do it for legitimate motives. I am sure we are not doing it to enhance their value, or bail them out personally. We are doing it because we are concerned about the economy and the viability of the communities served by this system. I recognize that. That is a perfectly legitimate and proper motive for concern of Congress.

But I think we need at the same time to look at the fact that the taxpayers of the country as a whole, who are called upon to make that investment for the benefit of less than the whole, are enhancing the value of an asset that is held in private hands, and we cannot prevent it. At least this legislation does not.

Mr. HARTKE. The assets are not held in private hands. They are now under the jurisdiction of the court.

Mr. McCLURE. They may be under the jurisdiction of the court, but the court does not own the stock.

Mr. HARTKE. Let me say to the Senator that there is an alternative, and that is to nationalize. That would cost the Government about $14 billion. In that case, we do bail out the stockholders.

Mr. McCLURE. We do not bail them out; we just pay them out for their present value, but the stock does not increase in value as it will under this legislation.

Mr. HARTKE. I am not really interested in pursuing the matter, but I think that if the Senator would take the time to look into this measure, he would find that the stockholders would not benefit from this legislation one iota.

Mr. McCLURE. They already have.

Mr. WEICKER. Mr. President, I think the answer is that actually if we had a total liquidation and brought the whole operation to a halt right now, actually, the stockholders would do better than under continuation. I do not think they will benefit from this legislation. I think if they closed the shop tomorrow and sold off everything they had, they would be in better shape.

The legislation is designed to make sure they will not benefit from these moneys, which are geared toward enabling them to continue operations. I have to confess—you see, the difficulty the Senator is having is the same difficulty that I have and the Senator from Indiana has, in that we sort of feel like someone is making us do this, you know, as with a club over our heads, and to a certain extent I suppose that is true, except that we have to understand who constructed the club, and that is what was referred to by the distinguished Senator from Indiana when he said it was a combination of mismanagement and of Congress not coming up with a comprehensive plan, as the Senator from Idaho was calling for 4 years ago. All of these things are what constitutes a club over our heads.

I must say to the Senator from Indiana that insofar as rail passenger traffic is concerned, I think that nationalization is not only the answer, I think it is in effect right now. We have, in effect, government transportation. The National Department of Transportation, the State transportation authorities, and Amtrak, in effect, amount to nationalization. I know the word is not popular, but it is, in essence, the same effect, and the Government runs the rail passenger service today.

It would be my hope that the stronger elements of the Penn Central system would be absorbed by the healthy rail systems in this Nation, and there would be a minimum of governmental involvement when we reach the end of this particular road. But all I can say is that insofar as any enrichment of individuals is concerned, we have tried to be very careful not to do that, and it is my belief that if the whole operation came to a halt tomorrow, really, the creditors probably would do better than by continuing this thing in operation.

Mr. McCLURE. The officers have already sold off most of their fixed assets. Penn Central got rid of most of its fixed assets; what do they have left to sell, except some deteriorated roadbed and some antiquated machinery that they say we have to replace for them?

Mr. WEICKER. They have some real estate left, which constitutes the roadbed, but I agree with the Senator.

Mr. McCLURE. They will sell that off in the bankruptcy sale, probably, for much less than the book value of their stock.

Mr. WEICKER. In the meantime, the problem is, as the Senator from Indiana and I have both stated, if we let them go out of business tomorrow, it is not as if—no recent corporate failure comes to mind, but if we were just a corporation that involved only the employees of that corporation, it is bad enough for the employees to be involved, but at least it would not affect so many other corporations.

But that is the problem here. We do not worry about Penn Central, but I do worry about the lines you have coming from the West; and that corporation and those personnel are needed by those rail lines to function properly. It is an integrated network. Unfortunately, half of it is rotten and the other half, if it is to survive, still depends on the rotten portion.

Mr. McCLURE. What the Senator is saying is that the rail system cannot survive half rotten and half free; the question is whether we rot the whole thing or free the whole thing, in my mind.

The Senator has said one of the alternatives might be the nationalization of the system. It seems to me that unless we really know, not just guess but really know that what we are doing will lead to the independence of the rail system, what we are seeing now is nationalization by inches, rather than confronting the question at the outset.

Mr. WEICKER. I agree.

Mr. McCLURE. As to whether or not that is what we want.

Mr. WEICKER. I agree. That is exactly what is going on. That is exactly the point. The Senator was correct when, 4 years ago, he asked to have a comprehensive look at the whole situation and come up with solutions.

We should know now what is the comprehensive condition of the rail system of the United States going to be in 1995.

Mr. McCLURE. I agree with the Senator.

Mr. HARTKE. But we do not. We do not have the facts. That is why we must do this. The fact is, we do not know and no one else knows, and that is a deplorable situation. I agree. We are going to try to find out, and if the Senator will help us we will find out.

Mr. McCLURE. I certainly will, and I say again as I said earlier, I know that if the Senator from Indiana and the Senator from Connecticut had their way, if we were doing what they suggested, we would not be in quite the same dilemma as we are facing today.

The fact is that the fellows who are not here today, the Congress itself, the procedures within Congress that make it difficult to move, and all the complex pressures from outside Congress that prevent movement are the real culprit, because we will not take the actions we ought to take.

I thought the Senator from Connecticut made a very good point earlier today when he was suggesting that instead of Congress spending all its time on some things that are relatively less important, it should be spending some of its time here working on these problems.

I have been concerned. As I look at the condemnation of the regulatory system—and it is breaking down—as I look at the condemnation of the congressional system—and it is too cumbersome—and as I look at the public reaction against political delays that stifle the possibility of any solutions moving through the governmental process, I have to conclude that it is not working.

Then I look at the system that is proposed by some to set up new bureaucracies to supervise the old bureaucracies, and they completely fail to put their finger on the reason that the present system is failing, which is that it is the nature of bureaucracy to fail.

So when they want to set up a new bureaucracy to supervise the old one they are only simply adding another layer of failure on top of the present layers of failure, without doing one thing to solve the fundamental problem. One of the fundamental problems of the regulatory agency that will not be solved by creating another layer of bureacracy is the failure in the halls of Congress to exercise the reasonable oversight of the regulatory functions that we have delegated to regulatory agencies.

Mr. WEICKER. I agree. I agree with the distinguished Senator from Idaho as to oversight of the regulatory agencies. But I also want to say one other thing as it applies to Congress. It has nothing to do with priorities as to whether you want highways in Idaho, et cetera. I do not want to get into that argument. The Senator knows what their transportation needs are, and Connecticut knows what its transportation needs are. But one matter which I think has been very much of a dead hand on a long-range transportation policy as far as Congress is concerned is the concept of the trust fund, because it does not make us look at our transportation needs year by year.

It just sets up an automatic pilot and, whereas, maybe you have more need having to do with the highway in Idaho, we do not need any more in Connecticut, we need mass transit instead. So all I am saying is conceptually, regardless of whether you agree as to where the money should go, whether it should go for highway or mass transportation, Congress is passing over to its entity its duties and obligations to review the transportation needs, present and future, of this country.

I could not agree more. Every year we should be in here, and that is what our committee should be doing. They should be asking what are the transportation needs. Instead we say, "Do not worry, we set up a percentage over here, and this is the way it is going to go." So we do not worry either as to what the actual needs are or are going to be, and I think if those two things were done, as the Senator from Idaho has suggested, the regulatory agencies really get a good hard look and oversight and, No. 2, Congress does its job of every year coming in here and grasping the transportation needs of the country and applying its energies and its knowledge to these needs, believe me, we would not have this bind. But neither of these things has been done, and both should be done.

Mr. McCLURE. I thank the Senator from Connecticut.

I have a slightly different view of the trust fund. I would agree totally with what he said if the trust fund were merely a dedicated fund, a dedicated fund in which a proportion of general funds of the Government were set aside into a trust fund for a specific purpose. That kind of earmarking of revenues simply is a confession of a failure of the legislative process. It has not set the priorities.

Mr. WEICKER. Sure.

Mr. McCLURE. The highway trust fund, created during the Eisenhower administration, was not quite that because it levied a special tax on a special group of the people for a special purpose, and said, "We will segregate that for that purpose."

Now, I agree with the Senator that we ought to look at that to see whether that purpose still has that priority and whether the trust fund is justified.

Mr. WEICKER. That is all I am saying because, for instance, in Connecticut our motorists pay their share into that fund. But if you were to ask them what they want done with their money, they would actually say, "We want you to build some trains and some bus systems in our State." I mean the motorists would say that. That probably would not be the case in the expanses of the West, and so forth. The need is still there for highways.

So we just should not avoid our own responsibility by being able to pass it over and by saying that is the trust fund over there.

No, it is Senator McClure, Senator Weicker, Senator Hartke; it is our job to look at the problem and determine what the priorities are going to be, not some artificial entity.

Mr. McCLURE. If the priorities are not set properly or get out of date, that is the responsibility of Congress.

Mr. WEICKER. Not only the responsibility of Congress, but then you are here with the Penn Central matter on your hands. That is basically what happened, because we did not look at our rail systems in this country. We did not come up 4 years ago with a comprehensive plan, so we are sitting here in this quagmire.

Mr. McCLURE. Well, I am concerned too, about the failure of the regulatory agencies to properly supervise, to properly exercise their responsibility, and properly evaluate the industries which they regulate. Because we have not, we are here bailing out rather blindly, because of some regulatory inadequacy in the past, as a part of the reason.

There are a number of people who are now saying that the ultimate solution for Con Ed's problem—and I think there is a beautiful parallel between Con Ed and ConRail—the taxpayers are getting conned into bailing out the problems of all private enterprise.

The blame for the problems of Consolidated Edison today is myriad, but two of the major problems that Consolidated Edison faces are the direct results of bad government regulation and too much government regulation, and similarly in Penn Central.

We may indeed be seeing some of the same thing, bad government regulation and too much government regulation which was designed initially for the very legitimate and very laudable purpose of protecting the public interest, and it has not protected the public interest. It has subverted the public interest by the processes which they applied, which brings us to this point.

This is not quite the same situation as where we tried to bail out Lockheed with massive loans, a proposal which I resisted, or the attempt made to bail out Grumman Corp., which, happily, did not succeed. They have some aspects of the same kind of reactions on the part of Congress saying, "We cannot let it fail no matter what the cost because the social consequences are too great."

We kept military bases running long beyond their need because of the social consequences of closing down the military base.

So we have some of that involved in the current controversy here today. But it goes far beyond that in the failure of the regulatory process, and the failure of Congress to address itself to the problem.

Again, I know that my colleagues in the Senate are not apt to pick up the Congressional Record tomorrow or Sunday or even Monday to read these very profound statements that the Senator from Indiana, the Senator from Connecticut, and the Senator from Idaho are making, so maybe this is just an exercise in futility. But somewhere, somehow, the people of this country have to get the message through to their Representatives in Congress that they are sick and tired of a government that no longer can address itself to the problems of this country, and a Congress that, by its procedures and by the fact that the Government itself has become so large and so all involved, can no longer adequately look at it, the people of this country are sick and tired of the messes we constantly get into because of the failures of the Congress of the United States.

The buck stops here so far as governmental programs are concerned. The responsibility lies here to see that we do not get into the kind of messes that we have.

Two of the problems that Penn Central faces are the direct result of governmental programs that did not adequately assess the impact. One we have discussed somewhat was the regulation of rates. Another one was the environmental concerns that we very properly addressed as we forced industries out of the use of coal and into the use of alternative energy.

One of the largest dollar generators for the Penn Central system lay in the transportation of coal from the place it was produced to the place it was consumed. And we, in the Congress of the United States, without assessing that impact, adopted policies that forced that segment of their business to be completely abandoned.

I am not saying that the action that was taken in order to protect the environment was wrong. But I am saying that Congress did not adequately assess the question of the impact that would be caused upon the Penn Central and upon other segments of the economy by the actions that we were taking that dried up the flow of coal from West Virginia coal mines to the industries of the Northeast; that dried up the flow of that commerce that provided a great deal of the dollars that would have made Penn Central a more economically viable industry than it has been.

I really am very much concerned that what we are dealing with here today is only an attempt to get by some of the problems that we have helped to create, dealing only with symptoms and not with fundamental causes, and that Congress is not yet ready to look at the fundamental causes in order to find some fundamental cures, so that we do not have to come back a year or two or three or five or ten years from now, putting more millions of dollars into a system which still has no solution, that we nationalize the industry by inches, and we end up doing something that, when it is all done, saying, "Gee, we are sorry we did not know we were doing that."

The Senator from Indiana, I am certain, will continue to exercise the leadership he has; I am sure the Senator from Connecticut will continue to be outspoken, as he has been, about this particular problem. I just hope that somewhere, somehow, the American people get the message and demand the action that will motivate some others to at least look at the problem if they do not read the Congressional Record.

Mr. HARTKE. I thank the Senator from Idaho for those remarks. We will do the best we can. That is all I can promise him.

Mr. President, I now move that the Senate concur in the amendment of the House.

Mr. ALLEN. The Senator makes this motion for the purpose of argument; is that right?

Mr. HARTKE. Yes; I would like to make the motion, sir, to have this in front of us so that we have taken care of all the technicalities in the event we come to the place where we can vote, so all we have to do is vote.

Mr. ALLEN. Very well.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Nunn). Without objection, it is so ordered.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. What is the pending business?

The PRESIDING OFFICER. The pending business is a motion by the Senator from Indiana to agree to the House amendment in the nature of a substitute, S. 281.

Mr. HELMS. I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, appoints the Senator from Indiana (Mr. Bayh) and the Senator from Illinois (Mr. Percy) to the National Commission on the Observance of International Women's Year, 1975.

ORDER OF BUSINESS

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Bumpers). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Stone). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I wonder if the distinguished Senator from Alabama would allow us to vote at a time certain this afternoon on the pending business, which has to do with the Penn Central Railroad.

Mr. ALLEN. In answering the distinguished majority leader, some reference was made earlier in the day that we might vote on this and then recess over until Monday, and that is agreeable, of course, with the Senator from Alabama, under certain conditions.

I might state that I want to see action taken on this bill.

I am not going to vote against it, but I want to see the Senate act. I have felt that we should first dispose of Senate Resolution 4, inasmuch as the proponents of that measure have given it a top priority, a priority ahead of the Penn Central bailout. It is not the Senator from Alabama who has caused this impasse. If Senate Resolution 4 is out of the way, then there would be no reason why this could not be acted upon at once.

I did make this proposal to the distinguished majority leader, and it has something to do only with the procedure on Monday:

Item No. 1: Pass the Penn Central bill.

The rest of it has to do merely with the procedure that would take place on Monday, that before we would recess, to allow the Senator from Alabama to move to bring up one of the items on the calendar. He is not particular about which one.

Then waive the Pastore rule for Monday, the reason being that on these other matters it will probably be hard to make a germane talk for 3 hours on one of these proposals.

Then agree that the Senator from Alabama would be recognized on Monday after the two leaders.

We would recess today, rather than adjourn, and Monday we would come in at 12 and adjourn not later than 5:30.

It seems to me if this Penn Central issue is so critical, and the Senator from Alabama agrees that it is and wants to see action on it, this is certainly a fine way to resolve this issue. I had thought that it would certainly meet with the approval of he distinguished majority leader.

Mr. MANSFIELD. Mr. President, I appreciate the comments and the suggestions made by the distinguished Senator from Alabama. It is my intention to move, at an appropriate time, that the Senate stand in recess until the hour of 12 o'clock noon Monday next.

May I say that I, too, am opposed to the pending legislation, and feel that the Congress has been placed in too tenuous a position too many times relative to Penn Central for the second time, and Lockheed, Grumman, and other measures previously.

However, I believe that the leadership has gone as far as it can in making stipulations, as, for example, asking unanimous consent that the distinguished Senator from Alabama be recognized this morning at the conclusion of the remarks, if any, made by the joint leaders.

I would be constrained to object in my capacity as majority leader, and regardless of my personal feelings on this or any other matter, to any agreement which would take up another matter on the Calendar outside of the pending business or Senate Resolution 4, having to do with rule XXII, or to make a habit of giving any Senator special consideration for recognition, except on an occasional basis. That occasional basis has been met and, I think, fulfilled to the extent necessary at this time.

I do not think it will do us much good to try and arrive at any bargains or stipulations in the future. I believe that the leadership responsibility entails upon me to lay out in some detail what I have just said: that we will stay with this matter, Senate Resolution 4 having to do with rule XXII; that in the leadership's opinion there should be no diversions to other legislation except under unanimous consent, and that there should be no special consideration given to any Senator insofar as recognition on a day certain, at a time certain, approximately, is concerned.

I would point out that recognition, generally speaking, is a matter of the Chair recognizing the Member who is first on his feet; that as far as the leadership is concerned that is a courtesy which has been extended for some years by the Senate to the leadership at the opening of each session.

Incidentally, if the floor is open, it is a courtesy extended to the joint leadership during the course of the proceedings of this body.

Most respectfully, I would say to the distinguished Senator from Alabama that I feel that I have no choice in the matter; that I should lay my cards on the table as I see them in my responsibility as the majority leader; that the Senate should be informed of what I have just said, both orally to those present and in the record for those who are unavoidably absent at the present time.

I would hope that it would be possible to reach some agreement to vote on the pending legislation, which I understand is of the highest importance as far as the economy of a large part of the country is concerned, so that we could vote today.

If we cannot reach an agreement, it would be my intention to move that the Senate stand in recess until 12 o'clock noon Monday, to let Senators take their chances on being recognized and to operate on that basis insofar as these two measures—and, most specifically, Senate Resolution 4—are concerned until these matters are disposed of one way or the other.

Mr. ALLEN. I thank the distinguished majority leader.

Mr. MANSFIELD. Is there any chance, may I ask the distinguished Senator from Alabama, of arriving at a vote on the pending legislation this afternoon?

Mr. ALLEN. I would doubt it very much.

Mr. MANSFIELD. Mr. President, I move that the Senate stand in recess until the hour of 12 o'clock noon Monday next.

Mr. WEICKER. Will the distinguished Senator withhold that request?

Mr. MANSFIELD. I withhold.

Mr. WEICKER. I certainly respect the opinions of the leadership, and I do not want to get involved in what their deliberations are. But I do know this: I have already commented upon the fact that we have many urgent matters before us. For whatever reason we are not acting upon them—and very frankly I cannot attribute our inaction to the distinguished Senator from Alabama; there are a lot of other factors that cause us to delay—I would wonder why we are waiting until Monday; why the Senate does not go into session tomorrow.

Mr. MANSFIELD. I would be delighted to come in tomorrow. In suggesting Monday, I thought I was implying what I interpreted to be the wishes of the joint managers of the bill. If the Senator would like to come in tomorrow, I would be most happy to modify my suggestion.

Mr. WEICKER. I know the distinguished Senator from Montana is here all the time. I want to make that clear. He is always in the Chamber.

Mr. MANSFIELD. Not always, but sometimes.

Mr. HARTKE. Will the Senator yield for a moment?

Mr. MANSFIELD. Surely.

Mr. HARTKE. I really think it is unfortunate what is happening here, on two scores.

One is the parliamentary procedure, and I say it with all due deference.

The other is one which I think is perhaps even more important, and that is the fact that somehow the impression is being left with some Senators that the pending legislation is only going to be helpful to a part of the country. That, I think I can state unequivocally, is not the case. The pending legislation is of major importance to the entire country, to each and every State and each and every locality of the Nation.

The second thing, which is even more disturbing to me and should be more disturbing, perhaps, to the Government, the whole Government, is that the situation is not one of just trying to take care of a corporation. This is taking care of a situation, not a corporation, because of the consequences of a shutdown of our rail system. It is the court trustees who are in charge of a transportation system which is operating under chapter 77 of the Bankruptcy Act.

I have been tempted a number of times to walk away from this matter—I am more tempted than ever—and to permit the chips to fall where they may, and not worry about it. I know that the consequences, within less than a week, will be of such severe nature to this country that I do not think any Senator could stand on the floor of the Senate and say he is going to allow it to happen simply because of a parliamentary impasse.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. MANSFIELD. As the distinguished Senator from Alabama knows, while I favor three-fifths of those present and voting, as envisaged in Senate Resolution 4, I am opposed to a straight majority vote to invoke cloture.

Mr. ALLEN. I know that.

Mr. MANSFIELD. Also, I did not vote for the Penn Central funding some weeks ago, nor for the other funding measures which were brought before the Senate during the past several years, because I do not think the Senate is a body which should face up to these particular difficulties on a hit and run basis.

That is why I have advocated, for example, the re-creation of an RFC, or something approximating it, so that these matters could be taken to a body, a bureau, an agency fully qualified to look into them, to arrive at reasoned judgments, rather than to have 535 Members, on a hop, skip, and run basis, arrive at decisions involving hundreds of millions of dollars.

So far as any blame for any delay is concerned, I am willing to assume that, because I think that is part of the job I happen to hold. But I do so only on the basis of laying out the matter for the entire Senate to see and to understand what my position is on these two measuers and that I do want quick consideration of both. I want to dispose of both, one way or the other, and the only way I can do it is to state my position and have the record bear me out.

Mr. HARTKE. Mr. President, I think there is a great misunderstanding as to what is going on here. That system is set up. It was set up when we passed the Regional Rail Reorganization Act. The preliminary system plan will come out on February 26. The final system plan comes out in July. Next year at this time, ConRail is supposed to be operating these railroads. It will be, hopefully, a better system than the Reconstruction Finance Corporation, because it is a system, hopefully, which can be made to operate on a private enterprise basis and make money.

However, in the meantime, we are faced with the proposition that the payroll is not going to be met—under the management of the trustees, not under the former management of the Penn Central. The payroll is not going to be met on next Monday and Tuesday. If the payroll is not met on next Monday and Tuesday, the railroad closes down. The stockholders do not care. The creditors do not care. They have tried to stop this law from going into effect.

What we have here is a matter of providing enough sustenance, enough food for this transportation operation to continue until a year from now.

Mr. MANSFIELD. It is a matter of personal opinion so far as both of us are concerned, and I certainly respect, as I always do, the opinions of the Senator from Indiana, who knows far more about this matter than I do.

However, despite my feelings on the matter, on both proposals, I would like to see them brought up and disposed of one way or another as expeditiously as possible. That is why I made the statement. I certainly do not impugn anyone's motives.

I recognize, from what I have read in the newspapers, the tremendous impact this will have. I think it is a bad precedent, which we are adding to as time goes on, by considering it too often in this Chamber and the other body, when, in my opinion, it should be before some sort of permanent institution or office or agency.

Mr. HARTKE. I understand what the Senator is saying.

The Senator from Connecticut and I have said that if somebody has an alternative which is acceptable, we will be willing to join.

Mr. WEICKER. I think we share the same uneasiness that has been evinced by the Senator from Montana.

I ask the distinguished Senator from Alabama if there would be the possibility of coming to a vote on this matter tomorrow, were the Senate in session.

Mr. ALLEN. The Senator from Alabama would not care to speculate on that. A lot of things might happen. The proponents of Senate Resolution 4 might decide that the beginning of the session has ended; they might withdraw Senate Resolution 4. I do not know what is going to take place tomorrow. If the situation remains the same tomorrow as it is today, I would say there is no chance of passing the bill on tomorrow. Looking a little further into the future, I would say that there would be an excellent chance, so far as the Senator from Alabama is concerned, that the Penn Central matter would come to a vote on Monday.

Mr. WEICKER. I now direct my comments to the distinguished majority leader.

I honestly hope that, in order to give some substance to our credibility as leaders of this Nation, we would stay at this matter until it is resolved. I find it a little difficult to say, but in this Chamber we have one of the greatest crises ever confronting the country, and everybody takes off for the weekend. A great deal has been building up in me on this matter. As I said before—I do not think the distinguished majority leader was in the Chamber—the fact is that, for example, we have yet to address ourselves to the energy crisis which commenced in October of 1973, and here it is February of 1975.

Several of us have worked our backsides off to get some facts before the American people as to the abuses of government, and we have yet to pass one piece of legislation on that factfinding. Now we sit here with this crisis.

Listen, all I am saying is, never mind what we do in the way of surface show. I think it is time we set an example. A lot of people are out of work. If this measure is not passed, more people will be out of work.

If it means that we have to be here and keep our noses to the grindstone, I suggest that is what we should do.

I happen to know—whether it is energy or what have you—that the Senator from Montana has been the greatest in insisting that we do these things. But I am very uneasy about leaving this matter, which I have been led to believe is urgent, and letting it hang, while we go to our various delights, whatever they happen to consist of, during the next 48 hours.

Mr. MANSFIELD. Mr. President, I agree with the distinguished Senator.

[The following routine morning business was transacted today by unanimous consent:]

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Vice President laid before the Senate a message from the President of the United States submitting the nomination of Wiley T. Buchanan, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Austria, which was referred to the Committee on Foreign Relations.

REPORT OF THE CORPORATION FOR PUBLIC BROADCASTING—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was referred to the Committee on Commerce:

To the Congress of the United States:

I hereby transmit the Report of the Corporation for Public Broadcasting for the Fiscal Year ending June 30, 1974. This report reflects real progress made in fulfilling the promises of an independent Public Broadcasting System foreseen in the Public Broadcasting Act of 1967, which created the Corporation.

GERALD R. FORD.

THE WHITE HOUSE, *February 21, 1975.*

MESSAGE FROM THE PRESIDENT

Under the order of February 20, 1975, a message from the President of the United States submitting the nomination of Carla Anderson Hills, of California, to be Secretary of Housing and Urban Development was received on February 20, 1975, during the adjournment of the Senate, and was referred to the Committee on Banking, Housing and Urban Development.

MESSAGE FROM THE HOUSE

At 12:10 p.m., a message from the House of Representatives by Mr. Barry, one of it reading clerks, announced that the House has passed the joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION TO AMEND THE DEFENSE APPROPRIATION AUTHORIZATION ACT OF 1975

A letter from the General Counsel for the Department of Defense, transmitting a draft of proposed legislation to amend the provisions of the Department of Defense Appropriation Authorization Act of 1975 which provide for the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes (with accompanying papers); to the Committee on Armed Services.

ANNUAL REPORT OF THE COMPTROLLER OF THE CURRENCY

A letter from the Comptroller of the Currency, transmitting, pursuant to law, the 1973 annual report of the Comptroller of the Currency (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

REPORTS OF THE DEPARTMENT OF THE TREASURY UNDER THE MERCHANT MARINE ACT

A letter from the Secretary of the Treasury, transmitting, pursuant to law, reports regarding its activities under the last proviso of section 27 of the Merchant Marine Act, 1920, as amended (with accompanying papers); to the Committee on Commerce.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "An Appraisal of the Special Summer Food Service Program for Children," Food and Nutrition Service, Department of Agriculture (with an accompanying report); to the Committee on Government Operations.

PROPOSED LEGISLATION TO INCREASE APPROPRIATION AUTHORIZATION RELATING TO THE VOLUNTEERS IN THE PARKS PROGRAM

A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to increase the appropriation authorization relating to the Volunteers in the Parks Program, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF THE ARCHITECT OF THE CAPITOL

(S. Doc. No. 94–28)

A letter from the Architect of the Capitol, transmitting, pursuant to law, a report of all expenditures during the period July 1, 1974 through December 31, 1974, from moneys appropriated to the Architect of the Capitol (with an accompanying report); ordered to lie on the table and to be printed.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 210) making further urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. INOUYE:

S. 784. A bill to authorize the Secretary of Commerce to sell two obsolete vessels to Kailua Tug and Barge, Inc., and for other purposes. Referred to the Committee on Commerce.

By Mr. TALMADGE:

S. 785. A bill to suspend until June 30, 1976, the duty on catalysts of platinum and carbon used in producing caprolactum. Referred to the Committee on Finance.

By Mr. SPARKMAN:

S. 786. A bill for the relief of Concrete Industries (Monier), Ltd. Referred to the Committee on the Judiciary.

By Mr. McCLURE:

S. 787. A bill to amend the Act of December 27, 1950. Referred to the Committee on Commerce.

S. 788. A bill to suspend for a temporary period of time the provisions of Section 27 of the Merchant Marine Act, 1920, in order to permit, under certain circumstances, vessels of foreign registry to transport fertilizer necessary to the production of agricultural commodities from Alaska to the West Coast. Referred to the Committee on Commerce.

S. 789. A bill to prohibit increases in rates of pay to Members of Congress until fiscal balance is achieved. Referred to the Committee on Post Office and Civil Service.

S. 790. A bill for the relief of Jose Ramon Santa Maria. Referred to the Committee on the Judiciary.

By Mr. FONG:

S. 791. A bill for the relief of Antoinette Hazel Gopaul. Referred to the Committee on the Judiciary.

By Mr. TUNNEY (for himself, Mr. BAYH, Mr. CANNON, Mr. CASE, Mr. CHURCH, Mr. CLARK, Mr. DOLE, Mr. EAGLETON, Mr. PHILIP A. HART, Mr. HATHAWAY, Mr. HOLLINGS, Mr. HUMPHREY, Mr. JAVITS, Mr. MATHIAS, Mr. MONDALE, Mr. MONTOYA, Mr. MOSS, Mr. PELL, Mr. PERCY, and Mr. RANDOLPH):

S. 792. A bill entitled the Part-Time Career Opportunity Act. Referred to the Committee on Post Office and Civil Service.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INOUYE:

S. 784. A bill to authorize the Secretary of Commerce to sell two obsolete vessels to Kailua Tug & Barge, Inc., and for other purposes. Referred to the Committee on Commerce.

Mr. INOUYE. Mr. President, today, I am introducing a measure designed to assist our mid-Pacific fishing fleet. This bill authorizes the Secretary of Commerce to sell two obsolete Navy tankers to Kailua Tug & Barge, Inc., of Honolulu. The mid-Pacific American fishing fleet is in need of assistance, and this measure will provide such help without cost.

The Kailua Tug & Barge Co. wishes to buy and refurbish the two tankers for use in Pacific fishing operations. The company will buy the vessels for their appraised value for operation or for scrap purposes only.

Mr. President, I ask the Senate to act expeditiously on this measure.

By Mr. SPARKMAN:

S. 786. A bill for the relief of Concrete Industries (Monier), Ltd. Referred to the Committee on the Judiciary.

Mr. SPARKMAN. Mr. President, I am introducing a bill providing for the relief of Concrete Industries (Monier), Ltd., an Australian company.

This Australian company was a joint venturer with an American construction company on a contract with the U.S. Navy providing for the construction of an elaborate VLF radio communication facility at North West Cape, western Australia. The construction of this facility by our Navy on Australian soil was permitted by treaties entered into between the United States and Australian Governments in May of 1963.

During early stages of contract performance, the American company suddenly and unexpectedly became insolvent and was no longer able to continue with the project. Prior to its collapse, the American company had by far the major interest and responsibility in the joint venture and the Australian company had no control over matters of policy and policy and contract administration. After the collapse of the American company, the Australian company completed the contract in accordance with all contractual requirements but at a substantial financial sacrifice.

On April 30, 1970, in the 91st Congress, 2d session, I introduced a relief bill (S. 3779) on behalf of this Australian company, together with a resolution (S. Res. 400), seeking the referral of the matter to the U.S. Court of Claims for a determination under the provisions of title 28, sections 1492 and 2509, United States Code. The purpose of this procedure was to determine whether our Government had any legal or equitable liability to that company under these circumstances. The resolution was favorably reported by the Committee on the Judiciary and unanimously passed.

The claim was docketed in the U.S. Court of Claims as congressional reference case No. 6–70, and extensive evidentiary hearings have been held upon it in Australia and in the United States by the Senior Trial Commission. Following those hearings, the Senior Trial Commissioner entered his lengthy and most complete findings of fact and opinion by which it was recommended that the sum of $1,022,714 be paid to Concrete Industries (Monier) Ltd., in order to satisfy the equitable liability of the U.S. Government to that company.

On December 13, 1974, the Review Panel of the U.S. Court of Claims adopted the opinion of the Senior Trial Commissioner in finding that "the total amount equitably due Concrete Industries (Monier), Ltd., from the United States is $1,002,714" and so reported to the U.S. Senate.

I am advised that the Department of Justice, which defended the claim throughout on behalf of the U.S. Government, requested the Review Panel of the U.S. Court of Claims to adopt the opinion of the Chief Trial Commissioner and therefore has no objection to the passage of this appropriation bill. I am further advised that our State Department, which has followed these proceedings closely, strongly favors it and that the Australian Government has officially communicated its interest in having the amount paid as promptly as possible now that the appropriate U.S. tribunal has determined that it is equitably due.

Now that Concrete Industries (Monier), Ltd., has followed the procedures provided by the statutes of this country in proving that it is entitled to equitable relief in the amount of $1,022,714 resulting from the satisfactory performance of a contract with our Navy Department, it is only right and proper that Congress appropriate the amount provided for in this bill.

By Mr. McCLURE:

S. 787. A bill to amend the act of December 27, 1950. Referred to the Committee on Commerce.

S. 788. A bill to suspend for a temporary period of time the provisions of section 27 of the Merchant Marine Act, 1920, in order to permit, under certain circumstances, vessels of foreign registry to transport fertilizer necessary to the production of agricultural commodities from Alaska to the west coast. Referred to the Committee on Commerce.

Mr. McCLURE. Mr. President, I am pleased to report that farmers and food consumers can claim a limited victory in the administration's decision last November to allow shipments of anhydrous ammonia, from Alaska, to land in the Pacific Northwest. It must be just as puzzling to you as it is to me why any American would oppose such shipments, but the facts show that such opposition did exist.

When it became certain early in 1974 that fertilizer—particularly anhydrous ammonia—would be in short supply, I requested that the administration grant a waiver to the so-called Jones Act to allow available additional supplies to be brought in from Alaska. The Jones Act is intended to protect American seamen and shipping from foreign competition. I have always supported a strong domestic maritime fleet and will continue to do so. In this instance, however, there were no additional available American ships, so a waiver would mean no loss of jobs or cargoes for our domestic seamen and their ships. There was immediate opposition, however, from both the U.S. Maritime Administration and the maritime unions. In addition, the Secretary of the Treasury was prohibited from granting a waiver due to Congress wording of the act. Congress specifically stated that an administrative waiver could be granted only in instances threatening "national defense." For that reason, I introduced a bill for a legislative waiver. There is considerable precedent for such a waiver, since the Congress has previously passed waivers for such purposes as shipping coal from Canada to New York, for shipping lumber to Puerto Rico, and carrying passenger's between Canada and Alaska. Obtaining much needed fertilizer for our farmers was certainly as important as these. Unfortunately, my bill was not reported from committee.

After months of legislative inaction, the available additional supplies in Alaska were sold to Mexico, due only to the Congressional prohibition against using foreign ships, even though additional U.S. ships were not available.

In October of last year, however, the only U.S. barge that had been transporting fertilizer sunk. I immediately urged reconsideration of the administration's decision that the "national defense" criteria—established by Congress—had not been met. After a careful reexamination, the Secretary of the Treasury—acting on a request from the Secretary of Agriculture—granted an administrative waiver so that a foreign ship could resume shipments of the critically needed fertilizer. At the same time, I urged that the Senate Commerce Committee take action on my bill as soon as the Congress reconvened. This would remove any doubt or challenge as to the validity of the administrative waiver for purposes of "national defense." In the meantime, I have urged that the maritime unions support the administration's decision, so that our farmers can continue to receive the anhydrous ammonia.

Idaho, for one, is fortunate in having a major fertilizer supplier. The Fertilizer Division of Simplot is working hard to increase their production capacity, and the 1975–76 projected shortages will undoubtedly be eased by their efforts. I am hopeful that more Americans—especially those in the urban areas of the East—will begin to understand the importance of fertilizer, not only for their own food supply, but also as it affects the United States economic picture in foreign trade. And, of course, in this time of increasing concern about mass starvation in several parts of the world, it behooves all Americans to more fully appreciate the importance of our farmers, ranchers, and the industries which support them.

Today I am introducing two proposals to help the farmers of the Pacific Northwest meet their goals of increased food production.

The first proposal will provide legislative backing for the administrative waiver granted last November. This is a temporary waiver, subject to the same conditions and limitations as regards the preference for American vessels. At such time as a U.S. ship becomes available, then the waiver is terminated. This provision will protect against any possible loss of jobs for American seamen.

The second proposal will enable the Secretary of the Treasury to grant an administrative waiver if it is necessary to assure adequate food supplies.

I ask unanimous consent that two articles describing the seriousness of the fertilizer situation be included in the Record, one from the Idaho Statesman of January 17, 1975, and the other from the Journal of Commerce of January 13, 1975.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Idaho Statesman, Jan. 17, 1975]

FERTILIZER FIRMS FACE LOW STOCK, BIG DEMAND

(By Bob Lorimer)

The fertilizer industry finds itself with low inventory and strong demand, with projected plantings of record wheat and corn crops a major factor in the national picture.

"We are growing increasingly concerned over fertilizer availability for spring of 1975," said Edwin M. Wheeler, president of The Fertilizer Institute, in a spring outlook statement.

Treasure Valley dealers are well aware of the problems and are taking measures to conserve elements being supplied under company allocations in order to help customers get through the time of imbalance.

"Great pressure" will be put on ammonia producers for every tone of nitrogen, Wheeler said, adding:

"Each company continues to allocate nitrogen, phosphate and potash. We simply aren't getting appreciable buildup in inventories to meet the traditional spring surge. It is extremely difficult to make an allocation system work when inventories are so low."

At least one exception to the nitrogen pressure is the Fertilizer Division of Union Seed Co., Nampa, since ammonium nitrate is basic to Chevron Chemical Co., with whom the Canyon County outlet is affiliated.

James Kotter, Union plant manager, said their supplies should be adequate if proper management is considered both by his company and the farmer-customer.

He said they advocate a careful soil testing program and do not put an extra pound of nitrogen on the ground if the soil test indicates it isn't necessary for the year's crop.

They are definitely not working on long-range soil buildup programs during the current period of shortages, Kotter said.

He described the supply of phosphate as "critical," requiring a close look at customer soil needs, even recommending cutbacks if they can be made safely.

The emergency has had its benefits, Kotter said, eliminating slipshod soil-improvement practices and stressing in addition to soil testing, good agronomics, conservation and cultural practices.

Although potash supplies are adequate at the time, Kotter predicted general supplies would become short. He said the area soil tends toward having a natural supply of potash and Snake River irrigation water also contains the compound.

Don Pfost, manager of Producers Supply Co-op, Inc., Nampa, said they will probably get enough fertilizer ingredients for their regular customers but not enough for new ones.

Nitrogen has been a particular problem, Pfost said. The co-op, which serves customers from Boise to the Oregon boundary, is now being allotted 80 per cent of the 1972–73 supplies.

Pfost said, the problem may be compounded by a shortage of rail cars.

Cominco American of Nampa is not following a hard and fast rule about not taking on new accounts, especially when they happen to be "long on" a certain fertilizer element.

"But we're taking the longest look at old customers," said manager Carl Budell.

Budell agreed nitrogen is "vital" in the fertilizer picture at this time. He also said his potash supply from Canada is costing more due to such factors as the rate of dollar exchange.

Cominco American, a mining operation, obtains nitrogen supplies from tradeoffs with other companies.

Bob Cook of Wilder, who deals on a brokerage basis with fertilizer elements, said he was surprised at the continuing tight supplies with nitrogen looking a "little tighter" than last fall.

"What is available will be of a higher price," he said. "Phosphate is bad but potash is, by far, the most available. You just can't tell what is going to happen. Manufacturers haven't said."

Cook, who deals as far as the Midwest, said shortages are spotty in different sections of the country.

Using November, 1974, inventories (the latest available), Wheeler compared them to 1973 and 1972. According to these figures anhydrous ammonia supplies were only 43 per cent of 1972.

Ammonium nitrate supplies were slightly more than half of what they were two years earlier as was the amount of phosphate rock.

Standard muriate of potash supplies from United States and Canada were only about one-fifth the amount of 1972.

Wheeler said that without doubt the United States will be a net importer of nitrogen and continues to rely on Canada for 75 per cent of its potash supply. He said exports of phosphates would ease slightly as there is resistance by some overseas customers.

"Even if export prices soften somewhat," Wheeler said, "It must be borne in mind that over the last two years world prices on all fertilizer products have been at premium levels nearly double the U.S. price."

[From the Journal of Commerce, Jan. 13, 1975]

NEW RECORD IN FERTILIZER DEMAND SEEN

WASHINGTON.—The availability of fertilizers for spring 1975 has become a problem of

increasing concern to industry officials in view of the increasing acreage of wheat, corn and other crops combined with the continued low inventory situation.

Edwin M. Wheeler, president of the Fertilizer Institute, in a statement issued here on the industry's spring 1975 outlook, pointed out that fertilizer demand should set an all-time record as a result of the surge in wheat acreage, which is up 6 percent, and the USDA forecast of more than 79 million acres of corn to be planted. He added that although cotton acreage is expected to be down, it will not release enough fertilizer to make a large difference in overall supply.

"The fertilizer industry finds itself with low inventory and a strong demand. With real farm income high we do not now foresee problems in farmer financing," the Fertilizer Institute president said.

Gas supply interruptions for ammonia plants also remain a serious problem which will put great pressure on ammonia producers for every ton of nitrogen.

"Each company continues to allocate nitrogen phosphate and potash," Mr. Wheeler said, adding "we simply aren't getting appreciable buildup in inventories to meet the traditional spring surge. It is extremely difficult to make an allocation system work when inventories are so low."

Latest inventory figures which are for the end of November 1974, show that inventories of anhydrous ammonia totaled 782,000 tons compared to 830,000 tons the year before, and 1,813,000 tons at the end of November 1972.

Because of the strong demand, it is expected that the U.S. will be a net importer of nitrogen in '74–'75 and continue to rely on Canada for 75 percent of U.S. potash supply.

Even if export prices ease somewhat, Mr. Wheeler noted that it must be borne in mind that over the last two years world prices on all fertilizer products have been at premium levels nearly double the U.S. price.

By Mr. McCLURE:

S. 789. A bill to prohibit increases in rates of pay to Members of Congress until fiscal balance is achieved. Referred to the Committee on Post Office and Civil Service.

Mr. McCLURE. Mr. President, the subject of pay increases for Members of Congress is often spoken of very quietly in these Chambers but I can assure you that our constituents are not so meek about the subject. The relationship between we the elected representatives and our constituents is obvious. We are the employee and they are the employer—they foot the bill for all the spending programs passed by us supposedly on their behalf and they foot the bill for our salaries. For years now, this country has been spending beyond its means with no concern for the consequences. The result has been runaway inflation that robs our senior citizens of their retirement dollars and forces the housewife to cut back on the family budget. For these Americans, economy began at home, and I would like to see that Federal lawmakers share the load.

Today I am reintroducing a measure that prohibits any pay increases for Senators and Congressmen anytime—until we bring about a real end to deficit spending.

Public opinion polls have shown that only a small percent of the American people approve of the job Congress is doing. I am afraid we deserve that judgment. The Congress has been giving away its powers to the bureaucracy at an alarming rate and has been allowing and approving spending by those same bureaucrats as if there were no tomorrow.

But indeed, there is a tomorrow—a tomorrow that will surely pay for the careless fiscal policies of this Congress, just as we are now paying for the inflation created by yesterday's Congress. And somewhere in the not too distant future there lies a day of reckoning. I would suggest that the overwhelming majority of the public knows that fact, even if the majority in Congress does not.

Excessive Federal spending and the deficit it creates is one of the major causes of inflation in this country. But we find Members of Congress calling for salary increases to offset the inflation which Congress itself help create. How can any Member of Congress honestly support a proposed increase in his salary when this country is in the fiscal shape it is in? Furthermore, how can any Member of Congress continue to support massive Federal deficits while millions of Americans know the reality of spending beyond their means? There are not too many families in this country who do not understand the importance of balancing their family budget.

Instead of a salary increase, the majority of the American people have said that we do not even deserve the salaries we receive today. What right has Congress to protect itself against the effects of inflation created in major part by our own acts—a protection not afforded to any of our citizens? Should not we bear the same burden we help inflict on the country? We do not exempt ourselves from the taxes we levy on others, why should we expect to exempt ourselves from the inflation we levy on others?

Last year we were successful in defeating a pay raise. Why? I am sure there were a number of reasons why Senators voted as they did, but I am confident that the major reason was the clear opposition of the majority of the people. There was more interest in the Senate in the debate on the use of $2.6 billion in aid to Israel that year, which proves a second point—Senators do have an overriding interest in their own pay. Let us use those two forces—the interest of the public and senatorial self-interest—to accomplish one of the most fundamentally required of all congressional reforms, adoption of a budgetary process which can eliminate massive deficits.

If Congress is to regain the respect of the American people, a first and major step must be the end of inflation that is tearing at our very economic well-being. And to end inflation, we must take a truly unprecedented step—balance Federal expenditures with Federal receipts. Not just a paper budget balance. This is the kind of real balance that would spotlight backdoor spending. This is the kind of real balance that would not cheat the American taxpayer and wage earner of a slice of his paycheck through ever-increasing taxes, coupled with a constantly eroded dollar.

Specifically, Mr. President, to give the fiscally irresponsible majority in the Congress a real impetus to achieve the kind of balance demanded by the American public, I would propose that any salary increase for U.S. Congressmen and Senators be withheld and prohibited until the day that an absolute balance between Federal spending and intake is achieved.

There is real logic in the lack of confidence expressed by the majority of people in this country. I see it in my mail every day. They are simply saying: "If Congress were to end deficit spending and thus end the major cause of inflation, it would not need to grant its Members the protection of a pay increase as a hedge against inflation." So, if a pay increase is ever warranted, it must be for doing something deserving of a raise, thus earning support of the majority of the American public. Congress must accept the challenge of fiscal responsibility and until that time there should be no discussion of rewarding Congress by increased salaries.

By Mr. TUNNEY (for himself, Mr. Bayh, Mr. Cannon, Mr. Case, Mr. Church, Mr. Clark, Mr. Dole, Mr. Eagleton, Mr. Philip A. Hart, Mr. Hathaway, Mr. Hollings, Mr. Humphrey, Mr. Javits, Mr. Mathias, Mr. Mondale, Mr. Montoya, Mr. Moss, Mr. Pell, Mr. Percy, and Mr. Randolph):

S. 792. A bill entitled the Part-Time Career Opportunity Act. Referred to the Committee on Post Office and Civil Service.

Mr. TUNNEY. Mr. President. I am today introducing the Part-Time Career Opportunity Act for myself and Senators Bayh, Cannon, Case, Church, Clark, Dole, Philip H. Hart, Hathaway, Hollings, Humphrey, Javits, Kennedy, Mathias, Mondale, Montoya, Moss, Pell, Percy, and Randolph.

This bill has as its primary purpose the elimination of discrimination—particularly against women with children, but also against the elderly, the handicapped, and students—imposed by the basic working-hour patterns in our society.

The thrust of this legislation is to encourage agencies of the Federal Government to make available part-time working opportunities, not just at the menial levels where they are now concentrated, but in responsible positions up and down the career ladder and across the spectrum of Federal agencies.

The essence of this legislation is the requirement that, except where an agency can show that converting positions to part-time would either impair its efficiency or adversely affect current full-time employees, each year for 5 years 2 percent of full-time positions be restructured so as to make available opportunities for people to work part time.

This legislation was originally introduced in the 93d Congress and cosponsored by 26 other Senators. It was unanimously reported by the Committee on Post Office and Civil Service on September 11, 1974. Thanks to useful suggestions from the committee, the American Federation of Government Employees and leading womens' organizations, especially the Women's Lobby, the bill has been modified and substantially improved over the version originally introduced on June 19, 1973.

If enacted, this legislation would not only offer several hundred thousand job opportunities to women with children, people of both sexes who need to work while pursuing an education, civil servants approaching retirement age, the handicapped and senior citizens, it would also benefit the Federal Government in a number of significant ways.

First, by increasing the available quantity of part-time positions, the Government will increase its chances to choose high quality applicants. Mr. William Lewis, placement manager for Career Blazers Agency, Inc.—a large New York employment service—reports that he receives:

> Five times as many responses for a part-time job as for a comparable full-time job.

Adel Lewis, president of Career Blazers, has found that,

> For many jobs, the best people on the market are people who want to work part-time.

As the demand for part-time jobs grows, the Federal Government will lose access to a significant source of talent if it fails to promote part-time scheduling. The number of people working part time increased from 7.8 million in 1963 to 12.6 million in 1972, which shows the growth trend.

Second, there is substantial evidence that part-time workers are more efficient and productive than those in comparable full-time jobs. Testimonials from employers reveal that part-time employees often show more enthusiasm for the job, are less distracted by outside responsibilities, and do not develop the counter-efficient boredom that often comes with standard hours employment.

Third, if this legislation were adopted, many highly experienced, expensively trained civil servants would choose to stay on in a part-time capacity rather than retire early. Similarly, the Government would be able to retain the services of experienced employees who, because of family obligations or disabilities, must withdraw from full-time public service.

Finally, by providing increased employment opportunities to people continuing their education, the Government would gain access to new developments as they evolve in the various academic disciplines.

It is difficult to put a dollar sign on the total value of these benefits, but the values clearly outweigh the relatively minor costs of administering the program. As these flexible hours personnel practices are systematically put into effect, the Federal Government will serve as a model to be emulated by private and other public employers. Over the long run, as flexible work scheduling becomes established in our society, the quality of life for countless citizens will be greatly enhanced.

Part-time employment in the public service is an idea whose time has come. In 1963, the President's Commission on the Status of Women recommended that the Federal Government lead the way by establishing a permanent structure of part-time job opportunities in Federal agencies. The Civil Service Commission spoke of the same need in its booklet, "A Point of View." The Department of Labor also endorsed this concept in the publication, "Calling All Women."

Mr. President, some may think that this bill is offered as a solution to the dreadful unemployment situation which plagues our Nation. Surely, it will have a beneficial impact by increasing the total of employment opportunities. The primary purpose of his bill, however, goes beyond dealing with the current economic emergency and to the basic problem of the nature of work in our society. As the people of our country break out of the traditional work, educational and family molds which guided the lives of earlier generations, they increasingly demand that existing institutions respond to their changed working needs.

The Federal Government has an important and exciting opportunity to take the lead in offering substantial numbers of part-time jobs. The Commonwealth of Massachusetts recognized the need for such action by its enactment, in July of 1974, of legislation almost identical to that being introduced today. This year the Legislature of the State of Illinois will consider a bill mandating the creation of part-time job opportunities in the Illinois Civil Service. The time for Federal action has clearly arrived.

Mr. President, at this point I ask unanimous consent that the text of this bill and a list of suporting organizations be printed in the RECORD.

There being no objection, the bill and list were ordered to be printed in the RECORD as follows:

S. 792

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Part-Time Career Opportunity Act".

SEC. 2. (a) Title 5, United States Code, is amended by inserting between chapters 31 and 33 the following new chapter:

"Chapter 32—PART-TIME CAREER EMPLOYMENT

"Sec.
"3201. Definitions.
"3202. Policy.
"3203. Part-time career employment percentage minimums; waiver.
"3204. Implementation.
"3205. Limitations.
"3206. Personnel ceilings.
"3207. Nonapplicability.

"§ 3201. Definitions

"For the purpose of this chapter—

"(1) 'agency' means an executive agency other than the Federal Bureau of Investigation and any agency referred to in section 5102(a)(1)(i)–(viii) of this title;

"(2) 'part-time career employment' means part-time employment of at least sixteen hours but not more than thirty hours a week, including, as for example, four hours each workday, five hours each workday, a different number of hours each workday, or two, three, or four days a week, job-sharing arrangements, or such other arrangements as the Civil Service Commission establishes as consistent with the policy prescribed by section 3202 of this title, but does not include an employee who is employed on a temporary or intermittent basis; and

"(3) 'grade' means any grade referred to in chapter 51 (other than grades GS–16, GS–17, and GS–18).

"§ 3202. Policy.

"It is the policy of the Government of the United States that at least a certain percentage of all positions in each grade in each agency shall be restructured to the requirements of part-time employment and made available on a part-time career employment basis to individuals who are unable, or do not desire, to work on a full-time basis.

"§ 3203. Part-time career employment percentage minimums; waiver

"(a) Not later than one year after the date of enactment of this chapter, at least 2 per centum of all positions in each grade of each agency shall be restructured to the requirements of part-time employment and made available to individuals on a part-time career employment basis. Not later than two years after the date of enactment of this chapter, 4 per centum of such positions shall be restructured and made available on such a basis. Not later than three years after the enactment of this chapter, 6 per centum of such positions shall be restructured and made available on such a basis. Not later than four years after the date of enactment of this chapter, 8 per centum of such positions shall be restructured and made available on such a basis. Not later than five years after the date of enactment of this chapter, and thereafter 10 per centum of such positions shall be restructured and made available on such a basis.

"(b) Upon the request of an agency, the Civil Service Commission may waive or reduce the percentage minimum not yet achieved and applicable to any year referred to in subsection (a) for positions in a grade of an agency for a period of not to exceed one year if——

"(1) the Commission finds that compliance with the percentage minimum for those positions in that grade for that period by such agency would be substantially disruptive of the ability of the agency to perform its mission. The Commission may find compliance substantially disruptive of the ability of the agency to perform its mission when compliance would cause the Agency's efficiency to be severely impaired and/or when the agency is undergoing a substantial reduction in force, a freeze on new hiring or other major personnel action which so adversely affects the status of agency employees as to make it impossible to comply with percentage minimums not yet achieved without seriously jeopardizing the employment or employment rights or benefits of agency employees; and

"(2) notice of the request for a waiver or reduction and the reasons and justification for that request have been published in the Federal Register and interested parties have been afforded not less than sixty days to submit comments to the Commission.

"(c) A decision of the Commission to waive or reduce any such percentage minimum shall include the reasons and justification therefor. Copies of each such decision shall be available to the public during normal business hours at each location at which the Commission has offices. Upon request, a copy of a decision shall be furnished without charge.

"(d) Nothwithstanding any other provision of law any such decision of the Commission is a final agency action within the meaning of chapter 7 of this title.

"§ 3204. Implementation

"(a) Each agency shall adopt and maintain procedures, continuously conduct activities and projects, and undertake such other efforts as may be appropriate, to carry out sections 3202 and 3203(a) of this title. The civil Service Commission shall promptly formulate and implement, and thereafter supervise, a program to assist agencies in carrying out those sections. Not later than six months after the date of enactment of this chapter, the Commission shall report to Congress on actions taken to formulate and implement a program to assist agencies in carrying out those sections.

"(b) Not later than January 20, April 20, July 20, and October 20 of each year, each agency shall report to the Commission with respect to the three calendar months preceding the month in which that particular report is due, on the procedures, activities, projects, and other efforts undertaken to carry out sections 3202 and 3203(a) of this title. Each report shall contain documentation concerning the extent to which the percentage minimums of section 3203(a) of this title have been met and an explanation of any impediments to their fulfillment and of measures undertaken to remove these impediments.

"(c) The Commission shall report annually to the Congress on the procedures, activities, projects, and other efforts undertaken to carry out sections 3202 and 3203(a) of this title. Each annual report shall contain documentation concerning the extent to which the percentage minimums of section 3203(a) of this title have been met and an explanation of any impediments to their fulfillment and of measures undertaken to remove these impediments.

"(d) The Commission shall conduct research and experimentation projects and any other activities designed to promote, in public employment, the advancement of opportunities for individuals who are unable, or who do not desire, to work on a full-time basis.

"§ 3205. Limitations

"(a) An agency shall not abolish a full-time position in a grade subject to this chapter, and occupied by employee, in order to establish two or more positions to be made available to individuals on a flexible hours employment basis.

"(b) Nothing in this chapter shall impair the employment or employment rights or benefits of any employee.

"(c) No agency shall enter into any contract or other agreement with any person as a result of the enactment of this chapter, except with respect to any agreement to furnish advice and assistance to that agency to meet the percentage minimums of section 3203(a) of this title.

"(d) No person employed as an expert or consultant under section 3109 of this title, and no person who is employed by any employer other than an agency, may be counted for the purpose of determining whether that agency has met the percentage minimums of section 3203(a) of this title.

"(e) Not to exceed 10 per centum of the full-time positions of an agency may be restructured to the requirements of part-time employment and made available to individuals on a part-time career employment basis.

"§ 3206. Personnel ceilings

"In counting the number of employees an agency employs for purposes of any personnel ceiling, an employee employed on a part-time career employment basis shall be counted as a fraction which is determined by dividing forty hours into the average number of hours that employee works each week.

"§ 3207. Nonapplicability

"If, on the date of enactment of this chapter, a collective-bargaining agreement is in effect with respect to positions occupied by employees which establishes the number of hours of employment in a week, then this chapter shall not apply to those positions.".

(b) Subpart B of the table of chapters of part III of title 5, United States Code, is amended by inserting between items 31 and 33 the following:

"32. Part-Time Career Employment---3201".

SEC. 3. (a) Section 3502(a) of title 5, United States Code, is amended—

(1) by striking out "and" at the end of clause (3);

(2) by striking out the period at the end of clause (4) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following:

"(5) previous or current employment on a full-time basis (other than on a temporary or seasonal full-time basis).".

(b)(1) Section 8332 of such title is amended by adding at the end thereof the following:

"(1) Notwithstanding any other provision of law, an employee occupying a position on a part-time career employment basis shall be allowed credit of one month for each one hundred and seventy-three hours of work performed for which deductions are made under this subchapter or deposits may be made.".

(2) The amendment made by paragraph (1) of this section shall apply to an employee referred to in such amendment commencing on the first day of the first pay period of that employee which begins on or after the date of enactment of this Act.

(c) Section 8347(g) of title 5, United States Code, is amended by adding at the end thereof the following: "However, the Commission may not exclude any employee who occupies a position on a part-time career employment basis (as defined in section 3201(2) of this title).".

(d) Section 8716(b) of such title 5 is amended—

(1) by striking out of the second sentence "or part-time";

(2) by striking out "or" at the end of clause 1;

(3) by striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon and "or"; and

(4) by adding at the end thereof the following:

"(3) an employee who is occupying a position on a part-time career employment basis (as defined in section 3201(2) of this title).".

(e) Section 8913(b) of such title 5 is amended—

(1) by striking out "or" at the end of clause (1);

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof a semicolon and "or"; and

(3) by adding at the end thereof the following:

"(3) an employee who is occupying a position on a part-time career employment basis (as defined in section 3201(2) of this title).

(e) Section 3302 of title 5, United States Code, is amended—

(1) by inserting the subsection designation "(a)" at the beginning of the text thereof; and

(2) by adding at the end thereof the following:

"(b) The rules prescribed in accordance with subsection (a) shall also provide that any employee employed on a part-time career employment basis shall not complete, as the result of being so employed with any employee in the competitive service employed on a full-time basis."

"§ 3208. Employee organization representation

"If an employee organization has been accorded exclusive recognition with respect to a unit within an agency, then the employee shall be entitled to represent all employees within that unit employed on a part-time career employment basis.".

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the amendments made by this Act.

ORGANIZATIONS SUPPORTING THE PART-TIME CAREER OPPORTUNITY ACT

American Association of University Women.
American Medical Women's Association.
American Occupational Therapy Association.
Appalachian Education Laboratory, Inc.
B'nai B'rith Women.
Center for Continuing Education of Women, University of Michigan.
Council for Financial Aid to Education.
Council of Federal Employees, Local 26, American Federation of State, County and Municipal Employees.
Gray Panthers.
International Senior Citizens Association.
Interstate Association of Commissions on the Status of Women.
National Congress of Organizations on the Physically Handicapped.
National Association of the Physically Handicapped.
National Rehabilitation Association.
National Organization of Women.
Retired Officer Association.
Retirement Federation of Civil Service Employees.
U.S. Commission on Civil Rights.
Women's Equity Action League.
Women's Political Caucus.
Women's Lobby.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 143

Mr. McCLURE. Mr. President, recently both Senators from Wyoming and the distinguished Senator from Arizona (Mr. GOLDWATER) asked to cosponsor my bill, S. 143. I am grateful for their support of this bill. This legislation prohibits the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition.

I ask unanimous consent that the Senators from Wyoming (Mr. HANSEN and Mr. McGEE) and the Senator from Arizona (Mr. GOLDWATER) be added as cosponsors of S. 143.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 199

At the request of Mr. WEICKER, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of the bill (S. 199) to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

S. 364

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senator from Alaska (Mr. STEVENS), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Arizona (Mr. FANNIN), and the Senator from Idaho (Mr. CHURCH) be added as cosponsors of my bill (S. 364) relating to certain Forest Service timber sale contracts involving road construction.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. This legislation permits purchasers of national forest timber to transfer earned but unused purchaser credits between timber sales on the same national forest. This is done at no cost to the Government, and at the same time frees borrowed money which results in less interest costs to be passed along to the forest products consumer.

SENATE RESOLUTION 85—SUBMISSION OF A RESOLUTION RELATING TO THE PRESENT FOOD EMERGENCY

(Referred to the Committee on Foreign Relations.)

FOOD COORDINATOR NEEDED TO ATTACK HUNGER

Mr. HUMPHREY. Mr. President, I am today introducing a resolution to establish the office of food coordinator within the Executive Office of the President.

It has become increasingly clear to me that we need a coordinated effort to deal with both the short- and long-term hunger problems.

We can and should provide food aid to deal with hunger, famine, and disaster situations. It also is imperative that a greater effort be made to increase food production throughout the world.

It is now about 3 months since the conclusion of the World Food Conference. A great deal of debate preceded this conference, but there has been far less attention given to the subject of hunger since that time.

The administration has now finally made a decision on food aid levels, but the decision has come so late in the fiscal year that the entire quantity will probably not be shipped.

There has not been any sort of a plan or blueprint announced as to what longer-range actions are contemplated to implement the Food Conference resolutions. I would hardly suggest that all resolutions were of equal importance, but there has not been any public indication as to which would be implemented and when.

There was a great reluctance on the part of the administration to develop positions for the World Food Conference, and now there is little initiative in terms of followup effort.

The American people, the media, and the Congress have shown a great interest in the subject of the world food problem.

There is need for high level coordination in this area. A recent article in Foreign Policy by Leslie Gelb and Anthony Lake points out the increasing bureaucratization of food aid. We are still groping for a mechanism to resolve legitimate conflicting agency concerns without having a continuing stalemate.

A food coordinator would fulfill this role.

In addition, a great deal of work is needed to focus on those development activities which will serve to increase food production.

The food coordinator could play a vital role in this area.

We need to press harder on the implementation of the foreign aid reforms which emphasize food production; education and training; and health and family planning.

These are the goals which we must pursue, but I do not hear a clarion call from this administration. In fact, I barely hear a whisper.

I would hope that the administration would seize upon this idea in order to demonstrate its interest and concern regarding the hunger issue.

We should not deceive ourselves that the issue has in any way diminished, because the grain markets have softened in recent weeks or crop estimates have improved in India.

The problem we face is a long-term one, and we also need to take a hard look at our own agricultural policies as they affect production here and abroad.

I am convinced that a high level food coordinator of experience and standing could make a major contribution toward addressing the world's hunger problem.

Mr. President, I ask unanimous consent that the text of my resolution to establish a high level food coordinator be included at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 85

Whereas the World Food Conference has made a good beginning in terms of outlining a sound long-range program to deal with the world hunger problem; and

Whereas many areas of the world face critical food shortages which is likely to mean starvation and malnutrition for up to a half billion people; and

Whereas many of the World Food Conference initiatives are likely to fail if the various responsibilities are scattered throughout the Government; and

Whereas it is in the self-interest of the United States to work with other countries to relieve starvation and hunger, which are the breeding ground for economic and political instability; and

Whereas the American people have a long and proud tradition of acting to combat famine and to relieve the needs of hungry people at home and abroad; and

Whereas the dimensions of the present crisis call for an immediate coordinated response on the part of the United States and other governments over and above what has been forthcoming in the past: Now, therefore, be it

Resolved, That it is hereby declared to be the sense of the Senate that—

(1) while the various departments and agencies of the United States Government will have the major operational role in the implementation of the World Food Conference resolutions, a special coordinator be appointed by the President to deal with both the short- and long-term hunger problem;

(2) the coordinator will work with the Secretary of State, and the Secretary of Agriculture, the Agency for International Development and other departments and agencies as required;

(3) the coordinator will give priority attention to food aid requirements and availabilities and make recommendations concerning needs, availabilities and funding sources;

(4) the coordinator will develop a long-term program to implement the resolutions of the World Food Conference in conjunction with other departments and agencies; and

(5) the coordinator should periodically provide to the American people reports on progress and plans relating to the world hunger problem.

SEC. 2. It is further declared to be the sense of the Senate that the coordinator work closely with the appropriate committees of the Congress and report to the Congress at regular intervals on the progress in dealing with the world food problem.

SEC. 3. The Secretary of the Senate is directed to transmit copies of this resolution to the President, the Secretary of State, and the Secretary of Agriculture.

AMENDMENTS SUBMITTED FOR PRINTING

NATURAL GAS PRIORITY FOR FERTILIZER—S. 187

AMENDMENT NO. 19

(Ordered to be printed and referred to the Committee on Commerce.)

Mr. DOLE (for himself, Mr. CURTIS, Mr. DOMENICI, Mr. EASTLAND, Mr. FANNIN, Mr. HELMS, Mr. HRUSKA, Mr. PERCY, Mr. YOUNG, Mr. THURMOND, and Mr. ROTH) submitted an amendment intended to be proposed by them jointly to the bill (S. 187) to provide a priority system for certain agricultural uses of natural gas.

Mr. DOLE. Mr. President, today I am introducing an amendment in the nature of a substitute to S. 187, my bill to establish a priority on natural gas for the production of fertilizer. I originally introduced S. 187 on January 16, 1975, and subsequently have determined that the bill introduced then is inadequate to actually provide a meaningful priority on natural gas for fertilizer production. Therefore, this improved legislation has been drafted.

IMPROVEMENTS MADE

The previous bill introduced simply prohibited an interruption or curtailment of natural gas for fertilizer plants except when that curtailment is necessary to prevent a shortage of natural gas for residential and small commercial users. The exception for residential and small commercial users is absolutely essential for safety reasons. A shutoff of gas to homes and small businesses would extinguish pilot lights and other continual burning applications of natural gas and would cause a safety hazard when the gas comes back on. I believe that can be understood without further explanation.

Yet the necessary exception for residential and small commercial users would mean that some fertilizer plants that have been curtailed—particularly the plants at Tunis, N.C., and Cherokee, Ala.—would still face a cutback of natural gas under my earlier legislation. To resolve that problem, a new provision has been included in this substitute amendment which would permit fertilizer companies in the situation of the plants of Tunis and Cherokee to purchase gas at other available sources and get it transported to their plants. This new provision, I believe, would prevent any interruption or shutdown of fertilizer production due to a lack of natural gas.

In addition, this new legislation has been drafted in close cooperation with the Federal Power Commission and the Office of Emergency Preparedness and I believe the input of their technical expertise has been beneficial. The substitute amendment is much more precisely written and is better designed to mesh with the existing provisions of the Natural Gas Act.

The substitute has also been prepared with the objective in mind of avoiding as much controversy as possible. That goal has been pursued in recognition of the sensitivity surrounding the natural gas shortage. It is my hope that all Senators can agree on this legislation and the importance of getting it passed promptly.

One step taken to reduce controversy on this measure is to restrict it to a 1-year duration. It is my expectation that this legislation will be needed for longer than 1 year. Chairman Nassikas, of the Federal Power Commission, stated before the Senate Agriculture Committee last year that the shortage of natural gas is likely to exist for the next 3 to 5 years, even in the event that maximum expansion of natural gas production could be achieved, which appears highly unlikely at this point.

But I believe that the important thing is to pass this legislation promptly. If the shortage of natural gas continues to threaten cutbacks in fertilizer production as I expect, the legislation can be extended before it expires next year.

FERTILIZER IS KEY TO FOOD PRODUCTION

Mr. President, I hope every Member of Congress understands by now that fertilizer is an absolute necessity to meeting the food requirements of the world population.

The reality of modern agriculture is that, without fertilizer, our ability to meet the demand for food at home and abroad is drastically reduced. The ability of nations such as India and Bangladesh to feed their own populations is drastically impaired without an adequate supply of fertilizer. The fertilizer production in this country is vital to meeting the food production needs here and in other countries.

Yet we have seen natural gas curtailments for many fertilizer plants all over the country. The natural gas supplies to plants in Alabama, Arkansas, California, Louisiana, New Jersey, New York, North Carolina, Missouri, and West Virginia have been curtailed or stopped altogether. These actions have resulted in plant shutdowns or sharp reductions in the production of fertilizer. The total result is bound to be a lower supply of fertilizer and a more aggravated fertilizer shortage for farmers in all States this year.

Mr. President, we must have fertilizer to meet the food requirements of this Nation and the rest of the world that depends on us. It is to avoid a possible food shortage and other undesirable results that I introduce this legislation today to establish a natural gas priority on fertilizer production.

IMPACT OF CUTBACK

It is my understanding that the Department of Agriculture expects a loss of about 530,000 tons of ammonia production, because of the recent curtailments. Since natural gas curtailments are dependent to some extent on the weather and other factors, a safe expectation for production losses would probably be between 400,000 to 600,000 tons of ammonia. Last year, U.S. plants produced about 16 million tons of ammonia. About 12 million tons of that ammonia was used to produce nitrogen fertilizers. That 12 million tons included 4 million tons of anhydrous ammonia which was applied directly into the soil.

So a loss of 530,000 tons of production would be a decrease of about 3 percent of our productive capacity. The most recent figures I have seen from the Kansas Department of Agriculture indicate a fertilizer shortage this year of about 6 to 8 percent, with a similar forecast by USDA for the Nation as a whole. And it should be kept in mind that that shortage means some areas may not get any fertilizer at all.

The reduction of 3 percent of our ammonia production will further aggravate that shortage. Obviously, with a shortage of 6 to 8 percent, we need greater production, not less. The need for this legislation is clear and I hope we can act promptly on it.

NEED FOR FERTILIZER

Many Kansas farmers I have talked to feel a very intense pressure to expand production. Our public media often carry stories of millions of people in other countries starving or suffering from malnutrition. The American people are suffering greatly from inflation and there has been a great deal of sentiment expressed that farm production should be increased in order to hold down the price of food. So farmers in Kansas are working hard to expand their output of food.

Yet their own cost of production has been skyrocketing. Anhydrous ammonia that was selling for around $60 a ton only a few years ago is now up to $180 to $220 or more per ton. Many farmers are beginning to feel that with a declining market for wheat, corn, and feed grains, and with rising costs of production for fertilizer, equipment and other essential materials, it may necessary to restrict production. Some wheat farmers who have already planted their crop this year have expressed the sentiment that unless conditions improve it may be necessary to plow up some of the wheat that has already been planted in order to prevent a situation we are seeing in the livestock market from developing in the wheat market.

So Mr. President, we need greater production of fertilizer and not less. To accomplish that, we need a priority on natural gas for fertilizer plants, as this legislation provides.

I request unanimous consent that a summary of this legislation and the amendment be printed at this point in the Record.

There being no objection, the summary and amendment were ordered to be printed in the Record, as follows:

Summary of Bill

The purpose of this legislation is to ensure, for one year, an adequate supply of natural gas for ammonia and nitrogen fertilizer production.

The bill would give ammonia producers two alternatives to getting natural gas—

1. The Federal Power Commission would be required to grant emergency relief to prevent interruption or curtailment. This relief will be granted *except* when (a) such relief would cause curtailment of residential and small commercial users or cause significant unemployment due to curtailment of other users, or (b) an alternate fuel is available and technically and economically feasible.

In some cases, as recently at Tunis, North Carolina, and Cherokee, Alabama, the priority stated above would not be enough to obtain the natural gas needed due to the very necessary exception (a), so the second alternative is provided:

2. Ammonia manufacturers may purchase gas from any other inter- or intra-state source (except offshore Federal domain areas). All pipeline companies involved would be required to make application for authority to transport that gas and FPC would be required to grant authority *except* where the pipeline does not have the capacity to transport the additional gas without cutting back shipments to existing customers.

Considerable thought was given to including contracts for new fertilizer plants under this bill. However, reports indicate that this is not a problem since plants for over 7 million tons of new capacity between now and 1989 have been able to obtain new gas contracts, except in one case, so extension of this legislation to new plants apparently is not necessary at this time.

Amendment No. 19

That this Act may be cited as the "Natural Gas Priority Act."

Section 2. The Natural Gas Act, as amended (52 Stat. 821; 15 U.S.C. 717 et seq.), is amended by inserting immediately after section 22 the following new sections:

Sec. 22a. For a period of one year after the date of enactment of this section, notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, the Federal Power Commission shall expeditiously consider and grant,

(a) under the provisions of this Act, applications for emergency relief to prevent interruption or curtailment of natural gas used in the production of anhydrous ammonia necessary to maintain maximum fertilizer production from existing plants, except to the extent that any such amounts are required to maintain natural gas service to existing residential and small commercial (less than 50 Mcf per day) users or cause significant unemployment by diversion of natural gas from other users.

If grant of relief in the total amount requested can be effectively demonstrated to result in the inability to meet the actual requirements of residential and small commercial customers or to result in significant unemployment due to diversion of natural gas from other users, the relief shall be limited to the maximum amount available to avoid those results. The maximum relief available to any anhydrous ammonia manufacturer shall not exceed the existing contractual volumetric limitations with its natural gas suppliers.

In order to qualify for relief hereunder the anhydrous ammonia manufacturer must demonstrate a maximum usage of all currently available alternate fuels on a continuing basis and shall immediately undertake alternate fuel conversion where technically and economically feasible. In addition, in each proceeding under this subsection, the Commission shall promptly notify the Administrator of the Federal Energy Administration of such proceeding and the Administrator shall expeditiously report to the Commission on the availability and cost of alternate fuels for the industrial, agricultural or utility use requested.

In the event relief is not granted by state or local authority or public utility commission due to jeopardy of residential and small commercial users or for reasons of significant unemployment, under conditions expressed herein, the anhydrous ammonia may request its intrastate natural gas supplier(s) to immediately petition on its behalf for extraordinary relief to the Federal Power Commission if the curtailment is attributable to one or more natural gas pipeline companies subject to the Commission's jurisdiction. The intrastate natural gas supplier shall immediately file such petition, accompanied by a showing of why additional deliveries from the interstate pipeline company are required.

(b) under Section 7 of this Act, applications for authority to transport natural gas for use as a raw material feedstock or process fuel for ultimate delivery to anhydrous ammonia manufacturers to maximize fertilizer production from existing plants; *Provided*, that adequate delivery capacity is currently available to effect such transportation without impairing existing delivery commitments of the transporter.

Any anhydrous ammonia manufacturer which executes a contract for natural gas supplies from any source, other than offshore Federal domain areas, for an existing manufacturing plant may request the local distributor or other intrastate transporter to provide transport for such supply.

All natural gas suppliers or transporters involved shall immediately file applications with appropriate jurisdictions for authority to effectuate the transportation of the volumes requested, including a statement as to the adequacy of existing delivery capacity necessary to effect the transportation.

Only rates and charges in connection with the transportation service herein above described shall be subject to review and rate determination by the Federal Power Commission. Rates and charges for transportation service initiated hereunder shall be made pursuant to appropriate rate schedules of natural gas companies, as may be prescribed by the Federal Power Commission or under rate making authority of respective state or local agencies within their regulatory jurisdiction: *Provided*, That the Federal Power Commission or the respective state or local agencies may prescribe such rates and charges as part of its order upon the subject application, or by supplemental order.

Nothing contained in this subsection shall be construed to require construction of new transportation facilities or enlargement of existing transportation facilities by any natural gas company to effectuate such transportation, except to mandate the construction of tie-in or metering facilities at the expense of the manufacturer.

NOTICE OF HEARINGS—OUTER CONTINENTAL SHELF LEGISLATION

Mr. JACKSON. Mr. President, on February 3, I announced that the Committee on Interior and Insular Affairs was holding hearings on the various bills pending before the committee dealing with Outer Continental Shelf matters. In view of the wide interest in these bills, I have asked the members of the National Fuels and Energy Policy Study and the members of the National Ocean Policy Study to participate in these hearings.

At the request of Senator Hollings, chairman of the National Ocean Policy Study, the hearings will also consider S. 586 which amends the Coastal Zone Management Act to create a $200 million Coastal Impact Fund to assist coastal States in planning, managing, and ameliorating the adverse impacts of OCS development and to provide for public services and facilities.

The joint hearings will take place on March 14, 17, and 18, and April 8 and 9. The hearings will begin at 10 a.m. in room 3110, Dirksen Senate Office Building on each day.

NOTICE OF SEMINARS BY COMMITTEE ON BUDGET

Mr. MUSKIE. Mr. President, I would like to announce that the Budget Committee will hold two more seminars next week as we continue to prepare for our first concurrent resolution on the budget.

On Tuesday, February 25, the seminar will focus on energy policy—specifically on energy production and our policies toward the OPEC nations. Participating in the seminar will be experts in the energy field and staff of the Budget Committee.

On Wednesday, February 26, the seminar will concentrate on the issues of housing and credit. Experts in these areas and committee staff will participate in this seminar.

Both seminars will begin at 9:30 a.m. in room 357, Russell Office Building.

ADDITIONAL STATEMENTS

LEADERSHIP BY SENATOR MOSS AND SENATOR GOLDWATER IN GETTING A THIRD "ERTS" SATELLITE APPROVED

Mr. SYMINGTON. Mr. President, there have been a great many words spoken and written about the congressional impact on the decisionmaking process of this Government. Much of that discussion is about the lack of congressional impact or the inability of Congress to lead. But often congressional leadership efforts are unrecognized.

I was delighted, therefore, to read an article in the Wall Street Journal of yesterday morning describing the leadership by my colleagues, the Senator from Utah (Mr. Moss) and the Senator from Arizona (Mr. Goldwater) in getting a third ERTS satellite—now called Landsat C—approved.

The programs of the National Aeronautics and Space Administration have been enormously successful but none has been more successful or shown more promise than NASA's Earth resources survey program. The most important elements of this program are the satellites, which gather the data needed to monitor continuously the Earth's resources and environmental changes.

Two satellites are now in orbit. Landsat 1 was launched in July 1972, with an expected lifetime of 1 year. While still producing useful data, it could stop any time. Landsat 2 was launched in January of this year and is producing excellent data. But, Chairman Moss and Senator Goldwater believed, as did many others, that a third satellite was needed to complete the experimental program. All last year these Senators worked hard for a third satellite, gathering support from the Nation's Governors, the scientific and technical community, and from other users. With the Office of Management and Budget opposed, it was a fiscal year 1976 decision that had to be made by the President. He sided with the Senators and decided that the money for the third satellite, called Landsat C, would be provided.

Mr. President, I congratulate the Senator from Utah and the Senator from Arizona for their leadership and their persistence in pursuing this matter.

I ask unanimous consent that the article from the Wall Street Journal be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Feb. 20, 1975]

How Backers of a Technology Satellite Induced Ford To Overrule His Advisers, Provide Money

(By Arlen J. Large)

Washington.—Frank Moss is an ERTS nut, in a world of people who aren't.

So he considers it his duty to spread the gospel about his pet project. It helps that he is a U.S. Senator from Utah and chairman of the Senate Space Committee.

Daniel Evans may not be a nut on the subject, but he is an ERTS fan. As governor of the state of Washington, he wrote Sen. Moss an unspontaneous letter saying that the "Earth Resources Technology Satellite has provided valuable information to both the agriculture and forestry industries and to the state of Washington."

Gerald Ford may not even be an ERTS fan, but he is a friend. Not long ago, he overruled his White House advisers and put $11 million in the new budget to start work on a third ERTS satellite, which will be launched in the fall of 1977.

So some very heavy politicians have been rallying around this little-known and unglamorous project of the National Aeronautics and Space Administration. The backstage tugging over the money for the third satellite is the kind of thing that goes on all over town during preparation of a new budget, and it provides a good case study of how budget winners win.

The loser was the President's Office of Management and Budget, which for months had urged that the third satellite be deferred to some future budget. Roy Ash, the just-departed OMB director who was overruled by Mr. Ford, observed with sarcasm that "one must congratulate NASA for its notable job of mobilizing outside opinion" on behalf of the new satellite.

THE SHOW-BIZ PROBLEM

However, it would be hard to pin the whole mobilizing effort on the space bureaucrats at NASA. There's something called "the ERTS community"—geographers, foresters, pollution fighters and land-use planners—that lobbied heavily for the new satellite. For its part, NASA has tried to tackle the show-biz problem caused by the satellite's grating, uncommunicative name. The agency is trying to get people to call it Landsat, but even space officials sometimes forget, and the names are used interchangeably.

The first satellite in the series was shot into polar orbit in 1972. It still is there but is running down. The second went up last Jan. 22 with similar equipment for looking at the earth in four wavelengths of light and sending images back to ground stations for analysis by computers. Computer-processed pictures are sold by the Interior Department at Sioux Falls, S.D., to anyone who wants to use them to count crops, spot oil, see insect-chewed forests, trace earthquake-producing faults and do a lot of other things.

All this really turns Sen. Moss on, making him a self-admitted "virtual zealot" for these satellites. "ERTS was the first thing I could see where you have a very distinct and obvious applications return," he says. "It's a great example of the benefits coming out of the space program." People who appreciate the down-to-earth value of the ERTS pictures, he says, are more likely to embrace the space agency's flightier doings, such as the exploration of Mars.

The satellite launched last month is expected to work for two years. Congress last year authorized a third ERTS to take its place in 1977. NASA was more than willing to start building it, and so, of course, was General Electric Co., the main contractor for the first two. Plans were made to upgrade the new model with a heat-measuring sensor.

OMB DEMURS

Mr. Ash's OMB, the government-wide spending monitor, demurred. A third satellite shouldn't go up, budget officials argued, until NASA succeeded in developing cameras with sharper vision. Without that, ERTS satellites would never be used in making good crop-production forecasts, forest surveys or pollution maps.

The space agency intends to double the sharpness of vision of one of the cameras on the third satellite. The other equipment, officials contend, sees sharply enough on the second and third satellites to undertake a large-scale survey of U.S. wheat production. And with a little practice, space officials think that they will get a better notion of the size of each year's Soviet wheat crop, thus giving a more accurate forewarning of export market demand.

NASA and its allies argued all last year that a third satellite should be on duty in 1977 to take over when the second one dies; otherwise, there would be a gap in the data that would discourage picture buyers in "the ERTS community."

The trick was to bring this argument to OMB's attention in an impressive way. An important part of the lobbying blitz was orchestrated on Capitol Hill by Sen. Moss and his ally, Arizona's Sen. Barry Goldwater.

LETTERS TO THE STATES

Hoping to show that the ERTS community had plenty of political muscle, Sen. Moss wrote every governor, asking if state agencies had made use of ERTS and whether the federal government should sell the pictures on a permanent basis.

The Senator got replies from 25 governors, plus some top officials in other states. Vermont's Thomas Salmon said ERTS pictures will be used to trace pollution in Lake Champlain. In California, said then Gov. Ronald Reagon, ERTS has helped outline land-use patterns. Missouri's Christopher Bond said the pictures have been used to spot flood-prone areas. Only Delaware's Sherman Tribbitt replied bluntly that the pictures didn't prove useful.

One by one, Sen. Moss dribbled the gubernatorial letters into the Congressional Record in the closing months of last year. "It was like the drop-of-water technique, day by day," he says.

Besides that, Sen. Moss waved letters of support from the Society of Photographic Scientists and Engineers, the American Society of Photogrammetry, the Association of American Geographers, the American Forestry Association and various distinguished professors. Meanwhile, on the scientific-seminar circuit, General Electric's people were forever turning up with ERTS displays. Daniel Fink, general manager of GE's space division, preached the need to keep those space photos coming in.

Nevertheless, OMB last December turned down NASA's request to put money for the third satellite, called Landsat-C, into the budget being prepared for the new Congress. word spread along the ERTS community's grapevine. OMB got letters from the National Academy of Science and the National Academy of Engineering, both quasi-government bodies. Letters came from important scientists.

The budget keepers still said no. Under the rules, an agency can go over OMB's head and appeal directly to the President. So ERTS was kicked around at a meeting between Mr. Ford, Mr. Ash and James Fletcher, the NASA boss. "It was not a confrontation," Mr. Fletcher insists.

He says his agency kept explaining to OMB that the third satellite didn't represent an "operational" earth-scanning system but would remain an experimental instrument. Then in early January the remaining differences between the two agencies were reduced to an "issue paper" that went to Mr. Ford. The satellite money was approved.

Mr. Ash appeared to see a connection between NASA's victory and a praise-filled article on ERTS in the February issue of Fortune magazine. The article portrayed OMB as the villain in trying to block the third sattellite, concluding: "To cripple or kill this program, after the millions of words spewed out about the coming 'fallout' from space research would certainly be foolhardy."

NASA had indeed been eager for Fortune to do the article. "It was Fletcher who put this bug in my bonnet about a year ago," recalls Robert Lubar, the magazine's managing editor. John Donnelly, the agency's assistant administrator for public affairs, also remembers writing Mr. Lubar about the ERTS project. "I tried to plant the seed of an idea for a story I throught was of quite legitimate interest to businessmen," he says. Editor Lubar says that he doesn't remember seeing that letter and that the decision to have the article written was his. Anyway, he says, the February Fortune didn't hit the streets until the last week in January, after Mr. Ford had made his decision.

SALT VIOLATIONS—A REAL THREAT

Mr. McCLURE. Mr. President, since the first round SALT accords were concluded in 1972, the Soviet Union has been systematically attempting to frustrate U.S. national technical means of verification of Soviet compliance with the provisions of the SALT accords.

According to an article in the current issue of Aviation Week and Space Technology of February 3, 1975, by Clarance A. Robinson, Jr., the character of Soviet violations of the SALT accords is escalating to more serious levels. From simply interfering with our means of verifying an agreement, they now appear to be actually violating the letter of the ABM treaty which prohibits the testing of surface-to-air missile in the ABM mode. Moreover, the Soviets have attempted without success to conceal these efforts from U.S. attempts to monitor them.

In addition, Mr. Robinson notes that the Soviets are testing a new mobile radar which operates at a higher power level and antenna area than is permitted under the terms of the agreement.

It is my understanding that these and other alleged violation of the SALT accords—they can no longer be described simply as "alleged ambiguities"—will be taken up at the meeting of the Standing Consultative Committee, the apparatus set up to discuss such matters with the Soviets. I strongly urge that the issue of these violations or alleged violations be pursued vigorously until they are resolved satisfactorily. Until such resolution is forthcoming, we should not participate in discussions with the Soviets on the SALT II accords.

I ask unanimous consent that the article, "Further Violations of SALT Seen" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

[From Aviation Week & Space Technology, Feb. 3, 1975]

FURTHER VIOLATIONS OF SALT SEEN

(By Clarence A. Robinson, Jr.)

WASHINGTON.—Soviet Union has continued since the Ford-Brezhnev Vladivostok arms agreement in November to test improved anti-ballistic missile system components in a manner that U.S. officials believe may be further violations of the May, 1972, strategic arms limitations agreements.

USSR actions within the past two months include:

Unveiling of a new, more powerful mobile radar that has been tested at a power aperture product—the mean emitted power in watts and antenna area in square meters—exceeding the 3 million permitted in the treaty.

Netting of mobile ABM radars at test sites at Sary Shagan on Lake Balkhash near the Sino-Soviet border and Kapustin Yar to other ABM radars for ABM interceptor launches that have been conducted.

Test-firing either modified versions of the SA-5 Griffon and SA-2 Guideline missiles to altitudes in excess of 100,000 ft., too high to claim as tests for anti-aircraft intercepts.

Testing ABM systems against missiles simulating trajectory of U.S. submarine-launched ballistic missiles using ABM equipment and modifications to earlier systems some U.S. officials believe is precluded by the permanent ABM treaty.

The Soviets also appear to be launching an accelerated systematic effort to conceal ABM developments from U.S. detection systems. Jamming level of the Soviets against U.S. electronic reconnaissance systems has increased in volume and effecitveness in recent weeks.

Both sides agreed at the signing of the ABM treaty and interim offensive strategic arms agreement that each would not undertake to interfere with the detection capability—referred to as national technical means of verification in the treaty—of the other party. This was to include the use of concealment measures that impede verification of compliance with the treaty.

The continuing trend of Soviet efforts may give them an ABM capability U.S. officials believe will be extremely difficult to overcome as Soviet offensive strength is increasing with the deployment of a new family of intercontinental ballistic missiles with MIRV warheads.

Most U.S. officials are unwilling to call the Soviet activities outright violations of the agreements because of the ambiguity of the wording in the agreements, a condition the Soviets use to their advantage.

"A man would have to be an idiot not to see the increase in the level of Soviet development in the ABM area, but it is difficult to call it a violation," one official said. The Soviets are working to thwart the U.S.'s ability to verify treaty compliance, the official added, but he believes the effort is directed more at obtaining the capability to jam U.S. detection systems as it suits the Soviet need than to sustain that effort over a relatively long period of time.

Some U.S. officials believe the Soviets gleaned information from the U.S. members of the SALT delegation over the period of SALT-1 meetings in Helsinki and SALT-2 negotiations in Geneva and these data provided the basis for developing jamming techniques that are now being displayed to the surprise of the U.S.

The Soviet effort at deception is concentrated in the research and development areas and is much more extensive than anything previously experienced. The deception efforts have become a source of concern to U.S. intelligence officials.

But the problem runs much deeper than simply intelligence, an official said, because it is eroding confidence at policy levels in the Ford Administration in the integrity of the agreements with the Soviets.

Part of the concern being expressed is because of the poorly defined areas of the agreements where the violations "are alleged to have occurred."

One agreement states that each party undertakes not to develop, test or deploy ABM systems or components that are sea-based, air-based, space-based or mobile land-based.

It adds that to enhance effectiveness of the ABM limitations, the parties will not give missiles, launchers or radars—other than ABM interceptor missiles, ABM launchers or ABM radars—capabilities to counter strategic ballistic missiles or their elements in flight trajectory, and will not test them in the ABM mode.

U.S. officials said that until recently, U.S. electronic intelligence equipment had not detected power aperture products in excess of the stated limits in the ABM treaty. They now believe that the Soviets have had the capability for some time to increase the power, but have avoided using it when U.S. electronic detection systems were operating. This capability would provide earlier detection and tracking of reentry vehicles to enhance data processing functions by providing additional time to launch and guide interceptor missiles to their targets.

One U.S. official who served on both the SALT–1 and SALT–2 delegations is former Navy Secretary Paul H. Nitze. He resigned from the delegation June 14, 1974.

Nitze said in a recent speech at Los Alamos, N.M., that from the very first session in Helsinki, it was clear the Soviets had a highly one-sided negotiating strategy and were prepared to use a wide range of tactics to achieve their goals.

The executive secretary of the Soviet delegation, Nikolay S. Kishilov, was a senior KGB agent who earlier had been thrown out of Finland when it was revealed that he and a woman said to be his wife were involved in espionage work. At least a third of the Soviet delegation's staff had KGB experience, and many of the military advisors had intelligence affiliation.

Soviet SALT delegation tactics included use of a room overlooking the U.S. delegation offices in Helsinki, rented by a Tass correspondent, that was equipped with telescopes, antennas and various other gadgets. U.S. telephone communications were monitored Nitze said.

"In the actual substantive negotiations they employed amazing tactical versatility," Nitze said. Words were used in negotiations in other than their normally accepted sense, quotations out of context, or subtly modified wording, he added. Nuances betwen Russian words and the English equivalents were exploited, he said.

Elements of a problem were packaged together in a manner advantageous to their side, Nitze said. For example, expectations were created by the Soviets that if the U.S. conceded a given point, then other important points would be easy to resolve.

"They would use imprecise language in presenting provisions which would limit their side and precise where the object was to limit U.S. actions," Nitze explained. "They liked the tactic of presenting a full draft of an agreement at the earliest opportunity so that subsequent negotiations would be on the basis of their text, not a U.S. text."

Nitze said the Soviets understand thoroughly the value of endless repetition, of taking an extreme position to gain trading room, of making concessions grudgingly and only for equal or greater concessions, of moving to stronger positions rather than compromising, and of unexpected shifting of the subject of negotiations from one field to another.

He said that all of these negotiating techniques can be countered by an experienced cohesive team on the other side.

"But when one is negotiating in this kind of ambiance, the most extreme care and almost perfect coordination are required to avoid errors. In my judgment this has not always been achieved, even to the somewhat limited extent possible in a democratic society," Nitze said.

The most difficult problems, Nitze said, came from reconciling what appeared to the delegation to be the optimum approach in dealing with Soviet negotiating tactics with instructions from the Administration in Washington, and in obtaining clarifications or amendments to those instructions.

Errors in judgment by officials in Washington on both strategy and tactics caused the delegation's efforts to be less than optimal, Nitze said, and the development of two levels of negotiation—the delegation's, and the higher level between Kissinger/Nixon and Brezhnev/Soviet Ambassador to the U.S. Anatoli Dobrynin—added to the problem.

Nixon's passion for secrecy and lack of confidence in the reliability and judgment "of what he considered to be the bureaucracy [is such] that not even the head of the U.S. delegation was kept precisely informed of what was happening at the higher level," according to Nitze.

The former president went to such lengths that at discussions at the highest level, "Nixon would rely on the Soviet interpreters rather than the more competent American interpreters whose notes might be made available to the U.S. side."

The consequence was that the President and his staff were deprived of expertise and the ability to fine-comb the relevant detail. "This resulted in unnecessary difficulties, some of significant consequence in parrying Soviet strategy and tactics," Nitze said.

The Soviets came away from the Moscow 1972 summit meeting with quite a different view of the interim agreement than the U.S. had—it was their view that the interim agreement was not just a temporary freeze, he said. The Soviets believed the unequal missile launcher numbers and unequal throw weight capability had been agreed to at the highest levels to compensate the Soviets for other inequalities in the positions of the two sides, Nitze pointed out. They believed the interim agreement should be carried over unchanged into the replacement agreement, he added.

Nitze said the Vladivostok accord, even though the Soviets made some substantial concessions and it gives the appearance of equality, does not deal with throw weight—the most useful verifiable measure of missile capability.

". . . It is difficult to see how the [Vladivostok] accord reduces, in a meaningful way, the U.S. strategic defense problem posed by the new family of Soviet missiles and bombers which are now completing test and evaluation and whose large-scale deployment is now beginning," Nitze said.

Unless new strategic programs are added to those now programed, the U.S. will end its 10-year program with a half to a third of the Soviet ICBM throw weight, Nitze said.

EXPLANATIONS REQUESTED

WASHINGTON.—U.S. members of the Standing Consultative Commission have asked for explanations of USSR ICBM silo construction and mobile anti-ballistic missile testing programs that could be violations of the 1972 SALT agreements (Nov. 25, 1974, p. 18). The commission met last week in Geneva.

President Ford instructed his nuclear weapons disarmament negotiators to seek Soviet explanations of the alleged violations after reports in Aviation Week & Space Technology prompted congressional inquiries into possible SALT violations.

Soviet explanations were demanded of construction activity of missile silos in the USSR's missile belt along the trans-Siberian railway, detected by U.S. satellites.

The commission met with the Soviet delegation headed by Giorgi Ustinov and the U.S. delegation headed by Sidney Graybeal. The two delegations met shortly before the start of negotiations of a new SALT agreement based on the Vladivostok accord reached by Ford and Brezhnev last November.

SECRET PROTOCOL

WASHINGTON.—Secret protocol, officially called a "record of terms," is being used by the SALT Standing Consultative Commission in its discussions in Geneva of alleged violations of arms limitations treaties. The protocol was assembled during the SALT negotiations as a list of definitions, weapon characteristics and other factors that would permit interpretation of the treaty.

In some respects, it functions similarly to a history of legislation, which is occasionally used in legal cases to determine the intent of lawmakers in passing a law. During the negotiations, it was agreed that all transcripts of the talks would be kept secret, so only members of the negotiating teams and senior officials of each government have access to the protocol.

FOREIGN ASSISTANCE

Mr. INOUYE. Mr. President, we have indeed, come to a sad state of affairs when the Congress finds itself unable to act on Presidential budget estimates within a full year after their submission. Such is the case with pending requests for foreign assistance and related programs.

It is little consolation to me that the Senate Appropriations Committee has met its own responsibilities in this regard. I have today written the chairman of the Senate Appropriations Committee urging that we not again continue this spending authority with another extension of the continuing resolution, but rather vote these proposals up or down and do so without further delay.

Mr. President, I ask unanimus consent for this letter to be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS,
Washington, D.C., February 20, 1975.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This morning the House Appropriations Committee reported a continuing resolution which would, once again, provide temporary spending authority for foreign assistance items through the ninth month of the current fiscal year.

The President duly budgeted his proposed foreign assistance package and forwarded it to the Congress on February 4, 1974—over a full year ago. The Subcommittee on Foreign Operations began detailed hearings on these estimates on February 25, 1974 and completed them on July 24, 1974. Since that time, we have been ready, willing and able to fulfill our responsibility to recommend spending levels for these items.

It is my recommendation that we discontinue the folly of pretending to believe that we can deal responsibly with the $5.6 billion involved by continuing this temporary authority through the ninth month of the fiscal year and that we proceed to immediately vote these appropriations up or down. Certainly my Subcommittee and I are prepared to do our part in meeting this issue head-on—without further delay.

Sincerely,

DANIEL K. INOUYE,
Chairman, Subcommittee on Foreign Operations.

THE 55-MILE-PER-HOUR SPEED LIMIT SAVES LIVES AS WELL AS ENERGY—EDITORIAL COMMENTARY

Mr. RANDOLPH. Mr. President, our country's energy crisis has also precipitated the saving of many lives as well documented in a recent editorial by John Veasey in the Fairmont Times and West Virginian.

As noted in its February 14, 1975, editorial—

> Motorists who still haven't become accustomed to the 55 mile per hour speed limit might take comfort in knowing that mile-for-mile, 1974 was the safest driving year in more than four decades.

It was the safest in the 42 years since the National Safety Council has maintained statistical records.

An estimated 10,000 Americans are alive today who would probably have been killed last year if motorists had not slowed down in order to conserve gasoline. This was 17 percent less than in 1973, the previous year.

As stated in the editorial—

> The 55 mile per hour speed limit has led to safer highways as well as energy savings.

Universal observance of the 55-mile-per-hour speed limit can produce energy savings amounting to 5 million barrels of gasoline every day.

Mr. President, I ask unanimous consent that the editorial be reprinted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

55-MILE-PER-HOUR LIMIT IS SAVING MANY LIVES

Motorists who still haven't become accustomed to the 55-mile-per-hour speed limits might take comfort in knowing that mile for mile, 1974 was the safest driving year in more than four decades.

Or to express it in even more understandable terms, some 10,000 persons are alive today who would have been killed last year if motorists hadn't slowed down. These figures come from the National Safety Council.

Ten thousand lives. That's a lot of people. A lot of lives.

An estimated 46,200 persons were killed by traffic accidents in 1974 and while that figure may seem astronomical, it was still 17 per cent fewer than in 1973, according to Council statistics, when the nation's maximum speed limits were still 65 and 70 miles per hour.

The council also reported that studies on driving speed indicates that motorists not only geared down into the vicinity of 55 miles per hour on highway, but that they were also driving more slowly on city streets.

The president of the National Safety Council reported that the 55-mile-per-hour speed limit was useful in getting drivers to slow down on the highway but it may have even been more useful as a trigger factor in getting drivers to realize there was an energy crisis and they had to reduce their speeds to cope with it.

That's all well and true and there will be persons who will argue that safer highways and perhaps safer automobiles played a role in the lower death rate also. We tend to believe the reduced speed limit was the major contributing factor.

For statistical purposes, the rate was 3.6 deaths per 100 million vehicle miles traveled, compared with the figure of 4.3 in 1973.

The death toll for the year was the lowest since 1963 (43,564) and was the lowest on a mile-for-mile basis in the 42 years that the council has maintained statistical records.

GIVE THE SMALL RATEPAYER A BREAK

Mr. LEAHY. Mr. President, while rapidly rising electric bills for residential users are a problem for almost every American, they are a crippling, unfair, and often unmanageable burden on those with low or fixed incomes. Action must be taken now to assure that such users of electricity are not forced to give up the necessities of life—food, rent, or medical care—to pay their electric bills.

One interesting program to lighten the burden of electric rates on low- and fixed-income consumers is the Lifeline electric rate concept. Since it was first introduced in the Vermont General Assembly last year, interest in Lifeline has grown among State legislators, public utility commissioners, and consumer groups in other States. In addition, the Office of Consumer Affairs of the Federal Energy Administration is also actively studying this approach.

The original authors of the Lifeline concept were two Vermonters active in consumer affairs: Lee Webb, professor of economics at Goddard College in Plainfield, Vt., and Scott Skinner, the director of the Vermont Public Interest Research Group. Under this concept, people with low and fixed incomes would receive some immediate relief from the constantly escalating cost of electricity. It would reverse the present rate structure and provide a basic amount of electricity to all residential users at a fair and reasonable cost. The more electricity used, the more a customer would pay. It would allow all to purchase a certain amount of electricity required for basic human needs such as lights, refrigerator, furnace, et cetera at a price people could afford. At the same time, by providing a clear incentive to save electricity, it is an unburdensome conservation measure.

The New Republic on November 9, 1974, published an informative article, "Utility Bills," by Robert W. Dietsch which described possible remedies for rising electric bills and included a concise explanation of Lifeline. An editorial in the January 20, 1975, issue of Business Week also discussed the merits of this concept. Mr. President, I commend these articles to my colleagues and ask unanimous consent that they and the original Lifeline bill introduced in the Vermont General Assembly, along with a question and answer sheet on Lifeline prepared by the Vermont Public Interest Research Group, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New Republic, Nov. 9, 1974]

UTILITY BILLS

"WIN" is losing these days, but few prices have risen as much as utility rates: 55 percent during the first half of 1974, atop a 20 percent jump last year. Families in all-electric homes now face monthly bills of up to $400. Nor are there cheaper rates at the end of the tunnel: utility executives and officials in the Federal Energy Administration foresee another doubling in the next few years. Despite President Ford's exhortations against inflation, administration officials have urged state regulatory commissions to speed hearings on utility rate increase requests so as to give the companies a more adequate profit return and grease the way for expanded utility borrowing and capital expansion. Already a majority of utilities have won the right to automatically pass along to customers higher costs for fuel.

Federal Power Commission figures leave some doubt as to why the utilities should be crying wolf. Major electric utilities earned a 15 percent profit on their operating revenues last year. Natural gas pipelines earned a 12.1 percent profit. Certainly the federal income tax burden on utilities wasn't much: about one in four major electric utilities paid no federal taxes in 1973; thanks to investment tax credits taken since 1971, the electric utilities paid only 2.6 percent of revenues in federal income taxes, compared to about 15 percent in the mid-'50s. President Ford now wants to boost the utility investment credit from four to 10 percent. From 1971 to 1973 the value of investment credits claimed by electric utilities increased by 523 percent, from $32.1 million to $167.8 million. No doubt the utilities will have to raise billions in the coming year for needed expansion; some projects already have been postponed by high interest rates. Yet the rates of return enjoyed by these companies and the investment tax credits being accumulated make one wonder about the need for all the new benefits being extended or asked by the White House. As Sen. Lee Metcalf (D, Mont.), a long-time private utilities critic has said, "the financial problems which utilities have encountered due to the existing high rate of inflation may be severe, but they are certainly no greater than the difficulties faced by the average consumer who has already suffered rate increases of nearly 100 percent or more over the last few years."

Metcalf and others contend one way to help utilities cut costs is to establish a national power grid to provide needed generating capacity and (in Metcalf's words) "move the electricity where it is needed. A national power grid system would slow electric plant proliferation as much as 25 percent [and thus help protect the environment] and would mean lower fuel consumption. There would be less demand for peak generating facilities."

Other utility critics contend now is the time to correct a historic pattern of pricing that gives large commercial or industrial users lower rates than are charged residential or small commercial customers. Under the present pricing system people who use the least electricity or natural gas—the people least able to pay—usually are required to pay two or three times more per unit of power or fuel than large residential users or industries favored by the present rate structure. On balance residential customers provide about 37 percent of revenues for the large utilities, though they buy only about 26 percent of the electricity. Large industrial users buy about 35 percent of the power but pay only 23 percent of the bill. Before he left the Federal Reserve Board for Harvard, Andrew F. Brimmer said "while recognizing there are some physical efficiencies in delivering energy to large users, I believe these quantity discounts are no longer consistent with our long-run need to conserve energy resources. I personally think it would be better to replace the existing system of pricing with a structure that puts more emphasis on peak load rate differentials for both time of day and season of the year."

A growing number of consumer-oriented groups are pushing a new utility service and rate concept called "Lifeline." It would reverse the present rate structure and provide a basic amount of electricity to all customers at what proponents deem fair and reasonable cost: the more electricity a customer uses the more the customer pays—be the individual homeowner, commercial building or industrial plant. Prof. Lee Webb of Goddard College in Plainfield, Vermont, an early Lifeline advocate, says "the idea is basically a conservation measure because there would be clear financial incentive to use electricity carefully." The Ralph Nader-connected Public Interest Research Groups have joined the Lifeline campaign and now are pushing it in at least 14 states and the District of Columbia. A Vermont Lifeline proposal provides that the first 400 kilowatt hours of electricity used each month would carry a rate of $10, substantially lower than the current residential rate for the same amount of power. Four hundred kilowatt hours is about the amount of power a Vermont family uses monthly for normal consumption—to run a furnace blower, an oil burner, a refrigerator, a radio and TV set, a sewing machine and houselights. The basic price would not be subject to rate increases; utilities would make up the difference needed to earn a decent profit by passing on higher costs to customers using more than 400 kilowatt hours monthly.

Michigan Public Service Commissioner William Rosenberg once said that the present electricity rate structure "can be likened to allowing a Cadillac owner to pay 26 cents a gallon of gas while requiring all Volkswagen owners to pay 41 cents." Can't a Ford understand that?—ROBERT W. DIETSCH.

[From Business Week, Jan. 20, 1975]

THE WOBBLY UTILITIES

The wobbly financial condition of the nation's electric utilities is a basic part of the U.S. energy crisis. One way or another, the power industry must get more money. Otherwise, it will not be able to provide reliable service from its present systems, let alone expand to meet future needs.

The simplest and fairest way to meet the industry's immediate needs is for state regulatory commissions to give prompt approval to the higher rates the companies have requested. The only alternative is some sort of subsidy or bailout by the states and the federal government. This would merely pass the costs on to the taxpayers, in the meantime concealing the mistakes that got the industry where it is today.

The regulators should, of course, scrutinize both applications for increases and company operations to spot inefficiencies that add to costs. But there can be no excuse for the stalling tactics some commissions have tried. They only make the problem worse.

In the longer run, both the regulators and the utilities should start overhauling a rate structure that was designed in the days when the companies were anxious to bring in more capacity. The declining rate on big blocks of power is an archaic device intended to promote heavy usage rather than conservation. It should be replaced by a cost-to-serve price structure. In addition, power companies should start charging premium rates for electricity used during the peak demand periods. Holding down the peak loads would reduce the need for standby capacity.

A strong argument can be made for a "lifeline" rate that would allow low-income customers a bare minimum of kilowatt-hours each month for a marginal fee. But power users, both large and small, must start adjusting to the realities of the energy squeeze. The longer they delay, the more it will cost them.

H. 440

An Act to add 30 V.S.A. Chapter 5, Subchapter 3 relating to electrical lifeline service

It is hereby enacted by the General Assembly of the State of Vermont:

SEC. 1. 30 V.S.A. chapter 5, subchapter 3 is added to read:

SUBCHAPTER 3. LIFELINE SERVICE OF ELECTRICAL POWER

§ 281. Policy and Purpose

It is the policy of the state that residents be able to receive electrical service for basic necessities of modern life, such as lighting and refrigeration, at a stable, fair and reasonable minimum cost; and to encourage the reduction of electrical power consumption for all other uses beyond such basic necessities.

§ 282. Definitions

As used in this subchapter, the term "residential customer" means an individual who maintains a permanent place of abode within this state and is present in this state for more than an aggregate of 183 days of each year.

§ 283. Lifeline rate

(a) Except as provided in section 284 of this title, for the supply of electrical power to the principal dwelling of a residential customer, that customer shall pay not more than three cents per kilowatt hour for each of the first three hundred kilowatt hours.

(b) The rate provided by this section shall not be supplemented by any minimum charge, service charge, or other periodic charges to a residential customer for his principal dwelling.

§ 284. Exception for peak demand charges

The rate required by section 283 of this title may be increased at times of peak system demand, subject to the approval of the public service board provided that metering devices are used by the utility and the difference between peak energy charges and off-peak energy charges is the same for all customers of the utility.

§ 285. —— review

The public service board shall hold a public hearing or hearings to review the lifeline service rate to insure that it is adequate to effect the purposes of this subchapter, and shall report its findings and any recommended adjustments in the lifeline service rate to the 1977 session of the general assembly, and periodically every three years thereafter.

SEC. 2. Transitional provisions—

(a) Each electric utility shall file with the public service board revised tariffs in conformance with this act within thirty days of passage of this act. The revised tariffs shall be effective not later than thirty days from the date of filing.

(b) In the event that implementation shall cause a loss of revenue to a utility, the additional revenue required shall be obtained equitably from all classes of energy use in a just and reasonable manner.

SEC. 3. This act shall take effect from passage.

LIFELINE SERVICE BILL H. 440

Q. What is Lifeline electrical service?

A. Lifeline electrical service is the provision of up to *300 kilowatt hours* of electrical energy per month to all Vermonters, at a price of no more than *three cents* for each kilowatt hour. A bill (H. 440) setting these basic rates has been introduced in the General Assembly by Representatives Martin Powell of Essex and Sam Lloyd of Weston.

Q. What is meant by basic necessities?

A. Basic necessities are the lights and appliances, such as a refrigerator and a water pump, that most families need to live in minimum comfort. It does not include appliances which are available in non-electric versions.

Q. Is 300 kilowatt hours a month really enough electricity for basic appliances?

A. With careful use of lights and appliances, it is.

Here is an example of the basic appliances a family of four might own, with estimates by the Edison Electric Institute of the electricity they use:

Appliance:	*Kilowatt Hours per Month*
Furnace blower*	103
Oil burner*	19
Refrigerator-freezer (14 cu. ft. manual defrost)	95
Water pump	19
Lights	70
Radio	7
Sewing machine	1
Total	314

*Average for whole year.

Naturally, there may be some disagreement concerning which appliances are necessities. Also, these figures are averages for people who now own these appliances. Some families use considerably more electricity than these figures indicate, just as some use less. But this list shows that 300 kilowatt hours is a good estimate of the minimum electricity required by most families.

Q. How will Lifeline service affect my electric bill?

A. That depends on how much electricity you use. The average residential use of electricity in Vermont is somewhat more than 700 kilowatt hours per month. If you use less than this, you'll save a welcome amount; if you use the average, your bill should not be significantly affected; and if you use more than the average, it may go up slightly.

Q. Though our family could cut down a lot, we still probably will use a larger than average amount of electricity. Will families like ours have to pay for all the savings that small users of electricity will get under Lifeline service?

A. No. The Lifeline bill requires that *if* a utility needs a rate increase in order to reduce the rates to small users (not all electric companies will need one), it must increase the costs to all larger users fairly. This means that industries and businesses will pay their share.

In addition, the saving your family gets on the first 300 kilowatt hours of electricity it uses will help to offset higher rates which may be charged for using larger amounts.

Q. My grandfather lives alone in a mobile home, and has even fewer appliances than the ones listed in your table. Thrift is practically his religion, yet his electric bill is always more than $5.00—no matter what he does. Will Lifeline service help him?

A. Yes. One reason he can't seem to get his bill below $5.00 is that the power company actually does charge a fixed minimum bill, no matter how little electricity is used. The practice would be eliminated by the Lifeline bill. If, for instance, your grandfather uses only 120 kilowatt hours per month, his bill would be no more than $3.60.

Q. How will Lifeline service effectively promote conservation of energy?

A. First of all, people like your grandfather would be encouraged in their efforts for a change, and acting together they could have a significant effect. Conversely, industries and other large consumers of electricity—who now pay much less per kilowatt hour than small users—would be encouraged to conserve power as their rates go up.

Q. Future rate increases are just as sure as death and taxes. Will they affect Lifeline service?

A. Basically, no. The price of three cents per kilowatt hour, up to 300 kilowatt hours a month, would be fixed until the Legislature decides to change it. So future rates increases would apply only to electricity consumption in excess of the Lifeline amount, which would strengthen the incentive to conserve energy.

Q. What about second home owners?

A. Lifeline rates would be limited to permanent residents of Vermont—the same people required by the State to file income tax returns. Vermont residents would get Lifeline rates only for their principal dwellings.

For additional copies or more information contact: VPIRG, 26 State St., Montpelier, Vt. 05602, 223–5221.

A STATE LOOKS TO THE FUTURE—"MINNESOTA HORIZONS"

Mr. HUMPHREY. Mr. President, I would like to point out a unique venture by the Minnesota Legislature at the start of the 1975 session.

"Minnesota Horizons" was a special 3-day program in which the State Planning Agency and the Commission on Minnesota's Future joined to present an integrated view of the State's past, current status, developing trends, and imminent policy questions.

These sessions were financed primarily by foundation funds, and educators, public interest groups, and the press and other government officials were invited to attend.

The six topic areas of the meetings were: population and settlement patterns; economy; physical environment; man-made environment; human environment; and government environment.

The reactions of the participants to this approach were most enthusiastic. The sessions not only provided long-range information on trends in areas such as population, transportation, and the environment, but they also demonstrated some of the important interrelationships of these areas.

These sessions demonstrated the value and importance of long-range planning. I have attempted to encourage the same long-range planning process through my efforts in national growth and development.

Mr. President, I ask unanimous consent that the attached summary, "Minnesota Horizons," as well as editorial comments, "Scanning Minnesota's Horizons," Minneapolis Tribune of January 1, 1975; "A State Overview," Minneapolis Star of December 15, 1974; "The Horizons Seminar," the Dispatch of January 29, 1975; and "Horizons' Seminar Good," People's Press, Owatonna of January 16, 1975, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Minnesota Horizons

The State Legislature in Minnesota began their 1975 session in a unique and interesting manner. Their experience is important because of its significance for governments—Federal, State, and local, as well as the public.

As you well know, legislatures throughout the country typically assemble and then quickly divide into committees to begin the processing of individual bills. This process, plus the demands of a busy legislative schedule, often make it difficult for members to take anything but a fragmented approach to broad policy decisions. The many bills to be processed sometimes result in conflicting decisions. Often there is little time for relating the individual bills, or considering how they will affect the long-range future of the citizens these bills are meant to serve.

The Minnesota State Legislature wanted to try a more integrated approach this session. The Legislature, the Minnesota State Planning Agency, and the Commission on Minnesota's Future joined together to produce a special three-day joint session, which was called "Minnesota Horizons."

Supervised by a joint legislative task force, the staff of the Planning Agency and the citizen members of the Commission on Minnesota's Future, prepared a broad, integrated overview of the state's past, current status, developing trends, and imminent policy questions.

Three morning sessions on January 14, 15, 16, were held in the auditorium of the St. Paul Technical Vocational Institute near the State Capitol. During those periods, the Legislature suspended committee meetings and other legislative business. Invitations to the seminar were extended to other government officials, representatives of public interest groups, educators and the press.

All three sessions were broadcast live by Minnesota Public Radio, and University of Minnesota radio station KUOM, and were videotaped to be presented later in a series of six broadcasts on Midwestern Education Television.

These broadcasts were made possible by grants from three Minnesota foundations—the Hill Family Foundation, Bemis Foundation, and the Dayton-Hudson Foundation, and by assistance from the Inter-Governmental Personnel Act, U.S. Civil Service Commission.

Each morning's schedule included two 90-minute presentations separated by a half-hour coffee break. Each presentation involved as many as four speakers, and visual aids were extensively employed. Each presentation was introduced by a legislator, and roving TV cameras identified legislators in the audience.

The six topic areas considered were: Population and Settlement Patterns; Economy; Physical Environment; Man-Made Environment; Human Environment; and Government Environment.

While the effect of the Minnesota Horizons program on the legislative process can only be measured in long-range terms, the research that went into the preparation of this comprehensive report generated a great deal of valuable data.

Minnesota legislators who participated in "Minnesota Horizons" responded enthusiastically:

"Senate Majority Leader Nicholas Coleman called the presentation 'A remarkable contribution to the legislature which will be of incomparable value to us in making our decisions.'

"Representative Rod Searle, a member of the Joint legislative task force assigned to the project: 'Since I got in on the ground floor, I was enthusiastic about the project and believed that it would be effective. But after I participated in the event itself, I was especially thrilled for the new members, who received the most terrific briefing possible for a group of freshmen legislators going into their first session. They'll be able to ask the kinds of hard questions that will result in good legislation.' (Searle's comments take on additional meaning in light of the fact that there are 53 new members in the Minnesota House this session.)

"Minority Leader of the State Senate, Senator Robert Ashbach, said, 'Minnesota is a fine progressive state but this is true only because of its willingness to look to the future and define problems before they become insurmountable. I also appreciate . . . bringing to the people's attention a discussion of our future planning needs.'

"Speaker of the House, Martin Sabo, said, 'a great deal of valuable information was presented in an interesting and integrated manner. We are now better equipped to make the difficult decisions that face us.'"

A major effort was made to inform the press and the citizens of the state about "Minnesota Horizons". A million brochures were distributed through the school systems, enough so that each student could take one home.

Considerable media editorial response was generated by the "Minnesota Horizons" sessions, and later by the new data released. Both the *Minneapolis Tribune* and *Minneapolis Star* carried editorials in advance of the seminar, praising its intent. Following the conclusion of "Minnesota Horizons", an editorial writer for the *St. Paul Dispatch* wrote the following:

"We send congratulations for the unique and valuable way in which the 1975 session was started. . . It was a good show and should help give a sense of direction to the rest of the session as the legislators wrestle on a day to day basis with problems that not only are difficult to solve but represent conflicting demands for money and resources."

Much of the public interest, and many of the editorials were generated by some surprises in Minnesota's population patterns, as reported by Minnesota's recently-appointed State Demographer, Hazel Reinhardt.

Ms. Reinhardt announced, in the opening Horizons presentation, that the longtime trend of migration into the Minneapolis/St. Paul metropolitan area from rural areas appears to have reversed.

Ms. Reinhardt said that between 1960–70, 65 of Minnesota's 87 counties had net out-migration. But between 1970 and 1973, 61 counties had net immigration. This "development" was partly accounted for, she said, by the increasing number of job opportunities in outstate areas.

She also said that the population of the seven-county Twin Cities area will continue to have about ½ of the state's total population, projecting a metropolitan population of 2.3 million by the year 2000.

Ms. Reinhardt projected a faster rate of population increase during the 1980's. The large numbers of females born during the 1947–1960 "baby boom" and now in the child-bearing age will result in a "mini-baby boom."

Gerald Christenson, Director of the Minnesota State Planning Agency, related Ms. Reinhardt's remarks to the state public school enrollments, which he said would continue to decline until 1985, when the "mini-baby boom" will raise enrollments for about 10 years.

Christenson said that while the rate of total spending on education will be slowed, per pupil costs will continue to rise, largely due to teacher salary schedules.

Christensen also said that the creation of an adequate number of new jobs may be a serious problem in the period ahead.

Minnesota's economy was the focus of Russell Fridley, Director of the State Historical Society; Bruce MacLaury, Co-Chairperson of the Commission on Minnesota's Future and President of the Ninth Federal Reserve Bank; and John Brandl, Director of the University of Minnesota School of Public Affairs, who previewed the state's economic future.

Brandl said that in the past an economic downturn affected Minnesota less harshly than other parts of the country, but that the state will suffer the effects of recession for at least two years and that it will be several years before inflation drops to levels of the 1960's.

Brandl also projected that, the effects of inflation and the progressive nature of the state income tax would contribute to an estimated $1 billion increase in state revenue during the next biennium.

Minnesota's environment, both physical and man-made, occupied the second day of presentations. Joe Sizer, the Director of Environmental Planning for the State Planning Agency, illustrated the complexity of land-use planning by relating a recent study showing that 679 land-use related powers exist among six state agencies. Sizer added that a prime need is improved state geologic surveys.

Philip Raup, professor of Agricultural Economics at the University of Minnesota, noted that the number of Minnesota farms, continuously declining since the mid-1930's, has leveled off and remained constant at 118,000 since 1972. Raup said Minnesota agriculture has lost "resiliency to economic trends" due to a tendency toward specialization in farming, such as raising all livestock, cash crops, or poultry.

Raup called for Federal tax policies to protect the family farm, but emphasized that such policies could be initiated at the state level.

In a presentation on mining, forestry, and recreational resources, Victor Arnold, Executive Director of the Commission on Minnesota's Future, predicted that the greatest number of conflicts over land-use and environmental values would occur in the northeastern section of the state.

The nationwide housing shortage is sharply felt in Minnesota, according to James Solem, Director of the Office of Local and Urban Affairs, State Planning Agency. Solem projected that 242,000 new Minnesota families would require housing in the next ten years, with 45,000 to 50,000 new units each year required to fill the projected need, twice the number of housing starts in Minnesota housing industry's best year.

Solem also said a doubling of available housing credit would be required, as well as additional housing aid to low-income families and increased rehabilitation of existing housing units in order to meet the projected demand.

The State Planning Agency's Director of Transportation Planning, Harry Reed, noted that, if the present rate of state funding were to continue until 1994, only 25% of the already identified highways construction needs could be met. He also cautioned that, because many urban areas have developed such high capital cost mass transit systems, the Federal government may not be able to provide the expected 80% of mass transit capital funds.

Edward Hunter, Deputy Director, Minnesota State Planning Agency, addressed Minnesota's energy needs. Hunter said the state's response to the energy crisis must include a conservation education program, stiffer building design standards, utility rates geared to encourage conservation, and more energy-efficient land-use and urban design.

Closing sessions dealt with Minnesota's human environment and government environment. Vernon Sommerdorf, M.D. and a former legislator, asked for an improved distribution of medical care, especially for Minnesota's rural areas and minorities. He also suggested more efficient use of the state's allied health training facilities, now operating at less than full capacity.

Richard Broeker of the Planning Agency and Jane Belau, member of the Commission on Minnesota's Future, outlined the state's human service needs. They reported that the greatest continuing problem is the confusing and over-lapping multiplicity of Federal, state, and local agencies providing human services delivery. Ms. Belau said that a reorganized system should be made more client-oriented.

Dean Honetschlager, Director of Human Resources Planning for the State Planning Agency, reported on education in Minnesota. Honetschlager said that as enrollments decline, especially in rural school districts, it becomes difficult for individual schools to afford an adequate program of diverse course offerings. He also advised attention to the fact that every one of the 436 school districts conduct separate salary negotiations with teachers with no comprehensive monitoring on the state level.

In the final Horizons session, James Solem spoke on the financing of government, and Gerald Christenson discussed strengthening the role of elected officials.

Christenson reiterated a concern that had been the original motivation for the Minnesota Horizons project—the problem of fragmentation in government. He said that almost all public policy decisions are interrelated, but that there are powerful influences working against such a successful integration.

Among those forces Christenson listed, were society's increasing complexity; pressure on elected officials to make a quick track record; the legislative committee structure; the department structure of the executive branch of state and Federal governments, overlapping local units of government, superficial news media coverage; and the skill of single-purpose, special interest lobbies in manipulating the legislative process.

Closing speaker Ray Lappegaard, former State Highway Commissioner, noted that the state is going to become the most important level of government during the next years and that state and local governments must find new, more effective means of public involvement.

Lappegaard also advised that the legislature must resolve policy issues in a clear manner, and thus more effectively guide the actions of the Executive Branch.

Tapes of the Horizons sessions are currently available through the University of Minnesota Audio-Visual Library Services.

For participants in the "Minnesota Horizons" session, a complete notebook including the text and visual aids for all 17 individual speakers is being published.

It should be obvious from the breadth of material covered and the speakers involved that the Minnesota Horizons seminar was a wide-ranging and most ambitious program.

It was successful in reporting valuable new information which will be of immediate use to Minnesota legislators in their current session; it has made Minnesota's public officials and citizens better informed about the issues facing them.

But perhaps most important the "Minnesota Horizons" program has launched a unified and integrated approach toward legislation, and it has done so in full view of the citizens of the state whose values must finally determine their state's future.

Minnesota Horizons was an innovative project that other governmental bodies might well consider.

A person, and the values he holds, can often be defined by his image of the future—what he wishes to be and what he feels is worth striving for. The same could be said of a state, or a nation.

Public servants and citizens alike have taken three short days to talk together about what they want their state to become.

They have attempted to establish a common starting point, a common view of where their state is today.

In doing so, they have greatly increased the likelihood that the future of the State of Minnesota will be determined, not by circumstance, but by the people to whom it belongs.

SCANNING MINNESOTA'S HORIZON

The Minnesota Legislature's structure and schedule make it difficult for members to take anything but a fragmented approach to the state's problems and needs. Legislators are assigned to committees concerned with specific ranges of issues and with workloads full enough to allow members little time, if any, to look beyond those ranges. And the lawmakers are faced, day to day, with individual legislative proposals dealing with separate issues and demanding quick decisions. The result is a lack of opportunity for members to take an over-all look at issues and problems, at how they relate to one another and at how the state's long-range future might be affected.

The Legislature's 1975 session will be different, however. In mid-January, shortly after the session begins, members of the House and Senate will convene in an unprecedented—and probably unique—joint session to hear representatives of the State Planning Agency, the Commission on Minnesota's Future and other speakers discuss a broad range of issues and trends affecting the state today and in the years to come. Population patterns, the economy, the environment, housing, transportation, energy, health, education, human services and the government are the general topics to be discussed during the three half-day sessions.

The program, called "Minnesota Horizons," is described by its planners as an attempt to "provide a broad overview of where the state of Minnesota has been, where it is now and where it appears to be heading." And that overview will be directly available not only to legislators, but also—thanks to live coverage by public television and radio, made possible by three Minnesota foundations—to the public.

The State Planning Agency and the Commission on Minnesota's Future deserve thanks for conceiving this unusual way of fulfilling, in part, their statutory mandate to report regularly to the Legislature. Legislative leaders, too, deserve credit for responding to the idea enthusiastically and appointing a task force of state senators and representatives to help arrange the program. And thanks are also due to Minnesota Educational Radio and Minnesota Educational Television for bringing the program to Minnesota's citizens—and to the Bemis, Dayton-Hudson and Hill Family foundations for supporting the broadcasts.

It should prove helpful for Minnesota's legislators to have this chance to take time out for studying broad issues and long-term goals before getting down to the day-to-day decision-making that will be necessary during the rest of the session.

A STATE OVERVIEW

Minnesota's Legislature will take a new approach to its job next month. Members will attend a seminar Jan. 14–16 designed to provide a broad overview of the state's past, its potential and its problems.

The idea, as a news release from the State Planning Agency notes, is that legislative bodies ordinarily begin a session by assembling and then quickly breaking into committees to begin processing individual issues. There never seems to be a place or time for the members to put it all into perspective.

The seminar, if it works the way it's supposed to, will address that problem. It will be called Minnesota Horizons and will run from 9 a.m. to 12:30 p.m. each of the three days in the St. Paul Vocational-Technical Institute near the Capitol. All other business of the Legislature will be halted during those periods.

The seminar will be jointly sponsored by the Legislature, the State Planning Agency and the Commission on Minnesota's Future. There will be live coverage on educational radio and taped coverage on educational television. Subjects to be covered include education, health, the handicapped, housing, land use, agriculture, energy, transportation, economy, population distribution and government.

Questions to be considered include: Will Minnesota be able to preserve its tradition of home-ownership? Where will population growth occur? Will school enrollments continue to decline? Where are most of the state's land use conflicts likely to occur? What is the outlook for farming?

The seminar is believed to be the first of its kind in the country and its sponsors think it may serve as a model for other legislative bodies. However it turns out, the attempt is noteworthy and those associated with it deserve commendation for the effort.

The Horizons Seminar

We regard shooting occasional shafts of fire and light at the Legislature as one of our more important and painful fuctions. It is with pleasure, therefore, that we send this note of congratulations to the Capitol for the unique and valuable way in which the 1975 session was started.

That start was with "Minnesota Horizons," a program designed to give legislators (and the rest of us) a look at where Minnesota stands, and where it is headed, in such major areas as housing, transportation, energy, health care and economics. For three mornings, earlier this month, legislators met at St. Paul Vocational-Technical Institute and listended while experts testified.

The Horizons programs were broadcast throughout the state over public radio and television. We commented at the time on a couple of them: population shifts and the future of the family farm. It was a good show and should help give a sense of direction to the rest of the session as the legislators wrestle on a day to day basis with problems that not only are often difficult to solve but represent conflicting demands for money and resources.

Organizers of "Minnesota Horizons" rather immodestly suggest that "Never before has any state legislature taken such a comprehensive view of its state before breaking into committees to start processing individual bills." Immodest, but likely true.

"Minnesota Horizons" was sponsored by the Legislature itself, the State Planning Agency and the Commission on Minnesota's Future. There were grants from the Hill Family Foundation, the Dayton-Hudson Foundation, the Bemis Foundation and the U.S. Civil Service Commission. But you probably read all that in the flashing print at the end of the telecast. . . . It was worthwhile.

Horizon's Seminar Good

Probably few events in recent months have made as much sense, or will probably reap greater benefits than the three-day "Minnesota Horizons" program which is to be completed today in St. Paul.

Essentially, it has been a three-day seminar for state legislators conducted at the St. Paul Vocational Technical School auditorium, almost within the shadow of the capitol dome.

Other state leaders, news media representatives and others were invited to sit in while a blizzard of facts and projections flowed forth on a wide variety of topics.

The Minnesota Legislature's structure and schedule make it difficult for members to take anything but a fragmented approach to the state's problems and needs. Legislators are assigned to committees concerned with specific ranges of issues, and with workloads so heavy that members have little, if any, time to look beyond those issues. Then, there is the day-to-day hustle of individual legislative proposals that often demand quick decisions with little background.

"Minnesota Horizons" has been an attempt to change some of that. Members of the House and Senate have been convened each morning for the past three days in an unprecedented and perhaps unique joint session to hear representatives of the State Planning Agency, the Commission on Minnesota's Future, and other speakers.

Topics have included population patterns, the economy, the environment, housing, transportation, energy, health, education, human services and government. It has been an attempt to show where Minnesota has been, where it is now, and where it appears to be heading. And that overview has been presented not only to legislators, but also—thanks to live coverage and rebroadcasts on public television—to the public.

We know it has proven helpful to Minnesota's legislators to have this chance to take time out for studying broad issues and long-term goals before getting down to the day-to-day decision making that will be necessary during the rest of the session.

And high commendation for the good thinking and leadership which brought it all about in the first place.

ON AMENDING SENATE RULE XXII

Mr. CHURCH. Mr. President, each day brings news that the winds of change are sweeping away ancient rules, privileges and prerogatives in the Congress. The House of Representatives has taken the unprecedented step of electing its committee chairmen on a basis other than seniority. The Senate Democratic caucus has itself followed suit. In the future, committee chairmen may be elected by secret ballot, secretly called for.

I voted for this change. During my 18 years in the Senate, the seniority rule has imposed the virtue of patience. Junior Senators have had no alternative but to keep living until the day that they, too, would be rewarded for longevity with a committee chairmanship. Now that some of us, having survived the years, stand on the threshold, suddenly we have voted away the prize. Like the Allies stopping at the gates of Berlin, we have chosen to deny ourselves the certitude that rank will bring privilege. And this is probably best.

Presently, we are considering yet another ancient rule, a 56-year-old section of the Standing Rules of the Senate which, for many years, was perceived as the procedural weapon of civil rights opponents. Rule XXII was indeed invoked, again and again, to prevent a vote on civil rights legislation. Nevertheless, despite the rule, a way was found to pass the Civil Rights Act of 1957. By the mid-1960's, after a strenuous fight over a much stronger bill, the two-thirds majority required by the rule to end debate, was achieved. Since then, cloture has been voted much more frequently, due in part to changes in the Senate's composition and in part to success in one cloture vote leading to success in another.

Paradoxically, although rule XXII has steadily become a less formidable barrier to legislative action in the Senate, it remains the symbol of the old order, and therefore the irresistible target of all would-be reformers.

This was true in my own case, as it has been in so many others. The first vote I cast, upon entering the Senate in 1957, was against rule XXII. Since then, at the opening of several sessions of the Congress, I have led the fight to reduce to three-fifths the requirement of the rule that two-thirds of the Senators present and voting must approve, in order to end debate. Four years ago, Senator Pearson and I offered an identical resolution to that now before us.

During the intervening years, however, cloture has been invoked much more frequently; genuine filibusters, undertaken for the purpose of preventing a vote, usually fail. But the rule does give a measure of protection against hasty action on controversial proposals, sometimes insufficiently understood. Extended debate has often served the country well.

Moreover, as I have finally come to understand, the rule greatly strengthens the hand of the Senate in its dealings with the House of Representatives, as well as with the Presidency, itself. It follows that every curtailment of rule XXII weakens the institutional strength of the Senate.

Finally, it must be stressed that rule XXII no longer favors any particular clique in the Senate, neither the South against the North, nor conservatives against liberals, nor hawks against doves, nor any other grouping. From time to time, rule XXII is now being utilized by widely differing factions ranging across the whole spectrum of political philosophy and economic beliefs. It is being used often with good effect, as when reliance on the rule enabled determined opponents of the SST to ultimately prevail. In the closing days of the last session, resort to the rule made it possible for our conferees to reinstate important Senate amendments to the Export-Import Bank bill, which had been summarily stricken by the House.

Moreover, as a result of developments in the final hours of the last session, I suggest we have been given still another reason to retain rule XXII in its present form.

When the Trade Reform Act came to the Senate in December, cloture was invoked before a single word of debate was uttered. A two-thirds majority approved cloture, not for the purpose of ending debate, but for the purpose of excluding nongermane amendments. All at once, rule XXII was transformed into a closed rule, more constraining in certain respects than that used in the House of Representatives, where at least the Rules Committee can vote for a closed, a partially closed, or an open rule.

This was the first time I can remember that cloture was ever used for a purpose other than curbing debate. But now that this technique has been discovered, it will be used again. If this is a pernicious reverse twist of the rule, as I believe to be the case, the abuse will be all the easier to practice, if only a three-fifths vote is required.

For these reasons, I am convinced that rule XXII should not be altered as proposed. I do not derogate the arguments in favor of changing the rule. I, myself, once made them, believed them, and urged their acceptance. But, for nearly 2 years now, I have come to a different view, and so must seek such refuge as I can in the well-known words of Ralph Waldo Emerson:

> A foolish consistency is the hobgoblin of little minds, adored by little statesmen and philosophers and divines.

ANACONDA CO. REDUCES BUTTE-ANACONDA MINING ACTIVITIES

Mr. MANSFIELD. Mr. President, the state of our Nation's economy is not good, and each day we hear of new cutbacks, layoffs, and a generally depressing account of our job market, and an increased unemployment rate.

Montana has suffered from a depressed lumber, livestock, grain, and hard minerals market, and now western Montana is faced with a very real and serious cutback in the operations of one of our major industries—the Anaconda Co.

The Anaconda Co. has had substantial copper mining and processing operations in Butte and Anaconda for a good many years. Until recently, these communities were considered one-industry towns. I was most disappointed to read a speech given yesterday by the vice president of the Anaconda Co., Robert C. Weed, at the Butte and Anaconda Service Clubs. In essence, Mr. Weed told the people of Butte and Anaconda that, during 1975, they could expect a major reduction in Anaconda activity, the closing of a smelter and foundry at Anaconda, and a reduction in employees of some 1,500 men. This is disastrous. It is yet another serious economic blow to two of Montana's finer cities.

The Anaconda Co. has a checkerboard history of relationship with western Montana. For many years, they played the role of a substantial citizen. A few years ago, reorganization was brought about by the confiscation of their Chilean operations. The company reorganized and retracted its activities and, to be perfectly candid, it is being run by bankers whose only concern is the profit and loss statement. The time has come for large multifaceted corporations to develop a little humility and concern for the communities and the people they directly affect.

While the reduction will be gradual and a certain number of personnel will be absorbed through attrition, there is no way that this can be anything other than detrimental to the local economies. Both Butte and Anaconda have had great success in recent years in redeveloping their local communities with the assistance of the model cities program or urban renewal. Mr. Weed states candidly that the "Montana operations are in jeopardy." The mines of Butte have been the historic foundation of this company, and now it is being shunted aside for more profitable ventures elsewhere and a possible reentry into Chile.

I fully recognize that the Congress cannot dictate terms to private enterprise but I do state that I see no reason that we should be sympathetic to any problem with a corporation which ignores its historic responsibilities because of its primary concern with profits and the dictates of banking institutions. A reduced copper market, competition from foreign sources, U.S. labor costs, and new environmental controls are considerations but, at the same time, it would seem that corporate ingenuity should be able to overcome these difficulties.

In conclusion, Mr. President, I ask unanimous consent that Mr. Robert C. Weed's address be printed in the RECORD at the conclusion of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF ROBERT C. WEED

True to the spirit of Montana, your welcome has been warm and generous. Having spent a couple of years as a miner and engineer in the Butte mines after World War Two, I count myself in that large fraternity of mining men whose careers have been enriched by experience in Butte. Much has been written about the millions of pounds of copper that have been produced from the Richest Hill on Earth, but perhaps a more important product has been people. Generations of mining men have come from Butte and it has been a training ground not only for The Anaconda Company but for many other major companies throughout the industry. Whenever mining people gather in any corner of the world, the conversation usually gets around to "those days in Butte." For those of us with Anaconda, the city is the birthplace of the Company and a strong attachment to Butte and its people is a common bond among hundreds of our staff members—even though their duties have taken them to distant places. This applies equally to the smelter city of Anaconda.

I am grateful to the Exchange Club for providing me this forum before a gathering of the leaders of these two cities. The timing of this meeting is appropriate because economic developments have raised critical questions and because the people of this area recognize we are now at another crossroads in the long and often difficult history of Montana mining.

Looking back for a moment at 1974, we were pleased to report recently that the Company's estimated income for the year, before extraordinary income, was up 55 percent over 1973. The Company and its consolidated subsidiaries sold a record dollar volume of products last year, increasing its 1973 sales by 25 percent. The sobering aspect of this report is that these increases were registered mainly during the first half of 1974 before a general softness developed in the economy. In the last quarter of the year our estimated income before extraordinary income was off 41 percent from the identical period in 1973, and our sales were 10 percent below the last quarter of 1973.

I'm sure all of us in this room share a deep concern over the national economy. The anxieties of the energy crisis and runaway inflation have evolved into a deepening recession. The daily headlines on plant closings and massive layoffs have a grim familiarity for those of us who remember the Great Depression. First quarter auto production is at the lowest level in 14 years, appliance and industrial manufacturers have slashed output, consumer caution has caused retailers to retrench, and the housing industry is in a state of paralysis. Even government agencies are trimming their payrolls and programs to adjust to declining tax revenues. In Montana, the picture is no brighter. The recent economic report to the Governor points out that wood products, copper, tourism and cattle have been or will be adversely affected by declining national and international markets for these products. The economic indicators are discouraging. In 1974, unemployment rose from 4.8 percent to 7.1 percent. Bankruptcies are nearing an all-time high and business failures have increased sharply.

In the copper industry, we have been plagued by a double problem. While inflationary pressures have pushed our basic operating costs to extreme levels, the price we receive for our product has been declining. During the first half of 1974, the fixed price of copper was 68 cents a pound. After controls were lifted in May, the price rose in stages to 85 cents. However, in September of last year, the copper price started its downward slide. It fell to 79 cents and successive reductions have brought us to today's price of 63 cents. The world price has taken an even more dramatic tumble, falling from a high of $1.52 in April of last year to 55 cents. The basic cause of these depressed prices is the simultaneous recession in the United States, and the other copper-consuming nations. With this worldwide decline in industrial activity, there has been a sharp drop in the demand for copper. The inventories of copper held by producers, fabricators and exchanges have been mounting steadily since the middle of last year. It is estimated that the Free World's copper stocks now exceed one million tons. To illustrate the decline in demand, shipments by the U.S. brass industry in December were at the lowest monthly level in 14 years.

The problem of a falling copper price has been compounded by tremendous cost increases in all phases of our operations—mining, milling, transportation, smelting and refining. The costs of such basic items as tires, diesel fuel, grinding media, natural gas and scrap doubled and nearly tripled during 1974. Our labor costs also increased significantly under the new contracts signed last year. Coupled with all of this have been the problems of the energy crisis. In some cases our productivity was impaired by the inability to obtain fuel. In other situations, we had to shift from a customary fuel such as natural gas, to a more expensive product such as fuel oil. And even when energy was available, we found the rates and prices increasing rapidly.

Montana may be far from Zambia, but we all need to recognize the relationship of developments in the international market to our problems in Montana. Our foreign competition is blessed with higher grade ores and lower production costs. The copper flowing into the world markets from Chile, Peru, Zambia and Zaire has a direct impact upon the level of the foreign price. As I noted earlier, the world price has skidded to 55 cents and the indications are that it will go even lower. This in turn will bring pressure upon the domestic price because U. S. producers are vulnerable to a major spread between the foreign market and the domestic price. There are many complex factors in the international copper market and it is highly sensitive to the swing of economic events. A good example is the impact on the world price last year when Japan began dumping some of its copper supplies. My point is that world conditions have a direct bearing upon our operations in Montana. We must compete not only with producers in Arizona, Utah, Nevada, New Mexico and Michigan. We must be strong enough to meet the challenges of foreign producers in all parts of the world.

In the United States, the declining demand for copper has caused curtailments at many domestic properties. In Arizona, for instance, Phelps Dodge, ANAMAX, Magma, ASARCO, Kennecott and Cyprus Pima have all announced reductions in production. Kennecott also has announced plans to lay off 1200 employees in its Utah Copper Division, and 200 workers at its Nevada operations. It is anticipated that further curtailments will be implemented if our primary markets such as autos and housing continue in an economic slump. The entire industry is faced with drastic problems of survival until economic conditions can once again generate a strong demand for copper.

The Anaconda Company is experiencing the same problems as our competitors. With diminished manufacturing activity, our fabricating divisions face a shrunken market for their products. In the Wire and Cable Division, the physical sales volume of copper products is down 33 percent from a year ago. In December, the Brass Division recorded its lowest monthly sales since the comparable month of 1961, and those December sales were 54 percent below the record month of April, 1974. The Brass Division's U.S. order backlog has declined by 50 million pounds since the middle of last year and the volume of incoming orders is only one-half the rate it enjoyed in the second quarter of 1974.

The recession has affected aluminum as well as copper. Our Aluminum Division has suffered one of the most rapid deteriorations of business in its history. December shipments were 12 percent below a year ago, and in January, shipments were running at a rate 41 percent below previous years. And in residential building products, the shipments are 60 percent under last year.

In uranium, we are pinched between escalating costs and product prices fixed by long-term contracts. The uranium picture also is clouded by uncertainty as to the long-range future of nuclear power plants.

However, the Company's most drastic problems are here in Montana. I would like to review them with you.

The problems of the Berkeley Pit are of long standing. Foremost are the low copper content of the ore and the high waste-to-ore ratio. Another major difficulty is the high cost of transporting ore and waste out of the pit. As the pit deepens our vertical haul gets longer and as our waste dumps extend along the surface, the horizontal haul is lengthened. Despite innovations and increases in equipment size, the cost of transportation continues to mount. Another problem arises from the old underground workings in the area of the pit. The mine timbers and other debris from that period cause numerous difficulties for the concentrator operators. In addition, ore from these old workings is highly oxidized and acidic, greatly complicating our metallurgical processing. On top of this is the matter of weather. Subzero temperatures, snow, ice, rain and fog make pit operations extremely difficult and add to the costs of running and maintaining our heavy equipment. The combination of all these factors presents a formidable impediment to profitable operation of the Berkeley Pit.

As you know, we started producing from the Continental-East open pit in November of 1973. There have been some disappointments in this project from the standpoint of lower grade ores and a somewhat lesser tonnage than we projected. We now plan to conclude mining operations at Continental-East by the end of this year.

Circumstances have caused us to re-evaluate the mineral deposits known as Continental-South and Continental-North. Due to the fact that these deposits contain appreciable amounts of molybdneum, which must be recovered to make them viable operations because the copper grade is low, their development will be deferred until it becomes feasible to add a moly treatment section to the Weed concentrator.

One of our major hopes for the Butte operations has been increased production from leaching segregated material that contains copper of such low grade that it cannot be milled. We have over 400 acres of dumps under leach by solution application. This is a complex process that involves chemical and bacterial action as the acid solution percolates through the dumps. Unfortunately, the production from these operations is far below expectations despite examination and studies by some of the leading experts in the field. It is an area we will continue to pursue.

Butte does not have a monopoly on our problems in Montana. At the Anaconda smelter, we undertook in 1971 a tremendously expensive program to renovate an old and antiquated plant that had been operating since 1912. The major thrust of this program was to provide an effective system to control emissions into the atmosphere. Thus far, we have spent some $30 million for emission control facilities at the smelter and we are committed to a further outlay of $18.5 million to complete the program. There are many problems involved in trying to maintain plant production during a major construction project. It's something like trying to prepare meals on schedule while your kitchen is being remodeled. Moreover, the pressure for overnight solutions in the air pollution field required installation of facilities without sufficient time for testing or trial performance. These control devices have numerous startup problems. For example, we have encountered recurrent breakdowns with the acid plant and it has not yet achieved its design capacity. As a consequence of these difficulties, fluctuations in smelter production have resulted in higher treatment charges against our Montana ores. There also have been problems in maintaining a high matte grade and a consistent supply of feed into the smelter.

The new Arbiter hydrometallurgical plant is working well. However, as with any new facility, there are numerous mechanical startup troubles.

I've outlined some of the specific problems associated with our various mining and processing locations. However, most of them were known and anticipated. As the saying goes, they came with the territory. But there are three major elements of cost over and above these unique operating problems that apply to the total picture and threaten the survival of our Montana operations.

The first of these is the sudden upsurge in our material and supply costs. In our planning, we always provide for escalation, but what happened to this industry in 1974 went far beyond the bounds of any reasonable expectation. Let me show you some examples of what happened in Montana.

(Slide no. 1)

(Slides not included in RECORD.)

This first chart demonstrates the cost of tires at our Butte mines. It was almost constant in 1972 at 75 cents per hour; there were modest increases in 1973 and a jump in early 1974. But in August of last year, all of our tire contractors imposed severe increases, jumping to as high as $1.25 an hour.

(Slide no. 2)

The next chart demonstrates the upsurge in the cost of diesel fuel at Butte last year.

(Slide no. 3)

This shows what happened to the cost of natural gas at Anaconda. If the trend continues, we'll need a bigger chart.

(Slide no. 4)

The next slide shows the rise in the price of precipitate scrap at Butte. Again, the surge occurred in 1974.

(Slide no. 5)

This last example is the cost of grinding media for the concentrators at Butte and Anaconda. From June of 1974, it rose from a level of about $200 a ton to nearly $400 a ton by year's end.

These supplies are basic to our operations. The impact has been even worse than the galloping double-digit inflation that the housewife finds at her checkout stand.

The second major cost factor common to our Montana operations is labor. A year ago, the average hourly labor cost in Montana, including fringe benefits and cost of living adjustments, amounted to about $6.94 per hour. Today, the average hourly cost is approaching $8.23, an increase of 18 percent. Furthermore, our labor costs are estimated to rise approximately 40 percent from last July to July of 1977 when our current wage agreements expire.

We have to look beyond the increases of a specific wage contract and consider the problems of productivity and labor practices. According to the Labor Department, productivity in the United States over the year 1974 declined 2.7 percent. The first year-to-year decline on record. In the last quarter, the drop in productivity contributed to a 14 percent jump in unit labor costs (the labor cost per unit of output in the overall economy). Also according to the Labor Department, large increases in labor costs put upward pressure on prices.

Anaconda's productivity in its western operations has remained relatively static over the past several years with the result that unit costs have increased with each new labor agreement and also as other costs have escalated. In addition to these factors, poor work practices have contributed to this unhappy result.

For Anaconda to be strong and competitive, productivity must be improved.

Our friends in the labor movement are as cognizant as we are of the need for a healthy employer. In fact, many have publicly acknowledge this fact.

When the Productivity Agreement between the Steel industry and the United Steelworkers of America was adopted in 1971, I. W. Abel, president of the union, told a Steelworker conference:

"I don't have to remind you, I am sure, that we of the labor movement, and we who work for a living, will have the standard of living that the industries for whom we work can provide. We are tied together, and we either sink or swim together. You can't go to a well that has gone dry and get a bucket of water."

In this spirit then we intend to invite the Montana unions with whom we deal to join with us in the establishment of committees to explore this entire problem and endeavor to find means of improving our productivity.

The third factor that cuts across all of our operations is the high cost of environmental controls. There is no quarrel as far as I am concerned with sound and reasonable requirements for protection of the environment, and I believe Anaconda has demonstrated this belief with its expenditure of more than $48 million for emission controls at the Anaconda smelter. But we must not allow popular pressure to force industry into wasting immense sums of money on untested and unproven control facilities. And the restrictions should remain within the bounds of what is really necessary to protect public health and an attractive environment. We all must realize the need for a sense of balance on this problem.

When tremendous amounts of capital are invested in control facilities beyond what are reasonably necessary, it means that that investment is diverted from other improvements that could result in more jobs or in making existing jobs more secure. Both the financing charges of environmental installations and their ongoing expense must be added to the pound costs. An example of this is the complex system of water quality control we have devised at the Butte operations and our program for reclaiming mined land. We have spent $9.5 million thus far, and the continuing price tag is $2 million per year. My point is that money spent for environmental protection results is less money available for job-producing uses. Let's make sure it is spent wisely.

It should be realized that the posture taken by State Government is tremendously important to the health of industry. It concerns me that many legislators and state officials in Montana seem attuned to the clamor of those who advocate harsh treatment for business and industry with a damn-the-torpedoes attitude toward the State's economic well being. I am convinced that the overwhelming majority of the people in this State are concerned about employment and economic stability. I urge you to express your views to elected officials and legislators to counteract the actions of a vocal minority.

I appreciate that this has been a long litany of problems. But I agree with Henry Kaiser who once defined a problem as an opportunity in work clothes. As we did in the crisis that enveloped Anaconda after the loss of our Chilean properties in 1971, we intend to take strong and effective measures to cope with our current difficulties.

In the Wire and Cable Division, production of plastic telephone cable has been discontinued at the Harrisonville plant in Missouri. The cable plant at Eden, North Carolina has been temporarily closed, and it will operate with only about 50 percent of previous manpower when it re-opens. Cable operations at Garden Grove, California have been reduced by 75 percent. Twenty percent of the Division's production employees, some 600 people, have been laid off and further reductions are anticipated.

December manhours worked by hourly employees in the Brass Division's U.S. plants were down 41 percent from last May. At the end of December, total employment was down 1,037 persons from the level of last July. A further reduction of 94 jobs was scheduled for January.

Employment in aluminum fabrication already has been cut by 14 percent, representing 631 jobs. Rolling facilities at Terre Haute and Louisville are operating at only 52 percent of capacity, and extrusion plants have reduced operations to 50 percent of capacity. The Aluminium Division also has reduced primary production at both Columbia Falls and Sebree by 10 percent and further cuts may be necessary.

Operations of our refinery at Perth Amboy, New Jersey have now been reduced to one-fourth of capacity, with a corresponding reduction of personnel.

As the world copper price fell late last year, the General Mining Division closed our two mines in Canada—Caribou and Britannia. The headquarters staff at GMD has been reduced by 13 percent. Exploration and research activities have been cut back and capital expenditures on new projects are under study and some will be deferred.

With that background, let us turn to those measures we believe must be taken in our Montana operations.

As you all know, we reached the decision last November to phase out underground mining on the Butte Hill. The reasons were twofold. From an economic standpoint, continuation of vein mining would impose heavy financial losses. The cost of producing a pound of copper from the Butte underground mines had risen from 63.3 cents in 1973 to more than $1.00 in August of last year. More importantly, our long-range underground study brought us to the conclusion that a continuation of vein mining would deplete high-grade ores and reduce the collective value of the total underground deposit to the point where future bulk mining of the Hill's great potential would be imperiled.

We are continuing with our Butte underground study. Taking advantage of present mine access, we plan to spend $6.3 million in the next two years to define the full potential of the deposit that underlies the Butte Hill. Once this is done, we will have to evaluate our findings to determine whether a bulk mining project is feasible under our projections of future copper demand, price and operating costs. If the decision is favorable, a number of years would be required to design and construct the necessary facilities. We would plan to bring in this underground production as our pit mining was being phased out.

Let us deal now with the suggestion that the Company is curtailing its local operations for the purpose of driving people off the Butte Hill in order to buy surface rights at bargain prices. First of all, our present reductions are necessitated by economic forces beyond our control.

Secondly, at this time we are not completely certain whether bulk mining of the remaining Butte underground ores can ever be done. If people sell their uptown property now, it won't be to the Company—it will be to speculators willing to gamble on the possibility that the Company will need this ground at some future time. To make another point clear, if bulk mining is undertaken, it will cause some surface subsidence. We certainly recognize the rights of surface owners and the fact that their property would have to be acquired. This would have to be done in the same fashion by which we dealt with property owners whose land was essential to extensions of the Berkeley Pit. And I believe the community generally agrees that these owners received a fair price. But it should be pointed out that the cost of acquiring necessary surface rights will be a major factor in determining whether a Butte underground project is feasible. It could be that the entire program would hinge on this one element.

Our present plan for pit mining is to accelerate the rate of production in the Berkeley Pit. This will more quickly bring us to a time when we can start backfilling portions of the pit in order to reduce the high cost of transporting waste to remote dumps. As the Berkeley ores are reaching depletion, we will phase in production from the Continental areas.

All of these circumstances must have an adverse effect on our manpower needs. For example the decision to gradually phase out underground mining operations has resulted in the elimination of 259 jobs to date and when it is complete the total reduction will be about 650.

Additionally, at Anaconda we intend to shut down the concentrator in two stages. This is because the Weed concentrator will be capable of handling all of our Butte mine production. The first curtailment, effective March 1, will involve about 100 jobs. When the Continental-East pit is mined out near the end of the year, the Anaconda concentrator will be closed. This will mean approximately 125 more jobs.

Since operation of the Foundry at Anaconda will no longer be essential and because of environmental problems there, it is scheduled to close in the third quarter of 1975. Some 35 employees will be affected.

When the start up of the electric furnace is completed, this coming fall, another reduction of approximately 160 jobs will be made. This facility represents new technology which requires fewer workmen than the reverberatory furnaces it will replace. I should add that the electric furnace was necessary to reach the level of emission control agreed to by the State Department of Health and Environmental Sciences.

While I have been talking about reductions in hourly paid jobs there will be a consequent impact on the ranks of our salaried employees. But beyond these direct curtailments, we are in the process of a complete review of our manpower situation in Montana for it is imperative that we eliminate duplication and unnecessary functions. Let me emphasize that every segment of the operations is being examined. We are looking for savings from the executive level as well as the supervisory and day's pay work forces. Our studies to date indicate that a total reduction of around 1500 jobs will be accomplished this year.

We all realize the community trauma that results from hard economic times and layoffs by a major employer. However, we believe that normal attrition and turnover will aid us in cushioning the effect of production rollbacks and technological innovations. Anaconda has done no hiring, except on a very limited basis, for several months. During this period job vacancies have occurred which we were able to fill with people who might otherwise have been curtailed. Thus, although we have greatly reduced the number of underground workers in Butte, only 180 people have been laid off since October 1st of last year. This use of normal attrition should minimize the number of persons to be directly released. It also is our intention to do whatever we can to assist those employees who are released to become re-employed as rapidly as possible. We will consult and work with State and Federal agencies regarding benefits and training programs.

The current economic climate dictates that all costs be strictly controlled. Accordingly, we are also reviewing expense categories, such as inventory, purchasing and capital expenditures. If it is found that a cost item cannot be supported then it will be reduced or eliminated.

It would be foolish to apply sugar coating to what has to be strong medicine. I fully appreciate that my message means bad news to this audience, to the communities of Butte and Anaconda and to many other localities in Montana. But one fact is paramount—unless these remedies are taken, our Montana operations are in jeopardy. From a standpoint of pure profit and loss, one obvious solution would be to shut down completely until the economic picture brightens and there is a strong demand for copper. We are fighting with all of our means to avoid this drastic remedy, and I believe that, barring a full scale depression, the measures I have outlined will have the desired results.

I also must point out that even an upsurge in the price of copper would not be the answer. We have to reshape our organization, our work force and our production methods into a strong operation—one that will be capable of meeting all forms of competition under all conditions.

A man has to be something of an optimist to stay in the mining business, and I want to close on what I consider the affirmative side of our situation.

Over the longer range, there is every indication that the demand for copper and other metals will become increasingly strong. As current supplies diminish, the world appetite for minerals will bring prices attractive enough to allow the mining of what are now marginal deposits.

That is why we of Anaconda believe that Butte and Anaconda have further days of greatness ahead. These towns are tougher than the experts who have doomed them to disaster time and again. There remains a potentially great resource within the Butte Hill. With imagination and courage, it can become a source of jobs and income for decades to come, and Butte will remain one of the great mining areas of the Free World.

However, we must not lose sight of the fact that we are presently fighting for the survival of our Montana operations—and we will take the actions necessary to insure that they do survive for many years. This can only be done by getting competitive and staying competitive. And this is in the best interests of both Butte and Anaconda.

Adversity is no stranger in Butte and its sister city of Anaconda. They have ridden through harder times. If a realistic view is taken and there is affirmative support from our employees and the communities, we can solve our current problems and emerge from this troubled period with the strength and vitality needed to grasp the opportunities of a brighter tomorrow. Thank you.

SECRETARY KISSINGER'S ARMORED CAR FLIGHT

Mr. HARRY F. BYRD, JR. Mr. President, Secretary of State Kissinger flew to California on January 23 for a 3-day visit during which he addressed the Los Angeles Council on World Affairs.

From press reports I learned that for his visit, his personal armored car was flown to Los Angeles from Andrews Air Force Base, Md.

When I learned of this, I addressed inquiries to Secretary of the Air Force McLucas concerning the details and cost to the taxpayer of transporting the armored car to California and back by air.

I was advised that the cost of the round trip flight was $34,449. The C–141 jet troop transports which made the flight consumed 40,000 gallons of aviation fuel.

Secretary McLucas further reported that the flight was approved and directed by the White House and the Department of Defense upon recommendation from the Secret Service. It was funded by the appropriation for the Military Airlift Command missions.

Now I am sure that the American people want adequate provisions for the safety of their highest officials. No one wishes the Secretary of State to be exposed to undue risk.

However, I think one may reasonably question the expenditure of so much money and fuel for this particular trip. So far as I know, an armored car has not been provided in the past for Secretary Kissinger's trips within the United States, although such protection was furnished on six occasions overseas during 1974, at a cost of about $500,000.

One wonders what was so threatening about Los Angeles in January that only a special armored car, flown from Washington, could provide the protection needed for Secretary Kissinger.

I have no wish to be unreasonable about this expenditure. I do not want the Secretary of State to be exposed to needless danger.

At the same time, I am also deeply concerned about the handling of the tax funds which are paid into the Treasury by the hard-working men and women of our country.

At a time of recession, inflation, and energy crisis, is it appropriate for an armored car to be flown across the continent to protect the Secretary of State during a visit within our own country, at a cost of $34,000 and an expenditure of 40,000 gallons of fuel?

I think this is open to serious question.

I suggest that the criteria used by the White House, the Department of Defense and the Secret Service for providing air-transported armored cars be reviewed.

More importantly, I urge that every department of Government take a hard look at its spending practices in these difficult times.

It is essential that needless Government spending be eliminated.

We are in a time of financial crisis, and if we are to overcome inflation and recession, the Government must set an example of restraint and prudence for the country.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet tomorrow at 10 a.m., following a recess. The Penn Central measure will still be before the Senate. Rollcall votes are possible.

RECESS UNTIL 10 A.M. TOMORROW, AND ORDER FOR RECESS FROM TOMORROW UNTIL MONDAY, FEBRUARY 24, 1975

Mr. MANSFIELD. Mr. President, at this time, I move that the Senate stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER (Mr. CULVER). The question is on agreeing to the motion.

Mr. MANSFIELD. Before that motion is put, I also move that when the Senate completes its business tomorrow, it stand in recess until 12 noon on Monday next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the motion to recess until tomorrow (putting the question).

Mr. MANSFIELD. And that the Senate stand in recess from tomorrow until 12 o'clock noon on Monday.

The PRESIDING OFFICER. There is an order to that effect.

The motion was agreed to; and at 1:10 p.m. the Senate recessed until tomorrow, February 22, 1975, at 10 a.m.

NOMINATIONS

Executive nomination received by the Senate after adjournment on Thursday, February 20, 1975, under authority of the order of the Senate of February 20, 1975:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Carla Anderson Hills, of California, to be Secretary of Housing and Urban Development, vice James T. Lynn.

Executive nomination received by the Senate February 21, 1975:

DEPARTMENT OF STATE

Wiley T. Buchanan, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Austria.

EXTENSIONS OF REMARKS

AMERICAN INTERNATIONAL COLLEGE, MODEL CONGRESS—SPRINGFIELD, MASS.

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BOLAND. Mr. Speaker, recently, I had the privilege of giving the keynote address at the 35th annual Model Congress organized by American International College in Springfield, Mass. The Model Congress offers an opportunity for high school students from all over New England to participate in a parliamentary situation similar to that of the House of Representatives.

This experiment—entirely directed and run by the AIC student government—had its beginning on February 8, 1941. Growing from an original 75 delegates, representing 17 high schools, last year's Model Congress was made up of over 300 participants from 43 high schools from each of the New England States, New York State, and New Jersey. The record number of participating schools is 65 in 1965 and 350 delegates and observers in 1964 and 1970.

According to available statistics, Model Congress has hosted a total of 131 different high schools, and 6,421 participants in the last 34 years. As a result of its similarity to the U.S. Congress, several other regional school districts have duplicated the AIC Model Congress on a statewide basis.

For the past few years the Congress has awarded five scholarships to students who demonstrate the most proficiency in the Model Congress. In the early days of the 1940's, gifts of $50 and $25 were awarded and by 1949 the top prize amounted to $350 and a runner-up award of $150.

In 1955 the top participant received a full tuition scholarship and the second and third place finishers received a half-tuition scholarship.

The top winners in the past 6 years have received 4-year, full tuition scholarships. The second and third place finishers received a 2-year, full tuition scholarship, and the fourth and fifth place winners get a 1-year, full tuition scholarship.

These scholarships must be used at AIC and cannot be transfered to another college or university.

A panel of judges made up of AIC faculty members annually selects the scholarship winners.

A typical Model Congress begins with registration on Thursday evening, at which time delegates and observers are assigned to a room in one of AIC's five dorms and get a chance to mix with other high school students and begin lobbying.

The congress officially opens on Friday morning when the house and senate meet together for the keynote address by some national governmental official, the state of the Union address, and the official welcome from the mayor of Springfield.

Prior to the opening of the Model Congress, the delegates are encouraged to submit bills to be debated during the committee, house and senate sessions. One of the first bills enacted in 1941 and one which has frequently reappeared, has been lowering the voting age to 18.

Time and time again, Model Congress participants have demonstrated their imagination and concern for world affairs by introducing bills that were way ahead of their time.

In 1944, the Congress voted for the United States to participate in a Federal World Government, a forerunner of the United Nations. In 1947, the Congress voted to give Federal aid to education, medicine, and labor arbitration. The topic of uniform divorce and marriage laws was under discussion in 1948. In 1955, a bill was submitted requesting the President to seek the expulsion of Russia from the United Nations for violating the U.N. Charter.

Some other bills in the Model Congress include: Admission of Hawaii as the 49th State in 1948 and Alaska in 1949; national lottery, racial discrimination in schools, Federal aid in the construction of mental hospitals in 1949; GI bill to Korean veterans in 1952; control liquor and tobacco advertising in 1953; guaranteed annual wage in 1955; defeated a bill to sell arms to Israel in 1956; forbid airlines to sell liquor in 1957; and the establishment of a youth conservation corps in an effort to decrease the amount of juvenile delinquency in the United States.

More recently, in 1963, a bill was passed to strike the proposed appropriations for the House Un-American Activities Committee from the budget of 1963–64. In 1971 a bill was passed to establish a zero population growth program, to make acceptable a term of service in the Peace Corps or VISTA in lieu of military service, and to prevent the further pollution of this country's waters by the phosphates in detergents.

Among the bills passed last year was one to impeach Richard Nixon as President of the United States. Also passed were bills on the establishment of a 200 mile fishing rights boundary, to prohibit the sale of nonreturnable bottles in the United States, and one bill was passed that allowed for the destruction of a person's records held by the FBI if that person was acquitted.

Most recently, a topic brought up during the committee sessions of the 30th Model Congress was signed into law by former President Nixon. The bill was that of the Alaskan pipeline, and was discussed during the congress keynoted by Senator MIKE GRAVEL of Alaska.

I was deeply honored to be selected for a second time to give the principal address of the Model Congress. I thoroughly applaud the efforts of all of the students who ran it and all those whose participation made it so worthwhile. I particularly commend Prof. Robert Markel whose advice and suggestions I know have been invaluable in running the Model Congress.

I would like to append the names of the various award winners in this year's Model Congress, as well as a copy of the judges' selection as the best bill submitted during the congress. I think the subject matter speaks for the congress' continuing tradition of great attention to the crucial issues of our time.

The material follows:

M.C. 11

A joint resolution resolved that, the Director and/or Deputy Director of the Central Intelligence Agency, be required to report monthly to a Select Joint Committee

Be it enacted by the Senate and House of Representatives in Congress assembled, That the Director and/or Deputy Director of the Central Intelligence Agency (CIA) be required to report monthly to a Select Joint Committee.

SEC. 2—A Select Joint Committee on the CIA shall be established.

This Committee shall consist of fourteen (14) members appointed as follows:

(a) Seven (7) members of the Senate, four (4) to be appointed by the majority leader of the Senate and three (3) to be appointed by the minority leader of the Senate.

(b) Seven (7) members of the House of Representatives, four (4) to be appointed by the majority leader of the House of Representatives and three (3) to be appointed by the minority leader of the House of Representatives.

(c) The Select Joint Committee shall select a chairman and a vice chairman from among its members at the beginning of each Congress. The vice chairman shall act in the place of the chairman in his absence.

(d) A majority of the members of the Select Joint Committee shall constitute a quorum for the transaction of business.

SEC. 3—It shall be the duty of the Select Joint Committee to study, investigate, and regulate the activities and operations of the CIA.

The Committee:

(a) will have prior knowledge of all activities before they are initiated.

(b) will make expenditures.

(c) will hold meetings.

(d) will sit and act at any time and any place.

(e) will have the right to subpoena witnesses and documents. This subpoena will be issued over the signature of the chairman or one designated by him or the Committee.

(f) will take depositions and other testimony.

(g) decision of the Committee will be final.

SEC. 4—

(a) All bills, resolutions, and other matters in the Senate or the House of Representatives relating primarily to the functions of the CIA shall be referred to this Select Joint Committee.

(b) No funds may be appropriated for the CIA unless specifically authorized by the Select Joint Committee.

SEC. 5—The Director and/or the Deputy Director of the CIA will be required to report monthly to the Select Joint Committee on all CIA activities and operations.

SEC. 6—The Select Joint Committee will have authority to employ staff and adopt rules respecting its organization and procedures.

SEC. 7—The Select Joint Committee shall keep a complete record of all committee actions, including a record of the votes. All records, data, charts, and files of the Select Joint Committee shall be the property of the Select Joint Committee and shall be kept in the offices of the Select Joint Committee or such places as the Committee directs.

AMERICAN INTERNATIONAL COLLEGE,
Springfield, Mass.

MODEL CONGRESS AWARD WINNERS

Aula Lynne Evans, Mount Anthony Union High School, Bennington, Vermont—4-year scholarship.

Janet Roby, Plymouth Carver Regional High School, Plymouth, Massachusetts—half tuition for 4 years.

Lynn Falkenberg, South Hadley High School, South Hadley, Massachusetts—one-fourth tuition for 4 years.

Robert Haven, Athol High School, Athol, Massachusetts—one-fourth tuition for 4 years.

HONORABLE MENTION

Thomas McGovern, Bishop Gibbons High School, Schenectady, New York.

Stephen Wark, Classical High School, Springfield, Massachusetts.

David Haake, Coginchaug Regional High School, Durham, Conn.

Shawn Moriarity, Hopkins Academy, Hadley, Massachusetts.

Kim Antal, Longmeadow High School, Longmeadow, Massachusetts.

Patricia Delgrego, Minnechaug, Regional High School, Wilbraham, Massachusetts.

Karen DeWolf, Minnechaug Regional High School, Wilbraham, Massachusetts.

Irene Plotczyk, Pioneer Valley Regional High School, Northfield, Massachusetts.

Keith Hood, Quabbin Regional High School, Barre, Massachusetts.

Linda Regali, South Hadley High School, South Hadley, Massachusetts.

ON THE NEED FOR NEW ILLEGAL ALIEN REGISTRATION—PART III

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. BIAGGI. Mr. Speaker, at the present time H.R. 257 legislation I have introduced to control the illegal aliens problem enjoys the support of 31 of my colleagues. In addition widespread support among labor unions and veterans organizations has also been received. Included among these endorsements are those of the Veterans of Foreign Wars, and the 20,000 members of the Retail Food Clerks Union, local 1500 of New York City. At a later date I will provide my colleagues with a full listing of cosponsors as well as endorsements.

At this point in the RECORD I would like to insert an article on illegal aliens published by the Reader's Digest. Although the article is more than 1 year old, it depicts the many aspects of the problem which my legislation addresses itself to. I urge my colleagues to read this article and note how the problem has grown in severity since December of 1973.

I remain convinced that my legislation H.R. 257 proposes the most realistic approach for dealing with this problem. It is designed to both slow the influx of illegal alien entry, as well as return 1 million jobs to American workers. I urge and welcome your support.

The Reader's Digest article entitled "Our Mounting Wave of Illegal Immigrants" follows:

[From the Reader's Digest, December 1973]

OUR MOUNTING WAVE OF ILLEGAL IMMIGRANTS

(By Nathan M. Adams)

It is just after dark at the U.S. Border Patrol station in Chula Vista, Calif., and already dozens of electronic sensors which guard the sector's 79 miles of common border with Mexico are registering the footfalls of illegal aliens, or "wetbacks," as they slip onto U.S. soil. By midnight, the station's sensor-monitor panel is sparkling like a tilted pinball machine; walkie-talkies crackle as patrolmen scramble to check out each report. Nevertheless, by daybreak, some 3000 "illegals" will have sifted through this rugged sector of ravines and parched hilltops, many in groups of 100 or more, guided by relay teams of professional smugglers.

Some 2400 miles away, several dozen Chinese aliens are shoehorned into a rundown hotel in Montreal. Most are crewmen who have jumped ship, carrying with them cellophane-wrapped packages of white powder—kilograms of heroin—that will finance the final leg of their trip. Within days, they will be escorted across a frozen, unmarked border—ten miles from the U.S. Border Patrol station at Swanton, Vt.—and furnished transportation to New York City.

Chula Vista and Swanton are but two of the nation's 22 Border Patrol sectors, today swamped by a tidal wave of illegal immigrants. Already the burden placed on the American taxpayer is numbing. Consider:

Estimates of the total number of illegal aliens now in the United States range up to five million. And, say worried officials of the Immigration and Naturalization Service (INS), within a decade there could be 17 million.

Annual income lost to displaced U.S. workers is estimated at $10.4 billion. INS files in Los Angeles and New York City bulge with a backlog of 57,000 complaints from jobseekers, many Vietnam veterans, turned away by employers because payrolls are glutted by illegal aliens.

In California, untaxed wages of illegal Mexican aliens may well exceed $1 billion a year. Welfare payments to aliens in Los Angeles top $20 million annually, and a single illegal has run up $100,000 in government-paid medical care. In New York City, 65,000 children of illegal aliens clog the public schools at a cost to the taxpayers of $78 million per year.

SLAVE LABOR

Today, illegal aliens arrive in the Los Angeles and New York areas at a 7000-a-week clip. They vary from Portuguese crewmen who jump ship in Canada, to unemployed Haitians smuggled in from Puerto Rico. Most, however, are Mexican. Desperately poor, they seek to escape unemployment or $8-a-week wages at home.

All too many businessmen find it profitable to hire the illegal, who usually accepts substandard wages. The employer is seldom subject to penalty, so there is little risk. Fully 90 percent of the garment-industry work force in Los Angeles is composed of illegal aliens—in a city where unemployment for blacks and Chicanos may reach 40 percent.

"The illegal alien is a prime target for blackmail by unscrupulous employers," says deportation officer Noel Doran. "He lives in fear of being discovered, so he can hardly complain about wages or working conditions. He is in fact a slave."

The smuggling of illegals, and the falsification of entry documents and work permits, is one of the fastest growing criminal activities in the United States today. Profits from smuggling in 1972 were estimated to be over $1 billion. In San Diego last year, federal authorities reported some 5000 cases. Of these, only 20 percent were ever prosecuted, and only half of those found guilty went to jail. Nationally, 90 percent of those arrested are released outright. Convicted smugglers serve an average three months in jail, pay an average fine of $76, though federal law calls for fines of up to $2000 and five years' imprisonment for each alien.

UNDERGROUND RAILROAD

How do these smugglers operate? One recently exposed ring is typical:

They call themselves "Las Hueras"—The Blondes—and with headquarters in Los Angeles, San Diego, and Tijuana, Mexico, they netted $9 million by smuggling in 36,000 aliens over a recent three-year period. Prospects were contacted in Mexico. For initial fees of up to $225, counterfeit entry documents were provided. Then, singly or in groups, they were driven past the entry port of San Ysidro, Calif., to one of a dozen safe houses scattered northward from San Diego.

Within two days, they were convoyed up to Los Angeles, where they returned the forged documents to be sent back to Mexico for reuse. Almost always, employment was waiting—frequently local businessmen paid the ringleaders finder's fees of up to $100 per man. The cost to the alien: an average of $1000, on occasion less if he agreed to carry a half-kilo of heroin from Mexico.

A dozen similar rings still operate. In Tijuana, Nogales and other Southwest border towns, fraudulent credentials—including resident papers and Social Security cards—are actually hawked by vendors on street corners. Last January, INS men seized 100,000 bogus entry cards from a locker in a Los Angeles bus depot. Arrested, the counterfeiter admitted selling several for $1,000 each.

From his Nanking Hotel & Restaurant in Montreal, the 40-year-old Cantonese proprietor, Yee Sing, annually funneled thousands of Chinese aliens into New York and Vermont. Many of them, provided with contacts before leaving Far Eastern ports, jumped ship on the West Coast and made their way across Canada. Each man was charged $4,000, less if he agreed to carry heroin. Yee Sing was indicted in the United States last December—but alien trafficking is not a crime covered by U.S.-Canadian extradition treaties, and not until September were Canadian authorities able to effect his arrest.

For years, Montreal-based mobster Salvatore Frangipane shuttled Sicilian *Mafiosi* across the Canadian border to New York, Buffalo and Detroit. Many became "buttons"—hitmen—for Mob families. The price tag, $2,000—but free if the alien doubled as a heroin courier.

There are also the small entrepreneurs. They include scores of seedy, store-front travel agencies throughout the nation which openly advertise smuggling services in Latin American newspapers.

PANDORA'S BOX

Late in 1971, the U.S. Attorney's office in San Diego learned that hundreds of bona fide entry documents were mysteriously turning up in the possession of Tijuana alien smugglers. Months of investigation disclosed the source of the documents: Frank Castro, an INS official in San Diego, and his wife Nina.

In bargaining for leniency, Castro opened a Pandora's box of INS corruption. Justice Department officials ordered an immediate investigation called "Operation Clean Sweep." So far, FBI agents and INS internal investigators have surfaced 228 separate cases of official misconduct in the Southwest.

For example, two U.S. immigration inspectors were charged with taking $60,000 in bribes to allow 24 tons of marijuana and cocaine to pass through their checkpoint at San Ysidro, Calif., from Mexico. Another officer was arrested for smuggling guns and heroin. A San Diego grand jury indicted two additional inspectors for peddling entry cards at $100 each. Others accepted kickbacks from smugglers.

Meanwhile, evidence also discloses questionable conduct by ranking INS bureaucrats. One is INS Southwest regional chief Leonard W. Gilman, a former border patrolman. When San Diego millionaire Johnny Alessio—close to the notorious organized-crime figure Meyer Lansky—was sentenced to three years' imprisonment for income-tax evasion, Gilman shuttled in visitors from Mexico, using his official car. One passenger; Armando Verdugo, Tijuana vending-machine czar, also associated with the Mob-influenced Agua Caliente dog track. Another friend of the INS in the Southwest: Texas rancher Richmond C. Harper, charged with conspiracy to export weapons. He is awaiting trial.

Consider, too, the case of Patrick F. Coomey, INS district director in Boston. When a federal grand pury indicted a friend, John Driscoll, on alien-smuggling charges, Coomey apparently exceeded his official responsibilities in assisting the defense. Even after Driscoll's conviction in February 1971, INS probers report, he "enjoyed the run of the director's office" until his appeals ran out and he entered the penitentiary. Meanwhile, the INS agents who developed the evidence that put Driscoll behind bars have lodged complaints that Coomey indulged in bureaucratic retaliations against them.

Congress has now launched its own probe of INS. After weeks of testimony, one member of the House Legal and Monetary Affairs Subcommittee—Rep. Leo J. Ryan (D., Calif.)—called the scandal "a major mess in the federal government today."

TIME FOR ACTION

To continue neglecting a wave of illegal immigrants—which some say equals the annual number of U.S. births—is courting economic and social disaster. Here are steps which should be taken:

A bill before the Senate, H.R. 982, would levy fines on employers of illegal alien labor, and for repeated offenders, prison sentences. The bill has been held up by lobby pressure from California farm interests. But INS field agents feel its enactment would discourage employers from hiring illegals, thus destroying a major incentive for them to slip across the border. This legislation must be acted upon.

HEW has proposed regulations that will prohibit welfare payments to illegal aliens. State regulations, for the most part, do not distinguish between resident and illegal aliens. Neither do federal requirements of the Social Security Act.

Finally, the Administration must undertake a long-overdue, top-to-bottom shake-up of INS. Officials already implicated by the invesigations must be removed without further delay. To permit them to remain will further erode service morale—already at near-bottom.

Meanwhile, Congress should consider allocating emergency funds to increase INS effectivenss. "Give us the laws, and the manpower," says one INS investigator, "then give us back our pride, and we'll get the job done."

THE MOST ILLEGAL OF "ILLEGALS"

During this Congress alone, nearly 3000 private bills have been introduced on behalf of illegal immigrants—the result, usually, of heavy pressure from relatives. While only a fraction are ever enacted into law, each has the effect of staying deportation for a minimum of 90 days. Given this breathing room, a crafty immigration lawyer can launch appeals which will add months and years to the alien's stay. Some have remained here 25 years, under order of deportation.

At INS headquarters in Los Angeles, kept under lock and key and marked "Secret," is the file of Andrija Artukovic, a 74-year-old Yugoslav now living in Surfside, Calif. During World War II, he was the Minister of Justice in the Nazi-controlled puppet state of Croatia. Witnesses and war-crimes investigators claim that he was instrumental in the systematic massacre of nearly one million Jews and Serbians. And, according to the testimony of one American Intelligence chief in the Balkans section during the Second World War, he also approved orders that sent dozens of captured American pilots to firing squads.

To avoid the Nuremberg War Crimes trials, Artukovic slipped into Switzerland in 1946, later into Ireland. In July 1948 he arrived in New York, under an alias—in itself a deportable offense. Then in 1951 he was discovered living in Westminster, Calif. Ordered deported in May 1951, Artukovic has nonetheless continued to enjoy sanctuary. Each time it appeared he would be surrendered, a bill was introduced on his behalf by the late Rep. James Utt (R., Calif.).

Finally, in January 1959, a U.S. commissioner appointed by the federal district court in Los Angeles found that the crimes charged against Artukovic in extradition proceedings were "political" and that he was not extraditable. The INS found that he could not be deported because he would be subject to "persecution" in Yugoslavia. So today Artukovic remains in California.

INS officials in New York are investigating 59 similar cases of war criminals resident in the United States. Some have married Americans, acquired permanent status. Others, posing as displaced persons, have even won U.S. citizenship.

GRASSROOTS HOSPITAL

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. SCHEUER. Mr. Speaker, I would like to tell my colleagues the story of a hospital and a community. The story is taking place in Queens, but it could be taking place in a thousand other American cities.

There is a small hospital in the center of my district which is old and whose equipment is outdated. A large hospital that had taken it over with the promise of modernizing it has changed its mind. The board of trustees of that large university hospital preferred to build in a more affluent neighboring area.

The leading citizens of my district—neither wealthy nor affluent—came to my office just a few months ago. The district needed a modern hospital and it would be better to build a new one rather than convert the old one, they told me, so that hospital service need not be discontinued during a period of building.

We went together to talk to the hospital establishment in our city and everywhere we met discouragement. "Money is tight now." "People from the affluent communities in the neighboring districts will not drive down—even five-eighths of a mile—for hospital care."

My neighbors in the district are determined to raise a new hospital in place of the old one. Having no access to establishment funds, they are raising the money in small bills. They started to organize the district, calling on the help of the district's assemblyman, the borough president, State senators, councilmen. We expect, through this grassroots movement, several thousand volunteers and contributors. And we hope to have our construction started within the next year or 2.

For those who are interested in putting together a grassroots hospital, I shall shortly be placing in the RECORD background documents of the 11th Congressional District's "Hospital Now Project." I am beginning my efforts by community meetings and by circulating the following letter to the people from my own and surrounding neighborhoods affected by our community medical needs:

DEAR FRIEND: The Rockaway Peninsula and the Five Towns Communities need a new hospital facility. The old hospital, formerly St. Joseph's, and now the Long Island Jewish Hospital—South Shore Division, has been serving our communities well for decades. But those facilities are outmoded and must be replaced.

As the only Congressman from New York State on the Health Committee of the Congress, I intend to use all of the power at my command with federal, state and city authorities to see to it that a new hospital is built on Beach 19th Street.

The thousands of elderly of limited mobility who live in the Rockaways, the close proximity of the present Beach 19th Street site to the transportation system of the entire Rockaway Peninsula, the psychological impact which the loss of the hospital would have on the east end of the peninsula, make it imperative that this new hospital be built in the same location where it has served us so well over the years.

The land is available; the state and federal government will help us. The Doughty Boulevard site is not now available, nor in my view, will it ever be. The County of Nassau has not sold the land. The Village of Lawrence will not grant rezoning; the community of Far Rockaway will institute law suits to keep these hospital beds from moving to Nassau; environmentalists will challenge construction on the Doughty site in the courts. The only effect of a concerted effort to move the hospital from the Rockaways would be to delay interminably, effective hospital care for our area. The issue is a Hospital NOW in the Rockaways or NEVER in Lawrence.

So, I invite all the people of the Rockaways and the Five Towns to join me, to become sponsors of the new Rockaway-Five Towns Hospital Center on Beach 19th Street. We are already bringing together medical, business, labor, civic, and religious leadership to see to it that a first-rate medical center is built to serve our people.

Now it is up to you to help make this longtime dream become a reality. Our health and the health of our community needs your active concern and help.

JAMES H. SCHEUER,
Member of Congress.

SO-CALLED NOW ACCOUNTS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. DRINAN. Mr. Speaker, I bring to the attention of my colleagues an interesting article about the so-called NOW accounts permitted by Federal law in Massachusetts and New Hampshire.

This article is from the New England Economic Review and is written by Katherine Gibson. The title of the article is "The Early History and Initial Impact of NOW Accounts."

The savings banks and thrift institutions of Massachusetts are to be commended for initiating a way by which each depositor can simultaneously have his money return interest to him because it is in a savings account while he may also cash checks on the balance in the bank.

It is most significant that 61 percent of the banks in Massachusetts that now have NOW accounts do not require that the depositor pay a service charge for the check. In my judgment it is to be hoped that the NOW account is the forerunner of a multipurpose manner in which every depositor may be guaranteed that interest will be paid on his account whether that particular account is denominated as a checking account or as a savings deposit.

The first part of this very interesting article by Katherine Gibson, a banking structure analyst of the Federal Reserve Bank in Boston, follows:

THE EARLY HISTORY AND INITIAL IMPACT OF NOW ACCOUNTS

(By Katharine Gibson) *

The past decade has been a period of innovation in banking, but most of the changes have been of little direct benefit to the average family.[1] Recommendations from the President's Commission on Financial Structure and Regulation (the Hunt Commission), released in 1971, were aimed, in part, at easing regulatory restrictions which create barriers to consumer gains and which prevent different types of depository institutions from competing on an equal basis. For example, the Hunt Commission favored granting thrift institutions the authority to accept demand deposits, subject to equalized interest rate ceilings and reserve requirements. The Administration proposed banking legislation in 1973 which included many Hunt Commission recommendations, but none of the proposals has yet become law. While the regulators and legislators pondered, savings banks in Massachusetts and New Hampshire re-interpreted the existing law and found a way to begin offering the equivalent of interest-bearing demand deposits, thereby initiating an experiment in these two states which has direct benefits for the small depositor.

Negotiable Order of Withdrawal (NOW) accounts are technically savings accounts which could require 30–90 days notice before funds are withdrawn.[2] Since prior notice is not required in practice and since the negotiable order functions like a check, NOW accounts provide the convenience of a checking account while paying interest like a savings account. Until the introduction of NOW accounts, depositors were forced to choose between these two features because the payment of interest on demand deposits is prohibited and the usual passbook form of withdrawal from a savings account is not a convenient substitute for a check.

Interest payments on demand deposits, common in the 1920s, were considered an example of "excessive" competition, believed by many at the time to be a major cause of the bank failures during the Depression, and were prohibited by the Banking Act of 1933. As a substitute for interest payments, many banks have provided services below cost (e.g. "free" checking accounts) and have continued conventional modes of nonprice competition, such as adding branch facilities for customers' convenience. Explicit payments for deposits and explicit charges for services would be most desirable from the consumer's viewpoint since it would give him the greatest flexibility to choose between income and services according to his own needs.[3]

NOW accounts were introduced by a Massachusetts mutual savings bank and spread rapidly to savings banks in Massachusetts and New Hampshire. After a year of uncertainty, Federal legislation assured the continuance of NOW accounts in these two states and commercial banks, savings and loan associations (S&Ls) and cooperative banks[4] also began to offer them. As of October 31, 1974 NOW accounts were offered by 236 financial institutions in Massachusetts and 41 organizations in New Hampshire. This article traces the development of NOW accounts in these two states and the initial impact on the rest of New England, and on the mutual savings bank industry. Current statistical information on NOW accounts is available in a monthly report published by the Federal Reserve Bank of Boston.[5]

BACKGROUND

NOW accounts were originated as a device to expand the depository powers of savings banks. Mutual savings banks, which operate in 17 states (including all the New England states) and Puerto Rico, generally are not authorized to accept demand deposits. Savings banks have been eager to acquire checking account powers so that they could match the one-stop convenience of commercial banks. Since savings banks in New England are permitted to accept savings deposits and to make personal and mortgage loans, the major service which most families use and have been unable to obtain at a savings bank in these states is a checking account.[6] In 1971 bills to give demand deposit powers to mutual savings banks were introduced in the Massachusetts, New Hampshire and Connecticut legislatures. In each state, opposition from commercial bankers prevented the bill's passage.

There is precedent for granting demand deposit powers to mutual savings banks; in Maryland, Indiana and New Jersey, savings banks have the right to accept checking accounts.[7] In these states checking accounts had been accepted by some savings banks for many years and when the right to do so was challenged in New Jersey and Maryland during the late sixties, the courts upheld what they ruled was the customary practice of savings banks. In addition, one mutual savings bank in Connecticut and one in Delaware ac-

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Footnotes at end of article.

cept personal checking accounts under special provisions in their charters and the only mutual savings bank in Oregon was granted demand deposit powers by the state legislature in 1973. These exceptions to the general prohibition on demand deposits at savings banks did not have much impact however, as shown by the small percentages of deposits held by savings banks in Maryland, Indiana and New Jersey.[8]

By contrast, in Massachusetts, New Hampshire and Connecticut, total deposits in mutual savings banks are greater than total deposits in commercial banks. Mutual savings banks in Massachusetts were also in a special position because most of them (159 of 167) were not federally regulated. These banks are state-chartered, and state-insured and were regulated only by the Massachusetts Bank Commissioner.

THE INSTRUCTION OF NOW'S IN MASSACHUSETTS AND NEW HAMPSHIRE

The first attempt to obtain regulatory approval of NOW accounts was made in July 1970 by the Consumer Savings Bank of Worcester, Massachusetts. The bank filed a plan with the state banking commissioner to allow its savings account customers to withdraw funds by means of a negotiable order instead of presenting a passbook. The Bank Commissioner denied this application on September 28, 1970 on the grounds that the proposal created a new type of account. Consumers Savings immediately brought suit against the commissioner, seeking a declaration that it did have the legal authority to introduce such a withdrawal method. The case was brought to the Massachusetts Supreme Judicial Court which ruled unanimously in favor of Consumers Savings on May 2, 1972.[9]

On June 12, 1972 Consumers Savings began offering NOW accounts, and 10 mutual savings banks followed suit in August. These banks followed the pattern established by Consumers Savings, paying the legal maximum interest rate, 5¼ percent,[10] and charging 15 cents for each withdrawal order.

On September 19, the New Hampshire Savings Bank, Concord, also began offering NOW accounts, after attorneys for the New Hampshire Association of Savings Banks determined that New Hampshire law was similar to Massachusetts law in that there is no restriction on the form of withdrawal from a savings account. The New Hampshire Savings Bank chose to offer NOW accounts on different terms from the Massachusetts mutual savings banks, however; the accounts paid 4 percent interest but no service charge was imposed on withdrawals. Other New Hampshire savings banks implementing the NOW idea generally followed the pattern established by New Hampshire Savings Bank.

ACTION AT THE STATE LEVEL

The New Hampshire Bankers Association immediately filed a petition of complaint with the state bank commissioner, requesting a hearing on the legality of NOW accounts. When the Bank Commissioner responded that there did not appear to be a violation of state banking statutes, the Association filed suit in the New Hampshire Supreme Court, requesting that the opinion be reversed and the mutual savings banks be forbidden to offer NOW accounts. Subsequent Congressional action made the suit irrelevant and it was eventually dropped.

The major battles over the continued existence of NOW accounts took place in Massachusetts and in the U.S. Congress. In the first few months after NOW accounts were initiated, the focus was on working out a compromise between commercial bankers, who opposed NOW accounts, and mutual savings bankers in Massachusetts and on exploring the limits of regulatory authority. Regulations of the Federal Reserve Board and the FDIC prohibit third-party payments from a savings account and thus prevented commercial banks from introducing accounts similar to NOWs. Commercial bankers felt that mutual savings banks were being given an unfair advantage in competing for household deposits. Not only could savings banks offer NOW accounts, which are more attractive than checking accounts from a depositor's viewpoint and also impose a lower reserve requirement, but regulations also allow thrifts to pay a higher interest rate on savings accounts. Smaller commercial banks, in particular, which rely more heavily on consumer business and which in non-urban areas often have a savings bank as the closest competitor, feared that they would suffer severely adverse effects from the introduction of NOW accounts. The compromise attempts culminated in a meeting on January 19, 1973 at the Federal Reserve Bank of Boston attended by representatives of commercial banks, mutual savings banks, S&Ls, cooperative banks, the Massachusetts Bank Commissioner, the FDIC and the Federal Reserve. At the meeting the Bank Commissioner recommended that all industry groups petition the Massachusetts Legislature to eliminate NOW accounts and simultaneously authorize checking accounts for individuals and nonprofit institutions at savings banks and that the interest rate differential between mutual savings banks and commercial banks on regular savings accounts be reduced from 75 basis points to 50 basis points.

The commercial bank representatives, who wanted a greater reduction in the differential, objected strenuously to this proposal. Several variations were suggested, all of them involving a further decrease in the differential at some time in the future, either at a fixed date or after the volume of checking accounts at savings banks had reached some specified level. Many commercial bankers felt that mutual savings banks should be excluded from having third-party payment powers until the mutuals had the same Regulation Q and reserve requirement burdens as Federal Reserve member banks. A subsequent poll of commercial banks and savings banks revealed that no proposal was mutually acceptable.

While some observers believed that the Massachusetts Bank Commissioner had the authority to reduce the permissible interest rate on NOW accounts to zero, thus eliminating the competitive advantage over regular checking accounts at commercial banks, the commissioner appeared reluctant to take any step without backing from the state legislature. Political support was not forthcoming; the most appropriate source of legislative recommendation, a Special Study Commission Providing for an Investigation and Study Relative to Authorization of Savings Banks to Accept Demand Deposits, was known, in fact, to support NOW accounts. A more drastic step, such as prohibiting third-party transfers from savings accounts, would certainly have led to litigation challenging the commissioner's legal powers.

FOOTNOTES

[*] Banking Structure Analyst, Federal Reserve Bank of Boston.

[1] The introduction of "free" checking accounts (usually requiring that a depositor maintain some minimum balance in his account) is one example of innovation which has helped the average family.

[2] An institution operating under Massachusetts statute would require 90 days notice while an institution operating under Federal regulations would require 30 days notice. In New Hampshire the state law does not specify a period of time; it depends on the by-laws of the state-chartered institution.

[3] The final regulations governing NOW accounts permit a maximum interest rate payment of 5 percent on deposits, which is less than a market-determined rates would be under current conditions. Many institutions do not impose a service charge on NOW accounts, thus adding an implicit payment, in the form of services rendered, to the explicit payment of interest. Given regulatory restrictions, this combination is the best obtainable from the consumer viewpoint; however, theoretically an unrestricted explicit payment for the use of funds and an explicit charge reflecting the cost of service would be the most desirable.

[4] Cooperative banks are state-chartered institutions similar to savings and loan associations.

[5] In January 1974 the Federal Reserve Bank of Boston began publishing a monthly series which provides current information on NOW activity including the number of institutions offering NOWs, the number of accounts, total and average balances held, service charges levied, and interest rates paid. These monthly reports are available upon request to the Research Department.

[6] Recently both National BankAmericard, Inc. and Interbank Card Association (Master Charge) have amended their by-laws to extend membership to mutual savings banks; however, only in Massachusetts, Vermont and Oregon does the state law grant savings banks credit card powers. In Massachusetts several savings banks are offering credit cards as Class B members of NBI through an arrangement with a commercial bank which performs some of the services and four savings banks have been accepted as Class A members of NBI (these institutions handle all credit card functions internally). No savings bank in Vermont has sought to offer credit cards thus far.

[7] For a discussion of the impact of demand deposit powers at thrift institutions in these states and in Canada see Paul Anderson and Robert Eisenmenger, "Structural Reform for Thrift Institutions: The Experience in the United States and Canada," *New England Economic Review*, July/August 1972, pp. 6–8.

[8] As of June 30, 1973, in New Jersey, savings banks held 18.5 percent of the combined IPC time and savings deposits of commercial banks, mutual savings banks and S&Ls in the state. The percentages of IPC time and savings deposits held by mutual savings banks in Maryland and Indiana are even smaller, 12.8 percent and 1.2 percent, respectively. In none of the three states do mutuals hold as much as 2 percent of the combined demand deposits of savings banks and commercial banks.

[9] The decree, writen by Justice Paul Reardon, declared: "We do not agree with the commissioner that use of the negotiable order of withdrawal creates a new account not authorized by c. 168. . . . In fact, it would appear that General Law c. 168 §26, leaves the establishment of methods of withdrawal to the individual banks."

[10] The Massachusetts Bank Commissioner set the interest rate ceiling on regular savings at mutual savings banks at 5¼ percent, ¼ percent higher than the rate thrifts were allowed in the rest of the country at the time. The FDIC set the same maximum rate for the eight Massachusetts mutual savings banks which it insured and regulated.

VOICE OF DEMOCRACY CONTEST WINNER

HON. KENNETH L. HOLLAND

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. HOLLAND. Mr. Speaker, a citizen of my district, Ms. Cathy Grant Gibson, of Chester, S.C., has just won one of the highest awards for national spirit. Mr. Speaker, Ms. Grant has written a moving essay for which she won the Voice of Democracy Contest, sponsored by the Veterans of Foreign Wars.

This annual contest provides an opportunity for 10th, 11th, and 12th grade students in our public, private, and parochial schools to think, write, and speak up for freedom and democracy. The 28th annual Voice of Democracy scholarship program focused the attention of youth on the obligations of citizenship and called for a personal evaluation of their responsibilities in preserving democracy as a way of life in our Republic. More than 500,000 students from over 7,500 secondary schools participated in this year's program.

It is truly an honor for me to represent a woman as talented and as responsible as Ms. Grant. Her essay should serve as an inspiration to the people of our Nation, both young and old. It is with great pleasure that I insert her essay to be reprinted in the RECORD and recommend that all Americans take its message to heart.

The essay follows:

MY RESPONSIBILITY AS A CITIZEN

I am an American. I am proud of my heritage as a citizen in this great country. I enjoy privileges and opportunities unequalled anywhere else in the world. I have freedom of speech, freedom of religion, and freedom of press, and am governed by a government which is of the people, by the people, and for the people.

I live today in a society where luxuries are regarded as necessities. Tremendous advances have been made in medicine, science, engineering, and technology. My standard of living is the best in the world.

This good life has been bequeathed to me by forefathers, a legacy which carries with it no law which says I must accept any responsibility. I can use or neglect it as I please. But, can I? The Bible says we were all entrusted with talents—to use or neglect—and a neglected gift gains nothing. The Biblical exhortation is that we "use or lose" our talents. To me this legacy is a privilege, but it also is a responsibility. Unless I use my talents to protect my legacy and add something to my inheritance during my lifetime, I have betrayed the trust of my ancestors and cheated my own descendants.

In order for me to say what I want, be what I wish, and do what I like, I must allow others to do the same. In order to have a say about our government, I must allow others to have their say, also. Not everybody will agree about everything. Therefore, I will have to make some choices and to be a good citizen, I must make wise choices.

My job and responsibility as a young citizen is to prepare myself to live well in our society. Please note that I was very careful to say "prepare *myself*." No one can do that for me. This is one of the most important choices I will ever make. My parents can insist that I go to school but to get the most out of it, I must choose to go.

I need to learn about the organization of my city, county, state, and national governments. One day I will vote for the officials and it is important to know what kind of work will be done by the people I choose. I need to learn about taxes and the cost of operating the government. Voting and paying taxes will be two important responsibilities of mine as a citizen.

I can learn much by participating in various young people's groups such as student body associations at school, church groups, civic clubs, and any other groups which offer me the opportunity to practice self-government.

I must be concerned and become involved in life's everyday events. "Citizens' involvement is a real challenge—the key to liberty and freedom; the cornerstones of America." In many of our relationships today, we are afraid of becoming inolved. Let us remember that we only begin to find significance in life when our lives become significant to others.

It is my responsibility as a citizen to make my contribution toward peace. The world's population is made up of individuals and each person's conduct is vital to the well-being of all. I must become aware of the problems facing our world today. I must carefully guard and protect my own rights but I must be careful not to infringe on the rights of others.

Pollution is one of the biggest problems facing our nation today. It is a dirty business but it is everybody's business—yours and mine. It is time we stop blaming everybody else and start doing something ourselves.

It is also my responsibility as a good citizen to keep an alert mind—one not dulled by drugs or alcohol, and endeavor to have a sense of pride in myself and my country. If I lose my self-respect, I will lose my grip on life. Many of my fellow young citizens have thrown away their pride and self-respect by turning to drugs and alcohol, and committing terrible crimes. It is my duty to join with others and try to do something about this.

A thrilling part about living today is to witness the changes, discoveries, and improvements that occur. Since I was born into this world, man has burst out of the earth's atmosphere in to space. It is my duty to accept these changes wtih a broad and open mind.

This "good life" in my country is being threatened by many evil forces—corruption in political power, anti-American movements, drugs, crimes, wars, pollution, and many others. We can destroy our environment and heritage if we don't wake up!

I shall work to overcome these evil forces that threaten my country. I shall declare by word and deed my responsibility as a citizen for the world God made and for which my forefathers fought and died. I shall always show honor and respect for my country and flag and endeavor to work for righteousness, justice, mercy, and peace. I challenge everyone to join me and help save our heritage. This is my responsibility as a citizen!

TRIBUTE TO MARTIN LUTHER KING JR.

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1975

Mr. EDWARDS of California. Mr. Speaker, I am proud to join my colleagues today as a cosponsor of the resolution to establish the birthday of Martin Luther King, Jr. as a national holiday.

Dr. King while he was alive represented the hopes of millions of people of all races who sought to shrug off the yoke of injustice and oppression in this country. He selflessly endured repeated arrests, harassment, beatings and ultimately death in pursuit of his dream of justice for all Americans. Yet in spite of this suffering and abuse he never wavered from his philosophy of nonviolence toward his tormentors. He never rested in his struggle to replace hate and bigotry with love and understanding.

Today the memory of Martin Luther King, Jr., serves as an ideal for an America sorely in need of ideals. The social inequities against which Dr. King fought are largely still with us. Schools remain racially segregated, children in this counrty still go to bed hungry, and America's racial minorities remain as synonyms for poverty and discrimination.

To be sure, we have made progress since those first bus boycotts in Montgomery, Ala. Yet such progress must not be looked to as an excuse to let up on our efforts to create a society where people of all races have equal rights and opportunities.

I can think of no higher tribute to Dr. King than to set aside the date of his birth as an annual day of rededication to the ideals for which he lived and died.

THE CONSUMER PRICE INDEX

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 20, 1975

Mr. MOAKLEY. Mr. Speaker, for many years, the Consumer Price Index has been the single datum on which Congress and the administration have relied most heavily in setting increases in social security and other programs of Federal benefits.

However, in a period of runaway inflation of the sort we are currently experiencing, these figures become particularly unreliable in the case of senior citizens and, for that matter, all low-income families.

The reason for the increasing gap is that it is precisely those items which have been under the heaviest inflationary pressure, on which they expend the heaviest portion of their income. A study conducted by my office estimates that the current rate of inflation for senior citizens is now running at 15 percent, a full 3 points higher than the Consumer Price Index which will be used to compute increase in benefits.

I have therefore introduced legislation to require the Bureau of Labor Statistics to compile, in addition to the CPI, a "Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries."

This bill would require the Bureau to transmit this information in a report to Congress for the use of Members and committees in more accurately reviewing the level of Federal benefits programs such as social security, SSI, medicare, medicaid, and food stamps.

It would also amend the Social Security Act so that this Index would be used with respect to cost-of-living increases.

The Department of Labor has already conducted some investigation in this area and their studies have, in fact, been of considerable value to my office in the preparation of our own estimates of the gap between the CPI and the true inflation being experienced by the elderly. I am, therefore, confident that the Department could act quickly in implementing this legislation.

I consider this an important and worthwhile reform and I, therefore, wish to call this legislation to the attention of my colleagues.

Mr. Speaker, I insert at this point in the RECORD the text of this legislation:

H.R. 3449

A bill to provide for the monthly publication of a Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries, for use by the Congress in the determination of benefit increases under title II of the Social Security Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to provide the Congress with more realistic data to be used in formulating legislation with respect to older Americans, and in determining both statutory increases and automatic cost-of-living increases in benefits under the old-age, survivors, and disability insurance program, the Secretary of Labor, through the Bureau of Labor Statistics, is authorized and directed to prepare and transmit to the Congress, as part of or along with the Consumer Price Index published monthly by the Bureau of Labor Statistics, a consumer price index (to be known as the "Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries") designed to reflect specifically the relevant price information and inflationary pressures for individuals, as a group, who are sixty-five years of age or older or are otherwise entitled to monthly benefits under title II of the Social Security Act.

SEC. 2. (a) Section 215(i)(1) of the Social Security Act is amended—

(1) by striking out "prepared by the Department of Labor" in subparagraph (B); and

(2) by adding at the end therof (after and below subparagraph (C)) the following new sentence:

"As used in this paragraph and paragraph (2), the term 'Consumer Price Index' for any period means the Consumer Price Index prepared by the Department of Labor and published monthly by the Bureau of Labor Statistics or, if higher (for such period), the Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries."

(b)(1) Except as provided in paragraph (2), the amendments made by subsection (a) shall be effective with respect to cost-of-living increases made after the date of enactment of this section under section 215(i) of the Social Security Act.

(2) The amendments made by subsection (a) shall not be effective with respect to any cost-of-living increase made under section 215(i) of the Social Security Act if such increase is made with respect to a base quarter (as defined in section 215(i)(1)(A) of such Act) which occurs prior to the first calendar quarter for each month of which there is published by the Department of Labor (in accordance with the first section of this Act) a "Consumer Price Index for Senior Citizens and Other Social Security Beneficiaries".

KIWANIS CLUBS PROVIDE FREE FRESH FOOD FOR NEEDY ELDERLY

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. TALCOTT. Mr. Speaker, in the 16th District of California the spirit of neighborliness and self-help is exemplified by the Kiwanis Clubs and many people in our area who joined together and instituted a free food program for senior citizens caught in the food price spiral.

I commend the following article from the Kiwanis magazine to my colleagues and urge them to encourage the development of such "concerned citizen-actions" in their own districts.

The article follows:

KIWANIS DELIVERS

Friday is free food day for senior citizens of California's Monterey Peninsula who find themselves caught in the food price spiral.

Fresh vegetables and fruit are distributed to the elderly directly from the fertile fields of Salinas Valley and Fresno growers, thanks to the new 2½-ton truck donated by the Kiwanis clubs of Division 43, California-Nevada-Hawaii District.

Early in 1974 John Grissim, senior citizen's program director of Monterey County community services department and a former Carmel shop owner, conceived the idea of asking growers to donate surplus vegetables and fruit to the county's needy elderly citizens. The program has more than doubled in scope since then, and 1400 persons are now receiving free vegetables and fruit on a weekly basis. Those who can't come to the senior centers may have the produce delivered to their homes.

With such heavy demand, however, it wasn't long before the program's decrepit truck gave out. But recognizing the value of the program and its close fit with Kiwanis' major emphasis program "to enrich the lives of the aging," the twelve Kiwanis clubs of Division 43 came to the rescue and put up the money to buy a new truck.

This is the first time, according to immediate past lieutenant governor E. Howard Batt, that all Kiwanis clubs in the county have cooperated in such a project. It is expected that additional growers in Santa Cruz and Santa Clara counties will join in donating, and four volunteers are working as full-time drivers. Grissim believes that the program has been so successful that its chances of being adopted by other communities are very good.

TRIBUTE TO MRS. ELIZABETH KEE OF WEST VIRGINIA

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. EVINS of Tennessee. Mr. Speaker, I want to associate myself with the remarks of the distinguished gentleman from West Virginia (Mr. HECHLER) and other Members of the West Virginia delegation in paying a brief but sincere tribute to the memory of our former colleague, Mrs. Elizabeth Kee, who passed away recently.

Mrs. Kee was a competent, capable, and able legislator—and most personable—the first woman elected to Congress from her State. She served on the Committee on Veterans' Affairs and on the Committee on Interior and Insular Affairs, and was a skilled legislator who assisted in the preparation of important bills in the national interest. She was chairman of the Subcommittee on Hospitals of the Committee on Veterans' Affairs.

Mrs. Kee succeeded in Congress her late husband Representative John Kee, who was chairman of the House Committee on Foreign Affairs at the time of his death. Mrs. Kee, following her retirement, was succeeded by another member of this distinguished family, Representative James Kee.

Their combined careers covered a period of 40 years in the House and is believed to be the only time in history when a father, mother, and son served in the Congress.

Mrs. Kee and the other outstanding members of this great family have left their hallmark on the legislative history of the Congress, and we honor her memory for her great contributions to the growth and progress of our Nation.

MAN OF THE YEAR

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. WOLFF. Mr. Speaker, it is with great pleasure that I bring to the attention of my colleagues the Reverend Henry R. Kupsh, who was recently honored by the Chamber of Commerce of the Willistons as Man of the Year in Williston Park, N.Y.

Father Kupsh has served as a spiritual leader in the Long Island community over the past 35 years. He serves today as chairman of the Diocesan Commission on Ministry, as rector of St. Andrew's Church in Williston Park, as chaplain of the Williston Park Fire Department, as chairman of the Diocesan Committee on Canons, as a professor of liturgics and lecturer in polity and canon law at the George Mercer, Jr., Memorial School of Theology in Garden City, as a diocesan delegate to the Synod of New York and New Jersey, and as a member of the board of ethics of the town of North Hempstead. In the course of his long and distinguished career in service to the community, he has been often and justly honored by a grateful people; among his many honors, he has received the American Legion's Citation of Appreciation, the Kiwanis Club Distinguished Service Award, the Bishop's Award for Distinguished Service, and numerous citations and merit awards from the Long Island community.

I think it is appropriate, Mr. Speaker, to include in the RECORD the eloquent tribute that was paid to Father Kupsh by the village of Williston Park in honoring him as their Man of the Year. These words from a deeply appreciative community express better than any list of achievements the real and lasting contribution which Father Kupsh has made over the years in enriching the lives of the people he has served so selflessly. The village of Williston Park's tribute to the Reverend Henry R. Kupsh follows:

REV. HENRY R. KUPSH: A TRIBUTE

(By James J. Halpin, Former Trustee, Village of Williston Park)

In October, 1940, Reverend Henry R. Kupsh came to Williston Park. And through the years, he has enlarged our Village by his very presence.

He proved from the beginning that he was a strong man—taught us that to be strong, the strong must serve. With dignity and wisdom he has served his Church, our people, our Village and Town Governments and the Williston Park Fire Department as Chaplain for over 25 years.

He has been invited to appear—and has appeared—at hundreds of religious, political, service and social functions in Williston Park. He is always a welcome guest for he has charmed individuals and audiences alike. He has the ability to be "one-of-the-boys" without ever sacrificing the dignity of his high office.

He is revered by members of the Protestant, Catholic and Jewish Faiths. He transcended any one religion for he is a man of God who is close to the people because of his talent to seek out the needs of others without seeking reward. He has demonstrated that love and service bring us closer to others.

When he retires from the Ministry, and should he leave Williston Park, we will be poorer because of his absence, but rich in memory for having known one of the truly great men of our Village over the past several decades.

It is with love and affection that The Chamber of Commerce of The Willistons honors Reverend Henry R. Kupsh as Man of the Year in Williston Park. Not in payment, of, but in appreciation of, the great service he has rendered our Community.

LITHUANIA'S 57TH ANNIVERSARY

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. HUGHES. Mr. Speaker, I would like to take this opportunity to join with so many of my colleagues in urging the world to take note of the 57th anniversary of the Republic of Lithuania on February 16. For so many years, Lithuania has stood as an example of determination and courage in spite of the onslaughts by Hitler's Germany and Stalin's Russia.

Although the tragic events of the last 30 years have taken away Lithuania's independence, the United States has steadfastly maintained a policy of nonrecognition of the forcible annexation of Lithuania by the Soviet Union. It is my fervent hope that the Soviet Union will relax its grip on this brave nation to permit the resumption of all religious freedom and human rights so that these brave people may once again join the free world.

I would like to introduce into the RECORD, the following resolution from the Lithuanian-American Community of the United States of America, Inc., Newark Chapter:

RESOLUTION

We, Lithuanian-Americans of New Jersey at a meeting held on February 16, 1975, commemorating the 57th anniversary of the establishment of the Republic of Lithuania in 1918, unanimously adopt the following resolution:

Whereas in 1918 the Republic of Lithuania was established by the free exercise of the right of self-determination by the Lithuanian people; and

Whereas by the Peace Treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was a fully independent and sovereign nation, a member of the League of Nations, and a signatore of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17, 1940 invaded and occupied Lithuania by overwhelming force of arms, and subsequently, forcibly annexed the Lithuanian Nation into the Soviet Union; and

Whereas the Soviet Union has systematically conducted a policy of colonization, ethnic dilution and Russification within Lthuania; and

Whereas the United States Government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the seizure of Lithuania and forced incorporation into the Soviet Union; and

Whereas the people of Lithuania to this very day are risking and sacrificing their lives in defiance of the Communist regime in seeking political and religious freedom; and

Whereas the 89th U.S. Congress unanimously passed House Concurrent Resolution 416 urging the President of the United States to direct the question of the Baltic Nations status at the United Nations and other international forums, focusing attention on the denial of the rights of self-determination for the peoples of Estonia, Latvia, and Lithuania, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic people; now, therefore be it

Resolved that we, Lithuanian-Americans urge the President of the United States, members of Congress, and the United States Department of State to publicly reaffirm the United States Policy of non-recognition of the forceful annexation of the Baltic States by Soviet Russia, and to maintain that policy during all negotiations with the Soviet Union, especially, those concerned with the new Detente policy; and further

Resolved, to request the President of the United States to vigorously implement House Resolution 416 to the fullest extent; and further

Resolved, that copies of this resolution be forwarded this day to appropriate government officials.

KANSANS GIVE VIEWS ON ENERGY AND ECONOMY

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mrs. KEYS. Mr. Speaker, I believe that it is absolutely necessary for those of us in Congress to remain in close contact with the citizens we represent, especially during these months when we are making decisions on economic and energy policies which will affect our Nation for many years.

For that reason, I felt it was extremely worthwhile for Members of Congress to have the opportunity to return to their home districts last week and talk personally with their constituents.

For the same reason, I recently conducted a survey in my Second Congressional District, seeking individual opinions on some of the energy and economic issues before us.

The survey was conducted by the neighborhood home volunteers who assisted me in the recent election. I have asked these persons to continue to help me stay in touch with the residents of the district, and this survey was the first result of our joint efforts.

Each of my 166 home volunteers was asked to complete a questionnaire and give other questionnaires to three friends to complete. More than one-third of the questionnaires were returned, and the results, while hardly scientific, are nevertheless very informative.

For example, 75 percent of those responding said that lower tax rates would benefit their families more than a tax rebate. Fifty-seven percent said they would prefer a program of allocation and rationing as the best way to save fuel, while only 15 percent said they favored fuel conservation through higher prices.

The results of the entire questionnaire are as follows:

1. President Ford has proposed giving taxpayers a 12 per cent rebate on their 1974 taxes. This refund would come in two checks, one this Spring and one in the Fall. Some Congressional leaders have proposed a reduction in 1975 tax rates, including the withholding rate. Which would benefit your family more: the rebate or a reduction in tax rates?

a. Rebate, 56/25%.

b. Lower rate rates, 164/75%.

2. One of the purposes of either a tax cut or a rebate is to stimulate the economy by giving people more money to spend.

How would you spend your rebate?

a. Put in savings, 52/23%.

b. Pay bills, 113/50%.

c. Make new purchases, 59/26%.

How would spend your increased income resulting from a tax cut:

a. Put in savings, 53/23%.

b. Pay bills, 99/42%.

c. Make new purchases, 79/34%.

3. In order to reduce our national consumption of oil and dependence on foreign nations, President Ford has proposed a $3 per barrel increase in import fees on foreign oil. This would raise the price of gasoline up to 15 cents a gallon, and also increase the price of heating oil, propane, fertilizer and other petroleum products. Some Congressional leaders have proposed that quotas be placed on oil imports, with an allocation and rationing system to provide for essential needs. Which would you prefer as a fuel conservation program?

a. Higher prices, 32/15%.

b. Allocation and rationing, 125/57%.

c. Rationing, with the opportunity to buy limited amounts of additional gasoline at extremely high prices, 53/24%.

d. No opinion 11/4%.

TRIBUTE TO HON. JERRY PETTIS OF CALIFORNIA

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. EVINS of Tennessee. Mr. Speaker, certainly I was shocked and saddened to learn of the tragic passing last week of our colleague, Representative Jerry Pettis, of California, and I want to take this means of paying a brief but sincere tribute to the memory of this distinguished American.

Jerry Pettis served his district, State, and Nation faithfully and well during his 9 years in the Congress. He served on the Committee on Ways and Means and sought conscientiously to represent the best interests of the people in his work on this important committee.

He was a successful businessman and his knowledge and experience in business were most helpful in the committee's deliberations on tax matters.

Jerry Pettis was an able, personable, and genial colleague, and certainly he will be greatly missed. My wife, Ann, joins me in extending this expression of our deepest and most sincere sympathy to his wife, Shirley, and their children, in their loss and bereavement.

GOING HOME—A TRUE STORY

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. McFALL. Mr. Speaker, Americans from any nations form the backbone and strength and loyalty of our country. This is the American melting-pot tradition. And yet many Americans still retain fond ties with the old country, even if they know it only from the stories and reminiscences of their fathers.

A poignant story in this tradition has been written by one of my constituents, Mrs. Claire Sprague, of Stockton, Calif. Mrs. Sprague knew Ireland only by what she heard as a little girl from her father, until she went to County Cork herself at the age of 76. There, in the Irish tradition, she constructed a wayside shrine at the site of the old family homestead in memory of her mother who had died in America 70 years before.

Here is her story:

GOING HOME

(A True Story by Claire Kelly Sprague)

He was not a very tall man.

He had to stretch to reach his box of clay pipes, placed high on a shelf out of reach of his five children who delighted in using them to blow soap bubbles.

He was not a very rich man, from a material point of view. All his efforts went to keep the brood clothed and fed and warm in their tiny home in San Francisco.

His hands were scarred and beaten from years of manual labor in lumber mills and on carpenter's jobs. His right hand was missing one finger—gulped away by a planing machine the one day he neglected to put his St. Benedict medal on the machine at the beginning of his shift.

He was not a well-educated man. He had no college training, so studied at home. But he always followed current events and took part vigorously in the political battles he so dearly loved.

His shoulders were broad—perhaps forced to be that way by the double burden of earning a living in a foreign country and raising five children alone after his beloved wife, Mary (he called her Min), and their infant son died in San Francisco in 1903.

Above all he was Irish, which he felt made up for many other deficiencies. His oratory at political rallies charged the air and fired the imagination of the audience, who came partly for the free beer and baloney sandwiches and were swept away by the monologues that he offered, liberally quoting Shakespeare.

His children, too, listened, learned—and often wept—as he quoted the dramatists, practiced his speeches, or simply told stories about his native Galway. The words spilled from his lips as he borrowed from the depths of his memories to extol the green fields, elegant lakes and sparkling streams in a peaceful corner of Ireland. But the real message came through the sparkling of his eyes as he relived the glories of his youth in a land so far away. It seemed so different to the children, who had never seen anything but the streets of their native San Francisco. To the youngsters, listening and watching, indeed Ireland had to be a truly magical place.

It became even more meaningful as their father, sitting in his rocking chair on the front porch of their cottage at 142 Juniper Street in San Francisco and contentedly puffing on his clay pipe, asked them to sing the songs which told the stories of his homeland. Ballads from Thomas Moore—*The Harp That Once Through Tara's Halls, The Kerry Dancers, By Killarney's Lakes and Dells,* and *The Wearing of the Green.* But the ballad he requested most was *I'll Take you Home Again, Kathleen*—across the ocean wild and wide.

And to his children, the ocean seemed indeed wild and wide. Just to get to the right ocean was a long trip from San Francisco, and that had to be followed by an arduous journey on a big ocean liner. Above all, the cost made such a trip out of the question.

But, Bernard Kelly never ceased talking about his homeland and how he wanted to return for at least one visit before he died. He never made it.

Through the years of sitting by the rocker and hearing about the homeland and the people in it, the children developed an intense relationship with Ireland and a deep pride for its contributions and customs in music, poetry and beautiful traditions. They had heard their father say so many times, "Never forget the old country."

Memories remain, but times change. After jet aircraft had compressed the Atlantic Ocean into manageable shape, a visit by those children to "the old country" moved from the impossible category into a maybe status. By 1972, Barney Kelly's youngest daughter had raised four children of her own, had eleven grandchildren and five great grandchildren. She had lived through the frightening San Francisco earthquake, and two terrible world wars, plus Korea and Vietnam. She had worked a full life and had retired not once but twice. And while Ireland still seemed a long way away, the effort to carry out her father's exhortation to "never forget the old country" seemed to make it worth the effort. And so, that trip to Ireland her father never made became a mission for that little girl—now 76.

That is how the fabled Gaelic greeting "Cead Mile Failte!" (a hundred thousand welcomes) became a warm toast from never-before-seen cousins, rather than just a phrase quoted to the other school children on St. Patrick's Day or written in the corner of a Christmas card.

Ireland was indeed as beautiful and wonderful as it had been described by her father 65 years earlier. It was almost a feeling of deja vu as she wandered over the often described sites and sights, listening to explanations by relatives who before had merely been names in the front of the family Bible. And seeing places like Ballincurrig, Leamlara, Dundellerick, Carrigtwohill, Castle Lyons, Fermoy, Midleton. Visiting the National School where her mother had been taught and the tiny church in Lizgoold where her mother was baptized.

But most impressive of all was the site where her mother's family home had stood in Dundellerick. Standing there, she relieved the childhood of her mother, whom she really knew only through the words of her father since she had been but seven when her mother died.

It had been 69 years since her mother's death, and who knows how many years since the old house had deteriorated and its remains carted away. But the moss-covered stone fence was there, being guarded by violets, primroses and ferns. It took only a little Irish imagination to figure that these were the very same plants her mother had picked, and a poem was born.

A MEMORY OF IRELAND

There's a gypsy in my heels today,
  I'd like to travel far,
To visit a bit of Ireland
  And watch the Evening Star.

I'd drive along a narrow road
  O'er hung by ancient trees.
A road that seems to go nowhere,
  Flower fragrance in the breeze.

The wind would bundle up the clouds,
  Lush pasture then I'd see.
Sun-spotted woodlands everywhere,
  Parishoners on bended knee.

A countryside so green and bright,
  Refreshed by gentle rain.
A welcome there for me to stay,
  In the land from whence I came.

A noble fence, moss-covered now,
  Bright flowers growing near,
I'd stoop and pick a violet,
  Then shed a gentle tear.

The tears were not the salt of sorrow, but the expression of stirred emotions that bubbled forth from within. How great to be on family soil, in the "old country" her father had longed to revisit! Wouldn't it be something to capture this moment and cast it in stone so it would live forever? Wouldn't it be truly magnificent to share this thought with everyone who would come by this spot?

But the property on which her mother's home had stood no longer was owned by her family. Title was in the name of an Irish-born American businessman. Would he mind if a small wayside shrine were erected on the spot to honor the Blessed Mother in memory of another mother? Indeed, Irish ties to Ireland are strong and deep, and not only would there be no objection but he would provide the land for that purpose.

And so the shrine was built. On September 22, 1974 it was dedicated and blessed by Rev. Father Anthony Wilson of Lizgoold Parish, Cork, Ireland. Travelers come to rest and pray. Perhaps they read the inscription,

ERECTED
BY
CLAIRE SPRAGUE
OF CALIFORNIA,
IN MEMORY OF HER MOTHER,
MARY WARD

A few of them may even know the story of how the shrine came to be. But none of them can ever feel the real emotion of how that shrine was born.

Father, the "old country" is not forgotten. And never will be. "I'll Take You Home Again, Kathleen."

BIOGRAPHY OF MRS. CLAIRE KELLY SPRAGUE

Born June 30, 1896 at 142 Juniper St., San Francisco, CA.

Parents—Bernard Kelly, native of Galway, Ireland, and Mary Ward Kelly, native of Cork, Ireland.

Retired teacher—consultant in Stockton, CA schools. Also worked 8 years at University of the Pacific on staff of registrar's office.

Mother of 4 children, 11 grandchildren and 5 great grandchildren.

Memberships: National Retired Teachers Association, California Retired Teachers Association, California Alpine Club.

Delta Kappa Gamma—Hon. fraternity for women in education. Served as president of Tau Chapter in Stockton, CA.

National Association for American Pen Women. Served as president of Stockton, CA branch.

Biography is listed in:

Who's Who of American Women, Marquis & Co. 1970–1971.

The World Who's Who of Women 1973–74, Melrose Press, Cambridge and London, England.

PUBLICATIONS

Articles and poetry have appeared in:

California Math Council Bulletins.

The Instructor Magazine.

The Saturday Evening Post.

School Library Ass'n. of California Bulletins.

National Poetry Anthologies for Teachers & Librarians.

The American Bard Magazine.

Stockton Unified School Bulletins.

California Alpine Club Trails.

Co-Author of Fundamental Math Kit Handbook for Junior High School Teachers.

Rocking Chair Memories.

Cork Examiner, Cork, Ireland.

Pacific Historian, University of Pacific.
Ideals Family Cook Book, November 1974.
Ideals Christmas, December 1974.

J. LYMAN GOLDSMITH RETIRES AFTER 38 YEARS OF SERVICE

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. ROUSSELOT. Mr. Speaker, I am today introducing a resolution honoring J. Lyman Goldsmith who retired on December 26, 1974, as administrator of Career Education for the Los Angeles Unified School District.

Mr. Goldsmith made an outstanding contribution to the Los Angeles Unified School District during his 38 years of service. This contribution was recognized by his colleagues when he became president of the California Industrial Education Association and served as chairman of various committees of the American Vocational Association and the American Industrial Arts Association. In addition, Mr. Goldsmith received a number of awards from organizations such as the California Industrial Education Association and Epsilon Pi Tau, an international honor fraternity in industrial-vocational education.

On March 2, he is to be honored by his coworkers and associates at a function in California. I believe his dedication to vocational and career education also deserves the appreciation of this body, and I am introducing this resolution in order to bring his accomplishments to the attention of the Members of this House. The full text of the resolution follows:

RESOLUTION

Whereas, J. Lyman Goldsmith retired December 26, 1974 as Administrator of Career Education for the Los Angeles Unified School District, and

Whereas, during 38 years of distinguished service to the school district he also served as a teacher, consultant, supervisor and director in the area of career education, and

Whereas, he is recognized in California and the United States as one of the pioneers and prominent leaders in the field of career education, and

Whereas, he has served as a special consultant in career education to the State Department of Education, the Los Angeles County Schools, various school districts of the State, and business and industry, and

Whereas, he is past president of the California Industrial Education Association and served as chairman of various committees of the American Vocational Association and the American Industrial Arts Association, and

Whereas, he received recognition from his colleagues by being named recipient of three outstanding awards presented to industrial educators—the Ship Award from the California Industrial Education Association and the Laureate Citation and Honors Award from Epsilon Pi Tau, international honor fraternity in industrial-vocational education, and

Whereas, he is the author of several books and articles on the subject of career education,

Resolved, That it is the sense of the House of Representatives that appreciation and gratitude be expressed to J. Lyman Goldsmith for his contribution to career education and for his distinguished service to public school education through the Los Angeles Unified School District.

VOICE OF DEMOCRACY CONTEST

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. KRUEGER. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts a Voice of Democracy Contest. This year nearly 500,000 secondary school students participated in the contest competing for the five national scholarships which are awarded as the top prizes. First prize is a $10,000 scholarship, second prize is $5,000, third prize is $3,500, fourth prize is $2,500, and the fifth prize is $1,500. The contest theme was "My Responsibility as a Citizen."

The winning contestant from each State is brought to Washington, D.C., for the final judging as guests of the Veterans of Foreign Wars. The winner of this year's contest from the State of Texas is a young man from my home town of New Braunfels, Tex. I am honored to be able to recognize this outstanding achievement by Michael Muedeking Frueh. Mike is the son of Reverend and Mrs. Milton S. Frueh of 720 Laurel Lane in New Braunfels and is a junior at New Braunfels High School. He has served as drum major and vice president of the Lutheran League and has been very active in debate, choir, and band activities. Mike plans to attend either the University of Houston or the University of Texas at Arlington to pursue a legal career.

In order that my colleagues may be able to share Mike's speech, I wish to insert it in the RECORD. I think this speech is reflective of serious thought and concern indicative of today's young people. I hope each of you will join me in reading and reflecting on the thoughts that follow:

MY RESPONSIBILITY AS A CITIZEN

(By Michael M. Frueh)

The strongest chain is only as strong as its weakest link. This ironic and yet logical fact is true in physics as well as in the citizenship of a nation, for a nation derives not only its strength but its very existence from its citizens. A nation without citizens can be linked to a car with no driver. It cannot function alone. However, even if a nation had citizens, but those citizens felt no responsibility to her, the nation could not survive. While the car had a driver, if the driver did not have a key to start the engine, the vehicle would still not be able to function. A citizenship without the key of responsibility would fare no better.

I, as a citizen, have three links which incorporate the chain of citizenship itself.

The first link, or responsibility I learned was to my family. From my birth, my family looked after me. As I grew older, my responsibility to my family grew. I learned that the world did not revolve around me. I had to make sacrifices for the good of the majority, for the good of the family.

The family unit promotes an understanding of my fellow human beings. This understanding is necessary to get along with others to eventually fit into society as a whole. This early training is invaluable in the formulation of a life of American citizenship. That is one of the major reasons why the family institution is held in such high regard by the American people of today as throughout our history.

The second segment of responsibility, which I learned several years later, was toward my school activities. When I entered school, I called upon the ability to get along with others that I had acquired from my family. I was exposed to my peers and adults other than my parents. I realized after a few years that education was essential for an American citizen. Through studies of language, sciences, social studies, the arts, and mathematics, the importance of communication was brought forth.

The late President Lyndon Baines Johnson spoke of this nation as the Great Society in an address to Congress in 1964. This society revolves around communication. Try to imagine for a moment a world in which there was little or no communication of ideas. We could not recognize it. There would and could not be great nations like the United States of America. In all likelihood even tribal unity would not exist. The world would be made up of entities concerned only with self preservation. Each person would have to hunt or grow food for themselves. Communication allowed specialization in different fields of endeavor. As man worked for knowledge, knowledge worked for man. A nation prospers from knowledge, from communication, just as man has prospered.

The final link in the chain of citizenship which gives a nation backbone is work, whether in the form of a summer or after school job, or later on in life, a profession. Such service constitutes duties to my fellow man and my nation, for through this act the nation runs smoothly. The abilities of cooperation and communication which were learned earlier are necessary to be able to assist others. All jobs have the goal of assistance to society whether in the form of production or trade.

Today's young are tomorrow's leaders. Being the leaders of the future is a tremendous responsibility. I will be forced to make judgments which will concern this country of which I am a citizen. My decisions, coupled with the rest of tomorrow's citizens, will determine what course this nation shall pursue. I could not make those decisions without prior knowledge. That knowledge, or at least the foundation for it, must be learned now. In effect, my responsibilities for the future will be based on how well I meet my responsibilities of the present. Those responsibilities being understanding, communication, and assistance.

VERMONT'S "VOICE OF DEMOCRACY" WINNER

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. JEFFORDS. Mr. Speaker, I would like to share with you and with my colleagues Vermont's winning entry in the Veterans of Foreign Wars' Voice of Democracy contest. This speech was written by Marianne Kane of Barre, Vt. Miss Kane wrote her views on her responsibility as a citizen as a student at Spaulding High School.

In reading this speech, I was struck by two important thoughts. First, remembering the old adage—"how the twig is bent, so grows the tree"—I was reminded that habits of good citizenship are best learned when one is young. Second, each individual citizen must contribute to this democracy if it is to remain strong and vibrant. The quickest way to lose our democracy is to adopt the attitude that its maintenance is not "my responsibility" but "my neighbor's." I am sure that you will agree with me, Mr. Speaker, that Miss Kane already has learned these lessons. I commend to you her speech:

Speech by Marianne Kane

It happened in a freshman math class. The regular teacher was absent that day, and the substitute was a middle-aged man with a history of heart trouble. Probably the pupils weren't aware of this when they saw him clutch his chest, stagger to his desk, and collapse, but their ignorance hardly excuses what they did. They sat there and laughed at him.

This is a true story. It happened at my high school, among kids just a few years my junior, kids who will be voting, taxpaying American citizens in a very short while. If they reach the age of majority with the attitudes they have now, America is in trouble. That's why my peers and I have a responsibility right now to help these younger students grow into mature, concerned citizens. We are the older students they look up to, however furtively, and we influence them by the example we set, whether it be good or bad.

I want my example to be a good one, and I can start setting that example right now by plunging in and getting involved. I should participate in service projects in my school, my church, and my community, and I should do it with a cheerfulness that will make others want to be in my shoes.

Another good habit I should be developing now is the courage to speak up for my beliefs. Without freedom of speech, without citizens concerned about the welfare of the Union, there can be no real democracy. Our leaders can't represent us if they don't know what we need. We can all be voices of democracy. When I see injustice going unnoticed, I have a duty to reveal it to my local newspaper readers and to my Congressman.

But more importantly, I must be certain that I maintain a healthy respect for the law. Crime is becoming a sport among too many young people, and their peers are offering them no discouragement. I should be doing something, not only to strengthen popular feeling on the side of the law, but to help provide these people with constructive alternatives to delinquency. Their lives are most easily changed while they are young But still, I must honor my obligation to report anyone I witness breaking the law. To do less than this is cowardice.

After I leave the high school environment to enter college, I will face new challenges. Suddenly I will be in the middle of a wealth of knowledge, and I will have an obligation to make myself the most educated, productive citizen I can be. But more importantly, by the time I reach college I will be eighteen years old. I will have a responsibility to become a registered voter promptly, and to use this privilege whenever I can. But being a registered voter can also mean being responsible for the payment of poll taxes, or being eligible to serve jury duty, and I will need to prepare to accept these obligations as soon as I can. And when I am 18, I will also be presented with some new privileges that are forbidden to me now. With them will come the responsibility to examine each one in the light of my own convictions, and to abnegate those privileges I feel are wrong. Whenever the government gives me a freedom I don't believe I should have, I have a duty to let my own conscience be the final judge.

After my college years, I will probably become a wife and mother. That is the biggest responsoibility of all. I will want to be sure that my family is happy and secure, because the family is still the foundation of American society. If the American family falls, the nation must fall with it. And it's shameful that at a time when we need problem-solvers more than ever before, broken homes are producing broken people whose resources are barely adequate to solve their own problems. That is why when I am a mother, I will have an obligation to raise children who are good citizens, even at the expense of my own plans for "self-fulfillment". I will teach them to be thrifty, to be industrious, to be good neighbors. This means showing them by example that it's not right to scramble and hoard every time someone raises the cry of "shortage"!, that it's not right to waste what can be used. I will want them to comprehend what it means to live in a country where people are free to live, to worship, and to exercise their freedoms as they choose. I will want to instill in them the pioneer spirit that brought the first English settlers to the new world.

This is an awesome and humbling challenge. To meet it I must begin preparing now, and making fine and fancy phrases will help me only superficially, if at all. I should develop my talents, but right now it's more important that I develop mature, responsible attitudes. With my talents I may one day work to shatter apathy in others, to make them care what happens to their country and their world. But right now I have some battles to win within myself. I must conquer my own weakness and selfishness before I can urge others to do the same. All my responsibilities are more than can be numbered in the few words I've written. This is only the beginning; I have a long road to travel.

THE PLIGHT OF MIKHAIL LEVIEV

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. DRINAN. Mr. Speaker, I would like to bring to the attention of my colleagues the third section of a three-part legal brief on behalf of Mikhail Leviev, a Soviet Jew who has been sentenced to death:

The Plight of Mikhail Leviev

D. THE DEATH PENALTY DECREED UPON LEVIEV MUST BE COMMUTED BECAUSE SUCH PENALTY HAS BEEN UTILIZED SELECTIVELY AGAINST JEWS, IN GENERAL, AND, MORE SPECIFICALLY, AGAINST THOSE JEWS WHO HAVE APPLIED FOR EXIT VISA TO ISRAEL

The disproportionate element of the sentences imposed herein, in conjunction with the selective enforcement of the death penalty against Mikhail Leviev, evidences a clear and uncontrovertible discriminatory propensity, on the part of judges in the Soviet Union, against Jews, in general, and those who have applied for exit visas to Israel, in particular.

Both in the charge sheet and, later, in the official verdict issued at the culmination of Leviev's trial, the Defendant is referred to as a "non-party Jew." Leviev's background indicates an interest in Jewish matters and Israel. In fact, his prior criminal record related to the fact that Leviev toasted the State of Israel.

When the four defendants in the Leviev case were sentenced, prejudice and discrimination toward Jews became apparent. Binyayov was sentenced to five years in prison; Kulikova to eight years; and Selivanov to nine years. Each of said individuals is a non-Jew. Leviev, the only Jew amongst the Defendants, received a sentence of death by shooting. The Soviet Union should not be shocked or surprised if, through the disparate sentences imposed in the Leviev case, the world has concluded that Leviev received the death sentence solely because he is a Jew.

Although we in the United States are not privy to statistical information relating to the perpetration of crimes and the imposition of sentences upon criminals in the Soviet Union, it must be assumed that thousands of economic crimes, for which death is an authorized punishment, are committed annually in Russia. Clearly, the sentence of death is inflicted in only a small fraction of these cases.

In 1967, the President's Commission on Law Enforcement and Administration of Justice stated that—

"There is evidence that the imposition of the death sentence in the exercise of dispensing power by the courts and the executive follow discriminatory patterns. The death sentence is disproportionately imposed and carried out on the poor, the Negro and the members of unpopular groups. The President's Commission on Law Enforcement and Administration of Justice, *The Challenge of Crime in a Free Society*, 143 (1967)."

Legal scholars view the impact of the death penalty as "demonstrably greatest among disadvantaged minorities;" and such disproportionate impact is to be explained "only by racial, economic or social discrimination." Goldberg and Dershowitz, "Declaring the Death Penalty Unconstitutional," *supra*, at 1792–1793. Also see, Hearings on S. 1760 before the Subcommittee on Criminal Law and Procedures of the Senate Committee on the Judiciary, 90th Cong., 2d Sess., at 11 (statement of M. DiSalle) (1968). As expressed by Justice Thurgood Marshall, it is—

"The members of minority groups who are least able to voice their complaints against capital punishment. Their impotence leaves them victims of a sanction that the wealthier, better-represented, just-as-guilty person can escape. So long as the capital sanction is used only against the forlorn, easily forgotten members of society, legislators are content to maintain the status quo, because change would draw attention to the problem and concern might delevolp." *Furman v. Georgia, supra*, at 366.

Although Jews in the Soviet Union are least able to voice their complaints against capital punishment, mankind throughout the world feels compelled to clarion its protest against the selective enforcement of the death penalty against such Jews. Thus, the Soviet Union should not treat the arguments presented in this brief merely as a representation of a minority view. It is the *world* which has been shocked and which cannot countenance the selective enforcement of criminal penalties and the disproportionate sentencing which is currently taking place in the Soviet Union. The Soviet Union must act positively and forthrightly in response to this justified public outcry.

In a study prepared on behalf of the Journal of International Commission of Jurists, the staff conducting said study concluded (at 45):

"It is . . . clear that there has been an insidious and sometimes subtle propaganda campaign directed against the Jewish people of the Soviet Union, specifically against those charged with economic crimes and also against the supposed general characteristics of Jews that have been reiterated for centuries. If the reports of trials for economic crimes are even reasonably complete, the number of Jews receiving death sentences and severe terms of imprisonment is greatly disproportionate to their number as a minority group.

"[I]t is a tragedy for the Soviet Jewish people that they have been the scapegoat for the transgressions of those whose guilt it would be dangerous to make public. They are the victims of the "highest interest of State" . . . .

"The latent anti-semitism in the USSR is possibly being used by the Soviet authorities as a weapon to render unpopular economic offenses which appear to be rampant. This is probably the most charitable view which can be taken of the apparent anti-semitism which seems to have influenced Soviet policy. . . . Anti-semitism represents the most dangerous form of racialism in the world; no question of expediency can ever justify its use as a political, social or economic weapon."

It must be stressed that, in the authors' view, the Soviet Judge is not the only source of the disparity and discrimination in the imposition of sentence. See, S. Rubin, "Disparity and Equality of Sentences—A Constitutional Challenge," 40 F.R.D. 55, 59 (1966). An additional source of discrimination evolves from the Soviet penal codes. While Article 21 of the Criminal Code of the RSFSR, which Article includes the punishments which "may be applied to persons who commit crimes," fails to include the punishment of death, other Articles, e.g. 87 and 88, allow for the imposition of a death sentence with regard to the passing of counterfeit money or securities and the violation of rules for currency transactions. Presumably, the inconsistency of these provisions relates to the characterization of such crimes as "especially dangerous crimes against the State" and, hence, their inclusion in the "Special Part" section of the Soviet Criminal Code.

More importantly, an ability on the part of prosecutors to discriminate against individual defendants is built into the Criminal Code through the creation of distinct crimes, all having significantly different penalties, within a narrow ambit of economic criminal activity. For example, if one were accused of smuggling gold out of the Soviet Union, he could be charged, *inter alia,* under: a) Article 78 for smuggling (with a penalty of three to ten years); b) Article 88 for violation of rules for currency transactions (death with confiscation of property); c) Article 89 for stealing of State or social property, committed by theft (fifteen years with or without confiscation of property); d) Article 90 for stealing of State or social property, committed by open stealing (deprivation of freedom for a term not exceeding seven years); e) Article 92 for stealing of State or social property, committed by appropriation or embezzlement or by abuse of official position (six to fifteen years with or without confiscation of property); f) Article 93 for stealing of State or social property, committed through swindling (five to fifteen years); g) Article 93–1 for stealing of State or social property on an especially large scale (death with confiscation of property); h) Article 153 for private entrepreneurial activity and activity as commercial middleman (five years); i) Article 154 for speculation (two to seven years with confiscation of property); and/or j) Article 154–2 for buying up, selling, and exchanging currency or securities on a small scale (deprivation of freedom for a term not exceeding one year).

The inequitable punishment, and potential discriminatory practices, resulting from the existence of multitudinous criminal statutes pursuant to which an individual may be charged call into question the fairness of the economic criminal charges against Leviev. Judges and public prosecutors, alike, in the Soviet Union, as well as in certain other countries, are subject to extra-legal and/or judicial pressures. These individuals cannot be impervious to the general policies of the Government, and, in the case of the Soviet Union, those views of the Communist Party, "expressed in 'campaigns' against particular types of criminal activity and in party directives on law and law enforcement." Berman, *Soviet Criminal Law and Procedure,* 1st ed. (1966), 102. A necessary consequence of such "campaigns" and "directives" is that the decisions relating to the sentences, recommended by the prosecutor and assessed by the judges, are affected.

The requirement that a court must be 'impartial" needs little amplification. This requirement is a universally accepted doctrine," Scott, *Deuxieme Conference Internationale De La Paix: Actes et Documents* (1907), page 7, which doctrine is recognized in the 1960 Law on Court Organization of the Russian Soviet Federal Socialist Republic. This law provides that "judges and people's assessors in administering justice shall be independent and subordinate only to the law." (Article 7). See, generally, Harris, "Right to a Fair Trial in Criminal Proceedings as a Human Right." 16 International and Comparative Law Quarterly 352, 355 (April 1967).

It is the Procurator General's responsibility, pursuant to Article 14 of the 1955 Statute on Procuracy Supervision, to—

"Receive and examine petitions and complaints of citizens concerning violations of the law, to verify such petitions and complaints within a certain time, and to take measures to restore the violated rights and to protect the lawful interests of the affected citizens. Berman, *Soviet Criminal Law and Procedure."* Harvard University Press: Cambridge, Massachusetts, 2nd. ed. (1972), 102.

In the case at bar, Leviev and his attorney have repeatedly and vigorously complained of the selective enforcement of the economic criminal statutes in question and the disproportionate sentence meted out to him. Fairness and humane considerations, alone, dictate that the Procurator General, pursuant to Article 14 of the 1955 Statute, investigate these charges of discrimination. Subsequent to his verification of the existence of such discrimination and disproportion in sentencing, the Procurator General should announce his findings to the Supreme Court of the Soviet Union and convince the Court to commute Leviev's sentence to one more appropriate for the type of crime allegedly perpetrated by him and consonant with the sentences imposed upon his co-defendants.

V. CONCLUSION

For all of the reasons stated above, it is urged that the Procurator General immediately bring the illegal detention of Leviev, the possible improper procedures which permeated the Leviev trial, and the discriminatory and selective enforcement of the death penalty upon Leviev, all of which have been discussed, *supra,* to the immediate attention of the Supreme Court of the Soviet Union. The Procurator General should suggest that the charges brought against Leviev be dismissed or, in the alternative, that his sentence should be commuted.

At the same time, it is urged that the Procurator General conduct an extensive review of the international law, scholarly comment and statistics, both within and without the Soviet Union, relating to the imposition of the death penalty for the purpose of bringing before the Supreme Soviet and/or the Presidium specific legislation for the general abolition of said penalty and, more particularly, the abolition of said penalty with regard to economic crimes, in accordance with the provisions of Article 23 of the 1960 Criminal Code of the RSFSR.

The eyes of the world are focused upon the Soviet Union at this Eleventh Hour. The Soviet Union has a duty to mankind, and to the concept of fairness and justice inherent in all societies, to prevent the outrageous and senseless killing of Mikhail Leviev. The world awaits your reply.

COMMUNITY NURSE PRACTITIONERS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. SCHEUER. Mr. Speaker, an interesting article in the February 2 issue of the Sunday magazine, Parade, tells how registered nurses are branching out from their traditional role and taking on new expanded functions. In New York State, for example, a group of nurses known as community nurse practitioners are available to provide health care in a large housing complex. They are on call for home visits 24 hours a day and provide free counseling on the telephone. This is just one of the innovative methods that nurses are using to help fill the gaps in health care in this country and provide improved patient services.

Mr. Speaker, I place the article from Parade magazine in the Record:

[From Parade magazine, Feb. 9, 1975]

Today's Nurse Wants More—for Herself and Her Patients

(By Pam Proctor)

Alison Randall represents a new militant generation of nurses. In defiance of tradition, she shows up for work wearing an Indian smock, skirt and sandals. And she sees herself in a revolutionary role: not as a doctor's handmaiden, but as a defender of her patients against the medical establishment.

When one of her patients at New York's Montefiore Hospital suffered severe chest pains recently, Alison immediately called the doctor, who told her he'd be there within three hours. Nearly three hours later, the patient had another attack and cried out for the doctor, Alison paged him again.

He breezed into her ward enraged that she had bothered him a second time. "I'll decide when I will see my patients," he told her gruffly. Twenty-three-year-old Alison looked him in the eye and said firmly, "In my judgment, it was important to discuss the patient's pains right away, and the patient wanted to see you." Alison says bluntly, "The patient is paying the doctor. It should be her right to see him when she wants to."

Nurses like Alison are shaking up the nursing profession across the country by getting more aggressive in protecting patient's interests. One of the most direct new ways is by setting up private nursing practices to offset impersonal medical care.

DON'T GET UP

Other nurses are beginning to fight for patients within traditional hospital channels. The first tactic of these nursing guerrillas is to assert their equality with doctors. When a doctor walked into a hospital room 10 years ago, the nurse automatically stood up to give him her seat. Today nurses sit tight.

"Nurses have been running their tails off and have as much right to be sitting down as doctors," says nursing instructor Jean

Goode of the Muhlenberg Hospital School of Nursing in Plainfield, N.J. "I teach my students that nurses are not doctors' assistants, but patient advocates," says Jean.

"In the past the subordinate relationship of the nurse to the doctor has sometimes interfered with the nurse's ability to give good care," says Georgia Reich, the evening head nurse at Long Island College Hospital's intensive care unit. "Many nurses were hesitant to make suggestions to the doctor because they felt they'd be stepping out of their woman's role."

THE ORGANIZATION

Another target of the nurses' new militancy is the hospital administrator. One of the main complaints voiced by nurses is that poor hospital organization prevents them from treating patients as human beings. Take the situation confronted by 21-year-old Sophie Plaza, who last year graduated at the top of her class from Muhlenberg Hospital School of Nursing. As a student, she was able to devote all of her time to two patients. She gave them complete physical care from head to toe and provided emotional support by talking over their problems.

Now that she's working, she doesn't have time for this kind of attention. She's part of a nursing team that rotates duties. Some days it's her job to give out all the medications to the 40 patients on the floor.

"I was on medication duty for four days straight," says Sophie ruefully. "I felt like a robot. I came in, gave them a pill, and went to the next patient." Since all the medications had to be dispensed within an hour because of the patients' regimens, she had no time to stop to comfort a crying patient or answer someone's request for a box of tissues.

ON STRIKE 4,400

Sophie's sense of powerlessness over the quality of patient care may soon be a thing of the past as nurses capitalize on a powerful weapon—the strike. A good example is last year's three-week strike of 4400 registered nurses in northern California, which was triggered by demands for greater leverage in hospital administration to protect patients.

As a result of the strike, the California nurses won the right to help determine staffing patterns and nurse-patient ratios in 42 area hospitals. More union actions like this may be forthcoming. Recent revision of the Taft-Hartley Act opened the door to collective bargaining to nurses in the nation's private non-profit hospitals, clinics and nursing homes.

What will hospitals be like when nurses get more power? The model of nursing care for the future, according to many experts, is Montefiore Hospital's Loeb Center for Nursing and Rehabilitation in the Bronx, N.Y. Founded 12 years ago by a pioneering nurse, Lyria Hall, Loeb is an 80-bed extended care unit which admits patients during the recuperative phase of their illness.

Although physicians check up on their patients and order medications, nurses are in charge of Loeb, where they have abolished rigid routines. Patients decide when they will bathe, eat and sleep. If a patient wants to sleep until noon and stay up until 3 a.m. playing cards, he can. "Patients are not just disease entities who come into the hospital for repairs," says Genrose Alfano, director of Loeb. "They are people with a whole life-style."

The aim of Loeb is to meet the total needs of each patient—emotionally and physically. Accordingly, Loeb is staffed exclusively by registered nurses who have a broad background in psychological and clinical problems, rather than by Licensed Practical Nurses or nurses' aides. Since each nurse is assigned only eight patients, she has time to get to know their personal problems.

This concern for total care can be crucial to the patient, as Robin Isaak, a 23-year-old nurse at Loeb, found out in a poignant encounter with a dying woman. Robin gave the elderly patient a chance to express her thoughts and emotions.

CARE FOR A PATIENT

"She spoke a lot about dying, and how peaceful it would be," said Robin. "She even described the cemetery site where she would be buried." As the woman's illness became more advanced, "we had a lot of non-verbal communication, like just holding hands," said Robin. "Even when she was comatose, I held her hand, and she clutched mine," the dark-eyed young nurse explained. "It really choked me up."

But after the woman died, Robin felt positive about the experience. "I felt that I helped this patient die a death she wanted in a way that she would want," said Robin.

There have been some encouraging developments for nurses outside the hospital, too. Three nurses in a private group practice in a Manhattan housing complex, for example, have filled the gap left by doctors who don't make house calls and don't spend sufficient time talking over their patients' problems. The nurses in the group, known as Community Nurse Practitioners, are on call 24 hours a day and make home visits at a moment's notice.

The speedy response of the three nurses to emergencies and routine problems has attracted more than 200 active patients to their practice. Another popular feature of the group is the free counseling on the phone and a modest fee for home visits—$2.50 for every 15 minutes, up to $10 an hour.

"Nursing involves more than merely doing technical tasks like giving a bath," says Jocelyn Greenidge, one of the nurses in the group practice. "It also involves being aware of what's going on in the patients' lives, to help give them a sense of total well-being."

In one case, Jocelyn stepped into the role of a social-worker and intervened in a financial matter to relieve a patient's worries.

Although under the law nurses cannot diagnose disease or prescribe medication, they can independently take steps to prevent a patient's condition from deteriorating. One elderly man, for example, called Jocelyn for help in taking a bath, because he was feeling weak and listless. During the visit, she learned from his wife that he had been taking a heart medication for four years. "I took his pulse," said Jocelyn, "and found that it was 52," which is below the lower limit recommended for the drug. She immediately told his wife to stop giving him the medicine and to contact a physician. "The man's wife was never shown how to take his pulse," said Jocelyn, who taught her the simple procedure on the spot.

Teaching patients to raise questions about their medical care is one of the aims of Sally Langendoen, a nurse who broke away from the traditional hospital environment to set up a natural childbirth course in her Brooklyn, N.Y., brownstone.

YOUR OWN CHOICES

"The big thing I push is options," says Sally. "I get the patients to look at the objective facts about their medical care, make their own decisions, and lobby for them."

Sally's practice has grown over the past three years through referrals from doctors and patients. One group of Brooklyn doctors who had set up a course in childbirth education abandoned it and now refers patients to her.

If all these experiences of the newly agressive American nurse suggest a trend, we can anticipate a new era in health care, when the nurse will be a partisan for her patients, instead of a mere functionary blindly loyal to the medical bureaucracy.

SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS ANNOUNCES HEARINGS ON VOTING RIGHTS ACT EXTENSION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 21, 1975

Mr. EDWARDS of California. Mr. Speaker, the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary today announces voting rights extension legislation on Tuesday, February 25, 1975, at 10 a.m. in room 2141 of the Rayburn House Office Building. The subcommittee will be considering a number of legislative proposals for extension—including H.R. 939; and others, H.R. 2148, H.R. 3247, and H.R. 3501—and requests that all parties interested in submitting statements for the record contact the Subcommittee on Civil and Constitutional Rights at 2137 Rayburn House Office Building, Washington, D.C. 20515; 202—225–1630.

It is expected that hearings will be continued through mid-March and the tentative dates and hearings are as follows:

TENTATIVE LISTS OF HEARINGS ON VOTING RIGHTS EXTENSION

Tuesday, Feb. 25, Room 2141, Hon. Peter W. Rodino, Jr. (D-NJ), Arthur S. Flemming, Chairman, United States Commission on Civil Rights.

Wednesday, Feb. 26, Room 2237, Hon. Andrew Young (D-Ga). Hon. Charles Rangel (D-NY). Hon. Barbara Jordan D-Tex).

Monday, March 3, Room 2237, James Harris, President, National Education Association, 1201 16th Street, N.W., Washington, D.C. 20036. Eddie N. Williams, President, Joint Center for Political Studies, 1426 H Street, N.W., Suite 926, Washington, D.C. 20005, John Lewis, Executive Director, Voter Education Project, 52 Fairlie Street, Atlanta, Georgia 30303.

Tuesday, March 4: Room 2237, Hon. Edward R. Roybal (D-Calif). Herman Sillas, 4814 Roundtop Drive, Los Angeles, California. Richard Avena, Regional Office, U.S. Commission on Civil Rights, 106 Broadway (Room 231), San Antonio, Texas 78205.

Wednesday, March 5, Room 2141, Attorney General of the United States.

Thursday, March 6, Room 2237, The Reverend Theodore M. Hesburgh, C.S.C., President, Notre Dame University, Notre Dame, Indiana 46556. Howard A. Glickstein, Director, Center for Civil Rights, University of Notre Dame. Armand Derfner, Esquire, P.O. Box 608, Charleston, South Carolina.

Wednesday, March 12, Room 2237, Dr. Aaron E. Henry, Mississippi State Conference of the NAACP, 213 4th Street, Clarksdale, Mississippi. Roy Wilkins, Chairman, Leadership Conference on Civil Rights, 2027 Massachusetts Avenue, N.W., Washington, D.C. 20036.

Thursday, March 13, Room 2237, Dr. Charles Cottrel, St. Mary's University, 2700 Cincinnati, San Antonio, Texas 78228. Modesto Rodriguez, P.O. Box 711, Pearsall, Texas 78061. George Korbel, Esquire, 166 East Superior, No. 1201, Chicago, Illinois 60611.

Monday, March 17, Room 2237, Charles Morgan, Jr., Director, Washington Office, American Civil Liberties Union, 410 1st Street, S.E., Washington, D.C. Jim Drake, UFW, 1433 West Olympic Boulevard, Los Angeles, California. J. Harold Flannery, Law-

yer's Committee for Civil Rights Under Law, Suite 520, 733 Fifteenth Street, N.W., Washington, D.C. 20005.

Wednesday, March 19, Room 2237, Mrs. Ruth C. Clusen, President, The League of Women Voters of the U.S., 1730 M Street, N.W., Washington, D.C. 20036. The Most Reverend P. F. Flores, 1114 Willow Street, San Antonio, Texas. Vilma S. Martinez, General Counsel, Mexican American Legal Defense and Education Fund, 145 9th Street, San Francisco, California 94103.